§501-c-9 Post-Retirement Medical Plan & Trust

A single employer plan sponsored by
Truckee Meadows Water Authority

AGENDA
§501-c-9 Post-Retirement Medical Plan & Trust
Tuesday, July 15, 2025 at 1:00 p.m.
Donner Room: 1355 Capital Blvd. Reno, NV 89520
and Teleconference

MEMBERS OF THE PUBLIC MAY ATTEND TELPHONICALLY BY CALLING THE NUMBER LISTED BELOW.
(be sure to keep your phones on mute, and do not place the call on hold)

Phone: (775) 325-5404
Meeting ID: 240 792 618 918#

1. Roll call*
2. Public comment — limited to no more than three minutes per speaker*
3. Approval of the agenda **(For Possible Action)**
4. Approval of the April 15, 2025 minutes **(For Possible Action)**
5. Review and approval of Post-Retirement Medical Plan & Trust Calculation for TMWA Retiree (s)—Rosalinda Rodriguez **(For Possible Action)**
6. Review of Financial Statement Audit – Veronica Galindo*
7. Review of Actuarial Valuation – Veronica Galindo*
8. Review of Retirement Benefits Investment Fund (RBIF) performance —Matt Bowman*
9. Human Resources Update—Rosalinda Rodriguez*
10. Trustee comments and requests for future agenda items*
11. Public comment — limited to no more than three minutes per speaker*
12. Adjournment **(For Possible Action)**

NOTES:

1. The announcement of this meeting has been posted at the following locations: Truckee Meadows Water Authority (1355 Capital Blvd., Reno), Sparks City Hall (431 Prater Way, Sparks), at http://www.tmwa.com, and State of Nevada Public Notice Website, https://notice.nv.gov/.
2. In accordance with NRS 241.020, this agenda closes three working days prior to the meeting. We are pleased to make reasonable accommodations for persons who are disabled and wish to attend meetings. If you require special arrangements for the meeting, please call (775) 834-8294 at least 24 hours before the meeting date.
3. The Board may elect to combine agenda items, consider agenda items out of order, remove agenda items, or delay discussion on agenda items. Arrive at the meeting at the posted time to hear item(s) of interest.
4. Asterisks (*) denote non-action items.
5. Public comment is limited to three minutes and is allowed during the public comment periods. The public may sign-up to speak during the public comment period or on a specific agenda item by completing a “Request to Speak” card and submitting it to the clerk. In addition to the public comment periods, the Chairman has the discretion to allow public comment on any agenda item, including any item on which action is to be taken.

Post-Retirement Medical Plan & Trust

A single employer plan sponsored by
Truckee Meadows Water Authority

Draft APRIL 15, 2025 MINUTES

The meeting of the TMWA Post-Retirement Medical Plan and Trust (Trust) Trustees was held on Tuesday, April 15 2025 in person and through teleconference.

Matt Bowman, Chairman, called the meeting to order at 1:00 P.M.

1. ROLL CALL AND DETERMINATION OF PRESENCE OF A QUORUM.

A quorum was present.

Voting Members Present:
Matt Bowman
Kelly McGlynn
James Weingart *Virtual

Voting Members Absent
Steve Enos

Members Present
Rosalinda Rodriguez
Dan Nubel
Marty Kumle – *Virtual

Members Absent:
Jessica Atkinson

2. PUBLIC COMMENT

No Public Comment

3. APPROVAL OF THE AGENDA

Upon motion made and seconded, and carried by unanimous consent of the Trustees present, the Trustees approved the agenda.

4. APPROVAL OF THE JANUARY 21, 2025 MINUTES

Upon motion made and seconded, and carried by unanimous consent of the Trustees present, the Trustees approved the January 21, 2025 minutes.

5. LEGAL SERVICES FOR POST RETIREMENT MEDICAL TRUST § 501-C-9.

Trustee Matt Bowman, informed trustees that since the inception of the Post Retirement Medical Plan & Trust §501-c-9, Gus Rossi of Maupin, Cox & Legoy has been appointed as legal counsel. Since then TMWA has hired Staff Attorney Daniel Nubel, who possesses the expertise to provide counsel on general trust matters and oversee trustee meetings. Trustee Bowman recommended Trustees consider utilizing an internal resource for legal counsel, which would result in both cost savings and efficiencies.

Upon motion made and seconded, and carried by unanimous consent of the Trustees present, the Trustees approved that Staff Attorney Daniel Nubel be appointed to act as Legal Counsel for the PRMT §501-c-9 and terminate Attorney Gustave J. Rossi's contract for legal services.

10. UPDATE REGARDING STATUS OF TRUST DOCUMENT REVISION

Ms. Rodriguez advised that the VEBA document will be presented to the TMWA board of trustees on April 16, 2025. If approved, the final VEBA document will be distributed to Trustee's.

For informational purposes only, no action required.

11. REVIEW OF RETIREMENT BENEFITS INVESTMENT FUND (RBIF) PERFORMANCE REVIEW

Mr. Bowman reviewed the report dated December 31, 2024. The total RBIF Fund fiscal year to date on the report was 4.2%. This will probably show a lower number in Q3 to reflect the current losses in the market.

For information purposes only, no action required.

12. HUMAN RESOURCES REPORT

Ms. Rodriguez advised that HR received notification that retiree Douglas Kilgore passed away on 03/20/2025. TMWA coordinated with the City of Reno for the surviving spouse to stay on health coverages.

13. TRUSTEE COMMENTS AND REQUEST FOR FUTURE AGENDA ITEMS*

14. PUBLIC COMMENT

No Public Comment

12. ADJOURNMENT

With no further business to discuss, Chairman Bowman adjourned the meeting at 1:14 PM.

Minutes were approved by the Trustees in session on _____________.

Respectfully Submitted,

____

Rosalinda Rodriguez, Recording Secretary

Truckee Meadows Water Authority

Post-Retirement Medical Plan & Trust

a single employer plan sponsored by
Truckee Meadows Water Authority

TO: Board of Trustees of the TMWA Post-Retirement Medical Plan and Trust
FROM: Veronica Galindo, Senior Accountant
DATE: July 15, 2025
SUBJECT: **Present and accept the December 31, 2024 audited financial statements**

Recommendation

TMWA staff recommends the Trustees accept the December 31, 2024 audited financial statements of the Truckee Meadows Water Authority Post-Retirement Medical Plan and Trust (the Plan).

Discussion

The following report is attached:

- December 31, 2024 Financial Statements of the Truckee Meadows Water Authority Post-Retirement Medical Plan and Trust

The plan received an unqualified audit opinion, which means that the independent auditor believes the financial statements are fairly and appropriately presented and that they are in compliance with generally accepted accounting principles.

The Plan's basic financial statements include the following components:

- Statement of Fiduciary Net Position
- Statement of Changes in Fiduciary Net Position
- Notes to the Financial Statements

In addition, required supplementary information is provided in three additional schedules.

Some highlights of the Plan's report as of and for the year ended December 31, 2024 include:

- Operating cash balances were $0.2 million.
- Plan investments at fair value were $17.0 million.
- Net investment income, including realized and unrealized gains and losses, was $1.9 million.
- There were no employer contributions during the year.
- Net position totaled $17.0 million, which was a $1.6 million increase from the prior year.

Financial Statements
For the year ended December 31, 2024

Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust

A Fiduciary Component Unit of Truckee Meadows Water Authority

eidebailly.com

CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the Board of Trustees
Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust
Reno, Nevada

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust (the "Plan"), a fiduciary component unit of Truckee Meadows Water Authority, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Plan, as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-7, schedule of changes in the net OPEB liability and related ratios on page 17, schedule of contributions on page 18, and schedule of investment returns on page 19, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated May 30, 2025 on our consideration of the Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Plan's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control over financial reporting and compliance.

Eide Bailly LLP

Reno, Nevada
May 30, 2025

Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust (the Plan) financial management provides the following discussion and analysis as an introduction to the basic financial statements and an analytical overview of the Plan's financial activities for the reporting periods ended December 31, 2024 and 2023. This narrative is intended as a supplement and should be read in conjunction with the financial statements.

Effective December 13, 2018, TMWA's Board of Directors adopted a resolution to close the Plan to any employees hired after December 13, 2018. Existing employees and plan participants currently receiving benefits were not impacted by this resolution.

Overview of the Financial Statements

The Plan's financial statements include the following components:

- Statement of Fiduciary Net Position
- Statement of Changes in Fiduciary Net Position
- Notes to the Financial Statements

In addition to the financial statements, required supplementary information is provided in the following schedules:

- Schedule of Changes in the Net OPEB Liability and Related Ratios
- Schedule of Contributions
- Schedule of Investment Returns

The *Statement of Fiduciary Net Position* presents the Plan's assets and liabilities and the net position, with the assets being held in trust for beneficiary post-employment benefits. This statement measures the Plan's investments at fair value, cash and other short-term assets and liabilities as of the year ended December 31, 2024.

The *Statement of Changes in Fiduciary Net Position* presents information showing how the Plan's net position changed during the reporting year. This statement includes additions for employer contributions, investment income (loss), and deductions for payments for the benefit of retirees and administrative expenses for the year ended December 31, 2024.

The *Notes to the Financial Statements* are an integral part of the financial statements and provide additional information that is necessary to gain a comprehensive understanding of the data in the financial statements.

The *Schedule of Changes in the Net OPEB Liability and Related Ratios* is required supplementary information which provides multi-year information about the OPEB liabilities for which the Plan's assets are held and managed.

The *Schedule of Contributions* is required supplementary information which provides multi-year information. It contains the actuarial determined contribution as well as the methods and assumptions used to determine contribution rates.

The *Schedule of Investment Returns* is required supplementary information which provides multi-year information regarding the rate of return calculated as the internal rate of return on the Plan's investments, net of investment expense.

Financial Highlights

Financial highlights of the Plan as of and for the year ended December 31, 2024 are as follows:

- Operating cash balances at year end were $0.2 million
- Plan investments at fair value at year end were $17.0 million
- Net investment income was $1.9 million
- Employer contributions to the Plan were $0

Financial highlights of the Plan as of and for the year ended December 31, 2023 are as follows:

- Operating cash balances at year end were $0.2 million
- Plan investments at fair value at year end were $15.4 million
- Net investment income was $2.4 million
- Employer contributions to the Plan were $0

Plan Analysis

The following table provides a summary of two years of Net Position of the Plan at December 31:

	2024	2023	Change 2024 v 2023
Assets			
Cash	$ 186,896	$ 170,310	$ 16,586
Receivables from plan members	12,669	10,740	1,929
Investments, at fair value	16,971,264	15,390,220	1,581,044
Total assets	17,170,829	15,571,270	1,599,559
Liabilities			
Accounts payable	152,406	106,028	46,378
Net position restricted for postemployment benefits other than pensions	$ 17,018,423	$ 15,465,242	$ 1,553,181

At December 31, 2024, Plan assets of $17.2 million were comprised primarily of investments at fair value. Also included in Plan assets were $0.2 million in operating cash and $12,669 in Plan member receivables. Plan assets increased by $1.6 million as compared to December 31, 2023 due mostly to an increase in fair value of Plan investments.

The following table provides a summary of two years of Changes in Net Position of the Plan for the years ended December 31:

	2024	2023	Change 2024 v 2023
Additions			
Net investment income	$ 1,941,044	$ 2,412,391	$ (471,347)
Deductions			
Benefit payments	348,192	348,885	(693)
Administrative expenses	39,671	24,035	15,636
Total deductions	387,863	372,920	14,943
Change in net position	1,553,181	2,039,471	(486,290)
Net position restricted for postemployment benefits other than pensions			
Beginning of year	15,465,242	13,425,771	2,039,471
End of year	$ 17,018,423	$ 15,465,242	$ 1,553,181

Net position is restricted for future benefit payments to retirees.

As of December 31, 2024, the Net Position of the Plan was $17.0 million. The Plan Net Position is essentially comprised of assets of the Plan offset by a minor balance of accounts payable. The Net Position of the Plan increased $1.6 million in 2024. This was primarily due to an increase in fair value of investments of $1.6 million from 2023 to 2024, related to higher returns from the investment portfolio. There were no employer contributions made in 2024 and 2023 as a result of the actuarial valuation dated December 31, 2023. Benefits paid, net of plan member contributions, of $348,192 in 2024 decreased slightly from the previous year due primarily to an equal number of new retirees and retirees who dropped coverages or passed away. Administrative expenses totaling $39,671 in 2024 were higher than in 2023 primarily due to newly imposed fees paid for medical, dental, and vision insurance administration.

To ensure that funds are accumulated on a regular and systematic basis, it is the practice of TMWA to contribute the actuarially determined contribution to the plan regularly and never less than annually. This has ensured that the plan's assets are sufficient to cover the Total OPEB Liability which is disclosed in Note 4 to the financial statements.

Economic Outlook

National and global economic conditions and/or other external factors could impact investment performance of the Plan. Due to the nature of the plan's investments, along with the strategy and strong historical performance of Nevada's Retirement Benefits Investment Board, economic factors are not expected to have significant, lasting impacts on the Plan's financial statements.

Requests for Information

Questions concerning the information provided in this report or requests for additional financial information should be addressed to Matt Bowman, TMWA Chief Financial Officer/Treasurer at P.O. Box 30013, Reno, NV 89509-3013.

Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust
Statement of Fiduciary Net Position
December 31, 2024

Assets	
Cash	$ 186,896
Receivables from plan members	12,669
Investments, at fair value	16,971,264
Total assets	17,170,829
Liabilities	
Accounts payable	152,406
Net position restricted for postemployment benefits other than pensions	$ 17,018,423

Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust
Statement of Changes in Fiduciary Net Position
Year Ended December 31, 2024

Additions	
Net investment income	$ 1,941,044
Deductions	
Benefit payments	348,192
Administrative expenses	39,671
Total deductions	387,863
Net increase in net position	1,553,181
Net position restricted for postemployment benefits other than pensions	
Beginning of year	15,465,242
End of year	$ 17,018,423

Note 1 - Significant Accounting Policies

Reporting Entity

Truckee Meadows Water Authority (TMWA) established a Voluntary Employee Benefit Association pursuant to Internal Revenue Service (IRS) Code 501(c)(9) which is referred to as the Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust (the Plan), a fiduciary component unit of TMWA and a single-employer defined benefit other postemployment benefit (OPEB) plan. Tax exempt status was granted by the IRS on May 25, 2007. The Plan provides TMWA retirees with postemployment group health, including medical, dental, vision, and life insurance coverage. The Plan's financial reporting period ends December 31, while TMWA's financial reporting period ends June 30.

These statements have also been prepared in accordance with the reporting standards as promulgated by the Governmental Accounting Standards Board (GASB). GASB has set forth criteria to be considered in GASB Statement No. 84, *Fiduciary Activities* and in GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. These standards require the inclusion in TMWA's financial statements of fiduciary components if TMWA has control of the assets and if the following criteria are met:

1. If TMWA appoints a voting majority and either has financial burden (legally or assumed) to make contributions or has imposition of will.
2. If TMWA does not appoint a voting majority and has both a financial burden (legally or assumed) to make contributions and there is fiscal dependency on TMWA.

Therefore, due to the above criteria, the Plan is considered to be a fiduciary component unit of TMWA.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with the accounting principles generally accepted in the United States of America may require management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Investments and Investment Income

Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investment income includes the Plan's net earnings from its participation in the State of Nevada's Retirement Benefits Investment Fund (RBIF), an external investment pool. The Plan's net earnings from the external investment pool is based on the Plan's original investment plus a monthly allocation of investment income, including realized and unrealized gains and losses, which is the same as the value of the pool shares.

Contributions

Contributions, if any, are recognized in the period in which such amounts are owed by TMWA for the OPEB benefits as they become due and payable.

Payment of Benefits

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

Administrative Expenses

Administrative expenses are recorded when incurred and payable by the Plan.

Net Position Classification

Restricted Net Position – Consists of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Net position is restricted for postemployment benefits other than pension by the TMWA Post-Retirement Medical Plan & Trust and Trust Agreement.

Note 2 - Plan Description and Contribution Information

Plan Description

The Plan, a single-employer defined benefit OPEB plan, was established to provide eligible TMWA retirees with post-employment group health, including medical, dental, vision, and life insurance coverage. Pursuant to Nevada State Administrative Regulations, adopted in September 2008, the Plan will be governed by not less than three but not more than five trustees. Four trustees were appointed by the TMWA Board of Directors, two members from non-represented positions and two members from represented employees. The TMWA General Manager has been given authority to appoint the two non-represented employee trustees and accept the nomination of represented employee trustees by the International Brotherhood of Electrical Workers (IBEW) Local 1245.

Eligibility requirements, benefit levels, and TMWA contributions are established and amended through TMWA's collective bargaining agreement for its represented employees (IBEW) and by the TMWA Board of Directors with respect to non-represented Management, Professional, Administrative, and Technical employees (MPAT).

Retiree Healthcare Coverage Plan Options

TMWA retirees are offered a Preferred Provider Organization health plan coverage option administered by the City of Reno. The health plan coverage options are the same health plan coverage options offered to active employees of TMWA. TMWA retirees may choose to participate in a health plan coverage option not provided by the City of Reno. The amount paid by the Plan for participation in health plan coverage options other than those offered by the City of Reno are limited to the amount otherwise payable had the participant selected one of the City of Reno plans.

In order to be eligible for benefits, retirees must have at least ten years of credited service with TMWA and must be at least 55 years of age. When eligible, retirees must enroll in and pay the cost of Medicare Part B or Medicare Part C. Once participants exhaust their medical benefits, they will continue to be eligible for life benefits under the Plan.

Life Benefits

TMWA retiree coverage continues at the same coverage amount in force at the time of retirement (one times basic annual earnings) until age 70, at which time coverage reduces to one-half of that amount. At age 75, coverage is reduced to $2,000. The retiree bears no cost of the premiums for this coverage amount. However, retirees do have the opportunity to purchase optional life insurance, the cost of which is paid by the retiree. A retiree may also elect $1,500 of life insurance coverage for his or her spouse by paying 100% of the applicable premium.

Membership of the Plan

As of the actuarial valuation date of December 31, 2023, membership of the Plan consisted of the following:

Retirees currently receiving medical benefits	61
Retirees currently receiving life benefits	71
Retirees entitled to, but not yet receiving benefits	1
Active Plan Members	
IBEW members	72
MPAT members	68

The Plan is a closed plan that will provide future benefits to eligible TMWA employees.

Contributions and Benefits Provided

TMWA is responsible for a subsidy towards the costs of retiree coverage; the amount of which is dependent on the classification of the employee at the time of retirement from TMWA. There are three classifications of TMWA employees eligible for postemployment benefits upon retirement from TMWA. The classes of employees and related TMWA subsidies are as follows:

1. IBEW group hired on or before January 1, 1998: Retirees in this classification receive a benefit as a percentage of the total group health premiums, dependent upon credited years of service and their age at retirement. The maximum subsidy is 85% of the health care premium with a minimum of 20 years of credited service. Retirees with 20 or more years of credited service electing the Medicare Risk Contract can receive a subsidy of 100%. Retirees may elect the employer-offered medical plan of their choice for themselves and qualified dependents.

2. IBEW group hired on or after January 1, 1998 and on or before December 13, 2018: Retirees in this classification will receive a lifetime lump-sum subsidy toward their chosen health coverage and the coverage of qualified dependents. The subsidy is a total of $1,250 multiplied for each adjusted Post-Retirement Medical Plan & Trust year of service. This amount does not grow with interest and once exhausted a retiree is responsible for paying the full cost of health premiums.

3. MPAT personnel hired on or before December 13, 2018: Retirees in this classification are eligible to receive an annual subsidy towards the cost of health premiums calculated at $235 multiplied by credited years of service, up to 30 years for retirees aged 55 through 64; and $105 multiplied by credited years of service up to 35 years, for retirees aged 65 and above. The subsidy is reduced by 5% for each year or partial year that the individual is under age 62 as of his or her retirement date. There is no extra subsidy for spousal or dependent coverage.

TMWA shall annually contribute to the Plan an amount which TMWA determines is necessary to fund the benefits due pursuant to a qualified actuarial analysis. During the year ended December 31, 2024, TMWA contributed $-0- to the Plan. Retiree contributions were $136,498 which were net against benefit payments in the Statement of Changes in Fiduciary Net Position.

Retiree contributions are required for the portion of the premiums and costs in excess of the subsidies provided by TMWA as discussed above. During the year ended December 31, 2024, retirees' share of health premiums and costs ranged from $4 to $1,339 a month per retiree.

The Plan offers participants Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) continuation of coverage, subject to all conditions and limitations of COBRA. One participant utilized COBRA continuation of coverage during the year ended December 31, 2024.

Note 3 - Cash and Investments

Deposits

As of December 31, 2024, the Plan's bank balance was $186,896 and carrying amount was $186,896. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per depositor, per insured bank, for each account ownership category. All of the bank balance was covered by the FDIC.

Investments

The Board of Trustees has established an investment policy for the Plan. Under the policy, the Plan's assets are limited to investments in the State of Nevada's RBIF; and any investment authorized pursuant to Nevada Revised Statute (NRS) 355.170. Such investments under NRS 355.170 include certain "A" rated notes and bonds, guaranteed investment contracts, obligations of the U.S. Treasury, obligations of other U.S. Government agencies, negotiable and non-negotiable certificates of deposit issued by commercial banks or insured savings and loan associations, bankers acceptances, repurchase agreements, "AAA" rated mutual funds that invest in securities of the Federal Government or agencies of the Federal Government, and the State of Nevada Local Government Investment Pool.

RBIF

The Plan invests its assets in the RBIF as allowed by the NRS 287.017 and the Nevada Administrative Code 287.

The RBIF was established pursuant to NRS 355.220 and is administered by the Retirement Benefits Investment Board as an unrated external investment pool. The RBIF is not registered with the Securities and Exchange Commission as an investment company. Each participant acts as fiduciary for its particular share of the RBIF and is allocated earnings (losses) and expenses according to their proportional share in RBIF. Bank of New York, Mellon determines the fair value of the RBIF monthly. Complete financial information on RBIF as of June 30, 2023 can be obtained by contacting Public Employees Retirement System at 693 W. Nye Lane, Carson City, NV, 89703.

Investments at fair value as of December 31, 2024:

RBIF	$ 16,971,264

For the year ended December 31, 2024, the annual money-weighted rate of return on investments net expenses was 12.70%. The money-weighted rated of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Note 4 - Net OPEB Asset of TMWA

The components of the net OPEB asset of TMWA as of December 31, 2024 were as follows:

Total OPEB liability	$ 10,994,142
Plan fiduciary net position	17,018,423
Net OPEB liability (asset)	$ (6,024,281)
Plan fiduciary net position as a percentage of the total OPEB liability	154.80%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of December 31, 2023, for which roll forward procedures were used through the measurement date as of December 31, 2024, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.00%
Investment rate of return	6.00%
Healthcare cost trend rates*	6.50% in 2025; 3.90% ultimated for 2075 and later years

* Healthcare cost trend rate fluctuates each year until ultimate trend rate is reached.

Mortality rates were based on the MacLeod Watts Scale 2022, which was developed by the actuary from a blending of data and methodologies found in two published sources: (1) the Society of Actuaries Mortality Improvement Scale MP-2021 Report, published in October 2021 and (2) the demographic assumptions used in the 2021 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, published August 2021.

The actuarial assumptions used in the actuarial valuation as of December 31, 2023 were based on actual census data.

The long-term expected rate of return on OPEB plan investments was derived from RBIF's rates of return and investment policy:

Asset Class	Target Allocation	Asset Allocation
S&P 500 Index	42.50%	44.70%
MSCI World x US Index	17.50%	16.40%
U.S. Bond Index	28.00%	26.60%
Cash & Cash Equivalents	12.00%	12.30%
	100.00%	100.00%

The discount rate used to measure the total OPEB liability was 6.00%. The projection of cash flows used to determine the discount rate assumed that Plan contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Net OPEB Asset to Changes in the Discount Rate

The following presents the net OPEB asset of TMWA, as well as what TMWA’s net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.00 percent) or 1-percentage-point higher (7.00 percent) than the current discount rate:

	1% Decrease (5.00%)	Discount Rate (6.00%)	1% Increase (7.00%)
Net OPEB liability (asset)	$ (4,887,666)	$ (6,024,281)	$ (7,012,600)

Sensitivity of the Net OPEB Asset to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB asset of TMWA, as well as what TMWA's net OPEB asset would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.50 percent decreasing to 2.90 percent) or 1-percentage-point higher (7.50 percent decreasing to 4.90 percent) than the current healthcare cost trend rates:

	1% Decrease (5.5% decreasing to 2.90%)	Healthcare Cost Trend Rate (6.5% decreasing to 3.90%)	1% Increase (7.5% decreasing to 4.90%)
Net OPEB liability (asset)	$ (6,836,124)	$ (6,024,281)	$ (5,068,858)

Required Supplementary Information

Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust

A Fiduciary Component Unit of Truckee Meadows Water Authority

Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust

Schedule of Changes in the Net OPEB Liability and Related Ratios

Last Ten Years*

	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability								
Service cost	$ 201,749	$ 186,748	$ 181,309	$ 229,280	$ 222,602	$ 307,252	$ 295,437	$ 284,073
Interest cost	640,820	614,891	596,546	636,038	609,728	682,186	648,751	612,850
Differences between expected and actual experience	-	58,687	-	(760,853)	-	(2,013,876)	-	-
Changes of assumptions	-	139,717	-	(271,660)	-	301,774	-	-
Benefit payments	(654,010)	(511,806)	(443,277)	(442,780)	(358,251)	(442,363)	(355,168)	(264,699)
Net change in total OPEB liability	188,559	488,237	334,578	(609,975)	474,079	(1,165,027)	589,020	632,224
Total OPEB liability - beginning	10,805,583	10,317,346	9,982,768	10,592,743	10,118,664	11,283,691	10,694,671	10,062,447
Total OPEB liability - ending (a)	$ 10,994,142	$ 10,805,583	$ 10,317,346	$ 9,982,768	$ 10,592,743	$ 10,118,664	$ 11,283,691	$ 10,694,671
Plan fiduciary net position								
Employer contributions	$ -	$ -	$ -	$ -	$ 69,289	$ 138,578	$ 222,531	$ 445,063
Employer contributions - implicit subsidy	169,320	162,921	76,785	63,156	61,978	119,852	101,996	-
Net investment income (loss)	1,941,044	2,412,391	(2,194,687)	2,364,272	1,843,000	2,298,001	(526,210)	1,510,048
Benefit payments	(348,192)	(348,885)	(366,492)	(379,624)	(296,273)	(322,511)	(253,172)	(264,699)
Benefit payments - implicit subsidy	(169,320)	(162,921)	(76,785)	(63,156)	(61,978)	(119,852)	(101,996)	-
Auditing fees	(37,308)	(21,735)	(18,200)	(18,775)	(18,490)	(12,600)	(18,545)	(15,500)
Administrative fees	-	-	-	-	-	-	(382)	(517)
Legal fees	(2,363)	(2,300)	(2,332)	-	-	(1,750)	(5,250)	(19,268)
Retiree contributions in	136,498	139,380	128,878	110,022	111,103	93,673	117,015	93,172
Retiree contributions out	(136,498)	(139,380)	(128,878)	(110,022)	(111,103)	(93,673)	(117,015)	(93,172)
Net change in plan fiduciary net position	1,553,181	2,039,471	(2,581,711)	1,965,873	1,597,526	2,099,718	(581,028)	1,655,127
Plan fiduciary net position - beginning	15,465,242	13,425,771	16,007,482	14,041,609	12,444,083	10,344,365	10,925,393	9,270,266
Plan fiduciary net position - ending (b)	$ 17,018,423	$ 15,465,242	$ 13,425,771	$ 16,007,482	$ 14,041,609	$ 12,444,083	$ 10,344,365	$ 10,925,393
TMWA's net OPEB liability / (asset) - ending (a) - (b)	$ (6,024,281)	$ (4,659,659)	$ (3,108,425)	$ (6,024,714)	$ (3,448,866)	$ (2,325,419)	$ 939,326	$ (230,722)
Plan fiduciary net position as a percentage of the total OPEB liability	154.80%	143.12%	130.13%	160.35%	132.56%	122.98%	91.68%	102.16%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TMWA's net OPEB (asset)/liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

N/A - OPEB plan is not based on a measure of pay.

*GASB Statement No. 74 requires ten years of information to be presented in this table. However, until ten years of data is available, the Plan will present information only for those years for which information is available.

Notes to Schedule:

Changes in benefits: Effective December 13, 2018, TMWA's Board of Directors adopted a resolution to close the Plan to any employees hired after December 13, 2018.

Changes of assumptions:

- In the 2019 actuarial valuation, mortality tables were updated from MacLeod Watts Scale 2017 to MacLeod Watts Scale 2018; and the medical trend model was updated from combined sources, Nevada Public Employee Benefit Plan along with other healthcare trends, to the Getzen healthcare trend model.
- In the 2021 actuarial valuation, mortality tables were updated from MacLeod Watts Scale 2018 to MacLeod Watts Scale 2022.
- In the 2023 actuarial valuation, the healthcare cost trend rate was updated for projecting medical premiums and expected claims from Getzen Model 2022_b to Getzen Model 2023, as published by the Society of Actuaries. Dental premium rate increases were lowered from 4.0% per year to 3.5% per year and vision premium rate increases were lowered from 4.0% per year to 2.5% per year, following a review of rate changes over the past 6 years.

Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust

Schedule of Contributions
Last Ten Years*

	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	$ -	$ -	$ 31,839	$ 60,100	$ 53,218	$ 174,095	$ 291,480	$ 364,973
Contributions in relation to the actuarially determined contribution	-	-	-	-	69,289	138,578	222,531	445,063
Contribution deficiency (excess)	$ -	$ -	$ 31,839	$ 60,100	$ (16,071)	$ 35,517	$ 68,949	$ (80,090)
Covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

N/A - OPEB plan is not based on a measure of pay.

*GASB Statement No. 74 requires ten years of information to be presented in this table. However, until ten years of data is available, the Plan will present information only for those years for which information is available.

Notes to Schedule:

Valuation Date: Actuarially determined contribution rates are calculated as of December 31, 2023, for which roll forward procedures were used through the measurement date as of December 31, 2024.

Methods and assumptions used to determine contribution rates are as follows:

Actuarial cost method	Entry age normal cost
Amortization method	Level percent of pay
Amortization period	20 years, closed
Asset valuation method	Market value of assets
Inflation	2.50%
Salary increases	3.00%
Healthcare cost trend rates**	6.50% in 2025 3.90% ultimated for 2075 and later years
Investment rate of return/ discount rate	6.00%
Retirement age	45-75
Mortality	Mortality rates were based on the MacLeod Watts Scale 2022, a custom table developed by the Plan's actuary

**Healthcare cost trend rate fluctuates each year until ultimate trend rate is reached.

Other information:

- In the 2019 actuarial valuation, mortality tables were updated from MacLeod Watts Scale 2017 to MacLeod Watts Scale 2018; and the medical trend model was updated from combined sources, Nevada Public Employee Benefit Plan along with other healthcare trends, to the Getzen healthcare trend model.
- In the 2021 actuarial valuation, mortality tables were updated from MacLeod Watts Scale 2018 to MacLeod Watts Scale 2022.
- In the 2023 actuarial valuation, the healthcare cost trend rate was updated for projecting medical premiums and expected claims from Getzen Model 2022_b to Getzen Model 2023, as published by the Society of Actuaries. Dental premium rate increases were lowered from 4.0% per year to 3.5% per year and vision premium rate increases were lowered from 4.0% per year to 2.5% per year, following a review of rate changes over the past 6 years.

Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust

Schedule of Investment Returns

Last Ten Years*

	2024	2023	2022	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expense	12.70%	18.21%	-13.80%	17.02%	1.29%	1.72%	-0.38%	15.53%

*GASB Statement No. 74 requires ten years of information to be presented in this table. However, until ten years of data is available, the Plan will present information only for those years for which information is available.

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CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Trustees
Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust
Reno, Nevada

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust (the "Plan"), a fiduciary component unit of Truckee Meadows Water Authority, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements and have issued our report thereon dated May 30, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Plan's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Plan's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Plan's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plan's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Reno, Nevada
May 30, 2025

Truckee Meadows Water Authority

Post-Retirement Medical Plan & Trust

a single employer plan sponsored by
Truckee Meadows Water Authority

TO: Board of Trustees of the TMWA Post-Retirement Medical Plan and Trust
FROM: Veronica Galindo, Senior Accountant
DATE: July 15, 2025
SUBJECT: **Present and accept the December 31, 2024 actuarial valuation**

Recommendation

TMWA staff recommends the Trustees accept the Truckee Meadows Water Authority Post-Retirement Medical Plan and Trust (the Plan) Actuarial Valuation of Other Post-Employment Benefit Programs as of December 31, 2024.

Discussion

The following report is attached:

- Truckee Meadows Water Authority Post-Retirement Medical Plan and Trust Actuarial Valuation of Other Post-Employment Benefit Programs as of December 31, 2024

The primary purposes of this report are to:

- Remeasure the Plan's liabilities as of December 31, 2024,
- Develop actuarially determined contribution levels for prefunding plan benefits, and
- Provide information required by governmental accounting standards for this plan to be reported in TMWA's financial statements for the fiscal year ending June 30, 2025.

Some highlights of the Plan's report as of December 31, 2024 include:

- The Plan's total OPEB liability is $11.0 million.
- The Plan's fiduciary net position is $17.0 million.
- The Plan has a net OPEB asset of $6.0 million.
- As of the last valuation date of December 31, 2023, the Plan covers 148 active employees and 69 retirees.
- Given the substantial surplus position of the Plan, the actuarial determined contributions are $0 through June 30, 2026.

MacLeod Watts

April 18, 2025

Matt Bowman, CPA
Chief Financial Officer
Truckee Meadows Water Authority
1355 Capital Blvd.
Reno, NV 89502

Re: Truckee Meadows Water Authority Post-Retirement Medical Plan and Trust (PRMPT)
GASB 75 Report for Fiscal Year Ending June 30, 2025

Dear Mr. Bowman:

We are pleased to enclose our actuarial report providing financial information about the other post-employment benefit (OPEB) liabilities of the Truckee Meadows Water Authority Post-Retirement Medical Plan and Trust (PRMPT). Separate reports are prepared to develop the liability for TMWA's Section 115 Trust Plan and the Implicit Subsidy Only Plan.

The primary purpose of this report is to provide information required by GASB 75 ("Accounting and Financial Reporting for Postemployment Benefits Other Than Pension") to be reported in TMWA's financial statements for the fiscal year ending June 30, 2025. The liability is based on a roll forward of the results of the December 31, 2023, valuation and on the employee and plan data provided to us for that valuation.

TWMA also provided information regarding trust activity, payroll, retiree benefit payments and the Authority's OPEB contributions for the measurement period and for fiscal year 2024/25. Please review our summary of this information to ensure that it matches your records.

We appreciate the opportunity to work on this analysis and acknowledge the efforts of TMWA staff who provided valuable time and information to enable us to prepare this report. Please let us know if we can be of further assistance.

Sincerely,

Catherine L. MacLeod

Catherine L. MacLeod, FSA, FCA, EA, MAAA
Principal & Consulting Actuary

Enclosure

Truckee Meadows Water Authority
Post-Retirement Medical Plan and Trust (PRMPT)

GASB 75 Actuarial Report
Measured as of December 31, 2024
For Fiscal Year End June 30, 2025 Financial Reporting

Submitted April 2025

MacLeod Watts

Table of Contents

A. Executive Summary

This report presents actuarial information regarding the other post-employment benefit (OPEB) program of the Truckee Meadows Water Authority Post-Retirement Medical Plan and Trust (PRMPT). The purpose of this valuation is to assess the OPEB liabilities of this program and provide disclosure information as required by Statement No. 75 of the Governmental Accounting Standards Board (GASB 75) for TMWA's fiscal year ending June 30, 2025. Separate reports are prepared for the TMWA Section 115 Trust Plan and the TMWA Implicit Subsidy Only Plan.

Important background information regarding the valuation process can be found in Appendix 2. We recommend users of the report read this information to familiarize themselves with the process and context of actuarial valuations, including the requirements of GASB 75. The pages following this executive summary present exhibits and other information relevant for disclosures under GASB 75.

An updated valuation should be prepared as of December 31, 2025. Results of that valuation will first be applied to prepare the GASB 75 report for this plan for TWMA's fiscal year ending June 30, 2026.

OPEB Obligations of TMWA

As required by Nevada Revised Statutes (NRS), TMWA offers continuation of medical, dental, vision and life insurance coverage to retiring employees under the PRMPT. Access to this coverage can potentially create one or more of the following types of OPEB liabilities:

- **Explicit subsidy liabilities**: An "explicit subsidy" exists when the employer contributes directly toward the cost of retiree healthcare. In this program, TMWA contributes a portion of medical, dental, vision, and life insurance premiums for qualifying retirees. These benefits are described in Supporting Information Section 2.

- **Implicit subsidy liabilities**: An "implicit subsidy" exists when premiums are developed using blended active and retiree claims experience. In this program, premiums charged for retirees may not be sufficient to cover expected medical or life insurance claims[1] and the premiums charged for active employees are said to "implicitly subsidize" retirees. This OPEB program includes implicit subsidy liabilities for retiree coverage both before and after eligibility for Medicare.

  We assume no implicit liability exists with respect to dental and vision coverage provided to retirees, or that it is insignificant.

We determine explicit subsidy liabilities using the expected direct payments promised by the plan toward retiree coverage. We determine the implicit subsidy liability as the projected difference between (a) estimated retiree medical or life insurance claim costs by age and (b) premiums charged for retiree coverage. For more information on MacLeod Watts' age rating methodology for medical coverage, see Appendix 3.

[1] In certain situations, including in this case, for Medicare-enrolled retirees enrolled in the coverage offered by TMWA, premiums for retiree coverage may be high enough that they subsidize pre-Medicare retiree and/or active employee claims.

Executive Summary
(Continued)

OPEB Funding Policy

TMWA's OPEB funding policy affects the calculation of liabilities by impacting the discount rate that is used to develop the plan liability and expense. "Prefunding" is the term used when an agency consistently contributes an amount based on an Actuarially Determined Contribution each year. GASB 75 allows prefunded plans to use a discount rate that reflects the expected earnings on trust assets. Pay-as-you-go, or "PAYGO", is the term used when an agency only contributes the required retiree benefits when due. When an agency finances retiree benefits on a pay-as-you-go basis, GASB 75 requires the use of a discount rate equal to a 20-year high grade municipal bond rate.

TMWA continues to prefund its OPEB liability, consistently contributing 100% or more of the Actuarially Determined Contribution each year. With TMWA's approval, the discount rate used for accounting purposes and to develop Actuarially Determined Contributions for plan funding is 6.0%. Information on how this rate was determined is provided on page 7, Expected Long-term Return on Trust Assets.

Actuarial Assumptions

The actuarial "demographic" assumptions (i.e., rates of retirement, death, disability or other termination of employment) used in this report were chosen, for the most part, to be the same as the actuarial demographic assumptions used for the most recent valuation of the retirement plan(s) covering TMWA employees. Other assumptions, such as age-related healthcare claims, healthcare trend, retiree participation rates and spouse coverage, were selected based on demonstrated plan experience and/or our best estimate of expected future experience. All these assumptions, and more, impact expected future benefits.

Please note that this valuation has been prepared on a closed group basis. This means that only employees and retirees present as of the valuation date are considered. We do not consider replacement employees for those we project to leave the current population of plan participants until the valuation date following their employment.

We emphasize that this actuarial valuation provides a projection of future results based on many assumptions. Actual results are likely to vary to some extent and we will continue to monitor these assumptions in future valuations. See Section 3 in Supporting Information for a description of assumptions used in this valuation.

Important Dates for GASB 75 in this Report

GASB 75 allows reporting liabilities as of any fiscal year end based on: (1) a *valuation date* no more than 30 months plus 1 day prior to the close of the fiscal year end; and (2) a *measurement date* up to one year prior to the close of the fiscal year. The following dates were used for this report:

Fiscal Year End	June 30, 2025
Measurement Date	December 31, 2024
Measurement Period	January 1, 2024, to December 31, 2024
Valuation Date	December 31, 2023

Executive Summary
(Continued)

Updates Since the Prior Report

This report is based on a roll forward of the December 31, 2023, valuation. No benefit changes and no material changes in plan members or premium rates were reported to MacLeod Watts from those in place at the time the 2023 valuation was prepared. As such, no plan experience was developed and no assumptions were changed. Investment experience, the difference between actual and expected return on trust assets, was determined.

Impact on Statement of Net Position and OPEB Expense for Fiscal Year Ending 2025

The plan's impact on Net Position will be the sum of the difference between assets and liabilities as of the measurement date plus the unrecognized net outflows and inflows of resources. Different recognition periods apply to deferred resources depending on their origin. The plan's impact on Net Position on the measurement date can be summarized as follows:

Items		**For Reporting At Fiscal Year Ending June 30, 2025**
Total OPEB Liability	$	10,994,142
Fiduciary Net Position		(17,018,423)
Net OPEB Liability (Asset)	**$**	**(6,024,281)**
Adjustment for Deferred Resources:		
Deferred (Outflows)		(1,758,000)
Deferred Inflows		3,518,376
Impact on Statement of Net Position	**$**	**(4,263,905)**
OPEB Expense (Income), FYE 6/30/2025	**$**	**(758,722)**

Important Notices

This report is intended to be used only to present the actuarial information relating to other post-employment benefits for TMWA's financial statements. The results of this report may not be appropriate for other purposes, where other assumptions, methodology and/or actuarial standards of practice may be required or more suitable. We note that various issues in this report may involve legal analysis of applicable law or regulations. TMWA should consult counsel on these matters; MacLeod Watts does not practice law and does not intend anything in this report to constitute legal advice. In addition, we recommend TMWA consult with their internal accounting staff, external auditor, or accounting firm about the accounting treatment of OPEB liabilities.

B. Results Measured as of December 31, 2024

OPEB liability for the PRMPT measured as of December 31, 2024, was determined based on a "roll-forward" of the December 31, 2023 valuation. A roll-forward valuation moves the plan liability forward based on expected changes. For this type of valuation, we do not collect new plan data, and we generally do not change any actuarial assumptions. One exception is that changes in the liability discount rate reflecting changes in the municipal bond index or updated trust earnings expectations are reflected as of the new measurement date.

GASB allows roll-forward valuations to be performed in the year following the full biennial valuation if no material changes to the plan or the plan's members have occurred. Examples of material changes would include significantly different terminations or retirements during the year than were assumed, or a change in the retirement plan provisions. No such events or plan amendments were reported by TMWA in the current measurement period.

The chart below reconciles the liability reported last year to that obtained by the roll-forward valuation as of the end of the current fiscal year.

Reconciliation of Changes During Measurement Period	**Total OPEB Liability (a)**	**Fiduciary Net Position (b)**	**Net OPEB Liability (Asset) (c) = (a) - (b)**
Balance at Fiscal Year Ending 6/30/2024 *Measurement Date 12/31/2023*	$ 10,805,583	$ 15,465,242	$ (4,659,659)
Expected Changes During the Period:			
Service Cost	201,749		201,749
Interest Cost	640,820		640,820
Expected Investment Income		912,049	(912,049)
TMWA Contributions		169,320	(169,320)
Auditing Fees		(25,675)	25,675
Administrative Fees		(16,138)	16,138
Legal Fees		(2,363)	2,363
Retiree Contributions		136,500	(136,500)
Retiree Portion of Premiums		(136,500)	136,500
Benefit Payments	(654,010)	(654,010)	-
Total Expected Changes During the Period	188,559	383,183	(194,624)
Expected at Fiscal Year Ending 6/30/2025 *Measurement Date 12/31/2024*	$ 10,994,142	$ 15,848,425	$ (4,854,283)
Unexpected Changes During the Period:			
Change Due to Investment Experience		1,169,998	(1,169,998)
Total Unexpected Changes During the Period	-	1,169,998	(1,169,998)
Balance at Fiscal Year Ending 6/30/2025 *Measurement Date 12/31/2024*	$ 10,994,142	$ 17,018,423	$ (6,024,281)

C. Accounting Information (GASB 75)

The following exhibits are designed to satisfy the reporting and disclosure requirements of GASB 75 for the fiscal year ending June 30, 2025. For GASB 75 purposes, TMWA is classified as a single employer.

Components of Net Position and Expense

The exhibit below shows the development of Net Position and OPEB Expense (Income) as of the Measurement Date.

Plan Summary Information for FYE June 30, 2025 *Measurement Date is December 31, 2024*	**TMWA PRMPT**
Items Impacting Net Position:	
Total OPEB Liability	$ 10,994,142
Fiduciary Net Position	(17,018,423)
Net OPEB Liability (Asset)	(6,024,281)
Deferred (Outflows) Due to:	
Assumption Changes	(216,025)
Plan Experience	(45,149)
Investment Experience	(1,255,512)
Deferred Contributions	(241,314)
Deferred Inflows Due to:	
Assumption Changes	151,856
Plan Experience	1,149,613
Investment Experience	2,216,907
Impact on Statement of Net Position, FYE 6/30/2025	**$ (4,263,905)**
Items Impacting OPEB Expense:	
Service Cost	$ 201,749
Interest Cost	640,820
Expected Investment Income	(912,049)
Auditing Fees	25,675
Administrative Fees	16,138
Legal Fees	2,363
Retiree Contributions	(136,500)
Retiree Portion of Premiums	136,500
Recognition of Deferred Outflows:	
Assumption Changes	48,321
Plan Experience	6,769
Investment Experience	627,757
Recognition of Deferred (Inflows):	
Assumption Changes	(29,951)
Plan Experience	(298,815)
Investment Experience	(1,087,499)
OPEB Expense (Income), FYE 6/30/2025	**$ (758,722)**

Accounting Information (GASB 75)
(Continued)

Change in Net Position During the Fiscal Year

The exhibit below shows the year-to-year changes in the components of Net Position.

For Reporting at Fiscal Year End *Measurement Date*	**6/30/2024** *12/31/2023*	**6/30/2025** *12/31/2024*	**Change During Period**
Total OPEB Liability	$ 10,805,583	$ 10,994,142	$ 188,559
Fiduciary Net Position	(15,465,242)	(17,018,423)	(1,553,181)
Net OPEB Liability (Asset)	(4,659,659)	(6,024,281)	(1,364,622)
Deferred (Outflows) Due to:			
Assumption Changes	(264,346)	(216,025)	48,321
Plan Experience	(51,918)	(45,149)	6,769
Investment Experience	(1,883,269)	(1,255,512)	627,757
Deferred Contributions	(168,572)	(241,314)	(72,742)
Deferred Inflows Due to:			
Assumption Changes	181,807	151,856	(29,951)
Plan Experience	1,448,428	1,149,613	(298,815)
Investment Experience	2,134,408	2,216,907	82,499
Impact on Statement of Net Position	$ (3,263,121)	$ (4,263,905)	$ (1,000,784)

Change in Net Position During the Fiscal Year	
Impact on Statement of Net Position, FYE 6/30/2024	$ (3,263,121)
OPEB Expense (Income)	(758,722)
TMWA Contributions During Fiscal Year	(242,062)
Impact on Statement of Net Position, FYE 6/30/2025	$ (4,263,905)

OPEB Expense	
TMWA Contributions During Fiscal Year	$ 242,062
Deterioration (Improvement) in Net Position	(1,000,784)
OPEB Expense (Income), FYE 6/30/2025	$ (758,722)

Accounting Information (GASB 75)
(Continued)

Change in Fiduciary Net Position During the Measurement Period

Description	Trust Assets	Accruals	Fiduciary Net Position
Balance as of December 31, 2023	$ 15,560,530	$ (95,288)	$ 15,465,242
Income			
Employer Contribution to trust	-	-	-
Investment Income	1,945,547	-	1,945,547
Plan Members Contribution	134,570	1,930	136,500
Total Income	2,080,117	1,930	2,082,047
Expense			
Audit Fees	25,675	-	25,675
Administrative Fees	15,357	781	16,138
Legal Fees	2,363	-	2,363
Retiree health premiums	422,981	44,066	467,047
Retiree life premiums	16,111	1,532	17,643
Total Expense	482,487	46,379	528,866
Net Change During the Period	1,597,630	(44,449)	1,553,181
Balance as of December 31, 2024	**$ 17,158,160**	**$ (139,737)**	**$ 17,018,423**

Expected Long-term Return on Trust Assets

TMWA indicated that their long-term expected return on assets is 6.0% per year. Plan assets held by the trust were in the following two accounts as of December 31, 2024:

Wells Fargo (checking account)	$ 186,896
Retirement Benefits Investment Fund	16,971,264
Total Invested	$ 17,158,160

The expected long-term return on trust assets of 6.0% was approved by TMWA and was derived from information provided by the Retirement Benefits Investment Fund (RBIF). The chart below shows the target and actual allocation of RBIF funds by asset class.

Retirement Benefits Investment Fund
December 31, 2024

Asset Class	Target Allocation	Actual Allocation
U.S. Stocks- S&P 500 Index	42.5%	44.7%
Int'l Stocks- MSCI World x US Index	17.5%	16.4%
U.S. Bonds- U.S. Bond Index	28.0%	26.6%
Short-term Investments	12.0%	12.4%
Total RBIF Fund	**100.0%**	**100.0%**

Accounting Information (GASB 75)
(Continued)

Recognition Period for Deferred Resources

Liability changes due to plan experience which differs from what was assumed in the prior measurement period and/or from assumption changes during the period are recognized over the plan's Expected Average Remaining Service Life ("EARSL"). The EARSL of 8.67 years is the period used to recognize such changes in the OPEB Liability arising during the current measurement period.

When applicable, changes in the Fiduciary Net Position due to investment performance different from the assumed earnings rate are always recognized over 5 years.

Liability changes attributable to benefit changes occurring during the period, if any, are recognized immediately.

Deferred Resources as of Fiscal Year End and Expected Future Recognition

The exhibit below shows deferred resources as of the fiscal year ending June 30, 2025.

PRMPT	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	$ 216,025	$ 151,856
Differences Between Expected and Actual Experience	45,149	1,149,613
Net Difference Between Projected and Actual Earnings on Investments	-	961,395
Deferred Contributions	241,314	-
Total	$ 502,488	$ 2,262,864

In addition, future recognition of these deferred resources is shown below.

For the Fiscal Year Ending June 30	Recognized Net Deferred Outflows (Inflows) of Resources
2026	$ (512,063)
2027	(204,303)
2028	(832,059)
2029	(392,556)
2030	(90,954)
Thereafter	30,245

Accounting Information (GASB 75)

(Continued)

Sensitivity of Liabilities to Changes in the Discount Rate and Healthcare Cost Trend Rate

The discount rate used for accounting purposes for the fiscal year ending 2025 is 6.0%. Healthcare Cost Trend Rate was assumed to start at 6.5% (increase effective January 1, 2025) and grade down to 3.9% for years 2075 and later. The impact of a 1% increase or decrease in these assumptions is shown in the chart below.

Sensitivity to:			
Change in Discount Rate	**Current - 1% 5.00%**	**Current 6.00%**	**Current + 1% 7.00%**
Total OPEB Liability	$ 12,130,757	$ 10,994,142	$ 10,005,823
Increase (Decrease)	1,136,615		(988,319)
% Increase (Decrease)	10.3%		-9.0%
Net OPEB Liability (Asset)	$ (4,887,666)	$ (6,024,281)	$ (7,012,600)
Increase (Decrease)	1,136,615		(988,319)
% Increase (Decrease)	18.9%		-16.4%
Change in Healthcare Cost Trend Rate	**Current Trend - 1%**	**Current Trend**	**Current Trend + 1%**
Total OPEB Liability	$ 10,182,299	$ 10,994,142	$ 11,949,565
Increase (Decrease)	(811,843)		955,423
% Increase (Decrease)	-7.4%		8.7%
Net OPEB Liability (Asset)	$ (6,836,124)	$ (6,024,281)	$ (5,068,858)
Increase (Decrease)	(811,843)		955,423
% Increase (Decrease)	-13.5%		15.9%

Accounting Information (GASB 75)
(Continued)

Schedule of Changes in TMWA's Net OPEB Liability and Related Ratios

Fiscal Year Ending June 30	2025	2024	2023	2022	2021	2020	2019	2018
Measurement Date	*12/31/2024*	*12/31/2023*	*12/31/2022*	*12/31/2021*	*12/31/2020*	*12/31/2019*	*12/31/2018*	*12/31/2017*
Discount Rate on Measurement Date	*6.00%*	*6.00%*	*6.00%*	*6.00%*	*6.00%*	*6.00%*	*6.00%*	*6.00%*
Total OPEB liability								
Service Cost	$ 201,749	$ 186,748	$ 181,309	$ 229,280	$ 222,602	$ 307,252	$ 295,437	$ 284,073
Interest	640,820	614,891	596,546	636,038	609,728	682,186	648,751	612,850
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	58,687	-	(760,853)	-	(2,013,876)	-	-
Changes of assumptions	-	139,717	-	(271,660)	-	301,774	-	-
Benefit payments (employer paid)	(654,010)	(511,806)	(443,277)	(442,780)	(358,251)	(442,363)	(355,168)	(264,699)
Net change in total OPEB liability	188,559	488,237	334,578	(609,975)	474,079	(1,165,027)	589,020	632,224
Total OPEB liability - beginning	10,805,583	10,317,346	9,982,768	10,592,743	10,118,664	11,283,691	10,694,671	10,062,447
Total OPEB liability - ending (a)	$ 10,994,142	$ 10,805,583	$ 10,317,346	$ 9,982,768	$ 10,592,743	$ 10,118,664	$ 11,283,691	$ 10,694,671
Plan fiduciary net position								
Contributions - employer	$ 169,320	$ 162,921	$ 76,785	$ 63,156	$ 131,267	$ 258,430	$ 324,529	$ 445,063
Net investment income (loss)	2,082,047	2,416,157	(2,190,083)	2,369,210	1,845,954	2,301,207	(524,654)	1,515,031
Benefit payments (employer paid)	(654,010)	(511,806)	(443,277)	(442,780)	(358,251)	(442,363)	(355,168)	(264,699)
Auditing Fees	(25,675)	(21,735)	(18,600)	(18,775)	(18,490)	(12,600)	(18,545)	(15,500)
Investment & Administrative Fees	(16,138)	(3,766)	(4,605)	(4,938)	(2,954)	(3,206)	(3,441)	(2,612)
Legal Fees	(2,363)	(2,300)	(1,931)	-	-	(1,750)	(5,250)	(19,268)
Retiree Contributions	136,500	139,380	128,878	110,022	111,103	103,249	117,015	93,172
Retiree Portion of Premiums	(136,500)	(139,380)	(128,878)	(110,022)	(111,103)	(103,249)	(117,015)	(93,172)
Net change in plan fiduciary net position	1,553,181	2,039,471	(2,581,711)	1,965,873	1,597,526	2,099,718	(582,529)	1,658,015
Plan fiduciary net position - beginning	15,465,242	13,425,771	16,007,482	14,041,609	12,444,083	10,344,365	10,926,894	9,268,879
Plan fiduciary net position - ending (b)	$ 17,018,423	$ 15,465,242	$ 13,425,771	$ 16,007,482	$ 14,041,609	$ 12,444,083	$ 10,344,365	$ 10,926,894
Net OPEB Liability (Asset) - ending (a) - (b)	$ (6,024,281)	$ (4,659,659)	$ (3,108,425)	$ (6,024,714)	$ (3,448,866)	$ (2,325,419)	$ 939,326	$ (232,223)
Covered payroll in measurement period	$ 21,177,257	$ 20,242,089	$ 20,105,987	$ 21,664,461	$ 19,385,303	$ 21,658,320	$ 20,579,301	$ 15,993,551
Net OPEB liability (Asset) as % of payroll	-28.45%	-23.02%	-15.46%	-27.81%	-17.79%	-10.74%	4.56%	-1.45%

Accounting Information (GASB 75)
(Continued)

Schedule of Changes in TMWA's Net OPEB Liability and Related Ratios
(concluded)

Fiscal Year Ending June 30	2025	2024	2023	2022	2021	2020	2019	2018
Measurement Date	*12/31/2024*	*12/31/2023*	*12/31/2022*	*12/31/2021*	*12/31/2020*	*12/31/2019*	*12/31/2018*	*12/31/2017*
Discount Rate on Measurement Date	*6.00%*	*6.00%*	*6.00%*	*6.00%*	*6.00%*	*6.00%*	*6.00%*	*6.00%*

Summary of methods and assumptions used in the valuation:

Valuation Date	12/31/2023	12/31/2021	12/31/2019	12/31/2017
Actuarial cost method	Entry Age Normal Level % of Pay	Entry Age Normal Level % of Pay	Entry Age Normal Level % of Pay	Entry Age Normal Level % of Pay
Healthcare cost trend rates	6.5% in 2025, fluctuating to an ultimate rate of 3.9% in 2075	5.8% in 2023, fluctuating to an ultimate rate of 3.9% in 2076	7.0% in 2021, fluctuating to an ultimate rate of 4% in 2076	6.25% in 2019, step down .5% per year to 5.0% by 2024
Salary increases	3.00%	3.00%	3.00%	4.00%
Investment rate of return	6.00%	6.00%	6.00%	6.00%
Retirement age	45-75	45-75	45-75	45-75
Mortality	NV PERS Sept 2021 Experience Study	NV PERS Sept 2021 Experience Study	NV PERS June 2017 Experience Study	NV PERS June 2016 Experience Study
Mortality Improvement	Macleod Watts Scale 2022	Macleod Watts Scale 2022	Macleod Watts Scale 2018	Macleod Watts Scale 2017

Accounting Information (GASB 75)
(Continued)

Schedule of Contributions

Fiscal Year Ending June 30	2025	2024	2023	2022	2021	2020	2019	2018
Actuarially Determined Contribution (ADC)	$ -	$ -	$ -	$ 63,677	$ 56,323	$ 50,113	$ 298,076	$ 284,883
Contributions in relation to the ADC	242,062	169,319	162,922	76,785	60,499	127,724	258,430	324,529
Contribution deficiency (excess)	$ (242,062)	$ (169,319)	$ (162,922)	$ (13,108)	$ (4,176)	$ (77,611)	$ 39,646	$ (39,646)
Covered payroll during the fiscal year	*$ 21,175,145*	$22,168,705	$20,699,967	$20,105,987	$20,118,991	$21,402,817	$21,399,449	$15,993,551
Contributions as a % of covered payroll	*1.14%*	0.76%	0.79%	0.38%	0.30%	0.60%	1.21%	2.03%

Notes to Schedule - assumptions used to develop the Actuarially Determined Contributions

Valuation Date	12/31/2023	12/31/2021		12/31/2019			12/31/2017	
Actuarial cost method	Entry Age Normal Level % Pay	Entry Age Normal Level % Pay		Entry Age Normal Level % of Pay			Entry Age Normal Level % Pay	
Amortization method	Level % of Pay	Level % of Pay		Level % of Pay			Level % of Pay	
Amortization period	20 years closed	21 years closed	22 years closed	23 years closed	24 years closed	25 years closed	26 years closed	27 years closed
Asset valuation method	Market Value	Market Value		Market Value			Market Value	
Inflation	2.50%	2.50%		2.50%			2.75%	
Healthcare cost trend rates	6.5% in 2025, fluctuating to an ultimate rate of 3.9% in 2075	5.8% in 2023, fluctuating to an ultimate rate of 3.9% in 2076		7.0% in 2021, fluctuating to an ultimate rate of 4% in 2076			6.25% in 2019, step down .5% per year to 5.0% by 2024	
Salary increases	3.00%	3.00%		3.00%			4.00%	
Investment rate of return	6.00%	6.00%		6.00%			6.00%	
Retirement age	45-75	45-75		45-75			45-75	
Mortality	NV PERS 2021 Experience Study	NV PERS 2021 Experience Study		NV PERS 2017 Experience Study			NV PERS 2016 Experience Study	
Mortality Improvement	MacLeod Watts Scale 2022	MacLeod Watts Scale 2022		MacLeod Watts Scale 2018			MacLeod Watts Scale 2017	

Accounting Information (GASB 75)
(Continued)

Detail of Changes to Net Position

The chart below details changes to all components of Net Position.

PRMPT	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (Asset) (c) = (a) - (b)	(d) Deferred Outflows: Assumption Changes	(d) Deferred Outflows: Plan Experience	(d) Deferred Outflows: Investment Experience	(d) Deferred Outflows: Deferred Contributions	(e) Deferred Inflows: Assumption Changes	(e) Deferred Inflows: Plan Experience	(e) Deferred Inflows: Investment Experience	Impact on Statement of Net Position (f) = (c) - (d) + (e)
Balance at Fiscal Year Ending 6/30/2024 *Measurement Date 12/31/2023*	$ 10,805,583	$ 15,465,242	$ (4,659,659)	$ 264,346	$ 51,918	$ 1,883,269	$ 168,572	$ 181,807	$ 1,448,428	$ 2,134,408	$ (3,263,121)
Changes During the Period:											
Service Cost	201,749		201,749								201,749
Interest Cost	640,820		640,820								640,820
Expected Investment Income		912,049	(912,049)								(912,049)
TMWA Contributions		169,320	(169,320)								(169,320)
Changes of Benefit Terms	-		-								-
Auditing Fees		(25,675)	25,675								25,675
Administrative Fees		(16,138)	16,138								16,138
Legal Fees		(2,363)	2,363								2,363
Retiree Contributions		136,500	(136,500)								(136,500)
Retiree Portion of Premiums		(136,500)	136,500								136,500
Benefit Payments	(654,010)	(654,010)	-								-
Assumption Changes	-		-					-			-
Plan Experience	-		-						-		-
Investment Experience		1,169,998	(1,169,998)							1,169,998	-
Recognized Deferred Resources				(48,321)	(6,769)	(627,757)	(168,572)	(29,951)	(298,815)	(1,087,499)	(564,846)
Contributions After Measurement Date							241,314				(241,314)
Net Changes in Fiscal Year 2024-2025	188,559	1,553,181	(1,364,622)	(48,321)	(6,769)	(627,757)	72,742	(29,951)	(298,815)	82,499	(1,000,784)
Balance at Fiscal Year Ending 6/30/2025 *Measurement Date 12/31/2024*	$ 10,994,142	$ 17,018,423	$ (6,024,281)	$ 216,025	$ 45,149	$ 1,255,512	$ 241,314	$ 151,856	$ 1,149,613	$ 2,216,907	$ (4,263,905)

Accounting Information (GASB 75)
(Continued)

Schedule of Deferred Outflows and Inflows of Resources

A listing of all deferred resource bases used to develop the Net Position and OPEB Expense is shown below. Deferred Contributions are not shown.

Measurement Date: December 31, 2024

Deferred Outflow or (Inflow)							Recognition of Deferred Outflow or Deferred (Inflow) in Measurement Period:						
Date Created	Source	Impact on Net OPEB Liability (NOL)	Initial Amount	Period (Yrs)	Annual Recognition	Balance as of Dec 31, 2024	2024 (FYE 2025)	2025 (FYE 2026)	2026 (FYE 2027)	2027 (FYE 2028)	2028 (FYE 2029)	2029 (FYE 2030)	Thereafter
12/31/2019	Plan Experience	Decreased NOL	$ (2,013,876)	9.37	$ (214,928)	$ (724,308)	$ (214,928)	$ (214,928)	$ (214,928)	$ (214,928)	$ (79,524)	$ -	$ -
12/31/2019	Assumption Changes	Increased NOL	301,774	9.37	32,206	108,538	32,206	32,206	32,206	32,206	11,920	-	-
12/31/2020	Investment Earnings	Decreased NOL	(1,106,762)	5.00	(221,352)	-	(221,354)	-	-	-	-	-	-
12/31/2021	Plan Experience	Decreased NOL	(760,853)	9.07	(83,887)	(425,305)	(83,887)	(83,887)	(83,887)	(83,887)	(83,887)	(83,887)	(5,870)
12/31/2021	Assumption Changes	Decreased NOL	(271,660)	9.07	(29,951)	(151,856)	(29,951)	(29,951)	(29,951)	(29,951)	(29,951)	(29,951)	(2,101)
12/31/2021	Investment Earnings	Decreased NOL	(1,538,814)	5.00	(307,763)	(307,762)	(307,763)	(307,762)	-	-	-	-	-
12/31/2022	Investment Earnings	Increased NOL	3,138,783	5.00	627,757	1,255,512	627,757	627,757	627,755	-	-	-	-
12/31/2023	Plan Experience	Increased NOL	58,687	8.67	6,769	45,149	6,769	6,769	6,769	6,769	6,769	6,769	11,304
12/31/2023	Assumption Changes	Increased NOL	139,717	8.67	16,115	107,487	16,115	16,115	16,115	16,115	16,115	16,115	26,912
12/31/2023	Investment Earnings	Decreased NOL	(1,621,911)	5.00	(324,382)	(973,147)	(324,382)	(324,382)	(324,382)	(324,383)	-	-	-
12/31/2024	Investment Earnings	Decreased NOL	(1,169,998)	5.00	(234,000)	(935,998)	(234,000)	(234,000)	(234,000)	(234,000)	(233,998)	-	-

Accounting Information (GASB 75)
(Continued)

Detail of TMWA Contributions to the Plan

TMWA contributions to the Plan occur as benefits are paid to or on behalf of retirees. Benefit payments may occur in the form of direct payments for premiums ("explicit subsidies") and/or indirect payments to retirees in the form of higher premiums for active employees ("implicit subsidies"). Note that the implicit subsidy contribution does not represent cash payments to retirees, but rather the reclassification of a portion of active healthcare expense to be recognized as a retiree healthcare cost. For details, see Appendix 2 – Important Background Information.

Benefits and other contributions paid by TMWA during the measurement period are shown below.

For the Measurement Period, Jan 1, 2024 through Dec 31, 2024	TMWA PRMPT
TMWA	
(a) Contribution To PRMPT	$ -
(b) Benefits Paid Directly To or On Behalf of Retirees	1,497
(c) Implicit Subsidy Payment	167,823
PRMPT	
(d) Benefits Paid Directly To or On Behalf of Retirees	484,690
(e) Reimbursements to TMWA	-
Total Benefits Paid During the MP, (b)+(c)+(d)	654,010
TMWA Contribution During the MP, (a)+(b)+(c)-(e)	169,320

OPEB contributions *expected to be* paid by TMWA and *estimated* benefit payments during the current fiscal year are shown below.

For the Fiscal Year, Jul 1, 2024 through Jun 30, 2025	TMWA PRMPT
TMWA	
(f) Contribution To PRMPT	$ -
(g) Benefits Paid Directly To or On Behalf of Retirees	1,497
(h) Implicit Subsidy Payment	240,565
PRMPT	
(i) Benefits Paid Directly To or On Behalf of Retirees	543,291
(j) Reimbursements to TMWA	-
Total Benefits Paid During the Current FY, (g)+(h)+(i)	785,353
TMWA Contribution During the Current FY, (f)+(g)+(h)-(j)	242,062

Accounting Information (GASB 75)
(Continued)

Projected Benefit Payments (15-year projection)

The following is an estimate of other post-employment benefits to be paid on behalf of current retirees and current employees expected to retire from TMWA. Expected annual benefits have been projected on the basis of the actuarial assumptions outlined in Supporting Information Section 3.

Projected Annual Benefit Payments							
Fiscal Year Ending June 30	Explicit Subsidy			Implicit Subsidy			Total
	Current Retirees	Future Retirees	Total	Current Retirees	Future Retirees	Total	
2025	$ 544,788	$ -	$ 544,788	$ 240,565	$ -	$ 240,565	$ 785,353
2026	344,256	95,190	439,446	137,662	91,242	228,904	668,350
2027	344,872	135,453	480,325	109,837	117,078	226,915	707,240
2028	348,339	152,856	501,195	54,182	135,364	189,546	690,741
2029	344,241	174,546	518,787	18,360	173,319	191,679	710,466
2030	343,096	203,239	546,335	12,269	171,241	183,510	729,845
2031	342,704	220,074	562,778	2,481	191,541	194,022	756,800
2032	341,305	251,351	592,656	(10,618)	239,446	228,828	821,484
2033	338,123	277,457	615,580	(16,066)	235,764	219,698	835,278
2034	334,149	292,368	626,517	(19,414)	272,135	252,721	879,238
2035	330,074	320,317	650,391	(20,099)	297,203	277,104	927,495
2036	325,205	325,294	650,499	(19,444)	334,521	315,077	965,576
2037	319,120	336,283	655,403	(20,609)	348,843	328,234	983,637
2038	312,083	337,852	649,935	(21,250)	340,392	319,142	969,077
2039	303,449	339,874	643,323	(25,342)	391,361	366,019	1,009,342

The amounts shown in the Explicit Subsidy section of the table reflect the expected payment by TMWA toward retiree medical premiums in each of the years shown. The amounts are shown separately, and in total, for those retired on the valuation date (“current retirees”) and those expected to retire after the valuation date (“future retirees”).

The amounts shown in the Implicit Subsidy table reflect the estimated excess of retiree medical and prescription drug claims over the premiums expected to be charged during the year for retirees’ coverage. These amounts are also shown separately and in total for those currently retired on the valuation date and for those expected to retire in the future.

These projections do not include any benefits expected to be paid on behalf of current active employees *prior to* retirement, nor do they include any benefits for potential *future employees* (i.e., those who might be hired in future years).

Accounting Information (GASB 75)
(Concluded)

Sample Journal Entries

OPEB Accounts at Beginning of Fiscal Year	By Source Debit	By Source Credit	Sources Combined Debit	Sources Combined Credit
Net OPEB Liability	4,659,659		4,659,659	
Deferred Outflow:				
Assumption Changes	264,346			
Plan Experience	51,918			
Investment Experience	1,883,269			
Contribution Subsequent to MD	168,572			
Deferred Outflows			2,368,105	
Deferred Inflow:				
Assumption Changes		181,807		
Plan Experience		1,448,428		
Investment Experience		2,134,408		
Deferred Inflows				3,764,643

Record Benefits Paid to Retirees	Debit	Credit
Net OPEB Liability	1,497	
Cash		1,497

Record Implicit Subsidy Payment	Debit	Credit
Net OPEB Liability	240,565	
Premium Expense		240,565

Record End of Year Updates to OPEB Accounts	By Source Debit	By Source Credit	Sources Combined Debit	Sources Combined Credit
Net OPEB Liability	1,122,560		1,122,560	
Deferred Outflow:				
Assumption Changes		48,321		
Plan Experience		6,769		
Investment Experience		627,757		
Contribution Subsequent to MD	72,742			
Deferred Outflows				610,105
Deferred Inflow:				
Assumption Changes	29,951			
Plan Experience	298,815			
Investment Experience		82,499		
Deferred Inflows			246,267	
OPEB Expense		758,722		758,722

D. Funding Information

Prefunding (setting aside funds to accumulate in an irrevocable OPEB trust) has certain advantages, one of which is the ability to (potentially) use a higher discount rate in the determination of liabilities for GASB 75 reporting purposes. TMWA has been prefunding its OPEB liability by contributing 100% or more of the Actuarially Determined Contribution each year.

Different terminology is sometimes used by actuaries and accountants when referring to key liability and expense components. Here are some of these terms which are often interchangeable:

Actuarial Funding Terminology	GASB 75 Terminology
Present Value of Projected Benefits (PVPB)	N/A; typically not reported for accounting purposes
Actuarially Accrued Liability (AAL)	Total OPEB Liability (TOL)
Market Value of Assets	Fiduciary Net Position
Unfunded Actuarially Accrued Liability (UAAL)	Net OPEB Liability
Normal Cost	Service Cost

TMWA approved development of Actuarially Determined Contributions for the PRMPT based on the following two components, adjusted with interest to TMWA's fiscal year end:

- The amounts attributed to service performed in the current fiscal year (the normal cost) and
- Amortization of the unfunded actuarial accrued liability.

The ADC determined for TMWA's fiscal year ending June 30, 2025, was developed based on the December 31, 2023, actuarial valuation using a 6.0% discount rate. A summary is shown below:

Discount Rate	**6.00%**
Actuarial Accrued Liability (projected)	$ 11,099,261
Actuarial Value of Assets (projected)	15,999,046
Unfunded Actuarial Accrued Liability (UAAL)	(4,899,785)
Amortization Factor*	14.5907
Actuarially Determined Contribution for FYE 2025	
Normal Cost	207,801
Amortization of UAAL	(335,815)
Interest to Fiscal Year End	(7,681)
Total ADC	**$ -**

*Determined on a level dollar basis over an open 30 year period

The ADC determined on this basis should provide for trust sufficiency, based on the current plan provisions and employee data, if all assumptions are exactly realized and providing that TMWA contributes 100% or more of the total ADC each year. When an agency commits to funding the trust at or above the ADC, GASB 75 allows use of the expected long term trust return to be used as the discount rate in determining the plan liability. Even so, the ADC developed on this basis does not guarantee trust sufficiency due to the non-trivial risk that the assumptions used to determine plan contributions may not be realized.

E. Certification

The primary purposes of this report are: (1) to provide actuarial information of the other post-employment benefits (OPEB) provided by the Truckee Meadows Water Authority Post-Retirement Medical Plan and Trust (PRMPT) in compliance with Statement 75 of the Governmental Accounting Standards Board (GASB 75); and (2) to provide Actuarially Determined Contributions for prefunding of this program in conformity with TMWA's OPEB funding policy. TMWA is not required to contribute the ADC shown in this report and we make no representation that it will, in fact, fund the OPEB trust at any particular level.

In preparing this report we relied without audit on information provided by TMWA. This information includes, but is not limited to, plan provisions, census data, and financial information. We performed a limited review of this data and found the information to be reasonably consistent. The accuracy of this report is dependent on this information and if any of the information we relied on is incomplete or inaccurate, then the results reported herein will be different from any report relying on more accurate information.

We consider the actuarial assumptions and methods used in this report to be individually reasonable under the requirements imposed by GASB 75 and taking into consideration reasonable expectations of plan experience. The results provide an estimate of the plan's financial condition at one point in time. Future actuarial results may be significantly different due to a variety of reasons including, but not limited to, demographic and economic assumptions differing from future plan experience, changes in plan provisions, changes in applicable law, or changes in the value of plan benefits relative to other alternatives available to plan members.

Alternative assumptions may also be reasonable; however, demonstrating the range of potential plan results based on alternative assumptions was beyond the scope of our assignment except to the limited extent required by GASB 75 and in accordance with TMWA's stated OPEB funding policy. Results for accounting purposes may be materially different than results obtained for other purposes such as plan termination, liability settlement, or underlying economic value of the promises made by the plan.

This report is prepared solely for the use and benefit of TMWA and may not be provided to third parties without prior written consent of MacLeod Watts. Exceptions: TMWA may provide copies of this report to their professional accounting and legal advisors who are subject to a duty of confidentiality, and TMWA may provide this work to any party if required by law or court order. No part of this report should be used as the basis for any representations or warranties in any contract or agreement without the written consent of MacLeod Watts.

The undersigned are unaware of any relationship that might impair the objectivity of this work. Nothing within this report is intended to be a substitute for qualified legal or accounting counsel. The signing actuaries are members of the American Academy of Actuaries and meet the qualification standards for rendering this opinion.

Signed: April 18, 2025

Catherine L. MacLeod

Catherine L. MacLeod, FSA, FCA, EA, MAAA

Michael J. Papendieck, EA, ACA, MAAA

F. Supporting Information

Section 1 - Summary of Employee Data

Active employees: TMWA reported 148 active employees in the data provided to us for the December 2023 valuation of the PRMPT.[2] Age and service values as of the valuation date are summarized in the chart below, first in total and then separately for the IBEW and MPAT bargaining units.

Distribution of Benefits-Eligible Active Employees							
	Years of Service						
Current Age	Under 5	5 to 9	10 to 14	15 to 19	20 & Up	**Total**	**Percent**
Under 25		1				1	0.7%
25 to 29		7				7	4.7%
30 to 34		9	1			10	6.8%
35 to 39		15	2	2		19	12.7%
40 to 44		17	4	6	2	29	19.6%
45 to 49		10	1	4	8	23	15.5%
50 to 54		6	2	7	8	23	15.5%
55 to 59		4	1	3	10	18	12.2%
60 to 64		2	4		8	14	9.5%
65 to 69		1			1	2	1.4%
70 & Up					2	2	1.4%
Total	0	72	15	22	39	**148**	**100.0%**
Percent	0.0%	48.6%	10.1%	14.9%	26.4%	**100.0%**	

Valuation	December 2021	December 2023
Average Attained Age for Actives	46.5	47.2
Average Years of Service	13.0	14.2

This chart summarizes the PRMPT census data for active employees by bargaining unit and hire date:

Bargaining Unit	Number	Average Age	Average Service	Payroll
MPAT	69	48.8	13.7	$ 9,157,851
Hired before 1/1/1998	5	58.0	31.0	$ 850,987
Hired after 12/31/1997	64	48.1	12.3	$ 8,306,864
IBEW	79	45.8	14.7	$ 8,136,451
Hired before 1/1/1998	9	61.3	34.9	$ 983,237
Hired after 12/31/1997	70	43.8	12.1	$ 7,153,214
All	148	47.2	14.2	$ 17,294,301
Hired before 1/1/1998	14	60.1	33.5	$ 1,834,223
Hired after 12/31/1997	134	45.9	12.2	$ 15,460,078

[2] The active employee count excludes any employees who were hired after December 13, 2018 and through the valuation date (December 31, 2023). Employees hired after December 13, 2018 are ineligible for direct (explicit) benefits from the PRMPT in retirement. Should any of these employees retire from TMWA, they will have continued access to the healthcare and life insurance coverage provided they pay the full premiums. This coverage, if elected, may result in an implicit subsidy liability, which is considered in a separate report.

Supporting Information
(Continued)

Section 1 - Summary of Employee Data
(continued)

MPAT: Distribution of Benefits-Eligible Active Employees							
	Years of Service						
Current Age	Under 5	5 to 9	10 to 14	15 to 19	20 & Up	Total	Percent
Under 25						0	0.0%
25 to 29						0	0.0%
30 to 34		4	1			5	3.4%
35 to 39		6	1	1		8	5.4%
40 to 44		8	2	1	1	12	8.1%
45 to 49		6	1	2	3	12	8.1%
50 to 54		4	1	5	5	15	10.1%
55 to 59		2	1		6	9	6.1%
60 to 64		1	3		3	7	4.7%
65 to 69		1				1	0.7%
70 & Up						0	0.0%
Total	0	32	10	9	18	**69**	**46.6%**
Percent	0.0%	21.5%	6.8%	6.1%	12.2%	**46.6%**	

IBEW: Distribution of Benefits-Eligible Active Employees							
	Years of Service						
Current Age	Under 5	5 to 9	10 to 14	15 to 19	20 & Up	Total	Percent
Under 25		1				1	0.7%
25 to 29		7				7	4.7%
30 to 34		5				5	3.4%
35 to 39		9	1	1		11	7.4%
40 to 44		9	2	5	1	17	11.5%
45 to 49		4		2	5	11	7.4%
50 to 54		2	1	2	3	8	5.4%
55 to 59		2		3	4	9	6.1%
60 to 64		1	1		5	7	4.7%
65 to 69					1	1	0.7%
70 & Up					2	2	1.4%
Total	0	40	5	13	21	**79**	**53.4%**
Percent	0.0%	27.0%	3.4%	8.8%	14.2%	**53.4%**	

Supporting Information
(Continued)

Section 1 - Summary of Employee Data
(continued)

Inactive members: There are also 68 retirees currently receiving benefits under this program, plus 1 former MPAT employee who is temporarily deferring their benefit. Ages and service values for these retirees are summarized in the chart below:

Retirees by Age								
	MPAT			IBEW				
Current Age	Hired before 1998	Hired after 1997	Total MPAT	Hired before 1998	Hired after 1997	Total IBEW	**All Retirees**	**Percent**
Below 55	*None currently*						0	
55 to 59	0	1	1	0	0	0	1	1.4%
60 to 64	1	8	9	10	4	14	23	33.4%
65 to 69	6	4	10	7	3	10	20	29.0%
70 to 74	3	5	8	4	0	4	12	17.4%
75 to 79	0	2	2	6	1	7	9	13.0%
80 & up	0	1	1	2	1	3	4	5.8%
Total	**10**	**21**	**31**	**29**	**9**	**38**	**69**	**100%**
Average Age:								
On 12/31/2023	67.6	68.5	68.2	69.4	67.6	69.0	68.6	
At retirement	61.9	62.5	62.3	61.6	62.2	61.7	62.0	
Average Service at Retirement	32.3	15.3	20.8	33.6	15.1	29.2	25.4	

The chart below compares the numbers of active and retired employees included in the December 2021 and December 2023 valuations:

Change in Number Included in Valuation			
Status	**Actives**	**Retirees**	**Total**
Number included in December 31, 2021 valuation	**164**	**62**	**226**
MPAT	74	24	98
IBEW	90	38	128
Number included in December 31, 2023 valuation	**148**	**69**	**217**
MPAT	69	31	100
IBEW	79	38	117
Increase (decrease) from 2021 to 2023	**(16)**	**7**	**(9)**
MPAT	(5)	7	2
IBEW	(11)	0	(11)
% change from 2021 to 2023	**-10%**	**11%**	**-4%**
MPAT	-7%	29%	2%
IBEW	-12%	0%	-9%

Supporting Information
(Continued)

Section 1 - Summary of Employee Data
(concluded)

Summary of Plan Member Counts: The number of members currently or potentially eligible to receive benefits under the OPEB plan are required to be reported in the notes to the financial statements. Here are the counts as of the December 31, 2023, valuation date.

Summary of Plan Member Counts	
Number of active plan members	148
Number of inactive plan members currently receiving benefits	68
Number of inactive plan members entitled to but not receiving benefits	1

Supporting Information
(Continued)

Section 2 - Summary of Retiree Benefit Provisions

PRMPT OPEB provided: TMWA reported that the following OPEB are provided: retiree medical, dental, vision and life insurance coverage for employees hired by TMWA on or before December 13, 2018.

Access to coverage: Employees who retire from TMWA are eligible to continue their coverage under the health plans offered by TMWA to its active employees. The only conditions to be eligible for coverage are satisfaction of the service and retirement guidelines consistent with eligibility for receiving retirement benefits from Nevada PERS.

Healthcare Subsidies under the PRMPT: Employees who retire from TMWA on or after age 55 with at least 10 years of service are eligible for a subsidy toward the cost of their health and life insurance premiums. Service at Sierra Pacific Resources (SPR) may be applied toward OPEB eligibility if the employee elected to have assets transferred from the SPR VEBA to the TMWA VEBA Trust.

Surviving spouses of (a) IBEW retirees hired before 1998 and (b) MPAT retirees are eligible to continue coverage for 12 months following the retiree's death. No other survivors are permitted to retain coverage in TMWA plans, except as required by COBRA.

Benefits vary by bargaining unit as follows:

IBEW

- **Hired before 1998:** The PRMPT pays a percentage of the retiree and eligible dependents' premiums for TMWA-sponsored medical, dental and vision coverage, based on the retiree's age and years of service at retirement as shown below:

PRMPT Paid % for IBEW Pre-1998 Hires					
Years of Service	% Paid by PRMPT		Years of Service	% Paid by PRMPT	
	Under 65	Over 65		Under 65	Over 65
< 10	0%	0%	15	60%	65%
10	40%	45%	16	64%	69%
11	44%	49%	17	68%	73%
12	48%	53%	18	72%	77%
13	52%	57%	19	76%	81%
14	56%	61%	20+	80%	85%

  A surviving spouse is eligible to continue coverage and receive the same level of subsidy provided to the retiree for the first 12 months following the retiree's death.

- **Hired after 1997 and on or before December 13, 2018:** Upon retirement, the PRMPT gives the retiree a one-time credit of $1,250 times years of service. The credit may be applied, at the retiree's discretion, toward qualifying healthcare expenses not paid by TMWA, including dependent premiums, whether covered by TMWA-sponsored plans or other coverage.

  The retiree may continue coverage on TMWA plans after the RHS is exhausted, provided he or she makes timely payment of all premiums, for the retiree and any covered dependents.

Supporting Information
(Continued)

Section 2 - Summary of Retiree Benefit Provisions
(concluded)

MPAT: The PRMPT gives the retiree an annual credit. The credit may be applied, at the retiree's discretion, toward qualifying healthcare expenses, including TMWA-sponsored medical, dental and vision plans. The amount of the annual credit varies by age and service as follows:

- If the employee retires on or after age 62:
    - Prior to age 65, PRMPT provides an annual credit equal to $235 times years of service, up to $7,050 per year (30 years of credited service).
    - For ages 65 and above, PRMPT provides an annual credit equal to $105 times years of service, up to $3,675 per year (35 years of credited service).
- If the employee retires before age 62, the PRMPT reduces the amount of the annual credits described above by 5% for each full year retirement precedes age 62. For example, an employee retiring at age 60 would receive 90% of $235 times years of service; upon reaching age 65 the retiree would receive 90% of $105 times years of service. This reduction factor is waived for those who retire earlier but who elect to defer their benefits until age 62 or later.

A surviving spouse is eligible to continue coverage and receive the same level of subsidy provided to the retiree for the first 12 months following the retiree's death.

Current premium rates: The 2024 monthly healthcare premiums for plans available to TMWA retirees are shown in the chart below:

2024 Healthcare Rates for TMWA Retirees				
Plan	Retiree Only	Retiree & Spouse	Retiree & Child(ren)	Retiree & Family
Medical	$ 747.54	$ 1,307.62	$ 1,240.54	$ 1,630.28
Vision	5.46	8.74	8.93	14.42
Dental	78.56	132.10	124.79	171.40

Life Insurance: Both MPAT and IBEW retirees who qualify for healthcare subsidies are eligible for fully-subsidized life insurance coverage. The premium rate for $1,000 in coverage is $0.24 plus an additional $0.03 for AD&D coverage. The face amount of the policy varies by age as follows:

- Before age 70: 100% of life insurance coverage on retirement date (100% of annual salary)
- Ages 70-74: 50% of life insurance coverage on retirement date
- Ages 75+: $2,000

A retiree may elect $1,500 of life insurance coverage for his or her spouse in TMWA's life insurance plan by paying 100% of the applicable premium. The premium for spouse life insurance is $0.48 per month.

Employees excluded from this valuation: Employees hired after December 13, 2018, may have access to coverage but receive no premium benefit from TMWA. These employees are not included in this valuation; their liability is provided in a separate valuation report for implicit subsidy liability.

Supporting Information
(Continued)

Section 3 - Actuarial Methods and Assumptions

The ultimate real cost of an employee benefit plan is the value of all benefits and other expenses of the plan over its lifetime. These payments depend only on the terms of the plan and the administrative arrangements adopted. Actuarial assumptions are used to estimate the cost of these benefits; the funding method spreads the expected costs on a level basis over the life of the plan.

Important Dates

Valuation Date	December 31, 2023
Fiscal Year End	June 30, 2025
GASB 75 Measurement Date	December 31, 2024

Valuation Methods

Funding Method — Entry Age Normal Cost, level percent of pay

Asset Valuation Method — Market value of assets

Participants Valued — Only current active employees and retired participants and covered dependents are valued. This plan is now closed.

Development of Age-related Medical Premiums — Actual premium rates for retirees and their spouses were adjusted to an age-related basis by applying medical claim cost factors developed from the data presented in the report, "Health Care Costs – From Birth to Death", sponsored by the Society of Actuaries. A description of the use of claims cost curves can be found in MacLeod Watts's Age Rating Methodology (Appendix 3 to this report).

Retiree claims experience, whether or not enrolled in Medicare, is blended with the claims experience of active members for TMWA plan members and all others enrolled in the health and life insurance plans offered by the City of Reno.

Monthly baseline premium costs were set equal to the UMR recommended 2024 premium rates, i.e., the 2023 premium rates increased by 7.5%. Representative claims costs derived from the premium rates provided by TMWA are shown in the chart below.

UMR Plan Estimated Monthly Claims for Selected Ages										
Retiree Age	48	53	58	63	68	73	78	83	88	93
Male	$ 630	$ 832	$ 1,060	$ 1,315	$ 538	$ 594	$ 630	$ 640	$ 612	$ 598
Female	$ 816	$ 961	$ 1,086	$ 1,276	$ 520	$ 573	$ 605	$ 620	$ 613	$ 600

Supporting Information
(Continued)

Section 3 - Actuarial Methods and Assumptions
(continued)

Economic Assumptions

Long-Term Return on Assets	6.0 % on December 31, 2024, and 6.0% on December 31, 2023, net of plan investment and trust expenses
Discount Rate	6.0% on December 31, 2024, and 6.0% on December 31, 2023
General Inflation Rate	2.5% per year
Salary Increase	3.0% per year; since benefits do not depend on salary, this is used to allocate the cost of benefits between service years.
Healthcare Trend	Medical plan premiums and estimated claims costs by age are assumed to increase once each year. Increases over the prior year's levels are assumed to be effective on the dates shown in the chart below.

Effective January 1	Premium Increase	Effective January 1	Premium Increase
2024	Actual	2040-2043	4.8%
2025	6.5%	2044-2049	4.7%
2026	6.0%	2050-2059	4.6%
2027	5.5%	2060-2065	4.5%
2028	5.4%	2066-2067	4.4%
2029	5.3%	2068-2069	4.3%
2030	5.2%	2070	4.2%
2031	5.1%	2071-2072	4.1%
2032-2037	5.0%	2073-2074	4.0%
2038-2039	4.9%	2075 & Later	3.9%

The healthcare trend shown above was developed using the Getzen Model 2023 published by the Society of Actuaries using the following settings: CPI 2.5%; Real GDP Growth 1.4%; Excess Medical Growth 1.0%; Expected Health Share of GDP in 2032 20%; Resistance Point 21%; Year after which medical growth is limited to growth in GDP 2075.

Dental premiums are assumed to increase by 3.5% per year.

Vision premiums are assumed to increase by 2.5% per year.

Life Insurance Costs	The rate per $1,000 in life insurance coverage is assumed to remain fixed at the current rate.

Supporting Information
(Continued)

Section 3 - Actuarial Methods and Assumptions
(continued)

Employer Cost Sharing Levels	**IBEW Pre-1998 Hires:** Increases in the PRMPT-paid portion of healthcare premiums are assumed to increase at the same rates as medical trend (described above). **IBEW Post-1997 Hires:** The $1,250 service multiplier is assumed to remain fixed at its current level in all future years. Retirees are expected to exhaust the lifetime allowance 4 years following retirement. **MPAT:** The $235 (pre-65) and $105 (post-65) service multipliers are assumed to remain fixed at their current level in all future years.

Participant Election Assumptions

Participation Rates
and Medical Plan Elections

Future retirees: 100% of qualifying future retirees are assumed to receive benefits. MPAT employees retiring before age 62 are assumed to defer their benefits until reaching age 62. All other retirees are assumed to receive benefits immediately upon retirement.

Future retirees are assumed to elect coverage in TMWA plans as follows:

IBEW Pre-1998 Hires: All future retirees are assumed to elect coverage in TMWA-sponsored coverage. Coverage is assumed to be continued for the retiree's lifetime.

MPAT and Post-1997 IBEW: The percentage of future retirees assumed to elect TMWA coverage in retirement is as follows:

- **Prior to age 65:** If eligible for subsidies from the PRMPT, the percentage of future retirees assumed to elect TMWA coverage is 40% with 10 years of service, increasing by 3% per year of service until reaching 100% at 30 years of service.

  If not eligible for subsidies from PRMPT, only 15% are assumed to elect coverage and self-pay the full cost.

- **Ages 65 and older:** All are assumed to elect coverage in non-TMWA plans upon reaching age 65.

For both IBEW and MPAT*, of those assumed to elect TMWA coverage*, all (100%) of retirees are assumed to elect coverage in the Reno UMR Plan.

Supporting Information
(Continued)

Section 3 - Actuarial Methods and Assumptions
(continued)

Participation Rates and Medical Plan Elections (concluded)	*Retired participants*: Existing medical plan elections are assumed to be continued until retiree's death, with the following exception: MPAT and Post-1997 IBEW retirees currently under age 65 are assumed to elect coverage in non-TMWA healthcare plans upon reaching age 65.
Spouse Coverage	*Active employees:* 75% of pre-1998 IBEW employees and 40% of all other employees are assumed to be married and elect coverage for their spouse in retirement. Surviving spouses are assumed to retain coverage until their death. Husbands are assumed to be 3 years older than their wives.
	Retired participants: Existing elections for spouse coverage are assumed to be continued until the spouse's death. Actual spouse ages are used, where known; if not, husbands are assumed to be 3 years older than their wives.
Medicare Eligibility	Absent contrary data, all individuals are assumed to be eligible for Medicare Parts A and B at 65. Retirees over age 65 who are not eligible for Medicare are assumed to remain ineligible.

Supporting Information
(Continued)

Section 3 - Actuarial Methods and Assumptions
(continued)

Demographic Assumptions

The demographic actuarial assumptions used in this valuation are based on the most recently published report of the Nevada Public Employees Retirement System issued September 2021, which covers the employees included in this valuation except for a different basis used to project future mortality improvements.

Mortality: The rates described below were described in the September 2021 Experience Study report of the Nevada PERS program as being reasonably representative of mortality experience as of that measurement date.

Non-disabled life rates for Regular employees & future survivors:

Males: Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates increased by 30%

Females: Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates increased by 15%

Pre-retirement life rates for Regular employees:

Males & Females: Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table

Mortality Improvement: The mortality rates described above were adjusted to anticipate future mortality improvement by applying MacLeod Watts Scale 2022 on a generational basis from 2010 forward (see Appendix 3 for details).

Termination Rates: These rates reflect the assumed probability that an employee will leave TMWA in the next 12 months for reasons other than a service retirement, disability retirement, or death.

Years of Service	Regular Employees	Years of Service	Regular Employees
0	15.75%	13	2.75%
1	12.75%	14	2.25%
2	10.25%	15	2.25%
3	8.25%	16	2.25%
4	7.50%	17	2.00%
5	6.50%	18	1.75%
6	5.75%	19	1.75%
7	5.25%	20	1.75%
8	4.75%	21	1.75%
9	4.50%	22	1.75%
10	4.25%	23	1.75%
11	3.25%	24	1.50%
12	3.00%	25 & Over	1.50%

Supporting Information
(Continued)

Section 3 - Actuarial Methods and Assumptions
(continued)

Retirement Rates

Regular Employees Hired before January 1, 2010						
	Years of Service					
Age	5-9	10-19	20-24	25-27	28-29	30 or more
45	0%	0%	0%	1%	20%	20%
50	0.2%	0.6%	0.7%	2%	20%	20%
55	0.8%	1.5%	3%	3%	20%	20%
60	5%	11%	18%	25%	21%	21%
65	18%	19%	22%	22%	25%	25%
70	20%	20%	25%	30%	30%	30%
75 & Over	100%	100%	100%	100%	100%	100%

Regular Employees Hired before July 1, 2015 but on or after January 1, 2010						
	Years of Service					
Age	5-9	10-19	20-24	25-27	28-29	30 or more
45	0%	0%	0%	0%	20%	20%
50	0%	0%	0%	0%	20%	20%
55	0.2%	1%	2%	2%	20%	20%
60	2%	4%	6%	10%	21%	21%
65	17%	18%	21%	21%	25%	25%
70	19%	19%	23%	28%	30%	30%
75 & Over	100%	100%	100%	100%	100%	100%

Regular Employees Hired on or after July 1, 2015						
	Years of Service					
Age	5-9	10-19	20-24	25-29	30-33	34 or more
45	0%	0%	0%	0%	7%	20%
50	0%	0%	0%	0%	13%	20%
55	0.2%	0.9%	2%	2%	18%	20%
60	1.8%	4%	5%	9%	19%	21%
65	15%	16%	19%	19%	23%	25%
70	17%	17%	21%	25%	27%	30%
75 & Over	100%	100%	100%	100%	100%	100%

Supporting Information
(Concluded)

Section 3 - Actuarial Methods and Assumptions
(concluded)

Software and Models Used in the Valuation

ProVal - MacLeod Watts utilizes ProVal, a licensed actuarial valuation software product from Winklevoss Technologies (WinTech) to project future retiree benefit payments and develop the OPEB liabilities presented in this report. ProVal is widely used by the actuarial community. We review results at the plan level and for individual sample lives and find them to be reasonable and consistent with the results we expect. We are not aware of any material inconsistencies or limitations in the software that would affect this actuarial valuation.

Age-based premiums model – developed internally and reviewed by an external consultant at the time it was developed. See discussion on Development of Age-Related Medical Premiums in Appendix 3.

Getzen model – published by the Society of Actuaries; used to derive medical trend assumptions described earlier in this section.

Changes in assumptions or methods since the prior Measurement Date

None.

Appendix 1: Basic Valuation Results by Tier

The chart below summarizes the valuation results on the December 31, 2024, measurement date for the MPAT and IBEW groups. Results are further split between those hired before and after January 1, 1998.

The counts by group shown below are the counts as of the December 31, 2023, valuation date. The Total OPEB Liability amounts shown below are measured as of December 31, 2024, and the amount in the total column corresponds to the amount shown on page 4.

Valuation Date	**12/31/2023**						
Fiscal Year Ending	**6/30/2025**						
Measurement Date	**12/31/2024**						
Discount rate	6.00%						
Group	MPAT Pre 98	MPAT Post 97	**All MPAT**	IBEW Pre 98	IBEW Post 97	**All IBEW**	**Grand Total**
Number of Covered Employees							
Actives	5	64	69	9	70	79	148
Retirees	10	21	31	29	9	38	69
Total Participants	15	85	100	38	79	117	217
Actuarial Present Value of Projected Benefits							
Actives	$ 398,748	$ 2,298,636	$ 2,697,384	$ 1,724,159	$ 3,173,293	$ 4,897,452	$ 7,594,836
Retirees	484,029	637,242	1,121,271	3,990,060	130,129	4,120,189	5,241,460
Total APVPB	882,777	2,935,878	3,818,655	5,714,219	3,303,422	9,017,641	12,836,296
Total OPEB Liability (TOL)							
Actives	374,569	1,617,418	1,991,987	1,611,483	2,149,212	3,760,695	5,752,682
Retirees	484,029	637,242	1,121,271	3,990,060	130,129	4,120,189	5,241,460
TOL	858,598	2,254,660	3,113,258	5,601,543	2,279,341	7,880,884	10,994,142
Service Cost For the period following the measurement date	7,819	71,936	79,755	32,694	95,352	128,046	207,801

Appendix 2: Important Background Information

General Types of Other Post-Employment Benefits (OPEB)

Post-employment benefits other than pensions (OPEB) comprise a part of compensation that employers offer for services received. The most common OPEB are medical, prescription drug, dental, vision, and/or life insurance coverage. Other OPEB may include outside group legal, long-term care, or disability benefits outside of a pension plan. OPEB does not generally include COBRA, vacation, sick leave (unless converted to defined benefit OPEB), or other direct retiree payments.

A direct employer payment toward the cost of OPEB benefits is referred to as an "explicit subsidy". In addition, if claims experience of employees and retirees are pooled when determining premiums, retiree premiums are based on a pool of members which, on average, are younger and healthier. For certain types of coverage such as medical insurance, this results in an "implicit subsidy" of retiree premiums by active employee premiums since the retiree premiums are lower than they would have been if retirees were insured separately. GASB 75 and Actuarial Standards of Practice generally require that an implicit subsidy of retiree premium rates be valued as an OPEB liability.

<table>
<tr><td colspan="3">Expected retiree claims</td></tr>
<tr><td colspan="2">Premium charged for retiree coverage</td><td>Covered by higher active premiums</td></tr>
<tr><td>Retiree portion of premium</td><td>Agency portion of premium
Explicit subsidy</td><td>Implicit subsidy</td></tr>
</table>

This chart shows the sources of funds needed to cover expected medical claims for pre-Medicare retirees. The portion of the premium paid by the Agency does not impact the amount of the implicit subsidy.

Valuation Process

The valuation was based on employee census data and benefits provided by TMWA. A summary of the employee data is provided in Section 1 and a summary of the benefits provided under the Plan is provided in Section 2. While individual employee records have been reviewed to verify that they are reasonable in various respects, the data has not been audited and we have otherwise relied on TMWA as to its accuracy. The valuation was also based on the actuarial methods and assumptions described in Section 3.

In developing the projected benefit values and liabilities, we first determine an expected premium or benefit stream over the employee's future retirement. Benefits may include both direct employer payments (explicit subsidies) and/or an implicit subsidy, arising when retiree premiums are expected to be subsidized by active employee premiums. The projected benefit streams reflect assumed trends in the cost of those benefits and assumptions as to the expected date(s) when benefits will end. We then apply assumptions regarding:

- The probability that each individual employee will or will not continue in service to receive benefits.
- The probability of when such retirement will occur for each retiree, based on current age, service and employee type; and

Important Background Information
(Continued)

- The likelihood that future retirees will or will not elect retiree coverage (and benefits) for themselves and/or their dependents.

We then calculate the present value of these benefits by discounting the value of each future expected benefit payment, multiplied by the assumed expectation that it will be paid, back to the valuation date using the discount rate. These benefit projections and liabilities have a very long time horizon. The final payments for currently active employees may not be made for many decades.

The resulting present value for each employee is allocated as a level percent of payroll each year over the employee's career using the entry age normal cost method. The amounts for each individual are then summed to get the results for the entire plan. This creates a cost expected to increase each year as payroll increases. Amounts attributed to prior fiscal years form the "Total OPEB Liability". The OPEB cost allocated for active employees in the current year is referred to as "Service Cost".

Where contributions have been made to an irrevocable OPEB trust, the accumulated value of trust assets ("Fiduciary Net Position") is applied to offset the "Total OPEB Liability", resulting in the "Net OPEB Liability". If a plan is not being funded, then the Net OPEB Liability is equal to the Total OPEB Liability.

It is important to remember that an actuarial valuation is, by its nature, a projection of one possible future outcome based on many assumptions. To the extent that actual experience is not what we assumed, future results will differ. Some possible sources of future differences may include:

- A significant change in the number of covered or eligible plan members
- A significant increase or decrease in the future premium rates
- A change in the subsidy provided by the Agency toward retiree premiums
- Longer life expectancies of retirees
- Significant changes in estimated retiree healthcare claims by age, relative to healthcare claims for active employees and their dependents
- Higher or lower returns on plan assets or contribution levels other than were assumed, and/or
- Changes in the discount rate used to value the OPEB liability

Important Background Information
(Continued)

Requirements of GASB 75

The Governmental Accounting Standards Board (GASB) issued GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*. This Statement establishes standards for the measurement, recognition, and disclosure of OPEB expense and related liabilities (assets), note disclosures, and required supplementary information (RSI) in the financial reports of state and local governmental employers.

Important Dates

GASB 75 requires that the information used for financial reporting falls within prescribed timeframes. Actuarial valuations of the total OPEB liability are generally required at least every two years. If a valuation is not performed as of the Measurement Date, then liabilities are required to be based on roll forward procedures from a prior valuation performed no more than 30 months and 1 day prior to the most recent year-end. In addition, the net OPEB liability is required to be measured as of a date no earlier than the end of the prior fiscal year (the “Measurement Date”).

Recognition of Plan Changes and Gains and Losses

Under GASB 75, gains and losses related to changes in Total OPEB Liability and Fiduciary Net Position are recognized in OPEB expense systematically over time.

- *Timing of recognition*: Changes in the Total OPEB Liability relating to changes in plan benefits are recognized immediately (fully expensed) in the year in which the change occurs. Gains and losses are amortized, with the applicable period based on the type of gain or loss. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

- *Deferred recognition periods:* These periods differ depending on the source of the gain or loss.

Difference between projected and actual trust earnings:	5 year straight-line recognition
All other amounts:	Straight-line recognition over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits, determined as of the beginning of the Measurement Period. In determining the EARSL, all active, retired and inactive (vested) members are counted, with the latter two groups having no remaining service years.

Important Background Information
(Continued)

Implicit Subsidy Plan Contributions

An implicit subsidy occurs when estimated retiree claims exceed the premiums charged for retiree coverage. When this occurs, we expect part of the premiums paid for active employees to cover a portion of retiree claims. This transfer represents the current year's "implicit subsidy". Because GASB 75 treats payments to an irrevocable trust *or directly to the insurer* as employer contributions, each year's implicit subsidy is treated as a contribution toward the payment of retiree benefits.

The following hypothetical example illustrates this treatment:

Hypothetical Illustration of Implicit Subsidy Recognition	For Active Employees	For Retired Employees
Prior to Implicit Subsidy Adjustment		
Premiums Paid by Agency During Fiscal Year	$ 411,000	$ 48,000
Accounting Treatment	Compensation Cost for Active Employees	Contribution to Plan & Benefits Paid from Plan
After Implicit Subsidy Adjustment		
Premiums Paid by Agency During Fiscal Year	$ 411,000	$ 48,000
Implicit Subsidy Adjustment	(23,000)	23,000
Accounting Cost of Premiums Paid	$ 388,000	$ 71,000
Accounting Treatment Impact	Reduces Compensation Cost for Active Employees	Increases Contributions to Plan & Benefits Paid from Plan

The example above shows that total payments toward active and retired employee healthcare premiums is the same, but for accounting purposes part of the total is shifted from actives to retirees. This shifted amount is recognized as an OPEB contribution and reduces the current year's premium expense for active employees.

Important Background Information
(Concluded)

Discount Rate

When the financing of OPEB liabilities is on a pay-as-you-go basis, GASB 75 requires that the discount rate used for valuing liabilities be based on the 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). When a plan sponsor makes regular, sufficient contributions to a trust in order to prefund the OPEB liabilities, GASB 75 allows use of a rate up to the expected rate of return of the trust. Therefore, prefunding has an advantage of potentially being able to report overall lower liabilities due to future expected benefits being discounted at a higher rate.

Actuarial Funding Method and Assumptions

The “ultimate real cost” of an employee benefit plan is the value of all benefits and other expenses of the plan over its lifetime. These expenditures are dependent only on the terms of the plan and the administrative arrangements adopted, and as such are not affected by the actuarial funding method.

The actuarial funding method attempts to spread recognition of these expected costs on a level basis over the life of the plan, and as such sets the “incidence of cost”. GASB 75 specifically requires that the actuarial present value of projected benefit payments be attributed to periods of employee service using the Entry Age Actuarial Cost Method, with each period’s service cost determined as a level percentage of pay.

The results of this report may not be appropriate for other purposes, where other assumptions, methodology and/or actuarial standards of practice may be required or more suitable.

Appendix 3: MacLeod Watts Age Rating Methodology

Both accounting standards (e.g., GASB 75) and actuarial standards (e.g., ASOP 6) require that expected retiree claims, not just premiums paid, be reflected in most situations where an actuary is calculating retiree healthcare liabilities. Unfortunately, the actuary is often required to perform these calculations without any underlying claims information. In most situations, the information is not available, but even when available, the information may not be credible due to the size of the group being considered.

Actuaries have developed methodologies to approximate healthcare claims from the premiums being paid by the plan sponsor. Any methodology requires adopting certain assumptions and using general studies of healthcare costs as substitutes when there is a lack of credible claims information for the specific plan being reviewed.

Premiums paid by sponsors are often uniform for all employee and retiree ages and genders, with a drop in premiums for those participants who are Medicare-eligible. While the total premiums are expected to pay for the total claims for the insured group, on average, the premiums charged would not be sufficient to pay for the claims of older insureds and would be expected to exceed the expected claims of younger insureds. An age-rating methodology takes the typically uniform premiums paid by plan sponsors and spreads the total premium dollars to each age and gender intended to better approximate what the insurer might be expecting in actual claims costs at each age and gender.

The process of translating premiums into expected claims by age and gender generally follows the steps below.

1. *Obtain or Develop Relative Medical Claims Costs by Age, Gender, or other categories that are deemed significant*. For example, a claims cost curve might show that, if a 50 year old male has $1 in claims, then on average a 50 year old female has claims of $1.25, a 30 year male has claims of $0.40, and an 8 year old female has claims of $0.20. The claims cost curve provides such relative costs for each age, gender, or any other significant factor the curve might have been developed to reflect. Section 3 provides the source of information used to develop such a curve and shows sample relative claims costs developed for the plan under consideration.
2. *Obtain a census of participants, their chosen medical coverage, and the premium charged for their coverage.* An attempt is made to find the group of participants that the insurer considered in setting the premiums they charge for coverage. That group includes the participant and any covered spouses and children. When information about dependents is unavailable, assumptions must be made about spouse age and the number and age of children represented in the population. These assumptions are provided in Section 3.
3. *Spread the total premium paid by the group to each covered participant or dependent based on expected claims.* The medical claims cost curve is used to spread the total premium dollars paid by the group to each participant reflecting their age, gender, or other relevant category. After this step, the actuary has a schedule of expected claims costs for each age and gender for the current premium year. It is these claims costs that are projected into the future by medical cost inflation assumptions when valuing expected future retiree claims.

The methodology described above is dependent on the data and methodologies used in whatever study might be used to develop claims cost curves for any given plan sponsor. These methodologies and assumptions can be found in the referenced paper cited as a source in the valuation report.

Appendix 4: MacLeod Watts Mortality Projection Methodology

Actuarial standards of practice (e.g., ASOP 35, Selection of Demographic and Other Noneconomic Assumptions for Measuring Pension Obligations, and ASOP 6, Measuring Retiree Group Benefits Obligations) indicate that the actuary should reflect the effect of mortality improvement (i.e., longer life expectancies in the future), both before and after the measurement date. The development of credible mortality improvement rates requires the analysis of large quantities of data over long periods of time. Because it would be extremely difficult for an individual actuary or firm to acquire and process such extensive amounts of data, actuaries typically rely on large studies published periodically by organizations such as the Society of Actuaries or Social Security Administration.

As noted in a recent actuarial study on mortality improvement, key principles in developing a credible mortality improvement model would include the following:

(1) Short-term mortality improvement rates should be based on recent experience.
(2) Long-term mortality improvement rates should be based on expert opinion.
(3) Short-term mortality improvement rates should blend smoothly into the assumed long-term rates over an appropriate transition period.

The **MacLeod Watts Scale 2022** was developed from a blending of data and methodologies found in two published sources: (1) the Society of Actuaries Mortality Improvement Scale MP-2021 Report, published in October 2021 and (2) the demographic assumptions used in the 2021 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, published August 2021.

MacLeod Watts Scale 2022 is a two-dimensional mortality improvement scale reflecting both age and year of mortality improvement. The underlying base scale is Scale MP-2021 which has two segments – (1) historical improvement rates for the period 1951-2017 and (2) an estimate of future mortality improvement for years 2018-2020 using the Scale MP-2021 methodology but utilizing the assumptions used in generating Scale MP-2015. The MacLeod Watts scale then transitions from the 2020 improvement rate to the Social Security Administration (SSA) Intermediate Scale linearly over the 10-year period 2021-2030. After this transition period, the MacLeod Watts Scale uses the constant mortality improvement rate from the SSA Intermediate Scale from 2030-2044. The SSA's Intermediate Scale has a final step in 2045 which is reflected in the MacLeod Watts scale for years 2045 and thereafter. Over the ages 95 to 117, the age 95 improvement rate is graded to zero.

Scale MP-2021 can be found at the SOA website and the projection scales used in the 2021 Social Security Administrations Trustees Report at the Social Security Administration website.

Glossary

Actuarial Funding Method – A procedure which calculates the actuarial present value of plan benefits and expenses, and allocates these expenses to time periods, typically as a normal cost and an actuarial accrued liability.

Actuarial Present Value of Projected Benefits (APVPB) – The amount presently required to fund all projected plan benefits in the future. This value is determined by discounting the future payments by an appropriate interest rate and the probability of nonpayment.

Defined Benefit (DB) – A pension or OPEB plan which defines the monthly income or other benefit which the plan member receives at or after separation from employment.

Deferred Contributions – When an employer makes contributions after the measurement date and prior to the fiscal year end, recognition of these contributions is deferred to a subsequent accounting period by creating a deferred resource. We refer to these contributions as Deferred Contributions.

Defined Contribution (DC) – A pension or OPEB plan which establishes an individual account for each member and specifies how contributions to each active member's account are determined and the terms of distribution of the account after separation from employment.

Discount Rate – Interest rate used to discount future potential benefit payments to the valuation date. Under GASB 75, if a plan is prefunded, then the discount rate is equal to the expected trust return. If a plan is not prefunded (pay-as-you-go), then the rate of return is 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.

Expected Average Remaining Service Lifetime (EARSL) – Average of the expected remaining service lives of all employees that are provided with benefits through the OPEB plan (active employees and inactive employees), beginning in the current period.

Entry Age Actuarial Cost Method – An actuarial funding method where, for each individual, the actuarial present value of benefits is levelly spread over the individual's projected earnings or service from entry age to the last age at which benefits can be paid.

Explicit Subsidy – The projected dollar value of future retiree healthcare costs expected to be paid directly by the Employer, e.g., the Employer's payment of all or a portion of the monthly retiree premium billed by the insurer for the retiree's coverage.

Fiduciary Net Position –The value of trust assets used to offset the Total OPEB Liability to determine the Net OPEB Liability.

Government Accounting Standards Board (GASB) – A private, not-for-profit organization which develops generally accepted accounting principles (GAAP) for U.S. state and local governments.

Health Care Trend – The assumed rate(s) of increase in future dollar values of premiums or healthcare claims, attributable to increases in the cost of healthcare; contributing factors include medical inflation, frequency or extent of utilization of services and technological developments.

Implicit Subsidy – The projected difference between future retiree claims and the premiums to be charged for retiree coverage; this difference results when the claims experience of active and retired employees are pooled together and a 'blended' group premium rate is charged for both actives and retirees; a portion of the active employee premiums subsidizes the retiree premiums.

Glossary
(Continued)

Net OPEB Liability (NOL) – The liability to employees for benefits provided through a defined benefit OPEB. Only assets administered through a trust that meet certain criteria may be used to reduce the Total OPEB Liability.

Net Position – The Impact on Statement of Net Position is the Net OPEB Liability adjusted for deferred resource items.

NV PERS – Many state governments maintain a public employee retirement system; NV PERS is the Nevada program, covering all eligible state government employees as well as other employees of other governments within Nevada who have elected to join the system.

OPEB Expense – The OPEB expense reported in the Agency's financial statement. OPEB expense is the annual cost of the plan recognized in the financial statements.

Other Post-Employment Benefits (OPEB) – Post-employment benefits other than pension benefits, most commonly healthcare benefits but also including life insurance if provided separately from a pension plan.

Pay-As-You-Go (PAYGO) – Contributions to the plan are made at about the same time and in about the same amount as benefit payments and expenses coming due.

Public Employees' Benefit Plan (PEBP) – The state of Nevada's health plan for State and non-State public agency employees. This program is generally closed to non-State employees who retired after November 30, 2008.

Plan Assets – The value of cash and investments considered as 'belonging' to the plan and permitted to be used to offset the AAL for valuation purposes. To be considered a plan asset, GASB 75 requires (a) contributions to the OPEB plan be irrevocable, (b) OPEB assets to dedicated to providing OPEB benefit to plan members in accordance with the benefit terms of the plan, and (c) plan assets be legally protected from creditors, the OPEB plan administrator and the plan members.

Public Agency Miscellaneous (PAM) – Non-safety public employees.

Select and Ultimate – Actuarial assumptions which contemplate rates which differ by year initially (the select period) and then stabilize at a constant long-term rate (the ultimate rate).

Service Cost – Total dollar value of benefits expected to be earned by plan members in the current year, as assigned by the actuarial funding method; also called normal cost.

Total OPEB Liability (TOL) – Total dollars required to fund all plan benefits attributable to service rendered as of the valuation date for current plan members and vested prior plan members; a subset of "Actuarial Present Value".

Vesting – As defined by the plan, requirements which when met make a plan benefit nonforfeitable on separation of service before retirement eligibility.

Retirement Benefits Investment Fund

March 31, 2025

Performance Gross of Fees

Asset Class	Market Value	Target Allocation	Actual Allocation	FYTD Return	One Year	3 Years	5 Years	10 Years	Since Inception (2008)
U.S. Stocks- S&P 500 Index	$ 372,059,583	42.5%	42.9%	3.8%	8.2%	9.1%	18.6%	12.5%	10.7%
Market Return				**3.8%**	**8.3%**	**9.1%**	**18.6%**	**12.5%**	**10.7%**
Int'l Stocks- MSCI World x US Index	$ 151,063,247	17.5%	17.4%	5.9%	5.5%	5.9%	12.3%	5.8%	4.0%
Market Return				**5.9%**	**5.3%**	**5.7%**	**12.2%**	**5.5%**	**3.9%**
U.S. Bonds- U.S. Bond Index	$ 237,699,787	28.0%	27.4%	4.4%	4.5%	1.3%	0.3%	1.9%	2.9%
Market Return				**4.4%**	**4.5%**	**1.1%**	**0.1%**	**1.9%**	**2.7%**
Short-term Investments	$ 107,300,826	12.0%	12.4%	3.5%	4.9%				5.1%
Market Return				3.6%	5.0%				**5.2%**
Total RBIF Fund	**$ 868,123,443**	**100.0%**	**100.0%**	**4.3%**	**6.3%**	**6.2%**	**12.2%**	**8.3%**	**7.4%**
Market Return				**4.5%**	**6.7%**	**6.2%**	**12.0%**	**8.1%**	**7.4%**

Truckee Meadows Water Authority

STAFF REPORT

TO: Trustees of the Post Retirement Plan & Trust §501-c-9
From: Rosalinda Rodriguez, HR Technician II
DATE: July 15, 2025
SUBJECT: **Human Resources' Update**

Human Resources staff will be providing quarterly updates of any relevant information regarding beneficiaries or general notifications that may be pertinent to the section 501-c-9 Trust.

- Plan Document revision was approved and has been signed, and final copy is saved to Policy Tech. copies were sent to Trustee's.