

excess of 800,000 was necessary to keep the plan actuarially sound. This year the reserve goes down...or that is between '87 and '88 the reserve went down about 4.7 million because earnings were less than was anticipated. In fact, the surplus went from 12.8 to 8.2 and this bill will further decrease that reserve. The thing that you have to speculate on is what will be earnings in the future and should some of those earnings decline again, this additional expenditure will have its problem. I don't know whether an A bill should be put in or not. I have an A bill. But the issue is do you want...and I have no quarrel with the improvement in the retirement system. That's not my concern whatsoever. I am fully in support of the bill. But the issue is one of whether or not it ought to be funded on its own as any expansion retirement system should be, or whether or not it should be funded out of the reserve knowing very...full well that it's very likely that within some short period of time, a few years maybe, that we'll have to start putting in General Fund money to keep that fund up so it's actuarially sound. And I'm not sure how to address the issue...

SPEAKER BARRETT: One minute.

SENATOR WARNER: ...at this point other than to say that, personally, I think you have a much more sound retirement system if we do not improve benefits without funding being provided at the same time. But at least you...if we are not going to do an A bill, at least you should know that you are incurring a future obligation to the state that will for sure become a necessity to meet. Now the reason I raised the question, a number of reasons, we did a retirement benefit in another area, I think it was a year ago, and we ended with an appropriation this year of a million...over a million dollars, a portion of which came about because it was far more participation in that particular program than had been anticipated. That's didn't make it wrong. That's not what I'm saying. What I'm saying is there are costs...

SPEAKER BARRETT: Time.

SENATOR WARNER: ...for these improved benefits and they need to be considered and addressed and preferably fully funded at the time they're enacted.

SPEAKER BARRETT: Thank you. Senator Nelson, did you care to discuss the committee amendments? Thank you. Senator Haberman,