PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 5, 2017

OFFICIAL STATEMENT

$114,955,000*

State of Nevada

General Obligation Bonds

$84,360,000*
State of Nevada
General Obligation (Limited Tax)
Capital Improvement Bonds
Series 2017A

$6,210,000*
State of Nevada
General Obligation (Limited Tax)
Natural Resources and
Refunding Bonds
Series 2017B

$8,235,000*
State of Nevada
General Obligation (Limited Tax)
Open Space, Parks, Natural
Resources and Refunding Bonds
Series 2017C

$6,000,000*
State of Nevada
General Obligation (Limited Tax)
Bonds (Nevada Municipal Bond
Bank Project No. 90)
Series 2017D

$6,285,000*
State of Nevada
General Obligation (Limited Tax)
Safe Drinking Water Revolving
Fund Matching Bonds
Series 2017E

$3,865,000*
State of Nevada
General Obligation (Limited Tax)
Water Pollution Control Revolving
Fund Matching Bonds
Series 2017F

* Preliminary, subject to change.

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PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 5, 2017

In the opinion of Kutak Rock LLP, Bond Counsel for the 2017A Bonds, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the 2017A Bonds is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. In the opinion of Sherman & Howard L.L.C., Bond Counsel for the 2017B Bonds, 2017C Bonds, 2017D Bonds, 2017E Bonds and 2017F Bonds, assuming continuous compliance with certain covenants described herein, interest on such Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Tax Code, and interest on such Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. Under existing laws, regulations and judicial decisions, the Bonds, their transfer and the income therefrom are free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of the NRS and the tax on generation skipping transfers imposed pursuant to Chapter 375B of the NRS. See "TAX MATTERS" in Part I of this Official Statement.

NEW ISSUES — BOOK-ENTRY ONLY

RATINGS

Fitch (all series)	AA+
Moody's (all series)	Aa2
S&P (Series 2017A, B, C and D)	AA
S&P (Series 2017E and F)	AAA

See "RATINGS."

$84,360,000*
State of Nevada
General Obligation (Limited Tax)
Capital Improvement Bonds
Series 2017A

$6,210,000*
State of Nevada
General Obligation (Limited Tax)
Natural Resources and
Refunding Bonds
Series 2017B

$8,235,000*
State of Nevada
General Obligation (Limited Tax)
Open Space, Parks, Natural Resources
and Refunding Bonds
Series 2017C

$6,000,000*
State of Nevada
General Obligation (Limited Tax) Bonds
(Nevada Municipal Bond Bank
Project No. 90)
Series 2017D

$6,285,000*
State of Nevada
General Obligation (Limited Tax)
Safe Drinking Water Revolving
Fund Matching Bonds
Series 2017E

$3,865,000*
State of Nevada
General Obligation (Limited Tax)
Water Pollution Control Revolving
Fund Matching Bonds
Series 2017F

DATED: Date of Delivery **DUE: See inside of this cover page**

Interest on the Bonds is payable as follows:

Series	Interest Payment Dates
2017A, 2017B, 2017C and 2017D	May 1 and November 1, commencing on May 1, 2018
2017E and 2017F	February 1 and August 1, commencing February 1, 2018

The Bonds may be purchased in book–entry form only, in the principal amount of $5,000 or any integral multiple thereof. See "Appendix C—BOOK-ENTRY SYSTEM" in Part I of this Official Statement.

The Bonds (excluding the 2017F Bonds) or portions thereof will be subject to optional redemption prior to maturity as set forth herein. A bidder may request that the Bonds (excluding the 2017F Bonds) maturing on or after the dates set forth in the Official Notice of Bond Sale referred to below be included in one or more term bonds and be subject to mandatory sinking fund redemption, subject to the terms and conditions set forth under the heading "Mandatory Sinking Fund Redemption" in the "OFFICIAL NOTICE OF BOND SALE" referred to below.

The Bonds are direct general obligations of the State of Nevada (the "State") to which the full faith and credit of the State is pledged. The Bonds are payable as to principal and interest from general (ad valorem) taxes levied against all taxable property within the State (except to the extent any other moneys are made available therefor), subject to Nevada constitutional and statutory limitations on the aggregate amount of such taxes. See "DESCRIPTION OF THE BONDS—Security for the Bonds" in Part I of this Official Statement. The 2017E Bonds and 2017F Bonds are also secured by and payable from certain pledged revenues as described in the 2017E Bond Order and 2017F Bond Order, respectively. See Part III of this Official Statement for a summary of pledged revenues securing the 2017E Bonds and Part IV of this Official Statement for a summary of pledged revenues securing the 2017F Bonds.

The Bonds will be sold in a competitive sale on October 17, 2017. Prices and yields will be set by the successful bidder. The "OFFICIAL NOTICE OF BOND SALE" is included as Appendix E to Part I of this Official Statement.

For maturity dates and interest rates, see the inside cover of this Official Statement.

The Bonds are offered, subject to prior sale, when, as and if issued by the State and accepted by each of the successful bidders, and subject to the approval of legality and certain other legal matters by Kutak Rock LLP, Bond Counsel for the 2017A Bonds, and by Sherman & Howard L.L.C., Bond Counsel for the 2017B Bonds, 2017C Bonds, 2017D Bonds, 2017E Bonds and 2017F Bonds. Certain legal matters will be passed upon by Hawkins Delafield & Wood LLP, as Disclosure Counsel to the State. The Bonds are expected to be available for book–entry delivery on or about November __, 2017.

This page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

Official Statement Dated: October __, 2017

*Preliminary, subject to change.

$84,360,000*
State of Nevada
General Obligation (Limited Tax)
Capital Improvement Bonds
Series 2017A

Base CUSIP†: _________

Maturity Date (May 1)	Principal Amount*	Interest Rate	Yield	CUSIP† Suffix
2018	$8,000,000			
2019	12,410,000			
2020	2,430,000			
2021	1,450,000			
2022	2,620,000			
2023	2,755,000			
2024	2,890,000			
2025	3,035,000			
2026	3,190,000			
2027	3,345,000			
2028	3,515,000			
2029	3,690,000			
2030	3,835,000			
2031	3,990,000			
2032	4,150,000			
2033	4,315,000			
2034	4,445,000			
2035	4,580,000			
2036	4,765,000			
2037	4,950,000			

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* Preliminary, subject to change.

† *CUSIP® is a registered trademark of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the State and are included solely for the convenience of the registered owners of the applicable Bonds. The State is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.*

$6,210,000*
State of Nevada
General Obligation (Limited Tax)
Natural Resources and Refunding Bonds
Series 2017B

Base CUSIP†: _________

Maturity Date (May 1)	Principal Amount*	Interest Rate	Yield	CUSIP† Suffix
2019	$325,000			
2020	335,000			
2021	345,000			
2022	350,000			
2023	370,000			
2024	385,000			
2025	390,000			
2026	410,000			
2027	425,000			
2028	445,000			
2029	270,000			
2030	280,000			
2031	295,000			
2032	300,000			
2033	305,000			
2034	320,000			
2035	325,000			
2036	335,000			

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$8,235,000*
State of Nevada
General Obligation (Limited Tax)
Open Space, Parks, Natural Resources and Refunding Bonds
Series 2017C

Base CUSIP†: _________

Maturity Date (May 1)	Principal Amount*	Interest Rate	Yield	CUSIP† Suffix
2019	$490,000			
2020	265,000			
2021	280,000			
2022	505,000			
2023	515,000			
2024	540,000			
2025	560,000			
2026	580,000			
2027	605,000			
2028	635,000			
2029	660,000			
2030	290,000			
2031	300,000			
2032	310,000			
2033	320,000			
2034	330,000			
2035	340,000			
2036	350,000			
2037	360,000			

* Preliminary, subject to change.

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$6,000,000*
State of Nevada
General Obligation (Limited Tax) Bonds
(Nevada Municipal Bond Bank Project No. 90)
Series 2017D

Base CUSIP†: _________

Maturity Date (November 1)	Principal Amount*	Interest Rate	Yield	CUSIP† Suffix
2018	$200,000			
2019	205,000			
2020	215,000			
2021	220,000			
2022	230,000			
2023	240,000			
2024	250,000			
2025	260,000			
2026	270,000			
2027	285,000			
2028	300,000			
2029	315,000			
2030	330,000			
2031	340,000			
2032	355,000			
2033	370,000			
2034	385,000			
2035	395,000			
2036	410,000			
2037	425,000			

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$6,285,000*
State of Nevada
General Obligation (Limited Tax)
Safe Drinking Water Revolving Fund Matching Bonds
Series 2017E

Base CUSIP†: _________

Maturity Date (August 1)	Principal Amount*	Interest Rate	Yield	CUSIP† Suffix
2018	$310,000			
2019	310,000			
2020	310,000			
2021	315,000			
2022	315,000			
2023	315,000			
2024	315,000			
2025	315,000			
2026	315,000			
2027	315,000			
2028	315,000			
2029	315,000			
2030	315,000			
2031	315,000			
2032	315,000			
2033	315,000			
2034	315,000			
2035	315,000			
2036	315,000			
2037	315,000			

* Preliminary, subject to change.

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$3,865,000*
State of Nevada
General Obligation (Limited Tax)
Water Pollution Control Revolving Fund Matching Bonds
Series 2017F

Base CUSIP†: _________

Maturity Date (August 1)	Principal Amount*	Interest Rate	Yield	CUSIP† Suffix
2018	$965,000			
2019	965,000			
2020	965,000			
2021	970,000			

* Preliminary, subject to change.

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STATE OF NEVADA

Brian Sandoval, Governor
Mark Hutchison, Lieutenant Governor
Barbara K. Cegavske, Secretary of State
Daniel M. Schwartz, State Treasurer
Ronald L. Knecht, State Controller
Adam Paul Laxalt, Attorney General

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REGISTRAR AND PAYING AGENT

U.S. Bank National Association
101 North First Avenue, Suite 1600
Phoenix, Arizona 85003
(800) 934-6802

ESCROW BANK
(for the Refunded Bonds Identified in Schedule I to Part I of this Official Statement)

U.S. Bank National Association
101 North First Avenue, Suite 1600
Phoenix, Arizona 85003

No dealer, broker, salesperson or other person has been authorized by the State of Nevada (the "State") to give any information or to make any representations other than as contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the State or the successful bidders for the Bonds. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information set forth herein has been furnished by the State and includes information obtained from other sources. Such other sources are believed to be reliable, but the information derived from such sources is not guaranteed as to accuracy or completeness. The information, estimates and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the State since the date hereof. Such information and expressions of opinion are made for the purpose of providing information to prospective investors and are not to be used for any other purpose or relied on by any other person.

This Official Statement contains statements which, to the extent they are not recitations of historical fact, constitute "forward-looking statements." In this respect, the words "estimate," "project," "anticipate," "expect," "intend" and "believe" and similar expressions are intended to identify forward-looking statements. A number of important factors affecting the State's financial results could cause actual results to differ materially from those stated in the forward-looking statements. The presentation of information, including tables of receipts from taxes and other revenues, is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial position or other affairs of the State. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future.

In connection with this offering the successful bidders may over allot or effect transactions that stabilize or maintain the market prices of the Bonds offered hereby at levels above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

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INTRODUCTION

PART II – INFORMATION CONCERNING THE STATE OF NEVADA

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TABLES

* Annual financial information of the type set forth in the table is to be updated annually pursuant to the Disclosure Dissemination Agreement.

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SUMMARY

This summary is not a complete description of the Bonds and does not contain all of the information you should consider before making any investment decision with respect to the Bonds. Prospective purchasers of Bonds should read the more detailed information appearing in this Official Statement for a complete understanding about the offering and the terms of, security for, and sources of payment for the Bonds.

THE BONDS

Bonds Offered .... State of Nevada General Obligation (Limited Tax) Capital Improvement Bonds, Series 2017A ("2017A Bonds")

State of Nevada General Obligation (Limited Tax) Natural Resources and Refunding Bonds, Series 2017B ("2017B Bonds")

State of Nevada General Obligation (Limited Tax) Open Space, Parks, Natural Resources and Refunding Bonds, Series 2017C ("2017C Bonds")

State of Nevada General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Project No. 90), Series 2017D ("2017D Bonds")

State of Nevada General Obligation (Limited Tax) Safe Drinking Water Revolving Fund Matching Bonds, Series 2017E ("2017E Bonds")

State of Nevada General Obligation (Limited Tax) Water Pollution Control Revolving Fund Matching Bonds, Series 2017F ("2017F Bonds")

Interest Payment Dates .... 2017A Bonds, 2017B Bonds, 2017C and 2017D Bonds

May 1 and November 1, commencing on May 1, 2018

2017E Bonds and 2017F Bonds

February 1 and August 1, commencing February 1, 2018

Redemption Provisions .... *Optional Redemption*

2017A Bonds

The 2017A Bonds or portions thereof in Authorized Denominations, maturing on and after May 1, 2028, will be subject to optional redemption prior to their respective maturities, without premium, at the option of the State, on and after May 1, 2027, in whole or in part at any time from any maturities selected by the State and by lot within a maturity, at a redemption price equal to 100% of the principal amount of each such Bond or portion thereof to be redeemed, plus accrued interest thereon to the redemption date.

2017B Bonds

The 2017B Bonds or portions thereof in Authorized Denominations, maturing on and after May 1, 2028, will be subject to optional redemption prior to their respective maturities, without premium, at the option of the State, on and after May 1, 2027, in whole or in part at any time from any maturities selected by the State and by lot within a maturity, at a redemption price equal to 100% of the principal amount of each such Bond or portion thereof to be redeemed, plus accrued interest thereon to the redemption date.

2017C Bonds

The 2017C Bonds or portions thereof in Authorized Denominations, maturing on and after May 1, 2028, will be subject to optional redemption prior to their respective maturities, without premium, at the option of the State, on and after May 1, 2027, in whole or in part at any time from any maturities selected by the State and by lot within a maturity, at a redemption price equal to 100% of the principal amount of each such Bond or portion thereof to be redeemed, plus accrued interest thereon to the redemption date.

2017D Bonds

The 2017D Bonds or portions thereof in Authorized Denominations, maturing on and after November 1, 2028, will be subject to optional redemption prior to their respective maturities, without premium, at the option of the State, on and after November 1, 2027, in whole or in part at any time from any maturities selected by the State and by lot within a maturity, at a redemption price equal to 100% of the principal amount of each such Bond or portion thereof to be redeemed, plus accrued interest thereon to the redemption date.

2017E Bonds

The 2017E Bonds or portions thereof in Authorized Denominations, maturing on and after August 1, 2028, will be subject to optional redemption prior to their respective maturities, without premium, at the option of the State, on and after August 1, 2027, in whole or in part at any time from any maturities selected by the State and by lot within a maturity, at a redemption price equal to 100% of the principal amount of each such Bond or portion thereof to be redeemed, plus accrued interest thereon to the redemption date.

2017F Bonds

The 2017F Bonds are not subject to optional redemption prior to their respective maturities at the option of the State.

Mandatory Sinking Fund Redemption

2017A Bonds

The 2017A Bonds maturing on May 1, 20__, will be subject to mandatory sinking fund redemption (by lot in such manner as the Registrar may determine) on the dates and in the amounts set forth below, at a redemption price equal to 100% of the principal amount of any such Bonds to be redeemed and accrued interest to the redemption date:

Redemption Date (May 1)	Principal Amount
	$

2017B Bonds

The 2017B Bonds maturing on May 1, 20__, will be subject to mandatory sinking fund redemption (by lot in such manner as the Registrar may determine) on the dates and in the amounts set forth below, at a redemption price equal to 100% of the principal amount of any such Bonds to be redeemed and accrued interest to the redemption date:

Redemption Date (May 1)	Principal Amount
	$

2017C Bonds

The 2017C Bonds maturing on May 1, 20__, will be subject to mandatory sinking fund redemption (by lot in such manner as the Registrar may determine) on the dates and in the amounts set forth below, at a redemption price equal to 100% of the principal amount of any such Bonds to be redeemed and accrued interest to the redemption date:

Redemption Date (May 1)	Principal Amount
	$

2017D Bonds

The 2017D Bonds maturing on November 1, 20__, will be subject to mandatory sinking fund redemption (by lot in such manner as the Registrar may determine) on the dates and in the amounts set forth below, at a redemption price equal to 100% of the principal amount of any such Bonds to be redeemed and accrued interest to the redemption date:

Redemption Date (November 1)	Principal Amount
	$

2017E Bonds

The 2017E Bonds maturing on August 1, 20__, will be subject to mandatory sinking fund redemption (by lot in such manner as the Registrar may determine) on the dates and in the amounts set forth below, at a redemption price equal to 100% of the principal amount of any such Bonds to be redeemed and accrued interest to the redemption date:

Redemption Date (August 1)	Principal Amount
	$

2017F Bonds

The 2017F Bonds are not subject to mandatory sinking fund redemption.

Extraordinary Mandatory Redemption

The 2017E Bonds are subject to extraordinary redemption in the event proceeds of the 2017E Bonds are not spent by certain deadlines. Federal tax law requires that 30 percent of the net proceeds of the 2017E Bonds to be used to make loans to local governments within one year of the date of issuance of the 2017E Bonds and 95% of the net proceeds of the 2017E Bonds to be used for that purpose within three years of the date of issue of the 2017E Bonds. The State expects to meet these requirements, but if it does not, in order to preserve the federal tax exemption for interest on the 2017E Bonds, an amount equal to the shortfall will be used to redeem 2017E Bonds in authorized denominations at a price equal to the principal of each 2017E Bond to be redeemed plus accrued interest to the redemption date. The redemption date will be a date not later than 90 days following the one-year or three-year period, as applicable, described above.

PURPOSE

Purpose.. The 2017A Bonds are being issued to finance various capital improvement projects, including construction of a new Department of Motor Vehicles Service Center, and to pay costs of issuance of the 2017A Bonds.

The 2017B Bonds are being issued to finance costs of environmental improvement projects for the Lake Tahoe Basin, to provide grants for water conservation and capital improvements to certain water systems, to refund certain outstanding bonds and to pay costs of issuance of the 2017B Bonds.

The 2017C Bonds are being issued to finance property acquisition or capital improvements and renovations by the Division of State Parks; to finance property acquisition, facility development and renovation, or wildlife habitat improvements by the Division of Wildlife; to provide grants for State agencies, local governments or qualifying private nonprofit organizations for various programs, including recreational trails, urban parks, habitat conservation, open spaces and general natural resource protection; to refund certain outstanding bonds; and to pay costs of issuance of the 2017C Bonds.

The 2017D Bonds are being issued to finance loans to Carson City for sewer projects and to pay costs of issuance of the 2017D Bonds.

The 2017E Bonds are being issued to provide state matching funds for the State's Safe Drinking Water Revolving Fund program and to pay costs of issuance of the 2017E Bonds.

The 2017F Bonds are being issued to provide state matching funds for the State's Water Pollution Control Revolving Fund program and to pay costs of issuance of the 2017F Bonds.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

General Obligation of the State...... All of the Bonds are direct general obligations of the State to which the full faith and credit of the State is pledged. The Bonds are payable as to principal and interest from general (ad valorem) taxes levied against all taxable property within the State (except to the extent any other revenues are made available therefor), subject to Nevada constitutional and statutory limitations on the aggregate amount of such taxes.

See "DESCRIPTION OF THE BONDS—Security for the Bonds" in Part I of this Official Statement for additional information regarding the general obligation of the State and Nevada constitutional and statutory limitations on ad valorem taxes.

Additional Source of Payment for the 2017E Bonds .... Although the 2017E Bonds are direct general obligations of the State to which the full faith and credit of the State is pledged, the State does not expect to levy ad valorem taxes to pay such Bonds because those Bonds are payable primarily from other revenues and are categorized as self-supporting bonds. The 2017E Bonds are payable primarily from and secured by a nonexclusive lien on available amounts on deposit in the Safe Drinking Water Revolving Fund consisting of amounts received from local governments as interest payments (and not principal payments) on State loans to local governments for drinking water system projects on a parity with certain other State general obligation bonds.

Additional Source of Payment for the 2017F Bonds............................... Although the 2017F Bonds are direct general obligations of the State to which the full faith and credit of the State is pledged, the State does not expect to levy ad valorem taxes to pay such Bonds because those Bonds are payable primarily from other revenues and are categorized as self-supporting bonds. The 2017F Bonds are payable primarily from and secured by a nonexclusive lien on available amounts on deposit in the Water Pollution Control Revolving Fund consisting of amounts received from local governments as interest payments (and not principal payments) on State loans to local governments for wastewater treatment and pollution control projects on a parity with certain other State general obligation bonds.

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OFFICIAL STATEMENT

$114,955,000*

THE STATE OF NEVADA

RELATING TO THE ISSUE AND SALE OF

GENERAL OBLIGATION BONDS

$84,360,000* State of Nevada General Obligation (Limited Tax) Capital Improvement Bonds Series 2017A	$6,210,000* State of Nevada General Obligation (Limited Tax) Natural Resources and Refunding Bonds Series 2017B	$8,235,000* State of Nevada General Obligation (Limited Tax) Open Space, Parks, Natural Resources and Refunding Bonds Series 2017C
$6,000,000* State of Nevada General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Project No. 90) Series 2017D	$6,285,000* State of Nevada General Obligation (Limited Tax) Safe Drinking Water Revolving Fund Matching Bonds Series 2017E	$3,865,000* State of Nevada General Obligation (Limited Tax) Water Pollution Control Revolving Fund Matching Bonds Series 2017F

INTRODUCTION

General

This Official Statement of the State of Nevada (the "State"), including the cover pages, inside cover pages, schedules, appendices and attachments, is provided for the purpose of setting forth information in connection with the sale of the bonds listed above (by series referred to herein as the "2017A Bonds," "2017B Bonds," "2017C Bonds," "2017D Bonds," "2017E Bonds" and "2017F Bonds," and collectively referred to as the "Bonds").

The Bonds will be sold in a competitive sale on October 17, 2017, and will mature on the dates and in the principal amounts, and bear interest at the rates, set forth in the pages immediately following the cover page of this Official Statement.

This Official Statement consists of the cover pages and all prefatory material prior to this introduction, this introduction, Part I (including all Schedules and Appendices thereto), Part II (including all Appendices and Attachments thereto), Part III and Part IV.

Part I – Information Concerning the Bonds Being Offered

Part I sets forth information concerning the Bonds, including the payment and redemption provisions, the basis of their authorization and their purposes, the security for the Bonds, a description of the events of default, remedies, amendments and discharge provisions applicable to the Bonds, the federal income tax treatment of the interest on the Bonds, and certain other matters.

Part II – Information Concerning the State of Nevada

Part II sets forth certain information relating to the State, including constitutional and statutory authorizations of general obligation debt and applicable debt limitations, information related to general obligation bonds currently issued and outstanding, as well as general obligation bonds authorized but unissued, information relating to State property taxes and collections, certain financial data relating to the State, and certain economic and

* Preliminary, subject to change.

demographic information. Part II also includes as appendices (i) the Comprehensive Annual Financial Report of the State for FY 2016 (excluding the Introductory Section and Statistical Section), (ii) History of General Fund Revenues, Expenditures and Changes in Fund Balances for FY 2012, 2013, 2014, 2015 and 2016, and (iii) the Economic Forum Forecast of general fund revenues for the 2017-2019 biennium as of May 1, 2017 (as adjusted for legislatively approved changes enacted during the 2017 Regular Session of the State Legislature). The State's fiscal year (referred to herein as "FY") is the 12-month period ending on June 30.

Part III – Information Concerning Additional Security for the 2017E Bonds Only

Part III sets forth certain information relating to the State's Safe Drinking Water Revolving Fund program and additional security that relates to the 2017E Bonds only.

Part IV – Information Concerning Additional Security for the 2017F Bonds Only

Part IV sets forth certain information relating to the State's Water Pollution Control Revolving Fund program and additional security that relates to the 2017F Bonds only.

Tax Status

In the opinion of Kutak Rock LLP, Bond Counsel for the 2017A Bonds, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the 2017A Bonds is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. In the opinion of Sherman & Howard L.L.C., Bond Counsel for the 2017B Bonds, 2017C Bonds, 2017D Bonds, 2017E Bonds and 2017F Bonds, assuming continuous compliance with certain covenants described herein, interest on such Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the "Tax Code"), and interest on such Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. Under existing laws, regulations and judicial decisions, the Bonds, their transfer and the income therefrom are free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of the NRS and the tax on generation skipping transfers imposed pursuant to Chapter 375B of the NRS. See "TAX MATTERS" in Part I of this Official Statement.

Miscellaneous

Potential investors should review this entire Official Statement. The Official Statement speaks only as of its date, and the information contained herein is subject to change. Brief descriptions of the State, the Bonds, and the State documents authorizing the Bonds (the "Bond Resolutions") are included in this Official Statement. All references herein to the Bonds and the Bond Resolutions and other documents referred to herein are qualified in their entirety by reference to such documents and all capitalized terms used herein, which are not defined, have the meanings given such terms as set forth in the Bond Resolutions.

So far as any statements made in this Official Statement involve matters of opinion, assumptions, projections, anticipated events or estimates, whether or not expressly stated, they are set forth as such and not as presentations of fact, and actual results may differ substantially from those set forth herein. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the purchasers or subsequent owners of the Bonds.

The summaries of certain provisions of the Bonds, the Nevada statutes, the Bond Resolutions and other documents referred to in this Official Statement do not purport to be complete and reference is made to each of them for a complete statement of their provisions. The term "NRS" used herein refers to the Nevada Revised Statutes.

A wide variety of other information, including financial information, concerning the State is available from State agencies, State agency publications and State agency websites. No such information is a part of or incorporated into this Official Statement.

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PART I

INFORMATION CONCERNING THE BONDS BEING OFFERED

DESCRIPTION OF THE BONDS

General

The Bonds will be dated their date of delivery and will mature on the dates and in the principal amounts set forth on the inside cover pages of this Official Statement. The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), which will act as securities depository for the Bonds. Beneficial interests in the Bonds may be purchased in book-entry form only, in denominations of $5,000 or any integral multiple thereof ("Authorized Denominations"). Purchasers of the Bonds will not receive certificates representing their ownership interest in the Bonds purchased. The record date for the payment of interest on the Bonds (the "Regular Record Date") is the close of business on the 15th day of the calendar month preceding an interest payment date. Interest will be paid by U.S. Bank National Association, Paying Agent and Registrar (the "Paying Agent" and "Registrar"), on the interest payment date (or if such day is not a business day, on the next succeeding business day) to DTC or its nominee as registered owner of the Bonds. Disbursement of interest, principal and redemption payments is the responsibility of DTC. So long as Cede & Co., as nominee of DTC, is the registered owner of the Bonds, references in this Official Statement to the registered owners of the Bonds will mean Cede & Co., and will not mean the beneficial owners. See "APPENDIX C—BOOK-ENTRY SYSTEM" in Part I of this Official Statement.

Interest

Interest on the Bonds is payable on the dates and at the interest rates shown on the pages immediately following the cover page of this Official Statement calculated on the basis of a 360-day year of twelve 30-day months.

Redemption of Bonds

<u>Optional Redemptions</u>

The 2017F Bonds are not subject to optional redemption prior to their respective maturities at the option of the State. The 2017A Bonds, 2017B Bonds, 2017C Bonds, 2017D Bonds and 2017E Bonds are subject to optional redemption as follows:

Optional Redemption of 2017A Bonds. The 2017A Bonds or portions thereof in Authorized Denominations, maturing on and after May 1, 2028, will be subject to optional redemption prior to their respective maturities, without premium, at the option of the State, on and after May 1, 2027, in whole or in part at any time from any maturities selected by the State and by lot within a maturity, at a redemption price equal to 100% of the principal amount of each such Bond or portion thereof to be redeemed, plus accrued interest thereon to the redemption date.

Optional Redemption of 2017B Bonds. The 2017B Bonds or portions thereof in Authorized Denominations, maturing on and after May 1, 2028, will be subject to optional redemption prior to their respective maturities, without premium, at the option of the State, on and after May 1, 2027, in whole or in part at any time from any maturities selected by the State and by lot within a maturity, at a redemption price equal to 100% of the principal amount of each such Bond or portion thereof to be redeemed, plus accrued interest thereon to the redemption date.

Optional Redemption of 2017C Bonds. The 2017C Bonds or portions thereof in Authorized Denominations, maturing on and after May 1, 2028, will be subject to optional redemption prior to their respective maturities, without premium, at the option of the State, on and after May 1, 2027, in whole or in part at any time from any maturities selected by the State and by lot within a maturity, at a redemption price equal to 100% of the principal amount of each such Bond or portion thereof to be redeemed, plus accrued interest thereon to the redemption date.

Optional Redemption of 2017D Bonds. The 2017D Bonds or portions thereof in Authorized Denominations, maturing on and after November 1, 2028, will be subject to optional redemption prior to their respective maturities, without premium, at the option of the State, on and after November 1, 2027, in whole or in part at any time from any maturities selected by the State and by lot within a maturity, at a redemption price equal to 100% of the principal amount of each such Bond or portion thereof to be redeemed, plus accrued interest thereon to the redemption date.

Optional Redemption of 2017E Bonds. The 2017E Bonds or portions thereof in Authorized Denominations, maturing on and after August 1, 2028, will be subject to optional redemption prior to their respective maturities, without premium, at the option of the State, on and after August 1, 2027, in whole or in part at any time from any maturities selected by the State and by lot within a maturity, at a redemption price equal to 100% of the principal amount of each such Bond or portion thereof to be redeemed, plus accrued interest thereon to the redemption date.

Mandatory Sinking Fund Redemptions

The Bonds, excluding the 2017F Bonds, are subject to mandatory sinking fund redemption as follows:

Mandatory Sinking Fund Redemption of 2017A Bonds. The 2017A Bonds maturing on May 1, 20__, will be subject to mandatory sinking fund redemption (by lot in such manner as the Registrar may determine) on the dates and in the amounts set forth below, at a redemption price equal to 100% of the principal amount of any such Bonds to be redeemed and accrued interest to the redemption date:

Redemption Date (May 1)	Principal Amount
	$

Mandatory Sinking Fund Redemption of 2017B Bonds. The 2017B Bonds maturing on May 1, 20__, will be subject to mandatory sinking fund redemption (by lot in such manner as the Registrar may determine) on the dates and in the amounts set forth below, at a redemption price equal to 100% of the principal amount of any such Bonds to be redeemed and accrued interest to the redemption date:

Redemption Date (May 1)	Principal Amount
	$

Mandatory Sinking Fund Redemption of 2017C Bonds. The 2017C Bonds maturing on May 1, 20__, will be subject to mandatory sinking fund redemption (by lot in such manner as the Registrar may determine) on the dates and in the amounts set forth below, at a redemption price equal to 100% of the principal amount of any such Bonds to be redeemed and accrued interest to the redemption date:

Redemption Date (May 1)	Principal Amount
	$

Mandatory Sinking Fund Redemption of 2017D Bonds. The 2017D Bonds maturing on November 1, 20__, will be subject to mandatory sinking fund redemption (by lot in such manner as the Registrar may determine) on the dates and in the amounts set forth below, at a redemption price equal to 100% of the principal amount of any such Bonds to be redeemed and accrued interest to the redemption date:

Redemption Date (November 1)	Principal Amount
	$

Mandatory Sinking Fund Redemption of 2017E Bonds. The 2017E Bonds maturing on August 1, 20__, will be subject to mandatory sinking fund redemption (by lot in such manner as the Registrar may determine) on the dates and in the amounts set forth below, at a redemption price equal to 100% of the principal amount of any such Bonds to be redeemed and accrued interest to the redemption date:

Redemption Date (August 1)	Principal Amount
	$

At the option of the State Treasurer, the State may: (i) deliver to the Registrar for cancellation the Bonds subject to mandatory sinking fund redemption, or portions thereof in Authorized Denominations in an aggregate amount desired by the State Treasurer; or (ii) specify a principal amount of such Bonds, or portions thereof in Authorized Denominations which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and cancelled by the Registrar and not theretofore applied as a credit against any sinking fund redemption obligation. Each such Bond or portion thereof so delivered or previously redeemed shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the State on the sinking fund redemption dates and any excess shall be so credited against future sinking fund redemption obligations in such manner as the State Treasurer determines.

Extraordinary Mandatory Redemption

The 2017E Bonds are subject to extraordinary redemption in the event proceeds of the 2017E Bonds are not spent by certain deadlines. Federal tax law requires that 30 percent of the net proceeds of the 2017E Bonds to be used to make loans to local governments within one year of the date of issuance of the 2017E Bonds and 95% of the net proceeds of the 2017E Bonds to be used for that purpose within three years of the date of issue of the 2017E Bonds. The State expects to meet these requirements, but if it does not, in order to preserve the federal tax exemption for interest on the 2017E Bonds, an amount equal to the shortfall will be used to redeem 2017E Bonds in authorized denominations at a price equal to the principal of each 2017E Bond to be redeemed plus accrued interest to the redemption date. The redemption date will be a date not later than 90 days following the one-year or three-year period, as applicable, described above.

Notice of Redemption

Notice of redemption of any Bonds will be given by the Registrar by electronic mail as long as Cede & Co. or a nominee of a successor depository is the owner of the Bonds, and otherwise by first-class, postage prepaid mail, at least 30 days but not more than 60 days prior to the redemption date, to the registered owner of the Bonds called for redemption (which will be Cede & Co., as nominee of DTC) and electronically to the Municipal Securities Rulemaking Board via its Electronic Municipal Market Access System ("MSRB"), and as otherwise provided in the Bond Resolutions. The notice will identify the Bonds or portions thereof to be redeemed, specify the redemption date and any conditions related to such redemption, if any, and state that on the redemption date the principal amount thereof, accrued interest and premium, if any, thereon will become due and payable at the principal office of the Paying Agent or such other office as may be designated by the Paying Agent, and that after the redemption date, no further interest will accrue on the principal of any Bonds called for redemption. Actual receipt of the notice by the MSRB or the registered owner of the Bonds shall not be a condition precedent to the redemption of such Bonds. Failure to give such notice as described above to the MSRB or the registered owner, or any defect therein, shall not affect the validity of the proceedings for the redemption of any other Bonds called for redemption. Any notice of redemption may contain a statement that the redemption is conditional upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Bonds so called for redemption, and that if such funds are not available, such redemption shall be cancelled by written notice to the owners of the Bonds called for redemption in the same manner as the original redemption notice was given.

Authorization and Purposes of Bonds

2017A Bonds. The 2017A Bonds are being issued to finance various capital improvement projects, including construction of a new Department of Motor Vehicles Service Center, and to pay costs of issuance of the 2017A Bonds. The 2017A Bonds are being issued pursuant to the Constitution and laws of the State, including Chapter 549, Statutes of Nevada, 2015, as amended (the "2015 Capital Improvement Project Act"), Chapter 606, Statutes of Nevada, 2017, as amended (the "2017 Capital Improvement Project Act"), NRS 349.150 through and including 349.364, as amended (the "Bond Act"), and Chapter 348, Nevada Revised Statutes (together with all laws amendatory thereof, the "Supplemental Bond Act"), and a resolution adopted by the Board of Finance of the State (the "Board of Finance") on September 12, 2017 (the "2017A Bond Resolution"). A copy of the 2017A Bond Resolution is on file in the office of the secretary of the Board of Finance in Carson City, Nevada for public inspection.

2017B Bonds. The 2017B Bonds are being issued to finance costs of environmental improvement projects for the Lake Tahoe Basin, to provide grants for water conservation and capital improvements to certain water systems, to refund those outstanding bonds identified in Schedule I of this Part I as being refunded with proceeds of the 2017B Bonds, and to pay costs of issuance of the 2017B Bonds. The 2017B Bonds are being issued pursuant to the Constitution and laws of the State, including Section 28 of Chapter 606, Statutes of Nevada 2017 and Chapter 437, Statutes of Nevada, 2011, as amended (collectively, the "Tahoe Project Act"), Section 29 of Chapter 606, Statutes of Nevada 2017 (the "Water Grants Project Act"), the Bond Act and the Supplemental Bond Act, and a resolution adopted by the Board of Finance on September 12, 2017 (the "2017B Bond Resolution"). A copy of the 2017B Bond Resolution is on file in the office of the secretary of the Board of Finance in Carson City, Nevada for public inspection.

2017C Bonds. The 2017C Bonds are being issued to finance property acquisition or capital improvements and renovations by the Division of State Parks (the "Parks Project"); to finance property acquisition, facility development and renovation, or wildlife habitat improvements by the Division of Wildlife (the "Wildlife Project"); to provide grants for State agencies, local governments or qualifying private nonprofit organizations for various programs, including recreational trails, urban parks, habitat conservation, open spaces and general natural resource protection (the "Grants Project"); to refund those outstanding bonds identified in Schedule I of this Part I as being refunded with proceeds of the 2017C Bonds; and to pay costs of issuance of the 2017C Bonds. The 2017C Bonds are being issued pursuant to the Constitution and laws of the State, including the Bond Act and the Supplemental Bond Act, and a resolution adopted by the Board of Finance on September 12, 2017 (the "2017C Bond Resolution"). Costs of the Parks Project, Wildlife Project and the Grants Project were included in the "Question 1" that was placed on the November 5, 2002 general election ballot and approved by a majority of the registered voters of the State. A copy of the 2017C Bond Resolution is on file in the office of the secretary of the Board of Finance in Carson City, Nevada for public inspection.

2017D Bonds. The 2017D Bonds are being issued to finance loans to Carson City for sewer projects and to pay costs of issuance of the 2017D Bonds. The 2017D Bonds are being issued pursuant to the Constitution and laws of the State, including NRS Chapter 350A (the "Bond Bank Act"), the Bond Act and the Supplemental Bond Act, and a resolution adopted by the Board of Finance on September 12, 2017 (the "2017D Bond Resolution"). A copy of the 2017D Bond Resolution is on file in the office of the secretary of the Board of Finance in Carson City, Nevada for public inspection.

2017E Bonds. The 2017E Bonds are being issued to provide state matching funds for the State's Safe Drinking Water Revolving Fund program. Proceeds of the 2017E Bonds will be applied by the State to make loans to local governments for public drinking water system projects and to pay costs of issuance of the 2017E Bonds. The 2017E Bonds are being issued pursuant to the Constitution and laws of the State, including NRS 445A.200 through 445A.295, the Bond Act and the Supplemental Bond Act, and an order adopted by the Board of Finance on September 12, 2017 (the "2017E Bond Order"). A copy of the 2017E Bond Order is on file in the office of the secretary of the Board of Finance in Carson City, Nevada for public inspection.

2017F Bonds. The 2017F Bonds are being issued to provide state matching funds for the State's Water Pollution Control Revolving Fund program. Proceeds of the 2017F Bonds will be applied by the State to make loans to local governments for wastewater treatment and pollution control projects and to pay costs of issuance of the 2017F Bonds. The 2017F Bonds are being issued pursuant to the Constitution and laws of the State, including NRS 445A.060 through 445A.160, the Bond Act and the Supplemental Bond Act, and an order adopted by the Board of Finance on September 12, 2017 (the "2017F Bond Order"). A copy of the 2017F Bond Order is on file in the office of the secretary of the Board of Finance in Carson City, Nevada for public inspection.

The 2017A Bond Resolution, 2017B Bond Resolution, 2017C Bond Resolution, 2017D Bond Resolution, 2017E Bond Order and the 2017F Bond Order are collectively referred to in this Official Statement as the "Bond Resolutions."

Plan of Refunding

A portion of the proceeds of the sale of the 2017B Bonds and 2017C Bonds and other lawfully available moneys will be set aside in an escrow account, established with the U.S. Bank National Association, as escrow agent (the "Escrow Bank"), to refund the selected maturities of outstanding State general obligations bonds described in Schedule I to Part I of this Official Statement on their maturity or first redemption dates. Amounts held by the Escrow Bank will be invested in obligations of, or obligations unconditionally guaranteed by, the United States, that in each case are not callable for redemption prior to their maturities except at the option of the holder thereof.

The tables in Schedule I to Part I of this Official Statement describe the maturity date, outstanding aggregate par amount, coupon, CUSIP number, maturity or redemption date and redemption price of the State general obligation bonds all or a portion of which will be refunded (those bonds determined to be refunded are collectively referred to as the "Refunded Bonds"). The Refunded Bonds will be paid at maturity or on the redemption dates and at the redemption prices shown in the tables in Schedule I to Part I.

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Sources and Uses of Proceeds of the Bonds

The sources and proposed uses of the proceeds of the Bonds are approximately as follows:

SOURCES	**2017A Bonds**	**2017B Bonds**	**2017C Bonds**	**2017D Bonds**	**2017E Bonds**	**2017F Bonds**
Principal Amount of Bonds	$	$	$	$	$	$
Net Original Issue Premium						
Debt Service Fund Contribution						
TOTAL SOURCES	**$**	**$**	**$**	**$**	**$**	**$**
USES						
New Money Projects						
Refunding Escrow						
Costs of Issuance[1]						
TOTAL USES	**$**	**$**	**$**	**$**	**$**	**$**

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(1) Represents underwriters' discount, legal and financing fees, municipal advisory fees, printing costs, rating fees, and other miscellaneous expenses relating to the issuance of the Bonds.

Security for the Bonds

The Bonds are direct general obligations of the State to which the full faith and credit of the State is pledged. The Bonds are payable as to principal and interest from general (ad valorem) taxes levied against all taxable property within the State (except to the extent any other revenues are made available therefor), subject to Nevada constitutional and statutory limitations on the aggregate amount of such taxes. See "INFORMATION CONCERNING THE STATE OF NEVADA—DEBT STRUCTURE—Constitutional Debt Limitation" and "—PROPERTY TAXATION—Property Tax Limitations" in Part II of this Official Statement. The tax will be levied annually as necessary until all of the Bonds and the interest thereon are discharged, and will be levied and collected in the same manner and at the same time as other property taxes are levied and collected. All such taxes levied by the State will be deposited in the Consolidated Bond Interest and Redemption Fund in the State Treasury.

State law provides for payment of principal and interest on general obligation bonds from the taxes on deposit in the Consolidated Bond Interest and Redemption Fund in the State Treasury. The State is also permitted by law to apply any other funds that may be available for that purpose to make payments on general obligation bonds. State law further provides that if property tax revenues to the State are not sufficient to pay general obligation bond debt service and if the State has not applied other available funds to such purpose, the Consolidated Bond Interest and Redemption Fund will borrow money from the General Fund to pay general obligation bond debt service, to be repaid from future available property taxes. See "INFORMATION CONCERNING THE STATE OF NEVADA—PROPERTY TAXATION—State Tax Rates for Repayment of General Obligation Bonds" in Part II of this Official Statement. State law includes a permanent appropriation of the taxes levied to repay general obligation bonds for the payment of such principal and interest.

Article 10, Section 2, of the Constitution of the State of Nevada limits the total ad valorem property taxes levied by all overlapping governmental units within the boundaries of any county (i.e., the State, and any county, city, town, school district or special district) to an amount not to exceed five cents per dollar of assessed valuation ($5 per $100 of assessed valuation) of the property being taxed. The combined overlapping tax rate is further limited by statute to $3.64 per $100 of assessed valuation. The State's current levy for general obligation debt is $0.17 per $100 of assessed valuation. The State Legislature has exempted $0.02 per $100 of the $0.17 per $100 levied by the State for general obligation bonded indebtedness from this statutory limitation. The overlapping tax rate in all jurisdictions within the State is currently at or below the currently permitted statutory limit. See Table 11 in Part II of this Official Statement. State law provides a priority for taxes levied for the payment of general obligation bonded indebtedness, so that in any year in which the proposed tax rate to be levied by overlapping entities within a county exceeds any rate limitation, a reduction must be made by those entities for purposes other than the payment of general obligation bonded indebtedness. The State has the ability to raise its levy for the general obligation bonds (including both the amount levied by the State and the applicable statutory cap) within the constraints of the Nevada constitutional cap by legislative action. See "INFORMATION CONCERNING THE STATE OF NEVADA—PROPERTY TAXATION—Property Tax Limitations" in Part II of this Official Statement.

State law provides that the faith of the State be pledged and that any law concerning the Bonds, or other municipal securities, taxes or pledged revenues, shall not be repealed, amended or modified in such a manner as to impair adversely any outstanding municipal securities, including the Bonds, until all such securities have been discharged in full or provision for their payment and redemption has been fully made. State law authorizes holders of the Bonds to bring actions, at law or in equity, against the State, the Board of Finance, or other employees or agents of the State, to compel any action required by the State law or in any covenant with bondholders, or to take certain other enumerated actions.

The State does not generally levy ad valorem taxes to pay (a) general obligation bonds that are identified as self-supporting bonds because they are expected to be paid in full from sources other than property taxes (referred to herein as the "self-supporting bonds") or (b) that portion of general obligation bonds that are not identified as self-supporting bonds that is expected to be paid from sources other than property taxes. The currently outstanding self-supporting bonds and bonds that are not self-supporting but partially supported with sources other than property tax are identified in Table 2 of Part II of this Official Statement. These bonds (or self-supporting portions thereof) are expected to be paid from the revenues generated by the applicable program for which the bonds are issued. In the event revenues from such programs are insufficient to pay such bonds, the bonds have the same claim to ad valorem tax receipts as other general obligation bonds of the State.

Primary Source of Payment for the 2017E Bonds and 2017F Bonds

Although the 2017E Bonds and 2017F Bonds are direct general obligations of the State to which the full faith and credit of the State is pledged, the State does not expect to levy ad valorem taxes to pay such Bonds because those Bonds are payable primarily from other revenues and are categorized as self-supporting bonds.

The 2017E Bonds are payable primarily from and secured by a nonexclusive lien on available amounts on deposit in the Safe Drinking Water Revolving Fund consisting of amounts received from local governments as interest payments (and not principal payments) on State loans to local governments for drinking water system projects on a parity with certain other State general obligation bonds. Part III of this Official Statement includes certain information relating to the Safe Drinking Water Revolving Fund program, the 2017E Bonds and the primary security for the 2017E Bonds. For a summary of the State's Safe Drinking Water Revolving Fund program, see also "DEBT STRUCTURE—Authorized But Unissued General Obligation Bonds—*Safe Drinking Water Revolving Fund*" in Part II of this Official Statement.

The 2017F Bonds are payable primarily from and secured by a nonexclusive lien on available amounts on deposit in the Water Pollution Control Revolving Fund consisting of amounts received from local governments as interest payments (and not principal payments) on State loans to local governments for wastewater treatment and pollution control projects on a parity with certain other State general obligation bonds. Part IV of this Official Statement includes certain information relating to the Water Pollution Control Revolving Fund program, the 2017F Bonds and the primary security for the 2017F Bonds. For a summary of the State's Water Pollution Control Revolving Fund program, see also "DEBT STRUCTURE—Authorized But Unissued General Obligation Bonds—*Water Pollution Control Revolving Fund*" in Part II of this Official Statement.

Although available amounts on deposit in the Safe Drinking Water Revolving Fund and the Water Pollution Control Revolving Fund have been sufficient to pay debt service on the State general obligation bonds the respective funds have secured in the past, the State has not covenanted in the various Orders of the State Treasurer or related Resolutions of the Board of Finance authorizing bonds for the programs to limit the principal amounts of bonds issued for the programs, to maintain specified levels of debt service coverage for bonds, to prohibit the creation of liens senior to those securing the 2017E Bonds or 2017F Bonds, to maintain a specified portfolio of borrowers to whom program loans are made, or to otherwise maintain the credit quality of the revenues pledged as security for the 2017E Bonds or 2017F Bonds. Investors should rely on the State's general obligation pledge in making investment decisions relating to the 2017E Bonds and 2017F Bonds.

Summary of Certain Provisions of the Bond Resolutions

The Bond Resolutions include provisions defining certain rights and remedies of the holders of the Bonds and of the State. These include provisions relating to events of default, bondholder rights and remedies upon default, rights of the State to amend or supplement the Bond Resolutions, rights of bondholders to consent to such amendments or supplements, and defeasance of the Bonds, among other things. These provisions are not the same for all series of Bonds. For a summary of these provisions, and the particular series of Bonds to which the respective provisions apply, see "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTIONS" in Appendix D of Part I of this Official Statement.

Continuing Disclosure Undertakings

The State has agreed to certain covenants relating to compliance with Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, as amended ("SEC Rule 15c2-12"). The State has designated Digital Assurance Certification, L.L.C. ("DAC") as its dissemination agent. See Appendix B of this Part I for the form of Disclosure Dissemination Agent Agreement to be entered into by the State with respect to the Bonds.

In connection with other bonds issued by the State, the State has entered into similar continuous disclosure undertakings pursuant to which the State agrees to provide and file annual financial information and notices of specified material events with respect to the applicable bonds. In addition, in connection with various current and advance refundings, the State has designated the applicable paying agent for the bonds to be defeased or redeemed as its representative for purposes of filing notices of defeasance or redemption with the MSRB.

The State became aware that an annual report filing for the fiscal year ended June 30, 2009, due by March 31, 2010, for Nevada Municipal Bond Bank Project Nos. 57-64 Series June 1, 1997B was not on file with the MSRB (the annual report filings for the prior and subsequent fiscal years were properly filed). The State made a supplemental filing to remedy the omission. The State believes that it has filed all other annual reports for that bond issue during the past five years and believes that the omission of the filing in 2010 was due to either a clerical error in the filing process or the result of a change in CUSIP number that was not properly recorded.

The State generally offers multiple series of bonds through a single official statement and enters into continuing disclosure arrangements through a single agreement that is applicable to all series of bonds offered under the applicable official statement. In certain instances, one or more series of bonds is secured by revenues that are not available as security for the other series of bonds offered pursuant to the same offering document. It has come to the State's attention that in several financings a continuing disclosure obligation may be applicable to an issue of bonds for which it is not intended, and that is not secured by the revenues with respect to which continuing disclosure information is required. The State has become aware of a limited number of instances of failure to update certain tables, none of which the State believes to be material because the tables update revenue sources that are not available for payment of the issue of bonds for which an update was not provided.

With respect to the State's Motor Vehicle Fuel Tax Revenue Bonds, the State learned that while annual reports were filed for fiscal years ended June 30, 2008 and 2009, updates of certain tables[*] were omitted from the annual report. The affected bonds are no longer outstanding.

With respect to the State's General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Project Nos. R-9A, R-9B, R-9C, R-10, R-11 and R-12), Series 2005F and General Obligation (Limited Tax) (Revenue

[*] These tables were regarding the Public Employees' Retirement System of Nevada ("PERS"). Such information is currently included in State general obligation bond offering documents, but not in offering documents for Highway Revenue (Motor Vehicle Fuel Tax) Bonds, which are not secured by a State general obligation pledge.

Supported) Water Refunding Bonds, Series 2005H, notices of redemption of bonds to occur on July 1, 2015 were not on file with the MSRB until June 24, 2015 and July 9, 2015, respectively.

The Office of the State Treasurer believes that, except as set forth above, during the past five years the State has complied in all material respects with any prior written continuing disclosure undertaking pursuant to SEC Rule 15c2-12.

LEGAL MATTERS

The validity of the 2017A Bonds is to be approved by Kutak Rock LLP, as Bond Counsel, and the validity of the 2017B Bonds, 2017C Bonds, 2017D Bonds, 2017E Bonds and 2017F Bonds is to be approved by Sherman & Howard L.L.C. as Bond Counsel. The respective approving opinions will be delivered to the State concurrently with the delivery of the Bonds. A copy of the proposed text of the approving opinions of the respective Bond Counsel is set forth in Appendix A to Part I of this Official Statement. Hawkins Delafield & Wood LLP is serving as Disclosure Counsel to the State with respect to the Bonds. The respective Bond Counsel and Disclosure Counsel undertake no responsibility for the accuracy, completeness or fairness of this Official Statement.

ABSENCE OF LITIGATION RELATING TO THE BONDS

No litigation is pending against the State (with service of process on the State having been accomplished) in any federal or state court, nor is the State a party in any administrative proceeding pending before any administrative body, that seeks to restrain or enjoin the sale or delivery of the Bonds or challenges the constitutionality, validity or enforceability of any document or approval necessary to the issuance of the Bonds.

TAX MATTERS

The following addresses federal and state tax matters for the Bonds.

2017A Bonds

General Matters

In the opinion of Kutak Rock LLP, Bond Counsel with respect to the 2017A Bonds ("2017A Bond Counsel"), under existing laws, regulations, rulings and judicial decisions, interest on the 2017A Bonds is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. The opinion described in the preceding sentence assumes the accuracy of certain representations and compliance by the State with covenants designed to satisfy the requirements of the Tax Code, that must be met subsequent to the issuance of the 2017A Bonds. Failure to comply with such requirements could cause interest on the 2017A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the 2017A Bonds. The State has covenanted to comply with such requirements. 2017A Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the 2017A Bonds.

Notwithstanding 2017A Bond Counsel's opinion that interest on the 2017A Bonds is not a specific preference item for purposes of the federal alternative minimum tax, such interest will be included in adjusted current earnings of certain corporations, and such corporations are required to include in the calculation of alternative minimum taxable income 75 percent of the excess of such corporations' adjusted current earnings over their alternative minimum taxable income (determined without regard to such adjustment and prior to reduction for certain net operating losses).

The accrual or receipt of interest on the 2017A Bonds may otherwise affect the federal income tax liability of the owners of the 2017A Bonds. The extent of these other tax consequences will depend on such owners' particular tax status and other items of income or deduction. 2017A Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the 2017A Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States of America), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Tax Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the 2017A Bonds.

2017A Bond Counsel is also of the opinion that the 2017A Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

Original Issue Discount

The 2017A Bonds that have an original yield above their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "Discount 2017A Bonds"), are being sold at an original issue discount. The difference between the initial public offering prices of such Discount 2017A Bonds and their stated amounts to be paid at maturity constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described above.

The amount of original issue discount that is treated as having accrued with respect to a Discount 2017A Bond is added to the cost basis of the owner of the bond in determining, for federal income tax purposes, gain or loss upon disposition of such Discount 2017A Bond (including its sale, redemption or payment at maturity). Amounts received on disposition of such Discount 2017A Bond that are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount 2017A Bond, on days that are determined by reference to the maturity date of such Discount 2017A Bond. The amount treated as original issue discount on such Discount 2017A Bond for a particular semiannual accrual period is equal to (a) the product of (i) the yield to maturity for such Discount 2017A Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discount 2017A Bond at the beginning of the particular accrual period if held by the original purchaser, (b) less the amount of any interest payable for such Discount 2017A Bond during the accrual period. The tax basis for purposes of the preceding sentence is determined by adding to the initial public offering price on such Discount 2017A Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If such Discount 2017A Bond is sold between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discount 2017A Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date and with respect to the state and local tax consequences of owning a Discount 2017A Bond. Subsequent purchasers of Discount 2017A Bonds that purchase such bonds for a price that is higher or lower than the "adjusted issue price" of the bonds at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount. As more specifically defined in Section 1272(a) of the Tax Code, the adjusted issue price of a bond is the sum of the issue price of the bond plus accrued original issue discount.

Original Issue Premium

The 2017A Bonds that have an original yield below their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "Premium 2017A Bonds"), are being sold at a premium. An amount equal to the excess of the issue price of a Premium 2017A Bond over its stated redemption price at maturity constitutes premium on such Premium 2017A Bond. A purchaser of a Premium 2017A Bond must amortize any premium over such Premium 2017A Bond's term using constant yield principles, based on the purchaser's yield to maturity (or, in the case of Premium 2017A Bonds callable prior to their maturity, generally by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, the amount of the amortization offsets a corresponding amount of interest for the period, and the purchaser's basis in such Premium 2017A Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium 2017A Bond prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Premium 2017A Bonds should consult their tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium 2017A Bond.

Backup Withholding

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on tax-exempt obligations such as the 2017A Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments to any owner of the 2017A Bonds that fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Tax Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the 2017A Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading "TAX MATTERS" or adversely affect the market value of the 2017A Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the 2017A Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the 2017A Bonds or the market value thereof would be impacted thereby. Purchasers of the 2017A Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by 2017A Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the 2017A Bonds, and 2017A Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

Prospective purchasers of the 2017A Bonds are advised to consult their own tax advisors prior to any purchase of the 2017A Bonds as to the impact of the Tax Code upon their acquisition, holding or disposition of the 2017A Bonds.

2017B Bonds, 2017C Bonds, 2017D Bonds, 2017E Bonds and 2017F Bonds

In the opinion of Sherman & Howard L.L.C., Bond Counsel for the 2017B Bonds, 2017C Bonds, 2017D Bonds, 2017E Bonds and 2017F Bonds, assuming continuous compliance with certain covenants described herein, interest on such Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Tax Code, and interest on such Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. See "Federal Tax Matters" below. The 2017B Bonds, 2017C Bonds, 2017D Bonds, 2017E Bonds and 2017F Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation skipping transfers imposed pursuant to Chapter 375B of the NRS. See "State Tax Exemption" below.

Federal Tax Matters

In the opinion of Bond Counsel ("2017B, C, D, E and F Bond Counsel") with respect to 2017B Bonds, 2017C Bonds, 2017D Bonds, 2017E Bonds and 2017F Bonds ("2017B, C, D, E, and F Bonds"), assuming continuous compliance with certain covenants described below, interest on the 2017B, C, D, E, and F Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Tax Code, and interest on the 2017B, C, D, E, and F Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations as described below. For purposes of this paragraph and the succeeding discussion, "interest" includes the original issue discount on certain of the 2017B, C, D, E, and F Bonds only to the extent such original issue discount is accrued as described herein.

The Tax Code imposes several requirements which must be met with respect to the 2017B, C, D, E, and F Bonds in order for the interest thereon to be excluded from gross income and alternative minimum taxable income (except to the extent of the aforementioned adjustment applicable to corporations). Certain of these requirements must be met on a continuous basis throughout the term of the 2017B, C, D, E, and F Bonds. These requirements include: (a) limitations as to the use of proceeds of the 2017B, C, D, E, and F Bonds; (b) limitations on the extent to which proceeds of the 2017B, C, D, E, and F Bonds may be invested in higher yielding investments; and (c) a provision, subject to certain limited exceptions, that requires all investment earnings on the proceeds of the 2017B, C, D, E, and F Bonds above the yield on the 2017B, C, D, E, and F Bonds to be paid to the United States Treasury. The State will covenant and represent in the Bond Resolutions that it will take all steps to comply with the requirements of the Tax Code to the extent necessary to maintain the exclusion of interest on the 2017B, C, D, E, and F Bonds from gross income and alternative minimum taxable income (except to the extent of the aforementioned adjustment applicable to corporations) under such federal income tax laws in effect when the 2017B, C, D, E, and F Bonds are delivered. 2017B, C, D, E and F Bond Counsel's opinion as to the exclusion of interest on the 2017B, C, D, E, and F Bonds from gross income and alternative minimum taxable income (to the extent described above) is rendered in reliance on these covenants, and assumes continuous compliance therewith. The failure or inability of the State to comply with these requirements could cause the interest on the 2017B, C, D, E, and F Bonds to be included in gross income, alternative minimum taxable income or both from the date of issuance. 2017B, C, D, E and F Bond Counsel's opinion also is rendered in reliance upon certifications of the State and other certifications furnished to 2017B, C, D, E and F Bond Counsel. 2017B, C, D, E and F Bond Counsel has not undertaken to verify such certifications by independent investigation.

Section 55 of the Tax Code contains a 20% alternative minimum tax on the alternative minimum taxable income of corporations. Under the Tax Code, 75% of the excess of a corporation's "adjusted current earnings" over the corporation's alternative minimum taxable income (determined without regard to this adjustment and the alternative minimum tax net operating loss deduction) is included in the corporation's alternative minimum taxable income for purposes of the alternative minimum tax applicable to the corporation. "Adjusted current earnings" includes interest on the 2017B, C, D, E, and F Bonds.

With respect to 2017B, C, D, E, and F Bonds that were sold in the initial offering at a discount (the "Discount 2017B, C, D, E and F Bonds"), the difference between the stated redemption price of the Discount 2017B, C, D, E and F Bonds at maturity and the initial offering price of those bonds to the public (as defined in Section 1273 of the Tax Code) will be treated as "original issue discount" for federal income tax purposes and will, to the extent accrued as described below, constitute interest which is excluded from gross income or alternative minimum taxable income under the conditions and subject to the exceptions described in the preceding paragraphs. The original issue discount on the Discount 2017B, C, D, E and F Bonds is treated as accruing over the respective terms of such Discount 2017B, C, D, E and F Bonds on the basis of a constant interest rate compounded at the end of each six-month period (or shorter period from the date of original issue) ending on May 1 and November 1 for the 2017B Bonds, 2017C Bonds and 2017D Bonds, and February 1 and August 1 for the 2017E Bonds and the 2017F Bonds, with straight line interpolation between compounding dates. The amount of original issue discount accruing each period (calculated as described in the preceding sentence) constitutes interest which is excluded from gross income or alternative minimum taxable income under the conditions and subject to the exceptions described in the preceding paragraphs and will be added to the owner's basis in the Discount 2017B, C, D, E and F Bonds. Such adjusted basis will be used to determine taxable gain or loss upon disposition of the Discount 2017B, C, D, E and F Bonds (including sale or payment at maturity). Owners should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount 2017B, C, D, E and F Bonds.

Owners who purchase Discount 2017B, C, D, E and F Bonds after the initial offering or who purchase Discount 2017B, C, D, E and F Bonds in the initial offering at a price other than the initial offering price (as defined in Section 1273 of the Tax Code) should consult their own tax advisors with respect to the federal tax consequences of the ownership of the Discount 2017B, C, D, E and F Bonds. Owners who are subject to state or local income taxation should consult their tax advisor with respect to the state and local income tax consequences of ownership of the Discount 2017B, C, D, E and F Bonds. It is possible that, under the applicable provisions governing determination of state and local taxes, accrued original issue discount on the Discount 2017B, C, D, E and F Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The Tax Code contains numerous provisions which may affect an investor's decision to purchase the 2017B, C, D, E, and F Bonds. Owners of the 2017B, C, D, E, and F Bonds should be aware that the ownership of tax-exempt obligations by particular persons and entities, including, without limitation, financial institutions, insurance companies, recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, foreign corporations doing business in the United States and certain "subchapter S" corporations may result in adverse federal and state tax consequences. Under Section 3406 of the Tax Code, backup withholding may be imposed on payments on the 2017B, C, D, E, and F Bonds made to any owner who fails to provide certain required information, including an accurate taxpayer identification number, to certain persons required to collect such information pursuant to the Tax Code. Backup withholding may also be applied if the owner underreports "reportable payments" (including interest and dividends) as defined in Section 3406, or fails to provide a certificate that the owner is not subject to backup withholding in circumstances where such a certificate is required by the Tax Code. Certain of the 2017B, C, D, E, and F Bonds may be sold at a premium, representing a difference between the original offering price of those 2017B, C, D, E, and F Bonds and the principal amount thereof payable at maturity. Under certain circumstances, an initial owner of such bonds (if any) may realize a taxable gain upon their disposition, even though such bonds are sold or redeemed for an amount equal to the owner's acquisition cost. 2017B, C, D, E and F Bond Counsel's opinion relates only to the exclusion of interest (and, to the extent described above for the Discount 2017B, C, D, E and F Bonds, original issue discount) on the 2017B, C, D, E, and F Bonds from gross income and alternative minimum taxable income as described above and will state that no opinion is expressed regarding other federal tax consequences arising from the receipt or accrual of interest on or ownership of the 2017B, C, D, E, and F Bonds. Owners of the 2017B, C, D, E, and F Bonds should consult their own tax advisors as to the applicability of these consequences.

The opinions expressed by 2017B, C, D, E and F Bond Counsel are based on existing law as of the delivery date of the 2017B, C, D, E, and F Bonds. No opinion is expressed as of any subsequent date nor is any opinion expressed with respect to pending or proposed legislation. Amendments to the federal or state tax laws may be pending now or could be proposed in the future that, if enacted into law, could adversely affect the value of the 2017B, C, D, E, and F Bonds, the exclusion of interest (and, to the extent described above for the Discount 2017B, C, D, E and F Bonds, original issue discount) on the 2017B, C, D, E, and F Bonds from gross income or alternative minimum taxable income or both from the date of issuance of the 2017B, C, D, E, and F Bonds or any other date, the tax value of that exclusion for different classes of taxpayers from time to time, or that could result in other adverse tax consequences. In addition, future court actions or regulatory decisions could affect the tax treatment or market value of the 2017B, C, D, E, and F Bonds. Owners of the 2017B, C, D, E, and F Bonds are advised to consult with their own tax advisors with respect to such matters.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether or not the Service will commence an audit of the 2017B, C, D, E, and F Bonds. If an audit is commenced, the market value of the 2017B, C, D, E, and F Bonds may be adversely affected. Under current audit procedures the Service will treat the State as the taxpayer and the 2017B, C, D, E, and F owners may have no right to participate in such procedures. The State has covenanted in the Bond Resolutions not to take any action that would cause the interest on the 2017B, C, D, E, and F Bonds to lose its exclusion from gross income for federal income tax purposes or lose its exclusion from alternative minimum taxable income except to the extent described above for the owners thereof for federal income tax purposes. None of the State, the municipal advisors, any initial purchaser, 2017B, C, D, E and F Bond Counsel, or Disclosure Counsel is responsible for paying or reimbursing any 2017B, C, D, E and F Bond holder with respect to any audit or litigation costs relating to the 2017B Bonds, 2017C Bonds, 2017D Bonds, 2017E Bonds and 2017F Bonds.

State Tax Exemption

In the opinion of 2017B, C, D, E and F Bond Counsel, the 2017B, C, D, E and F Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

FINANCIAL STATEMENTS

The Comprehensive Annual Financial Report of the State for FY 2016, excluding the Introductory Section and Statistical Section, is included as Appendix A to Part II of this Official Statement. Eide Bailly LLP, certified public accountants and independent auditors for the State, has consented to the inclusion of such Comprehensive Annual Financial Report in this Official Statement. The State's History of General Fund Revenues, Expenditures and Changes in Fund Balances for the five fiscal years ended June 30, 2016, is included as Appendix B to Part II of this Official Statement.

RATINGS

Fitch Ratings, Inc. ("Fitch") and Moody's Investors Service, Inc. ("Moody's") have assigned ratings of "AA+" and "Aa2," respectively, to each series of Bonds. S&P Global Ratings ("S&P") has assigned a rating of "AA" to the 2017A Bonds, 2017B Bonds, 2017C Bonds and 2017D Bonds, and a rating of "AAA" to the 2017E Bonds and 2017F Bonds. An explanation of the significance of these ratings may be obtained from Fitch at 33 Whitehall Street, New York, New York 10004, from Moody's at 7 World Trade Center, 250 Greenwich Street, New York, New York 10007, and from S&P at 55 Water Street, New York, New York 10041. Such ratings reflect only the views of the rating agencies.

There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies if, in their opinion, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the marketability and market price of the Bonds to which such ratings are applicable.

UNDERWRITING

The 2017A Bonds were sold in a competitive sale on October 17, 2017. The successful bidder for the 2017A Bonds was ______________. The aggregate purchase price of the 2017A Bonds is $_____________, being the par amount of the 2017A Bonds plus a net reoffering premium of $_____________ and less an underwriter's discount of $______________.

The 2017B Bonds were sold in a competitive sale on October 17, 2017. The successful bidder for the 2017B Bonds was ______________. The aggregate purchase price of the 2017B Bonds is $_____________, being the par amount of the 2017B Bonds plus a net reoffering premium of $_____________ and less an underwriter's discount of $______________.

The 2017C Bonds were sold in a competitive sale on October 17, 2017. The successful bidder for the 2017C Bonds was ______________. The aggregate purchase price of the 2017C Bonds is $_____________, being the par amount of the 2017C Bonds plus a net reoffering premium of $_____________ and less an underwriter's discount of $______________.

The 2017D Bonds were sold in a competitive sale on October 17, 2017. The successful bidder for the 2017D Bonds was ______________. The aggregate purchase price of the 2017D Bonds is $_____________, being the par amount of the 2017D Bonds plus a net reoffering premium of $_____________ and less an underwriter's discount of $______________.

The 2017E Bonds were sold in a competitive sale on October 17, 2017. The successful bidder for the 2017E Bonds was ______________. The aggregate purchase price of the 2017E Bonds is $_____________, being the par amount of the 2017E Bonds plus a net reoffering premium of $_____________ and less an underwriter's discount of $______________.

The 2017F Bonds were sold in a competitive sale on October 17, 2017. The successful bidder for the 2017F Bonds was ______________. The aggregate purchase price of the 2017F Bonds is $_____________, being the par amount of the 2017F Bonds plus a net reoffering premium of $_____________ and less an underwriter's discount of $______________.

VERIFICATION AGENT

Upon delivery of the 2017B Bonds and 2017C Bonds, Causey Demgen & Moore Inc., independent accountants, will deliver a report that the firm has verified (1) the mathematical accuracy of certain computations relating to the adequacy of the deposits to be made to the escrow accounts to pay the amounts required as described under "DESCRIPTION OF THE BONDS — Plan of Refunding" in Part I of this Official Statement and (2) the computations of yield of such Bonds and of the investments in the escrow account with respect to the Refunded Bonds to be refunded by the respective 2017B Bonds and 2017C Bonds. Causey Demgen & Moore Inc. will express no opinion on the assumptions provided to them, nor as to the exemption from taxation of interest on the Bonds.

MUNICIPAL ADVISORS

Zions Public Finance and JNA Consulting Group, LLC are serving as municipal advisors to the State in connection with the Bonds. The municipal advisors have not audited, authenticated or otherwise verified the information set forth in this Official Statement, or any other related information available to the State, with respect to the accuracy and completeness of disclosure of such information, and no guaranty, warranty or other representation is made by the municipal advisors respecting accuracy and completeness of this Official Statement or any other matter related to this Official Statement.

AUTHORIZATION

This Official Statement and its use in connection with the offering and sale of the Bonds have been duly authorized by the State.

STATE OF NEVADA

____

State Treasurer

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PART I

SCHEDULE I

MATURITY SCHEDULES OF REFUNDED BONDS*

2017B Bonds. A portion of the proceeds of the 2017B Bonds will be used to [current or advance] refund all or a portion of the following bonds:

Series 2008A Bonds*

Maturity ([_________])	Outstanding Aggregate Par Amount	Coupon	CUSIP† No. ([______])	Maturity or Redemption Date	Redemption Price

2017C Bonds. A portion of the proceeds of the 2017C Bonds will be used to [current or advance] refund all or a portion of the following bonds:

Series 2008B Bonds*

Maturity ([_________])	Outstanding Aggregate Par Amount	Coupon	CUSIP† No. ([______])	Maturity or Redemption Date	Redemption Price

Series 2009E Bonds*

Maturity ([_________])	Outstanding Aggregate Par Amount	Coupon	CUSIP† No. ([______])	Maturity or Redemption Date	Redemption Price

* Preliminary, subject to change.

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PART I

APPENDIX A

FORMS OF APPROVING OPINIONS OF BOND COUNSEL

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November __, 2017

State of Nevada
Carson City, Nevada

$___________
State of Nevada
General Obligation (Limited Tax) Capital Improvement Bonds,
Series 2017A

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance, sale and delivery by the State of Nevada (the "State") of its General Obligation (Limited Tax) Capital Improvement Bonds, Series 2017A in the aggregate principal amount of $__________ (the "Bonds"). The State has been empowered to issue the Bonds pursuant to Chapter 549, Statutes of Nevada, 2015, as amended, Chapter 606, Statutes of Nevada, 2017, and the State Securities Law, Nevada Revised Statutes, Sections 349.150 through 349.364, as amended, and Chapter 348, Nevada Revised Statutes (collectively, the "Act"). The Board of Finance of the State (the "Board") has authorized the issuance of the Bonds pursuant to a resolution adopted by the Board on September 12, 2017 (the "Bond Resolution").

The Bonds are being issued to provide funds to (a) finance, wholly or in part, various capital improvement projects, and (b) pay certain costs incurred in connection with the issuance of the Bonds.

The Bonds will be issuable as fully registered bonds and will be numbered, will bear interest payable at the rates and at the times, and will be subject to redemption, all as provided in the Bond Resolution.

In connection with the issuance of the Bonds, we have examined: (a) the Act; (b) an executed copy of the Bond Resolution and the Certificate of State Treasurer for 2017A Bonds executed by the Treasurer of the State on October __, 2017; and (c) such other laws, documents, instruments, proceedings and opinions as we have deemed relevant in rendering this opinion. We have also examined the form of Bond. Based upon such examination, we are of the opinion that:

1. The State is empowered to issue the Bonds for the purposes set forth in the Bond Resolution and to execute, deliver and perform its obligations under the Bond Resolution.

2. The Bond Resolution has been duly authorized, executed and delivered by the State, and is a valid, binding and enforceable obligation of the State and is in full force and effect and enforceable in accordance with its terms, subject to the extent enforcement may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally, now or hereafter in effect, or by application of equitable principles.

3. The Bonds have been duly authorized, executed and issued in accordance with applicable law, including the Act, and represent valid, binding and enforceable limited tax general obligations of the State, except to the extent enforcement may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally, now or hereafter in effect, or by application of equitable principles. The Bonds are entitled to the benefits and security of the Bond Resolution for the payment of the Bonds in accordance with the terms of the Bond Resolution.

4. The principal of and interest on the Bonds are limited tax general obligations, payable by the State solely from the sources described in the Bond Resolution. All of the taxable property in the State is subject to the levy of annual general (ad valorem) taxes to pay the same, subject to the limitations imposed by the constitution and laws of the State.

5. As provided in the Bond Resolution and in accordance with the provisions of Section 361.463 of Nevada Revised Statutes, taxes levied for the payment of bonded indebtedness (including the Bonds) of

all overlapping units within the boundaries of the State and for the payment of interest on such indebtedness enjoy a priority over taxes levied by each such unit (including the State) for all other purposes (subject to any exception implied by law in the exercise of the police power) where reduction is necessary to comply with Section 361.453 of Nevada Revised Statutes.

6. Under existing laws, regulations, rulings and judicial decisions, interest on the Bonds is excludable from gross income for federal income tax purposes and is not a specified preference item for purposes of the federal alternative minimum tax. However, for the purpose of computing the alternative minimum tax imposed on certain corporations, interest on the Bonds will be included in the "adjusted current earnings" of such corporations, and such corporations are required to include in the calculation of alternative minimum taxable income 75% of the excess of such corporations' adjusted current earnings over their alternative minimum taxable income (determined without regard to this adjustment and prior to reduction for certain net operating losses). The opinions set forth in the first sentence of this paragraph are subject to the condition that the State comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The State has covenanted to comply with such requirements. Failure to comply with certain of such requirements may cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds.

7. Under existing laws, regulations and judicial decisions, the Bonds, their transfer and the income therefrom are free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of Nevada Revised Statutes and the tax on generation skipping transfers imposed pursuant to Chapter 375B of Nevada Revised Statutes.

The accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the owners of the Bonds. The extent of these other tax consequences will depend on such owners' particular tax status and other items of income or deduction. We express no opinion regarding any such consequences. Purchasers of the Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States of America), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Bonds.

In rendering the foregoing opinions, we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Bond Resolution (i) may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the enforcement of creditors' rights, (ii) may be subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) and (iii) may also be subject to the exercise of judicial discretion in appropriate cases.

This opinion is limited to the matters expressly set forth above, and no opinion is implied or may be inferred beyond the matters so stated. We expressly disclaim any duty to update this opinion in the future for any changes of fact or law which may affect any of the opinions expressed herein.

Very truly yours,

KUTAK ROCK LLP

[closing date]

State of Nevada
Capitol Building
101 N. Carson, No. 4
Carson City, Nevada 89701

$______________
State of Nevada
General Obligation (Limited Tax)
Natural Resources and Refunding Bonds
Series 2017B

Ladies and Gentlemen:

We have acted as bond counsel to the State of Nevada (the "State") in connection with the issuance of its General Obligation (Limited Tax) Natural Resources and Refunding Bonds, Series 2017B, in the aggregate principal amount of $______________ (the "Bonds"), pursuant to an authorizing resolution of the Board of Finance of the State adopted on September 12, 2017 (the "Bond Resolution"). In such capacity, we have examined the State's certified proceedings and such other documents and such law of the State and of the United States of America as we have deemed necessary to render this opinion letter. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Bond Resolution.

Regarding questions of fact material to our opinions, we have relied upon the State's certified proceedings and other representations and certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon such examination, it is our opinion as bond counsel that:

1. The Bonds constitute valid and binding limited tax general obligations of the State.

2. All of the taxable property in the State is subject to the levy of annual general (ad valorem) taxes to pay the Bonds, subject to the limitations imposed by the constitution and laws of the State.

3. As provided in the Bond Resolution and in accordance with the provisions of NRS 361.463, taxes levied for the payment of the bonded indebtedness (including the Bonds) of all overlapping units within the boundaries of the State (i.e., the State and each political subdivision therein) and for the payment of interest on such indebtedness enjoy a priority over taxes levied by each such unit (including, without limitation, the State) for all other purposes (subject to any exception implied by law in the exercise of the police power) where reduction is necessary in order to comply with NRS 361.453.

4. Interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except that such interest is required to be included in calculating the adjusted current earnings adjustment applicable to corporations for purposes of computing the corporate alternative minimum taxable income of corporations. The opinions expressed in this paragraph assume continuous compliance with the covenants and continued accuracy of the representations contained in the State's certified proceedings and in certain other documents and certain other certifications furnished to us.

5. Under laws of the State in effect as of the date hereof, the Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

The opinions expressed in this opinion letter are subject to the following:

The obligations of the State pursuant to the Bonds and the Bond Resolution are subject to the application of equitable principles, to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Federal Constitution, including without limitation, bankruptcy powers.

In expressing the opinions above, we are relying in part on a report of independent certified public accountants verifying (i) the mathematical computations of the adequacy of the maturing principal amounts of and interest on the investments and moneys included in the Escrow Account to pay when due, at stated maturity or upon prior redemption, all principal of, any prior redemption premiums, and interest on the Refunded Bonds and (ii) the mathematical calculations of the yield of the Bonds and the yield of certain investments made with the proceeds of the Bonds and other moneys deposited in the Escrow Account.

In this opinion letter rendered in our capacity as bond counsel, we are opining only upon those matters set forth herein, and we are not passing on the adequacy, accuracy or completeness of the Official Statement or any other statements made in connection with any offer or sale of the Bonds or upon any state or federal tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Bonds, except those specifically addressed herein.

This opinion letter is rendered as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

[closing date]

State of Nevada
Capitol Building
101 N. Carson, No. 4
Carson City, Nevada 89701

$______________
State of Nevada
General Obligation (Limited Tax) Open Space, Parks,
Natural Resources and Refunding Bonds
Series 2017C

Ladies and Gentlemen:

We have acted as bond counsel to the State of Nevada (the "State") in connection with the issuance of its General Obligation (Limited Tax) Open Space, Parks, Natural Resources and Refunding Bonds, Series 2017C, in the aggregate principal amount of $______________ (the "Bonds"), pursuant to an authorizing resolution of the Board of Finance of the State adopted on September 12, 2017 (the "Bond Resolution"). In such capacity, we have examined the State's certified proceedings and such other documents and such law of the State and of the United States of America as we have deemed necessary to render this opinion letter. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Bond Resolution.

Regarding questions of fact material to our opinions, we have relied upon the State's certified proceedings and other representations and certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon such examination, it is our opinion as bond counsel that:

1. The Bonds constitute valid and binding limited tax general obligations of the State.

2. All of the taxable property in the State is subject to the levy of annual general (ad valorem) taxes to pay the Bonds, subject to the limitations imposed by the constitution and laws of the State.

3. As provided in the Bond Resolution and in accordance with the provisions of NRS 361.463, taxes levied for the payment of the bonded indebtedness (including the Bonds) of all overlapping units within the boundaries of the State (i.e., the State and each political subdivision therein) and for the payment of interest on such indebtedness enjoy a priority over taxes levied by each such unit (including, without limitation, the State) for all other purposes (subject to any exception implied by law in the exercise of the police power) where reduction is necessary in order to comply with NRS 361.453.

4. Interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except that such interest is required to be included in calculating the adjusted current earnings adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. The opinions expressed in this paragraph assume continuous compliance with the covenants and continued accuracy of the representations contained in the State's certified proceedings and in certain other documents and certain other certifications furnished to us.

5. Under laws of the State in effect as of the date hereof, the Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

The opinions expressed in this opinion letter are subject to the following:

The obligations of the State pursuant to the Bonds and the Bond Resolution are subject to the application of equitable principles, to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Federal Constitution, including without limitation, bankruptcy powers.

In expressing the opinions above, we are relying in part on a report of independent certified public accountants verifying (i) the mathematical computations of the adequacy of the maturing principal amounts of and interest on the investments and moneys included in the Escrow Account to pay when due, at stated maturity or upon prior redemption, all principal of, any prior redemption premiums, and interest on the Refunded Bonds and (ii) the mathematical calculations of the yield of the Bonds and the yield of certain investments made with the proceeds of the Bonds and other moneys deposited in the Escrow Account.

In this opinion letter rendered in our capacity as bond counsel, we are opining only upon those matters set forth herein, and we are not passing on the adequacy, accuracy or completeness of the Official Statement or any other statements made in connection with any offer or sale of the Bonds or upon any state or federal tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Bonds, except those specifically addressed herein.

This opinion letter is rendered as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

[closing date]

State of Nevada
Capitol Building
101 N. Carson, No. 4
Carson City, Nevada 89701

$___________
State of Nevada
General Obligation (Limited Tax) Bonds
(Nevada Municipal Bond Bank Project No. 90)
Series 2017D

Ladies and Gentlemen:

We have acted as bond counsel to the State of Nevada (the "State") in connection with the issuance of its General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Project No. 90) Series 2017D, in the principal amount of $____________ (the "Bonds"), pursuant to an authorizing resolution of the Board of Finance of the State adopted on September 12, 2017 (the "Bond Resolution"). In such capacity, we have examined the State's certified proceedings and such other documents and such law of the State and of the United States of America as we have deemed necessary to render this opinion letter. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Bond Resolution.

Regarding questions of fact material to our opinions, we have relied upon the State's certified proceedings and other representations and certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon such examination, it is our opinion as bond counsel that:

1. The Bonds constitute valid and binding limited tax general obligations of the State.

2. All of the taxable property in the State is subject to the levy of annual general (ad valorem) taxes to pay the Bonds, subject to the limitations imposed by the Constitution and laws of the State.

3. As provided in the Bond Resolution and in accordance with the provisions of NRS 361.463, taxes levied for the payment of the bonded indebtedness (including the Bonds) of all overlapping units within the boundaries of the State (i.e., the State and each political subdivision therein) and for the payment of interest on such indebtedness enjoy a priority over taxes levied by each such unit (including, without limitation, the State) for all other purposes (subject to any exception implied by law in the exercise of the police power) where reduction is necessary in order to comply with the limitations of NRS 361.453.

4. Interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except that such interest is required to be included in calculating the adjusted current earnings adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. The opinions expressed in this paragraph assume continuous compliance with the covenants and continued accuracy of the representations contained in the State's certified proceedings and in certain other documents and certain other certifications furnished to us.

5. Under laws of the State in effect as of the date hereof, the Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

The opinions expressed in this opinion letter are subject to the following:

The obligations of the State pursuant to the Bonds and the Bond Resolution are subject to the application of equitable principles, to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Federal Constitution, including without limitation, bankruptcy powers.

In this opinion letter rendered in our capacity as bond counsel, we are opining only upon those matters set forth herein, and we are not passing on the adequacy, accuracy or completeness of the Official Statement or any other statements made in connection with any offer or sale of the Bonds or upon any state or federal tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Bonds, except those specifically addressed herein.

This opinion letter is rendered as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

[closing date]

State of Nevada
Capitol Building
101 N. Carson, No. 4
Carson City, Nevada 89701

$______________
State of Nevada
General Obligation (Limited Tax)
Safe Drinking Water Revolving Fund Matching Bonds
Series 2017E

Ladies and Gentlemen:

We have acted as bond counsel to the State of Nevada (the "State") in connection with the issuance of its General Obligation (Limited Tax) Safe Drinking Water Revolving Fund Matching Bonds, Series 2017E, in the aggregate principal amount of $______________ (the "Bonds"), pursuant to the order of the State Treasurer adopted on ______________, 2017, and an authorizing resolution adopted by the Board of Finance of the State on September 12, 2017 (collectively, the "Bond Order"). In such capacity, we have examined the State's certified proceedings and such other documents and such law of the State and of the United States of America as we have deemed necessary to render this opinion letter. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Bond Order.

Regarding questions of fact material to our opinions, we have relied upon the State's certified proceedings and other representations and certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon such examination, it is our opinion as bond counsel that:

1. The Bonds constitute valid and binding limited tax general obligations of the State.

2. All of the taxable property in the State is subject to the levy of annual general (ad valorem) taxes to pay the Bonds, subject to the limitations imposed by the constitution and laws of the State.

3. As provided in the Bond Order and in accordance with the provisions of NRS 361.463, taxes levied for the payment of the bonded indebtedness (including the Bonds) of all overlapping units within the boundaries of the State (i.e., the State and each political subdivision therein) and for the payment of interest on such indebtedness enjoy a priority over taxes levied by each such unit (including, without limitation, the State) for all other purposes (subject to any exception implied by law in the exercise of the police power) where reduction is necessary in order to comply with NRS 361.453.

4. The Bonds are additionally secured by and payable from the moneys available therefor in the Revolving Fund. The Bond Order creates a valid lien on the moneys available in the Revolving Fund pledged therein for the security of the Bonds on a parity with the lien thereon of any parity securities outstanding or hereafter issued, and subordinate to any superior securities outstanding or hereafter issued which have a lien on the moneys available in the Revolving Fund superior to the lien thereon securing the Bonds. Moneys in the Revolving Fund received from local governments as repayment of loan principal are not available as security for the Bonds. Except as described in this paragraph, we express no opinion regarding the priority of the lien on the moneys available in the Revolving Fund pledged for the security of the Bonds by the Bond Order.

5. Interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except that such interest is required to be included in calculating the adjusted current earnings adjustment

applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. The opinions expressed in this paragraph assume continuous compliance with the covenants and continued accuracy of representations contained in the State's certified proceedings and in certain other documents and certain other certifications furnished to us.

6. Under laws of the State in effect as of the date hereof, the Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

The opinions expressed in this opinion letter are subject to the following:

The obligations of the State pursuant to the Bonds and the Bond Order are subject to the application of equitable principles, to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Federal Constitution, including without limitation, bankruptcy powers.

In this opinion letter rendered in our capacity as bond counsel, we are opining only upon those matters set forth herein, and we are not passing upon the adequacy, accuracy or completeness of the Official Statement or any other statements made in connection with any offer or sale of the Bonds or upon any state or federal tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Bonds, except those specifically addressed herein.

This opinion letter is rendered as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

[closing date]

State of Nevada
Capitol Building
101 N. Carson, No. 4
Carson City, Nevada 89701

$___________
State of Nevada
General Obligation (Limited Tax)
Water Pollution Control Revolving Fund Matching Bonds
Series 2017F

Ladies and Gentlemen:

We have acted as bond counsel to the State of Nevada (the "State") in connection with the issuance of its General Obligation (Limited Tax) Water Pollution Control Revolving Fund Matching Bonds, Series 2017F, in the aggregate principal amount of $____________ (the "Bonds"), pursuant to the order of the State Treasurer adopted on _____________, 2017, and an authorizing resolution adopted by the State Board of Finance on September 12, 2017 (collectively, the "Bond Order"). In such capacity, we have examined the State's certified proceedings and such other documents and such law of the State and of the United States of America as we have deemed necessary to render this opinion letter. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Bond Order.

Regarding questions of fact material to our opinions, we have relied upon the State's certified proceedings and other representations and certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon such examination, it is our opinion as bond counsel that:

1. The Bonds constitute valid and binding limited tax general obligations of the State.

2. All of the taxable property in the State is subject to the levy of annual general (ad valorem) taxes to pay the Bonds, subject to the limitations imposed by the constitution and laws of the State.

3. As provided in the Bond Order and in accordance with the provisions of NRS 361.463, taxes levied for the payment of the bonded indebtedness (including the Bonds) of all overlapping units within the boundaries of the State (i.e., the State and each political subdivision therein) and for the payment of interest on such indebtedness enjoy a priority over taxes levied by each such unit (including, without limitation, the State) for all other purposes (subject to any exception implied by law in the exercise of the police power) where reduction is necessary in order to comply with the limitations of NRS 361.453.

4. The Bonds are additionally secured by and payable from the moneys available therefor in the Revolving Fund. The Bond Order creates a valid lien on the moneys available in the Revolving Fund pledged therein for the security of the Bonds on a parity with any parity securities outstanding or hereafter issued, and subordinate to any superior securities outstanding or hereafter issued which have a lien on the moneys available in the Revolving Fund superior to the lien thereon securing the Bonds. Moneys in the Revolving Fund received from local governments as repayment of loan principal are not available as security for the Bonds. Except as described in this paragraph, we express no opinion regarding the priority of the lien on the moneys available in the Revolving Fund pledged for the security of the Bonds by the Bond Order.

5. Interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except that such interest is required to be included in calculating the adjusted current earnings adjustment

applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. The opinions expressed in this paragraph assume continuous compliance with the covenants and representations contained in the State's certified proceedings and in certain other documents and certain other certifications furnished to us.

6. Under laws of the State in effect as of the date hereof, the Bonds, their transfer and the income therefrom are free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

The opinions expressed in this opinion letter are subject to the following:

The obligations of the State pursuant to the Bonds and the Bond Order are subject to the application of equitable principles, to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Federal Constitution, including without limitation, bankruptcy powers.

In this opinion letter rendered in our capacity as bond counsel, we are opining only upon those matters set forth herein, and we are not opining upon the adequacy, accuracy or completeness of the Official Statement or any other statements made in connection with any offer or sale of the Bonds or upon any state or federal tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Bonds, except those specifically addressed herein.

This opinion letter is rendered as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

PART I

APPENDIX B

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

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DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (the "Disclosure Agreement"), dated as of _________ ____, 2017, is executed and delivered by the State of Nevada (the "Issuer") and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the "Disclosure Dissemination Agent" or "DAC") for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule").

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute "advice" within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer's behalf regarding the "issuance of municipal securities" or any "municipal financial product" as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

"Annual Filing Date" means the date, set in Section 2(a) and Section 2(f), by which the Annual Report is to be filed with the MSRB.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

"Annual Report" means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

"Audited Financial Statements" means the financial statements (if any) of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

"Bonds" means the bonds as listed on the attached Exhibit A, with the CUSIP numbers relating thereto.

"Certification" means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice required to be, or the Voluntary Event Disclosure or Voluntary Financial Disclosure elected by the Issuer to be, submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Issuer and include the full name of the Bonds and the CUSIP numbers for all Bonds to which the document applies.

"CUSIP number" means, with respect to any Bonds the 9-character CUSIP number (the nine characters comprising a combination of digits and letters) relating to such Bonds.

"Disclosure Dissemination Agent" means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

"Disclosure Representative" means the Treasurer of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

"Failure to File Event" means the Issuer's failure to file an Annual Report on or before the Annual Filing Date.

"Force Majeure Event" means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent's reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

"Holder" means any person (i) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (ii) treated as the owner of any Bonds for federal income tax purposes.

"Information" means, collectively, the Annual Reports, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

"Notice Event" means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

"Obligated Person" means any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities) and who, if other than the Issuer, is identified in this Disclosure Agreement as an Obligated Person.

"Official Statement" means that Official Statement prepared by the Issuer in connection with the Bonds listed on Exhibit A.

"Paying Agent" means the paying agent for the Bonds designated by the Issuer, and its successors and assigns.

"Voluntary Event Disclosure" means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

"Voluntary Financial Disclosure" means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports and Other Disclosures.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than March 31 after the end of each fiscal year of the Issuer, commencing with the fiscal year ended June 30, 2017. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent that a Failure to File Event has occurred and to immediately send a notice to the MSRB in substantially the form attached as Exhibit B (with the appropriate CUSIP numbers for the affected Bonds).

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 3:00 p.m. Pacific time on the Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit B (with the appropriate CUSIP numbers for the affected Bonds), without reference to the anticipated filing date for the Annual Report.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, together with a copy for the Trustee, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

(i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

(ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) with the MSRB;

(iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB;

(iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:

1. "Principal and interest payment delinquencies;"

2. "Non-Payment related defaults, if material;"

3. "Unscheduled draws on debt service reserves reflecting financial difficulties;"

4. “Unscheduled draws on credit enhancements reflecting financial difficulties;”

5. “Substitution of credit or liquidity providers, or their failure to perform;”

6. “Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.”

7. “Modifications to rights of securities holders, if material;”

8. “Bond calls, if material;”

9. “Defeasances;”

10. “Release, substitution, or sale of property securing repayment of the securities, if material;”

11. “Rating changes;”

12. “Tender offers;”

13. “Bankruptcy, insolvency, receivership or similar event of an Obligated Person;”

14. “Merger, consolidation, or acquisition of an Obligated Person, if material;” and

15. “Appointment of a successor or additional trustee, or the change of name of a trustee, if material;”

(v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement (with the appropriate CUSIP numbers for the affected Bonds) with the MSRB, identifying the filing as “Failure to provide annual financial information as required” when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;

(vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Issuer pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:

1. “amendment to continuing disclosure undertaking;”

2. “change in Obligated Person;”

3. “notice to investors pursuant to bond documents;”

4. “certain communications from the Internal Revenue Service;”

5. “secondary market purchases;”

6. “bid for auction rate or other securities;”

7. “capital or other financing plan;”

8. “litigation/enforcement action;”

9. “change of tender agent, remarketing agent, or other on-going party;”

10. “derivative or other similar transaction;” and

11. “other event-based disclosures;”

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Issuer pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. “quarterly/monthly financial information;”

2. “change in fiscal year/timing of annual disclosure;”

3. “change in accounting standard;”

4. “interim/additional financial information/operating data;”

5. “budget;”

6. “investment/debt/financial policy;”

7. “information provided to rating agency, credit/liquidity provider or other third party;”

8. “consultant reports;” and

9. “other financial/operating data.”

(viii) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, Trustee (if any) and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

(h) The Paying Agent may deliver notices of redemption or defeasance of Bonds to the Disclosure Dissemination Agent on behalf of the Issuer for filing pursuant to Section 4. Upon receipt of any such notice, the Disclosure Dissemination Agent shall promptly file the text of such notice with the MSRB in accordance with this Disclosure Agreement.

SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Issuer, including Audited Financial Statements, if available, and information of the type included in the tables marked with an asterisk in the lists of tables set forth in the Table of Contents pages of the Official Statement.

(b) Audited Financial Statements shall be prepared in accordance with generally accepted accounting principles ("GAAP"). If audited financial statements are not available, then, unaudited financial statements, prepared in accordance with GAAP as described in the Official Statement will be included in the Annual Report. Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an Obligated Person, which have been previously filed with the Securities and Exchange Commission or available to the public on the MSRB Internet website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

7. Modifications to rights of Bond holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the Bonds, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The Issuer (or the Paying Agent on behalf of the Issuer pursuant to Section 2(h)) shall, in a timely manner not in excess of ten business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the Issuer determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Issuer (or by the Paying Agent on behalf of the Issuer pursuant to Section 2(h)) as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with the MSRB in accordance with Section 2(e)(iv) hereof. The Disclosure Dissemination Agent shall promptly deliver to the Disclosure Representative (and Paying Agent with respect to notices filed at the Paying Agent's direction pursuant to Section 2(h)) evidence of confirmation of such filing with the MSRB.

SECTION 5. CUSIP Numbers.

(a) Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, Notice Event notices, Failure to File Event notices, Voluntary Event Disclosures and Voluntary Financial Disclosures, the Issuer shall indicate the full name of the Bonds and the CUSIP numbers for the Bonds as to which the provided information relates.

(b) The Issuer shall provide timely notification to the Disclosure Dissemination Agent of any new CUSIP numbers in the event new CUSIP numbers are assigned to all or a portion of the Bonds.

SECTION 6. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the failure of the Disclosure Dissemination Agent to so advise the Issuer shall not constitute a breach by the Disclosure Dissemination Agent of any of its duties and responsibilities under this Disclosure Agreement. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filings.

(a) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof.

(b) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof.

(c) The parties hereto acknowledge that the Issuer is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

SECTION 8. Termination of Reporting Obligation. The obligations of the Issuer and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to an issue of the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds of such issue, when the Issuer is no longer an Obligated Person, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The Issuer has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty days written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable, until payment in full, for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer.

SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Disclosure Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the Issuer at all times.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Issuer nor the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days prior written notice of the intent to do so together with a copy of the proposed amendment to the Issuer. No such amendment shall become effective if the Issuer shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Trustee of the Bonds, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada. The Disclosure Dissemination Agent consents to the jurisdiction of the Nevada district courts for enforcement of this Disclosure Agreement.

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature page follows]

The Disclosure Dissemination Agent and the Issuer have caused this Disclosure Dissemination Agent Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C., as
Disclosure Dissemination Agent

By: ____

Name: ______________________________________

Title: _______________________________________

STATE OF NEVADA
as Issuer

By: ____
Name: Daniel M. Schwartz
Title: State Treasurer

EXHIBIT A
NAME AND CUSIP NUMBERS OF BONDS

$_______________
STATE OF NEVADA
GENERAL OBLIGATION (LIMITED TAX)
CAPITAL IMPROVEMENT BONDS
SERIES 2017A

Base CUSIP: __________

Maturity Date (May 1)	Principal Amount	Interest Rate	CUSIP[†] Suffix

$_______________
STATE OF NEVADA
GENERAL OBLIGATION (LIMITED TAX)
NATURAL RESOURCES AND REFUNDING BONDS
SERIES 2017B

Base CUSIP: __________

Maturity Date (May 1)	Principal Amount	Interest Rate	CUSIP[†] Suffix

$_______________
STATE OF NEVADA
GENERAL OBLIGATION (LIMITED TAX)
OPEN SPACE, PARKS, NATURAL RESOURCES AND REFUNDING BONDS
SERIES 2017C

Base CUSIP: __________

Maturity Date (May 1)	Principal Amount	Interest Rate	CUSIP† Suffix

$_______________
STATE OF NEVADA
GENERAL OBLIGATION (LIMITED TAX) BONDS
(NEVADA MUNICIPAL BOND BANK PROJECT NO. 90)
SERIES 2017D

Base CUSIP: __________

Maturity Date (November 1)	Principal Amount	Interest Rate	CUSIP† Suffix

$______________
STATE OF NEVADA
GENERAL OBLIGATION (LIMITED TAX)
SAFE DRINKING WATER REVOLVING FUND MATCHING BONDS
SERIES 2017E

Base CUSIP: __________

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP† Suffix

$______________
STATE OF NEVADA
GENERAL OBLIGATION (LIMITED TAX)
WATER POLLUTION CONTROL REVOLVING FUND MATCHING BONDS
SERIES 2017F

Base CUSIP: __________

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP† Suffix

EXHIBIT B
NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Issuer:	**State of Nevada**
Name of Bond Issue:	**General Obligation (Limited Tax) Capital Improvement Bonds, Series 2017A**
	General Obligation (Limited Tax) Natural Resources and Refunding Bonds, Series 2017B
	General Obligation (Limited Tax) Open Space, Parks, Natural Resources and Refunding Bonds, Series 2017C
	General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Project No. 90), Series 2017D
	General Obligation (Limited Tax) Safe Drinking Water Revolving Fund Matching Bonds, Series 2017E
	General Obligation (Limited Tax) Water Pollution Control Revolving Fund Matching Bonds, Series 2017F
Date of Issuance:	**______________ ___, 2017**

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Disclosure Dissemination Agent Agreement between the Issuer and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by ____________.

Dated: _______________________________

Digital Assurance Certification, L.L.C., as Disclosure
Dissemination Agent, on behalf of the Issuer

cc: Issuer
Obligated Person

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PART I

APPENDIX C

BOOK-ENTRY SYSTEM

The information contained in this Appendix has been extracted from a document prepared by DTC, entitled "SAMPLE OFFICIAL STATEMENT LANGUAGE DESCRIBING BOOK-ENTRY-ONLY ISSUANCE."

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of each series of Bonds, in the aggregate principal amount thereof, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in the Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the State as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest and redemption proceeds on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the State or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying agent, or the State, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest or redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the State or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the State or the Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bonds are required to be printed and delivered.

The State may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bonds certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the State believes to be reliable, but the State takes no responsibility for the accuracy thereof. The information contained in the website referred to in the preceding material or in any other website referred to therein is not incorporated by reference in this Official Statement.

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PART I

APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTIONS

The following is a summary of certain provisions of the Bond Resolutions establishing certain of the terms and conditions of the Bonds. This summary does not purport to be complete and is qualified in its entirety by reference to the respective Bond Resolutions for a complete statement of the provisions of such Bond Resolutions.

Events of Default Remedies

2017A Bonds, 2017B Bonds, 2017C Bonds and 2017D Bonds

The 2017A Bond Resolution, 2017B Bond Resolution, 2017C Bond Resolution and 2017D Bond Resolution do not contain any events of default. State law authorizes holders of their Bonds to bring actions, at law or in equity, against the State, the Board of Finance, or other employees or agents of the State, to compel any action required by the State law or in any covenant with bondholders, or to take certain other enumerated actions.

2017E Bonds

The 2017E Bond Order contains the following events of default because the 2017E Bonds are primarily secured by revenues other than property taxes: (1) payment of the principal of any of the 2017E Bonds, or any prior redemption premium due in connection therewith, or both, is not made when the same becomes due and payable, at maturity or otherwise; (2) payment of any installment of interest on the 2017E Bonds is not made when the same becomes due and payable; (3) the State for any reason is rendered incapable of fulfilling its obligations under the 2017E Bond Order; (4) an order or decree is entered by a court of competent jurisdiction with the consent or acquiescence of the State appointing a receiver or receivers for moneys in the Revolving Fund securing the payment of the 2017E Bonds, or if an order or decree having been entered without the consent or acquiescence of the State is not vacated or discharged or stayed on appeal within 60 days after entry; and (5) the State makes any default in the due and punctual performance of any other of the representations, covenants, conditions, agreements and other provisions contained in the 2017E Bonds or in 2017E Bond Order on its part to be performed, and if the default continues for 60 days after written notice specifying the default and requiring the same to be remedied is given to the State by the owners of 10% in principal of the 2017E Bonds then Outstanding.

Upon the happening and continuance of any of the events of default, as provided in the 2017E Bond Order, then and in every case the owner or owners of not less than 10% in principal amount of the 2017E Bonds then Outstanding, including, without limitation, a trustee or trustees therefor, may proceed against the State and its agents, officers and employees to protect and to enforce the rights of any owner of 2017E Bonds under the 2017E Bond Order by mandamus or by other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained therein or in an award of execution of any power therein granted for the enforcement of any proper, legal or equitable remedy as the owner or owners may deem most effectual to protect and to enforce the rights aforesaid, or thereby to enjoin any act or thing which may be unlawful or in violation of any right of any owner of any 2017E Bond, or to require the State to act as it if were the trustee of an express trust, or any combination of such remedies. All proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all owners of the 2017E Bonds and any parity securities then Outstanding.

2017F Bonds

The 2017F Bond Order contains the following events of default because the 2017F Bonds are primarily secured by revenues other than property taxes: (1) payment of the principal of any of the 2017F Bonds, or any prior redemption premium due in connection therewith, or both, is not made when the same becomes due and payable, at maturity or otherwise; (2) payment of any installment of interest on the 2017F Bonds is not made when the same becomes due and payable; (3) the State for any reason is rendered incapable of fulfilling its obligations under the

2017F Bond Order; (4) an order or decree is entered by a court of competent jurisdiction with the consent or acquiescence of the State appointing a receiver or receivers for moneys in the Revolving Fund securing the payment of the 2017F Bonds, or if an order or decree having been entered without the consent or acquiescence of the State is not vacated or discharged or stayed on appeal within 60 days after entry; and (5) the State makes any default in the due and punctual performance of any other of the representations, covenants, conditions, agreements and other provisions contained in the 2017F Bonds or in 2017F Bond Order on its part to be performed, and if the default continues for 60 days after written notice specifying the default and requiring the same to be remedied is given to the State by the owners of 10% in principal of the 2017F Bonds then Outstanding.

Upon the happening and continuance of any of the events of default, as provided in the 2017F Bond Order, then and in every case the owner or owners of not less than 10% in principal amount of the 2017F Bonds then Outstanding, including, without limitation, a trustee or trustees therefor, may proceed against the State and its agents, officers and employees to protect and to enforce the rights of any owner of 2017F Bonds under the 2017F Bond Order by mandamus or by other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained therein or in an award of execution of any power therein granted for the enforcement of any proper, legal or equitable remedy as the owner or owners may deem most effectual to protect and to enforce the rights aforesaid, or thereby to enjoin any act or thing which may be unlawful or in violation of any right of any owner of any 2017F Bond, or to require the State to act as it if were the trustee of an express trust, or any combination of such remedies. All proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all owners of the 2017F Bonds and any parity securities then Outstanding.

Supplemental Bond Resolutions (references to a percent of Bonds refers to a Percent of Bonds of the particular Series being considered)

2017A Bonds, 2017B Bonds, 2017C Bonds and 2017D Bonds

The Board of Finance may, from time to time, modify, amend, supplement or alter the 2017A Bond Resolution, 2017B Bond Resolution, 2017C Bond Resolution or 2017D Bond Resolution without the consent of, or notice to any of the Owners of the applicable series of Bonds for any one or more of the following purposes: (1) to add to the agreements of the Board of Finance or the State contained in the Bond Resolution, other agreements thereafter to be observed or to surrender, restrict or limit any right or power therein reserved to or conferred upon the Board of Finance or the State; (2) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in the Bond Resolution, or in regard to matters or questions arising under the Bond Resolution, as the Board of Finance may deem necessary or desirable and not inconsistent with the Bond Resolution; (3) to grant to or confer any additional rights, remedies, powers or authorities that may be lawfully granted to or conferred upon the Owner of the Bonds; (4) to evidence the appointment of successors to any depositories, custodians, Paying Agent(s) or Bond Registrar(s); or (5) to make any other change which will not have a material adverse effect on the interests of the Owners of the Bonds.

The Board of Finance may, from time to time, modify, amend, alter, or supplement the 2017A Bond Resolution, 2017B Bond Resolution, 2017C Bond Resolution or 2017D Bond Resolution other than as provided in the preceding paragraph; provided that the Board of Finance shall receive the written consent of the Owners of not less than 51% of the Bonds of the applicable series then Outstanding; provided, however, that no such supplemental proceedings shall: (1) extend the maturity date or due date of any mandatory sinking fund redemption with respect to any Bond outstanding under the applicable Bond Resolution; (2) reduce or extend the time of payment of the principal of, redemption premium or interest on any Bond outstanding under the applicable Bond Resolution; (3) reduce any premium payable upon the redemption of any Bond outstanding, or advance the date upon which any Bond outstanding may first be called for redemption prior to its stated maturity date under the applicable Bond Resolution; (4) give to any Bond or Bonds a preference over any other Bond or Bonds; or (5) reduce the percentage of Bonds the Owners of which are required to consent to any proceedings amending or supplementing the provisions of the applicable Bond Resolution.

2017E Bonds and 2017F Bonds

The 2017E Bond Order and 2017F Bond Order may be amended or supplemented by instruments adopted by the State Treasurer, without receipt by the State of any additional consideration, but with the written consent of the insurer of the 2017E Bonds or 2017F Bonds, as applicable, if any, or a majority of the Bondholders at the time of the adoption of the amendatory or supplemental instrument, excluding holders of 2017E Bonds or 2017F Bonds which may then be held or owned for the account of the State. No such instrument shall permit: (1) a change in the maturity or in the terms of redemption of the principal or any installment thereof of any Outstanding 2017E Bond or Outstanding 2017F Bond or any installment of interest thereon; (2) a reduction in the principal amount of any 2017E Bond or 2017F Bond or the rate of interest thereon; (3) the establishment of priorities as between the 2017E Bond issued and Outstanding under the provisions of the 2017E Bond Order or between the 2017F Bond issued and Outstanding under the provisions of the 2017F Bond Order, as applicable; or (4) the modification of, or other action which materially and prejudicially affects the rights or privileges of the Bondholder.

Defeasance

2017A Bonds, 2017B Bonds, 2017C Bonds, 2017D Bonds, 2017E Bonds and 2017F Bonds

When all Bond Requirements of any Bond have been duly paid, the pledge and lien and all obligations under the applicable Bond Resolution to that Bond shall thereby be discharged and such Bond shall no longer be deemed to be Outstanding within the meaning of the applicable Bond Resolution. There shall be deemed to be such due payment of any Bond if the State has placed in irrevocable escrow an amount sufficient (including the known minimum yield available for such purpose from Federal Securities, as defined in NRS 349.174, in which such amount wholly or in part may be initially invested) to meet all Bond Requirements of the Bond, as such requirements become due to the maturity date thereof or to any redemption date. The principal of and the interest on the Federal Securities when due and payable shall provide sufficient money prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the State and the escrow agent at the time of the creation of the escrow or trust, or the Federal Securities shall be subject to prior redemption at the option of the holders thereof to assure such availability as so needed to meet such schedule. The State is obligated to contribute additional securities or monies to the escrow or trust if necessary to provide sufficient amounts to satisfy the payment obligations on the Bonds.

The State has generally provided in its escrow agreements for refunded or otherwise discharged bonds as described above, that if it appears to the escrow bank that the money and any interest on and principal of the Federal Securities in escrow allocable for such use will not be sufficient to make any required payment due on the discharged bonds as the same become do, the escrow bank shall notify the Treasurer of the State as soon as reasonably practicable of such fact and the amount of such deficiency. The agreement further provides that upon receipt of such notice the State shall forthwith pay to the escrow bank for deposit in the escrow account such additional moneys as may be required. No assurances can be provided that future escrow agreements will include the provisions summarized in this paragraph.

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PART I

APPENDIX E

OFFICIAL NOTICE OF BOND SALE

$84,360,000* State of Nevada General Obligation (Limited Tax) Capital Improvement Bonds Series 2017A	$6,210,000* State of Nevada General Obligation (Limited Tax) Natural Resources and Refunding Bonds Series 2017B	$8,235,000* State of Nevada General Obligation (Limited Tax) Open Space, Parks, Natural Resources and Refunding Bonds Series 2017C
$6,000,000* State of Nevada General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Project No. 90) Series 2017D	$6,285,000* State of Nevada General Obligation (Limited Tax) Safe Drinking Water Revolving Fund Matching Bonds Series 2017E	$3,865,000* State of Nevada General Obligation (Limited Tax) Water Pollution Control Revolving Fund Matching Bonds Series 2017F

PUBLIC NOTICE IS HEREBY GIVEN that the State Treasurer of the State of Nevada, on behalf of the State Board of Finance (the "State Treasurer," the "State" and the "Board of Finance," respectively), on

Tuesday, October 17, 2017

at the hour of 8:00 a.m., Pacific Daylight time the 2017A Bonds
at the hour of 7:30 a.m., Pacific Daylight time the 2017B Bonds
at the hour of 7:30 a.m., Pacific Daylight time the 2017C Bonds
at the hour of 8:30 a.m., Pacific Daylight time the 2017D Bonds
at the hour of 8:30 a.m., Pacific Daylight time the 2017E Bonds
at the hour of 8:00 a.m., Pacific Daylight time the 2017F Bonds

in the Office of the Deputy State Treasurer of the State of Nevada
Capitol Building, Number 4
101 North Carson Street
Carson City, Nevada 89701-4786

will receive and publicly open and receive bids electronically through an electronic bidding service offered by Ipreo/Parity® ("PARITY") at www.newissuehome.i-deal.com, for the purchase of the above-captioned bonds (collectively, the "Bonds"), particularly described below. Bids must be delivered electronically to the State Treasurer on or before the time designated above for each series of Bonds (or at such other date and time as is announced via Thomson Municipal News or Bloomberg Financial Markets ("Bloomberg") with no minimum information restrictions for any of the series of Bonds).

BOND PROVISIONS

The Bonds

The Bonds are designated, respectively, as follows: (1) State of Nevada General Obligation (Limited Tax) Capital Improvement Bonds, Series 2017A, in an aggregate principal amount of $84,360,000* (the "2017A Bonds"); (2) State of Nevada General Obligation (Limited Tax) Natural Resources and Refunding Bonds, Series 2017B, in an aggregate principal amount of $6,210,000* (the "2017B Bonds"); (3) State of Nevada General

* Preliminary, subject to change.

Obligation (Limited Tax) Open Space, Parks, Natural Resources and Refunding Bonds, Series 2017C, in an aggregate principal amount of $8,235,000* (the "2017C Bonds"); (4) State of Nevada General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Project No. 90), Series 2017D, in an aggregate principal amount of $6,000,000* (the "2017D Bonds"); (5) State of Nevada General Obligation (Limited Tax) Safe Drinking Water Revolving Fund Matching Bonds, Series 2017E, in an aggregate principal amount of $6,285,000* (the "2017E Bonds"); and (6) State of Nevada General Obligation (Limited Tax) Water Pollution Control Revolving Fund Matching Bonds, Series 2017F, in an aggregate principal amount of $3,865,000* (the "2017F Bonds" and together with the 2017A Bonds, the 2017B Bonds, the 2017C Bonds, the 2017D Bonds and the 2017E Bonds, the "Bonds"). The Bonds will be dated as of their date of delivery. The Bonds will be issued in fully registered form in denominations of $5,000 and integral multiples thereof. The Bonds will be issued by means of a book-entry system with no physical distribution of Bonds to the public. See the caption "Book-Entry/Transfer and Exchange" below, and see the Preliminary Official Statement relating to the Bonds for a more complete description of the Bonds.

Maturities

Unless a bidder elects to designate one or more term bonds as provided below under "Prior Redemption - *Mandatory Sinking Fund Redemption*," the Bonds will mature serially on May 1 (with respect to the 2017A Bonds, the 2017B Bonds and the 2017C Bonds), November 1 (with respect to the 2017D Bonds) and August 1 (with respect to the 2017E Bonds and the 2017F Bonds) of the years and in the amounts designated in the maturity schedules (the "Maturity Schedules") set forth in the Preliminary Official Statement dated October 5, 2017 relating to the Bonds (the "Preliminary Official Statement"). The principal amounts set forth in each Maturity Schedule will be subject to adjustment as described below under the caption "Adjustment of Maturities after Determination of Best Bid."

BIDDERS ARE ADVISED THAT REVISED MATURITY SCHEDULES MAY BE RELEASED VIA THOMSON MUNICIPAL NEWS OR BLOOMBERG PRIOR TO THE BID OPENING.

Adjustment of Maturities after Determination of Best Bid

The aggregate principal amount and the principal amount of each maturity of each series of Bonds are subject to adjustment by the State, after the determination of the best bid. Changes to be made will be communicated to the successful bidder by time of the written award of the Bonds and will not reduce or increase the aggregate principal amount of each series maturing in any year from the principal amounts shown in the respective Maturity Schedules (or each maturity of each series of Bonds) by more than $100,000 or fifteen percent (15%) of such amounts, whichever is greater. The State may change the price to be paid for each series of Bonds (i.e., par less any discount bid or plus any premium bid) by a successful bidder as described below, but the interest rates specified by the successful bidder for all maturities will not change. A successful bidder may not withdraw its bid as a result of changes made within these limits. The price to be paid for the series of Bonds will be changed so that the percentage net compensation to the successful bidder (i.e., the percentage resulting from dividing (i) the aggregate difference between the offering price of the series of Bonds to the public and the price to be paid to the State, less any bond insurance premium to be paid by the bidder, by (ii) the principal amount of the series of Bonds) does not increase or decrease from what it would have been if no adjustment was made to the principal amounts shown in the respective Maturity Schedules.

To facilitate any adjustment in the principal amounts, the successful bidder(s) is required to indicate by electronic mail to Lori Chatwood (OSTdebt@nevadatreasurer.gov), Andrew Artusa (andrew.artusa@zionsbank.com) and Martin Johnson (marty@jnaconsultinggroup.com) no later than one-half hour after the time of the bid opening, the amount of any original issue premium or discount on each maturity of the series of Bonds, the amount received from the sale of the series of Bonds to the public that will be retained by the successful bidder as its compensation, and in the case of a bid submitted with bond insurance, the amount of the insurance premium. A bidder who intends to insure a series of Bonds shall also state, in that electronic mail, whether the amount of the insurance premium will change as a result of changes in the principal amount of the series of Bonds and the method used to calculate any such change in the insurance premium.

Prior Redemption

Optional Redemption – 2017A Bonds, 2017B Bonds and 2017C Bonds. The 2017A Bonds, the 2017B Bonds and the 2017C Bonds or portions thereof in authorized denominations, maturing on and after May 1, 2028, will be subject to optional redemption prior to their respective maturities, without premium, at the option of the State, as directed by the State Treasurer, on and after May 1, 2027, in whole or in part at any time from any maturities selected by the State Treasurer and by lot within a maturity, at a redemption price equal to 100% of the principal amount of each such Bond or portion thereof to be redeemed, plus accrued interest thereon to the redemption date.

Optional Redemption – 2017D Bonds. The 2017D Bonds or portions thereof in authorized denominations, maturing on and after November 1, 2028, will be subject to optional redemption prior to their respective maturities, without premium, at the option of the State, as directed by the State Treasurer, on and after November 1, 2027, in whole or in part at any time from any maturities selected by the State Treasurer and by lot within a maturity, at a redemption price equal to 100% of the principal amount of each such Bond or portion thereof to be redeemed, plus accrued interest thereon to the redemption date.

Optional Redemption – 2017E. The 2017E Bonds or portions thereof in authorized denominations, maturing on and after August 1, 2028, will be subject to optional redemption prior to their respective maturities, without premium, at the option of the State, as directed by the State Treasurer, on and after August 1, 2027, in whole or in part at any time from any maturities selected by the State Treasurer and by lot within a maturity, at a redemption price equal to 100% of the principal amount of each such Bond or portion thereof to be redeemed, plus accrued interest thereon to the redemption date.

Optional Redemption – 2017F Bonds. The 2017F Bonds are not subject to optional redemption prior to their respective maturities at the option of the State.

Extraordinary Mandatory Redemption – 2017E Bonds. The 2017E Bonds are subject to extraordinary redemption in the event proceeds of the 2017E Bonds are not spent by certain deadlines. Federal tax law requires that 30 percent of the net proceeds of the 2017E Bonds to be used to make loans to local governments within one year of the date of issuance of the 2017E Bonds and 95% of the net proceeds of the 2017E Bonds to be used for that purpose within three years of the date of issue of the 2017E Bonds. The State expects to meet these requirements, but if it does not, in order to preserve the federal tax exemption for interest on the 2017E Bonds, an amount equal to the shortfall will be used to redeem 2017E Bonds in authorized denominations at a price equal to the principal of each 2017E Bond to be redeemed plus accrued interest to the redemption date. The 2017E Bonds to be redeemed will be selected by lot in such manner as the bond registrar may determine. The redemption date will be a date not later than ninety days following the one-year or three-year period, as applicable, described above.

Mandatory Sinking Fund Redemption. A bidder may request that Bonds (excluding the 2017F Bonds) maturing on and after May 1, 2028 (with respect to the 2017A Bonds, the 2017B Bonds and the 2017C Bonds), November 1, 2028 (with respect to the 2017D Bonds) and August 1, 2028 (with respect to the 2017E Bonds) be included in one or more term bonds. A bidder may not request that any 2017F Bonds be included in one or more term bonds. Amounts included in a single term bond must consist of consecutive maturities of a series of Bonds, must bear the same rate of interest and must include the entire principal amount for any maturity included in the term bond (*i.e.*, the principal amount maturing in any year may not be divided between a serial maturity and a mandatory sinking fund redemption). Any such term bond will be subject to mandatory sinking fund redemption in installments in the same amounts and on the same dates as the series of Bonds would have matured if they were not included in a term bond or bonds. Bonds redeemed pursuant to the mandatory sinking fund redemption provisions will be redeemed at a redemption price equal to the principal amount of the series of Bonds to be redeemed plus accrued interest to the redemption date in the manner and as otherwise provided in respective Bond Resolutions (as defined below). Any election to designate Bonds as being included in a term bond must be made electronically or in the printed official bid forms. See the caption "TERMS OF SALE - Bid Proposal" herein.

Notice of Redemption. Notice of redemption, unless waived, will be given as provided in the Bond Resolutions at least 30 days and not more than 60 days prior to the date fixed for redemption to be redeemed in the manner and upon the conditions to be provided in the Bond Resolutions.

Interest Rates and Limitations

The following interest limitations are applicable:

A. Interest on the 2017A Bonds, the 2017B Bonds, the 2017C Bonds and the 2017D Bonds will be payable on May 1, 2018, and semiannually thereafter on May 1 and November 1 in each year.

B. Interest on the 2017E Bonds and the 2017F Bonds will be payable on February 1, 2018, and semiannually thereafter on February 1 and August 1 in each year.

C. The interest rate specified for any Bond and the "true interest cost" (see "TERMS OF SALE - Basis of Award" below) for a series of Bonds may not exceed by more than 3% the "Index of Twenty Bonds" which is most recently published in The Bond Buyer before the bids are received.

D. Each interest rate specified must be stated in a multiple of 1/8th or 1/20th of 1% per annum.

E. Only one interest rate can be stated for any maturity of a series of Bonds, i.e., all Bonds of the same series with the same maturity date must bear the same rate of interest.

F. Each Bond as initially issued will bear interest from its date to its stated maturity date at the interest rate stated in the bid. A zero (0) rate of interest may not be named.

It is permissible to bid different interest rates for the Bonds, but only as stated in the bid and subject to the above limitations.

Bond Insurance / Rating Letters

The Bonds may be insured at bidder's option and expense. The State will pay for the ratings on the Bonds from Moody's Investors Service, S&P Global Ratings and Fitch Ratings.

Book-Entry/Transfer and Exchange

The Bonds will be issued in registered form and a bond certificate for each maturity of each series will be issued to The Depository Trust Company, New York, New York ("DTC"), registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The successful bidders, as a condition to delivery of the Bonds, will be required to deposit the Bond certificates with DTC, registered in the name of Cede & Co. Principal of and interest on the Bonds will be payable by U.S. Bank National Association, as Paying Agent (the "Paying Agent"), by wire transfer or in same day funds to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to the beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. Neither the State nor the Paying Agent will be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

Security and Payment

The Bonds will be limited tax general obligations of the State, payable as to principal and interest from annual general (ad valorem) taxes (the "Taxes") levied against all taxable property within the State (except to the extent any other moneys are made available therefor), subject to the limitations imposed by the statutes and the Constitution of the State. The 2017E Bonds are also secured by a nonexclusive lien on available moneys in the Safe Drinking Water Revolving Fund, as more fully provided in the 2017E Bond Order (defined below), and the 2017F Bonds are also secured by a nonexclusive lien on available moneys in the Water Pollution Control Revolving Fund, as more fully provided in the 2017F Bond Order (defined below).

Bond Resolutions

Copies of the resolution of the Board of Finance authorizing the issuance of the 2017A Bonds (the "2017A Bond Resolution"), the resolution of the Board of Finance approving the issuance of the 2017B Bonds (the "2017B Bond Resolution"), the resolution of the Board of Finance approving the issuance of the 2017C Bonds (the "2017C Bond Resolution"), the resolution of the Board of Finance approving the issuance of the 2017D Bonds (the "2017D Bond Resolution"), an order of the State Treasurer and the resolution of the Board of Finance approving the issuance of the 2017E Bonds (the "2017E Bond Order") and an order of the State Treasurer and the resolution of the Board of Finance approving the issuance of the 2017F Bonds (the "2017F Bond Order" and together with the 2017A Bond Resolution, the 2017B Bond Resolution, the 2017C Bond Resolution, the 2017D Bond Resolution and the 2017E Bond Order, the "Bond Resolutions") are available for public inspection at the office of the Secretary of the State Board of Finance in Carson City, Nevada.

The Bond Resolutions provide, among other matters, the form, terms, and conditions of the Bonds, the manner and terms of their issuance, the manner of their execution, the method of their payment and the security therefor, and reference to the Bond Resolutions is made for further detail.

Federal and State Tax Exemption

In the opinion of Kutak Rock LLP, Bond Counsel for the 2017A Bonds, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the 2017A Bonds is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax.

In the opinion of Sherman & Howard L.L.C., Bond Counsel for the 2017B Bonds, the 2017C Bonds, the 2017D Bonds, the 2017E Bonds and the 2017F Bonds, assuming continuous compliance with certain covenants described in the Final Official Statement, interest on such Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the "Tax Code"), and is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations.

Furthermore, in the opinion of Bond Counsel, under present law, the respective Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of Nevada Revised Statutes and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of Nevada Revised Statutes.

A copy of each of the proposed forms of bond counsel opinions is attached to Part I of the Preliminary Official Statement relating to the Bonds as Appendix A.

TERMS OF SALE

Equal Opportunity

IT IS THE POLICY OF THE STATE TO PROVIDE MINORITY BUSINESS ENTERPRISES, WOMEN BUSINESS ENTERPRISES AND ALL OTHER BUSINESS ENTERPRISES AN EQUAL OPPORTUNITY TO PARTICIPATE IN THE PERFORMANCE OF ALL STATE CONTRACTS. BIDDERS ARE REQUESTED TO ASSIST THE STATE IN IMPLEMENTING THIS POLICY BY TAKING ALL REASONABLE STEPS TO ENSURE THAT ALL AVAILABLE BUSINESS ENTERPRISES, INCLUDING MINORITY AND WOMEN BUSINESS ENTERPRISES, HAVE AN EQUAL OPPORTUNITY TO PARTICIPATE IN STATE CONTRACTS.

Bid Proposals

Bids are required to be submitted electronically, as described below. Each bid must include all of the information required by that bid form. Any bidder is required to submit an unconditional and written bid for all the Bonds of a series specifying:

(1) The lowest rate or rates of interest at which the bidder will purchase all of a series of Bonds; and

(2) Whether the bidder intends to designate term bonds (with respect to the Bonds described above under "Prior Redemption—Mandatory Sinking Fund Redemption") and the maturities affected thereby.

It is also requested for informational purposes only, but it is not required, that each bid disclose:

(3) The "true interest cost" (i.e., actuarial yield) on the Bonds of a series stated as a nominal annual percentage rate. See the caption "--Basis of Award" below.

Solely as an accommodation to the bidders, the State Treasurer will receive bids delivered electronically through PARITY. Each bidder submitting an electronic bid is solely responsible for all arrangements with PARITY.

By submitting a bid with PARITY, an electronic bidder represents and warrants to the State that such bidder's bid for the purchase of a series of Bonds is submitted for and on behalf of such bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of that series of Bonds. Once the bids are communicated electronically to the State, each bid will constitute an irrevocable offer to purchase the series of Bonds on the terms provided therein and in accordance with the terms of this Official Notice of Bond Sale.

The State Treasurer does not endorse or encourage the use of PARITY, and PARITY is not acting as an agent of the State Treasurer. The State Treasurer is not responsible for ensuring or verifying bidder compliance with PARITY's procedures. The State Treasurer is not responsible for, and each bidder expressly assumes the risk of and responsibility for, any incomplete, inaccurate or untimely bid submitted by such bidder and is not liable for any damages caused by PARITY. Bidders must obtain instructions for submitting electronic bids from PARITY. If any provision of this Official Notice of Bond Sale conflicts with information provided by PARITY, this Official Notice of Bond Sale, together with any amendments thereto issued by public wire, will control.

Premium / Discount

2017A Bonds. A bidder must offer to purchase the 2017A Bonds at a minimum of par or at a premium. A discount may not be bid.

2017B Bonds. A bidder must offer to purchase the 2017B Bonds at a minimum of par or at a premium. A discount may not be bid.

2017C Bonds. A bidder must offer to purchase the 2017C Bonds at a minimum of par or at a premium. A discount may not be bid.

2017D Bonds. A bidder must offer to purchase the 2017C Bonds at a minimum of par plus a premium of 2.50% of the aggregate principal amount. A discount may not be bid.

2017E Bonds. A bidder must offer to purchase the 2017C Bonds at a minimum of par plus a premium of 1.15% of the aggregate principal amount. A discount may not be bid.

2017F Bonds. A bidder must offer to purchase the 2017C Bonds at a minimum of par plus a premium of 1.50% of the aggregate principal amount. A discount may not be bid.

Good Faith Deposit

In order to be considered, each bid must be accompanied by a good faith deposit (the "Deposit") in the form of a certified, treasurer's or cashier's check drawn on a solvent commercial bank or trust company in the United States of America, or a wire transfer, made payable to:

State of Nevada

in an amount equal to:

$1,000,000 with respect to the 2017A Bonds
$100,000 with respect to the 2017B Bonds
$100,000 with respect to the 2017C Bonds
$60,000 with respect to the 2017D Bonds
$60,000 with respect to the 2017E Bonds
$40,000 with respect to the 2017F Bonds

<u>Bidders submitting a Deposit by check or wire transfer may, **but are not required to**, submit a check or wire transfer prior to the bid opening</u>. If a check is used, it must be delivered to the State Treasurer within 90 minutes following notification to the bidder or bidders of the bid award for the applicable series of Bonds. If a wire transfer is used by any bidder, then such bidder using a wire transfer is required to submit its Deposit to the State Treasurer in the form of a wire transfer in the above amount for such applicable series of Bonds as instructed by the State Treasurer or one of its Municipal Advisors (identified under the caption "Information" below) not later than 90 minutes following such notification of the bid award. Each series of Bonds will not be officially awarded to a bidder who has not submitted a Deposit, as provided above, until such time as the bidder has provided a Federal wire reference number for the Deposit to one of the State's Municipal Advisors.

No interest on the Deposit will accrue to any bidder. The Deposit (without accruing interest) of the winning bidder will be applied to the purchase price of the applicable series of Bonds. In the event the winning bidder fails to honor its accepted bid, the Deposit plus any interest accrued on the Deposit will be retained by the State. Any investment income earned on the Deposit will not be credited to the successful bidder on the purchase price of the series of Bonds, but will be paid to the successful bidder in the event the State is unable to deliver the series of Bonds as provided under "Manner and Time of Delivery" below. Checks accompanying bids other than the bid which is accepted will be returned promptly upon the determination of the best bid.

CUSIP Numbers and Other Fees

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of, and payment for, the Bonds in accordance with the terms hereof. All expenses relating to printing CUSIP numbers on the Bonds, if required, will be paid by the State, but the CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid by the respective purchasers. The successful bidders shall also be required to pay all fees required by DTC, the Bond Market Association, the Municipal Securities Rulemaking Board, and any other similar entity imposing a fee in connection with the execution and delivery of the Bonds of each series.

Sale Reservations

The State reserves the privilege:

A. Of waiving any irregularity or informality in any bid;
B. Of rejecting any and all bids; and
C. Of reoffering the Bonds for sale, as provided by law.

Basis of Award

The Bonds of each series, subject to such sale reservations and ratification by the State Treasurer, will be sold to the responsible bidder making the best bid for all the Bonds of such series based on the applicable Maturity Schedule, notwithstanding any change in maturities made after the bid opening as described under "Adjustment of Maturities after Determination of Best Bid" above. The best bid for each series of Bonds will be determined by computing the True Interest Cost of the Bonds (*i.e.*, using an actuarial or true interest cost method) for each bid received and an award will be made (if any is made) to the responsible bidder submitting the bid that results in the lowest True Interest Cost on a series of Bonds. "True Interest Cost" of the Bonds as used in this paragraph means that yield which if used to compute the present worth as of the dated date of the series of Bonds of all payments of principal and interest to be made on the series of Bonds from their dated date to their respective maturity dates (or, in the case of a term bond, their mandatory redemption dates), using the principal amounts set forth in the applicable Maturity Schedule and the interest rates specified in the bid, produces an amount equal to the principal amount of the series of Bonds plus the premium bid or less the discount bid. No adjustment shall be made in such calculation for accrued interest, if any, on the series of Bonds from their date to the date of delivery thereof. Such calculation shall be based on a 360-day year and a semiannual compounding interval. If there are two or more equal bids for the Bonds of a series and such equal bids are the best bids received, the State Treasurer will determine which bid will be accepted.

Place and Time of Award

The State will cause the bids submitted for each series of Bonds to be opened at the time and place hereinabove stated unless a notice is issued via Thomson Municipal News or Bloomberg prior to the bid opening for any series of Bonds. The State will take action awarding the Bonds of a series or rejecting all bids for a series not later than 36 hours after the time herein stated for opening bids for such series, and a bidder may not withdraw its bid for such series during such period. An award may be made after the period stated herein if the bidder shall not have given to the State Treasurer notice in writing of the withdrawal of its bid. See the caption "Information" below.

Manner and Time of Delivery

The applicable series of Bonds will be delivered to the applicable winning bidder within 60 days after the date stated herein for opening bids. The State contemplates delivering the Bonds on or about November 7, 2017. The purchasers of the Bonds will be given 72 hours' notice of the time fixed by the State Treasurer for tendering the Bonds for delivery. The purchasers will not be required to accept delivery of any of the Bonds of a series if they are not made ready and are not tendered for delivery within 60 days from the date herein stated for opening bids; and if such Bonds are not so tendered within such period of time, the Deposit (with accruing interest) will be returned to the purchasers upon their request.

Payment at and Place of Delivery

The successful bidders will be required to accept delivery of the Bonds through DTC, New York, New York or through the Paying Agent via the FAST System. Payment of the balance of the purchase price due for the series of Bonds at the time of their delivery must be made in Federal Reserve Bank funds or other funds acceptable to the State Treasurer for immediate and unconditional credit to the account of the State, as directed by the State Treasurer, at a bank or banks designated by the State so that Bond proceeds may be so deposited or invested, as the State Treasurer may determine, simultaneously with the delivery of the Bonds. The balance of the purchase price must be paid in such funds and not by any waiver of interest, and not by any other concession as a substitution for such funds.

Successful Bidders' Reoffering Yields and Establishment of Issue Price

Within one-half hour following each bid opening (or such other date as may be determined by the State pursuant to this Official Notice of Bond Sale), each of the successful bidders (or manager of the purchasing account) must notify the State by electronic mail to OSTdebt@nevadatreasurer.gov, andrew.artusa@zionsbank.com and marty@jnaconsultinggroup.com of the initial offering prices and yields of the applicable series of the Bonds to the public.

Each applicable winning bidder shall assist the State in establishing the issue price of the applicable series of Bonds and shall execute and deliver to the State on the date of issuance and delivery of the Bonds (the "Closing Date") an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the applicable series of Bonds, together with the supporting pricing wires or equivalent communications, substantially in the one of the two forms form attached hereto as Exhibit A-1 and Exhibit A-2, respectively, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the State and Bond Counsel. All actions to be taken by the State under this Official Notice of Bond Sale to establish the issue price of the Bonds of each series may be taken on behalf of the State by the State's Municipal Advisors. At the written request of the State, Bond Counsel or the State's Municipal Advisors (including via electronic mail), any notice or report to be provided to the State under this Official Notice of Bond Sale shall be provided to, as applicable pursuant to such written notice, the State, Bond Counsel and/or the State's Municipal Advisors.

The State intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds of a series) will apply to the initial sale of the Bonds of each series (the "competitive sale requirements") because: (1) the State shall disseminate this Official Notice of Bond Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters; (2) all bidders shall have an equal opportunity to bid; (3) the State may receive bids for the Bonds of each series from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and (4) the State anticipates awarding the sale of the Bonds of each series to the bidder who submits a firm offer to purchase such Bonds at the highest price (or lowest interest cost), as set forth in this Official Notice of Bond Sale. Any bid submitted pursuant to this Official Notice of Bond Sale shall be considered a firm offer for the purchase of the Bonds of the applicable series, as specified in the bid.

In the event that the competitive sale requirements are not satisfied for the Bonds of a series, the State shall so advise the applicable winning bidder. The State will treat the first price at which 10% of a maturity of the Bonds of a series (the "10% Test") is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). Each winning bidder shall advise the State if any maturity of the Bonds of the applicable series satisfies the 10% Test as of the date and time of the award of the Bonds of the applicable series. The State will not require winning bidders to comply with the "hold-the-offering-price rule." Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. **Bidders should prepare their bids on the assumption that all of the maturities of the Bonds of the applicable series will be subject to the 10% Test in order to establish the issue price of the Bonds of such series.**

If the competitive sale requirements are not satisfied, then until the 10% Test has been satisfied as to each maturity of the Bonds of the applicable series, the winning bidder of the Bonds of the applicable series agrees to promptly report to the State the prices at which the unsold Bonds of the applicable series of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% Test has been satisfied as to the Bonds of the applicable series of that maturity or until all of the Bonds of the applicable series of that maturity have been sold.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds of a series to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Bonds of a series of each maturity allotted to it until it is notified by the winning bidder that either the 10% Test has been satisfied as to the Bonds of the applicable series of that maturity or all Bonds of the applicable series of that maturity have been sold to the public, if and for so long as directed by the applicable winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds of a series to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds of the applicable series to the public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the public the unsold Bonds of the applicable series of each maturity allotted to it until it is notified by the applicable winning bidder or such underwriter that either the 10% Test has been satisfied as to the Bonds of the applicable series of that maturity or all Bonds of the applicable series of that maturity have been sold to the public, if and for so long as directed by the applicable winning bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Bonds of a series to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Official Notice of Bond Sale. Further, for purposes of this Official Notice of Bond Sale: (i) "public" means any person other than an underwriter or a related party; (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the State (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds of a series to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds of a series to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds of a series to the public); (iii) a purchaser of any of the Bonds of a series is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and (iv) "sale date" means the date that the Bonds of a series are awarded by the State to the applicable winning bidder.

Official Statements

The State has prepared a Preliminary Official Statement, which is deemed final by the State as of its date for the purpose of allowing bidders to comply with Rule 15c2-12 promulgated by the Securities Exchange Commission (the "Rule"), except the omission of certain information as permitted by the Rule. The Preliminary Official Statement is subject to revision, amendments and completion in a Final Official Statement, as defined below.

The State will prepare a supplement to the Preliminary Official Statement or will prepare a final Official Statement (in either case the "Final Official Statement"), which will be complete in all respects up to the date of delivery of the Bonds. The State will provide the winning bidder with a copy of the Final Official Statement in an electronic format on or before seven business days following the date of the award to each winning bidder.

The State authorizes the winning bidders to distribute the Final Official Statement in connection with the offering of the Bonds.

For a period of up to the earlier of (a) 25 days following the "end of the underwriting period" (as defined in the Rule) or (b) the date when all of the Bonds have been sold by the winning bidders, if any event concerning the affairs, properties or financial condition of the State shall occur as a result of which it is necessary to supplement the Final Official Statement in order to make the statements therein, in light of the circumstances existing at such time, not misleading, at the request of a winning bidder, the State shall forthwith notify the winning bidder of any such event of which it has knowledge and shall cooperate fully in preparation and furnishing of any supplement to the Final Official Statement necessary, in the reasonable opinion of the State and the winning bidder, so that the statements therein as so supplemented will not be misleading in the light of the circumstances existing at such time. The State will presume that the "end of the underwriting period" will occur on the Closing Date and all of each series of the Bonds have been sold by the winning bidders as of the Closing Date unless notified in writing otherwise by a winning bidder on or prior to the Closing Date.

Information

This Official Notice of Bond Sale, the Preliminary Official Statement, the Bond Resolutions and other information concerning the State and the Bonds may be obtained prior to the sale from:

The State's Municipal Advisors for the Bonds:

Martin Johnson
JNA Consulting Group, LLC
410 Nevada Way, Suite 200
Boulder City, Nevada 89005
(702) 294-5100
marty@jnaconsultinggroup.com

and

Andrew A. Artusa
Zions Public Finance
230 Las Vegas Boulevard South, Suite 200
Las Vegas, Nevada 89101
(702) 796-7080
andrew.artusa@zionsbank.com

or

The State Treasurer:

Daniel M. Schwartz, State Treasurer
Lori Chatwood, Deputy State Treasurer
Nevada State Treasurer's Office
Capitol Building, Number 4
101 North Carson Street
Carson City, Nevada 89701-4786
(775) 684-5600
statetreasurer@nevadatreasurer.gov
OSTdebt@nevadatreasurer.gov

Continuing Disclosure Undertaking

Pursuant to the Rule, the State will undertake in the Disclosure Dissemination Agent Agreement for the Bonds to provide certain ongoing disclosure, including annual operating data and financial information, audited financial statements and notices of the occurrence of certain material events. A copy of the proposed form of Disclosure Dissemination Agent Agreement is attached to Part I of the Preliminary Official Statement relating to the Bonds as Appendix B.

State Represented by Independent Registered Municipal Advisor

The State has engaged, is represented by and will rely on the advice of the Municipal Advisors, each an independent registered municipal advisor, to advise it on the issuance of the Bonds and other aspects of the financing for which the Bonds are being issued. The State intends that this statement constitutes the "required representation" for purposes of the independent registered municipal advisor exemption set forth in SEC Rule 15Ba1-1(d)(3) and prospective bidders and other market participants may rely on this written statement and receive and use it for purposes of that exemption. Each bidder should consult with its own advisors in determining whether the exemption is available to that bidder and other requirements applicable for the exemption to be available to that bidder.

Legal Opinions, Bonds and Transcripts

The validity and enforceability of the 2017A Bonds will be approved by:

Kutak Rock LLP
303 Peachtree Street, N.E., Suite 2750
Atlanta, Georgia 30308
(404) 222-4600

The validity and enforceability of the 2017B Bonds, the 2017C Bonds, the 2017D Bonds, the 2017E Bonds and the 2017F Bonds will be approved by:

Sherman & Howard L.L.C.
50 West Liberty Street, Suite 1000
Reno, Nevada 89501
(775) 323-1980

whose final, approving opinions, together with the Bonds, a certified transcript of the legal proceedings, including therefor a certificate stating that there is no litigation pending affecting the validity of the Bonds as of the Closing Date, and other closing documents, will be furnished to the purchaser of the Bonds without charge by the State.

Governing Law and Venue

This Official Notice of Bond Sale and the contract formed when the State accepts the winning bid are governed by the laws of the State of Nevada. By submitting a bid, each bidder consents to the exclusive jurisdiction of any court of the State of Nevada located in Carson City or the United States District Court for the State of Nevada for the purpose of any suit, action or other proceeding arising under this Official Notice of Bond Sale. Each bidder hereby irrevocably agrees that all claims in respect of any such suit, action or proceeding may be heard and determined by such court. Each bidder further agrees that service of process in any such action commenced in such state or Federal court shall be effective on such bidder by deposit of the same as registered mail addressed to the bidder at the address set forth in the bid submitted by the bidder.

Closing Certificates

The final certificates included in the transcript of legal proceedings shall include:

(1) A certificate, dated the Closing Date and signed by the Governor, the Treasurer, the Director of the Office of Finance in the Office of the Governor and the Attorney General, in which each of them certifies that, after reasonable investigation, to the best of such official's knowledge: (a) no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, is pending or, threatened, in any way contesting the completeness or accuracy of the Final Official Statement; (b) the Final Official Statement, as it pertains to the State and the Bonds (except as to information therein concerning price and yield of the Bonds, and information therein relating to the book-entry system for the Bonds, as to all of which no representations will be made), make the statements therein, in light of the circumstances under which they were made, not misleading; and (c) no event affecting the State or the Bonds has occurred since the date of the Final Official Statement which should be disclosed in the Final Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any respect.

(2) A certificate, dated the Closing Date and signed by the State Controller, stating after reasonable investigation, that to the best of such official's knowledge, as of the date of the Final Official Statement and on the date of such certificate, the information contained in the Final Official Statement relating to revenues and expenditures of the State is true and correct and does not contain any untrue statement of a material fact or omit any information necessary to be included therein in order that the Final Official Statement not be misleading for the purpose for which it is to be used.

Right to Modify or Amend

The State reserves the right to modify or amend this Official Notice of Bond Sale in any respect including, without limitation, the right to adjust and change the principal amortization schedule of the Bonds being offered prior to the time bids are to be received. Such modifications or amendments shall be communicated through PARITY, Thomson Municipal News or Bloomberg.

By order of the State Treasurer October 5, 2017.

/s/ Daniel M. Schwartz
State Treasurer, State of Nevada

EXHIBIT A-1

APPLICABLE FOR SALE WHERE THE STATE TREASURER RECEIVES AT LEAST THREE BIDS

ISSUE PRICE CERTIFICATE
$__________
State of Nevada
General Obligation (Limited Tax)
__________ Bonds
Series 2017_

The undersigned, on behalf of [**Name of Purchaser**] as the original purchaser ("Original Purchaser"), of the General Obligation (Limited Tax) __________ Bonds, Series 2017_ in the aggregate principal amount of $__________ (the "Bonds") issued by the State of Nevada (the "State"), hereby certifies as set forth below with respect to the Bonds:

1. ***Reasonably Expected Initial Offering Price***.

(a) As of the Sale Date, the reasonably expected initial offering price of the Bonds to the Public by the Original Purchaser are the prices listed in Schedule A attached hereto (the "Expected Offering Prices"). The Expected Offering Prices are the price for the Maturities used by the Original Purchaser in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by the Original Purchaser to purchase the Bonds.

(b) The Original Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Original Purchaser constituted a firm offer to purchase the Bonds.

2. ***Defined Terms***.

(a) "*Maturity*" means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) "*Public*" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) "*Sale Date*" means the first day on which there is a binding contract in writing for the sale of the Bonds. The Sale Date of the Bonds is October 17, 2017.

(d) "*Underwriter*" means (i) any person that agrees pursuant to a written contract with the State (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the State with respect to certain of the representations set forth in the Federal Tax Exemption Certificate dated the date hereof executed by the State and with respect to compliance with the federal income tax rules affecting the Bonds, and by [Kutak Rock LLP / Sherman & Howard L.L.P.] in connection with rendering its opinion that the interest on the Bonds is excludable from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer or the University from time to time relating to the Bonds.

November 7, 2017

[NAME OF PURCHASER]

By: ____
Name: ____
Title: ____

SCHEDULE A

EXPECTED OFFERING PRICES

SCHEDULE B

COPY OF ORIGINAL PURCHASER'S BID

EXHIBIT A-2

APPLICABLE FOR SALE WHERE THE STATE TREASURER RECEIVES FEWER THAN THREE BIDS

ISSUE PRICE CERTIFICATE
$__________
State of Nevada
General Obligation (Limited Tax)
__________ Bonds
Series 2017_

The undersigned, on behalf of [**Name of Purchaser**] as the original purchaser ("Original Purchaser"), of the General Obligation (Limited Tax) __________ Bonds, Series 2017_ in the aggregate principal amount of $__________ (the "Bonds") issued by the State of Nevada (the "State"), hereby certifies as set forth below with respect to the Bonds:

1. ***Sale of the Bonds***. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A attached hereto.

2. ***Defined Terms***.

(a) "*Maturity*" means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) "*Public*" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) "*Underwriter*" means (i) any person that agrees pursuant to a written contract with the State (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the State with respect to certain of the representations set forth in the Federal Tax Exemption Certificate dated the date hereof executed by the State and with respect to compliance with the federal income tax rules affecting the Bonds, and by [Kutak Rock LLP / Sherman & Howard L.L.P.] in connection with rendering its opinion that the interest on the Bonds is excludable from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the State from time to time relating to the Bonds.

November 7, 2017

[NAME OF PURCHASER]

By: ____
Name: ______________________________________
Title: _______________________________________

SCHEDULE A

SALE PRICES

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PART II

INFORMATION CONCERNING THE STATE OF NEVADA

Part II of this Official Statement contains information concerning the State, including constitutional and statutory authorizations of debt and applicable debt limitations, information related to bonds currently issued and outstanding, as well as bonds authorized but unissued, information relating to State property taxes and collections, certain financial data relating to the State, and certain economic and demographic information, and supplements the information contained in the other parts of this Official Statement.

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LIST OF TABLES

* Annual financial information of the type set forth in the table is to be updated annually pursuant to the Disclosure Dissemination Agreement.

GOVERNMENT STRUCTURE

Nevada's Constitution was approved in 1864 and has been amended from time to time. The Constitution provides for three branches of government: legislative, executive and judicial. The legislative branch is made up of a Senate and an Assembly. State Senators are elected for four-year terms, and members of the State Assembly are elected for two-year terms.

The State Legislature convenes biennially in odd-numbered years. The most recent regular (79^{th}) biennial legislative session convened on February 6, 2017 and adjourned on June 6, 2017. Special sessions of the State Legislature may be convened by the Governor by proclamation or by the State Legislature by a petition specifying the business to be transacted in the session and signed by two-thirds of the legislators of each house.

There are 21 Senators and 42 members of the Assembly. Nevada's elected Constitutional officers are the Governor, Lieutenant Governor, Secretary of State, Treasurer, Controller, and Attorney General, all of whom are elected for four-year terms. All Constitutional officers are limited to two terms. Supreme Court justices are elected on a non-partisan ballot for six-year terms.

Following are the State's Constitutional officers:

Office	Name	Political Party Affiliation	Term First Commenced	Term Expires
Governor	Brian Sandoval	Republican	2011	2019
Lieutenant Governor	Mark Hutchison	Republican	2015	2019
Secretary of State	Barbara K. Cegavske	Republican	2015	2019
Treasurer	Daniel M. Schwartz	Republican	2015	2019
Controller	Ronald L. Knecht	Republican	2015	2019
Attorney General	Adam Paul Laxalt	Republican	2015	2019

The Board of Finance, consisting of the Governor, the Treasurer, the Controller, and two additional members appointed by the Governor, may issue and redeem securities on behalf of the State, when authorized by law, as provided in NRS Sections 349.150 through 349.364.

County governments in Nevada are managed by boards of county commissioners or the equivalent. There are 17 counties in the State (including Carson City, which is an independent city). Cities are governed by general acts, and 13 of the cities are also governed by special charters granted by the State Legislature.

Representation in the United States Congress is by two Senators and four Representatives.

As of July 28, 2017, there were approximately 18,017 permanent and non-permanent (emergency, provisional and temporary) full-time equivalent State employees excluding employees of the Nevada System of Higher Education, courts and legislature. The State does not have collective bargaining agreements with employee unions. As of January 1, 2017, approximately 3,098 State employees were members of voluntary employee/labor organizations that represent the interests of their members. The State considers its relations with its employees to be satisfactory.

DEBT STRUCTURE

Constitutional Debt Limitation

The Constitution of the State (Article 9, Section 3) limits the aggregate principal amount of the State's general obligation debt to 2% of the total reported assessed valuation of the State. The limitation does not apply to general obligation debt that is incurred for the protection and preservation of any property or natural resources of the State or for the purpose of obtaining the benefits thereof. The limitation does not apply to revenue bonds or contingent liabilities, nor does it apply to lease purchase arrangements the payments of which are subject to appropriation and that are terminable upon a nonappropriation of funds, more fully described in Note 10 to the State's Comprehensive Annual Financial Report for FY 2016 (excluding the Introductory Section and Statistical Section) included in Appendix A to this Part II (the "2016 State CAFR") and under the heading "DEBT STRUCTURE — Lease-Backed Financings" in this Part II. Such lease obligations are not considered debt under the Constitution and State law.

Subject to the State's constitutional debt limitation, the State Legislature may authorize the issuance of bonds or other securities by the State or any of its departments, divisions, agencies, political subdivisions, or other governmental agencies for any public purpose. It has been the general practice of the State Legislature to authorize the issuance of bonds and other securities by a special act in a maximum principal amount for a specified project or projects, rather than by general act for a number of general purposes.

Whether the issuance of bonds or other securities by the State is subject to voter approval is a matter of legislative determination and the terms of the enabling act. Historically, a majority of State securities have not been subject to voter approval.

Debt limitation information is reported in Table 1. The assessed valuation amount effective as of June 30 of a particular year is used for purposes of determining property taxes and the applicable debt limitation for the following fiscal year. The assessed valuation constitutes 35% of the taxable value of all taxable property within the State and may be adjusted from time to time during the course of a fiscal year, and if the assessed valuation is so adjusted, the debt limitation would also be adjusted. The assessed valuation effective as of June 30, 2017 set forth in Table 1 is the most current final assessed value available and will be applicable for determining the debt limitation during FY 2018, subject to adjustment as described above. See "PROPERTY TAXATION" in this Part II.

The assessed valuation set forth in Table 1 effective as of June 30 of a particular year corresponds to the assessed value set forth in Table 4 for the following fiscal year (the fiscal year to which the June 30 assessed valuations apply), adjusted for state-wide redevelopment agency assessed valuations, which are included in the assessed valuation amount in Table 1 but are excluded from the assessed value amount in Table 4.

Table 1
Constitutional Debt Limitation(1)

Effective June 30	Assessed Valuation(2)	Debt Limitation	Outstanding Debt Subject to Limitation	Remaining Constitutional Debt Capacity
2014	$92,727,490,889	$1,854,549,818	$1,151,010,000	$703,539,818
2015	101,414,649,154	2,028,292,983	1,127,220,000	901,072,983
2016	108,331,564,829	2,166,631,297	1,082,845,000	1,083,786,297
2017	114,727,736,818 (3)	2,294,554,736	1,034,015,000	1,260,539,736
2018	114,727,736,818(3)	2,294,554,736	1,024,465,000(4)	1,270,089,736

(1) Does not include revenue bonds and contingent liabilities and does not include lease purchase arrangements, the payments of which are subject to annual appropriation and that are terminable upon a nonappropriation of funds described in Note 10 to the 2016 State CAFR and "DEBT STRUCTURE—Lease-Backed Financings" in this Part II.

(2) For purposes of calculating the State's debt limitation on June 30 of each year, the assessed valuation figures include state-wide redevelopment agency assessed valuations in the amounts of: 2014-$1,681,744,227, 2015-$2,146,144,306, 2016-$2,499,678,505, 2017- $2,943,888,431, and 2018-$2,943,888,431. 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.

(3) The assessed valuation as certified by the Nevada Tax Commission on June 27, 2017 and reported by the State Department of Taxation.

(4) Debt outstanding as of October 1, 2017.

Source: State of Nevada Controller's Office.

Outstanding General Obligation Bonds

Certain general obligation indebtedness of the State is subject to the State's constitutional debt limitation and certain general obligation indebtedness of the State is exempt from the State's constitutional debt limitation. Table 2 identifies separately those bonds that are subject to the limitation and those bonds that are exempt from the limitation. See "DEBT STRUCTURE—Constitutional Debt Limitation" in this Part II for a discussion of the State's constitutional debt limitation, and bonds included and excluded therefrom.

In addition, certain general obligation indebtedness of the State (whether or not subject to the State's constitutional debt limitation) is categorized as "self-supporting" (referred to herein as the "self-supporting bonds"). The term self-supporting bonds is used to refer to (i) general obligation bonds that are expected to be paid in whole from revenues other than the state-wide property tax (referred to as "wholly self-supporting bonds") and (ii) with respect to general obligation bonds only a portion of which is expected to be paid from revenues other than the state-wide property tax (referred to as "partially self-supporting bonds"), just the portion of such bonds expected to be paid from such other revenues. General obligation bonds that are categorized as wholly self-supporting bonds are identified by a single asterisk in Table 2 and general obligation bonds that are categorized as partially self-supporting bonds are identified by a double asterisk in Table 2. The outstanding balance of self-supporting bonds is identified in a subgroup in Table 2 under the heading "Self-Supporting Debt Outstanding."

If the revenues that are expected to be used to pay the self-supporting bonds from sources other than the state-wide property tax are insufficient, the State is obligated to pay any deficiency from state-wide property taxes or through a borrowing by the Consolidated Bond Interest and Redemption Fund from the General Fund.

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Table 2 presents information as of October 1, 2017 and does not reflect the planned issuance of the 2017A, 2017B, 2017C, 2017D, 2017E, or 2017F Bonds described in this Official Statement or the refunding of certain bonds with a portion of the proceeds thereof. See “DESCRIPTION OF THE BONDS—Plan of Refunding” in Part I of this Official Statement for a description of the bonds listed in Table 2 that will be refunded in whole or in part by the above mentioned bonds.

See also “DEBT STRUCTURE—Security for State General Obligation Bonds” in this Part II.

Table 2
Outstanding General Obligation Bonds[(1)]
As of October 1, 2017

	Subject to Constitutional Debt Limitation	Date	Series	Original Amount	Outstanding
	Capital Improvement and Cultural Affairs Bonds	07/12/07	B	$267,270,000	$ 6,825,000
	Capital Improvement and Cultural Affairs Bonds	07/31/08	C	279,825,000	16,590,000
	Open Space, Parks, and Cultural Resources Bonds	07/31/08	E	7,500,000	3,655,000
	Capital Improvement Bonds[(2)]	11/17/09	A	68,000,000	63,720,000
	Capital Improvement, Cultural Affairs, and Refunding Bonds	11/17/09	B	34,990,000	2,430,000
	Open Space, Parks, and Cultural Resources Bonds	11/17/09	D	5,000,000	4,055,000
	Capital Improvement and Refunding Bonds	12/21/10	C	121,920,000	92,470,000
	Capital Improvement, Cultural Affairs, and Refunding Bonds	11/16/11	A	65,245,000	62,965,000
	Open Space, Parks, and Cultural Resources Bonds	11/16/11	D	32,835,000	18,295,000
	Capital Improvement, Cultural Affairs, and Refunding Bonds	03/22/12	B	50,800,000	33,925,000
	Capital Improvement and Cultural Affairs Refunding Bonds	04/09/13	D-1	98,015,000	89,530,000
	Capital Improvement and Cultural Affairs Refunding Bonds	04/09/13	E	64,980,000	23,955,000
	Open Space, Parks, and Cultural Resources Refunding Bonds	04/09/13	G	3,665,000	2,635,000
	Capital Improvement and Cultural Affairs Bonds	04/22/14	A	51,385,000	51,385,000
*	University System Projects Bonds	03/10/15	A	78,335,000	74,965,000
	Capital Improvement and Cultural Affairs Refunding Bonds	03/10/15	B	192,950,000	192,950,000
**	Capital Improvement and Refunding Bonds	11/04/15	D	248,935,000	248,935,000
	Capital Improvement and Cultural Centers Bonds	11/09/16	C	35,180,000	35,180,000
TOTAL SUBJECT TO CONSTITUTIONAL DEBT LIMIT					$ 1,024,465,000

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	Exempt from Constitutional Debt Limitation	Date	Series	Original Amount	Outstanding
*	Municipal Bond Bank Project Nos. R-9A, R-9B, R-9C, R-10, R-11, R-12	05/17/05	F	272,560,000	$ 1,100,000
	Natural Resources Bonds	07/12/07	A	19,500,000	910,000
	Open Space, Parks, and Natural Resources Bonds	07/12/07	C	4,500,000	230,000
**	Natural Resources Bonds	04/22/08	A	22,545,000	3,805,000
	Open Space, Parks, and Natural Resources Bonds	04/22/08	B	10,000,000	970,000
	Natural Resources Bonds	07/31/08	D	13,000,000	705,000
*	Safe Drinking Water Act Revolving Fund Matching Bonds	07/31/08	F	3,330,000	390,000
	Natural Resources and Refunding Bonds	11/17/09	C	14,680,000	1,405,000
	Open Space, Parks, and Natural Resources Bonds	11/17/09	E	8,240,000	6,675,000
*	Colorado River Commission Water Refunding Bonds	06/24/10	B	7,405,000	3,405,000
**	Natural Resources and Refunding Bonds	12/21/10	D	20,170,000	15,610,000
*	Water Pollution Control Revolving Fund Matching Bonds	12/21/10	G	4,535,000	1,560,000
*	Safe Drinking Water Revolving Fund Matching Bonds	12/21/10	I	6,235,000	3,465,000
*	Water Pollution Control Revolving Fund Leveraged Refunding Bonds	11/16/11	C	28,460,000	15,145,000
	Open Space, Parks, and Natural Resources Refunding Bonds	11/16/11	E	14,530,000	8,050,000
*	Municipal Bond Bank Project Nos. 80, 81, 82 and 83	03/22/12	A	25,445,000	18,990,000
**	Natural Resources Refunding Bonds	03/22/12	C	25,510,000	19,460,000
	Open Space, Parks and Natural Resources Refunding Bonds	03/22/12	D	4,245,000	4,245,000
*	Municipal Bond Bank Project Nos. 84, 85, and 86	02/20/13	A	23,505,000	22,830,000
*	Water Pollution Control Revolving Fund Leveraged Refunding Bonds	02/20/13	B	17,045,000	11,145,000
**	Natural Resources Refunding Bonds	04/09/13	F-1	13,210,000	12,740,000
	Open Space, Parks, and Natural Resources Refunding Bonds	04/09/13	H-1	19,650,000	19,220,000
**	Natural Resources and Refunding Bonds	04/22/14	B	5,580,000	4,880,000
	Open Space, Parks, and Natural Resources Bonds	04/22/14	C	2,185,000	2,185,000
*	Safe Drinking Water Revolving Fund Matching and Refunding Bonds	04/22/14	D	5,145,000	2,320,000
*	Colorado River Commission Hoover VC/Air Slots Bonds	06/24/14	E	29,475,000	28,210,000
**	Natural Resources Refunding Bonds	03/10/15	C	21,340,000	19,995,000
**	Natural Resources and Refunding Bonds	11/04/15	E	22,595,000	20,830,000
*	Municipal Bond Bank Project Nos. 87, 88, and 89	11/04/15	F	47,305,000	46,635,000
	Open Space, Parks, and Natural Resources and Refunding Bonds	11/04/15	G	9,350,000	9,350,000
*	Safe Drinking Water Revolving Fund Matching and Refunding Bonds	11/04/15	H	10,845,000	8,610,000
	Natural Resources and Refunding Bonds	11/09/16	D	13,610,000	13,610,000
TOTAL EXEMPT FROM CONSTITUTIONAL DEBT LIMIT					$ 328,680,000

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GROSS GENERAL OBLIGATION BONDED DEBT (GROSS DIRECT DEBT)			$1,353,145,000
LESS:			
Self-Supporting Debt Outstanding			
*	Colorado River Commission Hoover Uprating Bonds	$28,210,000	
*	Colorado River Commission Water Refunding Bonds	3,405,000	
*	Municipal Bond Bank Bonds	89,555,000	
*	Safe Drinking Water Act Revolving Fund Bonds	14,785,000	
*	University System Bonds	74,965,000	
*	Water Pollution Control Revolving Fund Bonds	27,850,000	
**	Aggregate Bonds Paid Partially From Revenues Other Than State-Wide Property Taxes	36,298,000	
TOTAL SELF-SUPPORTING DEBT			275,068,000
NET DIRECT DEBT			$1,078,077,000

* Bonds that are wholly self-supporting bonds. The State believes the program revenues will be sufficient to pay debt service on the entire outstanding amount of such bonds; if they are not, the State is obligated to pay the difference between the program revenues and the debt service requirements of the bonds from state-wide property taxes or through a borrowing by the Consolidated Bond Interest and Redemption Fund from the State's General Fund.

** Bonds that are partially self-supporting bonds. A portion of each of these bonds is self-supporting and expected to be paid in part from revenues other than state-wide property taxes. If such revenues are insufficient to pay their expected portion of the debt service, the State is obligated to pay the insufficiency from state-wide property taxes or through a borrowing by the Consolidated Bond Interest and Redemption Fund from the State's General Fund. The portions of those bonds which are self-supporting bonds are included in the line item "Aggregate Bonds Paid Partially From Revenues Other Than State-Wide Property Taxes" under the heading "Self-Supporting Debt Outstanding" in Table 2. The foregoing presentation convention reflects a change from the convention used by the State prior to October 1, 2015. Prior to that date the State did not separately account for the separate portions of payments for a bond that is partially paid from revenues other than state-wide property taxes and partially from state-wide property taxes. Such bonds were treated as not being self-supporting.

(1) Table does not include revenue bonds and contingent liabilities and does not include lease purchase arrangements, the payments of which are subject to appropriation and that are terminable upon a nonappropriation of funds described in Note 10 to the 2016 State CAFR and "DEBT STRUCTURE—Lease-Backed Financings" in this Part II.

(2) Issued as Build America Bonds.

Source: State of Nevada Treasurer.

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Debt Service on General Obligation Bonds

The following table reports the debt service requirements for all of the State's outstanding general obligation bonds, including the debt service requirements for the self-supporting bonds. This table presents information as of October 1, 2017 and does not reflect the planned issuance of the 2017A, 2017B, 2017C, 2017D, 2017E, or 2017F Bonds described in this Official Statement or the refunding of certain bonds with a portion of the proceeds thereof. See Table 9 for the annual debt service requirements for only the State's outstanding general obligation bonds expected to be paid from state-wide property taxes.

Table 3
Annual Debt Service Requirements[1]
(As of October 1, 2017)

	General Obligation Bonds[3] (Not Self-Supporting)		General Obligation Bonds[3] (Self-Supporting)		
Fiscal Year	Principal	Interest[2]	Principal	Interest	Grand Total
2018	$ 89,297,000	$ 38,733,243	$6,518,000	$6,000,300	$140,548,543
2019	95,178,000	47,503,859	20,542,000	10,279,035	173,502,894
2020	102,381,000	43,143,741	21,374,000	9,418,326	176,317,067
2021	107,503,000	37,840,368	19,797,000	8,503,230	173,643,598
2022	105,938,000	32,458,542	14,432,000	7,708,488	160,537,029
2023	99,439,000	27,120,718	15,806,000	7,051,303	149,417,021
2024	89,899,000	22,085,201	11,646,000	6,427,454	130,057,655
2025	93,017,000	17,558,365	11,723,000	5,919,966	128,218,331
2026	94,482,000	12,562,979	11,478,000	5,406,750	123,929,729
2027	95,280,000	7,776,040	14,025,000	4,916,448	121,997,487
2028	24,873,000	4,275,449	33,947,000	4,051,191	67,146,640
2029	21,355,000	3,125,050	12,725,000	3,240,373	40,445,423
2030	10,020,000	2,117,969	13,165,000	2,773,158	28,076,126
2031	12,490,000	1,727,875	13,560,000	2,354,419	30,132,294
2032	9,855,000	1,311,625	13,975,000	1,916,635	27,058,260
2033	10,210,000	950,250	11,285,000	1,471,179	23,916,429
2034	7,925,000	580,841	5,055,000	1,173,824	14,734,664
2035	8,195,000	303,709	5,260,000	964,689	14,723,398
2036	740,000	12,025	3,270,000	747,043	4,769,068
2037	-	-	3,415,000	617,985	4,032,985
2038	-	-	3,540,000	478,530	4,018,530
2039	-	-	1,280,000	335,325	1,615,325
2040	-	-	1,330,000	279,863	1,609,863
2041	-	-	1,390,000	222,063	1,612,063
2042	-	-	1,450,000	161,713	1,611,713
2043	-	-	1,510,000	98,813	1,608,813
2044	-	-	1,570,000	33,363	1,603,363
Total	$1,078,077,000	$ 301,187,848	$ 275,068,000	$ 92,551,459	$1,746,884,307

(1) Table does not include revenue bonds and contingent liabilities and does not include lease purchase arrangements, the payments of which are subject to appropriation and that are terminable upon a nonappropriation of funds described in Note 10 to the 2016 State CAFR and "DEBT STRUCTURE—Lease-Backed Financings" in this Part II. Numbers may not add up exactly due to rounding.

(2) These interest payments include the full interest payments due on the State's general obligation bonds that have been issued as Build America Bonds, including interest that is expected to be reimbursed from the federal government. See "DEBT STRUCTURE—Build America Bonds" in this Part II.

(3) Prior to October 1, 2015 the State treated bonds expected to be payable partially from state-wide property taxes and partially from revenues other than state-wide property taxes as not being self-supporting. Beginning on October 1, 2015 the State began treating such bonds as self-supporting with respect to that portion of the payments expected to be made from revenues that are not state-wide property taxes.

Source: State of Nevada Treasurer.

The following table reports statistical and debt ratio information for FY 2014, 2015, 2016, 2017 and 2018.

Table 4
Direct General Obligation Debt Ratios
(As of October 1, 2017 for the fiscal year ending June 30, 2018)

Fiscal Year Ended June 30	2014	2015	2016	2017	2018
Population	2,843,301	2,897,584	2,953,373	2,982,636(7)	3,021,655(7)
Assessed Value (000) (1)(2)	$83,667,128	$91,045,747	$99,268,505	$105,831,886	$111,783,848
Taxable Value (000) (1)(2)	$239,048,937	$260,130,706	$283,624,300	$302,376,817	$319,382,423
Gross Direct GO Debt (000) (3) (5)	$1,887,605	$1,729,010	$1,469,655	$1,379,760	$1,353,145(6)
Gross GO Debt Relative to:					
Per Capita	$663.88	$596.71	$497.62	462.60	$447.82
Percent of Assessed Value	2.26%	1.90%	1.48%	1.30%	1.21%
Percent of Taxable Value	0.79%	0.66%	0.52%	0.46%	0.42%
Net Direct GO Debt (000) (4)(5)	$1,339,395	$1,230,005	$1,139,760(8)	$1,084,167(8)	$1,078,077(6) (8)
Net Direct GO Debt Relative to:					
Per Capita	$471.07	$424.49	$385.92	$363.49	$356.78
Percent of Assessed Value	1.60%	1.35%	1.15%	1.02%	0.96%
Percent of Taxable Value	0.56%	0.47%	0.40%	0.36%	0.34%

(1) The assessed value set forth in Table 4 corresponds to the assessed value set forth in Table 5.

(2) See "PROPERTY TAXATION—Property Tax Base and Tax Roll Collection" in this Part II for an explanation of Assessed Value and Taxable Value. The assessed valuation of the Redevelopment Agencies is not used in calculation of debt ratios because they are not subject to State taxation for retirement of general obligation bond debt except for debt approved by the voters after 1996.

(3) Gross Direct General Obligation Debt includes all State general obligation bonds, including the self-supporting bonds.

(4) Net Direct General Obligation Debt does not include the self-supporting bonds.

(5) Does not include revenue bonds and contingent liabilities and does not include lease purchase arrangements, the payments of which are subject to annual appropriation and that are terminable upon a nonappropriation of funds described in Note 10 to the 2016 State CAFR and "DEBT STRUCTURE—Lease-Backed Financings" in this Part II.

(6) Debt outstanding as of October 1, 2017.

(7) FY 2017 and FY 2018 projections are from the most recent Five Year Projections Based on the March 2017 Estimates report, Office of the State Demographer for Nevada.

(8) Prior to October 1, 2015 the State treated bonds expected to be payable partially from state-wide property taxes and partially from revenues other than state-wide property taxes as not being self-supporting. Beginning on October 1, 2015 the State began treating such bonds as self-supporting with respect to that portion of the payments expected to be made from revenues that are not state-wide property taxes.

Note: In a new year, the only table that reports the coming FY assessed value is Table 1. All other tables use the current fiscal year assessed value, and in the case of Table 4, the current year projected population. This is because the gross direct debt is as of a current fiscal year date.

Source: State of Nevada Controller's Office.

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Authorized but Unissued General Obligation Bonds

Authorizations for General Obligation Bonds That Are Not Categorized as Self-Supporting

Whether the issuance of bonds or other securities by the State is subject to voter approval is a matter of legislative determination and the terms of the enabling act. Historically, a majority of State securities have not been subject to voter approval. As of October 1, 2017, the State was authorized to issue the general obligation bonds described in the following paragraphs under this subheading that will be payable solely from property taxes.

Water System Projects

NRS 349.986 authorizes the issuance of general obligation securities for the purpose of providing grants to purveyors of water, subject to a limit of $125,000,000 in principal amount outstanding at any one time, of which $52,842,355 is currently outstanding. The amount currently available to be issued is $72,157,645, of which approximately $1,000,000 will be allocated to the 2017B Bonds.

Lake Tahoe Basin Project

The State Legislature, for the purpose of carrying out certain environmental improvement projects for the Lake Tahoe Basin provided for by the State, authorized in 2009 the issuance of general obligation bonds in the amount of $100,000,000, of which $7,220,000 has been issued. Approximately $2,500,000 of this authorization will be allocated to the 2017B Bonds.

Capital Improvement Projects

The 2015 State Legislature authorized in AB491 Sec. 6, $98,500,000 in general obligation bonds for capital improvement projects, of which $69,805,000 has been issued. Approximately $13,000,000 of this authorization will be allocated to the 2017A Bonds.

The 2017 State Legislature authorized in SB546 Sec. 6, $117,912,005 in general obligation bonds for capital improvement projects, of which approximately $65,000,000 will be allocated to the 2017A Bonds.

Cultural Centers and Historic Preservation Projects

NRS 383.530 authorizes the issuance of up to $3,000,000 in general obligation bonds annually to provide financial assistance to governmental entities and nonprofit corporations formed for educational or charitable purposes, including, without limitation, the preservation or promotion of cultural resources.

Open Space, Parks and Cultural and Natural Resource Projects

The registered voters of the State approved Question 1 (authorized by Assembly Bill 9 of the 17th Special Session) on November 5, 2002, authorizing general obligation bonds to be issued in an amount not to exceed $200,000,000 to preserve water quality; protect open space, lakes, rivers, wetlands, and wildlife habitat; and restore and improve parks, recreational areas, and historic and cultural resources ("Q1 Authorization"). The remaining portion of this authorization is $5,577,500 for the Division of State Parks, $2,236,500 for the Division of Wildlife, and $20,312,500 to provide grants for agencies, local governments or qualifying private nonprofit organizations. Approximately $4,600,000 will be allocated to the 2017C Bonds.

Authorizations for General Obligation Bonds That Are Categorized as Self-Supporting

In addition to the authorizations described above, the State is authorized to issue general obligation bonds that are payable from property taxes but are expected to be paid from sources other than property taxes, including bonds payable from water and power sales and bonds payable from loan repayments by municipalities (referred to in herein as self-supporting bonds). The principal amount of self-supporting bonds outstanding is set forth in Table 2 under the heading "Self-Supporting Debt Outstanding." Substantial additional amounts of self-supporting bonds are expected to be issued in the future. Following are brief summaries of the major State programs that have authority to obligate the State's general obligation credit for revenue generating self-supporting programs.

Nevada Municipal Bond Bank

The State's Bond Bank Program (the "Bond Bank Program") was established to assist municipalities in undertaking local projects that foster and promote the protection and preservation of the property and natural resources of the State by making loans that might not be otherwise available to such municipalities or that might be available only at prohibitive interest rates. State general obligation securities issued for the Bond Bank Program are not subject to the Constitutional debt limit described under "DEBT STRUCTURE—Constitutional Debt Limitation" in this Part II. The Bond Bank Act provides a statutory limitation of $1.8 billion of State general obligation securities which may be outstanding at any time to finance loans to municipalities. This limit may be increased or decreased by the State Legislature. The Board of Finance must approve the issuance of State general obligation and revenue securities under the Bond Bank Act. The outstanding principal amount of State general obligation securities issued under the Bond Bank Act was $89,555,000 as of October 1, 2017. State general obligation bonds issued pursuant to the Bond Bank Act are considered by the State to be self-supporting, as described under the heading "DEBT STRUCTURE—Outstanding General Obligation Bonds" in this Part II. Nevertheless, if revenues from the Bond Bank payers described below are insufficient to pay amounts due with respect to such bonds, the State is obligated to pay any deficiency from state-wide property taxes or to borrow from the State's General Fund as described in this Part II under the heading "DEBT STRUCTURE—Security For State General Obligation Bonds." Approximately $6,000,000 of this authorization will be allocated to the 2017D Bonds.

The State Treasurer is the Administrator (the "Administrator") of the Bond Bank. Bond Bank Act loans are made by the Administrator by purchasing securities which are obligations of one of the State's "municipalities" (i.e., cities, counties, districts and certain water authorities organized as political subdivisions). A municipality must obtain whatever authorization is required by statute before it may issue municipal securities, including, in some cases, approval of its electorate, before it may issue municipal securities payable from taxes, and such securities are subject to all statutory restrictions, including local indebtedness limitations. The Bond Bank Act does not, in and of itself, authorize the issuance by municipalities of municipal securities payable from (i) general ad valorem property taxes or (ii) certain sales and use taxes and excise taxes imposed in a tax increment area in connection with a water project with an estimated cost in excess of $50 million that is approved by the State's Interim Finance Committee. Both State general obligation securities issued under the Bond Bank Act and municipal securities payable from such taxes purchased in connection with a lending project may, but need not be, additionally secured with other pledged revenues.

Under the Bond Bank Act, the State is also permitted to issue general obligation bonds to purchase revenue securities issued by a water authority for a purpose related to natural resources, subject to satisfying certain conditions.

The Bond Bank Act requires that the debt service payments on local government loans be held by the Bond Bank and investment income be deposited to the Municipal Bond Bank Fund and applied in the following order of priority:

(a) deposited into the consolidated bond interest and redemption fund created pursuant to NRS 349.090 in amounts necessary to pay the principal of, interest on and any redemption premiums due in connection with State securities issued pursuant to the Bond Bank Act;

(b) deposited into any reserve account created for the payment of the principal of, interest on and any redemption premiums due in connection with State securities issued pursuant to the Bond Bank Act, in amounts and at times determined to be necessary;

(c) paid out for expenses of operation and maintenance; and

(d) on July 1 of each odd-numbered year, to the extent of any uncommitted balance in the fund, deposited in the State general fund.

The Bond Bank Act also authorizes the Bond Bank to issue revenue bonds to purchase revenue obligations issued by a municipality for any purpose permitted by law (subject to certain exceptions). Revenue bonds issued to acquire such revenue obligations issued by a municipality would not be general obligations of the State, and would be secured solely by repayments of local revenue obligations and certain revenues distributable by the State to the local governments. As of the date of this Official Statement, no such revenue bonds have been issued pursuant to this program.

Water Pollution Control Revolving Fund

The State has established an enterprise account to provide a source of funds to make loans or to provide other assistance for certain water pollution control projects and for related purposes authorized under the State revolving loan fund provisions of the federal Clean Water Act (the "Pollution Control Projects Account"). Funding for this program (the "Pollution Control Program") is provided primarily through federal capitalization of grant money made available to the State, receipt of which is conditioned on the State's providing approximately 20% matching funds. Funds in the Pollution Control Projects Account are generally used to make loans at or below market rates to municipal recipients for purposes of paying for costs of designing and constructing publicly owned treatment works. Funds loaned to municipal recipients for eligible projects are repaid into the Pollution Control Projects Account and are re-used in the program, thus creating a source of funds to make payments on State bonds and a perpetual source of funding for projects. Amounts in the Pollution Control Projects Account are also permitted to be applied to pay certain costs of operating the Pollution Control Program.

The Director of the State Department of Conservation and Natural Resources, with the approval of the Director of the State Governor's Finance Office, is permitted to authorize the State Treasurer to issue general obligation bonds of the State to support the purposes of the Pollution Control Projects Account. Such bonds are not subject to the constitutional limitation as to amount imposed on general obligation bonds. The loans made from the proceeds of bonds are secured by debt instruments of the municipal borrowers. The State has considered bonds previously issued for purposes of the Pollution Control Program to be self-supporting because State bonds issued for purposes of the Pollution Control Program are secured by loan payments made by municipal loan recipients. There is no statutory cap on the principal amount of general obligation bonds that may be issued for the Pollution Control Program. Approximately $4,000,000 of this authorization will be allocated to the 2017F Bonds.

Safe Drinking Water Revolving Fund

The State has established an enterprise account to provide a source of funds to make loans or to provide other assistance for certain drinking water projects and for related purposes authorized under the State revolving loan fund provisions of the federal Safe Drinking Water Act (the "Revolving Fund Account"). Funding for this program (the "Public Water System Program") is provided in a manner similar to that of the Pollution Control Program. Funds in the Revolving Fund Account are generally used to make loans to municipal recipients at or below market rates for purposes of paying for costs of designing and constructing public water systems. Funds loaned to municipal recipients for eligible projects are repaid into the Revolving Fund Account and are re-used in the program, thus creating a source of funds to make payments on State bonds and a perpetual source of funding for projects. Amounts in the Revolving Fund Account are also permitted to be applied to pay certain costs of operating the Public Water System Program.

The Administrator of the Division of Environmental Protection of the State Department of Conservation and Natural Resources is permitted to authorize the State Treasurer to issue general obligation bonds of the State to support the purposes of the Revolving Fund Account or to provide money from the State to match federal grants as required by the federal Safe Drinking Water Act. Such bonds are not subject to the constitutional limitation as to amount imposed on general obligation bonds. The loans made from the proceeds of bonds are secured by debt instruments of the borrowers. The State has considered bonds previously issued for purposes of the Public Water System Program to be self-supporting because State bonds issued for purposes of the Public Water System Program are secured by loan payments made by municipal loan recipients. There is no statutory cap on the principal amount of general obligation bonds that may be issued for the Public Water System Program. Approximately $6,600,000 of this authorization will be allocated to the 2017E Bonds.

Marlette Lake Water System

The State has established the Marlette Lake Water System, made up of water rights, easements, pipelines and related items acquired by the State and used in connection with the collection, transmission and storage of water in Carson City, Washoe County and Storey County. The Marlette Lake Water System was created to provide adequate supplies of water to the areas served, to maintain the system to assure dependable supplies of water, and to sell water under equitable and sound arrangements.

The Director of the Governor's Finance Office may request the State Board of Finance to issue general obligation bonds of the State or revenue bonds in an aggregate principal amount not to exceed $25,000,000 to finance the capital costs of improving and modernizing the Marlette Lake Water System. The aggregate amount of bonds currently available to be issued is $15,335,000.

Nevada System of Higher Education

The 2013 State Legislature authorized in AB501, Sec. 2 the issuance of $85,000,000 of general obligation bonds to finance capital improvements at the University of Nevada, Las Vegas and University of Nevada, Reno campuses. The State imposes a $250 annual excise tax on each slot machine operated in the State. In each year 20% of the receipts of this excise tax are to be deposited in a Special Capital Construction Fund for Higher Education (after depositing the first $5,000,000 of receipts of this excise tax in a Capital Construction Fund for Higher Education). Amounts in the Special Capital Construction Fund for Higher Education are appropriated on July 31 of each year in the amount necessary (if available) to pay the principal of and interest due in that fiscal year on bonds issued. The amount currently available to be issued is $6,665,000.

Colorado River Commission

The 2013 State Legislature authorized in SB438 the issuance by the Colorado River Commission of up to $35,000,000 of bonds for the purpose of prepaying the cost of electrical capacity and energy generated by Hoover Dam, or for the purpose of paying, financing or refinancing a portion of the capital costs which contribute to the ongoing costs of electrical capacity and energy generated from Hoover Dam. The obligations may be either general obligations payable from taxes and additionally secured with pledged revenue, special obligations payable from pledged revenue, or any combination of the foregoing. The amount currently available to be issued is $5,525,000.

Capital Improvement Projects

The 2015 State Legislature authorized in AB491 Sec. 8, $22,950,650 in general obligation bonds for a DMV capital improvement project, of which $20,790,000 was issued in 2015. There is no intent to issue the remaining $2,160,650.

The 2017 State Legislature authorized in SB546 Sec. 8, $42,016,797 in general obligation bonds for a DMV capital improvement project. Approximately $13,300,000 of this authorization will be allocated to the 2017A Bonds.

The 2017 State Legislature authorized in SB546 Sec. 10, $41,500,000 for a University of Nevada, Reno capital improvement project.

Economic Development Projects

During the 29th (2015) Special Session of the State Legislature, the State authorized under Senate Bill No. 1 general obligation bonds for eligible infrastructure projects, including drainage, electrical, rail, sanitary sewer, transportation, fire protection, wastewater and water projects. A local government may submit an economic development financing proposal for qualified projects to the Office of Economic Development for approval for financing under this program. On or after July 1, 2017, the State Legislature or the Interim Finance Committee must also approve the proposal. Up to $175,000,000 in bonds may be issued for each approved proposal, and the total amount of the bonds outstanding for all the projects must not exceed $200,000,000. The local government must create tax increment areas or special districts and pledge the revenue from such districts or areas for the repayment of the bonds.

Lease-Backed Financings

The Nevada Real Property Corporation is a public not-for-profit corporation that issued certificates of participation in 2004 to finance a State office building project (the "2004 Capitol Complex Building 1 Certificates"), an additional series of certificates of participation in 2004 to finance a State correctional facility (the "2004 Casa Grande Certificates") and another series of certificates of participation in 2006 to finance a State printing office building (the "2006 LCB Certificates"). In 2013, the 2013 Capitol Complex Building 1 Refunding Certificates and the 2013 Casa Grande Refunding Certificates were issued to refund the entire outstanding balance of the 2004 Capitol Complex Building 1 Certificates and the 2004 Casa Grande Certificates, and another series was issued to finance a new project for the benefit of Nevada State College (the "2013 NSC Certificates"). In 2016, the 2016 LCB Refunding Certificates were issued to refund the entire outstanding balance of the 2006 LCB Certificates. As of October 1, 2017, the 2013 Capitol Complex Building 1 Refunding Certificates are outstanding in the aggregate principal amount of $15,745,000, the 2013 Casa Grande Refunding Certificates are outstanding in the aggregate principal amount of $15,090,000, the 2013 NSC Certificates are outstanding in the aggregate principal amount of $49,495,000 and the 2016 LCB Refunding Certificates are outstanding in the aggregate principal amount of $3,359,000.

The facilities so financed (or refinanced) are being leased to the State at rents calculated to be sufficient to pay the certificates of participation. The certificates of participation (and the underlying lease purchase arrangements with the State) are not general obligations of the State and are not backed by the full faith and credit or the taxing power of the State. The State's obligations to pay base rent and make other payments under the lease purchase arrangements are subject to appropriation by the State.

Security for State General Obligation Bonds

General obligation bonds of the State are direct general obligations of the State to which the full faith and credit of the State are pledged. General obligation bonds are payable as to principal and interest from general (ad valorem) taxes levied against all taxable property within the State (except to the extent any other revenues are made available therefor), subject to Nevada constitutional and statutory limitations on the aggregate amount of such taxes. See "DEBT STRUCTURE—Constitutional Debt Limitation" and "PROPERTY TAXATION—Property Tax Limitations" in this Part II. The tax is required to be levied annually as necessary until all of the State's general obligation bonds and the interest thereon are discharged and will be levied and collected in the same manner and at the same time as other property taxes are levied and collected. All such taxes levied by the State are required to be deposited in the Consolidated Bond Interest and Redemption Fund in the State Treasury.

State law provides for payment of principal and interest on general obligation bonds from the taxes on deposit in the Consolidated Bond Interest and Redemption Fund in the State Treasury. The State is also permitted by law to apply any other funds that may be available for that purpose to make payments on general obligation bonds. State law further provides that if property tax revenues to the State are not sufficient to pay general obligation bond debt service, and if the State has not applied other available funds to such purpose, the Consolidated Bond Interest and Redemption Fund will borrow money from the General Fund to pay general obligation bond debt service, to be repaid from future available property taxes. State law includes a permanent appropriation of the taxes levied to repay general obligation bonds for the payment of such principal and interest.

Article 10, Section 2, of the Constitution of the State of Nevada limits the total ad valorem property taxes levied by all overlapping governmental units within the boundaries of any county (i.e., the State, and any county, city, town, school district or special district) to an amount not to exceed five cents per dollar of assessed valuation ($5 per $100 of assessed valuation) of the property being taxed. The combined overlapping tax rate is further limited by statute to $3.64 per $100 of assessed valuation. The State's current levy for general obligation debt is $0.17 per $100 of assessed valuation. A portion of this levy, $0.0155 per $100 of assessed valuation, must be used exclusively for bonds issued for purposes described under the heading "DEBT STRUCTURE—Authorized But Unissued General Obligation Bonds—Authorizations for General Obligation Bonds that are Not Categorized as Self-Supporting—Open Space, Parks and Cultural and Natural Resource Projects." The State Legislature has exempted $0.02 per $100 of the $0.17 per $100 levied by the State for general obligation bonded indebtedness from this statutory limitation. The overlapping tax rate in all jurisdictions within the State is currently at or below the currently permitted statutory limit. See Table 11 in this Part II. The State has the ability to raise its levy for the general obligation bonds within the constraints of the State's constitutional cap by legislative action. See "PROPERTY TAXATION—Property Tax Limitations" in Part II of this Official Statement.

State law provides that the faith of the State be pledged, and that any law concerning State general obligation bonds, or other municipal securities, taxes or pledged revenues, shall not be repealed, amended or modified in such a manner as to impair adversely any outstanding municipal securities, including bonds, until all such securities have been discharged in full or provision for their payment and redemption has been fully made. State law authorizes holders of general obligation bonds of the State to bring actions, at law or in equity, against the State, the Board of Finance, or other employees or agents of the State, to compel any action required by State law or in any covenant with bondholders, or to take certain other enumerated actions.

The State does not generally levy state-wide property taxes to pay general obligation bonds that are self-supporting bonds. Self-supporting bonds include (i) wholly self-supporting bonds, which are general obligation bonds that are expected to be paid in whole from revenues other than the state-wide property tax and (ii) with respect to partially self-supporting bonds, which are general obligation bonds only a portion of which is expected to be paid from revenues other than the state-wide property tax, just the portion of such bonds expected to be paid from such other revenues.

These self-supporting bonds are identified in Table 2 of this Part II. Wholly self-supporting bonds are identified with a single asterisk and partially self-supporting bonds are identified with a double asterisk. The aggregate principal amount of self-supporting bonds outstanding is identified in Table 2 under the heading "Self-Supporting Debt Outstanding." Self-supporting bonds are expected to be paid from the revenues generated by the applicable program for which the bonds are issued. In the event revenues from such programs are insufficient to pay such bonds, the bonds have the same claim to state-wide property tax receipts and the State's General Fund as other general obligation bonds of the State. If ad valorem tax receipts are insufficient to make payments on all bonds as a result of a failure of self-supporting bonds to generate sufficient revenues, the State will borrow the shortfall from the General Fund as described above. The availability of borrowing from the General Fund to make payments on general obligation bonds provides time for the State Legislature to legislatively adjust the ad valorem property tax rates if needed. If an increase in the State's ad valorem property tax rate results in overlapping taxes exceeding the current statutory maximum of $3.64 per $100 of assessed valuation (which maximum can also be legislatively adjusted upward subject to the constitutional limit of $5.00 per $100 of assessed valuation), the taxes levied are given a priority for payment of general obligation bonds, and revenue shortfalls resulting from the application of the overlapping property tax cap are allocated to other purposes. See "PROPERTY TAXATION—Property Tax Limitations" in this Part II.

Build America Bonds

Certain general obligation bonds of the State (Series 2009A) outstanding as of October 1, 2017 in the principal amount of $63,720,000 have been designated as "Build America Bonds" ("BABs"). As part of the BAB program, the State currently expects to receive cash interest subsidy payments from the United States Treasury of approximately $1.23 million annually. Receipt of such subsidy is subject to the limits imposed by federal sequestration.

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PROPERTY TAXATION

Property Tax Base and Tax Roll Collection

County assessors are responsible for assessments of all properties in the counties except for property centrally assessed by the State and except for exempted property. In 1981, the State Legislature determined that a just valuation of real property should no longer be based strictly on the full cash value of the total property. Instead, the value of real property was bifurcated into two components: full cash value of the land and replacement cost new less depreciation of the improvements, with the rate of depreciation set by statute. The resulting "taxable value" must not exceed the full cash value of the entire property (NRS 361.227). Full cash value is defined as "the most probable price which property would bring in a competitive and open market under all conditions requisite for a fair sale" (NRS 361.025).

Replacement cost new less depreciation for real property improvements is determined by reference to a national costing service or similar sources for replacement cost. Depreciation is then subtracted from the replacement cost at a set rate of 1.5% of the cost of replacement for each year of adjusted actual age of the improvement, up to a maximum of 50 years. Depreciation of improvements is therefore no greater than 75% for improvements 50 years old or older (NRS 361.227(1)(b)). Assessors then add the full cash value of land to the replacement cost new less depreciation of improvements to derive a total taxable value. The full cash value of the land is determined by applying the sales comparison approach, if there are sufficient sales, or alternative methods if there are insufficient sales (Nevada Administrative Code ("NAC") 361.118; 361.119). In communities where little growth in land value is experienced, the total assessed value may go down as a result of the statutory rate of depreciation.

Replacement cost new less depreciation for personal property is based on the taxpayer's reported acquisition cost less depreciation. Depreciation is determined using tables published by the Department of Taxation and approved by the Nevada Tax Commission. Depreciation rates vary depending on the life of the asset, but in general a declining balance method of depreciation is applied with a 5% residual (NAC 361.1375).

If the taxable value so derived exceeds the full cash value of the property as a whole, then Nevada law requires the appraiser to measure the additional obsolescence and reduce the taxable value downward (NRS 361.227(5)). The appraiser may use the comparative sales approach, the income approach, and the cost summation approach to measure the amount of obsolescence present.

Assessors apply the sales comparison approach using mass appraisal techniques to establish the land values for various classifications of property, such as residential, commercial, or industrial properties. Land values also vary by location and other market conditions. For instance, foreclosure sales can affect the values established by county assessors if they become a large proportion of the overall number of sales of comparable properties causing downward pressure on sales prices of similarly situated properties.

In Nevada, NRS 361.225 requires that all property subject to taxation be assessed at 35% of its taxable value. Restating the formula expressed in NRS 361.225: ***Taxable Value x Level of Assessment = Assessed Value***. For example, if the taxable value of a single family residence is $200,000, the assessed value is $70,000 ($200,000 x 0.35 = $70,000).

Property owned by the federal government is exempt from State taxation. In addition, the State Legislature has provided for the exemption of certain types of properties. For instance, property owned by the State and its political subdivisions, or certain enumerated religious, charitable and educational organizations, is exempt. The total land area of the State that is exempted from property tax is approximately 86.6%. In addition, certain household goods and furniture, business inventories, personal property in transit, property used for the control of air or water pollution, and unpatented mining claims, are exempt, among others.

The following table provides a record of the change in assessed valuation by county within the State during FY 2014-2018. As shown in Table 5, assessed valuations have continued to increase since FY 2014.

Table 5[1]
County Assessed Valuations
(35% of Taxable Value)

County	Fiscal Year Ended June 30 Tax Rolls				
	2014	**2015**	**2016**	**2017**	**2018[2]**
Carson City	$1,238,756,058	$1,286,890,682	$1,373,408,853	$1,445,154,773	$1,502,046,933
Churchill	695,624,777	701,513,275	734,347,493	801,051,091	820,038,393
Clark	55,220,637,749	62,904,942,089	69,266,468,466	74,597,622,262	78,890,801,494
Douglas	2,521,699,000	2,659,900,426	2,727,497,704	2,850,564,551	2,908,641,064
Elko	1,782,835,692	1,838,648,027	1,901,937,199	2,007,908,293	2,100,000,798
Esmeralda	73,996,871	80,030,559	68,967,729	80,831,115	83,790,387
Eureka	1,956,639,844	1,226,192,011	1,530,900,503	1,260,990,662	1,034,728,897
Humboldt	1,652,147,864	1,341,476,202	1,443,913,248	1,326,684,368	1,331,495,805
Lander	2,047,646,486	1,202,751,794	1,168,524,947	1,068,973,861	1,465,577,371
Lincoln	270,623,516	350,079,071	340,585,201	305,687,430	286,580,877
Lyon	1,193,638,395	1,421,732,302	1,524,874,295	1,566,054,910	1,682,761,005
Mineral	126,707,077	139,502,311	166,510,772	173,319,613	172,060,924
Nye	1,311,933,924	1,344,708,603	1,471,597,293	1,632,742,448	1,910,358,824
Pershing	325,501,979	283,724,599	253,552,819	301,128,604	317,408,981
Storey	497,587,121	517,931,276	510,697,664	558,248,599	686,763,955
Washoe	12,317,952,550	13,286,283,600	14,342,710,925	15,432,327,199	16,136,670,732
White Pine	433,198,938	459,439,835	442,009,737	422,596,545	454,121,947
TOTAL	$83,667,127,841	$91,045,746,662	$99,268,504,848	$105,831,886,324	$111,783,848,387
Percent Change	1.77%	8.82%	9.03%	6.61%	5.62%

(1) Includes net proceeds of minerals but excludes state-wide redevelopment agency fiscal year assessed valuation used for taxation purposes in the amounts of: 2014 - $1,391,049,246; 2015 - $1,681,744,227; 2016 - $2,146,144,306, 2017 - $2,499,678,505, and 2018 - $2,943,888,431.

(2) Assessed valuation certified June 26, 2017 and reported by the State Department of Taxation.

Source: Property Tax Rates for Nevada Local Governments – State of Nevada – Department of Taxation.

County treasurers are responsible for the collection of property taxes and for the distribution of collections to the overlapping taxing entities within the county, including the State. Counties distribute property taxes when collected. The bulk of the property taxes are collected and distributed on a quarterly basis. Taxes on real property are due on the third Monday in August unless the taxpayer elects to pay in four installments, in which case the taxes can be paid in approximately equal installments on or before the third Monday in August and the first Mondays in October, January and March. Penalties are assessed if any taxes are not paid within 10 days after the due date as follows: 4% of the delinquent amount if one installment is delinquent, 5% of the delinquent amount plus accumulated penalties if two installments are delinquent, 6% of the delinquent amount plus accumulated penalties if three installments are delinquent and 7% of the delinquent amount plus accumulated penalties if four installments are delinquent. In the event the taxes remain delinquent as of the first Monday in June, the county treasurer is authorized to hold the property in trust for the benefit of the State and the county for two years, subject to redemption upon payment of taxes, penalties, interest and costs. If delinquent taxes are not paid within the two-year redemption period, the county treasurer obtains a deed to the property. Upon receipt of a deed, the county treasurer may sell the property after giving notice of sale. Upon order of the board of county commissioners, the property cannot be sold for a total amount less than the amount of the taxes, costs, penalties and interest legally chargeable against the property. As an alternative remedy with respect to certain delinquencies over $1,000, the county's district attorney may, and shall when directed by the board of county commissioners, commence a judicial foreclosure action against the delinquent taxpayer before the expiration of the two-year redemption period.

The assessed valuations of the ten largest owners of taxable property in the State for FY 2017 are listed in the following table. However, the percentages listed below may not correlate to the actual amount of property tax paid by these entities due to abatement and other factors.

Table 6
Ten Largest Taxable Property Owners
(FY 2017)

	Taxpayer	Type of Business	Assessed Valuation[1] (35% of Taxable Value)	Percent of Total State Assessed Valuation[2]
1.	MGM Resorts International	Hotel/Casino	$ 3,586,896,698	3.31 %
2.	NV Energy	Utility	2,720,504,290	2.51
3.	Caesar's Entertainment Corp.[3]	Hotel/Casino	1,930,683,567	1.78
4.	Las Vegas Sands Corporation	Hotel/Casino	972,201,924	0.90
5.	Wynn Resorts Limited	Hotel/Casino	926,778,374	0.86
6.	Stations Casino Incorporated	Hotel/Casino	705,871,212	0.65
7.	Barrick Gold Corporation	Mining	666,858,172	0.62
8.	Newmont Mining Corporation	Mining	661,936,773	0.61
9.	Ruby Pipeline LLC	Utility	458,179,700	0.42
10.	Nevada Property 1 LLC	Hotel/Casino	382,335,596	0.35
		Total	**$13,012,246,306**	

(1) Assessed value is based on information from all Counties and the State Department of Taxation as of December 15, 2016, for the 2016-2017 secured roll plus the 2015-2016 unsecured roll for all properties.

(2) Based on assessed valuations for the State of $108,331,564,829 (includes state-wide redevelopment agencies) as reported by the State Department of Taxation on June 27, 2016 Property Tax Rates for Nevada Local Governments, 2016-2017 (Redbook).

(3) Caesars Entertainment Corporation ("CEC") owns, directly or indirectly, numerous properties in Clark County, including but not limited to Caesars Palace Hotel and Casino, Bally's Hotel and Casino, the Forum Shops, the Cromwell Hotel, the Flamingo Hotel and Casino, Harrah's Hotel and Casino, Nobu Hotel, Paris Hotel and Casino, Planet Hollywood Hotel and Casino, The Linq Hotel and the Rio Hotel and Casino. The assessed value figure provided in this table represents the combined assessed value of all property owned directly or indirectly by CEC. On January 15, 2015, a bankruptcy petition (the "CEOC Petition") was filed in the U.S. Bankruptcy Court for the Northern District of Illinois (the "Bankruptcy Court") by Caesars Entertainment Operating Company, Inc. ("CEOC"). The CEOC Petition states that on the same day, bankruptcy petitions were filed by approximately 172 other entities which are believed to be related to CEOC. The CEOC Petition states that CEC is the owner of 89.3% of CEOC; however, CEC is not one of the debtors named in the CEOC Petition and the other bankruptcy petitions. Properties located within the State that are listed as being included in the CEOC filing include Caesar's Palace Las Vegas, Harveys Lake Tahoe, Harrah's Lake Tahoe and Harrah's Reno. On January 13, 2017, CEOC filed a "Third Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code." By order entered on January 17, 2017, the Bankruptcy Court confirmed the plan. It is unclear at this time whether, or by how much, such plan will impact the payment of property taxes by CEC or entities directly or indirectly related to it.

Source: State of Nevada – Department of Taxation; CEOC Petition and proceedings (for footnote 3).

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Clark County and Washoe County account for a significant majority of the State's real property tax collections. The following tables illustrate the ad valorem tax collection records for the two counties. While foreclosure activity is still high throughout the State, substantially all of the property taxes continue to be collected as levied.

Table 7[(1)]
Tax Levies, Collections and Delinquencies
Clark County, Nevada

Fiscal Year Ending June 30	Net Secured Roll Tax Levy[(2)]	Current Tax Collections[(3)]	Percent of Levy Collected[(4)]	Delinquent Tax Collections[(5)]	Total Tax Collections	Total Taxes Collected as % of Current Levy[(6)]
2014	$1,467,872,914	$1,453,556,514	99.02%	$13,904,427	$1,467,460,941	99.97%
2015	1,515,657,524	1,506,108,484	99.37	8,816,413	1,514,924,897	99.95
2016	1,582,429,524	1,572,448,659	99.37	7,218,779	1,579,667,438	99.83
2017	1,630,097,774	1,620,819,654	99.43	-11,710	1,620,807,944	99.43
2018[(7)]	1,715,689,198	28,595,251	1.67	-	28,595,251	1.67

(1) Represents the real property tax roll levies and collections as of July 31, 2017.
(2) The adjusted county tax levied for the fiscal year.
(3) The taxes collected within the fiscal year of the levy.
(4) The percentage of taxes collected within the fiscal year of the levy (calculated on the net secured roll tax levy).
(5) Tax collections in subsequent years.
(6) The percentage of total taxes collected as of July 31, 2017 (calculated on the net secured roll tax levy).
(7) Collections still in progress.

Source: Clark County Treasurer's Office.

Table 8[(1)]
Tax Levies, Collections and Delinquencies
Washoe County, Nevada

Fiscal Year Ending June 30	Net Secured Roll Tax Levy[(2)]	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Taxes Collected as % of Current Levy[(3)]
2014	$411,287,837	$407,469,285	99.07%	$5,571,288	$413,040,573	100.43%
2015	423,991,386	421,124,537	99.32	4,714,586	425,839,123	100.44
2016	440,248,128	438,074,171	99.51	3,260,957	441,335,128	100.25
2017	451,010,874	449,929,921	99.76	3,012,814	452,942,735	100.43
2018[(4)]	472,928,744	-	0.00	-	-	0.00

(1) Represents the real property tax roll levies and collections as of June 30, 2017.
(2) Includes Supplemental Real Estate billed in December of that tax year. Includes adjustments to levy.
(3) Based on collections to net levy (actual levy less stricken taxes).
(4) Collections still in progress.

Source: Washoe County Treasurer's Office.

Property Tax Limitations

Tax Relief Legislation in 2005. As of 2005, substantial increases in property values, particularly in southern Nevada, resulted in substantial increases in assessed valuation in the State (see "PROPERTY TAXATION—Property Tax Base and Tax Roll Collection" in this Part II). These increases were projected to result in substantial increases in property taxes for property owners in 2005 and subsequent years. Legislation was enacted in 2005 that caps year-to-year property tax increases by abating taxes which exceed 3% for the primary residence of homeowners. The abatement "cap" for property other than the primary residence of homeowners and certain residential rental property varies by county and is the lesser of (a) 8%; or (b) the greater of (i) the ten-year average annual percentage change of assessed values per county ending in the fiscal year the levy is made, or (ii) twice the percentage of increase in the federal Consumer Price Index for all Urban Consumers, U.S. City Average (All Items) for the preceding calendar year. This abatement cap formula may also be used in lieu of the 3-percent cap for primary residences if it yields a greater reduction in the property taxes of the homeowner. These limitations applied beginning July 1, 2005 and thus affected property taxes due in July 2005 and thereafter. This legislation also provides for the recapture of previously abated property in certain limited situations.

The State levies state-wide property taxes to repay its general obligation bonds (other than self-supporting bonds) as described under "PROPERTY TAXATION—State Tax Rates for Repayment of General Obligation Bonds" in this Part II, and the caps on increases in property tax revenues could limit the State's issuance of additional general obligation bonds in the future under certain circumstances. The State does not expect the 2005 changes to adversely affect the State's ability to continue to pay all of its outstanding general obligation bonds and other obligations as and when due.

In most jurisdictions within the State, most of the available abatement had been extinguished by the 2012-2013 tax year. However now that property values in many areas in the State are increasing, the effect of the abatement caps in many cases is to limit increases in property tax revenues that would otherwise occur. In general, under the abatement caps, an increase in the assessed value of real property that is a result of market conditions (rather than new construction on the property) does not typically result in a proportionate increase in property tax receipts from that parcel.

Overlapping Property Tax Caps. Article 10, Section 2, of the Constitution of the State of Nevada limits the total ad valorem property taxes levied by all overlapping governmental entities within the boundaries of any county (i.e., the State, and any county, city, town, school district or special district) to an amount not to exceed five cents per dollar of assessed valuation ($5.00 per $100 of assessed valuation) of the property being taxed. Further, the combined overlapping tax rate is limited by statute to $3.64 per $100 of assessed valuation in all counties of the State with certain statutory exceptions that (a) permit a combined overlapping tax rate of up to $5.00 per $100 of assessed valuation in certain circumstances, including severe financial emergency in a particular local government as determined by the State Department of Taxation and the State Tax Commission, and (b) permit $0.02 of the state-wide property tax rate per $100 of assessed valuation to repay certain general obligation bonds not to be counted against the $3.64 cap. State law provides a priority for taxes levied for the payment of general obligation bonded indebtedness, in that in any year in which the proposed tax rate to be levied by overlapping entities within a county exceeds any rate limitation, a reduction must be made by those entities for purposes other than the payment of general obligation bonded indebtedness (including interest). There are a number of express statutory exceptions to the overlapping tax rate limitations summarized in this paragraph. The overlapping tax rate in all jurisdictions within the State is currently at or below the currently permitted statutory limit. See Table 11 in this Part II.

Local Government Property Tax Revenue Limitation. State statutes limit the revenues local governments, other than school districts, may receive from ad valorem property taxes for purposes other than paying certain general obligation indebtedness. This rate is generally limited as follows: the assessed value of property is first differentiated between that for property existing on the assessment rolls in the prior year (old property) and new property. Second, the property tax revenue derived in the prior year is increased by no more than 6% and the tax rate to generate the increase is determined against the current assessed value of the old property. Finally, this tax rate is applied against all taxable property to produce the allowable property tax revenues. This formula operates to limit property tax revenue dependent upon changes in the value of old property and the growth and value of new property. A local government may exceed the property tax revenue limitation if the proposal is approved by its electorate at a general or special election. In addition, the Executive Director of the Department of Taxation will add to the allowed revenue from ad valorem taxes the amount approved by the State Legislature for the costs to a local government of any substantial programs or expenses required by legislative enactment. If revenue available from the supplemental city-county relief tax to the county as determined by the Executive Director of the Department of Taxation is less than the amount of money that would be generated by applying a tax rate of $1.15 per $100 of assessed valuation to the assessed valuation of the county, except any assessed valuation attributable to the net proceeds of minerals, the governing body of each local government may levy an additional tax ad valorem for operating purposes. This calculation is known as the supplemental city-county relief tax make up rate and is further explained in NRS 354.59813.

Additional Local Government Property Tax Not Subject to Local Government Property Tax Revenue Limitation. In addition to the property taxes described above under the heading "PROPERTY TAXATION," counties may levy an ad valorem tax on all taxable property at a maximum rate of $0.05 per $100 of assessed valuation of the county. The proceeds of the tax are to be distributed between the county and the cities and towns within the county based on a specific formula, except as described in the following paragraph.

For counties with a population of 100,000 or more (currently Clark County and Washoe County only), and in accordance with AB 595 (74th (2007) Session), the proceeds are further allocated as follows:

Fiscal Year	Portion Retained by County, Cities and Towns	Portions Deposited by State Highway Fund for Projects Within the County
2009-2010	76%(1)(2)	24%
2010-2011	64%(1)(2)	36%
2011-2012	52%	48%
2012-2013 and thereafter	40%	60%

(1) Pursuant to AB 543 (75th (2009) Session), these proceeds went to the State Treasurer for deposit in the State's General Fund.
(2) The redirection of proceeds for FY 2010 and FY 2011 was the subject of claims by Clark and Washoe Counties. Clark and Washoe Counties have entered into settlements with the State.

An additional tax levy (outside the annual rate increase limitation) of up to $0.05 per $100 of assessed valuation is permitted for counties to cover the expenses of maintaining a county museum, art center or historical society. This levy is allowed under NRS 244.377.

School District Property Taxes. School districts levy $0.75 per $100 of assessed valuation for operating purposes. They are allowed an additional levy for voter approved general obligation bonds and capital project tax levies.

Proposed Constitutional Amendment. There is currently a proposal to amend the Nevada Constitution to provide that for the first fiscal year after real property is sold or transferred, the real property is ineligible for any adjustment to the value of improvements on the real property which is based on the age of the improvement and certain partial abatements. The proposal further sets forth a requirement that the Legislature enact by law a "Senior and Disabled Taxpayers Protection Act," which will provide assistance to persons domiciled in the State who are 62 years of age or older or disabled by paying such persons refunds of the property taxes imposed on the primary residences of such persons.

The Nevada Constitution provides that any amendment to the Constitution may be proposed in the Senate or Assembly, and if the proposed amendment is agreed to by a majority of the members of each of both houses, the proposed amendment must be referred to the next Legislature to be chosen. If the proposed amendment is approved by a majority of the members of the Legislature next chosen, the proposal must be submitted for a popular vote. If approved by such popular vote, the proposed amendment will become a part of the Constitution. The proposed amendment summarized above was initially approved during the 2017 Regular Session of the State Legislature, but still must receive the second approval prior to being submitted to a popular vote.

State Tax Rates for Repayment of General Obligation Bonds

The State levies a state-wide property tax on all taxable property to repay its outstanding general obligation bonds, other than self-supporting bonds, and the State's property tax rate is not calculated to cover debt service on these bonds. Table 3 identifies, among other things, the State's general obligation bonds that are not characterized as self-supporting and that currently are being repaid with state-wide property taxes. See Table 9 below for a schedule of principal and interest payment requirements for such bonds. This table presents information as of October 1, 2017 and does not reflect the planned issuance of the 2017A, 2017B and 2017C Bonds described in this Official Statement or the refunding of certain bonds with a portion of the proceeds thereof. See "DESCRIPTION OF THE BONDS—Plan of Refunding" in Part I of this Official Statement for a description of the bonds listed in Table 2 that will be refunded in whole or in part by the above mentioned bonds. All state-wide property taxes collected by the State for the purpose of repayment of the State's general obligation bonds are deposited in the Consolidated Bond Interest and Redemption Fund. See Table 10 for the amount of the current tax levied by the State for general obligation debt and for the amounts of state-wide property taxes deposited (or for FY 2017 through 2019, estimated to be deposited) in the Consolidated Bond Interest and Redemption Fund for FY 2014-2019.

Table 9
State Debt Service On Outstanding Bonds Paid With State-Wide Property Tax[(1)]
(As of October 1, 2017)

Fiscal Year	Principal	Interest[(2)]	Total Debt Service
2018	$89,297,000	$38,733,243	$128,030,243
2019	95,178,000	47,503,859	142,681,859
2020	102,381,000	43,143,741	145,524,741
2021	107,503,000	37,840,368	145,343,368
2022	105,938,000	32,458,542	138,396,542
2023	99,439,000	27,120,718	126,559,718
2024	89,899,000	22,085,201	111,984,201
2025	93,017,000	17,558,365	110,575,365
2026	94,482,000	12,562,979	107,044,979
2027	95,280,000	7,776,040	103,056,040
2028	24,873,000	4,275,449	29,148,449
2029	21,355,000	3,125,050	24,480,050
2030	10,020,000	2,117,969	12,137,969
2031	12,490,000	1,727,875	14,217,875
2032	9,855,000	1,311,625	11,166,625
2033	10,210,000	950,250	11,160,250
2034	7,925,000	580,841	8,505,841
2035	8,195,000	303,709	8,498,709
2036	740,000	12,025	752,025
Total	$1,078,077,000	$301,187,848	$1,379,264,848

(1) This table excludes debt service on self-supporting bonds. Prior to October 1, 2015 the State treated bonds expected to be payable partially from state-wide property taxes and partially from revenues other than state-wide property taxes as not being self-supporting. Beginning on October 1, 2015 the State began treating such bonds as self-supporting with respect to that portion of the payments expected to be made from revenues that are not state-wide property taxes.

(2) These interest payments include the full interest payments due on the State's general obligation bonds that have been issued as Build America Bonds, including interest that is expected to be reimbursed from the federal government.

Source: State of Nevada Treasurer.

Table 10 illustrates the property tax rates levied by the State and the state-wide property tax revenues collected or estimated to be collected from such levy since 2014 to repay general obligation bonds that are not expected to be paid from other sources.

Table 10
Property Tax Rates Levied and Property Tax Revenues Collected to Repay General Obligation Bonds

Fiscal Year	Tax Rate Per $100 of Assessed Valuation	Property Tax Revenues[1]
2014	0.17	134,627,753
2015	0.17	139,599,461
2016	0.17	144,911,842
2017	0.17	147,312,250[2][3]
2018	0.17	151,629,238[4]
2019	0.17	157,875,025[4]

(1) Represents the amount of property taxes deposited to the Consolidated Bond Interest and Redemption Fund.
(2) Unaudited.
(3) The advanced payment provision of the net proceeds of minerals tax sunset on June 30, 2016. As a result of the sunset, there is negligible revenue from the net proceeds of minerals tax in the FY 2017 total property tax revenues.
(4) Estimated in the preparation of the State's 2017-2019 biennium budget.

Source: Property Tax Rates for Nevada Local Governments, State of Nevada Department of Taxation and the State of Nevada Treasurer's Office.

The State's current debt management policy has as an objective to have a reserve within the Consolidated Bond Interest and Redemption Fund balance at the end of each fiscal year equal to at least 50% of the next fiscal year's debt service payments on its general obligation bonds (exclusive of those bonds considered to be self-supporting and paid by other available revenues) after deducting amounts within the fund that are set aside for purposes other than payment of debt service. The projected balances are based on assumptions regarding annual property tax collections, annual debt service payments and other adjustments as warranted. Estimated for June 30, 2017 (FY 2017 ending balance), the reserve amount in the Consolidated Bond Interest and Redemption Fund was $128,256,612, which amount is equal to approximately 88% of the debt service payments not inclusive of the 2017A Bonds, 2017B Bonds and 2017C Bonds that are scheduled to be made on all general obligation bonds (and portions thereof) that are payable from property taxes during FY 2018. The estimated balance in the Consolidated Bond Interest and Redemption Fund as of such date is $129,542,653.

Although the State manages its general obligation debt to ensure that the State can pay its debt service within the existing property tax rate of $0.17/$100 assessed value, the State is able to increase the $0.17 rate within the constitutional limitation on the combined overlapping tax rate of $5.00 per $100 of assessed valuation through action by the State Legislature. While the statutory maximum on the combined overlapping tax rate of $3.64 per $100 of assessed valuation may be exceeded in certain jurisdictions with any increase, the State Legislature has the ability to enact a tax that exceeds that statutory maximum but is limited to the constitutional maximum of $5.00 per $100 of assessed valuation. See Table 11 and "PROPERTY TAXATION—Property Tax Limitations—Overlapping Property Tax Caps" in this Part II.

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The overlapping tax rate in all jurisdictions within the State is currently at or below the currently permitted statutory maximum. The following table shows five years of overlapping tax rates in the City of Las Vegas and the City of Reno, as well as the average state-wide rate. The overlapping rates for incorporated and unincorporated areas within the State vary, depending on the rates imposed by applicable taxing jurisdictions.

Table 11(1)
Overlapping Tax Rates: State-Wide Average, Las Vegas and Reno

Fiscal Year Ended June 30	2014	2015	2016	2017	2018
AVERAGE STATE-WIDE RATE	$3.1212	$3.1232	$3.1360	$3.1500	$3.1615
CITY OF LAS VEGAS					
Clark County	$0.6541	$0.6541	$0.6541	$0.6541	$0.6541
Clark County School District	1.3034	1.3034	1.3034	1.3034	1.3034
City of Las Vegas	0.7715	0.7715	0.7715	0.7715	0.7715
Clark County Library District	0.0942	0.0942	0.0942	0.0942	0.0942
Las Vegas Metro Police	0.2850	0.2850	0.2850	0.2850	0.2850
State of Nevada(2)	0.1700	0.1700	0.1700	0.1700	0.1700
TOTAL	$3.2782	$3.2782	$3.2782	$3.2782	$3.2782
CITY OF RENO					
City of Reno	$0.9598	$0.9598	$0.9598	$0.9598	$0.9598
Washoe County	1.3917	1.3917	1.3917	1.3917	1.3917
Washoe County School District	1.1385	1.1385	1.1385	1.1385	1.1385
State of Nevada(2)	0.1700	0.1700	0.1700	0.1700	0.1700
TOTAL	$3.6600	$3.6600	$3.6600	$3.6600	$3.6600

(1) Per $100 of assessed valuation.
(2) $0.02 of the State rate is exempt from the $3.64 statutory cap. See "PROPERTY TAXATION—Property Tax Limitations—Overlapping Property Tax Caps" above.

Source: Property Tax Rates for Nevada Local Governments - State of Nevada Department of Taxation.

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FINANCIAL INFORMATION

Financial Statements

The State Controller prepares a comprehensive annual financial report setting forth the financial condition of the State as of June 30 of each fiscal year. Appendix A to this Part II consists of the comprehensive annual financial report for FY 2016 (excluding the Introductory Section and the Statistical Section) (the "2016 State CAFR"). Appendix B to this Part II consists of the State's History of General Fund Revenues, Expenditures and Changes in Fund Balances for FY 2012, 2013, 2014, 2015, and 2016 which is derived from the comprehensive annual financial reports for FY 2012-2016. The comprehensive annual financial report for FY 2017 is expected to be completed in December 2017. Unaudited financial results for FY 2017 indicate that general fund revenues are reasonably consistent with the projections in the May 1, 2017 Economic Forum Forecast attached as Appendix C to this Part II and further described below.

Budget Procedure

The State is constitutionally required to maintain a balanced budget. The Nevada Constitution also requires an affirmative vote of not less than two-thirds of the members of both houses of the State Legislature to pass a measure which (a) creates, generates or increases any public revenue in any form, including, but not limited to, taxes, fees, assessments and rates, or (b) makes changes in the computation bases for taxes, fees, assessments and rates.

On or before July 1 of each even-numbered year, the Governor must impanel an economic forum (the "Economic Forum") comprising three members appointed by the Governor, one member nominated by the majority leader of the Senate, and one member nominated by the Speaker of the Assembly. The Economic Forum updates projections for State revenue collections (for unrestricted uses) for the final year of the biennium in which it is impaneled and establishes revenue forecasts for the next biennium. State law requires the written report of the Economic Forum's forecasts of future State General Fund revenue to be made on or before December 3 of each even-numbered year and May 1 of each odd-numbered year. State law also requires the Economic Forum to hold additional meetings, on or before June 10 of each even-numbered year and December 10 of each odd-numbered year. At each of these meetings, the Economic Forum receives an update on the status of actual State General Fund revenue collections compared to the Economic Forum's most recent forecast. The Economic Forum also considers information on current economic indicators, such as employment, unemployment, personal income and any other indicators deemed appropriate by the Economic Forum. The Chair of the Economic Forum is required to provide a report of each meeting to the Interim Finance Committee and the information presented to the Interim Finance Committee must be made available on the website of the State Legislature. A seven-member Technical Advisory Committee (the "TAC") advises the Economic Forum as requested. See Table 12 for a summary of actual General Fund revenues for fiscal years 2014 through 2016 and the most recent Economic Forum Forecast released on May 1, 2017 of revenue estimates for fiscal years 2017 through 2019 as adjusted for legislatively approved changes enacted during the 2017 Regular Session of the State Legislature and tax credits approved in the 2013, 2015 and 2017 regular sessions and 28th (2014) and 29th (2015) special sessions. The May 1, 2017 Economic Forum Forecast is attached as Appendix C to this Part II.

The State believes that such estimates are reasonable in the aggregate as of the date of this Official Statement; however, estimates and projections must not be construed as statements of fact. The assumptions may be affected by numerous factors, including future economic conditions in the State and the nation, and there can be no assurance that the estimates will be achieved. Periodic reports on certain revenues during the fiscal year are issued by the State Department of Taxation and the Gaming Control Board. See Table 24 for recent trends in taxable transactions and Table 25 for recent trends in gaming revenues and total gaming taxes. Note that the proceeds of the state-wide property tax levied for general obligation bonds are deposited into a separate fund within the State Treasury (the Consolidated Bond Interest and Redemption Fund) and not the General Fund.

State statutes require all State Executive Branch agencies and departments to submit their two-year budgets to the Budget Division by the September 1 prior to the biennial meeting of the State Legislature. The Budget Division holds hearings in September and/or October on the submitted budgets and the Governor reviews the proposals in November. In mid-January, the two-year budget is finalized and submitted to the State Legislature at least fourteen days before the start of each biennial regular session. The Judicial and Legislative Branch agencies, as well as the Public Employees' Retirement System, submit their two-year budgets directly to the State Legislature.

The State Legislature holds hearings and approves or modifies the two-year budget. The budget is enacted through a General Appropriations Act, which authorizes expenditures from unrestricted revenues, and an Authorized Expenditures Act, which authorizes expenditures from revenues collected for a specific purpose. The General Appropriations Act must be balanced to the May Economic Forum forecast of General Fund revenues. The budget may be augmented by other appropriations included in legislation enacted by the State Legislature. The Interim Finance Committee is authorized to modify budgets to fund necessary expenditures between the legislative sessions in amounts determined by statute or as approved by the State Legislature.

The budget prepared by the Governor must provide for a reserve of not less than 5% of all proposed General Fund operating appropriations and authorizations. The State Controller is also required to deposit a portion of the unrestricted balance of the State General Fund to a reserve for the stabilization of the operation of the State. See "FINANCIAL INFORMATION—Account to Stabilize the Operation of State Government and Other Contingency Accounts" below.

General Fund

The purpose of the General Fund is to finance the ordinary operations of the State and to finance those operations not provided for by other funds. Included are all transactions pertaining to the approved current operating budget, its accompanying revenue, expenditures and encumbrances, and its related asset, liability, and fund equity accounts. As shown in the financial statements, the State has numerous other funds, including Special Revenue Funds, Enterprise Funds, Internal Service Funds and Fiduciary Funds. Money on deposit in the Special Revenue Funds is used primarily to fund highway projects, Bond Bank Program transactions, and some of the activities of the State's regulatory agencies. Money on deposit in the Enterprise Funds is used primarily to fund housing facilities and low interest loans for first-time homebuyers with low or moderate incomes, the Water Pollution Control and Safe Drinking Water Revolving Funds, the prepaid college tuition program, and unemployment compensation.

Tables 12, 13, and 14 reflect General Fund revenues and appropriations and General Fund projections on a budgetary or cash basis. Table 12 shows actual revenues for FY 2014 through FY 2016 and the revenue forecast for FY 2017 through FY 2019 based on the May 1, 2017 Economic Forum Forecast as adjusted for legislatively approved changes enacted during the 2017 Regular Session of the State Legislature and tax credits approved in the 2013, 2015, and 2017 regular sessions and 28th (2014) and 29th (2015) special sessions. The data in Table 13 and Table 14 are taken from the Nevada Legislative Appropriations Reports of odd numbered years published by the Fiscal Analysis Division of the Legislative Counsel Bureau in November or from information compiled by Governor's Finance Office. Table 14 depicts General Fund unappropriated balances and reflects revenue collections and State agency expenditure information. The information in the 2016 State CAFR, which also include unappropriated balances (see Appendix A to this Part II), are presented on the basis of generally accepted accounting principles ("GAAP") rather than a budgetary basis. See Note 2 in the 2016 State CAFR for reconciliation between data on a budgetary basis and a GAAP basis. Also, see the History of General Fund operations presented on a GAAP basis in the 2016 State CAFR.

As used by the State, the term "General Fund unappropriated balance" represents unobligated and unencumbered funds available for appropriation by the State Legislature. Unspent appropriated money is not reflected as part of General Fund unappropriated balance until, there being no further obligations against the appropriation, the unexpended portion is returned to the General Fund as a reversion. Reversions are reflected as income contributed to the unappropriated balances. Reversions may not take place for several years after their appropriation, although usually they occur after the appropriated amounts are available for one year. At no time are outstanding appropriations included in General Fund unappropriated balances. This format is standard procedure for both the State Budget Division and the State Legislature.

State General Fund Revenue Sources

General. The State relies upon sales and use taxes, gaming taxes, business payroll and commerce taxes, insurance premium taxes, live entertainment taxes, cigarette taxes, and real property transfer taxes for the bulk of its General Fund revenues. The State is constitutionally prohibited from having a personal income tax. Other taxes common in many states but not levied in Nevada are franchise, corporate income, special intangible, capital stock, chain store, inventory, stock transfer, and gift taxes. The proceeds of the state-wide property tax levied for general obligation bonds are not General Fund revenue.

Portions of the operating budgets for the various local taxing units in Nevada are funded with ad valorem taxes. Provisions for debt service payable with ad valorem taxes are made prior to determining operating budgets. Total ad valorem taxes levied by all overlapping units within the boundaries of any county (i.e., the State, and any county, city, town, school district, or special district) may not exceed the statutory limitation of $3.64 per $100 of assessed valuation of property being taxed (subject to the exception for $0.02 of the state-wide property tax rate per $100 of assessed valuation that need not be counted against the $3.64 statutory cap). In the case of severe financial emergency in a particular local government as determined by the State Department of Taxation and the State Tax Commission, the State Tax Commission may order the levy of a combined overlapping tax rate of not more than the constitutionally specified limit of $5.00 per $100 of assessed valuation. See also "PROPERTY TAXATION—Property Tax Limitations" in this Part II.

Certain revenue enhancements enacted during the 75th (2009) Regular Session and the 26th (2010) Special Session of the State Legislature increased collections in FY 2010 and FY 2011 but were scheduled to sunset on June 30, 2011. However, some of these enhancements were extended by the 76th (2011) and 77th (2013) Regular Sessions of the State Legislature and several of the enhancements were made permanent by the 78th (2015) Regular Session of the State Legislature. See "FINANCIAL INFORMATION—2015-2017 Biennium." The 79th (2017) Regular Session of the State Legislature temporarily extends the allocation to the General Fund of the additional revenue generated from the governmental services tax. See "FINANCIAL INFORMATION – 2017-2019 Biennium."

The following taxes (except for the room tax discussed below) provide the State's General Fund with its major sources of income. Table 12 sets forth the actual amounts of the various General Fund revenues described below for FY 2014, 2015 and 2016, and the revenue forecast for FY 2017, 2018 and 2019 based on the May 1, 2017 Economic Forum Forecast as adjusted for legislatively approved changes enacted during the 2017 Regular Session of the State Legislature and tax credits approved in the 2013, 2015, and 2017 regular sessions and 28th (2014) and 29th (2015) special sessions. Forecasts from the May 1, 2017 Economic Forum Forecast to the State Legislature are included in Appendix C to this Part II.

Sales and Use Taxes. The State receives a 2% sales tax on all taxable sales and taxable items of use. Certain sales are exempt from State sales taxation including, but not limited to, domestic fuel, prescription drugs, food for home consumption, most services, and aircraft and major components thereof based in Nevada. See "ECONOMIC AND DEMOGRAPHIC INFORMATION—Sales and Use Tax" in this Part II. Current State law provides for a collection allowance provided to a taxpayer for collecting and remitting sales and use taxes of 0.25%, as well as a General Fund commission retained by the Department of Taxation for collecting and distributing the sales and use taxes generated by local option taxes of 1.75%. Current sales and use tax rates for Clark County and Washoe County are 8.25% and 8.265% (inclusive of the 2.0% received by the State), respectively.

Gaming Taxes. Nevada's gaming establishments are subject to several different taxes at the State level. The most important among these is the monthly gaming percentage fee, which accounts for the majority of gaming tax revenues. Other taxes and fees levied by the State on gaming include license renewals and quarterly and annual license fees based upon the number of slot machines and operational table games, investigative fees, race wire fees, penalties, and interest. See "ECONOMIC AND DEMOGRAPHIC INFORMATION—Gaming and Tourism" in this Part II.

Modified Business Tax. The State levies a tax, known as the modified business tax, against applicable payrolls, less a deduction for employee healthcare expenses, for the privilege of conducting business in Nevada. The rate varies depending on how a business is classified. The tax rate for financial institutions is 2.0% with the

2015 Regular Session of the State Legislature adding businesses subject to the net proceeds of minerals tax to the entities required to pay the 2.0% tax effective July 1, 2015. The rate for all other businesses is 1.475% on taxable wages that exceed $200,000, effective July 1, 2015.

Commerce Tax. The 2015 Regular Session of the State Legislature enacted a levy, which is known as the commerce tax, on the gross revenue of a business which is earned in the State of Nevada effective July 1, 2015. The first $4,000,000 per year in gross revenues earned in the State of Nevada is exempt from the tax. The rates range from 0.051% to 0.331% of the gross revenue earned in the State of Nevada exceeding $4,000,000 depending on the primary industry category or North American Industry Classification System (NAICS) code assigned to the business. The tax is to be computed for each state fiscal year with the tax return and payment due 45 days after the end of the fiscal year. Businesses which are required to pay the commerce tax are entitled to a credit of 50% of their commerce tax liability against their modified business tax. Businesses are required to use the credit in the same fiscal year as the commerce tax is paid.

The legislation also provides in an even numbered fiscal year that if the combined revenues from the taxes imposed by the modified business tax and the commerce tax exceed the anticipated revenues for those taxes projected by the Economic Forum by more than 4%, as adjusted by any legislation enacted by the Legislature that affects state revenue for that fiscal year, the Department of Taxation shall determine the modified business tax rate for both financial and mining and non-financial entities which would have generated a combined revenue of 4 percent more than the amount anticipated. The modified business tax rates for financial and mining and non-financial entities are then to be reduced in the proportion that the actual amount collected from each tax for the preceding fiscal year bears to the total combined amount collected from both the financial and mining and non-financial modified business taxes for the preceding year. The rates determined from this calculation go into effect on July 1 of the odd-numbered year immediately following the year in which the determination is made. The revised rates are to be rounded to the nearest one-thousandth of a percent. The revised rate for the modified business tax for non-financial institutions cannot go below 1.17% and if the revised rate for the modified business tax for non-financial entities is at or below 1.17%, the calculations are no longer required and the rates for both financial and mining institution and non-financial institution entities are not to be adjusted further.

Insurance Premium Taxes. The State levies a tax on insurance companies doing business in Nevada. The tax rate is 3.5% of premiums written on policies and contracts covering property, subjects or risks located, resident or to be performed in this State. If qualified, the tax rate for risk retention groups is 2%.

Live Entertainment Taxes. The State imposes a live entertainment tax on certain gaming and non-gaming establishments providing entertainment. For events that occurred prior to September 30, 2015, the tax rate was 10% of the admission charge and amounts paid for food, refreshments and merchandise when the live entertainment was provided at a facility with a maximum occupancy of less than 7,500 persons. The tax rate was 5% of the admission charge when the live entertainment was provided at a facility with a maximum occupancy equal to or greater than 7,500 persons with no tax collected on food, refreshments or merchandise. The 2015 Regular Session of the State Legislature made changes to the structure of the base for the live entertainment tax by removing the occupancy thresholds and the tax on amounts paid for food, refreshments and merchandise. The legislation also established a single tax rate of 9% on the admission charge effective October 1, 2015.

Cigarette Taxes. Through June 30, 2015, the State imposed a tax of 80 cents per package of 20 cigarettes, 70 cents of which was retained by the State. The collection allowance provided to a taxpayer for collecting and remitting cigarette taxes was 0.25%. The 2015 Regular Session of the State Legislature increased the cigarette tax from 80 cents to $1.80 per package of 20 cigarettes of which $1.70 is retained by the State, effective July 1, 2015. The collection allowance provided to a taxpayer for collecting and remitting cigarette taxes remains at 0.25%.

Real Property Transfer Taxes. The State levies a tax on the value of transfers of real property. The tax is paid quarterly based on a rate of $1.30 per $500 of value.

Liquor Taxes. The liquor tax is an excise tax that is levied upon the volume of alcoholic beverages for the privilege of importing, possessing, storing or selling liquor. The tax rate varies based on alcohol content. The collection allowance provided to a taxpayer for collecting and remitting liquor taxes is currently 0.25%.

Business Licenses. The 2009 State Legislature increased the business license fee from $100 to $200 during FY 2010 and FY 2011 and broadened the categories of businesses required to submit filings and pay the fees. This revenue enhancement, which was scheduled to expire on June 30, 2011, was extended by both the 2011 and the 2013 Regular Sessions of the State Legislature. The fee was scheduled to revert to $100 on July 1, 2015. However, the 2015 Regular Session of the State Legislature made the increase in the business license fee permanent for all types of businesses, except for corporations. The fee for corporations was increased to $500 effective July 1, 2015. Entities that operate a facility where craft shows, exhibitions, trade shows, conventions, or sporting events take place may pay the business license fee for participants not having a business license at the rate of 1.25 times the number of unlicensed entities times the number of days of the event, or a flat annual fee of $5,000.

Net Proceeds of Minerals Taxes. The State imposes a mineral tax based on net proceeds at rates ranging from a minimum of 2% to a maximum of 5%. Local governments, school districts and the Consolidated Bond Interest and Redemption Fund receive revenue equal to the amount derived from the application of the respective property tax rate where the mine is located. Revenue above those amounts accrues to the State General Fund. The State Legislature required the advance payment on the net proceeds of minerals tax in FY 2009 based upon estimated net proceeds for the current calendar year. The advanced payment provision of the net proceeds of minerals tax was extended by the 2011, 2013 and 2015 Regular Sessions of the State Legislature. The advanced payment provision sunsetted on June 30, 2016.

Room Tax. The 2009 Legislature passed Initiative Petition 1, which collects up to an additional 3% in room tax in Clark County and Washoe County to be used for the funding of elementary and secondary education. While the room tax does not go to the State's General Fund, it gets applied to a purpose which relieves the amount of General Fund revenues that might otherwise be applied towards education.

Medical Marijuana Taxes. Nevada voters approved medical marijuana by ballot initiative in 2000. The 2013 Legislature directed the Division of Public and Behavioral Health in the Department of Health and Human Services to develop regulations and authorize the creation of licensed and registered establishments to produce, test, and dispense medical marijuana and marijuana-infused products. Registered patients who were Nevada residents were allowed to possess no more than 2.5 ounces of usable marijuana in a single 14-day period. The 2013 Legislature enacted an excise tax imposed on medical marijuana at the rate of 2% at the cultivation facility, 2% at the production facility, and 2% at the medical marijuana dispensary, effective April 1, 2014. The tax at the dispensary was in addition to the state and local sales and use taxes that were otherwise imposed on the sale of tangible personal property. Statute provides that 25% of the revenue is distributed to the Division of Public and Behavior Health for carrying out the provisions of the medical marijuana act and 75% of the revenue is distributed to the State Distributive School Account. The 2017 State Legislature changed the tax structure for medical marijuana, as further described below in "—Adult-Use Recreational Marijuana Taxes." Medical marijuana establishments became operational in 2015. In FY 2016, total medical marijuana collections were $761,848. The legislatively approved estimate for FY 2017 total medical marijuana revenue is $3 million.

Adult-Use Recreational Marijuana Taxes. While the possession and use of both medical and recreational marijuana remain illegal under the federal law, Nevada voters approved adult-use recreational marijuana by ballot initiative in 2016, allowing those age 21 or older to purchase, possess, and consume up to one ounce of marijuana or up to one-eighth of an ounce of concentrated marijuana for recreational purposes. The measure imposed a new 15% excise tax on marijuana sales paid by cultivation facilities designed to allocate revenue from the tax, licensing fees, and penalties to the Department of Taxation and local governments to cover costs related to the measure, with any remaining revenue allocated to the State Distributive School Account. The ballot initiative was written to legalize adult-use recreational sales on January 1, 2018. In May 2017, the Department of Taxation approved regulations for implementing the ballot initiative early allowing adult-use recreational sales to begin on July 1, 2017.

The 2017 State Legislature made several changes to medical marijuana program. As of July 1, 2017, the medical marijuana establishment program is administered by the Department of Taxation, while the Division of Public and Behavioral Health maintains administration of the medical marijuana patient cardholder registry. The 2017 State Legislature changed the tax structure for medical marijuana from a 2% excise tax on each type of sale (cultivation, production, and dispensary) to a 15% excise tax on the wholesale value, paid by the cultivator which prevents the need for marijuana establishments to have separate inventories for medical and adult-use recreational marijuana.

If the marijuana is sold to an adult-use recreational consumer, an additional 10% retail excise tax is levied which does not apply if the sale is to a medical marijuana cardholder.

The legislatively approved estimate for the 15% wholesale tax revenue is $23.8 million in FY 2018 and $32.4 million in FY 2019. Revenue from the 15% wholesale excise tax is allocated to the Department of Taxation and local governments to cover costs related to the program, with any remaining revenue allocated to the State Distributive School Account. The legislatively approved estimate for the 10% retail excise tax revenue is $26.5 million in FY 2018 and $37.1 million in FY 2019. Revenue from the 10% retail excise tax will go to the reserve for the stabilization of the operation of the State. See "FINANCIAL INFORMATION—Account to Stabilize the Operation of State Government and Other Contingency Accounts" below.

Tax Credit Programs

The general purpose of a tax credit program is to encourage business growth, job creation and workforce development in the State. The 2013, 2015 and 2017 Regular Sessions and 28th (2014) Special Session of the State Legislature authorized several tax credit programs.

Transferable Film Tax Credit Program. The 2013 Regular Session of the State Legislature authorized a four-year pilot program of transferable tax credits issued for qualified film productions completed in the State that may be used against the modified business tax, insurance premium tax and/or the gaming percentage fee tax. The legislation authorized up to $20 million per fiscal year for a total of $80 million. However, the provisions of the pilot program were amended in the 28th (2014) Special Session of the State Legislature, reducing the total amount of credits that may be approved to $10 million.

The 2015 Regular Session of the State Legislature made the transferable film tax credit program permanent but limited the amount of transferable tax credits to the amount appropriated by the State Legislature for that purpose for that fiscal year. The 2015 Regular Session of the State Legislature did not appropriate additional funding for this program for either FY 2016 or FY 2017. In FY 2015, no transferable film tax credits were taken against any General Fund revenue source. Taxpayers redeemed $4.37 million of tax credits under this program in FY 2016. The law allows any unissued tax credits to be issued in a subsequent fiscal year. For FY 2017, $5.22 million of tax credits have been redeemed against the gaming percentage fee tax, leaving $0.41 million of unused tax credits to be claimed. The 2017 Regular Session of the State Legislature approved an additional $10 million per year in transferable film tax credits that may be awarded in FY 2018 and FY 2019.

Nevada New Market Jobs Act Tax Credit Program. The 2013 Regular Session of the State Legislature authorized the Nevada New Market Jobs Act which allows insurance companies to receive a credit against the insurance premium tax in exchange for a qualified equity investment in one or more community development organizations, primarily for local or minority-owned entities in under-served zones in the State.

The State Department of Business and Industry may certify up to $200 million in qualified equity investments. In exchange for making the qualified equity investment, insurance companies are entitled to receive a credit against the insurance premium tax in an amount equal to 58% of the total qualified equity investment certified by the Department of Business and Industry. The credits may be taken in increments beginning on the second anniversary date of the original investment as follows:

2 years after the investment is made: 12% of the qualified investment;
3 years after the investment is made: 12% of the qualified investment;
4 years after the investment is made: 12% of the qualified investment;
5 years after the investment is made: 11% of the qualified investment;
6 years after the investment is made: 11% of the qualified investment.

Under the provisions of the program, the insurance companies were allowed to begin taking tax credits in the third quarter of FY 2015. Based on the latest information provided by the State Department of Business and Industry and the State Department of Taxation, the amount of tax credits redeemed in FY 2015 was $12.4 million. In FY 2016, $26 million of tax credits were redeemed. The estimated tax credit is $24 million in both FY 2017 and FY 2018 and $22 million in FY 2019.

Under the current law, there is no expiration date for the program. However, the State Department of Business and Industry is prohibited from certifying more than $200 million in qualified equity investments.

Economic Development Transferable Tax Credit Program. The 28th (2014) and 29th (2015) Special Sessions 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 tax, insurance premium tax and/or the gaming percentage fee tax.

The 2014 legislation defined a top tier qualifying project as one required to be located within the geographical borders of the State of Nevada, which makes a total new capital investment in the State of at least $3.5 billion during the 10-year period immediately following approval of the application, and employs Nevada residents in at least half of the project's construction jobs and operational jobs.

The amount of transferable tax credits for the top tier project 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 $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 for top tier projects may not exceed $45 million per fiscal year (although any unissued credits may be issued in a subsequent fiscal year), and GOED may not issue total tax credits in excess of $195 million under the program. The program will expire on June 30, 2036.

Based on the latest information provided by GOED, the amount of FY 2016 tax credits issued for the Tesla project was $20.5 million. Tax credits are estimated to be $36.5 million in FY 2017, $31.1 million in FY 2018, and $44.6 million in FY 2019. The law allows any unissued tax credits to be issued in future fiscal years within the limits of the program, and there are currently $32.7 million of unused credits that can be issued in the future biennia. As of the date hereof, no other credits have been issued under this program.

The 2015 legislation defined a mid-tier qualifying project as one required to be located within the geographical borders of the State of Nevada, which makes a total new capital investment in the State of at least $1 billion during the 10-year period immediately following approval of the application, and employs Nevada residents in at least half of the project's construction jobs and operational jobs. An applicant can request a waiver of the resident employment requirements if it can provide proof satisfactory to the Executive Director of GOED that there are an insufficient number of Nevada residents available and qualified for such employment.

The amount of transferable tax credits for the mid-tier project is equal to $9,500 for each qualified employee employed by the participants in the project (to a maximum of 4,000 employees).

The amount of tax credits approved by GOED for mid-tier projects may not exceed $7.6 million per fiscal year (although any unissued credits may be issued in a subsequent fiscal year) starting in FY 2018, and GOED may not issue total tax credits in excess of $38 million under the program. The program will expire on June 30, 2025.

As of the date hereof, no other credits have been issued under this program.

Nevada Educational Choice Scholarship Tax Credit Program. The 2015 Regular Session of the State Legislature authorized a taxpayer who makes a donation of money to certain scholarship organizations to receive a dollar-for-dollar credit against the taxpayer's liability for the modified business tax.

The total amount of tax credits that may be approved by the Department of Taxation for this program is $5 million in FY 2016, $5.5 million in FY 2017 and 110% of the total amount of credits authorized in the previous year for all subsequent fiscal years. Credits totaling $4.4 million were redeemed in FY 2016. The law allows the $0.6 million of unused credits to be carried forward for up to five years. In FY 2017, the maximum amount tax credit for this program is therefore $6.1 million.

The 2017 Regular Session of the State Legislature approved an additional $20 million in tax credits against the modified business tax under this program in FY 2018. Any amount that is not issued in FY 2018 can be issued in future fiscal years. In FY 2018, the estimated amount of tax credits is $26.1 million and $6.7 million in FY 2019.

Catalyst Account Transferable Tax Credit Program. The 2015 Regular Session of the State Legislature authorized GOED to approve transferable tax credits that may be used against the modified business tax, insurance premium tax and gaming percentage fee tax to new or expanding businesses to promote the economic development of Nevada. The 29th (2015) Special Session of the State Legislature modified the amount of transferable tax credits that may be issued.

The total amount of transferable tax credits that may be issued is $1 million in FY 2017, $2 million in FY 2018 and 2019, $3 million in FY 2020 and $5 million in each fiscal year thereafter. Based on the latest information provided by GOED, the estimated amount of tax credits to be issued is $0.4 million in FY 2017 and $2 million in both FY 2018 and FY 2019.

College Savings Plan Employer Matching Employee Contribution Tax Credit Program. The 2015 Regular Session of the State Legislature authorized a tax credit against the modified business tax to certain employers who match the contributions of an employee to one of the college savings plans offered through the Nevada Higher Education Prepaid Tuition Program and/or the Nevada College Savings Program.

The provisions relating to the Nevada College Savings Program were effective January 1, 2016 and provisions relating to the Higher Education Prepaid Tuition Program were effective July 1, 2016.

The amount of the tax credit is equal to 25% of the matching contribution, not to exceed $500 per contributing employee per year, and any unused credits may be carried forward for up to 5 years.

Based on enrollment and contribution estimates for the college savings plans made by the State Treasurer's Office, the credits are projected to be $69 thousand in FY 2017, $138 thousand in FY 2018, and $207 thousand in FY 2019.

Home Office Tax Credit. The 1971 Regular Session of the State Legislature authorized a credit against the insurance premium tax for insurers which own and substantially occupy and use a building in this state as a home office or regional home office. The credit is equal to 50% of the aggregate insurance premium tax, but the credit must not reduce the tax payable to less than 20 percent of the tax payable under the general tax on premiums. For FY 2014, the home office credit against the insurance premium tax was approximately $34.3 million and $41.8 million in FY 2015 based on the most recent information received from the Department of Taxation.

The 28th (2014) Special Session of the State Legislature made changes to the home office tax credit program. Effective for the calendar year beginning January 1, 2016, the credit is limited to $5,000,000 in aggregate for all insurers based on a proration of each insurer's calculated credit without the cap to the total amount of credits calculated without the cap for all insurers. The home office credit will be repealed in its entirety effective January 1, 2021.

Tax credit programs can directly reduce the tax liability of a taxpayer and thereby decrease certain General Fund revenue collections. The General Fund revenue estimates in Table 12 for FY 2017 through FY 2019 are based on the May 1, 2017 Economic Forum Forecast, as adjusted for legislatively approved changes enacted during the 2017 Regular Session of the State Legislature and tax credits approved in the 2013, 2015, and 2017 regular sessions and 28th (2014) and 29th (2015) special sessions, and show the amount projected prior to the effect of any tax credit programs as well as the amount projected after accounting for the estimated tax credits that may be taken against certain General Fund revenues based on current law. The total amount of tax credits redeemed was $12.4 million in FY 2015 and $55.2 million in FY 2016. The amount estimated to be redeemed is $70.9 million in FY 2017, $95 million in FY 2018, and $85.5 million in FY 2019, excluding the commerce tax credits. These estimates are based on the latest information available from the State agency administering the tax credit program and/or the amount of tax credits allowable based on existing law.

Table 12 shows actual revenues for FY 2014 through FY 2016 and the revenue forecast for FY 2017 through FY 2019 based on the May 1, 2017 Economic Forum Forecast as adjusted for legislatively approved changes enacted during the 2017 Regular Session of the State Legislature and tax credits approved in the 2013, 2015, and 2017 regular sessions and 28th (2014) and 29th (2015) special sessions.

Table 12[1]
General Fund Revenues
(Dollar Amounts in Thousands)

		Actual						Economic Forum Forecast[2]					
		2014		2015		2016		2017		2018		2019	
General Fund Revenue Sources	**Fiscal Year Ended June 30 2016 Share of Total Fund [3]**	**Actual Amount**	**Change**	**Actual Amount**	**Change**	**Actual Amount**	**Change**	**Actual Amount**	**Change**	**Forecast Amount**	**Change**	**Forecast Amount**	**Change**
Sales Tax	28.7%	967,706	4.8%	1,033,454	6.8%	1,077,004	4.2%	1,129,808	4.9%	1,199,966	6.2%	1,262,102	5.2%
Gaming Taxes[3]	19.6%	718,816	1.2%	722,548	0.5%	733,420	1.5%	760,507	3.7%	774,562	1.8%	796,513	2.8%
Modified Business Tax[3][4]	15.1%	384,886	-0.4%	411,914	7.0%	566,263	37.5%	609,366	7.6%	640,566	5.1%	670,509	4.7%
Insurance Taxes[3]	9.0%	264,522	6.1%	306,333	15.8%	336,228	9.8%	379,474	12.9%	397,078	4.6%	411,974	3.8%
Live Entertainment Tax	3.4%	154,136	12.2%	145,827	-5.4%	128,531	-11.9%	126,886	-1.3%	132,813	4.7%	136,631	2.9%
Cigarette Tax[5]	4.1%	79,629	-4.1%	92,774	16.5%	153,033	65.0%	174,999	14.4%	172,577	-1.4%	170,155	-1.4%
Real Property Transfer Tax	2.0%	60,047	9.2%	64,214	6.9%	75,795	18.0%	82,042	8.2%	86,628	5.6%	89,723	3.6%
Liquor Tax	1.2%	41,839	4.9%	42,707	2.1%	43,944	2.9%	42,930	-2.3%	43,588	1.5%	44,091	1.2%
Business License Fee	2.7%	72,166	4.6%	75,360	4.4%	103,046	36.7%	104,646	1.6%	105,559	0.9%	106,341	0.7%
Mining Taxes and Fees[6]	0.9%	26,222	-76.4%	51,734	97.3%	34,744	-32.8%	18,780	-45.9%	45,724	143.5%	46,042	0.7%
Commerce Tax	3.8%	n/a	n/a	n/a	n/a	143,508	n/a	203,411	41.7%	186,046	-8.5%	194,976	4.8%
Passenger Carrier Excise Tax	0.3%	n/a	n/a	n/a	n/a	11,899	n/a	22,832	91.9%	18,848	-17.4%	24,819	31.7%
Other Taxes	2.3%	81,679	-0.2%	82,455	1.0%	87,650	6.3%	60,413	-31.1%	42,242	-30.1%	43,048	1.9%
Total Taxes	93.2%	2,851,648	0.2%	3,029,321	6.2%	3,495,064	15.4%	3,716,095	6.3%	3,846,196	3.5%	3,996,923	3.9%
Licenses	3.5%	120,227	3.2%	127,453	6.0%	131,856	3.5%	130,065	-1.4%	132,022	1.5%	133,312	1.0%
Fees & Fines	1.6%	54,207	-19.1%	62,968	16.2%	59,203	-6.0%	60,074	1.5%	64,543	7.4%	65,864	2.0%
Interest Income	0.0%	987	-9.2%	1,377	39.6%	1,518	10.2%	2,988	96.9%	4,862	62.7%	6,476	33.2%
Other Revenue	1.6%	39,877	-60.4%	75,774	90.0%	61,442	-18.9%	51,312	-16.5%	51,528	0.4%	52,321	1.5%
Subtotal	6.8%	215,298	-24.6%	267,573	24.3%	254,018	-5.1%	244,440	-3.8%	252,955	3.5%	257,973	2.0%
Total General Fund Before Tax Credits	100.0%	3,066,946	-2.1%	3,296,894	7.5%	3,749,082	13.7%	3,960,535	5.6%	4,099,152	3.5%	4,254,896	3.8%
Tax Credits:													
Commerce Tax Credit	n/a	n/a	n/a	0	n/a	n/a	n/a	(76,227)	n/a	(88,763)	n/a	(93,023)	n/a
Film Transferrable Tax Credits	n/a	n/a	n/a	0	n/a	(4,371)	n/a	(3,908)	n/a	(11,721)	n/a	(10,000)	n/a
Economic Development Transferrable Tax Credits	n/a	n/a	n/a	0	n/a	(20,462)	n/a	(36,476)	n/a	(31,088)	n/a	(44,600)	n/a
Catalyst Account Transferrable Tax Credits	n/a	n/a	n/a	0	n/a	n/a	n/a	(355)	n/a	(2,000)	n/a	(2,000)	n/a
Nevada New Market Jobs Act Tax Credits	n/a	n/a	n/a	(12,411)	n/a	(26,005)	n/a	(24,000)	n/a	(24,000)	n/a	(22,000)	n/a
Education Choice Scholarship Tax Credits	n/a	n/a	n/a	0	n/a	(4,402)	n/a	(6,098)	n/a	(26,050)	n/a	(6,655)	n/a
College Savings Plan Tax Credits	n/a	n/a	n/a	0	n/a	n/a	n/a	(69)	n/a	(138)	n/a	(207)	n/a
Total Tax Credits	n/a	n/a	n/a	(12,411)	n/a	(55,239)	n/a	(147,134)	n/a	(183,759)	n/a	(178,485)	n/a
Total General Fund After Tax Credits	n/a	3,066,946	-2.1%	3,284,483	7.1%	3,693,843	12.5%	3,813,401	3.2%	3,915,392	2.7%	4,076,411	4.1%

(1) The numbers set forth in this table are prepared using a budget method of accounting and may differ from the corresponding numbers set forth in the 2016 Financial Statements. Totals may not add due to rounding.
(2) May 1, 2017 Economic Forum Forecast Legislatively Adjusted.
(3) Gaming Taxes, Modified Business Taxes and Insurance Taxes are reported as gross revenue (before tax credits).
(4) Starting FY 2016, Modified Business Tax base and rate increased.
(5) Starting FY 2016, Cigarette Tax increased from 80 cents to $1.80 per package of 20 cigarettes.
(6) The advanced payment provision of the net proceeds of minerals tax sunsetted on June 30, 2016.

Source: Legislative Council Bureau, General Fund Revenue Table, Economic Forum May 1, 2017 Forecast Legislatively Adjusted.

The following table reflects General Fund appropriations and estimates of appropriations for the fiscal years shown.

Table 13
General Fund Appropriations
(Dollar Amounts in Thousands)

Fiscal Year Ended June 30	Actual Appropriations				2017 Legislatively Approved Appropriations[1]	
	2014	**2015**	**2016**	**2017**	**2018**	**2019**
Constitutional Agencies	$100,492	$102,504	$132,235	$161,621	$149,855	$181,870
Finance & Administration	39,333	52,966	46,408	41,910	45,771	43,908
Education	1,781,561	1,802,174	1,942,464	2,024,681	2,068,781	2,072,136
Human Services	997,488	1,054,158	1,041,953	1,135,381	1,213,637	1,283,125
Commerce & Industry	47,374	47,754	66,884	53,832	57,189	58,355
Public Safety	289,613	293,172	311,884	323,002	352,580	358,884
Infrastructure	23,483	21,239	33,539	37,699	40,272	37,857
Special Purpose Agencies	5,094	5,231	5,652	5,881	8,589	13,147
TOTAL[2]	$3,284,438	$3,379,199	$3,581,018	$3,784,009	$3,936,673	$4,049,283

(1) Legislature approved appropriations, including supplemental appropriations approved by the State Legislature, subject to revision.
(2) Totals may not add due to rounding.

Source: Nevada Legislative Appropriations Report November 2013, November 2015, and Governor's Finance Office

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Table 14[1]
General Fund Unappropriated Balances
(Dollar Amounts in Thousands)

Fiscal Year Ending June 30	2013	2014	2015	2016	2017[3]
General Fund Resources:					
Unappropriated General Fund Balance - July 1	$335,569	$299,967	$183,544	$241,750	$418,535
Unrestricted General Fund Reversions	$160,425	$48,299	$78,843	$84,712	$156,641
Unrestricted General Fund Revenue					
General Fund Revenue[2]	$3,131,754	$3,066,946	$3,296,894	$3,749,082	$3,996,145
Transfer from Fund to Stabilize the Operation of State Government	0	84,737	28,061	0	25,000
Transfers and Reversions from Various Accounts	0	0	65,155	0	0
Tax Credit Programs	0	0	(12,411)	(55,239)	(115,639)
Total Unrestricted General Fund Revenue[3]	$3,131,754	$3,151,683	$3,377,699	$3,693,843	$3,905,506
Restricted General Fund Revenue					
Unclaimed Property - Millennium Scholarship	$7,600	$7,600	$7,600	$7,600	$7,600
Quarterly Slot Tax - Problem Gambling	722	1,411	1,393	$1,358	$1,367
Live Entertainment Tax – Nevada Arts Council	0	0	0	$150	$150
Total Restricted General Fund Revenue[3]	$8,322	$9,011	$8,993	$9,108	$9,117
General Fund Resources[3]	$3,636,070	$3,508,960	$3,649,079	$4,029,413	$4,489,799
Appropriations / Transfers					
Unrestricted Appropriations / Transfers					
Operating Appropriations	($3,115,479)	($3,277,621)	($3,319,446)	($3,558,058)	($3,738,711)
Supplemental Operating Appropriations	(27,528)	0	(66,405)	(20)	(85,343)
Operating Appropriations Transfers Between Fiscal Years 12 & 13	(37,307)	0	0	0	0
Operating Appropriations Transfers Between Fiscal Years 14 & 15	0	(6,310)	6,310	0	0
Operating Appropriations Transfers Between Fiscal Years 15 & 16	0	0	(2,271)	2,271	0
Operating Appropriations Transfers Between Fiscal Years 16 & 17	0	0	0	(16,570)	16,570
One-Time Appropriations	(84,114)	(7,426)	(657)	0	(163,085)
Restoration of Fund Balances	0	0	0	(13,600)	0
BA 2631 E229	0	0	0	(135)	0
General Fund Payback - Line of Credit	(6,804)	0	0	0	0
Cost of Regular and Special Sessions of Legislatures	(18,000)	0	(18,000)	(16,593)	(18,000)
Total Unrestricted Appropriations / Transfers[3]	($3,289,232)	($3,291,357)	($3,400,469)	($3,602,705)	($3,988,569)
Restricted Transfers					
Millennium Scholarship	($7,600)	($7,600)	($7,600)	($7,600)	($7,600)
Problem Gambling	(722)	(1,411)	(1,393)	(1,358)	(1,367)
Nevada Arts Council	0	0	0	(150)	(150)
Disaster Relief Account	(2,000)	(1,500)	(1,500)	0	(1,000)
Fund to Stabilize the Operation of State Government	(45,500)	(28,061)	0	0	(63,936)
Total Restricted Transfers	($55,822)	($38,572)	($10,493)	($9,108)	($74,053)
Adjustments to Fund Balance	$8,951	$4,513	$3,613	$935	$0
Total Appropriations / Transfers	($3,336,103)	($3,325,416)	($3,407,349)	($3,610,878)	($4,062,622)
Unappropriated General Fund Balance June 30[3]	$299,966	$183,544	$241,730	$418,535	$427,177
5% Minimum Ending Fund Balance	**$160,447**	**$164,197**	**$170,023**	**$180,850**	**$190,374**
Difference	$139,520	$19,348	$71,707	$237,685	$236,803

(1) Totals may not add due to rounding.
(2) FY 2015, FY 2016 and FY 2017 revenue before tax credits taken.
(3) Unaudited results, subject to revision.

Source: Nevada Legislative Appropriations Report, November 2011, November 2013, November 2015, and Governor's Finance Office

General Fund Balance

The General Fund balance presented in the preceding table represents only the unappropriated portion of the General Fund balance and is determined on the budgetary basis method of accounting. The General Fund balance as presented in the 2016 State CAFR in the Required Supplementary Information, Budgetary Comparison Schedule section is also determined on the budgetary basis of accounting, but includes both appropriated and unappropriated components. The fund balance for the General Fund in the Balance Sheet section of the 2016 State CAFR is determined on a GAAP basis. The fund balance is classified based primarily on the extent to which the State is bound to observe constraints imposed upon the use of resources in the fund as follows:

Nonspendable fund balance includes items that cannot be spent because they are either not in spendable form (such as municipal securities, inventories, prepaid amounts and in the General Fund long-term portion of loans/notes receivables) or legally or contractually required to be maintained intact (such as the principal of a permanent fund).

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.

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.

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.

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.

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Budgetary basis and GAAP basis General Fund balances as of June 30, 2015 and June 30, 2016 are reconciled as follows:

Table 15[1]
General Fund Balance

	June 30, 2015	June 30, 2016
Unappropriated General Fund Balance	$ 234,743,820	$ 409,010,321
Restricted General Fund Balance, Budgetary Basis	398,117,032	442,129,263
Total General Fund Balance, Budgetary Basis	632,860,852	851,139,584
Accrued Medicaid Receivable	223,303,505	229,353,256
Receivables Recorded as Budgetary Expenditures	22,374,723	21,210,877
Encumbrances Recorded as Budgetary Expenditures	4,065,378	7,412,597
Accrued Medicaid Liability	(346,740,800)	(352,551,773)
Unearned Gaming Taxes	(115,681,389)	(95,106,294)
Unavailable Revenue-Intergovernmental	(137,672,079)	(194,470,534)
Unearned revenue-Other	(31,775,659)	(26,986,039)
Liabilities Recorded as Budgetary Revenues	(81,406,782)	(70,981,513)
Other	37,959,584	29,141,928
Total General Fund Balance, GAAP Basis	$ 207,287,333	$ $398,162,089
Fund Balances:		
Nonspendable	35,134,296	26,952,839
Restricted	62,113,980	78,093,754
Committed	315,130,956	419,532,746
Unassigned	(205,091,899)	(126,417,250)
Total General Fund Balance, GAAP Basis	$ 207,287,333	$ $398,162,089

(1) This table is prepared based on the Required Supplementary Information of the 2016 State CAFR. The 2017 CAFR is expected in December 2017.

Source: State of Nevada Controller's Office.

Account to Stabilize the Operation of State Government and Other Contingency Accounts

The Account to Stabilize the Operation of State Government (the "Stabilization Account") is an account in the State General Fund created pursuant to NRS 353.288. Money from the Stabilization Account may be appropriated only if: (i) total actual revenue of the State falls short of the total anticipated revenue for the biennium in which the transfer will be made by 5% or more, as determined by the State Legislature, or by the Interim Finance Committee if the State Legislature is not in session; or (ii) the State Legislature, or the Interim Finance Committee if the Legislature is not in session, and the Governor declare that a fiscal emergency exists. In addition, the money in the Stabilization Account may be allocated directly by the Legislature to be used for any other purpose.

Additions to the Stabilization Account are triggered at the end of a fiscal year if the General Fund unrestricted fund balance, budgetary basis, exceeds 7% of the 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.

The 2009 Regular Session of the State Legislature passed legislation requiring the State Controller to transfer 1% of the total anticipated revenue projected for that fiscal year by the Economic Forum in May of odd-numbered years, as adjusted by any legislation enacted by the State Legislature that affects State revenue for that fiscal year, to the Stabilization Account at the beginning of each fiscal year. This transfer was scheduled to commence with the fiscal year beginning July 1, 2011. Due to the economic downturn, this transfer was deferred by the 2011, 2013 and 2015 Regular Sessions of the State Legislature and will commence with the fiscal year that begins on July 1, 2017.

The maximum balance allowed in the Stabilization Account is 20% of the total of all appropriations from the State General Fund for the operation of all departments, institutions and agencies of the State Government and for the funding of schools and authorized expenditures from the State General Fund for the regulation of gaming for the fiscal year in which that revenue will be transferred to the Stabilization Account.

The FY 2016 year-end reconciliation of the unrestricted General Fund balance triggered a transfer to the Stabilization Account in the amount of $63,935,955 in FY 2017. The unaudited General Fund unrestricted balance, budgetary basis, for FY 2017 is projected to be $287,574,884, which is approximately 7.2% of all appropriations. If this balance is finalized as projected, it would trigger a transfer of $64.261 million to the Stabilization Account in FY 2018. The General Fund unrestricted fund balance and the corresponding transfer are subject to change until the State Controller reconciles the General Fund in December.

The 2017 Regular Session of the State Legislature transferred $25,000,000 from the Stabilization Account to the General Fund in FY 2017 to begin planning and construction of a new medical school building at the University of Nevada, Las Vegas and $5,000,000 in FY 2018 to fund expenses related to information technology, buses and school police vehicles for the Washoe County School District.

The 2017 Regular Session of the State Legislature also authorized a 10% retail excise tax for the sale of adult-use recreational marijuana in addition to any sales and use tax levied on the sale. The proceeds of the marijuana retail excise tax are to be deposited into the Stabilization Account. The legislatively approved estimate for the 10% retail excise tax revenue is $26.5 million in FY 2018 and $37.1 million in FY 2019.

As of June 30, 2017, the Stabilization Account balance was $38,935,955. With the projected transfer of $64.261 million under the ending fund balance in excess of 7% provision, as well as the transfer of $39.154 million under the 1% of total anticipated revenue provision and $26.484 million from the projected proceeds of the adult-use recreational marijuana retail excise tax, the projected unaudited balance of the Stabilization Account as of June 30, 2018 will be $168.7 million.

The State has established five other accounts to reserve funds for various contingencies.

The Disaster Relief Account created pursuant to NRS 353.2735 may be used for any purpose authorized by the State Legislature or distributed to State agencies or local governments through grants to pay for certain disasters and emergencies. NRS 353.288 provides for a quarterly transfer from the General Fund to the Disaster Relief Account an amount equal to not more than 10% of the aggregate balance in the Stabilization Account or $500,000, whichever is less. As of June 30, 2017, the Disaster Relief Account had a balance of $7,748,417. There are several applications for assistance from the Disaster Relief Account relating to the spring 2017 floods from various state agencies and local governments; however, the total amount of the requests that will be paid from the Disaster Relief Account cannot be estimated at this time.

The Emergency Account created pursuant to NRS 353.263 may be used when the Board of Examiners determines a qualifying emergency exists which requires an expenditure for which no appropriation was made, or is in excess of the appropriation available for that purpose. As of June 30, 2017, the Emergency Account had a balance of $279,841.

The Stale Claims Account created pursuant to NRS 353.097 may be used to pay for certain claims received after the date on which the appropriated balance for a previous fiscal year reverts to the fund from which it was appropriated. A stale claim must have been eligible to be paid from the money appropriated to the agency which is submitting the claim, and it may not exceed the amount of money reverted, or the authorized balance on the last day of the fiscal year, for the fiscal year in which the stale claim was incurred. As of June 30, 2017, the Stale Claims Account had a balance of $1,761,450.

The Statutory Contingency Account created pursuant to NRS 353.264 may be used for the payment of certain legal and investigation expenses; expenses related to the interstate compact for juveniles; rewards for certain cases; costs of certain ballot questions, initiatives and recounts; certain refunds; terminal leave for employees in certain circumstances; certain insurance claims if the Insurance Premiums Fund has been exhausted, and the cost of fighting forest fires. Claims may be paid from the Statutory Contingency Account only when the money otherwise appropriated for the specific purpose has been exhausted. As of June 30, 2017, the Statutory Contingency Account had a balance of $2,780,787.

The Interim Finance Committee Contingency Account created pursuant to NRS 353.266 may be used for the payment of certain expenses in excess of the amount appropriated by the Legislature for the biennium for the support of an agency or program, for circumstances for which the Legislature made no other provision, or as directed by the State Legislature. As of June 30, 2017, the Interim Finance Contingency Account had a balance of $16,149,550.

As of June 30, 2017, these five accounts had a total balance of $28,720,045 available for the purposes stated above.

2015-2017 Biennium

Governor Sandoval's Recommended Executive Budget included $7.4 billion in General Fund appropriations, an increase of $1.2 billion over the previous biennium. The Governor's Executive Budget proposed making some of the revenues scheduled to sunset on June 30, 2015 permanent in order to provide for an increase in social service needs of Nevadans, and to support the Governor's goal of improving the state education system. Furthermore, the Governor's 2015-2017 proposed budget included $550 million in new or revised revenues that serve as a step towards aligning Nevada's state revenue streams with the new Nevada economy.

The 78th (2015) Regular Session of the State Legislature fundamentally restructured taxes by broadening the base and creating new revenue streams, making most of the revenue enhancements enacted over the past three biennia permanent, instead of extending them two years at a time, and extended a few other revenue enhancements. Most of the changes were enacted through the passage and approval of SB 483 including:

- Making the $100 increase in the initial application and annual renewal of a business license from $100 to $200, which was first enacted in FY 2010, permanent for businesses other than corporations, and increasing the initial application and annual renewal of a business license fee for corporations to $500.

- Making the 0.35% increase in the local school support tax, from 2.25% to 2.60%, permanent.

- Increasing the modified business tax rate for non-financial institutions permanently to 1.475% and lowering the exempted wages from $85,000 to $50,000 per quarter effective July 1, 2015.

- Increasing the modified business tax for entities subject to the net proceeds of minerals tax to 2.0%, the same rate paid by financial institutions, effective July 1, 2015.

- Extending the prepayment of the net proceeds of minerals tax and the elimination of the health insurance deduction to June 30, 2016.

- Extending the allocation to the General Fund of the additional revenue generated from the 10% increase in the depreciation rate schedules for autos and trucks used to determine the value of a vehicle for the purpose of calculating the governmental services tax. In the 2009 Regular Session of the State Legislature, the depreciation schedules were changed by 10% and the revenue generated from the change in the governmental services tax was required to be allocated to the General Fund until FY 2013 and then deposited in the Highway Fund. This revenue enhancement was extended by the 2013 Legislative Session, continuing the allocation of revenue generated from the depreciation schedule change to the General Fund until FY 2015 with the revenue deposited in the Highway Fund starting FY 2016. SB 483 requires the full amount of the revenue from the depreciation schedule change to be deposited in the General Fund in FY 2016. In FY 2017, 50% of the revenue from the depreciation schedule change is to be allocated to the General Fund and 50% to the Highway Fund. In FY 2018 and beyond, the proceeds from the depreciation schedule change are required to be deposited in the Highway Fund.

- Increasing the cigarette tax per pack of 20 by $1.00 from 80 cents per pack to $1.80 per pack, of which $1.70 is retained by the State, effective July 1, 2015.

- Establishing the commerce tax as an annual levy on a business whose Nevada based gross revenue in a fiscal year exceeds $4,000,000. The tax rate is based on the industry in which the business entity is primarily engaged as determined by the North American Industry Classification System (NAICS) code provided by the company. The annual tax is calculated on the State's fiscal year and the return and payment are due within 45 days of the end of the fiscal year in which the tax was incurred. The commerce tax became effective July 1, 2015 with the first return and payments due in August 2016. Businesses subject to the commerce tax are provided a credit toward their modified business tax liability equal to 50% of their commerce tax payment. The credit toward the modified business tax may only be used in the fiscal year immediately following the period for which the commerce tax is paid. The commerce tax provisions included a grace period which allowed taxpayers to delay their FY 2016 payment until February 2017.

- Providing for a reduction to the modified business tax rates for financial and mining and non-financial entities if the combined revenues from the taxes imposed by the modified business tax and the commerce tax in an even numbered fiscal year exceed the anticipated revenues for those taxes projected by the Economic Forum by more than 4%, as adjusted by any legislation enacted by the Legislature that affects state revenue for that fiscal year. If such combined revenue exceeds the projections by more than 4%, the Department of Taxation is required to determine the modified business tax rate for both financial and mining and non-financial entities which would have generated a combined revenue of 4 percent more than the amount anticipated. The modified business tax rates for financial and mining and non-financial entities are then to be reduced in the proportion that the actual amount collected from each tax for the preceding fiscal year bears to the total combined amount collected from both the financial and mining and non-financial modified business taxes for the preceding year. The rates determined from this calculation go into effect on July 1 of the odd-numbered year immediately following the year in which the determination is made. The revised rates are to be rounded to the nearest one-thousandth of a percent. The revised rate for the modified business tax for non-financial institutions cannot go below 1.17% and if the revised rate for the modified business tax for non-financial entities is at or below 1.17%, the calculations are no longer required and the rates for both financial and mining institution and non-financial institution entities are not to be adjusted further. The calculations made pursuant to this provision for FY 2016 did not result in a reduction to the modified business tax rates for financial and mining and non-financial entities effective July 1, 2017. The next calculation will be made at the end of FY 2018.

- Increasing the commercial recording fee by $25, effective July 1, 2015.

Other changes to General Fund revenues passed by the 2015 Regular Session of the State Legislature and approved by the Governor included:

- Implementing a 3% passenger carrier excise tax on fares of transportation network companies, common carriers, and taxicabs with the first $5,000,000 collected in each biennium to be deposited to the Highway Fund and the remainder deposited to the General Fund.

- Restructuring the live entertainment tax administered by the Gaming Control Board for live entertainment at licensed gaming establishments and the Department of Taxation for live entertainment at all non-gaming establishments by establishing a single 9% tax rate for all venues over 200 people, eliminating the tax on food, beverages and merchandise, and expanding the tax base by applying the tax to outdoor entertainment on gaming and non-gaming properties, legal escort services, and non-profit organizations that sell over 7,500 tickets per event and non-profits in which patrons provide the entertainment if the non-profit sells over 15,000 tickets to such an event.

2017-2019 Biennium

Governor Sandoval's approach to the 2017-2019 biennium budget building process focused on providing those services necessary to protect the health and safety of our citizens and our natural resources, while making necessary investments to improve education and strengthen our workforce for the new Nevada economy.

Governor Sandoval's Recommended Executive Budget for the 2017-2019 biennium totaled $23.4 billion, approximately $2.4 billion, or 11.7% over the previous biennium. The Recommended Executive Budget included $8.1 billion in General Fund appropriations, an increase of $964 million compared to the 2015-2017 legislatively approved budget.

To support the Governor's goal of preparing Nevadans to meet the workforce needs of employers as well as to continue the commitment to improving the state education system to provide for the specific educational needs of students, the Governor recommended continuing the diversion of the Governmental Services Tax resulting from the 10% depreciation schedule change to the General Fund with 25% of the tax going to the General Fund and the remaining 75% to the Highway Fund. Additionally, after Nevadans voted to legalize adult-use recreational marijuana in the November 2016 elections, the Governor recommended a 10% retail excise tax on the sale of adult-use recreational marijuana to support K-12 education programs.

The 79th (2017) Regular Session of the State Legislature began on February 6, 2017 and adjourned on June 6, 2017. The State Legislature agreed with many of the proposals put forth in the Governor's recommended budget. Legislation enacted from the 2017 Regular Session of the State Legislature having an impact on General Fund revenues include:

- AB486 requires 25% of the proceeds from the portion of the Governmental Services Tax generated from the 10% depreciation schedule change, approved in SB429 (2009), to be allocated to the State General Fund in FY 2018 and FY 2019, with the remaining 75% deposited in the State Highway Fund. Under AB486, 100% of the additional revenue generated from the Governmental Services Tax 10% depreciation schedule change is required to be deposited in the State Highway Fund beginning in FY 2020 and going forward permanently. Governmental Services Tax is estimated to generate $19.4 million in FY 2018 and $19.6 million in FY 2019 to the General Fund.

- SB487 makes several changes to the medical marijuana program and enacts an additional 10% retail excise tax on adult-use recreational marijuana sales. As of July 1, 2017, the medical marijuana program will be administered by the Department of Taxation. The Division of Public and Behavioral Health maintains administration of the medical marijuana patient cardholder registry. The 2017 State Legislature changed the tax structure for medical marijuana from a 2% excise tax on each type of sale (cultivation, production, and dispensary) to a 15% excise tax on the wholesale value, paid by the cultivator. The 15% wholesale tax also applies to adult-use recreational transactions which eliminates the need for marijuana establishments to have separate inventories for medical and adult-use recreational marijuana. The most recent legislatively approved estimate for the 15% wholesale tax revenue is $23.8 million in FY 2018 and $32.4 million in FY 2019. Revenue from the 15% wholesale excise tax is allocated to the Department of Taxation and local governments to cover costs related to the program with any remaining revenue allocated to the State Distributive School Account. The most recent legislatively approved estimate for the 10% retail excise tax revenue is $26.5 million in FY 2018 and $37.1 million in FY 2019. Revenue from the 10% retail excise tax will go to the Stabilization Account.

- AB492 allows GOED to award a total of $10 million per year in transferable film tax credits beginning in FY 2018, in addition to any remaining amounts from SB1 of the 28th (2014) Special Session. Any portion of the $10 million per fiscal year that is not approved by GOED may be carried forward and made available during the next or any future fiscal year.

- SB555 authorizes an additional $20 million in Education Choice Scholarship tax credits against the Modified Business Tax in FY 2018 beyond those that were authorized in FY 2018 based on the provisions of AB165 (2015). Any amount of the $20 million in credits that is not approved by the Department of Taxation may be issued in future fiscal years.

The budget bills along with the bills mentioned above were passed by the 2017 Regular Session of the State Legislature and signed into law by the Governor in June 2017. The 2017 State Legislature appropriated approximately $8.1 billion from the State General Fund over the 2017-2019 Biennium.

A detailed summary of all budgetary and taxation actions approved by the 2017 Regular Session of the State Legislature is expected to be available from the Legislative Counsel Bureau Fiscal Analysis Division in November 2017 at http://www.leg.state.nv.us/Division/Fiscal/Appropriation%20Reports/. .

The State believes the estimates in the aggregate as of the date of this Official Statement are reasonable; however, estimates and projections must not be construed as statements of fact. The assumptions may be affected by numerous factors, including future economic conditions in the State and the nation, and there can be no assurance that the estimates will be achieved. Periodic reports on certain revenues during the fiscal year are issued by the Department of Taxation and the Gaming Control Board.

Education Support Grant Program

Public schools in Nevada are funded primarily from local sources and a per pupil payment by the State. The 2015 State Legislature passed Senate Bill 302 (SB 302), a program by which a child enrolled in a private school may receive a grant of money based on the statewide average basic support per pupil. The program was never able to fund student grants as it was mired in lawsuits which were ultimately decided by the Nevada Supreme Court. On September 29, 2016, the Supreme Court rendered a decision upholding all provisions of SB 302 against constitutional challenges but remanding one of the challenges to the district court for it to enjoin deduction of funds from the State's Distributive School Account for the program because of the lack of an appropriation of funds. The issue was debated in the 2017 State Legislature, and the 2017 State Legislature did not appropriate any funds to this program; therefore, it is currently a closed issue until the 2019 Legislative Session.

Pension Plans

The following is a brief summary of the State's disclosure relating to the State's pension systems and is qualified in its entirety by reference to the complete discussion of the State's pension systems that is attached as Attachment I to this Part II.

The State Legislature has created three retirement systems to provide benefits to qualified employees and to certain elected officials. The largest retirement system, the Public Employees' Retirement System of Nevada ("PERS"), was created in 1947 to provide retirement, disability and survivor benefits to eligible State employees and to eligible employees of participating local government entities in the State. A second retirement system, the Legislators' Retirement System of Nevada ("LRS"), was created in 1967 to provide pension benefits and death benefits to State legislators. The Judicial Retirement System of Nevada ("JRS") was created in 2001 to provide pension, disability and death benefits to State judges and was amended in 2005 to include judges of local jurisdictions that elect to participate in JRS. Conditions for membership, eligibility for retirement, benefits and employer and employee contributions are set forth in statutes enacted by the State Legislature, and a seven-member Public Employees' Retirement Board appointed by the Governor (the "Retirement Board") administers, and governs investments for, all three systems.

The assets and liabilities of PERS, LRS and JRS are included in the financial statements of the State as fiduciary funds. It should be noted that PERS is a multiple employer retirement system and the State's responsibility to make contributions to PERS relates only to State employees who constitute approximately 17.1% of total active employees covered by PERS as of June 30, 2016. Under GASB Statement No. 68 accounting rules, as of that date the State's employer allocation percentage was 16.3% of the net pension liability of PERS. A summary description of PERS, LRS and JRS is set forth in Note 11 to the 2016 State CAFR included in this Official Statement as Appendix A to this Part II, and the Pension Plan Information of PERS, LRS, and JRS is included in the Required Supplementary Information to the 2016 State CAFR. The most recent valuation reports for PERS, LRS, and JRS were prepared as of June 30, 2016 and are described in Attachment I to this Part II.

The largest State pension system is PERS. PERS is a defined benefit, cost-sharing, multiple-employer retirement system and is funded from contributions from members and participating employers and from investment income deposited or transferred to the Public Employees' Retirement Fund (the "PERS Retirement Fund"). PERS is governed by NRS Chapter 286 (the "Public Employees' Retirement Act"), which provides that with some exceptions all public employers must participate in PERS and that all employees must participate if the employee serves in an eligible position. Employers that participated in PERS as of June 30, 2016 include the State, 21 State-related boards and agencies and 180 local governments and related districts and agencies. As of June 30, 2016, the entire PERS (of which the State participation relates to approximately 17.1% of PERS employees) includes 105,167 active members (of whom 93,030 are Regular employees and 12,137 are Police/Fire employees); 15,639 vested inactive members; and 61,180 retirees and beneficiaries (of whom 53,484 are Regular retirees, survivors or disability recipients and 7,696 are Police/Fire retirees, survivors or disability recipients).

Measured by the number of active covered employees, the State was the second-largest PERS employer as of June 30, 2016, representing approximately 17.1% of employees covered by PERS. With respect to State employees participating in PERS on a pre-tax contribution basis (the majority of State employees), half of the amount paid by the State to PERS is offset by corresponding salary reductions of those employees. With respect to State employees participating in PERS on an after-tax contribution basis, for each dollar the State pays to PERS for such employees, the employees pay a like amount directly to PERS. Legislation was enacted in 2010 modifying benefits for members first hired on or after January 1, 2010. Legislation was enacted in 2015 modifying benefits for members first hired on or after July 1, 2015. The State's contribution to PERS in FY 2016 was $190,528,000. The State's contribution for FY 2017 was $207,738,083. For the year ended June 30, 2017, the State adopted Governmental Accounting Standards Board (GASB) Statement No. 82. In conjunction with GASB 82, the State will recognize $56,246,368 of the employer-paid contributions as being paid by State employees through salary reductions for the FY 2017 State CAFR. The level of contributions that will be required in the future will depend on a variety of other factors, including future investment portfolio performance, actuarial assumptions and additional potential changes in retirement benefits. There can be no assurances that the required annual contribution to PERS will not continue to increase.

For FY 2013, 2014, 2015, 2016, and 2017, the State contributed $162,484,000, $174,712,000, $176,579,000, $190,528,000 and $207,738,083 respectively, to PERS (relating to the State's employee members).

As of June 30, 2016, PERS had a total net position (based on market value) of approximately $35 billion, compared to $34.61 billion as of June 30, 2015. As of June 30, 2016, the actuarial value of PERS assets was $35.90 billion (approximately 102.56% of market value), PERS was 74.1% funded (on an actuarial value basis) and PERS' unfunded accrued actuarial liability (the "UAAL") was $ 12.56 billion. These values are for the entire PERS, of which the State is one of numerous participants.

For the year ended June 30, 2014, the Retirement Board adopted Governmental Accounting Standards Board (GASB) Statement No. 67, Financial Reporting for Pension Plans, an amendment of GASB Statement No. 25. This GASB replaces the requirement of GASB 25 and 50 as they relate to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria.

In conjunction with GASB Statement No. 67, pension plan participating public employers implemented GASB No. 68, Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27, effective for fiscal years beginning after June 15, 2014. GASB No. 68 establishes accounting and financial reporting requirements for contributing employers related to the recognition of pension expense and pension liabilities.

Prior to these new standards, the accounting and reporting requirements of the pension related liabilities followed a long-term funding policy perspective. The new standards separate the accounting and reporting requirements from the funding decisions and require the unfunded portion of the pension liability to be apportioned among the participating employers. These standards apply for financial reporting purposes only and do not apply to contribution amounts for pension funding purposes.

With the implementation of GASB No. 67, the System reported the Net Pension Liability, Total Pension Liability, and Fiduciary Net Position in the System's Comprehensive Annual Financial Report beginning with the fiscal year ended June 30, 2014. The Total Pension Liability for financial reporting was determined on the same basis as the System's Actuarial Accrued Liability measure for funding. The Fiduciary Net Position is equal to the market value of assets. The Net Pension Liability is equal to the difference between the Total Pension Liability and the Fiduciary Net Position.

The System's Net Pension Liability as of June 30, 2016 was $13.46 billion as compared to $11.46 billion as of June 30, 2015, when measured in accordance with GASB No. 67. The Plan Fiduciary Net Position as a percentage of the Total Pension Liability is 72.2% as of June 30, 2016, as compared to 75.1% as of June 30, 2015.

See Attachment I to this Part II.

Public Employees' Benefits Program

The following is a brief summary of the State's disclosure relating to the State's Public Employees Benefits Program and is qualified in its entirety by reference to the complete discussion of the State's pension systems that is attached as Attachment II to this Part II.

The State's group health insurance program was created in 1963. In 1983, the State Legislature established a group health plan to provide certain benefits to plan participants and established the Self Insurance Trust Fund to pay for such benefits. In 1999, the group health plan was renamed the State of Nevada Public Employees' Benefits Program ("PEBP"). The Public Employees' Benefits Program Board (the "PEBP Board") is composed of ten members, including the Director of the Department of Administration (or his designee) and nine members appointed by the Governor, and administers PEBP.

PEBP administers a variety of multiple-employer, cost-sharing defined benefit programs providing benefits other than pensions to employees and retirees of participating State agencies and participating local government agencies. PEBP offers medical, dental, vision, mental health and substance abuse benefits through (i) a self-insured preferred provider organization ("PPO Plan"), for which PEBP assumes all risk and responsibility for paying the claims by participants in the PPO Plan, (ii) Health Maintenance Organizations ("HMO Plans") that are fully insured by outside insurance carriers and for which PEBP is responsible for paying the insurance premiums, and (iii) for retirees and dependents who are eligible for Medicare Parts A and B, an Individual Market Medicare Exchange ("Exchange") that offers medical, vision and dental products that are fully insured by outside insurance carriers, paid for by the insured and partially subsidized by PEBP. Approximately 53% of PEBP participants participate in the PPO Plan, 20% participate in one of the HMOs and 27% participate in the Exchange. PEBP also offers long-term disability and life insurance benefits fully insured by outside carriers. Nevada statutes provide that no officer, employee or retiree of the State has any inherent right to the benefits provided by PEBP, and coverage and benefits are subject to change. For example, to address state-wide budget concerns, the 2009 and 2011 Legislatures made several changes to retirement and health benefits for public employees and retirees to satisfy subsidy targets.

Every State officer and employee, certain professional employees of the Nevada System of Higher Education, every member of the State Legislature and the officers and employees of local governmental agencies contracted with PEBP to provide such benefits to its employees and officers (a "participating local government agency") are eligible to participate in PEBP. State and participating local government agency retirees, as well as their eligible dependents and survivors, are eligible to enroll in PEBP upon their retirement, subject to the satisfaction of certain eligibility requirements set forth in the Nevada statutes. As of June 30, 2017, the State, the Nevada System of Higher Education and 121 local government agencies are billed for retiree subsidies.

PEBP is funded through a combination of contributions from employers, employees and retirees. The Nevada statutes require the PEBP Board to determine for each plan year the rates and coverage for plan participants based on actuarial reports. Each participating State agency is required to pay to PEBP for every participating active employee an amount determined by the State Legislature (currently a dollar amount per month per active employee) to pay costs of contributions for the PPO Plan or premiums for the HMO Plans. The State subsidy from participating State agencies is deposited into the Active Employees' Group Insurance Subsidy Account in the Agency Fund for the Payroll of the State ("Payroll Fund"). The PEBP Board determines the allocation of the State subsidy to the required contribution or premium based on the coverage plan and dependent tier selected by each State employee. The State subsidy amount determined by the PEBP Board is transferred from the Payroll Fund to the Self Insurance Trust Fund monthly. The State employee is responsible for paying to PEBP the difference between the required contribution or premium and the amount subsidized by the State, as determined by the PEBP Board, through deductions in their compensation. Members of the State Legislature are required to pay the entire premium or contribution. All contributions and premiums are deposited into the Self Insurance Trust Fund.

The State subsidizes a portion of the costs of PEBP contributions or premiums for eligible State retirees who are covered under the PPO or HMO plans. For Medicare eligible retirees covered through the Exchange, the State provides a reduced monthly dollar amount in a health reimbursement arrangement that the retiree may use to receive reimbursement for premiums or other qualified medical expenses. As with the subsidy for active employees, the amount contributed by the State to fund a portion of the PEBP contributions, premiums or qualified medical expenses for each person who retired with State service and continues to participate in PEBP is determined by the State Legislature. The State subsidy is funded through an assessment, which is deposited into the State Retirees' Health and Welfare Benefits Fund ("Retirees' Fund"), in an amount equal to a percentage of actual payroll paid by each State entity and is based on the amount established by the State Legislature. Retirees who are covered under the PPO or HMO plans are responsible for paying to PEBP the difference between the required contribution or premium and the amount subsidized by the State, as determined by the PEBP Board. Retirees covered through the Exchange are responsible for paying their monthly premiums and other qualified medical expenses to the insurance organization under which they are covered or their provider, as appropriate, and must then submit claims for reimbursement from PEBP.

For FY 2014, 2015 2016 and 2017, the State and its component units contributed $239,789,209, $223,800,759, $246,994,433 and $254,013,359 respectively, to PEBP for employee and retiree benefits. The expected contribution for FY 2018 is $276,813,320. The level of future required contributions depends on a variety of other factors, including actuarial assumptions, additional potential changes in benefits, and, for retiree benefit contributions, the future portfolio performance of investments in the Retirees' Fund, if any. There can be no assurances that the required annual contribution to PEBP will not continue to increase.

The State Legislature established the Retirees' Fund in 2007 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 eligible State retirees and their dependents through the payment of the State retiree subsidies. The Retirees' Fund is administered by the PEBP Board. Due to state-wide revenue shortfalls, Assembly Bill 3 of the 26th (2010) Special Session of the State Legislature directed State agencies to reduce their contributions for retiree health insurance by $24.7 million for the year ending June 30, 2011. The reduced contributions required that PEBP withdraw $24.7 million from the Retirees' Benefits Investment Fund to cover retiree subsidies. As of June 30, 2015, the Retirees' Fund had total assets of $7,888,806, of which $1,296,388 were held by the Retirees' Benefits Investment Fund administered by the Public Employees' Retirement System and $4,971,859 were held by the State's General Portfolio administered by the Nevada State Treasurer. As of June 30, 2016, the Retirees' Fund had total assets of $6,899,042, of which $1,316,665.31 were held by the Retirees' Benefits Investment Fund administered by the Public Employees' Retirement System and $3,204,523 were held by the State's General Portfolio administered by the Nevada State Treasurer. As of June 30, 2016, after deducting $5,567,132 in liabilities, the Retirees' Fund had net assets of $1,331,910. The State does not currently have any plans to contribute any additional amounts to the Retirees' Fund to prefund benefits.

In November 2016, AON Hewitt Consulting (the "Actuary") released its Nevada Public Employees' Benefits Program's Retiree Health and Life Insurance Plans Actuarial Report for GASB OPEB Valuation – Final for the year ending June 30, 2016 (the "2016 Valuation"). The State is required to report the present value of the benefits of the Plan, as determined in accordance with GAAP. The present value of all benefits is the total present value of all expected future benefits (defined as paid claims and expenses from the Plan, net of retiree contributions) for retirees (both currently retired and active employees), based upon certain actuarial assumptions. As of June 30, 2016, the present value of the benefits of the Plan was $2,062,594,000 according to the 2016 Valuation. Of this amount, 62% was allocable to currently active employees (future retirees). As of June 30, 2016, the actuarial accrued liability was $1,446,629,000.

Active Employee Group Insurance

PEBP is able to adjust the rates and lower premiums paid by employees in subsequent years. The State's share of the cost of premiums for group insurance for each employee is fixed by the State Legislature. However, there is currently no way for the State to take advantage of lower premiums without additional legislative action.

See Attachment II to this Part II.

Insurance Premium Trust Fund

The State is self-insured for general, civil and vehicle liability. The statutory limit on the State's negligence or tort liability is $50,000 per claim for causes of action arising before October 1, 2007; $75,000 per claim effective for causes of action arising on or after October 1, 2007 but before October 1, 2011; and $100,000 for causes of action arising on or after October 1, 2011. The State is also self-insured for comprehensive and collision loss to automobiles and self-insured to $100,000 for property loss with commercial insurance purchased to cover the excess above this amount. The State currently carries commercial insurance for aircraft liability, crime, excess liability and workers' compensation. The State is contingently liable for the cost of post retirement heart disease benefits payable under the Nevada Occupational Disease Act. The range of estimated losses from $5,224,500 to $18,779,100 has been determined using standard actuarial techniques.

The State pays these claims from the Insurance Premium Trust Fund that is funded from amounts charged to each State agency. The Insurance Premium Trust Fund is shared by both the Nevada Attorney General's Office and the Nevada Risk Management Division as claims administration is split between the two agencies. The Attorney General's Office is responsible for administering tort claims (including general, civil, vehicle liability), while the Risk Management Division administers auto (comprehensive and collision), property and workers' compensation programs.

At June 30, 2015 and June 30, 2016, total liabilities exceeded total assets by $50,818,771 and $49,982,199 respectively. According to figures derived from actuarial estimates, this Fund is liable for approximately $51,000,000 and $50,000,000 as of June 30, 2015 and June 30, 2016, respectively, in potential claims settlements, which have yet to be funded through premium contributions. NRS Section 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. See Note 12B to the 2016 State CAFR attached as Appendix A to this Part II for more information about the Insurance Premium Trust Fund.

Unemployment Insurance Benefit Fund

The State maintains an unemployment insurance benefit fund which is funded by an unemployment tax on businesses. Due to unusually high unemployment as a result of the 2007-2009 recession, this fund was depleted in October 2009. Through 2013, the State borrowed substantial amounts to pay unemployment benefits from the federal government. The federal loan balances peaked at approximately $846 million in the second quarter of 2012, and thereafter diminished steadily on a year over year basis. The 2013 Legislature adopted a new law which authorized the State to issue bonds secured by special bond contributions payable by employers to, among other things, repay the federal loans summarized above and to make deposits to the unemployment insurance fund. In November 2013, the State issued $548,900,000 of Unemployment Compensation Fund Special Revenue Bonds secured by such special bond contributions of which $128,045,000 remains outstanding as of October 3, 2017. The proceeds were applied to repay all then-outstanding advances made by the federal government to the unemployment benefit fund. On December 1, 2017, the State plans to exercise its right to call the bonds due June 1, 2018 prior to the maturity date. This would fully redeem the bonds. As of the date hereof, no official action has been taken to call the bonds. Alongside the repayment of these bonds, the State has continued to build its unemployment insurance benefit fund. As of October 3, 2017, the balance was $995.9 billion, an increase of $328.8 million from the balance a year ago.

STATE LITIGATION

The staff attorneys of the State Attorney General's Office reported that the State 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 and based on the information provided by the staff attorneys, the State Attorney General is of the opinion that the State's ability to pay its general obligation bonds will not be materially affected by this litigation, based on information known at the time this Official Statement was prepared.

Several of the actions pending against the State are based upon the State's (or its agents') negligence or tort liability 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 claim for causes of action arising before October 1, 2007, which increased to $75,000 per claim effective for causes of action arising on or after October 1, 2007 and to $100,000 for causes of action arising on or after October 1, 2011. Buildings and contents are self-insured to $100,000 for property loss with commercial insurance purchased to cover excess above this amount.

The State and/or its officers and employees are parties to a number of lawsuits that have been filed under the federal civil rights statutes. The State is statutorily required to indemnify its officers and employees held liable for damages for acts or omissions on the part of its officers and employees occurring in the course of their public employment. Several causes of action may be filed against the State based on alleged civil rights violations by its officers and employees. The statutory limit of tort liability (discussed above) does not apply in federal civil rights, federal discrimination and certain employment cases. Accordingly, the potential liability of the State is unascertainable at the present time.

2003 Non-Participating Manufacturers Adjustment arbitration proceeding relating to nationwide Tobacco Master Settlement Agreement (MSA). The State is involved in a nationwide arbitration with a group of tobacco companies, the Participating Manufacturers, over the tobacco Master Settlement Agreement ("MSA"), which the State signed along with 46 other states in 1998. The Participating Manufacturers have alleged that the State has failed to diligently enforce the provisions of NRS 370A (Qualifying Statute) as contemplated by the MSA. As a result, in January 2009, the Nevada Supreme Court ordered the State to arbitrate its dispute with the Participating Manufacturers. The State's potential liability is up to the total amount of the MSA payment for calendar year 2003 which is approximately $44 million. Additional arbitrations for the succeeding calendar years were anticipated with a similar dollar amount at risk. The State entered into a settlement with the Participating Manufacturers, reflected in an agreed term sheet, in December 2012. The agreement has not yet been finalized in a formal settlement agreement, but it is anticipated that the settlement will be duly formalized. The settlement resolves the dispute for calendar 2003 and reaches subsequent years through 2014. Although not yet finalized in a formal agreement, the settlement has resulted in a release of funds by the Participating Manufacturers that increased revenue received by the state under the MSA for 2013. The settlement terms will reduce revenue from the MSA for years 2014 through 2018.

K-Kel, Inc., dba Spearmint Rhino Gentlemen's Club, et al. v. Dept. of Taxation, et al., Case No. A648894, is a State district court action, through a petition for judicial review, challenging application of the statute imposing Nevada's Live Entertainment statute on grounds of constitutionality and seeking a refund of taxes paid, plus interest. In prior proceedings, the Nevada Supreme Court affirmed district court's rulings finding Nevada's Live Entertainment Tax facially valid and determining that an as-applied challenge could only be brought through a petition for judicial review. Taxpayers' petition for certiorari to the United States Supreme Court was denied. What remains is Taxpayers' petition for judicial review of the denial of its as-applied challenge by the Nevada Tax Commission. That petition was denied by the Eighth Judicial District Court of the State of Nevada and is currently on appeal to the Nevada Supreme Court, where it has been fully briefed and is now awaiting a date for oral argument. That challenge contends the Live Entertainment Tax is unconstitutional as it is applied to the particular taxpayers. It is estimated that, if the taxpayers prevail, the refund claim alone could exceed $87 million.

Southern California Edison v. State, Department of Taxation. Southern California Edison sought a $36 million refund of use taxes paid arguing that coal used to produce electricity was not taxable. The issue in this matter is similar to an earlier proceeding involving another utility, Sierra Pacific Power which was resolved in the State's favor. Since the initial request, the refund sought in this matter, including interest has increased to in excess of $111 million. At the hearing that was held in late 2008, Southern California Edison's refund request was denied by the Nevada Tax Commission. Trial de novo was held in the First Judicial District on January 21 through January 31, 2014. On December 15, 2014, based on the Nevada Supreme Court's decision in the Sierra Pacific Power case, 338 P.3d 1244, the District Court determined that Southern California Edison was not entitled to a refund. In a ruling on July 27, 2017, the Nevada Supreme Court upheld the District Court's decision. This ruling is final in the Nevada Supreme Court, but it remains a possibility that Southern California Edison may petition for review by the United States Supreme Court.

Nassiri, Fred, adv. NDOT. NDOT previously settled an eminent domain action with Nassiri. Settlement included transfer by NDOT of other property to Nassiri. Nassiri has filed an action asserting inverse condemnation, breach of contract, breach of the implied covenant of good faith and fair dealing, and rescission, based on actions (subsequently taken) by NDOT, specifically development of an overpass that blocked view of the property from the freeway, thereby allegedly impairing the property. The inverse condemnation claim has been dismissed. Nassiri's claim is in excess of $40 million. NDOT was successful in having all but three contract related claims dismissed by the District Court and sought a writ of mandamus directing the District Court to enter judgment in NDOT's favor as a matter of law on each of the remaining claims. The Supreme Court ordered oral argument which was held on May 2, 2017. The case has been submitted for decision.

Wykoff Newberg Corp., adv. State of Nevada (NDOT). The State, through NDOT, brought a condemnation proceeding against Wykoff Newberg Corp. to acquire property for widening I-15 between Tropicana and Blue Diamond. NDOT initially valued compensation due Wykoff at $1,290,000, but Wykoff demanded $10 million. By e-mail, the parties reached a putative settlement for the amount of $2,990,000 (NDOT's initial valuation plus $1,700,000), but after approval of the agreement by the Board of Examiners but before the parties agreed to formal language of a settlement agreement, Wykoff Newberg Corp. repudiated the settlement. NDOT's motion to enforce the settlement agreement was denied by the District Court, and NDOT petitioned the Nevada Supreme Court for mandamus which was granted. After oral argument the Supreme Court remanded the matter for an evidentiary hearing which was held. The District Court entered its order granting NDOT's Motion to Enforce Settlement. The NDOT will tender the additional funds ($1,700,000) as agreed upon in the settlement. After the funds are deposited NDOT will receive a final judgment of condemnation concluding the case. The decision is not yet final, as the period of time for Wykoff to appeal runs on the District Court's order on October 5, 2017.

Morrison v. Quest et al. The widow of deceased former boxer Tommy Morrison is suing the Nevada State Athletic Commission, the former Executive Director Marc Ratner and the former Chairman of the Medical Advisory Board, Dr. Margaret Goodman (along with a lab and its director who are represented by a private attorney) for $110 million for alleged negligence surrounding a lab test performed in order for him to participate in a 1996 bout, and alleged statements made in 2007. This matter was filed in July 2014 in the Federal District Court in Las Vegas, Nevada. An initial motion to dismiss was granted in part and denied in part. Plaintiff then filed an amended complaint. The State moved to dismiss and then filed a motion for summary judgment, the latter on statute of limitations grounds. Summary judgment has been granted, and the plaintiff has appealed to the 9th Circuit Court of Appeals, where the matter has been fully briefed.

Walden et al. v. Nevada Department of Corrections. This is a class action and Fair Labor Standards Act collective action on behalf of all State of Nevada Department of Corrections' correctional officers alleging the Department of Corrections failed to pay overtime for the officers' preliminary and postliminary duties. It also includes a contract and Nevada Constitution claim for the same. The preliminary and postliminary activities alleged to be non-compensated include checking in with the shift supervisor, obtaining keys or handcuffs, walking to the post within the prison, relieving the employee already at the post including exchange of pertinent information, and then the reverse at the end of the shift. The collective class has been conditionally certified, with approximately 3,075 eligible members, and approximately 502 joining the lawsuit. As of March 2016, Plaintiffs calculate their damages to be approximately $58,345,050, not including interest, costs, and attorneys' fees. Plaintiffs estimate costs to be approximately $90,000. The litigation is currently stayed, pending the court's decision on the Nevada Department of Corrections' motion for judgment on the pleadings.

Little Valley Fire – Scott et al. v. Nevada Div. of Forestry. The Nevada Division of Forestry performed a controlled burn from October 4-7, 2016. A fire erupted on October 14, 2016, destroying more than twenty homes in the Franktown Road area. Several property owners and insurance carriers have brought lawsuits, which have been consolidated, in District Court. They allege that that Nevada Division of Forestry negligently, willfully or recklessly caused the destruction of their property due to the spread of the fire. An estimate puts total damage at more than $80 million. The University of Nevada, Reno, is a defendant on the allegation that it requested the controlled burn, which took place on University owned land. While the State of Nevada has a tort damage cap of $100,000 per claim, the insurance carriers are pursuing a theory of liability – inverse condemnation – that is exempt from the cap. The Nevada Division of Forestry brought a motion to dismiss on the inverse condemnation claim, which motion was denied by the Court, holding that the complaint stated a claim for relief for inverse condemnation.

Terria McKnight v. United States Department of Education of Civil Rights Office. The Nevada Department of Education assigns hearing officers to preside over complaints that school districts fail to follow the Individuals with Disabilities Education Act as required by federal law. A mother of a child receiving services under the IDEA requested a Due Process hearing under the complaint and a hearing officer was appointed. The mother was unhappy with the hearing officer's decision and requested a review from a state review officer (also assigned by the state). Also unhappy with the State hearing officer's decision the mother filed a complaint with the Federal Department of Education. Not being satisfied with the results of that complaint, the mother filed suit in Federal District Court against the Federal and Nevada Departments of Education for $150 million. A motion to dismiss has been filed on behalf of the State.

There are a number of other actions affecting the State, but the State estimates that its potential liability for any single action not described above will not exceed $10 million.

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ECONOMIC AND DEMOGRAPHIC INFORMATION

General

This portion of Part II of this Official Statement contains general information concerning the economic and demographic conditions in the State. It is provided so that prospective investors will be aware of factors that may affect future development and growth within the State. The information presented was obtained from the sources indicated, and the State does not guarantee or make any representation as to the accuracy or completeness of the data presented.

Population and Age Distribution

Nevada's population increased from 1,201,833 residents in 1990 to 1,998,257 residents in 2000 and to 2,724,634 residents in 2010, an increase of approximately 66% between 1990 and 2000 and approximately 127% between 1990 and 2010. In 2016, Nevada's population increased by 1.9% from the previous year. Historical and estimated State population figures, by county, are shown in the following table:

Table 16
Nevada Population by County

	1990	2000	2010	2013	2014	2015	2016
Carson City	40,443	52,457	55,274	54,668	53,969	54,273	55,182
Churchill	17,938	23,982	24,877	25,322	25,103	25,126	25,266
Clark	741,459	1,375,765	1,951,269	2,031,723	2,069,450	2,118,353	2,166,181
Douglas	27,637	41,259	46,997	48,478	48,553	48,223	48,235
Elko	33,530	45,291	48,818	53,384	53,358	53,551	53,997
Esmeralda	1,344	971	783	858	926	923	964
Eureka	1,547	1,651	1,987	2,024	1,903	1,862	1,959
Humboldt	12,844	16,106	16,528	17,457	17,388	17,057	16,853
Lander	6,266	5,794	5,775	6,343	6,560	6,247	6,257
Lincoln	3,775	4,165	5,345	5,020	5,004	5,088	5,057
Lyon	20,001	34,501	51,980	52,960	53,344	53,277	53,644
Mineral	6,475	5,071	4,772	4,662	4,584	4,539	4,578
Nye	17,781	32,485	43,946	44,749	45,456	46,050	45,737
Pershing	4,336	6,693	6,753	6,882	6,714	6,750	6,693
Storey	2,526	3,399	4,010	4,017	3,974	3,984	4,043
Washoe	254,667	339,486	421,407	432,324	436,797	441,946	448,316
White Pine	9,264	9,181	10,030	10,095	10,218	10,336	10,413
Nevada Total	1,201,833	1,998,257	2,700,551	2,800,967	2,843,301	2,897,584	2,953,375

Source: 1990, 2000 and 2010: U.S. Bureau of the Census; 2013-2016: Nevada State Demographer.

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The following table sets forth a comparative age distribution profile for Clark County, Washoe County, the State and the United States in 2015:

Table 17
Age Distribution

Percent of Population				
Age	**Clark County**	**Washoe County**	**State**	**United States**
14 and under	19.5%	18.4%	19.1%	18.8%
15-24	12.5	12.8	12.4	13.6
25-34	14.8	14.8	14.4	13.7
35-54	27.3	25.3	26.6	25.9
55 and older	25.8	28.9	27.3	28.0

Source: U.S. Census Bureau, 2016 American Community Survey 1-Year Estimates.

Income

The following table sets forth annual per capita personal income levels of the Las Vegas-Paradise MSA (which consists of Clark County), the Reno-Sparks MSA (which consists of Washoe County and Storey County), the State and the United States:

Table 18
Per Capita Personal Income Groups

Year	Las Vegas-Paradise MSA	Reno-Sparks MSA	State	United States
2012	$38,516	$42,673	$39,211	$44,282
2013	37,966	42,988	38,939	44,493
2014	39,613	44,724	40,565	46,464
2015	40,652	47,526	41,992	48,190
2016	--(1)	--(1)	43,637	49,571

(1) Data for 2016 not yet released for local areas.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

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The following tables depict Median Household Income and Percent of Households by Income Groups for Clark County, Washoe County, the State and the United States.

Table 19
Median Household Income

Year	Clark County	Washoe County	State	United States
2012	$49,546	$49,026	$49,760	$51,371
2013	51,057	53,588	51,230	52,250
2014	51,214	52,618	51,450	53,657
2015	51,552	56,382	52,431	55,775
2016	54,384	58,175	55,180	57,617

Source: U.S. Census Bureau, 2016 American Community Survey 1-Year Estimates.

Table 20
Percent of Households by Income Groups

Income Group	Clark County Households	Washoe County Households	State Households	United States Households
Under $25,000	20.7%	19.1%	20.6%	21.2%
$25,000 - $49,999	25.5	24.0	24.9	22.5
$50,000 - $99,999	32.1	31.2	32.2	30.1
$100,000 and Over	21.6	25.7	22.2	26.2

Source: U.S. Census Bureau, 2016 American Community Survey 1-Year Estimates.

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Employment

The following tables set forth labor force and employment statistics for the State. The State experienced high rates of unemployment beginning in 2008, which continued through 2012. In January 2011, the State's unemployment rate reached a high of 13.9%. As of June 2017, the State's unemployment rate was 4.8%.

Table 21
Average Annual Labor Force Summary

Calendar Year	2013	2014	2015	2016	2017 YTD(1)
Total Labor Force	1,382,141	1,395,375	1,414,711	1,427,113	1,440,588
Unemployed	132,422	110,467	96,238	81,106	69,186
Unemployment Rate(2)	9.6%	7.9%	6.8%	5.7%	4.8%
Total Employment(3)	1,249,719	1,284,908	1,318,473	1,346,008	1,371,402

(1) Based on non-seasonally adjusted information as of August 2017. Subject to revision as additional information becomes available. 2017 data is preliminary.
(2) According to the U.S. Department of Labor, Bureau of Labor Statistics, the U.S. average unemployment rates for the years 2013 through 2017 were 7.4%, 6.2%, 5.3%, 4.9%, and 4.5% (preliminary), respectively.
(3) Adjusted by census relationships to reflect number of persons by place of residence.

Source: State of Nevada - Department of Employment, Training and Rehabilitation.

Table 22(1)
Average Establishment-Based Industrial Employment by Calendar Year
(Estimates in Thousands)

Industry Classification(2)	2013	2014	2015	2016	2017 YTD(3)
Natural Resources and Mining	15.2	14.4	14.3	13.7	14.1
Construction	56.8	63.3	70.2	76.3	82.8
Manufacturing	40.5	41.5	42.1	43.6	45.0
Trade (wholesale and retail)	167.2	172.4	177.7	178.1	178.4
Transportation, Warehousing and Utilities	54.9	58.0	60.8	63.7	63.4
Information	12.9	13.7	13.9	14.4	14.3
Financial Activities	56.6	57.1	60.1	62.7	63.2
Professional and Business Services	149.9	156.5	166.8	176.6	184.2
Education and Health Services	111.5	115.7	120.9	127.5	132.1
Leisure and Hospitality (casinos excluded)	137.5	144.5	151.4	159.3	165.3
Casino Hotels and Gaming	186.4	191.1	189.5	186.4	186.5
Other Services	33.7	35.6	36.6	40.1	41.4
Government	151.0	152.5	154.7	157.5	159.1
Total all industries	1,174.3	1,216.3	1,258.9	1,299.9	1,329.9

(1) Based on non-seasonally adjusted CES information as of August 2017. Subject to revision as additional information becomes available. Totals may not add due to rounding.
(2) Reflects employment by place of work. Does not necessarily coincide with labor force concept. Includes multiple jobholders.
(3) August 2017 employment numbers are preliminary.

Source: State of Nevada - Department of Employment, Training and Rehabilitation.

Educational Attainment

The following table sets forth educational attainment statistics for the State.

Table 23
Educational Attainment
(Civilian Labor Force Aged 25 and Older)

	Male	Female	Total[(1)]
Total population	49.7%	50.3%	100.0%
Educational Attainment Level			
Not a high school graduate	14.3	13.6	14.0
High school graduate (including equivalency)	30.2	28.0	29.1
Some college or associate degree	32.8	34.2	33.5
Bachelor's degree	14.6	16.0	15.3
Graduate or Professional Degree	8.1	8.2	8.1

(1) Totals may not add exactly due to rounding.

Source: U.S. Census, 2016 American Community Survey 1-Year Estimates.

Sales and Use Tax

Aggregate sales and use taxes imposed in Nevada's counties currently range from 6.85% to 8.265% (Elko County and Washoe County, respectively). The State General Fund's share (2%) is a major source of revenue for the State's General Fund. See "FINANCIAL INFORMATION—State General Fund Revenue Sources." Clark County and Washoe County are the major sources of taxable sales revenue in the State. The following table presents a record of taxable sales in the State:

Table 24[(1)]
Transactions Taxable Under the Nevada Sales and Use Tax Laws

Fiscal Year Ended June 30	Taxable Sales	Percentage Change
2013	$45,203,408,413	--
2014	47,440,345,167	4.95%
2015	50,347,535,951	6.13
2016	52,788,295,421	4.85
2017	56,547,741,530	7.12
2018[(2)]	4,696,710,631	--

(1) Subject to change.
(2) Represents taxable sales as of July 31, 2017. Amount of taxable sales for FY 2018 may be impacted by a potential refund in the amount of approximately $27 million, subject to approval by the Nevada Tax Commission. In the event the refund is approved, approximately $2 million would come from the State.

Source: State of Nevada - Department of Taxation.

Gaming and Tourism

The economy of Nevada is largely dependent upon a tourism industry based upon legalized gaming and related forms of entertainment. The industry represents a significant source of revenues to the State, county and local jurisdictions in which gaming companies operate. For three consecutive fiscal years (2015 through 2017), gross taxable gaming revenue has increased. During fiscal years 2015 and 2016, the increases in gaming were driven by markets outside of the Las Vegas Strip. However, in FY 2017 the increase to gaming was driven primarily by increased convention attendance and record visitation on the Las Vegas Strip. Gaming collections from all sources have decreased the past three fiscal years (2015 through 2017). It should be noted that the primary reason for the decrease in gaming collections during fiscal years 2016 and 2017 were tax credits applied against percentage fees totaling $24.7 and $42.1 million respectively. Furthermore, legislative changes made during the 2015 session to the Live Entertainment Tax further reduced collections during fiscal years 2016 and 2017. The following table represents a record of gross taxable gaming revenues in the State and total State gaming taxes and fees collected.

Table 25(1)
Gross Taxable Gaming Revenues and Total Gaming Taxes

Fiscal Year Ended June 30	Gross Taxable Gaming Revenue(2) State Total	Gross Taxable Gaming Revenue(2) % Change	State Gaming Collection(3) State Total	State Gaming Collection(3) % Change
2013	$10,208,528,371	--	$892,106,457	--
2014	10,208,211,093	-0.003%	912,371,316	2.27%
2015	10,511,527,575	2.97	909,857,085	-0.28
2016	10,612,559,202	0.96	876,040,147	-3.72
2017	10,964,129,404	3.31	874,777,727	-0.14
Jul 16 - Aug 16	1,802,338,189		131,739,720	
Jul 17 - Aug 17	1,876,343,173	4.11	132,886,371	0.87

(1) The figures shown are subject to adjustments due to amended tax filings, fines and penalties.
(2) The total of all sums received as winnings less only the total of all sums paid out as losses (before operating expenses).
(3) Based upon the taxable revenues generated in the previous month. Cash receipts of the State from all sources relating to gaming (General Fund and other revenues) including percentage license fees, quarterly flat license fees, annual license fees, casino entertainment taxes, annual slot machine taxes, penalties, advance fees, and miscellaneous collections. A portion of collections is deposited to the State funds other than the State's General Fund.

Source: State of Nevada - Gaming Control Board.

Gaming Is a Highly Regulated Industry. The five-member Nevada Gaming Commission and the three-member Nevada Gaming Control Board, both appointed by the Governor, investigate and approve all licenses, establish operating rules, monitor the activities of licensed establishments and collect State gaming fees and taxes. In addition to the State, local governments also license, levy taxes and regulate gaming establishments and licensees. The laws, regulations and ordinances of both state and local governments regulate the licensing, operations and financial stability of the businesses as well as the background and character of the owners, managers, and persons with financial interests in the gaming industry.

The Gaming Industry Is Highly Competitive. Prior to the 1980s, Nevada was the only state with legalized casino gaming, although some forms of gaming, such as pari-mutuel horse, dog and jai alai betting, existed in other states. A significant proliferation of casino and other forms of gaming has occurred outside of Nevada, both nationally and internationally, in recent years. According to the American Gaming Association, there are currently 42 states with some form of legalized commercial or tribal gaming, including land-based casinos, riverboats, racetrack casinos ("racinos") and electronic gaming devices at bars, restaurants or other licensed establishments. In many of these states, there are multiple forms of gaming in operation. Overall, 24 states have commercial (land-based or riverboat) casinos, including 14 with racetrack casinos; 28 states have tribal casinos; and seven states have legal electronic gaming devices in non-casino/racino locations. While Nevada continues to be the largest commercial casino market in the U.S., the State of California generates the most gaming revenue for Native American gaming facilities.

Gaming continues to expand in foreign countries as well. Nevada no longer enjoys a near-monopoly on the United States gaming market as it did historically. Competition from casino gaming, state-run lotteries and other forms of gaming will likely continue to increase in the future. The impact of such expansion and proliferation upon Nevada's gaming economy is uncertain.

Information relating to the occupancy rates of hotels is not available on a state-wide basis. This information is generally only available for Clark County (Las Vegas) and for Washoe County (Reno and Sparks) as provided in the following tables:

Table 26
Visitor Volume and Room Occupancy Rate
Las Vegas Metropolitan Area, Nevada

Calendar Year	Total Visitor Volume	Number of Hotel/Motel Rooms Available	Hotel/Motel Occupancy Rate(1)	National Occupancy Rate(2)
2012	39,727,022	150,481	84.4%	61.4%
2013	39,668,221	150,593	84.3	62.3
2014	41,126,512	150,544	86.8	63.9
2015	42,312,216	149,612	87.7	65.6
2016	42,936,109	149,285	89.1	65.5
Jan – Jul 2016	25,174,749	149,255	89.2	--
Jan – Jul 2017	24,978,932(3)	149,087	90.3	--

(1) The sample size for this survey represents approximately 75% of the total hotel/motel rooms available.
(2) Source: STR (formerly Smith Travel Research, Inc.).
(3) Represents a 0.8% decline from the January – July 2016 period. According to STR, national occupancy rates were 61.1% in 2017:IQ and 69.5% in 2017:IIQ, compared to 60.7% in 2016:IQ and 69.4% in 2016:IIQ.

Source: Las Vegas Convention and Visitors Authority.

Table 27
Visitor Volume and Room Occupancy Rate
Washoe County, Nevada

Calendar Year	Total Visitor Volume	Number of Hotel/Motel Rooms Available	Hotel/Motel Occupancy Rate(1)	National Occupancy Rate(2)
2012	4,536,415	24,666	60.0%	61.4%
2013	4,664,514	24,097	63.2	62.3
2014	4,631,195	23,516	63.6	63.9
2015	4,746,208	23,472	65.6	65.6
2016	4,893,107	23,778	67.7	65.5
Jan – Jul 2016	2,812,183	23,679	67.1	--
Jan – Jul 2017	2,944,013(3)	23,740	70.6	--

(1) The rooms and units in all types of accommodation (with three or more rooms/units) licensed with the Reno-Sparks Convention and Visitors Authority to rent rooms/units on a short-term basis.
(2) Source: STR (formerly Smith Travel Research, Inc.)
(3) Represents a 4.7% increase from the January – July 2016 period.

Source: Reno-Sparks Convention and Visitors Authority.

Table 28
Convention and Visitors Authority Room Tax Revenue

	Las Vegas Convention and Visitors Authority			Reno Sparks Convention and Visitors Authority	
Fiscal Year	**Revenue[1]**	**% Change**	**Fiscal Year**	**Revenue[1]**	**% Change**
2012	$200,701,137	12.21%	2012	$15,378,063	-1.60%
2013	203,602,271	1.45	2013	16,724,281	8.75
2014	223,709,496	9.88	2014	16,954,518	1.38
2015	240,140,940	7.34	2015	18,060,419	6.52
2016	263,207,145	9.61	2016	21,029,848	16.44
2017	295,000,510	12.08	2017	23,055,518	9.63

(1) The Room Tax Revenue is retained locally and is not part of the State's room tax revenue.

Source: Las Vegas Convention and Visitors Authority; Reno-Sparks Convention and Visitors Authority.

Transportation

Las Vegas and Reno, the State's two major population centers, are 400 miles apart. Both cities have airports designated as international ports of entry and are served by scheduled airlines and supplemental charter carriers.

McCarran International Airport in Las Vegas reported having a total of 47.57 million commercial and charter passengers enplaned and deplaned so far in 2017, making this year the second busiest year in the airport's 69-year history based on a 12-month rolling average. This reflects an increase from 46.53 million in 2016 (an increase of 1.04 million passengers or 2.2 percent over the period).

The Reno/Tahoe International Airport reported having a total of 3.82 million commercial and charter passengers enplaned and deplaned in FY 2017, an increase of 7.2% from the prior fiscal year.

Two major railroads cross Nevada, while short lines serve as feeders. Several national bus lines and trucking lines serve the State.

The State highway system consists of approximately 5,400 centerline miles, which includes the federal-aid highway system and other improved roads. There are nine federal highways in Nevada, three of which are part of the interstate system. Interstate 15, connecting Salt Lake City and San Diego, passes through Las Vegas and provides convenient access to the Los Angeles area. Interstate 80 connects with the San Francisco Bay area and the Reno-Sparks area. Interstate 580 connects Reno and Carson City. NDOT is partnering with the Arizona Department of Transportation to plan an interstate (Interstate 11) link between Las Vegas and Phoenix, with the potential of extending north to Canada and south to Mexico. NDOT and the Regional Transportation Commission of Southern Nevada are constructing portions of Interstate 11 near Boulder City known as the Boulder City Bypass. The construction of the Boulder City Bypass is expected to be completed in 2018.

U.S. Highways 95 and 93 are major routes north from Las Vegas, through Fallon and Ely, Nevada, respectively. South of Las Vegas, U.S. Highway 95 extends to the Mexican border, generally following the Colorado River, and U.S. Highway 93 crosses into Arizona.

Nevada is less than one day's drive to more than 40 million consumers and five major U.S. ports serving the Pacific Rim. Northern Nevada is at the center of the western region, with 11 states and 53 million people only one day's drive away. Southern Nevada is just hours away from the Southern California markets and within 2-day delivery of nearly every state west of the Mississippi River.

Economic Development

The Nevada Governor's Office of Economic Development ("GOED") promotes a robust, diversified and prosperous economy in Nevada, stimulates business expansion and retention, encourages entrepreneurial enterprise, attracts new businesses, and facilitates community development. GOED is assisted by Regional Development Authorities across the State when a business chooses to locate or expand within their respective region.

GOED has seven industry focal areas:

- Aerospace & Defense
- Health & Medical Services
- Information Technology
- Manufacturing & Logistics
- Mining
- Natural Resource Technologies
- Tourism, Hospitality & Gaming

Additionally, GOED is advancing the development of emerging industry clusters that center on water technology, unmanned aerial systems, and advanced manufacturing. Nevada's ability to grow its industries is dependent upon a trained workforce, and GOED plays an important role in ensuring that industry demand is matched with an educated, skilled, and available workforce.

GOED is able to offer incentives to qualifying companies, following GOED Board approval, to create jobs and alleviate some costs associated with expanding or relocating in the State. GOED's incentives include: Sales and Use Tax Abatement; Modified Business Tax Abatement; Personal Property Tax Abatement; Real Property Tax Abatement for Recycling; Data Center Abatement and Aviation Parts Abatement.

GOED's International Trade Division facilitates export growth, increases foreign direct investment, recruits foreign expansion, and expands higher education partnerships. Nevada has established high-level partnerships with government officials and industry associations in the People's Republic of China, the Republic of Korea, Mexico, Brazil, Canada, Israel, Poland, Germany, United Kingdom, Ireland, Italy, Australia, South Africa, and South America.

The Nevada Film Office is also housed within GOED and provides assistance to the local and national television and film production community.

The Procurement Technical Assistance Center Procurement Outreach Program is a division of GOED and works to simplify the process of contracting with all levels of government.

The Nevada Local Emerging Small Business Certification is administered by GOED and seeks to assist small businesses in obtaining work with state and local government agencies.

The Rural Community and Economic Development Division in GOED promotes and facilitates community development throughout rural Nevada. The Division administers the State and Small Cities Community Development Block Grant Program which aids in the development of suitable living conditions, increases the supply of decent housing, and helps create economic opportunities in the rural parts of the State.

In 2016, the State's economic development efforts resulted in approximately $728.6 million of recent or anticipated business investment in the State, 8,057 new jobs, and the arrival or expansion of 60 companies.

The Tesla Gigafactory is currently under construction, at a cost of approximately $5 billion. The factory is being built to construct the lithium-ion batteries that are used to power Tesla electric motor cars at reduced production costs. Employment is estimated to reach approximately 6,500 employees when the facility is in full operation.

Among its other economic development activities, GOED created and oversees the Battle Born Growth Escalator Venture Program, Nevada's State venture capital program (under the auspices of State Small Business Credit Initiative). This program invests in early stage, high-growth Nevada enterprises in the following sectors: aerospace and defense, agriculture, energy, health care, IT, logistics and operations, manufacturing, mining, tourism and gaming and water.

GOED oversees the Knowledge Fund. The Knowledge Fund is a $5 million annual / $10 million biennial budget allocation intended to spur research, innovation and commercialization in Nevada. To obtain this funding, the Nevada System of Higher Education (NSHE) submits applications to GOED for projects that could benefit from Knowledge Fund support. GOED, together with the Knowledge Fund Advisory Council, selects the projects that are best suited for funding.

GOED also administers the WINN Program. Through WINN, GOED partners with companies and Nevadan higher learning institutions to develop training programs enabling companies to develop a pipeline of qualified employees. WINN also allows Nevadans to receive the training necessary to work in Nevada's most promising and emerging industries.

The State was selected by the FAA as one of six test site locations for flying Unmanned Aerial Systems.

Federal Activities

Operations and facilities of the federal government in the State have been significant, beginning with Hoover Dam in the 1930s, an Army Air Force gunnery school (which later became Nellis Air Force Base) during World War II, and the subsequent creation of the Nevada National Security Site (formerly the Nevada Test Site). Currently, the following major federal activities are located in the State.

Hoover Dam. Hoover Dam, operated by the Bureau of Reclamation, is a multiple-purpose development. The dam controls floods and stores water for irrigation, municipal and industrial uses, hydroelectric power generation, and recreation. Hoover Dam is one of the world's largest hydroelectric installations with a capacity of more than 2,000 megawatts. Hoover Dam also is a major tourist attraction in Clark County.

Nellis Air Force Base. Nellis Air Force Base, a part of the U.S. Air Force Air Combat Command, is located adjacent to the City of North Las Vegas. The base itself covers more than 14,000 acres of land, while the total land area occupied by Nellis Air Force Base and its ranges is over three million acres. The base hosts numerous military programs as well as civilian workers. It is the home base of the "Thunderbirds," the world famous air demonstration squadron.

Nevada National Security Site. The Nevada National Security Site ("NNSS") was established in 1950 as the nation's proving ground for nuclear weapons testing. In recent years, under the direction of the Nevada Site Office of the U.S. Department of Energy, NNSS use has diversified into many other areas such as hazardous chemical spill testing, emergency response training, conventional weapons testing, and waste management projects that can best be conducted in this remote desert area. NNSS has been designated as an Environmental Research Park where scientists and students can conduct research on environmental issues. Located 65 miles north of Las Vegas, the NNSS is a massive outdoor laboratory and national experimental center. NNSS comprises approximately 1,350 square miles, surrounded by thousands of additional acres of land withdrawn from the public domain for use as a protected wildlife range and for a military gunnery range, creating an unpopulated area of approximately 5,470 square miles. Federal employees and independent contractors are employed at NNSS.

Yucca Mountain. The federal government previously planned to use Yucca Mountain (located approximately 90 miles northwest of Las Vegas in Nye County) as a national nuclear repository for high-level waste and spent fuel from nuclear power plants around the country. The U.S. Department of Energy (the "DOE") submitted in 2008 a license application to the U.S. Nuclear Regulatory Commission (the "NRC") seeking authorization to construct the nuclear waste and spent fuel repository, but the NRC suspended its review. Following various challenges, in 2013 the U.S. Court of Appeals for the District of Columbia Circuit ordered the NRC to resume the statutory license review process unless Congress declares otherwise through legislation or until appropriated funds are depleted. While NRC review of the Yucca Mountain application continues, there are significant hurdles to its approval, strong opposition to the project, and a current lack of federal funding. However, President Donald Trump sought an appropriation in his fiscal year 2018 budget proposal for the DOE and the NRC to continue the licensing process and Congress is considering legislation which would appropriate the requested federal funding to continue the licensing process. The Congress is also considering authorizing legislation which could revive the DOE repository program and speed-up the NRC licensing process. But there are significant differences in the legislative approaches being considered in the U.S. House of Representatives and in the U.S. Senate, and the differences regarding appropriations may not be resolved by the beginning of the federal fiscal year 2018 (October 1, 2017). Therefore, the status of the proposed nuclear repository at Yucca Mountain remains uncertain as of August 2017.

Mining

Nevada is called the “Silver State” because of the vast quantities of silver mined from the Comstock Lode in the 19th Century. Today, Nevada’s mining industry production consists of metals, industrial minerals, oil and gas, and geothermal energy. The total value of mineral production (excluding oil, gas and geothermal) in Nevada reached $7.9 billion in 2016. Gold is the primary source of mining revenue which reached $6.8 billion in 2016. Nevada leads the nation in gold production and has the only operating lithium mine in the U.S.

Oil and natural gas exploration activity continues in Nevada. During 2016, the total net oil produced was 276,328 barrels. There are no commercial sales of natural gas in Nevada; however, small quantities are produced and used to fuel oil production facilities on leased sites.

Gross geothermal energy production totaled 3.3 million megawatt-hours in 2016 from 24 electrical generating plants.

According to the Nevada Department of Employment, Training and Rehabilitation, in 2016, there was an average of 12,474 people employed in the minerals industry at an average annual salary of $94,744.

According to the Division of Minerals, gold and silver currently account for 89% of total value of metal and non-metal mine production in the Nevada mining industry. The following table compares the calculated value of mineral production for the periods indicated:

Table 29[1]
Mineral Production

Calendar Year Ending	Millions of Dollars	% Change
2012	$10,244	--
2013	8,820	-13.7%
2014	7,126	-19.2
2015	7,118	-0.1
2016	7,868	10.5

(1) Estimates. Does not include oil, gas and geothermal energy.

Source: State of Nevada - Commission on Mineral Resources-Division of Minerals.

The following table presents the amount of selected mineral commodities produced in the State during the periods indicated:

Table 30
Mineral Production
(By Weight)
(In Thousands)

	2012	2013	2014	2015	2016
Gold	5,615 oz	5,441 oz	4,941 oz	5,339 oz	5,468 oz
Copper	145,319 lbs	137,715 lbs	132,616 lbs	177,638 lbs	160,218 lbs
Silver	8,527 oz	8,679 oz	10,934 oz	9,498 oz	8,886 oz
Gypsum	1,482 tons	1,804 tons	2,804 tons	3,398 tons	1,389 tons
Lithium Compounds	3,951 tons	4,606 tons	4,715 tons	5,858 tons	4,667 tons

Source: State of Nevada - Commission on Mineral Resources-Division of Minerals.

In September 2015, the U.S. Bureau of Land Management ("BLM") and the U.S. Forest Service ("USFS") finalized land use plan amendments ("LUPs") to provide further protection to the greater sage-grouse habitat in the Western United States, including creating three new habitat management areas in Nevada. Certain Nevada counties and mining companies filed a lawsuit, which the Nevada Attorney General later joined, seeking judicial review of BLM and USFS actions. The plaintiffs contend that the LUPs will negatively impact, among other things, the mining industry in the State. Coincident with the issuance of the LUPs, the Department of the Interior published a notice for a proposal to withdraw 10 million acres of federal lands, within Sagebrush Focal Areas, from location and entry under the Mining Law of 1872, subject to valid exiting rights. The notice also segregated the land from mineral entry for a two-year period. The segregation and proposed withdrawal includes 2.7 million acres in northern Nevada. An Environmental Impact Statement is being prepared and a final decision by the Secretary of the Interior on the proposed action is due by September 24, 2017. At this time, the State cannot predict the effects of the LUPs, segregation, and proposed mineral withdrawal on mining or other matters in the State.

Electric Utilities

NV Energy, Inc. ("NV Energy"), formerly Sierra Pacific Resources, was acquired by Berkshire Hathaway Energy in 2013. Through its subsidiaries, which include Sierra Pacific Power Company and Nevada Power Company (each doing business as NV Energy), NV Energy supplies electric service to Las Vegas and surrounding Clark County, and to northern Nevada. NV Energy through its subsidiaries provides electric and natural gas services to a range of over one million residential, commercial, industrial and public sector customers.

Water

Nevada is one of the eight mountain states and bordered by California, Oregon, Idaho, Utah, and Arizona. The State lies in the Great Basin, an arid region east of the Sierra Nevada Mountains, where annual rainfall averages less than ten inches. The availability of water is important to continued growth and development in the State, particularly in its two most populous counties, Clark County and Washoe County. The water providers for those two counties are briefly discussed below.

On January 16, 2014, the U.S. Department of Agriculture ("USDA") announced the designation of nine counties in Nevada, including Clark County and Washoe County, as primary natural disaster areas due to ongoing drought conditions. Qualified farm operators in these areas and certain contiguous areas may be eligible for low-interest emergency loans from the USDA. The State cannot predict the duration of the drought or the effects of the drought on the State.

Clark County

The major water purveyors in Clark County are the Big Bend Water District; the cities of Boulder City, Henderson, and North Las Vegas; the Las Vegas Valley Water District ("LVVWD"); and Nellis Air Force Base.

The LVVWD provides water service to the City of Las Vegas and the unincorporated urban areas of Clark County. Jean, Kyle Canyon, Blue Diamond, and Searchlight have their own water systems, but the LVVWD serves as operating agent for them. The Big Bend Water District, operated by the LVVWD, serves the Town of Laughlin, and the Coyote Springs Water Resources District, operated by the LVVWD, serves the community within the Coyote Spring valley. In addition, the Virgin Valley Water District serves the City of Mesquite and surrounding area, and the Moapa Valley Water District serves Logandale, Overton, Moapa and Glendale.

The Southern Nevada Water Authority ("SNWA") was established to address water issues on a regional basis rather than an individual purveyor basis. The members of the SNWA include the cities of Boulder City, Henderson, Las Vegas, North Las Vegas, the Big Bend Water District, Clark County Water Reclamation District, and the LVVWD. The SNWA works collaboratively with its member agencies to manage regional water facilities; address water resource management and water conservation on a regional basis; manage and develop additional water supplies for Southern Nevada; and expand and enhance regional treatment and delivery capabilities. The LVVWD provides the management and staff for the SNWA.

In addition to aggressive water conservation measures, the SNWA developed and maintains a comprehensive Water Resource Plan to manage current and future resources available to Southern Nevada. The plan, which was first adopted in 1996, is reviewed annually and updated as needed. The Water Resource Plan provides a demand projection for Southern Nevada and outlines a portfolio of water resource options to meet projected water demands over a 50-year planning horizon. This portfolio approach enables the SNWA to quickly respond to changing conditions. The portfolio of resources as described in the SNWA Water Resource Plan includes Nevada's 300,000 acre-foot per year ("AFY") Colorado River apportionment and associated return-flow credits; Las Vegas Valley and in-state groundwater; flood control, domestic and intentionally created surplus water (intentionally created surplus water is divided into five categories: tributary, imported, system efficiency, extraordinary conservation, and Bi-National); water resources banked in the Las Vegas Valley and the states of Arizona and California; wastewater reuse; and other current and future supplies.

While the Colorado River Basin continues to experience drought conditions, the SNWA has acquired and is developing new water resources that will be managed in tandem with Colorado River supplies. These resources, paired with expected conservation gains, are designated to enable the SNWA to meet current and projected water demands over the long-term planning horizon. In 2015, the SNWA updated its Water Resource Plan to outline the SNWA's approach to meeting demands during declared shortages in light of new rules and agreements. Response measures include the use of intentionally created surplus, banked resources, shortage-sharing agreements and heightened conservation measures. The SNWA also continues to work with the other Colorado River Basin states to identify and explore options for long-term augmentation of Colorado River resources.

Washoe County

The primary source of water for Washoe County is the Truckee River, which flows from Lake Tahoe to Pyramid Lake (approximately 120 miles). Underground water and individual private wells augment the river water supply, particularly in the unincorporated areas of Washoe County. The Washoe County water system is susceptible to certain risks posed by flooding, drought, and seismic activity. Certain of these risks may be mitigated by the purchase of insurance, however it is not possible to predict whether insurance coverage will be sufficient to pay off the costs associated with a natural disaster.

Regional planning of water resources in certain portions of Washoe County is the responsibility of the Northern Nevada Water Planning Commission (the "Planning Commission") and the Western Regional Water Commission (the "Regional Commission"). The Regional Commission is governed by a Board of Trustees comprising representatives of the City of Reno, the City of Sparks, Washoe County, the Truckee Meadows Water Authority, the Truckee Meadows Water Reclamation Facility, and the Sun Valley General Improvement District. The Planning Commission is comprised of members from Public Works for the City of Reno, Public Works for the City of Sparks, Community Services Department for Washoe County, Truckee Meadows Water Reclamation Facility, Pyramid Lake Paiute Tribe, The Nature Conservancy and Truckee Meadows Flood Management, the General Manager of the Sun Valley General Improvement District, two representatives from the Truckee Meadows Water Authority, and various other members.

On January 14, 2011, the Regional Commission adopted the 2011-2030 Comprehensive Regional Water Management Plan (the "Comprehensive Plan") developed by the Planning Commission for the relevant planning area, covering such matters as supply of municipal and industrial water; quality of water; sanitary sewerage; treatment of sewage; drainage of storm waters and control of floods. The Comprehensive Plan addresses such matters as the problems and needs of the planning area; the providers of service; alternatives to reduce demand or increase water supply; identifying and providing for existing and future sources of water needed to meet present and future needs; priorities and general location for additional major facilities needed to provide services; programs to mitigate drought, conserve water and otherwise manage water; and other matters related to water supply, planning and conservation. Any facility of "regional significance" associated with water supply, wastewater treatment and stormwater drainage must be recognized in the Comprehensive Plan or presented for review by the Planning Commission and possible amendment to the Comprehensive Plan by approval of the Regional Commission.

The Truckee Meadows Water Authority ("TMWA"), a joint powers authority composed of the City of Reno, the City of Sparks and Washoe County, provides water service to the cities of Reno and Sparks, and Washoe County. On December 31, 2014, TMWA merged with the Washoe County water utility and the South Truckee Meadows General Improvement District. Total services increased from approximately 94,000 to 120,000 service connections. Portions of Washoe County are served either by special districts, private companies and/or private wells. TMWA has developed a Water Facility Plan and Water Resource Plan to address the water needs of its service area through 2035.

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PART II

ATTACHMENT I

SUMMARY OF STATE OF NEVADA PENSION SYSTEMS

The information relating to the retirement systems summarized in this Attachment I is derived from a number of sources, including the respective comprehensive annual financial statements and actuarial valuations referred to herein. A number of these sources make and rely on assumptions and projections which may or may not be realized. No representation is made that such projections or assumptions will be realized. The obligation of the State to the retirement systems, in particular the Public Employees' Retirement System of Nevada ("PERS"), represent significant financial obligations of the State. No assurances are made that the past or present contribution levels applicable to the State will not change. It should be noted that references to the financial condition of PERS and the contribution requirements of its employer members, when referred to in its entirety, refers solely to PERS and not to the State. PERS is a multiple employer system, of which State employees comprise approximately 17.1% of total active employees as of June 30, 2016. The State's responsibility to make contributions is limited to its allocable share attributable to the State employee members, of which the State employees themselves contribute 50% (under the Employee/Employer Contribution Plan). Under the Employer-Pay Contribution Plan the contributions are paid on the employee's behalf by the State, with the employee's 50% share accounted for through salary reduction.

The State Legislature has created three retirement systems to provide benefits to qualified employees and to certain elected officials. The largest retirement system, the Public Employees' Retirement System of Nevada ("PERS"), was created in 1947 to provide retirement, disability and survivor benefits to eligible State employees and to eligible employees of participating local government entities in the State. A second retirement system, the Legislators' Retirement System of Nevada ("LRS"), was created in 1967 to provide pension benefits and death benefits to State legislators. The Judicial Retirement System of Nevada ("JRS") was created in 2001 to provide pension, disability and death benefits to State judges and was amended in 2005 to include judges of local jurisdictions that elect to participate in JRS. Conditions for membership, eligibility for retirement, benefits and employer and employee contributions are set forth in statutes enacted by the State Legislature, and a seven-member Public Employees' Retirement Board appointed by the Governor (the "Retirement Board") administers, and governs investments for, all three systems. Under Article 9 Section 2 of the Nevada Constitution, PERS is created as a trust fund and is prohibited from lending money to the State and from purchasing obligations of the State. Article 9 Section 2 also requires PERS to be governed by the Retirement Board and the Retirement Board to hire an independent actuary and an executive officer. The Nevada Constitution states that the Retirement Board shall adopt actuarial assumptions based upon the recommendations made by the independent actuary it employs.

The independent actuary appointed by the Retirement Board provides annual valuation reports for PERS, LRS, and JRS setting forth the contribution rates required to fund the retirement systems on an actuarial reserve basis. The Retirement Board is required to adopt tables and formulas recommended by the actuary in a valuation report prepared for each even-numbered year. For PERS, contribution rates are determined based upon actuarially-determined rates but as described below are adjusted every other year, and then only if the increases or decreases recommended by the actuary exceed the percentages set forth in Nevada statutes, as described herein in "PERS Contribution Rates." Pursuant to statute, the total contributions for LRS and JRS are also based upon the amounts determined by the actuary. Depending upon the assumptions used in calculating rates, actuarial and statutory contribution rates may differ from rates calculated for purposes of financial disclosure set by the Governmental Accounting Standards Board ("GASB"). Currently, the independent actuary for each of the three systems is Segal Consulting, San Francisco California.

All three retirement systems are defined-benefit plans in which member benefits are specified in advance and are payable from assets, including investment income, set aside in the retirement fund. Unlike a defined contribution plan, where the employer's liability is limited to making its specified contribution and the employee takes the risk that the contributions and investment income thereon will generate sufficient retirement income, in a defined benefit plan the employers take the risk that contributions and investment income will be sufficient to pay the promised benefits in the future. Employers are not liable directly for the obligations of the retirement systems, but the employers' and employees' contribution rates may increase if assets are not sufficient to pay promised benefits.

The assets and liabilities of PERS, LRS and JRS are included in the financial statements of the State as fiduciary funds. A summary description of PERS, LRS and JRS is set forth in Note 11 to the 2016 State CAFR included in this Official Statement as Appendix A to this Part II, and the State's proportionate share of PERS and JRS net pension liability is set forth in the 2016 State CAFR under the heading "Pension Plan Information." LRS is a single employer plan for which the State has 100% funding responsibility.

PERS. PERS is a defined benefit, cost-sharing, multiple-employer retirement system and is funded from contributions from members and participating employers and from investment income deposited or transferred to the Public Employees' Retirement Fund (the "PERS Retirement Fund"). The PERS Retirement Fund comprises two subfunds. The Regular subfund was established to provide retirement, disability and survivor benefits for public employees other than police officers and firefighters. The Police/Fire subfund was established to segregate accounting for retirement and survivor benefits related to members who are police officers or firefighters. Assets accounted for in one subfund, however, may be used to pay benefits accounted for in the other subfund.

PERS is governed by NRS Chapter 286 (the "Public Employees' Retirement Act"), which provides that with some exceptions all public employers must participate in PERS and that all employees must participate if the employee serves in an eligible position. As of June 30, 2016, PERS includes 105,167 active members, of whom 93,030 are Regular employees and 12,137 are Police/Fire employees; 15,639 vested inactive members; and 61,180 retirees and beneficiaries, of whom 53,484 are Regular retirees, survivors or disability recipients and 7,696 are Police/Fire retirees, survivors or disability recipients. Retirement benefits include cost-of-living increases that can range from 2% per year to 5% per year (up to 4% for employees first hired on or after January 1, 2010, up to 3% for employees first hired on or after July 1, 2015), depending upon increases in the Consumer Price Index. Employers that participate in PERS as of June 30, 2016 include the State, 21 State-related boards and agencies and 180 local governments and related districts and agencies. The Board of Regents of the University of Nevada, a component unit of the State, provides a separate retirement program for its professional staff.

Measured by the number of covered employees, the State was the second-largest PERS employer as of June 30, 2016, representing approximately 17.1% of the current active employees covered by PERS.

Benefits. Benefits, as required by the State statute, are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering PERS on or after January 1, 2010. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits. Monthly benefit allowances for members are computed at 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 and for regular 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.

Regular members are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with ten years of service, or any age with thirty years of service. Regular members entering the System on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, or age 62 with ten years of service, or age 55 with thirty years of service and at any age with thirty-three and a third years of service. Police/Fire members are eligible for retirement at age 65 with five years of service, at age 55 with ten years of service, at age 50 with twenty years of service, or at any age with twenty-five years of service. Police/Fire members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 60 with ten years of service, or age 50 with twenty years of service, or at any age with thirty years of service. Police/Fire members entering the System on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, or age 60 with ten years of service, or age 50 with twenty years of service, or at any age with thirty-three and a third years of service. Only service performed in a position as a police officer or firefighter may be counted towards eligibility for retirement as Police/Fire accredited service.

The normal ceiling limitation on monthly benefit allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both Regular and Police/Fire members become fully vested as to benefits upon completion of five years of service.

PERS Funding. PERS is funded with a combination of investment income and contributions from employees and employers. The State is one of many employer participants in PERS, and has funding responsibilities relating to State employee participants only. Upon becoming a member, most State employees and some local government employees choose either an employer-pay plan or an employee/employer-pay plan. Under the employer-pay provisions, which can be revised by the State Legislature for new employees, the employer pays the entire contribution on behalf of the employees. Contributions made by the employer on behalf of the employee are not credited to the member's account and are not refunded upon termination. Although the employer-pay plan does not require a direct employee payment, the employee does share in the cost either through a direct reduction to salary or through reductions in pay increases equivalent to one-half of the contribution rate. Under employee/employer pay provisions, each employee pays half of the required contribution on an after-tax basis (calculated as a percentage of the employee's covered salary) and the amounts contributed by the employee are credited to the employee's account and may be refunded to the employee upon termination, with the result that employee/employer contribution rates are higher than they would be if there were no guaranteed return. As of June 30, 2016, 20.4% of Regular employees and 13.8% Police/Fire employees are covered under this employee/employer pay program. See "PERS Contribution Rates" below.

The State's contribution to PERS (relating to the State's employee members) for FY 2013 through FY 2017 are set forth in the table below.

STATE CONTRIBUTIONS TO PERS
FISCAL YEARS ENDING JUNE 30

Year	***Contribution***
2013	$162,484,000
2014	174,712,000
2015	176,579,000
2016	190,528,000
2017	207,738,083

PERS Actuarial Valuations, Reports and Methods. The Public Employees' Retirement Act requires the Retirement Board to arrange for actuarial valuations every two years and, subject to certain limitations described below, requires contribution rates to be adjusted as of July 1 of every odd-numbered year, based in part upon the valuation report for the preceding even-numbered year. In practice, however, the Board requests that actuarial valuations be prepared annually for PERS and that reports reviewing PERS' actual experience be prepared every four to six years. Experience reports are used to evaluate how realistic the long-term assumptions have been and may be in the future. The most recent valuation report for PERS was prepared as of June 30, 2016 (the "2016 PERS Valuation Report"), and the most recent experience report was prepared for the valuation as of June 30, 2013. The next experience study is scheduled to be presented to the Retirement Board in October 2017. Any changes to actuarial assumptions approved by the Retirement Board as a result of the experience study are scheduled to be implemented in the valuation performed as of June 30, 2017. The 2016 PERS Valuation Report was used to determine contribution rates for the 2017-2019 biennium. The 2016 PERS Valuation Report is the most recent assessment of PERS actuarial assets and liabilities and funding status, and along with the GASB Statement No. 67 Actuarial Valuation as of June 30, 2016, was the basis for PERS audited financial statements for FY 2016. The actuarial information included in the PERS 2016 CAFR is based upon the PERS valuations as of June 30, 2016. Subsequent to the foregoing, a GASB Statement No. 68 Schedule of Employer Allocations, Schedule of Pension Amounts by Employer and Related Notes was completed. This report applies revised accounting rules intended to provide useful information, support assessments of accountability and create additional transparency for PERS participating employers. The GASB Statement No. 68 identifies the State's employer allocation percentage of

PERS liabilities with respect to total liabilities. As of June 30, 2016, the State's employer allocation percentage was 16.3% of the net pension liability of PERS.

A primary purpose of the valuation report is to determine the health of PERS and the contribution rates that will be required in the future. Valuations are based upon historical and current information provided by PERS staff and the methods and assumptions recommended by the actuary and adopted by the Retirement Board. The actuary recommended and the Retirement Board adopted the use of the Entry Age Normal Cost method as the funding method of calculating contribution rates. Under this method, the total actuarially determined contribution rates consist of (i) the "normal cost," (ii) an administrative expense allowance and (iii) the amount required to amortize PERS' UAAL over the period established by the Retirement Board for amortizing the UAAL. Normal cost is the cost of the accumulation of one year's benefit for each member or the present value of current year's future benefits. "Entry age" refers to the member's age at the time the member commenced employment. Administrative expense (currently 0.15% of covered payroll) is the assumed cost of administering PERS.

The use of appropriate assumptions is important in maintaining adequate funding. To ensure the assumptions remain appropriate, the Retirement Board conducts an experience study, through its independent actuary, at least every four to six years. In September 2013, Segal Consulting performed an experience study in order to review the economic and demographic actuarial assumptions during the six year period from July 1, 2006 through June 30, 2012. Based on trends in the data, the actuary recommended modifications to certain actuarial assumptions which the Board adopted at their September 18, 2013 meeting. These assumptions were utilized in preparing the actuarial valuations for June 30, 2013, June 30, 2014, and June 30, 2015. The next experience study is scheduled to be presented to the Retirement Board in October 2017. Any changes as result of the experience study are scheduled to be implemented with the valuation as of June 30, 2017.

The demographic assumptions that were modified in the 2013 experience study include retirement rates, percent of participants with survivor benefits, mortality, withdrawal, and disability. Economic assumptions that were modified include individual salary increases and active member payroll. The modification to salary assumptions were an increasing factor to actuarial contribution rates in the regular fund and a decreasing factor to actuarial contribution rates in the police/fire fund. Mortality table modifications were an increasing factor for actuarial contribution rates for both funds. Overall, the adjustments to the actuarial assumptions resulted in increased actuarial contribution rates in the regular fund, decreased actuarial rates in the police/fire fund, and an increase in the overall UAAL. In the experience study scheduled for October 2017, all economic and demographic assumptions will be reviewed. If the Retirement Board adopts changes to certain actuarial assumptions based on the recommendation of the independent actuary, the changes could have an overall increasing effect on the actuarially calculated contribution rates and/or the UAAL.

Actuarial Assets and Liabilities; Investment Return Assumptions and Calculations. In addition to the normal cost and administrative expense components described above, the third component of the contribution rate is the amount required to amortize the UAAL, the difference between the actuarial accrued liability (the "AAL") and the actuarial value of assets. The total AAL under the Entry Age Normal Cost Method represents the amount that would have been accumulated as of the valuation date if contributions sufficient to meet the normal costs had been made each year in the past, net of accumulated past benefit payments. The UAAL is the amount obtained by subtracting valuation assets from total actuarial accrued liability. PERS amortizes each year's change in the UAAL over a period set at the truncated average of all prior amortization layers until the average remaining period is less than 20 years (at the point the average remaining period is less than 20 years, amortization periods of 20 years will be used), adding or subtracting the current year's change to or from the previous years' amortizations, using a level-percentage-of-payroll method of amortizing the UAAL. The economic assumptions and actuarial methods used in these calculations are summarized below in Table 1A.

In calculating the actuarial value of assets, contributions for the past year are added to the actuarial value of assets at the end of the prior year; benefits and expenses are subtracted; an assumed return of 8% is added; and then a portion of market value gains and losses are added or subtracted. Actual market returns are taken into account, but to reduce rate volatility, actual market gains and losses are spread or "smoothed" over a five-year period. Such smoothing is further limited by a "corridor" so that the actuarial value for one year will not be more than 130% or less than 70% of the value in the previous year. Prior to 2009, this corridor provided that the actuarial value would not be less than 80% or more than 120% of the previous year's actuarial value.

The assumed investment rate of return on the actuarial value of PERS assets, 8% per year, is based in part upon an assumed, long-term inflation rate of 3.5% per year. Actual returns on the actuarial value of assets vary year by year, however, and also vary when compared to the return on the market value of PERS assets. The return on the actuarial value of PERS assets (on a "smoothed" basis) for FY 2016 was 7.66% and for FY 2015 was 8.36%, compared to the investment return assumption for each year of 8%. As a result, PERS experienced an investment loss on an actuarial value basis of approximately $89 million for Regular employees and $25 million for Police/Fire employees in FY 2016 as compared to an investment gain of $78 million for Regular employees and $34 million for Police/Fire employees in FY 2015. The return on the market value of PERS assets, however, was 2.3% in FY 2016 and 4.2% for FY 2015, resulting in an investment loss not yet recognized as of June 30, 2016 of $894 million ($692 million for Regular employees and $202 million for Police/Fire employees) or 2.6% of PERS' market value of assets. By comparison, the unrecognized investment gain as of June 30, 2015 was $893 million or 2.6% of the market value of assets. In the 2016 PERS Valuation Report the ratio of the actuarial value of PERS assets to the market value of PERS assets is 102.5% for Regular members and 102.6% for Police/fire members (compared to 97.41% for Regular members and 97.45% for Police/fire members at June 30,2015). For the June 30, 2012 Valuation, the Board adopted an adjustment to the asset smoothing method that combines the net deferred losses from the June 30, 2011 Valuation into a single four year smoothing layer. Those net deferred losses were recognized over the four year period starting with the 2012 Valuation in level amounts of $129 million for Regular and $25 million for Police/Fire each year. This reduced the volatility associated with the pattern of deferred losses and resulted in more stable funded ratios on an actuarial basis and more level actuarially determined contribution rates. The actuary also calculated that if 2016 deferred losses were recognized immediately instead of being smoothed over five years, PERS' actuarial funded percentage described below would decrease from 73.2% to 71.4% for Regular members and from 77.1% to 75.2% for Police/fire members and that actuarially determined contribution rates would increase.

Despite the actuarial investment loss, PERS experienced an overall experience gain in 2016 of $196 million, $181 million in the Regular fund and $15 million in the Police/Fire fund. This overall gain was a result of post-retirement benefit increases being less than assumed and individual salary increases being less than assumed.

PERS Contribution Rates. The following tables summarize the covered payroll, statutory contribution rates and actuarially determined contribution rates for PERS for 2015-2017 and for 2017-2019, and some of the primary economic assumptions and actuarial methods upon which these calculations are based. Legislation was enacted in 2009 modifying benefits for members first hired on or after January 1, 2010. Legislation was enacted in 2015 modifying benefits for members first hired on or after July 1, 2015. The level of contributions that will be required in the future will depend on a variety of other factors, including future investment portfolio performance, actuarial assumptions and additional potential changes in retirement benefits. There can be no assurances that the required annual contribution to PERS will not continue to increase, despite the statutory changes to benefits for members hired on or after January 1, 2010 and on or after July 1, 2015.

The Public Employees' Retirement Act requires an adjustment in the statutory contribution rates on July 1 of each odd-numbered year based on the actuarially determined rates indicated in the actuarial valuation report for the immediately preceding year. Rates are only adjusted upward if the new rates are more than 0.50% higher than the existing rate for employer-pay and more than 0.25% higher for employee/employer. Rates are only adjusted downward if the new rates are more than 2.00% lower than the existing rate for employer-pay (and adjusted only by the amount in excess of 2.00%) and more than 1.00% lower than the existing rate for employee/employer (and adjusted only by the amount in excess of 1.00%). Rates are rounded to the nearest 0.25% of payroll. The 2014 valuation established contribution rates for the 2015-2017 biennium and the 2016 valuation determined whether a change to the contribution rates was required for the 2017-2019 biennium in accordance with the statutory contribution rate change mechanism described above. Pursuant to the statutory contribution rate mechanism, there was no required contribution rate increase for the 2017-2019 biennium for either the Regular fund or the Police/Fire fund.

Table 1A
PERS 2016 Economic Assumptions and Actuarial Methods

Inflation	3.5% per year
Investment Return	8.0% per year, assuming inflation at 3.5% per year
Salary Increases	Assumed annual salary increases include inflation at 3.5% per year and range from 9.75% for Regular employees with less than one year of service to 4.6% for Regular employees with 13 or more years of service and from 14.5% for Police/Fire employees with less than one year of service to 5.25% for employees with 13 or more years of service. For members hired after January 1, 2010, the maximum increase in compensation that can be taken into account in calculating benefits is 10% per year (unless promoted or assignment related).
Rate Payroll	The payroll for the coming year is based on actual annualized payroll for the actives as of the valuation date and projected by the salary scale.
Payroll Growth Funding	6.5% per year for Regular employees and 7.5% for Police/Fire employees (assuming inflation at 3.5% per year). For GASB disclosure, this rate is 5% for Regular employees and for Police/Fire employees.
Post-retirement Benefit Increases	For current retirees and beneficiaries, future Post-Retirement Benefit Increases reflect actual changes in historical CPI and are assumed to follow the formulas described below. For future retirees, those hired prior to 2010 are assumed to reach the cap after 24 years of retirement. Those hired in 2010 or later are assumed to reach the cap after 39 years of retirement. Underlying all of these assumptions is that CPI will grow over time at a rate of 3.5% per year.

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 annual benefit increase is equal to 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 paragraph (a) if the benefit of a member has not been increased at a rate greater than or equal to the average of the Consumer Price Index (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:

Same as above, except the increases do not exceed 4% per year.

For members with an effective date of membership on or after July 1, 2015:

(a) 2% per year following the third anniversary of the commencement of benefits, 2.5% per year following the sixth anniversary, the lesser of 3% of the CPI for the preceding calendar year following the ninth anniversary.

Asset Valuation Method	The total of the prior year's actuarial value of assets, plus contributions, less benefit payments and expenses, an adjustment for net transfers, plus expected investment return and 20% of each of the previous five years' gain or loss due to investment return greater or less than expected, further limited to not less than 70% (80% before 2009) or greater than 130% (120% before 2009) of the market value of assets.
Actuarial Funding Method	Entry Age Normal Cost Method assuming the current benefit accrual rate had always been in effect.
Amortization of the UAAL	The UAAL is amortized over a year-by-year closed amortization period, where each amortization period for each year is set at a period of the truncated average remaining period of all prior amortization layers until the average remaining period is less than 20 years. At the point the average remaining period is less than 20 years, amortization periods of 20 years will be used. For GASB disclosure purposes, however, the UAAL is amortized over an open (non-declining) amortization period of 30 years.

Source: State of Nevada, compiled from the 2016 PERS Valuation Report.

Table 2A
PERS Contribution Rates 2015-2017 and 2017-2019

Contribution Rates (as a percentage of payroll)	**Regular Employees**	**Police/Fire Employees**
Employer-Pay Actuarial Rate [1]		
Normal Cost	16.42%	26.47%
Amortization Percentage	11.45	13.26
Administrative Expenses	0.15	0.15
Employer-Pay Total Rate [2]	28.02	39.88
Employer-Pay 2015-17 Statutory Rate [3]	28.00	40.50
Employer-Pay 2017-19 Statutory Rate [4]	28.00	40.50
Employee/Employer Pay Actuarial Rate [1]		
Normal Cost	17.53	27.66
Amortization Percentage	11.45	13.26
Administrative Expenses	0.15	0.15
Employee/Employer Total Rate[5]	29.13	41.07
Employee/Employer 2015-17 Statutory Rate[3]	29.00	41.50
Employee/Employer 2017-19 Statutory Rate[4]	29.00	41.50

(1) These actuarial rates are based upon the 2016 PERS Valuation Report as of June 30, 2016.
(2) The 2016 actuarial employer-pay contribution rate would have been 28.79% for regular employees and 40.96% for police/fire employees if the deferred investment losses had not been smoothed over five years.
(3) These statutory rates apply for July 1, 2015 through June 30, 2017.
(4) These statutory rates apply for July 1, 2017 through June 30, 2019. Statutory rates are rounded to the nearest 0.25% and are adjusted only if the increase or decrease exceeds the percentage set forth in the Public Employees' Retirement Act.
(5) One half of this rate is paid by the employee. The actuarial employee/employer pay contribution rate would have been 29.90% for regular employees and 42.15% for police/fire employees if the deferred investment losses had not been smoothed over five years.

Source: State of Nevada, compiled from the 2016 PERS Valuation Report.

Information about the actuarial value of assets, AAL, UAAL, funded ratio, annual covered payroll, UAAL as a percentage of annual covered payroll, contributions and funding for PERS as a whole, derived from PERS' comprehensive annual financial report for FY 2016 (the "2016 PERS Financial Report") and from the 2016 PERS Valuation Report, is summarized in Tables 3A and 4A. The ratio of UAAL to covered payroll is a measure of the significance of the UAAL relative to the capacity to pay it. The trend in the ratio provides information as to whether the financial strength of the pension plan is improving or deteriorating over time. The financial strength of a pension plan is generally improving if the ratio of UAAL to covered payroll is decreasing. The actuary notes in the 2016 PERS Valuation Report that using the methods, assumptions and results of the June 30, 2016 valuation, payments required to amortize the UAAL represent 11.42% of projected payroll for Regular employees and 13.26% of projected payroll for Police/fire employees and that the average length of payment of the entire UAAL will be approximately 19.8 years for Regular employees and 19.1 years for Police/fire employees.

PERS notes in the 2016 PERS Financial Report that in addition to changes in benefits and actuarial methods and assumptions, trends such as those shown in the tables below are affected by investment experience (favorable and unfavorable), salary experience, changes in demographic characteristics and employees and retirement experience, among other factors. Recent experience in overall payroll growth and active membership has impacted both the actuarial contribution rates and the UAAL. Less than expected payroll growth since 2009 has negatively affected the amount of contributions collected as the contributions are collected as a percentage of payroll. This may continue to impact contribution rates and the UAAL. PERS and the actuary note that the number of active employees increased in 2016 in the regular fund and in the Police/Fire fund. From 2007 to 2016, the ratio of active PERS Regular members to retirees decreased from 3.4 to 1.9 and that the ratio of active PERS Police/Fire members to retirees decreased from 3.0 to 1.8 during the same period. In FY 2016, the number of PERS benefit recipients (excluding survivors and beneficiaries) increased 5.3% from FY 2015.

The PERS actuary does not calculate actuarial assets and liabilities by employer for funding purposes, but the State expects the State's contribution rates to increase in the future. Measured by the number of active covered employees, the State was the second-largest PERS employer in FY 2016 representing approximately 17.1% of active PERS employees.

Table 3A
PERS Schedule of Funding Progress[(1)]
2012 to 2016
(in millions)

Actuarial Valuation Date June 30	Actuarial Value of Assets (AVA)	Market Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Ratio of AVA to AAL	Annual Covered Payroll	UAAL as a % of Annual Covered Payroll
2012	27,399.0	25,899.8	38,604.9	11,205.9	71.0	5,087.8	220.3
2013	29,108.5	28,834.7	41,984.5	12,875.9	69.3	5,100.2	252.5
2014	31,465.6	33,575.1	43,997.1	12,531.5	71.5	5,113.5	245.1
2015	33,717.9	34,610.7	46,070.1	12,352.2	73.2	5,227.2	236.3
2016	35,896.2	35,002.0	48,459.2	12,562.9	74.1	5,346.3	235.0

(1) Table reflects the entire PERS, of which the State is a participant.

Source: State of Nevada, compiled from the 2016 PERS Financial Report and 2016 PERS Valuation Report.

Table 4A is derived from the Schedule of Employer Contributions included in the 2016 PERS Financial Report. Due to the implementation of GASB Statement No. 67 in fiscal year 2014, the Schedule of Employer Contributions includes different information from previous schedules of the same name. The current Schedule of Employer Contributions was first developed in 2014 and includes information for prior years. The schedule no longer includes the concept of the annual required contribution but rather includes the actuarially determined contribution and contributions in relation to the actuarially required contributions.

The contributions in relation to the actuarially determined contributions can be greater or less than the actuarially determined contributions due to the fact that the actuarially determined contributions are set annually pursuant to the annual actuarial valuation, and as described above the contribution rates (stated as a percentage of payroll) are set biennially. In addition, actual salary increases and payroll growth has been less than the actuarial assumed rates. Since actual contributions are based on payroll, lower than expected growth in salary increases and payroll growth will contribute to actual contributions being lower than the actuarially required contribution. Table 4A reflects all PERS, of which the State is a participant.

Table 4A
PERS Schedule of Employer Contributions
2012 to 2016
(in millions)

Year Ended June 30	Actuarially Determined Contribution	Contribution in Relation to the Actuarially Determined Contributions[1]	Contribution Deficiency (Excess)	Covered Employee Payroll[2]	Contributions as a Percentage of Covered Employee Payroll
2012	1,425.8	1,332.3	93.5	5,817.6	22.90
2013	1,370.0	1,310.1	59.9	5,574.6	23.50
2014	1,508.8	1,405.0	103.8	5,715.3	24.58
2015	1,499.8	1,436.7	63.1	5,753.1	24.97
2016	1,636.0	1,569.7	66.3	5,921.6	26.51

(1) Includes employer contributions towards administrative expenses.
(2) Measurement as of beginning of year.

Source: 2016 PERS Financial Report.

All contributions shown in Table 4A reflect employer-paid contributions only. Member contributions are excluded. Actuarially Determined Contributions in Table 4A are based on actuarially determined contribution rates (employer portion only) from most recent rate-setting year prior to year shown, applied to covered payroll for year shown.

Pursuant to GASB Statement No. 67, the System provided information on the Net Pension Liability in the 2016 PERS Financial Report. The components of the Net Pension Liability at June 30, 2016 were as follows:

Total Pension Liability	$48,459,161,570
Plan Fiduciary Net Position	(35,002,028,906)
Net Pension Liability	$13,457,132,664
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	72.2%

The discount rate used to measure the Total Pension Liability was 8.0% as of June 30, 2016. The projection of cash flows used to determine the discount rate assume 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, 2016.

The 2016 PERS Financial Report also contains the sensitivity of the net pension liability to changes in the discount rate pursuant to GASB Statement No. 67. The following presents the Net Pension Liability using the discount rate of 8.0%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1% lower (7.0%) or 1% higher (9.0%) than the current rate.

1% Decrease (7.0%)	Current Discount Rate (8.0%)	1% Increase (9.0%)
$19,725,527,478	$13,457,132,664	$8,241,905,366

LRS. All State Legislators, unless they have elected not to participate, are members of LRS, which is a defined benefit, single-employer public employees' retirement system administered by the same Retirement Board that administers PERS. LRS was established by the State Legislature in 1967. The State (in this case, the State Legislature) is the only LRS employer and is required to make all of the statutorily required employer contributions. LRS benefits are established by the Legislators Retirement Law (the "LRS Act"), which provides expressly that the Retirement Board may not change the actuarial assumptions used in computing the benefits provided to a member of LRS and that the employer contributions will be the amounts actuarially determined to be sufficient to fund LRS. The 2016 State CAFR, in Note 11, under the heading "Financial Section – Required Supplementary Information – Pension Plan Information" and under the heading "Financial Section – Fiduciary Funds," includes a description of the actuarial methods and significant assumptions used in actuarial valuations of LRS, the changes in the net pension liability and the State's contribution to LRS. The most recent valuation report for LRS (the "2016 LRS Valuation Report") is the Valuation and Review dated June 30, 2016.

As of July 1, 2016, LRS had 31 active legislators, 14 inactive members entitled to future benefits, 77 retirees and beneficiaries and 25 inactive non-vested members. LRS had a total net position (at market value) of $4,474,063 as of June 30, 2016 (compared to $4,734,814 as of June 30,2015), and as of June 30, 2016, the actuarial value of LRS assets was $4,548,312 (compared to $4,505,001 as of June 30,2015) and reflected in Appendix A to this Part II. LRS actuarial value of assets as of June 30, 2016 was 102% of market value. As of June 30, 2016, LRS was 87.4% funded on an actuarial basis compared to 83.5% funded as of July 1,2015. The unfunded actuarial accrued liability was $658,476 as of June 30, 2016 as compared to $888,951 as of July 1,2015. The State's annual contribution to LRS was $ 155,855 in FY 2016. The annual contribution calculated as of June 30, 2016 for the 2017-2019 biennium required to meet the normal cost of LRS and to amortize LRS' UAAL over 20 years from July 1, 2016 is $104,834. Legislation was enacted in 2015 modifying benefits for members with an effective date of membership on or after July 1, 2015.

For the year ended June 30, 2014, the Retirement Board adopted Governmental Accounting Standards Board (GASB) Statement No. 67, Financial Reporting for Pension Plans, an amendment of GASB Statement No. 25. This GASB replaces the requirement of GASB 25 and 50 as they relate to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria.

Prior to these new standards, the accounting and reporting requirements of the pension related liabilities followed a long-term funding policy perspective. The new standards separate the accounting and reporting requirements from the funding decisions and require the unfunded portion of the pension liability to be apportioned among the participating employers. These standards apply for financial reporting purposes only and do not apply to contribution amounts for pension funding purposes.

With the implementation of GASB Statement No. 67, the LRS reported the Net Pension Liability, Total Pension Liability, and Fiduciary Net Position beginning with the fiscal year ended June 30, 2014. The components of the Net Pension Liability of the LRS at June 30, 2016, were as follows:

Total pension liability	$ 5,186,911
Plan fiduciary net position	(4,474,063)
Net pension liability	$ 712,848
Plan fiduciary net position as a percentage of the total pension liability	86.3%

JRS. JRS was created in 2001 for State judges elected or appointed after November 2002 and for those who were elected or appointed earlier and chose to withdraw from PERS. In 2005, JRS was amended to allow justices of the peace and municipal judges to participate if their jurisdiction opts to allow participation. JRS is an agent multiple-employer, defined benefit pension system that provides retirement, disability and death benefits. For all members with an effective date of membership prior to July 1, 2015, the JRS is an employer-paid plan, and active members are not required to make contributions. Legislation was enacted in 2015 modifying benefits for members first hired on or after July 1, 2015, including requiring those members to pay a portion of the contribution rate through payroll deduction.

As of June 30, 2016, the date as of the most recent annual valuation report (the "2016 JRS Valuation Report"), the State and 11 local jurisdictions participate in JRS. As of June 30, 2016, JRS has 107 active members (of whom 87 are State judges), two vested, inactive members (one of whom is attributed to the State), 52 retirees (of whom 43 are State judges) and 18 beneficiaries (of whom 14 are attributed to the State).

Like PERS and LRS, JRS is administered by the Retirement Board, and JRS assets are invested identically with the assets of the LRS. Unlike PERS, however, the UAAL and UAAL amortization periods for State judges are calculated differently than for non-State judges, and the actuary calculates State and non-State employer contributions separately. In general, the State portion of JRS expected payroll as of June 30, 2016 (approximately $20.2 million) is 86.5% (approximately $17.4 million).

As of June 30, 2016, JRS as a whole had market value of assets of $102,902,339, an actuarial value of $106,099,854, an accrued actuarial liability of $123,275,172 and a UAAL of $17,175,318. The return on market value of assets for FY 2016 was 1.55% and the return on the actuarial value of assets as of June 30, 2016 was 7.73%, as compared to the actuarially assumed return of 8%. Taking into account market gains and losses from earlier years, the JRS Fund as a whole experienced an investment loss on an actuarial value basis of approximately $0.3 million in FY 2016. Taking into account smoothing over a 5-year period, the total net investment loss not yet recognized as of June 30, 2016 is approximately $3.2 million. The ratio of actuarial value of assets to the market value of assets is 103% as of June 30,2016. The actuary noted in the 2016 JRS Valuation Report that if the deferred losses were recognized immediately in the actuarial value of JRS assets, the JRS funded percentage as a whole at June 30, 2016 would decrease from 86.1% to 83.5% and that the contribution requirement for the State alone would increase from 29.49% of State covered payroll to 30.46% of the State covered payroll.

As of June 30, 2016, the State portion of JRS had a total net position at market value assets of $82,338,804, an actuarial value of $84,897,342, an accrued actuarial liability of $104,313,658 and a UAAL of $19,416,316. Annual payments required to fund the State's normal costs and administrative expenses (approximately $3.5 million or 20.31% of covered payroll) and to amortize the State portion of the UAAL (approximately $1.6 million or 9.18% of covered payroll) are calculated to be a total of $5.1 million or 29.49% of the State's 2016 expected JRS payroll of approximately $17.4 million.

The State's contribution to JRS was $5,606,000 in FY 2013, $5,444,000 in FY 2014, $5,535,000 in FY 2015, $5,227,000 in FY 2016 and $5,261,970 in FY 2017. See the 2016 State CAFR, Note 11, Required Supplementary Information – Pension Plan Information and Fiduciary Funds Combining Statements for additional information on JRS, including a description of the actuarial methods and significant assumptions used in the June 30, 2016 actuarial valuation of JRS, the net pension liability and the State's contributions as of June 30, 2017.

For the year ended June 30, 2014, the Retirement Board adopted Governmental Accounting Standards Board (GASB) Statement No. 67, Financial Reporting for Pension Plans, an amendment of GASB Statement No. 25. This GASB replaces the requirement of GASB Statement No. 25 and 50 as they relate to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria.

Prior to these new standards, the accounting and reporting requirements of the pension related liabilities followed a long-term funding policy perspective. The new standards separate the accounting and reporting requirements from the funding decisions and require the unfunded portion of the pension liability to be apportioned among the participating employers. These standards apply for financial reporting purposes only and do not apply to contribution amounts for pension funding purposes.

With the implementation of GASB Statement No. 67, the JRS reported the Net Pension Liability, Total Pension Liability, and Fiduciary Net Position beginning with the fiscal year ended June 30, 2014. The components of the Net Pension Liability of the JRS at June 30, 2016, were as follows:

Total pension liability	$ 123,753,035
Plan fiduciary net position	(101,101,940)
Net pension liability	$ 22,651,095
Plan fiduciary net position as a percentage of the total pension liability	81.7%

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PART II

ATTACHMENT II

SUMMARY OF STATE OF NEVADA PUBLIC EMPLOYEES' BENEFITS PROGRAM

General. The State of Nevada's group health insurance program was created in 1963. In 1983, the State Legislature established a group health plan to provide certain benefits (described below) to plan participants and established the Self Insurance Trust Fund to pay for such benefits. In 1999, the group health plan was renamed the State of Nevada Public Employees' Benefits Program ("PEBP"). The Public Employees' Benefits Program Board (the "PEBP Board") is composed of ten members, including the Director of the Governor's Finance Office (or his designee) and nine members appointed by the Governor and administers PEBP.

Benefits and Eligibility. PEBP administers a variety of multiple-employer, cost-sharing defined benefit programs providing benefits other than pensions to employees and retirees of participating State agencies and participating local government agencies. PEBP offers medical, dental, vision, mental health and substance abuse benefits through (i) a self-insured consumer driven preferred provider organization high deductible health plan ("CDHP Plan"), for which PEBP assumes all risk and responsibility for paying the claims by participants in the CDHP Plan, (ii) Health Maintenance Organizations ("HMO Plans") that are fully insured by outside insurance carriers and for which PEBP is responsible for paying the insurance premiums, and (iii) for retirees and dependents who are eligible for Medicare Parts A and B, an Individual Market Medicare Exchange ("Exchange") that offers medical, vision and dental products that are fully insured by outside insurance carriers, paid for by the insured and partially subsidized by PEBP. Approximately 53% of PEBP participants participate in the CDHP Plan, 20% participate in one of the HMOs and 27% participate in the Exchange. PEBP also offers long-term disability and life insurance benefits fully insured by outside carriers. Nevada statutes provide that no officer, employee or retiree of the State has any inherent right to the benefits provided by PEBP, and coverage and benefits are subject to change. For example, to address state-wide budget concerns, the 2009 and 2011 Legislatures made several changes to retirement and health benefits for public employees and retirees to satisfy subsidy targets. See "—Contributions" below.

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Every State officer and employee, certain professional employees of the Nevada System of Higher Education, every member of the State Legislature and the officers and employees of local governmental agencies contracting with PEBP to provide such benefits to its employees and officers (a "participating local government agency") are eligible to participate in PEBP. State and participating local government agency retirees, as well as their eligible dependents and survivors, are eligible to enroll in PEBP upon their retirement, subject to the satisfaction certain eligibility requirements set forth in the Nevada statutes. Certain retirees from non-participating local government agencies, as well as their eligible dependents and survivors, are eligible to continue participation in the PEBP as long as they enrolled prior to November 1, 2008 and have been continuously covered by the PEBP since that date. As of June 30, 2017, the State, the Nevada System of Higher Education and 121 local government agencies are billed for retiree subsidies. Primary insured ("Participant") enrollment as of July 1, 2017 is shown in Table 2A below. The figures below do not include approximately 26,961 dependent spouses, domestic partners and children.

Table 2A

	PPO	HMO	Exchange	Total
State				
Employees	18,539	7,089	0	25,628
Retirees-NonMedicare	2,544	795	0	3,339
Retirees-Medicare	593	113	6,544	7,250
Total Retirees	3,137	908	6,544	10,5889
Total	21,676	7,997	6,544	36,217
Local Government				
Employees	5	4	0	9
Retirees-Non Medicare	715	505	0	1,220
Retirees-Medicare	222	161	5,197	5,580
Total Retirees	9,37	666	5,197	6,800
Total	942	670	5,197	6,809
Total				
Employees	18,544	7,093	0	25,637
Retirees-Non Medicare	3,259	1,300	0	4,559
Retirees-Medicare	815	274	11,741	12,830
Total Retirees	4,074	1,574	11,741	17,389
Total	22,618	8,667	11,741	43,026

Contributions. PEBP is funded through a combination of contributions from employers, employees and retirees. The Nevada statutes require the PEBP Board to determine for each plan year the rates and coverage for plan participants based on actuarial reports. The PEBP Board establishes claims liability 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. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability and damages awards, the process used in computing claims and liabilities does not necessarily result in an exact amount. Upon consultation with an actuary, claims liabilities are computed 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 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 incurred.

Each participating State agency is required to pay to PEBP for every participating active employee an amount determined by the State Legislature (currently a dollar amount per month per active employee) to pay costs of contributions for the PPO Plan or premiums for the HMO Plans. The State subsidy from participating State agencies is deposited into the Active Employees' Group Insurance Subsidy Account in the Agency Fund for the Payroll of the State ("Payroll Fund"). The PEBP Board determines the allocation of the State subsidy to the required contribution or premium based on the coverage plan and dependent tier selected by each State employee.

The State subsidy amount determined by the PEBP Board is transferred from the Payroll Fund to the Self Insurance Trust Fund monthly. The State employee is responsible for paying to PEBP the difference between the required contribution or premium and the amount subsidized by the State, as determined by the PEBP Board through deductions in their compensation. Members of the State Legislature are required to pay the entire premium or contribution. All contributions and premiums are deposited into the Self Insurance Trust Fund.

The State subsidizes a portion of the costs of PEBP contributions or premiums for eligible State retirees who are covered under the CDHP or HMO plans. For Medicare eligible retirees covered through the Exchange, the State provides a reduced monthly dollar amount in a Health Reimbursement Arrangement that the retiree may use to receive reimbursement for premiums or other qualified medical expenses. As with the subsidy for active employees, the amount contributed by the State to fund a portion of the PEBP contributions, premiums or qualified medical expenses for each person who retired with State service and continues to participate in PEBP is determined by the State Legislature. The State subsidy is funded through an assessment, which is deposited into the State Retirees' Health and Welfare Benefits Fund ("Retirees' Fund"), in an amount equal to a percentage of actual payroll paid by each State entity and is based on the amount established by the State Legislature. Retirees who are covered under the PPO or HMO plans are responsible for paying to PEBP the difference between the required contribution or premium and the amount subsidized by the State, as determined by the PEBP Board. Retirees covered through the Exchange are responsible for paying their monthly premiums and other qualified medical expenses to the insurance organization under which they are covered or their provider, as appropriate, and must then submit claims for reimbursement from PEBP.

For FY 2014, 2015 2016 and 2017, the State and its component units contributed $239,789,209, $223,800,759, $246,994,433 and 254,013,359 respectively, to PEBP for employee and retiree benefits. The expected contribution for FY 2018 is $276,813,320. The level of future required contributions depends on a variety of other factors, including actuarial assumptions, additional potential changes in benefits, and, for retiree benefit contributions, the future portfolio performance of investments in the Retirees' Fund, if any. There can be no assurances that the required annual contribution to PEBP will not continue to increase.

Self Insurance Trust Fund. Nevada statutes require that all amounts received by PEBP for the payment of contributions for the PPO Plan or premiums for the HMO plans, including employer subsidies and participant contributions, be deposited with the State Treasurer for credit to the Self Insurance Trust Fund. Amounts are held in the Self Insurance Trust Fund until applied to pay approved claims or premiums for the HMO Plans on a "pay-as-you-go" basis or to pay other administrative and contract costs. There is no stop loss or excess liability insurance. As of June 30, 2016, the Self Insurance Trust Fund had an actuarially determined fully funded incurred but not reported claims reserve of $32,440,000 a fully funded reserve for Health Reimbursement Arrangement contributions made by PEBP but not spent by participants of $30,574,304, and net assets of $73,798,736 which includes a $25,600,000 catastrophic reserve actuarially determined to provide a 95% probability that the PEBP will maintain long-term solvency and approximately $53,483,184 in excess reserves. See the Audited Annual Financial Statements of the Self Insurance Trust Fund at www.pebp.state.nv.us/fiscalutilization.htm for more information about the Self Insurance Trust Fund as of June 30, 2016.

Retiree's Fund. The State Legislature established the Retirees' Fund in 2007 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 eligible State retirees and their dependents through the payment of the State retiree subsidies. The Retirees' Fund is administered by the PEBP Board. Nevada statutes require that all money appropriated by the State Legislature to the Retirees' Fund, all amounts derived from the State assessment, all money accruing to the Retirees' Fund from all other sources and any other money provided to PEBP for the payment of health and welfare benefits for current and future State retirees be deposited in the Retirees' Fund. Such amounts remain in the Retirees' Fund until they are transferred to the Self Insurance Trust Fund as required for the purpose of offsetting a portion of the costs of providing health and welfare benefits for State retirees or to pay other authorized costs. The money in the Retirees' Fund belongs to the officers, employees and retirees of the State in aggregate. Neither the State nor the governing body of any local governmental agency of the State, nor any single officer, employee or retiree of any such entity has any right to the money the in the Retirees' Fund. See the Audited Annual Financial Statements of the State Retirees' Health and Welfare Benefits Fund at www.pebp.state.nv.us/fiscalutilization.htm for more information about the Retirees' Fund as of June 30, 2015.

For FY 2014, 2015, 2016, and 2017 the State and its component units contributed to the Retirees' Fund $33,571,881, $37,758,981, $32,213,079, and 38,026,744 respectively. For FY 2014 2015, 2016, and 2017 $35,867,060, $34,362,539, $35,931,986, and $38,048,680 were transferred to the Self Insurance Trust Fund to fund health and welfare benefits for current State retirees for such fiscal years.

For FY 2008 and 2009, the Retirees' Fund invested $19,672,376 and $6,426,399, respectively, in the Retirees' Benefits Investment Fund to prefund such benefits. Due to state-wide revenue shortfalls, Assembly Bill 3 of the 26th (2010) Special Session of the State Legislature directed State agencies to reduce their contributions for retiree health insurance by $24.7 million for the year ending June 30, 2011. The reduced contributions required that PEBP withdraw $24.7 million from the Retirees' Benefits Investment Fund to cover retiree subsidies. As of June 30, 2016, the Retirees' Fund had total assets of $6,899,042, of which $1,316,665.31 were held by the Retirees' Benefits Investment Fund administered by the Public Employees' Retirement System and $3,204,523 were held by the State's General Portfolio administered by the Nevada State Treasurer. As of June 30, 2016, after deducting $5,567,132 in liabilities, the Retirees' Fund had net assets of $1,331,910. The State does not currently have any plans to contribute any additional amounts to the Retirees' Fund to prefund benefits.

GASB 43 and GASB 45. Compliance with GASB 43 and GASB 45 requires that the State report its other post-employment benefit ("OPEB") liability and its annual required contribution, effective July 1, 2007. Like the pension liability, the OPEB liability calculated in accordance with GAAP can differ from the actuarial accrued liability. However, unlike the pension liability for which the State is putting money aside, the State pays the OPEB liability on a pay-as-you-go basis and is not prefunding the OPEB liability, other than the amounts set aside in the Retirees' Fund. In November 2016, AON Hewitt Consulting (the "Actuary") released its Nevada Public Employees' Benefits Program's Retiree Health and Life Insurance Plans Actuarial Report for GASB OPEB Valuation – Final for the year ending June 30, 2016 (the "2016 Valuation"). The 2016 Valuation considered the medical, prescription drug, dental and life insurance coverage provided by PEBP.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and trends in healthcare costs. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. In preparing the 2016 Valuation, the Actuary made certain assumptions, including current claim cost, projected increases in health insurance costs, mortality, turnover, retirement, disability and discount rate. For more information, see the Actuarial Report for Other Post-Employment Benefits at www.pebp.state.nv.us/fiscalutilization.htm.

The State is required to report the present value of the benefits of the Plan, as determined in accordance with GAAP. The present value of all benefits is the total present value of all expected future benefits (defined as paid claims and expenses from the Plan, net of retiree contributions) for retirees (both currently retired and active employees), based upon certain actuarial assumptions. As of June 30, 2016, the present value of the benefits of the Plan was $2,062,594,000 according to the 2016 Valuation. Of this amount, 62% was allocable to currently active employees (future retirees).

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Table 2B below sets forth the present value of the State's benefits, actuarial accrued liability, annual required contribution and annual OPEB cost, as determined in accordance with GAAP, for the three fiscal years ended June 30, 2016.

Table 2B

GASB 43 and GASB 45 Statistics

	June 30, 2014	**June 30, 2015**	**June 30, 2016**
Present Value of Benefits	$2,025,895,000	$2,196,933,000	$ 2,062,594,000
Actuarial Accrued Liability (AAL)	$1,271,752,000	$1,428,645,000	$ 1,446,629,000
Annual Required Contribution (ARC)	$ 140,846,000	$ 157,588,000	$ 142,683,000
Annual OPEB Cost	$ 127,019,000	$ 142,446,000	$ 126,090,000

Source: State of Nevada, compiled from Nevada Public Employees' Benefits Program's Retiree Health and Life Insurance Plans Actuarial Report for GASB OPEB Valuation – Final, for FY 2014 (the "2014 Valuation") and the 2016 Valuation. These reports can be found under the Actuarial Report for Other Post-Employment Benefits at www.pebp.state.nv.us/fiscalutilization.htm.

The actuarial accrued liability (the "AAL") is the State's liability or obligation for benefits earned through the valuation date, based on certain actuarial methods and assumptions. The annual required contribution (the "ARC") is the amount actuarially determined in accordance with GASB 43 and represents the level of funding that, if paid on an on-going basis, is projected to cover "normal costs" for each year and amortize any unfunded accrued actuarial liabilities (the "UAAL") over a period of 30 years. The UAAL is the difference between the AAL and the actuarial value of the Plan assets. The "normal cost" is the value of the benefits expected to be earned during the year, based on certain actuarial methods and assumptions.

The Table 2C below sets forth the schedule of funding progress as of the last three valuation dates. As described above, actions by the State Legislature resulted in a decrease in the amount of money invested for pre-funding the State's OPEB liability from over $25 million in Fiscal Year 2010 to $1,316,665 as of June 30, 2016. The State does not currently have any plans to contribute any additional amounts to the Retirees' Fund to prefund benefits.

Table 2C
OPEB Funding Progress
(In Thousands)

Actuarial Valuation Date	**Actuarial Value of Assets**	**Actuarial Accrued Liability (AAL)**	**Unfunded Actuarial Accrued Liability (UAAL)**	**Funded Ratio (Value of Assets/AAL)**	**Covered Payroll**	**UAAL as a Percentage of Covered Payroll**
7/1/2012	$ 1,278	$ 1,182,766	$ 1,181,488	0.1%	$1,414,681	83.5%
7/1/2013	$ 1,061	$ 1,271,752	$ 1,270,691	0.1%	$1,374,462	92.5%
7/1/2015	$ 1,296	$ 1,446,629	$ 1,445,333	0.1%	$1,308,322	110.5%

Source: State of Nevada, compiled from Nevada Public Employees' Benefits Program's Retiree Health and Life Insurance Plans Actuarial Report for GASB OPEB Valuation – Final, for FY 2016.

PEBP uses a number of economic and demographic assumptions in establishing contribution rates. Those assumptions that are generally applicable (not employee or claim-specific) are similar to those used by PERS. PERS has recently had an actuarial experience study done which, among other things, recommended that certain assumptions be modified. PEBP intends to follow those recommendations with respect to those categories of assumptions that are generally applicable.

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PART II

APPENDIX A

STATE OF NEVADA COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FY 2016 (EXCLUDING THE INTRODUCTORY SECTION AND STATISTICAL SECTION)

[Note: Page numbers in Appendix A correspond to the actual page numbers in the Comprehensive Annual Financial Report.]

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FINANCIAL SECTION

CPAs & BUSINESS ADVISORS

Independent Auditor's Report

The Honorable Ronald Knecht, MS, JD & PE
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, 2016, 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 Housing Division, which is a major fund and 32.33 percent of the assets and deferred outflows of resources, 16.85 percent of net position, and 4.10 percent of the revenues of the business-type activities;
- the financial statements of the Nevada System of Higher Education and the Colorado River Commission, both of which are discretely presented component units and represent more than 99 percent of assets and deferred outflows of resources, net position, and 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 3.99 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 63.70 percent of the assets and deferred outflows of resources, 65.05 percent of the net position and 28.13 percent of the revenues of the aggregate remaining fund information;

- the financial statements of the Nevada College Savings Plan – Private Purpose Trust Fund, which represent 30.87 percent of the assets and deferred outflows of resources, 31.98 percent of the net position and 47.54 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;

- the financial statements of the Division of Museums and History Dedicated Trust Fund, which represent less than one percent of the assets and deferred outflows of resources, fund balance 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 Division of Museums and History Dedicated Trust Fund, 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.

Opinions

In our opinion, based on our audit and the reports of other auditors, 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, 2016, 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.

Correction of Errors
As discussed in Note 18 to the financial statements, the State of Nevada converted from the straight line method of amortizing bond premiums and discounts to the interest method. The change to the interest method resulted in a restatement of net position as of July 1, 2015. In addition, as discussed in Note 18 to the financial statements, the State of Nevada corrected a prior year allocation of an investment loss in the Highway Fund, which resulted in a restatement of net position as of July 1, 2015 in the Highway Fund and the General Fund. 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 6 through 16, the budgetary comparison information, the notes to required supplementary information-budgetary reporting, the schedule of funding progress, the schedule of infrastructure condition and maintenance data, and the pension plan information collectively presented on pages 90 through 96 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 (including the transmittal letter and the Controller's analysis and economic outlook) 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 December 21, 2016, 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 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 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.

Eide Bailly LLP

Reno, Nevada
December 21, 2016

Management's Discussion and Analysis

State of Nevada management provides this discussion and analysis of the State of Nevada's Comprehensive Annual Financial Report (CAFR) 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, 2016. 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 $6.0 billion (reported as *net position*). Of this amount, $5.6 billion is net investment in capital assets and $2.3 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 no funds are available for discretionary purposes.
- The State's total net position increased by $1.5 billion or 34.5% over the prior year. Net position of governmental activities increased by $1.1 billion or 30.4%. Net position of business-type activities increased by $410.9 million or 54.4%.

Fund-level:

- The State's governmental funds reported combined ending fund balances of $1,864.2 million, an increase of $301.2 million from the prior year. Of the ending fund balance, $477.3 million is nonspendable, $815.0 million is restricted, $698.3 million is committed and a negative $126.4 million is unassigned.
- The State's enterprise funds reported combined ending net position of $1,166.3 million, an increase of $410.5 million from the prior year. Of the ending net position, $4.3 million is net investment in capital assets, $1,153.0 million is restricted, and $9.0 million is unrestricted.

Capital Assets and Long-term Debt:

- The State's capital assets, net of depreciation, increased by $667.4 million or 10.7%.
- The State's total bonds payable and certificates of participation payable decreased by $323.9 million or 9.3%.

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 Comprehensive Annual 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 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, 2016 and 2015 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
	2016	2015*	2016	2015*	2016	2015*	2016-2015
Assets							
Current and other assets	$ 4,123,954	$ 3,637,061	$ 2,379,222	$ 2,163,799	$ 6,503,176	$ 5,800,860	$ 702,316
Net capital assets	6,867,876	6,200,840	12,851	12,517	6,880,727	6,213,357	667,370
Total assets	10,991,830	9,837,901	2,392,073	2,176,316	13,383,903	12,014,217	1,369,686
Total deferred outflows of resources	281,360	244,857	4,832	4,562	286,192	249,419	36,773
Liabilities							
Current liabilities	1,729,053	1,612,110	66,378	69,068	1,795,431	1,681,178	114,253
Long-term liabilities	4,384,984	4,327,379	1,157,624	1,358,862	5,542,608	5,686,241	(143,633)
Total liabilities	6,114,037	5,939,489	1,224,002	1,427,930	7,338,039	7,367,419	(29,380)
Total deferred inflows of resources	354,233	495,015	6,672	9,041	360,905	504,056	(143,151)
Net Position							
Net investment in capital assets	5,588,027	4,895,213	4,310	3,791	5,592,337	4,899,004	693,333
Restricted	1,105,037	976,650	1,153,048	761,710	2,258,085	1,738,360	519,725
Unrestricted (deficit)	(1,888,144)	(2,223,609)	8,873	(21,594)	(1,879,271)	(2,245,203)	365,932
Total net position	$ 4,804,920	$ 3,648,254	$ 1,166,231	$ 743,907	$ 5,971,151	$ 4,392,161	$ 1,578,990

* The 2015 amounts have not been restated for the change in the method used to amortize bond discounts and premiums; the 2015 restricted and unrestricted net position of business-type activities has been revised to properly reflect the Unemployment Compensation Fund net position as restricted.

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 $6.0 billion at the end of 2016, compared with $4.4 billion at the end of the previous year.

The largest portion of the State's net position ($5.6 billion or 93.7%) 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 ($2.3 billion or 37.8%) 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 or (31.5%) as compared to a $2.2 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 $335.5 million; from a deficit of $2.2 billion to a total deficit of $1.9 billion. Changes in governmental activities were a result of several factors, including an increase in the unrestricted fund balance of the General Fund of $174.9 million and an increase of $16.7 million in deferred inflows of resources for unrestricted and unavailable revenue recognized as revenue in the government-wide statement of net activities. Of the $16.7 million increase in deferred inflows of resources for unrestricted and unavailable revenue, approximately $17.7 million is from rebates for health services and a decrease of $.9 million in unrestricted tax revenue. In business-type activities the unrestricted net position increased by $30.5 million from a deficit of $21.6 million to a net position of $8.9 million. The increase is primarily due to an increase in the unrestricted net position of the Housing Division fund in the amount of $9.7 million and an increase in unrestricted net position of the Workers Compensation fund of $21.4 million.

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

	Governmental Activities		Business-type Activities		Total		Total Change
	2016	2015*	2016	2015*	2016	2015*	2016-2015
Revenues							
Program revenues							
Charges for services	$ 885,646	$ 828,977	$ 120,146	$ 111,885	$ 1,005,792	$ 940,862	$ 64,930
Operating grants and contributions	4,791,688	4,337,546	58,795	75,716	4,850,483	4,413,262	437,221
Capital grants and contributions	12,503	10,385	-	-	12,503	10,385	2,118
General revenues							
Sales and use taxes	1,219,151	1,160,968	-	-	1,219,151	1,160,968	58,183
Gaming taxes	910,684	906,382	-	-	910,684	906,382	4,302
Modified business taxes	562,867	413,749	-	-	562,867	413,749	149,118
Insurance premium taxes	301,368	301,226	-	-	301,368	301,226	142
Lodging taxes	167,159	150,480			167,159	150,480	16,679
Cigarette taxes	153,033	92,774			153,033	92,774	60,259
Commerce taxes	143,508	-			143,508	-	143,508
Property and transfer taxes	238,192	219,189	-	-	238,192	219,189	19,003
Motor and special fuel taxes	289,909	277,305	-	-	289,909	277,305	12,604
Other taxes	582,331	590,704	566,551	555,187	1,148,882	1,145,891	2,991
Investment earnings	10,352	14,780	-	-	10,352	14,780	(4,428)
Other	267,350	231,043	-	-	267,350	231,043	36,307
Total Revenues	10,535,741	9,535,508	745,492	742,788	11,281,233	10,278,296	1,002,937
Expenses							
General government	206,620	280,465	-	-	206,620	280,465	(73,845)
Health services	3,509,058	3,346,745	-	-	3,509,058	3,346,745	162,313
Social services	1,601,995	1,540,385	-	-	1,601,995	1,540,385	61,610
Education - K-12 state support	1,460,123	1,474,155	-	-	1,460,123	1,474,155	(14,032)
Education - K-12 administrative	524,397	418,364	-	-	524,397	418,364	106,033
Education - higher education	577,683	490,407	-	-	577,683	490,407	87,276
Law, justice and public safety	709,920	695,023	-	-	709,920	695,023	14,897
Regulation of business	299,093	259,106	-	-	299,093	259,106	39,987
Transportation	180,224	462,386	-	-	180,224	462,386	(282,162)
Recreation and resource development	144,940	145,000	-	-	144,940	145,000	(60)
Interest on long-term debt	79,527	94,987	-	-	79,527	94,987	(15,460)
Unallocated depreciation	2,680	2,137	-	-	2,680	2,137	543
Unemployment insurance	-	-	342,279	380,166	342,279	380,166	(37,887)
Housing	-	-	27,099	23,442	27,099	23,442	3,657
Water loans	-	-	4,962	6,372	4,962	6,372	(1,410)
Workers' compensation and safety	-	-	31,024	27,644	31,024	27,644	3,380
Higher education tuition	-	-	25,108	25,768	25,108	25,768	(660)
Other	-	-	31,471	30,263	31,471	30,263	1,208
Total Expenses	9,296,260	9,209,160	461,943	493,655	9,758,203	9,702,815	55,388
Change in net position before contributions to permanent funds, special items and transfers	1,239,481	326,348	283,549	249,133	1,523,030	575,481	947,549
Contributions to permanent fund	7,480	9,038	-	-	7,480	9,038	(1,558)
Special item - Settlement	-	-		5,000	-	5,000	(5,000)
Transfers	(127,364)	(147,100)	127,364	147,100	-	-	-
Change in net position	1,119,597	188,286	410,913	401,233	1,530,510	589,519	940,991
Net position - beginning of year	3,648,254	5,414,465	743,907	379,253	4,392,161	5,793,718	(1,401,557)
Adjustment to beginning net position	37,069	(1,954,497)	11,411	(36,579)	48,480	(1,991,076)	2,039,556
Net position - end of year	$ 4,804,920	$ 3,648,254	$ 1,166,231	$ 743,907	$ 5,971,151	$ 4,392,161	$ 1,578,990

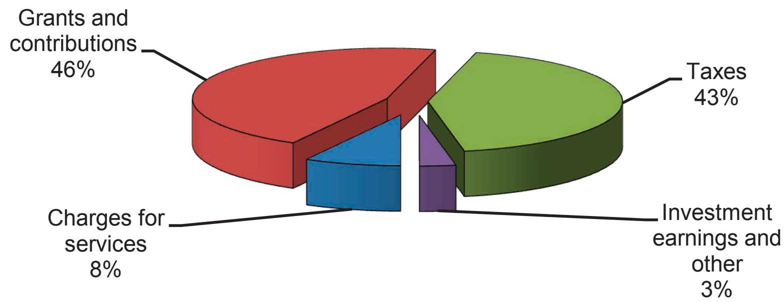
* The 2015 amounts have been revised to disaggregate expenses for health and social services and education K-12.

Changes in Net Position:

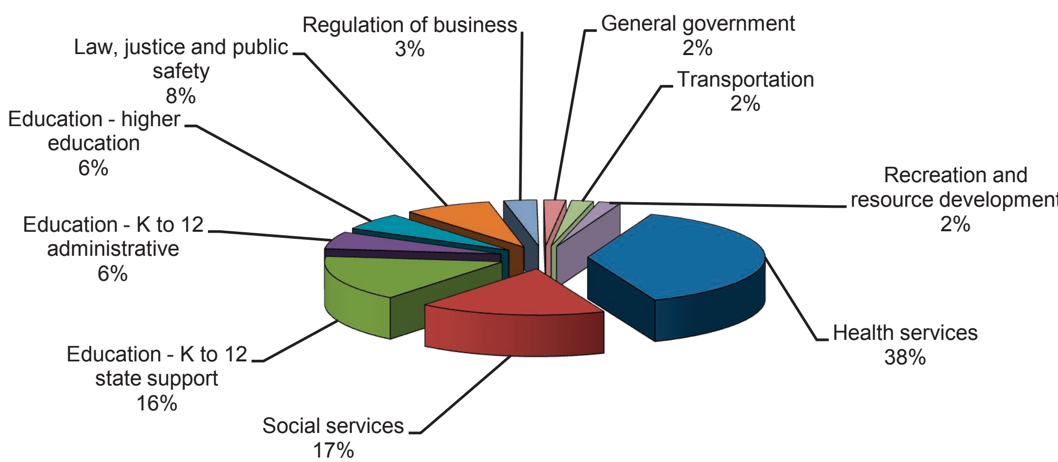
Total government-wide revenues increased by $1.0 billion during the current year. The increase in revenues is a result of several factors, including increases of $437.2 million in federal funding, $149.1 million in modified business taxes, $143.5 million in commerce taxes, $60.3 million in cigarette taxes and $58.2 million in sales and use taxes. Program revenues from charges for services increased by $64.9 million compared to the prior year.

Governmental activities – The current year net position increased by $1.1 billion. Approximately 43.4% of the total revenue came from taxes, while 45.6% was in the form of grants and contributions (including federal aid). Charges for various goods and services provided 8.4% of the total revenues (see chart below). The State's governmental activities expenses cover a range of services and the largest expenses were 37.7% for health services, 17.2% for social services, and 15.7% for state support of K to 12 education (see chart below). In 2016, governmental activities expenses exceeded program revenues, resulting in the use of $3.6 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:

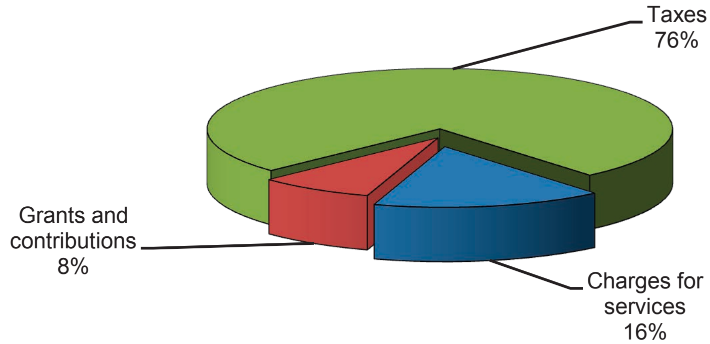
Revenues and Expenses by Function: Governmental Activities

(expressed in thousands)

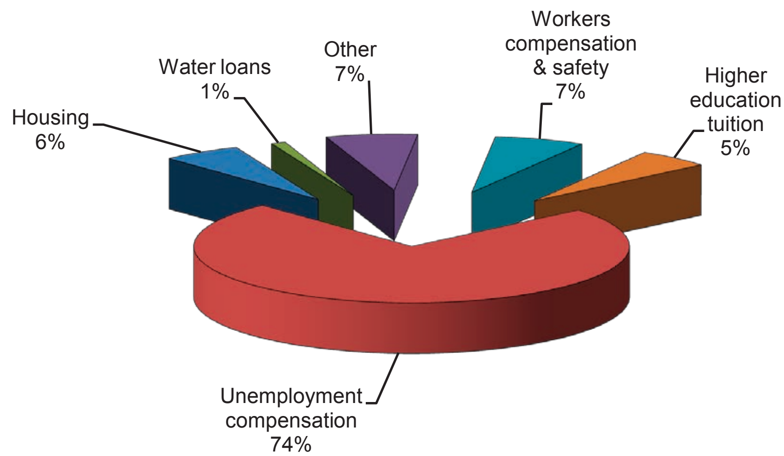
	Expenses	Revenues
General government	$ 206,620	$ 191,096
Health services	3,509,058	2,807,986
Social services	1,601,995	1,217,490
Education - K-12 state support	1,460,123	4,015
Education - K-12 administration	524,397	278,650
Education - higher education	577,683	-
Law, justice and public safety	709,920	354,537
Regulation of business	299,093	255,648
Transportation	180,224	492,099
Recreation and resource development	144,940	87,080
Total	$ 9,214,053	$ 5,688,601

Business-type activities – The current year net position increased by $410.9 million. Approximately 76.0% of the total revenue came from taxes, while 7.9% was in the form of grants and contributions (including federal aid). Charges for various goods and services provided 16.1% of the total revenues (see chart below). The State's business-type activities expenses cover a range of services. The largest expenses were 74.1% for unemployment compensation (see chart below). In 2016, business-type activities expenses exceeded program revenues by $283.0 million. Of this amount, unemployment compensation was the largest, with net expenses of $326.3 million, 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 compensation	$ 342,279	$ 15,945
Housing	27,099	30,560
Water loans	4,962	28,097
Workers' compensation	31,024	41,875
Higher education tuition	25,108	28,635
Other	31,471	33,829
Total	$ 461,943	$ 178,941

The State's overall financial position improved over the past year. Current year operations resulted in a $1.1 billion increase in the net position of the governmental activities and a $410.9 million increase in the net position of the business-type activities. Nevada continues to recover at a slow pace. Key economic indicators from the State's sales and other taxes continue to show positive growth. Tax revenues for governmental activities increased in the current fiscal year $455.4 million or 11.1% compared to an increase of $296.8 million or 7.8% in the prior fiscal year. In addition, operating grants and contributions for governmental activities increased $454.1 million primarily due to Medicaid receipts. In the Highway Fund, intergovernmental revenues increased $164.3 million primarily due to an increase in federal aid, while motor and special vehicle taxes increased $12.0 million and driver's license and motor carrier fees increased $14.8 million.

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 $1.9 billion, an increase of $301.2 million from the prior year. Of these total ending fund balances, $477.3 million or 25.6% is nonspendable, either due to its form or legal constraints, and $815.0 million or 43.7% is restricted for specific programs by external constraints, constitutional provisions, or contractual obligations. An additional $698.3 million or 37.5% of total fund balance has been committed to specific purposes. Committed amounts cannot be used for any other purpose unless approved by the Legislature. Included in committed fund balance is $63.9 million for fiscal emergency. 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 account 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, in which case forty percent of the excess is deposited to the Stabilization Account. Expenditures may occur only if actual revenues for the biennium fall short by 5% or more from anticipated revenues, or if the Legislature and Governor declare that a fiscal emergency exists. Additions to the Stabilization Account were $63.9 million in the current fiscal year and $0 in the prior fiscal year. The remaining negative $126.4 million or (6.8%) 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 $398.2 million compared to $207.3 million in the prior fiscal year, before restatement. The fund balance increased by $190.9 million or 92.1%, of which $4.1 million or 2.0% is a decrease to beginning fund balance due to a prior period adjustment, leaving a fund balance increase of $195.0 million or 95.9% during the current fiscal year. Reasons for this increase are discussed in further detail below. The negative unassigned fund balance of $126.4 million is mostly due to an accrual for Medicaid expenditures and for unearned gaming taxes and mining taxes already collected and budgeted but not yet recognized as revenues.

The following schedule presents a summary of revenues of the General Fund for the fiscal years ended June 30, 2016 and 2015 (expressed in thousands). Other financing sources are not included.

General Fund Revenues *(expressed in thousands)*

	2016		2015		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
Gaming taxes, fees and licenses	$ 896,768	10.3%	$ 894,805	11.3%	$ 1,963	0.2%
Sales taxes	1,214,113	13.9%	1,161,893	14.6%	52,220	4.5%
Modified business taxes	561,779	6.5%	411,914	5.2%	149,865	36.4%
Insurance premium taxes	309,114	3.6%	292,665	3.7%	16,449	5.6%
Lodging taxes	167,160	1.9%	150,480	1.9%	16,680	11.1%
Cigarette taxes	153,033	1.8%	92,774	1.2%	60,259	65.0%
Commerce taxes	143,507	1.7%	-	0.0%	143,507	100.0%
Property and transfer taxes	80,169	0.9%	67,696	0.8%	12,473	18.4%
Motor and special fuel taxes	2,338	0.0%	2,466	0.0%	(128)	-5.2%
Other taxes	327,976	3.8%	330,931	4.2%	(2,955)	-0.9%
Intergovernmental	4,358,111	50.0%	4,081,581	51.3%	276,530	6.8%
Licenses, fees and permits	353,306	4.1%	305,079	3.8%	48,227	15.8%
Sales and charges for services	72,635	0.8%	70,877	0.9%	1,758	2.5%
Interest and investment income	8,445	0.0%	(337)	0.0%	8,782	2605.9%
Other revenues	61,293	0.7%	87,208	1.1%	(25,915)	-29.7%
Total revenues	$ 8,709,747	100.0%	$ 7,950,032	100.0%	$ 759,715	9.6%

The total General Fund revenues increased $759.7 million or 9.6%. The largest increases in revenue sources were $276.5 million or 6.8% in intergovernmental revenues, $149.9 million or 36.4 % in modified business taxes, $143.5 million or 100% in commerce taxes, $60.3 million or 65.0% in cigarette taxes, and $52.2 million or 4.5% in sales taxes. Intergovernmental revenues primarily increased by $256.1 million in receipts for Medicaid, $43.3 million in receipts for food stamps, and $20.9 million for school lunch program. The largest decline in revenue sources was $25.9 million or 29.7% in other revenues and $3.0 million or .9% in other taxes. In other revenues, the decrease is primarily due to $19.3 million of settlement income recorded in the prior year.

The following schedule presents a summary of expenditures by function of the General Fund for the fiscal years ended June 30, 2016 and 2015 (expressed in thousands). Other financing uses are not included.

General Fund Expenditures *(expressed in thousands)*	2016		2015*		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
General government	$ 127,247	1.5%	$ 128,236	1.6%	$ (989)	-0.8%
Health services	3,535,984	41.2%	3,343,666	41.4%	192,318	5.8%
Social services	1,510,685	17.6%	1,423,021	17.6%	87,664	6.2%
Education - K-12 state support	1,460,123	17.0%	1,474,155	18.3%	(14,032)	-1.0%
Education - K-12 administrative	524,747	6.1%	417,104	5.2%	107,643	25.8%
Education - higher education	549,228	6.5%	486,937	6.0%	62,291	12.8%
Law, justice and public safety	473,774	5.5%	450,754	5.6%	23,020	5.1%
Regulation of business	276,859	3.2%	233,072	2.9%	43,787	18.8%
Recreation, resource development	115,883	1.4%	113,164	1.4%	2,719	2.4%
Debt service	3,368	0.0%	3,251	0.0%	117	3.6%
Total expenditures	$ 8,577,898	100.0%	$ 8,073,360	100.0%	$ 504,538	6.3%

* The 2015 amounts have been revised to disaggregate expenditures for health and social services and education K-12.

The total General Fund expenditures increased 6.3%. The largest increases in expenditures were $192.3 million or 5.8% in health services expenditures, $87.7 million or 6.2% in social services expenditures, $107.6 million or 25.8% in education K to 12 administrative expenditures, and $62.3 million or 12.8% in higher education. Health services expenditures increased due to expansion of the Medicaid program. The largest decrease was $14.0 million or 1.0% of expenditures for education K to 12 state support.

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 $198.8 million or 59.5%, of which $4.1 million or 1.2% is an increase to beginning fund balance due to a prior period adjustment, leaving an increase of $194.7 million or 58.3% during the current fiscal year compared to a 5.6% decrease in the prior year. This was primarily due to an increase in intergovernmental revenues of $164.3 million or 52.0% and other taxes of $30.8 million or 151.2%. The increase in other taxes is due to the Legislative allocation to the Highway Fund of $25.6 million in motor vehicle government services tax commissions and penalties allocated to the General Fund in 2015. Expenditures increased as spending for three major road construction projects, Project NEON, USA Parkway and the Boulder City Bypass, increased.

The Municipal Bond Bank Fund is a special revenue fund used to account for revenues and expenditures associated with buying local government bonds with proceeds of State general obligation bonds. The fund balance decreased by $133.5 million during the current fiscal year, which is a 58.3% decrease from the prior year. This decrease was primarily due to the refunding of local government bonds of $173.5 million offset by $47.3 of new bonds and the State's refunding and payment of principal of $7.4 million.

The Permanent School Fund is a permanent fund used to account 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. The fund balance increased by $7.6 million during the current fiscal year, which is a 2.3% increase from the prior year. This increase is primarily due to $2.7 million increase in investment income.

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 $1,146.4 million, the net position of the nonmajor enterprise funds is $19.9 million and the total combined net position of all enterprise funds is $1,166.3 million. The combined net position of all enterprise funds increased by $ 421.9 million in 2016, of which $11.4 million is an increase to beginning net position due to the change in the method used to calculate bond premium amortization. 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 homebuyers with low or moderate incomes. The net position increased by $3.4 million or 1.8%, resulting in an ending net position of

$196.5 million. Revenues from interest on loans increased by 15.9% reflecting Nevada's improving but still recovering housing market. Operating expenses increased by $3.8 million, and operating revenues increased by $1.9 million.

The Unemployment Compensation Fund accounts for the payment of unemployment compensation benefits to unemployed State citizens. The net position increased by $391.4 million during the current fiscal year, of which $10.4 million is an increase to beginning net position due to the change in the method used to calculate the bond premium amortization from straight-line to the interest method, resulting in an ending net position of $501.3 million. This increase in net position is primarily due to operating revenues exceeding expenses by $236.5 million and a transfer of $149.5 million from the Unemployment Comp Bond Fund for special bond contributions assessed on employers for payment of principal and interest on Unemployment Compensation Bonds. During fiscal year 2016, $338.3 million of unemployment compensation benefits was paid to unemployed State citizens compared to $369.7 million paid in fiscal year 2015, representing a 8.5% decrease 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 $22.3 million during the current fiscal year, of which $1.0 million is an increase to beginning net position due to the change in method used to calculate the bond premium amortization from straight-line to the interest method, for a final net position of $389.6 million, which is a 6.1% 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 eighteenth enrollment period during the fiscal year with 964 new enrollments. The net position increased $6.0 million or 11.2% during the current fiscal year.

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 2016, total internal service fund net position increased by $1.2 million, for a final net position of $6.3 million. The two 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 decreased by $6.2 million or 7.8% during the current fiscal year, for a final net position of $73.8 million. The decrease was considered a normal fluctuation in insurance premium income and in claims expense.

The Information Services Fund accounts for designing, programming, and maintaining data processing software and operating the State's central computer facility and telecommunication system. The net position deficit decreased by $2.3 million or 15.0% during the current fiscal year, resulting in a total net position deficit of $12.9 million. The deficit decrease is primarily the result of increase in transfers from other funds.

Analysis of General Fund Budget Variations

The General Fund budgetary revenues and other financing sources were $574.7 million or 5.5% 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 $613.2 million. 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 non-executive budgets approved after July 1 and increased estimated receipts were approximately $610.9 million.

Capital Assets and Long-term Debt Administration

Capital Assets:
The State's capital assets for governmental and business-type activities as of June 30, 2016 amount to $8.1 billion, net of accumulated depreciation of $1.2 billion, leaving a net book value of $6.9 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.

As allowed by GASB Statement No. 34, the State has adopted an alternative process for recording depreciation expense on selected 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). In 2016, the State realigned its goals to maintain a certain percentage of each category of its roadways. The realignment was based on the Pavement and Bridge Condition Notice of Proposed Rulemaking released by the Federal Highway Administration (FHWA). The new policy is to maintain each category with an IRI of 95 or less. The prior policy was to maintain each category with an IRI of 80 or less. The first table shows the most current condition assessment under the State's new policy and the second table shows the condition assessment under the prior policy:

Condition Level of the Roadways

Percentage of roadways with an IRI of less than 95

	Category I	Category II	Category III	Category IV	Category V
State Policy-minimum percentage	70%	65%	60%	40%	10%
Actual results of 2015 condition assessment	87%	82%	85%	45%	13%

Condition Level of the Roadways

Percentage of roadways with an IRI of less than 80

	Category I	Category II	Category III	Category IV	Category V
State Policy-minimum percentage	70%	65%	60%	40%	10%
Actual results of 2014 condition assessment	84%	71%	62%	33%	7%
Actual results of 2012 condition assessment	84%	85%	84%	32%	9%

Condition Level of the Bridges

Percentage of substandard bridges

	2015	2014	2012
State Policy-maximum percentage	10%	10%	10%
Actual results condition assessment	4%	4%	4%

The estimated amount necessary to maintain and preserve infrastructure assets at target condition levels exceeded the actual amounts of expense incurred for fiscal year 2016 by $11.2 million. Even though actual spending for maintenance and preservation 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.

To keep pace with the demands of the population, the State also has a substantial capital projects program. The following is a summary of major projects in progress or completed during 2016 (expressed in millions):

	Expended by June 30, 2016	Total Budget
Healthcare Reform Software	$ 49.2	$ 49.2
Unemployment Insurance Software Development	35.9	40.4
New Readiness Center North Las Vegas	30.9	35.8
Southern Nevada Veterans' Cemetery Expansion	8.4	13.4
NDOT Integrated Right of Way Software	8.4	9.3
Energy Retrofit Projects	5.5	6.2
Statewide Roofing Projects	4.0	6.9
Southern Desert CC Distribution Switchgear & Panelboards	0.2	4.1

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 $3.2 billion in bonds and certificates of participation outstanding, compared to $3.5 billion last year, a decrease of $323.9 million or 9.3% during the current fiscal year. This decrease was due primarily to the payment of principal on debt.

The most current bond ratings from Fitch Investor Service was AA+, Moody's was Aa2, and Standard and Poor's ratings were AA or AAA. 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.

New bonds issued during the 2016 fiscal year were (expressed in thousands):

General Obligation Capital Improvement and Refunding Bonds	11/4/2015D	$ 248,935
General Obligation Natural Resources and Refunding Bonds	11/4/2015E	21,133
General Obligation Municipal Bond Bank	11/4/2015F	47,305
General Obligation Open Space, Parks, Natural Resources and Refunding Bonds	11/4/2015G	9,350
Special Obligation Highway Revenue Improvement and Refunding Bonds	3/9/2016	292,600
General Obligation Safe Drinking Water Revolving Fund Matching and Refunding Bonds	11/4/2015H	10,845
General Obligation Natural Resources and Refunding Bonds Marlette Lake	11/4/2015E	1,462
Housing Multi-Unit Agate Avenue	7/1/2015	2,881
Housing Multi-Unit Landsman Gardens	9/28/2015	414
Housing Multi-Unit Agate Seniors II	1/7/2016	6,467
Housing Multi-Unit 501 Lamb Apartment	12/18/2015	4,868
Housing Multi-Unit Terracina	8/26/2015	9,393
Housing Multi-Unit Boulder Pines II	5/26/2016	2,109

Additional information on the State's long-term debt obligations can be found in Note 10 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

Statement of Net Position

NEVADA

June 30, 2016 (Expressed in Thousands)

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
Assets				
Cash and pooled investments	$ 2,018,902	$ 758,983	$ 2,777,885	$ 263,779
Investments	261,093	397,866	658,959	1,227,660
Internal balances	(1,699)	1,699	-	-
Due from component unit	36,162	-	36,162	-
Due from primary government	-	-	-	49,854
Accounts receivable	132,826	2,925	135,751	57,069
Taxes/assessments receivable	1,042,991	222,698	1,265,689	-
Intergovernmental receivables	434,227	1,162	435,389	38,961
Accrued interest and dividends	6,569	12,963	19,532	37
Contracts receivable	-	43,308	43,308	-
Mortgages receivable	-	413,263	413,263	-
Notes/loans receivable	110,194	345,830	456,024	10,701
Capital lease receivable	50,445	-	50,445	-
Other receivables	16	-	16	105,073
Inventory	26,849	1,608	28,457	7,262
Prepaid expenses	2,332	10	2,342	34,031
Restricted assets:				
Cash	3,043	-	3,043	136,727
Investments	-	176,892	176,892	63,979
Other assets	4	15	19	55,449
Capital assets:				
Land, infrastructure and construction in progress	5,623,076	568	5,623,644	304,302
Other capital assets, net	1,244,800	12,283	1,257,083	1,885,923
Total assets	10,991,830	2,392,073	13,383,903	4,240,807
Deferred Outflows of Resources				
Deferred charge on refunding	80,786	1,177	81,963	14,452
Pension contributions	200,574	3,655	204,229	36,333
Total deferred outflows of resources	281,360	4,832	286,192	50,785
Liabilities				
Accounts payable	1,097,226	49,878	1,147,104	66,910
Accrued payroll and related liabilities	73,887	1,770	75,657	79,943
Intergovernmental payables	235,760	50	235,810	-
Interest payable	20,988	4,965	25,953	11,602
Due to component units	25,206	220	25,426	-
Due to primary government	-	-	-	36,162
Contracts/retentions payable	50,394	-	50,394	-
Unearned revenues	142,210	9,479	151,689	52,026
Other liabilities	83,382	16	83,398	35,899
Long-term liabilities:				
Portion due or payable within one year:				
Reserve for losses	79,792	-	79,792	-
Obligations under capital leases	2,813	-	2,813	3,583
Compensated absences	57,821	1,108	58,929	33,466
Benefits payable	-	17,922	17,922	-
Bonds payable	193,263	196,755	390,018	27,652

Certificates of participation payable	4,325	-	4,325	-
Portion due or payable after one year:				
Federal advances	-	-	-	8,256
Reserve for losses	46,939	-	46,939	-
Obligations under capital leases	17,364	-	17,364	48,358
Net pension obligation	1,863,666	35,379	1,899,045	330,306
Compensated absences	34,194	590	34,784	16,874
Benefits payable	-	193,197	193,197	-
Bonds payable	1,973,988	711,701	2,685,689	648,289
Certificates of participation payable	86,391	-	86,391	-
Due to component unit	24,428	-	24,428	-
Unearned revenue	-	-	-	58,691
Arbitrage rebate liability	-	972	972	-
Total liabilities	6,114,037	1,224,002	7,338,039	1,458,017
Deferred Inflows of Resources				
Pension related amounts	353,388	6,672	360,060	59,346
Taxes	93	-	93	-
Fines and forfeitures	752	-	752	-
Donations	-	-	-	11,023
Lease revenue	-	-	-	4,077
Total deferred inflows of resources	354,233	6,672	360,905	74,446
Net Position				
Net investment in capital assets	5,588,027	4,310	5,592,337	1,625,179
Restricted for:				
Unemployment compensation	-	501,255	501,255	-
Security of outstanding obligations	-	186,168	186,168	-
Workers' compensation	-	17,048	17,048	-
Tuition contract benefits	-	58,973	58,973	-
Capital projects	5,802	-	5,802	80,535
Debt service	31,147	-	31,147	21,202
Education - K to 12	3,704	-	3,704	-
Education - higher education	1,313	-	1,313	-
Transportation	297,223	-	297,223	-
Recreation and resource development	56,626	389,602	446,228	-
Law, justice and public safety	47,194	-	47,194	-
Health services	293,491	-	293,491	-
Social services	845	-	845	-
Regulation of business	25,383	2	25,385	-
Scholarships	-	-	-	436,281
Loans	-	-	-	6,172
Operations and maintenance	-	-	-	714
Research and development	-	-	-	9,883
Other purposes	1,020	-	1,020	10,649
Funds held as permanent investments:				
Nonexpendable	341,268	-	341,268	381,994
Expendable	21	-	21	-
Unrestricted (deficit)	(1,888,144)	8,873	(1,879,271)	186,520
Total net position	$ 4,804,920	$ 1,166,231	$ 5,971,151	$ 2,759,129

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

Statement of Activities

For the Fiscal Year Ended June 30, 2016 (Expressed in Thousands)

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
					Primary Government			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units
Primary Government								
Governmental activities:								
General government	$ 206,620	$ 180,648	$ 10,448	$ -	$ (15,524)	$ -	$ (15,524)	$ -
Health services	3,509,058	98,107	2,709,879	-	(701,072)	-	(701,072)	-
Social services	1,601,995	139,256	1,078,234	-	(384,505)	-	(384,505)	-
Education - K-12 state support	1,460,123	-	4,015	-	(1,456,108)	-	(1,456,108)	-
Education - K-12 administrative	524,397	2,781	275,869	-	(245,747)	-	(245,747)	-
Education - higher education	577,683	-	-	-	(577,683)	-	(577,683)	-
Law, justice and public safety	709,920	301,894	51,741	902	(355,383)	-	(355,383)	-
Regulation of business	299,093	83,263	172,385	-	(43,445)	-	(43,445)	-
Transportation	180,224	33,167	447,628	11,304	311,875	-	311,875	-
Recreation and resource development	144,940	46,530	40,253	297	(57,860)	-	(57,860)	-
Interest on long-term debt	79,527	-	1,236	-	(78,291)	-	(78,291)	-
Unallocated depreciation	2,680	-	-	-	(2,680)	-	(2,680)	-
Total governmental activities	9,296,260	885,646	4,791,688	12,503	(3,606,423)	-	(3,606,423)	-
Business-type activities:								
Unemployment insurance	342,279	2,974	12,971	-	-	(326,334)	(326,334)	-
Housing	27,099	18,934	11,626	-	-	3,461	3,461	-
Water loans	4,962	8,755	19,342	-	-	23,135	23,135	-
Workers' compensation and safety	31,024	38,639	3,236	-	-	10,851	10,851	-
Higher education tuition	25,108	19,369	9,266	-	-	3,527	3,527	-
Other	31,471	31,475	2,354	-	-	2,358	2,358	-
Total business-type activities	461,943	120,146	58,795	-	-	(283,002)	(283,002)	-
Total primary government	$ 9,758,203	$ 1,005,792	$ 4,850,483	$ 12,503	(3,606,423)	(283,002)	(3,889,425)	-
Total component units	$ 1,764,251	$ 702,656	$ 503,927	$ 4,978	-	-	-	(552,690)
General revenues:								
Taxes:								
Gaming					910,684	-	910,684	-
Sales and use					1,082,042	-	1,082,042	-
Modified business					562,867	-	562,867	-
Insurance premium					301,368	-	301,368	-
Cigarette taxes					153,033	-	153,033	-
Commerce taxes					143,508	-	143,508	-
Property and transfer					80,169	-	80,169	-
Motor and special fuel					2,338	-	2,338	-
Other					281,022	308	281,330	-

Restricted for unemployment compensation:				
Other taxes	-	566,243	566,243	-
Restricted for educational purposes:				
Sales and use taxes	137,109	-	137,109	-
Lodging taxes	167,159	-	167,159	-
Restricted for debt service purposes:				
Property and transfer taxes	144,906	-	144,906	-
Motor and special fuel taxes	68,527	-	68,527	-
Other	72,100	-	72,100	-
Restricted for recreation and resource development purposes:				
Other taxes	37,187	-	37,187	-
Other	1,516	-	1,516	-
Restricted for health services purposes:				
Property and transfer taxes	13,117	-	13,117	-
Other taxes	197,631	-	197,631	-
Restricted for social services purposes:				
Other taxes	11,563	-	11,563	-
Restricted for transportation purposes:				
Motor and special fuel taxes	219,044	-	219,044	-
Other taxes	51,344	-	51,344	-
Restricted for regulation of business:				
Other taxes	3,584	-	3,584	-
Settlement income	38,351	-	38,351	-
Unrestricted investment earnings	10,352	-	10,352	940
Other general revenues	155,383	-	155,383	5,615
Contributions to permanent funds	7,480	-	7,480	11,467
Payments from State of Nevada	-	-	-	579,029
Transfers	(127,364)	127,364	-	-
Total general revenues, contributions, payments, and transfers	4,726,020	693,915	5,419,935	597,051
Change in net position	1,119,597	410,913	1,530,510	44,361
Net position - beginning (as restated)	3,685,323	755,318	4,440,641	2,714,768
Net position - ending	$ 4,804,920	$ 1,166,231	$ 5,971,151	$ 2,759,129

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

Balance Sheet
Governmental Funds

June 30, 2016

	General Fund	State Highway	Municipal Bond Bank
Assets			
Cash and pooled investments:			
Cash with treasurer	$ 709,453,879	$ 573,909,412	$ 1,070
Cash in custody of other officials	5,672,897	144,976	-
Investments	11,888,748	-	-
Receivables:			
Accounts receivable	59,866,931	11,652,392	-
Taxes receivable	1,000,776,307	41,311,268	-
Intergovernmental receivables	387,134,763	36,606,580	-
Accrued interest and dividends	3,655,164	-	1,232,466
Notes/loans receivable	15,874,455	-	94,240,000
Capital lease receivable	-	-	-
Other receivables	15,830	-	-
Due from other funds	32,179,802	9,961,684	290
Due from fiduciary funds	430,587	-	-
Due from component units	769,980	-	-
Inventory	7,382,747	18,841,971	-
Advances to other funds	2,546,120	-	-
Restricted cash	3,043,317	-	-
Prepaid items	2,109,357	61,384	-
Total assets	$ 2,242,800,884	$ 692,489,667	$ 95,473,826
Liabilities			
Accounts payable and accruals:			
Accounts payable	$ 468,288,606	$ 37,556,022	$ -
Accrued payroll and related liabilities	58,940,199	9,192,856	-
Intergovernmental payables	185,219,894	49,043,376	-
Contracts/retentions payable	153,428	39,545,352	-
Due to other funds	30,197,507	14,942,482	-
Due to fiduciary funds	552,969,894	2,335,868	-
Due to component units	10,241,429	164,656	-
Unearned revenues	138,358,910	254,903	-
Other liabilities	77,308,322	2,109,897	-
Total liabilities	1,521,678,189	155,145,412	-
Deferred Inflows of Resources			
Unavailable revenue:			
Taxes	83,187,976	352,783	-
Intergovernmental	194,473,762	-	-
Licenses, fees and permits	3,189,662	-	-
Sales and charges for services	8,216,366	18,683	-
Settlement income	-	-	-
Lease principal payments	-	-	-
Interest	501,321	408,384	146,396
Other	32,546,579	3,825,669	-
Taxes	93,373	-	-
Fines and forfeitures	751,567	-	-
Total deferred inflows of resources	322,960,606	4,605,519	146,396
Fund Balances			
Nonspendable	26,952,839	18,903,355	89,700,000
Restricted	78,093,754	481,377,030	-
Committed	419,532,746	32,458,351	5,627,430
Unassigned	(126,417,250)	-	-
Total fund balances	398,162,089	532,738,736	95,327,430
Total liabilities, deferred inflows of resources and fund balances	$ 2,242,800,884	$ 692,489,667	$ 95,473,826

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

Permanent School Fund		Other Governmental Funds		Total Governmental Funds	
$	24,187,747	$	398,880,577	$	1,706,432,685
	36,823,243		102,580,674		145,221,790
	247,513,212		1,691,343		261,093,303
	660		54,406,393		125,926,376
	-		902,970		1,042,990,545
	1,059,385		5,094,388		429,895,116
	327,030		1,353,979		6,568,639
	-		-		110,114,455
	-		50,445,000		50,445,000
	-		-		15,830
	73,015		22,041,014		64,255,805
	-		115,904		546,491
	34,571,792		-		35,341,772
	-		390,592		26,615,310
	-		602,546		3,148,666
	-		-		3,043,317
	-		87,666		2,258,407
$	344,556,084	$	638,593,046	$	4,013,913,507
$	-	$	7,506,443	$	513,351,071
	-		3,469,524		71,602,579
	-		1,433,014		235,696,284
	-		10,695,223		50,394,003
	2,840,217		26,282,299		74,262,505
	-		37,696		555,343,458
	-		14,799,844		25,205,929
	-		3,530,475		142,144,288
	463,405		3,500,336		83,381,960
	3,303,622		71,254,854		1,751,382,077
	-		-		83,540,759
	-		-		194,473,762
	-		112		3,189,774
	-		9,748		8,244,797
	-		19,450,184		19,450,184
	-		50,445,000		50,445,000
	13,813		206,633		1,276,547
	660		488,532		36,861,440
	-		-		93,373
	-		-		751,567
	14,473		70,600,209		398,327,203
	341,237,989		508,258		477,302,441
	-		255,576,309		815,047,093
	-		240,653,416		698,271,943
	-		-		(126,417,250)
	341,237,989		496,737,983		1,864,204,227
$	344,556,084	$	638,593,046	$	4,013,913,507

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

June 30, 2016

Total fund balances - governmental funds		$ 1,864,204,227
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	$ 150,951,465	
Construction in progress	224,702,425	
Infrastructure assets	4,591,399,157	
Rights-of-way	654,989,854	
Buildings	1,714,407,558	
Improvements other than buildings	124,758,260	
Furniture and equipment	372,960,895	
Software costs	171,777,736	
Accumulated depreciation/amortization	(1,164,022,986)	
Total capital assets		6,841,924,364
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.		397,482,263
Intergovernmental receivable not providing current resources.		221,045
Amounts due to component unit for bonds authorized to be issued are not reported in the funds as they are not due and payable.		(24,362,000)
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.		6,441,270
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.		80,786,385
Deferred outflow of resources related to pensions are not reported in the governmental funds.		195,525,183
Deferred inflow of resources related to pensions are not reported in the governmental funds.		(344,023,305)
Certain liabilities for settlement agreements are not due and payable in the current period and therefore are not reported in the funds.		(16,620,000)
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 obligation	(1,813,890,034)	
Bonds payable	(2,162,514,398)	
Accrued interest on bonds	(20,987,906)	
Certificates of participation	(90,716,191)	
Capital leases	(19,527,807)	
Compensated absences	(89,023,127)	
Total long-term liabilities		(4,196,659,463)
Net position of governmental activities		$ 4,804,919,969

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, 2016

	General Fund	State Highway	Municipal Bond Bank
Revenues			
Gaming taxes, fees, licenses	$ 896,768,216	$ -	$ -
Sales taxes	1,214,113,229	-	-
Modified business taxes	561,778,352	-	-
Insurance premium taxes	309,113,304	-	-
Lodging taxes	167,159,268	-	-
Cigarette taxes	153,033,176	-	-
Commerce taxes	143,507,593	-	-
Property and transfer taxes	80,169,162	-	-
Motor and special fuel taxes	2,338,030	219,043,917	-
Other taxes	327,976,235	51,119,593	-
Intergovernmental	4,358,111,628	480,103,369	-
Licenses, fees and permits	353,306,217	221,313,865	-
Sales and charges for services	72,634,943	17,205,452	-
Interest and investment income	8,444,882	5,894,230	2,330,698
Settlement income	-	-	-
Land sales	-	-	-
Other	61,292,786	19,825,131	-
Total revenues	8,709,747,021	1,014,505,557	2,330,698
Expenditures			
Current:			
General government	127,247,048	-	347
Health services	3,535,984,366	-	-
Social services	1,510,685,017	-	-
Education - K-12 state support	1,460,122,985	-	-
Education - K-12 administrative	524,746,848	-	-
Education - higher education	549,228,265	-	-
Law, justice and public safety	473,773,627	188,807,552	-
Regulation of business	276,858,799	-	-
Transportation	-	816,275,069	-
Recreation and resource development	115,882,370	-	-
Capital outlay	-	-	-
Debt service:			
Principal	2,198,954	-	-
Interest, fiscal charges	1,154,300	-	-
Debt issuance costs	15,108	1,023,764	-
Total expenditures	8,577,897,687	1,006,106,385	347
Excess (deficiency) of revenues over expenditures	131,849,334	8,399,172	2,330,351
Other Financing Sources (Uses)			
Sale of general obligation bonds	1,805,000	167,485,000	44,950,000
Sale of general obligation refunding bonds	-	-	2,355,000
Premium on general obligation bonds	218,029	33,546,311	-
Payment to refunded bond agent	-	-	(2,570,344)
Sale of capital assets	631,761	-	-
Transfers in	89,696,940	6,374,094	-
Transfers out	(29,240,692)	(21,082,227)	(180,607,428)
Total other financing sources (uses)	63,111,038	186,323,178	(135,872,772)
Net change in fund balances	194,960,372	194,722,350	(133,542,421)
Fund balances, July 1 (as restated)	203,201,717	338,016,386	228,869,851
Fund balances, June 30	$ 398,162,089	$ 532,738,736	$ 95,327,430

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

Permanent School Fund	Other Governmental Funds	Total Governmental Funds
$ -	$ 13,539,353	$ 910,307,569
-	-	1,214,113,229
-	-	561,778,352
-	-	309,113,304
-	-	167,159,268
-	-	153,033,176
-	-	143,507,593
-	158,022,813	238,191,975
-	68,527,281	289,909,228
-	204,958,682	584,054,510
-	158,716,032	4,996,931,029
-	24,830,034	599,450,116
-	19,222,339	109,062,734
4,179,710	3,166,751	24,016,271
-	39,370,381	39,370,381
3,564,422	-	3,564,422
3,925,985	7,543,432	92,587,334
11,670,117	697,897,098	10,436,150,491
-	31,146,149	158,393,544
-	-	3,535,984,366
-	92,547,808	1,603,232,825
-	-	1,460,122,985
-	-	524,746,848
-	13,673,123	562,901,388
-	26,034,866	688,616,045
-	21,765,522	298,624,321
-	-	816,275,069
-	28,120,075	144,002,445
-	43,534,357	43,534,357
-	381,643,000	383,841,954
-	89,798,838	90,953,138
-	2,545,144	3,584,016
-	730,808,882	10,314,813,301
11,670,117	(32,911,784)	121,337,190
-	57,830,000	272,070,000
-	344,898,000	347,253,000
-	80,447,238	114,211,578
-	(417,422,263)	(419,992,607)
-	8,982	640,743
-	226,574,296	322,645,330
(4,049,881)	(222,026,208)	(457,006,436)
(4,049,881)	70,310,045	179,821,608
7,620,236	37,398,261	301,158,798
333,617,753	459,339,722	1,563,045,429
$ 341,237,989	$ 496,737,983	$ 1,864,204,227

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Net change in fund balances - total governmental funds		$ 301,158,798
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	$ 735,171,498	
Depreciation expense	(69,112,132)	
Excess of capital outlay over depreciation expense		666,059,366
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	(272,070,000)	
Refunding bonds issued	(347,253,000)	
Premiums on debt issued	(114,211,578)	
Total bond proceeds		(733,534,578)
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	378,419,677	
Certficates of participation retirement	2,710,000	
Payments to the bond refunding agent	419,992,607	
Capital lease payments	1,959,384	
Total long-term debt repayment		803,081,668
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.		770,574
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.		126,677,179
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 the change in net assets differs from the change in fund balance by the cost of the asset sold.		(931,523)
Amortization of deferred loss on early retirement of debt is reported as an expense for the statement of activities.		(13,262,832)
Amortization of premiums on bonds and certificates of participation is reported as a reduction of interest expense for the statement of activities.		30,408,854
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	15,376,421	
Accrued interest payable	(3,519,285)	
Compensated absences	6,670,464	
Capital lease receivable	(43,398,670)	
Long term due to component unit	(24,362,000)	
Settlement agreement liability	(11,597,392)	
Total additional expenditures		(60,830,462)
Change in net position of governmental activities		$ 1,119,597,044

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

Statement of Net Position
Proprietary Funds

June 30, 2016

	Enterprise Funds						
	Housing Division	Unemployment Compensation	Water Projects Loans	Higher Education Tuition Trust	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Assets							
Current assets:							
Cash and pooled investments:							
Cash with treasurer	$ 689,133	$ -	$ 104,018,913	$ 2,935,759	$ 73,983,809	$ 181,627,614	$167,247,823
Cash in custody of other officials	516,999	576,250,119	-	346,952	241,459	577,355,529	-
Investments	37,037,445	-	-	223,871,703	-	260,909,148	-
Receivables:							
Accounts receivable	-	-	-	-	2,919,782	2,919,782	785,735
Assessments receivable	-	222,697,982	-	-	250	222,698,232	-
Intergovernmental receivables	-	-	591,242	-	570,965	1,162,207	4,110,770
Contracts receivable	-	-	-	9,701,679	-	9,701,679	-
Mortgages receivable	41,006,960	-	-	-	-	41,006,960	-
Accrued interest and dividends	8,484,392	-	4,205,157	273,762	-	12,963,311	-
Notes/loans receivable	-	-	24,626,755	-	-	24,626,755	5,000
Due from other funds	66,933	4,039,616	331,280	53,919	1,457,121	5,948,869	10,358,912
Due from fiduciary funds	-	-	-	-	5,348	5,348	5,567,243
Due from component units	-	-	-	-	470	470	819,356
Inventory	-	-	-	-	1,607,673	1,607,673	233,581
Prepaid items	-	-	785	-	8,775	9,560	73,535
Restricted assets:							
Investments	104,914,487	-	-	-	-	104,914,487	-
Total current assets	192,716,349	802,987,717	133,774,132	237,183,774	80,795,652	1,447,457,624	189,201,955
Noncurrent assets:							
Investments	136,956,984	-	-	-	-	136,956,984	-
Receivables:							
Contracts receivable	-	-	-	33,606,025	-	33,606,025	-
Mortgages receivable	372,256,036	-	-	-	-	372,256,036	-
Notes/loans receivable	622,960	-	320,580,691	-	-	321,203,651	75,000
Restricted assets:							
Investments	71,977,034	-	-	-	-	71,977,034	-
Other assets	-	-	-	-	15,000	15,000	3,761
Capital assets:							
Land	-	-	-	-	567,812	567,812	1,032,737
Buildings	-	-	-	-	3,388,840	3,388,840	20,392,485
Improvements other than buildings	-	-	-	-	3,656,507	3,656,507	3,839,621
Furniture and equipment	798,555	-	11,820	173,374	13,649,287	14,633,036	57,646,618
Software costs	-	-	-	-	-	-	15,323,810
Less accumulated depreciation/ amortization	(545,677)	-	(11,820)	(83,271)	(8,754,353)	(9,395,121)	(72,283,845)
Total noncurrent assets	582,065,892	-	320,580,691	33,696,128	12,523,093	948,865,804	26,030,187
Total assets	774,782,241	802,987,717	454,354,823	270,879,902	93,318,745	2,396,323,428	215,232,142
Deferred Outflows of Resources							
Deferred charge on refunding	-	-	989,278	-	188,021	1,177,299	-
Pension contributions	241,687	-	72,876	23,687	3,316,360	3,654,610	5,048,777
Total deferred outflows of resources	241,687	-	1,062,154	23,687	3,504,381	4,831,909	5,048,777

(Continued)

	Enterprise Funds						
	Housing Division	**Unemployment Compensation**	**Water Projects Loans**	**Higher Education Tuition Trust**	**Other Enterprise Funds**	**Total Enterprise Funds**	**Internal Service Funds**
Liabilities							
Current liabilities:							
Accounts payable and accruals:							
Accounts payable	$ 27,548,922	$ 7,389,417	$ 54,095	$ 210,815	$ 14,623,554	$ 49,826,803	$ 9,976,947
Accrued payroll and related liabilities	112,357	-	28,448	13,328	1,615,607	1,769,740	2,283,978
Interest payable	2,798,731	1,124,334	978,626	-	63,680	4,965,371	-
Intergovernmental payables	-	-	-	-	50,329	50,329	63,725
Bank overdraft	-	-	-	-	-	-	1,918,041
Due to other funds	5,711	764,959	293,178	28,959	2,839,630	3,932,437	2,368,644
Due to fiduciary funds	-	-	-	-	51,257	51,257	16,133
Due to component units	-	-	-	220,031	-	220,031	65,760
Unearned revenues	-	-	-	-	9,478,826	9,478,826	65,573
Other liabilities	-	-	-	-	16,450	16,450	-
Short-term portion of long-term liabilities.							
Reserve for losses	-	-	-	-	-	-	79,791,894
Compensated absences	68,682	-	17,503	14,465	1,007,081	1,107,731	1,725,516
Benefits payable	-	-	-	17,922,341	-	17,922,341	-
Bonds payable	26,139,562	160,403,575	9,935,929	-	275,194	196,754,260	513,323
Obligations under capital leases	-	-	-	-	-	-	648,976
Total current liabilities	56,673,965	169,682,285	11,307,779	18,409,939	30,021,608	286,095,576	99,438,510
Noncurrent liabilities:							
Advances from funds	-	-	-	-	206,700	206,700	2,941,966
Reserve for losses	-	-	-	-	-	-	46,939,358
Net pension obligation	2,604,548	-	693,422	190,731	31,889,889	35,378,590	49,775,578
Compensated absences	29,446	-	8,312	6,352	546,518	590,628	1,266,512
Benefits payable	-	-	-	193,197,216	-	193,197,216	-
Bonds payable	518,682,345	131,079,204	53,674,194	-	8,266,083	711,701,826	4,222,926
Arbitrage rebate liability	-	971,704	-	-	-	971,704	-
Total noncurrent liabilities	521,316,339	132,050,908	54,375,928	193,394,299	40,909,190	942,046,664	105,146,340
Total liabilities	577,990,304	301,733,193	65,683,707	211,804,238	70,930,798	1,228,142,240	204,584,850
Deferred Inflows of Resources							
Pension related amounts	491,186	-	130,771	35,969	6,014,050	6,671,976	9,365,103
Net Position							
Net investment in capital assets	252,878	-	-	90,103	3,966,816	4,309,797	20,665,300
Restricted for:							
Unemployment compensation	-	501,254,524	-	-	-	501,254,524	-
Tuition contract benefits	-	-	-	58,973,279	-	58,973,279	-
Security of outstanding obligations	186,168,400	-	-	-	-	186,168,400	-
Workers' compensation	-	-	-	-	17,047,556	17,047,556	-
Revolving loans	-	-	389,602,499	-	-	389,602,499	-
Regulation of business	-	-	-	-	2,000	2,000	-
Unrestricted (deficit)	10,121,160	-	-	-	(1,138,094)	8,983,066	(14,334,334)
Total net position	$ 196,542,438	$ 501,254,524	$ 389,602,499	$ 59,063,382	$ 19,878,278	1,166,341,121	$ 6,330,966

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.	(110,304)
Net position of business-type activities	$ 1,166,230,817

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

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Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds

For the Fiscal Year Ended June 30, 2016

	Enterprise Funds						
	Housing Division	Unemployment Compensation	Water Projects Loans	Higher Education Tuition Trust	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating Revenues							
Net premium income	$ -	$ -	$ -	$ -	$ -	$ -	$ 364,144,549
Sales	-	-	-	19,243,358	6,187,017	25,430,375	2,438,618
Assessments	-	566,243,172	-	-	307,956	566,551,128	-
Charges for services	-	-	129,547	125,798	14,971,860	15,227,205	53,322,369
Rental income	-	-	-	-	132,800	132,800	20,261,902
Interest income on loans/notes	9,604,284	-	8,622,108	-	-	18,226,392	-
Federal government	-	5,595,344	18,416,407	-	-	24,011,751	-
Licenses, fees and permits	-	-	-	-	44,463,535	44,463,535	-
Fines	-	-	-	-	3,386,363	3,386,363	-
Other	9,329,690	2,974,209	3,317	-	972,383	13,279,599	1,366,677
Total operating revenues	18,933,974	574,812,725	27,171,379	19,369,156	70,421,914	710,709,148	441,534,115
Operating Expenses							
Salaries and benefits	2,142,511	-	435,491	202,050	36,215,191	38,995,243	36,465,055
Operating	7,466,158	-	2,620,281	599,953	14,202,952	24,889,344	47,081,074
Claims and benefits expense	-	338,308,480	-	24,293,345	9,209,269	371,811,094	234,973,709
Interest on bonds payable	13,297,803	-	1,713,544	-	-	15,011,347	-
Materials or supplies used	-	-	-	-	2,609,155	2,609,155	671,164
Servicers' fees	65,145	-	-	-	-	65,145	-
Depreciation	40,485	-	-	17,031	254,978	312,494	4,330,255
Bond issuance costs	-	-	199,476	-	-	199,476	-
Insurance premiums	-	-	-	-	-	-	125,309,524
Total operating expenses	23,012,102	338,308,480	4,968,792	25,112,379	62,491,545	453,893,298	448,830,781
Operating income (loss)	(4,078,128)	236,504,245	22,202,587	(5,743,223)	7,930,369	256,815,850	(7,296,666)
Nonoperating Revenues (Expenses)							
Interest and investment income	7,604,145	7,375,685	925,440	9,265,904	865,148	26,036,322	1,311,371
Interest expense	-	(3,310,122)	-	-	(337,454)	(3,647,576)	(1,439)
Bond issuance costs	-	-	-	-	(11,824)	(11,824)	-
Federal grant revenue	4,022,189	-	-	-	4,724,261	8,746,450	-
Federal grant expense	(4,117,813)	-	-	-	-	(4,117,813)	-
Reed Act expenses	-	(649,206)	-	-	-	(649,206)	-
Gain (loss) on disposal of assets	-	-	-	-	-	-	148,041
Arbitrage rebate	-	(11,002)	-	-	-	(11,002)	-
Total nonoperating revenues (expenses)	7,508,521	3,405,355	925,440	9,265,904	5,240,131	26,345,351	1,457,973
Income (loss) before transfers	3,430,393	239,909,600	23,128,027	3,522,681	13,170,500	283,161,201	(5,838,693)
Transfers							
Transfers in	-	149,506,063	-	2,437,322	61,926	152,005,311	7,263,564
Transfers out	-	(8,441,427)	(1,779,685)	-	(14,420,077)	(24,641,189)	(266,580)
Change in net position	3,430,393	380,974,236	21,348,342	5,960,003	(1,187,651)	410,525,323	1,158,291
Net position, July 1 (as restated)	193,112,045	120,280,288	368,254,157	53,103,379	21,065,929		5,172,675
Net position, June 30	$ 196,542,438	$ 501,254,524	$ 389,602,499	$ 59,063,382	$ 19,878,278		$ 6,330,966
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds.						387,718	
Change in net position of business-type activities						$ 410,913,041	

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, 2016

	Enterprise Funds						
	Housing Division	Unemployment Compensation	Water Projects Loans	Higher Education Tuition Trust	Other Enterprise Funds	Totals	Internal Service Funds
Cash flows from operating activities							
Receipts from customers and users	$ 41,985,402	$ 563,330,955	$ 132,864	$ 16,811,453	$ 83,019,072	$ 705,279,746	$ 57,655,113
Receipts for interfund services provided	-	1,693,036	-	25,955	3,409,287	5,128,278	294,229,913
Receipts from component units	-	-	-	-	-	-	85,712,551
Receipts of principal on loans/notes	59,281,414	-	-	-	-	59,281,414	5,000
Receipts of interest on loans/notes	10,314,283	-	-	-	-	10,314,283	-
Receipts from federal government	-	5,595,344	19,413,497	-	-	25,008,841	-
Payments to suppliers, other governments and beneficiaries	(4,307,299)	(339,517,297)	(2,542,708)	(6,053,695)	(18,698,158)	(371,119,157)	(387,028,514)
Payments to employees	(1,916,246)	-	(417,209)	(199,907)	(35,724,432)	(38,257,794)	(34,780,401)
Payments for interfund services	(552,942)	-	(111,367)	(153,119)	(6,683,278)	(7,500,706)	(19,154,593)
Payments to component units	-	-	-	(6,643,940)	(143,697)	(6,787,637)	(249,364)
Purchase of loans and notes	(17,038,594)	-	-	-	-	(17,038,594)	-
Net cash provided by (used for) operating activities	87,766,018	231,102,038	16,475,077	3,786,747	25,178,794	364,308,674	(3,610,295)
Cash flows from noncapital financing activities							
Grant receipts	4,022,189	-	-	-	5,024,817	9,047,006	-
Proceeds from sale of bonds	16,931,775	-	15,115,637	-	-	32,047,412	-
Transfers and advances from other funds	-	150,045,950	-	2,373,143	61,042	152,480,135	6,831,405
Payment on refunding bonds	-	-	(4,208,151)	-	-	(4,208,151)	-
Principal paid on noncapital debt	(71,337,095)	(131,165,000)	(14,412,042)	-	-	(216,914,137)	-
Interest paid on noncapital debt	(13,739,646)	(18,880,950)	(2,426,233)	-	-	(35,046,829)	-
Issue costs	-	-	(199,476)	-	-	(199,476)	-
Transfers and advances to other funds	-	(9,327,808)	(1,706,398)	-	(12,936,322)	(23,970,528)	(156,698)
Payments to other governments and organizations	(4,213,437)	(649,206)	-	-	-	(4,862,643)	-
Net cash provided by (used for) noncapital financing activities	(68,336,214)	(9,977,014)	(7,836,663)	2,373,143	(7,850,463)	(91,627,211)	6,674,707
Cash flows from capital and related financing activities							
Proceeds from capital debt	-	-	-	-	1,691,299	1,691,299	-
Proceeds from sale of capital assets	-	-	-	-	-	-	177,081
Purchase of capital assets	-	-	-	-	(247,667)	(247,667)	(6,266,788)
Payment on refunding bonds	-	-	-	-	(1,672,749)	(1,672,749)	-
Principal paid on capital debt	-	-	-	-	(257,670)	(257,670)	(1,662,862)
Interest paid on capital debt	-	-	-	-	(378,282)	(378,282)	(1,439)
Issue costs	-	-	-	-	(11,824)	(11,824)	-
Payments on construction projects	-	-	-	-	(398,429)	(398,429)	-
Net cash provided by (used for) capital and related financing activities	-	-	-	-	(1,275,322)	(1,275,322)	(7,754,008)
Cash flows from investing activities							
Proceeds from sale of investments	508,410,224	-	-	45,797,918	-	554,208,142	-
Receipts of principal on loans/notes	-	-	24,762,847	-	-	24,762,847	-
Purchase of investments	(535,379,536)	-	-	(53,981,764)	-	(589,361,300)	-
Purchase of loans and notes	-	-	(59,581,317)	-	-	(59,581,317)	-
Interest, dividends and gains (losses)	7,690,150	7,375,685	9,144,875	3,732,580	775,001	28,718,291	1,299,328
Net cash provided by (used for) investing activities	(19,279,162)	7,375,685	(25,673,595)	(4,451,266)	775,001	(41,253,337)	1,299,328
Net increase (decrease) in cash	150,642	228,500,709	(17,035,181)	1,708,624	16,828,010	230,152,804	(3,390,268)
Cash and cash equivalents, July 1	1,055,490	347,749,410	121,054,094	1,574,087	57,397,258	528,830,339	170,638,091
Cash and cash equivalents, June 30	$ 1,206,132	$ 576,250,119	$ 104,018,913	$ 3,282,711	$ 74,225,268	$ 758,983,143	$ 167,247,823

(Continued)

	Enterprise Funds						
	Housing Division	Unemployment Compensation	Water Projects Loans	Higher Education Tuition Trust	Other Enterprise Funds	Totals	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities							
Operating income (loss)	$ (4,078,128)	$ 236,504,245	$ 22,202,587	$ (5,743,223)	$ 7,930,369	$ 256,815,850	$ (7,296,666)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities							
Depreciation	40,485	-	-	17,031	254,978	312,494	4,330,255
Interest on loans	-	-	(8,622,108)	-	-	(8,622,108)	-
Interest on bonds payable	13,297,802	-	1,713,544	-	-	15,011,346	-
Issue costs	-	-	199,476	-	-	199,476	-
Decrease (increase) in loans and notes receivable	92,975,718	-	997,090	-	-	93,972,808	(1,066,848)
Decrease (increase) in accrued interest and receivables	(168,017)	(4,193,390)	-	(2,531,748)	3,021,411	(3,871,744)	(2,633,044)
Decrease (increase) in inventory, deferred charges, other assets	-	-	(1,819)	-	69,572	67,753	161,158
Decrease (increase) in deferred outflows of resources	2,548	-	(7,852)	(5,802)	(325,961)	(337,067)	(377,362)
Increase (decrease) in accounts payable, accruals, other liabilities	(14,409,376)	(1,208,817)	(33,791)	12,042,801	12,895,147	9,285,964	1,413,786
Increase (decrease) in unearned revenues	-	-	-	-	47,883	47,883	(233,032)
Increase (decrease) in net pension liability	279,391	-	74,383	20,460	3,420,805	3,795,039	5,419,376
Increase (decrease) in deferred inflows of resources	(174,405)	-	(46,433)	(12,772)	(2,135,410)	(2,369,020)	(3,327,918)
Total adjustments	91,844,146	(5,402,207)	(5,727,510)	9,529,970	17,248,425	107,492,824	3,686,371
Net cash provided by (used for) operating activities	$ 87,766,018	$ 231,102,038	$ 16,475,077	$ 3,786,747	$ 25,178,794	$ 364,308,674	$ (3,610,295)

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

June 30, 2016

	Pension and Other Employee Benefit Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Agency Funds
Assets				
Cash and pooled investments:				
Cash with treasurer	$ 3,204,523	$ -	$ 7,490,524	$ 90,506,039
Cash in custody of other officials	209,775,547	11,216,015	12,616,110	38,755,190
Investments:				
Investments	1,316,665	1,062,380,856	17,245,793,011	235,137,238
Fixed income securities	9,846,319,526	-	-	-
Marketable equity securities	15,228,027,486	-	-	-
International securities	6,629,944,368	-	-	-
Real estate	1,584,377,325	-	-	-
Alternative investments	1,433,191,372	-	-	-
Collateral on loaned securities	411,128,913	-	-	-
Receivables:				
Accounts receivable	-	-	3,516	-
Accrued interest and dividends	97,415,739	4,293,156	767,408	-
Taxes receivable	-	-	-	66,515,895
Trades pending settlement	120,714,743	-	33,172,862	-
Intergovernmental receivables	113,816,758	-	123,388	42,053
Contributions receivable	-	-	12,521,934	-
Other receivables	-	-	-	88,007
Due from other funds	100,875	-	185,161	555,124,812
Due from fiduciary funds	21,480,641	-	-	14,186,702
Due from component unit	2,256,424	-	-	-
Other assets	2,916,621	-	-	-
Furniture and equipment	41,550,920	-	48,222	-
Accumulated depreciation	(37,678,778)	-	(48,222)	-
Total assets	35,709,859,668	1,077,890,027	17,312,673,914	1,000,355,936
Liabilities				
Accounts payable and accruals:				
Accounts payable	11,000,623	77,681	2,850,154	-
Accrued payroll and related liabilities	-	-	714	2,221
Intergovernmental payables	-	23,225	2,826	628,194,524
Redemptions payable	-	-	5,713,703	-
Trades pending settlement	172,928,899	4,887,856	34,555,437	-
Bank overdraft	-	-	538,000	-
Obligations under securities lending	411,128,913	-	-	-
Due to other funds	5,819,503	-	299,579	-
Due to fiduciary funds	44,911	-	18,728	35,603,704
Other liabilities:				
Deposits	-	-	-	332,098,104
Other liabilities	-	20,547	-	4,457,383
Total liabilities	600,922,849	5,009,309	43,979,141	1,000,355,936
Net Position				
Held in trust for:				
Employees' pension benefits	35,107,604,909	-	-	-
OPEB benefits	1,331,910	-	-	-
Pool participants	-	1,072,880,718	-	-
Individuals	-	-	17,268,694,773	-
Total net position	$ 35,108,936,819	$ 1,072,880,718	$ 17,268,694,773	$ -

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

For the Fiscal Year Ended June 30, 2016

	Pension and Other Employee Benefit Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds
Additions			
Contributions:			
Employer	$ 1,607,851,484	$ -	$ -
Plan members	129,811,049	-	-
Participants	-	-	4,208,674,543
Repayment and purchase of service	62,005,158	-	-
Total contributions	1,799,667,691	-	4,208,674,543
Investment income:			
Net increase (decrease) in fair value of investments	(72,147,308)	(678,294)	(186,209,061)
Interest, dividends	746,121,655	9,803,639	362,816,873
Securities lending	5,823,399	-	-
Other	139,896,529	-	-
	819,694,275	9,125,345	176,607,812
Less investment expense:			
Other	(39,324,042)	(45,042)	-
Net investment income	780,370,233	9,080,303	176,607,812
Other:			
Investment from local governments	-	983,431,102	-
Reinvestment from interest income	-	2,035,442	-
Other	2,010,140	756	-
Total other	2,010,140	985,467,300	-
Total additions	2,582,048,064	994,547,603	4,385,282,355
Deductions			
Principal redeemed	-	865,103,277	2,940,307,068
Benefit payments	2,153,637,374	-	19,871,697
Refunds	26,763,925	-	-
Contribution distributions	-	6,500,000	-
Dividends to investors	-	184,633	-
Administrative expense	12,105,835	429,099	31,955,192
Total deductions	2,192,507,134	872,217,009	2,992,133,957
Change in net position	389,540,930	122,330,594	1,393,148,398
Net position, July 1	34,719,395,889	950,550,124	15,875,546,375
Net position, June 30	$ 35,108,936,819	$ 1,072,880,718	$ 17,268,694,773

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

Combining Statement of Net Position
Discretely Presented Component Units

June 30, 2016

	Major Component Units		Nonmajor Component Unit	
	Colorado River Commission	Nevada System of Higher Education	Nevada Capital Investment Corporation	Total
Assets				
Cash and pooled investments	$ 14,527,071	$ 249,252,000	$ -	$ 263,779,071
Investments	-	1,195,647,000	32,012,617	1,227,659,617
Due from primary government	517,073	49,336,647	-	49,853,720
Accounts receivable	9,452,312	47,616,353	-	57,068,665
Intergovernmental receivables	-	38,961,000	-	38,961,000
Accrued interest and dividends	36,844	-	-	36,844
Notes/loans receivable	-	10,701,000	-	10,701,000
Other receivables	-	105,073,000	-	105,073,000
Inventory	-	7,262,000	-	7,262,000
Prepaid expenses	34,030,665	-	-	34,030,665
Restricted assets:				
Cash	8,900,397	127,827,000	-	136,727,397
Investments	-	63,979,000	-	63,979,000
Other assets	-	55,449,000	-	55,449,000
Capital assets:				
Land, infrastructure and construction in progress	-	304,302,000	-	304,302,000
Other capital assets, net	52,623,612	1,833,299,000	-	1,885,922,612
Total assets	120,087,974	4,088,705,000	32,012,617	4,240,805,591
Deferred Outflows of Resources				
Deferred charge on refunding	163,767	14,288,000	-	14,451,767
Pension contributions	577,115	35,756,000	-	36,333,115
Total deferred outflows of resources	740,882	50,044,000	-	50,784,882
Liabilities				
Accounts payable	2,585,737	64,323,765	-	66,909,502
Accrued payroll and related liabilities	-	79,943,000	-	79,943,000
Interest payable	395,142	11,207,000	-	11,602,142
Due to primary government	13,571	1,576,235	34,571,792	36,161,598
Unearned revenues	3,316,087	48,710,000	-	52,026,087
Other liabilities	4,367,846	31,531,000	-	35,898,846
Long-term liabilities:				
Portion due or payable within one year:				
Obligations under capital leases	-	3,583,000	-	3,583,000
Compensated absences	183,206	33,283,000	-	33,466,206
Bonds payable	5,195,946	22,456,000	-	27,651,946
Portion due or payable after one year:				
Federal advances	-	8,256,000	-	8,256,000
Obligations under capital leases	-	48,358,000	-	48,358,000
Net pension obligation	5,597,589	324,708,000	-	330,305,589
Compensated absences	139,961	16,734,000	-	16,873,961
Bonds payable	34,024,134	614,265,000	-	648,289,134
Unearned revenue	58,690,598	-	-	58,690,598
Total liabilities	114,509,817	1,308,934,000	34,571,792	1,458,015,609
Deferred Inflows of Resources				
Donations	-	11,023,000	-	11,023,000
Lease revenues	-	4,077,000	-	4,077,000
Pension related amounts	1,055,639	58,290,000	-	59,345,639
Total deferred inflows of resources	1,055,639	73,390,000	-	74,445,639
Net Position				
Net investment in capital assets	52,623,612	1,572,555,000	-	1,625,178,612
Restricted for:				
Capital projects	-	80,535,000	-	80,535,000
Debt service	-	21,202,000	-	21,202,000
Scholarships	-	436,281,000	-	436,281,000
Loans	-	6,172,000	-	6,172,000
Operations and maintenance	714,403	-	-	714,403
Research and development	9,882,973	-	-	9,882,973
Other purposes	-	10,649,000	-	10,649,000
Funds held as permanent investments:				
Nonexpendable	-	381,994,000	-	381,994,000
Unrestricted (deficit)	(57,957,588)	247,037,000	(2,559,175)	186,520,237
Total net position	$ 5,263,400	$ 2,756,425,000	$ (2,559,175)	$ 2,759,129,225

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, 2016

	Major Component Units		Nonmajor Component Unit	
	Colorado River Commission	Nevada System of Higher Education	Nevada Capital Investment Corporation	Total
Expenses	$ 50,824,429	$ 1,713,086,000	$ 340,788	$ 1,764,251,217
Program revenues:				
Charges for services	49,410,536	653,246,000	-	702,656,536
Operating grants and contributions	-	503,927,000	-	503,927,000
Capital grants and contributions	-	4,978,000	-	4,978,000
Total program revenues	49,410,536	1,162,151,000	-	1,211,561,536
General revenues:				
Unrestricted investment earnings	146,357	3,849,000	(3,054,781)	940,576
Other general revenues	64,760	5,550,000	-	5,614,760
Contributions to permanent funds	-	11,467,000	-	11,467,000
Payments from State of Nevada	-	579,029,000	-	579,029,000
Total general revenues, contributions and payments	211,117	599,895,000	(3,054,781)	597,051,336
Change in net position	(1,202,776)	48,960,000	(3,395,569)	44,361,655
Net position, July 1	6,466,176	2,707,465,000	836,394	2,714,767,570
Net position, June 30	$ 5,263,400	$ 2,756,425,000	$ (2,559,175)	$ 2,759,129,225

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

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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 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

(Note 1 Continued)

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 described above, 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.

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

(Note 1 Continued)

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 required to be 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.

Municipal Bond Bank Fund - accounts for revenues and expenditures associated with buying local governments' bonds with proceeds of State general obligation bonds.

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.

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 - provide 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.

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.

Agency Funds - report assets and liabilities for deposits and investments entrusted to the State as an agent for others. Examples of funds in this category include state agency fund for bonds, 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.

(Note 1 Continued)

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, and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus but utilize the accrual basis of accounting for reporting assets and liabilities.

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 in 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 of the day. International securities prices incorporate end-of-day exchange rates. The fair value of real estate investments is based on estimated current value, and MAI (Member Appraisal Institute) independent appraisals. Investments that do not have an established market are reported at estimated fair value.

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.

Derivatives are generally valued at quoted market value. Under the circumstance where quoted market values are not considered to be readily available, such derivatives are reported at estimated fair value and the methods and significant assumptions used are described in Note 3D. Investments are discussed further in Note 3.

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.

(Note 1 Continued)

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 appraised fair value at the time of donation or estimated fair value at time of donation, based on acquisition of comparable property, if appraised fair value is not available. The government defines capital assets as assets with a unit cost of $5,000 or more for furniture and equipment, or $100,000 or more for buildings and improvements, 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. 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 or fair value at date of donation in the case of gifts. 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 18 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 10.

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.

(Note 1 Continued)

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.

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. Expenditures may occur only if actual revenues for the biennium fall short by 5% or more from anticipated revenues, or if the Legislature and Governor declare that a fiscal emergency exists. The balance in the Stabilization Account committed for fiscal emergency at June 30, 2016 is $63,935,955.

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.

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.

(Note 1 Continued)

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 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 $10,285,226 were made in the 2016 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.

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 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, Private Purpose Trust, Pension and Other Employee Benefit Trust, and Investment Trust 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. The NRS direct 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. As of June 30, 2016, the bank balance of the primary government, private purpose trust, pension and other employee benefit trust, and investment trust funds totaled $747,559,255, of which $48,809,712 was uncollateralized and uninsured.

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, 2016 NSHE's deposits in money market funds totaled $206,200,000 and cash in bank was $8,848,000. 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.

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, Private Purpose Trust, Pension and Other Employee Benefit Trust, and Investment Trust 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, 2016 (expressed in thousands):

(Note 3 Continued)

	Fair Value	Maturities in Years: Less Than 1	1-5	6-10	More Than 10
U. S. Treasury securities	$ 768,764	$ 146,977	$ 457,358	$ 132,267	$ 32,162
Negotiable certificate of deposit	487,544	485,085	2,459	-	-
U. S. agencies	10,751,086	532,249	6,529,208	1,892,353	1,797,276
Mutual funds	121,479	121,479	-	-	-
Repurchase agreements	358,006	358,006	-	-	-
Asset backed corporate securities	97,680	227	71,730	19,076	6,647
Corporate bonds and notes	340,113	138,595	178,130	11,371	12,017
Commercial paper	374,446	374,446	-	-	-
Fixed income securities	794	794	-	-	-
Municipal bonds	10,792	7,708	3,084	-	-
Investment agreements	175	-	-	-	175
Other short-term investments	294,015	294,015	-	-	-
Other investments	17,162	15,105	2,057	-	-
Total	$ 13,622,056	$ 2,474,686	$ 7,244,026	$ 2,055,067	$ 1,848,277

The Nevada College Savings Plan, a private purpose trust, currently has no formal investment policy with regard to interest rate risk for the investments. The mutual funds held by Vanguard, USAA, Upromise, and Putnam have various maturities from 28 days to 13.9 years and are not included in the table above.

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, 2016 (expressed in thousands):

Less than 1 year	$ 206,331
1 to 5 years	135,424
6 to 10 years	159,292
More than 10 years	-
Total	$ 501,047

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, Private Purpose Trust, Pension and Other Employee Benefit Trust, and Investment Trust 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,
- 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). The Nevada College Savings Plan, a private purpose trust, currently has no formal investment policy with regard to credit risk for the investments. Investments having credit risk are included in the table below.

The State's investments as of June 30, 2016 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):

(Note 3 Continued)

	Quality Rating						
	AAA	AA	A	BBB	BB	B	Unrated
Negotiable certificate of deposit	$ 2,307	$ 10,007	$ 172,048	$ -	$ -	$ -	$ -
U.S. agencies	54,481	700,283	-	-	-	-	-
Mutual funds	1,923	-	-	-	-	-	16,955,948
Repurchase agreements	-	5,006	-	-	-	-	-
Asset backed corporate securities	16,899	69,401	434	646	874	363	-
Corporate bonds and notes	9,835	75,910	147,447	28,453	2,961	446	9,419
Commerical paper	-	-	242,552	-	-	-	-
Fixed income securities	-	-	-	-	-	-	126
Municipal bonds	-	10,791	-	-	-	-	-
Investment agreements	-	-	163	12	-	-	-
Other short-term investments	94,481	203	108,350	-	-	-	182,963
Other Investments	-	6,039	10,089	-	-	-	-
Total	$ 179,926	$ 877,640	$ 681,083	$ 29,111	$ 3,835	$ 809	$ 17,148,456

Component Unit – 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, 2016 is as follows (at fair value, expressed in thousands):

	Unrated
Mutual funds publicly traded	$ 527,735
Partnerships	95,524
Endowment cash/cash equivalents	130
Trust(s)	4,063
Private commingled funds	145,656
Total	$ 773,108

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, 2016, no individual investment exceeded 5% of the total portfolio of the Primary Government.

At June 30, 2016, 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	$ 16,618	7.42%

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, 2016, the Housing Division's investments in Fannie Mae and Ginnie Mae are 3.94% and 42.04% 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, for the purpose of obtaining income. At June 30, 2016 the investment in equity interest of SSOF 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, Pension and Other Employee Benefit Trust Funds, and Investment Trust 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, 2016. The following table summarizes the pension and investment trust funds' exposure to foreign currency risk in U.S. dollars as of June 30, 2016 (expressed in thousands):

(Note 3 Continued)

	Currency by Investment and Fair Value			
	Equity	Pending Transactions	Cash	Total
Australian Dollar	$ 433,885	$ (200)	$ 401	$ 434,086
British Pound Sterling	1,174,188	(400)	1,518	1,175,306
Danish Krone	118,547	-	-	118,547
Euro	1,782,991	(800)	(169)	1,782,022
Hong Kong Dollar	186,619	(100)	1,009	187,528
Israeli Shekel	35,700	-	203	35,903
Japanese Yen	1,395,662	(3,400)	4,370	1,396,632
Norwegian Krone	11,322	-	100	11,422
Polish Zloty	38,633	-	101	38,734
Singapore Dollar	80,370	(100)	622	80,892
Swedish Krona	166,061	-	103	166,164
Swiss Franc	555,155	-	3	555,158
Total	$ 5,979,133	$ (5,000)	$ 8,261	$ 5,982,394

Private Purpose Trust Fund - The Nevada College Savings Plan, a private purpose trust, currently has no formal investment policy with regard to foreign currency risk for the investments. The Plan consists of Vanguard College Savings Plan, USAA College Savings Plan, Upromise College Fund Plan, and Putnam for America Plan which all state that there are certain inherent risks involved when investing in international securities through mutual funds that are not present with investments in domestic securities, such as foreign currency exchange rate fluctuations, adverse political and economic developments, natural disasters and possible prevention or delay of currency exchange due to foreign governmental laws or restrictions. The investments held in Putnam for America Plan consist of the portfolios managed and sponsored by Putnam Investment Management, Putnam Mutual Funds, and non-Putnam Mutual Funds. Both mutual funds pose no foreign currency risk. The following table summarizes foreign currency risk for the GAA portfolios in U.S. dollars as of June 30, 2016 (expressed in thousands):

	Currency at Fair Value
British Pound	$ 2
Euro	(11)
Hong Kong Dollar	167
Japenese Yen	(16)
Taiwan Dollar	21
Swedish Krona	1
Swiss Franc	2
Total	$ 166

Component Unit - The NSHE does not directly invest in foreign currency investments and is therefore not subject to foreign currency risk. However, it has $176,008,000 in mutual funds in both the operating and endowment pools that are primarily invested in international equities at June 30, 2016.

Fair Value of 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 significant other observable inputs; Level 3 inputs are significant unobservable inputs. The following table summarizes the fair value measurements of the primary government as of June 30, 2016 (expressed in thousands):

(Note 3 Continued)

	Fair Value	Fair Value Measurements Using: Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Investments by fair value level				
Debt securities				
U.S. Treasury securities	$ 600,043	$ 541,818	$ 58,225	$ -
Negotiable certificates of deposit	462,391	-	462,391	-
U.S. agencies	526,540	27,964	498,576	-
Mutual funds	198,077	198,077	-	-
Repurchase agreements	353,000	-	353,000	-
Asset backed corporate securities	68,593	-	68,593	-
Corporate bonds and notes	166,927	14,666	152,261	-
Commercial paper	267,996	-	267,996	-
Municipal bonds	10,791	-	10,791	-
Collateralized mortgage obligations	20,948	710	20,238	-
Federal National Mortgage Association	24,057	14,103	9,954	-
Other investments	12,558	10,501	2,057	-
Total debt securities	2,711,921	807,839	1,904,082	-
Equity securities				
Financial services industry	1,691	-	1,691	-
Total equity securities	1,691	-	1,691	-
Total investments by fair value level	$ 2,713,612	$ 807,839	$ 1,905,773	$ -

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, 2016 (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, corporate fixed income securities, international fixed income securities, 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 fair 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 fair 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, 2016 is $3,954,057,876. Collateral received for outstanding securities lending arrangements consisted of cash in the amount of $411,128,913 and non-cash in the amount of $3,635,396,664. The cash collateral is reported on the Statement of Fiduciary Net Position as an asset with a related liability. At June 30, 2016, 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.

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, 2016.

Private Purpose Trust Fund – Certain investments in the Nevada College Savings Plan are managed by Putnam Investment Management through Putnam sponsored portfolios (the Portfolios) and mutual funds. The Portfolios use six types of derivatives: options, futures contracts, forward currency contracts, total return swap contracts, interest rate swap contracts, and credit default contracts. Currently, there is no written investment policy with regard to derivatives for the Portfolios. All six types of derivatives are considered investments. The fair value amount in the table below represents the unrealized appreciation (depreciation) from derivative instruments and is reported in the Statement of Fiduciary Net Position. The net increase (decrease) in fair value is reported as investment income on the Statement of Changes in Fiduciary Net Position. The Portfolios' investment derivative instruments as of June 30, 2016, and changes in fair value for the year then ended are summarized in the following table (expressed in thousands):

	Contracts/ Notional Amounts	Fair Value	Change in Fair Value
Purchased Options, gross	$ 2,127	$ 10	$ 10
Forward Currency Contracts, net	$ 48,230	136	202
CC Interest Rate Swap Contracts, gross	$ 6,525	(34)	(47)
OTC Total Return Swap Contracts, gross	$ 16,379	(8)	18
OTC Credit Default Contracts, gross	$ 2,952	(36)	(50)
CC Credit Default Contracts, gross	$ 9,128	370	437
Futures Contracts, gross	172	(63)	(145)
Total		$ 375	$ 425

The Portfolios use options contracts to gain exposure to securities. The potential risk is that the change in value of options contracts may not correspond to the change in value of the managed instruments. In addition, losses may arise from changes in the value of the underlying instruments if there is an illiquid secondary market for the contracts, if interest or exchanged rates move unexpectedly or if the counterparty to the contract is unable to perform. Realized gains and losses on purchased options are included in realized gains and losses on investment securities. Exchange-traded options are valued at the last sale price.

The Portfolios use futures contracts to manage interest rate risk, gain exposure to interest rates, manage prepayment risk, equitize cash, and manage exposure to market risk. The potential risk is that the change in value of futures contracts may not correspond to the change in value of the managed instruments. In addition, losses may arise from changes in the value of the underlying instruments if there is an illiquid secondary market for the contracts, if interest or exchange rates move unexpectedly, or if the counterparty to the contract is unable to perform. Futures contracts are valued at the quoted daily settlement prices established by the exchange on which they trade. Risks may exceed amounts recognized on the Statement of Fiduciary Net Position. The Portfolios and the broker agree to exchange an amount of cash equal to the daily fluctuation in the value of the futures contract. Such receipts or payments are known as "variation margin."

The Portfolios buy and sell forward currency contracts, which are agreements between two parties to buy and sell currencies at a set price on a future date. These contracts are used to manage foreign exchange risk and to gain exposure on currency. The contract is marked to market daily using current forward currency exchange rates supplied by a quotation service. The Portfolios may be exposed to risk if the value of currency changes unfavorably, if the counterparties to the contracts are unable to meet the terms of their contracts or if the Portfolios are unable to enter into a closing position. Risk of loss may exceed amounts recognized on the Statement of Fiduciary Net Position.

The Portfolios entered into OTC total return swap contracts, which are arrangements to exchange a market linked return for a periodic payment, both based on a notional principal amount, to manage sector exposure, manage exposure to specific sectors or industries, manage exposure to specific securities, to gain exposure to basket of securities, to gain exposure to specific markets or countries. To the extent that the total return of the security, index or other financial measure underlying the transaction exceeds or falls short of the offsetting interest rate obligation, the Portfolios will receive a payment from or make a payment to the counterparty. OTC total return swap contracts are marked to market daily based upon quotations from an independent pricing service or market makers. The Portfolios could be exposed to credit or market risk due to unfavorable changes in the fluctuation of interest rates or the

(Note 3 Continued)

price of the underlying security or index, the possibility that there is no liquid market for these agreements or that the counterparty may default on its obligation to perform. The Portfolios' maximum risk of loss from counterparty risk is the fair value of the contract. This risk may be mitigated by having a master netting arrangement between the Portfolios and the counterparty. Risk of loss may exceed amounts recognized on the Statement of Fiduciary Net Position.

The Portfolios entered into OTC and/or centrally cleared interest rate swap contracts to manage interest rate risk and to gain exposure on interest. OTC and centrally cleared interest rate swap contracts are marked to market daily based upon quotations from an independent pricing service or market makers. The Portfolios could be exposed to credit or market risk due to unfavorable changes in the fluctuation of interest rates or if the counterparty defaults, in the case of OTC interest rate contracts, or the central clearing agency or a clearing member defaults, in the case of centrally cleared interest rate swap contracts, on its respective obligation to perform. This risk may be mitigated for OTC interest rate swap contracts by having a master netting arrangement between the Portfolios and the counterparty and for centrally cleared interest rate swap contracts through the daily exchange of variation margin. There is minimal counterparty risk with respect to centrally cleared interest rate swap contracts due to the clearinghouse guarantee fund and other resources that are available in the event of a clearing member default. Risk of loss may exceed amounts recognized on the Statement of Fiduciary Net Position.

The Portfolios entered into OTC and/or centrally cleared credit default contracts to manage credit risk and market risk, and gain exposure on individual names and/or baskets of securities. In an OTC and centrally cleared credit default contracts, the protection buyer typically makes a periodic stream of payments to a counterparty, the protection seller, in exchange for the right to receive a contingent payment upon the occurrence of a credit event on the reference obligation or all other equally ranked obligations of the reference entity. Credit events are contract specific but may include bankruptcy, failure to pay, restructuring and obligation acceleration. The OTC and centrally cleared credit default contracts are marked to market daily based upon quotations from an independent pricing service or market makers. In addition to bearing the risk that the credit event will occur, the Portfolios could be exposed to market risk due to unfavorable changes in interest rates or in the price of the underlying security or index or the possibility that it may be unable to close out its position at the same time or at the same price as if it had purchased the underlying reference obligations. In certain circumstances, the Portfolios may enter into offsetting OTC and centrally cleared credit default contracts which could mitigate their risk of loss. Risk of loss may exceed amounts recognized on the Statement of Fiduciary Net Position. The Portfolios' maximum risk of loss from counterparty risk, either as the protection seller or as the protection buyer, is the fair value of the contract. This risk may be mitigated for OTC credit default contracts by having a master netting arrangement between the Portfolios and the counterparty and for centrally cleared credit default contracts through the daily exchange of the variation margin. Counterparty risk is further mitigated with respect to centrally cleared credit default contracts due to the clearinghouse guarantee fund and other resources that are available in the event of a clearing member default. Where the Portfolios are a seller of protection, the maximum potential amount of future payments it may be required to make is equal to the notional amount.

Derivative instruments held by the Portfolios were not individually rated by a ratings agency for the reporting period. As of June 30, 2016, OTC derivative counterparties had ratings that were either greater than or equivalent to long-term ratings of Baa1/BBB and short-term ratings of P-2/A-2. Centrally cleared contracts are not considered brokered contracts and have mitigated risks. With futures, there is minimal counterparty credit risk to the Portfolios since futures are exchange traded and the exchange's clearinghouse, as counterparty to all exchange traded futures, guarantees the futures against default.

Derivative instruments are subject to interest rate risk. Prices of longer term maturities generally change more in response to interest rate changes than the prices of shorter term maturities. The following table provides information about the interest rate risks associated with the types of investment derivative instruments as of June 30, 2016 (expressed in thousands):

	Maturities in Years				
	Less than 1	1-5	6-10	Greater than 10	Total
Forward Currency Contracts	$ 136	$ -	$ -	$ -	$ 136
CC Interest Rate Swap Contracts	-	13	15	(62)	(34)
OTC Total Return Swap Contracts	(7)	-	-	(1)	(8)
OTC Credit Default Contracts	-	-	-	(36)	(36)
CC Credit Default Contracts	-	370	-	-	370
Futures Contracts	(63)	-	-	-	(63)
Total	$ 66	$ 383	$ 15	$ (99)	$ 365

(Note 3 Continued)

Forward currency contracts are subject to foreign currency risk. The following table provides information about the forward currency contracts as of June 30, 2016 (expressed in thousands):

	Fair Value
Australian Dollar	$ (40)
British Pound	46
Canadian Dollar	4
Euro	(5)
Indonesian Rupiah	2
Japanese Yen	(5)
Malaysian Ringgit	1
New Zealand Dollar	81
Norwegian Krone	(6)
Polish Zloty	1
Russian Ruble	5
Singapore Dollar	(2)
South African Rand	5
South Korean Won	(3)
Swedish Krona	48
Swiss Franc	5
Total	$ 137

The audited financial statements of Putnam 529 for America may be obtained from Putnam Investment Management, One Post Office Square, Boston, MA 02109.

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):

	Major Governmental Funds			
	General	Municipal Bond Bank	Permanent School Fund	Total Governmental
As shown on financial statements:				
Intergovernmental receivables	$ 387,135	$ -	$ 1,059	$ 388,194
Notes/loans receivable	15,874	94,240	-	110,114
Due from Component Unit	770	-	34,572	35,342
Total	$ 403,779	$ 94,240	$ 35,631	$ 533,650
Classified:				
Current portion	$ 379,750	$ 4,540	$ 1,059	$ 385,349
Noncurrent portion:				
Intergovernmental receivables	9,114	-	-	9,114
Notes/loans receivable	14,915	89,700	-	104,615
Due from Component Unit	-	-	34,572	34,572
Total noncurrent portion	24,029	89,700	34,572	148,301
Total	$ 403,779	$ 94,240	$ 35,631	$ 533,650

Not included in the receivable balances are amounts considered to be uncollectible. In the governmental funds, uncollectible taxes receivable are estimated at $20.1 million, and uncollectible accounts receivable are estimated at $110.2 million. The proprietary funds have $37.1 million in uncollectible accounts receivable of which $9.1 million are from uninsured employers' fines and penalties, and $12.1 million are from unemployment contributions and benefit overpayments.

Note 5 - Interfund Transactions

A. Interfund Advances

A summary of interfund advances at June 30, 2016, follows (expressed in thousands):

	Advances From		
Advances To	General	Nonmajor Governmental	Total
Nonmajor enterprise	$ 207	$ -	$ 207
Internal service	2,339	603	2,942
Total other funds	$ 2,546	$ 603	$ 3,149

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 below.

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, 2016, is shown below (expressed in thousands):

	Due To				
	Major Governmental Funds				
Due From	General	State Highway	Permanent School	Nonmajor Governmental	Total Governmental
Major Governmental Funds:					
General	$ -	$ 4,107	$ 73	$ 16,713	$ 20,893
State Highway	12,861	-	-	38	12,899
Permanent School Fund	2,840	-	-	-	2,840
Nonmajor governmental	12,605	4,986	-	4,358	21,949
Total Governmental	28,306	9,093	73	21,109	58,581
Major Enterprise Funds:					
Housing Division	-	-	-	-	-
Unemployment Comp	-	-	-	765	765
Water Projects Loans	292	-	-	-	292
Higher Ed Tuition Trust	26	-	-	-	26
Nonmajor enterprise	2,675	6	-	-	2,681
Total Enterprise	2,993	6	-	765	3,764
Internal Service	881	863	-	167	1,911
Total other funds	$ 32,180	$ 9,962	$ 73	$ 22,041	$ 64,256
Fiduciary	$ 431	$ -	$ -	$ 116	$ 547
Component Units:					
Colorado River Commission	$ 1	$ -	$ -	$ -	$ 1
Nevada System of Higher Education	769	-	-	-	769
Nevada Capital Investment Corporation	-	-	34,572	-	34,572
Total Component Units	$ 770	$ -	$ 34,572	$ -	$ 35,342

(Note 5 Continued)

	Due To								
	Major Enterprise Funds								
Due From	Housing Division	Unemployment Compensation	Water Projects Loans	Higher Ed Tuition Trust	Nonmajor Enterprise	Total Enterprise	Internal Service	Total Other Funds	Fiduciary
Major Governmental Funds:									
General	$ 66	$ -	$ 331	$ 54	$ 1,380	$ 1,831	$ 7,473	$ 30,197	$ 552,970
State Highway	-	-	-	-	25	25	2,018	14,942	2,336
Permanent School Fund	-	-	-	-	-	-	-	2,840	-
Nonmajor governmental	-	4,040	-	-	3	4,043	291	26,283	38
Total Governmental	66	4,040	331	54	1,408	5,899	9,782	74,262	555,344
Major Enterprise Funds:									
Housing Division	-	-	-	-	-	-	6	6	-
Unemployment Comp	-	-	-	-	-	-	-	765	-
Water Projects Loans	-	-	-	-	-	-	1	293	-
Higher Ed Tuition Trust	-	-	-	-	-	-	3	29	-
Nonmajor enterprise	-	-	-	-	30	30	129	2,840	51
Total Enterprise	-	-	-	-	30	30	139	3,933	51
Internal Service	1	-	-	-	19	20	438	2,369	16
Total other funds	$ 67	$ 4,040	$ 331	$ 54	$ 1,457	$ 5,949	$ 10,359	$ 80,564	$ 555,411
Fiduciary	$ -	$ -	$ -	$ -	$ 5	$ 5	$ 5,567	$ 6,119	$ 35,667
Component Units:									
Colorado River Commission	$ -	$ -	$ -	$ -	$ 1	$ 1	$ 12	$ 14	$ -
Nevada System of Higher Education	-	-	-	-	-	-	807	1,576	2,256
Nevada Capital Investment Corporation	-	-	-	-	-	-	-	34,572	-
Total Component Units	$ -	$ -	$ -	$ -	$ 1	$ 1	$ 819	$ 36,162	$ 2,256

	Due To		
	Component Units		
Due From	Colorado River Commission	Nevada System of Higher Education	Total Component Units
Major Governmental Funds:			
General	$ 517	$ 9,724	$ 10,241
State Highway	-	165	165
Nonmajor governmental	-	14,800	14,800
Total Governmental Funds	517	24,689	25,206
Major Enterprise Fund:			
Higher Ed Tuition Trust	-	220	220
Total Enterprise	-	220	220
Internal Service	-	66	66
Total	$ 517	$ 24,975	$ 25,492

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. An exception is the long-term due to the Nevada System of Higher Education (NSHE) from the Primary Government in the amount of $24,427,760. This is the result of the 2015 Legislative Session which authorized funds for the UNLV hotel college, totaling approximately 50% of the construction cost with the remaining coming from donor funds, as well as funding for the ongoing NSHE Statewide deferred maintenance program ($15 million).

(Note 5 Continued)

C. Transfers From/Transfers To Other Funds

A summary of transfers between funds for the year ended June 30, 2016, is shown below (expressed in thousands):

	Transfers Out/To					
	Major Governmental Funds					
	General	State Highway	Municipal Bond Bank	Permanent School	Nonmajor Governmental	Total Governmental
Transfers In/From						
Major Governmental Funds:						
General	$ -	$ 19,931	$ -	$ 4,050	$ 49,423	$ 73,404
State Highway	2,049	-	-	-	4,325	6,374
Nonmajor governmental	17,832	816	180,607	-	18,715	217,970
Total Governmental	19,881	20,747	180,607	4,050	72,463	297,748
Major Enterprise Funds:						
Housing	-	-	-	-	-	-
Unemployment Comp	-	-	-	-	149,506	149,506
Higher Ed Tuition Trust	2,437	-	-	-	-	2,437
Nonmajor enterprise	1	-	-	-	50	51
Total Enterprise	2,438	-	-	-	149,556	151,994
Internal Service	6,922	335	-	-	7	7,264
Total other funds	$ 29,241	$ 21,082	$ 180,607	$ 4,050	$ 222,026	$ 457,006

	Transfers Out/To					
	Major Enterprise Fund					
	Unemployment Compensation	Water Projects Loans	Nonmajor Enterprise	Total Enterprise	Internal Service	Total Other Funds
Transfers In/From						
Major Governmental Funds:						
General	$ -	$ 1,780	$ 14,403	$ 16,183	$ 110	$ 89,697
State Highway	-	-	-	-	-	6,374
Nonmajor governmental	8,441	-	6	8,447	157	226,574
Total Governmental	8,441	1,780	14,409	24,630	267	322,645
Major Enterprise Funds:						
Housing	-	-	-	-	-	-
Unemployment Comp	-	-	-	-	-	149,506
Higher Ed Tuition Trust	-	-	-	-	-	2,437
Nonmajor enterprise	-	-	11	11	-	62
Total Enterprise	-	-	11	11	-	152,005
Internal Service	-	-	-	-	-	7,264
Total other funds	$ 8,441	$ 1,780	$ 14,420	$ 24,641	$ 267	$ 481,914

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.

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, 2016 are as follows (expressed in thousands):

	Primary Government		
	Governmental Activities	Business-Type Activities	Component Units
Restricted:			
Cash	$ 3,043	$ -	$ 136,727
Investments	-	176,892	63,979
Total	$ 3,043	$ 176,892	$ 200,706
Restricted for:			
Debt service	$ -	$ 176,892	$ 4,156
Construction	-	-	127,827
Regulation of business	3,043	-	-
Other purposes	-	-	68,723
Total	$ 3,043	$ 176,892	$ 200,706

Note 7 - Capital Assets

Capital asset activity of the primary government for the year ended June 30, 2016, was as follows (expressed in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Land	$ 150,711	$ 1,273	$ -	$ 151,984
Construction in progress	199,375	64,693	(39,366)	224,702
Infrastructure	3,965,220	626,180	-	4,591,400
Rights-of-way	642,842	12,148	-	654,990
Total capital assets, not being depreciated	4,958,148	704,294	(39,366)	5,623,076
Capital assets, being depreciated/amortized				
Buildings	1,699,700	35,100	-	1,734,800
Improvements other than buildings	128,248	350	-	128,598
Furniture and equipment	406,940	37,994	(14,326)	430,608
Software costs	184,001	3,112	(12)	187,101
Total capital assets, being depreciated/amortized	2,418,889	76,556	(14,338)	2,481,107
Less accumulated depreciation/amortization for:				
Buildings	(590,834)	(43,472)	-	(634,306)
Improvements other than buildings	(85,647)	(4,039)	-	(89,686)
Furniture and equipment	(338,265)	(22,351)	13,320	(347,296)
Software costs	(161,451)	(3,580)	12	(165,019)
Total accumulated depreciation/amortization	(1,176,197)	(73,442)	13,332	(1,236,307)
Total capital assets, being depreciated/amortized, net	1,242,692	3,114	(1,006)	1,244,800
Governmental activities capital assets, net	$ 6,200,840	$ 707,408	$ (40,372)	$ 6,867,876
Business-type activities:				
Capital assets, not being depreciated				
Land	$ 568	$ -	$ -	$ 568
Construction in progress	10,703	399	(11,102)	-
Total capital assets, not being depreciated	11,271	399	(11,102)	568
Capital assets, being depreciated				
Buildings	3,389	-	-	3,389
Improvements other than buildings	631	3,025	-	3,656
Furniture and equipment *	6,369	8,324	(60)	14,633
Total capital assets, being depreciated	10,389	11,349	(60)	21,678
Less accumulated depreciation for:				
Buildings	(2,930)	(104)	-	(3,034)
Improvements other than buildings	(572)	-	-	(572)
Furniture and equipment *	(5,641)	(208)	60	(5,789)
Total accumulated depreciation	(9,143)	(312)	60	(9,395)
Total capital assets, being depreciated, net	1,246	11,037	-	12,283
Business-type activities capital assets, net	$ 12,517	$ 11,436	$ (11,102)	$ 12,851

* Beginning balance is adjusted to correct an error on the prior year's financial statement of the Housing Division. There is no effect on net position.

(Note 7 Continued)

Included in the table above are three Department of Correction facilities that have been closed and the Kinkead Building located in Carson City. These assets are idle, with a carrying value of $10.6 million.

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

Governmental activities:		
General government	$	4,226
Education, support services		835
Health Services		928
Law, justice, public safety		34,169
Recreation, resource development		5,561
Social Services		8,459
Transportation		9,806
Regulation of business		2,448
Unallocated		2,680
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		4,330
Total depreciation/amortization expense - governmental activities	$	73,442
Business-type activities:		
Enterprise	$	312
Total depreciation expense - business-type activities	$	312

Capital asset activity of the Nevada System of Higher Education for the year ended June 30, 2016, 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	$ 172,724	$ 136,385	$ (169,374)	$ 139,735
Land	100,201	51,029	-	151,230
Land improvements	1,835	-	-	1,835
Collections	11,346	191	(35)	11,502
Total capital assets, not being depreciated	286,106	187,605	(169,409)	304,302
Capital assets, being depreciated				
Buildings	2,393,388	159,837	(1,686)	2,551,539
Land and improvements	131,568	9,575	-	141,143
Machinery and equipment	355,790	30,035	(21,375)	364,450
Intangibles	43,944	1,371	(2,356)	42,959
Library books and media	120,476	2,173	(1,845)	120,804
Total capital assets, being depreciated	3,045,166	202,991	(27,262)	3,220,895
Less accumulated depreciation for:				
Buildings	(816,316)	(61,580)	191	(877,705)
Land and improvements	(95,308)	(5,130)	-	(100,438)
Machinery and equipment	(263,047)	(25,070)	19,365	(268,752)
Intangibles	(23,457)	(4,352)	2,356	(25,453)
Library books and media	(114,541)	(2,537)	1,830	(115,248)
Total accumulated depreciation	(1,312,669)	(98,669)	23,742	(1,387,596)
Total capital assets, being depreciated, net	1,732,497	104,322	(3,520)	1,833,299
Nevada System of Higher Education activity capital assets, net	$ 2,018,603	$ 291,927	$ (172,929)	$ 2,137,601

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, and at the end of the lease, title to the buildings transfers to NSHE. As discussed in Note 10G, the construction is being financed by Lease Revenue Certificates of Participation Series 2013. Proceeds from the certificates of participation are used to pay the capitalized interest during the construction period, and NSHE will begin making capital lease principal and interest payments starting in fiscal year 2017.

For the fiscal year ended June 30, 2016, a capital lease receivable has been recorded by the primary government in the amount of $50,445,000, which represents the certificate of participation proceeds remitted to NSHE for construction of the building.

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

Year Ending June 30	Governmental Activities
2017	$ 3,383
2018	3,380
2019	3,381
2020	3,383
2021	3,383
2022-2043	74,402
Total future minimum lease revenues	$ 91,312

Note 9 - Short-Term Obligations

Primary Government - On May 17, 2016, the State issued short-term bonds of $4,042,042 to provide the necessary State match for all or a portion of the 2015, 2016, and 2017 Clean Water Capitalization Grant Awards. These bonds were paid off on May 24, 2016. There was no short-term debt outstanding at July 1, 2015 or June 30, 2016.

Note 10 - Long-Term Obligations

A. Changes in Long-Term Liabilities

The following is a summary of changes in long-term obligations of the primary government for the fiscal year ended June 30, 2016 (expressed in thousands):

	Beginning Balance	Prior Year Adjustments	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:						
Bonds payable:						
General obligation bonds	$ 1,607,930	$ -	$ 326,723	$ (576,223)	$ 1,358,430	$ 109,543
Special obligation bonds	486,140	-	292,600	(191,645)	587,095	48,595
Subtotal	2,094,070	-	619,323	(767,868)	1,945,525	158,138
Issuance premiums (discounts)	176,725	(36,367)	114,212	(32,844)	221,726	35,125
Total bonds payable	2,270,795	(36,367)	733,535	(800,712)	2,167,251	193,263
Certificates of participation	91,935	-	-	(2,710)	89,225	3,845
Issuance premiums (discounts)	2,720	(702)	-	(527)	1,491	480
Total certificates of participation	94,655	(702)	-	(3,237)	90,716	4,325
Other Governmental long-term activities:						
Obligations under capital leases	22,826	-	-	(2,649)	20,177	2,813
Compensated absences obligations	99,031	-	74,625	(81,641)	92,015	57,821
Total other governmental long-term activities	121,857	-	74,625	(84,290)	112,192	60,634
Governmental activities long-term obligations	$ 2,487,307	$ (37,069)	$ 808,160	$ (888,239)	$ 2,370,159	$ 258,222
Business-type activities:						
Bonds payable:						
General obligation bonds	$ 73,370	$ -	$ 12,307	$ (16,197)	$ 69,480	$ 9,377
Special obligation bonds	1,008,858	-	26,132	(211,702)	823,288	177,216
Subtotal	1,082,228	-	38,439	(227,899)	892,768	186,593
Issuance premiums (discounts)	42,691	(11,411)	458	(16,050)	15,688	10,162
Total bonds payable	1,124,919	(11,411)	38,897	(243,949)	908,456	196,755
Compensated absences obligations	2,008	-	1,198	(1,508)	1,698	1,108
Arbitrage rebate liability	961	-	11	-	972	-
Tuition benefits payable	199,391	-	14,679	(2,951)	211,119	17,922
Business-type activities long-term obligations	$ 1,327,279	$ (11,411)	$ 54,785	$ (248,408)	$ 1,122,245	$ 215,785

The General Fund and special revenue funds typically liquidate the capital lease obligations. The compensated absence obligations are typically liquidated by the General Fund and State Highway Fund incurring the related salaries and wages costs. 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 unemployment compensation bonds are to repay the Federal Unemployment Advance as benefits paid significantly exceeded employer assessment during the national economic downturn. 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.

(Note 10 Continued)

General obligation bonds and special obligation bonds of the primary government outstanding at June 30, 2016 are comprised of the following (expressed in thousands):

	Interest Rates	Original Amount	Principal Outstanding
Governmental activities:			
General obligation bonds:			
Subject to Constitutional Debt Limitation	1.145-6.17%	$ 1,712,230	$ 1,080,295
Exempt from Constitutional Debt Limitation	2.0-5.5%	739,808	278,135
Special obligation bonds:			
Exempt from Constitutional Debt Limitation-			
Highway Improvement Revenue Bonds	3.0-5.0%	899,055	587,095
Subtotal		3,351,093	1,945,525
Issuance premiums (discounts)		351,175	221,726
Governmental activities bonds payable		3,702,268	2,167,251
Business-type activities:			
General obligation bonds:			
Exempt from Constitutional Debt Limitation	1.75-5.5%	97,997	69,480
Special obligation bonds:			
Unemployment Compensation Bonds	5.0%	548,900	279,145
Housing Bonds	*.50-6.95%	791,970	544,143
Subtotal		1,438,867	892,768
Issuance premiums (discounts)		67,110	15,688
Business-type activities bonds payable		1,505,977	908,456
Total bonds payable		$ 5,208,245	$ 3,075,707

*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, 2016, of the primary government are summarized in the table following (expressed in thousands):

Year Ending	Governmental Activities		Business-Type Activities	
June 30	Principal	Interest	Principal	Interest
2017	$ 158,138	$ 98,324	$ 186,593	$ 27,202
2018	152,352	84,372	144,540	18,660
2019	143,248	75,672	17,490	13,446
2020	152,741	68,988	17,345	12,817
2021	159,133	61,144	16,522	12,155
2022-2026	707,485	195,222	64,804	52,620
2027-2031	415,663	42,780	91,918	40,392
2032-2036	53,685	4,696	162,486	26,833
2037-2041	3,080	166	152,991	13,163
2042-2046	-	-	16,694	4,634
2047-2051	-	-	21,385	820
Total	$ 1,945,525	$ 631,364	$ 892,768	$ 222,742

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, 2016, the debt limitation and its unused portion are computed as follows (expressed in thousands):

Debt limitation (2% of total assessed valuation)	$ 2,166,631
Less : Bonds and leases payable as of June 30, 2016, subject to limitation	(1,082,845)
Remaining debt capacity	$ 1,083,786

(Note 10 Continued)

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 the participating local governments will be sufficient to pay the debt service requirements of the State bonds as they become due. Twelve projects were funded through the Nevada Municipal Bond Bank as of June 30, 2016, and total outstanding loans to local governments amounted to $94,240,000.

E. Refunded Debt and Redemptions

During the fiscal year 2016, the State of Nevada refunded $248,480,000 in general obligation, limited tax, bonds related to capital improvement, natural resources and water project loans by issuing refunding bonds with a total par amount of $227,770,000 at a $44,923,783 premium. In addition, the State refunded $146,045,000 in special obligation bonds, payable and collectible solely out of the gross pledged revenue, by issuing refunding bonds with a total par amount of $125,115,000 at a $30,167,763 premium. Proceeds from refunding bonds were used to refund certain outstanding State bonds to realize debt service savings. The refunding decreased the aggregate debt service payments by $46,892,943 with an economic or present value gain of $41,296,322. The reacquisition price exceeded the carrying amount of the old debt causing a deferred accounting loss of $28,379,225. 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):

Issue Description:	Refunding Amount	Refunded Amount	Cash Flow Gain (Loss)	Present Value Gain
General obligation bonds:				
Capital Improvement and Refunding Bonds Series 2015D	$ 230,821	$ 210,585	$ 24,076	$ 19,707
Natural Resources and Refunding Bonds Series 2015E	24,854	23,095	2,400	2,037
Nevada Municipal Bond Bank Project Nos.87, 88 and 89 Series 2015F	2,570	2,565	4,879	3,888
Open Space, Parks, Natural Resources and Refunding Bonds Series 2015G	8,917	8,170	1,036	811
Safe Drinking Water Revolving Fund Matching and Refunding Bonds Series 2015H	4,208	4,065	309	285
Special obligation bonds:				
Highway Revenue Improvement and Refunding Bonds Series 2016	154,504	146,045	14,193	14,568
Total	$ 425,874	$ 394,525	$ 46,893	$ 41,296

In current and prior years, the State defeased certain general obligations and other bonds by placing the proceeds of new bonds and other monies in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the State's financial statements. The total outstanding amount of defeased issues at June 30, 2016 is $691,983,056.

F. Capital Leases

The State has entered into various agreements for the lease of equipment and improvement of buildings. Assets of the primary government acquired under such leases at June 30, 2016, include equipment with a historical cost of $2,255,789 with accumulated depreciation of $1,186,604 and building improvements of $27,810,128 with accumulated depreciation of $6,125,751.

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, 2016 follow (expressed in thousands):

Year Ending June 30	Governmental Activities
2017	$ 3,693
2018	3,157
2019	3,241
2020	3,069
2021	3,035
2022-2025	7,920
Total minimum lease payments	24,115
Less: amount representing interest	(3,938)
Obligations under capital leases	$ 20,177

(Note 10 Continued)

G. Certificates of Participation

In fiscal year 2010, the NRPC, a blended component unit, issued $7,900,000 of General Obligation Certificates of Participation series 2009 at 5.0-5.125% interest to prepay the remaining outstanding balance of the 1999 issue of the Nevada Real Property Corporation. The original 1999 issue of $15,000,000 was to finance the acquisition, construction, installation and equipping of a secured juvenile treatment facility. The 2009 issue is a direct general obligation of the State to which the full faith and credit of the State is pledged. The State is required to make payments from general (ad valorem) taxes in the Consolidated Bond Interest and Redemption debt service fund that approximate the interest and principal payments made by trustees to certificate holders.

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 2007, the NRPC issued $5,760,000 of Lease Revenue Certificates of Participation Series 2006 at 4.0-5.0% interest 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.

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. Currently, only the payment of principal and interest on the Series 2006 is being guaranteed by an insurance policy.

The following schedule presents future certificates of participation payments as of June 30, 2016 (expressed in thousands):

Year Ending June 30	Principal	Interest
2017	$ 3,845	$ 4,132
2018	4,080	3,957
2019	2,960	3,805
2020	3,160	3,676
2021	3,300	3,539
2022-2026	19,015	15,141
2027-2031	22,745	10,374
2032-2036	10,530	6,379
2037-2041	13,300	3,612
2042-2043	6,290	476
Total	$ 89,225	$ 55,091

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	$211,120
Net position available	270,183
Net position as a percentage of tuition benefits obligation	127.98%

The actuarial valuation used an investment yield assumption of 5.00% per year and tuition growth assumptions as follows:

	Universities	Community Colleges
2017-18	4.00%	4.00%
2018-19	4.00%	4.00%
2019-20 and later	4.75%	4.00%

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 has been calculated as of June 30, 2016, and changes for the fiscal year then ended are presented in Section A of this note.

(Note 10 Continued)

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, 2016, there are five series of Industrial Revenue Bonds and one series of Charter School Bonds outstanding, with an aggregate principal amount payable of $633,670,616.

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 highway construction projects and property acquisition purposes. As of June 30, 2016, the outstanding balance of Highway Improvement Revenue and Refunding bonds is $587,095,000. The total of principal and interest remaining on the bonds is $780,048,647 payable through December 2029. Upon completion of eligible projects, federal aid of $324,971,600 is expected to be received in fiscal year 2017. For the current year, principal and interest paid was $65,852,363 and total motor vehicle fuel and special fuel tax revenues were $287,571,198.

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, 2016, the outstanding balance of Lease Revenue Certificates of Participation is $86,675,000. The total of principal and interest remaining on the certificates is $141,636,994 payable through June 2043. In fiscal year 2016, principal and interest of $5,614,156 was paid, which includes the interest payment of $1,216,388 paid entirely by the excess certificate proceeds for the State's Nevada State College Project as discussed in Section G of this note and Note 8. As of June 30, 2016, $1,735,598 was held by the trustee for the benefit of the bondholders. Building rent of $5,000,000 is expected to be collected in fiscal year 2017, which, along with assets held by the trustee, will be used to pay the fiscal year 2017 debt service principal and interest of $6,635,856.

Pledged additional assessments of unemployment contributions - The State has pledged additional assessments on unemployment contributions (special bond contributions), the proceeds derived from the sale of bonds, and related investment earnings to repay $548,900,000 of Unemployment Compensation Fund Special Revenue Bonds issued on November 6, 2013. The revenue bonds were issued for the purposes of repaying the Federal Unemployment Advance that occurred during the last recession and funding a deposit to the Nevada UITF Account to avoid the need for further advances. Pursuant to NRS 612.6132, special bond contributions must be established at levels sufficient to pay debt service on the bonds. As of June 30, 2016, the outstanding balance of the bonds is $279,145,000. The total principal and interest remaining on the bonds is $296,124,125 payable through June 2018. In fiscal year 2016, principal and interest of $150,045,950 was paid. As of June 30, 2016, $55,137,513 was held by the trustee for the benefit of the bondholders. Special bond contributions of $246,152,623 are expected to be collected in fiscal year 2017, which, along with assets held by the trustee, will be used to pay the fiscal year 2017 debt service principal and interest of $163,480,875.

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.

(Note 10 Continued)

As of June 30, 2016, the outstanding balance of single-family and multi-unit bonds is $544,821,907. The total of principal and interest remaining on the bonds is $736,897,544 payable through June 2049. In fiscal year 2016, principal and interest of $53,552,576 was paid. As of June 30, 2016, $177,071,228 was held by the trustee for the benefit of the single-family bondholders. The amount of payments received for mortgage loans in fiscal year 2016 is $54,405,310. Fifty-five million is expected to be collected in fiscal year 2017, which, along with assets held by the trustee, will be used to pay the fiscal year 2017 debt service principal and interest of $38,379,320.

L. Component Unit Obligations

Nevada System of Higher Education (NSHE) – Bonds, notes, capital leases and compensated absences payable by NSHE at June 30, 2016, 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	$ 519,645	$ 234,646	$ (158,995)	$ 595,296	$ 19,449
Issuance premiums (discounts)	35,705	9,183	(3,662)	41,226	2,944
Total bonds payable	555,350	243,829	(162,657)	636,522	22,393
Obligations under capital leases	46,276	7,360	(1,695)	51,941	3,583
Compensated absences obligations	50,116	32,665	(32,976)	49,805	33,283
Total	$ 651,742	$ 283,854	$ (197,328)	738,268	59,259
Discretely presented component units of the NSHE:					
Compensated absences				212	-
Long-term debt				199	63
Total				$ 738,679	$ 59,322

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, 2016 (expressed in thousands):

Year Ending June 30	Principal	Interest
2017	$ 22,393	$ 24,449
2018	27,863	24,358
2019	29,770	23,366
2020	30,211	22,240
2021	29,744	21,088
2022-2026	140,306	87,874
2027-2031	125,357	60,229
2032-2036	124,679	34,462
2037-2041	60,860	15,660
2042-2046	39,715	4,573
2047-2051	5,624	47
Total	$ 636,522	$ 318,346

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
2017	$ 3,583
2018	3,580
2019	3,580
2020	3,580
2021	3,574
2022-2026	17,581
2027-2031	17,037
2032-2036	16,900
2037-2041	16,900
2042-2046	6,766
Total minimum lease payments	93,081
Less: amount representing interest	(41,140)
Obligations under capital leases	$ 51,941

(Note 10 Continued)

Colorado River Commission (CRC) – Bonds and compensated absences payable by CRC at June 30, 2016, 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	$ 43,980	$ -	$ (4,785)	$ 39,195	$ 5,015
Issuance premiums (discounts)	591	-	(566)	25	181
Total bonds payable	44,571	-	(5,351)	39,220	5,196
Compensated absences obligations	342	183	(202)	323	183
Total	$ 44,913	$ 183	$ (5,553)	$ 39,543	$ 5,379

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
2017	$ 5,015	$ 1,465
2018	5,970	1,208
2019	730	1,062
2020	740	1,050
2021	755	1,033
2022-2026	4,085	4,841
2027-2031	4,825	4,085
2032-2036	5,845	3,027
2037-2041	6,700	1,678
2042-2044	4,530	294
Total	$ 39,195	$ 19,743

Note 11 - Pensions and Other Employee Benefits

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 $1,899,044,202, deferred outflows of resources of $204,228,570, deferred inflows of resources of $360,060,384 and pension expense of $191,174,572. The State's defined benefit pension plans are described in detail below.

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:

(Note 11 Continued)

Regular Members	Police/Fire Members
Before January 1, 2010	Before January 1, 2010
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
On or after January 1, 2010	On or after January 1, 2010
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
On or after July 1, 2015	On or after July 1, 2015
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 30 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.

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 as 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. The actuarial funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary.

Required contribution rates for employers and for active plan members, as a percentage of covered payroll, for the fiscal year ended June 30, 2016 were as follows:

	Statutory Rate	
	Employer	Employees
Regular employees:		
Employer-pay plan	28.00%	na
Employee/employer plan (matching rate)	14.50%	14.50%
Police and Fire employees:		
Employer-pay plan	40.50%	na
Employee/employer plan (matching rate)	20.75%	20.75%

State contributions recognized as part of pension expense for the current fiscal year ended June 30, 2016 were $176,579,325.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2016, the State reported a liability of $1,879,626,041, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, 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

(Note 11 Continued)

participating PERS employers and members. At June 30, 2015, the State's proportion was 16.4%, a decrease of .20% from its proportion measured at June 30, 2014.

For the year ended June 30, 2016, the State recognized pension expense of $187,305,225. At June 30, 2016, 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	$ -	$(141,380,420)
Net difference between projected and actual earnings on pension plan investments	-	(101,813,003)
Changes in proportion and differences between State contributions and proportionate share of contributions	3,413,400	(110,583,999)
State contributions subsequent to the measurement date	191,436,428	-
Total	$ 194,849,828	$(353,777,422)

Deferred outflows of resources of $191,436,428 for contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017.

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:	
2017	$ (96,170)
2018	(96,170)
2019	(96,171)
2020	(6,406)
2021	(41,436)
2022	(14,011)
Thereafter	-

Actuarial Assumptions – The State's net pension liability was measured as of June 30, 2015, 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:

Inflation rate:	3.50%
Payroll growth:	5.00%, including inflation
Investment rate of return:	8.00%
Productivity pay increase:	0.75%
Projected salary increases:	Regular: 4.60% to 9.75%, depending on service Police/Fire: 5.25% to 14.50%, depending on service Rates include inflation and productivity increases
Consumer price index:	3.50%
Other assumptions:	Same as those used in the June 30, 2015 funding actuarial valuation

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA, set back one year for females (no age setback for males) for regular members and set forward one year for police/fire members. Mortality rates for disabled members were based on the RP-2000 Disabled Retiree Mortality Table projected to 2013 with Scale AA, set forward three years.

Actuarial assumptions used in the June 30, 2015 valuation were based on an experience study for the period from July 1, 2006, through June 30, 2012.

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, 2015, are included in the following table:

Asset Class	Target Allocation	Long-term Geometric Expected Real Rate of Return
Domestic equity	42%	5.50%
International equity	18%	5.75%
Domestic fixed income	30%	0.25%
Private markets	10%	6.80%

Discount Rate – The discount rate used to measure the total pension liability was 8% as of June 30, 2015. 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

(Note 11 Continued)

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, 2015.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the State's proportionate share of the net pension liability at June 30, 2015 calculated using the discount rate of 8%, as well as what the State's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7%) or 1-percentage-point higher (9%) than the current rate (expressed in thousands):

	1% Decrease in Discount Rate (7%)	Discount Rate (8%)	1% Increase in Discount Rate (9%)
Net pension liability	$ 2,864,174	$ 1,879,626	$ 1,060,906

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, 2016, the State reported payables to the defined benefit pension plan of $14,598,437 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.

At June 30, 2015, the LRS pension plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	78
Inactive vested members	13
Inactive non-vested members	26
Active members	35
Total	152

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, same as above, except the increases in paragraph (a) do not exceed 4% per year. For future retirees, those hired prior to 2010 are assumed to reach the cap after 24 years of retirement. Those hired in 2010 or later are assumed to reach the cap after 39 years of retirement. Underlying all of these assumptions is that CPI will grow over time at a rate of 3.5% 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

(Note 11 Continued)

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 $311,710 for fiscal years 2015 and 2016, 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 2015, of which $155,855 (half) was recognized as employer contributions in the fiscal year 2015, and the other half recognized as employer contributions in fiscal year 2016.

State contributions recognized as part of pension expense for the fiscal year ended June 30, 2016 were $155,855.

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 Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2016, the State reported a net pension liability of $654,825. The net pension liability was measured as of June 30, 2015, 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, 2016, the State recognized pension income of $72,390. At June 30, 2016, 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	$ 157	$ (281)
Difference between expected and actual experience	-	(26)
State contributions subsequent to the measurement date	-	-
Total	$ 157	$ (307)

There were no deferred outflows of resources for contributions subsequent to the measurement date to be recognized in the year ended June 30, 2017.

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:	
2017	$ (81)
2018	(54)
2019	(54)
2020	39
2021	-
Thereafter	-

(Note 11 Continued)

The following table presents the changes in the net pension liability for LRS for the year ended June 30, 2015 (expressed in thousands):

		2015
Total pension liability		
Service cost	$	39
Interest		426
Differences between expected and actual experience		(109)
Benefit payments, including refunds		(497)
Net change in total pension liability		(141)
Total pension liability - beginning		5,531
Total pension liability - ending (a)	$	5,390
Plan fiduciary net position		
Contributions - employer	$	156
Contributions - employee		23
Net investment income		179
Benefit payments, including refunds		(497)
Administrative expense		(85)
Other		86
Net change in plan fiduciary net position		(138)
Plan fiduciary net position - beginning		4,873
Plan fiduciary net position - ending (b)	$	4,735
Net pension liability - beginning	$	658
Net pension liability - ending (a) - (b)	$	655
Plan fiduciary net position as a percentage of total pension liability		88%
Covered-employee payroll		N/A
Net pension liability as a percentage of covered-employee payroll		N/A

Actuarial Assumptions – The State's net pension liability was measured as of June 30, 2015, 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:

Inflation rate:	3.50%
Investment rate of return:	8.00%
Projected salary increases:	3.50%
Consumer price index:	3.50%
Other assumptions:	Same as those used in the June 30, 2015 funding actuarial valuation

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA, set back one year for females (no age setback for males).

Actuarial assumptions used in the June 30, 2015 valuation were based on the results of the actuarial experience study for the period July 1, 2006, through June 30, 2012.

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, 2015, are included in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	49%	5.50%
International equity	21%	5.75%
Domestic fixed income	30%	0.25%

Discount Rate – The discount rate used to measure the total pension liability was 8% as of June 30, 2015. 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 contribu-

(Note 11 Continued)

tions 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 8%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7%) or 1-percentage-point higher (9%) than the current rate (expressed in thousands):

	1% Decrease in Discount Rate (7%)	Discount Rate (8%)	1% Increase in Discount Rate (9%)
Net pension liability	$ 1,111	$ 655	$ 263

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, 2016, the State had no payables to the defined benefit pension plan for legally required employer contributions.

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, 2015, the JRS pension plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	69
Inactive vested members	4
Active members	115
Total	188

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 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.

Member and Employer Contributions – The JRS is an employer-paid plan and there is no contribution from active members. 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% pay-

(Note 11 Continued)

roll 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.

The State's annual actuarially determined contribution to fund the System at June 30, 2016 was $5,443,188 and the actual contribution made was $5,227,905.

Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2016, the State reported a liability of $18,763,336 for its net pension liability for the JRS pension plan. The net pension liability was measured as of June 30, 2015, 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, 2016, the State recognized pension expense of $3,504,834. At June 30, 2016, 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	$ 895	$ (1,479)
Net difference between projected and actual earnings on pension plan investments	3,099	(4,341)
Changes in proportion and differences between State contributions and proportionate share of contributions	-	(155)
State contributions subsequent to the measurement date	5,227	-
Total	$ 9,221	$ (5,975)

Deferred outflows of resources of $5,227,095 for contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017.

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:	
2017	$ (979)
2018	(979)
2019	(980)
2020	957
2021	-
Thereafter	-

(Note 11 Continued)

The following table presents the changes in the net pension liability for JRS for the year ended June 30, 2015 (expressed in thousands):

		2015
Total pension liability		
Service cost	$	3,593
Interest		8,876
Differences between expected and actual experience		1,250
Benefit payments, including refunds		(4,896)
Other		2,357
Net change in total pension liability		11,180
Total pension liability - beginning		108,630
Total pension liability - ending (a)	$	119,810
Plan fiduciary net position		
Contributions - employer	$	6,155
Contributions - employee		96
Net investment income		3,206
Benefit payments, including refunds		(4,896)
Administrative expense		(86)
Other		2,357
Net change in plan fiduciary net position		6,832
Plan fiduciary net position - beginning		92,113
Plan fiduciary net position - ending (b)	$	98,945
Net pension liability - beginning	$	16,517
Net pension liability - ending (a) - (b)	$	20,865
Plan fiduciary net position as a percentage of total pension liability		83%
Covered-employee payroll (measurement as of end of fiscal year)	$	19,930
Net pension liability as a percentage of covered-employee payroll		105%

Actuarial Assumptions – The State's net pension liability was measured as of June 30, 2015, 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:

Inflation rate:	3.50%
Investment rate of return:	8.00%
Projected salary increases:	3.00% - 8.00% varies by service
Consumer price index:	3.50%
Other assumptions:	Same as those used in the June 30, 2015 funding actuarial valuation

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA, set back one year for females (no age setback for males).

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2006, through June 30, 2012.

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, 2015, are included in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	49%	5.50%
International equity	21%	5.75%
Domestic fixed income	30%	0.25%

Discount Rate – The discount rate used to measure the total pension liability was 8% as of June 30, 2015. 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.

(Note 11 Continued)

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 8%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7%) or 1-percentage-point higher (9%) than the current rate (expressed in thousands):

	1% Decrease in Discount Rate (7%)	Discount Rate (8%)	1% Increase in Discount Rate (9%)
Net pension liability	$ 31,043	$ 18,763	$ 8,370

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, 2016, the State reported payables to the defined benefit pension plan of $258,496 for legally required employer contributions not yet remitted to JRS.

D. Other Postemployment Benefits

Plan Description – The State Retirees' Health and Welfare Benefits Fund, Public Employees' Benefits Program ("PEBP") of the State of Nevada ("Retirees' Fund") was created in 2007 by the Nevada Legislature 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 established the Retirees' Fund as an irrevocable trust fund for the purpose of providing retirement benefits other than pensions. The Retirees' Fund is a multiple-employer cost-sharing defined postemployment benefit plan administered by the Board of the Public Employees' Benefits Program of the State of Nevada. The Retirees' Fund provides benefits other than pensions to eligible retirees and their dependents through the payment of subsidies to the PEBP. PEBP administers a group health and life insurance program for covered employees, both active and retired, of the State, and certain other participating public employers within the State of Nevada. NAC 287.530 establishes the benefit upon the retiree. All Nevada public employees who retire with at least five years of public service and who have State service are eligible to receive benefits from the Retirees' Fund. State service is defined as employment with any Nevada State agency, the Nevada System of Higher Education and any State Board or Commission. A portion of the monthly premiums are deducted from pension checks and paid to the PEBP. The cost varies depending on which health plan the retiree chooses, as well as the amount of subsidy they receive.

The Retirees' Fund issues a stand-alone financial report that includes financial statements and required supplementary information. The State reports the Retirees' Fund as a trust fund. The Retirees' Fund financial report may be obtained from Public Employees' Benefits Program, 901 South Stewart Street, Suite 1001, Carson City, NV 89701.

Summary of Significant Accounting Policies - The financial statements of the Retirees' Fund have been prepared using the accrual basis of accounting and the economic resources measurement focus. 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. The Retirees' Fund does not receive member contributions.

Method Used to Value Investments – The Retiree's Fund and the Retirement Benefit Investment Fund (RBIF) both hold investments that are measured at fair value on a recurring basis and categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. All investments are classified in Level 1.

Contributions and Funding Policy - NRS 287.046 establishes a subsidy to pay an amount toward the cost of the premium or contribution for the persons retired from the State. Contributions to the Retirees' Fund are paid by the State of Nevada through an assessment of actual payroll paid by each State entity. For the period from July 1, 2015 through June 30, 2016 the rate assessed was 2.126% of annual covered payroll. The assessment is based on an amount provided by the Legislature each biennium in session law. For the year ended June 30, 2016, the State, its component units, State Boards and Commissions, and other participating public employers contributed $32,213,079 to the plan, which is 100% of the contractually required contribution. For the years ended June 30, 2015 and 2014 the State, its component units, State Boards and Commissions, and other participating public employers contributed $37,758,981, and $32,697,856, respectively, to the plan, which equaled 100% of the contractually required contribution each year.

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):

	Self Insurance Fund	Insurance Premiums Fund
Balance June 30, 2014	$ 47,154	$ 65,378
Claims and changes in estimates	221,215	11,899
Claim payments	(207,711)	(12,538)
Balance June 30, 2015	60,658	64,739
Claims and changes in estimates	220,238	14,736
Claim payments	(217,882)	(15,758)
Balance June 30, 2016	$ 63,014	$ 63,717
Due Within One Year	$ 63,014	$ 16,778

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, 2016. 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 five 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 twenty-two 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 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 pol-

(Note 12 Continued)

icy for workers' compensation. Liabilities in the amount of $49,841,992 as of June 30, 2016 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, 2016.

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 and $100,000 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, 2016, 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 and lung disease benefits payable under the Nevada Occupational Disease Act. Any fireman or police officer that satisfies the five-year employment period requirement under this act is eligible for coverage under Workers' Compensation for heart and lung disease. A range of estimated losses from $5,224,500 to $18,779,100 for heart disease and $5,761,870 for lung 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.

At June 30, 2016 total liabilities exceeded total assets by $49,982,199. The Fund is liable for approximately $50,000,000 as of June 30, 2016 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.

Note 13 - Fund Balances and Net Position

A. Net Position-Restricted by Enabling Legislation

The government-wide statement of net position reports $2,258,085,033 of net position-restricted for the primary government, of which $207,583,030 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, 2016, is shown below (expressed in thousands):

(Note 13 Continued)

	Major Governmental Funds					
	General	State Highway	Municipal Bond Bank	Permanent School	Nonmajor Governmental Funds	Total Governmental
Fund balances:						
Nonspendable:						
Long term notes/loans receivable	$ 14,915	$ -	$ 89,700	$ -	$ -	$ 104,615
Inventory	7,383	18,842	-	-	391	26,616
Advances	2,546	-	-	-	-	2,546
Prepaid items	2,109	61	-	-	88	2,258
Permanent fund principal	-	-	-	341,238	30	341,268
Restricted for:						
Capital projects	-	-	-	-	64,155	64,155
Conservation, parks and land	30,810	-	-	-	8,754	39,564
Debt service	-	-	-	-	31,147	31,147
Economic development	3,655	-	-	-	-	3,655
Education K-12	3,090	-	-	-	-	3,090
Environmental protection	7,114	-	-	-	-	7,114
Health services	955	-	-	-	-	955
Housing, real estate & mortgage lending	3,708	-	-	-	21,401	25,109
Law and justice	2,282	-	-	-	21,907	24,189
Motor vehicles and public safety	-	32,394	-	-	-	32,394
Other purposes	1,371	-	-	-	2,916	4,287
Regulation of business	8,512	-	-	-	7,169	15,681
Social services	1,754	-	-	-	98,127	99,881
Transportation	-	448,984	-	-	-	448,984
Veterans' services	1,001	-	-	-	-	1,001
Wildlife	13,842	-	-	-	-	13,842
Committed to:						
Agriculture	4,724	-	-	-	987	5,711
Capital projects	-	-	-	-	3,040	3,040
College savings endowment	5,166	-	-	-	-	5,166
Commission on mineral resources	5,022	-	-	-	-	5,022
Conservation, parks and land	8,522	-	-	-	429	8,951
Debt service	-	-	5,627	-	138,854	144,481
Economic development	20,786	-	-	-	5,560	26,346
Education K-12	16,705	-	-	-	-	16,705
Environmental protection	62,926	-	-	-	7,555	70,481
Fiscal emergency	63,936	-	-	-	-	63,936
Health care financing and policy	46,310	-	-	-	-	46,310
Health services	19,874	-	-	-	-	19,874
Housing, real estate & mortgage lending	20,679	-	-	-	863	21,542
Law and justice	10,702	-	-	-	3,555	14,257
Legislative counsel bureau	46,900	-	-	-	-	46,900
Motor vehicles and public safety	16,141	1,470	-	-	-	17,611
Other purposes	12,980	-	-	-	-	12,980
Regulation of business	5,982	-	-	-	3,721	9,703
Silver state halth insurance	8,836	-	-	-	-	8,836
Social services	12,427	-	-	-	24,718	37,145
State energy office	8,992	-	-	-	-	8,992
Tobacco settlement programs	-	-	-	-	51,371	51,371
Transportation	-	30,988	-	-	-	30,988
Veterans' services	5,333	-	-	-	-	5,333
Wildlife	16,589	-	-	-	-	16,589
Unassigned:	(126,417)	-	-	-	-	(126,417)
Total fund balances	$ 398,162	$ 532,739	$ 95,327	$ 341,238	$ 496,738	$ 1,864,204

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 a decrease in net position of $1,519,921 for the year ended June 30, 2016, resulting in negative net position of $2,654,268 at June 30, 2016.

(Note 13 Continued)

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 $16,232 for the year ended June 30, 2016, resulting in a negative net position of $689,424 at June 30, 2016.

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 a decrease in net position of $20,899 for the year ended June 30, 2016, resulting in a negative net position of $3,608,157 at June 30, 2016.

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 an increase in net position of $180,586 for the year ended June 30, 2016, resulting in a negative net position of $172,420 at June 30, 2016.

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 $836,572 for the year ended June 30, 2016, resulting in negative net position of $49,982,199 at June 30, 2016.

Administrative Services – The Administrative Services Fund provides administrative and accounting services to various divisions of the Department of Administration. The fund recorded a decrease in net position of $226,236 for the year ended June 30, 2016, resulting in negative net position of $2,867,990 at June 30, 2016.

Personnel – The Personnel Fund accounts for the costs of administering the State personnel system. The fund recorded an increase in net position of $305,995 for the year ended June 30, 2016, resulting in negative net position of $7,286,488 at June 30, 2016.

Purchasing – The Purchasing Fund provides purchasing services to State agencies and other governmental units. The fund recorded an increase in net position of $429,670 for the year ended June 30, 2016, resulting in negative net position of $2,606,781 at June 30, 2016.

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 $2,289,300 for the year ended June 30, 2016, resulting in negative net position of $12,930,201 at June 30, 2016.

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 1.25%, 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.

(Note 14 Continued)

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-eights 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 and Tire 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, prior to October 1, 2015, were imposed at 10% of all amounts paid for admission, food, merchandise or refreshment, while the establishment provided entertainment in facilities with less than occupancy/seating of 7,500. A 5% rate was imposed for facilities with at least 7,500 occupancy/seating. Beginning October 1, 2015 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.

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. 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 - 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 and $100,000 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.

In litigation filed against the Department of Taxation (DOT), the plaintiff is seeking a declaration that the Live Entertainment Tax is unconstitutional on its face and that they do not have to pay the tax. The Live Entertainment Tax is collected by the DOT as well as the Gaming Control Board. The Gaming Control Board's collection of the Live Entertainment Tax has not been challenged. Should a refund be granted, the estimated amount to date is $145.1 million. However, if the tax is found to be unconstitutional on its face, the statute may be completely stricken.

The Department of Taxation has litigated vigorously a lawsuit against a utility company. The lawsuit arose out of a claim for the refund of $200.0 million in use tax paid, plus interest, on coal purchased out of the state and used in Nevada. The company claims the use tax is unconstitutional. The State won the case in the 1st Judicial District Court. The utility company appealed to the Nevada Supreme Court and is waiting for a decision. The use tax distribution is shared between the State, counties and local governments. If the utility company's appeal is successful, the State's exposure upon a potentially unfavorable outcome is $26.6 million.

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, 2016 amounted to $38.9 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, 2016 (expressed in thousands):

For the Year Ending June 30	Amount
2017	$ 32,838
2018	27,681
2019	21,906
2020	17,367
2021	12,695
2022-2026	35,377
2027-2031	3,708
2032-2036	273
Total	$ 151,845

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, 2016, 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.

Rebate Arbitrage - The Federal 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) is required to be rebated to the U.S. Treasury, in order for the interest on the bonds to be excluded from gross income for federal income tax purposes. Rebatable arbitrage is computed as of each installment computation date. The present value of the rebatable arbitrage is $972,000 and has been recorded as a liability in the Statement of Net Position at June 30, 2016. Future calculations might result in different rebatable arbitrage amounts.

(Note 16 Continued)

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, 2016 were $238.4 million which includes accrued interest of $1.4 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, 2016, encumbered expenditures in governmental funds were as follows (expressed in thousands):

	Amount
General Fund	$ 7,412
State Highway	5,017
Nonmajor governmental funds	119
Total	$ 12,548

Construction Commitments – As of June 30, 2016, the Nevada Department of Transportation had total contractual commitments of approximately $231.1 million for construction of various highway projects. Other major non-highway construction commitments for the primary government's budgeted capital projects funds total $66.8 million.

B. Discretely Presented Component Units

Nevada System of Higher Education (NSHE) – As of June 30, 2016, NSHE is a defendant or co-defendant in legal actions. Based on present knowledge and advice of legal counsel, 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 NSHE.

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, 2016.

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, 2016 is $122.5 million. These costs will be financed by State appropriations, private donations, available resources and/or long-term borrowings.

The Board of Regents, at its March 4, 2016 meeting, approved the issuance of a Promissory Note in an amount up to $5.0 million. The authorized note is expected to be issued in calendar year 2017.

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 CRC from such litigation, if any, will not have a material adverse effect on CRC's future financial position, results of operations or cash flows. Accordingly, no provision has been made for any such losses.

The CRC does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters but rather, records such as period costs when the services are rendered.

Nevada Capital Investment Corporation (NCIC) - The NCIC currently has commitments to the Silver State Opportunity Fund of $50.0 million (the First Tranche). As of June 30, 2016, the NCIC has fulfilled $35.9 million of its total commitment. The NCIC has the right, but not the obligation, to increase its capital commitment 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 17 - Subsequent Events

A. Primary Government

Bonds – On November 9, 2016, the State issued $48,790,000 in General Obligation Bonds. The Series 2016C bonds were issued primarily to finance various capital improvement projects, to award financial assistance to certain governmental entities and nonprofit organizations for the actual expenses of preserving or protecting historical buildings to be used to develop a network of cultural centers and activities. The Series 2016D bonds were issued to finance costs of environmental improvement projects for the Lake Tahoe Basin and to refund certain outstanding bonds.

On August 30, 2016, the State issued $1,023,500 in General Obligation (Limited Tax) Open Space, Parks, and Natural Resources Bonds, Series 2016B (not subject to the Constitutional Debt Limit). These "Question 1" project bonds as set forth in Section 28 of Chapter 445 statutes of Nevada 2013 will be used for Wildlife Projects.

Certificates of Participation – On August 9, 2016, the State approved the issuance of Series 2016, Certificates of Participation for $3,730,000. The Certificates refund the 2006 Certificates for the Nevada Legislative Counsel Bureau's warehouse remodel. The Series evidences an undivided interest in the right to receive base rent under a lease purchase agreement to be paid by the State. The lease purchase agreement is with Nevada Real Property Corporation. The Certificates are not general obligations of the State.

B. Discretely Presented Component Units

Nevada System of Higher Education – The Board of Regents, at its September 9, 2016 meeting, approved a resolution authorizing the issuance of up to $14,800,000 of universities revenue bonds. The System issued the bonds in October 2016.

C. New Accounting Pronouncements

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions* (GASB 75), which improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support of OPEB that is provided by other entities. GASB 75 is effective for fiscal years beginning after June 15, 2017. The anticipated impact of this pronouncement is uncertain at this time.

In January 2016, the GASB issued Statement No. 80, *Blending Requirements for Certain Component Units* (GASB 80), which improves financial reporting by clarifying the financial statement requirements for certain component units. The statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. GASB 80 is effective for fiscal years beginning after June 15, 2016. The anticipated impact of this pronouncement is uncertain at this time.

In March 2016, the GASB issued Statement No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No.73* which addresses certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Reporting for Pensions,* and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and 68 (GASB 82).* Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. GASB 82 is effective for fiscal years beginning after June 15, 2017. The anticipated impact of this pronouncement is uncertain at this time.

Note 18 - Accounting Changes and Restatements

A. Primary Government

Net position as of July 1, 2015 has been restated in the Governmental Activities and the Business-type Activities to reflect a conversion from the straight line method of amortizing premiums and discounts to the interest method, for bond obligations. The change to the interest method affected the Unemployment Compensation Fund and the Water Projects Loans Fund which are major enterprise funds under Business-type Activities.

In addition, a prior period adjustment was made to decrease the General Fund balance and to increase the State Highway Fund balance to correct for the allocation of an investment loss related to the 2008 Lehman Brothers bankruptcy.

The following table shows the changes to the beginning net position as of July 1, 2015 for the primary government (expressed in thousands):

	Governmental Activities	Business-type Activities
Net position at June 30, 2015 as previously reported	$ 3,648,254	$ 743,907
Conversion from straight line amortization to the interest method for bond premiums/discounts	37,069	11,411
Net position at June 30, 2015 as restated	$ 3,685,323	$ 755,318

The following table shows the changes to the beginning fund balance/net position as of July 1, 2015 for the General Fund, State Highway Fund and proprietary funds (expressed in thousands):

	Major Governmental Funds		Major Enterprise Funds	
	General	State Highway	Unemployment Compensation	Water Projects Loans
Fund balance/net position at June 30, 2015 as previously reported	$ 207,288	$ 333,930	$ 109,846	$ 367,277
Conversion from straight line amortization to the interest method for bond premiums/discounts	-	-	10,434	977
Allocation of investment loss	(4,086)	4,086	-	-
Fund balance/net position at June 30, 2015 as restated	$ 203,202	$ 338,016	$ 120,280	$ 368,254

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Required Supplemental Information

For the Fiscal Year Ended June 30, 2016

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Sources of Financial Resources				
Fund balances, July 1	$ 632,860,852	$ 632,860,852	$ 632,860,852	$ -
Revenues:				
Sales taxes	1,098,069,300	1,098,069,300	1,077,003,771	(21,065,529)
Gaming taxes, fees, licenses	858,556,838	858,706,838	847,477,237	(11,229,601)
Intergovernmental	3,589,248,446	4,003,097,067	3,617,438,749	(385,658,318)
Other taxes	1,804,714,693	1,834,213,861	1,874,012,350	39,798,489
Sales, charges for services	252,261,681	265,739,371	251,172,922	(14,566,449)
Licenses, fees and permits	657,700,562	696,822,230	689,649,422	(7,172,808)
Interest	9,736,894	10,908,575	4,136,765	(6,771,810)
Other	343,484,878	391,627,272	309,485,986	(82,141,286)
Other financing sources:				
Proceeds from sale of bonds	-	2,000,000	2,007,920	7,920
Transfers	622,789,471	696,676,154	608,005,785	(88,670,369)
Reversions from other funds	-	-	2,740,197	2,740,197
Total sources	9,869,423,615	10,490,721,520	9,915,991,956	(574,729,564)
Uses of Financial Resources				
Expenditures and encumbrances:				
Elected officials	131,221,293	132,313,663	96,754,559	35,559,104
Legislative and judicial	111,838,179	112,652,389	64,480,573	48,171,816
Finance and administration	79,725,162	82,280,285	63,244,313	19,035,972
Education - K to 12	2,176,806,987	2,330,769,007	2,168,109,773	162,659,234
Education - higher education	829,811,281	855,155,493	847,424,499	7,730,994
Human services	4,965,026,828	5,220,399,101	4,852,689,713	367,709,388
Commerce and industry	350,690,352	413,856,904	304,808,075	109,048,829
Public safety	419,919,261	434,717,839	388,918,193	45,799,646
Infrastructure	349,990,652	420,192,661	180,793,194	239,399,467
Special purpose agencies	72,708,044	91,880,798	52,226,365	39,654,433
Other financing uses:				
Transfers to other funds	37,302,768	44,055,715	44,055,715	-
Reversions to other funds	-	-	1,347,400	(1,347,400)
Projected reversions	(40,000,000)	(40,000,000)	-	(40,000,000)
Total uses	9,485,040,807	10,098,273,855	9,064,852,372	1,033,421,483
Fund balances, June 30	$ 384,382,808	$ 392,447,665	$ 851,139,584	$ 458,691,919

State Highway Fund				Municipal Bond Bank			
Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
$ 317,361,548	$ 317,361,548	$ 317,361,548	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
322,144,038	473,184,803	454,387,049	(18,797,754)	-	-	-	-
297,815,566	341,330,129	338,690,791	(2,639,338)	-	-	-	-
18,554,524	20,685,475	18,642,913	(2,042,562)	-	-	-	-
214,131,340	225,492,494	221,857,563	(3,634,931)	-	-	-	-
769,792	1,590,529	2,614,576	1,024,047	10,903,442	10,903,442	2,263,977	(8,639,465)
40,482,587	47,782,217	42,436,379	(5,345,838)	16,702,047	16,702,047	4,825,000	(11,877,047)
100,000,000	205,000,000	200,007,547	(4,992,453)	-	-	-	-
8,454,648	15,361,920	14,977,819	(384,101)	-	-	-	-
-	-	-	-	-	-	-	-
1,319,714,043	1,647,789,115	1,610,976,185	(36,812,930)	27,605,489	27,605,489	7,088,977	(20,516,512)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
223,272,592	234,726,653	207,216,440	27,510,213	-	-	-	-
811,738,919	1,163,029,686	799,977,670	363,052,016	-	-	-	-
-	-	-	-	-	-	-	-
84,314,793	85,130,931	85,130,931	-	27,605,489	27,605,489	7,087,775	20,517,714
-	-	32,371	(32,371)	-	-	-	-
(55,507,960)	(113,507,960)	-	(113,507,960)	-	-	-	-
1,063,818,344	1,369,379,310	1,092,357,412	277,021,898	27,605,489	27,605,489	7,087,775	20,517,714
$ 255,895,699	$ 278,409,805	$ 518,618,773	$240,208,968	$ -	$ -	$ 1,202	$ 1,202

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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 23 are reported instead of the amounts disclosed in the original budget. The August 23, 2016 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, 2016 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):

	General Fund	State Highway	Municipal Bond Bank
Fund balances (budgetary basis) June 30, 2016	$ 851,140	$ 518,619	$ 1
Adjustments:			
Basis differences:			
Petty cash or outside bank accounts	5,673	145	-
Investments not recorded on the budgetary basis	11,889	-	-
Loans not recorded on the budgetary basis	-	-	94,240
Accrual of certain other receivables	242,056	8,124	1,086
Inventory	7,383	18,903	-
Advances to other funds	2,798	-	-
Accrual of certain accounts payable and other liabilities	(423,533)	(17,190)	-
Unearned revenues	(122,092)	-	-
Deferred inflows - unavailable	(194,972)	(2,642)	-
Encumbrances	7,413	5,017	-
Other	(3,018)	1,763	-
Perspective differences:			
Special revenue fund reclassified to General Fund for GAAP purposes	13,425	-	-
Fund balances (GAAP basis) June 30, 2016	$ 398,162	$ 532,739	$ 95,327

Total fund balance on the budgetary basis in the General Fund at June 30, 2016, 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)	$ 851,140
Restricted funds	(442,130)
Unrestricted fund balance (budgetary basis)	$ 409,010

For the Fiscal Year Ended June 30, 2016

A. Multiple-employer Cost Sharing Plan

The following schedule presents the State's (primary government's) proportionate share of the net pension liability for the Public Employees' Retirement System at June 30, 2015 (expressed in thousands):

	2015	2014
State's proportion of the net pension liability	16.4%	16.6%
State's proportionate share of the net pension liability	$ 1,879,626	$ 1,730,601
State's covered-employee payroll	$ 874,098	$ 872,316
State's proportionate share of the net pension liability as a percentage of its covered-employee payroll	215%	198%
Plan fiduciary net position as a percentage of the total pension liability	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 (primary government's) contributions to the Public Employees' Retirement System (expressed in thousands):

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Statutorily required contribtutions	$ 190,528	$ 176,579	$ 174,712	$ 162,484	$ 163,219	$ 160,959	$ 164,630	$ 153,768	$ 146,754	$ 136,270
Contributions in relation to the statutorialy required contribution	190,528	176,579	174,712	162,484	163,219	160,959	164,630	153,768	146,754	136,270
Contribution (deficiency) excess	-	-	-	-	-	-	-	-	-	-
Covered-employee payroll	906,687	874,098	872,316	855,179	859,047	946,818	968,412	961,050	917,213	851,688
Contributions as a percentage of covered employee payroll	21%	20%	20%	19%	19%	17%	17%	16%	16%	16%

B. Single-employer Plan

The following schedule presents the changes in the net pension liability for the Legislators' Retirement System for the year ended June 30, 2015 (expressed in thousands):

	2015	2014
Total pension liability		
Service cost	$ 39	$ 37
Interest	426	428
Differences between expected and actual experience	(109)	-
Benefit payments, including refunds	(497)	(494)
Net change in total pension liability	(141)	(29)
Total pension liability - beginning	5,531	5,560
Total pension liability - ending (a)	$ 5,390	$ 5,531
Plan fiduciary net position		
Contributions - employer	$ 156	$ 213
Contributions - employee	23	27
Net investment income	179	804
Benefit payments, including refunds	(497)	(494)
Administrative expense	(85)	(46)
Other	86	46
Net change in plan fiduciary net position	(138)	550
Plan fiduciary net position - beginning	4,873	4,323
Plan fiduciary net position - ending (b)	$ 4,735	$ 4,873
Net pension liability - beginning	$ 658	$ 1,237
Net pension liability - ending (a) - (b)	$ 655	$ 658
Plan fiduciary net position as a percentage of total pension liability	88%	88%
Covered-employee payroll	N/A	N/A
Net pension liability as a percentage of covered-employee payroll	N/A	N/A

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

(Continued)

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

	2016	2015
Statutorily required contribtutions	$ -	$ 312
Contributions in relation to the statutorily required contribution	$ -	$ 312
Contribution (deficiency) excess	$ -	$ -
Covered-employee payroll	N/A	N/A
Contributions as a percentage of covered-employee payroll	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 for the year ended June 30, 2015 (expressed in thousands):

	2015	2014
Total pension liability		
Service cost	$ 3,593	$ 3,411
Interest	8,876	8,367
Differences between expected and actual experience	1,250	(2,666)
Benefit payments, including refunds	(4,896)	(4,295)
Other	2,357	990
Net change in total pension liability	11,180	5,807
Total pension liability - beginning	108,630	102,823
Total pension liability - ending (a)	$ 119,810	$ 108,630
Plan fiduciary net position		
Contributions - employer	$ 6,155	$ 6,002
Contributions - employee	96	-
Net investment income	3,206	14,252
Benefit payments, including refunds	(4,896)	(4,295)
Administrative expense	(86)	(83)
Other	2,357	990
Net change in plan fiduciary net position	6,832	16,866
Plan fiduciary net position - beginning	92,113	75,247
Plan fiduciary net position - ending (b)	$ 98,945	$ 92,113
Net pension liability - beginning	$ 16,517	$ 27,576
Net pension liability - ending (a) - (b)	$ 20,865	$ 16,517
Plan fiduciary net position as a percentage of total pension liability	83%	85%
Covered-employee payroll (measurement as of end of fiscal year)	$ 19,930	$ 18,934
Net pension liability as a percentage of covered-employee payroll	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):

	2016	2015
Actuarially determined contribution	$ 5,443	$ 5,266
Contributions in relation to the actuarially determined contribution	$ 5,227	$ 5,535
Contribution (deficiency) excess	$ (216)	$ 269
Covered-employee payroll	$ 17,425	$ 17,132
Contributions as a percentage of covered-employee payroll	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 11C.

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 1,160 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. The State realigned its goals to maintain a certain percentage of each category of its roadways. The realignment was based on the Pavement and Bridge Condition Notice of Proposed Rulemaking released by the Federal Highway Administration (FHWA). The new policy is to maintain each category with an IRI of 95 or less. The prior policy was to maintain each category with an IRI of 80 or less. Therefore, the first table shows the most current condition assessment under the new policy and the second table shows the condition assessment under the prior policy.

Condition Level of the Roadways

Percentage of roadways with an IRI of 95 or less

	Category				
	I	II	III	IV	V
State Policy-minimum percentage	70%	65%	60%	40%	10%
Actual results of 2015 condition assessment	87%	82%	85%	45%	13%

Condition Level of the Roadways

Percentage of roadways with an IRI of 80 or less

	Category				
	I	II	III	IV	V
State Policy-minimum percentage	70%	65%	60%	40%	10%
Actual results of 2014 condition assessment	84%	71%	62%	33%	7%
Actual results of 2012 condition assessment	84%	85%	84%	32%	9%

The State has set a policy to maintain its bridges so that not more than 10 percent are structurally deficient or functionally obsolete. The following tables show the State's policy and the condition level of the roadways and bridges.

Condition Level of the Bridges

Percentage of substandard bridges

	2015	2014	2012
State Policy-maximum percentage	10%	10%	10%
Actual results condition assessment	4%	4%	4%

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)

	2016	2015	2014	2013	2012
Estimated	$ 306,532	$ 386,093	$ 433,338	$ 402,650	$ 322,210
Actual	295,244	329,677	360,904	325,313	304,333

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

Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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).

Unemployment Comp Bond Fund Accounts for special bond contributions assessed on employers for the purpose of retiring the bonds in the Unemployment Compensation Fund (NRS 612.613)

Regulatory Accounts for receipts and expenditures related to enforcement of regulations on manufactured housing (NRS 489.491), 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 590.830).

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 385.095), the State Library and Archives (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; receipts for the care of sites for the disposal of radioactive waste (NRS 459.231); and fees collected from owners of mobile home parks to provide mobile home lot rent assistance to low-income mobile home owners (NRS 118B.215).

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 Fund

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

NEVADA

June 30, 2016

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Henry Wood Christmas Permanent Fund	Total Nonmajor Governmental Funds
Assets					
Cash and pooled investments:					
Cash with treasurer	$ 200,542,267	$ 162,399,754	$ 35,887,006	$ 51,550	$ 398,880,577
Cash in custody of other officials	56,983,711	-	45,596,963	-	102,580,674
Investments	1,691,343	-	-	-	1,691,343
Receivables:					
Accounts receivable	54,406,393	-	-	-	54,406,393
Taxes receivable	902,970	-	-	-	902,970
Intergovernmental receivables	4,233,156	503,016	358,216	-	5,094,388
Accrued interest and dividends	2,208	1,351,771	-	-	1,353,979
Capital lease receivable	50,445,000	-	-	-	50,445,000
Due from other funds	17,256,685	608,483	4,175,683	163	22,041,014
Due from fiduciary funds	115,904	-	-	-	115,904
Inventory	390,592	-	-	-	390,592
Advances to other funds	-	602,546	-	-	602,546
Prepaid items	87,666	-	-	-	87,666
Total assets	$ 387,057,895	$ 165,465,570	$ 86,017,868	$ 51,713	$ 638,593,046
Liabilities					
Accounts payable and accruals:					
Accounts payable	$ 7,424,262	$ 24,822	$ 57,359	$ -	$ 7,506,443
Accrued payroll and related liabilities	3,469,524	-	-	-	3,469,524
Intergovernmental payables	1,415,558	-	17,456	-	1,433,014
Contracts payable	-	-	9,608,459	-	9,608,459
Retention payable	-	-	1,086,764	-	1,086,764
Due to other funds	23,619,076	1,204,507	1,458,462	254	26,282,299
Due to fiduciary funds	37,696	-	-	-	37,696
Due to component units	5,869,189	-	8,930,655	-	14,799,844
Unearned revenues	3,530,475	-	-	-	3,530,475
Other liabilities	3,500,336	-	-	-	3,500,336
Total liabilities	48,866,116	1,229,329	21,159,155	254	71,254,854
Deferred Inflows of Resources					
Unavailable revenue:					
Licenses, fees and permits	112	-	-	-	112
Sales and charges for services	9,748	-	-	-	9,748
Settlement income	19,450,184	-	-	-	19,450,184
Lease principal payments	50,445,000	-	-	-	50,445,000
Interest	106,523	97,798	2,281	31	206,633
Other	488,532	-	-	-	488,532
Total deferred inflows of resources	70,500,099	97,798	2,281	31	70,600,209
Fund Balances					
Nonspendable	478,258	-	-	30,000	508,258
Restricted	162,591,682	31,147,211	61,815,988	21,428	255,576,309
Committed	104,621,740	132,991,232	3,040,444	-	240,653,416
Total fund balances	267,691,680	164,138,443	64,856,432	51,428	496,737,983
Total liabilities, deferred inflows of resources and fund balances	$ 387,057,895	$ 165,465,570	$ 86,017,868	$ 51,713	$ 638,593,046

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

For the Fiscal Year Ended June 30, 2016

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Henry Wood Christmas Permanent Fund	Total Nonmajor Governmental Funds
Revenues					
Gaming taxes, fees, licenses	$ 13,539,353	$ -	$ -	$ -	$ 13,539,353
Property and transfer taxes	13,116,511	144,906,302	-	-	158,022,813
Motor and special fuel taxes	-	68,527,281	-	-	68,527,281
Other taxes	204,958,682	-	-	-	204,958,682
Intergovernmental	83,490,466	74,201,814	1,023,752	-	158,716,032
Licenses, fees and permits	24,830,034	-	-	-	24,830,034
Sales and charges for services	18,720,384	501,955	-	-	19,222,339
Interest and investment income	1,923,220	1,196,433	46,554	544	3,166,751
Settlement income	39,370,381	-	-	-	39,370,381
Other	7,518,606	-	24,826	-	7,543,432
Total revenues	407,467,637	289,333,785	1,095,132	544	697,897,098
Expenditures					
Current:					
General government	30,777,919	368,230	-	-	31,146,149
Social services	92,547,808	-	-	-	92,547,808
Education - higher education	7,748,018	-	5,925,105	-	13,673,123
Law, justice and public safety	26,034,866	-	-	-	26,034,866
Regulation of business	21,765,522	-	-	-	21,765,522
Recreation, resource development	28,120,075	-	-	-	28,120,075
Capital outlay	-	-	43,534,357	-	43,534,357
Debt service:					
Principal	-	381,643,000	-	-	381,643,000
Interest, fiscal charges	325	89,798,513	-	-	89,798,838
Debt issuance costs	3,946	2,233,397	307,801	-	2,545,144
Total expenditures	206,998,479	474,043,140	49,767,263	-	730,808,882
Excess (deficiency) of revenues over expenditures	200,469,158	(184,709,355)	(48,672,131)	544	(32,911,784)
Other Financing Sources (Uses)					
Sale of general obligation bonds	870,000	-	56,960,000	-	57,830,000
Sale of general obligation refunding bonds	-	344,898,000	-	-	344,898,000
Premium on general obligation bonds	132,772	74,759,355	5,555,111	-	80,447,238
Payment to refunded bond agent	-	(417,422,263)	-	-	(417,422,263)
Sale of capital assets	8,982	-	-	-	8,982
Transfers in	18,956,229	197,411,923	10,206,144	-	226,574,296
Transfers out	(217,257,685)	(7,876)	(4,760,393)	(254)	(222,026,208)
Total other financing sources (uses)	(197,289,702)	199,639,139	67,960,862	(254)	70,310,045
Net change in fund balances	3,179,456	14,929,784	19,288,731	290	37,398,261
Fund balances, July 1	264,512,224	149,208,659	45,567,701	51,138	459,339,722
Fund balances, June 30	$ 267,691,680	$164,138,443	$ 64,856,432	$ 51,428	$ 496,737,983

Combining Balance Sheet
Nonmajor Special Revenue Funds

June 30, 2016

	Employment Security	Unemployment Comp Bond Fund	Regulatory	Higher Education Capital Construction
Assets				
Cash and pooled investments:				
Cash with treasurer	$ 16,252,476	$ -	$ 16,544,682	$ 4,960,295
Cash in custody of other officials	125	55,137,513	2,000	-
Investments	-	-	-	-
Receivables:				
Accounts receivable	5,441	33,118,848	728,947	-
Taxes receivable	396,745	-	-	1,717
Intergovernmental receivables	3,785,753	-	-	-
Accrued interest and dividends	-	-	-	-
Capital lease receivable	-	-	-	-
Due from other funds	1,230,186	29,775	180,808	8,581,594
Due from fiduciary funds	-	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	87,666	-
Total assets	$ 21,670,726	$ 88,286,136	$ 17,544,103	$ 13,543,606
Liabilities				
Accounts payable and accruals:				
Accounts payable	$ 1,642,697	$ -	$ 201,085	$ -
Accrued payroll and related liabilities	1,808,436	-	1,008,102	-
Intergovernmental payables	862,563	-	-	-
Due to other funds	4,329,486	1,325,455	220,561	7,680,379
Due to fiduciary funds	339	-	-	-
Due to component units	254,978	-	-	-
Unearned revenues	-	-	3,530,475	-
Other liabilities	-	-	-	-
Total liabilities	8,898,499	1,325,455	4,960,223	7,680,379
Deferred Inflows of Resources				
Unavailable revenue:				
Licenses, fees and permits	-	-	112	-
Sales and charges for services	-	-	9,748	-
Settlement income	-	-	-	-
Lease principal payments	-	-	-	-
Interest	7,425	5,633	4,816	-
Other	-	-	-	-
Total deferred inflows of resources	7,425	5,633	14,676	-
Fund Balances				
Nonspendable	-	-	87,666	-
Restricted	9,441,447	86,955,048	6,911,125	-
Committed	3,323,355	-	5,570,413	5,863,227
Total fund balances	12,764,802	86,955,048	12,569,204	5,863,227
Total liabilities, deferred inflows of resources and fund balances	$ 21,670,726	$ 88,286,136	$ 17,544,103	$ 13,543,606

Cleaning Up Petroleum Discharges	Hospital Care to Indigent Persons	Tourism Promotion	Offenders' Store	Tobacco Settlement	Attorney General Settlement
$ 12,040,171	$ 17,789,432	$ 5,246,326	$ 10,813,574	$ 55,170,396	$ 22,461,877
-	-	-	-	-	-
-	-	-	-	-	-
-	-	10,121	961,358	19,450,184	-
-	503,174	1,334	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
29,894	2,199,869	4,225,950	56,959	433,553	189,734
-	-	-	88,813	-	-
-	-	-	225,713	-	-
-	-	-	-	-	-
$ 12,070,065	$ 20,492,475	$ 9,483,731	$ 12,146,417	$ 75,054,133	$ 22,651,611
$ 19,577	$ -	$ 3,353,438	$ 231,510	$ 494,894	$ 881,095
-	-	129,821	245,124	21,025	63,162
-	-	294,953	180	66,777	-
4,489,590	-	145,854	375,938	3,538,318	292,513
-	-	-	37,357	-	-
-	-	-	-	79,937	-
-	-	-	-	-	-
-	-	-	-	-	-
4,509,167	-	3,924,066	890,109	4,200,951	1,236,770
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	19,450,184	-
-	-	-	-	-	-
5,655	11,485	92	10,606	31,508	14,144
-	-	-	488,532	-	-
5,655	11,485	92	499,138	19,481,692	14,144
-	-	-	225,713	-	-
-	-	-	10,531,457	-	21,400,697
7,555,243	20,480,990	5,559,573	-	51,371,490	-
7,555,243	20,480,990	5,559,573	10,757,170	51,371,490	21,400,697
$ 12,070,065	$ 20,492,475	$ 9,483,731	$ 12,146,417	$ 75,054,133	$ 22,651,611

	Gift	Natural Resources	NV Real Property Corp General Fund	Miscellaneous	Total Nonmajor Special Revenue Funds
Assets					
Cash and pooled investments:					
Cash with treasurer	$ 2,569,372	$ 9,506,800	$ 603,221	$ 26,583,645	$ 200,542,267
Cash in custody of other officials	16,482	-	1,735,598	91,993	56,983,711
Investments	302,208	-	-	1,389,135	1,691,343
Receivables:					
Accounts receivable	19,480	-	-	112,014	54,406,393
Taxes receivable	-	-	-	-	902,970
Intergovernmental receivables	-	625	-	446,778	4,233,156
Accrued interest and dividends	2,208	-	-	-	2,208
Capital lease receivable	-	-	50,445,000	-	50,445,000
Due from other funds	7,861	30,460	1,180	58,862	17,256,685
Due from fiduciary funds	-	-	-	27,091	115,904
Inventory	-	-	-	164,879	390,592
Prepaid items	-	-	-	-	87,666
Total assets	$ 2,917,611	$ 9,537,885	$ 52,784,999	$ 28,874,397	$ 387,057,895
Liabilities					
Accounts payable and accruals:					
Accounts payable	$ 14,300	$ 14,494	$ 775	$ 570,397	$ 7,424,262
Accrued payroll and related liabilities	-	-	-	193,854	3,469,524
Intergovernmental payables	-	176,301	-	14,784	1,415,558
Due to other funds	11,048	742,179	-	467,755	23,619,076
Due to fiduciary funds	-	-	-	-	37,696
Due to component units	-	-	-	5,534,274	5,869,189
Unearned revenues	-	-	-	-	3,530,475
Other liabilities	-	-	-	3,500,336	3,500,336
Total liabilities	25,348	932,974	775	10,281,400	48,866,116
Deferred Inflows of Resources					
Unavailable revenue:					
Licenses, fees and permits	-	-	-	-	112
Sales and charges for services	-	-	-	-	9,748
Settlement income	-	-	-	-	19,450,184
Lease principal payments	-	-	50,445,000	-	50,445,000
Interest	1,440	5,762	223	7,734	106,523
Other	-	-	-	-	488,532
Total deferred inflows of resources	1,440	5,762	50,445,223	7,734	70,500,099
Fund Balances					
Nonspendable	-	-	-	164,879	478,258
Restricted	2,461,801	8,599,149	2,339,001	13,951,957	162,591,682
Committed	429,022	-	-	4,468,427	104,621,740
Total fund balances	2,890,823	8,599,149	2,339,001	18,585,263	267,691,680
Total liabilities, deferred inflows of resources and fund balances	$ 2,917,611	$ 9,537,885	$ 52,784,999	$ 28,874,397	$ 387,057,895

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

For the Fiscal Year Ended June 30, 2016

	Employment Security	Unemployment Comp Bond Fund	Regulatory	Higher Education Capital Construction
Revenues				
Gaming taxes, fees, licenses	$ -	$ -	$ -	$ 13,539,353
Property and transfer taxes	-	-	-	-
Other taxes	12,735,103	152,796,811	42,410	-
Intergovernmental	64,122,173	-	625,508	-
Licenses, fees and permits	459,718	-	20,216,224	-
Sales and charges for services	686,471	-	4,203	-
Interest and investment income	135,444	40,604	84,507	-
Settlement income	-	-	-	-
Other	5,010	-	886,839	-
Total revenues	78,143,919	152,837,415	21,859,691	13,539,353
Expenditures				
Current:				
General government	-	-	-	-
Social services	83,654,633	-	-	-
Education - higher education	-	-	-	-
Law, justice and public safety	-	-	-	-
Regulation of business	-	-	20,786,365	-
Recreation, resource development	-	-	-	-
Debt service:				
Interest	-	-	-	325
Debt issuance costs	-	-	-	-
Total expenditures	83,654,633	-	20,786,365	325
Excess (deficiency) of revenues over expenditures	(5,510,714)	152,837,415	1,073,326	13,539,028
Other Financing Sources (Uses)				
Sale of general obligation bonds	-	-	-	-
Premium on general obligation bonds	-	-	-	-
Sale of capital assets	4,557	-	4,425	-
Transfers in	10,098,640	-	223,028	-
Transfers out	(2,374,273)	(150,299,030)	(479,978)	(11,691,500)
Total other financing sources (uses)	7,728,924	(150,299,030)	(252,525)	(11,691,500)
Net change in fund balances	2,218,210	2,538,385	820,801	1,847,528
Fund balances, July 1	10,546,592	84,416,663	11,748,403	4,015,699
Fund balances, June 30	$ 12,764,802	$ 86,955,048	$ 12,569,204	$ 5,863,227

Cleaning Up Petroleum Discharges	Hospital Care to Indigent Persons	Tourism Promotion	Offenders' Store	Tobacco Settlement	Attorney General Settlement
$ -	$ -	$ -	$ -	$ -	$ -
-	13,116,511	-	-	-	-
13,280,898	-	22,584,988	-	-	-
-	16,282,421	-	-	-	-
404,100	-	36,580	-	-	-
-	-	-	17,356,849	-	-
109,010	139,688	1,273	157,041	551,509	253,707
-	-	-	-	39,370,381	-
-	-	5,994	10,874	9,536	-
13,794,008	29,538,620	22,628,835	17,524,764	39,931,426	253,707
-	-	-	-	30,715,252	-
-	59,999	-	-	8,765,440	-
-	-	-	-	-	-
-	-	-	12,981,176	-	3,800,079
-	-	-	-	-	-
7,931,518	-	17,575,679	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
7,931,518	59,999	17,575,679	12,981,176	39,480,692	3,800,079
5,862,490	29,478,621	5,053,156	4,543,588	450,734	(3,546,372)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	7,924,804	114,831
(5,801,551)	(12,606,535)	(4,549,769)	(1,989,391)	(20,001,421)	(1,332,906)
(5,801,551)	(12,606,535)	(4,549,769)	(1,989,391)	(12,076,617)	(1,218,075)
60,939	16,872,086	503,387	2,554,197	(11,625,883)	(4,764,447)
7,494,304	3,608,904	5,056,186	8,202,973	62,997,373	26,165,144
$ 7,555,243	$ 20,480,990	$ 5,559,573	$ 10,757,170	$ 51,371,490	$ 21,400,697

	Gift	Natural Resources	NV Real Property Corp General Fund	Miscellaneous	Total Nonmajor Special Revenue Funds
Revenues					
Gaming taxes, fees, licenses	$ -	$ -	$ -	$ -	$ 13,539,353
Property and transfer taxes	-	-	-	-	13,116,511
Other taxes	-	-	-	3,518,472	204,958,682
Intergovernmental	-	11,364	-	2,449,000	83,490,466
Licenses, fees and permits	-	-	-	3,713,412	24,830,034
Sales and charges for services	-	-	-	672,861	18,720,384
Interest and investment income	80,157	103,800	12,824	253,656	1,923,220
Settlement income	-	-	-	-	39,370,381
Other	439,744	-	4,326,113	1,834,496	7,518,606
Total revenues	519,901	115,164	4,338,937	12,441,897	407,467,637
Expenditures					
Current:					
General government	59,177	-	3,490	-	30,777,919
Social services	54,605	-	-	13,131	92,547,808
Education - higher education	-	-	7,748,018	-	7,748,018
Law, justice and public safety	-	-	-	9,253,611	26,034,866
Regulation of business	-	-	-	979,157	21,765,522
Recreation, resource development	234,908	2,377,970	-	-	28,120,075
Debt service:					
Interest	-	-	-	-	325
Debt issuance costs	-	3,946	-	-	3,946
Total expenditures	348,690	2,381,916	7,751,508	10,245,899	206,998,479
Excess (deficiency) of revenues over expenditures	171,211	(2,266,752)	(3,412,571)	2,195,998	200,469,158
Other Financing Sources (Uses)					
Sale of general obligation bonds	-	870,000	-	-	870,000
Premium on general obligation bonds	-	132,772	-	-	132,772
Sale of capital assets	-	-	-	-	8,982
Transfers in	254	7,876	-	586,796	18,956,229
Transfers out	(9,585)	(333,434)	(5,614,156)	(174,156)	(217,257,685)
Total other financing sources (uses)	(9,331)	677,214	(5,614,156)	412,640	(197,289,702)
Net change in fund balances	161,880	(1,589,538)	(9,026,727)	2,608,638	3,179,456
Fund balances, July 1	2,728,943	10,188,687	11,365,728	15,976,625	264,512,224
Fund balances, June 30	$ 2,890,823	$ 8,599,149	$ 2,339,001	$ 18,585,263	$ 267,691,680

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Combining Balance Sheet
Other Nonmajor Governmental Funds

June 30, 2016

	Debt Service Funds			Capital Projects Funds	
	Consolidated Bond Interest and Redemption	Highway Revenue Bonds	Total	Parks Capital Project Construction	CIP Motor Vehicle
Assets					
Cash and pooled investments:					
Cash with treasurer	$ 131,252,543	$ 31,147,211	$ 162,399,754	$ 10	$ 190,577
Cash in custody of other officials	-	-	-	-	15,677,626
Receivables:					
Intergovernmental receivables	503,016	-	503,016	-	-
Accrued interest and dividends	1,351,771	-	1,351,771	-	-
Due from other funds	608,483	-	608,483	4	25,877
Advances to other funds	602,546	-	602,546	-	-
Total assets	$ 134,318,359	$ 31,147,211	$ 165,465,570	$ 14	$ 15,894,080
Liabilities					
Accounts payable and accruals:					
Accounts payable	$ 24,822	$ -	$ 24,822	$ 6	$ 3,495
Intergovernmental payables	-	-	-	-	-
Contracts payable	-	-	-	-	3,756,143
Retentions payable	-	-	-	-	447,429
Due to other funds	1,204,507	-	1,204,507	-	25,200
Due to component units	-	-	-	-	-
Total liabilities	1,229,329	-	1,229,329	6	4,232,267
Deferred Inflows of Resources					
Unavailable revenue:					
Interest	97,798	-	97,798	-	-
Total deferred inflows of resources	97,798	-	97,798	-	-
Fund Balances					
Restricted	-	31,147,211	31,147,211	-	11,863,301
Committed	132,991,232	-	132,991,232	8	(201,488)
Total fund balances	132,991,232	31,147,211	164,138,443	8	11,661,813
Total liabilities, deferred inflows of resources and fund balances	$ 134,318,359	$ 31,147,211	$ 165,465,570	$ 14	$ 15,894,080

CIP University System	CIP General State Government	CIP Prison System	CIP Military	CIP Wildlife	CIP Bond Proceeds	Total
$ 8,675,595	$ 10,108,556	$ 12,930,882	$ 3,828,790	$ 152,596	$ -	$ 35,887,006
-	-	-	-	-	29,919,337	45,596,963
-	-	-	346,530	11,686	-	358,216
-	-	-	-	-	-	-
3,419,219	393,676	164,578	82,594	89,735	-	4,175,683
-	-	-	-	-	-	-
$ 12,094,814	$ 10,502,232	$ 13,095,460	$ 4,257,914	$ 254,017	$ 29,919,337	$ 86,017,868
$ 1,459	$ 14,659	$ 23,658	$ 5,646	$ 8,436	$ -	$ 57,359
-	-	-	-	17,456	-	17,456
2,886,996	1,123,191	1,328,933	459,543	53,653	-	9,608,459
273,423	100,185	238,464	27,263	-	-	1,086,764
-	83,198	12,517	15,142	26,901	1,295,504	1,458,462
8,930,655	-	-	-	-	-	8,930,655
12,092,533	1,321,233	1,603,572	507,594	106,446	1,295,504	21,159,155
2,281	-	-	-	-	-	2,281
2,281	-	-	-	-	-	2,281
-	6,851,672	11,370,543	2,959,068	147,571	28,623,833	61,815,988
-	2,329,327	121,345	791,252	-	-	3,040,444
-	9,180,999	11,491,888	3,750,320	147,571	28,623,833	64,856,432
$ 12,094,814	$ 10,502,232	$ 13,095,460	$ 4,257,914	$ 254,017	$ 29,919,337	$ 86,017,868

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Nonmajor Governmental Funds

For the Fiscal Year Ended June 30, 2016

	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	$ 144,906,302	$ -	$ 144,906,302	$ -	$ -
Motor and special fuel taxes	-	68,527,281	68,527,281	-	-
Intergovernmental	74,201,814	-	74,201,814	-	-
Sales and charges for services	501,955	-	501,955	-	-
Interest and investment income	1,196,433	-	1,196,433	11	16,443
Other	-	-	-	-	-
Total revenues	220,806,504	68,527,281	289,333,785	11	16,443
Expenditures					
Current:					
General government	368,230	-	368,230	-	-
Education - higher education	-	-	-	-	-
Capital outlay	-	-	-	116,577	11,730,774
Debt service:					
Principal	336,043,000	45,600,000	381,643,000	-	-
Interest	69,546,150	20,252,363	89,798,513	-	-
Debt issuance costs	1,454,419	778,978	2,233,397	-	123,994
Total expenditures	407,411,799	66,631,341	474,043,140	116,577	11,854,768
Excess (deficiency) of revenues over expenditures	(186,605,295)	1,895,940	(184,709,355)	(116,566)	(11,838,325)
Other Financing Sources (Uses)					
Sale of general obligation bonds	-	-	-	-	20,790,000
Sale of general obligation refunding bonds	219,783,000	125,115,000	344,898,000	-	-
Premium on general obligation bonds	44,591,592	30,167,763	74,759,355	-	2,285,551
Payment to refunded bond agent	(262,918,478)	(154,503,785)	(417,422,263)	-	-
Transfers in	197,411,923	-	197,411,923	116,574	253,960
Transfers out	(7,876)	-	(7,876)	-	-
Total other financing sources (uses)	198,860,161	778,978	199,639,139	116,574	23,329,511
Net change in fund balances	12,254,866	2,674,918	14,929,784	8	11,491,186
Fund balances, July 1	120,736,366	28,472,293	149,208,659	-	170,627
Fund balances, June 30	$ 132,991,232	$ 31,147,211	$ 164,138,443	$ 8	$ 11,661,813

CIP University System	CIP General State Government	CIP Prison System	CIP Military	CIP Wildlife	CIP Bond Proceeds	Total
$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
-	-	-	908,437	115,315	-	1,023,752
-	-	-	-	-	-	-
-	-	-	-	-	30,100	46,554
-	14,092	10,734	-	-	-	24,826
-	14,092	10,734	908,437	115,315	30,100	1,095,132
-	-	-	-	-	-	-
-	-	-	-	-	5,925,105	5,925,105
-	15,197,582	10,530,876	4,129,633	1,828,915	-	43,534,357
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	183,807	307,801
-	15,197,582	10,530,876	4,129,633	1,828,915	6,108,912	49,767,263
-	(15,183,490)	(10,520,142)	(3,221,196)	(1,713,600)	(6,078,812)	(48,672,131)
-	-	-	-	-	36,170,000	56,960,000
-	-	-	-	-	-	-
-	-	-	-	-	3,269,560	5,555,111
-	-	-	-	-	-	-
-	5,491,676	2,233,328	419,918	1,690,688	-	10,206,144
-	(6,418)	(10,000)	(7,060)	-	(4,736,915)	(4,760,393)
-	5,485,258	2,223,328	412,858	1,690,688	34,702,645	67,960,862
-	(9,698,232)	(8,296,814)	(2,808,338)	(22,912)	28,623,833	19,288,731
-	18,879,231	19,788,702	6,558,658	170,483	-	45,567,701
$ -	$ 9,180,999	$ 11,491,888	$ 3,750,320	$ 147,571	$ 28,623,833	$ 64,856,432

Schedule of Total Uses - Budget and Actual, Non-GAAP Budgetary Basis
All General Fund Budgets

	Final Budget	Actual	Variance
General Fund Unbudgeted Activity/Refunds	$ -	$ 2,751,050	$ (2,751,050)
Elected Officials			
Office of the Governor	2,425,733	2,394,867	30,866
Governor's Mansion Maintenance	326,151	301,943	24,208
Science Innovation and Technology	2,008,935	1,890,002	118,933
Construction Education Account	331,551	259,196	72,355
Commission for Women	1,504	356	1,148
Budget and Planning	3,546,921	3,447,363	99,558
Internal Audit	1,464,382	1,346,815	117,567
Graffiti Reward Fund	16,521	-	16,521
Governor's Washington Office	259,433	259,433	-
Ethics Commission	897,671	742,446	155,225
High Level Nuclear Waste	1,577,395	1,504,542	72,853
Governor's Office Energy Conservation	2,109,736	1,658,969	450,767
Renewable Energy/Energy Efficiency Loan Program	465,506	45,761	419,745
Renewable Energy Account	12,252,463	2,743,971	9,508,492
WICHE Loan and Stipend	1,393,607	1,367,654	25,953
WICHE Administration	350,165	336,173	13,992
Lieutenant Governor	551,888	531,580	20,308
Attorney General Administrative Account	31,899,557	28,543,023	3,356,534
Attorney General Extradition Coordinator	678,660	528,804	149,856
Special Litigation Fund	3,216,706	1,833,844	1,382,862
Attorney General Workers' Compensation Fraud	4,229,738	3,599,882	629,856
Attorney General Crime Prevention	370,517	313,567	56,950
Attorney General Medicaid Fraud	4,006,545	2,143,402	1,863,143
Attorney General Violence Against Women Grants	5,684,741	2,610,164	3,074,577
Attorney General Council For Prosecuting Attorneys	378,634	167,994	210,640
Attorney General Victims of Domestic Violence	486,202	327,232	158,970
Attorney General Forfeiture	366,565	86,673	279,892
Private Investigators Licensing Board	1,803,014	1,391,503	411,511
Secretary of State	16,855,642	15,363,538	1,492,104
Secretary of State HAVA Elections Account	1,602,736	721,840	880,896
Secretary of State Advisory Committee Gift	61	-	61
Secretary of State Notary Training	396,421	91,689	304,732
Securities Forfeiture Account	179,340	79,808	99,532
State Treasurer	2,997,695	2,635,548	362,147
Silicosis and Disabled Pensions	74,088	35,429	38,659
Nevada College Savings Trust	3,917,040	3,810,174	106,866
Endowment Account	11,412,142	6,037,014	5,375,128
College Savings Private Entity	83,419	-	83,419
Unclaimed Property	2,405,562	1,926,916	478,646
Controller's Office	7,344,186	5,562,085	1,782,101
Debt Recovery	1,944,890	113,359	1,831,531
	132,313,663	96,754,559	35,559,104
Legislative–Judicial			
Judicial Branch			
Administrative Office of the Courts	5,503,730	3,283,884	2,219,846
Judicial Programs and Services Division	1,207,005	1,048,485	158,520
Uniform System of Judicial Records	3,308,904	1,063,781	2,245,123
Judicial Education	1,623,884	929,558	694,326
Court of Appeals	2,205,302	2,044,015	161,287
State Judicial Elected Officials	21,740,081	21,731,629	8,452
Judicial Support, Governance and Special Events	1,018,951	206,518	812,433
Judicial Retirement System State Share	1,815,862	1,815,862	-
Supreme Court	10,865,872	10,298,549	567,323
Specialty Courts	9,877,179	6,452,617	3,424,562
Senior Justice and Senior Judge Program	1,495,263	1,368,183	127,080
Judicial Selection	15,349	1,614	13,735
Foreclosure Mediation Program	2,562,256	1,528,441	1,033,815
Law Library Gift Fund	75,890	5,146	70,744
Law Library	1,745,869	1,629,351	116,518
Judicial Discipline	872,166	703,308	168,858
Legislative Branch			
Interim Finance Committee	39,956,751	10,341,680	29,615,071
Disaster Relief	6,755,754	27,952	6,727,802
So Nevada Community Project Fund	6,321	-	6,321
	112,652,389	64,480,573	48,171,816

	Final Budget	Actual	Variance
Finance and Administration			
Department of Administration			
Director's Office	$ 692,335	$ 583,719	$ 108,616
Grants Office	384,442	328,289	56,153
State Archives	1,559,116	1,500,136	58,980
NSLA - IPS Equipment/Software	36,452	3,047	33,405
Nevada State Library	4,538,915	4,010,756	528,159
Nevada State Library - CLAN	497,441	312,568	184,873
Special Appropriations	5,402,456	5,402,456	-
Judicial College/Juvenile and Family Justice	130,430	130,430	-
Merit Award Board	1,100	636	464
Roof Maintenance Reserve	721,787	62,500	659,287
Public Works Division Administration	963,421	931,125	32,296
Public Works Division	340,338	288,664	51,674
Public Works Inspection	5,389,532	4,039,442	1,350,090
Public Works Retention Payment	2,320	530	1,790
Building Official Admin	3,282,720	1,142,575	2,140,145
State Unemployment Compensation	3,590,030	1,344,955	2,245,075
Hearings and Appeals	4,906,883	4,590,927	315,956
General Fund Salary Adjustment	9,032,440	4,540,568	4,491,872
Stale Claims	3,944,443	1,960,720	1,983,723
Emergency Fund	279,841	-	279,841
Statutory Contingency	2,638,929	966,177	1,672,752
Department of Taxation			
Department of Taxation	33,944,914	28,353,043	5,591,871
	82,280,285	60,493,263	21,787,022
Education K-12			
Department of Education			
Distributive School Account	1,465,389,595	1,461,991,283	3,398,312
Educator Effectiveness	15,561,173	9,243,584	6,317,589
School Remediation	161,428,156	152,308,841	9,119,315
State Supplemental School Support	171,114,637	167,351,188	3,763,449
Office of the Superintendent	1,439,359	1,359,110	80,249
Educational Trust Fund	614,380	12,055	602,325
Career and Technical Education	11,094,684	9,074,782	2,019,902
Gear Up	7,126,614	4,194,046	2,932,568
Gear Up Scholarship Trust	8,771,555	1,137,428	7,634,127
Continuing Education	7,601,019	6,388,444	1,212,575
Assessments and Accountability	23,739,785	20,437,234	3,302,551
Other State Education Programs	70,626,686	63,402,669	7,224,017
Account for Health Education of Minors	553	-	553
Education Technology Trust	1,100	-	1,100
Educator Licensure	3,580,197	1,564,618	2,015,579
Parent Involve & Family Engage	215,867	166,468	49,399
Public Charter School Loan Program	640,112	-	640,112
Office of Early Learning & Development	22,452,459	10,128,078	12,324,381
Student and School Support	213,178,804	146,243,697	66,935,107
Literacy Programs	14,824,056	12,256,824	2,567,232
Individuals with Disabilities (IDEA)	83,136,843	66,726,390	16,410,453
District Support Services	1,344,046	1,289,964	54,082
Department Support Services	4,680,866	2,379,183	2,301,683
Incentives for Licensed Educational Personnel	2,000,000	1,033,874	966,126
Student Indemnification Account	483,217	-	483,217
Professional Development Program	12,447,381	11,857,161	590,220
Account for Alternative Schools	2,930,546	37,850	2,892,696
Achievement School District	154,660	28,711	125,949
Standards and Instructional Support	4,478,055	2,393,917	2,084,138
Anti-Bullying Gift Fund	90,810	34,799	56,011
Data Systems Management	4,457,406	4,223,037	234,369
Teacher's School Supplies Reimbursement	2,500,117	1,941,139	558,978
Teach NV Scholarship Prograrm	2,500,000	2,125,116	374,884
State Public Charter School Authority	9,758,135	6,391,782	3,366,353
Commission on Postsecondary Education	406,134	386,501	19,633
	2,330,769,007	2,168,109,773	162,659,234

	Final Budget	Actual	Variance
Higher Education			
Nevada System of Higher Education			
Special Projects	$ 3,808,869	$ 1,229,364	$ 2,579,505
Education for Dependent Children	45,571	300	45,271
University of Nevada, Reno	201,422,108	201,422,106	2
School of Medical Sciences	40,488,166	40,144,638	343,528
Intercollegiate Athletics - UNR	5,194,287	5,194,121	166
Statewide Programs - UNR	8,128,782	8,127,971	811
University System Administration	4,756,910	4,707,449	49,461
University of Nevada, Las Vegas	262,353,739	261,736,716	617,023
Intercollegiate Athletics - UNLV	7,334,607	7,334,607	-
Agricultural Experiment Station	6,840,431	6,840,431	-
Cooperative Extension Service	5,651,647	5,521,541	130,106
System Computing Center	17,521,825	17,521,825	-
UNLV Law School	13,945,858	13,940,603	5,255
National Direct Student Loan Program	35,793	35,793	-
University Press	422,431	422,404	27
Statewide Programs - UNLV	3,500,972	3,449,855	51,117
Business Center North	1,947,944	1,947,903	41
Business Center South	1,737,011	1,737,011	-
Anatomical Gift Account	386,385	30,000	356,385
UNLV Dental School	16,894,858	16,521,334	373,524
UNLV School of Medicine	7,097,569	7,097,569	-
Collegiate License Plate Account	730,657	599,329	131,328
Nevada State College at Henderson	21,206,332	21,071,129	135,203
College of Southern Nevada	134,255,069	131,902,715	2,352,354
NSHE Performance Funding Pool	318,456	-	318,456
Laboratory and Research	1,576,133	1,576,133	-
Silver State Opportunity Grant	2,500,000	2,500,000	-
Great Basin College	16,230,247	16,046,295	183,952
Desert Research Institute	7,517,002	7,517,002	-
Western Nevada College	17,853,177	17,847,826	5,351
Truckee Meadows Community College	43,452,657	43,400,529	52,128
	855,155,493	847,424,499	7,730,994
Human Services			
Director's Office			
Administration	1,685,339	1,641,167	44,172
Grants Management Unit	27,529,963	26,641,513	888,450
Prevention/Treatment of Problem Gambling	1,675,746	1,153,094	522,652
IDEA Part C Compliance	3,997,130	3,747,898	249,232
Developmental Disabilities	640,377	571,936	68,441
Victims of Human Trafficking	49,796	3,650	46,146
Public Defender	3,311,908	3,208,651	103,257
Consumer Health Assistance	1,319,781	1,158,519	161,262
DHR Children's Trust Account	1,017,274	559,965	457,309
UPL Holding Account	6,694,286	5,181,708	1,512,578
Aging and Disability Services Division			
Early Intervention Services	35,895,441	35,531,716	363,725
Family Preservation Program	2,836,416	2,821,830	14,586
Rural Regional Center	16,914,201	15,968,838	945,363
Desert Regional Center	110,176,789	105,214,879	4,961,910
Sierra Regional Center	39,642,312	38,601,996	1,040,316
Aging Federal Programs and Administration	32,921,092	25,564,167	7,356,925
Senior Tax Assistance Rebate	104,890	44,298	60,592
Disability Services	38,746,664	31,614,311	7,132,353
Division of Health Care Financing and Policy			
Intergovernmental Transfer Program	225,611,798	164,136,227	61,475,571
Health Care Financing and Policy	171,708,477	151,761,311	19,947,166
Increased Quality of Nursing Care	31,953,931	31,035,646	918,285
Nevada Check-Up Program	45,314,152	44,455,764	858,388
Nevada Medicaid	3,347,086,782	3,226,886,021	120,200,761

	Final Budget	Actual	Variance
Division of Public and Behavioral Health			
Radiation Control Program	$ 5,091,180	$ 2,824,089	$ 2,267,091
Cancer Control Registry	1,180,903	819,282	361,621
Behavioral Health Prevention & Treatment	37,083,197	26,688,981	10,394,216
Health Statistics and Planning	2,866,267	1,438,891	1,427,376
Consumer Protection	2,443,208	1,558,764	884,444
So NV Adult Mental Health Services	86,157,049	74,415,622	11,741,427
No NV Adult Mental Health Services	30,541,256	28,712,788	1,828,468
Behavioral Health Administration	3,650,968	3,464,576	186,392
Facility for the Mental Offender	11,590,712	11,137,965	452,747
Alcohol Tax Program	1,486,867	1,233,688	253,179
Rural Clinics	14,439,851	12,933,621	1,506,230
Immunization Program	9,629,740	7,424,469	2,205,271
Marijuana Health Registry	2,582,974	1,199,154	1,383,820
WIC Food Supplement	75,656,578	62,998,168	12,658,410
Communicable Diseases	24,356,684	20,921,359	3,435,325
Health Care Facility Reg	19,813,192	9,333,959	10,479,233
Health Facilities-Admin Penalty	143,556	11,207	132,349
Public Health Preparedness Program	13,624,005	11,280,040	2,343,965
Biostatistics and Epidemiology	6,454,967	5,396,574	1,058,393
Chronic Disease	8,896,409	7,604,853	1,291,556
Maternal Child Health Services	12,132,515	10,427,306	1,705,209
Office of State Health Administration	10,466,394	7,927,698	2,538,696
Community Health Services	3,943,967	2,991,540	952,427
Emergency Medical Services	1,086,551	819,050	267,501
Child Care Services	1,674,858	1,292,342	382,516
Division of Welfare and Supportive Services			
Welfare Administration	51,798,807	48,667,220	3,131,587
Temp Assistance for Needy Families	47,444,983	43,924,046	3,520,937
Assistance to Aged and Blind	9,662,136	9,624,085	38,051
Welfare Field Services	111,605,244	106,092,919	5,512,325
Child Support Enforcement Program	23,300,842	14,797,098	8,503,744
Child Support Federal Reimbursement	25,955,041	23,340,393	2,614,648
Child Care Assistance and Development	43,213,427	40,328,964	2,884,463
Energy Assistance - Welfare	24,402,584	21,775,618	2,626,966
Medical Marijuana Establishments	5,634,792	1,866,635	3,768,157
Division of Child and Family Services			
Community Juvenile Justice Programs	4,012,051	2,961,478	1,050,573
Washoe County Integration	33,284,865	33,249,054	35,811
Clark County Child Welfare	103,812,564	102,780,458	1,032,106
UNITY/SACWIS	6,036,863	5,692,395	344,468
Children, Youth and Family Administration	23,444,972	19,921,420	3,523,552
Youth Alternative Placement	4,191,465	4,191,465	-
Juvenile Correctional Facility	7,577,299	6,727,396	849,903
Caliente Youth Center	8,696,241	8,205,899	490,342
Victims of Domestic Violence	3,327,530	2,801,675	525,855
Rural Child Welfare	20,083,962	17,853,623	2,230,339
Transition from Foster Care	2,469,738	813,682	1,656,056
Review of Death of Children	450,289	93,806	356,483
Nevada Youth Training Center	7,678,509	6,992,688	685,821
Youth Parole Services	5,949,715	5,688,482	261,233
Farm Account - Youth Training Center	11,650	-	11,650
No NV Child and Adolescent Services	9,101,094	8,462,066	639,028
So NV Child and Adolescent Services	30,139,719	25,964,191	4,175,528
Department of Employment, Training and Rehabilitation			
Blind Business Enterprise Program	5,907,232	2,285,384	3,621,848
Services to the Blind	4,158,939	3,612,418	546,521
Vocational Rehabilitation	19,284,129	15,850,463	3,433,666
Rehabilitation Administration	1,379,311	1,094,151	285,160
Disability Adjudication	18,463,815	14,658,842	3,804,973
Office of Equal Rights	1,556,677	1,391,511	165,166
NV P20 Workforce Reporting	1,148,565	847,467	301,098

	Final Budget	Actual	Variance
DETR Administrative Services	$ 5,665,016	$ 4,940,237	$ 724,779
Research and Analysis	3,108,944	2,706,385	402,559
Information Develoment and Processing	12,611,698	10,125,008	2,486,690
	5,220,399,101	4,852,689,713	367,709,388
Commerce and Industry			
Office of Economic Development			
Governor's Office of Economic Development	14,417,957	8,959,699	5,458,258
WINN	2,504,167	-	2,504,167
Motion Pictures	902,791	664,718	238,073
Rural Community Development	3,321,658	3,270,878	50,780
NV SSBCI Program	8,709,709	1,041,233	7,668,476
Nevada Catalyst Fund	10,360,476	2,489,900	7,870,576
GOED Nevada Knowledge Fund	11,159,102	3,697,962	7,461,140
Small Business and Procurement	722,495	655,906	66,589
Commission on Mineral Resources			
Minerals	2,969,123	1,907,836	1,061,287
Bond Reclamation	4,924,075	391,877	4,532,198
Department of Agriculture			
Nevada Beef Council	240,717	210,852	29,865
Commodity Food Program	19,012,074	15,359,633	3,652,441
Nutrition Education Programs	175,291,850	161,799,438	13,492,412
Weed Abatement and Control	100,894	-	100,894
Plant Health and Quarantine Services	392,964	392,254	710
Grade and Certification of Ag Products	9,600	112	9,488
Agriculture Research and Promotion	116,737	12,072	104,665
Agricultural Registration/Enforcement	4,741,705	2,702,296	2,039,409
Livestock Inspection	1,899,797	1,361,945	537,852
USDA Specialty Crop Grant	-	-	-
Agriculture License Plates	28,286	11,539	16,747
Veterinary Medical Services	1,232,380	1,154,363	78,017
Consumer Equitibility	3,733,980	2,732,417	1,001,563
Pest, Plant Disease and Noxious Weed	976,732	681,732	295,000
Junior Agricultural Loan Program	242,445	240,000	2,445
Agriculture Administration	3,091,631	3,036,535	55,096
Rangeland Resources Commission	309,782	184,403	125,379
Rangeland Grasshopper and Morman Cricket	-	-	-
Predatory Animal and Rodent Control	779,576	685,355	94,221
Department of Tourism and Cultural Affairs			
Lost City Museum	471,216	439,369	31,847
LV Springs Preserve Museum Dev	19,901	19,901	-
Nevada Historical Society	571,420	502,546	68,874
Nevada State Museum	1,706,777	1,650,328	56,449
Museums and History Administration	420,853	409,914	10,939
Nevada State Museum, Las Vegas	1,554,424	1,382,620	171,804
State Railroad Museums	1,371,696	1,201,230	170,466
Nevada Humanities	75,000	75,000	-
Nevada Arts Council	2,482,621	2,346,022	136,599
Indian Commission	409,536	395,909	13,627
Gaming Control Board			
Gaming Control Board	45,122,992	40,698,053	4,424,939
Gaming Control Federal Forfeiture	1,101,157	28,000	1,073,157
Gaming Control - Forfeiture Account	561,004	-	561,004
Gaming Control - Other State Forfeiture	505,440	-	505,440
Federal Forfeiture Treasury	5,966,928	156,605	5,810,323
Gaming Commission	462,531	301,263	161,268
Department of Business and Industry			
Business and Industry Administration	4,746,193	4,237,853	508,340
New Market Performance Guarantee	5,250,000	5,250,000	-
Industrial Development Bonds	676,469	24,060	652,409
Special Housing Assistance	2,621,413	2,244	2,619,169
Low Income Housing Trust Fund	21,748,714	6,500,043	15,248,671
DOE Weatherization	8,508,906	5,259,023	3,249,883
Employee Management Relations	890,967	413,535	477,432
Common Interest Communities	3,784,566	2,204,417	1,580,149

	Final Budget	Actual	Variance
Real Estate	$ 3,289,682	$ 3,107,780	$ 181,902
Athletic Commission	1,820,810	885,289	935,521
Labor Relations	1,669,396	1,522,934	146,462
Division of Mortgage Lending	7,075,435	2,092,253	4,983,182
Attorney for Injured Workers	3,525,412	3,441,622	83,790
Financial Institutions Investigations	1,206,787	41,565	1,165,222
Financial Institutions	6,633,271	3,306,955	3,326,316
Financial Institutions Audit	271,868	16,937	254,931
Transportation Services Authority	4,302,065	3,129,459	1,172,606
TSA Administrative Fines	838,751	120,391	718,360
	413,856,904	304,808,075	109,048,829
Public Safety			
Department of Corrections			
Prison Medical Care	43,347,763	43,310,133	37,630
Corrections Administration	21,638,784	21,415,350	223,434
Correctional Programs	8,158,279	7,453,867	704,412
Endowment Fund Historical Preservation of NSP	50,150	-	50,150
So Nevada Correctional Center	238,535	230,129	8,406
Warm Springs Correctional Center	10,393,391	10,233,766	159,625
No Nevada Correctional Center	27,002,433	26,639,904	362,529
Nevada State Prison	94,429	88,089	6,340
Stewart Conservation Camp	1,857,482	1,778,876	78,606
Pioche Conservation Camp	1,685,720	1,623,306	62,414
No. Nevada Transitional Housing	1,318,553	1,301,173	17,380
Three Lakes Valley Conservation Camp	2,370,207	2,333,568	36,639
Southern Desert Correctional Center	23,337,652	23,066,002	271,650
Wells Conservation Camp	1,228,627	1,162,481	66,146
Humboldt Conservation Camp	1,266,366	1,220,367	45,999
Ely Conservation Camp	1,267,831	1,218,501	49,330
Jean Conservation Camp	1,462,370	1,426,354	36,016
Silver Springs Conservation Camp	3,509	3,509	-
Ely State Prison	26,211,108	25,709,612	501,496
Carlin Conservation Camp	1,341,270	1,258,871	82,399
Tonopah Conservation Camp	1,279,707	1,221,934	57,773
Lovelock Correctional Center	23,488,714	23,284,614	204,100
Florence McClure Women's Correctional Center	15,010,775	14,946,101	64,674
High Desert State Prison	48,483,475	47,791,015	692,460
Casa Grande Transitional Housing	4,253,425	4,223,756	29,669
Department of Public Safety			
Emergency Management Division	5,342,179	3,937,341	1,404,838
Emergency Mgmt Assistance Grant	17,393,279	10,758,570	6,634,709
Emergency Assistance Subaccount	440,221	170,226	269,995
Parole and Probation	48,185,545	46,117,238	2,068,307
Fund for Reentry Programs	5,000	-	5,000
Investigations	7,600,606	6,517,460	1,083,146
Training Division	1,077,333	1,000,645	76,688
Parole Board	2,767,985	2,662,004	105,981
Fire Marshal	3,663,877	2,585,852	1,078,025
Traffic Safety	10,561,298	4,966,152	5,595,146
Highway Safety Plan and Administration	7,105,297	3,676,026	3,429,271
Motorcycle Safety Program	799,614	474,617	324,997
Public Safety General Services	9,205,079	8,281,300	923,779
K-9 Program	34,804	21,354	13,450
Forfeitures	2,249,636	1,040,196	1,209,440
Justice Assistance Account	2,941,767	1,381,416	1,560,351
Justice Assistance Grant	3,387,208	2,033,244	1,353,964
Criminal History Repository	27,515,504	16,593,032	10,922,472
Office of Homeland Security	436,398	428,488	7,910
Child Volunteer Background Checks Trust	15,087	12,694	2,393
Contingency Account for Haz Mat	477,220	-	477,220
Cigarette Fire Safety Standard	232,789	101,421	131,368
Justice Grant	582,969	541,592	41,377

	Final Budget	Actual	Variance
Dignitary Protection	$ 1,085,551	$ 788,728	$ 296,823
Department of Motor Vehicles			
Motor Vehicle Pollution Control	12,334,540	9,892,260	2,442,280
Peace Officers Standards and Training	2,486,498	1,995,059	491,439
	434,717,839	388,918,193	45,799,646
Infrastructure			
Department of Wildlife			
Conservation Education	2,578,707	2,325,451	253,256
Law Enforcement	7,182,723	6,553,170	629,553
Game Management	8,424,129	7,028,105	1,396,024
Fisheries Management	8,109,001	7,695,514	413,487
Diversity	2,332,529	2,092,059	240,470
Habitat	8,487,057	6,061,546	2,425,511
Wildlife Director's Office	4,253,784	3,757,925	495,859
Wildlife Operations	8,562,495	7,112,274	1,450,221
Wildlife Heritage Account	8,636,074	649,822	7,986,252
Wildlife Fund	34,533,784	17,433,177	17,100,607
Wildlife Habitat Enhancements	6,602,985	738,941	5,864,044
Department of Conservation and Natural Resources			
State Environmental Commission	176,866	91,014	85,852
Natural Resources Administration	2,795,451	2,700,842	94,609
Conservation and Natural Resources Gift	217,187	-	217,187
NV State Parks/Cultural Resources Endowment	510,000	-	510,000
Water Resources Legal Cost	2,330,013	123,460	2,206,553
Tahoe Regional Planning Agency	17,168,859	2,250,187	14,918,672
Conservation Districts	623,106	545,078	78,028
Cultural Resource Program	611,471	607,134	4,337
Historic Preservation and Archives	1,640,656	1,296,254	344,402
Comstock Historic District	194,946	191,015	3,931
Comstock Historical District Gifts	24,052	7,452	16,600
Parks Federal Grant Programs	6,994,694	1,263,149	5,731,545
State Parks	13,623,510	11,019,741	2,603,769
State Parks Interpretive and Educational Program	1,125,146	613,275	511,871
Maintenance of State Parks	2,562,379	365,023	2,197,356
State Parks Facility and Grounds Maintenance	14,778,626	51,279	14,727,347
Coyote Srings Groundwater Basin	35,732	130	35,602
Flood Control Revenue Fund	250,000	-	250,000
USGS Co-Op	536,739	390,208	146,531
Groundwater Recharge Projects	287,344	69,435	217,909
Water Right Surveyors	68,701	9,413	59,288
Well Driller's Licenses	48,484	11,218	37,266
Water Resources	8,065,517	6,161,455	1,904,062
Water Resources Cooperative Project	2,623,093	661,201	1,961,892
State Engineer Revenue	260,319	70,824	189,495
Little Humboldt River	139,181	20,125	119,056
Quinn River Distribution	72,765	2,323	70,442
Water Studies	277,000	-	277,000
Adjudication Emergency	16,000	-	16,000
Channel Clearance	200,000	127,111	72,889
Steptoe Valley Water Basin	27,741	6,629	21,112
Diamond Valley Ground Water	76,280	18,558	57,722
Lake Valley Ground Water Basin	51,336	1,158	50,178
Middle Reese River Ground Water Basin	42,335	17,005	25,330
Dixie Creek/10 Mi Ground Water	14,395	7,677	6,718
Churchill Valley Ground Water	19,881	3,458	16,423
Colorado River Valley	17,258	837	16,421
Washoe Valley Ground Water	19,653	4,806	14,847
Amargosa Valley Ground Water	27,367	6,655	20,712
Las Vegas Basin Water District	4,447,368	1,680,253	2,767,115
San Emidio Desert Ground Water Basin	6,899	446	6,453
Hualapai Flat Ground Water Basin	7,746	500	7,246

	Final Budget	Actual	Variance
Pine Forest Valley Water Basin	$ 7,579	$ 490	$ 7,089
Kings River Valley Water Basin	12,291	794	11,497
Desert Valley Water Basin	16,416	2,646	13,770
Silver State Valley Water Basin	7,942	514	7,428
Quinn River Valley Water Basin	23,761	1,696	22,065
Kobeh Valley Groundwater Basin	16,479	801	15,678
Mary's River Water Basin	18,257	2,567	15,690
Mesquite Valley (Sandy Valley)	3,000	-	3,000
Lamoille Valley Water Basin	3,878	1,769	2,109
Panaca Valley Groundwater	3,913	532	3,381
Huntington Valley Water Basin	3,922	1,874	2,048
Elko Segment Water Basin	17,366	5,264	12,102
Penoyer Valley Groundwater	4,524	619	3,905
Mary's Creek Area Water Basin	7,909	3,760	4,149
Pine Valley Water Basin	5,748	2,513	3,235
Winnemucca Segment Water Basin	11,994	5,140	6,854
Fernley Area Water Basin	5,929	409	5,520
Tracy Segment Water Basin	6,000	3,008	2,992
Spanish Springs Valley Water Basin	6,000	403	5,597
Lake Tahoe Water Basin	8,800	389	8,411
Truckee Cyn Segment Water Basin	5,956	923	5,033
Carson Desert Water Basin	6,000	739	5,261
Antelope Valley Water Basin 106	1,890	-	1,890
Buena Vista Valley Water Basin	3,482	630	2,852
Muddy River Surface Water	39,015	12,209	26,806
Pahranagat Lake	99,069	46,432	52,637
Pahrump Artesian Basin	227,814	49,595	178,219
Boulder Flat Ground Water	136,953	61,615	75,338
Dayton Valley Ground Water	29,337	4,866	24,471
Mason Valley Ground Water	216,419	64,106	152,313
Humboldt Water District	349,097	282,454	66,643
Water District Revenue Fund	4,717,752	3,292,585	1,425,167
Smith Valley Artesian Basin	37,729	8,646	29,083
Currant Creek	5,251	1,833	3,418
Duckwater Creek	53,465	13,994	39,471
Paradise Valley Ground Water	74,811	36,844	37,967
Upper White River	7,660	3,087	4,573
Muddy River Springs	17,065	3,294	13,771
Kingston Creek	9,560	4,309	5,251
Warm Springs/Winnemucca Creek	19,658	4,272	15,386
Eagle Valley	100,149	6,919	93,230
Carson Valley Ground Water	63,666	13,671	49,995
Fish Lake Valley Artesian	26,515	5,446	21,069
Carico Creek	240	239	1
Lemmon Valley	72,205	8,486	63,719
Truckee Meadows/Sun Valley	192,324	23,287	169,037
Antelope Valley Ground Water Basin	22,335	10,688	11,647
Warm Springs Ground Water	37,793	1,965	35,828
Lower Moapa Valley Groundwater	13,425	194	13,231
Honey Lake Valley	22,517	1,866	20,651
Whirlwind Valley	11,881	4,518	7,363
Crescent Water Groundwater	36,653	19,470	17,183
Pumpernickel Valley	12,052	5,736	6,316
Clovers Area Groundwater	63,833	27,670	36,163
Cold Springs Valley	30,579	1,000	29,579
Imlay Ground Water	14,310	4,370	9,940
Kelly Creek Ground Water	47,158	22,317	24,841
Lower Reese River Valley	35,227	13,887	21,340
Maggie Creek	61,685	28,597	33,088
North Fork Ground Water	27,284	12,430	14,854
Pleasant Valley	12,024	1,639	10,385
Forestry	17,430,255	9,003,309	8,426,946
Forest Fire Suppression/Emergency Response	14,376,052	10,131,559	4,244,493
Forestry Conservation Camps	10,546,080	9,431,748	1,114,332
Forestry Inter-Gov Agreements	768,678	768,678	-
Wildland Fire Protection Program	3,812,555	930,988	2,881,567

	Final Budget	Actual	Variance
Tahoe License Plates	$ 1,995,310	$ 184,441	$ 1,810,869
Nevada Tahoe Regional Planning Agency	1,319	441	878
State Lands	1,853,082	1,576,513	276,569
State Lands Revolving Account	64,231	16,086	48,145
Tahoe Bond Sale	856,653	33,933	822,720
Tahoe Mitigation	3,302,515	46,368	3,256,147
Sagebrush Ecosystem Account	1,890,000	192,556	1,697,444
Nevada Natural Heritage	868,502	766,230	102,272
AB9/Q1 Bonds	7,842,025	3,002,263	4,839,762
Storage Tank Management	337,586	-	337,586
Environmental Protection Administration	8,413,163	6,049,565	2,363,598
Chemical Hazard Prevention	1,427,988	363,927	1,064,061
Dep Industrial Site Cleanup	4,232,484	2,517,646	1,714,838
Reclamation Surety Account	58,210,359	3,620,877	54,589,482
Air Quality Management Account	10,044,688	3,008,100	7,036,588
Air Quality	8,687,199	6,421,798	2,265,401
Bureau of Water	7,607,347	3,777,403	3,829,944
Water Quality Planning	5,886,594	3,109,533	2,777,061
Safe Drinking Water Regulatory Program	5,256,200	3,141,923	2,114,277
Bureau of Waste Management and Corrective Actions	14,975,092	9,172,323	5,802,769
Mining Regulation/Reclamation	6,470,371	2,317,088	4,153,283
Interim Fluid Management Trust	1,289,143	-	1,289,143
Hazardous Waste Management	18,170,932	3,923,335	14,247,597
Hazardous Waste - Beatty Site	11,092,537	1,138,712	9,953,825
Water Planning - Capital Improvement	109,058	9,963	99,095
Off-highway Vehicle Commission	2,501,753	149,560	2,352,193
	420,192,661	180,793,194	239,399,467
Special Purpose Agencies			
Department of Veterans' Services			
Department of Veterans' Services	3,808,487	3,460,300	348,187
Veterans' Home Account	28,005,471	18,501,531	9,503,940
Veterans' Home Gift Fund	2,500	-	2,500
Veterans' Home Donation	69,720	49,754	19,966
Veterans' Gifts and Donations	569,711	219,386	350,325
Gift Account for Veterans	1,603,538	603,818	999,720
Fallen Soldier Gift Fund	1,000	-	1,000
Office of the Military			
Military	28,090,338	22,441,076	5,649,262
Military Emergency Operations Center	575,684	303,087	272,597
Military Carlin Armory	-	-	-
Adjutant General Special Facilities Account	57,334	459	56,875
National Guard Benefits	57,824	57,824	-
Patriot Relief Account	127,435	117,325	10,110
Silver State Health Insurance Exchange Admin	28,059,741	5,958,241	22,101,500
Deferred Compensation Committee	801,925	477,290	324,635
Civil Air Patrol	50,090	36,274	13,816
	91,880,798	52,226,365	39,654,433
Appropriated Transfers to Other Funds			
Legislative Fund	33,867,256	33,867,256	-
Attorney General Special Fund	657,261	657,261	-
Highway Fund	167,553	167,553	-
Capital Project Funds	6,403,083	6,403,083	-
Internal Service Funds	2,960,562	2,960,562	-
	44,055,715	44,055,715	-
Reversions to Other Funds			
Reversion to Highway Fund	-	663,805	(663,805)
Reversion to Tourism Promotion Fund	-	13,802	(13,802)
Reversion to Contingency Fund	-	669,793	(669,793)
	-	1,347,400	(1,347,400)
Projected Reversions	(40,000,000)	-	(40,000,000)
Total General Fund	$ 10,098,273,855	$ 9,064,852,372	$ 1,033,421,483

Schedule of Total Uses - Budget and Actual, Non-GAAP Budgetary Basis
All Special Revenue Fund Budgets

For the Fiscal Year Ended June 30, 2016

	Final Budget	Actual	Variance
State Highway			
Finance and Administration			
Unbudgeted Activity	$ -	$ 472,211	$ (472,211)
Appropriations to Other Funds	16,603,650	16,603,650	-
Infrastructure			
Transportation Administration	849,369,351	730,337,419	119,031,932
Bond Construction	259,189,234	65,008,555	194,180,679
Aviation Trust Fund	138,310	47,207	91,103
AB 595 Revenue Rental Car Tax	2,022	-	2,022
AB 595 Revenue Clark Co.	36,542,809	2,849,339	33,693,470
AB 595 Revenue Washoe Co.	4,131,145	906,504	3,224,641
NDOT - SB 5 RTC Public Road Project	13,062,549	145,070	12,917,479
System of Providing Information to the Traveling Public	594,266	211,365	382,901
Public Safety			
Director's Office - Public Safety	3,083,818	2,848,380	235,438
Professional Responsibility	769,526	745,840	23,686
PS Highway Safety Grants Account	3,184,153	1,572,357	1,611,796
Emergency Response Commission	2,887,341	1,386,130	1,501,211
Highway Patrol	79,667,968	73,707,797	5,960,171
Evidence Vault	634,614	589,136	45,478
Department of Motor Vehicles			
System Modernization	14,834,123	13,364,168	1,469,955
Records Search	7,567,635	7,472,432	95,203
Motor Vehicle Information Technology	10,348,203	9,151,087	1,197,116
Motor Carrier	5,530,160	4,023,716	1,506,444
Verification of Insurance	2,685,232	2,076,405	608,827
License Plate Factory	5,704,971	4,454,794	1,250,177
Hearings - DMV	1,228,928	1,184,805	44,123
Special Plates Trust Account	2,247,156	706,010	1,541,146
Salvage Titles Trust Account	411,855	100,218	311,637
DMV Local Fuel Tax Indexing Fund	126,952	496	126,456
DMV Special Fuel Ind Reimb Clark	3,108,197	2,600,190	508,007
DMV Field Services	50,778,985	44,768,999	6,009,986
Forfeitures	407	203	204
Compliance Enforcement	4,973,229	4,464,752	508,477
Central Services	11,677,768	10,622,533	1,055,235
Management Services	1,915,980	1,366,893	549,087
Admin Off Highway Vehicle Titling and Registration	1,721,913	1,569,174	152,739
Assistance of Off Highway Vehicle Titling	28,992	2,167	26,825
Director's Office - DMV	4,722,548	4,519,451	203,097
Administrative Services	14,885,999	13,950,678	935,321
Debt Service Transfers			
Debt Service	68,527,281	68,527,281	-
Projected Reversions	(113,507,960)	-	(113,507,960)
Total	1,369,379,310	1,092,357,412	277,021,898
Municipal Bond Bank			
Elected Officials			
Municipal Bond Bank Revenue	27,605,489	7,087,775	20,517,714
Total	27,605,489	7,087,775	20,517,714
Employment Security			
Human Services			
Employment Security	94,877,791	77,973,096	16,904,695
Employment Security Special Fund	12,519,590	8,155,492	4,364,098
Total	107,397,381	86,128,588	21,268,793
Unemployment Comp Bond Fund			
Elected Officials			
Unemployment Comp Bond Account	199,821,044	157,908,227	41,912,817
Total	199,821,044	157,908,227	41,912,817

	Final Budget	Actual	Variance
Regulatory			
Commerce and Industry			
Manufactured Housing	$ 1,984,626	$ 1,176,277	$ 808,349
Real Estate Education and Research	1,405,928	496,761	909,167
Real Estate Recovery	1,195,600	466,509	729,091
Mobile Home Parks	423,834	201,169	222,665
Mfg Housing-Education/Recovery	396,201	72,758	323,443
Regulatory Fund	15,199,487	11,402,798	3,796,689
Administrative Fines	510,000	440,560	69,440
Taxicab Authority	12,534,828	6,761,531	5,773,297
Dairy Commission	2,086,847	1,008,751	1,078,096
Total	35,737,351	22,027,114	13,710,237
Higher Education Capital Construction			
Finance and Administration			
Higher Education Capital Construction	5,000,000	5,000,000	-
Higher Education Special Construction	9,015,024	9,015,024	-
Total	14,015,024	14,015,024	-
Cleaning Up Petroleum Discharges			
Infrastructure			
Petroleum Clean-Up Trust Fund	21,755,716	13,733,069	8,022,647
Total	21,755,716	13,733,069	8,022,647
Hospital Care to Indigent Persons			
Finance and Administration			
Supplemental Fund - Indigents	33,069,411	12,666,535	20,402,876
Total	33,069,411	12,666,535	20,402,876
Tourism Promotion			
Commerce and Industry			
Tourism Development	141,209	50,449	90,760
Division on Tourism	27,726,506	22,178,953	5,547,553
Total	27,867,715	22,229,402	5,638,313
Offenders' Store			
Public Safety			
Offenders' Store Fund	25,360,207	14,354,951	11,005,256
Inmate Welfare Account	3,609,561	3,372,460	237,101
Total	28,969,768	17,727,411	11,242,357
Tobacco Settlement			
Elected Officials			
Millennium Scholarship Fund	55,815,750	30,381,826	25,433,924
Millennium Scholarship Administration	357,918	324,804	33,114
Guinn Memorial Millennium Scholarship Fund	443,186	9,000	434,186
Trust Fund for Healthy Nevada	62,188,735	28,137,898	34,050,837
MSA Compliance Administration	1,013,132	629,338	383,794
Human Services			
Tobacco Settlement Program	6,211,654	5,995,897	215,757
Senior RX and Disability RX	3,325,000	3,261,885	63,115
Total	129,355,375	68,740,648	60,614,727
Attorney General Settlement			
Public Safety			
National Settlement Administration	26,425,044	5,133,263	21,291,781
Total	26,425,044	5,133,263	21,291,781
Gift			
Education			
Education Gift Fund	27,947	-	27,947
Library and Archives Gift Fund	651,349	69,505	581,844

	Final Budget	Actual	Variance
Human Services			
Rural Services Gift Account	$ 12,664	$ -	$ 12,664
SNAMHS Gift Fund	29,235	-	29,235
Public Health Gift Fund	2,509	-	2,509
Aging Services Gift	55,175	1,005	54,170
CBS Washoe Gift Fund	23,023	-	23,023
Indian Commission Gift Acct	81,228	27,288	53,940
Hospital Gift Fund	241,366	6,299	235,067
SRC Gift Fund	10,871	-	10,871
NV Equal Rights Commission Gift Fund	7,282	2,047	5,235
Blind Gift Fund	425,563	-	425,563
Welfare Gift Fund	9,887	-	9,887
Rehabilitation Gift Fund	16,957	-	16,957
Henry Woods Christmas Fund	781	-	781
Nevada Children's Gift Account	605,128	29,585	575,543
CYC Gift Fund	955	200	755
Youth Training Center Gift Fund	40,999	5,000	35,999
DRC Gift Fund	6,693	-	6,693
Infrastructure			
Wildlife Trust Account	672,635	207,142	465,493
Park Gift and Grants	273,583	27,766	245,817
Total	3,195,830	375,837	2,819,993
Natural Resources			
Infrastructure			
Grants To Water Purveyors	1,138,947	-	1,138,947
Erosion Control Bond Q12	342,864	11,364	331,500
Protect Lake Tahoe	10,151,628	2,700,040	7,451,588
Total	11,633,439	2,711,404	8,922,035
Miscellaneous			
Elected Officials			
Racketeering-Prosecution Account	125	-	125
Consumer Advocate	6,547,191	3,265,164	3,282,027
Unfair Trade Practices	750,000	38,588	711,412
Commerce and Industry			
Lot Rent Trust Subsidy	653,605	396,212	257,393
Museums and History Board Trust	41,279	37,503	3,776
Museums Administrator Trust	62,073	44,322	17,751
Nevada Historical Society Trust	297,642	84,456	213,186
Nevada State Museum Trust	880,832	355,944	524,888
Nevada Railroad Museum Trust	347,963	153,683	194,280
Lost City Museum Trust	126,704	96,359	30,345
LV Museum and Historical Society Trust	101,227	42,550	58,677
Human Services			
Radioactive Material Disposal	877,069	18,535	858,534
Finance and Administration			
Victims of Crime	17,441,650	6,119,515	11,322,135
Total	28,127,360	10,652,831	17,474,529
Legislative (Non-GAAP Fund)			
Legislative Branch			
Nevada Legislative Interim	794,745	776,568	18,177
Legislative Counsel Bureau	46,012,214	35,465,718	10,546,496
Audit Contingency Account	388,310	335,846	52,464
Total	47,195,269	36,578,132	10,617,137
Total Special Revenue Funds	$ 2,111,550,526	$ 1,570,072,672	$ 541,477,854

Schedule of Sources - Budget and Actual, Non-GAAP Budgetary Basis
All Nonmajor Special Revenue Fund Budgets

For the Fiscal Year Ended June 30, 2016

	Final Budget	Actual	Variance	Final Budget	Actual	Variance
	Employment Security			**Unemployment Compensation Bond**		
Fund balances, July 1	$ 10,473,802	$ 10,473,802	$ -	$ -	$ -	$ -
Revenues:						
Federal	80,156,729	70,699,189	(9,457,540)	-	-	-
Other taxes	-	-	-	199,746,044	157,877,153	(41,868,891)
Sales and charges for services	851,331	686,786	(164,545)	-	-	-
Licenses, fees and permits	307,845	459,718	151,873	-	-	-
Interest	64,443	54,498	(9,945)	75,000	31,074	(43,926)
Other	14,678,985	15,237,912	558,927	-	-	-
Other financing sources:						
Transfer from other funds	864,246	864,246	-	-	-	-
Total sources	$107,397,381	$ 98,476,151	$ (8,921,230)	$ 199,821,044	$ 157,908,227	$ (41,912,817)

	Final Budget	Actual	Variance	Final Budget	Actual	Variance
	Regulatory			**Higher Education Capital Construction**		
Fund balances, July 1	$ 11,845,803	$ 11,845,803	$ -	$ -	$ -	$ -
Revenues:						
Gaming taxes, fees, licenses	-	-	-	13,539,353	13,539,353	-
Federal	629,638	626,840	(2,798)	-	-	-
Other taxes	11,549,842	11,485,179	(64,663)	-	-	-
Sales, charges for services	5,648,772	5,056,401	(592,371)	-	-	-
Licenses, fees and permits	4,025,804	3,721,082	(304,722)	-	-	-
Interest	23,266	39,413	16,147	-	-	-
Other	972,364	1,076,470	104,106	-	-	-
Other financing sources:						
Transfer from other funds	1,041,862	663,087	(378,775)	-	-	-
Total sources	$ 35,737,351	$ 34,514,275	$ (1,223,076)	$ 13,539,353	$ 13,539,353	$ -

	Final Budget	Actual	Variance	Final Budget	Actual	Variance
	Cleaning Up Petroleum Discharges			**Hospital Care to Indigent Persons**		
Fund balances, July 1	$ 7,505,716	$ 7,505,716	$ -	$ 3,612,506	$ 3,612,506	$ -
Revenues:						
Other taxes	13,500,000	13,280,898	(219,102)	13,116,512	13,116,512	-
Intergovernmental	-	-	-	16,282,421	16,282,421	-
Licenses, fees and permits	550,000	404,100	(145,900)	-	-	-
Interest	100,000	42,355	(57,645)	48,972	48,972	-
Other	100,000	-	(100,000)	9,000	-	(9,000)
Total sources	$ 21,755,716	$ 21,233,069	$ (522,647)	$ 33,069,411	$ 33,060,411	$ (9,000)

	Final Budget	Actual	Variance	Final Budget	Actual	Variance
	Tourism Promotion			**Offenders' Store**		
Fund balances, July 1	$ 5,060,227	$ 5,060,227	$ -	$ 7,966,240	$ 7,966,240	$ -
Revenues:						
Other taxes	22,663,629	22,585,614	(78,015)	-	-	-
Sales, charges for services	-	-	-	17,908,888	17,357,821	(551,067)
Licenses, fees and permits	36,580	36,580	-	-	-	-
Interest	-	539	539	46,186	57,438	11,252
Other	7,279	5,994	(1,285)	393,549	486,185	92,636
Other financing sources:						
Transfer from other funds	100,000	100,000	-	2,654,905	2,309,280	(345,625)
Total sources	$ 27,867,715	$ 27,788,954	$ (78,761)	$ 28,969,768	$ 28,176,964	$ (792,804)

(Continued)

	Final Budget	Actual	Variance
Tobacco Settlement			
Fund balances, July 1	$ 63,057,143	$ 63,057,143	$ -
Revenues:			
Interest	232,916	229,246	(3,670)
Other	48,570,744	39,379,917	(9,190,827)
Other financing sources:			
Transfer from other funds	17,494,572	17,182,586	(311,986)
Total sources	$129,355,375	$119,848,892	$ (9,506,483)
Gift			
Fund balances, July 1	$ 2,466,562	$ 2,466,562	$ -
Revenues:			
Federal	-	-	-
Interest	25,538	12,049	(13,489)
Other	703,430	448,577	(254,853)
Other financing sources:			
Proceeds from sale of bonds	-	-	-
Transfer from other funds	300	254	(46)
Total sources	$ 3,195,830	$ 2,927,442	$ (268,388)
Miscellaneous			
Fund balances, July 1	$ 13,919,374	$ 13,919,374	$ -
Revenues:			
Federal	2,606,117	2,488,778	(117,339)
Other taxes	2,906,531	2,728,438	(178,093)
Sales, charges for services	889,728	773,796	(115,932)
Licenses, fees and permits	4,875,286	4,526,025	(349,261)
Interest	28,700	55,283	26,583
Other	2,244,363	2,280,308	35,945
Other financing sources:			
Transfer from other funds	657,261	657,261	-
Total sources	$ 28,127,360	$ 27,429,263	$ (698,097)
Total Nonmajor Special Revenue Funds			
Fund balances, July 1	$174,199,102	$174,199,102	$ -
Revenues:			
Gaming taxes, fees, licenses	13,539,353	13,539,353	-
Federal	83,655,394	73,826,171	(9,829,223)
Other taxes	263,482,558	221,073,794	(42,408,764)
Sales, charges for services	25,886,588	24,404,939	(1,481,649)
Intergovernmental	16,282,421	16,282,421	-
Licenses, fees and permits	9,806,125	9,158,115	(648,010)
Interest	931,901	742,515	(189,386)
Other	67,937,297	59,170,946	(8,766,351)
Other financing sources:			
Proceeds from sale of bonds	1,006,703	1,006,703	-
Transfer from other funds	57,265,557	56,343,006	(922,551)
Total sources	$713,992,999	$649,747,065	$(64,245,934)

	Final Budget	Actual	Variance
Attorney General Settlement			
Fund balances, July 1	$ 26,302,394	$ 26,302,394	$ -
Revenues:			
Interest	122,650	122,650	-
Other	-	-	-
Other financing sources:			
Transfer from other funds	-	114,831	114,831
Total sources	$ 26,425,044	$ 26,539,875	$ 114,831
Natural Resources			
Fund balances, July 1	$ 10,197,596	$ 10,197,596	$ -
Revenues:			
Federal	262,910	11,364	(251,546)
Interest	164,230	48,998	(115,232)
Other	2,000	-	(2,000)
Other financing sources:			
Proceeds from sale of bonds	1,006,703	1,006,703	-
Transfer from other funds	-	-	-
Total sources	$ 11,633,439	$ 11,264,661	$ (368,778)
Legislative (Non-GAAP Fund)			
Fund balances, July 1	$ 11,791,739	$ 11,791,739	$ -
Revenues:			
Federal	-	-	-
Other taxes	-	-	-
Sales, charges for services	587,869	530,135	(57,734)
Licenses, fees and permits	10,610	10,610	-
Interest	-	-	-
Other	255,583	255,583	-
Other financing sources:			
Transfer from other funds	34,452,411	34,451,461	(950)
Total sources	$ 47,098,212	$ 47,039,528	$ (58,684)

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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, 2016

	Workers' Compensation and Safety	Insurance Admin and Enforcement	Gaming Investigative	Forestry Nurseries
Assets				
Current assets:				
Cash and pooled investments:				
Cash with treasurer	$ 51,713,363	$ 6,483,797	$ 11,893,782	$ 600,266
Cash in custody of other officials	250	-	241,009	100
Receivables:				
Accounts receivable	2,449,523	175,848	109,135	5,120
Assessments receivable	-	250	-	-
Intergovernmental receivables	-	90,645	-	-
Due from other funds	1,113,043	52,677	2,599	40,153
Due from fiduciary funds	-	-	-	-
Due from component units	-	-	-	-
Inventory	-	-	-	155,101
Prepaid items	-	1,060	4,994	-
Total current assets	55,276,179	6,804,277	12,251,519	800,740
Noncurrent assets:				
Receivables:				
Other assets	-	-	-	-
Capital assets:				
Land	-	-	-	-
Buildings	-	-	-	-
Improvements other than buildings	-	-	-	-
Furniture and equipment	2,409,104	220,621	163,726	60,965
Less accumulated depreciation	(2,254,649)	(214,133)	(163,726)	(60,965)
Total noncurrent assets	154,455	6,488	-	-
Total assets	55,430,634	6,810,765	12,251,519	800,740
Deferred Outflows of Resources				
Deferred charge on refunding	-	-	-	-
Pension contributions	2,178,699	776,606	-	18,674
Total deferred outflows of resources	2,178,699	776,606	-	18,674
Liabilities				
Current liabilities:				
Accounts payable and accruals:				
Accounts payable	13,699,359	612,953	154,512	2,641
Accrued payroll and related liabilities	1,055,726	398,158	-	11,302
Interest payable	-	-	-	-
Intergovernmental payables	32,185	-	64	-
Due to other funds	90,830	96,356	2,597,167	21,649
Due to fiduciary funds	17	-	-	315
Unearned revenues	-	-	9,247,776	-
Other liabilities	-	-	-	-
Short-term portion of long-term liabilities:				
Compensated absences	640,547	238,813	-	4,363
Bonds payable	-	-	-	-
Total current liabilities	15,518,664	1,346,280	11,999,519	40,270
Noncurrent liabilities:				
Advances from general fund	-	-	-	206,700
Net pension obligation	20,653,383	7,400,256	-	175,147
Compensated absences	340,296	99,504	-	882
Bonds payable	-	-	-	-
Total noncurrent liabilities	20,993,679	7,499,760	-	382,729
Total liabilities	36,512,343	8,846,040	11,999,519	422,999
Deferred Inflows of Resources				
Pension related amounts	3,894,979	1,395,599	-	33,031
Total deferred inflows of resources	3,894,979	1,395,599	-	33,031
Net Position				
Net investment in capital assets	154,455	6,488	-	-
Restricted for workers' compensation	17,047,556	-	-	-
Restricted for regulation of business	-	-	2,000	-
Unrestricted (deficit)	-	(2,660,756)	250,000	363,384
Total net position	$ 17,202,011	$ (2,654,268)	$ 252,000	$ 363,384

Prison Industry	Nevada Magazine	Marlette Lake Water System	Total
$ 3,074,263	$ 186,165	$ 32,173	$ 73,983,809
100	-	-	241,459
92,906	87,250	-	2,919,782
-	-	-	250
178,232	-	302,088	570,965
240,845	1,049	6,755	1,457,121
5,348	-	-	5,348
470	-	-	470
1,418,242	34,330	-	1,607,673
-	2,721	-	8,775
5,010,406	311,515	341,016	80,795,652
15,000	-	-	15,000
153,140	-	414,672	567,812
2,890,227	-	498,613	3,388,840
-	-	3,656,507	3,656,507
1,178,069	-	9,616,802	13,649,287
(3,533,777)	-	(2,527,103)	(8,754,353)
702,659	-	11,659,491	12,523,093
5,713,065	311,515	12,000,507	93,318,745
-	-	188,021	188,021
225,604	77,954	38,823	3,316,360
225,604	77,954	226,844	3,504,381
115,897	34,020	4,172	14,623,554
86,036	39,647	24,738	1,615,607
-	-	63,680	63,680
18,080	-	-	50,329
28,169	4,126	1,333	2,839,630
50,918	-	7	51,257
85,338	145,712	-	9,478,826
14,400	-	2,050	16,450
86,036	16,062	21,260	1,007,081
-	-	275,194	275,194
484,874	239,567	392,434	30,021,608
-	-	-	206,700
2,655,468	702,821	302,814	31,889,889
89,498	3,961	12,377	546,518
-	-	8,266,083	8,266,083
2,744,966	706,782	8,581,274	40,909,190
3,229,840	946,349	8,973,708	70,930,798
500,790	132,544	57,107	6,014,050
500,790	132,544	57,107	6,014,050
687,659	-	3,118,214	3,966,816
-	-	-	17,047,556
-	-	-	2,000
1,520,380	(689,424)	78,322	(1,138,094)
$ 2,208,039	$ (689,424)	$ 3,196,536	$ 19,878,278

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds

For the Fiscal Year Ended June 30, 2016

	Workers' Compensation and Safety	Insurance Admin and Enforcement	Gaming Investigative	Forestry Nurseries
Operating Revenues				
Sales	$ -	$ -	$ -	$ 459,431
Assessments	-	307,956	-	-
Charges for services	13,285	498	14,406,090	-
Rental income	-	-	-	-
Licenses, fees and permits	34,621,752	9,841,783	-	-
Fines	3,331,608	54,755	-	-
Other	672,217	-	-	69,528
Total operating revenues	38,638,862	10,204,992	14,406,090	528,959
Operating Expenses				
Salaries and benefits	16,806,018	6,059,829	10,858,313	124,179
Operating	5,186,932	5,237,279	955,548	72,022
Claims and benefits expense	9,195,584	13,685	-	-
Materials or supplies used	-	-	-	217,805
Depreciation	91,358	19,328	-	-
Total operating expenses	31,279,892	11,330,121	11,813,861	414,006
Operating income (loss)	7,358,970	(1,125,129)	2,592,229	114,953
Nonoperating Revenues (Expenses)				
Interest and investment income	779,800	52,485	-	-
Interest expense	-	-	-	-
Bond issuance costs	-	-	-	-
Federal grants	2,455,940	553,316	-	-
Total nonoperating revenues (expenses)	3,235,740	605,801	-	-
Income (loss) before transfers	10,594,710	(519,328)	2,592,229	114,953
Transfers				
Transfers in	-	11,019	-	-
Transfers out	(10,708,380)	(1,011,612)	(2,592,229)	-
Change in net position	(113,670)	(1,519,921)	-	114,953
Net position, July 1	17,315,681	(1,134,347)	252,000	248,431
Net position, June 30	$ 17,202,011	$ (2,654,268)	$ 252,000	$ 363,384

Prison Industry	Nevada Magazine	Marlette Lake Water System	Total
$ 3,695,611	$ 1,045,693	$ 986,282	$ 6,187,017
-	-	-	307,956
551,987	-	-	14,971,860
132,800	-	-	132,800
-	-	-	44,463,535
-	-	-	3,386,363
75,067	10,383	145,188	972,383
4,455,465	1,056,076	1,131,470	70,421,914
1,516,700	608,123	242,029	36,215,191
2,294,016	199,726	257,429	14,202,952
-	-	-	9,209,269
2,076,891	314,459	-	2,609,155
122,546	-	21,746	254,978
6,010,153	1,122,308	521,204	62,491,545
(1,554,688)	(66,232)	610,266	7,930,369
32,863	-	-	865,148
-	-	(337,454)	(337,454)
-	-	(11,824)	(11,824)
1,715,005	-	-	4,724,261
1,747,868	-	(349,278)	5,240,131
193,180	(66,232)	260,988	13,170,500
-	50,000	907	61,926
(101,675)	-	(6,181)	(14,420,077)
91,505	(16,232)	255,714	(1,187,651)
2,116,534	(673,192)	2,940,822	21,065,929
$ 2,208,039	$ (689,424)	$ 3,196,536	$ 19,878,278

Combining Statement of Cash Flows
Nonmajor Enterprise Funds

For the Fiscal Year Ended June 30, 2016

	Workers' Compensation and Safety	Insurance Admin and Enforcement	Gaming Investigative	Forestry Nurseries
Cash flows from operating activities				
Receipts from customers and users	$ 54,400,148	$ 9,784,457	$ 14,419,406	$ 220,336
Receipts for interfund services provided	123,771	498,740	-	311,462
Payments to suppliers, other governments and beneficiaries	(11,237,849)	(2,716,071)	(801,107)	(233,332)
Payments to employees	(16,268,902)	(5,774,366)	(11,358,313)	(117,839)
Payments for interfund services used	(3,173,782)	(1,838,869)	(38,291)	(23,946)
Payments to component units	(101,359)	-	-	-
Net cash provided by (used for) operating activities	23,742,027	(46,109)	2,221,695	156,681
Cash flows from noncapital financing activities				
Grant receipts	2,748,055	537,705	-	-
Transfers and advances from other funds	-	11,019	-	-
Transfers and advances to other funds	(10,644,459)	(971,125)	(1,224,824)	-
Net cash provided by (used for) noncapital financing activities	(7,896,404)	(422,401)	(1,224,824)	-
Cash flows from capital and related financing activities				
Proceeds from capital debt	-	-	-	-
Purchase of capital assets	(30,810)	-	-	-
Payment on refunding bonds	-	-	-	-
Principal paid on capital debt	-	-	-	(20,670)
Interest paid on capital debt	-	-	-	-
Bond issuance costs	-	-	-	-
Payments on construction projects	-	-	-	-
Net cash provided by (used for) capital and related financing activities	(30,810)	-	-	(20,670)
Cash flows from investing activities				
Interest, dividends and gains (losses)	696,758	48,839	-	-
Net cash provided by (used for) investing activities	696,758	48,839	-	-
Net increase (decrease) in cash	16,511,571	(419,671)	996,871	136,011
Cash and cash equivalents, July 1	35,202,042	6,903,468	11,137,920	464,355
Cash and cash equivalents, June 30	$ 51,713,613	$ 6,483,797	$ 12,134,791	$ 600,366
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	$ 7,358,970	$ (1,125,129)	$ 2,592,229	$ 114,953
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	91,358	19,328	-	-
Decrease (increase) in accrued interest and receivables	2,947,906	78,205	(12,331)	2,839
Decrease (increase) in inventory, deferred charges, other assets	-	156,159	(602)	34,960
Decrease (increase) in deferred outflows of resources	(241,977)	(82,664)	-	(2,250)
Increase (decrease) in accounts payable, accruals, other liabilities	12,753,289	609,708	(383,248)	(881)
Increase (decrease) in unearned revenue	-	-	25,647	-
Increase (decrease) in net pension liability	2,215,473	793,820	-	18,788
Increase (decrease) in deferred inflows of resources	(1,382,992)	(495,536)	-	(11,728)
Total adjustments	16,383,057	1,079,020	(370,534)	41,728
Net cash provided by (used for) operating activities	$ 23,742,027	$ (46,109)	$ 2,221,695	$ 156,681

Prison Industry	Nevada Magazine	Marlette Lake Water System	Total
$ 2,578,736	$ 713,324	$ 902,665	$ 83,019,072
2,116,318	358,996	-	3,409,287
(2,994,849)	(443,055)	(271,895)	(18,698,158)
(1,400,888)	(589,602)	(214,522)	(35,724,432)
(1,501,547)	(68,269)	(38,574)	(6,683,278)
(39,000)	-	(3,338)	(143,697)
(1,241,230)	(28,606)	374,336	25,178,794
1,739,057	-	-	5,024,817
-	50,000	23	61,042
(89,733)	-	(6,181)	(12,936,322)
1,649,324	50,000	(6,158)	(7,850,463)
-	-	1,691,299	1,691,299
(141,062)	-	(75,795)	(247,667)
-	-	(1,672,749)	(1,672,749)
-	-	(237,000)	(257,670)
-	-	(378,282)	(378,282)
-	-	(11,824)	(11,824)
-	-	(398,429)	(398,429)
(141,062)	-	(1,082,780)	(1,275,322)
29,404	-	-	775,001
29,404	-	-	775,001
296,436	21,394	(714,602)	16,828,010
2,777,927	164,771	746,775	57,397,258
$ 3,074,363	$ 186,165	$ 32,173	$ 74,225,268
$ (1,554,688)	$ (66,232)	$ 610,266	$ 7,930,369
122,546	-	21,746	254,978
227,758	5,839	(228,805)	3,021,411
(124,838)	3,893	-	69,572
23,406	(12,049)	(10,427)	(325,961)
(54,280)	1,209	(30,650)	12,895,147
11,831	10,405	-	47,883
284,850	75,391	32,483	3,420,805
(177,815)	(47,062)	(20,277)	(2,135,410)
313,458	37,626	(235,930)	17,248,425
$ (1,241,230)	$ (28,606)	$ 374,336	$ 25,178,794

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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, 2016

	Self-Insurance	Buildings and Grounds	Fleet Services	Communications
Assets				
Current assets:				
Cash and pooled investments:				
Cash with treasurer	$ 135,908,776	$ 4,495,822	$ 1,888,624	$ 508,418
Receivables:				
Accounts receivable	744,896	935	803	69
Intergovernmental receivables	3,986,574	-	2,333	1,221
Notes receivable	-	-	-	-
Due from other funds	2,108,935	933,541	510,922	728,842
Due from fiduciary funds	5,567,132	-	-	111
Due from component units	802,371	-	8,425	53
Inventory	-	-	-	-
Prepaid items	-	-	-	-
Total current assets	149,118,684	5,430,298	2,411,107	1,238,714
Noncurrent assets:				
Notes receivable	-	-	-	-
Other assets	-	-	-	-
Capital assets:				
Land	-	20,400	901,783	-
Buildings	-	2,268,068	2,476,962	-
Improvements other than buildings	-	291,216	-	422,451
Furniture and equipment	430,232	792,486	21,264,399	1,121,346
Software costs	-	-	-	-
Less accumulated depreciation/amortization	(302,543)	(2,378,892)	(14,321,803)	(1,241,761)
Total noncurrent assets	127,689	993,278	10,321,341	302,036
Total assets	149,246,373	6,423,576	12,732,448	1,540,750
Deferred Outflows of Resources				
Pension contributions	317,932	681,751	104,568	146,759
Liabilities				
Current liabilities:				
Accounts payable and accruals:				
Accounts payable	6,852,087	1,106,780	253,157	3,543
Accrued payroll and related liabilities	146,127	352,344	55,332	74,266
Intergovernmental payables	-	58,827	1,079	-
Bank overdraft	1,918,041	-	-	-
Due to other funds	17,343	100,462	371,493	32,350
Due to fiduciary funds	-	6,243	1,665	-
Due to component units	-	-	-	-
Unearned revenues	60,883	-	-	-
Short-term portion of long-term liabilities:				
Reserve for losses	63,014,304	-	-	-
Compensated absences	115,997	237,439	44,192	52,405
Bonds payable	-	-	-	-
Obligations under capital leases	-	-	-	-
Total current liabilities	72,124,782	1,862,095	726,918	162,564
Noncurrent liabilities:				
Advances:				
Advances from general fund	-	-	2,062,500	-
Advances from debt service fund	-	-	-	-
Reserve for losses	-	-	-	-
Net pension obligation	3,003,622	7,335,376	964,617	1,391,983
Compensated absences	70,718	132,649	55,360	42,871
Bonds payable	-	-	-	-
Total noncurrent liabilities	3,074,340	7,468,025	3,082,477	1,434,854
Total liabilities	75,199,122	9,330,120	3,809,395	1,597,418
Deferred Inflows of Resources				
Pension related amounts	566,447	1,383,364	181,914	262,511
Net Position				
Net investment in capital assets	127,689	993,278	10,321,341	302,036
Unrestricted (deficit)	73,671,047	(4,601,435)	(1,475,634)	(474,456)
Total net position	$ 73,798,736	$ (3,608,157)	$ 8,845,707	$ (172,420)

Insurance Premiums	Administrative Services	Personnel	Purchasing	Information Services	Printing	Total
$ 14,681,702	$ 609,684	$ 861,907	$ 1,048,381	$ 5,494,524	$ 1,749,985	$ 167,247,823
1,324	-	58	7,365	30,285	-	785,735
-	-	-	-	120,642	-	4,110,770
5,000	-	-	-	-	-	5,000
1,335,774	1,386	1,068,897	22,752	3,603,041	44,822	10,358,912
-	-	-	-	-	-	5,567,243
33	-	6,020	-	2,454	-	819,356
-	-	-	-	-	233,581	233,581
67,762	-	5,095	-	678	-	73,535
16,091,595	611,070	1,941,977	1,078,498	9,251,624	2,028,388	189,201,955
75,000	-	-	-	-	-	75,000
-	-	-	-	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
36,877	52,240	161,062	152,380	29,756,928	3,878,668	57,646,618
-	-	15,323,810	-	-	-	15,323,810
(33,650)	(52,240)	(15,472,214)	(292,380)	(33,006,161)	(5,182,201)	(72,283,845)
78,227	-	12,658	95,554	11,532,366	2,567,038	26,030,187
16,169,822	611,070	1,954,635	1,174,052	20,783,990	4,595,426	215,232,142
99,749	325,610	741,028	285,857	2,119,324	226,199	5,048,777
522,419	2,513	64,755	10,041	1,147,064	14,588	9,976,947
49,605	138,359	332,548	107,620	957,640	70,137	2,283,978
-	-	-	42	3,777	-	63,725
-	-	-	-	-	-	1,918,041
776,235	10,359	403,501	117,612	535,477	3,812	2,368,644
-	-	454	-	136	7,635	16,133
35,738	-	13,763	-	16,259	-	65,760
-	-	-	-	4,690	-	65,573
16,777,590	-	-	-	-	-	79,791,894
28,987	124,248	241,663	81,668	732,399	66,518	1,725,516
-	-	-	-	513,323	-	513,323
-	-	-	-	648,976	-	648,976
18,190,574	275,479	1,056,684	316,983	4,559,741	162,690	99,438,510
-	-	-	-	276,920	-	2,339,420
-	-	-	-	602,546	-	602,546
46,939,358	-	-	-	-	-	46,939,358
924,174	2,911,869	7,338,336	3,098,297	21,560,782	1,246,522	49,775,578
23,376	68,178	203,209	67,109	544,496	58,546	1,266,512
-	-	-	-	4,222,926	-	4,222,926
47,886,908	2,980,047	7,541,545	3,165,406	27,207,670	1,305,068	105,146,340
66,077,482	3,255,526	8,598,229	3,482,389	31,767,411	1,467,758	204,584,850
174,288	549,144	1,383,922	584,301	4,066,104	213,108	9,365,103
3,227	-	12,658	95,554	6,242,479	2,567,038	20,665,300
(49,985,426)	(2,867,990)	(7,299,146)	(2,702,335)	(19,172,680)	573,721	(14,334,334)
$ (49,982,199)	$ (2,867,990)	$ (7,286,488)	$ (2,606,781)	$ (12,930,201)	$ 3,140,759	$ 6,330,966

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds

For the Fiscal Year Ended June 30, 2016

	Self-Insurance	Buildings and Grounds	Fleet Services	Communications
Operating Revenues				
Net premium income	$ 340,632,349	$ -	$ -	$ -
Sales	-	-	-	-
Charges for services	-	1,347,393	70,936	6,858,364
Rental income	-	14,697,227	5,292,802	-
Other	715,395	61,392	-	-
Total operating revenues	341,347,744	16,106,012	5,363,738	6,858,364
Operating Expenses				
Salaries and benefits	2,333,626	5,525,338	934,921	1,103,997
Operating	6,161,665	10,497,253	2,161,599	5,537,455
Claims expense	220,237,890	-	-	-
Materials or supplies used	-	-	294,399	-
Depreciation	19,442	115,612	1,878,868	36,326
Insurance premiums	120,117,584	-	-	-
Total operating expenses	348,870,207	16,138,203	5,269,787	6,677,778
Operating income (loss)	(7,522,463)	(32,191)	93,951	180,586
Nonoperating Revenues (Expenses)				
Interest and investment income	1,311,214	-	-	-
Interest expense	-	-	-	-
Gain (loss) on disposal of assets	-	(1,603)	149,644	-
Total nonoperating revenues (expenses)	1,311,214	(1,603)	149,644	-
Income (loss) before transfers	(6,211,249)	(33,794)	243,595	180,586
Transfers				
Transfers in	-	12,895	3,217,686	-
Transfers out	-	-	-	-
Change in net position	(6,211,249)	(20,899)	3,461,281	180,586
Net position, July 1	80,009,985	(3,587,258)	5,384,426	(353,006)
Net position, June 30	$ 73,798,736	$ (3,608,157)	$ 8,845,707	$ (172,420)

Insurance Premiums	Administrative Services	Personnel	Purchasing	Information Services	Printing	Total
$ 23,512,200	$ -	$ -	$ -	$ -	$ -	$ 364,144,549
-	-	-	-	-	2,438,618	2,438,618
-	2,452,159	8,869,727	2,900,494	30,823,296	-	53,322,369
-	-	-	-	271,873	-	20,261,902
313,420	-	33,223	229,887	1,215	12,145	1,366,677
23,825,620	2,452,159	8,902,950	3,130,381	31,096,384	2,450,763	441,534,115
762,428	2,287,555	5,135,995	1,948,134	15,067,495	1,365,566	36,465,055
2,058,054	390,664	3,453,912	752,577	15,516,222	551,673	47,081,074
14,735,819	-	-	-	-	-	234,973,709
-	-	-	-	-	376,765	671,164
802	176	7,048	-	2,068,965	203,016	4,330,255
5,191,940	-	-	-	-	-	125,309,524
22,749,043	2,678,395	8,596,955	2,700,711	32,652,682	2,497,020	448,830,781
1,076,577	(226,236)	305,995	429,670	(1,556,298)	(46,257)	(7,296,666)
157	-	-	-	-	-	1,311,371
-	-	-	-	(1,439)	-	(1,439)
-	-	-	-	-	-	148,041
157	-	-	-	(1,439)	-	1,457,973
1,076,734	(226,236)	305,995	429,670	(1,557,737)	(46,257)	(5,838,693)
26,418	-	-	-	3,847,037	159,528	7,263,564
(266,580)	-	-	-	-	-	(266,580)
836,572	(226,236)	305,995	429,670	2,289,300	113,271	1,158,291
(50,818,771)	(2,641,754)	(7,592,483)	(3,036,451)	(15,219,501)	3,027,488	5,172,675
$ (49,982,199)	$ (2,867,990)	$ (7,286,488)	$ (2,606,781)	$ (12,930,201)	$ 3,140,759	$ 6,330,966

Combining Statement of Cash Flows
Internal Service Funds

For the Fiscal Year Ended June 30, 2016

	Self-Insurance	Buildings and Grounds	Fleet Services	Communications
Cash flows from operating activities				
Receipts from customers and users	$ 56,091,573	$ 12,001	$ 821	$ 23,087
Receipts for interfund services provided	198,477,983	15,871,212	5,213,490	6,732,684
Receipts from component units	84,716,314	-	88,589	4,398
Receipts of principal on loans and notes	-	-	-	-
Payments to suppliers, other governments and beneficiaries	(344,049,867)	(8,983,817)	(1,497,421)	(5,045,696)
Payments to employees	(2,235,157)	(5,156,962)	(897,019)	(1,060,919)
Payments for interfund services used	(1,568,866)	(1,556,239)	(914,472)	(489,770)
Payments to component units	-	(430)	-	-
Net cash provided by (used for) operating activities	(8,568,020)	185,765	1,993,988	163,784
Cash flows from noncapital financing activities				
Transfers and advances from other funds	-	332	3,270,663	-
Transfers and advances to other funds	-	-	-	-
Net cash provided by (used for) noncapital financing activities	-	332	3,270,663	-
Cash flows from capital and related financing activities				
Proceeds from sale of capital assets	-	-	177,081	-
Purchase of capital assets	(109,967)	(65,215)	(4,883,434)	(38,742)
Principal paid on capital debt	-	-	-	-
Interest paid on capital debt	-	-	-	-
Net cash provided by (used for) capital and related financing activities	(109,967)	(65,215)	(4,706,353)	(38,742)
Cash flows from investing activities				
Interest, dividends and gains (losses)	1,299,171	-	-	-
Net cash provided by (used for) investing activities	1,299,171	-	-	-
Net increase (decrease) in cash	(7,378,816)	120,882	558,298	125,042
Cash and cash equivalents, July 1	143,287,592	4,374,940	1,330,326	383,376
Cash and cash equivalents, June 30	$ 135,908,776	$ 4,495,822	$ 1,888,624	$ 508,418
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	$ (7,522,463)	$ (32,191)	$ 93,951	$ 180,586
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	19,442	115,612	1,878,868	36,326
Decrease (increase) in loans and notes receivable	-	-	-	-
Decrease (increase) in accrued interest and receivables	(1,824,152)	(222,799)	(60,838)	(98,195)
Decrease (increase) in inventory, deferred charges, other assets	-	-	-	-
Decrease (increase) in deferred outflows of resources	(36,274)	6,107	(14,114)	(16,229)
Increase (decrease) in accounts payable, accruals, other liabilities	912,082	23,367	57,240	5,189
Increase (decrease) in unearned revenue	(237,722)	-	-	-
Increase (decrease) in net pension liability	322,196	786,860	103,474	149,317
Increase (decrease) in deferred inflows of resources	(201,129)	(491,191)	(64,593)	(93,210)
Total adjustments	(1,045,557)	217,956	1,900,037	(16,802)
Net cash provided by (used for) operating activities	$ (8,568,020)	$ 185,765	$ 1,993,988	$ 163,784

NEVADA

Insurance Premiums	Administrative Services	Personnel	Purchasing	Information Services	Printing	Total
$ 334,390	$ -	$ 2,902	$ 205,268	$ 791,163	$ 193,908	$ 57,655,113
23,099,599	2,452,159	7,181,769	2,895,060	29,741,937	2,564,020	294,229,913
256,819	-	646,431	-	-	-	85,712,551
5,000	-	-	-	-	-	5,000
(10,992,147)	(63,252)	(753,154)	(51,853)	(14,977,975)	(613,332)	(387,028,514)
(744,570)	(2,175,762)	(4,971,171)	(1,890,338)	(14,288,974)	(1,359,529)	(34,780,401)
(11,042,971)	(334,484)	(2,358,941)	(608,773)	(7,731)	(272,346)	(19,154,593)
(177,742)	-	(14,043)	-	(57,149)	-	(249,364)
738,378	(121,339)	(266,207)	549,364	1,201,271	512,721	(3,610,295)
26,418	-	-	-	3,374,464	159,528	6,831,405
(156,698)	-	-	-	-	-	(156,698)
(130,280)	-	-	-	3,374,464	159,528	6,674,707
-	-	-	-	-	-	177,081
-	-	-	-	(1,146,430)	(23,000)	(6,266,788)
-	-	(202,988)	-	(1,459,874)	-	(1,662,862)
-	-	-	-	(1,439)	-	(1,439)
-	-	(202,988)	-	(2,607,743)	(23,000)	(7,754,008)
157	-	-	-	-	-	1,299,328
157	-	-	-	-	-	1,299,328
608,255	(121,339)	(469,195)	549,364	1,967,992	649,249	(3,390,268)
14,073,447	731,023	1,331,102	499,017	3,526,532	1,100,736	170,638,091
$ 14,681,702	$ 609,684	$ 861,907	$ 1,048,381	$ 5,494,524	$ 1,749,985	$ 167,247,823
$ 1,076,577	$ (226,236)	$ 305,995	$ 429,670	$ (1,556,298)	$ (46,257)	$ (7,296,666)
802	176	7,048	-	2,068,965	203,016	4,330,255
5,000	-	(1,071,848)	-	-	-	(1,066,848)
(134,812)	(1,386)	-	(30,053)	(567,974)	307,165	(2,633,044)
119,230	-	183	-	6	41,739	161,158
(13,087)	(52,556)	(52,894)	4,679	(97,513)	(105,481)	(377,362)
(352,583)	41,293	249,520	20,184	480,338	(22,844)	1,413,786
-	-	-	-	4,690	-	(233,032)
99,136	312,354	787,178	332,352	2,312,810	213,699	5,419,376
(61,885)	(194,984)	(491,389)	(207,468)	(1,443,753)	(78,316)	(3,327,918)
(338,199)	104,897	(572,202)	119,694	2,757,569	558,978	3,686,371
$ 738,378	$ (121,339)	$ (266,207)	$ 549,364	$ 1,201,271	$ 512,721	$ (3,610,295)

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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 and district judges (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). Funding comes from employer contributions and investment earnings (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).

Agency

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).

State Agency Fund for Bonds Accounts for surety bonds and deposits held by the State (NRS 353.251).

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).

State Payroll Accounts for payment of payroll and payroll deductions such as income tax withholding, insurance deductions, credit union deductions, etc. (NRS 227.130).

Combining Statement of Fiduciary Net Position
Pension and Other Employee Benefit Trust, Investment Trust and Private–Purpose Trust Funds

June 30, 2016

	Pension Trust Funds				
	Public Employees' Retirement	Legislators' Retirement	Judicial Retirement	Other Employee Benefit Trust Fund - State Retirees' Fund	Total
Assets					
Cash and pooled investments:					
Cash with treasurer	$ -	$ -	$ -	$ 3,204,523	$ 3,204,523
Cash in custody of other officials	209,333,614	61,282	380,651	-	209,775,547
Investments:					
Investments	-	-	-	1,316,665	1,316,665
Fixed income securities	9,815,487,784	1,300,742	29,531,000	-	9,846,319,526
Marketable equity securities	15,156,704,122	3,004,865	68,318,499	-	15,228,027,486
International securities	6,627,477,668	104,051	2,362,649	-	6,629,944,368
Real estate	1,584,377,325	-	-	-	1,584,377,325
Alternative investments	1,433,191,372	-	-	-	1,433,191,372
Collateral on loaned securities	411,128,913	-	-	-	411,128,913
Receivables:					
Accounts receivable	-	-	-	-	-
Accrued interest and dividends	97,208,833	8,949	197,957	-	97,415,739
Trades pending settlement	120,155,081	10,264	549,398	-	120,714,743
Intergovernmental receivables	113,492,124	-	303,496	21,138	113,816,758
Contributions receivable	-	-	-	-	-
Due from other funds	583	-	-	100,292	100,875
Due from fiduciary funds	21,480,641	-	-	-	21,480,641
Due from component units	-	-	-	2,256,424	2,256,424
Other assets	2,916,621	-	-	-	2,916,621
Furniture and equipment	41,550,920	-	-	-	41,550,920
Accumulated depreciation	(37,678,778)	-	-	-	(37,678,778)
Total assets	35,596,826,823	4,490,153	101,643,650	6,899,042	35,709,859,668
Liabilities					
Accounts payable and accruals:					
Accounts payable	10,981,758	1,806	17,059	-	11,000,623
Intergovernmental payables	-	-	-	-	-
Redemptions payable	-	-	-	-	-
Trades pending settlement	172,389,964	14,284	524,651	-	172,928,899
Bank overdraft	-	-	-	-	-
Obligations under securities lending	411,128,913	-	-	-	411,128,913
Due to other funds	252,371	-	-	5,567,132	5,819,503
Due to fiduciary funds	44,911	-	-	-	44,911
Other liabilities	-	-	-	-	-
Total liabilities	594,797,917	16,090	541,710	5,567,132	600,922,849
Net Position					
Held in trust for:					
Employees' pension benefits	35,002,028,906	4,474,063	101,101,940	-	35,107,604,909
OPEB benefits	-	-	-	1,331,910	1,331,910
Pool participants	-	-	-	-	-
Individuals	-	-	-	-	-
Total net position	$35,002,028,906	$ 4,474,063	$ 101,101,940	$ 1,331,910	$ 35,108,936,819

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
$ -	$ -	$ -	$ -	$ 7,490,524	$ -	$ 7,490,524
-	-	11,216,015	11,216,015	-	12,616,110	12,616,110
581,137,576	132,493,048	348,750,232	1,062,380,856	-	17,245,793,011	17,245,793,011
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	3,516	-	3,516
879,840	227,495	3,185,821	4,293,156	-	767,408	767,408
-	-	-	-	-	33,172,862	33,172,862
-	-	-	-	123,388	-	123,388
-	-	-	-	-	12,521,934	12,521,934
-	-	-	-	185,161	-	185,161
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	48,222	-	48,222
-	-	-	-	(48,222)	-	(48,222)
582,017,416	132,720,543	363,152,068	1,077,890,027	7,802,589	17,304,871,325	17,312,673,914
-	47,632	30,049	77,681	127,838	2,723,030	2,850,868
23,225	-	-	23,225	2,826	-	2,826
-	-	-	-	-	5,713,703	5,713,703
-	-	4,887,856	4,887,856	-	34,555,437	34,555,437
-	-	-	-	-	538,000	538,000
-	-	-	-	-	-	-
-	-	-	-	299,579	-	299,579
-	-	-	-	18,728	-	18,728
20,547	-	-	20,547	-	-	-
43,772	47,632	4,917,905	5,009,309	448,971	43,530,170	43,979,141
-	-	-	-	-	-	-
-	-	-	-	-	-	-
581,973,644	132,672,911	358,234,163	1,072,880,718	-	-	-
-	-	-	-	7,353,618	17,261,341,155	17,268,694,773
$ 581,973,644	$ 132,672,911	$ 358,234,163	$ 1,072,880,718	$ 7,353,618	$17,261,341,155	$ 17,268,694,773

Combining Statement of Changes in Fiduciary Net Position
Pension and Other Employee Benefit Trust, Investment Trust and Private–Purpose Trust Funds

For the Fiscal Year Ended June 30, 2016

	Pension Trust Funds				
	Public Employees' Retirement	Legislators' Retirement	Judicial Retirement	Other Employee Benefit Trust Fund - State Retirees' Fund	Total
Additions					
Contributions:					
Employer	$ 1,569,709,596	$ 155,855	$ 5,772,954	$ 32,213,079	$ 1,607,851,484
Plan members	129,788,195	22,854	-	-	129,811,049
Participants	-	-	-	-	-
Repayment and purchase of service	61,736,428	-	268,730	-	62,005,158
Total contributions	1,761,234,219	178,709	6,041,684	32,213,079	1,799,667,691
Investment income:					
Net increase (decrease)					
in fair value of investments	(72,040,745)	(15,274)	(102,896)	11,607	(72,147,308)
Interest, dividends	744,325,442	78,244	1,674,614	43,355	746,121,655
Securities lending	5,823,399	-	-	-	5,823,399
Other	139,896,529	-	-	-	139,896,529
	818,004,625	62,970	1,571,718	54,962	819,694,275
Less investment expense:					
Other	(39,307,761)	(803)	(15,141)	(337)	(39,324,042)
Net investment income	778,696,864	62,167	1,556,577	54,625	780,370,233
Other:					
Investment from local governments	-	-	-	-	-
Reinvestment from interest income	-	-	-	-	-
Other	1,944,374	65,766	-	-	2,010,140
Total other	1,944,374	65,766	-	-	2,010,140
Total additions	2,541,875,457	306,642	7,598,261	32,267,704	2,582,048,064
Deductions					
Principal redeemed	-	-	-	-	-
Benefit payments	2,111,858,380	496,216	5,350,792	35,931,986	2,153,637,374
Refunds	26,757,635	6,290	-	-	26,763,925
Contribution distributions	-	-	-	-	-
Dividends to investors	-	-	-	-	-
Administrative expense	11,950,720	64,887	90,228	-	12,105,835
Total deductions	2,150,566,735	567,393	5,441,020	35,931,986	2,192,507,134
Change in net position	391,308,722	(260,751)	2,157,241	(3,664,282)	389,540,930
Net position, July 1	34,610,720,184	4,734,814	98,944,699	4,996,192	34,719,395,889
Net position, June 30	$ 35,002,028,906	$ 4,474,063	$ 101,101,940	$ 1,331,910	$ 35,108,936,819

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
$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
-	-	-	-	21,783,315	4,186,891,228	4,208,674,543
-	-	-	-	-	-	-
-	-	-	-	21,783,315	4,186,891,228	4,208,674,543
243,582	243,800	(1,165,676)	(678,294)	-	(186,209,061)	(186,209,061)
310,350	1,969,147	7,524,142	9,803,639	-	362,816,873	362,816,873
-	-	-	-	-	-	-
-	-	-	-	-	-	-
553,932	2,212,947	6,358,466	9,125,345	-	176,607,812	176,607,812
-	-	(45,042)	(45,042)	-	-	-
553,932	2,212,947	6,313,424	9,080,303	-	176,607,812	176,607,812
912,442,786	1,524,387	69,463,929	983,431,102	-	-	-
2,035,442	-	-	2,035,442	-	-	-
-	-	756	756	-	-	-
914,478,228	1,524,387	69,464,685	985,467,300	-	-	-
915,032,160	3,737,334	75,778,109	994,547,603	21,783,315	4,363,499,040	4,385,282,355
739,941,652	125,161,625	-	865,103,277	-	2,940,307,068	2,940,307,068
-	-	-	-	19,871,697	-	19,871,697
-	-	-	-	-	-	-
-	-	6,500,000	6,500,000	-	-	-
184,633	-	-	184,633	-	-	-
125,717	265,560	37,822	429,099	-	31,955,192	31,955,192
740,252,002	125,427,185	6,537,822	872,217,009	19,871,697	2,972,262,260	2,992,133,957
174,780,158	(121,689,851)	69,240,287	122,330,594	1,911,618	1,391,236,780	1,393,148,398
407,193,486	254,362,762	288,993,876	950,550,124	5,442,000	15,870,104,375	15,875,546,375
$581,973,644	$ 132,672,911	$ 358,234,163	$ 1,072,880,718	$ 7,353,618	$17,261,341,155	$ 17,268,694,773

Combining Statement of Fiduciary Assets and Liabilities
Agency Funds

June 30, 2016

	Intergovernmental	State Agency Fund for Bonds	Motor Vehicle	Child Support Disbursement
Assets				
Cash and pooled investments:				
Cash with treasurer	$ 11,784,261	$ 26,448,498	$ 38,019,436	$ -
Cash in custody of other officials	-	21,968,475	14,205,191	2,581,524
Investments	-	235,137,238	-	-
Receivables:				
Taxes receivable	11,604,564	-	54,911,331	-
Intergovernmental receivables	-	-	-	-
Other receivables	-	-	88,007	-
Due from other funds	512,905,346	32,685,379	669,019	-
Due from fiduciary funds	14,123,063	-	1,339	-
Total assets	$ 550,417,234	$ 316,239,590	$ 107,894,323	$ 2,581,524
Liabilities				
Accounts payable and accruals:				
Accrued payroll and related liabilities	$ -	$ -	$ -	$ -
Intergovernmental payables	550,417,234	190	77,776,397	-
Due to fiduciary funds	-	-	14,123,063	-
Other liabilities:				
Deposits	-	316,239,400	15,858,704	-
Other liabilities	-	-	136,159	2,581,524
Total liabilities	$ 550,417,234	$ 316,239,590	$ 107,894,323	$ 2,581,524

Child Welfare Trust	Restitution Trust	State Payroll	Total
$ 53,799	$ 1,668,930	$ 12,531,115	$ 90,506,039
-	-	-	38,755,190
-	-	-	235,137,238
-	-	-	66,515,895
-	-	42,053	42,053
-	-	-	88,007
221	64	8,864,783	555,124,812
-	17,389	44,911	14,186,702
$ 54,020	$ 1,686,383	$ 21,482,862	$ 1,000,355,936
$ -	$ -	$ 2,221	$ 2,221
703	-	-	628,194,524
-	-	21,480,641	35,603,704
-	-	-	332,098,104
53,317	1,686,383	-	4,457,383
$ 54,020	$ 1,686,383	$ 21,482,862	$ 1,000,355,936

Combining Statement of Changes in Assets and Liabilities
Agency Funds

For the Fiscal Year Ended June 30, 2016

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
Intergovernmental				
Assets				
Cash with treasurer	$ 11,207,370	$ 3,352,280,240	$ 3,351,703,349	$ 11,784,261
Taxes receivable	10,255,493	46,438,301	45,089,230	11,604,564
Due from other funds	492,659,580	512,905,379	492,659,613	512,905,346
Due from fiduciary funds	13,293,048	14,123,063	13,293,048	14,123,063
Total assets	$ 527,415,491	$ 3,925,746,983	$ 3,902,745,240	$ 550,417,234
Liabilities				
Intergovernmental payables	$ 527,415,491	$ 3,924,724,898	$ 3,901,723,155	$ 550,417,234
Total liabilities	$ 527,415,491	$ 3,924,724,898	$ 3,901,723,155	$ 550,417,234
State Agency Fund for Bonds				
Assets				
Cash with treasurer	$ 23,385,174	$ 7,730,952	$ 4,667,628	$ 26,448,498
Cash in custody of other officials	21,839,680	1,910,534	1,781,739	21,968,475
Investments	222,312,599	36,263,000	23,438,361	235,137,238
Due from other funds	33,221,865	907,769	1,444,255	32,685,379
Total assets	$ 300,759,318	$ 46,812,255	$ 31,331,983	$ 316,239,590
Liabilities				
Deposits	$ 300,759,318	$ 45,236,964	$ 29,756,692	$ 316,239,590
Total liabilities	$ 300,759,318	$ 45,236,964	$ 29,756,692	$ 316,239,590
Motor Vehicle				
Assets				
Cash with treasurer	$ 34,478,187	$ 1,371,683,902	$ 1,368,142,653	$ 38,019,436
Cash in custody of other officials	6,103,919	8,210,207	108,935	14,205,191
Taxes receivable	48,078,572	47,791,244	40,958,485	54,911,331
Other receivables	99,064	-	11,057	88,007
Due from other funds	453,417	669,019	453,417	669,019
Due from fiduciary funds	1,101	1,339	1,101	1,339
Total assets	$ 89,214,260	$ 1,428,355,711	$ 1,409,675,648	$ 107,894,323
Liabilities				
Intergovernmental payables	$ 68,096,487	$ 1,405,920,117	$ 1,396,240,207	$ 77,776,397
Due to fiduciary funds	13,293,048	14,123,063	13,293,048	14,123,063
Deposits	7,705,809	9,295,625	1,142,730	15,858,704
Other liabilities	118,916	17,243	-	136,159
Total liabilities	$ 89,214,260	$ 1,429,356,048	$ 1,410,675,985	$ 107,894,323
Child Support Disbursement				
Assets				
Cash in custody of other officials	$ 3,207,217	$ 214,739,849	$ 215,365,542	$ 2,581,524
Total assets	$ 3,207,217	$ 214,739,849	$ 215,365,542	$ 2,581,524
Liabilities				
Other liabilities	$ 3,207,217	$ 215,561,110	$ 216,186,803	$ 2,581,524
Total liabilities	$ 3,207,217	$ 215,561,110	$ 216,186,803	$ 2,581,524
Child Welfare Trust				
Assets				
Cash with treasurer	$ 89,788	$ 267,066	$ 303,055	$ 53,799
Due from other funds	265	223	267	221
Total assets	$ 90,053	$ 267,289	$ 303,322	$ 54,020
Liabilities				
Intergovernmental payables	$ -	$ 703	$ -	$ 703
Other liabilities	90,053	266,793	303,529	53,317
Total liabilities	$ 90,053	$ 267,496	$ 303,529	$ 54,020

		Balance July 1, 2015		Additions		Deletions		Balance June 30, 2016
Restitution Trust								
Assets								
Cash with treasurer	$	1,660,281	$	3,057,490	$	3,048,841	$	1,668,930
Due from other funds		20		64		20		64
Due from fiduciary funds		25,739		17,389		25,739		17,389
Total assets	$	1,686,040	$	3,074,943	$	3,074,600	$	1,686,383
Liabilities								
Other liabilities	$	1,686,040	$	3,183,161	$	3,182,818	$	1,686,383
Total liabilities	$	1,686,040	$	3,183,161	$	3,182,818	$	1,686,383
State Payroll								
Assets								
Cash with treasurer	$	9,896,401	$	756,556,908	$	753,922,194	$	12,531,115
Intergovernmental receivables		20,178		42,755		20,880		42,053
Due from other funds		7,207,194		8,864,784		7,207,195		8,864,783
Due from fiduciary funds		-		44,911		-		44,911
Due from component unit		2,263,225		-		2,263,225		-
Total assets	$	19,386,998	$	765,509,358	$	763,413,494	$	21,482,862
Liabilities								
Accrued payroll and related liabilities	$	80,001	$	403,301,150	$	403,378,930	$	2,221
Due to fiduciary funds		19,306,997		277,036,232		274,862,588		21,480,641
Deposits		-		86,332,485		86,332,485		-
Total liabilities	$	19,386,998	$	766,669,867	$	764,574,003	$	21,482,862
Totals - All Agency Funds								
Assets								
Cash with treasurer	$	80,717,201	$	5,491,576,558	$	5,481,787,720	$	90,506,039
Cash in custody of other officials		31,150,816		224,860,590		217,256,216		38,755,190
Investments		222,312,599		36,263,000		23,438,361		235,137,238
Taxes receivable		58,334,065		94,229,545		86,047,715		66,515,895
Intergovernmental receivables		20,178		42,755		20,880		42,053
Other receivables		99,064		-		11,057		88,007
Due from other funds		533,542,341		523,347,238		501,764,767		555,124,812
Due from fiduciary funds		13,319,888		14,186,702		13,319,888		14,186,702
Due from component unit		2,263,225		-		2,263,225		-
Total assets	$	941,759,377	$	6,384,506,388	$	6,325,909,829	$	1,000,355,936
Liabilities								
Accrued payroll and related liabilities	$	80,001	$	403,301,150	$	403,378,930	$	2,221
Intergovernmental payables		595,511,978		5,330,645,718		5,297,963,362		628,194,334
Due to fiduciary funds		32,600,045		291,159,295		288,155,636		35,603,704
Deposits		308,465,127		140,865,074		117,231,907		332,098,294
Other liabilities		5,102,226		219,028,307		219,673,150		4,457,383
Total liabilities	$	941,759,377	$	6,384,999,544	$	6,326,402,985	$	1,000,355,936

[Information that is not a part of the Financial Statements was on pages 154 to 170, and is not included in this Appendix.]

Compliance Section

EideBailly
CPAs & BUSINESS ADVISORS

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 Ronald Knecht, MS, JD & PE
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, 2016, 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 December 21, 2016. Our report includes a reference to other auditors who audited the financial statements of the Nevada System of Higher Education and the Colorado River Commission, discretely presented component units; the Housing Division Enterprise Fund, 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, the Retirement Benefits Investment Fund – Investment Trust Fund, and the Division of Museums and History Dedicated Trust Fund Special Revenue 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 Division of Museums and History Dedicated Trust Fund, 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*.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Responses, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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 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. We consider the deficiencies described in the accompanying Schedule of Findings and Responses as Findings 2016-A, 2016-B, and 2016-C to be material weaknesses.

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.

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 determination of financial statement amounts. 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 response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

Eide Bailly LLP

Reno, Nevada
December 21, 2016

STATE OF NEVADA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2016

Findings Relating to the Financial Statements Reported in Accordance with GAGAS:

2016-A Amortization of Bond Premiums and Discounts
Material Weakness

Criteria:	Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Properly calculating and reporting amortization of bond premiums and discounts are key components of effective internal control over financial reporting.
Condition:	A prior period adjustment of approximately $48,480,000 was required to correct the amortization of bond premiums and discounts when the State of Nevada converted from the straight line method to the interest method of amortization.
Cause:	Prior to July 1, 2015, the internal controls in place did not ensure that the amortization of bond premiums and discounts was calculated using the interest method.
Effect:	In prior years, net position in the governmental activities of the government wide financial statements was understated by approximately $37,069,000 and net position in the business-type activities was understated by approximately $11,411,000. The Unemployment Compensation Fund was understated by $10,434,000 while the Water Projects Loans was understated by $977,000.
Recommendation:	We recommend the State of Nevada enhance internal controls to ensure the interest method is used when calculating and recording amortization of bond premiums and discounts.
Views of Responsible Officials:	Management agrees with this finding.

STATE OF NEVADA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2016

Findings Relating to the Financial Statements Reported in Accordance with GAGAS:

2016-B Allocation of Investment Losses
Material Weakness

Criteria:	Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Properly allocating investment losses among the various funds is a key component of effective internal control over financial reporting.
Condition:	A prior period adjustment of $4,085,616 was required to correct a journal entry made in 2014-15 allocating a portion of an investment loss to the Highway Fund.
Cause:	The internal controls in place did not ensure that the allocation of an investment loss among the funds was accurate.
Effect:	In 2014-15, fund balance in the Highway Fund was understated and fund balance in the General Fund was overstated by $4,085,616.
Recommendation:	We recommend the State of Nevada enhance internal controls to ensure the allocation of investment losses among the various funds is accurate.
Views of Responsible Officials:	Management agrees with this finding.

STATE OF NEVADA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2016

Findings Relating to the Financial Statements Reported in Accordance with GAGAS:

2016-C Highway Fund - Accounts Payable, Deferred Inflow of Resources, and Inventory Material Weakness

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Proper reporting of accounts payable, deferred inflow of resources, and inventory is a key aspect of a strong system of internal control.

Condition: During our audit procedures, we became aware of several transactions in the Highway Fund that were not recorded in the appropriate accounting period under the modified accrual basis of accounting. We also became aware of a transaction that was posted incorrectly due to a formula error on an inventory spreadsheet.

Cause: The internal controls in place did not ensure that receipts and payments after year end were recorded in the accounting period in which the goods or services were received or provided. In addition, the internal controls in place did not ensure that inventory was accurately reported.

Effect: Prior to adjustment, fund balance in the Highway Fund was overstated by $17,190,328 as a result of unrecorded contracts payable and understated by $1,012,347 due to unrecorded revenues. In addition, inventory was overstated by $3,410,142.

Recommendation: We recommend the State of Nevada enhance internal controls to ensure deferred inflow of resources and accounts payable are recorded in the accounting period in which the goods or services are received or provided. We also recommend the State of Nevada enhance internal controls to ensure inventory is accurately reported.

Views of Responsible Officials: Management agrees with this finding.

RON KNECHT,
MS, JD, PE (CA)
State Controller

STATE OF NEVADA

JAMES W. SMACK
Chief Deputy Controller

GEOFFREY LAWRENCE
Assistant Controller

OFFICE OF THE
STATE CONTROLLER

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2016-A

Finding: A prior period adjustment of approximately $48,480,000 was required to correct the amortization of bond premiums and discounts when the State of Nevada converted from the straight line method to the interest method of amortization.

Recommendation: The State of Nevada enhance internal controls to ensure the interest method is used when calculating and recording amortization of bond premiums and discounts.

Agency Response

Does the Agency Agree with Finding: Yes
Additional Comments: None

Corrective Action Taken or to be Taken

Action: The Controller's Office identified and corrected the error in fiscal year 2016. As a result, the Controller's Office purchased software for tracking long-term debt obligations, and the software calculates amortization using the interest method.

Date of Completion or Estimated Completion: Completed July 2016

Department or Agency Responsible for Corrective Action Plan

Agency: Controller's Office
Contact: Brenda Laird, CAFR Accountant II
101 N. Carson Street, Suite 5
Carson City, NV 89701
775-684-5621
blaird@controller.state.nv.us

RON KNECHT,
MS, JD, PE (CA)
State Controller

STATE OF NEVADA

JAMES W. SMACK
Chief Deputy Controller

GEOFFREY LAWRENCE
Assistant Controller

OFFICE OF THE
STATE CONTROLLER

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2016-B

Finding: A prior period adjustment of $4,085,616 was required to correct a journal entry made in 2014-15 allocating a portion of an investment loss to the Highway Fund.

Recommendation: The State of Nevada enhance internal controls to ensure the allocation of investment losses among the various funds is accurate.

Agency Response

Does the Agency Agree with Finding: Yes

Additional Comments: This particular instance was unique in that the Treasurer's Office deferred recognition of an unusually large investment loss on a cash basis to the participating funds over a period of years, while the losses were recognized for financial reporting in accordance with Governmental GAAP. In the normal course of business, insignificant investment losses are allocated to the funds during the Treasurer's quarterly interest distribution, and not deferred.

Corrective Action Taken or to be Taken

Action: The Controller's Office identified and corrected the error in fiscal year 2016. In addition, a procedure will be established to ensure any future allocations of large and unusual investment losses, where the decision is made to defer recognition in the distribution process, are properly recorded among the various funds.

Date of Completion or Estimated Completion: Error corrected February 2016 and procedure estimated to be completed January 2017.

Department or Agency Responsible for Corrective Action Plan

Agency: Controller's Office

Contact: Brenda Laird, CAFR Accountant II
101 N. Carson Street, Suite 5
Carson City, NV 89701
775-684-5621
blaird@controller.state.nv.us

STATE OF NEVADA
DEPARTMENT OF TRANSPORTATION
1263 S. Stewart Street
Carson City, Nevada 89712

BRIAN SANDOVAL
Governor

RUDY MALFABON, P.E., *Director*

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2016-C1

Finding: Several transactions in the Highway Fund were not recorded in the appropriate accounting period under the modified accrual basis of accounting.
Recommendation: The State of Nevada enhances internal controls to ensure accounts receivable and accounts payable are recorded in the accounting period in which the goods or services were received or provided.

Agency Response

Does the Agency Agree with Finding: Yes
Additional Comments: None

Corrective Action Taken or to be Taken

Action: Nevada Department of Transportation (NDOT) will raise the awareness of the State's fiscal year cutoff for financial reporting purpose. NDOT Accounting Division will begin a log for the transactions posted to the new fiscal year that should post to the old fiscal year. Such information will be provided to the Controller's Office Financial Reporting to make an adjusting entry during the Highway Fund preparation.

Besides providing adequate training, an additional procedure will be added to cross check for payments received between July 1st and Aug 31st posted in the system against the Accounts Receivable report.

Date of Completion or Estimated Completion: By November 1st, 2017

Department or Agency Responsible for Corrective Action Plan

Agency: Nevada Department of Transportation, Accounting Division
Contact: Hua Riley, Chief Accountant
1263 S. Stewart Street
Carson City, NV 89712
775-888-7451

STATE OF NEVADA
DEPARTMENT OF TRANSPORTATION
1263 S. Stewart Street
Carson City, Nevada 89712

BRIAN SANDOVAL
Governor

RUDY MALFABON, P.E., *Director*

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Audit Finding 2016-C2

Finding: NDOT's inventory was overstated by approximately $3,400,000 due to a formula error.

Recommendation: The State of Nevada enhances internal controls to ensure inventory is accurately reported.

Agency Response

Does the Agency Agree with Finding: Yes

Additional Comments: None

Corrective Action Taken or to be Taken

Action: NDOT's Inventory Report is redesigned to include a comparison of current year vs. prior year and an explanation for each significant change.

Date of Completion or Estimated Completion: Completed December 2016

Department or Agency Responsible for Corrective Action Plan

Agency: Nevada Department of Transportation, Equipment Division

Contact: Teres Dawson, Admin Services Office 2
310 Galletti Way,
Sparks, NV 89431
775-834-8404

2015-A **Amortization of the Gain/Loss on Refunding**
Significant Deficiency

Initial Fiscal Year Finding Occurred: 2015

The State of Nevada's policy to refund debt on the first available call date, the State of Nevada calculated the life of the old debt as ending on the call date. The state of Nevada became aware of a recently issued Question and Answer that clarified that the life of the old debt should run through the original end date of the issue. In prior years, net position in the government wide financial statements was understated and amortization expense was overstated and required that a material prior period adjustment be made to report the correct amount of net position and amortization expense..

Status: Corrected

2015-B **Capital Assets**
Significant Deficiency

Initial Fiscal Year Finding Occurred: 2015

During our testing of capital assets, we identified a capital asset addition during fiscal year 2015 was recorded as an asset in 2012 and inadvertently recorded again in 2015 as part of the completed project. Thus capital assets were overstated and required that a material adjustment be made to report the correct amount of capital assets.

Status: Corrected

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PART II

APPENDIX B

STATE OF NEVADA HISTORY OF GENERAL FUND REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

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STATE OF NEVADA HISTORY OF GENERAL FUND REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DOLLAR AMOUNTS IN THOUSANDS)

	2012	2013	2014	2015	2016
Revenues:					
Gaming taxes, fees, licenses	$ 870,007	$ 882,575	$ 913,960	$ 894,805	$ 896,768
Sales taxes	965,060	1,024,624	1,081,735	1,161,893	1,214,113
Intergovernmental	2,678,186	2,823,208	3,118,097	4,081,580	4,358,112
Other Taxes	1,256,166	1,300,109	1,259,052	1,348,925	1,745,075
Licenses, fees and permits	278,356	279,736	289,652	305,079	353,306
Sales and charges for services	55,719	57,266	58,016	70,878	72,635
Interest and investment income	6,006	9,620	9,914	(337)	8,445
Other	125,418	107,361	53,555	87,208	61,293
Total Revenues	6,234,918	6,484,499	6,783,981	7,950,031	8,709,747
Expenditures:					
Current:					
General government	134,260	142,506	112,076	128,236	127,247
Health and social services[1]	2,991,985	3,154,196	3,490,663	4,766,687	-
Health services[1]	-	-	-	-	3,535,985
Social services[1]	-	-	-	-	1,510,685
Education and support services	53,430	52,475	30,192	-	-
Education – K to 12[3]	-	-	-	1,891,259	-
Education K to 12 state support[2]	-	-	-	-	1,460,123
Education K to 12 administrative[2]	-	-	-	-	524,747
Education – Higher Education[2]	-	-	-	486,937	549,228
Law, justice and public safety	424,439	420,597	435,425	450,754	473,774
Regulation of business	73,408	62,351	272,317	233,072	276,859
Recreation & resource development	100,956	96,833	104,852	113,164	115,882
Intergovernmental[3]	2,449,931	2,469,662	2,523,472	-	-
Debt Service:					
Principal	1,621	1,674	1,821	1,990	2,199
Interest, fiscal charges	1,566	1,416	1,309	1,250	1,154
Debt issuance costs	3	-	92	-	15
Arbitrage payments	-	180	494	11	-
Total Expenditures	6,231,599	6,401,890	6,972,713	8,073,360	8,577,898
Excess of (deficiency) revenues over expenditures	3,319	82,609	(188,732)	(123,329)	131,849
Other Financing Sources (Uses):					
Capital leases	-	-	-	-	-
Sale of bonds	451	-	3,140	-	1,805
Premium on bonds	42	-	206	-	218
Sale of fixed assets	94	92	219	266	632
Transfers in	61,767	70,343	119,805	77,053	89,697
Transfers out	(42,089)	(52,353)	(30,799)	(21,561)	(29,241)
Total other financing sources (uses)	20,265	18,082	92,571	55,758	63,111
Net change in fund balances	23,584	100,690	(96,161)	(67,571)	194,960
Fund balances, July 1 (as restated) [3]	246,745	270,329	371,019	274,858	203,202
Fund balances, June 30	$ 270,329	$ 371,019	$ 274,858	$ 207,287	$ 398,162

(1) Beginning with fiscal year 2016, Social services expenditures are reported separately from Health services.
(2) Beginning with fiscal year 2016, educational expenditures are reported separately for K-12 administrative and K-12 state support.
(3) Fund balance in the General Fund was restated due to the allocation of investment loss.

Source: State of Nevada, Comprehensive Annual Financial Reports, 2012-2016.

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PART II

APPENDIX C

MAY 1, 2017 ECONOMIC FORUM FORECAST
WITH LEGISLATIVELY APPROVED ADJUSTMENTS
(REVISED AUGUST 15, 2017)

GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2017, FORECAST
ACTUAL: FY 2014 THROUGH FY 2016 AND FORECAST: FY 2017 THROUGH FY 2019
ECONOMIC FORUM'S FORECAST FOR FY 2017, FY 2018, AND FY 2019 APPROVED AT THE MAY 1, 2017, MEETING
ADJUSTED FOR ACTIONS APPROVED BY THE 2017 LEGISLATURE (79th SESSION)

								ECONOMIC FORUM MAY 1, 2017, FORECAST					
	DESCRIPTION	FY 2014 ACTUAL	% Change	FY 2015 ACTUAL	% Change	FY 2016 ACTUAL	% Change	FY 2017 FORECAST	% Change	FY 2018 FORECAST	% Change	FY 2019 FORECAST	% Change
	TAXES												
	MINING TAX												
3064	Net Proceeds of Minerals [2-16][3-16]	$26,221,970	-76.4%	$51,733,594	97.3%	$34,674,918	-33.0%	$18,774,000	-45.9%	$45,716,000	143.5%	$46,034,000	0.7%
3241	Net Proceeds Penalty			$0		$0		$0		$0		$0	
3245	Centrally Assessed Penalties		-100.0%	$21		$68,648		$6,200	-91.0%	$7,500	21.0%	$7,500	0.0%
	TOTAL MINING TAXES AND FEES	$26,221,970	-76.4%	$51,733,615	97.3%	$34,743,566	-32.8%	$18,780,200	-45.9%	$45,723,500	143.5%	$46,041,500	0.7%
	SALES AND USE												
3001	Sales & Use Tax	$931,319,687	4.8%	$994,764,970	6.8%	$1,036,549,227	4.2%	$1,087,212,000	4.9%	$1,154,724,000	6.2%	$1,214,518,000	5.2%
3002	State Share - LSST [4-16]	$9,194,669	4.6%	$9,726,146	5.8%	$10,155,240	4.4%	$10,600,000	4.4%	$11,259,000	6.2%	$11,842,000	5.2%
3003	State Share - BCCRT	$4,088,755	5.0%	$4,334,753	6.0%	$4,506,053	4.0%	$4,757,000	5.6%	$5,052,000	6.2%	$5,314,000	5.2%
3004	State Share - SCCRT	$14,305,300	5.0%	$15,166,566	6.0%	$15,764,607	3.9%	$16,648,000	5.6%	$17,682,000	6.2%	$18,597,000	5.2%
3005	State Share - PTT	$8,797,760	6.9%	$9,461,562	7.5%	$10,028,644	6.0%	$10,591,000	5.6%	$11,249,000	6.2%	$11,831,000	5.2%
	TOTAL SALES AND USE	$967,706,171	4.8%	$1,033,453,997	6.8%	$1,077,003,772	4.2%	$1,129,808,000	4.9%	$1,199,966,000	6.2%	$1,262,102,000	5.2%
	GAMING - STATE												
3041	Percent Fees - Gross Revenue: Before Tax Credits	$682,311,672	0.5%	$693,232,048	1.6%	$700,773,974	1.1%	$730,974,000	4.3%	$746,753,000	2.2%	$768,683,000	2.9%
	Tax Credit Programs:												
	Film Transferrable Tax Credits [TC-1]			$0		-$4,288,194		$0		$0		$0	
	Economic Development Transferrable Tax Credits [TC-2]			$0		-$20,461,554		$0		$0		$0	
	Catalyst Account Transferrable Tax Credits [TC-4]			$0		$0		$0		$0		$0	
	Total - Tax Credit Programs			$0		-$24,749,748		$0		$0		$0	
	Percent Fees - Gross Revenue: After Tax Credits	$682,311,672		$693,232,048		$676,024,226		$730,974,000	8.1%	$746,753,000	2.2%	$768,683,000	2.9%
3032	Pari-mutuel Tax	$2,758	-10.1%	$2,964	7.5%	$3,261	10.0%	$3,400	4.3%	$3,600	5.9%	$3,700	2.8%
3181	Racing Fees	$9,258	6.4%	$7,456	-19.5%	$9,293	24.6%	$9,900	6.5%	$10,000	1.0%	$10,000	0.0%
3247	Racing Fines/Forfeitures	$0		$500		$700		$0	-100.0%	$0		$0	
3042	Gaming Penalties	$7,862,472	439.7%	$337,544	-95.7%	$4,069,112	1105.5%	$2,100,000	-48.4%	$775,000	-63.1%	$775,000	0.0%
3043	Flat Fees-Restricted Slots	$8,305,289	-1.2%	$8,291,051	-0.2%	$8,225,963	-0.8%	$8,150,000	-0.9%	$8,128,000	-0.3%	$8,193,000	0.8%
3044	Non-Restricted Slots	$11,383,000	-7.4%	$11,164,523	-1.9%	$10,861,213	-2.7%	$10,660,000	-1.9%	$10,558,000	-1.0%	$10,458,000	-0.9%
3045	Quarterly Fees-Games	$6,410,111	-0.6%	$6,522,917	1.8%	$6,450,491	-1.1%	$6,451,000	0.0%	$6,454,000	0.0%	$6,463,000	0.1%
3046	Advance License Fees	$672,263	-49.9%	$1,733,482	157.9%	$1,780,785	2.7%	$1,020,000	-42.7%	$750,000	-26.5%	$800,000	6.7%
3048	Slot Machine Route Operator	$37,000	-8.6%	$35,000	-5.4%	$34,000	-2.9%	$33,500	-1.5%	$33,000	-1.5%	$32,500	-1.5%
3049	Gaming Info Systems Annual	$18,000	0.0%	$42,000	133.3%	$42,000	0.0%	$36,000	-14.3%	$36,000	0.0%	$36,000	0.0%
3028	Interactive Gaming Fee - Operator	$604,167	38.1%	$500,000	-17.2%	$500,000	0.0%	$500,000	0.0%	$500,000	0.0%	$500,000	0.0%
3029	Interactive Gaming Fee - Service Provider	$75,000	177.8%	$61,000	-18.7%	$63,000	3.3%	$56,000	-11.1%	$55,000	-1.8%	$54,000	-1.8%
3030	Interactive Gaming Fee - Manufacturer	$700,000	-9.7%	$200,000	-71.4%	$175,000	-12.5%	$100,000	-42.9%	$100,000	0.0%	$100,000	0.0%
3033	Equip Mfg. License	$290,000	6.0%	$281,000	-3.1%	$279,500	-0.5%	$273,500	-2.1%	$273,000	-0.2%	$272,000	-0.4%
3034	Race Wire License	$29,736	-14.8%	$28,406	-4.5%	$36,391	28.1%	$15,000	-58.8%	$16,000	6.7%	$17,000	6.3%
3035	Annual Fees on Games	$105,341	-0.7%	$107,822	2.4%	$115,214	6.9%	$124,700	8.2%	$117,000	-6.2%	$115,300	-1.5%
	TOTAL GAMING - STATE: BEFORE TAX CREDITS	$718,816,067	1.2%	$722,547,713	0.5%	$733,419,897	1.5%	$760,507,000	3.7%	$774,561,600	1.8%	$796,512,500	2.8%
	Tax Credit Programs					-$24,749,748		$0		$0		$0	
	TOTAL GAMING - STATE: AFTER TAX CREDITS	$718,816,067	1.2%	$722,547,713	0.5%	$708,670,149	-1.9%	$760,507,000	7.3%	$774,561,600	1.8%	$796,512,500	2.8%
	LIVE ENTERTAINMENT TAX (LET)												
3031G	Live Entertainment Tax-Gaming [5-16]	$139,156,240	10.7%	$130,861,416	-6.0%	$111,994,620	-14.4%	$101,737,000	-9.2%	$106,663,000	4.8%	$109,398,000	2.6%
3031NG	Live Entertainment Tax-Nongaming [5-16]	$14,979,978	28.0%	$14,965,649	-0.1%	$16,536,346	10.5%	$25,149,000	52.1%	$26,150,000	4.0%	$27,233,000	4.1%
	TOTAL LET	$154,136,218	12.2%	$145,827,065	-5.4%	$128,530,966	-11.9%	$126,886,000	-1.3%	$132,813,000	4.7%	$136,631,000	2.9%
	COMMERCE TAX												
	Commerce Tax [6-16]					$143,507,593		$203,411,000	41.7%	$186,046,000	-8.5%	$194,976,000	4.8%
	TRANSPORTATION CONNECTION EXCISE TAX												
	Transportation Connection Excise Tax [7-16]					$11,898,532		$22,832,000	91.9%	$18,848,000	-17.4%	$24,819,000	31.7%
	CIGARETTE TAX												
3052	Cigarette Tax [8-16]	$79,628,983	-4.1%	$92,774,433	16.5%	$153,033,176	65.0%	$174,999,000	14.4%	$172,577,000	-1.4%	$170,155,000	-1.4%

GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2017, FORECAST
ACTUAL: FY 2014 THROUGH FY 2016 AND FORECAST: FY 2017 THROUGH FY 2019
ECONOMIC FORUM'S FORECAST FOR FY 2017, FY 2018, AND FY 2019 APPROVED AT THE MAY 1, 2017, MEETING
ADJUSTED FOR ACTIONS APPROVED BY THE 2017 LEGISLATURE (79th SESSION)

								ECONOMIC FORUM MAY 1, 2017, FORECAST					
	DESCRIPTION	FY 2014 ACTUAL	% Change	FY 2015 ACTUAL	% Change	FY 2016 ACTUAL	% Change	FY 2017 FORECAST	% Change	FY 2018 FORECAST	% Change	FY 2019 FORECAST	% Change
	TAXES - CONTINUED												
	MODIFIED BUSINESS TAX (MBT)												
	MBT - NONFINANCIAL BUSINESSES (MBT-NFI) [9-16][10-16] [11-16][12-16]												
3069	MBT - Nonfinancial: Before Tax Credits	$361,095,880	-0.6%	$387,769,692	7.4%	$517,135,234	33.4%	$558,908,000	8.1%	$587,972,000	5.2%	$615,734,000	4.7%
	Commerce Tax Credits [13-16]					$0		$0		$0		$0	
	MBT - Nonfinancial: After Commerce Tax Credits			$387,769,692		$517,135,234		$558,908,000	8.1%	$587,972,000	5.2%	$615,734,000	4.7%
	Tax Credit Programs:												
	Film Transferrable Tax Credits [TC-1]			$0		-$82,621		$0		$0		$0	
	Economic Development Transferrable Tax Credits [TC-2]			$0		$0		$0		$0		$0	
	Catalyst Account Transferrable Tax Credits [TC-4]			$0		$0		$0		$0		$0	
	Education Choice Scholarship Tax Credits [TC-5]			$0		-$4,401,540		$0		$0		$0	
	College Savings Plan Tax Credits [TC-6]			$0		$0		$0		$0		$0	
	Total - Tax Credit Programs			$0		-$4,484,161		$0		$0		$0	
	MBT - Nonfinancial: After Tax Credit Programs	$361,095,880		$387,769,692		$512,651,073		$558,908,000	9.0%	$587,972,000	5.2%	$615,734,000	4.7%
	MBT - FINANCIAL BUSINESSES (MBT-FI) [12-16]												
3069	MBT - Financial: Before Tax Credits	$23,789,898	1.8%	$24,144,270	1.5%	$27,188,910	12.6%	$28,224,000	3.8%	$29,819,000	5.7%	$31,372,000	5.2%
	Commerce Tax Credits [13-16]					$0		$0		$0		$0	
	MBT - Financial: After Commerce Tax Credits			$24,144,270		$27,188,910		$28,224,000	3.8%	$29,819,000	5.7%	$31,372,000	5.2%
	Tax Credit Programs:												
	Film Transferrable Tax Credits [TC-1]			$0		$0		$0		$0		$0	
	Economic Development Transferrable Tax Credits [TC-2]			$0		$0		$0		$0		$0	
	Catalyst Account Transferrable Tax Credits [TC-4]			$0		$0		$0		$0		$0	
	Education Choice Scholarship Tax Credits [TC-5]			$0		$0		$0		$0		$0	
	College Savings Plan Tax Credits [TC-6]			$0		$0		$0		$0		$0	
	Total - Tax Credit Programs			$0		$0		$0		$0		$0	
	MBT - Financial: After Tax Credit Programs	$23,789,898		$24,144,270		$27,188,910		$28,224,000	3.8%	$29,819,000	5.7%	$31,372,000	5.2%
	MBT - MINING BUSINESSES (MBT-MINING) [11-16]												
3069	MBT - Mining: Before Tax Credits					$21,938,368		$22,234,000	1.3%	$22,775,000	2.4%	$23,403,000	2.8%
	Commerce Tax Credits [13-16]					$0		$0		$0		$0	
	MBT - Mining: After Commerce Tax Credits					$21,938,368		$22,234,000	1.3%	$22,775,000	2.4%	$23,403,000	2.8%
	Tax Credit Programs:												
	Film Transferrable Tax Credits [TC-1]					$0		$0		$0		$0	
	Economic Development Transferrable Tax Credits [TC-2]					$0		$0		$0		$0	
	Catalyst Account Transferrable Tax Credits [TC-4]					$0		$0		$0		$0	
	Education Choice Scholarship Tax Credits [TC-5]					$0		$0		$0		$0	
	College Savings Plan Tax Credits [TC-6]					$0		$0		$0		$0	
	Total - Tax Credit Programs					$0		$0		$0		$0	
	MBT - Mining - After Tax Credit Programs					$21,938,368		$22,234,000	1.3%	$22,775,000	2.4%	$23,403,000	2.8%
	TOTAL MBT - NFI, FI, & MINING												
	TOTAL MBT: BEFORE TAX CREDITS	$384,885,778	-0.4%	$411,913,962	7.0%	$566,262,513	37.5%	$609,366,000	7.6%	$640,566,000	5.1%	$670,509,000	4.7%
	TOTAL COMMERCE TAX CREDITS [13-16]					$0		-$76,227,000		-$88,763,000		-$93,023,000	
	TOTAL MBT: AFTER COMMERCE TAX CREDITS			$411,913,962		$566,262,513		$533,139,000	-5.8%	$551,803,000	3.5%	$577,486,000	4.7%
	Tax Credit Programs:												
	Film Transferrable Tax Credits [TC-1]			$0		-$82,621		$0		$0		$0	
	Economic Development Transferrable Tax Credits [TC-2]			$0		$0		$0		$0		$0	
	Catalyst Account Transferrable Tax Credits [TC-4]			$0		$0		$0		$0		$0	
	Education Choice Scholarship Tax Credits [TC-5]			$0		-$4,401,540		-$6,098,460		-$26,050,000		-$6,655,000	
	College Savings Plan Tax Credits [TC-6]			$0		$0		-$69,000		-$138,000		-$207,000	
	Total - Tax Credit Programs			$0		-$4,484,161		-$6,167,460		-$26,188,000		-$6,862,000	
	TOTAL MBT: AFTER TAX CREDIT PROGRAMS	$384,885,778		$411,913,962		$561,778,352		$526,971,540	-6.2%	$525,615,000	-0.3%	$570,624,000	8.6%

GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2017, FORECAST
ACTUAL: FY 2014 THROUGH FY 2016 AND FORECAST: FY 2017 THROUGH FY 2019
ECONOMIC FORUM'S FORECAST FOR FY 2017, FY 2018, AND FY 2019 APPROVED AT THE MAY 1, 2017, MEETING
ADJUSTED FOR ACTIONS APPROVED BY THE 2017 LEGISLATURE (79th SESSION)

								ECONOMIC FORUM MAY 1, 2017, FORECAST					
	DESCRIPTION	FY 2014 ACTUAL	% Change	FY 2015 ACTUAL	% Change	FY 2016 ACTUAL	% Change	FY 2017 FORECAST	% Change	FY 2018 FORECAST	% Change	FY 2019 FORECAST	% Change
	TAXES - CONTINUED												
	INSURANCE TAXES												
3061	Insurance Premium Tax: Before Tax Credits [1-16]	$263,531,578	6.0%	$305,075,537	15.8%	$335,118,754	9.8%	$378,200,000	12.9%	$395,753,000	4.6%	$410,610,000	3.8%
	Tax Credit Programs:												
	Film Transferrable Tax Credits [TC-1]			$0		$0		$0		$0		$0	
	Economic Development Transferrable Tax Credits [TC-2]			$0		$0		$0		$0		$0	
	Catalyst Account Transferrable Tax Credits [TC-4]			$0		$0		$0		$0		$0	
	Nevada New Markets Job Act Tax Credits [TC-3]			-$12,410,882		-$26,005,450		-$24,000,000		-$24,000,000		-$22,000,000	
	Total - Tax Credit Programs			-$12,410,882		-$26,005,450		-$24,000,000		-$24,000,000		-$22,000,000	
	Insurance Premium Tax: After Tax Credit Programs	$263,531,578		$292,664,655		$309,113,304		$354,200,000	14.6%	$371,753,000	5.0%	$388,610,000	4.5%
3062	Insurance Retaliatory Tax	$234,807	-3.1%	$355,819	51.5%	$185,855	-47.8%	$192,000	3.3%	$204,100	6.3%	$204,100	0.0%
3067	Captive Insurer Premium Tax	$755,517	19.0%	$901,712	19.4%	$923,869	2.5%	$1,082,000	17.1%	$1,121,000	3.6%	$1,160,000	3.5%
	TOTAL INSURANCE TAXES: BEFORE TAX CREDITS	$264,521,903	6.1%	$306,333,069	15.8%	$336,228,478	9.8%	$379,474,000	12.9%	$397,078,100	4.6%	$411,974,100	3.8%
	TAX CREDIT PROGRAMS			-$12,410,882		-$26,005,450		-$24,000,000		-$24,000,000		-$22,000,000	
	TOTAL INSURANCE TAXES: AFTER TAX CREDITS	$264,521,903	6.1%	$293,922,187	11.1%	$310,223,028	5.5%	$355,474,000	14.6%	$373,078,100	5.0%	$389,974,100	4.5%
	REAL PROPERTY TRANSFER TAX (RPTT)												
3055	Real Property Transfer Tax	$60,047,457	9.2%	$64,214,342	6.9%	$75,794,844	18.0%	$82,042,000	8.2%	$86,628,000	5.6%	$89,723,000	3.6%
	GOVERMENTAL SERVICES TAX (GST)												
3051	Governmental Services Tax [14-16][2-18]	$62,267,322	-1.9%	$62,865,504	1.0%	$66,731,895	6.2%	$38,153,000	-42.8%	$19,367,000	-49.2%	$19,573,500	1.1%
	OTHER TAXES												
3113	Business License Fee [15-16]	$72,166,482	4.6%	$75,359,976	4.4%	$103,045,619	36.7%	$104,646,000	1.6%	$105,559,000	0.9%	$106,341,000	0.7%
3050	Liquor Tax	$41,838,536	4.9%	$42,707,046	2.1%	$43,944,413	2.9%	$42,930,000	-2.3%	$43,588,000	1.5%	$44,091,000	1.2%
3053	Other Tobacco Tax	$11,620,286	12.3%	$11,458,040	-1.4%	$13,131,919	14.6%	$14,488,000	10.3%	$15,086,000	4.1%	$15,671,000	3.9%
4862	HECC Transfer	$5,000,000	0.0%	$5,000,000	0.0%	$5,000,000	0.0%	$5,000,000	0.0%	$5,000,000	0.0%	$5,000,000	0.0%
3065	Business License Tax	$2,814	-4.3%	$1,850	-34.3%	$243	-86.9%	$300	23.4%	$0		$0	
3068	Branch Bank Excise Tax	$2,788,166	-7.0%	$3,129,940	12.3%	$2,786,429	-11.0%	$2,772,000	-0.5%	$2,789,000	0.6%	$2,803,000	0.5%
	TOTAL TAXES: BEFORE TAX CREDITS	$2,851,648,150	0.2%	$3,029,320,553	6.2%	$3,495,063,854	15.4%	$3,716,094,500	6.3%	$3,846,196,200	3.5%	$3,996,922,600	3.9%
	TOTAL COMMERCE TAX CREDITS [13-16]					$0		-$76,227,000		-$88,763,000		-$93,023,000	
	TOTAL TAXES: AFTER COMMERCE TAX CREDITS			$3,029,320,553		$3,495,063,854		$3,639,867,500	4.1%	$3,757,433,200	3.2%	$3,903,899,600	3.9%
	Tax Credit Programs:												
	Film Transferrable Tax Credits [TC-1]			$0		-$4,370,815		-$3,908,259		-$11,720,926		-$10,000,000	
	Economic Development Transferrable Tax Credits [TC-2]			$0		-$20,461,554		-$36,475,946		-$31,087,500		-$44,600,000	
	Catalyst Account Transferrable Tax Credits [TC-4]			$0		$0		-$355,000		-$2,000,000		-$2,000,000	
	Nevada New Markets Job Act Tax Credits [TC-3]			-$12,410,882		-$26,005,450		-$24,000,000		-$24,000,000		-$22,000,000	
	Education Choice Scholarship Tax Credits [TC-5]			$0		-$4,401,540		-$6,098,460		-$26,050,000		-$6,655,000	
	College Savings Plan Tax Credits [TC-6]			$0		$0		-$69,000		-$138,000		-$207,000	
	Total - Tax Credit Programs			-$12,410,882		-$55,239,359		-$70,906,665		-$94,996,426		-$85,462,000	
	TOTAL TAXES: AFTER TAX CREDITS	$2,851,648,150	0.2%	$3,016,909,671	5.8%	$3,439,824,495	14.0%	$3,568,960,835	3.8%	$3,662,436,774	2.6%	$3,818,437,600	4.3%

GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2017, FORECAST
ACTUAL: FY 2014 THROUGH FY 2016 AND FORECAST: FY 2017 THROUGH FY 2019
ECONOMIC FORUM'S FORECAST FOR FY 2017, FY 2018, AND FY 2019 APPROVED AT THE MAY 1, 2017, MEETING
ADJUSTED FOR ACTIONS APPROVED BY THE 2017 LEGISLATURE (79th SESSION)

								ECONOMIC FORUM MAY 1, 2017, FORECAST					
	DESCRIPTION	FY 2014 ACTUAL	% Change	FY 2015 ACTUAL	% Change	FY 2016 ACTUAL	% Change	FY 2017 FORECAST	% Change	FY 2018 FORECAST	% Change	FY 2019 FORECAST	% Change
	LICENSES												
3101	Insurance Licenses	$17,925,429	7.8%	$18,347,454	2.4%	$19,913,616	8.5%	$19,316,000	-3.0%	$19,703,000	2.0%	$20,097,000	2.0%
3120	Marriage License	$371,684	-1.8%	$371,099	-0.2%	$367,116	-1.1%	$365,000	-0.6%	$363,500	-0.4%	$362,200	-0.4%
	SECRETARY OF STATE												
3105	UCC	$1,714,724	1.7%	$1,740,910	1.5%	$1,915,810	10.0%	$1,751,000	-8.6%	$1,761,000	0.6%	$1,774,000	0.7%
3129	Notary Fees	$544,060	-4.8%	$516,832	-5.0%	$514,489	-0.5%	$538,100	4.6%	$543,300	1.0%	$548,500	1.0%
3130	Commercial Recordings [16-16]	$66,661,943	2.5%	$68,833,079	3.3%	$73,701,665	7.1%	$74,469,000	1.0%	$75,120,000	0.9%	$75,751,000	0.8%
3131	Video Service Franchise	$3,525	-50.2%	$1,550	-56.0%	$525	-66.1%	$3,300	528.6%	$800	-75.8%	$800	0.0%
3121	Domestic Partnership Registry Fee	$51,621	17.4%	$36,437	-29.4%	$28,790	-21.0%	$22,700	-21.2%	$19,300	-15.0%	$16,400	-15.0%
3152	Securities	$25,947,110	5.5%	$27,029,365	4.2%	$27,978,707	3.5%	$27,923,000	-0.2%	$27,923,000	0.0%	$28,136,000	0.8%
	TOTAL SECRETARY OF STATE	$94,922,982	3.2%	$98,158,173	3.4%	$104,139,985	6.1%	$104,707,100	0.5%	$105,367,400	0.6%	$106,226,700	0.8%
3172	Private School Licenses	$284,569	15.0%	$255,613	-10.2%	$236,690	-7.4%	$212,600	-10.2%	$212,600	0.0%	$210,900	-0.8%
3173	Private Employment Agency	$11,400	-2.6%	$11,000	-3.5%	$14,800	34.5%	$14,500	-2.0%	$13,200	-9.0%	$13,200	0.0%
	REAL ESTATE												
3161	Real Estate License [17-16]	$1,372,080	-59.7%	$1,383,840	0.9%	$2,137,010	54.4%	$2,256,000	5.6%	$2,159,000	-4.3%	$2,199,000	1.9%
3162	Real Estate Fees	$4,820	66.8%	$3,643	-24.4%	$4,710	29.3%	$2,900	-38.4%	$3,300	13.8%	$3,200	-3.0%
	TOTAL REAL ESTATE	$1,376,900	-59.6%	$1,387,483	0.8%	$2,141,720	54.4%	$2,258,900	5.5%	$2,162,300	-4.3%	$2,202,200	1.8%
3102	Athletic Commission Fees [18-16]	$5,334,498	37.9%	$8,922,606	67.3%	$5,041,720	-43.5%	$3,191,000	-36.7%	$4,200,000	31.6%	$4,200,000	0.0%
	TOTAL LICENSES	$120,227,462	3.2%	$127,453,427	6.0%	$131,855,647	3.5%	$130,065,100	-1.4%	$132,022,000	1.5%	$133,312,200	1.0%
	FEES AND FINES												
3203	Divorce Fees	$174,376	1.8%	$175,202	0.5%	$170,348	-2.8%	$169,300	-0.6%	$168,400	-0.5%	$167,400	-0.6%
3204	Civil Action Fees	$1,325,805	0.1%	$1,291,308	-2.6%	$1,316,607	2.0%	$1,287,000	-2.2%	$1,274,000	-1.0%	$1,277,000	0.2%
3242	Insurance Fines	$723,272	-40.2%	$505,360	-30.1%	$349,206	-30.9%	$988,500	183.1%	$450,000	-54.5%	$450,000	0.0%
3103MD	Medical Plan Discount Reg. Fees					$1,500		$1,500		$1,500		$1,500	
	REAL ESTATE FEES												
3107IOS	IOS Application Fees	$7,840	-10.8%	$6,030	-23.1%	$5,700	-5.5%	$6,900	21.1%	$5,900	-14.5%	$5,900	0.0%
3165	Land Co Filing Fees [19-16]	$167,495	27.5%	$157,592	-5.9%	$28,530	-81.9%	$25,900	-9.2%	$27,200	5.0%	$27,200	0.0%
3167	Real Estate Adver Fees	$590	-78.5%	$210	-64.4%	$2,010	857.1%	$6,700	233.3%	$0		$0	
3169	Real Estate Reg Fees	$15,700	-12.8%	$15,700	0.0%	$8,550	-45.5%	$4,100	-52.0%	$4,100	0.0%	$4,100	0.0%
4741	Real Estate Exam Fees	$174,117	1.7%	$174,117	0.0%	$387,294	122.4%	$398,400	2.9%	$335,400	-15.8%	$323,200	-3.6%
3171	CAM Certification Fee												
3178	Real Estate Accred Fees	$86,475	7.9%	$95,675	10.6%	$93,450	-2.3%	$85,400	-8.6%	$88,200	3.3%	$88,200	0.0%
3254	Real Estate Penalties	$36,835	-64.6%	$25,455	-30.9%	$65,595	157.7%	$86,600	32.0%	$63,700	-26.4%	$63,700	0.0%
3190	A.B. 165, Real Estate Inspectors	$60,150	18.8%	$46,960	-21.9%	$53,860	14.7%	$60,000	11.4%	$61,000	1.7%	$61,500	0.8%
	TOTAL REAL ESTATE FEES	$549,202	-3.1%	$521,739	-5.0%	$644,989	23.6%	$674,000	4.5%	$585,500	-13.1%	$573,800	-2.0%
3066	Short Term Car Lease	$46,151,238	0.9%	$48,754,438	5.6%	$51,914,285	6.5%	$53,887,000	3.8%	$55,584,000	3.1%	$56,964,000	2.5%
3103AC	Athletic Commission Licenses/Fines	$234,245	8.5%	$213,145	-9.0%	$468,376	119.7%	$123,700	-73.6%	$123,700	0.0%	$123,700	0.0%
3205	State Engineer Sales [3-18]									$3,467,000		$3,467,000	0.0%
3206	Supreme Court Fees	$216,785	12.2%	$186,560	-13.9%	$201,305	7.9%	$217,400	8.0%	$228,200	5.0%	$232,700	2.0%
3115	Notice of Default Fee	$1,706,387	-38.3%	$1,755,460	2.9%	$1,400,099	-20.2%	$1,076,000	-23.1%	$911,100	-15.3%	$857,300	-5.9%
3271	Misc Fines/Forfeitures	$3,125,839	-72.0%	$9,564,851	206.0%	$2,735,813	-71.4%	$1,650,000	-39.7%	$1,750,000	6.1%	$1,750,000	0.0%
	TOTAL FEES AND FINES	$54,207,150	-19.1%	$62,968,063	16.2%	$59,202,527	-6.0%	$60,074,400	1.5%	$64,543,400	7.4%	$65,864,400	2.0%

GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2017, FORECAST
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	USE OF MONEY AND PROP												
	OTHER REPAYMENTS												
4403	Forestry Nurseries Fund Repayment (05-M27)	$20,670		$20,670		$20,670		$20,670		$20,670		$20,670	
4408	Comp/Fac Repayment	$23,744		$23,744		$23,744		$23,744		$23,744		$13,032	
4408	CIP 95-M1, Security Alarm	$2,998		$2,998		$2,998		$2,998		$0		$0	
4408	CIP 95-M5, Facility Generator	$6,874		$6,874		$6,874		$6,874		$0		$0	
4408	CIP 95-S4F, Advance Planning	$1,000		$1,000		$1,000		$1,000		$0		$0	
4408	CIP 97-C26, Capitol Complex Conduit System, Phase I	$62,542		$62,542		$62,542		$62,542		$62,542		$62,542	
4408	CIP 97-S4H, Advance Planning Addition to Computer Facility	$9,107		$9,107		$9,107		$9,107		$9,107		$9,107	
4408	EITS Repayment - State Microwave Communications System [1-18]							$0		$57,900		$57,900	
4409	Motor Pool Repay - LV	$62,500		$125,000		$125,000		$125,000		$125,000		$125,000	
4402	State Personnel IFS Repayment; S.B. 201, 1997 Legislature	$202,987		$202,988		$0		$0		$0		$0	
	TOTAL OTHER REPAYMENTS	$392,422	-13.5%	$454,923	15.9%	$251,935	-44.6%	$251,935	0.0%	$298,963	18.7%	$288,251	-3.6%
	INTEREST INCOME												
3290	Treasurer	$589,930	-5.7%	$916,780	55.4%	$1,247,554	36.1%	$2,700,000	116.4%	$4,531,000	67.8%	$6,155,000	35.8%
3291	Other	$4,156	-46.2%	$5,363	29.0%	$18,411	243.3%	$36,400	97.7%	$32,400	-11.0%	$32,400	0.0%
	TOTAL INTEREST INCOME	$594,086	-6.2%	$922,143	55.2%	$1,265,964	37.3%	$2,736,400	116.2%	$4,563,400	66.8%	$6,187,400	35.6%
	TOTAL USE OF MONEY & PROP	$986,508	-9.2%	$1,377,066	39.6%	$1,517,900	10.2%	$2,988,335	96.9%	$4,862,363	62.7%	$6,475,651	33.2%
	OTHER REVENUE												
3059	Hoover Dam Revenue	$300,000	0.0%	$300,000	0.0%	$300,000	0.0%	$300,000	0.0%	$300,000	0.0%	$300,000	0.0%
	MISC SALES AND REFUNDS												
4794	GST Commissions and Penalties / DMV [20-16]			$28,761,000									
3047	Expired Slot Machine Wagering Vouchers	$7,486,068	4.1%	$8,383,408	12.0%	$8,778,021	4.7%	$8,781,000	0.0%	$8,828,000	0.5%	$9,134,000	3.5%
3107	Misc Fees	$298,822	-2.1%	$318,681	6.6%	$347,803	9.1%	$341,800	-1.7%	$323,900	-5.2%	$324,400	0.2%
3109	Court Admin Assessments [21-16][4-18]	$2,511,100	-39.0%	$2,428,655	-3.3%	$0	-100.0%	$0		$1,328,228		$1,080,780	-18.6%
3114	Court Administrative Assessment Fee	$2,335,123	-7.0%	$2,135,726	-8.5%	$2,012,172	-5.8%	$2,109,000	4.8%	$2,113,000	0.2%	$2,118,000	0.2%
3168	Declare of Candidacy Filing Fee	$92,200	143.0%	$12,384	-86.6%	$35,975	190.5%	$21,000	-41.6%	$40,000	90.5%	$12,500	-68.8%
3202	Fees & Writs of Garnishments	$2,535	-2.7%	$2,140	-15.6%	$2,190	2.3%	$2,200	0.5%	$2,200	0.0%	$2,200	0.0%
3220	Nevada Report Sales	$3,480	-59.6%	$6,120	75.9%	$11,495	87.8%	$17,200	49.6%	$23,000	33.7%	$17,200	-25.2%
3222	Excess Property Sales	$46,603	74.0%	$97,446	109.1%	$17,668	-81.9%	$5,100	-71.1%	$130,100	2451.0%	$5,100	-96.1%
3240	Sale of Trust Property	$3,447	-26.9%	$3,990	15.8%	$850	-78.7%	$8,000	840.8%	$6,000	-25.0%	$6,000	0.0%
3243	Insurance - Misc	$416,576	6.6%	$423,928	1.8%	$371,455	-12.4%	$400,000	7.7%	$400,000	0.0%	$400,000	0.0%
3274	Misc Refunds	$30,729	-66.1%	$113,081	268.0%	$31,709	-72.0%	$1,500,000	4630.5%	$75,000	-95.0%	$75,000	0.0%
3276	Cost Recovery Plan [5-18]	$8,883,972	4.9%	$8,486,081	-4.5%	$10,572,088	24.6%	$9,908,000	-6.3%	$9,839,249	-0.7%	$10,457,016	6.3%
	TOTAL MISC SALES & REF	$22,110,653	-67.2%	$51,172,638	131.4%	$22,181,427	-56.7%	$23,093,300	4.1%	$23,108,677	0.1%	$23,632,196	2.3%
3255	Unclaimed Property	$17,466,436	-46.9%	$24,301,834	39.1%	$38,960,791	60.3%	$27,919,000	-28.3%	$28,119,000	0.7%	$28,389,000	1.0%
	TOTAL OTHER REVENUE	$39,877,089	-60.4%	$75,774,472	90.0%	$61,442,218	-18.9%	$51,312,300	-16.5%	$51,527,677	0.4%	$52,321,196	1.5%
	TOTAL GENERAL FUND REVENUE: BEFORE TAX CREDITS	$3,066,946,360	-2.1%	$3,296,893,581	7.5%	$3,749,082,146	13.7%	$3,960,534,635	5.6%	$4,099,151,640	3.5%	$4,254,896,047	3.8%
	TOTAL COMMERCE TAX CREDITS [13-16]					$0		-$76,227,000		-$88,763,000		-$93,023,000	
	TOTAL GENERAL FUND REVENUE: AFTER COMMERCE TAX CREDITS			$3,296,893,581		$3,749,082,146		$3,884,307,635	3.6%	$4,010,388,640	3.2%	$4,161,873,047	3.8%
	TAX CREDIT PROGRAMS:												
	FILM TRANSFERRABLE TAX CREDITS [TC-1]			$0.00		-$4,370,815		-$3,908,259		-$11,720,926		-$10,000,000	
	ECONOMIC DEVELOPMENT TRANSFERRABLE TAX CREDITS [TC-2]			$0		-$20,461,554		-$36,475,946		-$31,087,500		-$44,600,000	
	CATALYST ACCOUNT TRANSFERRABLE TAX CREDITS [TC-4]			$0		$0		-$355,000		-$2,000,000		-$2,000,000	
	NEVADA NEW MARKET JOBS ACT TAX CREDITS [TC-3]			-$12,410,882		-$26,005,450		-$24,000,000		-$24,000,000		-$22,000,000	
	EDUCATION CHOICE SCHOLARSHIP TAX CREDITS [TC-5]			$0		-$4,401,540		-$6,098,460		-$26,050,000		-$6,655,000	
	COLLEGE SAVINGS PLAN TAX CREDITS [TC-6]			$0		$0		-$69,000		-$138,000		-$207,000	
	TOTAL- TAX CREDIT PROGRAMS			-$12,410,882		-$55,239,359		-$70,906,665		-$94,996,426		-$85,462,000	
	TOTAL GENERAL FUND REVENUE: AFTER TAX CREDITS	$3,066,946,360	-2.1%	$3,284,482,699	7.1%	$3,693,842,787	12.5%	$3,813,400,970	3.2%	$3,915,392,214	2.7%	$4,076,411,047	4.1%

NOTES:

FY 2016: Note 1 represents legislative actions approved during the 28th Special Session in September 2014.

[1-16] Assembly Bill 3 (28th S.S.) limits the amount of the home office credit that may be taken against the Insurance Premium Tax to an annual limit of $5 million, effective January 1, 2016. The home office credit is eliminated pursuant to this bill, effective January 1, 2021.

FY 2016: Notes 2 through 21 represent legislative actions approved during the 2015 Legislative Session.

[2-16] S.B. 483 extends the June 30, 2015, sunset (approved in S.B. 475 (2013)) by one year to June 30, 2016, on the Net Proceeds of Minerals (NPM) tax, which continues the payment of taxes in the current fiscal year based on the estimated net proceeds for the current calendar year with a true-up against actual net proceeds for the calendar year in the next fiscal year. The one-year extension of the sunset is estimated to yield $34,642,000 in FY 2016. There is no estimated tax payment in FY 2017 with the one-year extension of the prepayment of NPM taxes.

[3-16] S.B. 483 extends the June 30, 2015, sunset (approved in S.B. 475 (2013)) by one year to June 30, 2016, that eliminates health and industrial insurance deductions allowed against gross proceeds to determine net proceeds for the purpose of calculating the Net Proceeds of Minerals (NPM) tax liability. These deduction changes are effective for the NPM tax payments due in FY 2016. The health and industrial insurance deduction changes are estimated to generate $4,221,000 in addtional revenue in FY 2016.

[4-16] S.B. 483 makes the 0.35% increase in the Local School Support Tax (LSST) permanent. The 0.35% increase generates additional revenue from the 0.75% General Fund Commission assessed against LSST proceeds before distribution to school districts in each county, which is estimated to generate $1,387,300 in FY 2016 and $1,463,400 in FY 2017.

[5-16] S.B. 266 makes changes to the structure of the tax base and tax rate for the Live Entertainment Tax (LET) in NRS Chapter 368A that is administered by the Gaming Control Board for live entertainment at licensed gaming establishments and the Department of Taxation for live entertainment provided at non-gaming establishments. Under existing law, the tax rate is 10% of the admission charge and amounts paid for food, refreshments, and merchandise, if the live entertainment is provided at a facility with a maximum occupancy of less than 7,500 persons, and 5% of the admission charge only, if the live entertainment is provided at a facility with a maximum occupancy equal to or greater than 7,500 persons. S.B. 266 removes the occupancy threshold and establishes a single 9% tax rate on the admission charge to the facility only. The tax rate does not apply to amounts paid for food, refreshments, and merchandise unless that is the consideration required to enter the facility for the live entertainment. S.B. 266 adds the total amount of consideration paid for escorts and escort services to the LET tax base and makes these activities subject to the 9% tax rate. The bill provides that the exemption from the LET for certain nonprofit organizations applies depending on the number of tickets sold and the type of live entertainment being provided. S.B. 266 establishes an exemption for the following: 1.) the value of certain admissions provided on a complimentary basis; 2.) a charge for access to a table, seat, or lounge or for food, beverages, and merchandise that are in addition to the admission charge to the facility; and 3.) certain license and rental fees of luxury suites, boxes, or similar products at a facility with a maximum occupancy of more than 7,500 persons. The provisions of S.B. 266 also make other changes to the types of activities that are included or excluded from the tax base as live entertainment events subject to the 9% tax rate. The provisions of S.B. 266 are effective October 1, 2015. The amounts shown reflect the estimated net change from the provisions of S.B. 266 on the amount of the LET collected from the portion administered by the Gaming Control Board and the Department of Taxation separately and the combined impact. The changes to the LET are estimated to reduce LET-Gaming collections by $19,165,000 in FY 2016 and by $26,551,000 in FY 2017, but increase LET-Nongaming collections by $15,483,000 in FY 2016 and $25,313,000 in FY 2017. The combined net effect on total LET collections is estimated to be a reduction of $3,682,000 in FY 2016 and $1,238,000 in FY 2017.

[6-16] S.B. 483 establishes the Commerce Tax as an annual tax on each business entity engaged in business in the state whose Nevada gross revenue in a fiscal year exceeds $4,000,000 at a tax rate based on the industry in which the business is primarily engaged. The Commerce Tax is due on or before the 45th day immediately following the fiscal year taxable period (June 30th). Although the Commerce Tax collections are received after the June 30th end of the fiscal year tax period, the proceeds from the Commerce Tax will be accrued back and accounted for in that fiscal year, since that fiscal year is not officially closed until the third Friday in September. The Commerce Tax provisions are effective July 1, 2015, for the purpose of taxing the Nevada gross revenue of a business, but the first tax payment will not be made until August 14, 2016, for the FY 2016 annual taxable business activity period.

[7-16] A.B. 175 requires the collection of an excise tax by the Nevada Transportation Authority or the Taxicab Authority, as applicable, on the connection of a passenger to a driver affiliated with a transportation network company, a common motor carrier of passengers, or a taxicab equal to 3% of the fare charged to the passenger. The excise tax becomes effective on passage and approval (May 29, 2015) for transportation network companies and August 28, 2015, for common motor carrier and taxicab companies. The first $5,000,000 in tax proceeds from each biennium are required to be deposited in the State Highway Fund and the estimate for FY 2016 reflects this requirement.

[8-16] S.B. 483 increases the cigarette tax per pack of 20 by $1.00 from 80 cents per pack (10 cents to Local Government Distribution Fund, 70 cents to State General Fund) to $1.80 per pack (10 cents to Local Government Distribution Fund, $1.70 to State General Fund), effective July 1, 2015. The $1.00 per pack increase is estimated to generate $96,872,000 in FY 2016 and $95,391,000 in FY 2017.

[9-16] S.B. 483 permanently changes the structure and tax rate for the Modified Business Tax on General Business (nonfinancial institutions) by exempting quarterly taxable wages (gross wages less allowable health care expenses) paid by an employer to employees up to and including $50,000 per quarter and taxable wages exceeding $50,000 per quarter are taxed at 1.475%. The taxable wages exemption threshold was $85,000 per quarter for FY 2014 and FY 2015 with a 1.17% tax rate on quarterly taxable wages exceeding $85,000, based on S.B. 475 (2013). These provisions in S.B. 475 were scheduled to sunset effective June 30, 2015, at which time the tax rate would have been 0.63% on all taxable wages per quarter. The provisions in S.B. 483 are effective July 1, 2015. The estimated net increase in MBT-NFI tax collections from the 1.475% tax rate on quarterly taxable wages exceeding $50,000 compared to the Economic Forum May 1, 2015, forecast, based on the 0.63% tax rate on all quarterly taxable wages before accounting for the estimated impact of any other legislatively approved changes to the MBT-NFI, is $268,041,000 for FY 2016 and $281,443,000 for FY 2017.

[10-16] A.B. 389 deems the client company of an employee leasing company to be the employer of the employees it leases for the purposes of NRS Chapter 612 (unemployment compensation). Under these provisions, the wages of employees leased from employee leasing companies by client companies will no longer be reported on an aggregated basis under the employee leasing company. The wages of the employees will now be reported on a disaggregated basis under each client company. Instead of the $50,000 quarterly exemption applying to the employee leasing company, it will now apply to each client company. These provisions are effective October 1, 2015. The wages paid to employees being reported on a disaggregated basis for each client company versus an aggregated basis for the employee leasing company is estimated to reduce MBT-NFI collections by $2,758,000 in FY 2016 and $3,861,000 in FY 2017.

[11-16] S.B. 483 requires businesses subject to the Net Proceeds of Minerals (NPM) tax in NRS Chapter 362 to pay a 2.0% tax on all quarterly taxable wages paid by the employer to the employees, which is identical to the Modified Business Tax (MBT) paid by financial institutions under NRS Chapter 363A. These provisions are effective July 1, 2015. This change is estimated to reduce MBT-NFI tax collections by $10,884,000 in both FY 2016 and FY 2017. The mining companies paying the 2% tax rate on all taxable wages are estimated to generate $17,353,000 in both FY 2016 and FY 2017 for the MBT-Mining. This change is estimated to yield a net increase in General Fund revenue of $6,469,000 in both FY 2016 and FY 2017.

[12-16] S.B. 103 exempts from the definition of "financial institution" in NRS Chapter 363A any person who is primarily engaged in the sale, solicitation, or negotiation of insurance, which makes such a person subject to the Modified Business Tax on General Business (nonfinancial institutions) in NRS Chapter 363B at 1.475% on quarterly taxable wages exceeding $50,000 and not the 2.0% tax on all quarterly taxable wages. These provisions are effective July 1, 2015. MBT-FI is estimated to be reduced by $891,000 in FY 2016 and $936,000 in FY 2017, and the MBT-NFI is estimated to be increased by $278,000 in FY 2016 and $291,000 in FY 2017. The net decrease in General Fund revenue is estimated to be $613,000 in FY 2016 and $645,000 in FY 2017.

GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2017, FORECAST
ACTUAL: FY 2014 THROUGH FY 2016 AND FORECAST: FY 2017 THROUGH FY 2019
ECONOMIC FORUM'S FORECAST FOR FY 2017, FY 2018, AND FY 2019 APPROVED AT THE MAY 1, 2017, MEETING
ADJUSTED FOR ACTIONS APPROVED BY THE 2017 LEGISLATURE (79th SESSION)

DESCRIPTION	FY 2014 ACTUAL	% Change	FY 2015 ACTUAL	% Change	FY 2016 ACTUAL	% Change	ECONOMIC FORUM MAY 1, 2017, FORECAST					
							FY 2017 FORECAST	% Change	FY 2018 FORECAST	% Change	FY 2019 FORECAST	% Change

[13-16] S.B. 483 provides for a credit against a business's Modified Business Tax (MBT) due during the current fiscal year not to exceed 50% of the Commerce Tax paid by the business for the preceding fiscal year. The credit can be taken against any or all of the four quarterly MBT payments for the current fiscal year, but any amount of credit not used cannot be carried forward and used in succeeding fiscal years. The total estimated Commerce Tax credits against the MBT are estimated to be $59,913,000 in FY 2017, but this estimated credit amount was not allocated separately to the MBT-NFI, MBT-FI, and MBT-Mining.

[14-16] S.B. 483 requires 100% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund in FY 2016. In FY 2017, 50% of the proceeds will be allocated to the State General Fund and 50% to the State Highway Fund. Under S.B. 483, 100% of the additional revenue generated from the GST 10% depreciation schedule change is required to be deposited in the State Highway Fund beginning in FY 2018 and going forward permanently.

[15-16] S.B. 483 makes the $100 increase in the Business License Fee (BLF), from $100 to $200, permanent for the initial and annual renewal that was scheduled to sunset on June 30, 2015, (as approved in A.B. 475 (2013)) for all types of businesses, except for corporations. The initial and annual renewal fee for corporations, as specified in S.B. 483, is increased from $200 to $500 permanently. These provisions are effective July 1, 2015. The changes to the BLF are estimated to generate additional General Fund revenue of $63,093,000 in FY 2016 and $64,338,000 in FY 2017 in relation ot the Economic Forum May 1, 2015, forecast with all business types paying a $100 annual fee.

[16-16] S.B. 483 permanently increases the fee for filing the initial and annual list of directors and officers by $25 that is required to be paid by each business entity organizing under the various chapters in Title 7 of the NRS, effective July 1, 2015. The $25 increase in the initial and annual list filing fee is estimated to increase Commercial Recordings Fee revenue by $2,751,000 in FY 2016 and $2,807,000 in FY 2017.

[17-16] A.B. 475 changes the initial period from 24 to 12 months and the renewal period from 48 to 24 months for a license as a real estate broker, broker-salesperson, or salesperson and also changes the period for other licenses from 48 to 24 months, effective July 1, 2015. Existing licenses issued before July 1, 2015, do not need to be renewed until the expiration date required under statute prior to July 1, 2015. This change in the licensing period is estimated to reduce Real Estate License Fee revenue by $1,693,400 in FY 2016 and $1,404,200 in FY 2017.

[18-16] A.B. 476 increases the current 6% license fee on the gross receipts from admission charges to unarmed combat events, that is dedicated to the State General Fund, by 2% to 8% with 75% of the proceeds from the 8% fee deposited in the State General Fund and 25% retained by the Athletic Commission to fund the agency's operations. A.B. 476 repeals the two-tiered fee based on the revenues from the sale or lease of broadcast, television and motion picture rights that is dedicated to the State General Fund. A.B. 476 allows the promoter of an unarmed combat event a credit against the 8% license fee equal to the amount paid to the Athletic Commission or organization sanctioned by the Commission to administer a drug testing program for unarmed combatants. These provisions are effective June 9, 2015, based on the passage and approval effective date provisions of A.B. 476. These changes are estimated to reduce Athletic Commission Fee revenue by $600,000 in both FY 2016 and FY 2017.

[19-16] A.B. 478 increases certain fees relating to application or renewals paid by developers for exemptions to any provisions administered by the Real Estate Division of the Department of Business and Industry, and requires that all fees collected for this purpose be kept by the Division, effective July 1, 2015. This requirement for the Division to keep these fees is estimated to reduce Real Estate Land Company filing fees by approximately $152,600 in FY 2016 and $153,300 in FY 2017.

[20-16] A.B. 491 (2013) required the proceeds from the commission retained by the Department of Motor Vehicles from the amount of Governmental Services Tax (GST) collected and any penalties for delinquent payment of the GST to be transferred to the State General Fund in FY 2015 only. A.B. 491 specified that the amount transferred shall not exceed $20,813,716 from commissions and $4,097,964 from penalties in FY 2015. A.B. 490 amended the commissions amount to $23,724,000 and the penalties amount to $5,037,000. This results in an estimated net increase in General Fund revenue of $3,849,320 in FY 2015 from GST Commissions and Penalties.

[21-16] Estimated portion of the revenue generated from Court Administrative Assessment Fees to be deposited in the State General Fund (pursuant to subsection 9 of NRS 176.059), based on the legislatively approved projections and the authorized allocation for the Court Administrative Assessment Fee revenues (pursuant to subsection 8 of NRS 176.059) for FY 2016 and FY 2017.

FY 2018: Note 1 represents legislative actions approved during the 2015 Legislative Session.

[1-18] Section 51 of S.B. 514 allows the Division of Enterprise Information Technology Services of the Department of Administration to use revenues from intergovernmental transfers to the State General Fund for the repayment of special appropriations that were made to the Division for the replacement of the state's microwave communications system. The legislatively approved repayment from the Division to the State General Fund is $57,900 per year between FY 2018 and FY 2021, with increased repayments between FY 2022 and FY 2028.

FY 2018: Notes 2 through 5 represent legislative actions approved during the 2017 Legislative Session.

[2-18] A.B. 486 requires 25% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund in FY 2018 and FY 2019, with the remaining 75% deposited in the State Highway Fund. Under A.B. 486, 100% of the additional revenue generated from the GST 10% depreciation schedule change is required to be deposited in the State Highway Fund beginning in FY 2020 and going forward permanently. Estimated to generate $19,367,000 in FY 2018 and $19,573,500 in FY 2019.

[3-18] S.B. 514 requires that certain fees collected by the State Engineer of the Division of Water Resources of the Department of Conservation and Natural Resources relating to services for the adjudication and appropriation of water be deposited in the State General Fund. Estimated to generate $3,467,000 per year in FY 2018 and FY 2019.

[4-18] Estimated portion of the revenue generated from Court Administrative Assessment Fees to be deposited in the State General Fund (pursuant to subsection 9 of NRS 176.059), based on the legislatively approved projections and the authorized allocation for the Court Administrative Assessment Fee revenues (pursuant to subsection 8 of NRS 176.059) for FY 2018 and FY 2019. Estimated to generate $1,328,228 in FY 2018 and $1,080,780 in FY 2019.

[5-18] Adjustment to the Statewide Cost Allocation amount included in the Legislature Approves budget after the May 1, 2017, approval of the General Fund revenue forecast by the Economic Forum.

GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2017, FORECAST
ACTUAL: FY 2014 THROUGH FY 2016 AND FORECAST: FY 2017 THROUGH FY 2019
ECONOMIC FORUM'S FORECAST FOR FY 2017, FY 2018, AND FY 2019 APPROVED AT THE MAY 1, 2017, MEETING
ADJUSTED FOR ACTIONS APPROVED BY THE 2017 LEGISLATURE (79th SESSION)

DESCRIPTION	FY 2014 ACTUAL	% Change	FY 2015 ACTUAL	% Change	FY 2016 ACTUAL	% Change	ECONOMIC FORUM MAY 1, 2017, FORECAST FY 2017 FORECAST	% Change	FY 2018 FORECAST	% Change	FY 2019 FORECAST	% Change

TAX CREDIT PROGRAMS APPROVED BY THE LEGISLATURE

[TC-1] Pursuant to S.B. 165 (2013), the Governor's Office of Economic Development (GOED) could issue up to $20 million per fiscal year for a total of $80 million for the four-year pilot program in transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax. The provisions of the film tax credit program were amended in S.B. 1 (28th Special Session (2014)) to reduce the total amount of the tax credits that may be approved by GOED to a total of $10 million. The amounts shown reflect estimates based on information provided by GOED during the 2017 Session on the amount of tax credits that have been or will be approved for use in FY 2017 and FY 2018.

Pursuant to A.B. 492 (2017), a total of $10 million per year in film tax credits may be awarded by GOED beginning in FY 2018, in addition to any remaining amounts from S.B. 1 of the 28th Special Session (2014). Any portion of the $10 million per fiscal year that is not approved by GOED may be carried forward and made available during the next or any future fiscal year.

[TC-2] Pursuant to S.B. 1 (28th Special Session (2014)), for certain qualifying projects, the Governor's Office of Economic Development (GOED) is required to issue transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and the Gaming Percentage Fee Tax. The amount of transferrable tax credits are equal to $12,500 for each qualified employee employed by the participants in the project, to a maximum of 6,000 employees, plus 5 percent of the first $1 billion of new capital investment in the State made collectively by the participants in the qualifying project, plus an additional 2.8 percent of the next $2.5 billion in new capital investment in the State made collectively by the participants in the project. The amount of credits approved by GOED may not exceed $45 million per fiscal year (though any unissued credits may be issued in subsequent fiscal years), and GOED may not issue total credits in excess of $195 million. The forecast is $36,475,946 for FY 2017, $31,087,500 for FY 2018, and $44,600,000 for FY 2019 based on information provided by GOED to the Economic Forum for consideration at their May 1, 2017, meeting.

Pursuant to S.B. 1 (29th Special Session (2015)), for certain qualifying projects, the Governor's Office of Economic Development (GOED) is required to issue transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and the Gaming Percentage Fee Tax. The amount of transferrable tax credits are equal to $9,500 for each qualified employee employed by the participants in the project, to a maximum of 4,000 employees. The amount of credits approved by GOED may not exceed $7.6 million per fiscal year (though any unissued credits may be issued in subsequent fiscal years), and GOED may not issue total credits in excess of $38 million. The forecast for tax credits attributable to the Faraday Project are $0 for FY 2018 and FY 2019 based on information provided by GOED to the Economic Forum for consideration at their May 1, 2017, meeting.

[TC-3] Pursuant to S.B. 357 (2013), the Nevada New Markets Jobs Act allows insurance companies to receive a credit against the tax imposed on insurance premiums in exchange for making qualified equity investments in community development entities, particularly those that are local and minority-owned. A total of $200 million in qualified equity investments may be certified by the Department of Business and Industry. In exchange for making the qualified equity investment, insurance companies are entitled to receive a credit against the Insurance Premium Tax in an amount equal to 58 percent of the total qualified equity investment that is certified by the Department. The credits may be taken in increments beginning on the second anniversary date of the original investment, as follows:
2 years after the investment is made: 12 percent of the qualified investment
3 years after the investment is made: 12 percent of the qualified investment
4 years after the investment is made: 12 percent of the qualified investment
5 years after the investment is made: 11 percent of the qualified investment
6 years after the investment is made: 11 percent of the qualified investment

Under the provisions of S.B. 357, the insurance companies were allowed to begin taking tax credits in the third quarter of FY 2015. The amounts shown reflect estimates of the amount of tax credits that will be taken in each fiscal year based on information provided by the Department of Business and Industry and the Department of Taxation during the 2015 Session.

[TC-4] S.B. 507 (2015) authorizes the Governor's Office of Economic Development (GOED) to approve transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax to new or expanding businesses to promote the economic development of Nevada. As approved in S.B. 507, the total amount of transferrable tax credits that may be issued is $500,000 in FY 2016, $2,000,000 in FY 2017, and $5,000,000 for FY 2018 and each fiscal year thereafter. The amounts shown are the estimate based on the maximum amount that can be issued in each fiscal year.

A.B. 1 of the 29th Special Session (2015) reduced the total amount of transferrable tax credits that may be issued by GOED to zero in FY 2016, $1 million in FY 2017, $2 million per year in FY 2018 and FY 2019, and $3 million in FY 2020. For FY 2021 and future fiscal years, the amount of credits that may be issued by GOED remains at $5 million per year.

[TC-5] A.B. 165 (2015) allows taxpayers who make donations of money to certain scholarship organizations to receive a dollar-for-dollar credit against the taxpayer's liability for the Modified Business Tax (MBT). The total amount of credits that may be approved by the Department of Taxation (Department) is $5 million in FY 2016, $5.5 million in FY 2017, and 110 percent of the total amount of credits authorized in the previous year, for all subsequent fiscal years. The amounts shown reflect the estimate based on the assumption that the total amount authorized for each fiscal year will be donated to a qualified scholarship organization and taken as credits against the MBT.

S.B. 555 (2017) authorized an additional $20 million in credits against the MBT under this program in Fiscal Year 2018 beyond those that were authorized in FY 2018 based on the provisions of A.B. 165 (2015). Any amount of the $20 million in credits that is not approved by the Department may be issued in future fiscal years.

[TC-6] S.B. 412 (2015) provides a tax credit against the Modified Business Tax (MBT) to certain employers who match the contribution of an employee to one of the college savings plans offered through the Nevada Higher Education Prepaid Tuition Program and the Nevada College Savings Program authorized under existing law. The amount of the tax credit is equal to 25 percent of the matching contribution, not to exceed $500 per contributing employee per year, and any unused credits may be carried forward for 5 years. The provisions relating to the Nevada College Savings Program are effective January 1, 2016, and the Higher Education Prepaid Tuition Program are effective July 1, 2016. The amounts shown are estimates based on information provided by the Treasurer's Office on enrollment and contributions for the college savings plans.

PART III

INFORMATION CONCERNING ADDITIONAL SECURITY FOR THE 2017E BONDS ONLY

Part III of this Official Statement contains information concerning the State's Safe Drinking Water Revolving Fund Program, and supplements the information contained in the other parts of this Official Statement. **The security described in this Part III is applicable only to the 2017E Bonds.**

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STATE SAFE DRINKING WATER REVOLVING FUND PROGRAM

Under the federal Safe Drinking Water Act (the "Safe Drinking Water Act"), federal capitalization grants are made to the various states for deposit in a safe drinking water revolving fund. A safe drinking water revolving fund established by a state is perpetual in nature. Amounts in a safe drinking water revolving fund are restricted in use to those purposes authorized by the Safe Drinking Water Act including, among other purposes, making loans at or below market rates to public water systems to fund costs of facilities needed to achieve or maintain compliance with the Safe Drinking Water Act and to protect the public health. As a condition of receiving federal safe drinking water revolving fund grant monies, states are required to provide state matching funds in an amount equal to 20% of the amount of the federal grant funds (the "Required State Matching Funds").

Nevada Revised Statutes sections 445A.200 through 445A.295 (the "State Act") establish an Account for the Revolving Fund (the "Drinking Water State Revolving Fund" or "DWSRF") in connection with the State's program to implement certain provisions of the federal Safe Drinking Water Act. Funds in the DWSRF are used to make loans to certain eligible entities for eligible projects under the Safe Drinking Water Act. Payments of principal of and interest on these loans are required to be deposited back in the DWSRF.

All community water systems, whether publicly or privately owned, as well as non-profit, non-community water systems, are potentially eligible to receive DWSRF funding. Water systems owned by the federal government are not eligible to receive DWSRF funding. Systems that lack the technical, financial and managerial capability to ensure compliance with the requirements of the State Act are not eligible for assistance, unless the owner or operator agrees to make feasible and appropriate changes in operations to ensure compliance over the long term. A loan cannot be used by a system solely for the purpose of expanding the water system. Water system consolidation or regionalization, however, is a fundable capital improvement project.

Eligible projects generally include projects that further health protection objectives including rehabilitation or development of water resources to replace contaminated sources, installation or upgrading of facilities to improve quality of water (treatment), installation or upgrading of storage facilities, or installation or replacement of transmission or distribution pipes.

Loans are generally made for a term of 20 years, although shorter or longer terms may be agreed to in appropriate circumstances. Interest rates on loans from the DWSRF are currently established at or below market rates based on 62.5% of the Bond Buyer 20-bond index just prior to closing and are fixed for the life of the loan.

The State Act authorizes the State to issue bonds if viable to carry out the purposes of the DWSRF. Eligible purposes for which bonds can be issued include generating funds to make loans ("Leveraged Bonds") and providing money for the Required State Matching Funds ("State Match Bonds"). Under the State Act, the State is required to pledge, as primary source of payment for Leveraged Bonds and State Match Bonds, the money in the DWSRF that is available for the payment of the interest and installments of principal on such bonds. The State Act also permits the full faith and credit of the State to be pledged as additional security for the payment of such bonds. Funds available for the payment of State Match Bonds are limited to interest earnings in the DWSRF and interest payments received by the DWSRF on all loans made from the DWSRF. Funds available for the payment of Leveraged Bonds, if and when Leveraged Bonds are issued, consist of interest earnings in the DWSRF as well as interest and principal payments received by the DWSRF on all loans made from the DWSRF. As of the date of this Official Statement, the State has not issued any Leveraged Bonds for the DWSRF program.

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The following table sets forth the earnings and loan interest payments that the State considers available for payment of principal of and interest on State Match Bonds.

Table 1
STATE OF NEVADA DRINKING WATER REVOLVING FUND
Projected Revenues Available for Debt Service
As of September 1, 2017

Fiscal Year	Beginning Retained Earnings[(a)]	Earnings and Loan Interest Payments[(b)]	State Match Bonds Debt Service[(c)]	Coverage
2018	$5,471,715.31	$2,431,103.64	$289,962.50	27.25
2019	6,276,916.86	4,966,847.71	4,150,576.25	2.71
2020	7,853,229.21	4,804,924.92	3,298,228.75	3.84
2021	10,315,946.72	4,556,206.55	2,202,768.75	6.75
2022	12,805,331.26	4,243,660.90	1,888,996.25	9.03
2023	15,009,799.62	3,940,033.02	1,860,773.75	10.18
2024	16,951,483.06	3,639,147.53	1,821,813.75	11.30
2025	18,625,110.74	3,352,869.38	1,795,416.25	12.24
2026	20,040,951.59	3,076,634.85	1,766,356.25	13.09
2027	21,741,358.14	2,837,469.21	1,236,096.25	19.88
2028	23,486,585.43	2,608,824.71	963,748.75	27.08
2029	25,036,837.24	2,380,908.65	930,076.25	29.48
2030	26,388,752.19	2,155,997.66	901,478.75	31.66
2031	27,550,413.31	1,933,826.57	867,956.25	33.97
2032	28,537,079.83	1,745,438.97	834,583.75	36.28
2033	29,757,156.55	1,575,029.76	427,061.25	73.37
2034	30,841,831.55	1,431,419.63	410,313.75	78.66
2035	31,798,823.72	1,288,032.92	393,566.25	84.07
2036	32,632,862.66	1,167,074.83	376,818.75	89.70
2037	33,399,033.74	1,105,251.05	360,071.25	95.83
2038	34,128,174.09	1,065,816.96	343,323.75	102.51
	458,649,392.82	56,306,519.42	27,119,987.50	

(a) Includes cumulative excess loan interest payments and investment income retained as net asset within the fund.
(b) Includes interest payments on closed loans, interest payments on open loans with principal outstanding as of September 1, 2017, and investment income.
(c) Includes estimated debt service on the 2017E Bonds.

The State has not covenanted in the various Orders of the State Treasurer or related Resolutions of the Board of Finance authorizing the issuance of State Match Bonds to maintain a minimum level of coverage or to restrict the use of funds in the DWSRF, except to purposes permitted by the Safe Drinking Water Act. State law permits the issuance of securities to be issued by the State with a lien on the State Match Bond Pledged Revenues that is senior to that of the State Match Bonds. The State has not issued any obligations with a lien senior to the lien securing the State Match Bonds.

The following table identifies the various borrowers with loans outstanding from the DWSRF, including the principal amount of loans outstanding, the nature of the security for the loan, and the percentage of the principal amount of loans outstanding of each borrower to the total principal amount of loans outstanding.

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Table 2
STATE OF NEVADA SAFE DRINKING WATER REVOLVING FUND
Schedule of Loans
As of September 1, 2017

Local Entity	Year Loan Made	Loan Balance Outstanding	Security	Total By Entity*	Portion of Total Program Borrowing Outstanding*
Big Bend Water District	2003	$1,802,140.40	GO/Revenue		
Big Bend Water District	2004	$1,527,788.32	GO/Revenue	$ 3,329,928.72	2.23%
Carson City, City of	2009	$2,205,405.37	GO/Revenue		
Carson City, City of	2010	$17,555,239.43	GO/Revenue		
Carson City, City of	2014	$5,723,522.29	GO/Revenue	$25,484,167.09	17.06%
Carver's Smokey Valley RV	2009	$53,333.29	Private Company	$53,333.29	0.04%
Country Terrace, LLC	2002	$134,341.86	Private Company	$134,341.86	0.09%
Douglas County	2005	$359,811.34	GO/Revenue		
Douglas County	2009	$1,755,314.81	GO/Revenue		
Douglas County	2010	$823,609.34	GO/Revenue		
Douglas County	2011	$800,919.61	GO/Revenue		
Douglas County	2012	$936,368.38	GO/Revenue		
Douglas County	2014	$537,955.21	GO/Revenue	$5,213,978.69	3.49%
Dutchman Acres	2010	$35,575.55	Private Company	$35,575.55	0.02%
Fallon, City of	2002	$853,292.00	GO/Revenue		
Fallon, City of	2007	$1,015,605.00	Go/Revenue	$1,868,897.00	1.25%
IGWT Investments -Frontier	2011	$196,913.08	Private Company	$196,913.08	0.13%
Gardnerville Ranchos GID	2000	$1,248,977.83	Revenue		
Gardnerville Ranchos GID	2003	$580,169.39	Revenue	$1,829,147.22	1.22%
Gold Country Water Company	2008	$265,651.59	Private Company		
Gold Country Water Company	2011	$558,561.84	Private Company	$824,213.43	0.55%
Henderson, City of	2000	$1,926,953.79	GO/Revenue	$1,926,953.79	1.29%
Incline Village GID	2004	$800,345.97	GO/Revenue		
Incline Village GID	2012	$2,357,861.59	GO/Revenue	$3,158,207.56	2.11%
Indian Hills GID	2000	$233,196.66	Revenue		
Indian Hills GID	2003	$865,786.40	Revenue		
Indian Hills GID	2010	$886,895.12	GO/Revenue	$1,985,878.18	1.33%
Kingsbury GID	2003	$1,583,816.97	GO/Revenue		
Kingsbury GID	2007	$2,033,539.94	GO/Revenue		
Kingsbury GID	2010	$2,309,919.18	GO/Revenue		
Kingsbury GID	2012	$9,690,373.34	GO/Revenue		
Kingsbury GID	2015	$5,596,623.87	GO/Revenue	$21,214,273.30	14.20%
Lamoille Water Users, Inc.	2008	$544,546.31	Private Company	$544,546.31	0.36%
Las Vegas Valley Water District	2015	$19,242,921.84	GO/Revenue		
Las Vegas Valley Water District	2016	$6,804,545.62	GO/Revenue		
Las Vegas Valley Water District	2017	$106,227.42	GO/Revenue	$26,153,694.88	17.51%
Lovelock Meadows Water District	2017	$4,405,199.89	GO/Revenue	$4,405,199.89	2.95%
Moapa Valley Water District	2008	$985,171.98	GO/Revenue	$985,171.98	0.66%
Round Hill GID	2006	$350,529.60	GO/Revenue		
Round Hill GID	2011	$656,638.43	GO/Revenue	$1,007,168.03	0.67%
Sierra Estates GID	2008	$148,001.12	GO/Revenue	$148,001.12	0.10%
Silver Knolls Mutual Water Co.	2000	$32,198.41	Private Company	$32,198.41	0.02%
Southern Nevada Water Authority	1999	$2,054,100.56	Revenue		
Southern Nevada Water Authority	2001	$2,582,680.98	Revenue		
Southern Nevada Water Authority	2009	$1,518,484.80	Revenue	$6,155,266.34	4.12%
Steamboat Springs Water Works	2000	$5,814.22	Private Company		
Steamboat Springs Water Works	2013	$30,881.49	Private Company	$36,695.71	0.02%
Sun Valley GID	2014	$4,830,025.80	GO/Revenue		
Sun Valley GID	2014	$2,114,225.48	GO/Revenue	$6,944,251.28	4.65%
Topaz Lake Water Co.	2009	$531,992.64	Private Company	$531,992.64	0.36%
Topaz Ranch Estates	2016	$378,927.49	Revenue	$378,927.49	0.25%
Truckee Meadows Water Authority	2005	$2,228,440.28	Revenue		
Truckee Meadows Water Authority	2009	$1,484,024.60	Revenue		
Truckee Meadows Water Authority	2010	$3,444,376.35	Revenue		
Truckee Meadows Water Authority	2014	$6,773,007.28	Revenue		
Truckee Meadows Water Authority	2015	$8,780,705.44	Revenue	$22,710,553.95	15.20%
Virgin Valley Water District	2015	$12,117,110.00	GO/Revenue	$12,117,110.00	8.11%
TOTAL*		**$149,406,586.79**			
		114,843,898.45	GO/Revenue		
		32,172,878.06	Revenue		
		2,389,810.28	Private Company		

*Totals may not add exactly due to rounding.

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PART IV

INFORMATION CONCERNING ADDITIONAL SECURITY FOR THE SERIES 2017F BONDS ONLY

Part IV of this Official Statement contains information concerning the State's Water Pollution Control Revolving Fund Program, and supplements the information contained in the other parts of this Official Statement. **The security described in this Part IV is applicable only to the 2017F Bonds**.

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WATER POLLUTION CONTROL REVOLVING FUND PROGRAM

Under the federal Water Pollution Control Act of 1972 (33 U.S.C. §§ 1251 et seq, as amended) (the "Clean Water Act") and various appropriation bills, federal capitalization grants are made to the various states for deposit in a clean water revolving fund. A clean water revolving fund established by a state is perpetual in nature. Amounts in a clean water revolving fund are restricted in use to those purposes authorized by the Clean Water Act including, among other purposes, making loans at or below market rates to municipalities and interstate agencies to fund costs of facilities needed to achieve or maintain compliance with the Clean Water Act and to protect the public health. As a condition of receiving federal clean water revolving fund grant moneys, states are required to provide state matching funds in an amount equal to 20% of the amount of the federal grant funds (the "Required State Matching Funds").

Nevada Revised Statutes Sections 445A.060 through 445A.160 (the "State Act") establish an Account to Finance the Construction of Treatment Works and the Implementation of Pollution Control Projects (the "Water Pollution Control Revolving Fund Account" or "CWSRF") in connection with the State's program to implement certain provisions of the federal Clean Water Act. Funds in the CWSRF are used to make loans to municipalities and interstate agencies for eligible projects under the Clean Water Act. Payments of principal of and interest on these loans are required to be deposited back in the CWSRF.

Municipalities, including any city, town, county, district, association or other public body created under State law having jurisdiction over wastewater, or Indian tribes or tribal organizations, and certain interstate agencies are eligible to receive financial assistance from the CWSRF.

Eligible projects generally include construction of treatment works (devices and systems used in the storage, treatment, recycling and reclamation of municipal sewage, including intercepting sewers, outfall sewers, sewage collection systems, pumping, power and other related equipment) and implementation of pollution control projects.

Loans are generally made for a term of 20 years, although shorter or longer terms may be agreed to in appropriate circumstances. Interest rates on loans from the CWSRF are currently established at or below market rates based on 62.5% of the Bond Buyer 20-bond index just prior to closing and are fixed for the life of the loan.

The State Act authorizes the State to issue bonds if viable to carry out the purposes of the CWSRF. Eligible purposes for which bonds can be issued include generating funds to make loans ("Leveraged Bonds") and providing money for the Required State Matching Funds ("State Match Bonds"). Under the State Act, the State is required to pledge, as primary source of payment for Leveraged Bonds and State Match Bonds, the money in the CWSRF that is available for the payment of the interest and installments of principal on such bonds. The State Board of Finance must also certify that sufficient revenue will be available in the CWSRF to pay the interest and installments of principal on such bonds as they become due. The State Act also permits the full faith and credit of the State to be pledged as additional security for the payment of such bonds. Funds available for the payment of State Match Bonds are limited to interest earnings on funds in the CWSRF and interest payments received by the CWSRF on all loans made from the CWSRF. Funds available for the payment of Leveraged Bonds include the interest earnings as well as the interest and principal payments on all loans made from the CWSRF. The 2017F Bonds are being issued as State Match Bonds.

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The following table sets forth the earnings and loan interest payments that the State considers available for payment of principal of and interest on State Match Bonds.

Table 1
STATE OF NEVADA WATER POLLUTION CONTROL REVOLVING FUND
Projected Revenues Available for Debt Service
As of September 1, 2017

Fiscal Year	Interest Payments[1]	State Match Bonds Debt Service	State Match Bonds Coverage	Principal Payments	Revenues Available for Combined Debt Service[2]	Leveraged Bonds Debt Service	Combined Debt Service	Combined Coverage
	(A)	(B)	(C)=A/B	(D)	(E)=A+D	(F)	(G)=B+F	(H)=E/G
2018	$2,814,694.43	$81,950.00	34.35	$10,453,206.94	$13,267,901.37	$581,525.00	$663,475.00	20.00
2019	6,129,986.80	1,749,900.00	3.50	20,812,568.09	26,942,554.89	7,344,925.00	9,094,825.00	2.96
2020	5,882,118.00	1,698,500.00	3.46	22,151,592.21	28,033,710.21	7,331,675.00	9,030,175.00	3.10
2021	5,520,181.87	1,646,300.00	3.35	22,699,898.14	28,220,080.01	7,136,175.00	8,782,475.00	3.21
2022	5,125,764.03	1,025,000.00	5.00	22,093,443.10	27,219,207.13	3,441,000.00	4,466,000.00	6.09
2023	4,758,594.77			21,430,291.24	26,188,886.01	3,473,100.00	3,473,100.00	7.54
2024	4,402,734.85			21,473,689.79	25,876,424.64			
2025	4,060,358.38			17,088,570.49	21,148,928.87			
2026	3,760,857.62			15,801,708.10	19,562,565.72			
2027	3,468,836.41			14,721,064.08	18,189,900.49			
2028	3,188,146.80			14,361,836.01	17,549,982.81			
2029	2,903,536.37			14,699,806.53	17,603,342.90			
2030	2,610,101.79			13,897,721.31	16,507,823.10			
2031	2,336,235.50			12,886,191.04	15,222,426.54			
2032	2,086,941.43			10,096,168.03	12,183,109.46			
2033	1,894,371.36			9,259,246.74	11,153,618.10			
2034	1,728,004.69			8,385,251.11	10,113,255.80			
2035	1,578,491.42			6,669,277.40	8,247,768.82			
2036	1,460,145.17			5,655,790.77	7,115,935.94			
2037	1,373,483.76			4,278,307.77	5,651,791.53			
	67,083,585.45	6,201,650.00		288,915,628.89	355,999,214.34	29,308,400.00	35,510,050.00	

1 Includes interest on loans but excludes interest earnings on the fund which are available to pay debt service.
2 Interest is pledged to both State Match Bonds and Leveraged Bonds, and principal is pledged only to Leveraged Bonds.

The State has not covenanted in the various Orders of the State Treasurer or related Resolutions of the Board authorizing the issuance of State Match Bonds to maintain a minimum level of coverage or to restrict the use of funds in the CWSRF, except to purposes permitted by the Clean Water Act. State law also permits securities to be issued by the State with a lien on the pledged revenues that is senior to that of the State Match Bonds. The State has not issued any obligations with a lien senior to the lien securing the State Match Bonds.

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The following table identifies the various borrowers with loans outstanding from the CWSRF, including the principal amount of loans outstanding, the nature of the security for the loan, and the percentage of the principal amount of loans outstanding of each borrower to the total principal amount of loans outstanding.

Table 2
STATE OF NEVADA WATER POLLUTION CONTROL REVOLVING FUND
Schedule of Loans
As of September 1, 2017

Local Entity	Year Loan Made	Loan Balance Outstanding	Security	Total By Entity*	Portion of Total Program Borrowing Outstanding*
Carson City, City of	1998	$ 441,886.07	GO/Revenue		
Carson City, City of	2010	2,098,897.35	GO/Revenue		
Carson City, City of	2014	24,176,565.36	GO/Revenue		
Carson City, City of	2015	9,872,931.33	GO/Revenue	$ 36,590,280.11	17.4%
Clark Co Water Reclamation District	2009	3,726,343.71	GO/Revenue		
Clark Co Water Reclamation District	2011	32,703,089.04	GO/Revenue		
Clark Co Water Reclamation District	2012	27,153,864.49	GO/Revenue	63,583,297.24	30.2%
Douglas County	2016	53,409.65	GO/Revenue	53,409.65	0.0%
Douglas County Sewer Improvement District #1	2006	468,703.53	Revenue		
Douglas County Sewer Improvement District #1	2006	201,187.32	Revenue		
Douglas County Sewer Improvement District #1	2007	429,398.92	Revenue	1,099,289.77	0.5%
Fernley, City of	2015	5,650,183.00	GO/Revenue		
Fernley, City of	2017	149,984.74	GO/Revenue	5,800,167.74	2.8%
Henderson, City of	2010	1,091,707.76	Revenue	1,091,707.76	0.5%
Incline Village General Improvement District	2002	644,786.99	Revenue		
Incline Village General Improvement District	2006	1,565,205.65	GO/Revenue	2,209,992.64	1.0%
Indian Hills General Improvement District	1999	183,719.15	GO/Revenue	183,719.15	0.1%
Lyon County	2014	1,831,396.82	GO/Revenue		
Lyon County	2015	9,103,421.82	GO/Revenue	10,934,818.64	5.2%
Mesquite, City of	2009	14,650,059.27	GO/Revenue	14,650,059.27	6.9%
Minden Gardnerville Sanitation District	2009	925,999.57	Revenue	925,999.57	0.4%
Reno, City of	2016	36,452,665.43	GO/Revenue	36,452,665.43	17.3%
Sparks, City of	2016	24,129,591.93	GO/Revenue	24,129,591.93	11.4%
Washoe County	2015	13,139,645.99	GO/Revenue	13,139,645.99	6.2%
TOTAL*		**$ 210,844,644.89**			
		207,082,860.80	GO/Revenue		
		3,761,784.09	Revenue		
		-	Private Company		

*Totals may not add exactly due to rounding.

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