

# Agency 085 - PUBLIC EMPLOYEES RETIREMENT SYSTEM

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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 84-1513

County Employees Retirement Act - 23-2301 to 23-2334

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

State Deferred Compensation Fund - 84-1504 to 84-1506.01

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

Related Laws: Nebraska Investment Council - 72-1237 to 72-1260

## **VISION:**

The Nebraska Public Employees Retirement System seeks to administer the various retirement systems with exceptional service, integrity, and commitment for the exclusive benefit of our plan members today and in the future.

## **MISSION AND PRINCIPLES:**

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 that goal.

The agency exists to administer pension benefits for 111,000 active, inactive and retired public employees who have dedicated many years of service to the citizens of Nebraska. NPERS operations are funded by pension assets with funding authority from the Legislature. NPERS focus is to seek continuous improvement in the service to members through timely benefit processing, accurate accounting and maintenance of records, and retirement education services. The most valuable resource NPERS has is the people employed at NPERS.

## **GOALS:**

Agency Goals are:

1. To operate the agency efficiently and responsibly in order to maintain the trust of the members, the 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 and security of all data systems.
3. To provide ongoing informational and educational opportunities for the members.
4. To administer each retirement plan in full compliance with applicable federal and state laws.
5. Continue to improve our technology in order to achieve the highest level of service possible.

# Agency 085 - PUBLIC EMPLOYEES RETIREMENT SYSTEM

## Financial Data

	FY10 Actual	FY11 Approp	FY12 Request	FY12 Recomm	FY13 Request	FY13 Recomm
<b>Operations Funding</b>						
General Fund	0	0	0	0	0	0
Cash Fund	6,485,227	5,097,417	5,247,520	5,220,700	5,019,901	4,993,274
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 Operations Funding</b>	<b>6,485,227</b>	<b>5,097,417</b>	<b>5,247,520</b>	<b>5,220,700</b>	<b>5,019,901</b>	<b>4,993,274</b>
<b>Aid Funding</b>						
General Fund	25,589,490	27,420,010	53,604,365	28,982,425	85,416,436	28,992,190
Cash Fund	0	0	0	0	0	0
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 Aid Funding</b>	<b>25,589,490</b>	<b>27,420,010</b>	<b>53,604,365</b>	<b>28,982,425</b>	<b>85,416,436</b>	<b>28,992,190</b>
<b>Total Funding</b>						
General Fund	25,589,490	27,420,010	53,604,365	28,982,425	85,416,436	28,992,190
Cash Fund	6,485,227	5,097,417	5,247,520	5,220,700	5,019,901	4,993,274
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>32,074,717</b>	<b>32,517,427</b>	<b>58,851,885</b>	<b>34,203,125</b>	<b>90,436,337</b>	<b>33,985,464</b>

# Agency 085 - PUBLIC EMPLOYEES RETIREMENT SYSTEM

## Program 041 - RETIREMENT/DEFERRED COMP ADM

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### **PROGRAM DESCRIPTION:**

Program 041 is used for the administration of expenses for the Retirement Systems and Deferred Compensation plans administered by the Nebraska Public Employees Retirement Systems.

### **PROGRAM OBJECTIVES:**

Program objectives center around the goal to be trustworthy fiduciaries of the pension plan assets needed to pay benefits and expenses for the plans. Detailed program objectives are listed in the supporting information.

### **PERFORMANCE MEASURES:**

Based on agency/program objectives, the following performance measures are in place:

1. Process member retirement benefits within 30-45 days of final pay.
2. Work closely with agencies & employers to maintain accurate data within agency computer system.
3. Continue member/employer training seeking efficiencies throughout training programs.
4. Improve financial audits; reviewing internal controls; completing written procedures; reducing audit points and resolving prior audit findings.
5. Continue efforts to control agency expenses without compromising service to members.

**Agency 085 - PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**Program 041 - RETIREMENT/DEFERRED COMP ADM**

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**Financial Data**

	<b>FY10 Actual</b>	<b>FY11 Approp</b>	<b>FY12 Request</b>	<b>FY12 Recomm</b>	<b>FY13 Request</b>	<b>FY13 Recomm</b>
<b>Operations Funding</b>						
General Fund	0	0	0	0	0	0
Cash Fund	6,470,152	5,062,805	5,212,908	5,186,088	4,985,289	4,958,662
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 Operations Funding</b>	<b>6,470,152</b>	<b>5,062,805</b>	<b>5,212,908</b>	<b>5,186,088</b>	<b>4,985,289</b>	<b>4,958,662</b>
<b>Aid Funding</b>						
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
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 Aid Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Funding</b>						
General Fund	0	0	0	0	0	0
Cash Fund	6,470,152	5,062,805	5,212,908	5,186,088	4,985,289	4,958,662
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 Program</b>	<b>6,470,152</b>	<b>5,062,805</b>	<b>5,212,908</b>	<b>5,186,088</b>	<b>4,985,289</b>	<b>4,958,662</b>

# Agency 085 - PUBLIC EMPLOYEES RETIREMENT SYSTEM

## Program 042 - BOARD MEMBER EXPENSES

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### **PROGRAM DESCRIPTION:**

Program 042 is used to separately account for the operating expenses incurred by Public Employee Retirement Board (PERB) members in the performance of their duties.

### **PROGRAM OBJECTIVES:**

The primary objective of program 042 is to separately account for the expenses incurred by Retirement Board members in the performance of their duties. These include, travel and board and lodging expenses associated with monthly board meetings and a per diem for services performed during board meetings and other board committee work as required. The Board consists of eight voting members and one non-voting, ex-officio member, the State Investment Officer.

### **PERFORMANCE MEASURES:**

1. The PERB recognizes their fiduciary responsibility and the importance of being educated and informed regarding public pensions. The PERB will seek to educate board members within reasonable budget guidelines.
2. When new members are appointed, they will be encouraged to attend a conference for public pension trustees.
3. All conference travel requests must be approved by affirmative majority vote of members of the Board and shall be submitted 30 days in advance when possible.
4. Any Board member who attends a conference paid for in whole or in part by the Retirement System funds shall present a written or oral report to the Board at the next regular meeting following the member's return.

**Agency 085 - PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**Program 042 - BOARD MEMBER EXPENSES**

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**Financial Data**

	<b>FY10 Actual</b>	<b>FY11 Approp</b>	<b>FY12 Request</b>	<b>FY12 Recomm</b>	<b>FY13 Request</b>	<b>FY13 Recomm</b>
<b>Operations Funding</b>						
General Fund	0	0	0	0	0	0
Cash Fund	15,075	34,612	34,612	34,612	34,612	34,612
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 Operations Funding</b>	<b>15,075</b>	<b>34,612</b>	<b>34,612</b>	<b>34,612</b>	<b>34,612</b>	<b>34,612</b>
<b>Aid Funding</b>						
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
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 Aid Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Funding</b>						
General Fund	0	0	0	0	0	0
Cash Fund	15,075	34,612	34,612	34,612	34,612	34,612
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 Program</b>	<b>15,075</b>	<b>34,612</b>	<b>34,612</b>	<b>34,612</b>	<b>34,612</b>	<b>34,612</b>

# Agency 085 - PUBLIC EMPLOYEES RETIREMENT SYSTEM

## Program 515 - PUBLIC EMPLOYEES RETIREMENT

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### **PROGRAM DESCRIPTION:**

State law requires ongoing appropriations to the three defined benefit plans under our administration as well as funding for the State Service Annuity for the separate Omaha Public Schools Retirement Plan, which passes through our agency before being paid to Omaha. Program 515 is for this purpose.

### **PROGRAM OBJECTIVES:**

The law stipulates the annual rate of pension funding required by the State:

1. State Service Annuity
2. COLA benefits
3. Additional contributions by the State to meet funding needs.

### **PERFORMANCE MEASURES:**

Each year the actuary under contract to the Retirement Board completes a valuation of the plan assets & liabilities for the School, Judges & Patrol plans as well as the State & County Cash Balance plans. The actuary relies on member data and financial statements provided him by the Retirement Office after the plan year ends. Final Actuary Reports are not expected to be available before mid to late November of 2010. The agency will update the estimates once the actuary reports are released and approved by the Retirement Board. This same process will occur in 2011 for the funding needed for the fiscal year beginning July 1, 2012.

**Agency 085 - PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**Program 515 - PUBLIC EMPLOYEES RETIREMENT**

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**Financial Data**

	<b>FY10 Actual</b>	<b>FY11 Approp</b>	<b>FY12 Request</b>	<b>FY12 Recomm</b>	<b>FY13 Request</b>	<b>FY13 Recomm</b>
<b>Operations Funding</b>						
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
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 Operations Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Aid Funding</b>						
General Fund	25,589,490	27,420,010	53,604,365	28,982,425	85,416,436	28,992,190
Cash Fund	0	0	0	0	0	0
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 Aid Funding</b>	<b>25,589,490</b>	<b>27,420,010</b>	<b>53,604,365</b>	<b>28,982,425</b>	<b>85,416,436</b>	<b>28,992,190</b>
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General Fund	25,589,490	27,420,010	53,604,365	28,982,425	85,416,436	28,992,190
Cash Fund	0	0	0	0	0	0
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 Program</b>	<b>25,589,490</b>	<b>27,420,010</b>	<b>53,604,365</b>	<b>28,982,425</b>	<b>85,416,436</b>	<b>28,992,190</b>