

APERS

ARKANSAS PUBLIC EMPLOYEES'
RETIREMENT SYSTEM

The image shows the Arkansas State Capitol building, a grand neoclassical structure with a prominent white dome topped with a golden finial. The building features a portico with tall columns and a pedimented entrance. In the foreground, a vibrant flower bed is filled with a variety of colorful flowers, including pink, red, and yellow blooms. To the right of the flower bed, a small stone monument is visible, inscribed with the name 'KELLY BYRANT' and her title 'SECRETARY OF STATE'. The sky is a clear, bright blue.

Annual Comprehensive Financial Report
for Fiscal Year 2024



Arkansas Public Employees' Retirement System
Annual Comprehensive Financial Report
for Fiscal Year 2024





Public Pension Coordinating Council

**Public Pension Standards Award
For Funding and Administration
2024**

Presented to

Arkansas Public Employees' Retirement System

In recognition of meeting professional standards for
plan funding and administration as
set forth in the Public Pension Standards.

Presented by the Public Pension Coordinating Council, a confederation of

National Association of State Retirement Administrators (NASRA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)

A handwritten signature in cursive script that reads "Alan H. Winkle".

Alan H. Winkle
Program Administrator

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APERS

ARKANSAS PUBLIC EMPLOYEES'
RETIREMENT SYSTEM

INTRODUCTION



System Overview

for the fiscal years ended June 30, 2024 (FY24) and June 30, 2023 (FY23)

The Fund	FY24	FY23
Actuarial Valuation Assets (in Millions)	\$11,238	\$10,638
Actuarial Market Value Funded Ratio	82%	79%
Actuarial Funding Value Funded Ratio	84%	81%
Actuarial Rate of Return	10.42%	8.83%

Our Members

Active

Total Active Members	43,394	43,943
Average Age	44.3	44.3
Average Years of Service	8.5	8.5
Average Salary	\$48,794	\$48,724

Retired

Benefits Paid (in Millions)	\$682.7	\$659.1
Total Retired Members	42,797	42,276
Average Monthly Pension	\$1,421	\$1,386

Inactive

Total Inactive Members	15,301	15,247
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Covered Employers

Total Covered Employers	607	613
Contributions (in Millions)	\$348.6	\$340.1

Introduction



December 1, 2024

Board of Trustees
Arkansas Public Employees' Retirement System
Little Rock, AR 72201

To the Members of the Arkansas Public Employees' Retirement System (APERS):

We are pleased to share with you the Arkansas Public Employees' Retirement System Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2024.

This report is the result of the collective efforts of APERS' management, under the guidance of the Board of Trustees of the Arkansas Public Employees' Retirement System (the Board). To the best of our knowledge, the enclosed information is accurate in all material respects and is presented in a manner that fairly reflects the financial condition of APERS and its changes. The report aims to provide extensive and reliable information for management decisions, ensuring compliance with legal requirements, and demonstrating responsible stewardship of the assets contributed by APERS' members and their employers.

Plan Basics

Established in 1957 through legislation for state employees, APERS has since expanded to include employees from counties, municipalities, some school employees, and various political subdivisions. The mission of APERS is to deliver secure retirement benefits and exceptional service to our members. All management services are geared towards achieving this goal. A summary of plan provisions can be found in the Actuarial Section, along with a comprehensive list of all participating employers in the Statistical Section.

Financial Information

The Fiscal Year 2024 Annual Report has been prepared in accordance with generally accepted accounting principles in the United States.

APERS is responsible for establishing and maintaining effective internal control over financial reporting. This internal control is designed to provide reasonable assurance that transactions are conducted according to management's authorization and are recorded as necessary to maintain accountability for assets and facilitate the preparation of financial statements in line with generally accepted accounting principles.

Investments

The APERS Board has implemented an investment policy mandating the investment of funds in line with the authority and limitations outlined in Arkansas Code Annotated § 24-2-601 et seq., which includes fiduciary responsibilities under the “prudent investor rule.” These laws permit the Board to create an Investment Policy Statement based on specific criteria and delegate investment authority to professional consultants. They also define the responsibilities for fund investment, reflecting the acceptable degree of risk.

The Investment Policy Statement also guides management in asset investment. By diversifying the investment portfolio, the fund aims to reduce overall risks while enhancing returns. A summary of asset allocation is available in the Investments Section.

Investment managers are tasked with executing the investment policy in line with statutory authority and APERS Board policies, while maintaining discretion within those guidelines. Compliance by current investment managers is continuously monitored by the investment consultant and ASPRS staff. The list of investment managers is available in the Investments Section.

For fiscal year 2024, the fund achieved a 10.42% rate of return. Each quarter, the investment consultant provides a performance summary compared to established benchmarks and comparable funds. A comparative analysis of return rates can be found in the Investments Section. The investment fund adopts a long-term perspective, and over the past 20 years, the fund has achieved an annualized rate of return of 7.56%.

Actuarial Analysis

A pension plan is considered well-funded when it possesses sufficient assets to meet future obligations to its participants. A higher funding level results in a greater ratio of accumulated assets to actuarial accrued liabilities. The benefit of a well-funded plan is the assurance it provides participants that adequate assets are available to pay all promised benefits.

APERS’ statutory funding objective is to fulfill long-term benefit promises through contributions that remain relatively stable as a percentage of member payroll. According to the actuarial firm, “if contributions to the system are level in concept and soundly executed, APERS will pay all promised benefits when due—the ultimate test of financial soundness.” The Board has set an Actuarial Funding Policy with a target funding level of 100%.

As of June 30, 2024, APERS had an actuarial accrued liability of \$13.39 billion and an actuarial funding value of assets amounting to \$11.24 billion. Based on the funding value of assets, the funded status of the APERS trust fund was 84% for fiscal year 2024. A detailed examination of funding and actuarial measures is included in the Actuarial Section of this report.

Professional Services

The Board engages independent consultants to provide essential professional services crucial for the long-term strength and stability of the trust fund. Actuarial services are provided by Gabriel, Roeder, Smith & Company (GRS), while investment consulting is offered by Callan, LLC and Stephens, Inc. The annual financial audit is conducted by Arkansas Legislative Audit in compliance with A.C.A. § 24-2-702.

Introduction

Awards and Acknowledgments

For the 18th consecutive year, APERS has received the Public Pension Standards Award for Funding and Administration from the Public Pension Coordinating Council, a coalition of the National Association of State Retirement Administrators, the National Conference on Public Employee Retirement Systems, and the National Council on Teacher Retirement. This award recognizes APERS for meeting professional standards for plan funding and administration as outlined in the Public Pension Standards.

Message from the Chair and Executive Director

Throughout fiscal year 2024, the Board worked diligently to fulfill our fiduciary responsibility by adopting or proposing policies to maintain and strengthen the trust fund. We would like to extend our gratitude to the entire APERS Board of Trustees for their wise leadership and the high standards they uphold for the retirement system. We also appreciate the dedicated staff of APERS for their hard work and commitment throughout the year. The APERS team consistently strives to deliver exceptional, professional service to our members while efficiently managing each division of the agency. Every trustee recognizes the significance of sustaining a robust retirement system to honor the commitments made to our members.

Sincerely,



Chair
APERS' Board of Trustees



APERS' Executive Director

Board of Trustees

Larry Walther, Chair
Ex-Officio Member
Treasurer of State

Daryl Bassett, Vice Chair
State Employee Member
Governor Appointee

Gary Carnahan
Municipal Employee Member
City Engineer
Governor Appointee

Kaye Donham
Retired State Employee,
Speaker of the House of Representatives Appointee

Dale Douthit
State Employee Member
Governor Appointee

Candice Franks
State Employee Member
Governor Appointee

Jim Hudson
Ex-Officio Member
Secretary of the Department of Finance and
Administration

Joe Hurst
Municipal Employee Member
Mayor of Van Buren
Governor Appointee

Dennis Milligan
Ex-Officio Member
Auditor of State

Barry Moehring
County Employee Member
Benton County Judge
Governor Appointee

Gary Wallace
Retired Law Enforcement Member
President Pro Tempore of the Senate Appointee

Russell White
Retired Law Enforcement Member
Speaker of the House of Representatives Appointee

Richard Wilson
Retired State Employee
President Pro Tempore of the Senate Appointee

Introduction

Administration

Introduction

The Arkansas Public Employees' Retirement System (APERS or the System) serves several primary purposes: to ensure secure retirement benefits for both current and future members of the retirement system, to guide the fund through sound investment practices, and to provide educational resources on retirement to our members.

The administration of APERS undertakes the following actions to achieve these objectives:

- Disbursing monthly benefit payments to retirees and their beneficiaries,
- Adjusting plan and fund management through necessary board and legislative actions,
- Managing the System's funds in accordance with the prudent investor rule as delineated in the Investment Policy Statement established by the APERS Board of Trustees, and
- Offering retirement education via webinars and individual counseling sessions, both online and in person, for our members.

Senior Staff

Amy Fecher
Executive Director

Carlos Borromeo
Deputy Director of Investments and Finance

Jason Willett
Chief Fiscal Officer

Allison Woods
Deputy Director of Benefits

Ashley Golleher
Deputy Director of Operations

Laura Gilson
General Counsel

Phillip Norton
Director of Information Technology

Jennifer Taylor
Director of Benefits Administration

Jacobia Bates
Director of Public Affairs

Patty Shipp
Assurance Officer

Usha Doolabh
Manager, Investments

Jon Aucoin
Manager, Digital Services

Cheryl Wilburn
Manager, Benefits Operations

Tammy Shadwick
Manager, Human Resources

Shelly George
Manager, Employer Reporting

Brooke Hollowo
Director of Communications

Professional Service Providers

Custodial Bank
The Bank of New York Mellon
Pittsburgh, PA 15258

Actuary
Gabriel, Roeder, Smith & Co.
Southfield, MI 48076

Investment Consultant
Callan Associates, Inc.
Chicago, IL 60602

APERS

ARKANSAS PUBLIC EMPLOYEES'
RETIREMENT SYSTEM

FINANCIAL



Management’s Discussion and Analysis

This discussion and analysis of the Arkansas Public Employees' Retirement System (APERS or “the System”) provides an overview of the System’s financial activities for the fiscal year ended June 30, 2024 (fiscal year 2024). It is intended to be used in conjunction with the executive letter and APERS’ financial statements and notes, which begin on page 17 of this report.

Using This Financial Report

This annual comprehensive financial report reflects the activities of APERS as reported in the Statement of Fiduciary Net Position (page 15) and the Statement of Changes in Fiduciary Net Position (page 16). These statements are presented on an accrual basis and reflect all trust fund activities as incurred.

The Notes to Financial Statements are an integral part of the financial statements and include additional information essential to understanding the basic financial statements.

The Required Supplementary Information following the Notes to the Financial Statements provide historical information and additional details considered useful in evaluating the condition of the plan. Investment data in the Financial section is presented at fair value. See the Actuarial section of this report for a detailed discussion of the actuarial value of assets and liabilities and the funded ratio.

Financial Highlights

APERS’ net position restricted for pension benefits increased by \$ 749.7 million during FY2024. On June 30, 2024, total plan assets were \$11.7 billion. These assets along with deferred outflows of resources of \$366,757, exceeded total liabilities of \$666.5 million and deferred inflows of resources of \$4,404,909, resulting in a net position restricted for pension benefits of \$11 billion.

Total additions for the System increased approximately \$217 million in FY2024. While employer and employee contributions increased \$17.7 million in FY2024, the primary reason for this large increase in FY2024 additions was the increase in net investment income of approximately \$200 million. APERS had an investment return of 10.42% in FY2024 which was slightly higher than the return of 8.83% in FY2023.

Benefit payments increased approximately \$24 million in FY2024 due both to an increase in the number of retirees being paid monthly benefits and the increase in the annual cost of living adjustment.

The other primary expenditures of the System consisting of refunds of contributions and administrative expenses increased slightly in FY2024. Contributions refunds have continued to increase each year. Administrative expenses increased in FY24 as the System works to ensure that there is adequate staff to service an increasing number of retirees and members.

Summary of Financial Highlights

Financial Highlights FY24	changes in FY24
APERS’ net position restricted for pension benefits increased by	\$749.7 million
Total plan assets	\$11.7 billion
Total additions for the System increased approximately	\$217 million
Employer and employee contributions increased	\$17.7 million
Net investment income increased	\$200 million
Benefit payments increased	\$24 million

Financial

The Statement of Fiduciary Net Position

The Statement of Fiduciary Net Position (page 15) reports the pension trust fund's assets, liabilities, and resulting net position at the end of the fiscal year such that:

ASSETS
- LIABILITIES
NET POSITION

It is a snapshot of the financial position of the pension trust fund at that specific time.

The Statement of Changes in Fiduciary Net Position

The Statement of Changes in Fiduciary Net Position (page 16) reports the pension trust fund's financial transactions that have occurred during the fiscal year such that:

ADDITIONS
- DEDUCTIONS
NET CHANGE IN NET POSITION

It supports the change that has occurred to the prior year's net position value on the Statement of

Fiduciary Net Position.

Notes to the Financial Statements

The notes to the financial statements are provided as an integral component of the financial statements to help explain in narrative form some of the more complex or less obvious elements to the statements. The notes provide additional information that is essential for a comprehensive understanding of the System's financial condition and the results of its operations.

Note 1 provides a general description of the System, including information regarding membership and employers.

Note 2 summarizes significant accounting policies, the basis of accounting, management's use of estimates, and other accounting policies.

Note 3 describes deposits and investment risk.

Note 4 addresses other post-employment benefits (OPEB).

Note 5 provides information regarding legally required reserves.

Note 6 provides capital assets activity.

Note 7 describes the System's Deferred Retirement Option Plan.

Note 8 provides information regarding the System's net pension liability.

The required supplementary information provides additional detail and historical information considered to be useful in evaluating the condition of the plan administered by APERS. The System provides certain required schedules and related note disclosures that collectively demonstrate the System's annual progress toward funding its actuarial accrued liability.

Basic Financial Statements

Statement of Fiduciary Net Position

(as of June 30, 2023 and 2024)

ASSETS	2024	2023
Cash and Cash Equivalents	\$316,194,329	\$394,085,173
Receivables	73,933,487	53,517,239
Investments, At Fair Value		
Government Securities	468,841,955	424,305,562
Corporate Securities	5,045,161,942	4,532,116,307
International Securities	2,837,344,161	2,746,165,821
Core Plus Bond Fund	657,262,333	624,377,427
Real Estate	1,079,887,366	1,156,560,772
Diversified Strategies	269,599,188	211,187,778
Timberland	338,727,091	194,227,908
Commercial Loans	624,147	799,504
Total Investments at Fair Value	<u>10,697,448,184</u>	<u>9,889,741,081</u>
Securities Lending Collateral Pool	650,973,847	592,069,032
Capital Assets, Net of Accumulated Depreciation	9,130,626	8,610,892
Other Assets	404,893	386,561
TOTAL ASSETS	<u>11,715,475,270</u>	<u>10,938,409,978</u>
DEFERRED OUTFLOWS OF RESOURCES		
Other Postemployment Benefits	366,757	656,073
LIABILITIES		
Accounts Payable and Accrued Expenses	15,410,560	14,441,804
Investment Purchases Payable	32,610,096	35,371,108
Securities Lending Liability	651,069,077	592,094,075
TOTAL LIABILITIES	<u>666,479,637</u>	<u>641,906,987</u>
DEFERRED INFLOWS OF RESOURCES		
Other Postemployment Benefits	4,404,909	1,854,673
NET POSITION RESTRICTED FOR PENSION BENEFITS	<u>\$11,044,957,481</u>	<u>\$10,295,304,391</u>

Financial

Statement of Changes in Fiduciary Net Position

(for fiscal years 2023 and 2024)

ADDITIONS	2024	2023
Contributions		
Employer Contributions	\$348,653,977	\$340,152,342
Employee Contributions	102,239,193	93,037,947
Total Contributions	<u>450,893,170</u>	<u>433,190,289</u>
Investment Income		
Interest	109,298,805	94,715,712
Dividends	90,192,039	95,716,346
Investment Gain/Loss	812,432,871	584,007,636
Security Lending Income	38,628,697	35,270,276
Real Estate Income	37,882,911	63,143,165
Investment Management Expenses	(79,117,788)	(63,349,341)
Net Investment Income	<u>1,009,317,535</u>	<u>809,503,794</u>
Other Additions		
Miscellaneous Additions	3,004,211	645,214
Transfers from Other Public Employees Retirement Systems	479,872	3,241,159
Miscellaneous Transfers from State Agencies	331,189	411,367
Total Other Additions	<u>3,815,272</u>	<u>4,297,740</u>
Total Additions	1,464,025,978	1,246,991,823
DEDUCTIONS		
Benefit Payments	682,663,974	659,133,497
Member Refunds	19,159,269	16,473,823
Administrative Expenses	12,169,361	10,465,629
Total Deductions	<u>713,992,604</u>	<u>664,658,742</u>
ADJUSTMENTS		
Actuarial Adjustment to DJ Unfunded Liability	(380,284)	546,886
NET INCREASE (DECREASE)	749,653,090	561,465,760
Net Position Restricted for Pension Benefits		
Beginning of Year	10,295,304,391	9,733,838,631
End of Year	<u>\$11,044,957,481</u>	<u>\$10,295,304,391</u>

Notes to the Financial Statements

Note 1: Plan Description

General Information

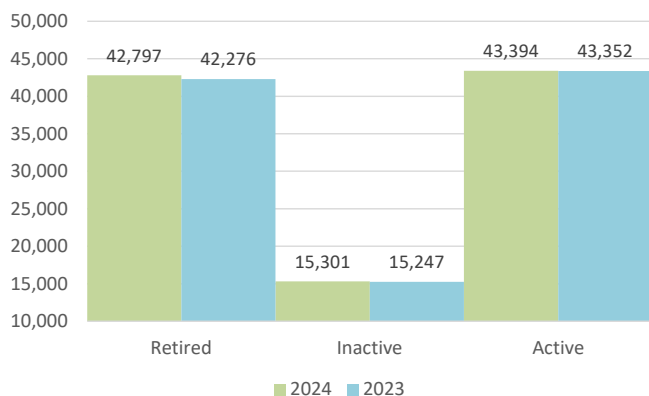
APERS is a cost-sharing, multiple employer, defined benefit pension plan established by the authority of the Arkansas General Assembly with the passage of Act 177 of 1957. Its purpose is to provide retirement benefits for eligible employees and elected officials of state and governmental entities in Arkansas. The laws governing the operations of APERS are set forth in Arkansas Code Annotated (A.C.A.), Title 24, Chapter 4, with related laws in Chapter 2 and Chapter 7.

The general administration and responsibility for the proper operation of the System is vested in the thirteen-member Board of Trustees of the Arkansas Public Employees Retirement System (the Board). Membership includes five state and five non-state employees, all appointed by the Governor, and three ex-officio trustees, including the Auditor of State, Treasurer of State, and the Secretary of the Department of Finance and Administration.

Membership

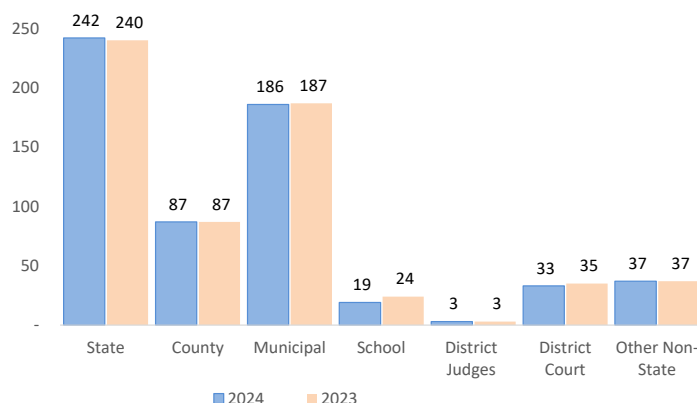
APERS covers all state employees who are not covered by another authorized plan, all county employees, municipal employees whose municipalities have elected coverage under the System, college and university employees, certain non-teaching employees, and other public entities defined by law.

Membership	2024	2023
Retirees and beneficiaries receiving benefits (includes DROP participants)	42,797	42,276
Terminated plan members entitled to but not yet receiving benefits	15,301	15,247
Active plan members	43,394	43,352



Reporting Entities/Employers

Employers	2024	2023
State	242	240
County	87	87
Municipal	186	187
School	19	24
District Judges	3	3
District Court	33	35
Other Non-State	37	37
Totals	607	613



Entities Not Reported

The executive director and administrative staff of APERS also serve as the executive and administrative staff of two other retirement systems, the Arkansas State Police Retirement System and the Arkansas Judicial Retirement System. These systems do not constitute part of the APERS reporting entity under the provisions of GASB Statement No. 14: *The Financial Reporting Entity* because these three systems are legally separate, fiscally independent entities with separate boards of trustees. The nature of the relationship between these systems and APERS is merely a sharing of administrative resources and, as such, does not require inclusion of these systems in APERS' financial statements.

Employer Contributions

All participating employers are required to contribute a portion of their eligible employee's salaries into the System. The Board establishes the provisions for these employer contributions based on the rates the independent actuary determines are necessary to fund the System. Because of the cost of providing enhanced service credit to certain members classified as public safety employees, and pursuant to the provisions of Act 625 of 1983 and Act 1097 of 1993, certain agencies employing

Financial

individuals in public safety positions are required to remit additional contributions in amounts determined by the actuary.

Employer Contribution Rates	FY 24
State, County, Municipal, and Non-State Employers	15.32%
School Division	4.00%
Game and Fish Commission Wildlife Officers	27.32 %
Military Department Civilian Firefighters	27.32 %
Elected Officials Additional Contributions	2.50 %

Employee Contributions

The System was established as a contributory plan in which member-employees also contributed a portion of their salaries to the System. However, with the passage of Act 793 of 1977, existing members and previous members were offered the opportunity to choose to become non-contributory members. Anyone who joined the System subsequent to January 1, 1978, and had previously been a member was automatically enrolled as a non-contributory member.

Act 2084 of 2005 directed APERS to establish a new contributory plan effective July 1, 2005. It required that all covered employees first hired on or after July 1, 2005, contribute 5% of their salary into the System. Employees hired before June 30, 2005, who were in the non-contributory plan were given the option to join the new contributory plan by December 31, 2005. Non-contributory members who did not join the new contributory plan by that deadline remain non-contributory members.

Act 365 of 2021 which took effect July 1, 2022, raises the contribution rate from 5.50% to 5.75% for contributory members for fiscal year 2024. This rate will continue to increase by 0.25% each July 1 until it reaches 7%

Year	Employee Contribution Rate
2022	5.25%
2023	5.50%
2024	5.75%
2025	6.00%
2026	6.25%
2027	6.50%
2028	6.75%
2029	7.00%

A member's employee contributions are refundable if the member terminates APERS-covered employment before a monthly benefit is payable. Employee contributions remaining on deposit with APERS earn interest (at the annual rate of 2%), which is included in any refund of contributions.

System Administration

The costs of administering the System are paid out of investment earnings.

Benefits

Benefit provisions are established by state law and may be amended only by the Arkansas General Assembly. Members are eligible for full benefits under the following conditions:

- at age 65 with five years of actual service,
- at any age with 28 years of actual service,
- at age 60 with 20 years of actual service if under the old contributory plan (prior to July 1, 2005), or
- at age 55 with 35 years of credited service for local elected officials.

The normal retirement benefit amount, paid on a monthly basis, is determined by the member's final average compensation and years of service. A member may retire with a reduced benefit at age 55 with at least five years of actual service or at any age with 25 years of actual service. APERS also provides for disability and survivor benefits.

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

APERS accounts and records are maintained using fund accounting principles, and its financial statements are prepared using the accrual basis of accounting. Expenses are recorded when the liability is incurred; revenues are recorded in the accounting period in which they are earned and become measurable; and investment purchases and sales are recorded as of their trade dates. Member and employer contributions are established by statute as a percentage of salaries and are recognized when due, pursuant to legal requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Investments

The System is authorized to invest in eligible investments as approved by the Board as set forth in its investment policy. System investments are reported at fair value. Short-term investments, debt securities, and equity securities are reported at fair value, as determined by the System's custodial agent, using pricing services or prices quoted by independent brokers based on the latest reported sales prices at current exchange rates for securities traded on national or international exchanges. The fair value of the pro rata share of units owned by the System in commingled trust funds is determined by the respective Investment Manager.

Net investment income (or loss) includes net appreciation (or depreciation) in the fair value of investments, interest income, dividend income, securities lending income and expenses, and investment expenses, which include investment management and custodial fees and all other significant investment related costs. The System's international investment managers may enter in to forward foreign exchange contracts to protect against fluctuation in exchange rates between the trade date and the settlement date of foreign investment transactions. Any gains and losses on these contracts are included in income in the period in which the exchange rates change.

Investment securities and investment securities that underlie commingled or mutual fund investments are exposed to various risks, such as interest rate and credit risks. Due to the risks associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities may occur in the near term and that those changes could materially affect the amounts reported in the Statement of Fiduciary Net Position.

Use of Estimates

The preparation of the System's financial statements in conformity with accounting principles generally accepted in the U.S. requires the System Administrator to make significant estimates and assumptions that affect various data in the report, including the following:

- The net position restricted for pensions at the date of the financial statements

- The net pension liability and other actuarial information presented in Note 8
- The required supplementary information as of the benefit information date
- The changes in fiduciary net position during the reporting period

Estimates may also be involved in formulating disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from these estimates.

Cash and Cash Equivalents

Cash and cash equivalents include demand accounts, imprest accounts, cash in the state treasury, and short-term investment funds (STIF). The STIF accounts are created through daily sweeps of excess cash by the System's custodial bank into bank-sponsored commingled funds that are invested in U.S. Government and agency securities and other short-term investments. The STIF accounts had an average weighted maturity of 90 days or less and are stated at fair value.

Capital Assets

Capital assets purchased and in the custody of APERS were recorded as expenditures at the time of purchase. Assets with costs exceeding \$5,000 and an estimated useful life exceeding one year are reported at historical cost, including ancillary costs (such as professional fees and costs, freight costs, preparation and setup costs, and installation costs). Depreciation is reported for capital assets based on a straight-line method with no salvage value. The estimated useful life generally assigned by APERS to capital assets held ranges from five to 20 years. A schedule of capital asset activity for the fiscal year can be found on page 35.

Financial

Risks and Uncertainties

Certain data in this report – including contributions to the System and the net pension liability, as well as other actuarial information in Note 8 and the required supplementary information – have been formulated based on certain projections about interest rates, inflation rates, and employee compensation and demographics. Due to the dynamic nature of these factors, it is possible that these projections will need to be revised in the near term. Because of the uncertainties inherent in making such projections, the effect of any such changes could be material to the financial statements.

Note 3: Deposits and Investments

Deposits

Deposits are carried at cost and are included in “cash and cash equivalents.” Cash and cash equivalents include demand accounts, cash in state treasury, short-term investment funds, and petty cash. As of June 30, 2024, these totals were \$94,964, \$5,728,295, \$310,370,870, and \$200 respectively. State Treasury Management Law governs the management of funds held in the State Treasury (cash in state treasury), and it is the responsibility of the Treasurer of state to ensure the funds are adequately insured and collateralized.

Custodial Credit Risk for Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the System will not be able to recover deposits or collateral securities. The System’s policy is to place deposits only in collateralized or insured accounts. As of June 30, 2024, the System’s only deposits exposed to potential custodial credit risk were those holding its foreign currency balance which is detailed in the table “Foreign Currency Risk” on page 26. The System holds foreign currency in banks outside the United States as a result of transactions by international investment managers.

Investments

Arkansas Code Annotated (A.C.A.) §§ 24-2-601 – 24-2-619 authorize the Board to have full power to invest and reinvest monies of the System and to hold, purchase, sell, assign, transfer or dispose of any of the investments or proceeds of the investments in accordance with the prudent investor rule. Security transactions and any resulting gains or losses are accounted for on a trade basis. Net investment income includes net appreciation in the fair value of investments, interest income, dividend income, and total investment expense, which includes investment management fees, custodial fees, and all other significant investment-related costs.

A.C.A. § 24-2-608 also states that the System shall seek to invest not less than 5% nor more than 10% of the System’s portfolio in Arkansas-related investments. APERS recognizes a legal responsibility to seek to invest in the Arkansas economy while realizing that its primary, legal, and fiduciary commitment is to beneficiaries of the retirement System. As stated in A.C.A. § 24-2-608 (d), “nothing in this section shall in any way limit or impair the responsibility of a fiduciary to invest in accordance with the prudent investor rule set forth in §§ 24-2-610 – 24-2-619.”

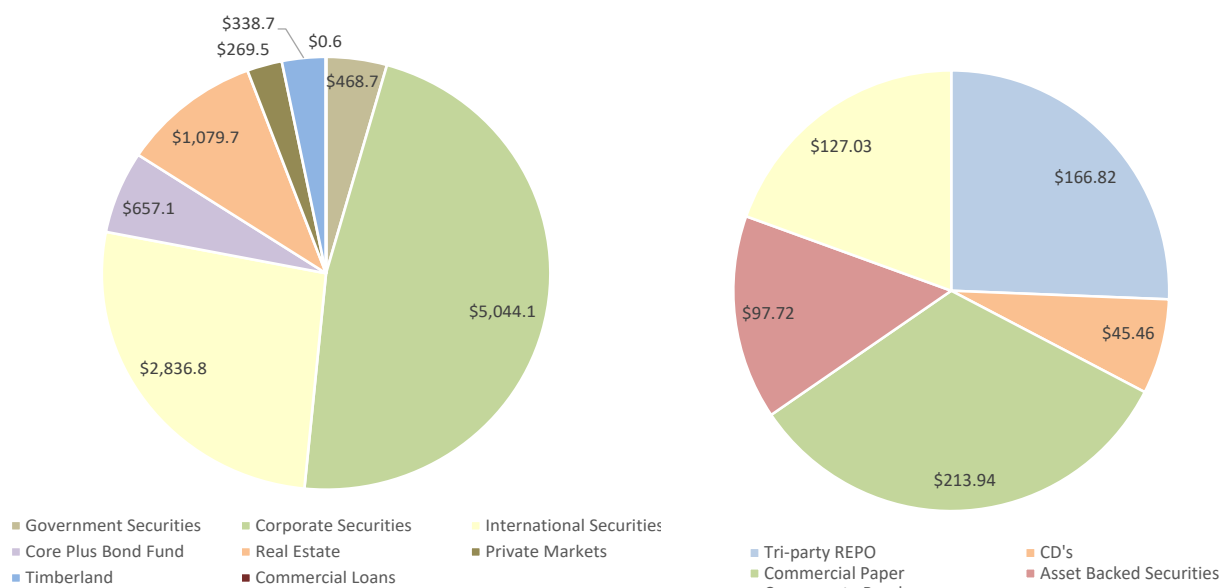
Investments are reported at fair value as determined by the custodial bank. The custodial bank’s determination of fair values includes, among other things, using pricing services or quotes by major independent brokers at current exchange rates as available. The schedule on the following page reflects the fair value of investments.

Statement of Invested Assets

(Assets by type at fair value in dollars as of June 30, 2024)*

Category	Base Market Value	APERS	ASPRS
Government Securities	\$486,987,540	\$468,747,855	\$18,239,685
Corporate Securities	\$5,240,424,790	\$5,044,149,342	\$196,275,448
International Securities	\$2,947,157,861	\$2,836,774,685	\$110,383,175
Core Plus Bond Fund	\$682,700,350	\$657,130,416	\$25,569,934
Real Estate	\$1,121,682,235	\$1,079,670,625	\$42,011,610
Private Markets	\$280,033,483	\$269,545,078	\$10,488,405
Timberland	\$351,836,842	\$338,659,106	\$13,177,736
Commercial Loans	\$648,303	\$624,022	\$24,282
	\$11,111,471,404	\$10,695,301,129	\$416,170,275
Securities Lending Collateral Investments, at Fair Value:			
Tri-party REPO	\$173,314,335	\$166,823,001	\$6,491,334
CD's	\$47,225,643	\$45,456,849	\$1,768,794
Commercial Paper	\$222,268,860	\$213,943,978	\$8,324,882
Asset Backed Securities	\$101,518,428	\$97,716,146	\$3,802,282
Corpororate Bonds	\$131,976,953	\$127,033,873	\$4,943,079
	\$676,304,219	\$650,973,846	\$25,330,373

*Totals may not add due to rounding.



Financial

Custodial Credit Risk for Investments

Custodial credit risk for investments is the risk that, in the event of failure of the counterparty to a transaction, the System will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are (a) uninsured, (b) not registered in the name of the government, and (c) held by either the counterparty or the counterparty's trust department or agent but not in the System's name. Arkansas Code Annotated § 24-2-606 does address the custodianship of assets, and the investment policy states that "the custodian bank shall, by nominee agreement, hold any and all securities for the beneficial interest of the APERS fund." As of June 30, 2024, there were no investments exposed to custodial credit risk.

Credit Risk for Investments

Credit risk of investments is the risk that the issuer or other counterparty will not fulfill its obligation to the holder of the investment. Credit risk exposure is dictated by each investment manager's agreement. This credit risk is measured by the credit quality of investment in debt securities as described by nationally recognized statistical rating organizations. Each portfolio is managed in accordance with investment guidelines that are specific as to permissible credit quality ranges, exposure levels within individual security quality rating tiers, and the average credit quality of the overall portfolio.

The schedule on the following page indicates the System's exposure to credit risk for investments.

The System's Exposure to Credit Risk

Moody's Quality Ratings *(in dollars as of June 30, 2024)*

Moody's Ratings	Aaa	Aa	A	Baa	Ba	B	Caa or below	Not Rated	Base Market Value
Total	491,868,947	11,720,888	90,668,482	293,629,337	55,609,292	27,399,721	23,659,951	1,534,660,743	2,529,217,360

S&P's Quality Ratings *(in dollars as of June 30, 2024)*

S&P Rating	AAA	AA	A	BBB	BB	B	CCC or below	Not Rated	Base Market Value
Totals	7,802,513	493,762,714	84,216,269	331,031,238	59,853,344	24,294,941	13,164,160	1,515,092,181	2,529,217,360
Securities Lending Collateral	107,318,962	160,465,387	234,172,853				2,128,354	173,314,335	

All figures are APERS and ASPRS combined.

Concentration of Credit Risk for Investments

The concentration of credit risk is the risk of loss attributed to the magnitude of the System’s investment in a single issuer (not including investments issued or guaranteed by the U.S. government or investments in mutual funds or external investment pools). The System has a formal investment policy for concentration of credit risk. None of the System’s investments in any one issuer (other than those issued or guaranteed by the U.S. government) represented more than 5% of total investments.

Interest Rate Risk for Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. Investments can be highly sensitive to changes in interest rates due to their terms or characteristics. Interest rate risk is the greatest risk

faced by an investor in the debt securities market since the price of a debt security will often move in the opposite direction of the change in interest rates.

The System’s external fixed income investment managers use the measurement of effective duration to mitigate the interest rate risk of the fixed income investments. Each fixed income investment manager monitors and reports the effective duration monthly. The effective duration of the investment portfolio is required to be +/- 10% of the benchmark’s duration. The benchmark for the U.S. fixed income markets is the Barclays Capital U.S. Aggregate Bond Index.

As of June 30, 2024, the System had the following debt security investments and maturities:

Debt Security Investments and Maturities

(in dollars as of June 30, 2024)

	Market Value	Less than 1	1 - 5	6 - 10	More than 10	Fund - No Maturities
Government Securities	486,440,113	17,188,130	44,948,050	54,760,387	369,543,546	0
Corporate Securities	935,144,186	69,996,160	370,324,735	163,349,341	331,473,950	0
International Securities	185,100,477	11,788,534	72,127,206	60,452,128	40,732,609	0
Floating Rate Fund	21,005,776	0	0	0	0	21,005,776
Core Plus Bond Fund	682,700,350	0	0	0	0	682,700,350
Commercial Loans	648,303	0	648,303	0	0	0
Municipal Bonds	547,427	0	0	0	547,427	0
Co-Mingled Funds	8,742,767	0	0	0	0	8,742,767
High Yield Income Fund	208,887,959	208,887,959	0	0	0	0
	<u>2,529,217,360</u>	<u>307,860,784</u>	<u>488,048,295</u>	<u>278,561,856</u>	<u>742,297,532</u>	<u>712,448,894</u>
Securities Lending Collateral	676,304,219	511,428,666	164,344,649	530,904	0	0
	<u>\$3,205,521,579.62</u>	<u>\$819,289,450.16</u>	<u>\$652,392,943.18</u>	<u>\$279,092,760.39</u>	<u>\$742,297,531.80</u>	<u>\$712,448,894.09</u>

All figures are APERS and ASPRS combined.

Financial

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The System's currency risk resides within the international equity investments as well as within the fixed income investments and the fixed income managers. The System's policy is to allow the external investment managers to decide what action to take regarding their respective portfolio's foreign currency exposure using currency forward contracts. The System has a formal investment policy for foreign currency risk which limits foreign currency exposure to 10% of the investment manager's respective portfolio.

Foreign Currency Risk table

(as of June 30, 2024)

Currency	Fair Value	Percentage
Australian Dollar	\$5,906,480	0.47%
Brazilian Real	\$10,003,131	0.80%
British Pound Sterling	\$277,264,082	22.23%
Canadian Dollar	\$167,341	0.01%
Danish Krone	\$37,386,478	3.00%
Euro Currency	\$380,700,025	30.52%
Hong Kong Dollar	\$50,159,794	4.02%
Israeli Shekel	\$7,790,478	0.62%
Japanese Yen	\$168,426,858	13.50%
Mexican New Peso	\$9,567,930	0.77%
Norwegian Krone	\$228	0.00%
Singapore Dollar	\$12,868,961	1.03%
South Korean Won	\$56,152,851	4.50%
Swedish Krone	\$48,777,292	3.91%
Swiss Franc	\$182,162,529	14.60%
	<hr/>	
	\$1,247,334,457	100.00%

Asset-Backed Securities

Asset-backed securities (ABSs) are bonds or notes backed by loan paper or accounts receivable originated by banks, credit card companies, or other credit providers. The System's ability to recover the amount of principal invested in these securities depends on the performance and quality of the trust assets.

Mortgage-Backed Securities

A mortgage-backed security (MBS) is a type of asset-backed security that is secured by a mortgage or collection of mortgages. MBSs depend on the underlying pool of mortgage loans to provide cash flow to make principal and interest payments on the security to its holders. The payments are usually periodic, similar to coupon payments. MBSs are subject to credit risk, prepayment risk, and extension risk.

A collateralized mortgage obligation (CMO) is an MBS that comprises classes of bonds created by prioritizing the cash flows of the underlying mortgage pool. CMOs may be collateralized by whole-loan mortgages, mortgage pass-through securities, or stripped mortgage-backed securities.

The System invests in MBSs and CMOs for diversification and to enhance fixed income returns. These instruments are reported at fair value in the Statement of Fiduciary Net Position.

Corporate Bonds

Corporate bonds are a debt security issued by a corporation. The backing for the bond is usually the payment ability of the company, which is typically money to be earned from future operations.

Convertible Corporate Bonds

Convertible bonds convey an option to the bondholders to be exchanged for another asset, generally a fixed number of shares of common stock at a pre-stated price.

Pooled Funds

Pooled funds are funds from many individual investors that are aggregated for the purposes of investment and benefit from economies of scale. The System could be indirectly exposed to credit and market risks associated with forward currency contracts to the extent that these pooled funds hold forward currency contracts for purposes of managing exposure to fluctuations in foreign exchange rates.

APERS and ASPRS have \$647,675,792 invested in international pooled funds.

Securities Lending

Arkansas Code Annotated § 24-2-602 and the Board's investment policy permit the System to participate in a securities lending program to augment investment income. The System lends its securities to brokers-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future.

Derivative Instruments

The System adheres to the Governmental Accounting Standards Board (GASB) Statement No. 53: Accounting and Financial Reporting for Derivative Instruments, which addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments.

Derivative instruments are financial contracts or agreements whose values depend on the values of one or more underlying assets, reference rates, or financial indexes. Derivative instruments include futures contracts, forward contracts, swap contracts, options contracts, and forward foreign currency exchange. APERS, through its external investment managers, can hold such instruments.

APERS does comply with GASB No. 53 and will disclose its exposure to derivative instruments if there is exposure. APERS had no exposure to any GASB No. 53 derivative instruments at June 30, 2024.

Foreign Currency Forward Contracts

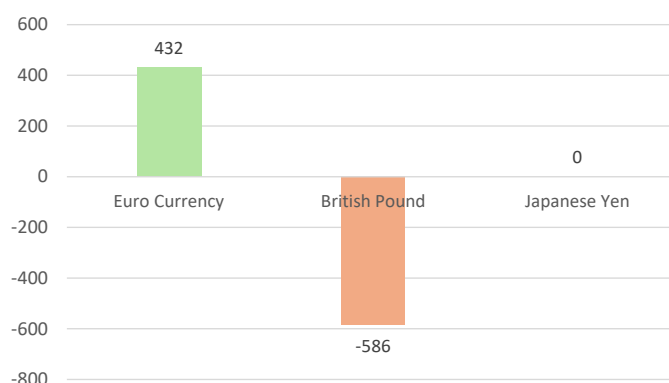
A foreign currency forward is a contractual agreement between two parties to pay or receive specific amounts of foreign currency at a future date in exchange for another currency at an agreed upon exchange rate. Forward commitments are not standardized and carry credit risk due to the possible nonperformance by one of the counterparties. The maximum potential loss is the aggregate face value in U.S. dollars at the time the contract was opened. These transactions are entered in order to hedge risks from foreign currency rate fluctuation and to facilitate trade settlement of foreign security transactions. Forwards carry foreign currency risk resulting from adverse fluctuations in foreign exchange rates.

Financial

Foreign Currency Forwards *(in dollars as of June 30, 2024)*

	Pay	Receive	Notional Value	Market Value	Unrealized G/L
Euro Currency	USD	EUR	1,316,477	1,316,909	432
British Pound	USD	GBP	799,117	798,532	-586
Japanese Yen	JPY	USD	-2,334	2,334	0
			<u>(1,703,503)</u>	<u>1,570,384</u>	<u>7,006</u>

All figures are APERS and ASPRS combined.



Financial Futures

A financial future is an agreement to purchase or sell a specific amount of an asset at a specified delivery or maturity date for an agreed upon price. These derivative securities are used to improve

yield, adjust duration of the portfolio, circumvent changes in interest rates, or to replicate an index. Futures contracts are standardized and traded on organized exchanges, thereby reducing credit risk.

Financial Futures *(in dollars as of June 30, 2024)*

Futures Contract	Expiration	Notional Value	Fair Value	Unrealized Gain/(Loss)
U.S. 2-year Treasury Note	Sept 2024	368,339,398	369,840,156	1,500,758
U.S. 5-year Treasury Note	Sept 2024	14,268,359	14,388,047	119,688
U.S. 10-year Treasury Note	Sept 2024	67,868,438	68,300,297	431,859
U.S. 10-year Ultra Treasury Note	Sept 2024	(8,338,047)	(8,287,781)	50,266
U.S. Long Bond Treasury	Sept 2024	13,265,781	13,487,625	221,844
U.S. Ultra Bond Treasury	Sept 2024	21,059,982	21,183,094	123,111
		<u>476,463,912</u>	<u>478,911,438</u>	<u>2,447,526</u>

Fair Value Measurements

APERS categorizes its fair value measurements within the fair value hierarchy by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lower priority to unobservable inputs (Level 3 measurements).

Level 1 – Unadjusted quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The System assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. The table(s) on the following pages shows the fair value leveling of the investments for the System.

Assets classified in Level 1 of the fair value hierarchy are valued directly from a predetermined primary external pricing vendor. Assets classified in Level 2 are subject to pricing by an alternative pricing source due to lack of information available by the primary vendor. Real estate, timberland, and partnership assets classified in Level 3, due to lack of an independent pricing source, are valued using an internal fair value as provided by the investment manager.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument(s) and should not be perceived as the particular investment's risk.

Investments classified as level 3 in the Investments and Derivative Instruments Measured at Fair Value table are unobservable, meaning that the assets lack an independent pricing source. Values are provided by the investment manager or an external pricing source such as an independent appraiser.

Investments Measured at the Net Asset Value

The fair value of investments that are organized as commingled funds or limited partnerships have no readily ascertainable fair value. The value is determined by using the net asset value per share or its equivalent. Commingled fund values are based on each investor's proportionate share of the total underlying assets in the fund less any liabilities for client withdrawals, investment purchases or other accrued expenses. Limited partnership values are based on the capital account balance the general partner reports at the end of each reporting period, adjusted by subsequent contributions, distributions, management fees, and changes in values of foreign currency and published market prices for certain securities. Even though the limited partnerships and commingled funds issue annual financial statements audited by independent auditors, the year-end for the state and these entities do not always agree. There are inherent uncertainties in estimating fair values for these types of investments, and it is possible that the estimates will change in the near-term or the subsequent sale of assets will be different from the reported net asset value. With certain exceptions, mainly the equity and the fixed income funds, these investments cannot be redeemed, or, have certain restrictions regarding redemption. The real estate investments distributions are through the liquidation of the underlying assets or net operating cash flows. Each investment has a different redemption frequency and notice period as noted in the Investment Measured at the Net Asset Value table..

Financial

Investments and Derivative Instruments Measured at Fair Value

(in dollars as of June 30, 2024)

	Fair Value	Level 1	Level 2	Level 3
Investments At Fair Value				
U.S Domestic Equities	\$2,962,341,050	\$2,962,341,050	\$-	\$-
Convertible Securities	\$346,300,239	\$11,476,950	\$334,823,289	\$-
Preferred Securities	\$1,254,128	\$-	\$1,254,128	\$-
International Equities	\$1,768,181,282	\$1,768,181,282	\$-	\$-
Convertible Securities	\$44,897,988	\$-	\$44,897,988	\$-
Preferred Securities	\$11,929,193	\$11,751,314	\$177,878	\$-
Fixed Income	\$133,269,715	\$-	\$133,269,715	\$-
Domestic Fixed Income	\$833,565,379	\$-	\$833,565,379	\$-
Global Bond Fund	\$8,415,315	\$8,415,315	\$-	\$-
Floating Rate Fund	\$20,219,024	\$20,219,024	\$-	\$-
U.S. Government Securities	\$171,025,061	\$171,025,061	\$-	\$-
Futures	\$2,355,856	\$2,355,856	\$-	\$-
Corporate Bonds	\$-	\$-	\$-	\$-
Loans	\$624,022	\$-	\$-	\$624,022
Total Investments	6,304,378,250	4,955,765,851	1,347,988,378	624,022
Securities Lending Collateral Investments, at Fair Value				
Tri-party REPO	\$166,853,454	\$-	\$166,853,454	\$-
CD's	\$45,465,147	\$-	\$45,465,147	\$-
Commercial Paper	\$213,983,033	\$-	\$213,983,033	\$-
Asset Backed Securities	\$97,733,984	\$-	\$97,733,984	\$-
Floating Rate Securities	\$127,057,063	\$-	\$127,057,063	\$-
Total Securities Lending Collateral	651,092,680	-	651,092,680	-
Total Investments Measured at Fair Value	6,955,470,930	4,955,765,851	1,999,081,058	624,022
Investments Measured at the Net Asset Value (NAV)				
High Yield Core Fund	\$1,124,834			1,124,834
Defensive Bond Fund	\$42,263,062			42,263,062
Domestic Equity Index Funds	\$780,050,857			780,050,857
Core Plus Bond Fund	\$657,250,374			657,250,374
Timberland	\$97,342,734			97,342,734
Global Equity Pooled Funds				
MCM REIT Index	\$11,979,931			11,979,931
MCM ACWI ex-US Index	\$606,841,574			606,841,574
Acadian	\$207,303,011			207,303,011
Franklin Templeton	\$158,355,291	\$158,355,291		-
Core Real Estate				
Invesco Core	\$493,046,188			493,046,188
Heitman Core	\$308,289,180			308,289,180
Carlyle Property	\$78,448,351			78,448,351
Clarion	\$75,103,137			75,103,137
Principal Enhanced	\$82,609,917			82,609,917
Value Add/Real Estate				
Heitman Value Add	\$43,755,369			43,755,369
TA Fund X	\$350,410			350,410
TA Fund XI	\$90,973,672			90,973,672
TA Fund XII	\$35,005,762			35,005,762
LaSalle Fund Fund VI	\$4,429,632			4,429,632
LaSalle Fund Fund VII	\$14,760,097			14,760,097
Harrison Street VIII	\$46,961,588			46,961,588
Harrison Street IX	\$30,315,886			30,315,886
Starwood SOF XII	\$39,800,790			39,800,790
Agriculture/Farmland				
PGIM Agricutture	\$46,497,063			46,497,063
IFC	\$50,753,737			50,753,737
Diversified Strategies				
Blackstone	\$233,709,444			233,709,444
HarbourVest	\$104,326,604			104,326,604
NB FOO	\$35,884,838			35,884,838
Total Investments Measured at the NAV	4,377,533,333			



Financial

Investments Measured at the Net Asset Value

(in dollars as of June 30, 2024)

	Fair Value	Strategy Type	Fund Life of Non-redeemable mandates	Unfunded Commitments
High Yield Core Fund	\$1,124,834	Active High Yield Fixed Income	N/A	none
Defensive Bond Fund	\$42,263,062	Income Oriented	N/A	none
Domestic Equity Index Funds	\$780,050,857	S & P 500 Index	N/A	none
Core Plus Bond Fund	\$657,250,374	Active Global Fixed Income	N/A	none
Timberland	\$97,342,734	Timber	N/A	none
International Equity Pooled Funds				
MCM REIT Index	\$11,979,931	Global Real Estate securities	N/A	none
MCM ACWI ex-US Index	\$606,841,574	International Equities	N/A	none
Acadian	\$207,303,011	International Equities	N/A	none
Franklin Templeton	\$158,355,291	International Equities	N/A	none
Core/Core Plus Real Estate				
Heitman	\$308,289,180	Core Real Estate	N/A	none
Invesco	\$493,046,188	Core Real Estate	N/A	none
Value Add Real Estate				
Heitman Value Partners IV	\$43,755,369	Value Add Real Estate	N/A	\$-
TA Fund X	\$350,410	Value Add Real Estate	N/A	none
TA Fund XI	\$90,973,672	Value Add Real Estate	N/A	none
TA Fund XII	\$35,005,762	Value Add Real Estate	N/A	\$12,172,586
TA Fund XIII	\$4,429,632	Value Add Real Estate	N/A	none
LaSalle Fund Fund VI	\$14,760,097	Value Add Real Estate	N/A	none
LaSalle Fund Fund VII	\$46,961,588	Value Add Real Estate	N/A	\$7,165,057
Harrison Street Fund VIII	\$30,315,886	Value Add Real Estate	N/A	\$48,127,295
Harrison Street Fund IX	\$39,800,790	Value Add Real Estate	N/A	\$36,095,471
Starwood SOF XII	\$75,103,137	Value Add Real Estate	N/A	none
Clarion LIT Fund	\$82,609,917	Value Add Real Estate	N/A	none
Principal Enhanced Fund	\$78,448,351	Value Add Real Estate	N/A	none
Carlyle Property				
Agriculture/Farmland	\$46,497,063	Agriculture/Farmland	N/A	none
PGIM Agriculture	\$50,753,737	Agriculture/Farmland	N/A	\$-
International Farmland				
Diversified Strategies:				
Blackstone	\$233,709,444	Fund of Funds	N/A	none
HarbourVest Dover Street XI	\$104,326,604	Secondary P/E Fund	N/A	\$311,864,868
NB FOO	\$35,884,838	P/E Fund of Funds	N/A	\$284,672,947
Total	\$4,377,533,333			\$700,098,223

Redemption Frequency (if currently eligible)	Redemption Notice Period	Other Redemption Restrictions	Restriction Time Remaining
monthly	T + 3	N/A	N/A
daily	T + 1	N/A	N/A
daily	T + 3	N/A	N/A
daily	T + 3	N/A	N/A
none	N/A	N/A	partnership terminates in December 2027
daily	T + 1	N/A	N/A
daily	T + 1	N/A	N/A
daily w 10day notice	T + 1	N/A	N/A
daily	T + 1	N/A	N/A
quarterly	T + 45	N/A	N/A
quarterly	T + 90	N/A	N/A
7-year lock up	N/A	N/A	the lock up period starts on the day of the last capital call
7-year lock up	N/A	N/A	currently in capital redistribution phase
7-year lock up	N/A	N/A	currently in capital redistribution phase
7-year lock up	N/A	N/A	the lock up period starts on the day of the last capital call
7-year lock up	N/A	N/A	currently in capital redistribution phase
7-year lock up	N/A	N/A	currently in capital redistribution phase
7-year lock up	N/A	N/A	the lock up period starts on the day of the last capital call
7-year lock up	N/A	N/A	the lock up period starts on the day of the last capital call
7-year lock up	N/A	N/A	the lock up period starts on the day of the last capital call
7-year lock up	N/A	N/A	the lock up period starts on the day of the last capital call
7-year lock up	N/A	N/A	the lock up period starts on the day of the last capital call
7-year lock up	N/A	N/A	the lock up period starts on the day of the last capital call
open end w/ 2-year lock up	N/A	N/A	the lock up period starts on the day of the last capital call
open end w/ 2-year lock up	N/A	N/A	the lock up period starts on the day of the last capital call
last day of each quarter	1yr; 2yrs; 3yrs; >3yrs	55% liquidity; then 20%; then 15%; then 10%	N/A
7-year lock up	N/A	N/A	the lock up period starts on the day of the last capital call
7-year lock up	N/A	N/A	the lock up period starts on the day of the last capital call

Financial

High Yield Core Fund

The High Yield Active Core philosophy is centered on the belief that the best risk-adjusted returns and, ultimately, the best absolute returns are generated by a strategy of yield capture and error avoidance.

Defensive Bond Fund

The investment objective is to exploit different sources of return available in high yield corporate securities in a way that generates risk-adjusted returns superior to those available from conventional high yield securities. The investment strategy is based on the assumption and observation that numerous market inefficiencies exist throughout the capital markets (particularly in the high yield bond markets) and that the prudent, active and systematic exploitation of these inefficiencies can generate returns consistent with these objectives.

Domestic Equity Index Funds

This is a Standard and Poor's 500 (S&P 500) Index fund.

Core Plus Bond Fund

The Core Plus Fixed Income strategy seeks excess return from multiple sources, including sector allocation and subsector and security selection. Duration, yield curve, and currency positioning is moderate. The largest component of the Core Plus Fixed Income risk budget is allocated to portfolio strategies that have consistently generated the highest return for the lowest unit of risk over time, such as sector allocation and subsector security selection.

The Core Plus Fixed Income portfolios may emphasize spread product in the sector allocation process and therefore may hold larger-than-benchmark allocations to corporate bonds, structured product, high yield bonds, and emerging markets debt.

As a result, the strategy would likely outperform in a 'risk on' environment where corporate bonds, for example, are outperforming. The reverse would also likely be true. The Core Plus Fixed Income portfolios take an actively-managed, relative-value driven approach. The strategy is expected to perform best in markets with excess spread dislocations that it can capitalize on through relative value trading.

Timberland

An objective of a timber investment is to provide the fund with diversification from traditional asset classes. The goal of the timber investment is to get a stable core-type return with very low or little volatility.

International Equity Pooled Funds

- **The Bank of New York Mellon Employee Benefit Daily Valued Non-Securities Lending Real Estate Investment Trust (REIT) Index Fund** — This REIT Index Fund seeks to match the performance and the characteristics of the Dow Jones U.S. Select REIT Index which tracks the performance of publicly traded REITs and REIT-like securities and designed to serve as a proxy for direct real estate investments.
- **Mellon All Country World Index ex-US (ACWI)** — This Index captures large and mid-cap representation across 22 of 23 Developed Markets (DM) countries (excluding the U.S.) and 24 Emerging Markets (EM) countries. With 2,166 constituents, the index covers approximately 85% of the global equity opportunity set outside the U.S.
- **Acadian All Country World ex-US Small Cap** — The Acadian All Country World ex-US Small Cap strategy employs a combination of top-down and bottom-up multi-factor models to construct the strategy. The top-down consists of value, growth, momentum, volatility, and macro factors. The bottom up drives 80% of the process.
- **Franklin Templeton** — this is an international equity small cap value strategy. The fund seeks long-term capital growth by investing in securities of smaller companies located anywhere in the world, including emerging markets.

Real Estate

This asset class provides diversification to the total portfolio and strives to reduce total fund volatility while also enhancing the total return of the portfolio. Real estate has a low, and in some cases, negative, correlation with other major investment asset classes. The following are the strategies that comprise the Real Estate asset class and are explained in greater detail.

Core Real Estate

- **Invesco Core Real Estate (ICRE)** — The ICRE strategy is a portfolio of U.S. properties diversified by property type and geographic location, with an emphasis on attractive current income returns and the opportunity for both income and capital growth. It is based on top-down economic fundamentals combined with bottom-up local market intelligence.
- **Heitman America Real Estate Trust (HART)** — The HART strategy creates a high-quality, low-risk portfolio of stabilized, income-producing assets diversified by property type and economic exposure through acquiring assets in infill locations within major metropolitan areas, focusing on strong site attributes such as proximity to amenities and transportation networks, and ensuring that assets are well constructed with features that will appeal to tenants over long periods of time.

Value Added Real Estate

- **Heitman Value Partners IV (“HVP IV”)** — is the fourth offering in Heitman’s North American value-add series. It is a closed-end, commingled fund that will pursue a diverse set of real estate opportunities with value-added business plans. The objective is to provide investors with attractive risk-adjusted returns. The strategy seeks to benefit from Heitman’s extensive research, real estate, and capital markets expertise to identify emerging investment opportunities and trends before they are fully appreciated by the broader market. The Fund will execute investment strategies that capitalize on those opportunities.
- **TA Realty Funds XI, XII and XIII** — TA Realty has managed value-add, commingled real estate funds for approximately 30 years. They have investments in 35 markets, and four property types (office, industrial, multifamily, and retail). The firm has developed and refined a consistent approach focused on creating diversified real estate portfolios that can generate strong cash flow, benefit from an intensive asset management approach, and result in the long-term creating of value of the life of the fund(s).
- **LaSalle Funds VI and VII** — The Funds pursue non-core properties that exhibit strong fundamentals and are expected to generate

both income and appreciation. The sectors focused upon are office, multifamily, retail, industrial, and specialty.

- **Harrison Street Fund VIII and IX** — The Fund acquires, develops, and/or redevelops assets in the education, healthcare, life science, and storage sectors. The majority of the return is anticipated to be generated through appreciation.
- **Starwood Distressed Opportunity Fund XII** — The strategy pursues distressed investment opportunities which are expected to arise from economic disruptions. Investments will be made across multiple sectors, including multifamily, affordable housing, hotels, office, and industrial. The Fund will invest primarily in the United States and Europe. The fund will pursue both debt and equity investments, including the acquisition of distressed or non-performing loans.
- **Clarion Partners Lion Industrial Trust** — This is a \$26 billion open-end industrial fund. It is one of the largest private industrial funds in the U.S. and one of the few “pure-play.” The strategy is to invest in warehouse/distribution facilities that appeal to companies focused on e-commerce, logistics, and supply-chain management, with an emphasis on large core industrial markets throughout the United States.
- **Principal Enhanced Property Fund** — This is an open-end, commingled fund sponsored and managed by Principal Real Estate Investors. The features and objectives of the Fund include: pursues a nationally diversified portfolio of high-quality assets, pursues an “enhanced” or “core plus” investment strategy, and provides market competitive total return.
- **Carlyle Property Investors** — This U.S. focused core-plus fund has its focus on sectors where accelerating demographic trends drive demand. The fund objectives: target investments with a Core+ return profile, seek attractive property rent and NOI growth, seek to generate attractive levels of income and quarterly distributions, and construct a highly diversified portfolio by sector and geography.

Financial

Agriculture / Farmland

- **PGIM U.S. Agriculture Fund** — PGIM manages \$2 billion in assets and over 173,000 acres under management. PGIM began investing on behalf of investors in 1989. PGIM seeks to build diversified portfolios of assets with good quality soils and water security located in microclimates with favorable growing conditions. Targeted investments typically fall within one of the following investment themes: healthier lifestyles, farm tech efficacies and higher productivity, competitive advantage/ scale, and opportunistic.
- **International Farm Corporation Core Farmland Fund** - This fund seeks to generate stable income and attractive risk-adjusted financial returns. The strategy has a lower correlation to other asset classes, has a lease strategy that reduces risk, and seeks long-term appreciation. The strategy may enable food sourcing solutions for core fund and IFC growers as well.

Diversified Strategies

This asset class provides diversification to the total portfolio and strives to reduce total fund volatility while also enhancing the total return of the portfolio. The following are the strategies that comprise the Diversified Strategies asset class and are explained in greater detail:

- **Blackstone (Fund of Funds)** — The System hired Blackstone to manage a fund-of-funds strategy. As the name suggests Blackstone invests APERS' funds in other hedge funds. The number of funds that APERS invests in varies on market conditions. The types of strategies that are contained within APERS' portfolio also vary. On June 30 there were fundamental equity strategies, event driven strategies, fundamental credit strategies, credit trading strategies, distressed credit strategies, RMBS strategies, structured ABS strategies, multi-strat strategies, commodity strategies, macro rates strategies, thematic macro strategies, quantitative strategies, CTA strategies, and special situation strategies in the portfolio.
- **HarbourVest Dover Street Fund XI** – This is a Private Equity (“P/E”) secondaries strategy. It is primarily domestic secondary P/E funds. The fund is diversified by vintage year and strategy

types. Investment types vary between buyout, venture, growth equity, and distressed.

- **Neuberger Berman Fund of One** – This is a Private Equity fund of fund strategy similar to the Blackstone strategy. Neuberger Berman invests APERS' funds in other P/E strategies. Neuberger Berman will diversify the strategy by vintage years and style.

Note 4: Other Post-Employment Benefits

GASB Statement No. 75: Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions requires that OPEB expense of proprietary and fiduciary funds be recognized on the accrual basis in the fund financial statements. APERS is considered a fiduciary fund in the state-wide annual comprehensive financial report.

The 2024 charge of \$178,449 is a prorated amount from the Arkansas Department of Finance and Administration based on a state-wide actuarial study. The amount charged to APERS is based on budgeted employees of the agency. *The State of Arkansas 2024 Annual Comprehensive Financial Report* will contain the complete OPEB footnote required by *GASB Statement No.75*.

Note 5: Legally Required Reserves

The Employers' Accumulation Account accumulates employers' contributions to be used in providing the reserves required for transfer to the Retirement Reserve Account as members retire or become eligible for disability benefits.

- The Retirement Reserve Account is the account to which member contributions, interest on those contributions, and employer contributions are transferred upon member retirement.
- The Deferred Annuity Account is the amount set up to cover estimated retirement benefits to inactive vested members who are not currently receiving benefit payments.

As a by-product of achieving level contribution financing, actuarial accrued liabilities usually become increasingly well-funded over a period of years. Funded ratios in the 70% to 90% range are well funded in public sector retirement plans.

The reserve strength of APERS remains strong both by absolute and relative measures. Sufficient assets were available to pay estimated retirement benefits applicable to retired individuals or beneficiaries currently receiving benefits and inactive vested individuals who are not currently receiving benefits.

Reserve Balances

(as of June 30, 2024)

Members' Deposit Account	\$684,886,446
Members' Deposit Account Interest Reserve	122,819,293
Employer Accumulation Account	2,674,628,423
Retirement Reserve	6,751,614,083
Deferred Annuity	670,100,991
DROP Reserve	121,039,525
Dec 31, 2004 Accrued Liability Reserve	19,792,928
Other	75,790
Total	<u>\$11,044,957,481</u>

Note 6: Summary of Capital Assets

(as of June 30, 2023 and 2024)

Capital Assets

Balance as of June 30, 2023	\$23,584,428
Additions	4,319,300
Deletions	-
Balance as of June 30, 2024	<u>27,903,728</u>

Accumulated Depreciation

Balance as of June 30, 2023	14,973,536
Depreciation Expense	3,799,566
Deletions	-
Balance as of June 30, 2024	<u>18,773,102</u>

Net capital assets as of June 30, 2024	\$9,130,626
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Note 7: Deferred Retirement Option Plan

A Deferred Retirement Option Plan (DROP) is available to members of the System as authorized by A.C.A. §§ 24-4-801 - 24-4-806. In lieu of terminating employment and accepting a retirement benefit under the System, any member who has at least 28 years of actual service in the System can elect to participate in the DROP. The DROP allows a member to defer the receipt of retirement benefits for a maximum of 10 years. During that time, a percentage of a member's chosen benefit is deposited into an account that accrues interest at a rate of 2% annually. The System had a balance of \$121,039,525 in the DROP reserve as of June 30, 2024.

Note 8: Net Pension Liability

The components of the net pension liability (NPL) of the System on June 30, 2024, were as follows:

Total pension liability	\$13,533,079,393
Plan fiduciary net position	\$11,044,957,481.
Net pension liability	\$2,488,121,912
Plan fiduciary net position as a percentage of total pension liability	81.61%

Long-term Expected Return on Plan Assets

The System's policy in regard to the allocation of its invested assets was established by the Board and is reviewed at least annually to determine if the asset allocation is consistent with an acceptable level of risk and volatility.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the current asset allocation percentage and by adding expected price inflation. Best estimates of arithmetic real rates of return for the 10-year period from 2020 to 2029 were based

Financial

upon capital market assumptions provided by the plan's investment consultants. For each major asset class that is included in the pension plan's current asset allocation as of June 30, 2024, the best estimates are summarized in the following table:

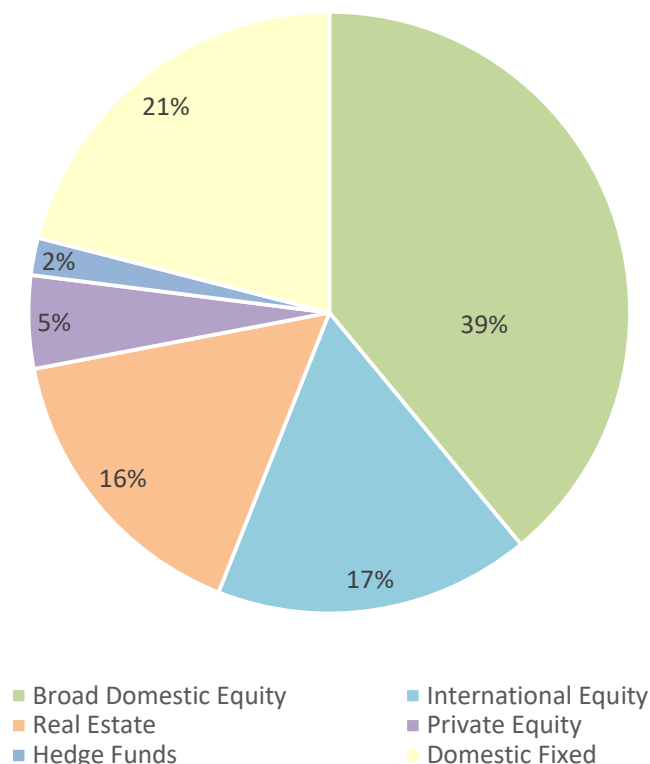
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Broad Domestic Equity	39%	5.03%
International Equity	17%	6.34%
Real Estate	16%	4.51%
Private Equity	5%	9.00%
Hedge Funds	2%	3.63%
Domestic Fixed	21%	3.38%
Total	100%	
Total Real Rate of Return		5.00%
Plus: Price Inflation - Actuary's Assumption		2.50%
Less: Investment Expenses (Passive)		0.00%
Net Expected Return		7.50%

Discount Rate

A single discount rate of 7% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Target Allocation table



Sensitivity of the Net Pension Liability

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

1% Decrease	Current Discount Rate	1% Increase
6.00%	7.00%	8.00%
\$4,245,632,793	\$2,488,121,912	\$1,039,183,785

Required Supplementary Information

Schedule of Employer Contributions

(dollars in millions)

Year Ended June 30	Actuarially Determined Contribution	Actual Contribution*	Contribution Deficiency (Excess)	Covered Employ- ee Payroll	Actual Contributions as a % of Covered Payroll
2015	263.3	263.3	0	1,757	14.98
2016	264.2	264.2	0	1,795	14.72
2017	261.3	261.3	0	1,788	14.61
2018	276.3	276.3	0	1,849	14.94
2019	293.0	293.0	0	1,936	15.13
2020	298.9	298.9	0	1,929	15.49
2021	305.9	305.9	0	1,908	16.04
2022	320.2	320.2	0	2,054	15.59
2023	\$ 339.6	\$ 339.6	0	\$ 2,252	15.08%
2024	348.0	348.0	-	2,257	15.42%

*Actual contributions are based on covered payroll at the time of the contribution. This payroll is not reported to the actuary. The covered payroll shown on this page is the valuation payroll. Based upon the limitations of this schedule, the final column cannot be compared to the contribution rates actually charged to APERS participating employers.

Actuarial Methods and Assumptions

Actuarial Cost Method	Entry age normal
Assumed Investment Return	7.00%
Projected salary increases	3.25% to 9.85% including inflation (3.25% to 6.96% including inflation for District Judges)
Mortality tables	Based on the RP-2006 Healthy Annuitant benefit weighted generational mortality tables for males and females. Mortality rates are multiplied by 114% for males and 132% for females and are adjusted for fully generational mortality improvements using Scale MP-2021
Inflation rate	3.25% Wage inflation and 2.5% price inflation
Payroll Increase	3.25%

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Schedule of the Net Pension Liability

Year Ending June 30	Total Pension Liability	Fiduciary Net Position	Net Pension Liability	Fiduciary Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2015	\$9,391,975,712	\$7,550,242,341	\$1,841,733,371	80.39%	\$1,757,056,813	104.82%
2016	\$9,762,106,222	\$7,370,758,150	\$2,391,348,072	75.50%	\$1,795,174,463	133.21%
2017	\$10,612,937,270	\$8,028,796,790	\$2,584,140,480	75.65%	\$1,788,074,570	144.52%
2018	\$10,808,687,173	\$8,602,752,132	\$2,205,935,041	79.59%	\$1,849,202,619	119.29%
2019	\$11,245,856,457	\$8,833,327,660	\$2,412,528,797	78.55%	\$1,936,042,263	124.61%
2020	\$11,632,595,177	\$8,769,010,690	\$2,863,584,487	75.38%	\$1,929,343,374	148.42%
2021	\$11,954,285,999	\$11,185,453,706	\$768,832,293	93.57%	\$1,907,642,349	40.30%
2022	\$12,430,222,099	\$9,733,838,632	\$2,696,383,467	78.31%	\$2,054,188,304	131.26%
2023	\$13,209,490,955	\$10,295,304,391	\$2,914,186,564	77.94%	\$2,252,048,646	129.40%
2024	\$13,533,079,393	\$11,044,957,481	\$2,488,121,912	81.61%	\$2,256,616,749	110.26%

Schedule of Investment Returns

(annual money-weighted rate of return, net of investment expense, by fiscal year)

2015	2.28%
2016	(0.06)%
2017	11.89%
2018	9.90%
2019	5.31%
2020	2.00%
2021	30.83%
2022	(10.81)%
2023	8.43%
2024	9.92%



Financial

Schedule of Changes in the Net Pension Liability and Related Ratios

Fiscal Year Ending June 30	2024	2023	2022	2021
TOTAL PENSION LIABILITY				
Service Cost	\$256,766,391	\$224,674,840	\$205,730,312	\$200,169,558
Interest	909,087,161	872,640,034	838,746,422	816,578,389
Benefit Changes	-	0	0	(5,405,298)
Differences Between Expected and Actual Experience	(140,435,716)	170,265,906	84,323,321	(65,645,442)
Assumption Changes	-	187,295,676	0	0
Benefit Payments, Including Refunds of Employee Contributions	(701,829,398)	(675,607,600)	(652,863,955)	(624,006,385)
NET CHANGE IN TOTAL PENSION LIABILITY	\$323,588,438	\$779,268,856	475,936,100	321,690,822
TOTAL PENSION LIABILITY, BEGINNING OF YEAR	\$13,209,490,955	\$12,430,222,099	11,954,285,999	11,632,595,177
TOTAL PENSION LIABILITY, END OF YEAR (a)	\$13,533,079,393	\$13,209,490,955	12,430,222,099	11,954,285,999
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	\$348,024,606	\$339,554,854	320,231,614	305,922,769
Contributions - Member	101,308,467	92,360,864	80,317,012	74,358,836
Net Investment Income	1,009,317,537	809,503,795	(1,192,887,341)	2,665,823,683
Benefit Payments, Including Refunds of Employee Contributions	(701,829,398)	(675,607,600)	(652,863,955)	(624,006,385)
Administrative Expense	(12,163,206)	(10,465,349)	(11,794,785)	(11,644,328)
Other Additions	4,995,084	6,119,195	5,382,381	5,988,441
NET CHANGE IN PLAN FIDUCIARY NET POSITION	\$749,653,090	\$561,465,759	(1,451,615,074)	2,416,443,016
PLAN FIDUCIARY NET POSITION, BEGINNING OF YEAR	\$10,295,304,391	\$9,733,838,632	11,185,453,706	8,769,010,690
PLAN FIDUCIARY NET POSITION, END OF YEAR (b)	\$11,044,957,481	\$10,295,304,391	9,733,838,632	11,185,453,706
NET PENSION LIABILITY, END OF YEAR (a) - (b)	\$2,488,121,912	\$2,914,186,564	\$2,696,383,467	\$768,832,293
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY	81.61%	77.94%	78.31%	93.57%
COVERED - EMPLOYEE PAYROLL	\$2,256,616,749	\$2,252,048,646	\$2,054,188,304	\$1,907,642,349
NET PENSION LIABILITY AS A PERCENTAGE OF COVERED - EMPLOYEE PAYROLL	110.26%	129.40%	131.26%	40.30%

2020	2019	2018	2017	2016	2015
\$198,416,559	\$189,567,873	\$181,557,602	\$174,663,657	\$169,112,934	\$168,811,990
789,604,504	759,163,751	745,846,405	719,134,258	692,210,941	682,217,546
0	(62,984)	0	0	0	0
2,007,866	60,093,169	(6,960,593)	62,849,281	2,912,566	(137,672,890)
0	0	(180,097,868)	416,146,405	0	192,273,597
(603,290,209)	(571,592,525)	(544,595,643)	(521,962,553)	(494,105,931)	(464,111,187)
386,738,720	437,169,284	195,749,903	850,831,048	370,130,510	441,519,056
11,245,856,457	10,808,687,173	10,612,937,270	9,762,106,222	9,391,975,712	8,950,456,656
11,632,595,177	11,245,856,457	10,808,687,173	10,612,937,270	9,762,106,222	9,391,975,712
298,919,954	292,951,695	276,282,425	261,334,560	264,216,252	263,332,831
70,923,737	67,221,706	63,430,545	57,711,427	55,000,117	50,750,458
174,561,773	450,493,099	782,326,766	862,824,701	(4,260,175)	168,929,698
(603,290,209)	(571,592,525)	(544,595,643)	(521,962,553)	(494,105,931)	(464,111,187)
(11,681,604)	(14,739,700)	(11,497,216)	(9,495,869)	(6,929,103)	(6,949,282)
6,249,379	6,241,253	8,008,465	7,626,374	6,594,649	6,745,403
(64,316,970)	230,575,528	573,955,342	658,038,640	(179,484,191)	18,697,921
8,833,327,660	8,602,752,132	8,028,796,790	7,370,758,150	7,550,242,341	7,531,544,420
8,769,010,690	8,833,327,660	8,602,752,132	8,028,796,790	7,370,758,150	7,550,242,341
\$2,863,584,487	\$2,412,528,797	\$2,205,935,041	\$2,584,140,480	\$2,391,348,072	\$1,841,733,371
75.38%	78.55%	79.59%	75.65%	75.50%	80.39%
\$1,929,343,374	\$1,936,042,263	\$1,849,202,619	\$1,788,074,570	\$1,795,174,463	\$1,757,056,813
148.42%	124.61%	119.29%	144.52%	133.21%	104.82%



APERS

ARKANSAS PUBLIC EMPLOYEES'
RETIREMENT SYSTEM

INVESTMENTS



Investment Overview

Investment returns play an important role in the funded ratio of the Arkansas State Police Retirement System and the Arkansas Public Employees' Retirement System's combined portfolio, referred to as "combined portfolio" throughout the remainder of the Investment Section.

The Board of Trustees of the Arkansas Public Employees' Retirement System (the Board) has adopted an Investment Policy Statement with the purpose of the exclusive benefit of the participants and beneficiaries of the System and with the objective of maximizing the total rate of return on investments within prudent risk parameters. The overall goal is to achieve an annualized rate of return which, when combined with employee and employer contributions, will meet or exceed the benefit and administrative requirements of the System.

The System's investments are managed by professional investment management firms based upon statutory investment authority as well as the investment policies adopted by the Board. The investment staff coordinates and monitors the investment of the trust fund's assets and assists in the formulation and implementation of investment policies and long-term investment strategy.

The net investment portfolio fair values shown in this section, and used for the basis of calculating investment returns, may differ from those shown in other sections of this report. The values shown in this section are the appropriate industry standard basis for investment return calculation.

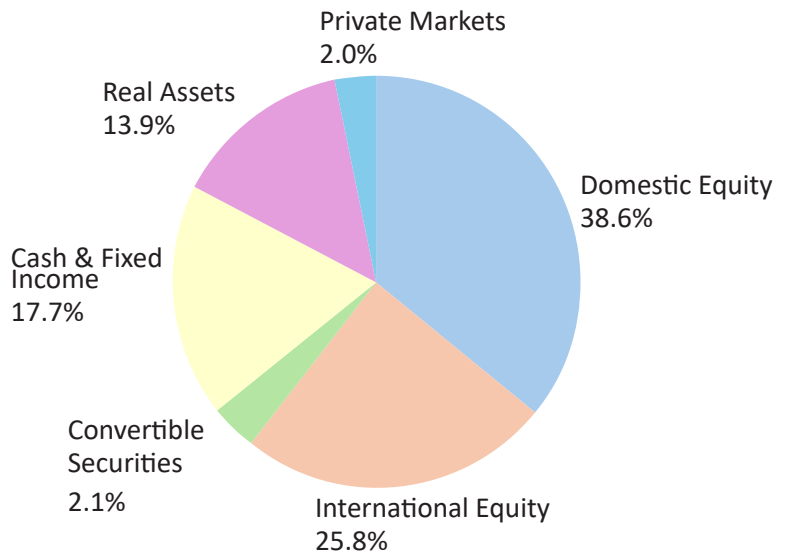
Asset Allocation and Diversification

Asset allocation is a process which is designed to construct an optimal long-term asset mix which achieves a specific set of investment objectives. The Investment Policy Statement establishes the System's asset allocation policy as designed to meet those objectives.

The System's asset allocation policy has been adopted to provide diversification. The goal is to maximize the investment return as well as to be consistent with prudent levels of market and economic risks. The most important investment decision is the determination of asset allocation targets.

The pie chart illustrates the actual asset allocation to each type of investment as of the June 30, 2024.

Summary of Investments by Asset Class
as of June 30, 2024



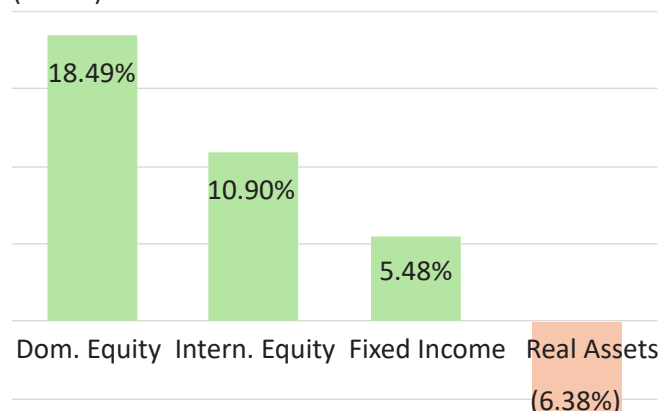
Due to rounding, chart may not equal 100%

Risk is further diversified by utilizing active and passive management as well as by retaining multiple investment management firms with varying investment styles.

The System also places restrictions on the investment managers. The combined portfolio has investment guidelines that manage the risk of high concentrations in a particular sector, industry, or security.

Capital Markets Commentary

The System posted a return of **10.42%**. Domestic Equity posted a 18.49% return for the fiscal year. International Equity posted a 10.90% return. Fixed Income posted a 5.48% return. Real Assets posted a (6.38%) return.



Investments

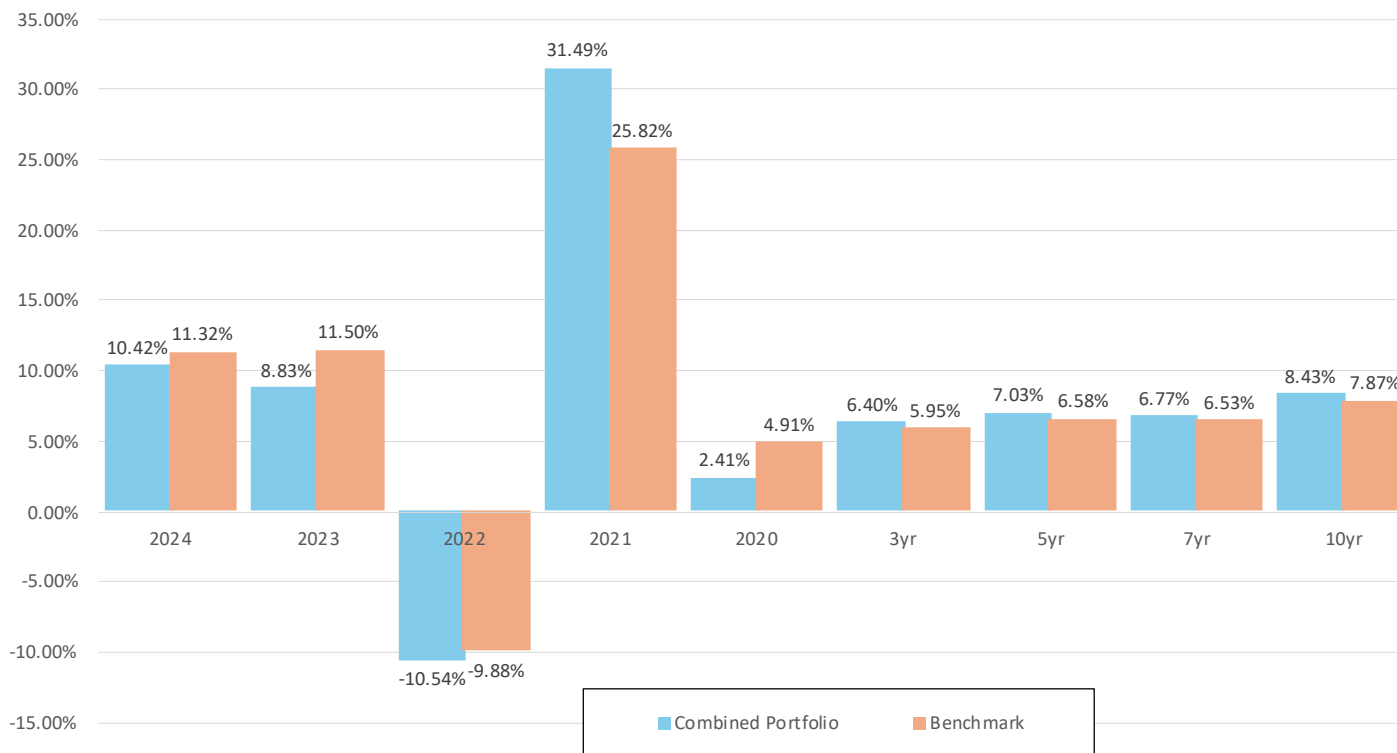
Investment Results

For the fiscal year ending June 30, 2024, the combined portfolio realized a total investment return of +10.42%. The return slightly underperformed the 11.32% return of the combined portfolio's policy benchmark, a set of market indexes and weightings to those indexes that reflect the combined portfolio's asset class targets. Outperformance was aided by active investment management, especially in the international equity allocation.

The combined portfolio's +10.42% return exceeded the actuarial assumed rate of return of 7.15%.

The following tables provide a historical perspective of the combined portfolio's investment returns and performance over the past few years. The investment returns are shown for the total combined portfolio as well as for each asset class over various time periods, including benchmark or target for each asset class.

Investment Performance Summary



Schedule of Comparative Investment Results by Year

	2024	2023	2022	2021	2020	2019	2018	2017
Total Fund								
APERS	10.42%	8.83%	-10.54%	31.49%	2.41%	5.78%	10.25%	12.30%
APERS Benchmark	11.32%	11.50%	-9.88%	25.82%	4.91%	6.68%	8.40%	12.90%
Actuarial Assumed Investment Return	7.15%	7.15%	7.15%	7.15%	7.15%	7.15%	7.15%	7.15%
Domestic Equities								
APERS	18.49%	15.24%	-14.22%	43.65%	6.06%	8.12%	16.27%	17.52%
Russell 3000 Index	23.13%	18.95%	-13.87%	44.16%	6.53%	8.98%	14.78%	18.51%
International Equities								
APERS	10.90%	17.06%	-22.24%	41.35%	(1.45)%	1.98%	7.22%	18.39%
MSCI - EAFE Index	11.57%	18.77%	-17.77%	32.35%	(5.13)%	1.08%	6.84%	20.27%
Fixed Income								
APERS	5.48%	0.82%	-11.39%	4.32%	6.81%	8.57%	0.79%	3.04%
Bloomberg Aggregate Index	2.63%	-0.94%	-10.29%	(0.33)%	8.74%	7.87%	(0.40)%	(0.31)%
Private Market								
APERS	24.56%	4.75%	-4.53%	17.26%	(1.17)%	10.20%	6.43%	5.51%
Diversified Strategy Target	N/A	10.49%	-12.51%	22.15%	6.45%	7.41%	6.40%	10.51%
Real Assets								
APERS	-6.38%	-7.53%	29.59%	18.52%	(4.37)%	1.72%	11.34%	3.27%
Consumer Price Index - U + 4%	-5.53%	6.97%	13.06%	9.39%	4.65%	5.65%	6.87%	5.63%

Investments

Schedule of Comparative Annualized Investment Results

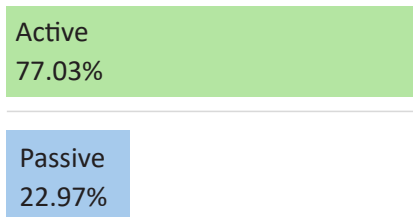
	3-year	5-year	7-year	10-year
Total Fund				
APERS	2.44%	7.65%	6.77%	6.90%
APERS Benchmark	3.60%	8.01%	6.53%	7.06%
Actuarial Assumed Investment Return	7.15%	7.15%		
Domestic Equities				
APERS	5.41%	12.28%	12.23%	10.91%
Russell 3000 Index	8.05%	14.14%	13.48%	12.15%
International Equities				
APERS	0.31%	7.05%	6.34%	5.16%
MSCI - EAFE Index	0.19%	4.92%	4.63%	3.57%
Fixed Income				
APERS	-1.96%	0.98%	2.00%	2.34%
Bloomberg Aggregate Index	-3.02%	-0.23%	0.86%	1.35%
Private Market				
APERS	7.60%	7.62%	7.81%	6.48%
Diversified Strategy Target	N/A	N/A	N/A	N/A
Real Assets				
APERS	3.91%	4.92%	5.35%	4.90%
Consumer Price Index - U + 4%	4.54%	5.52%	5.73%	5.49%

Domestic Equity

As of June 30, 2024, 39.56% of the combined portfolio was invested in domestic equities (U.S. stocks). The fair value of the domestic equity component was \$4.541 billion.

The portfolio takes an active management approach to the U.S. stock markets with 77.03% invested with active investment managers.

Active vs. Passive Portfolio Assets



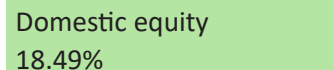
The passive component is primarily an S&P 500 Index fund and a Large Cap Growth Index Fund. It constitutes an efficient, low-cost means of obtaining market exposure and provides liquidity should it be needed for benefit payments.

Combined Portfolio Strategies

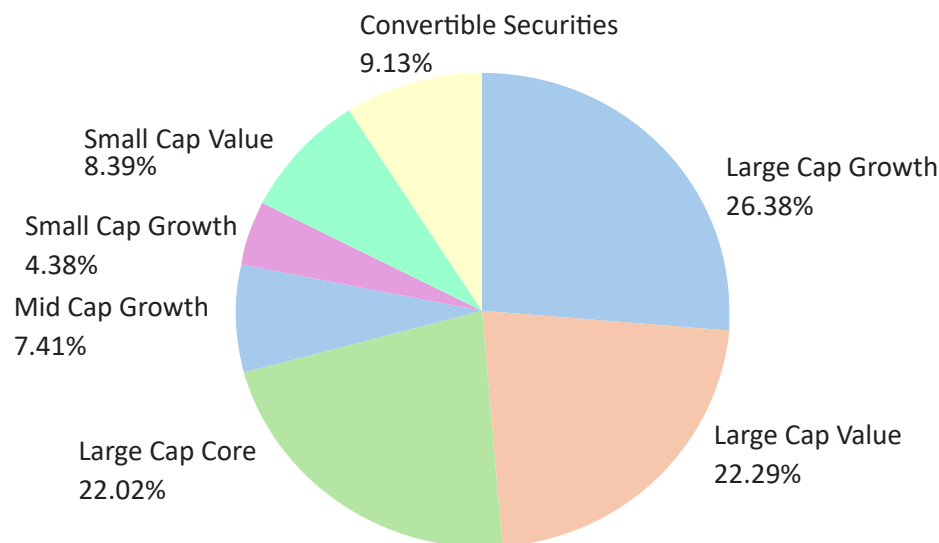
The combined portfolio utilizes active management in small, mid, and large capitalization stock strategies. The portfolio is also invested in strategies that focus on different investment styles: a value portfolio which focuses on companies undervalued relative to their prospective dividend and earnings growth; a growth portfolio which focuses on companies whose earnings are expected to grow at rates which exceed the general economy; and a core portfolio which seeks to add value across all sectors through stock selection.

Results

The domestic equity portfolio returned 18.49% for the fiscal year, the Russell 3000 Index, returned 23.13%.



Combined Portfolio Strategies



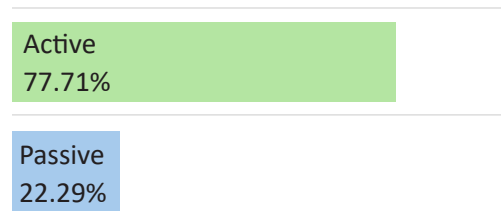
The portfolio is widely diversified across various equity market sectors and industries.

Investments

International Equity

As of June 30, 2024, 24.63% of the combined portfolio was invested in international equities (non-U.S. stocks). The fair value of the international equity portfolio of the combined portfolio was \$2.827 billion.

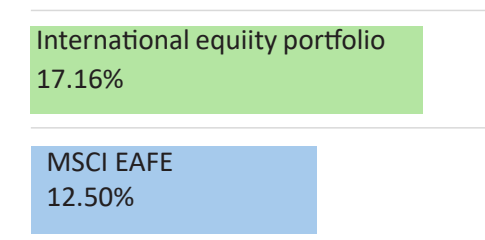
The international equity portfolio takes an active management approach to international markets with approximately 77.71% invested with active investment managers. The international portfolio assets are allocated across developed and emerging markets. The combined portfolio utilizes the MSCI EAFE (Europe, Asian, and Far East) Index as its benchmark for the international equity index.



The passive component is an ACWI ex-US Index Fund. Similar to the S&P 500 Index Fund, it constitutes an efficient, low-cost means of obtaining market exposure and provides liquidity should it be needed for benefit payments.

Results

The international equity portfolio returned 17.16% for the fiscal year, the MSCI EAFE Index returned 12.5%.

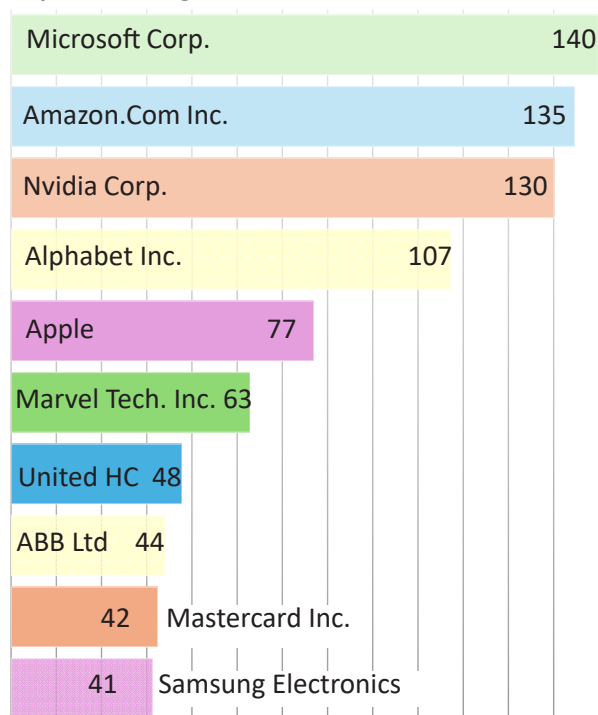


Top 10 Holdings

The top 10 holdings within the public equity portfolio (domestic and international combined) as of June 30, 2024

	Holding	Market Value*
1	MICROSOFT CORP	139,879,260
2	AMAZON.COM INC	134,672,253
3	NVIDIA CORP	130,115,293
4	ALPHABET INC	107,164,856
5	APPLE INC	76,951,913
6	MARVELL TECHNOLOGY INC	62,869,178
7	UNITEDHEALTH GROUP INC	47,786,921
8	ABB LTD	44,032,151
9	MASTERCARD INC	42,432,975
10	SAMSUNG ELECTRONICS CO LTD	41,341,774

Top 10 Holdings



The top 10 holdings within the public equity portfolio in millions of dollars.

Fixed Income

As of June 30, 2024, 17.31% of the combined portfolio was invested in fixed income securities. The fair value of the fixed income equity portfolio was \$1.987 billion.

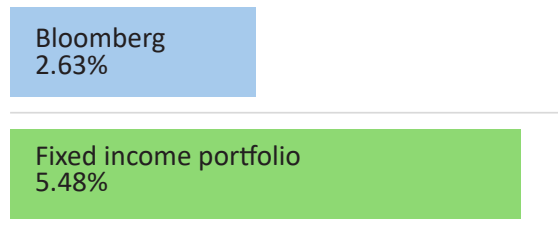
Core-Plus Fixed Income

the fixed income portfolio of the combined portfolio is invested in core-plus fixed income strategies. The objective is to generate a return above the core fixed income investment. The fixed income portfolio is 100% invested in core plus and is 100% actively managed.

The core-plus portfolio is a diversified portfolio of fixed income securities, utilizing cash and cash equivalents, forward foreign exchange contracts, swaps, currency options, financial futures, government and government agency bonds, Eurobonds, nondollar bonds, nonconvertible preferred stock, options on fixed income instruments, mortgage-backed bonds, corporate bonds, commercial mortgage-backed securities, private placement corporate bonds, and asset-backed securities.

Results

The fixed income portfolio returned 5.48% for the fiscal year, the Bloomberg Aggregate Index, returned 2.63%.



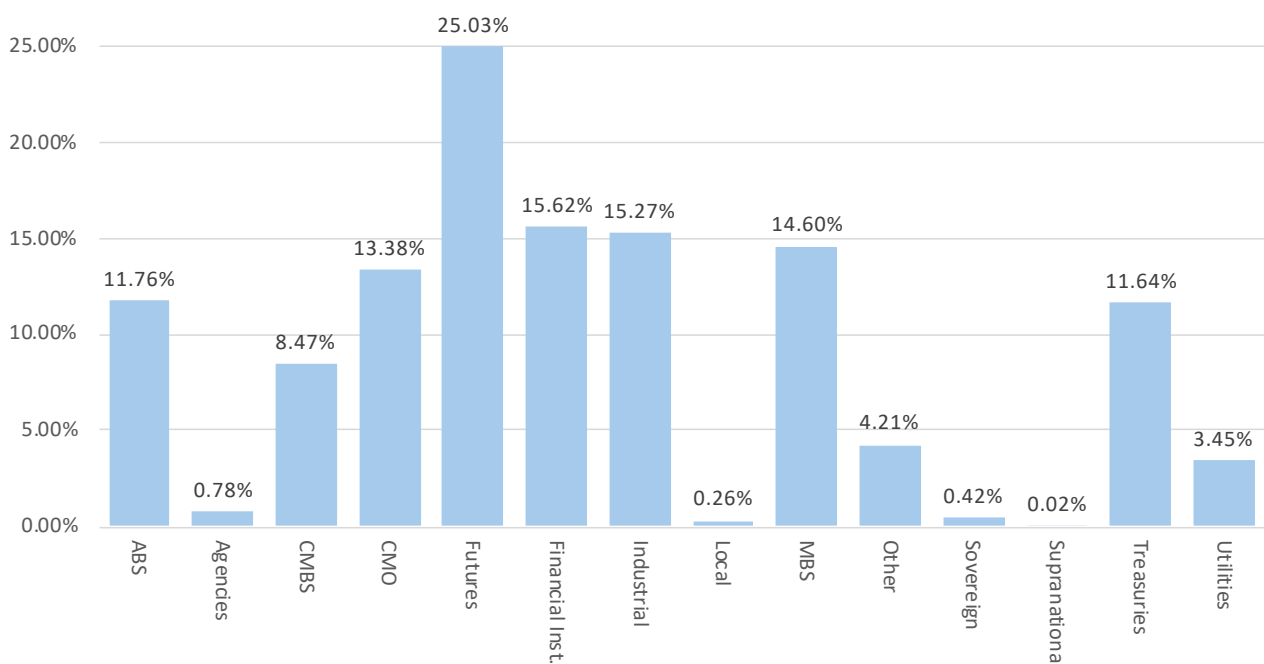
Top 10 Holdings

The top 10 holdings within the fixed income portfolio as of June 30, 2024

Holdings	Description	Market Value*
1	U S TREASURY BOND 1.125% 08/15/2040	24,776,280
2	U S TREASURY NOTE 0.875% 11/15/2030	23,645,284
3	U S TREASURY BOND 4.625% 05/15/2044	22,642,861
4	U S TREASURY NOTE 0.750% 03/31/2026	16,787,160
5	U S TREASURY BOND 1.875% 02/15/2041	15,018,379
6	U S TREASURY BILL 0.000% 10/01/2024	14,740,605
7	U S TREASURY NOTE 4.500% 04/15/2027	12,413,468
8	U S TREASURY NOTE 0.625% 08/15/2030	11,913,710
9	U S TREASURY NOTE 0.625% 05/15/2030	11,732,530
10	U S TREASURY BOND 4.625% 05/15/2054	11,153,700

*Figures are APERS and ASPRS combined

Core-Plus Fixed Income Distribution



Investments

Private Markets

As of June 30, 2024, 3.38% of the combined portfolio was invested in diversified strategies. This asset class has the smallest allocation target. The fair value of the portfolio was \$388 million.

The Fund-of-Funds strategy invests in hedge funds. The total number of funds varies as does the types of strategies. On June 30, 2024, there were fundamental equity strategies, event driven strategies, fundamental credit strategies, credit trading strategies, distressed credit strategies, Residential Mortgage Backed Securities (RMBS) strategies, structured Asset-Backed Securities (ABS) strategies, “multi-strat” strategies, commodity strategies, macro rates strategies, thematic macro strategies, quantitative strategies, Commodity Trade Advisor (CTA) strategies, and special situation strategies in the portfolio.

The private markets sector also includes private equity which is a new asset class for the fund.

Results

The Private Markets Strategies portfolio returned 24.56% for the fiscal year. The combined portfolio’s hedge fund targeted performance returned 10.58%.

Private Market Portfolio

Target
10.58%

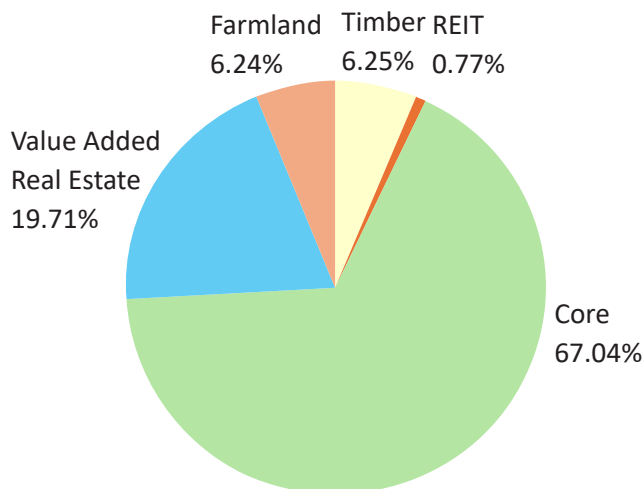
Actual
24.56%

Real Assets

As of June 30, 2024, 14.10% of the combined portfolio was invested in real assets. The fair value of the real asset component of the combined portfolio was \$1.618 billion.

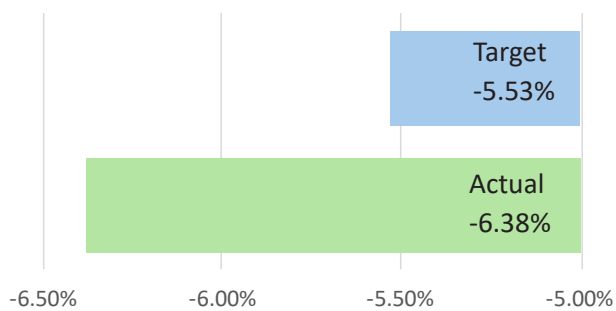
The asset allocation comprises five different sub-categories: core real estate, value add real estate, timber, agriculture, and a passive REIT index.

Real Assets Portfolio

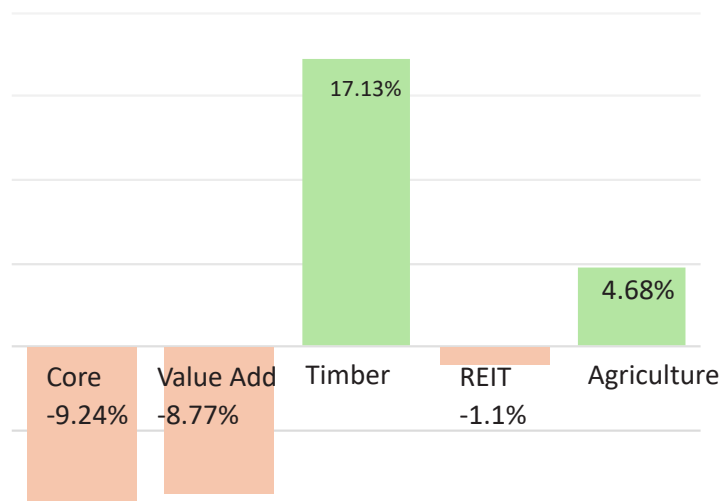


Results

The Real Assets portfolio returned -6.38% for the fiscal year. The combined portfolio’s targeted performance returned -5.53% which is not a benchmark because a benchmark does not exist.



Core Real estate returned -9.24% for the fiscal year, Value Add Real Estate returned -8.77%, Timber returned 17.13%, REITs returned -1.1%, and Agriculture returned 4.68%



Investment Managers

Acadian Asset Management
Boston, MA 02110

Artisan Partners
Milwaukee, WI 53202

Baillie Gifford Overseas Ltd.
Edinburgh, Scotland

Blackstone Alternative Asset Management, LP
New York, NY 10154

The Carlyle Group
Washington, D.C. 20001

CastleArk Management, LLC
Chicago, IL 60606

Clarion Partners
New York, NY 10169

DoubleLine Capital
Los Angeles, CA 90071

Franklin Templeton Institutional
Coral Gables, FL

HarbourVest Partners, LLC
Boston, MA 02111

Harrison Street Real Estate Partners
Chicago, IL 60606

Heitman America Real Estate
Chicago, IL 60606

Horrell Capital Management
Little Rock, AR 72211

International Farming Investment Management, LLC.
Kinston, NC 28504

Invesco Real Estate
Dallas, TX 75240

LaSalle Investment Management
San Francisco, CA 94111

Lazard Asset Management
New York, NY 10020

LSV Asset Management
Chicago, IL 60606

Mackay Shields
New York, NY 10105

Mellon Capital
Pittsburgh, PA 15258

Neuberger Berman Group, LLC
New York, NY 10104

PGIM U.S. Agriculture
San Francisco, CA 94111

Pinnacle Forest Investments, LLC
Little Rock, AR 72211

PGIM, Inc.
Newark, NJ 07102

Principal Real Estate Investors, LLC
Des Moines, IA 50309

SSI Investment Management
Beverly Hills, CA 90210

Starwood Management LLC
Los Angeles, CA 90025

Stephens Investment Management Group
Houston, TX 77046

TA Associates Realty
Boston, MA 02109

Wellington Management Company
Boston, MA 02210

William Blair, LLC
Chicago, IL 60606

Investments

Schedule of Manager Distribution

(for the year ended June 30, 2024)

Asset Allocation	Total	APERS	ASPRS
Domestic Equity			
SSI INVESTMENT MGMT	414,757,683.85	399,223,303.94	15,534,379.91
LAZARD ASSET MGMT	512,688,062.56	493,485,787.47	19,202,275.09
WELLINGTON	499,380,752.39	480,676,890.76	18,703,861.63
CASTLEARK MGMT	670,854,772.33	645,728,503.89	25,126,268.44
STEPHENS SMALL CAP GROWTH	199,105,050.23	191,647,747.78	7,457,302.45
STEPHENS MID CAP GROWTH	336,585,155.73	323,978,658.28	12,606,497.45
LSV ASSET MANAGEMENT	381,007,229.14	366,736,942.47	14,270,286.67
HORRELL CAPITAL (PASSIVE)	232,996,158.71	224,269,494.95	8,726,663.76
MCM EB LARGE CAP GROWTH	43,359,992.40	41,735,982.48	1,624,009.92
WILLIAM BLAIR - LARGE CAP GROWTH	483,639,548.51	465,525,259.66	18,114,288.85
MCM EB DV STOCK INDEX	766,895,908.12	738,172,504.42	28,723,403.70
	4,541,270,313.97	4,371,181,076.09	170,089,237.88
Domestic Fixed Income			
MACKAY CP II (PARETO)	679,897,867.57	654,432,898.05	25,464,969.52
DOUBLELINE CAPITAL	624,784,855.42	601,384,094.72	23,400,760.70
PRUDENTIAL INVESTMENTS	682,700,350.36	657,130,416.34	25,569,934.02
	1,987,383,073.35	1,912,947,409.11	74,435,664.24
International Equity			
MCM ACWI EX-US INDEX FUND	630,339,626.53	606,730,816.82	23,608,809.71
ACADIAN ASSET MANAGEMENT	215,330,175.38	207,265,175.30	8,065,000.08
FRANKLIN TEMPLETON	164,487,107.45	158,326,389.23	6,160,718.22
MANNING & NAPIER	243,482.12	234,362.71	9,119.41
LAZARD ASSET MGMT	578,988,241.60	557,302,752.31	21,685,489.29
ARTISAN PARTNERS	727,913,591.86	700,650,236.12	27,263,355.74
BAILLIE GIFFORD	510,787,337.09	491,656,251.98	19,131,085.11
	2,828,089,562.03	2,722,165,984.48	105,923,577.55
Private Markets/ Diversified Strategies			
HARBOURVEST DOVER XI	108,366,327.00	104,307,562.67	4,058,764.33
NEUBERGER BERMAN	37,274,367.00	35,878,288.76	1,396,078.24
BLACKSTONE	242,759,115.72	233,666,789.10	9,092,326.62
	388,399,809.72	373,852,640.52	14,547,169.20
Real Assets			
CASTLEARK (GLOBAL ENERGY)	11,128.90	10,712.08	416.82
PGIM AGRICULTURE	48,297,517.00	46,488,576.49	1,808,940.51
IFC INTERNATIONAL FARMING	52,719,017.32	50,744,473.45	1,974,543.87
HARRISON STREET FUND VIII	48,780,029.00	46,953,016.43	1,827,012.57
STARWOOD SOF XII	41,341,952.00	39,793,525.98	1,548,426.02
INVESCO REALTY (CORE FUND)	516,250,020.00	496,914,334.96	19,335,685.04
HEITMAN VALUE FD IV	46,221,897.62	44,490,697.58	1,731,200.04
TA ASSOC. REALTY - FUND XI	363,979.00	350,346.49	13,632.51
TA ASSOC. REALTY - FUND XII	94,496,345.00	90,957,068.50	3,539,276.50
TA ASSOC. REALTY - FUND XIII	36,361,251.00	34,999,372.71	1,361,878.29
LASALLE INV MGMT - FUND VI	4,601,155.93	4,428,823.73	172,332.20
LASALLE INV MGMT- FUND VII	15,331,635.71	14,757,402.94	574,232.77
HEITMAN REAL ESTATE	323,479,184.00	311,363,559.06	12,115,624.94
PINNACLE FOREST INVEST.	101,112,028.34	97,324,967.31	3,787,061.03
MCM EB DV NON ST RT	12,443,817.04	11,977,744.95	466,072.09
CARLYLE PROP INV FUND	81,486,019.07	78,434,032.75	3,051,986.32
PRINCIPLE ENHANCED PF	85,808,729.51	82,594,839.92	3,213,889.59
CLARION LION IND TRUST	78,011,272.01	75,089,429.25	2,921,842.76
HARRISON STREET FUND IX	31,489,774.00	30,310,352.54	1,179,421.46
	1,618,606,752.45	1,557,983,277.10	60,623,475.35
Short-term Investment Fund	115,426,564.99	101,532,660.32	13,893,904.67
TOTAL FUND	11,479,176,076.51	11,479,176,076.51	27,787,809.34

Schedule of Brokerage Commissions

(for the year ended June 30, 2024)

Brokerage firm	Total Commission	APERS	ASPRS
GOLDMAN SACHS & CO, NY	57,484	55,331	2,153
J.P MORGAN SECURITIES INC, NEW YORK	75,098	72,285	2,813
JEFFERIES & CO INC, NEW YORK	41,601	40,043	1,558
MERRILL LYNCH PIERCE FENNER SMITH INC NY	51,700	49,763	1,936
MORGAN STANLEY AND CO., LLC, NEW YORK	47,655	45,870	1,785
CITIGROUP GLOBAL MARKETS, INC., NEW YORK	22,215	21,383	832
BMO CAPITAL MARKETS CORP, NEW YORK	33,347	32,098	1,249
BNP PARIBAS PEREGRINE SEC LTD, HONG KONG	28,110	27,057	1,053
ISI GROUP INC, NEW YORK	21,035	20,247	788
PIPER JAFFRAY & CO., JERSEY CITY	33,460	32,207	1,253
All Others (165)	394,898	380,108	14,791
	\$ 806, 603	\$ 776,392	\$ 30,211

Schedule of Investment Fees

(for the year ended June 30, 2024)

	Combined Fees	APERS Fees	ASPRS Fees
Domestic Equity	12,970,072.97	12,484,290.43	485,782.54
Fixed Income	3,793,819.61	3,651,725.47	142,094.14
International Equity	10,017,864.16	9,642,653.97	375,210.19
Private Markets / Diversified Strategies	7,087,761.28	6,822,295.49	265,465.79
Real Assets	8,562,914.78	8,242,198.43	320,716.35
Consulting Services †	1,817,315.92	1,749,249.97	68,065.95
Bank of New York Mellon*	530,133.12	510,277.46	19,855.66
	44,779,881.84	43,102,691.22	1,677,190.62

*Custodian bank

† Investment consultant



APERS

ARKANSAS PUBLIC EMPLOYEES'
RETIREMENT SYSTEM

ACTUARIAL





November 1, 2024

Board of Trustees
Arkansas Public Employees Retirement System
Little Rock, Arkansas

Dear Board Members:

The basic financial objective of the Arkansas Public Employees Retirement System (APERS) as provided in the Arkansas Code is to establish and receive contributions which, expressed as percents of active member payroll, will remain approximately level from generation to generation of Arkansas citizens and when combined with present assets and future investment return will be sufficient to meet the financial obligations of APERS to present and future benefit recipients. The progress towards meeting this financial objective is illustrated in the Schedule of Funding Progress and the Schedule of Employer Contributions.

We performed an actuarial valuation and issued an actuarial valuation report for APERS as of June 30, 2024. The purpose of the June 30, 2024 annual actuarial valuation was to determine the contribution requirements for the year beginning July 1, 2026 (July 1, 2024 for the District Judges Still Paying Old Plan) and to measure the System's funding progress. The actuarial valuation report should not be relied upon for any other purpose. The valuation process develops contribution rates that are sufficient to fund the plan's normal cost (i.e., the cost assigned by the valuation method to the year of service about to be rendered) as well as to fund unfunded actuarial accrued liabilities as a level percent of active member payroll (level dollar for the District Judges portion of APERS) over a period of up to 30 years. The most recent valuations were completed based upon population data, asset data, and plan provisions as of June 30, 2024. In addition, a separate report was issued (dated October 31, 2024) to provide actuarial information for GASB Statement No. 67 and GASB Statement No. 68.

The APERS administrative staff provides the actuary with data for the actuarial valuation. The actuary relies on the data after reviewing it for internal and year-to-year consistency. The actuary summarizes and tabulates population data in order to analyze longer term trends. The plan's external auditor also audits the actuarial data annually. We are not responsible for the accuracy or completeness of the data provided by staff.

The actuarial valuation report and GASB Statement Nos. 67 and 68 report contain the following supporting schedules for use in the Actuarial and Financial Sections of the Annual Comprehensive Financial Report:

Actuarial Section

- Summary of Assumptions Used
- Summary of Actuarial Methods and Assumptions
- Active Member Valuation Data
- Short Condition Test
- Analysis of Financial Experience
- Analysis of Financial Experience – Gains and Losses by Risk Area

Board of Trustees
Arkansas Public Employees Retirement System
November 1, 2024
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Financial Section

- Schedule of Funding Progress
- Schedule of Changes in Net Pension Liability and Related Ratios
- Schedule of the Net Pension Liability
- Schedule of Contributions
- Notes to Schedule of Contributions

For actuarial valuation purposes, assets are valued on a market related basis that recognizes each year's difference between actual and assumed investment return over a closed four-year period with the exception of the old plan still paying District Judges portion of APERS, where assets are valued on a market basis.

Actuarial valuations are based upon assumptions regarding future activity in specific risk areas, including the rates of investment return and payroll growth, eligibility for the various classes of benefits, and longevity among retired lives. These assumptions are adopted by the Board after considering the advice of the actuary and other professionals. The actuarial assumptions used for the valuation produce results which, individually and in the aggregate, are reasonable. The combined effect of the assumptions, excluding prescribed assumptions or methods set by law, is expected to have no significant bias (i.e., not significantly optimistic or pessimistic). The assumptions and the methods comply with the requirements of the Actuarial Standards of Practice. Each actuarial valuation takes into account all prior differences between actual and assumed experience in each risk area and adjusts the contribution rates as needed.

The June 30, 2024 valuations were based upon assumptions that were recommended in connection with a study of experience covering the period 2017-2022.

On the basis of the June 30, 2024 actuarial valuations and the benefits and contribution rates then in effect, it is our opinion that the Arkansas Public Employees Retirement System continues to satisfy the general financial objective of level contribution financing.

We have assessed that the contribution rate calculated under the current funding policy is a reasonable Actuarially Determined Employer Contribution (ADEC) and it is consistent with the plan accumulating adequate assets to make benefit payments when due.

Future actuarial measurements may differ significantly from those presented in the annual valuations due to such factors as experience differing from that anticipated by actuarial assumptions, or changes in plan provisions, actuarial assumptions/methods or applicable law. Due to the limited scope of the assignment, we did not perform an analysis of the potential range of future measurements.

The reports were prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation, and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

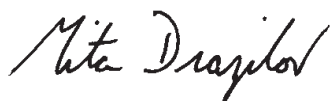


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Arkansas Public Employees Retirement System
November 1, 2024
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The signing individuals are independent of the plan sponsor.

Mita D. Drazilov and Heidi G. Barry are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Respectfully submitted,
Gabriel, Roeder, Smith & Company



Mita D. Drazilov, ASA, FCA, MAAA



Heidi G. Barry, ASA, FCA, MAAA

MDD/HGB:rmn



Actuarial

Summary of Actuarial Assumptions

Economic Assumptions

The investment return rate used in making the valuation was 7.00% per year, compounded annually (net after investment expenses). This rate of return is not the assumed real rate of return. The real rate of return is the portion of investment return which is more than the wage inflation rate. Considering the assumed wage inflation rate of 3.25%, the 7.00% investment return rate translates to an assumed net real rate of return of 3.75%. The wage inflation assumption was first used for the June 30, 2015 valuation, including also the District Judges division. The investment return assumption was first used for the June 30, 2023 valuation, including also the District Judges division.

Pay increase assumptions for individual active members are shown on pages E-7 and E-8. Part of the assumption for each age is for a merit and/or seniority increase, and the other 3.25% recognizes wage inflation. The wage inflation assumption consists of 2.50% for price inflation and 0.75% for real wage growth. These assumptions were first used for the June 30, 2023 valuation and for the District Judges division for the June 30, 2015 valuation.

Total active member payroll is assumed to increase 3.25% a year, which is the portion of the individual pay increase assumptions attributable to wage inflation. This assumption was first used for the June 30, 2015 valuation and for the District Judges division for the June 30, 2015 valuation.

The number of active members is assumed to continue at the present number.

Non-Economic Assumptions

The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 114% and 132% of the PubG-2010 Amount-Weighted Below-Median Income General Retiree Mortality tables, for males and females, respectively. The disabled retiree mortality tables, for post-retirement disabled mortality, used in evaluating allowances to be paid were 114% and 132% of the PubNS-2010 Amount-Weighted Disabled Retiree Mortality tables for males and females, respectively. The pre-retirement mortality

tables used were 75% of the PubG-2010 Amount-Weighted Below-Median General Employee Mortality tables for active mortality experience. Mortality rates for a particular calendar year are determined by applying the MP-2021 mortality improvement scale to the above described tables. Related values are shown on pages E-3 (post-retirement) and E-7 (pre-retirement). These assumptions were first used for the June 30, 2023 valuation.

The probabilities of retirement for members eligible to retire are shown on pages E-4 through E-6. These probabilities were first used for the June 30, 2023 valuation and for the June 30, 2007 valuation for the District Judges division.

The probabilities of withdrawal from service, death-in-service and disability are shown for sample ages on pages E-7 and E-8. These probabilities were first used for the June 30, 2023 valuation and for the District Judges division for the June 30, 2018 valuation.

The individual entry-age normal actuarial cost method of the valuation was used in determining liabilities and normal cost.

Differences in the past between assumed experience and actual experience (actuarial gains and losses) become part of actuarial accrued liabilities.

For APERS, unfunded actuarial accrued liabilities are amortized to produce contribution amounts (principal and interest) which are level percent-of-payroll contributions. Beginning with the 2023 annual actuarial valuation, the amortization period will remain closed and the remaining UAAL will be amortized over a 17-year closed period. Changes in the UAAL due to the actuarial gains or losses for each annual actuarial valuation or from changes to the actuarial assumptions will be amortized over a new closed 20-year period on an annual basis. Changes in the UAAL due to changes in benefit provisions that would result in an increase in the employer contribution rate shall be amortized over a closed 15-year period for active members and a closed 5-year period for non-active members (i.e., retired members and deferred members). Changes

*The data referenced in this section is taken from the actuary's report, *Arkansas Public Employees' Retirement System Actuarial Valuation and Experience Gain/(Loss) Analysis June 30, 2024*, prepared by Gabriel Roeder Smith & Co. The page numbers mentioned above refer to this report. A PDF copy of the report is available for download at www.apers.org.

in the UAAL due to changes in benefit provisions that would result in a decrease in the employer contribution rate shall be amortized over a closed 30-year period for active members and a closed 15-year period for non-active members (i.e., retired members and deferred members). The maximum amortization period to finance the total UAAL shall not exceed 30 years.

For the District Judges division, unfunded actuarial accrued liabilities are amortized as a level dollar contribution. Beginning with the 2023 annual actuarial valuation, the amortization period is a closed 4-year period for the New Plan and Paid-Off Old Plan and a closed 12-year period for the Still Paying Old Plan.

Recognizing the special circumstances of the General Assembly division, modifications of the above assumptions were made where appropriate.

Present assets (cash & investments) were valued on a market related basis in which differences between actual and assumed returns are phased-in over a four-year period (including District Judges New Plan and Paid Off Old Plan). The funding value of assets may not deviate from the market value of assets by more than 25%. District Judges Still Paying Old Plan present assets (cash & investments) were valued on a market value basis.

The data about persons now covered and about present assets were furnished by the system's administrative staff. Although examined for general reasonableness, the data was not audited by the Actuary.

The actuarial valuation computations were made by or under the supervision of a Member of the American Academy of Actuaries (MAAA).

Actuarial Data

Single Life Retirement Values

Sample Attained Ages	Present Value of \$1.00 Monthly for Life		Present Value of \$1.00 Monthly for Life Increasing 3% Annually		Future Life Expectancy (Years) 2024 *	
	Men	Women	Men	Women	Men	Women
40	\$ 159.19	\$ 163.98	\$ 235.24	\$ 246.82	41.24	45.07
45	152.55	158.74	219.62	233.07	36.00	39.77
50	144.88	152.43	202.95	217.86	31.13	34.73
55	137.67	146.15	187.24	202.74	26.86	30.16
60	128.78	137.88	169.55	185.02	22.74	25.65
65	117.60	126.85	149.47	164.14	18.74	21.20
70	103.42	112.60	126.70	140.19	14.87	16.88
75	87.20	95.69	102.94	114.52	11.35	12.89
80	69.86	76.99	79.60	88.65	8.28	9.37
85	53.37	58.27	58.93	64.75	5.84	6.47

Sample Attained Ages	Benefit Increasing 3.0% Yearly	Portion of Age 60 Lives Still Alive *	
		Men	Women
60	\$100	100 %	100 %
65	116	93	96
70	134	85	91
75	155	73	82
80	180	57	69

* Applicable to calendar year 2024. Life expectancies and rates in future years are determined by the fully generational MP-2021 projection scale.

Separations from Active Employment Before Retirement

(State and Local Government Division as of June 30, 2024)

Sample Ages	Years of Service	Percent of Active Members Separating within the Next Year						Pay Increase Assumptions for an Individual Employee		
		Withdrawal		Death *		Disability		Merit & Seniority	Base (Economy)	Increase Next Year
		Men	Women	Men	Women	Men	Women			
	0	40.0 %	40.0 %							
	1	25.0	25.0							
	2	20.0	20.0							
	3	15.0	15.0							
	4	12.0	12.0							
20	5+	12.5	12.5	0.03 %	0.01 %	0.01 %	0.01 %	7.75 %	3.25 %	11.00 %
25		12.5	12.5	0.04	0.01	0.04	0.04	6.10	3.25	9.35
30		11.0	11.0	0.06	0.02	0.07	0.07	3.98	3.25	7.23
35		7.8	7.8	0.08	0.03	0.09	0.09	2.82	3.25	6.07
40		5.5	5.5	0.10	0.04	0.13	0.13	2.20	3.25	5.45
45		4.3	4.3	0.12	0.05	0.17	0.17	1.70	3.25	4.95
50		3.4	3.4	0.15	0.07	0.34	0.34	1.29	3.25	4.54
55		2.4	2.4	0.23	0.11	0.60	0.60	1.06	3.25	4.31
60		1.5	1.5	0.35	0.18	0.85	0.85	0.70	3.25	3.95

*Applicable to calendar year 2024 Rates in future years are determined by the above rates and the MP-2017 projection scale.

Pay increase rates are age based only, and not service based.

Actuarial

State and Local Government Division Age-Based Retirement

(as of June 30, 2024)

Retirement Ages (with less than 28 years of service)	Percent of Eligible Active Members Retiring Within Next Year	
	Unreduced	Reduced
55		2.5 %
56		2.5
57		3.0
58		3.0
59		4.0
60		4.0
61		5.5
62		18.0
63		17.0
64		14.0
65	22.0 %	
66	25.0	
67	23.0	
68	18.0	
69	18.0	
70	18.0	
71	18.0	
72	18.0	
73	18.0	
74-84	20.0	
85 & Over	100.0	

*A member was assumed eligible for unreduced retirement after attaining age 65 with 5 years of service or 28 years regardless of age. A member was assumed eligible for reduced retirement after attaining age 55 with 10 or more years of service.

State and Local Government Division Service-Based Retirement

(as of June 30, 2024)

Service	Percent of Eligible Active Members Retiring Within Next Year
28	15 %
29	17
30	15
31	15
32	15
33	15
34	15
35	20
36	22
37	22
38	22
39	25
40	25
41	25
42 & Over	100

*Member may retire at age 50 with 20 or more years of service, age 60 with 16 or more years of service, or age 65 with 8 or more years of service.

Short Condition Test

The APERS funding objective is to meet long-term benefit promises through contributions that remain approximately level from year to year as a percent of member payroll. If the contributions to the System are level in concept and soundly executed, the System will pay all promised benefits when due -- the ultimate test of financial soundness. Testing for level contribution rates is the long-term condition test.

A short condition test is one means of checking a system's progress under its funding program. In a short condition test, the system's present assets (cash and investments) are compared with

- Active member contributions on deposit,

- The liabilities for future benefits to present retired lives, and
- The liabilities for service already rendered by active members.

In a system that has been following the discipline of level percent-of-payroll financing, the liabilities for active member contributions on deposit (liability 1) and the liabilities for future benefits to present retired lives (liability 2) will be fully covered by present assets (except in unusual circumstances).

In addition, the liabilities for service already rendered by active members (liability 3) will be partially covered by the remainder of present assets. The larger the funded portion of liability 3, the stronger the condition of the system.

Liability 3 being fully funded is uncommon.

Ten-Year Comparative Statement

(dollars in millions for fiscal years ended June 30)

Val'n. Date: June 30	Entry Age Accrued Liability			Valuation Assets	Portion of Present Values Covered by Present Assets			
	(1) Active Member Contr.	(2) Retirees and Benef.	(3) Active Members (Employer Financed Portion)		(1)	(2)	(3)	Total
STATE DIVISION (including sub-divisions)								
1998@	\$17.2	\$ 640.3	\$1,395.9	\$2,328.5	100%	100%	119%	113%
1999@#	16.9	784.0	1,634.2	2,637.1	100%	100%	112%	108%
2000	15.8	747.5	1,865.7	2,943.3	100%	100%	117%	112%
LOCAL GOVERNMENT DIVISION								
1998@	\$ 8.8	\$ 337.9	\$ 501.1	\$ 968.1	100%	100%	124%	114%
1999#	8.8	446.9	587.9	1,074.7	100%	100%	105%	103%
2000	7.6	440.0	706.0	1,178.1	100%	100%	103%	102%
STATE AND LOCAL GOVERNMENT DIVISION								
2015@	201.1	4,654.5	4,439.2	7,351.7	100%	100%	56%	79%
2016	228.4	4,929.2	4,505.1	7,768.9	100%	100%	58%	80%
2017	291.1	5,547.3	4,671.8	8,157.0	100%	100%	50%	78%
2017@	291.1	5,460.9	4,568.5	8,157.0	100%	100%	53%	79%
2018	334.7	5,717.9	4,641.7	8,416.4	100%	100%	51%	79%
2019	376.0	6,015.8	4,737.0	8,738.7	100%	100%	50%	79%
2020	410.2	6,270.1	4,832.7	9,090.4	100%	100%	50%	79%
2021#	439.2	6,531.0	4,851.3	9,892.5	100%	100%	60%	84%
2022	473.0	6,677.8	5,075.3	10,220.3	100%	100%	60%	84%
2023@	516.8	6,937.6	5,614.2	10,638.4	100%	100%	57%	81%
2024	563.4	7,139.4	5,689.7	11,237.6	100%	100%	62%	84%

After legislated changes in benefit provisions.

@ After changes in actuarial assumptions.

Analysis of Experience

Purpose of Gain/(Loss) Analysis

Regular actuarial valuations give valuable information about the composite change in unfunded actuarial accrued liabilities – whether or not the liabilities are increasing or decreasing and by how much.

But valuations do not show the portion of the change attributable to each risk area within the retirement system: the rate of investment return which plan assets earn; the rates of withdrawal of active members who leave covered employment; the rates of mortality; the rates of disability; the rates of pay increases; and the ages at actual retirement. In an actuarial valuation, assumptions must be made as to what these rates will be, for the next year and for decades in the future.

The objective of a gain and loss analysis is to determine the portion of the change in actuarial condition (unfunded actuarial accrued liabilities) attributable to each risk area.

The fact that actual experience differs from assumed experience is to be expected – the future cannot be predicted with precision. The economic risk areas (particularly investment return and pay increases) are volatile. Inflation directly affects economic risk areas, and inflation seems to defy reliable prediction.

Changes in the valuation assumed experience for a risk area should be made when the differences between assumed and actual experience have been observed to be sizable and persistent. A gain and loss analysis covering a relatively short period may or may not be indicative of long-term trends, which are the basis of actuarial assumptions.

Changes in Unfunded Actuarial Accrued Liability

(dollars in millions for the fiscal year ended June 30, 2024)

	Total
	(\$ in millions)
(1) UAAL* at beginning of year	\$ 2,430.2
(2) Employer normal cost from last valuation	171.9
(3) Actual employer contributions	347.5
(4) Interest accrual: [(1) + ½[(2) - (3)]]x .07	164.0
(5) Expected UAAL before changes: (1) + (2) - (3) + (4)	2,418.6
(6) Increase from benefit changes	0.0
(7) Changes from revised actuarial assumptions and methods	0.0
(8) New entrant liabilities	77.1
(9) Expected UAAL after changes: (5) + (6) + (7) + (8)	2,495.7
(10) Actual UAAL at end of year	2,154.9
(11) Gain/(Loss): (9) - (10)	\$ 340.8
<hr/>	
(12) Actuarial accrued liability at start of year	\$ 13,068.6
(13) Gain/(loss) as percent of actuarial accrued liabilities at start of year: (11) / (12)	2.6%
(14) Investment gain/(loss) As a percent of AAL at the start of the year: (14) / (12)	\$ 121.7 0.9%
(15) Liability gain/(loss) As a percent of AAL at the start of the year: (15) / (12)	\$ 219.1 1.7%

* Unfunded actuarial accrued liability.

Actuarial

Gains/Losses by Risk Area

(for the fiscal year ended June 30, 2024)

Type of Risk Area	Total (\$ in millions)	% of BOY Accrued Liabilities
ECONOMIC RISK AREAS		
Pay Increases. If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	\$ 139.9	1.1 %
Investment Return. If there is greater investment return than assumed, there is a gain. If less return, a loss.	121.7	0.9 %
NON-ECONOMIC RISK AREAS		
Non-Casualty Retirements. If members retire at older ages or with lower final average pays than assumed, there is a gain. If younger ages or higher average pays, a loss.	0.9	0.0 %
Disability Retirements. If there are fewer disabilities than assumed, there is a gain. If more, a loss.	1.5	0.0 %
Death-in-Service Benefits. If there are fewer claims than assumed, there is a gain. If more, a loss.	(1.4)	0.0 %
Withdrawal. If more liabilities are released by other separations than assumed, there is a gain. If smaller releases, a loss.	42.2	0.3 %
Total Active Member Actuarial Gains/(Losses)	\$ 304.8	2.3 %
Retired Life Mortality.	69.1	0.5 %
Other. Includes data adjustments at retirement, timing of financial transactions, and miscellaneous unidentified sources.	(33.1)	(0.3)%
Total Actuarial Gains/(Losses)	\$ 340.8	2.6 %

Summary of Provisions Evaluated (Excludes Special Provisions for General Assembly)

The Non-Contributory Plan applies to all persons first hired after January 1, 1978 and before July 1, 2005 in APERS-covered employment. The New Contributory Plan applies to all persons hired after July 1, 2005 in APERS-covered employment or Non-Contributory members who elected to participate in the New Contributory Plan.

New Contributory Plan

Non-Contributory Plan

Voluntary Retirement

With a full benefit, after either (a) age 65 with 5 years of service, or (b) 28 years of actual service, regardless of age. For sheriff and public safety members, the age 65 requirement is reduced 1 month for each 2 months of actual service, but not below age 55 (age 52 for sheriff members with a minimum of 10 years of actual service).

With a full benefit, after either (a) age 65 with 5 years of service, or (b) 28 years of actual service, regardless of age. For sheriff and public safety members, the age 65 requirement is reduced 1 month for each 2 months of actual service, but not below age 55 (age 52 for sheriff members with a minimum of 10 years of actual service).

With a reduced benefit, after age 55 with 5 years of service or any age with 25 years of service. The reduction is equal to ½ of 1% for each month retirement precedes normal retirement age or 1% for each month below 28 years of actual service, whichever is less.

With a reduced benefit, after age 55 with 5 years of service or any age with 25 years of service. The reduction is equal to ½ of 1% for each month retirement precedes normal retirement age or 1% for each month below 28 years of actual service, whichever is less.

Final Average Compensation (FAC)

Average of highest 36 calendar months of covered compensation (60 months for members hired on or after July 1, 2022).

Average of highest 36 calendar months of covered compensation.

Full Age & Service Retirement Benefit

2.00% of FAC times years of service (2.03% for service prior to July 1, 2007), plus .5% of FAC times years of service over 28 years for service after July 1, 2009. The minimum monthly benefit is \$150 minus any age and beneficiary option reductions.

1.72% of FAC times years and months of credited service (1.75% for service prior to July 1, 2007), plus .5% of FAC times years of service over 28 years for service after July 1, 2009. If retirement is prior to age 62, an additional .33% of FAC times years of service will be paid until age 62. The portion of the APERS benefit based on service before 1978 cannot be less than the amount provided by contributory provisions in effect at the time of retirement. The minimum monthly benefit is \$150 minus any age and beneficiary option reductions.

Summary of Provisions Evaluated

New Contributory Plan

Non-Contributory Plan

Benefit Increases After Retirement

Annually, there will be a cost-of-living adjustment equal to 3% of the current benefit.

Annually, there will be a cost-of-living adjustment equal to 3% of the current benefit.

For members first hired on or after July 1, 2022, the redetermined amount is the monthly benefit payable as of the preceding July 1 increased by the lesser of three percent (3%), or the percentage change in the Consumer Price Index for Urban Wage Earnings and Clerical Workers (CPI-W) over the one-year period ending in the December preceding the redetermination date.

Member Contribution Rates

5% of covered compensation (pre-tax). Beginning July 1, 2022, the member contribution rate will increase in increments of 0.25% per year until it reaches the maximum 7%. Member contributions are refundable if APERS-covered employment terminates before a monthly benefit is payable. Members will earn interest on the contributions at a rate of 2% annually.

No employee contributions for service after January 1, 1978. If there is service before January 1, 1978, contributions for that period are refundable later in the same manner as under the Contributory Plan.

Vested Retirement Benefits

5 or more years of service, and leaving APERS-covered employment before full retirement age. Deferred full retirement benefit, based on service and pay at termination, begins at age 65. A death benefit is payable to surviving spouse of member who dies before benefit commencement.

5 or more years of service, and leaving APERS-covered employment before full retirement age. Deferred full retirement benefit, based on service and pay at termination, begins at age 65. A death benefit is payable to surviving spouse of member who dies before benefit commencement.

In place of deferred full benefit, at age 55 or older a qualifying member can elect an immediate reduced benefit.

In place of deferred full benefit, at age 55 or older a qualifying member can elect an immediate reduced benefit.

Total and Permanent Disability

Disabled after 5 or more years of service, including credit for 18 of the 24 months preceding disability.

Disabled after 5 or more years of service, including credit for 18 of the 24 months preceding disability.

Amount is computed as an age & service benefit, based on service and pay at disability.

Amount is computed as an age & service benefit, based on service and compensation at disability.

Summary of Provisions Evaluated

New Contributory Plan

Non-Contributory Plan

Death After Retirement

If death occurs before total monthly benefit payments equal member's accumulated contributions, the difference is refunded.

Member contributions before 1978 are protected in the same manner as under the Contributory Plan.

A retiring member can also elect an optional form of benefit, which provides beneficiary protection paid for by reducing the retired member's benefit amount. Should the member elect a straight life benefit and decease within 12 months of the date of retirement, a benefit may be payable to the surviving spouse under certain conditions.

A retiring member can also elect an optional form of benefit, which provides beneficiary protection paid for by reducing the retired member's benefit amount. Should the member elect a straight life benefit and decease within 12 months of the date of retirement, a benefit may be payable to the surviving spouse under certain conditions.

Death While in APERS-Covered Employment

Member's accumulated contributions are refundable.

Member's accumulated contributions before 1978 are refundable.

If the member had 5 or more years of service, monthly benefits are payable instead. Surviving spouse receives a benefit computed as if member had retired and elected the Joint & 75% Survivor Option. Payment begins immediately.

If the member had 5 or more years of service, monthly benefits are payable instead. Surviving spouse receives a benefit computed as if member had retired and elected the Joint & 75% Survivor Option. Payment begins immediately.

Each dependent child receives benefit of 10% of compensation (maximum of 25% for all children).

Each dependent child receives benefit of 10% of compensation (maximum of 25% for all children).

Dependent parents benefits are payable if neither spouse nor children's benefits are payable.

Dependent parents benefits are payable if neither spouse nor children's benefits are payable.

Summary of Provisions Evaluated Credited Service

Membership Group	Service Credits
Public Safety Members (including State Capitol Police and Wildlife Sub-Division members) hired before July 1, 1997	1-1/2 times regular rate with 5 years actual service required to meet benefit eligibility rules.
Governor (hired before July 1, 1999)	3 times regular rate with 5 years actual service required to meet death-in-service eligibility and 4 years actual service required for other benefit eligibility.
Elected State Constitutional Officers (hired before July 1, 1999)	2-1/2 times regular rate with 5 years actual service required to meet benefit eligibility.
General Assembly	Regular crediting rate with 5 years of actual service required to meet death-in-service eligibility and 10 years of actual service required for other benefit eligibility.
Other Elected Public Officials (municipal and county officials)	2 times regular rate with 5 years actual service required to meet benefit eligibility.
All Other Members	Regular rate.

Arkansas Public Employees Deferred Retirement Option Plan

Members with 28 years of actual service in APERS or in combination with a reciprocal system are eligible to participate.

Members, for a maximum of 10 years, may continue employment and have 75% of their accrued benefit (at date of participation with 30 or more years of service) paid into the Deferred Retirement Option Plan in lieu of any further benefit accruals.

The payments into the Deferred Retirement Option Plan accumulate with interest at a rate established by the Board. The interest is paid on the mean balance and is paid to the member at termination of active membership in either a lump sum or as an annuity.

Employer contributions continue for members participating in the DROP.

APERS

ARKANSAS PUBLIC EMPLOYEES'
RETIREMENT SYSTEM

STATISTICAL



The System

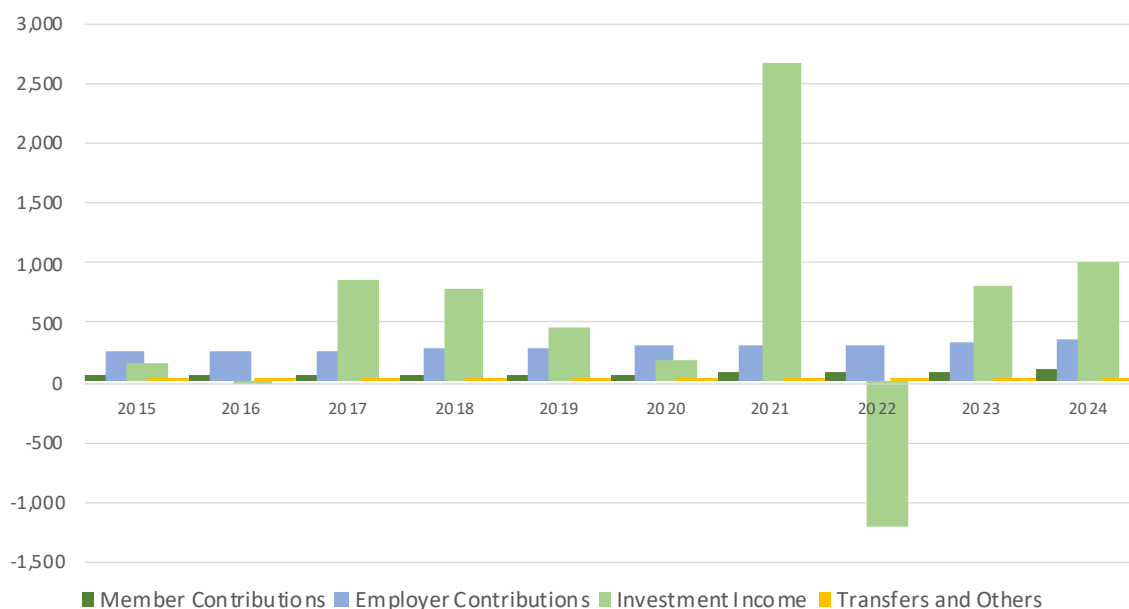
Schedule of Revenues by Source

(for fiscal years ended June 30)

Year Ending June 30	Member Contributions	Employer Contributions	Investment Income	Transfers & Other	Total
2016	55,944,132	263,545,822	-4,177,314	6,271,067	321,583,707
2017	58,500,339	262,063,747	862,824,701	6,105,620	1,189,494,407
2018	64,730,519	276,784,232	782,326,767	6,069,774	1,129,911,292
2019	68,206,685	293,575,107	450,493,098	5,115,404	817,390,294
2020	71,470,967	299,497,566	174,561,773	4,870,799	550,401,105
2021	75,044,922	306,570,648	2,665,823,683	4,636,568	3,052,075,821
2022	81,213,355	320,805,145	-1,192,887,342	4,475,146	-786,393,696
2023	93,037,947	340,152,342	809,503,794	4,297,740	1,246,991,823
2024	102,239,193	348,653,977	1,009,317,535	3,815,272	1,464,025,977

Chart of Revenues by Source

(for fiscal years ended June 30)



The figures shown are in millions of dollars.

Statistical

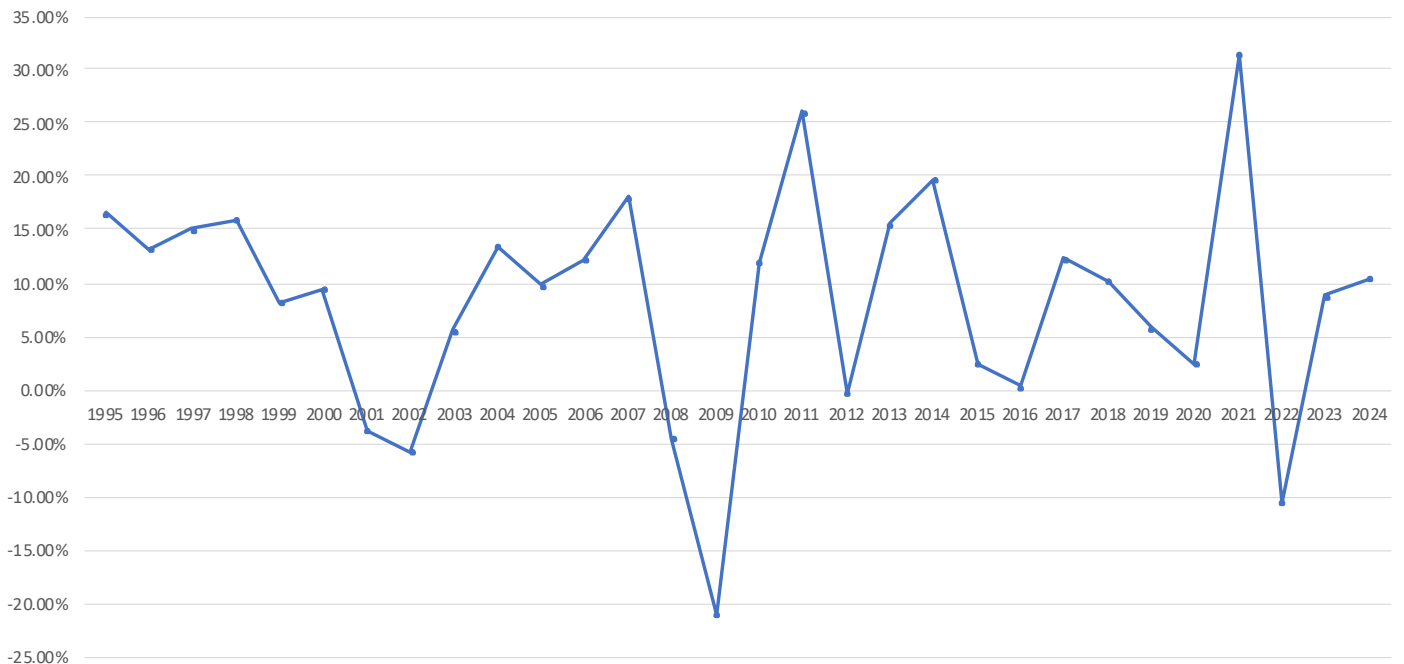
Schedule of Investment Return Rate

(for fiscal years ended June 30)

Year	Rate	Year	Rate
1995	16.6	2010	11.95
1996	13.23	2011	26
1997	15.11	2012	-0.33
1998	15.91	2013	15.58
1999	8.16	2014	19.68
2000	9.42	2015	2.45
2001	-3.82	2016	0.3
2002	-5.72	2017	12.3
2003	5.53	2018	10.25
2004	13.42	2019	5.78
2005	9.85	2020	2.41
2006	12.24	2021	31.49
2007	18.01%	2022	-10.54%
2008	-4.45%	2023	8.83%
2009	-20.89	2024	10.42%

Chart of Investment Return Percentage Rate

(for fiscal years ended June 30)



Schedule of Expenses by Type

(for fiscal years ended June 30)

Year Ending June 30	Benefit Payments ¹	Administrative Expenses	Refunds	Total
2016	480,913,495	7,181,913	13,188,729	501,284,137
2017	508,200,406	9,502,608	13,755,408	531,458,422
2018	530,861,312	11,503,639	13,727,908	556,092,859
2019	555,352,597	14,739,700	16,239,928	586,332,225
2020	587,453,797	11,682,726	15,835,290	614,971,813
2021	608,207,117	11,644,847	15,798,750	635,650,713
2022	635,176,766	11,794,786	17,687,189	664,658,741
2023	659,133,497	10,465,629	16,473,823	686,072,949
2024	682,663,974	12,169,361	19,159,269	713,992,604

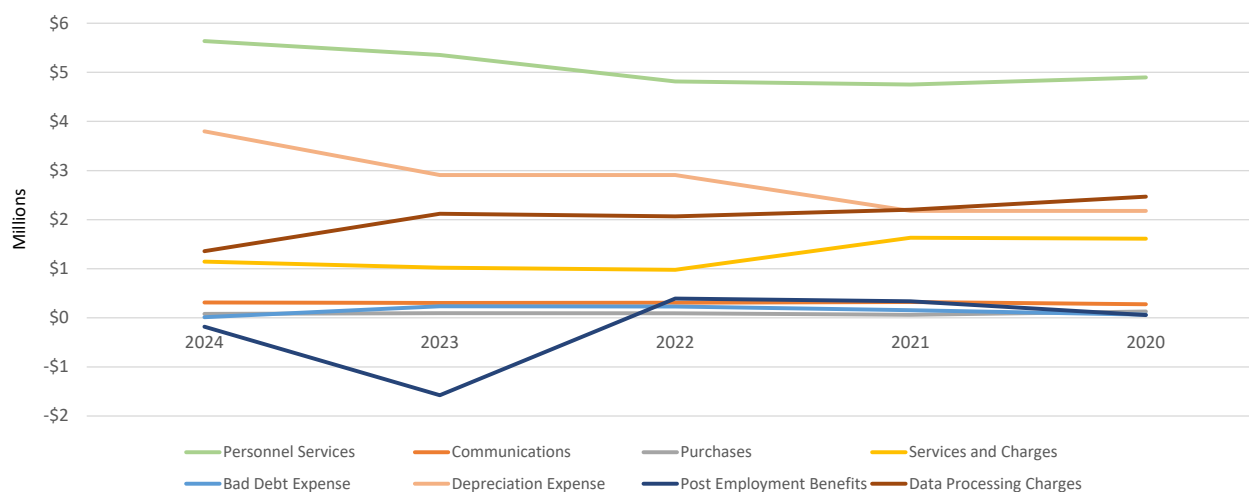
(1) Includes DROP and PAW distributions

(2) A summary of administrative expenses can be found on the table below.

Summary of Administrative Expenses

(for fiscal years ended June 30)

	2024	2023	2022	2021	2020
Personnel Services	5,637,719	5,352,973	4,812,611	4,752,456	4,894,754
Communications	313,827	304,318	308,144	322,120	276,125
Purchases	81,927	96,810	94,745	62,055	128,986
Services and Charges	1,146,495	1,023,106	977,132	1,631,521	1,613,277
Bad Debt Expense	11,974	234,687	231,024	155,787	65,265
Depreciation Expense	3,799,566	2,909,649	2,909,683	2,177,851	2,178,514
Post Employment Benefits	(179,812)	(1,576,467)	393,220	338,871	58,203
Data Processing Charges	1,357,663	2,120,554	2,068,228	2,204,186	2,467,603
Total Administrative Expenses	12,169,361	10,465,629	11,794,786	11,644,847	11,682,726



Statistical

Schedule of Benefit Expenses by Type*

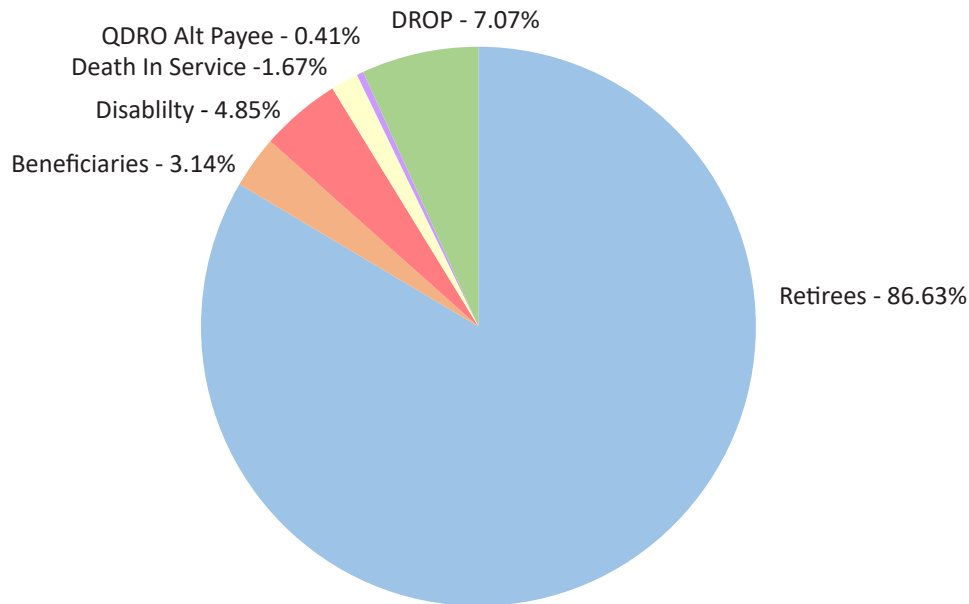
(for fiscal years ended June 30)

	Age & Service Retirees	Age & Service Beneficiaries	Disability Reirees & Beneficiaries	Death in Service	QDRO Alternative Payees	DROP Participants
2015	392,995,993	13,555,679	26,854,608	7,428	1,346,409	49,188,840
2016	417,856,215	14,859,185	27,738,864	41,088	1,549,793	47,686,116
2017	449,127,264	13,258,740	29,710,308	8,837,724	1,798,296	37,399,188
2018	471,378,204	14,960,412	30,417,624	9,385,248	2,005,704	46,929,948
2019	500,098,272	15,582,348	31,298,916	9,604,896	2,159,076	50,352,876
2020	523,802,448	17,078,448	32,792,592	10,211,760	2,284,872	50,936,592
2021	548,656,164	18,254,160	33,479,772	10,482,132	2,448,240	45,525,552
2022	559,176,360	19,560,720	33,151,632	10,797,852	2,601,300	45,928,200
2023	586,201,116	21,165,660	33,523,944	11,347,044	2,714,904	48,594,792
2024	609,466,620	22,094,700	34,119,360	11,747,028	2,852,988	49,766,688

Expenses are based on annualized June 30 benefits amounts.

Chart of Benefit Expenses by Type (Percentages)

(for the fiscal year ended June 30, 2024)



* Figures in chart are rounded thus do not equal 100 percent.

Membership

APERS covers all state employees who are not covered by another authorized plan, all county employees, municipal employees whose municipalities have elected coverage under the System, some college and university employees, that are not covered by another authorized plan, and other public entities specifically defined by law.

Members*

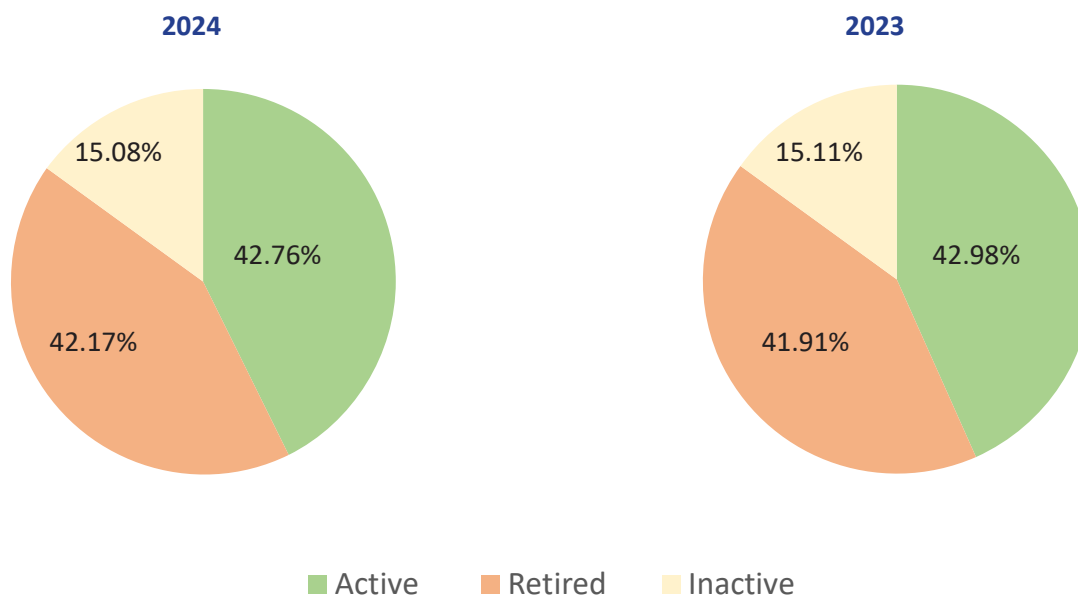
(for fiscal years ended June 30)

	2024	2023
Active Plan Members	43,394	43,352
Retirees and Beneficiaries Receiving Benefits (includes DROP participants)	42,797	42,276
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	15,301	15,247

* Includes members of the Arkansas District Judges Retirement System

Charts of Memberships by Type

(for fiscal years ended June 30)



Statistical

Summary of Active and Retired Member Valuation

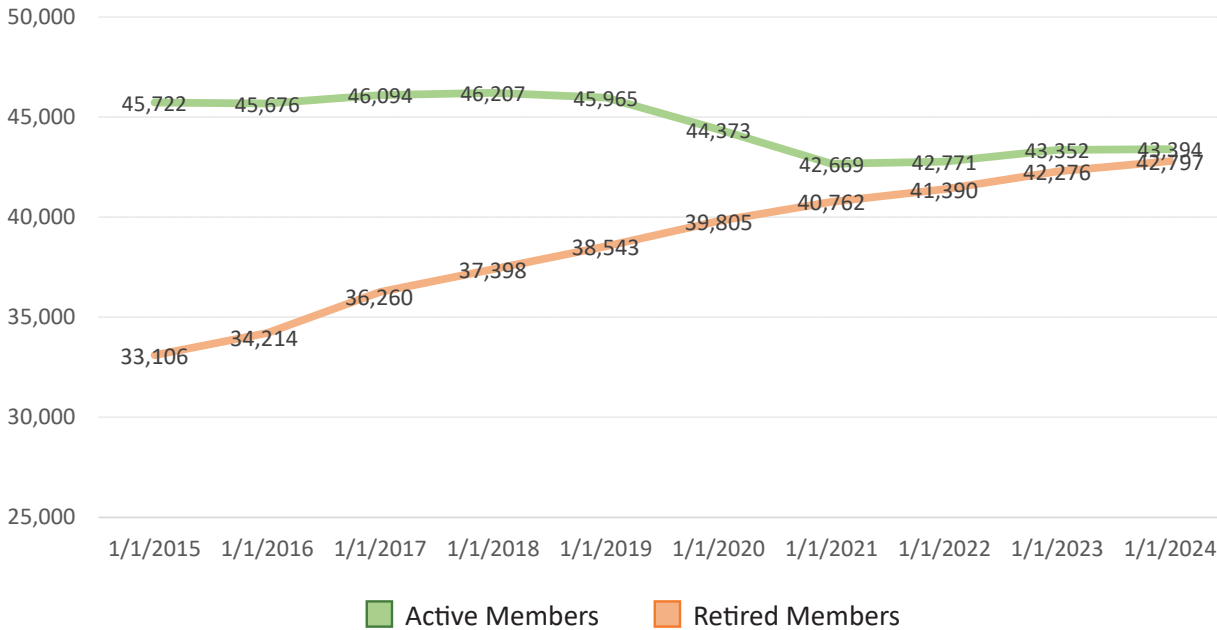
Historical Comparative Schedule

Valuation Date	Active Members				Retired Lives (including DROP members)			
	Number	Dollars in Millions	Valuation Payroll		Number	Active per Retired	Annual Benefits	
			Average	% Increase			Dollars in Millions	As a % of Pay
6/30/15	45,722	1,645.0	35,979	0.7	33,106	1.4	483.9	29.4
6/30/16	45,676	1,686.5	36,923	2.6	34,214	1.3	509.7	30.2
6/30/17	46,094	1,668.8	36,204	(1.9)	36,260	1.3	540.1	32.4
6/30/18	46,207	1,723.6	37,302	3.0	37,398	1.2	575.1	33.4
6/30/19	45,965	1,802.4	39,212	5.1	38,543	1.2	609.1	33.8
6/30/20	44,373	1,795.7	40,469	3.2	39,805	1.1	637.1	35.5
6/30/21	42,669	1,781.8	41,759	3.2	40,762	1.0	658.8	37.0
6/30/22	42,771	1,925.5	45,020	7.8	41,390	1.0	671.2	34.9
6/30/23	43,352	\$ 2,112.3	\$ 48,724	8.2%	42,276	1.0	\$ 703.5	33.3
6/30/24	43,394	\$ 2,117.4	\$ 48,794	0.1%	42,797	1.0	\$ 730.0	34.5%

The above valuation payroll results do not include DROP payroll.

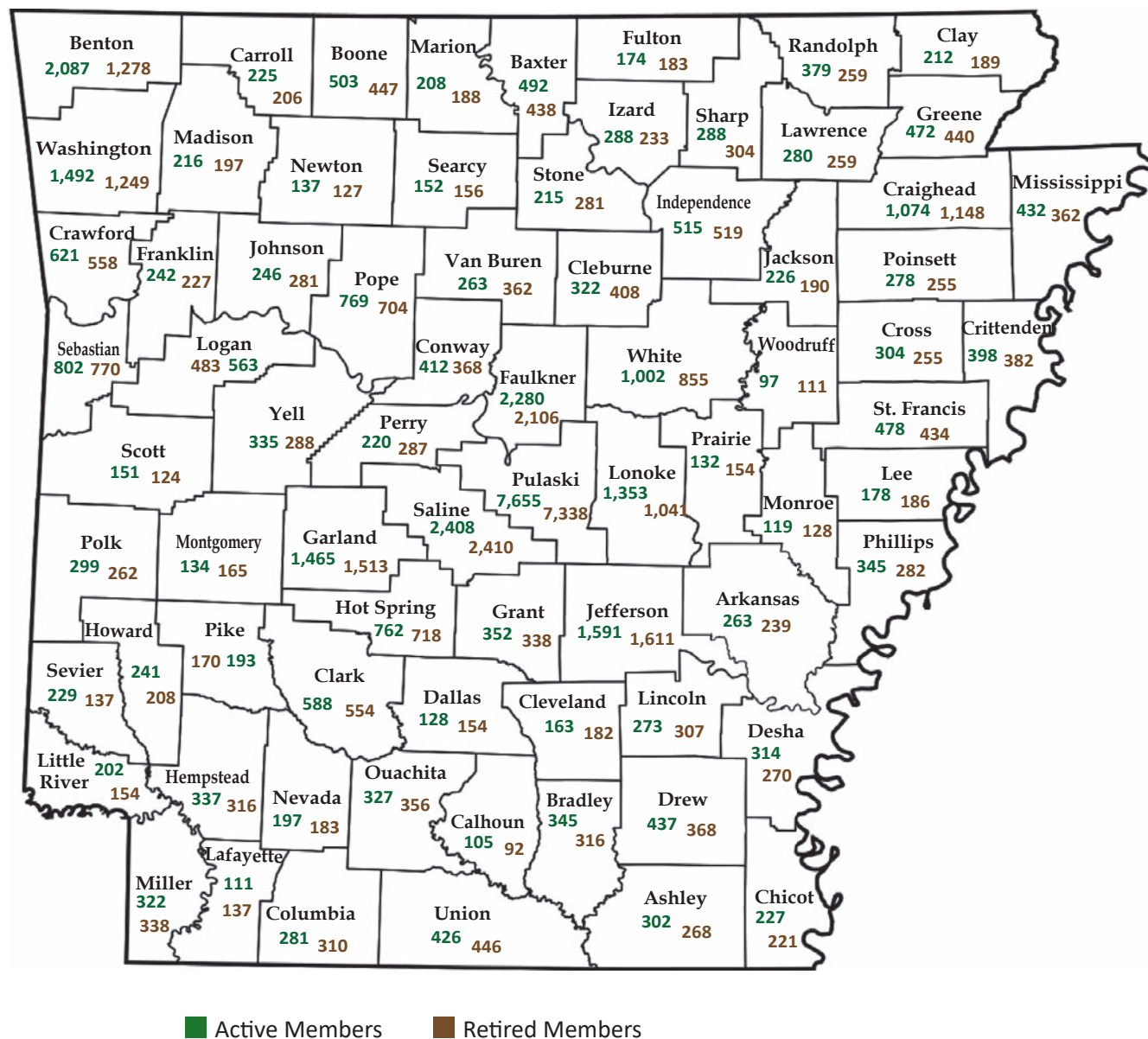
Chart of Memberships by Type - 10 year comparison

(for fiscal years ended June 30)



Comparison of Active and Retired Members by County

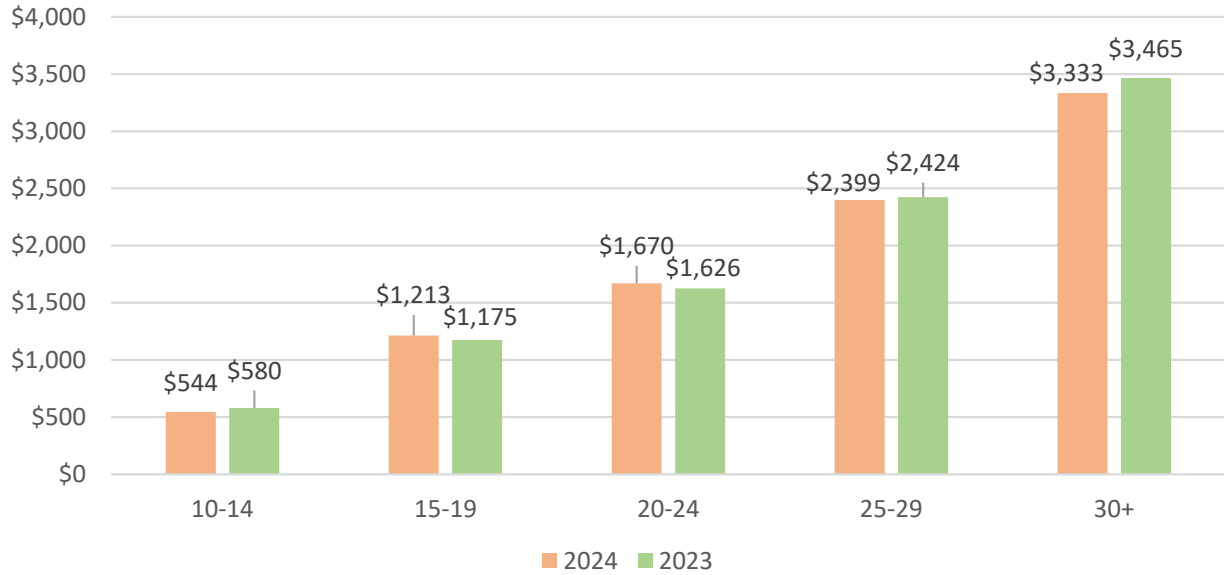
(for fiscal year ended June 30, 2024)



Statistical

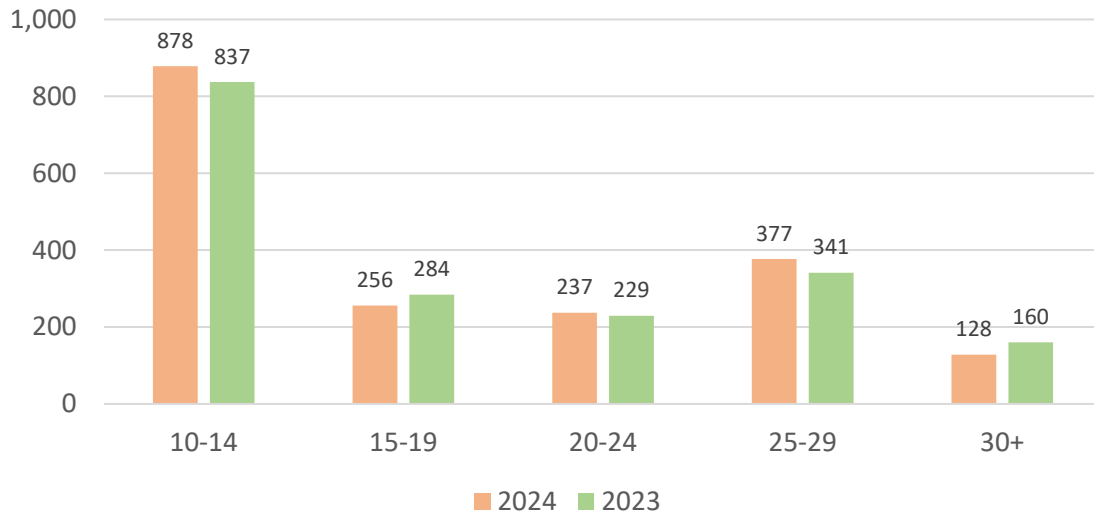
Comparison of Monthly Annuity by Credited Years of Service

(in dollars for fiscal years ended June 30)



Comparison of New Retirees by Credited Years of Service

(for fiscal years ended June 30)



Schedule of Retired Members by Type of Benefit

(for fiscal year ended June 30, 2024)

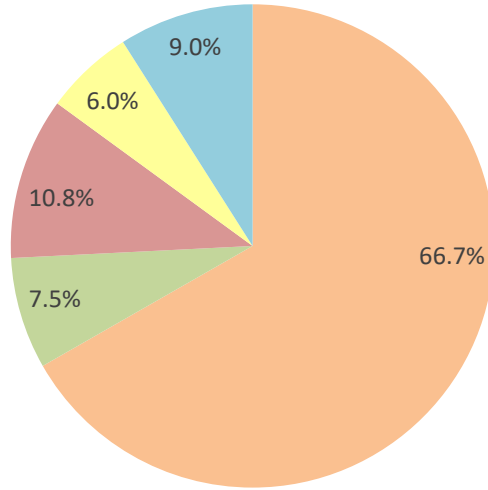
Type of Annuity	Number	Annual Annuities
Age & Service Retirees		
Life	23,234	\$ 418,018,188
Option A-60 (5 years certain)	2,603	36,659,508
Option A-120 (10 years certain)	3,773	52,054,980
Option B-50 (joint and 50% survivor)	2,072	45,621,120
Option B-75 (joint and 75% survivor)	3,137	57,112,824
Totals	34,819	609,466,620
Disability Retirees		
Life	2,016	23,392,248
Option A-60	180	1,979,820
Option A-120	368	4,109,916
Option B-50	140	1,691,628
Option B-75	272	2,945,748
Totals	2,976	34,119,360
Beneficiaries of Age & Service and Disability Retirees		
Life	34	839,220
Option A-60	47	383,964
Option A-120	333	3,255,444
Option B-50	487	5,213,844
Option B-75	972	12,402,228
Totals	1,873	22,094,700
Total Age & Service Retirees & Beneficiaries	36,692	631,561,320
Death-in-Service Beneficiaries	1,285	11,747,028
Total Death and Disability Retirees & Beneficiaries	4,261	45,866,388
QDRO Alternate Payees	340	2,852,988
Total Retirees & Beneficiaries	41,293	680,280,696
DROP Participants	1,479	49,633,824
DROP "Frozen" Participants	25	132,864
Total Including DROP Participants	42,797	\$ 730,047,384

Charts of Retired Members by Type of Benefit (Percentages)

(for fiscal year ended June 30, 2024)

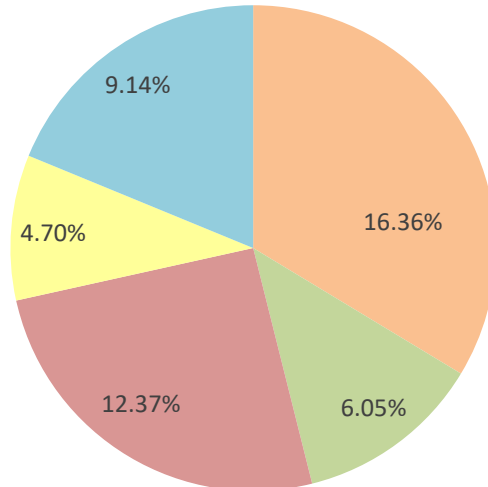
Age & Service Retirees

- Life
- Option A-60
- Option A-120
- Option B-50
- Option B-75



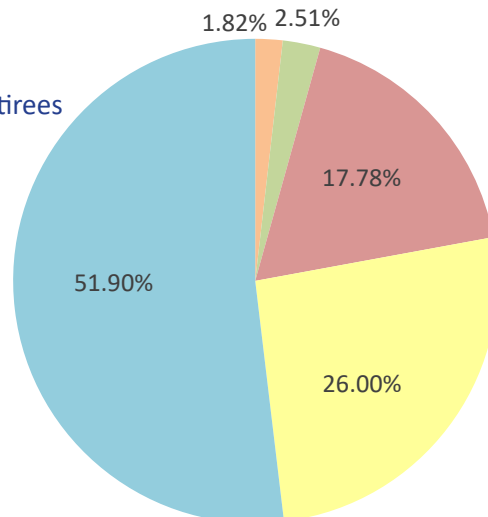
Disability Retirees

- Life
- Option A-60
- Option A-120
- Option B-50
- Option B-75



Beneficiaries of Age & Service Retirees

- Life
- Option A-60
- Option A-120
- Option B-50
- Option B-75



Schedule of Retirees and Benefits Paid by County

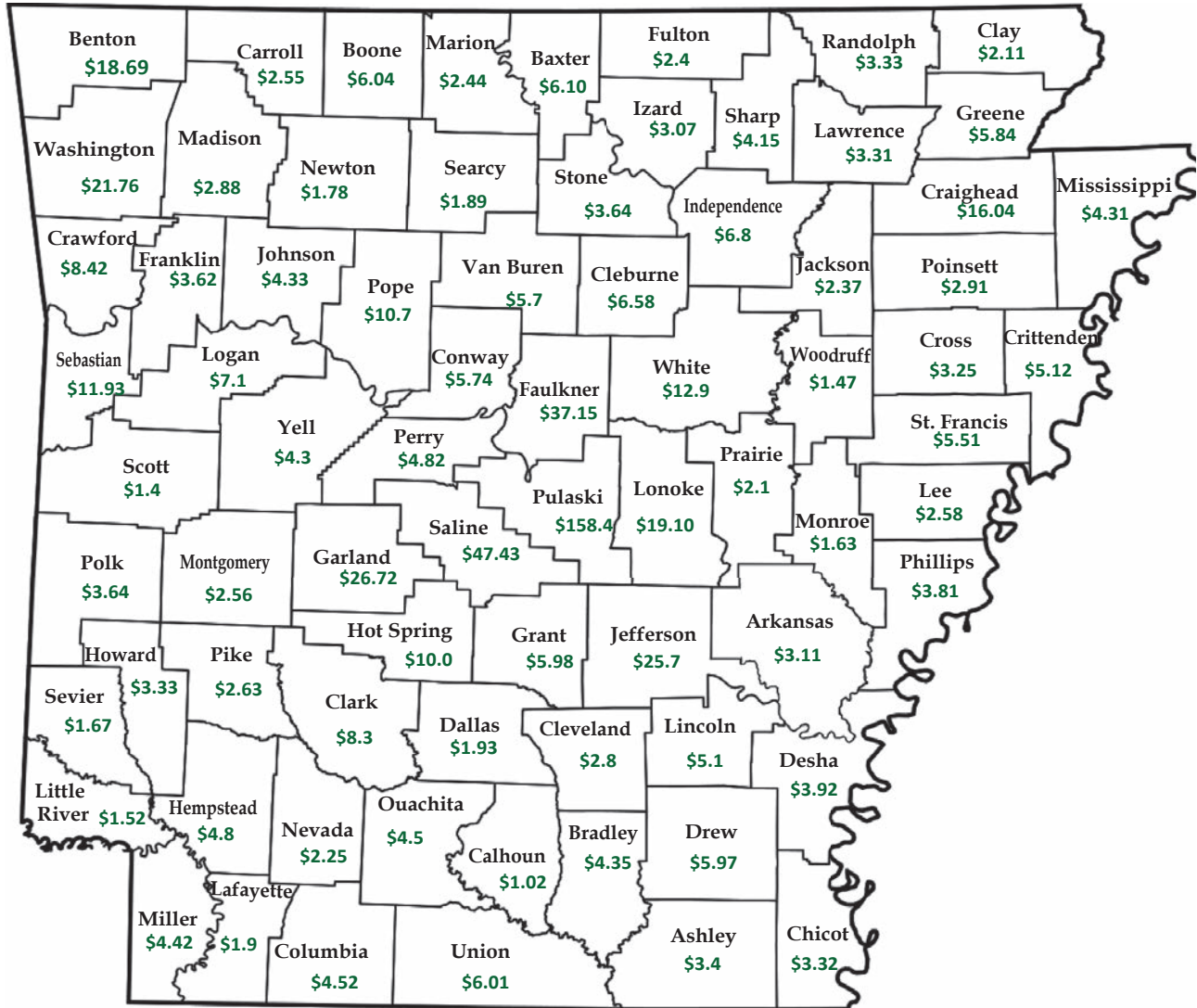
(for fiscal year ended June 30, 2024)

County	Benefits Paid	Retirees	County	Benefits Paid	Retirees
Arkansas	\$3,063,991	238	Lee	\$2,445,977	177
Ashley	\$3,282,366	281	Lincoln	\$4,934,116	304
Baxter	\$5,776,800	423	Little River	\$1,505,380	140
Benton	\$17,593,603	1,204	Logan	\$6,932,241	497
Boone	\$5,689,010	456	Lonoke	\$17,782,732	1016
Bradley	\$4,301,991	309	Madison	\$2,646,682	189
Calhoun	\$951,409	88	Marion	\$2,433,583	179
Carroll	\$2,163,341	201	Miller	\$4,215,166	322
Chicot	\$3,203,527	229	Mississippi	\$4,360,019	369
Clark	\$8,015,949	565	Monroe	\$1,833,298	127
Clay	\$2,190,401	192	Montgomery	\$2,788,387	164
Cleburne	\$6,474,557	415	Nevada	\$2,315,395	184
Cleveland	\$2,716,921	188	Newton	\$1,694,652	131
Columbia	\$4,191,629	303	Ouachita	\$4,354,780	348
Conway	\$4,845,340	343	Perry	\$4,637,183	288
Craighead	\$15,554,532	1,119	Phillips	\$3,760,166	283
Crawford	\$8,234,164	548	Pike	\$2,440,852	167
Crittenden	\$4,608,778	367	Poinsett	\$2,889,495	261
Cross	\$3,087,470	244	Polk	\$3,497,604	256
Dallas	\$2,205,337	155	Pope	\$10,512,728	691
Desha	\$3,795,343	262	Prairie	\$1,990,519	147
Drew	\$5,988,152	351	Pulaski	\$152,615,650	7102
Faulkner	\$35,266,368	2,009	Randolph	\$2,985,170	247
Franklin	\$3,321,581	233	Saint Francis	\$4,937,439	408
Fulton	\$2,293,366	170	Saline	\$46,167,617	2375
Garland	\$25,692,927	1,486	Scott	\$1,255,291	124
Grant	\$5,458,758	315	Searcy	\$1,688,300	144
Greene	\$6,259,151	441	Sebastian	\$11,328,791	735
Hempstead	\$5,023,837	310	Sevier	\$1,703,555	134
Hot Spring	\$9,394,572	711	Sharp	\$3,665,370	277
Howard	\$3,005,634	203	Stone	\$3,409,316	269
Independence	\$6,571,036	502	Union	\$5,632,184	432
Izard	\$3,151,949	229	Van Buren	\$5,444,322	353
Jackson	\$2,767,037	187	Washington	\$20,305,879	1196
Jefferson	\$24,517,455	1,535	White	\$12,201,081	821
Johnson	\$3,880,694	265	Woodruff	\$1,499,355	102
Lafayette	\$1,601,753	126	Yell	\$4,215,149	278
Lawrence	\$3,288,672	250			

Statistical

Map of Arkansas Counties with Total Benefits Paid

(in millions of dollars for fiscal year ended June 30, 2024)



In Arkansas	
Total Payees	39,783
Total Paid	\$654,389,296
Out of State	
Total Payees	3,668
Total Paid	\$42,750,73
Totals	
Total Payees	43,45
Total Paid	\$697,140,027

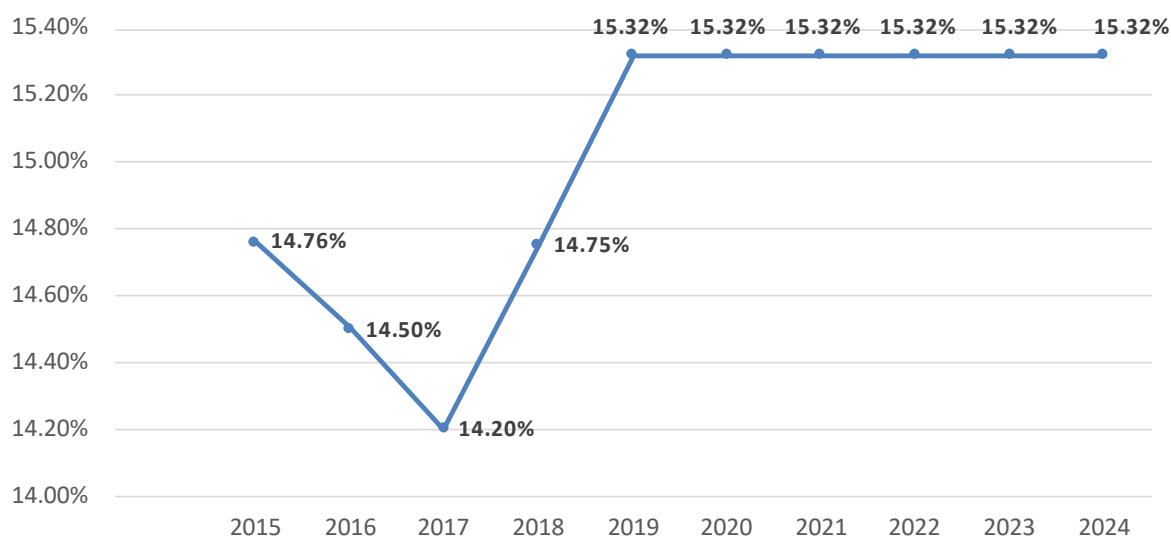
Employers

Chart of Employer Contributions - 10 year comparison

(in millions of dollars for fiscal years ended June 30)



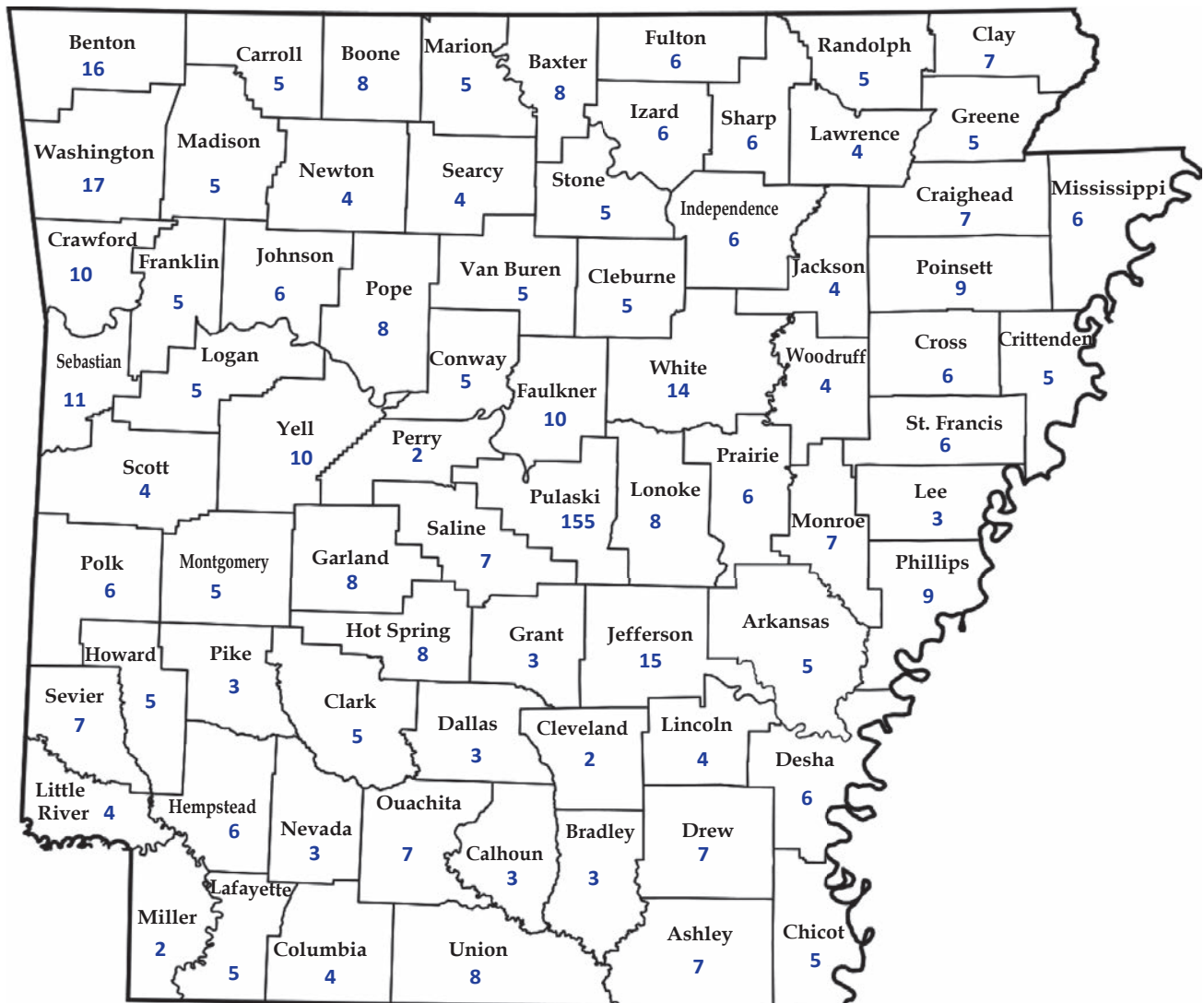
Chart of Employer Contribution Rates - 10 year comparison



Statistical

Map of Participating Employers by County

(for fiscal year ended June 30, 2024)



Schedule of Participating Employers

State Entities

House of Representatives - Speaker's Office	Craighead County Conservation District
Accountancy, Arkansas State Board of Public	Crawford County Conservation District
Administrative Office of the Courts	Crime Information Center, Arkansas
Alcohol Abuse Program	Crime Laboratory, Arkansas State
Appraiser Licensing and Certification Board, Arkansas	Crittenden County Conservation District
Architects, Landscape Architects and Interior Designers, Arkansas Board of	Crooked Creek Conservation District
Arkansas County Conservation District	Cross County Conservation District
Arkansas Northeastern College	Dallas County Conservation District
Arkansas Senate	Dental Examiners, Arkansas State Board of
Arkansas State University	Department of Agriculture
Arkansas State University - Beebe	Department of Commerce
Arkansas State University - Newport	Department of Correction
Arkansas State University Three Rivers	Department of Education
Arkansas Technical University	Department of Energy and Environment
Ashley County Conservation District	Department of Finance and Administration
Attorney General, Arkansas	Department of Health
Auctioneers Licensing Board, Arkansas	Department of Human Services
Auditor, Arkansas	Department of Labor and Licensing
Bail Bondsman Licensing Board, Arkansas	Department of Parks, Heritage, and Tourism
Barber Examiners, Arkansas State Board of	Department of Public Safety
Baxter County Conservation District	Department of the Inspector General
Benton County Conservation District	Department of Transformation and Shared Services
Black River Technical College	Department of Veterans Affairs
Boone County Conservation District	Deputy Prosecuting Attorneys
Buffalo Conservation District	Desha County Conservation Districts
Calhoun County Conservation District	Development Finance Authority, Arkansas
Capitol Zoning District Commission, Arkansas	Dietetics Licensing Board, Arkansas
Carroll County Conservation District	Disabled Veterans Service Office
Chicot County Conservation District	Division Emergency Management
Child Abuse and Neglect Prevention Board, Arkansas	Division of Aeronautics
Chiropractic Examiners, Arkansas State Board of	Division of Assessment Coordination
Claims Commission, Arkansas State	Division of Community Correction
Clark County Conservation District	Division of Corrections
Clay County Conservation District	Division of Environmental Quality
Cleburne County Conservation District	Division of Heritage
Cleveland County Conservation District	Division of Higher Education
Collection Agencies, Arkansas State Board of	Division of Information Systems
Columbia County Conservation District	Division of Labor
Constitutional Officers	Division of Workforce Services
Contractors Licensing Board, Arkansas	Drew County Conservation District
Conway County Conservation District	East Arkansas Community College
Cossatot Community College of the University of Arkansas	Economic Development Commission, Arkansas
Cossatot Conservation District	Educational Television Division
Counseling, Arkansas Board of Examiners in	Election Commissioners, Arkansas State Board of
Court of Appeals, Arkansas	Ethics Commission, Arkansas
	Fair Housing Commission, Arkansas
	Faulkner County Conservation District

Statistical

Fifteenth (15th) Judicial District Victim Witness Office
Fifteenth (15th) Judicial Drug Task Force
Fifth (5th) Judicial Drug Task Force
Fire Protection Licensing Board, Arkansas
First (1st) Judicial Drug Task Force
Fourteenth (14th) Judicial Drug Task Force
Franklin County Conservation District
Fulton County Conservation District
Game and Fish Commission, Arkansas
Garland County Conservation District
Geographic Information Office, Arkansas
Geological Survey, Arkansas
Governor, Office of
Greene County Conservation District
Health Services Permit Agency, Arkansas
Hearing Instrument Dispensers, Arkansas Board of
Hempstead County Conservation District
Henderson State University
Home Inspector Registration Board, Arkansas
Hot Spring County Conservation District
House of Representatives, Arkansas
Independence County Conservation District
Izard County Conservation District
Jackson County Conservation District
Jefferson County Conservation District
Johnson County Conservation District
Judicial Discipline and Disability Commission, Arkansas
Lafayette Conservation District
L'Aigle Creek Conservation District
Law Enforcement Standards and Training, Arkansas Commission
Lawrence County Conservation District
Lee County Conservation District
Legislative Audit, Arkansas Division of
Legislative Research, Arkansas Bureau of
Library, Arkansas State
Lieutenant Governor, Office of
Lincoln County Conservation District
Liquified Petroleum Gas Board, Arkansas
Little River Conservation District
Logan County Conservation District
Lonoke County Conservation District
Lottery Commission, Arkansas
Madison County Conservation District
Manufactured Home Commission, Arkansas
Martin Luther King, Jr. Commission
Medicaid Inspector General, Office of
Medical Board, Arkansas State
Miller County Conservation District
Mine Creek Conservation District
Minority Health Commission, Arkansas
Mississippi County Conservation District
Monroe County Conservation District
Montgomery County Conservation District
Motor Vehicle Commission, Arkansas
National Park Community College
Natural Resources Commission, Arkansas
Nevada County Conservation District
Newton County Conservation District
North Arkansas College
Northwest Arkansas Community College
Nursing, Arkansas State Board of
Oil and Gas Commission, Arkansas
Opticians, Arkansas Board of Dispensing
Optometry, Arkansas State Board of
Ouachita Conservation District
Ozarka College
Parole Board, Arkansas
Perry County Conservation District
Pharmacy, Arkansas State Board of
Phillips Community College of the University of Arkansas
Phillips County Conservation District
Physical Therapy, Arkansas State Board of
Pike County Conservation District
Poinsett County Conservation District
Pope County Conservation District
Poteau River Conservation District
Prairie County Conservation District
Prosecuting Attorney
Prosecutor Coordinator, Office of the
Psychology, Arkansas Board of
Public Defender Commission, Arkansas
Public Employees' Retirement System, Arkansas
Public Service Commission, Arkansas
Pulaski Conservation District
Randolph County Conservation District
Real Estate Commission, Arkansas
Rehabilitation Services, Arkansas
Rich Mountain Conservation District
Riverside Vocational-Technical School
Saint Francis Conservation District
School for the Blind, Arkansas
School for the Deaf, Arkansas
Sebastian County Conservation District
Secretary of State, Office of
Sentencing Commission, Arkansas
Sharp County Conservation District

Sixteenth (16th) Judicial Drug Task Force
 Social Security Administration, Disability Determination for
 Social Work Licensing Board, Arkansas
 South Arkansas College
 South Central Drug Task Force - Eighth (8th) Judicial District
 Southeast Arkansas College
 Southern Arkansas University
 Southern Arkansas University Tech
 Speech-Language Pathology and Audiology, Arkansas
 Board of Examiners in
 Spinal Cord Commission, Arkansas
 State Bank Department
 State District Courts
 State Lands, Arkansas Commission of
 State Military Department
 State Parks Division and the Tourism Division
 State Police, Division of
 State Securities Division
 Statewide Shared Services
 Stone County Conservation District
 Supreme Court - Bar of Arkansas
 Supreme Court, Arkansas
 Tenth (10th) Judicial District Victim Assistance Office
 Tenth (10th) Judicial Drug Task Force
 The State Insurance Department
 Third (3rd) Judicial Drug Task Force
 Thirteenth (13th) Judicial Drug Task Force
 Tobacco Control Board, Arkansas
 Tobacco Settlement Commission, Arkansas
 Towing and Recovery Board, Arkansas
 Treasurer, Office of the
 Twentieth (20th) Judicial District Drug Task Force
 Twenty-First (21st) Judicial Drug Task Force
 Union County Conservation District
 University of Arkansas - Pulaski Technical College
 University of Arkansas at Fayetteville
 University of Arkansas at Fort Smith
 University of Arkansas at Little Rock
 University of Arkansas at Monticello
 University of Arkansas at Pine Bluff
 University of Arkansas College at Hope
 University of Arkansas Community College at Batesville
 University of Arkansas Community College at Morrilton
 University of Arkansas for Medical Sciences
 University of Arkansas Rich Mountain
 University of Arkansas System Division of Agriculture
 University of Central Arkansas
 Van Buren County Conservation District

Veterans Child Welfare Service
 Veterinary Medical Examining Board, Arkansas
 Washington County Conservation District
 Waterways Commission, Arkansas
 White County Conservation District
 Woodruff County Conservation District
 Workers' Compensation Commission, Arkansas
 Yell County Conservation District
 University of Arkansas at Monticello
 University of Arkansas at Pine Bluff
 University of Arkansas College at Hope
 University of Arkansas Community College at Batesville
 University of Arkansas Community College at Morrilton
 University of Arkansas for Medical Sciences
 University of Arkansas Rich Mountain
 University of Arkansas System Division of Agriculture
 University of Central Arkansas
 Van Buren County Conservation District
 Veterans Child Welfare Service
 Veterinary Medical Examining Board, Arkansas
 Washington County Conservation District
 Waterways Commission, Arkansas
 White County Conservation District
 Woodruff County Conservation District
 Workers' Compensation Commission, Arkansas
 Yell County Conservation District

County Agencies

Arkansas Association of Counties
 Arkansas County
 Arkansas Valley Regional Library
 Ashley County
 Baxter County
 Baxter County Library
 Benton County
 Boone County
 Bradley County
 Calhoun County
 Carroll County
 Chicot County
 Clark County
 Clay County
 Clay County - Western District
 Cleburne County
 Cleveland County
 Columbia County
 Conway County
 Craighead County

Statistical

Crawford County
Crittenden County
Cross County
Dallas County
Desha County
Drew County
East Central Arkansas Regional Library
Faulkner County
Franklin County
Fulton County
Garland County
Grant County
Grassy Lake and Tyronza Drainage District
Greene County
Hempstead County
Hot Spring County
Howard County
Independence County
Izard County
Jackson County
Jefferson County
Johnson County
Lafayette County
Lawrence County
Lee County
Lincoln County
Little River County
Logan County
Lonoke County
Madison County
Marion County
Miller County
Mississippi County
Monroe County
Montgomery County
Nevada County
Newton County
Ouachita County
Perry County
Phillips County
Phillips County Library
Pike County
Poinsett County
Polk County
Pope County
Prairie County
Pulaski County
Randolph County

Randolph County Nursing Home
Saint Francis County
Saline County
Saline County Library
Scott County
Searcy County
Sebastian County
Sevier County
Sharp County
Stone County
Union County
Van Buren County
Washington County
White County
White County Public Library
White River Regional Library
Woodruff County
Yell County
Yell County Library

Municipal Agencies

Alma Water and Sewer Department
Batesville Waterworks
Bradford Water and Sewer System
Brinkley Municipal Waterworks and Sewer Department
Camden Water and Utilities
Central Arkansas Water
City of Alexander
City Of Alma
City Of Arkadelphia
City Of Ash Flat
City Of Ashdown
City Of Augusta
City Of Austin
City Of Batesville
City Of Beebe
City Of Bentonville
City Of Biscoe
City Of Bono
City Of Bradford
City Of Brinkley
City Of Bryant
City Of Cabot
City Of Caddo Valley
City Of Calico Rock
City Of Cammack Village
City Of Carlisle
City Of Cave City

City Of Cave Springs	City Of Horatio
City Of Cedarville	City Of Hot Springs
City Of Centerton	City Of Humnoke
City Of Charleston	City Of Huntington
City Of Cherry Valley	City Of Huntsville
City Of Clarksville	City Of Huttig
City Of Clinton	City Of Jacksonville
City Of Corning	City Of Jasper
City Of Cotter	City Of Junction City
City Of Crawfordsville	City Of Kibler
City Of Crossett	City Of Knoxville
City Of Danville	City Of Lamar
City Of Dardanelle	City Of Lavaca
City Of Decatur	City Of Lepanto
City Of Des Arc	City Of Leslie
City Of Dewitt	City Of Lewisville
City Of Dierks	City Of Lincoln
City Of Dover	City Of Lockesburg
City Of Elkins	City Of Lowell
City Of Elm Springs	City Of Magnolia
City Of England	City Of Malvern
City Of Eudora	City Of Mammoth Spring
City Of Farmington	City Of Marked Tree
City Of Flippin	City Of Marshall
City Of Fordyce	City Of Marvell
City Of Foreman	City Of McRae
City Of Forrest City	City Of Melbourne
City Of Gassville	City Of Mena
City Of Gentry	City Of Monette
City Of Goshen	City Of Monticello
City Of Gravette	City Of Morrilton
City Of Green Forest	City Of Mountain Home
City Of Greenbrier	City Of Mountain Pine
City Of Greenland	City Of Mountain View
City Of Greers Ferry	City Of Mt Ida
City Of Guy	City Of Murfreesboro
City Of Hackett	City Of Nashville
City Of Hamburg	City Of Norman
City Of Hampton	City Of Ola
City Of Hardy	City Of Pangburn
City Of Harrisburg	City Of Paragould
City Of Harrison	City Of Paris
City Of Haskell	City Of Pea Ridge
City Of Hazen	City Of Perryville
City Of Heber Springs	City Of Piggott
City Of Helena-West Helena	City Of Plumerville
City Of Highfill	City Of Pottsville
City Of Hope	City Of Prairie Grove

Statistical

City Of Prescott
City Of Quitman
City Of Rector
City Of Rison
City Of Rogers
City Of Russellville
City Of Salem
City Of Scranton
City Of Searcy
City Of Shannon Hills
City Of Sheridan
City Of Smackover
City Of Stamps
City Of Star City
City Of Strong
City Of Stuttgart
City Of Summit
City Of Trumann
City Of Van Buren
City Of Vilonia
City Of Waldron
City Of Ward
City Of Warren
City Of West Fork
City Of Wilmar
City Of Wynne
City Of Yellville
Clinton Water and Sewer
Crossett Public Library
Crossett Water Commission
El Dorado Waterworks
Fordyce Water and Sewer
Forrest City Water Utility
Fort Smith Public Library
Harrisburg Water and Gas Division
Hope Water and Light
Hot Springs Advertising and Promotion Commission
Huntsville Water and Sewer
Jacksonville Wastewater Utility
Jacksonville Water Commission
Little Rock Water Reclamation Authority
Malvern Waterworks
McGehee Water and Sewer System
Mena Water and Sewer
Mount Pleasant Water Department
MTN VIEW WATER AND SEWER COMM
Municipal League, Arkansas
North Little Rock Advertising & Promotion Commission

Pangburn Water Department
Piggott Light and Water System
Rogers Water Utilities
Star City Water and Sewer
Stuttgart and North Arkansas County Library
Town of Arkansas City
Town of Bigelow
Town of Emerson
Town Of Fountain Hill
Town Of Fulton
Town of Imboden
Town Of Pyatt
Town Of Ravenden
Town Of Shirley
Town Of Viola
Town Of Western Grove
Van Buren Municipal Utilities
Vilonia Waterworks Association
Warren Water and Sewer
Wynne Water Utilities

Schools

Atkins Schl Dist #18
Booneville School Dist #65
Clarksville School Dist #17
Cossatot River School District
Fairview Schl Dist
Fayetteville School Dist #1
Forrest City School Dist
Fort Smith School Dist
Helena West Helena Schl Dist #2
Hope School Dist #1a
Lafayette County School Dist.
Lee County School District

District Judges

ADJRS Pilot
Brinkley District Court
Little Rock District Court

District County Employees

Alpena District Court
 Berryville District Court
 Dermott District Court
 Marion District Court
 Dumas District Court
 Faulkner County District Court
 Newport District Court
 Pine Bluff District Court
 Booneville District Court
 Texarkana District Court
 Blytheville District Court
 Clarendon District Court
 Camden District Court
 Fort Smith District Court
 De Queen District Court
 Cherokee Village District Court
 Elkins District Court
 Eureka Springs District Court
 West Memphis District Court
 McGehee District Court
 Osceola District Court
 East Camden District Court
 Little Rock District Court
 Fayetteville District Court
 McCrory District Court
 Lake Village District Court
 Lonoke District Court
 Trumann District Court
 Devalls Bluff District Court
 Maumelle District Court
 Siloam Springs District Court
 Tyronza District Court
 North Little Rock District Court
 Springdale District Court
 Sherwood District Court

Other Non-State Employees

Alpine Public Water Authority
 Benton County Solid Waste District
 Blytheville-Gosnell Regional Airport Authority
 Boone County Airport
 Boston Mountain Solid Waste Management District
 Buffalo Island Regional Water District
 Clark County Country Water Facilities
 Fulton County Water Authority
 Hardin Public Water Authority
 Highway 71 Water District No. 1
 Hot Spring County Solid Waste Management District
 James Fork Regional Water District
 Jefferson Public Water Authority
 Kimzey Regional Water District
 Lake Catherine Waterworks & Sewer Facilities Board
 Little River Rural Development Authority Water System
 Madison County Water Facilities Board
 Magnet Butterfield Water Association
 Marion County Regional Airport
 Milltown-Washburn Water Users
 Montgomery County Regional Water Authority
 Nevada County-Prescott Solid Waste Management Authority
 North Garland County Regional Water District
 Northeast Arkansas Regional Solid Waste Management District
 Northeast Public Water Authority
 Paragould Housing Authority
 Phillips County Sewer Facilities Board
 Pulaski Area Geographic Information System
 Pulaski County Regional Solid Waste Management District
 Riversouth Rural Water District
 Saline County Regional Solid Waste Management District
 Sardis Water Association
 South Bend Fire District #10
 Southeast White County Water Authority
 Southwest Boone County Water Association
 Southwest White County Regional Water Association
 Texarkana Regional Airport
 Upper Southwest Arkansas Solid Waste Management District
 Washington Water Authority
 Watson Chapel Public Water Authority



