

Cathy Hill, Chair  
Christine Vuletich, Vice Chair  
Cindy Vance  
Lori Cooke  
Tammi Davis

Trenton Ross, Legal Counsel  
Brandon Price, Legal Counsel

## AGENDA

### WASHOE COUNTY, NEVADA OPEB TRUST FUND BOARD OF TRUSTEES

January 23, 2025 at 10:00 a.m.

Join Zoom Meeting:

<https://washoecounty-gov.zoom.us/j/94838922629>

Meeting ID: 948 3892 2629

The meeting may also be attended by calling 719-359-4580 and entering the Phone Conference ID 948 3892 2629.

**NOTE:** Items on the agenda may be taken out of order, combined with other items, removed from the agenda, or moved to the agenda of another later meeting. Items with a specific time designation will not be heard prior to the stated time, but may be heard later.

**Public Comment.** Public comments are welcomed during the Public Comment periods for all matters, whether listed on the agenda or not, and are limited to two minutes per person. Additionally, public comment of two minutes per person will be heard during individually numbered items designated as “for possible action” on the agenda. Persons are invited to submit comments in writing on the agenda items and/or attend and make comment on that item at the Trustees’ meeting. Persons may not allocate unused time to other speakers.

Members of the public may submit comment by either attending the meeting in person, attending the meeting via teleconference, or attending by telephone only. To provide public comment via Teams, log into the Teams Meeting at the above link and utilize the “Raise Hand” feature during any public comment period. To provide public comment via telephone only, press \*5. Press \*6 to mute/unmute.

**Forum Restrictions and Orderly Conduct of Business.** The Washoe County OPEB Trust Board of Trustees conducts the business of the OPEB Trust Fund during its meetings. The presiding officer may order the removal of any person whose statement or other conduct disrupts the orderly, efficient or safe conduct of the meeting. Warnings against disruptive comments or behavior may or may not be given prior to removal. The viewpoint of a speaker will not be restricted, but reasonable restrictions may be imposed upon the time, place and manner of speech. Irrelevant and unduly repetitious statements and personal attacks which antagonize or incite others are examples of speech that may be reasonably limited.

**Responses to Public Comments.** The Board of Trustees can deliberate or take action only if a matter has been listed on an agenda properly posted prior to the meeting. During the public comment period, speakers may address matters listed or not listed on the published agenda. The Open Meeting Law does not expressly prohibit responses to public comments by the Board. However, responses from Trustees to unlisted public comment topics could become deliberation on a matter without notice to the public. On the advice of legal counsel and to ensure the public has notice of all matters the Board of Trustees will consider, Trustees may choose not to respond to public comments, except to correct factual inaccuracies, ask for staff action or to ask that a matter be listed on a future agenda. The Board may do this either during the public comment item or during the following item: “Trustees’/Staff

announcements, requests for information, topics for future agendas and statements relating to items not on the agenda”.

**Posting of Agenda.** Pursuant to NRS 241.020 (4)(b), the Agenda for the Washoe County OPEB Trust Board of Trustees Meeting has been posted at the following locations: Washoe County Administration Building (1001 E. 9<sup>th</sup> Street, Bldg. A; the Washoe County website ([www.washoecounty.gov/comptroller/board\\_committees/OPEB](http://www.washoecounty.gov/comptroller/board_committees/OPEB)); and the Nevada Public Notice Website (<https://notice.nv.gov>).

**How to Get Copies of the Agenda and Supporting Materials.** Copies of this Agenda and supporting materials for the items on the agenda provided to the Washoe County OPEB Trust Board of Trustees are available to members of the public by contacting Victoria Stebbins at the Comptroller’s Office (1001 E. 9<sup>th</sup> Street, Bldg. D, 2<sup>nd</sup> Floor, Room 200, Reno, Nevada), phone 775-328-2553, or email at [vstebbins@washoecounty.gov](mailto:vstebbins@washoecounty.gov) and are also posted on the County’s website at: [www.washoecounty.gov/comptroller/board\\_committees/OPEB](http://www.washoecounty.gov/comptroller/board_committees/OPEB).

**Special Accommodations.** Persons with disabilities who require special assistance (e.g. sign language, interpreters or assisted listening devices) to participate in the meeting should please contact Victoria Stebbins at the Comptroller’s Office by emailing [vstebbins@washoecounty.gov](mailto:vstebbins@washoecounty.gov) or by leaving a message at 775-328-2553 in advance at least 48 hours before the meeting so that arrangements can be made.

**Possible Changes to the Agenda and Timing.** Items on the agenda may be taken out of order, combined with other items; removed from the agenda; moved to the agenda of another meeting; or may be voted on in a block. NRS 241.020(2)(D)(6) AND (7).

1. Roll call.
2. Public Comments. Comments heard under this item will be limited to two minutes per person and may pertain to matters both on and off the Board of Trustees’ agenda. The Board will also hear public comment during individual action items, with comment limited to two minutes per person. Comments are to be made to the Board as a whole.
3. Approval of minutes from the October 24, 2024 meeting. [FOR POSSIBLE ACTION]
4. Review and possible approval of year-to-date administrative expenditures and requested reimbursements to employers through December 31, 2024 in the amount of \$6,636,539. [FOR POSSIBLE ACTION]
5. Acknowledge receipt of interim financial statements for the period ending December 31, 2024. [FOR POSSIBLE ACTION]
6. Review and discussion of Cash Flow Projections and Planned Transfers to/from the Nevada Retirement Benefits Investment Fund for the fiscal year ended June 30, 2025. [DISCUSSION ONLY]
7. Informational review and discussion of the Nevada Retirement Benefits Investment Fund – investment process, returns, assets, changes in investment strategy, outlook, and related topics. [DISCUSSION ONLY]
8. Review and discussion of the Nevada Retirement Benefits Investment Fund’s Annual Financial Report for the period Ended June 30, 2024. [DISCUSSION ONLY]
9. Review and discussion of external auditors’ engagement communication for the audit of the Trust’s fiscal year ended June 30, 2024 financial statements. [DISCUSSION ONLY]

10. Informational review and discussion of the Fiscal Year Ended June 30, 2024 Audited Financial Statements. [DISCUSSION ONLY]
11. Review and discussion of external auditors' required communication with the Board of Trustees in connection with their audit. [DISCUSSION ONLY]
12. Review and discussion of July 1, 2024 OPEB plan valuations prepared by Foster & Foster, Inc. [DISCUSSION ONLY]
13. Discussion regarding expiration of Trustee Vance's term on July 24, 2025. [DISCUSSION ONLY]
14. Trustees'/Staff announcements, requests for information, and topics for future agendas. Meeting dates for calendar year 2025 are January 23, April 24, July 24, and October 23 (fourth Thursday of first month of each calendar quarter). The meetings will begin at 10:00 am. [NO DISCUSSION]
15. Public Comments. Comments heard under this item will be limited to two minutes per person and may pertain to matters both on and off the Board of Trustees' agenda. Comments are to be made to the Board as a whole.
16. Adjourn.

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**Cathy Hill, Chair**  
**Christine Vuletich, Vice-chair**  
**Cindy Vance**  
**Lori Cooke**  
**Tammi Davis**

**Trenton Ross, Legal Counsel**  
**Brandon Price, Legal Counsel**

**DRAFT** of Minutes

**WASHOE COUNTY, NEVADA OPEB TRUST FUND BOARD OF TRUSTEES**

**October 24, 2024 at 10:00 am**

**held via Microsoft Teams**

1. ROLL CALL [Non-action item]

Chair Hill called the meeting to order at 10:00am. A quorum was established.

PRESENT: Cathy Hill, Cindy Vance, Lori Cooke, Christine Vuletich, and Tammi Davis.

ABSENT:

OTHERS PRESENT: Abbe Yacoben; Cobi Burnett, Legal Counsel; Russell Morgan, Accounting Manager; Rebecca Mosher, Senior Accountant; Robert Andrews, Accounting Manager.

2. PUBLIC COMMENT – [Non-action item]

There was no public comment.

3. Approval of minutes from the July 25, 2024 meeting. [FOR POSSIBLE ACTION]

*It was moved by Cindy Vance, seconded by Tammi Davis, to approve the April 25, 2024 meeting minutes with deletion of a comment from Cindy Vance on the 6th page of the minutes.*

There was no public comment.

*The motion passed unanimously.*

4. Review and possible approval of year-to-date administrative expenditures and requested reimbursements to employers through September 30, 2024 in the amount of \$5,884,893. [FOR POSSIBLE ACTION]

Russell Morgan, Accounting Manager for Washoe County, provided a detailed overview of the year-to-date administrative expenses and financial updates. He explained that the report compared year-to-date actual expenditures to the annual budget for administrative expenses. Through the first quarter, actual expenditures had been limited. He highlighted that the accounting and administrative services line reflected work completed by himself and Rebecca in preparation for the July meeting, year-end audit preparation efforts led primarily by Rebecca, and the provision of data to the new actuary. The "other operating expenses" category primarily consisted of the quarterly fee for the retiree drug subsidy program. Russell noted that the largest expenses, including actuarial valuations and audit fees, would occur later in the fiscal year, likely in the second or third quarter, as such expenses were not incurred on a linear basis.

Russell then reviewed reimbursements to Washoe County, starting with contributions from plan members for the Washoe County Retirees Health Benefit Plan. These contributions totaled slightly over \$1.1 million, which aligned with expectations. Miscellaneous revenues primarily included reinsurance reimbursements and prescription drug rebates. He stated that reinsurance reimbursements were minimal due to no claims exceeding the threshold during the first three months of the fiscal year. He further explained that Gateway, the intermediary for prescription drug rebates, was paying these rebates more quickly than in the past. However, he cautioned that the amounts were becoming increasingly unpredictable due to changes in the availability of rebate-eligible drugs and participant consumption patterns. In September, the Trust received \$476,000 in rebates, putting total rebates at 41% of the \$1.175 million annual budget, an encouraging start to the fiscal year.

Russell continued by addressing benefits expenses, which totaled \$7.8 million, or 22% of the annual budget. He highlighted that medical claims represented \$3.9 million, approximately 19% of the annual budget, and emphasized that medical claims were volatile and often varied significantly from month to month. Prescription drug claims were also noted, running at 28% of the annual projection. He reiterated that benefits expenses, similar to other costs, did not follow a linear pattern throughout the year.

Cathy Hill clarified that she had mistakenly referenced agenda item #5 while the discussion pertained to item #4. She corrected the record, reading the agenda item regarding the review and possible approval of year-to-date administrative expenditures and requested reimbursements to employers, totaling \$5,884,893. Russell acknowledged the oversight and resumed his presentation.

Russell explained timing adjustments within the benefits expense line. Certain administrative expenses were paid in September for services occurring in October, leading to four months of expenses being captured in the first quarter. By year-end, the fourth quarter would reflect only two months of expenses to balance this discrepancy. He also addressed additional revenues from fiscal year 2024, which were realized after the

preliminary reimbursement request was approved at the July meeting. These revenues included \$21,000 in reinsurance reimbursements, \$287,000 in drug rebates, and \$121,000 in retiree drug subsidy payments, totaling \$460,000. Russell noted that the timing of these revenues resulted in an overpayment to Washoe County at the end of fiscal year 2024. As a result, the reimbursement request for the first quarter of fiscal year 2025 was adjusted to account for the overpayment.

Russell concluded this section by reporting that the total reimbursement to Washoe County for the first quarter amounted to \$5,797,378, with premium subsidies for the PEBP plan totaling \$57,981. These figures were consistent with expectations.

Russell then addressed reimbursements to the Truckee Meadows Fire Protection District. He explained that the plan member premiums reflected four months of payments from retirees, as PERS pension payments were received at the end of each month, resulting in an additional month's payment being captured in the first quarter. Similarly, the benefit expenses included four months of premium payments to the insurance carrier. However, Russell noted that premium subsidies paid on behalf of Truckee Meadows retirees enrolled in the City of Reno's retiree plan were not reflected in the report because no billing had been received from the city during the first quarter. He concluded by reporting that the reimbursement to Truckee Meadows Fire Protection District for the first quarter amounted to \$29,534.

*It was moved by Christine Vuletich, seconded by Lori Cooke, to approve year-to-date administrative expenditures and requested reimbursements to employers through September 30, 2024 in the amount of \$5,884,893.*

There was no public comment.

*The motion passed unanimously.*

5. Acknowledge receipt of interim financial statements for the period ending September 30, 2024. [FOR POSSIBLE ACTION]

Russell Morgan, Accounting Manager for Washoe County, led a review of the financial highlights, beginning with the asset allocations. He noted that the majority of the Trust's investments, approximately \$415 million, were held in the State Retiree Benefits Investment Fund (RBIF). Russell then addressed the components contributing to a \$13.6 million increase in total net assets. He explained that prefunding contributions from employers were on target, while plan member contributions and other premiums, such as reinsurance reimbursements, retiree drug subsidies, and prescription drug rebates, were performing as expected. Investment income for the quarter was significant, totaling over \$15 million, with \$13.6 million attributed to RBIF gains, including \$11.6 million in realized gains.

Russell shared that these gains resulted from a large redemption made by another RBIF participant in August, which required RBIF to sell assets at a gain. He had confirmed this with Steve Edmundson, RBIF's investment manager at PERS. Since the Trust's share of RBIF represents approximately 44-45% of its total assets, the Trust received a substantial portion of these realized gains. Russell noted that such a sizable withdrawal was unprecedented during his seven-and-a-half years of analyzing RBIF activity. While

smaller redemptions had occurred in the past, they were typically in the range of \$3-6 million annually, not on this scale.

He pointed out an additional \$1.8 million in net unrealized gains reflected on the report, driven by market value adjustments. Russell clarified that RBIF data typically lags by a month, meaning the figures were current through August.

He highlighted the impressive annualized investment returns of 33.33% for the quarter, which included the realized gains. Even without these gains, the returns from cash yields, such as interest and dividends, remained high at 29.23%. He described the quarter's performance as exceptional but cautioned that such results were unlikely to continue at this level.

Tammi commented on the comparison to her past experience, noting that returns had been much lower, around 0.5%, and described the current performance as remarkable.

Russ Morgan continued the review by focusing on the lower section of the financial highlights, which compared year-to-date amounts to the budget. He directed attention to the third column, "Actual as a Percent of Budget."

Russell reported that prefunding contributions were performing as anticipated. However, investment income, net of expenses, had significantly exceeded expectations due to the previously discussed realized gains from RBIF. Plan member and other revenues aligned closely with projections. He noted that benefits paid were slightly below budget, attributing this to normal claims volatility and fluctuations.

Administrative expenses were notably low at this point in the year, as significant costs, such as actuarial analyses and audit fees, were expected later.

Christine Vuletich sought clarification on what agency was responsible for the withdrawal.

Russell speculated on which agency was involved, noting that among the approximately twelve entities in the RBIF with assets exceeding \$100 million as of June 30, 2024, Washoe County was one. He believed the other major entity was either Clark County or Las Vegas Metro, with Clark County reporting \$237 million in market value at the end of June. Russell shared that he did not confirm this with RBIF representatives, such as Steve, as he doubted this information would be disclosed.

Russell then transitioned to the interim statement of plan net assets. He explained that the accounts payable item reflected accrued salaries and benefits for both himself and Rebecca, which were automatically calculated and posted by the payroll system. He assured the group that this was routine and not a cause for concern. The most significant liability listed was the "due to employers" amount of \$5,884,893, which had just been approved by the board and was set to be settled on November 1st.

Russell provided additional details regarding the interim statements of changes in plan net assets. He highlighted that the combined Trust's increase in the fair value of investments had exceeded budget projections by 1,318.69%, primarily due to realized gains distributed earlier. However, he cautioned the group not to rely on such high returns as a standard expectation. He concluded by mentioning that pages 21 through

23 of the packet contained similar detailed statements for each individual plan, summarizing that the financials were otherwise in line with expectations.

*It was moved by Cindy Vance, seconded by Tammi Davis, to acknowledge receipt of interim financial statements for the period ending September 30, 2024.*

There was no public comment.

*The motion passed unanimously.*

6. Review and possible approval of proposed OPEB Trust Fund Budget updates for the fiscal year ending June 30, 2025, reflecting estimated increased revenues of approximately \$400,000 and estimated increased expenditures of approximately \$15,000. [FOR POSSIBLE ACTION]

Russell Morgan provided an overview of the initial budgeting process for the fiscal year, crediting Rebecca Mosher for her work on the budget in the April to June timeframe. At that time, it was assumed that the County's retiree plans would not meet Medicare's creditable coverage standards for 2025, and not meet the \$2,000 prescription drug deductible. However, in September, it was determined that all the County retiree plans would be creditable plans for 2025.

Russell explained that this qualification meant the County would be eligible to participate in the Retiree Drug Subsidy (RDS) program, resulting in an anticipated revenue increase of \$400,000. To accommodate this, he proposed amending the budget to reflect the additional revenue and to account for \$15,000 in administrative expenses associated with the program. This expense would cover an actuarial attestation and services from Part D Advisors, a contractor responsible for filings with Medicare on the County's behalf.

Cathy Hill asked for clarification regarding the presentation of these changes in the budget report, specifically the impact on revenue and highlighted items. Russell confirmed the revenue increase from \$1.9 million to \$2.3 million, noting that the changes were highlighted but could have been more clearly presented in context with the previous figures.

Cathy also inquired why the adjustments only applied to the Washoe County plan. Russell clarified that the PEBP plan was excluded because the County does not administer it, and the Truckee Meadows plan was excluded because it operates as a fee-for-service model, where the insurance carrier retains entitlement to RDS funds.

Cindy Vance added that the RDS funds come directly from Medicare. Russell clarified that these funds act as an incentive for private organizations to cover drug costs, reducing reliance on Medicare's drug plan. Cindy asked if the County did not need to adjust benefit premiums to meet the requirements, avoiding increased costs for retirees.

Rebecca Mosher confirmed this, explaining that while the County's insurance provider initially believed the plans would not meet creditable coverage standards, further analysis confirmed compliance. As a result, there was no need to raise premiums specifically due to the Medicare issue.



Christine Vuletich expressed gratitude for the team's efforts, particularly noting the positive outcomes for retirees. Tammi Davis also emphasized the importance of maintaining creditable coverage and echoed appreciation for the team's work.

*It was moved by Christine Vuletich, seconded by Tammi Davis, to approve proposed OPEB Trust Fund Budget updates for the fiscal year ending June 30, 2025, reflecting estimated increased revenues of approximately \$400,000 and estimated increased expenditures of approximately \$15,000.*

There was no public comment.

*The motion passed unanimously.*

7. Review and discussion of Cash Flow Projections and Planned Transfers to/from the Nevada Retirement Benefits Investment Fund for the fiscal year ended June 30, 2025. [DISCUSSION ONLY]

Russell Morgan began by referencing pages 25 through 27 of the meeting packet, noting that these pages contain an updated schedule, which is revised each quarter. He explained that pages 25 and 26 include the notation "assuming budget augmentation is approved," which reflects the updated amounts for Fiscal Year 2025. Russell outlined that the updates include actual net direct expenses, reimbursements to employers, and cash balances, which are all reviewed and adjusted quarterly to ensure accuracy.

He explained that page 25 provides a summary of the Trust as a whole, while pages 26 and 27 break down the details by individual plans. Russell highlighted that on page 25, under the "Reimburse Employers" column for November, the schedule reflects \$5,884,893, an amount previously approved by the Trustees. He stated that this liability will be settled on November 1st, after the employer pre-funding contributions are received and a \$1.35 million draw from the RBIF is processed.

Russell continued by discussing the individual plan updates shown on pages 26 and 27. Page 26 details the Washoe County Retiree Health Benefit Plan, with updates based on recent budget changes. He noted that the lower half of page 26 pertains to the PEBP plan, which saw minimal changes. Page 27 focuses on the Truckee Meadows Fire Protection District plan, where quarterly adjustments have also been incorporated. He emphasized that the amounts transferred to or from the RBIF will continue to fluctuate throughout the year as additional updates are made.

8. Informational review and discussion of the Nevada Retirement Benefits Investment Fund – investment process, returns, assets, changes in investment strategy, outlook, and related topics. [DISCUSSION ONLY]

Russell Morgan then directed attention to the investment returns through June 2024, the latest available data from the PERS website. He mentioned that all returns across the various investment classes align with market expectations and are progressing smoothly. Russell noted that the investment allocations between asset classes, both target and actual, are within the acceptable range set by PERS. If the actual allocation exceeds the target by a certain percentage, it would trigger a rebalancing, but at present, no such actions are needed as everything is operating within the expected parameters.

Russell acknowledged that while this data is from June, nearly four months ago, the market has seen an overall rise since then, with bond values expected to have increased due to the Federal Reserve's decision to lower interest rates. He speculated that the total value of the investments, which stood at \$906 million, is likely higher, though a withdrawal by another participant in August could have impacted this figure.

He concluded by confirming that there have been no changes in the investment process, strategy, or outlook for the fund.

9. Acknowledge receipt of updated unaudited financial statements for the year ending June 30, 2024. [FOR POSSIBLE ACTION]

Russell Morgan explained that the financial statements presented in the packet are an update to the June 2024 statements previously shared, which were based on transactions available as of mid-July. Since then, additional transactions have been accounted for, including revenues from the retiree drug subsidy program and Rx rebates, as well as June activity for RBIF, which was not available when the earlier statements were prepared.

With the new information, Russell confirmed that the June activity was now fully posted, and the updated financial results showed a significant increase in the Trust's cash and investments, rising to over \$404 million. For June, the fund had received approximately \$705,000 in interest and dividends, alongside realized losses and fees. Unrealized gains for the month amounted to nearly \$5.7 million.

Russell then pointed to the updated statements of changes in fiduciary net position for each plan. These statements, though less detailed than the usual budget breakdown, are the financial statements that will undergo an audit. The year-end change in the plan's net position was an increase of almost \$48 million, with roughly \$42.5 million of that attributed to increases in the fair value of investments, both realized and unrealized. This was presented as the anticipated final financial status for the year.

*It was moved by Tammi Davis, seconded by Cindy Vance, to acknowledge receipt of updated unaudited financial statements for the year ending June 30, 2024.*

There was no public comment.

*The motion passed unanimously.*

10. Update on the status of the Fiscal Year Ended June 30, 2024 Financial Statements Audit. [DISCUSSION ONLY]

Russell Morgan updated the group on the audit process, noting that the auditors have already begun their preliminary planning and work. Fieldwork was scheduled to start on December 9th and would last up to two weeks, although it has not typically taken that long in the past. Rebecca already updated much of the financial information, including notes and required supplementary details. However, they still need the actuarial valuations from the new actuary to complete their work, which are due by November 1st.

Russell explained that, as with any new actuary, drafts of the reports would be reviewed for any unusual items or inconsistencies. Given that this was a new actuary, it might take a bit longer to go through the data and ensure all necessary information was accurate and complete for the financial statements. There might also be some back-and-forth with the actuary for clarification and adjustments.

The goal was to review and finalize the actuarial analysis by the end of November. Once completed, the updates to the financial statements would take only a couple of days, and they would be sent to the auditors before the fieldwork started. Russell expressed confidence that there was enough time to finalize everything with ample cushion and that getting the materials to the auditors promptly would help speed up the process for them to complete their work and issue the final report.

11. Trustees'/Staff announcements, requests for information, and topics for future agendas. Meeting dates for calendar year 2025 are January 23, April 24, July 24, and October 23 (fourth Thursday of first month of each calendar quarter). The meetings will begin at 10:00 am. [NO DISCUSSION]

Cathy Hill said she will not be present for the April 24th meeting.

Tammi Davis added that she will not be present for the January 23rd meeting.

Russell Morgan clarified that for the April 24th meeting, chairman duties will fall to Christine Vuletich.

Christine Vuletich added that for those who are not part of the Washoe County calendar system, using Teams is difficult.

Cathy said they will be working to have Zoom for the next meeting.

12. PUBLIC COMMENT – [Non-action item]

There was no public comment.

13. Meeting adjourned at 10:58am.

**WASHOE COUNTY, NEVADA OPEB TRUST**  
**Administrative Expense Detail - YTD Actual vs. Annual Budget**  
**For the Year Ended June 30, 2025 - Unaudited**

	<b>Washoe Co Retiree Health Benefit Program</b>	<b>State of Nevada Public Employee Benefit Plan</b>	<b>Truckee Meadows FPD Retiree Group Medical Plan</b>	<b>2025 Total</b>
<b><u>BUDGET</u></b>				
Administrative Expenses				
Actuarial valuations	\$ 20,000	\$ 7,500	\$ 7,500	\$ 35,000
Accounting and administrative services	7,000	7,000	7,000	21,000
Audit fees	8,050	8,050	8,050	24,150
Trustee fees	267	266	267	800
Minutes fees	200	200	200	600
Other Operating Expenses	15,000	-	-	15,000
	<u>\$ 50,517</u>	<u>\$ 23,016</u>	<u>\$ 23,017</u>	<u>\$ 96,550</u>
<b><u>ACTUAL</u></b>				
Administrative Expenses				
Actuarial valuations	\$ 20,000	\$ 7,500	\$ 7,500	\$ 35,000
Accounting and administrative services	4,561	4,561	4,561	13,683
Audit fees	-	-	-	-
Trustee fees	107	107	107	321
Minutes fees	44	44	44	132
Other Operating Expenses	5,000	-	-	5,000
	<u>\$ 29,712</u>	<u>\$ 12,212</u>	<u>\$ 12,212</u>	<u>\$ 54,136</u>
<b><u>VARIANCE</u></b>				
Administrative Expenses				
Actuarial valuations	\$ -	\$ -	\$ -	\$ -
Accounting and administrative services	2,439	2,439	2,439	7,317
Audit fees	8,050	8,050	8,050	24,150
Trustee fees	160	159	160	479
Minutes fees	156	156	156	468
Other Operating Expenses	10,000	-	-	10,000
	<u>\$ 20,805</u>	<u>\$ 10,804</u>	<u>\$ 10,805</u>	<u>\$ 42,414</u>

**WASHOE COUNTY, NEVADA OPEB TRUST**  
**Summary of Requested Reimbursement to Washoe County**  
**For the Six Months Ended December 31, 2024**

	<u>YTD</u>	<u>Avg / Mo</u>
<b><u>WCRHBP</u></b>		
Plan member premium payments	2,293,981	382,330
Other miscellaneous revenues	1,503,217	250,536
	<u>3,797,198</u>	<u>632,866</u>
Less:		
Benefits expense	<u>16,573,674</u>	<u>2,762,279</u>
Net OPEB expense	12,776,476	<u><u>2,129,413</u></u>
Reimbursements to date:		
For Q424 Over Reimbursement		
For Q1	(6,213,280)	
For Q2		
For Q3		
For Q4		
Balance due to Washoe County	<u><u>6,563,196</u></u>	
<b><u>PEBP</u></b>		
PEBP premium subsidies	116,772	<u><u>38,924</u></u>
Reimbursements to date:		
For Q1	(57,981)	
For Q2		
For Q3		
For Q4		
Balance due to Washoe County	<u><u>58,791</u></u>	
Total due to Washoe County	<u><u><b>\$ 6,621,987</b></u></u>	

**Plan member premium payments:** Payments received from retirees for their share of OPEB plan premiums.

**Other miscellaneous revenues:** Payments received from third parties for reinsurance reimbursements, prescription drug rebates, and Medicare Part D reimbursements.

**Benefits expense:** Benefits expense includes medical and prescription drug claims and claims administration expense for PPO participants, HMO participant premiums, and dental and vision claims for all electing participants.

**Net OPEB expense:** Total benefits expense, less plan member premium payments and other miscellaneous revenues. This the County's cost of providing OPEB benefits to participants.

**WASHOE COUNTY, NEVADA OPEB TRUST**  
**Summary of Requested Reimbursement to Truckee Meadows Fire Protection District**  
**For the Six Months Ended December 31, 2024**

	<b>YTD</b>	<b>Avg / Mo</b>
<b><u>TMFPD RGMP</u></b>		
Plan member premium payments	136,351	22,725
Less:		
Benefits expense	180,437	30,073
Net OPEB expense	44,086	7,348
Reimbursements to date:		
For Q1	(29,534)	
For Q2		
For Q3		
For Q4		
Balance due to employer	14,552	

**Plan member premium payments:** Payments received from retirees for their share of OPEB plan premiums.

**Benefits expense:** Benefits expense includes premiums for medical, prescription drugs, dental, vision, and life insurance coverages.

**Net OPEB expense:** Total benefits expense, less plan member premium payments. This is TMFPD's cost of providing OPEB benefits to participants.

**Washoe County, Nevada OPEB Trust Fund**  
**Financial Highlights for the Six Months Ended December 31, 2024 (Unaudited)**

Amounts in thousands:				
	<u>WC-RHBP</u>	<u>WC-PEBP</u>	<u>TMFPD</u>	<u>TOTAL</u>
WC-Pool	\$ 1,407	\$ 15	\$ 28	\$ 1,449
State RBIF	403,967	3,017	16,703	423,688
Other-Net	(6,572)	(66)	(26)	(6,664)
Net Assets	<u>\$ 398,802</u>	<u>\$ 2,966</u>	<u>\$ 16,705</u>	<u>\$ 418,473</u>

- Net assets of \$418.5 million are up \$21.3 million year-to-date; contributions of \$13.3 million and net investment income of \$24.9 million were offset by \$16.9 million in benefits expense.

Amounts in thousands	<u>WC-RHBP</u>	<u>WC-PEBP</u>	<u>TMFPD</u>	<u>TOTAL</u>
<b>Additions:</b>				
Prefunding	\$ 8,102	\$ 16	\$ 1,244	\$ 9,362
Investment income, net of expense	23,833	176	925	24,934
Plan members, other	3,797	-	136	3,933
	<u>35,732</u>	<u>192</u>	<u>2,305</u>	<u>38,229</u>
<b>Deductions:</b>				
Benefits Paid	16,574	117	180	16,871
Administrative	30	12	12	54
	<u>16,604</u>	<u>129</u>	<u>192</u>	<u>16,925</u>
Net change in Plan Net Assets	<u>\$ 19,128</u>	<u>\$ 63</u>	<u>\$ 2,113</u>	<u>\$ 21,304</u>

- Investment income includes realized gains of \$12.3 million and net unrealized gains of \$8.4 million in the RBIF through November 30, 2024. Annualized investment returns through November in the RBIF were 21.63% with these gains included. Annualized realized (cash) yields were at 14.31%.

Amounts in thousands	<u>Budget</u>	<u>YTD</u>	<u>Act % Bud</u>	<u>Variance</u>
<b>Additions:</b>				
Prefunding	\$ 18,724	\$ 9,362	50%	\$ (9,362)
Investment income, net of expense	9,426	24,934	265%	15,508
Plan members, other	6,978	3,933	56%	(3,045)
	<u>35,128</u>	<u>38,229</u>	<u>109%</u>	<u>3,101</u>
<b>Deductions:</b>				
Benefits Paid	36,263	16,871	47%	19,392
Administrative	97	54	56%	43
	<u>36,360</u>	<u>16,925</u>	<u>47%</u>	<u>19,435</u>
Net change in Plan Net Assets	<u>\$ (1,232)</u>	<u>\$ 21,304</u>	<u>-1729%</u>	<u>\$ 22,536</u>

- Prefunding contributions reflect transfers primarily from the employers' General Fund.
- Unrealized gains and losses in the RBIF are not budgeted; realized gains and losses are conservatively budgeted.
- Plan member and other contributions reflect retirees' share of health insurance premiums, plus miscellaneous revenues, such as reinsurance proceeds, drug rebates, and Retiree Drug Subsidy payments from Medicare.
- The County has a reinsurance policy in place to limit the County's cost to \$375,000 for each claim for the year.
- Washoe County's adopted policy is to collect the County's full OPEB cost from the Trust.

**WASHOE COUNTY, NEVADA OPEB TRUST FUND  
INTERIM STATEMENTS OF PLAN NET ASSETS  
AS OF DECEMBER 31, 2024 - UNAUDITED**

	<u>Washoe Co. Retiree Health Benefit Plan</u>	<u>State of Nevada Public Employee Benefit Plan</u>	<u>TMFPD Retiree Group Medical Plan</u>	<u>Total</u>
<b>Assets</b>				
Cash and investments:				
Washoe County Investment Pool	\$ 1,406,513	\$ 14,842	\$ 27,724	\$ 1,449,079
State of NV RBIF	403,966,854	3,017,416	16,703,401	423,687,671
Interest receivable	16,430	154	(3,665)	12,919
<b>Total Assets</b>	<u>405,389,797</u>	<u>3,032,412</u>	<u>16,727,460</u>	<u>425,149,669</u>
<b>Liabilities</b>				
Accounts payable	24,876	7,500	7,500	39,876
Due to employers	6,563,196	58,791	14,552	6,636,539
<b>Total Liabilities</b>	<u>6,588,072</u>	<u>66,291</u>	<u>22,052</u>	<u>6,676,415</u>
<b>Net assets held in trust for other postemployment benefits</b>	<u>\$ 398,801,725</u>	<u>\$ 2,966,121</u>	<u>\$ 16,705,408</u>	<u>\$ 418,473,254</u>



**WASHOE COUNTY, NEVADA OPEB TRUST FUND**  
**INTERIM STATEMENT OF CHANGES IN PLAN NET ASSETS**  
**FOR THE SIX MONTHS ENDED DECEMBER 31, 2024 - UNAUDITED**  
**(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)**

	<b>Combined Trust</b>				<b>6/30/2024</b>
	<b>Budget</b>	<b>Actual</b>	<b>Act %</b>	<b>Variance</b>	
<b>Additions</b>					
Contributions					
Employer:					
Prefunding	\$ 18,724,372	\$ 9,362,186	50.00%	\$ (9,362,186)	\$ 19,612,329
Plan member	4,615,000	2,430,332	52.66%	(2,184,668)	4,578,587
Other	2,363,000	1,503,217	63.61%	(859,783)	3,091,667
Total Contributions	25,702,372	13,295,735	51.73%	(12,406,637)	27,282,583
Investment Income					
Interest and dividends	8,528,100	4,266,523	50.03%	(4,261,577)	9,156,908
Net increase (decrease) in fair value of investments	1,009,100	20,700,590	2051.39%	19,691,490	42,503,264
	9,537,200	24,967,113	261.79%	15,429,913	51,660,172
Less investment expense	111,675	33,434	29.94%	78,241	111,481
Net Investment Income	9,425,525	24,933,679	264.53%	15,508,154	51,548,691
Total Additions	35,127,897	38,229,414	108.83%	3,101,517	78,831,274
<b>Deductions</b>					
Benefits	36,263,000	16,870,883	46.52%	19,392,117	30,827,725
Administrative expense	96,550	54,136	56.07%	42,414	92,807
Total Deductions	36,359,550	16,925,019	46.55%	19,434,531	30,920,532
Net Change in Plan Net Assets	(1,231,653)	21,304,395	(1729.74%)	22,536,048	47,910,742
<b>Net Assets Held in Trust for Other Postemployment Benefits</b>					
Beginning of year	397,168,859	397,168,859		-	349,258,117
End of Period	\$ 395,937,206	\$ 418,473,254		\$ 22,536,048	\$ 397,168,859

**WASHOE COUNTY, NEVADA OPEB TRUST FUND**  
**INTERIM STATEMENT OF CHANGES IN PLAN NET ASSETS**  
**FOR THE SIX MONTHS ENDED DECEMBER 31, 2024 - UNAUDITED**  
**(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)**

	<b>Washoe County - Retiree Health Benefit Plan</b>				<b>6/30/2024</b>
	<b>Budget</b>	<b>Actual</b>	<b>Act %</b>	<b>Variance</b>	
<b>Additions</b>					
Contributions					
Employer:					
Prefunding	\$ 16,204,623	\$ 8,102,311	50.00%	\$ (8,102,312)	\$ 18,249,364
Plan member	4,400,200	2,293,981	52.13%	(2,106,219)	4,374,830
Other	2,363,000	1,503,217	63.61%	(859,783)	3,091,667
Total Contributions	22,967,823	11,899,509	51.81%	(11,068,314)	25,715,861
Investment Income					
Interest and dividends	8,159,500	4,076,565	49.96%	(4,082,935)	8,765,096
Net increase (decrease) in fair value of investments	965,000	19,788,221	2050.59%	18,823,221	40,696,495
	9,124,500	23,864,786	261.55%	14,740,286	49,461,591
Less investment expense	106,770	31,919	29.90%	74,851	106,723
Net Investment Income	9,017,730	23,832,867	264.29%	14,815,137	49,354,868
Total Additions	31,985,553	35,732,376	111.71%	3,746,823	75,070,729
<b>Deductions</b>					
Benefits	35,618,700	16,573,674	46.53%	19,045,026	30,219,115
Administrative expense	50,517	29,712	58.82%	20,805	43,936
Total Deductions	35,669,217	16,603,386	46.55%	19,065,831	30,263,051
Net Change in Plan Net Assets	(3,683,664)	19,128,990	(519.29%)	22,812,654	44,807,678
<b>Net Assets Held in Trust for Other Postemployment Benefits</b>					
Beginning of year	379,672,735	379,672,735		-	334,865,057
End of Period	\$ 375,989,071	\$ 398,801,725		\$ 22,812,654	\$ 379,672,735

**WASHOE COUNTY, NEVADA OPEB TRUST FUND**  
**INTERIM STATEMENT OF CHANGES IN PLAN NET ASSETS**  
**FOR THE SIX MONTHS ENDED DECEMBER 31, 2024 - UNAUDITED**  
**(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)**

	<b>Washoe County - NV PEBP Plan</b>				<b>6/30/2024</b>
	<b>Budget</b>	<b>Actual</b>	<b>Act %</b>	<b>Variance</b>	
<b>Additions</b>					
Contributions					
Employer:					
Prefunding	\$ 31,133	\$ 15,567	50.00%	\$ (15,566)	\$ 42,565
Total Contributions	31,133	15,567	50.00%	(15,566)	42,565
Investment Income					
Interest and dividends	60,500	30,555	50.50%	(29,945)	69,451
Net increase (decrease) in fair value of investments	7,300	145,818	1997.51%	138,518	281,678
	67,800	176,373	260.14%	108,573	351,129
Less investment expense	820	247	30.12%	573	851
Net Investment Income	66,980	176,126	262.95%	109,146	350,278
Total Additions	98,113	191,693	195.38%	93,580	392,843
<b>Deductions</b>					
Benefits	232,000	116,772	50.33%	115,228	227,589
Administrative expense	23,016	12,212	53.06%	10,804	23,936
Total Deductions	255,016	128,984	50.58%	126,032	251,525
Net Change in Plan Net Assets	(156,903)	62,709		219,612	141,318
<b>Net Assets Held in Trust for Other Postemployment Benefits</b>					
Beginning of year	2,903,412	2,903,412		-	2,762,094
End of Period	\$ 2,746,509	\$ 2,966,121		\$ 219,612	\$ 2,903,412

**WASHOE COUNTY, NEVADA OPEB TRUST FUND**  
**INTERIM STATEMENT OF CHANGES IN PLAN NET ASSETS**  
**FOR THE SIX MONTHS ENDED DECEMBER 31, 2024 - UNAUDITED**  
**(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)**

	<b>Truckee Meadows FPD - Retiree Group Medical Plan</b>				
	<b>Budget</b>	<b>Actual</b>	<b>Act %</b>	<b>Variance</b>	<b>6/30/2024</b>
<b>Additions</b>					
Contributions					
Employer:					
Prefunding	\$ 2,488,616	\$ 1,244,308	50.00%	\$ (1,244,308)	\$ 1,320,400
Plan member	214,800	136,351	63.48%	(78,449)	203,757
Total Contributions	2,703,416	1,380,659	51.07%	(1,322,757)	1,524,157
Investment Income					
Interest and dividends	308,100	159,403	51.74%	(148,697)	322,361
Net increase (decrease) in fair value of investments	36,800	766,551	2083.02%	729,751	1,525,091
	344,900	925,954	268.47%	581,054	1,847,452
Less investment expense	4,085	1,268	31.04%	2,817	3,907
Net Investment Income	340,815	924,686	271.32%	583,871	1,843,545
Total Additions	3,044,231	2,305,345	75.73%	(738,886)	3,367,702
<b>Deductions</b>					
Benefits	412,300	180,437	43.76%	231,863	381,021
Administrative expense	23,017	12,212	53.06%	10,805	24,935
Total Deductions	435,317	192,649	44.25%	242,668	405,956
Net Change in Plan Net Assets	2,608,914	2,112,696	80.98%	(496,218)	2,961,746
<b>Net Assets Held in Trust for Other Postemployment Benefits</b>					
Beginning of year	14,592,712	14,592,712		-	11,630,966
End of Period	\$ 17,201,626	\$ 16,705,408		\$ (496,218)	14,592,712

**Washoe County, Nevada OPEB Trust Fund**  
**Cash Flow Projections and Planned Transfers to (from) the Retirees' Benefits Investment Fund (RBIF) for FY 24-25**  
**As updated through 12/31/2024**

	<b>Prefunding Contributions</b>	<b>Net Direct Expenses</b>	<b>Reimburse Employers</b>	<b>Pooled Cash Change</b>	<b>Trsfers to/ (from) RBIF</b>	<b>Cash in WC Pool</b>	<b>Cash in RBIF</b>	<b>Total Cash &amp; Investmts</b>	
Beginning balance						1,807,347	402,320,295	404,127,642	
Jul-24 Trustee Meeting	1,767,749	-	-	1,767,749	-	-	3,575,096	402,320,295	405,895,391
Aug	1,352,979	-	(7,372,910)	(6,019,931)	(3,000,000)	-	555,165	399,320,295	399,875,460
Sep	1,767,749	(5,704)	-	1,762,045	825,000	-	1,539,610	415,110,479	416,650,089
Oct Trustee Meeting	1,352,979	(131)	-	1,352,848	-	-	2,892,458	415,110,479	418,002,937
Nov	1,767,748	(322)	(5,884,893)	(4,117,467)	(1,350,000)	-	124,991	413,760,479	413,885,470
Dec	1,352,979	(47,978)	-	1,305,001	-	-	1,449,079	423,687,671	425,136,750
Jan Trustee Meeting	1,352,979	(6,721)	-	1,346,258	-	-	2,795,337	423,687,671	426,483,008
Feb	1,975,133	(24,300)	(6,636,539)	(4,685,706)	(2,075,000)	-	184,631	421,612,671	421,797,302
Mar	1,352,979	(3,500)	-	1,349,479	-	-	1,534,110	421,612,671	423,146,781
Apr Trustee Meeting	1,352,979	(1,949)	-	1,351,030	-	-	2,885,139	421,612,671	424,497,810
May	1,975,132	(150)	(7,321,250)	(5,346,268)	(2,450,000)	-	(11,129)	419,162,671	419,151,542
Jun	1,352,987	(2,500)	-	1,350,487	-	-	1,339,358	419,162,671	420,502,029
Jul-25 Trustee Meeting	-	(3,295)	(9,442,318)	(9,445,613)	(5,400,000)	-	(2,706,255)	413,762,671	411,056,416
<b>Cash flow total</b>	<b>18,724,372</b>	<b>(96,550)</b>	<b>(36,657,910)</b>	<b>(18,030,088)</b>	<b>(13,450,000)</b>				
Less: Pmts related to FY24		-	7,372,910						
FY25 Budget		<b>(96,550)</b>	<b>(29,285,000)</b>						

Key Assumptions:

Only key changes in cash flow are shown.

TMFPD - Quarterly payments to City of Reno, based on FY24 actuals.

Transfers to/from RBIF will be reviewed quarterly for possible adjustment.

	<b>WCRHBP</b>	<b>PEBP</b>	<b>Total</b>	<b>ADC's per Actuarial valuations.</b>	<b>Recommended</b>
WC Contributions	16,204,623	31,133	16,235,756	Paid in monthly increments.	
TMFPD Contributions			2,488,616	Per TMFPD FY 25 Budget. Paid bi-monthly.	2,031,446
<b>Total Prefunding Contributions</b>			<b>18,724,372</b>		Per Milliman

**Washoe County, Nevada OPEB Trust Fund**  
**Cash Flow Projections and Planned Transfers to (from) the Retirees' Benefits Investment Fund (RBIF) for FY 24-25**  
**As updated through 12/31/2024**

<b>WCRHBP</b>		<b>Prefunding Contributions</b>	<b>Net Direct Expenses</b>	<b>Reimburse Employers</b>	<b>Pooled Cash Change</b>	<b>Trsfrs to/ (from) RBIF</b>	<b>Cash Realloc *</b>	<b>Cash in WC Pool</b>	<b>Cash in RBIF</b>	<b>Total Cash &amp; Invest.</b>
Beginning balance								\$ 1,631,759	\$ 384,914,259	386,546,018
Jul-24	Trustee Meeting	1,350,385	-		1,350,385	-	-	2,982,144	384,914,259	387,896,403
Aug		1,350,385	-	(7,286,929)	(5,936,544)	(3,000,000)	-	45,600	381,914,259	381,959,859
Sep		1,350,385	(3,568)		1,346,817	-	-	1,429,213	396,235,941	397,665,154
Oct	Trustee Meeting	1,350,385	(44)		1,350,341	-	-	2,779,554	396,235,941	399,015,495
Nov		1,350,385	(107)	(5,797,378)	(4,447,100)	(1,750,000)	-	82,454	394,485,941	394,568,395
Dec		1,350,385	(25,993)	-	1,324,392	-	-	1,406,513	403,966,854	405,373,367
Jan	Trustee Meeting	1,350,385	(6,589)		1,343,796	-	-	2,750,309	403,966,854	406,717,163
Feb		1,350,385	(8,100)	(6,563,196)	(5,220,911)	(2,500,000)	-	29,398	401,466,854	401,496,252
Mar		1,350,385	=	-	1,350,385	-	-	1,379,783	401,466,854	402,846,637
Apr	Trustee Meeting	1,350,385	(1,817)		1,348,568	-	-	2,728,352	401,466,854	404,195,206
May		1,350,385	(50)	(7,213,875)	(5,863,540)	(3,200,000)	-	64,812	398,266,854	398,331,666
Jun		1,350,388	(2,500)	-	1,347,888	-	-	1,412,700	398,266,854	399,679,554
Jul-25	Trustee Meeting	-	(1,750)	(9,281,051)	(9,282,801)	(5,400,000)	-	(2,470,101)	392,866,854	390,396,753
Cash flow total		<u>16,204,623</u>	<u>(50,517)</u>	<u>(36,142,429)</u>	<u>(19,988,323)</u>	<u>(15,850,000)</u>	<u>-</u>			
Less: Pmts related to FY24			-	7,286,929						
FY25 Budget			<u>(50,517)</u>	<u>(28,855,500)</u>						

<b>PEBP</b>		<b>Prefunding Contributions</b>	<b>Net Direct Expenses</b>	<b>Reimburse Employers</b>	<b>Pooled Cash Change</b>	<b>Trsfrs to/ (from) RBIF</b>	<b>Cash Realloc *</b>	<b>Cash in WC Pool</b>	<b>Cash in RBIF</b>	<b>Total Cash &amp; Invest.</b>
Beginning balance								116,257	2,843,169	2,959,426
Jul-24	Trustee Meeting	2,594	-	-	2,594	-	-	118,851	2,843,169	2,962,020
Aug		2,594	-	(56,344)	(53,750)	-	-	65,101	2,843,169	2,908,270
Sep		2,594	(1,068)	-	1,526	-	-	68,892	2,947,925	3,016,817
Oct	Trustee Meeting	2,594	(44)		2,550	-	-	71,442	2,947,925	3,019,367
Nov		2,594	(107)	(57,981)	(55,494)	-	-	15,948	2,947,925	2,963,873
Dec		2,594	(10,993)	-	(8,399)	-	-	14,842	3,017,416	3,032,258
Jan	Trustee Meeting	2,594	(66)		2,528	-	-	17,370	3,017,416	3,034,786
Feb		2,594	(8,100)	(58,791)	(64,297)	(175,000)	-	128,073	2,842,416	2,970,489
Mar		2,594	(1,750)	-	844	-	-	128,917	2,842,416	2,971,333
Apr	Trustee Meeting	2,594	(67)		2,527	-	-	131,445	2,842,416	2,973,861
May		2,594	(50)	(58,000)	(55,456)	-	-	75,989	2,842,416	2,918,405
Jun		2,599	-	-	2,599	-	-	78,588	2,842,416	2,921,004
Jul-25	Trustee Meeting	-	(772)	(57,228)	(58,000)	-	-	20,588	2,842,416	2,863,004
Cash flow total		<u>31,133</u>	<u>(23,016)</u>	<u>(288,344)</u>	<u>(280,227)</u>	<u>(175,000)</u>	<u>-</u>			
Less: Pmts related to FY24			-	56,344						
FY25 Budget			<u>(23,016)</u>	<u>(232,000)</u>						

**Washoe County, Nevada OPEB Trust Fund**  
**Cash Flow Projections and Planned Transfers to (from) the Retirees' Benefits Investment Fund (RBIF) for FY 24-25**  
**As updated through 12/31/2024**

TMFPD	Prefunding Contributions	Net Direct Expenses	Reimburse Employers	Pooled Cash Change	Trsfrs to/ (from) RBIF	Cash Realloc *	Cash in WC Pool	Cash in RBIF	Total Cash & Invest.
Beginning balance							59,331	14,562,867	14,622,198
Jul-24 Trustee Meeting	414,770	-	-	414,770		-	474,101	14,562,867	15,036,968
Aug	-	-	(29,637)	(29,637)	-	-	444,464	14,562,867	15,007,331
Sep	414,770	(1,068)	-	413,702	825,000	-	41,505	15,926,613	15,968,118
Oct Trustee Meeting	-	(43)	-	(43)	-	-	41,462	15,926,613	15,968,075
Nov	414,769	(108)	(29,534)	385,127	400,000	-	26,589	16,326,613	16,353,202
Dec	-	(10,992)	-	(10,992)	-	-	27,724	16,703,401	16,731,125
Jan Trustee Meeting	-	(67)	-	(67)	-	-	27,657	16,703,401	16,731,058
Feb	622,154	(8,100)	(14,552)	599,502	600,000	-	27,159	17,303,401	17,330,560
Mar	-	(1,750)	-	(1,750)	-	-	25,409	17,303,401	17,328,810
Apr Trustee Meeting	-	(67)	-	(67)	-	-	25,343	17,303,401	17,328,744
May	622,153	(50)	(49,375)	572,728	750,000	-	(151,929)	18,053,401	17,901,472
Jun	-	-	-	-	-	-	(151,929)	18,053,401	17,901,472
Jul-25 Trustee Meeting	-	(773)	(104,039)	(104,812)	-	-	(256,741)	18,053,401	17,796,660
Cash flow total	<u>2,488,616</u>	<u>(23,017)</u>	<u>(227,137)</u>	<u>2,238,462</u>	<u>2,575,000</u>	<u>-</u>			
Less: Pmts related to FY24		-	29,637						
FY25 Budget		<u>(23,017)</u>	<u>(197,500)</u>						

\* Rebalancing between Pool and RBIF to ensure sufficient cash flow to meet plan expenses.

## Retirement Benefits Investment Fund

September 30, 2024

Performance Gross of Fees

Asset Class	Market Value	Target Allocation	Actual Allocation	FYTD Return	One Year	3 Years	5 Years	10 Years	Since Inception (2008)
U.S. Stocks- S&P 500 Index	\$ 379,508,538	42.5%	43.2%	5.9%	36.3%	11.9%	16.0%	13.4%	11.2%
<b>Market Return</b>				<b>5.9%</b>	<b>36.4%</b>	<b>11.9%</b>	<b>16.0%</b>	<b>13.4%</b>	<b>11.1%</b>
Int'l Stocks- MSCI World x US Index	\$ 153,657,749	17.5%	17.5%	7.7%	25.1%	5.9%	8.6%	6.1%	4.3%
<b>Market Return</b>				<b>7.8%</b>	<b>25.0%</b>	<b>5.7%</b>	<b>8.4%</b>	<b>5.8%</b>	<b>4.1%</b>
U.S. Bonds- U.S. Bond Index	\$ 238,396,403	28.0%	27.2%	4.7%	9.7%	0.4%	1.8%	2.3%	3.0%
<b>Market Return</b>				<b>4.7%</b>	<b>9.7%</b>	<b>0.1%</b>	<b>1.6%</b>	<b>2.2%</b>	<b>2.8%</b>
Short-term Investments*	\$ 106,065,141	12.0%	12.1%	1.3%	5.3%				5.3%
<b>Market Return</b>				<b>1.4%</b>	<b>5.5%</b>				<b>5.5%</b>
<b>Total RBIF Fund</b>	<b>\$ 877,627,831</b>	<b>100.0%</b>	<b>100.0%</b>	<b>5.3%</b>	<b>24.5%</b>	<b>7.2%</b>	<b>10.6%</b>	<b>8.9%</b>	<b>7.7%</b>
<b>Market Return</b>				<b>5.8%</b>	<b>25.4%</b>	<b>7.3%</b>	<b>10.4%</b>	<b>8.7%</b>	<b>7.7%</b>



# **RETIREMENT BENEFITS INVESTMENT FUND**

**A COMPONENT UNIT of  
the STATE of NEVADA**

## **ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended  
June 30, 2024**

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*Casey Neilon*  
**Accountants and Advisors**

INDEPENDENT AUDITOR'S REPORT

To the Retirement Benefits Investment Board  
Carson City, Nevada

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the Retirement Benefits Investment Fund, a component unit of the State of Nevada, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Retirement Benefits Investment Fund's basic financial statements as listed in the table of contents.

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

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

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

***Emphasis of Matter***

As discussed in Note 1, the financial statements present only the Retirement Benefits Investment Fund, and do not purport to, and do not present fairly the financial position of the State of Nevada as of June 30, 2024, or the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Retirement Benefits Investment Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Retirement Benefits Investment Fund's ability to continue as a going concern for a reasonable period of time.

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

### ***Report on Summarized Comparative Information***

We have previously audited the Retirement Benefits Investment Fund's June 30, 2023 financial statements, and we expressed an unmodified opinion on the financial statements in our report dated October 2, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 8 – 9 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the

information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Retirement Benefits Investment Fund’s basic financial statements. The schedule of Participating Trusts on page 18 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedule of Participating Trusts are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Casey Neilson*

Carson City, Nevada  
September 30, 2024

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

This Management's Discussion and Analysis (MD&A) of the financial performance of the Retirement Benefits Investment Fund (RBIF or Fund) provides an overview of the Fund's financial activities for the fiscal year ended June 30, 2024. The MD&A is designed to focus on the current year's activities, resulting changes, and currently known facts. Readers are encouraged to consider the information presented here in conjunction with the financial statements, as a whole, which follow the MD&A.

RBIF was created during the 2007 Legislative Session, was effective July 1, 2007, and received its first investment contribution in January 2008. The purpose of the Fund is to invest contributions made by participating OPEB Trust Funds (Trusts) to support financing of other post-employment benefits (OPEB) at some time in the future. Per NRS 355.220(2) monies received by the Fund from participating trusts are not held in a fiduciary capacity. At June 30, 2024, there were twelve participating trusts: Washoe County School District OPEB Trust; Truckee Meadows Water Authority Post Retirement Medical Plan & Trust; Washoe County OPEB Trust; City of Las Vegas OPEB Trust; Tahoe Douglas Fire Protection District Post Retirement Plan & Trust; Clark County OPEB Trust; City of Reno OPEB Trust; Las Vegas Metropolitan Police Department OPEB Trust; Truckee Meadows Water OPEB Trust; North Lake Tahoe Fire Protection District Post Retirement Plan & Trust; Carson City OPEB Trust; and Las Vegas Valley Water District OPEB Trust.

### **Overview of the Financial Statements**

The basic financial statements consist of the Statement of Net Position, the Statement of Changes in Net Position, and the Notes to the Financial Statements.

The **Statement of Net Position** includes all of the Fund's assets, liabilities, and the net position at the end of the fiscal year.

The **Statement of Changes in Net Position** reports additions to and deductions from the Fund during the fiscal year presented. Over time, the increase or decrease in net position serves as a useful indicator of the health of the Fund's financial position.

The **Notes to the Financial Statements** provide additional information that is required by generally accepted accounting principles.

### **Financial Highlights**

- Cash and cash equivalents increased by \$101,216,270 during fiscal year 2024 primarily due to the Fund changing the asset allocation for short-term investments to 12% from zero.
- Total investments at fair value as of June 30, 2024, were \$787,114,626, an increase of 1.2% from fiscal year 2023. This change was primarily due to strong returns for the U.S. and international stocks and RBIF reducing the asset allocation for U.S. stocks from 49.5% to 42.5% as well as reducing the asset allocation for international stocks from 19.5% to 17.5%.
- Total contributions were \$5,370,234 during fiscal year 2024, a decrease of 55.4% from fiscal year 2023.
- Net investment income was \$115,871,373 during fiscal year 2024, as compared to net investment income of \$90,315,122 during fiscal year 2023.
- There were distributions of \$3,530,000 during fiscal year 2024 as compared to \$14,713,910 during fiscal year 2023.



**RETIREMENT BENEFITS INVESTMENT FUND**  
**2024 ANNUAL FINANCIAL REPORT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Financial Analysis**

The following are summary comparative statements of the Fund.

**CONDENSED STATEMENT OF NET POSITION**

	<b>As of June 30, 2024</b>	<b>As of June 30, 2023</b>	<b>Increase/ (Decrease) from 2023 to 2024</b>	<b>Percentage Increase/ (Decrease) from 2023 to 2024</b>
Cash and cash equivalents	\$ 111,150,681	\$ 9,934,411	\$ 101,216,270	1,018.8 %
Receivables	9,799,421	3,502,057	6,297,364	179.8
Investments, at fair value	787,114,626	777,776,534	9,338,092	1.2
Total assets	<u>908,064,728</u>	<u>791,213,002</u>	<u>116,851,726</u>	14.8
Accounts payable and accrued expenses	64,628	59,794	4,834	8.1
Pending trades payable	1,437,022	2,181,489	(744,467)	(34.1)
Total liabilities	<u>1,501,650</u>	<u>2,241,283</u>	<u>(739,633)</u>	(33.0)
Net position held in fund	<u>\$ 906,563,078</u>	<u>\$ 788,971,719</u>	<u>\$ 117,591,359</u>	14.9 %

**CONDENSED STATEMENT OF CHANGES IN NET POSITION**  
**For the Year Ended June 30,**

	<b>2024</b>	<b>2023</b>	<b>Increase/ (Decrease) from 2023 to 2024</b>	<b>Percentage Increase/ (Decrease) from 2023 to 2024</b>
Contributions from participating trusts	\$ 5,370,234	\$ 12,039,976	\$ (6,669,742)	(55.4)%
Net investment income	115,871,373	90,315,122	25,556,251	28.3
Other income	1,092	2,624	(1,532)	(58.4)
Total additions	<u>121,242,699</u>	<u>102,357,722</u>	<u>18,884,977</u>	18.4
Distributions to participating trusts	3,530,000	14,713,910	(11,183,910)	(76.0)
Administrative expenses	121,340	114,939	6,401	5.6
Total deductions	<u>3,651,340</u>	<u>14,828,849</u>	<u>(11,177,509)</u>	(75.4)
Change in net position	117,591,359	87,528,873	30,062,486	34.3
Net position, beginning of year	788,971,719	701,442,846	87,528,873	12.5
Net position, end of year	<u>\$ 906,563,078</u>	<u>\$ 788,971,719</u>	<u>\$ 117,591,359</u>	14.9 %

The net position increased by \$117.6 million during fiscal year 2024. This is attributed primarily to three items: contributions from participating trusts of \$5.4 million, net investment income of \$115.9 million, and distributions to participating trusts of \$3.5 million.

In 2024 the Fund experienced a net investment income of \$115.9 million compared to a net investment income of \$90.3 million in 2023. The Fund generated a return of 14.7% (gross of fees) for fiscal year 2024 compared to a return of 12.9% (gross of fees) for fiscal year 2023. Since inception (2008) the Fund has generated an annualized return (gross of fees) of 7.5%.

**RETIREMENT BENEFITS INVESTMENT FUND**  
**2024 ANNUAL FINANCIAL REPORT**

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**STATEMENT OF NET POSITION**  
June 30, 2024

	<u>2024</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 111,150,681
Receivables:	
Accrued investment income	3,908,519
Pending trades receivable	<u>5,890,902</u>
Total receivables	<u>9,799,421</u>
Investments, at fair value:	
U.S. bonds	240,809,490
U.S. stocks	380,585,325
International stocks	<u>165,719,811</u>
Total investments, at fair value	<u>787,114,626</u>
Total assets	<u>908,064,728</u>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	29,193
Management fees payable	35,435
Pending trades payable	<u>1,437,022</u>
Total liabilities	<u>1,501,650</u>
<b>NET POSITION</b>	
Net position held in fund	<u>\$ 906,563,078</u>

**RETIREMENT BENEFITS INVESTMENT FUND**  
**2024 ANNUAL FINANCIAL REPORT**

**STATEMENT OF CHANGES IN NET POSITION**  
For the Year Ended June 30, 2024  
(With Summarized Comparative Totals For the Year Ended June 30, 2023)

	<b>2024</b>	<b>2023</b>
<b>ADDITIONS</b>		
Contributions from participating trusts	\$ 5,370,234	\$ 12,039,976
Investment income:		
Net appreciation in fair value of investments	95,509,027	73,111,244
Interest and dividend income	20,485,971	17,312,632
Investment income	115,994,998	90,423,876
Less investment fees and other expenses	(123,625)	(108,754)
Net investment income	115,871,373	90,315,122
Other income	1,092	2,624
Total additions	121,242,699	102,357,722
<b>DEDUCTIONS</b>		
Distributions to participating trusts	3,530,000	14,713,910
Administrative expenses	121,340	114,939
Total deductions	3,651,340	14,828,849
<b>Change in net position</b>	117,591,359	87,528,873
<b>Net position held in fund:</b>		
Beginning of year	788,971,719	701,442,846
End of year	\$ 906,563,078	\$ 788,971,719

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1 - Summary of Significant Accounting Policies**

Financial Reporting Entity

The Retirement Benefits Investment Fund (RBIF) is governed by a seven-member Board. The Board consists of the members of the Public Employees' Retirement Board ex officio and serve without any additional compensation.

The Board for the fiscal year ended June 30, 2024, consisted of the following members:

Mark Stevens	Chair	2027
Brian Wallace	Vice Chair	2025
Dawn Huckaby	Member	2026
Todd Ingalsbee	Member	2027
Norma Santoyo	Member	2025
Jessica Colvin	Member	2025
Cameron Wagner	Member	2026

Terms expire on June 30 of year noted.

Board members remain on the Board until they have been replaced or reappointed.

The Fund has developed criteria in accordance with standards issued by the Governmental Accounting Standards Board (GASB) to determine whether participating trusts should be included within its financial reporting entity as component units. A component unit is defined as a legally separate organization for which officials of the Fund are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the Fund are such that exclusion would cause the Fund's financial statements to be misleading or incomplete.

In accordance with GASB, the following criteria are used when evaluating financial accountability: the ability of the Fund to appoint a voting majority of the organization's governing body and (1) the ability to impose its will on the other organization, or (2) the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Fund. In addition, RBIF may be financially accountable if an organization is fiscally dependent on the Fund regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board.

RBIF has no relationship with another entity that meets the above criteria and has not included any other entity as a component unit of its financial reporting entity.

RBIF is classified as a component unit of the State of Nevada for financial reporting purposes in accordance with the provisions of GASB because the Governor appoints the board and the State Legislature retains certain significant governing powers over the Fund.

Basis of Accounting

The accompanying financial statements of RBIF have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America. RBIF has adopted the pronouncements of GASB, which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The Fund uses the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded in the accounting period in which they are earned and become measurable. Expenses are recorded when the corresponding liabilities are incurred, regardless of when payment is made.

Comparative Totals

The Statement of Changes in Net Position includes a partial presentation of prior year comparative financial statements but not at the level of detail required for a presentation in conformity with the accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the RBIF financial statements as of and for the year ended June 30, 2023, from which the partial information was derived.

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1 - Summary of Significant Accounting Policies (continued)**

Fund Oversight

The Fund was established per NRS 355.220 and is administered by the Retirement Benefits Investment Board (RBIB or Board). An annual financial report, which includes the independent auditor's opinion, is presented to, and accepted by RBIB. RBIF is not registered with the Securities and Exchange Commission (SEC) as an investment company, nor is it so required, as it is a public fund.

Cash and Cash Equivalents

Cash and cash equivalents include both operating cash on deposit with our commercial bank and cash on deposit with our custodial bank. Cash on deposit at our custodial bank includes investments in Goldman Sachs Financial Square Treasury Obligations Fund. This fund invests in short-term, high credit quality money market instruments. These instruments are direct obligations of the U.S. treasury and repurchase agreements backed by treasury obligations.

Investments

The Board serves as the administrator of the Fund. RBIF's assets are managed in accordance with RBIF's investment objectives and policies. In general, the authorized investments include: U.S. bonds, U.S. and international stocks, money market funds, and cash equivalents (other short-term investments).

Realized gains and losses on securities are calculated by subtracting the security cost from the price of the asset at the point of sale. The calculation of realized gains and losses is independent of the calculation of the net change in the fair value of the investments (unrealized gains/losses). Unrealized gains and losses are calculated by subtracting the cost of the security from the fair value of the asset. Realized gains and losses on investments are included as a net change in the fair value of the investments in the year they are sold.

Earned Income and Expenses

RBIF is designed to value participants' shares in the Fund according to the contributions of each trust. Specifically, on a pro-rata basis for each trust's participation, RBIF allocates earnings (which include realized and unrealized gain or loss, interest, and other income) and expenses (both administrative and investment) to each trust according to their proportional share in the Fund. As of June 30, 2024, twelve trusts participated in the Fund. A schedule of participating trusts is reported in the Supplementary Information section of this report.

**NOTE 2 - Fund Description**

History and Purpose

The Nevada Legislature established the Fund with an effective date of July 1, 2007. The purpose of the Fund is to invest contributions made by participating trusts, as defined in Section 355.220 of the Nevada Revised Statutes (NRS), to enable such trusts to support financing of other post-employment benefits at some time in the future. Per NRS 355.220(2) monies received by RBIB from participating trusts are held for investment purposes only and not in any fiduciary capacity. Each participating trust acts as fiduciary for its particular share of the Fund.

Contributions

Contributions received by the Fund are for investment purposes only and are not held in any fiduciary capacity by RBIF. Any money in the Fund must be invested in the same manner as money in the Public Employees' Retirement System of Nevada (PERS) Investment Fund is invested.

To enable maximum investment return and consistent reporting on such, participating trusts are required to provide advance notification to RBIF of the amount of contributions or distributions the trust wishes to make during any given month. RBIF has no direction or control over amounts the participating trusts choose to contribute or distribute.

**NOTE 3 - Deposit and Investment Risk Disclosures**

NRS 355.220(2) requires that any money in the Fund must be invested in the same manner as money in the PERS Investment Fund is invested. The PERS Investment Fund is governed primarily by the "prudent person" standard. The prudent person standard, as set forth by NRS 286.682, authorizes the Retirement Board to invest PERS' funds in "every kind of investment which persons of prudence, discretion, and intelligence acquire or retain for their own account."

**RETIREMENT BENEFITS INVESTMENT FUND  
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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 3 - Deposit and Investment Risk Disclosures (continued)**

Given the Fund’s significantly smaller size than the PERS Investment Fund, there are differences in structure between the two portfolios. However, both portfolios maintain a similar statistical return and risk profile.

Investment Policy

The Fund’s policies\* which determine the investment portfolio target asset allocation are established by the Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System. The following was the Board’s adopted policy target asset allocation as of June 30, 2024:

<u>Asset Class</u>	<u>Target Allocations</u>
U.S. stocks	42.50 %
International stocks	17.50 %
U.S. bonds	28.00 %
Short-term investments	12.00 %
Total	100.00 %

\*RBIF’s current Investment Objectives and Policies may be found on the PERS website [www.nvpers.org](http://www.nvpers.org).

Rate of Return

For the year ended June 30, 2024, the annual money-weighted rate of return on investments was 14.7% (net of fees). The money-weighted rate of return expresses investment performance adjusted for the changing amounts actually invested.

The majority of the Fund’s investments are held by the Depository Trust Company (DTC) in DTC’s nominee name, and trading is conducted through DTC’s book-entry system. The holder of record for the Fund is The Bank of New York (BNY).

Custodial Credit Risk - Deposits

*Custodial credit risk for deposits* is the risk that, in the event of the failure of its depository financial institution, the Fund will not be able to recover its deposits.

At June 30, 2024, the carrying amount of the Fund’s commercial cash deposits and commercial bank balance was \$14,060. The bank balance was fully insured by the Federal Deposit Insurance Corporation (FDIC). Amounts reported as cash and cash equivalents on the accompanying statement of net position also include \$747,393 held in custodial accounts by BNY, as well as \$110,389,228 in short-term treasuries at June 30, 2024. The commercial bank balance is, according to a depository pledge agreement between the Fund and the Fund’s commercial bank, collateralized at 102% of the collected funds on deposit (increased by the amount of accrued but uncredited interest, reduced by deposits covered by FDIC). These collateral securities are held by the Fund’s agent in the Fund’s name.

Custodial cash is swept nightly from the custodial bank to an overnight short-term investment fund held outside the bank. Monies arriving at the bank after the overnight sweep deadline are part of the custodial bank cash reserve and are covered up to the FDIC limit of \$250,000. Any amount in the cash reserve in excess of \$250,000 is subject to custodial credit risk.

The custodial bank also carries insurance covering destruction of cash or securities on or off premises (including securities or others held in custody) with a limit of \$875,000,000 per occurrence.

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 3 - Deposit and Investment Risk Disclosures (continued)**

Credit Risk - Investment

*Credit risk for investments* is the risk that an issuer or other counterparty will not fulfill its obligations to the Fund. *Custodial credit risk for investments* is the risk that, in the event of the failure of the counterparty to a transaction, RBIF will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

RBIF policies provide protection from undue investment credit risk as follows:

- Direct obligations of the U.S. treasury, including bills, notes, bonds, and repurchase agreements secured by those obligations.
- U.S. treasury money market mutual funds that are SEC registered 2(a)-7 and AAA rated by at least two of Moody's, Standard & Poor's, or Fitch whose investment guidelines are substantially equivalent to and consistent with the Fund's overall short-term investment criteria.
- Short selling and the use of leverage are not permitted.

There is no credit risk assigned to U.S. treasury securities as these are explicitly guaranteed by the U.S. Government. It is important to note, however, that the value of U.S. treasury obligations fluctuate based on non-credit-related factors, such as interest-rate movements, which could cause future price declines despite government backing.

Quality Rating

The Standard and Poor's (S&P) credit quality ratings of the Fund's investments in U.S. bonds as of June 30, 2024, have been provided by the Fund's custodial bank, The Bank of New York and are as follows:

Cash equivalents consist of \$110,389,228 investment in Goldman Sachs Financial Square Treasury Obligations Fund and are not rated. The Fund additionally holds \$240,809,490 in treasury securities which are explicitly guaranteed by the U.S. Government.

*Concentration of credit risk* is the risk of loss attributed to the magnitude of the Fund's investment in a single issuer. No concentration of credit risk exists in the portfolio as RBIF policy requires 100% of the U.S. bond portfolio be invested in U.S. treasury bonds.

Investment policy requires that the combined RBIF, Judicial, Legislators', and PERS' assets shall not permanently constitute more than 30% of any firm's assets within the asset class (equity, bonds, real estate, or alternative investments) managed. Staff shall provide an annual report of combined assets to the Board consistent with this policy.

*Interest rate risk* is the risk that changes in interest rates will adversely affect the fair value of an investment or a deposit. The Fund mitigates interest rate risk through portfolio diversification. The Fund's investment policy permits investment only in bonds within the Bloomberg U.S. Treasury Index.

The following table shows the fair value of U.S. bonds and the applicable investment maturities, as of June 30, 2024.

**INVESTMENT MATURITIES**  
(in thousands, by years)

<u>Investment Type</u>	<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More Than 10</u>	<u>Total</u>
Cash equivalents	\$ 110,389	\$ -	\$ -	\$ -	\$ 110,389
U.S. treasuries	-	122,572	65,695	52,543	240,810
Total Investments	<u>\$ 110,389</u>	<u>\$ 122,572</u>	<u>\$ 65,695</u>	<u>\$ 52,543</u>	<u>\$ 351,199</u>

**RETIREMENT BENEFITS INVESTMENT FUND**  
**2024 ANNUAL FINANCIAL REPORT**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 3 - Deposit and Investment Risk Disclosures (continued)**

*Foreign currency risk* is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Fund mitigates foreign currency risk through portfolio diversification as discussed previously. Foreign currency forward contracts (to hedge currency exposure) are not permitted.

The Fund's exposure to foreign currency risk in U.S. dollars as of June 30, 2024, is summarized in the following table.

**CURRENCY BY INVESTMENT AND FAIR VALUE**  
(in thousands)

<b>Currency Type</b>	<b>Equity</b>	<b>Pending Trades</b>	<b>Cash</b>	<b>Total</b>
Australian Dollar	\$ 10,290	\$ (30)	\$ 33	\$ 10,293
Canadian Dollar	16,061	(18)	31	16,074
British Pound Sterling	20,168	(32)	54	20,190
Danish Krone	5,467	(14)	15	5,468
Euro	45,727	(34)	80	45,773
Hong Kong Dollar	2,335	(14)	16	2,337
Israeli Shekel	463	(16)	19	466
Japanese Yen	31,168	(69)	74	31,173
New Zealand Dollar	243	(24)	26	245
Norwegian Krone	817	(16)	17	818
Singapore Dollar	1,584	(13)	17	1,588
Swedish Krona	4,444	(14)	16	4,446
Swiss Franc	13,313	(11)	16	13,318
Total	<u>\$ 152,080</u>	<u>\$ (305)</u>	<u>\$ 414</u>	<u>\$ 152,189</u>

*Derivative Instruments*

RBIF held no derivatives in the portfolio as of June 30, 2024, and had no derivative transactions during the current fiscal year.

**NOTE 4 - Fair Value**

RBIF holds investments that are measured at fair value on a recurring basis. RBIF categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Investments measured and reported at fair value using Level inputs are classified and disclosed in one of the following categories:

- Level 1      Quoted prices are available in active markets for identical investments as of the reporting date. The types of investments included in Level 1 include U.S. treasuries and listed stocks.
- Level 2      Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable.
- Level 3      Valuations derived from valuation techniques in which significant inputs or significant value drivers are unobservable.



**RETIREMENT BENEFITS INVESTMENT FUND**  
**2024 ANNUAL FINANCIAL REPORT**

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 4 - Fair Value (continued)**

The following table presents fair value measurements as of June 30, 2024:

**FAIR VALUE LEVELS**  
(in thousands)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
U.S. treasuries	\$ 240,810	\$ -	\$ -	\$ 240,810
Stocks	<u>546,305</u>	<u>-</u>	<u>-</u>	<u>546,305</u>
Total investments by fair value level	<u>\$ 787,115</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 787,115</u>

No securities are measured at the net asset value (NAV).

Stocks and bonds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

**NOTE 5 - Subsequent Events**

Management has evaluated subsequent events through September 30, 2024, the date on which the financial statements were available to be issued.

**RETIREMENT BENEFITS INVESTMENT FUND**  
**2024 ANNUAL FINANCIAL REPORT**

**SUPPLEMENTARY INFORMATION**

**PARTICIPATING TRUSTS**

<b>Participating Trusts</b>	<b>Net Contributions from Inception through June 30, 2024</b>	<b>Fair Value as of June 30, 2024</b>
Washoe County School District OPEB Trust (WCSD)	\$ 20,846,602	\$ 93,569,471
Truckee Meadows Water Authority Post Retirement Medical Plan & Trust (TMWA)	3,099,356	16,516,656
Washoe County OPEB Trust (WCOT)	138,311,402	402,320,295
City of Las Vegas OPEB Trust (LVOT)	10,000,000	28,500,737
Tahoe Douglas Fire Protection District Post Retirement Plan & Trust (TDFP)	5,040,000	15,291,179
Clark County OPEB Trust (CCOT)	119,867,150	237,549,120
City of Reno OPEB Trust (RENO)	19,535,068	30,131,813
Las Vegas Metropolitan Police Department OPEB Trust (LVMPD)	26,396,667	42,970,601
Truckee Meadows Water OPEB Trust (TMWA II)	921,855	1,872,100
North Lake Tahoe Fire Protection District Post Retirement Plan & Trust (NLTFPD)	2,216,035	3,378,940
Carson City OPEB Trust (CC)	2,410,000	3,814,606
Las Vegas Valley Water District OPEB Trust (LVVWD)	20,149,800	30,662,693
Totals	<u>\$ 368,793,935</u>	<u>\$ 906,578,211</u>

Net Contributions equals contributions less distributions for each participating trust from the inception of the Fund through the end of the current fiscal year.

The fair value for each participating trust includes the fair value of all assets held at the custodial bank, The Bank of New York (BNY), based on their net contributions.

<b>Reconciliation of Fair Value to Net Position</b>	<b>June 30, 2024</b>
Fair value as of June 30, 2024	\$ 906,578,211
Cash in commercial bank	14,060
Investment related payables	(15,313)
Administrative fee accrual	(13,880)
Total net position as of June 30, 2024	<u>\$ 906,563,078</u>



November 9, 2024

To the Board of Trustees  
Washoe County, Nevada  
Reno, Nevada

This letter is provided in connection with our engagement to audit the financial statements of Washoe County, Nevada OPEB Trust Fund (Trust Fund) as of and for the year ended June 30, 2024. Professional standards require that we communicate with you certain items including our responsibilities with regard to the financial statement audit and the planned scope and timing of our audit, including significant risks we have identified.

### **Our Responsibilities**

As stated in our engagement letter dated May 20, 2024, we are responsible for conducting our audit in accordance with auditing standards generally accepted in the United States of America for the purpose of forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit does not relieve you or management of your respective responsibilities.

### **Planned Scope of the Audit**

Our audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Our audit is designed to provide reasonable, but not absolute, assurance about whether the financial statements as a whole are free of material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations. Because of this concept of reasonable assurance and because we will not examine all transactions, there is a risk that material misstatements may exist and not be detected by us.

Our audit will include obtaining an understanding of the entity and its environment, including its internal control, sufficient to assess the risks of material misstatement of the financial statements and as a basis for designing the nature, timing, and extent of further audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. However, we will communicate to you at the conclusion of our audit, any material weaknesses or significant deficiencies identified. We will also communicate to you:

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- Any violation of laws or regulations that come to our attention;
- Our views relating to qualitative aspects of the entity’s significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures;
- Significant difficulties, if any, encountered during the audit;
- Disagreements with management, if any, encountered during the audit;
- Significant unusual transactions, if any;
- The potential effects of uncorrected misstatements on future-period financial statements; and
- Other significant matters that are relevant to your responsibilities in overseeing the financial reporting process.

Professional standards require us to design our audit to provide reasonable assurance that the financial statements are free of material misstatement whether caused by fraud or error. In designing our audit procedures, professional standards require us to evaluate the financial statements and assess the risk that a material misstatement could occur. Areas that are potentially more susceptible to misstatements, and thereby require special audit considerations, are designated as “significant risks.” Although we are currently in the planning stage of our audit, we have preliminarily identified the following significant risks that require special audit consideration.

- Management Override of Controls - Professional standards require auditors to address the possibility of management overriding controls. Accordingly, we identified a significant risk that management could potentially override controls that the Trust Fund has implemented with the intent of manipulating the financial statements to overstate the Trust Fund’s financial performance or to conceal fraudulent transactions.
- Improper Revenue Recognition – Professional standards include a presumptive risk of revenue recognition. Accordingly, we identified revenue recognition as a significant risk to address the possibility that revenue could be materially misstated due to error or potential fraud.
- The most sensitive accounting estimate affecting the financial statements are management’s estimate of the OPEB liability which is based on valuation performed by a third-party actuary utilizing various assumptions for the calculation. There is a significant risk relating the valuation of the OPEB liability.

We expect to begin our audit in November 2024 and issue our report by January 10, 2025.

This information is intended solely for the information and use of the Board of Trustees and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,



Reno, Nevada

**Washoe County, Nevada**  
**OPEB Trust Fund**  
**Financial Statements**  
**For the Fiscal Year ended June 30, 2024**

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**WASHOE COUNTY, NEVADA OPEB TRUST FUND  
FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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## Independent Auditor's Report

To the Honorable Board of Trustees  
Washoe County, Nevada OPEB Trust Fund  
Reno, Nevada

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of the Washoe County OPEB Trust Fund (the Fund), a fiduciary component unit of Washoe County, Nevada, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements as listed in the table of contents.

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

#### *Basis for Opinion*

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

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of changes in the Plans' net OPEB liability and related ratios, schedules of employer contributions, and schedule of investment returns be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other

knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Eide Bailly LLP*

Reno, Nevada  
January 9, 2025

## WASHOE COUNTY, NEVADA OPEB TRUST FUND

### Management's Discussion and Analysis For the Year Ended June 30, 2024

This section presents management's discussion and analysis of the Washoe County, Nevada Other Postemployment Benefits (OPEB) Trust Fund's (the Trust) financial position and performance as of and for the fiscal year ended June 30, 2024. Additional information from prior years' financial statements is included herein for comparative purposes. This section is intended to supplement the Trust's financial statements and should be read in conjunction with the remainder of the Trust's financial statements.

#### Financial Highlights

The following financial highlights occurred during the fiscal year:

- Fiduciary net position of the Trust increased by \$47,910,742 to a total of \$397,168,859.
- The Trust had net additions during the year of \$74,252,687 and deductions for benefits and administrative expenses of \$26,341,945. Additions consisted of \$22,703,996 from employer and other contributions, and \$51,548,691 of net investment gain. Of the net investment gain, \$42,503,264 came from changes in the fair value of the investments.
- The actuarial valuations for the participating employers' plans showed that the employers' actuarially determined contributions (ADC) were \$18,267,202 (combined). This amount consists of the accrual for benefits earned by employees during the current year and amortization of the previously accumulated actuarial liability over periods ranging from 20 to 30 years, beginning in 2011. Employer contributions in fiscal year 2024 were \$19,612,329.

More details on these highlights and other information are in the remainder of this discussion and analysis.

#### The Washoe County, Nevada OPEB Trust Fund

The Trust is intended to provide the means to fund the postemployment benefits provided by the benefit plans of the participating employers, who are Washoe County and the Truckee Meadows Fire Protection District (TMFPD).

The Trust itself has no obligation to provide funding for the benefits to the retirees of the participating employers, nor does it independently have the capacity to raise funds. Responsibility for determining the benefits and funding them rests with the participating employers and their respective governing bodies.

Assets of the Trust are held for the exclusive benefit of former employees of the participating employers. Plan liabilities do not include liabilities for benefits, as those are obligations of the participating employers.

#### Overview of the Financial Statements and Accompanying Information

The basic financial statements consist of:

*Statements of Fiduciary Net Position.* These statements present information on the assets, liabilities, and net position of the Trust at a point in time (the end of the fiscal year). Over time the changes in net position may serve as a useful indicator of the status of funding other postemployment benefits that have been promised to the employees of the participating employers. Net position is classified as "net position restricted for other postemployment benefits".

*Statements of Changes in Fiduciary Net Position.* These statements present information on the additions to and deductions from the Trust during the year being reported. Additions include employer contributions to the Trust, net investment income or loss, and any other additions that are available to support benefits and expenses. Deductions include the costs of benefits provided during the year and administrative expenses associated with the benefits and Trust administration.

*Notes to the Financial Statements.* The Notes to the Financial Statements are an integral part of the financial statements and provide additional detailed information and schedules. Information in the notes provides disclosures concerning the Trust's organization, contributions from participating employers, investments, and other information.

WASHOE COUNTY, NEVADA OPEB TRUST FUND

Management’s Discussion and Analysis  
For the Year Ended June 30, 2024

*Required Supplementary Information.* This section contains three supplementary schedules. The Schedules of Changes in Plans’ Net OPEB Liability and Related Ratios show information about the Total OPEB Liability and Plan Net Position for each plan separately and permits a determination of the trend of the various factors affecting the Total OPEB Liability, Plan Net Position, and Net OPEB Liability. The Schedules of Employer Contributions show information on the extent to which the participating employers are providing funding relative to their actuarially determined contributions and the key methods and assumptions used to determine the contribution amounts. The Schedule of Investment Returns shows the annual money-weighted rate of return on the plans’ cash and investments. GASB Statement No. 74 requires that each of these schedules is to include data from the 10 most recent fiscal years. Because the data is not available for all 10 previous fiscal years, the schedules show information only for those years for which information is available.

**Financial Analysis and Discussion**

*Statements of Fiduciary Net Position:*

The following summary amounts are as of June 30:

	2024	2023
Total assets	\$ 404,129,826	\$ 353,642,632
Total liabilities	6,960,967	4,384,515
Net position restricted for other postemployment benefits	\$ 397,168,859	\$ 349,258,117

Assets at June 30, 2024 include cash and investments of \$404,127,642; most of this was held in the State of Nevada Retirement Benefits Investment Fund (RBIF). In addition to interest and dividend income, the investments experienced a net increase in fair value (market value) during the year. There were small amounts receivable for interest income.

Liabilities consist principally of amounts owed to the participating employers for health insurance benefits provided to the participating employers’ retirees and payable as of the reporting date. All liabilities were subsequently settled. Plan liabilities do *not* include liabilities for future benefits, as those are obligations of the participating employers.

Net position restricted for other postemployment benefits is the net difference between assets and liabilities, and is the amount of the assets available to pay future benefits for the participating employers’ retirees and the administrative expenses of the Trust. Based on current year amounts, the net position would cover the actual benefits and administrative expenses for approximately 15.1 years.

**WASHOE COUNTY, NEVADA OPEB TRUST FUND**

**Management's Discussion and Analysis  
For the Year Ended June 30, 2024**

*Statements of Changes in Fiduciary Net Position:*

The Trust experienced the following changes in net position during the years ended June 30 (summary amounts):

	<u>2024</u>	<u>2023</u>
<b>Additions</b>		
Employer prefunding contributions	\$ 19,612,329	\$ 8,134,111
Other contributions	3,091,667	4,688,484
Investment income:		
Interest and dividends	9,156,908	7,877,748
Net increase (decrease) in fair value of investments	42,503,264	33,132,460
Less investment expenses	<u>(111,481)</u>	<u>(100,713)</u>
Total additions	<u>74,252,687</u>	<u>53,732,090</u>
<b>Deductions</b>		
Benefit payments (net)	26,249,138	25,016,000
Administrative expenses	<u>92,807</u>	<u>187,842</u>
Total deductions	<u>26,341,945</u>	<u>25,203,842</u>
Change in plan net position	<u>\$ 47,910,742</u>	<u>\$ 28,528,248</u>

Washoe County budgets for, and contributes to the Trust, amounts based on the ADCs of the Washoe County Retiree Health Benefit Plan (WCRHBP) and the PEBP Plan. Due to the timing of the ADC calculations and the County's budget process, the contributions are typically made in the year subsequent to the year for which the ADC amounts are calculated. TMFPD contributed \$1,320,400 in fiscal year 2024. Amounts funded are at the discretion of the individual participating employers.

Employer contributions increased from fiscal year 2023 to fiscal year 2024 due to an \$11.4 million increase in the amount funded to the WCRHBP, and a \$20,400 increase in the amount funded by TMFPD.

Benefits include medical claims (including prescription drug benefits), dental claims, vision claims, medical and drug insurance premiums, life insurance premiums, and insurance premiums for supplemental coverage to Medicare. Administrative expenses include actuarial valuations and certain other administrative costs.

Net benefit payments increased \$1.2 million, or 4.93%, from fiscal year 2023 to fiscal year 2024. The total paid for benefits is driven largely by participants of the WCRHBP. Plan participation increased by 0.95% to an average of 1,914 monthly participants. The increase in net benefit payments is attributable primarily to medical claims expenses.

**Investments**

The Trust has invested nearly all its assets in the RBIF, as authorized by Nevada Revised Statutes. The State of Nevada Public Employees Retirement System is the investment manager of the RBIF. Investment returns during fiscal year 2024 were 14.7% and for fiscal year 2023 were 12.9%, which includes interest and dividend income, realized gains and losses, and unrealized gains and losses.

**Requests for Information**

This financial report is designed to provide an overview of the Washoe County, Nevada OPEB Trust. Questions concerning any of the information provided or requests for additional information should be addressed to: Comptroller, Washoe County, 1001 E. Ninth Street, Bldg. D Room 200, Reno, NV 89512.

**WASHOE COUNTY, NEVADA OPEB TRUST FUND**  
**STATEMENTS OF FIDUCIARY NET POSITION**  
**AS OF JUNE 30, 2024**

	<b>Washoe County Retiree Health Benefits Program</b>	<b>State of Nevada Public Employees' Benefits Plan</b>	<b>TMFPD Retiree Group Medical Plan</b>	<b>Total</b>
<b>Assets</b>				
Cash and investments	\$ 386,546,019	\$ 2,959,425	\$ 14,622,198	\$ 404,127,642
Interest receivable	1,702	331	151	2,184
Total Assets	<u>386,547,721</u>	<u>2,959,756</u>	<u>14,622,349</u>	<u>404,129,826</u>
<b>Liabilities</b>				
Accounts payable - benefit reimbursements to employers	6,871,026	56,344	29,637	6,957,007
Accounts payable - others	3,960	-	-	3,960
Total Liabilities	<u>6,874,986</u>	<u>56,344</u>	<u>29,637</u>	<u>6,960,967</u>
<b>Net Position Restricted for Other Postemployment Benefits</b>	<u>\$ 379,672,735</u>	<u>\$ 2,903,412</u>	<u>\$ 14,592,712</u>	<u>\$ 397,168,859</u>

The notes to the financial statements are an integral part of these statements.

**WASHOE COUNTY, NEVADA OPEB TRUST FUND  
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<b>Washoe County Retiree Health Benefit Plan</b>	<b>State of Nevada Public Employees' Benefits Plan</b>	<b>TMFPD Retiree Group Medical Plan</b>	<b>Total</b>
<b>Additions</b>				
Contributions:				
Employer prefunding	\$ 18,249,364	\$ 42,565	\$ 1,320,400	\$ 19,612,329
Other	3,091,667	-	-	3,091,667
Total Contributions	21,341,031	42,565	1,320,400	22,703,996
Investment Income:				
Interest and dividends	8,765,096	69,451	322,361	9,156,908
Net (increase in fair value of investments)	40,696,495	281,678	1,525,091	42,503,264
Total Investment Income	49,461,591	351,129	1,847,452	51,660,172
Less investment expenses	106,723	851	3,907	111,481
Net Investment Income	49,354,868	350,278	1,843,545	51,548,691
Total Additions	70,695,899	392,843	3,163,945	74,252,687
<b>Deductions</b>				
Benefit payments, net	25,844,285	227,589	177,264	26,249,138
Administrative expenses	43,936	23,936	24,935	92,807
Total Deductions	25,888,221	251,525	202,199	26,341,945
Change in Plan Net Position	44,807,678	141,318	2,961,746	47,910,742
<b>Net Position Restricted for Other Postemployment Benefits</b>				
Beginning of year	334,865,057	2,762,094	11,630,966	349,258,117
End of year	\$ 379,672,735	\$ 2,903,412	\$ 14,592,712	\$ 397,168,859

The notes to the financial statements are an integral part of these statements.



**WASHOE COUNTY, NEVADA OPEB TRUST FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

The Washoe County, Nevada OPEB Trust Fund (Trust) was established by the Washoe County Board of County Commissioners (BCC) on May 11, 2010. The Trust, a multiple-employer trust, was created to fund and account for the participating employers' costs of retiree healthcare benefits pursuant to Nevada Revised Statutes (NRS) 287.017 and is intended to qualify under Internal Revenue Code Section 115. It is governed by a five-member Board of Trustees appointed by the BCC. As of June 30, 2024, there are two participating employers in the Trust: Washoe County, Nevada (County) and the Truckee Meadows Fire Protection District (TMFPD).

The County provides other postemployment benefits (OPEB) for eligible employees through the Washoe County Retiree Health Benefit Plan (RHBP), a single-employer defined benefit OPEB plan. Some former County employees obtain their retiree health insurance through an arrangement with the State of Nevada's Public Employees' Benefits Plan (PEBP), which is treated as a single-employer defined benefit OPEB plan for financial reporting purposes.

TMFPD provides other postemployment benefits for eligible employees through the Truckee Meadows Fire Protection District Retiree Group Medical Plan (TMFPD RGMP), a single-employer defined benefit OPEB plan.

Although assets of the plans are commingled for investment purposes, each plan's assets may be used only for the payment of benefits on behalf of the members of that plan, in accordance with the terms of the plan.

**Basis of Accounting**

The Trust's financial statements are prepared using the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America. These statements have also been prepared in accordance with the reporting standards as promulgated by the Governmental Accounting Standards Board (GASB), which designates accounting principles and financial reporting standards applicable to the plans. As there are no legally required contributions, Employer contributions are recognized when received. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Administrative expenses are recorded in the period to which they relate.

**Use of Estimates in Preparing Financial Statements**

The preparation of financial statements may require management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**Cash and Investments**

The Trust is authorized to participate in the Washoe County Investment Pool (WCIP) for short-term cash flow purposes and the State of Nevada Retirement Benefits Investment Fund (RBIF) for long-term investments.

The BCC administers and is responsible for the WCIP in accordance with NRS 355.175. The investment pool is not registered with the SEC as an investment company. FHN Financial Main Street Advisors determines the fair value of the investment pool monthly. Washoe County has not provided or obtained any legally binding guarantees during the year to support these values. Each participant's share is equal to their investment plus or minus their pro-rata share of monthly interest income and realized and unrealized gains and losses.

The Nevada Legislature established the RBIF with an effective date of July 17, 2007. The purpose of the RBIF is to invest contributions made by participating public entities, as defined in NRS 355.220, to enable such entities to support financing of OPEB. Monies received by the RBIF are held for investment purposes only and not in any fiduciary capacity. Each participating entity acts as fiduciary for its share of the RBIF. Bank of New York Mellon determines the fair value of the investment pool monthly. The RBIF allocates earnings (which include realized and unrealized gain or loss, interest, and other income) and expenses (both administrative and investment) to each participant according to their proportional share in the RBIF. This investment pool is not registered with the SEC as an investment company.

Investment earnings and investment fees for both the WCIP and the RBIF not directly allocable to a participating plan are allocated based on the monthly average cash and investment balances in each plan.

**Contributions**

**WASHOE COUNTY, NEVADA OPEB TRUST FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**(CONTINUED)**

Employer prefunding contributions are determined by the participating employers and recognized when received. Other contributions include items such as reinsurance reimbursements, prescription drug rebates, and Retiree Drug Subsidy money received from the Centers for Medicare Services, all of which are received by the employers and passed through to the Trust as an offset against the benefits amounts that the Trust pays.

**Payment of Benefits**

Benefits, net of plan member contributions, are recognized when due and payable in accordance with the terms of the Plans.

**Administrative Expenses**

Certain costs incurred by the County in administering the Trust are paid by the Trust. Indirect costs, except for investment fees, incurred for the benefit of all participating plans in the Trust are allocated equally to each plan. Investment fees not directly allocable to a participating benefit plan are allocated based on the monthly average cash and investment balances of each plan. Administrative expenses are financed through investment earnings, and are recorded when incurred and payable by the Trust.

**Net Position Classification**

Net Position Restricted for Other Postemployment Benefits consists of net position with constraints placed on its use principally by NRS section 287 and Internal Revenue Code section 115.

**Termination**

Although the employers have not expressed any intent to do so, each employer has the right under the Trust Agreement to terminate their participation in the Trust in whole or in part at any time.

**NOTE 2 – PLAN DESCRIPTIONS, CONTRIBUTIONS, AND BENEFITS**

Membership of each plan consisted of the following as of June 30, 2024, the date of the most recent full actuarial valuations of the plans:

	<u>RHBP</u>	<u>PEBP</u>	<u>TMFPD RGMP</u>	<u>Total</u>
Retirees and beneficiaries receiving benefits	1,934	269	53	2,256
Active plan members	2,752	-	191	2,943
Total	<u>4,686</u>	<u>269</u>	<u>244</u>	<u>5,199</u>

**Washoe County Retiree Health Benefit Plan (RHBP)**

Plan Description and Eligibility

In accordance with NRS 287.010, the BCC adopted the Washoe County Retiree Health Benefit Plan, a single-employer defined benefit OPEB plan, to provide OPEB to eligible employees upon retirement. Retirees are offered medical, prescription, vision, life, and dental insurance for themselves and their eligible dependents. Retirees can choose between two self-funded group health plans (PPO and HDHP), an HMO Plan, and a Medicare Advantage Plan. The authority to establish and amend benefit provisions is set by mutual agreement between the BCC and the various employee associations.

All employees hired before July 1, 2010 who retire from County employment and receive monthly payments under the Public Employees Retirement System of Nevada (PERS) are eligible to participate in the RHBP. In addition, employees hired before this date who have terminated employment prior to retirement may enroll in the RHBP upon commencing retirement if the County is that individual's last public employer.

All employees hired on or after July 1, 2010 who retire from County employment with at least five years of service and receive monthly payments under PERS will be eligible to participate in the RHBP, but must pay 100% of the premium for their coverage, including dependent coverage.

Contributions

**WASHOE COUNTY, NEVADA OPEB TRUST FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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For eligible retirees, the County pays a portion of the retiree’s premium based on years of County service. Benefits are provided under two contribution “tiers”: Tier 1 includes employees hired prior to various exclusion dates between 1997 and 1999, as stipulated in employee association contracts, and Tier 2 includes all employees hired after the Tier 1 exclusion dates but before July 1, 2010. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly toward the cost of health insurance premiums depending on the Tier. Retirees pay 100% of the premium for dependent coverage. Retiree premiums reflect an implicit subsidy as a result of NRS 287.023, which requires comingling of the claims experience of both active and retired employees and covered dependents in determining the premiums.

For Tier 1 retirees, the retiree’s contribution is determined as follows, except for the cost of dental benefits which is 100% paid for by the retiree, regardless of years of service.

Years of Service	Tier 1 Retiree Contribution
Less than 10	100%
10 but less than 15	50%
15 but less than 20	25%
20 or more	0%

For Tier 2 retirees, the retiree’s contribution is the monthly premium amount less a County-paid premium subsidy. The County’s monthly subsidy for retirees age 64 and under depends on years of full-time service and in fiscal year 2024 ranged from a minimum of \$135 for five years to a maximum of \$737 for 20 or more years. The County’s subsidy for retirees age 65 and over ranged from \$75 to \$300 per month in fiscal year 2024, depending upon years of service. Subsidy amounts are established through a negotiation process between the County and its employee associations. Tier 2 retirees must enroll in Medicare upon reaching age 65 or retiring, whichever is later.

Retirees whose employment commenced on or after July 1, 2010 and are eligible to participate in the RHBP will contribute 100% of the premium.

The County is required by association agreements to contribute, at a minimum, the amount necessary to fund current retiree health plan premium costs plus the actuarially determined “normal cost”. These agreements can only be amended through a negotiation process between the County and the employee associations. The BCC approves the retiree health benefit contribution amount annually. During the current fiscal year, the County contributed \$18,249,364 based on the actuarially determined contribution. It also made other contributions of \$3,091,667.

**Benefits**

Benefit payments for the year ended June 30, 2024 were as follows:

Benefit payments	\$ 30,219,115
Less: plan member premium contributions	4,374,830
Net RHBP benefit payments	\$ 25,844,285

**State of Nevada’s Public Employees’ Benefits Plan (PEBP)**

**Plan Description and Eligibility**

NRS 287.023 allowed County retirees to join the State’s PEBP through September 1, 2008, at the County’s expense. It is closed to existing County employees. Eligibility and subsidy requirements are governed by statutes of the State and can only be amended through legislation. PEBP is administered by a nine-member governing board and provides medical, dental, prescription, vision, life, and accident insurance for retirees. PEBP is treated as a single-employer defined benefit OPEB plan for financial reporting purposes.

Contribution requirements in the form of a premium subsidy are assessed by the PEBP Board annually. The County is required to provide a subsidy for its eligible retirees who have elected to join PEBP. The County’s required subsidy is based on each retiree’s years of service with the County as a proportionate share of the retiree’s total years of PERS service, and in fiscal year 2024 the County’s monthly subsidy for individual retirees ranged from a minimum of \$1 to a maximum of \$993.

Additionally, the BCC approves an annual contribution amount based on the actuarially determined contribution for the year. In fiscal year 2024, the County budgeted and contributed \$42,565. Benefit payments for the year ended June 30, 2024 were \$227,589.

**WASHOE COUNTY, NEVADA OPEB TRUST FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**TMFPD Retiree Group Medical Plan (TMFPD RGMP)**

Plan Description and Eligibility

TMFPD's operations were combined with the City of Reno's fire operations from July 1, 2000 through June 30, 2012, pursuant to an interlocal agreement for fire services and consolidation. For employees who retired prior to July 1, 2000, TMFPD has no responsibility for the cost of benefits; the City of Reno has assumed this liability. Employees who retired between July 1, 2000 and June 30, 2012 are eligible for retiree health benefits provided through the City of Reno's self-insured plan. Employees hired between July 1, 2012 and July 1, 2014, as well as those who transferred to TMFPD from the City of Reno in 2012 in connection with the termination of the interlocal agreement with the City of Reno, are eligible for retiree health benefits through the District's own fully insured plan.

Effective in 2014, the employer portion of the benefit costs for retirees who retired between July 1, 2000 and June 30, 2012 are apportioned between TMFPD and the City of Reno based upon service with each entity, with service earned prior to July 1, 2000 considered to have been service with TMFPD. Benefits under the City's plan include medical, dental, prescription, vision, and life insurance.

The TMFPD's fully insured plan is a single-employer defined benefit plan which includes health, dental, vision and prescription coverage. Eligibility requirements, benefit levels, employee contributions, and employer contributions may be amended by the mutual agreement of the Truckee Meadows Fire Protection District and the TMFPD Fire Fighters Association.

Contributions

Contributions for retirees eligible for coverage under the City of Reno's plan depend on the retirees' union membership. International Association of Fire Fighters Local #731 members retiring prior to age 65 or eligibility for Medicare are required to pay for 40% of their benefits as well as 40% of the benefits of their spouse. Thereafter, retirees are required to pay for 50% of their coverage and 100% of their spouse's coverage. Eligible retirees who retire from TMFPD will be required to pay for 50% of the retiree's health insurance premium, and 100% of the cost of coverage for their spouses.

Additionally, the Board of Fire Commissioners approves an annual contribution based on the District's funding policy, which is intended to fund its total OPEB liability at an 80% ratio. In fiscal year 2024, the District budgeted and contributed \$1,320,400.

Benefits

Benefit payments for the year ended June 30, 2024 were as follows:

Benefit payments	\$	381,021
Less: plan member premium contributions		203,757
Net TMFPD RGMP benefit payments	\$	177,264

The retiree portion of the cost of coverage for former TMFPD employees who participate in the City of Reno's plan are paid directly to the City of Reno by TMFPD and are not included in these financial statements.

**NOTE 3 – CASH AND INVESTMENTS**

The Trust is authorized to participate in the Washoe County Investment Pool (WCIP) for short-term cash flow purposes and the State of Nevada Retirement Benefits Investment Fund (RBIF) for long-term investments.

At year end, the Trust's cash and investments invested with the WCIP and the RBIF were as follows:

**WASHOE COUNTY, NEVADA OPEB TRUST FUND**  
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**(CONTINUED)**

	<u>RHBP</u>	<u>PEBP</u>	<u>TMFPD RGMP</u>	<u>Total</u>
Washoe County Investment Pool	\$ 1,631,759	\$ 116,256	\$ 59,331	\$ 1,807,346
Retirement Benefits Investment Fund	<u>384,914,260</u>	<u>2,843,169</u>	<u>14,562,867</u>	<u>402,320,296</u>
Total cash and investments	<u>\$ 386,546,019</u>	<u>\$ 2,959,425</u>	<u>\$ 14,622,198</u>	<u>\$ 404,127,642</u>

The WCIP is an unrated external investment pool. The Trust's investment in the WCIP is reported at its net proportional share of the WCIP's underlying portfolio at June 30, 2024. FHN Financial Main Street Advisors determines the fair value of the investment pool monthly. Pooled investments principally include U.S. Agency securities, U. S. Treasury securities, corporate notes and commercial paper, certificates of deposit, and asset-backed securities; all are physically collateralized and held by Wells Fargo Bank. The pooled investments also include money deposited with the State of Nevada's Local Government Investment Pool. Investments in the WCIP are classified as cash and investments in the Statements of Fiduciary Net Position because they can be withdrawn on demand without notice in an amount equal to the original investment plus or minus the monthly allocation of interest income and realized and unrealized gains and losses. All money deposited into the WCIP is at the Trust's discretion. Complete financial information on the WCIP as of June 30, 2024 can be obtained by contacting the Washoe County Comptroller's Office, 1001 East 9<sup>th</sup> Street, Bldg. D, Room 200, Reno, Nevada, 89512.

The RBIF is also an unrated external investment pool. The Trust's investment in the RBIF is reported at its net proportional share of RBIF's underlying portfolio (U.S. stocks, international stocks, and U.S. bonds) at June 30, 2024. Bank of New York Mellon determines the fair value of the investment pool monthly. Investments in the RBIF are classified as cash and investments in the Statements of Fiduciary Net Position; they can be withdrawn once per month, with five business days written notice, in an amount equal to the original investment plus or minus the monthly allocation of interest and dividend income and realized and unrealized gains and losses. The RBIF allocates earnings (which include realized and unrealized gain or loss, interest, dividends, and other income) and expenses (both administrative and investment) to each participant according to their proportional share in the RBIF. All money deposited into the RBIF is at the Trust's discretion. Complete financial information on the RBIF as of June 30, 2024 can be obtained by contacting the Retirement Benefits Investment Board, 693 W. Nye Lane, Carson City, Nevada, 89703.

For the year ended June 30, 2024 the annual money-weighted rate of return on investments, net of investment expense, was as follows:

Washoe County RHBP	14.59%
Washoe County PEBP	12.92%
TMFPD RGMP	14.89%

The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

**NOTE 4 – NET OPEB LIABILITIES**

The components of the net OPEB liability of each of the plans at June 30, 2024 were as follows:

	<u>RHBP</u>	<u>PEBP</u>	<u>TMFPD RGMP</u>
Total OPEB Liability	\$ 508,276,610	\$ 3,090,219	\$ 18,638,349
Plan fiduciary net position	<u>(379,672,735)</u>	<u>(2,903,412)</u>	<u>(14,592,712)</u>
Net OPEB Liability	<u>\$ 128,603,875</u>	<u>\$ 186,807</u>	<u>\$ 4,045,637</u>
Plan fiduciary net position as a percentage of the total OPEB Liability	74.70%	93.95%	78.29%

*Actuarial assumptions.* The total OPEB liability for each plan was determined by actuarial valuations dated July 1, 2024, using the following actuarial assumptions to all periods included in the measurement, unless otherwise specified:

**WASHOE COUNTY, NEVADA OPEB TRUST FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**(CONTINUED)**

	<u>RHBP</u>	<u>PEBP</u>	<u>TMFPD RGMP</u>
Inflation	2.50%	2.50%	2.50%
Salary increases	2.50% to 8.00%	N/A	2.50% to 7.50%
Investment rate of return	5.75%	5.75%	5.75%
Healthcare cost trend (initial to ultimate)	7.25% to 3.45%	7.25% to 3.45%	7.25% to 3.45%

Healthcare cost trends change from year to year due to changes in general and healthcare-specific inflation, among other factors. The trends noted in the above table for the July 1, 2024 actuarial valuations changed from the trends used in the July 1, 2023 valuations.

Mortality rates for the RHBP and the TMFPD RGMP plans were based on the Pub-2010 mortality tables and the PEBP plan was based on the PubG-2010 mortality tables; all as published by the Society of Actuaries in January 2019.

The RHBP used a 2023 experience study of the plan to determine demographic assumptions for retirement and withdrawal rate assumptions. The TMFPD RGMP used the Nevada Public Employees Retirement System (PERS) demographic assumptions from PERS' 2021 experience study.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of the occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

The long-term expected rate of return on OPEB plan investments, net of investment expenses and utilizing the long-term geometric real rate of return, was based on RBIF's adopted investment policy target asset allocation as of June 30, 2024, as follows:

<u>Asset Class</u>	<u>Target Allocation</u>
U. S. Stocks	42.5%
International stocks	17.5%
U. S. Bonds	28.0%
Short-term Investments	12.0%

*Discount rate.* The discount rate should be the single rate that reflects the long-term rate of return on OPEB plan investments that are expected to be used to finance the payment of benefits, to the extent that plan assets are projected to cover the benefit payments. The discount rate used to measure the total OPEB liability as of June 30, 2024 was 5.75% for all plans, the same as was used in the previous valuations as of July 1, 2023.

For the RHBP and PEBP, the projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the RHBP's and PEBP's net positions are projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability for each plan.

For the TMFPD RGMP, the projection of cash flows used to determine the discount rate reflects the District's decision in fiscal year 2019 to implement a funding policy which will maintain a funded percentage for the RGMP of at least 80%. When implemented, the Net Position of the RGMP and future expected contributions and earnings are always projected to be sufficient to cover benefit payments.

**WASHOE COUNTY, NEVADA OPEB TRUST FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2024**  
**(CONTINUED)**

*Sensitivity of the net OPEB liability to changes in the discount rate.* The following presents the net OPEB liabilities of the plans, as well as what each plan's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.75 percent) or 1-percentage-point higher (6.75 percent) than the current discount rate:

	<b>1% Decrease in Discount Rate 4.75%</b>	<b>Current Discount Rate 5.75%</b>	<b>1% Increase in Discount Rate 6.75%</b>
RHBP Net OPEB Liability	\$ 192,474,095	\$ 128,603,875	\$ 75,648,064
PEBP Net OPEB Liability	\$ 453,618	\$ 186,807	\$ (43,580)
TMFPD RGMP Net OPEB Liability	\$ 6,336,347	\$ 4,045,637	\$ 2,148,104

*Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates.* The following presents the net OPEB liabilities of the plans, as well as what each plan's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

<b>RHBP</b>			
	<b>1% Decrease in Healthcare Costs Trend Rate 2.45% - 6.25%</b>	<b>Current Healthcare Costs Trend Rate 3.45% - 7.25%</b>	<b>1% Increase in Healthcare Costs Trend Rate 4.45% - 8.25%</b>
Net OPEB Liability	\$ 71,273,990	\$ 128,603,875	\$ 198,626,677
<b>PEBP</b>			
	<b>1% Decrease in Healthcare Costs Trend Rate 2.45% - 6.25%</b>	<b>Current Healthcare Costs Trend Rate 3.45% - 7.25%</b>	<b>1% Increase in Healthcare Costs Trend Rate 4.45% - 8.25%</b>
Net OPEB Liability	\$ (47,132)	\$ 186,807	\$ 453,018
<b>TMFPD RGMP</b>			
	<b>1% Decrease in Healthcare Costs Trend Rate 2.45% - 6.25%</b>	<b>Current Healthcare Costs Trend Rate 3.45% - 7.25%</b>	<b>1% Increase in Healthcare Costs Trend Rate 4.45% - 8.25%</b>
Net OPEB Liability	\$ 1,970,673	\$ 4,045,637	\$ 6,953,658

**WASHOE COUNTY, NEVADA OPEB TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULES OF CHANGES IN THE PLANS' NET OPEB LIABILITY AND RELATED RATIOS**

**LAST TEN FISCAL YEARS\***

**Washoe County Retirees Health Benefits Plan:**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total OPEB liability</b>								
Service cost	\$ 5,095,153	\$ 4,854,356	\$ 3,877,260	\$ 3,764,330	\$ 5,646,136	\$ 5,455,204	\$ 6,700,000	\$ 6,473,000
Interest	27,878,898	28,127,424	22,076,351	21,660,363	29,103,076	28,019,923	31,567,000	30,059,000
Changes of benefit terms	-	-	7,528,783	-	-	-	-	-
Differences between expected and actual experience	(5,101,076)	(28,998,830)	86,894,125	-	(896,459)	-	1,484,000	-
Changes of assumptions	12,458,491	13,307,829	3,852,748	-	(123,584,517)	-	(6,570,000)	-
Benefit payments	(23,294,655)	(20,452,605)	(19,501,311)	(17,137,807)	(16,335,205)	(14,912,577)	(16,825,000)	(13,601,066)
Other changes	-	-	-	-	-	-	(172,517)	-
<b>Net Change in total OPEB liability</b>	<u>17,036,811</u>	<u>(3,161,826)</u>	<u>104,727,956</u>	<u>8,286,886</u>	<u>(106,066,969)</u>	<u>18,562,550</u>	<u>16,183,483</u>	<u>22,930,934</u>
<b>Total OPEB liability - beginning</b>	<u>491,239,799</u>	<u>494,401,625</u>	<u>389,673,669</u>	<u>381,386,783</u>	<u>487,453,752</u>	<u>468,891,202</u>	<u>452,707,719</u>	<u>429,776,785</u>
<b>Total OPEB liability - ending (a)</b>	<u>\$ 508,276,610</u>	<u>\$ 491,239,799</u>	<u>\$ 494,401,625</u>	<u>\$ 389,673,669</u>	<u>\$ 381,386,783</u>	<u>\$ 487,453,752</u>	<u>\$ 468,891,202</u>	<u>\$ 452,707,719</u>
<b>Fiduciary net position</b>								
Employer contributions	\$ 18,249,364	6,810,652	10,952,060	16,898,159	\$ 20,188,000	\$ 22,956,281	\$ 22,988,364	\$ 25,306,206
Other contributions	542,037	523,799	473,658	917,267	458,977	1,704,664	3,144,797	1,877,007
Net investment income	49,354,868	39,297,333	(32,415,407)	75,006,695	17,131,267	18,504,570	16,871,288	21,244,206
Benefit payments	(23,294,655)	(20,452,605)	(19,501,311)	(17,137,807)	(16,335,205)	(16,303,362)	(16,825,000)	(13,601,066)
Administrative expenses	(43,936)	(101,503)	(23,043)	(40,141)	(54,574)	(79,845)	(15,690)	(27,416)
<b>Net change in plan net position</b>	<u>44,807,678</u>	<u>26,077,676</u>	<u>(40,514,043)</u>	<u>75,644,173</u>	<u>21,388,465</u>	<u>26,782,308</u>	<u>26,163,759</u>	<u>34,798,937</u>
<b>Fiduciary net position - beginning</b>	<u>334,865,057</u>	<u>308,787,381</u>	<u>349,301,424</u>	<u>273,657,251</u>	<u>252,268,786</u>	<u>225,486,478</u>	<u>199,322,719</u>	<u>164,523,782</u>
<b>Fiduciary net position - ending (b)</b>	<u>\$ 379,672,735</u>	<u>\$ 334,865,057</u>	<u>\$ 308,787,381</u>	<u>\$ 349,301,424</u>	<u>\$ 273,657,251</u>	<u>\$ 252,268,786</u>	<u>\$ 225,486,478</u>	<u>\$ 199,322,719</u>
<b>RHBP net OPEB liability - ending (a) - (b)</b>	128,603,875	156,374,742	185,614,244	40,372,245	107,729,532	235,184,966	243,404,724	253,385,000
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	74.70%	68.17%	62.46%	89.64%	71.75%	51.75%	48.09%	44.03%



**WASHOE COUNTY, NEVADA OPEB TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULES OF CHANGES IN THE PLANS' NET OPEB LIABILITY AND RELATED RATIOS**

**LAST TEN FISCAL YEARS\*  
(CONTINUED)**

**Washoe County Retirees – State’s Public Employees Benefits Plan:**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total OPEB liability</b>								
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	172,120	175,652	191,553	195,487	228,043	231,538	255,702	256,838
Changes of benefit terms	-	-	-				-	-
Differences between expected and actual experience	(10,788)	-	(65,856)	-	123,541	-	(9,159)	-
Changes of assumptions	50,869	-	(149,120)	-	(468,540)	-	240,944	-
Benefit payments	<u>(227,589)</u>	<u>(246,266)</u>	<u>(259,778)</u>	<u>(267,940)</u>	<u>(299,400)</u>	<u>(280,454)</u>	<u>(281,687)</u>	<u>(264,731)</u>
<b>Net Change in total OPEB liability</b>	<u>(15,388)</u>	<u>(70,614)</u>	<u>(283,201)</u>	<u>(72,453)</u>	<u>(416,356)</u>	<u>(48,916)</u>	<u>205,800</u>	<u>(7,893)</u>
<b>Total OPEB liability - beginning</b>	<u>3,105,607</u>	<u>3,176,221</u>	<u>3,459,422</u>	<u>3,531,875</u>	<u>3,948,231</u>	<u>3,997,147</u>	<u>3,791,347</u>	<u>3,799,240</u>
<b>Total OPEB liability - ending (a)</b>	<u>\$ 3,090,219</u>	<u>\$ 3,105,607</u>	<u>\$ 3,176,221</u>	<u>\$ 3,459,422</u>	<u>\$ 3,531,875</u>	<u>\$ 3,948,231</u>	<u>\$ 3,997,147</u>	<u>\$ 3,791,347</u>
<b>Fiduciary net position</b>								
Employer contributions	\$ 42,565	\$ 23,459	\$ 70,606	\$ 101,841	\$ 102,159	\$ 94,719	\$ 99,636	\$ 43,000
Net investment income	350,278	326,845	(282,396)	691,084	180,349	189,515	224,958	309,861
Benefit payments	(227,589)	(246,266)	(259,778)	(267,940)	(299,400)	(280,454)	(281,687)	(264,731)
Administrative expenses	<u>(23,936)</u>	<u>(33,788)</u>	<u>(21,396)</u>	<u>(23,678)</u>	<u>(21,510)</u>	<u>(22,122)</u>	<u>(14,221)</u>	<u>(14,702)</u>
<b>Net change in plan net position</b>	<u>141,318</u>	<u>70,250</u>	<u>(492,964)</u>	<u>501,307</u>	<u>(38,402)</u>	<u>(18,342)</u>	<u>28,686</u>	<u>73,428</u>
<b>Fiduciary net position - beginning</b>	<u>2,762,094</u>	<u>2,691,844</u>	<u>3,184,808</u>	<u>2,683,501</u>	<u>2,721,903</u>	<u>2,740,245</u>	<u>2,711,559</u>	<u>2,638,131</u>
<b>Fiduciary net position - ending (b)</b>	<u>\$ 2,903,412</u>	<u>\$ 2,762,094</u>	<u>\$ 2,691,844</u>	<u>\$ 3,184,808</u>	<u>\$ 2,683,501</u>	<u>\$ 2,721,903</u>	<u>\$ 2,740,245</u>	<u>\$ 2,711,559</u>
<b>PEBP net OPEB liability - ending (a) - (b)</b>	186,807	343,513	484,377	274,614	848,374	1,226,328	1,256,902	1,079,788
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	93.95%	88.94%	84.75%	92.06%	75.98%	68.94%	68.56%	71.52%

**WASHOE COUNTY, NEVADA OPEB TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULES OF CHANGES IN THE PLANS' NET OPEB LIABILITY AND RELATED RATIOS**

**LAST TEN FISCAL YEARS\*  
(CONTINUED)**

**Truckee Meadows Fire Protection District Retiree Group Medical Plan:**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total OPEB liability</b>								
Service cost	\$ 1,002,037	\$ 972,851	\$ 619,298	\$ 604,193	\$ 538,625	\$ 520,411	\$ 417,213	\$ 405,061
Interest	1,066,257	962,750	822,087	802,893	671,333	613,936	501,045	455,572
Changes of benefit terms	-	-	756,058	-	-	-	-	-
Differences between expected and actual experience	(1,298,621)	-	600,538	(914,105)	817,675	-	(27,487)	-
Changes of assumptions	416,984	-	(547,072)	-	861,777	-	2,295,853	-
Benefit payments	(177,264)	(152,444)	(163,648)	(184,624)	(176,377)	(214,991)	(215,174)	(230,891)
<b>Net Change in total OPEB liability</b>	<u>1,009,393</u>	<u>1,783,157</u>	<u>2,087,261</u>	<u>308,357</u>	<u>2,713,033</u>	<u>919,356</u>	<u>2,971,450</u>	<u>629,742</u>
<b>Total OPEB liability - beginning</b>	<u>17,628,956</u>	<u>15,845,799</u>	<u>13,758,538</u>	<u>13,450,181</u>	<u>10,737,148</u>	<u>9,817,792</u>	<u>6,846,342</u>	<u>6,216,600</u>
<b>Total OPEB liability - ending (a)</b>	<u>\$ 18,638,349</u>	<u>\$ 17,628,956</u>	<u>\$ 15,845,799</u>	<u>\$ 13,758,538</u>	<u>\$ 13,450,181</u>	<u>\$ 10,737,148</u>	<u>\$ 9,817,792</u>	<u>\$ 6,846,342</u>
<b>Fiduciary net position</b>								
Employer contributions	\$ 1,320,400	\$ 1,300,000	\$ 850,000	\$ 750,000	\$ 651,000	\$ 463,000	\$ -	\$ -
Net investment income	1,843,545	1,285,317	(965,903)	1,983,264	418,050	450,938	435,094	591,731
Benefit payments	(177,264)	(152,444)	(163,648)	(184,624)	(176,377)	(214,991)	(215,174)	(230,891)
Administrative expenses	(24,935)	(52,551)	(22,396)	(35,106)	(39,115)	(34,449)	(15,693)	(16,744)
<b>Net change in plan net position</b>	<u>2,961,746</u>	<u>2,380,322</u>	<u>(301,947)</u>	<u>2,513,534</u>	<u>853,558</u>	<u>664,498</u>	<u>204,227</u>	<u>344,096</u>
<b>Fiduciary net position - beginning</b>	<u>11,630,966</u>	<u>9,250,644</u>	<u>9,552,591</u>	<u>7,039,057</u>	<u>6,185,499</u>	<u>5,521,001</u>	<u>5,316,774</u>	<u>4,972,678</u>
<b>Fiduciary net position - ending (b)</b>	<u>\$ 14,592,712</u>	<u>\$ 11,630,966</u>	<u>\$ 9,250,644</u>	<u>\$ 9,552,591</u>	<u>\$ 7,039,057</u>	<u>\$ 6,185,499</u>	<u>\$ 5,521,001</u>	<u>\$ 5,316,774</u>
<b>TMFPD RGMP net OPEB liability - ending (a) - (b)</b>	4,045,637	5,997,990	6,595,155	4,205,947	6,411,124	4,551,649	4,296,791	1,529,568
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	78.29%	65.98%	58.38%	69.43%	52.33%	57.61%	56.23%	77.66%

**WASHOE COUNTY, NEVADA OPEB TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULES OF CHANGES IN THE PLANS' NET OPEB LIABILITY AND RELATED RATIOS**

**LAST TEN FISCAL YEARS\*  
(CONTINUED)**

**Notes to Schedule:**

Amounts are recorded as of the fiscal year of the measurement date.  
PEBP is a closed plan and has no covered-employee payroll.

The follow tables present actuarial assumption changes:

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Inflation	2.50%	2.35%	2.35%	2.50%	2.50%	3.00%	3.00%	3.00%
Investment rate of return	5.75%	5.75%	5.75%	5.75%	5.75%	6.00%	6.00%	7.00%
<b>Washoe County Plan:</b>								
Salary increases	2.50% to 8.00%	2.50% to 7.50%	2.35% to 7.35%	2.50% to 7.50%	2.50% to 7.50%	3.00% to 8.00%	3.00% to 8.00%	3.00% to 8.00%
Healthcare cost trend (initial to ultimate)	7.25% to 3.45%	4.70% to 3.90%	5.50% to 3.80%	6.20% to 4.00%	6.20% to 4.00%	5.40% to 4.80%	5.40% to 4.80%	7.50% to 4.75%
Mortality rates (tables)	PUB-2010	PUB-2010	PUB-2010	PUB-2010	PUB-2010	RP-2014	RP-2014	RP-2014
Mortality improvement scale	MP-2020	MP-2020	MP-2020	MP-2019	MP-2019	MP-2018	MP-2018	MP-2016
<b>PEBP Plan:</b>								
Salary increases	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Healthcare cost trend (initial to ultimate)	7.25% to 3.45%	5.50% to 3.80%	5.50% to 3.80%	6.30% to 4.00%	6.30% to 4.00%	6.10% to 4.70%	6.10% to 4.70%	8.25% to 4.75%
Mortality rates (tables)	PubG-2010	PUB-2010	PUB-2010	RP-2014	RP-2014	RP-2014	RP-2014	RP-2014
Mortality improvement scale	MP-2020	MP-2020	MP-2020	MP-2019	MP-2019	MP-2018	MP-2018	MP-2016
<b>TMFPD Plan:</b>								
Salary increases	2.50% to 7.50%	2.35% to 12.00%	2.35% to 12.00%	2.50% to 8.00%	2.50% to 8.00%	3.00% to 8.00%	3.00% to 8.00%	3.00% to 8.00%
Healthcare cost trend (initial to ultimate)	7.25% to 3.45%	5.50% to 3.70%	5.50% to 3.70%	8.20% to 4.00%	8.20% to 4.00%	6.20% to 4.60%	6.20% to 4.60%	9.84% to 4.75%
Mortality rates (tables)	PUB-2010	PUB-2010	PUB-2010	RP-2014	RP-2014	RP-2014	RP-2014	RP-2000
Mortality improvement scale	MP-2020	MP-2020	MP-2020	MP-2019	MP-2019	MP-2018	MP-2018	Scale AA

\*The Trust adopted GASB Statement No. 74 in 2017. It requires ten years of information to be presented in these tables. However, until ten years of data is compiled, the Trust Fund will present information only for those years for which information is available.

**WASHOE COUNTY, NEVADA OPEB TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULES OF EMPLOYER CONTRIBUTIONS**

**LAST TEN FISCAL YEARS\***

**Washoe County Retirees Health Benefits Plan:**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 16,204,623	\$ 18,249,364	\$ 6,810,652	\$ 10,952,060	\$ 20,378,275	\$ 20,188,000	\$ 23,147,000	\$ 23,088,000
Contributions in relation to the actuarially determined contribution	18,249,364	6,810,652	10,952,060	16,898,159	20,188,000	22,956,281	22,988,364	25,306,206
Contribution excess (deficiency)	<u>\$ 2,044,741</u>	<u>\$ (11,438,712)</u>	<u>\$ 4,141,408</u>	<u>\$ 5,946,099</u>	<u>\$ (190,275)</u>	<u>\$ 2,768,281</u>	<u>\$ (158,636)</u>	<u>\$ 2,218,206</u>

**Notes to Schedule**

Methods and assumptions used to determine contribution amount:

	<u>July 1, 2024</u>	<u>July 1, 2023</u>	<u>July 1, 2022</u>	<u>7/1/2020 (roll forward to 6/30/21)</u>	<u>July 1, 2020</u>	<u>7/1/2018 (roll forward to 6/30/19)</u>	<u>July 1, 2018</u>	<u>7/1/2016 (roll forward to 6/30/17)</u>
Valuation date	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial cost method	Level dollar amount, closed	Level percentage of payroll, closed	Level percentage of payroll, closed	Level percentage of payroll, closed	Level percentage of payroll, closed	Level percentage of payroll, closed	Level percentage of payroll, closed	Level percentage of payroll, closed
Amortization method	17 years	18 years	19 years	20 years	21 years	22 years	23 years	24 years
Remaining amortization period	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value
Asset valuation method	2.50%	2.50%	2.35%	2.50%	2.50%	3.00%	3.00%	3.00%
Inflation	7.25% to 3.45%	4.70% to 3.90%	5.50% to 3.80%	6.20% to 4.00%	6.20% to 4.00%	5.40% to 4.80%	5.40% to 4.80%	7.50% to 4.75%
Healthcare cost trend (initial to ultimate)	2.50% to 8.00%	2.50% to 7.50%	2.35% to 7.35%	2.50% to 7.50%	2.50% to 7.50%	3.00% to 8.00%	3.00% to 8.00%	3.00% to 8.00%
Salary increases	5.75%	5.75%	5.75%	5.75%	5.75%	6.00%	6.00%	7.00%
Investment rate of return	PUB-2010	PUB-2010	PUB-2010	PUB-2010	PUB-2010	RP-2014	RP-2014	RP-2014
Mortality rates (tables)	MP-2020	MP-2020	MP-2020	MP-2019	MP-2019	MP-2018	MP-2018	MP-2016
Mortality improvement scale								

\*The Trust adopted GASB Statement No. 74 in 2017. It requires ten years of information to be presented in these tables. However, until ten years of data is compiled, the Trust Fund will present information only for those years for which information is available.

**Other Information:**

The 2017 Contributions include \$4,403,205 of non-legally required employer prefunding contributions for fiscal year 2016 received in fiscal year 2017. GASB Statement No. 74 requires such contributions to be reported in the year received.

**WASHOE COUNTY, NEVADA OPEB TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULES OF EMPLOYER CONTRIBUTIONS**

**LAST TEN FISCAL YEARS\*  
(CONTINUED)**

**Washoe County Retirees - State's Public Employees Benefits Plan:**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 31,133	\$ 42,565	\$ 23,459	\$ 70,606	\$ 101,841	\$ 102,159	\$ 93,834	\$ 99,636
Contributions in relation to the actuarially determined contribution	42,565	23,459	70,606	101,841	102,159	94,719	99,636	43,000
Contribution excess (deficiency)	<u>\$ 11,432</u>	<u>\$ (19,106)</u>	<u>\$ 47,147</u>	<u>\$ 31,235</u>	<u>\$ 318</u>	<u>\$ (7,440)</u>	<u>\$ 5,802</u>	<u>\$ (56,636)</u>

**Notes to Schedule**

Methods and assumptions used to determine contribution amount:

	<u>July 1, 2024</u>	<u>7/1/2022 (roll forward to 6/30/23)</u>	<u>July 1, 2022</u>	<u>7/1/2020 (roll forward to 6/30/21)</u>	<u>July 1, 2020</u>	<u>7/1/2018 (roll forward to 6/30/19)</u>	<u>July 1, 2018</u>	<u>7/1/2016 (roll forward to 6/30/17)</u>
Valuation date	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial cost method	Level dollar amount, closed	Level dollar amount, closed	Level dollar amount, closed	Level dollar amount, closed	Level dollar amount, closed	Level dollar amount, closed	Level percentage of payroll, closed	Level percentage of payroll, closed
Amortization method	17 years	18 years	19 years	20 years	21 years	22 years	23 years	24 years
Remaining amortization period	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value
Asset valuation method	2.50%	2.35%	2.35%	2.50%	2.50%	3.00%	3.00%	3.00%
Inflation	7.25% to 3.45%	5.50% to 3.80%	5.50% to 3.80%	6.30% to 4.00%	6.30% to 4.00%	6.10% to 4.70%	6.10% to 4.70%	8.25% to 4.75%
Healthcare cost trend (initial to ultimate)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Salary increases	5.75%	5.75%	5.75%	5.75%	5.75%	6.00%	6.00%	7.00%
Investment rate of return	PubG-2010	PUB-2010	PUB-2010	RP-2014	RP-2014	RP-2014	RP-2014	RP-2014
Mortality rates (tables)	MP-2020	MP-2020	MP-2020	MP-2019	MP-2019	MP-2018	MP-2018	MP-2016
Mortality improvement scale								

\*The Trust adopted GASB Statement No. 74 in 2017. It requires ten years of information to be presented in these tables. However, until ten years of data is compiled, the Trust Fund will present information only for those years for which information is available.

**WASHOE COUNTY, NEVADA OPEB TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULES OF EMPLOYER CONTRIBUTIONS (CONTINUED)**

**LAST TEN FISCAL YEARS\*  
(CONTINUED)**

**Truckee Meadows Fire Protection District Retiree Group Medical Plan:**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 2,031,446	\$ 1,987,902	\$ 1,219,612	\$ 1,441,454	\$ 1,113,849	\$ 1,037,004	\$ 650,895	\$ 405,061
Contributions in relation to the actuarially determined contribution	1,320,400	1,300,000	850,000	750,000	651,000	463,000	-	-
Contribution excess (deficiency)	<u>\$ (711,046)</u>	<u>\$ (687,902)</u>	<u>\$ (369,612)</u>	<u>\$ (691,454)</u>	<u>\$ (462,849)</u>	<u>\$ (574,004)</u>	<u>\$ (650,895)</u>	<u>\$ (405,061)</u>

**Notes to Schedule**

Methods and assumptions used to determine contribution amount:

	<u>July 1, 2024</u>	<u>7/1/2022 (roll forward to 6/30/23)</u>	<u>July 1, 2022</u>	<u>7/1/2020 (roll forward to 6/30/21)</u>	<u>July 1, 2020</u>	<u>7/1/2018 (roll forward to 6/30/19)</u>	<u>July 1, 2018</u>	<u>7/1/2016 (roll forward to 6/30/17)</u>
Valuation date	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial cost method	Level dollar amount, closed	Level dollar amount, closed	Level dollar amount, closed	Level dollar amount, closed	Level dollar amount, closed	Level dollar amount, closed	Level dollar amount, closed	Level percentage of payroll, closed
Amortization method	7 years	8 years	9 years	10 years	11 years	12 years	13 years	14 years
Remaining amortization period	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value
Asset valuation method	2.50%	2.35%	2.35%	2.50%	2.50%	3.00%	3.00%	3.00%
Inflation	7.25% to 3.45%	5.50% to 3.70%	5.50% to 3.70%	8.20% to 4.00%	8.20% to 4.00%	6.20% to 4.60%	6.20% to 4.60%	9.84% to 4.75%
Healthcare cost trend (initial to ultimate)	2.50% to 7.50%	2.35% to 12.00%	2.35% to 12.00%	2.50% to 8.00%	2.50% to 8.00%	3.00% to 8.00%	3.00% to 8.00%	3.00% to 8.00%
Salary increases	5.75%	5.75%	5.75%	5.75%	5.75%	6.00%	6.00%	7.00%
Investment rate of return	PUB-2010	PUB-2010	PUB-2010	RP-2014	RP-2014	RP-2014	RP-2014	RP-2000
Mortality rates (tables)	MP-2020	MP-2020	MP-2020	MP-2019	MP-2019	MP-2018	MP-2018	Scale AA
Mortality improvement scale								

\*The Trust adopted GASB Statement No. 74 in 2017. It requires ten years of information to be presented in these tables. However, until ten years of data is compiled, the Trust Fund will present information only for those years for which information is available.

**SCHEDULE OF INVESTMENT RETURNS**

**LAST TEN FISCAL YEARS\***

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Annual money-weighted rate of return, net of investment expense:								
Washoe County RHBP	14.59%	12.84%	-9.27%	27.09%	6.66%	7.95%	8.13%	12.05%
Washoe County PEBP	12.92%	12.47%	-9.00%	26.31%	6.79%	7.08%	8.41%	12.08%
TMFPD RGMP	14.89%	12.85%	-9.32%	26.34%	6.30%	7.72%	8.27%	11.95%

\*The Trust adopted GASB Statement No. 74 in 2017. It requires ten years of information to be presented in these tables. However, until ten years of data is compiled, the Trust Fund will present information only for those years for which information is available.



January 9, 2025

To the Honorable Board of Trustees  
Washoe County, Nevada OPEB Trust Fund  
Reno, Nevada

We have audited the financial statements of Washoe County, Nevada OPEB Trust Fund (the Fund) as of and for the year ended June 30, 2024, and have issued our report thereon dated January 9, 2025. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our letter dated November 9, 2024, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Fund solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.



## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Fund is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are management's estimate of the OPEB liability in Note 4 to the basic financial statements which is based on valuation performed by a third-party actuary utilizing various assumptions for the calculation. We evaluated the key factors and assumptions used to develop the valuation and resulting OPEB liability of the Fund and determined that it is reasonable in relation to the basic financial statements taken as a whole.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Fund's financial statements relate to the net OPEB liability.

## **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. There were no uncorrected or corrected misstatements identified as a result of our audit procedures.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Fund's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Circumstances that Affect the Form and Content of the Auditor's Report**

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. We did not identify any circumstances that affect the form and content of the auditor's report.

### **Representations Requested from Management**

We have requested certain written representations from management which are included in the management representation letter dated January 9, 2025.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the Fund, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Fund's auditors.

This report is intended solely for the information and use of the Board of Trustees, and management of the Fund and is not intended to be, and should not be, used by anyone other than these specified parties.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, professional style.

Reno, Nevada



WASHOE COUNTY – RETIREE HEALTH BENEFIT PLAN (RHBP)  
OTHER POSTEMPLOYMENT BENEFITS PROGRAM

GASB 74 DISCLOSURES FOR THE PLAN  
FISCAL YEAR ENDING JUNE 30, 2024

GASB 75 DISCLOSURES FOR THE EMPLOYER  
FISCAL YEAR ENDING JUNE 30, 2025

Valuation Date: July 1, 2024  
Measurement Date: June 30, 2024



December 9, 2024

Washoe County  
1001 East Ninth Street  
Reno, Nevada 89512

Re: Washoe County Retiree Health Benefit Plan (“RHBP”) –  
GASB 74/75 Actuarial Valuation as of July 1, 2024

We are pleased to present to the County this report of the annual actuarial valuation of the Washoe County Retiree Health Benefit Plan (RHBP) Other Postemployment Benefits (OPEB) Program. This valuation was performed to determine annual expenses associated with providing OPEB benefits, the current funded status of the Plan, and to provide all necessary schedules required to comply with the Governmental Accounting Standards Board No. 75. The schedules related to the Governmental Accounting Standards Board No. 74 can be found in Appendix 1.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. Due to the limited scope of this report, we did not provide an analysis of these potential differences.

The funded status measurements included in this report are based on the assumptions and methods used to determine the Plan’s obligations and asset values as of the Measurement Date. Funded status measurements for financial accounting purposes may not be appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plan’s benefit obligations. Likewise, funded status measurements for financial accounting purposes may not be appropriate for assessing the need for or the amount of future actuarially determined contributions.

Foster & Foster does not provide legal, investment or accounting advice. Thus, the information in this report is not intended to supersede or supplant the advice or the interpretations of the County or its affiliated legal, investing or accounting partners.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects all applicable federal laws and regulations. In our opinion, the assumptions used in this valuation, as adopted by the County, represent reasonable expectations of anticipated plan experience.

In performing the analysis, we used third-party software to model (calculate) the underlying liabilities and costs. These results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models to generate the costs. All internally developed models are reviewed as part of the process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

In conducting the valuation, we have relied on personnel and plan design information supplied by the County personnel, and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. Because of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

The total OPEB liability and certain sensitivity information shown in this report are based on an actuarial valuation performed as of July 1, 2024. It is our opinion that the assumptions used for this purpose are internally consistent, reasonable, and comply with the requirements under GASB No.74 and GASB No. 75.

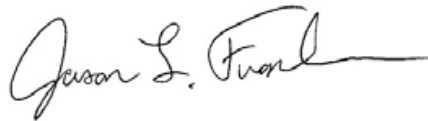
The undersigned are familiar with the immediate and long-term aspects of OPEB valuations and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All the sections of this report are considered an integral part of the actuarial opinions.

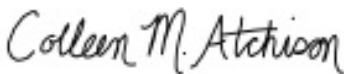
To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in Washoe County, nor does anyone at Foster & Foster, Inc. act as a member of the Board of County Commissioners of Washoe County. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact us at 239 433-5500.

Respectfully submitted,

Foster & Foster, Inc.

By:   
Jason L. Franken, FSA, EA, MAAA

By:   
Colleen M. Atchison, FSA, MAAA

By:   
Gavin Waite, FSA, CERA, MAAA

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# SECTION 1 – Executive Summary

## SECTION 1 – EXECUTIVE SUMMARY

The valuation results presented in this report have been prepared in accordance with the Government Accounting Standards Board Statements 74 and 75 for Washoe County’s RHPB Post-Retirement Health Benefits plan, which is an Other Postemployment Benefits (OPEB) Program, based on the actuarial valuation performed as of July 1, 2024.

The results of this valuation are based on a Measurement Date of June 30, 2024. The following table shows the key components of the County’s OPEB valuation for FY 2024 under GASB 74 and for FY 2025 under GASB 75:

Measurement Date	6/30/2024	6/30/2023
Total OPEB Liability as of the Measurement Date	\$ 508,276,610	\$ 491,239,799
Plan Fiduciary Net Position as of the Measurement Date	379,672,735	334,865,057
Sponsor's Net OPEB Liability as of the Measurement Date	<u>\$ 128,603,875</u>	<u>\$ 156,374,742</u>
Funded Ratio	74.70%	68.17%
OPEB Expense For the Fiscal Year	\$ (6,331,325)	\$ (468,176)
End of Year Actuarially Determined Contribution (ADC)	\$ 15,043,328	\$ 16,204,623
Census Information as of the Valuation Date		
Active Participants	2,752	2,656
Retirees, Beneficiaries, and Disabled Members	1,934	1,900
Total Participants	<u>4,686</u>	<u>4,556</u>
Valuation Date	7/1/2024	7/1/2022
Measurement Date	6/30/2024	6/30/2023
GASB 74 Reporting Date	6/30/2024	6/30/2023
GASB 75 Reporting Date	6/30/2025	6/30/2024
Discount Rate	5.75%	5.75%



## SECTION 1 – Executive Summary

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### *Notes on the Valuation:*

The following changes have been made since the prior valuation:

- Foster & Foster was retained as the plan actuary.
- Census data and trust information as of July 1, 2024 was provided by the County.
- Per capita age-based health care claims costs were developed reflecting current premiums rates and full cost premium rates for fiscal year 2024. Claims costs were adjusted to account for expected differences in health care costs by age and gender.
- Contribution and subsidy rates are based on those in effect for fiscal year 2024.
- Health care inflation rates have been updated to reflect recent healthcare trend rate surveys, blended with the Getzen model published by the Society of Actuaries.

### *County's Funding Policy:*

The numbers shown above reflect a decision to fund the program. The County has historically made trust contributions equal to the prior year's Actuarially Determined Contribution.

## SECTION 1 – Executive Summary

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*Governmental Accounting Standard No. 75:*


GASB 75 requires governmental employers to recognize the Net OPEB Liability and the OPEB expense in their financial statements, along with the related deferred outflows and inflows of resources. GASB 75 is similar to GASB 68 for pensions. Under GASB 75, the Net OPEB Liability is the difference between the Total OPEB Liability (i.e. Actuarial Accrued Liability) and the Plan's Fiduciary Net Position (i.e. assets).

The balance of this report presents additional details of the actuarial valuation and the general operation of the Fund. The undersigned would be pleased to meet with the Board of Commissioners to discuss the report and any pending questions concerning its contents.

Respectfully submitted,

FOSTER & FOSTER, INC.

By:   
Jason L. Franken, FSA, EA, MAAA

By:   
Colleen M. Atchison, FSA, MAAA

By:   
Gavin Waite, FSA, CERA, MAAA

## SECTION 2 – Notes to Financial Statements

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### SECTION 2 – NOTES TO THE FINANCIAL STATEMENTS (For the Year Ended June 30, 2024)

#### GENERAL INFORMATION ABOUT THE OPEB PLAN

##### *Postemployment Benefits Other Than Pensions (OPEB):*

For purposes of measuring the net OPEB Liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of Washoe County's RHBP post-retirement health benefits plan (Plan) and additions to/ deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

##### *Plan Description:*

The Washoe County RHBP post-retirement health benefits plan (Plan) is a single employer defined benefit postemployment health care plan that covers eligible retired employees and their spouses. The Plan allows employees who retire or become disabled and meet retirement eligibility requirements under the Plan to continue medical coverage as a participant in the County's plan. The County provides a premium subsidy to certain retirees depending on retirement date.

##### *Employees Covered by Benefit Terms:*

At July 1, 2024, the following employees were covered by the benefit terms:

Inactive Plan Members, or Beneficiaries Currently Receiving Benefits	1,934
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	-
Active Plan Members	<u>2,752</u>
	<u><u>4,686</u></u>

##### *Benefits Provided:*

In accordance with NRS 287.010, the RHBP provides postemployment benefits to eligible employees upon retirement. Retirees are offered medical, prescription, vision, life, and dental insurance for themselves and their dependents. For eligible retirees, the County pays a portion of the retiree's premium based on years of County service.

## SECTION 2 – Notes to Financial Statements

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### NET OPEB LIABILITY

The measurement date is June 30, 2024.

The measurement period for the OPEB expense was July 1, 2023 to June 30, 2024.

The reporting period for GASB 74 is July 1, 2023 to June 30, 2024. The reporting period for GASB 75 is July 1, 2024 to June 30, 2025.

The County's Net OPEB Liability was measured as of June 30, 2024. The Total OPEB Liability used to calculate the Net OPEB Liability was determined as of that date.

#### *Actuarial Assumptions:*

The Total OPEB Liability was determined by an actuarial valuation as of July 1, 2024 using the following actuarial assumptions:

Inflation Rate	2.50%
Salary Increase Rate(s)	Varies by Year
Discount Rate	5.75%
Initial Medical Trend Rate	7.25%
Ultimate Medical Trend Rate	3.45%
Years to Ultimate Medical Trend Rate	51
Investment Rate of Return	5.75%

All mortality rates were based on the Pub-2010 Headcount-Weighted (Above-Median) mortality tables, increased for both males and females, projected generationally with Scale MP-2020.

#### *Discount Rate:*

The discount rate used to measure the Total OPEB Liability was 5.75%. The projection of cash flows used to determine the discount rate assumed that Plan contributions will be made at rates equal to the actuarially determined contribution rates. Based on these assumptions, the 5.75% discount rate is the single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the total of the actuarial present values determined in conformity with GASB Statements No. 74/75.

## SECTION 2 – Notes to Financial Statements

### CHANGE IN NET OPEB LIABILITY

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a)-(b)
Balance as of June 30, 2023	\$491,239,799	\$334,865,057	\$156,374,742
Changes for the Year:			
Service Cost	5,095,153	-	5,095,153
Interest	27,878,898	-	27,878,898
Differences Between Expected and Actual Experience	(5,101,076)	-	(5,101,076)
Changes of Assumptions	12,458,491	-	12,458,491
Changes of Benefit Terms	-	-	-
Contributions - Employer	-	18,249,364	(18,249,364)
Federal Government Payments	-	542,037	(542,037)
Net Investment Income	-	49,354,868	(49,354,868)
Net Benefit Payments	(23,294,655)	(23,294,655)	-
Administrative Expense	-	(43,936)	43,936
Other Changes	-	-	-
Net Changes	17,036,811	44,807,678	(27,770,867)
Balance as of June 30, 2024	\$508,276,610	\$379,672,735	\$128,603,875

Differences Between Expected and Actual Experience reflects the impact of changes to the census data from the prior valuation to the valuation as of July 1, 2024.

Changes of Assumptions reflect updated health care cost trend rates and salary increase rates.

## SECTION 2 – Notes to Financial Statements

### *Sensitivity of the Net OPEB Liability to changes in the Discount Rate:*

The following presents the Net OPEB Liability of the plan, as well as what the plan's Net OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
	4.75%	5.75%	6.75%
Net OPEB Liability (asset)	\$192,474,095	\$128,603,875	\$ 75,648,064

### *Sensitivity of the Net OPEB Liability to changes in the Healthcare Cost Trend Rates:*

The following presents the Net OPEB Liability of the plan, as well as what the plan's Net OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
	2.45% - 6.25%	3.45% - 7.25%	4.45% - 8.25%
Net OPEB Liability (asset)	\$ 71,273,990	\$128,603,875	\$198,626,677

### *OPEB Plan Fiduciary Net Position:*

Detailed information about the OPEB Plan's Fiduciary Net Position is available in a separately issued Plan financial report.



## SECTION 3 – GASB 75 Disclosure Schedules

### SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY AND RELATED RATIOS

Plan Reporting Period Ending Measurement Date	06/30/2024	06/30/2023
<b>Total OPEB Liability</b>		
Service Cost	\$ 5,095,153	\$ 4,854,356
Interest	27,878,898	28,127,424
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	(5,101,076)	(28,998,830)
Changes of Assumptions	12,458,491	13,307,829
Net Benefit Payments	(23,294,655)	(20,452,605)
Net Change in Total OPEB Liability	17,036,811	(3,161,826)
Total OPEB Liability - Beginning	491,239,799	494,401,625
Total OPEB Liability - Ending (a)	\$ 508,276,610	\$ 491,239,799
<b>Plan Fiduciary Net Position</b>		
Contributions - Employer	\$ 18,249,364	\$ 6,810,652
Federal Government Payments	542,037	523,799
Net Investment Income	49,354,868	39,297,333
Net Benefit Payments	(23,294,655)	(20,452,605)
Administrative Expense	(43,936)	(101,503)
Other	-	-
Net Change in Plan Fiduciary Net Position	44,807,678	26,077,676
Plan Fiduciary Net Position - Beginning	334,865,057	308,787,381
Plan Fiduciary Net Position - Ending (b)	\$ 379,672,735	\$ 334,865,057
<b>Sponsor's Net OPEB Liability - Ending (a) - (b)</b>	\$ 128,603,875	\$ 156,374,742
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	74.70%	68.17%

Note: Prior year results were developed by the prior actuary.



## SECTION 3 – GASB 75 Disclosure Schedules

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### DEVELOPMENT OF ACTUARIALLY DETERMINED CONTRIBUTION

For the Fiscal Year Ending	06/30/2025	06/30/2024
Service Cost	\$ 5,248,008	4,818,112
Amortization Period (in years)	17	18
Amortization of Net OPEB Liability	9,795,320	11,386,511
Actuarially Determined Contribution (ADC)	<u>\$ 15,043,328</u>	<u>\$ 16,204,623</u>

#### Notes to Schedule

Actuarially determined contribution rates shown above are calculated as of the beginning of the plan/fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates are the same as those found in Section 8 of this report.

The Net OPEB Liability is being amortized as a level dollar amount over 30 years on a “closed” basis since June 30, 2011. The remaining amortization period as of June 30, 2024 is 17 years.

## SECTION 4 – Expense Development and Amortization Schedules

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### SECTION 4 – EXPENSE DEVELOPMENT AND AMORTIZATION SCHEDULES

**The following information is not required to be disclosed under GASB 75 but is provided for informational purposes.**

## SECTION 4 – Expense Development and Amortization Schedules

### COMPONENTS OF OPEB EXPENSE

(For the Year Ended June 30, 2024)

	Net OPEB Liability	Deferred Inflows	Deferred Outflows	OPEB Expense
Beginning balance	\$ 156,374,742	\$ 88,278,823	\$ 95,627,307	\$ -
Employer Contributions made after June 30, 2024	-	-	16,204,623	-
Total OPEB Liability Factors:				
Service Cost	5,095,153	-	-	5,095,153
Interest	27,878,898	-	-	27,878,898
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	(5,101,076)	5,101,076	-	-
Current year amortization of experience difference	-	(4,987,311)	(12,149,718)	7,162,407
Change in assumptions about future economic or demographic factors or other inputs	12,458,491	-	12,458,491	-
Current year amortization of change in assumptions	-	(18,784,268)	(4,141,233)	(14,643,035)
Explicit Benefit Payments	(23,294,655)	-	-	-
Net change	17,036,811	(18,670,503)	12,372,163	25,493,423
Plan Fiduciary Net Position Factors:				
Explicit Contributions - Employer	18,249,364	-	(18,249,364)	-
Federal Government Payments	542,037	-	-	(542,037)
Expected Net Investment Income	19,124,009	-	-	(19,124,009)
Difference between projected and actual earnings on OPEB				
Plan investments	30,230,859	30,230,859	-	-
Current year amortization	-	(22,656,769)	(10,454,131)	(12,202,638)
Net Benefit Payments	(23,294,655)	-	-	-
Administrative Expenses	(43,936)	-	-	43,936
Other	-	-	-	-
Net change	44,807,678	7,574,090	(28,703,495)	(31,824,748)
Ending Balance	\$ 128,603,875	\$ 77,182,410	\$ 79,295,975	\$ (6,331,325)

## SECTION 4 – Expense Development and Amortization Schedules

### AMORTIZATION SCHEDULE – DUE TO RECOGNITION OF THE DIFFERENCES BETWEEN PROJECTED AND ACTUAL EARNINGS ON TRUST INVESTMENTS

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Differences between Projected and Actual Earnings on OPEB Plan Investments

Measurement Year	Differences Between Projected and Actual Earnings on OPEB Plan Investments	Recognition Period (Years)	Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Differences between Projected and Actual Earnings on OPEB Plan Investments								
			2025	2026	2027	2028	2029	2030	2031	2032	
2019	\$ (4,730,666)	5.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	(1,882,853)	5.00	(376,569)	-	-	-	-	-	-	-	-
2021	(59,253,332)	5.00	(11,850,666)	(11,850,668)	-	-	-	-	-	-	-
2022	52,270,657	5.00	10,454,131	10,454,131	10,454,133	-	-	-	-	-	-
2023	(21,916,812)	5.00	(4,383,362)	(4,383,362)	(4,383,362)	(4,383,364)	-	-	-	-	-
2024	(30,230,859)	5.00	(6,046,172)	(6,046,172)	(6,046,172)	(6,046,172)	(6,046,171)	-	-	-	-
Net Increase (Decrease) in OPEB Expense			\$ (12,202,638)	\$ (11,826,071)	\$ 24,599	\$ (10,429,536)	\$ (6,046,171)	\$ -	\$ -	\$ -	\$ -

## SECTION 4 – Expense Development and Amortization Schedules

### AMORTIZATION SCHEDULE – DUE TO RECOGNITION OF THE EFFECTS OF ASSUMPTION CHANGES

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Changes of Assumptions

Measurement Year	Assumption Changes	Recognition Period (Years)	2025	2026	2027	2028	2029	2030	2031	2032
2018	\$ (6,570,000)	6.92	\$ (873,468)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	-	0.00	-	-	-	-	-	-	-	-
2020	(123,584,517)	6.90	(17,910,800)	(17,910,800)	(16,119,717)	-	-	-	-	-
2021	-	0.00	-	-	-	-	-	-	-	-
2022	3,852,748	7.27	529,952	529,952	529,952	529,952	529,952	143,084	-	-
2023	13,307,829	6.97	1,909,301	1,909,301	1,909,301	1,909,301	1,909,301	1,852,023	-	-
2024	12,458,491	7.32	1,701,980	1,701,980	1,701,980	1,701,980	1,701,980	1,701,980	1,701,980	544,631
Net Increase (Decrease) in OPEB Expense			\$ (14,643,035)	\$ (13,769,567)	\$ (11,978,484)	\$ 4,141,233	\$ 4,141,233	\$ 3,697,087	\$ 1,701,980	\$ 544,631

## SECTION 4 – Expense Development and Amortization Schedules

### AMORTIZATION SCHEDULE – DUE TO DIFFERENCES BETWEEN EXPECTED AND ACTUAL EXPERIENCE

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience

Measurement Year	Differences Between		Recognition							
	Expected and Actual Experience	Period (Years)	2025	2026	2027	2028	2029	2030	2031	2032
2018	\$ 1,484,000	6.92	\$ 197,294	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	-	0.00	-	-	-	-	-	-	-	-
2020	(896,459)	6.90	(129,922)	(129,922)	(116,927)	-	-	-	-	-
2021	-	0.00	-	-	-	-	-	-	-	-
2022	86,894,125	7.27	11,952,424	11,952,424	11,952,424	11,952,424	11,952,424	3,227,157	-	-
2023	(28,998,830)	6.97	(4,160,521)	(4,160,521)	(4,160,521)	(4,160,521)	(4,160,521)	(4,035,704)	-	-
2024	(5,101,076)	7.32	(696,868)	(696,868)	(696,868)	(696,868)	(696,868)	(696,868)	(696,868)	(223,000)
Net Increase (Decrease) in OPEB Expense			\$ 7,162,407	\$ 6,965,113	\$ 6,978,108	\$ 7,095,035	\$ 7,095,035	\$ (1,505,415)	\$ (696,868)	\$ (223,000)

## SECTION 5 – Reconciliation of Total OPEB Liability

### SECTION 5 – RECONCILIATION OF TOTAL OPEB LIABILITY

The following table shows a reconciliation of the Total OPEB Liability from July 1, 2023 to July 1, 2024.

<b>Reconciliation of Total OPEB Liability</b>		<b>(in \$millions) (as a %)</b>	
Total OPEB Liability as of July 1, 2023	\$	491.2	
1. Service Cost from July 2023 to June 2024		5.1	1.0%
2. Interest on liability, Service Cost, and benefit payments		27.9	5.7%
3. Decrease due to actual retiree benefit payments from July 2023 to June 2024		(23.3)	-4.7%
4. Decrease due to demographic experience different than expected		(5.1)	-1.0%
5. Decrease due to changes in subsidies		(0.7)	-0.1%
6. Increase due to updated medical trend rate assumption		14.1	2.9%
7. Decrease due to increase in salary scale assumption		(0.9)	-0.2%
Total OPEB Liability as of July 1, 2024	\$	<u>508.3</u>	
Total change in OPEB Liability from 2023 to 2024	\$	17.1	3.5%

Item 1, Service Cost, represents the value of benefits accrued during the year.

Item 4 includes the impact of the change in actuary and demographic experience different than expected, including actual premium rates and claims costs for the period.

Item 5 reflects a decrease in the retiree contribution subsidies for Tier 2 retirees due to a decrease in CPI.

Item 6 reflects an increase in expected medical inflation rates over the next several years.

Item 7 reflects an increase in negotiated cost-of-living pay increases from 2024 through 2027. Though pay increases do not directly impact OPEB benefits, pay increases determine how the OPEB liability accruals are allocated throughout an employee's working lifetime. Therefore, higher pay increases typically result in lower accrued liability initially.

## SECTION 6 – Per Capita Claims Costs and Contribution Amounts

### SECTION 6 – PER CAPITA CLAIMS COSTS AND CONTRIBUTION AMOUNTS

Per capita claims costs below were developed using age adjusted premiums. Age-morbidity factors were applied to develop relative age banded costs for both male and female participants relative to the age 65 male per capita claims cost. The age-morbidity factors were developed based on a study performed by Dale Yamamoto for the Society of Actuaries ([https://www.healthcostinstitute.org/images/pdfs/Age-Curve-Study\\_0.pdf](https://www.healthcostinstitute.org/images/pdfs/Age-Curve-Study_0.pdf)).

<b>Active and Retiree Non-Medicare Blended Costs</b>		
<b>Annual Per Capita Claims Cost</b>		
<b>Age</b>	<b>Male</b>	<b>Female</b>
45-49	12,055	15,337
50-54	15,230	17,682
55-59	19,188	20,123
60-64	24,045	23,558
65-69	29,489	27,834
70+	34,934	32,457
<b>Blended Annual Premium Rate</b>		
Member	\$11,602	
Spouse	\$11,083	

The blended per capita claims costs for non-Medicare pre-65 retirees were developed using the plan election distribution of current pre-65 retirees.



## SECTION 6 – Per Capita Claims Costs and Contribution Amounts

<b>Blended Costs - Tier 1 Post-65 Medicare</b>		
<b>Age</b>	<b>Annual Per Capita Claims Cost</b>	
	<b>Male</b>	<b>Female</b>
65-69	\$ 6,202	\$ 5,949
70-74	6,695	6,419
75-79	7,040	6,777
80-84	7,158	6,941
85-89	6,953	6,799
90-94	6,583	6,340
95+	6,194	5,636
<b>Blended Annual Premium Rate</b>		
Member	\$6,511	
Spouse	\$6,022	

Blended costs were developed using the following assumed plan elections:

<b>Plan Election Assumptions - Tier 1 Post-65 Medicare</b>	
PPO	75%
HDHP	5%
HMO (Surest)	10%
Senior Care Plus	10%

For Tier 1 retirees, 50% are assumed to enroll in Medicare at age 65.

## SECTION 6 – Per Capita Claims Costs and Contribution Amounts

<b>Blended Costs - Tiers 2 and 3B Medicare</b>		
Age	<b>Annual Per Capita Claims Cost</b>	
	Male	Female
65-69	\$ 3,502	\$ 3,436
70-74	3,630	3,558
75-79	3,720	3,651
80-84	3,750	3,694
85-89	3,697	3,657
90-94	3,601	3,537
95+	3,499	3,354
<b>Blended Annual Premium Rate</b>		
Member	\$3,582	
Spouse	\$3,235	

Blended costs were developed using the following assumed plan elections:

<b>Plan Election Assumptions - Tiers 2 and 3B Medicare</b>	
PPO	10%
HDHP	10%
HMO (Surest)	5%
Senior Care Plus	75%

## SECTION 6 – Per Capita Claims Costs and Contribution Amounts

<b>Blended Costs - All Other Tiers Medicare</b>		
<b>Annual Per Capita Claims Cost</b>		
<b>Age</b>	<b>Male</b>	<b>Female</b>
65-69	\$ 3,156	\$ 3,116
70-74	3,234	3,190
75-79	3,288	3,247
80-84	3,307	3,273
85-89	3,275	3,250
90-94	3,216	3,177
95+	3,154	3,066
<b>Blended Annual Premium Rate</b>		
Member		\$3,205
Spouse		\$2,905

Blended costs were developed using the following assumed plan elections:

<b>Plan Election Assumptions - All Other Tiers Medicare</b>	
PPO	9%
HDHP	5%
HMO (Surest)	1%
Senior Care Plus	85%

## SECTION 7 – Member Statistics

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### SECTION 7 – MEMBER STATISTICS

#### STATISTICAL DATA

	<u>7/1/2024</u>
Number of Active Participants	
Eligible for Retiree Health Benefits	333
Not Yet Eligible for Retiree Health benefits	2,419
Total	<u>2,752</u>
Average Current Age	43.1
Average Age at Employment	34.0
Average Past Service	9.1
Number of Inactives Receiving Benefits	
Retirees, Beneficiaries, and Disabled Members	1,934
Covered Spouses	337
Total	<u>2,271</u>
Average Current Ages	
Retirees, Beneficiaries, and Disabled Members	69.0

## SECTION 7 – Member Statistics

### ACTIVE AGE AND SERVICE DISTRIBUTION ALL EMPLOYEES

AGE	TOTAL PAST SERVICE										Total
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
<25	30	27	2	0	0	0	0	0	0	0	59
25 - 29	59	206	30	0	0	0	0	0	0	0	295
30 - 34	45	196	133	17	0	0	0	0	0	0	391
35 - 39	30	142	162	65	25	0	0	0	0	0	424
40 - 44	28	122	117	61	81	15	0	0	0	0	424
45 - 49	15	58	97	47	90	68	5	0	0	0	380
50 - 54	18	60	71	28	82	64	35	1	0	0	359
55 - 59	6	44	40	26	44	45	23	0	1	0	229
60 - 64	4	21	21	11	30	22	9	4	1	1	124
65+	1	11	12	6	18	10	5	0	4	0	67
<b>Total</b>	<b>236</b>	<b>887</b>	<b>685</b>	<b>261</b>	<b>370</b>	<b>224</b>	<b>77</b>	<b>5</b>	<b>6</b>	<b>1</b>	<b>2,752</b>

## SECTION 7 – Member Statistics

### ACTIVE AGE AND SERVICE DISTRIBUTION REGULAR EMPLOYEES

AGE	TOTAL PAST SERVICE										Total
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
<25	17	21	0	0	0	0	0	0	0	0	38
25 - 29	46	137	21	0	0	0	0	0	0	0	204
30 - 34	38	156	96	7	0	0	0	0	0	0	297
35 - 39	29	121	130	46	11	0	0	0	0	0	337
40 - 44	27	112	108	53	47	11	0	0	0	0	358
45 - 49	14	55	90	40	61	55	5	0	0	0	320
50 - 54	18	59	65	25	68	51	28	1	0	0	315
55 - 59	6	44	40	24	39	45	22	0	1	0	221
60 - 64	4	21	21	11	30	22	9	3	1	1	123
65+	1	11	12	6	18	10	5	0	4	0	67
Total	200	737	583	212	274	194	69	4	6	1	2,280

## SECTION 7 – Member Statistics

### ACTIVE AGE AND SERVICE DISTRIBUTION SHERIFF/DEPUTY EMPLOYEES

AGE	TOTAL PAST SERVICE										Total
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
<25	13	6	2	0	0	0	0	0	0	0	21
25 - 29	13	69	9	0	0	0	0	0	0	0	91
30 - 34	7	40	37	10	0	0	0	0	0	0	94
35 - 39	1	21	32	19	14	0	0	0	0	0	87
40 - 44	1	10	9	8	34	4	0	0	0	0	66
45 - 49	1	3	7	7	29	13	0	0	0	0	60
50 - 54	0	1	6	3	14	13	7	0	0	0	44
55 - 59	0	0	0	2	5	0	1	0	0	0	8
60 - 64	0	0	0	0	0	0	0	1	0	0	1
65+	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>36</b>	<b>150</b>	<b>102</b>	<b>49</b>	<b>96</b>	<b>30</b>	<b>8</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>472</b>

## SECTION 7 – Member Statistics

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### INACTIVE AGE DISTRIBUTION

<u>Attained Age</u>	<u>Count</u>
<50	37
50-54	132
55-59	190
60-64	323
65-69	359
70-74	349
75-79	304
80-84	143
85+	97
Total	1,934



# SECTION 8 – Actuarial Assumptions and Funding Methods

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## SECTION 8 – ACTUARIAL ASSUMPTIONS AND FUNDING METHODS

### ACTUARIAL ASSUMPTIONS

Valuation Date	July 1, 2024.
Measurement Date	June 30, 2024.
Fiscal Year End	June 30, 2024.
Rate of Return on Investments	5.75%
Discount Rate	5.75%
Inflation Rate	2.50%
Salary Increases	<p>For purposes of allocating normal costs under the Entry Age Normal (Percent of Pay) cost method, we have used the following salary increase assumptions.</p> <p>5% merit increase for first five years of service, plus cost-of-living adjustments as follows:</p> <p>2024: 3.00% 2025: 3.25% 2026: 3.50% 2027: 3.25% Thereafter: 2.50%</p>
Payroll Growth	<p>For purposes of amortizing the Net OPEB Liability in the ADC calculation, we have assumed payroll will increase by 3.00% per year.</p>

## SECTION 8 – Actuarial Assumptions and Funding Methods

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### Mortality Rates

#### Regular Employees

##### *Healthy*

Pub-2010 General Healthy Headcount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with mortality improvement scale MP-2020. Rates are increased 30% for male retirees and 15% for female retirees.

##### *Disabled*

Pub-2010 General Disabled Retiree Headcount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with mortality improvement scale MP-2020. Rates are increased 20% for males and 15% for females.

#### Sheriffs/Deputies

##### *Healthy*

Pub-2010 Public Safety Healthy Headcount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with mortality improvement scale MP-2020. Rates are increased 30% for male retirees and 5% for female retirees.

##### *Disabled*

Pub-2010 Public Safety Disabled Retiree Headcount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with mortality improvement scale MP-2020. Rates are increased 30% for males and 10% for females.

Rates are based on those outlined in the July 1, 2023 actuarial valuation of the State of Nevada Postretirement Health and Life Insurance Plan.

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## SECTION 8 – Actuarial Assumptions and Funding Methods

### Retirement Rates

The assumed rates of retirement in each year are outlined in the tables below. Rates were developed in conjunction with a study of plan experience from July 1, 2014 through July 1, 2023, conducted in 2023.

<b>Retirement Rates—Hired Prior to January 1, 2010</b>						
<b>Regular Employees</b>						
Age	Service					
	5-9	10-14	15-19	20-24	25-27	28+
45	0.0%	0.3%	0.3%	0.2%	0.9%	36.3%
50	0.5%	1.6%	1.7%	1.3%	3.6%	36.3%
55	2.0%	3.8%	3.0%	5.9%	4.6%	30.5%
60	7.9%	17.3%	19.4%	30.7%	31.6%	26.6%
65	26.5%	28.0%	25.6%	28.8%	22.1%	25.1%
70	29.5%	29.5%	26.9%	32.7%	30.2%	30.2%
75	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

<b>Retirement Rates—Hired Between January 1, 2010 and July 1, 2015</b>						
<b>Regular Employees</b>						
Age	Service					
	5-9	10-14	15-19	20-24	25-27	28+
45	0.0%	0.0%	0.0%	0.0%	0.0%	36.3%
50	0.0%	0.0%	0.0%	0.0%	0.0%	36.3%
55	0.5%	2.5%	2.0%	3.9%	3.1%	30.5%
60	3.1%	6.3%	7.0%	10.2%	12.7%	26.6%
65	25.0%	26.2%	24.0%	27.0%	20.7%	25.1%
70	28.0%	27.5%	25.2%	30.6%	28.3%	30.2%
75	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

<b>Retirement Rates—Hired After July 1, 2015</b>							
<b>Regular Employees</b>							
Age	Service						
	5-9	10-14	15-19	20-24	25-29	30-33	34+
45	0.0%	0.0%	0.0%	0.0%	0.0%	13.1%	36.3%
50	0.0%	0.0%	0.0%	0.0%	0.0%	22.9%	36.3%
55	0.5%	2.3%	1.8%	3.5%	2.7%	27.5%	30.5%
60	2.8%	5.7%	6.3%	9.2%	11.4%	23.9%	26.6%
65	22.5%	23.6%	21.6%	24.2%	18.6%	22.6%	25.1%
70	25.2%	24.7%	22.6%	27.6%	25.4%	27.1%	30.2%
75	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

## SECTION 8 – Actuarial Assumptions and Funding Methods

### Retirement Rates (cont.)

<b>Retirement Rates—Hired Prior to January 1, 2010</b>						
<b>Deputies</b>						
Age	Service					
	5-9	10-14	15-19	20-22	23-24	25+
45	0.0%	1.9%	2.0%	6.5%	37.2%	36.3%
50	4.0%	12.1%	12.7%	29.7%	42.8%	41.7%
55	11.3%	27.5%	22.3%	35.3%	49.1%	38.2%
60	7.9%	28.3%	31.7%	44.3%	59.6%	44.3%
65	29.5%	36.8%	33.7%	52.3%	65.4%	50.3%
70	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

<b>Retirement Rates—Hired Between January 1, 2010 and July 1, 2015</b>						
<b>Deputies</b>						
Age	Service					
	5-9	10-14	15-19	20-24	25-27	28+
45	0.0%	0.0%	0.0%	5.4%	23.8%	36.3%
50	0.0%	5.6%	5.9%	27.9%	39.0%	41.7%
55	7.0%	18.0%	14.6%	33.2%	35.7%	38.2%
60	6.4%	26.6%	29.8%	41.4%	41.5%	44.3%
65	27.5%	34.5%	31.5%	49.1%	47.1%	50.3%
70	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

<b>Retirement Rates—Hired After July 1, 2015</b>						
<b>Deputies</b>						
Age	Service					
	5-9	10-14	15-19	20-24	25-29	30+
45	0.0%	0.0%	0.0%	5.4%	23.8%	36.3%
50	0.0%	5.6%	5.9%	27.9%	39.0%	41.7%
55	7.0%	18.0%	14.6%	33.2%	35.7%	38.2%
60	6.4%	26.6%	29.8%	41.4%	41.5%	44.3%
65	27.5%	34.5%	31.5%	49.1%	47.1%	50.3%
70	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

## SECTION 8 – Actuarial Assumptions and Funding Methods

### Termination Rates

The assumed rates of termination in each year are outlined in the table below. Rates were developed in conjunction with a study of plan experience from July 1, 2014 through July 1, 2023, conducted in 2023.

Termination Rates		
Years of Service	Regular	Deputies
0	11.10%	10.22%
1	9.73%	6.29%
2	7.82%	4.96%
3	6.29%	4.20%
4	5.72%	3.43%
5	5.72%	3.43%
6	5.16%	2.92%
7	4.71%	2.24%
8	4.27%	2.24%
9	4.04%	1.71%
10	4.04%	1.40%
11	3.24%	1.25%
12	2.99%	1.00%
13	2.74%	0.90%
14	2.24%	0.80%
15	2.24%	0.80%
16	2.24%	0.74%
17	2.24%	0.62%
18	2.16%	0.49%
19	2.16%	0.37%
20	2.16%	0.37%
21	2.16%	0.37%
22	2.16%	0.37%
23	2.16%	0.37%
24	2.16%	0.37%
25+	2.16%	0.37%

## SECTION 8 – Actuarial Assumptions and Funding Methods

### Disability Rates

The assumed rates of disability in each year are outlined in the table below.

Disability Rates		
Age	Regular	Deputies
22	0.01%	0.00%
27	0.03%	0.06%
32	0.04%	0.16%
37	0.10%	0.32%
42	0.20%	0.50%
47	0.30%	0.80%
52	0.55%	0.70%
57	0.70%	0.50%
62	0.30%	0.30%
65+	0.00%	0.00%

### Dental Trend Rate

4.00% per year.

### HRA Increase Rate

2.00% per year.

### Healthcare Participation

Retiree medical participation is assumed at the following rates:

Tier 1:	95%
Tier 2:	85%
Tier 3B:	95%
Tier 3A:	15%

100% of retirees under age 65 who have elected medical coverage are assumed to continue with medical enrollment upon attainment of age 65. For Tier 1 retirees, 50% are assumed to elect Medicare coverage at age 65, while 100% of non-Tier 1 retirees are assumed to elect Medicare coverage.

80% of retirees with medical coverage are assumed to elect dental coverage.

15% of retirees who elect medical coverage are assumed to elect spouse coverage. For those records where spouse ages were not provided, female spouses are assumed to be 2 years younger than male spouses.

## SECTION 8 – Actuarial Assumptions and Funding Methods

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### Healthcare Trend Rates

<u>Fiscal Year</u>	<u>Pre-Medicare</u>	<u>Post-Medicare</u>
2024	7.25%	6.25%
2025	7.00%	5.65%
2026	6.75%	5.45%
2027	6.50%	5.25%
2028	6.20%	5.05%
2029	5.60%	4.85%
2030	5.05%	4.65%
2031-2037	4.45%	4.45%
2038-2039	4.35%	4.35%
2040	4.30%	4.30%
2041-2043	4.25%	4.25%
2044-2046	4.20%	4.20%
2047-2049	4.15%	4.15%
2050-2054	4.10%	4.10%
2055-2060	4.05%	4.05%
2061-2065	4.00%	4.00%
2066	3.90%	3.90%
2067	3.85%	3.85%
2068	3.80%	3.80%
2069	3.75%	3.75%
2070	3.70%	3.70%
2071	3.65%	3.65%
2072	3.60%	3.60%
2073	3.55%	3.55%
2074	3.50%	3.50%
2075+	3.45%	3.45%

The above rates reflect actual premium increases and recent healthcare trend rate surveys, blended with the long-term rates from the Getzen model published by the Society of Actuaries.

### Medical Aging Factors

Developed based on a study performed by Dale Yamamoto for the Society of Actuaries. Used to measure the annual increases in per capita claim costs for each age and relative cost by gender. See the SOA report titled “Health Care Costs – From Birth to Death” for more details.

### Funding Method

Entry Age Cost Method (Level Percentage of Pay).

## SECTION 8 – Actuarial Assumptions and Funding Methods

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### DISCUSSION OF CENSUS DATA AND ASSUMPTIONS

1. Census Data – We received July 1, 2024 census data from County personnel. We did not perform an audit of the data. We did review the information provided for consistency and reasonableness.
2. Health Premiums and Enrollment Data – The County’s personnel office provided medical plan cost information for fiscal year 2024.
3. Actuarial Assumptions and Methods –
  - a. Demographic Assumptions
    - i. Mortality rates are the most recent released public sector mortality tables released by the Society of Actuaries in January 2019. They align with the rates assumed in the July 1, 2023 actuarial valuation of the State of Nevada Postretirement Health and Life Insurance Plan. We feel this assumption sufficiently accommodates future mortality improvements.
    - ii. Retirement rates, termination and disability rates are deemed reasonable and will continue to be monitored to ensure they capture plan experience. They are based on an experience study performed in 2023.
    - iii. The participation rate and spousal coverage election percentage are the same as the previous valuation. They are deemed reasonable and will continue to be monitored.
  - b. Other Assumptions
    - i. Health care inflation rates reflect recent healthcare trend rate surveys, blended with the long-term rates from the Getzen model published by the Society of Actuaries.
  - c. Cost Method - The valuation results were calculated using the Entry Age cost method. This is the required cost method under the GASB 74/75 standards.



## SECTION 9 – Summary of Plan Provisions

### SECTION 9 – SUMMARY OF PLAN PROVISIONS

#### Eligibility

Employees who are vested in the Nevada Public Employees Retirement System (PERS), have a minimum of five or more years of service credit, and immediately draw their PERS benefit upon retirement with Washoe County are eligible for benefits through the RHBP.

Retiree health benefits are provided under three contribution tiers:

#### Tier 1

Employees hired before certain dates in 1997/1998 receive the following benefit:

- With 10 or more years of service: The County will pay 50% of the monthly premium.
- With 15 or more years of service: The County will pay 75% of the monthly premium.
- With 20 or more years of service: The County will pay 100% of the monthly premium.

#### Tier 2

Employees hired after certain dates in 1997/1998 through June 2010 receive a subsidy amount based on years of service with Washoe County and their age. Enrollment in Medicare Parts A and B is required upon reaching age 65.

Tier 2 Subsidy Amounts		
Years of Service	Age	
	<65	65+
5	\$ 132.00	\$ 73.00
6	\$ 173.00	\$ 88.00
7	\$ 211.00	\$ 103.00
8	\$ 251.00	\$ 117.00
9	\$ 291.00	\$ 131.00
10	\$ 329.00	\$ 146.00
11	\$ 368.00	\$ 162.00
12	\$ 406.00	\$ 177.00
13	\$ 446.00	\$ 190.00
14	\$ 487.00	\$ 205.00
15	\$ 525.00	\$ 219.00
16	\$ 565.00	\$ 235.00
17	\$ 604.00	\$ 249.00
18	\$ 642.00	\$ 264.00
19	\$ 683.00	\$ 278.00
20+	\$ 722.00	\$ 294.00

## SECTION 9 – Summary of Plan Provisions

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### Tier 3

Deputies hired after June 30, 2010 with 20 years of continuous service (Tier 3B) will receive the Tier 2 subsidy. Enrollment in Medicare Parts A and B is required upon reaching age 65.

All other employees hired after June 30, 2010 (Tier 3A) are required to pay 100% of the premium upon retirement. Enrollment in Medicare Parts A and B is required upon reaching age 65.

Deputies enrolled the High Deductible Health Plan (HDHP) with a Health Reimbursement Account (HRA) shall receive any overage difference between the subsidy and the Retiree Only premium in their HRA.

### **Benefits Provided**

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#### Medical

Identical benefits as provided to active employees. Retirees can elect coverage under either one of the two self-funded group health plans (PPO or HDHP) or the Surest Plan. Effective January 1, 2024, the Surest Plan replaced the HMO Health Plan. Medicare eligible retirees may also choose the Senior Care Plus Medicare Advantage Plan. The group health plans have full coordination with Medicare.

#### Prescription Drug

Identical benefits as provided to active employees.

#### Vision

Identical benefits as provided to active employees.

#### Dental

Retirees have the option to retain dental benefits upon retirement, with the retiree paying the full premium.

#### Life Insurance

Life insurance is provided to retirees who are enrolled in any health care plan. Under age 65, the benefit is \$20,000. Between ages 65 and 69 the benefit is \$13,000. After age 65, the benefit is \$7,000.

Life insurance for eligible dependents is \$1,000.

## APPENDIX 1 – Fiduciary Net Position

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### APPENDIX 1 – FIDUCIARY NET POSITION

#### STATEMENT OF FIDUCIARY NET POSITION June 30, 2024

<b>Assets</b>		<b>Market Value</b>
Cash and investments	\$	386,546,019
Interest Receivable		1,702
Total Assets		<u>386,547,721</u>
<b>Liabilities</b>		
Accounts payable - benefit reimbursements to employers		6,871,026
Accounts payable - others		3,960
Total Liabilities		<u>6,874,986</u>
<b>Net Position Restricted for</b>		
<b>Other Postemployment Benefits</b>	\$	<u><u>379,672,735</u></u>

## APPENDIX 1 – Fiduciary Net Position

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STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2024  
Market Value Basis

**Additions**

Contributions:

Employer Contributions	\$ 18,249,364
Federal Government Payments	542,037

Total Contributions 18,791,401

Investment Income:

Net increase in fair value of investments	40,696,495
Interest & Dividends	8,765,096
Less Investment Expense	(106,723)

Net Investment Income 49,354,868

Total Additions 68,146,269

**Deductions**

Benefit payments, net	23,294,655
Administrative Expense	43,936

Total Deductions 23,338,591

Change in Plan Net Position 44,807,678

**Net Position Restricted for  
Other Postemployment Benefits**

Beginning of the Year 334,865,057

End of the Year \$ 379,672,735

## APPENDIX 2 – Asset Depletion Date Projection

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### APPENDIX 2 – ASSET DEPLETION DATE PROJECTION

Under GASB 74 and 75 standards, the long-term expected rate of return on investments may be used to discount liabilities only to the extent that the plan's fiduciary net position and expected future contributions are projected to be sufficient to cover expected benefit payments and expenses for current plan members. A 20-year high-quality (AA/Aa or higher) tax-exempt municipal bond rate must be used to discount benefit payments for periods when the fiduciary net position is not projected to cover benefit payments and expenses. Plans that are projected to reach a point where assets are not sufficient to cover benefit payments are required to use a blended single equivalent discount rate, with the long-term rate of return on investments used in periods that the benefit payments are expected to be fully funded, and the bond rate described above for periods in which the benefit payments will be not be fully funded.

GASB Statements 74 and 75 will sometimes require that the actuary perform complex projections of future benefit payments and asset values for purposes of determining the blended discount rate for pre-funded OPEB plans. However, GASB does allow the actuary to apply professional judgement in cases where the plan is reasonably expected to be fully funded in all future years, based on the plan provisions and population in place at the measurement date.

It is our understanding that Washoe County intends to contribute the Actuarially Determined Contribution to the fund each year. This stated policy aligns with the contribution history of the plan. In determining the Actuarially Determined Contribution, the amortization period of the Net OPEB Liability is based on a closed period, decreasing each year. Based on these circumstances, it is our professional opinion that the fiduciary net position is expected to be sufficient to cover future benefit payments and expenses, and therefore the long-term expected rate of return on investments is the single equivalent discount rate that should be used to discount liabilities.



WASHOE COUNTY – PUBLIC EMPLOYEES BENEFIT PLAN (PEBP)  
OTHER POSTEMPLOYMENT BENEFITS PLAN

GASB 74 DISCLOSURES FOR THE PLAN  
PLAN/FISCAL YEAR ENDING JUNE 30, 2024

GASB 75 DISCLOSURES FOR THE EMPLOYER  
PLAN/FISCAL YEAR ENDING JUNE 30, 2025

Valuation Date: July 1, 2024  
Measurement Date: June 30, 2024



December 9, 2024

Washoe County  
1001 East Ninth Street  
Reno, Nevada 89512

Re: Washoe County Public Employees Benefit Plan (“PEBP”) –  
GASB 74/75 Actuarial Valuation as of July 1, 2024

We are pleased to present to Washoe County this report of the annual actuarial valuation of the County’s Other Postemployment Benefits (OPEB) Program for the former County employees who are enrolled in the Nevada Public Employees Benefit Plan (“PEBP”). This valuation was performed to determine annual expenses associated with providing OPEB benefits, the current funded status of the Plan, and to provide all necessary schedules required to comply with the Governmental Accounting Standards Board Nos. 74 and 75. The additional schedules related to the Governmental Accounting Standards Board No. 74 can be found in Appendix 1.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. Retiree group benefits models necessarily rely on the use of approximations and estimates and are sensitive to changes in these approximations and estimates. Small variations in these approximations and estimates may lead to significant changes in actuarial measurements. Due to the limited scope of this report, we did not provide an analysis of these potential differences.

The funded status measurements included in this report are based on the assumptions and methods used to determine the Plan’s obligations and asset values as of the Measurement Date. Funded status measurements for financial accounting purposes may not be appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plan’s benefit obligations. Likewise, funded status measurements for financial accounting purposes may not be appropriate for assessing the need for or the amount of future actuarially determined contributions.

Foster & Foster does not provide legal, investment or accounting advice. Thus, the information in this report is not intended to supersede or supplant the advice or the interpretations of the County or its affiliated legal, investing or accounting partners.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects all applicable federal laws and regulations. In our opinion, the assumptions used in this valuation, as adopted by the County, represent reasonable expectations of anticipated plan experience.

In performing the analysis, we used third-party software to model (calculate) the underlying liabilities and costs. These results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models to generate the costs. All internally developed models are reviewed as part of the process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

In conducting the valuation, we have relied on personnel and plan design information supplied by the County, and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. Because of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

The Total OPEB liability, Net OPEB Liability, and certain sensitivity information shown in this report are based on an actuarial valuation performed as of July 1, 2024. It is our opinion that the assumptions used for this purpose are internally consistent, reasonable, and comply with the requirements under GASB No. 74 and GASB No. 75.



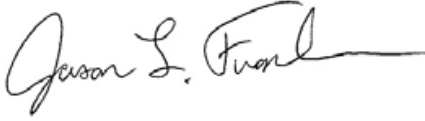
The undersigned is familiar with the immediate and long-term aspects of OPEB valuations and meets the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All the sections of this report are considered an integral part of the actuarial opinions.


To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in Washoe County, nor does anyone at Foster & Foster, Inc. act as a member of the Board of County Commissioners of Washoe County. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact us at 239-433-5500.

Respectfully submitted,

Foster & Foster, Inc.

By:   
Jason L. Franken, FSA, EA, MAAA

By:   
Colleen M. Atchison, FSA, MAAA

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# SECTION 1 – Executive Summary

## SECTION 1 – EXECUTIVE SUMMARY

The valuation results presented in this report have been prepared in accordance with the Government Accounting Standards Board Statement 75 (GASB 75) for Washoe County’s PEBP Post-Retirement Health Benefits plan, which is an Other Postemployment Benefits (OPEB) Program, based on the actuarial valuation performed as of July 1, 2024.

The results of this valuation are based on a Measurement Date of June 30, 2024. The following table shows the key components of the County’s OPEB valuation for FY 2024 under GASB 74 and for FY 2025 under GASB 75:

Measurement Date	6/30/2024	6/30/2023
Total OPEB Liability as of the Measurement Date	\$ 3,090,219	\$ 3,105,607
Plan Fiduciary Net Position as of the Measurement Date	2,903,412	2,762,094
Sponsor's Net OPEB Liability as of the Measurement Date	<u>\$ 186,807</u>	<u>\$ 343,513</u>
Funded Ratio	93.95%	88.94%
OPEB Expense For the Fiscal Year	\$ (13,261)	\$ (1,406)
End of Year Actuarially Determined Contribution (ADC)	\$ 17,511	\$ 31,133
Census Information as of the Valuation Date		
Active Participants	0	0
Retirees, Beneficiaries, and Disabled Members	269	278
Total Participants	<u>269</u>	<u>278</u>
Valuation Date	7/1/2024	7/1/2022
Measurement Date	6/30/2024	6/30/2023
GASB 74 Reporting Date	6/30/2024	6/30/2023
GASB 75 Reporting Date	6/30/2025	6/30/2024
Discount Rate	5.75%	5.75%

## SECTION 1 – Executive Summary

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### *Notes on the Valuation:*

The following changes have been made since the prior valuation:

- Foster & Foster was retained as the plan actuary.
- Census data and trust information as of July 1, 2024 was provided by the County.
- Health care inflation rates have been updated to reflect recent healthcare trend rate surveys, blended with the Getzen model published by the Society of Actuaries.

### *County's Funding Policy:*

The numbers shown above reflect a decision to fund the program. The County has historically made trust contributions equal to the prior year's Actuarially Determined Contribution.

## SECTION 1 – Executive Summary

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*Governmental Accounting Standard No. 75:*

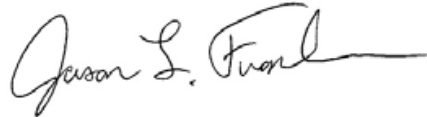
GASB 75 requires governmental employers to recognize the Net OPEB Liability and the OPEB expense in their financial statements, along with the related deferred outflows and inflows of resources. GASB 75 is similar to GASB 68 for pensions. Under GASB 75, the Net OPEB Liability is the difference between the Total OPEB Liability (i.e. Actuarial Accrued Liability) and the Plan's Fiduciary Net Position (i.e. assets). For unfunded plans, the OPEB liability recorded on the employer's balance sheet is equal to the Total OPEB Liability.

The balance of this Report presents additional details of the actuarial valuation and the general operation of the Fund. The undersigned would be pleased to meet with the County in order to discuss the Report and any pending questions concerning its contents.

Respectfully submitted,

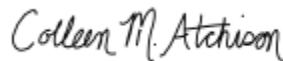
FOSTER & FOSTER, INC.

By:



Jason L. Franken, FSA, EA, MAAA

By:



Colleen M. Atchison, FSA, MAAA

# SECTION 2 – Notes to Financial Statements

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## SECTION 2 – NOTES TO THE FINANCIAL STATEMENTS (For the Year Ended June 30, 2024)

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Postemployment Benefits Other Than Pensions (OPEB):*

For purposes of measuring the net OPEB Liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of Washoe County's PEBP post-retirement health benefits plan (Plan) and additions to/ deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

### GENERAL INFORMATION ABOUT THE OPEB PLAN

#### *Plan Description:*

The Washoe County PEBP post-retirement health benefits plan (Plan) is reported as a single employer defined benefit postemployment health care plan that covers eligible retired employees and their spouses. The Plan allows employees who retire or become disabled and meet retirement eligibility requirements under the Plan to continue medical coverage as a participant in the County's plan.

*Employees covered by benefit terms. At July 1, 2024, the following employees were covered by the benefit terms:*

Inactive Plan Members, or Beneficiaries Currently Receiving Benefits	269
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	-
Active Plan Members	-
	<hr/>
	269
	<hr/> <hr/>

#### *Benefits Provided:*

Under Nevada State Law, the County is required to pay a portion of monthly premiums for former County employees who retired and enrolled in the State PEBP health plan pool for local government agencies.

## SECTION 2 – Notes to Financial Statements

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### NET OPEB LIABILITY

The measurement date is June 30, 2024.

The measurement period for the OPEB expense was July 1, 2023 to June 30, 2024.

The reporting period for GASB 74 is July 1, 2023 to June 30, 2024. The reporting period for GASB 75 is July 1, 2024 to June 30, 2025.

The County's Net OPEB Liability was measured as of June 30, 2024. The Total OPEB Liability used to calculate the Net OPEB Liability was determined as of that date.

#### *Actuarial Assumptions:*

The Total OPEB Liability was determined by an actuarial valuation as of July 1, 2024 using the following actuarial assumptions:

Inflation Rate	2.50%
Salary Increase Rate(s)	Varies by Year
Discount Rate	5.75%
Initial Medical Trend Rate	7.25%
Ultimate Medical Trend Rate	3.45%
Years to Ultimate Medical Trend Rate	51
Investment Rate of Return	5.75%

All mortality rates were based on the PubG-2010 Headcount-Weighted (Above-Median) General mortality tables, increased by 30% for males and 15% for females, projected generationally with Scale MP-2020.

#### *Discount Rate:*

The discount rate used to measure the Total OPEB Liability was 5.75%. The projection of cash flows used to determine the discount rate assumed that Plan contributions will be made at rates equal to the actuarially determined contribution rates. Based on these assumptions, the 5.75% discount rate is the single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the total of the actuarial present values determined in conformity with GASB Statements No. 74/75.

## SECTION 2 – Notes to Financial Statements

### CHANGES IN NET OPEB LIABILITY

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a)-(b)
Balance as of June 30, 2023	\$ 3,105,607	\$ 2,762,094	\$ 343,513
Changes for the Year:			
Service Cost	-	-	-
Interest	172,120	-	172,120
Differences Between Expected and Actual Experience	(10,788)	-	(10,788)
Changes of Assumptions	50,869	-	50,869
Changes of Benefit Terms	-	-	-
Explicit Contributions - Employer	-	42,565	(42,565)
Explicit Contributions - Employee	-	-	-
Net Investment Income	-	350,278	(350,278)
Benefit Payments	(227,589)	(227,589)	-
Administrative Expense	-	(23,936)	23,936
Other Changes	-	-	-
Net Changes	(15,388)	141,318	(156,706)
Balance as of June 30, 2024	\$ 3,090,219	\$ 2,903,412	\$ 186,807

Differences Between Expected and Actual Experience reflects the impact of changes to the census data from the prior valuation to the valuation as of July 1, 2024.

Changes of Assumptions reflect updated health care cost trend rates.



## SECTION 2 – Notes to Financial Statements

---

### *Sensitivity of the Net OPEB Liability to changes in the Discount Rate:*

The following presents the Net OPEB Liability of the plan, as well as what the plan's Net OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease 4.75%	Current Discount Rate 5.75%	1% Increase 6.75%
Net OPEB Liability (asset)	\$ 453,618	\$ 186,807	\$ (43,580)

### *Sensitivity of the Net OPEB Liability to changes in the Healthcare Cost Trend Rates:*

The following presents the Net OPEB Liability of the plan, as well as what the plan's Net OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease 2.45% - 6.25%	Healthcare Cost Trend Rates 3.45% - 7.25%	1% Increase 4.45% - 8.25%
Net OPEB Liability (asset)	\$ (47,132)	\$ 186,807	\$ 453,018

### *OPEB Plan Fiduciary Net Position:*

Detailed information about the OPEB Plan's Fiduciary Net Position is available in a separately issued Plan financial report.

## SECTION 3 – GASB 75 Disclosure Schedules

### SECTION 3 – GASB 75 DISCLOSURE SCHEDULES

#### OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended June 30, 2025, the County will recognize OPEB Expense/(Revenue) of (\$13,261).

At June 30, 2025, the County will report Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Differences Between Expected and Actual Experience	\$ -	\$ -
Changes of Assumptions	-	-
Net difference between Projected and Actual Earnings on OPEB Plan investments	-	190,185
Employer Contributions Subsequent to the Measurement Date	31,133	-
Total	<u>\$ 31,133</u>	<u>\$ 190,185</u>

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB will be recognized in OPEB Expense as follows:

Year ended June 30:	
2026	\$ (91,881)
2027	16,548
2028	(75,359)
2029	(39,493)
2030	-
Thereafter	-
Total	<u>\$ (190,185)</u>

## SECTION 3 – GASB 75 Disclosure Schedules

### SCHEDULE OF CHANGES IN THE COUNTY'S NET OPEB LIABILITY AND RELATED RATIOS

Plan Reporting Period Ending Measurement Date	06/30/2024 06/30/2024	06/30/2023 06/30/2023
<b>Total OPEB Liability</b>		
Service Cost	\$ -	\$ -
Interest	172,120	175,652
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	(10,788)	-
Changes of Assumptions	50,869	-
Benefit Payments	(227,589)	(246,266)
Net Change in Total OPEB Liability	(15,388)	(70,614)
Total OPEB Liability - Beginning	3,105,607	3,176,221
Total OPEB Liability - Ending (a)	\$ 3,090,219	\$ 3,105,607
<b>Plan Fiduciary Net Position</b>		
Contributions - Employer	\$ 42,565	\$ 23,459
Contributions - Employee	-	-
Net Investment Income	350,278	326,845
Benefit Payments	(227,589)	(246,266)
Administrative Expense	(23,936)	(33,788)
Other	-	-
Net Change in Plan Fiduciary Net Position	141,318	70,250
Plan Fiduciary Net Position - Beginning	2,762,094	2,691,844
Plan Fiduciary Net Position - Ending (b)	\$ 2,903,412	\$ 2,762,094
<b>Sponsor's Net OPEB Liability - Ending (a) - (b)</b>	\$ 186,807	\$ 343,513
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	93.95%	88.94%

Note: Prior year results were developed by the prior actuary.

## SECTION 3 – GASB 75 Disclosure Schedules

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### DEVELOPMENT OF ACTUARIALLY DETERMINED CONTRIBUTION

<u>For the Fiscal Year Ending</u>	<u>06/30/2025</u>	<u>06/30/2024</u>
Service Cost	\$ -	-
Amortization Period (in years)	17	18
Amortization of Net OPEB Liability	17,511	31,133
	<hr/>	<hr/>
Actuarially Determined Contribution (ADC)	<u>\$ 17,511</u>	<u>\$ 31,133</u>

*Notes to Schedule:*

Actuarially determined contribution rates shown above are calculated as of the beginning of the plan/fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates are the same as those found in Section 7 of this report.

The Net OPEB Liability is being amortized as a level dollar amount over 30 years on a “closed” basis since June 30, 2011. The remaining amortization period as of June 30, 2024 is 17 years.

## SECTION 4 – GASB 75 Expense

### SECTION 4 – GASB 75 OPEB EXPENSE

#### COMPONENTS OF OPEB EXPENSE

Fiscal Year Ending June 30, 2025

	Net OPEB Liability	Deferred Inflows	Deferred Outflows	OPEB Expense
Beginning balance	\$ 343,513	\$ 89,305	\$ 42,565	\$ -
Employer Contributions made after June 30, 2024	-	-	31,133	-
Total OPEB Liability Factors:				
Service Cost	-	-	-	-
Interest	172,120	-	-	172,120
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	(10,788)	10,788	-	-
Current year amortization of experience difference	-	(10,788)	-	(10,788)
Change in assumptions about future economic or demographic factors or other inputs	50,869	-	50,869	-
Current year amortization of change in assumptions	-	-	(50,869)	50,869
Explicit Benefit Payments	(227,589)	-	-	-
Net change	(15,388)	-	31,133	212,201
Plan Fiduciary Net Position:				
Explicit Contributions - Employer	42,565	-	(42,565)	-
Explicit Contributions - Employee	-	-	-	-
Expected Net Investment Income	152,813	-	-	(152,813)
Difference between projected and actual earnings on OPEB	-	-	-	-
Plan investments	197,465	197,465	-	-
Current year amortization	-	(188,496)	(91,911)	(96,585)
Explicit Benefit Payments	(227,589)	-	-	-
Administrative Expenses	(23,936)	-	-	23,936
Other	-	-	-	-
Net change	141,318	8,969	(134,476)	(225,462)
Ending Balance	\$ 186,807	\$ 98,274	\$ (60,778)	\$ (13,261)

## SECTION 5 – GASB 75 Amortization Schedules

### SECTION 5 – GASB 75 AMORTIZATION SCHEDULES

#### AMORTIZATION SCHEDULE – DUE TO RECOGNITION OF THE DIFFERENCES BETWEEN PROJECTED AND ACTUAL EARNINGS ON TRUST INVESTMENTS

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Differences between  
Projected and Actual Earnings on OPEB Plan Investments

Measurement Year	Differences Between Projected and Actual Earnings on OPEB Plan Investments		Recognition Period (Years)									
			2025	2026	2027	2028	2029	2030	2031			
2019	\$	(31,245)	5.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020		(23,502)	5.00	(4,702)	-	-	-	-	-	-	-	-
2021		(542,163)	5.00	(108,433)	(108,431)	-	-	-	-	-	-	-
2022		459,553	5.00	91,911	91,911	91,909	-	-	-	-	-	-
2023		(179,338)	5.00	(35,868)	(35,868)	(35,868)	(35,866)	-	-	-	-	-
2024		(197,465)	5.00	(39,493)	(39,493)	(39,493)	(39,493)	(39,493)	-	-	-	-
Net Increase (Decrease) in OPEB Expense				\$ (96,585)	\$ (91,881)	\$ 16,548	\$ (75,359)	\$ (39,493)	\$ -	\$ -	\$ -	\$ -

## SECTION 5 – GASB 75 Amortization Schedules

### AMORTIZATION SCHEDULE – DUE TO RECOGNITION OF THE EFFECTS OF ASSUMPTION CHANGES

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Changes of Assumptions

Measurement Year	Assumption Changes	Recognition Period (Years)	2025	2026	2027	2028	2029	2030	2031
2024	\$ 50,869	1.00	\$ 50,869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in OPEB Expense			\$ 50,869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

## SECTION 5 – GASB 75 Amortization Schedules

### AMORTIZATION SCHEDULE – DUE TO DIFFERENCES BETWEEN EXPECTED AND ACTUAL EXPERIENCE

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Differences between  
Expected and Actual Experience

Measurement Year	Differences Between		Recognition Period (Years)	Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience							
	Expected	Actual		2025	2026	2027	2028	2029	2030	2031	
2024	\$	(10,788)	1.00	\$ (10,788)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in OPEB Expense				\$ (10,788)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



## SECTION 6 – Member Statistics

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### SECTION 6 – MEMBER STATISTICS

#### STATISTICAL DATA

	<u>6/30/2024</u>
Number of Inactives	
Under 65	30
Over 65	239
Total	<u>269</u>
Average Current Ages	
Under 65	59.0
Over 65	76.9
Total	<u>74.9</u>
Average Monthly Benefit	
Under 65	\$ 142.49
Over 65	63.17
Total	<u>\$ 72.02</u>

## SECTION 6 – Member Statistics

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### AGE DISTRIBUTION

Inactive Members June 30, 2024	
Attained Age	Count
<50	2
50-54	2
55-59	13
60-64	13
65-69	24
70-74	88
75-79	65
80-84	35
85+	27
Total	269

## SECTION 7 – Actuarial Assumptions and Funding Methods

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### SECTION 7 – ACTUARIAL ASSUMPTIONS AND FUNDING METHODS

#### ACTUARIAL ASSUMPTIONS

<u>Valuation Date</u>	July 1, 2024.
<u>Measurement Date</u>	June 30, 2024.
<u>Employer Reporting Period Fiscal Year End</u>	June 30, 2025.
<u>Actuarial Value of Assets</u>	Market Value.
<u>Discount Rate</u>	5.75%.
<u>Investment Return</u>	5.75%.
<u>Mortality Rates</u>	PubG-2010 Mortality Tables, for General employees, Headcount-weighted, Above-Median Income, increased 30% for males and 15% for females, projected generationally with Scale MP-2020.
<u>Post-Medicare Costs</u>	Post-Medicare costs are assumed to be 40% of pre-Medicare costs, based on observed experience.
<u>Actuarial Cost Method</u>	Entry Age Normal (Level Percentage of Pay).

## SECTION 7 – Actuarial Assumptions and Funding Methods

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### Health Care Inflation

<b>Fiscal Year</b>	<b>Pre-Medicare</b>	<b>Post-Medicare</b>
2024	7.25%	6.25%
2025	7.00%	5.65%
2026	6.75%	5.45%
2027	6.50%	5.25%
2028	6.20%	5.05%
2029	5.60%	4.85%
2030	5.05%	4.65%
2031-2037	4.45%	4.45%
2038-2039	4.35%	4.35%
2040	4.30%	4.30%
2041-2043	4.25%	4.25%
2044-2046	4.20%	4.20%
2047-2049	4.15%	4.15%
2050-2054	4.10%	4.10%
2055-2060	4.05%	4.05%
2061-2065	4.00%	4.00%
2066	3.90%	3.90%
2067	3.85%	3.85%
2068	3.80%	3.80%
2069	3.75%	3.75%
2070	3.70%	3.70%
2071	3.65%	3.65%
2072	3.60%	3.60%
2073	3.55%	3.55%
2074	3.50%	3.50%
2075+	3.45%	3.45%

The above rates reflect actual premium increases and recent healthcare trend rate surveys, blended with the long-term rates from the Getzen model published by the Society of Actuaries.

## SECTION 7 – Actuarial Assumptions and Funding Methods

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### DISCUSSION OF CENSUS DATA AND ASSUMPTIONS

1. Census Data – We received July 1, 2024 census data from County personnel. We did not perform an audit of the data. We did review the information provided for consistency and reasonableness.
2. Health Premiums and Enrollment Data – The County’s personnel office provided medical plan cost information for fiscal year 2024.
3. Actuarial Assumptions and Methods –
  - a. Demographic Assumptions
    - i. Mortality rates are the most recent released public sector mortality tables released by the Society of Actuaries in January 2019. They align with the rates assumed in the July 1, 2023 actuarial valuation of the State of Nevada Postretirement Health and Life Insurance Plan. We feel this assumption sufficiently accommodates future mortality improvements.
  - b. Other Assumptions
    - i. Health care inflation rates reflect recent healthcare trend rate surveys, and reflect the Getzen study as published by the Society of Actuaries.
    - ii. The discount rate as of the measurement date is the same as the prior valuation, and is deemed reasonable.
  - c. Cost Method - The valuation results were calculated using the Entry Age cost method. This is the required cost method under the GASB 74/75 standards.

## SECTION 8 – Summary of Plan Provisions

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### SECTION 8 – SUMMARY OF PLAN PROVISIONS

Under Nevada State Law, the County is required to pay a portion of monthly premiums for former County employees who retired and enrolled in the State Public Employees Benefit Plan (PEBP) health plan pool for local government agencies.

Effective September 1, 2008, no employees who retired from the County on or after that date are eligible to participate in the PEBP plan as a retiree at the County's expense. However, former County employees who transfer to State employment and retire directly from the State may retire under the PEBP plan, and the County may be responsible for a pro-rata share of the subsidy based on service with the County.

The County has provided us with monthly amounts payable to the PEBP for each retiree as of July 1, 2024. The results in this valuation reflect the retirees provided to us by the County. We have assumed that the County will not have any obligation for PEBP premiums for any future retirees not included in this listing.

# APPENDIX 1 – Additional GASB 74 Disclosures

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## APPENDIX 1 – ADDITIONAL GASB 74 DISCLOSURES

### STATEMENT OF FIDUCIARY NET POSITION June 30, 2024

<b>Assets</b>		<b>Market Value</b>
Cash and investments	\$	2,959,425
Interest Receivable		331
Total Assets		<u>2,959,756</u>
<b>Liabilities</b>		
Accounts payable - benefit reimbursements to employers		56,344
Accounts payable - others		-
Total Liabilities		<u>56,344</u>
<b>Net Position Restricted for Other Postemployment Benefits</b>	\$	<u>2,903,412</u>

## APPENDIX 1 – Additional GASB 74 Disclosures

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STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2024  
Market Value Basis

**Additions**

Contributions:

Employer Contributions	\$	42,565
Federal Government Payments		-

Total Contributions		<u>42,565</u>
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Investment Income:

Net increase in fair value of investments		281,678
Interest & Dividends		69,451
Less Investment Expense		(851)

Net Investment Income		<u>350,278</u>
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Total Additions		<u>392,843</u>
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**Deductions**

Benefit payments, net		227,589
Administrative Expense		23,936

Total Deductions		<u>251,525</u>
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Change in Plan Net Position		141,318
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**Net Position Restricted for  
Other Postemployment Benefits**

Beginning of the Year		2,762,094
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End of the Year	\$	<u><u>2,903,412</u></u>
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## APPENDIX 2 – Asset Depletion Date Projection

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### APPENDIX 2 – ASSET DEPLETION DATE PROJECTION

Under GASB 74 and 75 standards, the long-term expected rate of return on investments may be used to discount liabilities only to the extent that the plan's fiduciary net position and expected future contributions are projected to be sufficient to cover expected benefit payments and expenses for current plan members. A 20-year high-quality (AA/Aa or higher) tax-exempt municipal bond rate must be used to discount benefit payments for periods when the fiduciary net position is not projected to cover benefit payments and expenses. Plans that are projected to reach a point where assets are not sufficient to cover benefit payments are required to use a blended single equivalent discount rate, with the long-term rate of return on investments used in periods that the benefit payments are expected to be fully funded, and the bond rate described above for periods in which the benefit payments will be not be fully funded.

GASB Statements 74 and 75 will sometimes require that the actuary perform complex projections of future benefit payments and asset values for purposes of determining the blended discount rate for pre-funded OPEB plans. However, GASB does allow the actuary to apply professional judgement in cases where the plan is reasonably expected to be fully funded in all future years, based on the plan provisions and population in place at the measurement date.

It is our understanding that Washoe County intends to contribute the Actuarially Determined Contribution to the fund each year. This stated policy aligns with the contribution history of the plan. In determining the Actuarially Determined Contribution, the amortization period of the Net OPEB Liability is based on a closed period, decreasing each year. Based on these circumstances, it is our professional opinion that the fiduciary net position is expected to be sufficient to cover future benefit payments and expenses, and therefore the long-term expected rate of return on investments is the single equivalent discount rate that should be used to discount liabilities.



TRUCKEE MEADOWS FIRE PROTECTION DISTRICT (TMFPD)  
OTHER POSTEMPLOYMENT BENEFITS PROGRAM

GASB 74 DISCLOSURES FOR THE PLAN  
FISCAL YEAR ENDING JUNE 30, 2024

GASB 75 DISCLOSURES FOR THE EMPLOYER  
FISCAL YEAR ENDING JUNE 30, 2025

Valuation Date: July 1, 2024  
Measurement Date: June 30, 2024



December 23, 2024

Cindy Vance  
Chief Fiscal Officer  
Truckee Meadows Fire Protection District  
3663 Barron Way  
Reno, Nevada 89511

Re: Truckee Meadows Fire Protection District (“TMFPD”) –  
GASB 74/75 Actuarial Valuation as of July 1, 2024

We are pleased to present to TMFPD this report of the annual actuarial valuation of the Truckee Meadows Fire Protection District (TMFPD) Retiree Group Medical Plan (“Plan”). This valuation was performed to determine annual expenses associated with providing OPEB benefits, the current funded status of the Plan, and to provide all necessary schedules required to comply with the Governmental Accounting Standards Board Nos. 74 and 75.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. Due to the limited scope of this report, we did not provide an analysis of these potential differences.

The funded status measurements included in this report are based on the assumptions and methods used to determine the Plan’s obligations and asset values as of the Measurement Date. Funded status measurements for financial accounting purposes may not be appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plan’s benefit obligations. Likewise, funded status measurements for financial accounting purposes may not be appropriate for assessing the need for or the amount of future actuarially determined contributions.

Foster & Foster does not provide legal, investment or accounting advice. Thus, the information in this report is not intended to supersede or supplant the advice or the interpretations of TMFPD or its affiliated legal, investing or accounting partners.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects all applicable federal laws and regulations. In our opinion, the assumptions used in this valuation, as adopted by TMFPD, represent reasonable expectations of anticipated plan experience.

In performing the analysis, we used third-party software to model (calculate) the underlying liabilities and costs. These results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models to generate the costs. All internally developed models are reviewed as part of the process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

In conducting the valuation, we have relied on personnel and plan design information supplied by TMFPD personnel, and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. Because of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

The total OPEB liability and certain sensitivity information shown in this report are based on an actuarial valuation performed as of July 1, 2024. It is our opinion that the assumptions used for this purpose are internally consistent, reasonable, and comply with the requirements under GASB No.74 and GASB No. 75.

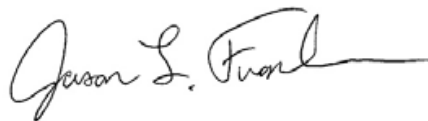
The undersigned are familiar with the immediate and long-term aspects of OPEB valuations and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All the sections of this report are considered an integral part of the actuarial opinions.

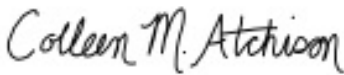
To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in TMFPD, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Fire Commissioners of TMFPD. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact us at 239 433-5500.

Respectfully submitted,

Foster & Foster, Inc.

By:   
Jason L. Franken, FSA, EA, MAAA

By:   
Colleen M. Atchison, FSA, MAAA

By:   
Gavin Waite, FSA, CERA, MAAA

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## SECTION 1 – Executive Summary

### SECTION 1 – EXECUTIVE SUMMARY

The valuation results presented in this report have been prepared in accordance with the Government Accounting Standards Board Statement 75 (GASB 75) for TMFPD’s Retiree Group Medical plan, which is an Other Postemployment Benefits (OPEB) Program, based on the actuarial valuation performed as of July 1, 2024.

The results of this valuation are based on a Measurement Date of June 30, 2024 and are applicable to TMFPD’s fiscal year ending June 30, 2025. The following table shows the key components of the TMFPD’s OPEB valuation for FY 2025 under GASB 75:

Measurement Date	6/30/2024	6/30/2023
Total OPEB Liability as of the Measurement Date	\$ 18,638,349	\$ 17,628,956
Plan Fiduciary Net Position as of the Measurement Date	14,592,712	11,630,966
Sponsor's Net OPEB Liability as of the Measurement Date	<u>\$ 4,045,637</u>	<u>\$ 5,997,990</u>
Funded Ratio	78.29%	65.98%
OPEB Expense For the Fiscal Year	\$ 1,171,764	\$ 1,682,831
End of Year Actuarially Determined Contribution (ADC)	\$ 1,720,326	\$ 2,031,446
Census Information as of the Valuation Date		
Active Participants	191	192
Retirees, Beneficiaries, and Disabled Members	53	59
Total Participants	<u>244</u>	<u>251</u>
Valuation Date	7/1/2024	7/1/2022
Measurement Date	6/30/2024	6/30/2023
GASB 74 Reporting Date	6/30/2024	6/30/2023
GASB 75 Reporting Date	6/30/2025	6/30/2024
Discount Rate	5.75%	5.75%

## SECTION 1 – Executive Summary

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### *Notes on the Valuation:*

The following changes have been made since the prior valuation:

- Foster & Foster was retained as the plan actuary.
- Census data and trust information as of July 1, 2024 was provided by TMFPD.
- Per capita age-based health care claims costs were developed reflecting current premiums rates and full cost premium rates for fiscal years 2024 and 2025. Claims costs were adjusted to account for expected differences in health care costs by age and gender.
- Contribution and subsidy rates are based on those in effect as of the measurement date of June 30, 2024.
- Health care inflation rates have been updated to reflect recent healthcare trend rate surveys, blended with the Getzen model published by the Society of Actuaries.

### *TMFPD's Funding Policy:*

The numbers shown above reflect a decision to fund the program. TMFPD determines its annual funding during its budgeting process.



## SECTION 1 – Executive Summary

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*Governmental Accounting Standard No. 75:*


GASB 75 requires governmental employers to recognize the Net OPEB Liability and the OPEB expense in their financial statements, along with the related deferred outflows and inflows of resources. GASB 75 is similar to GASB 68 for pensions. Under GASB 75, the Net OPEB Liability is the difference between the Total OPEB Liability (i.e. Actuarial Accrued Liability) and the Plan's Fiduciary Net Position (i.e. assets).

The balance of this report presents additional details of the actuarial valuation and the general operation of the Fund. The undersigned would be pleased to meet with the Board of Fire Commissioners to discuss the report and any pending questions concerning its contents.

Respectfully submitted,

FOSTER & FOSTER, INC.

By:   
Jason L. Franken, FSA, EA, MAAA

By:   
Colleen M. Atchison, FSA, MAAA

By:   
Gavin Waite, FSA, CERA, MAAA

## SECTION 2 – Notes to Financial Statements

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### SECTION 2 – NOTES TO THE FINANCIAL STATEMENTS (For the Year Ended June 30, 2024)

#### GENERAL INFORMATION ABOUT THE OPEB PLAN

##### *Postemployment Benefits Other Than Pensions (OPEB):*

For purposes of measuring the net OPEB Liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of TMFPD's Retiree Group Medical Plan (Plan) and additions to/ deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

##### *Plan Description:*

The TMFPD Retiree Group Medical Plan (Plan) is a single employer defined benefit postemployment health care plan that covers eligible retired employees and their spouses. The Plan allows employees who retire or become disabled and meet retirement eligibility requirements under the Plan to continue medical coverage as a participant in TMFPD's plan. TMFPD provides a premium subsidy to certain retirees depending on retirement date.

##### *Employees Covered by Benefit Terms:*

At July 1, 2024, the following employees were covered by the benefit terms:

Inactive Plan Members, or Beneficiaries Currently Receiving Benefits	53
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	-
Active Plan Members	191
	<hr/>
	244
	<hr/> <hr/>

##### *Benefits Provided:*

The TMFPD provides postemployment benefits to eligible employees upon retirement. Retirees are offered medical, prescription, vision, life, and dental insurance for themselves and their dependents. For eligible retirees, TMFPD pays a portion of the retiree's premium.

## SECTION 2 – Notes to Financial Statements

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### NET OPEB LIABILITY

The measurement date for GASB 75 reporting is June 30, 2024.

The measurement period for the OPEB expense was July 1, 2023 to June 30, 2024.

The employer reporting period is July 1, 2024 to June 30, 2025.

TMFPD's Net OPEB Liability was measured as of June 30, 2024. The Total OPEB Liability used to calculate the Net OPEB Liability was determined as of that date.

#### *Actuarial Assumptions:*

The Total OPEB Liability was determined by an actuarial valuation as of July 1, 2024 using the following actuarial assumptions:

Inflation Rate	2.50%
Salary Increase Rate(s)	Varies by Service
Discount Rate	5.75%
Initial Medical Trend Rate	7.25%
Ultimate Medical Trend Rate	3.45%
Years to Ultimate Trend Rate	51
Investment Rate of Return	5.75%

All mortality rates were based on the Pub-2010 Headcount-Weighted (Above-Median) mortality tables, increased for both males and females, projected generationally with Scale MP-2020.

#### *Discount Rate:*

The discount rate used to measure the Total OPEB Liability was 5.75%. The projection of cash flows used to determine the discount rate assumed that Plan contributions will be made with the goal of achieving and maintaining an 80% funded ratio for the plan. Based on these assumptions, the 5.75% discount rate is the single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the total of the actuarial present values determined in conformity with GASB Statements No. 74/75.

## SECTION 2 – Notes to Financial Statements

### CHANGE IN NET OPEB LIABILITY

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a)-(b)
Balance as of June 30, 2023	\$ 17,628,956	\$ 11,630,966	\$ 5,997,990
Changes for the Year:			
Service Cost	1,002,037	-	1,002,037
Interest	1,066,257	-	1,066,257
Differences Between Expected and Actual Experience	(1,298,621)	-	(1,298,621)
Changes of Assumptions	416,984	-	416,984
Changes of Benefit Terms	-	-	-
Contributions - Employer	-	1,320,400	(1,320,400)
Other Contributions	-	-	-
Net Investment Income	-	1,843,545	(1,843,545)
Net Benefit Payments	(177,264)	(177,264)	-
Administrative Expense	-	(24,935)	24,935
Other Changes	-	-	-
Net Changes	1,009,393	2,961,746	(1,952,353)
Balance as of June 30, 2024	\$ 18,638,349	\$ 14,592,712	\$ 4,045,637

Differences Between Expected and Actual Experience reflects the impact of changes to the census data and actual health care costs since the prior valuation to the valuation as of July 1, 2024.

Changes of Assumptions reflect updated health care cost trend rates.

## SECTION 2 – Notes to Financial Statements

---

*Sensitivity of the Net OPEB Liability to changes in the Discount Rate:*

The following presents the Net OPEB Liability of TMFPD, as well as what TMFPD's Net OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
	4.75%	5.75%	6.75%
Net OPEB Liability (asset)	\$ 6,336,347	\$ 4,045,637	\$ 2,148,104

*Sensitivity of the Net OPEB Liability to changes in the Healthcare Cost Trend Rates:*

The following presents the Net OPEB Liability of TMFPD, as well as what TMFPD's Net OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
	2.45% - 6.25%	3.45% - 7.25%	4.45% - 8.25%
Net OPEB Liability (asset)	\$ 1,970,673	\$ 4,045,637	\$ 6,593,658

*OPEB Plan Fiduciary Net Position:*

Detailed information about the OPEB Plan's Fiduciary Net Position is available in a separately issued Plan financial report.

## SECTION 3 – GASB 75 Disclosure Schedules

### SECTION 3 – GASB 75 DISCLOSURE SCHEDULES

#### OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended June 30, 2025, TMFPD will recognize OPEB Expense/(Revenue) of \$1,171,764.

At June 30, 2025, TMFPD will report Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Differences Between Expected and Actual Experience	\$ 814,894	\$ 1,702,336
Changes of Assumptions	781,739	393,256
Net difference between Projected and Actual Earnings on OPEB Plan investments	-	1,046,610
Employer Contributions Subsequent to the Measurement Date	2,488,616	-
Total	<u>\$ 4,085,249</u>	<u>\$ 3,142,202</u>

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB will be recognized in OPEB Expense as follows:

Year ended June 30:	
2026	\$ (375,255)
2027	(62,558)
2028	(369,356)
2029	(224,885)
2030	(101,659)
Thereafter	(411,856)
Total	<u>\$ (1,545,569)</u>

## SECTION 3 – GASB 75 Disclosure Schedules

### SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS

Plan Reporting Period Ending Measurement Date	06/30/2024	06/30/2023
	06/30/2024	06/30/2023
<b>Total OPEB Liability</b>		
Service Cost	\$ 1,002,037	\$ 972,851
Interest	1,066,257	962,750
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	(1,298,621)	-
Changes of Assumptions	416,984	-
Net Benefit Payments	(177,264)	(152,444)
Net Change in Total OPEB Liability	1,009,393	1,783,157
Total OPEB Liability - Beginning	17,628,956	15,845,799
Total OPEB Liability - Ending (a)	\$ 18,638,349	\$ 17,628,956
<b>Plan Fiduciary Net Position</b>		
Contributions - Employer	\$ 1,320,400	\$ 1,300,000
Other Contributions	-	-
Net Investment Income	1,843,545	1,285,317
Net Benefit Payments	(177,264)	(152,444)
Administrative Expense	(24,935)	(52,551)
Other	-	-
Net Change in Plan Fiduciary Net Position	2,961,746	2,380,322
Plan Fiduciary Net Position - Beginning	11,630,966	9,250,644
Plan Fiduciary Net Position - Ending (b)	\$ 14,592,712	\$ 11,630,966
<b>Sponsor's Net OPEB Liability - Ending (a) - (b)</b>	\$ 4,045,637	\$ 5,997,990
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	78.29%	65.98%

Note: Prior year results were developed by the prior actuary.

## SECTION 3 – GASB 75 Disclosure Schedules

---

### DEVELOPMENT OF ACTUARIALLY DETERMINED CONTRIBUTION

<u>For the Fiscal Year Ending</u>	<u>06/30/2025</u>	<u>06/30/2024</u>
Service Cost	\$ 1,002,037	1,075,085
Amortization Period (in years)	7	8
Amortization of Net OPEB Liability	718,289	956,361
Actuarially Determined Contribution (ADC)	<u>\$ 1,720,326</u>	<u>\$ 2,031,446</u>

#### Notes to Schedule

Actuarially determined contribution rates shown above are calculated as of the beginning of the plan/fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates are the same as those found in Section 8 of this report.

The Net OPEB Liability is being amortized as a level dollar amount over 20 years on a “closed” basis since June 30, 2011. The remaining amortization period as of June 30, 2024 is 7 years.



## SECTION 4 – Expense Development and Amortization Schedules

---

### SECTION 4 – EXPENSE DEVELOPMENT AND AMORTIZATION SCHEDULES

**The following information is not required to be disclosed under GASB 75 but is provided for informational purposes.**

## SECTION 4 – Expense Development and Amortization Schedules

### COMPONENTS OF OPEB EXPENSE

(For the Year Ended June 30, 2024)

	Net OPEB Liability	Deferred Inflows	Deferred Outflows	OPEB Expense
Beginning balance	\$ 5,997,990	\$ 1,358,859	\$ 2,937,407	\$ -
Employer Contributions made after June 30, 2024	-	-	2,488,616	-
Total OPEB Liability Factors:				
Service Cost	1,002,037	-	-	1,002,037
Interest	1,066,257	-	-	1,066,257
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	(1,298,621)	1,298,621	-	-
Current year amortization of experience difference	-	(220,921)	(143,177)	(77,744)
Change in assumptions about future economic or demographic factors or other inputs	416,984	-	416,984	-
Current year amortization of change in assumptions	-	(51,272)	(294,181)	242,909
Explicit Benefit Payments	(177,264)	-	-	-
Net change	1,009,393	1,026,428	2,468,242	2,233,459
Plan Fiduciary Net Position:				
Explicit Contributions - Employer	1,320,400	-	(1,320,400)	-
Expected Net Investment Income	700,929	-	-	(700,929)
Difference between projected and actual earnings on OPEB				
Plan investments	1,142,616	1,142,616	-	-
Current year amortization	-	(692,501)	(306,800)	(385,701)
Net Benefit Payments	(177,264)	-	-	-
Administrative Expenses	(24,935)	-	-	24,935
Other	-	-	-	-
Net change	2,961,746	450,115	(1,627,200)	(1,061,695)
Ending Balance	\$ 4,045,637	\$ 2,835,402	\$ 3,778,449	\$ 1,171,764

## SECTION 4 – Expense Development and Amortization Schedules

### AMORTIZATION SCHEDULE – DUE TO RECOGNITION OF THE DIFFERENCES BETWEEN PROJECTED AND ACTUAL EARNINGS ON TRUST INVESTMENTS

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Differences between Projected and Actual Earnings on OPEB Plan Investments

Measurement Year	Differences Between Projected and Actual Earnings on OPEB Plan Investments		Recognition Period (Years)										
	Earnings on OPEB Plan Investments	Recognition Period (Years)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
2019	\$ (113,365)	5.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2020	(34,044)	5.00	(6,808)	-	-	-	-	-	-	-	-	-	
2021	(1,563,486)	5.00	(312,697)	(312,698)	-	-	-	-	-	-	-	-	
2022	1,533,999	5.00	306,800	306,800	306,799	-	-	-	-	-	-	-	
2023	(722,364)	5.00	(144,473)	(144,473)	(144,473)	(144,472)	-	-	-	-	-	-	
2024	(1,142,616)	5.00	(228,523)	(228,523)	(228,523)	(228,523)	(228,524)	-	-	-	-	-	
Net Increase (Decrease) in OPEB Expense			\$ (385,701)	\$ (378,894)	\$ (66,197)	\$ (372,995)	\$ (228,524)	\$ -	\$ -	\$ -	\$ -	\$ -	

## SECTION 4 – Expense Development and Amortization Schedules

### AMORTIZATION SCHEDULE – DUE TO RECOGNITION OF THE EFFECTS OF ASSUMPTION CHANGES

#### Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Changes of Assumptions

Measurement Year	Assumption Changes	Recognition Period (Years)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
2018	\$ 2,295,853	6.46	\$ 163,483	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	-	0.00	-	-	-	-	-	-	-	-	-	-	-
2020	861,777	9.41	91,581	91,581	91,581	91,581	91,581	37,548	-	-	-	-	-
2021	-	9.41	-	-	-	-	-	-	-	-	-	-	-
2022	(547,072)	10.67	(51,272)	(51,272)	(51,272)	(51,272)	(51,272)	(51,272)	(51,272)	(51,272)	(34,352)	-	-
2023	-	0.00	-	-	-	-	-	-	-	-	-	-	-
2024	416,984	10.66	39,117	39,117	39,117	39,117	39,117	39,117	39,117	39,117	39,117	39,117	25,814
Net Increase (Decrease) in OPEB Expense			\$ 242,909	\$ 79,426	\$ 79,426	\$ 79,426	\$ 79,426	\$ 25,393	\$ (12,155)	\$ (12,155)	\$ 4,765	\$ 39,117	\$ 25,814

## SECTION 4 – Expense Development and Amortization Schedules

### AMORTIZATION SCHEDULE – DUE TO DIFFERENCES BETWEEN EXPECTED AND ACTUAL EXPERIENCE

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience

Measurement Year	Differences Between		Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience										
	Expected and Actual Experience	Recognition Period (Years)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
2018	\$ (27,487)	6.46	\$ (1,957)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	-	0.00	-	-	-	-	-	-	-	-	-	-	-
2020	817,675	9.41	86,894	86,894	86,894	86,894	86,894	35,629	-	-	-	-	-
2021	(914,105)	9.41	(97,142)	(97,142)	(97,142)	(97,142)	(97,142)	(97,142)	(39,827)	-	-	-	-
2022	600,538	10.67	56,283	56,283	56,283	56,283	56,283	56,283	56,283	56,283	37,708	-	-
2023	-	0.00	-	-	-	-	-	-	-	-	-	-	-
2024	(1,298,621)	10.66	(121,822)	(121,822)	(121,822)	(121,822)	(121,822)	(121,822)	(121,822)	(121,822)	(121,822)	(121,822)	(80,401)
Net Increase (Decrease) in OPEB Expense			\$ (77,744)	\$ (75,787)	\$ (75,787)	\$ (75,787)	\$ (75,787)	\$ (127,052)	\$ (105,366)	\$ (65,539)	\$ (84,114)	\$ (121,822)	\$ (80,401)

## SECTION 5 – Reconciliation of Total OPEB Liability

### SECTION 5 – RECONCILIATION OF TOTAL OPEB LIABILITY

The following table shows a reconciliation of the Total OPEB Liability from July 1, 2023 to July 1, 2024.

<b>Reconciliation of Total OPEB Liability</b>		<b>(in \$millions) (as a %)</b>	
Total OPEB Liability as of July 1, 2023	\$	17.6	
1. Service Cost from July 2023 to June 2024		1.0	5.7%
2. Interest on liability, Service Cost, and benefit payments		1.1	6.2%
3. Decrease due to actual retiree benefit payments from July 2023 to June 2024		(0.2)	-1.1%
4. Decrease due to demographic experience different than expected		(1.3)	-7.4%
5. Increase due to updated medical trend rate assumption		0.4	2.3%
Total OPEB Liability as of July 1, 2024	\$	18.6	
Total change in OPEB Liability from 2023 to 2024	\$	1.0	5.7%

Item 1, Service Cost, represents the value of benefits accrued during the year.

Item 4 includes the impact of the change in actuary and demographic experience different than expected, including actual premium rates and claims costs for the period.

Item 5 reflects an increase in expected medical inflation rates over the next several years.

## SECTION 6 – Per Capita Claims Costs and Contribution Amounts

### SECTION 6 – PER CAPITA CLAIMS COSTS AND CONTRIBUTION AMOUNTS

Per capita claims costs below were developed using age adjusted premiums. Age-morbidity factors were applied to develop relative age banded costs for both male and female participants relative to the age 65 male per capita claims cost. The age-morbidity factors were developed based on a study performed by Dale Yamamoto for the Society of Actuaries ([https://www.healthcostinstitute.org/images/pdfs/Age-Curve-Study\\_0.pdf](https://www.healthcostinstitute.org/images/pdfs/Age-Curve-Study_0.pdf)).

TMFPD Blended Costs		
Per Capita Claims Cost		
Age	Male	Female
45-49	11,195	14,422
50-54	14,317	16,728
55-59	18,210	19,129
60-64	22,987	22,507
65-69	7,445	7,068
70-74	8,178	7,767
75-79	8,691	8,300
80-84	8,866	8,544
85-89	8,562	8,332
90+	8,011	7,649
Blended Annual Premium Rate		
	Pre-65	Post-65
Member	8,963	6,274
Spouse	7,107	4,975

Claims costs and premium rates were blended based on current retiree plan elections. The plans are assumed to coordinate with Medicare upon reaching Medicare eligibility. Claims costs and premium rates shown above are based on 2024 rates.

## SECTION 6 – Per Capita Claims Costs and Contribution Amounts

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### City of Reno Retiree Blended Costs

#### Per Capita Claims Cost

Age	Male	Female
45-49	10,778	13,886
50-54	13,785	16,106
55-59	17,533	18,418
60-64	22,132	21,671
65-69	27,287	25,720
70-74	7,488	7,096
75-79	8,663	8,111
80-84	8,780	8,233
85-89	8,820	8,289
90+	8,751	8,240

#### Blended Annual Premium Rate

	Pre-65	Post-65
Member	8,630	4,728
Spouse	6,466	4,728

. Claims costs and premium rates shown above for the City of Reno are based on 2025 rates.



## SECTION 7 – Member Statistics

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### SECTION 7 – MEMBER STATISTICS

#### STATISTICAL DATA

	<u>7/1/2024</u>
Number of Active Participants	
Eligible for Retiree Health Benefits	6
Not Yet Eligible for Retiree Health benefits	185
Total	<u>191</u>
Average Current Age	39.5
Average Age at Employment	31.4
Average Past Service	8.0
Number of Inactives Receiving Benefits	
Retirees, Beneficiaries, and Disabled Members	53
Covered Spouses	31
Total	<u>84</u>
Average Current Ages	
Retirees, Beneficiaries, and Disabled Members	66.2

## SECTION 7 – Member Statistics

### ACTIVE AGE AND SERVICE DISTRIBUTION

AGE	TOTAL PAST SERVICE										Total
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
<25	1	4	0	0	0	0	0	0	0	0	5
25 - 29	2	18	0	0	0	0	0	0	0	0	20
30 - 34	0	35	6	1	0	0	0	0	0	0	42
35 - 39	1	12	10	15	1	0	0	0	0	0	39
40 - 44	0	10	4	12	4	0	0	0	0	0	30
45 - 49	0	2	5	14	7	1	0	0	0	0	29
50 - 54	0	4	1	6	2	2	3	0	0	0	18
55 - 59	0	0	1	0	3	1	0	0	0	0	5
60 - 64	0	1	0	0	0	0	0	0	1	0	2
65+	0	0	0	1	0	0	0	0	0	0	1
Total	4	86	27	49	17	4	3	0	1	0	191

## SECTION 7 – Member Statistics

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### INACTIVE AGE DISTRIBUTION

INACTIVE AGE DISTRIBUTION	
Attained Age	Count
<50	3
50-54	3
55-59	2
60-64	14
65-69	12
70-74	12
75-79	5
80-84	2
85+	
Total	53

Of the 53 retirees, 32 are receiving coverage through the City of Reno, with TMFPD paying a portion of their premiums based on TMFPD credited service.

# SECTION 8 – Actuarial Assumptions and Funding Methods

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## SECTION 8 – ACTUARIAL ASSUMPTIONS AND FUNDING METHODS

### ACTUARIAL ASSUMPTIONS

Valuation Date July 1, 2024.

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Measurement Date June 30, 2024.

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Fiscal Year End June 30, 2024.

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Rate of Return on Investments 5.75%

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Discount Rate 5.75%

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Inflation Rate 2.50%

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Salary Increases For purposes of allocating normal costs under the Entry Age Normal (Percent of Pay) cost method, we have used the following salary increase assumptions.

Salary Increases	
Years of Service	Increase Rate
0	7.5%
1	7.5%
2	7.5%
3	7.5%
4	7.5%
5+	2.5%

Payroll Growth For purposes of amortizing the Net OPEB Liability in the ADC calculation, we have assumed no payroll growth.

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## SECTION 8 – Actuarial Assumptions and Funding Methods

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### Mortality Rates

#### Regular Employees

##### *Healthy*

Pub-2010 General Healthy Headcount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with mortality improvement scale MP-2020. Rates are increased 30% for male retirees and 15% for female retirees.

##### *Disabled*

Pub-2010 General Disabled Retiree Headcount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with mortality improvement scale MP-2020. Rates are increased 20% for males and 15% for females.

#### Firefighters

##### *Healthy*

Pub-2010 Public Safety Healthy Headcount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with mortality improvement scale MP-2020. Rates are increased 30% for male retirees and 5% for female retirees.

##### *Disabled*

Pub-2010 Public Safety Disabled Retiree Headcount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with mortality improvement scale MP-2020. Rates are increased 30% for males and 10% for females.

Rates are based on those outlined in the July 1, 2023 actuarial valuation of the State of Nevada Postretirement Health and Life Insurance Plan.

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## SECTION 8 – Actuarial Assumptions and Funding Methods

### Retirement Rates

The assumed rates of retirement in each year are outlined in the tables below.

<b>Retirement Rates—Hired Prior to January 1, 2010</b>						
Age	Service					
	5-9	10-19	20-22	23-24	25-29	30+
40	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
45	0.0%	0.7%	3.5%	20.0%	20.0%	20.0%
50	1.5%	4.5%	16.0%	23.0%	23.0%	23.0%
55	4.5%	11.0%	18.0%	25.0%	25.0%	25.0%
60	5.0%	18.0%	26.0%	35.0%	35.0%	35.0%
65	20.0%	25.0%	40.0%	50.0%	50.0%	50.0%
70+	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

<b>Retirement Rates—Hired Between January 1, 2010 and July 1, 2015</b>						
Age	Service					
	5-9	10-19	20-24	25-27	28-29	30+
40	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
45	0.0%	0.0%	2.9%	13.1%	20.0%	20.0%
50	0.0%	2.1%	15.0%	21.5%	23.0%	23.0%
55	2.8%	7.2%	16.9%	23.4%	25.0%	25.0%
60	4.1%	16.9%	24.3%	32.8%	35.0%	35.0%
65	18.7%	23.4%	37.5%	46.8%	50.0%	50.0%
70+	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

<b>Retirement Rates—Hired After July 1, 2015</b>					
Age	Service				
	5-9	10-19	20-24	25-29	30+
40	0.0%	0.0%	0.0%	0.0%	0.0%
45	0.0%	0.0%	2.9%	13.1%	20.0%
50	0.0%	2.1%	15.0%	21.5%	23.0%
55	2.8%	7.2%	16.9%	23.4%	25.0%
60	4.1%	16.9%	24.3%	32.8%	35.0%
65	18.7%	23.4%	37.5%	46.8%	50.0%
70+	100.0%	100.0%	100.0%	100.0%	100.0%

## SECTION 8 – Actuarial Assumptions and Funding Methods

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### Termination Rates

The assumed rates of termination in each year are outlined in the table below.

Termination Rates	
Years of Service	Rate
0	14.50%
5	4.25%
10	1.40%
15	0.70%
20+	0.30%

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## SECTION 8 – Actuarial Assumptions and Funding Methods

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### Disability Rates

The assumed rates of disability in each year are outlined in the table below.

Disability Rates	
Age	Rate
22	0.00%
27	0.06%
32	0.16%
37	0.32%
42	0.50%
47	0.80%
52	0.70%
57	0.50%
62	0.30%
65+	0.00%

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### Dental Trend Rate

4.00% per year.

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### Vision Increase Rate

4.00% per year.

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### Healthcare Participation

90% of future retirees are assumed to elect coverage upon retirement prior to Medicare eligibility. 60% of retirees are assumed to lapse coverage upon attainment of Medicare eligibility.

50% of retirees are assumed to elect spouse coverage upon retirement. For those records where spouse ages were not provided, female spouses are assumed to be 2 years younger than male spouses.



## SECTION 8 – Actuarial Assumptions and Funding Methods

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### Healthcare Trend Rates

<u>Fiscal Year</u>	<u>Pre-Medicare</u>	<u>Post-Medicare</u>
2024	7.25%	6.25%
2025	7.00%	5.65%
2026	6.75%	5.45%
2027	6.50%	5.25%
2028	6.20%	5.05%
2029	5.60%	4.85%
2030	5.05%	4.65%
2031-2037	4.45%	4.45%
2038-2039	4.35%	4.35%
2040	4.30%	4.30%
2041-2043	4.25%	4.25%
2044-2046	4.20%	4.20%
2047-2049	4.15%	4.15%
2050-2054	4.10%	4.10%
2055-2060	4.05%	4.05%
2061-2065	4.00%	4.00%
2066	3.90%	3.90%
2067	3.85%	3.85%
2068	3.80%	3.80%
2069	3.75%	3.75%
2070	3.70%	3.70%
2071	3.65%	3.65%
2072	3.60%	3.60%
2073	3.55%	3.55%
2074	3.50%	3.50%
2075+	3.45%	3.45%

The above rates reflect actual premium increases and recent healthcare trend rate surveys, blended with the long-term rates from the Getzen model published by the Society of Actuaries.

### Medical Aging Factors

Developed based on a study performed by Dale Yamamoto for the Society of Actuaries. Used to measure the annual increases in per capita claim costs for each age and relative cost by gender. See the SOA report titled “Health Care Costs – From Birth to Death” for more details.

### Funding Method

Entry Age Cost Method (Level Percentage of Pay).

## SECTION 8 – Actuarial Assumptions and Funding Methods

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### DISCUSSION OF CENSUS DATA AND ASSUMPTIONS

1. Census Data – We received July 1, 2024 census data from TMFPD personnel. We did not perform an audit of the data. We did review the information provided for consistency and reasonableness.
2. Health Premiums and Enrollment Data – TMFPD’s personnel office provided medical plan cost information for fiscal year 2024.
3. Actuarial Assumptions and Methods –
  - a. Demographic Assumptions
    - i. Mortality rates are the most recent released public sector mortality tables released by the Society of Actuaries in January 2019. They align with the rates assumed in the July 1, 2023 actuarial valuation of the State of Nevada Postretirement Health and Life Insurance Plan. We feel this assumption sufficiently accommodates future mortality improvements.
    - ii. Retirement rates, termination and disability rates are deemed reasonable and will continue to be monitored to ensure they capture plan experience.
    - iii. The participation rate and spousal coverage election percentage are the same as the previous valuation. They are deemed reasonable and will continue to be monitored.
  - b. Other Assumptions
    - i. Health care inflation rates reflect recent healthcare trend rate surveys, blended with the long-term rates from the Getzen model published by the Society of Actuaries.
  - c. Cost Method - The valuation results were calculated using the Entry Age cost method. This is the required cost method under the GASB 74/75 standards.

## SECTION 9 – Summary of Plan Provisions

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### SECTION 9 – SUMMARY OF PLAN PROVISIONS

#### **Eligibility**

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All employees who retire from TMFPD and receive monthly payments under the Nevada Public Employees Retirement System (Nevada PERS) with at least ten years of service are eligible.

#### **Benefits Provided**

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##### TMFPD and SFPD

The district provides retiree medical, dental, vision, and life insurance coverage to eligible retirees and their spouses. The district will pay 50% of the retiree's health insurance premium if the member retires under PERS with a minimum of 10 years of service with the District and is a member of the IAFF or Admin groups. If the retiree is not a member of one of these groups and has a contract that does not include retiree health benefits, the retiree must pay 100% of the premium. Retirees must pay the full premium for spouses or other eligible dependents. The same insurance premiums apply for actives and retirees without Medicare.

##### TMFPD Retirees under the City of Reno

Eligible retirees who retired before June 30, 2012 are allowed coverage in the City of Reno's health and life benefit programs. Retirees under age 65 are required to pay 40% of their benefits as well as their spouse's. After age 65, retirees are required to pay 50% of their coverage and 100% of their spouse's.

The employer portion of the benefit costs for these retirees are apportioned between TMFPD and the City of Reno. The liabilities valued in this report reflect the TMFPD portion of the obligation only.

##### Survivor Benefits

Upon the death of the retiree, benefits may continue to the surviving spouse for the spouse's remaining lifetime. Spouses are required to pay 100% of the premium.

##### Life Insurance

Life insurance coverage is provided for those retirees covered under the City of Reno benefit programs. The amount of coverage is \$20,000.

Life insurance coverage is available for TMFPD retirees who are not covered under the City of Reno benefit programs. The amount of coverage is \$25,000. The premiums are \$5.75 per month, of which the retiree pays 50%.

# APPENDIX 1 – GASB 74 Disclosures for Plan Year 2024

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## APPENDIX 1 – GASB 74 DISCLOSURES FOR PLAN YEAR 2024

### STATEMENT OF FIDUCIARY NET POSITION June 30, 2024

<b>ASSETS</b>		<b>MARKET VALUE</b>
Cash and investments	\$	14,622,198
Interest Receivable		151
Total Assets		<u>14,622,349</u>
<b>Liabilities</b>		
Accounts payable - benefit reimbursements to employers		29,637
Accounts payable - others		-
Total Liabilities		<u>29,637</u>
<b>Net Position Restricted for</b>		
<b>Other Postemployment Benefits</b>	\$	<u>14,592,712</u>

# APPENDIX 1 – GASB 74 Disclosures for Plan Year 2024

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2024  
Market Value Basis

**Additions**

Contributions:

Employer Contributions	\$	1,320,400
Federal Government Payments		-
<b>Total Contributions</b>		1,320,400

Investment Income:

Net increase in fair value of investments		1,525,091
Interest & Dividends		322,361
Less Investment Expense		(3,907)
<b>Net Investment Income</b>		1,843,545

<b>Total Additions</b>		3,163,945
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**Deductions**

Benefit payments, net		177,264
Administrative Expense		24,935
<b>Total Deductions</b>		202,199

Change in Plan Net Position		2,961,746
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**Net Position Restricted for  
Other Postemployment Benefits**

Beginning of the Year		11,630,966
<b>End of the Year</b>	\$	14,592,712

## APPENDIX 2 – Asset Depletion Date Projection

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### APPENDIX 2 – ASSET DEPLETION DATE PROJECTION

Under GASB 74 and 75 standards, the long-term expected rate of return on investments may be used to discount liabilities only to the extent that the plan's fiduciary net position and expected future contributions are projected to be sufficient to cover expected benefit payments and expenses for current plan members. A 20-year high-quality (AA/Aa or higher) tax-exempt municipal bond rate must be used to discount benefit payments for periods when the fiduciary net position is not projected to cover benefit payments and expenses. Plans that are projected to reach a point where assets are not sufficient to cover benefit payments are required to use a blended single equivalent discount rate, with the long-term rate of return on investments used in periods that the benefit payments are expected to be fully funded, and the bond rate described above for periods in which the benefit payments will be not be fully funded.

GASB Statements 74 and 75 will sometimes require that the actuary perform complex projections of future benefit payments and asset values for purposes of determining the blended discount rate for pre-funded OPEB plans. However, GASB does allow the actuary to apply professional judgement in cases where the plan is reasonably expected to be fully funded in all future years, based on the plan provisions and population in place at the measurement date.

It is our understanding that TMFPD intends to fund contributions to achieve and maintain an 80% funded ratio for the plan. This stated policy aligns with the contribution history of the plan. In determining the Actuarially Determined Contribution, the amortization period of the Net OPEB Liability is based on a closed period, decreasing each year. Based on these circumstances, it is our professional opinion that the fiduciary net position is expected to be sufficient to cover future benefit payments and expenses, and therefore the long-term expected rate of return on investments is the single equivalent discount rate that should be used to discount liabilities.