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December 5, 2011

Mr. Gerry A. Oligmueller
State Budget Administrator
State Capitol, Room 1320
Lincoln, Nebraska 68509

Re: NPERS Adjusted Budget Request for FY 2012-2013 – Program 515

Dear Gerry:

We have received the actuary reports from Buck Consultants for the School, Judges, and Patrol Retirement plans fiscal year ending 6-30-2011. Based upon the actuarial valuations, there are additional state contribution requests for the School and State Patrol plans for fiscal year 2012-2013. This letter will serve to revise the amounts estimated on the Operations and Aid Budget Request for the fiscal year 2012-2013 in the Biennial Budget for Program 515.

A detailed spreadsheet is attached with the breakdown for Program 515. There is an additional required contribution for the State Patrol Plan of \$2,255,430. This is a decrease of \$183,907 from the original request of \$2,439,337.

There is also an "additional contribution requirement" for the school plan of \$23,465,817. Our original request did not include an additional required contribution for the School plan. The amount needed for the Omaha Service Annuity increased by \$9,017 from our original request of \$1,021,000. The appropriations request for 1% of salary for the State school plan increased by \$581,890 based on salary data reported by school employers. The appropriations request for 1% of salary for Omaha schools decreased by \$41,556 based on salary data provided by the Omaha School Employees Retirement System (OSERS).

There is no "additional contribution requirement" or adjustment for the Judges Plan this year.

To summarize, Program 515 should be increased by a total of \$23,831,261. The total Program 515 revised request for fiscal year 2012-13 is for \$53,461,178. Details are provided on the attached spreadsheet for your review. We will forward final copies of the annual actuary reports for each of the School, Judges and State Patrol plans as soon as they are available.

Please contact me if you have any other questions or would like further details.

Sincerely,

Phyllis G. Chambers
Executive Director

cc: Denis Blank, PERB Chairman
Gary Bush, Budget Analyst
Kathy Tenopir, Fiscal Analyst

**NEBRASKA RETIREMENT SYSTEMS
PROGRAM 515**

	Actual Appropriation for 12-13	Revised Request	Difference
SUB-PROGRAM 01 SCHOOL			
ADDITIONAL CONTRIBUTION REQUIREMENT		23,465,817	23,465,817
OMAHA SERVICE ANNUITY	1,021,000	1,030,017	9,017
COLA - STATE	5,639,235	5,639,235	0
COLA - OMAHA	973,301	973,301	0
1% - STATE	16,057,000	16,638,890	581,890
1% - OMAHA	3,113,000	3,071,444	(41,556)
TOTAL SUB PROG 01	26,803,536	50,818,704	24,015,168
SUB-PROGRAM 04 PATROL			
ADDITIONAL CONTRIBUTION REQUIREMENT	2,439,337	2,255,430	(183,907)
COLA	210,220	210,220	
LB 137	104,580	104,580	0
TOTAL SUB PROG 04	2,754,137	2,570,230	(183,907)
SUB-PROGRAM 09 JUDGES			
ADDITIONAL CONTRIBUTION REQUIREMENT			
COLA	72,244	72,244	
TOTAL SUB PROG 09	72,244	72,244	0
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TOTAL PROGRAM 515	29,629,917	53,461,178	23,831,261