

# APERSpective

ACTIVE MEMBERS

Summer 2019

## A Message from APERS' New Executive Director

Dear Member,

I wanted to take this opportunity to introduce myself as the new Executive Director of the Arkansas Public Employees Retirement System. Over the last couple of months, I've had a chance to get to know and work with our staff. I'm excited by the tremendous energy and effort that they put into serving our members and retirees every day, and I'm honored to join this team in serving you.

I've also had the opportunity to visit with many of our members and retirees. I appreciate the trust and confidence that you've placed in this system, and I look forward to continuing to build that strong relationship into the future.

As Executive Director, a top priority of mine will be to increase our statewide educational outreach efforts and expand the service we provide to our members and retirees.

As part of our increased outreach, I'm excited to announce that we've added six seminars in three additional cities from July through September. Our staff looks forward to visiting Jonesboro, Arkadelphia, and Russellville, in addition to our originally planned locations (which can be found on our website at APERS.org).

Also, for the first time, APERS offered extended office hours in May for members seeking to meet our



**Duncan Baird**

Executive Director

Arkansas Public Employee Retirement System

deadline for July retirement. We were excited that many members took advantage of the convenience of extended hours to meet with a retirement counselor or drop off an application as late as 6:00 p.m. on those days.

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***My commitment to you is to continue working on new ways to both reach and serve our members and retirees.***

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and retirees.

Thank you for your commitment to public service as a public employee and for your participation as a member of APERS. I look forward to getting to know you as we work together to maintain and strengthen our retirement system for the future.

My commitment to you is to continue working on new ways to both reach and serve our members

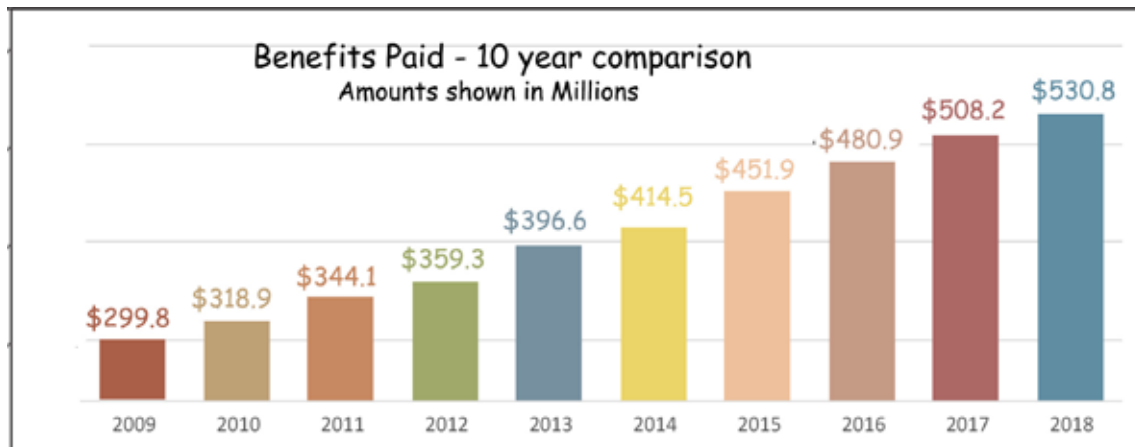
## Where Do The Funds Go?

In our last issue, we described APERS as a defined benefit plan and explained how it is funded through contributions from employers and members, which are then invested in a diverse portfolio. This constitutes the APERS trust fund, which is the heart of the system. So let's look at how this fund is used.

First, the fund has to pay for the operation of the agency itself, which includes everything from the salaries and benefits for about 75 employees to the

As the state's population increases and our system expands, APERS' obligations to its members continues growing year by year. As the chart below illustrates, in the last ten years our benefit payments have increased by 77% from \$299.8 million to \$530.8 million.

This steady increase in benefit payments presents both challenges and opportunities for APERS and our members. It is important to remember that the benefits we pay not only support our members but also provide a tremendous economic boost to



production and distribution of this newsletter. During fiscal 2018, this cost about \$11.5 million or 2% of our overall expenses.

In 2018, we also paid out more than \$13.7 million in refunds. Most of these go to contributory members who leave public employment and withdraw their employee contributions. This also sounds like a lot of money, but APERS currently has more than 46,000 active (working) members with new people being hired and others moving on every day. Those who leave before earning five years of service and becoming vested in the system are the most likely to request a termination refund.

By far the largest expense for APERS is our benefit payments. During fiscal 2018, we paid out almost \$531 million in benefits to retirees, DROP participants, PAW recipients, beneficiaries, and survivors. This comprises more than 95% of our overall expenses, which is as it should be.

the state overall. Almost 95% of the retirement benefits paid by APERS in fiscal 2018 went to Arkansas residents, as the vast majority of our public employees remain in the state after they retire, where their pensions support businesses, workers, schools, and tax bases in every corner of Arkansas.

### Annual Statements Coming

In August you should receive an annual statement that details the amount of service and employee contributions (if any) currently credited to your account. Be sure to carefully review all the information in the annual statement for accuracy because this data will eventually be used to compute your retirement benefits. Notify us immediately of any discrepancies.

## Manage Your Account Online



APERS Member Self-Service portal (MSS) allows you to manage many aspects of your retirement account that used to require a phone call, letter, or visit to our offices. Now you can go online to

- Check your service credit & contributions
- Change beneficiaries
- Produce your own benefit estimates
- File for retirement, DROP, or PAW
- And more

You'll need your APERS ID number to activate your account. You will find it listed on any individual statements you've received from us, or you can call us at (800) 682-7377 and we'll provide it. Then simply visit [www.apers.org](http://www.apers.org) and click the LOGIN: MEMBERS link at the top of the page to get started.



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## 2019 Legislative Update

The 92nd General Assembly closed its 2019 session with a few changes to Arkansas Retirement Law. Most concern only small portions of APERS' membership, but a couple are more far reaching. Below is a brief rundown of the most important:

- Act 474 expands the protections and accommodations provided by the system for members of the Armed Services covered by the federal USERRA laws (The Uniformed Services Employment and Reemployment Rights Act of 1994) to include members of the Arkansas National Guard.
- Act 526 of 2019 changed interest paid on accumulated member contributions from 4% to 2% annually starting July 1, 2019.
- Act 624 specifies that the requirement for members to immediately terminate employment when exiting the DROP is waived for public officials who are currently serving or about to commence serving in an elected position.
- Act 625 reduces the length of time a spouse must have been married to a deceased member to be eligible for survivor benefits from one year to six months. It also reduces the time a member must have been married to elect the B-50 or B-75 benefit option at retirement from one year to six months before the date of the first benefit payment.
- Act 826 specifies that members of the General Assembly must have at least five years of credited service to be eligible to purchase up to five years of military service.

## New Dates, Locations Added to 2019 Retirement Seminar Schedule

Registration is now open for the **Road to Retirement** Seminars and the **Retirement Readiness** Workshops being presented in several areas of the state this year.

- July 9 - Jonesboro, Arkansas State University
- July 10 - Paragould, Community Center
- July 19 - Little Rock, State Police Headquarters
- August 8 - Arkadelphia, Henderson State University
- August 9 - Hope, UA Community College
- August 23 - Little Rock, State Police Headquarters
- September 10 - Russellville, Arkansas Tech University

- September 11 - Ft. Smith, Public Library
- October 4 - Little Rock, State Police Headquarters
- November 15 - Little Rock, State Police Headquarters
- December 6 - Little Rock, State Police Headquarters

To learn more about the various types of seminars, or to register online, please visit our seminar page at [www.apers.org/seminars](http://www.apers.org/seminars). Early registration is encouraged due to limited capacity.

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### Social Media Confidential

APERS shares content on **Facebook** and **Twitter** that many enjoy, and we're delighted when members *like, share, or retweet* posts and *follow* us (hint hint). **Please note that currently we do not converse with members on social media** because those platforms aren't safe for discussions of personal or financial data. Instead we invite you to use the secure **Members Self-Service (MSS)** portal on our website at [www.apers.org](http://www.apers.org) for any confidential communications, or the Contact Us form for general info.

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## Retirement and DROP Filing Dates

Retirement Date	Earliest Filing Date	Latest Filing Date
August 1, 2019	May 3, 2019	July 2, 2019
September 1, 2019	June 3, 2019	August 2, 2019
October 1, 2019	July 3, 2019	September 3, 2019
November 1, 2019	August 5, 2019	October 2, 2019
December 1, 2019	September 3, 2019	November 1, 2019
January 1, 2020	October 3, 2019	December 2, 2019

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#### APERS EXECUTIVE STAFF

Duncan Baird  
*Executive Director*

Jay Wills  
*Deputy Director*

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