The fiscal year ended June 30, 2014 was especially beneficial to the APERS bottom line. Our investment portfolio earned an annualized return of 19.8%, allowing us to pay out a record $420 million in retiree benefits and still hit an all-time high asset level of $7.5 billion. While we still have an unfunded liability of over $1.8 billion, we are trending in the right direction.

"The average annual benefit paid our retirees is about $12,000 per year..."

The average annual benefit paid our retirees is about $12,000 per year – just enough to ensure that, after a career in public service, APERS members can retire with security and dignity. Did you know that as you use your pension benefits to buy goods and services in your local community that you are creating an additional $1.48 in economic impact for every $1.00 spent? And that those expenditures have helped create and support nearly 17,400 jobs around the state? (Source: National Institute on Retirement Security, Pensionomics 2014)

The fact is, your retirement benefits provide a critical economic engine for all of Arkansas.

There are pundits around the country who are quick to decry the diversion of tax payer moneys toward public pension funds. As indicated above, there is no more effective way to support both our state economy and our members’ retired lives than through a defined benefit program like APERS. When you have the assurance that you will be getting a payment each and every month for the rest of your life, you are far more likely to spend that income as you need to rather than hoard that money against an unforeseeable emergency.

As the Arkansas General Assembly convenes this coming January, let your senators and representatives know just how much you value your APERS retirement benefits!

Coming Soon!

There is some exciting news on the horizon about new ways to interact with APERS! In early 2017 we will be unveiling the brand new Member Portal. You will be able to manage your personal information, request a purchase of service estimate AND begin the actual purchase installments, request a benefit estimate AND apply for those benefits all on your computer from the comfort of your home. It will be as easy as shopping online!

These developments will revolutionize your APERS experience, providing remarkable speed and accuracy to the information we can push to you. Of course, if you’d prefer to talk to a live person, you will still be able to do that too. The new pension administration system, COMPASS, will allow APERS staff to instantly access your entire file and provide more meaningful information to you – often in a single phone call.

APERS staff is working long hours with its vendors to create the most comprehensive and seamless experience yet. Stay tuned!
The Typical APERS Member

How would you describe a "typical" APERS member? Is it someone who starts in their early twenties, puts in their 28 years, and retires with full benefits? You might be surprised by what "typical" really looks like. At the beginning of this fiscal year, July 1, 2014, our records indicated there were 45,837 active members. The typical member was just under 45 years old, had a little over 9 years of service, and earned about $35,700 in annual pay.

"The typical member was just under 45 years old, had a little over 9 years of service, and earned about $35,700 in annual pay."

What does the future likely hold for those active members? The actuarial report for fiscal 2014 prepared by Gabriel Roeder Smith & Company (GRS) estimates that 80% of the 45,837 active members will likely end up receiving a monthly retirement benefit.

The 80% anticipated future retirants can be categorized into the following groups:
- 56% will retire directly from active service or the DROP.
- 24% will leave APERS-covered employment with enough service credit to be vested members and later receive a benefit when they reach the eligible age.

Of the 20% remaining, 15% will leave the System before earning enough service to be considered vested and another 5% will eventually become eligible for death-in-service or disability benefits. In total, better than four out of five current APERS members should receive benefits, and the chances are that you'll be one of them.

"A typical retiree at the time of retirement will have an average of 62 years of age and 17 years of service."

On the retiree side, last year in fiscal 2014 (July 1, 2013 through June 30, 2014), a total of 1,622 members chose to retire. They averaged 62.2 years of age and 17 years of service. As these figures indicate, a typical APERS member frequently take "early" retirement before qualifying by age or service for unreduced benefits.

Change of Address

If you're an APERS member who has recently moved, please notify APERS in writing. To update your address, download, complete, and mail or fax the completed Enrollment Change Request Form from the APERS' website. If you prefer that we mail this form to you please call APERS at 501-682-7800 or toll-free at 1-800-682-7377.
What Makes Up APERS

Most APERS members don’t really know much about the agency that manages their retirement system. The following article will briefly describe our agency and how it is arranged to serve you. We'll focus on the four sections of APERS that are directly involved in the stages of a member's progress through the system from beginning to end. These sections are Member Records, Administrative Services, Member Services, and Retiree Services.

Your APERS membership began in our Member Records Section when your first APERS-covered employer submitted the enrollment form they used to create your member file at APERS. Member Records is responsible for recording any changes in your basic contact, employment, and membership information. If you leave covered employment and want a refund of your employee contributions, Member Records will process your request.

Our Administrative Services Section tracks your contributions and service credit as an active member. Working with your employer, Administrative Services processes monthly reports, credits your account, and updates your running total of earnings and service.

The Member Services Section provides information about membership in the System. General information can be obtained by telephone and more detailed information can be provided in writing to members who submit a written request. As you near retirement, Member Services can prepare an estimate for you to assist you in planning for your retirement. Member Services is also available to meet with you in person by calling and scheduling an appointment. They also host numerous educational seminars in Little Rock and across the state. For upcoming dates and locations please check our website.

Once you have applied for retirement, the Retiree Services Section takes over. They will process your retirement application, calculate your annuity, and oversee the distribution of your payments. Retiree Services will notify you of any changes to your annuity payments with semi-annual benefit stubs and provide you with the annual 1099-R statement you'll need for your tax returns.

Other sections of APERS includes our Investment Section which oversees the management and growth of the trust fund, ensuring that APERS will meet its commitments to members into the foreseeable future.

Our IT Section provides the technology we need to serve you, overseeing the complex hardware and software systems needed to manage the records of 75,000 plus members, active and retired.

HR Section manages our personnel and operations.

The Communications Section helps keep you informed and in touch via our website, handbooks, newsletters, and other media.

Our board of trustees and executive management set our policies and procedures and keep the whole operation running smoothly and in accordance with Arkansas law.

All together, we are your retirement system -- grateful and proud to be serving the public employees of Arkansas.
In This Issue
APERS Completes a Successful Fiscal Year! - The Typical APERS Member - Change of Address - What Makes Up APERS - Maps to APERS - Retirement and DROP Filing Dates

Upcoming Retirement Filing Dates

<table>
<thead>
<tr>
<th>Retirement</th>
<th>Earliest Filing Date</th>
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<tr>
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<tr>
<td>August 1, 2015</td>
<td>May 4, 2015</td>
<td>July 2, 2015</td>
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Note: For retirement applications only - if a filing date falls during a weekend or on a holiday, the filing deadline becomes the next working day.

Upcoming DROP Filing Dates

<table>
<thead>
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<th>DROP Enroll</th>
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<td>June 30, 2015</td>
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Note: The filing deadline for DROP applications is always the last working day of the 2nd month before enrollment, not the last calendar day of the month.