

**CARSON CITY CONSOLIDATED MUNICIPALITY
NOTICE OF MEETING OF THE
OTHER POST EMPLOYMENT BENEFITS TRUST FUND BOARD OF
TRUSTEES**

Day: Wednesday
Date: November 17, 2021
Time: Beginning at 1:30 pm
Location: Community Center, Robert "Bob" Crowell Board Room
851 East William Street
Carson City, Nevada

AGENDA

NOTICE TO THE PUBLIC:

- **The State of Nevada and Carson City are currently in a declared State of Emergency in response to the global pandemic caused by the coronavirus (COVID-19) infectious disease outbreak. In accordance with the applicable Directives issued under authority of the Governor’s Declaration of Emergency, including Directive 045 and 047, and subject to any potential changes in state or federal mandates or guidelines, face coverings are required to be worn when attending this meeting in person.**
- **Members of the public who wish only to view the meeting but do NOT plan to make public comment may watch the livestream of the Board of Supervisors meeting at www.carson.org/granicus and by clicking on “In progress” next to the meeting date, or by tuning in to cable channel 191. Livestream of the meeting is provided solely as a courtesy and convenience to the public. Carson City does not give any assurance or guarantee that the livestream or cable channel access will be reliable. Although all reasonable efforts will be made to provide livestream, unanticipated technical difficulties beyond the control of City staff may delay, interrupt or render unavailable continuous livestream capability.**
- **The public may provide public comment in advance of a meeting by written submission to the following email address: publiccomment@carson.org. For inclusion or reference in the minutes of the meeting, your public comment must include your full name and be submitted via email by not later than 3:00 p.m. the day before the meeting.**
- **Members of the public who wish to provide live public comment via telephonic appearance in lieu of physical attendance may do so during the designated public comment periods indicated on the agenda by dialing the numbers listed below. Public comment will be limited to three minutes per person. Please do NOT join by phone if you do not wish to make public comment.**

Join by phone:

**Phone Number: +1-408-418-9388
Meeting Number: 2483 802 8187**

1. Call to Order

2. Roll Call

3. Public Comment:

The public is invited at this time to comment on and discuss any item not on the agenda that is relevant to, or within the authority of, the Other Post Employment Benefits Trust Fund Board of Trustees. In order for members of the public to participate in the Board's consideration of an agenda item, the Board strongly encourages members of the public to comment on an agenda item during the item itself. No action may be taken on a matter raised under public comment unless the item has been specifically included on the agenda as an item upon which action may be taken.

4. For Possible Action: Approval of Minutes - August 24, 2021

5. Agenda Items:

5.A For Possible Action: Discussion and possible action regarding the OPEB Trust earnings report for the first quarter of fiscal year 2022.

Staff Summary: Carson City staff will present the Trust’s earnings activity in the Carson City Investment Pool and Retirement Benefits Investment Fund for the three months ended September 30, 2021.

5.B For Possible Action: Discussion and possible action regarding the OPEB Trust activity for the first quarter of fiscal year 2022.

Staff Summary: Carson City staff will present Trust activity for the three months ended September 30, 2021.

5.C For Information Only: Discussion and review of the Carson City, Nevada OPEB Trust Fund’s draft financial report for the fiscal year ending June 30, 2021.

Staff Summary: Carson City staff will present a draft of the OPEB Trust Fund’s draft financial report for the fiscal year ending June 30, 2021.

6. For Information Only: Future Meeting Date

Discussion and consideration of dates for the next meeting.

7. Public Comment:

The public is invited at this time to comment on any matter that is not specifically included on the agenda as an action item. No action may be taken on a matter raised under this item of the agenda.

8. For Possible Action: To Adjourn

Agenda Management Notice - Items on the agenda may be taken out of order, the public body may combine two or more agenda items for consideration; and the public body may remove an item from the agenda or delay discussion relating to an item on the agenda at any time.

Titles of agenda items are intended to identify specific matters. If you desire detailed information concerning any subject matter itemized within this agenda, you are encouraged to call the Finance Department at (775) 887-2133. You are encouraged to attend this meeting and participate by commenting on any agenda item.

Notice to persons with disabilities: Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify the Finance Department in writing at 201 North Carson Street, Carson City, NV 89701, or by calling (775) 887-2133 at least 24 hours in advance.

To request a copy of the supporting materials for this meeting contact Amanda Fencl at afencl@carson.org or call (775) 887-2133.

This agenda and backup information are available on the City's website at www.carson.org/agendas and at the City Manager's Office - 201 N. Carson Street, Ste 2, Carson City, Nevada (775) 887-2100.

In accordance with NRS 241.020, this notice has been posted before 9:00 a.m. three working days before the day of the meeting at the following locations:

Carson City Library 900 North Roop Street
City Hall 201 North Carson Street
Community Center 851 East William Street
Community Development Permit Center 108 East Proctor Street
<https://notice.nv.gov>
www.carson.org/agendas

Other Post Employment Benefits Trust Fund Board of Trustees Agenda Item Report

Meeting Date: November 17, 2021

Submitted by: Amanda Fencil

Submitting Department: Finance

Item Type: Formal Action / Motion

Agenda Section:

Subject:

August 24, 2021

Suggested Action:

I move to approve the minutes of August 24, 2021

Attachments:

[8-24-21 DRAFT minutes.pdf](#)

**CARSON CITY OTHER POST EMPLOYMENT BENEFITS TRUST FUND
BOARD OF TRUSTEES (OPEB)
Draft Minutes of the August 24, 2021 Meeting
Page 1**

A regular meeting of the Carson City Other Post Employment Benefits Trust Fund Board of Trustees was scheduled for 1:30 p.m. on Tuesday, August 24, 2021 in the Community Center Robert “Bob” Crowell Board Room, 851 East William Street, Carson City, Nevada.

PRESENT: Sheri Russell, Chairperson
Beth Huck, Vice Chairperson
Lee Plemel, Trustee

STAFF: Pamala Ganger, Deputy Chief Financial Officer
Mihaela Neagos, Deputy District Attorney
Danielle Howard, Public Meetings Clerk

NOTE: A recording of these proceedings, the board’s agenda materials, and any written comments or documentation provided to the Clerk, during the meeting, are part of the public record. These materials are available for review, in the Clerk’s Office, during regular business hours.

1 - 2. CALL TO ORDER AND ROLL CALL

(1:31:42) – Chairperson Russell called the meeting to order at 1:31 p.m. Roll was called, and a quorum was present.

3. PUBLIC COMMENT

(1:32:05) – Chairperson Russell entertained public comments; however, none were forthcoming. She also introduced Lee Plemel as the incoming OPEB Trustee.

4. FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION TO ELECT A CHAIR & VICE CHAIR

(1:32:16) – Chairperson Russell entertained nominations for OPEB Chair and Vice Chair.

(1:32:51) – Chairperson Russell nominated Beth Huck to the position of OPEB Chair. Trustee Plemel seconded the motion. The motion carried 3-0-0.

(1:33:51) – Trustee Plemel nominated Sheri Russell to the position of OPEB Vice Chair. Vice Chairperson Huck seconded the motion. The motion carried 3-0-0.

5. FOR POSSIBLE ACTION: APPROVAL OF MINUTES – JUNE 16, 2021

(1:34:14) – Chairperson Russell entertained corrections and/or a motion.

(1:34:39) – MOTION: Trustee Plemel moved to approve the minutes of the June 16, 2021 meeting. Vice Chairperson Huck seconded the motion. The motion carried 3-0-0.

**CARSON CITY OTHER POST EMPLOYMENT BENEFITS TRUST FUND
BOARD OF TRUSTEES (OPEB)
Draft Minutes of the August 24, 2021 Meeting
Page 2**

6. AGENDA ITEMS:

6.A FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING THE OPEB TRUST EARNINGS REPORT FOR THE TWELVE MONTHS ENDED JUNE 30, 2021.

(1:35:16) – Chairperson Russell introduced the item. Ms. Ganger presented the report, which is incorporated into the record, and responded to clarifying questions.

(1:37:32) – MOTION: Vice Chairperson Huck moved to approve the OPEB Trust Earnings Report for the twelve months ended June 30, 2021. Trustee Plemel seconded the motion. The motion carried 3-0-0.

6.B FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING THE OPEB TRUST ACTIVITY FOR THE TWELVE MONTHS ENDED JUNE 30, 2021.

(1:37:53) – Chairperson Russell introduced the item. Ms. Ganger presented the Monthly Reconciliation, which is incorporated into the record, and responded to clarifying questions.

(1:41:34) – MOTION: Vice Chairperson Huck moved to approve the OPEB Trust Activity for the Twelve months ended June 30, 2021. Trustee Plemel seconded the motion. The motion carried 3-0-0.

7. FOR INFORMATION ONLY: FUTURE MEETING DATE

(1:41:47) – Chairperson Russell introduced the item. The Board agreed with meeting on Wednesday, November 17, 2021 at 1:30 p.m.

8. PUBLIC COMMENT

(1:42:38) – Chairperson Russell entertained public comments; however, none were forthcoming.

9. FOR POSSIBLE ACTION: TO ADJOURN

(1:42:45) – Chairperson Russell adjourned the meeting at 1:42 p.m.

The Minutes of the August 24, 2021 Carson City Other Post Employment Benefits Trust Fund Board of Trustees regular meeting are so approved on this 17th day of November 2021.

Other Post Employment Benefits Trust Fund Board of Trustees Agenda Item Report

Meeting Date: November 17, 2021

Submitted by: Pam Ganger

Submitting Department: Finance

Item Type: Formal Action / Motion

Agenda Section:

Subject:

For Possible Action: Discussion and possible action regarding the OPEB Trust earnings report for the first quarter of fiscal year 2022.

Staff Summary: Carson City staff will present the Trust's earnings activity in the Carson City Investment Pool and Retirement Benefits Investment Fund for the three months ended September 30, 2021.

Suggested Action:

I move to approve the OPEB Trust earnings report for the first quarter of fiscal year 2022.

Attachments:

[SR_-_Earnings_Report \(3\).docx](#)

[5A Earnings Report FY22.pdf](#)

**Carson City Other Post-Employment Benefits (OPEB) Trust Fund
Staff Report**

Date Submitted: 11/04/2021

Agenda Date Requested: 11/17/2021

To: Board of Trustees

From: Pamala Ganger, Deputy Chief Financial Officer

Subject Title: For Possible Action: Discussion and possible action regarding the OPEB Trust earnings report for the first quarter of fiscal year 2022.

Staff Summary: Carson City staff will present the Trust's earnings activity in the Carson City Investment Pool and Retirement Benefits Investment Fund for the three months ended September 30, 2021.

Agenda Action: Formal Action/Motion

Time Requested: 5 Minutes

Recommended Trust Action: I move to approve the OPEB Trust earnings report for the first quarter of fiscal year 2022.

Explanation for Recommended Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation: None

Financial Information:

Is there a fiscal impact? No

If yes, account name/number: N/A

Is it currently budgeted? No

Explanation of Fiscal Impact: N/A

Alternatives: N/A

Board Action Taken:

Motion: _____

| | Member | Aye/Nay |
|----|--------|---------|
| 1) | _____ | _____ |
| 2) | _____ | _____ |
| 3) | _____ | _____ |
| 4) | _____ | _____ |
| 5) | _____ | _____ |

(Vote Recorded By)

CARSON CITY OPEB TRUST FUND
EARNINGS REPORT
June 30, 2022

| | Interest Earnings | | Gains/Losses | | Fees | |
|------------------------------|-------------------|------------------|-----------------|-----------------|------|--------------------|
| Carson City Investment | | | | | | |
| | Pool | RBIF | RBIF | RBIF | | Total Earnings |
| July-21 | \$ 76.81 | \$ 2,240.81 | \$ 35,907.84 | \$ (41.83) | | \$ 38,183.63 |
| August-21 | 35.88 | 3,829.24 | 48,470.79 | (94.58) | | 52,241.33 |
| September-21 | 67.13 | 4,624.49 | (85,277.55) | (59.10) | | (80,645.03) |
| October-21 | - | - | - | - | | - |
| November-21 | - | - | - | - | | - |
| December-21 | - | - | - | - | | - |
| January-22 | - | - | - | - | | - |
| February-22 | - | - | - | - | | - |
| March-22 | - | - | - | - | | - |
| April-22 | - | - | - | - | | - |
| May-22 | - | - | - | - | | - |
| June-22 | - | - | - | - | | - |
| | <u>179.82</u> | <u>10,694.54</u> | <u>(898.92)</u> | <u>(195.51)</u> | | <u>9,779.93</u> |
| Fair Market Value Adjustment | <u>-</u> | | | | | <u>-</u> |
| | 179.82 | | | | | 9,779.93 |
| Investment Expense | <u>-</u> | | | | | <u>-</u> |
| | <u>\$ 179.82</u> | | | | | <u>\$ 9,779.93</u> |

Other Post Employment Benefits Trust Fund Board of Trustees Agenda Item Report

Meeting Date: November 17, 2021

Submitted by: Pam Ganger

Submitting Department: Finance

Item Type: Formal Action / Motion

Agenda Section:

Subject:

For Possible Action: Discussion and possible action regarding the OPEB Trust activity for the first quarter of fiscal year 2022.

Staff Summary: Carson City staff will present Trust activity for the three months ended September 30, 2021.

Suggested Action:

I move to approve the OPEB Trust activity for the first quarter of fiscal year 2022.

Attachments:

[SR_ - Quarterly Trust Activity.docx](#)

[5B OPEB Monthly Reconciliation FY22.pdf](#)

**Carson City Other Post-Employment Benefits (OPEB) Trust Fund
Staff Report**

Date Submitted: 11/04/2021

Agenda Date Requested: 11/17/2021

To: Board of Trustees

From: Pamala Ganger, Deputy Chief Financial Officer

Subject Title: For Possible Action: Discussion and possible action regarding the OPEB Trust activity for the first quarter of fiscal year 2022.

Staff Summary: Carson City staff will present Trust activity for the three months ended September 30, 2021.

Agenda Action: Formal Action/Motion

Time Requested: 5 Minutes

Recommended Trust Action: I move to approve the OPEB Trust activity for the first quarter of fiscal year 2022.

Explanation for Recommended Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation: None

Financial Information:

Is there a fiscal impact? No

If yes, account name/number: N/A

Is it currently budgeted? No

Explanation of Fiscal Impact: N/A

Alternatives: N/A

Board Action Taken:

Motion: _____

| | Member | Aye/Nay |
|----|--------|---------|
| 1) | _____ | _____ |
| 2) | _____ | _____ |
| 3) | _____ | _____ |
| 4) | _____ | _____ |
| 5) | _____ | _____ |

(Vote Recorded By)

CARSON CITY OPEB TRUST FUND
MONTHLY RECONCILIATION
June 30, 2022

| | Revenues | | | | Expenses | | | | | Monthly P&L | |
|---------------------------------------|---------------|--------------|-------------|------------|------------|-----------|----------|-------------|----------------------------------|--|-----------------------------|
| | PERS Withheld | City Subsidy | Retiree Pay | TOTAL | Medical | Dental | Vision | Life & AD&D | TOTAL | | |
| Jul-21 | 50,825.09 | 74,839.74 | 5,529.93 | 131,194.76 | 120,618.69 | 9,031.50 | 1,747.94 | 318.35 | 131,716.48 | (521.72) | |
| Aug-21 | 50,446.52 | 75,220.36 | 2,262.45 | 127,929.33 | 119,572.36 | 9,167.91 | 876.27 | 322.75 | 129,939.29 | (2,009.96) | |
| Sep-21 | 50,112.60 | 74,404.42 | 2,262.15 | 126,779.17 | 115,698.26 | 8,950.64 | 901.51 | 324.08 | 125,874.49 | 904.68 | |
| Oct-21 | | | | - | | | | | - | - | |
| Nov-21 | | | | - | | | | | - | - | |
| Dec-21 | | | | - | | | | | - | - | |
| Jan-22 | | | | - | | | | | - | - | |
| Feb-22 | | | | - | | | | | - | - | |
| Mar-22 | | | | - | | | | | - | - | |
| Apr-22 | | | | - | | | | | - | - | |
| May-22 | | | | - | | | | | - | - | |
| Jun-22 | | | | - | | | | | - | - | |
| Prepays | | | 3,267.78 | 3,267.78 | | 9,014.59 | - | 319.68 | 9,334.27 | (6,066.49) | |
| City Contribution | | 30,000.00 | | | | | | | - | - | |
| TOTALS | 151,384.21 | 254,464.52 | 13,322.31 | 389,171.04 | 355,889.31 | 36,164.64 | 3,525.72 | 1,284.86 | 396,864.53 | (7,693.49) | |
| | | | | | | | | | Interest Income | 9,779.93 | |
| | | | | | | | | | City Deposit to OPEB Trust | 30,000.00 | |
| | | | | | | | | | Audit Fees | - | |
| | | | | | | | | | Deferred Revenue | (3,267.78) | |
| | | | | | | | | | | <u>28,818.66</u> Current Year Earnings | |
| ASSETS | | | | | | | | | | | |
| | | | | | | | | | Cash | 2,695,285.76 | 9/30/2021 |
| | | | | | | | | | Receivable | - | |
| | | | | | | | | | Prepaid | - | Vision, Dental, Life & AD&D |
| | | | | | | | | | TOTAL ASSETS | <u>2,695,285.76</u> | |
| LIABILITIES & NET POSITION | | | | | | | | | | | |
| | | | | | | | | | Deferred/Unearned Revenue | 3,267.78 | Prepaid Premiums |
| | | | | | | | | | Accounts Payable | 1,221.19 | Vision, Dental, Life & AD&D |
| | | | | | | | | | Beginning Fund Balance | <u>2,661,978.13</u> | |
| | | | | | | | | | Current Year Net Earnings | <u>28,818.66</u> | |
| | | | | | | | | | TOTAL LIABILITIES & NET POSITION | <u>2,695,285.76</u> | |
| | | | | | | | | | | - | |

Other Post Employment Benefits Trust Fund Board of Trustees Agenda Item Report

Meeting Date: November 17, 2021

Submitted by: Pam Ganger

Submitting Department: Finance

Item Type: Other / Presentation

Agenda Section:

Subject:

For Information Only: Discussion and review of the Carson City, Nevada OPEB Trust Fund's draft financial report for the fiscal year ending June 30, 2021.

Staff Summary: Carson City staff will present a draft of the OPEB Trust Fund's draft financial report for the fiscal year ending June 30, 2021.

Suggested Action:

Discussion only – no motion necessary.

Attachments:

[SR - Recap FY21 Draft Financials.docx](#)

[5C FS - 2021.pdf](#)

**Carson City Other Post-Employment Benefits (OPEB) Trust Fund
Staff Report**

Date Submitted: 11/04/2021

Agenda Date Requested: 11/17/2021

To: Board of Trustees

From: Pamala Ganger, Deputy Chief Financial Officer

Subject Title: For Information Only: Discussion and review of the Carson City, Nevada OPEB Trust Fund's draft financial report for the fiscal year ending June 30, 2021.

Staff Summary: Carson City staff will present a draft of the OPEB Trust Fund's draft financial report for the fiscal year ending June 30, 2021.

Agenda Action: Presentation Only

Time Requested: 10 Minutes

Recommended Trust Action: Discussion only – no motion necessary.

Explanation for Recommended Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation: None

Financial Information:

Is there a fiscal impact? No

If yes, account name/number: N/A

Is it currently budgeted? No

Explanation of Fiscal Impact: N/A

Alternatives: N/A

Reviewed By: _____ **Date:** _____
(Chief Financial Officer)

Board Action Taken:

Motion: _____

| | Member | Aye/Nay |
|----|--------|---------|
| 1) | _____ | _____ |
| 2) | _____ | _____ |
| 3) | _____ | _____ |
| 4) | _____ | _____ |
| 5) | _____ | _____ |

(Vote Recorded By)

**CARSON CITY
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021**

| | <u>OPEB TRUST FUND</u> | <u>INVESTMENT TRUST FUND</u> | <u>CUSTODIAL FUNDS</u> |
|--|----------------------------|----------------------------------|----------------------------|
| ASSETS | | | |
| Cash and investments | | | |
| Unrestricted | \$ 64,054 | \$ 7,900,309 | \$ 1,308,571 |
| Accounts receivable | - | | 45 |
| Taxes receivable, delinquent | - | - | 345,258 |
| Due from other governments | - | - | 22,434 |
| Restricted assets: | | | |
| Cash and investments | <u>2,601,192</u> | <u>-</u> | <u>-</u> |
| Total Assets | <u>2,665,246</u> | <u>7,900,309</u> | <u>1,676,308</u> |
| LIABILITIES | | | |
| Accounts payable | - | - | 11,275 |
| Due to other governments | - | - | 1,281,133 |
| Unearned revenue | 3,268 | - | - |
| Other liabilities | <u>-</u> | <u>-</u> | <u>20,190</u> |
| Total Liabilities | <u>3,268</u> | <u>-</u> | <u>1,312,598</u> |
| NET POSITION | | | |
| Restricted for OPEB participants | \$ 2,661,978 | \$ - | \$ - |
| Restricted for pool participants | - | 7,900,309 | - |
| Restricted for organizations and other governments | - | - | 372,966 |
| Unrestricted | <u>-</u> | <u>-</u> | <u>(9,257)</u> |
| Total Net Position | <u>\$ 2,661,978</u> | <u>\$ 7,900,309</u> | <u>\$ 363,709</u> |

CARSON CITY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

| | OPEB TRUST FUND | INVESTMENT TRUST FUND | CUSTODIAL FUNDS |
|-----------------------------------|---------------------|--------------------------|--------------------|
| ADDITIONS | | | |
| Investment income | \$ 501,950 | \$ 15,308 | \$ 463 |
| Employer Contributions | 1,182,958 | - | - |
| Capital share transactions: | | | |
| Shares purchased | - | 7,038,456 | - |
| Shares redeemed | - | (9,198,655) | - |
| Collections for other governments | - | - | 25,506,057 |
| | <u>1,684,908</u> | <u>(2,144,891)</u> | <u>25,506,520</u> |
| DEDUCTIONS | | | |
| Benefits | 913,731 | - | - |
| Administrative expenses | - | - | - |
| Payments to other governments | - | - | 25,425,438 |
| | <u>913,731</u> | <u>-</u> | <u>25,425,438</u> |
| Change in Net Position | 771,177 | (2,144,891) | 81,082 |
| Net Position, July 1 | <u>1,890,801</u> | <u>10,045,200</u> | <u>282,627</u> |
| Net Position, June 30 | <u>\$ 2,661,978</u> | <u>\$ 7,900,309</u> | <u>\$ 363,709</u> |

**CARSON CITY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021**

**Schedule of Changes in the City's net OPEB Liability and Related Ratios - PEBP
Last 10 Fiscal Years****

| | 2021 | 2020 | 2019 | 2018 |
|--|---------------------|---------------------|---------------------|---------------------|
| <u>Nevada Public Employees' Benefit Plan (PEBP)</u> | | | | |
| Change in OPEB liability | | | | |
| Interest | \$ 180,357 | \$ 234,055 | \$ 246,662 | \$ 250,467 |
| Changes of benefit terms | - | - | 315,082 | - |
| Differences between expected and actual experience | (294,340) | - | (229,671) | - |
| Changes of assumption | 245,320 | 858,239 | (62,501) | (49,463) |
| Benefit payments | (380,823) | (417,248) | (413,175) | (432,281) |
| Net Change | (249,486) | 675,046 | (143,603) | (231,277) |
| Total PEBP OPEB Liability - beginning of year | 7,551,910 | 6,876,864 | 7,020,467 | 7,251,744 |
| Total PEBP OPEB Liability - end of year (a) | <u>\$ 7,302,424</u> | <u>\$ 7,551,910</u> | <u>\$ 6,876,864</u> | <u>\$ 7,020,467</u> |
| Plan fiduciary net position | | | | |
| Contributions - employer | \$ 380,823 | \$ 417,248 | \$ 413,175 | \$ 432,281 |
| Benefit Payments | (380,823) | (417,248) | (413,175) | (432,281) |
| Total (b)* | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net OPEB Liability - ending (a)-(b) | <u>\$ 7,302,424</u> | <u>\$ 7,551,910</u> | <u>\$ 6,876,864</u> | <u>\$ 7,020,467</u> |

Notes to Schedule

* PEBP is a Pay-as-you-go plan and not included in the Trust, therefore, it will never have a beginning Net Position.

** GASB Statement No. 75 requires ten years of information to be presented in this table. However, until ten years of data is available, the City will present information only for those years for which information is available.

**CARSON CITY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021**

**Schedule of Changes in the City's net OPEB Liability and Related Ratios - City Plan
Last 10 Fiscal Years****

| <u>Carson City OPEB Plan & Trust</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|---|----------------------|----------------------|----------------------|----------------------|
| Total OPEB Liability | | | | |
| Service Cost | \$ 4,942,543 | \$ 3,570,609 | \$ 3,573,271 | \$ 3,515,230 |
| Interest | 2,243,452 | 2,483,504 | 2,671,900 | 2,479,794 |
| Differences between expected and actual experience | (19,232,287) | - | (7,662,903) | 2,114 |
| Changes of assumption | 9,143,239 | 14,524,732 | (33,523) | (1,001,704) |
| Benefit payments | (1,548,857) | (1,405,201) | (1,383,965) | (1,241,578) |
| Net Change | (4,451,910) | 19,173,644 | (2,835,220) | 3,753,856 |
| Total City OPEB Liability - Beginning of year | 86,659,855 | 67,486,211 | 70,321,431 | 66,567,575 |
| Total City OPEB Liability - End of year (a)* | <u>\$ 82,207,945</u> | <u>\$ 86,659,855</u> | <u>\$ 67,486,211</u> | <u>\$ 70,321,431</u> |
| Plan Fiduciary Net Position* | | | | |
| Contributions - employer | \$ 1,818,084 | \$ 1,130,419 | \$ 1,664,500 | \$ 1,561,560 |
| Net investment income | 502,549 | 98,725 | 96,597 | 66,158 |
| Benefit payments | (1,548,857) | (830,262) | (1,383,965) | (1,241,242) |
| Administrative expenses | (599) | - | (300) | (104) |
| Audit fees | - | - | (15,000) | (13,000) |
| Net Change | 771,177 | 398,882 | 361,832 | 373,372 |
| Plan Fiduciary Net Position - Beginning of year | 1,890,801 | 1,491,919 | 1,130,087 | 756,715 |
| Plan Fiduciary Net Position - End of year (b)* | <u>\$ 2,661,978</u> | <u>\$ 1,890,801</u> | <u>\$ 1,491,919</u> | <u>\$ 1,130,087</u> |
| Net OPEB Liability - ending (a)-(b) | <u>\$ 79,545,967</u> | <u>\$ 84,769,054</u> | <u>\$ 65,994,292</u> | <u>\$ 69,191,344</u> |
| Plan fiduciary net position as a percentage of the total OPEB liability | 3.24% | 2.18% | 2.21% | 1.61% |
| Covered-employee payroll | \$ 43,900,657 | \$ 42,145,483 | \$ 40,421,318 | \$ 39,084,686 |
| City's net OPEB Liability as a percentage of covered-employee payroll | 181.20% | 201.13% | 163.27% | 177.03% |

Notes to Schedule

* Fiduciary Net Position includes only Employer Contributions and Benefit payments starting 6/30/2020.

** GASB Statement No. 75 requires ten years of information to be presented in this table. However, until ten years of data is available, the City will present information only for those years for which information is available.

**CARSON CITY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021**

**Schedule of the City's OPEB Contributions
Last Ten Fiscal Years***

| <u>Nevada Public Employees' Benefit Plan (PEBP)**</u> | 2021 | 2020 | 2019 | 2018 |
|--|----------------------|----------------------|----------------------|----------------------|
| Actuarially determined contributions | \$ - | \$ - | \$ - | \$ - |
| Contributions in relation to the actuarially determined contribution | <u>380,823</u> | <u>417,248</u> | <u>413,175</u> | <u>432,281</u> |
| Contribution (deficiency) excess | <u>\$ 380,823</u> | <u>\$ 417,248</u> | <u>\$ 413,175</u> | <u>\$ 432,281</u> |
| | | | | |
| <u>Carson City OPEB Plan and Trust</u> | | | | |
| Actuarially determined contributions | \$ 3,816,622 | \$ 3,469,412 | \$ 3,257,271 | \$ 3,442,671 |
| Contributions in relation to the actuarially determined contribution | <u>1,818,084</u> | <u>1,704,808</u> | <u>1,664,500</u> | <u>1,561,560</u> |
| Contribution (deficiency) excess | <u>\$(1,998,538)</u> | <u>\$(1,764,604)</u> | <u>\$(1,592,771)</u> | <u>\$(1,881,111)</u> |
| Covered-employee payroll | \$43,900,657 | \$42,145,483 | \$40,421,318 | \$39,084,686 |
| Contributions as a percentage of covered-employee payroll | 4.14% | 4.05% | 4.12% | 4.00% |

* GASB Statement No. 75 requires ten years of information to be presented in this table. However, until ten years of data is available, the City will present information only for those years for which information is available.

** PEBP is funded through pay-as-you-go basis, therefore the actuary did not determine any prefunding for this plan. The plan is closed, and is paying out its final retirees, therefore, there is no covered payroll.

Valuation Date: 6/30/21

Actuarially determined contribution rates are calculated as of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

| | |
|-----------------------------|---|
| Actuarial cost method | Entry age normal cost |
| Amortization method | Level percentage of payroll, (closed for PEBP) |
| Amortization period | 30 years (N/A for PEBP) |
| Asset valuation method | Market value of assets (N/A for PEBP) |
| Inflation | 2.5 percent |
| Healthcare cost trend rates | 5.7 percent initial, fluctuating down to 4.0 percent by 2076. |
| Salary increases | 3.0 percent, average, including 3.0 percent wage inflation (N/A for PEBP) |
| Investment rate of return | 7.5% 6/30/20 and 6/30/21 (N/A for PEBP) |
| Retirement age | In 2021 actuarial valuation, expected retirement ages of general employees were based on plan experience, including employees between 45 and 75 years of age. |
| Mortality | Mortality rates were based on the RP-2014 Combined Healthy Table (set-back 1 year for females). These rates were then adjusted to anticipate future mortality improvement by applying MacLeod Watts Scale 2020 on a generational basis from 2018 forward. |
| Discount Rate | 2.32% and 2.47% for FY 2021 and 2020, respectively. |

assure payment for its obligations for closure, post closure, and corrective care costs. The estimated total current cost of closure and post closure care, \$10,011,697 has been calculated in 2021 dollars in accordance with current federal and state regulations and will be adjusted each year for changes resulting from inflation, deflation or technology. As of June 30, 2021, the City has \$565,183 in Landfill Post closure savings to address this liability.

C. CONTINGENT LIABILITIES

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not determinable, it is the opinion of the District Attorney, the City's counsel, that resolution of these matters will not have a material adverse effect on the financial condition of the City.

D. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Descriptions. The City contributes to a single-employer defined benefit healthcare and life insurance plan, the City's Retiree Subsidy Plan (City's Plan), and a closed agent multiple-employer defined healthcare plan. The Trust was established by the Carson City Board of Supervisors on June 4, 2015 and is governed by a three-member Board of Trustees appointed by the Board of Supervisors in which at least one person who has combination of education and experience of at least five (5) years in finance or economics; a public office or employee of the City who manages the fiscal affairs of the City; and a current beneficiary of the Trust. The City also has some employees hired prior to December 1, 2008 who are eligible to participate in the State of Nevada Public Employees' Benefits Program (PEBP), which is now a closed agent multiple plan administered by a ten member governing board appointed by the Governor. Both plans provide medical, dental, vision, accidental death and dismemberment, and life insurance benefits to eligible retired City employees and beneficiaries.

Benefit Provisions. for the City's Plan are established pursuant to NRS 287.023 and amended through Board resolution and contracts between the City and the various bargaining units. The City explicitly subsidizes the healthcare premiums pursuant to the City's Plan and contracts negotiated with various bargaining units. The City currently contributes toward the cost of coverage as follows:

- Firefighters who retire under Nevada PERS after July 1, 2002, sheriff's department employees who retire under Nevada PERS after June 30, 2010, and Carson City Employee Association (CCEA – Classified Employees) who retire under Nevada PERS after July 1, 2013, at age 47 or older and with 20 or more years of service receive a percentage of the medical, dental, vision and life insurance premiums for themselves and their dependents. The City pays 90% of the retiree group health premium until age 65, then 50% of the retiree's Medicare supplement medical premium. The City pays 50% of dependent coverage until age 65, then 25% of the dependent's Medicare supplement medical premium.
- Unclassified Employees who retire under Nevada PERS after July 1, 2013, at age 47 or older and with 15 or more years of service receive a percentage of their medical, dental, vision and life insurance premiums for themselves and their dependents. If an employee has more than 15 years of service, the City pays 75% of the retiree group health premiums and 25% of their dependent's premium. Employees with over 20 years of service the City pays 90% of the retiree group health premiums and 50% of their dependent's premium. Once the retiree reaches age 65, the City pays 50% of the retiree's and 25% of their dependent's supplement medical premium.
- Employees that retired from the City prior to the above contract changes who had at least 10 years of service (including firefighters and sheriff's department retirees not yet eligible or not qualifying for the benefits above) received a subsidy of \$6 per month for each year of service toward the cost of their coverage. Retirees were allowed to elect to continue coverage for their spouse and other eligible dependents, however, had to do so at their expense.

Under state law, retiree loss experience is pooled with active loss experience for the purposes of setting rates in the City's Plan. The difference between the true claims cost and the blended premium is an implicit rate subsidy that creates an OPEB liability for the City.

The City serves as a secondary carrier for retirees eligible for Medicare. Expenditures for post-employment healthcare and life insurance are recognized each month when premiums are paid.

Benefits provided for PEBP participants are established pursuant to NRS 287.023 and are subject to amendment by the State of Nevada each biennium. Pursuant to NRS 287.023 (as amended during the 2007 session of the Nevada Legislature), through November 29, 2008, retirees had the option to participate in the City's Plan for post-employment healthcare and life insurance

**CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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benefits or to join PEBP offered by the State of Nevada. However, subsequent to November 29, 2008, retirees no longer have the option of joining PEBP, yet still retain the option to participate in the City’s Plan. Local governments are required to pay the same portion of cost of coverage for those persons joining PEBP that the State of Nevada pays for those persons retired from state service who have continued to participate in the plan.

Employees covered by benefit terms: At June 30, 2021, the following employees were covered by the benefit terms:

| | PEBP | Carson City OPEB |
|--|------|---------------------|
| Inactive employees or beneficiaries currently receiving benefit payments | 187 | 169 |
| Inactive employees entitled to but not yet receiving benefit payments | - | - |
| Active employees | - | 608 |
| | 187 | 777 |

Contributions. As of July 1, 2015, the Board of Supervisors established the Carson City Other Post-Employment Benefits Trust Fund. The City intends to fund the Trust annually at approximately, \$300,000 per year, over normal costs. The net OPEB liability attributable to governmental activities is liquidated primarily by the General Fund. For Carson City OPEB Plan participants the amount of the subsidy has been described in the Benefit Provisions section of this note. Subsidy payments are transferred to the Carson City OPEB Trust monthly, and the Trust receives PERS deductions for the Employee paid portion of their premiums monthly as well. During the annual budget process, it is determined what amount will be contributed to the Trust as an extra employer contribution. At June 30, 2021, the City Contributed \$1,818,084 to the Carson City OPEB Trust.

The City is required to provide a subsidy for their retirees that have elected to join PEBP. The PEBP subsidy is paid on the pay-as-you-go basis. Contribution requirements for plan members and the participating employers are assessed by the PEBP Board annually. The contributions required for PEBP subsidies depend on the date of retirement of prior years of PERS service for employees earned while working for the City. These subsidies are then allocated and billed to all applicable former employers of the retiree. The City’s portion of the monthly subsidies ranged from \$0.80 to \$932.06 during the 2021 fiscal year. At June 30, 2021, the City Contributed \$380,823 to PEBP.

Net OPEB Liability. The City’s net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuary valuation as of June 30, 2021. Underlying employee data was also as of June 30, 2021.

Actuarial Methods and Assumptions. The total OPEB liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

| | City Plan | PEBP Plan |
|--|-------------------------|-------------------------|
| Actuarial valuation date | 6/30/21 | 6/30/21 |
| Actuarial cost method | Entry age normal cost | Entry age normal cost |
| Amortization method | Level percentage of pay | Level percentage of pay |
| Asset valuation method | Market Value | N / A |
| <u>Actuarial assumptions:</u> | | |
| Inflation rate | 2.50% | 2.50% |
| Projected salary increases | 3.0% | N/A |
| Investment rate of return | 7.5% | N/A |
| Healthcare inflation rate | Medical – 5.7% * | Medical – 5.7% * |
| * Reducing each year until ultimate trend rate of 4% is reached. | | |

Mortality rates were based on the RP-2014 Combined Healthy Table (set-back 1 year for females). These rates were then adjusted to anticipate future mortality improvement by applying MacLeod Watts Scale 2020 on a generational basis from 2018 forward.

The actuarial assumptions used in the June 30, 2021, valuation was based on the most recently published report of the Nevada Public Employees Retirement System, dated June 30, 2019.

The long-term expected rate of return on the Carson City OPEB Trust Fund investment was determined using the expected yield of 7.5% published by Nevada’s Retirement Benefits Investment Fund (RBIF) in their audited financial statement as of June 30,

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NOTES TO FINANCIAL STATEMENTS
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2020. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|----------------------|-------------------|---|
| U.S. Stocks | 50.5% | 5.50% |
| International Stocks | 21.5% | 5.50% |
| U.S. Bonds | 28.0% | 0.75% |
| | 100% | |

Discount Rate. The discount rate used to measure the total PEBP Liability, which is on a pay-as-you-go basis is 2.18% and 2.45% for Fiscal Year Ended, June 30, 2021 and June 30, 2020, respectively. The rate is based on the Fidelity 20-year AA Municipal Bond Index.

For the City Plan the discount rate was based on a crossover test is 2.32% and 2.47% for Fiscal Year ended June 30, 2021 and June 30, 2020, respectively. The projection of cash flows used to determine the discount rate assumed that City Contributions would only equal approximately 1% of total salaries annually and does not meet the total actuarially determined contribution rate. Based on this assumption, the OPEB plan's fiduciary net position is not projected to meet all projected OPEB payments for current and inactive employees at this time. Therefore, the crossover test was applied to all periods of projected benefit payments to determine the total OPEB Liability. The crossover test blended the expected Trust rate of return as well as the Fidelity 20-year AA Municipal Bond index.

Changes in the Net OPEB Liability.

| | Increase (Decrease) | | |
|--|--------------------------------|---------------------------------------|----------------------------------|
| | Total OPEB Liability (a) | Plan Fiduciary Net Position (b) | Net OPEB Liability (a)-(b) |
| <u>PEBP</u> | | | |
| Balance at June 30, 2020 | \$ 7,551,910 | \$ - | \$ 7,551,910 |
| Changes for the year: | | | |
| Interest cost | 180,357 | - | 180,357 |
| Contributions - Employer | (380,823) | - | (380,823) |
| Difference between expected and actual experience | (294,340) | - | (294,340) |
| Changes in assumptions | 245,320 | - | 245,320 |
| Net changes | (249,486) | - | (249,486) |
| Balance at June 30, 2021 | \$ 7,302,424 | - | \$ 7,302,424 |
| <u>CARSON CITY PLAN</u> | | | |
| Balance at June 30, 2020 | \$ 86,659,855 | \$ 1,890,801 | \$ 84,769,054 |
| Changes for the year: | | | |
| Service cost | 4,942,543 | - | 4,942,543 |
| Interest cost | 2,243,452 | - | 2,243,452 |
| Contributions – employer | - | 1,182,958 | (1,182,958) |
| Net investment income | - | 501,950 | (501,950) |
| Changes of benefit terms and actual experience | (19,232,287) | - | (19,232,287) |
| Changes of assumptions | 9,143,239 | - | 9,143,239 |
| Benefit payments | (1,548,857) | (913,731) | (635,126) |
| Net changes | (4,451,910) | 771,177 | 79,545,967 |
| Balances at June 30, 2021 | \$ 82,207,945 | \$ 2,661,978 | \$ 79,545,967 |
| Totals | \$ 89,510,369 | \$ 2,661,978 | \$ 86,848,391 |

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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Sensitivity Tests. Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates are included in the table below. The table presents the net OPEB liability of the City as well as what the City’s net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current discount rate:

| PEBP City Plan | 1% Decrease 1.18% 1.32% | Discount Rate 2.18% 2.32% | 1% Increase 3.18% 3.32% |
|--------------------|-------------------------------|---------------------------------|-------------------------------|
| Net PEBP Liability | \$ 8,304,534 | \$ 7,302,424 | \$ 6,478,608 |
| Net OPEB Liability | 98,561,304 | 79,545,967 | 65,127,166 |

Sensitivity of net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the City, as well as what the City’s net OPEB Liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower (5.5% decreasing to 4%) or 1 percentage point higher (7.5% decreasing to 6%) that the current healthcare cost trend rates:

| | Health Care Trend Rates (Current) | | |
|--------------------|---|--------------|--------------|
| | 1% Decrease | 1% Increase | 1% Increase |
| Net PEBP Liability | \$ 6,521,249 | \$ 7,302,424 | \$ 8,228,034 |
| Net OPEB Liability | 63,843,511 | 79,545,967 | 100,850,750 |

PEBP Plan Fiduciary Net Position. Detailed information about the plan’s fiduciary net position is available in separately issued financial reports as follows:

PEBP: The Nevada PEBP Master Plan Document and audited Financial Statements can be obtained by writing to the Nevada Public Employees’ Medical Program, 901 South Stewart Street, Suite 101, Carson City, NV 89701.

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2020, the City recognized OPEB expense of \$1,092,294 for PEBP and \$6,677,714 for the City Plan. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | PEBP | | City Plan | |
|--|--------------------------------------|-------------------------------------|--------------------------------------|-------------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Changes in assumptions or other inputs | \$ - | \$ - | \$ 18,830,725 | \$ 527,488 |
| Plan experience | - | - | 36,377 | 21,545,767 |
| Investment experience | - | - | - | 263,782 |
| Total | \$ - | \$ - | \$ 18,867,102 | \$ 22,337,037 |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year ending June 30: | City Plan |
|----------------------|-----------------------|
| 2022 | (\$ 601,994) |
| 2023 | (603,364) |
| 2024 | (602,980) |
| 2025 | (528,581) |
| 2026 | (205,961) |
| Thereafter | <u>(927,055)</u> |
| | <u>(\$ 3,469,935)</u> |