Public Employees' Retirement System of the State of Nevada

Actuarial Valuation and Review as of June 30, 2012

SEGAL

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November 7, 2012

Public Employees' Retirement Board
693 West Nye Lane
Carson City, Nevada 89703

Dear Retirement Board Members:

We are pleased to submit this Actuarial Valuation and Review as of June 30, 2012 for the Public Employees' Retirement System of Nevada (PERS). It summarizes the actuarial data used in the valuation, establishes the actuarially determined contribution requirements for the 2012-2013 plan year and analyzes the preceding year's experience.

This report was prepared in accordance with generally accepted actuarial principles and practices at the request of the Board to assist in administering the Plan. The census and financial information on which our calculations were based was provided by the Retirement Office. That assistance is gratefully acknowledged. The actuarial calculations were completed under the supervision of John Monroe, ASA, MAAA, Enrolled Actuary.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and changes in plan provisions or applicable law.

We are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of our knowledge, the information supplied in the actuarial valuation is complete and accurate. Further, in our opinion, the assumptions as approved by the Board are reasonably related to the experience of and the expectations for the Plan.

We look forward to reviewing this report at your next meeting and to answering any questions.

Sincerely,

THE SEGAL COMPANY

By:

Brad Ramirez, FSA, MAAA, EA	*Thomas D. Levy, FSA, MAAA, EA*	*John Monroe, ASA, MAAA, EA*
Consulting Actuary	*Senior Vice President and Chief Actuary*	*Vice President and Associate Actuary*

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SECTION 1

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Purpose

This report has been prepared by The Segal Company to present a valuation of the Public Employees' Retirement System of the State of Nevada as of June 30, 2012. The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits. The contribution requirements presented in this report are based on:

- The benefit provisions of the Public Employees' Retirement Act,
- The characteristics of covered active members, inactive vested members, retired members, disabled members, beneficiaries and survivors as of June 30, 2012,
- The assets of the Plan as of June 30, 2012, provided by the Retirement Office,
- Economic assumptions regarding future salary increases and investment earnings and
- Other actuarial assumptions, regarding member terminations, retirement, death, etc.

Significant Issues in Valuation Year

The following key findings were the result of this actuarial valuation:

Reference: Pg. 38

- The results of this valuation reflect changes in the funding policy as recommended by Segal and adopted by the Board for the June 30, 2012 valuation. These changes were documented in our Review of Funding Policy and our Ad Hoc Asset Smoothing Adjustment letter. The most significant of the funding policy changes was a change to the amortization periods used for various future changes in liability. In particular, actuarial experience gains and losses (including gains and losses in 2011/2012) will be amortized over the truncated average remaining period of all prior amortization layers until the average remaining amortization period is less than 20 years. At that point, amortization periods of 20 years will be used.

Reference: Pg. vi

- The ratios of the actuarial value of assets to actuarial accrued liabilities have increased from 70.6% to 71.2% for Regular and increased from 68.4% to 70.1% for Police/Fire.

Reference: Pg. 16

- The normal cost rates have increased by 0.48% for Regular and 0.36% for Police/Fire since the preceding valuation. This is due mainly to changes in the payroll for those active on the valuation date that do not perfectly correlate with changes in the rate payroll, which is based on actual payroll over the entire previous year. For Regular, the active payroll decreased by 2.3% while the rate payroll decreased by 4.4%. For Police/Fire, the active payroll decreased by 3.0% while the rate payroll decreased by 2.9%. It is important to note that these changes in normal cost rates may be seen as short-term fluctuations rather than long-term changes in the cost of the plan.

Reference: Pg. 14

- There were gains due to individual salary increases less than expected for continuing active members of $505 million for Regular and $217 million for Police/Fire members. This item is shown in Chart 18. The current assumption is that individual salaries will increase on average by about 5.6% per year for Regular at 7.3% for Police/Fire. Actual increases for continuing active members during 2011/12 were 1.9% for Regular and 2.0% for Police/Fire.

Reference: Pg. 16

- For both the Regular and Police/Fire employees, the actuarially determined contribution rates for 2012 increased from the previous year. The increases were due to the smaller than expected payroll growth used to amortize the UAAL, increases in the normal cost rate and investment losses during the year, partially offset by the gains from individual salary increases less than expected.

Reference: Pg. 15

- The Public Employees' Retirement Act requires an adjustment in the statutory contribution rates on July 1 of each odd-numbered year based on the actuarially determined rates indicated in the actuarial valuation report for the immediately preceding year. Rates are only adjusted upward if the new rates are more than 0.50% higher than the existing rate for Employer-Pay and more than 0.25% higher for Employee/Employer. Rates are only adjusted downward if the new rates are more than 2.00% lower than the existing rate for Employer-Pay (and adjusted only by the amount in excess of 2.00%) and more than 1.00% lower than the existing rate for Employee/Employer (and adjusted only by the amount in excess of 1.00%). Rates are rounded to the nearest 0.25% of payroll. Since the actuarially determined rates from this valuation were not within the ranges previously noted and this valuation year is an even numbered year, the following adjustment in the statutory contribution rate is required for fiscal years July 1, 2013 through June 30, 2015 as a result of this valuation.

Summary of Contribution Rates

	Regular	Police/Fire
Employer-Pay*:		
Statutory Rate for Fiscal Years July 1, 2011 through June 30, 2013	23.75%	39.75%
Actuarially Determined Contribution Rate per June 30, 2012 Actuarial Valuation	25.72%	40.54%
Statutory Rate for Fiscal Years July 1, 2013 through June 30, 2015 (as determined from the June 30, 2012 valuation)	25.75%	40.50%
Employee/Employer:**		
Statutory Rate for Fiscal Years July 1, 2011 through June 30, 2013	24.50%	40.50%
Actuarially Determined Contribution Rate per June 30, 2012 Actuarial Valuation	26.73%	41.54%
Statutory Rate for Fiscal Years July 1, 2013 through June 30, 2015 (as determined from the June 30, 2012 valuation)	26.50%	41.50%

* *See cost-sharing mechanism in NRS 286.421*

** *See cost-sharing mechanism in NRS 286.410*

Reference: Pg. 12

- The rate of investment return on the market value of assets for 2011-2012 for the PERS Fund was 3.1%, and was 21.1% for the preceding year.

Reference: Pg. 11

- The returns on the actuarial value of assets for 2011-2012 for the PERS Fund were 6.4% for Regular and 6.5% for Police/Fire, which were less than the investment return assumption of 8.00%. As a result, the PERS Fund experienced investment losses on an actuarial value basis of approximately $334 million for Regular and $80 million for Police/Fire.

Reference: Pg. 8

- As indicated in Section 2, Subsection B (see Chart 12) of this report, the total unrecognized investment losses as of June 30, 2012 were approximately $1,206 million for Regular, and $293 million for Police/Fire compared to $515 million and $101 million in the previous valuation, respectively. These unrecognized losses will be recognized in the determination of the actuarial value of assets for funding purposes in the next few years and will serve to offset any investment gains that may occur after June 30, 2012. If the System earns the assumed rate of investment return of 8.00% per year (net of expenses) on an actuarial value basis, then the deferred losses would be recognized over the next four years as shown in the footnote on Chart 12.
- For the June 30, 2012 valuation, the Board adopted an adjustment to the asset smoothing method that combines the net deferred losses of $515 million for Regular and $101 million for Police/Fire from the June 30, 2011 valuation into a single four-year smoothing "layer". Those net deferred losses are then recognized over the next four years from that date in four level amounts of approximately $129 million for Regular and $25 million for Police/Fire each year. This reduced the volatility associated with the pattern of deferred loss recognition and results in both more stable funded ratios (on an actuarial value basis) and more level actuarially determined contribution rates.
- The June 30, 2012 unrecognized investment losses of $1,499 million represent about 5.8% of the PERS Fund market value of assets. Unless offset by future investment gains or other favorable experience, the recognition of the $1,499 million market losses is expected to have an impact on the System's future funded ratio and actuarial contribution requirement. This potential impact may be illustrated as follows:
  - If the deferred losses were recognized immediately in the actuarial value of assets, the funded ratios would decrease from 71.2% to 67.2% for Regular and from 70.1% to 66.6% for Police/Fire.

- If the deferred losses were recognized immediately in the actuarial value of assets, the actuarial determined contribution rates would increase as follows:

	2012/2013 Actuarially Determined Contribution Rate	2012/2013 Rate Reflecting Deferred Losses
Regular:		
Employer-Pay	25.72%	27.04%
Employee/Employer Pay	26.73%	28.05%
Police/Fire:		
Employer-Pay	40.54%	41.89%
Employee/Employer Pay	41.54%	42.89%

- The actuarial valuation report as of June 30, 2012 is based on financial data as of that date. Changes in the value of assets subsequent to that date, to the extent that they exist, are not reflected.
- There were no changes in plan provisions since the preceding valuation.
- There were no changes to the actuarial assumptions since the preceding valuation. The last experience study was performed prior to the June 30, 2007 valuation, and the next one is scheduled to be completed in 2013 in accordance with Board policy. As part of the experience study, we will review whether or not the current assumptions are validated by recent experience and reflect future expectations and may recommend changes to the current actuarial assumptions.
- In 2009, the Critical Labor Shortage (CLS) program was extended through June 30, 2015 but restrictions on eligible positions were added. This program allows PERS retirees to return to work without facing the usual suspension of retirement benefits. Since the program is more restrictive than it has been in the past, and it is still temporary in nature, we believe that the cost so far is minimal. As of the valuation date, there were a total of 33 retired PERS members currently active and reenrolled in PERS under this provision. A study will be performed prior to the program being extended or made permanent to determine whether the actuarially determined cost rate is affected, and if so, how to estimate its cost.
- The Governmental Accounting Standards Board (GASB) recently approved two new Statements affecting the reporting of pension liabilities for accounting purposes. These new Statements are not effective until the fiscal year ending June 30, 2014 for Plan reporting and the fiscal year ending June 30, 2015 for employer reporting. Segal will work with the System to analyze how these Statements will affect reporting for PERS and its contributing employers.

Summary of Key Valuation Results

	Total (Regular and Police/Fire Combined)	
	2012	**2011**
Actuarially determined contribution rates for plan year beginning July 1*	28.37%	26.98%
Funding elements for plan year beginning July 1:		
Normal cost, including administrative expenses	18.79%	18.29%
Total rate payroll	$5,574,616,761	$5,817,634,985
Market value of assets	$25,899,841,632	$25,255,268,019
Actuarial value of assets	$27,398,984,856	$25,871,139,710
Actuarial accrued liability	$38,604,872,754	$36,876,192,167
Unfunded/(overfunded) actuarial accrued liability	$11,205,887,898	$11,005,052,457
Funded ratio on actuarial value basis (AVA / AAL)	71.0%	70.2%
Funded ratio on market value basis (MVA / AAL)	67.1%	68.5%
Demographic data for plan year beginning July 1:		
Number of retired members and beneficiaries	49,546	46,578
Number of vested former members	12,962	12,632
Number of active members	98,512	99,911
Total salary	$5,087,809,016	$5,214,613,878
Average salary	$51,647	$52,193

* *Average rate for the combined Regular and Police/Fire Employer-pay and Employee/Employer pay plans.*

Summary of Key Valuation Results

	Regular		Police/Fire	
	2012	**2011**	**2012**	**2011**
Actuarially determined contribution rates for plan year beginning July 1:				
Employer-Pay*	25.72%	24.33%	40.54%	39.45%
Employee/Employer Pay**	26.73%	25.31%	41.54%	40.33%
Funding elements for plan year beginning July 1:				
Normal cost, including administrative expenses				
Employer-Pay*	16.51%	16.03%	29.14%	28.78%
Employee/Employer Pay**	17.52%	17.01%	30.14%	29.66%
Total rate payroll	$4,632,433,507	$4,847,425,149	$942,183,254	$970,209,836
Market value of assets	$20,387,151,134	$19,960,072,873	$5,512,690,498	$5,295,195,146
Actuarial value of assets	$21,593,053,471	$20,474,689,032	$5,805,931,385	$5,396,450,678
Actuarial accrued liability	$30,322,446,182	$28,988,787,341	$8,282,426,572	$7,887,404,826
Unfunded/(overfunded) actuarial accrued liability	$8,729,392,711	$8,514,098,309	$2,476,495,187	$2,490,954,148
Funded ratio on actuarial value basis (AVA / AAL)	71.2%	70.6%	70.1%	68.4%
Funded ratio on market value basis (MVA / AAL)	67.2%	68.9%	66.6%	67.1%
Demographic data for plan year beginning July 1:				
Number of retired members and beneficiaries	43,258	40,675	6,288	5,903
Number of vested former members	12,253	11,931	709	701
Number of active members	86,719	87,975	11,793	11,936
Total salary	$4,232,547,428	$4,332,600,642	$855,261,588	$882,013,236
Average salary	$48,808	$49,248	$72,523	$73,895

* *See cost-sharing mechanism in NRS 286.421*

** *See cost-sharing mechanism in NRS 286.410*

A. MEMBER DATA

i. Regular Members

The Actuarial Valuation and Review considers the number and demographic characteristics of covered members, including active members, vested terminated members, retired members and beneficiaries.

This section presents a summary of significant statistical data on the Regular member group.

More detailed information for this valuation year and the preceding valuation can be found in Section 3, Exhibits A, B, and C.

A historical perspective of how the member population has changed over the past ten valuations can be seen in this chart.

CHART 1

Regular Member Population: 2003 – 2012

Year Ended June 30	Active Members	Vested Terminated Members	Retired Members and Beneficiaries	Ratio of Non-Actives to Actives
2003	77,569	7,159	23,480	0.39
2004	79,848	7,397	24,987	0.41
2005	83,224	8,676	26,978	0.43
2006	87,020	9,730	28,933	0.44
2007	91,757	10,394	31,104	0.45
2008	93,816	10,965	33,248	0.47
2009	92,784	10,954	36,705	0.51
2010	90,219	11,167	38,400	0.55
2011	87,975	11,931	40,675	0.60
2012	86,719	12,253	43,258	0.64

i. Regular Members (continued)

Active Members

Plan costs are affected by the age, years of service and salaries of active members. In this year's valuation, there were 86,719 active members with an average age of 46.4, average years of service of 10.0 years and average salary of $48,808. The 87,975 active members in the prior valuation had an average age of 46.1, average service of 9.6 years and average salary of $49,248.

Inactive Members

In this year's valuation, there were 12,253 members with a vested right to a deferred or immediate vested benefit versus 11,931 members in the prior valuation.

These graphs show a distribution of active members by age and by years of service.

CHART 2

Distribution of Active Regular Members by Age as of June 30, 2012

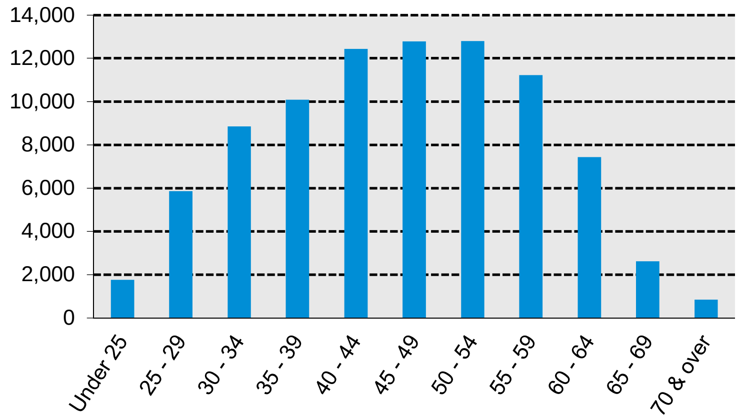
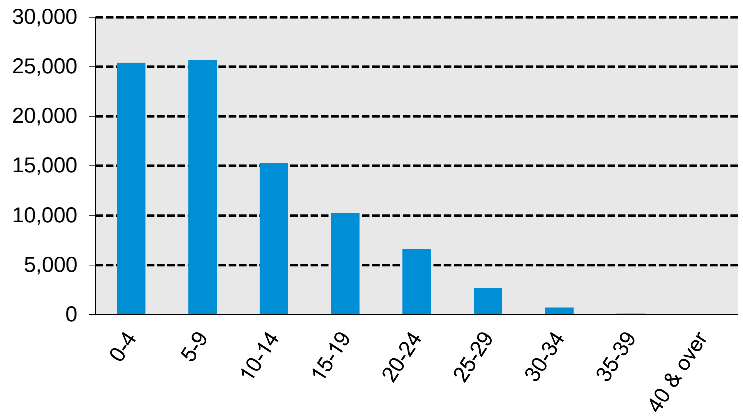


CHART 3

Distribution of Active Regular Members by Years of Service as of June 30, 2012



i. Regular Members (continued)

Retired Members and Beneficiaries

As of June 30, 2012, 38,528 retired members and 4,730 beneficiaries and survivors were receiving total monthly benefits of $107,578,292. Of these, 329 retired members and 5 beneficiaries and survivors were receiving annual benefits of at least $100,000, which represents 0.8% of all retirees, beneficiaries and survivors. For comparison, in the previous valuation, there were 36,123 retired members and 4,552 beneficiaries and survivors receiving monthly benefits of $98,585,504.

These graphs show a distribution of the current retired members and beneficiaries based on their monthly amount and age, by type of pension.

CHART 4

Distribution of Retired Regular Members and Beneficiaries by Type and by Monthly Amount as of June 30, 2012

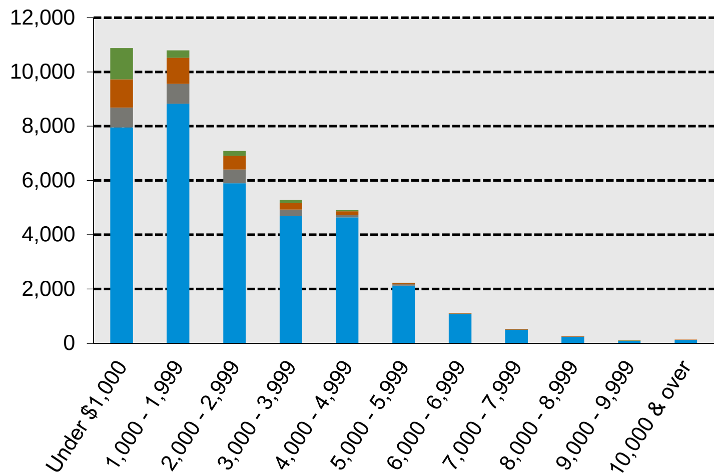
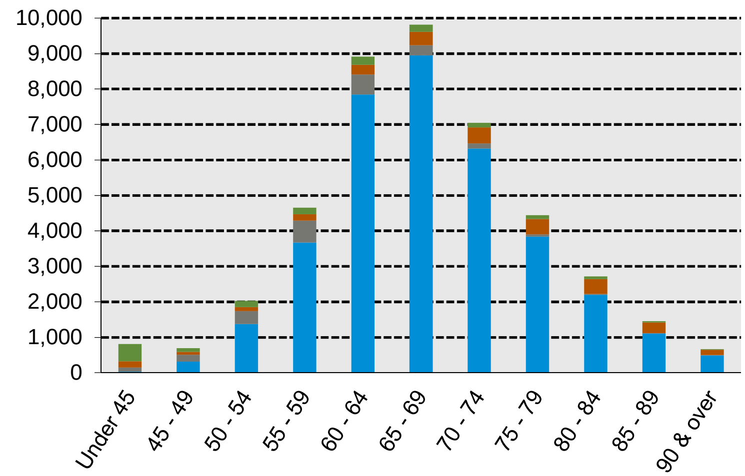


CHART 5

Distribution of Retired Regular Members and Beneficiaries by Type and by Age as of June 30, 2012



Survivor
Beneficiary
Disability
Service

ii. Police/Fire Members

The Actuarial Valuation and Review considers the number and demographic characteristics of covered members, including active members, vested terminated members, retired members and beneficiaries.

This section presents a summary of significant statistical data on the Police/Fire member group.

More detailed information for this valuation year and the preceding valuation can be found in Section 3, Exhibits A, B, and C.

A historical perspective of how the member population has changed over the past ten valuations can be seen in this chart.

CHART 6

Police/Fire Member Population: 2003 – 2012

Year Ended June 30	Active Members	Vested Terminated Members	Retired Members and Beneficiaries	Ratio of Non-Actives to Actives
2003	9,758	528	3,560	0.42
2004	10,394	432	3,781	0.41
2005	10,771	506	4,021	0.42
2006	11,167	579	4,329	0.44
2007	11,936	596	4,583	0.43
2008	12,307	628	4,882	0.45
2009	12,633	620	5,200	0.46
2010	12,375	640	5,519	0.50
2011	11,936	701	5,903	0.55
2012	11,793	709	6,288	0.59

ii. Police/Fire Members (continued)

Active Members

Plan costs are affected by the age, years of service and salaries of active members. In this year's valuation, there were 11,793 active members with an average age of 40.4, average years of service of 11.1 years and average salary of $72,523. The 11,936 active members in the prior valuation had an average age of 40.1, average service of 10.7 years and average salary of $73,895.

Inactive Members

In this year's valuation, there were 709 members with a vested right to a deferred or immediate vested benefit versus 701 members in the prior valuation.

These graphs show a distribution of active members by age and by years of service.

CHART 7

Distribution of Active Police/Fire Members by Age as of June 30, 2012

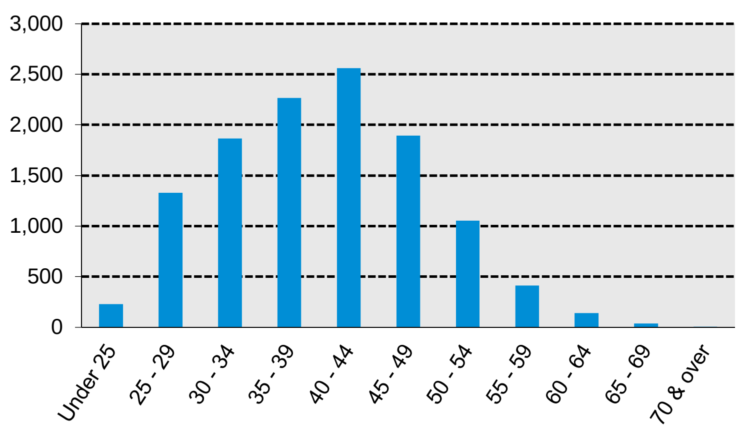
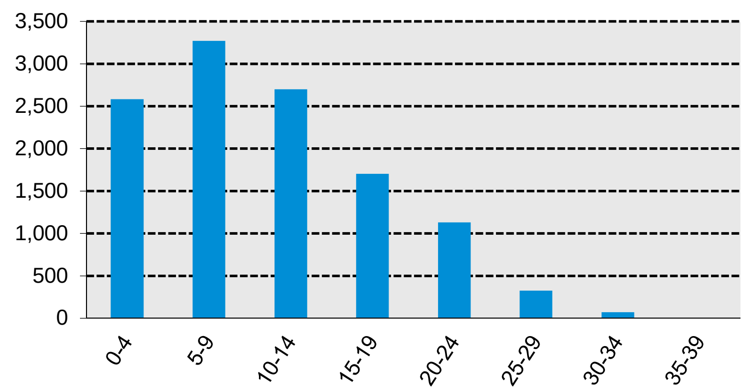


CHART 8

Distribution of Active Police/Fire Members by Years of Service as of June 30, 2012



ii. Police/Fire Members (continued)

Retired Members and Beneficiaries

As of June 30, 2012, 5,484 retired members and 804 beneficiaries and survivors were receiving total monthly benefits of $26,149,935. Of these, 481 retired members and 4 beneficiaries and survivors were receiving annual benefits of at least $100,000, which represents 7.7% of all retirees, beneficiaries and survivors. For comparison, in the previous valuation, there were 5,136 retired members and 767 beneficiaries and survivors receiving monthly benefits of $23,762,778.

These graphs show a distribution of the current retired members and beneficiaries based on their monthly amount and age, by type of pension.

CHART 9

Distribution of Retired Police/Fire Members and Beneficiaries by Type and by Monthly Amount as of June 30, 2012

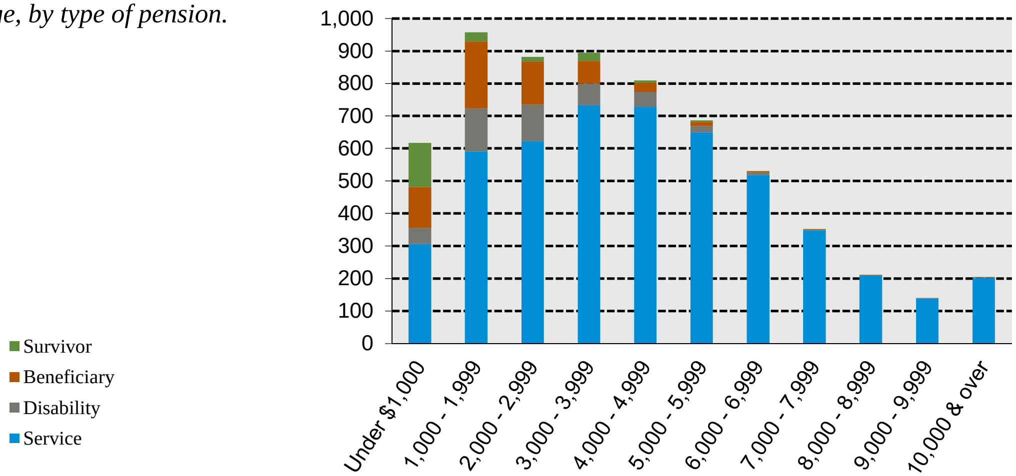
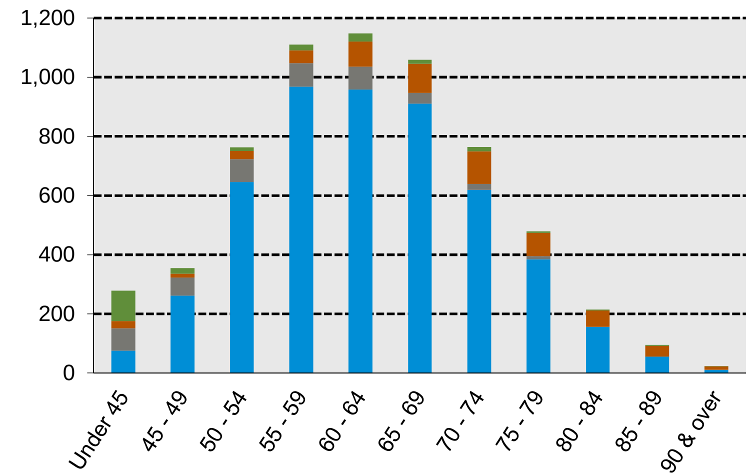


CHART 10

Distribution of Retired Police/Fire Members and Beneficiaries by Type and by Age as of June 30, 2012



B. FINANCIAL INFORMATION

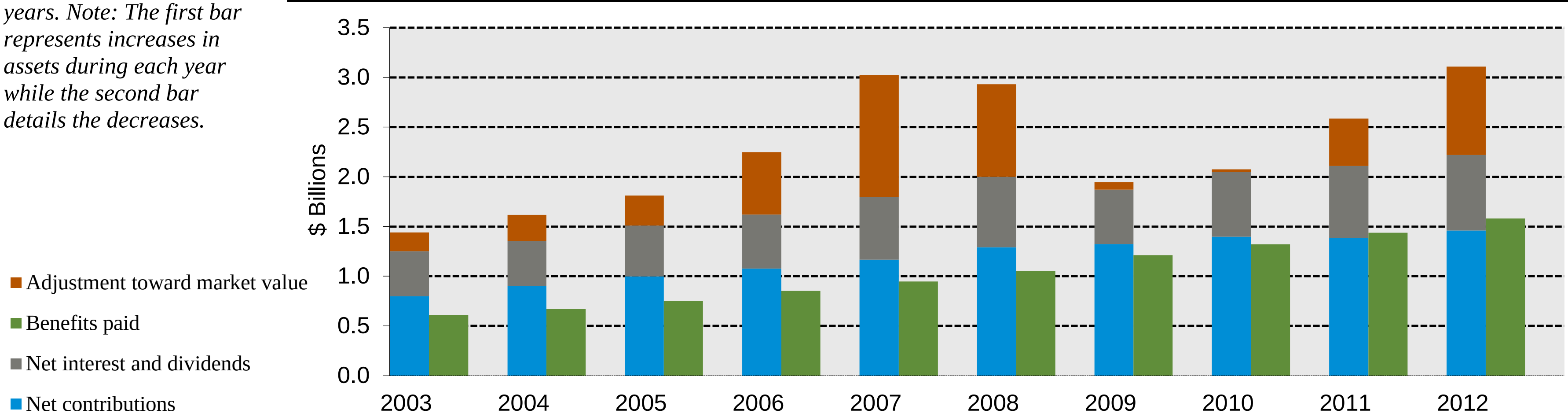
Retirement plan funding anticipates that, over the long term, both net contributions (less administrative expenses) and net investment earnings (less investment fees) will be needed to cover benefit payments.

Retirement plan assets change as a result of the net impact of these income and expense components. Additional financial information, including a summary of these transactions for the valuation year, is presented in Section 3, Exhibits D, E and F.

The chart depicts the components of changes in the actuarial value of assets over the last ten years. Note: The first bar represents increases in assets during each year while the second bar details the decreases.

CHART 11

Comparison of Increases and Decreases in the Actuarial Value of Assets for Years Ended June 30, 2003 – 2012



It is desirable to have level and predictable plan costs from one year to the next. For this reason, the Board has approved an asset valuation method that gradually adjusts to market value. Under this valuation method, the full value of market fluctuations is not recognized in a single year and, as a result, the asset value and the plan costs are more stable.

The amount of the adjustment to recognize market value is treated as income, which may be positive or negative. Realized and unrealized gains and losses are treated equally and, therefore, the sale of assets has no immediate effect on the actuarial value.

The chart shows the determination of the actuarial value of assets as of the valuation date.

CHART 12

Determination of Actuarial Value of Assets for Year Ended June 30, 2012

	Regular		Police/Fire	
1. Market value of assets		$20,387,151,134		$5,512,690,498
2. Calculation of unrecognized return	Original Amount*	Unrecognized Return		
(a) Year ended June 30, 2012**	($1,024,925,274)	($819,940,219)	($271,624,048)	($217,299,238)
(b) Combined net deferred loss***	(514,616,159)	(385,962,118)	(101,255,532)	(75,941,649)
(c) Total unrecognized return****	($1,539,541,433)	($1,205,902,337)	($372,879,580)	($293,240,887)
3. Preliminary actuarial value of assets: (1) - (2c)		$21,593,053,471		$5,805,931,385
4. Additional write up/(down) due to 70%/130% corridor:		$0		$0
5. Actuarial value of assets: (3) + (4)		$21,593,053,471		$5,805,931,385
6. Actuarial value as a percentage of market value: (5) ÷ (1)*****		105.92%		105.32%

* *Market value minus prior year's actuarial value, adjusted for cash flows and expected return, minus prior year's unrecognized return*

** *Recognition at 20% per year over 5 years*

*** *Net deferred loss as of June 30, 2011 was combined and will be recognized over 4 years.*

**** *Deferred return as of June 30, 2012 recognized in each of the next four years:*

	Regular	Police/Fire	Total
(a) Amount recognized during 2012/2013	($333,639,094)	($79,638,693)	($413,277,787)
(b) Amount recognized during 2013/2014	(333,639,094)	(79,638,693)	(413,277,287)
(c) Amount recognized during 2014/2015	(333,639,094)	(79,638,693)	(413,277,787)
(d) Amount recognized during 2015/2016	(204,985,055)	(54,324,808)	(259,309,863)
	($1,205,902,337)	($293,240,887)	($1,499,143,224)

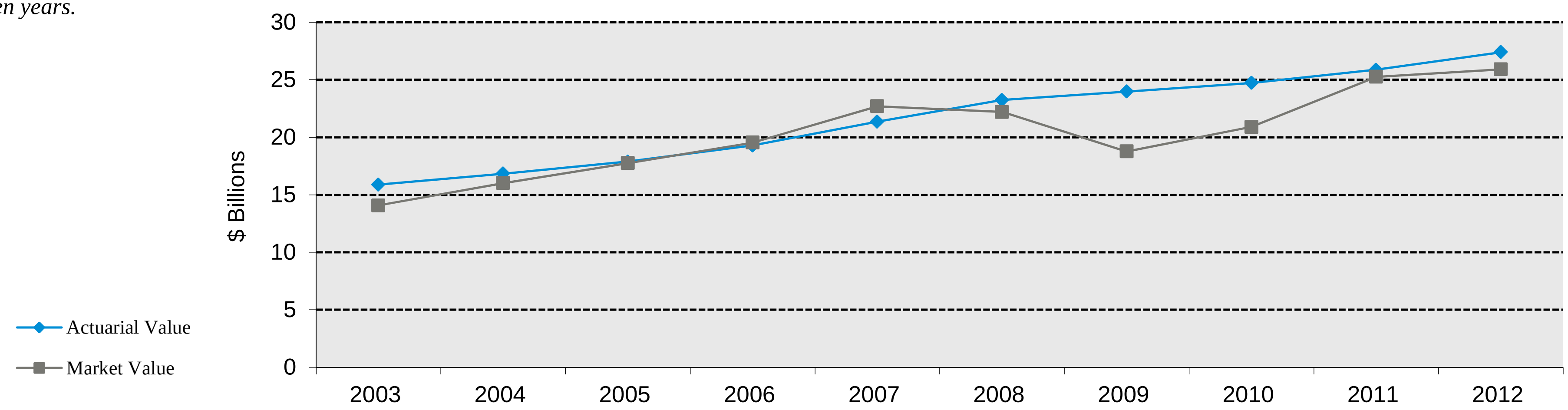
***** *Total actuarial value as a percentage of total market value is 105.79% for Regular and Police/Fire.*

Both the actuarial value and market value of assets are representations of PERS's financial status. As investment gains and losses are gradually taken into account, the actuarial value of assets tracks the market value of assets. The actuarial asset value is significant because PERS's liabilities are compared to these assets to determine what portion, if any, remains unfunded. Amortization of the unfunded actuarial accrued liability is an important element in determining the contribution requirement.

This chart shows the change in the actuarial value of assets versus the market value over the past ten years.

CHART 13

Actuarial Value of Assets vs. Market Value of Assets as of June 30, 2003 – 2012



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C. ACTUARIAL EXPERIENCE

To calculate the required contribution, assumptions are made about future events that affect the amount and timing of benefits to be paid and assets to be accumulated. Each year actual experience is measured against the assumptions. If overall experience is more favorable than anticipated (an actuarial gain), the contribution requirement will decrease from the previous year. On the other hand, the contribution requirement will increase if overall actuarial experience is less favorable than expected (an actuarial loss).

Taking account of experience gains or losses in one year without making a change in assumptions reflects the belief that the single year's experience was a short-term development and that, over the long term, experience will return to the original assumptions. For contribution requirements to remain stable, assumptions should approximate experience.

If assumptions are changed, the contribution requirement is adjusted to take into account a change in experience anticipated for all future years.

The components of the total gain of $292.2 million are shown below. The net experience gain from sources other than investments was 1.8% of the actuarial accrued liability. A discussion of the major components of the actuarial experience is on the following pages.

This chart provides a summary of the actuarial experience during the past year.

CHART 14

Actuarial Experience for Year Ended June 30, 2012

		Regular	Police/Fire	Total
1.	Net gain/(loss) from investments*	($333,639,095)	($79,638,693)	($413,277,788)
2.	Net gain/(loss) from salary increases other than expected	504,912,494	217,046,605	721,959,099
3.	Net gain/(loss) from other experience**	(11,388,958)	(5,060,478)	(16,449,436)
4.	Net experience gain/(loss): (1) + (2) + (3)	$159,884,441	$132,347,434	$292,231,875

* *Details in Chart 15.*

** *Details in Chart 18. Does not include the effects of Plan or assumption changes if any.*

Investment Rate of Return

A major component of projected asset growth is the assumed rate of return. The assumed return should represent the expected long-term rate of return, based on the PERS investment policy. For valuation purposes, the assumed rate of return on the actuarial value of assets is 8.00%. The actual rates of return on an actuarial basis for the 2012 plan year were 6.36% for Regular and 6.53% for Police/Fire.

Since the actual return for the year was less than the assumed return, PERS experienced an actuarial loss during the year ended June 30, 2012 with regard to its investments.

This chart shows the gain/(loss) due to investment experience.

CHART 15

Actuarial Value Investment Experience for Year Ended June 30, 2012

	Regular	Police/Fire	Total
1. Actual return	$1,297,183,274	$354,285,182	$1,651,468,456
2. Average value of assets	20,385,279,615	5,424,048,441	25,809,328,056
3. Actual rate of return: (1) ÷ (2)	6.36%	6.53%	6.40%
4. Assumed rate of return	8.00%	8.00%	8.00%
5. Expected return: (2) x (4)	1,630,822,639	433,923,875	2,064,746,244
6. Actuarial gain/(loss): (1) – (5)	($333,639,095)	($79,638,693)	($413,277,788)

Because actuarial planning is long term, it is useful to see how the assumed investment rate of return has followed actual experience over time. The chart below shows the rate of return on an actuarial basis compared to the market value investment return for the last eight years, including five-year and eight-year averages.

CHART 16

Investment Return – Actuarial Value vs. Market Value: 2005 – 2012

	Regular				Police/Fire				Total			
	Market Value Investment Return		Actuarial Value Investment Return		Market Value Investment Return		Actuarial Value Investment Return		Market Value Investment Return		Actuarial Value Investment Return	
Year Ended June 30	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
2005	$1,212,108,045	9.31%	$655,199,509	4.78%	$282,442,259	9.30%	$158,174,277	4.97%	$1,494,550,304	9.31%	$813,373,786	4.82%
2006	1,269,981,705	8.83%	943,516,255	6.51%	300,369,858	8.83%	227,032,573	6.63%	1,570,351,563	8.83%	1,170,548,828	6.54%
2007	2,370,161,064	15.03%	1,497,823,745	9.63%	570,204,492	15.03%	361,064,116	9.64%	2,940,365,556	15.03%	1,858,887,861	9.63%
2008	(596,088,431)	(3.26%)	1,320,009,898	7.68%	(144,603,728)	(3.24%)	321,274,088	7.64%	(740,692,159)	(3.26%)	1,641,283,986	7.68%
2009	(2,834,457,823)	(15.98%)	497,747,740	2.68%	(706,537,749)	(16.00%)	123,352,371	2.67%	(3,540,995,572)	(15.99%)	621,100,111	2.68%
2010	1,641,734,286	11.03%	537,022,624	2.82%	419,574,635	11.03%	141,729,146	2.93%	2,061,308,921	11.03%	678,751,770	2.84%
2011	3,489,069,530	21.10%	942,690,794	4.81%	915,513,116	21.09%	258,581,939	5.07%	4,404,582,646	21.10%	1,201,272,733	4.86%
2012	605,897,096	3.05%	1,297,183,274	6.36%	162,299,827	3.05%	354,285,182	6.53%	768,196,923	3.05%	1,651,468,456	6.40%
Total	$7,158,405,472		$7,691,193,839		$1,799,262,710		$1,945,493,692		$8,957,668,182		$9,636,687,531	
Five-year average return		2.64%		4.85%		2.89%		4.96%		2.69%		4.87%
Eight-year average return		5.49%		5.55%		5.52%		5.63%		5.49%		5.57%

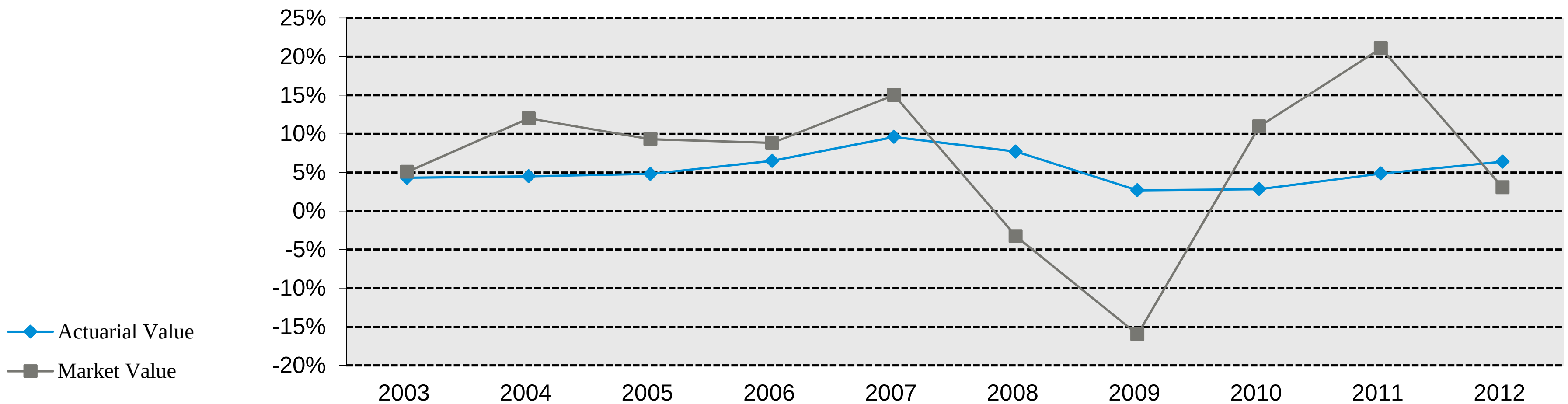
Note: Each year's yield is weighted by the average asset value in that year.

In the preceding subsection B we described the actuarial asset valuation method that gradually takes into account fluctuations in the market value rate of return. The effect of this method is to stabilize the actuarial rate of return, which contributes to leveling pension plan costs. This effect is clear in the chart below, where the year-to-year returns on actuarial value are less volatile than the returns on market value.

This chart illustrates how this leveling effect has actually worked over the years 2003 - 2012.

CHART 17

Market and Actuarial Rates of Return for Years Ended June 30, 2003 - 2012



Other Experience

There are other differences between the expected and the actual experience that appear when the new valuation is compared with the projections from the previous valuation. These include:

- the extent of turnover among the participants,
- retirement experience (earlier or later than expected),
- mortality (more or fewer deaths than expected),
- the number of disability retirements, and
- salary increases different than assumed.

The net gains from this other experience for the year ended June 30, 2012 amounted to $493.5 million for Regular and $212.0 million for Police/Fire which are 1.62% and 2.55% of the actuarial accrued liability, respectively.

A brief summary of the demographic gain/(loss) experience of the PERS for the year ended June 30, 2012 is shown in the chart below.

The chart shows elements of the experience gain/(loss) for the most recent year.

CHART 18

Experience Due to Changes in Demographics for Year Ended June 30, 2012

	Regular	% of AAL	Police/Fire	% of AAL	Total	% of AAL
Age and Service Retirements	($129,545,937)	(0.43%)	($33,703,932)	(0.40%)	($163,249,869)	(0.42%)
Disability Retirements	(17,943,763)	(0.06%)	(3,284,520)	(0.04%)	(21,228,283)	(0.06%)
Pre and Post-Retirement Deaths	(59,311,300)	(0.20%)	(18,076,786)	(0.22%)	(77,388,086)	(0.20%)
Post-Retirement Benefit Increases (PRBIs)	69,086,926	0.23%	19,519,386	0.23%	88,606,312	0.23%
Withdrawal From Employment	37,623,415	0.12%	1,466,439	0.02%	39,089,854	0.10%
Individual Pay Increases	504,912,494	1.66%	217,046,605	2.61%	721,959,099	1.86%
Active New Entrants	(37,634,339)	(0.12%)	(6,185,371)	(0.07%)	(43,819,710)	(0.11%)
Active Rehires	(21,423,470)	(0.07%)	(3,021,369)	(0.04%)	(24,444,839)	(0.06%)
Inactive and Retiree Showups	(6,970,853)	(0.02%)	0	0.00%	(6,970,853)	(0.02%)
Refinement in PRBI Methodology	154,248,709	0.51%	45,598,894	0.55%	199,847,603	0.52%
Other	481,654	0.00%	(7,373,219)	(0.09%)	(6,891,565)	(0.02%)
Total Liability Experience Gain/(Loss) During Year	$493,523,536	1.62%	$211,986,127	2.55%	$705,509,663	1.82%

D. CALCULATED CONTRIBUTION RATES

The amount of annual contribution required to fund the Plan is comprised of a normal cost payment and a payment on the unfunded/(overfunded) actuarial accrued liability. This total amount is then divided by the projected payroll for active members to determine the actuarially determined contribution rate.

The statutory contribution rates are adjusted at the beginning of each odd-numbered fiscal year, based on the actuarially determined rates indicated in the actuarial valuation report for the immediately preceding year. See Exhibit III in Section 4 for details about this adjustment.

The chart compares this valuation's calculated contribution rates with the prior valuation.

CHART 19
Calculated Contribution Rates

	Year Beginning July 1			
	2012		2011	
	Regular	Police/Fire	Regular	Police/Fire
Employer-Pay, current statutory rate*	**23.75%**	**39.75%**	**23.75%**	**39.75%**
Normal cost	16.36%	28.99%	15.88%	28.63%
Amortization percentage	9.21%	11.40%	8.30%	10.67%
Administrative expenses	0.15%	0.15%	0.15%	0.15%
Employer-Pay, total rate*	**25.72%**	**40.54%**	**24.33%**	**39.45%**
New statutory rounded rate	**25.75%**	**40.50%**	**N/A**	**N/A**
Employee/Employer Pay, current statutory rate**	**24.50%**	**40.50%**	**24.50%**	**40.50%**
Normal cost	17.37%	29.99%	16.86%	29.51%
Amortization percentage	9.21%	11.40%	8.30%	10.67%
Administrative expenses	0.15%	0.15%	0.15%	0.15%
Employee/Employer Pay, total rate**	**26.73%**	**41.54%**	**25.31%**	**40.33%**
New statutory rounded rate	**26.50%**	**41.50%**	**N/A**	**N/A**

* *See cost-sharing mechanism in NRS 286.421*
** *See cost-sharing mechanism in NRS 286.410*

The actuarially determined contribution rates as of June 30, 2012 are based on all of the data described in the previous sections, the actuarial assumptions described in Section 4, and the Plan provisions adopted at the time of preparation of the Actuarial Valuation. They include all changes affecting future costs, adopted benefit changes, actuarial gains and losses and changes in the actuarial assumptions.

Reconciliation of Actuarially Determined Contribution Rate

The chart below details the changes in the actuarially determined contribution rate from the prior valuation to the current year's valuation.

The chart reconciles the actuarially determined contribution rates from the prior valuation to the amount determined in this valuation.

CHART 20

Reconciliation of Actuarially Determined Contribution Rate[1] from June 30, 2011 to June 30, 2012

	Regular	Estimated Annual Dollar Cost[2]	Police/Fire	Estimated Annual Dollar Cost[2]
Actuarially Determined Contribution Rate as of June 30, 2011	24.48%	$1,186,649,676	39.53%	$383,523,948
Effect of investment (gain)/loss	0.36%	16,846,021	0.37%	3,462,552
Effect of gains on individual salary experience	(0.55%)	(25,493,914)	(1.00%)	(9,436,809)
Effect on existing amortization of payroll growth less than expected	0.95%	26,144,779[3]	1.20%	8,284,952[3]
Effect of changes in normal cost	0.48%	(12,102,992)[4]	0.36%	(4,644,782)[4]
Effect of other changes[5]	0.15%	6,366,978	0.16%	1,524,977
Total change	1.39%	11,760,872	1.09%	(809,110)
Actuarially Determined Contribution Rate as of June 30, 2012	25.87%	$1,198,410,548	40.62%	$382,714,838

(1) *Average rate for the Employer-pay and Employee/Employer pay plans.*

(2) *Based on rate payroll for each valuation date shown.*

(3) *Actual dollar increase in existing amortization bases.*

(4) *Actual dollar decrease in normal cost.*

(5) *Includes effect of actual contributions less than actuarially determined contributions, refinement to PRBI methodology and other differences in actual expected experience including mortality, disability, withdrawal and retirement experience. Estimated annual dollar cost also reflects change in payroll from prior valuation.*

E. FUNDED RATIO

One critical piece of information regarding the Plan's financial status is the funded ratio. This ratio compares the actuarial value of assets to the actuarial accrued liabilities of the plan.

High ratios indicate a well-funded plan with assets sufficient to cover the plan's liabilities. Lower ratios may indicate recent changes to benefit structures, funding of the plan below actuarial requirements, poor asset performance, or a variety of other factors.

This graph shows the funded ratios on an AVA basis for Regular and Police/Fire.

CHART 21

Funded Ratios

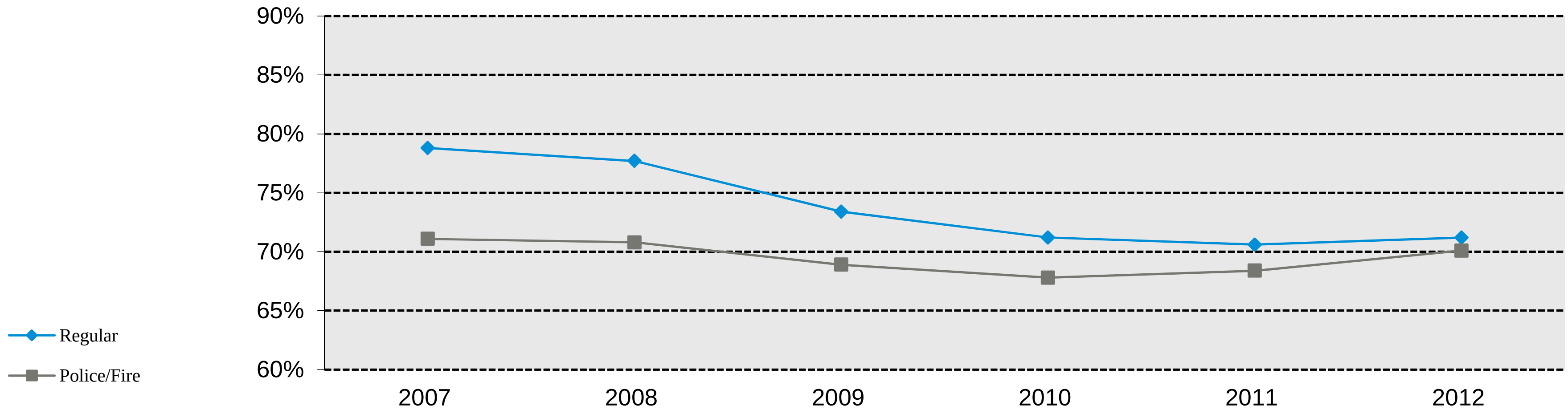


EXHIBIT A

Table of Plan Coverage
i. Regular

Category	Year Ended June 30 2012	Year Ended June 30 2011	Change From Prior Year
Active members in valuation:			
Number	86,719	87,975	-1.4%
Employer-Pay	70,971	72,001	-1.4%
Employee/Employer	15,748	15,974	-1.4%
Average age	46.4	46.1	N/A
Average service	10.0	9.6	N/A
Total annual salary	$4,232,547,428	$4,332,600,642	-2.3%
Average annual salary	$48,808	$49,248	-0.9%
Account balances	$598,512,166	$570,365,440	4.9%
Total active vested members	66,459	63,280	5.0%
Vested terminated members:	12,253	11,931	2.7%
Retired members:			
Number in pay status	36,143	33,855	6.8%
Average age	68.5	68.2	N/A
Average monthly benefit	$2,651	$2,589	2.4%
Disabled members:			
Number in pay status	2,385	2,268	5.2%
Average age	59.2	59.1	N/A
Average monthly benefit	$1,871	$1,797	4.1%
Beneficiaries:			
Number in pay status	2,965	2,832	4.7%
Average age	71.1	70.9	N/A
Average monthly benefit	$1,745	$1,704	2.4%
Survivors:			
Number in pay status	1,765	1,720	2.6%
Average age	54.3	54.1	N/A
Average monthly benefit	$1,214	$1,179	3.0%

EXHIBIT A

Table of Plan Coverage
ii. Police/Fire

Category	Year Ended June 30 2012	Year Ended June 30 2011	Change From Prior Year
Active members in valuation:			
Number	11,793	11,936	-1.2%
Employer-Pay	10,309	10,496	-1.8%
Employee/Employer	1,484	1,440	3.1%
Average age	40.4	40.1	N/A
Average service	11.1	10.7	N/A
Total annual salary	$855,261,588	$882,013,236	-3.0%
Average annual salary	$72,523	$73,895	-1.9%
Account balances	$109,954,939	$109,570,993	0.4%
Total active vested members	9,479	9,082	4.4%
Vested terminated members	709	701	1.1%
Retired members:			
Number in pay status	5,044	4,736	6.5%
Average age	63.4	63.3	N/A
Average monthly benefit	$4,648	$4,502	3.2%
Disabled members:			
Number in pay status	440	400	10.0%
Average age	55.3	55.8	N/A
Average monthly benefit	$2,637	$2,519	4.7%
Beneficiaries:			
Number in pay status	584	558	4.7%
Average age	68.7	67.9	N/A
Average monthly benefit	$2,112	$2,047	3.2%
Survivors:			
Number in pay status	220	209	5.3%
Average age	45.1	45.2	N/A
Average monthly benefit	$1,412	$1,399	0.9%

EXHIBIT A

Table of Plan Coverage
iii. Total

	Year Ended June 30		
Category	2012	2011	Change From Prior Year
Active members in valuation:			
Number	98,512	99,911	-1.4%
Employer-Pay	81,280	82,497	-1.5%
Employee/Employer	17,232	17,414	-1.0%
Average age	45.7	45.4	N/A
Average service	10.1	9.7	N/A
Total annual salary	$5,087,809,016	$5,214,613,878	-2.4%
Average annual salary	$51,647	$52,193	-1.0%
Account balances	$708,467,055	$679,936,433	4.2%
Total active vested members	75,938	72,362	4.9%
Vested terminated members	12,962	12,632	2.6%
Retired members:			
Number in pay status	41,187	38,591	6.7%
Average age	67.8	67.6	N/A
Average monthly benefit	$2,895	$2,824	2.5%
Disabled members:			
Number in pay status	2,825	2,668	5.9%
Average age	58.6	58.6	N/A
Average monthly benefit	$1,990	$1,905	4.5%
Beneficiaries:			
Number in pay status	3,549	3,390	4.7%
Average age	70.7	70.4	N/A
Average monthly benefit	$1,805	$1,760	2.6%
Survivors:			
Number in pay status	1,985	1,929	2.9%
Average age	52.3	53.1	N/A
Average monthly benefit	$1,236	$1,203	2.7%

EXHIBIT B

Members in Active Service as of June 30, 2012 By Age, Years of Service, and Average Annual Salary

i. Regular

		Years of Service								
Age	**Total**	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40 & over**
Under 25	1,760	1,702	58	- -	- -	- -	- -	- -	- -	- -
	$20,924	$20,369	$37,232	- -	- -	- -	- -	- -	- -	- -
25 - 29	5,864	4,339	1,502	23	- -	- -	- -	- -	- -	- -
	33,941	31,513	40,766	$46,318	- -	- -	- -	- -	- -	- -
30 - 34	8,851	3,980	4,195	656	20	- -	- -	- -	- -	- -
	41,116	33,897	46,059	52,683	$60,178	- -	- -	- -	- -	- -
35 - 39	10,088	3,229	3,798	2,394	636	31	- -	- -	- -	- -
	47,087	34,038	49,176	57,189	61,841	$67,704	- -	- -	- -	- -
40 - 44	12,430	3,127	3,706	2,771	2,135	627	64	- -	- -	- -
	51,036	34,004	48,162	58,527	65,691	67,622	$74,319	- -	- -	- -
45 - 49	12,784	2,751	3,413	2,551	1,930	1,608	503	28	- -	- -
	52,635	34,003	47,122	56,498	65,346	68,413	72,007	$73,192	- -	- -
50 - 54	12,804	2,416	3,317	2,565	1,942	1,497	884	179	4	- -
	53,029	32,880	46,847	55,907	62,806	68,108	72,216	70,913	*	- -
55 - 59	11,225	1,915	2,694	2,239	1,876	1,514	685	276	26	- -
	53,776	33,218	47,660	55,384	62,251	65,463	71,723	74,765	$75,600	- -
60 - 64	7,443	1,245	1,999	1,431	1,211	970	413	135	35	4
	53,420	35,563	48,393	55,379	60,694	64,654	68,099	73,424	81,034	*
65 - 69	2,620	502	764	514	372	278	123	50	14	3
	50,434	32,760	45,664	55,179	59,368	62,879	62,446	69,841	88,767	*
70 & over	850	213	221	162	107	71	32	25	10	9
	44,870	29,743	38,458	50,430	53,915	59,769	63,074	60,584	80,195	$87,619
Total	86,719	25,419	25,667	15,306	10,229	6,596	2,704	693	89	16
	$48,808	$32,503	$47,010	$56,320	$63,252	$66,710	$70,917	$72,578	$80,179	$94,056

** Not shown for groups with fewer than five members.*

EXHIBIT B
Members in Active Service as of June 30, 2012 By Age, Years of Service, and Average Annual Salary

ii. Police/Fire

		Years of Service								
Age	Total	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & over
Under 25	230	220	10	- -	- -	- -	- -	- -	- -	- -
	$32,692	$31,537	$58,091	- -	- -	- -	- -	- -	- -	- -
25 - 29	1,329	878	446	5	- -	- -	- -	- -	- -	- -
	53,851	47,989	65,148	$75,426	- -	- -	- -	- -	- -	- -
30 - 34	1,863	635	1,009	211	8	- -	- -	- -	- -	- -
	62,149	48,862	66,634	79,462	$86,643	- -	- -	- -	- -	- -
35 - 39	2,268	371	772	890	223	12	- -	- -	- -	- -
	72,421	47,917	68,150	81,227	91,255	$107,469	- -	- -	- -	- -
40 - 44	2,560	248	548	852	680	221	11	- -	- -	- -
	79,522	43,635	67,409	82,287	92,252	98,851	$102,757	- -	- -	- -
45 - 49	1,893	125	256	407	475	525	103	2	- -	- -
	84,576	44,893	63,944	79,478	89,746	99,829	102,133	*	- -	- -
50 - 54	1,054	58	152	206	191	274	142	31	- -	- -
	83,149	46,142	60,326	76,362	83,880	93,540	105,700	$109,758	- -	- -
55 - 59	414	34	46	83	94	68	55	31	3	- -
	76,765	38,789	55,455	70,518	81,624	85,474	95,401	97,967	*	- -
60 - 64	142	7	26	34	25	23	14	7	6	- -
	74,394	41,797	57,996	64,860	75,147	85,533	88,714	98,322	$130,351	- -
65 - 69	36	4	5	9	7	8	2	1	- -	- -
	62,368	*	54,603	59,824	61,497	63,913	*	*	- -	- -
70 & over	4	1	1	1	1	- -	- -	- -	- -	- -
	*	*	*	*	*	- -	- -	- -	- -	- -
Total	11,793	2,581	3,271	2,698	1,704	1,131	327	72	9	- -
	$72,523	$46,037	$66,141	$80,167	$89,486	$96,763	$102,116	$103,028	$119,014	- -

** Not shown for groups with fewer than five members.*

EXHIBIT B
Members in Active Service as of June 30, 2012 By Age, Years of Service, and Average Annual Salary

iii. Total

		Years of Service								
Age	**Total**	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40 & over**
Under 25	1,990	1,922	68	- -	- -	- -	- -	- -	- -	- -
	$22,284	$21,647	$40,300	- -	- -	- -	- -	- -	- -	- -
25 – 29	7,193	5,217	1,948	28	- -	- -	- -	- -	- -	- -
	37,620	34,286	46,348	$51,516	- -	- -	- -	- -	- -	- -
30 – 34	10,714	4,615	5,204	867	28	- -	- -	- -	- -	- -
	44,776	35,956	50,048	59,201	$67,739	- -	- -	- -	- -	- -
35 - 39	12,356	3,600	4,570	3,284	859	43	- -	- -	- -	- -
	51,734	35,468	52,381	63,703	69,477	$77,645	- -	- -	- -	- -
40 - 44	14,990	3,375	4,254	3,623	2,815	848	75	- -	- -	- -
	55,901	34,711	50,642	64,115	72,107	75,761	$78,546	- -	- -	- -
45 - 49	14,677	2,876	3,669	2,958	2,405	2,133	606	30	- -	- -
	56,755	34,476	48,296	59,660	70,165	76,146	77,127	$75,480	- -	- -
50 - 54	13,858	2,474	3,469	2,771	2,133	1,771	1,026	210	4	- -
	55,320	33,191	47,438	57,428	64,693	72,043	76,851	76,648	*	- -
55 - 59	11,639	1,949	2,740	2,322	1,970	1,582	740	307	29	- -
	54,594	33,315	47,791	55,925	63,175	66,324	73,483	77,108	$77,746	- -
60 - 64	7,585	1,252	2,025	1,465	1,236	993	427	142	41	4
	53,812	35,598	48,516	55,599	60,986	65,138	68,775	74,651	88,251	*
65 - 69	2,656	506	769	523	379	286	125	51	14	3
	50,596	32,843	45,723	55,259	59,408	62,908	63,395	69,948	88,767	*
70 & over	854	214	222	163	108	71	32	25	10	9
	44,955	29,833	38,524	50,554	54,142	59,769	63,074	60,584	80,195	$87,619
Total	98,512	28,000	28,938	18,004	11,933	7,727	3,031	765	98	16
	$51,647	$33,751	$49,172	$59,893	$66,998	$71,109	$74,283	$75,444	$83,745	$94,056

** Not shown for groups with fewer than five members.*

EXHIBIT C
Reconciliation of Member Data

	Active Members	Inactive Members	Retired Members	Disabled Members	Beneficiaries and Survivors	Total
Number as of June 30, 2011	99,911	12,632	38,591	2,668	5,319	159,121
New members	6,520	39	37	1	440	7,037
Terminations – with vested rights	-1,727	1,727	0	0	0	0
Terminations – without vested rights	-3,874	-63	N/A	N/A	N/A	-3,937
Retirements	-2,321	-993	3,350	-36	N/A	0
New disabilities	-251	-25	-2	278	N/A	0
Return to work	343	-338	-5	0	N/A	0
Died with or without beneficiary	-89	-17	-778	-82	-170	-1,136
Certain period expired	N/A	N/A	0	0	-55	-55
Data adjustments	0	0	-6	-4	0	-10
Number as of June 30, 2012	98,512	12,962	41,187	2,825	5,534	161,020

EXHIBIT D

Summary Statement of Income and Expenses on an Actuarial Value Basis *(based on unaudited financial statements)*

	Year Ended June 30, 2012			Year Ended June 30, 2011
	Regular	**Police/Fire**	**Total**	**Total**
Net assets at actuarial value at the beginning of the year	$20,474,689,032	$5,396,450,678	$25,871,139,710	$24,725,464,709
Contribution income:				
Employer contributions*	$989,523,351	$342,797,309	$1,332,320,660	$1,264,759,603
Member contributions	83,763,221	14,420,442	98,183,663	97,033,823
Repayment and purchase of service	27,701,081	10,292,624	37,993,705	31,547,354
Net contribution income	$1,100,987,653	$367,510,375	$1,468,498,028	$1,393,340,780
Other income:	$1,673,558	$422,772	$2,096,330	$2,189,511
Investment income:				
Interest	$316,833,964	$0	$316,833,964	$320,071,837
Dividends	356,299,207	0	356,299,207	331,649,922
Net appreciation	6,337,673	0	6,337,673	3,677,504,441
Other	91,642,326	0	91,642,326	77,269,719
Transfer of annual investment income	(161,877,055)	161,877,055	0	0
Securities lending income	(3,406,661)	0	(3,406,661)	12,699,994
Net change in FV of securities lending	27,400,421	0	27,400,421	9,016,367
Change in unrecognized return	691,286,178	191,985,355	883,271,533	(3,203,309,913)
Less investment fees	(29,006,337)	0	(29,006,337)	(25,819,145)
Net investment income	$1,295,509,716	$353,862,410	$1,649,372,126	$1,199,083,222
Total income available for benefits	$2,398,170,927	$721,795,557	$3,119,966,484	$2,594,613,513
Less operating expenses:				
Retirement and survivor benefits	($1,187,786,994)	($286,112,390)	($1,473,899,384)	($1,340,228,741)
Disability benefits	(63,581,880)	(15,178,376)	(78,760,256)	(71,862,867)
Post-retirement increases	(21,956)	(963)	(22,919)	(24,210)
Refunds to members	(19,414,364)	(8,361,078)	(27,775,442)	(24,754,581)
Administrative expenses	(9,141,609)	(861,246)	(10,002,855)	(10,579,998)
Transfer to JRS	(1,660,482)	(0)	(1,660,482)	(1,488,115)
Net operating expenses	($1,281,607,285)	($310,514,053)	($1,592,121,338)	($1,448,938,512)
Interfund transfer	$1,800,797	($1,800,797)	$0	$0
Change in reserve for future benefits	$1,118,364,439	$409,480,707	$1,527,845,146	$1,145,675,001
Net assets at actuarial value at the end of the year	$21,593,053,471	$5,805,931,385	$27,398,984,856	$25,871,139,710

* *See cost-sharing mechanisms in NRS 286.410 and NRS 286.421*

EXHIBIT E

Summary Statements of Assets *(based on unaudited financial statements)*

	Year Ended June 30, 2012		Year Ended June 30, 2011	
Cash equivalents		$593,183,878		$553,430,971
Accounts receivable:				
Contributions receivable	$123,181,413		$103,286,037	
Pending trades receivable	100,598,488		233,345,442	
Accrued investment income	98,588,329		100,557,554	
Total accounts receivable		322,368,230		437,189,033
Investments:				
Fixed income securities	$7,124,834,495		$6,873,746,896	
Marketable equity securities	10,150,693,754		10,059,148,942	
International securities	5,994,185,142		5,921,962,844	
Mortgage loans	0		1,761	
Real estate	1,274,776,786		1,234,533,004	
Private equity	823,381,966		736,871,821	
Total investments at market value		25,367,872,143		24,826,265,268
Collateral on loaned securities		4,282,354,105		3,550,013,175
Property and equipment		3,535,572		3,315,213
Other assets		1,943,229		2,120,259
Total assets		$30,571,257,157		$29,372,333,919
Liabilities:				
Accounts payable	($12,446,986)		($12,059,039)	
Pending trades payable	(334,629,454)		(485,608,284)	
Obligations under securities lending activities	(4,324,339,085)		(3,619,398,577)	
Total liabilities		($4,671,415,525)		($4,117,065,900)
Net assets at market value		$25,899,841,632		$25,255,268,019
Net assets at actuarial value		$27,398,984,856		$25,871,139,710

EXHIBIT F

Development of the Fund Through June 30, 2012

Year Ended June 30	Employer Contributions	Member Contributions	Other Contributions	Net Investment Return*	Administrative Expenses	Benefit Payments**	Actuarial Value of Assets at End of Year
2005							$17,886,538,573
2006	$966,130,036	$75,970,321	$42,214,033	$1,170,548,830	$8,212,797	$851,160,762	19,282,028,234
2007	1,046,628,769	83,219,638	45,632,332	1,858,887,861	8,588,057	948,781,892	21,359,026,885
2008	1,167,392,913	88,013,888	43,287,531	1,641,283,986	8,723,601	1,052,629,998	23,237,651,604
2009	1,213,067,534	93,648,004	28,116,522	621,100,111	9,714,463	1,211,993,461	23,971,875,851
2010	1,281,714,847	99,683,851	26,890,242	678,751,770	11,118,633	1,322,333,219	24,725,464,709
2011	1,264,759,603	97,033,823	31,547,354	1,201,272,733	10,579,998	1,438,358,514	25,871,139,710
2012	1,332,320,660	98,183,663	37,993,705	1,651,468,456	10,002,855	1,582,118,483	27,398,984,856

* *Net of investment fees*

** *Includes transfers in/out of the System (e.g. to the Judicial Retirement System) that correspond to transfers of liability.*

EXHIBIT G

Development of Unfunded/(Overfunded) Actuarial Accrued Liability for Year Ended June 30, 2012

	Regular	Police/Fire	Total
1. Unfunded/(overfunded) actuarial accrued liability at beginning of year	$8,514,098,309	$2,490,954,148	$11,005,052,457
2. Normal cost at beginning of year	776,924,201	278,539,751	1,055,463,952
3. Actual total contributions	(1,100,987,653)	(367,510,375)	(1,468,498,028)
4. Interest			
(a) For whole year on (1) + (2)	$743,281,801	$221,559,512	$964,841,313
(b) For a half year on (3)	(44,039,506)	(14,700,415)	(58,739,921)
(c) Total interest	699,242,295	206,859,097	906,101,392
5. Expected unfunded/(overfunded) actuarial accrued liability	$8,889,277,152	$2,608,842,621	$11,498,119,773
6. Changes due to:			
(a) Investment loss	$333,639,095	$79,638,693	$413,277,788
(b) Salary increases lower than expected	(504,912,494)	(217,046,605)	(721,959,099)
(c) Other experience	11,388,958	5,060,478	16,449,436
(d) Total changes	($159,884,441)	($132,347,434)	($292,231,875)
7. Unfunded/(overfunded) actuarial accrued liability at end of year	$8,729,392,711	$2,476,495,187	$11,205,887,898

EXHIBIT H

Table of Amortization Bases

Date Established	Initial Years	Initial Amount	Current Annual Payment*	Years Remaining	Outstanding Balance
Regular					
06/30/2004	30	$3,306,492,730	$221,789,371	22	$4,229,540,793
06/30/2005	30	825,676,847	52,003,629	23	1,029,943,149
06/30/2006	30	376,199,046	22,248,034	24	456,755,338
06/30/2007	30	(325,346,914)	(18,066,375)	25	(383,820,200)
06/30/2008	30	597,061,087	31,131,030	26	683,324,052
06/30/2009	30	1,396,781,607	68,383,862	27	1,548,557,594
06/30/2010	30	804,325,423	36,974,925	28	862,645,667
06/30/2011	30	322,201,646	13,907,647	29	333,874,249
06/30/2012	23	(31,427,931)	(1,586,851)	23	(31,427,931)
Subtotal			$426,785,272	23.9**	$8,729,392,711
Police/Fire					
06/30/2004	30	1,248,577,900	77,034,352	22	1,694,755,740
06/30/2005	30	166,690,723	9,522,620	23	219,020,265
06/30/2006	30	145,811,902	7,712,839	24	185,108,130
06/30/2007	30	(52,497,545)	(2,571,204)	25	(64,280,097)
06/30/2008	30	130,126,655	5,901,196	26	153,431,094
06/30/2009	30	204,577,462	8,590,259	27	231,937,814
06/30/2010	30	144,950,584	5,635,679	28	157,799,004
06/30/2011	30	585,886	21,092	29	611,664
06/30/2012	23	(101,888,427)	(4,429,932)	23	(101,888,427)
Subtotal			$107,416,931	23.1**	$2,476,495,187
Grand Total					$11,205,887,898

* *Level percentage of payroll with payroll expected to increase 6.5% per year for Regular and 8% per year for Police/Fire. Payments shown as of beginning of year.*

** *Effective average amortization period. Combined Regular and Police/Fire average amortization period is 23.7.*

EXHIBIT I
Definitions of Pension Terms

The following list defines certain technical terms for the convenience of the reader:

Assumptions or Actuarial Assumptions: The estimates on which the cost of the Plan is calculated including:

(a) Investment return — the rate of investment yield that the Plan will earn over the long-term future;

(b) Mortality rates — the death rates of employees and pensioners; life expectancy is based on these rates;

(c) Retirement rates — the rate or probability of retirement at a given age;

(d) Turnover rates — the rates at which employees of various ages are expected to leave employment for reasons other than death, disability, or retirement.

Normal Cost: The amount of contributions required to fund the level cost allocated to the current year of service.

Actuarial Accrued Liability For Actives: The value of all projected benefit payments for current members less the portion that will be paid by future normal costs.

Actuarial Accrued Liability For Pensioners: The single sum value of lifetime benefits to existing pensioners. This sum takes account of life expectancies appropriate to the ages of the pensioners and the interest that the sum is expected to earn before it is entirely paid out in benefits.

Unfunded Actuarial Accrued Liability: The extent to which the actuarial accrued liability of the Plan exceeds the assets of the Plan.

Amortization of the Unfunded Actuarial Accrued Liability:	Payments made over a period of years equal in value to the Plan's unfunded actuarial accrued liability.
Investment Return:	The rate of earnings of the Plan from its investments, including interest, dividends and capital gain and loss adjustments, computed as a percentage of the average value of the fund. For actuarial purposes, the investment return often reflects a smoothing of the capital gains and losses to avoid significant swings in the value of assets from one year to the next.

EXHIBIT I
Summary of Actuarial Valuation Results

The valuation was made with respect to the following data supplied to us:

1.	Retired members as of the valuation date (including beneficiaries in pay status)		49,546
2.	Members inactive during year ended June 30, 2012 with vested rights		12,962
3.	Members active during the year ended June 30, 2012		98,512

The actuarial factors as of the valuation date are as follows:

1.	Normal cost		$1,038,716,178
2.	Actuarial accrued liability		38,604,872,754
	Retired members and beneficiaries	$19,757,181,205	
	Inactive members with vested rights	762,529,711	
	Active members	18,085,161,838	
3.	Actuarial value of assets ($25,899,841,632 at market value as reported by Retirement Office)		27,398,984,856
4.	Unfunded actuarial accrued liability (2. – 3.)		$11,205,887,898
5.	Total rate payroll		$5,574,616,761

EXHIBIT II
Actuarial Assumptions and Methods

Actuarial Assumptions

Mortality Rates:

Healthy:	*Regular:*	RP-2000 Combined Healthy Mortality Table, set forward one year for females (no age set forward for males).
	Police/Fire:	RP-2000 Combined Healthy Mortality Table, set forward one year.
Disabled:	*Regular:*	RP-2000 Disabled Retiree Mortality Table, set back three years for males and set forward eight years for females.
	Police/Fire:	For males, RP-2000 Combined Healthy Mortality Table, set forward ten years. For females, RP-2000 Disabled Retiree Mortality Table, set forward eight years.

The System routinely assembles and provides to us data on all elements of experience, including mortality, for an experience study every four to six years. The next such study will be prepared prior to the actuarial valuation as of June 30, 2013. That study will determine whether or not the mortality assumption reasonably anticipates mortality improvement.

Termination Rates before Retirement:

	Rate (%)					
	Regular Mortality		Police/Fire Mortality		Disability	
Age	**Male**	**Female**	**Male**	**Female**	**Regular**	**Police/Fire**
20	0.03	0.02	0.04	0.02	0.01	0.05
25	0.04	0.02	0.04	0.02	0.01	0.05
30	0.04	0.03	0.05	0.03	0.05	0.05
35	0.08	0.05	0.08	0.05	0.08	0.08
40	0.11	0.08	0.11	0.08	0.14	0.26
45	0.15	0.12	0.16	0.12	0.26	0.47
50	0.21	0.19	0.24	0.19	0.43	0.61
55	0.36	0.31	0.42	0.31	0.61	0.60
60	0.67	0.58	0.77	0.58	0.50	0.60

Any mortality that occurs during the first two years of employment is assumed to be non-duty related.

No disability rates are assumed after age 65.

Termination Rates before Retirement (continued):

Years of Service	Withdrawal Rates: Regular	Withdrawal Rates: Police/Fire
0	18.25%	13.00%
1	13.00	6.50
2	9.80	5.50
3	7.75	4.00
4	6.50	3.90
5	6.00	3.75
6	5.00	2.00
7	4.65	2.00
8	3.90	2.00
9	3.70	2.00
10	3.30	2.00
11 or more	2.00	2.00

No withdrawal is assumed after a member is first assumed to retire.

Retirement Rates:

Regular
Years of Service

Age	5 – 19	20 – 24	25 – 29	30 or more
45 – 49	--	1%	8%	--
50 – 54	2	2	10	25%
55 – 59	4	7	15	30
60 – 61	13	20	25	30
62 – 64	15	20	25	30
65 – 69	22	25	30	30
70 & over	100	100	100	100

Police/Fire
Years of Service

Age	5 – 9	10 – 19	20 – 24	25 – 29	30 or more
40 – 44	--	1%	1%	--	--
45 – 49	--	1	3	15%	15%
50 – 54	1%	5	12	15	25
55 – 59	5	12	20	25	35
60 – 64	10	20	25	25	35
65 & over	100	100	100	100	100

Retirement Age for Inactive Vested Participants: Earliest unreduced retirement age.

Unknown Data for Participants: Same as those exhibited by members with similar known characteristics. If not specified, Regular members are assumed to be female, and Police/Fire members are assumed to be male.

Percent Married: Since pre-retirement death benefits are payable to a surviving beneficiary of an unmarried member, all members are assumed to have a beneficiary upon pre-retirement death.

The unmodified option is a straight life annuity except for "employer-pay" Police/Fire retirees, for whom it is a 50% joint and survivor annuity. Existing "employer-pay" Police/Fire retirees with an unmodified option who retired after June 30, 1981 and before July 1, 2007 have been valued assuming no surviving spouse, pending the results of an analysis and verification of spousal information. The assumed probability of marriage at retirement for future "employer-pay" Police/Fire retirees are shown below for selected ages:

Age	Male	Female
20	33.0%	37.1%
25	58.9%	65.2%
30	65.3%	61.8%
35	71.3%	63.6%
40	71.4%	63.1%
45	73.3%	61.0%
50	75.7%	64.0%
55	77.0%	57.6%
60	74.0%	49.5%

Age of Spouse: Females 3 years younger than males.

Net Investment Return: 8.00% (including 3.50% for inflation).

Consumer Price Index: Increase of 3.50% per year.

Administrative Expenses: 0.15% of payroll added to Normal Cost.

Salary Increases:

Years of Service	Regular	Police/Fire
1	9.75%	14.75%
2	8.25%	10.75%
3	7.75%	10.20%
4	7.50%	9.80%
5	7.25%	9.40%
6	7.00%	9.00%
7	6.75%	8.25%
8	6.25%	7.75%
9	5.75%	7.25%
10	5.50%	6.50%
11	5.10%	6.50%
12	4.90%	6.50%
13 or more	4.50%	6.50%

Assumed payroll growth rates are used to compute the unfunded actuarial accrued liability amortization payments as a level percentage of projected payroll. For this actuarial valuation, the payroll for the coming year is based on actual contributions for the prior year with increases of 3.00% for Regular and 5.00% for Police/Fire. For the purpose of calculating the actuarially determined contribution rate, the total payroll growth assumptions for future years are 6.50% per year for Regular and 8.00% per year for Police/Fire.

Post-Retirement Benefit Increases:	For current retirees and beneficiaries, future Post-Retirement Benefit Increases reflect actual changes in historical CPI and are assumed to follow the formulas described on page 45 of this report. For future retirees, those hired prior to 2010 are assumed to reach the cap after 24 years of retirement. Those hired in 2010 or later are assumed to reach the cap after 39 years of retirement. Underlying all of these assumptions is that CPI will grow over time at a rate of 3.50% per year.
Dependent Children:	The assumption for dependent children in the actuarial valuation is one dependent child who is 28 years younger than the member.

Actuarial Methods

Actuarial Cost Method:	Entry Age Normal Actuarial Cost Method. Entry Age is the age at the time the participant commenced employment. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are based on costs allocated as a level percentage of salary, with Normal Cost determined based on the plan provisions and benefit accrual rate applicable to that individual.
Actuarial Value of Assets:	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the actuarial value, and is recognized over a five-year period, further adjusted, if necessary, to be within 30% of the market value. Deferred gains and losses as of June 30, 2011 have been combined and will be recognized in equal amounts over a period of four years from that date.
Amortization Policy:	The UAAL, (i.e., the difference between the Actuarial Accrued Liability and the Valuation Value of Assets), as of June 30, 2011 shall continue to be amortized over separate 30-year period amortization layers based on the valuations during which each separate layer was previously established. Any new UAAL as a result of actuarial gains or losses identified in the annual valuation as of June 30 will be amortized over a period equal to the truncated average remaining amortization period of all prior UAAL layers. This would occur until the average remaining amortization period is less than 20 years. At that point, amortization periods of 20 years would be used for actuarial gains and losses. Any new UAAL as a result of change in actuarial assumptions or methods will be amortized over a period equal to the truncated average remaining amortization period

of all prior UAAL layers. This would occur until the average remaining amortization period is less than 20 years. At that point, amortization periods of 20 years would be used for assumption or method changes.

Unless an alternative amortization period is recommended by the Actuary and accepted by the Board based on the results of an actuarial analysis:

a. with the exception noted in b., below, the increase in UAAL as a result of any plan amendments will be amortized over a period of 15 years;

b. the increase in UAAL that would result from a temporary retirement incentive will be pre-funded by the participating employer(s).

UAAL layers shall be amortized over "closed" amortization periods so that the amortization period for each layer decreases by one year with each actuarial valuation.

UAAL layers shall be amortized as a level percentage of payroll so that the amortization amount in each year during the amortization period shall be expected to be a level percentage of covered payroll, taking into consideration the current assumption for general payroll increase.

If an overfunding exists (i.e., the total of all UAAL becomes negative so that there is a surplus), such surplus and any subsequent surpluses will be amortized over an "open" amortization period of 30 years. Any prior UAAL amortization layers will be considered fully amortized, and any subsequent UAAL will be amortized over 20 years as the first of a new series of amortization layers.

These amortization policy components will apply separately to each of the Regular and Police/Fire UAAL cost groups.

Changes in Actuarial Methods:	The Board adopted an adjustment to the asset smoothing method that combined the net deferred investment losses from the June 30, 2011 valuation into a single smoothing layer to be recognized in equal amounts over a period of four years from that date. In addition, based on a review of actuarial funding policy, the following method was changed. Previously, these methods were as follows:
Amortization Policy:	For the purpose of calculating the actuarially determined contribution rate, the unfunded actuarial accrued liability is amortized as a level percent of payroll over a year-by-year closed amortization period where each amortization period is set at 30 years.

EXHIBIT III

Summary of Plan Provisions

This exhibit summarizes the major provisions of the Nevada Public Employees' Retirement Act included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

Plan Year: July 1 through June 30

Service Retirement:

For members with an effective date of membership before January 1, 2010:

Requirement for Regular Members	Age 65 with five years of service, or age 60 with ten years of service, or at any age with 30 years of service.
Requirement for Police/Fire Members	Age 65 with five years of service, or age 55 with ten years of Police/Fire service, or age 50 with 20 years of Police/Fire service, or at any age with 25 years of Police/Fire service.
Benefit	2.67% of final average compensation (average of 36 highest consecutive months) per year of service earned on or after July 1, 2001 plus 2.50% of final average compensation per year of service before July 1, 2001. Maximum benefits are 90% of average compensation for individuals who became members before July 1, 1985 and 75% of average compensation for individuals who became members after June 30, 1985.

For members with an effective date of membership on or after January 1, 2010:

Requirement for Regular Members	Age 65 with five years of service, or age 62 with ten years of service, or at any age with 30 years of service.
Requirement for Police/Fire Members	Age 65 with five years of service, or age 60 with ten years of Police/Fire service, or age 50 with 20 years of Police/Fire service, or at any age with 30 years of Police/Fire service.
Benefit	2.50% of final average compensation (average of 36 highest consecutive months) per year of service. Maximum benefits are 75% of average compensation.

Early Retirement:

Requirement	Any age with five years of service.

For members with an effective date of membership before January 1, 2010:

Benefit	Accrued retirement benefit reduced 4% per year for each year that the member is under the age required for service retirement.

For members with an effective date of membership on or after January 1, 2010:

Benefit	Accrued retirement benefit reduced 6% per year for each year that the member is under the age required for service retirement.

Disability:

Requirement	Five years of service and totally unable to perform current job or any comparable job for which the member is qualified by training and experience, because of injury or illness of a permanent nature, provided the member is in the employ of a participating employer at the time of application for disability retirement.
Benefit	Accrued service retirement benefit without reduction for age. (System disability benefit is reduced for other benefits received on account of same disability, if such other benefits are financed by a Nevada public employer, to the extent that total disability benefits would otherwise exceed 100% of final average compensation.)

Vesting:	
Requirement	Any age with five years of service, provided the member has not received a refund of member contributions.
Benefit	Accrued service retirement benefit payable upon attainment of age 65 if member has between five and ten years of service at termination, or upon attainment of the age required for service retirement if member has ten or more years of service at termination.
Spouse's Pre-Retirement Death Benefit:	
Requirement	Eligible survivors of an active member who dies receive survivor benefits if: (a) the deceased member had two years of service in the 2½ years immediately preceding death; or (b) the deceased member had ten years of service; or (c) death was caused by occupational disease or a service-connected accident regardless of the deceased member's length of service; or (d) death occurred within 18 months after termination of employment where mental or physical condition required the termination; or (e) death occurred while member was on leave of absence for training and member met requirements of (a) at time such leave began.
Benefit	a. Unmarried children under age 18, or age 18 to 23 and attending an accredited school on a full-time basis: $400 per month per child. Payments cease upon attaining age 18 or age 23 if full-time student, unless child is incapacitated; or upon marriage, adoption, or death. b. Spouse, or survivor beneficiary of an unmarried member, of deceased member with fewer than ten years of service (and at least two years of service in the last 2½ years): $450 per month. Payments cease upon death. c. Spouse, or survivor beneficiary of an unmarried member, of deceased member with ten but fewer than 15 years of service: greater of $450 per month or Option 3 benefit that would have been payable if deceased member had retired on date of death without reduction for early payment. Payments cease upon death.

d. Spouse, or survivor beneficiary of an unmarried member, of deceased member with 15 or more years of service: greater of $450 per month or Option 2 benefit that would have been payable if deceased member had retired on date of death without reduction for early payment. Payments cease upon death.

e. Spouse, or survivor beneficiary of an unmarried member, of deceased member eligible to retire with respect to both age and service: greater of $450 per month, Option 2 or Option 3 benefit that would have been payable if deceased member had retired on death, without reduction for early payment. Payments cease upon death.

f. Dependent parents: $400 per month each, provided there are no other eligible survivors. Payments cease upon death.

g. Lump sum payment option: a spouse, or survivor beneficiary of an unmarried member, may waive right to monthly survivor benefits and instead receive a lump sum refund of deceased member's contributions plus half the contributions made under the Employer-Pay provisions, provided no other person is eligible for survivor benefits.

Benefit Limitations

Total survivor benefits, including any other survivor benefit received from any other source, shall not exceed final average compensation (a) if the other benefit was provided or purchased by a public employer, except for lump sum payments under a group insurance program; and (b) to the extent that the total of the allowance and the other benefit would otherwise exceed the deceased member's final average compensation.

Benefit for certain spouses	A member who begins receiving service or disability retirement benefits from the Police/Fire members retirement fund after June 30, 1981, is eligible to receive an unreduced service retirement allowance. Upon the death of such a retired member, a spouse who was the retired member's spouse at the time of retirement is entitled to receive 50% of the unreduced allowance; this benefit is payable to the surviving spouse beginning at age 50. A surviving spouse is not eligible to receive this 50% spouse's benefit if the retired member elects an optional benefit form at the time of retirement. Service performed after July 1, 1981, in positions other than as a Police/Fire member, except military service, is not credited toward this 50% spouse's benefit. Existing "employer-pay" Police/Fire retirees who retired after June 30, 1981 and before July 1, 2007 have been valued assuming no surviving spouse, pending the results of an analysis and verification of spousal information.

Post-Retirement Benefit Increases:

For members with an effective date of membership before January 1, 2010:

Benefit

The lesser of

(a) 2% per year following the third anniversary of the commencement of benefits, 3% per year following the sixth anniversary, 3 ½% per year following the ninth anniversary, 4% per year following the twelfth anniversary and 5% per year following the fourteenth anniversary, or

(b) The annual benefit increase is equal to the average percentage increase in the Consumer Price Index (or other Board approved index) for the three preceding years.

In any event, a member's benefit must be increased by the percentages in paragraph (a) if the benefit of a member has not been increased at a rate greater than or equal to the average of the Consumer Price Index (All Items) (or other Board approved index) for the period between retirement and the date of increase.

For members with an effective date of membership on or after January 1, 2010:

Benefit

Same as above, except the increases do not exceed 4% per year.

Optional Benefit Forms	Regular and disability retirees may elect one of the optional benefit plans:

- Option 1 - Single life annunity except for:

  Police/Fire members who contribute under the "employer pay" contribution plan, Option 1 is a 50% joint and survivor annuity
- Option 2 - 100% joint and survivor
- Option 3 - 50% joint and survivor
- Option 4 - 100% joint and survivor, with payments to beneficiary commencing at age 60
- Option 5 - 50% joint and survivor, with payments to beneficiary commencing at age 60
- Option 6 - specific sum option up to 100% of allowance paid to retiree
- Option 7 - specific sum option up to 100% of allowance paid to retiree, with payments to beneficiary commencing at age 60.

If the beneficiary predeceases the retired member, the optional allowance reverts to the unmodified allowance.

Contribution Rates	For the fiscal years July 1, 2011 through June 30, 2013, statutory contribution rates as a percentage of compensation are as follows:

	Regular	Police/Fire
Employer-Pay	23.75%	39.75%
Employee/Employer	12.25%/12.25%	20.25%/20.25%

Total contribution rates are adjusted at the beginning of each odd-numbered fiscal year, based on the actuarially determined rates indicated in the actuarial valuation report for the immediately preceding year. Rates are only adjusted upward if the new rates are more than 0.50% higher than the existing rate for Employer-Pay and more than 0.25% higher for Employee/Employer. Rates are only adjusted downward if the new rates are more than 2.00% lower than the existing rate for Employer-Pay (and adjusted only by the amount in excess of 2.00%) and more than 1.00% lower than the existing rate for Employee/Employer (and adjusted only by the amount in excess of 1.00%). Rates are rounded to the nearest 0.25% of payroll.

Under the Employer-Pay provisions, the contributions made by employers on behalf of members are not credited to member accounts and are not refunded upon termination. For members covered by the Employer-Pay provisions, final average compensation is increased by half the total contribution made by the public employer and may not be less than it would have been if contributions had been made by the member and the employer separately.

Changes in Plan Provisions:	There were no changes in the plan provisions since the prior valuation.

Data Section (do not touch)

StringBookmarks	
PlanNameLong	Public Employees’ Retirement System of Nevada
PlanNameShort	PERS
OfficeAddr1	693 West Nye Lane
OfficeAddr2	Carson City, Nevada 89703
ClientContact	Public Employees’ Retirement Board
FinanSource	Administrative Office
ActuaryName	John Monroe
ActuaryTitle	Vice President and Associate Actuary
ActuaryCredential	ASA, MAAA, EA
ActuaryNumber	99-1234
Assumptions	Board
ConsultantName	Brad Ramirez
ConsultantTitle	Consulting Actuary
SegalAddr1	100 Montgomery Street
SegalAddr2	San Francisco, CA 94104-4308
SegalPhone	415.263.8200
SegalFax	415.263.8290
ParticipantName	Member
ParticipantPlural	Members
RetireeName	Retired member
RetireePlural	Retired members
AuditorCompany	Clifton Gunderson
FMWording	Entry Age Normal
ValDate	"7/1/2011"
ValDateEOY	"6/30/2011"
FiscalDate	"7/1/2011"
CensusDate	"7/1/2011"
CensusDateEOY	"6/30/2011"
ValDate1	"7/1/2010"
ValDateEOY1	"6/30/2010"
ValDateMinusOne	"6/30/2011"
ValDate1MinusOne	"6/30/2010"
FiscalDate1	"7/1/2009"
CreditRef	Years of Service
CreditRefSingle	Year of Service
PayRef	Payroll
PayRefSingle	Payroll
GLText	loss
GLAdminText	loss
OtherGLText	loss
GLInvText	gain
HistYearsText	ten
EmpName	Member

Data Section (do not touch)

OptCategory1	Optional
OptCategory2	Disableds
OptRow	Optional
InactNonText	Inactive non-vested

Data Section (do not touch)

Florida	0	“#”
FundingMethod	2	“#”
AssetMethod	3	“#”
IntVal	0.0800	“#.00%”
IntActual	0.0000	“#.00%”
IntActual1	0.0000	“#.00%”
MVIntActual	0.0000	“#.00%”
MVIntActual1	0.0000	“#.00%”
DollarLimit	160,000	“#,###”
DollarLimit1	140,000	“#,###”
Valcycle	1	“#”
Fiscal	0	“#”
ActNumTot	0	“#,###”
ActNumTot1	0	“#,###”
ActNumUnknown	0	“#,###”
AveSalary	0	“#,###”
AveSalary1	0	"#,###"
ActAge	0.0	“#,###”
ActAge1	0.0	“#,###”
ActSvc	0.0	“#,###”
ActSvc1	0.0	“##.##”
Payroll	0	“#,###”
Payroll1	0	“#,###”
BenNum	0	“#,###”
BenNum1	0	“#,###”
BenBft	0	“#,###”
BenBft1	0	“#,###”
RDNum	0	“#,###”
RDNum1	0	“#,###”
SuspendedPens	0	“#,###”
SuspendedPens1	0	“#,###”
RDBft	0	“#,###”
RDBft1	0	“#,###”
InactNum	0	“#,###”
TotalCount	0	“#,###”
TotalCount1	0	“##.##”
AstMkt	0	“#,###”
AstAct	0	“#,###.##”
AstAct1	0	“#,###”
InvGL	0	“#,###”
AstActAve	0	"#,###"

UpCorridor	1.2000	“#.00%”
LowCorridor	0.8000	“#.00%”
CalcUal	0	“#,###”
OtherGL	0	“#,###”
ExpGL	0	“#,###”
TotalGl	0	“#,###”
AdminExp	1	“#”
ActAL	0	“#,###”
ActOPExpDol	0	“#,###”
AsmExpDolPer	0	“#,###”
AsmExpDolPer1	0	“#,###”
SchAmtYrs	25	“#,###”
FCRate	0.0000	“#.00%”
FCRate1	0.0000	“#.00%”
RecCont	0	“#,###”
RecContDec	0	“#,###”
RecContInc	0	“#,###”
RecContPct	0.0000	“#.00%”
RecContPctDec	0.0000	“#.00%”
RecContPctInc	0.0000	“#.00%”

	First
Chart1First	1994
Chart6First	1994
Chart8First	1994
Chart11First	1994
Chart12First	1994

	Last
Chart1Last	2003
Chart6Last	2003
Chart8Last	2003
Chart11Last	2003
Chart12Last	2003

	Num
Chart1Num	10
Chart6Num	10
Chart8Num	10
Chart11Num	10
Chart12Num	10

Results of last import: Last Import was ABORTED!
Type of import: Import All!
Spreadsheet imported from:
Date and time of import: 10/20/2011 2:31:58 PM