

APERS **pective**

ACTIVE AND RETIRED MEMBERS



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DIRECTOR'S UPDATE

Amy Fecher
Executive Director



"The leaves are not the only things that have changed this fall! APERS launched a redesigned website, www.apers.org, in May. Our goal was to make the website more member friendly with improved clarity and organization. You can easily navigate the site to find the information you need to know about your retirement benefits. I am proud of the work our team devoted to redesigning the website, and I know that it will be a valuable resource for you as you plan for your financial future. In this edition of the newsletter, we will also provide you with some specific details about what is available on the website. I would love for you to take a look around the site to see the new format, and don't forget to register for myAPERS if you are not a member yet."

Reminder!!

To protect your information, you can send secure messages and upload documents through your myAPERS portal account. We do not recommend sending personal information to us through email or on social media.



For some people, the decision on when to retire is easy to make, but for others, much uncertainty is involved. Several factors weigh into the decision, including your health and insurance, your financial situation, your post-retirement aspirations, and possibly a spouse's retirement plans. Only you can make the ultimate decision of when to retire, but APERS hopes that we can make that decision easier by providing you with helpful information about your retirement benefits.

Although we cannot provide any advice about your health or post-retirement plans, we can provide you with information about your retirement benefit. If you are at a point in your career where you are considering retirement soon, you should request a benefit estimate. You can obtain a benefit estimate by contacting our Retirement Support Center or by calculating an estimate in your myAPERS portal. You can request an estimate for multiple dates to help in your decision-making process.

Another financial factor to consider is Social Security. You can obtain a benefit estimate from the Social Security Administration (SSA) on their website, www.ssa.gov. Knowing what you can expect to receive in Social Security benefits will help you to develop a comprehensive overview of your post-retirement finances.

The decision of your retirement date is one of the most important decisions you will make in your lifetime. Since APERS cannot provide comprehensive financial counseling, we recommend that you consult with a professional financial advisor. We encourage you to take any steps you can to ensure that you make the right decision for you and your family.



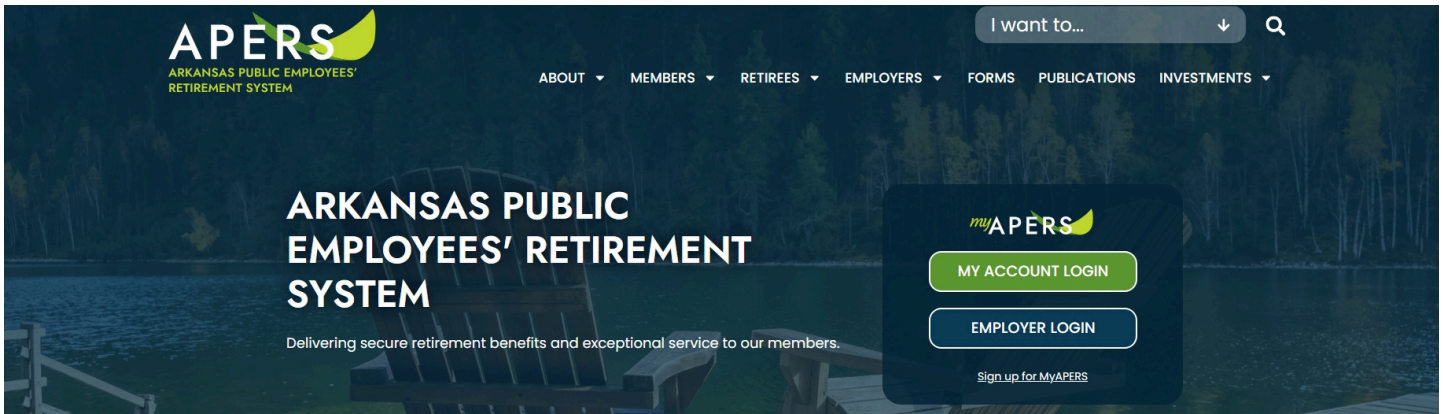
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KEEPING OUR MEMBERS INFORMED

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APERS.org

Redesigned with You in Mind

With the goal of providing relevant information in an efficient manner, we have redesigned the APERS website, www.apers.org, for our members. The new layout provides for an improved user experience. Information is easier to locate and searchable. On the site, you will find information for different stages on the retirement journey, including dedicated sections for members and for retirees. Here are a few things you can do:

For members, you will find information about:

- Designating beneficiaries
- Eligibility for retirement
- Explanations of service credit
- Retirement application deadlines
- Information about educational seminars and webinars

For retirees, you will find information about:

- Address and name changes
- Direct deposit
- Marital status changes
- Returning to work
- Tax withholding

When on the website, you can go to any of these topics and find “how to” instructions. You will also find frequently asked questions with the answers you need to manage your retirement benefits.

The updated website also features information about APERS as a system, including our history, and about our Board of Trustees

If you are interested, you can also access information about our investment strategies and in-depth reports on APERS’ financial status. Additionally, you can access our Publications Page to view a copy of our newly updated member handbook. The website also includes some frequently used forms available for you to download and complete. If the form you are seeking is not available on the forms page, call us at (501) 682-7800 or send a secure message in your myAPERS portal for assistance.

Next we will be adding some “How-To” videos and other resources over time. Keep checking back!



Retirement Support Center

We have started using an Interactive Voice Response system to route your calls and make information more readily available to you. Now, when you contact us, you have the option to request certain forms through our automated phone system; all you need is your APERS ID.

Available forms:

- Retirement applications,
- Termination refund applications,
- Federal and state tax withholding forms
- Benefit verification letters

The retirement support center team is available to assist you from 8:00 a.m. to 4:00 p.m., Monday through Friday.

Evaluating A Service Credit Purchase

Certain types of service such as Active Duty or National Guard military service and previously refunded contributory service may be purchased by eligible members. For members who are eligible, this is a way to potentially increase the total credited service that will be used to calculate their retirement benefits. While that may sound like an obvious choice, there are important considerations for the member.

When requested by a member, APERS will prepare a cost estimate for potential service credit purchases. Included in that estimate is the cost to purchase service. Also included is the amount the member's monthly retirement benefit would be increased if all eligible service is purchased. By dividing the total cost to purchase by the monthly increase in benefit, members can determine the number of months of retirement needed to realize the purchase cost. For example, if the cost to purchase 36 months of eligible service is hypothetically \$14,500 and exercising that purchase would increase the member's benefit by \$145 per month, we know the member would need to receive 100 months (eight years and four months) of retirement benefits to realize the cost or reach the break-even point.

Other considerations would be how an eligible purchase impacts eligibility for receiving normal (unreduced) retirement benefits or eligibility for entering DROP. This scenario could come into play for members wanting to coordinate APERS retirement with their full Social Security eligibility, as an example.

For each eligible type of service, there is a maximum number of months that may be purchased, in most cases up to 60 months. The cost to purchase the service would include the employee and employer contributions plus interest. Purchases of refunded service would be limited to the number of months of service previously refunded and the cost would be the amount refunded plus interest. For more information, please go to [Members > Service Credit > Purchased Service](#) on the [APERS.org](#) website.

Exiting the DROP



Whenever you are ready to exit the Deferred Retirement Option Plan (DROP), one of the decisions you must make is to determine how you want to receive your DROP account balance. Throughout your participation in the DROP, you received monthly deposits into your DROP account. These deposits were made on a pre-tax basis, which means your DROP payout method has tax implications.

You have options:

- **Rollover** - You may rollover your DROP funds into another pre-tax account such as a 401(k), 403(b), IRA or the Arkansas Diamond Plan
- **Lump Sum Payment** - You can receive the funds as a lump sum paid directly to you. *Be advised that if you take a direct lump sum payment, APERS is required to withhold at a rate of 20% for federal income tax and 5% for state income tax. (Note: depending on your other income, this may not be enough to cover your tax liability. You may always choose to withhold a higher percentage.) Also, if are not yet 59 1/2 years old, you may be subject to a 10% tax penalty when you file your tax returns.*
- **DROP Annuity** - You have the option to receive your DROP balance as an annuity. If you entered the DROP prior to January 1, 2018, the annuity is for your lifetime. If you entered DROP on January 1, 2018 or later, it is a 25 year annuity. If you elect the annuity and die with funds still in your account, we will issue a refund to your DROP beneficiaries.

You may also receive your DROP balance as a combination of the above three payout methods. For example, a person may want to receive a direct lump sum payment for \$10,000, with the rest of the balance to be rolled over. This flexibility allows you to make the decision that is right for you.



Open Enrollment Reminder

Health benefits enrollment is from October 1 - October 31. If you need to make changes to your benefits, now is the time. For more information, go to [ARBenefits at transform.ar.gov](#) or call (501) 319-6565

Informed Delivery



With the United States Postal Service's Informed Delivery service, you no longer have to guess when a piece of mail will arrive. This free service provides a convenient way to digitally preview your mail before it arrives.

Informed Delivery is a service that allows you to see a digital preview of your incoming mail. Each day, you receive an email with grayscale images of the exterior and address of letter-sized mail pieces arriving soon. You can also view these images on your dashboard at the USPS website or through the Informed Delivery mobile app. APERS is working to ensure that every communication we send you will be represented in Informed Delivery emails so you will know exactly what you have coming from us.

This is a free service from the postal service that gives you the following benefits:

- **Staying Informed:** Know what's coming before it arrives. Whether you're expecting important documents, bills, or special delivery, Informed Delivery keeps you in the loop.
- **Convenience:** Receive updates on your mail anywhere, anytime. With the mobile app, you can check your mail status while on the go, ensuring you never miss an important delivery.
- **Security:** Keep track of your mail and identify any unexpected items. Informed Delivery adds an extra layer of security by allowing you to monitor your deliveries closely.
- **Planning:** Anticipate and plan for important mail. Whether you need to pick up a package or are awaiting time-sensitive documents, you can plan your day more efficiently.

How do you Sign Up?

It is quick and easy. Visit the USPS Informed Delivery website and follow the registration steps. You'll be asked to verify your identity to protect your mail information. Join the millions of satisfied users and experience the convenience and peace of mind that Informed Delivery offers. Sign up today and take control of your mailbox! For more information and to register, visit informeddelivery.usps.com

Income Tax Withholding Changes



As we look forward to 2025, many retirees will be considering changes to their income tax withholdings. The decision may be to increase or decrease the amount withheld each month for federal and/or state taxes. There are a couple of ways for retirees to make changes.

If you need assistance or are unclear on completing the forms, we encourage you to speak with your tax professional.

Withholding changes may be submitted through your myAPERS portal account. To do so, click "Change Deductions/EFT", then click "Add/View Deductions" to make a change to your tax withholding information.

Another option would be to request the paper forms and fill them out with your new instructions. Once completed these forms may be returned to APERS via mail or you can upload them through your myAPERS portal account. If you have a printer, the forms can be downloaded and printed from the Forms page on the APERS.org website.

2024 IRS form 1099-R



It will soon be time to file income tax returns for 2024. IRS form 1099-R forms will be mailed by the January 31 deadline to anyone who received benefit payments in 2024.

Your forms will be mailed to the address on file, so please check your myAPERS account to be sure your mailing address is up to date. If you signed up for paperless delivery, you will receive an email notification when your forms are loaded to your myAPERS account.



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Upcoming Retirement and DROP Filing Dates:

Retirement Date	Earliest Filing	Latest Filing
December 1, 2024	September 3, 2024	November 1, 2024
January 1, 2025	October 3, 2024	December 2, 2024
February 1, 2025	November 4, 2024	January 2, 2025
March 1, 2025	December 2, 2024	January 30, 2025
April 1, 2025	January 2, 2025	March 3, 2025
May 1, 2025	January 31, 2025	April 1, 2025
June 1, 2025	March 3, 2025	May 2, 2025
July 1, 2025	April 2, 2025	June 2, 2025

**Retirees:
 Direct Deposit Dates**

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