

systems and try to determine how we were doing with respect to that ideal replacement of income to which we should strive with respect to all of our retirement systems. And I have handed out for you, two charts, one shows the Omaha Public School Retirement System...well, I can see...one shows the Omaha Public School Retirement System. That's the chart that is entitled Income Replacement Achieved for Sample of Nebraska's Public Employee Retirement Systems, and you see one of the samples that they give there is the Omaha Public Schools and you can see without any voluntary contributions, that is without any gratuitous additional contributions to the system by the employee that under their methodology for figuring how close they come to the ideal system, the Omaha Public School system is at 99 percent of the ideal. They're doing pretty well. They're doing better than some other systems. They're doing not as good as a couple of systems. There are more systems than this but this is one comparative figure. But what I was interested in and what I wanted you to observe is that this system is at 99 percent of ideal, okay, under this study that was done for us in Nebraska. If you turn over on the opposite side of the page you'll see Retirement Replacement Achieved for State Retirement Systems Covering School Employees. This is the teachers' system for those other than Omaha. And down under Nebraska you will see that what is achieved is 94 percent of the ideal. Now what this tells me is that the system that we should be working on perhaps is the system that pertains to all other employees of the state first rather than working first on the Omaha system which is in much better shape already and believe me, if we further improve the Omaha system so that the gap between Omaha system and the rest of the state widens even further, I don't have to tell you what the next bill in the Legislature is going to be. Can you guess, Senator Kristensen? And it would be for good reason if you were one of the teachers in those systems that suddenly saw that a system was way ahead of you anyway, leaped further ahead of you. Okay. So I wanted you to factor that in as you make a decision about whether the annuity factor should be increased above and beyond what the rest of the state school employees experience, 1.73. Remember they're proposing to increase it from 1.70 to 1.80. How can it be justified looking at the relative systems and the equity as between the relative systems? Okay, that was the first point. Here's the second point.

SPEAKER WITHEM: One minute.