

**0370 – ARKANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM
FISCAL YEAR 2020
AS ENACTED BY ACT 101 OF 2019**

The Arkansas Public Employees Retirement System administers a state wide public employee retirement program for certain state, municipal, county, and some school district employees. The agency also administers the State Police Retirement and Judicial Retirement systems. The director serves as Social Security Administrator and is responsible for coverage related issues for state and local government employers.

TOTAL APPROPRIATION

| Appropriation | | 2017-2018 | 2018-2019 | 2019-2020 |
|---------------|---------------------------------------|---------------|---------------|-----------------|
| | | Actual | Authorized | Legislative |
| 2QR | Public Employee Retirement-Operations | \$66,895,304 | \$142,040,148 | \$141,700,870 |
| 2QS | St Police Retirement-Operations | \$15,918,374 | \$35,343,560 | \$30,285,950 |
| 2QT | Judicial Retirement-Operations | \$6,159,924 | \$10,663,389 | \$8,652,879 |
| C22 | Public Employee Retirement-Cash | \$487,779,231 | \$650,000,000 | \$825,000,000 |
| C23 | St Police Retirement-Cash | \$21,077,903 | \$35,000,000 | \$32,500,000 |
| C24 | Judicial Retirement-Cash | \$12,361,429 | \$21,000,000 | \$21,000,000 |
| F73 | APERS Pension Administration System | \$1,179,786 | \$21,000,000 | \$0 |
| Total | | \$611,371,951 | \$915,047,097 | \$1,059,139,699 |

FUNDING SOURCES

| Funding Sources | | 2017-2018 Actual | % |
|---------------------------------------|---------|---------------------|--------|
| Fund Balance | 4000005 | \$0 | 0.00 |
| Trust Fund | 4000050 | \$611,371,951 | 100.00 |
| Total Funds | | \$611,371,951 | 100.00 |
| Excess Appropriation/(Funding) | | \$0 | |
| Grand Total | | \$611,371,951 | |

CHANGE LEVEL REQUESTS

Public Employee Retirement-Operations (Appropriation 2QR)

| Commitment Item | | 2018-2019 | 2019-2020 | |
|-----------------|--------------------|--------------|-------------|---------------|
| | | Authorized | Legislative | Change Level |
| 5020002 | Operating Expenses | \$1,607,473 | \$2,107,473 | \$500,000 |
| 5060010 | Professional Fees | \$10,583,645 | \$5,000,000 | (\$5,583,645) |
| 5120011 | Capital Outlay | \$17,500 | \$41,000 | \$23,500 |

| | | | | |
|--------------|--------------------------|--------------|--------------|---------------|
| 5900044 | Data Processing Services | \$0 | \$4,000,000 | \$4,000,000 |
| Total | | \$12,208,618 | \$11,148,473 | (\$1,060,145) |

- **Operating Expenses and Data Processing Services** increased to accommodate the annual maintenance agreement, hosting, and programming costs for the new Pension Administration System
- **Professional Fees** decreased to reallocate appropriation to Operating Expenses and Data Processing Services

St Police Retirement-Operations (Appropriation 2QS)

| Commitment Item | | 2018-2019 | 2019-2020 | |
|-----------------|-----------------------|--------------|-------------|---------------|
| | | Authorized | Legislative | Change Level |
| 5020002 | Operating Expenses | \$77,610 | \$20,000 | (\$57,610) |
| 5100023 | Benefits-Non Employee | \$10,000,000 | \$5,000,000 | (\$5,000,000) |
| Total | | \$10,077,610 | \$5,020,000 | (\$5,057,610) |

- **Operating Expenses and Benefits-Non Employee** decreased to better align appropriation level with anticipated needs of the program

Judicial Retirement-Operations (Appropriation 2QT)

| Commitment Item | | 2018-2019 | 2019-2020 | |
|-----------------|------------------------|--------------|-------------|---------------|
| | | Authorized | Legislative | Change Level |
| 5020002 | Operating Expenses | \$40,510 | \$30,000 | (\$10,510) |
| 5100023 | Benefits-Non Employee | \$4,250,000 | \$1,250,000 | (\$3,000,000) |
| 5110014 | Refunds/Reimbursements | \$6,250,000 | \$7,250,000 | \$1,000,000 |
| Total | | \$10,540,510 | \$8,530,000 | (\$2,010,510) |

- **Operating Expenses, Benefits-Non Employee** decreased to better align appropriation level with anticipated needs of the program
- **Refunds/Reimbursements** increased to accommodate refunds and transfers from the state treasury to the custodian bank for investing

Public Employee Retirement-Cash (Appropriation C22)

| Commitment Item | | 2018-2019 | 2019-2020 | |
|-----------------|------------------------|---------------|---------------|---------------|
| | | Authorized | Legislative | Change Level |
| 5100023 | Benefits-Non Employee | \$650,000,000 | \$775,000,000 | \$125,000,000 |
| 5110014 | Refunds/Reimbursements | \$0 | \$50,000,000 | \$50,000,000 |
| Total | | \$650,000,000 | \$825,000,000 | \$175,000,000 |

- **Benefits-Non Employee and Refunds/Reimbursements** increased to accommodate demand of benefit payments and refunds by direct deposit as opposed to issuing warrants

St Police Retirement-Cash (Appropriation C23)

| Commitment Item | | 2018-2019 | 2019-2020 | |
|-----------------|-----------------------|--------------|--------------|---------------|
| | | Authorized | Legislative | Change Level |
| 5100023 | Benefits-Non Employee | \$35,000,000 | \$32,500,000 | (\$2,500,000) |
| Total | | \$35,000,000 | \$32,500,000 | (\$2,500,000) |

- **Benefits-Non Employee** decreased to better align appropriation level with anticipated needs of the program

APERS Pension Administration System (Appropriation F73)

| Commitment Item | | 2018-2019 | 2019-2020 | |
|-----------------|-------------------------------------|--------------|-------------|----------------|
| | | Authorized | Legislative | Change Level |
| 5900046 | APERS Pension Administration System | \$21,000,000 | \$0 | (\$21,000,000) |
| Total | | \$21,000,000 | \$0 | (\$21,000,000) |

- **APERS Pension Administration System** discontinued due to new system being implemented and this section is no longer necessary to pay for capital costs.

POSITIONS

Total Authorized Positions FY2020: 82

Total Authorized Positions FY2019: 82

Increase / (Decrease): 0

Extra Help Positions FY2020: 6

SPECIAL LANGUAGE REVISIONS

Judicial Retirement Fund Transfers: Amount authorized to transfer increased from \$60,050 to \$61,852.

State Police Retirement Fund Transfers: Amount authorized to transfer increased from \$110,687 to \$114,008.

Exemption from Prior Review: Language updated to extend exemption from prior review of transfers to new line item "Refunds."