

State of Nevada

Annual Comprehensive Financial Report

For the Fiscal Year Ended
June 30, 2020

State Controller
Catherine E. Byrne, CPA



STATE OF NEVADA

Annual

Comprehensive

Financial

Report

**for the Fiscal Year
Ended June 30, 2020**

**Catherine E. Byrne, CPA
State Controller**



Catherine Byrne, CPA

Nevada State Controller

Catherine has worked her entire career in accounting, tax and audit work for a variety of public and private companies, not-for-profit and government entities. She is an expert in governmental accounting and financial reporting.

While working and raising a family, Catherine persevered to complete her education, and in 1997 she graduated from California Lutheran University, earning a Bachelor of Science in Accounting. She gained experience with audits of public companies and earned her California CPA license in 2000. She is experienced in human resource management, payroll and accounts payable; debt collection and accounts receivable; federal grants and contracts accounting; major systems implementations and financial reporting using standards established by Governmental Accounting Standards Board (GASB). She is currently licensed in California and Nevada.

In 2012, she started working for the Nevada State Controller's Office in the financial reporting section which prepares the State's Annual Comprehensive Financial Report (ACFR). In her position, she was responsible for monitoring the financial transactions of several large agencies in the State.

She is a member of the Association of Government Accountants (AGA), the Government Finance Officers Association (GFOA), the National Association of State Comptrollers (NASC), and Nevada Society of CPAs. She is a 2017 graduate of Emerge Nevada.

Catherine was born in San Diego, California. Her father served in the United States Coast Guard and her mother was a retired nurse. After her father retired, the family settled in Oxnard, California where she lived for over 35 years. She moved to Nevada in 2011.

Catherine has one son who is serving in the United States Air Force. He is stationed in Washington D.C. In her spare time, you can find her enjoying the outdoors with her two dogs exploring Nevada's state parks.



State of Nevada

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OFFICE OF THE
STATE CONTROLLER

May 21, 2021

To the Citizens, Governor and Legislators of the State of Nevada:

I am pleased to present the Annual Comprehensive Financial Report (ACFR) for the State of Nevada's fiscal year ended June 30, 2020, in accordance with Nevada Revised Statutes (NRS) 227.110 and the State Accounting Procedures Law (NRS 353.291 through 353.3245). The objective of this Report is to provide a clear picture of the government as a single, unified entity, in addition to traditional fund-based financial statements.

Responsibility: The Controller's Office prepares the State of Nevada ACFR and is responsible for the accuracy, completeness, and fairness of the presentation, including disclosures. To the best of our knowledge and belief, the information contained in the State of Nevada ACFR is accurate in all material respects and is reported in a manner that fairly presents the financial position and results of operations of the State's primary government and the component units for which it is financially accountable. Additionally, this report includes all disclosures necessary to enable the reader to gain a reasonable understanding of Nevada's financial activities.

Accounting Principles Generally Accepted in the United States of America: As required by State Accounting Procedures Law, this report has been prepared in accordance with generally accepted accounting principles (GAAP), applicable to State and Local Governments as established by the Governmental Accounting Standards Board (GASB). The State also voluntarily follows the recommendations of the Government Finance Officers Association (GFOA) for the contents of government financial reports and participates in the GFOA's review program for the Certificate of Achievement for Excellence in Financial Reporting.

Internal Control Structure: The State of Nevada has established a comprehensive internal control framework designed to both safeguard the government's assets against loss from unauthorized use or theft, and to properly record and adequately document transactions. As a result, the transactions can be compiled into the presentation of the State's financial statements in conformity with GAAP. Since the cost of internal controls should not outweigh their benefits, the State's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement.

Many of our essential control features are decentralized. Hence, the State relies upon the controls in place within its various departments and agencies. NRS 353A.025 requires the heads of agencies to review their internal controls on a periodic basis to determine if agencies are following the Uniform System of Internal Accounting and Administrative Controls adopted pursuant to NRS 353A.020. On or prior to fiscal year end of even-numbered years, agencies are required to report the status of their internal controls to the Division of Internal Audit.

Independent Auditors: The independent accounting firm of Eide Bailly LLP, in conjunction with other independent audit firms, has audited the accompanying financial statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. The goal of the independent audit is to provide reasonable assurance that the financial statements of the State of Nevada are free of material misstatement. Eide Bailly LLP's opinion appears in the Financial Section of this publication.

Single Audit: Federal regulations also require the State to undergo an annual Single Audit in conformity with the provisions of the Single Audit Amendments Act of 1996 and the United States Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements. Information related to the Single Audit, including the schedule of expenditures of federal awards, audit findings and recommendations, a summary of prior audit findings, and auditors' reports on internal controls and compliance with applicable laws and regulations are issued in a separate report.

Management's Discussion and Analysis: GAAP requires management to provide a narrative introduction, over- view and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The State's MD&A can be found following the independent auditor's report.

Profile of Government

Background: The Nevada Territory was created by Congress on March 2, 1861, and its boundaries were subsequently expanded eastward in 1862 and eastward and southward in 1866. On October 31, 1864, President Lincoln proclaimed Nevada's admission to the Union as the 36th state. The State's first elected Governor, Henry Blasdel, took office on December 5, 1864. Nevada is largely desert and semiarid and predominately within the Great Basin. Much of southern Nevada is in the Mojave Desert. Lake Tahoe and the Sierra Nevada ridge lie on the northwestern edge. Approximately 84 percent of Nevada's 70,264,320 acres is federally owned. Federally owned property is used by the Department of Defense, Bureau of Land Management, forestry, and national park service. Over one million acres is tribal land and is home to 27 recognized tribes. Nevada has sparsely populated open range and national forests. More than 90 percent of Nevada's 3.1 million residents live in one of two distinct urban population centers: The Reno/Sparks/Carson City area near Lake Tahoe in the northwest and Clark County at the southeastern tip. The Las Vegas Strip (The Strip) is in Clark County and not part of the incorporated City of Las Vegas.

Nevada Economy: Nevada does not have personal income tax. Nevada has offered a continuous legal market for gaming since 1935, which imposes taxes to finance a share of public services. Historically, Nevada relied heavily on the gaming and mining industries. The decade before the outbreak of COVID-19, Nevada had worked to diversify the economy by expanding beyond the gaming industry, mining industry, and tourism and hospitality. Today, government services are funded by several revenue sources to include gaming, sales taxes, motor vehicle taxes and a variety of direct and indirect taxes on businesses.

The major industries in Nevada are tourism and hospitality, gambling, mining, science and technology services, health and social services, construction, and retail trade. Job growth, taxable sales, unemployment rate, and gaming win are indicators used to assess the health of Nevada's economy. Other economic indicators used include Las Vegas and Reno visitor volume and room occupancy rates.

Structure: As shown in the Organizational Chart the State government is divided into three separate branches: legislative, executive, and judicial. The State operates under a constitution which can be amended only by the vote of the State's citizens, Legislature or by citizen initiatives. The government provides a full range of services for its citizens including education, health and social services, highway construction and maintenance, law enforcement, public safety, business regulation, and resource development. The State also provides significant financial support to its higher education institutions, local governments, and school districts to help meet the specific needs of their constituents.

Reporting Entity: The State of Nevada, as the reporting entity, conforms to the requirements of GASB Statement No. 14 and No. 34 as amended by GASB Statement No. 61. The accounting and reporting principles reflected in these statements are based primarily upon the fundamental concept that publicly elected officials are accountable to their constituents, and to distinguish between the primary government and its component units. The State's legally separate component units include the Nevada System of Higher Education, Colorado River Commission, and Nevada Capital Investment Corporation. In addition, the Nevada Real Property Corporation is reported as a blended component unit. The State also includes the presentation of its trust and agency funds. The State Legislature sets statutorily the parameters within which all these entities operate. Additional information on discretely presented component units can be found in Note 1 to the financial statements.

Budget Process and Control: State law (NRS 353.205) requires a balanced budget. The Governor must submit his proposed budget for the Executive Branch to the State Legislature not later than 14 calendar days before each regular session, which convenes every odd-numbered year. The Governor's recommended budget spans the next two fiscal years and contains the detailed budgetary estimates of revenues and expenditures. The Legislature enacts the budget through passage of the General Appropriations Act and the Authorized Expenditures Act. Once passed and signed, the budget becomes the State's financial plan for the next two fiscal years. Under certain circumstances, budgetary revisions may be made without Legislative action. Unencumbered appropriations lapse at the end of each fiscal year unless specific authority to carry forward is granted in the Appropriations Act. Unexpended authorized resources, under the Authorized Expenditures Act, are carried forward for expenditure in the next fiscal period. In 2019, the 80th Legislative Session passed the 2020-2021 Authorized Expenditure Act and General Appropriations Act in Senate Bill 553 and Assembly Bill 543, respectively.

Financial Planning and Policies Information

Debt Management: Section 3, Article 9, of the State Constitution limits the aggregate principal amount of the State's general obligation bonds debt to 2 percent of the total reported assessed property value of the State. Under certain circumstances, general obligation bonds are exempt from Constitutional Debt Limitation. Special obligation highway revenue bonds provide funds for highway construction projects and special obligation housing bonds provide for housing loans or to purchase mortgage loans. Special obligation bonds are paid from gross pledged revenues and are not general obligations of the State. Additional disclosures regarding the State's long-term obligations are provided in the notes to the basic financial statements.

Economic Forum: In accordance with State law, The Economic Forum, comprised of private economic and financial experts appointed by the Legislature and the Governor, sets the General Fund revenue forecasts which are binding on the budget. If revenues fall below those originally anticipated during the fiscal year, the Governor must revise the budget to ensure that State appropriations do not exceed revenues. If the revisions exceed thresholds specified in NRS 353.220, they must be submitted to the Legislative Interim Finance Committee for approval.

Budget Stabilization: NRS 353.288 provides for the Account to Stabilize the Operation of the State Government (Rainy-Day Fund). Nevada uses several economic indicators to trigger additions and expenditures within the Rainy-Day Fund. The account is classified as committed for fiscal emergency in the General Fund balance sheet. The entire balance was transferred to the General Fund for fiscal emergency

Federal Funding: Grants and entitlements provide a substantial portion of the State's revenues. Continued funding is subject to changes in federal regulation. Nevada depends heavily on federal funding, in the form of grants and contracts, for government services such as education, Medicaid, school lunches and transportation. During fiscal year 2020, operating grants totaled \$9.5 billion, of which \$4.0 billion is for federal unemployment grant funds. Intergovernmental revenues are a major source of revenue for the State.

Economic Outlook and Condition

In early 2020, a new virus emerged out of China that plunged the world into a 100-year pandemic, killing hundreds of thousands of people in the United States. The World Health Organization declared the COVID-19 outbreak a pandemic. The Centers of Disease Control and Prevention (CDC) confirmed an outbreak of COVID-19 in numerous countries, including the United States. The respiratory disease is named coronavirus disease 2019, abbreviated as COVID-19. At the close of fiscal year 2020, Nevada and the nation were just beginning to suffer the devastating economic, public health and public education impacts of the COVID-19 crisis. The COVID-19 pandemic and its economic impacts have altered the State's fiscal conditions sharply and dramatically, resulting in steep declines in revenues that Nevada relies on to fund government services. For Nevada, the consequences of the COVID-19 pandemic will have a negative fiscal impact for years to come.

On March 12, 2020, the Governor issued declaration of emergency for COVID-19. NRS Chapter 414, authorizes the Governor to issue a proclamation declaring a state of emergency when a natural emergency or disaster of major proportions has occurred within this state. Since his initial Declaration of Emergency, Governor Sisolak has issued numerous emergency orders related to the pandemic, including emergency regulations, directives, and statements.

To address the General Fund budget shortfall for fiscal year 2019-20, estimated at \$811 million, and fiscal year 2020-21, estimated at \$1.2 billion, the Governor issued a Declaration of Fiscal Emergency on May 11, 2020. Actions taken to address the shortfalls include reducing state agency budgets, reversion of one-time appropriations and cancelling Capital Improvement Projects. The entire amount in the Rainy-Day fund, \$401 million, was transferred to the General Fund to help fill the fiscal year 2019-20 budget shortfall.

The Governor's emergency directive required the interim finance committee to recalculate estimated General Fund revenues for fiscal year 2020. The revised estimate of General Fund revenues for fiscal year ended June 30, 2020, was \$3.99 billion. A decrease of \$457 million or 10.3 percent of General Fund revenues estimated at May 1, 2019 Economic Forum.

On July 7, 2020, the Governor issued proclamation to convene a special session, 31st Special Session, of the Nevada State legislature to consider the effects of COVID-19 2021 budget shortfall and the impact of the pandemic on general fund revenues. Deep cuts in government services were made in the 31st Special Session. Contained in SB1 of the 31st Special Session, estimated General fund revenues for the fiscal year ended June 30, 2021, were reduced to \$4.0 billion compared to May 1, 2019 economic forum of \$4.7 billion.

Senate Bill #4 of the 31st Legislative Special Session authorizes the State Board of Finance to issue interim bonds for a temporary period to fund general operations of the State.

Since the Governor issued the Declaration of Emergency on March 12, 2020, over 851 thousand initial Unemployment Insurance (UI) claims have been filed through the week ending February 13th, 2021. The Pandemic Unemployment Assistance (PUA) program, which provides benefits for self-employed workers, filed a total of 1.08 million initial applications through February 13th, 2021. The PUA program is highly variable due to ongoing high levels of fraudulent claims.

Nevada continues to analyze the validity of claims and revenues within the State's Unemployment Insurance Fund for fiscal year 2020 and 2021. The COVID-19 pandemic displaced hundreds of thousands of Nevadans who lost their jobs through no fault of their own, creating an historic volume of unemployment benefits never seen in our State's history. Historically, Nevada's unemployment claims processing systems were designed to process claims at levels far below levels necessary to process the significant increases in claims because of the economic crisis associated with the COVID-19 pandemic. Nevada's unemployment fund, an enterprise fund, claims and benefit payments for year ended June 30, 2020 are estimated at \$5.5 billion compared to \$281 thousand in fiscal year 2019. However, at the date of this report, we have not completed our analysis to determine the number and amount of fraudulent unemployment claims that has occurred in Nevada in calendar year 2020. Fraudulent unemployment claims have been paid by employer assessments and federal Pandemic Unemployment Insurance (PUI) grants.

Total Nevadans employed at the end of April 2020 was less than 1 million and nearly 514 thousand fewer than at the end of February 2020. The April 2020 unemployment rate reached an alarming rate of 30.1 percent. Nearly one-third of working Nevadans were out of work. By December 2020, the unemployment rate decreased to 9 percent.

Taxable sales for fiscal year 2020 decreased by \$1.2 billion or 1.9 percent. Calendar year 2020 and 2019 Las Vegas visitor volume decreased 55.2 percent from 42.5 million in 2019 to 19 million in 2020. Visitor volume to Reno/Sparks in 2020 was estimated at 2.7 million, a decrease of 1.5 million or 35.7 percent.

Awards and Acknowledgments

GFOA Certificate of Achievement: The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Nevada for its ACFR for the fiscal year ended June 30, 2019. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR that satisfies both GAAP and applicable legal requirements. A copy of the GFOA Certificate of Achievement is included in the Introductory Section of the ACFR. A Certificate of Achievement is valid for only a one-year period. We believe that this current ACFR continues to meet the requirements of Certificate of Achievement Program, and we are submitting it to the GFOA to determine its eligibility for certificate.

Acknowledgments and Conclusion: This report would not have been possible without the hard work, dedication and professionalism of my staff and the cooperation and assistance from all State agencies, Executive, Legislature and Judiciary. I sincerely appreciate the efforts of all the individuals involved, especially the Controller's Office staff, Governor's Office of Finance, Department of Taxation, and the Department of Employment, Training and Rehabilitation. We are committed to advancing accountability, efficiency, and good governance in the State's financial operations.

Sincerely,

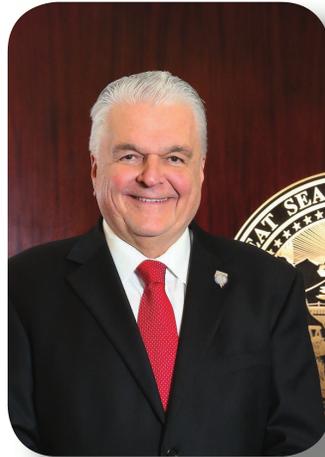
A handwritten signature in black ink that reads "Catherine E. Byrne". The signature is written in a cursive, flowing style.

Catherine E. Byrne, CPA
Nevada State Controller

STATE OF NEVADA CONSTITUTIONAL OFFICERS



KATE MARSHALL
LIEUTENANT GOVERNOR



STEVE SISOLAK
GOVERNOR



BARBARA K. CEGAVSKE
SECRETARY OF STATE



ZACK CONINE
TREASURER

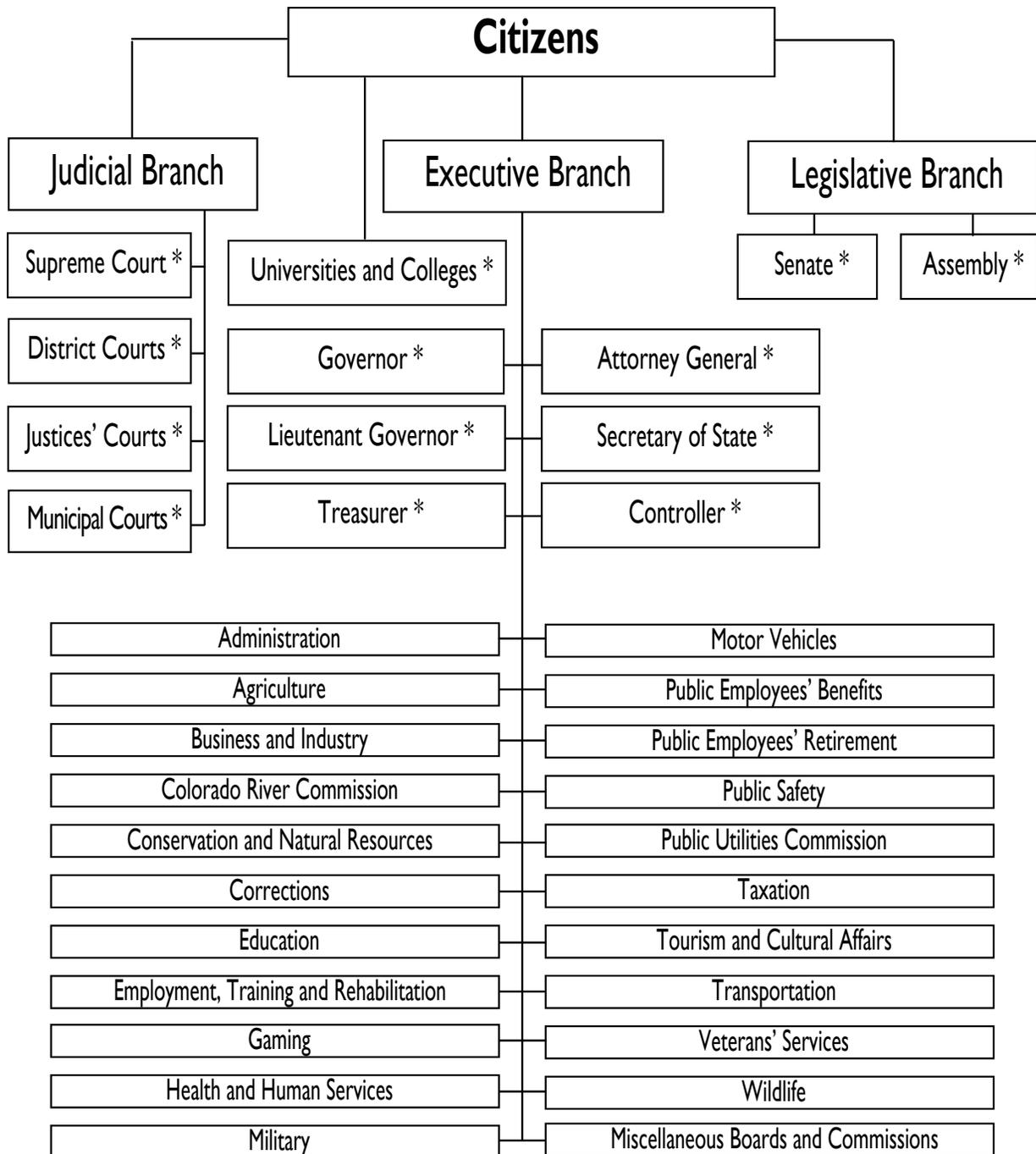


CATHERINE E. BYRNE
CONTROLLER



AARON FORD
ATTORNEY GENERAL

ORGANIZATIONAL CHART



* Elected Officials



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

State of Nevada

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

Nevada State Bird, Mountain Bluebird

Scientific Name: *Sialia currucoides*
Family: Muscicapidae
Subfamily: Turdinae
Size: Length: 6 inches, Weight: 1 ounce



Description:

The male has sky-blue plumage. The female has a gray breast. Both male and female hunch shoulders when perched and point their bills downward. The juvenile is distinguished from other bluebirds by its posture and by the paler blue of its wings and tail. The mountain bluebird hovers lower over the ground than other bluebirds when hunting for insects.

Fun Facts:

The Nevada state legislature named the mountain bluebird as the official state bird in 1967. Mountain bluebirds are closely related to robins. Many native americans in the southwest see the mountain bluebird as a sacred symbol because of its azure-colored feathers. The Navajo regard it as the herald of the rising sun, the image of a God.

*Courtesy of: Nevada Department of Wildlife
www.ndow.org*



Independent Auditor's Report

The Honorable Catherine Byrne, CPA
State Controller
Carson City, Nevada

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Nevada, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the State of Nevada's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the following:

- the financial statements of the Nevada System of Higher Education, which is a discretely presented component unit, represent 97.54 percent of assets and deferred outflows of resources, 99.57 percent of net position, and 97.64 percent of revenues of the discretely presented component units;
- the financial statements of the Self Insurance and Insurance Premiums Internal Service Funds which, in the aggregate, represent less than one percent of the assets and deferred outflows of resources and the net position, and 2.25 percent of the revenues of the aggregate remaining fund information;
- the financial statements of the Pension Trust Funds and the Other Employee Benefit Trust Fund – State Retirees' Fund, which in the aggregate, represent 58.36 percent of the assets and deferred outflows of resources, 58.98 percent of the net position and 28.70 percent of the revenues of the aggregate remaining fund information;

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- the financial statements of the Nevada College Savings Plan – Private Purpose Trust Fund, which represent 35.69 percent of the assets and deferred outflows of resources, 36.67 percent of the net position and 22.49 percent of the revenues of the aggregate remaining fund information;
- the financial statements of the Retirement Benefits Investment Fund – Investment Trust Fund, which represent less than one percent of the assets and deferred outflows of resources, net position and revenues of the aggregate remaining fund information.

Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the above-mentioned funds and entities, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Pension Trust Funds, the Insurance Premiums Internal Service Fund and the Retirement Benefits Investment Fund were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained, and the reports of other auditors, is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Qualified Opinion on the Government-Wide Governmental Activities, General and Highway Funds – Inventory

We were unable to obtain sufficient appropriate audit evidence on the State's government-wide governmental activities inventory as it relates to the general fund donated personal protective equipment inventory nor the highway fund stockpile inventory. As a result, we were unable to determine whether additional adjustments were necessary on the State's governmental activities inventory as it relates to the general fund donated personal protective equipment inventory nor the highway fund stockpile inventory.

Qualified Opinion on the Government-Wide Governmental Activities, General and Highway Funds – Inventory

In our opinion, except for the possible effects of the matter discussed in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Nevada, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 19 to the financial statements, the State of Nevada has adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, which has resulted in a restatement of the net position as of July 1, 2019. Our opinions are not modified with respect to this matter.

Correction of Errors

As discussed in Note 19 to the financial statements, the State of Nevada corrected errors in unemployment benefits payable and other postemployment benefit deferred outflows of resources - implicit subsidy which resulted in a restatement of net position as of July 1, 2019. Our opinions are not modified with respect to these matters.

Other Matters**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 16, the budgetary comparison information, the notes to required supplementary information-budgetary reporting, the postemployment benefits other than pensions (OPEB) information, the pension plan information, and the schedule of infrastructure condition and maintenance data, collectively presented on pages 96 through 104, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Nevada's basic financial statements. The introductory section, combining statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 21, 2021, on our consideration of the State of Nevada's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of Nevada's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Nevada's internal control over financial reporting and compliance.

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP".

Reno, Nevada
May 21, 2021

Clown Motel



The Clown Motel in Tonopah boasts what's got to be the largest private collection of clown figurines and memorabilia under the sun. If the creepy clown theme which stretches beyond the lobby and into each room isn't enough to spook you, the added bonus of some resident ghosts slinking over nightly from the cemetery next door might just be the ticket. Even if you don't stay the night, drop by the lobby, get drowned in clowns, and snap up some truly unique souvenirs from the mini gift shop in the corner.



MANAGEMENT'S DISCUSSION AND ANALYSIS

State of Nevada management provides this discussion and analysis of the State of Nevada's Annual Comprehensive Financial Report (ACFR) for readers of the State's financial statements. This narrative overview and analysis of the financial activities of the State of Nevada is for the fiscal year ended June 30, 2020. Readers should consider this information in conjunction with the additional information furnished in the letter of transmittal.

HIGHLIGHTS

Government-wide:

- Total assets and deferred outflows of resources of the State exceeded liabilities and deferred inflows of resources by \$10.9 billion (reported as net position). Of this amount, \$9.6 billion is net investment in capital assets and \$3.2 billion is restricted for specific uses, neither of which are available to meet the State's general obligations, and a negative \$1.9 billion is reported as an unrestricted deficit, which indicates that no funds are available for discretionary purposes.
- The State's total net position decreased by \$379.7 million or 3.4% over the prior year, after restatement. Net position of governmental activities increased by \$469.5 million or 5.6%, after restatement. Net position of business-type activities decreased by \$849.2 million or 30.6%, after restatement. Beginning net position of governmental activities was restated for an increase of \$6.8 million to record the other post-employment benefit plan implicit subsidy, previously not recorded. Beginning net position of business-type activities was restated for a decrease of \$1.9 million for a change in methodology for calculating unemployment benefits that resulted in higher claims expense.

Fund-level:

- The State's governmental funds reported combined ending fund balances of \$2.3 billion, an increase of \$73.4 million from the prior year. Of the ending fund balance, \$436.6 million is nonspendable, \$725.5 million is restricted, \$1.1 billion is committed, \$13.9 million is assigned, and \$33.0 million is unassigned.
- The State's enterprise funds reported combined ending net position of \$1.9 billion, a decrease of \$850.0 million from the prior year, after restatement. Of the ending net position, \$5.6 million is net investment in capital assets, \$1.9 billion is restricted, and \$59.3 million is unrestricted.

Capital Assets and Long-term Debt:

- The State's capital assets, net of depreciation, increased by \$279.2 million or 2.6%.
- The State's total bonds payable and certificates of participation payable increased by \$195.2 million or 6.8%.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the State of Nevada's basic financial statements which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The Annual Comprehensive Financial Report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements:

The *government-wide financial statements* are designed to provide readers with a broad overview of the State of Nevada's finances in a manner similar to the private sector. They take into account all revenues and expenses connected with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The *statement of net position* presents all of the State's assets, liabilities, and deferred outflows/inflows of resources with the difference being reported as "net position." The statement combines and consolidates all of the State's current financial resources with capital assets and long-term obligations. Over time, increases and decreases in net position measure whether the State's financial position is improving or deteriorating.

The *statement of activities* presents information showing how the State's net position changed during the most recent fiscal year. The statement reveals how much it costs the State to provide its various services, and whether the services cover their own costs through user fees, charges, grants, or are financed with taxes and other general revenues. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of cash flows. Therefore, some revenue and expenses reported in this statement will not result in cash flows until future fiscal periods (e.g., uncollected taxes earned and unused leave).

Both government-wide statements above report three types of activities:

Governmental Activities – Taxes and intergovernmental revenues primarily support these activities. Most services normally associated with State government fall into this category, including general government, health and social services, education, law, justice and public safety, regulation of business, transportation, recreation and resource development, interest on long-term debt and unallocated depreciation.

Business-type Activities – These activities are intended to recover all, or a significant portion, of the costs of the activities by charging fees to customers. The Housing Division and Unemployment Compensation are examples of the State's business-type activities.

Discretely Presented Component Units – Discrete component units are legally separate organizations for which their relationship with the primary government meets selected criteria. The State has three discretely presented component units – the Nevada System of Higher Education, the Colorado River Commission and the Nevada Capital Investment Corporation. Complete financial statements of the individual component units can be obtained from their respective administrative offices.

Fund Financial Statements:

A fund is an accounting entity consisting of a set of self-balancing accounts to track funding sources and spending for a particular purpose. The State's funds are broken down into three types:

Governmental funds – Most of the State's basic services are reported in governmental funds. These funds focus on short-term outflows and inflows of expendable resources as well as balances left at the end of the fiscal year available to finance future activities. These funds are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting.

The governmental fund financial statements focus on major funds and provide additional information that is not provided in the government-wide financial statements. It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. A reconciliation is provided between the governmental fund statements and the governmental activities in the government-wide financial statements.

Proprietary funds – When the State charges customers for the services it provides, whether to outside customers (enterprise funds) or to other State agencies (internal service funds), the services are generally reported in the proprietary funds. Proprietary funds apply the accrual basis of accounting utilized by private sector businesses, and there is a reconciliation between the government-wide financial statement business-type activities and the enterprise fund financial statements. Because internal service fund operations primarily benefit governmental funds, they are included with the governmental activities in the government-wide financial statements.

Fiduciary funds – These funds are used to account for resources held for the benefit of parties outside the state government. For instance, the State acts as a trustee or fiduciary for its employee pension plans, and it is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. Fiduciary funds are reported using the accrual basis of accounting. The government-wide statements exclude fiduciary fund activities and balances because these assets are restricted in purpose and do not represent discretionary assets of the State to finance its operations.

Notes to the Financial Statements:

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in both the government-wide and fund financial statements.

Required Supplementary Information:

The required supplementary information includes budgetary comparison schedules for the General Fund and major special revenue funds, along with notes and a reconciliation of the statutory and U.S. generally accepted accounting principles (GAAP) fund balances at fiscal year-end. This section also includes a schedule of pension plan information, a schedule of postemployment benefits other than pensions (OPEB) information and a schedule of infrastructure condition and maintenance data.

Other Supplementary Information:

Other supplementary information includes combining financial statements for non-major governmental, non-major enterprise, all internal service and all fiduciary funds. The non-major funds are added together, by fund type, and presented in single columns in the basic financial statements. Other supplementary information contains budgetary schedules of total uses for the General Fund and special revenue fund budgets, as well as a schedule of sources for non-major special revenue fund budgets.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The State's overall financial position and operations for the fiscal years ended June 30, 2020 and 2019, for the primary government are summarized in the following statements based on the information included in the government-wide financial statements.

State of Nevada's Net Position-Primary Government (expressed in thousands)

	Governmental Activities		Business-type Activities		Total		Total Change
	2020	2019	2020	2019	2020	2019	2020-2019
Assets							
Current and other assets	\$ 5,899,978	\$ 5,145,385	\$ 4,345,062	\$ 3,759,518	\$ 10,245,040	\$ 8,904,903	\$ 1,340,137
Net capital assets	11,038,620	10,758,896	13,036	13,597	11,051,656	10,772,493	279,163
Total assets	<u>16,938,598</u>	<u>15,904,281</u>	<u>4,358,098</u>	<u>3,773,115</u>	<u>21,296,696</u>	<u>19,677,396</u>	<u>1,619,300</u>
Deferred outflows of resources	505,302	472,363	8,695	8,237	513,997	480,600	33,397
Liabilities							
Other liabilities	2,802,463	2,194,929	1,210,547	52,561	4,013,010	2,247,490	1,765,520
Non-current liabilities	5,436,690	5,491,932	1,227,133	951,333	6,663,823	6,443,265	220,558
Total liabilities	<u>8,239,153</u>	<u>7,686,861</u>	<u>2,437,680</u>	<u>1,003,894</u>	<u>10,676,833</u>	<u>8,690,755</u>	<u>1,986,078</u>
Deferred inflows of resources	269,229	223,765	4,949	4,068	274,178	227,833	46,345
Net position							
Net investment in capital assets	9,581,627	9,309,140	5,627	5,834	9,587,254	9,314,974	272,280
Restricted	1,309,935	1,215,626	1,858,847	2,734,062	3,168,782	3,949,688	(780,906)
Unrestricted (deficit)	(1,956,044)	(2,058,748)	59,690	33,494	(1,896,354)	(2,025,254)	128,900
Total net position	<u>\$ 8,935,518</u>	<u>\$ 8,466,018</u>	<u>\$ 1,924,164</u>	<u>\$ 2,773,390</u>	<u>\$ 10,859,682</u>	<u>\$ 11,239,408</u>	<u>\$ (379,726)</u>

Net Position:

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The State reported net position of \$10.9 billion at the end of 2020, compared with \$11.2 billion at the end of the previous year.

The largest portion of the State's net position (\$9.6 billion) reflects its investment in capital assets such as land, buildings, improvements other than buildings, equipment, software costs, construction in progress, infrastructure and rights-of-way, less any related debt still outstanding that was used to acquire those assets. The State uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the State's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the State's net position (\$3.2 billion) represents resources that are subject to external restrictions on how they may be used. At the close of the fiscal year, the State reported an unrestricted net position deficit of \$1.9 billion as compared to a \$2.0 billion deficit in the prior year. The governmental activities and business-type activities components of the unrestricted net position deficit are discussed below.

The unrestricted net position deficit in governmental activities decreased by \$102.7 million; from a deficit of \$2.1 billion to a deficit of \$2.0 billion. Changes in governmental activities were a result of several factors, including an increase in the unrestricted fund balance of the General Fund and other governmental funds of \$26.6 million and \$1.7 million, respectively, and an increase of \$45.4 million in deferred inflows of resources for unrestricted and unavailable revenue recognized as revenue in the government-wide statement of activities. In business-type activities, the unrestricted net position increased by \$26.2 million from a net position of \$33.5 million to a net position of \$59.7 million. The increase is primarily due to an increase in the unrestricted net position of the Housing Division fund in the amount of \$24.7 million and an increase in the unrestricted net position of the Self-Insurance Fund in the amount of \$26.5 million.

Changes in State of Nevada's Net Position-Primary Government
(expressed in thousands)

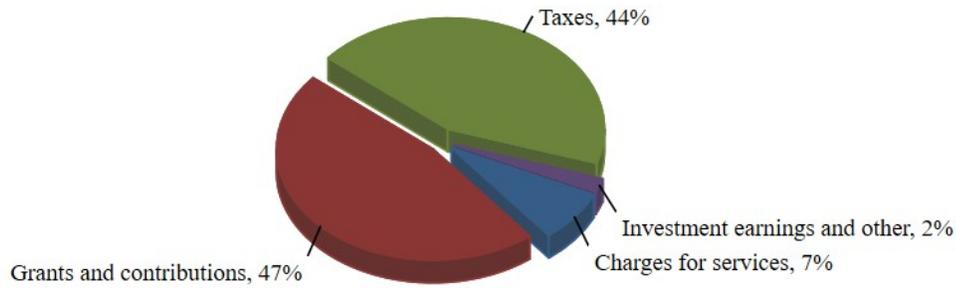
	Governmental Activities		Business-type Activities		Total		Total Change
	2020	2019	2020	2019	2020	2019	2020-2019
Revenue							
Program revenue							
Charges for services	\$ 898,813	\$ 919,023	\$ 142,867	\$ 135,853	\$ 1,041,680	\$ 1,054,876	\$ (13,196)
Operating grants and contributions	5,592,299	5,521,790	3,952,488	97,884	9,544,787	5,619,674	3,925,113
Capital grants and contributions	27,732	42,688	-	-	27,732	42,688	(14,956)
General revenues:							
Gaming taxes	868,899	953,711	-	-	868,899	953,711	(84,812)
Sales and use taxes	1,502,046	1,473,990	-	-	1,502,046	1,473,990	28,056
Modified business taxes	666,232	640,552	-	-	666,232	640,552	25,680
Insurance premium taxes	450,749	422,106	-	-	450,749	422,106	28,643
Lodging taxes	157,099	208,477	-	-	157,099	208,477	(51,378)
Cigarette taxes	156,695	164,393	-	-	156,695	164,393	(7,698)
Commerce taxes	206,609	227,431	-	-	206,609	227,431	(20,822)
Property and transfer taxes	294,656	284,615	-	-	294,656	284,615	10,041
Motor and special fuel taxes	315,659	327,475	-	-	315,659	327,475	(11,816)
Other taxes	606,474	579,536	677,006	684,984	1,283,480	1,264,520	18,960
Unrestricted investment earnings	45,763	37,983	-	-	45,763	37,983	7,780
Other general revenues	192,497	216,122	1	-	192,498	216,122	(23,624)
Total revenue	11,982,222	12,019,892	4,772,362	918,721	16,754,584	12,938,613	3,815,971
Expenses							
General government	262,522	392,170	-	-	262,522	392,170	(129,648)
Health services	4,275,154	4,391,281	-	-	4,275,154	4,391,281	(116,127)
Social services	1,886,634	1,699,099	-	-	1,886,634	1,699,099	187,535
Education - K-12 state support	1,803,605	1,595,968	-	-	1,803,605	1,595,968	207,637
Education - K-12 administrative	638,858	606,585	-	-	638,858	606,585	32,273
Education - higher education	696,982	672,643	-	-	696,982	672,643	24,339
Law, justice and public safety	865,199	711,961	-	-	865,199	711,961	153,238
Regulation of business	312,520	332,615	-	-	312,520	332,615	(20,095)
Transportation	553,452	483,718	-	-	553,452	483,718	69,734
Recreation and resource development	184,811	183,102	-	-	184,811	183,102	1,709
Interest on long-term debt	71,861	75,913	-	-	71,861	75,913	(4,052)
Unallocated depreciation	2,439	2,306	-	-	2,439	2,306	133
Unemployment insurance	-	-	5,474,096	281,191	5,474,096	281,191	5,192,905
Housing	-	-	35,647	27,805	35,647	27,805	7,842
Water loans	-	-	5,758	4,361	5,758	4,361	1,397
Workers' compensation and safety	-	-	42,469	34,563	42,469	34,563	7,906
Higher education tuition	-	-	11,167	8,046	11,167	8,046	3,121
Other	-	-	32,632	31,919	32,632	31,919	713
Total expenses	11,554,037	11,147,361	5,601,769	387,885	17,155,806	11,535,246	5,620,560
Change in net position before contributions to permanent funds, special items and transfers	428,185	872,531	(829,407)	530,836	(401,222)	1,403,367	(1,804,589)
Contributions to permanent funds	16,589	8,259	-	-	16,589	8,259	8,330
Transfers	17,929	12,121	(17,929)	(12,121)	-	-	-
Change in net position	462,703	892,911	(847,336)	518,715	(384,633)	1,411,626	(1,796,259)
Net position - beginning of year	8,466,018	4,453,993	2,773,390	2,254,675	11,239,408	6,708,668	4,530,740
Net position restatement	6,797	3,119,114	(1,890)	-	4,907	3,119,114	(3,114,207)
Net position - beginning of year (as restated)	8,472,815	7,573,107	2,771,500	2,254,675	11,244,315	9,827,782	1,416,533
Net position - end of year	\$ 8,935,518	\$ 8,466,018	\$ 1,924,164	\$ 2,773,390	\$ 10,859,682	\$ 11,239,408	\$ (379,726)

Changes in Net Position:

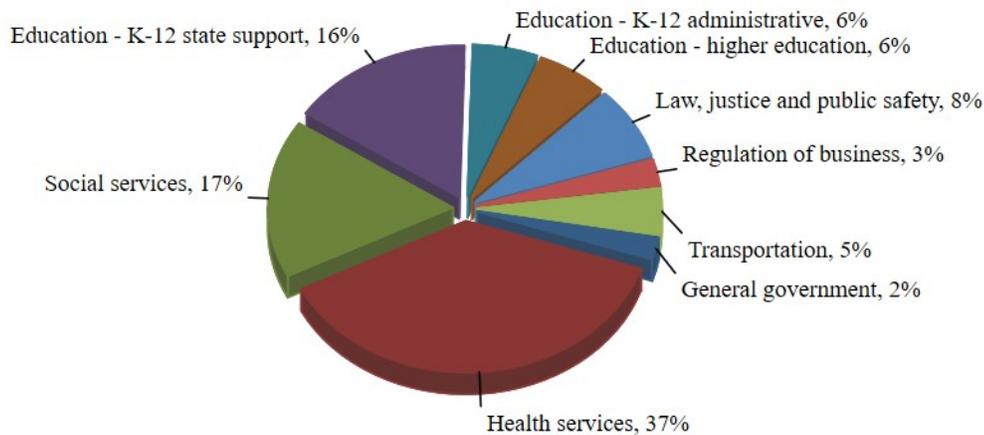
Total government-wide revenues increased by \$3.8 billion during the current year. The increase in revenues is a result of several factors, including increases of \$3.9 billion in federal funding, \$28.1 million in sales and use taxes, and \$28.6 million in insurance premium taxes.

Governmental activities – The current year net position increased by \$462.7 million. Approximately 43.6% of the total revenue came from taxes, while 46.9% was in the form of grants and contributions (including federal aid). Charges for various goods and services provided 7.5% of the total revenues (see chart following). The State's governmental activities expenses cover a range of services and the largest expenses were 37.2% for health services, 16.4% for social services, and 15.7% for state support of K-12 education (see chart following). In 2020, governmental activities expenses exceeded program revenues, resulting in the use of \$5.0 billion in general revenues, which were generated to support the government.

The following chart depicts the governmental activities revenues for the fiscal year:



The following chart depicts the governmental activities expenses for the fiscal year:



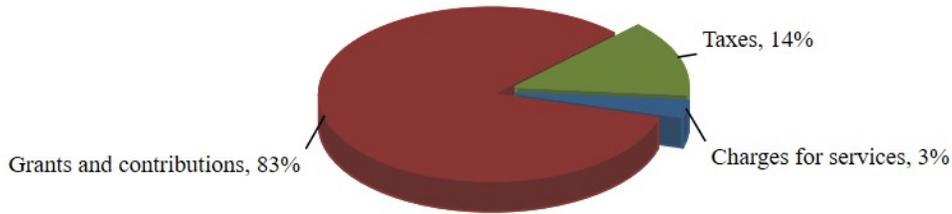
The following table depicts the total program revenues and expenses for each function of governmental activities:

Revenues and Expenses by Function: Governmental Activities
(expressed in thousands)

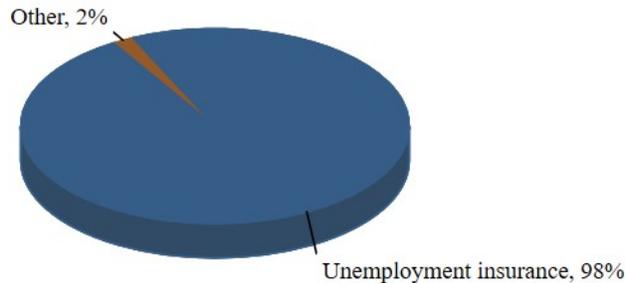
	Expenses	Revenues
General government	\$ 262,522	\$ 339,072
Health services	4,275,154	3,483,536
Social services	1,886,634	1,273,238
Education - K-12 state support	1,803,605	5,680
Education - K-12 administrative	638,858	300,329
Education - higher education	696,982	-
Law, justice and public safety	865,199	333,407
Regulation of business	312,520	269,114
Transportation	553,452	414,454
Recreation and resource development	184,811	99,378
Total	\$ 11,479,737	\$ 6,518,208

Business-type activities – The current year net position decreased by \$847.3 million. Approximately 14.2% of the total revenue came from taxes, while 82.8% was in the form of grants and contributions (including federal aid). Charges for various goods and services provided 3.0% of the total revenues (see chart following). The State’s business-type activities expenses cover a range of services. The largest expenses were 97.7% for unemployment compensation (see chart following). In 2020, business-type activities expenses exceeded program revenues by \$1.5 billion. Of this amount, unemployment compensation was the largest, with net expenses of \$1.6 billion, resulting in the use of general revenues generated by and restricted to the Unemployment Compensation Fund.

The following chart depicts the business-type activities revenues for the fiscal year:



The following chart depicts the business-type activities expenses for the fiscal year:



The following table depicts the total program revenues and expenses for each function for business-type activities:

Revenues and Expenses by Function: Business-type Activities
(expressed in thousands)

	Expenses	Revenues
Unemployment insurance	\$ 5,474,096	\$ 3,907,045
Housing	35,647	45,366
Water loans	5,758	28,976
Workers' compensation and safety	42,469	54,430
Higher education tuition	11,167	24,590
Other	32,632	34,948
Total	\$ 5,601,769	\$ 4,095,355

The State's overall financial position declined over the past year. Current year operations resulted in a \$462.7 million increase in the net position of the governmental activities and an \$847.3 million decrease in the net position of the business-type activities. Key economic indicators from the State's sales and other taxes show a decline. Tax revenues for governmental activities decreased in the current fiscal year by \$57.2 million or 1.1% compared to an increase of \$318.1 million or 6.4% in the prior fiscal year. Operating grants and contributions for governmental activities increased by \$70.5 million primarily due to Grant revenues.

FINANCIAL ANALYSIS OF THE STATE'S FUNDS

Governmental Funds:

As of the end of the current fiscal year, the State's governmental funds reported combined ending fund balances of \$2.3 billion, an increase of \$73.4 million from the prior year. Of these total ending fund balances, \$436.6 million or 18.8% is nonspendable, either due to its form or legal constraints, and \$725.5 million or 31.3% is restricted for specific programs by external constraints, constitutional provisions, or contractual obligations. An additional \$1.1 billion or 47.8% of total fund balance has been committed to specific purposes. Committed amounts cannot be used for any other purpose unless approved by the Legislature. NRS 353.288

provides for the Account to Stabilize the Operation of the State Government (Stabilization Account) in the State General Fund. Additions to the stabilization arrangement are triggered at the end of a fiscal year if the General Fund unrestricted fund balance (budgetary basis) exceeds 7% of General Fund operating appropriations. Forty percent of the excess is deposited to the Stabilization Account, and is classified on the balance sheet as committed for fiscal emergency. In addition, 1% of the total anticipated revenue for the fiscal year, as projected by the Economic Forum, is deposited to the Stabilization Account. Expenditures may occur if actual revenues for the biennium fall short by 5% or more from anticipated revenues, if the Legislature and Governor declare that a fiscal emergency exists, or if the Legislature allocates it to be used for any other purpose. The balance in the Stabilization Account committed for fiscal emergency at June 30, 2020, is \$97.5 million. An additional \$13.9 million or 0.6% of total fund balance is assigned. The remaining positive \$33.0 million or 1.4% of fund balance is unassigned. The major funds are discussed more fully below.

The *General Fund* is the chief operating fund of the State. At the end of the current fiscal year, the total General Fund fund balance was \$804.8 million compared to \$808.7 million in the prior fiscal year. The fund balance decreased by \$3.9 million or 0.5% over the previous year.

The following schedule presents a summary of revenues of the General Fund for the fiscal years ended June 30, 2020 and 2019 (expressed in thousands). Other financing sources are not included.

	General Fund Revenues (expressed in thousands)					
	2020		2019		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
Gaming taxes, fees, licenses	\$ 856,817	8.3 %	\$ 941,144	9.0 %	\$ (84,327)	(9.0)%
Sales taxes	1,493,718	14.5 %	1,465,518	14.1 %	28,200	1.9 %
Modified business taxes	642,603	6.2 %	640,375	6.2 %	2,228	0.3 %
Insurance premium taxes	450,739	4.4 %	422,512	4.1 %	28,227	6.7 %
Lodging taxes	138,011	1.3 %	183,398	1.8 %	(45,387)	(24.7)%
Cigarette taxes	156,695	1.5 %	164,393	1.6 %	(7,698)	(4.7)%
Commerce taxes	204,984	2.0 %	226,770	2.2 %	(21,786)	(9.6)%
Property and transfer taxes	103,065	1.0 %	104,431	1.0 %	(1,366)	(1.3)%
Motor and special fuel taxes	2,190	0.0 %	2,289	0.0 %	(99)	(4.3)%
Other taxes	431,521	4.2 %	434,980	4.2 %	(3,459)	(0.8)%
Intergovernmental	5,273,127	51.2 %	5,246,960	50.4 %	26,167	0.5 %
Licenses, fees and permits	379,279	3.7 %	388,527	3.7 %	(9,248)	(2.4)%
Sales and charges for services	67,688	0.7 %	70,008	0.7 %	(2,320)	(3.3)%
Interest and investment income	49,745	0.5 %	44,986	0.4 %	4,759	10.6 %
Settlement income	1,390	0.0 %	22,780	0.2 %	(21,390)	(93.9)%
Other	57,352	0.6 %	52,108	0.5 %	5,244	10.1 %
Total revenues	\$ 10,308,924	100.0 %	\$ 10,411,179	100.0 %	\$ (102,255)	(1.0)%

The total General Fund revenues decreased by \$102.3 million or 1.0%. The largest decreases in revenue sources were \$45.4 million or 24.7% in lodging taxes, \$84.3 million or 9.0% in gaming taxes, fees and licenses, \$21.8 million or 9.6% in commerce taxes, and \$21.4 million or 93.9% in settlement income. The decreases in lodging taxes, commerce taxes, and gaming taxes, fees, and licenses are all primarily due to industry shutdowns due to the COVID-19 pandemic. The decrease in settlement income is primarily due to the timing of legal cases and has normal fluctuations.

The following schedule presents a summary of expenditures by function of the General Fund for the fiscal years ended June 30, 2020 and 2019 (expressed in thousands). Other financing uses are not included.

	General Fund Expenditures (expressed in thousands)					
	2020		2019		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
General government	\$ 198,363	1.9 %	\$ 205,310	2.0 %	\$ (6,947)	(3.4)%
Health services	4,269,152	41.1 %	4,397,082	43.3 %	(127,930)	(2.9)%
Social services	1,774,593	17.1 %	1,635,930	16.1 %	138,663	8.5 %
Education - K-12 state support	1,803,605	17.4 %	1,595,968	15.7 %	207,637	13.0 %
Education - K-12 administrative	633,393	6.1 %	602,009	5.9 %	31,384	5.2 %
Education - higher education	667,274	6.4 %	677,048	6.7 %	(9,774)	(1.4)%
Law, justice and public safety	588,164	5.7 %	559,392	5.5 %	28,772	5.1 %
Regulation of business	289,108	2.8 %	310,440	3.1 %	(21,332)	(6.9)%
Recreation and resource development	163,566	1.6 %	156,949	1.5 %	6,617	4.2 %
Debt service	3,487	0.0 %	3,669	0.0 %	(182)	(5.0)%
Total expenditures	\$ 10,390,705	100.0 %	\$ 10,143,797	100.0 %	\$ 246,908	2.4 %

The total General Fund expenditures increased by 2.4%. The largest increase in expenditures was \$207.6 million or 13.0% in Education - K-12 State support. This increase was primarily due to an increase in Distributive School Account distributions resulting from an increase in excise taxes.

The *State Highway Fund* is a special revenue fund used to account for the maintenance, regulation, and construction of public highways and is funded through vehicle fuel taxes, federal funds, other charges, and bond revenue. The fund balance increased by \$60.8 million or 13.2% during the current fiscal year compared to a decrease of \$68.6 million, before restatement, or 13.0% in the prior year. Total revenues decreased by \$37.4 million, due primarily to decreases in license, fees and permits, and motor vehicle and special fuel taxes. These lost revenues were due to the effects of the COVID-19 pandemic on the transportation industry. Expenditures decreased by \$145.2 million or 13.0% over the prior year. This was primarily due to a decrease of \$157.1 million in transportation expenditures, due to major road construction projects either nearing completion or being completed, partially offset by an increase in salary expenditures and an aircraft purchase. Other financing sources and uses increased by \$21.6 million or 271.0% over the prior year.

Proprietary Funds:

The State's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Proprietary funds are comprised of two types: enterprise funds and internal service funds. Enterprise funds are used when goods or services are provided primarily to parties outside of the State while internal service funds are used when goods or services are provided primarily to State agencies.

Enterprise Funds – There are four major enterprise funds: Housing Division Fund, Unemployment Compensation Fund, Water Projects Loans Fund and the Higher Education Tuition Trust Fund. The combined net position of the four major funds is \$1.9 billion, the net position of the nonmajor enterprise funds is \$29.1 million and the total combined net position of all enterprise funds is \$1.9 billion. The combined net position of all enterprise funds decreased by \$850.0 million from the prior year, after restatement. The major enterprise funds are discussed below:

The *Housing Division Fund* was created for the purpose of making available additional funds to assist private enterprise and governmental agencies in providing safe and sanitary housing facilities and provides low interest loans for first-time home buyers with low or moderate incomes. The net position increased by \$9.7 million or 4.3%, resulting in an ending net position of \$236.1 million. Revenues from interest on loans increased by 29.5% reflecting Nevada's strong housing market. Operating expenses increased by \$11.0 million, and operating revenues increased by \$5.0 million.

The *Unemployment Compensation Fund* accounts for the payment of unemployment compensation benefits to unemployed State citizens. The net position decreased by \$897.3 million from the prior year, after restatement, resulting in an ending net position of \$1.0 billion. The current year change in net position was a decrease of \$895.3 million, and beginning net position was decreased by \$1.9 million for a change in methodology for calculating unemployment benefits that resulted in higher claims expense. The current year decrease in net position is primarily due to expenses exceeding revenues by \$890.5 million. During fiscal year 2020, \$5.5 billion of unemployment compensation benefits was paid to unemployed State citizens compared to \$281.2 million paid in fiscal year 2019, representing a 1,847% increase in claims expense.

The *Water Projects Loans Fund* issues loans to governmental and private entities for two programs: Safe Drinking Water and Water Pollution Control. The federal EPA matches the State's bond proceeds to make loans to governmental entities; only federal funds are loaned to private entities. The net position increased by \$21.1 million during the current fiscal year, for a final net position of \$479.9 million, which is a 4.6% increase from the prior year.

The *Higher Education Tuition Trust Fund* provides a simple and convenient way for Nevada families to save for a college education through the advance payment of tuition. A purchaser enters into a contract for the future payment of tuition for a specified beneficiary. The contract benefits are based on in-state rates for Nevada public colleges, but can be used towards costs at any accredited, nonprofit, private or out-of-state college. The Trust Fund completed its twenty-second enrollment period during the fiscal year with 517 new enrollments. The net position increased by \$14.2 million, for an ending net position of \$142.0 million, an 11.1% increase over last year. This change in net position is considered a normal fluctuation in current activity from contract purchases, benefit payments and investment earnings.

Internal Service Funds – The internal service funds charge State agencies for goods and services such as building maintenance, purchasing, printing, insurance, data processing and fleet services in order to recover the costs of the goods or services. Rates charged to State agencies for the operations of internal service funds are adjusted in following years to offset gains and losses. Because these are allocations of costs to other funds, they are not included separately in the government-wide financial statements but are eliminated and reclassified as either governmental activities or business-type activities. In 2020, total internal service fund net position increased by \$28.2 million, for a final net position of \$17.6 million. The three largest funds are:

The *Self-Insurance Fund* accounts for group health, life and disability insurance for State employees and retirees and certain other public employees. Net position increased by \$26.5 million or 45.6% during the current year, for a final net position of \$84.6 million. The increase in net position from current activity is primarily due to an increase in the State subsidy that was set in the 2019 Legislative Session.

The *Information Services Fund* accounts for design, maintenance and operation of the State's central computer facility, radio communication, and telecommunication systems. The net position deficit decreased by \$3.8 million or 18.5% during the current year, for a final net position deficit of \$16.6 million. The increase in net position from current activity is a result of an increase in user charges, offset by a decrease in outside contracts. The remaining change is considered a normal fluctuation in services and expenses of the fund.

The Insurance Premiums Fund accounts for general, civil (tort), auto and property casualty liabilities of State agencies. The net position deficit decreased by \$0.1 million or 0.2% during the current year, resulting in an ending net position deficit of \$42.9 million. The increase in net position from current activity is considered a normal fluctuation of insurance claims and expenses.

ANALYSIS OF GENERAL FUND BUDGET VARIATIONS

The General Fund budgetary revenues and other financing sources were \$2.0 billion or 13.1% less than the final budget, primarily because actual intergovernmental revenues received were less than the final budgeted amount. Intergovernmental revenues represent federal grants, and there are timing differences arising from when grants are awarded, received and spent. The final budget can include grant revenue for the entire grant period, whereas the actual amount recorded represents grant revenue received in the current year.

The net increase in the General Fund expenditures and other uses budget from original to final was \$2.0 billion. Some of the differences originate because the original budget consists only of those budgets subject to legislative approval through the General Appropriations Act and the Authorizations Bill. The non-executive budgets, not subject to legislative approval, only require approval by the Budget Division, and, if approved after July 1, are considered to be revisions. Increases due to the nonexecutive budgets approved after July 1 and increased estimated receipts were approximately \$2.0 billion.

CAPITAL ASSETS AND LONG-TERM DEBT ADMINISTRATION

Capital Assets:

The State's capital assets for governmental and business-type activities as of June 30, 2020, amount to \$12.6 billion, net of accumulated depreciation of \$1.5 billion, resulting in a net book value of \$11.1 billion. This investment in capital assets includes land, buildings, improvements other than buildings, equipment, software costs, infrastructure, rights-of-way, and construction in progress. Infrastructure assets are items that are normally immovable, such as roads and bridges.

At June 30, 2020, the State had construction contract commitments of approximately \$303.1 million in the Highway Fund for construction of various highway projects, and \$30.1 million in capital projects funds for buildings and improvements. Funding for the commitments will come from existing resources in these funds and from future appropriations and bond proceeds.

As allowed by GASB Statement No. 34, the State has adopted an alternative process for recording depreciation expense on elected infrastructure assets. Under this alternative method, referred to as the modified approach, the State expenses certain maintenance and preservation costs and does not report depreciation expense on infrastructure. Utilization of this approach requires the State to: 1) commit to maintaining and preserving affected assets at or above a condition level established by the State; 2) maintain an inventory of the assets and perform periodic condition assessments to ensure that the condition level is being maintained; and 3) make annual estimates of the amounts that must be expended to maintain and preserve assets at the predetermined condition levels. To monitor the condition of the roadways the State uses the International Roughness Index (IRI). The State has set a policy that it will maintain a certain percentage of each category of its roadways with an IRI of less than 95 and will also maintain its bridges so that not more than 10% are structurally deficient. The following table shows the State's policy and the condition level of the roadways and bridges:

Condition Level of the Roadways

**Percentage of roadways with an IRI of less than 95
Category**

	I	II	III	IV	V
State Policy-minimum percentage	70%	65%	60%	40%	10%
Actual results of 2019 condition assessment	91%	86%	88%	57%	28%
Actual results of 2018 condition assessment	90%	88%	91%	58%	25%
Actual results of 2017 condition assessment	90%	85%	90%	61%	25%

Condition Level of the Bridges

Percentage of substandard bridges

	2020	2018	2016
State Policy-minimum percentage	7%	10%	10%
Actual results condition assessment	1%	1%	2%

The estimated amount necessary to maintain and preserve infrastructure assets at target condition levels exceeded the actual amounts of expense incurred for fiscal year 2020 by \$25.8 million. Even though actual spending for maintenance and reservation of infrastructure assets fell below estimates, condition levels are expected to approximately meet or exceed the target condition levels for the roadway category. Additional information on the State's infrastructure can be found in the schedule of Infrastructure Condition and Maintenance Data in the Required Supplementary Information section to the financial statements.

Additional information on the State's capital assets can be found in Note 7 to the financial statements.

Long-term Debt Administration:

As of year-end, the State had \$3.1 billion in bonds and certificates of participation outstanding, compared to \$2.9 billion last year, an increase of \$195.2 million or 6.8% during the current fiscal year. This increase was due primarily to the issuance of additional bonds.

The most current bond ratings for the State's general obligation debt were AA+ from Fitch Ratings, Aa1 from Moody's Investors Service, and AA+ from S&P Global Ratings. These ratings are an indication of high-quality obligations and a reflection of sound financial management. The Constitution of the State limits the aggregate principal amount of the general obligation debt to 2% of the total reported assessed property value of the State. Exempt from this limitation are debts authorized by the Legislature that are incurred for the protection and preservation of, or for obtaining the benefits of, any property or natural resources within the State.

Additional information on the State's long-term debt obligations can be found in Note 9 to the financial statements and in the Statistical Section.

Requests for Information

This financial report is designed to provide a general overview of the State of Nevada's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: State of Nevada, Office of the State Controller, 101 N. Carson Street, Suite 5, Carson City, NV 89701 or visit our website at: www.controller.nv.gov.

BASIC FINANCIAL SECTION

Nevada State Animal, Desert Bighorn Sheep



The most conspicuous feature of the Desert Bighorn sheep is the large brown horns that continue to grow. Both rams (males) and ewes (females) have horns, though the horns of rams are much bigger and more curved. Each horn is in a “c” shape known as a “curl”. The horns are permanent and consist of a sheath of keratin (a hard protein found in fingernails and hair) covering a boney core.



*Courtesy of: Nevada Department of Wildlife
www.ndow.org*

Statement of Net Position

June 30, 2020 (Expressed in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash and pooled investments	\$ 3,340,767	\$ 1,218,034	\$ 4,558,801	\$ 215,857
Investments	362,648	577,765	940,413	1,500,901
Internal balances	(1,566)	1,566	-	-
Due from component unit	24,361	-	24,361	-
Due from primary government	-	-	-	190,843
Accounts receivable	135,072	5,384	140,456	109,308
Taxes/assessments receivable	1,215,005	288,688	1,503,693	-
Intergovernmental receivables	629,061	916,815	1,545,876	58,657
Accrued interest and dividends	10,913	30,932	41,845	125
Contracts receivable	-	36,642	36,642	-
Mortgages receivable	-	667,198	667,198	-
Notes/loans receivable	98,283	449,301	547,584	6,702
Capital lease receivable	46,355	-	46,355	-
Other receivables	64	-	64	8,416
Inventory	31,196	1,673	32,869	5,515
Prepaid expenses	4,492	85	4,577	26,061
<i>Restricted assets:</i>				
Cash	3,323	-	3,323	100,142
Investments	-	150,974	150,974	14,924
Other assets	4	5	9	96,677
<i>Capital assets:</i>				
Land, infrastructure and construction in progress	9,573,854	568	9,574,422	363,318
Other capital assets, net	1,464,766	12,469	1,477,235	2,186,991
Total assets	16,938,598	4,358,099	21,296,697	4,884,437
Deferred Outflows of Resources				
Deferred charge on refunding	40,021	212	40,233	11,193
Pension related amounts	415,644	7,646	423,290	83,110
OPEB related amounts	49,637	837	50,474	30,103
Total deferred outflows of resources	505,302	8,695	513,997	124,406
Liabilities				
Accounts payable	1,230,711	1,141,520	2,372,231	46,846
Accrued payroll and related liabilities	71,991	1,242	73,233	85,969
Intergovernmental payables	340,622	50,192	390,814	-
Interest payable	16,069	5,012	21,081	15,539
Due to component units	74,417	1	74,418	-
Due to primary government	-	-	-	24,361
Contracts/retentions payable	57,690	-	57,690	-
Unearned revenues	807,265	12,570	819,835	59,407
Other liabilities	203,697	11	203,708	83,890
<i>Long-term liabilities:</i>				
<i>Portion due or payable within one year:</i>				
Reserve for losses	108,950	-	108,950	-
Obligations under capital leases	3,724	-	3,724	2,854
Compensated absences	88,175	1,717	89,892	43,091
Tuition benefits payable	-	19,182	19,182	-
Bonds payable	218,184	65,117	283,301	70,416
Certificates of participation payable	3,600	-	3,600	-
Pollution remediation obligations	725	-	725	-
<i>Portion due or payable after one year:</i>				
Federal advances	-	-	-	5,370
Reserve for losses	43,964	-	43,964	-
Obligations under capital leases	7,543	-	7,543	49,008
Net pension liability	2,247,793	42,341	2,290,134	420,022

Statement of Net Position

June 30, 2020 (Expressed in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Net OPEB liability	794,677	15,611	810,288	571,535
Compensated absences	28,205	503	28,708	21,741
Tuition benefits payable	-	187,163	187,163	-
Bonds payable	1,815,889	895,499	2,711,388	748,749
Certificates of participation payable	70,987	-	70,987	-
Unearned revenue	-	-	-	42,247
Pollution remediation obligations	4,275	-	4,275	-
Total liabilities	8,239,153	2,437,681	10,676,834	2,291,045
Deferred Inflows of Resources				
Pension related amounts	219,905	4,001	223,906	33,105
OPEB related amounts	48,278	948	49,226	34,722
Taxes	105	-	105	-
Fines and forfeitures	941	-	941	-
Lease revenue	-	-	-	6,526
Split-interest agreements	-	-	-	2,465
Service concession arrangement	-	-	-	1,265
Total deferred inflows of resources	269,229	4,949	274,178	78,083
Net Position				
Net investment in capital assets	9,581,627	5,627	9,587,254	1,805,267
Restricted for:				
Unemployment compensation	-	1,036,741	1,036,741	-
Tuition contract benefits	-	141,934	141,934	-
Security of outstanding obligations	-	172,185	172,185	-
Workers' compensation	-	28,057	28,057	-
Capital projects	-	-	-	192,159
Debt service	27,655	-	27,655	32,179
Education - K to 12	5,702	-	5,702	3,681
Transportation	454,058	-	454,058	-
Recreation and resource development	45,288	-	45,288	-
Law, justice and public safety	64,527	-	64,527	-
Health services	295,630	-	295,630	-
Regulation of business	33,107	2	33,109	-
Scholarships	-	-	-	511,227
Loans	-	479,928	479,928	6,564
Research and development	-	-	-	11,811
Other purposes	282	-	282	5,877
Funds held as permanent investments:				
Nonexpendable	383,664	-	383,664	445,177
Expendable	22	-	22	-
Unrestricted (deficit)	(1,956,044)	59,690	(1,896,354)	(374,227)
Total net position	\$ 8,935,518	\$ 1,924,164	\$ 10,859,682	\$ 2,639,715

The notes to the financial statements are an integral part of this statement.

Statement of Activities

For the Year Ended June 30, 2020 (Expressed in Thousands)

Function/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-type Activities	Total	
Primary Government								
<i>Governmental activities:</i>								
General government	\$ 262,523	\$ 234,368	\$ 104,704	\$ -	\$ 76,549	\$ -	\$ 76,549	\$ -
Health services	4,275,154	165,324	3,318,212	-	(791,618)	-	(791,618)	-
Social services	1,886,634	53,530	1,219,708	-	(613,396)	-	(613,396)	-
Education - K-12 state support	1,803,605	-	5,680	-	(1,797,925)	-	(1,797,925)	-
Education - K-12 administrative	638,858	2,839	297,490	-	(338,529)	-	(338,529)	-
Education - higher education	696,982	-	-	-	(696,982)	-	(696,982)	-
Law, justice and public safety	865,199	248,853	67,971	16,583	(531,792)	-	(531,792)	-
Regulation of business	312,520	94,024	175,090	-	(43,406)	-	(43,406)	-
Transportation	553,452	48,650	355,548	10,256	(138,998)	-	(138,998)	-
Recreation and resource development	184,811	51,225	47,260	893	(85,433)	-	(85,433)	-
Interest on long-term debt	71,861	-	636	-	(71,225)	-	(71,225)	-
Unallocated depreciation	2,439	-	-	-	(2,439)	-	(2,439)	-
Total governmental activities	<u>11,554,038</u>	<u>898,813</u>	<u>5,592,299</u>	<u>27,732</u>	<u>(5,035,194)</u>	<u>-</u>	<u>(5,035,194)</u>	<u>-</u>
<i>Business-type activities:</i>								
Unemployment insurance	5,474,097	4,946	3,902,099	-	-	(1,567,052)	(1,567,052)	-
Housing	35,647	31,677	13,689	-	-	9,719	9,719	-
Water loans	5,758	9,750	19,226	-	-	23,218	23,218	-
Workers' compensation and safety	42,469	50,181	4,249	-	-	11,961	11,961	-
Higher education tuition	11,167	11,709	12,881	-	-	13,423	13,423	-
Other	32,631	34,604	344	-	-	2,317	2,317	-
Total business-type activities	<u>5,601,769</u>	<u>142,867</u>	<u>3,952,488</u>	<u>-</u>	<u>-</u>	<u>(1,506,414)</u>	<u>(1,506,414)</u>	<u>-</u>
Total primary government	<u>\$ 17,155,807</u>	<u>\$ 1,041,680</u>	<u>\$ 9,544,787</u>	<u>\$ 27,732</u>	<u>(5,035,194)</u>	<u>(1,506,414)</u>	<u>(6,541,608)</u>	<u>-</u>
Total component units	<u>\$ 2,168,079</u>	<u>\$ 812,266</u>	<u>\$ 537,832</u>	<u>\$ 1,551</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(816,430)</u>

General Revenues:

Taxes:

Gaming taxes	868,899	-	868,899	-
Sales and use taxes	1,272,268	-	1,272,268	-
Modified business taxes	666,232	-	666,232	-
Insurance premium taxes	450,749	-	450,749	-
Cigarette taxes	156,695	-	156,695	-
Commerce taxes	206,609	-	206,609	-
Property and transfer taxes	118,210	-	118,210	-
Lodging taxes	19,088	-	19,088	-
Motor and special fuel taxes	2,190	-	2,190	-
Other taxes	461,314	415	461,729	-
Restricted for unemployment compensation:				
Other taxes	-	676,591	676,591	-

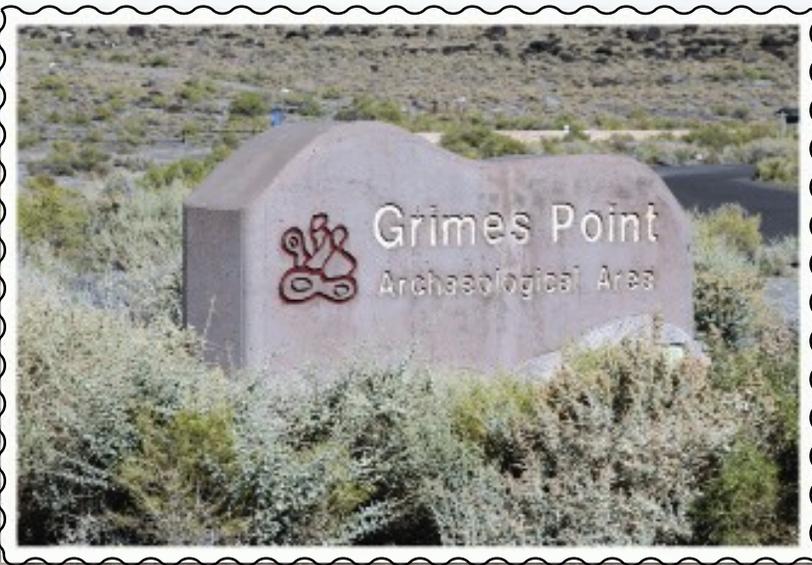
Restricted for general government purposes:				
Settlement income	1,292	-	1,292	-
Restricted for health services purposes:				
Other taxes	59,606	-	59,606	-
Restricted for social services purposes:				
Other taxes	14,627	-	14,627	-
Restricted for educational purposes:				
Sales and use taxes	229,778	-	229,778	-
Other taxes	60,410	-	60,410	-
Lodging taxes	138,011	-	138,011	-
Restricted for law, justice and public safety:				
Other	2,016	-	2,016	-
Other taxes	58	-	58	-
Restricted for regulation of business:				
Other taxes	4,365	-	4,365	-
Restricted for transportation purposes:				
Motor and special fuel taxes	238,863	-	238,863	-
Other taxes	5,390	-	5,390	-
Restricted for recreation and resources development:				
Other taxes	704	-	704	-
Settlement income	414	-	414	-
Restricted for debt service purposes:				
Property and transfer taxes	176,447	-	176,447	-
Motor and special fuel taxes	74,606	-	74,606	-
Other	4,929	-	4,929	-
Settlement income	37,561	-	37,561	-
Unrestricted investment earnings	45,763	-	45,763	46,306
Gain on sale of assets	-	1	1	18,651
Other general revenues	146,285	-	146,285	44,786
Contributions to permanent funds	16,589	-	16,589	13,504
Payments from State of Nevada	-	-	-	775,797
Transfers	17,929	(17,929)	-	-
Total general revenues, contributions, payments and transfers	<u>5,497,897</u>	<u>659,078</u>	<u>6,156,975</u>	<u>899,044</u>
Change in net position	<u>462,703</u>	<u>(847,336)</u>	<u>(384,633)</u>	<u>82,614</u>
Net position - beginning	8,466,018	2,773,390	11,239,408	2,557,101
Net position restatement	6,797	(1,890)	4,907	-
Net position - beginning (as restated)	<u>8,472,815</u>	<u>2,771,500</u>	<u>11,244,315</u>	<u>2,557,101</u>
Net position - ending	<u>\$ 8,935,518</u>	<u>\$ 1,924,164</u>	<u>\$ 10,859,682</u>	<u>\$ 2,639,715</u>

The notes to the financial statements are an integral part of this statement.

Grimes Point

The presence of Nevada's earliest inhabitants, beginning about 12,400 years ago, is marked by many prehistoric rock carvings called petroglyphs and archaeological sites.

Petroglyphs are almost impossible to date. Carbon-14 methods require once-living material to be analyzed. Carved or chipped rock can only be directly dated by the highly inaccurate method of examining the patina.



Minerals inside the rock leach to the surface from exposure to rain and sunlight. Over eons of time this forms a hard crust (or "patina") which usually takes on a darker color than the rock underneath.

*Courtesy of: Nevada State Parks
www.parks.nv.gov*



Balance Sheet

Governmental Funds

June 30, 2020

	General Fund	State Highway	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
<i>Cash and pooled investments:</i>				
Cash with treasurer	\$ 1,925,535,071	\$ 522,033,333	\$ 663,834,090	\$ 3,111,402,494
Cash in custody of other officials	5,423,569	3,672,781	10,674,008	19,770,358
Investments	17,028,133	-	345,620,282	362,648,415
<i>Receivables:</i>				
Accounts receivable	63,140,736	22,577,549	29,456,452	115,174,737
Taxes receivable	1,172,179,581	40,794,517	2,030,999	1,215,005,097
Intergovernmental receivables	561,488,124	20,404,479	38,131,151	620,023,754
Accrued interest and dividends	9,530,306	-	1,382,957	10,913,263
Notes/loans receivable	14,543,207	-	83,680,000	98,223,207
Capital lease receivable	-	-	46,355,000	46,355,000
Other receivables	64,234	-	-	64,234
Due from other funds	128,835,656	35,222,700	100,678,868	264,737,224
Due from fiduciary funds	81,149	-	1,221,195	1,302,344
Due from component units	209,853	41	24,132,107	24,342,001
Inventory	7,960,529	22,515,416	478,727	30,954,672
Advances to other funds	3,973,917	3,469,892	-	7,443,809
Restricted cash	3,323,313	-	-	3,323,313
Prepaid items	3,801,723	382,066	94,665	4,278,454
Total assets	\$ 3,917,119,101	\$ 671,072,774	\$ 1,347,770,501	\$ 5,935,962,376
Liabilities				
<i>Accounts payable and accruals:</i>				
Accounts payable	\$ 607,825,038	\$ 34,889,718	\$ 8,038,344	\$ 650,753,100
Accrued payroll and related liabilities	50,958,861	16,594,316	2,729,721	70,282,898
Intergovernmental payables	305,347,918	34,425,756	779,850	340,553,524
Contracts/retentions payable	1,014,178	28,724,716	27,951,156	57,690,050
Due to other funds	81,227,979	16,507,557	174,807,873	272,543,409
Due to fiduciary funds	571,164,882	39,649	13,697	571,218,228
Due to component units	13,893,508	270,977	60,240,553	74,405,038
Unearned revenues	802,043,061	31,093	1,700,686	803,774,840
Other liabilities	179,354,776	7,377,717	16,964,448	203,696,941
Total liabilities	2,612,830,201	138,861,499	293,226,328	3,044,918,028
Deferred Inflows of Resources				
<i>Unavailable revenue:</i>				
Taxes	197,537,346	1,347,105	383,386	199,267,837
Intergovernmental	273,833,721	-	-	273,833,721
Licenses, fees and permits	1,037,136	3,352,674	199	4,390,009
Sales and charges for services	6,878,994	720,829	-	7,599,823
Settlement income	-	-	17,408,905	17,408,905
Lease principal payments	-	-	46,355,000	46,355,000
Interest	1,359,007	408,267	761,719	2,528,993
Other	17,803,306	3,347,810	1,108,116	22,259,232
Taxes	104,903	-	-	104,903
Fines and forfeitures	941,334	-	-	941,334
Total deferred inflows of resources	499,495,747	9,176,685	66,017,325	574,689,757
Fund Balances				
Nonspendable	29,476,341	22,897,482	384,237,470	436,611,293
Restricted	102,345,474	444,409,614	178,734,666	725,489,754
Committed	626,066,413	55,727,494	425,554,712	1,107,348,619
Assigned	13,900,197	-	-	13,900,197
Unassigned	33,004,728	-	-	33,004,728
Total fund balances	804,793,153	523,034,590	988,526,848	2,316,354,591
Total liabilities, deferred inflows of resources and fund balances	\$ 3,917,119,101	\$ 671,072,774	\$ 1,347,770,501	\$ 5,935,962,376

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

June 30, 2020

Total fund balances - governmental funds		\$ 2,316,354,591
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:		
Land	\$ 173,229,949	
Construction in progress	2,597,711,873	
Infrastructure assets	5,842,526,696	
Rights-of-way	959,352,572	
Buildings	1,944,881,059	
Improvements other than buildings	160,986,290	
Furniture and equipment	450,394,257	
Software costs	308,607,615	
Accumulated depreciation/amortization	<u>(1,428,738,409)</u>	
Total capital assets		11,008,951,902
Some of the State's revenues collected after year-end are not available soon enough to pay for the current period's expenditures and, therefore, are reported as unavailable deferred inflows of resources in the funds.		
		573,643,520
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the statement of net position.		
		17,284,433
The loss on early retirement of debt is reported as a deferred outflow of resources on the statement of net position and is amortized over the original remaining life of the old debt, or the life of the new debt, whichever is less.		
		40,021,152
Deferred outflow of resources related to pensions are not reported in the governmental funds.		
		405,195,892
Deferred outflow of resources related to other post-employment benefits are not reported in the governmental funds.		
		48,493,079
Deferred inflow of resources related to pensions are not reported in the governmental funds.		
		(214,343,274)
Deferred inflow of resources related to other post-employment benefits are not reported in the governmental funds.		
		(46,988,348)
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Net pension liability	(2,190,249,951)	
Net OPEB liability	(773,450,462)	
Bonds payable	(2,031,389,754)	
Accrued interest on bonds	(16,069,334)	
Certificates of participation	(74,587,339)	
Capital leases	(9,871,233)	
Compensated absences	(112,477,041)	
Pollution remediation liability	<u>(5,000,000)</u>	
Total long-term liabilities		(5,213,095,114)
Net position of governmental activities		<u>\$ 8,935,517,833</u>

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Fiscal Year Ended June 30, 2020

	General Fund	State Highway	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Gaming taxes, fees, licenses	\$ 856,816,611	\$ -	\$ 11,734,123	\$ 868,550,734
Sales taxes	1,493,717,694	-	-	1,493,717,694
Modified business taxes	642,603,267	-	-	642,603,267
Insurance premium taxes	450,738,957	-	-	450,738,957
Lodging taxes	138,010,767	-	-	138,010,767
Cigarette taxes	156,694,742	-	-	156,694,742
Commerce taxes	204,983,790	-	-	204,983,790
Property and transfer taxes	103,064,985	-	191,591,221	294,656,206
Motor and special fuel taxes	2,190,399	238,863,155	74,605,842	315,659,396
Other taxes	431,520,916	126,331,069	51,728,514	609,580,499
Intergovernmental	5,273,127,125	384,787,472	114,368,423	5,772,283,020
Licenses, fees and permits	379,278,906	210,644,497	22,304,966	612,228,369
Sales and charges for services	67,688,334	17,777,061	21,585,098	107,050,493
Interest and investment income	49,745,192	15,758,342	35,688,858	101,192,392
Settlement income	1,390,300	-	39,046,996	40,437,296
Land sales	-	-	11,321,964	11,321,964
Other	57,351,860	24,658,713	22,512,332	104,522,905
Total revenues	10,308,923,845	1,018,820,309	596,488,337	11,924,232,491
Expenditures				
<i>Current:</i>				
General government	198,362,863	-	39,565,075	237,927,938
Health services	4,269,151,798	-	9,180	4,269,160,978
Social services	1,774,592,611	-	91,512,982	1,866,105,593
Education - K-12 state support	1,803,605,382	-	-	1,803,605,382
Education - K-12 administrative	633,392,932	-	4,923,268	638,316,200
Education - higher education	667,273,551	-	50,537,990	717,811,541
Law, justice and public safety	588,163,963	203,272,036	32,226,689	823,662,688
Regulation of business	289,108,182	-	20,353,033	309,461,215
Transportation	-	768,335,973	-	768,335,973
Recreation and resource development	163,565,863	-	26,424,818	189,990,681
Capital outlay	-	-	96,282,332	96,282,332
<i>Debt service:</i>				
Principal	2,888,296	-	173,340,000	176,228,296
Interest, fiscal charges	598,413	-	93,100,999	93,699,412
Debt issuance costs	-	-	645,946	645,946
Total expenditures	10,390,703,854	971,608,009	628,922,312	11,991,234,175
Excess (deficiency) of revenues over (under) expenditures	(81,780,009)	47,212,300	(32,433,975)	(67,001,684)
Other Financing Sources				
Bonds issued	-	-	116,245,000	116,245,000
Refunding bonds issued	-	-	43,925,000	43,925,000
Premium on bonds issued	-	-	19,687,000	19,687,000
Payment to refunded bond agent	-	-	(57,250,172)	(57,250,172)
Sale of capital assets	96,472	-	-	96,472
Transfers in	128,586,519	30,530,449	113,030,040	272,147,008
Transfers out	(50,796,830)	(16,889,349)	(186,806,802)	(254,492,981)
Total other financing sources	77,886,161	13,641,100	48,830,066	140,357,327
Net change in fund balances	(3,893,848)	60,853,400	16,396,091	73,355,643
Fund balances, July 1	808,687,001	462,181,190	972,130,757	2,242,998,948
Fund balances, June 30	\$ 804,793,153	\$ 523,034,590	\$ 988,526,848	\$ 2,316,354,591

The notes to the financial statements are an integral part of this statement.

Nevada State Fossil, Ichthyosaur

Berlin-Ichthyosaur State Park contains a town built in the 1890s that is preserved in a state of arrested decay. A true Nevada ghost town, many of Berlin's original buildings remain and some of its original residents are interred in the town's cemetery. Trails throughout the town site tell the story of Berlin and its mine. The park is also home to the most abundant concentration, and largest known remains, of Ichthyosaurs, an ancient marine reptile that swam in a warm ocean that covered central Nevada 225 million years ago. The fossils are protected and displayed at the park's Fossil House.



*Courtesy of: Nevada State Parks
www.parks.nv.gov*



Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Fiscal Year Ended June 30, 2020

Net change in fund balances - total governmental funds		\$ 73,355,643
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, the amounts are:		
Capital outlay	\$ 371,513,711	
Depreciation expense	<u>(93,468,494)</u>	
Excess of capital outlay over depreciation expense		278,045,217
Debt proceeds provide current financial resources to governmental funds; however, issuing debt increases long-term liabilities in the statement of net assets. In the current period, proceeds were received from:		
Bonds issued	(116,245,000)	
Refunding bonds issued	(43,925,000)	
Premiums on debt issued	<u>(19,687,000)</u>	
Total bond proceeds		(179,857,000)
Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current year, these amounts consist of:		
Bond principal retirement	169,587,677	
Certificates of participation retirement	3,239,000	
Payments to the bond refunding agent	57,250,172	
Capital lease payments	<u>2,529,296</u>	
Total long-term debt repayment		232,606,145
Internal service funds are used to charge the costs of certain activities to individual funds. The change in net position of the internal service funds is reported with governmental activities.		
		27,439,950
Because some revenues will not be collected for several months after the State's fiscal year end, they are not considered "available" and are not reported as revenues in the governmental funds. Unavailable deferred inflows of resources changed by this amount		
		49,294,486
In the statement of activities, the gain or loss on the sale of assets is reported, whereas in the governmental funds, only the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the asset sold.		
		341,791
Amortization of deferred loss on early retirement of debt is reported as an expense for the statement of activities.		
		(10,280,821)
Amortization of premiums on bonds and certificates of participation is reported as a reduction of interest expense for the statement of activities.		
		33,967,059
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of the net change in:		
Pension costs, net	(57,583,713)	
Other post-employment benefit costs, net	4,556,972	
Accrued interest payable	1,040,563	
Compensated absences	(11,328,230)	
Long term due to component unit	20,830,000	
Settlement agreement liability	3,400	
Pollution remediation liability	<u>272,000</u>	
Total additional expenditures		(42,209,008)
Net change in net position - governmental activities		<u>\$ 462,703,462</u>

The notes to the financial statements are an integral part of this statement.

Statement of Net Position

Proprietary Funds

June 30, 2020

	Enterprise Funds					Total Enterprise Funds	Internal Service Funds
	Housing Division	Unemployment Compensation	Water Projects Loans	Higher Education Tuition Trust	Nonmajor Enterprise Funds		
Assets							
Current assets:							
<i>Cash and pooled investments:</i>							
Cash with treasurer	\$ 1,805,556	\$ -	\$ 150,611,474	\$ 3,638,398	\$ 83,609,975	\$ 239,665,403	\$ 209,594,106
Cash in custody of other officials	-	976,933,945	-	1,212,139	222,650	978,368,734	-
Investments	95,805,037	-	-	307,125,074	-	402,930,111	-
<i>Receivables:</i>							
Accounts receivable	-	-	-	-	5,377,218	5,377,218	6,894,692
Assessments receivable	-	288,688,280	-	-	-	288,688,280	-
Intergovernmental receivables	-	915,956,800	286,150	-	572,132	916,815,082	9,037,011
Contracts receivable	-	-	-	8,506,085	-	8,506,085	-
Mortgages receivable	59,452,954	-	-	-	-	59,452,954	-
Accrued interest and dividends	26,078,841	-	4,466,072	386,758	-	30,931,671	-
Notes/loans receivable	-	-	34,717,211	-	-	34,717,211	5,000
Due from other funds	38,830	16	902,520	19,967	3,825,103	4,786,436	11,536,626
Due from fiduciary funds	-	-	-	-	7,015	7,015	11,699,781
Due from component units	-	-	-	-	-	-	18,563
Inventory	-	-	-	-	1,672,923	1,672,923	241,547
Prepaid items	-	-	593	119	84,484	85,196	213,165
<i>Restricted assets:</i>							
Investments	72,879,494	-	-	-	-	72,879,494	-
Total current assets	256,060,712	2,181,579,041	190,984,020	320,888,540	95,371,500	3,044,883,813	249,240,491
Noncurrent assets:							
Investments	174,834,925	-	-	-	-	174,834,925	-
<i>Receivables:</i>							
Contracts receivable	-	-	-	28,136,144	-	28,136,144	-
Mortgages receivable	607,744,751	-	-	-	-	607,744,751	-
Notes/loans receivable	50,382,588	-	364,201,679	-	-	414,584,267	55,000
<i>Restricted assets:</i>							
Investments	78,094,316	-	-	-	-	78,094,316	-
Other assets	-	-	-	-	5,000	5,000	3,761
<i>Capital assets:</i>							
Land	-	-	-	-	567,812	567,812	1,032,737
Buildings	-	-	-	-	1,406,840	1,406,840	20,392,485
Improvements other than buildings	-	-	-	-	5,638,507	5,638,507	3,839,621
Furniture and equipment	798,555	-	5,910	168,025	16,172,552	17,145,042	56,439,736
Software costs	-	-	-	-	-	-	16,134,510
Less accumulated depreciation/amortization	(692,811)	-	(5,910)	(144,762)	(10,878,550)	(11,722,033)	(68,171,498)
Total noncurrent assets	911,162,324	-	364,201,679	28,159,407	12,912,161	1,316,435,571	29,726,352
Total assets	1,167,223,036	2,181,579,041	555,185,699	349,047,947	108,283,661	4,361,319,384	278,966,843
Deferred Outflows of Resources							
Deferred charge on refunding	-	-	36,138	-	175,883	212,021	-
Pensions related amounts	387,686	-	106,669	60,453	7,091,218	7,646,026	10,447,699
OPEB related amounts	42,612	-	12,225	6,486	775,378	836,701	1,143,675
Total deferred outflows of resources	430,298	-	155,032	66,939	8,042,479	8,694,748	11,591,374

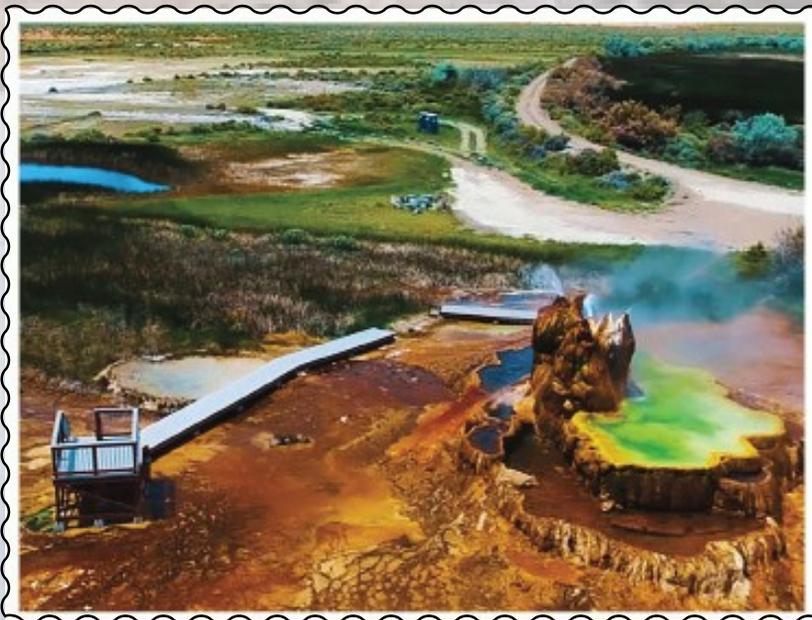
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	Enterprise Funds						Internal Service Funds
	Housing Division	Unemployment Compensation	Water Projects Loans	Higher Education Tuition Trust	Nonmajor Enterprise Funds	Total Enterprise Funds	
Liabilities							
Current liabilities:							
<i>Accounts payable and accruals:</i>							
Accounts payable	\$ 44,076,371	\$ 1,094,853,900	\$ 86,707	\$ 173,493	\$ 2,268,352	\$ 1,141,458,823	\$ 5,302,262
Accrued payroll and related liabilities	61,419	-	28,625	6,516	1,145,197	1,241,757	1,708,572
Interest payable	3,780,366	-	1,173,768	-	58,215	5,012,349	-
Intergovernmental payables	-	49,962,329	5,114	-	224,871	50,192,314	68,096
Bank overdraft	-	-	-	-	-	-	3,428,332
Due to other funds	53,707	22,301	232,675	109,455	3,018,880	3,437,018	5,079,859
Due to fiduciary funds	-	-	-	-	60,786	60,786	8,936
Due to component units	-	-	-	-	650	650	11,500
Unearned revenues	-	-	-	-	12,569,920	12,569,920	3,489,755
Other liabilities	-	-	-	-	11,450	11,450	-
<i>Short-term portion of long-term liabilities:</i>							
Reserve for losses	-	-	-	-	-	-	108,950,006
Compensated absences	102,118	-	25,865	15,414	1,573,457	1,716,854	2,722,898
Benefits payable	-	-	-	19,181,635	-	19,181,635	-
Bonds payable	52,664,592	-	12,093,860	-	359,039	65,117,491	513,323
Obligations under capital leases	-	-	-	-	-	-	1,109,539
Total current liabilities	100,738,573	1,144,838,530	13,646,614	19,486,513	21,290,817	1,300,001,047	132,393,078
Noncurrent liabilities:							
Advances from other funds	-	-	-	-	124,020	124,020	7,319,789
Reserve for losses	-	-	-	-	-	-	43,964,147
Net pension obligation	2,154,048	-	585,322	341,136	39,260,256	42,340,762	57,542,725
Net OPEB liability	795,012	-	228,089	121,004	14,466,437	15,610,542	21,226,837
Compensated absences	31,848	-	10,601	6,269	454,706	503,424	1,180,197
Benefits payable	-	-	-	187,163,455	-	187,163,455	-
Bonds payable	827,575,483	-	60,872,635	-	7,050,403	895,498,521	2,169,634
Obligations under capital leases	-	-	-	-	-	-	285,456
Total noncurrent liabilities	830,556,391	-	61,696,647	187,631,864	61,355,822	1,141,240,724	133,688,785
Total liabilities	931,294,964	1,144,838,530	75,343,261	207,118,377	82,646,639	2,441,241,771	266,081,863
Deferred Inflows of Resources							
Pension related amounts	203,557	-	55,312	32,238	3,710,093	4,001,200	5,562,053
OPEB related amounts	48,299	-	13,857	7,351	878,854	948,361	1,289,268
Total deferred inflows of resources	251,856	-	69,169	39,589	4,588,947	4,949,561	6,851,321
Net Position							
Net investment in capital assets	105,744	-	-	23,263	5,497,719	5,626,726	25,619,238
<i>Restricted for:</i>							
Unemployment compensation	-	1,036,740,511	-	-	-	1,036,740,511	-
Tuition contract benefits	-	-	-	141,933,657	-	141,933,657	-
Security of outstanding obligations	172,185,496	-	-	-	-	172,185,496	-
Workers' compensation	-	-	-	-	28,057,217	28,057,217	-
Revolving loans	-	-	479,928,301	-	-	479,928,301	-
Regulation of business	-	-	-	-	2,000	2,000	-
Unrestricted (deficit)	63,815,274	-	-	-	(4,466,382)	59,348,892	(7,994,205)
Total net position	\$ 236,106,514	\$ 1,036,740,511	\$ 479,928,301	\$ 141,956,920	\$ 29,090,554	\$ 1,923,822,800	\$ 17,625,033
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time.						341,100	
Net position of business-type activities						<u>\$ 1,924,163,900</u>	

The notes to the financial statements are an integral part of this statement.

The Fly Geyser, Fly Ranch

THE FLY GEYSER on Fly Ranch in Nevada is an unusual (and unplanned) collaboration between man and nature. The multi-colored geothermal geyser, constantly sprays water five feet in the air building up the landmark by depositing minerals and multi-colored thermophilic algae on the surrounding terraces. It is the result of a 1964 drilling project that was never properly capped.



The 3,800-acre Fly Ranch property, where the geyser resides was purchased by the Burning Man Project in 2016. Currently it's not open to the public, but they've got plans to create a permanent, year-round site for artists and visitors.

*Courtesy of: Nevada Division of Tourism
www.travelnevada.com*

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

For the Fiscal Year Ended June 30, 2020

	Enterprise Funds						Internal Service Funds
	Housing Division	Unemployment Compensation	Water Projects Loans	Higher Education Tuition Trust	Nonmajor Enterprise Funds	Total Enterprise Funds	
Operating Revenues							
Net premium income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 416,187,991
Sales	-	-	-	11,631,484	6,650,749	18,282,233	2,627,187
Assessments	-	676,591,141	-	-	414,783	677,005,924	-
Charges for services	-	-	455,000	77,400	13,594,166	14,126,566	61,844,140
Rental income	-	-	-	-	144,200	144,200	22,024,302
Interest income on loans/notes	23,820,936	-	9,295,167	-	-	33,116,103	-
Federal government	-	3,858,426,706	16,122,978	-	-	3,874,549,684	-
Licenses, fees and permits	-	-	-	-	45,594,299	45,594,299	-
Fines	-	-	-	-	4,463,373	4,463,373	-
Other	7,855,925	4,945,676	-	-	2,336,634	15,138,235	329,221
Total operating revenues	31,676,861	4,539,963,523	25,873,145	11,708,884	73,198,204	4,682,420,617	503,012,841
Operating Expenses							
Salaries and benefits	1,605,434	-	458,725	228,370	40,739,820	43,032,349	44,055,487
Operating	1,686,116	-	3,667,938	726,387	13,477,739	19,558,180	42,552,268
Claims and benefits expense	-	5,474,093,872	-	10,201,469	6,417,273	5,490,712,614	319,202,120
Interest on bonds payable	28,869,851	-	1,295,041	-	-	30,164,892	-
Materials or supplies used	-	-	-	-	2,091,122	2,091,122	97,794
Servicers' fees	11,816	-	-	-	-	11,816	-
Depreciation	36,255	-	-	16,745	834,658	887,658	6,030,788
Bond issuance costs	2,216,663	-	347,005	-	-	2,563,668	-
Insurance premiums	-	-	-	-	-	-	66,896,631
Total operating expenses	34,426,135	5,474,093,872	5,768,709	11,172,971	63,560,612	5,589,022,299	478,835,088
Operating income (loss)	(2,749,274)	(934,130,349)	20,104,436	535,913	9,637,592	(906,601,682)	24,177,753
Nonoperating Revenues (Expenses)							
Interest and investment income	11,878,517	43,672,284	3,103,041	12,880,590	1,836,986	73,371,418	3,751,217
Interest expense	-	-	-	-	(270,657)	(270,657)	(67,227)
Federal grant revenue	1,810,683	-	-	-	2,756,111	4,566,794	-
Federal grant expense	(1,269,036)	-	-	-	-	(1,269,036)	-
Gain (loss) on disposal of assets	-	-	-	-	-	-	98,805
Total nonoperating revenues (expenses)	12,420,164	43,672,284	3,103,041	12,880,590	4,322,440	76,398,519	3,782,795
Income (loss) before transfers	9,670,890	(890,458,065)	23,207,477	13,416,503	13,960,032	(830,203,163)	27,960,548
Transfers							
Transfers in	-	-	2,230	793,692	1,825,308	2,621,230	2,531,054
Transfers out	-	(4,877,420)	(2,066,058)	-	(13,606,547)	(20,550,025)	(2,256,286)
Change in net position	9,670,890	(895,335,485)	21,143,649	14,210,195	2,178,793	(848,131,958)	28,235,316
Net position, July 1	226,435,624	1,933,966,433	458,784,652	127,746,725	26,911,761	-	(10,610,283)
Net position restatement	-	(1,890,437)	-	-	-	-	-
Net position, July 1 (as restated)	226,435,624	1,932,075,996	458,784,652	127,746,725	26,911,761	-	(10,610,283)
Net position, June 30	\$ 236,106,514	\$ 1,036,740,511	\$ 479,928,301	\$ 141,956,920	\$ 29,090,554	\$ -	\$ 17,625,033

Adjustment for the net effect of the current year activity
between the internal service funds and the enterprise funds.

Change in net position of business-type activities

795,466

\$ (847,336,492)

The notes to the financial statements are an integral part of this statement.

Statement of Cash Flows

Proprietary Funds

For the Fiscal Year Ended June 30, 2020

	Enterprise Funds						Internal Service Funds
	Major Funds						
	Housing Division	Unemployment Compensation	Water Projects Loans	Higher Education Tuition Trust	Nonmajor Enterprise Funds	Totals	
Cash flows from operating activities							
Receipts from customers and users	\$ -	\$ 599,802,784	\$ 454,840	\$ 13,721,879	\$ 69,171,049	\$ 683,150,552	\$ 70,985,917
Receipts for interfund services provided	487,660	2,031,203	-	1,064	2,404,616	4,924,543	400,389,106
Receipts from component units	-	-	-	-	-	-	14,650,739
Receipts of principal on loans/notes	35,975,036	-	-	-	-	35,975,036	5,000
Receipts of interest on loans/notes	21,043,792	-	-	-	-	21,043,792	-
Receipts from Federal government	-	2,998,951,653	16,066,916	-	-	3,015,018,569	-
Payments to suppliers, other governments and beneficiaries	(5,400,605)	(4,386,019,832)	(3,474,950)	(7,567,883)	(12,269,906)	(4,414,733,176)	(413,656,815)
Payments to employees	(1,478,464)	-	(448,127)	(213,969)	(39,394,426)	(41,534,986)	(41,638,241)
Payments for interfund services	(598,761)	-	(132,924)	(163,393)	(7,102,953)	(7,998,031)	(20,250,609)
Payments to component units	-	-	-	(7,922,748)	(20,630)	(7,943,378)	(170,156)
Purchase of loans and notes	(235,377,835)	-	-	-	-	(235,377,835)	-
Net cash provided by (used for) operating activities	(185,349,177)	(785,234,192)	12,465,755	(2,145,050)	12,787,750	(947,474,914)	10,314,941
Cash flows from noncapital financing activities							
Grant receipts	1,810,683	-	-	-	3,131,497	4,942,180	-
Proceeds from sale of bonds	295,537,601	-	42,197,677	-	-	337,735,278	-
Transfers and advances from other funds	(27)	-	2,230	869,982	435,783	1,307,968	10,948,848
Principal paid on noncapital debt	(46,095,395)	-	(10,720,000)	-	-	(56,815,395)	-
Interest paid on noncapital debt	(27,837,345)	-	(1,642,881)	-	-	(29,480,226)	-
Transfers and advances to other funds	-	-	(2,005,201)	-	(14,173,404)	(16,178,605)	(1,074,875)
Payments to other governments and organizations	(1,269,036)	-	-	-	-	(1,269,036)	-
Bond issuance costs	-	-	(347,005)	-	-	(347,005)	-
Net cash provided by (used for) noncapital financing activities	222,146,481	-	27,484,820	869,982	(10,606,124)	239,895,159	9,873,973
Cash flows from capital and related financing activities							
Proceeds from sale of capital assets	-	-	-	-	-	-	208,234
Purchase of capital assets	-	-	-	-	(327,334)	(327,334)	(7,477,078)
Principal paid on capital debt	-	-	-	-	(299,000)	(299,000)	(1,712,556)
Interest paid on capital debt	-	-	-	-	(302,963)	(302,963)	(67,227)
Net cash provided by (used for) capital and related financing activities	-	-	-	-	(929,317)	(929,317)	(9,048,627)
Cash flows from investing activities							
Proceeds from sale of investments	718,504,746	-	-	3,205,939	-	721,710,685	-
Receipts of principal on loans/notes	-	-	33,914,302	-	-	33,914,302	-
Purchase of investments	(764,845,648)	-	-	(10,356,009)	-	(775,201,657)	-
Purchase of loans and notes	-	-	(33,681,806)	-	-	(33,681,806)	-
Interest, dividends and gains (losses)	10,146,194	43,672,284	12,486,140	5,325,741	2,046,774	73,677,133	4,286,191
Net cash provided by (used for) investing activities	(36,194,708)	43,672,284	12,718,636	(1,824,329)	2,046,774	20,418,657	4,286,191
Net increase (decreases) in cash	602,596	(741,561,908)	52,669,211	(3,099,397)	3,299,083	(688,090,415)	15,426,478
Cash and cash equivalents, July 1	1,202,960	1,718,495,853	97,942,263	7,949,934	80,533,542	1,906,124,552	194,167,628
Cash and cash equivalents, June 30	\$ 1,805,556	\$ 976,933,945	\$ 150,611,474	\$ 4,850,537	\$ 83,832,625	\$ 1,218,034,137	\$ 209,594,106

(continued)

	Enterprise Funds						
	Major Funds						Internal Service Funds
	Housing Division	Unemployment Compensation	Water Projects Loans	Higher Education Tuition Trust	Nonmajor Enterprise Funds	Totals	
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities							
Operating income (loss)	\$ (2,749,274)	\$ (934,130,349)	\$ 20,104,436	\$ 535,913	\$ 9,637,592	\$ (906,601,682)	\$ 24,177,753
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities							
Depreciation	36,255	-	-	16,745	834,658	887,658	6,030,788
Interest on loans	-	-	(9,295,167)	-	-	(9,295,167)	-
Interest on bonds payable	28,869,851	-	1,295,041	-	-	30,164,892	-
Debt issuance costs	-	-	347,005	-	-	347,005	-
Decrease (increase) in loans and notes receivable	(202,090,195)	-	-	-	-	(202,090,195)	5,000
Decrease (increase) in accrued interest and receivables	(25,904,305)	(982,467,263)	(56,222)	2,014,059	(1,871,127)	(1,008,284,858)	(17,783,534)
Decrease (increase) in inventory, deferred charges, other assets	-	-	(132)	(3)	322,319	322,184	76,977
Decrease (increase) in deferred outflow of resources	(39,761)	-	(9,117)	(4,922)	(586,238)	(640,038)	(893,104)
Increase (decrease) in accounts payable, accruals, other liabilities	16,361,522	1,131,363,420	63,903	(4,726,695)	2,827,486	1,145,889,636	(3,761,277)
Increase (decrease) in unearned revenues	-	-	-	-	248,588	248,588	(171,783)
Increase (decrease) in net pension liability	110,758	-	(3,043)	15,796	455,804	579,315	1,603,796
Increase (decrease) in net OPEB liability	5,263	-	7,354	(3,582)	106,909	115,944	(166,389)
Increase (decrease) in deferred inflows of resources	50,709	-	11,697	7,639	811,759	881,804	1,196,714
Total adjustments	(182,599,903)	148,896,157	(7,638,681)	(2,680,963)	3,150,158	(40,873,232)	(13,862,812)
Net cash provided by (used for) operating activities	\$ (185,349,177)	\$ (785,234,192)	\$ 12,465,755	\$ (2,145,050)	\$ 12,787,750	\$ (947,474,914)	\$ 10,314,941

The notes to the financial statements are an integral part of this statement.

Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2020

	Pension and Other Employee Benefits Trust Funds	Investment Trust Funds	Private purpose trust funds	Custodial Funds
Assets				
<i>Cash and pooled investments:</i>				
Cash with treasurer	\$ 2,570,445	\$ -	\$ 9,450,538	\$ 64,749,248
Cash in custody of other officials	774,779,806	3,821,019	28,578,754	4,910,052
<i>Investments:</i>				
Investments	1,843,713	2,393,727,118	29,126,226,917	-
Fixed income securities	12,729,964,780	-	-	-
Marketable equity securities	18,986,672,050	-	-	-
International securities	9,344,950,306	-	-	-
Real estate	2,115,552,553	-	-	-
Alternative investments	2,635,864,456	-	-	-
Collateral on loaned securities	205,982,715	-	-	-
<i>Receivables:</i>				
Taxes receivable	-	-	-	67,467,363
Intergovernmental receivables	144,095,996	-	80,418	71
Accrued interest and dividends	143,898,330	15,537,002	803,646	-
Other receivables	2,655	-	-	102,481
Contributions receivables	-	-	23,768,884	-
Trades pending settlement	601,204,479	-	5,564,705	-
Due from other funds	26,749,277	-	159,685	544,378,988
Due from fiduciary funds	-	-	-	16,440
Due from component units	1,480,374	-	-	-
Other assets	4,131,236	-	-	-
Furniture and equipment	46,556,109	-	48,222	-
Less accumulated depreciation/amortization	(42,682,996)	-	(48,222)	-
Total assets	47,723,616,284	2,413,085,139	29,194,633,547	681,624,643
Liabilities				
<i>Accounts payable and accruals:</i>				
Accounts payable	21,109,624	84,964	3,799,877	1,360,201
Intergovernmental payables	-	35,667	18,602	671,461,199
Redemptions payable	-	-	16,252,064	-
Trades pending settlement	609,322,409	11,004,415	12,304,197	-
Bank overdraft	-	-	5,043,000	-
Obligations under securities lending	205,982,715	-	-	-
Due to other funds	11,699,781	9,384	1,299,975	-
Due to fiduciary funds	-	-	16,440	-
<i>Other liabilities:</i>				
Other liabilities	-	25,747	-	-
Total liabilities	848,114,529	11,160,177	38,734,155	672,821,400
Net Position				
<i>Restricted for:</i>				
Pension benefits	46,881,153,370	-	-	-
OPEB benefits	(5,651,615)	-	-	-
Pool participants	-	2,401,924,962	-	-
Individuals	-	-	29,155,899,392	8,803,243
Total net position	\$ 46,875,501,755	\$ 2,401,924,962	\$ 29,155,899,392	\$ 8,803,243

The notes to the financial statements are an integral part of this statement.

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

For the Fiscal Year Ended June 30, 2020

	Pension and Other Employee Benefits Trust Funds	Investment Trust Funds	Private purpose trust funds	Custodial Funds
Additions				
<i>Contributions:</i>				
Employer	\$ 1,094,423,119	\$ -	\$ -	\$ -
Plan members	1,045,267,117	-	-	-
Participants	-	-	3,138,247,655	-
Repayment and purchase of service	67,539,938	-	-	-
Total contributions	2,207,230,174	-	3,138,247,655	-
<i>Investment income:</i>				
Net increase (decrease) in fair value of investments	2,168,850,144	28,665,674	(478,002)	-
Interest, dividends	911,196,672	43,860,421	1,086,743,381	4,150
Securities lending	4,086,256	-	-	-
Other	119,982,070	-	-	-
	3,204,115,142	72,526,095	1,086,265,379	4,150
Less investment expense:				
Other	(57,725,062)	(80,150)	-	-
Net investment income	3,146,390,080	72,445,945	1,086,265,379	4,150
<i>Other:</i>				
Investment from local governments	-	3,248,760,510	-	-
Taxes and fees collected for other governments	-	-	-	4,330,480,843
Child support collections	-	-	-	246,965,420
Other	3,150,847	496	-	2,954,522
Total other	3,150,847	3,248,761,006	-	4,580,400,785
Total additions	5,356,771,101	3,321,206,951	4,224,513,034	4,580,404,935
Deductions				
Principal redeemed	-	2,829,035,465	1,713,377,682	-
Benefit payments	2,862,019,445	-	26,678,611	161,827
Refunds	29,510,239	-	-	-
Contribution distributions	-	3,221,255	-	-
Administrative expense	12,584,878	489,806	39,473,637	-
Payment of taxes and fees to other governments	-	-	-	4,330,480,843
Child support payments	-	-	-	245,290,174
Restitution payments	-	-	-	2,008,392
Total deductions	2,904,114,562	2,832,746,526	1,779,529,930	4,577,941,236
Change in net position	2,452,656,539	488,460,425	2,444,983,104	2,463,699
Net position, July 1	44,422,845,216	1,913,464,537	26,710,916,288	-
Net position restatement	-	-	-	6,339,544
Net position, July 1 (as restated)	44,422,845,216	1,913,464,537	26,710,916,288	6,339,544
Net position, June 30	\$ 46,875,501,755	\$ 2,401,924,962	\$ 29,155,899,392	\$ 8,803,243

The notes to the financial statements are an integral part of this statement.

Combining Statement of Net Position Discretely Presented Component Units

June 30, 2020

	Major Component Units		Nonmajor Component Unit	Total
	Colorado River Commission	Nevada System of Higher Education	Nevada Capital Investment Corporation	
Assets				
Cash and pooled investments	\$ 18,434,731	\$ 197,422,000	\$ -	\$ 215,856,731
Investments	-	1,473,280,000	27,620,969	1,500,900,969
Due from primary government	111,976	190,731,212	-	190,843,188
Accounts receivable	1,825,184	107,482,788	-	109,307,972
Intergovernmental receivables	-	58,657,000	-	58,657,000
Accrued interest and dividends	111,977	-	12,569	124,546
Notes/loans receivable	-	6,702,000	-	6,702,000
Other receivables	-	8,416,000	-	8,416,000
Inventory	-	5,515,000	-	5,515,000
Prepaid expenses	26,061,227	-	-	26,061,227
<i>Restricted assets:</i>				
Cash	2,602,818	97,539,000	-	100,141,818
Investments	-	14,924,000	-	14,924,000
Other assets	-	96,677,000	-	96,677,000
<i>Capital assets:</i>				
Land, infrastructure and construction in progress	-	363,318,000	-	363,318,000
Other capital assets, net	45,172,737	2,141,818,000	-	2,186,990,737
Total assets	94,320,650	4,762,482,000	27,633,538	4,884,436,188
Deferred Outflows of Resources				
Deferred charge on refunding	-	11,193,000	-	11,193,000
Pension related amounts	1,083,150	82,027,000	-	83,110,150
OPEB related amounts	121,517	29,981,000	-	30,102,517
Total deferred outflows of resources	1,204,667	123,201,000	-	124,405,667
Liabilities				
Accounts payable	2,829,185	44,015,960	-	46,845,145
Accrued payroll and related liabilities	181,463	85,788,000	-	85,969,463
Interest payable	260,564	15,278,000	-	15,538,564
Due to primary government	154,917	253,040	23,952,607	24,360,564
Unearned revenues	3,213,751	56,193,000	-	59,406,751
Other liabilities	2,922,918	80,967,000	-	83,889,918
<i>Long-term liabilities:</i>				
<i>Portion due or payable within one year:</i>				
Obligations under capital leases	-	2,854,000	-	2,854,000
Compensated absences	328,966	42,762,000	-	43,090,966
Bonds payable	755,000	69,661,000	-	70,416,000
<i>Portion due or payable after one year:</i>				
Federal advances	-	5,370,000	-	5,370,000
Obligations under capital leases	-	49,008,000	-	49,008,000
Net pension liability	5,986,027	414,036,000	-	420,022,027
Net OPEB liability	2,267,165	569,268,000	-	571,535,165
Compensated absences	189,443	21,552,000	-	21,741,443
Bonds payable	25,847,118	722,902,000	-	748,749,118
Unearned revenue	42,247,331	-	-	42,247,331
Total liabilities	87,183,848	2,179,908,000	23,952,607	2,291,044,455
Deferred Inflows of Resources				
Lease revenue	-	6,526,000	-	6,526,000
Split-interest agreements	-	2,465,000	-	2,465,000
Service concession arrangement	-	1,265,000	-	1,265,000
Pension related amounts	565,680	32,539,000	-	33,104,680
OPEB related amounts	137,733	34,584,000	-	34,721,733
Total deferred inflows of resources	703,413	77,379,000	-	78,082,413
Net Position				
Net investment in capital assets	45,172,737	1,760,094,000	-	1,805,266,737
<i>Restricted for:</i>				
Capital projects	-	192,159,000	-	192,159,000
Debt service	-	32,179,000	-	32,179,000
Scholarships	-	511,227,000	-	511,227,000
Loans	-	6,564,000	-	6,564,000
Education - K to 12	-	-	3,680,931	3,680,931
Research and development	11,810,958	-	-	11,810,958
Other purposes	-	5,877,000	-	5,877,000
Funds held as permanent investments:				
Nonexpendable	-	445,177,000	-	445,177,000
Unrestricted (deficit)	(49,345,639)	(324,881,000)	-	(374,226,639)
Total net position	\$ 7,638,056	\$ 2,628,396,000	\$ 3,680,931	\$ 2,639,714,987

The notes to the financial statements are an integral part of this statement.

Combining Statement of Activities Discretely Presented Component Units

For the Fiscal Year Ended June 30, 2020

	<u>Major Component Units</u>		<u>Nonmajor Component Unit</u>	
	<u>Colorado River Commission</u>	<u>Nevada System of Higher Education</u>	<u>Nevada Capital Investment Corporation</u>	<u>Total</u>
Expenses	\$ 47,475,210	\$ 2,111,586,000	\$ 9,017,702	\$ 2,168,078,912
<i>Program revenue:</i>				
Charges for services	47,741,420	764,525,000	-	812,266,420
Operating grants and contributions	-	537,832,000	-	537,832,000
Capital grants and contributions	-	1,551,000	-	1,551,000
Total program revenue	<u>47,741,420</u>	<u>1,303,908,000</u>	<u>-</u>	<u>1,351,649,420</u>
<i>General revenues:</i>				
Unrestricted investment earnings	522,367	40,898,000	4,885,443	46,305,810
Gain on sale of assets	-	18,651,000	-	18,651,000
Other general revenues	70,191	44,716,000	-	44,786,191
Contributions to permanent funds	-	13,504,000	-	13,504,000
Payments from State of Nevada	-	775,797,000	-	775,797,000
Total general revenues, contributions and payments	<u>592,558</u>	<u>893,566,000</u>	<u>4,885,443</u>	<u>899,044,001</u>
Change in net position	858,768	85,888,000	(4,132,259)	82,614,509
Net position, July 1	6,779,288	2,542,508,000	7,813,190	2,557,100,478
Net position, June 30	<u>\$ 7,638,056</u>	<u>\$ 2,628,396,000</u>	<u>\$ 3,680,931</u>	<u>\$ 2,639,714,987</u>

The notes to the financial statements are an integral part of this statement.

Notes to the Financial Statements

For the Year Ended June 30, 2020

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Notes to the Financial Statements

For the Year Ended June 30, 2020

Note 1. Summary of Significant Accounting Policies

The accompanying financial statements of the State of Nevada (the State) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

A. Description of Government-wide Financial Statements

The Government-wide Financial Statements, which consist of the Statement of Net Position and the Statement of Activities, report information on all non-fiduciary activities of the primary government and its component units. All fiduciary activities, including component units that are fiduciary in nature, are reported only in the fund financial statements. Primary government activities are distinguished between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Reporting Entity

For financial reporting purposes, the State's reporting entity includes the "primary government" and its "component units." The primary government includes all funds, departments, agencies, and those authorities that are considered an integral part of the State's activities. Component units are legally separate organizations for which the State's elected officials are financially accountable. The State's component units have a June 30 year-end.

The GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and either: 1) the ability of the State to impose its will on that organization; or 2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the State. When the State does not appoint a voting majority of an organization's governing body, GASB requires inclusion in the reporting entity based on financial accountability if: 1) the organization is both fiscally dependent on the State and there is the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the State; or 2) it would be misleading to exclude the organization.

Fiduciary Component Units: The following fiduciary component units are legally separate from the State. The State is financially accountable for these organizations since it appoints the voting majority of the boards and is able to impose its will on them through the ability to remove appointed members of the organization's governing board. Since these component units are fiduciary in nature, they are included only in the fund financial statements with the primary government's fiduciary funds. Therefore, these component units are excluded from the government-wide financial statements.

The *Public Employees' Retirement System* (PERS), the *Legislators' Retirement System* (LRS) and the *Judicial Retirement System* (JRS) are administered by a seven-member board appointed by the Governor. PERS is the administrator of a cost-sharing, multiple-employer, defined benefit public employees' retirement system established to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earning capacities have been removed or substantially impaired by age or disability. LRS is the administrator of a single-employer public employees' defined benefit retirement system established to provide a reasonable base income to Legislators at retirement. JRS is the administrator of an agent multiple-employer public employees' defined benefit retirement system established to provide a reasonable base income to justices of the Supreme Court, district judges, municipal court judges, and justices of the peace at retirement.

The *Retirement Benefits Investment Fund* (RBIF) was created for the sole purpose of providing an investment vehicle for monies belonging to either the State or local government other post employment benefit trust funds. RBIF is administered by the Retirement Benefits Investment Board, which consists of the same members as the Public Employees' Retirement Board.

Blended Component Unit: The *Nevada Real Property Corporation* (NRPC) is a legally separate organization. The State is financially accountable for NRPC since it appoints the board of directors, and NRPC provides a financial benefit to the State by providing financing services. NRPC was incorporated to finance certain construction projects which include office

Notes to the Financial Statements

For the Year Ended June 30, 2020

buildings, a transitional residential facility and a warehouse, all financed by the issuance of certificates of participation. Upon completion of construction, the NRPC leases the facilities to the State. Since the NRPC provides financing services solely to the State, these financial transactions are reported as part of the primary government using the blended method.

Discretely Presented Component Units: A component unit should be included in the reporting entity financial statements using the discrete presentation method if the component unit's governing body is not substantively the same as the governing body of the primary government, the component unit does not provide services entirely or almost entirely to the primary government, and the component unit's total debt outstanding is not expected to be repaid entirely or almost entirely with resources of the primary government. The following discretely presented component units meet these criteria and are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the State.

The *Nevada System of Higher Education* (NSHE) is a legally separate organization consisting of the institutions of public higher education in Nevada, the NSHE Administration entity, and their component units. NSHE is governed by a Board of Regents elected by the voters. NSHE is considered to be fiscally dependent on the primary government since the State can modify and approve their budgets. In addition, NSHE imposes a financial burden on the primary government since the State provides financial support to NSHE through annual operating and capital appropriations.

The *Colorado River Commission* (CRC) is a legally separate organization responsible for managing Nevada's interests in the water and power resources available from the Colorado River. It is governed by seven commissioners, a majority of whom are appointed by the State: four are appointed by the Governor and three are appointed by the board of directors of the Southern Nevada Water Authority. The State is financially accountable for CRC since bonds issued by the CRC are backed by the full faith and credit of the State of Nevada, which creates the potential for a financial burden to the State. CRC provides services to citizens through the distribution and sale of electric power.

The *Nevada Capital Investment Corporation* (NCIC) is a legally separate organization whose board of directors consists of the State Treasurer, who serves as the chair; five members that are appointed by the primary government; and the Chancellor of NSHE, or his designee. Up to five additional members of the board may be chosen who are direct investors of the corporation. The NCIC is an independent corporation for public benefit, the general purpose of which is to act as a limited partner, shareholder or member to provide private equity funding to businesses located in or seeking to locate in Nevada, and engage in certain industries. The amount invested in the NCIC is not to exceed \$50 million from the State Permanent School Fund. The State is financially accountable for NCIC since it is able to impose its will through veto power by the State Treasurer.

Complete financial statements for each of the individual component units, with the exception of the *Nevada Real Property Corporation*, which has no other financial activity than that previously described, may be obtained at that organization's administrative offices:

Public Employees' Retirement System

Carson City, NV

Legislators' Retirement System

Carson City, NV

Judicial Retirement System

Carson City, NV

Retirement Benefits Investment Fund

Carson City, NV

Nevada System of Higher Education

Reno, NV

Colorado River Commission

Las Vegas, NV

Nevada Capital Investment Corporation

Carson City, NV

Related Organizations: The Governor is responsible for appointing the members of many boards and commissions. The State's accountability for these entities does not extend beyond making the appointments and thus these entities are excluded from this report. The State does not exercise financial or administrative control over the excluded boards and commissions.

Notes to the Financial Statements

For the Year Ended June 30, 2020

C. Basis of Presentation

Government-wide Financial Statements: While separate government-wide and fund financial statements are presented, they are interrelated. On the government-wide financial statements, the governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. As discussed earlier, the State has three discretely presented component units which are shown in a single column in the government-wide financial statements.

In general, the effect of interfund activity has been removed from the government-wide financial statements. Overhead costs have been removed to minimize the double counting of internal activities, but interfund services provided and used have been retained, as their elimination would distort the measurement of the cost of individual functional activities. Internal activities of a reimbursement type nature reduce the expenses of the reimbursed programs. Certain centralized costs have been included as part of the program expenses reported for the various functions and activities. The net amount of interfund receivables and payables between governmental activities and business-type activities are reported as internal balances on the government-wide statement of net position. The net amount of transfers between governmental activities and business-type activities are reported as transfers on the government-wide statement of activities.

Fund Financial Statements: The fund financial statements provide information about the government's funds, including its fiduciary and blended component units. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

The State reports the following major governmental funds:

General Fund – this is the State's primary operating fund. It accounts for all financial resources of the general government except those accounted for in another fund.

State Highway Fund - accounts for the maintenance, regulation, and construction of public highways and is funded through vehicle fuel taxes, federal funds, and other charges.

The State reports the following major enterprise funds:

Higher Education Tuition Trust Fund – accounts for the State program to assist Nevada residents in locking in the cost of future higher education expenses for Nevada colleges and universities. This program is financed through the sale of prepaid tuition contracts.

Housing Division Fund - accounts for the State program to assist private lenders in providing low interest housing loans to low- and moderate-income households. This program is financed through the sale of bonds.

Unemployment Compensation Fund - accounts for the payment of unemployment compensation benefits.

Water Projects Loans Fund - accounts for revenues and expenses associated with operating a revolving fund to finance local government pollution control projects, and with operating revolving and set-aside program funds to finance local public water systems' safe drinking water projects.

Additionally, the State reports the following fund types:

Internal Service Funds - provides goods or services primarily to other agencies or funds of the State rather than to the general public. These goods and services include accounting, communications, information technology, fleet services, personnel, printing, property management, purchasing and risk management. In the government-wide statements, internal service funds are included with governmental activities.

Pension and Other Employee Benefit Trust Funds - report resources that are required to be held in trust for the members and beneficiaries of the State's defined benefit pension plans and other post-employment benefit plans.

Investment Trust Funds - report resources received from local governments that are either pooled in an external investment portfolio for the benefit of all participants or separated into subaccounts of identified investments allocated to specific participating local governments. Examples include the Local Government Investment Pool, the Nevada Enhanced Savings Term and the Retirement Benefits Investment Fund.

Notes to the Financial Statements

For the Year Ended June 30, 2020

Private Purpose Trust Funds - report resources of all other trust arrangements in which principal and income benefit individuals, private organizations, or other governments. Examples include the Prisoners' Personal Property and the Nevada College Savings Plan.

Custodial Funds - report fiduciary activities not held in a trust or equivalent arrangement. Examples include motor vehicle and child support disbursement.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual; that is, when they become both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The State considers revenues to be available if they are collected within 60 days after year-end. Those revenues susceptible to accrual are gaming revenues, sales taxes, other taxes as described in Note 14, interest revenue and charges for services. Fines and permit revenues are not susceptible to accrual because they are generally not measurable until received in cash.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments are recorded only when payment is due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

The proprietary, pension and other employee benefit trust, investment trust, private-purpose trust and custodial funds are reported using the economic resources measurement focus and the accrual basis of accounting.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

Cash and Pooled Investments - The State Treasurer manages a cash pool where all temporary surplus cash is invested. These investments are reported on the Statement of Net Position and Balance Sheet as cash and pooled investments. Earnings from these pooled investments are credited to the General Fund and certain other funds that have specific statutory authority to receive a prorated share based on daily cash balances. Also included in this category is cash held by departments as petty cash funds and in bank accounts, outside the Treasurer's cash management pool. The operations and investments of the cash pool are described in Note 3.

Cash and cash equivalents are defined as bank accounts, petty cash, money market demand accounts and certificates of deposit with original maturities of three months or less. Cash and cash equivalents are reported in the Statement of Cash Flows for proprietary fund types.

Investments - Investments are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Short-term investments are generally reported at cost, which approximates fair value, except for the short-term investments of the Nevada College Savings Plan that are valued at amortized cost, which approximates fair value. Securities, traded on a national or international exchange, are valued at the last reported sale price at current exchange rates. Fixed income securities are valued based on yields currently available on comparable securities of issuers with similar credit ratings. The fair value of real estate investments is established by independent third party valuation firm in conjunction with Member Appraisal Institute (MAI) independent appraisals. Investments that do not have an established market are reported at estimated fair value.

Notes to the Financial Statements

For the Year Ended June 30, 2020

The Local Government Investment Pool, the Nevada Enhanced Savings Term Investment Trust and the Retirement Benefits Investment Fund are reported as investment trust funds. The investments of the Local Government Investment Pool and the Nevada Enhanced Savings Term Investment Trust are subject to the general limitations of NRS 355.170. The investments of the Retirement Benefits Investment Fund are governed by the prudent person standard, as set forth by NRS 286.682. Security transactions are accounted for on the trade date (the date the order to buy or sell is executed). Interest income is determined on an accrual basis with discounts earned and premiums paid being amortized. Realized gains and losses, if any, on sales of securities are calculated using the amortized cost basis at the date of sale. The fair value of the position in the pool is the same as the value of the pool shares. The Bank of New York Mellon is the custodian and transfer agent for the Local Government Investment Pool, the Nevada Enhanced Savings Term Investment Trust and the Retirement Benefits Investment Fund.

Receivables - Receivables represent amounts due to the State at June 30, which will be collected sometime in the future. In the government-wide financial statements, a corresponding amount is recorded as revenue. In the governmental fund financial statements, the portions considered "available" (i.e., received by the State within approximately 60 days after year-end) are recorded as revenue; the remainder is recorded as deferred inflows of resources, unavailable revenue. Receivables in proprietary fund types have arisen in the ordinary course of business. All receivables are shown net of an allowance for uncollectible accounts. Significant receivable balances not expected to be collected within one year are presented in Note 4.

Interfund Transactions - The State has two types of interfund transactions:

1. Services rendered and employee benefit contributions are accounted for as revenues, expenditures/expenses in the funds involved.
2. Operating appropriations and subsidies are accounted for as transfers in the funds involved.

Due from/due to other funds and transfers are presented in Note 5.

Inventories - In general, inventories in governmental funds are recorded as expenditures when purchased; however, certain inventories in the General Fund, the Highway Fund, and nonmajor governmental funds are recorded as expenditures at the time individual inventory items are consumed. Inventories are stated at cost on the first-in, first-out basis. Inventory items in the governmental funds are offset by nonspendable fund balance to indicate that they will not be converted to cash.

Prepaid Items - Prepaid items reflect payments for costs applicable to future accounting periods and are recorded in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased. Prepaid items in the governmental funds are offset by nonspendable fund balance to indicate that they will not be converted to cash.

Advances to Other Funds - Long-term interfund advances are recorded by the advancing fund as a receivable. These amounts are reported in the nonspendable fund balance in the General Fund to maintain the accountability and to disclose properly the amount available for appropriation. In other governmental funds this amount will be reported in restricted, committed, or assigned fund balances. Repayments are credited to the receivable and corresponding reductions are made in the appropriate fund balance. A summary of interfund advances is presented in Note 5.

Capital Assets and Depreciation - An inventory of State-owned land, buildings and equipment was developed in 1985. All capital assets are recorded in the Statement of Net Position at historical cost or estimated historical cost, based on acquisition of comparable property or agency records, if actual historical cost is not available. Donated capital assets are stated at acquisition value at time of donation. The government defines capital assets as assets with a unit cost of \$5,000 or more for furniture and equipment, or \$500,000 or more for buildings and improvements or \$1,000,000 or more for internally generated software, and an estimated useful life in excess of one year. Interest incurred during construction is only capitalized in proprietary funds.

Most capital assets are depreciated principally on a straight-line basis over estimated useful lives of 40 years for structures and 3 to 30 years for improvements, furniture and equipment. The State's significant infrastructure assets utilize the modified approach in which costs to maintain and preserve these assets are expensed and no depreciation expense is recorded. This approach is discussed further in the Required Supplementary Information portion of this report.

Notes to the Financial Statements

For the Year Ended June 30, 2020

In the Nevada System of Higher Education, capital assets are defined as assets with an initial unit cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are stated at cost at the date of acquisition. Collections are capitalized at the acquisition value at the date of donation. Depreciation is computed on a straight-line basis over estimated useful lives of 40 years for buildings, 10 to 15 years for land improvements and 3 to 11 years for library books, machinery and equipment. Additional disclosure related to capital assets is provided in Note 7.

Compensated Absences – A liability for compensated absences relating to services already rendered and that are not contingent on a specified event is accrued as employees earn the rights to the benefits. Compensated absences relating to future services or that are contingent on a specified event will be accounted for in the period those services are rendered or those events take place. Proprietary fund types report accrued compensated absences as liabilities in the appropriate funds. Governmental funds report a liability and expenditure for compensated absences only if the liability has matured as a result of employee resignations or retirements. Thus no expenditure would be recognized in governmental funds for the unpaid balance of compensated absences for employees still in active service at the end of the reporting period. On the Statement of Net Position, the accrued compensated absences for both proprietary and governmental fund types is reported.

Long-Term Obligations - In the government-wide statements and proprietary fund financial statements, long-term debt and other long-term liabilities are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures. Long-Term Obligations are more fully described in Note 9.

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources, which represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. An example is the deferred charge on refunding which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources, which represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. An example is unavailable revenue, reported in the governmental funds balance sheet when revenue is measureable but not available. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Net Position/Fund Balance - The difference between fund assets, deferred outflows of resources, liabilities and deferred inflows of resources is “Net Position” on the government-wide, proprietary and fiduciary fund statements, and “Fund Balance” on governmental fund statements.

In governmental fund financial statements, fund balances are classified based primarily on the extent to which the State is bound to observe constraints imposed upon the use of the resources in the fund as follows:

1. Nonspendable fund balance includes items that cannot be spent because they are either not in spendable form (such as inventories, prepaid amounts and the long-term portion of loans/notes receivables) or legally or contractually required to be maintained intact (such as the principal of a permanent fund).
2. Restricted fund balances have constraints placed upon the use of the resources either by an external party or imposed by law through constitutional provisions or enabling legislation.
3. Committed fund balances can be used only for specific purposes pursuant to constraints imposed by a formal action of the government’s highest level of decision-making authority, the Nevada Legislature, through legislation passed into law.
4. Assigned fund balance includes amounts that are constrained by the government’s intent to be used for a specific purpose, but are neither restricted nor committed. Assignments of fund balance are created by the executive branch.
5. Unassigned fund balance is the residual amount of the General Fund not included in the four categories above. Also, any deficit fund balances within the other governmental fund types are reported as unassigned.

Notes to the Financial Statements

For the Year Ended June 30, 2020

Each fund has been analyzed for proper classification of fund balance. Funds are created by the Legislature and money is authorized to be transferred to the fund for a particular purpose. Balances in the Legislatively created funds are at least committed, and may be further restricted depending on whether there is an external party, constitutional provision, or enabling legislation constraint involved. Note 13 provides a disaggregation of governmental fund balances, nonspendable, restricted, committed, and unassigned.

Net Position/Fund Balance Flow Assumptions - The State's policy is to spend restricted amounts first when an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available. Therefore, restricted net position/fund balance is depleted before using unrestricted net position/fund balance. In governmental funds, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, the assumed order of spending is first committed, assigned and then unassigned.

Minimum Fund Balance Policy - NRS 353.213(3) requires that the proposed budget for each fiscal year of the biennium provide for a reserve of not less than 5% or more than 10% of the total of all proposed appropriations from the State General Fund for the operation of all departments, institutions and agencies of the State and authorized expenditures from the State General Fund for the regulation of gaming for that fiscal year.

Stabilization Arrangement - NRS 353.288 provides for the Account to Stabilize the Operation of the State Government (Stabilization Account) in the State General Fund. Additions to the stabilization arrangement are triggered at the end of a fiscal year if the General Fund unrestricted fund balance (budgetary basis) exceeds 7% of General Fund operating appropriations. Forty percent of the excess is deposited to the Stabilization Account, and is classified on the balance sheet as committed for fiscal emergency. Additionally, commencing with the fiscal year that began on July 1, 2017, 1% of the total anticipated revenue for the fiscal year in which the transfer will be made as projected by the Economic Forum for that fiscal year, is also deposited to the Stabilization Account. Expenditures may occur if actual revenues for the biennium fall short by 5% or more from anticipated revenues, if the Legislature and Governor declare that a fiscal emergency exists or if the Legislature allocates it to be used for any other purpose. The balance in the Stabilization Account committed for fiscal emergency at June 30, 2020 is \$97,545,079.

Pensions - For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS, LRS and JRS and additions to/deductions from the plans fiduciary net position have been determined on the same basis as they are reported by PERS, LRS and JRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other than Pensions (OPEB) - For purposes of measuring the State's net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State's OPEB plan and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Plan assets are reported at fair value.

F. Revenues and Expenditures/Expenses

Program Revenues - In the government-wide statement of activities, program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not meeting the definition of program revenues are instead reported as general revenues.

Property Taxes - Property taxes are recognized as revenues in the year for which they are levied. Property taxes are levied July 1 on property values assessed by the prior January 1. Property tax billings are payable in quarterly installments on the third Monday in August and the first Monday in October, January and March, after which time the bill is delinquent.

Grants - The State participates in various federal award programs which are received in both cash and noncash forms. Grants and other entitlements are recognized as revenues when all eligibility requirements are met, including any time requirements, and the amount is received within 60 days after year-end. Federal reimbursement type grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received within 60 days after year-end. Certain grants have matching requirements in which the State must contribute a proportionate

Notes to the Financial Statements

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share of the total costs of a program. Use of grant resources is conditioned upon compliance with terms of the grant agreements and applicable federal regulations, which include subjecting grants to financial and compliance audits.

Proprietary Funds Operating and Nonoperating Revenues and Expenses - Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal, ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Note 2. Budgetary and Legal Compliance

Budgetary Process and Control

The Governor must submit his proposed budget for the Executive Branch to the State Legislature not later than 14 calendar days before each regular session, which convenes every odd-numbered year. The presented budget spans the next two fiscal years and contains the detailed budgetary estimates of revenues and expenditures. The Legislature enacts the budget through passage of the General Appropriations Act, which allows expenditures from unrestricted revenues, and the Authorized Expenditures Act, which allows expenditures from revenues collected for specific purposes. Once passed and signed, the budget becomes the State's financial plan for the next two fiscal years.

The legal level of budgetary control, the level at which appropriations are approved and the level at which over-expenditure of appropriations or transfers of appropriated amounts may not occur without Legislative action, is at the total program level within each department or agency.

Limited budgetary revisions may be made without Legislative action through the following management/administrative procedures. After obtaining the approval of the Governor, or his designee, the Budget Director, Legislative Interim Finance Committee (LIFC) approval is required of those revisions in excess of \$30,000 which have the effect, when taken into consideration with all other changes during the fiscal year, of increasing or decreasing any legislatively approved expenditure level by 10% or \$75,000, whichever is less. Revisions not exceeding this threshold require only Budget Director approval. The LIFC approval is not equivalent to governing body approval, as total appropriations for a program may not be increased except as follows. The Legislature appropriates limited funds to the Contingency Account, in the General Fund, which may be allocated to programs by the LIFC upon recommendation of the Board of Examiners. Allocations totaling \$24,379,347 were made in the 2020 fiscal year. Unencumbered appropriations lapse at the end of each fiscal year unless specific authority to carry forward is granted in the Appropriations Act. Unexpended authorized resources, under the Authorized Expenditures Act, are carried forward for expenditure in the next fiscal period.

Budgets are legally adopted for the General Fund and Special Revenue Funds, except for the Nevada Real Property Corporation special revenue fund. In addition, certain activity within such funds may be unbudgeted. The State's budget is prepared principally on a modified accrual basis with the following exceptions:

1. Cash placed in petty cash funds or outside bank accounts is considered expended for budgetary purposes.
2. Advances to other funds are considered expenditures. Repayments of such advances are considered revenues.
3. Certain assets, such as prepaid items, are considered expended for budgetary purposes. Inventory is an expenditure for budgetary purposes. Certain unearned revenue is considered revenue for budgetary purposes.
4. Expenditures are only recognized if the liability is liquidated within 45 days after the fiscal year end.
5. Revenue from grants is only recognized when it is received in cash.
6. Encumbrances for goods or services not received by fiscal year-end are considered an expenditure of the current period if received and paid within 45 days.

The Budgetary Comparison Schedule is presented as Required Supplementary Information (RSI) in this report. Actual amounts in this schedule are presented on a budgetary basis. Because this basis differs from accounting principles generally accepted in the United States of America (GAAP), a reconciliation between the budgetary and GAAP basis is presented in the RSI.

Notes to the Financial Statements

For the Year Ended June 30, 2020

Note 3. Deposits and Investments

The Nevada Revised Statutes (NRS) and Nevada Administrative Code, as well as procedures approved by the State Board of Finance, govern deposits and investing activities for the primary government, fiduciary funds and its discretely presented component units which are not expressly required by law to be received and kept by another party. NRS 226.110(3) further requires that the Office of the State Treasurer shall establish the policies to be followed in the investment of money of the State of Nevada.

A. Deposits

Primary Government and Fiduciary Funds - The State minimizes its custodial credit risk by legislation establishing a program to monitor a collateral pool for public deposits. Custodial credit risk for deposits is the risk that in the event of a bank failure, the State's deposits may not be recovered. NRS 356 directs the Office of the State Treasurer to deposit funds into any state, or national bank, credit union or savings and loan association covered by federal depository insurance. For those deposits over and above the federal depository insurance maximum balance, sufficient collateral must be held by the financial institution to protect the State of Nevada against loss. The pooled collateral for deposits program maintains a 102% pledged collateral for all public deposits. Cash and cash equivalents consist of deposits in money market funds, which are not federally insured, and cash in the bank. As of June 30, 2020, deposits in money market funds totaled \$756,244,337, and cash in bank was \$297,234,152 of which \$45,909,331 was uncollateralized and uninsured. In addition, the State has custody of Time Certificates of Deposits in the amount of \$3,445,604 that are uncollateralized and uninsured. Cash in bank includes \$105,478 which is insured by American Share Insurance which is not FDIC.

Component Units - Cash and cash equivalents of the Nevada System of Higher Education (NSHE) are stated at cost, which approximates market, and consist of deposits in money market funds, which are not federally insured, and cash in the bank. At June 30, 2020 NSHE's deposits in money market funds totaled \$92,252,000 and cash in bank was \$47,200,000. Of these balances, \$250,000 are covered by the Federal Depository Insurance Corporation (FDIC); the remaining deposits are uncollateralized and uninsured.

B. Investments

NRS 355.140 details the types of securities in which the State may invest. In general, authorized investments include: certificates of deposit, asset-backed securities, bankers' acceptances and commercial paper, collateralized mortgage obligations, corporate notes, municipal bonds, money market mutual funds whose policies meet the criteria set forth in the statute, United States treasury securities, and specific securities implicitly guaranteed by the federal government. Additionally, the State may invest in limited types of repurchase agreements; however, statutes generally prohibit the State from entering into reverse-repurchase agreements. The State's Permanent School Fund is further limited by statute as to the types of investments in which it may invest (NRS 355.060). Cash and Investments are also discussed in Note 1 under Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance.

The State Board of Finance reviews the State's investment policies at least every four months. The Board is comprised of the Governor, the State Controller, the State Treasurer and two members appointed by the governor, one of which must be actively engaged in commercial banking in the State.

Investments held in the Local Government Investment Pool (LGIP), Retirement Benefits Investment Fund (RBIF), and Nevada Enhanced Savings Term (NVEST) are specifically identifiable investment securities and are included in the following tables. LGIP, RBIF, and NVEST are investment trust funds and discussed further in Note 1, Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance. LGIP and NVEST are governed by the Nevada State Board of Finance and administered by the Nevada State Treasurer. Complete financial statements for LGIP and NVEST may be obtained from the State Treasurer's Office, 101 N. Carson Street, Suite 4, Carson City, NV 89701. RBIF is administered by the Retirement Benefits Investment Board. The audited financial statements of RBIF may be obtained from the Public Employees' Retirement System, 693 West Nye Lane, Carson City, Nevada 89703.

The College Savings Plan of Nevada was created under Title 31, Chapter 353B of the Nevada Revised Statutes, as amended, to encourage individuals and families to save for future costs of higher education. The plan is designed to qualify for treatment as a qualified tuition program under Section 529 of the Internal Revenue Code of 1986, as amended, and any regulations and

Notes to the Financial Statements

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other guidance issued thereunder. Plan assets are held for the benefit of account owners and their designated beneficiaries in the Nevada College Savings Trust. The Board of Trustees is responsible for the overall administration of the program, subject to implementing regulations set forth in the Nevada Administration Code. Pursuant to NRS 353B.005 the Board of Trustees consists of five members, the State Treasurer, who may name a designee to serve on the Board on his or her behalf; the Director of the Office of Finance, or designee; the Chancellor of the System, or a designee; and two members appointed by the Governor. The State of Nevada, acting through the Board of the College Savings Plan, and acting by and through its Administrator, the State Treasurer, offers and administers the various plans.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

Primary Government and Fiduciary Funds - The State minimizes interest rate risk by maintaining an effective duration of less than 1.5 years and holding at least 25% of the portfolio's total market value in securities with a maturity of 12 months or less. However, the benchmark used by the State Treasurer to determine whether competitive market yields are being achieved is the 90 day U.S. Treasury Bill's average over the previous three month period (Rolling 90 day T-Bill). Investment policies for the pension and other employee benefit trust funds authorize all securities within the Barclays Aggregate Index benchmark. If securities are purchased outside the Barclays U.S. Treasury Index, they must be of investment grade rating by at least two of the following: Moody's, Standard & Poor's or Fitch (BBB- or better by Standard & Poor's/Fitch, Baa3 or better by Moody's) except those issued or guaranteed by the U.S. Government or its agencies. The following table provides information about the interest rate risks associated with the State's investments as of June 30, 2020 (expressed in thousands):

	Fair Value	Maturities in Years			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury securities	\$ 13,905,812	\$ 458,702	\$ 13,234,047	\$ 88,204	\$ 124,859
Negotiable certificate of deposit	1,026,298	1,023,794	2,504	-	-
U.S. agencies	736,316	415,577	213,248	11,583	95,908
Asset backed corporate securities	42,012	541	35,130	6,341	-
Corporate bonds and notes	962,401	533,978	421,795	6,347	281
Commercial paper	1,109,065	1,109,065	-	-	-
Other investments	61,777	57,894	3,883	-	-
Short term investments	64,114	64,114	-	-	-
Money market funds	1,726,599	1,726,599	-	-	-
Total	\$ 19,634,394	\$ 5,390,264	\$ 13,910,607	\$ 112,475	\$ 221,048

Component Units – The Nevada System of Higher Education's (NSHE) policy for reducing its exposure to interest rate risk is to have an average investment life of at least two years for fixed income securities within both the endowment and operating investment pools. With regard to the trusts included in endowment investments, NSHE is not the trustee of these investments and, therefore, currently has no policies with regard to interest rate risk for these investments. Investments having interest rate risk are principally invested in mutual funds and private commingled funds. The following table provides the segmented time distribution for these investments at June 30, 2020 (expressed in thousands):

Less than 1 year	\$ 100,237
1 to 5 years	68,375
6 to 10 years	203,881
Total	\$ 372,493

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the State of Nevada.

Primary Government and Fiduciary Funds - NRS 355.140, the State Treasurer's investment policy, and investment policies of the pension and other employee benefit trust and investment trust funds all address credit risk. A summary of the policies is presented as follows:

- Commercial paper, Negotiable Certificates of Deposit, and Bankers' Acceptances are rated by a nationally recognized rating service as "A-1," "P-1" or its equivalent, or better,
- Notes, bonds and other unconditional obligations issued by corporations in the U.S. and municipal bonds (effective September 2011) are rated by a nationally recognized rating service as "A" or its equivalent, or better,

Notes to the Financial Statements

For the Year Ended June 30, 2020

- Money market mutual funds are SEC registered 2(A)7 and rated by a nationally recognized rating service as “AAA” or its equivalent,
- Collateralized mortgage obligations and asset-backed securities are rated by a nationally recognized rating service as “AAA” or its equivalent,
- Repurchase agreements with banks or registered broker-dealers provided the agreement is collateralized by 102% with U.S. Treasuries or U.S. government agency securities on a delivery basis.

In addition to the above provisions, investment policies for the pension and other employee benefit trust funds allow investment in corporate bonds, assets related instruments, and foreign debt issued in the U.S. rated by at least two of the following: Moody’s, Standard & Poor’s, or Fitch (BBB- or better by Standard & Poor’s/Fitch, Baa3 or better by Moody’s). Investments having credit risk are included in the table below.

The State’s investments as of June 30, 2020 were rated by Standard & Poor’s and/or an equivalent national rating organization, and the ratings are presented below using the Standard & Poor’s rating scale (at fair value, expressed in thousands):

	Quality Rating				
	AAA	AA	A	BBB	Unrated
U.S. Treasury securities	\$ 149,045	\$ 325,280	\$ -	\$ -	\$ 13,431,486
Negotiable certificate of deposit	-	1,821	336,245	-	688,232
U.S. agencies	83,288	573,076	-	-	78,373
Mutual funds	-	-	-	-	29,510,485
Asset backed corporate securities	20,940	4,773	-	-	1,947
Corporate bonds and notes	5,944	143,352	794,125	18,981	-
Commercial paper	-	-	1,109,065	-	-
Investment agreements	16,000	-	-	-	-
Short-term investments	134,445	-	6,108	-	-
Other investments	15,296	14,990	31,491	-	32
Equity securities	-	-	-	-	28,801,400
Real estate	-	-	-	-	2,115,564
Private equity	-	-	-	-	2,635,865
Money market funds	112,009	-	-	-	1,614,590
Total	\$ 536,967	\$ 1,063,292	\$ 2,277,034	\$ 18,981	\$ 78,877,974

Component Units – The NSHE’s policy for reducing its exposure to credit risk is to maintain a weighted average credit rating of AA or better, and never below A, for investments with credit risk within both the endowment and operating investment pools. With regard to the trusts included in endowment investments, NSHE is not the trustee of these investments and therefore, it currently has no policies with regard to credit risk for these investments. The credit risk profile for NSHE operating and endowment investments at June 30, 2020 is as follows (at fair value, expressed in thousands):

	Unrated
Mutual funds publicly traded	\$ 556,444
Partnerships	60,786
Endowment cash/cash equivalents	140,752
Trust(s)	4,033
Private commingled funds	258,156
	1,020,171
Less: GBC Foundation Endowments	(7,601)
Total	\$ 1,012,570

Concentration of Credit Risk: Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government’s investment in a single issuer. The NRS 355.140, 355.060, and the State Treasurer’s investment policy limit the investing in any one issuer to 5% of the total par value of the portfolio. At June 30, 2020, no individual investment exceeded 5% of the total portfolio of the Primary Government.

At June 30, 2020, the following investments exceeded 5% of the Higher Education Tuition Trust’s total investments (expressed in thousands):

	Fair Value	Percentage
Federal Home Loan Mortgage Corp - Asset-Backed Mortgage Security	\$ 17,594	5.73%

Notes to the Financial Statements

For the Year Ended June 30, 2020

The Housing Division currently places no limit on the amount it may invest in any one issuer provided their ratings are in the highest two general rating categories. However, the Housing Division monitors rating changes on all issuers. If warranted, more concentrated investments may have to be diluted to alternative investment providers. As of June 30, 2020, the Housing Division's investments in Fannie Mae and Ginnie Mae are 16.7% and 27.2% respectively, of the Housing Division's total investments. The Fannie Mae and Ginnie Mae investments are in mortgage backed securities matched to the interest rate and maturity of the underlying bonds. Because such investments are matched to concomitant liabilities, the Housing Division is less concerned about a concentration risk on these investments.

Component Unit - The Nevada Capital Investment Corporation (NCIC) owns 99% equity interest in Silver State Opportunities Fund LLC (SSOF), a Nevada limited liability company, and 99.9% equity interest in Accion, LLC, a New Mexico limited liability company, for the purpose of obtaining income. At June 30, 2020 the investment in equity interest of SSOF and Accion exceeded 5% of NCIC's total investments.

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit.

Primary Government and Fiduciary Funds - The primary government does not have a policy regarding foreign currency risk; however, the State Treasurer's office does not have any deposits or investments in foreign currency. The PERS, LRS, JRS, and RBIF do have foreign currency policies for deposit and investments, which may be used for portfolio diversification and hedging. Highly speculative positions in currency are not permitted. LRS and JRS had no exposure to foreign currency risk as of June 30, 2020. The following table summarizes the pension and investment trust funds' exposure to foreign currency risk in U.S. dollars as of June 30, 2020 (expressed in thousands):

	Currency by Investment and Fair Value				
	Equity	Private Equity	Pending Transactions	Cash	Total
Australian Dollar	\$ 541,975	\$ -	\$ 200	\$ 114	\$ 542,289
British Pound Sterling	1,130,675	23,400	(100)	1,520	1,155,495
Canadian Dollar	805,489	-	(700)	1,327	806,116
Danish Krone	188,137	-	(100)	113	188,150
Euro	2,573,494	282,700	400	703	2,857,297
Hong Kong Dollar	256,427	-	-	1,037	257,464
Israeli Shekel	25,562	-	(100)	218	25,680
Japanese Yen	2,043,626	-	(2,500)	6,428	2,047,554
New Zealand Dollar	26,388	-	-	117	26,505
Norwegian Krone	41,823	-	-	234	42,057
Singapore Dollar	89,502	-	-	1,018	90,520
Swedish Krona	245,372	-	-	116	245,488
Swiss Franc	827,037	-	(100)	113	827,050
Total	\$ 8,795,507	\$ 306,100	\$ (3,000)	\$ 13,058	\$ 9,111,665

Component Unit - The NSHE does not directly invest in foreign currency investments and is therefore not subject to foreign currency risk. However, it has \$170,480 in mutual funds in both the operating and endowment pools that are primarily invested in international equities at June 30, 2020.

Fair Value of Investments: The State uses the market approach to determine the fair value of its investments. The State categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are valued using quoted prices for identical securities in markets that are not active; Level 3 inputs are significant unobservable inputs. The following table summarizes the fair value measurements of the primary government and fiduciary funds as of June 30, 2020 (expressed in thousands):

Notes to the Financial Statements

For the Year Ended June 30, 2020

	Fair Value Measurements Using			Total
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	
Investments by fair value level				
U.S. Treasury securities	\$ 13,791,031	\$ 164	\$ -	\$ 13,791,195
Negotiable certificates of deposit	-	1,026,299	-	1,026,299
U.S. agencies	8,861	656,882	-	665,743
Mutual funds	384,258	-	-	384,258
Asset backed corporate securities	1,715	40,297	-	42,012
Corporate bonds & notes	9,252	953,150	-	962,402
Commercial paper	-	1,109,065	-	1,109,065
Short-term investments	93,146	5,372	-	98,518
Other investments	32	61,777	-	61,809
Equity securities	28,769,386	-	-	28,769,386
Money market funds	1,726,599	-	-	1,726,599
Total investments by fair value level	<u>\$ 44,784,280</u>	<u>\$ 3,853,006</u>	<u>\$ -</u>	<u>\$ 48,637,286</u>
Investments at NAV				
Equity securities				32,015
Mutual funds (unrated)				29,126,227
Real estate				2,115,564
Private equity				2,635,864
Total investments at NAV				<u>33,909,670</u>
Investments at amortized cost				
U.S. Treasury				114,617
U.S. Agencies				70,573
Investment agreements				16,000
Short-term investments				43,475
Total investments at amortized cost				<u>244,665</u>
Total of Investments				<u>\$ 82,791,621</u>

C. Securities Lending

Primary Government and Investment Trust Funds - NRS 355.135 authorizes the State Treasurer to lend securities from the investment portfolio of the State if collateral received from the borrower is at least 102% of fair value of the underlying securities and the value of the securities borrowed is determined on a daily basis. There were no securities on loan at June 30, 2020 (excluding PERS).

Public Employees' Retirement System (PERS) - PERS maintains a securities lending program under the authority of the "prudent person" standard of NRS 286.682. Securities loaned under this program consist of U.S. Treasury Obligations, U.S. equity securities, and international equity securities. Collateral received consists of cash and securities issued by the U.S. Government, its agencies or instrumentalities. Collateral received for the lending of U.S. securities must equal at least 102% of market value, plus accrued interest in the case of fixed income securities. Collateral received for the lending of international securities must equal at least 105% of market value, plus accrued interest in the case of fixed income securities.

At year-end, PERS has no credit risk exposure to borrowers because the associated value of the collateral held exceeds the value of the securities borrowed. PERS has no discretionary authority to sell or pledge collateral received or securities loaned. The contract with the securities lending agent requires the agent to indemnify PERS for all losses relating to securities lending transactions. There were no losses resulting from borrower default during the period nor were there any recoveries of prior period losses.

PERS may only loan up to 33 1/3% of its total portfolio. Either PERS or the borrower can terminate all securities loans on demand. In September 2013 the Board elected to allow only overnight repurchase agreements collateralized by U.S. government obligations issued or guaranteed by the U.S. Government, its agencies or instrumentalities within the reinvestment portfolio. This action effectively eliminated risk in securities lending collateral reinvestment portfolio since securities issued or guaranteed by the U.S. Government are considered to be free of credit risk. The maturities of the investments made with cash collateral generally do not match the maturities of the securities loaned because securities lending transactions can be terminated at will.

The fair value of underlying securities on loan at June 30, 2020 is \$1,325,374,331. Collateral received for outstanding securities lending arrangements consisted of cash in the amount of \$205,982,715 and non-cash in the amount of \$1,176,884,160. The cash collateral is reported on the Statement of Fiduciary Net Position as an asset with a related liability. At June 30, 2020, PERS has collateral consisting of cash and securities issued by the U.S. Government, its agencies or instrumentalities, in excess of the fair value of investments held by brokers/dealers under a securities lending agreement.

Notes to the Financial Statements

For the Year Ended June 30, 2020

D. Derivatives

Primary Government – The Office of the State Treasurer’s investment policies do not contain any specific language regarding derivatives other than prohibiting certain types of derivatives such as option contracts, futures contracts, and swaps in the General Portfolios and the Local Government Investment Pool effective June 2012 and November 2015 respectively. The primary government has no exposure to derivatives as of June 30, 2020.

Note 4. Receivables

Receivable balances are disaggregated by type and presented separately in the financial statements. Significant receivable balances not expected to be collected within one year and not already classified in the fund financials are presented below (expressed in thousands):

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
As shown on financial statements:			
Intergovernmental receivables	\$ 561,488	\$ 38,131	\$ 599,619
Notes/loans receivable	14,543	83,680	98,223
Due from component units	210	24,132	24,342
Total	<u>\$ 576,241</u>	<u>\$ 145,943</u>	<u>\$ 722,184</u>
Classified:			
Current portion:	<u>\$ 519,521</u>	<u>\$ 42,925</u>	<u>\$ 562,446</u>
Noncurrent portion:			
Intergovernmental receivables	42,980	-	42,980
Notes/loans receivable	13,740	79,065	92,805
Due from component units	-	23,953	23,953
Total noncurrent portion	<u>56,720</u>	<u>103,018</u>	<u>159,738</u>
Total	<u>\$ 576,241</u>	<u>\$ 145,943</u>	<u>\$ 722,184</u>

Not included in the receivable balances are amounts considered to be uncollectible. In the governmental funds, uncollectible taxes receivable are estimated at \$19.3 million, and uncollectible accounts receivable are estimated at \$195.5 million. The proprietary funds have \$45.5 million in uncollectible accounts receivable of which \$8.0 million are from uninsured employers’ fines and penalties, and \$11.8 million are from unemployment contributions and benefit overpayments.

Notes to the Financial Statements

For the Year Ended June 30, 2020

Note 5. Interfund Transactions

A. Interfund Advances

A summary of interfund advances at June 30, 2020, follows (expressed in thousands):

Advances To	Advances From			Total
	General Fund	State Highway	Nonmajor Governmental	
Nonmajor enterprise	\$ 124	\$ -	\$ -	\$ 124
Internal Service Funds	3,850	3,470	-	7,320
Total other funds	\$ 3,974	\$ 3,470	\$ -	\$ 7,444

Interfund advances are the portions of interfund balances that are *not* expected to be repaid within one year. The interfund balances that are expected to be repaid within one year are shown in the Due From/Due To summary following.

Advances are generally made to finance capital expenditures or as a loan for operating purposes.

B. Due From/Due To Other Funds and Component Units

A summary of due from and due to other funds and component units at June 30, 2020, is shown below (expressed in thousands):

Due From	Due To			
	Major Governmental Funds		Nonmajor Governmental	Total Governmental
	General Fund	State Highway		
Major Governmental Funds:				
General	\$ -	\$ 31,893	\$ 35,460	\$ 67,353
State Highway	2,839	-	12,678	15,517
Nonmajor governmental	119,201	2,822	52,236	174,259
Total Governmental	122,040	34,715	100,374	257,129
Major Enterprise Funds:				
Housing Division	51	-	-	51
Unemployment Comp	-	-	22	22
Water Projects Loans	232	-	-	232
Higher Ed Tuition Trust	108	-	-	108
Nonmajor enterprise	2,441	7	131	2,579
Total Enterprise	2,832	7	153	2,992
Internal Service	3,963	501	152	4,616
Total other funds	\$ 128,835	\$ 35,223	\$ 100,679	\$ 264,737
Fiduciary	\$ 81	\$ -	\$ 1,221	\$ 1,302
Component Units:				
Colorado River Commission	\$ 152	\$ -	\$ -	\$ 152
Nevada System of Higher Education	58	-	179	237
Nevada Capital Investment Corporation	-	-	23,953	23,953
Total Component Units	\$ 210	\$ -	\$ 24,132	\$ 24,342

Notes to the Financial Statements

For the Year Ended June 30, 2020

	Due To							
	Major Enterprise Funds			Nonmajor Enterprise	Total Enterprise	Internal Service	Total Other Funds	Fiduciary
	Housing Division	Water Projects Loans	Higher Education Tuition Trust					
Due From								
Major Governmental Funds:								
General	\$ 39	\$ 902	\$ 20	\$ 3,734	\$ 4,695	\$ 9,180	\$ 81,228	\$ 571,165
State Highway	-	-	-	24	24	966	16,507	39
Nonmajor governmental	-	-	-	33	33	516	174,808	14
Total Governmental	<u>39</u>	<u>902</u>	<u>20</u>	<u>3,791</u>	<u>4,752</u>	<u>10,662</u>	<u>272,543</u>	<u>571,218</u>
Major Enterprise Funds:								
Housing Division	-	-	-	-	-	3	54	-
Unemployment Comp	-	-	-	-	-	-	22	-
Water Projects Loans	-	-	-	-	-	1	233	-
Higher Ed Tuition Trust	-	-	-	-	-	1	109	-
Nonmajor enterprise	-	-	-	27	27	413	3,019	61
Total Enterprise	<u>-</u>	<u>-</u>	<u>-</u>	<u>27</u>	<u>27</u>	<u>418</u>	<u>3,437</u>	<u>61</u>
Internal Service	-	-	-	7	7	457	5,080	9
Total other funds	<u>\$ 39</u>	<u>\$ 902</u>	<u>\$ 20</u>	<u>\$ 3,825</u>	<u>\$ 4,786</u>	<u>\$ 11,537</u>	<u>\$ 281,060</u>	<u>\$ 571,288</u>
Fiduciary	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7</u>	<u>\$ 7</u>	<u>\$ 11,700</u>	<u>\$ 13,009</u>	<u>\$ 16</u>
Component Units:								
Colorado River Commission	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ 155	\$ -
Nevada System of Higher Education	-	-	-	-	-	16	253	1,480
Nevada Capital Investment Corporation	-	-	-	-	-	-	23,953	-
Total Component Units	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19</u>	<u>\$ 24,361</u>	<u>\$ 1,480</u>

	Due To		
	Component Units		
	Colorado River Commission	Nevada System of Higher Education	Total Component Units
Due From			
Major Governmental Funds:			
General	\$ 112	\$ 13,782	\$ 13,894
State Highway	-	271	271
Nonmajor governmental	-	60,240	60,240
Total Governmental	<u>112</u>	<u>74,293</u>	<u>74,405</u>
Major Enterprise Funds:			
Nonmajor Enterprise	-	1	1
Total Enterprise	<u>-</u>	<u>1</u>	<u>1</u>
Internal Service	-	12	12
Total	<u>\$ 112</u>	<u>\$ 74,306</u>	<u>\$ 74,418</u>

The balances result primarily from timing differences between the date goods and services are provided or reimbursable expenses occur, and the date the transactions are recorded in the accounting system and payment is made.

Notes to the Financial Statements

For the Year Ended June 30, 2020

C. Transfers From/Transfers To Other Funds

A summary of transfers between funds for the year ended June 30, 2020, is shown below (expressed in thousands):

	Transfers Out/To			
	Major Governmental Funds		Nonmajor Governmental	Total Governmental
	General Fund	State Highway		
Transfers In/From				
Major Governmental Funds:				
General	\$ -	\$ 11,125	\$ 99,634	\$ 110,759
State Highway	27,700	-	2,805	30,505
Nonmajor governmental				
	17,973	5,764	84,351	108,088
Total Governmental	45,673	16,889	186,790	249,352
Major Enterprise Funds:				
Higher Ed Tuition Trust	794	-	-	794
Water Project Loans	2	-	-	2
Nonmajor enterprise	1,797	-	17	1,814
Total Enterprise	2,593	-	17	2,610
Internal Service	2,531	-	-	2,531
Total other funds	\$ 50,797	\$ 16,889	\$ 186,807	\$ 254,493

	Transfers Out/To					
	Major Enterprise Funds		Nonmajor Enterprise Funds	Total Enterprise	Internal Service	Total Other Funds
	Unemployment Compensation	Water Projects Loans				
Transfers In/From						
Major Governmental Funds:						
General	\$ -	\$ 2,066	\$ 13,580	\$ 15,646	\$ 2,181	\$ 128,587
State Highway	-	-	-	-	25	30,530
Nonmajor governmental						
	4,877	-	15	4,892	50	113,030
Total Governmental	4,877	2,066	13,595	20,538	2,256	272,147
Major Enterprise Funds:						
Higher Ed Tuition Trust	-	-	-	-	-	794
Water Project Loans	-	-	-	-	-	2
Nonmajor enterprise	-	-	12	12	-	1,825
Total Enterprise	-	-	12	12	-	2,621
Internal Service	-	-	-	-	-	2,531
Total other funds	\$ 4,877	\$ 2,066	\$ 13,607	\$ 20,550	\$ 2,256	\$ 277,299

The general purpose for transfers is to move monies from funds required by statute to collect them to the funds required by statute or budget to expend them, and to move monies collected for debt service purposes to the debt service fund required to make the payment.

Notes to the Financial Statements

For the Year Ended June 30, 2020

Note 6. Restricted Assets

Various debt service, operation and maintenance, capital improvement and construction (acquisition) funding requirements of bond covenants, and trust indentures are recorded as restricted assets on the Statement of Net Position. The components of restricted assets at June 30, 2020 are as follows (expressed in thousands):

	Primary Government		
	Governmental Activities	Business-Type Activities	Component Units
Restricted:			
Cash	\$ 3,323	\$ -	\$ 100,142
Investments	-	150,974	14,924
Total	\$ 3,323	\$ 150,974	\$ 115,066
Restricted for:			
Debt service	\$ -	\$ 150,974	\$ 1,052
Capital projects	-	-	97,539
Regulation of business	3,323	-	-
Other purposes	-	-	16,475
Total	\$ 3,323	\$ 150,974	\$ 115,066

Note 7. Capital Assets

Capital asset activity of the primary government for the year ended June 30, 2020, was as follows (expressed in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated				
Land	\$ 169,895	\$ 4,395	\$ (27)	\$ 174,263
Construction in progress	2,315,178	323,135	(40,601)	2,597,712
Infrastructure	5,844,907	19,222	(21,602)	5,842,527
Rights-of-way	961,597	1,303	(3,548)	959,352
Total capital assets, not being depreciated	9,291,577	348,055	(65,778)	9,573,854
Capital assets, being depreciated/amortized				
Buildings	1,935,294	29,980	-	1,965,274
Improvements other than buildings	158,348	6,478	-	164,826
Furniture and equipment	460,817	58,458	(12,441)	506,834
Software costs	323,415	1,792	(465)	324,742
Total capital assets, being depreciated/amortized	2,877,874	96,708	(12,906)	2,961,676
Less accumulated depreciation/amortization for				
Buildings	(767,646)	(50,438)	-	(818,084)
Improvements other than buildings	(100,582)	(4,329)	-	(104,911)
Furniture and equipment	(354,693)	(29,431)	12,745	(371,379)
Software costs	(187,634)	(15,296)	394	(202,536)
Total accumulated depreciation/amortization	(1,410,555)	(99,494)	13,139	(1,496,910)
Total capital assets, being depreciated/amortized, net	1,467,319	(2,786)	233	1,464,766
Governmental activities capital assets, net	\$ 10,758,896	\$ 345,269	\$ (65,545)	\$ 11,038,620

Notes to the Financial Statements

For the Year Ended June 30, 2020

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital assets, not being depreciated				
Land	\$ 568	\$ -	\$ -	\$ 568
Total capital assets, not being depreciated	<u>568</u>	<u>-</u>	<u>-</u>	<u>568</u>
Capital assets, being depreciated				
Buildings	1,407	-	-	1,407
Improvements other than buildings	5,638	-	-	5,638
Furniture and equipment	16,883	327	(65)	17,145
Total capital assets, being depreciated	<u>23,928</u>	<u>327</u>	<u>(65)</u>	<u>24,190</u>
Less accumulated depreciation for				
Buildings	(1,214)	(48)	-	(1,262)
Improvements other than buildings	(2,780)	(76)	-	(2,856)
Furniture and equipment	(6,905)	(764)	65	(7,604)
Total accumulated depreciation	<u>(10,899)</u>	<u>(888)</u>	<u>65</u>	<u>(11,722)</u>
Total capital assets, being depreciated, net	<u>13,029</u>	<u>(561)</u>	<u>-</u>	<u>12,468</u>
Business-type activities capital assets, net	<u>\$ 13,597</u>	<u>\$ (561)</u>	<u>\$ -</u>	<u>\$ 13,036</u>

Included in the table above are three Department of Corrections facilities that have been closed. These assets are idle, with a carrying value of \$8 million.

Current period depreciation and amortization expense was charged to functions of the primary government as follows (expressed in thousands):

Governmental activities:	
General government	\$ 6,315
Education, support services	137
Health services	1,109
Law, justice, public safety	38,875
Recreation, resource development	6,628
Social services	18,741
Transportation	15,923
Regulation of business	3,297
Unallocated	2,439
Depreciation and amortization on capital assets held by the State's internal service funds is charged to the various functions based on their use of the assets	6,030
Total depreciation/amortization expense - governmental activities	<u>\$ 99,494</u>
Business-type activities:	
Enterprise	\$ 888
Total depreciation/amortization expense - business-type activities	<u>\$ 888</u>

Notes to the Financial Statements

For the Year Ended June 30, 2020

Capital asset activity of the Nevada System of Higher Education for the year ended June 30, 2020, was as follows (expressed in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Nevada System of Higher Education:				
Capital assets, not being depreciated				
Construction in progress	\$ 199,188	\$ 141,630	\$ (157,913)	\$ 182,905
Land	165,906	1,710	(191)	167,425
Land improvements	288	-	(61)	227
Intangibles	642	61	-	703
Collections	11,981	122	(45)	12,058
Total capital assets, not being depreciated	<u>378,005</u>	<u>143,523</u>	<u>(158,210)</u>	<u>363,318</u>
Capital assets, being depreciated				
Buildings	2,951,584	213,343	(3,019)	3,161,908
Land improvements	164,173	10,231	(179)	174,225
Machinery and equipment	404,002	32,509	(17,045)	419,466
Intangibles	47,522	1,797	(18)	49,301
Library books and media	123,698	1,870	(1,629)	123,939
Total capital assets, being depreciated	<u>3,690,979</u>	<u>259,750</u>	<u>(21,890)</u>	<u>3,928,839</u>
Less accumulated depreciation for				
Buildings	(1,082,663)	(95,960)	-	(1,178,623)
Land improvements	(118,909)	(5,288)	115	(124,082)
Machinery and equipment	(307,548)	(27,099)	14,121	(320,526)
Intangibles	(38,909)	(5,019)	-	(43,928)
Library books and media	(119,373)	(2,115)	1,626	(119,862)
Total accumulated depreciation	<u>(1,667,402)</u>	<u>(135,481)</u>	<u>15,862</u>	<u>(1,787,021)</u>
Total capital assets being depreciated, net	<u>2,023,577</u>	<u>124,269</u>	<u>(6,028)</u>	<u>2,141,818</u>
Nevada System of Higher Education activity capital assets, net	<u>\$ 2,401,582</u>	<u>\$ 267,792</u>	<u>\$ (164,238)</u>	<u>\$ 2,505,136</u>

Note 8. Capital Lease Receivable

The State, as lessor, entered into a lease purchase agreement in fiscal year 2014 with the Nevada System of Higher Education (NSHE), a discretely presented component unit, as lessee. The agreement is to finance a building construction project at the Nevada State College. Construction was completed in fiscal year 2016. At the end of the lease, title to the buildings transfers to the NSHE. Construction was financed by Lease Revenue Certificates of Participation Series 2013 at 4.0-5.0% interest. Proceeds from the certificates of participation were used to pay the capitalized interest during the construction period, and NSHE began making capital lease principal and interest payments starting in fiscal year 2017.

The future minimum lease payments receivable for capital leases are as follows (expressed in thousands):

Year Ending June 30	Governmental Activities
2021	\$ 3,383
2022	3,381
2023	3,380
2024	3,381
2025	3,380
2026-2044	60,880
Total future minimum lease revenues	<u>\$ 77,785</u>

Notes to the Financial Statements

For the Year Ended June 30, 2020

Note 9. Short and Long -Term Obligations

A. Changes in Long-Term Obligations

The following is a summary of changes in long-term obligations of the primary government for the fiscal year ended June 30, 2020 (expressed in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Governmental activities:					
<i>Bonds payable:</i>					
General obligation bonds	\$ 1,207,097	\$ 160,170	\$ (184,986)	\$ 1,182,281	\$ 144,303
General obligation bonds-private placement	1,175	-	(1,175)	-	-
Special obligation bonds	745,295	-	(40,835)	704,460	42,875
Subtotal	1,953,567	160,170	(226,996)	1,886,741	187,178
Issuance premiums (discounts)	161,348	19,687	(33,703)	147,332	31,006
Total bonds payable	2,114,915	179,857	(260,699)	2,034,073	218,184
Certificates of participation	75,125	-	(2,880)	72,245	3,005
Certificates of participation-private placement	2,662	-	(359)	2,303	371
Subtotal	77,787	-	(3,239)	74,548	3,376
Issuance premiums (discounts)	315	-	(276)	39	224
Total certificates of participation	78,102	-	(3,515)	74,587	3,600
Other governmental long-term activities:					
Obligations under capital leases	14,870	-	(3,604)	11,266	3,724
Compensated absences obligations	104,659	92,372	(80,651)	116,380	88,175
Pollution remediation obligations	5,272	-	(272)	5,000	725
Total other governmental long-term activities	124,801	92,372	(84,527)	132,646	92,624
Governmental activities long-term obligations	\$ 2,317,818	\$ 272,229	\$ (348,741)	\$ 2,241,306	\$ 314,408
Business-type activities:					
<i>Bonds payable:</i>					
General obligation bonds	\$ 48,963	\$ 36,180	\$ (11,019)	\$ 74,124	\$ 11,197
Special obligation bonds	628,948	292,857	(45,890)	875,915	52,517
Subtotal	677,911	329,037	(56,909)	950,039	63,714
Issuance premiums (discounts)	3,142	8,698	(1,263)	10,577	1,403
Total bonds payable	681,053	337,735	(58,172)	960,616	65,117
Compensated absences obligations	1,919	1,840	(1,539)	2,220	1,717
Tuition benefits payable	211,105	5,592	(10,352)	206,345	19,182
Business-type activities long-term obligations	\$ 894,077	\$ 345,167	\$ (70,063)	\$ 1,169,181	\$ 86,016

The General Fund and special revenue funds typically liquidate the capital lease obligations. Compensated absence obligations are payable by the funds in which they are incurred and are primarily the General Fund and State Highway Fund. The debt service funds typically liquidate the arbitrage obligations.

B. Bonds Payable

The State issues general obligation bonds for the acquisition, construction and improvement of major capital facilities; buying local governments' bonds in the municipal bond bank fund; loans to municipalities for water projects; protection of natural resources; cultural affairs projects; the construction, reconstruction, improvement and maintenance of highways; and for refunding purposes. General obligation bonds are direct obligations and pledge the full faith and credit of the State.

Special obligation highway improvement revenue bonds provide funds for property acquisition and construction of highway projects. Special obligation housing bonds in the aggregate have a debt limit of \$5 billion and are used for housing loans or to purchase mortgage loans having both fixed and variable interest rates. Special obligation bonds are payable solely from gross pledged revenues and are not general obligations of the State.

Notes to the Financial Statements

For the Year Ended June 30, 2020

General obligation bonds and special obligation bonds of the primary government outstanding at June 30, 2020 are comprised of the following (expressed in thousands):

	Interest Rates	Original Amount	Principal Outstanding
Governmental activities:			
<i>General obligation bonds:</i>			
Subject to Constitutional Debt Limitation	3.0-5.0%	\$ 1,288,520	\$ 981,760
Exempt from Constitutional Debt Limitation	2.0-6.0%	267,176	200,521
<i>Special obligation bonds:</i>			
Exempt from Constitutional Debt Limitation- Highway Improvement Revenue Bonds	3.0-5.0%	869,925	704,460
Subtotal		2,425,621	1,886,741
<i>Issuance premiums (discounts)</i>		363,202	147,332
Governmental activities bonds payable		2,788,823	2,034,073
Business-type activities:			
<i>General obligation bonds:</i>			
Exempt from Constitutional Debt Limitation	2.0-5.5%	126,582	74,124
<i>Special obligation bonds:</i>			
Housing Bonds	*.50-6.95%	1,178,136	875,915
Subtotal		1,304,718	950,039
<i>Issuance premiums (discounts)</i>		18,308	10,577
Business-type activities bonds payable		1,323,026	960,616
Total bonds payable		\$ 4,111,849	\$ 2,994,689

*Many Housing bonds have variable rates of interest. The tax exempt bonds track the SIFMA Index while the federally taxable debt tracks the one-month LIBOR Index.

Debt service requirements (principal and interest) for all long-term bonds and notes outstanding at June 30, 2020, of the primary government are summarized in the table following (expressed in thousands):

Year Ending June 30	Governmental Activities				Business-Type Activities			
	General Obligation		Special Obligation		General Obligation		Special Obligation	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 144,303	\$ 52,809	\$ 42,875	\$ 30,658	\$ 11,197	\$ 2,884	\$ 52,517	\$ 28,925
2022	123,108	45,603	35,545	28,698	8,292	2,457	27,940	27,318
2023	117,924	39,419	37,225	26,943	7,756	2,121	8,191	32,993
2024	108,084	33,513	38,855	25,118	4,601	1,861	7,507	33,721
2025	111,727	28,156	40,675	23,142	5,458	1,629	10,781	33,272
2026-2030	376,315	68,452	233,715	83,698	20,085	5,097	50,794	128,599
2031-2035	158,110	21,654	235,115	31,703	15,055	1,513	132,774	114,456
2036-2040	42,710	2,538	40,455	2,124	1,680	91	130,839	86,613
2041-2045	-	-	-	-	-	-	71,861	72,640
2046-2050	-	-	-	-	-	-	38,248	64,109
2051-2055	-	-	-	-	-	-	254,463	32,991
2056-2060	-	-	-	-	-	-	90,000	12,439
Total	\$ 1,182,281	\$ 292,144	\$ 704,460	\$ 252,084	\$ 74,124	\$ 17,653	\$ 875,915	\$ 668,076

C. Constitutional Debt Limitations

Section 3, Article 9, of the State Constitution (as amended) limits the aggregate principal amount of the State's public debt to two percent (2%) of the assessed valuation of the State. Exempt from this limitation are debts authorized by the Legislature that are incurred for the protection and preservation of, or for obtaining the benefits of, any property or natural resources within the State. At June 30, 2020, the debt limitation and its unused portion are computed as follows (expressed in thousands):

Debt limitation (2% of total assessed valuation)	\$ 2,886,475
Less: Bonds and leases payable as of June 30, 2020, subject to limitation	(981,760)
Remaining debt capacity	\$ 1,904,715

D. Nevada Municipal Bond Bank

General obligation bonds have been issued through the Nevada Municipal Bond Bank, a special revenue fund, as authorized by NRS 350A. These bonds are subject to statutory limitation of \$1.8 billion and are exempt from the Constitutional Debt Limitation. Proceeds from the bonds are used to purchase validly issued general obligation bonds of the State's local governments to finance projects related to natural resources. The State anticipates that the debt service revenue it receives from

Notes to the Financial Statements

For the Year Ended June 30, 2020

the participating local governments will be sufficient to pay the debt service requirements of the State bonds as they become due. Eleven projects were funded through the Nevada Municipal Bond Bank as of June 30, 2020, and total outstanding loans to local governments amounted to \$83,680,000.

E. Refunded Debt and Redemptions

During the fiscal year 2020, the State of Nevada refunded \$56,895,000 in general obligation, limited tax, bonds related to capital improvement, cultural affairs and refunding by issuing refunding bonds with a total par amount of \$43,925,000 at a \$8,426,056 premium. Proceeds from refunding bonds and certificates were used to refund certain outstanding State debt to realize debt service savings. The refunding decreased the aggregate debt service payments by \$7,264,412 with an economic or present value gain of \$6,690,674. The reacquisition price exceeded the carrying amount of the old debt causing a deferred accounting loss of \$343,719. This amount is being reported as a deferred outflow of resources and amortized as an adjustment to interest expense over the life of the refunded debt or the refunding debt, whichever is shorter. The impact of the refunding issues is presented in the following table (expressed in thousands):

	Refunding Amount	Refunded Amount	Cash Flow Gain (Loss)	Present Value Gain
Capital Improvement Bonds Series 2009A	\$ 55,134	\$ 54,790	\$ 6,886	\$ 6,342
Capital Improvement, Cultural Affairs and Refunding Bonds Series 2009B	2,116	2,106	378	349
Total	\$ 57,250	\$ 56,896	\$ 7,264	\$ 6,691

F. Capital Leases

The State has entered into various agreements for the lease of vehicles and improvement of buildings. Assets of the primary government acquired under such leases at June 30, 2020 include vehicles and building improvements of \$32,159,486 with accumulated depreciation of \$12,511,624.

For all capital leases of the primary government, the gross minimum lease payments and the present value of the net minimum lease payments as of June 30, 2020 follow (expressed in thousands):

Year Ending June 30	Governmental Activities
2021	\$ 4,177
2022	2,981
2023	1,902
2024	1,977
2025	1,348
Total minimum lease payments	12,385
Less: amount representing interest	(1,119)
Obligations under capital leases	\$ 11,266

G. Certificates of Participation

In fiscal year 2014, the NRPC issued \$35,785,000 of Lease Revenue Refunding Certificates of Participation Series 2013 at 3.0-5.0% interest to refund the outstanding balances of Lease Revenue Certificates of Participation Series 2004 and 2004B, which were to finance the acquisition and construction of the State's Capitol Complex Building 1 and Casa Grande Projects respectively.

In fiscal year 2014, the NRPC issued \$50,445,000 of new Lease Revenue Certificates of Participation Series 2013 at 4.0-5.0% interest to finance the State's Nevada State College Project. The Project is leased to the Nevada System of Higher Education (NSHE), the State's discretely presented component unit. Meanwhile, the NRPC entered into a Ground Lease with respect to the real property on which the Project is located.

In fiscal year 2017, the NRPC issued \$3,730,000 of Lease Revenue Refunding Certificates of Participation Series 2016A at 2.22% interest to refund the outstanding balances of Lease Revenue Certificate of Participation Series 2006 which were to finance the design and construction of a warehouse addition to the Legislative Counsel Bureau's existing State Printing Office building in Carson City and resurfacing of the exterior of the existing building, together with related improvements on the premises. These Certificates of Participation are Privately Placed.

Under the lease revenue certificates of participation financing arrangements, the certificates are not general obligations of the State and are not backed by the faith and credit or the taxing power of the State. The State's obligation to pay base rent and make other payments to the trustee under the financing leases is subject to appropriation by the State. In the event that the State does not make a sufficient appropriation with respect to a Lease Purchase Agreement, that Lease Purchase Agreement will terminate.

Notes to the Financial Statements

For the Year Ended June 30, 2020

The following schedule presents future certificates of participation payments as of June 30, 2020 (expressed in thousands):

Year Ending June 30	Certificates of Participation		Certificates of Participation-Private Placements	
	Principal	Interest	Principal	Interest
2021	\$ 3,005	\$ 3,411	\$ 371	\$ 51
2022	3,140	3,270	377	43
2023	3,295	3,113	388	35
2024	3,465	2,948	393	26
2025	3,640	2,775	402	17
2026-2030	20,860	11,193	372	8
2031-2035	12,945	6,996	-	-
2036-2040	12,685	4,228	-	-
2041-2045	9,210	936	-	-
Total	\$ 72,245	\$ 38,870	\$ 2,303	\$ 180

H. Tuition Benefits Payable

The Higher Education Tuition Trust Fund, an enterprise fund, reports benefits payable as shown in Section A based upon the actuarial present value (APV) of the future tuition obligations and administrative expenses that will be paid in future years. The present value calculation includes the effects of projected tuition and fee increases and termination of contracts as follows (expressed in thousands):

APV of the future tuition obligation	\$	206,345
Net position available		348,302
Net position as a percentage of tuition benefits obligation		168.80 %

The actuarial valuation used an investment yield assumption of 5.25% per year and tuition growth assumptions as follows:

	Universities	Community Colleges
2021-22	2.80%	2.80%
2022-23	2.80%	2.80%
2023-24	2.50%	2.50%
2024-25 and later	4.00%	3.50%

I. Arbitrage Rebate Requirement

The Tax Reform Act of 1986 imposes a rebate requirement with respect to some bonds issued by the State. Under this requirement, an amount equal to the sum of (a) the excess of the aggregate amount earned on all investments (other than certain specified exceptions) over the amount that would have been earned if all investments were invested at a rate equal to the yield on the bonds, and (b) any income earned on the excess described in (a) must be rebated to the United States Treasury, in order for the interest on the bonds to be excluded from gross income for federal income tax purposes. In accordance with the Internal Revenue Service Regulations, arbitrage rebate liability calculated as of June 30, 2020 is \$0.

J. Conduit Debt Obligations

The State has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of commercial facilities deemed to be in the public interest. During the 2013 session, the Nevada Legislature enacted the Charter School Financing Law, which authorizes the issuance of Charter School Bonds and other obligations to finance the acquisition, construction, improvement, maintenance or furnishing of land, buildings and facilities for Charter Schools in the State of Nevada. The above two types of bonds are secured by the properties financed and are payable solely from payments received on the underlying mortgage loans. The State is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2020 there are seven series of Industrial Revenue Bonds and five series of Charter School Bonds outstanding, with an aggregate principal amount payable of \$389,757,000.

K. Pledged Revenue

Pledged motor vehicle and special fuel tax - The State has pledged a portion of future motor vehicle fuel and special fuel tax revenues as well as federal aid for eligible projects to repay the Highway Improvement Revenue Bonds that were issued for

Notes to the Financial Statements

For the Year Ended June 30, 2020

highway construction projects and property acquisition purposes. As of June 30, 2020, the outstanding balance of Highway Improvement Revenue and Refunding bonds is \$704,460,000. The total of principal and interest remaining on the bonds is \$956,544,381 payable through December 2037. Upon completion of eligible projects, federal aid of \$368,000,000 is expected to be received in fiscal year 2021. For the current year, principal and interest paid was \$73,585,988 and total motor vehicle fuel and special fuel tax revenues were \$296,392,580.

Pledged future lease rental payments – With respect to each series of Lease Revenue Certificates of Participation, the NRPC, a blended component unit, has pledged its rights, title and interest in the applicable Ground Lease and Lease Purchase Agreement to the Trustee (including the right to receive payments of base rent and other payments). As of June 30, 2020, the outstanding balance of Lease Revenue Certificates of Participation is \$74,548,000. The total of principal and interest remaining on the certificates is \$113,598,980 payable through June 2043. In fiscal year 2020, principal and interest of \$6,835,984 was paid. Building rent of \$7,000,000 is expected to be collected in fiscal year 2021, which will be used to pay the fiscal year 2021 debt service principal and interest of \$6,838,514.

Pledged Nevada Housing Division program funds – The single-family bonds are payable from, and secured by, a pledge of the proceeds derived from the sale of bonds; the rights and interest of the Housing Division in all mortgage loans purchased under the various bond certificates; revenues which primarily include mortgage repayments and the net income, if any, derived as a result of foreclosure or other action taken in the event of a default on such a mortgage loan; curtailments, consisting generally of all amounts representing monthly principal payments with respect to mortgage loans which are received in advance of the scheduled amortization thereof; and all earnings realized by the investment of monies in all funds and accounts as well as all funds and accounts created by the various bond certificates.

The multi-unit bonds are payable from, and secured by, a pledge of the proceeds derived from the sale of bonds; all earnings realized from the investment of bond proceeds; after permanent financing, all revenues received from the development including housing assistance and rental payments made by tenants, notes receivable collateralized by deeds of trust and the rights to FHA insurance, draws on bank letters of credit, private mortgage and hazard insurance and condemnation proceeds.

As of June 30, 2020, the outstanding balance of single-family and multi-unit bonds is \$875,914,539. The total of principal and interest remaining on the bonds is \$1,548,316,293 payable through February 2058. In fiscal year 2020, principal and interest of \$63,498,003 was paid. As of June 30, 2020, \$151,373,095 was held by the trustee for the benefit of the single-family bondholders. The amount of payments received for mortgage loans in fiscal year 2020 is \$249,442,206. One hundred million is expected to be collected in fiscal year 2021, which, along with assets held by the trustee, will be used to pay the fiscal year 2021 debt service principal and interest of \$81,589,554.

L. Pollution Remediation Obligation

Currently there are three sites in Nevada in various stages of pollution cleanup associated with contaminated soil and groundwater. The pollution remediation liabilities associated with these sites were measured using the expected cash flow technique. Liability estimates are subject to change due to price increases or reductions, technology, or changes in applicable laws or regulations governing the remediation efforts. The State does not anticipate recovering reimbursements from the parties who caused the pollution. As of June 30, 2020 the total pollution remediation obligation is \$5,000,000.

M. Component Unit Obligations

Nevada System of Higher Education (NSHE) – Bonds, notes, capital leases and compensated absences payable by NSHE at June 30, 2020 and the changes for the year then ended, consist of the following (expressed in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds and notes payable	\$ 717,562	\$ 74,460	\$ (43,813)	\$ 748,209	\$ 65,980
Issuance premiums (discounts)	41,358	4,889	(3,495)	42,752	3,341
Total bonds payable	758,920	79,349	(47,308)	790,961	69,321
Obligations under capital leases	52,104	1,588	(2,283)	51,409	2,600
Compensated absences obligations	55,048	41,571	(32,740)	63,879	42,762
Total	\$ 866,072	\$ 122,508	\$ (82,331)	906,249	114,683
Discretely presented component units of the NSHE:					
Bonds and notes payable				1,602	340
Compensated absences obligations				435	-
Obligations under capital leases				453	254
Total				\$ 908,739	\$ 115,277

Notes to the Financial Statements

For the Year Ended June 30, 2020

Tuition and fees, auxiliary enterprises' revenue and certain other revenue as defined in the bond indentures secure the revenue bonds.

The following table presents annual principal and interest payments for bonds and notes payable outstanding by NSHE at June 30, 2020 (expressed in thousands):

Year Ending June 30	Principal	Interest
2021	\$ 65,980	\$ 25,566
2022	39,464	23,417
2023	37,444	22,108
2024	33,053	20,788
2025	30,340	19,471
2026-2030	144,138	79,390
2031-2035	154,225	50,831
2036-2040	105,900	27,675
2041-2045	85,610	13,093
2046-2050	48,750	2,664
2051-2055	3,305	50
	<u>748,209</u>	<u>285,053</u>
Premiums	42,752	-
Total	<u>\$ 790,961</u>	<u>\$ 285,053</u>

Future net minimum rental payments which are required under the capital leases by NSHE for the years ending June 30 are as follows (expressed in thousands):

Year Ending June 30	Amount
2021	\$ 5,057
2022	4,827
2023	3,806
2024	3,863
2025	3,704
2026-2030	17,184
Thereafter	<u>46,135</u>
Total minimum lease payments	84,576
Less: amount representing interest	<u>(33,167)</u>
Obligations under capital leases	<u>\$ 51,409</u>

Colorado River Commission (CRC) – Bonds and compensated absences payable by CRC at June 30, 2020, and the changes for the year then ended, consist of the following (expressed in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
General obligation bonds	\$ 27,480	\$ -	\$ (740)	\$ 26,740	\$ 755
Issuance premiums (discounts)	(144)	-	6	(138)	-
Total bonds payable	<u>27,336</u>	<u>-</u>	<u>(734)</u>	<u>26,602</u>	<u>755</u>
Compensated absences obligations	458	247	(186)	519	329
Total	<u>\$ 27,794</u>	<u>\$ 247</u>	<u>\$ (920)</u>	<u>\$ 27,121</u>	<u>\$ 1,084</u>

Scheduled maturities for bonds payable by CRC for the years ending June 30 are as follows (expressed in thousands):

Year Ending June 30	Principal	Interest
2021	\$ 755	\$ 1,033
2022	770	1,015
2023	800	994
2024	815	971
2025	835	945
2026-2030	4,655	4,258
2031-2035	5,610	3,266
2036-2040	6,580	1,960
2041-2045	5,920	516
Total	<u>\$ 26,740</u>	<u>\$ 14,958</u>

N. Short-Term Obligations

Primary Government - There was no short-term debt outstanding at July 1, 2019 or June 30, 2020.

Notes to the Financial Statements

For the Year Ended June 30, 2020

Note 10. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each pension plan and additions to/deductions from each pension plan's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments and refunds of employee contributions are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

The aggregate pension related amounts for the primary government consist of a net pension liability of \$2,290,133,549, deferred outflows of resources of \$423,289,621, deferred inflows of resources of \$223,906,429, pension expenditures of \$231,781,268 and pension expense of \$11,560,514. Pension expenditures and expense total \$243,341,782. The State's defined benefit pension plans are described in detail below.

The aggregate pension related amounts for discretely presented component units consist of a net pension liability of \$420,022,027, deferred outflows of resources of \$83,110,150, deferred inflows of resources of \$33,104,680 and pension expense of \$16,964,410.

A. Public Employees' Retirement System of Nevada

Plan Description – The Public Employees' Retirement System (PERS) was established in 1947 by the Nevada Legislature and is governed by the Public Employees' Retirement Board whose seven members are appointed by the governor. PERS administers a cost-sharing multiple-employer defined benefit pension plan that covers qualified State employees and employees of participating local government entities in the State. Any public employer in the State may elect to have its regular and police/fire employees covered by PERS. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERS issues a publicly available financial report that includes financial statements and the required supplementary information for the System. That report may be obtained on the PERS website at www.nvpers.org.

Pension Benefits – Benefits provided to participants or their beneficiaries include retirement, disability, and survivor benefits. Benefits, as required by statute, are determined by the number of years of accredited service at the time of retirement and the member's highest average compensation in any 36 consecutive months, with special provisions for members entering the System on or after January 1, 2010. Members become fully vested as to benefits upon completion of 5 years of service. Unreduced benefits are available, depending upon when the member entered the System, as follows:

Regular Members	Police/Fire Members
<u>Before January 1, 2010</u>	<u>Before January 1, 2010</u>
Age 65 with 5 years of service	Age 65 with 5 years of service
Age 60 with 10 years of service	Age 55 with 10 years of service
Any age with 30 years of service	Age 50 with 20 years of service
	Any age with 25 years of service
<u>On or after January 1, 2010</u>	<u>On or after January 1, 2010</u>
Age 65 with 5 years of service	Age 65 with 5 years of service
Age 62 with 10 years of service	Age 60 with 10 years of service
Any age with 30 years of service	Age 50 with 20 years of service
	Any age with 30 years of service
<u>On or after July 1, 2015</u>	<u>On or after July 1, 2015</u>
Age 65 with 5 years of service	Age 65 with 5 years of service
Age 62 with 10 years of service	Age 60 with 10 years of service
Age 55 with 30 years of service	Age 50 with 20 years of service
Any age with 33.3 years of service	Any age with 33.3 years of service

Members with the years of service necessary to receive a retirement benefit but who have not reached the age for an unreduced benefit may retire at any age with the benefit reduced by 4% (for members entering the System before January 2, 2010) or 6% (for members entering the System on or after January 1, 2010) for each full year they are under the required age.

Notes to the Financial Statements

For the Year Ended June 30, 2020

Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% multiplier. Lastly, for members entering the System on or after July 1, 2015, there is a 2.25% multiplier. PERS offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

Retirees are eligible for annual benefit increases if they began receiving benefits at least 3 years before the effective date of the increase. Benefits are increased annually on the first day of the month following the anniversary of the commencement of benefits. The increases begin at 2% in years 4, 5 and 6; increase to 3% in years 7, 8 and 9; 3.5% in years 10, 11 and 12; 4% for years 13 and 14; and 5% in year 15 and each year thereafter. For retirees entering the System on or after January 1, 2010, increases are capped at 4% in year 13 and each year thereafter. If the benefit outpaces inflation in the period since retirement, the increase may be capped by a rolling three-year average of the Consumer Price Index (all items). For retirees entering the System on or after July 1, 2015, the increases begin at 2% in years 4, 5 and 6; increase to 2.5% in years 7, 8 and 9; the lesser of 3% or the increase, if any, in the Consumer Price Index (all items) for the preceding calendar years following year 10 and every year thereafter.

Member and Employer Contributions - The authority for establishing and amending the obligation to make contributions, and member contribution rates, is set by statute. New hires of the State of Nevada and public employers have the option of selecting either the employee/employer contribution plan or the employer-pay contribution plan. Under the employee/employer contribution plan, the employee and the employer each make matching contributions. Under the employer-pay contribution plan, the employer pays all contributions on the employee's behalf; however, the employee shares equally in the cost of the contribution rate either through salary reduction or in lieu of a promised pay increase.

PERS' basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due. Although PERS receives an actuarial valuation on an annual basis indicating the contribution rates required to fund the System on an actuarial reserve basis, contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.

Required contribution rates for employers and for active plan members, as a percentage of covered payroll, for the fiscal year ended June 30, 2020 were as follows:

	Statutory Rate	
	Employer	Employees
Regular employees:		
Employer-pay plan	29.25 %	-
Employee/employer plan (matching rate)	15.25 %	15.25 %
Police and Fire employees:		
Employer-pay plan	42.50 %	-
Employee/employer plan (matching rate)	22.00 %	22.00 %

The primary government contributions recognized as part of pension expense for the current fiscal year ended June 30, 2020 were \$161,627,368 and discretely presented component unit contributions totaled \$28,972,042.

Pension Liabilities, Pension Expenditure/Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Primary Government - At June 30, 2020, the State reported a liability of \$2,278,610,292, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The State's proportion of the net pension liability was based on the State's share of contributions in PERS pension plan relative to the total contributions of all participating PERS employers and members. At June 30, 2019, the State's proportion was 16.71%, an increase of .22% from its proportion measured at June 30, 2018.

For the year ended June 30, 2020, the State recognized pension expenditure of \$228,152,923 and pension expense of \$11,560,514. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (expressed in thousands):

Notes to the Financial Statements

For the Year Ended June 30, 2020

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 85,445	\$ (65,724)
Changes of assumption	92,730	-
Net difference between projected and actual earnings on pension plan investments	-	(113,353)
Changes in proportionate share of contributions	62,575	(40,173)
State contributions subsequent to the measurement date	177,255	-
Total	<u>\$ 418,005</u>	<u>\$ (219,250)</u>

Deferred outflows of resources of \$177,255,222 for contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (expressed in thousands):

Year Ended June 30:	
2021	\$ 2,934
2022	(32,115)
2023	25,119
2024	13,951
2025	10,025
Thereafter	1,586

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Nevada System of Higher Education (NSHE) - At June 30, 2020, the NSHE reported a liability of \$414,036,000, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The NSHE's proportion of the net pension liability was based on the NSHE's share of contributions in PERS pension plan relative to the total contributions of all participating PERS employers and members. At June 30, 2019, the NSHE's proportion was 3.04%, an increase of .12% from its proportion measured at June 30, 2018.

For the year ended June 30, 2020, the NSHE recognized pension expense of \$16,420,000. At June 30, 2020, the NSHE reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (expressed in thousands):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 15,526	\$ (11,675)
Changes of assumption	16,850	-
Net difference between projected and actual earnings on pension plan investments	-	(20,136)
Changes in proportionate share of contributions	19,088	(728)
NSHE contributions subsequent to the measurement date	30,564	-
Total	<u>\$ 82,028</u>	<u>\$ (32,539)</u>

Deferred outflows of resources of \$30,564,000 for contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (expressed in thousands):

Year Ended June 30:	
2021	\$ 134,780
2022	(908,084)
2023	249,473
2024	309,038
2025	175,630
Thereafter	20,238

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Colorado River Commission (CRC) - At June 30, 2020, the CRC reported a liability of \$5,986,027, for its proportionate share

Notes to the Financial Statements

For the Year Ended June 30, 2020

of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The CRC's proportion of the net pension liability was based on the CRC's share of contributions in PERS pension plan relative to the total contributions of all participating PERS employers and members. At June 30, 2019, the CRC's proportion was .04%, no change from its proportion measured at June 30, 2018.

For the year ended June 30, 2020, the CRC recognized pension expense of \$544,410. At June 30, 2020, the CRC reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (expressed in thousands):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 224	\$ (173)
Changes of assumption	244	-
Net difference between projected and actual earnings on pension plan investments	-	(298)
Changes in proportionate share of contributions	150	(95)
CRC contributions subsequent to the measurement date	465	-
Total	<u>\$ 1,083</u>	<u>\$ (566)</u>

Deferred outflows of resources of \$465,000 for contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (expressed in thousands):

Year Ended June 30:	
2021	\$ 24
2022	(102)
2023	51
2024	45
2025	29
Thereafter	5

Actuarial Assumptions – The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

<i>Inflation rate:</i>	2.75%
<i>Payroll growth:</i>	5.00%, including inflation
<i>Investment rate of return:</i>	7.50%
<i>Productivity pay increase:</i>	0.50%
<i>Projected salary increases:</i>	Regular: 4.25% to 9.15%, depending on service Police/Fire: 4.55% to 13.90%, depending on service Rates include inflation and productivity increases
<i>Consumer price index:</i>	2.75%
<i>Other assumptions:</i>	Same as those used in the June 30, 2019 funding actuarial valuation

Mortality rates were based on the Headcount-Weighted RP-2014 Healthy Annuitant Table projected to 2020 with Scale MP-2016, set forward one year for spouses and beneficiaries. For ages less than 50, mortality rates are based on the Headcount-Weighted RP-2014 Employee Mortality Tables. Those mortality rates are adjusted by the ratio of the mortality rate for healthy annuitants at age 50 to the mortality rate for employees at age 50. The mortality rates are then projected to 2020 with Scale MP-2016. Mortality rates for disabled members were based on the Headcount-Weighted RP-2014 Disabled Retiree Table, set forward four years. Mortality rates for pre-retirement members were based on the Headcount-Weighted RP-2014 Employee Table, projected to 2020 with Scale MP-2016.

Notes to the Financial Statements

For the Year Ended June 30, 2020

Actuarial assumptions used in the June 30, 2019 valuation were based on an experience study for the period from July 1, 2012, through June 30, 2016.

Investment Policy - The PERS Board evaluates and establishes the investment portfolio target asset allocations and the expected real rates of return (expected returns, net of investment expenses and inflation) for each asset class. The Board reviews these asset allocations and capital market expectations annually. The System's target asset allocations and current long-term geometric expected real rates of return for each asset class included in the fund's investment portfolio as of June 30, 2019, are included in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Geometric Expected Real Rate of Return</u>
U.S. stocks	42%	5.50%
International stocks	18%	5.50%
U.S. bonds	28%	0.75%
Private markets	12%	6.65%

Discount Rate – The discount rate used to measure the total pension liability was 7.5% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed plan contributions will be made in amounts consistent with statutory provisions and recognizing the plan's current funding policy and cost-sharing mechanism between employers and members. For this purpose, all contributions that are intended to fund benefits for all plan members and their beneficiaries are included, except that projected contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2019.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the proportionate share of the net pension liability at June 30, 2019 calculated using the discount rate of 7.5%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate (expressed in thousands):

	<u>1% Decrease in Discount Rate (6.5%)</u>	<u>Discount Rate (7.5%)</u>	<u>1% Increase in Discount Rate (8.5%)</u>
Primary government - net pension liability	\$ 3,528,152	\$ 2,278,610	\$ 1,239,924
Nevada System of Higher Education - net pension liability	641,086	414,036	225,301
Colorado River Commission - net pension liability	9,269	5,986	3,257

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS' report.

Payables to the Pension Plan – At June 30, 2020, the primary government reported payables to the defined benefit pension plan of \$18,230,405 for legally required employer contributions which had been withheld from employee wages but not yet remitted to PERS.

B. Legislators' Retirement System of Nevada

Plan Description – The Legislators' Retirement System (LRS) is a single-employer defined benefit pension plan established in 1967 by the Nevada Legislature (NRS 218C) and is governed by the Public Employees' Retirement Board whose seven members are appointed by the governor. All State Legislators are members. LRS issues a publicly available financial report that includes financial statements and the required supplementary information for the System. LRS' financial report may be obtained from the Public Employees' Retirement System, 693 West Nye Lane, Carson City, Nevada 89703.

Notes to the Financial Statements

For the Year Ended June 30, 2020

At June 30, 2019, the LRS pension plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	72
Inactive vested members	11
Inactive non-vested members	33
Active members	35
Total	151

Pension Benefits – Benefits are determined by the number of years of accredited service at the time of retirement. Service years include the entire election term whether or not the Legislature is in session. Benefits payments to which participants may be entitled under the plan include pension and survivor benefits. Monthly benefit allowances are \$25 for each year of service up to 30 years.

If a Legislator is newly elected after July 1, 1985, they must have at least 10 years of service, be age 60, and no longer be a Legislator in order to retire without benefit reduction. If a Legislator is no longer serving and has at least 10 years of service but is under the age of 60, they can elect to wait to receive their benefit until the age of 60 or begin receiving a reduced benefit prior to the age of 60. The minimum requirement for an unreduced benefit for a Legislator elected prior to July 1, 1985, is 8 years of accredited service at age 60.

Members are eligible for post-retirement benefit increases based on their effective date of membership. For members with an effective date of membership before January 1, 2010, the lesser of: (a) 2% per year following the third anniversary of the commencement of benefits, 3% per year following the sixth anniversary, 3.5% per year following the ninth anniversary, 4% per year following the twelfth anniversary and 5% per year following the fourteenth anniversary, or (b) the average percentage increase in the Consumer Price Index (or other Board approved index) for the three preceding years. In any event, a member's benefit must be increased by the percentages in (a) if it has not been increased at a rate greater than or equal to the average of the Consumer Price Index (CPI) (All items) (or other Board approved index) for the period between retirement and the date of increase. For members with an effective date of membership on or after January 1, 2010, and prior to July 1, 2015, same as above, except the increases in (a) above do not exceed 4% per year. For members with an effective date of membership on or after July 1, 2015, 2% per year following the third through fifth anniversaries of the commencement of benefits; 2.5% per year following the sixth through eighth anniversaries. On succeeding anniversaries, the annual increase shall be the lesser of 3% or the CPI for the preceding calendar year. For future retirees, those hired prior to 2010 are assumed to reach the cap after 16 years of retirement. Those hired in between 2010 and 2015 are also assumed to reach the cap after 16 years of retirement. Those hired after 2015 will never receive an annual increase that exceeds 2.75. Underlying all of these assumptions is that CPI will grow over time at a rate of 2.75% per year.

Member and Employer Contributions - The employee contribution of 15% of compensation is paid by the employee only when the Legislature is in session, as required by statute. The Legislature holds sessions every two years. Prior to 1985, the employee contributions were matched by the employer. The 1985 Legislators' Retirement Act includes NRS 218C.390(2) which states, "The Director of the Legislative Counsel Bureau shall pay to the Board from the Legislative Fund an amount as the contribution of the State of Nevada as employer which is actuarially determined to be sufficient to provide the System with enough money to pay all benefits for which the System will be liable." The Legislature appropriated \$195,870 for fiscal years 2019 and 2020, which is the required State contribution as determined by the actuary. This amount was paid by the State of Nevada to the Legislative fund during fiscal 2019, of which \$97,935 (half) was recognized as employer contributions in the fiscal year 2019, and the other half has been recognized as employer contributions in fiscal year 2020.

State contributions recognized as part of pension expense for the fiscal year ended June 30, 2020 were \$97,935.

LRS' basic funding policy provides for contributions by the State based on a biennial actuarial valuation prepared per NRS 281C.390(2). The Actuarially Determined Employers' Contribution (ADEC) includes the employer's normal cost and a provision for amortizing the Unfunded Actuarial Accrued Liability (UAAL). Beginning July 1, 2014, actuarial valuations are done annually. Effective with the January 1, 2009 valuation, the UAAL is amortized as a level dollar amount over a declining amortization period of 20 years. Any increases or decreases in the UAAL that arise in future years will be amortized over separate 20-year periods. In addition, the Actuarial Value of Assets (AVA) was limited to not less than 75% or greater than 125% of market value. The actuarial funding method used is the Entry Age Normal Cost Method.

Pension Liabilities, Pension Expenditure, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2020, the State reported a net pension liability of \$126,739. The net pension liability was measured as

Notes to the Financial Statements

For the Year Ended June 30, 2020

of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

For the year ended June 30, 2020, the State recognized pension income of \$167,401. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ (10)
Differences between expected and actual experience	-	(52)
State contributions subsequent to the measurement date	98	-
Total	\$ 98	\$ (62)

Deferred outflows of resources of \$97,935 for contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (expressed in thousands):

Year Ended June 30	
2021	\$ 1
2022	(50)
2023	(13)
2024	-
2025	-
Thereafter	-

The following table presents the changes in the net pension liability for LRS for the year ended June 30, 2019 (expressed in thousands):

	2019
Total pension liability	
Service cost	\$ 29
Interest	372
Difference between expected and actual experience	(266)
Benefit payments, including refunds	(470)
Net change in total pension liability	(335)
Total pension liability - beginning	5,165
Total pension liability - ending (a)	\$ 4,830
Plan fiduciary net position	
Contributions - employer	\$ 98
Contributions - plan member	24
Net investment income	342
Benefit payments, including refunds	(470)
Administration expenses	(75)
Other	76
Net change in plan fiduciary net position	(5)
Plan fiduciary net position - beginning	4,708
Plan fiduciary net position - ending (b)	\$ 4,703
Net pension liability - beginning	\$ 457
Net pension liability - ending (a) - (b)	\$ 127
Plan fiduciary net position as a percentage of total pension liability	97%
Covered payroll	N/A
Net pension liability as a percentage of covered payroll	N/A

Notes to the Financial Statements

For the Year Ended June 30, 2020

Actuarial Assumptions – The State’s net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

<i>Inflation rate:</i>	2.75%
<i>Investment rate of return:</i>	7.50%
<i>Projected salary increases:</i>	2.75%
<i>Consumer price index:</i>	2.75%
<i>Other assumptions:</i>	Same as those used in the June 30, 2019 funding actuarial valuation

Mortality rates were based on the Headcount-Weighted RP-2014 Mortality Tables, projected to 2020 with Scale MP-2016, set forward one year for spouses and beneficiaries. For ages less than 50, mortality rates are based on the Headcount-Weighted RP-2014 Employee Mortality Tables. Those mortality rates are adjusted by the ratio of the mortality rate for members at age 50 to the mortality at age 50 from the Employee mortality tables. The mortality rates are projected to 2020 with Scale MP-2016. The RP-2014 Headcount-Weighted Mortality Tables, set forward one year for spouses and beneficiaries, reasonably reflect the projected mortality experience of the Plan as of the measurement date. The additional projection of 6 years is a provision made for future mortality improvement. No pre-retirement mortality is assumed.

Actuarial assumptions used in the June 30, 2019 valuation were based on the results of the actuarial experience study for the period July 1, 2012, through June 30, 2017.

Investment Policy – The Retirement Board evaluates and establishes the investment portfolio target asset allocations and the expected real rates of return (expected returns, net of investment expenses and inflation) for each asset class. The Board reviews these asset allocations and capital market expectations annually. The System’s target asset allocations and current long-term expected real rates of return for each asset class included in the fund’s investment portfolio as of June 30, 2019, are included in the following table.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Geometric Expected Real Rate of Return</u>
U.S. stocks	51%	5.50%
International stocks	22%	5.50%
U.S. bonds	28%	0.75%

Discount Rate – The discount rate used to measure the total pension liability was 7.5% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability calculated using the discount rate of 7.5%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate (expressed in thousands):

	<u>1% Decrease in Discount Rate (6.5%)</u>	<u>Discount Rate (7.5%)</u>	<u>1% Increase in Discount Rate (8.5%)</u>
Net pension liability	\$ 545	\$ 127	\$ (232)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued LRS report.

Payables to the Pension Plan – At June 30, 2020, the State had no payables to the defined benefit pension plan for legally required employer contributions.

Notes to the Financial Statements

For the Year Ended June 30, 2020

C. Judicial Retirement System of Nevada

Plan Description – The Judicial Retirement System (JRS) is an agent multiple-employer defined benefit pension plan established in 2001 by the Nevada Legislature (NRS 1A.160) and is governed by the Public Employees’ Retirement Board whose seven members are appointed by the governor. The JRS was established to provide benefits in the event of retirement, disability, or death of justices of the Supreme Court, district judges, municipal court judges and justices of the peace, funded on an actuarial reserve basis. JRS issues a publicly available financial report that includes financial statements and the required supplementary information for the System. JRS’ financial report may be obtained from the Public Employees’ Retirement System, 693 West Nye Lane, Carson City, Nevada 89703.

At June 30, 2019, the JRS pension plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	83
Inactive vested members	2
Active members	112
Total	197

Pension Benefits - Benefits are paid according to various options contained in pertinent statutes, dependent upon whether a member was serving as a Supreme Court justice or district judge before November 5, 2002. Retiring members who were serving as a judge before November 5, 2002 may select among the two benefit options below. Retiring members who began serving as a justice or judge on or after November 5, 2002 may select only the first option below.

Option 1 - 2003 Benefit Plan: Benefits, as required by statute, are computed at 3.4091% per year of accredited service at the time of retirement times the member’s highest average compensation in any 36 consecutive months, to a maximum of 75%. Benefit payments to which participants may be entitled under the plan include pension benefits, disability benefits and survivor benefits.

Option 2 – Previous Benefit Plan: Retiring members who were serving as a Supreme Court justice or district judge prior to November 5, 2002 may select benefit payments computed at 4.1666% for each year of service, up to a total maximum of 22 years, times the member’s compensation for their last year of service.

Members who retired under the Previous Benefit Plan (plan in effect before November 5, 2002) and are appointed as senior judges can earn service credit while receiving their pension payments. They are eligible to have their benefit recalculated each time they earn an additional year of service credit.

Members enrolled in the Judicial Retirement Plan on or after July 1, 2015 will receive 3.1591% for each year of service. Each member is entitled to a benefit of not more than 75% and must contribute 50% of the contribution rate through payroll deductions.

Members of the System become fully vested after five years of service. A member of the System is eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at any age with 30 years of service. For those members who were serving as a Supreme Court justice or district judge prior to November 5, 2002, and selected the second benefit option, eligibility for retirement is at age 60 with five years of service.

Members enrolled on or after July 1, 2015, become fully vested after five years of service. Eligible retirement age is 65 with five years of service, at age 62 with 10 years of service, age 55 with 30 years of service, and at any age with 33 1/3 years of service.

Member and Employer Contributions –The participating employers submit the percentage of compensation determined by the actuary to pay the normal costs and administrative expenses. Also, the participating employers pay to the JRS an amount on the unfunded liability which is actuarially determined to be sufficient to enable the JRS to pay all current benefits for which the JRS is liable.

JRS’ basic funding policy provides for contributions by the participating employers based on an actuarial valuation prepared per Nevada Revised Statute (NRS 1A.180(1)). The amount of the annual contribution required to fund the System is comprised of a normal cost payment and a payment on the Unfunded Actuarial Accrued Liability (UAAL). Effective January 1, 2009, UAAL is amortized over a year-by-year closed amortization period as a level percent of pay (3% payroll growth assumed) where each amortization period will be set at 30 years for State judges (Supreme Court justices and district judges) and 20 years for each non-state agency. Any increases or decreases in UAAL that arise in future years will be amortized over separate 30-year periods for State judges and 20-year periods for non-state judges. The actuarial funding method used is the Entry Age Normal Cost Method.

Notes to the Financial Statements

For the Year Ended June 30, 2020

The State's annual actuarially determined contribution to fund the System at June 30, 2020 was \$5,299,834 and the actual contribution made was \$4,776,295.

Pension Liability, Pension Expenditure, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2020, the State reported a liability of \$11,396,418 for its net pension liability for the JRS pension plan. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The State's net pension liability was based on an individual basis and based on the plan provisions and benefit accrual rates applicable to that individual.

For the year ended June 30, 2020, the State recognized pension expenditure of \$3,795,746. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 334	\$ (3,284)
Change of assumptions	23	(1,211)
Changes in proportion and differences between State contributions and proportionate share of contributions	53	(99)
State contributions subsequent to the measurement date	4,776	-
Total	<u>\$ 5,186</u>	<u>\$ (4,594)</u>

Deferred outflows of resources of \$4,776,295 for contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (expressed in thousands):

Year Ended June 30:	
2021	\$ (1,267)
2022	(1,918)
2023	(953)
2024	(46)
2025	-
Thereafter	-

The following table presents the changes in the net pension liability for JRS for the year ended June 30, 2019 (expressed in thousands):

	<u>2019</u>
Total pension liability	
Service cost	\$ 4,092
Interest	10,415
Differences between expected and actual experience	(30)
Benefit payments, including refunds	(6,119)
Other	220
Net change in total pension liability	<u>8,578</u>
Total pension liability - beginning	137,726
Total pension liability - ending (a)	<u>\$ 146,304</u>
Plan fiduciary net position	
Contributions - employer	\$ 5,265
Employee purchase of service	473
Net investment income	9,551
Benefit payments, including refunds	(6,119)
Administrative expenses	(106)
Other	220
Net change in plan fiduciary net position	<u>9,284</u>
Plan fiduciary net position - beginning	124,374
Plan fiduciary net position - ending (b)	<u>\$ 133,658</u>
Net pension liability - beginning	\$ 13,352
Net pension liability - ending (a) - (b)	\$ 12,646
Plan fiduciary net position as a percentage of total pension liability	91%
Covered payroll (measurement as of end of fiscal year)	\$ 20,353
Net pension liability as a percentage of covered payroll	62%

Notes to the Financial Statements

For the Year Ended June 30, 2020

Actuarial Assumptions – The State’s net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

<i>Inflation rate:</i>	2.75%
<i>Investment rate of return:</i>	7.50%
<i>Projected salary increases:</i>	3.00% to 8.00%, varying by service
<i>Consumer Price Index:</i>	2.75%
<i>Other assumptions:</i>	Same as those used in the June 30, 2019 funding actuarial valuation

Post-Retirement mortality rates were based on Headcount-Weighted RP-2014 Healthy Annuitant Mortality Tables, projected to 2020 with Scale MP-2016, set forward one year for spouses and beneficiaries. For ages less than 50, mortality rates are based on the Headcount-Weighted RP-2014 Employee Mortality Tables. Those mortality rates are adjusted by the ratio of the mortality rate for members at age 50 to the mortality at age 50 from the Employee mortality tables. The mortality rates are then projected to 2020 with Scale MP-2016. Pre-Retirement mortality rates were based on Headcount-Weighted RP-2014 Employee Mortality Tables, projected to 2020 with Scale MP-2016.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of the actuarial experience study for the period July 1, 2012, through June 30, 2016.

Investment Policy – The Retirement Board evaluates and establishes the investment portfolio target asset allocations and the expected real rates of return (expected returns, net of investment expenses and inflation) for each asset class. The Board reviews these asset allocations and capital market expectations annually. The System’s target asset allocations and current long-term expected real rates of return for each asset class included in the fund’s investment portfolio as of June 30, 2019, are included in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Arithmetic Real Rate of Return</u>
U.S. stocks	49%	6.60%
International stocks	21%	7.37%
U.S. bonds	30%	0.36%

Discount Rate – The discount rate used to measure the total pension liability was 7.5% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed that contributions will be made monthly at the current contribution rate and the payment to amortize the unfunded actuarial liability is assumed to be paid at the end of the year for State and monthly for non-state agencies. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the State’s proportionate share of the net pension liability using the discount rate of 7.5%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate (expressed in thousands):

	<u>1% Decrease in Discount Rate (6.5%)</u>	<u>Discount Rate (7.5%)</u>	<u>1% Increase in Discount Rate (8.5%)</u>
Net pension liability	\$ 26,276	\$ 11,396	\$ (1,233)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued JRS report.

Payables to the Pension Plan – At June 30, 2020, the State reported payables to the defined benefit pension plan of \$273,154 for legally required employer contributions not yet remitted to JRS.

Notes to the Financial Statements

For the Year Ended June 30, 2020

Note 11. Postemployment Benefits Other than Pensions (OPEB)

For purposes of measuring the State's net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State's OPEB plan and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Plan assets are reported at fair value.

Plan description – Officers and employees of the State of Nevada and of certain other participating local governmental agencies within the State of Nevada are provided with OPEB through the Nevada Public Employees' Benefits Program (PEBP), a multiple-employer cost-sharing defined postemployment benefit plan. The program is administered by the PEBP Board, whose ten members are appointed by the governor. NRS 287.023 provides officers and employees eligible to be covered by any group insurance, plan of benefits or medical and hospital service established pursuant to NRS 287 the option upon retirement to cancel or continue any such coverage. The cost to administer the program is financed through the contributions and investment earnings of the plan. NRS 287.043 grants the PEBP Board the authority to establish and amend the benefit terms of the program. PEBP issues a publicly available financial report that includes financial statements and the required supplementary information for the plan. That report may be obtained from Public Employees' Benefits Program, 901 South Stewart Street, Suite 1001, Carson City, NV 89701.

Benefits provided – Benefits other than pensions are provided to eligible retirees and their dependents through the payment of subsidies from the State Retirees' Health & Welfare Benefits Fund. The "base" subsidy rates are set by PEBP and approved by the Legislature and vary depending on the number of dependents and the medical plan selected. These subsidy rates are subtracted from the premium to arrive at the "participant premium". The "years of service" subsidy rates are then used to adjust the "participant premium" based on years of service. The current subsidy rates can be found on the PEBP website at www.pebp.state.nv.us. Benefits include health, prescription drug, dental and life insurance coverage. As required by statute, benefits are determined by the number of years of service at the time of retirement and the individual's initial date of hire. Officers and employees hired after December 31, 2011 are not eligible to receive subsidies to reduce premiums. The following individuals and their dependents are eligible to receive subsidies from the Retirees' Fund:

Any PEBP covered retiree with State service whose last employer was the State or a participating local government entity and who:

- Was initially hired by the State prior to January 1, 2010 and has at least five years of public service; or
- Was initially hired by the State on or after January 1, 2010, but before January 1, 2012 and has at least fifteen years of public service; or
- Was initially hired by the State on or after January 1, 2010, but before January 1, 2012 and has at least five years of public service and has a disability; or
- Any PEBP covered retiree with State service whose last employer was not the State or a participating local government entity and who has been continuously covered under PEBP as a retiree since November 30, 2008.

State service is defined as employment with any Nevada State agency, the Nevada System of Higher Education and any State Board or Commission. Participating local government entity is defined as a county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency that has an agreement in effect with PEBP to obtain group insurance.

Contributions – The State Retirees' Health and Welfare Benefits Fund (Retirees' Fund) was established in 2007 by the Nevada Legislature as an irrevocable trust fund to account for the financial assets designated to offset the portion of current and future costs of health and welfare benefits paid on behalf of State retirees (NRS 287.0436). The money in the Retirees' Fund belongs to the officers, employees and retirees of the State of Nevada in aggregate; neither the State nor the governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State, nor any single officer, employee or retiree of any such entity has any right to the money in the Retirees' Fund.

Notes to the Financial Statements

For the Year Ended June 30, 2020

The authority for establishing an assessment to pay for a portion of the cost of premiums or contributions for the program is in statute. According to NRS 287.046 the Office of Finance shall establish an assessment that is to be used to pay for a portion of the cost of premiums or contributions for the Program for persons who were initially hired before January 1, 2012, and have retired with State service. The money assessed must be deposited into the Retirees' Fund and must be based upon an amount approved by the Legislature each session to pay for a portion of the current and future health and welfare benefits for persons who retired before January 1, 1994, or for persons who retire on or after January 1, 1994, as adjusted by the years of service subsidy rates. The required contribution rate for employers (the retired employees group insurance rate), as a percentage of covered-employee payroll, for the fiscal year ended June 30, 2019 was 2.34%. Contributions recognized as part of OPEB expense for the current fiscal year ended June 30, 2020 were \$25,957,354 for the primary government, \$17,715,000 for the Nevada System of Higher Education, and \$72,666 for the Colorado River Commission.

OPEB Liabilities, OPEB Expenditure/Expense, Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB - Primary Government - At June 30, 2020, the State reported a liability of \$810,287,841, for its proportionate share of the collective net OPEB liability. The collective net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of January 1, 2018. The State's proportion of the collective net OPEB liability was based on the State's share of contributions in the OPEB plan relative to the total contributions of all participating OPEB employers and members. At June 30, 2020, the State's proportion was 58.14%, a decrease of 1.74% from its proportion measured at June 30, 2019.

For the year ended June 30, 2020, the State recognized OPEB expenditure of \$19,511,325 and OPEB expense of \$81,443. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 14,477
Changes of assumptions	17,459	34,612
Net Differences between projected and actual investment earnings on OPEB plan investments	-	137
Contributions subsequent to the measurement date and implicit subsidy paid	33,015	-
Total	<u>\$ 50,474</u>	<u>\$ 49,226</u>

Of the total amount reported as deferred outflows of resources related to OPEB, \$25,957,354 resulting from State contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (expressed in thousands):

Year Ended June 30:	
2021	\$ (16,182)
2022	(13,445)
2023	(2,738)
2024	598
2025	-
Thereafter	-

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB - Nevada System of Higher Education (NSHE) - At June 30, 2020, the NSHE reported a liability of \$569,268,000, for its proportionate share of the collective net OPEB liability. The collective net OPEB liability was measured as of July 1, 2019, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of January 1, 2018. The NSHE's proportion of the collective net OPEB liability was based on the NSHE's share of contributions in the OPEB plan relative to the total contributions of all participating OPEB employers and members. At June 30, 2020, the NSHE's proportion was 40.85%, an increase of 1.72% from its proportion measured at June 30, 2019.

Notes to the Financial Statements

For the Year Ended June 30, 2020

For the year ended June 30, 2020, the NSHE recognized OPEB expense of \$37,523,000. At June 30, 2020, the NSHE reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 10,171
Changes of assumptions	12,266	24,316
Net Differences between projected and actual investment earnings on OPEB plan investments	-	97
Contributions subsequent to the measurement date	17,715	-
Total	<u>\$ 29,981</u>	<u>\$ 34,584</u>

Of the total amount reported as deferred outflows of resources related to OPEB, \$17,715,000 resulting from NSHE contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (expressed in thousands):

Year Ended June 30:	
2021	\$ (11,369)
2022	(9,446)
2023	(1,923)
2024	420
2025	-
Thereafter	-

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB - Colorado River Commission (CRC) - At June 30, 2020, the CRC reported a liability of \$2,267,166, for its proportionate share of the collective net OPEB liability. The collective net OPEB liability was measured as of July 1, 2019, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2019. The CRC's proportion of the collective net OPEB liability was based on the CRC's share of contributions in the OPEB plan relative to the total contributions of all participating OPEB employers and members. At June 30, 2020, the CRC's proportion was 0.1627%, a decrease of 0.0048% from its proportion measured at June 30, 2019.

For the year ended June 30, 2020, the CRC recognized OPEB expense of \$123,598. At June 30, 2020, the CRC reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 49	\$ 97
Net Differences between projected and actual investment earnings on OPEB plan investments	-	41
Contributions subsequent to the measurement date	73	-
Total	<u>\$ 122</u>	<u>\$ 138</u>

Of the total amount reported as deferred outflows of resources related to OPEB, \$72,666 resulting from CRC contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (expressed in thousands):

Year Ended June 30:	
2020	\$ (45)
2021	(38)
2022	(8)
2023	2
2024	-
Thereafter	-

Notes to the Financial Statements

For the Year Ended June 30, 2020

Actuarial Assumptions – The total OPEB liability was determined by an actuarial valuation as of January 1, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

<i>Inflation:</i>	2.50%
<i>Salary increases:</i>	0.50% productivity pay increase, 2.73% average promotional and merit salary increase
<i>Investment rate of return:</i>	3.51% based on a 20-Year Municipal Bond Index
<i>Healthcare cost trend rates:</i>	7.00% initially, decreasing to a 4.50% long-term trend rate after seven years

Healthy mortality rates for Pre-Retirement were based on the RP-2014, Headcount-weighted Employee table projected to 2020 with Scale MP-2016. Post-Retirement rates were based on Headcount-Weighted RP-2014 Healthy Annuitant table projected to 2020 with Scale MP-2016, set forward one year for spouses and beneficiaries. Disabled mortality rates were based on the RP-2014 Headcount-weighted Disability Retiree table, set forward four years.

The actuarial assumptions used in the January 1, 2018 valuation were based upon certain demographic and other actuarial assumptions as recommended by the actuary Aon, in conjunction with the State and guidance from the GASB statement.

Discount Rate – The discount rate used to measure the total OPEB liability was 3.87%, which is consistent with a 20-Year Municipal Bond Index. The Bond Buyer General Obligation 20-Bond Municipal Bond Index is used for the determination of the discount rate. The assets in the trust as of June 30, 2019 are less than the expected benefit payments in the first year; therefore, the crossover period is assumed to be in the first year, which provides additional support for continuing the discount rate at the 20-Year Municipal Bond Index rate.

Sensitivity of the Proportionate Share of the Collective Net OPEB Liability to Changes in the Discount Rate – The following presents the proportionate share of the collective net OPEB liability, as well as what the proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate (expressed in thousands):

	1% Decrease in Discount Rate (2.87%)	Discount Rate (3.87%)	1% Increase in Discount Rate (4.87%)
State's proportionate share of the collective net OPEB liability	\$ 893,407	\$ 810,288	\$ 738,173
NSHE's proportionate share of the collective net OPEB liability	627,664	569,268	518,604
CRC's proportionate share of the collective net OPEB liability	2,500	2,267	2,065

Sensitivity of the Proportionate Share of the Collective Net OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the proportionate share of the collective net OPEB liability, as well as what the proportionate share of the collective net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates (expressed in thousands):

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State's proportionate share of the collective net OPEB liability	\$ 751,772	\$ 810,288	\$ 879,797
NSHE's proportionate share of the collective net OPEB liability	528,158	569,268	618,103
CRC's proportionate share of the collective net OPEB liability	2,103	2,267	2,462

OPEB plan Fiduciary Net Position – Detailed information about the OPEB plan's fiduciary net position is available in the separately issued PEBP financial report.

Payables to the OPEB Plan – At June 30, 2020, the primary government and the NSHE reported payables to the defined benefit OPEB plan of \$130,776 and \$1,608,000, respectively, for statutorily required employer contributions which had been assessed on employee salaries but not yet remitted to the Retirees' Fund.

Notes to the Financial Statements

For the Year Ended June 30, 2020

Note 12. Risk Management

The State of Nevada established the Self-Insurance and Insurance Premiums funds in 1983 and 1979, respectively. Both funds are classified as internal service funds.

Interfund premiums are reported as interfund services provided and used. All State funds participate in the insurance program. Changes in the claims liabilities during the past two fiscal years were as follows (expressed in thousands):

	<u>Self-Insurance</u>	<u>Insurance Premiums</u>
Balance June 30, 2018	\$ 71,683	\$ 61,191
Claims and changes in estimates	314,547	13,949
Claim payments	<u>(291,349)</u>	<u>(13,802)</u>
Balance June 30, 2019	94,881	61,338
Claims and changes in estimates	303,889	15,313
Claim payments	<u>(309,068)</u>	<u>(13,439)</u>
Balance June 30, 2020	<u>\$ 89,702</u>	<u>\$ 63,212</u>
Due Within One Year	\$ 89,702	\$ 19,248

In accordance with GASB, a liability for claims is reported if information received before the issuance of the financial statements indicates it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. These liabilities include incremental claims adjustment costs. A reserve for losses has been established in both funds to account for these liabilities and is included in the liability section of the Statement of Net Position.

There was no insurance coverage for excess liability insurance.

There are several pending lawsuits or unresolved disputes involving the State or its representatives at June 30, 2020. The estimated liability for these claims has been factored into the calculation of the reserve for losses and loss adjustment expenses developed.

A. Self-Insurance Fund

The Self-Insurance Fund administers the group health, life and disability insurance for covered employees, both active and retired, of the State and certain other participating public employers within the State. All public employers in the State are eligible to participate in the activities of the Self-Insurance Fund and currently, in addition to the State, there are four public employers whose employees are covered under the plan. Additionally, all retirees of public employers contracted with the Self-Insurance Fund to provide coverage to their active employees are eligible to join the program subsequent to their retirement. Public employers are required to subsidize their retirees who participate in the plan in the same manner the State subsidizes its retirees. Currently, the State, the Nevada System of Higher Education and one hundred sixty-five public employers are billed for retiree subsidies. The Self-Insurance Fund is overseen by the Public Employees' Benefit Program Board. The Board is composed of ten members, nine members appointed by the Governor, and the Director of the Department of Administration or their designee.

The Self-Insurance Fund is self-insured for medical, dental, vision, mental health and substance abuse benefits and assumes all risk for claims incurred by plan participants. Fully insured HMO products are also offered. Long-term disability and life insurance benefits are fully insured by outside carriers. For the self-insured benefits, fund rate-setting policies have been established after consultation with an actuary. The participating public employers, with the exception of the State, are not subject to supplemental assessment in the event of deficiencies.

The management of the Self-Insurance Fund establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and of claims that have been incurred but not reported and the unused portion of the Health Reimbursement Arrangement (HRA) liability. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount. Upon consultation with an actuary, claims liabilities are recomputed annually using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation

Notes to the Financial Statements

For the Year Ended June 30, 2020

of estimated future claims costs is implicit in the calculation, because reliance is placed both on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. Adjustments to claims liabilities are charged or credited to expense in the periods in which claims are made.

B. Insurance Premiums Fund

The Insurance Premiums Fund provides general, civil (tort), and auto liability insurance to State agencies, workers' compensation insurance for State employees excluding NSHE, and auto physical damage and property insurance for State agencies.

For the period beginning January 1, 2001, and for each calendar year thereafter, the Fund purchased a high deductible policy for workers' compensation. Liabilities in the amount of \$49,923,541 as of June 30, 2020 were determined using standard actuarial techniques as estimates for the case, reserves, incurred but not reported losses and allocated loss adjustment expenses under the plan as of June 30, 2020.

The Fund is financed by the State. The State has a maximum exposure of \$50,000 through October 1, 2007, \$75,000 through October 1, 2011, \$100,000 through June 30, 2020, \$150,000 through June 30, 2022, and \$200,000 thereafter for each general liability claim, with the exception of claims that are filed in other jurisdictions, namely, federal court. Those claims filed in federal court are not subject to the limit. Per State statute, if, as the result of future general liability or catastrophic losses, fund resources are exhausted, coverage is first provided by the reserve for statutory contingency account and would then revert to the General Fund.

The Fund is fully self-insured for general, civil and vehicle liability. The Fund is also self-insured for comprehensive and collision loss to automobiles, self-insured to \$250,000 for property loss with commercial insurance purchased to cover the excess above this amount, and commercially insured for losses to boilers and machinery and certain other risks.

At June 30, 2020, incurred but not reported claims liability for general, civil and auto liability insurance is based upon standard actuarial techniques, which take into account financial data, loss experience of other self-insurance programs and the insurance industry, the development of known claims, estimates of the cost of reported claims, incurred but not reported claims, and allocated loss adjustment expenses. The incurred but not reported claims liability for property casualty insurance is based upon the estimated cost to replace damaged property. The liability for estimated losses from reported and unreported claims in excess of the amounts paid for the workers' compensation policies is determined using standard actuarial techniques, which take into account claims history and loss development factors for similar entities. Incurred but not reported claims liabilities are included in the reserve for losses.

The State is contingently liable for the cost of post retirement heart, lung and cancer disease benefits payable under the Nevada Occupational Disease Act. Any fireman or police officer that satisfies the two-year employment period under this act is eligible for coverage under Workers' Compensation for heart and lung disease. Any fireman that satisfies the five-year employment period under this act is eligible for coverage under Workers' Compensation for cancer disease. A range of estimated losses from \$6,422,800 to \$22,860,000 for heart disease, \$7,676,230 for lung disease and \$7,108,000 for cancer disease have been determined using standard actuarial techniques. Due to the high degree of uncertainty surrounding this coverage, no accrual for these losses is reflected in the financial statements.

Loss reserve estimates are inherently uncertain because the ultimate amount the Fund will pay for many of the claims it has incurred as of the balance sheet date will not be known for many years. The estimate of loss reserves is intended to equal the difference between the expected ultimate losses of all claims that have occurred as of a balance sheet date and amounts already paid. The Fund establishes loss reserves based on its own analysis of emerging claims and review of the results of actuarial projections. The Fund's aggregate carried reserve for unpaid losses is the sum of its reserves for each accident year and represents its best estimate of outstanding loss reserves.

At June 30, 2020 total liabilities and deferred inflows of resources exceeded total assets and deferred outflows of resources by \$42,893,926. The Fund is liable for approximately \$43 million as of June 30, 2020 in potential claims settlements, which have yet to be funded through premium contributions. As NRS 331.187 provides that if money in the Fund is insufficient to pay a tort claim, the claim is to be paid from the reserve for statutory contingency account, and, as management assesses premiums to cover current claims payments, management believes that this provides the opportunity for the Fund to satisfy these liabilities.

Notes to the Financial Statements

For the Year Ended June 30, 2020

Note 13. Fund Balances and Net Position

A. Net Position-Restricted by Enabling Legislation

The government-wide statement of net position reports \$3,168,782,000 of net position-restricted for the primary government, of which \$158,112,099 is restricted by enabling legislation.

B. Governmental Fund Balances

Governmental fund balances are classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the State is bound to observe constraints imposed on the use of the resources of the fund. A summary of governmental fund balances at June 30, 2020, is shown below (expressed in thousands):

	Major Governmental Funds		Nonmajor Governmental Funds	Total Governmental
	General Fund	State Highway		
Fund balances:				
Nonspendable:				
Long term notes/loans receivable	\$ 13,740	\$ -	(1) \$	13,739
Inventory	7,960	22,515	479	30,954
Advances	3,974	-	-	3,974
Prepaid items	3,802	382	95	4,279
Permanent fund principal	-	-	383,664	383,664
Restricted for:				
Administration	120	-	4,347	4,467
Agriculture	425	-	-	425
Business and industry	11,996	-	16,737	28,733
Capital projects	-	-	71,031	71,031
Conservation and natural resources	32,864	-	8,894	41,758
Corrections	13	-	22,305	22,318
Debt service	-	-	27,655	27,655
Economic development	3,324	-	-	3,324
Education K-12	94	-	337	431
Elected officials	14,732	-	-	14,732
Gaming control	8,053	-	-	8,053
Health and human services	4,747	-	17,085	21,832
Motor vehicles	-	41,589	-	41,589
Other purposes	-	-	10,344	10,344
Public safety	10,191	11,513	-	21,704
Transportation	-	391,309	-	391,309
Veteran's services	1,167	-	-	1,167
Wildlife	14,619	-	-	14,619
Committed to:				
Administration	10,352	-	-	10,352
Agriculture	7,678	-	728	8,406
Business and industry	44,941	-	5,642	50,583
Capital projects	-	-	48,474	48,474
Conservation and natural resources	107,185	-	10,237	117,422
Corrections	4,259	-	-	4,259
Debt service	-	-	248,254	248,254
Economic development	12,687	-	4,863	17,550
Education K-12	50,210	-	-	50,210
Elected Officials	72,640	-	1,930	74,570
Employment and training	3,201	-	-	3,201
Fiscal emergency	97,545	-	-	97,545
Gaming control	5,117	-	-	5,117
Health and human services	43,218	-	1,674	44,892
Judicial	8,886	-	-	8,886
Legislative	87,565	-	-	87,565
Military	420	-	-	420
Motor vehicles	1,425	-	-	1,425
Other purposes	7,367	-	-	7,367
Public safety	24,306	2,268	-	26,574
Silver state health insurance	5,578	-	-	5,578
Social services	-	-	40,034	40,034
Tobacco settlement program	-	-	63,719	63,719
Taxation	3,578	-	-	3,578
Transportation	-	53,459	-	53,459
Veteran's services	7,987	-	-	7,987
Wildlife	19,921	-	-	19,921
Assigned to:				
Administration	198	-	-	198
Business and industry	68	-	-	68
Conservation and natural resources	8,354	-	-	8,354
Corrections	813	-	-	813
Education K-12	483	-	-	483
Elected officials	95	-	-	95
Employment and training	2,359	-	-	2,359
Health and human services	151	-	-	151
Judicial	278	-	-	278
Military	1,072	-	-	1,072
Other purposes	30	-	-	30
Unassigned:	33,005	-	-	33,005
Total fund balances	\$ 804,793	\$ 523,035	\$ 988,527	\$ 2,316,355

Notes to the Financial Statements

For the Year Ended June 30, 2020

C. Individual Fund Deficit

Nonmajor Enterprise Funds:

Insurance Administration and Enforcement - The Insurance Administration and Enforcement Fund accounts for activities related to the administration and enforcement of the Nevada Insurance Code and other laws and regulations enforced by the Department of Business and Industry Division of Insurance. The fund recorded an increase in net position of \$1,293,573 for the year ended June 30, 2020, resulting in a negative net position of \$6,553,591 at June 30, 2020.

Nevada Magazine – The Nevada Magazine Fund accounts for the operation of the publication, Nevada Magazine, which is published to promote tourism. The fund recorded a decrease in net position of \$27,443 for the year ended June 30, 2020, resulting in a negative net position of \$1,172,705 at June 30, 2020.

Internal Service Funds:

Buildings and Grounds – The Buildings and Grounds Fund accounts for the maintenance, housekeeping and security of most State buildings. The fund recorded an increase in net position of \$1,461,863 for the year ended June 30, 2020, resulting in a negative net position of \$4,314,086 at June 30, 2020.

Communications – The Communications Fund accounts for the operation of mail services for State agencies in Carson City, Reno, Las Vegas and Elko. The fund recorded a decrease in net position of \$186,169 for the year ended June 30, 2020, resulting in a negative net position of \$1,244,081 at June 30, 2020.

Insurance Premiums – The Insurance Premiums Fund allocates the cost of fidelity insurance, property insurance and workers' compensation insurance to State agencies. The fund recorded an increase in net position of \$105,198 for the year ended June 30, 2020, resulting in a negative net position of \$42,893,926 at June 30, 2020.

Administrative Services – The Administrative Services Fund provides administrative and accounting services to various divisions of the Department of Administration. The fund recorded an increase in net position of \$41,989 for the year ended June 30, 2020, resulting in a negative net position of \$3,780,923 at June 30, 2020.

Personnel – The Personnel Fund accounts for the costs of administering the State personnel system. The fund recorded an increase in net position of \$649,915 for the year ended June 30, 2020, resulting in a negative net position of \$6,742,264 at June 30, 2020.

Purchasing – The Purchasing Fund provides purchasing services to State agencies and other governmental units. The fund recorded a decrease in net position of \$682,421 for the year ended June 30, 2020, resulting in a negative net position of \$3,081,772 at June 30, 2020.

Information Services – The Information Services Fund accounts for designing, programming, and maintaining data processing software and also operating the State's central computer facility, radio communication and telecommunication systems. The fund recorded an increase in net position of \$3,829,461 for the year ended June 30, 2020, resulting in a negative net position of \$16,647,322 at June 30, 2020.

Notes to the Financial Statements

For the Year Ended June 30, 2020

Note 14. Principal Tax Revenues

The principal taxing authorities for the State of Nevada are the Nevada Tax Commission and the Nevada Gaming Commission. The Nevada Tax Commission was created under NRS 360.010 and is the taxing and collecting authority for most non-gaming taxes. The following are the primary non-gaming tax revenues:

Sales and Use Taxes are imposed at a minimum rate of 6.85%, with county and local option up to an additional 1.525%, on all taxable sales and taxable items of use. The State receives tax revenue of 2% of total sales with the balance distributed to local governmental entities and school districts.

Modified Business Tax is imposed at different rates for businesses, financial institutions and mining. Businesses other than financial institutions and mining are assessed a tax at a rate of 1.475% per calendar quarter for amounts the wages exceed \$50,000. Modified Business Tax is imposed on financial institutions and mining at 2% on gross wages paid by the employer during the calendar quarter. There is an allowable deduction from the gross wages for amounts paid by the employer for qualified health insurance or a qualified health benefit plan.

Insurance Premium Tax is imposed at 3.5% on insurance premiums written in Nevada. A "Home Office Credit" is given to insurance companies with home or regional offices in Nevada.

Motor Vehicle Fuel Tax is levied at 24.805 cents per gallon on gasoline and gasohol sales. 17.65 cents of the tax goes to the State Highway Fund, .75 cents goes to the Cleaning Up Petroleum Discharges Fund, .055 cents goes to the General Fund and the remaining 6.35 cents goes to the counties. The counties have an option to levy up to an additional 9 cents per gallon.

Cigarette Tax is imposed at a rate of 90 mills per cigarette. A tax on tobacco products, other than cigarettes, is imposed at a rate of 30% of the wholesale price.

Commerce Tax is imposed upon each business entity whose Nevada gross revenue in a taxable year exceeds \$4 million. The business entity is entitled to deduct certain amounts. The tax rate is based on the primary business industry classification.

Lodging Tax is imposed at a rate of at least 1% of the gross receipts from the rental of transient lodging with three-eighths of the first 1% paid to the State for the Tourism Promotion Fund. In counties with populations greater than 300,000, an additional tax of up to 3% is remitted to the State for distribution to the State Supplemental School Support Account.

Other Sources of tax revenues include: Controlled Substance Tax, Jet Fuel, Liquor Tax, Live Entertainment Tax (non-gaming establishments), Business License Fees, Motor Carrier Fees, Motor Vehicle Registration Fees, Net Proceeds of Minerals Tax, Property Tax, Real Property Transfer Tax, Short-Term Lessor Fees, Tire Tax and Marijuana Excise Tax.

The Nevada Gaming Commission was created under NRS 463.022 and is charged with collecting State gaming taxes and fees. The following sources account for gaming tax revenues:

Percentage Fees are the largest of several State levies on gaming. They are based upon gross revenue and are collected monthly. The fee is applied on a graduated basis at the following monthly rates: 3.5% of the first \$50,000 of gross revenue; 4.5% of the next \$84,000 of gross revenue; and 6.75% of the gross revenue in excess of \$134,000.

Live Entertainment Taxes are imposed at a rate of 9% on admission to a facility where live entertainment is provided with an occupancy over 200. Live entertainment provided by escort services is also subject to the tax.

Flat Fee Collections are levied on the number of gambling games and slot machines operated. Licensees pay fees at variable rates on the number of gaming devices operated per quarter.

Other Sources of gaming tax revenues include: Unredeemed Slot Machine Wagering Vouchers, Annual State Slot Machine Taxes, Annual License Fees and Miscellaneous Collections, which consists of penalties and fines, manufacturer's, distributor's and slot route operator's fees, advance payments, race wire fees, pari-mutuel wagering tax and other nominal miscellaneous items.

Notes to the Financial Statements

For the Year Ended June 30, 2020

Note 15. Works of Art and Historical Treasures

The State possesses certain works of art, historical treasures, and similar assets that are not included in the capital assets shown in Note 7. The mission of the Lost City Museum in Overton is to study, preserve, and protect prehistoric Pueblo sites found in the Moapa Valley and adjacent areas and to interpret these sites through exhibits and public programs. In Reno, the Nevada Historical Society exhibits and maintains a large number of historical collections preserving the cultural heritage of Nevada. These collections are divided into four sections: library, manuscripts, photography, and museum. The Nevada State Museum in Carson City collects, preserves, and documents three general types of collections: anthropology, history, and natural history as it relates to Nevada and the Great Basin. The mission of the Nevada State Museum, Las Vegas, is to inspire and educate a diverse public about the history and natural history of Nevada. Its major collections include transportation, mining, and tourism as well as daily artifacts such as clothing, historical correspondence, business records, and photography. The Nevada State Railroad Museum, which is located in Carson City, is dedicated to educating visitors and the community through the collection, preservation and interpretation of objects directly related to railroads and railroading in Nevada. The East Ely Depot Museum, located in the historic Nevada Northern Railroad Depot building, exhibits artifacts, documents, and photographs of early Eastern Nevada mining and railroad transportation. In Boulder City, the Nevada State Railroad Museum displays and operates locomotives. The Nevada Arts Council with locations in Carson City and Las Vegas exhibits artwork. Its mission is to enrich the cultural life of the State and make excellence in the arts accessible to all Nevadans.

These collections are not capitalized by the State because they are:

- Held for public exhibition, education or research in furtherance of public service, rather than financial gain,
- Protected, kept unencumbered, cared for and preserved, and
- Subject to an organizational policy that requires the proceeds from sales of collection items to be used to acquire other items for collections.

Note 16. Tax Abatements

Abatement of Taxes on Business: The Governor's Office of Economic Development (GOED) provides multiple tax abatement programs to incentivize business development in Nevada. GOED promotes a robust, diversified and prosperous economy to attract new business and facilitate community development, stimulate business expansion and retention, and encourage entrepreneurial enterprise.

A company that intends to locate or expand a business in the State may apply to GOED for a partial abatement of one or more of the taxes imposed on new or expanded business. GOED may approve an application, upon making certain determinations, as outlined in NRS 360.750, which is effective through June 30, 2032. In addition to agreeing to continue in operation in the State for at least 5 years, applicants must also meet two of the following three requirements:

- New businesses locating in urban areas require fifty or more full-time employees on the payroll by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective; in rural areas, the requirement is ten or more full-time employees. For an existing business that is expanding, the number of employees on the payroll must increase either by 10% more than the number of employees prior to the abatement becoming effective, or by 25 employees for urban areas (6 for rural areas), whichever is greater.
- New businesses locating in urban areas must make a capital investment of \$1 million in eligible equipment within two years; in rural areas, the requirement is \$250,000 in eligible equipment. For an existing business that is expanding, the capital investment must equal at least 20% of the value of the tangible property owned by the business.
- The average hourly wage paid to new employees must meet a specified minimum, and the business must provide a health insurance plan for all employees and their dependents by a specified time period.

Notes to the Financial Statements

For the Year Ended June 30, 2020

A company that intends to locate or expand a business in certain areas of Economic Development may apply to GOED for a partial abatement of one or more of the taxes imposed on new or expanded business. Certain areas of Economic Development are defined in NRS 274.310 as a historically underutilized business zone, a redevelopment area created pursuant to Chapter 279 of NRS, an area eligible for a community development block grant pursuant to 24 Code of Federal Regulations (CFR) Part 570, or an enterprise community established pursuant to 24 CFR Part 597. Applicants must agree to continue in operation in the State for at least 5 years, and is effective through June 30, 2032. Additionally, businesses looking to start or expand in certain areas of Economic Development must meet either one of the two following requirements to apply for an abatement:

- New businesses must invest a minimum of \$500,000 in capital assets. For an existing business that is expanding, the investment in capital assets is a minimum of \$250,000 (NRS 274.310 through 274.320).
- The business must hire one or more dislocated workers, pay a wage of not less than 100 percent of federally designated levels and provide medical benefits to the employees and their dependents which meet the minimum requirements (NRS 274.330).

All abatements granted to eligible businesses terminate upon determination that the business has ceased to meet eligibility requirements for the abatement. The business shall refund the abatement amount for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of the payment of the tax. These refund payments are also subject to interest at the rate most recently established pursuant to NRS 99.040.

The programs outlined below reflect the requirements and the abatements offered to eligible businesses.

Local Sales and Use Tax Abatement (NRS 374.357 through 374.358) – The tax abatement is on the gross receipts from the sale, and the storage, use or other consumption, of eligible capital equipment. The sale and use tax rates vary by county within Nevada. The abatement reduces the local sales and use tax rate to 2%, which is the State’s portion of the tax. Therefore, none of the State’s sales and use tax is abated; only local sales and use taxes are abated. The approved business is eligible for tax abatements for not less than 1 year but not more than 5 years beginning the date the abatement becomes effective. This is effective through June 30, 2032.

Modified Business Tax Abatement (NRS 363B.120) – The current excise tax imposed on each employer is at the rate of 1.475% on taxable wages over \$50,000 in a quarter. A business may qualify for a partial abatement of up to 50% of the amount of the business tax due during the first four years of operations. For a new company, the abatement of the modified business tax applies to the number of new employees stated in its application. For an expanding business, the abatement does not apply to existing employees of the business, but does apply to the number of new employees directly related to the expansion. This is effective through June 30, 2032.

Personal Property Tax Abatement (NRS 361.0687) – The abatement can be up to 50% of the tax due, or 75% in certain areas of Economic Development, for not less than 1 year and up to 10 years beginning from when the abatement becomes effective. The applicant must apply for abatement not more than one year before the business begins to develop for expansion or operation in Nevada. The personal property tax abatement applies only to the same list of machinery and equipment eligible for the local sales and use tax abatement allowed under NRS 374.357 or 374.358. Property tax rates vary by taxing district within Nevada. This is effective through June 30, 2032.

Aviation Tax Abatement (NRS 360.753) - The abatement includes local sales and use tax and personal property tax. The local sales and use tax abatement applies to the purchase of tangible personal property used to operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or any component of an aircraft. The personal property tax abatement applies to aircraft and the personal property used to own, operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or any component of an aircraft. The personal property tax abatement can be up to 50% for 20 years on the taxes due on tangible personal property, and the sales and use tax abatement reduces the applicable tax rate to 2% for a similar 20-year period. The local sales and use tax abatement excludes aircraft purchase. This is effective through June 30, 2035.

Notes to the Financial Statements

For the Year Ended June 30, 2020

Data Center Tax Abatement (NRS 360.754) – The abatement includes local sales and use tax and personal property tax. The local sales and use tax abatement applies to the purchase of eligible machinery or equipment for use at a data center. The abatement reduces the applicable tax rate to 2% for a period of 10 or 20 years. The personal property tax abatement applies to personal property located at the center and can be up to 75% of the taxes due for 10 or 20-year abatement periods. The data center will, within 5 years after the date on which the abatement becomes effective, have or have added 10 or more full-time employees who are residents of Nevada, and provide health insurance. The data center must commit to continue operation within the State for a period of not less than 10 years, and must bind successors to the same. This is effective through December 31, 2056.

Capital Investment of at least \$1 Billion Tax Abatement (NRS 360.893) – The partial abatements include personal property, modified business, real property, or local sales and use taxes for companies that have a minimum capital investment of \$1 billion dollars within 10 years of approval of the abatement application. The personal property, modified business and real property tax abatement can be up to 75% of the taxes due for an abatement period of not more than 10 years. Abatements for local sales and use tax are for taxes imposed on the purchase of eligible personal property and construction materials for an abatement period of not more than 15 years. The State's 2% portion of the sales and use tax is not abated. As a condition of approving a partial abatement of taxes pursuant to NRS 360.880 to 360.896, inclusive, the Executive Director of the Office of Economic Development, if he or she determines it to be in the best interests of the State of Nevada, may require the lead participant to pay at such a time or times as deemed appropriate, an amount of money equal to all or a portion of the abated taxes into a trust fund in the State Treasury to be held until all or portion of the requirements for the partial abatement have been met. Interest and income earned on money in the trust fund must be credited to the trust fund. Any money remaining in the trust fund at the end of the fiscal year does not revert to the State General Fund, and the balance in the trust fund must be carried forward to the next fiscal year. This is effective through June 30, 2032.

Capital Investments of at least \$3.5 Billion Tax Abatement (NRS 360.945) – An abatement from personal property, modified business, real property, or local sales and use tax are available to companies that have a minimum capital investment of \$3.5 billion dollars within 10 years of approval of the abatement application. The personal property, modified business, and real property tax abatements can be up to 100% of the taxes due for up to a 10-year abatement period. Abatements for local sales and use tax are for taxes imposed on the purchase of eligible personal property and construction materials for up to a 20-year period. The State's 2% portion of the sales and use tax is not abated. This was approved during the 28th Special Session of the State Legislature in 2014, and is effective through June 30, 2036.

Transferable Tax Credits to Promote Economic Development (NRS 231.1555) – Transferable tax credits are available to entities who intend to locate or expand a business in Nevada. The business can apply for credits above or below \$100,000 as long as the transferable tax credits do not extend for a period of more than 5 fiscal years per applicant and, in total, do not exceed set amounts each fiscal year as outlined in statute. The transferable tax credits can be applied to modified business, insurance premium and/or gaming percentage fee taxes. The applicant must set forth the proposed use of the credits, the plans, projects and programs for which the credits will be used, the expected benefits, and a statement of short-term and long-term impacts of the issuance of the transferable tax credits.

Film and Other Productions (NRS 360.758 through 360.7598) - A transferable tax credit is available to production companies producing a film, television series, commercial, music video or other qualified production in Nevada. A production may qualify for a transferable tax credit of up to 25% of the qualified direct production expenditures incurred in Nevada if at least 60% of the total qualified expenditures are incurred in Nevada. Principal photography of the production must begin within 90 days after the application is issued. The transferable tax credits issued for qualified film production completed in the State may be used against the modified business, insurance premium and/or the gaming percentage fee taxes.

Economic Development with Capital Investment of at least \$3.5 Billion (NRS 360.945 through 360.980) – The 2014 28th Special Session of the State Legislature required the Governor's Office of Economic Development (GOED) to issue transferable tax credits for certain qualifying projects that may be used against the modified business, insurance premium and/or the gaming percentage fee taxes. A qualifying project is required to be located within the geographical borders of the State of Nevada, make a new capital investment in the State of at least \$3.5 billion during the 10-year period immediately following approval of the application, employ Nevada residents in at least half of the project's construction jobs and operational jobs, and provides health insurance to all employees. The amount of transferable tax credits is equal to \$12,500 for each qualified employee employed by the participants in the project (to a maximum of 6,000 employees), plus 5% of the first

Notes to the Financial Statements

For the Year Ended June 30, 2020

\$1 billion and 2.8% of the next \$2.5 billion in new capital investment in the State made collectively by the participants in the qualifying project. The amount of tax credits approved by GOED may not exceed \$45 million per fiscal year (although any unissued credits may be issued in any subsequent fiscal year ending on or before June 30, 2022), and GOED may not issue total tax credits in excess of \$195 million. This is effective through June 30, 2036.

Renewable Energy Tax Abatements: The mission of the Governor’s Office of Energy is to ensure the wise development of Nevada’s energy resources in harmony with local economic needs, and to position Nevada to lead the nation in renewable energy production, conservation, and exportation. In an effort to incentivize the development of renewable energy in Nevada, the program awards partial sales and use tax and property tax abatements to eligible renewable energy facilities. Businesses must make a capital investment of \$3 million or \$10 million, dependent on the project location.

Local Sales and Use Tax Abatement (NRS 701A.360 through NRS 701A.365) – The abatement applies to the 3 years following the approval of the application in which the applicant will only be required to pay sales and use taxes imposed in the State at the rate of 2.6%, of which 2% is the State’s portion of the tax. Therefore, none of the State’s sales and use tax is abated. The abatement must not apply during any period in which the facility is receiving another abatement or exemption from local sales and use taxes. The applicant must state that the facility will, after the date on which the abatement becomes effective, continue in operation in the State for a period of not less than 10 years, and bind any successors to the same. This is effective through June 30, 2049.

Real and Personal Property Tax Abatement (NRS 701A.370) – The abatement is for a duration of the 20 fiscal years immediately following the date of approval of the application and is equal to 55% of the taxes on real and personal property payable by the facility each year. The abatement must not apply during any period in which the facility is receiving another abatement or exemption from local sales and use taxes. This is effective through June 30, 2049.

Green Building Tax Abatements: The Governor’s Office of Energy administers the green building tax abatement program based on criteria set forth in the Leadership in Energy and Environmental Design (LEED) or Green Globes (GG) rating system and certification from the U.S. Green Building Council or the Green Building Initiative. Both LEED and GG rating systems provide a complete framework for assessing building performance and meeting environmental sustainable goals. They use industry recognized standards for designing, operating and certifying green building projects. The program was instituted in 2007 as an incentive for business owners to improve the energy efficiency of new and existing buildings. To qualify for the tax abatement, applicants must earn a minimum number of points for energy conservation to meet the Silver Level or higher through the LEED rating system or two globes or higher under the GG rating system. LEED and GG building rating systems are based on a set of standards for the environmentally sustainable design, construction and operation of the building.

Real Property Taxes (NRS 701A.110) – Incentives range from 25% to 35% of the portion of taxes imposed pursuant to NRS 361, other than any taxes imposed for public education, for a period of 5 to 10 years, depending on the certification level. The abatement terminates if it is determined that the building or other structure has ceased to meet the equivalent of the Silver Level or higher.

The State’s tax abatement programs as of June 30, 2020, on an accrual basis, are summarized in the following table (expressed in thousands):

Abatement Program	Taxes Abated			
	Modified Business Tax	Property Tax	Gaming Tax	Total
Businesses	\$ 1,441	\$ 1,632	\$ -	\$ 3,073
Capital Investment \$3.5B	1,341	-	-	1,341
Renewable Energy	-	1,007	-	1,007
Green Building	-	5,094	-	5,094
Transferable Tax Credits	-	-	22,250	22,250
Total	\$ 2,782	\$ 7,733	\$ 22,250	\$ 32,765

Notes to the Financial Statements

For the Year Ended June 30, 2020

Note 17. Commitments and Contingencies

A. Primary Government

Lawsuits - The State Attorney General's Office reported that the State of Nevada or its officers and employees were parties to numerous lawsuits, in addition to those described below. In view of the financial condition of the State, the State Attorney General is of the opinion that the State's financial condition will not be materially affected by this litigation, based on information known at this time.

Several of the actions pending against the State are based upon the State's (or its agents') alleged negligence in which the State must be named as a party defendant. However, there is a statutory limit to the State's liability of \$50,000 per cause of action through October 1, 2007, and \$75,000 per cause of action through October 1, 2011, \$100,000 through June 30, 2020, \$150,000 through June 30, 2022, and \$200,000 per cause of action thereafter. Such limitation does not apply to federal actions such as civil rights actions under 42 U.S.C. Section 1983 brought under federal law or to actions in other states. Building and contents are insured on a blanket replacement cost basis for all risk except certain specified exclusions.

The State and/or its officers and employees are parties to a number of lawsuits filed under the federal civil rights statutes. However, the State is statutorily required to indemnify its officers and employees held liable in damages for acts or omissions on the part of its officers and employees occurring in the course of their public employment. Several claims may thus be filed against the State based on alleged civil rights violations by its officers and employees. Since the statutory limit of liability (discussed above) does not apply in federal civil rights cases, the potential liability of the State is not ascertainable at the present time. Currently, the State is involved in several actions alleging federal civil rights violations that could result in substantial liability to the State.

The State is a defendant on several lawsuits associated with the Little Valley fire, which occurred in October, 2016. The State intends to defend these lawsuits vigorously. The outcome of the lawsuits is not presently determinable, and as the amount is neither probable nor capable of reasonable estimation, the accompanying financial statements do not include a liability for any potential loss.

The State is a defendant on two lawsuits associated with groundwater rights. The State has filed a Motion to Dismiss, which remains to be decided. As the amount of potential loss is not capable of reasonable estimation at this time, the accompanying financial statements do not include a liability for any potential loss.

The State is a defendant on a lawsuit associated with an alleged taking of property rights. The State has filed a Motion to Dismiss, which remains to be decided. Although there is a reasonable possibility of an unfavorable outcome for the State, the amount of potential loss is not capable of reasonable estimation at this time. Therefore, the accompanying financial statements do not include a liability for any potential loss.

The State of Nevada Unemployment Compensation Enterprise Fund is currently involved in a lawsuit where a contingent liability is reasonably possible, but the loss cannot be estimated at this time. Although it is not possible to predict the outcome of these proceedings, they could, if unfavorably resolved from the point of view of Fund management, have a material effect on the financial position of the Fund.

Due to staffing restrictions and the high volume of claims related to the COVID-19 pandemic, as well as the implementation of additional funding programs available to claimants as a result of the passage of the CARES Act, an unusually high number of claims were not processed timely during the last quarter of the fiscal year. This resulted in a larger than normal amount of benefits payable as of June 30.

Subsequent to June 30, Fund management identified a significant number of claims filed for which the identity of the claimant was questioned. Many of these claimants had access to their funds restricted, including the unloading of funds previously authorized and loaded to the claimant's unemployment compensation debit card. Claimants have a right to appeal to reinstate their benefits if their claim is denied or to have funds on their debit card released if they provide the additional documentation required. Management has currently identified over \$310.4 million in payments made where the identity of the claimant was questioned. Of this amount, over \$87.4 million had been unloaded from the claimants' debit cards and is held in the Bank of America checking account. Of the \$310.4 million, approximately \$172.3 million relates to supplemental federal funding received by the claimants through the CARES Act programs. This amount may be owed back to the federal government since the claimants may not have met the eligibility requirements of the program(s). Under normal circumstances, benefit claim overpayments due to the federal government are predicated on the recoupment of funds from the individual claimants.

Notes to the Financial Statements

For the Year Ended June 30, 2020

However, the CARES Act is unclear as to whether normal rules will be applied to the supplemental funding programs provided under the Act. Fund management has not received any formal guidance from the U.S. Department of Labor regarding the potential recoupment of overpayments made from CARES Act programs. At this time, Fund management cannot determine the likelihood that overpayment amounts from the CARES Act programs will need to be repaid to the federal government. However, approximately \$48.3 million of the \$87.4 million from unloaded debit cards has been estimated to be associated with federal programs under the CARES Act. Since these monies can be recouped, the Fund has recognized a liability at June 30, 2020 as part of intergovernmental payables due back to the federal government.

Furthermore, claims are still being processed for benefits related to the year ended June 30, 2020. In addition to recognizing benefits payable for claims that have been processed, management has estimated an amount for claims related to benefit weeks in 2020 that have not yet been processed and accrued a liability of \$24.8 million for those estimated unprocessed claims along with an intergovernmental receivable of \$19.5 million for the amount of the unprocessed claims related to the various federal programs.

Leases - The State is obligated by leases for buildings and equipment accounted for as operating leases. Operating leases do not give rise to property rights as capital leases do. Therefore, the results of the lease agreements are not reflected in the Statement of Net Position. Primary government lease expense for the year ended June 30, 2020, amounted to approximately \$50.0 million. The following is the primary government's schedule of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2020, (expressed in thousands):

<u>For the Year</u> <u>Ending June 30</u>	<u>Amount</u>
2021	\$ 46,283
2022	42,411
2023	35,155
2024	28,283
2025	21,782
2026-2030	38,387
2031-2035	5,764
2036-2040	6,695
2041-2045	2,219
2046-2050	4
Total	<u>\$ 226,983</u>

Federal Grants - The State receives significant financial assistance from the federal government in the form of grants and entitlements, which are generally conditioned upon compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by federal agencies. Any disallowance as a result of these audits could become a liability of the State. As of June 30, 2020, the State is unable to estimate the amount, if any, of expenditures that may be disallowed, although the State expects such amounts, if any, to be immaterial.

Nonexchange Financial Guarantees - The 1997 Nevada Legislature added NRS 387.513 through 387.528, allowing school districts to enter into guarantee agreements with the State Treasurer whereby money in the Permanent School Fund may be used to guarantee the debt service payments on certain bonds issued by Nevada school districts. The amount of the guarantee for bonds of each school district outstanding, at any one time, must not exceed \$40 million. Total bond guarantees at June 30, 2020, were \$157.0 million which includes accrued interest of \$1.0 million. The bonds mature at various intervals through fiscal year 2042. In the event any school district was unable to make a required payment, the State Treasurer would withdraw from the State Permanent School Fund the amount needed to cover the debt service payment. Any amount withdrawn would be deemed a loan to the school district from the State Permanent School Fund, and the State Treasurer would determine the rate of interest on the loan. Repayment would be taken from distributions from the State Distributive School Account.

Encumbrances - As of June 30, 2020, encumbered expenditures in governmental funds were as follows (expressed in thousands):

	<u>Amount</u>
General Fund	\$ 3,878
State Highway	4,741
Nonmajor governmental funds	118
Total	<u>\$ 8,737</u>

Construction Commitments - As of June 30, 2020, the Nevada Department of Transportation had total contractual commitments of approximately \$303.1 million for construction of various highway projects. Other major non-highway construction commitments for the primary government's budgeted capital projects funds total \$30.1 million.

Notes to the Financial Statements

For the Year Ended June 30, 2020

B. Discretely Presented Component Units

Nevada System of Higher Education (NSHE) – As of June 30, 2020, the NSHE is a defendant or co-defendant in legal actions. Based on present knowledge and advice of legal counsel, the NSHE management believes any ultimate liability in these matters, in excess of insurance coverage, will not materially adversely affect the net position, changes in net position or cash flows of the NSHE.

The NSHE and the State of Nevada are defendants in various lawsuits, collectively referred to as the Little Valley Fire Cases. The cases relate to a prescribed burn conducted by the Nevada Division of Forestry in October, 2016, on land partially owned by the University of Nevada at Reno. Embers from the fire escaped and burned 23 structures. The System and the State of Nevada share an excess liability policy. At this point, it is difficult to estimate the likelihood of an unfavorable outcome and the likely exposure, but the excess liability carrier has been placed on notice of these cases.

The NSHE has an actuarial study of its workers' compensation losses completed every other year. The study addresses the reserves necessary to pay open claims from prior years and projects the rates needed for the coming year. The NSHE uses a third-party administrator to adjust its workers' compensation claims.

The NSHE is self-insured for its unemployment liability. The NSHE is billed by the State each quarter based on the actual unemployment benefits paid by the State. Each year the NSHE budgets resources to pay for the projected expenditures. The amount of future benefits payments to claimants and the resulting liability to the NSHE cannot be reasonably determined as of June 30, 2020.

The NSHE receives Federal grants and awards, and amounts are subject to change based on outcomes of Federal audits. Management believes any changes made will not materially affect the net position, changes in net position or cash flows of the NSHE.

The estimated cost to complete property authorized or under construction at June 30, 2020, is \$73.8 million. These costs will be financed by State appropriations, private donations, available resources, and/or long-term borrowings.

Colorado River Commission (CRC) - The CRC may from time to time be a party in various litigation matters. It is management's opinion, based upon advice from legal counsel, that the risk of financial losses to the CRC from such litigation, if any, will not have a material adverse effect on the CRC's future financial position, results of operations or cash flows. Accordingly, no provision has been made for any such losses.

Nevada Capital Investment Corporation (NCIC) - The NCIC currently has commitments to the Silver State Opportunity Fund (SSOF) of \$50.0 million (the First Tranche) and to Accion 2017G, LLC, of \$1.0 million. As of June 30, 2020, the NCIC has fulfilled \$46.3 million of its total commitment to SSOF and \$1.0 million to Accion. The NCIC has the right, but not the obligation, to increase its capital commitment to SSOF by which would be effective after the end of the First Tranche (or such other date as the NCIC and Manager may agree). If the NCIC elects to make such an additional commitment, both the amount of the NCIC's additional commitment and an additional commitment from the Manager shall be established by agreement between the NCIC and the Manager (the Second Tranche).

Note 18. Subsequent Events

A. Primary Government

Bonds – On November 12, 2020, the State issued \$106,575,000 in General Obligation Bonds. The 2020A Bonds were issued to finance the 2019 various capital improvement project, the Historic Preservation Project and the Refunding Project. The 2020B Bonds were issued to finance the Water Grant Project and the Refunding Project.

The Insurance Premium Trust Fund (IPTF) – The IPTF reports that subsequent to year end in a special session of the Legislature, Assembly Bill, AB, 3 was passed which required certain transfers to the State General Fund. In December 2020 a transfer of \$960,000 was made pursuant to AB 3.

Litigation Settlement – On July 22, 2020, Nevada Attorney General Aaron D. Ford announced that Nevada and 46 other states, territories and the federal government were to settle allegations of fraud against Universal Health Services, Inc. (UHS). UHS is a for-profit holding company that directly or indirectly owns the assets or stock of inpatient and residential psychiatric and behavioral health facilities. The total value of the settlement is \$117,000,000. Of this amount, Nevada will receive \$442,331.

Notes to the Financial Statements

For the Year Ended June 30, 2020

On August 25, 2020, more than \$85 million multistate settlement with American Honda Motor Co., Inc. and Honda of America Mfg., Inc. (collectively “Honda”), over allegations Honda concealed safety issues related to defects in the frontal airbag systems installed in certain Honda and Acura vehicles sold in the United States. Under the terms of the consent judgment, Honda has agreed to strong injunctive relief. Honda also agreed to pay the participating attorneys general a total of \$85,151,210, of which Nevada’s share is \$1,238,738.

On September 30, 2020, Nevada along with 42 other attorneys general reached a \$39.5 million settlement with Anthem stemming from their massive 2014 data breach that involved the personal information of 78.8 million Americans. Through the settlement, Anthem has reached a resolution with the coalition of attorneys general. In addition to the payment, Anthem has also agreed to a series of data security and good governance provisions designed to strengthen its practices going forward. Nevada’s share of the settlement is \$397,306.

On October 21, 2020 the Insurance Premium Trust Fund, IPTF, reached a settlement agreement and release in the Little Valley Fire with one of the remaining plaintiffs.

On November 18, 2020, Nevada Attorney General Aaron D. Ford and a coalition of over 30 attorneys general announced a \$113 million settlement with Apple, Inc. over Apple’s 2016 decision to throttle consumers’ iPhone speeds in order to address unexpected shutdowns in some iPhones. Under the terms of the settlement, Apple will pay \$1,577,469 to the State of Nevada.

On November 24, 2020, Nevada Attorney General Aaron D. Ford and 46 other attorneys general announced a \$17.5 million joint settlement with The Home Depot. The settlement resolves a multistate investigation into their 2014 data breach that exposed the payment card information of approximately 40 million Home Depot customers across the nation. Nevada will receive \$150,712 from the settlement.

On December 7, 2020, Attorney General Aaron D. Ford joined with 50 attorneys general and other federal and state agencies to reach an \$86.3 million settlement with Nationstar Mortgage. Nationstar is the country’s fourth-largest mortgage servicer. In Nevada, the settlement affects 941 loans for a total of \$1,233,963 in relief.

B. Discretely Presented Component Units

Nevada System of Higher Education – The System evaluated subsequent events through November 23, 2020, the date of issuance, and has determined the following subsequent events to report.

Since March 17, 2020, the spread of COVID-19 has severely impacted our state economy and resulted in reductions in state appropriations and revenues generated from operations. Measures taken to contain the spread of the virus included placing capital projects on hold, furloughs, travel bans, quarantines, social distancing, and closures of non-essential services. The U.S. Government has responded with monetary and fiscal interventions to stabilize the economic conditions. In Fiscal 2020 the universities and colleges have received direct awards for Fiscal 2020 with student financial aid and essential services. Those funds are reported in the financial statements as of June 30, 2020. The U.S. Government also provided direct awards to the State of Nevada. The State requested all state agencies submit invoices that met the criteria for reimbursement established by the U.S. Government. The universities and colleges submitted \$11,100,000 in invoices. As of June 30, 2020, the date of these financial statements, the authority to receive that reimbursement had not been established by the State and is not included in these statements. The reimbursement was approved by the State in August of 2020 (Fiscal 2021) and will be included in next year financial statements. The System has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended June 30, 2020 have not been adjusted to reflect their impact.

C. New Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87, *Leases*. The primary objective is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement is effective for reporting periods beginning after June 15, 2021. The anticipated impact of this pronouncement is uncertain at this time.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a

Notes to the Financial Statements

For the Year Ended June 30, 2020

construction period. The Statement is effective for reporting periods beginning after December 15, 2020. The anticipated impact of this pronouncement is uncertain at this time.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objective of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This statement is effective for reporting periods beginning after December 15, 2021. The anticipated impact of this pronouncement is uncertain at this time.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have identified during implementation and application of certain GASB Statements. This Statement extends the effective due dates of the following GASB Statements:

- The requirements related to intra-entity transfers of assets and those related to the applicability of Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, and Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, are effective for reporting periods beginning after June 15, 2021.
- Statement 84, *Fiduciary Activities*, effective for reporting periods beginning after June 15, 2021.
- The requirements related to the measurement of liabilities (and assets, if any) associated with asset retirement obligations in a government acquisition, effective for government acquisitions occurring in reporting periods beginning after June 15, 2021.

The State has implemented Statement No. 84, *Fiduciary Activities*, in its FY 2020 financial statement. The anticipated impact of the other Statements mentioned in this pronouncement is uncertain at this time

In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an IBOR. As LIBOR is expected to cease to exist in its current form at the end of 2021, this Statement provides guidance to Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, and Statement No. 87, *Leases*. This Statement is effective for reporting periods ending after December 31, 2021 for the removal of LIBOR and for reporting periods beginning after June 15, 2020 for all other requirements of this Statement. The anticipated impact of this pronouncement is uncertain at this time.

D. COVID-19 and CARES Act

The COVID-19 pandemic is likely to impact the State's revenue for the future years. The CARES Act authorized \$842,741,212 for the State of Nevada to help cover necessary funding needs arising from COVID-19 pandemic. The State anticipates that the CARES Act funding, along with service reductions and certain budget cuts starting during 2020, will allow Nevada to evaluate long-term financial impacts and make necessary adjustments.

As a result of the COVID-19 pandemic, the Unemployment Compensation Enterprise Fund exhausted its available balance on December 14, 2020. The Department applied for and received approval of a Title XII advance under section 1201(a)(1) of the Social Security Act to continue paying unemployment compensation benefits. The U.S. Treasury approved Title XII advance amount of \$830.5 million for months from December 2020 through May 2021. The Fund started drawing on the Title XII advance on December 14, 2020. The Fund has borrowed \$332.4 million of its available line of credit and has an advance authorization of \$110.6 million available to be borrowed under Title XII for the month of May 2021.

Notes to the Financial Statements

For the Year Ended June 30, 2020

Note 19. Accounting Changes and Restatements

Beginning net position of governmental activities was restated for an increase of \$6.8 million, to record the other post-employment benefit plan deferred outflows of resources for an implicit subsidy not previously recorded.

Beginning net position of business-type activities was restated for a decrease of \$1.9 million, to record revised accounts payable and claims expense based on the change to methodology for calculating unemployment benefits that resulted in higher claims expense.

In addition, the State implemented GASB Statement No. 84, *Fiduciary Activities*, that enhances the consistency and comparability of fiduciary activity reporting by state and local governments. This change resulted in recording beginning net position of \$6.3 million for the custodial funds to recognize net additions from prior years.

The following table shows the changes to the beginning net position as of July 1, 2019, for the following funds (expressed in thousands):

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Net position at June 30, 2019, as previously reported	\$ 8,466,018	\$ 2,773,390
Unemployment benefits payable	-	(1,890)
Deferred outflows of resources adjustment for implicit subsidy	6,797	-
Net position at July 1, 2019, as restated	<u>\$ 8,472,815</u>	<u>2,771,500</u>

The following table shows the changes to the beginning net position as of July 1, 2019, for the following funds (expressed in thousands):

	<u>Major Enterprise Funds</u>	<u>Fiduciary Funds</u>
	<u>Unemployment Compensation</u>	<u>Custodial Funds</u>
Net position at June 30, 2019, as previously reported	\$ 1,933,966	\$ -
Unemployment benefits payable	(1,890)	-
GASB 84 implementation	-	6,340
Net position at July 1, 2019, as restated	<u>\$ 1,932,076</u>	<u>\$ 6,340</u>

REQUIRED SUPPLEMENTARY INFORMATION



Doorstop is Rare Carson City Mint Die

A Virginia City, NV family brought in a piece of metal, that had been used as a doorstop in their home, to a “discovery day” run by Holabird Western Americana Collections. They thought it might be worth something and hoped to raise money for the elderly family member who owned it. It had belonged to their Grandfather who had worked at the Carson City Mint. The Liberty Seated “CC” reverse die which was only used during the Mint’s first year was sold at auction for \$18,975.

Mint is “For Sale”

Judge Guild from Carson City discovered a “For Sale” sign on the historic Carson City U.S. Mint building. This inspired his campaign to acquire the mint building, resulting in its purchase from the federal government by the State of Nevada for \$5,000. After extensive remodeling, the museum opened to the public on Nevada Day, October 31, 1941.



Courtesy of Wikipedia: en.wikipedia.org/wiki/Carson_City_Mint

Required Supplementary Information
Budgetary Comparison Schedule
General Fund and Major Special Revenue Funds

For the Fiscal Year Ended June 30, 2020

	General Fund			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Sources of Financial Resources				
Fund balances, July 1	\$ 1,333,758,311	\$ 1,333,758,311	\$ 1,333,758,311	\$ -
<i>Revenues:</i>				
Sales taxes	1,364,231,000	1,364,231,000	1,263,939,456	(100,291,544)
Gaming taxes, fees, licenses	938,887,237	938,887,237	725,200,697	(213,686,540)
Intergovernmental	4,445,604,146	6,025,574,498	5,194,587,189	(830,987,309)
Other taxes	2,387,826,806	2,455,085,045	2,351,946,762	(103,138,283)
Sales, charges for services	292,943,017	310,633,628	276,069,623	(34,564,005)
Licenses, fees and permits	777,069,833	802,817,036	773,304,664	(29,512,372)
Interest	26,817,713	30,261,145	30,108,834	(152,311)
Other	364,886,255	422,509,235	343,687,600	(78,821,635)
<i>Other financing sources:</i>				
Proceeds from sale of bonds	-	-	-	-
Transfers	847,005,408	1,540,082,003	954,697,388	(585,384,615)
Reversions from other funds	-	-	731,631	731,631
Total sources of financial resources	12,779,029,726	15,223,839,138	13,248,032,155	(1,975,806,983)
Uses of Financial Resources				
<i>Expenditures and encumbrances:</i>				
Elected officials	248,217,002	1,140,763,887	282,064,789	858,699,098
Legislative and judicial	178,963,319	181,186,020	99,008,512	82,177,508
Finance and administration	164,677,659	167,638,153	128,508,010	39,130,143
Education - K to 12	2,718,799,484	2,992,634,676	2,615,347,169	377,287,507
Education - higher education	1,050,881,719	1,073,608,231	1,055,466,701	18,141,530
Human services	6,141,383,373	6,653,753,713	5,942,140,696	711,613,017
Commerce and industry	449,964,765	508,993,497	323,501,728	185,491,769
Public safety	514,557,778	616,807,234	513,393,867	103,413,367
Motor vehicles	-	-	-	-
Infrastructure	416,497,714	488,799,439	233,184,553	255,614,886
Special purpose agencies	94,505,702	113,419,076	84,351,255	29,067,821
<i>Other financing uses:</i>				
Transfers to other funds	39,119,993	39,256,993	39,256,993	-
Reversions to other funds	-	-	2,624,748	(2,624,748)
Projected reversions	(50,000,000)	(50,000,000)	-	(50,000,000)
Total uses of financial resources	11,967,568,508	13,926,860,919	11,318,849,021	2,608,011,898
Fund balances, June 30	\$ 811,461,218	\$ 1,296,978,219	\$ 1,929,183,134	\$ 632,204,915

(continued)

<u>State Highway</u>			
<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
\$ 432,363,510	\$ 432,363,510	\$ 432,363,510	\$ -
-	-	-	-
-	-	-	-
370,487,468	388,518,916	347,548,713	(40,970,203)
417,511,891	435,373,050	439,585,745	4,212,695
20,669,710	20,985,207	19,455,573	(1,529,634)
232,020,385	212,981,792	210,467,347	(2,514,445)
6,643,865	12,109,351	10,562,743	(1,546,608)
42,594,394	67,444,604	59,573,716	(7,870,888)
160,000,000	160,000,000	-	(160,000,000)
9,525,951	44,773,971	39,896,856	(4,877,115)
-	-	-	-
<u>1,691,817,174</u>	<u>1,774,550,401</u>	<u>1,559,454,203</u>	<u>(215,096,198)</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
107,352,794	108,786,252	92,836,898	15,949,354
147,437,308	169,199,926	129,563,274	39,636,652
1,087,804,003	1,183,174,723	773,516,117	409,658,606
-	-	-	-
85,614,548	85,614,548	85,614,548	-
-	-	19,402	(19,402)
<u>(69,341,356)</u>	<u>(150,341,356)</u>	-	<u>(150,341,356)</u>
<u>1,358,867,297</u>	<u>1,396,434,093</u>	<u>1,081,550,239</u>	<u>(314,883,854)</u>
<u>\$ 332,949,877</u>	<u>\$ 378,116,308</u>	<u>\$ 477,903,964</u>	<u>\$ 99,787,656</u>

Notes to the Required Supplementary Information

For the Fiscal Year Ended June 30, 2020

Budgetary Reporting

The accompanying Budgetary Comparison Schedule – General Fund and Major Special Revenue Funds presents both the original and the final legally adopted budgets, as well as actual data on a budgetary basis. (Note 2 of the basic financial statements identifies the budgeting process and control.)

The original budget is adopted through passage of the General Appropriations Act, which allows for expenditures from unrestricted revenues, while the Authorized Expenditures Act allows for expenditures from revenues collected for specific purposes (restricted revenues). For programs financed from restricted revenues, spending authorization is generally contingent upon recognition of the related revenue. Reductions of spending authority occur if revenues fall short of estimates. If revenues exceed the estimate, supplemental appropriations are required before the additional resources can be spent.

Generally Accepted Accounting Principles (GAAP) require that the final legal budget be reflected in the “final budget” column. Therefore, updated revenue estimates available for appropriations as of August 20th are reported instead of the amounts disclosed in the original budget. The August 20, 2020 date is used because this is the date for which the Legislative Interim Finance Committee affected the last changes to the fiscal year ended June 30, 2020 budget as permitted by NRS 353.220.

Since the budgetary and GAAP presentations of actual data differ, a reconciliation of ending fund balances is presented below (expressed in thousands):

	<u>General Fund</u>	<u>State Highway</u>
Fund balances (budgetary basis) June 30, 2020	\$ 1,929,183	\$ 477,904
Adjustments:		
<i>Basis differences:</i>		
Petty cash or outside bank accounts	6,593	3,268
Accrual of certain other receivables	351,919	3,111
Inventory	7,244	22,898
Advances to other funds	4,868	3,577
Accrual of certain accounts payable and other liabilities	(493,496)	(2,888)
Unearned revenues	(772,076)	-
Deferred inflows - unavailable	(275,191)	-
Encumbrances	3,878	8,841
Other	25,516	6,324
<i>Perspective differences:</i>		
Special revenue fund reclassified to General Fund for GAAP purposes	16,355	-
Fund balances (GAAP basis) June 30, 2020	<u>\$ 804,793</u>	<u>\$ 523,035</u>

Total fund balance on the budgetary basis in the General Fund at June 30, 2020, is composed of both restricted funds, which are not available for appropriation, and unrestricted funds as follows (expressed in thousands):

Total fund balance (budgetary basis)	\$ 1,929,183
Restricted funds	<u>(1,375,349)</u>
Unrestricted fund balance (budgetary basis)	<u>\$ 553,834</u>

Required Supplementary Information

For the Fiscal Year Ended June 30, 2020

Pension Plan Information

A. Multiple-employer Cost Sharing Plan

Primary Government - The following schedule presents the State's proportionate share of the net pension liability for the Public Employees' Retirement System (expressed in thousands):

	2019	2018	2017	2016	2015	2014
State's proportion of the net pension liability	16.7 %	16.5 %	16.8 %	16.3 %	16.4 %	16.6 %
State's proportionate share of the net pension liability	\$ 2,278,610	\$ 2,248,729	\$ 2,233,666	\$ 2,187,213	\$ 1,879,626	\$ 1,730,601
State's covered payroll	\$ 1,049,306	\$ 997,840	\$ 984,131	\$ 906,687	\$ 874,098	\$ 872,316
State's proportionate share of the net pension liability as a percentage of its covered payroll	217 %	225 %	227 %	241 %	215 %	198 %
Plan fiduciary net position as a percentage of the total pension liability	76 %	75 %	74 %	72 %	75 %	76 %

Note: This schedule requires ten-years of information to be presented. However, until ten-years of data is available, only those years for which information is available will be presented.

The following schedule presents a ten-year history of the State's contributions to the Public Employees' Retirement System (expressed in thousands):

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Statutorily required contributions	\$ 176,300	\$ 161,627	\$ 153,762	\$ 151,492	\$ 190,528	\$ 176,579	\$ 174,712	\$ 162,484	\$ 163,219	\$ 160,959
Contributions in relation to the statutorily required contribution	\$ 176,300	\$ 161,627	\$ 153,762	\$ 151,492	\$ 190,528	\$ 176,579	\$ 174,712	\$ 162,484	\$ 163,219	\$ 160,959
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,092,368	\$ 1,049,306	\$ 997,840	\$ 984,131	\$ 906,687	\$ 874,098	\$ 872,316	\$ 855,179	\$ 859,047	\$ 946,818
Contributions as a percentage of covered payroll	16 %	15 %	15 %	15 %	21 %	20 %	20 %	19 %	19 %	17 %

Note: GASB Statement No. 82 was implemented in fiscal year 2017, and as a result, contributions no longer include payments made by the State to satisfy contribution requirements that are identified by the plan terms as member contributions. In addition, GASB Statement No. 82 clarified covered payroll which was implemented in fiscal year 2017; prior years are not reflective of this change.

Nevada System of Higher Education (NSHE) - The following schedule presents the NSHE's proportionate share of the net pension liability for the Public Employees' Retirement System (expressed in thousands):

	2019	2018	2017	2016	2015	2014
NSHE's proportion of the net pension liability	3.0 %	2.9 %	2.9 %	2.9 %	2.8 %	2.8 %
NSHE's proportionate share of the net pension liability	\$ 414,036	\$ 398,883	\$ 383,226	\$ 389,352	\$ 324,708	\$ 292,841
NSHE's covered payroll	\$ 196,183	\$ 187,737	\$ 179,694	\$ 171,007	\$ 165,653	\$ 162,250
NSHE's proportionate share of the net pension liability as a percentage of its covered payroll	211 %	212 %	213 %	228 %	196 %	180 %
Plan fiduciary net position as a percentage of the total pension liability	76 %	75 %	74 %	72 %	75 %	76 %

Note: This schedule requires ten-years of information to be presented. However, until ten-years of data is available, only those years for which information is available will be presented.

The following schedule presents a ten-year history of the NSHE's contributions to the Public Employees' Retirement System (expressed in thousands):

	2020	2019	2018	2017	2016	2015
Statutorily required contributions	\$ 30,564	\$ 28,549	\$ 27,030	\$ 34,456	\$ 33,124	\$ 29,901
Contributions in relation to the statutorily required contribution	\$ 30,564	\$ 28,549	\$ 27,030	\$ 43,152	\$ 35,756	\$ 29,901
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ 8,696	\$ 2,632	\$ -
Covered payroll	\$ 200,838	\$ 196,183	\$ 187,737	\$ 179,694	\$ 171,007	\$ 165,653
Contributions as a percentage of covered payroll	15 %	15 %	14 %	19 %	19 %	18 %

Notes: 1) GASB Statement No. 82 was implemented in fiscal year 2017, and as a result, contributions no longer include payments made by the NSHE to satisfy contribution requirements that are identified by the plan terms as member contributions. In addition, GASB Statement No. 82 clarified covered payroll which was implemented in fiscal year 2017; prior years are not reflective of this change. 2) This schedule requires ten-years of information to be presented. However, until ten-years of data is available, only those years for which information is available will be presented.

Required Supplementary Information

For the Fiscal Year Ended June 30, 2020

Colorado River Commission (CRC) - The following schedule presents the CRC's proportionate share of the net pension liability for the Public Employees' Retirement System (expressed in thousands):

	2019	2018	2017	2016	2015	2014
CRC's proportion of the net pension liability	0.04 %	0.04 %	0.04 %	0.05 %	0.05 %	0.1 %
CRC's proportionate share of the net pension liability	\$ 5,986	\$ 5,994	\$ 5,867	\$ 6,596	\$ 4,997	\$ 6,305
CRC's covered payroll	\$ 2,970	\$ 2,856	\$ 2,702	\$ 2,575	\$ 2,531	\$ 2,348
CRC's proportionate share of the net pension liability as a percentage of its covered payroll	202 %	210 %	217 %	256 %	197 %	269 %
Plan fiduciary net position as a percentage of the total pension liability	76 %	75 %	74 %	72 %	75 %	76 %

Note: This schedule requires ten-years of information to be presented. However, until ten-years of data is available, only those years for which information is available will be presented.

The following schedule presents a ten-year history of the CRC's contributions to the Public Employees' Retirement System (expressed in thousands):

	2020	2019	2018	2017	2016	2015	2014
Statutorily required contributions	\$ 460	\$ 423	\$ 406	\$ 396	\$ 523	\$ 507	\$ 528
Contributions in relation to the statutorily required contribution	\$ 465	\$ 423	\$ 406	\$ 396	\$ 523	\$ 507	\$ 528
Contribution (deficiency) excess	\$ 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 3,092	\$ 2,970	\$ 2,856	\$ 2,702	\$ 2,575	\$ 2,531	\$ 2,348
Contributions as a percentage of covered payroll	15 %	14 %	14 %	15 %	20 %	20 %	22 %

Notes: 1) GASB Statement No. 82 was implemented in fiscal year 2017, and as a result, contributions no longer include payments made by the CRC to satisfy contribution requirements that are identified by the plan terms as member contributions. In addition, GASB Statement No. 82 clarified covered payroll which was implemented in fiscal year 2017; prior years are not reflective of this change. 2) This schedule requires ten-years of information to be presented. However, until ten-years of data is available, only those years for which information is available will be presented.

B. Single-employer Plan

The following schedule presents the changes in the net pension liability for the Legislators' Retirement System (expressed in thousands):

	2019	2018	2017	2016	2015	2014
Total pension liability						
Service cost	\$ 29	\$ 30	\$ 29	\$ 31	\$ 39	\$ 37
Interest	372	373	398	414	426	428
Differences between expected and actual experience	(266)	47	(82)	(145)	(109)	-
Changes of assumptions	-	-	125	-	-	-
Benefit payments, including refunds	(470)	(460)	(482)	(503)	(497)	(494)
Net change in total pension liability	(335)	(10)	(12)	(203)	(141)	(29)
Total pension liability - beginning	5,165	5,175	5,187	5,390	5,531	5,560
Total pension liability - ending (a)	\$ 4,830	\$ 5,165	\$ 5,175	\$ 5,187	\$ 5,390	\$ 5,531
Plan fiduciary net position						
Contributions - employer	\$ 98	\$ 105	\$ 105	\$ 156	\$ 156	\$ 213
Contributions - employee	24	20	20	23	23	27
Net investment income	342	397	526	62	179	804
Benefit payments, including refunds	(470)	(460)	(481)	(503)	(497)	(494)
Administrative expense	(75)	(72)	(68)	(65)	(85)	(46)
Other	76	73	69	66	86	46
Net change in plan fiduciary net position	(5)	63	171	(261)	(138)	550
Plan fiduciary net position - beginning	4,708	4,645	4,474	4,735	4,873	4,323
Plan fiduciary net position - ending (b)	\$ 4,703	\$ 4,708	\$ 4,645	\$ 4,474	\$ 4,735	\$ 4,873
Net pension liability - beginning	\$ 457	\$ 530	\$ 713	\$ 655	\$ 658	\$ 1,237
Net pension liability - ending (a) - (b)	\$ 127	\$ 457	\$ 530	\$ 713	\$ 655	\$ 658
Plan fiduciary net position as a percentage of total pension liability	97 %	91 %	90 %	86 %	88 %	88 %
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A

Note: This schedule requires ten-years of information to be presented. However, until ten-years of data is available, only those years for which information is available will be presented.

Required Supplementary Information

For the Fiscal Year Ended June 30, 2020

The following schedule presents the State's (primary government's) contributions to the Legislators' Retirement System (expressed in thousands):

	2020	2019	2018	2017	2016	2015
Statutorily required contributions	\$ -	\$ 196	\$ -	\$ 210	\$ -	\$ 312
Contributions in relation to the statutorily required contribution	\$ -	\$ 196	\$ -	\$ 210	\$ -	\$ 312
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A

Note: This schedule requires ten-years of information to be presented. However, until ten-years of data is available, only those years for which information is available will be presented.

C. Agent Multiple-employer Plan

The following schedule presents the changes in the net pension liability for the Judicial Retirement System (expressed in thousands):

	2019	2018	2017	2016	2015	2014
Total pension liability						
Service cost	\$ 4,092	\$ 4,231	\$ 3,718	\$ 3,828	\$ 3,593	\$ 3,411
Interest	10,415	10,141	9,993	9,677	8,876	8,367
Differences between expected and actual experience	(30)	(5,065)	1,123	(4,211)	1,250	(2,666)
Change of assumptions	-	-	79	-	-	-
Benefit payments, including refunds	(6,119)	(5,657)	(5,524)	(5,351)	(4,896)	(4,295)
Other	220	515	419	-	2,357	990
Net change in total pension liability	8,578	4,165	9,808	3,943	11,180	-
Total pension liability - beginning	137,726	133,561	123,753	119,810	108,630	102,823
Total pension liability - ending (a)	\$ 146,304	\$ 137,726	\$ 133,561	\$ 123,753	\$ 119,810	\$ 108,630
Plan fiduciary net position						
Contributions - employer	\$ 5,265	\$ 5,307	\$ 5,786	\$ 5,773	\$ 6,155	\$ 6,002
Contributions - employee	473	115	255	269	96	-
Net investment income	9,551	9,696	12,556	1,556	3,206	14,252
Benefit payments, including refunds	(6,119)	(5,657)	(5,524)	(5,351)	(4,896)	(4,295)
Administrative expense	(106)	(101)	(95)	(90)	(86)	(83)
Other	220	515	419	-	2,357	990
Net change in plan fiduciary net position	9,284	9,875	13,397	2,157	6,832	16,866
Plan fiduciary net position - beginning	124,374	114,499	101,102	98,945	92,113	75,247
Plan fiduciary net position - ending (b)	\$ 133,658	\$ 124,374	\$ 114,499	\$ 101,102	\$ 98,945	\$ 92,113
Net pension liability - beginning	\$ 13,352	\$ 19,062	\$ 22,651	\$ 20,865	\$ 16,517	\$ 27,576
Net pension liability - ending (a) - (b)	\$ 12,646	\$ 13,352	\$ 19,062	\$ 22,651	\$ 20,865	\$ 16,517
Plan fiduciary net position as a percentage of total pension liability	91 %	90 %	86 %	82 %	83 %	85 %
Covered payroll (measurement as of end of fiscal year)	\$ 20,353	\$ 20,451	\$ 20,995	\$ 20,154	\$ 19,930	\$ 18,934
Net pension liability as a percentage of covered payroll	62 %	65 %	91 %	112 %	105	87

Note: This schedule requires ten-years of information to be presented. However, until ten-years of data is available, only those years for which information is available will be presented.

The following schedule presents the State's (primary government's) contributions to the Judicial Retirement System (expressed in thousands):

	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 5,300	\$ 5,191	\$ 5,585	\$ 5,138	\$ 5,443	\$ 5,266
Contributions in relation to the actuarially determined contribution	\$ 4,776	\$ 4,744	\$ 4,789	\$ 5,262	\$ 5,227	\$ 5,535
Contribution (deficiency) excess	\$ (524)	\$ (447)	\$ (796)	\$ 124	\$ (216)	\$ 269
Covered payroll	\$ 17,549	\$ 17,414	\$ 17,583	\$ 18,195	\$ 17,425	\$ 17,132
Contributions as a percentage of covered payroll	27 %	27 %	27 %	29 %	30 %	32 %

Note: This schedule requires ten-years of information to be presented. However, until ten-years of data is available, only those years for which information is available will be presented.

Notes to Required Supplementary Information – actuarial assumptions used in calculating the actuarially determined contributions can be found in Note 10C.

Required Supplementary Information

For the Fiscal Year Ended June 30, 2020

Postemployment Benefits Other Than Pensions (OPEB)

Primary Government - The following schedule presents the State's proportionate share of the collective net OPEB liability (expressed in thousands):

	<u>2019</u>	<u>2018</u>	<u>2017</u>
State's proportion of the collective net OPEB liability	58.14 %	59.88 %	61.43 %
State's proportionate share of the collective net OPEB liability	\$ 810,288	\$ 793,089	\$ 799,477
State's covered payroll *	\$ 1,058,033	\$ 1,010,679	\$ 964,668
State's proportionate share of the collective net OPEB liability as a percentage of its covered payroll *	76.58 %	78.47 %	82.88 %
Plan fiduciary net position as a percentage of the total OPEB liability	0.02 %	0.12 %	0.11 %

Note: This schedule requires ten years of information to be presented. However, until ten years of data is available, only those years for which information is available will be presented.

* The 2017 State's covered payroll and the State's proportionate share of the collective net OPEB liability as a percentage of its covered payroll have been revised.

The following schedule presents the State's contributions to the OPEB plan (expressed in thousands):

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution *	\$ 25,957	\$ 24,758	\$ 23,751
Contributions in relation to the contractually required contribution	\$ 25,957	\$ 24,758	\$ 23,751
Contribution (deficiency) excess *	\$ -	\$ -	\$ -
State's covered payroll *	\$ 1,055,028	\$ 1,058,033	\$ 1,010,679
Contributions as a percentage of covered payroll	2.46 %	2.34 %	2.35 %

Note: This schedule requires ten years of information to be presented. However, until ten years of data is available, only those years for which information is available will be presented.

* The 2018 contractually required contribution, contribution deficiency and State's covered payroll have been revised.

Nevada System of Higher Education (NSHE) - The following schedule presents the NSHE's proportionate share of the collective net OPEB liability (expressed in thousands):

	<u>2019</u>	<u>2018</u>	<u>2017</u>
NSHE's proportion of the collective net OPEB liability	40.85 %	39.13 %	37.59 %
NSHE's proportionate share of the collective net OPEB liability	\$ 569,268	\$ 518,254	\$ 489,754
NSHE's covered payroll	\$ 757,182	\$ 711,803	\$ 625,454
NSHE's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	75.18 %	72.81 %	78.30 %
Plan fiduciary net position as a percentage of the total OPEB liability	0.02 %	0.12 %	0.11 %

Note: This schedule requires ten years of information to be presented. However, until ten years of data is available, only those years for which information is available will be presented.

The following schedule presents the NSHE's contributions to the OPEB plan (expressed in thousands):

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 17,794	\$ 16,727	\$ 15,689
Contributions in relation to the contractually required contribution	\$ 17,716	\$ 16,656	\$ 15,702
Contribution (deficiency) excess	\$ (78)	\$ (71)	\$ 13
NSHE's covered payroll	\$ 757,182	\$ 711,803	\$ 667,622
Contributions as a percentage of covered payroll	2.35 %	2.35 %	2.35 %

Note: This schedule requires ten years of information to be presented. However, until ten years of data is available, only those years for which information is available will be presented.

Required Supplementary Information

For the Fiscal Year Ended June 30, 2020

Colorado River Commission (CRC) - The following schedule presents the CRC's proportionate share of the collective net OPEB liability (expressed in thousands):

	<u>2020</u>	<u>2019</u>	<u>2018</u>
CRC's proportion of the collective net OPEB liability	0.16 %	0.17 %	0.17 %
CRC's proportionate share of the collective net OPEB liability	\$ 2,267	\$ 2,218	\$ 2,261
CRC's covered payroll	\$ 3,105	\$ 3,167	\$ 2,891
CRC's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	73.01 %	70.04 %	78.22 %
Plan fiduciary net position as a percentage of the total OPEB liability	0.02 %	0.12 %	0.11 %

Note: This schedule requires ten years of information to be presented. However, until ten years of data is available, only those years for which information is available will be presented.

The following schedule presents the CRC's contributions to the OPEB plan (expressed in thousands):

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 73	\$ 52	\$ 68
Contributions in relation to the contractually required contribution	\$ 73	\$ 69	\$ 66
Contribution (deficiency) excess	\$ -	\$ 17	\$ (2)
CRC's covered payroll	\$ 3,105	\$ 3,167	\$ 2,750
Contributions as a percentage of covered payroll	2.34 %	1.65 %	2.48 %

Note: This schedule requires ten years of information to be presented. However, until ten years of data is available, only those years for which information is available will be presented.

Notes to Required Supplementary Information - In fiscal year 2019, the discount rate used to measure the total OPEB liability remained the same at 3.87%.

Required Supplementary Information

For the Fiscal Year Ended June 30, 2020

Schedule of Infrastructure Condition and Maintenance Data

The State has adopted the modified approach for reporting infrastructure assets defined as a single roadway network that includes bridges. Bridges are not considered a subsystem as they are included in the cost of road construction. Under this approach, the State expenses certain maintenance and preservation costs and does not report depreciation expense. The single roadway network accounted for under the modified approach includes the combination of 5,400 centerline miles of roads and 1,200 bridges.

The State manages its roadway network by dividing the roadway system into five categories based on the traffic load. The categories range from category I, representing the busiest roadways and interstates, to category V, representing the least busy rural routes with an average daily traffic of less than 400 vehicles. To monitor the condition of the roadways the State uses the International Roughness Index (IRI). IRI measures the cumulative deviation from a smooth surface. The lower the IRI value, the better the condition of the roadway. Results of the condition assessments provide reasonable assurance that the condition level of the roadways is being preserved above, or approximately at, the condition level established for all road categories. The following tables show the State's condition level of the roadways.

Condition Level of the Roadways
Percentage of roadways with an IRI of less than 95

	Category				
	I	II	III	IV	V
State Policy-minimum percentage	70%	65%	60%	40%	10%
Actual results of 2019 condition assessment	91%	86%	88%	57%	28%
Actual results of 2018 condition assessment	90%	88%	91%	58%	25%
Actual results of 2017 condition assessment	90%	85%	90%	61%	25%

The State has set a policy to maintain its bridges so that not more than 7 percent are structurally deficient. The following table shows the State's policy and condition level of the bridges.

Condition Level of the Bridges
Percentage of substandard bridges

	2020	2018	2016
	State Policy-maximum percentage	7%	10%
Actual results condition assessment	1%	1%	2%

The following table shows the State's estimate of spending necessary to preserve and maintain the roadway network at, or above, the established condition level and the actual amount spent during the past five fiscal years.

Maintenance and Preservation Costs
(Expressed in Thousands)

	2020	2019	2018	2017	2016
	Estimated	\$ 178,393	\$ 134,713	\$ 286,153	\$ 171,755
Actual	152,595	130,158	252,859	157,670	295,244

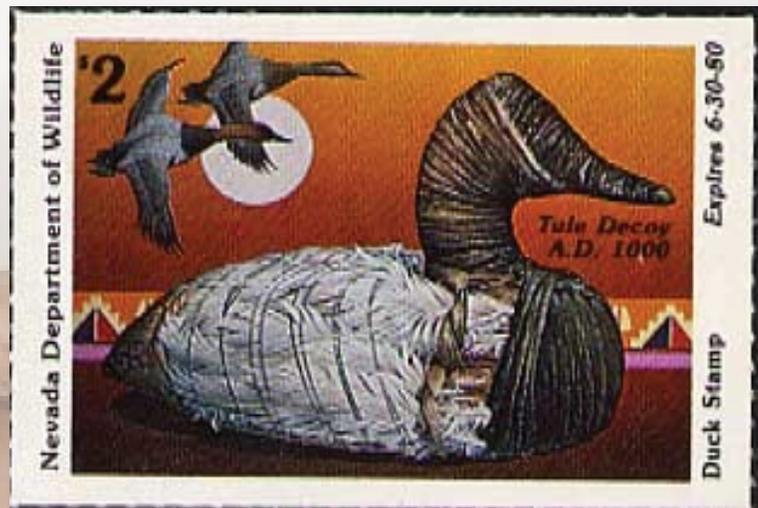
Maintenance and preservation costs are primarily funded with highway user revenue, fuel taxes, vehicle registration and license fees. The funding level for maintenance and preservation costs is affected by the amount of taxes and fees collected and the amount appropriated for construction of new roadways.

COMBINING STATEMENTS AND SCHEDULES



Nevada State Artifact, Tule Duck Decoy

The Tule Duck Decoy was discovered in 1924 during an excavation at Lovelock Cave. It became Nevada's state artifact in 1995. It was created almost 2,000 years ago by using bundles of bulrush, (tule) stems, bound together and shaped to resemble canvas back ducks.



*Courtesy Nevada Department of Wildlife
www.ndow.org*



Nonmajor Governmental Funds

NONMAJOR SPECIAL REVENUE FUNDS

Municipal Bond Bank Accounts for revenues and expenditures associated with buying local governments' bonds with proceeds of State general obligation bonds (NRS 350A.190).

Employment Security Accounts for the administration of employment training programs (NRS 612.607), unemployment compensation claims (NRS 612.605), and employment security laws (NRS 612.615).

Regulatory Accounts for receipts and expenditures related to enforcement of regulations pursuant to dairy products (NRS 584.053), legal judgments against real estate licensees (NRS 645.842), regulation of public utilities (NRS 703.147), and regulation of taxicabs (NRS 706.8825).

Higher Education Capital Construction Accounts for the first \$5,000,000 and 20% of the remaining annual slot machine tax, which is designated for capital construction and payment of principal and interest of construction bonds for higher education (NRS 463.385).

Cleaning Up Petroleum Discharges Accounts for fees collected and claims paid related to the use, storage or discharge of petroleum (NRS 445C.310).

Hospital Care to Indigent Persons Accounts for taxes levied to provide care to indigent persons hospitalized from motor vehicle accidents, and for taxes received and payments to counties for supplemental medical assistance to indigent persons (NRS 428.175).

Tourism Promotion Accounts for room taxes and other monies designated for the support of the Commission on Tourism (NRS 231.250).

Offenders' Store Accounts for operations of the general merchandise stores and snack bars used by offenders. Earnings, except interest, must be expended for the welfare and benefit of all offenders (NRS 209.221).

Tobacco Settlement Accounts for proceeds from settlement agreements with and civil actions against manufacturers of tobacco products, forty percent of which is allocated to the Millennium Scholarship fund for the purpose of increasing the number of State residents who enroll in and attend a university or community college of the Nevada System of Higher Education (NRS 396.926), and sixty percent of which is allocated to the Healthy Nevada fund (NRS 439.620) for the purpose of assisting Nevada residents in obtaining and maintaining good health.

Attorney General Settlement Accounts for receipts from the National Mortgage Settlement for purposes of foreclosure relief and housing programs.

Gift Accounts for gifts and grants received by the Department of Conservation and Natural Resources (NRS 232.070), the Department of Wildlife (NRS 501.3585), the State Board of Education (NRS 385.083), the State Library, Archives and Public Records (NRS 378.090), the Division of State Parks (NRS 407.075), the Rehabilitation Division of the Department of Employment, Training and Rehabilitation (NRS 232.960), and the Department of Health and Human Services (NRS 232.355).

Natural Resources Accounts for grants to publicly owned water systems for water conservation and capital improvements (NRS 349.952).

NV Real Property Corp General Fund Accounts for the general fund activity of the Nevada Real Property Corporation, a blended component unit incorporated to finance certain construction projects.

Miscellaneous Accounts for receipts and expenditures related to compensation of victims of crime (NRS 217.260); fees related to private investigators and recoveries for unfair trade practices (NRS 228.096); prosecution of racketeering (NRS 207.415); and the office of advocate for customers of public utilities (NRS 228.310). It also accounts for private money received by the Division of Museums and History for the Dedicated Trust Fund (NRS 381.0031; and receipts for the care of sites for the disposal of radioactive waste (NRS 459.231).

NONMAJOR DEBT SERVICE FUNDS

Consolidated Bond Interest and Redemption Fund Accumulates monies for the payment of leases and of principal and interest on general obligation bonds of the State (NRS 349.090).

Highway Revenue Bonds Accumulates monies for the payment of principal and interest on highway revenue bonds of the State (NRS 349.300).

NONMAJOR CAPITAL PROJECTS FUNDS

Parks Capital Project Construction Accounts for the parks improvements program for the Division of State Parks of the Department of Conservation and Natural Resources (NRS 407.065).

Capital Improvement Program - Motor Vehicle Accounts for capital improvement projects for the Department of Motor Vehicles and Public Safety (NRS 341.146).

Capital Improvement Program - Human Resources Accounts for capital improvement projects for the Department of Health and Human Services (NRS 341.146).

Capital Improvement Program - University System Accounts for capital improvement projects for the Nevada System of Higher Education (NRS 341.146).

Capital Improvement Program - General State Government Accounts for capital improvement projects for general government (NRS 341.146).

Capital Improvement Program - Prison System Accounts for capital improvement projects for the Department of Corrections (NRS 341.146).

Capital Improvement Program - Military Accounts for capital improvement projects for the Department of Military (NRS 341.146).

Capital Improvement Program - Wildlife Accounts for capital improvement projects for the Department of Wildlife (NRS 341.146).

NONMAJOR PERMANENT FUNDS

Permanent School Fund Accounts for certain property and the proceeds derived from such property, escheated estates, and all fines collected under penal laws of the State, which become permanent assets of the fund. All earnings on the assets are to be used for education (State Constitution, Article 11, Section 3).

Henry Wood Christmas Fund Accounts for the bequest of the late Henry Wood to provide Christmas gifts to orphans.

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2020

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
Assets					
<i>Cash and pooled investments:</i>					
Cash with treasurer	\$ 220,610,642	\$ 173,640,275	\$ 228,651,701	\$ 40,931,472	\$ 663,834,090
Cash in custody of other officials	94,627	-	-	10,579,381	10,674,008
Investments	1,381,547	-	-	344,238,735	345,620,282
<i>Receivables:</i>					
Accounts receivable	29,455,792	-	-	660	29,456,452
Taxes receivable	2,030,999	-	-	-	2,030,999
Intergovernmental receivables	35,938,761	816,027	797,569	578,794	38,131,151
Accrued interest and dividends	1,069,416	-	-	313,541	1,382,957
Notes/loans receivable	83,680,000	-	-	-	83,680,000
Capital lease receivable	46,355,000	-	-	-	46,355,000
Due from other funds	30,422,004	15,968,792	54,013,803	274,269	100,678,868
Due from fiduciary funds	1,221,195	-	-	-	1,221,195
Due from component units	179,500	-	-	23,952,607	24,132,107
Inventory	478,727	-	-	-	478,727
Prepaid items	94,665	-	-	-	94,665
Total assets	\$ 453,012,875	\$ 190,425,094	\$ 283,463,073	\$ 420,869,459	\$ 1,347,770,501
Liabilities					
<i>Accounts payable and accruals:</i>					
Accounts payable	\$ 7,931,389	\$ -	\$ 105,640	\$ 1,315	\$ 8,038,344
Accrued payroll and related liabilities	2,729,721	-	-	-	2,729,721
Intergovernmental payables	779,850	-	-	-	779,850
Contracts/retentions payable	-	-	27,951,156	-	27,951,156
Due to other funds	56,458,101	4,321,820	77,738,872	36,289,080	174,807,873
Due to fiduciary funds	13,697	-	-	-	13,697
Due to component units	1,766,025	-	58,474,528	-	60,240,553
Unearned revenues	1,700,686	-	-	-	1,700,686
Other liabilities	16,433,986	-	-	530,462	16,964,448
Total liabilities	87,813,455	4,321,820	164,270,196	36,820,857	293,226,328
Deferred Inflows of Resources					
<i>Unavailable revenue:</i>					
Taxes	383,386	-	-	-	383,386
Licenses, fees and permits	199	-	-	-	199
Settlement income	17,408,905	-	-	-	17,408,905
Lease principal payments	46,355,000	-	-	-	46,355,000
Interest	438,542	125,074	172,874	25,229	761,719
Other	1,107,456	-	-	660	1,108,116
Total deferred inflows of resources	65,693,488	125,074	172,874	25,889	66,017,325
Fund Balances					
Nonspendable	573,392	-	-	383,664,078	384,237,470
Restricted	80,175,755	27,654,602	70,545,674	358,635	178,734,666
Committed	218,756,785	158,323,598	48,474,329	-	425,554,712
Total fund balances	299,505,932	185,978,200	119,020,003	384,022,713	988,526,848
Total liabilities and deferred inflows of resources and fund balances	\$ 453,012,875	\$ 190,425,094	\$ 283,463,073	\$ 420,869,459	\$ 1,347,770,501

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Fiscal Year Ended June 30, 2020

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
Revenues					
Gaming taxes, fees, licenses	\$ 11,734,123	\$ -	\$ -	\$ -	\$ 11,734,123
Property and transfer taxes	15,144,694	176,446,527	-	-	191,591,221
Motor and special fuel taxes	-	74,605,842	-	-	74,605,842
Other taxes	51,728,514	-	-	-	51,728,514
Intergovernmental	95,382,108	2,368,724	16,617,591	-	114,368,423
Licenses, fees and permits	22,304,966	-	-	-	22,304,966
Sales and charges for services	21,393,743	191,355	-	-	21,585,098
Interest and investment income	8,163,836	4,748,832	2,536,949	20,239,241	35,688,858
Settlement income	39,046,996	-	-	-	39,046,996
Land sales	-	-	-	11,321,964	11,321,964
Other	17,241,425	-	-	5,270,907	22,512,332
Total revenues	282,140,405	258,361,280	19,154,540	36,832,112	596,488,337
Expenditures					
<i>Current:</i>					
General government	39,205,318	359,757	-	-	39,565,075
Health services	9,180	-	-	-	9,180
Social services	91,512,982	-	-	-	91,512,982
Education - K-12 administrative	4,923,268	-	-	-	4,923,268
Education - higher education	3,447,341	-	47,090,649	-	50,537,990
Law, justice and public safety	32,226,689	-	-	-	32,226,689
Regulation of business	20,353,033	-	-	-	20,353,033
Recreation and resource development	26,424,818	-	-	-	26,424,818
Capital outlay	-	-	96,282,332	-	96,282,332
<i>Debt service:</i>					
Principal	-	173,340,000	-	-	173,340,000
Interest	325	93,100,674	-	-	93,100,999
Debt issuance costs	70,245	-	575,701	-	645,946
Total expenditures	218,173,199	266,800,431	143,948,682	-	628,922,312
Excess (deficiency) of revenues over (under) expenditures	63,967,206	(8,439,151)	(124,794,142)	36,832,112	(32,433,975)
Other Financing Sources (Uses)					
Bonds issued	5,175,000	-	111,070,000	-	116,245,000
Refunding bonds issued	-	-	43,925,000	-	43,925,000
Premium on bonds issued	273,447	-	19,413,553	-	19,687,000
Payment to refunded bond agent	-	(5,074,573)	(52,175,599)	-	(57,250,172)
Transfers in	18,964,055	26,955,262	67,110,723	-	113,030,040
Transfers out	(104,583,117)	-	(62,658,743)	(19,564,942)	(186,806,802)
Total other financing sources (uses)	(80,170,615)	21,880,689	126,684,934	(19,564,942)	48,830,066
Net change in fund balances	(16,203,409)	13,441,538	1,890,792	17,267,170	16,396,091
Fund balances, July 1	315,709,341	172,536,662	117,129,211	366,755,543	972,130,757
Fund balances, June 30	\$ 299,505,932	\$ 185,978,200	\$ 119,020,003	\$ 384,022,713	\$ 988,526,848

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2020

	Municipal Bond Bank	Employment Security	Regulatory	Higher Education Capital Construction
Assets				
<i>Cash and pooled investments:</i>				
Cash with treasurer	\$ 6,520	\$ 24,593,590	\$ 13,034,811	\$ 2,095,898
Cash in custody of other officials	-	-	2,000	-
Investments	-	-	-	-
<i>Receivables:</i>				
Accounts receivable	-	6,304	157,025	108
Taxes receivable	-	383,386	-	-
Intergovernmental receivables	-	14,215,109	75,016	-
Accrued interest and dividends	1,069,320	-	-	-
Notes/loans receivable	83,680,000	-	-	-
Capital lease receivable	-	-	-	-
Due from other funds	417	2,655,103	395,207	9,938,754
Due from fiduciary funds	-	-	-	-
Due from component units	-	-	-	-
Inventory	-	-	-	-
Prepaid items	-	50,760	26,590	-
Total assets	\$ 84,756,257	\$ 41,904,252	\$ 13,690,649	\$ 12,034,760
Liabilities				
<i>Accounts payable and accruals:</i>				
Accounts payable	\$ -	\$ 5,402,633	\$ 122,253	\$ 188
Accrued payroll and related liabilities	-	1,564,770	627,289	-
Intergovernmental payables	-	305,180	-	-
Due to other funds	-	4,696,936	203,479	6,724,879
Due to fiduciary funds	-	602	-	-
Due to component units	-	15,157	-	-
Unearned revenues	-	-	1,700,686	-
Other liabilities	-	-	-	-
Total liabilities	-	11,985,278	2,653,707	6,725,067
Deferred Inflows of Resources				
<i>Unavailable revenue:</i>				
Taxes	-	383,386	-	-
Licenses, fees and permits	-	-	199	-
Settlement income	-	-	-	-
Lease principal payments	-	-	-	-
Interest	135,516	18,477	4,390	-
Other	-	51	11,073	108
Total deferred inflows of resources	135,516	401,914	15,662	108
Fund Balances				
Nonspendable	-	50,760	26,590	-
Restricted	-	15,548,310	4,624,562	-
Committed	84,620,741	13,917,990	6,370,128	5,309,585
Total fund balances	84,620,741	29,517,060	11,021,280	5,309,585
Total liabilities, deferred inflows of resources, and fund balances	\$ 84,756,257	\$ 41,904,252	\$ 13,690,649	\$ 12,034,760

(continued)

Cleaning Up Petroleum Discharges	Hospital Care to Indigent Persons	Tourism Promotion	Offenders' Store	Tobacco Settlement	Attorney General Settlement	Gift
\$ 11,345,136	\$ 14,468,136	\$ 4,452,197	\$ 16,843,325	\$ 67,607,127	\$ 12,307,091	\$ 2,798,739
-	-	-	-	-	-	26,434
-	-	-	-	-	-	68,504
3,300	-	10,126	6,172,364	17,408,905	-	5,050,316
1,253,016	394,597	-	-	-	-	-
-	21,506,007	-	-	-	-	-
-	-	-	-	-	-	96
-	-	-	-	-	-	-
64,387	274,859	1,165,589	393,240	2,274,982	188,712	16,911
-	-	-	1,188,239	-	-	-
-	-	-	-	-	-	-
-	-	-	280,190	-	-	-
-	-	1,898	9,013	474	2,491	-
<u>\$ 12,665,839</u>	<u>\$ 36,643,599</u>	<u>\$ 5,629,810</u>	<u>\$ 24,886,371</u>	<u>\$ 87,291,488</u>	<u>\$ 12,498,294</u>	<u>\$ 7,961,000</u>
\$ 72,470	\$ -	\$ 387,937	\$ 225,432	\$ 611,854	\$ 274,514	\$ 113,537
-	-	72,593	219,565	15,165	88,634	-
-	-	152,115	-	130,940	-	34,525
2,816,879	10,518,380	152,421	719,361	5,322,912	10,949	15,895
-	-	-	13,095	-	-	-
-	-	-	-	39,217	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>2,889,349</u>	<u>10,518,380</u>	<u>765,066</u>	<u>1,177,453</u>	<u>6,120,088</u>	<u>374,097</u>	<u>163,957</u>
-	-	-	-	-	-	-
-	-	-	-	17,408,905	-	-
-	-	-	-	-	-	-
6,337	8,966	85	18,337	42,637	8,831	1,927
-	-	-	1,096,201	-	-	-
<u>6,337</u>	<u>8,966</u>	<u>85</u>	<u>1,114,538</u>	<u>17,451,542</u>	<u>8,831</u>	<u>1,927</u>
-	-	1,898	289,203	474	2,491	-
-	-	-	22,305,177	-	12,112,875	7,328,373
9,770,153	26,116,253	4,862,761	-	63,719,384	-	466,743
<u>9,770,153</u>	<u>26,116,253</u>	<u>4,864,659</u>	<u>22,594,380</u>	<u>63,719,858</u>	<u>12,115,366</u>	<u>7,795,116</u>
<u>\$ 12,665,839</u>	<u>\$ 36,643,599</u>	<u>\$ 5,629,810</u>	<u>\$ 24,886,371</u>	<u>\$ 87,291,488</u>	<u>\$ 12,498,294</u>	<u>\$ 7,961,000</u>

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2020

	NV Real Property Corp General			Total Nonmajor Special Revenue Funds
	Natural Resources	Fund	Miscellaneous	
Assets				
<i>Cash and pooled investments:</i>				
Cash with treasurer	\$ 8,757,543	\$ 355,175	\$ 41,945,354	\$ 220,610,642
Cash in custody of other officials	-	-	66,193	94,627
Investments	-	-	1,313,043	1,381,547
<i>Receivables:</i>				
Accounts receivable	-	-	647,344	29,455,792
Taxes receivable	-	-	-	2,030,999
Intergovernmental receivables	-	-	142,629	35,938,761
Accrued interest and dividends	-	-	-	1,069,416
Notes/loans receivable	-	-	-	83,680,000
Capital lease receivable	-	46,355,000	-	46,355,000
Due from other funds	168,062	131,242	12,754,539	30,422,004
Due from fiduciary funds	-	-	32,956	1,221,195
Due from component units	-	179,500	-	179,500
Inventory	-	-	198,537	478,727
Prepaid items	-	-	3,439	94,665
Total assets	\$ 8,925,605	\$ 47,020,917	\$ 57,104,034	\$ 453,012,875
Liabilities				
<i>Accounts payable and accruals:</i>				
Accounts payable	\$ 43,365	-	\$ 677,206	\$ 7,931,389
Accrued payroll and related liabilities	-	-	141,705	2,729,721
Intergovernmental payables	72,666	-	84,424	779,850
Due to other funds	142,966	-	25,133,044	56,458,101
Due to fiduciary funds	-	-	-	13,697
Due to component units	-	-	1,711,651	1,766,025
Unearned revenues	-	-	-	1,700,686
Other liabilities	-	-	16,433,986	16,433,986
Total liabilities	258,997	-	44,182,016	87,813,455
Deferred Inflows of Resources				
<i>Unavailable revenue:</i>				
Taxes	-	-	-	383,386
Licenses, fees and permits	-	-	-	199
Settlement income	-	-	-	17,408,905
Lease principal payments	-	46,355,000	-	46,355,000
Interest	6,098	180,699	6,242	438,542
Other	-	-	23	1,107,456
Total deferred inflows of resources	6,098	46,535,699	6,265	65,693,488
Fund Balances				
Nonspendable	-	-	201,976	573,392
Restricted	8,660,510	485,218	9,110,730	80,175,755
Committed	-	-	3,603,047	218,756,785
Total fund balances	8,660,510	485,218	12,915,753	299,505,932
Total liabilities, deferred inflows of resources, and fund balances	\$ 8,925,605	\$ 47,020,917	\$ 57,104,034	\$ 453,012,875

Burden Basket's



The burden Basket was made of willow by a member of the Washoe Tribe. The baskets were used in collecting or gathering wild foods, or to cultivate crops like corn. This basket was found in the Pine Nut Valley, Douglas County in 1899. It is housed at the Nevada State Museum located in Carson City.

The baskets below are a twined water bottle. It is a Paiute design. The middle basket is called a winnowing tray and is a Washoe design. The winnowing tray was used to dry and sift through grains of rice. The basket on the bottom right is a coiled cooking basket. Cooking baskets were made out of woven material, often coating them with clay for insulation so it could be used to heat food. This basket was made by, Old Suzie from the Washoe Tribe.



*Images By: Suzanne Anderson
Courtesy of Nevada State Museums: carsonnmuseum.org*

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Fiscal Year Ended June 30, 2020

	Municipal Bond Bank	Employment Security	Regulatory	Higher Education Capital Construction
Revenues				
Gaming taxes, fees, licenses	\$ -	\$ -	\$ -	\$ 11,734,123
Property and transfer taxes	-	-	-	-
Other taxes	-	16,857,245	63,810	-
Intergovernmental	-	73,123,161	752,940	-
Licenses, fees and permits	-	378,612	17,474,468	-
Sales and charges for services	-	202,034	3,937	-
Interest and investment income	3,202,088	686,324	181,186	-
Settlement income	-	-	-	-
Other	-	-	406,613	-
Total revenues	3,202,088	91,247,376	18,882,954	11,734,123
Expenditures				
<i>Current:</i>				
General government	-	-	-	-
Health services	-	-	-	-
Social services	-	85,552,368	-	-
Education - K-12 administrative	-	-	-	-
Education - higher education	-	-	-	3,447,341
Law, justice and public safety	-	-	-	-
Regulation of business	-	-	19,790,856	-
Recreation and resource development	-	-	-	-
<i>Debt service:</i>				
Interest	-	-	-	325
Debt issuance costs	-	-	-	-
Total expenditures	-	85,552,368	19,790,856	3,447,666
Excess (deficiency) of revenues over (under) expenditures	3,202,088	5,695,008	(907,902)	8,286,457
Other Financing Sources (Uses)				
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
Transfers in	-	5,663,869	498,033	-
Transfers out	(7,661,787)	(3,534,477)	(358,835)	(11,520,075)
Total other financing sources (uses)	(7,661,787)	2,129,392	139,198	(11,520,075)
Net change in fund balances	(4,459,699)	7,824,400	(768,704)	(3,233,618)
Fund balances, July 1	89,080,440	21,692,660	11,789,984	8,543,203
Fund balances, June 30	\$ 84,620,741	\$ 29,517,060	\$ 11,021,280	\$ 5,309,585

(continued)

Cleaning Up Petroleum Discharges	Hospital Care to Indigent Persons	Tourism Promotion	Offenders' Store	Tobacco Settlement	Attorney General Settlement	Gift
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
-	15,144,694	-	-	-	-	-
14,254,940	-	19,088,134	-	-	-	-
-	21,506,007	-	-	-	-	-
399,200	-	27,354	-	-	-	-
-	-	-	20,438,469	-	-	-
234,176	438,315	3,274	696,655	1,756,578	357,331	40,343
-	-	-	-	39,046,996	-	-
-	-	725	32,743	2,664	-	8,214,341
<u>14,888,316</u>	<u>37,089,016</u>	<u>19,119,487</u>	<u>21,167,867</u>	<u>40,806,238</u>	<u>357,331</u>	<u>8,254,684</u>
-	-	-	-	39,099,636	-	102,932
-	-	-	-	-	-	-
-	70,000	-	-	5,837,646	-	52,968
-	-	-	-	-	-	4,923,268
-	-	-	15,349,703	-	5,000,278	-
-	-	-	-	-	-	-
8,877,889	-	15,301,791	-	-	-	764,054
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>8,877,889</u>	<u>70,000</u>	<u>15,301,791</u>	<u>15,349,703</u>	<u>44,937,282</u>	<u>5,000,278</u>	<u>5,843,222</u>
<u>6,010,427</u>	<u>37,019,016</u>	<u>3,817,696</u>	<u>5,818,164</u>	<u>(4,131,044)</u>	<u>(4,642,947)</u>	<u>2,411,462</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	235,609	42,327	9,566,132	116,454	988
<u>(3,807,343)</u>	<u>(41,146,628)</u>	<u>(5,356,033)</u>	<u>(4,044,269)</u>	<u>(19,608,555)</u>	<u>-</u>	<u>-</u>
<u>(3,807,343)</u>	<u>(41,146,628)</u>	<u>(5,120,424)</u>	<u>(4,001,942)</u>	<u>(10,042,423)</u>	<u>116,454</u>	<u>988</u>
2,203,084	(4,127,612)	(1,302,728)	1,816,222	(14,173,467)	(4,526,493)	2,412,450
7,567,069	30,243,865	6,167,387	20,778,158	77,893,325	16,641,859	5,382,666
<u>\$ 9,770,153</u>	<u>\$ 26,116,253</u>	<u>\$ 4,864,659</u>	<u>\$ 22,594,380</u>	<u>\$ 63,719,858</u>	<u>\$ 12,115,366</u>	<u>\$ 7,795,116</u>

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds

For the Fiscal Year Ended June 30, 2020

	Natural Resources	NV Real Property Corp General Fund	Miscellaneous	Total Nonmajor Special Revenue Funds
Revenues				
Gaming taxes, fees, licenses	\$ -	\$ -	\$ -	\$ 11,734,123
Property and transfer taxes	-	-	-	15,144,694
Other taxes	-	-	1,464,385	51,728,514
Intergovernmental	-	-	-	95,382,108
Licenses, fees and permits	111,073	-	3,914,259	22,304,966
Sales and charges for services	-	-	749,303	21,393,743
Interest and investment income	215,874	54,597	297,095	8,163,836
Settlement income	-	-	-	39,046,996
Other	-	6,786,849	1,797,490	17,241,425
Total revenues	326,947	6,841,446	8,222,532	282,140,405
Expenditures				
<i>Current:</i>				
General government	-	2,750	-	39,205,318
Health services	-	-	9,180	9,180
Social services	-	-	-	91,512,982
Education - K-12 administrative	-	-	-	4,923,268
Education - higher education	-	-	-	3,447,341
Law, justice and public safety	-	-	11,876,708	32,226,689
Regulation of business	-	-	562,177	20,353,033
Recreation and resource development	1,481,084	-	-	26,424,818
<i>Debt service:</i>				
Interest	-	-	-	325
Debt issuance costs	70,245	-	-	70,245
Total expenditures	1,551,329	2,750	12,448,065	218,173,199
Excess (deficiency) of revenues over (under) expenditures	(1,224,382)	6,838,696	(4,225,533)	63,967,206
Other Financing Sources (Uses)				
Bonds issued	5,175,000	-	-	5,175,000
Premium on bonds issued	273,447	-	-	273,447
Transfers in	-	-	2,840,643	18,964,055
Transfers out	(259,758)	(6,835,984)	(449,373)	(104,583,117)
Total other financing sources (uses)	5,188,689	(6,835,984)	2,391,270	(80,170,615)
Net change in fund balances	3,964,307	2,712	(1,834,263)	(16,203,409)
Fund balances, July 1	4,696,203	482,506	14,750,016	315,709,341
Fund balances, June 30	\$ 8,660,510	\$ 485,218	\$ 12,915,753	\$ 299,505,932

Andy Green Sets Supersonic Land-Speed Record



Driving the Thrust SSC in the Nevada Black Rock Desert, Andy Green set the land-speed record and achieved Mach 1 in the process. The sonic boom was so powerful that 10 miles away in Gerlach, Nevada the residents thought it was an earthquake. The land speed record was set on October 15, 1997 when the Thrust SSC achieved a speed of 763 mph.



*From Wikipedia, the free encyclopedia
<https://en.wikipedia.org/wiki/ThrustSSC>*

Combining Balance Sheet

Other Nonmajor Governmental Funds

June 30, 2020

	Debt Service Funds			Capital Projects Funds	
	Consolidated Bond Interest and Redemption	Highway Revenue Bonds	Total	Parks Capital Project Construction	CIP Motor Vehicle
Assets					
<i>Cash and pooled investments:</i>					
Cash with treasurer	\$ 158,419,858	\$ 15,220,417	\$ 173,640,275	\$ -	\$ 14,221,876
Cash in custody of other officials	-	-	-	-	-
Investments	-	-	-	-	-
<i>Receivables:</i>					
Accounts receivable	-	-	-	-	-
Intergovernmental receivables	816,027	-	816,027	-	-
Accrued interest and dividends	-	-	-	-	-
Due from other funds	3,534,607	12,434,185	15,968,792	30,097	137,628
Due from component units	-	-	-	-	-
Total assets	\$ 162,770,492	\$ 27,654,602	\$ 190,425,094	\$ 30,097	\$ 14,359,504
Liabilities					
<i>Accounts payable and accruals:</i>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Contracts/retentions payable	-	-	-	-	5,664,077
Due to other funds	4,321,820	-	4,321,820	30,097	73,334
Due to component units	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	4,321,820	-	4,321,820	30,097	5,737,411
Deferred Inflows of Resources					
<i>Unavailable revenue:</i>					
Interest	125,074	-	125,074	-	12,940
Other	-	-	-	-	-
Total deferred inflows of resources	125,074	-	125,074	-	12,940
Fund Balances					
Nonspendable	-	-	-	-	-
Restricted	-	27,654,602	27,654,602	-	8,609,153
Committed	158,323,598	-	158,323,598	-	-
Total fund balances	158,323,598	27,654,602	185,978,200	-	8,609,153
Total liabilities and deferred inflows of resources and fund balances	\$ 162,770,492	\$ 27,654,602	\$ 190,425,094	\$ 30,097	\$ 14,359,504

(continued)

Capital Projects Funds						
CIP University System	CIP General State Government	CIP Prison System	CIP Military	CIP Wildlife	CIP Bond Proceeds	Total
\$ 81,106,862	\$ 30,218,594	\$ 18,234,662	\$ 1,863,733	\$ 640	\$ 83,005,334	\$ 228,651,701
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	797,569	-	-	797,569
-	-	-	-	-	-	-
20,615,370	14,399,963	17,156,285	1,081,026	76,413	517,021	54,013,803
-	-	-	-	-	-	-
<u>\$ 101,722,232</u>	<u>\$ 44,618,557</u>	<u>\$ 35,390,947</u>	<u>\$ 3,742,328</u>	<u>\$ 77,053</u>	<u>\$ 83,522,355</u>	<u>\$ 283,463,073</u>
\$ -	\$ 2,584	\$ 99,309	\$ 3,747	\$ -	\$ -	\$ 105,640
16,638,965	1,673,823	2,058,550	1,839,328	76,413	-	27,951,156
26,510,865	494,446	38,519	161,558	640	50,429,413	77,738,872
58,474,528	-	-	-	-	-	58,474,528
-	-	-	-	-	-	-
<u>101,624,358</u>	<u>2,170,853</u>	<u>2,196,378</u>	<u>2,004,633</u>	<u>77,053</u>	<u>50,429,413</u>	<u>164,270,196</u>
97,874	62	-	-	-	61,998	172,874
-	-	-	-	-	-	-
<u>97,874</u>	<u>62</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,998</u>	<u>172,874</u>
-	-	-	-	-	-	-
-	12,757,631	14,808,346	1,339,600	-	33,030,944	70,545,674
-	29,690,011	18,386,223	398,095	-	-	48,474,329
-	<u>42,447,642</u>	<u>33,194,569</u>	<u>1,737,695</u>	<u>-</u>	<u>33,030,944</u>	<u>119,020,003</u>
<u>\$ 101,722,232</u>	<u>\$ 44,618,557</u>	<u>\$ 35,390,947</u>	<u>\$ 3,742,328</u>	<u>\$ 77,053</u>	<u>\$ 83,522,355</u>	<u>\$ 283,463,073</u>

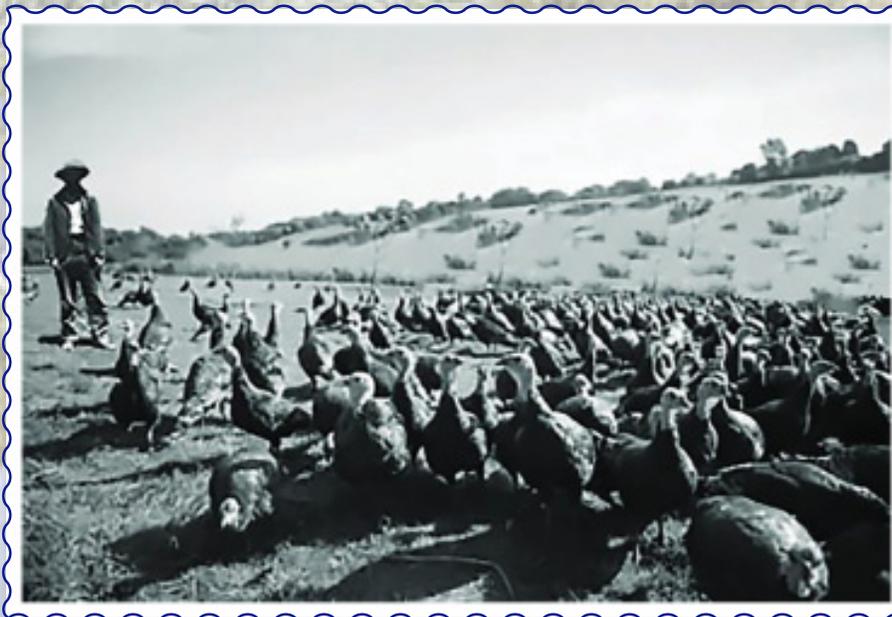
Combining Balance Sheet Other Nonmajor Governmental Funds

June 30, 2020

	Permanent Funds		
	Permanent School Fund	Henry Wood Christmas	Total
Assets			
<i>Cash and pooled investments:</i>			
Cash with treasurer	\$ 40,878,861	\$ 52,611	\$ 40,931,472
Cash in custody of other officials	10,579,381	-	10,579,381
Investments	344,238,735	-	344,238,735
<i>Receivables:</i>			
Accounts receivable	660	-	660
Intergovernmental receivables	578,794	-	578,794
Accrued interest and dividends	313,541	-	313,541
Due from other funds	273,975	294	274,269
Due from component units	23,952,607	-	23,952,607
Total assets	\$ 420,816,554	\$ 52,905	\$ 420,869,459
Liabilities			
<i>Accounts payable and accruals:</i>			
Accounts payable	\$ 1,315	\$ -	\$ 1,315
Contracts/retentions payable	-	-	-
Due to other funds	36,288,092	988	36,289,080
Due to component units	-	-	-
Other liabilities	530,462	-	530,462
Total liabilities	36,819,869	988	36,820,857
Deferred Inflows of Resources			
<i>Unavailable revenue:</i>			
Interest	25,193	36	25,229
Other	660	-	660
Total deferred inflows of resources	25,853	36	25,889
Fund Balances			
Nonspendable	383,634,078	30,000	383,664,078
Restricted	336,754	21,881	358,635
Committed	-	-	-
Total fund balances	383,970,832	51,881	384,022,713
Total liabilities and deferred inflows of resources and fund balances	\$ 420,816,554	\$ 52,905	\$ 420,869,459

Henry C. Hooker Turkey Farmer

In 1865 a fire destroyed Henry Hooker's business in Hangtown California. Hooker decided to deliver turkeys to the miners of the Comstock Lode who he thought would pay top dollar. He hired a man, bought two dogs and started over the Sierra Nevada's with 500 turkeys he paid \$1.50 each for. He almost lost the entire flock at the top of the last cliff, but was able to recapture them down below. He drove them through the middle of Carson City and sold the turkey's for \$5.00 each making a tremendous profit.



*From Wikipedia, the free encyclopedia
en.wikipedia.org/wiki/Henry_Hooker*

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Other Nonmajor Governmental Funds

For the Fiscal Year Ended June 30, 2020

	Debt Service Funds			Capital Projects Funds	
	Consolidated Bond Interest and Redemption	Highway Revenue Bonds	Total	Parks Capital Project Construction	CIP Motor Vehicle
Revenues					
Property and transfer taxes	\$ 176,446,527	\$ -	\$ 176,446,527	\$ -	\$ -
Motor and special fuel taxes	-	74,605,842	74,605,842	-	-
Intergovernmental	2,368,724	-	2,368,724	-	-
Sales and charges for services	191,355	-	191,355	-	-
Interest and investment income	4,748,832	-	4,748,832	54	421,324
Land sales	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	183,755,438	74,605,842	258,361,280	54	421,324
Expenditures					
<i>Current:</i>					
General government	359,757	-	359,757	-	-
Education - higher education	-	-	-	-	-
Capital outlay	-	-	-	35,176	32,907,990
<i>Debt service:</i>					
Principal	132,505,000	40,835,000	173,340,000	-	-
Interest	60,349,686	32,750,988	93,100,674	-	-
Debt issuance costs	-	-	-	-	52,506
Total expenditures	193,214,443	73,585,988	266,800,431	35,176	32,960,496
Excess (deficiency) of revenues over (under) expenditures	(9,459,005)	1,019,854	(8,439,151)	(35,122)	(32,539,172)
Other Financing Sources (Uses)					
Bonds issued	-	-	-	-	14,180,000
Refunding bonds issued	-	-	-	-	-
Premium on bonds issued	-	-	-	-	1,680,501
Payment to refunded bond agent	(5,074,573)	-	(5,074,573)	-	-
Transfers in	26,955,262	-	26,955,262	35,122	709,968
Transfers out	-	-	-	-	-
Total other financing sources (uses)	21,880,689	-	21,880,689	35,122	16,570,469
Net change in fund balances	12,421,684	1,019,854	13,441,538	-	(15,968,703)
Fund balances, July 1	145,901,914	26,634,748	172,536,662	-	24,577,856
Fund balances, June 30	\$ 158,323,598	\$ 27,654,602	\$ 185,978,200	\$ -	\$ 8,609,153

(continued)

Capital Projects Funds						
CIP University System	CIP General State Government	CIP Prison System	CIP Military	CIP Wildlife	CIP Bond Proceeds	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	35,000	-	16,582,591	-	-	16,617,591
-	-	-	-	-	-	-
-	444	-	-	-	2,115,127	2,536,949
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	35,444	-	16,582,591	-	2,115,127	19,154,540
-	-	-	-	-	-	-
16,206,659	-	-	-	-	-	-
-	18,988,502	16,588,314	27,423,281	339,069	30,883,990	47,090,649
-	-	-	-	-	-	-
-	-	-	-	-	-	-
53,858	-	-	-	-	469,337	575,701
16,260,517	18,988,502	16,588,314	27,423,281	339,069	31,353,327	143,948,682
(16,260,517)	(18,953,058)	(16,588,314)	(10,840,690)	(339,069)	(29,238,200)	(124,794,142)
14,550,000	-	-	-	-	82,340,000	111,070,000
-	-	-	-	-	43,925,000	43,925,000
1,710,517	-	-	-	-	16,022,535	19,413,553
-	-	-	-	-	(52,175,599)	(52,175,599)
-	29,901,608	32,211,370	3,913,587	339,068	-	67,110,723
-	(10,000)	-	-	-	(62,648,743)	(62,658,743)
16,260,517	29,891,608	32,211,370	3,913,587	339,068	27,463,193	126,684,934
-	10,938,550	15,623,056	(6,927,103)	(1)	(1,775,007)	1,890,792
-	31,509,092	17,571,513	8,664,798	1	34,805,951	117,129,211
\$ -	\$ 42,447,642	\$ 33,194,569	\$ 1,737,695	\$ -	\$ 33,030,944	\$ 119,020,003

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Other Nonmajor Governmental Funds

For the Fiscal Year Ended June 30, 2020

	Permanent Funds		
	Permanent School Fund	Henry Wood Christmas	Total
Revenues			
Property and transfer taxes	\$ -	\$ -	\$ -
Motor and special fuel taxes	-	-	-
Intergovernmental	-	-	-
Sales and charges for services	-	-	-
Interest and investment income	20,237,823	1,418	20,239,241
Land sales	11,321,964	-	11,321,964
Other	5,270,907	-	5,270,907
Total revenues	36,830,694	1,418	36,832,112
Expenditures			
<i>Current:</i>			
General government	-	-	-
Education - higher education	-	-	-
Capital outlay	-	-	-
<i>Debt service:</i>			
Principal	-	-	-
Interest	-	-	-
Debt issuance costs	-	-	-
Total expenditures	-	-	-
Excess (deficiency) of revenues over (under) expenditures	36,830,694	1,418	36,832,112
Other Financing Sources (Uses)			
Bonds issued	-	-	-
Refunding bonds issued	-	-	-
Premium on bonds issued	-	-	-
Payment to refunded bond agent	-	-	-
Transfers in	-	-	-
Transfers out	(19,563,954)	(988)	(19,564,942)
Total other financing sources (uses)	(19,563,954)	(988)	(19,564,942)
Net change in fund balances	17,266,740	430	17,267,170
Fund balances, July 1	366,704,092	51,451	366,755,543
Fund balances, June 30	\$ 383,970,832	\$ 51,881	\$ 384,022,713

Nevada, The Silver State



In 1859, the Comstock Lode silver discovery became one of the most significant events in the history of the mining West. Virginia City, born from the Comstock mines, became the West's most important mining location. The Comstock Lode was possibly the most valuable single ore deposit ever discovered. Nevada has a long history of silver and gold production. Nevada's location and mineral wealth made it an attractive potential Union State during the Civil War, and so it was. That's why Nevada's also known as the Battle Born State.



*From Wikipedia, the free encyclopedia
en.wikipedia.org/wiki/Comstock_Lode*

Schedule of Total Uses - Budget and Actual , Non-GAAP Budgetary Basis

All General Fund Budgets

For the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance
Elected officials			
Attorney General Administrative Account	\$ 31,445,218	\$ 30,208,610	\$ 1,236,608
Attorney General Council For Prosecuting Attorneys	376,021	181,310	194,711
Attorney General Crime Prevention	594,378	584,269	10,109
Attorney General Extradition Coordinator	831,199	737,269	93,930
Attorney General Forfeiture	42,429	8,808	33,621
Attorney General Medicaid Fraud	3,971,451	2,575,362	1,396,089
Attorney General Private Investigator Licensing Bd	2,584,400	1,569,835	1,014,565
Attorney General Special Litigation Fund	4,640,498	3,773,989	866,509
Attorney General State Settlements	7,400,683	4,994,743	2,405,940
Attorney General Victims of Domestic Violence	481,573	396,161	85,412
Attorney General Violence Against Women Grants	6,093,217	3,371,150	2,722,067
Attorney General Workers' Compensation Fraud	4,737,015	4,218,295	518,720
Controller's Office	5,822,894	5,401,753	421,141
Controller's Office Debt Recovery	630,567	54,895	575,672
Governor's Athletic Commission	3,529,309	1,430,626	2,098,683
Governor's Finance Office	6,121,977	5,463,362	658,615
Governor's High Level Nuclear Waste	2,045,812	1,887,889	157,923
Governor's Finance Division of Internal Audits	1,680,294	1,658,907	21,387
Governor's Finance Office Info Technology Project	43,374,661	9,762,139	33,612,522
Governor's Finance Office Special Appropriations	45,717,358	42,078,107	3,639,251
Governor's Mansion Maintenance	340,671	316,815	23,856
Governor's Merit Award Board	3,621	3,621	-
Governor's NV P20 Workforce Reporting	919,733	871,598	48,135
Governor's Office	3,267,948	2,943,359	324,589
Governor's Office CARES Act 2020	862,528,450	104,628,333	757,900,117
Governor's Office for New Americans	286,285	186,972	99,313
Governor's Office of Energy	1,480,726	1,149,834	330,892
Governor's Office of Indigent Defense	1,255,768	670,111	585,657
Governor's Office of Workforce Innovation	4,285,630	1,483,825	2,801,805
Governor's Public Defender	3,358,957	2,845,489	513,468
Governor's Renewable Energy Account	17,851,853	2,975,674	14,876,179
Governor's Renewable Energy Program	1,768,928	2,306	1,766,622
Governor's Science Innovation and Technology	4,813,689	3,474,794	1,338,895
Governor's Sentencing Commission	404,492	183,876	220,616
Governor's Washington Office	259,434	169,858	89,576
Governor's WICHE Administration	400,983	384,346	16,637
Governor's WICHE Loan and Stipend	1,350,523	1,320,454	30,069
Lieutenant Governor	713,060	709,732	3,328
Secretary of State	18,230,194	17,551,971	678,223
Secretary of State Advisory Committee Gift	66	-	66
Secretary of State HAVA Elections Account	14,360,530	4,926,729	9,433,801
Secretary of State Notary Training	478,082	109,322	368,760
Secretary of State Securities Forfeiture Account	108,933	1,014	107,919
State Treasurer	3,028,354	2,961,800	66,554
State Treasurer's College Savings Endowment	14,416,069	3,909,168	10,506,901
State Treasurer's College Savings Private Entity	83,419	-	83,419
State Treasurer's Nevada College Savings Trust	3,678,158	3,173,404	504,754
State Treasurer's Nevada Promise Scholarship	6,242,389	2,387,931	3,854,458
State Treasurer's Silicosis and Disabled Pensions	28,377	21,753	6,624
State Treasurer's Unclaimed Property	2,697,611	2,343,221	354,390
	<u>1,140,763,887</u>	<u>282,064,789</u>	<u>858,699,098</u>
Legislative and judicial			
Judicial Branch			
Administrative Office of the Courts	5,970,861	4,131,680	1,839,181
Court of Appeals	3,140,750	3,008,912	131,838
Judicial Discipline	1,047,714	972,677	75,037
Judicial Education	1,508,673	638,363	870,310
Judicial Programs and Services Division	2,055,746	1,731,974	323,772
Judicial Retirement System State Share	1,337,285	1,337,285	-
Judicial Support, Governance and Special Events	807,018	291,602	515,416
Law Library	1,896,769	1,818,334	78,435
Law Library Gift Fund	21,477	-	21,477
Senior Justice and Senior Judge Program	1,544,884	1,070,784	474,100
Specialty Courts	10,778,969	8,462,699	2,316,270
State Judicial Elected Officials	22,745,089	22,651,520	93,569

(continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Supreme Court	13,092,397	11,813,743	1,278,654
Uniform System of Judicial Records	2,573,399	1,163,729	1,409,670
Legislative Branch			
Disaster Relief	13,933,900	6,478,744	7,455,156
Foreclosure Mediation	975,169	235,641	739,528
Interim Finance Committee	93,868,186	29,319,850	64,548,336
Legislative Counsel Bureau Disbursement	3,880,977	3,880,975	2
So Nevada Community Project Fund	6,757	-	6,757
	<u>181,186,020</u>	<u>99,008,512</u>	<u>82,177,508</u>

Finance and administration

Department of Administration

Building Official Admin	3,140,209	1,218,368	1,921,841
Commission for Women	19,875	6,787	13,088
Construction Education Account	565,495	351,485	214,010
Director's Office	1,013,322	787,654	225,668
Emergency Fund	279,841	164,869	114,972
General Fund Salary Adjustment	30,401,904	12,766,476	17,635,428
Graffiti Reward Fund	22,195	-	22,195
Grant Match Program	1,000,000	-	1,000,000
Grants Office	904,378	875,853	28,525
Hearings and Appeals	5,597,253	5,336,343	260,910
Judicial College/Juvenile and Family Justice	467,500	467,500	-
Nevada State Library	5,082,556	4,625,214	457,342
Nevada State Library Cooperative	494,447	296,717	197,730
NSLA - IPS Equipment/Software	24,032	15,053	8,979
Public Works Division	392,101	364,167	27,934
Public Works Division Administration	1,221,073	903,799	317,274
Public Works Inspection	7,860,614	5,886,068	1,974,546
Public Works Retention Payment	10,617	-	10,617
Roof Maintenance Reserve	604,101	3,500	600,601
State Archives	1,717,834	1,645,551	72,283
State Claims	2,298,629	1,759,823	538,806
State Unemployment Compensation	2,543,173	956,443	1,586,730
Statutory Contingency	4,763,795	322,957	4,440,838
Unbudgeted Activity	-	519,881	(519,881)
Department of Taxation			
Department of Taxation	97,213,209	89,233,502	7,979,707
	<u>167,638,153</u>	<u>128,508,010</u>	<u>39,130,143</u>

Education - K to 12

Department of Education

Account for Alternative Schools	8,453,369	2,649,522	5,803,847
Anti-Bullying Gift Fund	44,143	30,555	13,588
Anti Bullying Grants	45,000	45,000	-
Assessments and Accountability	19,251,668	18,020,517	1,231,151
Career and Technical Education	15,948,568	11,363,552	4,585,016
CARES Act ESSER Funds	117,185,045	2,065,558	115,119,487
Computer Education and Technology	101,926	-	101,926
Contingency Account for Special Education	2,000,000	428,800	1,571,200
Continuing Education	9,060,784	7,511,795	1,548,989
Data Systems Management	3,103,432	2,839,706	263,726
Department Support Services	5,258,000	3,622,268	1,635,732
Distributive School Account	1,807,113,740	1,807,086,245	27,495
District Support Services	2,143,276	1,657,364	485,912
Educational Trust Fund	842,008	8,095	833,913
Educator Effectiveness	20,601,950	10,070,427	10,531,523
Educator Licensure	4,797,938	2,260,283	2,537,655
Gear Up	4,853,970	1,752,709	3,101,261
Gear Up Scholarship Trust	7,156,074	171,765	6,984,309
Incentives for Licensed Educational Personnel	454,318	454,317	1
Individuals with Disabilities (IDEA)	103,972,803	74,818,072	29,154,731
Instruction in Financial Liter	750,000	482,153	267,847
Literacy Programs	669,605	535,393	134,212
New NV Education Funding Plan	69,993,538	62,676,738	7,316,800

Schedule of Total Uses - Budget and Actual , Non-GAAP Budgetary Basis

All General Fund Budgets

For the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance
Office of Early Learning & Development	30,513,024	27,931,723	2,581,301
Office of the Superintendent	3,708,967	3,044,336	664,631
Other State Education Programs	91,884,755	85,904,259	5,980,496
Parent Involve & Family Engage	149,719	141,222	8,497
Professional Development Program	8,296,203	6,811,180	1,485,023
Public Charter School Loan Program	724,538	45,500	679,038
Safe and Respect Learning	6,058,343	2,956,864	3,101,479
School Remediation	144,296,647	131,583,906	12,712,741
School Safety	37,099,216	22,849,811	14,249,405
Standards and Instructional Support	1,517,104	1,325,297	191,807
State Supplemental School Support	187,177,000	138,837,797	48,339,203
Student and School Support	223,489,562	153,083,359	70,406,203
Student Indemnification Account	382,254	6,742	375,512
Teach NV Scholarship Program	9,555,712	1,495,629	8,060,083
Teacher's School Supplies Reimbursement	4,959,303	4,321,824	637,479
Commission on Postsecondary Education	899,365	857,192	42,173
State Public Charter School Authority	38,121,809	23,599,694	14,522,115
	2,992,634,676	2,615,347,169	377,287,507
Education - higher education			
Nevada System of Higher Education			
Agricultural Experiment Station	7,318,599	7,318,599	-
Anatomical Gift Account	379,463	40,000	339,463
Business Center North	2,149,699	2,147,055	2,644
Business Center South	1,982,934	1,951,542	31,392
Capacity Building Enhancement	10,261,192	10,260,733	459
College of Southern Nevada	154,013,813	152,370,076	1,643,737
Collegiate License Plate Account	463,207	312,211	150,996
Cooperative Extension Service	5,794,158	5,794,158	-
Desert Research Institute	7,948,288	7,910,926	37,362
Education for Dependent Children	42,926	13,097	29,829
Great Basin College	18,776,703	18,774,735	1,968
Intercollegiate Athletics - UNLV	8,023,853	7,896,825	127,028
Intercollegiate Athletics - UNR	5,654,729	5,475,113	179,616
Laboratory and Research	1,823,205	1,780,159	43,046
Nevada State College at Henderson	32,815,412	32,139,323	676,089
Prison Education Program	461,150	461,150	-
Silver State Opportunity Grant	5,000,000	4,990,150	9,850
Special Projects	5,165,342	1,238,825	3,926,517
System Computing Center	18,787,434	18,779,629	7,805
Truckee Meadows Community College	51,080,920	49,993,539	1,087,381
University of Nevada, Las Vegas	325,680,677	322,610,766	3,069,911
University of Nevada, Reno	249,081,433	247,447,756	1,633,677
University Press	454,091	454,091	-
University System Administration	5,169,478	4,943,062	226,416
UNLV Dental School	18,723,215	18,723,215	-
UNR Engineering Building Debt	3,288,350	10,470	3,277,880
UNLV Law School	16,550,719	16,550,718	1
UNLV School of Medicine	39,584,833	38,943,022	641,811
UNLV Statewide Programs	3,875,864	3,814,504	61,360
UNR School of Medicine	44,573,520	44,492,914	80,606
UNR Statewide Programs	8,749,206	8,749,206	-
Western Nevada College	19,933,818	19,079,132	854,686
	1,073,608,231	1,055,466,701	18,141,530
Human services			
Director's Office			
Administration	2,073,788	1,911,346	162,442
Consumer Health Assistance	1,742,086	1,564,770	177,316
Developmental Disabilities	738,147	656,654	81,493
Family Planning	3,000,000	2,590,617	409,383
Grants Management Unit	30,635,636	25,004,683	5,630,953
Grief Support Trust Account	154,778	114,346	40,432
IDEA Part C Compliance	4,330,695	4,003,201	327,494
Pharmacy Report Failure Penalties	8,618,652	-	8,618,652
UPL Holding Account	13,720,782	10,766,264	2,954,518
Victims of Human Trafficking	193,665	20,698	172,967

(continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Aging and Disability Services Division			
Aging Federal Programs and Administration	10,105,535	9,196,277	909,258
Applied Behavior Analysis	322,750	26,534	296,216
Autism Treatment Program	16,418,624	11,903,613	4,515,011
Commission for Persons who are Deaf	25,000	14,435	10,565
Communication Access Services	4,427,846	2,823,299	1,604,547
Desert Regional Center	165,819,812	158,129,430	7,690,382
Early Intervention Services	39,598,431	38,251,692	1,346,739
Family Preservation Program	3,011,905	2,942,258	69,647
Home and Community Based Service	62,191,641	47,028,513	15,163,128
Rural Regional Center	22,180,820	20,583,539	1,597,281
Sierra Regional Center	54,219,861	51,419,834	2,800,027
Division of Health Care Financing and Policy			
Health Care Financing and Policy	175,881,016	146,758,232	29,122,784
Increased Quality of Nursing Care	42,812,511	39,776,792	3,035,719
Intergovernmental Transfer Program	177,806,694	147,479,780	30,326,914
Nevada Check-Up Program	59,809,988	52,068,290	7,741,698
Nevada Medicaid	4,183,314,513	4,030,496,073	152,818,440
Division of Public and Behavioral Health			
Alcohol Tax Program	1,351,574	823,487	528,087
Behavioral Health Administration	4,315,415	3,971,951	343,464
Behavioral Health Prevention & Treatment	62,722,573	40,478,260	22,244,313
Biostatistics and Epidemiology	197,728,930	12,008,297	185,720,633
Cancer Control Registry	907,840	758,739	149,101
Child Care Services	2,258,723	1,612,498	646,225
Chronic Disease	17,430,694	14,481,975	2,948,719
Communicable Diseases	37,481,744	35,339,550	2,142,194
Community Health Services	4,003,200	3,263,722	739,478
Environmental Health Services	2,773,372	1,820,739	952,633
Emergency Medical Services	1,204,986	1,026,181	178,805
Facility for the Mental Offender	13,072,493	12,810,035	262,458
Health Care Facility Reg	23,237,051	13,466,993	9,770,058
Health Facilities-Admin Penalty	200,004	139	199,865
Health Statistics and Planning	4,165,240	1,738,677	2,426,563
Immunization Program	7,211,654	6,810,636	401,018
Marijuana Health Registry	3,039,181	697,298	2,341,883
Maternal Child Health Services	9,496,423	7,756,824	1,739,599
No NV Adult Mental Health Services	31,242,665	28,205,021	3,037,644
Office of State Health Administration	11,386,678	9,888,435	1,498,243
Prevention/Treatment of Problem Gambling	2,310,862	1,873,115	437,747
Public Health Preparedness Program	19,578,661	9,440,024	10,138,637
Radiation Control Program	5,702,617	2,725,912	2,976,705
Rural Clinics	16,202,820	15,647,135	555,685
So NV Adult Mental Health Services	94,321,307	92,680,387	1,640,920
WIC Food Supplement	71,426,845	58,286,360	13,140,485
Division of Welfare and Supportive Services			
Assistance to Aged and Blind	10,763,355	10,641,000	122,355
Child Care Assistance and Development	121,020,673	92,056,708	28,963,965
Child Support Enforcement Program	66,754,404	34,192,500	32,561,904
Child Support Federal Reimbursement	30,643,213	25,063,852	5,579,361
Energy Assistance - Welfare	37,416,470	26,974,099	10,442,371
Temp Assistance for Needy Families	49,567,593	40,838,550	8,729,043
Welfare Administration	46,529,366	41,350,889	5,178,477
Welfare Field Services	152,966,586	132,675,849	20,290,737
Division of Child and Family Services			
Caliente Youth Center	9,896,091	9,170,241	725,850
Children, Youth and Family Administration	54,720,835	35,827,186	18,893,649
Childrens Trust Fund	1,457,841	590,930	866,911
Clark County Child Welfare	113,254,616	109,644,886	3,609,730
Community Juvenile Justice Programs	3,603,567	3,113,886	489,681
Farm Account - Youth Training Center	7,150	-	7,150
Summit View Youth Center	7,248,976	6,578,818	670,158
Nevada Youth Training Center	8,829,026	8,228,819	600,207
No NV Child and Adolescent Services	11,156,871	8,551,518	2,605,353
Normalcy for Youth Gift	1,000	-	1,000
Review of Death of Children	574,004	133,726	440,278
Rural Child Welfare	23,660,340	22,429,301	1,231,039

Schedule of Total Uses - Budget and Actual , Non-GAAP Budgetary Basis

All General Fund Budgets

For the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance
So NV Child and Adolescent Services	34,044,041	28,172,214	5,871,827
Transition from Foster Care	1,415,171	980,054	435,117
UNITY/SACWIS	8,135,754	7,670,525	465,229
Victims of Domestic Violence	3,265,378	2,761,766	503,612
Washoe County Integration	37,678,190	37,317,421	360,769
Youth Alternative Placement	4,370,793	4,370,793	-
Youth Parole Services	6,554,994	6,281,371	273,623
Department of Employment, Training and Rehabilitat			
Blind Business Enterprise Program	4,795,354	1,569,103	3,226,251
DETR Administrative Services	6,036,629	5,097,323	939,306
Disability Adjudication	21,746,127	15,384,220	6,361,907
Information Development and Processing	15,435,334	11,981,168	3,454,166
Nevada Equal Rights Commission	2,598,147	2,482,179	115,968
Rehabilitation Administration	1,395,640	1,219,642	175,998
Research and Analysis	2,685,988	2,383,992	301,996
Services to the Blind	3,037,108	2,679,776	357,332
Vocational Rehabilitation	22,558,360	20,582,831	1,975,529
	6,653,753,713	5,942,140,696	711,613,017
Commerce and industry			
Office of Economic Development			
GOED Nevada Knowledge Fund	6,265,917	2,857,037	3,408,880
Governor's Office of Economic Development	8,636,792	7,864,063	772,729
Motion Pictures	853,467	665,116	188,351
Nevada Catalyst Fund	1,268,944	423,083	845,861
Nevada Main Street Program	350,000	41,483	308,517
NV SSB CI Program	7,814,546	2,280,015	5,534,531
Rural Community Development	5,458,935	3,288,217	2,170,718
Small Business and Procurement	732,316	627,357	104,959
Small Business Enterprise Loan	558,110	-	558,110
Unmanned System Safety Program	1,000,000	1,000,000	-
WINN	4,000,000	541,258	3,458,742
Commission on Mineral Resources			
Bond Reclamation	4,502,532	488,681	4,013,851
Minerals	4,354,953	2,483,242	1,871,711
Department of Agriculture			
Agriculture Administration	3,321,337	3,029,318	292,019
Agriculture License Plates	47,685	9,675	38,010
Agricultural Registration/Enforcement	7,091,214	3,570,149	3,521,065
Agriculture Research and Promotion	125,429	3,251	122,178
Commercial Feed Account	126,999	12,279	114,720
Commodity Food Program	28,335,754	21,024,608	7,311,146
Consumer Equitibility	4,310,978	2,970,526	1,340,452
Junior Agricultural Loan Program	3,845	-	3,845
Livestock Enforcement	648,469	565,545	82,924
Livestock Inspection	1,784,716	1,127,530	657,186
Nevada Beef Council	286,217	234,592	51,625
Nutrition Education Programs	218,027,276	157,101,300	60,925,976
Pest, Plant Disease and Noxious Weed	1,754,007	1,072,176	681,831
Plant Health and Quarantine Services	602,938	595,180	7,758
Predatory Animal and Rodent Control	926,817	860,929	65,888
Rangeland Resources Commission	269,088	124,974	144,114
Veterinary Medical Services	1,551,396	1,473,354	78,042
Weed Abatement and Control	108,933	-	108,933
Department of Tourism and Cultural Affairs			
Indian Commission	418,230	404,976	13,254
Lost City Museum	576,694	529,714	46,980
Museums and History Administration	1,198,446	798,448	399,998
Nevada Arts Council	3,233,923	2,640,665	593,258
Nevada Historical Society	659,769	521,251	138,518
Nevada Humanities	125,000	125,000	-
Nevada State Museum	2,016,000	1,734,815	281,185
Nevada State Museum, Las Vegas	1,816,078	1,621,055	195,023
State Railroad Museums	1,799,042	1,555,136	243,906
Stewart Indian School Living Legacy	316,503	290,786	25,717
Gaming Control Board			
Federal Forfeiture Treasury	6,208,681	1,769,365	4,439,316

(continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Gaming Commission	802,642	786,572	16,070
Gaming Control Board	55,771,805	48,501,384	7,270,421
Gaming Control Federal Forfeiture	5,949,461	115,657	5,833,804
Gaming Control - Forfeiture Account	577,187	-	577,187
Gaming Control - Other State Forfeiture	500,440	-	500,440
Department of Business and Industry			
Attorney for Injured Workers	4,320,058	3,789,754	530,304
Business and Industry Administration	5,813,568	5,130,423	683,145
Common Interest Communities	4,987,160	2,101,609	2,885,551
Division of Mortgage Lending	14,759,966	2,822,981	11,936,985
DOE Weatherization	8,962,194	4,542,249	4,419,945
Employee Management Relations	1,473,577	605,137	868,440
Financial Institutions	7,245,633	3,725,740	3,519,893
Financial Institutions Audit	281,850	125,869	155,981
Financial Institutions Investigations	1,675,273	65,069	1,610,204
Housing Inspection and Comp	5,100,651	2,671,164	2,429,487
Industrial Development Bonds	1,622,205	67,565	1,554,640
Labor Relations	2,018,651	1,951,806	66,845
Low Income Housing Trust Fund	33,792,695	9,091,346	24,701,349
New Market Performance Guarantee	4,590,000	1,512	4,588,488
Nevada Transportation Authority	6,901,567	4,754,816	2,146,751
NVTA Administrative Fines	1,181,874	90,286	1,091,588
Office of Business and Planning	344,124	338,150	5,974
Real Estate	4,228,482	3,895,553	332,929
Special Housing Assistance	2,604,458	937	2,603,521
	<u>508,993,497</u>	<u>323,501,728</u>	<u>185,491,769</u>
Public safety			
Department of Corrections			
AB505 79th One-shot	5,241,735	3,912,765	1,328,970
Carlin Conservation Camp	1,412,582	1,361,456	51,126
Casa Grande Transitional Housing	5,018,123	4,895,873	122,250
Correctional Programs	9,797,547	8,639,518	1,158,029
Director's Office	37,529,693	36,159,244	1,370,449
Ely Conservation Camp	1,510,812	1,472,250	38,562
Ely State Prison	32,239,122	32,014,646	224,476
Endowment Fund Historical Preservation of NSP	62,940	-	62,940
Florence McClure Women's Correctional Center	20,085,005	19,604,372	480,633
High Desert State Prison	61,706,107	60,418,550	1,287,557
Humboldt Conservation Camp	1,511,223	1,472,593	38,630
Jean Conservation Camp	1,840,156	1,813,490	26,666
Lovelock Correctional Center	27,171,832	27,057,506	114,326
Nevada State Prison	75,525	68,402	7,123
No Nevada Correctional Center	31,117,865	30,754,157	363,708
No. Nevada Transitional Housing	1,437,483	1,407,567	29,916
Pioche Conservation Camp	2,067,422	1,976,237	91,185
Prison Medical Care	56,037,984	55,382,586	655,398
Silver Springs Conservation Camp	4,511	4,511	-
Stewart Conservation Camp	2,324,656	2,201,122	123,534
So Nevada Correctional Center	226,265	216,453	9,812
Southern Desert Correctional Center	29,406,662	28,596,624	810,038
Three Lakes Valley Conservation Camp	3,299,440	3,154,383	145,057
Tonopah Conservation Camp	1,552,314	1,442,470	109,844
Warm Springs Correctional Center	12,725,851	12,583,830	142,021
Wells Conservation Camp	1,439,641	1,332,959	106,682
Department of Public Safety			
Child Volunteer Background Checks Trust	15,087	15,086	1
Cigarette Fire Safety Standard	158,144	14,961	143,183
Contingency Account for Haz Mat	1,221,174	444,791	776,383
Criminal History Repository	35,564,159	19,059,534	16,504,625
Dignitary Protection	1,369,440	1,241,524	127,916
Disaster Response and Recovery Account	41,256,617	11,856,132	29,400,485
Emergency Assistance Subaccount	480,898	411,497	69,401
Emergency Management Assistance Grant	20,057,428	12,093,956	7,963,472
Emergency Management Division	7,295,263	4,838,564	2,456,699
Federal Forfeiture	1,776,637	150,000	1,626,637

Schedule of Total Uses - Budget and Actual , Non-GAAP Budgetary Basis

All General Fund Budgets

For the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance
Fire Marshal	4,287,491	3,424,127	863,364
Forfeitures	588,271	156,556	431,715
Fund for Reentry Programs	5,000	-	5,000
Highway Safety Plan and Administration	4,979,355	3,558,857	1,420,498
Investigations	9,315,477	8,212,357	1,103,120
Justice Assistance Account	5,771,191	2,166,965	3,604,226
Justice Assistance Grant	11,362,588	2,344,305	9,018,283
Justice Grant	509,489	466,427	43,062
K-9 Program	17,858	15,776	2,082
Motorcycle Safety Program	1,035,453	343,380	692,073
Office of Cyber Defense	529,641	497,897	31,744
Office of Homeland Security	491,007	477,954	13,053
Parole and Probation	77,756,569	70,965,192	6,791,377
Parole Board	3,618,385	3,578,481	39,904
RCCD Communications Bureau	7,732,345	7,142,193	590,152
Traffic Safety	13,760,424	5,995,761	7,764,663
Training Division	2,278,727	2,157,838	120,889
Department of Motor Vehicles			
Motor Vehicle Pollution Control	13,814,295	11,647,437	2,166,858
Peace Officers Standards and Training	2,916,325	2,172,755	743,570
	616,807,234	513,393,867	103,413,367

Infrastructure

Department of Wildlife			
Conservation Education	3,859,392	3,076,836	782,556
Diversity	2,019,740	1,626,321	393,419
Fisheries Management	10,874,604	9,100,356	1,774,248
Game Management	8,727,436	7,646,865	1,080,571
Habitat	12,792,939	10,636,823	2,156,116
Law Enforcement	8,341,895	6,656,735	1,685,160
Wildlife Director's Office	8,356,518	7,198,705	1,157,813
Wildlife Fund	42,889,717	23,144,909	19,744,808
Wildlife Habitat Enhancements	4,011,223	179,544	3,831,679
Wildlife Heritage Account	11,603,117	801,028	10,802,089
Wildlife Operations	8,943,748	8,222,628	721,120
Department of Conservation and Natural Resources			
AB9/Q1 Bonds	4,118,082	1,720,663	2,397,419
Adjudication Emergency	16,000	-	16,000
Air Quality	9,352,737	7,666,537	1,686,200
Air Quality Management Account	7,388,191	3,014,920	4,373,271
Basin Account Region 1	385,171	49,524	335,647
Basin Account Region 2	1,374,017	365,062	1,008,955
Basin Account Region 3	1,811,843	500,372	1,311,471
Basin Account Region 4	436,586	103,417	333,169
Bureau of Water	8,049,705	3,561,692	4,488,013
Channel Clearance	253,527	30,703	222,824
Chemical Hazard Prevention	2,061,946	758,287	1,303,659
Comstock Historic District	214,685	209,847	4,838
Comstock Historical District Gifts	23,179	300	22,879
Conservation Districts	638,222	604,405	33,817
Cultural Resource Program	966,847	712,872	253,975
Dep Industrial Site Cleanup	4,845,144	2,180,063	2,665,081
Environmental Protection Administration	8,453,468	7,266,892	1,186,576
Environmental Quality Improvement	89,313	-	89,313
Flood Control Revenue Fund	250,000	-	250,000
Forest Fire Suppression/Emergency Response	22,383,821	20,818,499	1,565,322
Forestry	29,451,395	15,131,671	14,319,724
Forestry Conservation Camps	12,927,779	9,463,962	3,463,817
Groundwater Recharge Projects	174,962	39,580	135,382
Hazardous Waste - Beatty Site	14,054,859	-	14,054,859
Hazardous Waste Management	25,588,735	5,185,913	20,402,822
Historic Preservation and Archives	1,562,390	1,341,085	221,305
HP 2017/SB546 2018A Bond	978,523	695,787	282,736
Interim Fluid Management Trust	1,393,550	-	1,393,550
Las Vegas Basin Water District	5,756,999	2,104,724	3,652,275
Maintenance of State Parks	7,237,364	1,436,270	5,801,094
Materials Management and Corrective Actions	18,487,266	10,223,889	8,263,377

(continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Mining Regulation/Reclamation	6,365,315	3,013,061	3,352,254
Natural Resources Administration	1,955,848	1,929,014	26,834
Nevada Natural Heritage	1,474,439	1,134,150	340,289
Nevada Tahoe Regional Planning Agency	1,831	416	1,415
NV State Parks/Cultural Resources Endowment	510,000	-	510,000
Off-highway Vehicle Commission	4,312,826	846,882	3,465,944
Outdoor Education and Grant Recreation Program	10,100	-	10,100
Outdoor Recreation	213,564	142,425	71,139
Parks Federal Grant Programs	4,703,654	2,533,492	2,170,162
Public Water System Fund	2,303,226	566,096	1,737,130
Q1 2017/SB546 2017C Bond	3,287,640	1,156,840	2,130,800
Reclamation Surety Account	56,228,669	301,897	55,926,772
Safe Drinking Water Regulatory Program	5,657,707	4,448,637	1,209,070
Sagebrush Ecosystem Account	1,495,062	302,487	1,192,575
State Engineer Revenue	234,190	101,693	132,497
State Environmental Commission	149,684	55,704	93,980
State Lands	2,069,219	1,892,611	176,608
State Lands Revolving Account	230,931	9,537	221,394
State Parks	25,182,744	20,345,212	4,837,532
State Parks Facility and Grounds Maintenance	14,028,078	1,160,292	12,867,786
State Parks Interpretive and Educational Program	2,021,198	979,855	1,041,343
Storage Tank Management	304,984	-	304,984
Tahoe Bond Sale	685,447	31,042	654,405
Tahoe License Plates	2,499,327	604,805	1,894,522
Tahoe Mitigation	3,912,714	73,176	3,839,538
Tahoe Regional Planning Agency	14,331,146	2,339,236	11,991,910
USGS Co-Op	755,451	455,171	300,280
Water District Revenue Fund	30,000	-	30,000
Water Planning - Capital Improvement	16,846	2,662	14,184
Water Quality Planning	4,566,392	3,338,151	1,228,241
Water Resources	9,788,401	9,306,345	482,056
Water Resources Cooperative Project	2,392,046	1,049,003	1,343,043
Water Resources Legal Cost	192,094	-	192,094
Water Right Surveyors	48,198	639	47,559
Water Studies	277,000	-	277,000
Well Driller's Licenses	88,455	8,850	79,605
Wildland Fire Protection Program	3,328,378	1,577,486	1,750,892
	<u>488,799,439</u>	<u>233,184,553</u>	<u>255,614,886</u>
Special purpose agencies			
Department of Veterans' Services			
Cemetery Gifts and Donations	89,454	87,540	1,914
Department of Veterans' Services	4,870,954	4,443,274	427,680
Fallen Soldier Gift Fund	170,330	-	170,330
General Veterans' Services - Fees	2,040,537	923,737	1,116,800
Gift Account for Veterans' Home - So Nevada	57,102	26,184	30,918
Northern Nevada Veterans	19,720,994	15,188,348	4,532,646
Veterans' Home Account	30,402,570	21,468,683	8,933,887
Veterans' Home Gift Fund	157,345	83,891	73,454
Veterans' Memorial Gift Account	5,230	-	5,230
Office of the Military			
Adjutant General Special Facilities Account	57,873	-	57,873
Military	26,322,684	20,623,554	5,699,130
Military Emergency Operations Center	611,754	323,797	287,957
Military State Active Duty	705,297	705,297	-
National Guard Benefits	57,818	56,888	930
Patriot Relief Account	150,973	70,596	80,377
Silver State Health Insurance Exchange Admin	25,364,360	18,066,302	7,298,058
Deferred Compensation Committee	615,148	386,657	228,491
Civil Air Patrol	60,320	33,205	27,115
Commission on Ethics	922,786	864,155	58,631
Public Employees' Benefits Program			
Non-State Retirees' Rate Mitigation	1,035,547	999,147	36,400
	<u>113,419,076</u>	<u>84,351,255</u>	<u>29,067,821</u>

Schedule of Total Uses - Budget and Actual , Non-GAAP Budgetary Basis

All General Fund Budgets

For the Fiscal Year Ended June 30, 2020

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Appropriated Transfers to Other Funds			
Attorney General Special Fund	749,070	749,070	-
Enterprise Funds	100	100	-
Highway Fund	253,374	253,374	-
Legislative Fund	38,254,449	38,254,449	-
	<u>39,256,993</u>	<u>39,256,993</u>	<u>-</u>
Reversions to Other Funds			
Reversion to Enterprise Funds	-	1,205,400	(1,205,400)
Reversion to Internal Service Funds	-	149,571	(149,571)
Reversion to Special Revenue Funds	-	1,269,777	(1,269,777)
	<u>-</u>	<u>2,624,748</u>	<u>(2,624,748)</u>
Projected reversions			
	(50,000,000)	-	(50,000,000)
Total General Fund	<u>\$ 13,926,860,919</u>	<u>\$ 11,318,849,021</u>	<u>\$ 2,608,011,898</u>

Nevada Test Site, Sedan Crater

Just southwest of Groom Lake (by about 12 miles) is the Sedan Crater. It was created by a 104-kiloton nuclear test on July 6, 1962 that displaced 12 million tons of earth. Sedan Crater is 320 feet deep and 1,280 feet wide. The crater was listed on the National Register of Historic Places on March 21, 1994.



*From Wikipedia, the free encyclopedia
en.wikipedia.org/wiki/Sedan_Crater*

Schedule of Total Uses - Budget and Actual , Non-GAAP Budgetary Basis

All Special Revenue Fund Budgets

For the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance
State Highway			
Infrastructure			
AB 595 Revenue Clark Co.	\$ 45,723,526	\$ 15,431,767	\$ 30,291,759
AB 595 Revenue Rental Car Tax	3,200	5	3,195
AB 595 Revenue Washoe Co.	4,821,546	2,051,097	2,770,449
Aviation Trust Fund	128,046	57,018	71,028
Bond Construction	161,600,700	683	161,600,017
NDOT - SB 5 RTC Public Road Project	27,748,432	2,463,246	25,285,186
NDOT Fuel Revenue Indexing Clark	29,508,960	1,336,560	28,172,400
System of Providing Information to the Traveling Public	689,193	166,419	522,774
Transportation Administration	912,951,120	751,517,753	161,433,367
Unbudgeted Activity	-	491,569	(491,569)
Public Safety			
Director's Office - Public Safety	3,703,558	3,318,040	385,518
Emergency Response Commission	3,654,605	1,192,749	2,461,856
Evidence Vault	782,600	765,759	16,841
Highway Patrol	80,693,293	74,861,597	5,831,696
One Shot Account	15,131,167	9,156,708	5,974,459
Professional Responsibility	810,784	755,776	55,008
PS Highway Safety Grants Account	4,010,245	2,786,269	1,223,976
Motor vehicles			
Admin Off Highway Vehicle Titling and Registration	1,488,339	1,328,618	159,721
Administrative Services	16,242,137	13,516,050	2,726,087
Assistance of Off Highway Vehicle Titling	26,825	-	26,825
Central Services	12,644,764	10,958,283	1,686,481
Compliance Enforcement	6,175,942	5,095,650	1,080,292
Director's Office	5,523,844	5,029,624	494,220
Field Services	63,389,476	53,465,419	9,924,057
Forfeitures	211	-	211
Hearings	1,474,277	1,222,355	251,922
License Plate Factory	5,571,535	3,184,268	2,387,267
Local Fuel Tax Indexing Fund	127,821	2,926	124,895
Management Services	1,755,233	1,478,232	277,001
Motor Carrier	6,335,182	4,309,920	2,025,262
Motor Vehicle Information Technology	13,838,805	12,010,259	1,828,546
Records Search	9,291,030	8,767,281	523,749
Salvage Titles Trust Account	491,065	148,323	342,742
Special Fuel Ind Reimb Clark	6,000,670	5,112,322	888,348
Special Plates Trust Account	3,894,547	535,951	3,358,596
STAR	11,951,475	1,209,537	10,741,938
Verification of Insurance	2,976,748	2,188,256	788,492
Transfers to Other Funds			
Appropriations to Other Funds	11,008,706	11,008,706	-
Debt Service	74,605,842	74,605,842	-
Reversions to Other Funds	-	19,402	(19,402)
Projected Reversions	(150,341,356)	-	(150,341,356)
	<u>1,396,434,093</u>	<u>1,081,550,239</u>	<u>314,883,854</u>
Municipal Bond Bank			
Transfers to Other Funds			
Debt Service	7,668,454	7,661,787	6,667
	<u>7,668,454</u>	<u>7,661,787</u>	<u>6,667</u>
Employment Security			
Human Services			
Employment Security Division Administration	1,345,255	1,122,608	222,647
Employment Security Special Fund	14,828,208	1,100,765	13,727,443
Unemployment Insurance	47,137,323	34,915,732	12,221,591
Workforce Development	73,879,819	55,343,255	18,536,564
	<u>137,190,605</u>	<u>92,482,360</u>	<u>44,708,245</u>

(continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Regulatory			
Commerce and Industry			
Real Estate Education and Research	1,050,186	553,314	496,872
Real Estate Recovery Account	890,487	587,107	303,380
Regulatory Fund	18,038,919	13,124,733	4,914,186
Administrative Fines	344,000	337,468	6,532
Taxicab Authority	10,604,164	4,947,758	5,656,406
Dairy Commission	1,920,381	1,093,450	826,931
	<u>32,848,137</u>	<u>20,643,830</u>	<u>12,204,307</u>
Higher Education Capital Construction			
Finance and Administration			
Higher Education Capital Construction	5,000,000	5,000,000	-
Higher Education Special Construction	8,244,070	8,244,070	-
	<u>13,244,070</u>	<u>13,244,070</u>	<u>-</u>
Cleaning Up Petroleum Discharges			
Infrastructure			
Petroleum Clean-Up Trust Fund	22,355,622	12,685,232	9,670,390
	<u>22,355,622</u>	<u>12,685,232</u>	<u>9,670,390</u>
Hospital Care to Indigent Persons			
Finance and Administration			
Indigent Hospital Care	67,142,555	41,216,628	25,925,927
	<u>67,142,555</u>	<u>41,216,628</u>	<u>25,925,927</u>
Tourism Promotion			
Commerce and Industry			
Division of Tourism	31,868,899	20,659,626	11,209,273
Tourism Development	223,379	97,652	125,727
	<u>32,092,278</u>	<u>20,757,278</u>	<u>11,335,000</u>
Offender's Store			
Public Safety			
Inmate Welfare Account	7,265,660	6,213,875	1,051,785
Offenders' Store Fund	40,706,771	18,586,008	22,120,763
	<u>47,972,431</u>	<u>24,799,883</u>	<u>23,172,548</u>
Tobacco Settlement			
Elected Officials			
Guinn Memorial Millennium Scholarship Fund	415,772	9,000	406,772
MSA Compliance Administration	691,601	645,699	45,902
Millennium Scholarship Fund	62,632,148	38,729,697	23,902,451
Millennium Scholarship Administration	412,919	360,941	51,978
Trust Fund for Healthy Nevada	64,080,738	24,800,507	39,280,231
Human Services			
Senior RX and Disability RX	1,530,900	1,187,491	343,409
Tobacco Settlement Program	5,943,499	5,818,974	124,525
	<u>135,707,577</u>	<u>71,552,309</u>	<u>64,155,268</u>
Attorney General Settlement			
Public Safety			
National Settlement Administration	16,948,145	5,000,556	11,947,589
	<u>16,948,145</u>	<u>5,000,556</u>	<u>11,947,589</u>
Gift			
Education			
Education Gift Fund	10,199,206	4,923,268	5,275,938
Library and Archives Gift Fund	471,784	102,932	368,852
Human Services			
Aging Services Gift Account	55,544	-	55,544

Schedule of Total Uses - Budget and Actual , Non-GAAP Budgetary Basis

All Special Revenue Fund Budgets

For the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance
Blind Gift Fund	472,933	-	472,933
CBS Washoe Gift Fund	10,854	1,760	9,094
CYC Gift Fund	1,703	-	1,703
Henry Woods Christmas Fund	2,754	1,550	1,204
Hospital Gift Fund	252,954	952	252,002
Indian Commission Gift Account	49,678	11,201	38,477
NV Equal Rights Commission Gift Fund	1,435	220	1,215
Nevada Children's Gift Account	607,585	20,000	587,585
Public Health Gift Fund	10,245	-	10,245
Rehabilitation Gift Fund	16,378	1,584	14,794
Rural Services Gift Account	13,450	-	13,450
SNAMHS Gift Fund	29,918	-	29,918
SRC Gift Fund	11,566	-	11,566
Welfare Gift Fund	9,887	-	9,887
Youth Training Center Gift Fund	32,789	20,000	12,789
Infrastructure			
Park Gift and Grants	261,189	31,057	230,132
Wildlife Trust Account	1,304,479	734,416	570,063
	<u>13,816,331</u>	<u>5,848,940</u>	<u>7,967,391</u>
Natural Resources			
Infrastructure			
Erosion Control Bond Q12	228,611	2,500	226,111
Grants To Water Purveyors	2,567,141	965,367	1,601,774
Protect Lake Tahoe	3,998,187	772,976	3,225,211
Tahoe 2017/SB546 2017B Bond	851,206	652,498	198,708
Tahoe 2017/SB546 2018B Bond	2,602,804	-	2,602,804
Tahoe 2019/AB541 2019B Bond	4,080,000	-	4,080,000
Water Grants 2017/SB546 2017B Bond	935,141	911,994	23,147
Water Grants 2019/AB5412019B Bond	1,632,000	53,373	1,578,627
	<u>16,895,090</u>	<u>3,358,708</u>	<u>13,536,382</u>
Miscellaneous			
Elected Officials			
Consumer Advocate	5,862,726	4,207,670	1,655,056
Racketeering-Prosecution Account	125	-	125
Unfair Trade Practices	750,000	379,947	370,053
Commerce and Industry			
Lost City Museum Trust	204,489	93,848	110,641
LV Museum and Historical Society Trust	143,471	53,526	89,945
Museums Administrator Trust	51,125	41,734	9,391
Museums and History Board Trust	54,026	27,278	26,748
Nevada Historical Society Trust	2,132,556	75,395	2,057,161
Nevada State Museum Trust	941,474	470,386	471,088
Nevada Railroad Museum Trust	1,015,926	224,312	791,614
Human Services			
Low Level Radioactive Waste	1,693,415	13,507	1,679,908
Finance and Administration			
Victims of Crime	13,696,048	7,500,303	6,195,745
	<u>26,545,381</u>	<u>13,087,906</u>	<u>13,457,475</u>
Legislative (Non-GAAP Fund)			
Legislative Branch			
Audit Contingency Account	628,464	576,000	52,464
Legislative Counsel Bureau	51,575,317	39,844,546	11,730,771
Nevada Legislative Interim	1,000,981	897,295	103,686
	<u>53,204,762</u>	<u>41,317,841</u>	<u>11,886,921</u>
Total Special Revenue	<u>\$ 2,020,065,531</u>	<u>\$ 1,455,207,567</u>	<u>\$ 564,857,964</u>

Helen Rulison Shipley, Nevada's First Female Dentist

Born: July 23, 1870 in Dayton, Nevada

Died: June 6, 1955, Reno, Nevada



Miss Helen Rulison, Nevada's first female dentist joined her brother David's dentistry practice in Reno in 1899. Three members of the Rulison family, David, Helen, and Fred, were among Nevada's first dentists, and their offices were to be found in Reno for over fifty years. Only when "Nellie", as Helen was known in her youth, reached her seventy-sixth year did she finally retire from the profession she had practiced in San Francisco, Reno, Goldfield, and Tonopah, and to which she had devoted forty-nine years of her life.

*Courtesy of: NWHP, Nevada Women's History Project
nevadawomen.org/research-center/biographies-alphabetical/helen-rulison-shipley/*

Schedule of Sources - Budget and Actual, Non-GAAP Budgetary Basis

All Nonmajor Special Revenue Fund Budgets

For the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance	Final Budget	Actual	Variance
	Municipal Bond Bank			Employment Security		
Fund balances	\$ -	\$ -	\$ -	\$ 21,609,711	\$ 21,609,711	
<i>Revenues:</i>						
Intergovernmental	-	-	-	88,241,607	73,123,161	(15,118,446)
Sales, charges for services	-	-	-	875,386	202,034	(673,352)
Licenses, fees and permits	-	-	-	276,823	378,612	101,789
Interest	3,263,454	3,263,453	(1)	413,634	475,496	61,862
Other	4,405,000	4,405,000	-	22,709,070	22,635,844	(73,226)
<i>Other financing sources:</i>						
Transfers	-	-	-	3,064,374	3,163,927	99,553
Total sources	\$ 7,668,454	\$ 7,668,453	\$ (1)	\$ 137,190,605	\$ 121,588,785	\$ (15,601,820)

	Final Budget	Actual	Variance	Final Budget	Actual	Variance
	Regulatory			Higher Education Capital Construction		
Fund balances	\$ 11,716,378	\$ 11,716,378	\$ -	\$ -	\$ -	-
<i>Revenues:</i>						
Gaming taxes, fees, licenses	-	-	-	11,734,124	11,734,124	-
Other taxes	12,920,191	12,835,933	(84,258)	-	-	-
Intergovernmental	764,991	752,940	(12,051)	-	-	-
Sales, charges for services	2,791,537	2,053,102	(738,435)	-	-	-
Licenses, fees and permits	2,951,343	2,653,180	(298,163)	-	-	-
Interest	63,194	135,497	72,303	-	-	-
Other	538,996	423,955	(115,041)	-	-	-
<i>Other financing sources:</i>						
Transfers	1,101,507	991,043	(110,464)	-	-	-
Total sources	\$ 32,848,137	\$ 31,562,028	\$ (1,286,109)	\$ 11,734,124	\$ 11,734,124	\$ -

	Final Budget	Actual	Variance	Final Budget	Actual	Variance
	Cleaning Up Petroleum Discharges			Hospital Care to Indigent Persons		
Fund balances	\$ 7,500,000	\$ 7,500,000	\$ -	\$ 30,106,803	\$ 30,106,803	-
<i>Revenues:</i>						
Other taxes	14,254,941	14,254,940	(1)	15,144,694	15,144,694	-
Intergovernmental	-	-	-	21,506,007	21,506,007	-
Licenses, fees and permits	410,097	399,200	(10,897)	-	-	-
Interest	190,584	166,146	(24,438)	385,051	385,051	-
<i>Other financing sources:</i>						
Total sources	\$ 22,355,622	\$ 22,320,286	\$ (35,336)	\$ 67,142,555	\$ 67,142,555	\$ -

	Final Budget	Actual	Variance	Final Budget	Actual	Variance
	Tourism Promotion			Offenders' Store		
Fund balances	\$ 6,164,144	\$ 6,164,144	\$ -	\$ 20,430,950	\$ 20,430,950	-
<i>Revenues:</i>						
Other taxes	25,725,380	19,088,134	(6,637,246)	-	-	-
Sales, charges for services	-	-	-	20,422,786	20,438,517	15,731
Licenses, fees and permits	38,058	27,354	(10,704)	-	-	-
Interest	2,421	2,420	(1)	443,271	485,189	41,918
Other	1,816	678	(1,138)	496,556	701,679	205,123
<i>Other financing sources:</i>						
Transfers	160,459	335,609	175,150	6,178,868	4,697,327	(1,481,541)
Total sources	\$ 32,092,278	\$ 25,618,339	\$ (6,473,939)	\$ 47,972,431	\$ 46,753,662	\$ (1,218,769)

(continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
	Tobacco Settlement			Attorney General Settlement		
Fund balances	\$ 77,634,490	\$ 77,634,490	\$ -	\$ 16,548,604	\$ 16,548,604	\$ -
<i>Revenues:</i>						
Interest	902,941	1,123,485	220,544	283,087	283,087	-
Other	40,593,311	39,049,660	(1,543,651)	-	-	-
<i>Other financing sources:</i>						
Transfers	16,576,835	16,572,597	(4,238)	116,454	116,454	-
Total sources	\$ 135,707,577	\$ 134,380,232	\$ (1,327,345)	\$ 16,948,145	\$ 16,948,145	\$ -

	<u>Gift</u>	<u>Natural Resources</u>
Fund balances	\$ 5,224,336	\$ 4,671,404
<i>Revenues:</i>		
Licenses, fees and permits	-	150,000
Interest	80,552	259,545
Other	8,510,243	2,000
<i>Other financing sources:</i>		
Proceeds from sale of bonds	-	5,600,000
Transfers	1,200	6,212,141
Total sources	\$ 13,816,331	\$ 16,895,090

	<u>Miscellaneous</u>	<u>Legislative (Non-GAAP Fund)</u>
Fund balances	\$ 13,093,787	\$ 13,217,370
<i>Revenues:</i>		
Other taxes	3,068,189	-
Intergovernmental	1,068,000	-
Sales, charges for services	978,562	350,600
Licenses, fees and permits	2,242,156	1,910
Interest	235,910	-
Other	2,590,698	245,826
<i>Other financing sources:</i>		
Transfers	3,268,079	39,389,056
Total sources	\$ 26,545,381	\$ 53,204,762

	Total Nonmajor Special Revenue Funds		
Fund balances	\$ 227,917,977	\$ 227,917,977	\$ -
Gaming taxes, fees, licenses	11,734,124	11,734,124	-
Other taxes	71,113,395	64,348,049	(6,765,346)
Sales, charges for services	25,418,871	23,851,193	(1,567,678)
Intergovernmental	111,580,605	95,382,108	(16,198,497)
Licenses, fees and permits	6,070,387	5,506,415	(563,972)
Interest	6,523,644	6,690,435	166,791
Other	80,093,516	78,066,133	(2,027,383)
Proceeds from sale of bonds	5,600,000	5,378,203	(221,797)
Transfers	76,068,973	69,754,148	(6,314,825)
Total sources	\$ 622,121,492	\$ 588,628,785	\$ (33,492,707)

Nevada State Reptile, Desert Tortoise

Desert tortoises' native habitat is the Mojave Desert shrubland from about 1,000-4,000 feet in elevation. Their range extends across the southwestern United States (Nevada, California, Arizona, Utah and New Mexico) south to Mexico.

As a desert adaptation, the tortoises can store water in their bladders for months, and their skin and shell are waterproof. During dry spells, they switch from excreting urea, which contains lots of water, to uric acid crystals. When water is available, however, a tortoise's bladder can store more than 40 percent of its body weight in water, urea, uric acid and waste.



*Courtesy Nevada Department of Wildlife
www.ndow.org*

Nonmajor Enterprise Funds

Workers' Compensation and Safety Records assessments on insurers for compensation of injured workers and administration of regulations for employee safety (NRS 616A.425), assesses self-insurers to pay claims against insolvent self-insured employers (NRS 616B.309), accounts for compensation benefits to physically impaired employees from a subsequent injury in the course of employment (NRS 616B.554, 616B.575, 616B.584), and accounts for injury claims of employees of uninsured employers (NRS 616A.430).

Insurance Administration and Enforcement Accounts for activities related to the administration and enforcement of the Nevada Insurance Code and other laws and regulations enforced by the Department of Business and Industry Division of Insurance (NRS 680C.100).

Gaming Investigative Accounts for activities related to investigations of gaming license applicants (NRS 463.331).

Forestry Nurseries Accounts for the self-supporting operation of State nurseries, which propagate, maintain and distribute plants for conservation purposes (NRS 528.100).

Prison Industry Accounts for a self-supporting program of job training through the employment of inmates in farming and manufacturing (NRS 209.189).

Nevada Magazine Accounts for the operation of the publication, Nevada Magazine, which is published to promote tourism (NRS 231.290).

Marlette Lake Water System Accounts for the costs of operating the State-owned Marlette Lake Water System. The system serves the State Buildings and Grounds Division and portions of Carson City and Storey County (NRS 331.180).

Combining Statement of Net Position Nonmajor Enterprise Funds

June 30, 2020

	Workers' Compensation and Safety	Insurance Admin and Enforcement	Gaming Investigative	Forestry Nurseries
Assets				
<i>Current assets:</i>				
<i>Cash and pooled investments:</i>				
Cash with treasurer	\$ 57,454,623	\$ 6,827,446	\$ 13,416,728	\$ 1,066,641
Cash in custody of other officials	250	-	222,200	100
<i>Receivables:</i>				
Accounts receivable	3,701,372	1,010,405	46,306	5,499
Intergovernmental receivables	444,724	26,699	-	1,083
Due from other funds	3,153,794	151,659	1,238	188,006
Due from fiduciary funds	-	-	-	-
Inventory	-	-	-	90,659
Prepaid items	22,771	8,658	48,757	474
Total current assets	64,777,534	8,024,867	13,735,229	1,352,462
<i>Noncurrent assets:</i>				
Other assets	-	-	-	-
<i>Capital assets:</i>				
Land	-	-	-	-
Buildings	-	-	-	-
Improvements other than buildings	-	-	-	-
Furniture and equipment	4,645,189	232,909	132,357	48,791
Less accumulated depreciation/amortization	(2,618,850)	(214,585)	(132,357)	(44,245)
Total noncurrent assets	2,026,339	18,324	-	4,546
Total assets	66,803,873	8,043,191	13,735,229	1,357,008
Deferred Outflows of Resources				
Deferred charge on refunding	-	-	-	-
Pensions related amounts	4,546,929	1,765,199	-	68,846
OPEB related amounts	498,852	197,433	-	8,736
Total deferred outflows of resources	5,045,781	1,962,632	-	77,582
Liabilities				
<i>Current liabilities:</i>				
<i>Accounts payable and accruals:</i>				
Accounts payable	1,664,479	180,577	167,396	12,494
Accrued payroll and related liabilities	742,820	291,545	-	10,027
Interest payable	-	-	-	-
Intergovernmental payables	218,207	-	174	-
Due to other funds	380,873	52,111	2,011,142	200,332
Due to fiduciary funds	-	-	-	-
Due to component units	650	-	-	-
Unearned revenues	-	1,024,000	11,304,517	-
Other liabilities	-	-	-	-
<i>Short-term portion of long-term liabilities:</i>				
Compensated absences	1,051,322	340,555	-	10,883
Bonds payable	-	-	-	-
Total current liabilities	4,058,351	1,888,788	13,483,229	233,736
<i>Noncurrent liabilities:</i>				
Advances from other funds	-	-	-	124,020
Net pension obligation	25,182,845	9,762,325	-	311,610
Net OPEB liability	9,307,201	3,683,577	-	162,979
Compensated absences	272,501	78,403	-	819
Bonds payable	-	-	-	-
Total noncurrent liabilities	34,762,547	13,524,305	-	599,428
Total liabilities	38,820,898	15,413,093	13,483,229	833,164
Deferred Inflows of Resources				
Pension related amounts	2,379,777	922,539	-	29,447
OPEB related amounts	565,423	223,782	-	9,902
Total deferred inflows of resources	2,945,200	1,146,321	-	39,349
Net Position				
Net investment in capital assets	2,026,339	18,324	-	4,546
<i>Restricted for:</i>				
Workers' compensation	28,057,217	-	-	-
Regulation of business	-	-	2,000	-
Unrestricted (deficit)	-	(6,571,915)	250,000	557,531
Total net position	\$ 30,083,556	\$ (6,553,591)	\$ 252,000	\$ 562,077

(continued)

<u>Prison Industry</u>	<u>Nevada Magazine</u>	<u>Marlette Lake Water System</u>	<u>Total</u>
\$ 4,175,970	\$ 235,464	\$ 433,103	\$ 83,609,975
100	-	-	222,650
576,185	37,451	-	5,377,218
-	-	99,626	572,132
284,437	36,451	9,518	3,825,103
7,015	-	-	7,015
1,526,721	55,543	-	1,672,923
2,253	1,215	356	84,484
<u>6,572,681</u>	<u>366,124</u>	<u>542,603</u>	<u>95,371,500</u>
5,000	-	-	5,000
153,140	-	414,672	567,812
908,227	-	498,613	1,406,840
1,982,000	-	3,656,507	5,638,507
1,463,803	-	9,649,503	16,172,552
(3,854,371)	-	(4,014,142)	(10,878,550)
<u>657,799</u>	<u>-</u>	<u>10,205,153</u>	<u>12,912,161</u>
<u>7,230,480</u>	<u>366,124</u>	<u>10,747,756</u>	<u>108,283,661</u>
-	-	175,883	175,883
478,083	164,590	67,571	7,091,218
45,857	17,192	7,308	775,378
<u>523,940</u>	<u>181,782</u>	<u>250,762</u>	<u>8,042,479</u>
218,920	22,788	1,698	2,268,352
74,553	14,183	12,069	1,145,197
-	-	58,215	58,215
170	-	6,320	224,871
38,915	134,732	200,775	3,018,880
60,786	-	-	60,786
-	-	-	650
101,902	139,501	-	12,569,920
9,400	-	2,050	11,450
116,309	24,702	29,686	1,573,457
-	-	359,039	359,039
<u>620,955</u>	<u>335,906</u>	<u>669,852</u>	<u>21,290,817</u>
-	-	-	124,020
2,674,339	952,596	376,541	39,260,256
855,582	320,744	136,354	14,466,437
88,845	1,859	12,279	454,706
-	-	7,050,403	7,050,403
<u>3,618,766</u>	<u>1,275,199</u>	<u>7,575,577</u>	<u>61,355,822</u>
<u>4,239,721</u>	<u>1,611,105</u>	<u>8,245,429</u>	<u>82,646,639</u>
252,726	90,021	35,583	3,710,093
51,978	19,485	8,284	878,854
<u>304,704</u>	<u>109,506</u>	<u>43,867</u>	<u>4,588,947</u>
652,799	-	2,795,711	5,497,719
-	-	-	28,057,217
-	-	-	2,000
2,557,196	(1,172,705)	(86,489)	(4,466,382)
<u>\$ 3,209,995</u>	<u>\$ (1,172,705)</u>	<u>\$ 2,709,222</u>	<u>\$ 29,090,554</u>

Combining Statement of Revenues, Expenses and Changes in Fund Net Position

Nonmajor Enterprise Funds

For the Fiscal Year Ended June 30, 2020

	Workers' Compensation and Safety	Insurance Admin and Enforcement	Gaming Investigative	Forestry Nurseries
Operating Revenues				
Sales	\$ -	\$ -	\$ -	\$ 213,656
Assessments	-	414,783	-	-
Charges for services	3,891	548	13,005,285	-
Rental income	-	-	-	-
Licenses, fees and permits	33,449,680	12,144,619	-	-
Fines	4,328,798	134,575	-	-
Other	397,223	-	-	61,140
Total operating revenues	38,179,592	12,694,525	13,005,285	274,796
Operating Expenses				
Salaries and benefits	18,826,304	7,076,259	11,370,536	373,674
Operating	5,339,934	3,694,320	978,136	85,443
Claims and benefits expense	6,417,273	-	-	-
Materials or supplies used	-	-	-	19,057
Depreciation	363,854	6,926	-	691
Total operating expenses	30,947,365	10,777,505	12,348,672	478,865
Operating income (loss)	7,232,227	1,917,020	656,613	(204,069)
Nonoperating Revenues (Expenses)				
Interest and investment income	1,588,922	137,034	-	-
Interest expense	-	-	-	-
Federal grant revenue	2,660,006	96,105	-	-
Total nonoperating revenues (expenses)	4,248,928	233,139	-	-
Income (loss) before transfers	11,481,155	2,150,159	656,613	(204,069)
Transfers				
Transfers in	1,516,804	145,989	-	95,397
Transfers out	(11,644,123)	(1,002,575)	(656,613)	-
Change in net position	1,353,836	1,293,573	-	(108,672)
Net position, July 1	28,729,720	(7,847,164)	252,000	670,749
Net position, June 30	\$ 30,083,556	\$ (6,553,591)	\$ 252,000	\$ 562,077

(continued)

<u>Prison Industry</u>	<u>Nevada Magazine</u>	<u>Marlette Lake Water System</u>	<u>Total</u>
\$ 4,571,506	\$ 768,133	\$ 1,097,454	\$ 6,650,749
-	-	-	414,783
529,842	54,600	-	13,594,166
144,200	-	-	144,200
-	-	-	45,594,299
-	-	-	4,463,373
<u>1,725,693</u>	<u>7,390</u>	<u>145,188</u>	<u>2,336,634</u>
<u>6,971,241</u>	<u>830,123</u>	<u>1,242,642</u>	<u>73,198,204</u>
2,179,930	622,778	290,339	40,739,820
2,963,031	145,413	271,462	13,477,739
-	-	-	6,417,273
1,969,487	102,578	-	2,091,122
91,167	-	372,020	834,658
<u>7,203,615</u>	<u>870,769</u>	<u>933,821</u>	<u>63,560,612</u>
<u>(232,374)</u>	<u>(40,646)</u>	<u>308,821</u>	<u>9,637,592</u>
111,030	-	-	1,836,986
-	-	(270,657)	(270,657)
-	-	-	2,756,111
<u>111,030</u>	<u>-</u>	<u>(270,657)</u>	<u>4,322,440</u>
(121,344)	(40,646)	38,164	13,960,032
29,794	27,806	9,518	1,825,308
<u>(88,633)</u>	<u>(14,603)</u>	<u>(200,000)</u>	<u>(13,606,547)</u>
(180,183)	(27,443)	(152,318)	2,178,793
<u>3,390,178</u>	<u>(1,145,262)</u>	<u>2,861,540</u>	<u>26,911,761</u>
<u>\$ 3,209,995</u>	<u>\$ (1,172,705)</u>	<u>\$ 2,709,222</u>	<u>\$ 29,090,554</u>

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

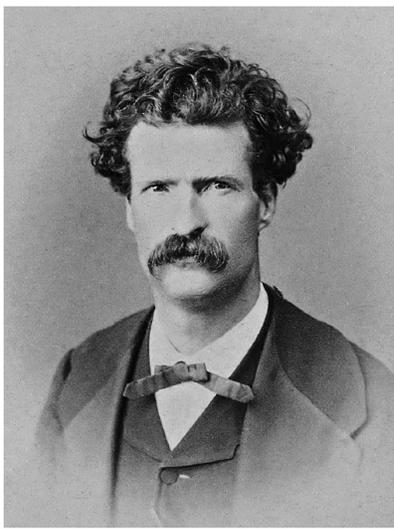
For the Fiscal Year Ended June 30, 2020

	Workers' Compensation and Safety	Insurance Admin and Enforcement	Gaming Investigative	Forestry Nurseries
Cash flows from operating activities				
Receipts from customers and users	\$ 36,698,304	\$ 11,847,266	\$ 13,023,904	\$ 118,292
Receipts for interfund services provided	194,769	431,535	-	110,243
Payments to suppliers, other governments and beneficiaries	(6,341,328)	(2,213,005)	(232,107)	(41,666)
Payments to employees	(17,931,023)	(7,067,337)	(11,370,536)	(222,017)
Payments for interfund services	(3,589,975)	(1,279,363)	(25,474)	(33,766)
Payments to component units	(17,103)	-	-	-
Net cash provided by (used for) operating activities	9,013,644	1,719,096	1,395,787	(68,914)
Cash flows from noncapital financing activities				
Grant receipts	2,580,231	551,266	-	-
Transfers and advances from other funds	-	12,301	-	86,726
Transfers and advances to other funds	(12,331,608)	(1,023,612)	(695,525)	(20,670)
Net cash provided by (used for) noncapital financing activities	(9,751,377)	(460,045)	(695,525)	66,056
Cash flows from capital and related financing activities				
Purchase of capital assets	(47,151)	(8,349)	-	-
Principal paid on capital debt	-	-	-	-
Interest paid on capital debt	-	-	-	-
Net cash provided by (used for) capital and related financing activities	(47,151)	(8,349)	-	-
Cash flows from investing activities				
Interest, dividends and gains (losses)	1,774,523	144,717	-	-
Net cash provided by (used for) investing activities	1,774,523	144,717	-	-
Net cash increase (decreases) in cash	989,639	1,395,419	700,262	(2,858)
Cash and cash equivalents, July 1	56,465,234	5,432,027	12,938,666	1,069,599
Cash and cash equivalents, June 30	\$ 57,454,873	\$ 6,827,446	\$ 13,638,928	\$ 1,066,741
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$ 7,232,227	\$ 1,917,020	\$ 656,613	\$ (204,069)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	363,854	6,926	-	691
Decrease (increase) in accrued interest and receivables	(1,243,019)	(708,374)	61,703	(46,261)
Decrease (increase) in inventory, deferred charges, other assets	335,773	115,605	(10,739)	(35,826)
Decrease (increase) in deferred outflow of resources	(374,443)	(119,575)	-	(19,788)
Increase (decrease) in accounts payable, accruals, other liabilities	1,881,286	154,301	731,294	174,314
Increase (decrease) in unearned revenues	(43,500)	292,650	(43,084)	-
Increase(decrease) in net pension liability	292,153	(185,068)	-	3,476
Increase(decrease) in net OPEB liability	50,057	63,475	-	49,179
Increase (decrease) in deferred inflows of resources	519,256	182,136	-	9,370
Total adjustments	1,781,417	(197,924)	739,174	135,155
Net cash provided by (used for) operating activities	\$ 9,013,644	\$ 1,719,096	\$ 1,395,787	\$ (68,914)

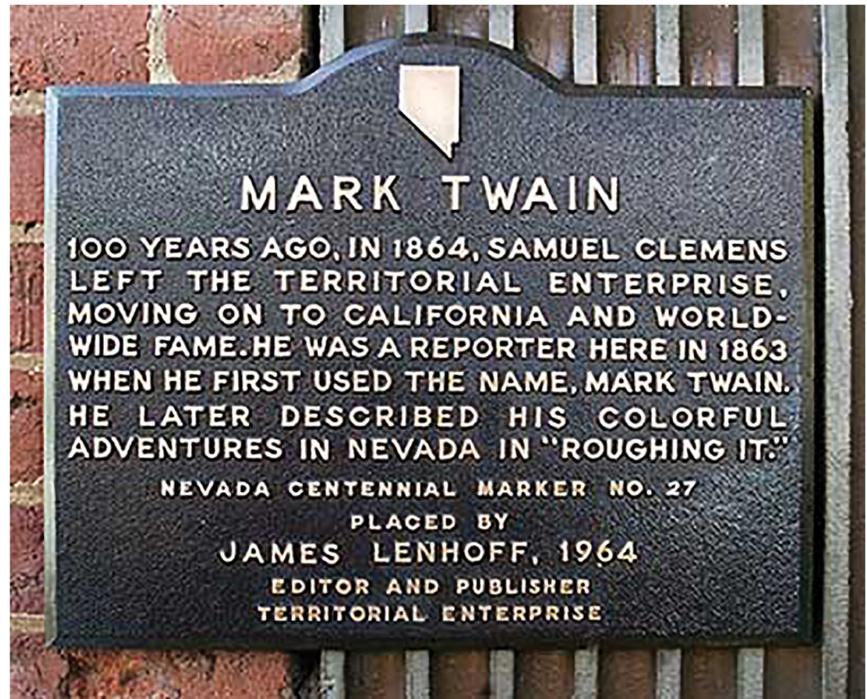
(continued)

<u>Prison Industry</u>	<u>Nevada Magazine</u>	<u>Marlette Lake Water System</u>	<u>Total</u>
\$ 5,408,833	\$ 703,178	\$ 1,371,272	\$ 69,171,049
1,453,925	205,369	8,775	2,404,616
(2,975,758)	(203,303)	(262,739)	(12,269,906)
(1,855,240)	(645,743)	(302,530)	(39,394,426)
(2,028,282)	(70,717)	(75,376)	(7,102,953)
-	-	(3,527)	(20,630)
<u>3,478</u>	<u>(11,216)</u>	<u>735,875</u>	<u>12,787,750</u>
-	-	-	3,131,497
-	132,781	203,975	435,783
<u>(101,989)</u>	<u>-</u>	<u>-</u>	<u>(14,173,404)</u>
<u>(101,989)</u>	<u>132,781</u>	<u>203,975</u>	<u>(10,606,124)</u>
(271,834)	-	-	(327,334)
-	-	(299,000)	(299,000)
-	-	(302,983)	(302,983)
<u>(271,834)</u>	<u>-</u>	<u>(601,983)</u>	<u>(929,317)</u>
127,534	-	-	2,046,774
<u>127,534</u>	<u>-</u>	<u>-</u>	<u>2,046,774</u>
(242,811)	121,565	337,867	3,299,083
4,418,881	113,899	95,236	80,533,542
<u>\$ 4,176,070</u>	<u>\$ 235,464</u>	<u>\$ 433,103</u>	<u>\$ 83,832,625</u>
<u>\$ (232,374)</u>	<u>\$ (40,646)</u>	<u>\$ 308,821</u>	<u>\$ 9,637,592</u>
91,167	-	372,020	834,658
(148,113)	75,532	137,405	(1,871,127)
(65,099)	(17,388)	(7)	322,319
(63,500)	(4,540)	(4,392)	(586,238)
(10,082)	(20,184)	(83,443)	2,827,486
39,630	2,892	-	248,588
341,645	6,213	(2,615)	455,804
(26,192)	(30,417)	807	106,909
76,396	17,322	7,279	811,759
<u>235,852</u>	<u>29,430</u>	<u>427,054</u>	<u>3,150,158</u>
<u>\$ 3,478</u>	<u>\$ (11,216)</u>	<u>\$ 735,875</u>	<u>\$ 12,787,750</u>

Mark Twain and the Territorial Enterprise



Samuel Clemens had originally come to Nevada to prospect gold and silver but it was a fruitless venture. In need of money he accepted a job at the Territorial Enterprise and began publishing as Mark Twain. Clemens claimed he got his pen name from a riverboat captain. However, according to Virginia City legend, Clemens acquired the nickname before it appeared in print, derived from his habit of striding into the Old Corner Saloon and calling out to the barkeep to "Mark Twain!" a phrase Mississippi river boatmen sang out with their craft in two fathoms of water, but that in Virginia City meant bring two blasts of whisky to Sam Clemens and make two chalk marks against his account on the back wall of the saloon.



*From Wikipedia, the free encyclopedia
en.wikipedia.org/wiki/Mark_Twain_in_Nevada*

Internal Service Funds

Self-Insurance Accounts for self-insured group life, accident and health insurance plans for State and other government employees (NRS 287.0435).

Buildings and Grounds Accounts for the maintenance, housekeeping and security of most State buildings (NRS 331.101).

Fleet Services Accounts for the operations of the State vehicle fleet (NRS 336.110).

Communications Accounts for the operation of mail services for State agencies in Carson City, Reno, Las Vegas and Elko (NRS 378.143).

Insurance Premiums Allocates the costs of fidelity insurance, property insurance and workers' compensation insurance to State agencies (NRS 331.187).

Administrative Services Provides administrative and accounting services to various divisions of the Department of Administration (NRS 232.219).

Personnel Accounts for the costs of administering the State personnel system. Operations are financed by assessments charged to user agencies (NRS 284.110).

Purchasing Provides purchasing services to State agencies and other governmental units. The operation is financed by an administrative charge on purchase orders and warehouse orders (NRS 333.120).

Information Services Accounts for designing, programming, and maintaining data processing software and also operating the State's central computer facility, radio communication and telecommunication systems (NRS 242.211).

Printing Accounts for the operation of the State printing facilities (NRS 344.090).

Combining Statement of Net Position

Internal Service Funds

June 30, 2020

	Self-Insurance	Buildings and Grounds	Fleet Services	Communications
Assets				
<i>Current assets:</i>				
<i>Cash and pooled investments:</i>				
Cash with treasurer	\$ 159,637,188	\$ 5,893,863	\$ 5,506,061	\$ 92,785
<i>Receivables:</i>				
Accounts receivable	6,055,621	38,714	7,927	14,386
Intergovernmental receivables	8,911,233	304	3,118	30,793
Notes/loans receivable	-	-	-	-
Due from other funds	1,441,984	1,049,935	1,056,950	504,196
Due from fiduciary funds	11,699,729	-	-	40
Due from component units	4,567	-	4,003	38
Inventory	-	-	-	-
Prepaid items	3,202	7,234	1,898	2,016
Total current assets	187,753,524	6,990,050	6,579,957	644,254
<i>Noncurrent assets:</i>				
<i>Receivables:</i>				
Notes/loans receivable	-	-	-	-
Other assets	-	-	-	-
<i>Capital assets:</i>				
Land	-	20,400	901,783	-
Buildings	-	2,268,068	2,476,962	-
Improvements other than buildings	-	291,216	-	422,451
Furniture and equipment	461,025	949,754	30,878,016	1,129,041
Software costs	-	-	-	-
Less accumulated depreciation/amortization	(435,940)	(2,796,048)	(22,490,359)	(1,261,016)
Total noncurrent assets	25,085	733,390	11,766,402	290,476
Total assets	187,778,609	7,723,440	18,346,359	934,730
Deferred Outflows of Resources				
Pensions related amounts	663,273	1,444,856	270,654	272,617
OPEB related amounts	69,742	149,827	30,566	30,025
Total deferred outflows of resources	733,015	1,594,683	301,220	302,642
Liabilities				
<i>Current liabilities:</i>				
<i>Accounts payable and accruals:</i>				
Accounts payable	1,409,272	1,041,237	1,570,468	18,914
Accrued payroll and related liabilities	98,393	252,846	45,397	44,549
Intergovernmental payables	-	56,026	1,331	5,000
Bank overdraft	3,428,332	-	-	-
Due to other funds	20,435	108,077	2,397,899	26,831
Due to fiduciary funds	-	961	2,825	-
Due to component units	-	-	-	-
Unearned revenues	3,489,755	-	-	-
<i>Short-term portion of long-term liabilities:</i>				
Reserve for losses	89,702,313	-	-	-
Compensated absences	156,804	344,711	75,452	78,468
Bonds payable	-	-	-	-
Obligations under capital leases	-	-	1,109,539	-
Total current liabilities	98,305,304	1,803,858	5,202,911	173,762
<i>Noncurrent liabilities:</i>				
Advances from other funds	-	-	1,562,500	-
Reserve for losses	-	-	-	-
Net pension obligation	3,833,649	8,013,336	1,490,408	1,525,525
Net OPEB liability	1,301,204	2,795,377	570,277	560,178
Compensated absences	38,259	92,554	45,483	43,796
Bonds payable	-	-	-	-
Obligations under capital leases	-	-	285,456	-
Total noncurrent liabilities	5,173,112	10,901,267	3,954,124	2,129,499
Total liabilities	103,478,416	12,705,125	9,157,035	2,303,261
Deferred Inflows of Resources				
Pension related amounts	362,280	757,261	140,842	144,161
OPEB related amounts	79,050	169,823	34,645	34,031
Total deferred inflows of resources	441,330	927,084	175,487	178,192
Net Position				
Net investment in capital assets	25,085	733,390	10,371,407	290,476
Unrestricted (deficit)	84,566,793	(5,047,476)	(1,056,350)	(1,534,557)
Total net position	\$ 84,591,878	\$ (4,314,086)	\$ 9,315,057	\$ (1,244,081)

(continued)

<u>Insurance Premiums</u>	<u>Administrative Services</u>	<u>Personnel</u>	<u>Purchasing</u>	<u>Information Services</u>	<u>Printing</u>	<u>Total</u>
\$ 20,715,257	\$ 789,892	\$ 2,876,223	\$ 702,790	\$ 11,101,603	\$ 2,278,444	\$ 209,594,106
98	-	-	665,519	112,427	-	6,894,692
2,940	-	-	-	88,623	-	9,037,011
5,000	-	-	-	-	-	5,000
1,435,456	124,754	230,813	25,485	5,568,806	98,247	11,536,626
12	-	-	-	-	-	11,699,781
7,566	-	-	-	2,389	-	18,563
-	-	-	-	-	241,547	241,547
164,065	3,321	6,997	2,491	20,043	1,898	213,165
<u>22,330,394</u>	<u>917,967</u>	<u>3,114,033</u>	<u>1,396,285</u>	<u>16,893,891</u>	<u>2,620,136</u>	<u>249,240,491</u>
55,000	-	-	-	-	-	55,000
-	-	-	-	3,761	-	3,761
-	-	-	95,554	15,000	-	1,032,737
-	-	-	140,000	14,762,838	744,617	20,392,485
-	-	-	-	-	3,125,954	3,839,621
14,442	6,300	201,252	86,146	18,733,314	3,980,446	56,439,736
-	-	16,134,510	-	-	-	16,134,510
(14,416)	(6,300)	(15,733,097)	(226,146)	(19,742,484)	(5,465,692)	(68,171,498)
<u>55,026</u>	<u>-</u>	<u>602,665</u>	<u>95,554</u>	<u>13,772,429</u>	<u>2,385,325</u>	<u>29,726,352</u>
<u>22,385,420</u>	<u>917,967</u>	<u>3,716,698</u>	<u>1,491,839</u>	<u>30,666,320</u>	<u>5,005,461</u>	<u>278,966,843</u>
196,258	609,194	1,315,251	518,695	4,722,333	434,568	10,447,699
22,121	66,760	145,930	54,797	519,820	54,087	1,143,675
<u>218,379</u>	<u>675,954</u>	<u>1,461,181</u>	<u>573,492</u>	<u>5,242,153</u>	<u>488,655</u>	<u>11,591,374</u>
501,101	1,666	2,605	273,955	332,524	150,520	5,302,262
31,813	102,321	223,555	77,261	781,301	51,136	1,708,572
-	-	-	44	5,695	-	68,096
-	-	-	-	-	-	3,428,332
44,850	4,366	215,492	226,777	2,022,186	12,946	5,079,859
-	-	-	-	-	5,150	8,936
5,833	-	-	-	5,667	-	11,500
-	-	-	-	-	-	3,489,755
19,247,693	-	-	-	-	-	108,950,006
52,804	161,954	352,933	138,511	1,256,052	105,209	2,722,898
-	-	-	-	513,323	-	513,323
-	-	-	-	-	-	1,109,539
<u>19,884,094</u>	<u>270,307</u>	<u>794,585</u>	<u>716,548</u>	<u>4,916,748</u>	<u>324,961</u>	<u>132,393,078</u>
-	-	-	-	5,757,289	-	7,319,789
43,964,147	-	-	-	-	-	43,964,147
1,082,650	3,424,942	7,342,667	3,002,578	26,357,821	1,469,149	57,542,725
412,721	1,245,558	2,722,650	1,022,386	9,698,434	898,052	21,226,837
26,730	34,709	200,956	59,735	575,865	62,110	1,180,197
-	-	-	-	2,169,634	-	2,169,634
-	-	-	-	-	-	285,456
<u>45,486,248</u>	<u>4,705,209</u>	<u>10,266,273</u>	<u>4,084,699</u>	<u>44,559,043</u>	<u>2,429,311</u>	<u>133,688,785</u>
<u>65,370,342</u>	<u>4,975,516</u>	<u>11,060,858</u>	<u>4,801,247</u>	<u>49,475,791</u>	<u>2,754,272</u>	<u>266,081,863</u>
102,310	323,659	693,881	283,744	2,490,812	263,103	5,562,053
25,073	75,669	165,404	62,112	589,192	54,269	1,289,268
<u>127,383</u>	<u>399,328</u>	<u>859,285</u>	<u>345,856</u>	<u>3,080,004</u>	<u>317,372</u>	<u>6,851,321</u>
26	-	602,665	95,554	11,115,310	2,385,325	25,619,238
(42,893,952)	(3,780,923)	(7,344,929)	(3,177,326)	(27,762,632)	37,147	(7,994,205)
<u>\$ (42,893,926)</u>	<u>\$ (3,780,923)</u>	<u>\$ (6,742,264)</u>	<u>\$ (3,081,772)</u>	<u>\$ (16,647,322)</u>	<u>\$ 2,422,472</u>	<u>\$ 17,625,033</u>

Combining Statement of Revenues, Expenses and Changes in Fund Net Position

Internal Service Funds

For the Fiscal Year Ended June 30, 2020

	Self-Insurance	Buildings and Grounds	Fleet Services	Communications
Operating Revenues				
Net premium income	\$ 391,121,895	\$ -	\$ -	-
Sales	-	-	1,387	-
Charges for services	-	898,072	50,265	6,264,643
Rental income	-	15,905,032	6,119,270	-
Other	5,520	54,346	-	-
Total operating revenues	391,127,415	16,857,450	6,170,922	6,264,643
Operating Expenses				
Salaries and benefits	2,793,277	5,978,800	1,188,318	1,175,405
Operating	2,356,630	10,140,493	2,843,369	5,249,361
Claims and benefits expense	303,888,916	-	-	-
Materials or supplies used	-	-	97,794	-
Depreciation	40,542	151,129	3,312,232	32,281
Insurance premiums	59,748,805	-	-	-
Total operating expenses	368,828,170	16,270,422	7,441,713	6,457,047
Operating income (loss)	22,299,245	587,028	(1,270,791)	(192,404)
Nonoperating Revenues (Expenses)				
Interest and investment income	3,751,217	-	-	-
Interest expense	-	-	(67,227)	-
Gain (loss) on disposal of assets	-	-	107,394	-
Total nonoperating revenues (expenses)	3,751,217	-	40,167	-
Income (loss) before transfers	26,050,462	587,028	(1,230,624)	(192,404)
Transfers				
Transfers in	408,891	899,918	89,585	6,235
Transfers out	-	(25,083)	(2,181,203)	-
Change in net position	26,459,353	1,461,863	(3,322,242)	(186,169)
Net position, July 1	58,132,525	(5,775,949)	12,637,299	(1,057,912)
Net position, June 30	\$ 84,591,878	\$ (4,314,086)	\$ 9,315,057	\$ (1,244,081)

(continued)

<u>Insurance Premiums</u>	<u>Administrative Services</u>	<u>Personnel</u>	<u>Purchasing</u>	<u>Information Services</u>	<u>Printing</u>	<u>Total</u>
\$ 25,066,096	\$ -	\$ -	\$ -	\$ -	\$ -	416,187,991
-	-	-	81,508	-	2,544,292	2,627,187
-	2,914,176	8,762,960	3,385,015	39,569,009	-	61,844,140
-	-	-	-	-	-	22,024,302
102,591	-	28,340	115,007	14,777	8,640	329,221
<u>25,168,687</u>	<u>2,914,176</u>	<u>8,791,300</u>	<u>3,581,530</u>	<u>39,583,786</u>	<u>2,552,932</u>	<u>503,012,841</u>
752,756	2,551,414	4,903,730	2,240,472	20,740,793	1,730,522	44,055,487
1,834,758	434,860	3,225,581	2,046,888	13,466,935	953,393	42,552,268
15,313,204	-	-	-	-	-	319,202,120
-	-	-	-	-	-	97,794
802	-	90,756	-	2,253,248	149,798	6,030,788
<u>7,147,826</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,896,631</u>
<u>25,049,346</u>	<u>2,986,274</u>	<u>8,220,067</u>	<u>4,287,360</u>	<u>36,460,976</u>	<u>2,833,713</u>	<u>478,835,088</u>
<u>119,341</u>	<u>(72,098)</u>	<u>571,233</u>	<u>(705,830)</u>	<u>3,122,810</u>	<u>(280,781)</u>	<u>24,177,753</u>
-	-	-	-	-	-	3,751,217
-	-	-	-	-	-	(67,227)
-	-	-	-	(8,589)	-	98,805
-	-	-	-	(8,589)	-	3,782,795
<u>119,341</u>	<u>(72,098)</u>	<u>571,233</u>	<u>(705,830)</u>	<u>3,114,221</u>	<u>(280,781)</u>	<u>27,960,548</u>
35,857	114,087	78,682	23,409	715,240	159,150	2,531,054
<u>(50,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,256,286)</u>
105,198	41,989	649,915	(682,421)	3,829,461	(121,631)	28,235,316
<u>(42,999,124)</u>	<u>(3,822,912)</u>	<u>(7,392,179)</u>	<u>(2,399,351)</u>	<u>(20,476,783)</u>	<u>2,544,103</u>	<u>(10,610,283)</u>
<u>\$ (42,893,926)</u>	<u>\$ (3,780,923)</u>	<u>\$ (6,742,264)</u>	<u>\$ (3,081,772)</u>	<u>\$ (16,647,322)</u>	<u>\$ 2,422,472</u>	<u>\$ 17,625,033</u>

Combining Statement of Cash Flows

Internal Service Funds

For the Fiscal Year Ended June 30, 2020

	<u>Self-Insurance</u>	<u>Buildings and Grounds</u>	<u>Fleet Services</u>	<u>Communications</u>
Cash flows from operating activities				
Receipts from customers and users	\$ 67,200,183	\$ 20,994	\$ 107,636	\$ 449,634
Receipts for interfund services provided	296,430,133	16,700,578	5,453,787	5,840,315
Receipts from component units	13,822,120	-	49,657	2,489
Receipts of principal on loans/notes	-	-	-	-
Payments to suppliers, other governments and beneficiaries	(374,541,205)	(6,892,220)	(354,509)	(4,820,999)
Payments to employees	(2,592,613)	(5,759,614)	(1,127,540)	(1,119,757)
Payments for interfund services	(865,561)	(2,700,042)	(1,110,853)	(398,042)
Payments to component units	-	(84)	-	-
Net cash provided by (used for) operating activities	<u>(546,943)</u>	<u>1,369,612</u>	<u>3,018,178</u>	<u>(46,360)</u>
Cash flows from noncapital financing activities				
Transfers and advances from other funds	-	103,481	10,351,005	-
Transfers and advances to other funds	-	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>103,481</u>	<u>10,351,005</u>	<u>-</u>
Cash flows from capital and related financing activities				
Proceeds from sale of capital assets	-	-	208,234	-
Purchase of capital assets	(10,678)	(21,694)	(7,133,325)	(68,566)
Principal paid on capital debt	-	-	(1,199,233)	-
Interest paid on capital debt	-	-	(67,227)	-
Net cash provided by (used for) capital and related financing activities	<u>(10,678)</u>	<u>(21,694)</u>	<u>(8,191,551)</u>	<u>(68,566)</u>
Cash flows from investing activities				
Interest, dividends and gains (losses)	4,286,191	-	-	-
Net cash provided by (used for) investing activities	<u>4,286,191</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decreases) in cash	3,728,570	1,451,399	5,177,632	(114,926)
Cash and cash equivalents, July 1	155,908,618	4,442,464	328,429	207,711
Cash and cash equivalents, June 30	<u>\$ 159,637,188</u>	<u>\$ 5,893,863</u>	<u>\$ 5,506,061</u>	<u>\$ 92,785</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$ 22,299,245	\$ 587,028	\$ (1,270,791)	\$ (192,404)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	40,542	151,129	3,312,232	32,281
Decrease (increase) in loans and notes receivable	-	-	-	-
Decrease (increase) in accrued interest and receivables	(14,463,906)	(142,045)	(559,842)	27,795
Decrease (increase) in inventory, deferred charges, other assets	409	(12)	(267)	81
Decrease (increase) in deferred outflow of resources	(46,923)	(111,496)	(22,359)	(19,778)
Increase (decrease) in accounts payable, accruals, other liabilities	(8,462,288)	633,526	1,514,862	59,807
Increase (decrease) in unearned revenues	(173,143)	-	-	-
Increase(decrease) in net pension liability	286,410	76,085	(4,542)	20,256
Increase(decrease) in net OPEB liability	(116,303)	10,694	18,798	(5,490)
Increase (decrease) in deferred inflows of resources	89,014	164,703	30,087	31,092
Total adjustments	<u>(22,846,188)</u>	<u>782,584</u>	<u>4,288,969</u>	<u>146,044</u>
Net cash provided by (used for) operating activities	<u>\$ (546,943)</u>	<u>\$ 1,369,612</u>	<u>\$ 3,018,178</u>	<u>\$ (46,360)</u>

(continued)

Insurance Premiums	Administrative Services	Personnel	Purchasing	Information Services	Printing	Total
\$ 146,848	\$ -	\$ 355	\$ 1,843,501	\$ 752,436	\$ 464,330	\$ 70,985,917
23,795,195	2,903,509	9,116,926	1,617,121	36,330,464	2,201,078	400,389,106
580,592	-	195,881	-	-	-	14,650,739
5,000	-	-	-	-	-	5,000
(11,506,571)	(42,956)	(470,869)	(1,055,569)	(13,224,314)	(747,603)	(413,656,815)
(786,913)	(2,421,031)	(5,262,802)	(1,983,369)	(18,935,727)	(1,648,875)	(41,638,241)
(11,237,210)	(398,910)	(2,668,176)	(684,584)	(42)	(187,189)	(20,250,609)
(79,719)	-	(6,119)	-	(84,234)	-	(170,156)
<u>917,222</u>	<u>40,612</u>	<u>905,196</u>	<u>(262,900)</u>	<u>4,838,583</u>	<u>81,741</u>	<u>10,314,941</u>
-	-	-	-	335,212	159,150	10,948,848
(50,000)	-	-	-	(1,024,875)	-	(1,074,875)
<u>(50,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(689,663)</u>	<u>159,150</u>	<u>9,873,973</u>
-	-	-	-	-	-	208,234
-	-	-	-	(168,623)	(74,192)	(7,477,078)
-	-	-	-	(513,323)	-	(1,712,556)
-	-	-	-	-	-	(67,227)
-	-	-	-	(681,946)	(74,192)	(9,048,627)
-	-	-	-	-	-	4,286,191
-	-	-	-	-	-	4,286,191
867,222	40,612	905,196	(262,900)	3,466,974	166,699	15,426,478
19,848,035	749,280	1,971,027	965,690	7,634,629	2,111,745	194,167,628
<u>\$ 20,715,257</u>	<u>\$ 789,892</u>	<u>\$ 2,876,223</u>	<u>\$ 702,790</u>	<u>\$ 11,101,603</u>	<u>\$ 2,278,444</u>	<u>\$ 209,594,106</u>
<u>\$ 119,341</u>	<u>\$ (72,098)</u>	<u>\$ 571,233</u>	<u>\$ (705,830)</u>	<u>\$ 3,122,810</u>	<u>\$ (280,781)</u>	<u>\$ 24,177,753</u>
802	-	90,756	-	2,253,248	149,798	6,030,788
5,000	-	-	-	-	-	5,000
(646,052)	(10,667)	521,861	(122,268)	(2,500,886)	112,476	(17,783,534)
37,195	(176)	(241)	407	21,515	18,066	76,977
(9,351)	(43,186)	(33,493)	(42,253)	(459,587)	(104,678)	(893,104)
1,446,521	53,273	201,490	340,792	443,130	7,610	(3,761,277)
-	-	-	1,360	-	-	(171,783)
(64,860)	67,433	(529,198)	284,552	1,323,496	144,164	1,603,796
11,378	(24,617)	(21,573)	(93,560)	19,497	34,787	(166,389)
17,248	70,650	104,361	73,900	615,360	299	1,196,714
<u>797,881</u>	<u>112,710</u>	<u>333,963</u>	<u>442,930</u>	<u>1,715,773</u>	<u>362,522</u>	<u>(13,862,812)</u>
<u>\$ 917,222</u>	<u>\$ 40,612</u>	<u>\$ 905,196</u>	<u>\$ (262,900)</u>	<u>\$ 4,838,583</u>	<u>\$ 81,741</u>	<u>\$ 10,314,941</u>

Turquoise

Turquoise has been mined from more than 120 locations within Nevada, a number far greater than all other 50 states combined. As a result, the state has also produced more turquoise than all the other states in the US, with the present value of the rough gems produced likely surpassing 100 million dollars, though historical production numbers have often not been publicly reported. The deposits are spread sparsely across large areas of Nevada, but the greatest number of mines are concentrated in Lander and Esmeralda Counties.



Blue Gem Turquoise mine,
Battle Mountain Mining
District, Lander Co.
Nevada



*From University of Nevada Reno
nbnq.uwr.edu/Mining/MiningHistory.html*

Fiduciary Funds

PENSION AND OTHER EMPLOYEE BENEFIT TRUST

Public Employees' Retirement Accounts for the operations of the Public Employees' Retirement System which provides income benefits to qualified public employees (NRS 286.220).

Legislators' Retirement Accounts for the operations of the Legislators' Retirement System (NRS 218.2375).

Judicial Retirement Accounts for the operations of the Judicial Retirement System which provides benefits for justices of the Supreme Court, district judges, municipal court judges, and justices of the peace (NRS 1A.160).

State Retirees' Fund Accounts for the assets accumulated and the payments made for other postemployment benefits provided to current and future State retirees. Administered as a defined benefit Other Postemployment Benefit Plan (OPEB) (NRS 287.0436).

INVESTMENT TRUST

Local Government Investment Pool Accounts for investment funds received from local governments and pooled to obtain greater interest earnings (NRS 355.167).

Nevada Enhanced Savings Term Accounts for the establishment of one or more separate subaccounts for identified investments that are made for and allocated to specific participating local governments (NRS 355.165).

Retirement Benefits Investment Fund Accounts for investment of contributions made by participating entities to support financing of other post employment benefits at some time in the future (NRS 355.220).

PRIVATE PURPOSE TRUST

Prisoners' Personal Property Accounts for personal property held in trust for prisoners pending their release (NRS 209.241).

Nevada College Savings Plan Accounts for participant contributions used to pay for future college expenses (NRS 353B.340).

CUSTODIAL

Intergovernmental Accounts for taxes and fees, such as sales and use, property tax and motor vehicle privilege tax, collected by the Department of Taxation on behalf of local governments (NRS 353.254).

Motor Vehicle Accounts for taxes and fees collected by the Department of Motor Vehicles pending distribution to counties (NRS 482.180).

Child Support Disbursement Accounts for the centralized collection and disbursement of child support payments in accordance with 42 U.S.C. Sec. 654b (NRS 425.363).

Child Welfare Trust Accounts for survivor benefits held in trust for children receiving welfare services (NRS 432.037).

Restitution Trust Accounts for money received from parolees making restitution (NRS 213.126).

Combining Statement of Fiduciary Net Position

Pension and Other Employee Benefit Trust, Investment Trust, Private-Purpose Trust and Custodial Funds

June 30, 2020

	Pension Trust Funds				Total
	Public Employees' Retirement	Legislators' Retirement	Judicial Retirement	State Retirees' Fund	
Assets					
<i>Cash and pooled investments:</i>					
Cash with treasurer	\$ -	\$ -	\$ -	\$ 2,570,445	\$ 2,570,445
Cash in custody of other officials	773,941,346	16,937	821,523	-	774,779,806
<i>Investments:</i>					
Investments	-	-	-	1,843,713	1,843,713
Fixed income securities	12,694,853,860	1,167,045	33,943,875	-	12,729,964,780
Marketable equity securities	18,879,521,208	3,428,181	103,722,661	-	18,986,672,050
International securities	9,342,475,742	77,643	2,396,921	-	9,344,950,306
Real estate	2,115,552,553	-	-	-	2,115,552,553
Alternative investments	2,635,864,456	-	-	-	2,635,864,456
Collateral on loaned securities	205,982,715	-	-	-	205,982,715
<i>Receivables:</i>					
Taxes receivable	-	-	-	-	-
Intergovernmental receivables	144,002,701	-	70,489	22,806	144,095,996
Accrued interest and dividends	143,688,471	6,842	203,017	-	143,898,330
Other receivables	-	-	2,655	-	2,655
Trades pending settlement	599,026,854	73,698	2,103,927	-	601,204,479
Contributions receivables	-	-	-	-	-
Due from other funds	26,345,347	-	273,154	130,776	26,749,277
Due from fiduciary funds	-	-	-	-	-
Due from component units	-	-	-	1,480,374	1,480,374
Other assets	4,131,236	-	-	-	4,131,236
Furniture and equipment	46,556,109	-	-	-	46,556,109
Less accumulated depreciation/amortization	(42,682,996)	-	-	-	(42,682,996)
Total assets	47,569,259,602	4,770,346	143,538,222	6,048,114	47,723,616,284
Liabilities					
<i>Accounts payable and accruals:</i>					
Accounts payable	21,062,638	1,030	45,956	-	21,109,624
Intergovernmental payables	-	-	-	-	-
Trades pending settlement	607,096,841	74,979	2,150,589	-	609,322,409
Redemptions payable	-	-	-	-	-
Bank overdraft	-	-	-	-	-
Obligations under securities lending	205,982,715	-	-	-	205,982,715
Due to other funds	52	-	-	11,699,729	11,699,781
Due to fiduciary funds	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	834,142,246	76,009	2,196,545	11,699,729	848,114,529
Net Position					
<i>Restricted for:</i>					
Pension benefits	46,735,117,356	4,694,337	141,341,677	-	46,881,153,370
OPEB benefits	-	-	-	(5,651,615)	(5,651,615)
Pool participants	-	-	-	-	-
Individuals	-	-	-	-	-
Total net position	\$ 46,735,117,356	\$ 4,694,337	\$ 141,341,677	\$ (5,651,615)	\$ 46,875,501,755

Combining Statement of Fiduciary Net Position

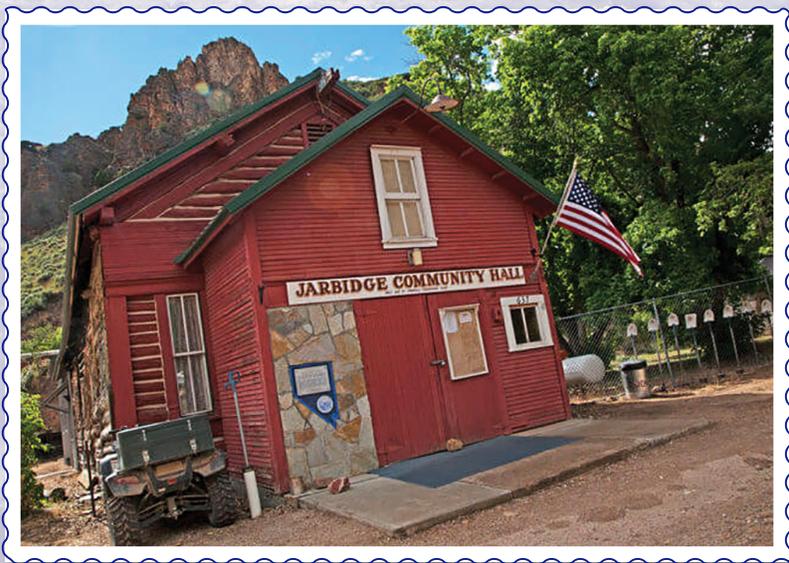
Pension and Other Employee Benefit Trust, Investment Trust, Private-Purpose Trust and Custodial Funds

June 30, 2020

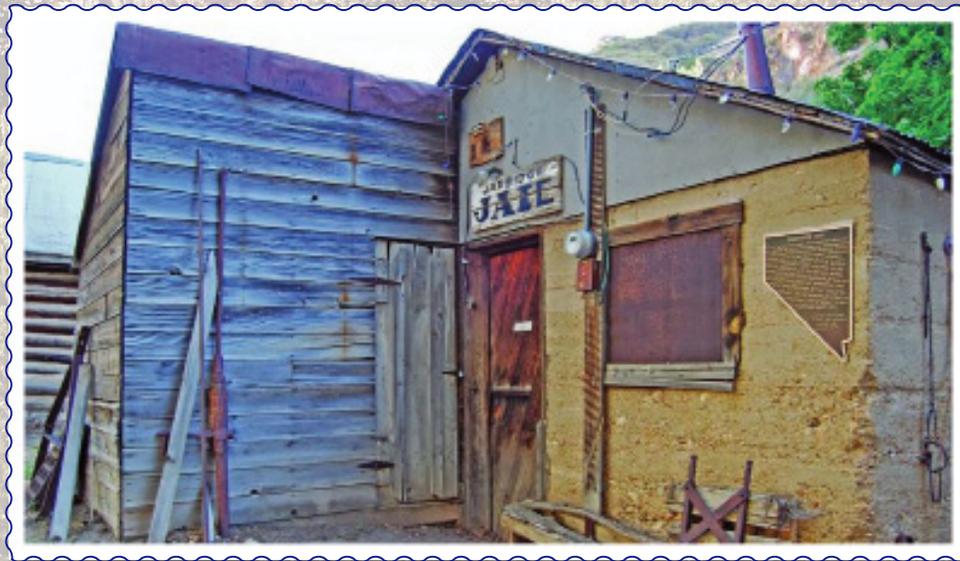
Custodial Funds

	Intergovern- mental	Motor Vehicle	Child Support Disbursement	Child Welfare Trust	Restitution Trust	Total
Assets						
<i>Cash and pooled investments:</i>						
Cash with treasurer	\$ 23,643,059	\$ 37,144,886	\$ -	\$ 148,827	\$ 3,812,476	\$ 64,749,248
Cash in custody of other officials	-	-	4,910,052	-	-	4,910,052
<i>Investments:</i>						
Investments	-	-	-	-	-	-
Fixed income securities	-	-	-	-	-	-
Marketable equity securities	-	-	-	-	-	-
International securities	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Alternative investments	-	-	-	-	-	-
Collateral on loaned securities	-	-	-	-	-	-
<i>Receivables:</i>						
Taxes receivable	16,275,706	51,191,657	-	-	-	67,467,363
Intergovernmental receivables	-	71	-	-	-	71
Accrued interest and dividends	-	-	-	-	-	-
Other receivables	-	86,961	-	15,520	-	102,481
Trades pending settlement	-	-	-	-	-	-
Contributions receivables	-	-	-	-	-	-
Due from other funds	544,328,692	45,264	-	882	4,150	544,378,988
Due from fiduciary funds	-	-	-	-	16,440	16,440
Due from component units	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Furniture and equipment	-	-	-	-	-	-
Less accumulated depreciation/amortization	-	-	-	-	-	-
Total assets	584,247,457	88,468,839	4,910,052	165,229	3,833,066	681,624,643
Liabilities						
<i>Accounts payable and accruals:</i>						
Accounts payable	-	1,255,097	-	37,480	67,624	1,360,201
Intergovernmental payables	584,247,457	87,213,742	-	-	-	671,461,199
Trades pending settlement	-	-	-	-	-	-
Redemptions payable	-	-	-	-	-	-
Bank overdraft	-	-	-	-	-	-
Obligations under securities lending	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Due to fiduciary funds	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total liabilities	584,247,457	88,468,839	-	37,480	67,624	672,821,400
Net Position						
<i>Restricted for:</i>						
Pension benefits	-	-	-	-	-	-
OPEB benefits	-	-	-	-	-	-
Pool participants	-	-	-	-	-	-
Individuals	-	-	4,910,052	127,749	3,765,442	8,803,243
Total net position	\$ -	\$ -	\$ 4,910,052	\$ 127,749	\$ 3,765,442	\$ 8,803,243

Jarbidge



The tiny town of Jarbidge is not only one of Nevada's most isolated mining towns of yesteryear, but it's also arguably known for its most stunning setting. The Jarbidge Wilderness Area is a 65,000-acre region that extends into Idaho, surrounds this historic community and is perfect for a backcountry adventure which is accessed by dirt road. Originally settled in 1909 by prospectors following reports of a gold strike, Jarbidge was born. In fact, this was one of the last gold rushes in the American West. The Jarbidge Jail dates back to 1911 and is open to the public.



For more information visit:
<https://travelnevada.com/cities/jarbidge/>

Combining Statement of Changes in Fiduciary Net Position

Pension and Other Employee Benefit Trust, Investment Trust, Private-Purpose Trust and Custodial Funds

For the Fiscal Year Ended June 30, 2020

	Pension Trust Funds				Total
	Public Employees' Retirement	Legislators' Retirement	Judicial Retirement	State Retirees' Fund	
Additions					
<i>Contributions:</i>					
Employer	\$ 1,045,108,804	\$ 97,935	\$ 5,334,572	\$ 43,881,808	\$ 1,094,423,119
Plan members	1,045,108,804	24,724	133,589	-	1,045,267,117
Participants	-	-	-	-	-
Repayment and purchase of service	67,038,909	-	501,029	-	67,539,938
Total contributions	2,157,256,517	122,659	5,969,190	43,881,808	2,207,230,174
<i>Investment income:</i>					
Net increase (decrease) in fair value of investments	2,162,384,222	214,892	6,147,089	103,941	2,168,850,144
Interest, dividends	908,727,064	80,499	2,288,298	100,811	911,196,672
Securities lending	4,086,256	-	-	-	4,086,256
Other	119,982,070	-	-	-	119,982,070
	3,195,179,612	295,391	8,435,387	204,752	3,204,115,142
Less investment expense:					
Other	(57,703,435)	(805)	(20,348)	(474)	(57,725,062)
Net investment income	3,137,476,177	294,586	8,415,039	204,278	3,146,390,080
<i>Other:</i>					
Investment from local governments	-	-	-	-	-
Taxes and fees collected for other governments	-	-	-	-	-
Child support collections	-	-	-	-	-
Other	3,070,029	80,818	-	-	3,150,847
Total other	3,070,029	80,818	-	-	3,150,847
Total additions	5,297,802,723	498,063	14,384,229	44,086,086	5,356,771,101
Deductions					
Principal redeemed	-	-	-	-	-
Benefit payments	2,805,034,501	421,700	6,594,146	49,969,098	2,862,019,445
Refunds	29,504,997	5,242	-	-	29,510,239
Net position restatement	-	-	-	-	-
Administrative expense	12,398,452	79,954	106,472	-	12,584,878
Payment of taxes and fees to other governments	-	-	-	-	-
Child support payments	-	-	-	-	-
Restitution payments	-	-	-	-	-
Total deductions	2,846,937,950	506,896	6,700,618	49,969,098	2,904,114,562
Change in net position	2,450,864,773	(8,833)	7,683,611	(5,883,012)	2,452,656,539
Net position, July 1	44,284,252,583	4,703,170	133,658,066	231,397	44,422,845,216
Net position restatement	-	-	-	-	-
Net position, July 1 (as restated)	44,284,252,583	4,703,170	133,658,066	231,397	44,422,845,216
Net position, June 30	\$ 46,735,117,356	\$ 4,694,337	\$ 141,341,677	\$ (5,651,615)	\$ 46,875,501,755

(continued)

Investment Trust Funds				Private-Purpose Trust Funds		
Local Government Investment Pool	Nevada Enhanced Savings Term	Retirement Benefits Investment Fund	Total	Prisoners' Personal Property	Nevada College Savings Plan	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	26,715,761	3,111,531,894	3,138,247,655
-	-	-	-	-	-	-
-	-	-	-	26,715,761	3,111,531,894	3,138,247,655
3,458,199	1,233,969	23,973,506	28,665,674	-	(478,002)	(478,002)
28,635,185	2,584,664	12,640,572	43,860,421	-	1,086,743,381	1,086,743,381
-	-	-	-	-	-	-
-	-	-	-	-	-	-
32,093,384	3,818,633	36,614,078	72,526,095	-	1,086,265,379	1,086,265,379
-	-	(80,150)	(80,150)	-	-	-
32,093,384	3,818,633	36,533,928	72,445,945	-	1,086,265,379	1,086,265,379
3,192,040,829	20,500,000	36,219,681	3,248,760,510	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	496	496	-	-	-
3,192,040,829	20,500,000	36,220,177	3,248,761,006	-	-	-
3,224,134,213	24,318,633	72,754,105	3,321,206,951	26,715,761	4,197,797,273	4,224,513,034
2,724,353,069	104,682,396	-	2,829,035,465	-	1,713,377,682	1,713,377,682
-	-	-	-	26,678,611	-	26,678,611
-	-	-	-	-	-	-
-	-	3,221,255	3,221,255	-	-	-
254,173	164,262	71,371	489,806	-	39,473,637	39,473,637
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,724,607,242	104,846,658	3,292,626	2,832,746,526	26,678,611	1,752,851,319	1,779,529,930
499,526,971	(80,528,025)	69,461,479	488,460,425	37,150	2,444,945,954	2,444,983,104
1,259,871,242	121,101,421	532,491,874	1,913,464,537	8,071,904	26,702,844,384	26,710,916,288
-	-	-	-	-	-	-
1,259,871,242	121,101,421	532,491,874	1,913,464,537	8,071,904	26,702,844,384	26,710,916,288
\$ 1,759,398,213	\$ 40,573,396	\$ 601,953,353	\$ 2,401,924,962	\$ 8,109,054	\$ 29,147,790,338	\$ 29,155,899,392

Combining Statement of Changes in Fiduciary Net Position

Pension and Other Employee Benefit Trust, Investment Trust, Private-Purpose Trust and Custodial Funds

For the Fiscal Year Ended June 30, 2020

	Custodial Funds					Total
	Intergovernmental	Motor Vehicle	Child Support Disbursement	Child Welfare Trust	Restitution Trust	
Additions						
<i>Contributions:</i>						
Employer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan members	-	-	-	-	-	-
Participants	-	-	-	-	-	-
Repayment and purchase of service	-	-	-	-	-	-
Total contributions	-	-	-	-	-	-
<i>Investment income:</i>						
Net increase (decrease) in fair value of investments	-	-	-	-	-	-
Interest, dividends	-	-	-	4,150	-	4,150
Securities lending	-	-	-	-	-	-
Other	-	-	-	-	-	-
	-	-	-	4,150	-	4,150
Less investment expense:						
Other	-	-	-	-	-	-
Net investment income	-	-	-	4,150	-	4,150
<i>Other:</i>						
Investment from local governments	-	-	-	-	-	-
Taxes and fees collected for other governments	3,699,184,114	631,296,729	-	-	-	4,330,480,843
Child support collections	-	-	246,965,420	-	-	246,965,420
Other	-	-	-	188,922	2,765,600	2,954,522
Total other	3,699,184,114	631,296,729	246,965,420	188,922	2,765,600	4,580,400,785
Total additions	3,699,184,114	631,296,729	246,965,420	193,072	2,765,600	4,580,404,935
Deductions						
Principal redeemed	-	-	-	-	-	-
Benefit payments	-	-	-	161,827	-	161,827
Refunds	-	-	-	-	-	-
Net position restatement	-	-	-	-	-	-
Administrative expense	-	-	-	-	-	-
Payment of taxes and fees to other governments	3,699,184,114	631,296,729	-	-	-	4,330,480,843
Child support payments	-	-	245,290,174	-	-	245,290,174
Restitution payments	-	-	-	-	2,008,392	2,008,392
Total deductions	3,699,184,114	631,296,729	245,290,174	161,827	2,008,392	4,577,941,236
Change in net position	-	-	1,675,246	31,245	757,208	2,463,699
Net position, July 1	-	-	-	-	-	-
Net position restatement	-	-	3,234,806	96,504	3,008,234	6,339,544
Net position, July 1 (as restated)	-	-	3,234,806	96,504	3,008,234	6,339,544
Net position, June 30	\$ -	\$ -	\$ 4,910,052	\$ 127,749	\$ 3,765,442	\$ 8,803,243

Statistical Section

This part of the State of Nevada's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

FINANCIAL TRENDS (TABLES 1 TO 4)

These tables contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

REVENUE CAPACITY (TABLES 5 TO 6)

These tables contain information to help the reader assess the government's most significant revenue source, taxable sales.

DEBT CAPACITY (TABLES 7 TO 10)

These tables present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION (TABLES 11 TO 14)

These tables offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

OPERATING INFORMATION (TABLES 15 TO 16)

These tables contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these tables is derived from the annual comprehensive financial report of the relevant year.

Table 1 - Net Position by Component

Last Ten Fiscal Years, (Accrual Basis of Accounting, Expressed in Thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities										
Net investment in capital assets	\$ 3,875,141	\$ 4,017,147	\$ 4,357,735	\$ 4,672,738	\$ 4,895,213	\$ 5,588,027	\$ 5,623,373	\$ 5,694,397	\$ 9,309,140	\$ 9,581,627
Restricted	749,818	700,341	741,250	866,071	976,650	1,105,037	1,165,363	1,208,340	1,215,626	1,309,935
Unrestricted (deficit)	(276,924)	(59,069)	(3,135)	(124,344)	(2,223,609)	(1,888,144)	(1,580,030)	(2,448,744)	(2,058,748)	(1,956,044)
Total governmental activities net position	\$ 4,348,035	\$ 4,658,419	\$ 5,095,850	\$ 5,414,465	\$ 3,648,254	\$ 4,804,920	\$ 5,208,706	\$ 4,453,993	\$ 8,466,018	\$ 8,935,518
Business-type Activities										
Net investment in capital assets	\$ 3,120	\$ 3,076	\$ 3,422	\$ 3,434	\$ 3,791	\$ 4,310	\$ 6,446	\$ 6,121	\$ 5,834	\$ 5,627
Restricted	503,090	538,143	560,410	599,806	651,863	1,153,048	1,704,681	2,226,783	2,734,062	1,858,847
Unrestricted (deficit)	(558,265)	(544,418)	(360,488)	(223,987)	88,253	8,873	13,533	21,771	33,494	59,690
Total business-type activities net position	\$ (52,055)	\$ (3,199)	\$ 203,344	\$ 379,253	\$ 743,907	\$ 1,166,231	\$ 1,724,660	\$ 2,254,675	\$ 2,773,390	\$ 1,924,164
Primary Government										
Net investment in capital assets	\$ 3,878,261	\$ 4,020,223	\$ 4,361,157	\$ 4,676,172	\$ 4,899,004	\$ 5,592,337	\$ 5,629,819	\$ 5,700,518	\$ 9,314,974	\$ 9,587,254
Restricted	1,252,908	1,238,484	1,301,660	1,465,877	1,628,513	2,258,085	2,870,044	3,435,123	3,949,688	3,168,782
Unrestricted (deficit)	(835,189)	(603,487)	(363,623)	(348,331)	(2,135,356)	(1,879,271)	(1,566,497)	(2,426,973)	(2,025,254)	(1,896,354)
Total primary government net position	\$ 4,295,980	\$ 4,655,220	\$ 5,299,194	\$ 5,793,718	\$ 4,392,161	\$ 5,971,151	\$ 6,933,366	\$ 6,708,668	\$ 11,239,408	\$ 10,859,682

Table 2 - Changes in Net Position

Last Ten Fiscal Years, (Accrual Basis of Accounting, Expressed in Thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities:										
General government	\$ 334,616	\$ 240,417	\$ 229,136	\$ 202,620	\$ 280,465	\$ 206,620	\$ 351,831	\$ 289,383	\$ 391,690	\$ 262,523
Health and social services	3,209,237	3,250,926	3,464,334	3,784,055	4,887,130	-	-	-	-	-
Health services (c)	-	-	-	-	-	3,509,058	3,957,042	4,142,999	4,391,281	4,275,154
Social services (c)	-	-	-	-	-	1,601,995	1,545,446	1,700,745	1,699,099	1,886,634
Education - K-12 state support (c)	-	-	-	-	-	1,460,123	1,478,773	1,612,584	1,595,968	1,803,605
Education - K-12 administrative (c)	-	-	-	-	-	524,397	580,719	563,634	606,585	638,858
Education - K-12 (b)	1,818,869	1,794,579	1,812,992	1,830,605	1,892,519	-	-	-	-	-
Education - higher education (b)	574,667	486,320	477,852	495,893	490,407	577,683	570,398	717,073	672,643	696,982
Law, justice and public safety	667,598	646,701	657,728	662,330	695,023	709,920	750,614	729,018	712,443	865,199
Regulation of business	122,679	101,687	85,688	303,020	259,106	299,093	295,766	315,038	332,615	312,520
Transportation	630,657	801,797	505,354	327,519	462,386	180,224	841,046	851,333	483,718	553,452
Recreation and resource development	153,404	138,599	134,578	139,188	145,000	144,940	161,621	178,524	183,102	184,811
Interest on long-term debt	128,606	122,080	106,126	121,224	94,987	79,527	73,785	74,499	75,913	71,861
Unallocated depreciation	1,402	1,755	2,023	2,150	2,137	2,680	2,673	2,766	2,306	2,439
Total governmental activities: expenses	7,641,735	7,584,861	7,475,811	7,868,604	9,209,160	9,296,260	10,609,714	11,177,596	11,147,363	11,554,038
Business-type activities:										
Unemployment insurance	1,767,632	1,286,839	867,600	552,246	380,166	342,279	313,306	297,532	281,188	5,474,097
Housing	83,467	50,979	34,247	31,954	23,442	27,099	19,316	23,582	27,805	35,647
Water loans	16,476	8,249	8,942	7,837	6,372	4,962	4,802	7,017	4,361	5,758
Workers' compensation and safety	29,642	27,706	28,685	26,715	27,644	31,024	30,011	39,276	34,563	42,469
Higher education tuition	18,959	26,067	25,081	21,325	25,768	25,108	23,383	11,293	8,046	11,167
Other	28,905	26,187	32,107	32,944	30,263	31,471	32,181	31,487	31,921	32,631
Total business-type activities expenses	1,945,081	1,426,027	996,662	673,021	493,655	461,943	422,999	410,187	387,884	5,601,769
Total primary government expenses	\$ 9,586,816	\$ 9,010,888	\$ 8,472,473	\$ 8,541,625	\$ 9,702,815	\$ 9,758,203	\$ 11,032,713	\$ 11,587,783	\$ 11,535,247	\$ 17,155,807

Table 2 - Changes in Net Position

Last Ten Fiscal Years, (Accrual Basis of Accounting, Expressed in Thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Program Revenues										
Governmental activities:										
<i>Charges for services:</i>										
General government	\$ 301,856	\$ 183,278	\$ 180,169	\$ 174,265	\$ 172,468	\$ 180,648	\$ 194,111	\$ 212,509	\$ 210,572	\$ 234,368
Health and social services	156,698	212,730	212,310	172,459	222,917	-	-	-	-	-
Health services (c)	-	-	-	-	-	98,107	106,150	183,740	187,583	165,324
Social services (c)	-	-	-	-	-	139,256	137,574	49,653	50,875	53,530
Law, justice and public safety	234,385	253,431	267,060	273,895	295,582	301,894	316,046	263,957	283,688	248,853
Other	177,342	145,116	128,126	146,567	138,010	165,741	148,229	190,811	186,307	196,738
Operating grants and contributions	3,050,092	3,091,556	3,116,377	3,416,382	4,337,546	4,791,688	5,076,398	5,274,341	5,521,791	5,592,299
Capital grants and contributions	164,711	73,749	56,003	9,349	10,385	12,503	31,458	21,998	42,689	27,732
Total governmental activities: program revenues	4,085,084	3,959,860	3,960,045	4,192,917	5,176,908	5,689,837	6,009,966	6,197,009	6,483,505	6,518,844
Business-type activities:										
<i>Charges for services:</i>										
Unemployment insurance	1,587	1,544	1,556	1,393	1,753	2,974	975	3,442	4,198	4,946
Housing	21,385	20,105	19,840	16,003	17,058	18,934	19,450	22,252	26,707	31,677
Water loans	8,370	8,371	8,873	8,924	8,233	8,755	8,679	9,581	9,527	9,750
Workers' compensation and safety	35,071	37,946	34,322	40,671	34,804	38,639	43,216	54,130	49,781	50,181
Higher education tuition (a)	9,284	14,065	20,074	22,063	18,643	19,369	17,933	13,934	13,792	11,709
Other	30,854	25,856	32,358	32,210	31,394	31,475	32,969	30,559	31,848	34,604
Operating grants and contributions (a)	1,242,754	848,585	503,960	196,653	75,716	58,795	83,365	82,657	97,883	3,952,488
Total business-type activities: program revenues	1,349,305	956,472	620,983	317,917	187,601	178,941	206,587	216,555	233,736	4,095,355
Total primary government program revenues	\$ 5,434,389	\$ 4,916,332	\$ 4,581,028	\$ 4,510,834	\$ 5,364,509	\$ 5,868,778	\$ 6,216,553	\$ 6,413,564	\$ 6,717,241	\$ 10,614,199
Net (Expense)/Revenue										
Governmental activities	\$ (3,556,651)	\$ (3,625,001)	\$ (3,515,766)	\$ (3,675,687)	\$ (4,032,252)	\$ (3,606,423)	\$ (4,599,748)	\$ (4,980,587)	\$ (4,663,858)	\$ (5,035,194)
Business-type activities	(595,776)	(469,555)	(375,679)	(355,104)	(306,054)	(283,002)	(216,412)	(193,632)	(154,148)	(1,506,414)
Total primary government net expense	\$ (4,152,427)	\$ (4,094,556)	\$ (3,891,445)	\$ (4,030,791)	\$ (4,338,306)	\$ (3,889,425)	\$ (4,816,160)	\$ (5,174,219)	\$ (4,818,006)	\$ (6,541,608)

Table 2 - Changes in Net Position

Last Ten Fiscal Years, (Accrual Basis of Accounting, Expressed in Thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Sales and use taxes	\$ 931,911	\$ 967,374	\$ 1,027,124	\$ 1,085,656	\$ 1,160,968	\$ 1,219,151	\$ 1,285,247	\$ 1,340,985	\$ 1,473,989	\$ 1,502,047
Gaming taxes	850,021	884,928	901,085	922,999	906,382	910,684	896,571	868,923	953,711	868,899
Modified business taxes	378,971	373,156	386,928	382,976	413,749	562,867	572,873	584,212	640,552	666,232
Insurance premium taxes	233,334	238,083	252,195	256,587	301,226	301,368	358,499	394,543	422,106	450,749
Lodging taxes (d)	-	-	-	-	-	167,159	178,846	179,951	208,477	157,099
Cigarette taxes (d)	-	-	-	-	-	153,033	180,677	160,665	164,393	156,695
Commerce taxes (d)	-	-	-	-	-	143,508	198,322	205,013	227,431	206,609
Property and transfer taxes	231,758	215,649	215,211	209,784	219,188	238,192	247,939	277,987	284,614	294,656
Motor and special fuel taxes	267,649	267,181	269,232	269,544	277,305	289,909	299,426	316,780	327,474	315,659
Other taxes	688,752	696,431	685,650	688,399	833,960	582,331	680,738	635,151	579,537	606,474
Unrestricted investment earnings	(4,182)	(11,543)	2,892	5,462	14,780	10,352	2,646	10,864	37,983	45,763
Other general revenues	214,277	300,430	229,733	160,298	231,042	267,350	207,338	203,347	216,122	192,497
Contributions to permanent funds	6,637	6,705	5,376	5,908	9,038	7,480	9,586	10,005	8,259	16,589
Special item - termination of project construction	-	-	-	-	-	-	-	(16,054)	-	-
Transfers	24,044	(3,009)	(22,229)	6,689	(147,100)	(127,364)	(146,901)	(137,005)	12,121	17,929
Total governmental activities:	3,823,172	3,935,385	3,953,197	3,994,302	4,220,538	4,726,020	4,971,807	5,035,367	5,556,769	5,497,897
Business-type activities:										
Other taxes	403,509	515,402	565,925	537,372	555,187	566,551	624,242	653,150	684,984	677,006
Other	-	-	212	-	-	-	-	-	-	-
Special item	-	-	-	330	5,000	-	-	-	-	-
Transfers	(24,044)	3,009	22,229	(6,689)	147,100	127,364	146,901	137,005	(12,121)	(17,929)
Total business-type activities:	379,465	518,411	588,366	531,013	707,287	693,915	771,143	790,155	672,863	659,077
Total primary government	\$ 4,202,637	\$ 4,453,796	\$ 4,541,563	\$ 4,525,315	\$ 4,927,825	\$ 5,419,935	\$ 5,742,950	\$ 5,825,522	\$ 6,229,632	\$ 6,156,974
Change in Net Position										
Governmental activities:	\$ 266,521	\$ 310,384	\$ 437,431	\$ 318,615	\$ 188,286	\$ 1,119,597	\$ 372,059	\$ 54,780	\$ 892,911	\$ 462,703
Business-type activities:	(216,311)	48,856	212,687	175,909	401,233	410,913	554,731	596,523	518,715	(847,337)
Total primary government	\$ 50,210	\$ 359,240	\$ 650,118	\$ 494,524	\$ 589,519	\$ 1,530,510	\$ 926,790	\$ 651,303	\$ 1,411,626	\$ (384,634)

(a) Revised figures for years 2011-2013.

(b) Beginning with fiscal year 2015, educational expenditures are reported separately for K-12 and higher education; accordingly, fiscal years 2011 through 2014 have been revised to report these separately.

(c) Beginning with fiscal year 2016, health and social services expenditures are reported separately, and educational K-12 expenditures are reported separately for state support and for administrative.

(d) Beginning with fiscal year 2016, lodging, cigarette and commerce taxes revenues are reported separately (previously included with other taxes).

Table 3 - Fund Balances of Governmental Funds

Last Ten Fiscal Years, (Modified Accrual Basis of Accounting, Expressed in Thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Nonspendable	\$ 18,456	\$ 23,801	\$ 33,113	\$ 39,255	\$ 35,134	\$ 26,953	\$ 28,248	\$ 27,621	\$ 30,207	\$ 29,476
Restricted	73,687	61,049	59,359	65,342	62,114	78,094	83,172	77,803	79,611	102,346
Committed	270,568	281,751	345,248	306,050	315,131	419,532	542,892	682,810	915,746	626,067
Assigned	-	-	-	-	-	-	-	-	-	13,900
Unassigned	(115,965)	(96,272)	(66,701)	(135,789)	(205,092)	(126,417)	(97,625)	(240,488)	(216,877)	33,005
Total general fund	\$ 246,746	\$ 270,329	\$ 371,019	\$ 274,858	\$ 207,287	\$ 398,162	\$ 556,687	\$ 547,746	\$ 808,687	\$ 804,794
All Other Governmental Funds										
Nonspendable	607,134	614,697	604,111	599,746	578,695	450,349	451,933	466,408	383,620	407,135
Restricted	414,040	276,666	324,473	597,389	544,993	736,953	768,709	663,103	567,340	623,144
Committed	188,796	212,311	245,888	235,265	232,070	278,740	341,572	309,070	483,352	481,282
Unassigned	(191)	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 1,209,779	\$ 1,103,674	\$ 1,174,472	\$ 1,432,400	\$ 1,355,758	\$ 1,466,042	\$ 1,562,214	\$ 1,438,581	\$ 1,434,312	\$ 1,511,561

Las Vegas, The Entertainment Capital Of The World



Las Vegas is Nevada's largest city and has the reputation of being the 'Entertainment Capital of the World'. Home to the famous Las Vegas Strip, the city is famous for its lavish mega hotels and casinos creating an atmosphere of fantasy and where guests can travel around the world in one night thanks to incredible hotels and casinos that offer the atmosphere of New York, Paris, Venice, ancient Egypt and medieval England. A popular holiday destination where you can make or break your dreams, Las Vegas is a hub of gambling, nightlife, shopping, fine dining and entertainment. Equally famous for its shooting galleries and shotgun weddings, there's nowhere else in the world like Vegas, where anything goes.

*From Wikipedia, the free encyclopedia
en.wikipedia.org/wiki/The_Entertainment_Capital_of_the_World*

Table 4 - Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years, (Modified Accrual Basis of Accounting, Expressed in Thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Gaming taxes, fees, licenses	\$ 849,733	\$ 884,331	\$ 896,685	\$ 927,824	\$ 908,491	\$ 910,308	\$ 897,965	\$ 863,297	\$ 954,509	\$ 868,551
Sales taxes	925,899	965,060	1,024,624	1,081,735	1,161,893	1,214,113	1,282,745	1,337,930	1,465,518	1,493,718
Modified business taxes	381,901	369,661	386,610	384,886	411,914	561,778	575,233	581,844	640,375	642,603
Insurance premium taxes	234,831	236,787	248,512	263,532	292,665	309,113	358,482	394,263	422,512	450,739
Lodging taxes (d)	-	-	-	-	-	167,159	178,846	179,951	183,398	138,011
Cigarette taxes (d)	-	-	-	-	-	153,033	180,677	160,665	164,393	156,695
Commerce taxes (d)	-	-	-	-	-	143,508	197,827	201,927	226,770	204,984
Property and transfer taxes	231,758	215,649	215,211	209,784	219,189	238,192	247,939	277,987	284,615	294,656
Motor and special fuel taxes	267,649	267,181	269,232	269,543	277,305	289,909	299,426	316,780	327,475	315,659
Other taxes	664,427	657,138	685,948	692,192	835,552	584,055	660,972	615,172	613,304	609,580
Intergovernmental	3,372,565	3,335,558	3,340,627	3,552,327	4,518,221	4,996,931	5,224,501	5,374,516	5,737,984	5,772,283
Licenses, fees and permits	497,847	490,240	487,123	508,401	536,486	599,450	609,908	634,365	649,625	612,228
Sales and charges for services	81,923	85,211	87,595	90,322	105,241	109,063	108,994	107,089	114,041	107,050
Interest and investment income	31,853	22,599	23,496	25,397	22,082	24,017	15,372	38,050	98,424	101,192
Settlement income	39,517	40,291	147,071	40,120	39,788	39,370	40,427	43,232	63,672	40,437
Land sales	560	397	632	1,933	4,922	3,564	5,823	5,993	4,242	11,322
Other	143,461	160,921	151,708	83,277	112,395	92,587	146,874	93,446	99,995	104,524
Total revenues	7,723,924	7,731,024	7,965,074	8,131,273	9,446,144	10,436,150	11,032,011	11,226,507	12,050,852	11,924,232
Expenditures										
General government	141,366	134,889	143,135	112,757	153,682	158,394	172,687	212,231	243,159	237,928
Health and social services(c)	3,009,386	3,096,457	3,264,884	3,593,828	4,862,598	-	-	-	-	-
Health services (c)	-	-	-	-	-	3,535,984	3,948,549	4,132,568	4,397,083	4,269,161
Social services (c)	-	-	-	-	-	1,603,233	1,633,745	1,680,854	1,721,138	1,866,106
Education and support services (b)	53,796	53,959	53,119	30,845	-	-	-	-	-	-
Education - K-12 (b)	-	-	-	-	1,891,259	-	-	-	-	-
Education - K-12 state support (c)	-	-	-	-	-	1,460,123	1,478,773	1,612,584	1,595,968	1,803,605
Education - K-12 administrative (c)	-	-	-	-	-	524,747	589,012	562,281	607,032	638,316
Education - higher education (b)	-	-	-	-	610,543	562,901	594,760	663,045	705,841	717,812
Law, justice and public safety	609,230	604,364	595,649	622,066	633,559	688,616	712,895	754,994	783,464	823,663
Regulation of business	109,928	91,792	80,594	293,438	253,132	298,624	295,719	312,993	331,646	309,461
Transportation	751,647	846,335	578,231	452,821	635,049	816,275	946,857	994,227	925,475	768,336
Recreation and resource development	129,770	125,809	121,330	132,682	141,177	144,003	161,992	179,095	187,604	189,991
Intergovernmental (a)	2,716,157	2,569,693	2,592,985	2,638,028	-	-	-	-	-	-
Capital outlay	41,105	34,222	61,330	29,741	39,564	43,534	49,295	69,037	94,755	96,282
<i>Debt service:</i>										
Principal	194,920	171,004	163,889	166,021	199,845	383,842	165,543	167,409	166,523	176,228
Interest, fiscal charges	135,842	125,978	116,183	106,871	103,998	90,953	99,510	97,788	98,759	93,699
Debt issuance costs	1,300	1,795	1,901	2,282	1,941	3,584	1,761	1,680	531	646
Arbitrage payment	-	22	180	730	24	-	-	-	-	-
Total Expenditures	7,894,447	7,856,319	7,773,410	8,182,110	9,526,371	10,314,813	10,851,098	11,440,786	11,858,978	11,991,234
Excess (deficiency) of revenues over (under) expenditures	(170,523)	(125,295)	191,664	(50,837)	(80,227)	121,337	180,913	(214,279)	191,874	(67,002)

Table 4 - Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years, (Modified Accrual Basis of Accounting, Expressed in Thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Other Financing Sources (Uses)										
Capital leases	408	-	-	-	-	-	-	-	-	-
Sale of general obligation bonds	22,655	42,020	-	141,045	78,335	272,070	205,371	225,020	59,600	116,245
Sale of general obligation refunding bonds	117,415	243,080	353,470	4,125	213,270	347,253	12,107	3,490	-	43,925
Premium on general obligation bonds	13,172	40,530	52,780	21,012	54,686	114,212	24,749	17,573	4,458	19,687
Payment to refunded bond agent	(128,529)	(279,916)	(404,178)	(4,425)	(261,893)	(419,993)	(14,697)	(3,996)	-	(57,250)
Sale of certificates of participation	-	-	-	50,445	-	-	-	-	-	-
Sale of refunding certificates of participation	-	-	-	35,785	-	-	3,730	-	-	-
Premium (discount) on certificates of participation	-	-	-	2,794	-	-	-	-	-	-
Payment to refunded certificates of participation agent	-	-	-	(42,799)	-	-	(4,071)	-	-	-
Sale of capital assets	89	103	99	335	365	641	201	628	134	96
Transfers in	221,167	156,037	194,136	192,193	160,472	322,645	240,486	196,885	322,050	272,147
Transfers out	(195,362)	(159,081)	(216,483)	(187,907)	(309,220)	(457,006)	(389,318)	(335,087)	(321,041)	(254,493)
Total other financing sources (uses)	51,015	42,773	(20,176)	212,603	(63,985)	179,822	78,558	104,513	65,201	140,357
Net change in fund balances	\$ (119,508)	\$ (82,522)	\$ 171,488	\$ 161,766	\$ (144,212)	\$ 301,159	\$ 259,471	\$ (109,766)	\$ 257,075	\$ 73,355
Total expenditures	\$ 7,894,447	\$ 7,856,319	\$ 7,773,410	\$ 8,182,110	\$ 9,526,371	\$ 10,314,813	\$ 10,851,098	\$ 11,440,786	\$ 11,858,978	\$ 11,991,234
Less: Capitalized assets included in the functional categories	245,790	221,991	232,772	271,655	252,136	735,171	172,824	243,230	594,263	371,514
Total noncapital expenditures	\$ 7,648,657	\$ 7,634,328	\$ 7,540,638	\$ 7,910,455	\$ 9,274,235	\$ 9,579,642	\$ 10,678,274	\$ 11,197,556	\$ 11,264,715	\$ 11,619,720
Debt service (principal and interest) as a percentage of noncapital expenditures	4.32 %	3.89 %	3.71 %	3.45 %	3.28 %	4.96 %	2.48 %	2.37 %	2.35 %	2.32 %

- (a) Beginning with fiscal year 2015, intergovernmental expenditures are classified by functional expenditures.
- (b) Beginning with fiscal year 2015, educational expenditures are reported separately for K-12 and higher education.
- (c) Beginning with fiscal year 2016, health and social services expenditures are reported separately, and educational K-12 expenditures are reported separately for state support and for administrative.
- (d) Beginning with fiscal year 2016, lodging, cigarette and commerce taxes revenues are reported separately (previously included with other taxes).
- (e) Revised amount of 2019 capitalized assets included in the functional categories.

Table 5 - Taxable Sales by County

Last Ten Fiscal Years, (Expressed in Thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Taxable Sales by County										
Carson City	\$ 735,161	\$ 756,079	\$ 779,297	\$ 804,368	\$ 892,530	\$ 961,717	\$ 1,055,090	\$ 1,144,377	\$ 1,240,116	\$ 1,304,890
Churchill	249,112	320,188	387,570	252,675	283,497	282,998	309,285	354,371	460,506	351,133
Clark	29,046,720	31,080,881	32,566,665	35,040,892	37,497,074	39,242,730	40,888,477	42,569,372	45,901,464	43,834,782
Douglas	532,984	557,660	592,823	599,623	653,187	663,490	709,590	780,079	802,737	822,721
Elko	1,477,347	1,545,691	1,595,351	1,426,133	1,437,625	1,483,842	1,450,175	1,495,116	1,555,168	1,619,857
Esmeralda	11,832	20,399	19,806	16,826	18,193	15,315	14,461	13,726	20,582	23,019
Eureka	304,276	367,340	370,492	315,756	260,130	235,117	292,067	314,095	300,814	294,905
Humboldt	748,153	740,656	921,112	780,774	577,537	486,077	449,981	507,810	590,286	658,588
Lander	249,321	443,458	440,677	302,691	308,198	274,632	283,334	309,919	322,278	315,029
Lincoln	33,116	50,417	30,055	29,501	28,955	28,159	30,639	31,002	33,515	36,720
Lyon	300,843	346,511	305,525	356,890	396,525	380,805	456,071	490,415	605,862	687,126
Mineral	42,181	57,696	66,463	62,661	74,178	83,582	73,195	48,853	56,629	69,993
Nye	466,836	498,130	832,077	624,761	497,920	547,020	583,443	672,275	686,290	779,422
Pershing	78,096	106,443	96,442	94,633	82,473	91,181	113,424	118,014	119,288	148,128
Storey	61,863	70,859	77,729	108,434	246,041	240,804	1,609,711	1,275,451	718,439	825,949
Washoe	5,282,935	5,522,605	5,824,726	6,370,685	6,817,589	7,550,466	7,989,009	8,531,253	8,829,864	9,250,415
White Pine	314,235	469,737	296,598	253,042	275,884	220,360	239,789	291,695	317,188	343,005
Total	\$ 39,935,011	\$ 42,954,750	\$ 45,203,408	\$ 47,440,345	\$ 50,347,536	\$ 52,788,295	\$ 56,547,741	\$ 58,947,823	\$ 62,561,026	\$ 61,365,682

The State receives a portion of sales taxes at a rate of 2% on taxable sales.

Source: Department of Taxation

Table 6 - Principal Sales Tax Payers by Business Type

Current Year and Nine Years Ago, (Expressed in Thousands)

Business Type	Fiscal Year 2011			Fiscal Year 2020		
	Taxable Sales	Percentage of Total Taxable Sales	Tax Liability	Taxable Sales	Percentage of Total Taxable Sales	Tax Liability
Food services and drinking places	\$ 9,050,612	22.7%	\$ 181,012	\$ 10,385,899	16.9%	\$ 207,718
Motor vehicle and parts dealers	3,824,670	9.6%	76,493	6,918,588	11.3%	138,372
General merchandise stores	3,799,259	9.5%	75,985	5,114,823	8.3%	102,296
Merchant wholesalers, durable goods	2,373,543	5.9%	47,471	4,983,538	8.1%	99,671
Nonstore Retailers	408,279	1.0%	8,166	3,409,597	5.6%	68,192
Building material, garden equipment, supplies	1,468,706	3.7%	29,374	3,160,089	5.1%	63,202
Clothing and clothing accessories stores	3,238,701	8.1%	64,774	3,087,672	5.0%	61,753
Food and beverage stores	1,472,986	3.7%	29,460	2,057,865	3.4%	41,157
Rental and leasing services	1,423,351	3.6%	28,467	2,041,452	3.3%	40,829
Electronics	1,293,011	3.2%	25,860	1,732,865	2.8%	34,657
Total	<u>\$ 28,353,118</u>	<u>71.0%</u>	<u>\$ 567,062</u>	<u>\$ 42,892,388</u>	<u>69.8%</u>	<u>\$ 857,847</u>

Source: Department of Taxation

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available.

The categories presented are intended to provide alternative information regarding the source of the State's revenue.

Table 7 - Ratios of Outstanding Debt by Type

Last Ten Fiscal Years, (Expressed in Thousands, Except for Per Capita)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities										
General obligation bonds	\$ 1,952,885	\$ 1,870,455	\$ 1,754,520	\$ 1,703,840	\$ 1,607,930	\$ 1,358,430	\$ 1,284,172	\$ 1,267,120	\$ 1,207,097	\$ 1,182,281
General obligation bonds-private placements (c)	-	-	-	-	-	-	-	2,310	1,175	-
Special obligation bonds	612,045	557,735	497,650	527,450	486,140	587,095	706,165	785,085	745,295	704,460
Premiums (discounts)	104,921	118,509	143,968	146,792	176,725	221,726	210,383	191,869	161,348	147,332
Total bonds payable	2,669,851	2,546,699	2,396,138	2,378,082	2,270,795	2,167,251	2,200,720	2,246,384	2,114,915	2,034,073
Certificates of participation	55,475	53,815	52,000	94,455	91,935	89,225	84,994	77,815	75,125	72,245
Certificates of participation-private placements (c)	-	-	-	-	-	-	-	3,014	2,662	2,303
Premiums (discounts)	591	492	339	2,956	2,720	1,491	1,048	646	315	39
Total certificates of participation	56,066	54,307	52,339	97,411	94,655	90,716	86,042	81,475	78,102	74,587
Obligations under capital leases	30,970	28,395	25,096	25,094	22,826	20,177	17,364	18,490	14,870	11,266
Total governmental activities	2,756,887	2,629,401	2,473,573	2,500,587	2,388,276	2,278,144	2,304,126	2,346,349	2,207,887	2,119,926
Business-type Activities										
General obligation bonds	108,975	101,680	90,720	83,025	73,370	69,480	60,103	60,430	48,963	74,124
Special obligation bonds	920,508	810,892	739,797	1,156,634	1,008,858	823,288	641,830	525,491	628,948	875,915
Premiums (discounts)	2,465	4,984	5,942	55,914	42,691	15,688	5,502	2,404	3,142	10,577
Total business-type activities	1,031,948	917,556	836,459	1,295,573	1,124,919	908,456	707,435	588,325	681,053	960,616
Total primary government	\$ 3,788,835	\$ 3,546,957	\$ 3,310,032	\$ 3,796,160	\$ 3,513,195	\$ 3,186,600	\$ 3,011,561	\$ 2,934,674	\$ 2,888,940	\$ 3,080,542
Debt as a Percentage of Personal Income (a)	3.82 %	3.46 %	3.07 %	3.50 %	3.06 %	2.63 %	2.35 %	2.12 %	1.94 %	1.95 %
Amount of Debt per Capita (b)	\$ 1,402	\$ 1,305	\$ 1,201	\$ 1,361	\$ 1,238	\$ 1,102	\$ 1,024	\$ 979	\$ 952	\$ 1,000

Notes: Details regarding the State's debt can be found in the notes to the financial statements.

See Table 11 for personal income and population data.

Debt as a Percentage of Personal Income is based on prior year Personal Income.

Amount of Debt per Capita is based on prior year Population.

(a) Revised percentages for 2013 through 2015.

(b) Revised amounts for 2014 and 2015.

(c) Beginning in 2018, Private Placement bonds and certificates of participation are presented separately to comply with GASB 88.

Table 8 - Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years, (Expressed in Thousands, Except for Per Capita)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities										
General obligation bonds	\$ 1,952,885	\$ 1,870,455	\$ 1,754,520	\$ 1,703,840	\$ 1,607,930	\$ 1,358,430	\$ 1,284,172	\$ 1,269,430	\$ 1,207,097	\$ 1,182,281
General obligation bonds-private placements	-	-	-	-	-	-	-	-	1,175	-
Premiums (discounts)	74,551	86,292	96,909	92,714	129,441	132,082	116,221	101,377	83,941	81,863
Subtotal	2,027,436	1,956,747	1,851,429	1,796,554	1,737,371	1,490,512	1,400,393	1,370,807	1,292,213	1,264,144
Certificates of participation	7,900	6,935	5,920	4,855	3,730	2,550	1,305	-	-	-
Premiums (discounts)	591	492	394	295	197	36	9	-	-	-
Subtotal	8,491	7,427	6,314	5,150	3,927	2,586	1,314	-	-	-
Business-type Activities										
General obligation bonds	108,975	101,680	90,720	83,025	73,370	69,480	60,103	60,430	48,963	74,124
Premiums (discounts)	2,338	4,870	5,853	5,091	4,209	2,671	1,837	2,012	1,292	6,252
Subtotal	111,313	106,550	96,573	88,116	77,579	72,151	61,940	62,442	50,255	80,376
Total general bonded debt	\$ 2,147,240	\$ 2,070,724	\$ 1,954,316	\$ 1,889,820	\$ 1,818,877	\$ 1,565,249	\$ 1,463,647	\$ 1,433,249	\$ 1,342,468	\$ 1,344,520
Actual Taxable Property Value	\$ 264,840,276	\$ 264,391,220	\$ 234,900,598	\$ 239,048,328	\$ 260,130,702	\$ 283,624,300	\$ 302,376,818	\$ 342,368,616	\$ 371,687,673	\$ 371,687,673
Percentage of Actual Taxable Value of Property (b)	0.81 %	0.84 %	0.83 %	0.79 %	0.70 %	0.55 %	0.48 %	0.42 %	0.36 %	0.36 %
Debt per Capita (a)(b)	\$ 794	\$ 762	\$ 709	\$ 677	\$ 641	\$ 541	\$ 498	\$ 478	\$ 442	\$ 437

Note: Details regarding the State's outstanding debt can be found in the notes to the financial statements.

Only the general obligation certificates of participation subject to the debt limitation are included above.

(a) See Table 11 for population data.

(b) Revised for fiscal years 2011 through 2014 to exclude special obligation bonds.

(c) Revised 2019 Special obligation bonds to Premiums (discounts) and added General obligation bonds-private placements

Table 9 - Legal Debt Margin Information

Last Ten Fiscal Years, (Expressed in Thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 1,756,111	\$ 1,671,513	\$ 1,701,164	\$ 1,854,550	\$ 2,028,293	\$ 2,166,631	\$ 2,294,555	\$ 2,467,971	\$ 2,682,567	\$ 2,886,475
Total debt applicable to limit	1,342,660	1,293,386	1,178,185	1,151,010	1,127,220	1,082,845	1,034,015	1,025,895	988,260	981,760
Legal debt margin	<u>\$ 413,451</u>	<u>\$ 378,127</u>	<u>\$ 522,979</u>	<u>\$ 703,540</u>	<u>\$ 901,073</u>	<u>\$ 1,083,786</u>	<u>\$ 1,260,540</u>	<u>\$ 1,442,076</u>	<u>\$ 1,694,307</u>	<u>\$ 1,904,715</u>
Legal debt margin as a percentage of the debt limit	23.54 %	22.62 %	30.74 %	37.94 %	44.43 %	50.02 %	54.94 %	58.43 %	63.16 %	65.99 %

Computation of Legal Debt Margin at June 30, 2020:

Assessed value of taxable property at June 30, 2020 (a)		\$ 144,323,763
Debt limitation (2% of assessed value)		\$ 2,886,475
General Obligation Bonds subject to limit	\$ 981,760	
Certificates of participation	72,245	
<i>Less obligations exempt from debt margin:</i>		
Lease revenue certificates of participation	(72,245)	
Debt subject to debt limitation		981,760
Legal debt margin at June 30, 2020		<u>\$ 1,904,715</u>

Note:

- (d) On June 30 of each year, the most current assessed value available is the assessed value used for calculating and assessing taxes for the following fiscal year. Therefore, the debt limitation as of June 30 of each year is calculated using the assessed value for the following fiscal year. For purposes of this computation, assessed valuation includes 35% of actual taxable property value, plus statewide redevelopment agency assessed values.

Table 10 - Pledged Revenue Coverage

Last Ten Fiscal Years, (Expressed in Thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Highway Improvement Revenue Bonds										
Revenue - fuel taxes	\$ 264,699	\$ 264,369	\$ 266,564	\$ 266,872	\$ 274,838	\$ 287,571	\$ 294,091	\$ 305,781	\$ 310,844	\$ 296,393
<i>Debt Service</i>										
Principal	\$ 56,795	\$ 50,835	\$ 53,300	\$ 56,220	\$ 41,310	\$ 45,600	\$ 48,595	\$ 46,985	\$ 39,790	\$ 10,000
Interest (f)	31,136	28,450	25,011	22,422	24,345	20,252	31,325	31,495	34,627	16,115
Total	\$ 87,931	\$ 79,285	\$ 78,311	\$ 78,642	\$ 65,655	\$ 65,852	\$ 79,920	\$ 78,480	\$ 74,417	\$ 26,115
Coverage (c)	3.01	3.33	3.40	3.39	4.19	4.37	3.68	3.90	4.18	11.35
Unemployment Compensation Bonds										
Revenue - special bond contributions	\$ -	\$ -	\$ -	\$ 58,003	\$ 191,548	\$ 152,837	\$ 197,230	\$ 35,285	\$ -	\$ -
<i>Debt service</i>										
Principal	\$ -	\$ -	\$ -	\$ -	\$ 138,590	\$ 131,165	\$ 151,100	\$ 128,045	\$ -	\$ -
Interest	-	-	-	13,644	23,360	18,881	12,381	3,201	-	-
Total	\$ -	\$ -	\$ -	\$ 13,644	\$ 161,950	\$ 150,046	\$ 163,481	\$ 131,246	\$ -	\$ -
Coverage (c)	N/A	N/A	N/A	N/A	1.18	1.02	1.21	0.27	DIV/0	N/A
Mortgage Revenue Bonds										
Revenue (a)	\$ 126,957	\$ 109,194	\$ 83,366	\$ 100,729	\$ 58,737	\$ 78,571	\$ 72,727	\$ 138,354	\$ 121,838	\$ 64,965
Expenses (b)	7,610	15,751	8,867	9,481	4,043	9,674	3,471	3,434	2,976	5,520
Net available revenues	\$ 119,347	\$ 93,443	\$ 74,499	\$ 91,248	\$ 54,694	\$ 68,897	\$ 69,256	\$ 134,920	\$ 118,862	\$ 59,445
<i>Debt service</i>										
Principal (d)	\$ 132,536	\$ 157,962	\$ 71,095	\$ 151,432	\$ 80,745	\$ 71,337	\$ 101,485	\$ 124,888	\$ 117,907	\$ 45,890
Interest	29,111	26,444	23,226	17,882	15,149	13,298	13,258	15,619	20,339	28,870
Total	\$ 161,647	\$ 184,406	\$ 94,321	\$ 169,314	\$ 95,894	\$ 84,635	\$ 114,743	\$ 140,507	\$ 138,246	\$ 74,760
Coverage (c)	0.74	0.51	0.79	0.54	0.57	0.81	0.60	0.96	0.86	0.80
Lease Revenue Certificates of Participation										
Revenue - lease rent (net)	\$ 3,045	\$ 2,878	\$ 2,972	\$ 4,098	\$ 2,996	\$ 4,335	\$ 5,190	\$ 6,719	\$ 6,753	\$ 6,839
Assets - held by the trustee (e)	4,643	4,709	4,558	46,902	12,442	1,736	35	-	-	-
Total	\$ 7,688	\$ 7,587	\$ 7,530	\$ 51,000	\$ 15,438	\$ 6,071	\$ 5,225	\$ 6,719	\$ 6,753	\$ 6,839
<i>Debt Service</i>										
Principal	\$ 605	\$ 695	\$ 800	\$ 1,795	\$ 1,395	\$ 1,530	\$ 2,721	\$ 2,860	\$ 3,042	\$ 3,239
Interest	2,212	2,188	2,163	3,418	4,128	4,084	3,915	3,839	3,722	1,798
Total	\$ 2,817	\$ 2,883	\$ 2,963	\$ 5,213	\$ 5,523	\$ 5,614	\$ 6,636	\$ 6,699	\$ 6,764	\$ 5,037
Coverage (c)	2.73	2.63	2.54	9.78	2.80	1.08	0.79	1.00	1.00	1.36

Notes: Details regarding the State's outstanding debt can be found in the notes to the financial statements.

(a) Consists of interest and investment income and principal collections of the Housing Division Enterprise Fund.

(b) Consists of operating expenses less interest expense and depreciation.

(c) Coverage equals net available revenues divided by total debt service.

(d) Principal paid on mortgage revenue bonds is updated for 2011. There is no change to coverage ratio.

(e) Assets - held by the trustee are the combination of additional lease rent, investment income, and bond proceeds.

(f) Principal paid on highway improvement revenue bonds is updated for years 2012 and 2013 to exclude the par amount of bonds refunded.

Table 11 - Demographic and Economic Statistics

Last Ten Calendar Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Population										
Nevada (a)	2,703,230	2,718,586	2,754,874	2,790,366	2,838,281	2,890,845	2,940,058	2,998,039	3,034,392	3,080,156
Percentage change	0.7 %	0.6 %	1.3 %	1.3 %	1.7 %	1.9 %	1.7 %	2.0 %	1.2 %	1.5 %
United States (a)	309,326,295	311,721,632	314,102,623	316,427,395	318,907,401	321,418,820	323,127,513	325,719,178	327,167,434	328,239,523
Percentage change	0.8 %	0.8 %	0.8 %	0.7 %	0.8 %	0.8 %	0.5 %	0.8 %	0.4 %	0.3 %
Total Personal Income										
Nevada (in millions) (a)	\$ 99,092	\$ 102,612	\$ 107,930	\$ 108,504	\$ 114,923	\$ 121,096	\$ 128,090	\$ 138,386	\$ 149,219	\$ 157,584
Percentage change	2.8 %	3.6 %	5.2 %	0.5 %	5.9 %	5.4 %	5.8 %	8.0 %	7.8 %	5.6 %
United States (in millions) (a)	\$ 12,417,659	\$ 13,233,436	\$ 13,904,485	\$ 14,068,960	\$ 14,801,624	\$ 15,463,981	\$ 15,912,777	\$ 16,820,250	\$ 17,813,035	\$ 18,542,262
Percentage change	4.8 %	6.6 %	5.1 %	1.2 %	5.2 %	4.5 %	2.9 %	5.7 %	5.9 %	4.1 %
Per Capita Personal Income										
Nevada (a)	\$ 36,657	\$ 37,745	\$ 39,178	\$ 38,885	\$ 40,490	\$ 41,889	\$ 43,567	\$ 46,159	\$ 49,176	\$ 51,161
Percentage change	2.1 %	3.0 %	3.8 %	(0.7)%	4.1 %	3.5 %	4.0 %	5.9 %	6.5 %	4.0 %
United States (a)	\$ 40,144	\$ 42,453	\$ 44,267	\$ 44,462	\$ 46,414	\$ 48,112	\$ 49,246	\$ 51,640	\$ 54,446	\$ 56,490
Percentage change	3.9 %	5.8 %	4.3 %	0.4 %	4.4 %	3.7 %	2.4 %	4.9 %	5.4 %	3.8 %
Labor Force and Employment										
Nevada Labor Force	1,350,309	1,385,872	1,378,876	1,372,862	1,393,639	1,425,711	1,427,114	1,462,955	1,500,377	1,543,666
Unemployed	200,772	187,732	152,468	135,071	107,856	96,159	81,106	73,583	68,418	63,748
Unemployment Rate (b)	14.9 %	13.5 %	11.1 %	9.8 %	7.7 %	6.7 %	5.7 %	5.0 %	4.6 %	4.1 %
United States Labor Force	153,889,000	153,617,000	154,975,000	155,389,000	155,922,000	157,130,000	159,187,000	160,320,000	162,075,000	164,120,000
Unemployed	14,825,000	13,747,000	12,506,000	11,460,000	9,617,000	8,296,000	7,751,000	6,982,000	6,314,000	6,292,000
Unemployment Rate (b)	9.6 %	8.9 %	8.1 %	7.4 %	6.2 %	5.3 %	4.9 %	4.4 %	3.9 %	3.8 %

Sources: U.S. Department of Commerce, Bureau of Economic Analysis; Nevada Department of Employment, Training, and Rehabilitation**Note:** Total personal income is composed of wages and salaries, proprietors' income, personal interest and dividend income, rental income, and personal current transfer receipts, less contributions for government social insurance. Per capita personal income is calculated by dividing total personal income by population.

(g) Revised estimates for 2012 through 2014.

(h) Revised percentage for 2015.

Table 12 - Principal Industries

Current Year and Nine Years Ago

	Calendar Year 2010		Calendar Year 2019	
	Employees	Percentage of Total State Employment	Employees	Percentage of Total State Employment
Industry:				
Farm employment	5,354	0.36%	5,064	0.27%
Forestry, fishing, and related activities	1,585	0.11%	2,034	0.11%
Mining, quarrying, and oil and gas extraction	17,025	1.20%	17,940	0.94%
Utilities	4,542	0.31%	4,321	0.23%
Construction	75,642	5.11%	115,771	6.09%
Manufacturing	41,664	2.82%	65,533	3.44%
Wholesale trade	37,488	2.53%	44,575	2.34%
Retail trade	152,353	10.30%	181,647	9.55%
Transportation and warehousing	53,215	3.60%	117,258	6.16%
Information	17,692	1.19%	22,051	1.16%
Finance and insurance	83,023	5.62%	94,337	4.96%
Real estate, rental and leasing	94,364	6.38%	110,633	5.82%
Professional, scientific, and technical services	81,695	5.52%	107,541	5.65%
Management of companies and enterprises	21,738	1.47%	34,393	1.81%
Administrative and waste management services	95,137	6.43%	136,808	7.19%
Educational services	13,960	0.94%	19,695	1.04%
Health care and social assistance	109,665	7.42%	153,917	8.10%
Arts, entertainment and recreation	46,697	3.16%	61,484	3.23%
Accommodation and food services	290,878	19.68%	333,499	17.53%
Other services	65,248	4.41%	93,398	4.91%
Federal government, civilian	18,743	1.27%	19,777	1.04%
Military	17,002	1.15%	18,932	1.00%
State government	35,250	2.38%	36,818	1.93%
Local government	98,094	6.64%	104,654	5.50%
Total	1,478,054	100.00%	1,902,080	100.00%

Sources: US Department of Commerce, Bureau of Economic Analysis

Note: Due to confidentiality issues, the names of the ten principal employers are not available. The categories presented are intended to provide alternative information regarding the concentration of employment in various business sectors.

Table 13 - School Enrollment

Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public School Enrollment (a)										
Primary (Pre-K - 6)	273,724	240,851	244,559	249,015	253,267	258,617	261,450	269,370	272,831	255,369
Secondary (7 - 12) (b)	227,908	199,610	202,319	202,788	209,639	208,910	212,245	223,046	225,785	231,264
Total	501,632	440,461	446,878	451,803	462,906	467,527	473,695	492,416	498,616	486,633
Public Higher Education Enrollment (c)										
University of Nevada, Reno	13,289	13,583	13,721	14,468	15,762	16,916	16,745	17,291	17,194	16,899
University of Nevada, Las Vegas	19,719	18,580	18,499	19,269	20,301	21,352	21,963	22,514	22,484	22,875
Nevada State College	2,014	2,062	2,102	2,174	2,264	2,264	2,390	2,804	3,088	3,382
College of Southern Nevada	22,153	20,363	19,128	18,546	18,883	18,183	18,227	18,139	18,493	18,846
Great Basin College	1,939	1,742	1,659	1,717	1,728	1,835	1,881	1,824	2,069	2,187
Truckee Meadows Community College	7,125	6,351	6,339	6,166	6,098	6,196	5,851	5,740	5,760	5,852
Western Nevada College	2,930	2,358	2,240	2,157	2,229	2,213	2,047	2,138	1,928	2,105
Total	69,169	65,039	63,688	64,497	67,265	68,959	69,104	70,450	71,016	72,146

Sources: Nevada Department of Education and Nevada System of Higher Education

(a) Enrollment figures have been realigned to match fiscal year and restated for 2011 through 2018.

(b) Secondary also includes 5th year seniors, adult education, home schooled, and special education beyond 12th grade.

(c) Enrollment figures have been realigned to match fiscal year and restated for 2011 through 2018 using the Annual Average Full-Time Equivalent Enrollment report.

Table 14 - Full-time Equivalent State Government Employees by Function

Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function										
General government	1,443	1,445	1,548	1,539	1,633	1,624	1,753	1,739	1,853	1,854
Health and social services (a)	6,061	5,937	5,925	6,239	6,394	-	-	-	-	-
Health services	-	-	-	-	-	1,786	1,720	1,754	1,754	1,770
Social services	-	-	-	-	-	4,805	4,856	4,859	4,859	4,871
Education - K-12 administrative	8,383	8,015	7,663	8,380	8,647	9,096	10,593	10,968	11,285	10,245
Law, justice and public safety	5,707	5,760	5,838	5,831	5,846	5,993	6,030	6,546	6,511	6,842
Regulation of business	1,309	1,284	1,289	1,363	1,338	1,440	1,480	1,440	1,440	1,393
Transportation	1,769	1,797	1,776	1,770	1,793	1,759	1,795	1,805	1,805	1,685
Recreation and resource development	1,142	1,134	1,145	1,181	1,169	1,213	1,203	1,249	1,249	1,202
Total	25,814	25,372	25,184	26,303	26,820	27,716	29,430	30,360	30,756	29,862

Sources: Nevada Department of Administration, Nevada System of Higher Education and Legislative Counsel Bureau

(i) Beginning in 2016, health and social services are presented separately, as health services and social services.

Table 15 - Operating Indicators by Function

Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
<i>Department of Taxation</i>										
Number of sales and use tax audits	1,066	950	1,461	1,198	1,176	1,279	1,491	1,430	N/A	1,416
<i>Public Employees Benefits Program</i>										
Number of plan participants	42,830	40,615	40,176	40,635	41,449	42,259	43,158	43,711	44,574	44,886
Generic drug utilization (b)	78 %	78 %	80 %	81 %	82 %	81 %	81 %	82 %	82 %	86 %
<i>Department of Administration</i>										
Square feet of non-state owned space leased (major urban areas)	1,466,102	1,408,617	1,511,207	1,526,579	1,606,012	1,614,381	1,713,599	1,754,521	1,770,012	1,790,013
Job applications processed	77,428	88,394	101,062	81,916	85,578	98,104	73,001	76,789	75,376	66,097
<i>Nevada State Library and Archives</i>										
Volumes (excludes documents and microfilm)	84,460	86,231	87,942	89,785	91,497	93,429	95,611	96,132	81,563	70,689
Government publications (U.S., Nevada and California)	851,855	854,727	862,764	864,898	869,670	871,764	877,330	877,823	869,012	860,956
Health and Social Services										
<i>Aging and Disability Services Division</i>										
Average monthly number of Developmental Services clients	5,346	5,550	5,694	5,865	6,184	6,433	6,643	6,881	7,143	7,341
<i>Health Care Financing & Policy</i>										
Nevada Medicaid - average monthly eligibles	279,840	303,214	315,434	392,315	558,787	608,246	637,780	654,936	653,694	656,258
NV Check-Up Program - average monthly enrollment	21,193	21,296	21,132	21,771	22,606	22,630	25,699	27,300	27,487	27,043
<i>Division of Public and Behavioral Health</i>										
Women, Infants and Children Program participants (FFY)	887,796	896,465	884,946	874,462	860,468	839,845	793,782	749,365	692,708	701,291
Average monthly number of Mental Health clients	15,138	14,058	14,414	14,238	13,585	11,281	9,866	9,142	8,812	N/A
Average monthly number of Mental Health inpatients	211	209	221	277	301	498	517	509	485	N/A
<i>Division of Welfare and Supportive Services</i>										
Average monthly number of TANF recipients	30,854	29,331	28,837	32,239	31,928	26,717	24,537	25,744	22,364	20,973
Average monthly number of SNAP (Food Stamp) recipients	323,290	352,156	358,611	375,506	411,447	438,330	440,485	440,694	427,534	433,024
Percent of current child support owed that is collected (FFY) (d)	51 %	56 %	58 %	60 %	62 %	64 %	66 %	N/A %	N/A	69 %
TANF recipient children receiving child care	20,269	19,883	18,742	20,122	23,346	19,434	25,408	30,000	27,261	23,975
Non-TANF children receiving child care	83,399	67,955	43,215	39,309	44,725	59,739	67,825	75,846	98,935	101,024
Applications for energy assistance received	42,611	38,643	36,764	41,190	40,726	41,448	36,186	35,452	33,907	32,888
Households served with energy assistance	32,544	20,484	26,008	24,348	27,370	26,936	26,452	24,704	22,407	21,563

Table 15 - Operating Indicators by Function

Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Education and Support Services										
<i>Nevada Department of Education (a)</i>										
Percent of occupational education students receiving a diploma	85 %	75 %	70 %	85 %	74 %	84 %	85 %	91 %	93 %	N/A %
Number of special education students receiving a high school diploma	747	725	677	745	799	884	1,849	1,949	2,301	N/A
Law, Justice, and Public Safety										
<i>The Supreme Court of Nevada</i>										
Cases filed (c)	2,514	2,406	2,362	2,426	2,351	2,533	2,718	3,021	N/A	1,970
Cases disposed (c)	2,217	2,248	2,392	2,582	2,663	2,387	1,594	1,639	N/A	2,710
Number of opinions written (c)	87	71	104	99	105	97	109	96	N/A	91
<i>Nevada Department of Corrections</i>										
Total admissions	5,971	5,818	5,666	5,749	5,937	6,286	6,413	6,432	6,342	6,342
Total releases	6,098	5,678	5,614	5,672	5,750	5,576	6,285	6,764	6,664	6,664
In-house population at year-end	12,458	12,564	12,665	12,824	12,999	13,685	13,768	13,426	13,453	13,453
<i>Department of Public Safety, Highway Patrol Division</i>										
Total number of DUI arrests (e)	3,846	3,286	3,177	2,977	3,156	3,095	2,825	2,932	3,644	N/A
Total number of safety inspections (e)	25,491	27,492	28,737	25,923	33,570	31,752	31,473	34,140	30,382	N/A
<i>Department of Motor Vehicles</i>										
Motor vehicle registrations	2,153,918	2,119,167	2,190,660	2,259,552	2,326,319	23,985,762	2,469,307	2,534,636	2,604,126	2,428,338
Regulation of Business										
<i>Nevada Department of Agriculture</i>										
Number of meals served in the Children & Adult Food Care Program	4,063,461	4,592,266	4,724,529	4,800,386	4,527,435	4,600,171	5,864,600	6,473,857	4,732,827	N/A
Percent of K-12 students participating in the Nat'l School Lunch Program (b) (g) (l)	47 %	52 %	54 %	54 %	54 %	58 %	56 %	56 %	58 %	N/A %
<i>Nevada Gaming Commission</i>										
Licenses issued & active at fiscal year-end	2,875	2,859	2,933	2,981	2,961	2,929	2,921	2,895	2,966	2,912
Licensed devices at fiscal year-end:										
Table and counter games (j)	5,948	5,887	5,676	5,731	5,818	5,700	5,643	5,494	5,423	3,971
Card games (j)	1,070	1,016	902	848	871	799	772	739	719	257
Slots (i)	190,217	184,150	179,776	176,073	174,548	169,723	165,880	164,413	163,612	128,091
<i>Department of Business and Industry</i>										
Units of affordable housing produced (b)	773	592	727	1,117	848	1,019	946	811	752	988
Taxicab Authority notices of violation issued (k)	3,453	3,128	4,419	3,306	3,672	4,385	3,124	1,673	1,024	616
Taxicab Authority vehicle inspections made (k)	7,165	7,693	6,849	7,374	9,210	9,589	6,343	2,275	2,770	2,422
Number of worksite safety & health inspections	1,223	1,322	1,272	1,659	1,131	1,424	1,211	956	953	806
Number of boiler and elevator inspections	19,701	14,890	14,564	13,061	12,306	15,884	18,049	22,779	25,405	22,937
Insurance license and renewal applications processed (b) (l)	42,506	42,748	41,382	47,995	51,006	53,652	55,024	60,424	64,216	N/A
<i>Governor's Office of Economic Development (h)</i>										
Number of projects requesting Community Development Block Grants (h)	28	42	35	40	36	32	40	37	21	17
Number of projects funded (h)	24	31	27	24	20	14	19	14	15	16

Table 15 - Operating Indicators by Function

Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Transportation										
<i>Nevada Department of Transportation</i>										
Miles of highways - rural	4,782	4,750	4,726	4,726	4,735	4,735	4,419	4,428	4,420	4,424
Miles of highways - urban	618	633	654	667	662	663	715	718	708	685
Recreation and Resource Development										
<i>Commission on Tourism</i>										
Inquiries from advertising campaign	199,471	222,197	162,117	31,998	23,542	42,913	39,804	39,547	25,669	N/A
Tourism web site visitors	2,424,567	2,422,893	1,249,030	1,226,380	708,795	864,412	1,001,634	1,357,559	1,728,151	N/A
<i>Department of Conservation and Natural Resources</i>										
Percent of human caused wildland fires in NDF's jurisdiction investigated	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %
Number of State Park users (f) (i)	3,030,364	3,093,257	3,046,049	2,999,315	3,028,859	3,408,821	3,533,396	3,415,630	3,750,369	3,963,231

N/A = not available

Sources: Nevada Departments of Taxation, Administration, Health and Human Services, Education, Agriculture, Corrections, Motor Vehicles, Public Safety, Transportation, Business and Industry, Conservation and Natural Resources; Supreme Court of Nevada; Nevada Gaming Commission and Control Board; Public Employees Benefit Program; State of Nevada Executive Budgets.

Notes:

- (j) See table 13 for public school enrollment.
- (k) The Executive Budget is prepared biennially, and actual figures are only available for the base year (even numbered years). Base year figures have been used for odd numbered years in this table.
- (l) Data based on calendar year.
- (m) Revised figures for 2011.
- (n) Revised figures for 2011, 2012.
- (o) Data for 2011 based on calendar year. Data for 2012 and thereafter based on fiscal year.
- (p) Data from Executive Budget prior to 2012.
- (q) Governor's Office Of Economic Development moved under Regulation of Business in 2017.
- (r) Revised figure for 2016.
- (s) Revised description beginning in 2017.
- (t) Beginning June 2017 inspections were reduced from 4 to 1 annually.
- (u) Revised figures for 2014, 2017.

Table 16 - Capital Asset Statistics by Function

Last Ten Fiscal Years

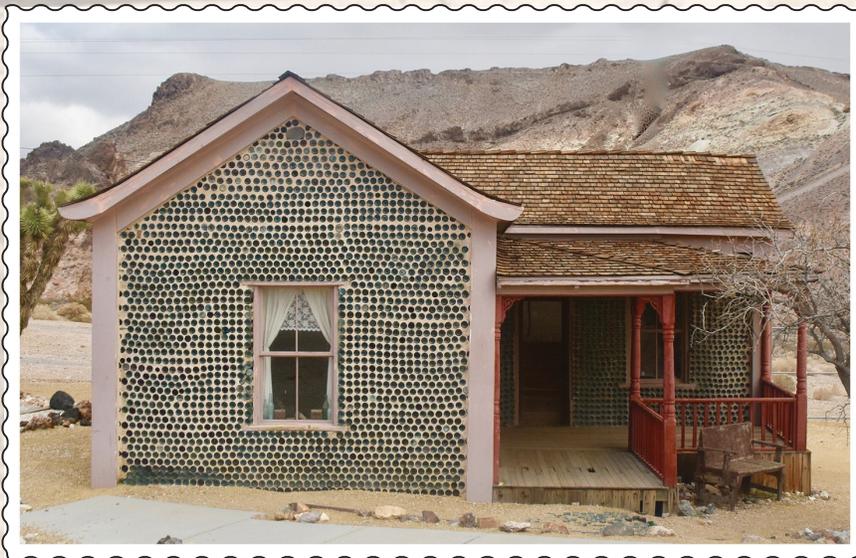
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
State owned office space (square feet)	214,611	219,927	215,416	213,896	213,896	213,896	216,731	231,884	231,884	231,884
Vehicles (motor pool)	798	775	777	865	909	1,046	1,059	1,162	1,128	1,231
Health and Social Services										
State owned office space (square feet)	70,770	64,506	68,648	68,648	68,648	68,648	65,880	57,492	57,492	57,492
Mental health centers	5	5	5	5	5	5	4	4	4	4
Veterans' home	1	1	1	1	1	1	2	2	2	2
Youth correctional centers	2	2	2	3	3	3	3	3	3	3
Vehicles	193	183	167	155	147	145	133	123	111	110
Education and Support Services										
State owned office space (square feet)	28,200	28,200	28,200	28,200	28,200	28,200	28,200	26,937	26,937	26,937
Number of State museums	7	7	7	7	7	7	7	7	7	7
State library	1	1	1	1	1	1	1	1	1	1
Law, Justice and Public Safety										
State owned office space (square feet)	646,223	645,775	645,322	645,322	645,322	645,322	643,134	649,409	649,409	649,409
Supreme Court building	1	1	1	1	1	1	1	1	1	1
Department of Corrections facilities	20	19	19	19	19	19	19	19	19	19
Vehicles	1,161	1,191	1,118	1,128	1,088	1,066	931	964	986	980
Regulation of Business										
State owned office space (square feet)	102,038	102,478	102,245	103,765	103,765	103,765	109,710	71,369	71,369	71,369
Vehicles	263	253	242	259	249	262	251	253	228	228
Transportation										
State owned office space (square feet)	280,728	273,327	308,532	308,532	337,094	337,094	339,190	339,190	357,993	366,499
NDOT lane miles	13,055	13,368	13,613	13,622	13,628	13,708	13,083	14,083	13,463	13,505
NDOT bridges	1,109	1,116	1,101	1,154	1,164	1,164	1,165	1,208	1,229	1,221
NDOT vehicles	538	628	633	631	639	639	674	673	671	695
NDOT heavy equipment	2,058	1,943	1,931	1,918	1,926	1,926	1,926	1,932	1,979	2,019
NDOT maintenance stations (staffed)	42	42	42	44	44	44	44	44	45	45
Recreation and Resource Development										
State owned office space (square feet)	142,638	142,140	143,150	143,150	143,150	143,150	139,326	123,022	123,022	123,022
Number of State Parks	24	24	24	23	23	23	23	24	27	28
Acres of State Parks	145,750	145,745	145,760	146,225	146,225	148,625	148,625	158,440	158,440	158,440
Number of Fish Hatcheries	4	4	4	4	4	4	4	4	4	4
Wildlife Management Areas	11	11	11	11	11	11	11	11	11	11
Acres of Wildlife Management Areas	118,993	120,254	121,086	119,212	119,212	119,212	119,212	125,414	125,414	124,225
Vehicles	805	797	790	826	850	810	779	785	750	748

Sources: Nevada Attorney General's Office; Nevada Departments of Administration, Conservation and Natural Resources, Tourism and Cultural Affairs, Health & Human Services, Transportation and Wildlife

Rhyolite Ghost Town

As one of the most photographed ghost towns in the West, Rhyolite should be a priority when planning a Nevada adventure. This fascinating boomtown sprung to life after a couple of prospectors discovered high-grade gold ore in 1905 in this region, several mining camps including Rhyolite popped up which later became known as the Bullfrog Mining District. It was named Bullfrog because the two prospectors who discovered gold in the area—Frank “Shorty” Harris and Ernest “Ed” Cross—decided that the rock found throughout the region looked greenish, and was spotted with big chunks of yellow metal, resembling the back of a bullfrog.

The other unusual thing about Rhyolite is Tom Kelly’s bottle house seen below.



Nevada Tourism and Cultural Affairs
nuculture.org

COMPLIANCE SECTION

Goldwell Open Air Museum

Ranked among some of world's most unique places to experience art is the one-of-a-kind Goldwell Open Air Museum. Featuring seven colossal sculptures that include a ghostly life-size version of Leonardo Da Vinci's painting of the Last Supper, a 25-foot pink woman constructed from cinder blocks, a 24-foot steel prospector and penguin, a gleaming tangle of chrome car accessories and a finely-carved winged woman who reaches for the sun from her perch atop a wooden pillar, the Goldwell Museum is certainly no average art experience.

The astonishing sculpture park, which covers nearly eight acres, was created by a group of well-known Belgian artists, led by the late Albert Szukalski, who were drawn to the remote upper portion of the vast Mojave Desert to pursue artistic vision free from convention. Each piece was designed within the context of the landscape and should be interpreted as such. The park is open to the public all day, every day, and there is no admission fee. The Goldwell Museum also features an on-site visitor



center with regular exhibits and events, as well as a small gift shop. The center is open certain weekends during the summer, but visitors are welcome to explore the sculpture park anytime.

The nearby Red Barn Art Center offers artist residency and workspace programs and is oriented to the artist who seeks challenging, dramatic landscapes in which to create.

Nevada Tourism and Cultural Affairs
nvculture.org



**Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

The Honorable Catherine Byrne, CPA
State Controller
Carson City, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Nevada, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the State of Nevada's basic financial statements, and have issued our report thereon dated May 21, 2021. Our report includes a reference to other auditors who audited the financial statements of the Nevada System of Higher Education, a discretely presented component unit, the Self Insurance and Insurance Premiums Internal Service Funds, the Pension Trust Funds and the Other Employee Benefit Trust Fund – State Retirees' Fund, the Nevada College Savings Plan – Private Purpose Trust Fund, and the Retirement Benefits Investment Fund – Investment Trust Fund, as described in our report on the State of Nevada's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by some of those auditors. The financial statements of the Pension Trust Funds, the Insurance Premiums Internal Service Fund and the Retirement Benefits Investment Fund were not audited in accordance with *Government Auditing Standards*.

Our report qualifies the opinion on the government-wide governmental activities and general fund because the State was unable to determine an amount that should have been recorded for donated personal protective equipment inventory. In addition, our report qualifies the opinion on the highway fund because the State was unable to determine an amount that should have been recorded for stockpile inventory.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the State of Nevada's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial

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statements, but not for the purpose of expressing an opinion on the effectiveness of the State of Nevada's internal control. Accordingly, we do not express an opinion on the effectiveness of the State of Nevada's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as findings 2020-001, 2020-002, 2020-003, 2020-004, 2020-005, 2020-006, 2020-007, 2020-008, and 2020-009 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of Nevada's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The State of Nevada's Response to Findings

The State of Nevada's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The State of Nevada's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of Nevada's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Nevada's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP".

Reno, Nevada
May 21, 2021

**STATE OF NEVADA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2020**

Findings Relating to the Financial Statements Reported in Accordance with GAGAS:

**2020-001: Unemployment Fraudulent Benefit Payments
Material Weakness**

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Internal controls should be designed, implemented and maintained to ensure the reliability of financial reporting and to prevent and detect fraud. The Department of Employment, Training, and Rehabilitation (DETR) is primarily responsible for the implementation of these controls in relation to the Unemployment Compensation Enterprise Fund.

Condition: Fraudulent unemployment benefit payments were paid.

Cause: DETR did not have the staffing levels, information system data analytic controls, and manual internal controls in place to handle the significant surge in unemployment claims as a result of the COVID-19 pandemic and the new programs implemented by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

Effect: At this time, the ultimate effect and total fraudulent payments cannot be estimated. However, initial estimates made by management believe that at least \$310.4 million in potentially fraudulent payments were processed. Of this amount, \$87.4 million were recovered by DETR's third party processor. The ultimate recovery of fraudulent payments is unknown and the amount cannot be estimated due to the volume of cases, sophistication of the fraudsters, and resources available to investigate. However, the investigative and recovery efforts are ongoing.

Recommendation: We recommend DETR work with the federal agencies involved in the unemployment fraud task force to identify and attempt recovery of fraudulent payments.

In addition, we further recommend that DETR improve information system internal controls to enhance data analytics as well as manual internal controls to better detect and prevent fraud.

*Views of Responsible
Officials:*

Management agrees with this finding.

**STATE OF NEVADA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2020**

Findings Relating to the Financial Statements Reported in Accordance with GAGAS:

**2020-002: Unemployment Financial Close and Reporting
Material Weakness**

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Accurate and timely reconciliation and review of accounts on the Statement of Fund Net Position is an important aspect of internal control.

Condition: Adjustments were needed in cash, accounts receivable, benefits payable, intergovernmental payables, and beginning net position (as well as related expense and revenue accounts). These accounts were not timely reconciled to the underlying support and thus required significant adjustment.

Cause: The Department of Employment, Training, and Rehabilitation (DETR) did not have internal controls to provide for the appropriate and timely review of the general ledger as part of its financial close process.

Effect: Prior to initial adjustment, cash balances were overstated by approximately \$328.8 million, receivables were understated by approximately \$648.6 million, payables were understated by approximately \$226.2 million, and beginning net position was overstated by approximately \$1.9 million. Related expenses and revenue accounts were adjusted accordingly. Subsequent to the initial adjustment, adjustments were recorded for an additional understatement of \$341.0 million in receivables and an understatement of \$305.2 million in payables with related expenses and revenue accounts adjusted accordingly.

Recommendation: We recommend DETR implement internal controls to provide for the appropriate and timely review of the general ledger as part of its financial close process.

Views of Responsible Officials: Management agrees with this finding.

**STATE OF NEVADA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2020**

Findings Relating to the Financial Statements Reported in Accordance with GAGAS:

**2020-004: Highway Fund – Inventory Balance, Accounts Receivable, Accounts Payable
and Unavailable Revenue
Material Weakness**

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Proper recording of inventory, accounts receivable, accounts payable, and unavailable revenue are key components of effective internal control over financial reporting.

Condition: Physical inventory counts are performed during the months of April and May each year; however, there are no roll-forward procedures in place to determine what the year-end inventory balance should be as of June 30th. Inventory reports used to record the inventory balance stockpile by locations throughout the State of Nevada did not agree to the balance recorded by the Nevada Department of Transportation (NDOT). In addition, during our audit procedures the invoices provided to support inventory pricing significantly varied from the unit prices used in the inventory balance.

During our audit procedures, we became aware of an accounts payable transaction that was not recorded in the appropriate accounting period.

In addition, we became aware of accounts receivable and unavailable revenue transactions that were written off and improperly reflected in the accounts receivable and unavailable revenue balances.

Cause: The internal controls in place did not ensure that inventory was recorded accurately.

The internal controls in place did not ensure that payments made after year-end were recorded in the accounting period in which the services were provided.

In addition, the internal controls in place did not ensure that bad debt write-offs were accurately reflected in accounts receivable and unavailable revenue.

**STATE OF NEVADA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2020**

Findings Relating to the Financial Statements Reported in Accordance with GAGAS:

<i>Effect:</i>	<p>The effect cannot be quantified as there were insufficient records in place to reasonably estimate year-end inventory balance.</p> <p>Accounts payable was understated by \$504,641. In addition, accounts receivable and unavailable revenue were overstated by \$1,771,505.</p>
<i>Recommendation:</i>	<p>We recommend the State of Nevada enhance internal controls, policies, and procedures to provide for the appropriate observation, valuation, and recording of inventory and related expenditures.</p> <p>We recommend the State of Nevada enhance internal controls over the recording of accounts receivable, accounts payable, and unavailable revenue.</p>
<i>Views of Responsible Officials:</i>	<p>Management partially agrees with this finding.</p>

**STATE OF NEVADA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2020**

Findings Relating to the Financial Statements Reported in Accordance with GAGAS:

**2020-007: Non-Cash Inventory – Personal Protective Equipment (PPE)
Material Weakness**

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Accurate and timely recording of non-cash inventory is a key component of effective internal control over financial reporting.

Condition: During the height of the COVID-19 pandemic, the State of Nevada received non-cash donations of PPE from federal and private donors. The State of Nevada did not have internal controls in place to properly track, maintain, and record the quantity and value of the receipt or distribution of PPE.

Cause: Internal controls in place did not ensure that PPE provided by public and private donations were accurately tracked, maintained, and recorded.

Effect: The amount is unknown.

Recommendation: We recommend the State of Nevada enhance internal controls to ensure public and private donations are accurately recorded and that an inventory of PPE be performed as of June 30, 2021 and annually going forward as needed.

Views of Responsible Officials: Management partially agrees with this finding.

**STATE OF NEVADA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2020**

Findings Relating to the Financial Statements Reported in Accordance with GAGAS:

**2020-009: Prior Period Adjustment of OPEB Implicit Subsidy
Material Weakness**

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Proper reporting of the OPEB implicit subsidy is a key component of effective internal control over financial reporting.

Condition: A prior period adjustment of \$6,797,371 was required to correct the deferred outflow of resources - OPEB implicit subsidy which was understated in the fiscal year 2019 financial statements.

Cause: Internal controls in place did not ensure that the deferred outflow of resources – OPEB implicit subsidy was recorded accurately.

Effect: In fiscal year 2019, the deferred outflow of resources – OPEB implicit subsidy was understated by \$6,797,371.

Recommendation: We recommend the State of Nevada enhance internal controls to ensure actuarial calculations provided to the State of Nevada are reviewed and accurately recorded.

Views of Responsible Officials: Management agrees with this finding.

OUR THANKS AND APPRECIATION TO THE FOLLOWING FOR THEIR HELP:

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