

## Need More Information?

APERS will be discussing the contributory program as part of our ongoing retirement seminars currently scheduled around the state.

In addition APERS counseling staff will also be holding seminars around the state that will focus exclusively on the going contributory option. The cities and dates for the “Going Contributory” presentations are as follows:

Date	Location
July 19	Hope
August 10	Little Rock
September 22	Monticello
October 5	Fort Smith
October 12	Blytheville
November 15	Little Rock

Any additional information will be updated on the APERS website. Online registration and registration forms are available at [www.apers.org](http://www.apers.org). Click on the “Seminars” link found on the left navigation bar, where you will find information and links to the Going Contributory seminar registration page.

[www.apers.org](http://www.apers.org)

A registration form will also be made available for those who cannot access the website. The form will be distributed to your employer or you can call us and we will mail one out to you. Interested members will need to complete the form, indicating the session they wish to attend and mail or fax the form to APERS at: APERS, 124 West Capitol Avenue, Suite 400, Little Rock, AR 72201 or fax at (501) 371-1043.

### Final Thoughts

Choosing to be contributory may or may not be a wise choice for everyone. Is it worthwhile for you?

You can do the math yourself by looking at the contributions that you will have made to the System and compare that to the increase in benefits.

While going contributory is covered in the standard retirement seminar, APERS encourages anyone interested in going contributory to attend one of the upcoming going contributory seminars for a more comprehensive look.

Arkansas Public Employees  
Retirement System  
124 W. Capitol, Suite 400  
Little Rock, AR 72201  
(501-682-7800 or 1-800-682-7377)

Revision date 5/11

APERS  
ARKANSAS PUBLIC EMPLOYEES  
RETIREMENT SYSTEM

2011  
Going Contributory

It's  
Your  
Choice

## The Contributory Program Window "Reopens" for 2011

Act 140 of 2011 (HB 1158) opens a "window of opportunity" for current non-contributory members to select contributory service. A public employee hired prior to July 1, 2005 and who was an active member of APERS on July 1, 2005, shall have six (6) months from July 1, 2011, to elect coverage under the contributory provisions. The effective date of the contributory coverage shall be the first payroll period that is paid and reported for January 2012 and shall be prospective only.

Any election forms received by APERS between July 1 and December 31, 2011 that are properly filled out by both the member and the employer shall be deemed effective for January 2012 participation and shall be irrevocable. The necessary form will be available at the APERS website or from employers on or before July 1st.

If a member chooses to remain non-contributory, the member does nothing. Their retirement plan and benefit options remain the same. APERS members first hired on or after July 1, 2005, have no choice - they are automatically enrolled in the contributory program.

## **Election Is Irrevocable!**

### Member's Contributions

Members participating in the contributory program will contribute 5% of their annual compensation, pre-tax (taxes are deferred) to the System. The member will only pay taxes on the contributions when the money is received through a refund or at retirement. Since a member's current tax liability may change if the member chooses to join the contributory program, members are encouraged to discuss the pros and cons of choosing this provision. There is no provision for withdrawal of the monies except in the form of a monthly annuity or a termination refund where you will also forfeit your service.

### Multiplier

The multiplier for the current contributory program is 2.0%. In comparison, the multiplier for non-contributory service on or after January 1, 2012, is 1.72%.

### Temporary Annuity

Contributory service is not eligible for a Temporary Annuity. As a defined benefit plan, a higher multiplier (2.0%) is utilized to calculate the retirant's contributory service.

### Election Form

This form will be made available to members via the member's employer, the APERS web-site and/or by calling APERS. Once you have completed the member's portion of the form, the original form should be submitted to your employer for completion of their portion of the form and then forwarded to APERS for processing.

### Annuity Options

There is no change in the available annuity options. Member can choose to retire under any of the available options – Straight Life, A-60, A-120, B-50, or B-75.

*"Choosing to join is a limited time offer! You only have until December 31, 2011 to choose to enter into the contributory program."*

### **2.0% Multiplier**

As of January 1, 2012, the multiplier for the contributory program is **2.0%** .

In comparison, the multiplier for the non-contributory program is **1.72%** .

### The Calculation Formula

FAS\* X **Multiplier** X Years of Service

\*FAS (Final Average Salary) = 3 *highest fiscal year earnings divided by 3.*

### Things To Consider..

While deciding whether to elect to be contributory, you will need to ask yourself...

How long do I plan to continue working prior to retiring? As a general rule, if you are within a few years of retirement, it may not be in your best financial interest to become a contributory Member.

In the short term, can I afford to have 5% withheld from my payroll?

In the long term, would I be in a better financial position in retirement being contributory?

What other financial resources will I have when I retire?

What will be my financial obligations when I retire?

## ***It's Your Choice!***