

AGENDA

WASHOE COUNTY, NEVADA OPEB TRUST FUND BOARD OF TRUSTEES

February 4, 2016 at 9:00 a.m.

Comptroller's Large Conference Room
Washoe County Administrative Complex, Building D, 2nd Floor
1001 E. 9th Street - Reno, Nevada 89512

NOTE: Items on the agenda may be taken out of order; combined with other items; removed from the agenda; moved to the agenda of another later meeting; moved to or from the Consent section; or may be voted on in a block. Items with a specific time designation will not be heard prior to the stated time, but may be heard later. Items listed in the Consent section of the agenda are voted on as a block and will not be read or considered separately unless removed from the Consent section.

Facilities in which this meeting is being held are accessible to the disabled. Persons with disabilities who require special accommodation or assistance (e.g. sign language, interpreters or assisted listening devices) at the meeting should notify the Washoe County Comptroller's Office at 328-2552, 24 hours prior to the meeting.

Time Limits. Public comments are welcomed during the Public Comment periods for all matters, whether listed on the agenda or not, and are limited to two minutes per person. Additionally, public comment of two minutes per person will be heard during individual action items on the agenda. Persons are invited to submit comments in writing on the agenda items and/or attend and make comment on that item at the Trustee's meeting. Persons may not allocate unused time to other speakers.

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

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

This Agenda for the meeting has been posted at the following locations: Washoe County Administration Building (1001 E. 9th Street, Bldg. A), Washoe County Courthouse-Second Judicial District Court (75 Court Street), Washoe County Downtown Reno Library (301 S. Center Street), Sparks Justice Court (1675 Prater Way #107) the Washoe County Website at www.washoecounty.us/finance/OPEB.htm, and the Nevada Public Notice Website (<https://notice.nv.gov>).

Support documentation for items on the agenda that is provided to the Washoe County, Nevada OPEB Trust Board of Trustees is available to members of the public at the Washoe County Comptroller's Office (1001 E. 9th Street, Room D-200 Reno, Nevada) Jeri Renshaw, Administrative Secretary (775) 328-2552; and on the County's website at <http://www.washoecounty.us/finance/OPEB.htm>.

All items numbered or lettered below are hereby designated **for possible action** as if the words "for possible action" were written next to each item (NRS 241.020). An item listed with asterisk (*) is an item for which no action will be taken.

- * 1. Roll call.
- * 2. Public Comments. Comments heard under this item will be limited to two minutes per person and may pertain to matters both on and off the Board of Trustee's agenda. The Board will also hear public comment during individual action items, with comment limited to two minutes per person. Comments are to be made to the Board as a whole.
- 3. Approval of minutes from the July 23 and October 22, 2015 meetings.
- 4. Review and approve year-to-date administrative expenditures and requested reimbursements to employers through December 31, 2015.
- 5. Acknowledge receipt of interim financial statements for the period ending December 31, 2015.
- 6. Discussion and possible action: revisit proposed cash transfer timing to the Nevada Retiree Benefits Investment Fund for the remainder of the fiscal year.
- * 7. Review and discussion of appointment history of trustees Sherman and Craig.
- * 8. Review and discussion of administrative rules and procedures of the Washoe County, Nevada OPEB Trust Fund.
- * 9. Chairman Sherman will provide an update on regulatory items pertinent to the Washoe County, Nevada OPEB Trust.
- * 10. Trustees'/Staff announcements, requests for information, and topics for future agendas, statements relating to items not on the agenda and any ideas and suggestions for greater efficiency, cost effectiveness and innovation in providing for the benefits of Washoe County, Nevada OPEB Trust participants in accordance with the benefit plans. (No discussion on this item will take place among Trustees.)
- * 11. Public Comments. Comments heard under this item will be limited to two minutes per person and may pertain to matters both on and off the Board of Trustee's agenda. The Board will also hear public comment during individual action items, with comment limited to two minutes per person. Comments are to be made to the Board as a whole.
- 12. Adjourn.

BOARD OF TRUSTEES, WASHOE COUNTY, NEVADA OPEB TRUST FUND

THURSDAY, JULY 23, 9:00 A.M.

Present:

John Sherman, Chairman
Darrell Craig, Trustee
Joey Orduna Hastings, Trustee

Staff:

Mary Solorzano, Acting Comptroller
Russell Morgan, Senior Accountant
Jeri Renshaw, Acting Secretary

1. The Board convened in regular session at approximately 9:00 a.m. in the Central Conference Room, Building C, of the Washoe County Administrative Complex, 1001 East Ninth Street, Reno, Nevada. Roll was called; three of three Trustees were present resulting in the required quorum.
2. There was no response to the call for **Public Comment**.
3. **Approval of minutes from the April 23 and May 19, 2015 meetings.**

Discussion of May 19, 2015 minutes concluded with a deferral of approval for a rework of the content.

Upon motion by Trustee Craig and seconded by Chairman Sherman by which motion duly carried, it was ordered that the minutes of the April 23, 2015 meeting be approved.

4. Selection of the Washoe County, Nevada OPEB Trust Board of Trustees Vice Chairman. Discussion and possible selection of a new Washoe County, Nevada OPEB Trust Board of Trustees Chairman.

Upon motion by Trustee Craig and second by Chairman Sherman a vote was called to name John Sherman as Chairman and Joey Orduna-Hastings as Vice-Chair. With a unanimous vote, the motion carried.

5. Review and approval of year-to-date administrative expenditures and requested reimbursements to employers through June 30, 2015.

It was reported that, regarding legal fees, the majority of billable time has been for review, including review by Kathy Odle of the Trust document. Upon motion by Vice-Chair Hastings and second by Trustee Craig, a vote was called to approve the year-to-date administrative expenditures and requested reimbursements to employers through June 30, 2015. With a unanimous vote, the motion carried.

6. Acknowledge receipt of unaudited financial statements for the year ending June 30, 2015.

It was reported that the Statement of Net Assets contains the usual year-end liability to the Washoe County Health Benefits Fund and the receivable from the County General Fund for the last quarter payments. Another item of note is that the investment yields are up over last year. A discussion was held regarding the 8.21% increase in benefits costs due to utilization. It was noted that Human Resources is looking into wellness planning options to assist in decreasing this number.

Upon motion by Vice-Chair Hastings and seconded by Trustee Craig, a vote was called to acknowledge receipt of the unaudited financial statements for the year ending June 30, 2015. With a unanimous vote, the motion carried.

7. Update on status of employers' budgets for fiscal year 2015/16 and anticipated impact on the Trust.

It was recommended and agreed upon to also open up Agenda Item #8 at this time.

8. Discussion and possible action to approve amended fiscal year 2015/2016 budget.

It was reported that the Insurance Negotiating Committee (INC) did not support any design changes to the benefits plans. Also, until the final agreements are made with the bargaining units, the funding of the Health Benefits Fund cannot be adjusted. The Trust budget might be impacted by those final agreements as well. A discussion was held regarding the rate changes for employees and retirees.

Regarding the budget, the Shared Services numbers have been firmed and firmer numbers have come in from Sierra Fire. No other changes have been brought to the Trustees for approval at this meeting. Upon motion by Chairman Sherman and seconded by Trustee Craig, a vote was called to approve the amended fiscal year 2015/2016 budget. With a unanimous vote, the motion carried.

9. Discussion and possible action on planned transfers to the Nevada Retiree Benefits Investment Fund for fiscal year 2015/16.

A discussion was held regarding cash flow projections. Transfers are expected to take place in August. Upon motion by Vice-Chair Hastings and seconded by Trustee Craig, a vote was called to approve the planned transfers to the RBIF for fiscal year 2015/2016. With a unanimous vote, the motion carried.

10. Discussion of status of planned transfer of assets related to employees who transferred to TMWA.

TMWA financial transfers should be completed in September. Staff will handle employee related transfer matters at that time.

11. Discussion regarding request for Washoe County DA review of, and legal opinion on staff report presented to the Washoe County Board of County Commissioners on April 14, 2015.

Topic deferred to future meeting when DA's report is complete.

12. Trustees'/Staff announcements, requests for information, and topics for future agendas, statements relating to items not on the agenda and any ideas and suggestions for greater efficiency, cost effectiveness and innovation in providing for the benefits of Washoe County, Nevada OPEB Trust participants in accordance with the benefit plans. (No discussion on this item will take place among Trustees.)

- Present proposal for outside minute taking resource
- OPEB Trust regulation review by the Committee on Local Government Finance

- Possible introduction of new Comptroller

13. Public Comments. Comments heard under this item will be limited to two minutes per person and may pertain to matters both on and off the Board of Trustee's agenda. The Board will also hear public comment during individual action items, with comment limited to two minutes per person. Comments are to be made to the Board as a whole.

There was no response to the call for Public Comment.

14. Adjourn

Upon motion by Vice-Chair Hastings and seconded by Chairman Sherman by which motion duly carried, the meeting was adjourned at 10:07 a.m.

BOARD OF TRUSTEES, WASHOE COUNTY, NEVADA OPEB TRUST FUND

THURSDAY, OCTOBER 22, 9:00 A.M.

Present:

John Sherman, Chairman
Darrell Craig, Trustee
Joey Orduna Hastings, Vice-Chair

Staff:

Mary Solorzano, Acting Comptroller
Russell Morgan, Senior Accountant
Jeri Renshaw, Acting Secretary

Legal Counsel:

Dania Reid, DDA

1. The Board convened in regular session at approximately 9:00 a.m. in the Mt. Rose Conference Room, Building A, 2nd Floor of the Washoe County Administrative Complex, 1001 East Ninth Street, Reno, Nevada. **Roll** was called; three of three Trustees were present resulting in the required quorum.
2. There was no response to the call for **Public Comment**.
3. **Approval of minutes from the May 19, 2015 meeting.**

Upon motion by Vice-Chair Hastings and seconded by Trustee Craig, a vote was called to approve the minutes of the May 19, 2015 meeting. With a unanimous vote, the motion carried.

4. Review and possible approval of proposal from Robert Cox Enterprises to serve as Recording Secretary for the Washoe County, Nevada OPEB Trust Fund Board of Trustees.

It was clarified that the Trust would be charged by the hour for the recording of the meeting and the preparation of the minutes. Should a meeting be cancelled at the last minute due to lack of a quorum, the minimum charge would be 2 hours. Upon motion by Vice-Chair Hastings and seconded by Trustee Craig, a vote was called to approve the proposal from Robert Cox Enterprises with the addendum that the current acting secretary continue to post Agendas. With a unanimous vote, the motion carried.

5. Review and approve year-to-date administrative expenditures and requested reimbursements to employers through September 30, 2015.

It was noted that Actuarial valuations appear on the report for Sierra Fire and TMFPD. It was also noted that the next report will include in the administrative expenses, the expense for the Recording Secretary. There may be a need for future review of an increase to the Trust expenditure to result in a decrease in COWCAP. A discussion was held regarding the Health Benefit Fund billing to the departments. This item has been addressed with the departments, but addressing the shortfall of revenue is still under consideration. Upon motion by Trustee Craig and seconded by Vice-Chair Hastings, a vote was called to approve the year-to-date administrative expenditures and requested reimbursements. With a unanimous vote, the motion carried.

6. Acknowledge receipt of interim financial statements for the period ending March 31, 2014.

On the advice of legal counsel, item deferred to next meeting to correct the ending date on the Agenda Item from March 31, 2014 to September 30, 2015.

There was a brief discussion of the unrealized loss number. No action taken.

7. Discussion and possible action: revisit proposed cash transfer timing to the Nevada Retiree Benefits Investment Fund for the remainder of the fiscal year.

It was noted that the schedule does not reflect fluxes in earnings. It was requested that staff review the schedule and retool the calculations. It was further noted that the Washoe County Pool calculations are okay. It was determined that, as the previously approved transfer amounts have not changed, no action was taken on this item.

8. Discussion regarding Washoe County District Attorney's review of, and legal opinion on, staff report presented to the Washoe County Board of County Commissioners on April 14, 2015.

Per legal counsel the schematic for the transfers with approval in advance and subsequent ratification of transfers from the prior year will be acceptable.

It was recommended by the Chairman that there be clarification of administrative procedures for the Trust that Board of County Commissioner approval of each transfer is not required, but documentation of approval of the budget will be. Subsequently, the staff will present a report of the accounting activities of the previous fiscal year to be presented to the Board of County Commissioners.

9. Trustees'/Staff announcements, requests for information, and topics for future agendas, statements relating to items not on the agenda and any ideas and suggestions for greater efficiency, cost effectiveness and innovation in providing for the benefits of Washoe County, Nevada OPEB Trust participants in accordance with the benefit plans. (No discussion on this item will take place among Trustees.)

- Documentation of the administrative procedure for the Trust to have BCC document of approval of budget and receipt of report of prior fiscal year.
- Trustee Craig's term renewal
- Briefing of regulatory matters as it pertains to the OPEB Trust subsequent to the meeting of the Department of Taxation.

13. Public Comments. Comments heard under this item will be limited to two minutes per person and may pertain to matters both on and off the Board of Trustee's agenda. The Board will also hear public comment during individual action items, with comment limited to two minutes per person. Comments are to be made to the Board as a whole.

There was no response to the call for Public Comment.

14. Adjourn

Chairman Sherman adjourned the meeting at 9:42 a.m.

WASHOE COUNTY, NEVADA OPEB TRUST
Administrative Expense Detail - YTD Actual vs. Annual Budget
For the Six Months Ended December 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	\$ 3,000	\$ 3,000	\$ 17,000	\$ 2,000	\$ 25,000
Accounting and administrative services	8,660	8,660	8,660	8,660	34,640
Audit fees	2,000	2,000	2,000	2,000	8,000
Trustee fees	80	80	80	80	320
Operating Expenses	-	-	-	-	-
	<u>\$ 13,740</u>	<u>\$ 13,740</u>	<u>\$ 27,740</u>	<u>\$ 12,740</u>	<u>\$ 67,960</u>
<u>ACTUAL</u>					
Administrative Expenses					
Actuarial valuations	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 20,000
Accounting and administrative services	4,330	4,330	4,330	4,330	17,320
Audit fees	-	-	-	-	-
Trustee fees	120	120	120	120	480
Legal fees	-	-	-	-	-
Operating Expenses	-	-	-	-	-
	<u>\$ 4,450</u>	<u>\$ 4,450</u>	<u>\$ 14,450</u>	<u>\$ 14,450</u>	<u>\$ 37,800</u>
<u>VARIANCE</u>					
Administrative Expenses					
Actuarial valuations	\$ 3,000	\$ 3,000	\$ 7,000	\$ (8,000)	\$ 5,000
Accounting and administrative services	4,330	4,330	4,330	4,330	17,320
Audit fees	2,000	2,000	2,000	2,000	8,000
Trustee fees	(40)	(40)	(40)	(40)	(160)
Legal fees	-	-	-	-	-
Operating Expenses	-	-	-	-	-
	<u>\$ 9,290</u>	<u>\$ 9,290</u>	<u>\$ 13,290</u>	<u>\$ (1,710)</u>	<u>\$ 30,160</u>

WASHOE COUNTY, NEVADA OPEB TRUST
Review of Washoe County Request for Reimbursement *
For the Quarter Ended December 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 costs - 2Q \$	2,612,882	\$ -	\$ 2,612,882
Additional amount for 1Q costs	359,397		359,397
Cost for State PEBP participants	-	61,075	61,075
Requested reimbursement	<u>\$ 2,972,279</u>	<u>\$ 61,075</u>	<u>3,033,354</u>

Review of Average Cost per Participant by Coverage Type

Plan	<u>Average # Participants</u>	<u>Net Cost</u>	<u>Average Monthly Cost per Participant</u>
PPO with Medicare	350	\$ 620,948	591.38
PPO without Medicare	631	2,261,997	1,194.93
Subtotal - PPO	<u>981</u>	<u>2,882,945</u>	
HMO with Medicare	66	138,379	698.88
HMO without Medicare	299	677,349	755.13
Subtotal - HMO	<u>365</u>	<u>815,729</u>	
Senior Care Plus	114	52,640	153.92
State PEBS	280	61,075	109.06
Total - all plans	<u><u>1,740</u></u>	<u>3,812,388</u>	
Unallocated Retiree Drug Subsidy		(261,042)	
Net Cost - all plans		<u><u>\$ 3,551,346</u></u>	

* On December 21, 2015, the Board of County Commissioners approved a policy directing staff to request quarterly reimbursement of the Health Benefits Fund's full cost of retiree health benefits from the Washoe County, Nevada OPEB Trust Fund.

Washoe County, Nevada OPEB Trust Fund
Interim Financial Highlights for the Quarter Ended December 31, 2015 - Unaudited
All \$ in Thousands unless otherwise noted.

	<u>State RBIF</u>	<u>WC-Pool</u>	<u>Other-Net</u>	<u>Net Assets</u>
WC-RHBP	\$ 162,637	\$ 347	\$ (2,969)	\$ 160,015
WC-PEBP	2,545	199	(61)	2,683
TMFPD	3,907	3	-	3,910
SFPD	1,206	33	(26)	1,213
	<u>\$ 170,295</u>	<u>\$ 582</u>	<u>\$ (3,056)</u>	<u>\$ 167,821</u>

- Net assets increased \$6.5 million for the quarter, led by Employer Prefunding and Plan Member Contributions.
- Other net assets (liabilities) consist of interest receivable, less reimbursements payable to Washoe County. Assets allocable to the Washoe County employees who transferred to TMWA as part of the divestiture of the County's water utility operations were transferred to TMWA's OPEB Trust in October.

	<u>WC-RHBP</u>	<u>WC-PEBP</u>	<u>TMFPD</u>	<u>SFPD</u>	<u>TOTAL</u>
Additions:					
Prefunding	\$ 4,403	\$ 17	\$ -	\$ -	\$ 4,420
Investment income, net of expense	264	(1)	1	(6)	258
Plan members, other	2,759	-	-	20	2,779
Contrib. for incurred cost	-	-	-	-	-
	<u>7,426</u>	<u>16</u>	<u>1</u>	<u>14</u>	<u>7,457</u>
Deductions:					
Benefits Paid	8,166	132	-	27	8,325
Administrative	4	4	14	15	37
	<u>8,170</u>	<u>136</u>	<u>14</u>	<u>42</u>	<u>8,362</u>
Net change in Plan Net Assets	<u>\$ (744)</u>	<u>\$ (120)</u>	<u>\$ (13)</u>	<u>\$ (28)</u>	<u>\$ (905)</u>

- Investment income includes unrealized losses of \$1.2 million in the RBIF through 11/30/15. Investment reports for December have not yet been received. Fiscal year-to-date investment yields in the RBIF are .45% with these losses included. Realized yields are at 3.11%.

	<u>Budget</u>	<u>YTD</u>	<u>Act % Bud</u>	<u>Variance</u>
Additions:				
Prefunding	\$ 17,680	\$ 4,420	25%	\$(13,260)
Investment income, net of expense	3,000	258	9%	(2,742)
Plan members, other	4,694	2,779	59%	(1,915)
Contrib. for incurred cost	-	-	0%	-
	<u>25,374</u>	<u>7,457</u>	<u>29%</u>	<u>(17,917)</u>
Deductions:				
Benefits Paid	14,929	8,325	56%	6,604
Administrative	68	37	54%	31
	<u>14,997</u>	<u>8,362</u>	<u>56%</u>	<u>6,635</u>
Net change in Plan Net Assets	<u>\$ 10,377</u>	<u>\$ (905)</u>	<u>-9%</u>	<u>\$(11,282)</u>

- Prefunding contributions from Washoe County began in October.

**WASHOE COUNTY, NEVADA OPEB TRUST FUND
INTERIM STATEMENTS OF PLAN NET ASSETS
AS OF DECEMBER 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	\$ 347,245	\$ 198,743	\$ 2,947	\$ 33,218	\$ 582,153
State of NV RBIF	162,636,734	2,545,283	3,907,194	1,206,132	170,295,343
Interest receivable	3,761	381	12	49	4,203
Total Assets	<u>162,987,740</u>	<u>2,744,407</u>	<u>3,910,153</u>	<u>1,239,399</u>	<u>170,881,699</u>
Liabilities					
Accounts payable	<u>2,972,279</u>	<u>61,075</u>	-	<u>26,889</u>	<u>3,060,243</u>
Net assets held in trust for other postemployment benefits	<u>\$ 160,015,461</u>	<u>\$ 2,683,332</u>	<u>\$ 3,910,153</u>	<u>\$ 1,212,510</u>	<u>\$ 167,821,456</u>

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

	Combined Trust				6/30/2015
	Budget	Actual	Act %	Variance	
Additions					
Contributions					
Employer:					
Prefunding	\$ 17,680,000	\$ 4,420,000	25.00%	\$ (13,260,000)	\$ 18,700,000
Contributions for incurred cost	-	-		-	2,362,892
Plan member	3,561,000	2,073,388	58.22%	(1,487,612)	3,171,155
Other	1,132,600	705,220	62.27%	(427,380)	797,372
Total Contributions	22,373,600	7,198,608	32.17%	(15,174,992)	25,031,419
Investment Income					
Interest and dividends	3,055,000	1,489,469	48.76%	(1,565,531)	3,991,348
Net increase (decrease) in fair value of investments	-	(1,207,204)		(1,207,204)	1,378,767
	3,055,000	282,265	9.24%	(2,772,735)	5,370,115
Less investment expense	55,000	25,249	45.91%	29,751	52,771
Net Investment Income	3,000,000	257,016	8.57%	(2,742,984)	5,317,344
Total Additions	25,373,600	7,455,624	29.38%	(17,917,976)	30,348,763
Deductions					
Benefits	14,928,600	8,323,432	55.75%	6,605,168	15,317,087
Administrative expense	67,960	37,800	55.62%	30,160	64,906
Employee separation payment to TMWA	-	-		-	546,873
Total Deductions	14,996,560	8,361,232	55.75%	6,635,328	15,928,866
Net Change in Plan Net Assets	10,377,040	(905,608)	(8.73%)	(11,282,648)	14,419,897
Net Assets Held in Trust for Other Postemployment Benefits					
Beginning of year	168,727,064	168,727,064		-	154,307,167
End of Period	\$ 179,104,104	\$ 167,821,456		\$ (11,282,648)	\$ 168,727,064

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

	Washoe County - Retiree Health Benefit Plan				
	Budget	Actual	Act %	Variance	6/30/2015
Additions					
Contributions					
Employer:					
Prefunding	\$ 17,612,818	\$ 4,403,204	25.00%	\$ (13,209,614)	\$ 18,303,872
Contributions for incurred cost	-	-		-	2,362,892
Plan member	3,525,000	2,053,391	58.25%	(1,471,609)	3,143,439
Other	1,132,600	705,220	62.27%	(427,380)	797,372
Total Contributions	<u>22,270,418</u>	<u>7,161,815</u>	32.16%	<u>(15,108,603)</u>	<u>24,607,575</u>
Investment Income					
Interest and dividends	2,907,138	1,418,742	48.80%	(1,488,396)	3,795,741
Net increase (decrease) in fair value of investments	-	(1,130,984)		(1,130,984)	1,307,144
	<u>2,907,138</u>	<u>287,758</u>	9.90%	<u>(2,619,380)</u>	<u>5,102,885</u>
Less investment expense	<u>52,338</u>	<u>24,049</u>	45.95%	<u>28,289</u>	<u>49,986</u>
Net Investment Income	<u>2,854,800</u>	<u>263,709</u>	9.24%	<u>(2,591,091)</u>	<u>5,052,899</u>
Total Additions	<u>25,125,218</u>	<u>7,425,524</u>	29.55%	<u>(17,699,694)</u>	<u>29,660,474</u>
Deductions					
Benefits	14,407,600	8,165,350	56.67%	6,242,250	14,811,644
Administrative expense	13,740	4,450	32.39%	9,290	25,727
Employee separation payment to TMWA	-	-		-	546,873
Total Deductions	<u>14,421,340</u>	<u>8,169,800</u>	56.65%	<u>6,251,540</u>	<u>15,384,244</u>
Net Change in Plan Net Assets	10,703,878	(744,276)	(6.95%)	(11,448,154)	14,276,230
Net Assets Held in Trust for Other Postemployment Benefits					
Beginning of year	160,759,737	160,759,737		-	146,483,507
End of Period	<u>\$ 171,463,615</u>	<u>\$ 160,015,461</u>		<u>\$ (11,448,154)</u>	<u>\$ 160,759,737</u>

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

	Washoe County - NV PEBS Plan				6/30/2015
	Budget	Actual	Act %	Variance	
Additions					
Contributions					
Employer:					
Prefunding	\$ 67,182	\$ 16,796	25.00%	\$ (50,386)	\$ 396,128
Total Contributions	67,182	16,796	25.00%	(50,386)	396,128
Investment Income					
Interest and dividends	51,935	24,756	47.67%	(27,179)	67,905
Net increase (decrease) in fair value of investments	-	(25,639)		(25,639)	26,700
	51,935	(883)	(1.70%)	(52,818)	94,605
Less investment expense	935	436	46.63%	499	919
Net Investment Income	51,000	(1,319)	(2.59%)	(52,319)	93,686
Total Additions	118,182	15,477	13.10%	(102,705)	489,814
Deductions					
Benefits	285,000	131,207	46.04%	153,793	280,779
Administrative expense	13,740	4,450	32.39%	9,290	12,727
Total Deductions	298,740	135,657	45.41%	163,083	293,506
Net Change in Plan Net Assets	(180,558)	(120,180)		60,378	196,308
Net Assets Held in Trust for Other Postemployment Benefits					
Beginning of year	2,803,512	2,803,512		-	2,607,204
End of Period	\$ 2,622,954	\$ 2,683,332		\$ 60,378	\$ 2,803,512

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

	Truckee Meadows FPD - Retiree Group Med Plan				
	<u>Budget</u>	<u>Actual</u>	<u>Act %</u>	<u>Variance</u>	<u>6/30/2015</u>
Additions					
Contributions					
Employer:					
Prefunding	\$ -	\$ -		\$ -	\$ -
Total Contributions	-	-		-	-
Investment Income					
Interest and dividends	76,986	34,680	45.05%	(42,306)	100,087
Net increase (decrease) in fair value of investments	-	(33,039)		(33,039)	36,977
	76,986	1,641	2.13%	(75,345)	137,064
Less investment expense	1,386	578	41.70%	808	1,319
Net Investment Income	75,600	1,063	1.41%	(74,537)	135,745
Total Additions	75,600	1,063	1.41%	(74,537)	135,745
Deductions					
Benefits	200,000	-	0.00%	200,000	185,538
Administrative expense	27,740	14,450	52.09%	13,290	8,226
Total Deductions	227,740	14,450	6.34%	213,290	193,764
Net Change in Plan Net Assets	(152,140)	(13,387)	8.80%	138,753	(58,019)
Net Assets Held in Trust for Other Postemployment Benefits					
Beginning of year	3,923,540	3,923,540		-	3,981,559
End of Period	\$ 3,771,400	\$ 3,910,153		\$ 138,753	3,923,540

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

	Sierra FPD - Retiree Group Med Plan				6/30/2015
	Budget	Actual	Act %	Variance	
Additions					
Contributions					
Employer:					
Prefunding	\$ -	\$ -		\$ -	-
Plan member	36,000	19,997	55.55%	(16,003)	27,716
Total Contributions	36,000	19,997	55.55%	(16,003)	27,716
Investment Income					
Interest and dividends	18,941	11,291	59.61%	(7,650)	27,615
Net increase (decrease) in fair value of investments	-	(17,542)		(17,542)	7,946
	18,941	(6,251)	(33.00%)	(25,192)	35,561
Less investment expense	341	186	54.55%	155	547
Net Investment Income	18,600	(6,437)	(34.61%)	(25,037)	35,014
Total Additions	54,600	13,560	24.84%	(41,040)	62,730
Deductions					
Benefits	36,000	26,875	74.65%	9,125	39,126
Administrative expense	12,740	14,450	113.42%	(1,710)	18,226
Total Deductions	48,740	41,325	84.79%	7,415	57,352
Net Change in Plan Net Assets	5,860	(27,765)	(473.81%)	(33,625)	5,378
Net Assets Held in Trust for Other Postemployment Benefits					
Beginning of year	1,240,275	1,240,275		-	1,234,897
End of Period	\$ 1,246,135	\$ 1,212,510		\$ (33,625)	\$ 1,240,275

Washoe County, Nevada OPEB Trust Fund
Cash Flow Projections and Planned Transfers to the State Investment Fund (RBIF) for FY 2015-16
Updated to include Actual Activity through 12/31/15

	Prefunding Contributions	Net Direct Expenses	Reimburse Employers	Pooled Cash Change	Trsfrs to RBIF	Cash in WC Pool	Cash in RBIF	Total Cash & Investmts
Beginning balance						\$ 21,776	\$ 167,731,243	\$ 167,753,019
Jul-15 Trustee Meeting	50,000	(55,045)	-	(5,045)	-	16,731	167,731,243	167,747,974
Aug	3,825,000	-	(2,234,366)	1,590,634	250,000	1,357,365	167,981,243	169,338,608
Sep	-	(20,000)	-	(20,000)	650,000	707,278	163,689,785	164,397,063
Oct Trustee Meeting	4,370,000	(8,660)	(3,051,466)	1,309,874	105,000	1,912,152	163,794,785	165,706,937
Nov	-	(480)	-	(480)	650,000	1,261,672	164,444,785	165,706,457
Dec	-	-	(26,530)	(26,530)	650,000	582,153	170,295,343	170,877,496
Jan Trustee Meeting	4,420,000	(122,660)	-	4,297,340	650,000	4,229,493	170,945,343	175,174,836
Feb	-	(80)	(2,499,664)	(2,499,744)	650,000	1,079,749	171,595,343	172,675,092
Mar	-	(50,000)	-	(50,000)	650,000	379,749	172,245,343	172,625,092
Apr Trustee Meeting	4,420,000	(8,660)	(2,508,750)	1,902,590	650,000	1,632,339	172,895,343	174,527,682
May	-	(80)	-	(80)	650,000	982,259	173,545,343	174,527,602
Jun	-	(50,000)	(26,500)	(76,500)	650,000	255,759	174,195,343	174,451,102
Jul-16 Trustee Meeting	4,420,000	-	(2,521,993)	1,898,007	-	2,153,766	174,195,343	176,349,109
Cash flow total	21,505,000	<u>(315,665)</u>	<u>(12,869,269)</u>	<u>8,320,066</u>	6,205,000			
Less: Pmts related to FY15	(3,825,000)		2,234,366		-			
Less: Transfer to TMWA			-		-			
FY16 Budget	<u>17,680,000</u>		<u>(10,634,903)</u>		<u>6,205,000</u>			

Key Assumptions:

Only key changes in cash flow are shown.

TMFPD - Quarterly payments to City of Reno, based on FY15 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>	Allocation based on PEBP Plan ARC and WC Budget.
WC contribution	17,612,818	67,182	17,680,000	Paid in quarterly increments.

Washoe County, Nevada OPEB Trust Fund
Cash Flow Projections and Planned Transfers to the State Investment Fund (RBIF) for FY 2015-16
Updated to include Actual Activity through 12/31/15

WCRHBP		Prefunding Contributions	Net Direct Expenses	Reimburse Employers	Pooled Cash Change	Trsfrs to RBIF	Cash Realloc *	Cash in WC Pool	Cash in RBIF	Total Cash & Invest.
Beginning balance								\$ 11,883	\$ 159,731,420	\$ 159,743,303
Jul-15	Trustee Meeting	50,000	(2,165)		47,835	-	(50,000)	9,718	159,781,420	159,791,138
Aug		3,725,968	-	(2,165,424)	1,560,544	250,000	-	1,320,262	160,031,420	161,351,682
Sep		-	-	-	-	650,000	(10,000)	665,928	155,992,094	156,658,022
Oct	Trustee Meeting	4,353,204	(2,165)	(2,981,334)	1,369,705	105,000	-	1,930,633	156,097,094	158,027,727
Nov		-	(120)	-	(120)	650,000	(225,000)	1,055,513	156,972,094	158,027,607
Dec		-	-	-	-	650,000	(50,000)	347,245	162,636,734	162,983,979
Jan	Trustee Meeting	4,403,204	(7,165)	-	4,396,039	650,000	(105,000)	3,988,284	163,391,734	167,380,018
Feb		-	(20)	(2,438,589)	(2,438,609)	650,000	-	899,675	164,041,734	164,941,409
Mar		-	-	-	-	650,000	(50,000)	199,675	164,741,734	164,941,409
Apr	Trustee Meeting	4,403,205	(2,165)	(2,437,500)	1,963,540	650,000	-	1,513,215	165,391,734	166,904,949
May		-	(20)	-	(20)	650,000	-	863,195	166,041,734	166,904,929
Jun		-	-	-	-	650,000	(50,000)	163,195	166,741,734	166,904,929
Jul-16	Trustee Meeting	4,403,205	-	(2,439,450)	1,963,755	-	-	2,126,950	166,741,734	168,868,684
Cash flow total		21,338,786	<u>(13,820)</u>	<u>(12,462,297)</u>	<u>8,862,669</u>	6,205,000				
Less: Pmts related to FY15		(3,725,968)		2,165,424		-				
Less: Transfer to TMWA				546,873		546,873				
FY16 Budget		<u>17,612,818</u>		<u>(9,750,000)</u>		<u>6,751,873</u>				

PEBP		Prefunding Contributions	Net Direct Expenses	Reimburse Employers	Pooled Cash Change	Trsfrs to RBIF	Cash Realloc *	Cash in WC Pool	Cash in RBIF	Total Cash & Invest.
Beginning balance								\$ 2,215	\$ 2,771,079	\$ 2,773,294
Jul-15	Trustee Meeting	-	(2,165)	-	(2,165)	-	-	50	2,771,079	2,771,129
Aug		99,032	-	(68,942)	30,090	-	-	30,140	2,771,079	2,801,219
Sep		-	-	-	-	-	-	30,324	2,687,074	2,717,398
Oct	Trustee Meeting	16,796	(2,165)	(70,132)	(55,501)	-	-	(25,177)	2,687,074	2,661,897
Nov		-	(120)	-	(120)	-	225,000	199,703	2,462,074	2,661,777
Dec		-	-	-	-	-	-	198,743	2,545,283	2,744,026
Jan	Trustee Meeting	16,796	(7,165)	-	9,631	-	-	208,374	2,545,283	2,753,657
Feb		-	(20)	(61,075)	(61,095)	-	-	147,279	2,545,283	2,692,562
Mar		-	-	-	-	-	-	147,279	2,545,283	2,692,562
Apr	Trustee Meeting	16,795	(2,165)	(71,250)	(56,620)	-	-	90,659	2,545,283	2,635,942
May		-	(20)	-	(20)	-	-	90,639	2,545,283	2,635,922
Jun		-	-	-	-	-	-	90,639	2,545,283	2,635,922
Jul-16	Trustee Meeting	16,795	-	(82,543)	(65,748)	-	-	24,891	2,545,283	2,570,174
Cash flow total		166,214	<u>(13,820)</u>	<u>(353,942)</u>	<u>(201,548)</u>	-	-	-	-	-
Less: Pmts related to FY15		(99,032)		68,942						
FY16 Budget		<u>67,182</u>		<u>(285,000)</u>						

Washoe County, Nevada OPEB Trust Fund
Cash Flow Projections and Planned Transfers to the State Investment Fund (RBIF) for FY 2015-16
Updated to include Actual Activity through 12/31/15

TMFPD		Prefunding Contributions	Net Direct Expenses	Reimburse Employers	Pooled Cash Change	Trsfrs to RBIF	Cash Realloc *	Cash in WC Pool	Cash in RBIF	Total Cash & Invest.
Beginning balance								\$ 3,692	\$ 3,966,176	\$ 3,969,868
Jul-15	Trustee Meeting	-	(48,550)	-	(48,550)	-	50,000	5,142	3,916,176	3,921,318
Aug		-	-	-	-	-	-	5,142	3,916,176	3,921,318
Sep		-	(10,000)	-	(10,000)	-	10,000	5,225	3,787,581	3,792,806
Oct	Trustee Meeting	-	(2,165)	-	(2,165)	-	-	3,060	3,787,581	3,790,641
Nov		-	(120)	-	(120)	-	-	2,940	3,787,581	3,790,521
Dec		-	-	-	-	-	-	2,947	3,907,194	3,910,141
Jan	Trustee Meeting	-	(104,165)	-	(104,165)	-	105,000	3,782	3,802,194	3,805,976
Feb		-	(20)	-	(20)	-	-	3,762	3,802,194	3,805,956
Mar		-	(50,000)	-	(50,000)	-	50,000	3,762	3,752,194	3,755,956
Apr	Trustee Meeting	-	(2,165)	-	(2,165)	-	-	1,597	3,752,194	3,753,791
May		-	(20)	-	(20)	-	-	1,577	3,752,194	3,753,771
Jun		-	(50,000)	-	(50,000)	-	50,000	1,577	3,702,194	3,703,771
Cash flow total		-	(267,205)	-	(267,205)	-	-	-	-	-
Less: Pmts related to FY15			46,385							
FY16 Budget			(220,820)							

SFPD		Prefunding Contributions	Net Direct Expenses	Reimburse Employers	Pooled Cash Change	Trsfrs to RBIF	Cash Realloc *	Cash in WC Pool	Cash in RBIF	Total Cash & Invest.
Beginning balance								\$ 3,986	\$ 1,262,568	\$ 1,266,554
Jul-15	Trustee Meeting	-	(2,165)	-	(2,165)	-	-	1,821	1,262,568	1,264,389
Aug		-	-	-	-	-	-	1,821	1,262,568	1,264,389
Sep		-	(10,000)	-	(10,000)	-	-	5,801	1,223,037	1,228,838
Oct	Trustee Meeting	-	(2,165)	-	(2,165)	-	-	3,636	1,223,037	1,226,673
Nov		-	(120)	-	(120)	-	-	3,516	1,223,037	1,226,553
Dec		-	-	(26,530)	(26,530)	-	50,000	33,218	1,206,132	1,239,350
Jan	Trustee Meeting	-	(4,165)	-	(4,165)	-	-	29,053	1,206,132	1,235,185
Feb		-	(20)	-	(20)	-	-	29,033	1,206,132	1,235,165
Mar		-	-	-	-	-	-	29,033	1,206,132	1,235,165
Apr	Trustee Meeting	-	(2,165)	-	(2,165)	-	-	26,868	1,206,132	1,233,000
May		-	(20)	-	(20)	-	-	26,848	1,206,132	1,232,980
Jun		-	-	(26,500)	(26,500)	-	-	348	1,206,132	1,206,480
Cash flow total		-	(20,820)	(53,030)	(73,850)	-	-	-	-	-
Less: Pmts related to FY15			15,350							
FY16 Budget			(5,470)							

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

**Washoe County, Nevada OPEB Trust Board of Trustees
Appointment History of Current Trustees**

<u>Trustee</u>	<u>Date of Appointment *</u>	<u>Board Position **</u>
John Sherman	1/10/2012	Chairman, 7/23/15
Joey Orduna Hastings	5/12/2015	Vice Chair, 7/23/15
Darrell Craig	5/28/2013	

* Per the Trust Agreement for the Washoe County, Nevada OPEB Trust Fund, trustees shall be appointed for a minimum of 2 years and maximum of 4 years. BCC appointments have been silent as to term.

** Per the Administrative Rules and Procedures of the Board of Trustees of the Washoe County, Nevada OPEB Trust Fund, term of Chair and Vice-chair shall be the lesser of two years or the remainder of his or her tenure as trustee.

**Administrative Rules and Procedures of the Board of Trustees of the
Washoe County, Nevada OPEB Trust Fund**

Terms and abbreviations are used as defined in the Trust Agreement unless otherwise indicated.

1. The Trustees shall elect one Trustee to serve as Chairman and one Trustee to serve as Vice Chairman from among their membership.
 - a. The term of the Trust Chairman and Vice Chairman shall be two years or the remaining time of his or her tenure as Trustee, whichever is less. An individual may serve any number of terms as Chairman and Vice Chairman, if selected by the Trustees.
 - b. The Chairman and Vice Chairman serve at the pleasure of the Trustees and may be removed from those positions at any time by the Trustees.
 - c. The Chairman shall preside at all meetings of the Trustees. In case of the absence of the Chairman from any meeting of the Trustees or in case of the inability of the Chairman to act, the Vice Chairman shall perform the duties and acts authorized or required by the Chairman to be performed, as long as the inability of the Chairman to act may continue.
2. The meetings shall be held quarterly or at the call of the Chairman whenever business is presented in accordance with the Trust Agreement.
 - a. A calendar shall be established annually and approved by the Trustees.
 - b. The Trustees shall conduct the meetings in accordance with NRS Chapter 241.
 - c. The Trustees shall require minutes to be recorded and published of all meetings.
 - d. The trustees will be paid reasonable compensation for attendance at meetings pursuant to NAC 287.786 and for the reimbursement of necessary and reasonable expenses as defined by the Trust Agreement and NAC 287.786.
 - e. In accordance with the Article 6.3(d) of the Trust Agreement and the NAC, Washoe County will provide staff to organize and notice meetings and take minutes. Costs associated with providing these services will be billed and accounted for in accordance with the provisions of 6 (c) below.
3. The Trustees designate that any one of the Trustees may act as their agent to approve the payment of Trust administrative expenditures, provided that all expenditures are reported to and approved by the Trustees at its next regularly scheduled meeting.

4. Payments directed by the Employer in accordance with Article 5.1 of the Trust Agreement must be approved by the Trustees at their next regularly scheduled meeting or other time deemed necessary by the Chairman.
5. Annually, the Trustees will submit a tentative budget to the governing bodies of the participating employers that include the amount of the contributions to the trust and the amount of the distribution from the trust to the participating employers determined by each governing body and the amount of all administrative expenses.
6. Books and Accounts of the Trust shall be kept in accordance with generally accepted accounting principles and shall comply with all applicable statutes and regulations, including NRS Chapter 354.
 - a. In accordance with Article 6.3(d) of the Trust Agreement, Washoe County will receive and disseminate financial reports of financial managers to the Trustees and prepare financial reports and budgets for the Trustees.
 - b. Each participating employer's interest in the Trust will be accounted for separately from the interest of any other employer and will be reported to the Trustees by Washoe County staff in that manner.
 - c. Costs incurred by Washoe County to provide services will be tracked and billed to the Trust based upon Washoe County's Countywide Cost Allocation Plan (COWCAP). Amounts billed to the Trust will be reviewed and approved by the Trustees as part of their annual budget process. To the extent the work performed is for the benefit of all plans, the costs will be allocated equally to each of the benefit plans funded through the Trust.
 - d. Other indirect expenses of the trust, except for investment fees, will be allocated equally to the benefit plans funded through the Trust.
 - e. Money not invested with the Retirement Benefits Investment Fund will be held in the Washoe County Investment Trust fund. Investment earnings and investment fees for both the Washoe County Investment Trust and the Retirement Benefits Investment Fund not directly allocable to a participating benefit plan will be allocated based on the monthly average cash and investment balances.
 - f. In order to maximize investment returns, the Board's policy will be to invest the majority of the Trust's money in the Retirement Benefits Investment Fund (RBIF), and to minimize withdrawals. The Trustees will strive to maintain sufficient money in the Washoe County Investment Trust fund (Pooled Cash) to pay each year's annually budgeted expenses as they become due. If an individual Plan's Pooled Cash balance falls short of its expenses, the shortfall will be remedied by reducing the Plan's allocated share of RBIF investments and increasing its allocated share of Pooled Cash.

7. With the exception of the year of execution of the trust, the Trustees shall engage the auditors no later than March 31st of each year.
8. When Trustee sends out correspondence stating that Trustee's official position regarding the Washoe County OPEB Trust, a copy of said correspondence, either paper or electronic, will be retained on file in the County Comptroller's Office and copies sent to the other Trustees.
9. A motion to reconsider any action taken by the Trustees may be made only during the meeting at which the action was taken or at the next regularly scheduled meeting, within no more than ninety (90) days of the meeting at which the action was taken. A motion to reconsider must be made by a Trustee who voted on the prevailing side of the motion being reconsidered, but a motion to reconsider may be seconded by any member of the Board of Trustees. A previous motion failing by virtue of a tie vote may be reconsidered upon motion of any Trustee. If a motion for reconsideration relates to an item requiring legal notice, only the motion itself shall be debated and, if passed, reconsideration of the item continued to a future date to allow for the provision of legal notice.
10. These procedures may be amended by a motion passed by a meeting of the Trustees, as long as they remain consistent with the terms of the Trust Agreement.

Passage and Effective Date

Adopted May 20, 2010.
Amended October 25, 2012
Amended April 25, 2013