S&P Global Ratings

RatingsDirect®

Summary:

Nevada; Appropriations; General Obligation

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Credit Profile		
US$19.225 mil GO (ltd tax) cap imp & historic preservation bnds ser 2022D due 06/30/2041		
Long Term Rating	AA+/Stable	New
US$6.74 mil GO (ltd tax) Natural Resources Bnds ser 2022E due 06/30/2025		
Long Term Rating	AA+/Stable	New
US$4.585 mil GO (ltd tax) open space pks & natural resource bnds ser 2022F due 06/30/2041		
Long Term Rating	AA+/Stable	New
Nevada GO		
Long Term Rating	AA+/Stable	Affirmed

Credit Highlights

- S&P Global Ratings assigned its 'AA+' rating to the State of Nevada's $30.4 million general obligation (GO) limited-tax bonds, series 2022D, 2022E, and 2022F.
- At the same time, S&P Global Ratings affirmed its 'AA+' long-term rating on Nevada's GO limited-tax bonds outstanding and its 'AA' rating on the state's appropriation-backed certificates of participation (COPs).
- The outlook on all ratings is stable.

Security

The state's GO bonds are secured by revenues from general ad valorem property taxes levied against all taxable property within Nevada's statutory combined overlapping levy limit of $3.64 per $100 of assessed value (AV), with two cents of the state's tax rate exempt from the statutory limitation. Debt service is structured to be funded with a consistent statewide property tax levy of 17 cents per $100 of AV. Statewide property taxes levied for GO bond repayment are collected and deposited into the consolidated bond interest and redemption fund. We consider this a general operating pledge and in accordance with our criteria, we generally rate these obligations on par with our view of the obligor's general creditworthiness.

The state will be issuing three additional series of bonds--series 2022G, 2022H, and 2022I--which will be rated separately using our long-term municipal pool criteria. (For more information regarding these issues, see our report on Nevada's safe drinking water and water pollution control revolving funds, published Oct. 31, 2022, on RatingsDirect.)

Proceeds from the 2022D bonds will fund provide funding for various capital improvement and historic preservation projects. The 2022 E bonds will finance environmental improvement projects for the Lake Tahoe Basin. The 2022F bonds will fund state parks and Department of Wildlife projects.

Credit overview

Better-than-anticipated revenue trends in the fiscal 2021-2023 biennium as well as the state's timely action to address previously identified budget cuts as needed support our 'AA+' rating and stable outlook on Nevada. The stable outlook reflects our view of stabilization in the state's economic and revenue trends supported by federal stimulus and aid packages, accumulation of strong reserves to weather initial effects of future economic downturns ,as well as recent improvements in tourism and leisure activity. Other favorable features of the state's credit profile include a low debt burden across most economic measures.

While the state could experience future fiscal and economic cyclicality due to its employment concentration in tourism and gaming and exposure to national consumer trends, we believe Nevada's strong financial management and currently very strong reserves will help the state weather softening revenue trends in future years. We expect management will maintain fiscal discipline and budgetary balance if trends begin to soften. The state's budgets have targeted unappropriated general fund reserves of at least 5% of appropriations, which provides some cushion to absorb unexpected fiscal shocks.

Nevada estimates it collected $1.01 billion more revenue in fiscal 2022 than the May 2021 forecast, which results in about $1.6 billion of total available general fund balances (before transfers to the rainy day fund) at the end of the fiscal year, which is very strong at over 25% of annual appropriations. The state deposited $295.8 million into the rainy day fund in fiscal 2022, in line with its rainy day fund replenishment mechanisms given the stronger revenue growth, exceeding a year-over-year annual increase of 7% in fiscal 2021. The rainy day fund has a current balance of $387 million, which is 8% of annual appropriations, and officials expect to make an additional deposit by the end of the year. We believe higher unappropriated balances and reserves offer budget flexibility in light of Nevada's cyclical and concentrated economy.

Nevada's 2021-2023 biennium budget totals almost $9.3 billion, which is 9.4% above 2019-2021 biennium spending levels. The spending plan includes assumed 2.3% growth in Medicaid caseloads incorporated into 12.2% budgeted growth in health and human services expenditures as compared to the previous biennial budget. The budget revised the education funding formula and restored education spending based on the rebound of tax revenue. The legislature also passed an increase to mining taxes that will add an estimated $150 million in revenue annually and will be dedicated to education after fiscal 2023.

We expect Nevada will continue to target healthy general fund balances, adhere to rainy day reserve replenishment mechanisms, and continue monitoring budget trends to take timely proactive action and restore budgetary balance when needed even as effects of federal assistance to states wane Federal stimulus and support to individuals have supported economic stabilization, while direct aid from enhanced Federal Medical Assistance Percentage (eFMAP), and the federal CARES and American Rescue Plan (ARP) acts boost liquidity and offset state costs associated with the COVID-19 pandemic. It authorized using a portion of ARP funds to replenish the unemployment insurance trust fund and cover public health emergency costs. The state intends to prioritize spending the balance of funds on various capital, community, and fiscal initiatives as prioritized in the "Every Nevadan Recovery Framework" plan.

Nevada remains dependent on tourism and gaming, which exposes it to revenue volatility. The state's employment base in 2021 reflected concentration in leisure and hospitality, which accounted for 22% of total employment, more than twice the national average of 9%. Direct gaming tax revenue, which also experienced heightened exposure in previous recessions, accounts for about 16% of the state's budgeted general fund revenues. We believe the structure of

Nevada's economy ties its growth prospects to those of the nation, characterized by stronger growth during expansion and more severe contractions in a downturn.

The state's economy, which depends on discretionary consumer spending, has benefited from federal stimulus aid that has supported consumer spending, which is a key factor for state revenues. We expect the performance of Nevada's economy to depend somewhat on the strength of the national economy. Continuing supply-chain disruptions along with higher inflation have led to a slowdown of the overall U.S. economy in the first half of 2022. Affected by an aggressive monetary policy, volatile energy prices, and the ongoing Russia-Ukraine conflict, S&P Global Economics has lowered its U.S. GDP growth forecast for 2022 to 1.6%, and o.2% for 2023 and expects the U.S. economy to fall into a shallow recession in the first half of 2023. (See "Economic Outlook U.S. Q4 2022: Teeter Totter," published Sept. 26, 2022, on RatingsDirect.)

S&P Market Intelligence estimates that Nevada's gross state product (GSP) growth decelerated to 3.1% in 2022 but was stronger compared to the nation's 1.7% GDP growth. The state's GDP growth is expected to mute further in 2023 to 2.1%. Nevada's employment levels are projected to rise 6.4% and 2% in 2022 and 2023, respectively, after losing a large 7.4% of jobs in 2020.

The 'AA+' rating reflects our view of Nevada's:

- Demonstrated willingness to address budget gaps with both cuts to spending and increased revenue measures when necessary;
- Strong budgetary reserves estimated at above 25% of expenditures at the end of fiscal 2022;
- Good constitutional protections, which require balanced budgets and give tax preference to debt service, as well as a commitment to, and a track record of, maintaining positive ending balances equal to a minimum of 5% on a budgetary basis; and
- Low total debt relative to the state's economy and a low debt burden as a portion of the state's budget.

Partially offsetting the above strengths, in our opinion, are the state's:

- Economy and revenue base that includes reliance on sectors sensitive to changes in discretionary consumer spending (tourism and gaming) and those with volatile performance (construction and real estate); and
- Relatively low pension funded ratios, coupled with actuarial assumptions and inputs that remain optimistic, in our view, exposing the state to higher future reported pension liabilities and costs.

Based on the analytic factors we evaluate for states, on a four-point scale in which '1.0' is the strongest and '4.0' is the weakest, we have assigned Nevada a composite score of '1.8', reflecting an anchor rating of 'AA+'.

Environmental, social, and governance

ESG credit indicators: E-3, S-2, G-2

We view the environmental risks, specifically natural capital, for Nevada as having a moderately negative influence on our credit analysis given the state's exposure to pervasive drought conditions and the potential for related slowing population and economic growth. Furthermore, a significant portion of the population relies on Lake Mead as its source of water. In light of recent declines in the lake's water levels, coupled with a fast-growing population, we expect management to balance growth with the availability of natural capital resources into the state's long-term plans, which could become increasingly important to credit quality. (See "Could The Western U.S. Drought Threaten Municipal Credit Stability?" Aug. 19, 2021.) We view Nevada's social and governance risks as being in line with our view of the sector as a whole. (See "ESG Credit Indicator Report Card: U.S. States And Territories," March 31, 2022.)

Outlook

The stable outlook reflects our view of stabilization in the state's economic and revenue trends and accumulation of strong reserves to weather the initial effects of an economic downturn, as well as continued improvements in tourism and leisure activity.

Downside scenario

Significant weakening in economic indicators or persistent revenue declines leading to deteriorating fiscal performance, or evidence of weaker commitment to maintaining strong overall reserves could lead to a downgrade.

Upside scenario

While unlikely within the rating outlook horizon, material diversification of the state economy and, higher wealth indicators while maintaining strong fiscal balance and reserves as well as long-term solutions that balance water supply and development, could support a higher rating.

Credit Opinion

Economy

Nevada's economy has shown significant growth in the last ten years, with compounded annual GSP growth in the previous five years significantly above the national rate. Following a 10% loss of employment during the COVID-19 pandemic, S&P Market Intelligence reports employment growth of 6.9% in 2021 and projected growth of 6.5% in 2022 as the state quickly adds back its lost jobs, which are being propelled by significant growth in the service industry. However, the state was especially vulnerable to contraction of the tourism sector during the COVID-19 pandemic as well as a general contraction of consumer credit during the Great Recession with its dependence on discretionary consumer spending and tourism. We believe the structure of its economy ties Nevada's growth prospects to those of the nation, characterized by stronger growth during expansion and more severe contractions in a downturn. However, because of the types of economic development now under way, we see the potential for this to change over time.

While Nevada's largest employment sector, leisure and tourism, has remained dominant since the recession, other sectors have experienced some growth. Diversification of the economy away from a disproportionate reliance on tourism and gaming and construction has long been a priority for the state, but the leisure and hospitality sector remained the highest sector of employment in 2021, with 21.6% of all jobs compared with a national average of 11%. We expect the concentration in leisure and hospitality to continue given Las Vegas' and Clark County's position as a major tourism destination for the country. Las Vegas visitor volume improved by 69% compared to the prior year to 32.2 million in 2021 but was about 75.8% of 2019 levels. Gross taxable gaming revenue has grown by 30.4% since fiscal 2019, while net gaming percentage fee collections to the state were 41.6% above 2019. While Las Vegas remains dominant as the largest U.S. commercial casino market, competition from gaming options, including the legalization of sports betting as well as competition from Native American casinos in California, could challenge future gaming activity in the state over time.

Nevada has regained and exceeded jobs lost during the recession. State unemployment of 7.2% in 2021 was above the national 5.3% rate. However, the unemployment rate gap compared with the nation has narrowed significantly in the current year with the August 2022 unemployment rate at 4.4% compared to 3.7% nationally. The state's job growth has been broad-based in recent years, but predominantly strong in the manufacturing, construction and mining, and financial activities sectors. The state's concerted efforts at economic development have afforded it some successes, including attracting several advanced manufacturing and technology companies to the Reno-Sparks metropolitan area. The state economic development office has provided incentives and tax credits to target specific industries, including emerging industry clusters. Expansion is expected to continue as Google has announced plans to invest over $30 million in its Henderson data center and the state continues to attract companies within the lithium-ion battery industries with relatively higher wages for employees. Such a higher wage industry would be a favorable development, in our view, because Nevada's per capita incomes have tended to lag those of the nation at 94%. The state's relatively low incomes present a near-term pressure but a long-term advantage because Nevada's attractiveness to employers due to lower labor costs could be beneficial to long-term diversification.

To the extent that the evidence of a broadening Nevada's economic base begins to take hold, we believe it's possible that the state's economy may prove somewhat more resilient in the future. On the other hand, it's also possible that its recent rapid ascent up the rankings of various economic indicators mostly represents the upside of cyclicality more than any fundamental change. Therefore, while certain aspects of Nevada's economic growth offer the promise that the state's economy is beginning to diversify, considerable uncertainty remains.

Economic growth is attracting in-migration, causing the state's population growth to run well ahead of that of the nation. The population has increased at a compounded annual growth rate of 1.5% in last ten years, whereas the nation's population rose 0.6%. As of 2021, per capita personal income in Nevada has improved slightly to 94% of the nation but is still down considerably from 2007, when it was 101%. Nevada's 10-year GDP compounded annual growth rate of 2.03% lags the national 2.1% rate. However, Nevada's growth has accelerated significantly with compounded annual real state GDP growth in the previous five years exceeding national trends, including 8.9% in 2021, which outpaced that of the nation's 5.9% rate. Recent trends, though, indicate another period of contraction in the near term.

On a four-point scale in which '1.0' is strongest and ''4.0' is the weakest, we have assigned a score of '2.0' to Nevada's economy.

Governmental Framework

The Nevada Constitution requires that the state operate with a balanced budget, including on an intrayear basis. Taxes or other revenues can be increased only with a two-thirds vote of the legislature, curtailing the state's fiscal flexibility, but the legislature has broad legal latitude to adjust spending levels. The state has also demonstrated willingness to reduce local support when state revenues weaken.

Nevada is a voter-initiative state, but electoral hurdles are higher than in some states, particularly for constitutional amendments, which require voter approval in two consecutive elections. GO bonds in Nevada enjoy a preferential status: If the proposed overlapping tax rate for any entity in a county would exceed the state's statutory tax rate limitation, those entities must lower taxes to be levied for uses other than GO bond repayment to accommodate the tax levy for GO debt service.

On a four-point scale in which '1.0' is the strongest and '4.0' is the weakest, we have assigned a score of '1.4' to Nevada's governmental framework.

Financial Management

We consider Nevada's management practices good under our financial management assessment (FMA) methodology. An FMA of good indicates our view that practices are currently good but not comprehensive. Nevada's operating forecasts mirror what the state's Economic Forum produces: a projection of revenue performance for the remainder of the current biennial budget cycle and the coming biennium--essentially a three-year revenue forecast--informed by third-party economic analysis. State officials review and revise their operating forecast monthly if they consider it necessary. Policy also directs reserve replenishment for both the general and stabilization funds. We understand that the state does not currently maintain a 10-year capital improvement program for new construction, although individual agency plans are in place for building maintenance and corrections needs.

By statute, the governor must present a budget that provides for a general fund reserve of at least 5% of appropriations and authorizations. In addition, state statutes include provisions for the funding of a stabilization account. The statute requires that, starting in fiscal 2017, after the close of the fiscal year but before the issuance of the annual financial report, the state controller deposit into the stabilization account 1% of the total Economic Forum-projected revenue for the fiscal year, as adjusted by any legislation that would affect the expected amount. The requirement to deposit funds into the stabilization account may be waived when the governor and legislature declare a fiscal emergency or if revenues fall more than 5% below forecast. Another provision calls for the state to deposit 40% of the portion of any ending general fund balance in excess of 7% of appropriations. Debt management and investment management policies have also been established, with the state regularly publishing a debt affordability report for each biennium. The Nevada Board of Finance, which consists of the governor, controller, treasurer, and two appointed members, reviews the investment management policy every four months. The state constitution limits debt to 2% of AV (with some exceptions).

Budget management framework

The Economic Forum prepares revenue forecasts each December of even-numbered years and each May of odd-numbered years, to coincide with the biennial budget cycle. The forum can and has produced additional updated forecasts when fiscal conditions warrant midbudget cycle attention. For each biennium, once the state's budget is adopted, any subsequent changes to appropriation levels become the domain of the legislature's interim finance committee. However, Nevada has demonstrated willingness to provide timely--and structural--budget solutions when confronting previously projected budget deficits. Although some of the solutions were temporary, they were structural in that they did not increase the state's liabilities. Deficits are not carried forward, but, throughout the post-recessionary years, it has been required that Nevada remain vigilant about its expenditure growth and have a willingness to make adjustments to both the revenue and spending side of its income statement.

On a four-point scale in which '1.0' is the strongest and '4.0' is the weakest, we have assigned a score of '2.0' to Nevada's financial management.

Budgetary Performance

The enacted 2022-2023 biennium general fund budget totals almost $9.9 billion, or about 11% above the previous biennium budget. Spending increases in the biennial budget reflect higher grade K-12 spending, as well as replenishing the state's rainy day fund, which was depleted in 2020.The budget includes the required 5% minimum general fund balance and officials project about $387 million in rainy day funds at the end of calendar 2022, for a combined budgetary fund balance above 25% of expenditures, which we consider very strong. In fiscal 2022, unaudited general fund revenue of almost $5.5 billion exceeded the previous year by 12.6%.

The combined unappropriated general fund balance and stabilization reserve at June 30, 2021, represents about $1.5 billion, or about 25% of expenditures, which we consider very strong. Officials transferred $47.2 million to the rainy day fund in July 2022 based on the 1% of anticipated revenue for fiscal 2021 and a $295.8 million transfer based on the estimated fiscal 2021 unrestricted fund balance that exceeds 7% of appropriations. The maximum balance allowed in the stabilization account is 20% of the total of all general fund appropriations made for the operation of the government, the funding of schools, and the regulation of gaming. The enacted budget provides for projected year-end general fund reserves above the required 5% minimum levels. The state also has established five accounts to reserve funds for various contingencies totaling $31.7 million as of September 2012, most of which are restricted for specific purposes.

Some risks to the state, in our opinion, include the economic downturn leading to declines in construction and tourism, or reductions to federal funding. However, recent balanced budget performance and growing reserves in the context of recent economic growth that has outpaced the nation help position Nevada more favorably for a downturn.

Sales taxes represented about 29% of general fund tax revenue and gaming and entertainment taxes represented about 16% in 2022. Sales tax is not imposed on fuel, prescription drugs, food for home consumption, and most services. In addition, Nevada imposed a modified business tax and a commerce tax, which represent a combined 20% of general fund revenue.

Fiscal 2021 audited results

On an audited basis, the state's general fund experienced a $881million surplus after transfers, or 7.6% of expenditures. Nevada's results leave the state's general fund with a total fund balance of $1.4 billion, or a good 12.3% of expenditures on a generally accepted accounting principles (GAAP) basis (which, unlike the budgetary basis, is measured against a larger amount of spending, including intergovernmental outlays). However, as reported pursuant to Governmental Accounting Standards Board (GASB) 54, approximately $254 million of the state's fund balance is either nonspendable or restricted. The committed fund balance includes almost $356 million in the stabilization account, which is available for fiscal emergencies.

Liquidity

General fund liquidity, which is strong on both an intra- and inter-year basis, is a positive credit factor, in our view, because state law provides that the bond interest and redemption fund will borrow from the general fund if it is ever insufficient to pay debt service. Nevada would repay general fund loans from future property tax collections. The state's liquidity has remained consistently well above the treasurer's minimum $200 million target.

On a four-point scale, in which '1.0' is strongest and '4.0' is the weakest, we have assigned a score of '1.8' to Nevada's budgetary performance.

Debt And Liability Profile

Total GO debt of $1.1 billion included $79 million of self-supporting GO bonds, as of June 30, 2021. Nevada levies and collects property taxes for the repayment of its GO bonds. The state does not levy statewide property taxes for the repayment of the self-supporting GO bonds. However, if the revenues pledged to the self-supporting GO bonds are insufficient, self-supporting GO debt has an equivalent claim on statewide property taxes and the state general fund as does Nevada's other GO debt.

Total tax-secured debt of about $1.9 billion as of June 30, 2021 (net of self-supporting GO amounts)--and including the state's highway improvement revenue bonds--is what we consider low, at 1% of state GDP and 1% when measured as a share of personal income. Total per capita debt, including state highway bonds, is moderate, in our view, at $613 million. GO debt is all fixed rate; the state has no variable-rate exposure or interest rate swaps. Annual net debt service of tax-secured debt equaled 2.2% of the state's fiscal 2021 general, bond interest and redemption, and highway improvement funds spending, which we consider moderate.

In 2016, the state entered into a lease-purchase agreement with the Nevada Real Property Corp. (NRPC) for the construction of its Legislative Counsel Bureau. Under terms of the agreement, the state will make rent payments to NRPC for use of the building through 2026 totaling $3.7 million plus interest payments. While the debt was privately placed, we view the events of default as standard but subject to prepayment under indenture following an event of non-appropriation or event of default under the financing lease. However, we consider state resources sufficient to mitigate a small amount of potential acceleration.

The state constitution limits total GO debt to 2% of total AV (with certain allowable GO debt excluded from the calculation). With existing GO debt subject to the limitation ($1.08 billion), at 1% of total AV, Nevada retained about 70.2% of debt capacity as of Oct. 1, 2022. Statewide AV has increased by about 7.6% per year, on average, in the past five years to total $167.1 billion in fiscal 2023. However, due to state law that restricts the growth of property tax revenue through abatement, property tax revenue does not grow or decline commensurate with AV growth and is another parameter for additional state GO debt issuance.

Pensions and other postemployment benefits

Nevada has three statutorily established pension plans of which the largest is the Nevada Public Employees' Retirement System (PERS), a cost-sharing, multiple-employer plan that benefits state employees, and to eligible employees of participating local government entities. The other systems providing pension benefits include the Legislators' Retirement System of Nevada (LRS), as well as the Judicial Retirement System of Nevada (JRS).

We calculate Nevada's unfunded pension liability at about $1.54 billion in fiscal 2021, incorporating the state's share of the total PERS liability and including the LRS and the JRS single-employer plans. We view the state's unfunded pension liability at $491 per capita and 0.8% of personal income as low, which is favorable. However, we consider its overall three-year average pension funded ratio relatively low at 80%. The ratio improved to 87% funded position in fiscal 2021 compared with 77% in fiscal 2019, due to very strong investment returns.

Although state has funded its actuarially determined contribution (ADC) in recent years, we calculate that total annual plan contributions in the previous three years did not cover our minimum funding progress metric. In terms of funding the statutory contribution, rates are set every biennium based on ADC rates. While the preset contributions have fallen slightly below the ADC in some years due to payroll assumptions not meeting expectations, the state has consistently funded annual required contributions as required by law. Pension contributions are set to equal the ADC by statute, but statutory contribution rates are set by comparing current contribution rates to the ADC from the most recent odd-numbered year during the biennial budget process and have historically fallen short of the ADC because they are not adjusted after the budget is adopted. Statutes dictate upward adjustment of contribution rates only if the new rates are more than 0.5% higher than the existing employer rate and will only be adjusted downward if the new rates are more than 2.0% lower than existing employer rates. Employees and employer contributions are split 50%.

Overall, we believe that management factors and actuarial inputs for PERS do not significantly encumber or improve our view of the state's overall pension funding discipline. The PERS does not project an asset depletion date under GASB 67, which we believe is reasonable given the current practice to set contribution levels equal to the ADC. Nevada has adopted more conservative assumptions following the 2021 experience study (as required by statute), which we believe could improve funding progress over time. Adopted changes to actuarial assumptions include reducing the investment rate of return to 7.25% (from 7.5%), changing the inflation rate to 2.5% from (from 2.75%), and updating mortality assumptions. However, we believe actuarial inputs, discount rate, and payroll growth still include somewhat optimistic assumptions, which understate liabilities despite recent changes. This has the effect of delaying contributions to the unfunded liabilities and could result in significant increases to required contributions in future years.

The ratio of active members to beneficiaries in the system equals 1.4, which we view favorably as being well above the median national ratio of 1.3. We believe the system incorporates experience trends and industry standards into its experience study and produces such a study every four-to-six years. Officials have indicated targeting experience studies within four years from now on, which we view favorably provided it incorporates industry trends and standards. The five-year average rate of return reported as of fiscal 2019 was about 12.4%, which significantly exceeds the assumed 7.25% rate of return, and which remains somewhat optimistic, in our view. When calculating its ADC, PERS assumes a closed amortization period with additional unfunded actuarial accrued liability progressing toward being amortized over 20 years. However, the amortization schedule is calculated on a level-percentage basis, which uses projected payroll growth to defer additional contributions.

As of the June 30, 2021 valuation, the state's net other postemployment benefit (OPEB) liability was measured at about $882.4 million, or a relatively low $400 per capita. During the 2011 legislative session, the state eliminated the eligibility for a retiree health care cash subsidy for state employees hired after Jan. 1, 2012. This action, in addition to changing to a high-deductible health plan and increasing beneficiary premiums, reduced Nevada's actuarial accrued liability to $977 million as of June 30, 2011, from $1.87 billion as of June 30, 2010. The annual OPEB cost to the state in fiscal year 2021 for the Public Employee's Benefits Program (PEBF) was only $264 million. However, Nevada continues to fund the annual benefit on a pay-as-you-go basis.

Although, in our view, the state has demonstrated a willingness to actively manage its pension system, we believe the still-optimistic actuarial assumptions remain a pressure on the pension liabilities and could erode Nevada's commitment to improve funding levels over time. However, it is our view that the currently low-to-moderate debt levels and demonstrated flexibility from changes to OPEB liability help support Nevada's good liability profile.

On a four-point scale, in which '1.0' is strongest and '4.0' is the weakest, we have assigned a score of '1.7' to Nevada's debt and liability profile.

Related Research

- Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022

Ratings Detail (As Of October 31, 2022)		
Nevada GO		
Long Term Rating	AA+/Stable	Affirmed
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Long Term Rating	AA+/Stable	Affirmed
Nevada GO		
Long Term Rating	AA+/Stable	Affirmed

Ratings Detail (As Of October 31, 2022) (cont.)		
Nevada GO		
Long Term Rating	AA+/Stable	Affirmed
Nevada GO		
Long Term Rating	AA+/Stable	Affirmed
Nevada GO		
Long Term Rating	AA+/Stable	Affirmed
Nevada GO (AGM) (SECMKT)		
Unenhanced Rating	AA+(SPUR)/Stable	Affirmed
Nevada GO (FGIC) (National)		
Unenhanced Rating	AA+(SPUR)/Stable	Affirmed
Nevada APPROP (AGM)		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
Nevada APPROP (MBIA) (MBIA of Illinois)		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
Nevada Real Prop Corp, Nevada		
State of Nevada, Nevada		
Nevada Real Prop Corp (Nevada) APPROP		
Long Term Rating	AA/Stable	Affirmed
Nevada Real Prop Corp (Nevada) APPROP		
Long Term Rating	AA/Stable	Affirmed
Nevada Real Prop Corp (Nevada) APPROP		
Long Term Rating	AA/Stable	Affirmed

Many issues are enhanced by bond insurance.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.