

Exhibit 2. Liabilities and Normal Cost

The **Present Value of Benefits** is the actuarial present value of benefits expected to be paid for all retirees and covered employees.

The **Actuarial Accrued Liability (AAL)** is the actuarial present value of benefits attributed to employee service rendered prior to the valuation date. The AAL equals the present value of benefits multiplied by a fraction equal to service to date over service at expected retirement.

The **Normal Cost** is the actuarial present value of benefits attributed to one year of service. This equals the present value of benefits divided by service at expected retirement. Since retirees are not accruing any more service, their normal cost is zero.

	July 1, 2014	July 1, 2012
Present Value of Benefits		
Actives	\$ 197,705,000	\$ 160,059,000
Retirees	<u>206,648,000</u>	<u>189,928,000</u>
Total	\$ 404,353,000	\$ 349,987,000
Actuarial Accrued Liability		
Actives	\$ 132,995,000	\$ 97,257,000
Retirees	<u>206,648,000</u>	<u>189,928,000</u>
Total	\$ 339,643,000	\$ 287,185,000
Normal Cost	\$ 7,977,000	\$ 6,884,000

Exhibit 3. Unfunded Actuarial Accrued Liability

The Unfunded Actuarial Accrued Liability (UAAL) is the actuarial liability offset by any assets set-aside to provide retiree health benefits. This is equal to the value of the retiree health benefits accrued to date that has not been funded. The UAAL must be amortized over a period not exceeding 30 years and included in the ARC amount (shown in Exhibit 5) each year. The UAAL is being amortized as a level percentage of payroll over 30 years on a “closed” basis from June 30, 2011, i.e. the remaining amortization period as of June 30, 2014 is 27 years. We have assumed the County’s payroll will increase 3.5% per year for this purpose.

July 1, 2014	
Unfunded Actuarial Liability (UAAL)	
Actuarial Accrued Liability	\$ 339,643,000
Reserve Fund ¹	<u>146,484,000</u>
Unfunded Actuarial Accrued Liability	\$ 193,159,000
Funded percentage	43.1%
 Amortization of UAAL for ARC	
UAAL	\$ 193,159,000
Amortization Period	27 years
Level % of Payroll Amortization Factor	18.1164
Amortization Amount – July 1, 2014	\$ 10,662,000
Interest to end of year	746,000
Amortization Amount – June 30, 2015	\$ 11,408,000

Exhibit 4. Required Financial Statement Disclosures

The following table shows the calculation of the Annual Required Contribution and Net OPEB Obligation.

	FOR THE FISCAL YEAR ENDING	
	June 30, 2015	June 30, 2014
Determination of Annual Required Contribution		
Normal Cost at year end	\$ 8,535,000	\$ 7,881,000
Amortization of UAAL	<u>11,408,000</u>	<u>10,858,000</u>
Annual Required Contribution (ARC)	\$ 19,943,000	\$ 18,739,000
Determination of Net OPEB Obligation		
Annual Required Contribution	\$ 19,943,000	\$ 18,739,000
Interest on prior year Net OPEB Obligation	(156,000)	(220,000)
Adjustment to ARC	<u>123,000</u>	<u>170,000</u>
Annual OPEB Cost	\$ 19,910,000	\$ 18,689,000
Retiree Benefit Payments Paid by Employer	TBD	(2,089,884)
County Contributions Made to Trust	<u>TBD</u>	<u>(15,682,610)</u>
Increase in Net OPEB Obligation	TBD	916,506
Net OPEB Obligation – beginning of year	\$ (2,230,963)	\$ (3,147,469)
Net OPEB Obligation – end of year	\$ TBD	\$ (2,230,963)

* Contributions for the 2014-2015 fiscal year will not be known until after the end of the fiscal year. GASB 45 defines contributions for this purpose to be the County's pay-as-you-go costs during the year and contributions made to a separate, irrevocable trust.

The following table shows the annual OPEB cost and net OPEB obligation for the prior 3 years.

Fiscal Year Ended	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
06/30/2012	\$ 23,765,000	83.22%	\$ (2,523,758)
06/30/2013	18,403,000	103.39%	(3,147,469)
06/30/2014	18,689,000	95.10%	(2,230,963)

Funded Status and Funding Progress. As of July 1, 2014, the most recent actuarial valuation date, the plan was 43.1% funded. The actuarial accrued liability for benefits was \$339.6 million, and the actuarial value of assets was \$146.5 million, resulting in an unfunded accrued liability of \$193.2 million.

Exhibit 5. Required Supplementary Information

The following table shows a schedule of Funding Progress required under GASB 45.

Actuarial Valuation Date	Actuarial Value of Assets ¹	AAL Unit Credit	UAAL	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
07/01/2010	\$ 70,887,000	\$ 273,801,000	\$ 202,914,000	25.89%	\$ 163,749,753	123.92%
07/01/2012	91,263,000	287,185,000	195,922,000	31.8%	n/a	n/a
07/01/2014	146,484,000	339,643,000	193,159,000	43.1%	n/a	n/a

¹ Assets reported for 6/30/2014 are unaudited plan net assets as of 6/30/2014 provided by the County.

Exhibit 6. Reconciliation of the Actuarial Accrued Liability

The following table shows a reconciliation of the Actuarial Accrued Liability (AAL) from 2012 to 2014.

	(in Millions)
Actuarial Accrued Liability as of July 1, 2012	\$ 287.2
Value of Benefits Accrued (Normal Cost for 2 years from July 2012 to June 2014)	14.8
Increase in AAL due to 2 year decrease in discount period when future benefit payments are due	41.1
Decrease due to expected retiree benefits from July 2012 to June 2014	(29.1)
Increase due to additional margin for future mortality improvement	7.5
Increase due to other changes such as demographic experience, changes in health costs different than expected in the last valuation, updates to medical trend, and changes in assumed health plan enrollment elections for future retirees	<u>18.1</u>
Actuarial Accrued Liability as of July 1, 2014	\$ 339.6
Total change in Actuarial Accrued Liability from 2012 to 2014	\$ 52.4

Appendix A. Summary of Benefits

Below is a summary of our understanding of the County's retiree benefit program. Special provisions apply to persons employed by the County between May 3, 1977 and January 13, 1981, under which such persons retain the County subsidy even if employment is terminated prior to retirement. Special provisions also apply to elected officials. The effects of these special provisions are not being valued within this actuarial study.

Eligibility

All employees who retire from County employment and receive monthly payments under the Public Employees Retirement System (PERS) of Nevada are eligible to participate in the plan.

In addition, employees who have terminated employment prior to retirement may enroll in the County's health coverage upon commencing retirement if the County is that individual's last public employer. These persons must show evidence of good health and are subject to a 12 month pre-existing condition limitation. This valuation does not include any future retirees who may be eligible for benefits under this provision.

Retiree health and welfare benefits are provided under three contribution "tiers". Tier 1 includes all employees employed on July 1, 1996 and hired prior to the dates shown in the table below. Tier 2 includes all employees hired after the Tier 1 "exclusion" dates in the table below and before July 1, 2010. Tier 3 includes all employees hired on or after July 1, 2010.

Employee Association	Tier 1 Exclusion Date for Employees Hired After
Confidential (non-represented)	September 17, 1997
WCEA (non-supervisory)	September 17, 1997
WCEA (supervisory)	September 17, 1997
WCSDA (non-supervisory)	January 1, 1998
WCSSDA (supervisory)	July 1, 1998
WCDA (investigators)	February 11, 1998
WCPAA (attorneys)	April 29, 1998
Non-represented attorneys in DA/PD	April 29, 1998
WCNA (nurses)	August 26, 1998
WC Elected Officials	September 29, 1999

In order to draw an unreduced PERS benefit, an employee must meet certain age and service requirements described below:

- Regular Members* age 65 with 5 years service, or age 60 with 10 years service, or at any age with 30 years service.
- Sheriffs* age 65 with 5 years service, or age 55 with 10 years service, or age 50 with 20 years service, or at any age with 25 years service.

Disabled Members 5 years 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.

Benefit Plans

Medical Identical benefits as provided to active employees. Retirees can elect coverage under either the Self-Funded Group Health Plan or the HMO Health Plan. Medicare eligible retirees may also choose the Senior Coverage Plan. The Group Health Plan has full coordination of benefits integration with Medicare.

Prescription Drug Identical benefits as provided to active employees.

Vision Identical benefits as provided to active employees.

Dental Retirees after 1/1/96 have the option, upon retirement, to retain dental benefits with the retiree paying the full premium.

Life Insurance

Life insurance coverage is provided to those retirees enrolling in either of the health care benefit plans offered by the County. The amount of coverage provided for the retiree varies according to the retiree's age as indicated below:

Under age 65	\$ 20,000
Age 65 to 69	13,000
Age 70 and over	7,000

The amount of coverage provided to covered dependents and surviving spouses of deceased retirees is indicated below:

Spouse	\$ 1,000
Child under 14 days	none
Child 14 days to 6 months	100
Child 6 months and over	1,000

Dependents' Benefits

Coverage is available for dependents of the retiree including a spouse and any unmarried children who are under age 26 or disabled and incapable of self-support.

Survivor Benefits

Upon the death of the retiree, benefits may be continued to the surviving spouse for his/her remaining lifetime. Spouses are required to pay 100% of the premium.

Retiree Contributions

For eligible retirees, the County pays a portion of the retiree's premium based on years of County service. Retirees pay 100% of the premium for dependent coverage. Employees must retire directly from the County to be eligible for the County contribution (i.e., individuals seeking reinstatement are not eligible for this payment regardless of their prior years of service with the County).

Exception: Persons employed by the County between May 3, 1977 and January 13, 1981, retain the County subsidy even if employment is terminated prior to retirement. Such benefit is not included in this valuation.

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

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

For Tier 2 retirees, the retiree's contribution is the monthly premium amount set by the County less a County paid premium subsidy equal to the Non-State Retiree Subsidy Adjustment described in the Nevada PEBP. For Tier 2 retirees under the age of 65, the County's monthly subsidy for the 2014-2015 fiscal year is \$635.53 per month reduced by 5.45% for each year of service less than 20 years. For Tier 2 retirees over the age of 65, the County's monthly subsidy for the 2014-2015 fiscal year is \$220 per month reduced by 5.00% for each year of service less than 20 years.

Tier 3 employees are not eligible for any County contribution toward retirement health benefits but may elect to continue coverage in the County health plans upon retirement at the retiree's own expense.

Appendix B. Actuarial Cost Method and Assumptions

The actuarial cost method described below is one of several acceptable costs methods described in GASB 45, and the assumptions represent our best estimate of anticipated future experience based on information provided to us. Note, that the ultimate responsibility of selecting/approving the actuarial cost method and assumptions lies with the County and its auditor.

Actuarial Cost Method

The actuarial cost method used for determining the benefit obligations is the Projected Unit Credit Cost Method. Under this method, the actuarial present value of projected benefits is the value of benefits expected to be paid for current actives and retirees and is calculated based on the assumptions and census data described this report. The Actuarial Accrued Liability (AAL) is the actuarial present value of benefits attributed to employee service rendered prior to the valuation date. The AAL equals the present value of benefits multiplied by a fraction equal to service to date over service at expected retirement. The Normal Cost is the actuarial present value of benefits attributed to one year of service. This equals the present value of benefits divided by service at expected retirement. Since retirees are not accruing any more service, their normal cost is zero. In determining the Annual Required Contribution, the Unfunded AAL is amortized as a level percentage of expected payroll over 30 years on a closed basis from June 30, 2011, i.e. the remaining amortization period as of June 30, 2014 is 27 years. The actuarial value of assets is equal to the market value of assets as of the valuation date.

Economic Assumptions

<i>Discount Rate</i>	7.0% effective annual rate
<i>Expected Payroll Increases</i>	3.5% effective annual rate (for amortization of UAAL)

Demographic Assumptions.

Mortality RP 2000 Combined Mortality Table Projected to 2025 with Scale AA – Male and Female

Retirement The table below lists the probabilities an active employee will retiring from the County in a single year.

Age	REGULAR		SHERIFFS	
	< 30 Years	30 or More	< 20 Years	20 or More
50-54	4%	25%	6%	20%
55-59	5%	30%	20%	20%
60	30%	30%	20%	20%
61	20%	20%	25%	25%
62-64	25%	25%	25%	25%
65	30%	30%	100%	100%
66-69	30%	30%		
70	100%	100%		

Withdrawal

LESS THAN 5 YEARS OF SERVICE		
Service	Regular	Sheriffs
0	16%	13%
1	12%	9%
2	9%	6%
3	7%	4%
4	6%	3%

AT LEAST 5 YEARS OF SERVICE		
Age	Regular	Sheriffs
22	14.5%	5.9%
27	10.5%	4.6%
32	7.7%	3.7%
37	6.1%	3.3%
42	4.6%	2.9%
47	4.2%	3.2%
52	0.0%	0.0%
57	0.0%	0.0%

Disability

Age	Regular	Sheriffs
22	0.03%	0.05%
27	0.03%	0.05%
32	0.05%	0.06%
37	0.07%	0.09%
42	0.14%	0.37%
47	0.25%	0.53%
52	0.44%	0.66%
57	0.85%	0.96%

Other Assumptions

Benefit Costs

Below is a summary of the monthly budgeted premium rates of all retiree benefits per retiree and per dependent for fiscal year 2014 - 2015 for the self funded health plan and HMO plan.

Plans	Medicare Ineligible	Medicare Eligible
Self-Funded Group Health Plan (SFGHP)		
Retiree	\$613.75	\$542.01
Dependent	618.09	546.37
HMO		
Retiree	\$569.26	\$434.88
Dependent	537.61	403.22
Senior Care Plus		
Retirees	N/A	\$115.64
Dependent	N/A	104.65
Dental		
Retiree	\$50.14	\$50.14
Dependent	46.33	46.33

Retiree

Contribution Basis

The retiree's contribution is based on the actual budgeted premium rates.

Health Costs

Washoe County sets the same premiums (SFGHP and HMO) for retirees (without Medicare) as for active employees. Therefore, the retiree premium rates are being subsidized by the inclusion of active lives in setting rates. (Premiums calculated only based on retiree health claims experience would have resulted in higher retiree premiums.)

To account for the fact that per member health costs vary depending on age (higher health costs at older ages), we calculated equivalent Per Member Per Month (PMPM) costs that vary by age based on the age distribution of covered members (employees/retirees and dependents), and based on relative cost factors by age. The relative cost factors were developed from the Milliman Health Cost Guidelines. Based on the approved premium rates for the 2014-2015 fiscal year and relative age cost factor assumptions, we developed age adjusted monthly PMPM health and dental costs for the 2014-2015 fiscal year as shown in the following tables:

Self Funded Health Plan Age Adjusted Medical PMPM Costs for FY 2014-15

Age	RETIREES		SPOUSES	
	Male	Female	Male	Female
55	\$ 579	\$ 640	\$ 662	\$ 723
60	753	756	837	839
64	959	877	1,042	960
65	391	379	391	379
70	477	453	477	453
75	579	538	579	538
80	678	623	678	623
85	779	716	779	716

HMO Health Plan Age Adjusted Medical PMPM Costs for FY 2014-15

Age	RETIREES		SPOUSES	
	Male	Female	Male	Female
55	\$ 685	\$ 758	\$ 738	\$ 810
60	892	896	944	948
64	1,135	1,039	1,187	1,091
65	322	313	322	313
70	393	374	393	374
75	477	444	477	444
80	559	514	559	514
85	642	590	642	590

Future Retirees - Age Adjusted Medical PMPM Costs for FY 2014-15

Age	RETIREES		SPOUSES	
	Male	Female	Male	Female
55	\$ 622	\$ 687	\$ 692	\$ 758
60	809	812	880	883
64	1,029	942	1,100	1,013
65	363	352	363	352
70	444	421	444	421
75	538	500	538	500
80	631	579	631	579
85	724	666	724	666

Age Adjusted Dental PMPM Costs for FY 2014-15

Age	RETIREES		SPOUSES	
	Male	Female	Male	Female
55	\$ 52	\$ 55	\$ 60	\$ 63
60	57	58	65	66
65 and Over	60	59	68	67

Participation

The assumed participation of future retirees is as follows:

Tier	% of Retirees Electing Medical Coverage
Tier 1	100%
Tier 2	85%
Tier 3	50%

75% of employees who elect medical coverage at retirement are assumed to elect dental coverage.

Plan Election

Employees who elect medical coverage at retirement are assumed to elect the following plans:

SFGHP	60%
HMO	40%

Dependent Coverage

25% of future retirees are assumed to elect coverage for their spouses.

Medicare Eligibility

70% of active employees hired prior to the Tier 1 exclusive dates (see Appendix A), and 100% hired thereafter, are assumed to enroll in Medicare Parts A&B at age 65.

Of current Tier 1 retirees under age 65, 70% are assumed to become Medicare eligible at age 65. For retirees and spouses age 65 and over, we have used the Medicare status provided by the County.

Spouse Age

Female spouses are assumed to be three years younger than male spouses, on average. Actual ages were used for current spouses receiving benefits from the County.

Reinstatement

Persons terminating County employment prior to retirement are assumed not to apply for reinstatement.

Medical Inflation

The medical cost inflation trend used in this valuation was derived from the “Getzen Model” published by the Society of Actuaries for developing long term medical cost trends. The “Getzen Model” was then updated to reflect the latest economic growth factors, and an adjustment was made to reflect the value of expected excise tax payable in 2018 and beyond. Budgeted premiums and PEBP subsidies are assumed to increase at the medical inflation trend rates.

Fiscal Year Beginning	Pre 65 – % Inflation	Fiscal Year Beginning	Post 65 – % Inflation
2014	6.25%	2014	6.50%
2015	5.75%	2015 - 2021	6.00%
2016 - 2021	6.00%	2021 - 2029	5.75%
2021 - 2025	5.75%	2029 - 2030	6.00%
2025	6.00%	2030	6.50%
2026 - 2031	6.25%	2031	6.75%
2031	6.00%	2032 - 2036	6.50%
2032	6.50%	2036	6.25%
2033 - 2035	6.75%	2037 - 2043	6.00%
2035 - 2037	6.50%	2043 - 2049	5.75%
2037 - 2039	6.25%	2049 - 2056	5.50%
2039 - 2042	6.00%	2056 - 2068	5.25%
2042 - 2048	5.75%	2068 - 2076	5.00%
2048 - 2055	5.50%	2076 - 2080	4.75%
2055 - 2067	5.25%	2080 +	4.50%
2067 - 2075	5.00%		
2075 - 2080	4.75%		
2080 +	4.50%		

Dental Inflation 3.00%

Appendix C. Summary of Participant Data

The employee and retiree census was provided by the County as of June 2014, and is assumed to be representative of the participants as of July 1, 2014.

Regular Employees

Age	YEARS OF SERVICE							Total
	Under 5	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30&Over	
Under 25	4	0	0	0	0	0	0	4
25-29	67	14	0	0	0	0	0	81
30-34	70	59	19	0	0	0	0	148
35-39	51	86	65	8	0	0	0	210
40-44	35	83	83	58	6	2	0	267
45-49	30	59	80	62	45	9	1	286
50-54	24	77	74	76	39	32	5	327
55-59	14	56	65	72	38	29	4	278
60-64	12	39	44	44	29	14	4	186
65-over	<u>3</u>	<u>14</u>	<u>33</u>	<u>11</u>	<u>7</u>	<u>2</u>	<u>1</u>	<u>71</u>
Totals	310	487	463	331	164	88	15	1,858
Average Age:	47.7							
Average Year of Service:	11.7							

Sheriffs

Age	YEARS OF SERVICE							Total
	Under 5	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30&Over	
Under 25	8	0	0	0	0	0	0	8
25-29	20	15	0	0	0	0	0	35
30-34	11	41	5	0	0	0	0	57
35-39	6	32	23	5	0	0	0	66
40-44	2	22	26	47	11	0	0	108
45-49	2	10	8	33	25	3	0	81
50-54	0	2	5	4	10	7	1	29
55-59	0	1	1	3	0	2	2	9
60-64	0	0	0	3	0	1	2	6
65-over	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Totals	49	123	68	95	46	13	5	399
Average Age:	40.4							
Average Year of Service:	12.4							

County Plan Retirees and Surviving Spouses

Age	Health Plan Election			Total
	SFGHP	HMO	SCP	
Under 50	21	13	0	34
50-54	41	24	0	65
55-59	126	58	1	185
60-64	185	88	0	273
65-69	223	72	41	336
70-74	143	54	22	219
75-79	99	22	6	127
80-84	59	16	5	80
85 & Over	<u>54</u>	<u>5</u>	<u>3</u>	<u>62</u>
Totals	951	352	78	1381

Average Retirees' Age: 67.0

Note: We also valued 170 spouses for current retirees in this valuation.

WASHOE COUNTY, NEVADA OPEB TRUST
Administrative Expense Detail - YTD Actual vs. Annual Budget
For the Nine Months Ended March 31, 2015 - unaudited

	<u>Washoe Co</u> <u>Retiree Health</u> <u>Benefit</u> <u>Program</u>	<u>State of Nevada</u> <u>Public Employee</u> <u>Benefit</u> <u>Plan</u>	<u>Truckee Meadows</u> <u>FPD Retiree</u> <u>Group Medical</u> <u>Plan</u>	<u>Sierra FPD</u> <u>Retiree</u> <u>Group Medical</u> <u>Plan</u>	<u>2015</u> <u>Total</u>
<u>BUDGET</u>					
Administrative Expenses					
Actuarial valuations	\$ 15,000	\$ 3,000	\$ 1,500	\$ 10,000	\$ 29,500
Accounting and administrative services	6,067	6,067	6,066	6,066	24,266
Audit fees	1,660	1,660	1,660	1,660	6,640
Trustee fees	160	160	160	160	640
Operating Expenses	-	-	-	-	-
	<u>\$ 22,887</u>	<u>\$ 10,887</u>	<u>\$ 9,386</u>	<u>\$ 17,886</u>	<u>\$ 61,046</u>
<u>ACTUAL</u>					
Administrative Expenses					
Actuarial valuations	\$ 17,500	\$ 4,500	\$ -	\$ 10,000	\$ 32,000
Accounting and administrative services	4,550	4,550	4,550	4,550	18,200
Audit fees	1,625	1,625	1,625	1,625	6,500
Trustee fees	120	120	120	120	480
Legal fees	306	306	306	306	1,224
Operating Expenses	-	-	-	-	-
	<u>\$ 24,101</u>	<u>\$ 11,101</u>	<u>\$ 6,601</u>	<u>\$ 16,601</u>	<u>\$ 58,404</u>
<u>VARIANCE</u>					
Administrative Expenses					
Actuarial valuations	\$ (2,500)	\$ (1,500)	\$ 1,500	\$ -	\$ (2,500)
Accounting and administrative services	1,517	1,517	1,516	1,516	6,066
Audit fees	35	35	35	35	140
Trustee fees	40	40	40	40	160
Legal fees	(306)	(306)	(306)	(306)	(1,224)
Operating Expenses	-	-	-	-	-
	<u>\$ (1,214)</u>	<u>\$ (214)</u>	<u>\$ 2,785</u>	<u>\$ 1,285</u>	<u>\$ 2,642</u>

WASHOE COUNTY, NEVADA OPEB TRUST
Review of Washoe County Request for Reimbursement
For the Quarter Ended March 31, 2015

	<u>Washoe Co. Retiree Health Benefit Plan</u>	<u>State of Nevada Public Employee Benefit Plan</u>	<u>Total</u>
Trust portion of retiree premiums - Q2	\$ 2,104,683	\$ -	\$ 4,247,953
Trust portion of retiree premiums - Q3	2,143,270	-	
Cost for State PEBP participants - Q2	-	93,642	164,379
Cost for State PEBP participants - Q3	-	70,737	
Requested reimbursement	<u>\$ 4,247,953</u>	<u>\$ 164,379</u>	<u>4,412,332</u>

Review of Average Cost per Participant by Coverage Type

Plan	<u>Average # Participants</u>	<u>Premium Total</u>	<u>Average Monthly Cost per Participant</u>
PPO with Medicare	328	451,963	459.31
PPO without Medicare	637	1,111,522	581.64
Subtotal - PPO	<u>965</u>	<u>1,563,484</u>	
HMO with Medicare	65	71,458	366.45
HMO without Medicare	303	483,879	532.32
Subtotal - HMO	<u>368</u>	<u>555,338</u>	
Senior Care Plus	90	24,447	90.55
State PEBS	280	70,737	63.16
Total - all plans	<u>1,703</u>	<u>2,214,006</u>	

Historical Comparison of Benefits Expense vs. Premium Reimbursements - WCRHBP

	<u>Benefits Expense</u>	<u>Retiree Pmts / Misc Revenue</u>	<u>Premium Reimbursement</u>	<u>Reimb over/ (under) net exp</u>
<u>Fiscal Year 2014:</u>				
Q1 FY14	\$ 2,027,172	\$ (832,254)	\$ 1,931,143	\$ 736,225
Q2 FY14	4,566,136	(1,020,094)	1,941,728	(1,604,314)
Q3 FY14	2,187,617	(759,729)	1,958,334	530,446
Q4 FY14	4,673,531	(757,037)	1,962,890	(1,953,604)
Total FY2014	<u>\$ 13,454,456</u>	<u>\$ (3,369,114)</u>	<u>\$ 7,794,095</u>	<u>\$ (2,291,247)</u>
<u>Fiscal year 2015</u>				
Q1 FY15	\$ 2,530,205	\$ (792,686)	\$ 2,094,564	\$ 357,045
Q2 FY15	4,026,528	(1,199,010)	2,104,683	(722,836)
Q3 FY15	3,678,370	(893,707)	2,143,270	(641,393)
Total FY2015	<u>\$ 10,235,103</u>	<u>\$ (2,885,403)</u>	<u>\$ 6,342,517</u>	<u>\$ (1,007,184)</u>

**WASHOE COUNTY, NEVADA OPEB TRUST FUND
INTERIM STATEMENTS OF PLAN NET ASSETS
AS OF MARCH 31, 2015 - UNAUDITED**

	Washoe Co. Retiree Health Benefit Plan	State of Nevada Public Employee Benefit Plan	TMFPD Retiree Group Medical Plan	SFPD Retiree Group Medical Plan	Total
Assets					
Cash and investments:					
Washoe County Investment Pool	\$ 1,828,346	\$ 122,108	\$ 21,727	\$ 248,952	\$ 2,221,133
State of NV RBIF	158,502,455	2,746,440	4,040,458	1,023,664	166,313,017
Interest receivable	5,014	224	53	583	5,874
Prepaid benefits expense	-	-	-	-	-
Total Assets	160,335,815	2,868,772	4,062,238	1,273,199	168,540,024
Liabilities					
Accounts payable	4,247,953	164,379	-	-	4,412,332
Net assets held in trust for other postemployment benefits	\$ 156,087,862	\$ 2,704,393	\$ 4,062,238	\$ 1,273,199	\$ 164,127,692

WASHOE COUNTY, NEVADA OPEB TRUST FUND
INTERIM STATEMENT OF CHANGES IN PLAN NET ASSETS
FOR THE NINE MONTHS ENDED MARCH 31, 2015 - UNAUDITED
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014)

	Combined Trust				6/30/2014
	Budget	Actual	Act %	Variance	
Additions					
Contributions					
Employer:					
Prefunding	\$ 18,700,000	\$ 9,350,000	50.00%	\$ (9,350,000)	\$ 16,644,869
Contributions for incurred cost	2,287,500	1,007,183	44.03%	(1,280,317)	2,089,883
Plan member	3,024,000	2,372,342	78.45%	(651,658)	2,923,133
Other	570,000	533,516	93.60%	(36,484)	663,005
Total Contributions	<u>24,581,500</u>	<u>13,263,041</u>	53.96%	<u>(11,318,459)</u>	<u>22,320,890</u>
Investment Income					
Interest and dividends	3,000,000	2,443,639	81.45%	(556,361)	3,835,908
Net increase (decrease) in fair value of investments	-	4,761,457		4,761,457	18,625,689
	<u>3,000,000</u>	<u>7,205,096</u>	240.17%	<u>4,205,096</u>	<u>22,461,597</u>
Less investment expense	<u>58,150</u>	<u>37,625</u>	64.70%	<u>20,525</u>	<u>56,584</u>
Net Investment Income	<u>2,941,850</u>	<u>7,167,471</u>	243.64%	<u>4,225,621</u>	<u>22,405,013</u>
Total Additions	<u>27,523,350</u>	<u>20,430,512</u>	74.23%	<u>(7,092,838)</u>	<u>44,725,903</u>
Deductions					
Benefits	14,135,350	10,551,583	74.65%	3,583,767	13,971,411
Administrative expense	<u>61,046</u>	<u>58,404</u>	95.67%	<u>2,642</u>	<u>54,083</u>
Total Deductions	<u>14,196,396</u>	<u>10,609,987</u>	74.74%	<u>3,586,409</u>	<u>14,025,494</u>
Net Change in Plan Net Assets	<u>13,326,954</u>	<u>9,820,525</u>	73.69%	<u>(3,506,429)</u>	<u>30,700,409</u>
Net Assets Held in Trust for Other Postemployment Benefits					
Beginning of year	<u>154,307,167</u>	<u>154,307,167</u>		-	123,606,758
End of Period	<u>\$ 167,634,121</u>	<u>\$ 164,127,692</u>		<u>\$ (3,506,429)</u>	<u>\$ 154,307,167</u>

WASHOE COUNTY, NEVADA OPEB TRUST FUND
INTERIM STATEMENT OF CHANGES IN PLAN NET ASSETS
FOR THE NINE MONTHS ENDED MARCH 31, 2015 - UNAUDITED
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014)

	Washoe County - Retiree Health Benefit Plan				
	Budget	Actual	Act %	Variance	6/30/2014
Additions					
Contributions					
Employer:					
Prefunding	\$ 18,303,872	\$ 9,151,936	50.00%	\$ (9,151,936)	\$ 15,682,610
Contributions for incurred cost	2,287,500	1,007,183	44.03%	(1,280,317)	2,089,883
Plan member	3,015,000	2,351,887	78.01%	(663,113)	2,914,801
Other	570,000	533,516	93.60%	(36,484)	663,005
Total Contributions	<u>24,176,372</u>	<u>13,044,522</u>	53.96%	<u>(11,131,850)</u>	<u>21,350,299</u>
Investment Income					
Interest and dividends	2,845,000	2,321,324	81.59%	(523,676)	3,641,185
Net increase (decrease) in fair value of investments	-	4,533,317		4,533,317	17,695,720
	<u>2,845,000</u>	<u>6,854,641</u>	240.94%	<u>4,009,641</u>	<u>21,336,905</u>
Less investment expense	<u>55,000</u>	<u>35,604</u>	64.73%	<u>19,396</u>	<u>53,515</u>
Net Investment Income	<u>2,790,000</u>	<u>6,819,037</u>	244.41%	<u>4,029,037</u>	<u>21,283,390</u>
Total Additions	<u>26,966,372</u>	<u>19,863,559</u>	73.66%	<u>(7,102,813)</u>	<u>42,633,689</u>
Deductions					
Benefits	13,601,500	10,235,103	75.25%	3,366,397	13,461,784
Administrative expense	<u>22,887</u>	<u>24,101</u>	105.30%	<u>(1,214)</u>	<u>10,665</u>
Total Deductions	<u>13,624,387</u>	<u>10,259,204</u>	75.30%	<u>3,365,183</u>	<u>13,472,449</u>
Net Change in Plan Net Assets	13,341,985	9,604,355	71.99%	(3,737,630)	29,161,240
Net Assets Held in Trust for Other Postemployment Benefits					
Beginning of year	146,483,507	146,483,507		-	117,322,267
End of Period	<u>\$ 159,825,492</u>	<u>\$ 156,087,862</u>		<u>\$ (3,737,630)</u>	<u>\$ 146,483,507</u>

WASHOE COUNTY, NEVADA OPEB TRUST FUND
INTERIM STATEMENT OF CHANGES IN PLAN NET ASSETS
FOR THE NINE MONTHS ENDED MARCH 31, 2015 - UNAUDITED
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014)

	Washoe County - NV PEBS Plan				6/30/2014
	Budget	Actual	Act %	Variance	
Additions					
Contributions					
Employer:					
Prefunding	\$ 396,128	\$ 198,064	50.00%	\$ (198,064)	\$ 417,390
Total Contributions	396,128	198,064	50.00%	(198,064)	417,390
Investment Income					
Interest and dividends	52,000	41,793	80.37%	(10,207)	65,419
Net increase (decrease) in fair value of investments	-	80,930		80,930	316,933
	52,000	122,723	236.01%	70,723	382,352
Less investment expense	1,000	658	65.80%	342	975
Net Investment Income	51,000	122,065	239.34%	71,065	381,377
Total Additions	447,128	320,129	71.60%	(126,999)	798,767
Deductions					
Benefits	320,000	211,839	66.20%	108,161	310,442
Administrative expense	10,887	11,101	101.97%	(214)	9,060
Total Deductions	330,887	222,940	67.38%	107,947	319,502
Net Change in Plan Net Assets	116,241	97,189		(19,052)	479,265
Net Assets Held in Trust for Other Postemployment Benefits					
Beginning of year	2,607,204	2,607,204		-	2,127,939
End of Period	\$ 2,723,445	\$ 2,704,393		\$ (19,052)	\$ 2,607,204

WASHOE COUNTY, NEVADA OPEB TRUST FUND
INTERIM STATEMENT OF CHANGES IN PLAN NET ASSETS
FOR THE NINE MONTHS ENDED MARCH 31, 2015 - UNAUDITED
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014)

	Truckee Meadows FPD - Retiree Group Med Plan				
	<u>Budget</u>	<u>Actual</u>	<u>Act %</u>	<u>Variance</u>	<u>6/30/2014</u>
Additions					
Contributions					
Employer:					
Prefunding	\$ -	\$ -		\$ -	\$ -
Total Contributions	-	-		-	-
Investment Income					
Interest and dividends	85,000	62,953	74.06%	(22,047)	106,316
Net increase (decrease) in fair value of investments	-	118,052		118,052	514,711
	85,000	181,005	212.95%	96,005	621,027
Less investment expense	1,650	956	57.94%	694	1,630
Net Investment Income	83,350	180,049	216.02%	96,699	619,397
Total Additions	83,350	180,049	216.02%	96,699	619,397
Deductions					
Benefits	200,000	92,769	46.38%	107,231	186,242
Administrative expense	9,386	6,601	70.33%	2,785	24,679
Total Deductions	209,386	99,370	47.46%	110,016	210,921
Net Change in Plan Net Assets	(126,036)	80,679	(64.01%)	206,715	408,476
Net Assets Held in Trust for Other Postemployment Benefits					
Beginning of year	3,981,559	3,981,559		-	3,573,083
End of Period	\$ 3,855,523	\$ 4,062,238		\$ 206,715	3,981,559

WASHOE COUNTY, NEVADA OPEB TRUST FUND
INTERIM STATEMENT OF CHANGES IN PLAN NET ASSETS
FOR THE NINE MONTHS ENDED MARCH 31, 2015 - UNAUDITED
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014)

	Sierra FPD - Retiree Group Med Plan				6/30/2014
	Budget	Actual	Act %	Variance	
Additions					
Contributions					
Employer:					
Prefunding	\$ -	\$ -		\$ -	\$ 544,869
Plan member	9,000	20,455	227.28%	11,455	8,332
Total Contributions	9,000	20,455	227.28%	11,455	553,201
Investment Income					
Interest and dividends	18,000	17,569	97.61%	(431)	22,988
Net increase (decrease) in fair value of investments	-	29,158		29,158	98,325
	18,000	46,727	259.59%	28,727	121,313
Less investment expense	500	407	81.40%	93	464
Net Investment Income	17,500	46,320	264.69%	28,820	120,849
Total Additions	26,500	66,775	251.98%	40,275	674,050
Deductions					
Benefits	13,850	11,872	85.72%	1,978	12,943
Administrative expense	17,886	16,601	92.82%	1,285	9,679
Total Deductions	31,736	28,473	89.72%	3,263	22,622
Net Change in Plan Net Assets	(5,236)	38,302	(731.51%)	43,538	651,428
Net Assets Held in Trust for Other Postemployment Benefits					
Beginning of year	1,234,897	1,234,897		-	583,469
End of Period	\$ 1,229,661	\$ 1,273,199		\$ 43,538	\$ 1,234,897

Washoe County, Nevada OPEB Trust Fund
Cash Flow Projections and Planned Transfers to the State Investment Fund (RBIF) for FY 2015
Updated to include Actual Activity through 3/31/15

	Prefunding Contributions	Direct Expenses	Reimburse Employers	Cash Change	Trsfrs to RBIF	Cash in WC Pool	Cash in RBIF	Total Cash & Investmts*
Beginning balance						\$ 490,838	\$ 150,880,597	\$ 151,371,435
Jul-14	-	-	-	-	-	490,838	150,880,597	151,371,435
Aug Trustee Meeting	5,075,000	-	(2,035,906)	3,039,094	-	3,529,932	150,880,597	154,410,529
Sep	-	(16,228)	-	(16,228)	2,015,000	1,387,972	154,514,895	155,902,867
Oct Trustee Meeting	4,675,000	-	(2,142,022)	2,532,978	2,015,000	1,905,950	156,529,895	158,435,845
Nov	-	-	-	-	1,515,000	390,950	158,044,895	158,435,845
Dec	-	(6,226)	-	(6,226)	-	788,815	160,229,331	161,018,146
Jan Trustee Meeting	4,675,000	(98,836)	(2,198,325)	2,377,839	907,000	2,259,654	161,136,331	163,395,985
Feb	-	(29,885)	-	(29,885)	907,000	1,322,769	162,043,331	163,366,100
Mar	-	(11,874)	-	(11,874)	907,000	2,221,132	166,313,017	168,534,149
Apr Trustee Meeting	4,675,000	(6,228)	(2,214,006)	2,454,766	907,000	3,768,898	167,220,017	170,988,915
May	-	-	-	-	907,000	2,861,898	168,127,017	170,988,915
Jun	-	(94,745)	-	(94,745)	907,000	1,860,152	169,134,017	170,994,169
Jul-15 Trustee Meeting	4,675,000	-	(1,565,647)	3,109,353	-	4,969,506	169,134,017	174,103,523
Cash flow total	23,775,000	(264,022)	(10,155,906)	13,355,072	10,987,000			
Less: Pmts related to FY14	(5,075,000)		2,035,906					
FY15 Budget	18,700,000		(8,120,000)					

Key Assumptions:

Only key changes in cash flow are shown.

TMFPD - Quarterly payments to City of Reno, based on FY14 actual - paid in last month of each quarter.

Transfers to RBIF will be reviewed quarterly for possible adjustment.

	<u>WCRHBP</u>	<u>PEBP</u>	<u>WC Total</u>	
WC contribution	18,303,872	396,128	18,700,000	Alloc. based on UAAL / paid in quarterly increments

Washoe County, Nevada OPEB Trust Fund
Cash Flow Projections and Planned Transfers to the State Investment Fund (RBIF) for FY 2015
Updated to include Actual Activity through 3/31/15

WCRHBP		Prefunding Contributions	Direct Expenses	Reimburse Employers	Cash Change	Trsfrs to RBIF	Cash in WC Pool	Cash in RBIF	Total Cash & Invest.
Beginning balance							\$ 98,067	\$ 143,374,562	\$ 143,472,629
Jul-14		-	-	-	-	-	98,067	143,374,562	143,472,629
Aug	Trustee Meeting	4,970,660	-	(1,963,050)	3,007,610	-	3,105,677	143,374,562	146,480,239
Sep		-	(1,557)	-	(1,557)	2,000,000	1,094,882	146,917,899	148,012,781
Oct	Trustee Meeting	4,575,968	-	(2,094,564)	2,481,404	2,000,000	1,576,286	148,917,899	150,494,185
Nov		-	-	-	-	1,500,000	76,286	150,417,899	150,494,185
Dec		-	(1,556)	-	(1,556)	-	482,734	152,492,865	152,975,599
Jan	Trustee Meeting	4,575,968	(1,517)	(2,104,683)	2,469,768	900,000	2,052,502	153,392,865	155,445,367
Feb		-	(19,471)	-	(19,471)	900,000	1,133,031	154,292,865	155,425,896
Mar		-	-	-	-	900,000	1,828,346	158,502,455	160,330,801
Apr	Trustee Meeting	4,575,968	(1,557)	(2,143,270)	2,431,141	900,000	3,359,487	159,402,455	162,761,942
May		-	-	-	-	900,000	2,459,487	160,302,455	162,761,942
Jun		-	-	-	-	900,000	1,559,487	161,202,455	162,761,942
Jul-15	Trustee Meeting	4,575,968	-	(1,457,483)	3,118,485	-	4,677,972	161,202,455	165,880,427
Cash flow total		<u>23,274,532</u>	<u>(25,658)</u>	<u>(9,763,050)</u>	<u>13,485,824</u>	<u>10,900,000</u>			
Less: Pmts related to FY14		<u>(4,970,660)</u>		<u>1,963,050</u>					
FY15 Budget		<u>18,303,872</u>		<u>(7,800,000)</u>					

PEBP		Prefunding Contributions	Direct Expenses	Reimburse Employers	Cash Change	Trsfrs to RBIF	Cash in WC Pool	Cash in RBIF	Total Cash & Invest.
Beginning balance							\$ 9,995	\$ 2,565,611	\$ 2,575,606
Jul-14		-	-	-	-	-	9,995	2,565,611	2,575,606
Aug	Trustee Meeting	104,340	-	(72,856)	31,484	-	41,479	2,565,611	2,607,090
Sep		-	(1,557)	-	(1,557)	15,000	24,728	2,608,139	2,632,867
Oct	Trustee Meeting	99,032	-	(47,458)	51,574	15,000	61,302	2,623,139	2,684,441
Nov		-	-	-	-	15,000	46,302	2,638,139	2,684,441
Dec		-	(1,556)	-	(1,556)	-	44,890	2,675,274	2,720,164
Jan	Trustee Meeting	99,032	(1,517)	(93,642)	3,873	7,000	41,763	2,682,274	2,724,037
Feb		-	(6,471)	-	(6,471)	7,000	28,292	2,689,274	2,717,566
Mar		-	-	-	-	7,000	122,108	2,746,440	2,868,548
Apr	Trustee Meeting	99,032	(1,557)	(70,737)	26,738	7,000	141,846	2,753,440	2,895,286
May		-	-	-	-	7,000	134,846	2,760,440	2,895,286
Jun		-	-	-	-	7,000	127,846	2,767,440	2,895,286
Jul-15	Trustee Meeting	99,032	-	(108,163)	(9,131)	-	118,715	2,767,440	2,886,155
Cash flow total		<u>500,468</u>	<u>(12,658)</u>	<u>(392,856)</u>	<u>94,954</u>	<u>87,000</u>			
Less: Pmts related to FY14		<u>(104,340)</u>		<u>72,856</u>					
FY15 Budget		<u>396,128</u>		<u>(320,000)</u>					

Washoe County, Nevada OPEB Trust Fund
Cash Flow Projections and Planned Transfers to the State Investment Fund (RBIF) for FY 2015
Updated to include Actual Activity through 3/31/15

	TMFPD	Prefunding Contributions	Direct Expenses	Reimburse Employers	Cash Change	Trsfrs to RBIF	Cash in WC Pool*	Cash in RBIF*	Total Cash & Invest.
Beginning balance							\$ 78,566	\$ 4,010,573	\$ 4,089,139
Jul-14		-	-	-	-	-	128,566	4,060,573	4,189,139
Aug	Trustee Meeting	-	-	-	-	-	128,566	4,060,573	4,189,139
Sep		-	(1,557)	-	(1,557)	-	19,238	3,999,290	4,018,528
Oct	Trustee Meeting	-	-	-	-	-	19,238	3,999,290	4,018,528
Nov		-	-	-	-	-	19,238	3,999,290	4,018,528
Dec		-	(1,557)	-	(1,557)	-	17,820	4,057,704	4,075,524
Jan	Trustee Meeting	-	(94,286)	-	(94,286)	-	23,534	4,057,704	4,081,238
Feb		-	(1,971)	-	(1,971)	-	21,563	4,057,704	4,079,267
Mar		-	-	-	-	-	21,726	4,040,458	4,062,184
Apr	Trustee Meeting	-	(1,557)	-	(1,557)	-	20,169	4,040,458	4,060,627
May		-	-	-	-	-	20,169	4,040,458	4,060,627
Jun		-	(92,769)	-	(92,769)	-	27,400	4,040,458	4,067,858
Total		-	(193,697)	-	(193,697)	-			

	SFPD	Prefunding Contributions	Direct Expenses	Reimburse Employers	Cash Change	Trsfrs to RBIF	Cash in WC Pool*	Cash in RBIF*	Total Cash & Invest.
Beginning balance							\$ 304,210	\$ 929,851	\$ 1,234,061
Jul-14		-	-	-	-	-	254,210	979,851	1,234,061
Aug	Trustee Meeting	-	-	-	-	-	254,210	979,851	1,234,061
Sep		-	(11,557)	-	(11,557)	-	249,124	989,567	1,238,691
Oct	Trustee Meeting	-	-	-	-	-	249,124	989,567	1,238,691
Nov		-	-	-	-	-	249,124	989,567	1,238,691
Dec		-	(1,557)	-	(1,557)	-	243,370	1,003,488	1,246,858
Jan	Trustee Meeting	-	(1,517)	-	(1,517)	-	241,854	1,003,488	1,245,342
Feb		-	(1,971)	-	(1,971)	-	239,882	1,003,488	1,243,370
Mar		-	(11,874)	-	(11,874)	-	248,952	1,023,664	1,272,616
Apr	Trustee Meeting	-	(1,557)	-	(1,557)	-	247,395	1,023,664	1,271,059
May		-	-	-	-	-	247,395	1,023,664	1,271,059
Jun		-	(1,976)	-	(1,976)	-	145,419	1,123,664	1,269,083
Total		-	(32,009)	-	(32,009)	-			

* Cash balances in TMFPD and SFPD reflect reallocations of Pool and RBIF cash in July and January.

**WASHOE COUNTY, NEVADA OPEB TRUST FUND
RECOMMENDED BUDGET
FOR THE YEAR ENDED JUNE 30, 2016**

NOT YET UPDATED

				<i>2016 Recommended Budget</i>			
	<u>2014 Actual</u>	<u>2015 ETC</u>	<u>2016 Total</u>	<u>Washoe Co Retiree Health Benefit Program</u>	<u>State of Nevada Public Employee Benefit Plan</u>	<u>Truckee Meadows FPD Retiree Group Medical Plan</u>	<u>Sierra Fire Retiree Group Medical Plan</u>
Additions							
Contributions							
Employer:							
Prefunding	\$ 16,644,869	\$ 18,600,970	\$ 17,680,000	\$ 17,612,818	\$ 67,182	\$ -	\$ -
Contributions for incurred cost	2,089,883	1,648,576	1,900,000	1,900,000	-	-	-
Plan member	2,923,133	3,173,323	3,178,000	3,150,000	-	-	28,000
Other	663,004	623,542	610,000	610,000	-	-	-
Total Contributions	<u>22,320,889</u>	<u>24,046,411</u>	<u>23,368,000</u>	<u>23,272,818</u>	<u>67,182</u>	<u>-</u>	<u>28,000</u>
Investment Income:							
Investment earnings	22,461,598	8,019,643	50,500	47,500	1,000	1,500	500
Less investment expense	(56,585)	(50,167)	(50,500)	(47,500)	(1,000)	(1,500)	(500)
Net Investment Income	<u>22,405,013</u>	<u>7,969,476</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Additions	<u>44,725,902</u>	<u>32,015,887</u>	<u>23,368,000</u>	<u>23,272,818</u>	<u>67,182</u>	<u>-</u>	<u>28,000</u>
Deductions							
Benefits	13,971,411	14,173,427	14,175,500	13,685,000	282,500	185,000	23,000
Administrative expense	54,083	64,631	54,726	10,307	10,807	24,306	9,306
Total Deductions	<u>14,025,494</u>	<u>14,238,058</u>	<u>14,230,226</u>	<u>13,695,307</u>	<u>293,307</u>	<u>209,306</u>	<u>32,306</u>
Net Change in Plan Net Assets	30,700,408	17,777,829	9,137,774	9,577,511	(226,125)	(209,306)	(4,306)
Net Assets Held in Trust for Other Postemployment Benefits							
Beginning of year	<u>123,606,758</u>	<u>154,307,166</u>	<u>172,084,995</u>	<u>164,077,972</u>	<u>2,744,970</u>	<u>3,988,578</u>	<u>1,273,475</u>
End of year	<u>\$ 154,307,166</u>	<u>\$ 172,084,995</u>	<u>\$ 181,222,769</u>	<u>\$ 173,655,483</u>	<u>\$ 2,518,845</u>	<u>\$ 3,779,272</u>	<u>\$ 1,269,169</u>

**WASHOE COUNTY, NEVADA OPEB TRUST
PROPOSED ADMINISTRATIVE EXPENSE BUDGET
FISCAL YEAR ENDING JUNE 30, 2016**

NOT YET UPDATED

	Washoe Co Retiree Health Benefit Program	State of Nevada Public Employee Benefit Plan	Truckee Meadows FPD Retiree Group Medical Plan	Sierra FPD Retiree Group Medical Plan	2015 Total
Administrative Expenses					
Actuarial valuations	\$ 2,500	\$ 3,000	\$ 16,500	\$ 1,500	\$ 23,500
Accounting and administrative services	6,067	6,067	6,066	6,066	24,266
Audit fees	1,660	1,660	1,660	1,660	6,640
Trustee fees	80	80	80	80	320
Other operating expenses	-	-	-	-	-
	<u>\$ 10,307</u>	<u>\$ 10,807</u>	<u>\$ 24,306</u>	<u>\$ 9,306</u>	<u>\$ 54,726</u>

Actuarial Valuation History:

FY 12/13	16,000	4,500	-	8,500	29,000
FY 13/14	2,235	2,865	16,250	1,250	22,600
FY 14/15	17,500	4,500	-	10,000	32,000

Overview of Washoe County OPEB Rates & Reimbursements

Washoe County utilizes an internal service fund to account for medical, dental, vision, prescription and life insurance for its employees and retirees. At present, the fund is staffed as follows: one benefits manager, one benefits specialist, one senior accountant. Beginning in FY 2016, the fund will add an additional full time benefits specialist.

HMO Rates

Rates for the HMO are based on contract rates submitted by the selected vendor.

PPO Rates

PPO rates are set by the County. The rate-setting process begins with an actuarial analysis, which provides rate recommendations. These recommendations are based on projected claims, which in turn are founded upon annual health trend. Health trend is the anticipated rate of increase in healthcare costs, and is calculated from actual claims experience, with reasonableness adjustments from the actuary's health cost guidelines. Rates are developed on a composite basis, and then allocated to coverage tiers (employee only, employee + spouse, employee + child/children, and employee + family) using relative cost factors.

The County adds amounts to both the HMO and the PPO base rates to cover the cost of dental, vision and life insurance, as well as administrative expenses for the Health Benefits Fund, to arrive at the full rates that are charged to Departments and participants.

Final rates are additionally affected by budgetary considerations, management direction, and collective bargaining input.

The principal factors that influence rates are:

- Plan design (e.g. out of pocket maximums, deductibles, co-pays, covered services, etc.)
- Utilization (how often / how much the plan is used by members)
- Inflation

Health Benefits staff maintain a spreadsheet of all retirees who have elected coverage in a County-sponsored health plan. (The spreadsheet is periodically audited by accounting staff, and is also subjected to audit procedures as part of the County's annual financial statement audit.) For each retiree, the file contains the following information:

- Personal information (name, address, SSN, age)
- Years of Service
- Coverage Group:
 - PPO with / without Medicare A&B
 - HMO with / without Medicare A&B
 - Senior Care Plus (all w/ Medicare A&B)
- Gross retiree monthly health plan premium.
- Monthly premium allocation based on subsidy eligibility:
 - Washoe County portion (reimbursed by the OPEB Trust)
 - Retiree portion (generally deducted from PERS benefits and remitted by PERS)
- Dental premium (100% paid by retiree)
- Dependent monthly health plan premium (100% paid by retiree)

Washoe County, Nevada OPEB Trust
Retiree Health Insurance Rates

Component	Source	Key Drivers
PPO Plan Only:		
Medical Claims	Actuary	Plan design, utilization, inflation
Prescription Drug Claims	Actuary	Plan design, utilization, inflation
Stop Loss Insurance	Insurance company	# of large claims, \$ value of total
Third Party Administration (claims payments)	Contracts	Enrollees
HMO Plan Only:		
Insurance Premium	Insurance company	Plan design, utilization, insurer overhead
Both Plans:		
ACA Fees	Federal government (rates)	# of covered persons, rates
Internal Costs	Washoe County Budget, contracts	Health Benefits FTE's, TPA's claims audits
Vision Claims	Insurance company	Utilization, inflation

Process:

1. Benefit Plans designed
2. Rates established
3. Subsidies applied to rates
4. Premiums paid