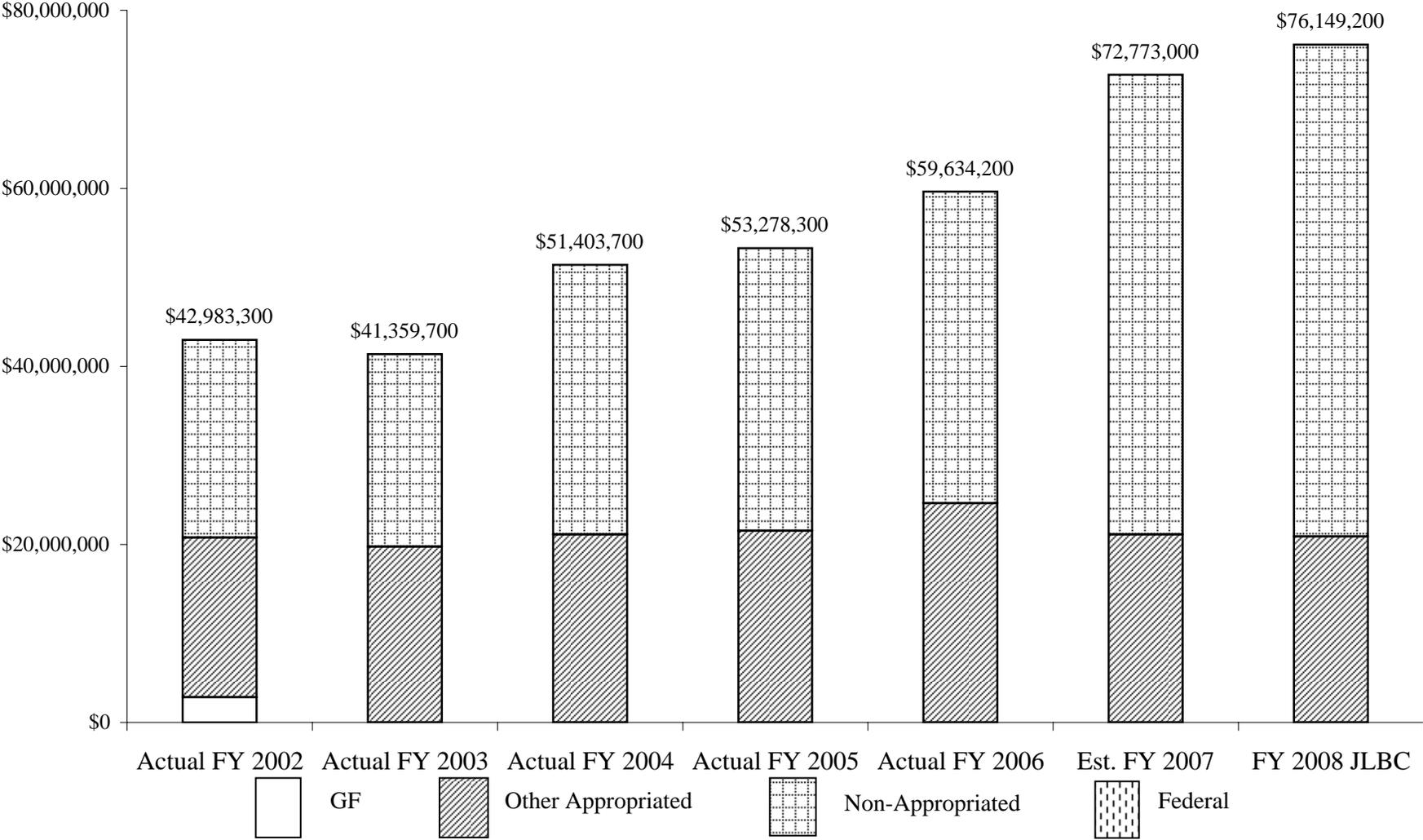


## ARIZONA STATE RETIREMENT SYSTEM

	<b>JLBC BASELINE</b>	<b>EXECUTIVE</b>
Total Appropriations  (Pg. 452)	<u>FY 2008</u> <ul style="list-style-type: none"> <li>● \$20.9 M OF</li> <li>● \$(223,300) OF below FY 07, or (1.1)%</li> </ul> <u>FY 2009</u> <ul style="list-style-type: none"> <li>● \$20.9 M OF</li> <li>● \$(251,300) OF below FY 07, or (1.2)%</li> </ul>	<u>FY 2008</u> <ul style="list-style-type: none"> <li>● \$21.9 M OF</li> <li>● \$809,400 OF above FY 07, or 3.8%</li> </ul> <u>FY 2009</u> <ul style="list-style-type: none"> <li>● \$22.5 M OF</li> <li>● \$1.3 M OF above FY 07, or 6.4%</li> </ul>
Investment Management FTE Position (Pg. 453)	<ul style="list-style-type: none"> <li>● \$129,100 OF and 1 FTE Position in FY 08 and \$122,100 in FY 09 for a portfolio analyst to work with private equity investments</li> </ul>	<ul style="list-style-type: none"> <li>● \$127,000 OF and 1 FTE Position in FY 08 and \$120,000 in FY 09 for a portfolio analyst to work with private equity investments</li> </ul>
Records Management FTE Positions (Pg. 453)	<ul style="list-style-type: none"> <li>● \$130,300 OF and 3 FTE Positions in FY 08 and \$109,300 in FY 09 to increase staffing in records management to match increased workload</li> </ul>	<ul style="list-style-type: none"> <li>● \$125,500 OF and 3 FTE Positions in FY 08 and \$104,500 in FY 09 to increase staffing in records management to match increased workload</li> </ul>
Member Advocate and Call Center	<ul style="list-style-type: none"> <li>● Does not include. Call center wait time in September 2006 was approximately 40 seconds.</li> </ul>	<ul style="list-style-type: none"> <li>● \$111,800 OF and 2 FTE Positions in FY 08 and \$254,100 and 5 FTE Positions in FY 09 for an appeals member advocate and benefit advisors to work in the call center during peak periods</li> </ul>
Budget Control Development Specialist	<ul style="list-style-type: none"> <li>● Does not include</li> </ul>	<ul style="list-style-type: none"> <li>● \$60,400 OF and 1 FTE Position in FY 08 and \$53,400 in FY 09 for a budget control and development specialist</li> </ul>
One-Time IT Plan Funding (Pg. 453)	<ul style="list-style-type: none"> <li>● \$(263,700) OF in FY 08 and FY 09 to eliminate one-time funding for the Information Technology Plan</li> </ul>	<ul style="list-style-type: none"> <li>● \$(154,400) OF in FY 08 and \$(200,500) in FY 09 to eliminate one-time funding for the Information Technology Plan</li> </ul>
Technology Upgrades	<ul style="list-style-type: none"> <li>● Does not include</li> <li>● Project Investment Justification is not yet approved by the Information Technology Authorization Committee</li> </ul>	<ul style="list-style-type: none"> <li>● \$678,800 OF in FY 08 and \$1.2 M in FY 09 for technology upgrades</li> </ul>
One-Time Funding (Pg. 453)	<ul style="list-style-type: none"> <li>● \$(120,000) OF in FY 08 and FY 09 to eliminate one-time funding associated with the implementation of changes to the benefit payment options available to retirees and equipment for 10 new FTE Positions</li> </ul>	<ul style="list-style-type: none"> <li>● \$(120,000) OF in FY 08 and FY 09 to eliminate one-time funding associated with the implementation of changes to the benefit payment options available to retirees and equipment for 10 new FTE Positions</li> </ul>
Long-Term Disability Administration (Pg. 453)	<ul style="list-style-type: none"> <li>● \$(97,700) OF in FY 08 and FY 09 for decreased administration costs as a result of pricing associated with newly awarded contracts</li> </ul>	<ul style="list-style-type: none"> <li>● Does not include</li> </ul>

	<b>JLBC BASELINE</b>	<b>EXECUTIVE</b>
Extend Non-Lapsing Dates Statutory Change (pg. 454)	<ul style="list-style-type: none"> <li>• Change the non-lapsing dates for the amounts appropriated to the IT Plan Special Line Item for FY 05 and FY 06 from June 30, 2007 to June 30, 2008.</li> </ul>	<ul style="list-style-type: none"> <li>• Does not include</li> </ul>
Technical (Pg. 453)	<ul style="list-style-type: none"> <li>• \$(1,300) OF in FY 08 and FY 09 for standard changes</li> <li>• Executive includes a Risk Management decrease of \$(16,200), which was mistakenly excluded from the JLBC Baseline</li> </ul>	<ul style="list-style-type: none"> <li>• \$(19,700) in FY 08 and \$(19,600) in FY 09 for standard changes</li> </ul>

### Arizona State Retirement System Total Funds FY 2002 - FY 2008



**Arizona State Retirement System**

	FY 2007 ESTIMATE				FY 2008 OSPB		FY 2008 JLBC			
	General Fund	Other Funds	Non-Appropriated	Total	General Fund	Other Funds	General Fund	Other Funds	Non-Appropriated	Total
<b>OPERATING BUDGET</b>										
<i>Full Time Equivalent Positions</i>	0.0	231.0	0.0	231.0	0.0	238.0	0.0	235.0	0.0	235.0
Personal Services	0	9,446,400	0	9,446,400	0	9,722,400	0	9,611,600	0	9,611,600
Employee Related Expenditures	0	3,119,200	0	3,119,200	0	3,348,600	0	3,180,500	0	3,180,500
Professional and Outside Services	0	3,555,300	0	3,555,300	0	3,645,800	0	3,457,600	0	3,457,600
Travel - In State	0	53,600	0	53,600	0	53,600	0	53,600	0	53,600
Travel - Out of State	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000
Other Operating Expenditures	0	1,668,900	0	1,668,900	0	1,737,600	0	1,671,800	0	1,671,800
Equipment	0	197,500	0	197,500	0	546,300	0	155,500	0	155,500
<b>OPERATING SUBTOTAL</b>	<b>0</b>	<b>18,065,900</b>	<b>0</b>	<b>18,065,900</b>	<b>0</b>	<b>19,079,300</b>	<b>0</b>	<b>18,155,600</b>	<b>0</b>	<b>18,155,600</b>
<b>SPECIAL LINE ITEMS</b>										
ASRS Optional Forms of Retirement	0	50,000	0	50,000	0	0	0	0	0	0
Investment and Consulting	0	0	51,647,000	51,647,000	0	0	0	0	55,246,500	55,246,500
Information Technology Plan	0	3,010,100	0	3,010,100	0	2,856,100	0	2,747,100	0	2,747,100
<b>AGENCY TOTAL</b>	<b>0</b>	<b>21,126,000</b>	<b>51,647,000</b>	<b>72,773,000</b>	<b>0</b>	<b>21,935,400</b>	<b>0</b>	<b>20,902,700</b>	<b>55,246,500</b>	<b>76,149,200</b>

**FUND SOURCES**

<b>Other Appropriated Funds</b>										
Long-Term Disability Administration Account		2,897,700		2,897,700		2,897,700		2,800,000		2,800,000
State Retirement System Administration Account		18,228,300		18,228,300		19,037,700		18,102,700		18,102,700
<b>SUBTOTAL - Other Appropriated Funds</b>		<b>21,126,000</b>		<b>21,126,000</b>		<b>21,935,400</b>		<b>20,902,700</b>		<b>20,902,700</b>
<b>Other Non-Appropriated Funds</b>										
Administrative Account - Investment Expenses			51,647,000	51,647,000					55,246,500	55,246,500
<b>SUBTOTAL - Other Non-Appropriated Funds</b>			<b>51,647,000</b>	<b>51,647,000</b>					<b>55,246,500</b>	<b>55,246,500</b>
<b>TOTAL - ALL SOURCES</b>				<b>72,773,000</b>						<b>76,149,200</b>

**CHANGE IN FUNDING SUMMARY**

	FY 2007 to FY 2008 JLBC	
	\$ Change	% Change
General Fund	0	0.0%
Other Appropriated Funds	(223,300)	(1.1%)
Non Appropriated Funds	3,599,500	7.0%
Total - All Sources	3,376,200	4.6%

**Arizona State Retirement System**

	FY 2009 OSPB		FY 2009 JLBC			
	General Fund	Other Funds	General Fund	Other Funds	Non-Appropriated	Total
<b>OPERATING BUDGET</b>						
<i>Full Time Equivalent Positions</i>	0.0	241.0	0.0	235.0	0.0	235.0
Personal Services	0	11,183,300	0	9,611,600	0	9,611,600
Employee Related Expenditures	0	3,734,300	0	3,180,500	0	3,180,500
Professional and Outside Services	0	3,997,300	0	3,457,600	0	3,457,600
Travel - In State	0	53,600	0	53,600	0	53,600
Travel - Out of State	0	25,000	0	25,000	0	25,000
Other Operating Expenditures	0	2,522,900	0	1,671,800	0	1,671,800
Equipment	0	956,300	0	127,500	0	127,500
<b>OPERATING SUBTOTAL</b>	<b>0</b>	<b>22,472,700</b>	<b>0</b>	<b>18,127,600</b>	<b>0</b>	<b>18,127,600</b>
<b>SPECIAL LINE ITEMS</b>						
ASRS Optional Forms of Retirement	0	0	0	0	0	0
Investment and Consulting	0	0	0	0	59,134,000	59,134,000
Information Technology Plan	0	0	0	2,747,100	0	2,747,100
<b>AGENCY TOTAL</b>	<b>0</b>	<b>22,472,700</b>	<b>0</b>	<b>20,874,700</b>	<b>59,134,000</b>	<b>80,008,700</b>

**FUND SOURCES**

<b>Other Appropriated Funds</b>			
Long-Term Disability Administration Account	2,897,700	2,800,000	2,800,000
State Retirement System Administration Account	19,575,000	18,074,700	18,074,700
<b>SUBTOTAL - Other Appropriated Funds</b>	<b>22,472,700</b>	<b>20,874,700</b>	<b>20,874,700</b>
<b>Other Non-Appropriated Funds</b>			
Administrative Account - Investment Expenses		59,134,000	59,134,000
<b>SUBTOTAL - Other Non-Appropriated Funds</b>		<b>59,134,000</b>	<b>59,134,000</b>
<b>TOTAL - ALL SOURCES</b>			<b>80,008,700</b>

**CHANGE IN FUNDING SUMMARY**

	FY 2007 to FY 2009 JLBC	
	\$ Change	% Change
General Fund	0	0.0%
Other Appropriated Funds	(251,300)	(1.2%)
Non Appropriated Funds	7,487,000	14.5%
<b>Total - All Sources</b>	<b>7,235,700</b>	<b>9.9%</b>