

ANDY MATTHEWS
Controller

STATE OF NEVADA

JAMES SMACK
Chief Deputy Controller

NIELSINE SHERK, CPA
Deputy Controller, Financial Reporting



**OFFICE OF THE
STATE CONTROLLER**

November 17, 2025

The Honorable Joe Lombardo
Chairman, State Board of Finance
101 N. Carson Street, Suite 1
Carson City, NV 89701-4786

Dear Governor Lombardo:

Pursuant to NRS 387.013, I am pleased to provide you with the financial statements of the Permanent School Fund for the year ended June 30, 2025.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Matthews", with a long horizontal flourish extending to the right.

Andy Matthews
State Controller

AM: sr

Office of the Governor (1)
Governor's Office of Finance (2)
Nevada State Treasurer (1)
Nevada Tax Commission (1)
Division of State Lands (1)
Department of Conservation (1)
State Library and Archives e-file

STATE OF NEVADA
PERMANENT SCHOOL FUND

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STATE OF NEVADA
PERMANENT SCHOOL FUND

BALANCE SHEET

June 30, 2025
(Unaudited)

Assets

Cash and cash equivalents	\$ 75,328,159
Accrued interest	
Investments	859,640
Treasurer's Interest Distribution	642,251
Total accrued interest	1,501,891
Receivables	
Land sales	6,804,727
Fines and penalties	579,822
Purchased interest	141,654
Total receivables	7,526,203
Investments	
Fixed income securities	249,777,867
Equity securities	294,015,016
Total investments	543,792,883
Other Assets	
Due from State of Nevada's component unit (NCIC)	16,302,437
Total Assets	\$ 644,451,573

Liabilities

Due to the State of Nevada's State Education Fund	\$ 109,592,932
Due to heirs	3,659,158
Vouchers payable	71,640
Total liabilities	113,323,730

Fund Balance

Nonspendable: permanent fund principal	531,127,843
Total Liabilities and Fund Balance	\$ 644,451,573

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

STATE OF NEVADA
PERMANENT SCHOOL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
For the Year Ended June 30, 2025
(Unaudited)

Revenues	
Fines - State Penal Laws	
Justice Courts	\$ 4,285,219
District Courts	514,939
Municipal Courts	<u>1,089,319</u>
Total fines	<u>5,889,477</u>
Interest and Investment Income	53,478,211
Land sales	6,936,516
Escheated estates	6,168
Miscellaneous	<u>2,820</u>
Total revenues	<u>66,313,192</u>
Other Financing Sources (Uses)	
Transfer to State of Nevada's State Education Fund	<u>(52,598,668)</u>
Net change in fund balance	<u>13,714,523</u>
Fund balance, beginning of period	517,413,320
Fund balance, end of period	<u><u>\$ 531,127,843</u></u>

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

STATE OF NEVADA
PERMANENT SCHOOL FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025
(Unaudited)

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting:

Transactions are recorded on the modified accrual basis of accounting in accordance with generally accepted accounting principles.

Financial Statement Presentation:

The Permanent School Fund (the Fund) is classified as a permanent fund in accordance with Governmental Accounting Standards Board Statement No. 34. This designation ensures that the corpus of the Fund will be preserved. All earnings on the Fund's assets are transferred to the State of Nevada's (the State) State Education Fund that apportions it among the several school districts and charter schools of the State, in accordance with State Statutes.

Cash and Cash Equivalents:

Cash and Cash Equivalents consist of cash with treasurer and investments that mature within three months of acquisition and are readily convertible to known amounts of cash.

Treasurer's Interest Accrual:

Accrued earnings from the investment pool are transferred quarterly to the Fund based on its pro rata share of average daily cash balances. For the quarter ending June 30, 2025, the Fund's average balance in the State Treasurer's investment pool was \$58,107,959 and funds held by the State Treasurer earned interest at an effective rate of 4.04 percent.

Investments:

Investments are stated at fair value, which approximates market value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fund Balance:

Non-spendable fund balance cannot be spent, and represents the permanent fund principal which must remain in the Fund in perpetuity under the State Constitution.

Revenues:

Article 11, Section 3 of the Constitution of the State provides that all estates that escheat to the State; proceeds from the sale of lands given or bequeathed under this section; and fines collected under the penal laws of the State shall be pledged for educational purposes only and shall not be transferred to any other funds for other uses. The 1956 special session of the Legislature enacted Chapter 32, which provided for the creation of the Fund to account for the money accruing to the State under Article 11, Section 3 of the State Constitution.

The following illustrates some of the potential revenue sources of the Fund:

- Surplus on sale of unclaimed freight after charges of common carriers and warehousemen (Nevada Revised Statute (NRS) 108.430)
- Surplus on sale of property after charges of bailees for hire (NRS 108.460)
- Escheated estates (NRS 154.115)
- Fees of the State Land Registrar (NRS 321.065)
- All moneys accruing to the State from sale of lands heretofore given or bequeathed, or that may hereafter be given or bequeathed, for public school purposes (Art. 11, Sec. 3)
- All fines collected under the penal laws of the State (Art. 11, Sec. 3)
- Fines imposed by courts martial (NRS 412.086)
- Fines resulting from suits on excavations (NRS 455.050)
- All fines and penalties for violations of the criminal provisions of the Unemployment Compensation Act (NRS 612.585)
- Penalties imposed on banks for failure to make certain reports (NRS 665.115)

STATE OF NEVADA

PERMANENT SCHOOL FUND

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025
 (Unaudited)

Note 2 – COMMITMENTS AND CONTINGENCIES:

The 1997 legislature added NRS 387.513 through 387.528. These statutes allow school districts to enter into guarantee agreements with the State Treasurer whereby the money in the Fund is used to guarantee the debt service payments on certain bonds issued by the school districts. Senate Bill 68 of the 81st Legislative Session (2021) increased the maximum amount of the guarantee for bonds of each school district outstanding at any one time to \$60 million. Bond guarantees at June 30, 2025 were:

<u>School District</u>	<u>Original Amount</u>	<u>Balance</u>
Carson City	\$9,560,000	\$7,790,000
Churchill	29,315,000	18,310,000
Douglas	9,000,000	5,605,000
Lincoln	5,759,300	1,814,100
Lyon	51,960,000	38,725,000
Nye	56,005,000	38,690,000
Storey	28,000,000	28,000,000
Washoe	40,000,000	5,130,000
White Pine	<u>7,000,000</u>	<u>4,350,000</u>
Total	<u>\$236,599,300</u>	<u>\$148,414,000</u>

STATE OF NEVADA
PERMANENT SCHOOL FUND
SCHEDULE OF CASH AND INVESTMENTS

June 30, 2025
(Unaudited)

	Interest Rate %	Maturity Date	Face Amount	Amortized Cost*	Fair Value
Cash and Cash Equivalents					
Pooled Cash with State Treasurer	3.650			\$ 56,103,177	\$ 56,103,177
Federated Short Term Investment	0.010			19,262,104	19,262,104
Cash Equivalent				(37,122)	(37,122)
Total Cash and Cash Equivalents				<u>\$ 75,328,159</u>	<u>\$ 75,328,159</u>
Fixed Income Securities					
Federal Home Loan Bank	0.375	02/09/2021	4,380,000	4,379,422	4,348,858
Federal Home Loan Bank	4.875	10/19/2023	3,750,000	3,662,794	3,919,275
Federal Home Loan Bank	4.875	07/16/2024	5,000,000	5,000,000	5,000,900
Federal Home Loan Bank	4.040	10/23/2024	2,080,000	2,071,329	2,060,365
Federal Home Loan Bank	4.625	01/13/2025	7,500,000	7,325,422	7,574,700
Federal Home Loan Bank	4.550	01/22/2025	2,230,000	2,227,824	2,226,544
Federal Home Loan Bank	5.500	06/18/2025	7,500,000	7,500,000	7,497,600
Federal Home Loan Bank	4.660	06/13/2025	5,000,000	5,000,000	5,026,250
Federal Home Loan Bank	5.375	05/07/2025	5,000,000	5,000,000	4,966,350
Federal Farm Credit Bank	4.170	05/23/2025	15,000,000	14,800,188	14,800,800
Federal Home Loan Bank	3.985	05/06/2025	5,000,000	4,915,319	4,914,150
Federal Home Loan Bank	3.985	05/08/2025	5,000,000	4,901,482	4,900,200
Federal Farm Credit Bank	5.480	01/29/2025	4,436,000	4,436,000	4,448,776
Federal Farm Credit Bank	4.690	06/12/2025	5,000,000	5,000,000	5,033,850
Federal National Mtg Assn	0.375	02/10/2021	10,000,000	9,999,890	9,938,700
Federal Home Loan Mtg Corp	0.375	02/11/2021	10,000,000	9,998,290	9,908,900
IADB DISCOUNT NOTES	4.300	04/10/2025	5,000,000	4,982,083	4,982,050
US Treasury Bill	4.140	01/10/2025	10,000,000	9,989,650	9,989,500
US Treasury Bill	4.260	08/20/2024	5,000,000	4,978,108	4,978,150
US Treasury Bill	4.075	05/06/2025	10,000,000	9,863,035	9,859,400
US Treasury Notes	3.910	05/06/2025	5,000,000	4,903,336	4,898,300
US Treasury Notes	4.195	04/25/2025	5,000,000	4,982,521	4,982,700
US Treasury Notes	4.160	02/27/2025	15,000,000	14,898,540	14,895,150
US Treasury Notes	4.255	06/13/2025	10,000,000	9,914,900	9,915,100
US Treasury Notes	2.125	05/25/2021	5,000,000	5,058,116	4,913,850
US Treasury Notes	1.875	06/02/2021	5,000,000	5,050,747	4,895,700
US Treasury Notes	1.625	05/20/2021	5,000,000	5,032,095	4,895,750
US Treasury Notes	1.875	05/28/2021	5,000,000	5,054,290	4,889,050
US Treasury Notes	1.375	06/24/2021	10,000,000	10,055,439	9,709,000
US Treasury Notes	0.500	03/08/2021	10,000,000	9,980,548	9,760,300
US Treasury Notes	0.750	04/23/2021	10,000,000	9,995,564	9,753,300
US Treasury Notes	0.750	04/30/2021	5,000,000	4,993,932	4,864,450
US Treasury Notes	5.000	09/22/2023	10,000,000	9,997,446	10,007,200
US Treasury Notes	4.250	04/08/2024	5,000,000	4,986,234	4,999,950
US Treasury Notes	4.500	04/11/2024	5,000,000	4,984,575	5,013,700
US Treasury Notes	3.750	05/22/2025	10,000,000	9,955,773	9,997,700
US Treasury Notes	3.875	06/09/2025	5,000,000	4,985,987	5,011,349
Total Fixed Income Securities			<u>\$ 251,876,000</u>	<u>\$ 250,860,879</u>	<u>\$ 249,777,867</u>
Equity Securities					
Vanguard Inst Index Fund Inst Plus				\$ 103,113,066	\$ 233,168,540
Vanguard S&P Mid-Cap 400 Index Ist				22,951,467	40,182,168
Vanguard S&P Small-Cap 600 Index Ist				13,204,467	20,664,308
Total Equity Securities				<u>\$ 139,269,000</u>	<u>\$ 294,015,016</u>
Private Equity Investments (Due from State of Nevada's Component Unit)					
Nevada Capital Investment Corporation				<u>\$ 16,302,437</u>	

* Values do not include purchased interest

STATE OF NEVADA
PERMANENT SCHOOL FUND
SCHEDULE OF DISTRICT COURT FINES BY COUNTY
For the Year Ended June 30, 2025
(Unaudited)

Carson City	\$ 14,520
Churchill	16,388
Clark	155,953
Douglas	25,498
Elko	23,404
Humboldt	3,845
Lander	935
Lincoln	6,625
Lyon	17,762
Mineral	2,000
Nye	3,346
Pershing	419
Washoe	231,556
White Pine	12,688
Total	<u><u>\$ 514,939</u></u>

STATE OF NEVADA

PERMANENT SCHOOL FUND

SCHEDULE OF JUSTICE COURT FINES BY COUNTY

For the Year Ended June 30, 2025

(Unaudited)

Carson City	\$ 251,542
Churchill	27,291
Clark	2,420,423
Douglas	121,465
Elko	59,831
Eureka	20,942
Humboldt	27,338
Lander	8,880
Lincoln	44,442
Lyon	80,160
Mineral	1,800
Nye	240,545
Pershing	850
Washoe	948,515
White Pine	31,195
Total	<u><u>\$ 4,285,219</u></u>