

**SCHEDULE OF EMPLOYER ALLOCATIONS,  
SCHEDULE OF PENSION AMOUNTS BY EMPLOYER,  
AND RELATED NOTES**

**PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OF NEVADA**



**For the Fiscal Year Ended  
June 30, 2017**

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## INDEPENDENT AUDITORS' REPORT

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

### Report on Schedules

We have audited the accompanying schedule of employer allocations of the Public Employees' Retirement System of Nevada (PERS), a component unit of the State of Nevada, as of and for the year ended June 30, 2017, 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 employer pension expense/(income) as of and for the year ended June 30, 2017 (specified column totals), included in the accompanying schedule of pension amounts by employer of PERS, 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.

### Auditors' Responsibility

Our responsibility is to express an opinion 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 auditors' 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 PERS' 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

Public Employees' Retirement Board  
of the State of Nevada

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 opinion.

**Opinion**

In our opinion, the schedules referred to above present fairly, in all material respects, the employer allocations and the net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total employer pension expense for the total of all of PERS' participating entities as of and for the year ended June 30, 2017, 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 PERS as of and for the year ended June 30, 2017, and our report thereon, dated December 7, 2017, expressed an unmodified opinion on those statements.

**Restriction on Use**

Our report is intended solely for the information and use of PERS' management, Board of Trustees, and employers and their auditors and is not intended to be and should not be used by anyone other than these specified parties.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2018, on our consideration of the PERS' 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 PERS' 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 PERS' internal control over financial reporting.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
June 27, 2018

**Schedule of Employer Allocations as and for the Fiscal Year ended June 30, 2017**

<b>Agency #</b>	<b>Agency</b>	<b>Employer Contributions</b>	<b>Employer Allocation Percentage</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
100	STATE OF NEVADA	\$ 148,086,587	16.49820%
161	NV BD OF VET MEDICAL EXAM	26,984	0.00301
162	BD OF EXAM FOR SOC WORKER	22,999	0.00256
163	BD OF CHIROPRACTIC EXAMIN	15,830	0.00176
164	ST BD OF DENTAL EXAMINERS	43,470	0.00484
165	NV BD OF DISPENSING OPT	7,011	0.00078
170	COSMETOLOGY BOARD	145,345	0.01619
171	LIQ PET GAS BD	29,185	0.00325
174	BOARD OF NURSING	216,804	0.02415
175	ACCOUNTANCY BOARD	30,017	0.00334
176	LEGISLATIVE COUNSEL	3,057,142	0.34059
179	NV ST BOARD OF PHARMACY	203,179	0.02264
181	NV ST BOARD ARCHITECTURE	47,863	0.00533
182	ST BD OF MEDICAL EXAMINER	289,053	0.03220
183	NV BRD MAR, FAM, COU	8,750	0.00097
184	STATE BOARD OF PSYCHOLOGICAL EXAMINERS	4,586	0.00051
187	NV RURAL HOUSING	287,156	0.03199
188	STATE BOARD OF OPTOMETRY	13,888	0.00155
189	BOARD OF OSTEOPATHIC MED	36,246	0.00404
190	UNIVERSITY OF NEVADA-RENO	13,390,309	1.49180
191	UNLV	12,473,237	1.38963
201	CHURCHILL CO SCHOOL DIST	2,494,041	0.27786
202	CLARK CO SCHOOL DISTRICT	218,892,224	24.38660
203	DOUGLAS CO SCHOOL DIST	5,138,422	0.57247
204	ELKO CO SCHOOL DISTRICT	8,125,857	0.90529
206	ESMERALDA CO SCHOOL DIST	138,380	0.01542
207	EUREKA CO SCHOOL DISTRICT	598,528	0.06668
208	HUMBOLDT CO SCHOOL DIST	2,890,909	0.32207
209	LANDER CO SCHOOL DISTRICT	877,967	0.09781
210	LINCOLN CO SCHOOL DIST	1,096,475	0.12216
211	LYON CO SCHOOL DISTRICT	6,629,952	0.73864
212	MINERAL CO SCHOOL DIST	510,072	0.05683
213	NYE COUNTY SCHOOL DIST	4,350,909	0.48473
214	CARSON CITY SCHOOL	5,793,562	0.64546
215	PERSHING CO SCHOOL DIST	863,474	0.09620
217	STOREY CO SCHOOL DISTRICT	460,840	0.05134
218	WASHOE CO SCHOOL-CERT	37,293,828	4.15487
219	WASHOE CO SCHOOL-CLASS	12,250,243	1.36479
220	WHITE PINE CO SCHOOL DIST	991,413	0.11045
221	ICDA CHARTER HIGH SCHOOL	101,756	0.01134
223	ODYSSEY CHARTER SCHOOL	959,979	0.10695
225	SIERRA NEVADA ACADEMY	151,611	0.01689
227	CORAL ACADEMY OF SCIENCE	651,892	0.07263
228	BAILEY CHARTER SCHOOL	176,433	0.01966
230	ANDRE AGASSI PREP ACDMY	1,020,451	0.11369
231	EXPLORE KNOWLEDGE CHARTER	375,068	0.04179
232	MARIPOSA ACADEMY	107,728	0.01200
233	ACADEMY FOR CAREER ED	121,038	0.01348
234	HIGH DSRT MONTESSORI SCH	212,972	0.02373
236	RAINSHADOW COM CHARTER HS	54,469	0.00607
238	SILVER STATE HIGH SCHOOL	147,548	0.01644
241	NEVADA STATE HIGH SCHOOL	84,218	0.00938
242	CARSON MONTESSORI SCHOOL	153,104	0.01706

the accompanying notes are an integral part of these schedules

**Schedule of Employer Allocations as and for the Fiscal Year ended June 30, 2017**

<b>Agency #</b>	<b>Agency</b>	<b>Employer Contributions</b>	<b>Employer Allocation Percentage</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
243	100 ACADEMY OF EXCELLENCE	196,045	0.02184
244	INNOVATIONS CHARTER	530,339	0.05908
245	RAINBOW DREAMS ACADEMY	142,399	0.01586
246	THE DELTA ACADEMY	95,655	0.01066
247	CORAL ACADEMY LAS VEGAS	1,275,805	0.14214
248	NV VIRTUAL ACADEMY	759,796	0.08465
249	NV CONNECTIONS ACADEMY	578,820	0.06449
250	QUEST ACADEMY CHARTER SCHOOL	523,021	0.05827
252	BEACON ACADEMY OF NV	174,164	0.01940
253	ELKO INST ACADEMIC ACH	115,014	0.01281
254	SILVER SANDS MONTESSORI	99,664	0.01110
255	ALPINE ACADEMY CHARTER	61,541	0.00686
256	OASIS ACADEMY	256,331	0.02856
257	SOMERSET ACADEMY OF LV	2,427,803	0.27048
258	DISCOVERY CHARTER SCHOOL	143,496	0.01599
259	IMAGINE SCHOOL AT MT VIEW	154,380	0.01720
261	HONORS ACAD OF LITERATURE	120,638	0.01344
262	PINECREST ACADEMY OF NV	1,421,405	0.15836
263	DORAL ACADEMY OF NV	1,510,438	0.16828
264	LEARNING BRIDGE CHARTER	77,504	0.00863
265	AMERICAN PREP ACADEMY	457,318	0.05095
266	FOUNDERS ACADEMY	205,382	0.02288
267	MATER ACADEMY OF NV	501,601	0.05588
268	LEADERSHIP ACADEMY OF NV	39,673	0.00442
269	EQUIPO ACADEMY	258,780	0.02883
270	SLAM ACADEMY OF NEVADA	144,392	0.01609
271	LEGACY TRADITIONAL SCHOOLS-NEVADA, INC.	6,770	0.00075
301	CHURCHILL COUNTY	1,629,255	0.18151
302	CHURCHILL CO VOL FIRE DPT	132,240	0.01473
303	CLARK COUNTY	74,964,635	8.35175
304	CLARK CO WATER RECLAM DST	3,817,040	0.42525
305	SOUTHERN NV HEALTH DIST	4,569,302	0.50906
306	LV CONV & VISIT AUTH	5,020,025	0.55928
307	DOUGLAS COUNTY	4,064,296	0.45280
308	ELKO COUNTY	3,215,873	0.35828
309	ELKO CO AGRICULTURE	13,549	0.00151
310	ESMERALDA COUNTY	285,592	0.03182
311	EUREKA COUNTY	651,615	0.07260
312	HUMBOLDT COUNTY	1,699,268	0.18931
313	LANDER COUNTY GOVERNMENT	879,707	0.09801
314	LINCOLN COUNTY	754,578	0.08407
315	LYON COUNTY	2,685,528	0.29919
317	MINERAL COUNTY	520,171	0.05795
318	NYE COUNTY	3,732,761	0.41586
319	PERSHING COUNTY	747,766	0.08331
320	STOREY COUNTY	880,492	0.09809
321	WASHOE COUNTY	27,651,779	3.08066
322	RENO/SPARKS CNVNTION AUTH	802,764	0.08944
323	WHITE PINE COUNTY	1,071,128	0.11933
324	LV METRO POLICE DEPT	77,496,775	8.63385
325	WHITE PINE CO TOUR & REC	31,023	0.00346
327	LV-CLARK CO LIBRARY DIST	3,073,238	0.34239
328	TOWN OF KINGSTON	5,242	0.00058

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**Schedule of Employer Allocations as and for the Fiscal Year ended June 30, 2017**

<b>Agency #</b>	<b>Agency</b>	<b>Employer Contributions</b>	<b>Employer Allocation Percentage</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
402	UNIV MEDICAL CENTER	32,125,528	3.57908
403	HUMBOLDT GEN HOSPITAL	1,847,700	0.20585
404	BATTLE MOUNTAIN GEN HOSP	789,396	0.08795
405	GROVER C DILS MED CENTER	379,912	0.04233
407	MT GRANT GENERAL HOSPITAL	612,541	0.06824
410	PERSHING GENERAL HOSPITAL	552,723	0.06158
412	WM. BEE RIRIE HOSPITAL	1,473,006	0.16411
416	SLVR SPGS/STGE HSP D	6,071	0.00068
503	CC COMMUNICATIONS	530,889	0.05915
504	LOVELOCK MEADOWS WTR	39,038	0.00435
505	LINCOLN CO. POWER DIST.	169,374	0.01887
507	OVERTON POWER DISTRICT #5	532,489	0.05932
509	SUN VALLEY GID	131,542	0.01465
510	MOAPA VALLEY WATER	149,654	0.01667
511	LANDER CO SEWER AND WATER	5,098	0.00057
514	VIRGIN VALLEY WATER DIST	170,130	0.01895
515	ALAMO SEWER & WATER GID	11,471	0.00128
601	CITY OF BOULDER	2,022,318	0.22530
602	CITY OF CALIENTE	59,887	0.00667
603	CITY OF CARLIN	174,532	0.01944
604	CITY OF CARSON	6,452,546	0.71887
605	CITY OF ELKO	1,714,679	0.19103
606	CITY OF ELY	246,024	0.02741
607	CITY OF FALLON	875,269	0.09751
609	CITY OF HENDERSON	27,075,840	3.01650
610	CITY OF LAS VEGAS	34,085,097	3.79739
611	CITY OF NORTH LAS VEGAS	14,175,087	1.57923
612	CITY OF RENO	16,722,275	1.86301
613	CITY OF SPARKS	6,267,213	0.69822
614	CITY OF WELLS	94,687	0.01055
615	CITY OF WINNEMUCCA	519,779	0.05791
616	CITY OF YERINGTON	151,846	0.01692
617	CITY OF LOVELOCK	75,584	0.00842
618	CITY OF MESQUITE	1,483,925	0.16532
620	CITY OF WEST WENDOVER	559,234	0.06230
621	CITY OF FERNLEY	480,099	0.05349
703	TRUCKEE-CARSON IRR DIST	244,711	0.02726
704	WALKER RIVER IRRIG DIST	34,386	0.00383
705	WASHOE CO WATER CON DIST	10,260	0.00114
707	TAHOE-DOUGLAS FIRE PROT	936,671	0.10435
708	N LAKE TAHOE FIRE PRO DST	1,051,687	0.11717
711	WHITE PINE CO 474 FIRE DT	70,821	0.00789
712	CENTRAL LYON COUNTY FPD	352,964	0.03932
713	TRUCKEE MEADOWS FIRE PD	1,909,138	0.21270
714	EAST FORK FIRE PROT DIST	964,945	0.10750
715	STOREY COUNTY FIRE PD	509,908	0.05681
716	MT CHARLESTON FPD	76,773	0.00855
717	MASON VALLEY FIRE DI	66,027	0.00736
718	NORTH LYON CO FIRE D	177,122	0.01973
902	RENO HOUSING AUTHORITY	432,421	0.04818
903	BEATTY WATER & SAN DIST	23,934	0.00267
905	DOUGLAS CO SEWER DISTRICT	167,009	0.01861
911	TAHOE DOUGLAS DISTRICT	33,957	0.00378

the accompanying notes are an integral part of these schedules

**Schedule of Employer Allocations as and for the Fiscal Year ended June 30, 2017**

<b>Agency #</b>	<b>Agency</b>	<b>Employer Contributions</b>	<b>Employer Allocation Percentage</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
912	ELKO CONV & VISITORS AUTH	90,339	0.01006
913	WINNEMUCCA VOL FIRE DEPT	82,940	0.00924
914	ROUND HILL GID	52,465	0.00585
916	MINDEN-GVILLE SAN DST	103,841	0.01157
917	LOVELOCK VOL FIRE DEPT	15,066	0.00168
919	RENO-TAHOE AIRPORT AUTH	2,573,296	0.28669
920	ELKO VOL FIRE DEPT	-	0.00000
921	PERSHING CO WATER CONS	52,853	0.00589
923	NV ASSOC OF COUNTIES	44,111	0.00491
924	REGIONAL TRANS COMM	736,698	0.08207
925	STAGECOACH G.I.D.	31,536	0.00351
926	CHURCHILL CO MOSQ ABATE	39,773	0.00443
927	MINERAL CO HOUSING AUTH	5,174	0.00058
928	EAST FORK SWIMMING POOL	64,024	0.00713
929	PERSHING CO VOL FIRE DPT	5,771	0.00064
930	CITY OF WELLS VL FIRE DPT	2,893	0.00032
931	TRUCKEE MDWS REG PLAN AGY	49,068	0.00547
932	INDIAN HILLS GID	84,215	0.00938
934	GVILLE RANCHOS IMPRO DIST	82,326	0.00917
935	BATTLE MT VOL FIRE DEPT	12,615	0.00141
936	WINNEMUCCA RURAL VOL FIRE	30,450	0.00339
937	KINGSBURY IMPRV DIST	112,200	0.01250
938	AUSTIN VOL FIRE DEPT	2,964	0.00033
942	CONSERVATION DST OF SO NV	-	0.00000
943	PALOMINO GID	17,105	0.00191
944	MCGILL-RUTH CONS SWR&WTR	24,487	0.00273
945	CNTRL DISPATCH ADMIN AUTH	107,140	0.01194
946	EXAM ALCOHOL & DRUG COUN	14,540	0.00162
947	WORKFORCE CONNECTIONS	363,431	0.04049
948	TRUCKEE MEADOWS WATER ATH	2,518,942	0.28063
949	HENDERSON DIST PUB LIBRAR	424,487	0.04729
950	CANYON G I D	17,732	0.00198
951	LANDER CO FAIR AND R	6,829	0.00076
952	NV TAHOE CONSERV DIST	43,822	0.00488
953	GRASS VALLEY VOL FIRE DPT	9,338	0.00104
954	BOARD OF PHYSICAL THERAPY	17,708	0.00197
955	GERLACH GID	3,804	0.00042
956	RYE PATCH VOL FIRE DPT	3,758	0.00042
957	NV STATE BD OF MASSAGE	44,812	0.00499
958	RTC OF SOUTHERN NV	3,167,963	0.35294
960	INCLINE VILLAGE VCB	35,085	0.00391
961	DOUGLAS CO MOSQUITO DIST	13,234	0.00147
962	LAHONTAN CONSER DIST	2,735	0.00030
963	CARSON CITY AIRPORT AUTH	13,560	0.00151
964	SO NV REG HOUSING AUTH	1,785,078	0.19887
965	FERNLEY SWIMMING POOL	31,964	0.00356
<b>Total Allocation</b>		<b>\$ 897,592,209</b>	<b>100.00000%</b>

the accompanying notes are an integral part of these schedules









GASB 68 Schedule of Pension Amounts by Employer as of June 30, 2017

No.	Agency	Deferred Outflows of Resources					Deferred Inflows of Resources				Pension Expense/(Income)			
		Net Pension Liability / (Asset)	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Changes of Assumptions	Changes in Proportion	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Changes of Assumptions	Changes in Proportion	Total Deferred Inflows of Resources	Proportionate Share of Pension Expense / (Income)	Net Amortization of Deferred Amounts from Changes in Proportion and Current-Period Changes in Proportion	Differences Between Agency's Contributions and Proportionate Share of Contributions
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
934	GVILLE RANCHOS IMPRO DIST	1,219,845	-	7,921	80,925	27,303	116,149	80,046	-	203	80,249	91,573	6,634	97,826
935	BATTLE MT VOL FIRE DEPT	186,920	-	1,214	12,400	4,164	17,778	12,266	-	10,250	22,516	14,032	(753)	13,221
936	WINNEMUCCA RURAL VOL FIRE	451,185	-	2,930	29,932	17,776	50,638	29,607	-	47,529	77,136	33,870	(4,675)	29,054
937	KINGSBURY IMPRV DIST	1,662,495	-	10,794	110,291	13,666	134,751	109,093	-	74,420	183,513	124,802	(10,013)	114,270
938	AUSTIN VOL FIRE DEPT	43,918	-	285	2,914	9,281	12,480	2,882	-	519	3,401	3,296	1,581	4,863
942	CONSERVATION DST OF SO NV	-	-	-	-	-	-	-	-	112,472	112,472	-	(26,167)	(26,167)
943	PALOMINO GID	253,449	-	1,645	16,814	7,467	25,926	16,631	-	3,623	20,254	19,026	1,131	20,078
944	MCGILL-RUTH CONS SWR&WTR	362,830	-	2,356	24,070	108,187	134,613	23,809	-	105,877	129,686	27,237	(5,118)	22,006
945	CNTRL DISPATCH ADMIN AUTH	1,587,520	-	10,307	105,317	128,495	244,119	104,173	-	82,590	186,763	119,174	5,072	123,750
946	EXAM ALCOHOL & DRUG COUN	215,443	-	1,398	14,293	22,565	38,256	14,137	-	584	14,721	16,173	6,081	22,187
947	WORKFORCE CONNECTIONS	5,385,046	-	34,965	357,247	240,473	632,685	353,368	-	906,872	1,260,240	404,249	(120,889)	281,679
948	TRUCKEE MEADOWS WATER ATH	37,323,782	-	242,337	2,476,078	5,857,521	8,575,936	2,449,195	-	-	2,449,195	2,801,861	1,340,710	4,130,919
949	HENDERSON DIST PUB LIBRAR	6,289,728	-	40,838	417,264	348,608	806,710	412,733	-	268,308	681,041	472,164	42,984	513,184
950	CANYON G I D	262,739	-	1,706	17,430	5,024	24,160	17,241	-	8,954	26,195	19,724	(253)	19,389
951	LANDER CO FAIR AND R	101,187	-	657	6,713	75,786	83,156	6,640	-	-	6,640	7,597	15,392	22,957
952	NV TAHOE CONSERV DIST	649,321	-	4,216	43,076	-	47,292	42,609	-	295,016	337,625	48,743	(64,590)	16,050
953	GRASS VALLEY VOL FIRE DPT	138,363	-	898	9,179	19,113	29,190	9,079	-	10,347	19,426	10,386	669	11,012
954	BOARD OF PHYSICAL THERAPY	262,384	-	1,704	17,407	51,302	70,413	17,218	-	34,596	51,814	19,697	1,781	21,396
955	GERLACH GID	56,365	-	366	3,739	1,532	5,637	3,699	-	3,375	7,074	4,233	(345)	3,870
956	RYE PATCH VOL FIRE DPT	55,683	-	362	3,694	17,555	21,611	3,654	-	10,184	13,838	4,179	1,586	5,748
957	NV STATE BD OF MASSAGE	663,990	-	4,311	44,049	64,873	113,233	43,571	-	122,941	166,512	49,845	(13,978)	35,660
958	RTC OF SOUTHERN NV	46,940,485	-	304,776	3,114,054	4,385,792	7,804,622	3,080,245	-	-	3,080,245	3,523,776	973,649	4,482,771
960	INCLINE VILLAGE VCB	519,863	-	3,375	34,488	19,479	57,342	34,114	-	17,642	51,756	39,026	(1,020)	37,844
961	DOUGLAS CO MOSQUITO DIST	196,091	-	1,273	13,009	42,448	56,730	12,868	-	3,174	16,042	14,720	10,758	25,417
962	LAHONTAN CONSER DIST	40,525	-	263	2,688	-	2,951	2,659	-	12,427	15,086	3,042	(2,717)	312
963	CARSON CITY AIRPORT AUTH	200,922	-	1,304	13,329	-	14,633	13,185	-	40,007	53,192	15,084	(8,938)	6,083
964	SO NV REG HOUSING AUTH	26,449,939	-	171,734	1,754,702	1,038,037	2,964,473	1,735,651	-	6,110,370	7,846,021	1,985,572	(1,011,908)	965,407
965	FERNLEY SWIMMING POOL	473,618	-	3,075	31,420	351,880	386,375	31,079	-	-	31,079	35,553	71,974	107,379
<b>Total Allocation</b>	\$13,299,844,084	\$0	\$86,353,544	\$882,318,070	\$335,234,777	\$1,303,906,391	\$872,738,684	\$0	\$331,268,984	\$1,204,007,668	\$998,406,308	\$1,117,124	(\$4,152,000)	\$995,371,432

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 for fiscal periods beginning on or after June 15, 2014, 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 ending June 30, 2017, 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.

**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.**

	<b>Total Employer Contributions</b>
Contributions per CAFR FY17 p. 29	\$ 901,744,209
Deduct	
PERS Contributions	(520,513)
Contributions not representative of future effort	<u>(3,631,487)</u>
Total Contributions in Schedule of Employer Allocations	\$ <u>897,592,209</u>

New Accounting Pronouncement

For the year ended June 30, 2017, the System adopted Governmental Accounting Standards Board (GASB) Statement No. 82, An Amendment of GASB No. 67, No. 68 and No. 73. This statement addresses classification of employer-paid contributions. This statement requires certain contribution payments made by the employer to be classified as member contributions.

**Note 2: Plan Description**

PERS administers a cost-sharing, multiple-employer, defined benefit public employees' retirement system 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 2.5% 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 2.5% 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 five years of service, at age 60 with 10 years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with 10 years of service, or any age with thirty 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 five years of service, at age 55 with ten years of service, at age 50 with twenty years of service, or at any age with twenty-five years of service. Police/Fire members entering the System on or after January 1, 2010, are eligible for retirement at 65 with five years of service, or age 60 with ten years of service, or age 50 with twenty years of service, or at any age with thirty 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 actually 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 result in a relatively level long-term contribution requirement as a percentage of salary.
5. For the fiscal year ended June 30, 2017, the statutory Employer/Employee matching rate was 14.5% 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, 2017:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
Domestic Equity	42%	5.50%
International Equity	18%	5.75%
Domestic Fixed Income	30%	0.25%
Private Markets	10%	6.80%

\*As of June 30, 2017, PERS' long-term inflation assumption was 2.75%

### Note 4: Pension Liability

#### A. Net Pension Liability

The net pension liability was measured as of June 30, 2017, 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 combined employer and member contributions relative to the total combined employer and member contributions for all employers for the period ended June 30, 2017.

#### B. Pension Liability Discount Rate Sensitivity

The following presents the net pension liability of PERS as of June 30, 2017, 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	\$20,105,650,986	\$13,299,844,084	\$7,647,514,916

### 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](http://www.nvpers.org).

### D. Actuarial Assumptions

The System's net pension liability was measured as of June 30, 2017, 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	0.5%
Projected salary increases	Regular: 4.25% to 9.15%, depending on service Police/Fire: 4.55% to 13.9%, depending on service Rates include inflation and productivity increases
Consumer Price Index	2.75%
Other assumptions	Same as those used in the June 30, 2017 funding actuarial valuation

Actuarial assumptions used in the June 30, 2017 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, 2017. 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, 2017, 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, 2017.

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

As of June 30, 2017, the total employer pension expense was \$995,371,432. At June 30, 2017, 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	\$0	\$872,738,684
Changes of assumptions or other inputs	\$882,318,070	\$0
Net difference between projected and actual earnings on pension plan investments	\$86,353,544	\$0
Changes in proportion	\$335,234,777	\$331,268,984

Average expected remaining service lives 6.39 years

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

Reporting period ended June 30:	
2019	\$(238,508,911)
2020	308,751,661
2021	79,735,960
2022	(217,404,055)
2023	112,415,011
2024	50,943,264
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](http://www.nvpers.org) under Quick Links – Publications.

**INDEPENDENT AUDITORS' 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**

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

We have audited, in accordance with the 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, the schedule of employer allocations and the total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total employer pension expense as of and for the year ended June 30, 2017 (specified column totals), included in the schedule of pension amounts by employer of the Public Employees' Retirement System of Nevada (PERS) and have issued our report thereon dated June 27, 2018.

**Internal Control over Financial Reporting**

Management of PERS is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audits, we considered PERS' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer, but not for the purpose of expressing an opinion on the effectiveness of PERS' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of PERS' internal control over financial reporting.

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 entity's schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer 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 may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether PERS' schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer 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 determination of the schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer amounts. 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 result of that testing, and not to provide an opinion on the effectiveness of PERS' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the PERS' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
June 27, 2018