

**Regular Meeting
Board of Trustees**

January 16, 2001

The Board of Trustees of the Arkansas Teacher Retirement System convened on Tuesday, January 16, 2001, at 8:30 a.m. The meeting was held in the ATRS Board Room, 1400 West Third, Little Rock, Arkansas.

Members of the Board Present:

Linda Parsons, Chair
Charles Vondran, Vice Chair
Winfred Clardy
Hazel Coleman
Charles Dyer
Dr. Paul Fair
Jimmie Lou Fisher
John Fortenberry
Ann Harbison
Mary Harris
Betty McGuire
Gus Wingfield

Members of the Board Absent:

Lynda Hogue
Raymond Simon
Frank White

Staff Present:

Bill Shirron, Executive Director
Angelo Coppola, Deputy Director
Gail Blair, Manager, Data Processing
Dena Dixson, Manager, Membership & Payroll
Wayne Greathouse, Associate Director/Investments
Tammy Medlock, Administrative Assistant
Michael Ray, Manager, Benefits & Counseling
Hugh Roberts, Retirement Fund Investments Supervisor
Bernice Smith, Manager, Accounting
George Snyder, Chief Fiscal Officer
Barbara Waldrop, Manager, Preretirement Education

Others Present:

Lloyd Black, Arkansas Retired Teachers Association
Danny Knight, Watson Chapel
Charles Knox, Arkansas Association of Educational Administrators
Ben Love, Arkansas Association of Educational Administrators
James McGuire, Guest of Betty McGuire
Jonelle Mitchell, Arkansas Retirement Teachers Association

Others Present (Cont'd):

Don Roberts, Arkansas Retired Teachers Association
Leonard Venable, Office of the State Treasurer

VIII. Roll Call

The minutes were recorded by Tammy Medlock of the Teacher Retirement staff.

IX. Adoption of Agenda

Mrs. Parsons requested adding the following topics under "New Business": "F. Resolution; G. Review of Legislation; H. Multiplier/Health Insurance." Dr. Fair made a motion to adopt the agenda as amended. The motion carried.

X. Public Comments on Agenda Items

XVI. Investment Committee Report - Charles Vondran, Chair

Mr. Vondran reviewed the minutes of the Investment Committee meeting held January 4, 2001. Mr. Fortenberry noted Maxine Fortenberry, is not a member a member on the board as indicated by the minutes. Mr. Vondran noted that all board members would receive in the future the same materials that Investment Committee members receive in preparation for the meeting.

Mr. Shirron stated he spoke with the parties involved with the John Q. Hammons hotel in Hot Springs. A request for a first mortgage loan will be presented in February for \$28 million, rather than the original request that involved ATRS funding \$10-12 million and the rest being financed with a bond issue.

Mr. Shirron stated he will provide to all board members at the next Investment Committee meeting a schedule for all persons receiving compensation from ATRS including managers, consultants, and fees paid for the last fiscal year.

Mrs. Harbison made a motion to hear the audit report by State Street before making a decision about initiating a search for an investment consultant. The motion did not carry.

Dr. Fair made a substitute motion for Mr. Shirron to research the availability of 6-8 investment consulting firms and evaluate Holbein by the February Investment Committee meeting. The motion did not carry.

Mrs. Coleman made a motion to close debate. The motion carried. Mrs. Harris made a motion to begin a search for a new consultant and withdrew the motion.

Mrs. McGuire made a motion for Mr. Shirron to contact John Ellis to discuss with the Board evaluating Holbein's performance. The motion carried. Mr. Shirron indicated he would start researching other investment consulting firms.

Mrs. Parsons re-appointed Mary Harris for a four-year term on the Investment Committee.

XVII. Teacher Retirement System Reports

- A. Medical Board Summary Reports - Michael Ray, Manager, Benefits & Counseling

Mr. Vondran made a motion to adopt the Medical Board Summary report as presented on page 32 the brochure. The motion carried.

- B. Personnel – Dr. Angelo Coppola, Deputy Director

Dr. Coppola stated the Lead Programmer Analyst, Grade 22, will be advertised soon due to a resignation. Mrs. Coleman made a motion to approve the personnel report as presented. The motion carried.

- C. Membership & Payroll – Dena Dixson, Manager, Membership & Payroll
- D. Arkansas-Related Investments – Wayne Greathouse, Associate Director-Investments
- E. Investment Summaries – Wayne Greathouse, Associate Director-Investments
- F. Financial Statements – Bernice Smith, Manager, Accounting

XVIII. New Business

- A. Policy Changes

Mr. Dyer made a motion to adopt the first policy change presented on page 47 of the brochure. The motion carried.

Dr. Fair made a motion that an ATRS Policies Committee be authorized and appointed to receive and consider proposals for (1) the adoption of new policy and (2) the revision or deletion of existing policy. The committee would be responsible for recommending the adoption or rejection of any such proposals to the full Board of Trustees. The motion carried. Mrs. Parsons asked that board members contact her if they are interested in serving on this committee.

Mrs. McGuire made a motion to adopt the second policy change presented on page 47 of the brochure. The motion carried.

B. Resolution Regarding Employer Pick-Up Contributions (Revised) (*Attachment B*)

Mr. Vondran made a motion to adopt the resolution presented on page 48-49 of the brochure. The motion carried.

C. Board Travel Resolution for 2001 (*Attachment C*)

Mrs. Coleman made a motion to adopt the resolution as amended. The motion carried.

D. 2001-2003 Biennium Budget

Dr. Fair made a motion to approve the budget as presented to the legislature. The motion carried.

E. Status Report - Arkansas Teacher Retirement System - Van Horn Report

Page 4. Competitive Bidding. Mr. Shirron stated he will request bids for a construction manger for any future construction done by the retirement system.

Page 5. Mandatory Real Estate Appraisal Requirements. Mr. Shirron stated he told Mr. Van Horn that it is almost impossible to get an appraisal for raw land.

Page 6. Retirement Villages. Mr. Shirron stated no bids were taken to retain Mr. Flake as real estate agent; however, he noted that real estate agent fees are paid by the seller. Mr. Shirron stated ATRS will be paid back for constructing the village with a 6% bond issue. Mr. Shirron stated they should have an idea of the cost within 60 days and then 20 days after that be able to set a budget. A drawing of the facility will be presented to the board when it is completed.

F. Resolution to Execute, Acknowledge & Deliver (*Attachment D*)

Mr. Fortenberry made a motion to adopt the resolution as presented. The motion carried.

G. Review of Legislation (*Attachment E*)

HB 1052. Mr. Shirron will oppose. No action was taken by the board.

HB 1077. Mr. Shirron will not oppose. No action was taken by the board.

HB 1078. Mr. Shirron stated he would ask that this bill be amended to require the members to be in ATRS three (3) years before being eligible for the death benefit. No action was taken by the board.

SB 16. Mr. Shirron will oppose. No action was taken by the board.

SB 25. Mr. Shirron will oppose. No action was taken by the board.

SB 30. Mr. Shirron will support. No action was taken by the board.

Referencing ATRS legislation not yet introduced, Mr. Shirron stated the board approved in November all but the last two bills on the list. The board took no action on the bill to amend the definition of facilities" in the Arkansas Code.

Mrs. Fisher made a motion to strike the language from the bill pertaining to the board that allows ex officio trustees to designate substitutes to attend board meetings. The motion carried.

H. Multiplier/ Health Insurance

Mr. Dyer made a motion to increase the multipliers to 2.15% and 1.39% and to provide a comparable increase for retirees effective July 1, 2001. The motion carried.

Mr. Shirron stated the actuaries reported on December 5, 2000, that it would cost less for the system to fund a multiplier/retiree increase than to fund a \$25 per month increase in the health subsidy.

XIX. General Comments

In other business:

Job Descriptions. Mr. Shirron distributed copies of job descriptions for the Executive Director, Deputy Director, Associate Director-Investments, and Arkansas Related Investment Administrator.

Agenda Committee Appointments. Mrs. Parsons appointed the following trustees to serve on the Agenda Committee: Paul Fair, Charles Vondran, Mary Harris, Linda Parsons. She stated they would try to coordinate agenda committee meetings with Investment Committee meetings.

Screening Committee Attendee Appointments. Mrs. Parsons appointed herself and Mr. Fortenberry to attend the screening committee meetings held by the staff.

State Pay Plan. Mr. Shirron stated he would provide the board a copy of the state pay plan for 2001-2003.

Southern Conference on Teacher Retirement (SCTR) - 2001. April 21-25, 2001, Gatlinburg, Tennessee. Mr. Shirron asked for board members to contact him as soon as possible if they plan to attend.

Board Seminar(s). The 2001 board seminar will be held in Springdale, June 10-13, 2001. Mr. Shirron distributed a survey requesting board members' input for seminar topics and activities. Plans for 2002 are Eureka Springs and Hot Springs in 2003.

National Council on Teacher Retirement (NCTR) - 2001. September 29 - October 3, Salt Lake City, Utah.

As there was no further business to consider, Mr. Clardy made a motion to adjourn. The motion carried and the Board adjourned at 12:15 p.m.

Linda Parsons

Linda Parsons, Chair

Bill A Shirron

Bill Shirron, Secretary to the Board

2-10-01

Date

Arkansas Teacher Retirement System

Rate of Return Report Card as of 12/31/00

Preliminary

	Percent	Mkt. Value \$Millions	FYTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs
Total Fund	100.0%	\$7,745.0	-0.9%	0.4%	8.5%	10.2%	12.1%	12.8%
Domestic Equity								
Alliance	5.8%	\$447.9	-19.9%	-17.1%	3.6%	18.0%	22.1%	22.2%
Munder	4.3%	\$330.7	-3.4%	-2.9%	4.6%	8.0%	13.2%	15.1%
Russell 1000 Growth Index			-25.6%	-22.4%	1.6%	12.7%	16.9%	18.1%
S&P 500 Index			-8.7%	-9.1%	4.9%	12.3%	17.2%	18.3%
Oppenheimer	7.3%	\$563.5	18.7%	13.6%	11.5%	12.9%	15.9%	17.7%
Invesco	5.6%	\$431.4	13.0%	2.8%	1.2%	6.6%	12.4%	13.6%
ICC Capital	5.6%	\$432.5	11.1%	10.2%	18.2%	15.6%	19.3%	
Russell 1000 Value Index			11.8%	7.0%	7.2%	9.9%	15.8%	16.9%
S&P 500 Index			-8.7%	-9.1%	4.9%	12.3%	17.2%	18.3%
Rothschild	3.0%	\$229.5	5.5%	11.3%				
Eubel Brady	1.7%	\$134.1	36.9%	32.4%				
Russell Mid Cap Value			20.1%	19.2%	9.1%	7.8%	13.9%	15.1%
TCW	2.4%	\$187.8	-37.0%	-39.4%	17.3%	23 mo		
Aeltus	2.5%	\$196.9	-12.8%	-7.0%	16.5%	23 mo		
Russell 2000 Growth Index			-23.4%	-22.4%	5.4%	4.0%	6.1%	7.1%
Kennedy	2.7%	\$210.6	10.1%	20.6%	19.3%	6.9%	10.7%	13.0%
Daruma	1.3%	\$103.4	1.3%					
Phoenix Capital	1.4%	\$104.8	5.0%					
Russell 2000 Value Index			16.0%	22.8%	10.0%	4.2%	10.5%	12.6%
Domestic Equity (Cash Not Included)	42.3%	\$3,276.6	0.3%	-0.8%	9.3%	12.6%	16.5%	18.0%
Russell 3000 Index			-8.3%	-7.5%	5.8%	11.6%	16.3%	17.4%
International Equity								
Brinson Partners	6.6%	\$508.1	-4.1%	-6.8%	6.8%	10.0%	9.3%	10.3%
Scudder	6.5%	\$500.2	-14.3%	-17.3%	9.3%	10.0%	9.4%	10.9%
Developed International Markets	13.0%	\$1,008.3	-9.5%	-12.3%	8.0%	10.0%	9.3%	10.6%
MSCI EAFE			-10.5%	-14.2%	4.4%	9.4%	7.4%	7.1%
Govett	1.3%	\$104.1	-26.1%	-32.6%	6.9%	-8.2%	-8.1%	-4.0%
MSCI Emerging Markets Free			-24.6%	-30.6%	7.5%	-4.8%	-6.6%	-4.2%
Total Equity	57.9%	\$4,485.4	-2.7%	-4.1%	8.8%	11.3%	13.9%	15.4%
Russell 3000 Index			-8.3%	-7.5%	5.8%	11.6%	16.3%	17.4%
S&P 500 Index			-8.7%	-9.1%	4.9%	12.3%	17.2%	18.3%

	1999	1998	1997	1996	1995
Total Fund	18.3%	13.6%	17.9%	15.8%	26.3%
Domestic Equity					
Alliance	29.5%	53.1%	35.1%	22.6%	40.9%
Munder	12.7%	15.2%	30.0%	23.4%	36.7%
Russell 1000 Growth Index	33.1%	38.7%	30.5%	23.1%	37.2%
S&P 500 Index	21.0%	28.6%	33.4%	23.0%	37.5%
Oppenheimer	9.3%	15.9%	25.4%	25.0%	41.8%
Invesco	-0.3%	18.2%	32.0%	18.3%	32.6%
ICC Capital	26.8%	10.5%	31.2%		
Russell 1000 Value Index	7.4%	15.6%	35.2%	21.6%	38.4%
S&P 500 Index	21.0%	28.6%	33.4%	23.0%	37.5%
Rothschild					
Eubel Brady					
Russell Mid Cap Value	-0.1%	5.1%	34.4%	20.3%	34.9%
TCW					
Aeltus					
Russell 2000 Growth Index	43.1%	1.2%	13.0%	11.3%	31.0%
Kennedy	18.0%	-14.1%	22.9%	22.4%	24.4%
Daruma					
Phoenix Capital					
Russell 2000 Value Index	-1.5%	-6.5%	31.8%	21.4%	25.8%
Domestic Equity (Cash Not Included)	20.6%	21.2%	30.0%	21.6%	33.4%
Russell 3000 Index	20.9%	24.1%	31.8%	21.8%	36.8%
International Equity					
Brinson Partners	22.4%	16.6%	7.3%	14.1%	17.7%
Scudder	44.3%	11.5%	7.5%	17.4%	15.3%
Developed International Markets	33.0%	14.1%	7.4%	15.7%	17.3%
MSCI EAFE	27.0%	20.0%	1.8%	6.1%	11.2%
Govett	69.6%	-32.3%	-7.8%	14.5%	1.3%
MSCI Emerging Markets Free	66.4%	-25.3%	-11.6%	9.4%	-8.4%
Total Equity	23.5%	16.4%	22.0%	24.0%	40.9%
Russell 3000 Index	20.9%	24.1%	31.8%	21.8%	36.8%
S&P 500 Index	21.0%	28.6%	33.4%	23.0%	37.5%

Arkansas Teacher Retirement System
 Rate of Return Report Card as of 12/31/00
 Preliminary

	Percent	Mkt. Value												
		\$Millions	3 Months	FYTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	1999	1998	1997	1996	1995
Fixed Income														
Regions Bank	7.6%	\$585.7	3.9%	6.9%	10.4%	5.3%	6.2%	6.7%	6.1%	0.4%	8.0%	8.2%	3.6%	16.4%
Hyperion	3.4%	\$266.4	3.7%	7.2%	11.2%	5.3%	4.7%			-0.3%	3.5%			
Vanderbilt	3.3%	\$255.5	3.0%	5.6%	7.7%	3.0%	4.9%			-1.5%	8.7%			
Loomis, Sayles	5.5%	\$426.9	2.5%	5.2%	8.0%	4.6%	5.6%			1.4%	7.4%			
Nicholas/Applegate	5.1%	\$397.7	-12.9%	-8.0%	0.1%	23.6%				52.7%				
Blackstone Mezzanine	0.3%	\$20.8	2.3%	2.3%	9.4%	9 mo								
DLJ Mezzanine	0.5%	\$35.0	2.4%	10.9%	15.0%									
Total Fixed Income	25.7%	\$1,988.0	-0.4%	3.1%	7.3%	7.0%	7.2%	7.5%	6.7%	6.6%	7.7%	8.3%	3.6%	16.4%
Lehman Brothers Int. Gov't/Corp			3.7%	6.7%	10.1%	5.1%	6.2%	6.6%	6.1%	0.4%	8.4%	7.9%	4.1%	15.3%
Lehman Brothers Gov't/Corp			4.4%	7.4%	11.8%	4.6%	6.2%	7.1%	6.2%	-2.2%	9.5%	9.8%	2.9%	19.3%
Lehman Aggregate			4.2%	7.4%	11.6%	5.2%	6.4%	7.2%	6.5%	-0.8%	8.7%	9.7%	3.6%	18.5%
Lehman Brothers Mortgage-Backed			3.9%	7.2%	11.2%	6.4%	6.6%	7.3%	6.9%	1.9%	7.0%	9.5%	5.4%	16.8%
First Boston Convertibles			-13.3%	-10.6%	-1.8%	15.8%	14.4%	14.4%	13.9%	36.6%	11.7%	14.4%	11.7%	23.0%
Wachovia I	1.7%	\$131.5	0.0%	2.8%	14.2%	17.6%				21.1%				
Wachovia II	1.3%	\$101.0	0.0%	-0.8%	2.8%									
Private Equity														
Total Private Equity	8.7%	\$671.1	1.1%	-1.7%	4.3%	9.0%	9.8%			13.4%	10.5%			
Domestic Private Equity														
21st Century Group	0.1%	\$9.0	0.0%	0.0%	0.0%									
Cypress	0.1%	\$10.6	0.0%	0.0%	0.0%									
Hicks Muse III	1.1%	\$84.4	0.0%	-14.1%	-6.1%	0.6%	3.4%			7.9%	9.2%			
Hicks Muse IV	1.4%	\$106.5	0.8%	-11.0%	-1.9%	12.0%				28.8%				
Hicks Muse V	0.8%	\$59.7												
LJM2	0.2%	\$12.1	0.4%	11.0%										
Oak Hill	0.4%	\$31.6	0.0%	1.4%	-1.6%									
International Private Equity														
Cinven	0.6%	\$47.9	0.0%	0.0%	-0.6%	-0.5%								
Doughty Hanson	0.8%	\$58.9	0.0%	0.0%	0.0%	-0.1%				-0.2%				
Doughty Hanson Technology I	0.1%	\$5.8												
Real Estate														
DLJ Real Estate II	0.3%	\$20.0	0.0%	-0.7%	-0.7%									
Doughty Hansen Real Estate	0.1%	\$6.7	0.0%	0.0%	0.0%									
Olympus III	0.6%	\$48.3	-0.7%											
Westbrook II	0.7%	\$57.6	3.7%	6.7%	13.8%	17.9%	14.8%							
Westbrook III	1.3%	\$102.5	4.0%	8.7%	17.0%	14.6%				23.0%	8.9%			
Westbrook Co-Invest	0.5%	\$40.9	0.0%	3.4%	7.6%					12.3%				
Other Investments														
Arkansas Related	3.4%	\$265.6								7.4%	8.5%	10.6%	8.5%	8.6%
Diamond State	0.0%	\$0.8	0.0%	0.0%						6.2%	7.7%	8.4%	5.5%	6.1%
Cash Equivalents	0.4%	\$33.7	2.6%	3.9%	7.4%	6.8%	7.1%	7.4%	7.6%	4.9%	5.2%	5.3%	5.3%	5.9%
90 Day T-Bills			1.6%	3.2%	6.2%	5.5%	5.4%	5.4%	5.4%					

RESOLUTION REGARDING EMPLOYER PICK-UP CONTRIBUTIONS

WHEREAS, the Board of Trustees ("Board") of the Arkansas Teacher Retirement System (the "System"), pursuant to A.C.A. § 24-7-301, is responsible for the general administration and proper operation of the System and for making effective the provisions of the Arkansas Teacher Retirement System Act ("Act").

WHEREAS, A.C.A. § 24-7-406(h) requires that each employer pay the member contributions required by that section for each salary earned by a member of the System after June 30, 1997. Such employer contributions are commonly referred to contributions "picked up" by the employer. Pursuant to A.C.A. § 24-7-406(f), after July 1, 1999 all new members of the System are required to make member contributions; and active members as of July 1, 1999 may elect on or before July 1, 2000 to make member contributions and, once such an election is made, it is irrevocable.

WHEREAS, pursuant to Revenue Rulings 81-35 and 81-36, 1981-1 C.B. 255, the Internal Revenue Service has ruled that, for picked up contributions not to be considered the gross income of the employee, (i) the employer must specify that the contributions, although designated as employee contributions, are being paid by the employer in lieu of contributions by the employee, and (ii) the employee must not be given the option of choosing to receive the contributed amounts directly instead of having them paid by the employer to the System.

WHEREAS, in order to issue a favorable ruling in response to a request by counsel for the System, the IRS has required that a resolution be adopted by the Board confirming these requirements.

THEREFORE, BE IT RESOLVED, that each Employer (as defined in A.C.A. § 24-7-702), shall make all member contributions required by A.C.A. § 24-7-406, and that the employees of each such Employer may not elect to receive such contributions directly. This resolution shall apply to all teacher and nonteacher employees as defined in A.C.A. § 24-7-406.

FURTHER RESOLVED, that each Employer shall pay the member contributions required by A.C.A. § 24-7-406 from the salary earned by a member after June 30, 1997, and those contributions shall then be treated as employer contributions in determining tax treatment under the provisions of the Internal Revenue Code and the Income Tax Act of 1929, §§ 26-51-101 et seq. If a member elects to purchase past service credits under §§ 24-7-602 - 24-7-607 through payroll deductions, the employer shall pay the amount required to purchase such past service credits from the employee's salary earned after the employee signs an irrevocable payroll authorization prescribed by the board, and those purchases shall then be treated as employer contributions in determining tax treatment under the provisions of the Internal Revenue Code and the Income Tax Act of 1929, §§ 26-51-101 et seq.

The above and foregoing Resolution was adopted by the Board of Trustees of Arkansas Teacher Retirement System at a duly called meeting on the _____ day of January, 2001.

Chairman

Executive Director

RESOLUTION

Board Expense Reimbursement
For 2001

BE IT RESOLVED, *the members of the Board of Trustees of the Arkansas Teacher Retirement system are authorized reimbursement of expenses for attending trustee meetings in accordance with Act 1211 of 1995;*

NOW, THEREFORE, BE IT RESOLVED, *members of the ATRS Board of trustees may attend and be reimbursed for any two (2) of the following conferences for the calendar year 2001:*

- National Council on Teacher Retirement (NCTR)
- Southern Conference on Teacher Retirement (SCTR)
- National Education Association (NEA) Forum on Retirement
- National Retired Teachers Association (NRTA) Pension Review

BE IT FURTHER RESOLVED, *trustees may be reimbursed expenses for attending two (2) additional retirement education conferences during the calendar year 2001.*

ADOPTED this 16TH Day of January, 2001



Linda Parsons, Chairman
Arkansas Teacher Retirement System

ARKANSAS TEACHER RETIREMENT SYSTEM


STATE OF ARKANSAS
1400 WEST THIRD STREET
LITTLE ROCK, ARKANSAS 72201
(501) 682-1517
(800) 666-2877

Bill A. Shirron
Executive Director

RESOLUTION

BE IT RESOLVED that Bill A. Shirron Executive Director, Angelo Coppola, Deputy Executive Director, George Snyder, Chief Fiscal Officer, or G. Wayne Greathouse, Associate Director-Investments, and they each are, authorized to execute, acknowledge and deliver such agreements, documents and instruments as might be necessary or appropriate in connection with the purchase, sale, pledge, transfer of other transaction of any kind whatsoever involving any investment approved by the Arkansas Teacher Retirement System Board of Trustees; and

BE IT FURTHER RESOLVED that the execution, acknowledgement (if appropriate) and delivery of such agreement, document or instrument by any one of these three named persons shall constitute the valid, binding and enforceable act of the Arkansas Teacher Retirement System and that no third party dealing with the System need inquire further as to the authority of such person to act for and in behalf of the System.


Linda Parsons, Chairman
Arkansas Teacher Retirement System
Board of Trustees

Dated this 16 day of January, 20 01

Subscribed and sworn to before me this 16 day of January, 20 01

SEAL

My commission expires 11-30-2009

2001 Legislation

Affecting the Arkansas Teacher Retirement System

- HB 1052 - Requires employer contributions under T-DROP to continue to be paid to the member's DROP account or to the member as a salary supplement. By Rep. Milum
- HB 1077 - Increases the amount of private school service that can be purchased in TR from 10 to 15 years. By Rep. Milum.
- HB 1078 - Authorizes non-teaching school district employees who are PERS members to have service after July 1, 2001 covered under TR. by Rep. Milum
- SB 16 - Prohibits State-supported retirement systems from purchasing real property as an investment except when the majority of occupiable space of the property is occupied by the retirement system as the business office or the title to the property is vested in the system as a result of foreclosure. Other properties not meeting the above criteria must be disposed of by the retirement system as soon as reasonably possible.
- SB 25 - Provides members of TR with free service credit for National Guard Service.
- SB 30 - Allows public retirees to participate in State Employees' health insurance if they were previously covered under a spouse's or dependent's health insurance.

ATRS Legislation not yet introduced:

- Define and incorporate normal retirement age for members of ATRS. Normal retirement age means 65 years of age.
- Provide that disability benefits will be stopped when a disability retiree returns to work within 30 days of the effective date of benefits.

- Provide a means by which retirees of ATRS may not be subject to the TR earnings limit if the retiree returns to work in a covered position after one year from the effective date of his retirement, and the TR earnings limit will not apply to any retiree after 3 years from the effective date of retirement.
- Provide ATRS retirees an increase in the additional monthly benefit of up to \$200 when actuarially feasible as a health insurance subsidy.
- Increase the death benefits for active and retired members of \$25,000 for all contributory service; \$16,667 for all non-contributory service and prorated if combined contributory and noncontributory service.
- Authorize an increase in the COLA of not less than 3% nor more than 4% when actuarially feasible.
- Amend the definition of "facilities" in the Arkansas Code, and to exempt ATRS from permit of approval requirements but not from license requirements as pertains to the retirement villages.
- To allow ex officio members of the ATRS board to designate a substitute to attend ATRS Board meetings; to allow member (active) trustees to continue to serve on the ATRS board after reaching normal retirement age; to provide the ATRS board to adopt rules and regulations pertaining to attendance at board meetings and vacancies.