



CELESTENA GLOVER
Executive Officer

JOE LOMBARDO
Governor

STATE OF NEVADA
PUBLIC EMPLOYEES' BENEFITS PROGRAM
3427 Goni Road, Suite 109, Carson City, Nevada 89706
Telephone 775-684-7000 | 702-486-3100 | 1-800-326-5496
<https://pebp.nv.gov>

JOY GRIMMER
Board Chair

AGENDA ITEM

Action Item

Information Only

Date: March 20, 2025

Item Number: 4.2.1

Title: Chief Financial Officer Budget Report

Summary

This report addresses the Operational Budget as of December 31, 2024, fiscal year end, to include:

1. Budget Status
2. Budget Totals
3. Claims Summary

Budget Account 1338 – Operational Budget – Shown below is a summary of the operational budget account status as of December 31, 2024, with comparisons to the same period in Fiscal Year 2024. The budget status is reported on a cash basis and does not include incurred expenses and income owed to the fund.

The budget status report reflects actual income of \$216.2 million as of December 31, 2024, compared to \$210.0 million as of December 31, 2023, or an increase of 3%. Total expenses for the period have increased by \$27.7 million or 13.3% for the same period.

The budget status report shows Realized Funding Available (cash) at \$75.5 million. This compares to \$123.3 million for the same period as last year. The table below reflects the actual revenues and expenditures for the period.

Operational Budget 1338						
	FISCAL YEAR 2025			FISCAL YEAR 2024		
	Actual as of 12/31/2024	Work Program	Percent	Actual as of 12/31/2023	Fiscal Year 2024 Close	Percent
Beginning Cash	94,373,969	94,373,969	100%	120,714,437	120,714,437	100%
Premium Income	184,844,219	433,139,318	43%	184,311,940	400,716,314	46%
All Other Income	31,402,524	24,983,809	126%	25,676,985	34,220,617	75%
Total Income	216,246,742	458,123,127	47%	209,988,925	434,936,931	48%
Personnel Services	1,451,086	3,020,415	48%	1,094,964	2,722,805	40%
Operating - Other than Personnel	1,214,808	3,095,546	39%	1,153,666	2,825,959	41%
Insurance Program Expenses	232,331,892	481,360,913	48%	205,100,557	455,467,372	45%
All Other Expenses	135,566	214,039	63%	97,529	172,381	57%
Total Expenses	235,133,352	487,690,913	48%	207,446,716	461,188,517	45%
Change in Cash	(18,886,609)	(29,567,786)		2,542,210	(26,251,586)	
REALIZED FUNDING AVAILABLE	75,487,360	64,806,183	116%	123,256,647	94,373,969	131%
Incurred But Not Reported Liability	(39,999,273)	(39,999,273)		(52,874,000)	(52,874,000)	
Catastrophic Reserve	(33,892,991)	(33,892,991)		(38,212,000)	(38,212,000)	
HRA Reserve	(14,864,089)	(14,864,089)		(20,600,889)	(20,600,889)	
NET REALIZED FUNDING AVAILABLE	(13,268,993)	(23,950,170)		11,569,758	(17,312,920)	

Current Budget Projections

The following table represents projections for FY 2025. The projection reflects total income to be more than budgeted by 1.1% (\$570.4 million vs \$564.3 million), total expenditures are projected to be more than budgeted by 4.7% (\$495.8 million vs \$ 473.7 million); and total reserves are projected to be less than budgeted by 16.0% (\$74.6 million vs \$88.8 million).

State Subsidies are projected to be more than the budgeted amount by \$12.6 million (3.8%), Non-State Subsidies are projected to be less than budgeted by \$1.6 million (7.6%), and Premium Income is projected to be less than budgeted by \$8.4 million (10.2%). The overall increase in budgeted revenue is due in part to an increase in state subsidies because of actual state active enrollment compared to budgeted enrollment and a change in the mix of plan and tiers. The mix of participants is as follows:

- 3.59% more state actives,
- 7.7.28% fewer state non-Medicare retirees,
- 27.78% more non-state actives,
- 14.27% fewer non-state, non-Medicare retirees
- 4.35% fewer state Medicare retirees, and
- 7.10% fewer non-state Medicare retirees

Budgeted and Projected Income (Budget Account 1338)					
Description	Budget	Actual 12/31/24	Projected	Difference	
Carryforward	94,373,969	94,373,969	94,373,969	0	0.0%
State Subsidies	330,044,762	139,749,642	342,689,991	12,645,229	3.8%
Non-State Subsidies	20,452,623	9,451,971	18,895,066	(1,557,557)	-7.6%
Premium	82,641,933	35,645,915	74,200,251	(8,441,682)	-10.2%
COVID Funds	0	0	0	0	13.7%
Appropriations	11,816,381	11,816,381	11,816,381	0	1.1%
All Other	24,983,809	21,392,874	28,405,875	3,422,066	13.7%
Total	564,313,477	312,430,751	570,381,533	6,068,056	1.1%
Budgeted and Projected Expenses (Budget Account 1338)					
Description	Budget	Actual 12/31/24	Projected	Difference	
Operating	6,330,000	2,801,460	6,571,303	(241,303)	-3.8%
State Insurance Costs	408,589,808	220,073,064	442,759,633	(34,169,825)	-8.4%
Non-State Insurance Costs	8,021,212	2,579,363	6,203,534	1,817,678	22.7%
Medicare Retiree Insurance Costs	50,809,373	19,689,115	40,281,774	10,527,599	20.7%
Total Insurance Costs	467,420,393	242,341,542	489,244,941	(21,824,548)	-4.7%
Total Expenses	473,750,393	245,143,002	495,816,244	(22,065,851)	-4.7%
Restricted Reserves	88,756,353	88,756,353	105,327,010	(16,570,657)	-18.7%
Differential Cash Available	0	(21,468,604)	(30,761,721)	30,761,721	
Total Reserves	88,756,353	67,287,750	74,565,289	14,191,064	16.0%
Total of Expenses and Reserves	562,506,746	312,430,751	570,381,533	(7,874,788)	-1.4%

Expenses for Fiscal Year 2025 are projected to be \$22.1 million (4.7%) more than budgeted when changes to reserves are excluded. Operating expenses are projected to be more than budgeted by \$0.2 million (3.8%). Employee and Retiree insurances costs are projected to be more than budgeted by \$21.8 million (4.7%) when taken in total (see table above for specific information).

Recommendations

None.