

APERS pective

ACTIVE AND RETIRED MEMBERS

—
2024 WEBSITE:
NEW AND IMPROVED

—
FUNDING YOUR
RETIREMENT,
WITH AN APERS
EXECUTIVE

—
HOW MUCH
WILL I MAKE IN
RETIREMENT?
—



RETIREMENT

APERS IN-PERSON EDUCATION

AND VIRTUAL EDUCATION OPPORTUNITIES IN 2024

Over the last couple of years, we have worked to expand our educational offerings. For 2024, in cooperation with many of our APERS employers, we will be offering in-person educational presentations around the state as well as continuing to offer virtual education opportunities. We are grateful for all the employers who are or were willing to host in-person presentations.

The presentations for in-person events will provide beneficial information to all APERS members. So whether you are new to the system or rapidly nearing retirement, there should be useful information to be gained. If you happen to be ready or nearly ready to submit a retirement application, enter or exit the DROP, and/or are interested in receiving an individualized estimate, we encourage you to check our website for upcoming dates to attend the Retirement Readiness, DROP Entry, or DROP Exit webinars.

Please visit our website, APERS.org, to register for either in-person or virtual presentations that may be beneficial for you. We look forward to seeing you.

2024 IN-PERSON DATES

02/01/24 Little River County	05/02/24 City of Heber Springs
02/07/24 ASU Three Rivers	05/21/24 Lafayette County
02/13/24 Bradley County	06/05/24 Benton County
02/27/24 University of Arkansas At Pine Bluff	06/20/24 Arkansas Department of Corrections
03/07/24 National Park College	07/10/24 City of Crawfordsville
03/13/24 City of Wynne	07/11/24 Arkansas
03/26/24 Arkansas Department of Corrections	07/24/24 City of Searcy
04/24/24 City of Pottsville	08/08/24 Craighead County
04/25/24 Benton County	08/14/24 City of Van Buren
05/01/24 City of Mountain Home	08/15/24 Benton County
	10/08/24 Benton County

NEW AND IMPROVED WEBSITE

The APERS team has been working on something exciting over the past few months, and we are happy to announce that our new and improved website, with a focus on user-friendliness, will launch in mid-2024.

With our members in mind, we hope the new features will assist you in more easily and efficiently navigating your retirement process.

Some of the features we will highlight in the next edition of the newsletter include how-to guides, videos, and step-by-step instructions for how to complete various tasks related to your retirement journey.



There will be more updates to come in the October 2024 edition of APERSpective.

Stay tuned!

KEEPING OUR MEMBERS INFORMED

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FUNDING YOUR RETIREMENT

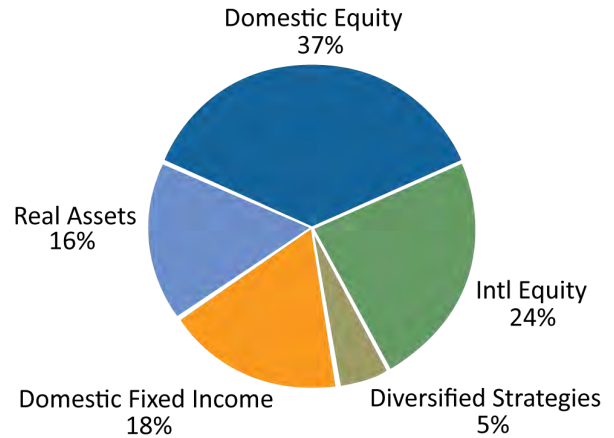
Have you ever wondered how your member contributions turn into a lifetime retirement benefit?

It is important to understand the difference between a defined benefit plan such as APERS and a defined contribution plan such as a 401(k) plan.

With APERS both the employee and the employer contribute to the retirement plan. Investment earnings are for the plan and not for a specific person. When an APERS member retires, the member receives a lifetime monthly benefit which is calculated based the retirement benefit formula. APERS retirement benefits are computed using a formula that considers years of service, final average compensation, and a multiplier set by law.

In a defined contribution plan the employee and the employer can contribute directly to the employee account. When the employee retires, the amount in the employee's 401(k) account belongs to that particular employee. In a 401(k) plan each individual is responsible for how they manage their own account. That means they are responsible for their own investment decisions, allocation, risk tolerance, and overall performance of their own 401(k). In a defined benefit plan the APERS member does not have that responsibility or burden.

Target Asset Allocation



APERS invests the contributions received. APERS is administered by a thirteen-member Board of Trustees (Board). Per Arkansas Code §24-2-613(b)(1), the APERS Board has a written statement of goals for investing the fund's assets and rules to achieve these goals. The written statement is known as the APERS Investment Policy Statement. The Board has a fiduciary responsibility to manage the investments of the system solely in the interest of members and their beneficiaries, for the exclusive purpose of providing benefits to them. Under the Board's direction, APERS investment staff works with other investment professionals to achieve desired investment outcomes.

The APERS Board recognizes that the most important factor of long-term return and risk is the asset allocation decision. Asset allocation refers to distributing or allocating money across multiple asset classes such as domestic and international equity, fixed income, real estate, agriculture, and private markets. The purpose of asset allocation is to manage the risk within the investment portfolio. The Board of Trustees reviews these allocations every quarter. The Board leans toward a low level of risk and volatility and can make adjustments to the fund's allocation at any point.

The APERS investment portfolio is well diversified. Investments are made for the long-term success of the plan and fluctuations in the market do not adversely affect an individual's retirement as they would in a 401(k) plan.

We hope this article has taught you more about the APERS investment process and how your contributions turn into a lifetime retirement benefit.

“For me, a major advantage of being an APERS member is exactly that. The APERS member does not have to be concerned with making their own investment decisions for their retirement. That responsibility falls upon the Board and staff.”

**-Carlos Borromeo,
APERS Deputy Director of Investment
and Finance**

BENEFIT ESTIMATES

HOW MUCH WILL I MAKE IN RETIREMENT?

ACTIVE MEMBERS

Informed decisions are usually better decisions. When you are trying to determine if you are ready to retire, you need to know what to expect. That means you will need to request some important information to evaluate your retirement plans properly. Requesting an estimate of your benefit is an excellent way to get the information you need to make the right decision.

For most Americans, Social Security benefits will constitute a significant portion of their retirement funding. You can obtain an estimate of your Social Security benefits at www.ssa.gov, and apply for them if the timing is right for you. Personal retirement savings also play a role. If you have invested money in a plan such as the Arkansas Diamond Deferred Compensation plan, a 401(k) from a previous job, or an Individual Retirement Account (IRA), you will need to survey your accounts to see how much you have invested and to evaluate your current investment strategy in relation to your retirement goals.

For your APERS benefits, the best way to prepare for retirement is to obtain a benefit estimate. A benefit estimate can be obtained in two ways: by creating an estimate in your Member Self-Service (MSS) portal or by requesting a counselor-prepared estimate. The MSS estimate is the fastest method, but if your work history is complex, you may wish to request a counselor estimate.

To create an estimate in your MSS portal, go to www.apers.org and click "Login: Members" at the top of the page. You will then log into your portal (or register if you have not already done so). When in your portal, under quick links, click "estimate benefits."

Obtaining a counselor-prepared benefit estimate is easy. You may send us a secure message in your MSS portal, or simply call APERS at 501-682-7800 or 800-682-7377 to speak to a Retirement Support Specialist, who will obtain some necessary information to prepare your estimate.



We will need to know when you are thinking about retiring, and, if you are married, we will need your spouse's date of birth so that we can present you with an estimate of all the annuity options available to you. If you would like to request estimates for multiple dates, let the Retirement Support Specialist know, and your estimate will be prepared accordingly. Please allow for processing time. As Jennifer Taylor, APERS Director of Benefits Administration, explains, "We will respond to your request as soon as possible. Response times will vary based on the volume of requests. For example, we receive more requests for January 1 and July 1 effective dates, so estimates around that time will take longer than other times of the year."

Benefit estimates are not only for those considering retirement. If you will have 28 years of actual service, you can request an estimate for participation in the Deferred Retirement Option Plan (DROP). If you are eligible for the DROP, your benefit estimate will include what you can expect to receive if you retire and what you could receive as a DROP participant.

The decision is always up to you. Benefit estimates are not binding or required, so you are under no obligation to retire simply because you request an estimate, and you do not have to request an estimate to apply for retirement. They are designed to be helpful tools as you make your plans for retirement. We encourage you to consider requesting a benefit estimate if you are thinking about retiring soon.

REMEMBER!

You can send secure messages and upload documents through your Member Self-Service (MSS) portal. Please do not send personal information to us through email or on social media.

ARE YOU PREPARED?

With a little preparation, you can reduce the stress and emotional burden placed on your loved ones in the event you have a medical emergency or pass away, especially unexpectedly. Make sure you have a plan in place for who will be responsible for making financial and healthcare decisions in the event you cannot make them. A durable power of attorney and an advanced healthcare directive provide for naming, legally, who will have financial discretion and the authority to make health care decisions, respectively. A living will allows you to decide what type of care you wish and do not wish to receive in certain situations.

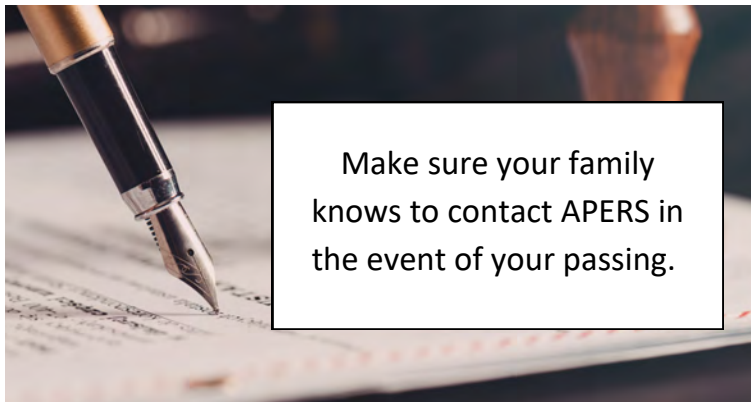
A will specifically allows you to designate how your estate will be distributed, address care for underage children or other dependents, and outline end of life arrangements. Having a will prepared puts the decision making in your hands and removes a significant burden from your loved ones.

In addition to these legal documents, another useful tool is a consolidated folder of important personal, financial, and medical information. Keeping this information in one place and making sure your family or named responsible parties know where it is stored, will save time and emotional stress in the event they need to make financial or medical decisions for you. The box to the right outlines the information that should be included in each section, but add any information relevant to you. Original legal forms or other important documents should be kept in a safe deposit box or fireproof safe.

Benjamin Franklin famously said, "An ounce of prevention is worth a pound of cure." It is safe to say with near certainty that virtually no one wants to dwell on the repercussions of tragedy befalling themselves, but it can and does happen. So why not be prepared?

REMINDER: CONTRIBUTION RATE INCREASE

The employee contribution rate will increase from 5.5% to 5.75% effective July 1, 2024.



Make sure your family knows to contact APERS in the event of your passing.

Personal:



Legal name, address, names of spouse and children, copies of Social Security card, birth certificate, marriage license, and military records, employer contact information, names and contact information for doctors, lawyer, accountant, financial advisor, and insurance agent.

Financial:



List of all checking, savings and investment accounts, list of all liability accounts such as car note or mortgage, list of all recurring expense accounts such as utilities or credit cards, list of all insurance policies such as home, auto, life, etc., copy of will and durable power of attorney, copy of deed to real estate and/or titles to vehicles.

Medical:



Current health insurance information, list of prescriptions, copy of living will, advanced health care directive, disability or long-term care insurance information.

It is important that your loved ones or named responsible parties know where this folder of information will be kept at all times. Original legal forms or other important documents should be kept in a safe deposit box or a fireproof safe. Having all this information in one place will prepare your family if ever a need arises to make financial or medical decisions for you.

COST OF LIVING ADJUSTMENT (COLA)

Every July 1, APERS retired members who have been retired for at least 12 months receive a 3% Cost of Living Adjustment (COLA). This COLA also applies to those who have been participating in the Deferred Retirement Option Plan (DROP) for at least 12 months.

Visit us online at www.apers.org

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Upcoming Retirement and DROP Filing Dates

Retirement Date	Earliest Filing	Latest Filing
June 1, 2024	March 4, 2024	May 2, 2024
July 1, 2024	April 2, 2024	June 3, 2024
August 1, 2024	May 3, 2024	July 2, 2024
September 1, 2024	June 3, 2024	August 2, 2024
October 1, 2024	July 3, 2024	September 2, 2024
November 1, 2024	August 5, 2024	October 2, 2024
December 1, 2024	September 2, 2024	November 1, 2024

**Retirees:
 Direct Deposit Dates**

Wednesday, May 1, 2024
 Monday, June 3, 2024
 Monday, July 1, 2024
 Thursday, August 1, 2024
 Tuesday, September 3, 2024
 Tuesday, October 1, 2024
 Friday, November 1, 2024
 Monday, December 2, 2024
 Thursday, January 2, 2025
 Monday, February 3, 2025
 Monday, March 3, 2025
 Tuesday, April 1, 2025