NEVADA PUBLIC EMPLOYEES' DEFERRED COMPENSATION PROGRAM

AGREED UPON PROCEDURES

JUNE 30, 2024

NEVADA PUBLIC EMPLOYEES' DEFERRED COMPENSATION PROGRAM
JUNE 30, 2024

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Casey Neilon, Inc.
Accountants and Advisors

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Deferred Compensation Committee
Nevada Public Employees' Deferred Compensation Program
Carson City, Nevada

We have performed the procedures enumerated below on evaluating the completeness of contributions to the Nevada Public Employees' Deferred Compensation (NDC) Plan and the Nevada FICA Alternative Deferred Compensation (3121) Plan (the Plans) from the sample of participating employers and whether the participant level custodial account balances agree to the total plan level account balance in the Plans as provided by each Plans' Recordkeeper of the Deferred Compensation Committee (Committee) for the year ended June 30, 2024. The Committee's management is responsible for the completeness of contributions to the Plans.

The Committee's management has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating the completeness of contributions to the Plans. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1. We compared the total contributions for selected pay periods per payroll records of the following employers participating in the NDC Plan and/or the 3121 Plan for the year ended June 30, 2024, to the contribution confirmation statement for the selected pay periods provided by the Recordkeeper, noting receipt, accuracy, and balancing of each submission for the following employers, listed below (a) – (i).

    a. State of Nevada (Central Payroll)
    b. Nevada System of Higher Education (NSHE)
    c. NevadaWorks
    d. Lyon County
    e. Humboldt County
    f. East Fork Fire
    g. Douglas County Sewer District
    h. CC Communications
    i. Board of Nursing

    Findings:

    a. NevadaWorks – Out of 8 pay periods tested:
        - Two pay periods reported regular contributions per the Paycenters payroll records and Roth contributions per Voya's records. The Paycenter failed to comply with the contribution procedure set forth by the Plans.

2. We compared the total contributions for selected employees per the payroll records of the following employers participating in the NDC Plan and/or the 3121 Plan for the year ended June 30, 2024 to the selected employees total contributions reported for the employer in the books and records of the NDC Plan and the 3121 Plan which is provided by the Recordkeeper, listed below (a) – (i),

    a. State of Nevada (Central Payroll)
    b. Nevada System of Higher Education (NSHE)
    c. NevadaWorks
    d. Lyon County
    e. Humboldt County
    f. East Fork Fire
    g. Douglas County Sewer District
    h. CC Communications
    i. Board of Nursing

    Findings:

a. Lyon County – Out of 30 participating employee's tested:
    - One employee where Lyon County reported less contributions than Voya reported as received.

b. CC Communications – Out of 29 participating employee's tested:

    - One employee where CC Communications reported a contribution that Voya has not received.

We were engaged by the Committee to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the completeness of contributions to the Plans from the sample of participating employers and whether the participant level custodial account balances agree to the total plan level account balance in the Plans as provided by each Plans' Recordkeeper. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Committee and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of management, employers, and the Committee and is not intended to be and should not be used by anyone other than those specified parties.

Casey Neilon

Casey Neilon, Inc.
Carson City, Nevada
March 6, 2025

CASEY NEILON

March 6, 2025

Deferred Compensation Committee
Nevada Public Employees' Deferred Compensation Plan
100 N. Stewart St, Suite 100
Carson City, NV 89701

We have audited the financial statements of the Nevada Public Employees' Deferred Compensation Plan ("The Plan") for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 6, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Plan are described in Note 2 to the financial statements. As described in Note 1 to the financial statements, the Board adopted the new Statement of Governmental Accounting Standards (GASB Statement) Statement No. 100, *Accounting Changes and Errors* in 2024. The implementation of this statement had no impact to the Board. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the Plan's financial statements was:

> Management's estimate of the change in fair market value of investments is based on valuation information provided by Voya. We evaluated key factors and assumptions, and data used to develop the change in fair market value in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

> The disclosure of risks and uncertainties in Note 6 to the financial statements due to the unpredictability of various risks associated with investment securities.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor’s report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 6, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Plan’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

<u>Other Matters</u>

We applied certain limited procedures to Management’s Discussion and Analysis, which are (is) required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

<u>Restriction on Use</u>

This information is intended solely for the information and use of the Deferred Compensation Committee and management of the Plan and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Casey Neilon

Casey Neilon, Inc.

NEVADA PUBLIC EMPLOYEES’
DEFERRED COMPENSATION PLAN

JUNE 30, 2024

NEVADA PUBLIC EMPLOYEES' DEFERRED COMPENSATION PLAN
JUNE 30, 2024

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Casey Neilon, Inc.
Accountants and Advisors

INDEPENDENT AUDITOR'S REPORT

To the Deferred Compensation Committee
Nevada Public Employees' Deferred Compensation Plan
Carson City, Nevada

Opinion

We have audited the accompanying financial statements of the Nevada Public Employees' Deferred Compensation Plan (the "Plan"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Plan, as of June 30, 2024, and the changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 Plan's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 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.

Casey Neilon

Casey Neilon, Inc.
Carson City, Nevada
March 6, 2025

NEVADA PUBLIC EMPLOYEES' DEFERRED COMPENSATION PLAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

This discussion and analysis of the Nevada Public Employees' Deferred Compensation Plan's (the Plan) financial performance provides an overview of the Plan's financial activities for the fiscal year ended June 30, 2024. It is presented as required supplemental information to the financial statements. Please read it in conjunction with the Plan's financial statements which follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. These statements provide information about the financial position and activities of the Plan as a whole. The Notes to the Financial Statements provide additional information that is essential to a full understanding of the financial statements. The notes are an integral part of the financial statements and include detailed information not readily evident in the basic financial statements.

FINANCIAL HIGHLIGHTS

- Net position restricted for plan benefits increased by approximately $109 million during the current year from $1.02 billion at June 30, 2023 to $1.13 billion at June 30, 2024. This increase was primarily due to an increase in fair value and benefits paid to participants exceeding total contributions.

- Contributions increased from $53.8 million for the year ended June 30, 2023 to $59.6 million for the year ended June 30, 2024. This increase was primarily due to an decrease in the average contribution per participant, as the number of actively contributing participants increased from 9,086 in 2023 to 10,453 in 2024.

- Rollover contributions into the Plan increased from $3.5 million for the year ended June 30, 2023 to $5.2 million for the year ended June 30, 2024, due to decrease in the number of participants initiating rollovers into the Plan.

- The Plan's net investment income, including interest income, increased from a $94.0 million gain for the year ended June 30, 2023 to a $129.3 million gain for the year ended June 30, 2024. The Plan's rate of return on investments was approximately 9.59% and 12.05% for the years ending June 30, 2023 and 2024, respectively. This increase is due to the Plan disposing of a set of funds and the impact of market conditions.

- Benefits paid to participants increased from $69.4 million for the year ended June 30, 2023 to $78.6 million for the year ended June 30, 2024. The Plan saw an increase in the number of participants receiving distributions from 7,253 in 2023 to 7,476 in 2024 resulting in a total increase in distributions.

- Administrative expenses increased slightly from $902.8 thousand for the year ended June 30, 2023 to $976.9 thousand for the year ended June 30, 2024. This increase is due the addition of 5 political subdivisions.

FINANCIAL ANALYSIS

The components of the Plan's Statements of Fiduciary Net Position (Table 1) and Statements of Changes in Fiduciary Net Position (Table 2) as of June 30, 2024 and 2023, were as follows:

Table 1
Fiduciary Net Position

	2024	2023
Investments	$ 1,127,450,919	$ 1,018,168,754
Loans receivable	3,444,566	3,463,389
Net position, restricted for plan benefits	$ 1,130,895,485	$ 1,021,632,143

Table 2
Changes in Fiduciary Net Position

	2024	2023
Additions		
Contributions	$ 59,603,892	$ 53,841,750
Net investment income	129,277,771	93,981,638
Total additions	188,881,663	147,823,388
Deductions		
Benefits paid to participants	78,641,430	69,441,003
Administrative expenses	976,891	902,826
Total deductions	79,618,321	70,343,829
Change in net position restricted for plan benefits	$ 109,263,342	$ 77,479,559

REQUEST FOR INFORMATION

The Plan's financial statements are designed to present users with a general overview of the Plan's finances and to demonstrate the trustees' accountability. If you have questions about the report or need additional financial information, contact the Executive Officer of the Nevada Public Employees' Deferred Compensation Program at 100 N. Stewart Street, Suite 210, Carson City, Nevada 89701.

NEVADA PUBLIC EMPLOYEES' DEFERRED COMPENSATION PLAN
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2024

ASSETS	
Investments	
Fixed income account	$ 312,651,108
Separate accounts	800,227,237
Self-directed brokerage	14,572,574
Total investments	1,127,450,919
Notes receivable from participants	3,444,566
PLAN NET POSITION, RESTRICTED FOR PLAN BENEFITS	$ 1,130,895,485

See accompanying notes

NEVADA PUBLIC EMPLOYEES' DEFERRED COMPENSATION PLAN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024

ADDITIONS	
Contributions:	
Employers	$ 1,850,185
Participants	52,518,365
Rollovers	5,235,342
Total contributions	59,603,892
Investment income:	
Net increase in fair value of investments	118,782,799
Dividends and interest income	10,263,231
Interest income from notes receivable from participants	231,741
Net investment income	129,277,771
Total additions	188,881,663
DEDUCTIONS	
Benefits paid to participants	78,642,695
Administrative expenses	975,626
Total deductions	79,618,321
Change in Net Position	109,263,342
PLAN NET POSITION RESTRICTED FOR PLAN BENEFITS, BEGINNING OF YEAR	1,021,632,143
PLAN NET POSITION RESTRICTED FOR PLAN BENEFITS, END OF YEAR	$ 1,130,895,485

See accompanying notes

NOTE 1 – DESCRIPTION OF PLAN

The following brief description of the State of Nevada (the State) Public Employees' Deferred Compensation Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan, a defined contribution plan, was established pursuant to Nevada Revised Statutes (NRS) 287.250-287.370, and Title 26 IRS Code, Section 457 Deferred Compensation Plans, effective in January 1980. The first contribution to the Plan was made in January of 1980 (commencement date). The purpose of the Plan is to provide a vehicle through which all employees of the State may, on a voluntary basis, provide for additional retirement income security by deferring a portion of their current earnings. In addition, the Plan document offers the Nevada System of Higher Education (NSHE) and other political subdivisions of the State the option to join the Plan along with the State (employers).

The Plan is administered by the Nevada Public Employees' Deferred Compensation Program (Program).

Eligibility, Entry Date, and Contributions

All employees of the employers are eligible to participate in the Plan through payroll deductions. Eligibility for participation occurs immediately upon hire with deferrals to begin the first day of the calendar month following the month in which the employee elects to begin making deferrals. There were 82 political subdivisions participating in the Plan and 10,453 contributing participants as of June 30, 2024. Each participant may contribute the lesser of the amount permitted by Internal Revenue Code (IRC) section 457(e)(15) or 100% of their gross annual compensation for calendar year 2024. The Plan allows participants to designate contributions as ROTH contributions. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. The catch-up contributions shall not exceed the excess of 100% of the participants includible compensation for the Plan year, over the sum of any amounts of any other amounts deferred or contributed by the Participant for the same Plan year; and an amount as may be permitted by IRC section 414(v)(2)(B).

The Plan also allows special limitation (or Section 457 Catch Up) for certain participants. The eligibility of these contributions is as follows:

For one or more of the participant's last three taxable years ending before the year in which a participant attains normal retirement age, notwithstanding the limits set above, the maximum amount that may be contributed shall be the lesser of:

a) two times the dollar amount in effect under the basic limitation as set forth in IRC section 457(e)(15) ($23,000 for calendar year 2024); or

b) the underutilized limitation which is the amount by which contributions to the Plan in previous years were less than the maximum that the participant was eligible to contribute.

The Plan does not prohibit the employers from making deposits to a participant's account as additional compensation for services rendered. In addition, the basis of employers' contributions vary and are at the discretion of the employers.

NOTE 1 – DESCRIPTION OF PLAN (Continued)

Under provisions of the Small Business Job Protection Act of 1996 (SBJPA), assets of IRC Section 457 Plans must be held in a trust, custodial account, or annuity contract, for the exclusive benefit of employees and beneficiaries and are not solely the property of the employers and subject only to claims of the employers' general creditors. At June 30, 2024, the Plan met the requirements of the SBJPA.

Participant Accounts

Each participant's account is credited with the participant's contributions, employer contributions and an allocation of Plan earnings. Allocations are based on the participant's balance in the Plan relative to the balances of all participants in the Plan. In addition, participant accounts are charged with an allocation of administrative expenses, the allocation of which is based on participant's earnings, account balances or specific participant transactions, as defined by the Plan document.

Vesting

Participants are immediately vested in their contributions and related earnings thereon, and all employer contributions are deemed 100% vested.

Investment Options

The most recent Program's Statement of Investment Policy was adopted in March 2006, as amended in June 2019. The investment policy was developed by the Deferred Compensation Committee (Committee) of the Program. The actions of the Committee are governed by the terms of the Plan, IRC Section 457(b), and NRS. Pursuant to NRS 355.176, the Plan may only invest in the types of investments set forth in paragraphs (a) to (f) of subsection 1 of NRS 355.170 and may additionally invest in corporate stocks, bonds and securities, mutual funds, savings and loan accounts, credit union accounts, life insurance policies, annuities, mortgages, deeds of trust or other security interests in real or personal property. The Plan's investment policy further refines the allowable investment options for the Plan to include:

- Principal protection and guaranteed option(s)
- Fixed income
- U.S., international, and global equity fund(s)
- Asset-allocation portfolios

The Committee has overall responsibility for establishing and maintaining the Plan's investment policy, selecting the investment options, regularly evaluating the Plan's investment performance, providing participants with investment education and communications regarding the Plan and investment options, and ensuring that the assets of the Plan are in compliance with all applicable laws governing its operations.

NOTE 1 – DESCRIPTION OF PLAN (Continued)

The Committee has authorized the Plan to invest in the following investment types that fall within the categories listed above:

- A separate account whose investments are within a portfolio of stocks, bonds, cash, etc. following a defined strategy and managed by a professional money manager. The holdings in the portfolio are directly owned by the investor and have their own cost basis.
- A fixed income account which is a guaranteed investment offered under a group annuity contract issued by Voya Retirement Insurance and Annuity Company (Voya); and
- A self-directed brokerage option administered by Charles Schwab formerly known as TD Ameritrade.

Notes Receivable from Participants

State participants may borrow from their accounts, a minimum of $1,000 up to a maximum equal to the lesser of 50% of the participant's vested account balance or $50,000. Each participant is entitled to one outstanding loan at a time. The loans are secured by the balance in the participant's account. The interest rate on the loans is determined by the Committee but is not to exceed the maximum rate permitted by all applicable laws. The interest rate, set by the Committee, was 9.50% as of June 30, 2024. The maximum term permitted on a loan is 57 months or for 120 months if the loan is for the purchase of a principal residence.

Payment of Benefits

Participants are eligible to receive benefits from their account upon retirement and termination of employment with the employer or a Participant's beneficiary may receive benefits from the Participants account upon the Participants death. A Participant may retire when he/she reaches normal retirement age, as defined by the Plan, which is defined as the age designated by the participant that falls within the range of ages beginning at the earlier of age 65 or the age at which the participant has the right to retire and receive, under the State pension plan applicable to the participant, immediate retirement benefits without actuarial or similar reduction because of retirement before some later specified age, and ending at age 72. A participant may elect to receive benefits as a total or lump-sum amount equal to the value of the participant's vested interest in their account or in installments to be paid over a period of not greater than the joint life expectancy of the participant and his or her designated beneficiary.

Distributions may be made at the participant's election prior to termination for an unforeseeable emergency or if 1) the participant's total account balance is less than $5,000 and no deferrals have been made by the participant during the two-year period ending immediately before the date of distribution, 2) the participant has not previously received a distribution of their total account balance, and 3) purchase of retirement service credit (i.e. Nevada Public Employees' Retirement System).

Death Benefits

The designated beneficiary is entitled to a death benefit distribution as set forth in IRC 401(a)(9) and as defined by the Plan document.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America. These statements have also been prepared in accordance with the reporting standards as promulgated by the Governmental Accounting Standards Board, which designates accounting principles and financial reporting standards applicable to the Plan.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America may require management to make estimates and assumptions that affect amounts reported in financial statements and accompanying notes. Actual results may differ from those estimates.

Investment Valuation and Income Recognition

Investments in the self-directed brokerage account and separate accounts are stated at the fair value of the shares held by the Plan at year-end, which are determined by quoted market prices.

The Plan's fixed income account are valued at contract value by the insurance company. The Plan values the investment at contract value because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. Contract value represents contributions made, plus earnings, less participant withdrawals and administrative expenses.

Purchases and sales of securities are recorded on a trade-date basis. Investment income consists of realized and unrealized appreciation (depreciation) in the fair value of investments and separate accounts, along with dividends and interest earned on all the investments.

Contributions

Contributions are recognized by the Plan when amounts are withheld from participants' payroll.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent loans are reclassified as distributions based on the terms of the Plan document. No allowances for credit losses have been recorded as of June 30, 2024.

Payments of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

The Plan's expenses are paid as provided by the Plan document. Certain expenses incurred in connection with general administration of the Plan are reflected as deductions in the accompanying Statement of Changes in Fiduciary Net Position.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impact of New Accounting Standards

New Accounting Pronouncement - Adopted

During the year ended June 30, 2024, the Plan implemented the provisions of GASB Statement No. 100, Accounting Changes and Error Corrections. Issued in June 2022, the primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

New Accounting Pronouncement – Not Yet Adopted

The following GASB pronouncements have been issued, but are not effective as of June 30, 2024:

GASB Statement No. 102, Certain Risk Disclosures. Issued in December 2023, the primary objective of this Statement is to enhance the quality and completeness of financial reporting by ensuring that stakeholders are informed about significant risks that could impact the entity's financial position. Statement No. 102 will be effective for the Plan for fiscal year ending June 30, 2025.

The Plan will implement new GASB pronouncements no later than the required effective date. The Plan is currently evaluating whether or not the above listed new GASB pronouncements will have a significant impact on the Plan's financial statements.

NOTE 3 – INVESTMENTS

The Plan's investment options consist of the following at June 30, 2024:

Fixed Income Account, at contract value			
Voya Fixed Income Account	$	312,651,108	*
Separate Accounts, at fair value			
American Funds EuroPacific R6		6,453,135	
MFS Value Fund R4		22,567,137	
Sterling Cap Tot Return Fd R6		2,668,805	
JPMorgan Large Cap Growth R6		94,995,556	*
Vanguard Extended Market Index Fund Institutional Plus		108,800,766	*
Vanguard Institutional Index Fund Institutional		182,778,242	*
Vanguard MidCap Growth Index Fund		23,292,436	
Vanguard MidCap VI Index Fund		8,154,144	
Vanguard Total Bond Market Index Fund Institutional		38,994,105	
Vangrd Tot Intl Stock Indx Fnd		50,518,271	
Vangrd Trgt Retire 2020 Trust II		12,495,294	
Vangrd Trgt Retire 2025 Trust II		49,296,187	
Vangrd Trgt Retire 2030 Trust II		20,329,207	
Vangrd Trgt Retire 2035 Trust II		64,668,675	*
Vangrd Trgt Retire 2040 Trust II		12,358,182	
Vangrd Trgt Retire 2045 Trust II		35,771,178	
Vangrd Trgt Retire 2050 Trust II		9,048,608	
Vangrd Trgt Retire 2055 Trust II		11,522,402	
Vangrd Trgt Retire 2060 Trust II		3,911,657	
Vangrd Trgt Retire 2065 Trust II		1,478,487	
Vangrd Trgt Retire 2070 Trust II		268,520	
Vangrd Trgt Retire Inc Fd Inv		39,856,243	
		800,227,237	
Self-Directed Brokerage Accounts, at fair value			
Charles Schwab PCRA		14,572,574	
Total	$	1,127,450,919	

* Represents 5% or more of plan net position

The Voya Fixed Income Account investment is a guaranteed investment contract with a guaranteed rate of return and a guarantee of principal that is backed by Voya's general account. All guarantees are based on the financial strength and claims paying ability of Voya, who is solely responsible for all obligations under the contract. The investment is provided through a group annuity contract issued by Voya. Under the contract, a crediting interest rate is established that provides a minimum guaranteed annual interest rate. Participant initiated transactions are at contract value. However, certain events initiated at the Plan level, specifically termination of the contract, might limit the ability of the Plan to transact at contract value. No events are probable of occurring that might limit the ability of the Plan to transact at contract value with Voya and that would limit the ability of the Plan to transact at contract value with the participants.

NOTE 3 – INVESTMENTS (Continued)

NRS 355.176 and NRS 355.170 set forth acceptable investments for Nevada deferred compensation plans (see Note 1). The Plan's formal investment policy does not further limit the exposure to certain risks as set forth below. The Plan has a formal investment policy that allows the Plan to select investment options that offer the best prospects to meet the participant's financial goals. The policy allows for different tiers of investments that provide options for the participant to choose from. These are participant directed accounts, thus there are no limitations on concentration, credit and interest rate risk aside from the Plan's evaluation of the appropriate investment options to offer. The policy and investment offers are reviewed and evaluated to ensure appropriate funds are available to the participant.

Since all investments are participant directed, all risks exist at the participant level. Each individual within the Plan has the ability to liquidate their position on demand and has responsibility for managing their exposure to loss.

Concentration of Credit Risk

Concentration risk is the risk of loss attributed to the magnitude of the Plan's investment in a single issuer. The Plan's investments are held by Voya Financial, except for the self-directed brokerage accounts, which are held by Charles Schwab. The concentrations of investments are determined by the participants' elections to invest in the available investment options as selected by the Committee. The investments that exceed 5% of plan net position are identified on page 11.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of the counterparty, the Plan would not be able to recover the value of its deposits, investments, or collateral securities that were in the possession of an outside party. Investment securities are exposed to custodial credit risk if they are uninsured or not registered in the name of the Plan and are held by either the counterparty or the counterparty's trust department or agent, but not in the Plan's name.

Investments in fixed earnings investments are held in trust for the Plan by Voya, agent of the Plan.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates that could adversely affect the fair value of the investment of which there were none as of June 30, 2024.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations and is a function of the credit quality ratings of investments. The Plan manages credit risk by requiring Voya to provide investment options that comply with the Plan's statement of investment policy and by requiring any change in credit ratings be reported within 60 days. The Plan's credit risk for the Voya Fixed Income Account is the difference between the fair value of the underlying investments and its contract value.

The Plan's fixed income account and insurance company pooled separate account, in which the underlying investments invest in bond mutual funds are unrated.

NOTE 3 – INVESTMENTS (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. As of June 30, 2024, the weighted average maturity of the Plan's fixed income account and separate accounts in which the underlying investments invest in bond mutual funds were as follows:

	Weighted Average Maturity (yrs)
Fixed Income Account	
Voya Fixed Income Account	15.1
Bond Mutual Funds	
Vanguard Total Bond Market Index Fund	8.50

Fair Value Measurements

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, the Plan's categorize the fair value measurements of investments based on the established hierarchy. GASB No. 72 defined the fair value hierarchy consisting of three levels as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plans have the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; or
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following is a description of the valuation methodologies used for the assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024.

Self-Directed Brokerage Accounts - Accounts primarily consist of mutual funds, exchange traded funds and common stock that are valued on the basis of readily determinable quoted market prices.

Separate Accounts - Valued at carrying value based on the net asset value of the observable market prices of the underlying assets within that account.

NOTE 3 – INVESTMENTS (Continued)

Fixed Income Account - Valued at contract value based on contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while Plan management believes the valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at June 30, 2024 that are reported at fair value:

	Level 1	Level 2	Level 3	Total
Investments at net asset value				
Self-directed brokerage	$ 14,572,574	$ -	$ -	$ 14,572,574
Separate accounts	-	800,227,237	-	800,227,237
Investments at contract value				
Fixed income fund	-	312,651,108	-	312,651,108
Total investments	$ 14,572,574	$ 1,112,878,345	$ -	$ 1,127,450,919

Separate Accounts - This asset class is generally comprised of equity investment options. These investment options include a portfolio of stocks, bonds, cash, etc. following a defined strategy and managed by a professional money manager. All investment options in this category have potential to lose value.

Fixed Income Fund - The Plan invests in a group annuity contracts that guarantees minimum rates of interest and may credit interest that exceeds the guaranteed minimum rates. Daily credited interest becomes part of principal and the investment increases through compound interest. All amounts invested by the Plan receive the same credited rate. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses.

NOTE 4 – PLAN TERMINATION

Although it has not expressed any intent to do so, the Committee has the right under the plan to discontinue deferrals and to terminate the Plan. Upon termination of the Plan, all amounts deferred would be payable as provided in the Plan document.

NOTE 5 – TAX STATUS

In the opinion of legal counsel, the Plan is an eligible deferred compensation plan as defined by IRC section 457, and as such, the Plan is not subject to tax under present income tax law.

NOTE 6 – RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of fiduciary net position.

NOTE 7 – RELATED PARTIES

All members of the Committee as well as the Executive Officer are participating or retired members of the Plan.

NOTE 8 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 6, 2025, which is the date the financial statements were available to be issued.

CASEY NEILON

March 6, 2025

Deferred Compensation Committee
Nevada FICA Alternative Deferred Compensation Plan
100 N. Stewart Street, Suite 210
Carson City, NV 89701

We have audited the financial statements of the Nevada FICA Alternative Deferred Compensation Plan ("the Plan") for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 6, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Plan are described in Note 2 to the financial statements. As described in Note 1 to the financial statements, the Board adopted the new Statement of Governmental Accounting Standards (GASB Statement) Statement No. 100, *Accounting Changes and Errors* in 2024. The implementation of this statement had no impact to the Board. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the Plan's financial statements was (were):

> Management's estimate of the change in fair market value of investments is based on valuation information provided by VOYA. We evaluated the factors, methods, assumptions, and data used to develop the change in fair market value in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure(s) affecting the financial statements was (were):

> The disclosure of risks and uncertainties in Note 6 to the financial statements due to the unpredictability of various risks associated with investment securities.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 6, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

<u>Other Matters</u>

We applied certain limited procedures to Management's Discussion and Analysis, which are (is) required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

<u>Restriction on Use</u>

This information is intended solely for the information and use of the Deferred Compensation Committee and management of the Nevada FICA Alternative Deferred Compensation Plan and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Casey Neilon

Casey Neilon, Inc.

NEVADA FICA ALTERNATIVE
DEFERRED COMPENSATION PLAN

JUNE 30, 2024

NEVADA FICA ALTERNATIVE DEFERRED COMPENSATION PLAN
JUNE 30, 2024

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Casey Neilon, Inc.
Accountants and Advisors

INDEPENDENT AUDITOR'S REPORT

To the Deferred Compensation Committee
Nevada FICA Alternative Deferred Compensation Plan
Carson City, Nevada

Opinion

We have audited the accompanying financial statements of the Nevada FICA Alternative Deferred Compensation Plan (the "Plan"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Plan, as of June 30, 2024, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 Plan's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 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.

Casey Neilon

Casey Neilon, Inc.
Carson City, Nevada
March 6, 2025

NEVADA FICA ALTERNATIVE DEFERRED COMPENSATION PLAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

This discussion and analysis of the Nevada FICA Alternative Deferred Compensation Plan's (the Plan) financial performance provides an overview of the Plan's financial activities for the fiscal year ended June 30, 2024. It is presented as required supplemental information to the financial statements. Please read it in conjunction with the Plan's financial statements which follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. These statements provide information about the financial position and activities of the Plan as a whole. The Notes to the Financial Statements provide additional information that is essential to a full understanding of the financial statements. The notes are an integral part of the financial statements and include detailed information not readily evident in the basic financial statements.

FINANCIAL HIGHLIGHTS

- Net position restricted for plan benefit increased by approximately $5.2 million during the current year from $60.9 million at June 30, 2023 to $66.1 million at June 30, 2024. This increase was primarily due to an increase of participant contributions and net investment income made during the year offset by distributions to participants.

- Employee contributions decreased from $7.7 million at June 30, 2023 to $7.5 million at June 30, 2024. The decrease was primarily due to a decrease in participating employers compared to June 30, 2023.

- Participants making contributions increased from 12,277 in 2023 to 12,777 in 2024 which resulted in a decrease in average contributions from $625 in 2023 to $585 in 2024.

- Net investment income increased from $1.3 million for the year ended June 30, 2023 to $1.4 million for the year ended June 30, 2024.

- Benefits paid to participants increased from $3.0 million for the year ended June 30, 2023 to $3.5 million for year ended June 30, 2024. The Plan saw an increase in the number of participants receiving distributions from 1,900 in 2023 to 2,544 in 2023 resulting in a total increase in distributions.

FINANCIAL ANALYSIS

The components of the Plan's Statements of Fiduciary Net Position (Table 1) and Statements of Changes in Fiduciary Net Position (Table 2) as of June 30, 2024 and 2023, were as follows:

Table 1
Fiduciary Net Position

	2024	2023
Investments	$66,112,626	$60,893,388
Net position, restricted for plan benefits	$66,112,626	$60,893,388

Table 2
Changes in Fiduciary Net Position

	2024	2023
Additions		
Contributions	$ 7,480,789	7,672,357
Investment income	1,418,842	1,308,112
Total additions	8,899,631	8,980,469
Deductions		
Benefits paid to participants	3,484,298	3,024,839
Administrative expenses	86,206	80,007
Total deductions	3,570,504	3,104,846
Transfers		
Internal transfers out	(109,889)	(52,474)
Change in net position restricted for plan benefits	$ 5,219,238	$ 5,823,149

REQUEST FOR INFORMATION

The Plan's financial statements are designed to present users with a general overview of the Plan's finances and to demonstrate the trustee's accountability. If you have questions about the report or need additional financial information, contact the Executive Officer of the Nevada FICA Alternative Deferred Compensation Program at 100 N. Stewart Street, Suite 210, Carson City, Nevada 89701.

NEVADA FICA ALTERNATIVE DEFERRED COMPENSATION PLAN
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2024

ASSETS	
Investments	
Fixed income account, at contract value	$ 66,112,626
PLAN NET POSITION, RESTRICTED FOR PLAN BENEFITS	$ 66,112,626

See accompanying notes

NEVADA FICA ALTERNATIVE DEFERRED COMPENSATION PLAN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024

ADDITIONS	
Contributions:	
Participants	$ 7,469,644
Rollovers	11,145
Total contributions	7,480,789
Investment income	1,418,842
Total additions	8,899,631
DEDUCTIONS	
Benefits paid to participants	3,484,298
Administrative expenses	86,206
Total deductions	3,570,504
TRANSFERS	
Internal transfers out	(109,889)
Change in Net Position	5,219,238
PLAN NET POSITION RESTRICTED FOR PLAN BENEFITS, BEGINNING OF YEAR	60,893,388
PLAN NET POSITION RESTRICTED FOR PLAN BENEFITS, END OF YEAR	$ 66,112,626

See accompanying notes

NOTE 1 – DESCRIPTION OF PLAN:

The following brief description of the State of Nevada (the State) FICA Alternative Deferred Compensation Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan, a defined contribution plan, was established pursuant to Nevada Revised Statutes (NRS) 287.250 -287.370, and Title 26 IRS Code, Section 457 Deferred Compensation Plans, effective on January 1, 2004. The first contribution to the Plan was made on January 20, 2004 (commencement date). The purpose of the Plan is to provide part-time, seasonal, or temporary employees of the State or the Nevada System of Higher Education (NSHE), an alternative to Social Security coverage as permitted by the Federal Omnibus Budget Reconciliation Act of 1990 (OBRA). In addition, the Plan document offers other political subdivisions of the State the option to join the Plan.

The Plan is administered by the Nevada Public Employees' Deferred Compensation Program (Program).

Eligibility, Entry Date, and Contributions

Under Plan provisions, part-time, seasonal, or temporary employees (eligible employees) of the State and NSHE are required to contribute into the Plan through payroll deductions, if hired on or after January 1, 2004 (State) or July 1, 2005 (NSHE). In addition, eligible employees of those political subdivisions that have elected to join the Plan are also required to contribute to the Plan if hired on or after the date the political subdivision elected to join the Plan, through payroll deductions. There were 12 political subdivisions and 12,777 of actively contributing participants in 2024. In accordance with Plan provisions, the employer is required to withhold and remit to the Plan, 7.5% of an eligible employee's compensation each pay period. Amounts contributed by employees are not subject to tax under the Old Age, Survivors and Disability Income portion of FICA.

The Plan does not prohibit the employers from making deposits to a participant's account as additional compensation for services rendered. In addition, the basis of employers' contributions vary and are at the discretion of the Employers. No employer contributions were made to the Plan during the year ended June 30, 2024.

Under provisions of the Small Business Job Protection Act of 1996 (SBJPA), assets of an Internal Revenue Code (IRC) Section 457 Plan must be held in a trust, custodial account, or annuity contract, for the exclusive benefit of employees and beneficiaries and are not solely the property of the employers and subject only to claims of the employers' general creditors. At June 30, 2024, the Plan met the requirements of the SBJPA.

Participant Accounts

Each participant's account is credited with the participant's contributions and Plan earnings which are based on the contracted crediting interest rate in effect for the Voya Fixed Account, per the contract that the Plan has negotiated with Voya Financial. In addition, participant accounts are charged with an allocation of administrative expenses, the allocation of which is based on participant's earnings, account balances or specific participant transactions, as defined by the Plan document.

NOTE 1 – DESCRIPTION OF PLAN (Continued):

Vesting

Participants are immediately vested in their contributions and related earnings thereon.

Investment Options

Participant employees in the Plan contribute to the following option:

- Voya Fixed Income Account: A guaranteed investment contract issued by Voya Retirement Insurance and Annuity Company (Voya).

In accordance with the Plan document, the Plan's allowable investment options include interest bearing accounts only. The Deferred Compensation Committee has overall responsibility for ensuring that the assets of the Plan are in compliance with all applicable laws governing the operation of the Plan and establishing the related investment guidelines and policies.

Payment of Benefits

Participants may withdraw the value of the funds contributed to the Plan upon termination of employment with the employer. A participant may retire when he/she reaches age 72, as defined by the Plan document. Participants may withdraw funds for a qualified birth or adoption pursuant to IRC 72(t)(2)(H)(iii)(I). Participants, or their beneficiaries, may select various payout options which include lump sum payments or periodic payments.

In addition, the Plan provides the ability to take a lump sum distribution by those participants, regardless of employment status, whose accounts are less than $5,000 and there has been no amount deferred or contributed by the participant during the two-year period ending on the date of distribution.

Upon termination of a participant, the Plan provides for the mandatory cash-out of the account balance if the vested balance does not exceed $1,000.

Death Benefits

The designated beneficiary is entitled to a death benefit distribution as set forth in IRC 401(a)(9) and as defined by the Plan document

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. These statements have also been prepared in accordance with the reporting standards as promulgated by the Governmental Accounting Standards Board, which designates accounting principles and financial reporting standards applicable to the Plan.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America may require management to make estimates and assumptions that affect amounts reported in financial statements and accompanying notes. Actual results may differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investment account is comprised of a guaranteed investment offered under a group annuity contract issued by Voya, which is valued at contract value as estimated by the insurance company. The Plan values the investment at contract value because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. Contract value represents contributions made, plus earnings, less participant withdrawals and administrative expenses.

Purchases and sales of the investment are recorded on a trade-date basis. Investment income consists of interest earned on the investment based on the crediting interest rate in effect under the contract.

Contributions

Contributions are recognized by the Plan when amounts are withheld from participants' payroll.

Payments of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

The Plan's expenses are paid as provided by the Plan document. Certain expenses incurred in connection with general administration of the Plan are reflected as deductions in the accompanying statement of changes in fiduciary net position.

Tax Status

The Plan is an eligible employee deferred compensation plan under IRC Section 457(b).

Impact of New Accounting Standards

New Accounting Pronouncement - Adopted

During the year ended June 30, 2024, the Plan implemented the provisions of GASB Statement No. 100, Accounting Changes and Error Corrections. Issued in June 2022, the primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

New Accounting Pronouncement – Not Yet Adopted

The following GASB pronouncement has been issued, but is not effective as of June 30, 2024:

GASB Statement No. 102, Certain Risk Disclosures. Issued in December 2023, the primary objective of this Statement is to enhance the quality and completeness of financial reporting by ensuring that stakeholders are informed about significant risks that could impact the entity's financial position. Statement No. 102 will be effective for the Plan for fiscal year ending June 30, 2025.

The Plan will implement new GASB pronouncements no later than the required effective date. The Plan is currently evaluating whether or not the above listed new GASB pronouncements will have a significant impact on the Plan's financial statements.

NOTE 3 – INVESTMENTS:

The Plan's investment options consist of the following at June 30, 2024:

Voya Fixed Account	$ 66,112,626

The Voya Fixed Income Account investment is a guaranteed investment contract with a guaranteed rate of return and a guarantee of principal that is backed by Voya's general account. All guarantees are based on the financial strength and claims paying ability of Voya, who is solely responsible for all obligations under the contract. The investment is provided through a group annuity contract issued by Voya. Under the contract, a crediting interest rate is established that provides a minimum guaranteed annual interest rate. Participant initiated transactions are at contract value. However, certain events initiated at the Plan level, specifically termination of the contract, might limit the ability of the Plan to transact at contract value. No events are probable of occurring that might limit the ability of the Plan to transact at contract value with Voya and that would limit the ability of the Plan to transact at contract value with the participants.

NRS 355.176 and NRS 355.170 set forth acceptable investments for Nevada deferred compensation plans. The Plan does not have a formal investment policy; however, the Plan follows OBRA, in which the Plan must limit its investment options to those that provide a stable rate of return and cannot be variable options.

Concentration of Credit Risk

Concentration risk is the risk of loss attributed to the magnitude of the Plan's investment in a single issuer. As presented above, the Plan's sole investment is the Voya Fixed Account, which exceeds 5% of the Plan's net position.

NOTE 3 – INVESTMENTS (CONTINUED):

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of the counterparty, the Plan would not be able to recover the value of its deposits, investments, or collateral securities that were in the possession of an outside party. Investment securities are exposed to custodial credit risk if they are uninsured or not registered in the name of the Plan and are held by either the counterparty or the counterparty's trust department or agent, but not in the Plan's name.

Investments in the Voya Fixed Account are held in the Plan's name by Voya, agent of the Plan.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations and is a function of the credit quality ratings of investments. The Plan's credit risk for the Voya Fixed Account is the difference between the fair value of the underlying investments and its contract value.

The Voya Fixed Account is unrated.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. As of June 30, 2024 the weighted average maturity of the Plan's investment was as follows:

	Weighted Average Maturity
Voya Fixed Account	15.1

Fair Value Measurements

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, the Plan's categorize the fair value measurements of investments based on the established hierarchy. GASB No. 72 defined the fair value hierarchy consisting of three levels as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plans have the ability to access.

NOTE 3 – INVESTMENTS (CONTINUED):

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; or
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following is a description of the valuation methodologies used for the assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024.

Fixed Income Account - Valued at contract value based on contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses.

For the period presented, the Plan measures and discloses its fair value measurements for Level 1 assets only.

Fixed Income Fund - The Plan invests in a group annuity contracts that guarantees minimum rates of interest and may credit interest that exceeds the guaranteed minimum rates. Daily credited interest becomes part of principal and the investment increases through compound interest. All amounts invested by the Plan receive the same credited rate. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses.

NOTE 4 – TAX STATUS:

In the opinion of the legal counsel, the Plan is an eligible deferred compensation plan as defined by Section 457 of the IRC, and as such, the Plan is not subject to tax under present income tax law.

NOTE 5 – PLAN TERMINATION:

The Committee reserves the right to terminate the Plan at any time and with or without prior notice to any person to amend, suspend or terminate the Plan, to eliminate future deferrals for existing participants, in whole or in part and for any reason and without the consent of any participating employer, employee, participant, beneficiary or other person.

NOTE 6 – RISKS AND UNCERTAINTIES:

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of fiduciary net position.

NOTE 7 – SUBSEQUENT EVENTS:

Subsequent events have been evaluated through March 6, 2025, which is the date the financial statements were available to be issued. Management believes that no material events have occurred that would require disclosure.