

• 2019

MINING THROUGH UNCERTAINTY

The Importance of Minerals in Our Lives

EVERY AMERICAN BORN THIS YEAR WILL NEED...

3.19M lbs of minerals, metals and fuels in their lifetime

7.70M cu. ft NATURAL GAS	1.36M lbs STONE, SAND & GRAVEL	330,573 lbs COAL	75,327 gal PETROLEUM	53,071 lbs CEMENT
30,190 lbs SALT	20,127 lbs IRON ORE	14,337 lbs PHOSPHATE ROCK	12,182 lbs CLAYS	2,066 lbs BAUXITE (ALUMINUM)
980 lbs COPPER	953 lbs LEAD	466 lbs ZINC	1.54 troy oz GOLD	62,648 lbs OTHER MINERALS & METALS

Source: Minerals Education Coalition, National Mining Association, the U.S. Geological Survey and the U.S. Energy Information Administration

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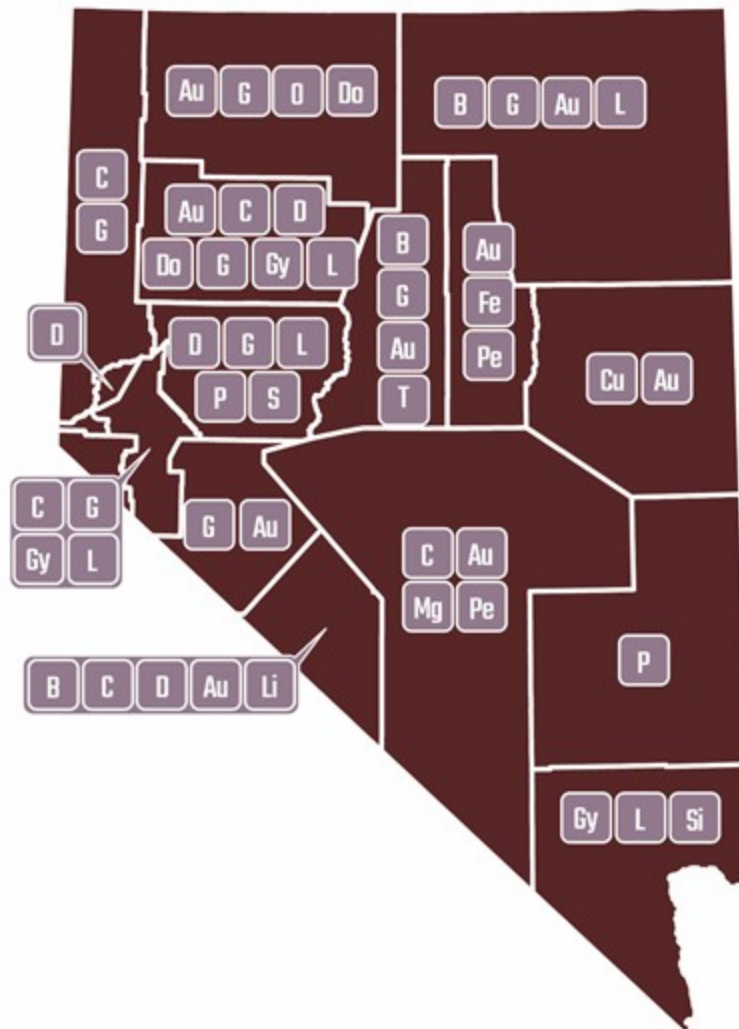


How Stable is Mining Production in Nevada?

Nevada Mining Operations

103

Active Operations
in 2018



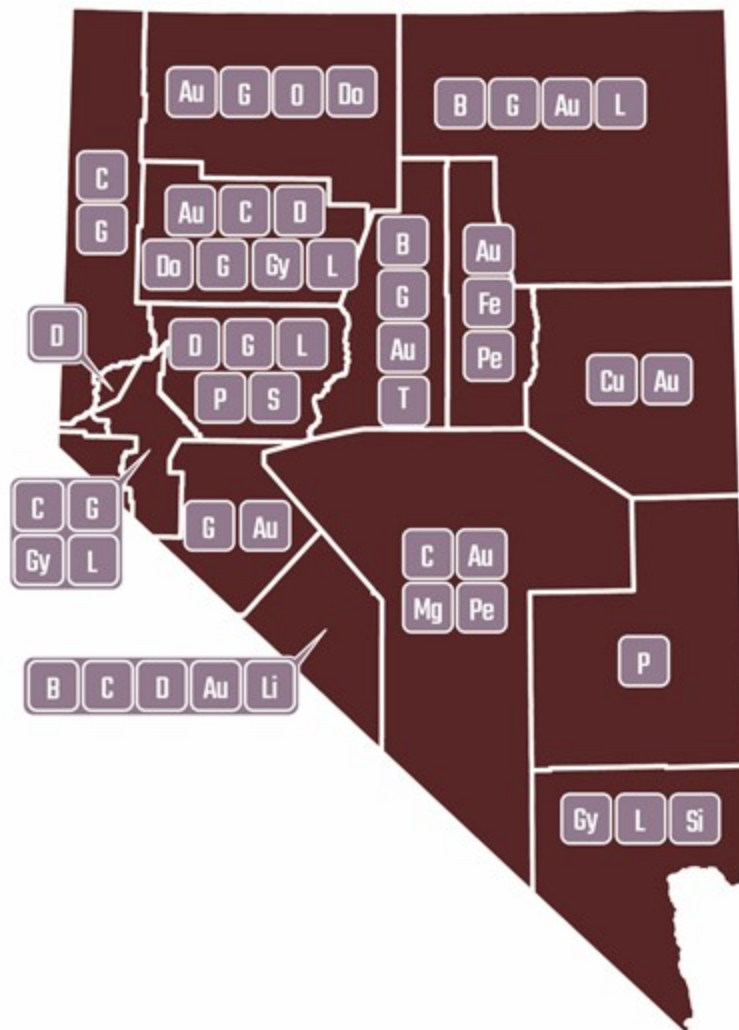
- | | | | |
|----|------------|----|------------|
| B | Barite | Li | Lithium |
| C | Clay | Mg | Magnesium |
| Cu | Copper | Mo | Molybdenum |
| D | Diatomite | O | Opals |
| Do | Dolomite | P | Perlite |
| G | Geothermal | Pe | Petroleum |
| Au | Gold | S | Salt |
| Gy | Gypsum | Si | Silica |
| Fe | Iron Ore | Ag | Silver |
| L | Limestone | T | Turquoise |

Source: Nevada Department of Taxation

Nevada Mining Operations

\$7.7B

Gross Proceeds of Minerals in 2018



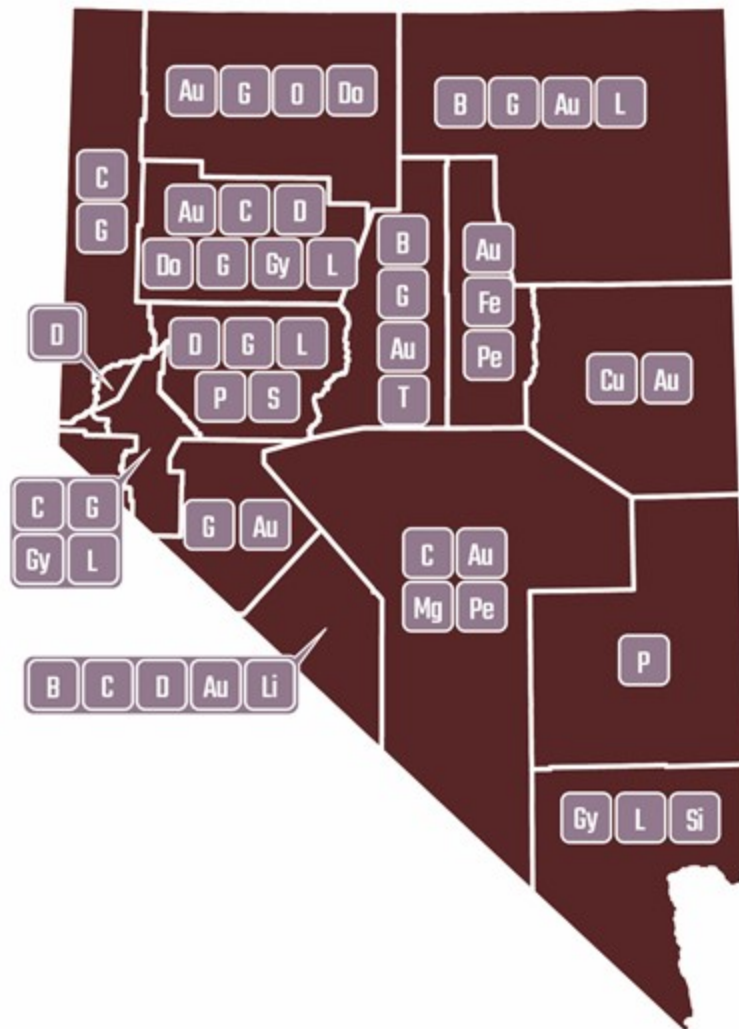
- | | |
|---------------------|----------------------|
| B Barite | Li Lithium |
| C Clay | Mg Magnesium |
| Cu Copper | Mo Molybdenum |
| D Diatomite | O Opals |
| Do Dolomite | P Perlite |
| G Geothermal | Pe Petroleum |
| Au Gold | S Salt |
| Gy Gypsum | Si Silica |
| Fe Iron Ore | Ag Silver |
| L Limestone | T Turquoise |

Source: Nevada Department of Taxation

Nevada Mining Operations

-4.1%

Annual Gross Proceeds
Loss from 2017 to 2018



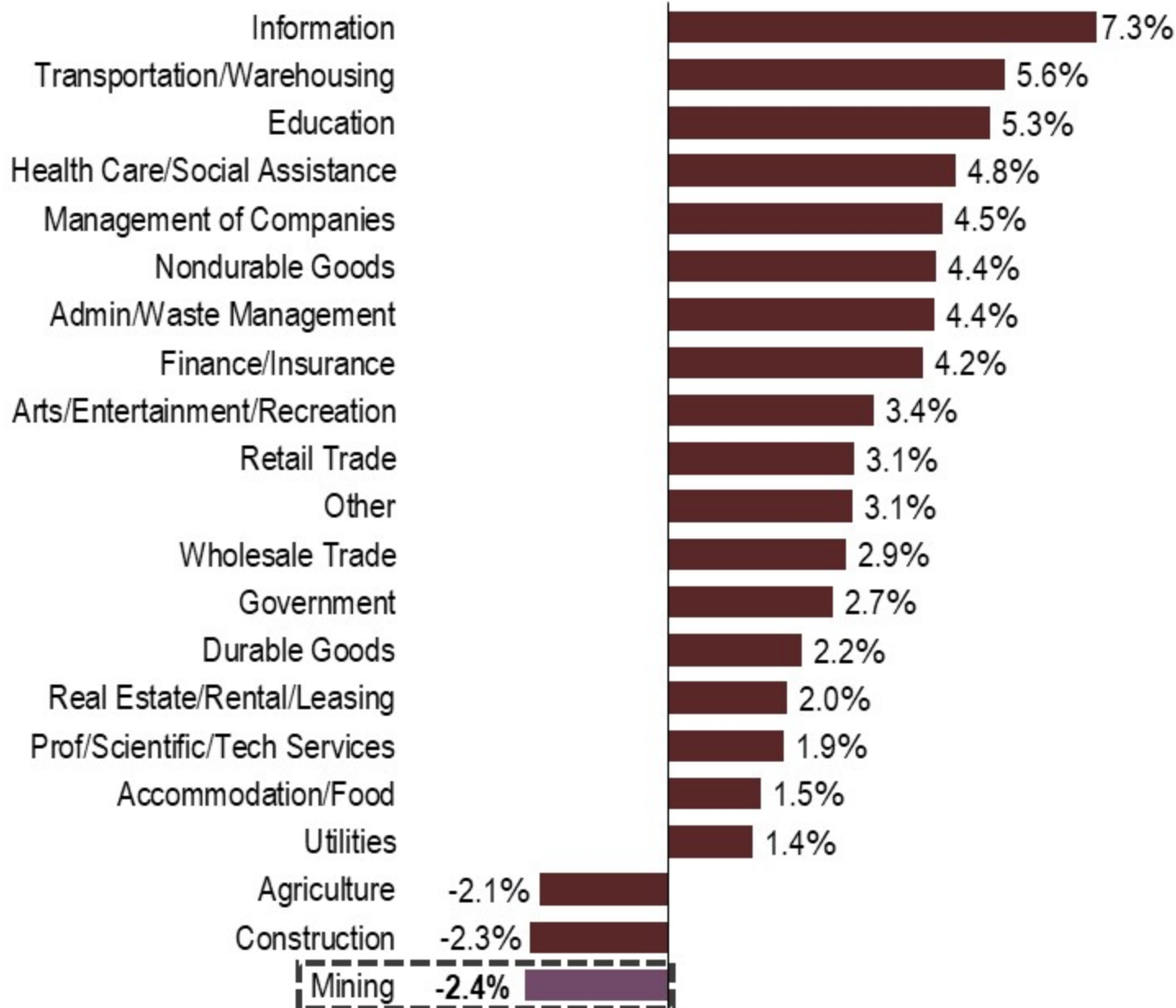
- | | |
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Source: Nevada Department of Taxation

Nevada GDP Growth by Sector

2008-2018 Compound Annual Growth Rate

All Industries Total:
+2.5%



Source: United States Bureau of Economic Analysis

Mineral Production

Past 12 Months



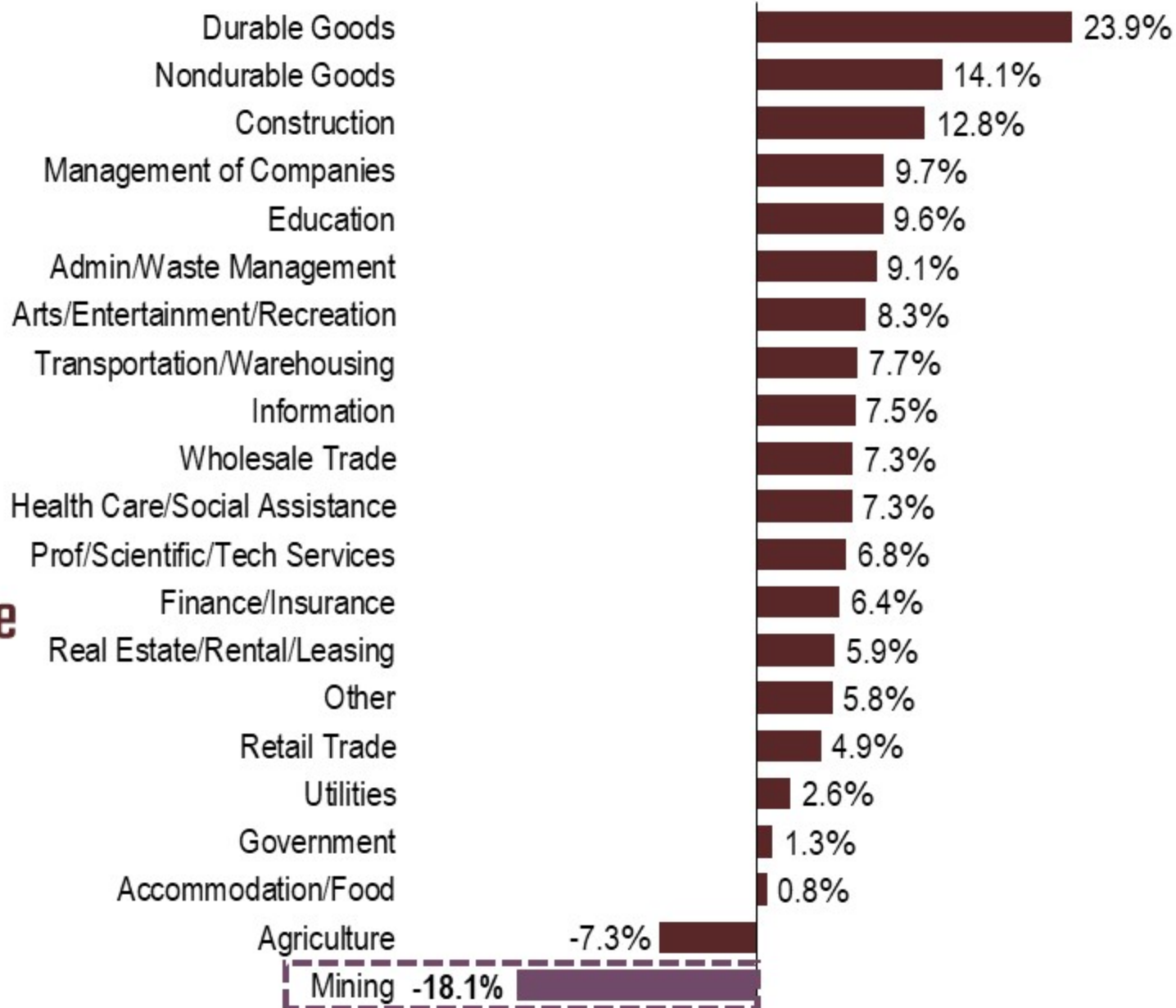
■ Increased ■ Remained About the Same ■ Decreased ■ Refused/NA

Source: NvMA 2019 Survey

Nevada GDP Growth by Sector

2017-2018 Compound Annual Growth Rate

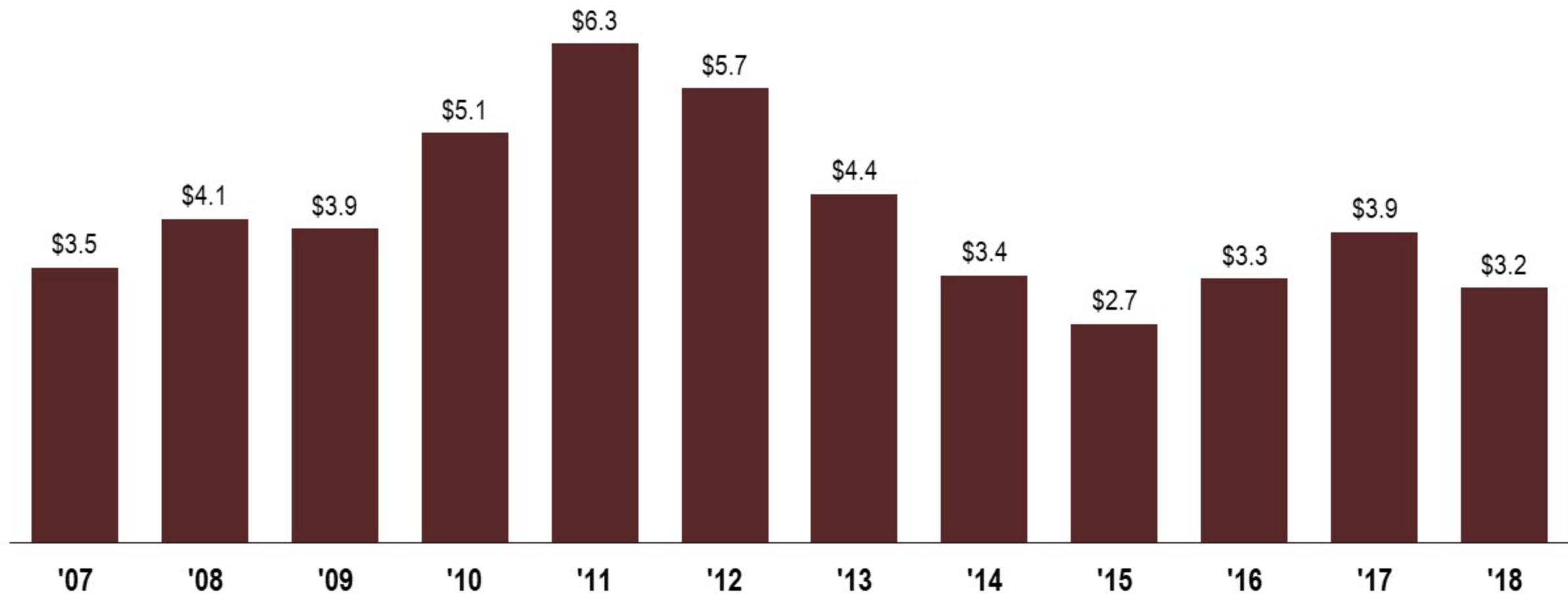
All Industries Total:
+5.6%



Source: United States Bureau of Economic Analysis

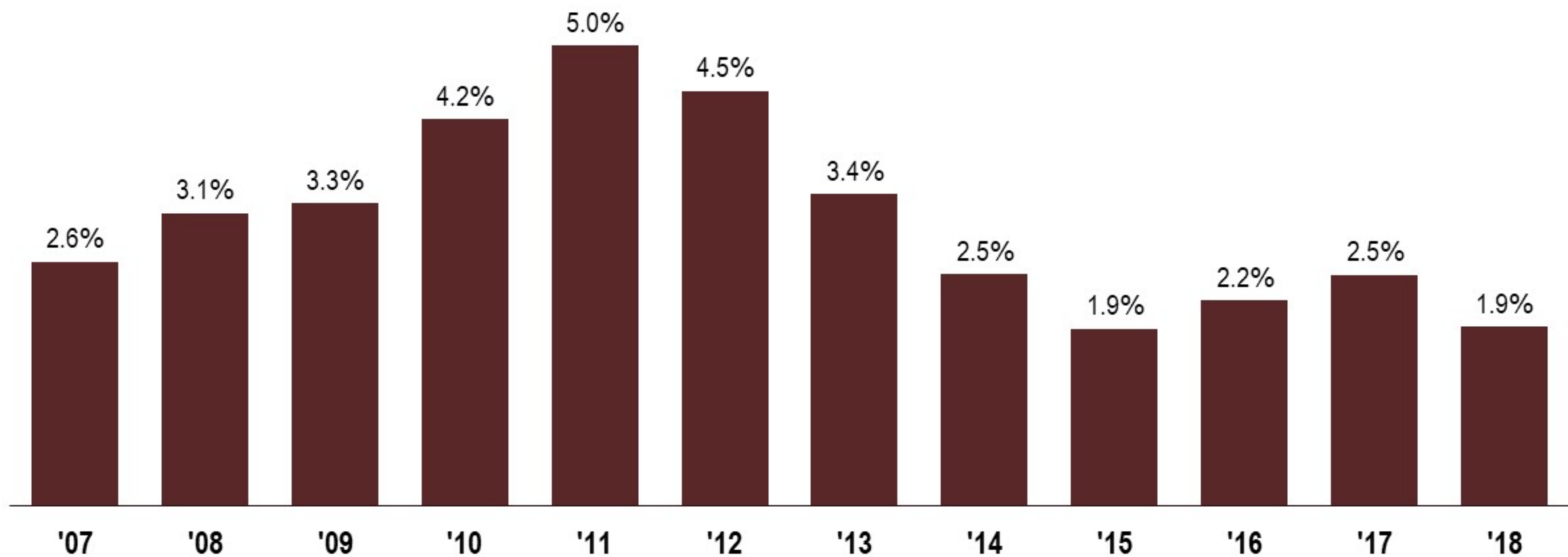
Mining Gross Domestic Product (In Billions)

Nevada



Source: United States Bureau of Economic Analysis

Mining GDP Share of All Industry Total Nevada



Source: United States Bureau of Economic Analysis

Mineral Production

Next 12 Months



■ Increase ■ Remain About the Same ■ Decrease ■ Refused/NA

Source: NvMA 2019 Survey

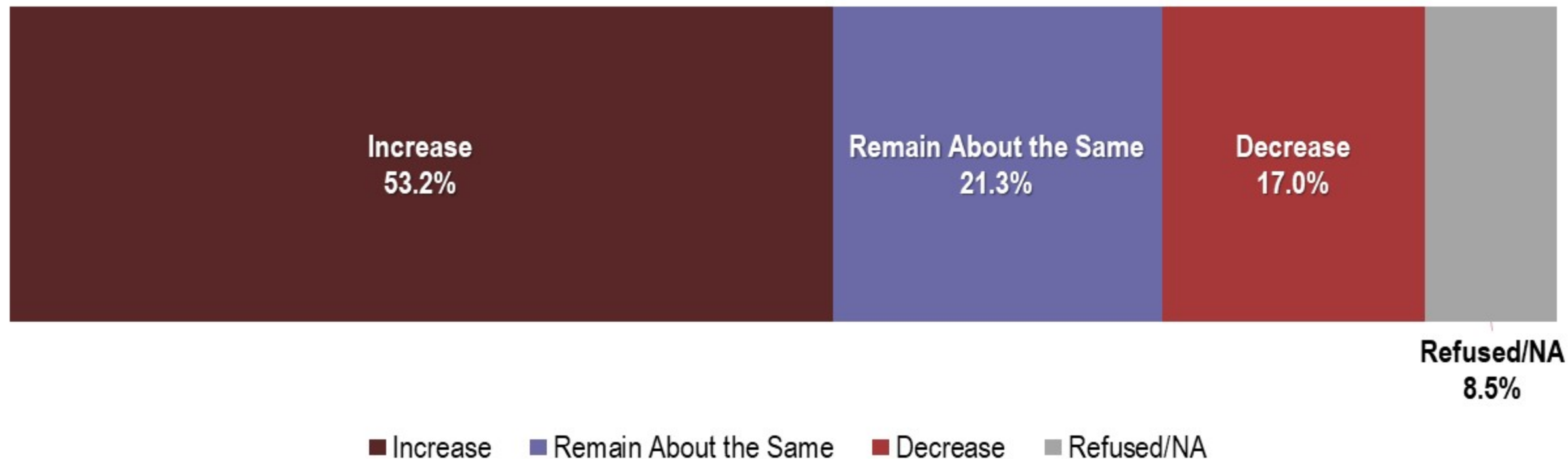
Business Revenues or Sales Past 12 Months



■ Increased ■ Remained About the Same ■ Decreased ■ Refused/NA

Source: NvMA 2019 Survey

Business Revenues or Sales Next 12 Months



Source: NvMA 2019 Survey


Business Profitability

Past 12 Months



■ Increased ■ Remained About the Same ■ Decreased ■ Refused/NA

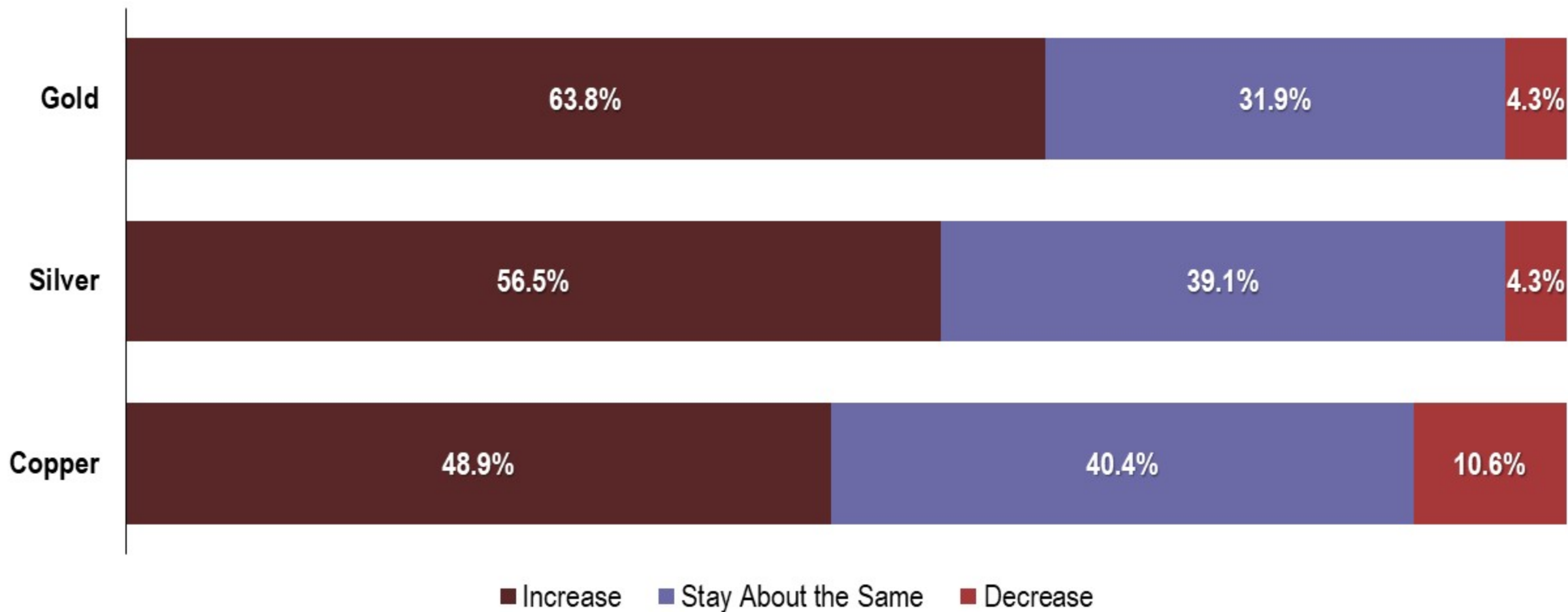
Source: NVMA 2019 Survey



Are Commodity Prices Going to Increase?



Commodity Price Next 12 Months



Source: NVMA 2019 Survey



Price Change Over the Past Year

COMMODITY	OVER THE PAST YEAR (ACTUAL)			PROJECTED IN NEXT 12 MONTHS	
	AUGUST 2018		AUGUST 2019	INCREASE	DECREASE
Gold (per Troy Oz.)	\$1,180	▲	\$1,515	63.8%	4.3%
Silver (per Troy Oz.)	\$14.61	▲	\$16.93	56.5%	4.3%
Copper (per Pound)	\$2.72	▼	\$2.59	48.9%	10.6%

Source: NVMA 2019 Survey

Price of Gold

USD per Troy Ounce



Source: London Bullion Market Association

Price of Gold

USD per Troy Ounce



Source: London Bullion Market Association; NvMA 2019 Survey

Price of Silver

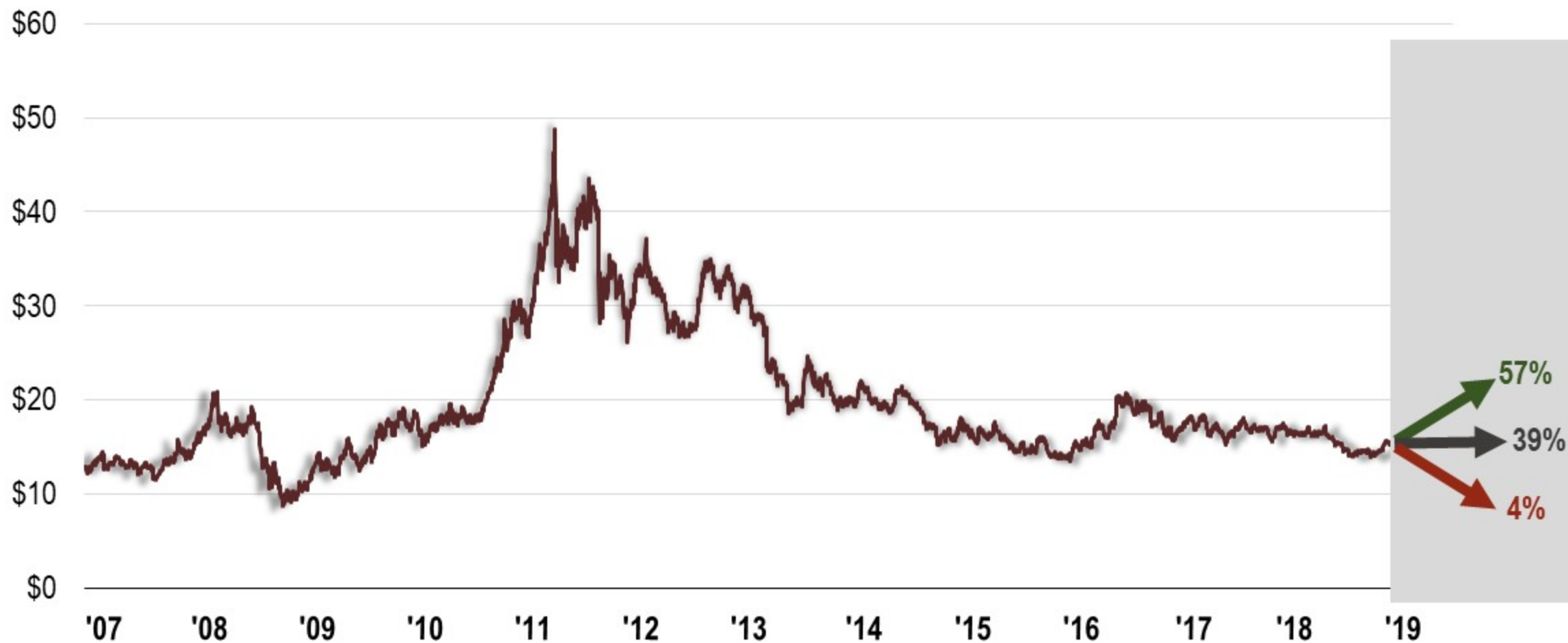
USD per Troy Ounce



Source: London Bullion Market Association

Price of Silver

USD per Troy Ounce



Source: London Bullion Market Association; NvMA 2019 Survey

Price of Copper

USD per Pound



Source: London Metal Exchange

Price of Copper

Next 12 Months



Source: London Metal Exchange; NvMA 2019 Survey



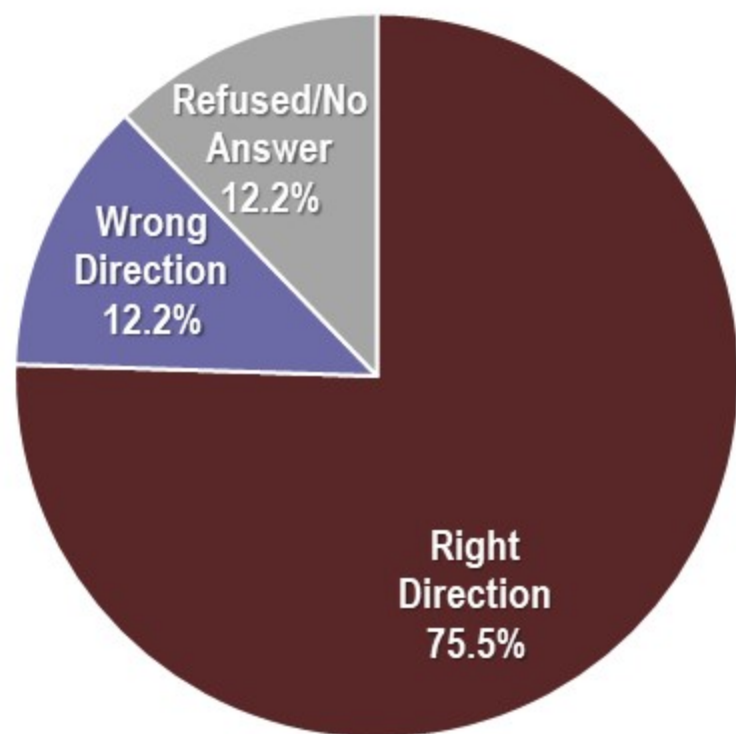
What is the Outlook for the Mining Industry **in Nevada?**



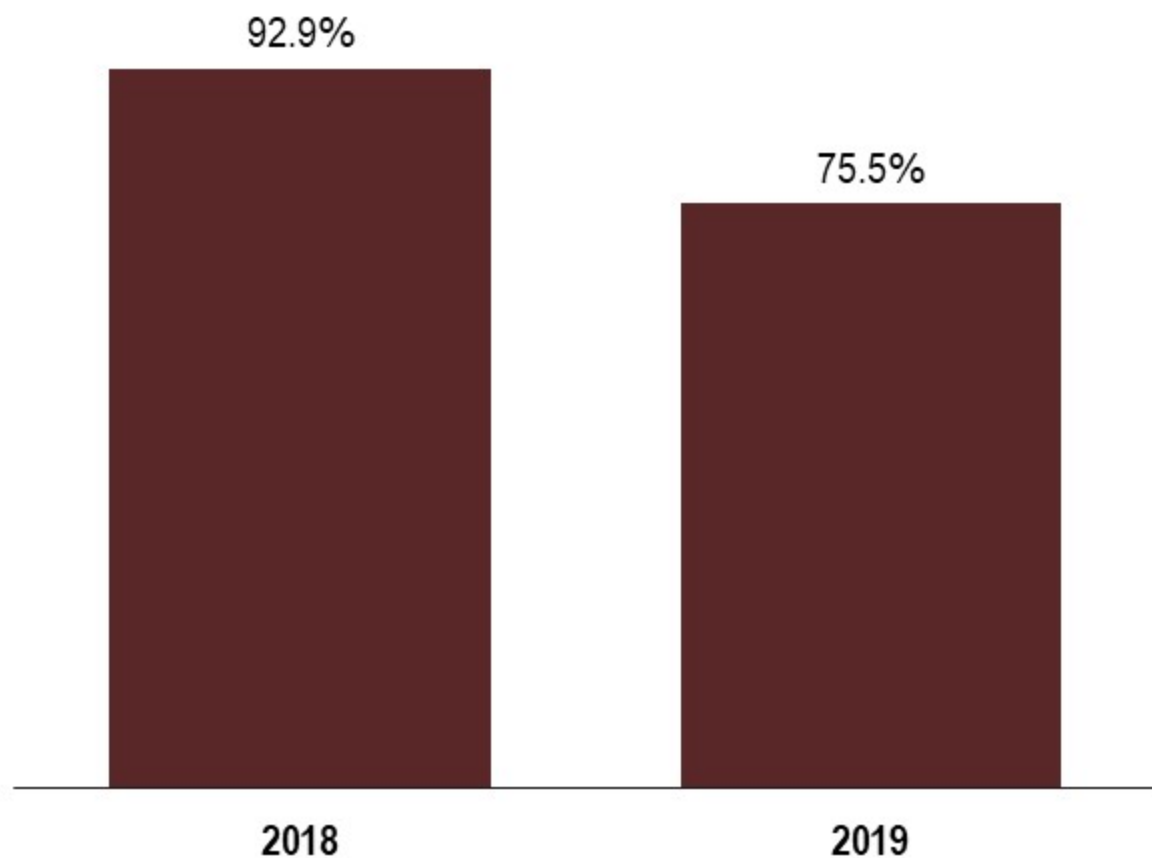
Nevada's Economy



2019 Annual Survey



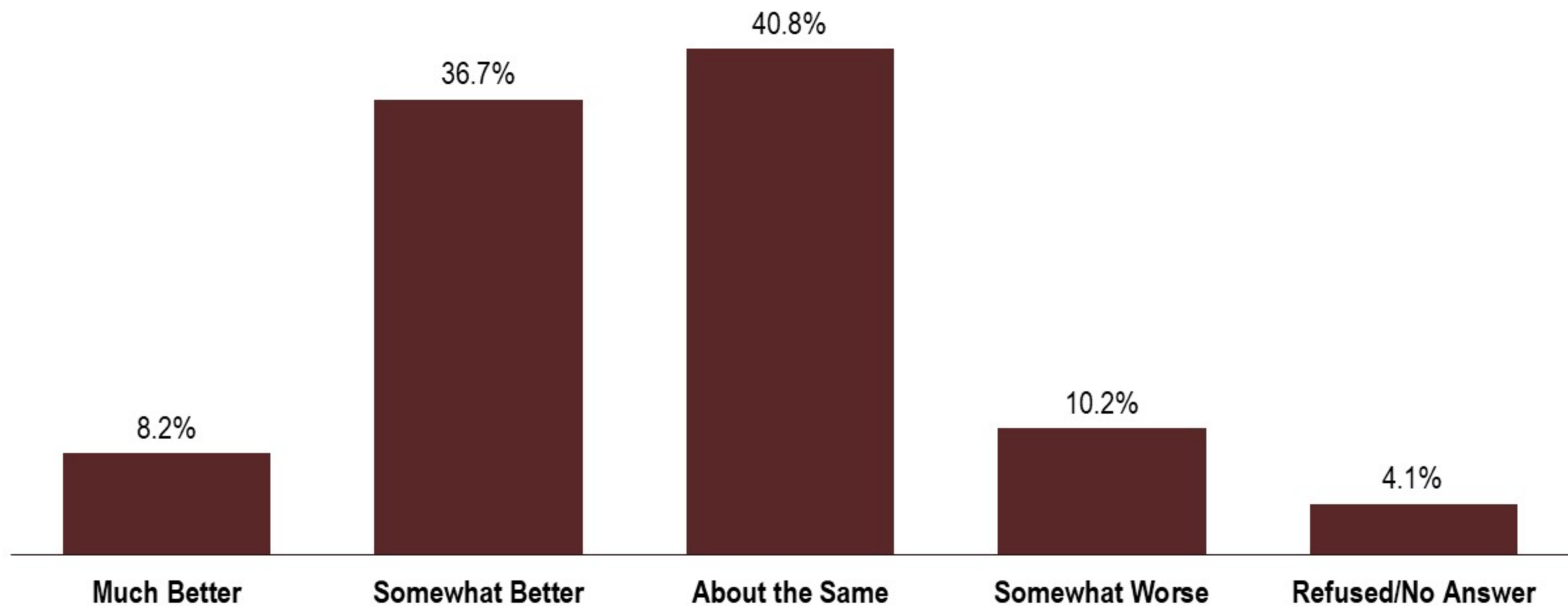
"Right Direction" Prior Year Comparison



Source: NvMA 2019 Survey

Business Environment in Nevada

Past 12 Months



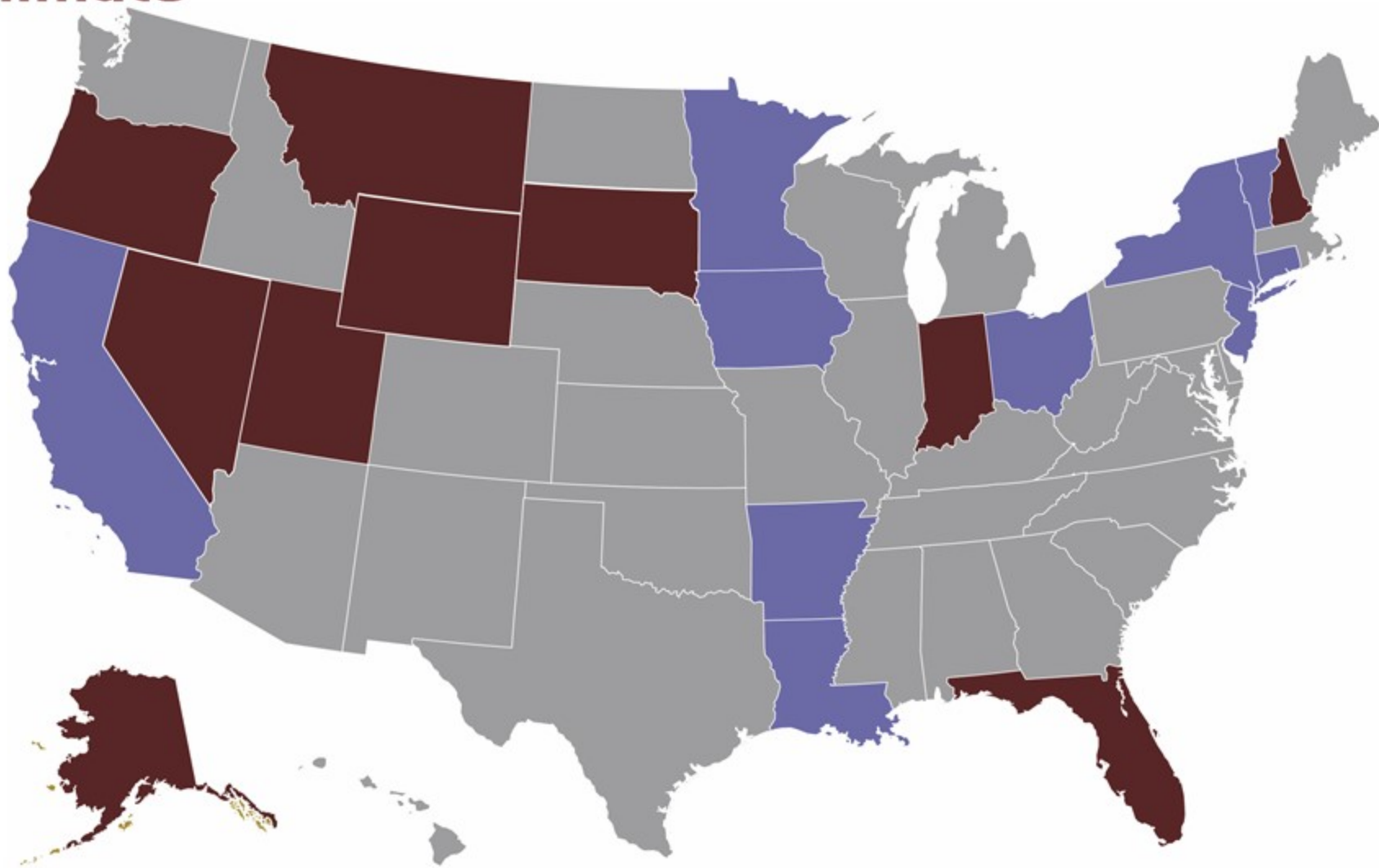
Source: NvMA 2019 Survey

State Business Tax Climate

Nevada has the
9th
Best Business Tax
Climate in the U.S.

Best Tax Climate

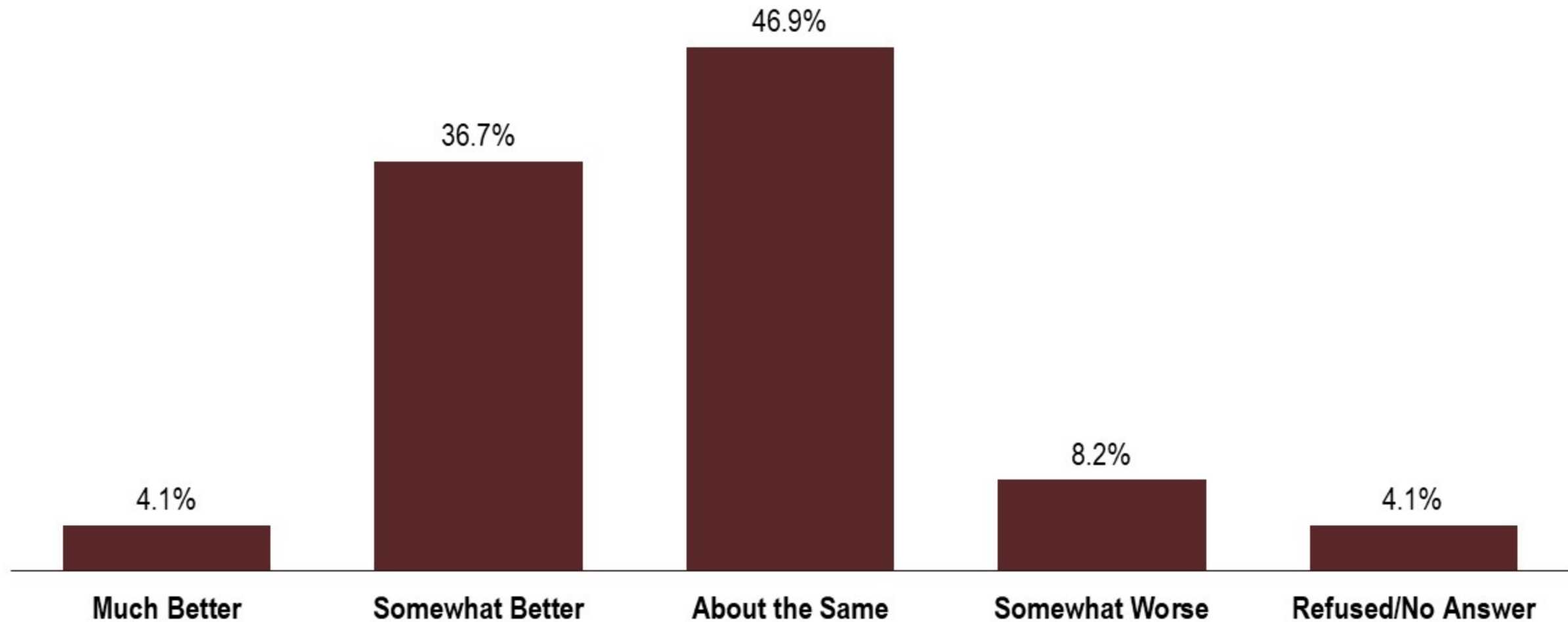
Worst Tax Climate



Source: Tax Foundation

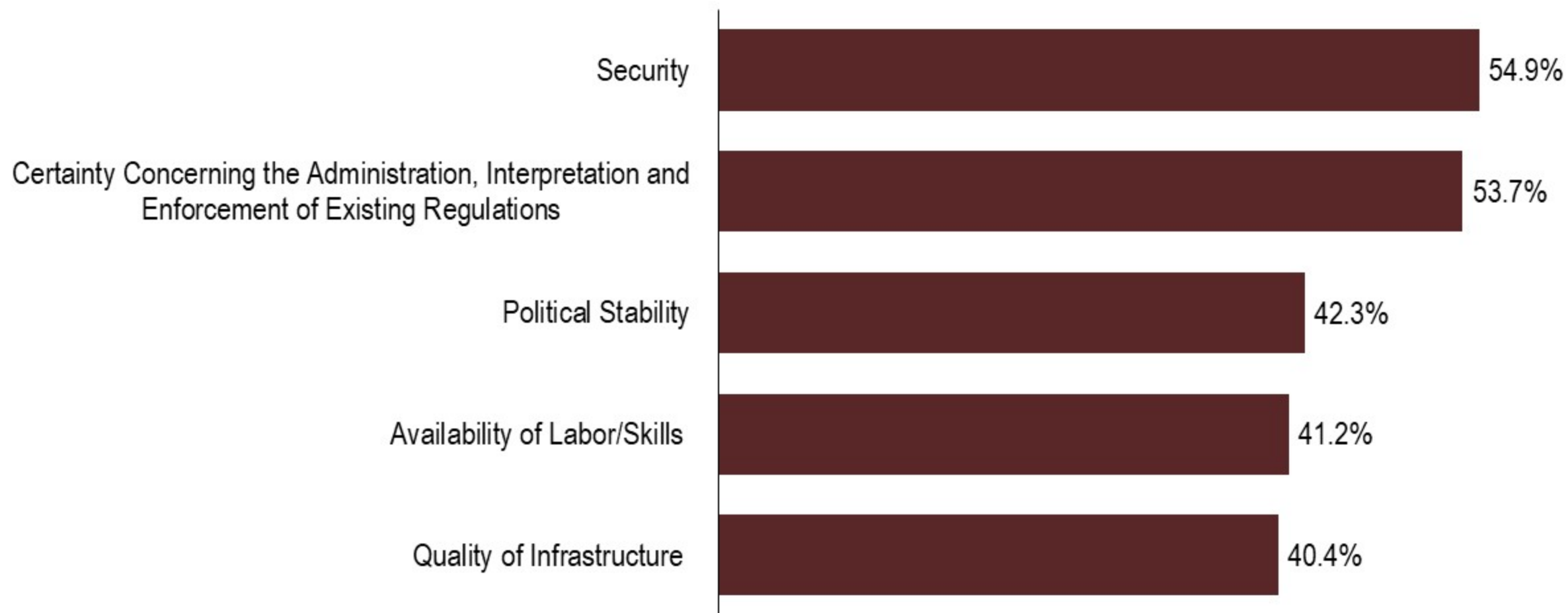
Business Environment in Nevada

Next 12 Months



Source: NvMA 2019 Survey

Elements of Nevada Mining that Most Encourage Investment



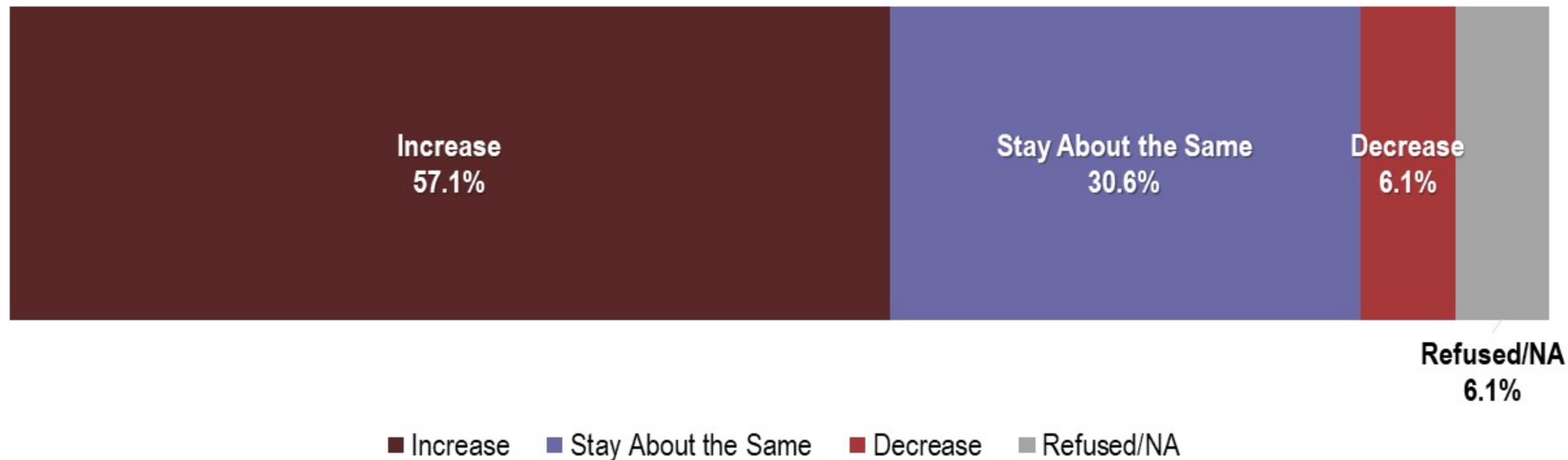
Source: Fraser Institute Survey of Mining Companies (2018) and Applied Analysis



What is the Outlook for Mining Employment in Nevada?



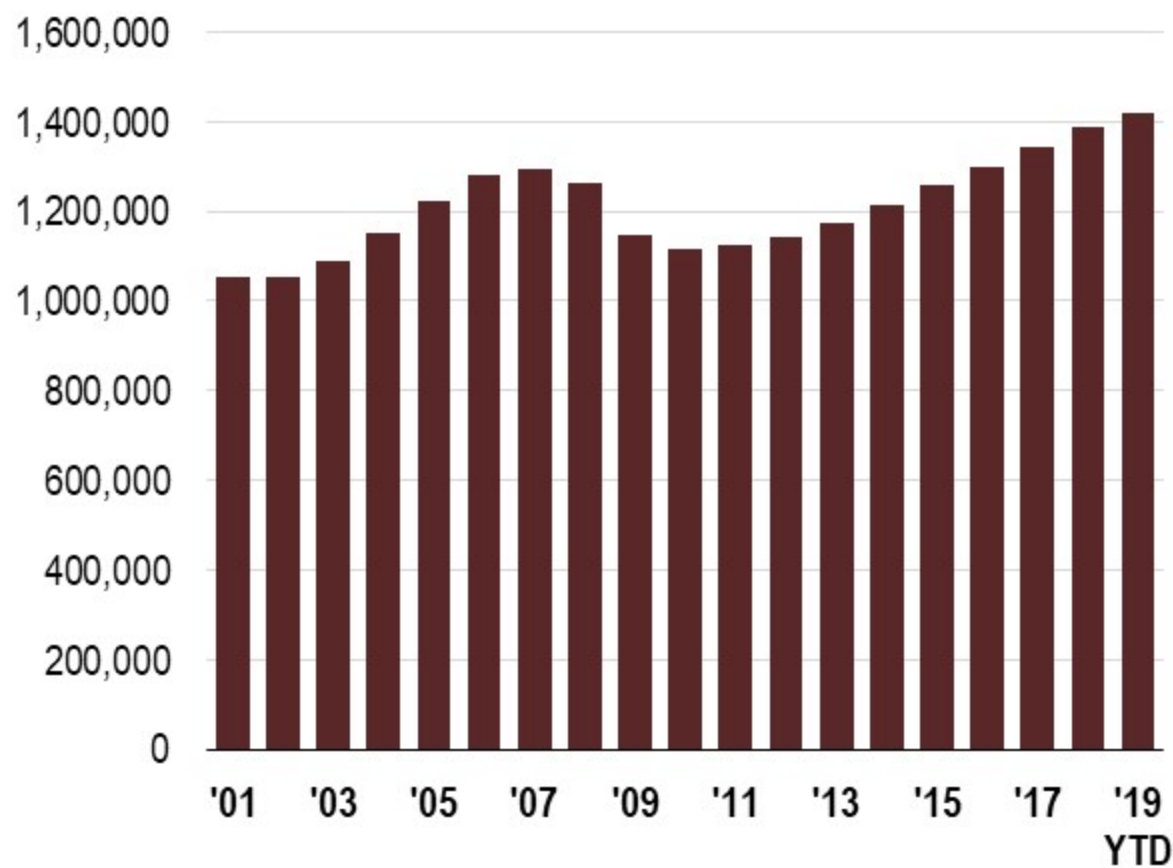
Nevada Employees Next 12 Months



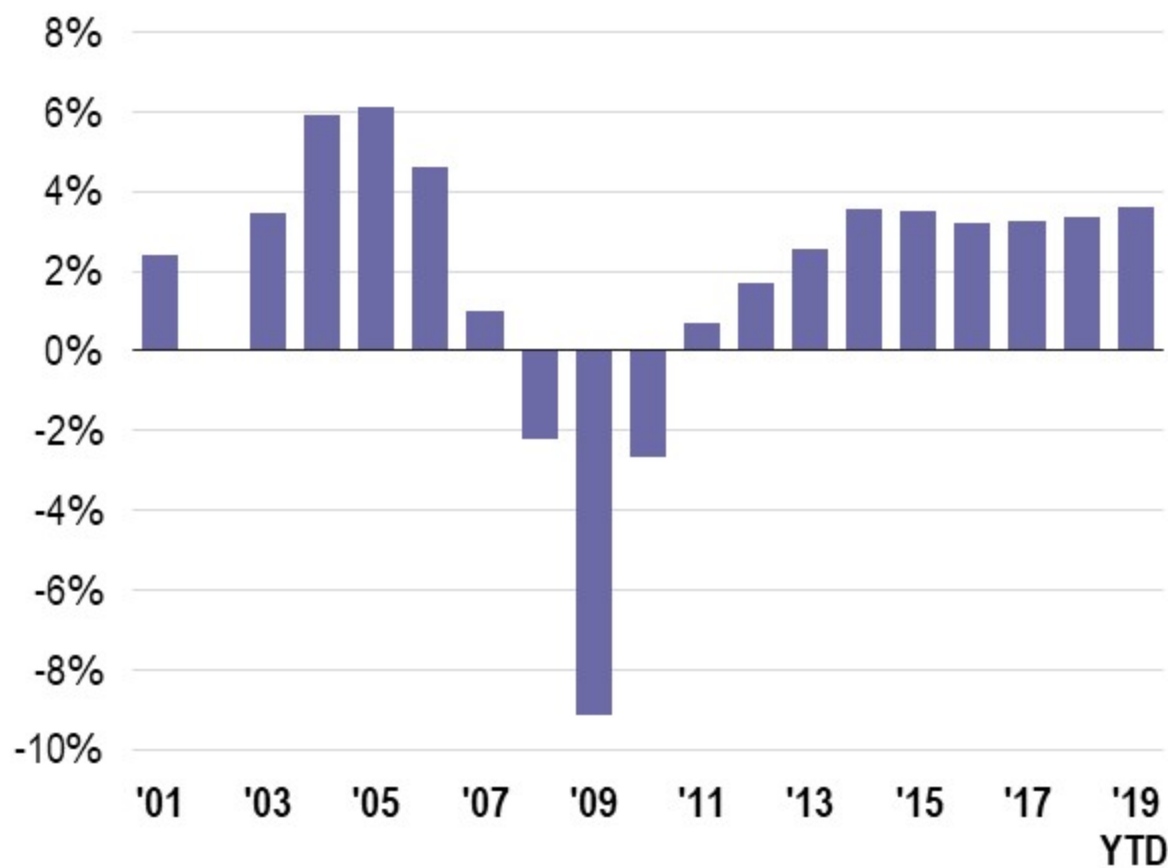
Source: NvMA 2019 Survey

Nevada Employment

Annual Employment



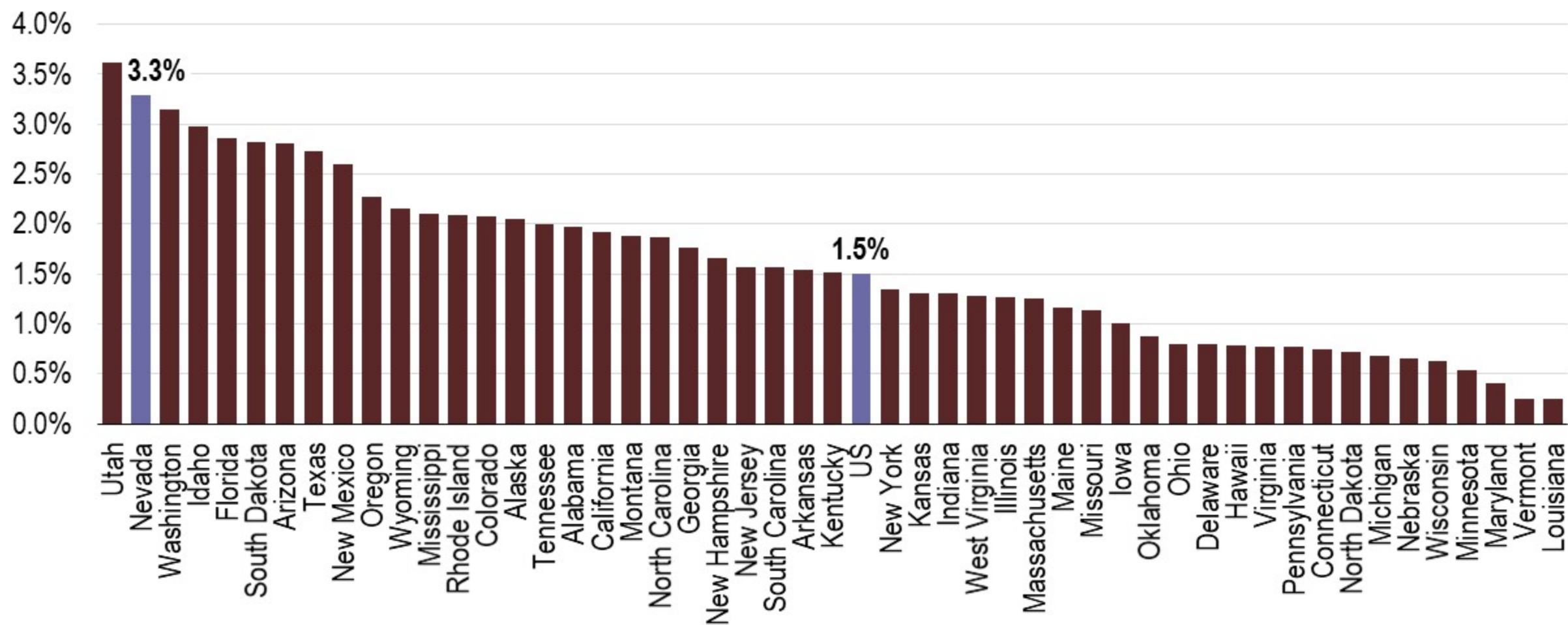
Year-over-Year Growth



Source: United States Bureau of Labor Statistics

Employment Growth by State

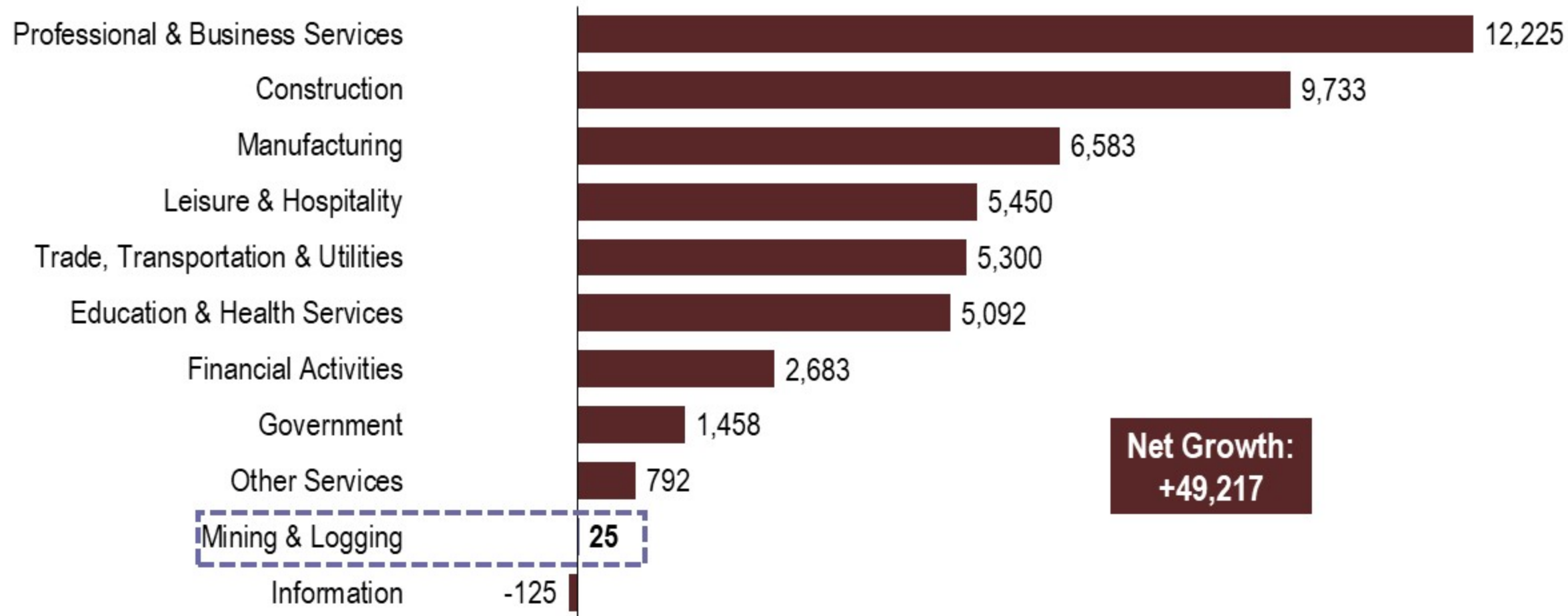
United States



Source: United States Bureau of Labor Statistics

Employment Growth by Sector

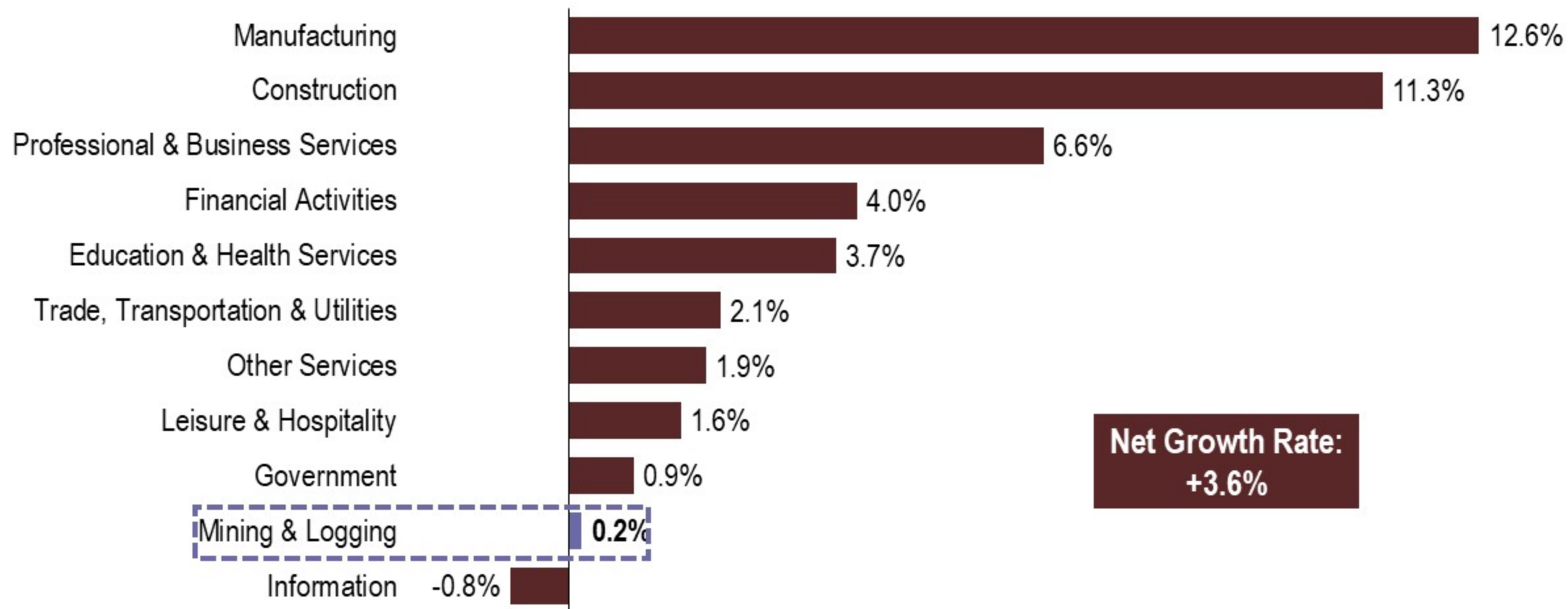
Nevada | Prior Year vs. Present



Source: United States Bureau of Labor Statistics

Employment Growth by Sector

Nevada | Prior Year vs. Present



Source: United States Bureau of Labor Statistics

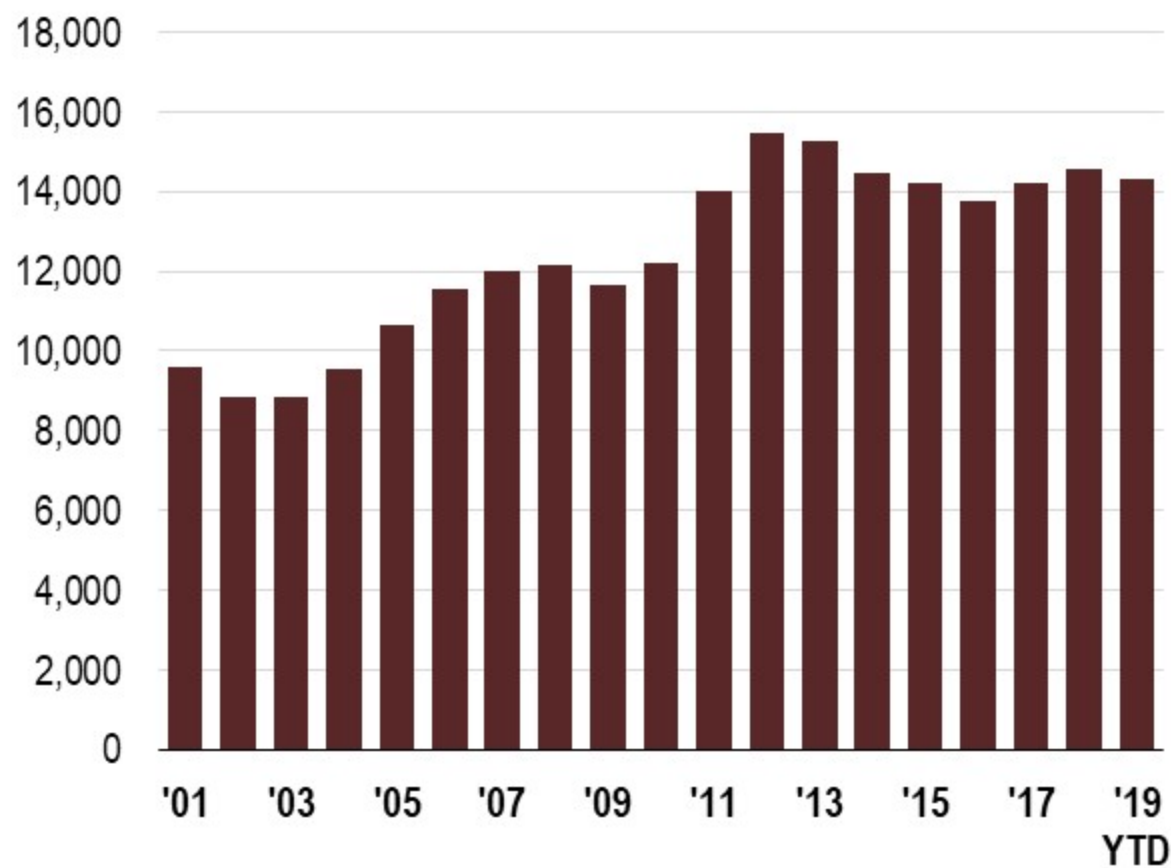
Mining Employees Next 12 Months



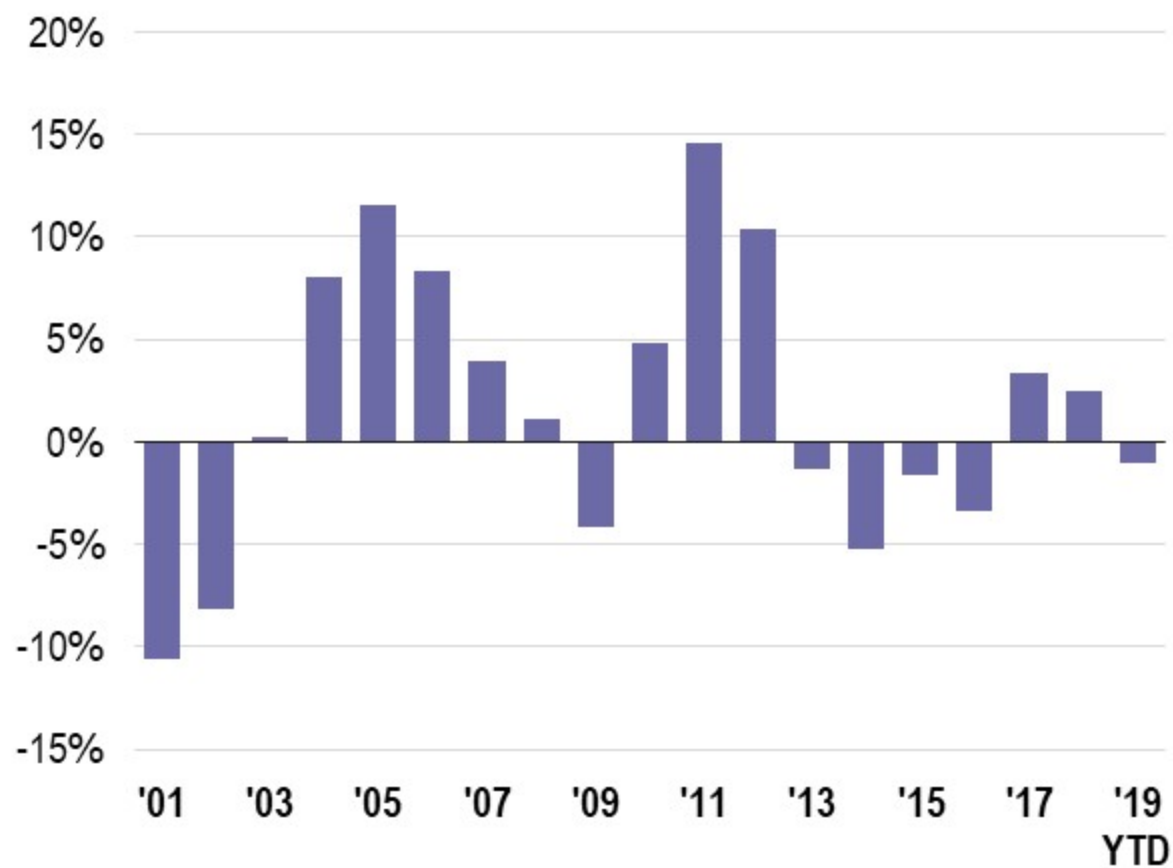
Source: NvMA 2019 Survey

Nevada Mining Employment

Annual Employment

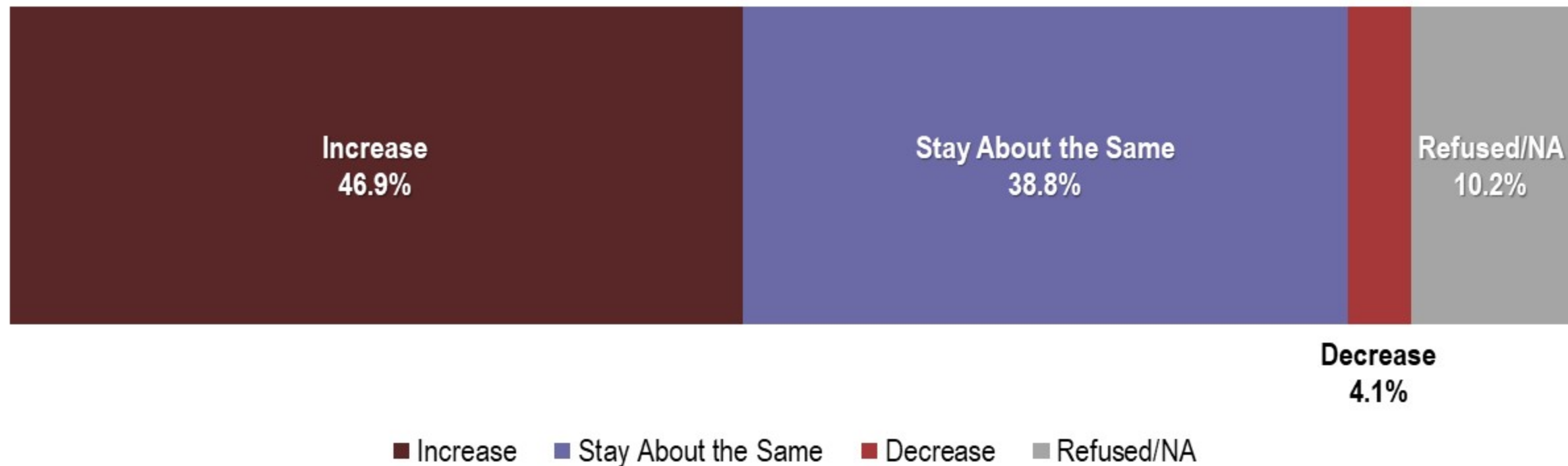


Year-over-Year Growth



Source: United States Bureau of Labor Statistics

Mining Company Employment Growth Next 12 Months



Source: NvMA 2019 Survey



How Much Does the Mining Industry Pay in Taxes to Nevada?



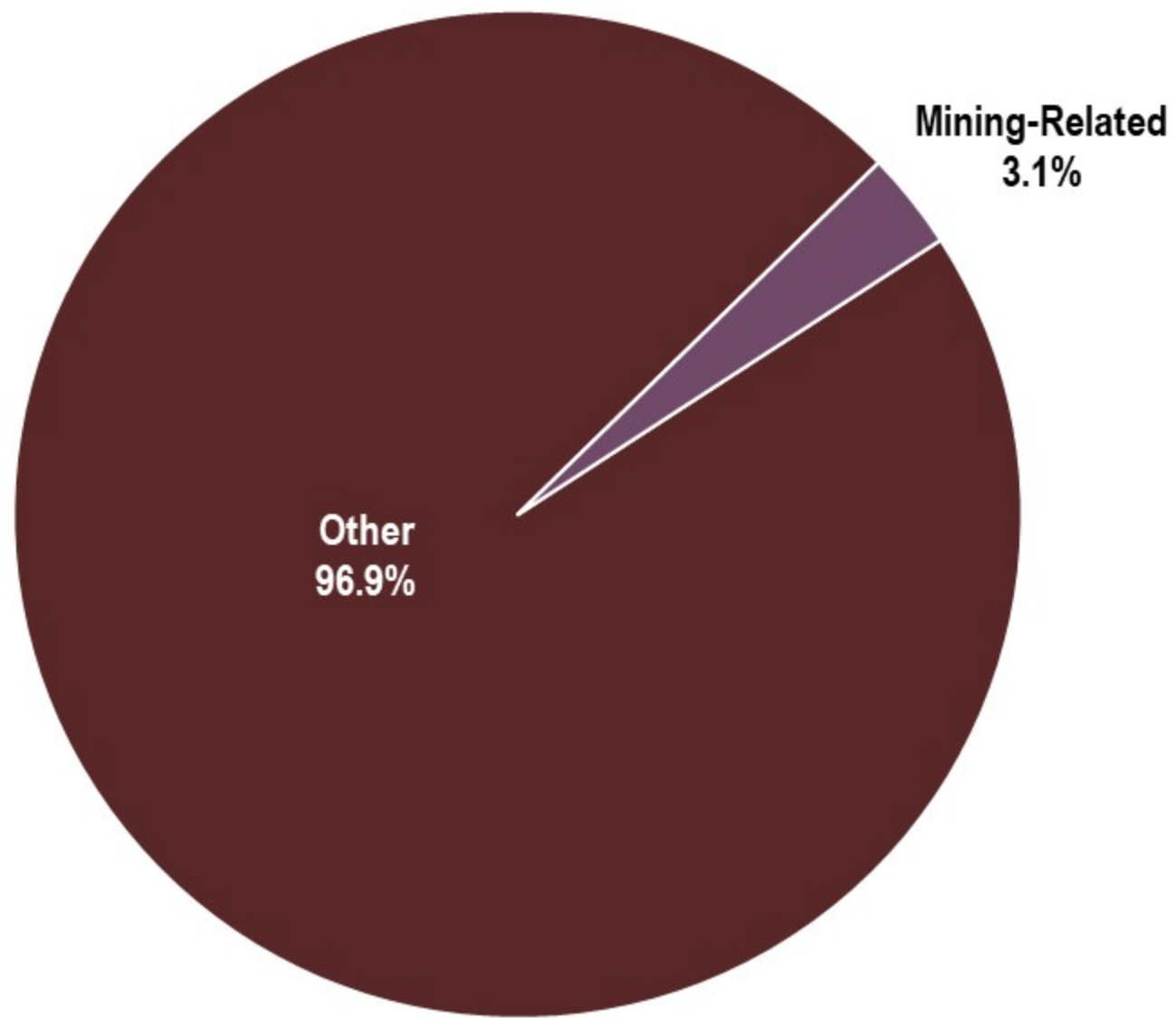
Industry Pay in Taxes to Nevada?

Ten Highest Assessed Taxpayers 2018-2019

RANK	TAXPAYER NAME	TOTAL (IN MILLIONS)
1	MGM Resorts International	\$4,499
2	NV Energy (1,4)	\$2,425
3	Caesars Entertainment Corporation	\$2,223
4	Wynn Resorts Limited	\$1,113
5	Las Vegas Sands Corporation	\$1,037
6	Station Casinos Incorporated	\$857
7	NEWMONT MINING	\$662
8	Station Casinos Incorporated	\$522
9	BARRICK MINING	\$504
10	Ruby Pipeline LLC	\$439
TOTAL		\$14,281

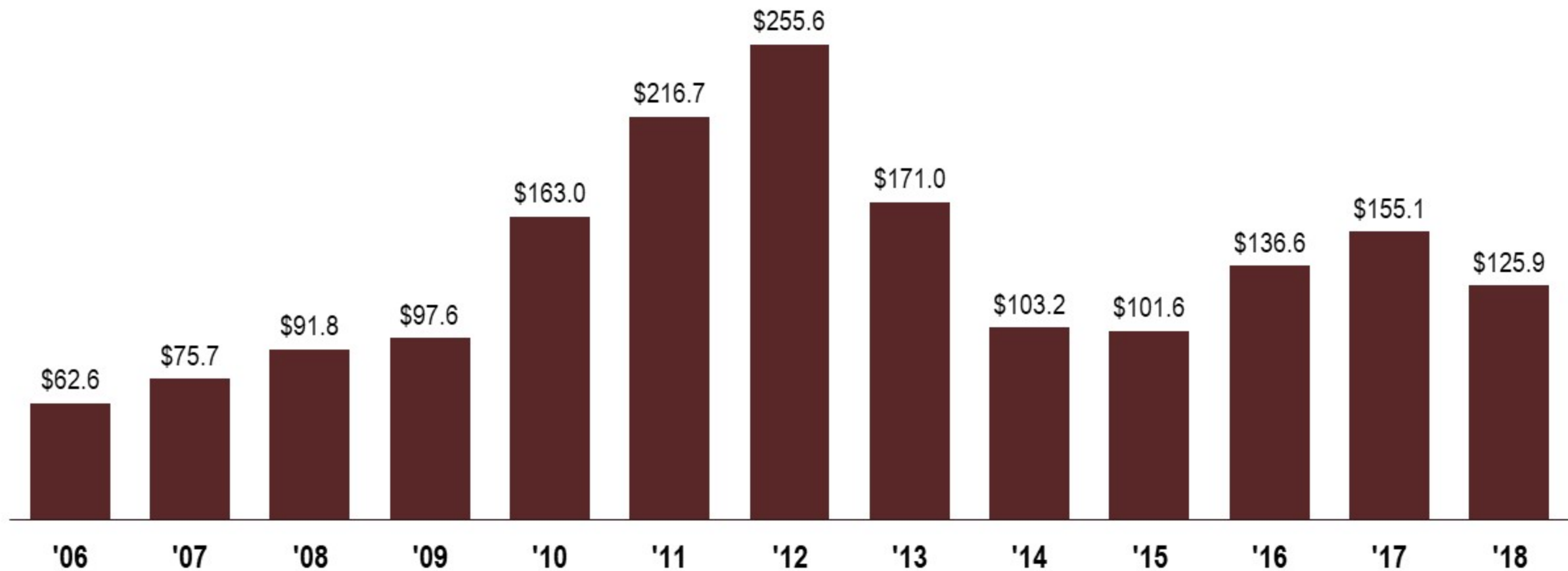
Source: Nevada Department of Taxation

Roll Assessed Value by Class 2017-2018



Source: Nevada Department of Taxation

Net Proceeds of Minerals Taxes Paid By Nevada Mining Industry, Including Royalty Recipients (In Millions)



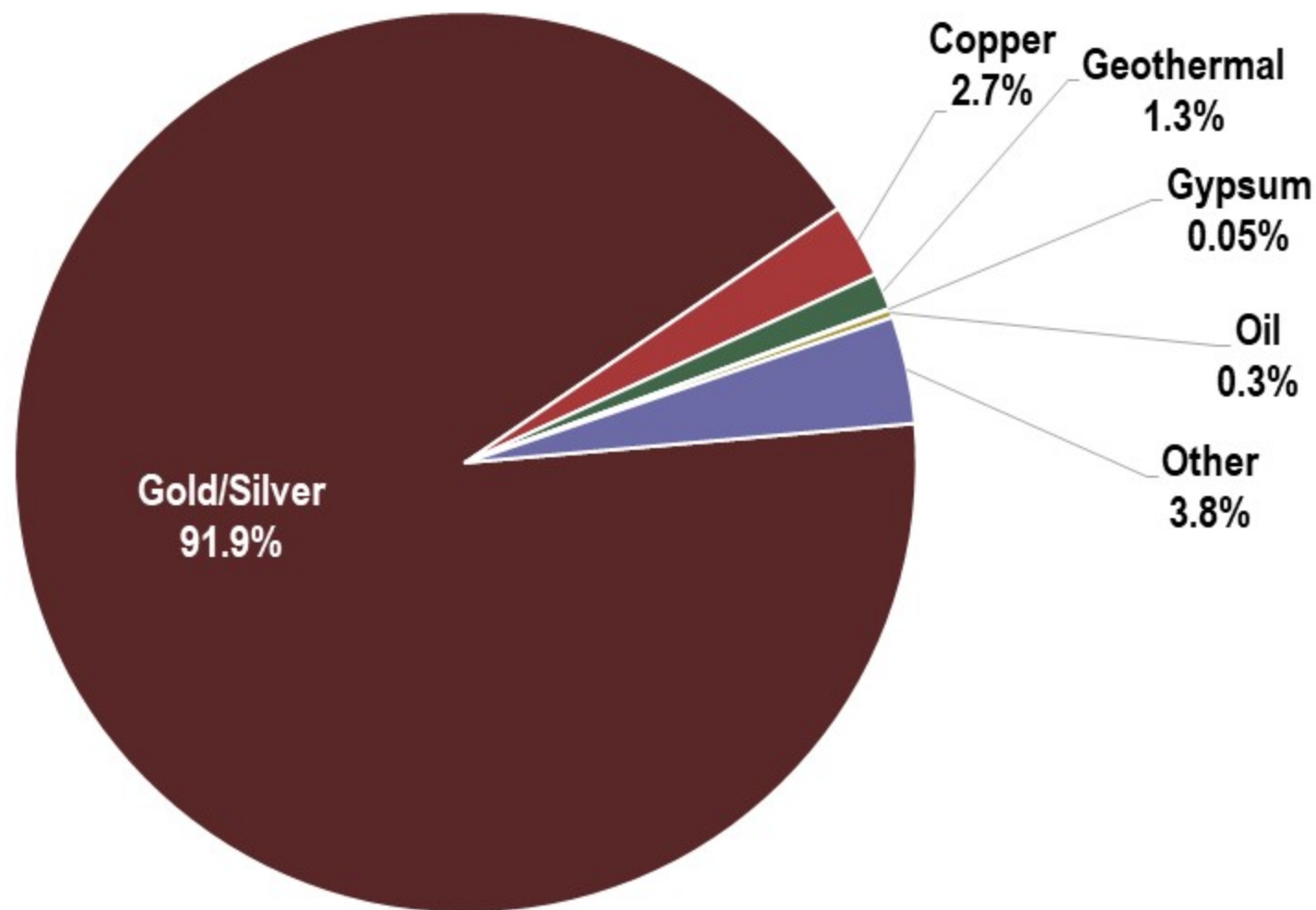
Source: Nevada Department of Taxation

Share of Net Proceeds Tax Generated by Specific Minerals

2018

\$126 M

Total Net Proceeds
Tax Generated

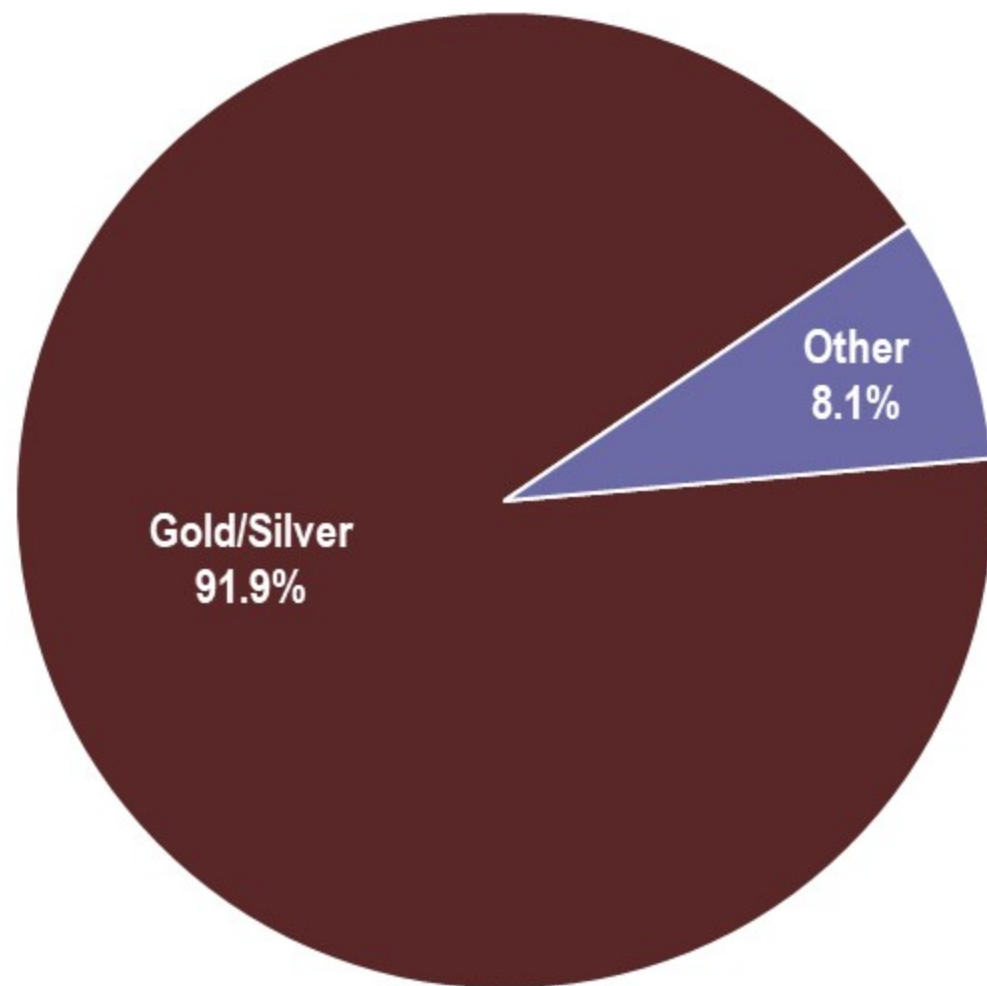


Source: Nevada Department of Taxation (Operators and Royalties Combined)

Share of Net Proceeds Tax Generated by Specific Minerals 2018

\$116 M

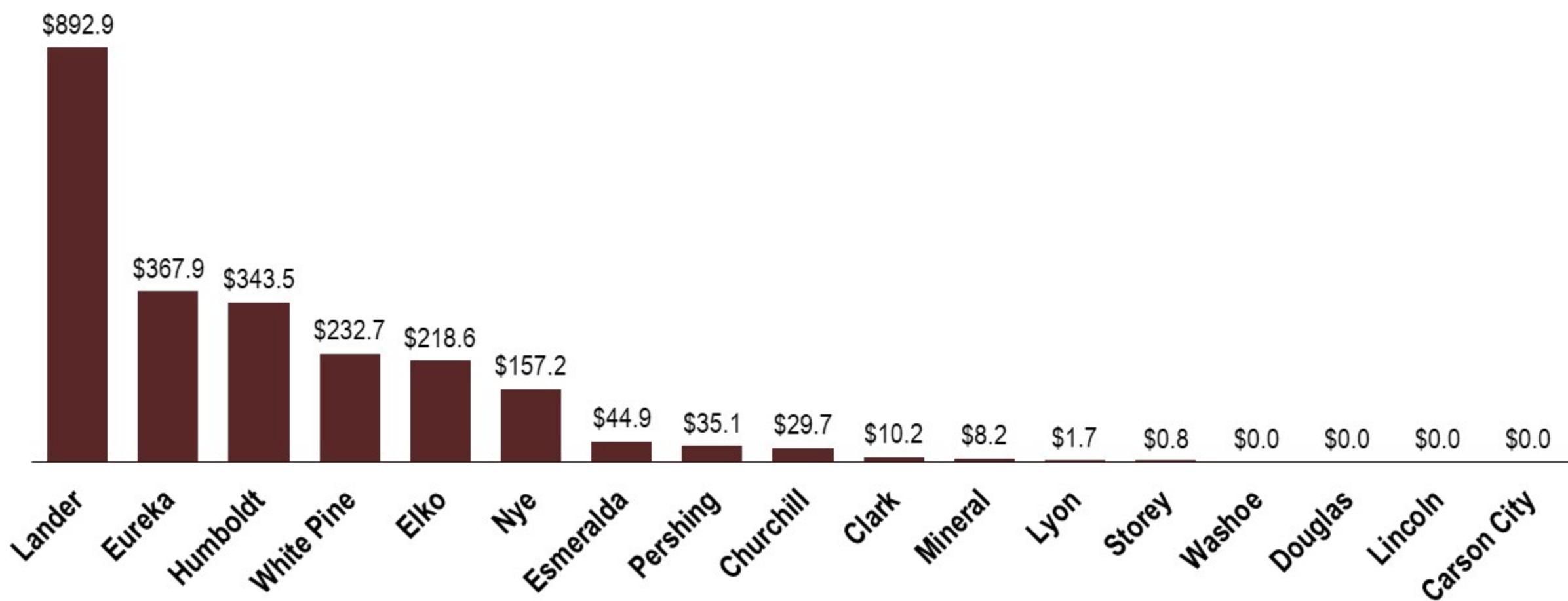
Net Proceeds Tax Generated
by Gold/Silver



Source: Nevada Department of Taxation (Operators and Royalties Combined)

Net Proceeds Tax Generated by County

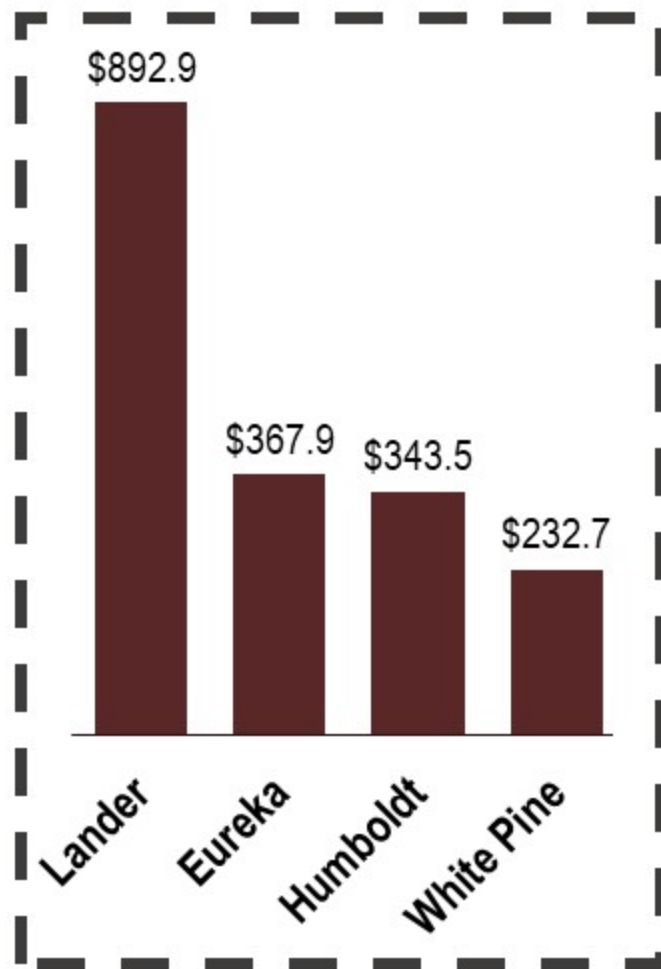
2018 | In Millions



Source: Nevada Department of Taxation

Net Proceeds Tax Generated by County

2018 | In Millions

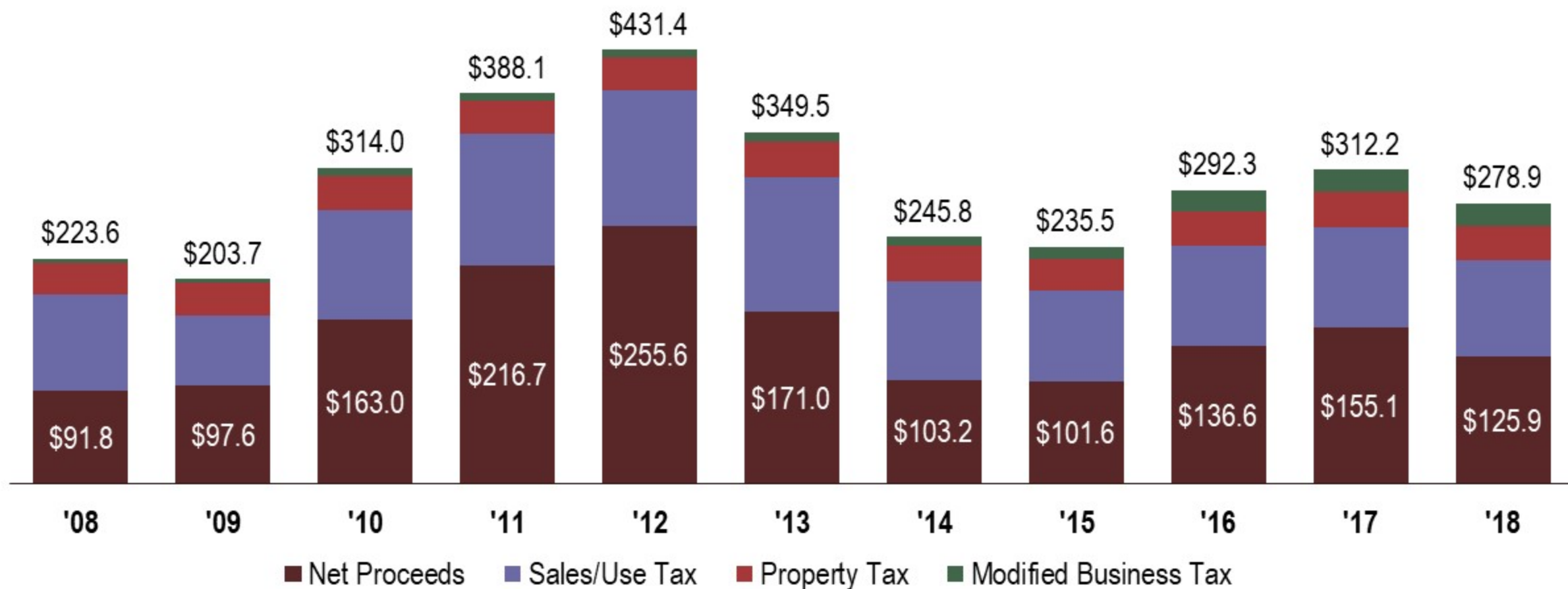


78.3%

Of Total Net Proceeds Tax
Generated by Top 4 Counties

Source: Nevada Department of Taxation

Total Estimated Major Taxes Paid by Nevada Mining



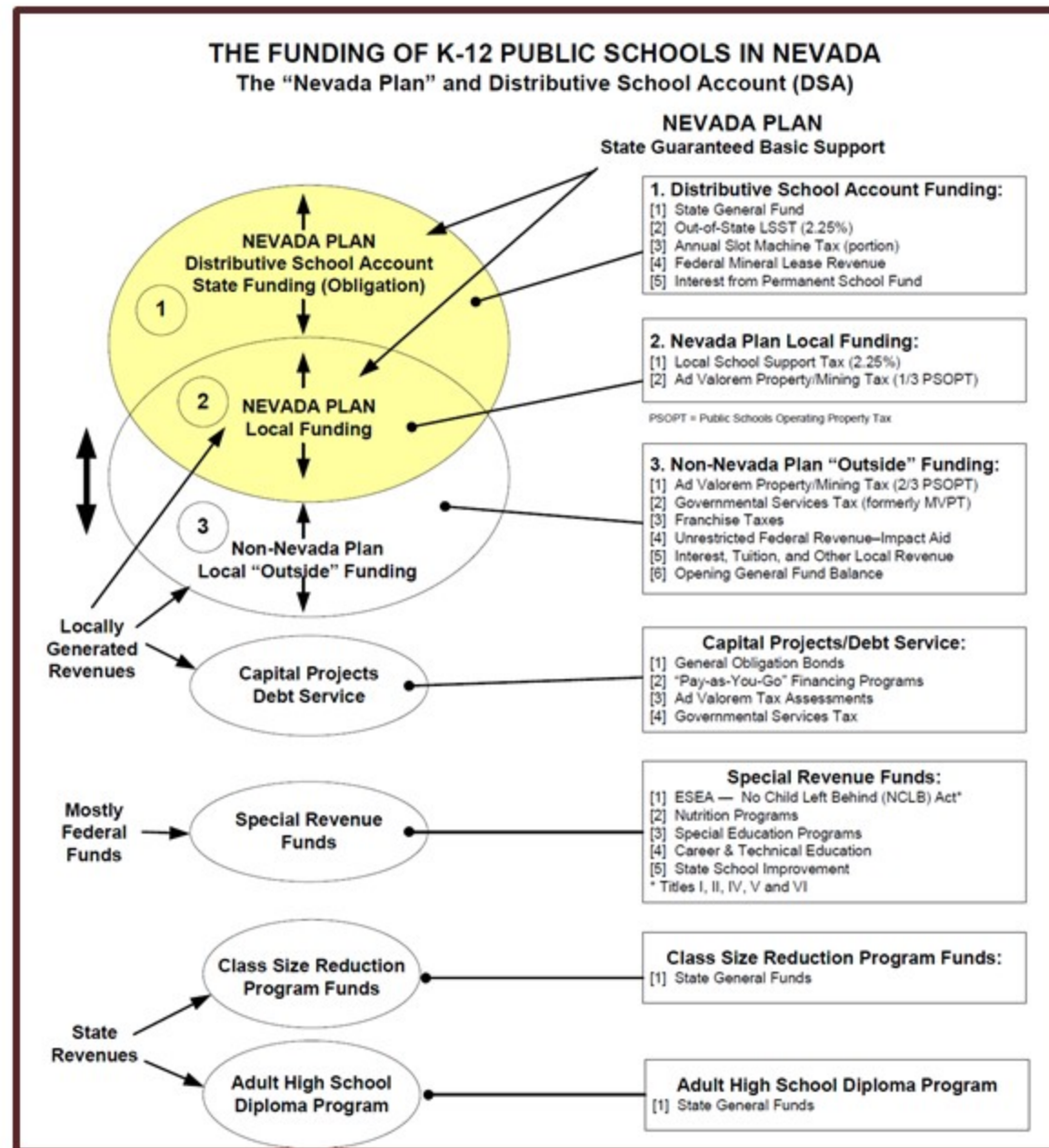
Source: Nevada Department of Taxation, NvMA Member Survey, Natural Resource Industry Institute (2008 – 2010), Industry Surveys

Note: Historical figures may be adjusted to reflect the latest available information.

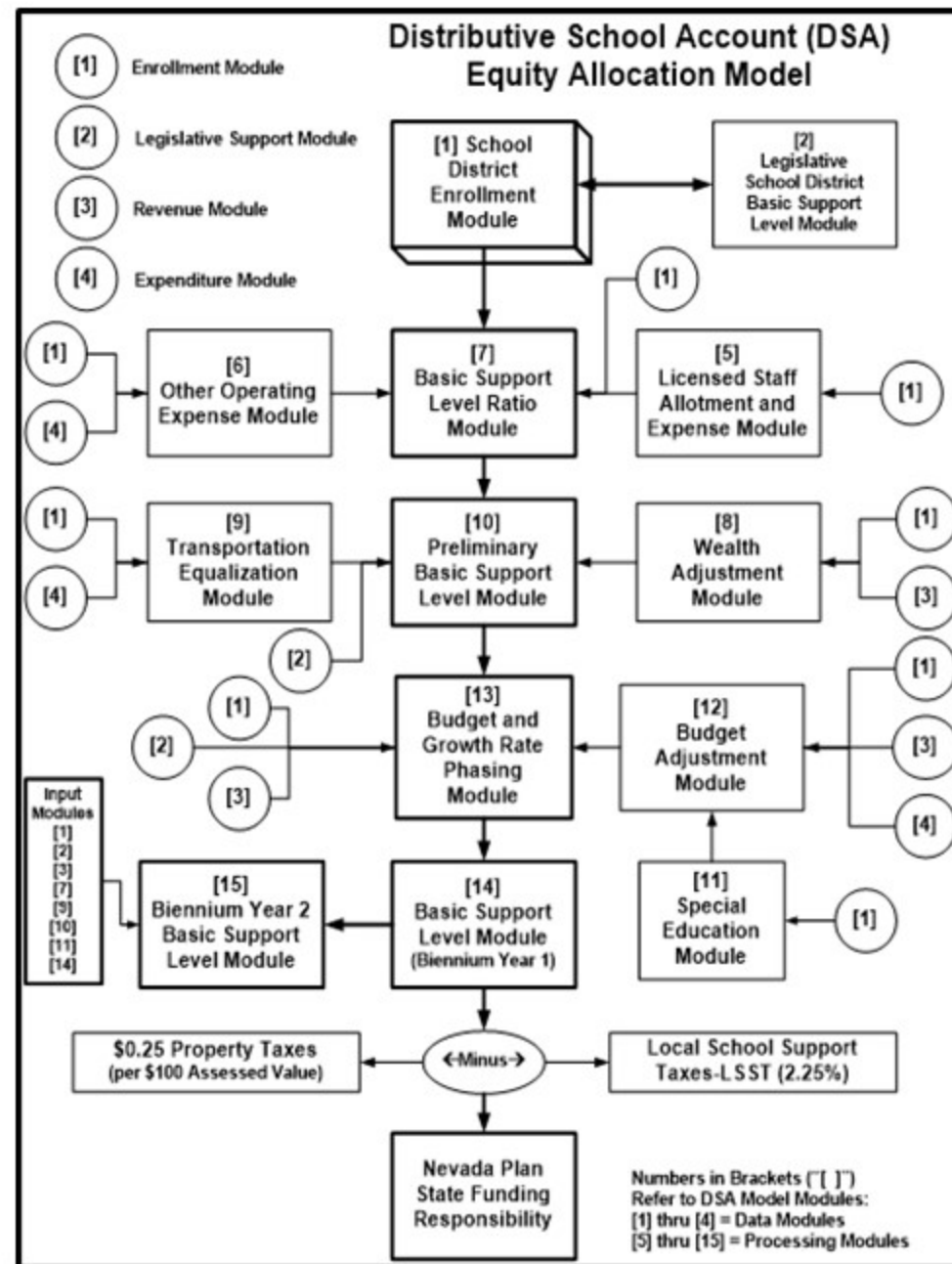


What Do Education Funding • Formula Changes Mean for Mining?

Education Funding Under the Nevada Plan



Education Funding Under the Nevada Plan



How Much is Nevada Spending on K12 Education?



- Is it the **\$1.6 billion** reported as total Distributive School Account resources in the executive budget?
- Is it the **\$2.2 billion** reported in the Nevada Comprehensive Annual Financial Report, State Spending Analysis?
- Is it the **\$2.3 billion** reported as the legislatively approved total Department of Education budget in the Fiscal Appropriations Report?
- Is it the **\$2.9 billion** reported as total regular support in the Distributive School Account?
- Is it the **\$3.2 billion** reported as total required state support in Distributed School Account?
- Is it the **\$3.9 billion** reported as total operating expenditures in the state's Nevada Plan summary?

How Much is Nevada Spending on K12 Education?



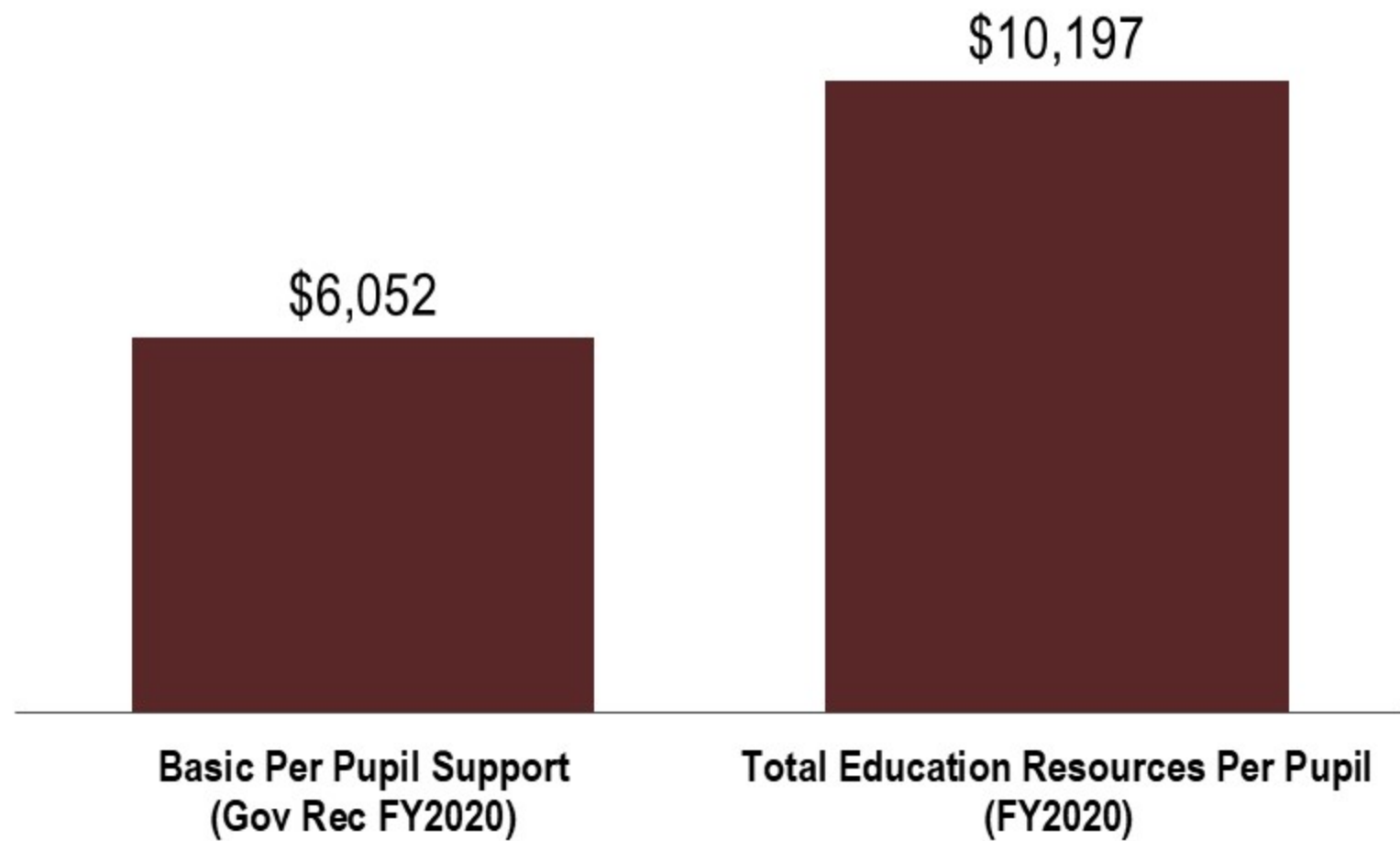
\$5.0B

There are more than 80 state, local and federal revenue resources that have been dedicated to education programs; they are expected to generate approximately \$5.0B in FY2020 and \$5.1B in FY2021

How Much is Nevada Spending on K12 Education?



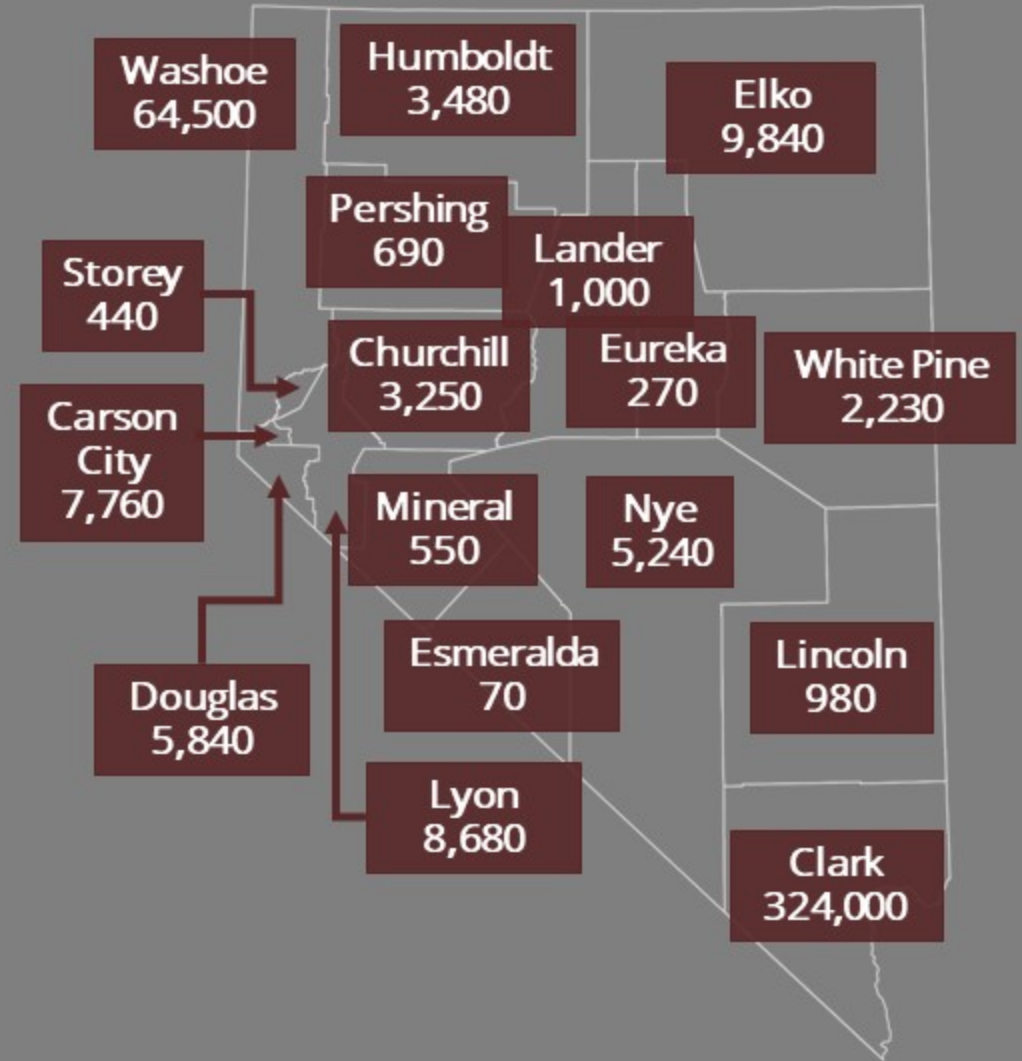
The differences are significant,
limiting transparency and creating confusion



Nevada is home to one of the nation's largest school districts (i.e., the Clark County School District) and some of its smallest school districts

Student Enrollment

Nevada School Districts



SB 543

Guiding Principles



Transparency

How much is being spent on education, where the funding is coming from and where is it spent



Student-Centered

Recognize the differences in cost per student, allocate funding accordingly



Geographic Diversity

Recognize the differences in each school district, allocate funding accordingly



Hold Harmless

Focus on allocation of incremental revenue, minimizing reallocation at student expense



Classroom-focused

Support classroom instruction and programming that directly improves student achievement

The Core Elements of SB543

1

Creation of
the Nevada
Education Fund

2

Creation of
the Education
Stabilization
Account

3

Replace the
Nevada Plan with
the Pupil-Centered
Funding Plan

4

Creation of
the Commission
on School
Funding

5

Enhanced
Reporting and
Accountability
at All Levels

Pupil-Centered Funding Model

State of Nevada
Education Fund

State Admin. and
Oversight Programs

Base Funding
(Inflation +
Enrollment Growth)

Weighted Funding
(Allocation of All Other
Funds)

Excess Allocation
(Distribution of
Funds After Parity)

STEP 1

Identify all non-federal resources available to fund education programs (see, Element 1)

STEP 2

Allocate resources necessary to fund state administration, oversight and non-district programs (i.e., funds not allocated to districts)

STEP 3

Ensure that base funding is made whole such that allocations made to all students are not diminished to increase allocations to selected students

STEP 4

Additional funds are directed to weighted categories in proportion to the gap between their current funding and targets under full adequacy

STEP 5

At the point where there is parity in funding relative to full adequacy, funds are proportionally allocated

NDE/APA K12 Base Funding Allocation Recommendation

“Successful Schools” Base



Equity Allocation Adjustments



Small School District Adjustment



Necessarily Small Schools Adjustment



Comparable Wage Index



Nevada School Finance Study

By

Augenblick, Palaich and Associates

Education Commission of the States

Picus Odden and Associates

Final, October 22, 2018



Weighted Funding Classifications

- 1 Special Education Students
- 2 English Language Learners
- 3 At-Risk Students (those living at or near the poverty level)
- 4 Gifted and Talented Students

Base Funding

Funds Allocated to Every Student in the State

+

Existing Categorical Funding

All Funds Currently Allocated to Programs Targeting Weighted Students Remain with Weighted Students

+

Incremental Funding

All Funds After Base Funding is Increased by Inflation are Allocated to Weighted Student Programs Until Those Programs are Fully Funded

District-Level Impacts and Hold Harmless/True-Up Approach

Hold Harmless.

All school districts will be frozen at FY2020 funding levels, ensuring that any school district that would receive less funding under the student-centered funding model does not receive any less money than it did in the current school year.

True-Up.

Incremental K12 education funds will be allocated to school districts that are currently receiving less funding than they would under the student-centered funding model before any other allocations are made, allowing them to be made whole as additional K12 education funding is made available.

Impacts for Mining

- Nevada's Constitutional Conflict
- Mining Tax Dollars are the First Education Dollars Distributed Under the New Formula, Must be Returned to the County of Origin
- If Mining Tax Dollars are Greater than the Total Amount of Funds that Would Otherwise be Allocated Under the Formula, Those Funds are "Authorized for Expenditure as a Continuing Appropriation for the Purpose of Mitigating the Adverse Effects of the Cyclical Nature of the Industry of Extracting and Processing Minerals on the Ability of the County School District to Offer its Pupils a Reasonably Equal Educational Opportunity."

Legislature that the remaining money in the State Education Fund be used to provide a multiplier for each category of pupils which is as close as practicable to the multiplier for the preceding fiscal year;

(b) The recommendations of the Commission for the multiplier for each category of pupils be considered and the multiplier for one category of pupils may be changed by an amount that is not proportional to the change in the multiplier for one or more other categories of pupils if the Legislature determines that a disproportionate need to serve the pupils in the affected category exists; and

(c) If the multipliers for all categories of pupils in a fiscal year are increased from the multipliers in the immediately preceding fiscal year, a proportional increase is considered for the statewide base per pupil funding amount.

6. For any money identified in subsection 4 of NRS 362.170 which is deposited to the credit of the State Education Fund:

(a) The amount of such money for the county from which the money was collected that does not exceed the total amount of money appropriated pursuant to subsection 2 to the county school district is deemed to be the first money appropriated pursuant to subsection 2 for that county school district.

(b) The amount of such money for the county from which the money was collected which exceeds the total amount of money appropriated pursuant to subsection 2 to the county school district must be transferred to the county school district and is hereby authorized for expenditure as a continuing appropriation for the purpose of mitigating the adverse effects of the cyclical nature of the industry of extracting and processing minerals on the ability of the county school district to offer its pupils a reasonably equal educational opportunity.

7. The weighted funding appropriated pursuant to paragraph (e) of subsection 2:

(a) May not be used to settle or arbitrate disputes between a recognized organization representing employees of a school district or the governing body of a charter school and the school district or governing body or to settle any negotiations; and

(b) May not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district.

Sec. 5. 1. To account for variation between the counties of this State in the cost of living and the cost of labor, the Department shall establish by regulation cost adjustment factors



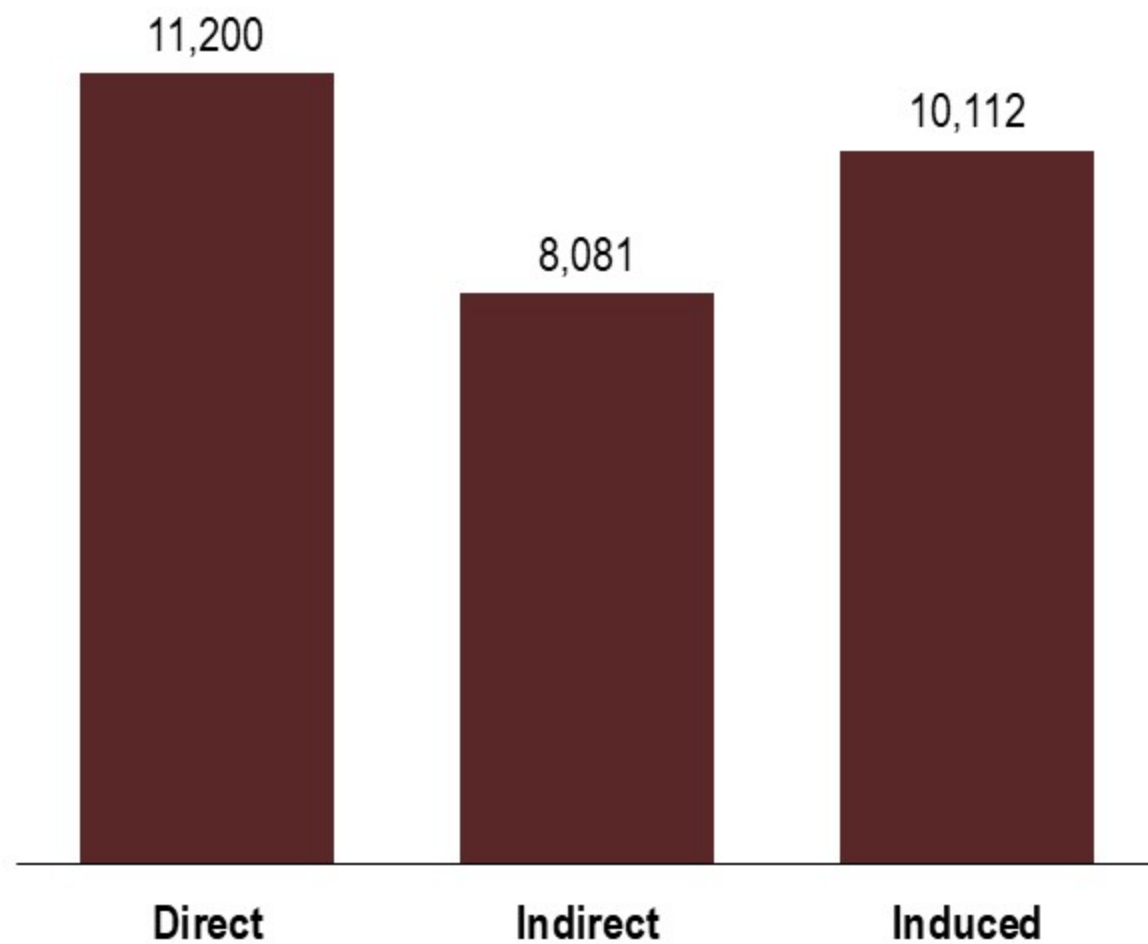
Where Do We Go From Here?

- **Implementation and Execution**
 - July 1, 2019 Effective Date
 - July 1, 2021 Effective Date
- **Communication and Messaging**
 - Public Sector
 - Private Sector
- **Commission on Education Funding**
- **Funding Adequacy**



What are the Impacts of Mining in Nevada?

Employment Impacts for Nevada Mining Industry Operations 2018

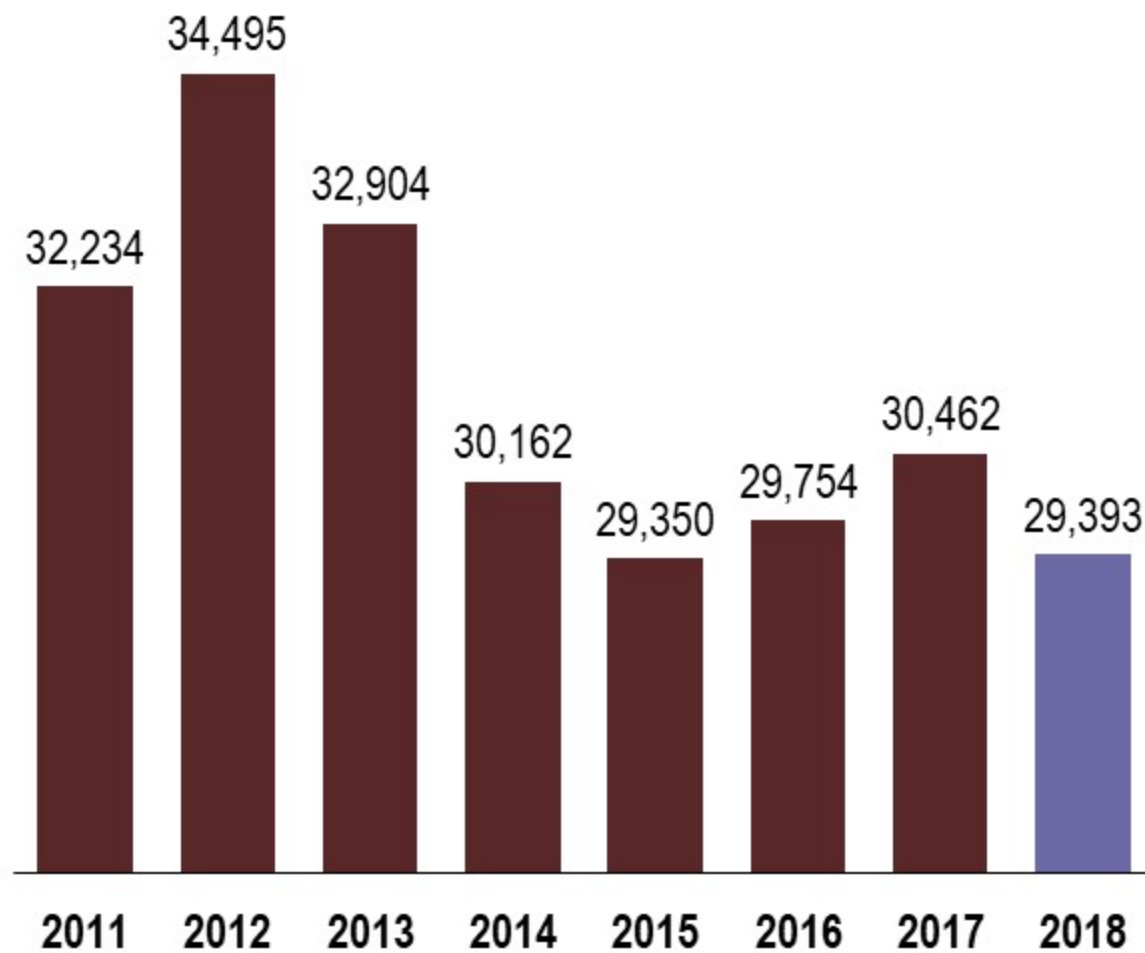


29,393

Total Jobs Supported by Nevada Mining
Industry Operations

Source: U.S. Bureau of Labor Statistics; Nevada Department of Taxation; IMPLAN; Applied Analysis

Employment Impacts for Nevada Mining Industry Operations 2018

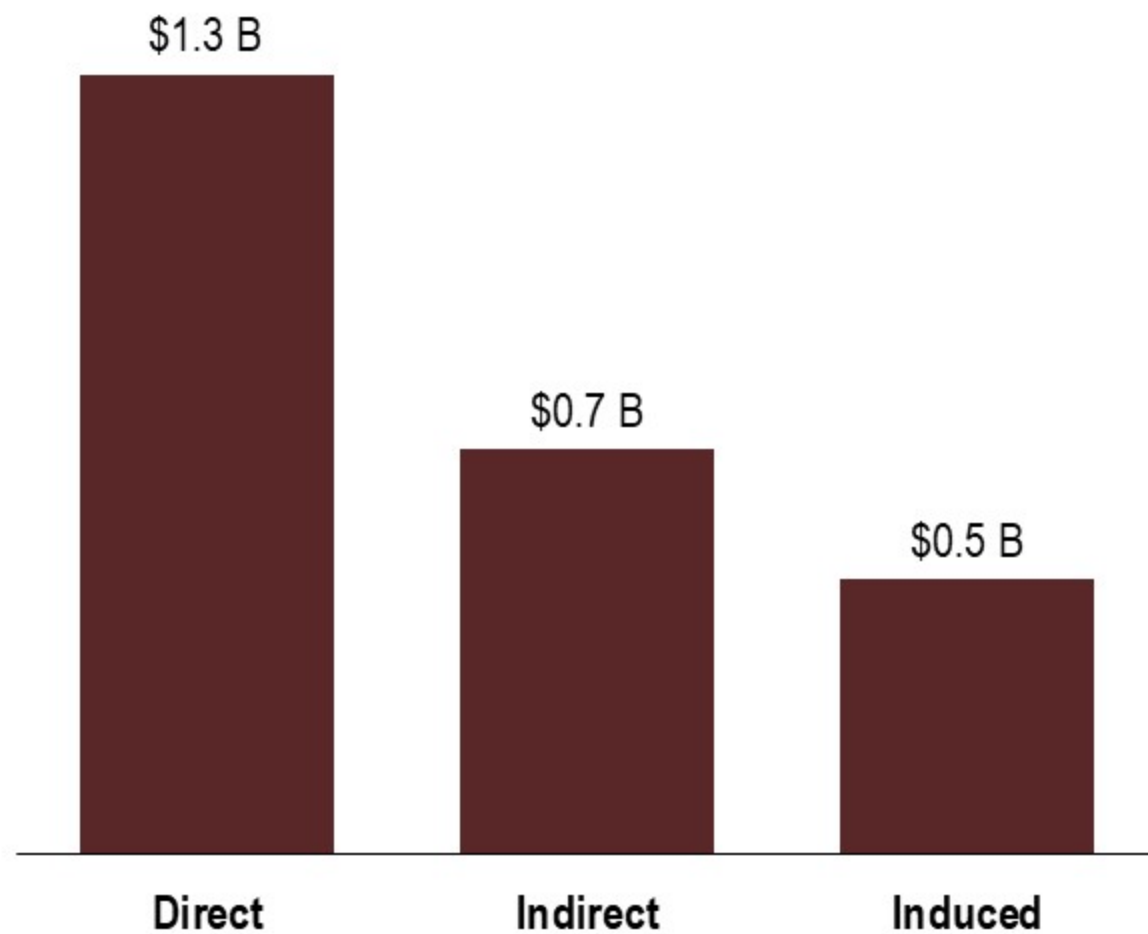


29,393

Total Jobs Supported by Nevada Mining Industry Operations

Source: U.S. Bureau of Labor Statistics; Nevada Department of Taxation; IMPLAN; Applied Analysis

Wage/Salary Impacts for Nevada Mining Industry Operations 2018

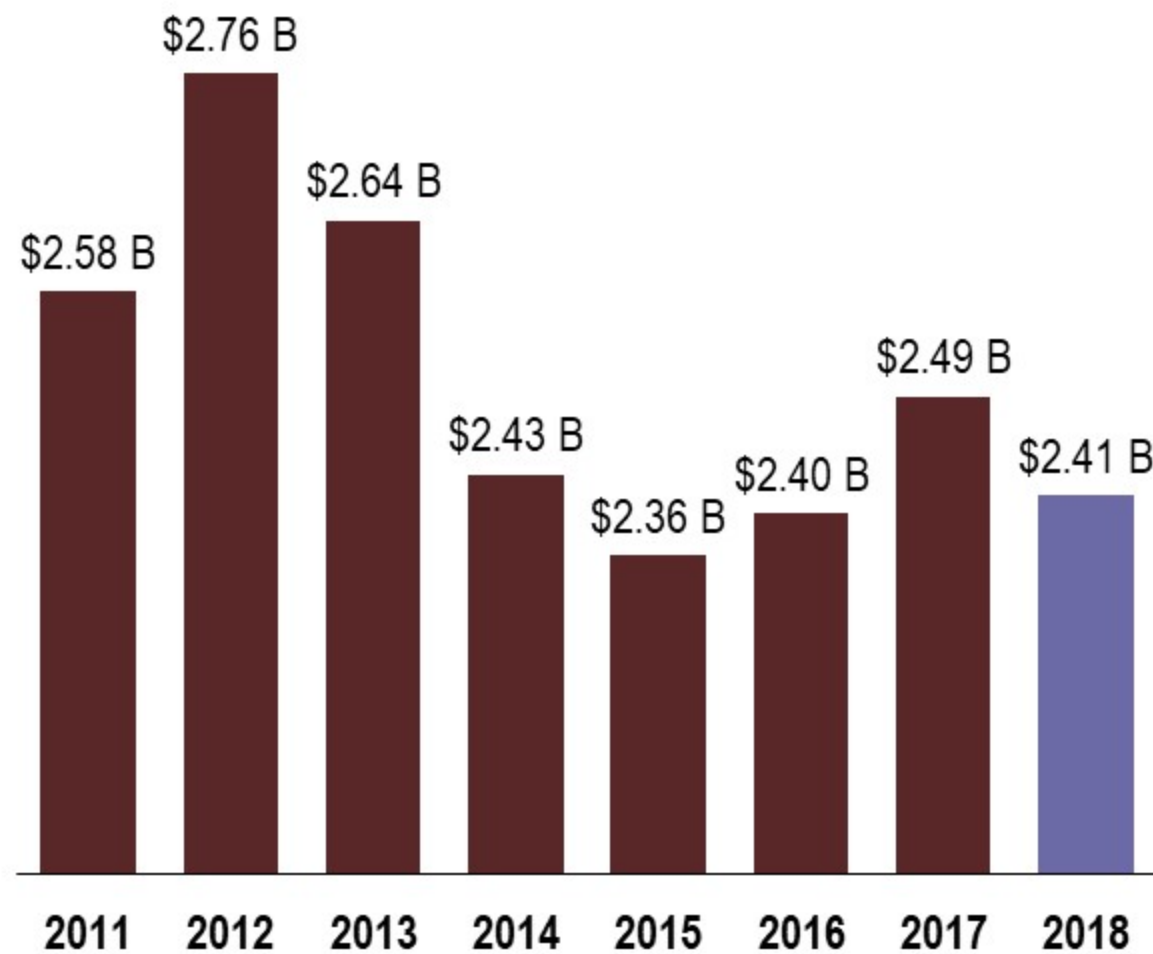


\$2.4 B

Total Labor Income Supported by Nevada
Mining Industry Operations

Source: U.S. Bureau of Labor Statistics; Nevada Department of Taxation; IMPLAN; Applied Analysis

Wage/Salary Impacts for Nevada Mining Industry Operations 2018

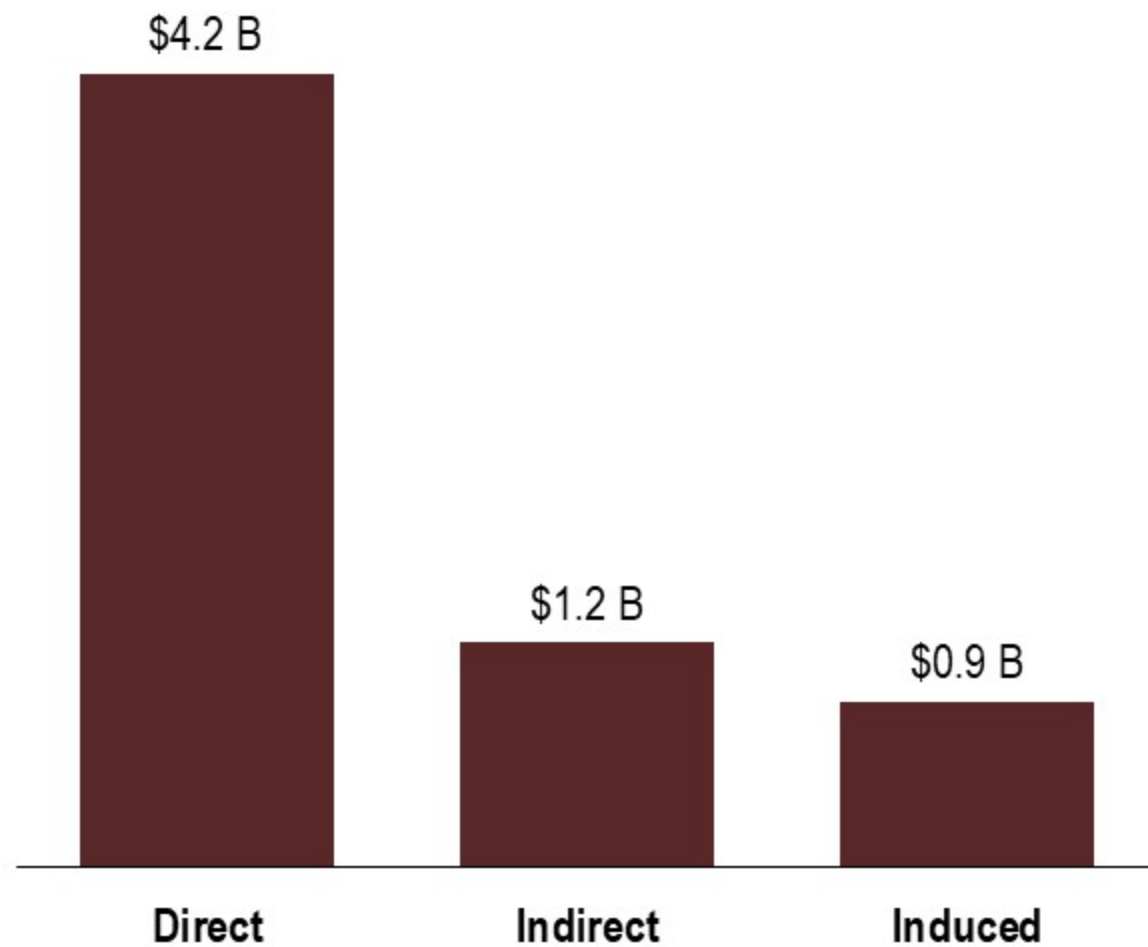


\$2.4 B

Total Labor Income Supported by Nevada
Mining Industry Operations

Source: U.S. Bureau of Labor Statistics; Nevada Department of Taxation; IMPLAN; Applied Analysis

Value-Added Impacts for Nevada Mining Industry Operations 2018

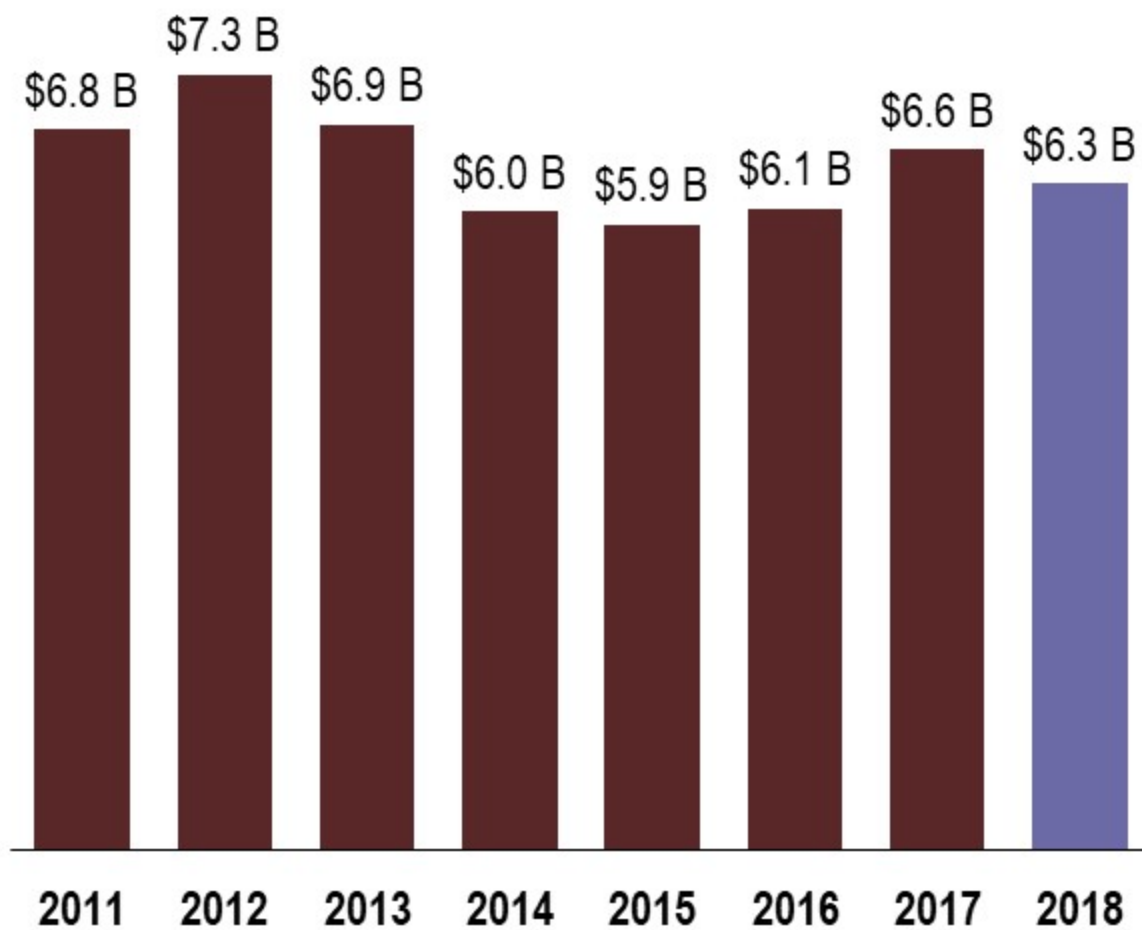


\$6.3 B

Total GDP Supported by Nevada Mining Industry Operations

Source: U.S. Bureau of Labor Statistics; Nevada Department of Taxation; IMPLAN; Applied Analysis

Value-Added Impacts for Nevada Mining Industry Operations 2018

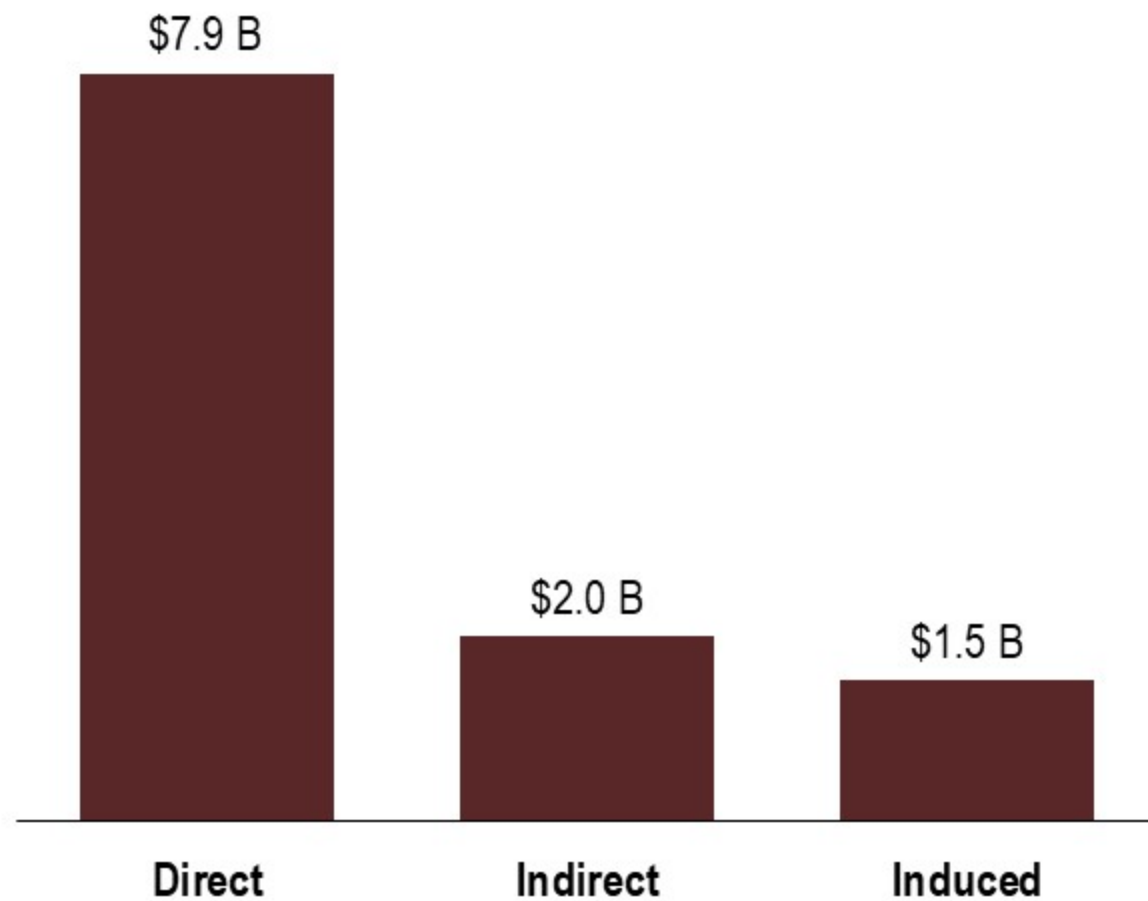


\$6.3 B

Total GDP Supported by Nevada Mining
Industry Operations

Source: U.S. Bureau of Labor Statistics; Nevada Department of Taxation; IMPLAN; Applied Analysis

Economic Output for Nevada Mining Industry Operations 2018

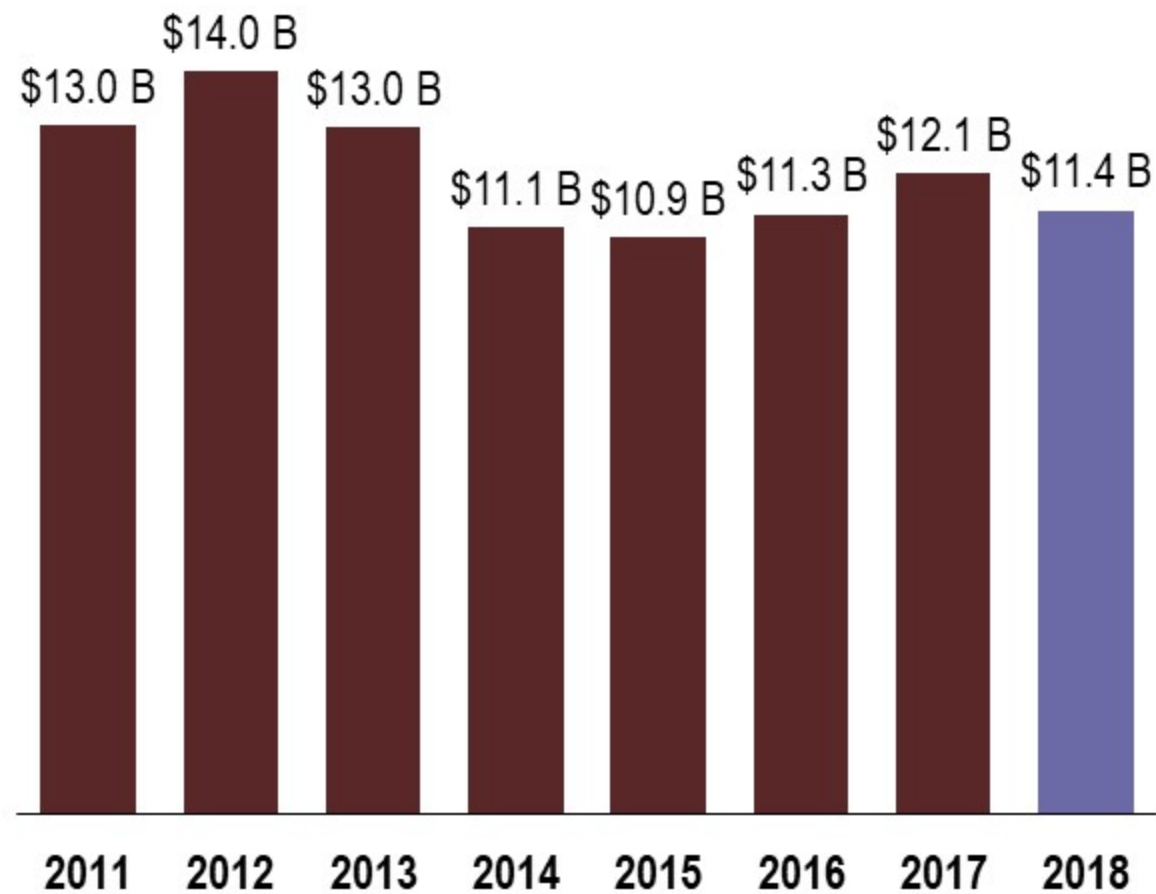


\$11.4 B

Total Economic Output Generated by Nevada Mining Industry Operations

Source: U.S. Bureau of Labor Statistics; Nevada Department of Taxation; IMPLAN; Applied Analysis

Economic Output for Nevada Mining Industry Operations 2018



\$11.4 B

Total Economic Output Generated by Nevada
Mining Industry Operations

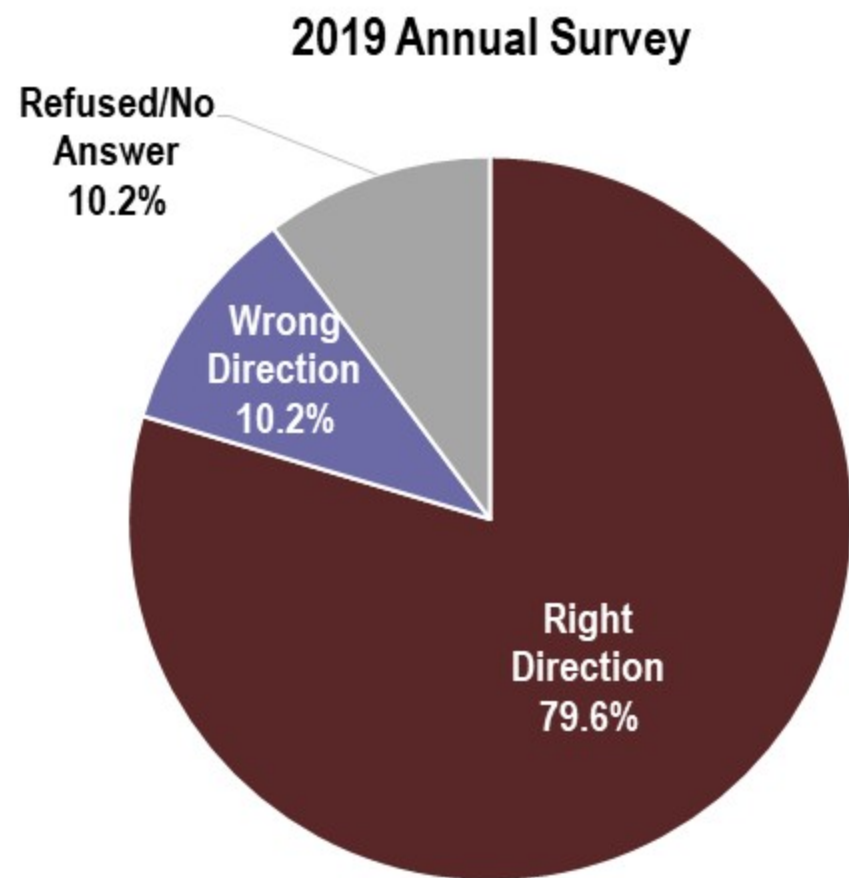
Source: U.S. Bureau of Labor Statistics; Nevada Department of Taxation; IMPLAN; Applied Analysis



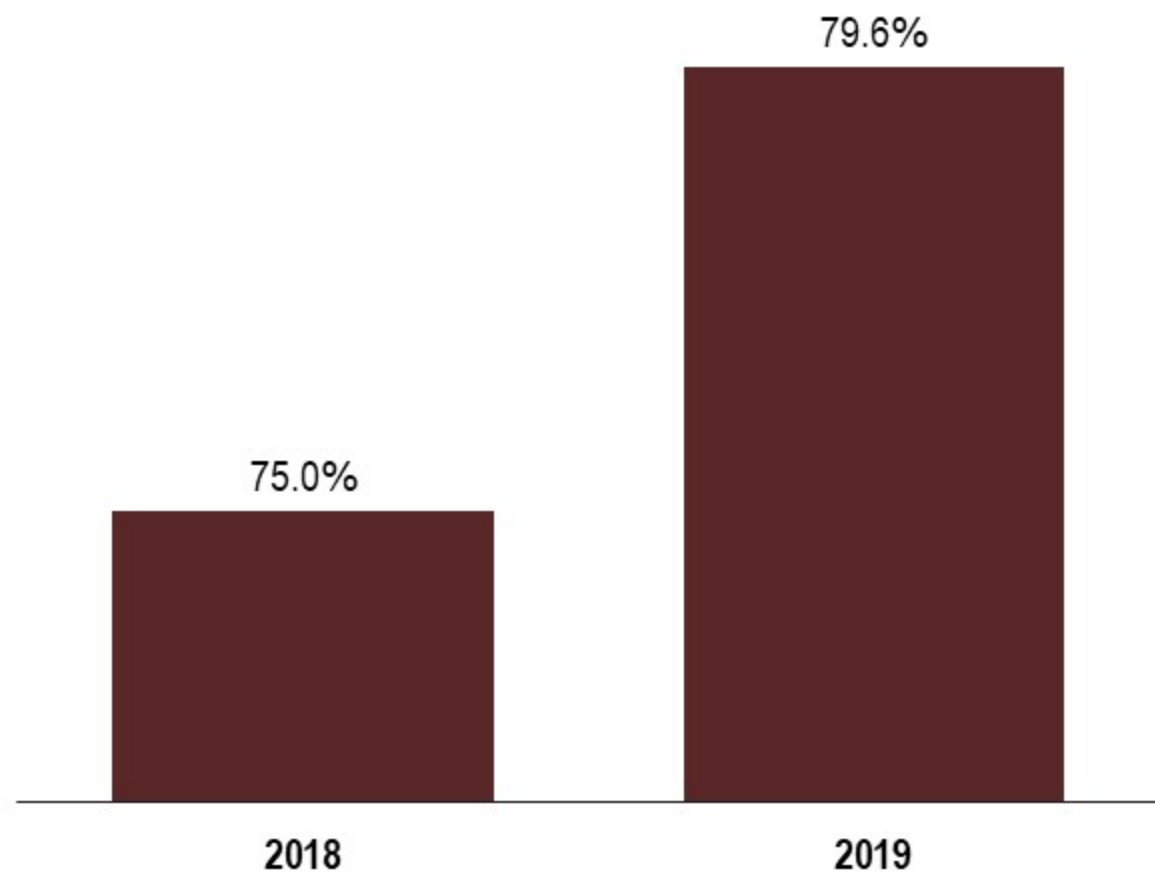
What is the Outlook for the Mining Industry **Nationally?**



National Economy



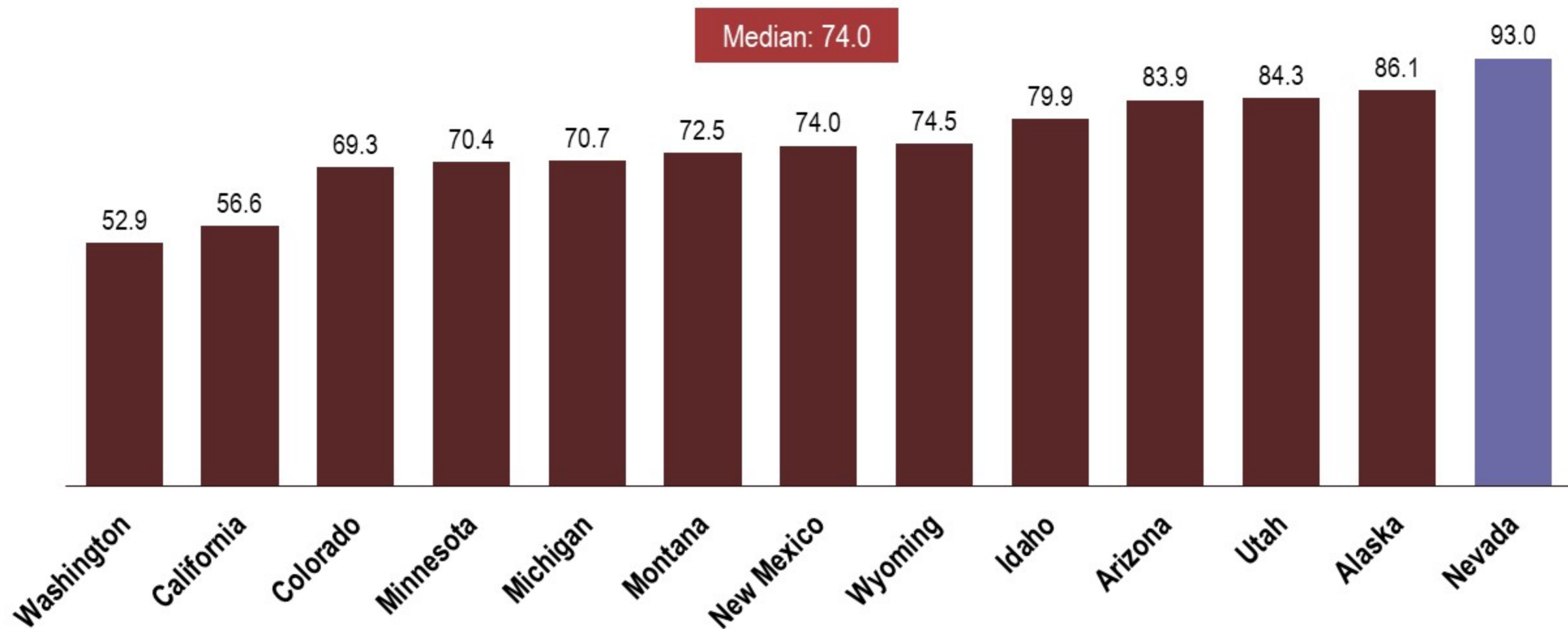
“Right Direction” Prior Year Comparison



Source: NvMA 2019 Survey

Investment Attractiveness Index

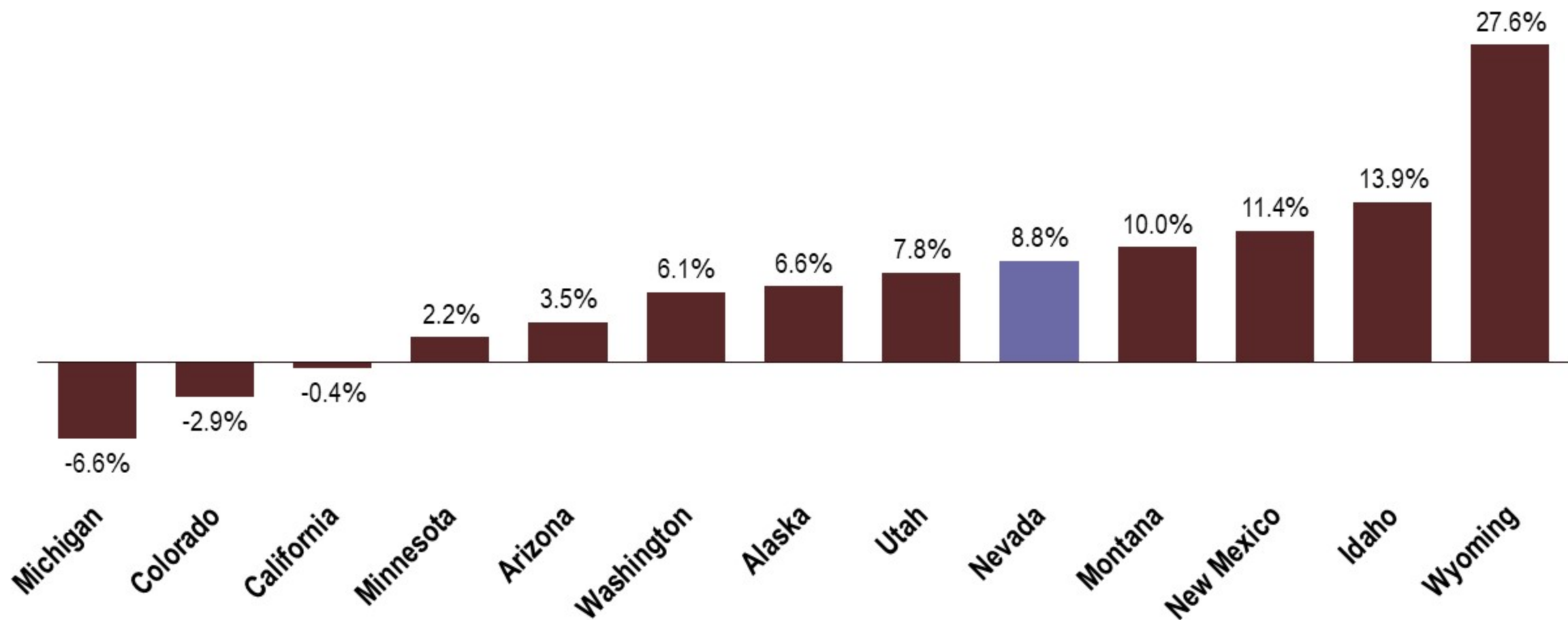
United States



Source: Fraser Institute Survey of Mining Companies (2018) and Applied Analysis

Investment Attractiveness Index Growth

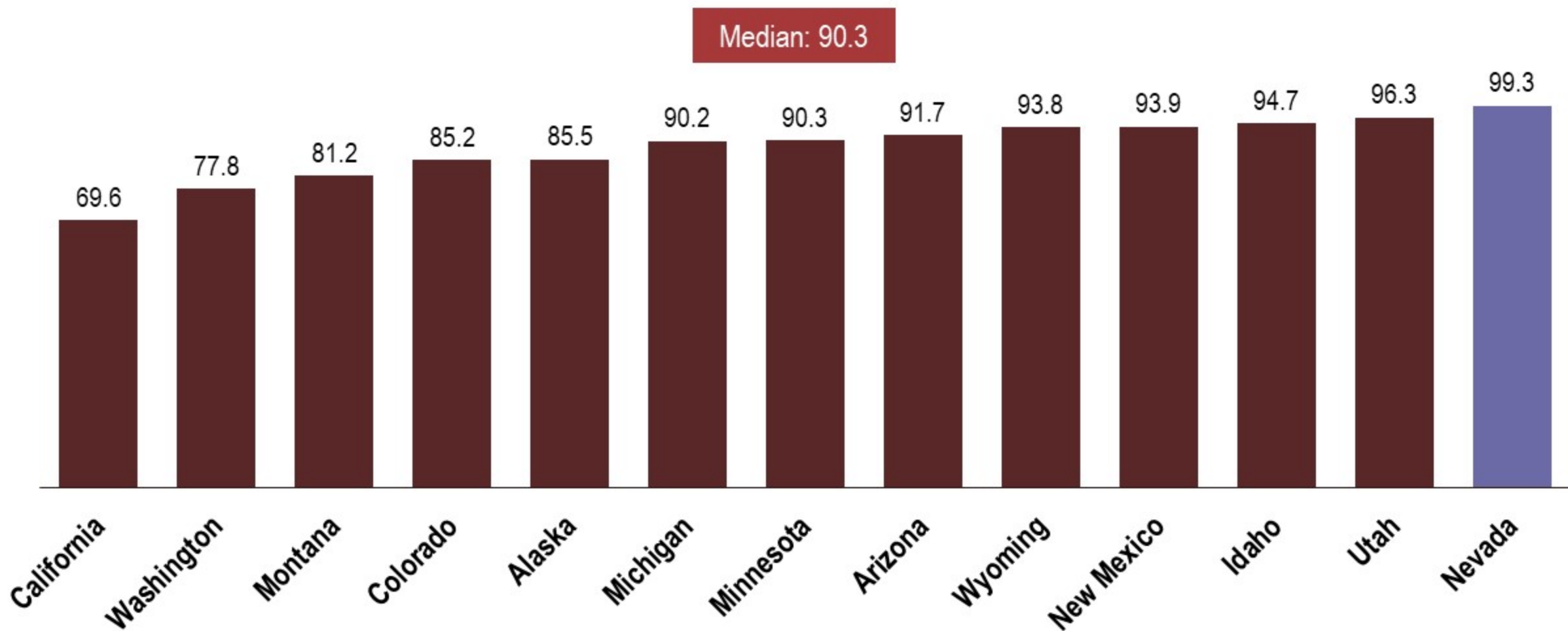
United States



Source: Fraser Institute Survey of Mining Companies (2017 vs. 2018) and Applied Analysis

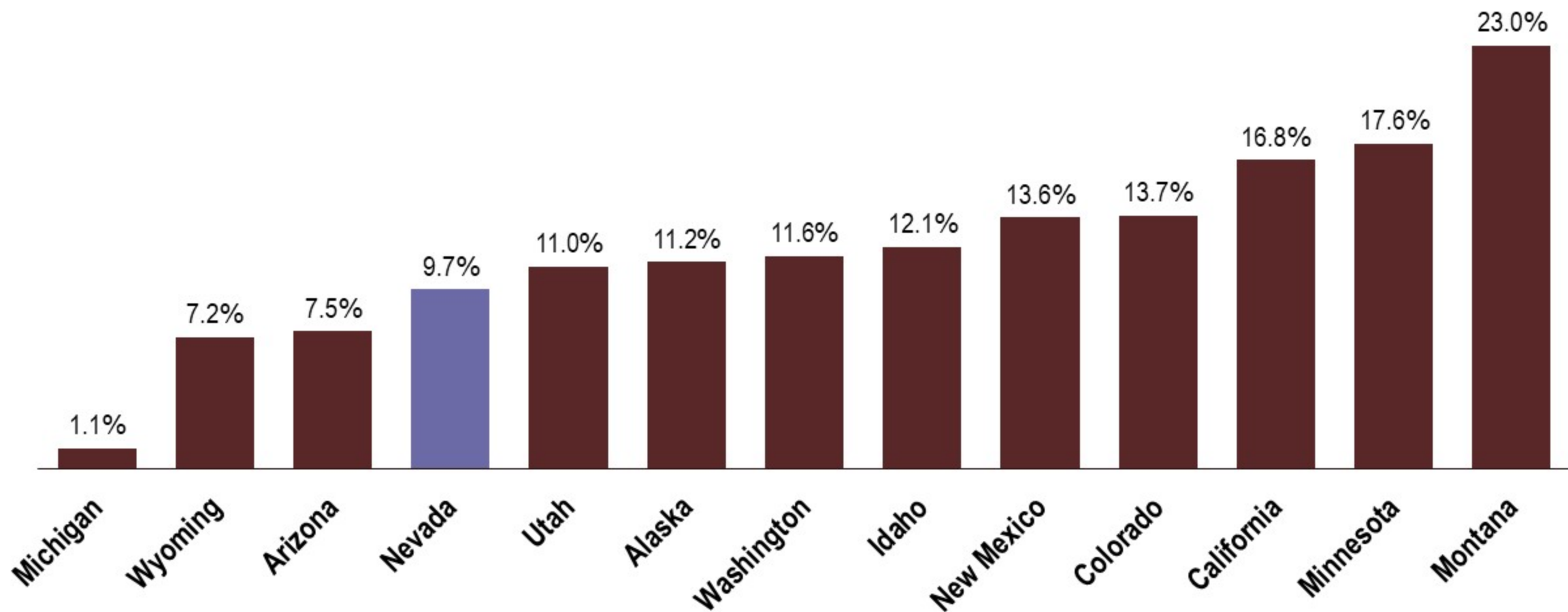
Policy Perception Index

United States



Source: Fraser Institute Survey of Mining Companies (2018) and Applied Analysis

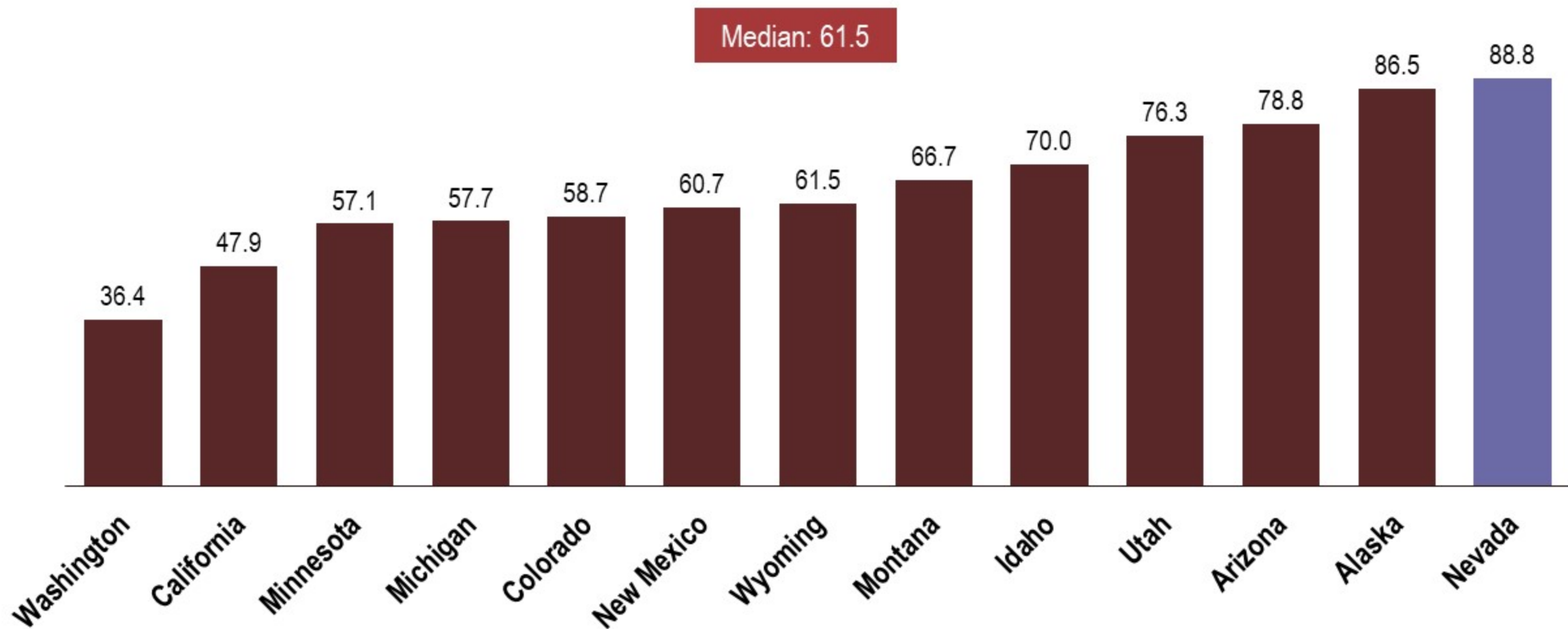
Policy Perception Index Growth United States



Source: Fraser Institute Survey of Mining Companies (2017 vs. 2018) and Applied Analysis

Best Practices Mineral Potential Index

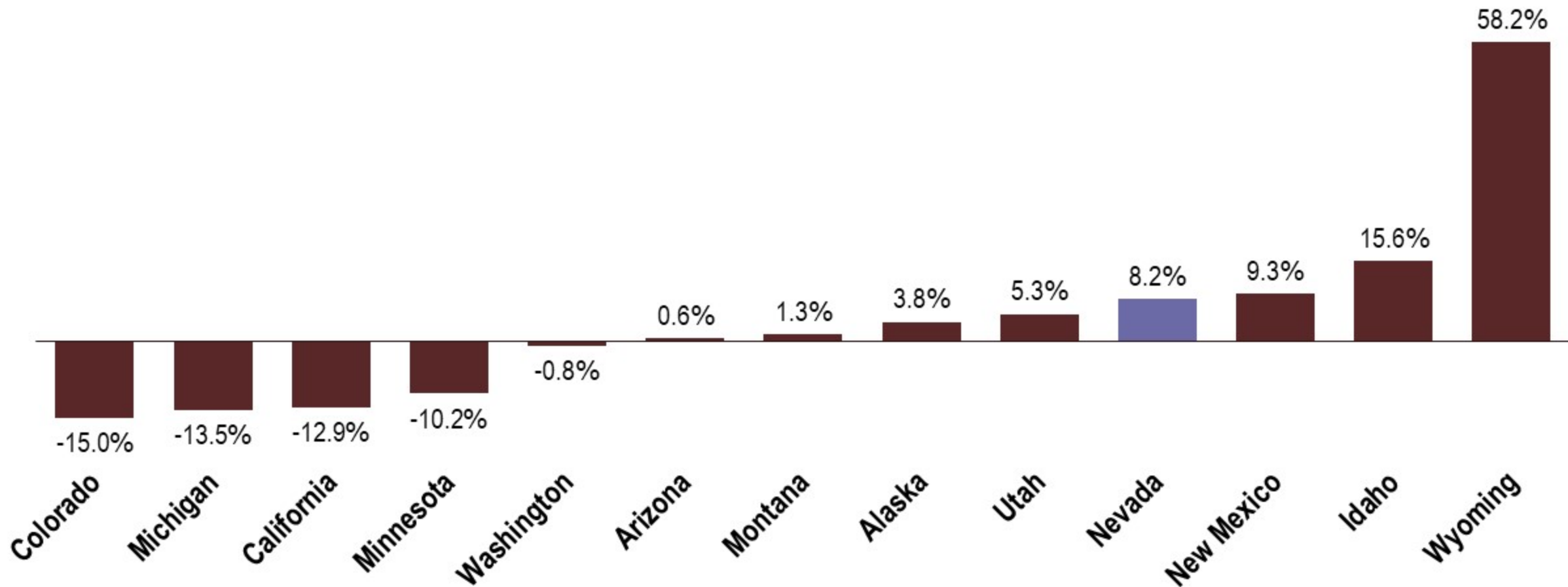
United States



Source: Fraser Institute Survey of Mining Companies (2018) and Applied Analysis

Best Practices Mineral Potential Index Growth

United States

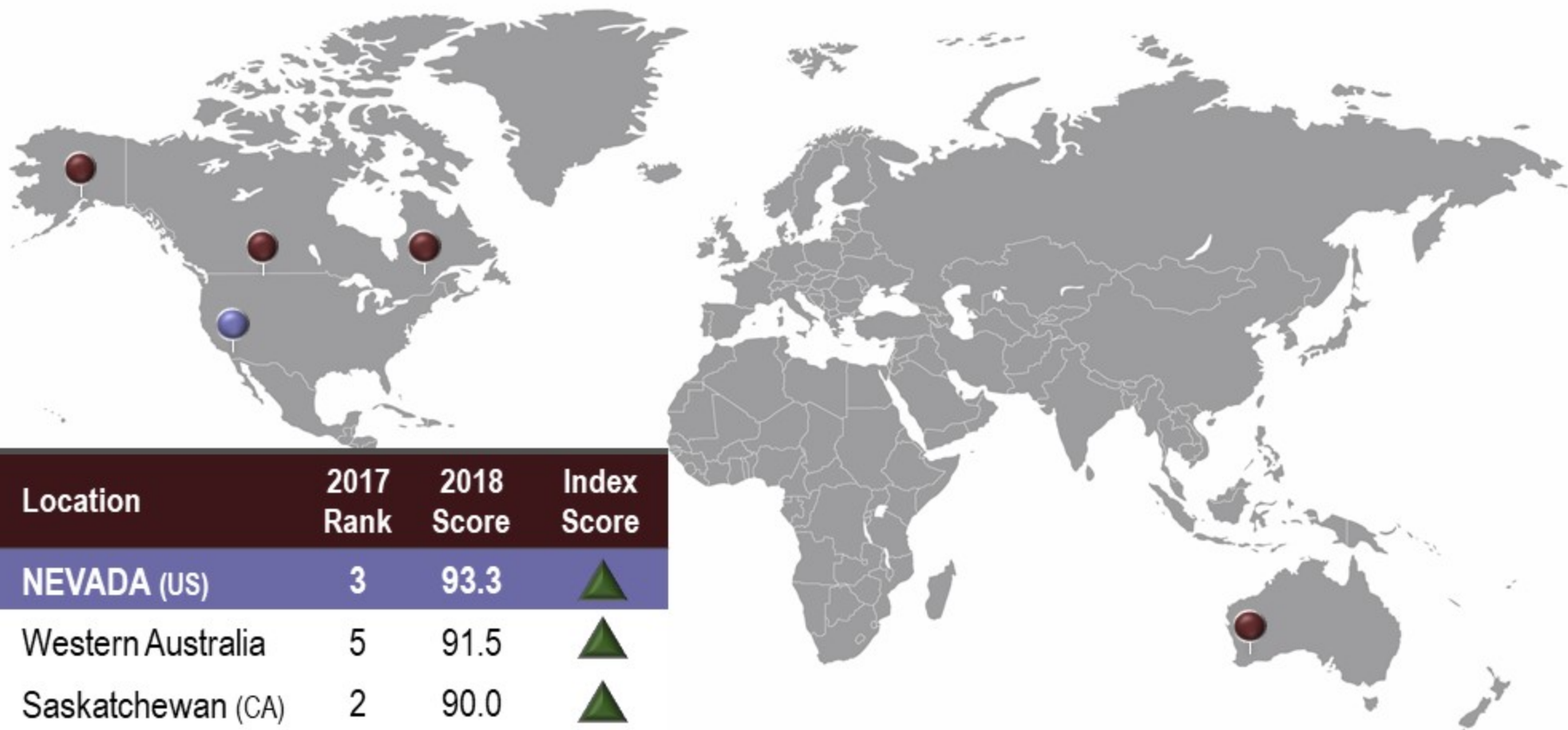


Source: Fraser Institute Survey of Mining Companies (2017 vs. 2018) and Applied Analysis



What is the Outlook for the Mining Industry **Internationally?**

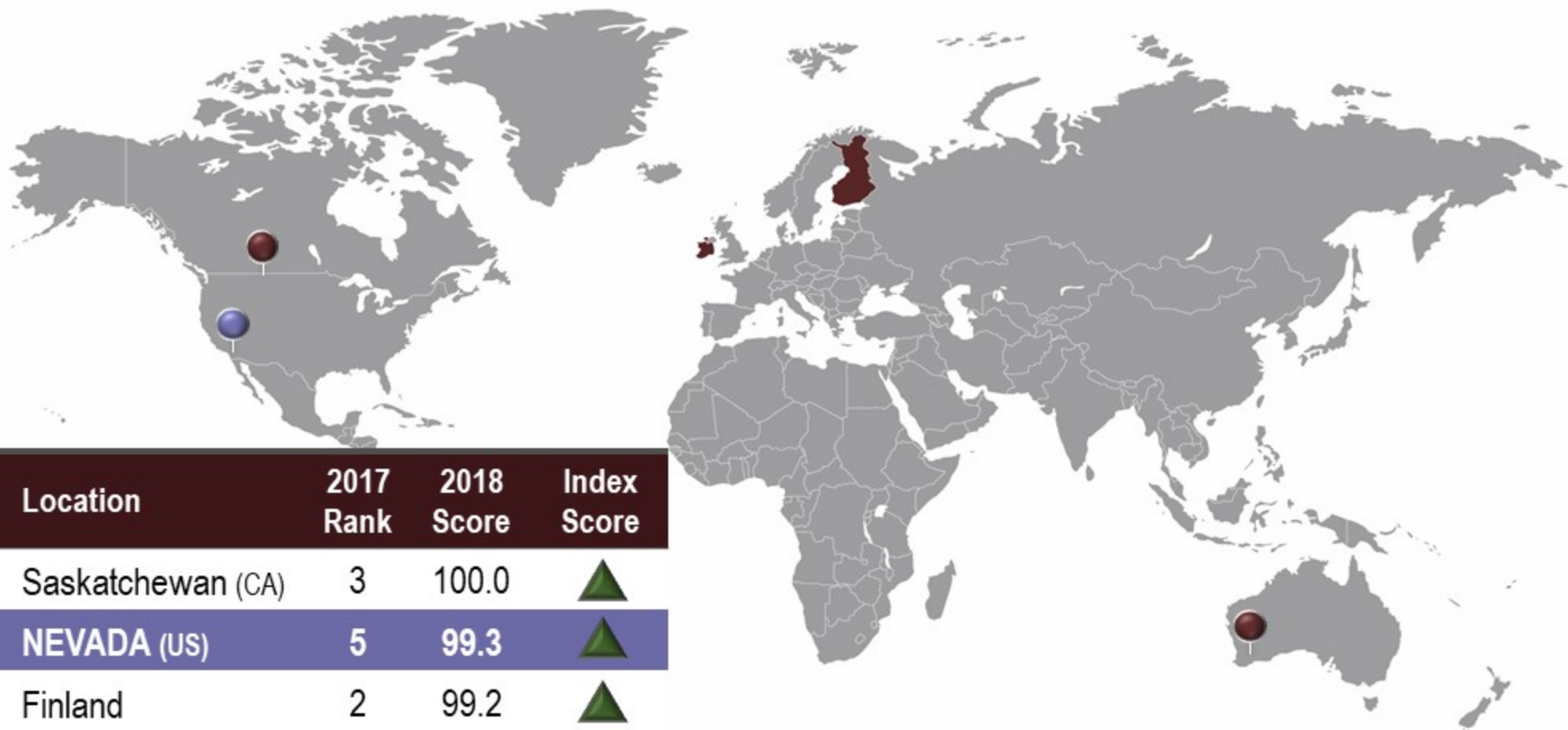
Investment Attractiveness Index



2018 Rank	Location	2017 Rank	2018 Score	Index Score
1	NEVADA (US)	3	93.3	▲
2	Western Australia	5	91.5	▲
3	Saskatchewan (CA)	2	90.0	▲
4	Quebec (CA)	6	88.4	▲
5	Alaska (US)	10	86.1	▲

Source: Fraser Institute Survey of Mining Companies (2018) and Applied Analysis

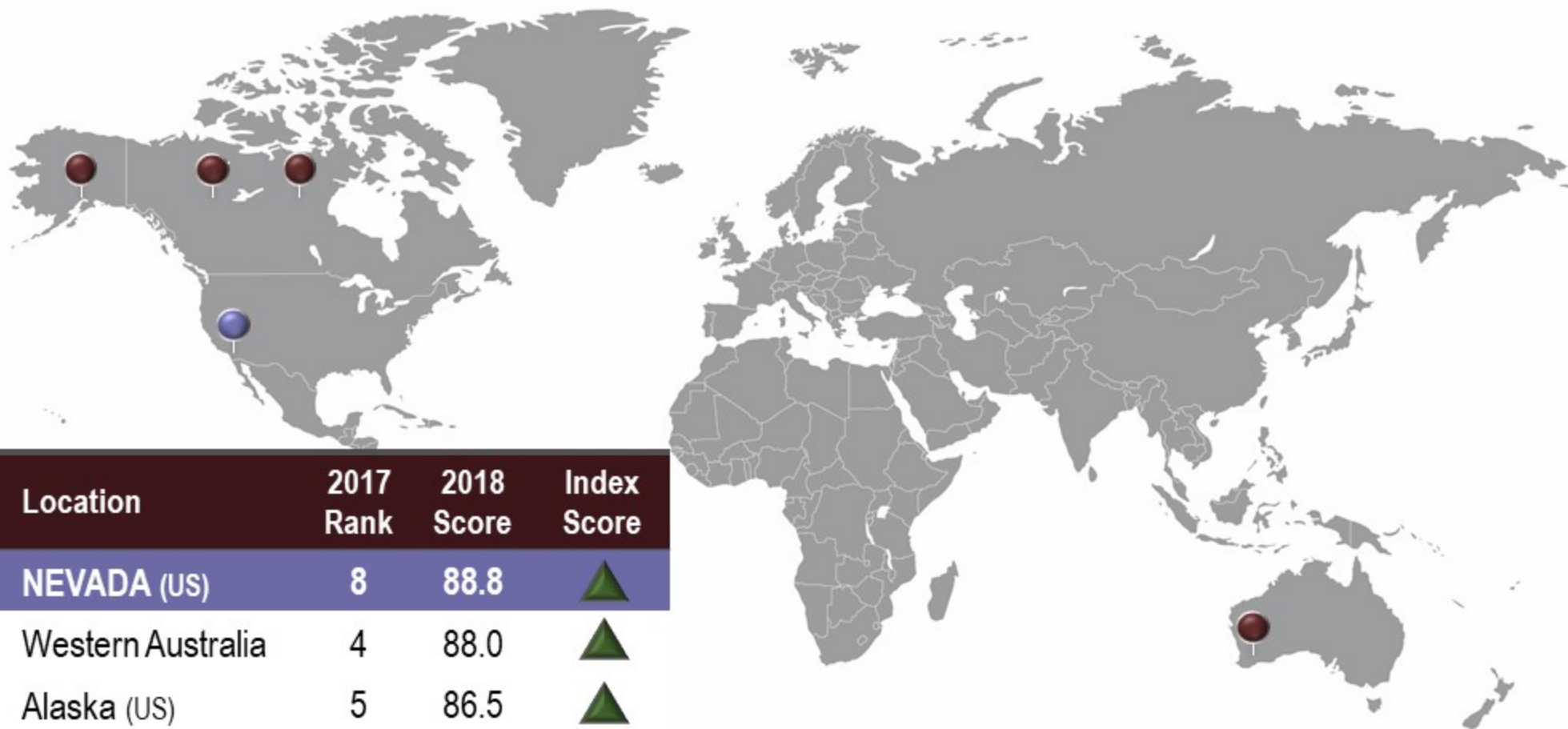
Policy Perception Index



2018 Rank	Location	2017 Rank	2018 Score	Index Score
1	Saskatchewan (CA)	3	100.0	▲
2	NEVADA (US)	5	99.3	▲
3	Finland	2	99.2	▲
4	Rep. of Ireland	1	97.7	▼
5	Western Australia	17	96.7	▲

Source: Fraser Institute Survey of Mining Companies (2018) and Applied Analysis

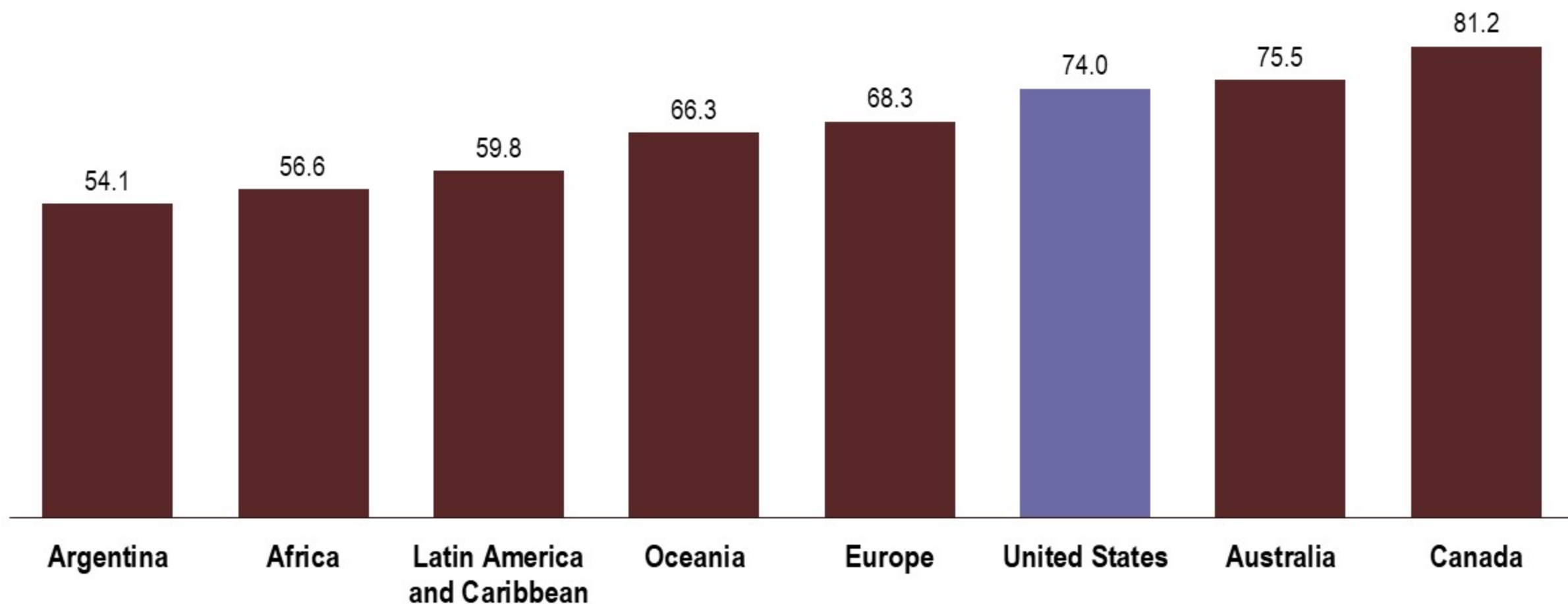
Best Practices Mineral Potential Index



2018 Rank	Location	2017 Rank	2018 Score	Index Score
1	NEVADA (US)	8	88.8	▲
2	Western Australia	4	88.0	▲
3	Alaska (US)	5	86.5	▲
4	NW Territories (CA)	19	86.0	▲
5	Nunavut (CA)	10	84.6	▲

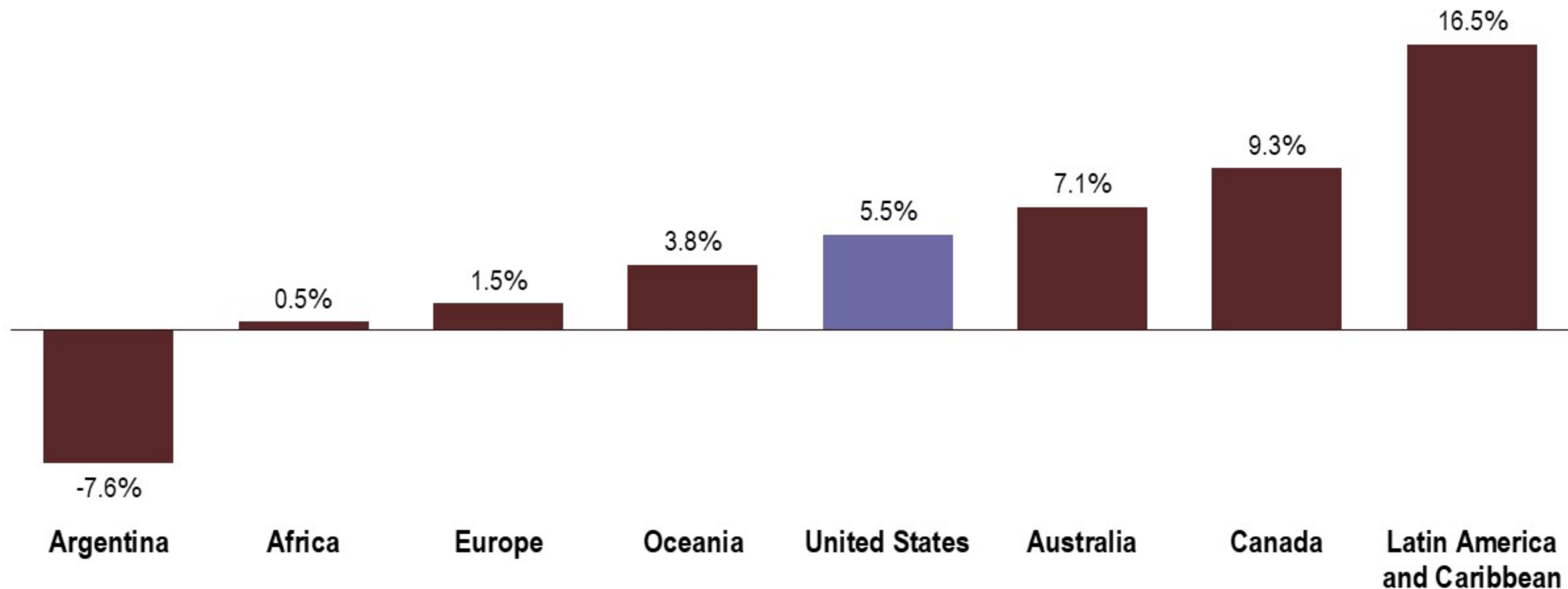
Source: Fraser Institute Survey of Mining Companies (2018) and Applied Analysis

Regional Median Investment Attractiveness



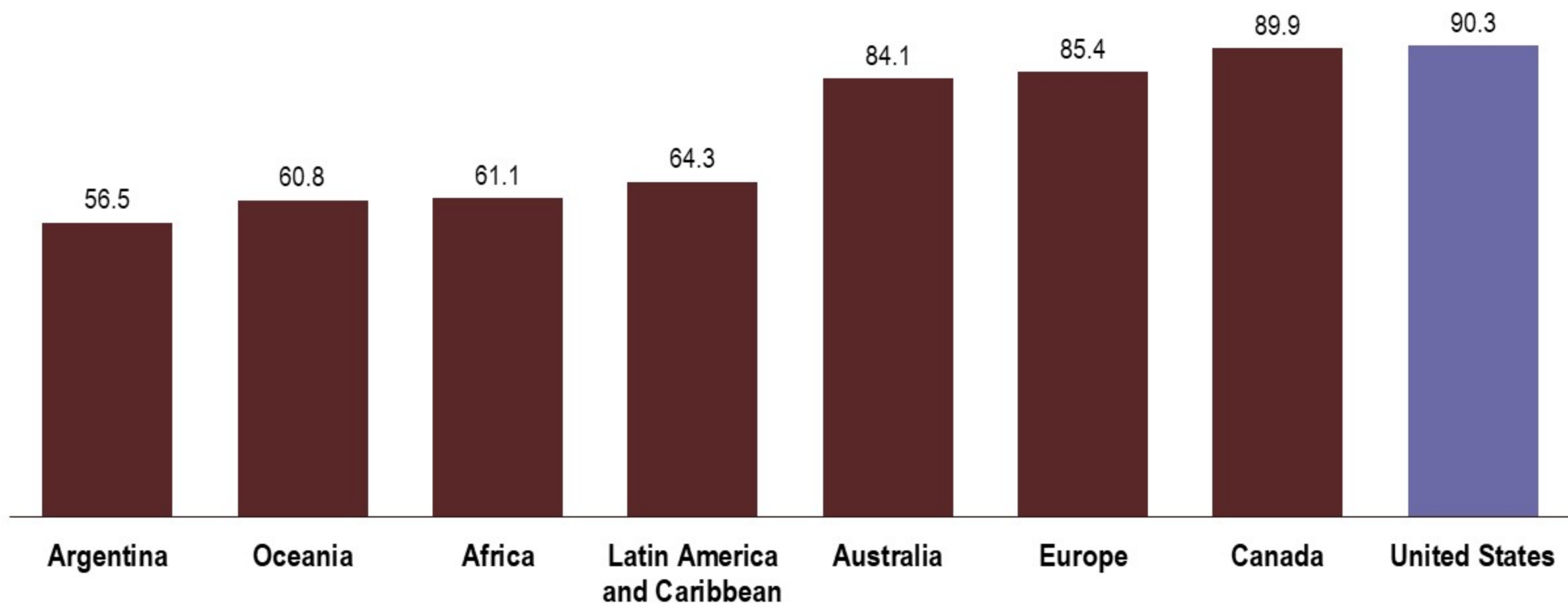
Source: Fraser Institute Survey of Mining Companies (2018) and Applied Analysis

Regional Median Investment Attractiveness Growth



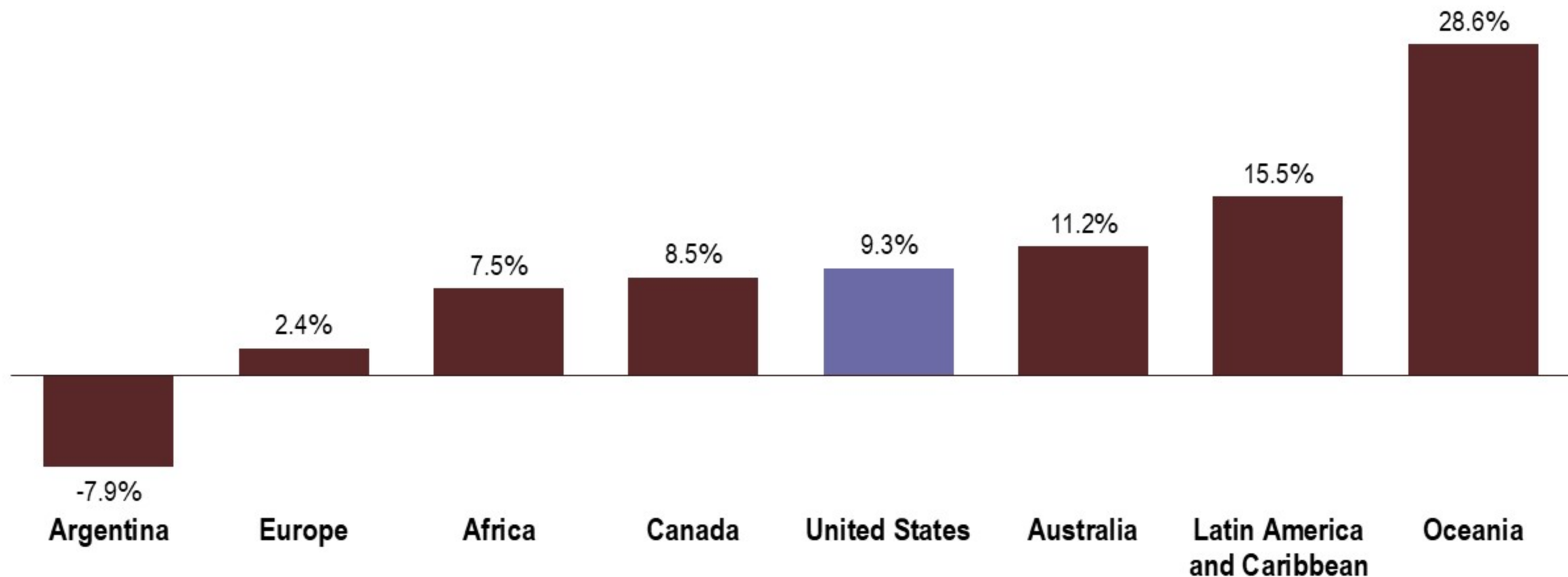
Source: Fraser Institute Survey of Mining Companies (2017 vs. 2018) and Applied Analysis

Regional Median Policy Perception Index



Source: Fraser Institute Survey of Mining Companies (2018) and Applied Analysis

Regional Median Policy Perception Index Growth



Source: Fraser Institute Survey of Mining Companies (2017 vs. 2018) and Applied Analysis

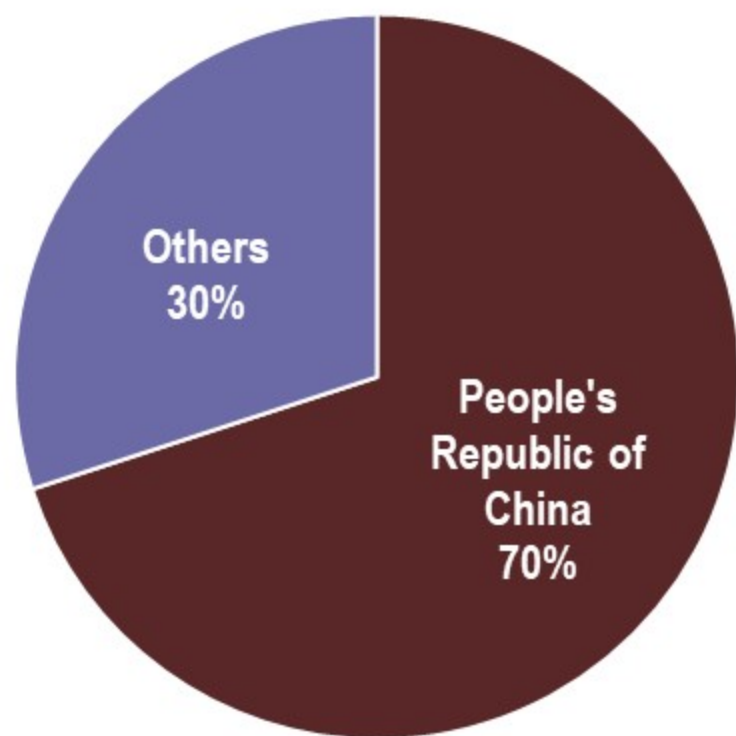


Trade Wars: What Do They Mean for Us?



China's Dominance of the Rare Earth Market

Rare Earth Extraction in 2018

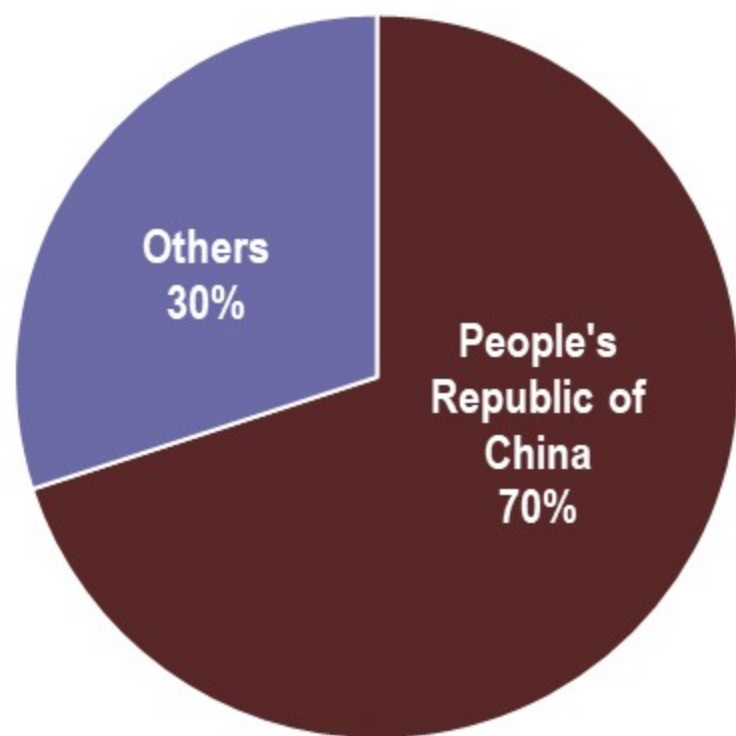


- Seventy percent of rare earths are mined in the People's Republic of China, and processes a greater percentage of the rare earths annually
- Eighty percent of U.S. imports of usable rare earths also come from China
- Earlier this year, the Chinese government suggested it would lower the amount of rare earths supplied to the U.S. as retaliation for increased tariffs on Chinese goods

Source: South China Morning Post

Revitalizing the Rare Earth Market in the U.S.

Rare Earth Extraction in 2018



- The Mountain Pass mine, located an hour away from Las Vegas, is a potential part of the answer to a reduced supply of rare earth minerals
- From the 1960s to the 1980s, the United States was a leader in extracting these minerals, and Mountain Pass was a big part of that
- Despite not being mined since 2015, Mountain Pass is still the largest source of rare earths in the country
- MP Materials, based in Las Vegas, is seeking to reestablish rare earth mining and help reduce dependency on imported rare earths

Source: South China Morning Post; Financial World; News 3 Las Vegas





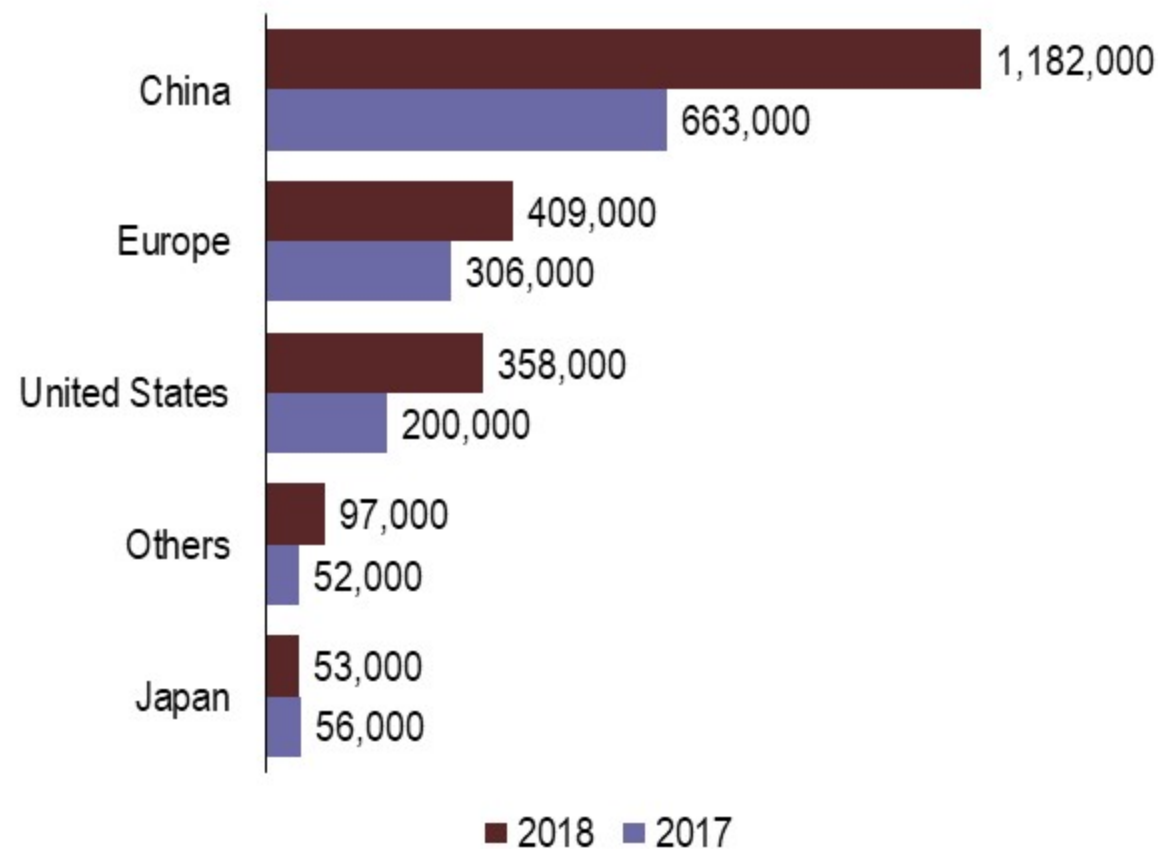


What About Electric Vehicles and Batteries?



Electric Vehicle Sales Rise Dramatically

Global EV Sales



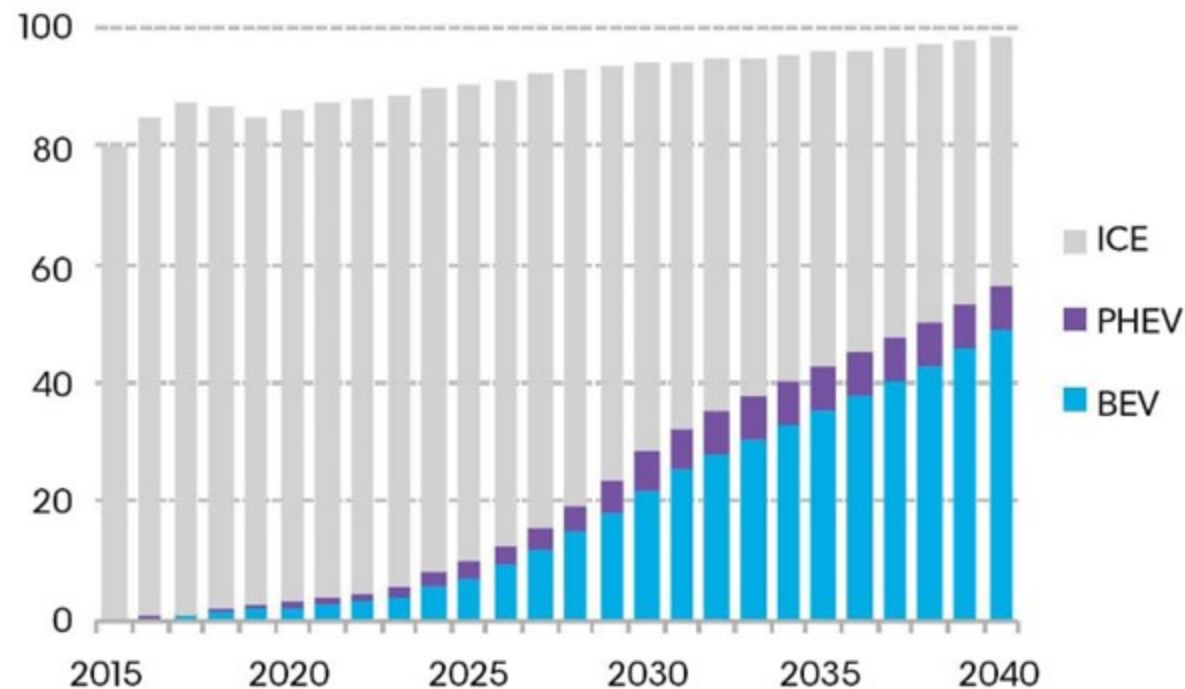
- 64% increase in EV sales 2017 to 2018
 - 79% in the U.S.
 - 78% in China
 - 34% in Europe
- More than 1.27 million EVs are on the road in the U.S. as of June 30, 2019
- In Q2 2019, approximately 85,000 EVs were sold in the U.S.
- Q2 2019 sales increased 23% over Q2 2018 sales

Source: Edison Electric Institute and EV-Volumes.com

Electrifying Global Transportation

Global long-term passenger vehicle sales by drivetrain

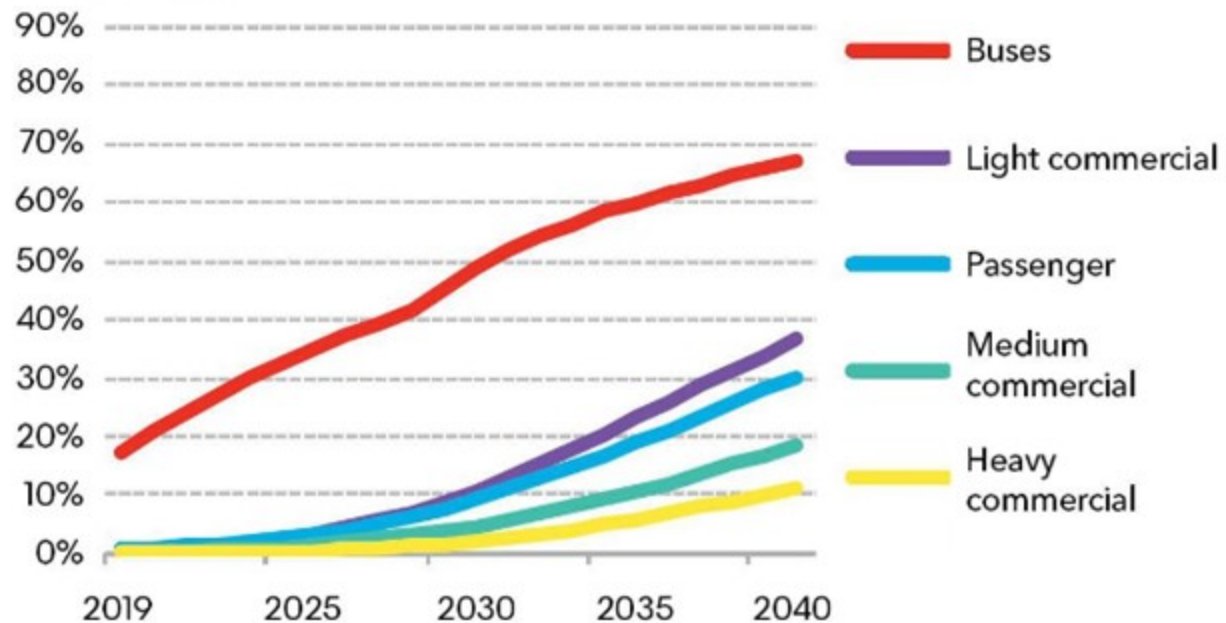
Million vehicles



Source: BloombergNEF

EV share of global vehicle fleet by segment

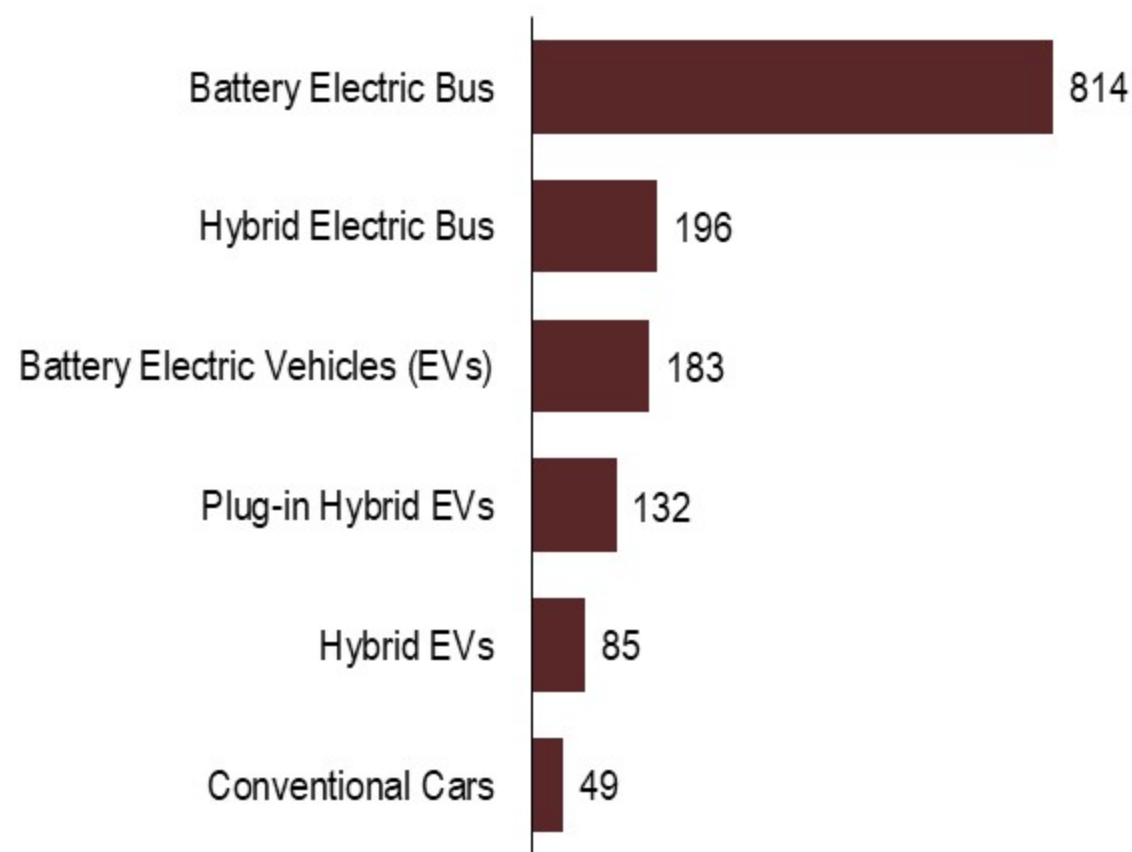
Share of fleet



Source: BloombergNEF. Note: Commercial vehicle adoption figures include the main markets of China, Europe, and the U.S.

Copper and Electric Vehicles

Pounds of Copper Required



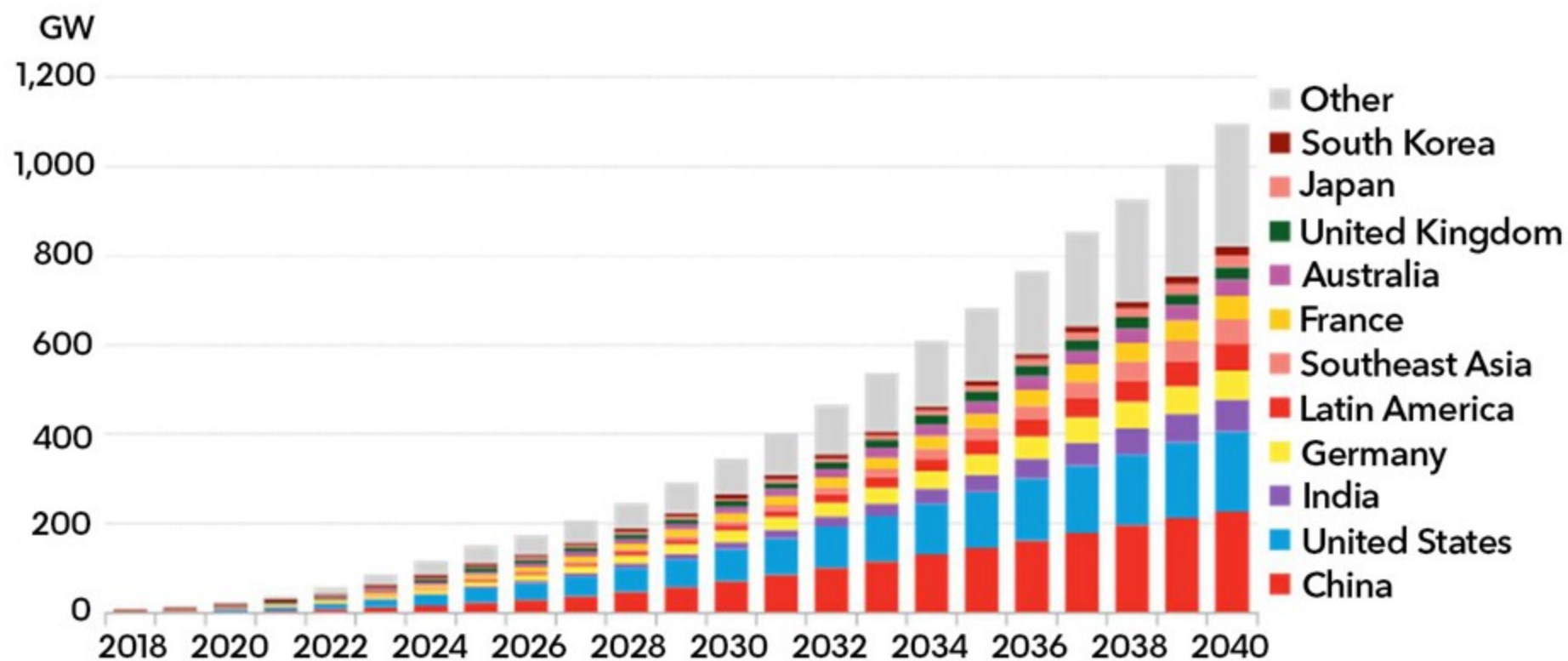
- Demand for copper in vehicles expected to increase by **1,700 kilotons** by 2027
- **56%** of all **light commercial vehicles** and **31%** of all **medium commercial vehicles** will be electric **by 2040**

Source: Edison Electric Institute and the Institute for Electric Innovation

Exponential Energy Storage Growth

Lithium, Cobalt, Nickel and other minerals needed

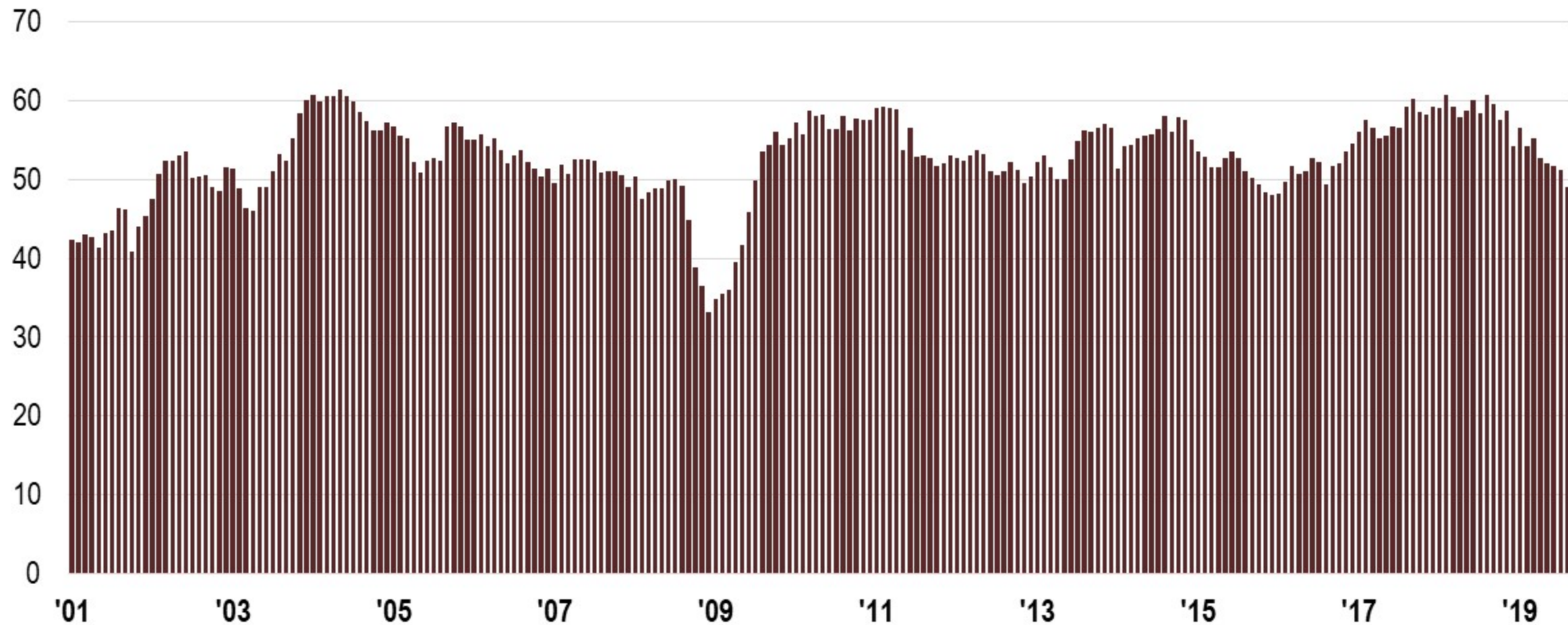
Global cumulative energy storage installations




Source: BloombergNEF



Purchasing Managers Index



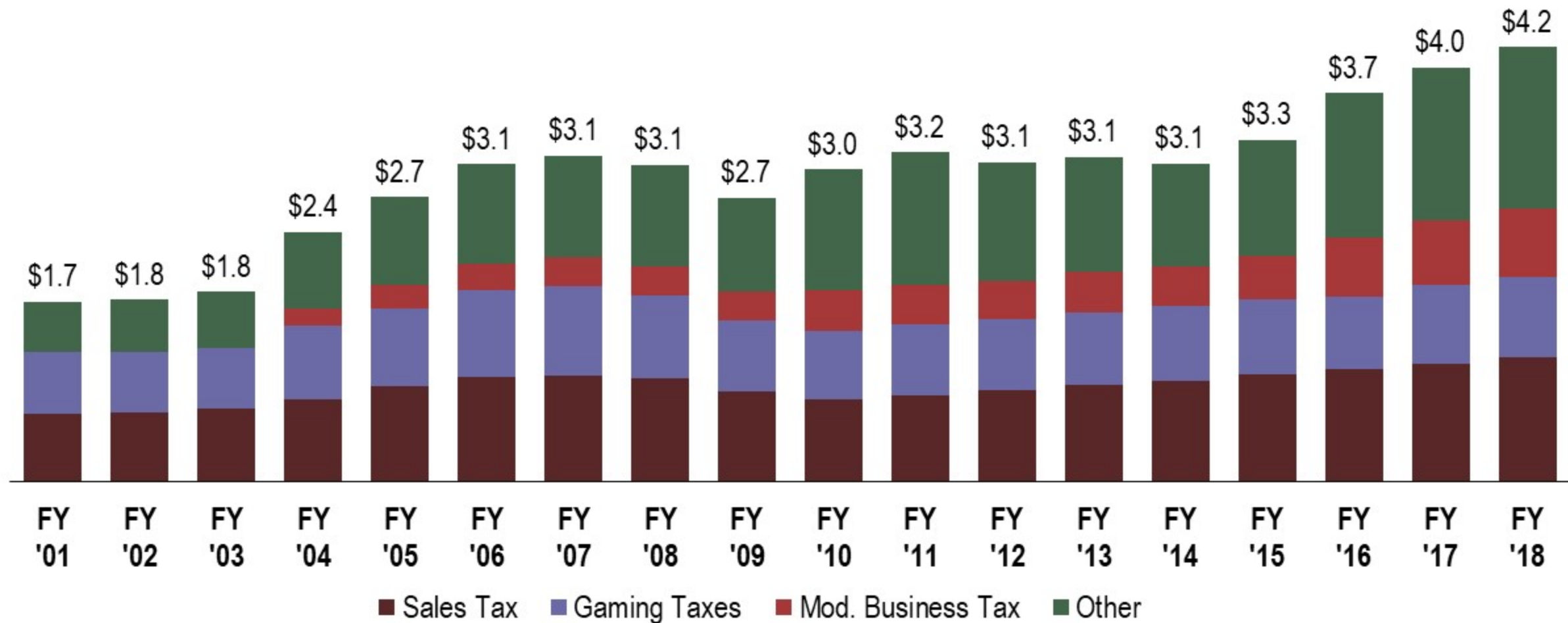
Source: Institute for Supply Management



How Might the State Budget Be Impacted by a Recession?

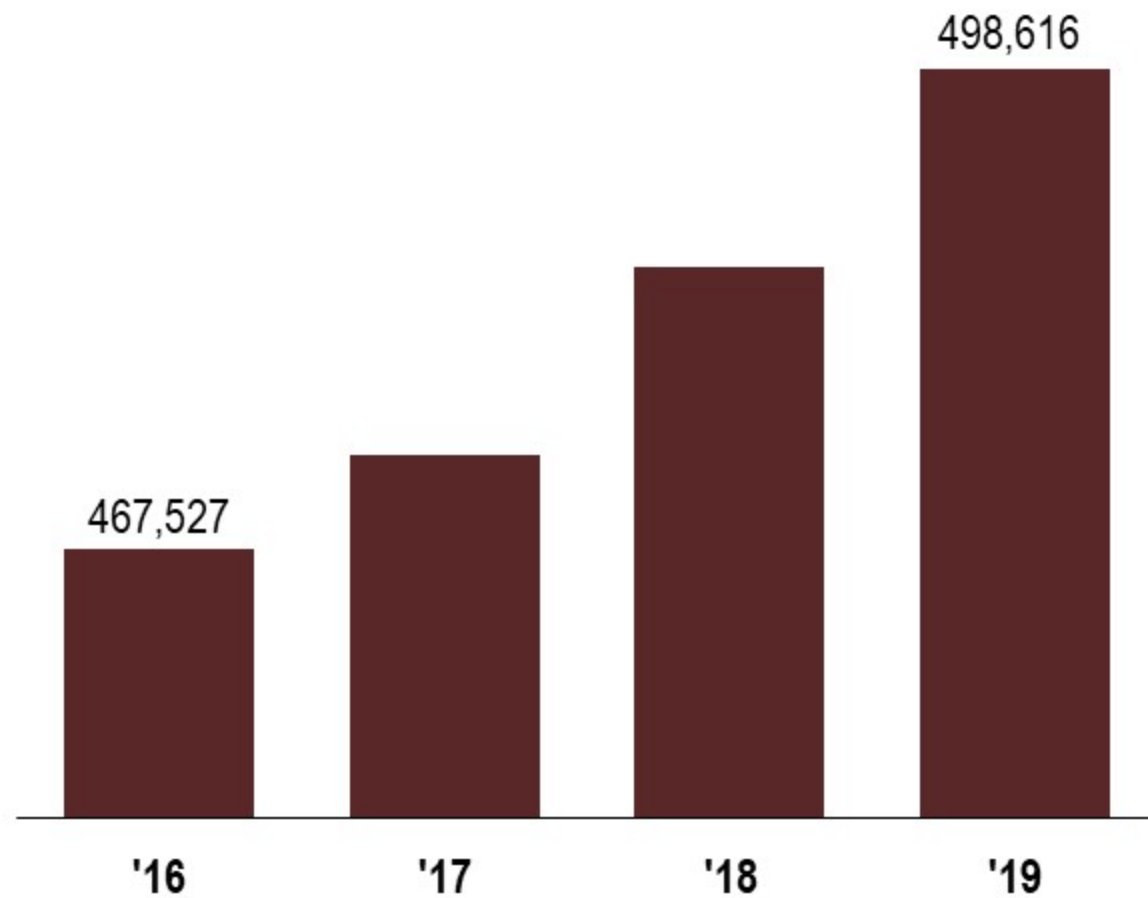
Nevada General Fund Revenue Trends

In Billions



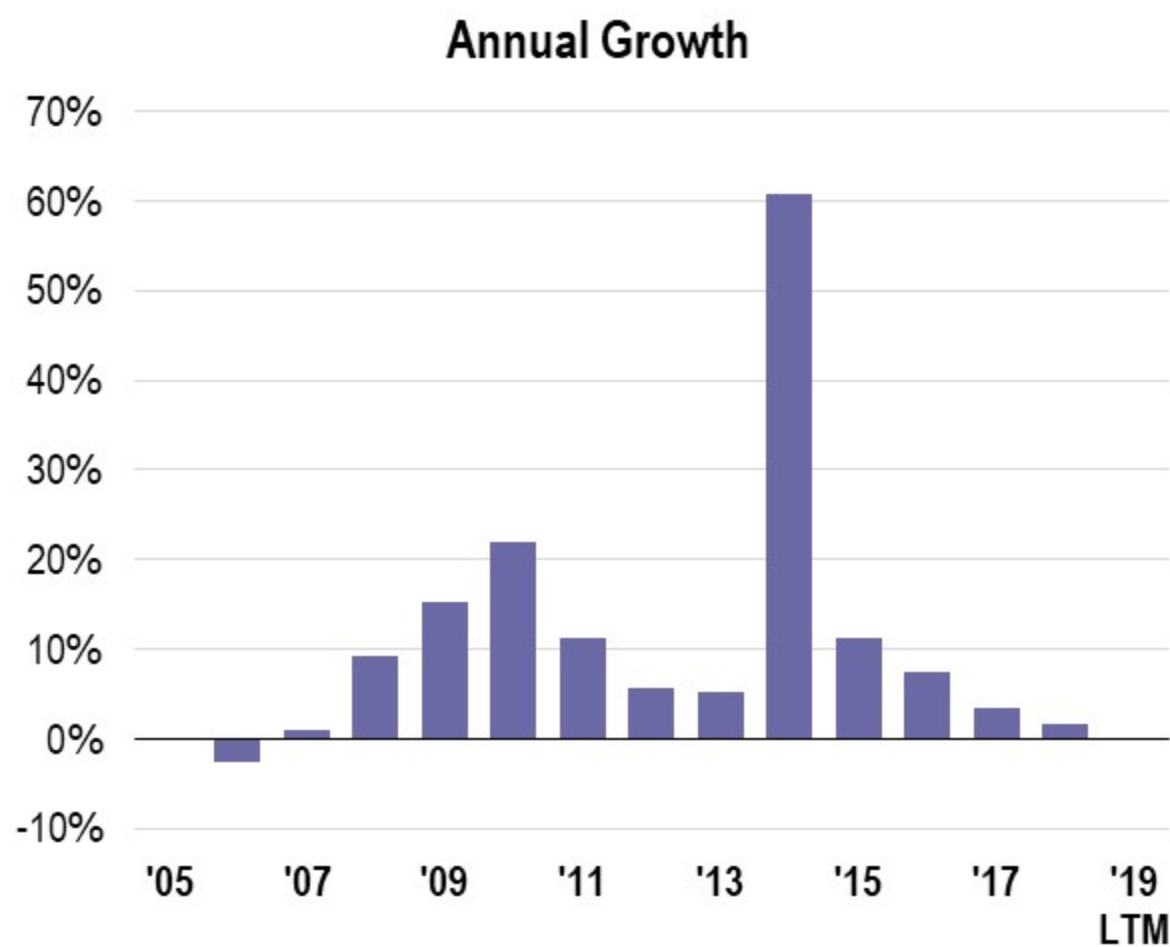
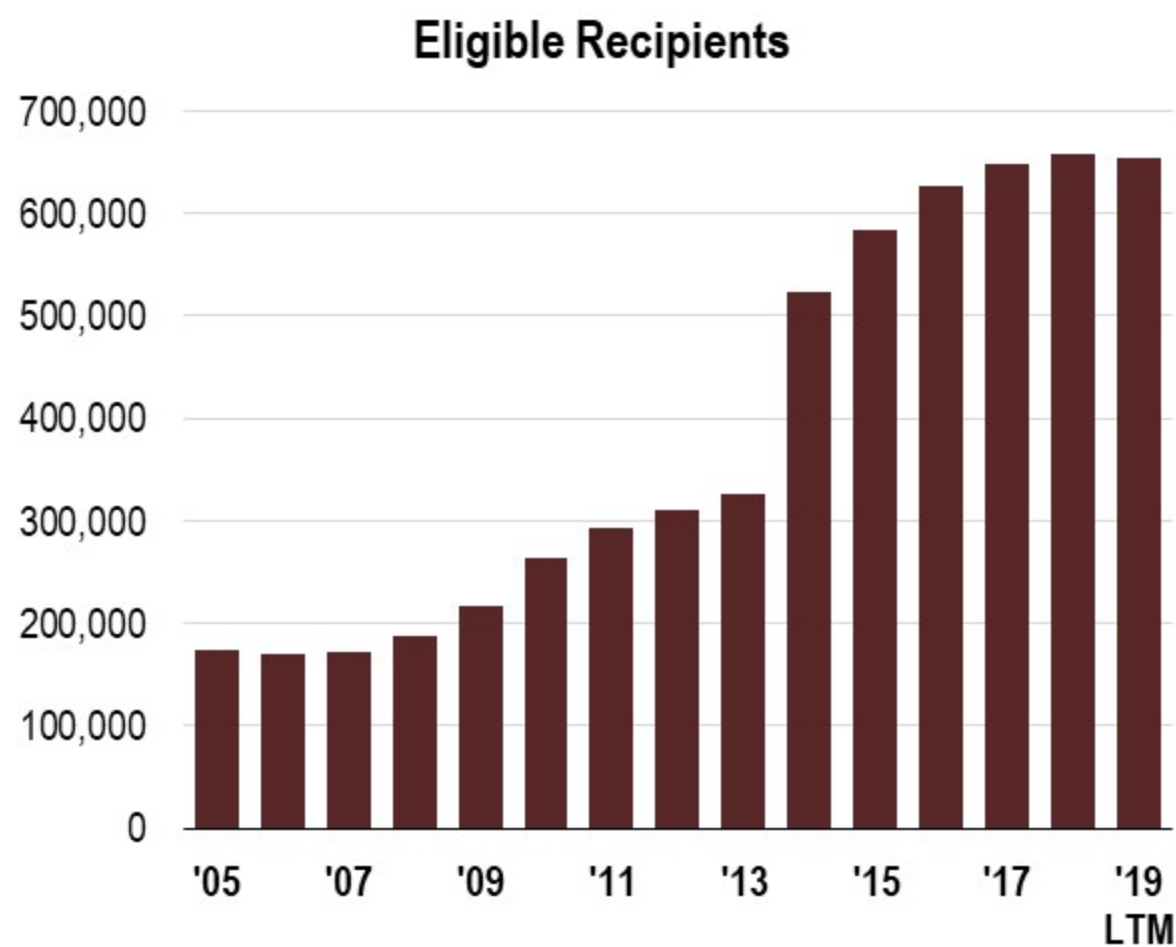
Source: Nevada Economic Forum

Public School Enrollment Nevada



Source: Nevada Department of Education

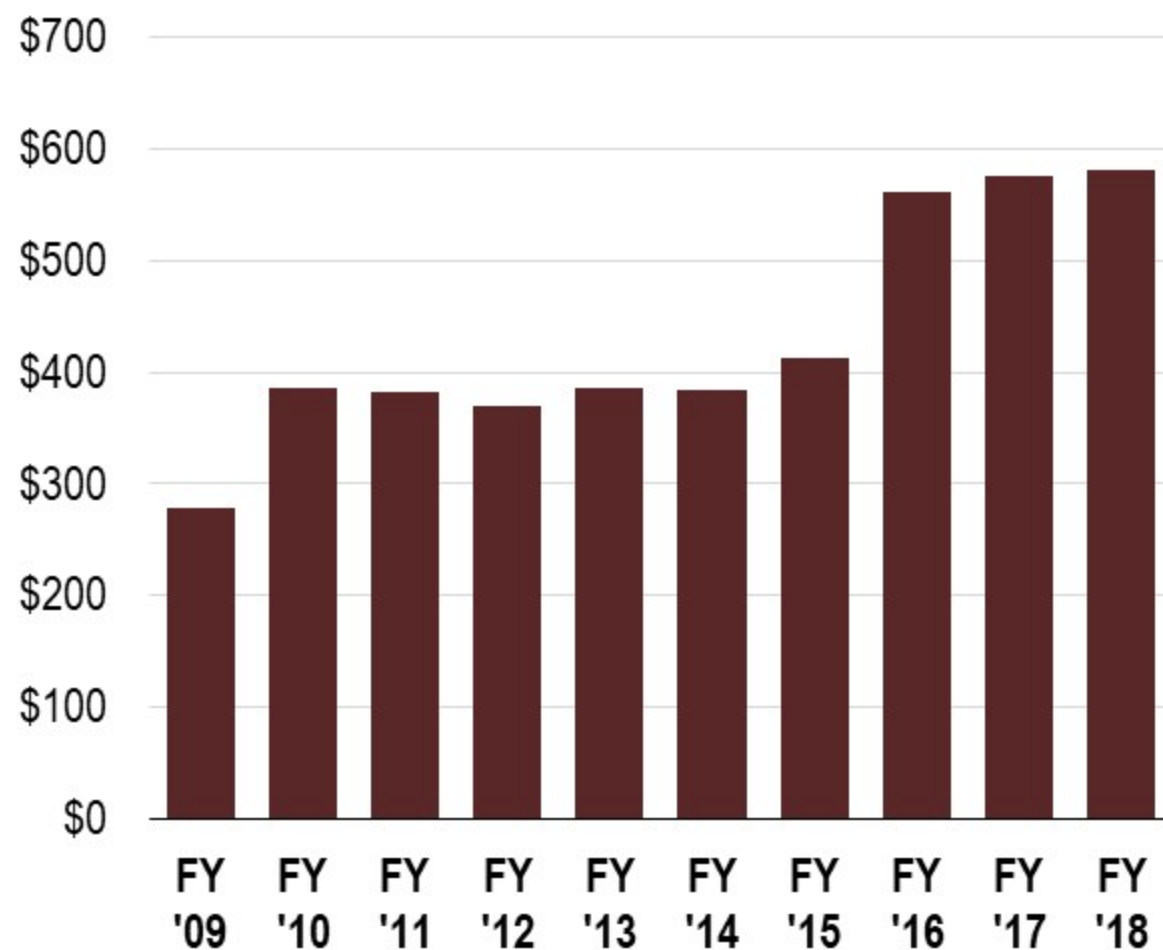
Medicaid Eligible Recipients



Source: Nevada Department of Welfare and Supportive Services

Nevada Modified Business Tax

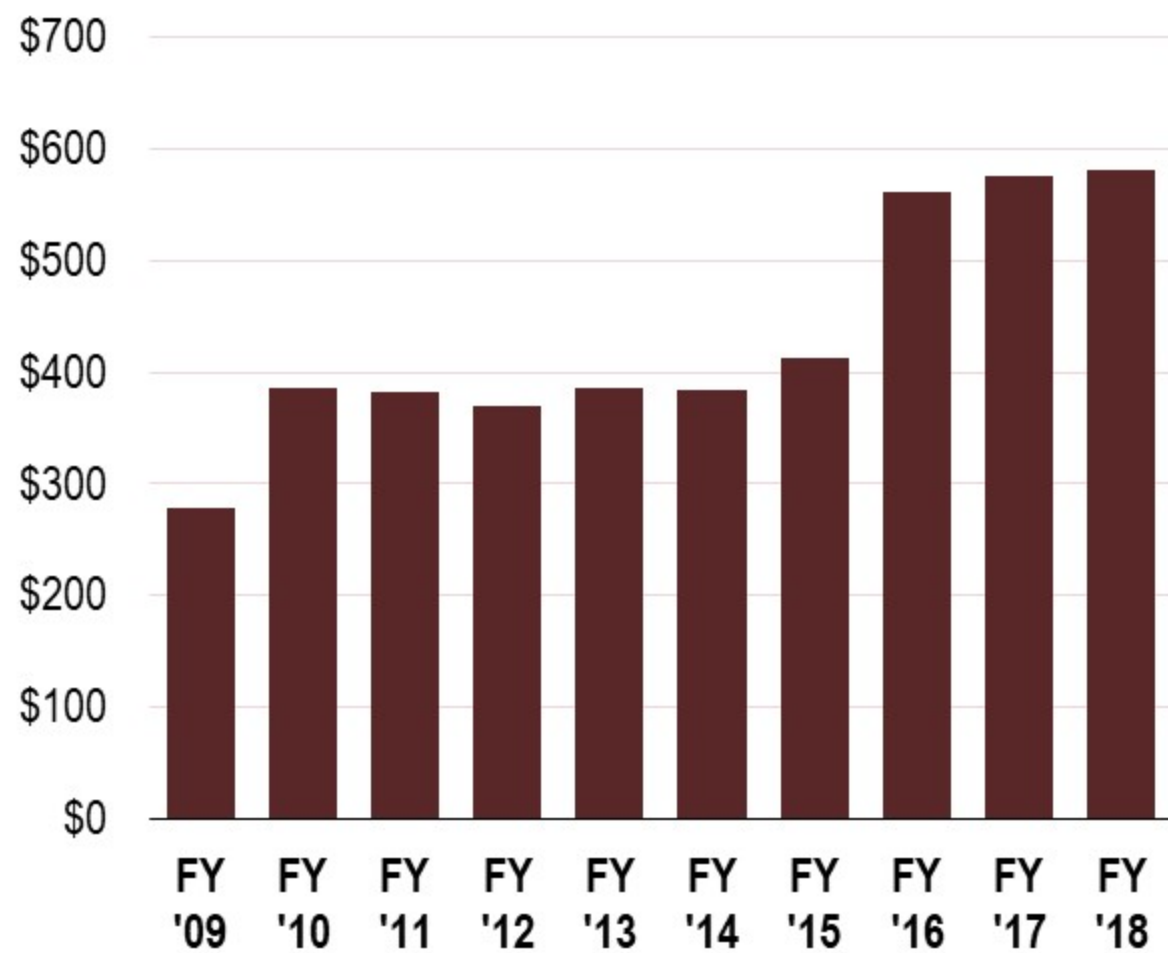
In Millions



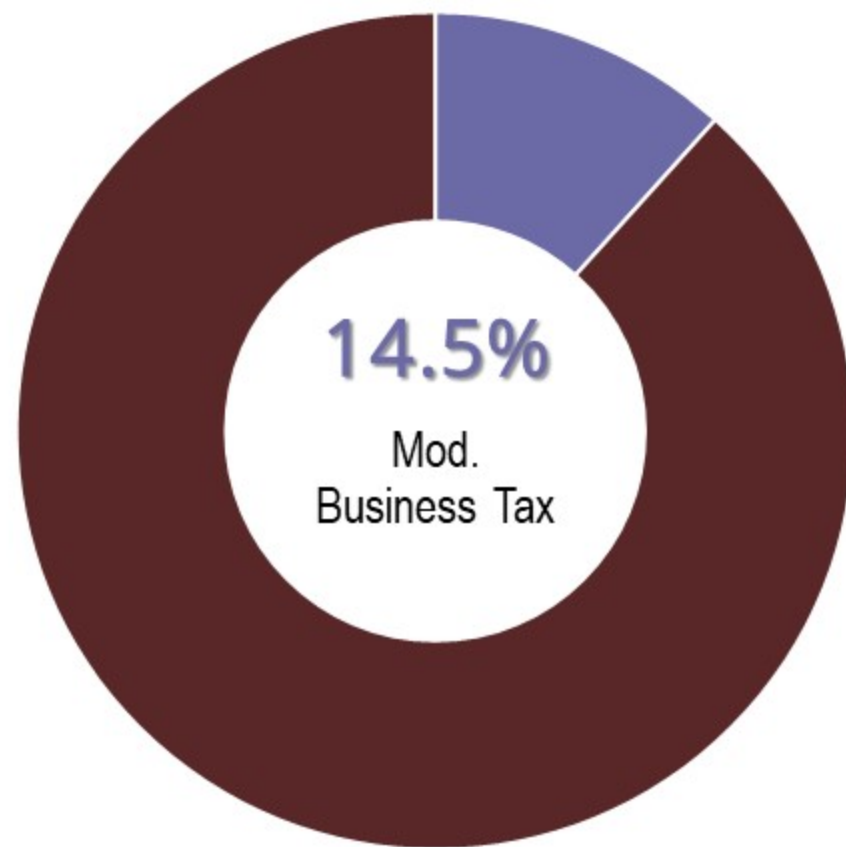
- Modified Business Tax rate was scheduled to decrease this year
- Rate decrease eliminated in 2019 Nevada Legislature
- Estimated that this extension will generate \$98 million of additional revenue over the biennia
- Pending lawsuit alleges that taxes were raised without the two-thirds majority as required by the Nevada Constitution

Source: Nevada Governor's Finance Office; Las Vegas Review-Journal

Nevada Modified Business Tax In Millions



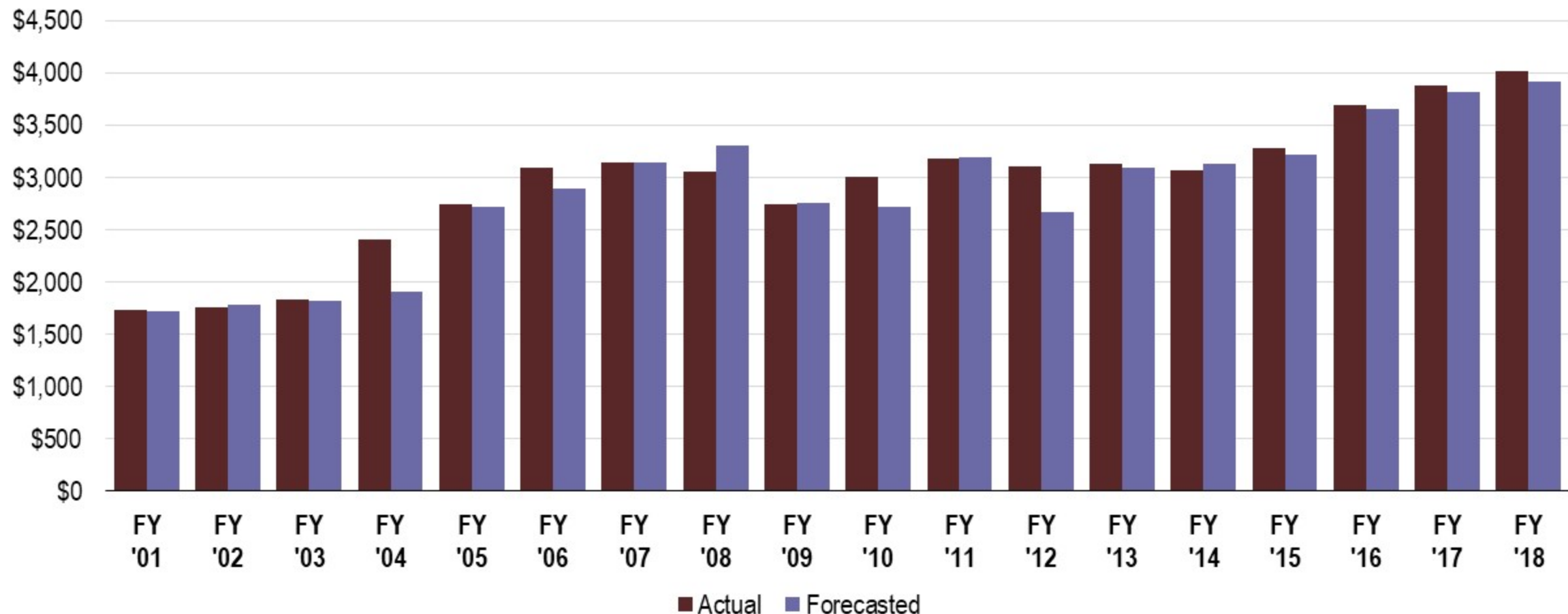
Share of General Fund Revenue



Source: Nevada Governor's Finance Office

Nevada General Fund Revenue

Actual vs Forecasted - In Millions



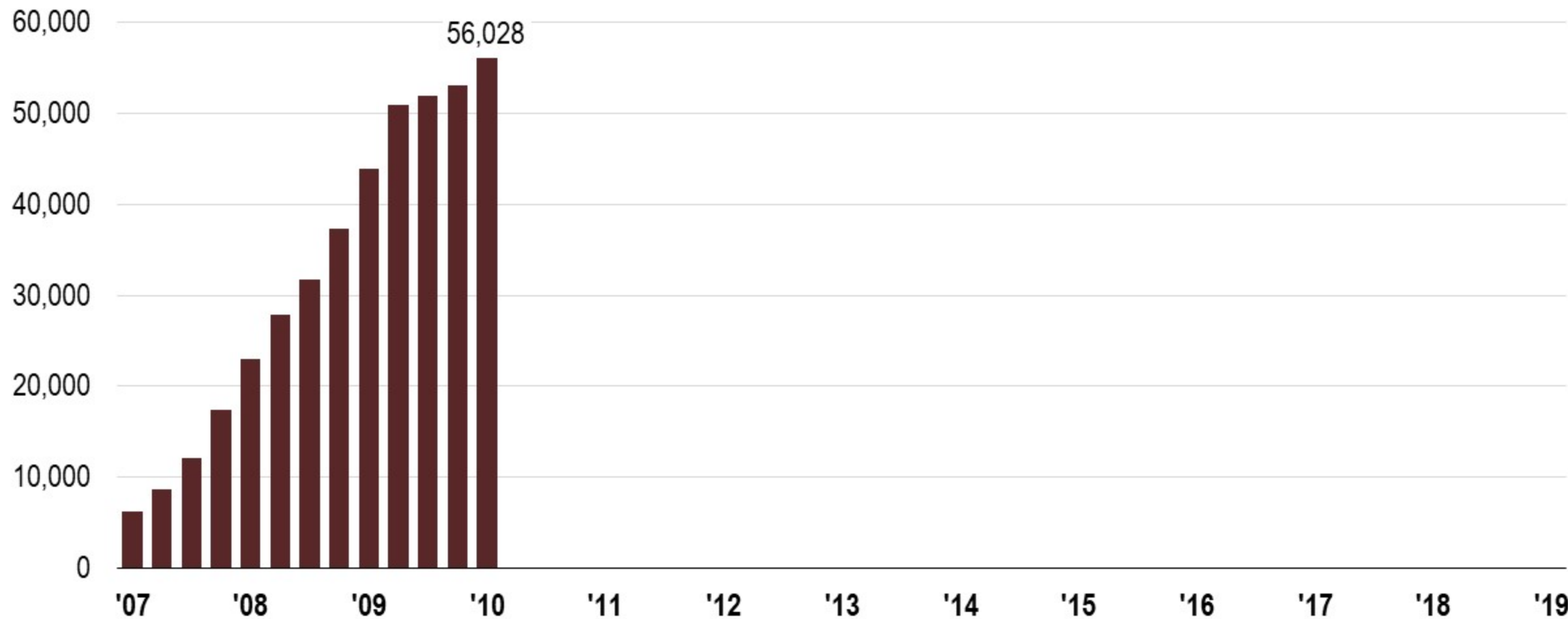
Source: Nevada Governor's Finance Office; Nevada Economic Forum



How is Nevada's Economy Different Today

- than During the Last Recession?

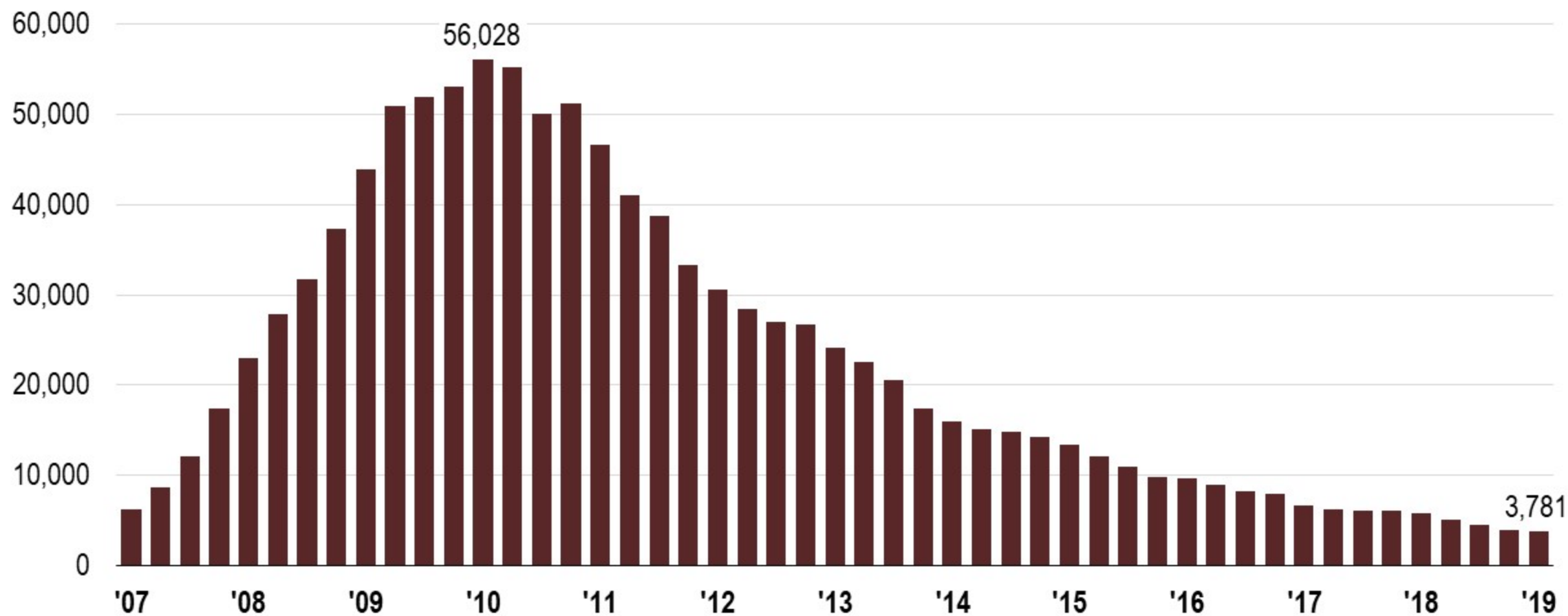
Foreclosure Inventory Nevada



Source: Mortgage Bankers' Association

Foreclosure Inventory

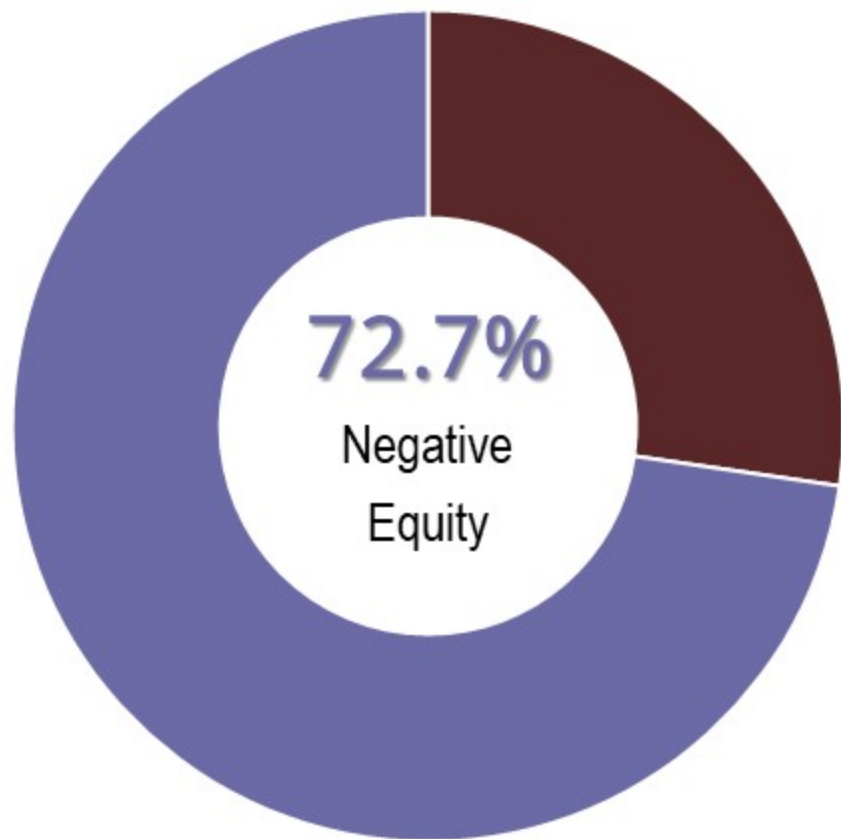
Nevada



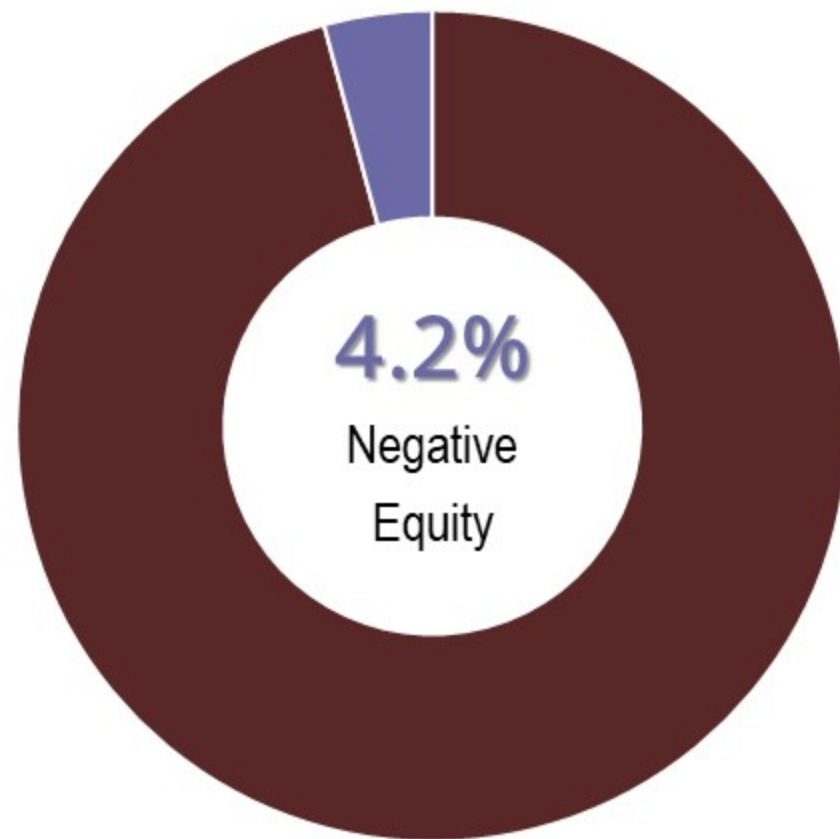
Source: Mortgage Bankers' Association

Negative Equity Nevada

Q1 2010



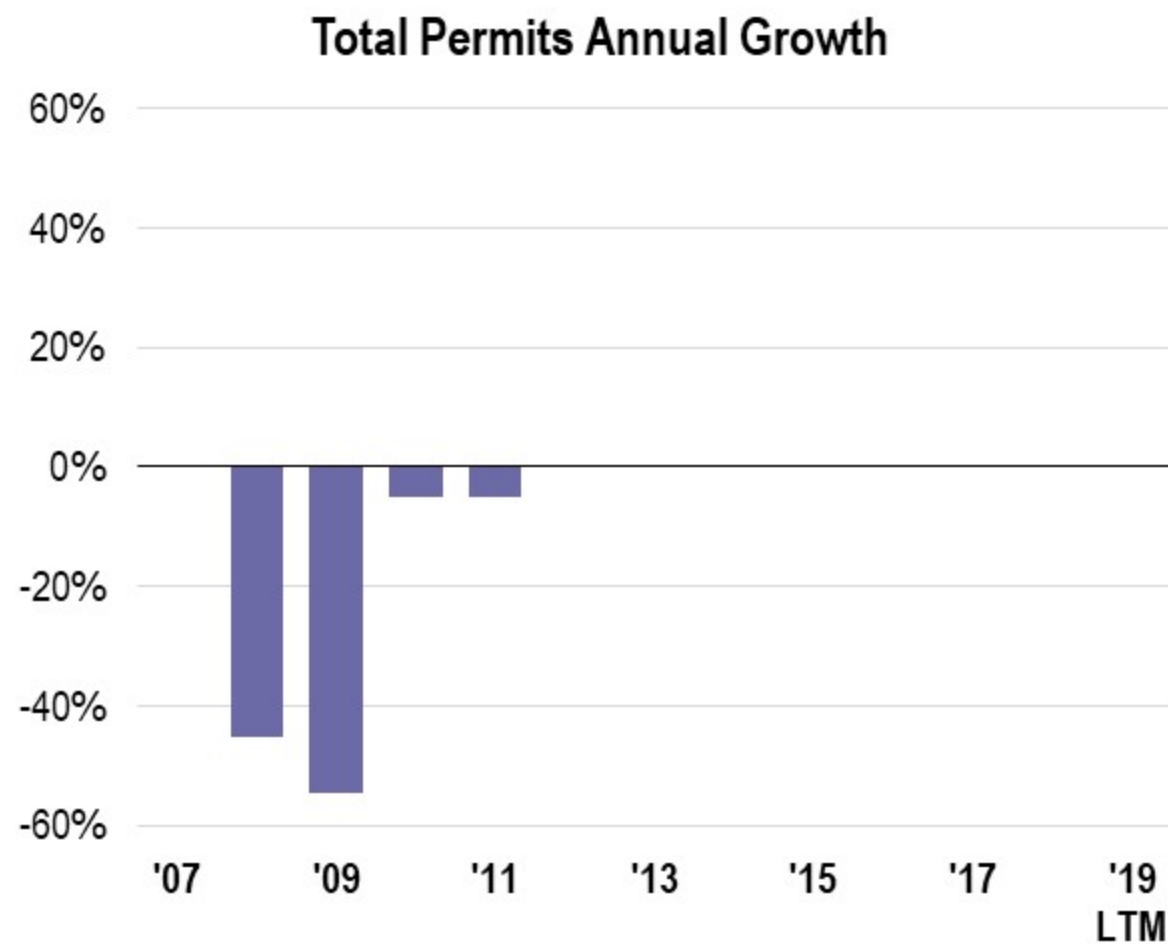
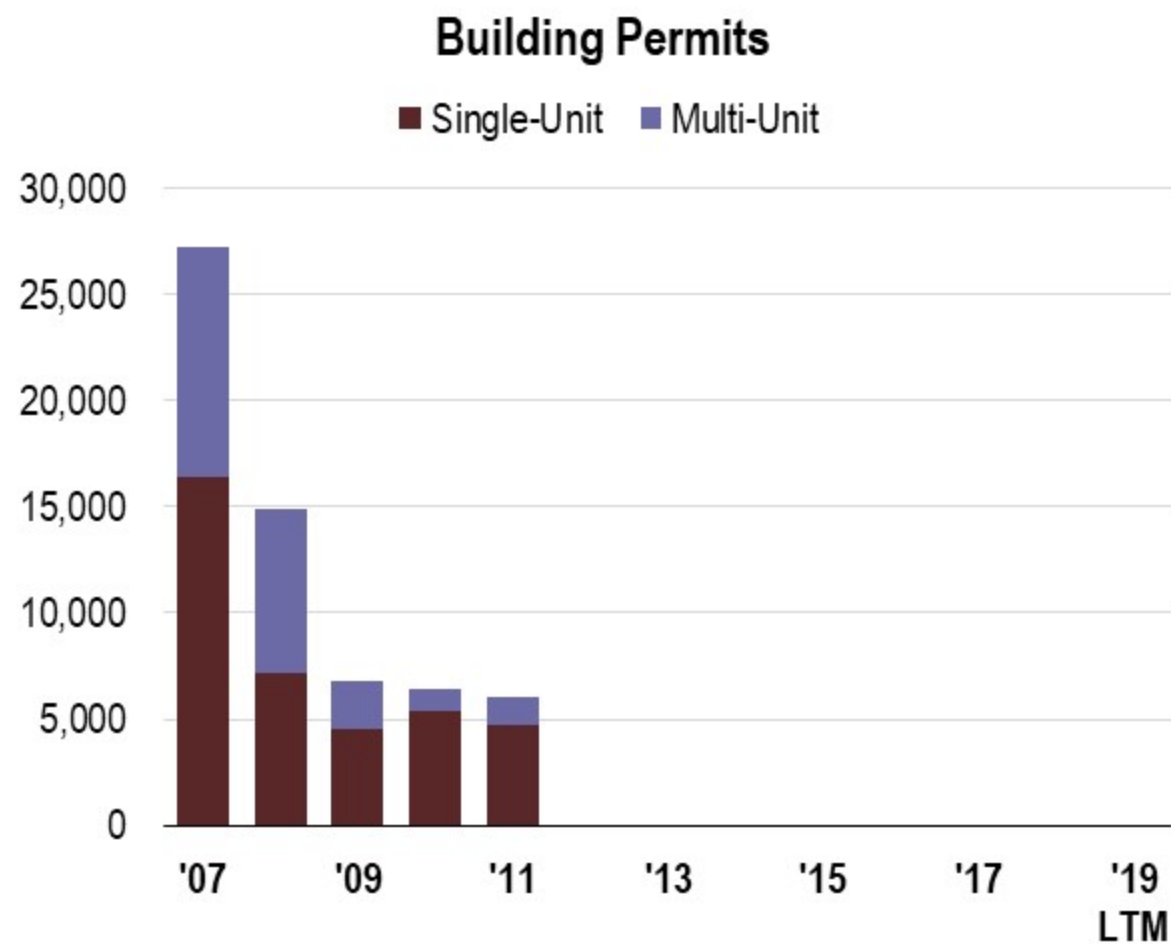
Q1 2019



Source: CoreLogic

Building Permits

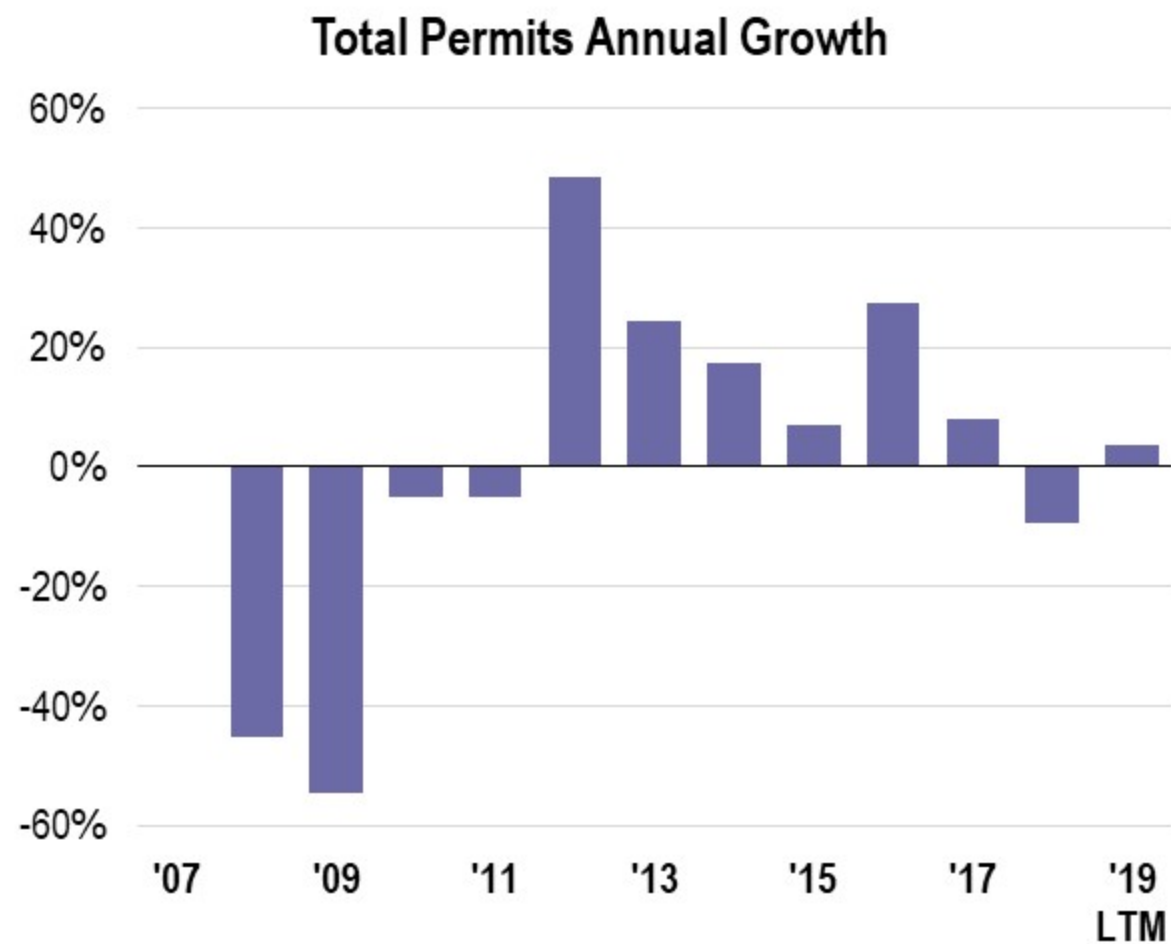
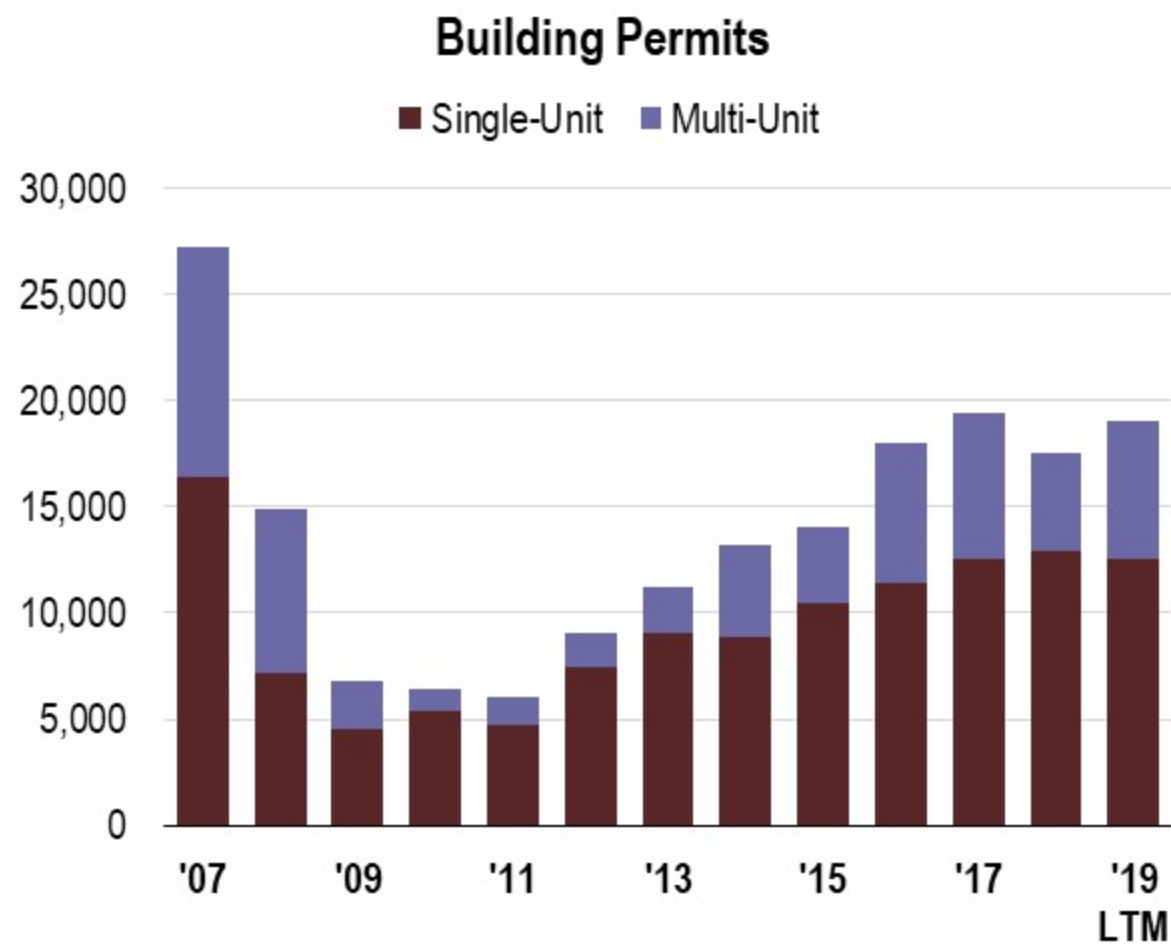
Nevada



Source: United States Census Bureau

Building Permits

Nevada



Source: United States Census Bureau

Median Housing Prices

Washoe County

New Homes



Existing Homes

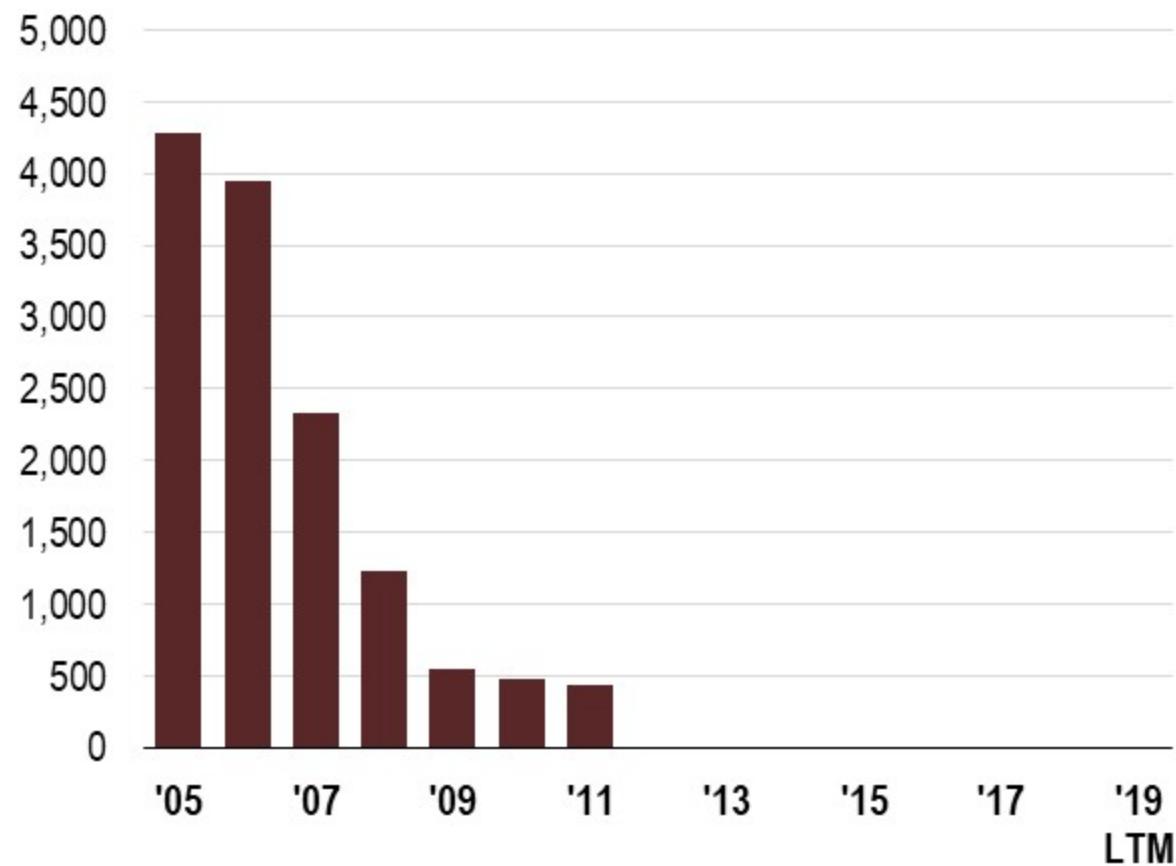


Source: SalesTraq

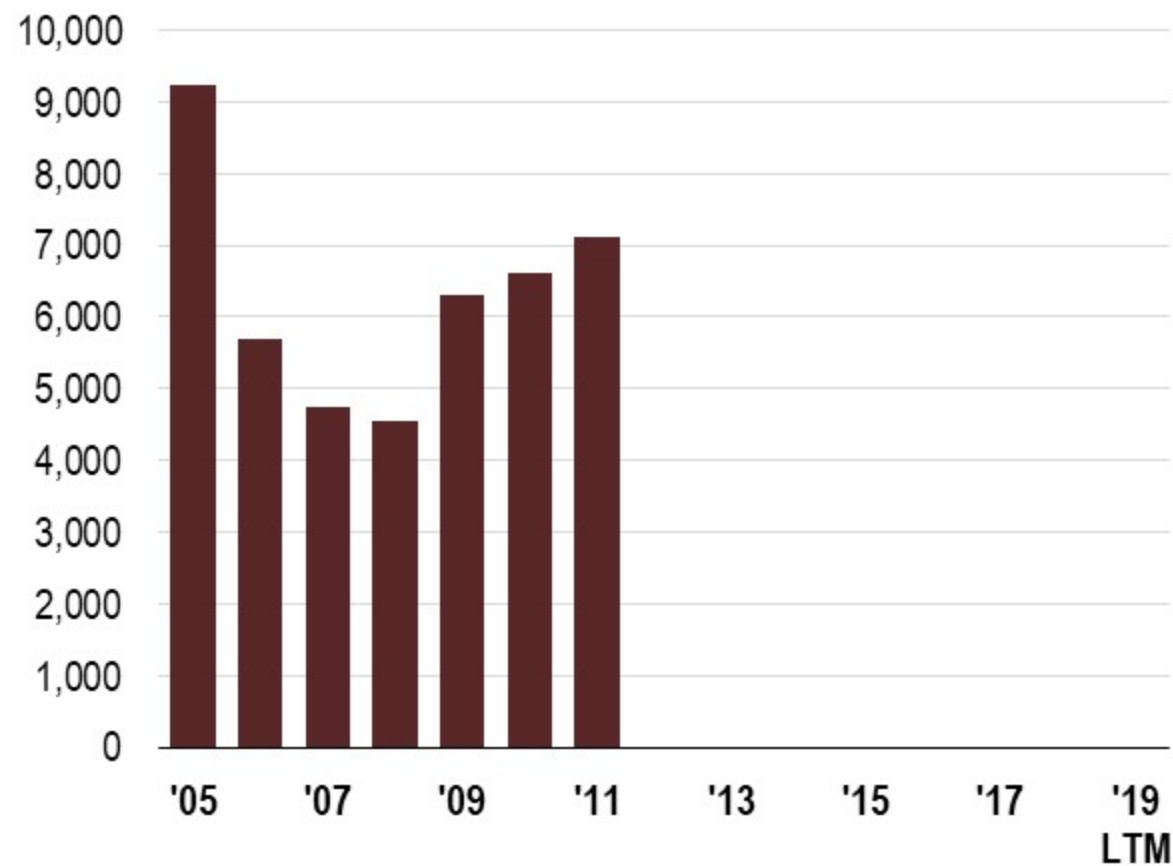
Home Closings

Washoe County

New Homes



Existing Homes

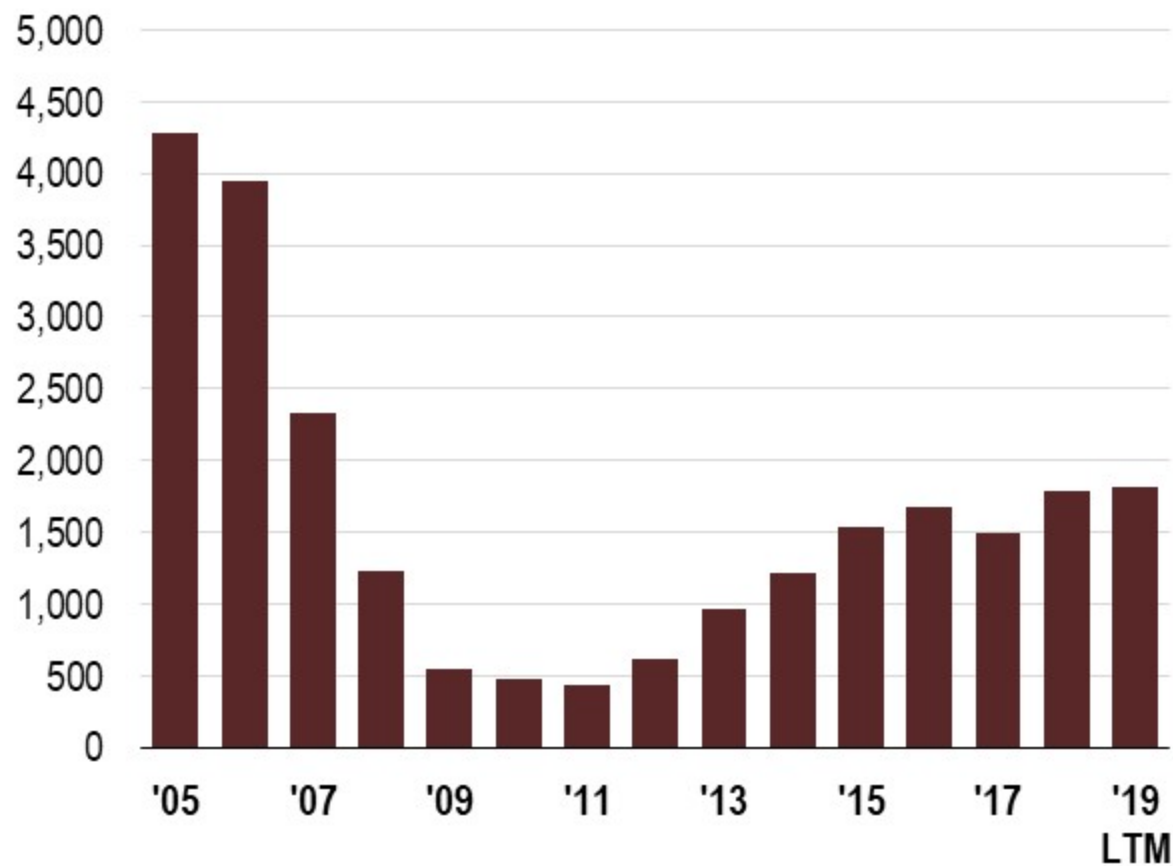


Source: SalesTraq; NNRMLS

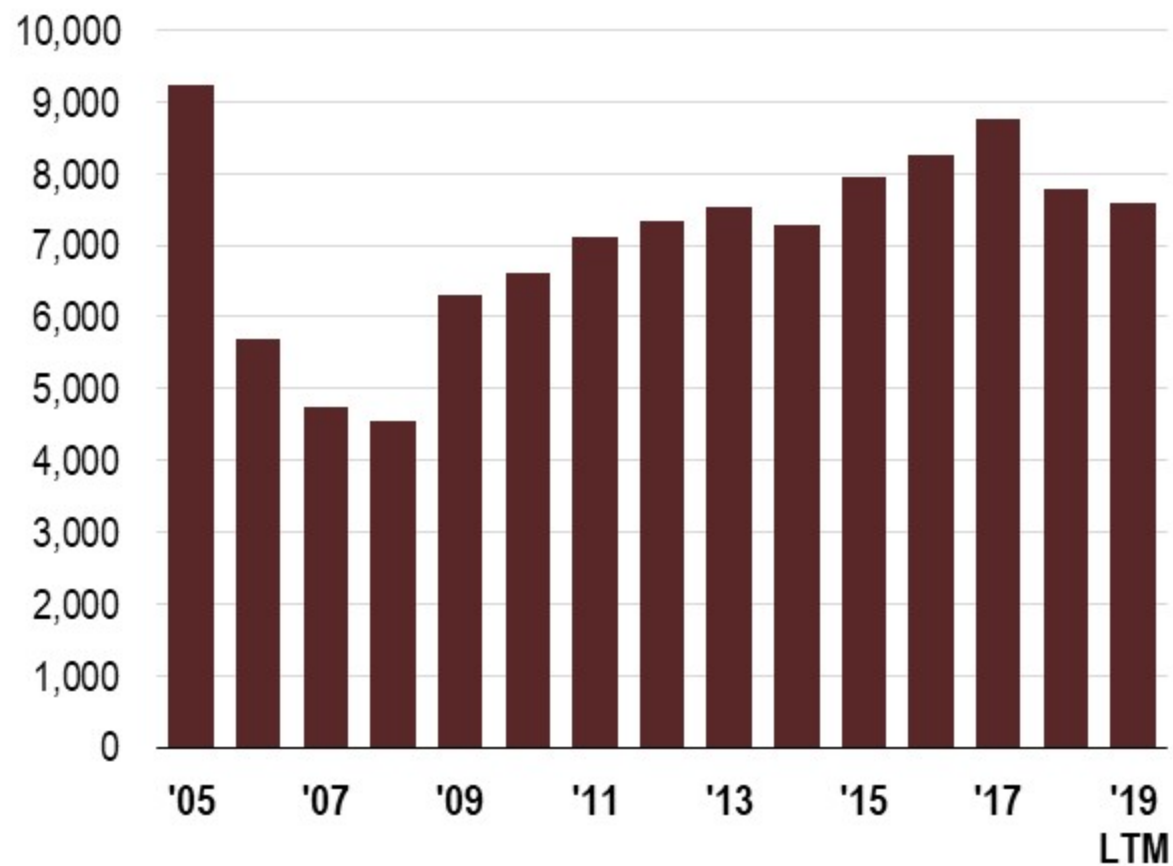
Home Closings

Washoe County

New Homes



Existing Homes



Source: SalesTraq; NNRMLS

Median Housing Prices

Las Vegas Area

New Homes



Existing Homes

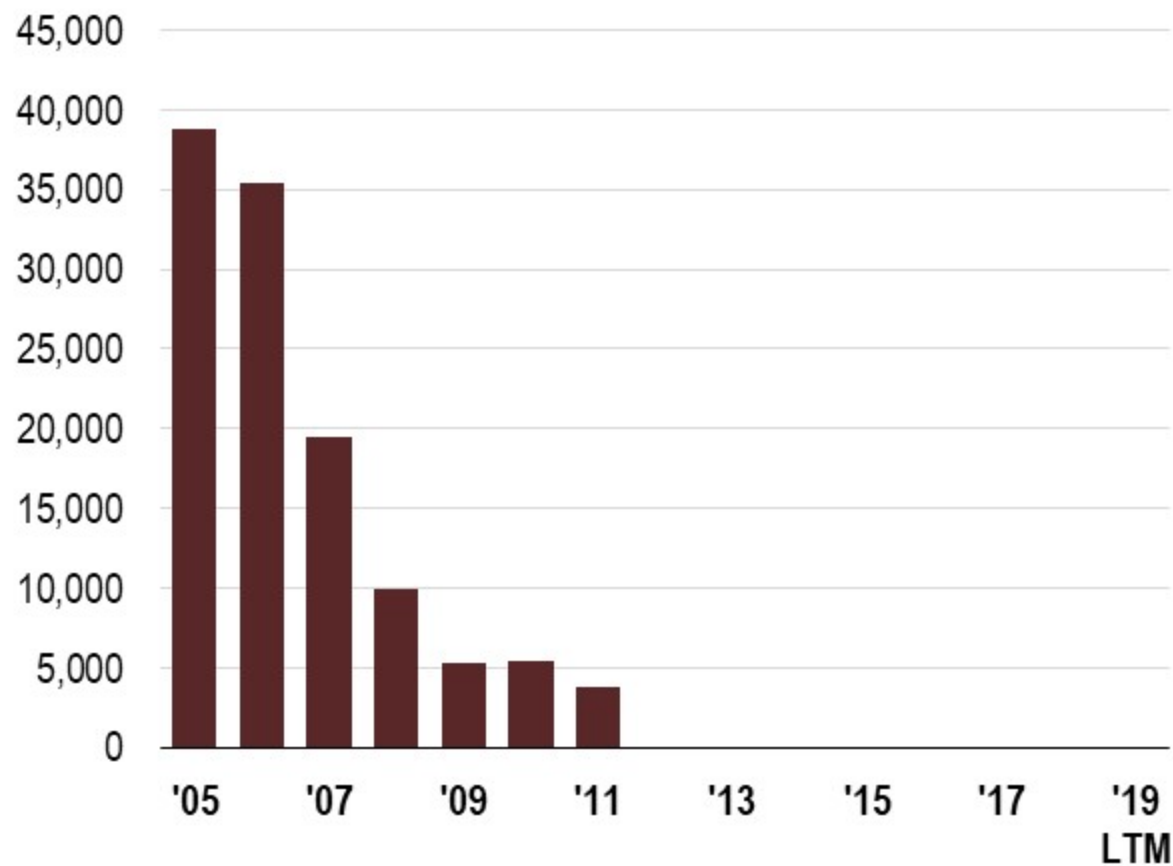


Source: SalesTraq

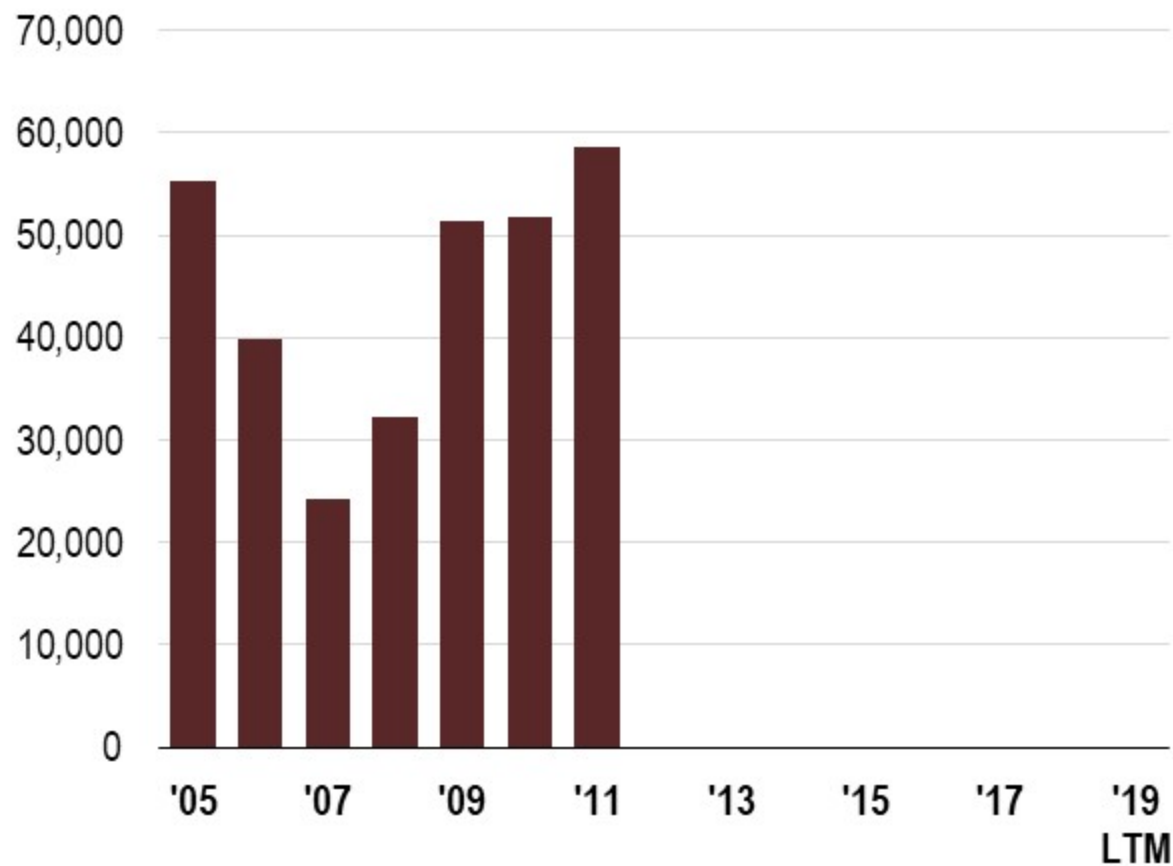
Home Closings

Las Vegas Area

New Homes



Existing Homes

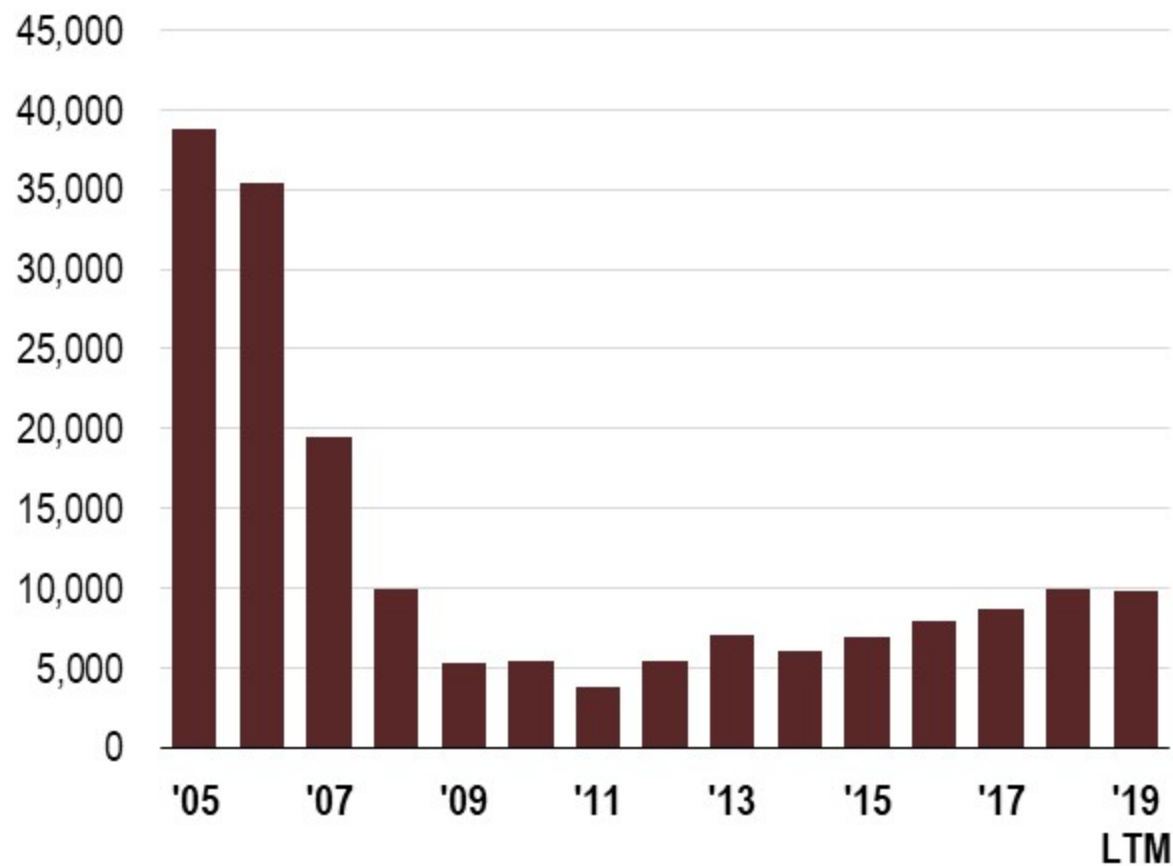


Source: SalesTraq

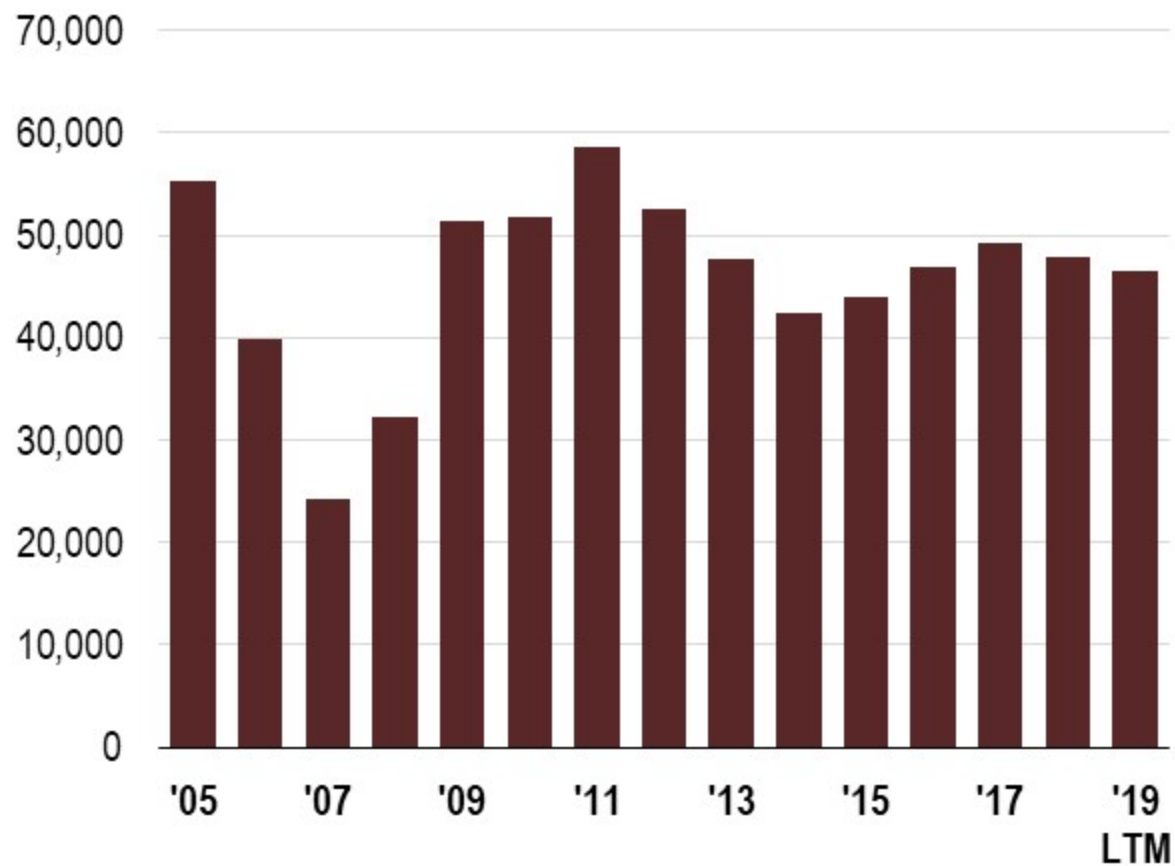
Home Closings

Las Vegas Area

New Homes

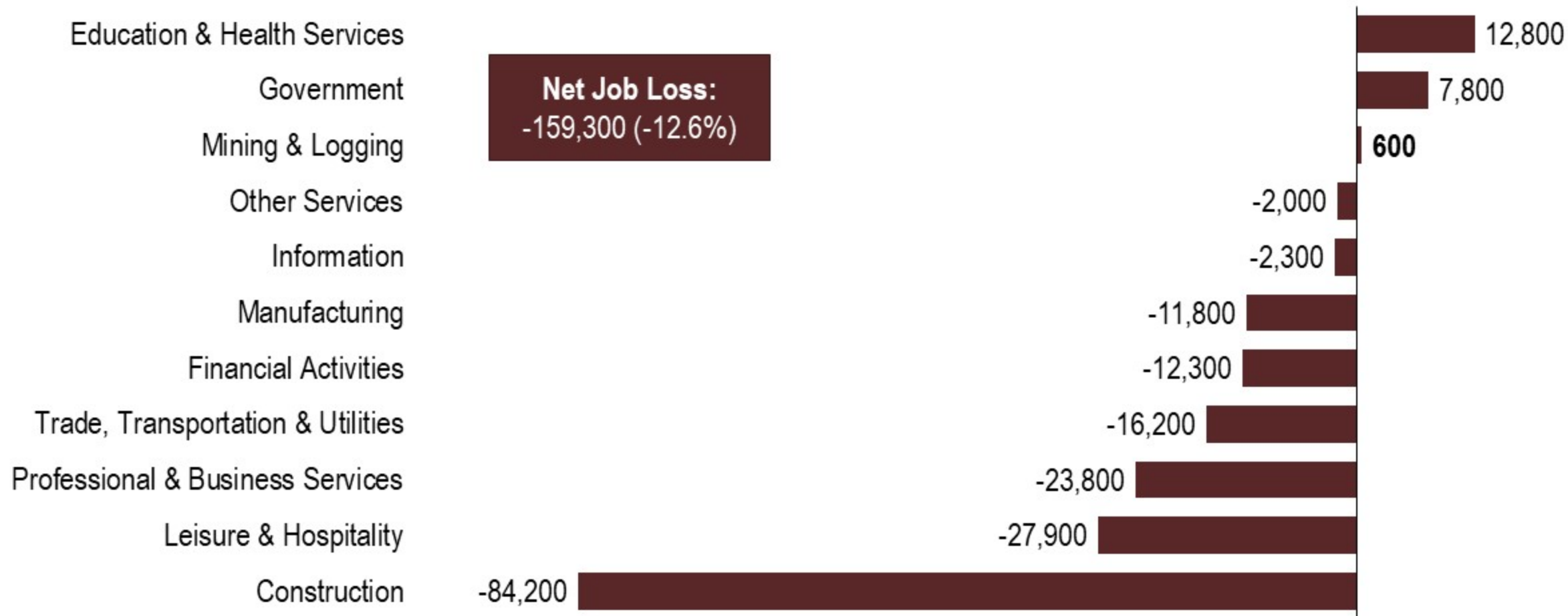


Existing Homes



Source: SalesTraq

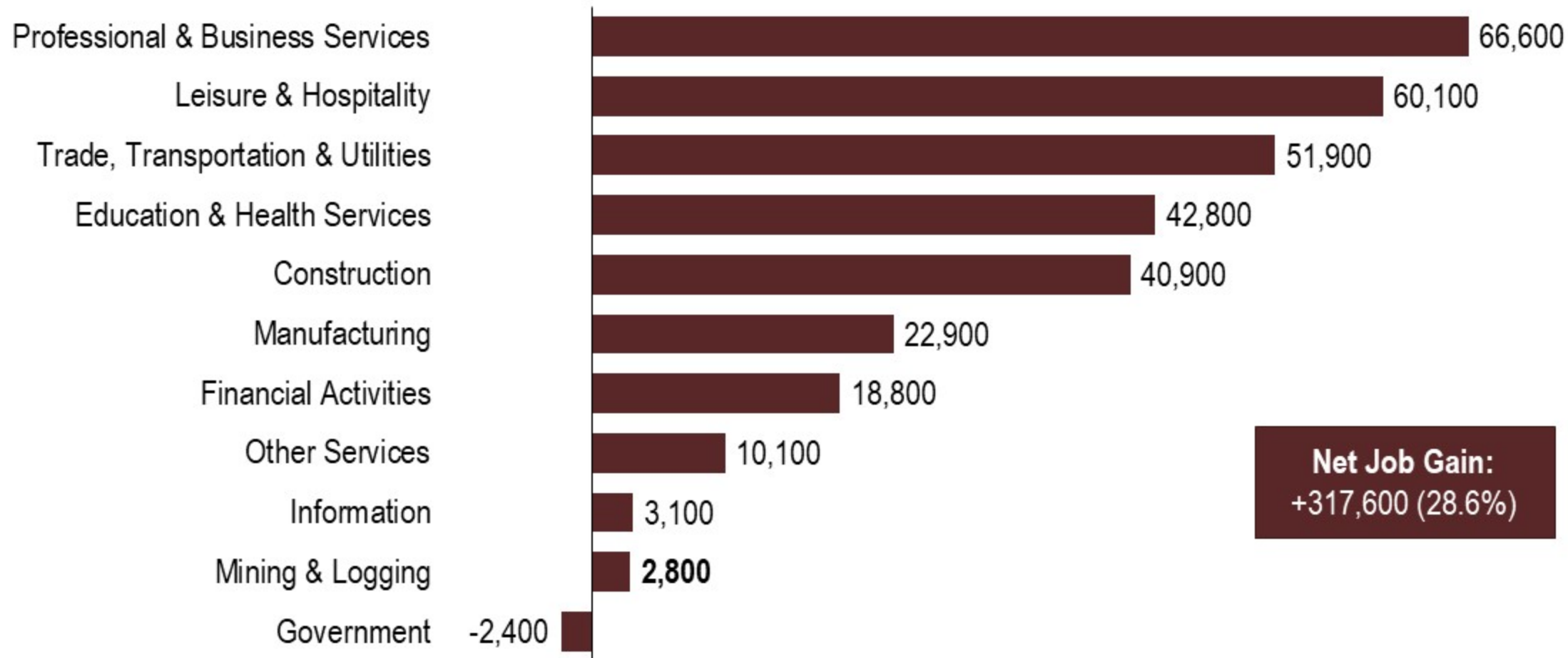
Peak-to-Trough Employment Movement Nevada



Source: United States Bureau of Labor Statistics

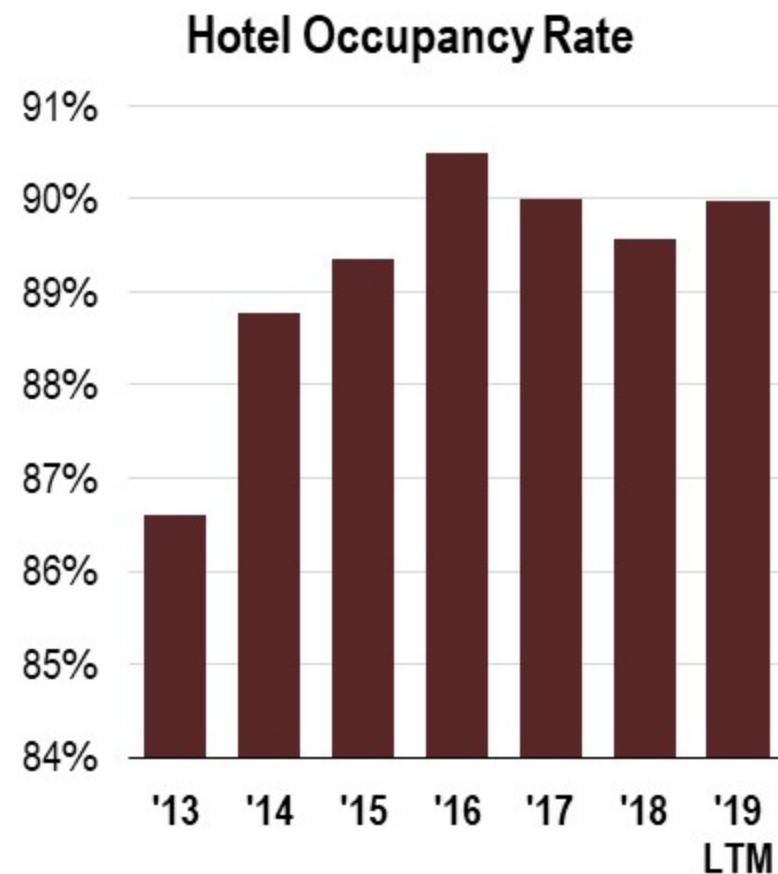
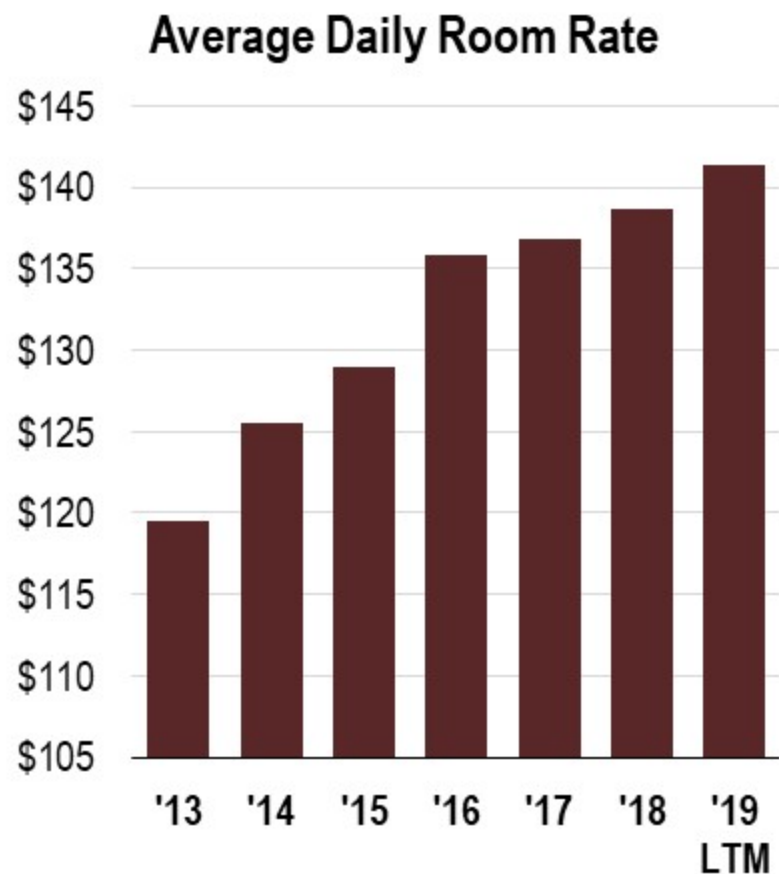
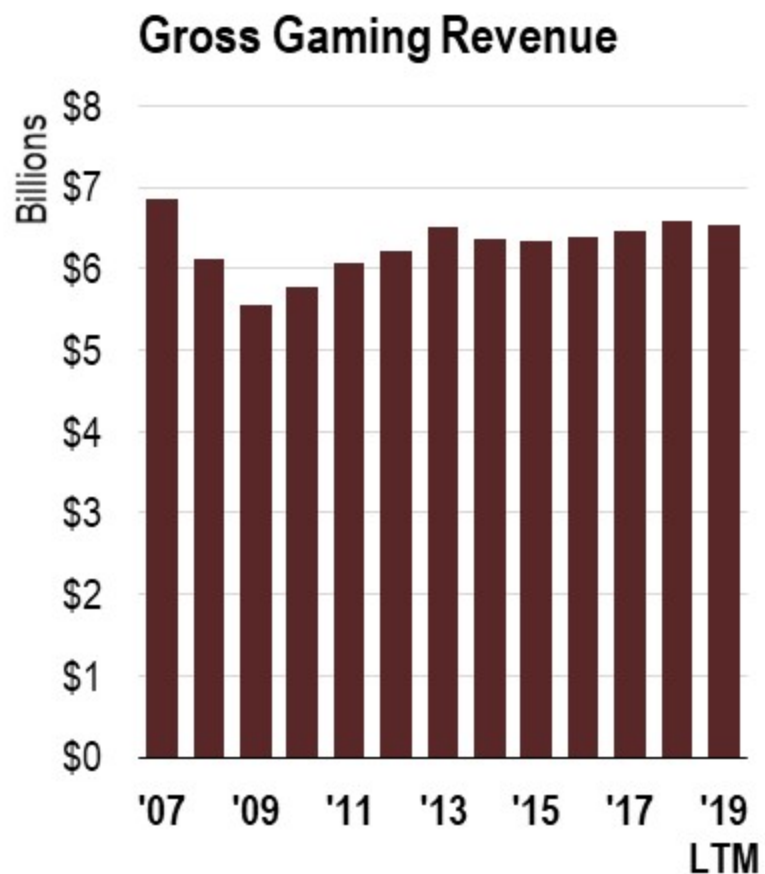
Trough-to-Present Employment Movement

Nevada



Source: United States Bureau of Labor Statistics

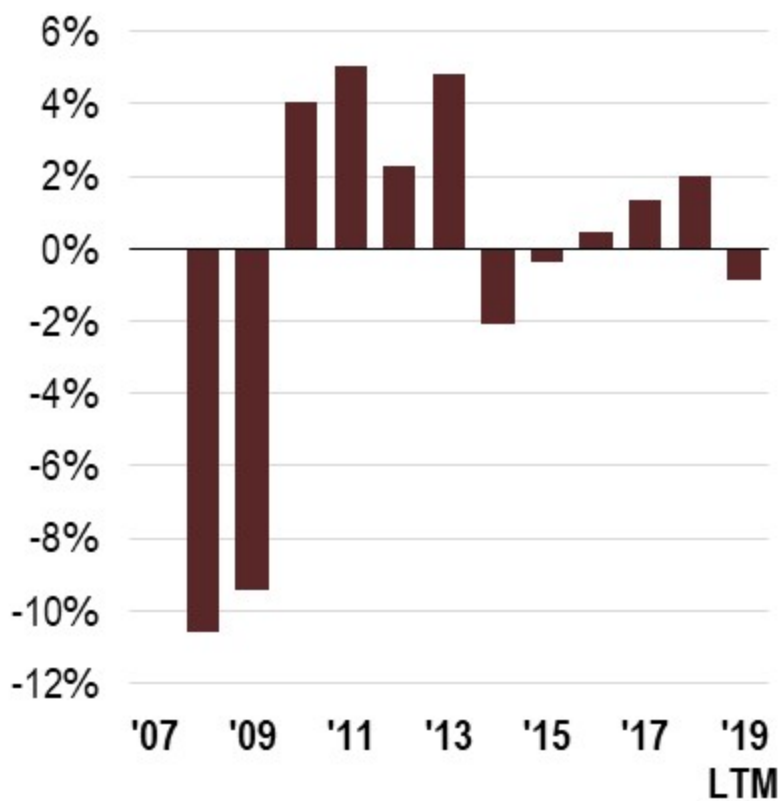
Las Vegas Strip Trends



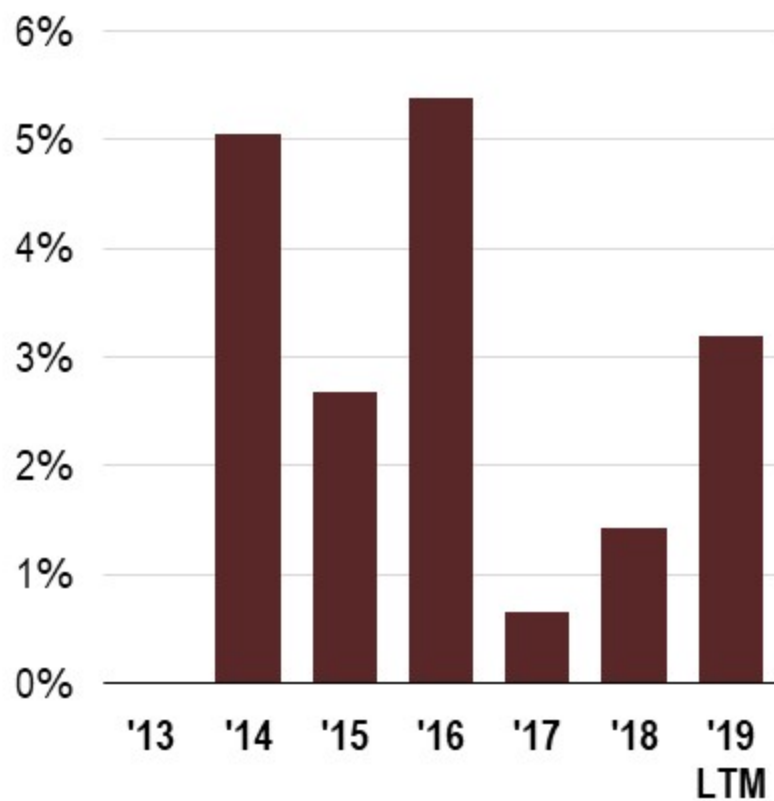
Source: Nevada Gaming Control Board; Las Vegas Convention and Visitors Authority

Las Vegas Strip Trends

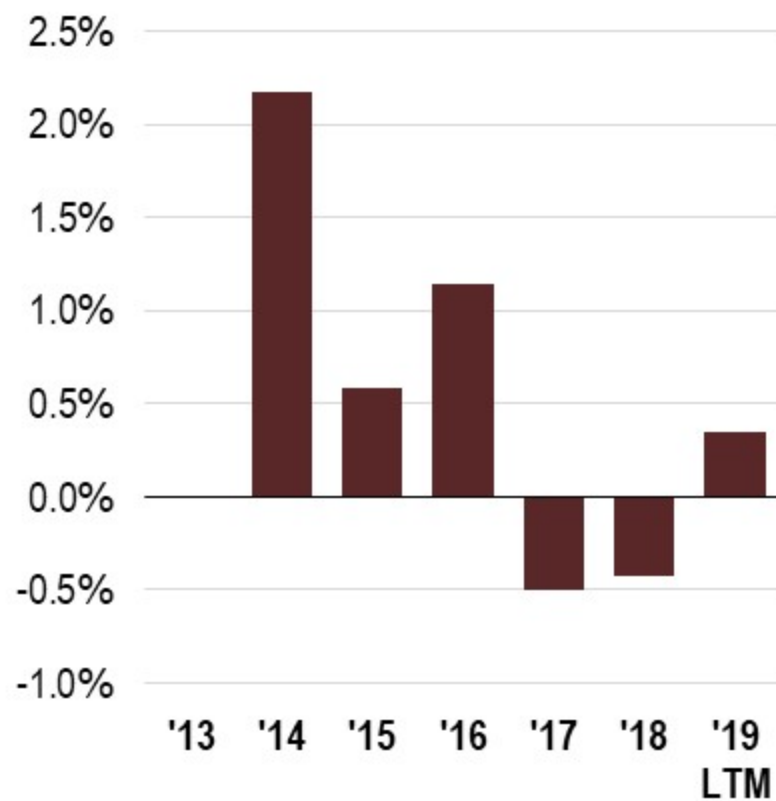
Gross Gaming Revenue



Average Daily Room Rate

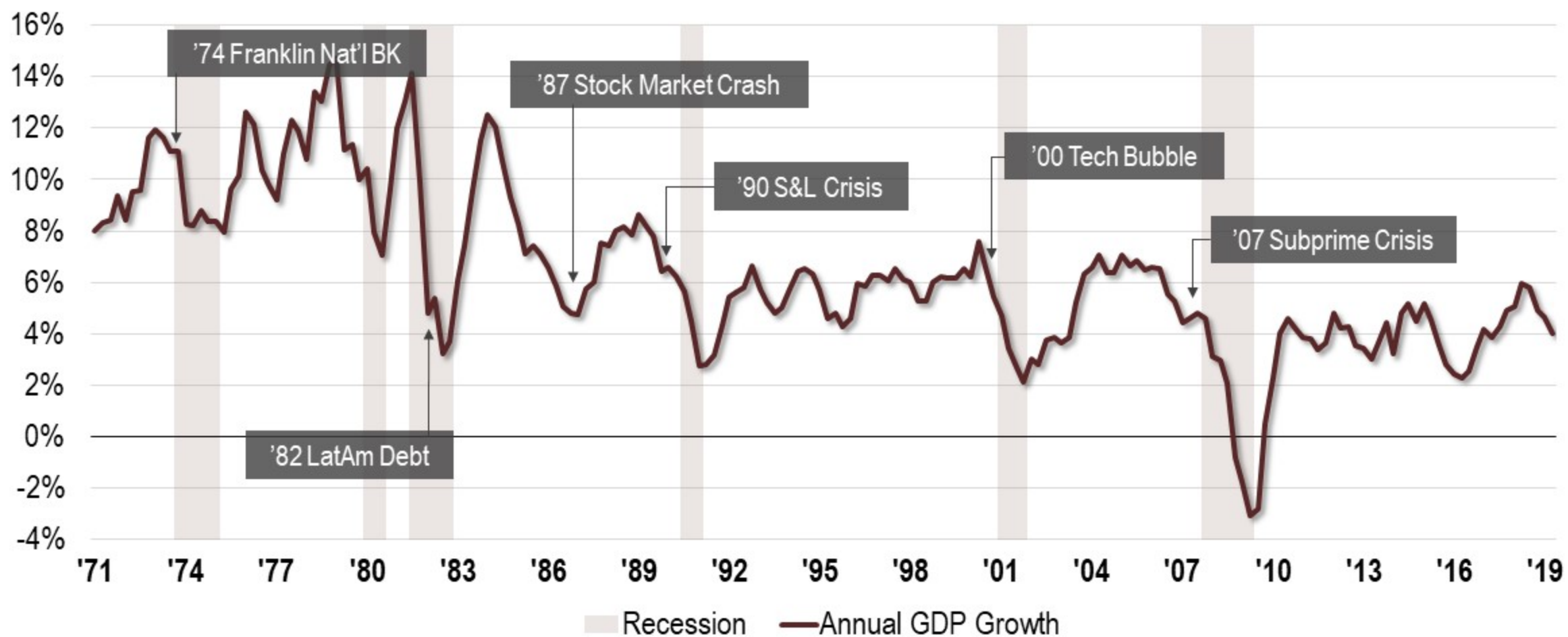


Hotel Occupancy Rate



Source: Nevada Gaming Control Board; Las Vegas Convention and Visitors Authority

Annual GDP Growth and Financial Events



Source: United States Bureau of Economic Analysis

Comparative Analysis of Periods of Expansion and Real GDP Growth

Recent expansion has been the **second longest** period of economic growth in history

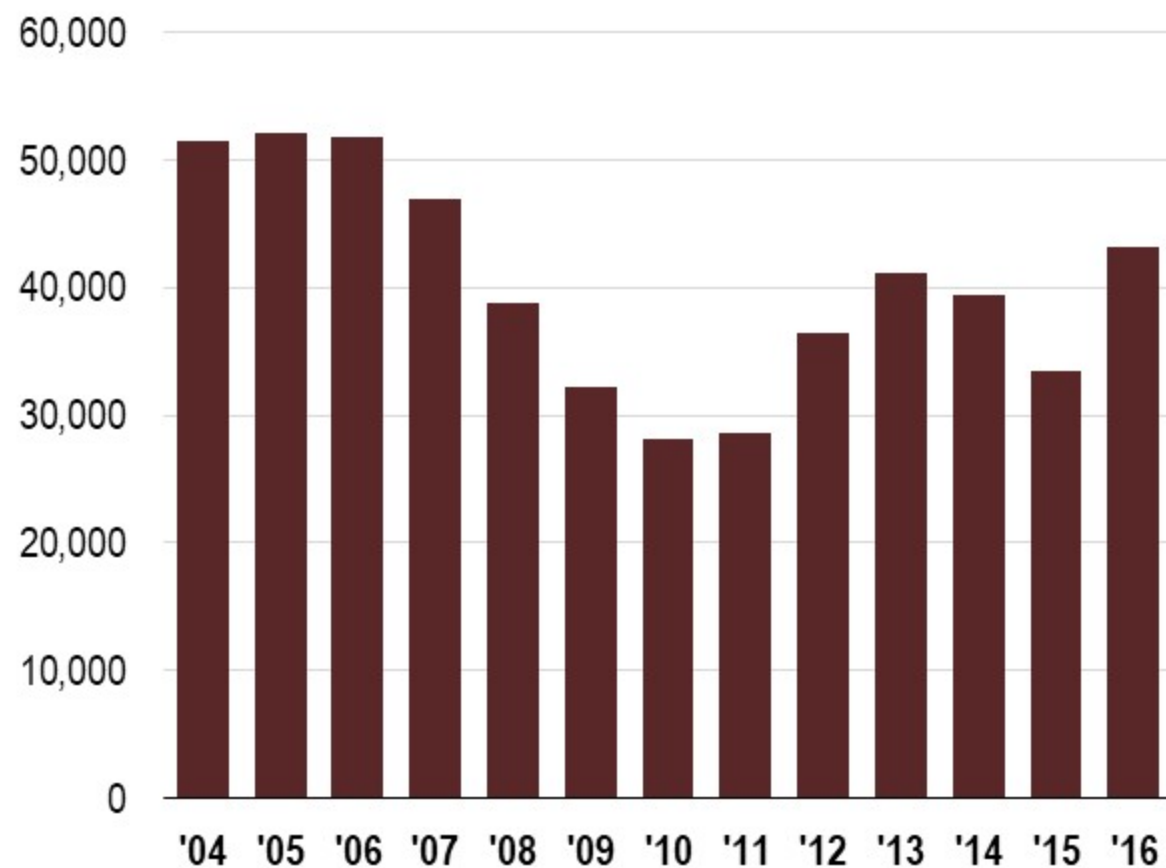
Trough	Peak	Duration (Qtrs.)	Real GDP Compound Annual Growth Rate
Q1 1991	Q1 2001	41	3.6%
Q2 2009	To Date	40	2.3%
Q1 1961	Q4 1969	36	4.9%
Q4 1982	Q3 1990	32	4.3%
Q4 2001	Q4 2007	25	2.9%
Q1 1975	Q1 1980	21	4.3%
Q4 1949	Q2 1953	15	7.6%
Q2 1954	Q3 1957	14	4.0%
Q4 1970	Q4 1973	13	5.1%
Q2 1958	Q2 1960	9	5.5%
Q3 1980	Q3 1981	5	4.3%
AVERAGE		22	4.4%

Source: United States Bureau of Economic Analysis; Applied Analysis

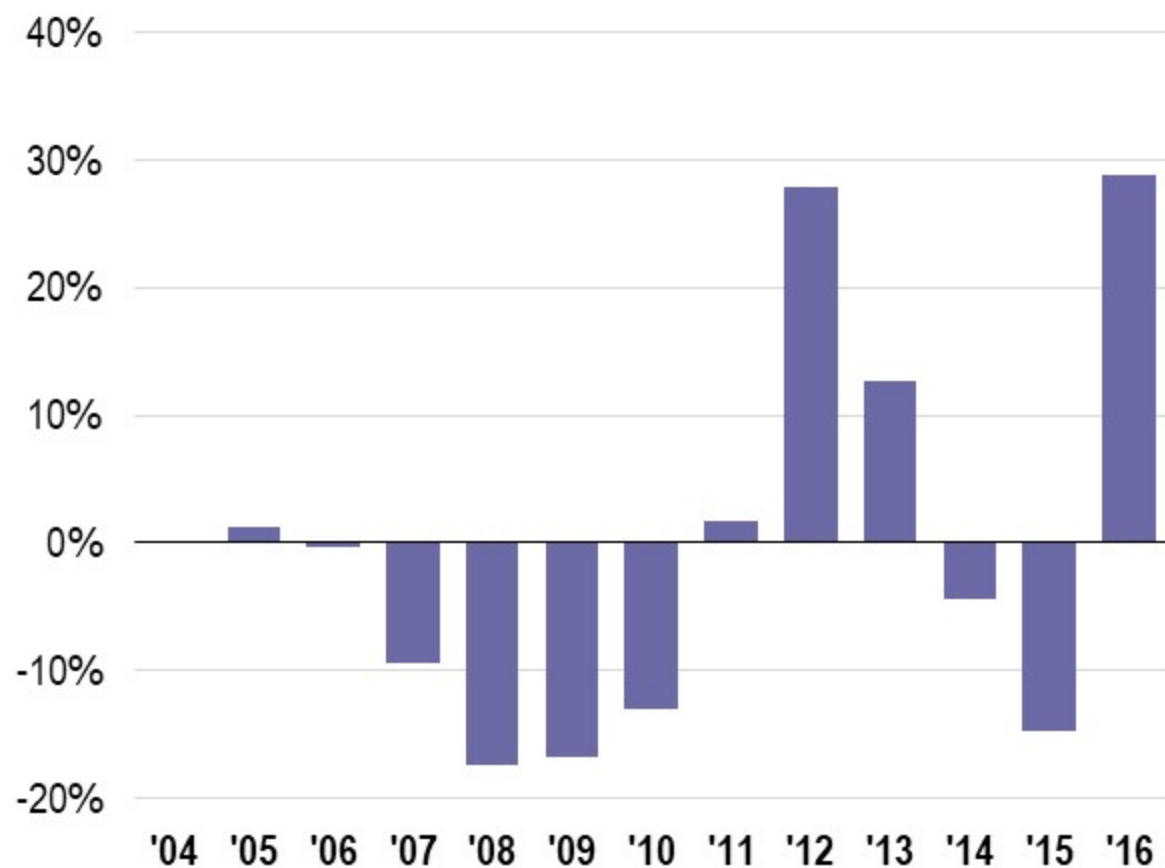
In-Migration by State

California to Nevada

Total In-Migration



Annual Change



Source: United States Census Bureau

The Mercury News

HOW CALIFORNIANS MOVING TO NEVADA ARE CHANGING THE STATE'S POLITICS

“But the net flow from the Golden State has swelled in recent years, as sky-high housing prices in the Bay Area and Southern California sent residents searching for drastically cheaper deals a few hours drive away in the expanding Reno or Las Vegas metropolitan areas...”

Date: August 12, 2019

THE WALL STREET JOURNAL.

AS CALIFORNIA LOSES PEOPLE, A LAS VEGAS SUBURB GROWS

“For Karina Nasir, leaving California for this booming Las Vegas suburb was the chance to escape commutes up to three hours. For Bill Clune, it is saving \$5,000 a year on his water bill...”

Date: February 26, 2019

LAS VEGAS REVIEW-JOURNAL

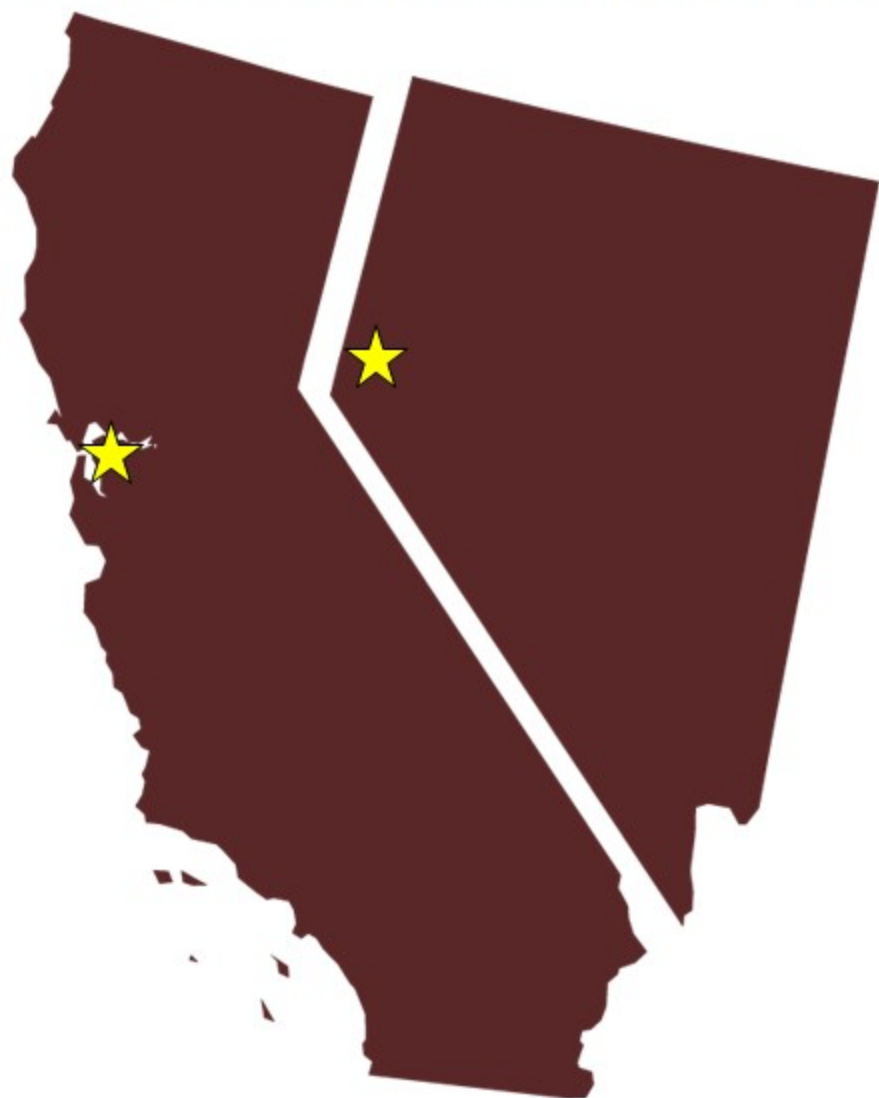
NEVADA AMONG TOP STATES FOR INBOUND MOVES, STUDY FINDS

“A large share of mostly younger, middle-aged people are looking to move to Nevada from California to escape the high housing costs...”

Date: January 2, 2019



U-Haul Prices in Northern Nevada



\$1,187

Price for a Truck and Tow from
San Francisco to Reno

\$241

Price for a Truck and Tow from
Reno to San Francisco

Source: U-Haul

U-Haul Prices in Southern Nevada



\$1,063

Price for a Truck and Tow from
Los Angeles to Las Vegas

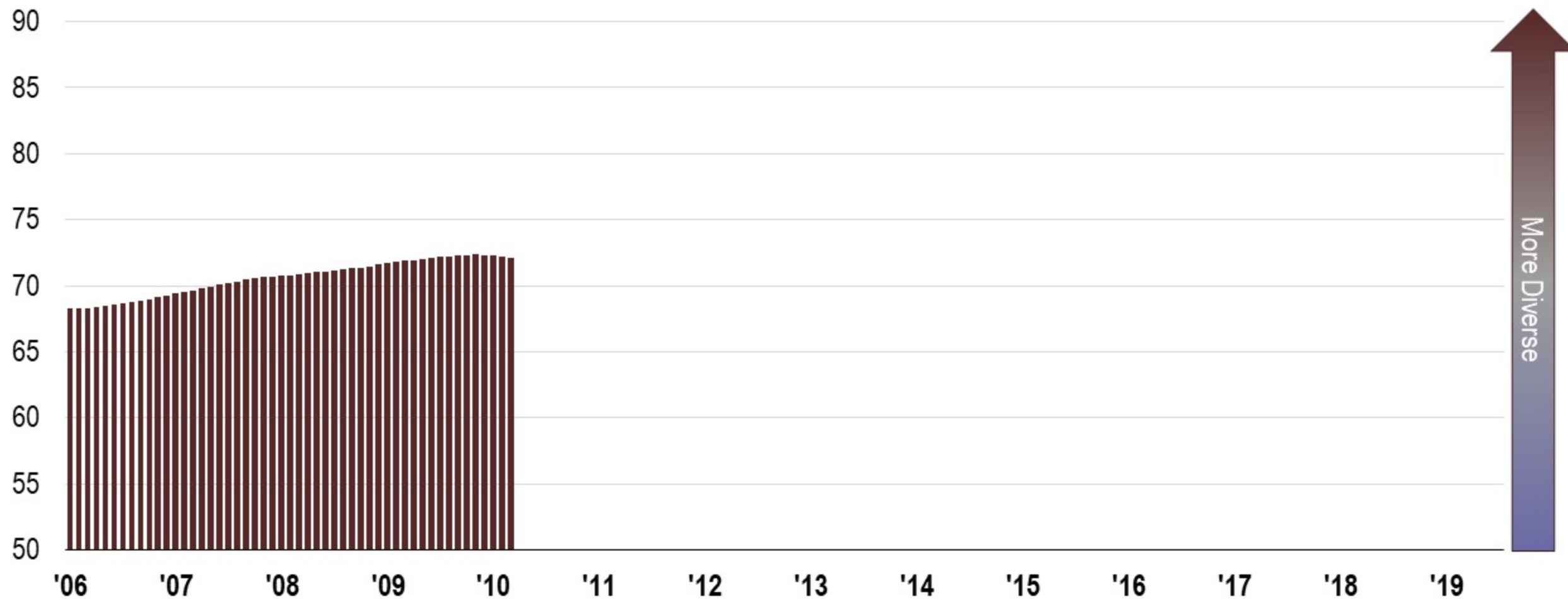
\$203

Price for a Truck and Tow from
Las Vegas to Los Angeles

Source: U-Haul

Hachman Diversity Index

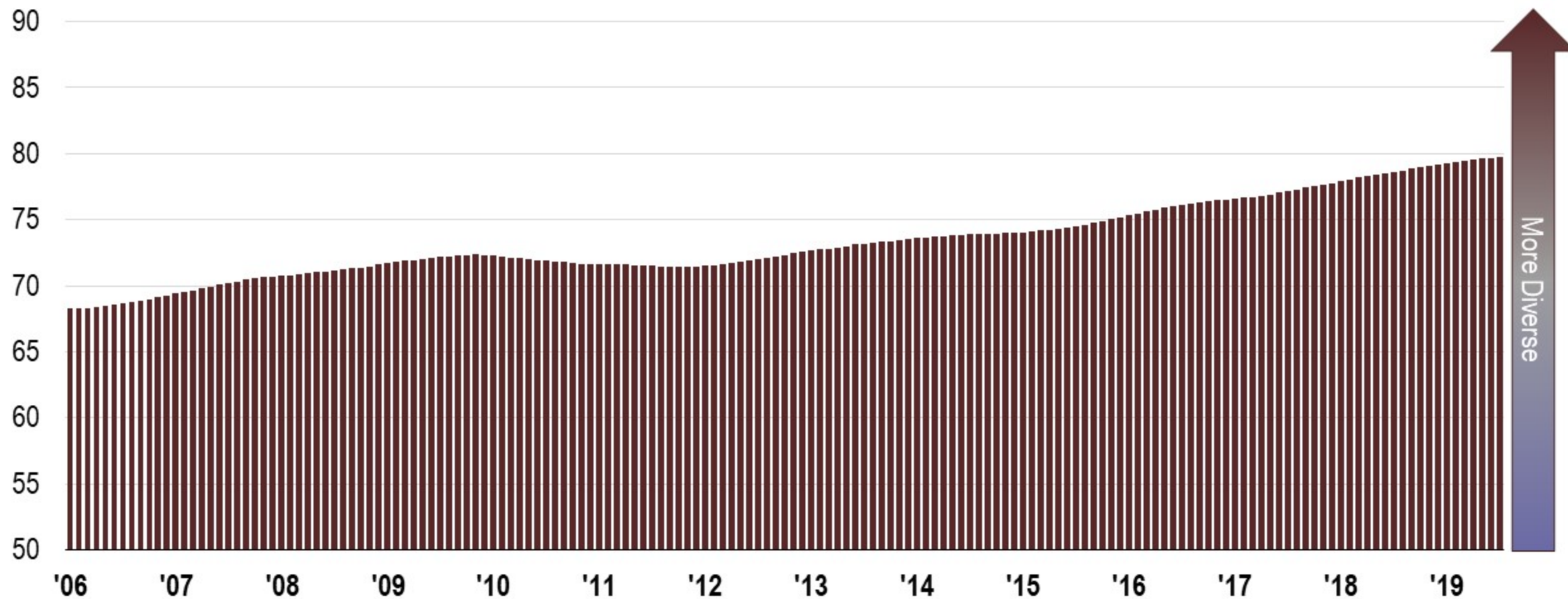
Nevada



Source: United States Bureau of Labor Statistics; Applied Analysis

Hachman Diversity Index

Nevada



Source: United States Bureau of Labor Statistics; Applied Analysis

Investments in Nevada

\$41.2 B

Total Planned and Under Construction
Investments in Nevada

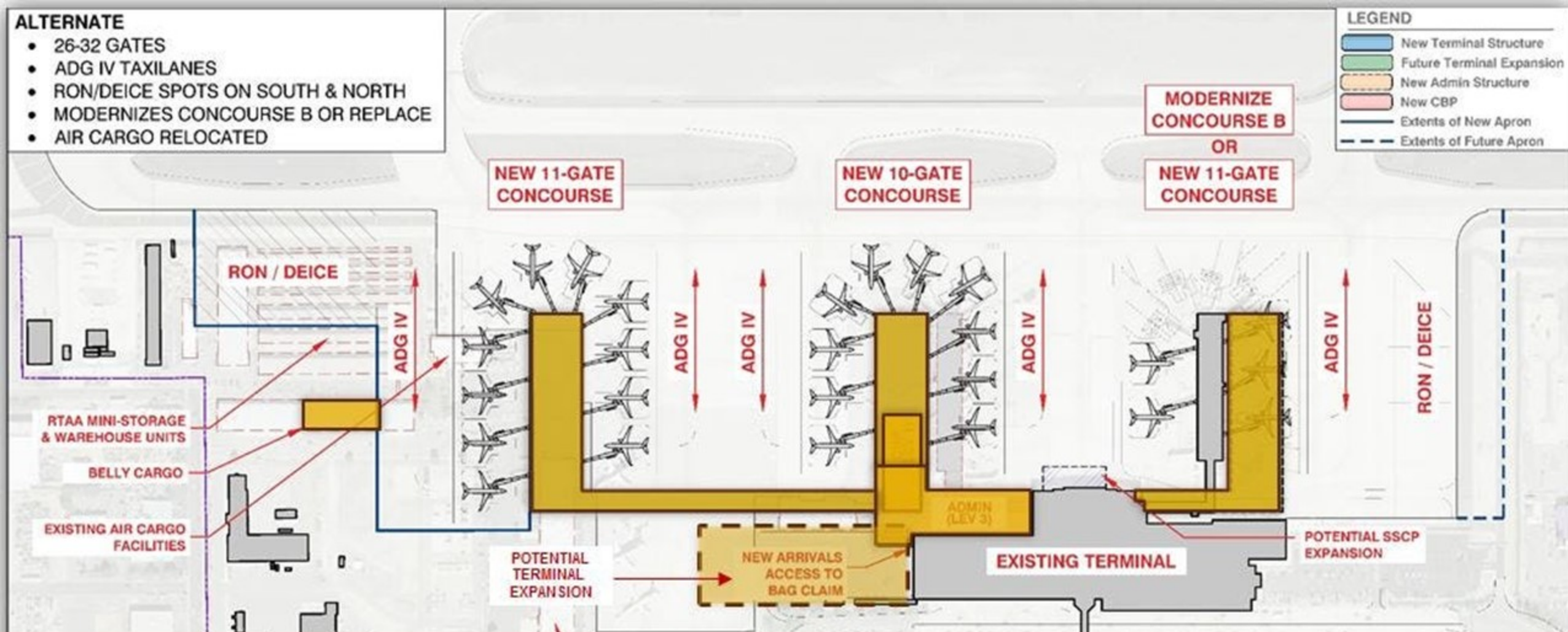
\$15.2 B

Northern Nevada

\$26.0 B

Southern Nevada

Source: Applied Analysis



Reno-Tahoe International Airport Expansion

- Planned, \$1.6 billion expansion of Reno-Tahoe International Airport
- The expansion will include a new concourse, new rental car facility and renovations to the existing baggage claim and concourses



Park Lane

- Under Construction, \$500 million mixed-use development
- Phase one will add in a large apartment complex, phase two will add retail/hotel space, and phase three will add more residential space



Resorts World Las Vegas

- \$4.2 billion casino resort to be owned and operated by the Genting Group
- Under Construction and expected to complete in 2021

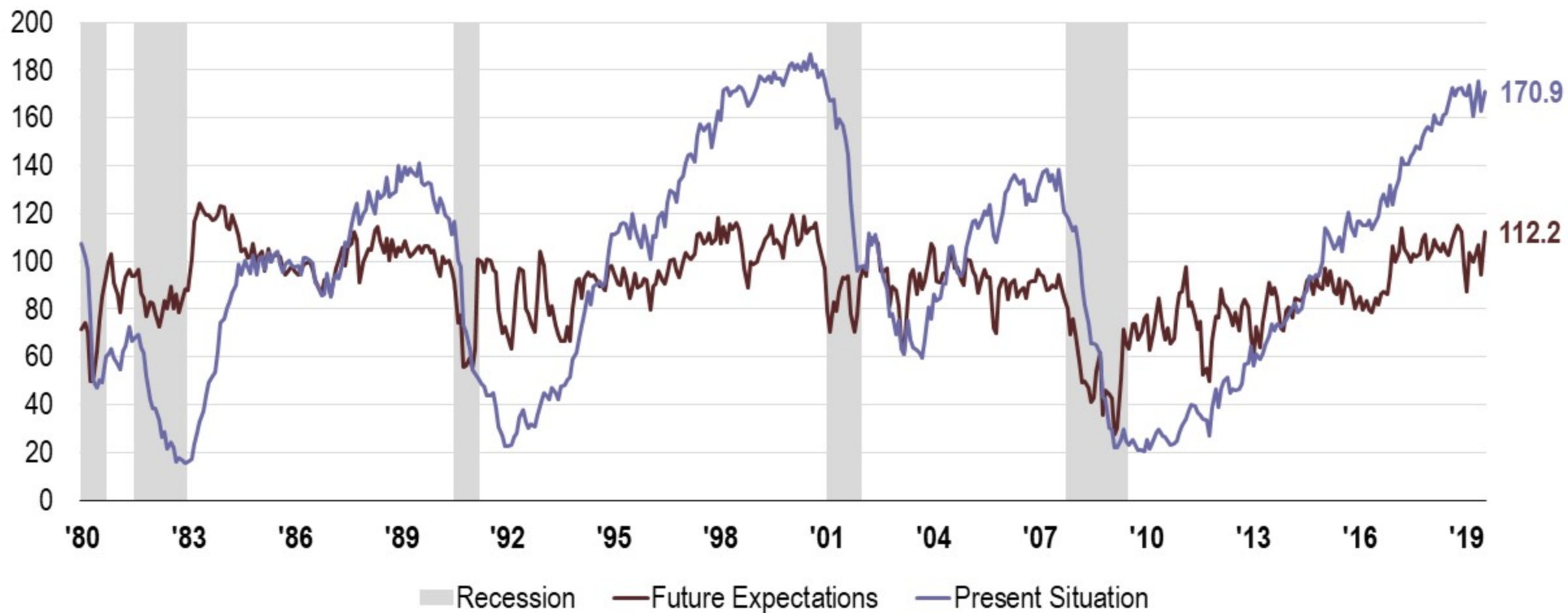


Allegiant Stadium

- \$1.9 billion, 65,000-seat stadium located near the Las Vegas Strip to be home of the Las Vegas Raiders
- Under Construction and expected to complete in 2020

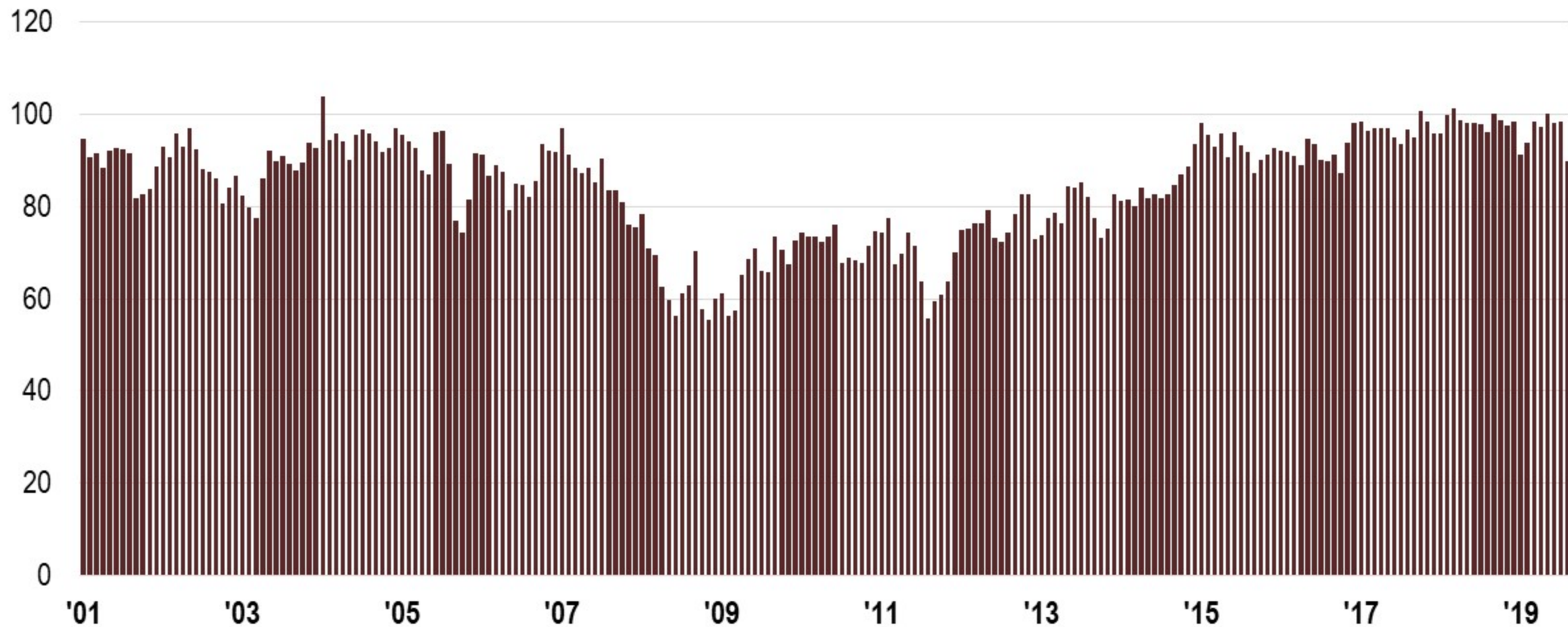
Consumer Confidence Index

United States



Source: The Conference Board

Consumer Sentiment Index



Source: University of Michigan

• 2019

MINING THROUGH UNCERTAINTY