

August 25, 2025

Board of Trustees
State of Nevada Public Employees' Benefits Program
3427 Goni Road, Suite #109
Carson City, NV 89706

**Re: State of Nevada Retiree Health and Life Insurance Plan
Governmental Accounting Standards Board (GASB) Statements 74 and 75 Valuation
measured as of June 30, 2024 for June 30, 2025 Employer Reporting
Addendum Letter – Employer Allocation Exhibits**

Dear Board Members:

Our June 30, 2024 Governmental Accounting Standards Board Statements No. 74 and No. 75 (GASB 74/75) actuarial valuation provides the Net OPEB Liability (NOL) and other disclosures required for the Plan's June 30, 2024 financial reporting. This addendum letter provides the June 30, 2024 results allocated by employer, for use in the employers' June 30, 2025 financial reports. In addition, Appendix A includes an estimate of the "implicit subsidy" for the year ending June 30, 2025, which is needed to calculate the employer's contributions made after the measurement date.

These schedules have been developed based on the assumptions, methods, and results shown in our June 30, 2024 GASB 74/75 report for June 30, 2025 employer reporting. The historical amortization periods can be found in Section 2, Exhibit G of the report. Further details broken down for each employer are found in the attached appendices.

As requested by the Plan's outside auditor, the deferred outflows and inflows related to changes in proportion have been calculated as if the impact of changes in proportion had been amortized over the plan's average expected remaining service lives since the inception of GASB 75. In prior years, the balance sheet impact of changes in proportion were recognized immediately in each participating employer's OPEB expense.

The transition to this new methodology may require the participating employers to restate their beginning of year deferred outflows and inflows related to changes in proportion from zero to the amounts shown in Appendix E. The amounts in Appendix E represent the beginning of year deferred outflows and inflows related to changes in proportion, had the impact of changes in proportion been amortized over the plan's average expected remaining service lives since the inception of GASB 75.

This document has been prepared for the exclusive use and benefit of the State of Nevada PEBP based upon information provided by you and your other service providers or otherwise made available to Segal at the time this document was created. Segal makes no representation or warranty as to the accuracy of any forward-looking statements and does not guarantee any particular outcome or result. This letter should only be copied, reproduced, or shared with other parties in its entirety as necessary for the proper administration of the Plan. This document does not constitute legal, tax or investment advice or create or imply a fiduciary relationship. You are encouraged to discuss any issues raised with your legal, tax and other advisors before taking, or refraining from taking, any action.

These actuarial calculations were completed under the supervision of Mehdi Riazi, FSA, FCA, EA, MAAA. I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Please let us know if you have any questions.

Sincerely,



Richard Ward, FSA, FCA, MAAA
Senior Vice President



Mehdi Riazi, FSA, FCA, EA, MAAA
Vice President & Consulting Actuary

Appendices

Appendix A: Determination of Proportionate Share and Total Employer Contribution as of June 30, 2024

Agency # (1)	Agency (2)	Retiree Trust Contribution Amount (3)	Allocation Percentage (4)	Benefits Not Paid by Retiree Trust (5)	Total Employer Contribution (6) = (3) + (5)	Implicit Subsidy Paid After Measurement Date (7)
101	Board of Medical Examiners	\$106,055	0.1578%	\$27,988	\$134,043	\$20,884
102	Board of Nursing	69,868	0.1039%	18,430	88,298	15,337
103	Board of Pharmacy	77,657	0.1154%	20,470	98,127	14,427
104	Board of Chiropractors	4,234	0.0063%	1,117	5,351	826
105	Board of Dental Examiners	18,609	0.0277%	4,913	23,522	3,614
106	Legislative Counsel Bureau	1,031,943	1.5340%	272,099	1,304,042	246,083
108	Board of Osteopathic Medicine	9,584	0.0142%	2,519	12,103	2,087
109	Board of Massage Therapy	9,764	0.0145%	2,572	12,336	1,835
111	Funeral and Cemetery Board	5,575	0.0083%	1,472	7,047	1,135
113	Public Employee Retirement System	187,862	0.2793%	49,542	237,404	38,728
116	Central Payroll	33,320,339	49.5317%	8,785,870	42,106,209	7,154,120
118	Nevada Department of Transportation	3,354,552	4.9866%	884,517	4,239,069	680,835
128	Board of Accountancy	8,808	0.0131%	2,324	11,132	1,765
129	Board of Cosmetology	38,817	0.0577%	10,235	49,052	8,124
134	Board of Professional Engineers	17,318	0.0257%	4,559	21,877	3,137
139/140	Nevada System of Higher Education	27,937,496	41.5300%	7,366,538	35,304,034	5,581,047
141	Board of Architecture	11,399	0.0169%	2,998	14,397	2,157
146	Board of Examiners for Social Workers	9,247	0.0137%	2,430	11,677	1,695
147	Liquefied Petroleum Gas Board	6,637	0.0099%	1,756	8,393	1,121
148	Board of Optometry	4,469	0.0066%	1,171	5,640	896
149	Board of Veterinary Examiners	7,608	0.0113%	2,004	9,612	1,583
150	Board of Examiners for Alcohol, Drugs, & Gambling	2,903	0.0043%	763	3,666	560

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Agency # (1)	Agency (2)	Retiree Trust Contribution Amount (3)	Allocation Percentage (4)	Benefits Not Paid by Retiree Trust (5)	Total Employer Contribution (6) = (3) + (5)	Implicit Subsidy Paid After Measurement Date (7)
171	Nevada Physical Therapy Board	8,876	0.0132%	2,341	11,217	1,639
172	Private Investigators Licensing Board	17,265	0.0257%	4,559	21,824	3,488
173	Board of Examiners for Marriage Family Therapists & Clinical Professional Counselors	7,707	0.0115%	2,040	9,747	1,359
174	Nevada Applied Behavior Analysis Board	3,642	0.0054%	958	4,600	812
175	State of Nevada - Judicial Board	991,866	1.4744%	261,527	1,253,393	200,561
176	Nevada Board of Psychological Examiners	586	0.0009%	160	746	476
Total		\$67,270,686	100.00%	\$17,737,872	\$85,008,558	\$13,990,331

Notes:

Per GASB 75, employer contributions include trust contributions and benefits paid by the employer with its own assets.

The \$17,737,872 in benefits not paid by the retiree trust equals the difference between \$68,523,402 in plan paid benefit payments and \$50,785,530 in deductions from the retiree trust. This difference is often referred to as an "implicit subsidy". The participating employers finance the implicit subsidy via premiums they pay for active employees.

The amounts in column (5) represent cash payments made on behalf of active employees, that should be reclassified as payments towards retiree healthcare benefits. These "implicit subsidies" are additional employer contributions that help finance the annual retiree benefits.

The allocation percentages in column (4) are used to allocate the amounts in column (5) and are based on the retiree trust contribution amounts in column (3).

The Total Employer Contribution shown above of \$85,008,558 is \$7,335 lower than the \$85,015,893 shown in the GASB 74/75 report due to the difference between the sum of REGI contributions provided by employer and total employer contributions in the plan's financial statements. Under GASB 75, these differences are recognized in the same manner as changes in proportion.

The implicit subsidy paid after the measurement date in column (7) can be added to the REGI contributions made during FYE25 in order to estimate the total deferred outflow for employer contributions after the measurement date. Please note that the amounts in column (7) are estimates of next year's column (5) and will be updated when the audited FYE25 trust deductions are determined.

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Appendix B: Schedule of Net OPEB Liability and Sensitivity Disclosures as of June 30, 2024

Agency # (1)	Agency (2)	Net OPEB Liability (3.93%) (3)	1% Decrease in Discount Rate (2.93%) (4)	1% Increase in Discount Rate (4.93%) (5)	1% Decrease in Trend Rates (6)	1% Increase in Trend Rates (7)
101	Board of Medical Examiners	\$2,143,221	\$2,349,566	\$1,963,928	\$2,042,378	\$2,258,000
102	Board of Nursing	1,411,159	1,547,021	1,293,106	1,344,760	1,486,731
103	Board of Pharmacy	1,567,351	1,718,251	1,436,231	1,493,603	1,651,287
104	Board of Chiropractors	85,566	93,804	78,408	81,540	90,148
105	Board of Dental Examiners	376,219	412,440	344,745	358,516	396,366
106	Legislative Counsel Bureau	20,834,630	22,840,523	19,091,665	19,854,302	21,950,385
108	Board of Osteopathic Medicine	192,863	211,431	176,729	183,788	203,191
109	Board of Massage Therapy	196,938	215,898	180,462	187,671	207,484
111	Funeral and Cemetery Board	112,730	123,583	103,299	107,425	118,767
113	Public Employee Retirement System	3,793,424	4,158,643	3,476,077	3,614,932	3,996,573
116	Central Payroll	672,734,436	737,503,224	616,455,429	641,080,385	708,761,342
118	Nevada Department of Transportation	67,727,486	74,248,079	62,061,602	64,540,717	71,354,492
128	Board of Accountancy	177,923	195,053	163,038	169,551	187,451
129	Board of Cosmetology	783,675	859,125	718,115	746,801	825,644
134	Board of Professional Engineers	349,055	382,661	319,854	332,631	367,748
139/140	Nevada System of Higher Education	564,056,173	618,361,754	516,868,873	537,515,740	594,263,038
141	Board of Architecture	229,534	251,633	210,332	218,734	241,826
146	Board of Examiners for Social Workers	186,072	203,986	170,506	177,317	196,037
147	Liquefied Petroleum Gas Board	134,461	147,406	123,212	128,134	141,662
148	Board of Optometry	89,641	98,271	82,141	85,423	94,441
149	Board of Veterinary Examiners	153,475	168,252	140,636	146,254	161,694

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Agency # (1)	Agency (2)	Net OPEB Liability (3.93%) (3)	1% Decrease in Discount Rate (2.93%) (4)	1% Increase in Discount Rate (4.93%) (5)	1% Decrease in Trend Rates (6)	1% Increase in Trend Rates (7)
150	Board of Examiners for Alcohol, Drugs, & Gambling	58,402	64,025	53,516	55,654	61,530
171	Nevada Physical Therapy Board	179,281	196,542	164,283	170,845	188,882
172	Private Investigators Licensing Board	349,055	382,661	319,854	332,631	367,748
173	Board of Examiners for Marriage Family Therapists & Clinical Professional Counselors	156,192	171,229	143,125	148,843	164,556
174	Nevada Applied Behavior Analysis Board	73,342	80,403	67,207	69,891	77,270
175	State of Nevada - Judicial Board	20,025,149	21,953,108	18,349,903	19,082,909	21,097,554
176	Nevada Board of Psychological Examiners	12,224	13,401	11,201	11,649	12,878
Total		\$1,358,189,677	\$1,488,951,973	\$1,244,567,477	\$1,294,283,024	\$1,430,924,725

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Appendix C: Schedule of OPEB Expense by Employer as of June 30, 2024

Agency # (1)	Agency (2)	Proportionate Share of Plan OPEB Expense (3)	Changes in Proportion (4)	Total Employer OPEB Expense (5) = (3) + (4)
101	Board of Medical Examiners	\$54,810	\$74,362	\$129,172
102	Board of Nursing	36,087	10,840	46,927
103	Board of Pharmacy	40,083	78,071	118,154
104	Board of Chiropractors	2,189	-198	1,991
105	Board of Dental Examiners	9,621	22,434	32,055
106	Legislative Counsel Bureau	532,808	1,007,476	1,540,284
108	Board of Osteopathic Medicine	4,932	6,405	11,337
109	Board of Massage Therapy	5,036	-22,575	-17,539
111	Funeral and Cemetery Board	2,882	-1,651	1,231
113	Public Employee Retirement System	97,009	59,598	156,607
116	Central Payroll	17,203,975	-6,735,237	10,468,738
118	Nevada Department of Transportation	1,732,009	-1,564,527	167,482
128	Board of Accountancy	4,550	3,945	8,495
129	Board of Cosmetology	20,040	-24,289	-4,249
134	Board of Professional Engineers	8,926	10,385	19,311
139/140	Nevada System of Higher Education	14,424,723	2,519,123	16,943,846
141	Board of Architecture	5,871	3,861	9,732
146	Board of Examiners for Social Workers	4,758	4,481	9,239
147	Liquefied Petroleum Gas Board	3,440	5,254	8,694
148	Board of Optometry	2,293	-1,157	1,136
149	Board of Veterinary Examiners	3,925	-10,067	-6,142
150	Board of Examiners for Alcohol, Drugs, & Gambling	1,493	-4,965	-3,472
171	Nevada Physical Therapy Board	4,585	48,119	52,704
172	Private Investigators Licensing Board	8,926	92,700	101,626

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Agency # (1)	Agency (2)	Proportionate Share of Plan OPEB Expense (3)	Changes in Proportion (4)	Total Employer OPEB Expense (5) = (3) + (4)
173	Board of Examiners for Marriage Family Therapists & Clinical Professional Counselors	3,994	39,713	43,707
174	Nevada Applied Behavior Analysis Board	1,876	16,408	18,284
175	State of Nevada - Judicial Board	512,107	4,358,834	4,870,941
176	Nevada Board of Psychological Examiners	313	2,657	2,970
Total		\$34,733,261	\$0	\$34,733,261

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Appendix D: Schedule of Deferred Outflows and Inflows of Resources by Employer as of June 30, 2024

Agency # (1)	Agency (2)	Differences Between Expected and Actual Experience (Outflow) (3)	Change of Assumptions (Outflow) (4)	Changes in Proportion (Outflow) (5)	Total Deferred Outflows of Resources (6) = (3) + (4) + (5)	Differences Between Expected and Actual Experience (Inflow) (7)	Net Difference Between Expected and Actual Investment Earnings on OPEB Plan Investments (Inflow) (8)	Change of Assumptions (Inflow) (9)	Changes in Proportion (Inflow) (10)	Total Deferred Inflows of Resources (11) = (7) + (8) + (9) + (10)
101	Board of Medical Examiners	\$0	\$0	\$110,277	\$110,277	\$27,410	\$552	\$207,980	\$39,221	\$275,163
102	Board of Nursing	0	0	20,517	20,517	18,047	363	136,940	78,287	233,637
103	Board of Pharmacy	0	0	43,829	43,829	20,045	403	152,097	138,837	311,382
104	Board of Chiropractors	0	0	377	377	1,094	22	8,303	5,052	14,471
105	Board of Dental Examiners	0	0	81,892	81,892	4,811	97	36,509	97,657	139,074
106	Legislative Counsel Bureau	0	0	3,437,545	3,437,545	266,452	5,362	2,021,814	0	2,293,628
108	Board of Osteopathic Medicine	0	0	10,635	10,635	2,467	50	18,716	14,961	36,194
109	Board of Massage Therapy	0	0	30,940	30,940	2,519	51	19,111	58,918	80,599
111	Funeral and Cemetery Board	0	0	18,692	18,692	1,442	29	10,939	49,237	61,647
113	Public Employee Retirement System	0	0	224,473	224,473	48,514	976	368,118	164,127	581,735
116	Central Payroll	0	0	0	0	8,603,548	173,136	65,282,858	30,183,557	104,243,099
118	Nevada Department of Transportation	0	0	0	0	866,162	17,430	6,572,347	4,586,333	12,042,272
128	Board of Accountancy	0	0	0	0	2,275	46	17,266	29,412	48,999
129	Board of Cosmetology	0	0	0	0	10,022	202	76,049	87,981	174,254
134	Board of Professional Engineers	0	0	49,312	49,312	4,464	90	33,873	11,336	49,763
139/140	Nevada System of Higher Education	0	0	12,601,995	12,601,995	7,213,670	145,166	54,736,605	0	62,095,441

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Agency # (1)	Agency (2)	Differences Between Expected and Actual Experience (Outflow) (3)	Change of Assumptions (Outflow) (4)	Changes in Proportion (Outflow) (5)	Total Deferred Outflows of Resources (6) = (3) + (4) + (5)	Differences Between Expected and Actual Experience (Inflow) (7)	Net Difference Between Expected and Actual Investment Earnings on OPEB Plan Investments (Inflow) (8)	Change of Assumptions (Inflow) (9)	Changes in Proportion (Inflow) (10)	Total Deferred Inflows of Resources (11) = (7) + (8) + (9) + (10)
141	Board of Architecture	0	0	10,097	10,097	2,935	59	22,274	13,862	39,130
146	Board of Examiners for Social Workers	0	0	11,038	11,038	2,380	48	18,057	0	20,485
147	Liquefied Petroleum Gas Board	0	0	3,382	3,382	1,720	35	13,048	30,798	45,601
148	Board of Optometry	0	0	377	377	1,146	23	8,699	13,272	23,140
149	Board of Veterinary Examiners	0	0	22,754	22,754	1,963	39	14,893	0	16,895
150	Board of Examiners for Alcohol, Drugs, & Gambling	0	0	0	0	747	15	5,667	7,429	13,858
171	Nevada Physical Therapy Board	0	0	51,402	51,402	2,293	46	17,398	2,527	22,264
172	Private Investigators Licensing Board	0	0	155,552	155,552	4,464	90	33,873	25,265	63,692
173	Board of Examiners for Marriage Family Therapists & Clinical Professional Counselors	0	0	76,897	76,897	1,998	40	15,157	0	17,195
174	Nevada Applied Behavior Analysis Board	0	0	52,515	52,515	938	19	7,117	0	8,074
175	State of Nevada - Judicial Board	0	0	18,612,224	18,612,224	256,100	5,154	1,943,262	0	2,204,516
176	Nevada Board of Psychological Examiners	0	0	11,347	11,347	156	3	1,186	0	1,345
Total		\$0	\$0	\$35,638,069	\$35,638,069	\$17,369,782	\$349,546	\$131,800,156	\$35,638,069	\$185,157,553

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Appendix E: Schedule of June 30, 2023 Deferred Flows Related to Changes in Proportion

Agency # (1)	Agency (2)	Beginning of Year Deferred Outflows Related to Changes in Proportionate Share (3)	Beginning of Year Deferred Inflows Related to Changes in Proportionate Share (4)
101	Board of Medical Examiners	\$222,000	\$28,178
102	Board of Nursing	57,574	7,883
103	Board of Pharmacy	155,608	1,193
104	Board of Chiropractors	1,363	0
105	Board of Dental Examiners	85,054	134,447
106	Legislative Counsel Bureau	1,455,990	187,724
108	Board of Osteopathic Medicine	24,386	9,875
109	Board of Massage Therapy	40,402	22,413
111	Funeral and Cemetery Board	28,573	0
113	Public Employee Retirement System	329,912	7,403
116	Central Payroll	2,400,323	9,330,916
118	Nevada Department of Transportation	85,029	3,084,103
128	Board of Accountancy	12,474	5,220
129	Board of Cosmetology	23,453	82,754
134	Board of Professional Engineers	64,392	2,040
139/140	Nevada System of Higher Education	9,545,487	2,127,061
141	Board of Architecture	17,680	476
146	Board of Examiners for Social Workers	13,089	717
147	Liquefied Petroleum Gas Board	18,943	31,735
148	Board of Optometry	2,466	2,525
149	Board of Veterinary Examiners	6,323	17,012
150	Board of Examiners for Alcohol, Drugs, & Gambling	0	7,731

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Agency # (1)	Agency (2)	Beginning of Year Deferred Outflows Related to Changes in Proportionate Share (3)	Beginning of Year Deferred Inflows Related to Changes in Proportionate Share (4)
171	Nevada Physical Therapy Board	100,113	0
172	Private Investigators Licensing Board	254,168	0
173	Board of Examiners for Marriage Family Therapists & Clinical Professional Counselors	94,827	0
174	Nevada Applied Behavior Analysis Board	51,777	0
175	State of Nevada - Judicial Board	0	0
176	Nevada Board of Psychological Examiners	0	0
Total		\$15,091,406	\$15,091,406

The amounts provided in this appendix represent the beginning of year deferred outflows and inflows related to changes in proportion, had the impact of changes in proportion been amortized over the plan's average expected remaining service lives since the inception of GASB 75. In prior valuation reports, these changes were amortized immediately over one-year periods, so there were no deferred flows related to changes in proportion.

As discussed in the cover letter, the plan's outside auditor's requested a change in methodology to recognize changes in proportion over multi-year periods. As part of the transition (for consistency with the OPEB expense and deferred outflows and inflows provided in Appendix D), the participating employers may choose to restate their beginning of year deferred outflows and inflows related to changes in proportion from zero to the amounts shown in Appendix E.

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Appendix F: Schedule of Deferred OPEB Amortization by Employer as of June 30, 2024

Agency # (1)	Agency (2)	Net Remaining Deferred Inflows/Outflows (3)	2026 (4)	2027 (5)	2028 (6)	2029 (7)	2030 (8)	Thereafter (9)
101	Board of Medical Examiners	-\$164,886	-\$54,145	-\$29,931	-\$29,840	-39,384	-\$11,586	\$0
102	Board of Nursing	-213,120	-75,789	-42,673	-42,614	-41,104	-10,940	0
103	Board of Pharmacy	-267,553	-79,394	-57,741	-57,676	-57,313	-15,429	0
104	Board of Chiropractors	-14,094	-5,209	-2,803	-2,800	-2,603	-679	0
105	Board of Dental Examiners	-57,182	-2,114	-26,346	-26,330	-3,667	1,275	0
106	Legislative Counsel Bureau	1,143,917	113,901	332,120	332,984	290,583	74,329	0
108	Board of Osteopathic Medicine	-25,559	-13,917	-2,756	-2,748	-4,682	-1,456	0
109	Board of Massage Therapy	-49,659	-17,058	-7,271	-7,263	-13,719	-4,348	0
111	Funeral and Cemetery Board	-42,955	-10,050	-8,638	-8,634	-12,046	-3,587	0
113	Public Employee Retirement System	-357,262	-135,991	-54,340	-54,183	-86,273	-26,475	0
116	Central Payroll	-104,243,099	-43,700,190	-19,517,075	-19,489,168	-17,145,040	-4,391,626	0
118	Nevada Department of Transportation	-12,042,272	-4,811,705	-2,453,968	-2,451,159	-1,876,514	-448,926	0
128	Board of Accountancy	-48,999	-16,250	-10,463	-10,456	-9,399	-2,431	0
129	Board of Cosmetology	-174,254	-87,381	-28,429	-28,397	-24,007	-6,040	0
134	Board of Professional Engineers	-451	-5,534	5,819	5,834	-4,373	-2,197	0
139/140	Nevada System of Higher Education	-49,493,446	-24,409,421	-7,797,788	-7,774,390	-7,512,512	-1,999,335	0
141	Board of Architecture	-29,033	-8,313	-6,111	-6,101	-6,656	-1,852	0
146	Board of Examiners for Social Workers	-9,447	-5,860	-559	-552	-1,848	-628	0

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Agency # (1)	Agency (2)	Net Remaining Deferred Inflows/Outflows (3)	2026 (4)	2027 (5)	2028 (6)	2029 (7)	2030 (8)	Thereafter (9)
147	Liquefied Petroleum Gas Board	-42,219	-12,410	-11,419	-11,413	-5,926	-1,051	0
148	Board of Optometry	-22,763	-7,481	-4,942	-4,939	-4,303	-1,098	0
149	Board of Veterinary Examiners	5,859	-989	2,123	2,129	2,051	545	0
150	Board of Examiners for Alcohol, Drugs, & Gambling	-13,858	-5,528	-2,877	-2,875	-2,092	-486	0
171	Nevada Physical Therapy Board	29,138	25,476	3,111	3,119	-1,648	-920	0
172	Private Investigators Licensing Board	91,860	73,282	13,203	13,218	-4,761	-3,082	0
173	Board of Examiners for Marriage Family Therapists & Clinical Professional Counselors	59,702	31,180	11,821	11,828	4,418	455	0
174	Nevada Applied Behavior Analysis Board	44,441	12,597	13,102	13,105	5,072	565	0
175	State of Nevada - Judicial Board	16,407,708	3,328,556	3,979,876	3,980,707	4,026,672	1,091,897	0
176	Nevada Board of Psychological Examiners	10,002	2,029	2,426	2,426	2,454	667	0
Total		-\$149,519,484	-\$69,877,708	-\$25,702,529	-\$25,646,188	-\$22,528,620	-\$5,764,439	\$0