

# State of Nevada Retiree Health and Life Insurance Plan

**Governmental Accounting Standards Board (GASB) Statement 75 Actuarial  
Valuation and Review of Other Postemployment Benefits (OPEB) measured as  
of June 30, 2023 for June 30, 2024 Employer Reporting**

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**Segal**

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July 19, 2024

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

Dear Board Members:

We are pleased to submit this Actuarial Valuation and Review of Other Postemployment Benefits (OPEB) measured as of June 30, 2023 under Governmental Accounting Standards Board Statement No. 75. The report summarizes the actuarial data used in the valuation, discloses the Net OPEB Liability (NOL), and analyzes the preceding year's experience. The actuarial calculations were completed under the supervision of Mehdi Riazi, FSA, FCA, EA, MAAA and Daniel J. Rhodes, FSA, FCA, MAAA.

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 such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; and changes in plan provisions or applicable law.

The actuarial valuation has been completed in accordance with generally accepted actuarial principles and practices for the exclusive used and benefit of the Board, based upon information provided by the staff of the Plan and the Plan's other service providers. To the best of our knowledge, the information supplied in this actuarial valuation is complete and accurate. Further, in our opinion, the assumptions used in this valuation and described in Section 3, Exhibit 2 are reasonably related to the experience of and the expectations for the Plan. The actuarial projections are based on these assumptions and the plan of benefits as summarized in Section 3, Exhibit 3.

Board of Trustees  
State of Nevada Public Employees' Benefits Program  
July 19, 2024

Segal makes no representation or warranty as to the future status of the Plan and does not guarantee any particular result. This document does not constitute legal, tax, accounting or investment advice or create or imply a fiduciary relationship. The Board is encouraged to discuss any issues raised in this report with the Plan's legal, tax and other advisors before taking, or refraining from taking, any action.

Sincerely,

Segal



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Richard Ward, FSA, FCA, MAAA  
Senior Vice President



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

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# Section 1: Actuarial Valuation Summary

## Purpose and basis

This report presents the results of our actuarial valuation of the State of Nevada's (the "State") Public Employees Benefits Program (PEBP) Retiree Health and Life Insurance Plan as of June 30, 2023, required by Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. The actuarial computations made are for purposes of fulfilling plan accounting requirements. Determinations for purposes other than meeting financial accounting requirements may be significantly different from the results reported here. This valuation is based on:

- The benefit provisions of the State of Nevada PEBP Retiree Health and Life Insurance Plan, as administered by Nevada PEBP;
- The characteristics of covered active members, terminated vested members, and retired members and beneficiaries as of June 30, 2022, provided by Nevada PEBP and Nevada Public Employees' Retirement System (PERS);
- The assets of the Plan as of June 30, 2023, provided by Nevada PEBP;
- Health care trends and other medical related assumptions; and
- Other (non-health) actuarial assumptions, regarding employee terminations, retirement, death, disability, etc. based on the State of Nevada PERS Actuarial Experience Study as of June 30, 2020, dated September 10, 2021.

Because the 2025 Final CY 2025 Part D Redesign Program Instructions were released by the Centers for Medicare and Medicaid Services (CMS) several months after the June 30, 2023 measurement date, the trend rate assumptions do not reflect the generally higher anticipated cost due to the implementation of the provisions found in the Inflation Reduction Act of 2022.

# Section 1: Actuarial Valuation Summary

## Highlights of the valuation

### Accounting and Financial Reporting

- For GASB 75 reporting as of June 30, 2024, the Net OPEB Liability (NOL) was measured as of June 30, 2023. The Plan's Fiduciary Net Position (plan assets) were valued as of the measurement date. Consistent with the provisions of GASB 75, the assets and liabilities measured as of June 30, 2023 are not adjusted or rolled forward to the June 30, 2024 reporting date.
- The NOL as of June 30, 2023 is \$1,457,970,965, an increase of \$15,763,231 or 1.1%, from the June 30, 2022 NOL of \$1,442,207,734. The NOL had been expected to increase due to normal plan operations. The increase was less than expected, mainly due to the change in the discount rate from 3.54% to 3.65%. The change in the discount rate decreased the NOL by \$14,550,157.
- The Annual OPEB Expense decreased to \$58,580,976 for the measurement period ending June 30, 2023. Last year's expense was \$85,379,178 and included the full impact of the plan benefit changes (\$38,605,492). Because plan changes are fully recognized in the year they are made, this year's OPEB expense no longer reflects that large component of last year's expense.

### Funding (pay-as-you-go)

- It is our understanding that Nevada PEBP funds OPEB Plan benefits on a pay-as-you-go basis. Under GASB Statement No. 75, if the State were to begin funding OPEB benefits, it would be able to take advantage of a higher discount rate than what is being currently used, which would result in a lower reported liability.

### Related Items

- At the request of PEBP, we are including two additional metrics to assist the State with its bond offering discussions. These additional items are not required disclosures under GASB Statement No. 75. The Actuarially Determined Contribution (ADC) provided below is not based on a formally adopted funding policy nor is it meant to represent a measure of accountability for the State of Nevada. The ADC was determined in a manner consistent with GASB's OPEB reporting framework prior to Statements Nos. 74 and 75.
  - The Present Value of Benefits (PVB) as of June 30, 2023 was \$1,829,699,020. This PVB was based on the same data, methods, and actuarial assumptions as the June 30, 2023 TOL, including a 3.65% discount rate.
  - The ADC for Fiscal Year Ending 2024 was \$133,395,931. This hypothetical ADC consists of the plan's service cost plus a payment towards a 25-year, level-dollar amortization of the NOL. The ADC was developed using the same data, methods, and actuarial assumptions, including a 3.65% discount rate, as those used to develop the June 30, 2023 NOL.

# Section 1: Actuarial Valuation Summary

## Summary of key valuation results

Valuation Result	Current	Prior
Reporting Date for Employer under GASB 75	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2023	June 30, 2022
<b>Disclosure elements for fiscal year ending June 30:</b>		
• Total OPEB Liability	\$1,427,443,647	\$1,422,115,023
• Plan Fiduciary Net Position (Assets)	(30,527,318)	(20,092,711)
• Net OPEB Liability	1,457,970,965	1,442,207,734
• Plan Fiduciary Net Position as a percentage of Total OPEB Liability	(2.14)%	(1.41)%
• OPEB Expense	58,580,976	85,379,178
• Service Cost at Beginning of Year	46,423,873	52,675,056
• Total Payroll	2,372,044,778	2,277,677,722
<b>Key assumptions as of June 30:</b>		
• Discount rate	3.65%	3.54%
• Inflation rate	2.50%	2.50%

# Section 1: Actuarial Valuation Summary

## Important information about actuarial valuations

An actuarial valuation is a budgeting tool with respect to defining future uncertain obligations of a postretirement health plan. As such, it will never forecast the precise future stream of benefit payments. It is an estimated forecast – the actual cost of the plan will be determined by the benefits and expenses paid, not by the actuarial valuation.

In order to prepare a valuation, Segal relies on a number of input items. These include:

Input Item	Description
<b>Plan of benefits</b>	Plan provisions define the rules that will be used to determine benefit payments, and those rules, or the interpretation of them, may change over time. Even where they appear precise, outside factors may change how they operate. For example, a plan may provide health benefits to post-65 retirees that coordinates with Medicare. If so, changes in the Medicare law or administration may change the plan's costs without any change in the terms of the plan itself. It is important for the State to keep Segal informed with respect to plan provisions and administrative procedures, and to review the plan summary included in our report to confirm that Segal has correctly interpreted the plan of benefits.
<b>Participant data</b>	An actuarial valuation for a plan is based on data provided to the actuary by the plan. Segal does not audit such data for completeness or accuracy, other than reviewing it for obvious inconsistencies compared to prior data and other information that appears unreasonable. It is not necessary to have perfect data for an actuarial valuation: the valuation is an estimated forecast, not a prediction. The uncertainties in other factors are such that even perfect data does not produce a "perfect" result. Notwithstanding the above, it is important for Segal to receive the best possible data and to be informed about any known incomplete or inaccurate data.
<b>Assets</b>	The valuation is based on the market value of assets as of the valuation date, as provided by the State.
<b>Actuarial assumptions</b>	In preparing an actuarial valuation, Segal starts by developing a forecast of the benefits to be paid to existing plan participants for the rest of their lives and the lives of their beneficiaries. To determine the future costs of benefits, Segal collects claims, premiums, and enrollment data in order to establish a baseline cost for the valuation measurement, and then develops short- and long-term health care cost trend rates to project increases in costs in future years. This forecast also requires actuarial assumptions as to the probability of death, disability, withdrawal, and retirement of each participant for each year, as well as forecasts of the plan's benefits for each of those events. The forecasted benefits are then discounted to a present value, typically based on an estimate of the rate of return that will be achieved on the plan's assets or, if there are no assets, a rate of return based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). All of these factors are uncertain and unknowable. Thus, there will be a range of reasonable assumptions, and the results may vary materially based on which assumptions the actuary selects within that range. That is, there is no right answer (except with hindsight). It is important for any user of an actuarial valuation to understand and accept this constraint. The actuarial model necessarily uses approximations and estimates that may lead to significant changes in our results but will have no impact on the actual cost of the plan. In addition, the actuarial assumptions may change over time, and while this can have a significant impact on the reported results, it does not mean that the previous assumptions or results were unreasonable or wrong.

## Section 1: Actuarial Valuation Summary

The user of Segal's actuarial valuation (or other actuarial calculations) should keep the following in mind:

- The actuarial valuation is prepared for use by the Nevada PEBP. It includes information for compliance with accounting standards and for the plan's auditor. Segal is not responsible for the use or misuse of its report, particularly by any other party.
- If the State is aware of any event or trend that was not considered in this valuation that may materially change the results of the valuation, Segal should be advised, so that we can evaluate it.
- An actuarial valuation is a measurement at a specific date – it is not a prediction of a plan's future financial condition. Accordingly, Segal did not perform an analysis of the potential range of financial measurements, except where otherwise noted. The actual long-term cost of the plan will be determined by the actual benefits and expenses paid and the actual investment experience of the plan.
- Sections of this report include actuarial results that are not rounded, but that does not imply precision.
- Critical events for a plan include, but are not limited to, decisions about changes in benefits and contributions. The basis for such decisions needs to consider many factors such as the risk of changes in plan enrollment, emerging claims experience, health care trend, and investment losses, not just the current valuation results.
- Segal does not provide investment, legal, accounting, or tax advice and is not acting as a fiduciary to the Plan. This valuation is based on Segal's understanding of applicable guidance in these areas and of the Plan's provisions, but they may be subject to alternative interpretations. The State should look to their other advisors for expertise in these areas.
- While Segal maintains extensive quality assurance procedures, an actuarial valuation involves complex computer models and numerous inputs. In the event that an inaccuracy is discovered after presentation of Segal's valuation, Segal may revise that valuation or make an appropriate adjustment in the next valuation.
- Segal's report shall be deemed to be final and accepted by the State upon delivery and review. The State should notify Segal immediately of any questions or concerns about the final content.

# Section 1: Actuarial Valuation Summary

July 19, 2024

## Actuarial Certification

This is to certify that Segal has conducted an actuarial valuation of certain benefit obligations of State of Nevada Retiree Health and Life Insurance Plan's other postemployment benefit programs as of June 30, 2023, in accordance with generally accepted actuarial principles and practices. The actuarial calculations presented in this report have been made on a basis consistent with our understanding of GASB Statement and 75 for the determination of the liability for postemployment benefits other than pensions.

The actuarial valuation is based on the plan of benefits verified by PEBP and reliance on participant, premium, claims and expense data provided by PEBP or from vendors employed by PEBP. Segal does not audit the data provided. The accuracy and comprehensiveness of the data is the responsibility of those supplying the data. Segal, however, does review the data for reasonableness and consistency.

The actuarial computations made are for purposes of fulfilling plan accounting requirements. Determinations for purposes other than meeting financial accounting requirements may be significantly different from the results reported here. Accordingly, additional determinations may be needed for other purposes, such as judging benefit security at termination of the plan, or determining short-term cash flow requirements.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: retiree group benefits program experience or rates of return on assets differing from that anticipated by the assumptions; changes in 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 retiree group benefits program 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. The scope of the assignment did not include performing an analysis of the potential change of such future measurements except where noted.

To the best of our knowledge, this report is complete and accurate and presents the information necessary to comply with GASB Statement 75 with respect to the benefit obligations addressed. We are members of the Society of Actuaries, the American Academy of Actuaries, and other professional actuarial organizations and collectively meet the "General Qualification Standards for Statements of Actuarial Opinions" to render the actuarial opinion contained herein. Daniel J. Rhodes was responsible for the claims and medical trend calculations.



Richard Ward, FSA, FCA, MAAA  
Senior Vice President  
Supervising Actuary



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

# Section 2: GASB 75 Information

## General information about the OPEB plan

**Plan administration.** The Public Employees' Benefits Program (PEBP) of the State of Nevada administers the OPEB plan - a multiple-employer, cost-sharing OPEB plan that is used to provide OPEB for permanent full-time employees of the State.

**Plan membership.** At June 30, 2022, the State's OPEB plan membership consisted of the following:

Membership	Medical
Retired members or beneficiaries currently receiving benefits <sup>1</sup>	12,692
Vested terminated members entitled to but not yet receiving benefits <sup>2</sup>	18,495
Active members	<u>28,015</u>
<b>Total</b>	<b>59,202</b>

**Benefits provided.** Non-Medicare retirees are eligible for medical and prescription drug benefits via four separate health plan options. Premiums for non-Medicare retirees vary based on date of hire, date of retirement, and years of service.

Medicare retirees are eligible for medical and prescription drug benefits through the Exchange. Medicare retirees are eligible for a monthly Exchange HRA contribution of \$195 if retired prior to January 1, 1994, or \$13 per month per year of service up to 20 years if retired on or after January 1, 1994. Medicare retirees whose initial hire date is after January 1, 2012 are not eligible for a Medicare HRA contribution. Medicare retirees hired between January 1, 2010 and December 31, 2011 require 15 years of service to qualify for an HRA contribution.

<sup>1</sup> Retiree and Beneficiary counts only include State participants.

<sup>2</sup> Vested Terminated counts include Non-State participants. The Nevada PERS census data, determined as the best source for vested terminated participants, does not differentiate between State and non-State participants. The participation assumption for vested terminated members has been adjusted downward to reflect only future State retirees from this group.

## Section 2: GASB 75 Information

**Benefits provided (continued).** Retirees and spouses who are over the age of 65 can maintain their healthcare coverage on a non-Exchange plan until the younger spouse reaches the age of 65. In addition, retirees over the age of 65 who are not eligible for free Part A coverage are allowed to stay on a non-Exchange health plan. In these situations, the retiree contribution for a retired member who is over the age of 65 is reduced by the Part B premium credit. The Part B reimbursement is not provided to spouses who are over the age of 65. Enrollment in Medicare Part B is required for retirees who are over the age of 65. Retirees over the age of 65 who are eligible for free Medicare Part A are required to enroll in Medicare Part A and a health plan offered by the Medicare Exchange.

**Duration of coverage.** Until both the retiree and spouse become Medicare-eligible, whereupon they will move to the Exchange. Certain retirees over age 65 are not eligible for Medicare Part A. Lifetime benefits are provided to members hired prior to January 1, 2012. Medicare retirees hired between January 1, 2010 and December 31, 2011 require 15 years of service to qualify for an HRA contribution.

**Dependent coverage.** Benefits are available for dependents. However, beneficiaries and spouses do not receive any Exchange benefits. Couples can remain on a non-Medicare plan until the younger spouse reaches age 65. A member who is older than 65 and has a spouse who is younger than 65 is required to enroll in Medicare. The plan will pay secondary to Medicare and will reimburse the member \$135.10 towards the Medicare Part B premium. Surviving spouses of retirees, and surviving spouses of active employees who had at least 10 years of service, are allowed to maintain their health coverage to age 65 but are required to pay the full blended premiums. Surviving spouses and children of Police/Fire employees killed in the line of duty are allowed to join or continue the plan, and their full premium is paid by the employer.

**Life insurance.** Any retiree with retiree health insurance coverage, either through the CDHP PPO, LD PPO, EPO, HMO, or Medicare Exchange is provided a basic life insurance benefit of \$12,500. Retirees can purchase additional coverage at their own expense.

**Retiree Contributions.** Retiree and spouse contribution rates are periodically reset by PEBP. The monthly contributions shown below were effective from July 1, 2022 through June 30, 2023. Employees hired on or after January 1, 2012, or hired between January 1, 2010 and January 1, 2012 with less than 15 years of service, as well as all surviving spouses, are required to pay the plan's overall blended premium rates for coverage.

	CDHP PPO	LD PPO	HMO/EPO
Retiree	\$241.26	\$262.44	\$355.30
Retiree + Spouse	588.96	631.34	817.06
Surviving Spouse	670.83	691.98	779.47

## Section 2: GASB 75 Information

**Retiree contributions (continued).** Service-based adjustments are applied to the CDHP PPO, LD PPO, EPO, and HMO premiums as follows. These service-based adjustments do not apply to spouses, surviving spouses, or employees hired on or after January 1, 2012.

Years of Service	Change in Premium (\$)
5	+373.50
6	+336.15
7	+298.80
8	+261.45
9	+224.10
10	+186.75
11	+149.40
12	+112.05
13	+74.70
14	+37.35
15	0
16	-37.35
17	-74.70
18	-112.05
19	-149.40
20+	-186.75

## Section 2: GASB 75 Information

### Net OPEB liability

Components of the Net OPEB Liability	Current	Prior
Reporting Date for Employer under GASB 75	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2023	June 30, 2022
Total OPEB Liability	\$1,427,443,647	\$1,422,115,023
Plan Fiduciary Net Position	(30,527,318)	(20,092,711)
Net OPEB Liability	1,457,970,965	1,442,207,734
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	(2.14)%	(1.41)%

The Net OPEB Liability was measured as of June 30, 2023 and 2022. Plan Fiduciary Net Position (plan assets) was valued as of the measurement dates and the Total OPEB Liability was determined from actuarial valuations using data as of June 30, 2022.

## Section 2: GASB 75 Information

**Actuarial assumptions.** The Total OPEB Liability was measured by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified. The Total OPEB Liability as of June 30, 2023 was developed using standard actuarial roll-forward techniques.

Assumption Type	Assumption
Inflation	2.50%
Salary increases	4.20% to 9.10%, for Regular members and 4.60% to 14.50% for Police/Fire members, varying by service, including inflation
Discount rate	3.65%
Healthcare cost trend rates	
Medical/prescription drug	4.80% increase effective July 1, 2023, then 7.25% graded down 0.25% to ultimate 4.50% over 11 years.
Retiree premiums	First year trend rates were based on actual increases effective July 1, 2023. Afterwards, premium increases were expected to be in-line with the underlying medical and prescription drug claims trend assumption.
Dental	4.00%
Administrative costs	3.00%
Part B reimbursement	0% and 27.17%, effective July 1, 2023 and 2024, respectively, then 4.50%
Demographic assumptions	The demographic assumptions which are not unique to the OPEB valuation were based on the 2020 Actuarial Experience Study conducted for the Public Employees' Retirement System of the State of Nevada, dated September 10, 2021. For details, please see Section 3, Exhibit 2.

## Section 2: GASB 75 Information

### Determination of discount rate and investment rates of return

Since the State funds this Plan on a pay-as-you-go-basis, GASB requires the discount rate be based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). To comply with this requirement, the discount rate is based on an index of 20-year, tax-exempt general obligation bonds. Specifically, the chosen rate is 3.65%, the Bond Buyer 20-Bond GO Index rate published closest to, but not later than, the measurement date of June 30, 2023.

### Sensitivity

The following presents the NOL as well as what the NOL would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current rate. Also, shown is the NOL as if it were calculated using healthcare cost trend rates that were 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates.

Item	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Net OPEB Liability (Asset)	\$1,599,173,891	\$1,457,970,965	\$1,335,498,630
Item	1% Decrease in Health Care Cost Trend Rates	Current Health Care Cost Trend Rates	1% Increase in Health Care Cost Trend Rates
Net OPEB Liability (Asset)	\$1,382,571,885	\$1,457,970,965	\$1,544,492,010

## Section 2: GASB 75 Information

### Schedule of changes in Net OPEB Liability – Last two fiscal years

Components of the Net OPEB Liability	Current	Prior
<b>Reporting and Measurement Dates</b>		
Reporting Date for Employer under GASB 75	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2023	June 30, 2022
<b>Total OPEB Liability</b>		
Service cost	\$46,423,873	\$52,675,056
Interest	50,767,999	33,718,089
Change of benefit terms	0	38,605,492
Differences between expected and actual experience	(7,880,015)	(19,315,612)
Changes of assumptions	(14,550,157)	(159,738,443)
Benefit payments, including refunds of member contributions	(69,433,076)	(64,012,286)
<b>Net change in Total OPEB Liability</b>	<b>\$5,328,624</b>	<b>\$(118,067,704)</b>
Total OPEB Liability – beginning	1,422,115,023	1,540,182,727
<b>Total OPEB Liability – ending</b>	<b>\$1,427,443,647</b>	<b>\$1,422,115,023</b>
<b>Plan Fiduciary Net Position</b>		
Contributions – employer <sup>1</sup>	\$58,858,467	\$53,980,293
Contributions – employee	0	0
Net investment income	140,002	(92,890)
Benefit payments, including refunds of member contributions	(69,433,076)	(64,012,286)
Administrative expense	0	0
Other	0	0
<b>Net change in Plan Fiduciary Net Position</b>	<b>\$(10,434,607)</b>	<b>\$(10,124,883)</b>
Plan Fiduciary Net Position – beginning	(20,092,711)	(9,967,828)
<b>Plan Fiduciary Net Position – ending</b>	<b>\$(30,527,318)</b>	<b>\$(20,092,711)</b>

<sup>1</sup> For the measurement periods ending June 30, 2023 and June 30, 2022,  
 (1) benefit payments were calculated using actual underlying claims, premiums, and HRA benefits, net of retiree contributions, and  
 (2) employer contributions reflect contributions to the retiree health benefits trust plus contributions related to benefits that were not reimbursed by the retiree health benefits trust.

## Section 2: GASB 75 Information

Components of the Net OPEB Liability	Current	Prior
<b>Net OPEB Liability</b>		
Net OPEB Liability – ending	\$1,457,970,965	\$1,442,207,734
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	(2.14)%	(1.41)%
Covered payroll	\$2,372,044,778	\$2,277,677,722
Plan Net OPEB Liability as percentage of covered payroll	61.46%	63.32%

### Notes to Schedule:

- Benefit changes: None.
- Changes of assumptions: The discount rate increased from 3.54% to 3.65%. This change lowered the TOL.

## Section 2: GASB 75 Information

### Deferred outflows of resources and deferred inflows of resources

Deferred outflows and inflows	Current	Prior
<b>Reporting and Measurement Dates</b>		
Reporting Date for Employer under GASB 75	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2023	June 30, 2022
<b>Deferred Outflows of Resources</b>		
Changes in proportion and differences between employer's contributions and proportionate share of contributions	\$0	\$0
Changes of assumptions or other inputs	20,491,312	52,625,980
Net difference between projected and actual earnings on OPEB plan investments	0	0
Difference between expected and actual experience in the Total OPEB Liability	0	0
<b>Total Deferred Outflows of Resources</b>	<b>\$20,491,312</b>	<b>\$52,625,980</b>
<b>Deferred Inflows of Resources</b>		
Changes in proportion and differences between employer's contributions and proportionate share of contributions	\$0	\$0
Changes of assumptions or other inputs	91,488,046	120,069,793
Net difference between projected and actual earnings on OPEB plan investments	423,394	592,996
Difference between expected and actual experience in the Total OPEB Liability	28,600,700	48,024,741
<b>Total Deferred Inflows of Resources</b>	<b>\$120,512,140</b>	<b>\$168,687,530</b>

## Section 2: GASB 75 Information

**Deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:**

Reporting Date for Employer under GASB 75 Year Ended June 30:

2024	N/A	\$(34,256,854)
2025	\$(41,783,575)	(37,516,835)
2026	(48,498,260)	(44,231,520)
2027	(4,323,081)	(56,341)
2028	(4,266,740)	0
2029	(1,149,172)	0
Thereafter	0	0

The net effect of the collective deferred outflows of resources and deferred inflows of resources is recognized over the average of the expected remaining service lives of all employees that are provided with benefits through Nevada PEBP determined as of June 30, 2022 (the beginning of the measurement period ending June 30, 2023).

The average of the expected service lives of all employees was 5.27 and was determined by:

- Calculating each active employee's expected remaining service life as the present value of \$1 per year of future service at zero percent interest.
- Setting the remaining service life to zero for each nonactive or retired member.
- Dividing the sum of the above amounts by the total number of active employee, nonactive and retired members.

Based on conversations with PEBP, the net effect of (1) changes in the employer's proportionate share of the collective NOL and deferred inflows/outflows and (2) differences between the employer's actual contributions and the proportionate share of the total employer contributions are recognized over 1 year.

## Section 2: GASB 75 Information

### Schedule of recognition of change in total Net OPEB Liability

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

Reporting Date for Employer under GASB 75	Differences between Expected and Actual Experience	Recognition Period (Years)	2023	2024	2025	2026	2027	2028	2029	Thereafter
Year Ended June 30										
2019	\$0	4.78	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2020	(31,485,200)	4.78	(6,586,900)	(5,137,600)	0	0	0	0	0	0
2021	(72,984,434)	4.79	(15,236,834)	(15,236,834)	(12,037,098)	0	0	0	0	0
2022	(2,313,154)	3.98	(581,194)	(581,194)	(569,572)	0	0	0	0	0
2023	(19,315,612)	3.98	(4,853,169)	(4,853,169)	(4,853,169)	(4,756,105)	0	0	0	0
2024	(7,880,015)	5.27	N/A	(1,495,259)	(1,495,259)	(1,495,259)	(1,495,259)	(1,495,259)	(403,720)	0
<b>Total<sup>1</sup></b>			<b>N/A</b>	<b>\$27,304,056</b>	<b>\$(18,955,098)</b>	<b>\$(6,251,364)</b>	<b>\$(1,495,259)</b>	<b>\$(1,495,259)</b>	<b>\$(403,720)</b>	<b>\$0</b>

<sup>1</sup> Net increase (decrease) in OPEB expense

## Section 2: GASB 75 Information

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

Reporting Date for Employer under GASB 75 Year Ended June 30	Assumption Changes	Recognition Period (Years)	OPEB Expense								
			2023	2024	2025	2026	2027	2028	2029	Thereafter	
2019	\$(36,851,300)	4.78	\$(6,013,300)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
2020	37,971,500	4.78	7,943,800	6,196,300	0	0	0	0	0	0	
2021	124,244,784	4.79	25,938,368	25,938,368	20,491,312	0	0	0	0	0	
2022	(937,989)	3.98	(235,676)	(235,676)	(230,961)	0	0	0	0	0	
2023	(159,738,443)	3.98	(40,135,287)	(40,135,287)	(40,135,287)	(39,332,582)	0	0	0	0	
2024	(14,550,157)	5.27	N/A	(2,760,941)	(2,760,941)	(2,760,941)	(2,760,941)	(2,760,941)	(745,452)	0	
<b>Total<sup>1</sup></b>			<b>N/A</b>	<b>\$(10,997,236)</b>	<b>\$(22,635,877)</b>	<b>\$(42,093,523)</b>	<b>\$(2,760,941)</b>	<b>\$(2,760,941)</b>	<b>\$(745,452)</b>	<b>\$0</b>	

<sup>1</sup> Net increase (decrease) in OPEB expense

## Section 2: GASB 75 Information

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

Reporting Date for Employer under GASB 75	Differences between Projected and Actual Earnings	Recognition Period (Years)	2023	2024	2025	2026	2027	2028	2029	Thereafter
Year Ended June 30										
2019	\$(110,300)	5.00	\$(21,900)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2020	(149,300)	5.00	(29,900)	(29,700)	0	0	0	0	0	0
2021	(196,153)	5.00	(39,231)	(39,231)	(39,229)	0	0	0	0	0
2022	(432,452)	5.00	(86,490)	(86,490)	(86,490)	(86,492)	0	0	0	0
2023	(281,706)	5.00	(56,342)	(56,341)	(56,341)	(56,341)	(56,341)	0	0	0
2024	(52,702)	5.00	N/A	(10,542)	(10,540)	(10,540)	(10,540)	(10,540)	0	0
<b>Total<sup>1</sup></b>			<b>N/A</b>	<b>\$(222,304)</b>	<b>\$(192,600)</b>	<b>\$(153,373)</b>	<b>\$(66,881)</b>	<b>\$(10,540)</b>	<b>\$0</b>	<b>\$0</b>

Beginning in 2024, the projected earnings were calculated based on cash equivalents as of the beginning of the year (excludes payables and receivables).

<sup>1</sup> Net increase (decrease) in OPEB expense

## Section 2: GASB 75 Information

### Total Increase (Decrease) in OPEB Expense

Reporting Date for Employer under GASB 75	Total Increase (Decrease) in OPEB Expense	2023	2024	2025	2026	2027	2028	2029	Thereafter
Year Ended June 30									
2019	\$(36,961,600)		\$(6,035,200)	\$0	\$0	\$0	\$0	\$0	\$0
2020	6,337,000		1,327,000	1,029,000	0	0	0	0	0
2021	51,064,197		10,662,303	10,662,303	8,414,985	0	0	0	0
2022	(3,683,595)		(903,360)	(903,360)	(887,023)	(86,492)	0	0	0
2023	(179,335,761)		(45,044,798)	(45,044,798)	(45,044,798)	(44,145,028)	(56,341)	0	0
2024	(22,482,874)		N/A	(4,266,742)	(4,266,740)	(4,266,740)	(4,266,740)	(4,266,740)	(1,149,172)
<b>Total<sup>1</sup></b>		N/A	<b>\$(38,523,596)</b>	<b>\$(41,783,575)</b>	<b>\$(48,498,260)</b>	<b>\$(4,323,081)</b>	<b>\$(4,266,740)</b>	<b>\$(1,149,172)</b>	<b>\$0</b>

<sup>1</sup> Net increase (decrease) in OPEB expense

## Section 2: GASB 75 Information

### OPEB expense

Components of OPEB expense	Current	Prior
Reporting Date for Employer under GASB 75	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2023	June 30, 2022
Components of OPEB Expense		
Service cost	\$46,423,873	\$52,675,056
Interest on the Total OPEB Liability	50,767,999	33,718,089
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Current-period benefit changes	0	38,605,492
Expensed portion of current-period difference between expected and actual experience in the Total OPEB Liability	(1,495,259)	(4,853,169)
Expensed portion of current-period changes of assumptions or other inputs	(2,760,941)	(40,135,287)
Member contributions	0	0
Projected earnings on plan investments	(87,300)	374,596
Expensed portion of current-period differences between actual and projected earnings on plan investments	(10,542)	(56,342)
Administrative expense	0	0
Other	0	0
Recognition of beginning of year deferred outflows of resources as OPEB expense	32,134,668	33,882,168
Recognition of beginning of year deferred inflows of resources as OPEB expense	(66,391,522)	(28,831,425)
<b>OPEB Expense</b>	<b>\$58,580,976</b>	<b>\$85,379,178</b>

## Section 2: GASB 75 Information

### Schedule of reconciliation of Net OPEB Liability

Item	Current	Prior
<b>Reporting and Measurement Dates</b>		
Reporting Date for Employer under GASB 75	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2023	June 30, 2022
<b>Net OPEB Liability</b>		
Beginning Net OPEB Liability	\$1,442,207,734	\$1,550,150,555
OPEB expense	58,580,976	85,379,178
Employer contributions	(58,858,467)	(53,980,293)
New net deferred inflows/outflows	(18,216,132)	(134,290,963)
Change in allocation of prior deferred inflows/outflows	0	0
New net deferred inflows/outflows due to change in proportion	0	0
Recognition of prior deferred inflows/outflows	34,256,854	(5,050,743)
Recognition of prior deferred inflows/outflows due to change in proportion	0	0
<b>Ending Net OPEB Liability</b>	<b>\$1,457,970,965</b>	<b>\$1,442,207,734</b>

## Section 2: GASB 75 Information

### Statement of Fiduciary Net Position

Item	Amounts as of June 30, 2023
<b>Assets</b>	
• Cash and deposits	\$2,199,374
<b>Receivables</b>	
• Intergovernmental Receivable	23,940
• Due From Other Funds	137,891
• Due From Component, Units, Net	1,526,308
• Total receivables	\$1,688,139
<b>Total Assets</b>	<b>\$3,887,513</b>
<b>Liabilities</b>	
<b>Payables</b>	
• Due to Other Funds	34,414,831
<b>Total liabilities</b>	<b>\$34,414,831</b>
<b>Net position restricted for OPEB</b>	<b>\$(-30,527,318)</b>

# Section 3: Supporting Information

## Exhibit 1: Summary of Participant Data

Statistic	Amount as of June 30, 2022
Number of retirees	12,319
Average age of retirees	69.86
Number of spouses	2,354
Average age of spouses	67.28
Number of surviving spouses	373
Average age	76.61
Number inactive vested <sup>1</sup>	18,495
Average age	49.15
Number of actives <sup>2</sup>	28,015
Average age	45.04
Average service	8.74

<sup>1</sup> Based on discussions with the State, we agreed to use the June 30, 2022 Nevada PERS census data for vested terminated participants. Only vested terminated employees who were younger than age 65 as of the valuation date were included. The PERS database was the best source of data available for vested terminated participants. However, we were not able to determine which vested terminated PERS participants were State employees. As a result, the participation assumption for current vested terminated participants was adjusted downward to reflect the fact that the census data includes State and Non-State vested terminated participants.

<sup>2</sup> Of the 28,015 active employees, 18,198 were hired on or after January 1, 2012.

## Section 3: Supporting Information

### **Exhibit 2: Actuarial Assumptions and Actuarial Cost Method**

#### **Data:**

Detailed census data, premium data and claim experience, and summary plan descriptions for OPEB were provided by the employer.

#### **Actuarial Cost Method:**

Entry Age Normal level percent of pay

#### **Asset Valuation Method:**

Market Value

#### **Measurement Date:**

June 30, 2023

#### **Actuarial Valuation Date:**

June 30, 2022

#### **Roll Forward Techniques:**

The Total OPEB Liability as of June 30, 2023 was based on the results in the Actuarial Valuation and Review of Other Postemployment Benefits as of June 30, 2022 in accordance with GASB No. 75, dated August 1, 2023, by Segal, adjusted forward using standard actuarial techniques and also adjusted for changes in assumptions.

## Section 3: Supporting Information

### **Discount Rate:**

3.65%, based on bond index as of June 30, 2023

### **Inflation Rate:**

2.50%

### **Investment Return Assumption:**

2.50%, same as Inflation Rate assumption

### **Demographic and Salary Assumptions:**

The demographic and salary increase assumptions that are common to the PERS pension valuation were based on the 2020 Actuarial Experience Study for the Public Employees' Retirement System of the State of Nevada dated September 10, 2021.

The demographic assumptions that are unique to the GASB 74 valuation (such as enrollment elections, dependent coverage assumptions, and relative ages of spouses) are based on the plan's experience and are reviewed every full valuation.

## Section 3: Supporting Information

### Salary Increases (%):

**Inflation:** 2.50% plus

**Productivity pay increases:** 0.50% plus

**Merit and promotion salary increases:**

Years of Service	Regular	Police/Fire
0 – 1	6.10	11.50
1 – 2	5.00	8.20
2 – 3	4.40	5.80
3 – 4	4.00	5.20
4 – 5	3.70	4.90
5 – 6	3.40	4.70
6 – 7	3.30	4.40
7 – 8	3.20	4.20
8 – 9	3.00	4.00
9 – 10	2.80	3.90
10 – 11	2.60	3.50
11 – 12	2.30	2.80
12 – 13	2.10	2.20
13 – 14	1.90	2.00
14 – 15	1.80	1.90
15 – 16	1.70	1.70
16 – 17	1.60	1.70
17 – 18	1.50	1.70
18 – 19	1.40	1.70
19 – 20	1.30	1.70
20 & Over	1.20	1.60

Future salary increases are assumed to occur at the beginning of the year.

## Section 3: Supporting Information

### Mortality Rates:

#### Healthy Preretirement:

- **Regular Members:** Pub-2010 General Employee Headcount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2020.
- **Police/Fire Members:** Pub-2010 Safety Employee Headcount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2020.

#### Healthy Postretirement:

- **Regular Members:** Pub-2010 General Healthy Retiree Headcount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 30% for males and 15% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020.
- **Police/Fire Members:** Pub-2010 Safety Healthy Retiree Headcount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 30% for males and 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020.

#### Disabled Postretirement:

- **Regular Members:** Pub-2010 Non-Safety Disabled Retiree Headcount-Weighted Mortality Table (separate tables for males and females) with rates increased by 20% for males and 15% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020.
- **Police/Fire Members:** Pub-2010 Safety Disabled Retiree Headcount-Weighted Mortality Table (separate tables for males and females) with rates increased by 30% for males and 10% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020.

#### Beneficiaries:

**Regular and Police/Fire Current Beneficiaries in Pay Status:** Pub-2010 Contingent Survivor Headcount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 15% for males and 30% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020.

## Section 3: Supporting Information

### Termination Rates (%) before Retirement:

Years of Service	Regular	Police/Fire
0 – 1	15.75	14.50
1 – 2	12.75	8.25
2 – 3	10.25	6.50
3 – 4	8.25	5.50
4 – 5	7.50	4.50
5 – 6	6.50	4.25
6 – 7	5.75	3.25
7 – 8	5.25	2.50
8 – 9	4.75	2.50
9 – 10	4.50	1.90
10 – 11	4.25	1.40
11 – 12	3.25	1.25
12 – 13	3.00	1.00
13 – 14	2.75	0.90
14 – 15	2.25	0.80
15 – 16	2.25	0.70
16 – 17	2.25	0.60
17 – 18	2.00	0.50
18 – 19	1.75	0.40
19 – 20	1.75	0.30
20 – 21	1.75	0.30
21 – 22	1.75	0.30
22 – 23	1.75	0.30
23 – 24	1.75	0.30
24 – 25	1.50	0.30
25 & Over	1.50	0.30

No termination is assumed after a member reaches the earliest retirement age.

## Section 3: Supporting Information

### Disability Rates (%):

Age	Regular	Police/Fire
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 & Over	0.00	0.00

Disability rates are applied only for members with:

- 5 to 30 years of service for Regular members with a date of membership before July 1, 2015,
- Less than 33 1/3 years of service for Regular members with a date of membership on or after July 1, 2015,
- Less than 25 years of service for Police/Fire members with a date of membership before January 1, 2010, or
- Less than 30 years of service for Police/Fire members with a date of membership on or after January 1, 2010.

## Section 3: Supporting Information

### Actives' Retirement Rates (%):

Regular members with an effective date of membership before January 1, 2010:

Age	5 – 9 Years of Service	10 – 19 Years of Service	20 – 24 Years of Service	25 – 27 Years of Service	28 – 29 Years of Service	30 & Over Years of Service
45	0.00	0.10	0.10	0.50	20.00	20.00
46	0.00	0.20	0.20	1.00	20.00	20.00
47	0.00	0.30	0.30	1.50	20.00	20.00
48	0.00	0.40	0.40	2.00	20.00	20.00
49	0.00	0.50	0.50	2.00	20.00	20.00
50	0.20	0.60	0.70	2.00	20.00	20.00
51	0.30	0.70	1.00	2.00	20.00	20.00
52	0.40	0.80	1.20	3.00	20.00	20.00
53	0.50	1.00	1.50	3.00	20.00	20.00
54	0.60	1.20	2.00	3.00	20.00	20.00
55	0.80	1.50	3.00	3.00	20.00	20.00
56	1.00	2.00	3.50	4.00	20.00	20.00
57	1.50	2.50	4.00	7.00	20.00	20.00
58	2.00	3.00	5.00	7.00	20.00	20.00
59	2.50	4.00	7.00	11.00	20.00	20.00
60	5.00	11.00	18.00	25.00	21.00	21.00
61	6.00	10.00	15.00	20.00	21.00	21.00
62	7.00	11.00	16.00	20.00	20.00	20.00
63	8.00	11.00	16.00	20.00	20.00	20.00
64	9.00	11.00	16.00	20.00	20.00	20.00
65	18.00	19.00	22.00	22.00	25.00	25.00
66	18.00	19.00	22.00	22.00	25.00	25.00
67	18.00	19.00	22.00	22.00	25.00	25.00
68	18.00	19.00	22.00	22.00	25.00	25.00
69	18.00	19.00	22.00	22.00	25.00	25.00
70	20.00	20.00	25.00	30.00	30.00	30.00
71	20.00	20.00	25.00	30.00	30.00	30.00
72	20.00	20.00	25.00	30.00	30.00	30.00
73	20.00	20.00	25.00	30.00	30.00	30.00
74	20.00	20.00	25.00	30.00	30.00	30.00
75 & Over	100.00	100.00	100.00	100.00	100.00	100.00

## Section 3: Supporting Information

Regular members with an effective date of membership on or after January 1, 2010 and before July 1, 2015:

Age	5 – 9 Years of Service	10 – 19 Years of Service	20 – 24 Years of Service	25 – 27 Years of Service	28 – 29 Years of Service	30 & Over Years of Service
45	0.00	0.00	0.00	0.00	20.00	20.00
46	0.00	0.00	0.00	0.00	20.00	20.00
47	0.00	0.00	0.00	0.00	20.00	20.00
48	0.00	0.00	0.00	0.00	20.00	20.00
49	0.00	0.00	0.00	0.00	20.00	20.00
50	0.00	0.00	0.00	0.00	20.00	20.00
51	0.00	0.00	0.00	0.00	20.00	20.00
52	0.00	0.40	0.70	1.70	20.00	20.00
53	0.00	0.60	0.90	1.80	20.00	20.00
54	0.00	0.80	1.30	1.90	20.00	20.00
55	0.20	1.00	2.00	2.00	20.00	20.00
56	0.40	1.40	2.50	2.90	20.00	20.00
57	0.60	1.90	3.00	5.20	20.00	20.00
58	0.80	2.30	3.90	5.40	20.00	20.00
59	1.00	3.20	5.60	8.80	20.00	20.00
60	2.00	4.00	6.00	10.00	21.00	21.00
61	3.50	6.00	10.00	15.00	21.00	21.00
62	4.00	10.30	15.00	18.70	20.00	20.00
63	5.00	10.30	15.00	18.70	20.00	20.00
64	7.00	10.30	15.00	18.70	20.00	20.00
65	17.00	17.80	20.60	20.60	25.00	25.00
66	17.00	17.80	20.60	20.60	25.00	25.00
67	17.00	17.80	20.60	20.60	25.00	25.00
68	17.00	17.80	20.60	20.60	25.00	25.00
69	17.00	17.80	20.60	20.60	25.00	25.00
70	19.00	18.70	23.40	28.10	30.00	30.00
71	19.00	18.70	23.40	28.10	30.00	30.00
72	19.00	18.70	23.40	28.10	30.00	30.00
73	19.00	18.70	23.40	28.10	30.00	30.00
74	19.00	18.70	23.40	28.10	30.00	30.00
75 & Over	100.00	100.00	100.00	100.00	100.00	100.00

## Section 3: Supporting Information

Regular members with an effective date of membership on or after July 1, 2015:

Age	5 – 9 Years of Service	10 – 19 Years of Service	20 – 24 Years of Service	25 – 29 Years of Service	30 – 33.3 Years of Service	33.3 & Over Years of Service
45	0.00	0.00	0.00	0.00	7.20	20.00
46	0.00	0.00	0.00	0.00	8.30	20.00
47	0.00	0.00	0.00	0.00	9.40	20.00
48	0.00	0.00	0.00	0.00	10.40	20.00
49	0.00	0.00	0.00	0.00	11.50	20.00
50	0.00	0.00	0.00	0.00	12.60	20.00
51	0.00	0.00	0.00	0.00	13.70	20.00
52	0.00	0.40	0.60	1.50	14.80	20.00
53	0.00	0.50	0.80	1.60	15.80	20.00
54	0.00	0.70	1.20	1.70	16.90	20.00
55	0.20	0.90	1.80	1.80	18.00	20.00
56	0.40	1.30	2.30	2.60	18.00	20.00
57	0.50	1.70	2.70	4.70	18.00	20.00
58	0.70	2.10	3.50	4.90	18.00	20.00
59	0.90	2.90	5.00	7.90	18.00	20.00
60	1.80	3.60	5.40	9.00	18.90	21.00
61	3.20	5.40	9.00	13.50	18.90	21.00
62	3.60	9.30	13.50	16.80	18.00	20.00
63	4.50	9.30	13.50	16.80	18.00	20.00
64	6.30	9.30	13.50	16.80	18.00	20.00
65	15.30	16.00	18.50	18.50	22.50	25.00
66	15.30	16.00	18.50	18.50	22.50	25.00
67	15.30	16.00	18.50	18.50	22.50	25.00
68	15.30	16.00	18.50	18.50	22.50	25.00
69	15.30	16.00	18.50	18.50	22.50	25.00
70	17.10	16.80	21.10	25.30	27.00	30.00
71	17.10	16.80	21.10	25.30	27.00	30.00
72	17.10	16.80	21.10	25.30	27.00	30.00
73	17.10	16.80	21.10	25.30	27.00	30.00
74	17.10	16.80	21.10	25.30	27.00	30.00
75 & Over	100.00	100.00	100.00	100.00	100.00	100.00

## Section 3: Supporting Information

Police/Fire members with an effective date of membership before January 1, 2010:

Age	5 – 9 Years of Service	10 – 19 Years of Service	20 – 22 Years of Service	23 – 24 Years of Service	25 – 29 Years of Service	30 & Over Years of Service
40	0.00	0.10	0.00	0.00	0.00	0.00
41	0.00	0.20	0.00	20.00	20.00	0.00
42	0.00	0.30	1.00	20.00	20.00	0.00
43	0.00	0.40	2.00	20.00	20.00	0.00
44	0.00	0.50	3.00	20.00	20.00	0.00
45	0.00	0.70	3.50	20.00	20.00	20.00
46	0.00	0.90	4.00	20.00	20.00	20.00
47	0.00	1.10	4.50	20.00	20.00	20.00
48	0.00	1.30	5.00	20.00	20.00	20.00
49	0.00	1.50	6.50	20.00	20.00	20.00
50	1.50	4.50	16.00	23.00	23.00	23.00
51	1.50	4.50	13.00	23.00	23.00	23.00
52	1.50	5.00	13.00	23.00	23.00	23.00
53	1.50	6.00	13.00	23.00	23.00	23.00
54	1.50	7.00	13.00	23.00	23.00	23.00
55	4.50	11.00	18.00	25.00	25.00	25.00
56	4.50	11.00	18.00	25.00	25.00	25.00
57	4.50	11.00	18.00	25.00	25.00	25.00
58	4.50	11.00	18.00	25.00	25.00	25.00
59	4.50	11.00	18.00	25.00	25.00	25.00
60	5.00	18.00	26.00	35.00	35.00	35.00
61	6.00	18.00	26.00	35.00	35.00	35.00
62	7.00	18.00	26.00	35.00	35.00	35.00
63	8.00	18.00	26.00	35.00	35.00	35.00
64	9.00	18.00	26.00	35.00	35.00	35.00
65	20.00	25.00	40.00	50.00	50.00	50.00
66	20.00	25.00	40.00	50.00	50.00	50.00
67	20.00	25.00	40.00	50.00	50.00	50.00
68	20.00	25.00	40.00	50.00	50.00	50.00
69	20.00	25.00	40.00	50.00	50.00	50.00
70 & Over	100.00	100.00	100.00	100.00	100.00	100.00

## Section 3: Supporting Information

**Police/Fire members with an effective date of membership on or after January 1, 2010 and before July 1, 2015:**

Age	5 – 9 Years of Service	10 – 19 Years of Service	20 – 24 Years of Service	25 – 27 Years of Service	28 – 29 Years of Service	30 & Over Years of Service
40	0.00	0.00	0.00	0.00	0.00	0.00
41	0.00	0.00	0.00	0.00	0.00	0.00
42	0.00	0.00	0.70	0.00	0.00	0.00
43	0.00	0.00	1.50	10.90	20.00	0.00
44	0.00	0.00	2.40	12.00	20.00	0.00
45	0.00	0.00	2.90	13.10	20.00	20.00
46	0.00	0.00	3.40	14.20	20.00	20.00
47	0.00	0.00	3.90	15.40	20.00	20.00
48	0.00	0.00	4.50	16.50	20.00	20.00
49	0.00	0.00	6.00	17.60	20.00	20.00
50	0.00	2.10	15.00	21.50	23.00	23.00
51	0.00	2.30	12.20	21.50	23.00	23.00
52	0.00	2.80	12.20	21.50	23.00	23.00
53	0.00	3.50	12.20	21.50	23.00	23.00
54	0.00	4.40	12.20	21.50	23.00	23.00
55	2.80	7.20	16.90	23.40	25.00	25.00
56	3.00	7.80	16.90	23.40	25.00	25.00
57	3.20	8.40	16.90	23.40	25.00	25.00
58	3.40	9.10	16.90	23.40	25.00	25.00
59	3.50	9.70	16.90	23.40	25.00	25.00
60	4.10	16.90	24.30	32.80	35.00	35.00
61	5.10	16.90	24.30	32.80	35.00	35.00
62	6.10	16.90	24.30	32.80	35.00	35.00
63	7.20	16.90	24.30	32.80	35.00	35.00
64	8.30	16.90	24.30	32.80	35.00	35.00
65	18.70	23.40	37.50	46.80	50.00	50.00
66	18.70	23.40	37.50	46.80	50.00	50.00
67	18.70	23.40	37.50	46.80	50.00	50.00
68	18.70	23.40	37.50	46.80	50.00	50.00
69	18.70	23.40	37.50	46.80	50.00	50.00
70 & Over	100.00	100.00	100.00	100.00	100.00	100.00

## Section 3: Supporting Information

### Police/Fire members with an effective date of membership on or after July 1, 2015:

Age	5 – 9 Years of Service	10 – 19 Years of Service	20 – 24 Years of Service	25 – 29 Years of Service	30 & Over Years of Service
40	0.00	0.00	0.00	0.00	0.00
41	0.00	0.00	0.00	0.00	0.00
42	0.00	0.00	0.70	0.00	0.00
43	0.00	0.00	1.50	10.90	0.00
44	0.00	0.00	2.40	12.00	0.00
45	0.00	0.00	2.90	13.10	20.00
46	0.00	0.00	3.40	14.20	20.00
47	0.00	0.00	3.90	15.40	20.00
48	0.00	0.00	4.50	16.50	20.00
49	0.00	0.00	6.00	17.60	20.00
50	0.00	2.10	15.00	21.50	23.00
51	0.00	2.30	12.20	21.50	23.00
52	0.00	2.80	12.20	21.50	23.00
53	0.00	3.50	12.20	21.50	23.00
54	0.00	4.40	12.20	21.50	23.00
55	2.80	7.20	16.90	23.40	25.00
56	3.00	7.80	16.90	23.40	25.00
57	3.20	8.40	16.90	23.40	25.00
58	3.40	9.10	16.90	23.40	25.00
59	3.50	9.70	16.90	23.40	25.00
60	4.10	16.90	24.30	32.80	35.00
61	5.10	16.90	24.30	32.80	35.00
62	6.10	16.90	24.30	32.80	35.00
63	7.20	16.90	24.30	32.80	35.00
64	8.30	16.90	24.30	32.80	35.00
65	18.70	23.40	37.50	46.80	50.00
66	18.70	23.40	37.50	46.80	50.00
67	18.70	23.40	37.50	46.80	50.00
68	18.70	23.40	37.50	46.80	50.00
69	18.70	23.40	37.50	46.80	50.00
70 & Over	100.00	100.00	100.00	100.00	100.00

## Section 3: Supporting Information

### **Vested Terminated Retirement Rates:**

Inactive vested participants with less than 10 years of service are assumed to retire at age 65. Those with 10 or more years of service are assumed to retire at age 60.

### **Higher Education Retirement Rates:**

For Higher Education employees, the assumed rates of retirement are the same as those used for Regular employees, except no rates of retirement are assumed unless the member has at least 5 years of service and is at least 60 years old.

### **Unknown Data for Participants:**

Same as those exhibited by members with similar known characteristics. If not specified, members are assumed to be male. Active participants with unknown dates of hire were assumed to enter at age 36.

Participants with unknown Regular or Police/Fire indicators were assumed to be General employees. Participants with unknown State or Non-State indicators were assumed to be State employees.

## Section 3: Supporting Information

### **Participation and Coverage Election:**

90% of active employees with active healthcare coverage.

60% of actives without active coverage and future vested terminated employees.

35% for future retirees who would be required to pay the full “un-subsidized” rates for coverage.

35% for eligible surviving spouses of active employees. Surviving spouses of retirees are assumed to continue coverage after the retiree's death.

5% of current vested terminated employees. The census data provided for current vested terminated participants as of the valuation date was from the PERS and Judges pension valuations. This census data for current vested terminated participants includes many participants who are in the pension plans, but who were never participants in the retiree healthcare plan. In other words, they worked for employers who are not participating in the State's retiree healthcare plan. The participation assumption of 5% reflects the fact that the census data includes participants who we know will not be eligible for the State's retiree healthcare benefits at retirement.

All current and future retirees are assumed to be eligible for Medicare at age 65.

Dental coverage is assumed for all participants on the non-Exchange health plans. No separate dental participation assumption is needed for retirees who are on the Medicare Exchange because the maximum HRA benefit is valued for each retiree.

Life insurance coverage is provided to all retirees who have healthcare coverage, either through the Exchange or non-Exchange health plans. Reinstated retirees do not receive the \$12,500 basic life insurance benefit.

### **Dependents:**

Demographic data was available for spouses of current retirees. For future retirees, male participants were assumed to be three years older than their spouses and female participants were assumed to be two years younger than their spouses. Of those actives who elect to continue their health coverage at retirement, 30% of males and 15% of females were assumed to have an eligible spouse who also opts for health coverage at that time.

## Section 3: Supporting Information

### Per Capita Cost Development:

Per-capita claims costs for the self-insured CDHP PPO, LD PPO, and EPO were based on retiree claims experience furnished by PEBP for periods July 1, 2020 through June 30, 2022. Claims were developed on an incurred basis and were adjusted for plan changes and renegotiated pharmacy contracts. The historical claims were trended forward to the valuation year using a 5.0% assumption for medical costs and a 10.0% assumption for prescription drug costs. Per-capita costs for the fully-insured HMO were based on the premiums charged by the insurer, effective July 1, 2022, and the demographics of the active employees and retirees who elected the HMO. A weighted average set of per capita costs was developed based on the enrollment in each of the plan options. Actuarial factors were used to estimate individual costs by age in accordance with ASOP 6, and to reflect Medicare offsets for those participants who are eligible for Medicare.

Per-capita claims costs for the self-insured dental plan were based on retiree claims experience furnished by PEBP for periods July 1, 2020 through June 30, 2022. Dental claims were developed on an incurred basis and include administrative expenses. The historical claims were trended forward to the valuation year using a 4.0% assumption.

### Per Capita Health Costs:

The annual per capital dental claims cost for the plan year 2022/2023 was estimated to be \$379.

2022/2023 medical and prescription drug claims costs, excluding assumed expenses, are shown in the table below for retirees and for spouses at selected ages. These costs are net of deductibles and other benefit plan cost sharing provisions. The blended claims estimates shown below were used for all current and future retirees, regardless of their current health plan election, and were based on the health plan distribution of current retirees. Post-65 claims costs apply to Medicare-eligible retirees that are not in an Exchange plan.

Medical and Prescription Drug Claims

Age	Male	Female
50	\$8,633	\$9,116
55	9,742	9,895
60	11,216	10,727
65	13,631	11,646
70	4,800	3,987
75	5,391	4,460
80	5,955	4,689
85+	6,236	5,005

## Section 3: Supporting Information

### CDHP PPO - HRA Contributions:

An annual HRA contribution of \$382 was added to projected incurred medical and prescription drug claims costs. The \$382 dollar benefit equals the \$600 annual HRA benefit for retirees who elect the CDHP PPO multiplied by the assumed percentage of retirees choosing the CDHP PPO (i.e., 63.7%). The HRA contribution associated with the CDHP PPO was not assumed to increase.

### Health Care Cost Trend Rates (%):

Health care trend measures the anticipated overall rate at which health plan costs are expected to increase in future years. The rates shown below are "net" and are applied to the net per capita costs shown above. The trend shown for a particular plan year is the rate that is applied to that year's cost to yield the next year's projected cost.

PEBP Part B premium reimbursement is assumed to be reset to the prevailing Part B premium in plan year 2024/2025.

Increase Effective July 1,	Medical/ Prescription Drug	Dental	Admin	Part B Reimbursements
2023	4.80	4.00	3.00	0.00
2024	7.25	4.00	3.00	27.17
2025	7.00	4.00	3.00	4.50
2026	6.75	4.00	3.00	4.50
2027	6.50	4.00	3.00	4.50
2028	6.25	4.00	3.00	4.50
2029	6.00	4.00	3.00	4.50
2030	5.75	4.00	3.00	4.50
2031	5.50	4.00	3.00	4.50
2032	5.25	4.00	3.00	4.50
2033	5.00	4.00	3.00	4.50
2034	4.75	4.00	3.00	4.50
2035 & Later	4.50	4.00	3.00	4.50

The trend rate assumptions were developed using Segal's internal guidelines, which are established each year using data sources such as the 2015 Segal Health Trend Survey, internal client results, trends from other published surveys prepared by the S&P Dow Jones Indices, consulting firms and brokers, and CPI statistics published by the Bureau of Labor Statistics.

## Section 3: Supporting Information

### **Retiree Contribution Increase Rate:**

First year trend rates for retiree contributions were based on known changes effective July 1, 2023. Retiree contributions are modeled using:

1. the overall blended premiums
2. the base explicit subsidy, and
3. the service-based explicit subsidies.

The first-year trends for these components were -2.10% for the overall blended premiums, -3.50% for the base explicit subsidy, and 2.62% for the service-based explicit subsidies. After the first year, retiree contributions were assumed to follow the Medical/Prescription Drug trend.

### **Administrative Expenses:**

An administrative expense of \$283 per participant increasing at 3.0% per year was added to projected incurred claim costs in developing the benefit obligations. The expense was based on actual medical and prescription drug administrative expenses paid for the periods July 1, 2021 through June 30, 2022.

### **Health Care Reform:**

This valuation does not reflect the potential impact of any future changes due to prior or pending legislations. Because the 2025 Final CY 2025 Part D Redesign Program Instructions were released by the Centers for Medicare and Medicaid Services (CMS) several months after the June 30, 2023 measurement date, the trend rate assumptions do not reflect the anticipated impact of the Inflation Reduction Act of 2022 on the plan's 2025 Medicare plan premiums.

### **Plan Design:**

Development of plan liabilities was based on the substantive plan of benefits in effect as described in Exhibit 3.

## Section 3: Supporting Information

### Models:

Segal accounting results are based on proprietary actuarial modeling software. The accounting valuation models generate a comprehensive set of liability and cost calculations that are presented to meet accounting standards and client requirements. Our Actuarial Technology and Systems unit, comprising both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuary.

Our claims costs assumptions are based on proprietary modeling software as well as models that were developed by others. These models generate per capita claims cost calculations that are used in our valuation software. Our Health Technical Services Unit, comprised of actuaries and programmers, is responsible for the initial development and maintenance of our health models. They are also responsible for testing models that we purchase from other vendors for reasonableness. The client team inputs the paid claims, enrollments, plan provisions and assumptions into these models and reviews the results for reasonableness, under the supervision of the responsible actuary.

### Assumption Changes:

The discount rate increased from 3.54% to 3.65%. This change lowered the TOL.

## Section 3: Supporting Information

### Exhibit 3: Summary of Plan

This exhibit summarizes the major benefit provisions as included in the valuation. To the best of our knowledge, the summary represents the substantive plans as of the measurement date. It is not intended to be, nor should it be interpreted as, a complete statement of all benefit provisions.

#### Eligibility:

Members are not required to be active immediately prior to retirement to be eligible for benefits. Members must be receiving a PERS, LRS, JRS, or RPA pension.

##### **Service Retirement for members with an effective date of membership before January 1, 2010:**

- Regular: Age 65 with five years of service, or age 60 with ten years of service, or 30 years of service.
- P&F: Age 65 with 5 years of service, or age 55 with ten years of Police/Fire service, or age 50 with 20 years of Police/Fire service, or 25 years of Police/Fire service.

##### **Service Retirement for members with an effective date of membership on or after January 1, 2010:**

- Regular: Age 65 with five years of service, or age 62 with ten years of service, or 30 years of service.
- P&F: Age 65 with 5 years of service, or age 60 with ten years of Police/Fire service, or age 50 with 20 years of Police/Fire service, or 30 years of Police/Fire service.

##### **Service Retirement for Regular members with an effective date of membership before July 1, 2015:**

- Age 65 with five years of service, or age 62 with ten years of service, or age 55 with 30 years of service, or any age with 33 1/3 years of service.

**Early Retirement:** Five years of service.

**Disability:** Five years of service and totally unable to perform current job or any comparable job for which the member is qualified by training and experience, because of injury or illness of a permanent nature, provided the member is in the employ of a participating employer at the time of application for disability retirement.

## Section 3: Supporting Information

Members hired before January 1, 2010 are eligible to receive a base non-Medicare subsidy, as well as service-based non-Medicare and Medicare Exchange subsidies.

Members hired on or after January 1, 2012 are not eligible for any of the explicit subsidies mentioned above. However, they are eligible for non-Medicare coverage by paying the plan's overall blended premiums.

Members hired on or after January 1, 2010 and before January 1, 2012 must have 15 years of service in order to be eligible for the plan's explicit subsidies, unless they retire through the disability retirement.

### Benefit Types:

Non-Medicare retirees are eligible for medical and prescription drug benefits via four separate health plan options. Premiums for non-Medicare retirees vary based on date of hire, date of retirement, and years of service. Medicare retirees are eligible for medical and prescription drug benefits through the Exchange. Medicare retirees are eligible for a monthly Exchange HRA contribution of \$195 if retired prior to January 1, 1994, or \$13 per month per year of service up to 20 years if retired on or after January 1, 1994. Medicare retirees whose initial hire date is after January 1, 2012 are not eligible for a Medicare HRA contribution. Medicare retirees hired between January 1, 2010 and December 31, 2011 require 15 years of service to qualify for an HRA contribution.

Retirees and spouses who are over the age of 65 can maintain their healthcare coverage on a non-Exchange plan until the younger spouse reaches the age of 65. In addition, retirees over the age of 65 who are not eligible for free Part A coverage are allowed to stay on a non-Exchange health plan. In these situations, the retiree contribution for a retired member who is over the age of 65 is reduced by the Part B premium credit. The Part B reimbursement is not provided to spouses who are over the age of 65. Enrollment in Medicare Part B is required for retirees who are over the age of 65. Retirees over the age of 65 who are eligible for free Medicare Part A are required to enroll in Medicare Part A and a health plan offered by the Medicare Exchange.

### Duration of Coverage:

Until both the retiree and spouse become Medicare-eligible, whereupon they will move to the Exchange. Certain retirees over age 65 are not eligible for Medicare Part A. Lifetime benefits are provided to members hired prior to January 1, 2012.

## Section 3: Supporting Information

### **Dependent Coverage:**

Benefits are available for dependents. However, beneficiaries and spouses do not receive any Exchange benefits. Couples can remain on a non-Medicare plan until the younger spouse reaches age 65. A member who is older than 65 and has a spouse who is younger than 65 is required to enroll in Medicare. The plan will pay secondary to Medicare and will reimburse the member \$135.10 for the Medicare Part B premium. Surviving spouses of retirees, and surviving spouses of active employees who had at least 10 years of service, are allowed to maintain their health coverage to age 65, but are required to pay the full blended premiums. Surviving spouses and children of Police/Fire employees killed in the line of duty are allowed to join or continue the plan, and their full premium is paid by the employer.

### **Life Insurance:**

Any retiree with retiree health insurance coverage, either through the CDHP PPO, LD PPO, EPO, HMO or Medicare Exchange is provided a basic life insurance benefit of \$12,500. Retirees can purchase additional coverage at their own expense.

### **Dental Contribution:**

Dental coverage is included with health benefits (no separate dental premium) for participants that have not moved to the Exchange. Dental coverage is available to retirees who are on the Medicare Exchange, but the dental premiums are separate from the medical premiums. The plan year 2022/23 monthly dental premium for State retirees who are enrolled in the Medicare Exchange was \$47.61. Exchange retirees have the option of using their HRA funds towards dental premiums.

### **Part B Reimbursement:**

Retirees who are over the age of 65 and continue to have health care coverage on the CDHP PPO, LD PPO, EPO, or HMO are required to enroll in Medicare Part B. In addition to the base explicit subsidy and the service-based explicit subsidies, these retirees also received a monthly Part B premium credit/reimbursement of \$135.50 in plan year 2022/23. Spouses and surviving spouses are not eligible for the Part B reimbursement.

## Section 3: Supporting Information

### Retiree Contributions:

Retiree and spouse contribution rates are periodically reset by PEBP. The monthly contributions shown below were effective from July 1, 2022 through June 30, 2023. Employees hired on or after January 1, 2012, or hired between January 1, 2010 and January 1, 2012 with less than 15 years of service, as well as all surviving spouses, are required to pay the plan's overall blended premium rates for coverage.

	CDHP PPO	LD PPO	EPO/ HMO
Retiree	\$241.26	\$262.44	\$355.30
Retiree + Spouse	588.96	631.34	817.06
Surviving Spouse	670.83	691.98	779.47
Base Explicit Subsidy Retiree	429.57	429.54	424.17
Base Explicit Subsidy Spouse	317.64	317.61	312.24

Service-based adjustments are applied to the CDHP PPO, LD PPO, EPO, and HMO premiums as follows. These service-based adjustments do not apply to spouses, surviving spouses, or employees hired on or after January 1, 2012.

Years of Service	Change in Premium (\$)	Years of Service	Change in Premium (\$)
5	+373.50	13	+74.70
6	+336.15	14	+37.35
7	+298.80	15	0
8	+261.45	16	-37.35
9	+224.10	17	-74.70
10	+186.75	18	-112.05
11	+149.40	19	-149.40
12	+112.05	20+	-186.75

## Section 3: Supporting Information

### **Plan Changes**

None.

## Section 3: Supporting Information

### Appendix A: Definition of Terms

Definitions of certain terms as they are used in Statement 75. The terms may have different meanings in other contexts.

Term	Definition
<b>Actuarially Determined Contribution:</b>	A target or recommended contribution to an OPEB plan for the reporting period based on the most recent measurement available.
<b>Assumptions or Actuarial Assumptions:</b>	The estimates on which the cost of the Plan is calculated including: <ol style="list-style-type: none"><li>Investment return — the rate of investment yield that the Plan will earn over the long-term future;</li><li>Mortality rates — the death rates of employees and retirees; life expectancy is based on these rates;</li><li>Retirement rates — the rate or probability of retirement at a given age;</li><li>Turnover rates — the rates at which employees of various ages are expected to leave employment for reasons other than death, disability, or retirement.</li></ol>
<b>Covered Payroll:</b>	The payroll of the employees that are provided OPEB benefits
<b>Discount Rate:</b>	The single rate of return, that when applied to all projected benefit payments results in an actuarial present value that is the sum of the following: <ol style="list-style-type: none"><li>the actuarial present value of projected benefit payments projected to be funded by plan assets using a long term rate of return, and</li><li>the actuarial present value of projected benefit payments that are not included in (1) using a yield or index rate for 20 year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher</li></ol>
<b>Entry Age Actuarial Cost Method:</b>	An actuarial cost method where the present value of the projected benefits for an individual is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age
<b>Healthcare Cost Trend Rates:</b>	The rate of change in per capita health costs over time
<b>Net OPEB Liability:</b>	The Total OPEB Liability less the Plan Fiduciary Net Position
<b>Plan Fiduciary Net Position:</b>	Market Value of Assets
<b>Real Rate of Return:</b>	The rate of return on an investment after removing inflation
<b>Service Cost:</b>	The amount of contributions required to fund the benefit allocated to the current year of service.
<b>Total OPEB Liability:</b>	The portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service in conformity with the requirements of Statement No. 75.
<b>Valuation Date:</b>	The date at which the actuarial valuation is performed

## Section 3: Supporting Information

### Appendix B: Accounting Requirements

The Governmental Accounting Standards Board (GASB) issued Statement Number 74 – Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, and Statement Number 75 – Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. Under these statements, all state and local government entities that provide other post-employment benefits are required to report the cost of these benefits on their financial statements. The accounting standards supplement cash accounting, under which the expense for postemployment benefits is equal to benefit and administrative costs paid on behalf of retirees and their dependents (i.e., a pay-as-you-go basis).

The statements cover postemployment benefits of medical, prescription drugs, dental, vision and life insurance coverage for retirees; long-term care coverage, life insurance and death benefits that are not offered as part of a pension plan; and long-term disability insurance for employees. The benefits valued in this report are limited to those described in Exhibit 3 of Section 3, which are based on those provided under the terms of the substantive plan in effect at the time of the valuation and on the pattern of sharing costs between the employer and plan members. The projection of benefits is not limited by legal or contractual limits on funding the plan unless those limits clearly translate into benefit limits on the substantive plan being valued.

The new standards prescribe an accrual-basis accounting requirement, thereby recognizing the employer cost of postemployment benefits over an employee's career. The standards also prescribe a consistent accounting requirement for both pension and non-pension benefits.

The total cost of providing postemployment benefits is projected, taking into account assumptions about demographics, turnover, mortality, disability, retirement, health care trends, and other actuarial assumptions. These assumptions are summarized in Exhibit 2 of Section 3. This amount is then discounted to determine the Total OPEB Liability. The Net OPEB Liability (NOL) is the difference between the Total OPEB Liability and market value of assets in the Plan, called the Plan Fiduciary Net Position.

Once the NOL is determined, the Annual OPEB Expense is determined as the change in NOL from the prior year with deferred recognition of certain elements. In addition, Required Supplementary Information (RSI) must be reported, including historical information about the Net OPEB Liability and the contributions made to the Plan. Appendix A of Section 3 contain a definition of terms.

The calculation of an accounting obligation does not, in and of itself, imply that there is any legal liability to provide the benefits valued, nor is there any implication that the Employer is required to implement a funding policy to satisfy the projected expense.

Actuarial calculations reflect a long-term perspective, and the methods and assumptions use techniques designed to reduce short-term volatility in accrued liabilities and the actuarial value of assets, if any.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and the actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

## Section 3: Supporting Information

### Appendix C: Schedule of Employer Allocations as of June 30, 2023

Employer ID (1)	Employer Name (2)	Retiree Trust Contribution Amount (3)	Allocation Percentage (4)	Benefits Not Paid by Retiree Trust (5)	Total Employer Contribution (3) + (5)
101	Board of Medical Examiners	\$66,177	0.1609%	\$28,512	\$94,689
102	Nevada State Board of Nursing	45,291	0.1101%	19,511	64,802
103	Board of Pharmacy	52,018	0.1264%	22,400	74,418
104	Board of Chiropractors	2,736	0.0067%	1,187	3,923
105	Board of Dental Examiners	9,928	0.0241%	4,271	14,199
106	Legislative Counsel Bureau	547,179	1.3301%	235,709	782,888
108	Board of Osteopathic Medicine	6,155	0.0150%	2,658	8,813
109	Board of Massage Therapist	7,772	0.0189%	3,349	11,121
111	Funeral and Cemetery Board	5,015	0.0122%	2,162	7,177
113	Public Employee Retirement System	120,252	0.2923%	51,799	172,051
116	Central Payroll	21,167,817	51.4565%	9,118,697	30,286,514
118	NDOT	2,134,584	5.1889%	919,534	3,054,118
128	Board of Accountancy	6,259	0.0152%	2,694	8,953
129	Board of Cosmetology	25,125	0.0611%	10,828	35,953
134	Board of Professional Engineers	10,959	0.0266%	4,714	15,673
139/140	UNLV/UNR	16,880,943	41.0356%	7,271,991	24,152,934
141	Board of Architecture	7,389	0.0180%	3,190	10,579
146	Board of Examiners for Social Workers	5,551	0.0135%	2,392	7,943
147	Liquefied Petroleum Gas Board	4,311	0.0105%	1,861	6,172
148	Board of Optometry	3,092	0.0075%	1,329	4,421
149	Board of Veterinary Examiners	4,021	0.0098%	1,737	5,758
150	Board of Examiners - Alcohol, Drugs, & Gambling	1,909	0.0046%	815	2,724
171	Nevada Physical Therapy Board	5,506	0.0134%	2,375	7,881
172	Private Investigators Licensing Board	11,386	0.0277%	4,909	16,295
173	Board of Examiners for Marriage Family Therapists & Clinical Prof Counselors	4,139	0.0101%	1,790	5,929
174	Nevada of Applied Behavior Analysis Board	1,777	0.0043%	762	2,539
<b>Total</b>		<b>\$41,137,291</b>	<b>100.00%</b>	<b>\$17,721,176</b>	<b>\$58,858,467</b>

## Section 3: Supporting Information

### Notes to Schedule:

- Per GASB 75, employer contributions include trust contributions and benefits paid by the employer with its own assets.
- The \$17,721,176 in benefits not paid by the retiree trust equals the difference between \$58,858,467 in benefit payments and \$41,137,291 in deductions from the retiree trust.
- The participating employers financed the \$17,721,176 difference 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.
- Column (5) is conceptually similar to the implicit subsidy estimates provided in the past.
- 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).

## Section 3: Supporting Information

### Appendix D: Schedule of Deferred Outflows or Resources and Deferred Inflows of Resources by Employer as of June 30, 2023

Employer ID	Changes in Proportion	Change of Assumptions	Net Difference Between Projected and Actual Investment Earnings on OPEB Plan Investment	Difference Between Expected and Actual Experience	Total Deferred Outflow of Resources					
						Changes in Proportion	Change of Assumptions	Net Difference Between Projected and Actual Investment Earnings on OPEB Plan Investment	Difference Between Expected and Actual Experience	Total Deferred Inflow of Resources
101	\$0	\$32,969	\$0	\$0	\$32,969			\$0	\$46,019	\$193,906
102	0	22,561	0	0	22,561			0	31,489	132,683
103	0	25,901	0	0	25,901			0	36,151	152,327
104	0	1,373	0	0	1,373			0	1,916	8,074
105	0	4,938	0	0	4,938			0	6,893	29,044
106	0	272,555	0	0	272,555			0	380,418	1,602,932
108	0	3,074	0	0	3,074			0	4,290	18,077
109	0	3,873	0	0	3,873			0	5,406	22,777
111	0	2,500	0	0	2,500			0	3,489	14,703
113	0	59,896	0	0	59,896			0	83,600	352,258
116	0	10,544,112	0	0	10,544,112			0	14,716,919	62,011,329
118	0	1,063,274	0	0	1,063,274			0	1,484,062	6,253,254
128	0	3,115	0	0	3,115			0	4,347	18,317
129	0	12,520	0	0	12,520			0	17,475	73,633
134	0	5,451	0	0	5,451			0	7,608	32,057
139/140	0	8,408,733	0	0	8,408,733			0	11,736,469	49,452,880
141	0	3,688	0	0	3,688			0	5,148	21,692
146	0	2,766	0	0	2,766			0	3,861	16,269
147	0	2,152	0	0	2,152			0	3,003	12,653
148	0	1,537	0	0	1,537			0	2,145	9,039
149	0	2,008	0	0	2,008			0	2,803	11,810
150	0	943	0	0	943			0	1,316	5,543
171	0	2,746	0	0	2,746			0	3,832	16,148
172	0	5,676	0	0	5,676			0	7,922	33,381
173	0	2,070	0	0	2,070			0	2,889	12,172
174	0	881	0	0	881			0	1,230	5,182
<b>Total</b>	<b>\$0</b>	<b>\$20,491,312</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20,491,312</b>			<b>\$0</b>	<b>\$28,600,700</b>	<b>\$120,512,140</b>
								<b>\$91,488,046</b>	<b>\$423,394</b>	<b>\$193,906</b>

## Section 3: Supporting Information

### Appendix E: Schedule of OPEB Expense by Employer as of June 30, 2023

Employer ID	Service Cost	Interest on the TOL	Expensed Portion of Current-period Changes in Proportion and Contributions	Plan Changes	Expensed Portion of Current-period Liability Experience	Expensed Portion of Current-period Assumption Changes	Expected Investment Return	Expensed Portion of Current-period Asset Experience	Recognition of Beginning of Year Deferred Outflows of Resources	Recognition of Beginning of Year Deferred Inflows of Resources	OPEB Expense
101	\$74,699	\$81,685	\$104,385	\$0	\$(2,407)	\$4,441	\$(140)	\$(17)	\$51,708	\$(106,825)	\$198,647
102	51,112	55,896	12,466	0	(1,646)	(3,040)	(96)	(12)	35,380	(73,097)	76,963
103	58,678	64,171	23,396	0	(1,890)	(3,490)	(110)	(13)	40,618	(83,919)	97,441
104	3,111	3,401	(21)	0	(100)	(185)	(6)	(1)	2,153	(4,448)	3,904
105	11,188	12,235	(157,371)	0	(360)	(665)	(21)	(3)	7,744	(16,000)	(143,253)
106	617,483	675,265	651,369	0	(19,888)	(36,723)	(1,161)	(140)	427,423	(883,074)	1,430,554
108	6,964	7,615	17,125	0	(224)	(414)	(13)	(2)	4,820	(9,959)	25,912
109	8,775	9,595	49,861	0	(283)	(522)	(16)	(2)	6,073	(12,548)	60,933
111	5,663	6,194	26,487	0	(182)	(337)	(11)	(1)	3,920	(8,100)	33,633
113	135,697	148,395	294,520	0	(4,371)	(8,070)	(255)	(31)	93,930	(194,062)	465,753
116	23,888,102	26,123,435	(5,774,940)	0	(769,408)	(1,420,684)	(44,922)	(5,425)	16,535,375	(34,162,754)	24,368,779
118	2,408,887	2,634,301	(3,026,149)	0	(77,587)	(143,262)	(4,530)	(547)	1,667,436	(3,444,990)	13,559
128	7,056	7,717	(4,667)	0	(227)	(420)	(13)	(2)	4,884	(10,092)	4,236
129	28,365	31,019	(18,707)	0	(914)	(1,687)	(53)	(6)	19,634	(40,565)	17,086
134	12,348	13,504	79,489	0	(398)	(734)	(23)	(3)	8,548	(17,660)	95,071
139/140	19,050,315	20,832,953	7,456,327	0	(613,589)	(1,132,969)	(35,824)	(4,326)	13,186,654	(27,244,159)	31,495,382
141	8,358	9,138	7,776	0	(269)	(497)	(16)	(2)	5,784	(11,950)	18,322
146	6,267	6,854	12,463	0	(202)	(373)	(12)	(1)	4,338	(8,963)	20,371
147	4,874	5,331	(37,406)	0	(157)	(290)	(9)	(1)	3,374	(6,971)	(31,255)
148	3,481	3,808	(3,109)	0	(112)	(207)	(7)	(1)	2,410	(4,979)	1,284
149	4,551	4,975	3,106	0	(147)	(271)	(9)	(1)	3,149	(6,506)	8,847
150	2,135	2,335	(4,656)	0	(69)	(127)	(4)	0	1,478	(3,054)	(1,962)
171	6,220	6,803	37,392	0	(200)	(370)	(12)	(1)	4,306	(8,896)	45,242
172	12,859	14,063	135,561	0	(414)	(765)	(24)	(3)	8,901	(18,390)	151,788
173	4,689	5,128	56,080	0	(151)	(279)	(9)	(1)	3,246	(6,706)	61,997
174	1,996	2,183	59,223	0	(64)	(119)	(4)	0	1,382	(2,855)	61,742
<b>Total</b>	<b>\$46,423,873</b>	<b>\$50,767,999</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,495,259</b>	<b>\$(2,760,941)</b>	<b>\$(87,300)</b>	<b>\$(10,542)</b>	<b>\$32,134,668</b>	<b>\$(66,391,522)</b>	<b>\$58,580,976</b>

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### Appendix F: Schedule of Reconciliation of Net OPEB Liability by Employer as of June 30, 2023

Employer ID	Beginning Net OPEB Liability	OPEB Expense	Employer Contributions	New Net Deferred Inflows/Outflows	Change in Allocation of Prior Deferred Inflows/Outflows	Recognition of Prior Deferred Inflows/Outflows	Ending Net OPEB Liability
101	\$2,223,884	\$198,647	\$(94,689)	\$(29,311)	\$(7,773)	\$55,117	\$2,345,875
102	1,576,333	76,963	(64,802)	(20,056)	(929)	37,717	1,605,226
103	1,801,317	97,441	(74,418)	(23,025)	(1,741)	43,301	1,842,875
104	96,628	3,904	(3,923)	(1,220)	0	2,295	97,684
105	493,235	(143,253)	(14,199)	(4,390)	11,722	8,256	351,371
106	18,579,962	1,430,554	(782,888)	(242,293)	(48,514)	455,651	19,392,472
108	200,467	25,912	(8,813)	(2,732)	(1,277)	5,139	218,696
109	226,427	60,933	(11,121)	(3,443)	(3,714)	6,475	275,557
111	151,432	33,633	(7,177)	(2,222)	(1,974)	4,180	177,872
113	3,942,996	465,753	(172,051)	(53,246)	(21,935)	100,132	4,261,649
116	747,454,445	24,368,779	(30,286,514)	(9,373,384)	430,125	17,627,379	750,220,830
118	77,635,485	13,559	(3,054,118)	(945,217)	225,392	1,777,554	75,652,655
128	223,542	4,236	(8,953)	(2,769)	348	5,208	221,612
129	898,495	17,086	(35,953)	(11,130)	1,391	20,931	890,820
134	310,075	95,071	(15,673)	(4,845)	(5,920)	9,112	387,820
139/140	584,917,633	31,495,382	(24,152,934)	(7,475,099)	(555,354)	14,057,505	598,287,133
141	252,386	18,322	(10,579)	(3,279)	(581)	6,166	262,435
146	183,160	20,371	(7,943)	(2,459)	(928)	4,625	196,826
147	186,045	(31,255)	(6,172)	(1,913)	2,785	3,597	153,087
148	111,050	1,284	(4,421)	(1,366)	232	2,569	109,348
149	138,452	8,847	(5,758)	(1,785)	(232)	3,357	142,881
150	70,668	(1,962)	(2,724)	(838)	347	1,576	67,067
171	158,643	45,242	(7,881)	(2,441)	(2,785)	4,590	195,368
172	274,019	151,788	(16,295)	(5,046)	(10,097)	9,489	403,858
173	93,744	61,997	(5,929)	(1,840)	(4,177)	3,460	147,255
174	7,211	61,742	(2,539)	(783)	(4,411)	1,473	62,693
<b>Total</b>	<b>\$1,442,207,734</b>	<b>\$58,580,976</b>	<b>\$(58,858,467)</b>	<b>\$(18,216,132)</b>	<b>\$0</b>	<b>\$34,256,854</b>	<b>\$1,457,970,965</b>

## Section 3: Supporting Information

### Appendix G: Sensitivity of Proportionate Share as of June 30, 2023

#### Sensitivity of Net OPEB Liability to Changes in Discount Rate and Health Care Cost Trend Rate

Employer ID	1% Decrease in Discount Rate	Valuation Discount Rate	1% Increase in Discount Rate	1% Decrease in Trend Rates	Valuation Trend Rates	1% Increase in Trend Rates
101	\$2,573,074	\$2,345,875	\$2,148,819	\$2,224,557	\$2,345,875	\$2,485,086
102	1,760,690	1,605,226	1,470,384	1,522,212	1,605,226	1,700,486
103	2,021,356	1,842,875	1,688,070	1,747,571	1,842,875	1,952,238
104	107,145	97,684	89,478	92,632	97,684	103,481
105	385,401	351,371	321,855	333,200	351,371	372,223
106	21,270,612	19,392,472	17,763,467	18,389,589	19,392,472	20,543,288
108	239,876	218,696	200,325	207,386	218,696	231,674
109	302,244	275,557	252,409	261,306	275,557	291,909
111	195,099	177,872	162,931	168,674	177,872	188,428
113	4,674,385	4,261,649	3,903,662	4,041,258	4,261,649	4,514,550
116	822,878,913	750,220,830	687,200,853	711,423,102	750,220,830	794,741,531
118	82,979,534	75,652,655	69,297,688	71,740,273	75,652,655	80,142,146
128	243,074	221,612	202,996	210,151	221,612	234,763
129	977,095	890,820	815,990	844,751	890,820	943,685
134	425,380	387,820	355,243	367,764	387,820	410,835
139/140	656,230,601	598,287,133	548,029,876	567,346,668	598,287,133	633,791,563
141	287,851	262,435	240,390	248,863	262,435	278,009
146	215,888	196,826	180,292	186,647	196,826	208,506
147	167,913	153,087	140,227	145,170	153,087	162,172
148	119,938	109,348	100,162	103,693	109,348	115,837
149	156,719	142,881	130,879	135,492	142,881	151,360
150	73,562	67,067	61,433	63,598	67,067	71,047
171	214,289	195,368	178,957	185,265	195,368	206,962
172	442,971	403,858	369,933	382,972	403,858	427,824
173	161,517	147,255	134,885	139,640	147,255	155,994
174	68,764	62,693	57,426	59,451	62,693	66,413
<b>Total</b>	<b>\$1,599,173,891</b>	<b>\$1,457,970,965</b>	<b>\$1,335,498,630</b>	<b>\$1,382,571,885</b>	<b>\$1,457,970,965</b>	<b>\$1,544,492,010</b>

## Section 3: Supporting Information

### Appendix H: Schedule of Deferred OPEB Amortization by Employer as of June 30, 2023

#### Deferred OPEB Amortization as of Reporting Date for Employer under GASB 75 Ended June 30

Employer ID	2025	2026	2027	2028	2029	Thereafter
101	\$(67,230)	\$(78,035)	\$(6,958)	\$(6,865)	\$(1,849)	\$0
102	(46,002)	(53,397)	(4,760)	(4,698)	(1,265)	0
103	(52,814)	(61,302)	(5,464)	(5,393)	(1,453)	0
104	(2,799)	(3,249)	(290)	(286)	(77)	0
105	(10,071)	(11,688)	(1,042)	(1,028)	(277)	0
106	(555,764)	(645,075)	(57,501)	(56,752)	(15,285)	0
108	(6,268)	(7,275)	(648)	(640)	(172)	0
109	(7,898)	(9,166)	(817)	(806)	(217)	0
111	(5,098)	(5,917)	(527)	(521)	(140)	0
113	(122,135)	(141,760)	(12,636)	(12,472)	(3,359)	0
116	(21,500,365)	(24,955,507)	(2,224,506)	(2,195,515)	(591,324)	0
118	(2,168,108)	(2,516,526)	(224,320)	(221,397)	(59,629)	0
128	(6,349)	(7,372)	(657)	(649)	(175)	0
129	(25,531)	(29,632)	(2,641)	(2,607)	(702)	0
134	(11,114)	(12,901)	(1,150)	(1,135)	(306)	0
139/140	(17,146,141)	(19,901,552)	(1,774,002)	(1,750,882)	(471,570)	0
141	(7,521)	(8,730)	(778)	(768)	(207)	0
146	(5,641)	(6,547)	(584)	(576)	(155)	0
147	(4,386)	(5,092)	(454)	(448)	(121)	0
148	(3,135)	(3,637)	(324)	(320)	(86)	0
149	(4,094)	(4,753)	(424)	(418)	(113)	0
150	(1,921)	(2,231)	(199)	(196)	(53)	0
171	(5,598)	(6,499)	(579)	(572)	(154)	0
172	(11,574)	(13,434)	(1,197)	(1,182)	(318)	0
173	(4,220)	(4,898)	(437)	(431)	(116)	0
174	(1,798)	(2,085)	(186)	(183)	(49)	0
<b>Total</b>	<b>\$(41,783,575)</b>	<b>\$(48,498,260)</b>	<b>\$(4,323,081)</b>	<b>\$(4,266,740)</b>	<b>\$(1,149,172)</b>	<b>\$0</b>

## Section 3: Supporting Information

### Appendix I: Calculation of Changes in Proportionate Share of Prior Year NOL and Net Deferred Outflows and Inflows of Resources as of June 30, 2023

Employer ID	Prior Year Proportion of the NOL	Current Year Proportion of the NOL	Difference Between Prior and Current Year Proportion	Change in Proportionate Share of Prior Year Net Deferred Outflows	Change in Proportionate Share of Prior Year Net Deferred Inflows	Change in Proportionate Share of Prior Year NOL	Total Change in Proportionate Share
101	0.1542%	0.1609%	0.0067%	\$3,527	\$11,300	\$96,627	\$104,400
102	0.1093%	0.1101%	0.0008%	421	1,350	11,538	12,467
103	0.1249%	0.1264%	0.0015%	789	2,530	21,634	23,375
104	0.0067%	0.0067%	0.0000%	0	0	0	0
105	0.0342%	0.0241%	(0.0101%)	(5,315)	(17,037)	(145,663)	(157,385)
106	1.2883%	1.3301%	0.0418%	21,997	70,511	602,843	651,357
108	0.0139%	0.0150%	0.0011%	579	1,856	15,864	17,141
109	0.0157%	0.0189%	0.0032%	1,684	5,398	46,150	49,864
111	0.0105%	0.0122%	0.0017%	894	2,868	24,517	26,491
113	0.2734%	0.2923%	0.0189%	9,947	31,882	272,577	294,512
116	51.8271%	51.4565%	(0.3706%)	(195,032)	(625,157)	(5,344,822)	(5,774,947)
118	5.3831%	5.1889%	(0.1942%)	(102,200)	(327,592)	(2,800,768)	(3,026,160)
128	0.0155%	0.0152%	(0.0003%)	(158)	(506)	(4,326)	(4,674)
129	0.0623%	0.0611%	(0.0012%)	(632)	(2,023)	(17,306)	(18,697)
134	0.0215%	0.0266%	0.0051%	2,684	8,604	73,552	79,472
139/140	40.5571%	41.0356%	0.4785%	251,816	807,170	6,900,964	7,456,318
141	0.0175%	0.0180%	0.0005%	263	844	7,211	7,792
146	0.0127%	0.0135%	0.0008%	422	1,350	11,538	12,466
147	0.0129%	0.0105%	(0.0024%)	(1,263)	(4,048)	(34,613)	(37,398)
148	0.0077%	0.0075%	(0.0002%)	(105)	(337)	(2,884)	(3,116)
149	0.0096%	0.0098%	0.0002%	105	337	2,884	3,116
150	0.0049%	0.0046%	(0.0003%)	(158)	(505)	(4,326)	(4,673)
171	0.0110%	0.0134%	0.0024%	1,263	4,048	34,613	37,398
172	0.0190%	0.0277%	0.0087%	4,578	14,675	125,473	135,570
173	0.0065%	0.0101%	0.0036%	1,894	6,071	51,919	56,096
174	0.0005%	0.0043%	0.0038%	2,000	6,411	54,804	59,215
<b>Total</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>0.0000%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Based on conversations with PEBP, the net effect of (1) changes in the employer's proportionate share of the collective NOL and deferred inflows/outflows (shown above) and (2) differences between the employer's actual contributions and the proportionate share of the total employer contributions are recognized over 1 year. The combined impact of (1) and (2) is provided in the "Expensed Portion of Current-period Changes in Proportion and Contributions" column of Appendix E.

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