

**ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1997 - 1999**

GOALS, OBJECTIVE AND ANTICIPATED ACHIEVEMENTS

The goal of the Teacher Retirement System is to provide a retirement program that adequately provided survivor, disability, and age and service benefits for public school teachers and other covered employees.

It is the further objective of this program to serve retired teachers in a manner that recognizes their service to the state while taking into account inflationary effects on fixed retirement incomes. The Teacher Retirement System is to be administered in a manner that will provide service to the membership and fiscally sound management of the trust fund. The proposed budget will enable the staff to provide an improved information program to the 86,207 members of the Teacher Retirement System. It will enable the System to maintain a more efficient and effective records system, a more adequate counseling service, expanded responsibilities in the Accounting department, a wider field coverage, and more adequate pre-retirement programs for active members.

MINIMUM AND CONTINUING LEVEL JUSTIFICATION OF REQUEST

A base level or a continuing level budget would be an unworkable situation with our moving into new quarters in October, 1996. This move makes us the lessor instead of the lessee. Being the owner constitutes more responsibility to the tenant. Therefore, base level would not allow the necessary and productive operation of the Teacher Retirement System.

Additional funds are necessary for the increase in direct deposits, the need to increase in actuarial fees for the studies necessary for impact projections of different programs added to the system and the rapid changes and trends taking place and to enable board and staff members to stay abreast of changes in the economic environment which affects the system. In addition, maintenance and operation expenses will not be adequate for the operation of our new

AGENCY ARKANSAS TEACHER RETIREMENT SYSTEM #3 CAPITOL MALL LITTLE ROCK, AR 72201	DIRECTOR BILL A. SHIRRON	AGENCY PROGRAM COMMENTARY BR21	PAGE 418
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**ARKANSAS BUDGET SYSTEM
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facility, additional furniture and a new video room will be added. Projected expenses for expanded pre-retirement counseling in the field ,life planning workshops, and additional postage for quarterly newsletters are all vital necessities of this agency.

PRIORITY PROGRAMS JUSTIFICATION OF REQUEST

Moving into a new facility, proposed changes and improvements generally impact on budget areas. The following are justifiable increases to the appropriations for the 1997-99 biennium.

We are asking for classification/grade/and/or salary changes for the following positions in the next biennium: Executive Director (Grade 99) - Salary change to establish a reasonable degree of equity between this position and other retirement system directors with comparable responsibilities; Deputy Director - Change to Grade 99 and salary increase in order to recruit, retain and compensate in line with other retirement system deputy directors with comparable responsibility; grade changes for the executive assistant and six department managers corresponding to increased responsibilities as a result of the administration and implementation of 1995 legislation. These request would increase this appropriation by \$78,755 for a total of for 1997-98 and by \$61,445 for 1998-99. This is priority one.

Because of the marked increase in retirement members electing to use direct deposit of their benefit check, the number two priority is for additional money for the cash account set up in July 1993 to pay these benefits. This has been a tremendous help to our retirees. Over 60% of the new retirees being added to the payroll are requesting this service. therefore, we would like to increase this appropriation by \$25,000,000 for a total of \$165,000,000 for the 1997-98 and \$40,000,000 for a total of \$180,000,000 for the 1998-99 fiscal year.

With the increased number of new Board Members we are requesting more education for existing and new board members. Also the expansion of our Life Planning workshops and a more concentrated effort by the pre-retirement counselors to educate our members, have increased operating expenses. With the expansion of our office into a new office building, the cost will require numerous increases to postage, utilities, janitorial services, replacement of stationary, office supplies, new phone system, and other unforeseen expenses. We have increased our Maintenance and Operation by \$2,480,000 for a total of \$3,205,858 for 1997-98 and \$2,750,000 for a total of \$3,475,858 for the 1998-99 fiscal year. This is priority three.

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To maintain our level of statistical information from our actuary and to continue to study the impact of T-DROP is having on the system, and to we are having to hire outside consultants to study the insurance program. Priority four is to increase our actuarial fees for the 1997-98 fiscal year by \$141,100 for a total of \$250,000 and \$241,000 for the fiscal year 1998-99 for a total of \$350,000. We will also use this appropriation to assist in educating legislators about the results of surveys of pension funds done nationwide.

To maintain the stability of the funds in the retirement system, we now have twelve (12) investment managers and one consultant. During the 1997-99 biennium we would like to have at least four staff persons visit and train on site with several of the money managers and report to the board. Also, the board has requested that all board members be allowed to attend at least two educational training seminars for their fiduciary responsibilities. Therefore we would like to increase our Conf. Fees & Travel by \$42,619 for a total of \$75,378 for 1997-98 and \$52,304 for a total of \$85,063 for the 1998 -99 fiscal year. This is priority five.

Priority six is the purchase of capital outlay. These purchases are met through attrition of automobiles, purchase of data processing equipment, furnishing a new video studio, new data communication supplies, small tools for the new building and other unforeseen items necessary for the operation of a new facility. Request for 1997-98 total \$755,000 and \$500,000 for 1998-99.

An increased number of retirees yet receive their monthly annuity as a printed paper warrant. With the increase number of members going to the T-DROP program and increase in annuities for retirees from 1% to 15% we would like to increase the Benefit appropriation by \$20,000,000 for a total of \$130,000,000 for the 1997-98 fiscal year and \$30,000,000 to \$140,000,000 for the 1998-99 fiscal year. This is priority seven.

Priority eight is a reduction in our refund appropriation. More and more members are entering the system as non-contributory members. Therefore, we would like to reduce our refund appropriation \$1,000,000 for the fiscal year 1997-98 for a total of 8,000,000 and \$-2,000,000 for a total of \$7,000,000 for the 1998-99 fiscal year.

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1997 - 1999

Priority nine - Professional Fees & Services - Ch.10 (Appor.075) - Moving into a new building requires several contractual agreements for multiple services (i.e. security, fire and elevator inspections, pest control, landscaping maintenance, vending machines, and taxes). Therefore, we would like to increase this appropriation by \$53,718 for a total of \$111,875 for the 1997-98 fiscal year and \$67,147 for a total of \$125,304 for the 1998-99 fiscal year.

Priority Ten - Property Management -Ch.46 (Appro. 312) - Since we have purchased several investment properties in the Little Rock area, we would like to increase the appropriation to cover management fees. Therefore, we are requesting an increase in this appropriation of \$100,000 for a total of \$600,000 for 1997-98 and \$250,000 for a total of \$750,000 for the 1998-99 fiscal year.

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ARKANSAS TEACHER RETIREMENT SYSTEM
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1995

Assets					Liabilities			Total Equity	
Cash and Investments	Fixed	Other	Total	Current	Long-Term	Total			
\$ 3,427,895.658	\$ 611,342	\$ 208,179,050	\$ 3,636,686,050	\$ 19,873,433	\$ 105,366	\$ 19,978,799	\$ 3,616,707,251		

Revenues					Expenditures					Other Sources (Uses)
Inter-governmental	Federal	Licenses and Fees	Other	Total	Salaries and Matching	Grants and Aid	Capital	Other Operating	Total	
\$ 0	\$ 0	\$ 0	\$ 438,885,274	\$ 438,885,274	\$ 1,735,138	\$ 0	\$ 27,771	\$ 168,756,355	\$ 170,519,264	\$ (4,772,361)

Findings

1. INVESTMENTS IN VENTURE CAPITAL LIMITED PARTNERSHIP - The investment of Agency's funds is governed entirely by the prudent investor rule set out in Ark. Code Ann. 24-3-411. The Agency sought the advice of the Attorney General on whether the Teacher Retirement System may invest generally in venture capital under Ark. Code Ann. 24-3-411, and specifically an investment in a venture capital limited partnership known as the Heartland Capital Appreciation Fund. Attorney General's Opinion No. 94-200, dated June 23, 1994, states that although there is no express prohibition in this regard, and although the permissibility of a particular investment may have to be decided on a case-by-case basis with all the attributes of the particular investment at hand, that such investments would rarely, if ever, be prudent under the prudent investor rule. The Opinion also stated that such investments would be in the nature of speculation and thus in all likelihood prohibited by the prudent investor rule. Subsequent to this Attorney General's Opinion, the Agency made a commitment of \$17,000,000.00 to the Heartland Appreciation Fund and, as of June 30, 1995, \$1,275,000.00 of this commitment has been invested. The management fee paid to Heartland for the year ended June 30, 1995 totaled \$479,119.45, calculated on total funds committed of \$17,000,000.00.

Recommendations

1. The Agency review each investment and venture capital on a case-by-case basis to ensure investments are made in accordance with the prudent investor rule set out in Ark. Code Ann. 24-3-411.

ARKANSAS TEACHER RETIREMENT SYSTEM
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1995

Findings (Continued)

2. APPLICATION FEES - The Agency charges a \$500.00 application fee on Arkansas related loans. The fee is refunded to the borrower upon approval of the loan. If the loan is not approved, the fee is retained by the Agency. The Agency's legal counsel, Dover and Dixon, P.A., recommended as a legal proposition, that these fees be set up in a separate account, out of the control of ATRS. This was done to minimize the chance that a borrower would argue that a non-usurious loan was tainted with usury because of the interim use of the fees by ATRS. Dover and Dixon, P.A. suggested their trust account be used for this purpose. The fees are deposited in the legal counsel's interest bearing trust account. The interest earned on the account is paid to the IOLIA (Interest on Lawyer Trust Accounts) Committee of the Arkansas Supreme Court. The committee uses the interest for public purposes. At June 30, 1995 there was \$4,500.00 in the trust account.
3. PROFESSIONAL SERVICE CONTRACT - The Attorney General approved the Agency's request to contract with Dover and Dixon, P.A., to provide specialized legal services on a complex bankruptcy case. Approval of the contract was not obtained from the Department of Finance and Administration in accordance with State Accounting Procedures Manual, Section II-10. Legal fees incurred on the bankruptcy case totaled \$86,642.00. Chemical Bank reimbursed the Agency \$87,703.04 for legal fees and travel expenses. The reimbursement was made with two checks in the amounts of \$57,712.83 and \$29,990.21, dated September 8, 1995. The \$29,990.21 check was endorsed by the Agency and forwarded to Dover and Dixon, P.A. The Agency circumvented State accounting records by not recording the expenses for \$29,990.71 and the reimbursement check of \$29,990.21.

Recommendations (Continued)

2. The Agency assume the responsibility of collecting and reimbursing t application fees. Also, seek the opinion of the Attorney General on whether would be usurious if fees for approved loans were not refunded.
3. Review and comply with State regulations regarding professional servi contracts and implement procedures to ensure all monies received are proper deposited and expenses are correctly recorded.

ARKANSAS BUDGET SYSTEM
 EMPLOYMENT SUMMARY
 AS REQUIRED BY ACT 358 OF 1993
 (A.C.A 19-4-307)

AGENCY TITLE 375 - ARK TEACHER RETIRE SYS

	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	<u>11</u>	<u>28</u>	<u>39</u>	<u>78%</u>
BLACK EMPLOYEES	<u>2</u>	<u>7</u>	<u>9</u>	<u>18%</u>
EMPLOYEES OF OTHER RACIAL MINORITIES	<u>0</u>	<u>2</u>	<u>2</u>	<u>4%</u>
TOTAL EMPLOYED AS OF <u>08/10/96</u> DATE			<u>11</u>	<u>22%</u>
			TOTAL MINORITIES	
			<u>50</u>	<u>100%</u>
			TOTAL EMPLOYEES	

Bill A. Shuman

 AGENCY DIRECTOR

SUMMARY

STATUS OF NEW PROGRAMS/EXPANSIONS AUTHORIZED BY THE 80TH GENERAL ASSEMBLY

AGENCY: ARKANSAS TEACHER RETIREMENT SYSTEM

PROGRAM AUTHORIZED	# POS. AUTH.	ADDITIONAL AUTHORIZED APPROPRIATION		STATUS
		FY 95-96	FY 96-97	
<u>APPROPRIATION : A76 - Teacher Retirement - Cash</u>				
Benefits		\$52,000,000	\$62,000,000	For FY96 \$15,333,355 of the increase was spent. For FY97 all of the increase has been budgeted.
<u>APPROPRIATION: 075 - Teacher Retirement</u>				
Regular Salaries and Matching	4	\$99,803	\$101,967	Only one of the four positions, a Records Management Coordinator (Grade 20) was utilized in FY96. Also, that is the only position of the additional four budgeted for FY97.
Operating Expenses		\$32,919	\$67,483	For FY96 none of the increase was spent. All of the increase has been budgeted for FY97.
Capital Outlay		\$165,000	\$175,000	For FY96 \$46,602 was spent in Capital Outlay. The total \$175,000 has been budgeted for FY97.
Professional Services		\$28,500	\$32,900	For FY96 \$17,548 of the increase was spent. For FY97 all of the increase has been budgeted.

APPROPRIATION: 312 - Property Management

No new programs or expansions in the 1995-97 biennium.

**ARKANSAS BUDGET SYSTEM
DEPARTMENT APPROPRIATION SUMMARY**

AGENCY TITLE Teacher Retirement		1995-97				1997-99				1997-99			
		Expenditures				Biennium Request				Executive Recommendation			
Appropriations		Actual	No. of	Budgeted	No. of	Year 1	No. of	Year 2	No. of	Year 1	No. of	Year 2	No. of
Code	Name	1995-96	Pos.	1996-97	Pos.	1997-98	Pos.	1998-99	Pos.	1997-98	Pos.	1998-99	Pos.
A76	Teacher Retirement - Cash	\$93,333,355	0	\$140,000,000	0	\$165,000,000	0	\$180,000,000	0	\$165,000,000	0	\$180,000,000	0
075	Teacher Retirement - Operations	82,647,733	53	129,709,835	53	152,369,792	56	161,504,035	56	151,297,205	53	160,629,463	53
312	Property Management	34,093	0	500,000	0	600,000	0	750,000	0	500,000	0	500,000	0
2YD	1st Extraordinary Session 1995 Claims	16,250											
TOTALS		\$176,031,431	53	\$270,209,835	53	\$317,969,792	56	\$342,254,035	56	\$316,797,205	53	\$341,129,463	53
Funding Sources			% of		% of		% of		% of		% of		% of
Fund Balances			Total		Total		Total		Total		Total		Total
General Revenues													
Special Revenues													
Federal Funds													
Const. & Fiscal Agency Fund													
State Central Services Fund													
Non-Revenue Receipts													
Cash Funds		93,333,355	53.0%	140,000,000	51.8%	165,000,000	51.9%	180,000,000	52.6%	165,000,000	52.1%	180,000,000	52.8%
Trust Funds		82,698,076	47.0%	130,209,835	48.2%	152,969,792	48.1%	162,254,035	47.4%	151,797,205	47.9%	161,129,463	47.2%
Total Funding		176,031,431	100.0%	270,209,835	100.0%	317,969,792	100.0%	342,254,035	100.0%	316,797,205	100.0%	341,129,463	100.0%
Excess Appro./ (Funding)													
TOTAL		\$176,031,431		\$270,209,835		\$317,969,792		\$342,254,035		\$316,797,205		\$341,129,463	
DEPARTMENT				DIRECTOR					DEPARTMENT APPROPRIATION SUMMARY				
ARKANSAS TEACHER RETIREMENT SYSTEM (376)				Bill A. Shirron					BR 40				

**ARKANSAS BUDGET SYSTEM
DEPARTMENT PROGRAM SUMMARY**

AGENCY TITLE	1995-97 Expenditures				1997-99 Biennium Request				1997-99 Executive Recommendation			
	Actual 1995-96	No. of Pos.	Budgeted 1996-97	No. of Pos.	Year 1 1997-98	No. of Pos.	Year 2 1998-99	No. of Pos.	Year 1 1997-98	No. of Pos.	Year 2 1998-99	No. of Pos.
Arkansas Teacher Retirement System (375)												
Teacher Retirement	\$175,997,338	53	\$269,709,835	53	\$317,369,792	56	\$341,504,035	56	\$316,297,205	53	\$340,629,463	53
Property Management	34,093	0	500,000	0	600,000	0	750,000	0	500,000	0	500,000	0
TOTALS	\$176,031,431	53	\$270,209,835	53	\$317,969,792	56	\$342,254,035	56	\$316,797,205	53	\$341,129,463	53
Funding Sources		% of Total		% of Total		% of Total		% of Total		% of Total		% of Total
Fund Balances												
General Revenues												
Special Revenues												
Federal Funds												
Const. & Fiscal Agency Fund												
State Central Services Fund												
Non-Revenue Receipts												
Cash Funds	93,333,355	53.0%	140,000,000	51.8%	165,000,000	51.9%	180,000,000	52.6%	165,000,000	52.1%	180,000,000	52.8%
Trust Funds	82,698,076	47.0%	130,209,835	48.2%	152,969,792	48.1%	162,254,035	47.4%	151,797,205	47.9%	161,129,463	47.2%
Total Funding	176,031,431	100.0%	270,209,835	100.0%	317,969,792	100.0%	342,254,035	100.0%	316,797,205	100.0%	341,129,463	100.0%
Excess Appro./ (Funding)												
TOTAL	\$176,031,431		\$270,209,835		\$317,969,792		\$342,254,035		\$316,797,205		\$341,129,463	
DEPARTMENT ARKANSAS TEACHER RETIREMENT SYSTEM (375)	DIRECTOR Bill A. Shirron				DEPARTMENT PROGRAM SUMMARY BR 22							

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1997 - 1999**

The Arkansas Teacher Retirement System is requesting \$165,000,000 in FY98 and \$180,000,000 in FY99 for the cash appropriation which allows the Agency to make benefit payments by direct deposit to retirants of the Teacher Retirement System. This service to members has been expanding rapidly since its inception in FY94. Base Level is \$140,000,000 each year, and this request would increase the appropriation by \$25,000,000 for FY98 and \$40,000,000 for FY99.

The Executive Recommendation provides for Agency Request.

AGENCY	APPROPRIATION	CASH FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Arkansas Teacher Retirement System Code: 375	Name: Teacher Retirement - Cash Code: A76	Name: Teacher Retirement - Cash Code: 375	BR20	428

ARKANSAS BUDGET SYSTEM

01 02 03 04 05 06 07 08 09 10 11 12 13 14

CHARACTER TITLE	-----EXPENDITURES-----			-----97-98 FISCAL YEAR-----			-----98-99 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	95-96	96-97	96-97	PRIORITY		TOTAL	PRIORITY		TOTAL	EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	AUTHORIZED APPRO	BASE	PROGRAMS	REQUEST	BASE	PROGRAMS	REQUEST	97-98	98-99	97-98	98-99
BENEFITS	93,333,355	140,000,000	140,000,000	140,000,000	25,000,000	165,000,000	140,000,000	40,000,000	180,000,000	165,000,000	180,000,000		
TOTAL	93,333,355	140,000,000	140,000,000	140,000,000	25,000,000	165,000,000	140,000,000	40,000,000	180,000,000	165,000,000	180,000,000		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES			*****										
GENERAL REVENUES			*****										
SPECIAL REVENUES			*****										
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS			*****										
CASH FUNDS	93,333,355	140,000,000	*****	140,000,000	25,000,000	165,000,000	140,000,000	40,000,000	180,000,000	165,000,000	180,000,000		
OTHER			*****										
TOTAL FUNDING	93,333,355	140,000,000	*****	140,000,000	25,000,000	165,000,000	140,000,000	40,000,000	180,000,000	165,000,000	180,000,000		
EXCESS APPRO/ (FUNDING)			*****										
TOTAL	93,333,355	140,000,000	*****	140,000,000	25,000,000	165,000,000	140,000,000	40,000,000	180,000,000	165,000,000	180,000,000		

DEPT 010 SEPARATE AGENCIES
 AGY 375 ARKANSAS TEACHER RETIREMENT SYSTEM
 APPRO A76 TEACHER RETIREMENT - CASH
 FUND 375 TEACHER RETIREMENT CASH-(375)

APPROPRIATION SUMMARY

BR 215

ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
ANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIUM REQUESTS				RECOMMENDATIONS							
					ACTUAL	BUDGETED	FY 1997 - 98		FY 1998 - 99		EXECUTIVE		LEGISLATIVE					
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99						
00		375	375 A76	B	93,333,355 0	140,000,000 0	140,000,000 0				140,000,000 0			140,000,000	140,000,000			
01		375	375 A76	P02		0 0	25,000,000 0				40,000,000 0			25,000,000	40,000,000			
<p>Priority 2 - Benefits - Ch. 23 (Appro. A76) - With the enactment of the Teacher Deferred Retirement Option Plan (T-DROP), it is assumed that some could draw an annuity after 1 or 2 years of participation and would desire an annuity that would go directly to their bank account through direct deposit. This is a more assessable means of getting their benefits. Therefore, we are requesting that the appropriation be increased \$25,000,000 for a total of \$165,000,000 for 1997-98 and \$40,000,000 for a total of \$180,000,000 for 1998-99.</p>																		

DEPT 010 SEPARATE AGENCIES
 IGY 375 ARKANSAS TEACHER RETIREMENT SYSTEM
 IPRO A76 TEACHER RETIREMENT - CASH
 FUND 375 TEACHER RETIREMENT CASH-(375)

RANK BY APPROPRIATION

BR 264

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1997 - 1999**

The Arkansas Teacher Retirement System provides age, service, survivor and disability benefits for public school teachers and other covered employees. The System is managed in such a way as to provide service and benefits to the membership while remaining fiscally sound. The request for the 1997-99 biennium totals \$152,369,792 for FY98 and \$161,504,035 for FY99. Priority requests are \$22,797,404 for FY98 and \$31,882,818 for FY99.

Priority requests for personnel include the restoration of 3 positions which could not be budgeted in FY97 due to the personnel cap. These positions are a Retirement Counselor Supervisor (Grade 21), a Document Examiner I (Grade 10), and a Secretary I (Grade 11). Salary and matching costs for these positions is \$72,087 for FY98 and \$73,851 for FY99.

Also included is a request to reclassify or upgrade 7 management positions and 1 support position to higher grade levels at a total cost in salary and matching of \$18,020 for FY98 and \$18,521 for FY98. The request would reclassify the Deputy Director from a Grade 26 to a Grade 99 line item position in order to recruit, retain, and adequately compensate the position.

The request to reclassify the Investment Manager from a Grade 24 to a Grade 25 is based upon the diversification and growth in the investment portfolio. This individual supervises a staff of four investment professionals who manage a portfolio of approximately \$4.5 billion.

The request to reclassify the Data Processing Manager from a Grade 23 to a Grade 24 is based upon the expanding role of the Data Processing staff of three professionals and one technician from a role of simply developing programs based upon explicit instructions to a role of interpretation, application and implementation of new and proposed legislation and actuarial requirements.

A reclassification of the Fiscal Manager from a Grade 22 to a Grade 23 is requested due to additional responsibilities as a result of the school districts and other employers making matching contributions and also the move to the new building. This individual supervises a staff of three professionals and seven technical/administrative personnel.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Arkansas Teacher Retirement System	Name: Teacher Retirement System	Name: Teacher Retirement	BR20	431
Code: 375	Code: 075	Code: TER		

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1997 - 1999**

An upgrade for two Benefits and Counseling Managers from Grade 22 to Grade 23 is requested. One position is the Manager for Benefits and Counseling and supervises a staff of five professional counselors and five technical/administrative personnel. Additional responsibilities have arisen as a result of the Teacher Deferred Retirement Option Plan (T-DROP) and Qualified Domestic Relations orders. The other position is the Manager of the Pre-Retirement Education program and supervises a staff of seven professional counselors and one technical/administrative position. The Agency wants to expand the education program to provide statewide video/satellite counseling.

An upgrade from a Grade 22 to a Grade 23 for the Manager of Membership and Payroll is requested based upon increased responsibilities resulting from the T-DROP program, anticipation of the 28-and-out provision, and possible legislative changes for existing retirants.

The reclassification of the Management Project Analyst I (Grade 18) to an Management Project Analyst II (Grade 20) is requested due to the increasing complexity of the position's support of the Director and other managers, the Board of Trustees, money managers, members of the legislature, and System members.

The Overtime request of \$200,000 for FY98 and \$150,000 for FY99 is to provide expertise only available by using current employees to collect data and maintain the records for the overhaul of the Imaging Plus System as well as making System records compatible with the new statewide data network for the schools.

Additional Operating Expenses of \$2,480,000 in FY98 and \$2,750,000 in FY99 are requested in anticipation of the move to the new building in October 1996. Major items of the requested increase are postage, printing, telephone, building maintenance, inspection fees, utilities, rent, and business travel to provide education through pre-retirement workshops for System members.

An increase in Conference Fees and Travel of \$42,619 in FY98 and \$52,304 is requested to provide additional training for the twelve Board members. In order to keep abreast of the legal aspects of Board actions, the Board has approved two additional educational seminars annually.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Arkansas Teacher Retirement System Code: 375	Name: Teacher Retirement System Code: 075	Name: Teacher Retirement Code: TER	BR20	432

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1997 - 1999**

The Agency is anticipating the need for additional contractual services such as security, fire and elevator inspections, pest control, landscape maintenance, window washers, and vending machines as a result of the move into the new building. An additional \$53,718 in FY98 and \$67,147 in FY99 is requested for Professional Fees and Services.

Capital Outlay of \$750,000 in FY98 and \$500,000 in FY99 is requested for various items including ten computer workstations, four laser printers, three automobiles, a color copier, a lawn tractor, furniture and equipment for the new building, and equipment for a video conferencing system.

The Agency is requesting a reduction of \$1,000,000 in FY98 and \$2,000,000 in FY99 for the Refunds line item. Refunds have diminished noticeably over the past several years, and this request would bring the appropriation to a more practical level.

Additional appropriation for Benefits of \$20,000,000 in FY98 and \$30,000,000 in FY99 is requested due to the uncertainty of the impact of the T-DROP program, increases for retirees, and possible enactment of the 28-and-out provision.

An increase of \$141,100 in FY98 and \$241,100 in FY99 is requested for Professional Services which pays for actuarial studies on such items as benefit increases, the T-DROP program, the 28-and-out provision, and other possible legislation.

This appropriation is funded by trust funds of the Teacher Retirement System.

The Executive Recommendation provides for Base Level, which includes appropriation for a 2.8% Cost of Living Allowance for positions on July 1 of each year of the biennium along with accompanying employee matching requirements. The Executive Recommendation does not address agency requests for Upgrade/Reclassification of positions at this time.

The following priorities are also recommended:

- (1) Additional Operating Expenses of \$2,480,000 in FY98 and \$2,750,000 in FY99,

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Arkansas Teacher Retirement System Code: 375	Name: Teacher Retirement System Code: 075	Name: Teacher Retirement Code: TER	BR20	433

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1997 - 1999**

- (2) Additional Professional Fees and Services of \$53,718 in FY98 and \$67,147 in FY99,
- (3) \$50,000 each year for Capital Outlay,
- (4) A reduction of \$1,000,000 in FY98 and \$2,000,000 in FY99 for Refunds,
- (5) Additional Benefits of \$20,000,000 in FY98 and \$30,000,000 in FY99, and
- (6) Additional Professional Services of \$141,100 in FY98 and FY99.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Arkansas Teacher Retirement System Code: 375	Name: Teacher Retirement System Code: 075	Name: Teacher Retirement Code: TER	BR20	434

ARKANSAS BUDGET SYSTEM

CHARACTER TITLE	-----EXPENDITURES-----		96-97	-----97-98 FISCAL YEAR-----			-----98-99 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	95-96	96-97	AUTHORIZED	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	APPRO							97-98	98-99	97-98	98-99
REGULAR SALARIES	1,309,128	1,451,900	1,307,282	1,493,162	67,597	1,560,759	1,533,805	69,488	1,603,293	1,493,162	1,533,805		
NUMBER OF POSITIONS	53	53	56	53	3	56	53	3	56	53	53		
EXTRA HELP	52,383	105,000	105,000	105,000	0	105,000	105,000	0	105,000	105,000	105,000		
NUMBER OF POSITIONS	13	14	14	14	0	14	14	0	14	14	14		
PERSONAL SERV MATCHING	240,625	467,761	390,150	464,052	62,370	526,422	472,238	52,779	525,017	464,051	472,237		
OVERTIME	0	0	0	0	200,000	200,000	0	150,000	150,000				
OPERATING EXPENSES	477,038	725,858	725,858	725,858	2,480,000	3,205,858	725,858	2,750,000	3,475,858	3,205,858	3,475,858		
CONF FEES & TRAVEL	21,348	32,759	32,759	32,759	42,619	75,378	32,759	52,304	85,063	32,759	32,759		
PROF FEES & SERVICES	56,815	58,157	58,157	58,157	53,718	111,875	58,157	67,147	125,304	111,875	125,304		
CAPITAL OUTLAY	46,602	175,000	175,000	0	750,000	750,000	0	500,000	500,000	50,000	50,000		
REFUNDS/REIMBURSEMENTS	3,505,811	9,000,000	9,000,000	9,000,000	-1,000,000	8,000,000	9,000,000	-2,000,000	7,000,000	8,000,000	7,000,000		
BENEFITS	71,588,760	110,000,000	110,000,000	110,000,000	20,000,000	130,000,000	110,000,000	30,000,000	140,000,000	130,000,000	140,000,000		
PROFESSIONAL SERVICES	93,548	108,900	108,900	108,900	141,100	250,000	108,900	241,100	350,000	250,000	250,000		
DATA PROCESSING SERVICES	252,614	840,000	840,000	840,000	0	840,000	840,000	0	840,000	840,000	840,000		
INVESTMENT COUNSEL	5,003,061	6,744,500	6,744,500	6,744,500	0	6,744,500	6,744,500	0	6,744,500	6,744,500	6,744,500		
TOTAL	82,647,733	129,709,835	129,567,606	129,572,388	22,797,404	152,369,792	129,621,217	31,882,818	161,504,035	151,297,205	160,629,463		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES			*****										
GENERAL REVENUES			*****										
SPECIAL REVENUES			*****										
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS			*****										
CASH FUNDS			*****										
TRUST FUNDS	82,647,733	129,709,835	*****	129,572,388	22,797,404	152,369,792	129,621,217	31,882,818	161,504,035	151,297,205	160,629,463		
TOTAL FUNDING	82,647,733	129,709,835	*****	129,572,388	22,797,404	152,369,792	129,621,217	31,882,818	161,504,035	151,297,205	160,629,463		
EXCESS APPRO/ (FUNDING)			*****										
TOTAL	82,647,733	129,709,835	*****	129,572,388	22,797,404	152,369,792	129,621,217	31,882,818	161,504,035	151,297,205	160,629,463		

DEPT 010 SEPARATE AGENCIES
 AGY 375 ARKANSAS TEACHER RETIREMENT SYSTEM
 APPRO 075 ARKANSAS TEACHER RETIREMENT SYSTEM
 FUND TER TEACHER RETIREMENT(375)

The FY97 Budgeted amounts in Regular Salaries and/or Personal Services Matching may exceed the Authorized amounts due to the implementation of the pay plan during the 1995-97 biennium.

APPROPRIATION SUMMARY

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ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	
ANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----		-----1997 - 99 BIENNIUM REQUESTS-----				-----R E C O M M E N D A T I O N S-----								
					ACTUAL	BUDGETED	FY 1997 - 98		FY 1998 - 99		EXECUTIVE		LEGISLATIVE						
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99							
00		TER	375 075	B	82,647,733 53	129,709,835 53	129,572,388 53		129,621,217 53			129,572,387 53	129,621,216 53						
001		TER	375 075	P01		0	72,087 3		73,851 3										
<p>The three positions requested in the previous biennium are most necessary for the continued growth and operation of this agency, especially in the new building. Expanded operations, duties, job functions in the areas of Benefits and Counseling, Accounting, and Investments are a pressing need for 1997-98 through 1998-99.</p>																			
002		TER	375 075	P10		0	16,663 0		17,124 0										
<p>The present salaries of the Dep. Dir. and Inv. Man. are not comparable to the salaries and compensation scales of positions with the same duties and responsibilities in the southern region of the country. The duties carried out by the two above positions have grown tremendously. Because of the monitoring of 12 money managers who have very diversified investment strategies, the expertise needed places a tremendous burden on these two positions. Filling these positions at the present grades and salaries would not give the agency the knowledge base needed to complete the job functions. The reclass of Agency Fiscal Manager changed and added responsibility to include building management, the monitoring and collections of over \$136 M from individual school districts (instead of one check per month from DOE). The reclass of Systems Application Supervisor includes additional responsibilities of new legislation to be tested before implemented as well as the operation of a new video recording studio for use of any state agency. The reclass of Benefit & Counseling will include additional responsibilities of expanding current workshops and programs to include each retirement package that a member could qualify under. The Executive Asst. duties have increased to include extended board functions (our boardroom in the new building will be in use daily by local retired chapters), dissemination of agency information internally (4 or 5 meetings weekly) and externally (3 or 4 meetings weekly) as well as increased volume of freedom of information materials.</p>																			

DEPT 010 SEPARATE AGENCIES
 AGY 375 ARKANSAS TEACHER RETIREMENT SYSTEM
 APPRO 075 ARKANSAS TEACHER RETIREMENT SYSTEM
 FUND TER TEACHER RETIREMENT(375)

RANK BY APPROPRIATION

BR 264

ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	ACTUAL 95-96	BUDGETED 96-97	1997 - 99 BIENNIUM REQUESTS						R E C O M M E N D A T I O N S					
							FY 1997 - 98		FY 1998 - 99				EXECUTIVE		LEGISLATIVE			
							REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99	
003		TER	375 075	P11		0	1,357	0	1,397	0								
<p>The upgrade for Program Manager/Benefits and Counseling is requested in this position because of the increased responsibility that the Teacher Deferred Retirement Option Plan (T-Drop) has created. The knowledge base necessary requires extensive study to maintain, as well as aiding in the creation of legislation and policy development. Developing expertise in this area takes continued training and development. The upgrade of Retirement Manager/Supervisor Membership requires additional maintenance to the Image System for all records of members on the system. Now that we have members who have separate files for T-Drop we need a knowledgeable person who can coordinate the different responsibilities with these two plans.</p>																		
004		TER	375 075	P03		0	2,480,000	0	2,750,000	0				2,480,000	2,750,000			
<p>Priority 3 - Maintenance & Operation - Ch. 02 (Appro. 075) - With the expansion of the agency to the new building, our operating expenses will increase tremendously. Without a developing history to reflect true cost of expenses we have estimated that a minimum increase of \$2,480,000 for a total of \$3,205,858 for 1997-98 and \$2,750,000 for a total of \$3,475,858 for the 1998-99 fiscal year.</p>																		
005		TER	375 075	P04		0	141,100	0	241,100	0				141,100	141,100			
<p>Priority 4 - Professional Services - Ch. 43 (Appro. 075) - The actuary of this system has been ask to study more and more programs (i.e. insurance, 28 and out, and raises for retirees) and report results to the board in record time. These studies have a great impact on the decisions that the board make. From time to time related services are needed from outside entities. The implementation of T-DROP has made more actuarial information necessary. Therefore, we are requesting an increase of \$141,100 for a total of \$250,000 for 1997-98 and an increase of \$241,100 for a total \$350,000 for 1998-99.</p>																		

DEPT 010 SEPARATE AGENCIES
 AGY 375 ARKANSAS TEACHER RETIREMENT SYSTEM
 APPRO 075 ARKANSAS TEACHER RETIREMENT SYSTEM
 FUND TER TEACHER RETIREMENT(375)

RANK BY APPROPRIATION

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ARKANSAS BUDGET SYSTEM
PROGRAM/SERVICE INFORMATION LIST
RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		-----1997 - 99 BIENNIUM REQUESTS-----						-----R E C O M M E N D A T I O N S-----					
					ACTUAL 95-96	BUDGETED 96-97	-----FY 1997 - 98-----			-----FY 1998 - 99-----			-----EXECUTIVE-----		-----LEGISLATIVE-----			
					95-96	96-97	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99	
006		TER	375 075	P05		0	42,619	52,304										
						0	0	0	0									
<p>Priority 5 - Conference Fees and Travel - Ch. 09 (Appro. 075) - The legal aspect of a board members' responsibility are far reaching. Therefore, we would like to increase the educational training for our board members. The board has approved 2 additional educational seminars for board members to attend yearly. We feel background training for new board members is a necessity. Therefore, we are requesting an increase of \$42,619 for a total of \$75,378 for 1997-98 and \$52,304 for a total of \$85,063 for the 1998-99 fiscal year.</p>																		
007		TER	375 075	P06		0	750,000	500,000						50,000	50,000			
						0	0	0										
<p>Priority 6 - Capital Outlay - Ch.11 (Appro. 075) - Since we have completed implementing the Image Plus System in this agency, it will be necessary to update most of the OS/2 equipment that was installed several years ago. We will also need to replace several cars from the automobile, along with the additional office furniture and equipment in the new building. Therefore, we are requesting a total of \$750,000 for the 1997-98 fiscal year and \$500,000 for the 1998-99 fiscal year.</p>																		
008		TER	375 075	P07		0	20,000,000	30,000,000						20,000,000	30,000,000			
						0	0	0										
<p>Priority 7 - Benefits -Ch. 23 (Appro. 075) - The enactment of T-DROP and the expected increase to the retirees will mean an increase in appropriation to print paper warrants through the voucher system. Not having the kind of history to determine how retirees make choices on a yearly basis, we want to increase the benefit appropriation by \$20,000,000 for a total of \$130,000,000 for the 1997-98 fiscal year and \$30,000,000 for a total of \$140,000,000 for the 1998-99 fiscal year.</p>																		

DEPT 010 SEPARATE AGENCIES
 AGY 375 ARKANSAS TEACHER RETIREMENT SYSTEM
 APPRO 075 ARKANSAS TEACHER RETIREMENT SYSTEM
 FUND TER TEACHER RETIREMENT(375)

RANK BY APPROPRIATION

BR 264

ARKANSAS BUDGET SYSTEM
PROGRAM/SERVICE INFORMATION LIST
RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----				-----1997 - 99 BIENNIUM REQUESTS-----				-----R E C O M M E N D A T I O N S-----					
					---ACTUAL---		---BUDGETED---		-FY 1997 - 98-		-FY 1998 - 99-		-----EXECUTIVE-----		-----LEGISLATIVE-----			
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99						
009		TER	375 075	P09		0	53,718	67,147										
	<p>Priority 9 - Professional Fees & Services - Ch.10 (Appor.075) - Moving into a new building requires several contractual agreements for multiple services (i.e. security, fire and elevator inspections, pest control, landscaping maintenance, vending machines, and taxes). Therefore, we would like to increase this appropriation by \$53,718 for a total of \$111,875 for the 1997-98 fiscal year and \$67,147 for a total of \$125,304 for the 1998-99 fiscal year.</p>																	
010		TER	375 075	P08		0	239,860	179,895										
	<p>PRIORITY 8 - OVERTIME- It has been our experience to see the changes made in records and other actuarial needs have not been the quality that is necessary to test legislation and other vital data for retirement. Past experience and expertise allows us to make assumptions concerning future changes to the system. We have used and continue to use part time extra help personnel to help in the data collection and maintenance of records. Oftentime, however, to ensure the accuracy of the data put on the system and used by legislators and other entities, regular staff would recheck the input. We have found that the intentional expertise of employees in the agency is necessary to complete most of these projects. Therefore, the use of overtime appropriation is better spent with regular staff than spending the extra help salaries and then having them check or rechecked by regular staff. The Image System which has been a tremendous help to this agency will need a complete overhaul in the next biennium. For these reasons, we are requesting and overtime appropriation in the amount of \$250,000 in 1997-98 and \$150,000 in 1998-99.</p>																	
011		TER	375 075	P02		0	-1,000,000	-2,000,000										
	<p>Priority 2 - Refunds - Ch. 14 (Appro. 075 - Refunds have begun to diminish at a noticeable rate, therefore, we are reducing our appropriation by -\$1,000,000 for a total of \$8,000,000 for 1997-98; and -\$2,000,000 for a total of \$7,000,000 for the 1998-99 fiscal year.</p>																	

DEPT 010 SEPARATE AGENCIES
AGY 375 ARKANSAS TEACHER RETIREMENT SYSTEM
APPRO 075 ARKANSAS TEACHER RETIREMENT SYSTEM

FUND TER TEACHER RETIREMENT(375)

RANK BY APPROPRIATION
BR 264

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1997 - 1999**

The Arkansas Teacher Retirement System is requesting \$600,000 in FY98 and \$750,000 in FY99 for the property management program which is a contingency appropriation to pay expenses to maintain properties which the System holds as investments. Expenses include, but are not limited to, such items as attorney fees, foreclosure expenses, selling expenses, audit costs, appraisal expenses, property management fees, property rehabilitation costs, travel expenses related to property management, property repairs, property maintenance, advertising expenses, and property operating expenses.

Base Level is \$500,000 each year, and the priority request represents an increase of \$100,000 for FY98 and \$250,000 for FY99.

The Executive Recommendation provides for Base Level.

AGENCY Name: Arkansas Teacher Retirement System Code: 375	APPROPRIATION Name: Property Management Code: 312	TREASURY FUND Name: Teacher Retirement Code: TER	ANALYSIS OF BUDGET REQUEST BR20	PAGE 410
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ARKANSAS BUDGET SYSTEM

01 02 03 04 05 06 07 08 09 10 11 12 13 14

CHARACTER TITLE	-----EXPENDITURES-----			96-97			-----97-98 FISCAL YEAR-----			-----98-99 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	95-96	96-97	96-97	PRIORITY		TOTAL	PRIORITY		TOTAL	EXECUTIVE		LEGISLATIVE				
	ACTUAL	BUDGETED	AUTHORIZED	BASE	PROGRAMS	REQUEST	BASE	PROGRAMS	REQUEST	97-98	98-99	97-98	98-99			
PROPERTY MANAGEMENT	34,093	500,000	500,000	500,000	100,000	600,000	500,000	250,000	750,000	500,000	500,000					
TOTAL	34,093	500,000	500,000	500,000	100,000	600,000	500,000	250,000	750,000	500,000	500,000					
PROPOSED FUNDING SOURCES			*****													
FUND BALANCES			*****													
GENERAL REVENUES			*****													
SPECIAL REVENUES			*****													
FEDERAL FUNDS			*****													
STATE CENTRAL SERVICES FUND			*****													
NON-REVENUE RECEIPTS			*****													
CASH FUNDS			*****													
TRUST FUNDS	34,093	500,000	*****	500,000	100,000	600,000	500,000	250,000	750,000	500,000	500,000					
TOTAL FUNDING	34,093	500,000	*****	500,000	100,000	600,000	500,000	250,000	750,000	500,000	500,000					
EXCESS APPRO/ (FUNDING)			*****													
TOTAL	34,093	500,000	*****	500,000	100,000	600,000	500,000	250,000	750,000	500,000	500,000					

DEPT 010 SEPARATE AGENCIES
 AGY 375 ARKANSAS TEACHER RETIREMENT SYSTEM
 APPRO 312 PROPERTY MANAGEMENT
 FUND TER TEACHER RETIREMENT(375)

APPROPRIATION SUMMARY

BR 215

ARKANSAS BUDGET SYSTEM
PROGRAM/SERVICE INFORMATION LIST
RANK BY APPROPRIATION

1	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	
NK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----		-----1997 - 99 BIENNIUM REQUESTS-----					-----R E C O M M E N D A T I O N S-----							
					ACTUAL	BUDGETED	FY 1997 - 98		FY 1998 - 99			EXECUTIVE		LEGISLATIVE					
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99							
0		TER	375 312	B	34,093 0	500,000 0	500,000 0				500,000 0			500,000	500,000				
1		TER	375 312	P08		0 0	100,000 0				250,000 0								
<p style="text-align: center;">Priority 8 - Property Management -Ch.46 (Appro. 312) - Since we have purchased several investment properties in the Little Rock area, we would like to increase the appropriation to cover management fees. Therefore, we are requesting an increase in this appropriation of \$100,000 for a total of \$600,000 for 1997-98 and \$250,000 for a total of \$750,000 for the 1998-99 fiscal year.</p>																			

EPT 010 SEPARATE AGENCIES
 BY 375 ARKANSAS TEACHER RETIREMENT SYSTEM
 PPRO 312 PROPERTY MANAGEMENT
 UND TER TEACHER RETIREMENT(375)

RANK BY APPROPRIATION

BR 264

ARKANSAS BUDGET SYSTEM

CHARACTER TITLE	EXPENDITURES			97-98 FISCAL YEAR			98-99 FISCAL YEAR			RECOMMENDATIONS			
	95-96	96-97	96-97	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	AUTHORIZED APPRO							97-98	98-99	97-98	98-99
CLAIMS	16,250	0	0	0	0	0	0	0	0				
THIS APPROPRIATION IS NOT REQUESTED FOR THE NEW BIENNIUM													
TOTAL	16,250	0	0	0	0	0	0	0	0				
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES			*****										
GENERAL REVENUES			*****										
SPECIAL REVENUES			*****										
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS			*****										
CASH FUNDS			*****										
TRUST FUNDS	16,250		*****										
TOTAL FUNDING	16,250		*****										
EXCESS APPRO/ (FUNDING)			*****										
TOTAL	16,250		*****										

DEPT 010 SEPARATE AGENCIES
 AGY 375 ARKANSAS TEACHER RETIREMENT SYSTEM
 APPRO 2YD 1ST EXTRAORDINARY SESSION 1995 CLAIMS
 FUND TER TEACHER RETIREMENT(375)

APPROPRIATION SUMMARY

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