

**ARKANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM (370)**

**FISCAL YEAR 2016**

**As Enacted by Act 717 of 2015**

**I) AGENCY SUMMARY & REVENUE SOURCES**

**MISSION**

The Arkansas Public Employees Retirement System (APERS) administers a combined state-wide public employee retirement program for certain state (including members of the General Assembly and State Constitutional Officers), municipal, school district employees (cafeteria workers, bus drivers, and janitors enrolled before July 1, 1989) and all county employees (including county constitutional officers). APERS also administer the State Police Retirement System and the Judicial Retirement System. The Executive Director serves as State Social Security Administrator and is responsible for coverage related issues for state and local government employers.

**TOTAL APPROPRIATION**

The total appropriation for the Arkansas Public Employees Retirement System is \$765,474,361 for FY2016.

**FUNDING SOURCE**

The appropriations for APERS are funded by cash funds and trust funds.

**II) CHANGE LEVEL REQUESTS**

**OPERATIONS**

This appropriation provides for the operating costs of this agency. The change level requests is an increase of \$10,159,913 in FY2016 for Regular Salaries and Personal Service Matching to support one new additional position, Refunds/Reimbursements to pay refunds and lump sum payouts to members and beneficiaries, reallocation in Professional Fees to accommodate increased DIS mainframe costs, and also an increase in Capital Outlay to purchase high capacity scanning and/or printing equipment.

**STATE POLICE RETIREMENT OPERATIONS**

This appropriation provides for the operating costs of the State Police Retirement fund. The change level request is an increase of \$5,000,000 to support payments of retiree benefits via direct deposit.

**JUDICIAL RETIREMENT OPERATIONS**

This appropriation provides for the operating costs of the Judicial Retirement fund. The change level request is an increase of \$500,000 in the Benefits-Non Employee and Refunds/Reimbursements line items to provide disbursements of retiree benefits via state warrant.

**PUBLIC EMPLOYEES RETIREMENT CASH**

This appropriation is a cash fund utilized for payments to beneficiaries by check or wire transfer. The change level request is an increase of \$50,000,000 to accommodate payment of retiree benefits via direct deposit.

**STATE POLICE RETIREMENT CASH**

This appropriation is a cash fund utilized for payments to beneficiaries of the State Police Retirement System by wire transfer. The change level request is an increase of \$5,000,000 to make lump sum payouts to members and beneficiaries.

**JUDICIAL RETIREMENT CASH**

This appropriation is a cash fund utilized for payments to beneficiaries of the Judicial Retirement System by direct deposit. The change level request is an increase of \$1,000,000.

**PENSION ADMINISTRATION SYSTEM**

This appropriation is utilized for the APERS Pension Administration System which is an ongoing project to overhaul their Customer Relations Management software. The change level request is an increase of \$11,000,000 to restore appropriation to previously authorized levels.

**III) ADDITIONAL POSITIONS (Total FY2015 Authorized Positions:82)**

Total Authorized Positions FY2016: 82

Total Base Level Positions: 82

Increase / (Decrease) Over Base Level: 0

Extra Help Positions FY2016: 6 (Total FY2015 Authorized Extra Help: 6)

**IV) SPECIAL LANGUAGE**

**JUDICIAL RETIREMENT FUND TRANSFERS:** Authorizes fund transfer from Judicial Retirement Fund to APERS for reimbursement of costs.

**STATE POLICE RETIREMENT FUND TRANSFERS:** Authorizes fund transfer from State Police Retirement Fund to APERS for reimbursement of costs.

**EXEMPTION FROM PRIOR REVIEW:** Allows APERS to be exempted from seeking prior review of Legislative Council regarding transfers between benefits line item in the cash fund appropriation and the benefits-non-employee line item in the operations appropriation.

**SPECIAL STATE POLICE RETIREMENT FUND TRANSFERS:** States a sum not to exceed \$50,000 each fiscal year may be transferred from the State Police Retirement Fund to the Arkansas Public Employees Retirement Fund to share in the costs incurred by APERS in the purchase and implementation of a new pension administration system utilized to administer State Police pension transactions for members and retirees. Transfers will end in 2017.

**SPECIAL JUDICIAL RETIREMENT FUND TRANSFERS:** States a sum not to exceed \$50,000 each fiscal year may be transferred from the Judicial Retirement Fund to the Arkansas Public Employees Retirement Fund to share in the costs incurred by APERS in the purchase and implementation of a new pension administration system utilized to administer Judicial pension transactions for members and retirees. Transfers will end in 2017.

**\*NEW LANGUAGE\* ESTABLISHMENT OF A TEMPORARY "POSITION POOL":** States the agency is authorized a pool of no more than ten (10) C117 level positions at base level of \$32,249. These positions will sunset on 06/30/2017.