

**PUBLIC EMPLOYEES' RETIREMENT SYSTEM
OF NEVADA**

**Schedule of Employer Allocations, Schedule of Pension
Amounts by Employer and Related Notes**



**For the Fiscal Year Ended
June 30, 2018**

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Independent Auditor's Report

Public Employees' Retirement Board
of the State of Nevada
Carson City, Nevada

We have audited the accompanying schedule of employer allocations of the Public Employees' Retirement System of Nevada's (the System) Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the Plan) as of and for the year ended June 30, 2018, and the related notes. We have also audited the total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense (specified column totals) included in the accompanying schedule of pension amounts by employer of the Plan as of and for the year ended June 30, 2018, and the related notes.

Management's Responsibility for the Schedules

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

Auditor's Responsibility

Our responsibility is to express opinions on the schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the schedules referred to above present fairly, in all material respects, the employer allocations and net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense for the total of all participating entities for the Public Employees' Retirement System of Nevada's Cost-Sharing Multiple-Employer Defined Benefit Pension Plan as of and for the year ended June 30, 2018, in accordance with accounting principles generally accepted in the United States of America. .

Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the Public Employees' Retirement System of Nevada's Cost-Sharing Multiple-Employer Defined Benefit Pension Plan as of and for the year ended June 30, 2018, and our report thereon, dated December 4, 2018, expressed an unmodified opinion on those financial statements.

Restriction on Use

Our report is intended solely for the information and use of the System's management, the Audit Committee, the Retirement Board, the System's participating employers and their auditors and is not intended to be and should not be used by anyone other than these specified parties.

Macias Gini & O'Connell LLP

Sacramento, California
July 22, 2019

Schedule of Employer Allocations as of and for the year ended June 30, 2018

No.	Agency #	Agency	Employer Contributions	Employer Allocation Percentage
	(1)	(2)	(3)	(4)
1.	100	STATE OF NEVADA	\$ 150,523,924	16.22550%
2.	161	NV BD OF VET MEDICAL EXAM	26,202	0.00282%
3.	162	BD OF EXAM FOR SOC WORKER	34,539	0.00372%
4.	163	BD OF CHIROPRACTIC EXAMIN	15,819	0.00171%
5.	164	ST BD OF DENTAL EXAMINERS	64,474	0.00695%
6.	165	NV BD OF DISPENSING OPT	7,736	0.00083%
7.	170	COSMETOLOGY BOARD	160,425	0.01729%
8.	171	LIQ PET GAS BD	30,476	0.00329%
9.	174	BOARD OF NURSING	233,987	0.02522%
10.	175	ACCOUNTANCY BOARD	30,800	0.00332%
11.	176	LEGISLATIVE COUNSEL	2,852,289	0.30746%
12.	179	NV ST BOARD OF PHARMACY	237,423	0.02559%
13.	181	NV ST BOARD ARCHITECTURE	44,253	0.00477%
14.	182	ST BD OF MEDICAL EXAMINER	328,496	0.03541%
15.	183	NV BRD MAR, FAM, COU	6,939	0.00075%
16.	184	STATE BOARD OF PSYCHOLOGICAL EXAMINERS	8,819	0.00095%
17.	187	NV RURAL HOUSING	289,748	0.03123%
18.	188	STATE BOARD OF OPTOMETRY	20,065	0.00216%
19.	189	BOARD OF OSTEOPATHIC MED	32,070	0.00346%
20.	190	UNIVERSITY OF NEVADA-RENO	3,456,083	0.37254%
21.	191	UNLV	3,294,268	0.35510%
22.	193	NEVADA SYSTEMS OF HIGHER EDUCATION (NSHE)	20,383,578	2.19722%
23.	201	CHURCHILL CO SCHOOL DIST	2,635,652	0.28411%
24.	202	CLARK CO SCHOOL DISTRICT	223,982,087	24.14382%
25.	203	DOUGLAS CO SCHOOL DIST	4,958,867	0.53453%
26.	204	ELKO CO SCHOOL DISTRICT	8,042,097	0.86689%
27.	206	ESMERALDA CO SCHOOL DIST	140,636	0.01516%
28.	207	EUREKA CO SCHOOL DISTRICT	618,249	0.06664%
29.	208	HUMBOLDT CO SCHOOL DIST	3,075,804	0.33155%
30.	209	LANDER CO SCHOOL DISTRICT	813,808	0.08772%
31.	210	LINCOLN CO SCHOOL DIST	1,086,796	0.11715%
32.	211	LYON CO SCHOOL DISTRICT	6,843,198	0.73765%
33.	212	MINERAL CO SCHOOL DIST	547,859	0.05906%
34.	213	NYE COUNTY SCHOOL DIST	4,470,534	0.48189%
35.	214	CARSON CITY SCHOOL	6,102,308	0.65779%
36.	215	PERSHING CO SCHOOL DIST	872,778	0.09408%
37.	217	STOREY CO SCHOOL DISTRICT	442,794	0.04773%
38.	218	WASHOE CO SCHOOL-CERT	37,041,813	3.99287%
39.	219	WASHOE CO SCHOOL-CLASS	12,477,314	1.34497%
40.	220	WHITE PINE CO SCHOOL DIST	1,032,790	0.11133%
41.	221	ICDA CHARTER HIGH SCHOOL	106,158	0.01144%
42.	223	ODYSSEY CHARTER SCHOOL	1,029,628	0.11099%
43.	225	SIERRA NEVADA ACADEMY	175,253	0.01889%
44.	227	CORAL ACADEMY OF SCIENCE	713,311	0.07689%
45.	228	BAILEY CHARTER SCHOOL	181,602	0.01958%
46.	230	ANDRE AGASSI PREP ACDMY	12,667	0.00137%
47.	231	EXPLORE KNOWLEDGE CHARTER	430,851	0.04644%
48.	232	MARIPOSA ACADEMY	103,677	0.01118%
49.	233	ACADEMY FOR CAREER ED	118,263	0.01275%
50.	234	HIGH DSRT MONTESSORI SCH	221,872	0.02392%
51.	236	RAINSHADOW COM CHARTER HS	65,221	0.00703%
52.	238	SILVER STATE HIGH SCHOOL	99,459	0.01072%
53.	241	NEVADA STATE HIGH SCHOOL	106,397	0.01147%
54.	242	CARSON MONTESSORI SCHOOL	163,625	0.01764%
55.	243	100 ACADEMY OF EXCELLENCE	183,288	0.01976%
56.	244	INNOVATIONS CHARTER	518,392	0.05588%

The accompanying notes are an integral part of these schedules.

Schedule of Employer Allocations as of and for the year ended June 30, 2018

No.	Agency #	Agency	Employer Contributions	Employer Allocation Percentage
	(1)	(2)	(3)	(4)
57.	245	RAINBOW DREAMS ACADEMY	152,083	0.01639%
58.	246	THE DELTA ACADEMY	122,012	0.01315%
59.	247	CORAL ACADEMY LAS VEGAS	1,455,973	0.15694%
60.	248	NV VIRTUAL ACADEMY	714,360	0.07700%
61.	249	NV CONNECTIONS ACADEMY	641,287	0.06913%
62.	250	QUEST ACADEMY CHARTER SCHOOL	449,980	0.04850%
63.	252	BEACON ACADEMY OF NV	205,061	0.02210%
64.	253	ELKO INST ACADEMIC ACH	120,262	0.01296%
65.	254	SILVER SANDS MONTESSORI	100,681	0.01085%
66.	255	ALPINE ACADEMY CHARTER	69,643	0.00751%
67.	256	OASIS ACADEMY	284,246	0.03064%
68.	257	SOMERSET ACADEMY OF LV	2,795,108	0.30129%
69.	258	DISCOVERY CHARTER SCHOOL	178,475	0.01924%
70.	259	IMAGINE SCHOOL AT MT VIEW	180,798	0.01949%
71.	261	HONORS ACAD OF LITERATURE	115,948	0.01250%
72.	262	PINECREST ACADEMY OF NV	1,872,910	0.20189%
73.	263	DORAL ACADEMY OF NV	2,067,269	0.22284%
74.	264	LEARNING BRIDGE CHARTER	89,354	0.00963%
75.	265	AMERICAN PREP ACADEMY	470,060	0.05067%
76.	266	FOUNDERS ACADEMY	232,769	0.02509%
77.	267	MATER ACADEMY OF NV	892,742	0.09623%
78.	268	LEADERSHIP ACADEMY OF NV	43,725	0.00471%
79.	269	EQUIPO ACADEMY	328,234	0.03538%
80.	270	SLAM ACADEMY OF NEVADA	258,333	0.02785%
81.	271	LEGACY TRADITIONAL SCHOOLS-NEVADA, INC.	502,619	0.05418%
82.	272	AMERICAN LEADERSHIP ACADEMY	355,062	0.03827%
83.	273	FUTURO ACADEMY	66,883	0.00721%
84.	274	MATER ACADEMY OF N. NEVADA	98,662	0.01064%
85.	275	DORAL ACADEMY OF N. NEVADA	76,965	0.00830%
86.	279	NV STATE HIGH AT SUNRISE	548	0.00006%
87.	301	CHURCHILL COUNTY	1,648,325	0.17768%
88.	302	CHURCHILL CO VOL FIRE DPT	136,053	0.01467%
89.	303	CLARK COUNTY	77,460,598	8.34975%
90.	304	CLARK CO WATER RECLAM DST	4,008,437	0.43208%
91.	305	SOUTHERN NV HEALTH DIST	4,730,828	0.50995%
92.	306	LV CONV & VISIT AUTH	5,206,322	0.56121%
93.	307	DOUGLAS COUNTY	4,460,563	0.48082%
94.	308	ELKO COUNTY	3,124,194	0.33677%
95.	309	ELKO CO AGRICULTURE	17,812	0.00192%
96.	310	ESMERALDA COUNTY	298,618	0.03219%
97.	311	EUREKA COUNTY	648,060	0.06986%
98.	312	HUMBOLDT COUNTY	1,705,365	0.18383%
99.	313	LANDER COUNTY GOVERNMENT	963,688	0.10388%
100.	314	LINCOLN COUNTY	762,920	0.08224%
101.	315	LYON COUNTY	2,831,359	0.30520%
102.	317	MINERAL COUNTY	549,605	0.05924%
103.	318	NYE COUNTY	3,970,225	0.42796%
104.	319	PERSHING COUNTY	739,676	0.07973%
105.	320	STOREY COUNTY	927,223	0.09995%
106.	321	WASHOE COUNTY	28,203,684	3.04017%
107.	322	RENO/SPARKS CNVNTION AUTH	882,938	0.09517%
108.	323	WHITE PINE COUNTY	1,050,821	0.11327%
109.	324	LV METRO POLICE DEPT	83,409,034	8.99095%
110.	325	WHITE PINE CO TOUR & REC	28,017	0.00302%
111.	327	LV-CLARK CO LIBRARY DIST	3,156,140	0.34021%
112.	328	TOWN OF KINGSTON	5,802	0.00063%

The accompanying notes are an integral part of these schedules.

Schedule of Employer Allocations as of and for the year ended June 30, 2018

No.	Agency #	Agency	Employer Contributions	Employer Allocation Percentage
	(1)	(2)	(3)	(4)
113.	402	UNIV MEDICAL CENTER	34,893,198	3.76126%
114.	403	HUMBOLDT GEN HOSPITAL	1,926,879	0.20771%
115.	404	BATTLE MOUNTAIN GEN HOSP	769,581	0.08296%
116.	405	GROVER C DILS MED CENTER	418,725	0.04514%
117.	407	MT GRANT GENERAL HOSPITAL	721,160	0.07774%
118.	410	PERSHING GENERAL HOSPITAL	567,013	0.06112%
119.	412	WM. BEE RIRIE HOSPITAL	1,414,436	0.15247%
120.	416	SLVR SPGS/STGE HSP D	6,286	0.00068%
121.	503	CC COMMUNICATIONS	537,992	0.05799%
122.	504	LOVELOCK MEADOWS WTR	44,900	0.00484%
123.	505	LINCOLN CO. POWER DIST.	174,428	0.01880%
124.	507	OVERTON POWER DISTRICT #5	539,799	0.05819%
125.	509	SUN VALLEY GID	131,720	0.01420%
126.	510	MOAPA VALLEY WATER	152,175	0.01640%
127.	511	LANDER CO SEWER AND WATER	4,497	0.00048%
128.	514	VIRGIN VALLEY WATER DIST	180,748	0.01948%
129.	515	ALAMO SEWER & WATER GID	13,458	0.00145%
130.	601	CITY OF BOULDER	2,117,867	0.22829%
131.	602	CITY OF CALIENTE	59,635	0.00643%
132.	603	CITY OF CARLIN	153,395	0.01653%
133.	604	CITY OF CARSON	6,404,046	0.69031%
134.	605	CITY OF ELKO	1,759,670	0.18968%
135.	606	CITY OF ELY	264,906	0.02856%
136.	607	CITY OF FALLON	916,137	0.09875%
137.	609	CITY OF HENDERSON	28,087,476	3.02765%
138.	610	CITY OF LAS VEGAS	35,815,637	3.86069%
139.	611	CITY OF NORTH LAS VEGAS	14,413,495	1.55368%
140.	612	CITY OF RENO	16,786,817	1.80951%
141.	613	CITY OF SPARKS	6,471,083	0.69754%
142.	614	CITY OF WELLS	94,779	0.01022%
143.	615	CITY OF WINNEMUCCA	506,924	0.05464%
144.	616	CITY OF YERINGTON	150,356	0.01621%
145.	617	CITY OF LOVELOCK	72,913	0.00786%
146.	618	CITY OF MESQUITE	1,599,298	0.17239%
147.	620	CITY OF WEST WENDOVER	579,643	0.06248%
148.	621	CITY OF FERNLEY	485,466	0.05233%
149.	703	TRUCKEE-CARSON IRR DIST	277,713	0.02994%
150.	704	WALKER RIVER IRRIG DIST	36,241	0.00391%
151.	705	WASHOE CO WATER CON DIST	10,503	0.00113%
152.	707	TAHOE-DOUGLAS FIRE PROT	969,761	0.10453%
153.	708	N LAKE TAHOE FIRE PRO DST	1,101,371	0.11872%
154.	711	WHITE PINE CO 474 FIRE DT	66,350	0.00715%
155.	712	CENTRAL LYON COUNTY FPD	487,473	0.05255%
156.	713	TRUCKEE MEADOWS FIRE PD	2,182,971	0.23531%
157.	714	EAST FORK FIRE PROT DIST	1,064,168	0.11471%
158.	715	STOREY COUNTY FIRE PD	433,188	0.04669%
159.	716	MT CHARLESTON FPD	79,429	0.00856%
160.	717	MASON VALLEY FIRE DI	70,612	0.00761%
161.	718	NORTH LYON CO FIRE D	185,239	0.01997%
162.	902	RENO HOUSING AUTHORITY	441,962	0.04764%
163.	903	BEATTY WATER & SAN DIST	25,750	0.00278%
164.	905	DOUGLAS CO SEWER DISTRICT	160,033	0.01725%
165.	911	TAHOE DOUGLAS DISTRICT	34,969	0.00377%
166.	912	ELKO CONV & VISITORS AUTH	90,286	0.00973%
167.	913	WINNEMUCCA VOL FIRE DEPT	90,480	0.00975%
168.	914	ROUND HILL GID	41,819	0.00451%

The accompanying notes are an integral part of these schedules.

Schedule of Employer Allocations as of and for the year ended June 30, 2018

No.	Agency #	Agency	Employer Contributions	Employer Allocation Percentage
	(1)	(2)	(3)	(4)
169.	916	MINDEN-GVILLE SAN DST	95,409	0.01028%
170.	917	LOVELOCK VOL FIRE DEPT	17,255	0.00186%
171.	919	RENO-TAHOE AIRPORT AUTH	2,573,729	0.27743%
172.	920	ELKO VOL FIRE DEPT	-	0.00000%
173.	921	PERSHING CO WATER CONS	49,891	0.00538%
174.	923	NV ASSOC OF COUNTIES	38,180	0.00412%
175.	924	REGIONAL TRANS COMM	751,033	0.08096%
176.	925	STAGECOACH G.I.D.	32,854	0.00354%
177.	926	CHURCHILL CO MOSQ ABATE	48,142	0.00519%
178.	927	MINERAL CO HOUSING AUTH	5,601	0.00060%
179.	928	EAST FORK SWIMMING POOL	57,907	0.00624%
180.	929	PERSHING CO VOL FIRE DPT	6,264	0.00068%
181.	930	CITY OF WELLS VL FIRE DPT	3,088	0.00033%
182.	931	TRUCKEE MDWS REG PLAN AGY	52,321	0.00564%
183.	932	INDIAN HILLS GID	110,279	0.01189%
184.	934	GVILLE RANCHOS IMPRO DIST	83,081	0.00896%
185.	935	BATTLE MT VOL FIRE DEPT	12,180	0.00131%
186.	936	WINNEMUCCA RURAL VOL FIRE	28,710	0.00309%
187.	937	KINGSBURY IMPRV DIST	120,088	0.01294%
188.	938	AUSTIN VOL FIRE DEPT	773	0.00008%
189.	942	CONSERVATION DST OF SO NV	-	0.00000%
190.	943	PALOMINO GID	17,578	0.00189%
191.	944	MCGILL-RUTH CONS SWR&WTR	25,168	0.00271%
192.	945	CNTRL DISPATCH ADMIN AUTH	108,572	0.01170%
193.	946	EXAM ALCOHOL & DRUG COUN	15,497	0.00167%
194.	947	WORKFORCE CONNECTIONS	352,613	0.03801%
195.	948	TRUCKEE MEADOWS WATER ATH	2,561,748	0.27614%
196.	949	HENDERSON DIST PUB LIBRAR	450,822	0.04860%
197.	950	CANYON G I D	17,821	0.00192%
198.	951	LANDER CO FAIR AND R	7,490	0.00081%
199.	952	NV TAHOE CONSERV DIST	43,655	0.00471%
200.	953	GRASS VALLEY VOL FIRE DPT	10,150	0.00109%
201.	954	BOARD OF PHYSICAL THERAPY	17,531	0.00189%
202.	955	GERLACH GID	2,853	0.00031%
203.	956	RYE PATCH VOL FIRE DPT	2,784	0.00030%
204.	957	NV STATE BD OF MASSAGE	47,890	0.00516%
205.	958	RTC OF SOUTHERN NV	3,384,458	0.36482%
206.	960	INCLINE VILLAGE VCB	39,547	0.00426%
207.	961	DOUGLAS CO MOSQUITO DIST	15,127	0.00163%
208.	962	LAHONTAN CONSER DIST	573	0.00006%
209.	963	CARSON CITY AIRPORT AUTH	8,563	0.00092%
210.	964	SO NV REG HOUSING AUTH	1,993,680	0.21491%
211.	965	FERNLEY SWIMMING POOL	35,971	0.00388%
Total			\$ 927,699,552	100.00000%

The accompanying notes are an integral part of these schedules.

Schedule of Pension Amounts by Employer as of and for the year ended June 30, 2018

No.	Agency	Deferred Outflows of Resources				Deferred Inflows of Resources				Pension Expense/(Income)					
		Net Pension Liability	Differences Between Expected and Actual Experience	Changes of Assumptions	Changes in Proportion	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes of Assumptions	Changes in Proportion	Total Deferred Inflows of Resources	Proportionate Share of Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Expensed Portion of Current-Period Changes in Proportion	Differences Between Employers' Contributions and Proportionate Share of Contributions	Total Employer Pension Expense
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	
196.	HENDERSON DIST PUB LIBRAR	6,627,355	207,616	349,220	400,337	957,173	307,623	31,553	-	218,529	557,705	445,234	70,664	(1,249)	514,649
197.	CANYON G I D	261,979	8,207	13,805	3,609	25,621	12,160	1,247	-	13,328	26,735	17,599	(1,410)	(49)	16,140
198.	LANDER CO FAIR AND R	110,108	3,449	5,802	65,553	74,804	5,111	524	-	-	5,635	7,398	16,380	(21)	23,757
199.	NV TAHOE CONSERV DIST	641,755	20,104	33,816	-	53,920	29,788	3,055	-	249,978	282,821	43,115	(68,336)	(121)	(25,342)
200.	GRASS VALLEY VOL FIRE DPT	149,211	4,674	7,862	21,487	34,023	6,926	710	-	7,432	15,068	10,025	1,810	(28)	11,807
201.	BOARD OF PHYSICAL THERAPY	257,716	8,074	13,580	41,784	63,438	11,962	1,227	-	36,068	49,257	17,313	17	(49)	17,281
202.	GERLACH GID	41,941	1,314	2,210	1,190	4,714	1,947	200	-	15,571	17,718	2,817	(2,813)	(8)	(4)
203.	RYE PATCH VOL FIRE DPT	40,926	1,282	2,157	13,637	17,076	1,900	195	-	20,992	23,087	2,750	(931)	(8)	1,811
204.	NV STATE BD OF MASSAGE	704,012	22,055	37,097	69,203	128,355	32,678	3,352	-	94,482	130,512	47,298	(10,374)	(133)	36,791
205.	RTC OF SOUTHERN NV	49,753,570	1,558,640	2,621,698	4,728,857	8,909,195	2,309,420	236,876	-	-	2,546,296	3,342,503	1,225,893	(9,375)	4,559,021
206.	INCLINE VILLAGE VCB	581,365	18,213	30,634	54,770	103,617	26,985	2,768	-	12,673	42,426	39,058	6,497	(110)	45,445
207.	DOUGLAS CO MOSQUITO DIST	222,376	6,966	11,718	48,410	67,094	10,322	1,059	-	2,585	13,966	14,940	14,074	(42)	28,972
208.	LAHONTAN CONSER DIST	8,423	264	444	-	708	391	40	-	36,630	37,061	566	(7,874)	(2)	(7,310)
209.	CARSON CITY AIRPORT AUTH	125,881	3,944	6,633	-	10,577	5,843	599	-	96,190	102,632	8,458	(21,413)	(24)	(12,979)
210.	SO NV REG HOUSING AUTH	29,308,296	918,147	1,544,362	2,582,824	5,045,333	1,360,408	139,536	-	4,866,758	6,366,702	1,968,965	(671,584)	(5,523)	1,291,858
211.	FERNLEY SWIMMING POOL	528,795	16,566	27,864	314,962	359,392	24,545	2,518	-	-	27,063	35,526	78,690	(100)	114,116
Total		\$ 13,637,741,889	\$ 427,232,291	\$ 718,622,695	\$ 638,151,273	\$ 1,784,006,259	\$ 633,025,353	\$ 64,928,940	\$ -	\$ 635,302,604	\$ 1,333,256,897	\$ 916,199,470	\$ 1,117,124	\$ (2,569,876)	\$ 914,746,718

The accompanying notes are an integral part of these schedules.

Notes to Schedules

Note 1: Summary of Significant Accounting and Reporting Policies

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense, information about the fiduciary net position of the Public Employees' Retirement System of Nevada (PERS or System) and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

A. Basis of accounting

1. Employers participating in PERS cost-sharing, multiple-employer, defined benefit plans are required to report pension information in their financial statements, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*. The Schedule of Employer Allocations and Schedule of Pension Amounts by Employer provide employers with the required information for financial reporting.
2. The underlying financial information used to prepare the pension allocation schedules is based on PERS' financial statements. PERS' financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) that apply to governmental accounting for fiduciary funds.
3. Contributions for employer pay dates that fall within PERS' fiscal year ended June 30, 2018, are used as the basis for determining each employer's proportionate share of the collective pension amounts reported in the Schedule of Employer Allocations.
4. The total pension liability is calculated by PERS' actuary. The plan's fiduciary net position is reported in PERS' financial statements and the net pension liability is disclosed in PERS' notes to the financial statements.
5. The Public Employees' Retirement System of Nevada's financial statements required the use of estimates and assumptions. The actual results may differ from these amounts.

B. Reconciliation of employer contributions in PERS' Statement of Changes in Fiduciary Net Position to the employer contributions used in determining each employer's proportionate share of the collective pension amounts reported in the Schedule of Employer Allocations.

	Total Employer Contributions
Contributions per CAFR FY18 p. 29	\$ 930,269,427
Deduct	
PERS Contributions	(595,040)
Contributions not representative of future effort	<u>(1,974,835)</u>
Total Contributions in Schedule of Employer Allocations	\$ <u>927,699,552</u>

Note 2: Plan Description

PERS administers a cost-sharing, multiple-employer, defined benefit pension plan, which includes both Regular and Police/Fire members. The System was established by the Nevada Legislature in 1947, effective July 1, 1948. The System is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earning capacities have been removed or substantially impaired by age or disability.

A. Benefits Provided

1. Benefits, as required by the Nevada Revised Statutes (NRS or statute), are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the System on or after January 1, 2010, and July 1, 2015. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.
2. Monthly benefit allowances for members are computed as 2.50% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this factor is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.50% service time factor and for regular members entering the System on or after July 1, 2015, there is a 2.25% factor. The System offers several

alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

3. Post-retirement increases are provided by authority of NRS 286.575 - .579.

B. Vesting

1. Regular members entering the System prior to January 1, 2010, are eligible for retirement at age 65 with 5 years of service, at age 60 with 10 years of service, or at any age with 30 years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with 5 years of service, or age 62 with 10 years of service, or any age with 30 years of service. Regular members who entered the System on or after July 1, 2015, are eligible for retirement at age 65 with 5 years of service, or at age 62 with 10 years of service or at age 55 with 30 years of service or any age with 33 1/3 years of service.
2. Police/Fire members entering the System prior to January 1, 2010, are eligible for retirement at age 65 with 5 years of service, at age 55 with 10 years of service, at age 50 with 20 years of service, or at any age with 25 years of service. Police/Fire members entering the System on or after January 1, 2010, are eligible for retirement at 65 with 5 years of service, or age 60 with 10 years of service, or age 50 with 20 years of service, or at any age with 30 years of service. Only service performed in a position as a police officer or firefighter may be counted towards eligibility for retirement as Police/Fire accredited service.
3. The normal ceiling limitation on monthly benefit allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both Regular and Police/Fire members become fully vested as to benefits upon completion of five years of service.

C. Contributions

1. The authority for establishing and amending the obligation to make contributions and member contribution rates is set by statute. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two contribution plans. Contributions are shared equally by employer and employee. Employees can take a reduced salary and

have contributions made by the employer (EPC) or can make contributions by a payroll deduction matched by the employer.

2. The System’s basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee’s working lifetime in order to accumulate sufficient assets to pay benefits when due.
3. The System receives an actuarial valuation on an annual basis indicating the contribution rates required to fund the System on an actuarial reserve basis. Contributions made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.
4. The actuarial funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and results in a relatively level long-term contribution requirement as a percentage of salary.
5. For the year ended June 30, 2018, the statutory Employer/Employee matching rate was 14.50% for Regular and 20.75% for Police/Fire. The Employer-pay contribution (EPC) rate was 28% for Regular and 40.50% for Police/Fire.

Note 3: Investment Policy

The System’s policies which determine the investment portfolio target asset allocation are established by the Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System.

The following was the Board adopted policy target asset allocation as of June 30, 2018:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
Domestic stocks	42%	5.50%
International stocks	18%	5.75%
U.S. bonds	30%	0.25%
Private markets	10%	6.80%

*As of June 30, 2018, PERS’ long-term inflation assumption was 2.75%

The System adopted a new target asset allocation in June 2018, with an effective implementation date of July 1, 2018. The new target allocation is as follows: 42% U.S. stock, 18% international stock, 28% U.S. bonds, and 12% Private markets.

Note 4: Pension Liability

A. Net Pension Liability

The components of the net pension liability at June 30, 2018 were as follows:

Total pension liability	\$ 55,069,428,741
Plan fiduciary net position	(41,431,686,852)
Net pension liability	<u>\$ 13,637,741,889</u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer allocation percentage of the net pension liability was based on the total contributions due on wages paid during the measurement period. Each employer’s proportion of the net pension liability is based on their employer contributions relative to the total employer contributions for all employers for the period ended June 30, 2018.

B. Pension Liability Discount Rate Sensitivity

The following presents the net pension liability of PERS as of June 30, 2018, calculated using the discount rate of 7.50%, as well as what PERS’ net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current discount rate:

	1% Decrease in Discount Rate (6.50%)	Discount Rate (7.50%)	1% Increase in Discount Rate (8.50%)
Net Pension Liability	\$20,797,004,428	\$13,637,741,889	\$7,688,811,668

C. Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in PERS' Comprehensive Annual Financial Report (CAFR), available on the PERS website www.nvpers.org.

D. Actuarial Assumptions

The System's net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.75%
Payroll Growth	5.00%, including inflation
Investment Rate of Return	7.50%
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.25% to 9.15%, depending on service Police/Fire: 4.55% to 13.90%, depending on service Rates include inflation and productivity increases
Consumer Price Index	2.75%
Other assumptions	Same as those used in the June 30, 2018 funding actuarial valuation

Actuarial assumptions used in the June 30, 2018 valuation were based on the results of the experience review completed in 2017.

The discount rate used to measure the total pension liability was 7.50% as of June 30, 2018. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position at June 30, 2018, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2018.

E. Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of June 30, 2018, the total employer pension expense was \$916,199,470. At June 30, 2018, the measurement date, PERS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$427,232,291	\$633,025,353
Changes of assumptions or other inputs	\$718,622,695	\$0
Net difference between projected and actual earnings on pension plan investments	N/A	\$64,928,940
Changes in proportion	\$638,151,273	\$638,151,273

The amount in the table listed above for the deferred inflows of resources for the changes in proportion does not tie to the Schedule of Pension Amounts by Employer because the PERS agency is not included in the schedule. This variance will disappear within three years, once it is fully amortized.

Average expected remaining service lives 6.22 years

Collective deferred outflows/(inflows) of resources related to pension will be recognized as follows:

Reporting period ended June 30:	
2020	\$312,153,568
2021	83,137,867
2022	(214,002,148)
2023	115,816,919
2024	132,788,531
2025	18,005,956
Thereafter	0

Note 5: Additional Information

Additional information supporting the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer is in PERS' CAFR available on our website: www.nvpers.org under Quick Links – Publications.