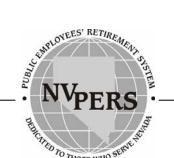
Retirement Board

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Tina M. Leiss Operations Officer

Ken Lambert Investment Officer

Memorandum

To: Teresa Thienhaus, Director of State Personnel

From: Tina Leiss, Operations Officer

Date: December 3, 2010

Re: Retirement Contribution Rates – Guidelines for Implementing Changes

In Rate of Retirement Contributions Beginning July 1, 2011

At its November 10, 2010 meeting, the Retirement Board approved the June 30, 2010, actuarial valuation report submitted by the System's actuary. The report reflects the actuarially determined contribution rates needed to fund the System on an actuarial reserve basis for both Employer-pay (EPC) and Employee/Employer contribution plans.

Contribution rates for Regular and Police/Fire members contributing under the EPC and Employee/Employer plans are scheduled to increase. There will also be an increase in the rate for Volunteer Fire members. All rate changes are effective with the first monthly retirement reporting period beginning on or after July 1, 2011. Each employer will receive a detailed letter explaining the specific date and contribution report to begin the rates for each employee group.

The contribution rates for Regular members under the EPC plan will increase from 21.5% to 23.75% and the contribution rate for Regular members under the Employee/Employer plan will increase from 11.25% to 12.25%. The contribution rates for Police/Fire members under the EPC plan will increase from 37% to 39.75% and the contribution rate for Police/Fire members under the Employee/Employer plan will increase from 19% to 20.25%. The guidelines listed on the following pages should be used to implement the contribution rate changes and for the adjustment to your EPC compensation schedules. A certification form will be sent to each public employer to document the method in which their EPC compensation schedules are adjusted.

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<u>Contribution Rate Changes – Employee/Employer Contribution Plan</u>

Regular Members – Increase contribution rate to 12.25%

Police/Fire Members – Increase contribution rate to 20.25%

Contribution Rate Changes – Employer-Pay Contribution (EPC) Plan

Regular Members – Increase contribution rate to 23.75%

Police/Fire Members – Increase contribution rate to 39.75%

EPC Compensation Schedule Adjustments

- 1. For Regular members, multiply your Employee/Employer compensation schedule by a factor of .893850 to arrive at the new EPC compensation schedule.
- 2. For Police/Fire members, multiply your Employee/Employer compensation schedule by a factor of .830031 to arrive at the new EPC compensation schedule.

Please direct any questions you may have regarding the changes to the rates of contributions or adjustments to your EPC compensation schedule to Brian Snyder, Director of Employer & Production Services at (775) 687-4200 extension 230 or Cindy Yadon, Manager of Employer Services at (775) 687-4200 extension 227.

Cc: Legislative Counsel Bureau – Lexine Thompson State Central Payroll – Adam Drost UNLV Pay Center – Patricia LaPutt UNR Pay Center – Michelle Kelley Board of Examiners for Social Workers – Madelyne Labrie