

# APERSpective

RETIRED MEMBERS

Summer 2018

## The Director's Corner

Another fiscal year is rapidly coming to a close already! The renewed volatility of the stock market, along with rising interest rates, have provided plenty of challenges for our investment program. Even so, as of this writing the fund could enjoy an approximate 9.0% rate of return – well above the System’s 7.15% return assumption. Keep your fingers crossed!

The COMPASS development team continues to make modifications and improvements to the pension administration system. The Members Self Service portal (MSS) provides the flexibility you need and want in communicating with us, filing applications and proof documents, and seeing your credited service record and contributions standing to your account.

A word of caution: when you register for MSS on your computer or laptop, you will be asked to create a password. Please do NOT share that password with anyone, including family members. We hear regularly about retirement systems in other states where MSS theft has occurred. This usually takes the form of someone illicitly changing the direct deposit account of a member whose password they have stolen.

In accordance with statute, annuitants who have been retired at least twelve months as of July 1, 2018, will receive a 3% cost of living increase.

APERS Board members and staff continue to be vigilant about the health and safety of this pension fund. So far, the rumors about wholesale changes to the fund continue to be just that — rumors. As we move into the coming election season, be sure that the candidates you are considering stand up for protecting the retirement system. Your monthly

retirement benefits provide huge support for your local economy as you pay for goods and services during the course of any given year. In fact, APERS pays out over a half billion dollars to retirees that stay in the state after retirement. Your spending is local business’s income!

At the annual National Association of State Retirement Administrators in August, I will become president of the association. That means that Arkansas will be represented at the highest echelons of public funds from around the country. I will work hard to make all of you proud.

On a more local note, APERS welcomed a new board member to the fund last month. Mr. Gary Carnahan, engineer for the City of Hot Springs, has replaced long-time board member Ms. Carol Bevis. We are pleased to have Mr. Carnahan working for the nearly 80,000 active and retired members of our system!

## 2018 Direct Deposit Dates



## 2018 DROP Changes

The past year has brought three significant changes to our Deferred Retirement Option Plan (DROP), some of which you may not be aware of.

### For our members who have exited the DROP

DROP participants may now return to work for a public employer once they have fulfilled the termination requirements.

### For our members who are currently in the DROP

The Board has also raised the interest rate on DROP accounts from 2.5% to 2.75%, effective July 1, 2018.

DROP annuities will now be limited to a maximum 25-year period for those who entered the DROP after January 1, 2018.

## How About a Refreshing COLA?



APERS members and beneficiaries who have been receiving benefits for at least 12 months as of June 30, 2018, will receive a 3% cost-of-living adjustment or COLA added to their monthly annuity checks beginning on July 1, 2018. This adjustment is made by law at the beginning of every fiscal year.

You can track this adjustment and any other changes to your benefits by reviewing the Explanation of Benefits report you should receive in the mail by the end of the month. We send these reports out twice a year — one in July and one in January — to keep you informed of any changes in the law or tax codes that could affect your payments.

You can also check the status of your account any time you wish by logging into the Members Self Service portal on our website at [www.apers.org](http://www.apers.org).

### Online Self Service is Here • Try It Today!

We encourage all our members to explore our new online Members Self-Service portal at our website, [www.apers.org](http://www.apers.org). You'll be amazed at what you can do, including update your address, change your withholding, enter a new direct deposit account, request a verification of benefits letter, or print your pay stubs, your 1099-R, or any other document sent to you from APERS (after January 1, 2018), and much more. Call us to get your APERS ID so you can create your account and get started today.

### APERS NEWS Volume 15, Issue 2

APERS NEWS is a publication of the Arkansas Public Employees Retirement System (APERS), produced and distributed for APERS members.

#### APERS EXECUTIVE STAFF

Ms. Gail H. Stone  
*Executive Director*

#### APERS BOARD OF DIRECTORS

Mr. David Morris  
*Chair*

Mr. Gary Carnahan  
 Ms. Candace Franks  
 The Honorable David Hudson  
 Mr. Steve Faris  
 Mr. Daryl Bassett  
 The Honorable Andrea Lea  
 The Honorable Dennis Milligan  
 Mr. Larry Walther