

MEMORANDUM

To: Retirement Liaison Officers

From: Patti Keyes, Director
Employer and Production Services Division

Date: December 30, 2005

Re: Regular Employer-Paid Contribution Reduction
Implementation Verification

The contribution rate decrease for regular members under the employer-paid contribution plan should have resulted in an increase to your employer-paid compensation schedules equal to $\frac{1}{4}$ of a percent. Each employer was individually notified of the requirement for the compensation increase in a memorandum dated December 3, 2004. Further notification was sent May 17, 2005. A copy of each notice is enclosed for your reference.

It is now necessary for us to verify that each employer made the appropriate compensation schedule change for regular members under the employer-paid contribution plan. We request that you provide us with a copy of all compensation schedules in effect for regular members under the employer-paid contribution plan directly before and after the contribution rate change. We also request that you provide us with a written explanation of any changes made to the compensation schedule outside of the $\frac{1}{4}$ of a percent increase tied to the contribution rate decrease.

We request that the documentation be provided to us by January 20, 2006. We will contact you following our review and audit of your compensation schedules.

If you have any questions regarding this memorandum, please contact me at (775) 687-4200 extension 222 or Cindy Trease at extension 293.