



Arkansas Public Employee Retirement System

Board of Trustees Quarterly Meeting

March 4, 2026



Arkansas Public Employees' Retirement System

Quarterly Board Meeting

(Wednesday, March 4, 2026, 9:00 A.M.)

124 West Capitol Avenue, Suite 400, Little Rock 72201

The meeting will be held in the APERS conference room located on the 4th floor. The meeting will be a hybrid and can be attended via Zoom via the link on our website, www.apers.org.

AGENDA

1. Call to Order
2. Recognition of the Presence of a Quorum
3. Notification of Meeting to News Media Pursuant to Act 93 of 1967 (A.C.A. § 25-19-101) – Freedom of Information Act
4. **Action Item:** Approval of the Minutes for the December 3, 2025, Board Meeting, the December 18, 2025, February 3, 2026, and February 27, 2026, Investment Finance Committee Meetings **(Page 4)**
5. **Investments** – Mr. Carlos Borrromeo, Deputy Director of Investments and Finance
 - a. CIO Report **(Page 19)**
 - b. Ms. Brianne Weymouth and Mr. John Jackson, Callan - Quarterly Report for the Period Ending December 31, 2025 **(Page 34)**
 - c. Mr. Larry Middleton and Mr. Bo Brister, Stephens, Inc. - Quarterly Report for the Period Ending December 31, 2025 **(Page 72)**
 - d. Investment Finance Committee Report – Mr. Larry Walther, Chair **(Page 76)**
 - e. Investment Consultant RFQ Consideration and Recommendation
Action Item: Approve staff selection recommendation
6. **Finance** – Mr. Jason Willett, Chief Financial Officer
 - a. Financial Statements for the Quarter Ending December 31, 2025 **(Page 77)**
 - b. **Action Item:** Annual Approval for Board Travel Reimbursement (A.C.A. 25-16-902)
 - c. **Action Item:** Set the annual DROP Rate **(Page 79)**
7. **Legal** – Ms. Laura Gilson, General Counsel
 - a. Litigation Update **(Page 80)**
 - b. Member Appeal Update

8. **Benefits** – Ms. Jacobia Bates, Director of Public Affairs
 - a. Benefits Summary for the Quarter Ending December 31, 2025 (**Page 82**)

9. **Executive Report** – Ms. Amy Fecher, Executive Director
 - a. Executive Report Review (**Page 88**)
 - b. Strategic Plan Year One Review

10. Other Business

11. Upcoming Meetings
 - a. Next Quarterly Board Meeting – Wednesday, June 3, 2026, at 9:00 a.m.

12. Adjournment



**Arkansas Public Employees' Retirement System
Board of Trustees Quarterly Meeting Minutes
December 3, 2025**

A regular meeting of the Board of Trustees of the Arkansas Public Employees' Retirement System was held on Wednesday, December 3, 2025, at 9:00 a.m. This hybrid meeting was held via ZOOM remote conferencing as well as in person in the conference room, 124 West Capitol, Little Rock, Arkansas. Secretary Daryl Bassett presided.

Quorum Present

Secretary Daryl Bassett recognized the presence of a quorum and called the meeting to order.

Board Members Present:

Secretary Daryl Bassett, State Employee, Chair
The Honorable John Thurston, Treasurer of State
Mr. Larry Walther, Retired State Employee
Secretary Jim Hudson, Department of Finance and Administration
Mr. Gary Carnahan, Non-State Employee
Mr. Gary Wallace, Retired Law Enforcement
Mr. Russell White, Retired Law Enforcement
Mr. Jason Brady, State Auditor's Office (*proxy*)
Mr. Dale Douthit, State Employee
Mr. Richard Wilson, Retired State Employee
Secretary Leslie Fiskin, Department of Shared Administrative Services
Mr. John Ahlem, State Bank Department (*proxy*)
The Honorable Barry Moehring, Non-State Employee, County Judge
The Honorable Joe Hurst, Non-State Employee, Mayor*

Visitors:

Mr. John Jackson, Callan LLC
Mr. Larry Middleton, Stephens, Inc
Mr. Bo Brister, Stephens, Inc
Mr. Seth Middleton, Stephens, Inc
Ms. Kelsi Hogg, Arkansas Legislative Audit
Mr. Logan Surdam, Arkansas Legislative Audit
Mr. Andy Babbitt, Auditor's Office
Mr. Mike Wickline, Democrat-Gazette
Mr. Scott Olguin, Department of Finance and Administration
Mr. Kyle Straube, Department of Finance and Administration
Mr. Bill Huffman, Treasurers Office
Mr. Kenneth Burleson, Treasurers Office
Mr. Michael Henry, Treasurers Office
Mr. Darren Millard, With Intelligence*
Mr. John Kevin Balaod, With Intelligence*
Jesse Pound, Pension & Investments*

Ms. Samantha Elrod, Arkansas Legislative Audit*
Mr. Nicholas Poole, Arkansas State Employees Association*
Mr. John Bridges, Arkansas State Employees Association*
Ms. Caroline Charles*
Ms. Lauren Albanese, Financial Investment News*
Mr. Declan OConnor, Private Equity International*
Ms. Lisa Giaffp, Osmosis*

APERS Staff:

Ms. Amy Fecher, Executive Director
Ms. Allison Woods, Deputy Director of Benefits
Ms. Ashley Golleher, Deputy Director of Operations
Ms. Laura Gilson, General Counsel
Mr. Richmond Giles, Staff Attorney
Ms. Patty Shipp, Assurance Officer
Mr. Carlos Borromeo, Deputy Director of Investments & Finance
Mr. Jason Willett, Chief Financial Officer
Mr. Phillip Norton, Director of IT
Ms. Jacobia Bates, Director of Public Affairs
Ms. Brooke Hollowoa, Director of Marketing*
Ms. Kristi Brown, Retirement Coordinator*
Ms. Cheryl Wilburn, Retirement Section Manager*
Ms. Shelly George, Retirement Section Manager*
Ms. Bailey Hall, Assurance Officer*
Ms. Davonna Nichols, Retirement*
Ms. Rhonda Summers, Retirement*
Ms. Julianna Alamina, Finance*

*Denotes remote attendees

News Media Notified

An e-mail with notification of the Arkansas Public Employees' Retirement System Board meeting was sent to the Arkansas Democrat-Gazette, the Associated Press, and various news outlets. It was also posted on Arkansas.gov. This notification is pursuant to A.C.A. § 25-19-101 (Act 93 of 1967), as amended, *a.k.a.* the Arkansas Freedom of Information Act.

Minutes

The minutes of the September 10, 2025, APERS Board meeting were presented for approval. A motion to approve the minutes as presented was made by Mr. Larry Walther and seconded by Mr. Dale Douthit. The motion carried unanimously.

Election of a New Chair

Secretary Daryl Bassett expressed his appreciation for the opportunity to serve as Chairman and commended APERS staff for their work. The vice chair position held by Secretary Jim Hudson moves into the chair position of the APERS Board of Trustees for the calendar year 2026, and the Board must elect a vice chair for 2026. Larry Walther moved that Commissioner Susannah Marshall be appointed Vice-Chair of the APERS Board of Trustees. The motion was seconded by Secretary Jim Hudson and approved unanimously.

Executive Report

Executive Director Amy Fecher presented the quarterly report for the period ending September 30, 2025. Her report included an update on APERS video production efforts, noting the completion of an introductory video designed to enhance awareness and understanding of retirement benefits, which is the first in a planned series. She also highlighted recent member outreach activities, including engagements with Central Arkansas Water, Pulaski County Employee Appreciation events, and Shared Administrative Services.

Ms. Fecher reported that, at the direction of the Board, staff developed and issued a Request for Qualifications for investment consultant services and that evaluation of submitted proposals is expected to be completed by December 31, 2025. In addition, she noted that APERS staff are collaborating with U.S. Bank to transition retiree and beneficiary payment services from Bank of America. Ms. Fecher also reported on the resignation of Board of Trustees member, Ms. Kaye Donham.

Mr. Russell White asked about the resources and time associated with identifying a new location for APERS operations. Staff noted that the lease cost is approximately \$850,000 per year for three floors and parking, and that in November 2023 the Board authorized the Executive Director to begin exploring relocation options. Secretary Jim Hudson commented that purchasing a building solely for APERS would be a more straightforward decision, while acquiring a property that could also house other state entities and generate a revenue stream presents additional complexity. Mr. White expressed concern about continuing to incur higher rental costs without progress toward a final decision.

Secretary Bassett suggested that staff prepare information on the properties already reviewed so the Board would have context when a formal report is presented. Secretary Hudson emphasized the importance of maintaining consistency in the Board's decision-making process.

Mr. Jason Brady made a motion directing the Investment and Finance Committee to prepare a report for the Board outlining the properties that have been reviewed or advanced for consideration. The motion was seconded by Mr. Gary Wallace. During discussion, Russell White noted the need to establish a dollar threshold or timeframe to determine how long it is reasonable to wait before taking action. Mr. Gary Carnahan observed that the next Board meeting is scheduled for March 11, 2026, and that the current lease expires on June 30, 2026, indicating that an action item will be required to address a new lease or next steps. The motion was approved unanimously.

Investments

CIO Report

Mr. Carlos Borrromeo presented for the quarter ending September 30, 2025. He reported continued growth in assets under management. Total assets closed September at approximately \$12.9 billion, and total assets exceeded \$13 billion for the first time in both October and November. The total portfolio return for the quarter was 4.61 percent.

Global market performance during the quarter was driven largely by continued momentum in artificial intelligence and technology sectors, as well as the Federal Reserve's decision to lower interest rates. Internationally, the United Kingdom's FTSE 100 recorded its strongest quarterly performance since late 2022. Government bond performance was mixed, with U.S. Treasury yields declining, while yields in the United Kingdom, Germany, and Japan increased.

Within U.S. equity markets, the S&P 500 was led by Information Technology. Small-cap equities outperformed both mid-cap and large-cap stocks as investor sentiment improved and risk appetite

increased. U.S. small-cap equities posted positive returns, with companies without current earnings among the strongest contributors. The electrical equipment industry also experienced solid gains, supported by increased investment to meet growing artificial intelligence driven power demand. The “Magnificent Seven” companies continued to represent more than 30 percent of the S&P 500’s market capitalization and accounted for approximately 70 percent of the index’s returns.

International equity markets generally performed well during the quarter, with Denmark being a notable exception. The U.S. dollar remained relatively stable throughout the period. In addition, staff reported that cumulative class action settlement proceeds received since 2009 have reached approximately \$16.4 million.

Callan Report

Mr. John Jackson, of Callan, presented the investment performance update as of September 30, 2025. He reported that the System remains overweight in both domestic and international equities, which currently offsets underweight positions in credit, private markets, and real assets. He explained that this allocation reflects the timing of capital commitments, as capital has not yet been called by certain managers.

Mr. Jackson noted that APERS began the third quarter with approximately \$12.4 billion in assets, experienced investment gains of approximately \$576 million during the quarter, had net outflows of approximately \$80.2 million, and ended the period with a market value of approximately \$12.9 billion. The total fund return for the quarter was 4.61 percent, compared to a benchmark return of 5.43 percent.

Stephens Inc, Report

Mr. Bo Brister and Mr. Larry Middleton joined the discussion at the table. Staff and consultants noted that, as APERS reached approximately \$10 billion in assets, the progression into private markets was intentional and aligned with the System’s long-term investment strategy. It was explained that the purpose of these asset classes is to generate long-term yield and diversification, with allocations to secondaries, middle-market debt, and infrastructure serving as lower-correlated assets relative to primary public markets.

Updates were provided on specific private market commitments. The Dover Street commitment totaled \$400 million, with \$144 million deployed as of the reporting date, and a total value paid in (TVPI) of 1.38. The Neuberger (NB) Fund of One commitment totaled \$450 million, with \$45.8 million deployed and a TVPI of 1.20. An overview of private credit activity was also presented. For the HarbourVest Fund of One (Diversified Credit Funds), \$550 million of capital was committed, with \$12 million called as of September 30, 2025. For the NB Eagle Debt Fund, \$200 million of capital was committed, with \$80 million called as of the same date. The long-term return objective for these private market investments was stated to be in the low- to mid-teen range.

Mr. Brister noted that, within approximately six months, APERS is expected to be fully funded in the secondary market. He added that earlier purchases were made at approximately 80 cents on the dollar, whereas similar assets are now trading closer to 90 cents on the dollar, reflecting improved market conditions.

CFO Report

The Statement of Fiduciary Net Position as of September 30, 2025, was presented to the Board. As of that date, APERS reported \$42.5 million in cash and cash equivalents, \$7.4 million in total receivables, and \$13.07 billion in total investments, resulting in total assets of \$13,134,472,818. Net position restricted for pension benefits totaled \$12,404,840,369.

The Statement of Changes in Fiduciary Net Position for the period ending September 30, 2025, was also reviewed. Total contributions for the period were \$123.2 million, and net investment income totaled \$545.3 million, resulting in a net increase in fiduciary net position of \$472,812,128. Net position restricted for pension benefits at the end of the first quarter totaled \$12,404,840,369.

GRS

Mr. Mita Drazilov and Ms. Heidi Barry joined the table with Mr. Jason Willett. The purpose of the June 30, 2025, actuarial valuation was twofold: to determine the employer contribution rate for the 12-month period beginning July 1, 2027, and to assess the financial position of APERS, including the funded ratio, as of June 30, 2025.

For District Judges still paying under the Old Plan, the valuation also determined the employer contribution requirements beginning July 1, 2025. At its September 2025 meeting, the Board adopted a minimum employer contribution rate of 15.32 percent of payroll for APERS. Board actions considered at this meeting included approval of the computed employer contributions for District Judges to apply beginning July 1, 2027, or July 1, 2025, for those still paying under the Old Plan, as well as approval of the reserve transfers from the Employer Accumulation Account to the Retirement Reserve Account and the Deferred Annuity Account.

As of June 30, 2025, APERS reported 43,490 active members and 43,148 retiree and DROP members. Valuation payroll increased by approximately four percent to \$2.2 billion. Of the active membership, 39,494 members participated in the New Contributory Plan, including those who have elected to participate. The member contribution rate for the 12-month period beginning July 1, 2027, will be 6.50 percent of payroll. Of those participating in the New Contributory Plan, 27,417 members were hired prior to July 1, 2022, and 12,077 members were hired on or after July 1, 2022, with the latter group subject to different benefit provisions related to final average compensation and cost-of-living adjustments. An additional 3,996 members participate in the Non-Contributory Plan, most of whom have 20 or more years of service. There are also 1,439 DROP participants with payroll totaling approximately \$102 million; while not included in the active member count, employers continue to make contributions on behalf of these participants. Jason Brady inquired whether data are available on members who were previously non-contributory and later returned to contributory status, and staff indicated this information would be researched and provided at a later date.

Investment performance also contributed to the actuarial results. At the beginning of the year, market value of assets totaled approximately \$11.2 billion. While a seven percent return, or approximately \$777 million, had been assumed, actual investment returns for the year were approximately 10.5 percent, significantly exceeding assumptions. The resulting additional investment income of approximately \$369.1 million will be recognized in the funding value of assets over the next four years.

As of the valuation date, the funding value of assets totaled approximately \$11.46 billion, while actuarial accrued liabilities totaled approximately \$13.89 billion, resulting in unfunded actuarial accrued liabilities of approximately \$2.42 billion. The APERS funded ratio on a funding value of assets basis was reported as 83 percent, and 86 percent on a market value of assets basis, compared to funded ratios of 84 percent and 82 percent, respectively, in the prior valuation. It was noted that following the global financial crisis in 2012, the funded ratio was approximately 69 percent, and that the adopted 15.32 percent employer contribution rate has materially contributed to the improvement in the System's funded status.

An overview of the District Judges Retirement System (DJRS) was also presented. DJRS was incorporated into APERS in 2007 and has been separately experience-rated within APERS since the June 30, 2007,

actuarial valuation. The District Judges division consists of two plans: the Old Plan, covering benefits for service prior to January 1, 2005, and the New Plan, which is closed to new hires and covers service on or after January 1, 2005. Under the Old Plan, each participating employer is separately experience-rated until its unfunded actuarial accrued liabilities are paid off, with 28 employers still paying Old Plan unfunded liabilities. Once paid off, these employers will transition to a cost-sharing arrangement. The amortization period for the Old Plan is ten years beginning July 1, 2025.

The New Plan operates as a cost-sharing arrangement. Once the New Plan and any paid-off Old Plan portions achieve a funded ratio of 100 percent or greater, the unfunded liability contribution for District Judges will be incorporated into the overall APERS contribution rate. The amortization period for the New Plan is approximately 1.6 years beginning July 1, 2027. As of the valuation date, there were nine remaining active members in the New Plan with payroll totaling approximately \$1.6 million. Across all District Judge plans, there were 196 benefit records with annual benefits totaling approximately \$2.8 million, representing 137 retired members, and 63 inactive records with future annual benefits of approximately \$0.3 million, representing 55 deferred members. It was noted that benefits may be allocated across multiple employers or plans for individual members.

For the New Plan and paid-off Old Plan portions combined, actuarial accrued liabilities totaled approximately \$30.2 million, with funding value of assets of approximately \$27.7 million, resulting in a funded ratio of 92 percent. For the remaining Old Plans, actuarial accrued liabilities totaled approximately \$6.5 million, with funding value of assets of approximately \$2.7 million, resulting in a funded ratio of 42 percent. The combined funded ratio for District Judges was reported as 83 percent. It was further noted that there are 24 deferred vested records and 63 retired members associated with approximately \$3.8 million in unfunded liabilities, equating to an estimated employer contribution requirement of approximately \$525,000. Projection results presented assume that unfunded actuarial accrued liabilities will be amortized over multiple closed layers, with each layer reducing by one year annually.

A motion was made to approve the computed employer contributions for District Judges to apply beginning July 1, 2027. The motion was moved by Mr. Brady and seconded by Secretary Hudson. The motion was approved unanimously.

A second motion was made to approve the computed employer contributions for District Judges to apply beginning July 1, 2027, and beginning July 1, 2025, for District Judges still paying under the Old Plan. The motion was moved by Mr. Brady and seconded by Secretary Hudson. The motion was approved unanimously.

A final motion was made to approve the annual reserve transfers from the Employer Accumulation Account to the Retirement Reserve Account in the amount of \$380,007,868 and to the Deferred Annuity Account in the amount of \$34,742,146. The motion was moved by Mr. Brady and seconded by Secretary Hudson. The motion was approved unanimously.

Legal Report

Laura Gilson provided a legal update to the Board. She reported that APERS currently has one appeal pending in circuit court. A hearing was held on October 29, 2025, before Judge Brock, during which oral arguments were presented in support of APERS' Motion to Dismiss, and the System is awaiting a ruling from the court.

Ms. Gilson also reported that one set of rules promulgated by the Board has become effective. Amendments to APERS Board Rule 24, CAR § 1-218, concerning termination of covered employment as a

requirement for retirement, were presented to the Joint Retirement Committee and the Arkansas Legislative Council Administrative Rules Subcommittee in September, and the amended rule became effective October 31, 2025.

Ms. Gilson further provided an update on securities litigation matters. She noted that the Seagate and Five Below cases are currently in the discovery phase. With respect to The Trade Desk, Inc., she reported that APERS' response to the Motion to Dismiss is due December 12, 2025.

Benefits Report

Ms. Allison Woods reported on membership and benefit activities as of September 30, 2025. She reviewed statutory participation requirements, noting that mandatory participating public employers include all employees of the State of Arkansas, except those who are members of another state retirement system, as well as all county employees, who are required to become members of APERS as a condition of employment. She also outlined optional participating public employers, explaining that employees of certain political subdivisions are required to become members of the System once the employer elects to participate. These optional employers include municipalities; rural waterworks facilities boards; regional airport authorities and border municipal airport authorities; public facilities boards; regional solid waste management boards; joint county and municipal sanitation authorities; suburban improvement districts; public water authorities; regional water distribution boards; metropolitan port authorities; and public transit authorities.

Ms. Woods reported that three new employers joined APERS during the quarter: Gosnell Water Association Public Water Authority, the City of Benton, and the Ozark Regional Transit Authority. As of September 2025, total active membership was reported to be 44,044 members, with an average annual salary of \$48,794. At the end of the quarter, the System reported 15,550 inactive members and a total of 39,930 retirees.

Ms. Woods also presented a special topic focusing on active members by age and years of service. She explained that the "Valuation Data" section of the annual actuarial valuation prepared by GRS includes detailed information on retired, inactive, and active members, including a table summarizing active members by attained age and years of service. The presentation highlighted key aspects of this table to provide the Board with a clearer understanding of the distribution of the active member population for the fiscal year ending June 30, 2025.

Adjournment

With no further business, the meeting was adjourned.

Upcoming Board Meetings

March 4, 2026, at 9:00 a.m.

June 3, 2026, at 9:00 a.m.

September 23, 2026, at 9:00 a.m.

December 2, 2026, at 9:00 a.m.

Secretary Daryl Bassett, Chair

Ms. Amy Fecher, Executive Director



**Arkansas Public Employees' Retirement System Board of Trustees
Investments and Finance Committee
December 18, 2025**

A meeting of the Investment Finance Committee (IFC) of the Arkansas Public Employees' Retirement System (APERS) was held on Thursday December 18, 2025, at 9:00 a.m. This meeting was held via Zoom remote conferencing as well as in person in the Conference Room, 124 West Capitol, Little Rock, Arkansas. Mr. Larry Walther presided.

Board Members Present

Mr. Larry Walther, (Retired Member), Chair of Investment Finance Committee
Secretary Jim Hudson, Department of Finance and Administration (State Employee)
Mr. Jason Brady, (State Auditor's Office) proxy
Commissioner Susannah Marshall, Arkansas State Bank and Securities Departments
Mr. Gary Carnahan, (Municipal Employee Member)*

APERS Staff Present

Ms. Amy Fecher, Executive Director
Mr. Phillip Norton, Director of Information Systems
Mr. Carlos Borromeo, Deputy Director of Investments & Finance
Ms. Jacobia Bates, Director of Public Affairs
Ms. Laura Gilson, General Counsel
Ms. Ashley Golleher, Deputy Director of Operations
Ms. Patty Shipp, Assurance Officer
Ms. Brooke Hollowoa, Marketing Director
Mr. Richmond Giles, Legal Staff
Ms. Bailey Hall, Assurance Analyst*
Mr. Richard Wilson, APERS Board Member *

Visitors Present

Mr. Mike Wickline, Arkansas Democrat-Gazette
Mr. Seth Middleton, Stephens Inc.
Mr. Bo Brister, Stephens Inc.
Ms. Lisa Giaffp, Osmosis*
Mr. Cory Suarez, Company Lieff Cabraser*
Ms. Lydia Lee, Heimann & Bernstein*
Mr. Zack Cziryak, FIN News*
Mr. John Ahlen, Arkansas State Bank Department*
Ms. Kelsi Hogg, Arkansas Legislative Audit*

*Denotes remote attendees

The meeting focused on providing clarity on the characteristics of the private credit asset class and explaining why it is considered complementary.

“Project Green”

APERS Deputy Director of Investments and Finance, Mr. Carlos Borromeo, and Mr. Bo Brister from Stephens, joined the table to discuss “Project Green”. Stephens has been conducting due diligence since August, with the meeting focused on outlining the project overview and key risks. Project Green is seeking up to approximately \$125 million in combined debt and equity financing to develop a 15-acre, fully automated greenhouse for controlled-environment agricultural production in Arkansas.

The proceeds would be used for land acquisition and construction of the production facility, with construction anticipated in 2026 and full production capacity expected by 2028. The primary consideration highlighted was the project’s position within a fast-growing industry segment, while key risks included the unknown variables affecting financial modeling and expected returns, potential construction delays and inflationary cost pressures, and capital structure terms that remain to be determined.

During discussion, Mr. Larry Walther asked how the asset would fit within the portfolio, to which Mr. Brister responded that classification would depend on whether the investment was structured as debt or equity; questions were also raised regarding whether the opportunity was solicited. Mr. Jason Brady inquired about job creation, with Stephens noting higher construction-phase employment but fewer long-term jobs due to the facility’s state-of-the-art, automated design and limited footprint. Commissioner Susannah Marshall asked about Arkansas ties or site selection rationale, and Mr. Brister indicated Arkansas is an attractive business environment, with more details expected at the upcoming IFC meeting.

Secretary Hudson encouraging continued due diligence to determine whether the project “pencils out,” expressing appreciation for exploring private equity opportunities in Arkansas.

Security Litigation

Ms. Laura Gilson joined the table to discuss the DexCom case, which involves a new filing request following the board’s prior decision not to move forward in a separate case involving DexCom. DexCom estimates a loss of \$6.1 million.

The claims allege that DexCom misled investors regarding the efficacy of its G7 glucose monitoring device, asserting that the company knew of significant quality issues related to sensor accuracy and data transmission but continued to promote the device without disclosure until after the class period, during which patients were allegedly harmed; these issues were later uncovered through FDA and journalistic investigations.

An Arkansas connection was noted, as the state benefit plan has paid approximately \$5.8 million for the device. Discussion centered on hurdles related to lead plaintiff status, including uncertainty around involved firms and the fact that Ohio, which is moving forward to seek lead status, was a net seller during the class period, while APERS was a net buyer. Staff outlined options to pursue lead plaintiff status, co-lead status, or not move forward, with several members noting that co-lead status may present a stronger position. It was also noted that even without lead status, APERS would still recover funds, though it would not participate in negotiations or filings.

After discussion, Mr. Brady moved to authorize staff to proceed with the DexCom plaintiff review, seconded by Secretary Hudson, and the motion passed unanimously.

Executive Report

Ms. Fecher reviewed a list of properties evaluated since December 2023, noting no recent reviews since summer 2025 and ongoing outreach to realtors to determine which properties have sold; the list will be refined with the goal of presenting potential solutions. Mr. Gary Carnahan added that a decision regarding the current lease will likely need to be made by July 1, with Secretary Hudson noting that a holdover is possible.

New Business

There was no new business discussed.

With no further business, the meeting was adjourned.

Larry Walther, Committee Chair

Amy Fecher, APERS Executive Director



**Arkansas Public Employees' Retirement System Board of Trustees
Investments and Finance Committee
February 3, 2026**

A meeting of the Investment Finance Committee (IFC) of the Arkansas Public Employees' Retirement System (APERS) was held on Tuesday February 3, 2026, at 3:00 p.m. This meeting was held via Zoom remote conferencing as well as in person in the Conference Room, 124 West Capitol, Little Rock, Arkansas. Mr. Larry Walther presided.

Quorum Present

Judge Herbert Wright recognized a quorum for the Arkansas Judicial Retirement System (AJRS) and Mr. Larry Walther recognized a quorum for APERS and called the meeting to order.

APERS Board Members Present

Mr. Larry Walther, (Retired Member), Chair of Investment Finance Committee
Secretary Jim Hudson, Department of Finance and Administration (State Employee)
Mr. Jason Brady, (State Auditor's Office) proxy
Commissioner Susannah Marshall, Arkansas State Bank and Securities Departments
Mr. Gary Carnahan, (Municipal Employee Member)
Mr. Gary Wallace, Retires Law Enforcement
Mr. Richard Wilson, APERS Board Member *

AJRS Board Members Present

Hon. Herbert Wright (District Judge)
Hon. Mackie Pierce (Retired Circuit Judge)
Hon. John Scott (Circuit Judge) *
Hon. Earnest Brown, Jr. (Circuit Judge) *
Hon. Raymond Abramson (Circuit Judge) *

APERS Staff Present

Ms. Amy Fecher, Executive Director
Mr. Phillip Norton, Director of Information Systems
Mr. Carlos Borrromeo, Deputy Director of Investments & Finance
Ms. Jacobia Bates, Director of Public Affairs
Ms. Laura Gilson, General Counsel
Ms. Ashley Golleher, Deputy Director of Operations
Ms. Allison Woods, Deputy Director of Benefits
Ms. Brooke Hollowoa, Marketing Director
Mr. Richmond Giles, Legal Staff
Ms. Bailey Hall, Assurance Analyst
Ms. Patty Shipp, Assurance Officer*
Ms. Stacie Jackson, Administrative Specialist III*

Visitors Present

Mr. Mike Wickline, Arkansas Democrat-Gazette
Mr. Seth Middleton, Stephens Inc.
Mr. Bo Brister, Stephens Inc.

Mr. Larry Middleton, Stephens Inc.
Mr. Ted Stewart, Capitol Law Firm
Mr. Michael Harry, Arkansas Treasury
Mr. Ted Dickey, Lighthouse Asset Advisors
Ms. Marsha Wallace, Guest
Mr. Chris Villines, Association of Arkansas Counties*
Ms. Kelsi Hogg, Arkansas Legislative Audit*
Mr. Samuel Kauffman, Administrative Office of the Courts*
Ms. Lisa Giaffo, Osmosis*
Mr. John Martin, MTP*
Secretary Leslie Fiskien, Department of Shared Administrative Services*
Ms. Lauren Albanese, Financial Investment News*
Mr. Todd Stewar, MTP*
PJ Kelly, AON Investments*
Leon Mcbride*
Ms. Millie Mo, McKinsey*
Juawana Jackson, Sixth Division Circuit Court- Juvenile Division*
Spencer Witherspoon, Shenkman Capital Management*
Sami Fuller, Financial Times Specialist*
Mr. Matt Cortese, Wafra*

*Denotes remote attendees

Investment Consultant RFQ:

APERS Deputy Director of Investments Carlos Borrromeo and staff attorney Richmond Giles provided an update on the Investment Consultant RFQ, with Patty Shipp participating virtually. Director Fecher stated that APERS consulted with the Office of State Procurement (OSP) and conducted the RFQ in-house. Seven responses were received by the November 21 deadline.

An evaluation committee consisting of Mr. Borrromeo, Ms. Shipp, and Ms. Woods, facilitated by Mr. Giles, reviewed and scored the submissions. Mr. Borrromeo reported that the top three firms were tied and requested board approval to proceed with interviews, as permitted under the RFQ.

Director Fecher explained that staff would conduct interviews after completing required OSP training and then present a recommendation to the full board.

Mr. Brady made a motion for the APERS Finance Committee to certify Callan LLC, Meketa Investment Group Incorporated, and RVK Incorporated as the three finalists. The motion was seconded by Mr. Wallace and approved. Judge Mackie Pierce made a similar motion for AJRS for the same three firms, which was seconded by Judge Earnest Brown and approved.

Project Green

Mr. Carlos Borrromeo, and Mr. Larry Middleton, and Mr. Bo Brister of Stephens, Inc., joined the table to provide an update on Project Green. The project continues to be evaluated as an Arkansas-based investment involving both equity and debt components. Due diligence is ongoing, and there is no new information to report currently. There may be further updates if additional information becomes available, but for now the project will be considered on hold until more information is received

Real Estate

Mr. Ted Dickey of Lighthouse Asset Advisors joined Director Fecher to provide an update on real estate. Director Fecher reported that in December a list of fifteen properties considered since 2023 was provided to the board; several have since sold, leaving eight available properties. Mr. Dickey noted that board criteria include a target of approximately 40,000 square feet, a preference for ownership, and a downtown location.

Options under consideration include development or redevelopment, turnkey move-in-ready buildings, and intermediate properties requiring significant interior work. Since December, four additional properties, Heritage West, Union Plaza, the Tower Building, and the Pyramid Building, have been added to the list.

Mr. Wallace asked whether progress would be delayed pending completion of a formal real estate plan. Secretary Hudson responded that the plan remains in progress but emphasized the board's clear preference for ownership. Commissioner Susannah Marshall disclosed for transparency that she serves as a commissioner for First Security Bank and Crews and stated she would recuse herself if necessary. Secretary Hudson noted that recusal would be required if negotiations involved either entity.

Mr. Brady asked which properties best met the criteria, and Mr. Walther identified First Security/Crews as the closest match. Director Fecher agreed, noting it is a turnkey option. Commissioner Marshall added that development or major interior buildouts would likely be more expensive than redevelopment.

Director Fecher requested guidance on narrowing the list. Mr. Carnahan observed that five properties appeared reasonable, with only two, First Security and Heritage, meeting size requirements. Secretary Hudson noted that while the First Security/Crews property is a high-quality turnkey space, it is a condominium, limiting APERS' control and adding HOA costs due to residential and hotel units. He also expressed concern about market instability and whether delaying a purchase could allow for a larger development opportunity.

Mr. Carnahan asked whether APERS could occupy a state-owned building; Secretary Hudson responded that this was unlikely. Director Fecher added that state-owned space would still involve fees. Mr. Walther asked when Union Plaza was sold, and Director Fecher responded that it was sold in 2009, noting that APERS has spent over \$12 million on rent since that time.

Secretary Hudson stated that any purchase would require legislative appropriation and approval and recommended further staff analysis. Commissioner Marshall raised broader strategic considerations, including whether APERS wants to be a landlord or share space with another organization. Mr. Wallace stated he would be comfortable extending the lease for one year to allow additional clarity. Director Fecher explained that only the First Security/Crews option would avoid signing a new lease, as the current lease expires June 30, 2026.

Secretary Hudson made a motion directing staff to further evaluate developed properties and return to the IFC at the next or a called meeting with recommendations. Mr. Carnahan seconded the motion, requesting inclusion of analysis on landlord considerations. The motion was approved unanimously.

New Business

There was no new business discussed.

With no further business, the meeting was adjourned.

Larry Walther, IFC Committee Chair

Amy Fecher, APERS Executive Director



**Arkansas Public Employees' Retirement System Board of Trustees
Investments and Finance Committee
February 27, 2026**

A meeting of the Investment Finance Committee (IFC) of the Arkansas Public Employees' Retirement System (APERS) was held on Friday, February 27, 2026, at 9:00 a.m. This meeting was held jointly with members of the Arkansas Judicial Retirement System. The meeting was held via Zoom remote conferencing as well as in person in the Conference Room, 124 West Capitol, Little Rock, Arkansas. Mr. Larry Walther presided.

Quorum Present

Judge Herbert Wright recognized a quorum for the Arkansas Judicial Retirement System (AJRS) and Mr. Larry Walther recognized a quorum for APERS and called the meeting to order.

APERS Board Members Present

Mr. Larry Walther, (Retired Member), Chair of Investment Finance Committee
Secretary Jim Hudson, Department of Finance and Administration (State Employee)
Mr. Jason Brady, (State Auditor's Office) proxy
Commissioner Susannah Marshall, Arkansas State Bank and Securities Departments
Mr. Gary Carnahan, (Municipal Employee Member)
Mr. Gary Wallace, Retires Law Enforcement
Secretary Daryl Bassett, State Employee

AJRS Board Members Present

Hon. Herbert Wright (District Judge)
Hon. John Scott (Circuit Judge) *
Hon. Earnest Brown, Jr. (Circuit Judge) *
Hon. Raymond Abramson (Circuit Judge) *

APERS Staff Present

Ms. Amy Fecher, Executive Director
Mr. Phillip Norton, Director of Information Systems
Mr. Carlos Borromeo, Deputy Director of Investments & Finance
Ms. Jacobia Bates, Director of Public Affairs
Ms. Laura Gilson, General Counsel
Ms. Allison Woods, Deputy Director of Benefits
Mr. Richmond Giles, Legal Staff
Ms. Bailey Hall, Assurance Analyst
Ms. Ashley Golleher, Deputy Director of Operations*
Ms. Stacie Jackson, Administrative Specialist III*
Ms. Jennifer Taylor, Director of Benefits Administration*

Visitors Present

Ms. Mika Malone, Meketa Capital*
Ms. Erika Olsen, Meketa Capital*
Ms. Lisa Rubin, Meketa Capital*



Mr. Christian McCormick, Meketa Capital*
Ms. Kelsi Hogg, Arkansas Legislative Audit*
Ms. Lauren Albanese, Financial Investment News*
Ms. Maxine Hawkins*
Ms. Lisa Giaffo, Osmosis*
Jospeth Ebisa*

*Denotes remote attendees

Investment Consultant RFQ – Recommendation

Mr. Carlos Borromeo, Chief of Investments and Finance, presented staff's recommendation following completion of the Investment Consultant Request for Qualifications (RFQ) evaluation and interview process. Staff interviewed the three certified finalists — Callan LLC, Meketa Investment Group, Inc., and RVK, Inc. and reviewed results in accordance with established RFQ criteria. Staff recommended selection of Meketa Investment Group as the investment consultant.

Representatives from Meketa Investment Group, including Christian McCormick, Mika Malone, and Erika Olsen, introduced their team and presented their consulting approach. The Board engaged in discussion regarding transition timing and cost, investment strategy, investment manager oversight, reporting structure, governance support, communications, performance expectations, and compliance with Arkansas law.

Staff advised that the transition from Callan would follow contractual notice requirements, with no additional transition costs anticipated. Meketa outlined plans for an initial portfolio and manager review within the first year and emphasized strategic asset allocation, governance, and board education as priorities.

Director Amy Fecher noted that Meketa submitted the most competitive proposal, resulting in estimated savings of approximately \$81,000 compared to the current contract.

Following discussion, Mr. Jason Brady made a motion to approve the staff recommendation and forward the selection of Meketa Investment Group to the full Board for consideration and final approval. The Investment Finance Committee approved the motion.

AJRS members participated in the joint discussion but took no action, indicating the item would be considered at their next board meeting.

Chairman Walther thanked the Meketa representatives for their participation.

With no further business, the joint meeting was adjourned.

Larry Walther, IFC Committee Chair

Amy Fecher, APERS Executive Director



APERS

ARKANSAS PUBLIC EMPLOYEES'
RETIREMENT SYSTEM

DELIVERING SECURE RETIREMENT BENEFITS
AND EXCEPTIONAL SERVICE TO OUR MEMBERS.

Chief Investment Officer Report

For the Quarter Ending December 31, 2025

Benchmarks and Portfolio Performance - Q2 FY 2026

Benchmarks				APERS/ASPRS Portfolio					
	Qtr	Calendar Year 2025	Fiscal Year		Q4 2025	Fiscal Year	Calendar Year 2025		31-Dec-25
U.S. Equity				Domestic Equity	1.25%	8.75%	14.48%	\$	5,520,353,794
S&P 500	2.66%	17.88%	11.00%	International Equity	4.64%	9.97%	27.60%	\$	2,843,819,050
Russell 1000 Growth	1.12%	18.56%	11.75%	Private Markets	3.87%	8.75%	15.31%	\$	608,559,249
Russell 1000 Value	3.81%	15.91%	9.34%	Credit Markets	1.37%	3.49%	8.21%	\$	2,320,674,631
Russell 2000 Index	2.19%	12.81%	14.86%	Real Assets	2.09%	0.28%	1.42%	\$	1,682,955,095
Russell 2000 Growth	1.22%	13.01%	13.56%	APERS Total Portfolio	2.22%	6.93%	14.42%	\$	12,976,361,819
Russell 2000 Value	3.26%	12.59%	16.27%					\$	143,434,532
Russell 3000 Index	2.40%	17.15%	10.78%					\$	13,119,796,351
International Equity									
MSCI EAFE	4.86%	31.22%	9.86%						
MSCI ACWI xUS	5.05%	32.39%	12.29%						
Public Credit									
Bloomberg Agg	1.10%	7.30%	3.15%						
Bloomberg High Yield	1.31%	8.62%	3.88%						
									Cash
									TOTAL FUND

Economic and Market Overview - Q2 FY 2026

Global Markets – FY26 and 2025 Calendar Year

- Global markets posted steady gains during the fourth quarter of 2025.
- Several equity indices closed the year near record or multi-year highs.
- Risk assets performed strongly across regions.
- Non-US equities significantly outperformed US markets for the first time in several years.

United States

- US equities generated positive returns during 4Q 2025 despite political and economic headwinds.
- Market outperformance occurred amid the longest federal government shutdown on record.
- Following an April selloff, the S&P 500 recovered to finish 2025 up ~18%.
- Two “Magnificent 7” firms remained key drivers of performance. Google (Alphabet) rose by 65%. Nvidia rose by ~39%.

United Kingdom

- UK equities performed strongly in the fourth quarter of 2025, extending gains from earlier in the year.
- Markets closed 2025 near multi-year highs.
- Performance was led by globally focused names. Particularly in financials, mining, and defense.
- The FTSE All-Share Index rose by 33% for the year (in US dollars).

Eurozone

- European markets performed well in 4Q 2025.
- Major benchmarks finished near multi-year highs.
- The MSCI EMU Index delivered ~40% annual return (in US dollars).

Economic and Market Overview - Q2 FY 2026

Global Bonds

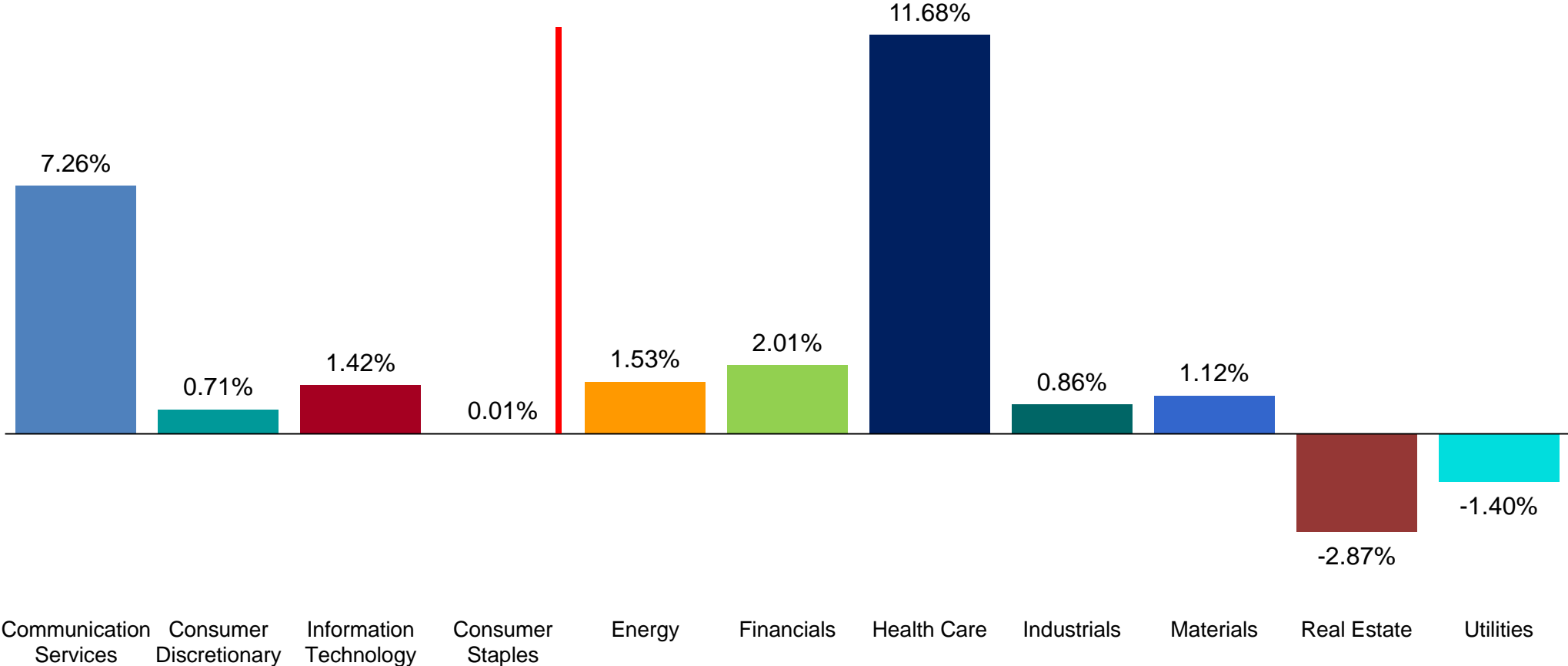
- Government bond markets displayed significant regional divergence in 4Q 2025.
- UK gilts outperformed following a favorable market response to the November budget.
- US Treasury returns were more muted as the yield curve steepened.
- Japanese government bonds sold off sharply. Yields rose to highest levels since 1999.
- The Eurozone markets diverged.
 - The peripheral markets, particularly Italy, outperformed.
 - German yields rose following forecast upgrades by the European Central Bank (ECB).
- Investment-grade credit produced positive returns. US credit spreads compressed in 4Q 2025.

Other Asset Classes – 2025 Highlights

- Precious metals were the strongest performers within commodities. Gold rose by ~63%. Silver gained ~140%.
- Both metals are considered “safe-haven” assets.
- Both supported by geopolitical risk, a weaker US dollar, still elevated global inflation, and possible slower global growth.
- Silver’s gains driven by tight supply and its critical role in technology, EVs, and AI.
- Copper benefitted by persistent supply constraints, a softer US dollar, and rising demand.
- Lithium finished the year higher on EV and battery demand.
- Energy markets underperformed. WTI crude declined ~20%, the sharpest decline in oil prices since 2020.

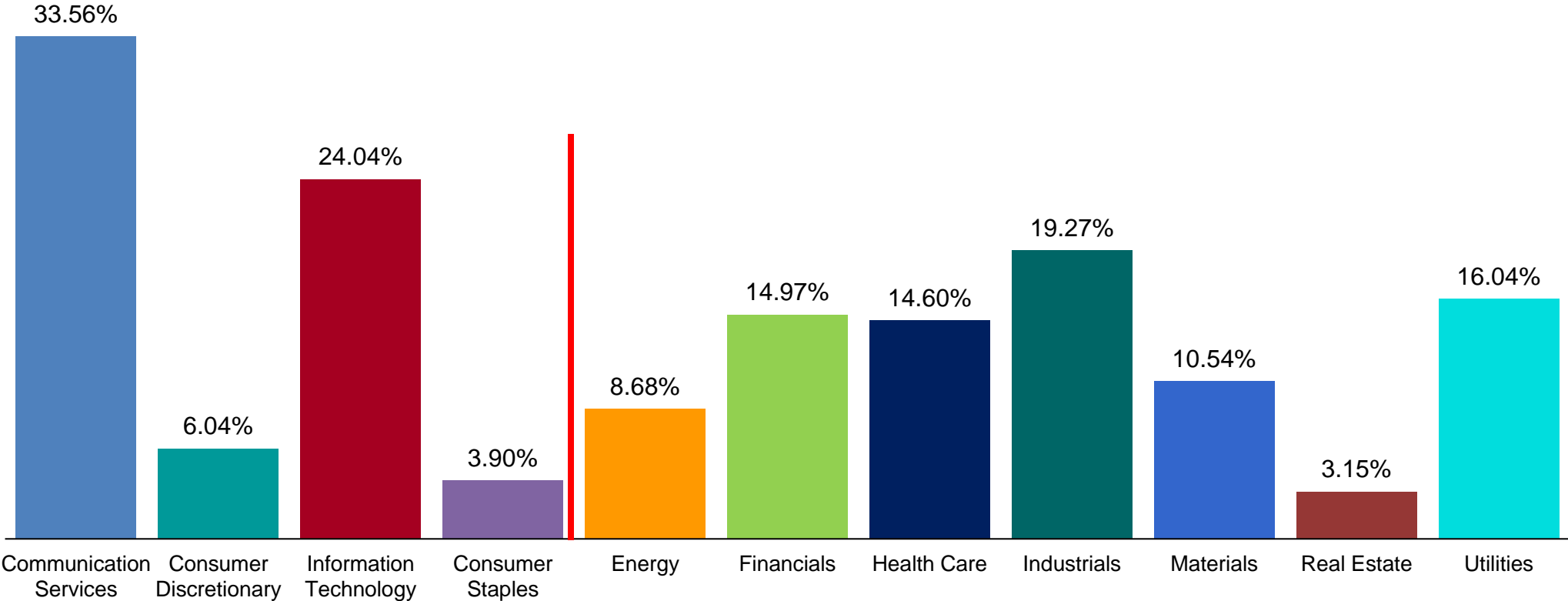
S&P 500 Performance – Q2 FY 2026

Industry Sector Quarterly Performance (S&P 500) as of 12/31/2025



S&P 500 Performance – 2025 Calendar Year

Industry Sector YTD Performance (S&P 500) as of 12/31/2025



U.S. Equity Markets Performance

Value strategies performed better than growth strategies in 4Q 2025.

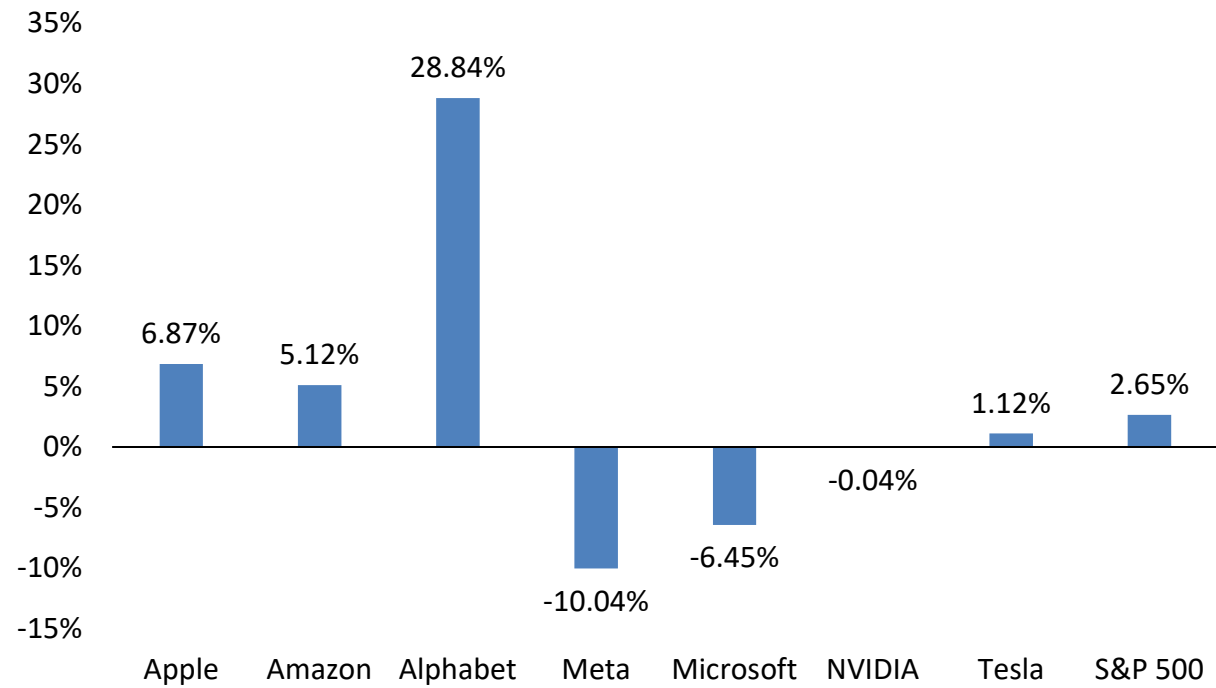
The healthcare sector's performance may be attributed to demand for GLP-1 therapies as well as improved capital access for biotech and life science firms.

	QTD US Equity Returns as of 12/31/2025				Fiscal YTD US Equity Returns as of 12/31/2025				Calendar Year Equity Returns 12/31/2025		
	Growth	Core	Value		Growth	Core	Value		Growth	Core	Value
Large	1.12%	2.41%	3.81%	Large	11.75%	10.60%	9.34%	Large	18.56%	17.37%	15.91%
Mid	-3.70%	0.16%	1.42%	Mid	-1.03%	5.49%	7.69%	Mid	8.66%	10.60%	11.05%
Small	1.22%	2.19%	3.26%	Small	13.56%	14.86%	16.27%	Small	13.01%	12.81%	12.59%

"Magnificent 7" Performance

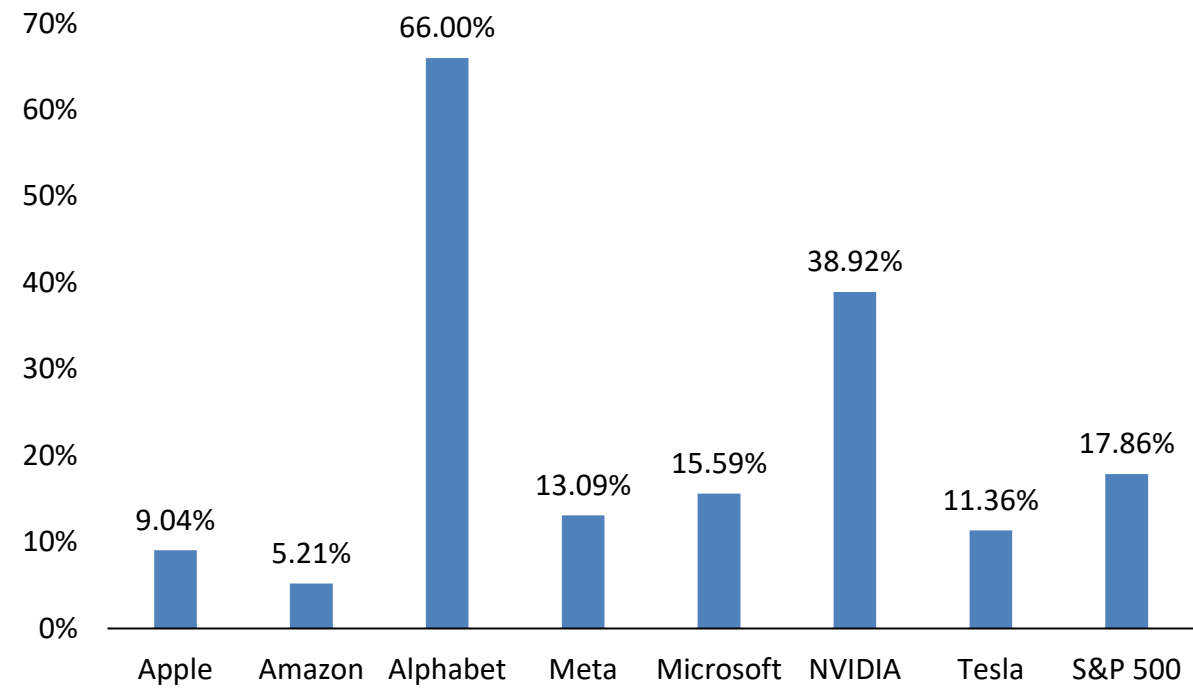
4Q 2025

1-Quarter Performance Ended 12/31/2025:
"Magnificent 7" Stocks vs. S&P 500 Index



2025 Calendar Year

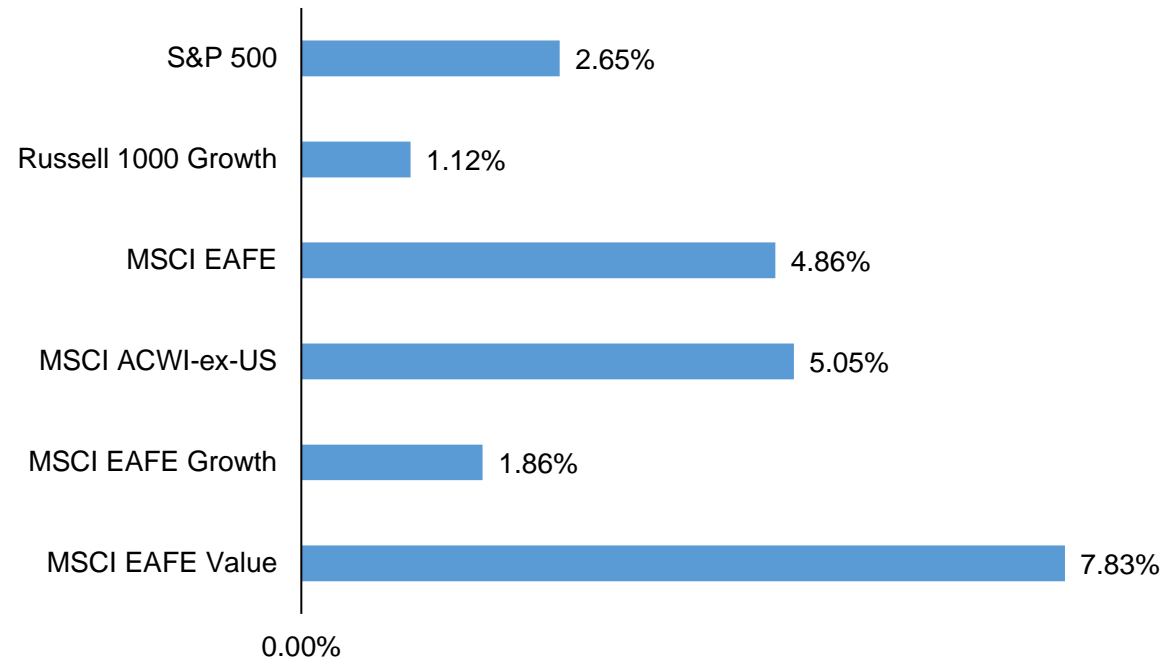
YTD Performance Ended 12/31/2025: "Magnificent 7"
Stocks vs. S&P 500 Index



Global Markets - Q2 FY 2026

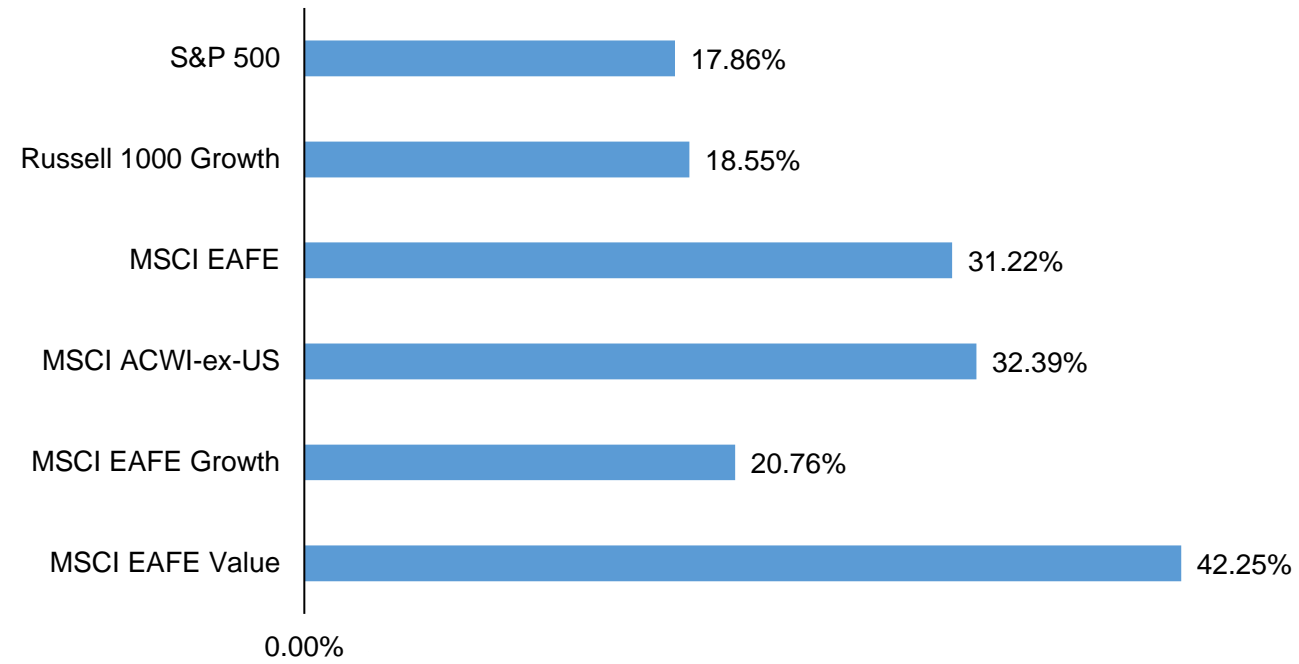
4Q 2025

1-Quarter Return Ending 12/31/2025



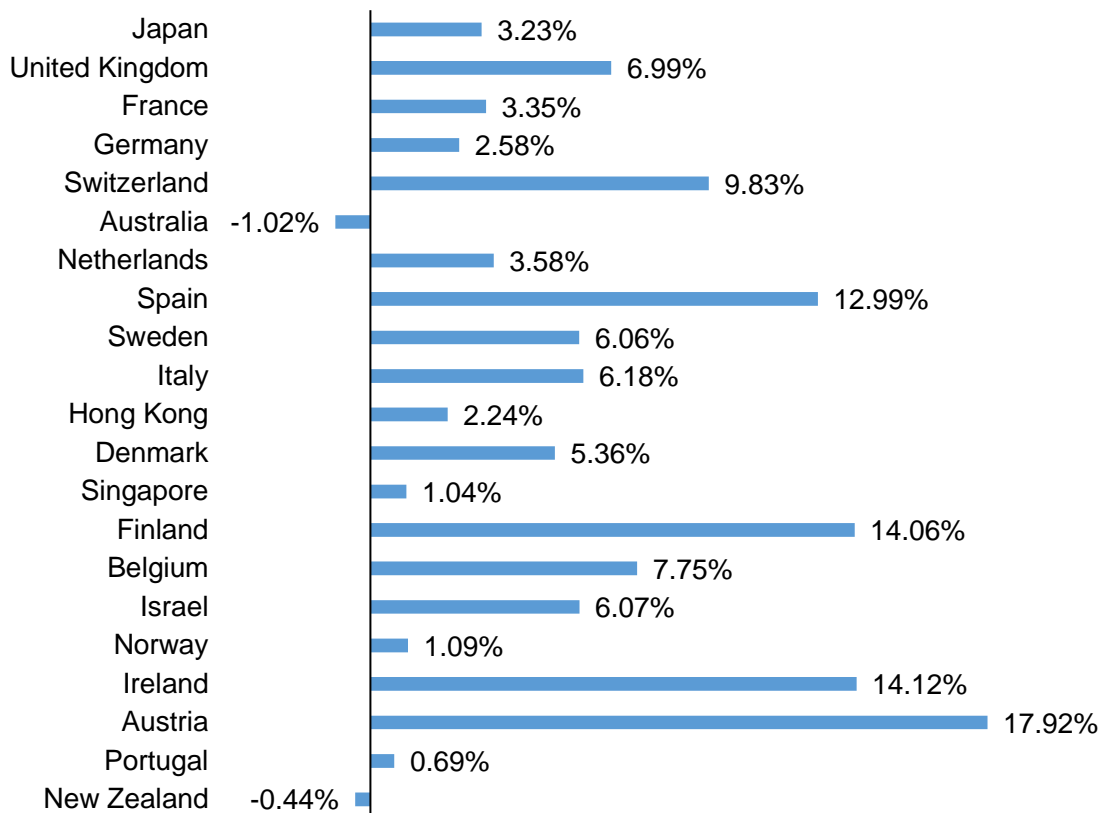
2025 Calendar Year

1-Year Return Ending 12/31/2025

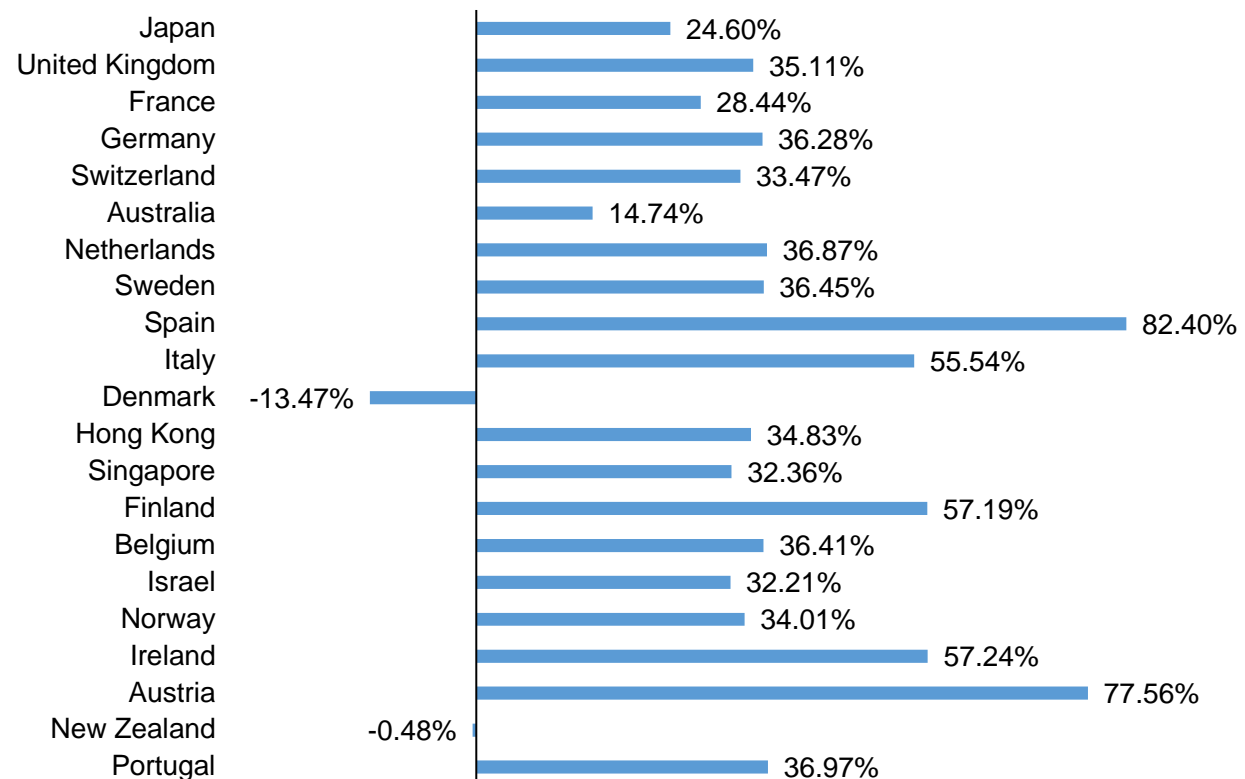


EAFE Index - Q2 FY 2026

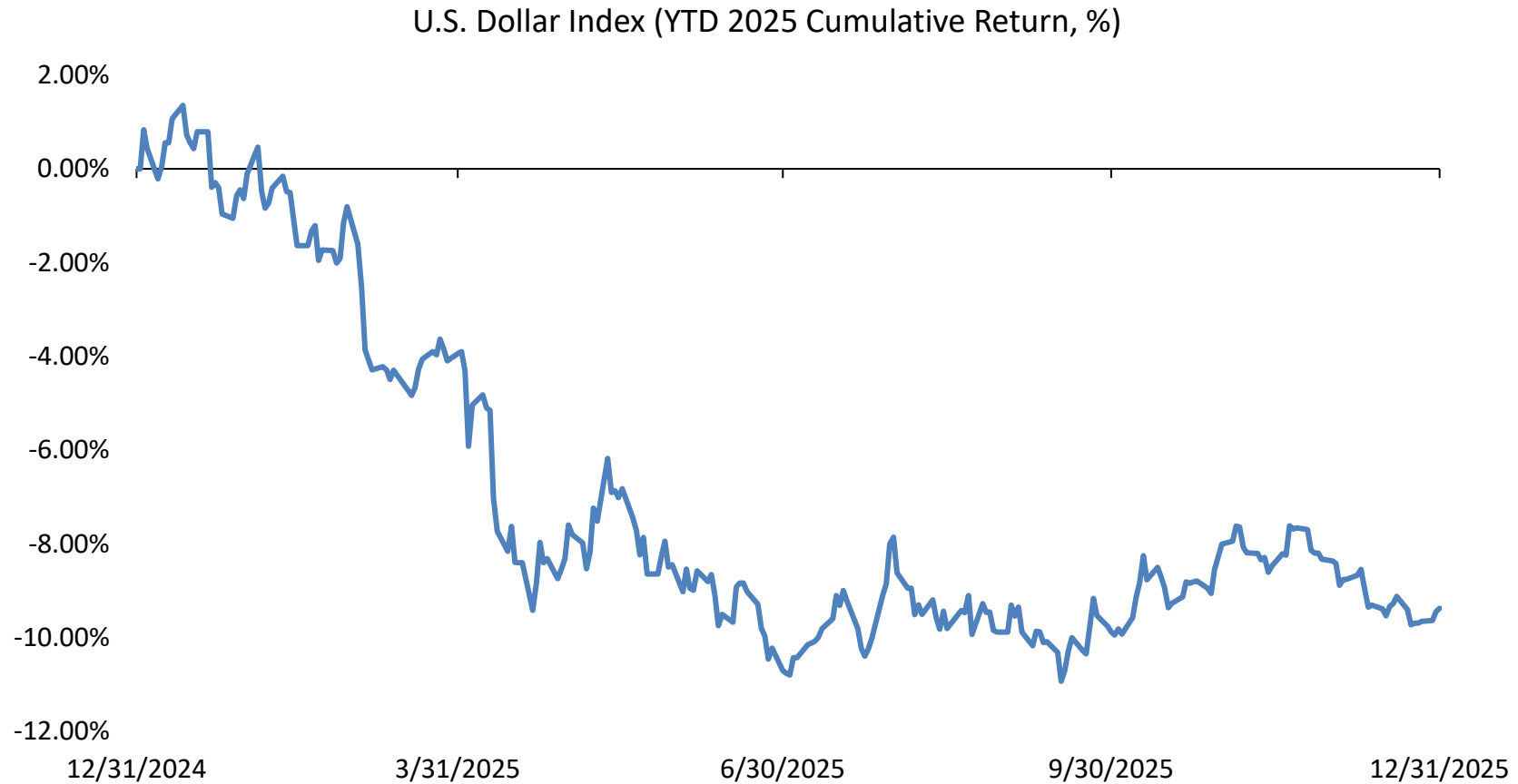
Countries in the MSCI EAFE Index: 1-Quarter Return Ending 12/31/2025



Countries in the MSCI EAFE Index: 1-Year Return Ending 12/31/2025



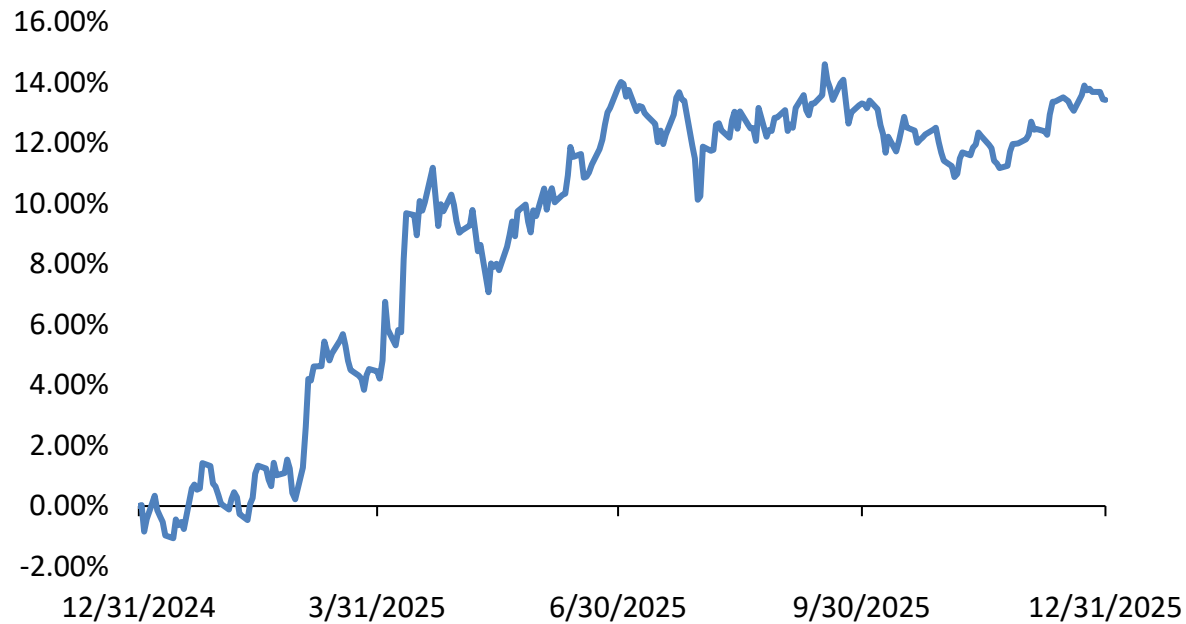
Monitoring the U.S. Dollar



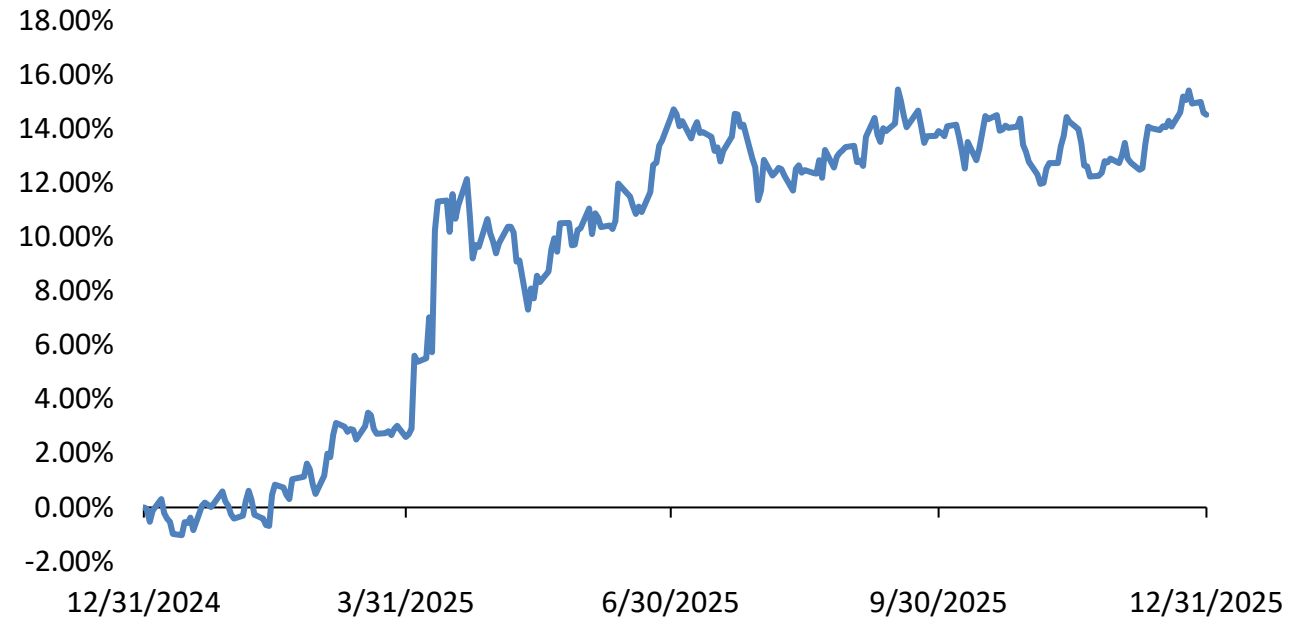
Monitoring the U.S. Dollar

The transition from the US dollar to other currencies warrants close observation.

U.S. Dollar per Euro (YTD 2025 Cumulative Return, %)

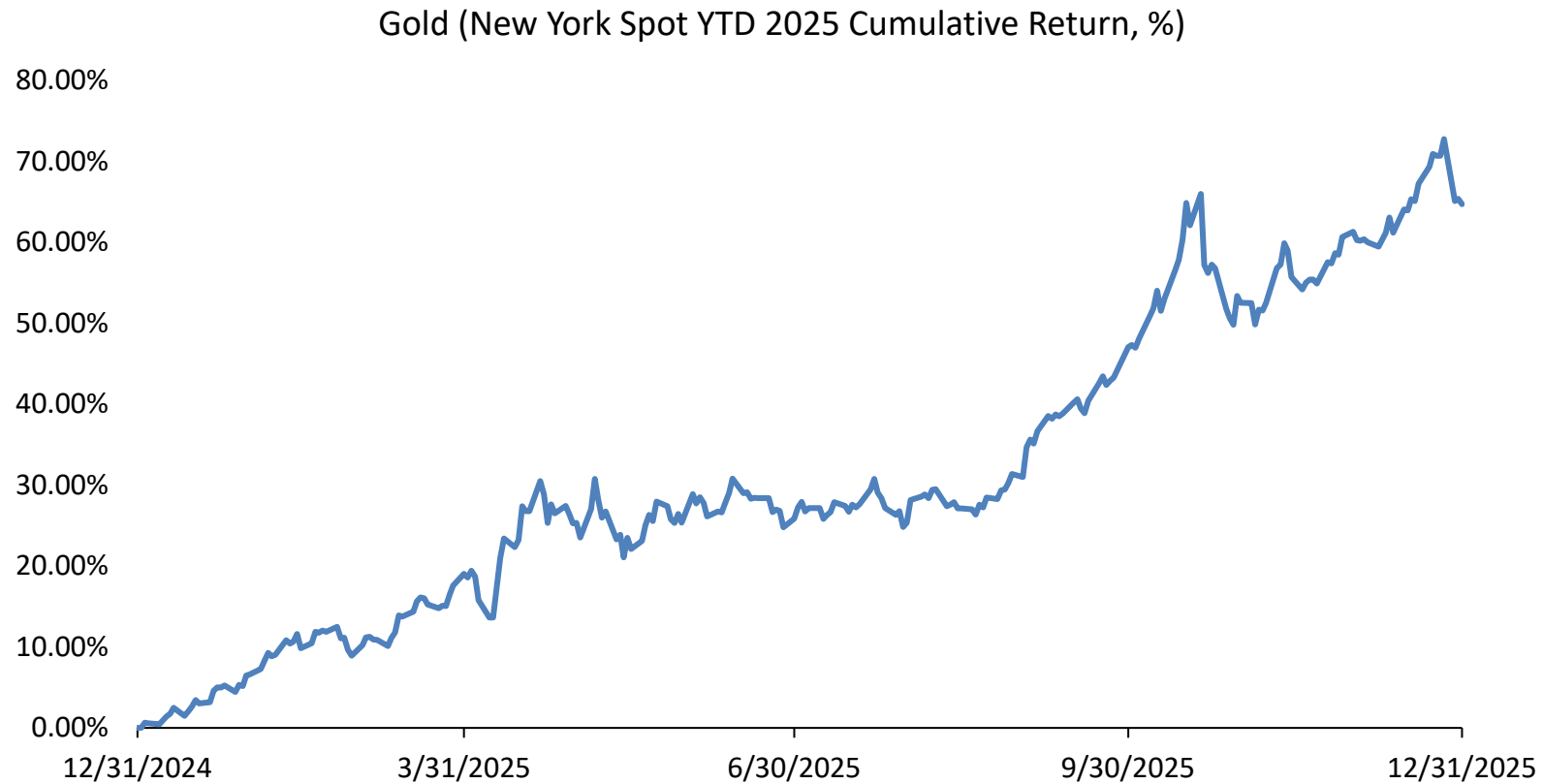


U.S. Dollar per Swiss Franc (YTD 2025 Cumulative Return, %)



Monitoring Gold

Gold is “safe-haven” asset. The price appreciation has been a reaction to concerns regarding geopolitical uncertainty, a weaker US dollar, moderate but still elevated global inflation, and expectations of slower growth globally.



Class Action Settlement Proceeds

Fiscal		Total Proceeds
Year		
2009	\$	2,808,033.51
2010	\$	2,333,548.87
2011	\$	1,222,467.30
2012	\$	734,293.86
2013	\$	501,060.63
2014	\$	1,034,993.49
2015	\$	499,547.35
2016	\$	1,367,167.89
2017	\$	354,154.24
2018	\$	801,714.62
2019	\$	1,442,809.72
2020	\$	1,319,992.13
2021	\$	575,013.13
2022	\$	553,429.10
2023	\$	390,107.88
2024	\$	345,399.83
2025	\$	116,013.94
2026	\$	84,397.27
	\$	<u>16,484,144.76</u>

Glossary of Terminology

The Super 6 = “MANMAT” = Microsoft, Apple, NVIDIA, Meta (facebook), Amazon, Tesla.

Magnificent 7 = “MANMAT” + Alphabet (Google) = MANMAAT

Fed = The U.S. Federal Reserve Bank

S&P 500 = Standard and Poor’s 500

Q4 = Fourth Quarter

YTD = Year to Date; FYD = Fiscal Year to Date

Bloomberg Agg = Bloomberg Aggregate Index

U.S. T-bill = United States Treasury Bill

Value = Value Stocks

Growth = Growth Stocks

EAFE = Europe Asia Far East

ACWI = All Country World Index

IG = Investment Grade



March 4, 2026

Executive Summary Fourth Quarter 2025

Arkansas Public Employees
Retirement System

Brianne Weymouth, CAIA
Senior Vice President

Brad Penter, CFA, CAIA
Vice President

Important Disclosures regarding the use of this document are included at the end of this document. These disclosures are an integral part of this document and should be considered by the user.

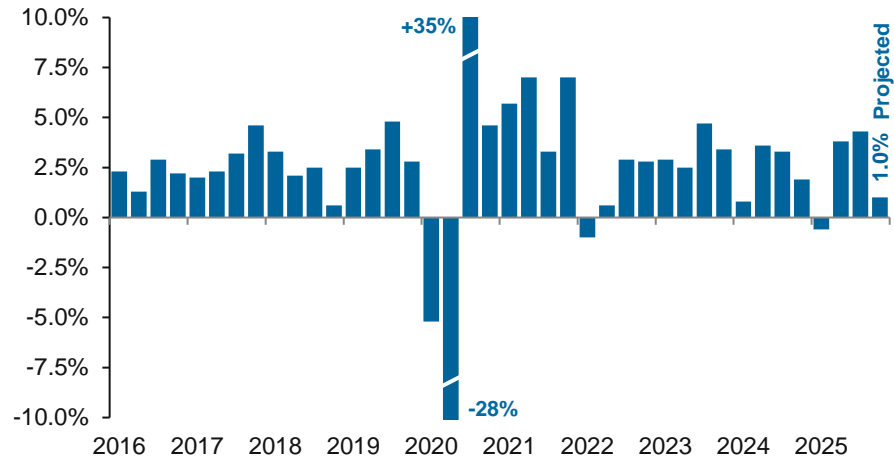


Economic Overview

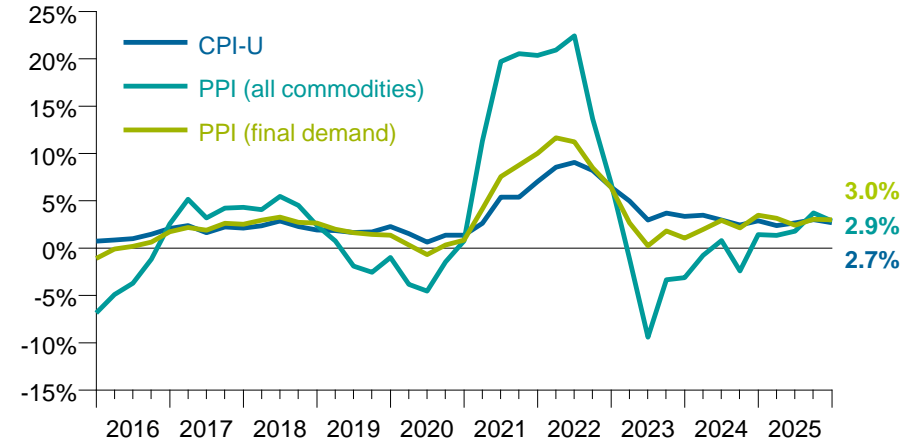
U.S. Economy—Summary

For periods ended 12/31/25

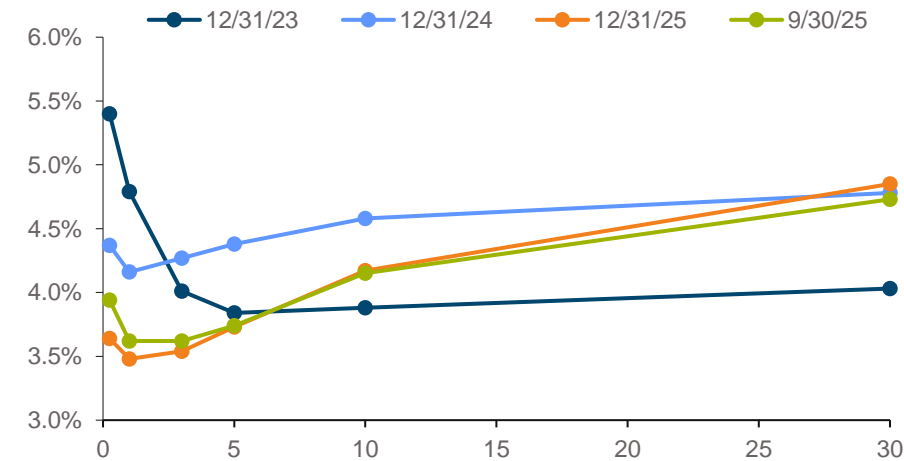
Quarterly Real GDP Growth



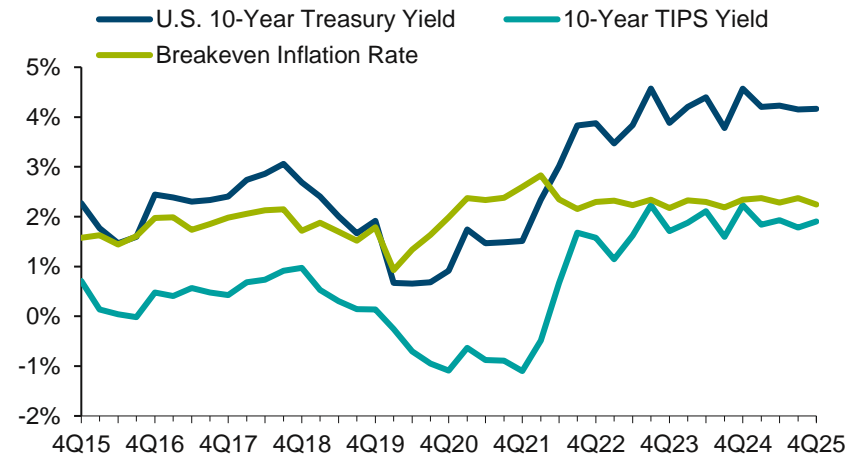
Inflation Year-Over-Year*



U.S. Treasury Yield Curves



Historical 10-Year Yields



Sources: Bureau of Labor Statistics, Callan, Federal Reserve, Blue Chip consensus for projected GDP; *PPI data for 4Q25 not yet available.



Global Markets Snapshot

Returns for Periods ended 12/31/25

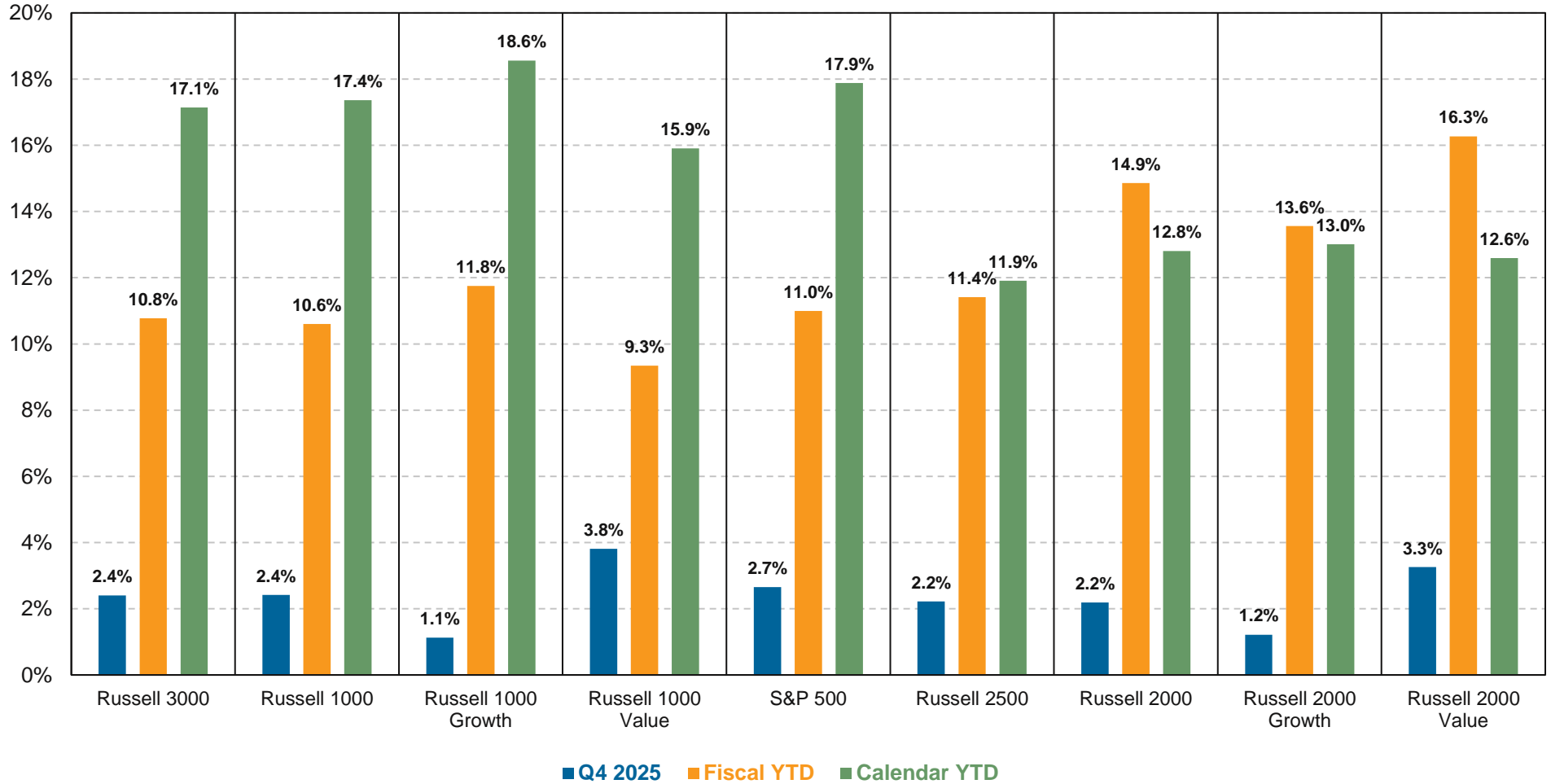
	Q4 2025	FYTD	1 Year	3 Years	5 Years	10 Years	25 Years
U.S. Equity							
S&P 500	2.66	11.00	17.88	23.01	14.42	14.82	8.83
Russell 1000 Growth	1.12	11.75	18.56	31.15	15.32	18.13	9.65
Russell 1000 Value	3.81	9.34	15.91	13.90	11.33	10.53	7.71
Russell 2000	2.19	14.86	12.81	13.73	6.09	9.62	8.21
Russell 2000 Growth	1.22	13.56	13.01	15.59	3.18	9.57	7.43
Russell 2000 Value	3.26	16.27	12.59	11.73	8.88	9.27	8.61
Russell 3000	2.40	10.78	17.15	22.25	13.15	14.29	8.86
Global ex-U.S. Equity							
MSCI ACWI ex USA	5.05	12.29	32.39	17.33	7.91	8.41	5.76
MSCI EAFE	4.86	9.86	31.22	17.22	8.92	8.18	5.37
MSCI Emerging Markets	4.73	15.88	33.57	16.40	4.20	8.42	8.49
MSCI ACWI ex USA Small Cap	2.96	9.84	29.26	15.61	6.91	8.13	8.19
Fixed Income							
Bloomberg Aggregate	1.10	3.15	7.30	4.66	-0.36	2.01	3.77
90-day T-Bill	0.97	2.06	4.18	4.81	3.17	2.18	1.84
Bloomberg Long Gov/Credit	-0.02	3.14	6.62	3.06	-4.89	1.98	5.00
Bloomberg Global Agg ex-US	-0.47	-1.06	8.85	3.29	-3.59	0.56	2.96
Real Estate							
NCREIF Property	1.15	2.35	4.91	-1.01	3.79	4.85	7.29
NCREIF NFI ODCE Eq Wt Net	0.77	1.23	2.93	-4.52	2.67	4.16	5.67
FTSE Nareit Equity	-1.56	3.14	2.88	8.36	6.63	5.70	8.94
Alternatives							
HFRI Fund Weighted	2.66	8.21	12.41	10.08	7.09	6.61	5.86
Cambridge Private Equity*	2.63	6.76	9.51	7.21	12.58	13.36	10.45
Inflation - CPI-U							
	-0.23	0.46	2.68	2.97	4.46	3.20	2.52

Cambridge Private Equity data as of 6/30/25. Returns greater than one year are annualized.

Sources: Bloomberg, Callan, Cambridge, FTSE Russell, HFRI, MSCI, NCREIF, S&P Dow Jones Indices

U.S. Equity Market Snapshot: Q4 2025

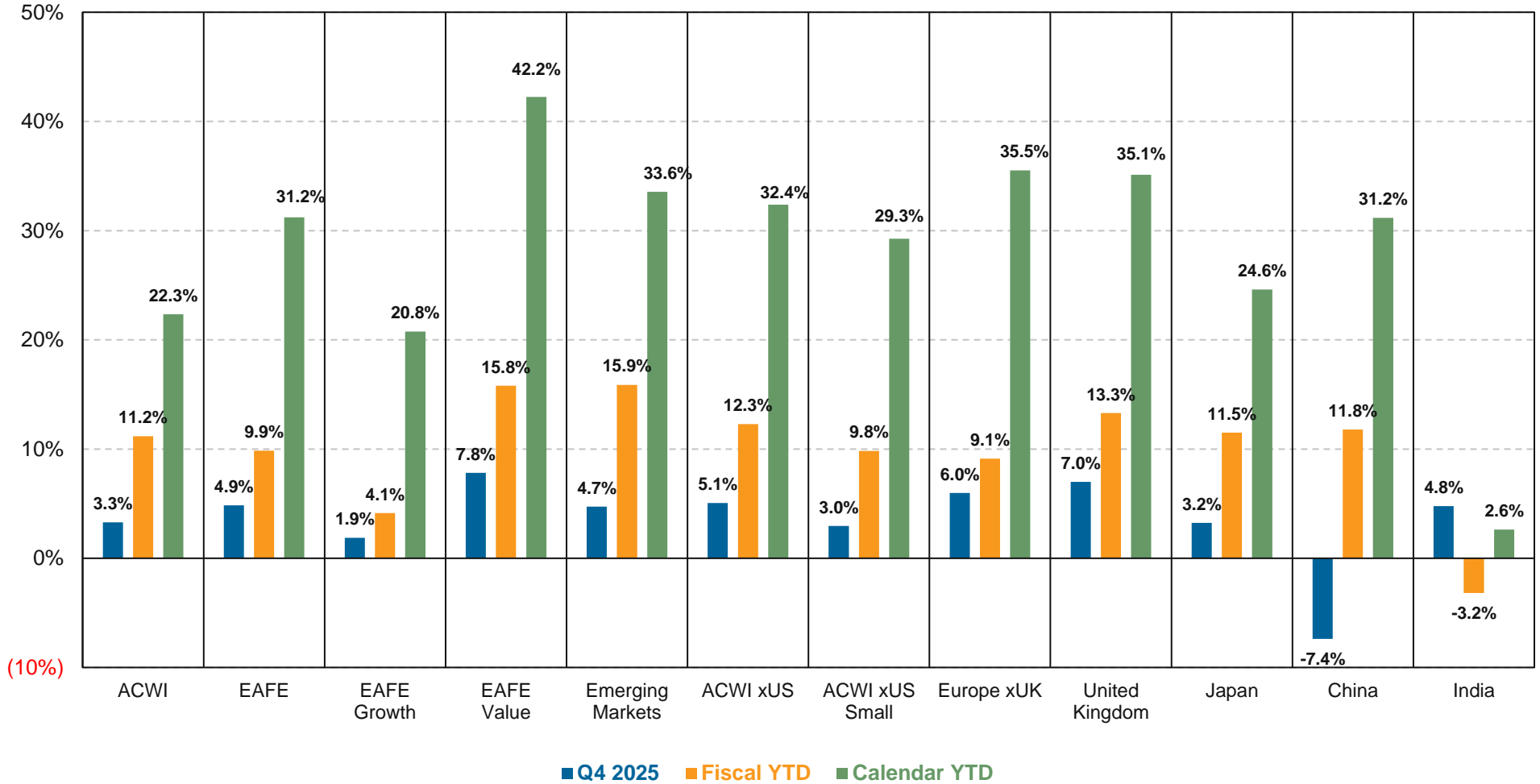
Returns for Periods Ended December 31, 2025



Sources: FTSE Russell, S&P Dow Jones Indices

Global Equity Market Snapshot: Q4 2025

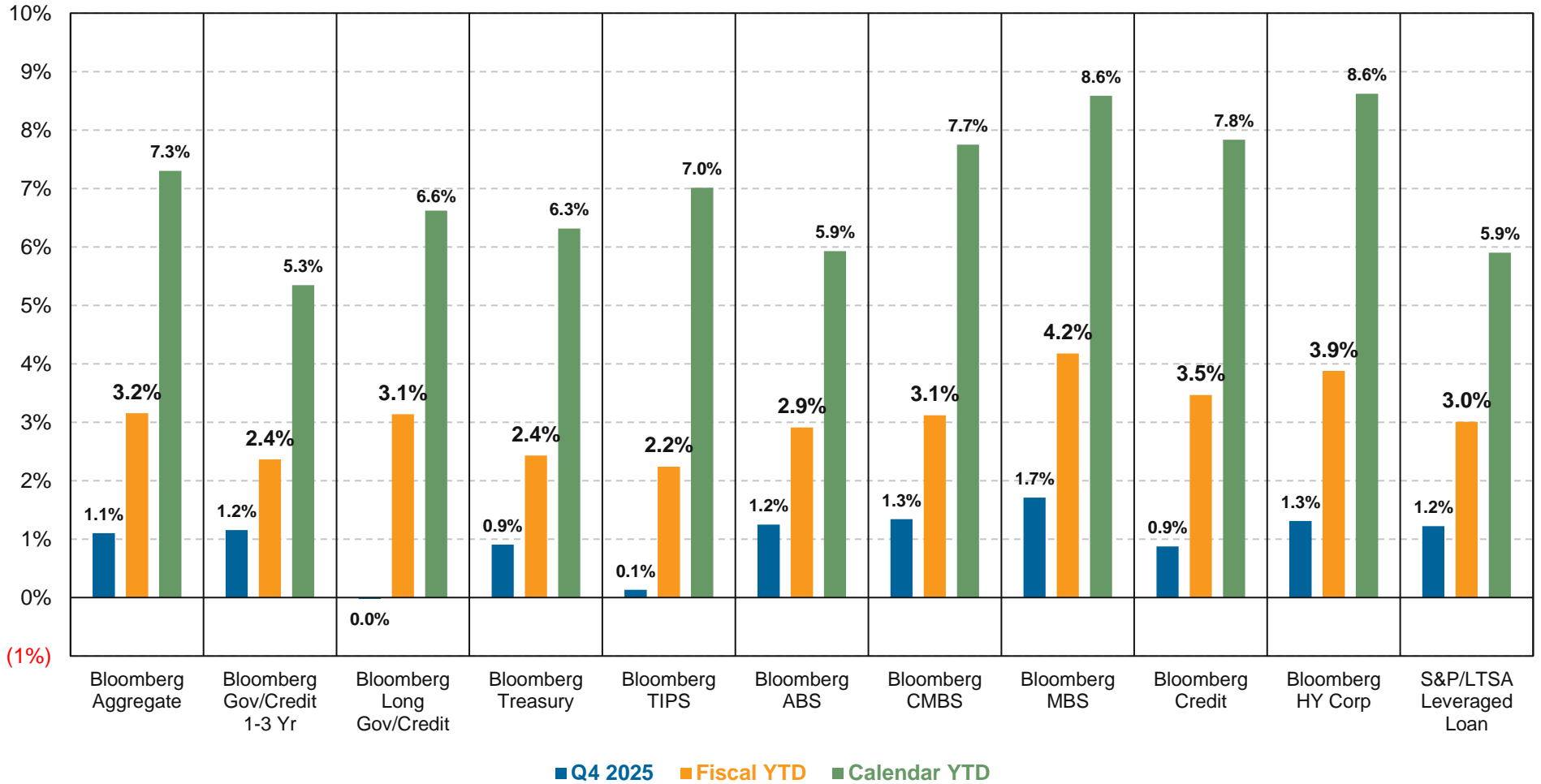
Returns for Periods Ended December 31, 2025



Source: MSCI

U.S. Fixed Income Market Snapshot: Q4 2025

Returns for Periods Ended December 31, 2025



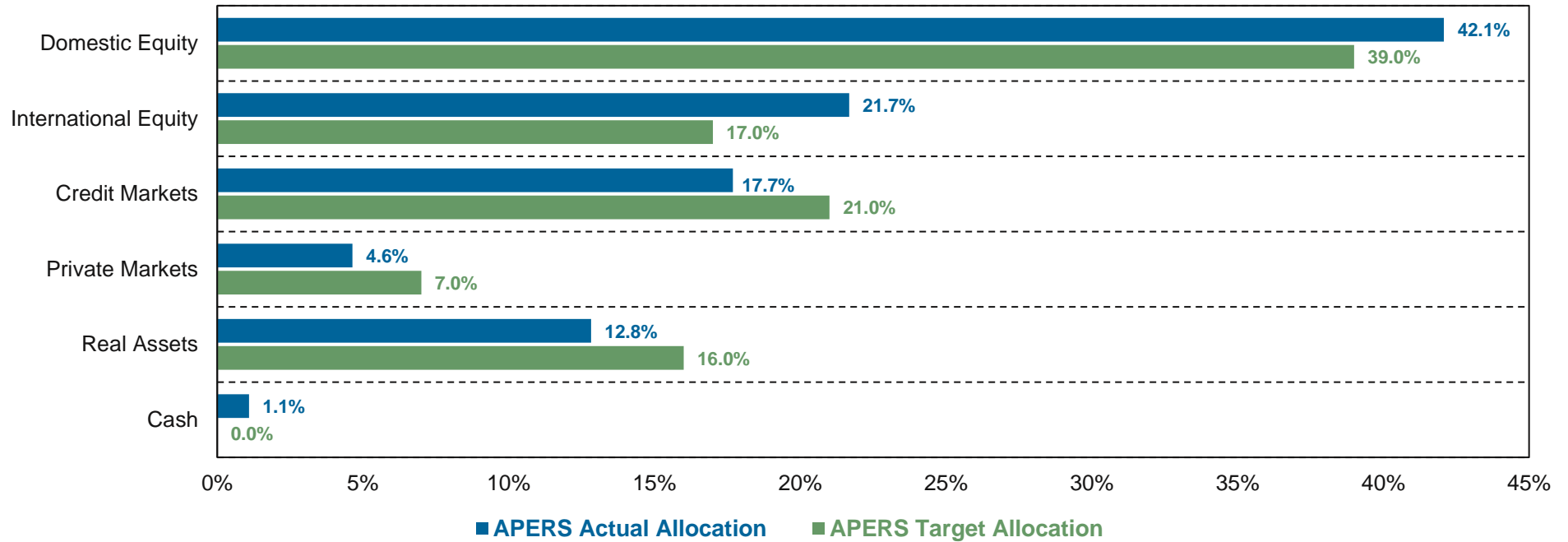
Sources: Bloomberg, Callan, S&P Dow Jones Indices



APERS Portfolio Review

Actual vs. Target Asset Allocation*

December 31, 2025

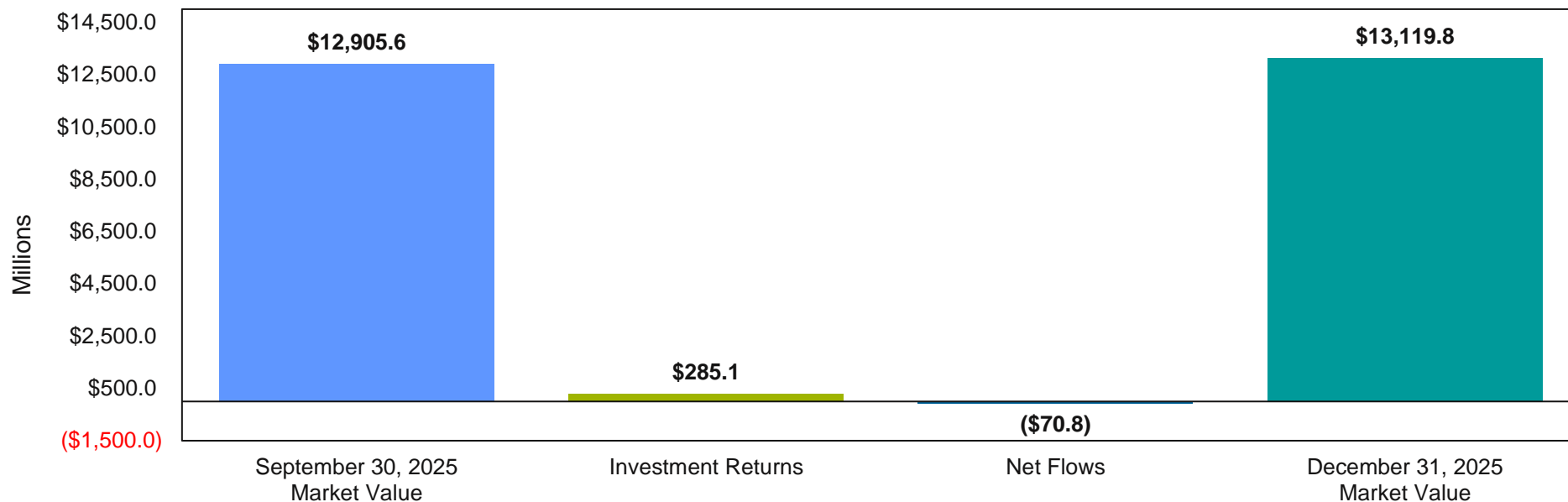


Asset Class	\$Millions Actual	Weight Actual	Min. Target	Target	Max. Target
Domestic Equity	5,520	42.1%	34.0%	39.0%	44.0%
International Equity	2,844	21.7%	12.0%	17.0%	22.0%
Credit Markets	2,321	17.7%	16.0%	21.0%	26.0%
Private Markets	609	4.6%	2.0%	7.0%	12.0%
Real Assets	1,683	12.8%	11.0%	16.0%	21.0%
Cash	144	1.1%	0.0%	0.0%	5.0%
Total	13,120	100.0%		100.0%	

Total Fund Benchmark = 39.0% Russell 3000 Index, 21.0% Blmbg Aggregate, 20.0% MSCI ACWI xUS IMI, 16.0% NCREIF Total Index, 2.0% HFRI FOF:Diversified Index and 2.0% Russell 3000 Index+3.0%.

Total Fund Asset Summary

Changes in Total Fund Assets – Q4 2025

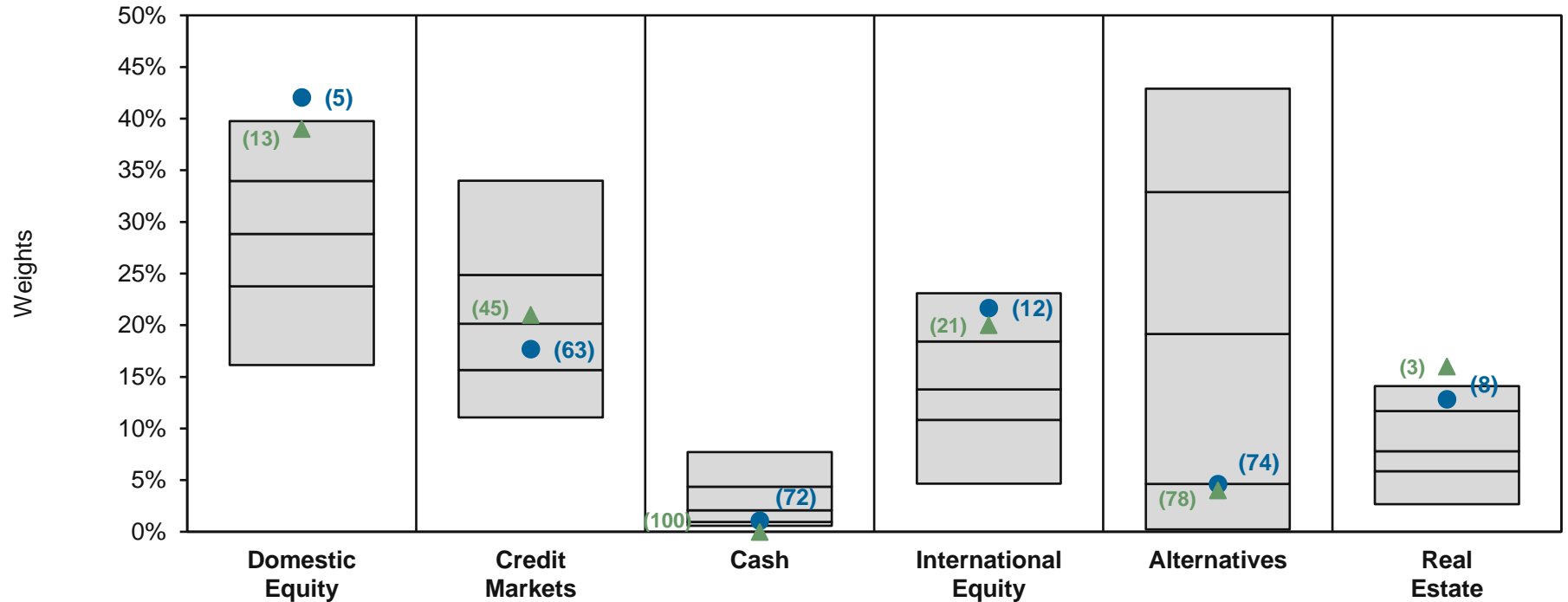


	Beginning Market Value	+	Investment Gain/(Loss)	+	Net Flows	=	Ending Market Value
Q4 2025 (9/30/25 – 12/31/25)	\$12,905,559,478	+	\$285,054,227	+	(\$70,817,354)	=	\$13,119,796,351
Fiscal YTD (6/30/25 – 12/31/25)	\$12,409,065,645	+	\$576,724,931	+	(\$80,231,098)	=	\$13,119,796,351

Asset Allocation vs Peers

December 31, 2025

Asset Class Weights vs Callan Public Fund Sponsor V Lg DB (>10B)



	Domestic Equity	Credit Markets	Cash	International Equity	Alternatives	Real Estate
10th Percentile	39.75	34	7.71	23.09	42.89	12.54
25th Percentile	33.97	24.86	4.37	18.42	32.89	9.62
Median	28.85	20.14	2.07	13.78	19.14	6.84
75th Percentile	23.77	15.66	0.96	10.83	4.63	2.34
90th Percentile	16.13	11.06	0.59	4.66	0.22	1.59

APERS Actual Allocation ●	42.08	17.69	1.09	21.67	4.64	12.83
----------------------------------	--------------	--------------	-------------	--------------	-------------	--------------

Total Fund Benchmark ▲	39.00	21.00	0.00	20.00	4.00	16.00
------------------------	-------	-------	------	-------	------	-------

% of Group Invested	97.50%	97.50%	95.00%	97.50%	85.00%	90.00%
---------------------	--------	--------	--------	--------	--------	--------

Total Fund Performance

December 31, 2025

Returns for Periods Ended December 31, 2025

Group: Callan Public Fd V Lg DB (>\$10B)

	Q4 2025	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 20 Years
10th Percentile:	2.84%	15.72%	13.16%	9.27%	9.63%	7.91%
25th Percentile:	2.47%	14.98%	12.19%	8.60%	9.28%	7.68%
Median	2.34%	13.70%	11.34%	7.92%	8.88%	7.29%
75th Percentile:	2.05%	12.62%	10.39%	7.07%	8.42%	6.99%
90th Percentile:	1.90%	11.27%	9.44%	6.80%	8.00%	6.41%
Peer Universe Constituents	70	69	69	67	65	61
Total Fund	2.22% (63)	14.42% (39)	12.19% (25)	7.12% (74)	8.78% (57)	7.42% (43)
Benchmark	2.43% (34)	16.43% (6)	14.04% (4)	8.01% (43)	9.04% (40)	7.61% (27)

Peer group ranking in parentheses.

Benchmark = 39.0% Russell 3000 Index, 21.0% Blmbg Aggregate, 20.0% MSCI ACWI xUS IMI, 16.0% NCREIF Total Index, 2.0% HFRI FOF:Diversified Index and 2.0% Russell 3000 Index+3.0%.

Asset Class Performance and Market Values

December 31, 2025

	\$ Market Value	Ending Weight	Q4 2025	FYTD	1 Year	3 Years	5 Years	10 Years
Domestic Equity	\$5,520,353,794	42.08%	1.25%	8.75%	14.48%	17.94%	10.47%	12.79%
<i>Russell:3000 Index</i>			2.40%	10.78%	17.15%	22.25%	13.15%	14.29%
International Equity	\$2,843,656,315	21.67%	4.64%	9.97%	27.60%	16.42%	7.35%	8.67%
<i>Int'l Equity Benchmark</i>			4.76%	11.95%	31.96%	17.10%	7.77%	7.61%
Private Markets	\$608,559,249	4.64%	3.87%	8.75%	15.31%	16.08%	9.90%	8.64%
Private Equity	\$321,438,551	2.45%	3.98%	10.71%	17.42%	--	--	--
<i>Private Equity Benchmark</i>			8.76%	21.31%	20.49%	--	--	--
Hedge Fund of Funds	\$287,120,698	2.19%	3.78%	7.04%	13.37%	11.21%	9.06%	7.48%
<i>HFRI FoF Index</i>			3.04%	7.16%	10.53%	11.05%	5.24%	7.34%
Credit Markets	\$2,320,674,631	17.69%	1.37%	3.49%	8.21%	6.61%	0.88%	3.40%
Public Credit	\$2,205,658,353	16.81%	1.26%	3.49%	8.21%	6.61%	0.88%	3.40%
<i>Bloomberg Aggregate</i>			1.10%	3.15%	7.30%	4.66%	(0.36%)	2.01%
Private Credit	\$115,016,278	0.88%	3.69%	--	--	--	--	--
<i>Private Credit Benchmark</i>			2.01%	--	--	--	--	--
Real Assets	\$1,682,955,095	12.83%	2.09%	0.28%	1.42%	(2.87%)	5.13%	4.96%
<i>Real Assets Benchmark</i>			1.15%	2.35%	4.91%	1.82%	5.30%	5.62%
REITS	\$29,809,637	0.23%	(0.81%)	4.21%	3.64%	8.46%	6.64%	--
<i>S&P DJ US Select REIT</i>			(0.79%)	4.26%	3.67%	8.50%	6.65%	4.81%
Core/Core Plus RE	\$890,240,778	6.79%	0.94%	(2.44%)	(0.91%)	(5.21%)	2.51%	4.04%
<i>NFI-ODCE Eq Wt Net</i>			0.77%	1.23%	2.93%	(4.52%)	2.67%	4.16%
Non-Core Real Estate	\$394,447,664	3.01%	2.18%	2.21%	2.91%	(2.58%)	8.73%	9.73%
<i>NCREIF Total Index</i>			1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
Infrastructure	\$172,804,719	1.32%	11.16%	11.16%	--	--	--	--
<i>FTSE Dev Core Inf 50/50</i>			0.06%	4.21%	14.44%	8.53%	6.74%	7.60%
Farmland	\$97,199,090	0.74%	0.79%	2.45%	3.86%	3.12%	--	--
<i>NCREIF Farmland Index</i>			(0.70%)	(0.19%)	0.20%	1.34%	4.20%	4.89%
Timber	\$98,453,206	0.75%	1.54%	1.80%	0.37%	7.62%	9.65%	3.58%
<i>NCREIF Timberland Index</i>			1.59%	2.27%	4.57%	6.98%	8.58%	5.39%
Cash	\$143,597,267	1.09%	0.86%	1.89%	3.92%	4.68%	3.15%	2.08%
Total Fund	\$13,119,796,351	100.0%	2.22%	6.93%	14.42%	12.19%	7.12%	8.78%
<i>Total Fund Benchmark</i>			2.43%	7.99%	16.43%	14.04%	8.01%	9.04%

Benchmark definitions included in the Appendix.

Investment Manager Returns and Peer Group Rankings

December 31, 2025

	Q4 2025	FYTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Domestic Equity	1.25%	8.75%	14.48%	17.94%	10.47%	12.79%
Russell 3000 Index	2.40%	10.78%	17.15%	22.25%	13.15%	14.29%
CastleArk	0.53% (75)	7.28% (70)	11.46% (79)	22.31% (33)	12.22% (57)	15.86% (15)
Russell 3000 Growth Idx	1.14% (73)	11.67% (39)	18.15% (37)	30.25% (9)	14.59% (31)	17.59% (1)
Callan All Cap Broad	3.09%	10.14%	16.32%	20.00%	13.18%	13.21%
CastleArk LCG	0.98% (50)	7.13% (56)	11.32% (83)	--	--	--
Russell:1000 Growth	1.12% (42)	11.75% (13)	18.56% (19)	31.15% (26)	15.32% (15)	18.13% (10)
Callan Large Cap Growth	0.97%	7.72%	15.79%	29.01%	12.80%	16.48%
Mellon S&P 500 Index Fd	2.66% (67)	11.00% (44)	17.91% (35)	23.01% (44)	14.43% (45)	14.66% (40)
S&P 500 Index	2.66% (67)	11.00% (45)	17.88% (35)	23.01% (44)	14.42% (45)	14.82% (38)
Callan Large Cap Core	3.16%	10.70%	16.97%	22.82%	14.23%	14.34%
Horrell Capital - Passive	(1.88%) (87)	4.26% (88)	6.77% (87)	10.59% (93)	10.64% (68)	11.42% (84)
Blmbg Arkansas Index	5.07% (14)	16.19% (7)	4.52% (93)	7.96% (96)	15.02% (24)	12.23% (66)
S&P 500 Index	2.66% (61)	11.00% (42)	17.88% (39)	23.01% (30)	14.42% (34)	14.82% (28)
Callan All Cap Broad	3.09%	10.14%	16.32%	20.00%	13.18%	13.21%
Mellon Large Cap Growth	1.16% (40)	11.77% (13)	18.68% (18)	--	--	--
Russell 1000 Growth Idx	1.12% (42)	11.75% (13)	18.56% (19)	31.15% (26)	15.32% (15)	18.13% (10)
Callan Large Cap Growth	0.97%	7.72%	15.79%	29.01%	12.80%	16.48%
William Blair LCG	(1.73%) (88)	5.81% (68)	12.26% (78)	--	--	--
Russell 1000 Growth Idx	1.12% (42)	11.75% (13)	18.56% (19)	31.15% (26)	15.32% (15)	18.13% (10)
Callan Large Cap Growth	0.97%	7.72%	15.79%	29.01%	12.80%	16.48%
Mellon Large Cap Value	3.81% (61)	9.35% (64)	15.92% (56)	--	--	--
Russell:1000 Value	3.81% (61)	9.34% (64)	15.91% (56)	13.90% (60)	11.33% (82)	10.53% (82)
Callan Large Cap Value	4.46%	10.41%	16.42%	14.93%	13.09%	11.53%
Wellington Management	5.42% (21)	9.42% (64)	13.99% (70)	14.34% (56)	12.03% (70)	10.57% (81)
Russell 1000 Value Idx	3.81% (61)	9.34% (64)	15.91% (56)	13.90% (60)	11.33% (82)	10.53% (82)
Callan Large Cap Value	4.46%	10.41%	16.42%	14.93%	13.09%	11.53%
Boston Partners LCV	2.60% (81)	10.32% (51)	18.03% (34)	--	--	--
Russell:1000 Value	3.81% (61)	9.34% (64)	15.91% (56)	13.90% (60)	11.33% (82)	10.53% (82)
Callan Large Cap Value	4.46%	10.41%	16.42%	14.93%	13.09%	11.53%

Peer group ranking in parentheses. Benchmark definitions included in the Appendix.

Investment Manager Returns and Peer Group Rankings

December 31, 2025

	Q4 2025	FYTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Stephens Mid Cap Growth	(1.14%) (32)	3.27% (36)	13.34% (20)	--	--	--
Russell:Midcap Growth	(3.70%) (61)	(1.03%) (66)	8.66% (43)	18.64% (17)	6.65% (25)	12.49% (32)
Callan Mid Cap Growth	(2.42%)	0.85%	7.18%	15.66%	4.34%	12.05%
LSV Asset Management	2.03% (54)	11.09% (41)	7.79% (48)	11.72% (43)	12.84% (14)	--
Russell:2000 Value	3.26% (26)	16.27% (12)	12.59% (20)	11.73% (43)	8.88% (68)	9.27% (74)
Callan Small Cap Value	2.31%	9.94%	7.48%	11.28%	10.51%	9.89%
Stephens Investmnt Mgmt	0.08% (77)	9.22% (64)	13.44% (36)	16.91% (28)	6.03% (29)	12.44% (36)
Russell:2000 Growth	1.22% (67)	13.56% (33)	13.01% (41)	15.59% (38)	3.18% (59)	9.57% (94)
Callan Small Cap Growth	2.54%	10.65%	10.98%	14.67%	4.26%	11.70%
Froley Revy Investment	2.03% (35)	12.77% (12)	20.46% (18)	13.66% (33)	4.37% (30)	10.58% (41)
ICE:Convertibles	1.97% (36)	10.73% (34)	17.98% (42)	13.96% (25)	5.05% (26)	11.23% (28)
Morningstar Convertibles	1.30%	8.90%	17.05%	12.81%	3.53%	9.79%
International Equity	4.64%	9.97%	27.60%	16.42%	7.35%	8.67%
Intl Equity Benchmark*	4.76%	11.95%	31.96%	17.10%	7.77%	7.61%
Artisan Intl Value CIT	4.76% (46)	10.73% (43)	24.57% (74)	--	--	--
MSCI EAFE Index	4.86% (43)	9.86% (53)	31.22% (57)	17.22% (58)	8.92% (48)	8.18% (71)
Callan NonUS Eq	4.60%	10.07%	32.59%	17.98%	8.75%	8.92%

* Benchmark definitions included in the Appendix.

Peer Group ranking in parentheses.

Acadian ACWI ex-U.S. ex-China, Wellington Intl Growth, BlackRock ACWI ex-U.S. ex-China funded in 4Q25. Returns will be reflected after first full quarter of performance in 1Q26.

Investment Manager Returns and Peer Group Rankings

December 31, 2025

	Q4 2025	FYTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Credit Markets	1.37%	3.49%	8.21%	6.61%	0.88%	3.40%
Public Credit	1.26%	3.49%	8.21%	6.61%	0.88%	3.40%
DoubleLine Capital	1.25% (28)	3.40% (70)	7.99% (54)	6.20% (25)	1.02% (17)	--
Blmbg Aggregate Index	1.10%	3.15%	7.30%	4.66%	(0.36%) (97)	2.01%
Callan Core Plus FI	1.18%	3.52%	8.06%	5.92%	0.56%	3.12%
Mackay Shields	1.23% (37)	3.31% (81)	8.29% (35)	7.04% (4)	1.11% (15)	3.69% (14)
Blmbg Aggregate Index	1.10%	3.15%	7.30%	4.66%	(0.36%) (97)	2.01%
Callan Core Plus FI	1.18%	3.52%	8.06%	5.92%	0.56%	3.12%
PGIM Fixed Inc	1.31% (18)	3.75% (23)	8.32% (32)	6.57% (13)	0.53% (53)	3.59% (16)
Blmbg Aggregate Index	1.10%	3.15%	7.30%	4.66%	(0.36%) (97)	2.01%
Callan Core Plus FI	1.18%	3.52%	8.06%	5.92%	0.56%	3.12%
Private Credit	3.69%	--	--	--	--	--
Harbourvest Fund of One	2.98%	--	--	--	--	--
Private Credit Benchmark	2.01%	--	--	--	--	--
NB Private Debt Eagle Fund	3.95%	--	--	--	--	--
Private Credit Benchmark	2.01%	--	--	--	--	--
Alternatives	3.87%	8.75%	15.31%	16.08%	9.90%	8.64%
Private Equity	3.98%	10.71%	17.42%	--	--	--
HarbourVest Dover XI	4.43%	14.22%	23.75%	--	--	--
Private Equity Benchmark	8.76%	21.31%	20.49%	--	--	--
Neub. Berman Fund of One	2.75%	1.70%	1.80%	--	--	--
Private Equity Benchmark	8.76%	21.31%	20.49%	--	--	--
Hedge Funds	3.78%	7.04%	13.37%	11.21%	9.06%	7.48%
APERS - Blackstone	3.78%	7.04%	13.37%	11.21%	9.06%	7.48%
HFRI FOF Diversified**	3.04%	7.16%	10.53%	11.05%	5.24%	7.34%
Callan Core Div. FoF	4.65%	8.11%	12.33%	10.62%	6.62%	6.18%

Benchmark definitions included in the Appendix.

** 3-month Treasury Bill +4% through 6/30/2023; HFRI FOF Diversified Index thereafter.

Peer Group ranking in parentheses.

Investment Manager Returns and Peer Group Rankings

December 31, 2025

	Q4 2025	FYTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Real Assets	2.09%	0.28%	1.42%	(2.87%)	5.13%	4.96%
NCREIF Total Index*	1.15%	2.35%	4.91%	1.82%	5.30%	5.62%
REITS	(0.81%)	4.21%	3.64%	8.46%	6.64%	--
MCM EB DV Non-SL REIT Fd	(0.81%) (23)	4.21% (12)	3.64% (34)	8.46% (48)	6.64% (38)	--
S&P DJ U.S. Select REIT	(0.79%) (21)	4.26% (8)	3.67% (32)	8.50% (44)	6.65% (37)	4.81% (89)
Callan Real Estate REIT	(1.36%)	1.80%	3.00%	8.40%	6.46%	6.30%
Core Real Estate	0.94%	(2.44%)	(0.91%)	(5.21%)	2.51%	4.04%
Carlyle Property Investors	1.79% (12)	2.46% (45)	3.96% (59)	--	--	--
NCREIF NFI-ODCE Eq Wt. Net	0.77% (59)	1.23% (80)	2.93% (73)	(4.52%) (62)	2.67% (61)	4.16% (59)
Callan OE Core Cmngld RE	0.87%	1.91%	4.06%	(3.66%)	3.08%	4.47%
Clarion Lion Industrial Trust	2.11% (7)	2.11% (52)	6.42% (17)	(0.06%) (18)	--	--
NCREIF NFI-ODCE Eq Wt. Net	0.77% (59)	1.23% (80)	2.93% (73)	(4.52%) (62)	2.67% (61)	4.16% (59)
Callan OE Core Cmngld RE	0.87%	1.91%	4.06%	(3.66%)	3.08%	4.47%
Invesco Real Estate	0.34% (88)	(8.50%) (89)	(8.54%) (89)	(8.80%) (89)	(0.21%) (89)	3.00% (87)
NCREIF NFI-ODCE Eq Wt. Net	0.77% (59)	1.23% (80)	2.93% (73)	(4.52%) (62)	2.67% (61)	4.16% (59)
Callan OE Core Cmngld RE	0.87%	1.91%	4.06%	(3.66%)	3.08%	4.47%
Heitman Real Estate Trust LP	0.88% (54)	1.24% (74)	4.22% (57)	(2.59%) (37)	4.85% (19)	5.04% (47)
NCREIF NFI-ODCE Eq Wt. Net	0.77% (59)	1.23% (80)	2.93% (73)	(4.52%) (62)	2.67% (61)	4.16% (59)
Callan OE Core Cmngld RE	0.87%	1.91%	4.06%	(3.66%)	3.08%	4.47%
Principal Enhanced Prpty Fd	1.65% (15)	4.26% (4)	7.36% (10)	--	--	--
NCREIF NFI-ODCE Eq Wt. Net	0.77% (59)	1.23% (80)	2.93% (73)	(4.52%) (62)	2.67% (61)	4.16% (59)
Callan OE Core Cmngld RE	0.87%	1.91%	4.06%	(3.66%)	3.08%	4.47%

*Benchmark definitions included in the Appendix. Peer Group ranking in parentheses.

Investment Manager Returns and Peer Group Rankings

December 31, 2025

	Q4 2025	FYTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Non-Core Real Estate	2.18%	2.21%	2.91%	(2.58%)	8.73%	9.73%
CBRE RE Partners II	12.97%	--	--	--	--	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
Harrison Street Fund VIII	(0.23%)	(0.90%)	(3.94%)	2.96%	--	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
Harrison Street Fund IX	(0.17%)	(0.79%)	10.00%	--	--	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
Harrison Street Fund X	(6.91%)	--	--	--	--	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
Heitman Value Partners IV	(1.52%)	1.24%	7.06%	3.25%	12.03%	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
Heitman Value Partners VI	(13.25%)	--	--	--	--	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
LaSalle Inc & Growth VI LP	(0.22%)	0.29%	0.36%	(17.03%)	(16.58%)	(5.73%)
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
LaSalle Inc & Growth VII LP	3.84%	(0.14%)	(14.01%)	(31.57%)	(14.48%)	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
NB RE Secondary Opps III	0.00%	0.00%	--	--	--	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
Starwood SOF XII	2.44%	4.65%	5.97%	7.57%	--	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
Stepstone RE Partners V	14.21%	14.21%	--	--	--	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
TA Realty XII	(2.47%)	(5.83%)	(7.97%)	(7.31%)	9.37%	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
TA Realty XIII	0.79%	0.84%	2.28%	--	--	--
NCREIF Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%

*Benchmark definitions included in the Appendix. Peer Group ranking in parentheses.

Investment Manager Returns and Peer Group Rankings

December 31, 2025

	Q4 2025	FYTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Infrastructure	11.16%	11.16%	--	--	--	--
Blue Owl Digital Infrac III	0.00%	0.00%	--	--	--	--
FTSE Dev Core 50/50 N	0.06%	4.21%	14.44%	8.53%	6.74%	7.60%
CBRE Global Infra Fund	1.02%	--	--	--	--	--
FTSE Dev Core 50/50 N	0.06%	4.21%	14.44%	8.53%	6.74%	7.60%
Harbourvest Infra Opp III	401.35%	401.35%	--	--	--	--
FTSE Dev Core 50/50 N	0.06%	4.21%	14.44%	8.53%	6.74%	7.60%
Partners Group Secondary	113.08%	--	--	--	--	--
FTSE Dev Core 50/50 N	0.06%	4.21%	14.44%	8.53%	6.74%	7.60%
Farmland	0.79%	2.45%	3.86%	3.12%	--	--
IFC Core Farmland Fund	2.05%	4.45%	7.45%	8.19%	--	--
NCREIF Farmland Index	(0.70%)	(0.19%)	0.20%	1.34%	4.20%	4.89%
PGIM Agriculture	(0.68%)	0.14%	(0.16%)	(2.99%)	--	--
NCREIF Farmland Index	(0.70%)	(0.19%)	0.20%	1.34%	4.20%	4.89%
Timber	1.54%	1.80%	0.37%	7.62%	9.65%	3.58%
Pinnacle	1.54%	1.80%	0.37%	7.62%	9.65%	3.58%
NCREIF Timberland Index	1.59%	2.27%	4.57%	6.98%	8.58%	5.39%
Cash	0.86%	1.89%	3.92%	4.68%	3.15%	2.08%
Total Fund	2.22% (63)	6.93% (38)	14.42% (39)	12.19% (25)	7.12% (74)	8.78% (57)
Total Fund Benchmark	2.43% (34)	7.99% (8)	16.43% (6)	14.04% (4)	8.01% (43)	9.04% (40)
Callan Public Fd V Lg DB	2.34%	6.60%	13.70%	11.34%	7.92%	8.88%

*Benchmark definitions included in the Appendix. Peer Group ranking in parentheses.

Organizational Developments

4th Quarter 2025

LaSalle Investment Management – Non-Core Real Estate

December 2025 – LaSalle Investment Management announced a planned global leadership transition effective January 1, 2026. Brad Gries has been appointed Global CEO and will continue to serve as Head of the Americas, and Tim Kessler has been named President and will continue to serve as Global COO. Current Global CEO Mark Gabbay will transition to the role of Executive Chairman, after a 15-year tenure. Mr. Gries currently oversees personnel, operations, and investment management activities across the Americas and chairs the firm’s Americas Investment Committee. Mr. Kessler, as Global COO, is responsible for executing LaSalle’s global strategy and managing day-to-day operations; in his new role as President, he will report to Mr. Gries and continue working with him on global strategic initiatives.

No action required.

Work Plan Update

Annual Work Plan

Agenda Item	Frequency	Last Completed	Scheduled Review
Performance Measurement Reports	Quarterly	03/2026	06/2026
Quarterly Board Meetings	Quarterly	03/2026	06/2026
Customized Board Education Sessions	As Needed	03/2026	As Needed
Investment Policy Statement Review	Annual	02/2025	2026

Multi-Year Work Plan

Agenda Item	Frequency	Last Completed	Scheduled Review
Asset/Liability Study	5-7 years	02/2019	2024 – 2026
Asset Allocation Analysis	3 years	12/2023	2026 – 2029
Domestic Equity Structure Review	3-5 years	08/2022	2025 – 2027
Non-U.S. Equity Structure Review	3-5 years	08/2025	2028 - 2030
Fixed Income Structure Review	3-5 years	11/2023	2026 – 2028



Appendix

Benchmark Definitions

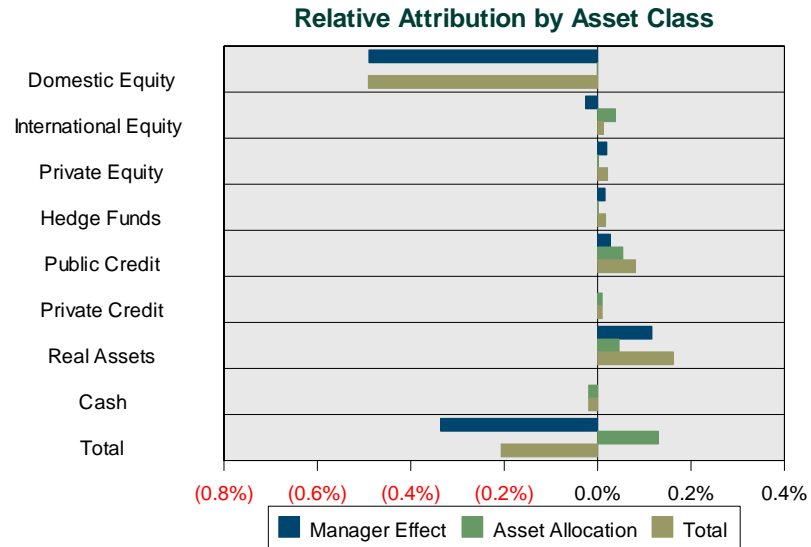
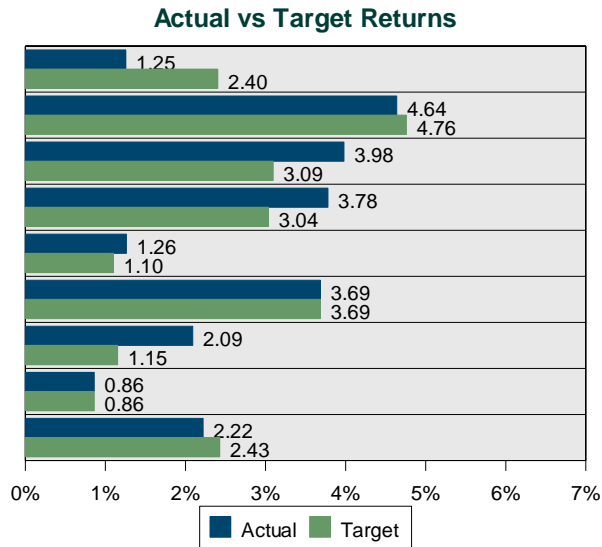
- Total Fund Benchmark (Target):** Blend of asset class benchmarks at policy weights. The Long-Term Target was established in February 2023; however, the benchmark will be modified in accordance with the actual implementation. This process reflects the practical implementation of the strategic long-term asset allocation.

	Long-Term Target	4Q 2025 Target
Domestic Equity	39.0%	39.0%
International Equity	17.0	20.0
Credit Markets	21.0	21.0
- Public Credit	20.0	21.0
- Private Credit	1.0	0.0
Real Assets	16.0	16.0
Private Markets	7.0	4.0
- Private Equity	5.0	2.0
- Hedge Funds	2.0	2.0
Total Target	100.0%	100.0%

- Domestic Equity Benchmark:** Russell 3000 Index
- International Equity Benchmark:** MSCI ACWI xUS IMI Index; Prior to 12/31/2020 MSCI EAFE Index
- Fixed Income Benchmark:** Bloomberg Aggregate Index
- Real Assets Benchmark:** NCREIF Total Index; Prior to 7/1/2023 CPI All Urban Consumers + 4%
- Private Equity Benchmark:** Russell 3000 Index +3%, lagged one quarter.
- Private Credit Benchmark:** Morningstar LSTA Leveraged Loan Index +1%, lagged one quarter.
- Hedge Funds Benchmark:** HFRI Diversified Index; Prior to 7/1/2023 60% MSCI World and 40% Bloomberg Aggregate.

Total Fund Relative Attribution – Q4 2025

December 31, 2025



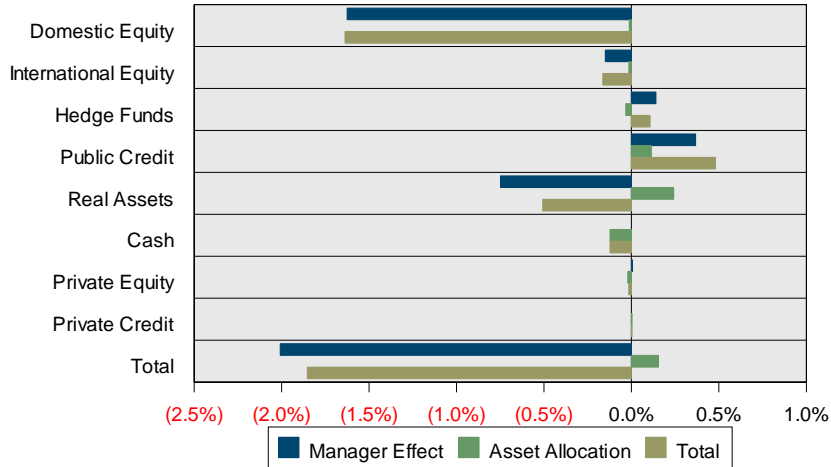
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	43%	39%	1.25%	2.40%	(0.49%)	(0.00%)	(0.49%)
International Equity	22%	20%	4.64%	4.76%	(0.03%)	0.04%	0.01%
Private Equity	2%	2%	3.98%	3.09%	0.02%	0.00%	0.02%
Hedge Funds	2%	2%	3.78%	3.04%	0.02%	0.00%	0.02%
Public Credit	17%	21%	1.26%	1.10%	0.03%	0.05%	0.08%
Private Credit	1%	0%	3.69%	3.69%	0.00%	0.01%	0.01%
Real Assets	12%	16%	2.09%	1.15%	0.12%	0.05%	0.16%
Cash	1%	0%	0.86%	0.86%	0.00%	(0.02%)	(0.02%)
Total			2.22%	2.43%	(0.34%)	0.13%	(0.21%)

Benchmark definitions included in the Appendix.

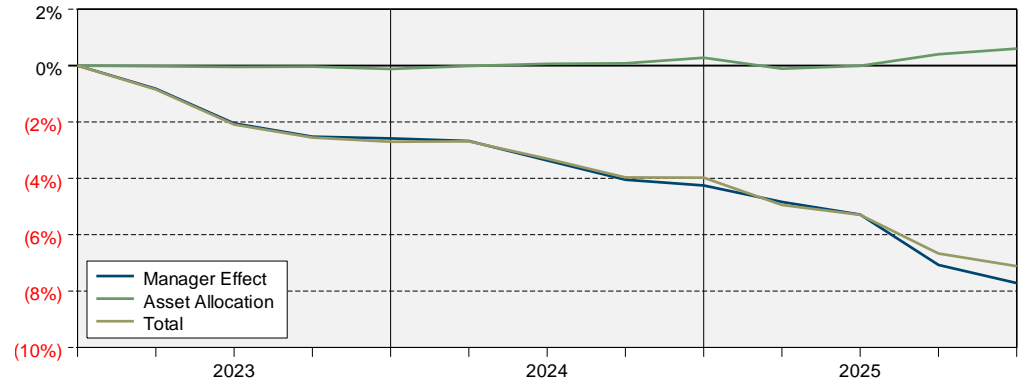
Total Fund Relative Attribution – 3 Years

December 31, 2025

3-Year Annualized Relative Attribution Effects



3-Year Cumulative Relative Attribution Effects



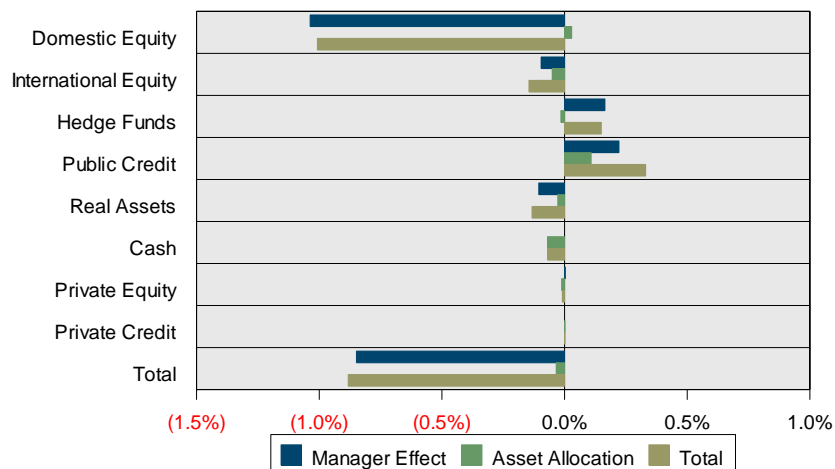
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	40%	39%	17.94%	22.25%	(1.63%)	(0.01%)	(1.64%)
International Equity	24%	23%	16.42%	17.10%	(0.15%)	(0.01%)	(0.16%)
Hedge Funds	3%	3%	15.47%	11.05%	0.14%	(0.03%)	0.11%
Public Credit	18%	19%	6.61%	4.66%	0.37%	0.11%	0.48%
Real Assets	14%	16%	(2.87%)	1.82%	(0.75%)	0.24%	(0.51%)
Cash	1%	0%	4.68%	4.68%	0.00%	(0.12%)	(0.12%)
Private Equity	0%	0%	-	-	0.01%	(0.02%)	(0.02%)
Private Credit	0%	0%	-	-	0.00%	0.00%	0.00%
Total			12.19%	14.04%	+ (2.01%)	+ 0.15%	(1.85%)

Benchmark definitions included in the Appendix.

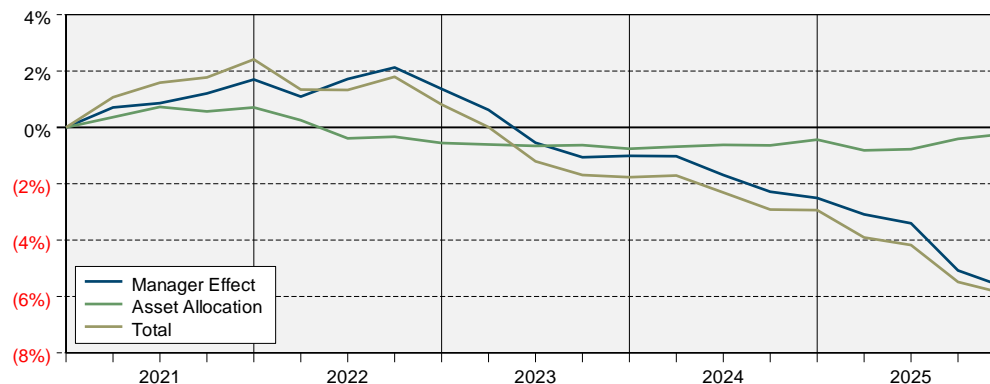
Total Fund Relative Attribution – 5 Years

December 31, 2025

5-Year Annualized Relative Attribution Effects



5-Year Cumulative Relative Attribution Effects



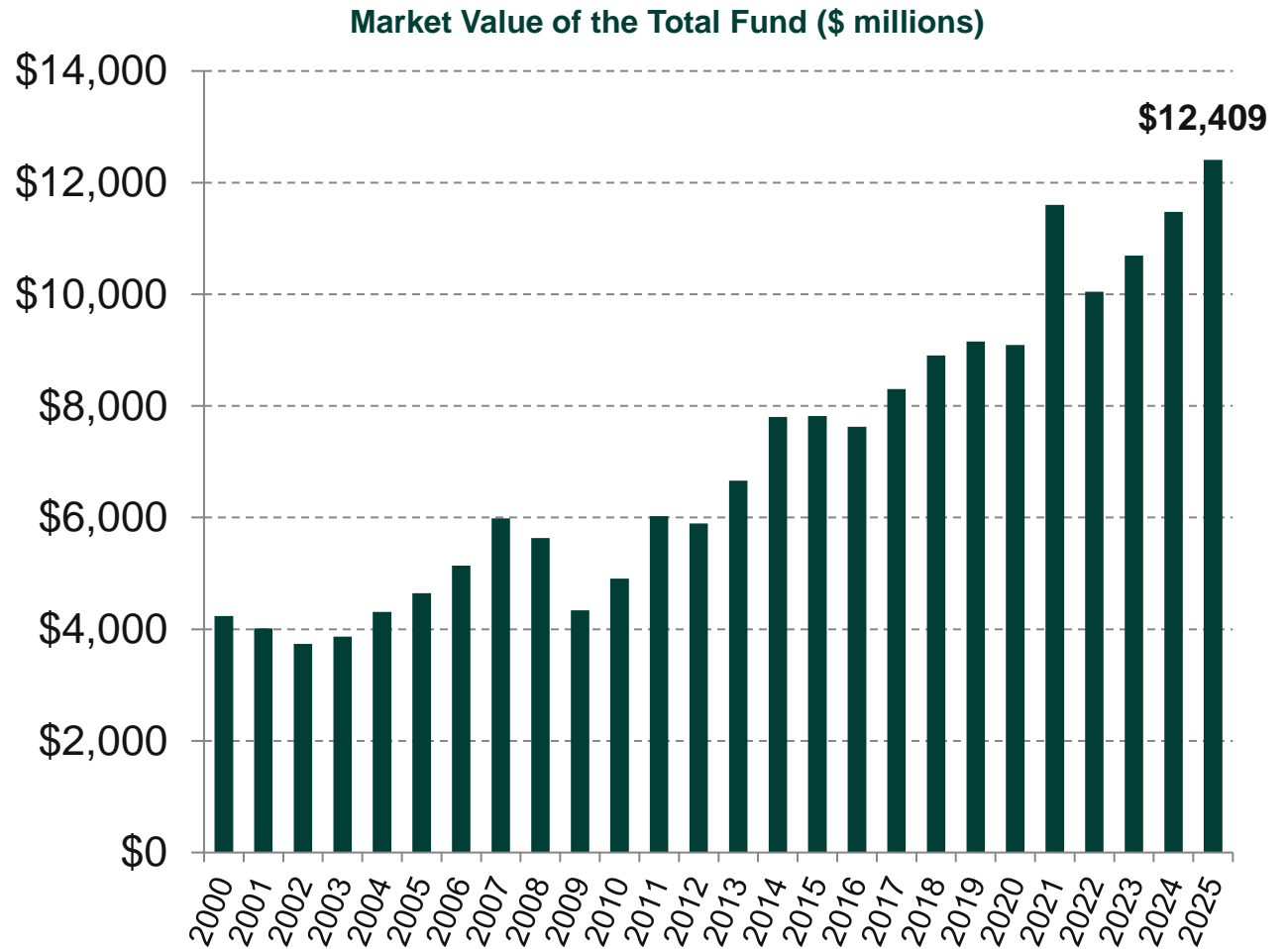
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	40%	38%	10.47%	13.15%	(1.04%)	0.03%	(1.01%)
International Equity	24%	24%	7.35%	7.77%	(0.10%)	(0.05%)	(0.15%)
Hedge Funds	4%	3%	9.55%	5.24%	0.16%	(0.01%)	0.15%
Public Credit	17%	19%	0.88%	(0.36%)	0.22%	0.11%	0.33%
Real Assets	13%	16%	5.13%	5.30%	(0.11%)	(0.03%)	(0.13%)
Cash	1%	0%	3.15%	3.15%	0.00%	(0.07%)	(0.07%)
Private Equity	0%	0%	-	-	0.00%	(0.01%)	(0.01%)
Private Credit	0%	0%	-	-	0.00%	0.00%	0.00%
Total			7.12%	8.00%	(0.85%)	(0.03%)	(0.88%)

Benchmark definitions included in the Appendix.

Historical Market Values of the Total Fund

Fiscal Year-End Market Values

Fiscal Year Ending	Market Value
2000	\$4,236,749,732
2001	\$4,012,745,608
2002	\$3,739,381,695
2003	\$3,869,787,673
2004	\$4,307,589,827
2005	\$4,642,924,118
2006	\$5,136,985,259
2007	\$5,985,111,493
2008	\$5,633,155,289
2009	\$4,341,419,711
2010	\$4,907,734,835
2011	\$6,022,965,592
2012	\$5,896,862,618
2013	\$6,662,631,673
2014	\$7,800,291,923
2015	\$7,820,289,128
2016	\$7,624,665,446
2017	\$8,301,352,120
2018	\$8,904,393,859
2019	\$9,153,121,783
2020	\$9,093,497,703
2021	\$11,602,695,185
2022	\$10,042,629,672
2023	\$10,691,261,784
2024	\$11,479,176,077
2025	\$12,409,065,645



Asset Distribution Across Investment Managers

	December 31, 2025			September 30, 2025		
	Market Value	Weight	Net Cash Activity	Inv. Return	Market Value	Weight
Domestic Equity	\$5,520,353,794	42.08%	(\$77,119,598)	\$69,398,977	\$5,528,074,416	42.83%
CastleArk Mgmt. LLC	\$828,334,421	6.31%	(\$1,010,356)	\$4,395,420	\$824,949,357	6.39%
Mellon S&P 500 Index Fd	\$745,230,991	5.68%	(\$50,022,048)	\$20,521,490	\$774,731,549	6.00%
Horrell Capital Passive	\$207,492,809	1.58%	(\$8,088,558)	(\$4,009,035)	\$219,590,402	1.70%
Boston Partners LCV	\$460,559,278	3.51%	(\$308,639)	\$11,658,280	\$449,209,637	3.48%
Mellon Large Cap Value	\$196,366,197	1.50%	(\$7,289)	\$7,203,010	\$189,170,475	1.47%
Mellon Large Cap Growth	\$493,092,255	3.76%	(\$14,808)	\$5,634,360	\$487,472,702	3.78%
CastleArk LCG	\$84,199,403	0.64%	(\$102,249)	\$821,839	\$83,479,813	0.65%
Wellington Management	\$455,761,081	3.47%	(\$324,265)	\$23,450,314	\$432,635,032	3.35%
William Blair LCG	\$566,824,511	4.32%	(\$393,924)	(\$9,981,814)	\$577,200,249	4.47%
Stephens Mid Cap Growth	\$503,023,513	3.83%	(\$583,036)	(\$5,787,185)	\$509,393,733	3.95%
LSV Asset Management	\$265,664,065	2.02%	(\$15,408,852)	\$5,236,176	\$275,836,741	2.14%
Stephens Investment Mgmt.	\$208,130,432	1.59%	(\$360,577)	\$162,466	\$208,328,543	1.61%
Froley Revy Investment	\$505,674,840	3.85%	(\$494,998)	\$10,093,655	\$496,076,183	3.84%
International Equity	\$2,843,656,315	21.67%	(\$136,176,728)	\$127,743,635	\$2,852,089,408	22.10%
Acadian ACWI ex-US ex-China	\$290,907,537	2.22%	\$282,160,560	\$8,746,977	-	0.00%
Artisan Intl Value Trust ex-PRC	\$894,483,106	6.82%	(\$1,662,785)	\$40,634,826	\$855,511,065	6.63%
Artisan Partners	\$2,568,705	0.02%	\$0	(\$53,188)	\$2,621,893	0.02%
Mellon ACWI ex US Fund	-	0.00%	(\$782,378,639)	\$11,303,695	\$771,074,943	5.97%
Baillie Gifford Overseas	\$1,282,307	0.01%	(\$467,464)	\$40,461	\$1,709,309	0.01%
Blackrock ACWI ex-U.S. PRC	\$1,227,292,313	9.35%	\$1,182,193,187	\$45,099,125	-	0.00%
Lazard Asset Mgmt.	\$3,797,128	0.03%	(\$173,384)	(\$5,278,376)	\$9,248,888	0.07%
Wellington Intl Growth ex-China	\$422,748,426	3.22%	\$407,819,423	\$14,929,003	-	0.00%
Acadian ACW ex US SmallCap	\$459,505	0.00%	(\$282,575,601)	\$2,510,980	\$280,524,125	2.17%
International Equity Transition	\$117,288	0.00%	(\$941,092,027)	\$9,810,130	\$931,399,184	7.22%
Credit Markets	\$2,320,674,631	17.69%	\$18,273,189	\$31,171,948	\$2,271,229,494	17.60%
Public Credit	\$2,205,658,353	16.81%	(\$1,050,783)	\$27,479,642	\$2,179,229,494	16.89%
DoubleLine Capital	\$693,112,636	5.28%	(\$326,739)	\$8,570,784	\$684,868,591	5.31%
MacKay Shields	\$756,408,911	5.77%	(\$371,771)	\$9,163,672	\$747,617,010	5.79%
PGIM	\$756,136,805	5.76%	(\$352,273)	\$9,745,185	\$746,743,892	5.79%
Private Credit	\$115,016,278	0.88%	\$19,323,972	\$3,692,306	\$92,000,000	0.71%
Harbourvest APERS Fund of One	\$34,615,100	0.26%	\$21,977,534	\$637,566	\$12,000,000	0.09%
NB Private Debt Eagle Fund	\$80,401,178	0.61%	(\$2,653,562)	\$3,054,740	\$80,000,000	0.62%

Asset Distribution Across Investment Managers

	December 31, 2025		Net Cash Activity	Inv. Return	September 30, 2025	
	Market Value	Weight			Market Value	Weight
Private Markets	\$608,559,249	4.64%	\$46,776,614	\$21,322,740	\$540,459,895	4.19%
Private Equity	\$321,438,551	2.45%	\$47,496,200	\$10,851,901	\$263,090,450	2.04%
HarbourVest Dover XI	\$240,897,920	1.84%	\$33,996,200	\$8,697,444	\$198,204,276	1.54%
Neuberger Berman Fund of One	\$80,540,631	0.61%	\$13,500,000	\$2,154,457	\$64,886,174	0.50%
Hedge Funds	\$287,120,698	2.19%	(\$719,586)	\$10,470,839	\$277,369,445	2.15%
Blackstone Alt. Asset Mgmt.	\$287,120,698	2.19%	(\$719,586)	\$10,470,839	\$277,369,445	2.15%
Real Assets	\$1,682,955,095	12.83%	\$106,035,504	\$34,558,612	\$1,542,360,979	11.95%
REITS	\$29,809,637	0.23%	(\$3,788)	(\$243,793)	\$30,057,218	0.23%
MCM EB DV Non-SL REIT Fd	\$29,809,637	0.23%	(\$3,788)	(\$243,793)	\$30,057,218	0.23%
Core/Core-Plus Real Estate	\$890,240,778	6.79%	(\$18,702,983)	\$8,291,923	\$900,651,838	6.98%
Carlyle Property Investors	\$81,544,647	0.62%	(\$662,624)	\$1,442,441	\$80,764,831	0.63%
Clarion Lion Industrial Trust	\$81,277,033	0.62%	\$1,536	\$1,683,593	\$79,591,904	0.62%
Invesco Real Estate	\$360,314,709	2.75%	(\$3,029,996)	\$1,201,524	\$362,143,181	2.81%
Heitman Real Estate Trust LP	\$279,856,409	2.13%	(\$13,914,607)	\$2,529,311	\$291,241,705	2.26%
Principal Enhanced Property Fd	\$87,247,980	0.67%	(\$1,097,292)	\$1,435,055	\$86,910,217	0.67%
Non-Core Real Estate	\$394,447,664	3.01%	\$7,612,550	\$8,519,292	\$378,315,822	2.93%
CBRE Real Estate Partners II	\$33,645,477	0.26%	(\$77,423)	\$4,428,663	\$29,294,237	0.23%
Harrison Street Fund VIII	\$42,767,341	0.33%	(\$150,460)	(\$100,750)	\$43,018,551	0.33%
Harrison Street Fund IX	\$41,711,978	0.32%	\$2,828,210	(\$66,003)	\$38,949,771	0.30%
Harrison Street Fund X	\$7,692,995	0.06%	(\$3,691,345)	(\$707,441)	\$12,091,781	0.09%
Heitman Value Partners IV	\$13,339,743	0.10%	(\$7,703,507)	(\$325,564)	\$21,368,814	0.17%
Heitman Value Partners VI	\$8,863,761	0.07%	\$3,899,259	(\$971,506)	\$5,936,008	0.05%
LaSalle Inc & Growth VI LP	\$3,367,349	0.03%	\$0	(\$7,507)	\$3,374,856	0.03%
LaSalle Inc & Growth VII LP	\$10,650,761	0.08%	(\$40,185)	\$393,763	\$10,297,183	0.08%
NB Real Estate Secondary Opps II	\$30,494,913	0.23%	\$10,673,918	\$0	\$19,820,995	0.15%
Starwood SOF XII	\$57,874,177	0.44%	(\$236,301)	\$1,379,414	\$56,731,064	0.44%
Stepstone Real Estate Partners V	\$39,186,643	0.30%	\$5,590,909	\$5,043,961	\$28,551,773	0.22%
TA Realty XI	\$53,200	0.00%	\$532	(\$3,408)	\$56,076	0.00%
TA Realty XII	\$33,686,562	0.26%	(\$8,183,132)	(\$1,061,626)	\$42,931,320	0.33%
TA Realty XIII	\$71,112,763	0.54%	\$4,702,074	\$517,296	\$65,893,393	0.51%

Asset Distribution Across Investment Managers

	December 31, 2025		Net Cash Activity	Inv. Return	September 30, 2025	
	Market Value	Weight			Market Value	Weight
Infrastructure	\$172,804,719	1.32%	\$118,371,824	\$15,729,216	\$38,703,679	0.30%
Ares ASIS III	\$9,777,404	0.07%	\$9,777,404	\$0	-	0.00%
Blue Owl Digital Infras III	\$31,611,074	0.24%	\$11,994,005	\$0	\$19,617,069	0.15%
CBRE Global Infrastgructure Fd	\$50,488,950	0.38%	\$40,037,215	\$510,025	\$9,941,710	0.08%
Harbourvest Infra Opp III	\$12,319,152	0.09%	\$1,150,700	\$7,735,682	\$3,432,770	0.03%
JPM Infrastructure Investment Fund	\$50,000,000	0.38%	\$50,000,000	\$0	-	0.00%
Pantheon Global Infrastructure V	\$2,500,000	0.02%	\$2,500,000	\$0	-	0.00%
Partners Group Secondary Infra.	\$16,108,140	0.12%	\$2,912,500	\$7,483,509	\$5,712,131	0.04%
Farmland	\$97,199,090	0.74%	(\$1,242,178)	\$767,907	\$97,673,361	0.76%
IFC Core Farmland Fund	\$52,613,441	0.40%	(\$1,116,660)	\$1,073,974	\$52,656,127	0.41%
PGIM Agriculture	\$44,585,649	0.34%	(\$125,518)	(\$306,067)	\$45,017,234	0.35%
Timber	\$98,453,206	0.75%	\$78	\$1,494,067	\$96,959,061	0.75%
Pinnacle Timberfund	\$98,453,206	0.75%	\$78	\$1,494,067	\$96,959,061	0.75%
Cash	\$143,597,267	1.09%	(\$28,606,334)	\$858,314	\$171,345,287	1.33%
Manning & Napier Advisors	\$162,735	0.00%	\$0	(\$76)	\$162,811	0.00%
In House Short Term	\$76,928,264	0.59%	(\$44,285,520)	\$464,162	\$120,749,622	0.94%
Clnt Dir Cash Account	\$61,769,711	0.47%	\$19,066,538	\$329,490	\$42,373,683	0.33%
Clnt Dir Cash Account	\$4,736,557	0.04%	(\$3,387,352)	\$64,738	\$8,059,171	0.06%
Total Fund	\$13,119,796,351	100.00%	(\$70,817,354)	\$285,054,227	\$12,905,559,478	100.00%

Investment Manager Returns – Net of Fees

December 31, 2025

	Q4 2025	FYTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Domestic Equity	1.18%	8.59%	14.14%	17.58%	10.12%	12.43%
Russell 3000 Index	2.40%	10.78%	17.15%	22.25%	13.15%	14.29%
CastleArk	0.41%	7.03%	10.93%	21.81%	11.79%	15.46%
Russell 3000 Growth Idx	1.14%	11.67%	18.15%	30.25%	14.59%	17.59%
CastleArk LCG	0.86%	6.88%	10.85%	--	--	--
Russell:1000 Growth	1.12%	11.75%	18.56%	31.15%	15.32%	18.13%
Mellon S&P 500 Index Fd	2.66%	11.00%	17.89%	22.99%	14.42%	14.64%
S&P 500 Index	2.66%	11.00%	17.88%	23.01%	14.42%	14.82%
Horrell Capital - Passive	(1.92%)	4.17%	6.60%	10.41%	10.46%	11.24%
Blmbg Arkansas Index	5.07%	16.19%	4.52%	7.96%	15.02%	12.23%
S&P 500 Index	2.66%	11.00%	17.88%	23.01%	14.42%	14.82%
Mellon Large Cap Growth	1.15%	11.76%	18.66%	--	--	--
Russell 1000 Growth Idx	1.12%	11.75%	18.56%	31.15%	15.32%	18.13%
William Blair LCG	(1.80%)	5.67%	11.96%	--	--	--
Russell 1000 Growth Idx	1.12%	11.75%	18.56%	31.15%	15.32%	18.13%
Mellon Large Cap Value	3.80%	9.35%	15.90%	--	--	--
Russell:1000 Value	3.81%	9.34%	15.91%	13.90%	11.33%	10.53%
Wellington Management	5.35%	9.25%	13.65%	14.00%	11.69%	10.24%
Russell 1000 Value Idx	3.81%	9.34%	15.91%	13.90%	11.33%	10.53%
Boston Partners LCV	2.53%	10.17%	17.73%	--	--	--
Russell:1000 Value	3.81%	9.34%	15.91%	13.90%	11.33%	10.53%
Stephens Mid Cap Growth	(1.25%)	3.03%	12.83%	--	--	--
Russell:Midcap Growth	(3.70%)	(1.03%)	8.66%	18.64%	6.65%	12.49%
LSV Asset Management	1.87%	10.74%	7.14%	11.07%	12.19%	--
Russell:2000 Value	3.26%	16.27%	12.59%	11.73%	8.88%	9.27%
Stephens Investment Mgmt	(0.10%)	8.85%	12.66%	16.08%	5.30%	11.69%
Russell:2000 Growth	1.22%	13.56%	13.01%	15.59%	3.18%	9.57%
Froley Revy Investment	1.93%	12.55%	19.99%	13.21%	3.95%	10.15%
ICE:Convertibles	1.97%	10.73%	17.98%	13.96%	5.05%	11.23%

Peer group ranking in parentheses. Benchmark definitions included in the Appendix.

Investment Manager Returns – Net of Fees

December 31, 2025

	Q4 2025	FYTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
International Equity	4.56%	9.76%	27.09%	16.00%	6.96%	8.29%
Intl Equity Benchmark*	4.76%	11.95%	31.96%	17.10%	7.77%	7.61%
Artisan Intl Value CIT	4.56%	10.31%	23.65%	--	--	--
MSCI EAFE Index	4.86%	9.86%	31.22%	17.22%	8.92%	8.18%
Credit Markets	1.30%	3.38%	7.98%	6.40%	0.69%	3.20%
Public Credit	1.21%	3.39%	8.00%	6.40%	0.69%	3.20%
DoubleLine Capital	1.20%	3.30%	7.79%	6.00%	0.83%	--
Blmbg Aggregate Index	1.10%	3.15%	7.30%	4.66%	(0.36%)	2.01%
MacKay Shields	1.18%	3.21%	8.07%	6.82%	0.91%	3.49%
Blmbg Aggregate Index	1.10%	3.15%	7.30%	4.66%	(0.36%)	2.01%
PGIM Fixed Inc	1.26%	3.66%	8.11%	6.36%	0.33%	3.39%
Blmbg Aggregate Index	1.10%	3.15%	7.30%	4.66%	(0.36%)	2.01%
Private Credit	3.20%	--	--	--	--	--
Harbourvest Fund of One	2.88%	--	--	--	--	--
Private Credit Benchmark	2.01%	--	--	--	--	--
NB Private Debt Eagle Fund	3.37%	--	--	--	--	--
Private Credit Benchmark	2.01%	--	--	--	--	--
Alternatives	3.36%	7.63%	12.70%	13.78%	8.25%	7.39%
Private Equity	3.21%	8.94%	12.96%	--	--	--
HarbourVest Dover XI	3.38%	11.71%	17.79%	--	--	--
Private Equity Benchmark	8.76%	21.31%	20.49%	--	--	--
Neub. Berman Fund of One	2.75%	1.70%	0.82%	--	--	--
Private Equity Benchmark	8.76%	21.31%	20.49%	--	--	--
Hedge Funds	3.52%	6.50%	12.23%	10.09%	7.97%	6.40%
APERS - Blackstone	3.52%	6.50%	12.23%	10.09%	7.97%	6.40%
HFRI FOF Diversified Index**	3.04%	7.16%	10.53%	11.05%	5.24%	7.34%

Benchmark definitions included in the Appendix.

** 3-month Treasury Bill +4% through 6/30/2023; HFRI FOF Diversified Index thereafter.

Peer Group ranking in parentheses.

Investment Manager Returns – Net of Fees

December 31, 2025

	Q4 2025	FYTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Real Assets	1.62%	(0.32%)	0.37%	(3.63%)	4.17%	4.09%
NCREIF Total Index*	1.15%	2.35%	4.91%	1.82%	5.30%	5.62%
REITS	(0.82%)	4.19%	3.59%	8.40%	6.58%	--
MCM EB DV Non-SL REIT Fd	(0.82%)	4.19%	3.59%	8.40%	6.58%	--
S&P DJ U.S. Select REIT	(0.79%)	4.26%	3.67%	8.50%	6.65%	4.81%
Core Real Estate	0.78%	(2.71%)	(1.53%)	(5.77%)	1.97%	3.50%
Carlyle Property Investors	1.53%	1.94%	2.92%	--	--	--
NCREIF NFI-ODCE Eq Wt. Net	0.77%	1.23%	2.93%	(4.52%)	2.67%	4.16%
Clarion Lion Industrial Trust	2.12%	2.12%	5.45%	(1.11%)	--	--
NCREIF:NFI-ODCE Eq Wt Net	0.77%	1.23%	2.93%	(4.52%)	2.67%	4.16%
APERS - INVESCO RE	0.23%	(8.70%)	(8.92%)	(9.16%)	(0.58%)	2.63%
NCREIF:NFI-ODCE Eq Wt Net	0.77%	1.23%	2.93%	(4.52%)	2.67%	4.16%
Heitman Real Estate Trust LP	0.70%	0.88%	3.48%	(3.27%)	4.14%	4.31%
NCREIF:NFI-ODCE Eq Wt Net	0.77%	1.23%	2.93%	(4.52%)	2.67%	4.16%
Principal Enhanced Prpty Fd	1.38%	3.98%	6.49%	--	--	--
NCREIF NFI-ODCE Eq Wt. Net	0.77%	1.23%	2.93%	(4.52%)	2.67%	4.16%

*Benchmark definitions included in the Appendix. Peer Group ranking in parentheses.

Investment Manager Returns – Net of Fees

December 31, 2025

	Q4 2025	FYTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Non-Core Real Estate	1.19%	1.10%	1.29%	(3.30%)	6.50%	7.31%
CBRE RE Partners II	10.78%	--	--	--	--	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
Harrison Street Fund VIII	(0.58%)	(1.58%)	(5.22%)	1.50%	--	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
Harrison Street Fund IX	(0.17%)	(0.79%)	8.58%	--	--	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
Harrison Street Fund X	(9.05%)	--	--	--	--	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
Heitman Value Partners IV	(1.12%)	1.45%	6.74%	2.60%	11.26%	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
Heitman Value Partners VI	(13.95%)	--	--	--	--	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
LaSalle Inc & Growth VI LP	(0.22%)	0.29%	0.36%	(17.04%)	(16.81%)	(6.33%)
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
LaSalle Inc & Growth VII LP	3.43%	(0.91%)	(15.30%)	(32.57%)	(15.56%)	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
NB RE Secondary Opps III	0.00%	0.00%	--	--	--	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
Starwood SOF XII	2.01%	3.79%	4.28%	4.54%	--	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
Stepstone RE Partners V	7.07%	7.07%	--	--	--	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
TA Realty XII	(2.27%)	(5.46%)	(7.58%)	(6.34%)	7.28%	--
NCREIF:Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%
TA Realty XIII	0.39%	0.41%	1.57%	--	--	--
NCREIF Total Index	1.15%	2.35%	4.91%	(1.01%)	3.79%	4.85%

*Benchmark definitions included in the Appendix. Peer Group ranking in parentheses.

Investment Manager Returns – Net of Fee

December 31, 2025

	Q4 2025	FYTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Infrastructure	9.62%	9.62%	--	--	--	--
Blue Owl Digital Infrs III	0.00%	0.00%	--	--	--	--
FTSE Dev Core 50/50 N	0.06%	4.21%	14.44%	8.53%	6.74%	7.60%
CBRE Global Infra Fund	0.98%	--	--	--	--	--
FTSE Dev Core 50/50 N	0.06%	4.21%	14.44%	8.53%	6.74%	7.60%
Harbourvest Infra Opp III	171.48%	171.48%	--	--	--	--
FTSE Dev Core 50/50 N	0.06%	4.21%	14.44%	8.53%	6.74%	7.60%
Partners Group Secondary	113.08%	--	--	--	--	--
FTSE Dev Core 50/50 N	0.06%	4.21%	14.44%	8.53%	6.74%	7.60%
Farmland	0.26%	1.41%	1.55%	0.77%	--	--
IFC Core Farmland Fund	1.30%	2.98%	4.05%	4.65%	--	--
NCREIF Farmland Index	(0.70%)	(0.19%)	0.20%	1.34%	4.20%	4.89%
PGIM Agriculture	(0.96%)	(0.41%)	(1.29%)	(3.97%)	--	--
NCREIF Farmland Index	(0.70%)	(0.19%)	0.20%	1.34%	4.20%	4.89%
Timber	1.54%	1.57%	(0.26%)	6.74%	8.71%	2.68%
Pinnacle	1.54%	1.57%	(0.26%)	6.74%	8.71%	2.68%
NCREIF Timberland Index	1.59%	2.27%	4.57%	6.98%	8.58%	5.39%
Cash	0.86%	1.89%	3.92%	4.68%	3.15%	2.08%
Total Fund	2.08%	6.67%	13.87%	11.72%	6.67%	8.34%
Total Fund Benchmark	2.43%	7.99%	16.43%	14.04%	8.01%	9.04%

*Benchmark definitions included in the Appendix. Peer Group ranking in parentheses.

Important Disclosures

Information contained in this document may include confidential, trade secret and/or proprietary information of Callan and the client. It is incumbent upon the user to maintain such information in strict confidence. Neither this document nor any specific information contained herein is to be used other than by the intended recipient for its intended purpose.

The content of this document is particular to the client and should not be relied upon by any other individual or entity. There can be no assurance that the performance of any account or investment will be comparable to the performance information presented in this document.

Certain information herein has been compiled by Callan from a variety of sources believed to be reliable but for which Callan has not necessarily verified for accuracy or completeness. Information contained herein may not be current. Callan has no obligation to bring current the information contained herein.

Callan's performance, market value, and, if applicable, liability calculations are inherently estimates based on data available at the time each calculation is performed and may later be determined to be incorrect or require subsequent material adjustment due to many variables including, but not limited to, reliance on third party data, differences in calculation methodology, presence of illiquid assets, the timing and magnitude of unrecognized cash flows, and other data/assumptions needed to prepare such estimated calculations. In no event should the performance measurement and reporting services provided by Callan be used in the calculation, deliberation, policy determination, or any other action of the client as it pertains to determining amounts, timing or activity of contribution levels or funding amounts, rebalancing activity, benefit payments, distribution amounts, and/or performance-based fee amounts, unless the client understands and accepts the inherent limitations of Callan's estimated performance, market value, and liability calculations.

Callan's performance measurement service reports estimated returns for a portfolio and compares them against relevant benchmarks and peer groups, as appropriate; such service may also report on historical portfolio holdings, comparing them to holdings of relevant benchmarks and peer groups, as appropriate ("portfolio holdings analysis"). To the extent that Callan's reports include a portfolio holdings analysis, Callan relies entirely on holdings, pricing, characteristics, and risk data provided by third parties including custodian banks, record keepers, pricing services, index providers, and investment managers. Callan reports the performance and holdings data as received and does not attempt to audit or verify the holdings data. Callan is not responsible for the accuracy or completeness of the performance or holdings data received from third parties and such data may not have been verified for accuracy or completeness.

Callan's performance measurement service may report on illiquid asset classes, including, but not limited to, private real estate, private equity, private credit, hedge funds and infrastructure. The final valuation reports, which Callan receives from third parties, for of these types of asset classes may not be available at the time a Callan performance report is issued. As a result, the estimated returns and market values reported for these illiquid asset classes, as well as for any composites including these illiquid asset classes, including any total fund composite prepared, may not reflect final data, and therefore may be subject to revision in future quarters.

The content of this document may consist of statements of opinion, which are made as of the date they are expressed and are not statements of fact. The opinions expressed herein may change based upon changes in economic, market, financial and political conditions and other factors. Callan has no obligation to bring current the opinions expressed herein.

The information contained herein may include forward-looking statements regarding future results. The forward-looking statements herein: (i) are best estimations consistent with the information available as of the date hereof and (ii) involve known and unknown risks and uncertainties. Actual results may vary, perhaps materially, from the future results projected in this document. Undue reliance should not be placed on forward-looking statements.

Callan is not responsible for reviewing the risks of individual securities or the compliance/non-compliance of individual security holdings with a client's investment policy guidelines.

This document should not be construed as legal or tax advice on any matter. You should consult with legal and tax advisers before applying any of this information to your particular situation.

Reference to, or inclusion in this document of, any product, service or entity should not necessarily be construed as recommendation, approval, or endorsement or such product, service or entity by Callan. This document is provided in connection with Callan's consulting services and should not be viewed as an advertisement of Callan, or of the strategies or products discussed or referenced herein.

Important Disclosures (continued)

The issues considered and risks highlighted herein are not comprehensive and other risks may exist that the user of this document may deem material regarding the enclosed information. Please see any applicable full performance report or annual communication for other important disclosures.

Unless Callan has been specifically engaged to do so, Callan does not conduct background checks or in-depth due diligence of the operations of any investment manager search candidate or investment vehicle, as may be typically performed in an operational due diligence evaluation assignment and in no event does Callan conduct due diligence beyond what is described in its report to the client.

Any decision made on the basis of this document is sole responsibility of the client, as the intended recipient, and it is incumbent upon the client to make an independent determination of the suitability and consequences of such a decision.

Callan undertakes no obligation to update the information contained herein except as specifically requested by the client.

Past performance is no guarantee of future results.



A PRESENTATION FROM STEPHENS CAPITAL MANAGEMENT

Arkansas PERS Private Markets Program

Fourth Quarter 2025 Update

Private Equity Program as of 9/30/25*

IRR and Performance Multiples

(Inception to Date | Most Recent | Base)

Stephens

End Date: 9/30/2025

All Portfolio Investments

Base Currency: USD

Investment				Transactions		Valuation	Performance			
Investment	Closing Date	Commitment	Measurement Date	Paid-In Capital	Distributions	Valuation	IRR	TVPI	DPI	RVPI
APERS Private Equity Program										
1 Dover Street XI LP	9/30/2022	400,000,000	9/30/2025	164,620,383	22,048,080	204,904,250	34.36	1.38	0.13	1.24
2 NB Arkansas PERS FOO LP	10/17/2023	450,000,000	9/30/2025	55,800,000	0	67,040,631	17.56	1.20	0.00	1.20
Total: APERS Private Equity Program		850,000,000	9/30/2025	220,420,383	22,048,080	271,944,881	30.06	1.33	0.10	1.23
Total Investments:	2	850,000,000	9/30/2025	220,420,383	22,048,080	271,944,881	30.06	1.33	0.10	1.23

Fourth Quarter Capital Activity

- \$40mm called for Dover XI (less \$4mm distribution = net call of \$36mm)
- \$13.5mm called for NB PERS FOO

* Private Equity valuations provided by managers from previous quarter.

Source: MSCI/Burgiss, Stephens, Neuberger Berman, HarbourVest

APERS Private Credit Capital Activity

- HarbourVest Fund Of One (Diversified Credit Funds)
 - \$550mm of Capital Was Committed
 - As of 12/31/2025 \$34mm of Capital Has Been Called

- NB Eagle Debt Fund
 - \$200mm of Capital Committed
 - As of 12/31/2025 \$80MM of Capital Has Been Called

Performance data and detailed information will be available twelve months after first capital call. We expect data to lag by one quarter.

The information in the accompanying report has been prepared solely for informative purposes and is not a solicitation, or an offer, to buy, sell or hold any security or a recommendation of the services supplied by any money management organization. It does not purport to be a complete description of the securities, markets or developments referred to in the report. We believe the sources to be reliable, however, the accuracy and completeness of the information is not guaranteed. We, or our officers and directors, may from time to time have a long or short position in the securities mentioned and may sell or buy such securities.

Data displayed on this site or printed in such reports may be provided by third party providers. This report is not an official account statement of your account, and you should refer to your official customer account statement in the event of a discrepancy in value.

If you invest in mutual funds or other investment companies, such as exchange traded funds, you should carefully consider the investment objectives, charges, risks, fees and expenses of any investment company before investing. The prospectus and, if available, the summary prospectus contain this and other information about the investment company. You can obtain a current prospectus and, if available, a summary prospectus from your Financial Consultant. Please read the prospectus and, if available, a summary prospectus carefully before investing in a mutual fund or exchange traded fund, as it contains information about previously referenced factors and other important information.

Performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. You may obtain the most current month-end performance data from your Financial Consultant by calling 800-643-9691.

Investing in money market funds involves some element of risk, and you could lose money by investing in a money market fund. Although money market funds seek to preserve the value of your investment at \$1.00 per share, this cannot be guaranteed. Investments in money market funds are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Money market fund sponsors have no legal obligation to provide financial support to money market funds, and you should not expect that the sponsor will provide financial support to money market funds at any time.

Clients whose accounts are custodied at Stephens' clearing broker, Pershing, are eligible to participate in the Stephens Insured Bank Sweep Program ("Bank Sweep Program") (except for ERISA and IRA accounts). Assets in this program are insured up to the applicable FDIC insurance limit at each Program Bank. It is your obligation to monitor your funds deposited at each Program Bank in the Bank Sweep Program to ensure you do not exceed the applicable FDIC insurance limit. The Bank Sweep Program should not be viewed as a long-term investment option.

Any prices reflected herein are indicative and are subject to change without notice. Prices, yields and availability will change with market movement. The yield may differ if bonds are sold before maturity. Bonds might be subject to other calls that may exist. Product credit ratings may change without notice. Unpriced securities are not included in the current value of the portfolio.

Assets which are not held at Stephens are not part of Stephens' books and records.

Annuities are held outside your Stephens account by the issuing insurance companies and are not covered by SIPC. Annuity information is provided by the insurance companies, and Stephens cannot guarantee its accuracy. Please refer to statements sent by the insurance companies for annuity valuations, tax reporting information and other details.

Alternative Investments and other assets which are externally held are included on the report solely as a service to the customer and are not covered by SIPC. All Information about externally held Alternative Investments (including valuation) is derived from the customer or other external source, and Stephens cannot verify the accuracy of this information and is not responsible therefor.

The indexes and models referenced in the charts presented are unmanaged, may assume reinvestment of all distributions, and do not reflect any transaction costs or management fees. They were chosen to give you a basis of comparison for market segment performance. Actual investment alternatives may invest in some instruments not eligible for inclusion in such an index or model and may be prohibited from investing in some instruments included in such an index or model. You cannot invest directly in an index. The investment return and principal value of an investment will fluctuate so that the value of an investment, when sold or redeemed, may be more or less than the original cost.

Blended benchmarks are rebalanced periodically. The blended return calculations for the benchmarks are determined by using the return performance data for the stated time period on each of the comparative index benchmarks as stated per asset class below, as reported by independent data services, and blending asset class and time period.

Your portfolio value will fluctuate such that you may receive more or less than your original investment should you choose to close your account. Your net investment return will be reduced by advisory fees and other account expenses.

All information on S&P Dow Jones Indices, LLC is Copyright © 2025 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. S&P Ratings Copyright © 2025 S&P Global Market Intelligence (and its affiliates as applicable). All rights reserved.

Advisory fees and other expenses and charges reduce the returns realized by the client account. Advisory clients are referred to Part 2A Appendix 1 ("Brochure") of Stephens Form ADV for additional information regarding advisory fees. The net effect of the deduction of fees on annualized performance, including the compounded effect over time, varies with the size of the fee and the account's investment performance. For example, an account with a 1.50% annual management fee and 7% annual performance before fees will have a net performance after fees of about 5.4% per year over a five-year period. The same account with 12% annual performance will have a net performance after fees of about 10.32% per year over a five-year period. Compounding will similarly affect the account's performance on a cumulative basis. If this account pays another account's advisory fee, the net performance shown on this report will be affected by the advisory fee paid on behalf of the other account. If the advisory fee for this account is paid by another account, the effect of the advisory fee will be reflected in the net performance of the account paying the fee.

This document is intended only for the addressee and may not be reproduced or redistributed. If the reader is not the intended recipient, you are notified that any disclosure, distribution or copying is prohibited.

Cost basis information may be incomplete or may not accurately reflect the methodology used by a particular client. Neither Stephens Inc. nor its representatives provide legal, accounting or tax advice. Due to the fact that each individual's tax status may vary, please consult your tax advisor before making your investment decisions.

Pie Chart slices labeled as "OTHER" may include securities classified as other by the provider of asset classification data, as well as securities that did not fit in the other slices displayed.

Form CRS/Form ADV Part 3 is available at www.stephens.com/investment-disclosures.

Stephens Form ADV Part 2 and privacy notices are available at www.stephens.com. To access your Financial Consultant's SEC Advisor Biography, use the search bar in the top right corner of the home page and search by your Financial Consultant's name. SEC Advisor Biographies are also available in the "Our Team" section and are there for your review.

Securities and/or Advisory Services offered through Stephens Inc. Insurance products offered through Stephens Insurance, LLC.

Additional information is available upon request. Please contact your Financial Consultant with any questions.

© 2025 Stephens Inc. All rights reserved

Stephens Inc. Member NYSE, SIPC | Stephens.com 4/28/2025



Investment Finance Committee Chair Report
Reporting Period: December 18, 2025 – February 27, 2026

The Investment Finance Committee (IFC) met three times during the reporting period to review investment opportunities, litigation matters, consultant procurement, and facilities planning.

Project Green

The Committee received updates on Project Green, an Arkansas-based controlled-environment agricultural investment opportunity involving a proposed 15-acre automated greenhouse requiring approximately \$125 million in combined debt and equity financing. Due diligence remains ongoing. Staff reported no material new information at the February meeting, and the project is currently on hold pending additional analysis.

Securities Litigation – DexCom

The Committee reviewed litigation related to DexCom, Inc., involving allegations of undisclosed quality issues with its G7 glucose monitoring device. Estimated losses to APERS are approximately \$6.1 million. Discussion included lead plaintiff considerations and potential recovery options. The Committee approved staff proceeding with plaintiff review.

Real Estate / Facilities Planning

Staff and advisors provided continued analysis of potential property options aligned with board criteria, including ownership preference, downtown location, and space requirements.

The Committee directed staff to continue evaluating property options and return with recommendations at a future IFC or called meeting. The motion was approved unanimously.

Investment Consultant RFQ

Staff provided updates on the Investment Consultant RFQ process, which resulted in seven submissions. Following evaluation and interviews, the Committee certified the following semi-finalists:

- Callan LLC
- Meketa Investment Group, Inc.
- RVK, Inc.

At the February 27, 2026, meeting, after interviews with the semi-finalists, staff recommended Meketa Investment Group as the finalist. The IFC voted to approve staff's recommendation and forward the selection to the full Board for consideration.

Arkansas Judicial Retirement System (AJRS) members participated jointly and will address the matter at their next board meeting.



Quarterly Board Meeting

Statement of Fiduciary Net Position as of (December 31, 2025)

ASSETS	
Cash and Cash Equivalents	\$ 61,891,353
Receivables	
Dec 2004 Actuarial Liability Receivable	3,591,338
Contributions Receivable	17,244,801
Overpayment Receivable	758,380
Allowance for Doubtful Accounts	<u>(896,970)</u>
Total Receivables	20,697,549
Investments at Fair Value	
Investment Assets	12,550,115,831
Securities Lending Collateral	<u>701,220,578</u>
Total Investments	13,251,336,409
Fixed Assets (Net)	6,081,286
Prepays and Other Assets	485,801
TOTAL ASSETS	<u><u>13,340,492,397</u></u>
LIABILITIES	
Securities Lending Liability	701,810,369
Accrued Expense and Other Liabilities	41,816,548
Other Post Employment Benefits	<u>3,972,553</u>
TOTAL LIABILITIES	<u><u>747,599,470</u></u>
NET POSITION RESTRICTED FOR PENSION BENEFITS	<u><u>\$ 12,592,892,927</u></u>



Quarterly Board Meeting

Statement of Changes in Fiduciary Net Position for the Period Ending (December 31, 2025)

ADDITIONS	
Contributions	
Employer	\$ 197,312,962
Employee	<u>70,735,486</u>
Total Contributions	268,048,448
Investment Income	
Investment Income	814,967,756
Less: Investment Expense	<u>(35,870,284)</u>
Net Investment Income	779,097,473
Other Additions	
Transfers from Teachers and Highway	1,276,774
Miscellaneous Additions	293,085
Miscellaneous Administrative Transfers	<u>293,682</u>
Total Other Additions	<u>1,863,541</u>
TOTAL ADDITIONS	1,049,009,462
DEDUCTIONS	
Benefits	371,678,184
Refund of Contributions	10,954,674
Administrative Expense	<u>5,554,075</u>
TOTAL DEDUCTIONS	<u>388,186,932</u>
NET INCREASE/(DECREASE)	660,822,530
ADJUSTMENTS	
Actuarial Adjustment to DJ Unfunded Liability	42,157
NET POSITION RESTRICTED FOR PENSION BENEFITS	
Beginning of Year	<u>11,932,028,241</u>
End of 2nd Quarter	<u><u>\$ 12,592,892,927</u></u>



APERS DROP Interest Rate

Summary:

The Board sets the interest rate which will be paid on the balances in a member's DROP account, pursuant to ACA 24-4-803. In recent years, the Board has used the 10-year U.S. Treasury Note rate as a benchmark in setting the DROP Interest rate. It is APERS Staff recommendation that the Board set the fiscal year rate using the 1-year U.S. Treasury Bill yield as a comparison.

Historical 1-year and 10-Year Treasury Yields and DROP Interest Rates

First Board Meeting of Calendar Year	Setting Rate for Fiscal year	1-year Treasury Bill Yield	10-Year U.S. Treasury Yield	DROP Interest Rate Established
2015	2016	0.23%	1.98%	2.50%
2016	2017	0.53%	1.74%	2.50%
2017	2018	0.86%	2.43%	2.50%
2018	2019	1.98%	2.85%	2.75%
2019	2020	2.54%	2.38%	2.50%
2020	2021	1.47%	1.56%	2.00%
2021	2022	0.07%	1.18%	2.00%
2022	2023	1.09%	1.92%	2.00%
2023	2024	4.69%	3.47%	3.00%
2024	2025	4.88%	4.11%	3.00%
2025	2026	4.00%	4.22%	3.00%
2026	2027	3.50%	4.10%	



**Quarterly Board Meeting
March 4, 2026
Legal Report**

ADMINISTRATIVE MEMBER APPEALS

None

APPEAL TO CIRCUIT COURT FROM ADMINISTRATIVE MEMBER APPEAL - LITIGATION

Hon. Raymond R. Abramson v. APERS et al, 48CV-23-98

On December 6, 2023, Raymond Abramson filed a petition for judicial review (appeal) from the board’s decision that upheld the Executive Director’s determination to deny adding non APERS-covered employment to the member’s APERS record. APERS is represented by the Office of the Attorney General. Judge Daniel Brock of the 17th Judicial Circuit is assigned to the case. The board and the executive director were removed as defendants from the case in their individual capacity by order of the judge dated July 31, 2025. A hearing was held October 29, 2025, before Judge Brock to present oral arguments in support of APERS Motion to Dismiss. **Awaiting a ruling from the judge.**

RULES PROMULGATION

None

SECURITIES LITIGATION CASES

Company name	Case Caption	Important Dates	Lead Plaintiff Status	Firm	Update
Seagate	<i>In re Seagate Technology Holdings plc Securities Litigation, No. 3:23-cv-03431 (N.D. Cal.)</i>	10/19/2023 5/12/2025 11/5/2025	Granted Order for case to proceed Mediation	BLBG	Discovery phase Parties are reviewing



**Quarterly Board Meeting
March 4, 2026
Legal Report**

Five Below	<i>In re Five Below, Inc. Securities Litigation, No. 2:24-cv-03638 (E.D. Pa.)</i>	09/16/2024 10/28/2024 01/13/2025 8/25/2025-1/2026	Granted Joint lead plaintiff status ATRS (Labaton) Amended Complaint Discovery phase	Berger Montague	Motion to Dismiss granted in part; discovery commenced
The Trade Desk, Inc.	<i>In re The Trade Desk, Securities Litigation, No. 2:25-cv-01396-CAS-DFM (C.D. Cal.)</i>	04/21//2025 8/15/2025 10/14/2025	Granted Joint lead plaintiff status with MissPERS (BLBG) Complaint filed Motion to Dismiss filed Preparing Response to Motion to Dismiss	Cohen Milstein	Response to Motion to Dismiss due December 12, 2025



Quarterly Board Meeting
Benefits Summary

I. Membership

- **Mandatory participating public employers:** All employees of the State of Arkansas, except those who are members of another state retirement system, and all county employees must become members of the system as a condition of employment.
- **Optional participating public employers:** All employees of the following political subdivisions must become members of the system as a condition of employment after the date the employer elects to become a participating public employer.
 - Municipality
 - Joint County and Municipal Sanitation Authority
 - Rural Waterworks Facilities Board
 - Suburban Improvement District
 - Regional Airport Authority
 - Public Water Authority
 - Border Municipal Airport Authority
 - Regional Water Distribution Board
 - Public Facilities Board
 - Metropolitan Port Authority
 - Regional Solid Waste Management Board
 - Public Transit Authority

Participating Employers – New This Quarter

Employer Name	Employer Type	Effective Date	No. of Employees
None			

Members – New This Quarter

	Oct 2025	Nov 2025	Dec 2025
Number ¹	581	417	319
Total Active Members	44,025	43,954	43,743

Members - Historical

	1 year	5 years	10 years	20 years
Number	43,490	44,373	45,722	42,938
Average Annual Pay	\$50,761	\$40,469	\$35,979	\$28,295

¹ Represents persons who are first-time members of the system
Benefits Summary



Quarterly Board Meeting
Benefits Summary

II. Eligibility for Benefits

- **Normal retirement:** Members may voluntarily retire once they attain normal retirement age, which is the youngest of the following ages:
 - Age 65 with at least five (5) years of actual service
 - Any age with 28 years of actual service
 - Age 55 with 35 years of credited service
- **Early retirement:** Members who have not attained normal retirement age may retire with an early annuity, which is reduced by the difference between their age and normal retirement age. Early retirement can begin at the youngest of the following ages:
 - Age 55 with at least five (5) years of actual service
 - Any age with 25 years of actual service
 - Up to 10 years before normal retirement age
- **Disability retirement:** Members with at least five (5) years of actual service who become totally and permanently disabled for any suitable job or position may receive a disability annuity.
- **Survivor retirement:** Survivors of members with at least five (5) years of actual service who die before retirement may receive a survivor annuity. Eligible survivors include a spouse, dependent children, and in some cases, dependent parents.

Inactive Members – New This Quarter

	Oct 2025	Nov 2025	Dec 2025
Number	142	107	81
Total Inactive Members	15,578	15,563	15,550

Inactive Members - Historical

	1 year	5 years	10 years	20 years
Number	15,351	14,711	13,638	10,250
Total Annual Benefits	\$99.2m	\$81.0m	\$68.7m	\$42.5m

Quarterly Board Meeting
Benefits Summary

III. Benefits

- **Refund of contributions:** When members terminate covered service, they can request a refund of their accumulated contributions and interest, which is credited at the rate of two percent (2%).
- **Straight life annuity:** Members who retire receive a straight life annuity equal to a percentage of their final average compensation (FAC) multiplied by the number of years of credited service.
- **Annuity options:** Before members receive their first payment, they can elect to receive the straight life annuity or elect to have their annuity reduced under one of four options that provide continuing benefits to a designated beneficiary.
- **Cost-of-living adjustments:** Each July 1, the system redetermines the amount of each monthly benefit that has been paid for at least twelve months. The amount of the redetermined benefit – a cost-of-living adjustment (COLA) – is based on the date that the retiree was first hired.
- **Benefit calculation example:** Final Average Compensation X Multiplier X Credited Service
 $\$50,761 \times 2.00\% \times 17.4 \text{ yrs.} = \$17,665 \text{ annually/ } \$1,472 \text{ monthly}$

Refunds – New This Quarter

	Oct 2025	Nov 2025	Dec 2025
Number	284	246	234
Total Benefits	\$2.0m	\$1.8m	\$1.6m

Refunds – Historical

	1 year	5 years	10 years	20 years
Number	3,600	3,042	2,996	24
Total Annual Benefits	\$20.0m	\$15.3m	\$11.9m	\$500k

Retirees – New This Quarter

	Oct 2025	Nov 2025	Dec 2025
Number	153	164	158
Total Retirees	39,974	39,998	40,055

Retirees - Historical

	1 year	5 years	10 years	20 years
Number	43,148	39,805	33,106	21,080
Total Annual Benefits	\$755.9m	\$637.1m	\$483.9m	\$232.9m



Quarterly Board Meeting
Benefits Summary

IV. Benefit Formula Components

Multiplier	Group	Before July 1, 2007	On or after July 1, 2007
	Non-contributory	1.75%	1.72%
	Contributory	2.03%	2.00%
Final Average Compensation	Group	Before July 1, 2022	On or after July 1, 2022
	All Members	3-year average	5-year average
Credited Service	Group	Service Credit Rate	
	Regular Members	One (1) month for each month of service	
	Local Elected Officials	Two (2) months for each month of service	

Legend – Historical Timelines

Time	Fiscal Year Ending
1 year	June 30, 2025
5 years	June 30, 2020
10 years	June 30, 2015
20 years	June 30, 2005



Quarterly Board Meeting
Benefits Summary

Special Topic: Early Retirement Eligibility and Reduction Factors

Public pension plans set a normal retirement age – based on age, service, or both – when members are eligible to receive their full accrued benefit. To provide workforce flexibility, most plans also offer early retirement, but with a reduction from the normal retirement age benefit. This permanent reduction, typically expressed as a specific percentage, offsets the potentially longer period that members will draw benefits.

APERS Reduction

Below are the APERS reductions for early retirement.

Eligibility Type	Reduction Amount
Age	One-half of one percent (0.5%) for each month a member is younger than normal retirement age (or 6% for one year)
Service	One percent (1%) for each month earlier than completion of 28 years of actual service (or 12% for one year)

Quick Facts²

- The average age and service of all new retirees was 63.3 and 17.4.
- The average age and service of new early retirees was 60.6 and 18.
- Thirty-nine percent (39%) of the 35,220 age and service retirees elected early retirement.
- Thirty-two percent (32%) of the 13,653 early retirees also elected an annuity option.

Early Reduction Example

Below are examples of the effect of early retirement on a member’s monthly benefit, as well as the effect of electing an annuity option.

Normal Retirement Age Benefit: \$1,500 mo.

Age	Reduction Percent	Straight Life	Option A120*	Option B75**
55	60%	\$600	\$564	\$498
60	30%	\$1,050	\$987	\$872
62	18%	\$1,230	\$1,156	\$1,021

* Under Option A120 members receive 94% of their straight life annuity.

** Under Option B75, members receive 83% of their straight life annuity if their age and their spouse’s age is the same.

² As of the mostly recently completed fiscal year ending June 30, 2025



Quarterly Board Meeting
Benefits Summary

Early Retirement Eligibility and Reduction Factors for Neighboring States

State	Plan	Eligibility	Reduction Factor
LA	Louisiana SERS (group 4)	Any age with 20 years	Actuarial reduction based on the number of months away from normal retirement
MO	Missouri State Employees	Age 57 with 5 years	Reduced by 6% per year for each year below age 67
MS	Mississippi PERS	Age 60 with 8 years	Actuarial reduction for each year below 30 years or age 65 whichever is less
TN	Tennessee Public Employees	Age 60 with 5 years or Rule of 80	Actuarial reduction depending on how far member is from service retirement eligibility
TX	Texas ERS (group 3)	Younger than age 62 with Rule of 80	Reduced by 5% for each year below age 62

Source: NASRA Early Retirement Eligibility & Actuarial Reduction Factors
<https://www.nasra.org/content.asp?admin=Y&contentid=287>



Quarterly Board Meeting Executive Report

Welcome to APERS Video Presentation

APERS will share the “Welcome to APERS” introductory video and “How to Create myAPERS Account” videos in mid-April for active members and retirees. These videos are part of a planned series of short educational resources designed to enhance awareness, understanding, and engagement with retirement benefits. APERS will work with its employer partners to support broad distribution and use of the videos as supplemental educational tools for members and retirees.

Member Outreach

APERS continues to expand its member outreach efforts through targeted on-site education sessions and conference presentations across the state. Recent engagements included in-person participation at the Arkansas Sheriffs’ Conference and educational sessions for the Arkansas Department of Parks, Heritage, and Tourism, Arkansas Game and Fish Commission, and the Arkansas State Police, as well as a virtual presentation for the Department of Commerce. These outreach efforts strengthen direct engagement with participating employers and members, improve understanding of retirement benefits, and reinforce APERS’ commitment to accessible, responsive service delivery statewide.

Investment Consultant RFQ

At the direction of the Investment Finance Committee, APERS staff developed and issued a Request for Qualifications (RFQ) for Investment Consultant Services. The RFQ was posted on October 20, 2025, and responses were due by November 21, 2025. Staff completed the evaluation of submitted proposals by December 31, 2025. The Investment Finance Committee chose three semi-finalists for interviews. Staff interviewed these semi-finalists February 18th and 19th. Findings and recommendations will be made to the full Board at the March Board Meeting.

Finance and Investments

APERS staff is collaborating with U.S. Bank to transition retiree and beneficiary payment services from Bank of America, with a planned go-live date in April 2026. The Finance and Investments teams have finalized the fiscal year-end closing for APERS for the period covering July 1, 2024, through June 30, 2025, and completed the Annual Comprehensive Financial Reports for all three systems.

Strategic Plan Year One Review

APERS has completed Year One of its three-year Strategic Plan, achieving substantive progress across all strategic objectives. During this initial implementation phase, the System strengthened funding governance and investment oversight, enhanced member engagement and service delivery, formalized workforce development and succession planning efforts, and advanced foundational system modernization initiatives. The controls, performance measures, and operational frameworks established in Year One provide a structured platform for continued execution and accountability in Years Two and Three.

ARKANSAS PUBLIC EMPLOYEES'
RETIREMENT SYSTEM

STRATEGIC PLAN



**YEAR ONE
EXECUTIVE SUMMARY**

MARCH 2026





TABLE OF CONTENTS

OVERVIEW 2

STRATEGIC FOUNDATION 3

GOAL 1: STRENGTHEN THE FUNDED STATUS 4

GOAL 2: ENHANCE THE MEMBER EXPERIENCE 6

GOAL 3: FOSTER AND RETAIN A HIGHLY SKILLED WORKFORCE 8

GOAL 4: OPTIMIZE SECURITY, INTEGRITY, AND USABILITY OF INFORMATION SYSTEMS 10

YEAR ONE IMPACT SUMMARY 12

YEAR TWO PRIORITIES 13

OVERVIEW

Year One of the APERS Strategic Plan focused on strengthening the System's long-term financial sustainability, enhancing the member experience, stabilizing and developing the workforce, and laying a secure foundation for future system modernization. Through disciplined governance, strong investment performance, targeted cost controls, expanded education and outreach, and improved organizational practices, APERS delivered measurable progress across all strategic goals.



STRATEGIC FOUNDATION

NAME:

Arkansas Public Employees' Retirement System

LOCATION:

124 W Capitol Ave, Suite 400, Little Rock, AR 72201

MISSION:

APERS' mission is to deliver secure retirement benefits and exceptional service to our members.

CORE VALUES:

- A** CCOUNTABILITY
- P** ROFESSIONALISM
- E** XCELLENCE
- R** ESPECT
- S** ERVICE

GOAL 1 - STRENGTHEN THE FUNDED STATUS

During Year One, APERS focused on **reinforcing long-term financial sustainability** through a disciplined funding policy, strong fiduciary governance, and continued investment oversight. These efforts were designed to align the System with best practices while supporting progress toward **reducing unfunded liabilities**.

YEAR ONE FUNDING AND GOVERNANCE

- Peer-state employee contribution benchmarking completed
- Quarterly retirement benefit education implemented for Trustees
- Investment returns exceeded assumptions for both APERS/ASPRS and AJRS
- APERS private market strategy expanded and delivered strong early performance

These actions reflect a proactive approach to funding discipline and governance, ensuring that policy decisions are informed by peer analysis, education, and long-term risk considerations.

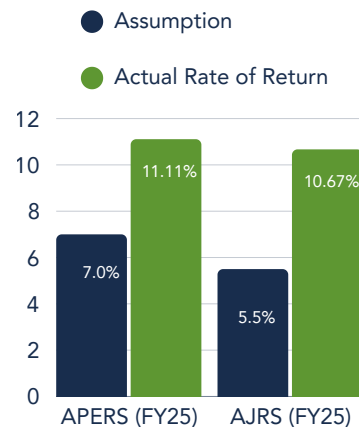
\$650,000+ IN

COST SAVINGS

\$454,000 - Pension Administration Contract Savings (FY2026-2027)

\$200,000 - Banking Services Contract Savings

INVESTMENT PERFORMANCE EXCEEDED ASSUMPTIONS



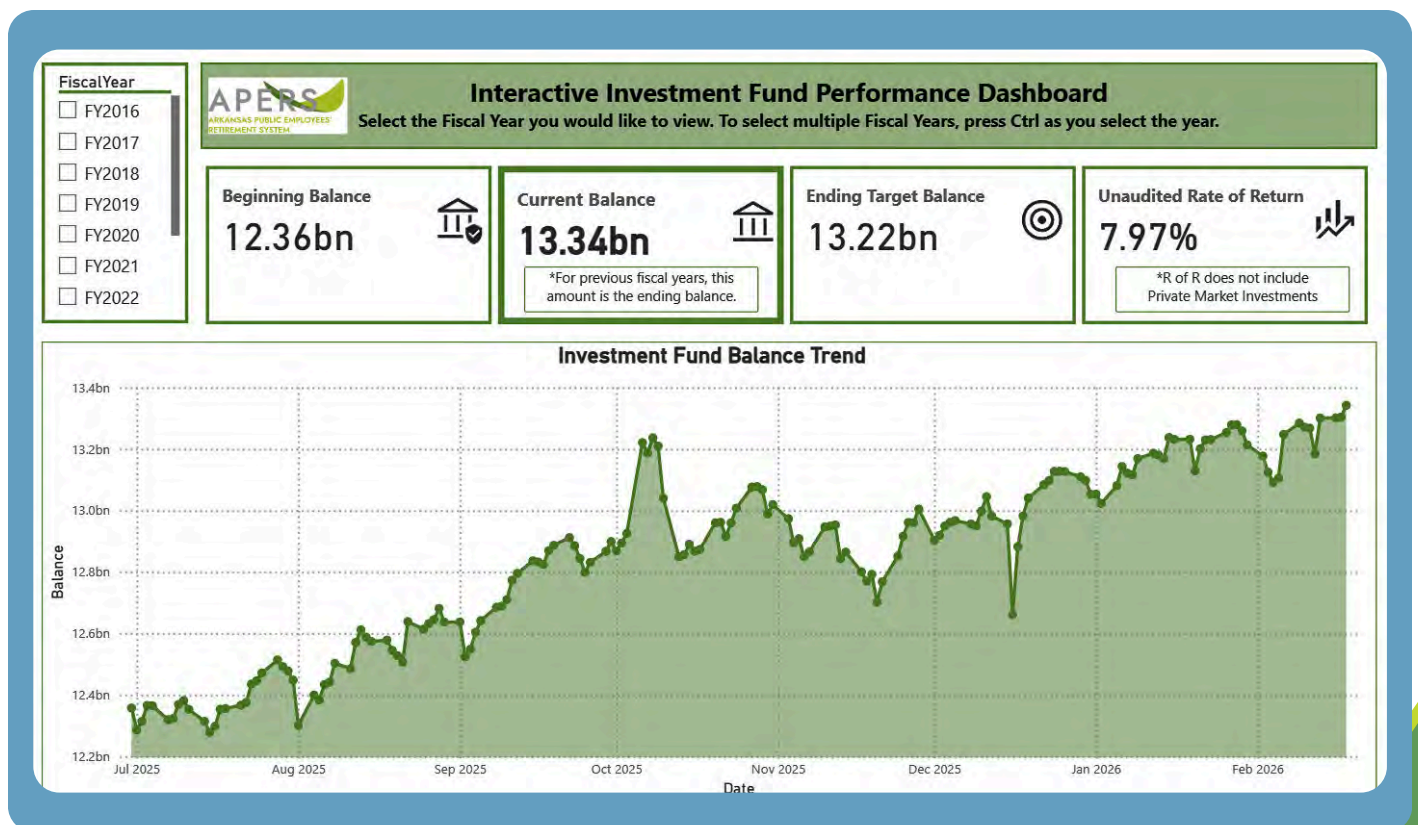
Consistent outperformance of assumed rates of return strengthens the System's funding position and provides added stability against future market volatility. Expanded diversification within private markets further supports long-term return objectives.

Key Performance Indicators

The investment performance dashboard offers daily monitoring of fund balance and returns, featuring:

- **APERS Fund Balance KPI:** Automatically updates daily for the Executive Team, providing insights for quick investment decisions.
- **Historical Performance Analysis:** Includes data since FY2016 to identify long-term trends and performance patterns.
- **Market Influence Tracking:** Allows the investment team to link daily market events to portfolio performance, fostering institutional knowledge.
- **Unaudited Rate of Return Monitoring:** Tracks real-time returns for equity investments, ensuring alignment with expected performance.

Impact: This dashboard enhances the Executive Team's visibility into investment performance, enabling proactive responses to market changes while supporting the goal of exceeding the assumed rate of return.



GOAL 2 - ENHANCE THE MEMBER EXPERIENCE

APERS made significant strides in improving how members and retirees **access information, engage with the System, and receive service.** Year One emphasized education, responsiveness, and digital accessibility to better **meet members where they are.**

EDUCATION AND OUTREACH



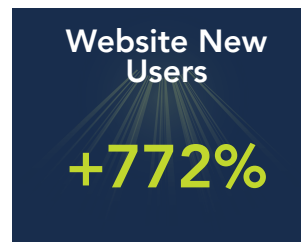
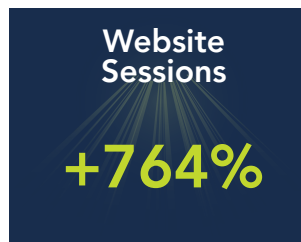
in-person educational seminars



virtual trainings delivered statewide

PLUS Expanded targeted training partnerships with judicial, law enforcement, human resources organizations, and other employer agencies

DIGITAL GROWTH MOMENTUM



*This growth reflects **strong momentum** in digital communication and demonstrates **increased member engagement** with APERS resources and educational content.*

MEMBER EXPERIENCE SURVEYS

79% of members resolved questions in one interaction

43% preferred education via website or video

Welcome to APERS video developed

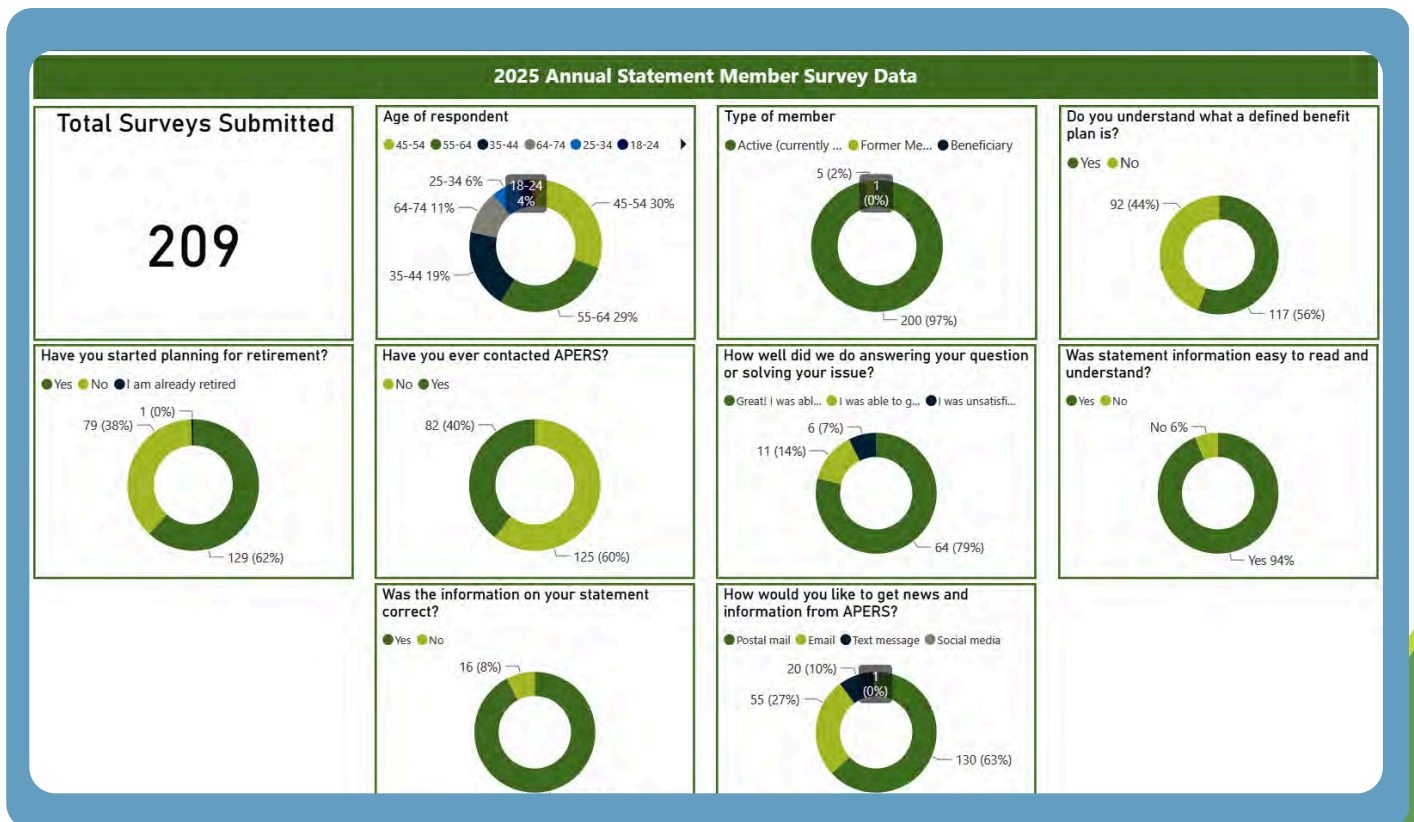
Member feedback played a central role in shaping new education tools and refining service delivery, reinforcing APERS' commitment to continuous improvement.

Key Performance Indicators

Our member experience dashboards assess satisfaction and engagement through:

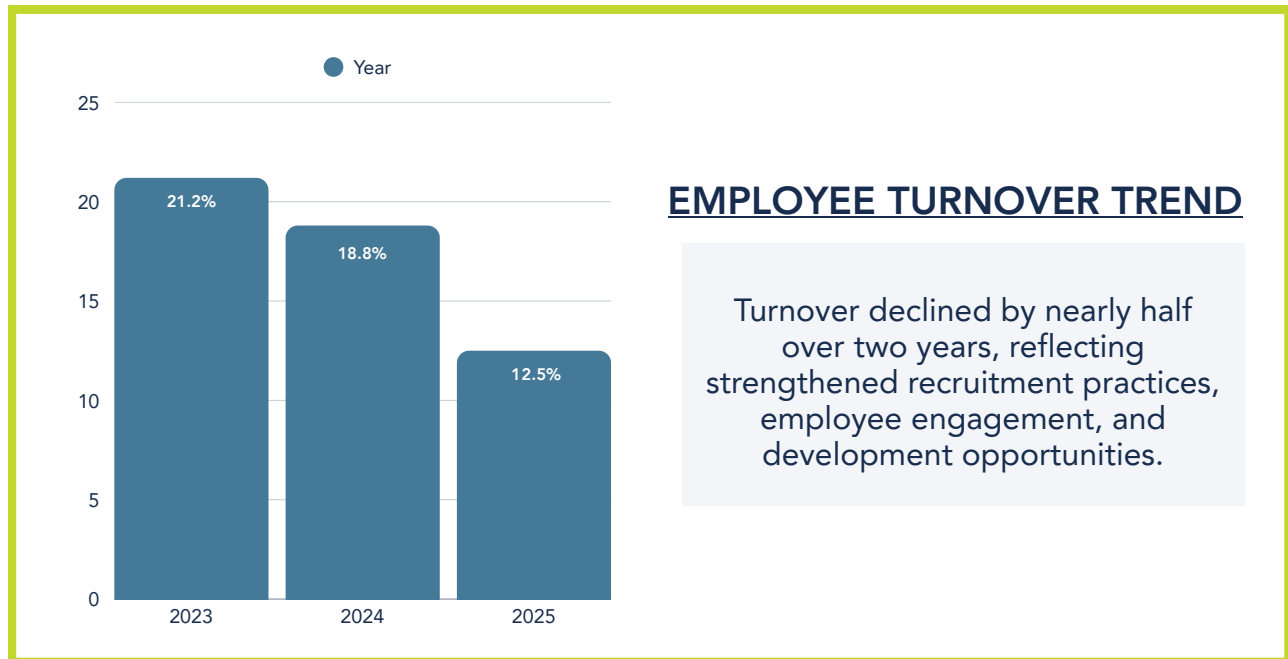
- **Annual Member Statement Survey KPIs:** Measure response rates, satisfaction scores, and feedback to evaluate understanding of APERS benefits and communication effectiveness.
- **Retirement Seminar Survey Analytics:** Collect real-time feedback, with 100% of attendees reporting increased retirement knowledge.
- **Digital Engagement Metrics:** Track member preferences to optimize information delivery.

Impact: Insights from these dashboards inform education and outreach strategies, like the "Welcome to APERS" video initiative, addressing the 43% of members unclear about APERS pensions. Analyzing feedback ensures our services meet member needs.



GOAL 3 - FOSTER AND RETAIN A HIGHLY SKILLED WORKFORCE

A stable, knowledgeable workforce is essential to **delivering consistent service** and **maintaining institutional expertise**. During Year One, APERS focused on retention, professional development, and knowledge continuity.



WORKFORCE AND ONBOARDING HIGHLIGHTS

Workforce Stability and Development

- Revamped the intranet to support transparent communication
- Updated job descriptions aligned with the state pay plan
- Succession planning for key leadership roles

Onboarding and Knowledge Continuity

- Structured onboarding with executive engagement
- 100% completion of mandatory 90-day new hire/supervisory check-ins
- 114 benefit training documents are housed in a centralized digital library

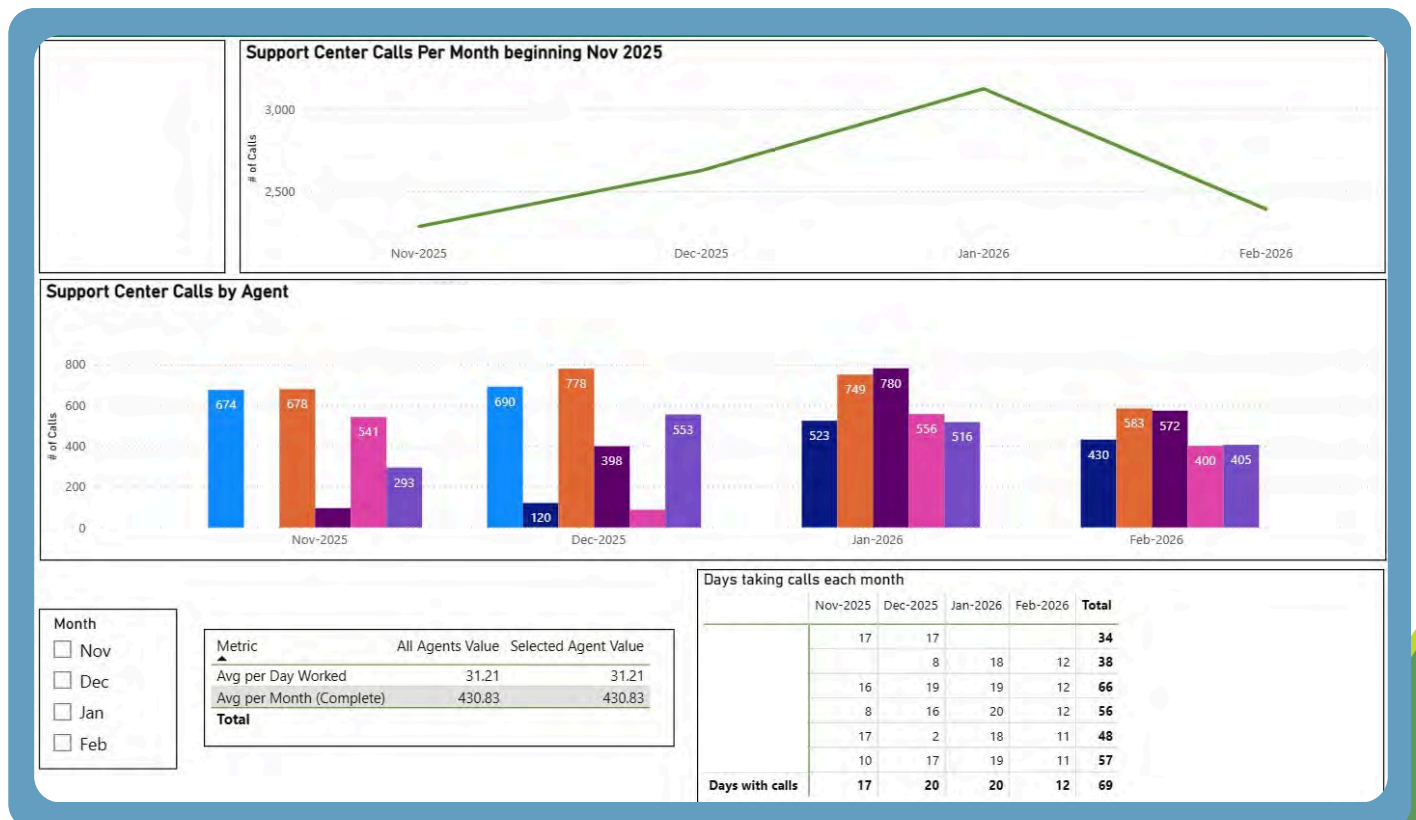
These initiatives help ensure continuity of operations, support employee success, and reduce organizational risk.

Key Performance Indicators

Dashboard Support enhances retention metrics by offering objective performance data and workload insights:

- **Individual Performance Dashboards:** Track productivity, identify training needs, and provide data-driven feedback during 90-day check-ins.
- **Team Workload Distribution Analytics:** Reveal workload imbalances, track productivity variations, and inform targeted training investments.
- **Productivity Metrics by Day and Month:** Measure workflows processed daily, allowing fair comparisons and revealing performance trends.
- **Cross-Team Performance Benchmarking:** Standardize metrics to identify best practices, high performers, and support knowledge transfer for succession planning.

Impact: These dashboards provide a data foundation for planning staffing requests, performance evaluations, and succession planning, particularly for Benefits leadership assessment.



GOAL 4 - OPTIMIZE SECURITY, INTEGRITY, AND USABILITY OF INFORMATION SYSTEMS

Year One focused on **establishing a secure and well-governed foundation** for long-term pension administration system modernization while **strengthening cybersecurity and fraud prevention measures**.

MODERNIZATION AND SECURITY STATUS

COMPLETED YEAR ONE

- V3locity Master Services and Support Agreement executed
- Multi-factor authentication implemented
- Monthly fraud monitoring controls established
- Internal security audit completed

- Core system enhancements and reporting dashboards
- Member self-service upgrades

UPCOMING YEARS TWO & THREE

This phased approach ensures that technology modernization efforts are **implemented responsibly** while maintaining data security and system integrity.

FRAUD MONITORING



Key Performance Indicators

Our fraud detection and security monitoring dashboards are integral to our cybersecurity initiatives and data integrity goals:

- **Fraud Activity Dashboard:** This dashboard effectively showcases fraud monitoring activities, such as changes in banking information, patterns of online account creation, contribution refunds, and shifts in demographics. It delivers monthly query results for the Assurance staff to review, supporting our balanced approach to member convenience and security. It also facilitates the swift identification of suspicious patterns that warrant further investigation.
- **Transaction Pattern Analysis:** This feature detects anomalies in transaction patterns, unusual volumes of similar activities, and outlier behaviors that could signify security threats or system misuse. It aids in proactive risk management by highlighting potential issues before they escalate.
- **Productivity Metrics:** This tool offers a clear evaluation of the work being undertaken by the assurance team.

Impact: Our fraud detection capabilities effectively balance member convenience with security, safeguarding APERS assets and member data while upholding the trust that is vital to our mission.



YEAR ONE IMPACT SUMMARY

YEAR ONE AT A GLANCE

- ✓ Funding policy aligned with best practices
- ✓ Investment returns exceeded assumptions
- ✓ \$650,000+ in cost savings identified
- ✓ Significant growth in member engagement
- ✓ Turnover reduced by nearly half
- ✓ Secure foundation established for IT modernization

CONCLUSION

Year One of the APERS Strategic Plan delivered measurable progress across all strategic goals. The System is well positioned to build on this momentum in Years Two and Three, continuing to strengthen financial sustainability, enhance the member experience, support a stable workforce, and advance pension administration system modernization in service of Arkansas's public employees and retirees.

WHAT'S NEXT?

YEAR TWO PRIORITIES

- Continue strengthening Board education to support fiduciary oversight.
- Evaluate long-term administrative office needs and present data-driven recommendations regarding leasing versus ownership, alongside continued review of existing vendor contracts for cost savings and service improvements.
- Strengthen operational and financial oversight through targeted audits focused on efficiency, payroll accuracy, and benefit overpayment identification and recovery.
- Expand real-time member and retiree feedback through QR-code tools and use insights to guide service improvements and educational content development.
- Develop employer-focused resources, including enrollment videos and Member Self-Service guides, to support consistent onboarding and early adoption of digital tools.
- Broaden educational outreach through additional videos and expanded in-person and virtual sessions for employers, active members, and retirees.
- Formalize succession planning and leadership development through senior-level planning workshops, 360-degree supervisor performance reviews, enhanced onboarding and training surveys, and digitalized exit interviews.
- Finalize the Statement of Work for the V3locity pension administration system and begin official system migration and upgrade activities with strong project governance, cybersecurity controls, and cross-functional oversight.



APERS
ARKANSAS PUBLIC EMPLOYEES'
RETIREMENT SYSTEM



ASPRS
ARKANSAS STATE POLICE
RETIREMENT SYSTEM



AJRS
ARKANSAS JUDICIAL
RETIREMENT SYSTEM