

# Agency 85 - Public Employees Retirement Board

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## Statutory Authority:

The laws governing the Public Employees Retirement Board and each retirement plan under its administration are as follows:

Retirement Board - 84-1501 to 84-1514; County Employees Retirement Act - 23-2301 to 23-2332; Judges Retirement Act - 24-701 to 24-714; School Employees Retirement Act - 79-901 to 79-977.03; Nebraska State Patrol Retirement Act - 81-2014 to 81-2040; State Employees Retirement Act - 84-1301 to 84-1333 and State Deferred Compensation Fund - 84-1504 to 84-1506.01.

Spousal Pension Rights Act - 42-1101 to 42-1113.

Related Laws: NE Investment Council - 72-1237 to 72-1269.

## Vision Statement:

To administer the various retirement systems in an efficient, accurate and trustworthy manner, while providing timely service to plan members.

## Mission Statement:

The Nebraska Public Employees Retirement Systems recognizes the importance of a successful retirement and is dedicated to providing the highest quality service necessary to assist members in achieving this goal.

## Goals:

1. To operate the agency efficiently and responsibly, in order to maintain the trust of plan members, our plan employers, the separate branches of government and the public as a whole.
2. To guard the integrity of the system's assets and the accuracy of the system's data.
3. To provide ongoing informational and educational opportunities to members in a timely manner.
4. To administer each retirement plan in full compliance with applicable federal and state laws.
5. To continuously gather data and observe benefit levels for the various plans in order to make recommendations to policy makers from time to time.

## Financial Data:

	Actual FY02	Approp FY03	Request FY04	Recom FY04	Request FY05	Recom FY05
General Fund	14,871,930	15,388,214	15,347,284	16,654,474	15,347,284	18,041,013
Cash Fund	3,472,879	4,720,375	6,829,529	6,842,129	6,753,523	6,767,044
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Agency</b>	<b>18,344,809</b>	<b>20,109,589</b>	<b>22,176,813</b>	<b>23,496,603</b>	<b>22,100,807</b>	<b>24,808,057</b>

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## Program 041 - Retirement Systems Administration

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### Program Objectives:

To meet the agency/program goals, the program objectives are:

1. To stay on budget and on schedule with the Technology Project (design began June 2001, rollout Phase 1 in January 2003 and Phase 2 in 2004).
2. To continue to streamline work processes in order to avoid a backlog of requests and to continue to improve member services.
3. To improve financial audits.
4. To provide targeted salary increases in order to be competitive and retain quality staff.
5. Continue educational efforts with members and employers.
6. Produce a Comprehensive Annual Financial Report.

### Financial Data:

	Actual FY02	Approp FY03	Request FY04	Recom FY04	Request FY05	Recom FY05
General Fund	0	0	0	0	0	0
Cash Fund	3,459,583	4,695,768	6,797,377	6,817,522	6,720,664	6,742,437
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total</b>	<b>3,459,583</b>	<b>4,695,768</b>	<b>6,797,377</b>	<b>6,817,522</b>	<b>6,720,664</b>	<b>6,742,437</b>

### Performance Measures:

Based on our agency/program objectives the Retirement System has established the following performance measures for the biennium:

1. To timely process member retirements and benefit payments so as to prevent a gap of more than 30 days between final pay and a member's first benefit check.
2. To continue to cleanse member data for all systems in order to facilitate the implementation of an integrated information system by 2004.
3. To roll-out the first phase of the Retirement Board's information system in January 2003 and the second phase in the summer of 2004.
4. To train the project team to support and maintain the new system within 6 months of the completion of the new system.
5. To continue member/employer education programs statewide, utilizing the most efficient means possible.
6. To publish a Comprehensive Annual Financial Report within 12 months.
7. To continue to improve the response time to member requests, with a goal of no more than 20 working days on general requests and 5 working days on priority requests.
8. To improve financial audits for all plans by reviewing controls, completing written procedures and implementing check points and reviews in a cost-efficient manner.
9. To answer incoming calls within the first three rings and returning phone messages within 24 hours.

## Agency 85 - Public Employees Retirement Board Program 042 - Board Member Expenses

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### Program Objectives:

The primary objective of program 042 is to separately account for the Retirement Board member expenses. These include, travel, meals, and board and lodging expenses associated with monthly board meetings.

The program also accounts for postage expense related to mailing of information to board members and for rent expense to cover the cost for the space made available for board meetings in the Retirement System office, or when necessary outside of the agency office.

The Retirement System has maintained funding for key educational opportunities for board members. The agency will continue to bring in speakers to address the board on a variety of topics, during the regular monthly meetings.

### Financial Data:

	Actual FY02	Approp FY03	Request FY04	Recom FY04	Request FY05	Recom FY05
General Fund	0	0	0	0	0	0
Cash Fund	13,296	24,607	32,152	24,607	32,859	24,607
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total</b>	<b>13,296</b>	<b>24,607</b>	<b>32,152</b>	<b>24,607</b>	<b>32,859</b>	<b>24,607</b>

### Performance Measures:

1. The Board will seek to educate its members in the least expensive manner, but understands the need to meet with other state pension representatives, necessitating occasional travel.
2. When new members are appointed, they will be required to attend a basic course in public pension systems sponsored by the International Foundation of Employee Benefits.
3. All conference travel requests, must be approved by the affirmative vote of four members of the Board and must be submitted 30 days in advance.
4. Up to three existing Board members will be allowed to attend an educational conference per year. Travel outside the forty-eight contiguous United States will require the affirmative vote of at least five members.
5. Any Board member who attends a conference paid for in whole or in part by the Retirement System funds shall present a report to the Board at the next regular meeting following the member's return.

# Agency 85 - Public Employees Retirement Board Program 515 - Funding

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## Program Objectives:

The Program 515 objectives are set by state law. The law stipulates the rate of funding required by the State each year as follows:

1. State Service Annuity & Formula Annuity fund - 7/10 of 1% of salaries  
(School system and Omaha Public) - Section 79-966 & 79-9,100
2. The various Funds for Retiree supplemental benefits are found in: Sections 79-940 to 79-947.02 and 79-975.
3. The state patrol and judges plans include provisions for state funding of any unfunded liabilities as well as retiree supplemental benefits. They are:  
Sections 81-2017 (1);81-2027.03 & 2027.04; 81-2035 & 2036 - State Patrol  
Sections 24-703 (9); 24-710 (4);24-710.07 & 710.08 - Judges

## Financial Data:

	Actual FY02	Approp FY03	Request FY04	Recom FY04	Request FY05	Recom FY05
<b>General Fund</b>	14,871,930	15,389,214	15,347,284	16,654,474	15,347,284	18,041,013
<b>Cash Fund</b>	0	0	0	0	0	0
<b>Federal Fund</b>	0	0	0	0	0	0
<b>Revolving Fund</b>	0	0	0	0	0	0
<b>Other Fund</b>	0	0	0	0	0	0
<b>Total</b>	14,871,930	15,389,214	15,347,284	16,654,474	15,347,284	18,041,013

## Performance Measures:

Each year the actuary under contract to the Retirement Board completes a valuation of all plan assets and liabilities for the School Employees, State Patrol and Judges Retirement Systems. The actuary relies on member data and financial statements provided by the Retirement Office to determine the funding needs of each system.

The annual actuarial valuation is completed in November of each year, in order to determine the exact funding needs for the following fiscal year.