



## Arkansas Judicial Retirement System

Quarterly Board Meeting  
(Thursday, March 13, 2025, 1:30 P.M.)  
124 West Capitol Avenue, Suite 400, Little Rock 72201

*The meeting will be held in the APERS conference room located on the 4<sup>th</sup> floor. The meeting will be a hybrid and can be attended via Zoom via the link on our website, [www.apers.org](http://www.apers.org).*

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### AGENDA

1. Call to Order
2. Recognition of notification of meeting to news media pursuant to Act 93 of 1967 (AR Code 25-19-101) - Freedom of Information Act
3. Recognition of the Presence of a Quorum
4. **Action Item:** Approval of Minutes of the Meeting of December 5, 2024 and February 13, 2025 **(Page 2)**
5. Administrative Expense Reports for October, November, and December 2024 **(Page 7)**
6. **Investments** - Ms. Brianne Weymouth and Mr. John Jackson from Callan LLC and Mr. Carlos Borromeo, Deputy Director of Investments and Finance
  - a. CIO Report **(Page 8)**
  - b. Quarterly Report for the Period Ending December 31, 2024 **(Page 17)**
7. **Finance** - Mr. Jason Willett, Chief Financial Officer
  - a. Financial Statements for the Quarter Ending December 31, 2024 **(Page 43)**
  - b. **Action Item:** Annual Approval for Board travel Reimbursement (A.C.A. 25-16-902)
8. **Legal** – Ms. Laura Gilson, General Counsel
  - a. Legal Report **(Page 45)**
9. **Benefits** - Ms. Allison Woods, Deputy Director of Benefits
  - a. Summary of Retirees and Beneficiaries **(Page 46)**
10. **Executive Report** – Ms. Amy Fecher, Executive Director
  - a. Executive Report Review **(Page 57)**
11. Next Quarterly Board Meeting: June 12, at 1:30 p.m.
12. Adjournment

**Arkansas Judicial Retirement System  
Board of Trustees Meeting  
December 5, 2024**

The regular meeting of the Arkansas Judicial Retirement System Board of Trustees was held on Thursday, December 5, 2024, at 1:30 p.m. in the 4th floor conference room, 124 West Capitol, Little Rock, Arkansas. This hybrid meeting was held via ZOOM remote conferencing in the conference room. Judge Herbert Wright presided.

Judge Wright recognized the presence of a quorum.

**Board Members Present**

Hon. Charles Yeargan (Retired Circuit Judge), Glenwood  
Hon. Raymond Abramson (AR Court of Appeals), Holly Grove  
Hon. Herbert Wright (Circuit Judge), Chair, North Little Rock  
Hon. Marcia Hearnberger (Circuit Judge), Hot Springs  
Hon. John Scott (Circuit Judge), Bentonville  
Hon. Earnest Brown, Jr. (Circuit Judge), Pine Bluff

**Visitors Present**

Mr. John Jackson, Callan LLC  
Ms. Brianne Weymouth, Callan LLC  
Mr. Mita Drazilov, GRS Consulting  
Ms. Heidi Barry, GRS Consulting  
Ms. Kelsi Hogg, Legislative Auditor, ALA  
Mr. Kevin Balaod, With Intelligence\*

**APERS Staff Present**

Ms. Amy Fecher, Executive Director, Arkansas Judicial Retirement System  
Ms. Allison Woods, Deputy Director of Benefits  
Mr. Carlos Borromeo, Deputy Director of Investments & Finance  
Ms. Ashley Golleher, Deputy Director of Operations  
Ms. Laura Gilson, General Counsel  
Mr. Richmond Giles, Staff Attorney  
Mr. Jason Willett, Chief Financial Officer  
Ms. Patty Shipp, Assurance Officer  
Mr. Phillip Norton, Director of IT  
Ms. Jacobia Bates, Director of Public Affairs  
Ms. Brooke Hollowo, Director of Communications  
Ms. Usha Doolabh, Investments Manager\*  
Ms. Linda McGrath, Digital Services Librarian\*  
Ms. Julianna Alamina, Retirement Counselor\*

\*Denotes Remote Attendees

**Notification of News Media**

An e-mail with notification of the Arkansas Judicial 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**

Prior to the Board meeting, a copy of the minutes from the August 22, 2024, meeting was emailed to each AJRS Board member for review. Judge Abramson made a motion to accept the minutes as presented. The motion was seconded by Judge Scott. Without objection the motion carried.

## **Investments**

### **CIO Report**

Mr. Carlos Borromeo presented the Chief Investment Officer (CIO) Report for the quarter ending September 30, 2024. Markets were heavily focused on key themes, including the U.S. election, the yen carry trade, and developments in the Middle East. Notably value stocks outperformed growth—a divergence from the typical trend. The Federal Reserve also implemented a rate cut, adding to the dynamic landscape.

### **Callan Report**

Ms. Brienne Weymouth and Mr. John Jackson, from Callan gave the APERS' Quarterly Report for the period ending September 30, 2024. The Gross Domestic Product (GDP) increased by 3.0% this quarter, surpassing the 2.8% growth observed in the second quarter. The Fed is carefully navigating rate cuts, trying to keep the labor market stable while keeping inflation in check. On the fixed-income side, the focus is on holding longer-duration bonds for stronger returns, with high-yield bonds sitting at 3.8% as of year-end.

Real estate is not particularly attractive at this time. Residential and commercial properties are starting to bounce back, but industrial real estate isn't quite there yet. Meanwhile, the stock market's 5% growth is being carried by the "Magnificent Seven" mega-cap stocks.

The total fund is looking solid, up 5.26% for the quarter and 20.74% for the year—beating benchmarks. Our fixed-income allocation is at 41%, a bit above the 37% target, but it's helping keep things steady with lower volatility.

Tech had a rough quarter, with IT stocks underperforming their benchmarks. But overall, the portfolio is in a good spot, benefiting from smart diversification and solid strategy execution.

## **GRS**

Ms. Heidi Barry of GRS began presented the annual valuation report for the fiscal year ending June 30, 2024. The purpose of the annual actuarial valuation is to determine the employer contribution rate for the fiscal year ending June 30, 2026, and to measure and assess the funding progress of the plan in relation to the actuarial cost method. Ms. Barry briefly talked about how the Judicial Retirement System plan is structured and how that compares to the structure of other plans out there. Many plans across the country are what is called pay as you go type of plans. The Judicial plan is a pre-funded retirement plan which means employers and members began paying in contributions from the first day the plan was set up. There are a lot of advantages of being a pre-funded plan with the biggest being the investment income that the system can earn over time with the contributions coming into the system each year which greatly helps the funding of future retirement benefits down the road.

Actuarial valuations are determined using a combination of five main areas and those are census data, asset data, benefit provisions, actuarial assumptions, and a specified funding method. The system operates with two benefit tiers: new members are placed in Tier Two and currently there are 140 active members in Tier Two while Tier One includes only five active members Tier One plan is a closed plan.

Currently, 179 retirees and beneficiaries are receiving benefits, with approximately 63% of the liability tied to individuals in payment status.

Ms. Barry pointed out that actuaries do not utilize market value of assets when it comes to determining the funding of the plan. Instead, they use what is called funding value of the assets and we showed how GRS developed this funding value of assets. The key point to remember is that investment gains and losses each year are always smoothed out over a four-year period. This smoothing is important as it helps ensure more stability with the employer contribution rates over time.

Mr. Drazilov made some general comments about the plan noting that the unfunded actuarial liability stands at \$16.8 million, but the funded ratio has risen to an impressive 95%, up from 92% last year—an exceptional achievement for a public judicial retirement system. This increase reflects the system’s resilience, which is bolstered by a conservative investment strategy allocating 40% to fixed income.

The system’s funded ratio has evolved with economic events, from the dot-com bubble of the late 1990s to the financial crises of 2008 and 2012. Despite these challenges, the system has maintained stability. The total computed employer contribution rate is 34.03%, driven by two components: the normal cost of benefits and the unfunded actuarial accrued liabilities. Actuarial gains occur when liabilities grow slower than expected due to moderate pay increases.

The system is 95% funded on both a market and actuarial value basis, with assets equivalent to 12 times the payroll. The assumed rate of return remains conservative at 5.5%, ensuring continued strength and reliability in funding.

The board reviewed and unanimously approved the recommended annual reserve transfers, which included moving \$86,784 out of the deferred annuity reserve account back to the employer accumulation account and \$892,228 from the employer accumulation reserve account to the retirement reserve account. The motion was made by Judge Abramson and seconded by Judge Scott.

#### **Financial Statements for the Quarter Ending June 30, 2024**

Mr. Jason Willett, CFO, shared the quarterly financial statements with the board ending on September 30, 2024. He began walking through the statement of fiduciary net position as of the end of September 30, 2024. Cash and cash equivalents were \$3.8 million with receivables being a net zero and the investment assets of \$351.8 million. As compared to a year ago on September 30, 2023 investment assets have increased about \$53.8 million. After subtracting liabilities of \$381,678 AJRS ended the quarter with a net position of \$355.3 million. Judge Abramson asked what the current value was of investment assets. Mr. Willett said he did not have that information but said Carlos Borrromeo could look that up and get us that number shortly.

Mr. Willett then covered the statement of changes in fiduciary net position through September 30, 2024. Total contributions were \$7.8 million made up of employer and employee contributions along with court fees. Investment income for the year to date was \$17.8 million which represented an improvement in the investment income over the last year.

He then reviewed the deductions of benefits expense of \$4.5 million which is the monthly retirement benefits paid out to retirees which results in a net position of \$355.3 million. Mr. Willett summarized that the strong financial report bis driven by good investment results.

Mr. Borrromeo then answered the earlier question and reported that the current value of investment assets was now at \$358.8 million. The board then asked about court fees and how that was going. Mr. Willett

commented that court fees are up slightly from this time a year ago. He went on to explain that court fees can really fluctuate from year to year as those come through the Administration of Justice Fund which DFA oversees. DFA increased the allocation percentage which was 30% last year up to 45% this fiscal year as collections have improved. Judge Wright pointed out that the legislature is looking at court fees and how those are distributed. Judge Scott asked about benefits expense in the current fiscal year as compared to last year. Mr. Willett said that expense is up slightly this year. Judge Brown also asked if this benefits expense was what we are paying retirees each month. Mr. Willett confirmed that is correct.

### **Legal**

Ms. Laura Gilson, Chief General Counsel, shared the quarterly legal report ending on September 30, 2024. Ms. Gilson shared a litigation update with the Board, and that the AJRS rules are codified, and they can be posted on the legislative website. She also explained the three bills that they are proposing in the 2025 General Session: Anti-alienation and errors and corrections, fraud criminal statute, and a bill that focuses on tax refunds and overpayments.

### **Benefits Report**

Ms. Allison Woods provided a benefits summary that included membership information, eligibility for benefits, retirement benefits and new retiree information. Over the last 20 years, average pay has increased consistently, as well as the number of retirees. As of June 30, 2024, there were 179 retirees with an average annual benefit of \$137,934.

### **Executive Report**

Director Fecher shared highlights from the executive report. The Strategic Plan for APERS, AJRS, and ASPRS has been finalized, outlining goals and objectives for the next three years. This collaborative effort, involving staff and board members of all three systems, began in May 2024. Copies of the plan are available for review. APERS continues to provide retirement education through in-person and virtual events, engaging with employers and employees at various. Additionally, the communication team has started leveraging social media to connect with members more effectively.

To enhance user experience, the websites for APERS, AJRS, and ASPRS have been updated, with each system now featuring its own unique URL: [www.apers.org](http://www.apers.org), [www.arjrs.org](http://www.arjrs.org), and [www.arsprs.org](http://www.arsprs.org). In preparation for the upcoming January 2025 Legislative Session, AJRS has completed Legislative Budget meetings and finalized a legislative packet, which is available for review.

### **Upcoming Board Meetings**

March 13, 2025, at 1:30 p.m.

June 12, 2025, at 1:30 p.m.

September 11, 2025, at 1:30 p.m.

December 4, 2025, at 1:30 p.m.

With no other business, the meeting was adjourned.

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Hon. Charles Yeagan, Ret. Circuit Judge  
Chair Arkansas Judicial Retirement System

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Amy Fecher  
APERS Executive Director

**Arkansas Judicial Retirement System  
Board of Trustees Meeting  
February 13, 2025**

The special meeting of the Arkansas Judicial Retirement System Board of Trustees was held on Thursday, February 13, 2024, at 1:00 p.m. via ZOOM remote. Judge Wright presided.

Judge Wright recognized the presence of a quorum.

**Board Members Present**

Hon. Herbert Wright (District Judge), Chair, North Little Rock\*  
Hon. Raymond Abramson (AR Court of Appeals), Holly Grove\*  
Hon. John Scott (Circuit Judge), Bentonville\*  
Hon. Earnest Brown, Jr. (Circuit Judge), Pine Bluff\*

**Visitors Present**

Hon. Wendell Griffin\*  
Ms. Doralee Chandler, Office of the Attorney General\*  
Mr. Graham Cattlett, Attorney\*  
Ms. Kelsi Hogg, Legislative Audit\*

**APERS Staff Present**

Ms. Amy Fecher, Executive Director, Arkansas Judicial Retirement System  
Ms. Allison Woods, Deputy Director of Benefits  
Mr. Carlos Borromeo, Deputy Director of Investments & Finance\*  
Ms. Ashley Golleher, Deputy Director of Operations\*  
Mr. Phillip Norton, Director of Information Systems  
Ms. Laura Gilson, General Counsel  
Mr. Richmond Giles, Staff Attorney  
Ms. Jacobia Bates, Director of Public Affairs  
Ms. Brooke Hollowoa, Director of Communications\*  
Ms. Jennifer Taylor, Director of Benefits Administration\*

\*Denotes remote attendees

**Member Appeal**

Judge Wright called the meeting to order and confirmed that all members had received the materials for the meeting. Judge Pierce's order on the issue was acknowledged. Judge Abramson recused himself from the discussion and voting due to his position on the Court of Appeals. Judge Wright then entertained a motion to direct AJRS staff to comply with Judge Pierce's order and recalculate the member's retirement benefits. Judge Brown made the motion, and Judge Scott, who had to be dialed in, seconded it. With no discussion, the members were instructed to raise their hands to vote "aye," and the motion passed unanimously. With no further business, Judge Brown moved to adjourn, Judge Scott seconded, and the meeting adjourned without discussion.

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Hon. Herbert Wright, District Judge  
Chair Arkansas Judicial Retirement System

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Amy Fecher  
APERS Executive Director

ARKANSAS JUDICIAL RETIREMENT SYSTEM  
STATEMENT OF ADMINISTRATIVE EXPENSES

Description	FY 24 Expenses	FY 25 Budget	Oct-24	Nov-24	Dec-24	Total YTD	Remaining Budget
<u>M &amp; O Expenses</u>							
Office Supplies/Printing	988.49	3,000.00	-	-	-	-	3,000.00
Board Member Expense Reimbursement	1,126.33	4,000.00	-	-	505.44	906.88	3,093.12
Bank Charges	3,763.20	5,000.00	307.49	291.45	314.81	1,870.15	3,129.85
<b>Total M &amp; O Expenses</b>	<b>5,878.02</b>	<b>12,000.00</b>	<b>307.49</b>	<b>291.45</b>	<b>820.25</b>	<b>2,777.03</b>	<b>9,222.97</b>
<u>Professional Fees</u>							
Veritext (1)	311.60	1,000.00				-	1,000.00
Gabriel Roeder Smith (1)	28,400.00	30,000.00			29,100.00	29,100.00	900.00
Aristotle Capital (2)	148,259.41	170,000.00			41,461.16	83,135.61	86,864.39
Conner, Clark, & Lunn (2)	-	100,000.00			10,876.30	10,876.30	89,123.70
Baillie Gifford (2)	130,437.04	50,000.00			37,356.27	37,356.27	12,643.73
Callan Associates (2)	78,235.40	85,000.00		20,341.21		40,682.42	44,317.58
Invesco Real Estate (2)	109,342.07	140,000.00	-		27,930.93	56,091.30	83,908.70
MacKay Shields (2)	374,363.57	425,000.00	-		100,436.07	203,601.38	221,398.62
Robeco (Boston Partners) (2)	313,473.26	360,000.00	-		85,019.96	173,525.31	186,474.69
BNY Mellon (2)	22,523.82	32,000.00	-	7,948.23		15,808.52	16,191.48
Mellon Capital Management (2)	18,878.22	25,000.00	-		961.47	6,541.33	18,458.67
<b>Total Professional Fees</b>	<b>1,224,224.39</b>	<b>1,418,000.00</b>	<b>-</b>	<b>28,289.44</b>	<b>333,142.16</b>	<b>656,718.44</b>	<b>761,281.56</b>
Transfers To APERS	115,000.00	115,000.00	-	-	-	115,000.00	-
<b>Total Administrative Expenses</b>	<b>1,345,102.41</b>	<b>1,545,000.00</b>	<b>307.49</b>	<b>28,580.89</b>	<b>333,962.41</b>	<b>774,495.47</b>	<b>770,504.53</b>

Notes:

- (1) Administrative Expense
- (2) Investment Expense



DELIVERING SECURE RETIREMENT BENEFITS  
AND EXCEPTIONAL SERVICE TO OUR MEMBERS.

# Chief Investment Officer Report

*For the Quarter Ending December 31, 2024*



# 4<sup>th</sup> Quarter 2024 - Summary

- U.S. equities advanced following the election. Other global markets felt pressure amid concerns over trade tariffs.
- The Federal Reserve lowered interest rates by 25 basis points in both November and December. Inflation remains stubborn. In December the Fed scaled back the expectations regarding the number of interest rate cuts in 2025.
- In Europe, fears of a recession pushed the European markets lower, as well as political instability in France and Germany as the possibility of trade wars with the new U.S. administration became a concern.
- The European Central Bank (ECB) cut rates by 25 basis points in both October and December.
- The fixed income markets experienced considerable volatility in the last quarter of 2024. Geopolitical tensions, central bank decisions, fluctuating inflation data points.
- Digital assets are becoming headline news. There were two pivotal events in 2024 that may have shaped the landscape for cryptocurrency.
- Area to watch – DeepSeek. It unveiled the A.I. movement and the A.I. equity names reacted on the news.

# 4<sup>th</sup> Quarter 2024 – AJRS Portfolio

Benchmarks				AJRS Portfolio					
	Q3 2024	Fiscal Year	Calendar Year		Q4 2024	Fiscal Year	Calendar Year	31-Dec-24	
<b>U.S. Equity</b>									
S&P 500	2.41%	22.19%	25.02%	Domestic Equity	2.34%	7.63%	22.04%	\$	151,037,320 43.25%
Russell 2000 Index	0.33%	13.34%	11.54%	International Equity	-7.02%	1.27%	4.32%	\$	33,087,826 9.47%
Russell 3000	2.63%	21.69%	2.63%	Fixed Income	-2.54%	2.88%	4.64%	\$	134,780,926 38.59%
Russell 1000 Growth	7.07%	29.56%	33.36%	Real Estate	-1.00%	-1.00%	-5.60%	\$	26,344,620 7.54%
Russell 1000 Value	-1.98%	13.72%	14.37%	<b>AJRS Total Portfolio</b>	<b>-0.80%</b>	<b>4.41%</b>	<b>10.63%</b>	\$	345,250,692
<b>International Equity</b>								\$	3,996,028 Cash
MSCI EAFE	-8.11%	6.52%	3.82%					\$	349,246,720
MSCI ACWI xUS	-7.60%	7.50%	5.53%						
<b>Fixed Income</b>									
Bloomberg Agg	-3.06%	3.08%	1.25%						

# 4<sup>th</sup> 2024 – Domestic Equities

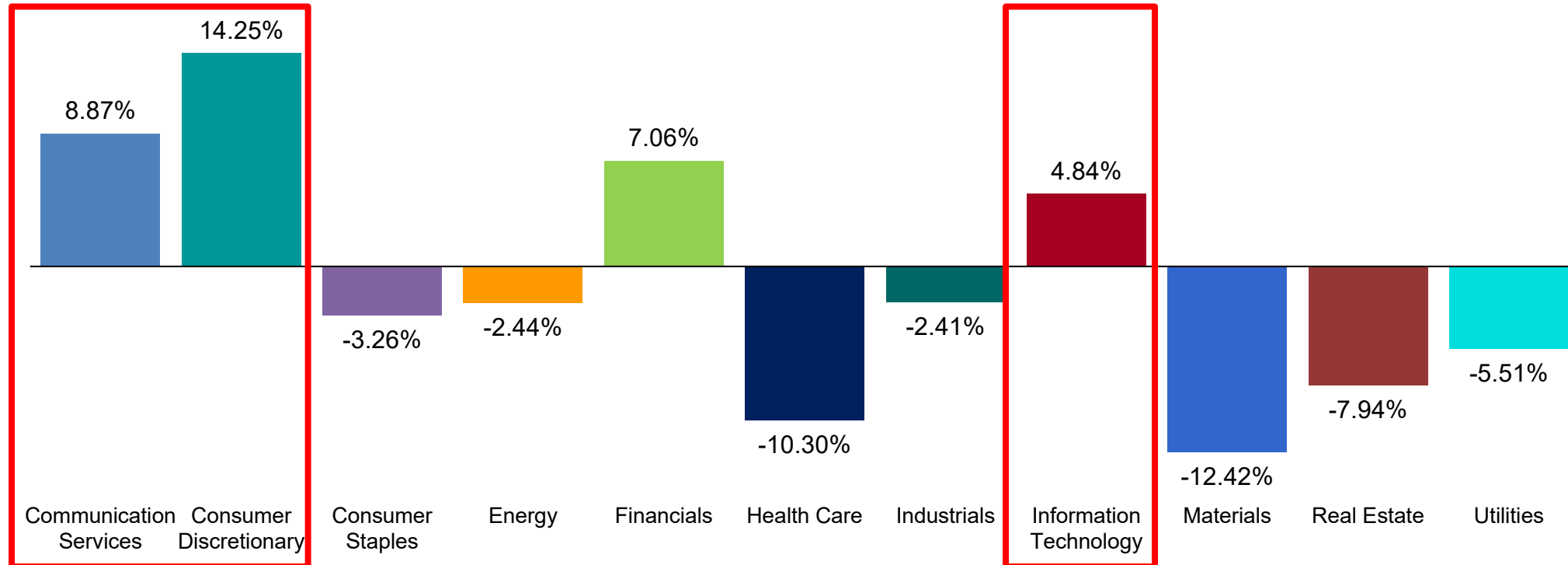
- After a slower 3<sup>rd</sup> quarter, growth stocks resumed their dominance in Q4.
- The large, mid, and small-cap growth cohorts each outperformed their value brethren.
- Mid-cap growth was the best performer in the quarter.
- For the full 2024 calendar year, each style and market cap posted positive returns.
- Large-cap growth was the 2024 leader.

	QTD US Equity Returns as of 12/31/2024					YTD US Equity Returns as of 12/31/2024		
	Growth	Core	Value			Growth	Core	Value
<b>Large</b>	7.07%	2.75%	-1.98%		<b>Large</b>	33.36%	24.51%	14.37%
<b>Mid</b>	8.14%	0.62%	-1.75%		<b>Mid</b>	22.10%	15.34%	13.07%
<b>Small</b>	1.70%	0.33%	-1.06%		<b>Small</b>	15.15%	11.54%	8.05%

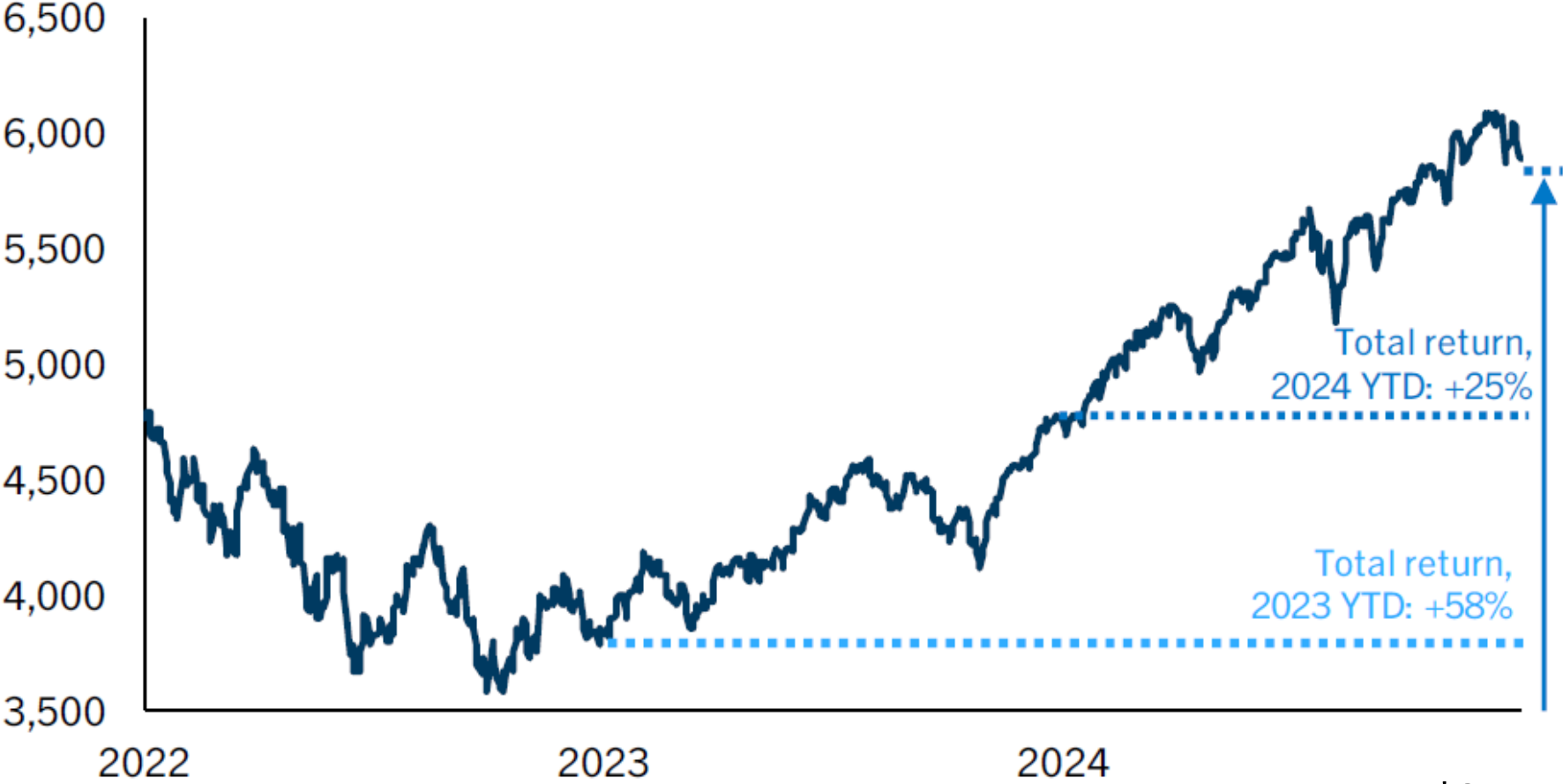
# 4<sup>th</sup> Quarter 2024 – S&P Quarter Performance

- The S&P 500 made gains in the final quarter of the year to round out a strong calendar year.

Industry Sector Quarterly Performance (S&P 500) as of 12/31/2024



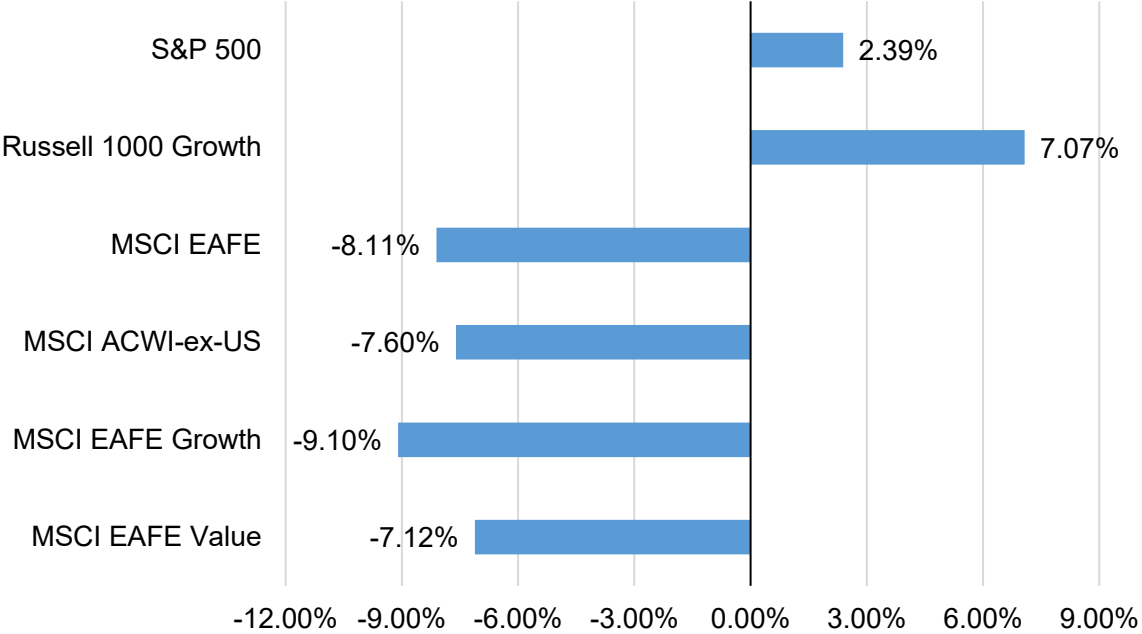
# The S & P 500 Index had another great year



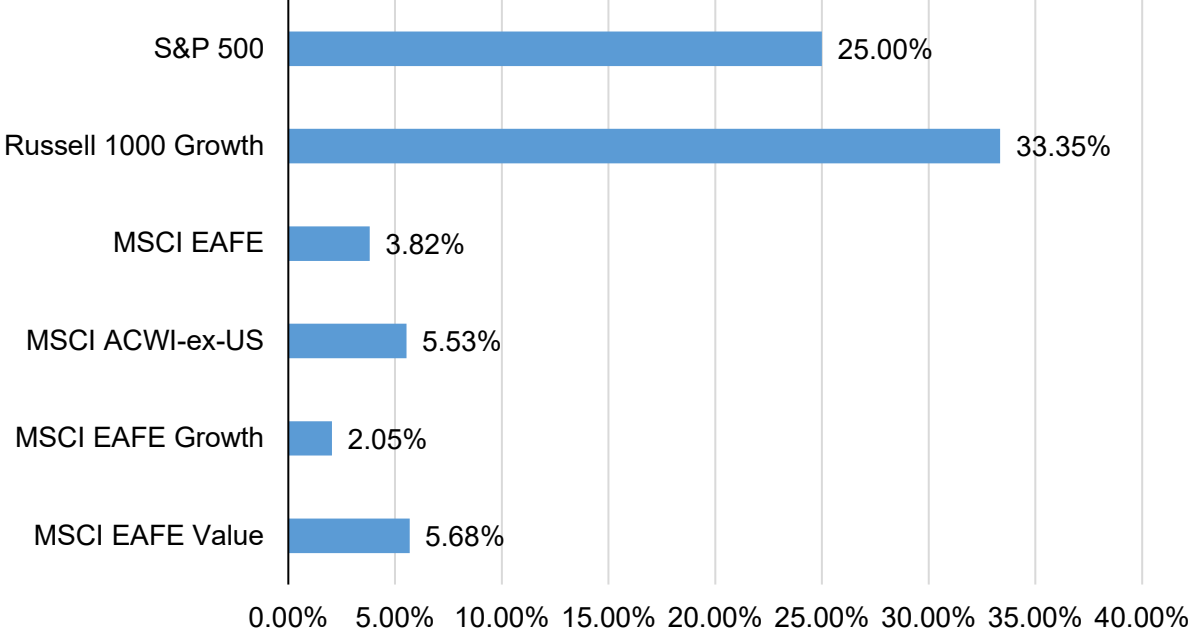
\*Source: Bloomberg

# 4<sup>th</sup> Quarter 2024 – Global Equities

1-Quarter Return Ending 12/31/2024

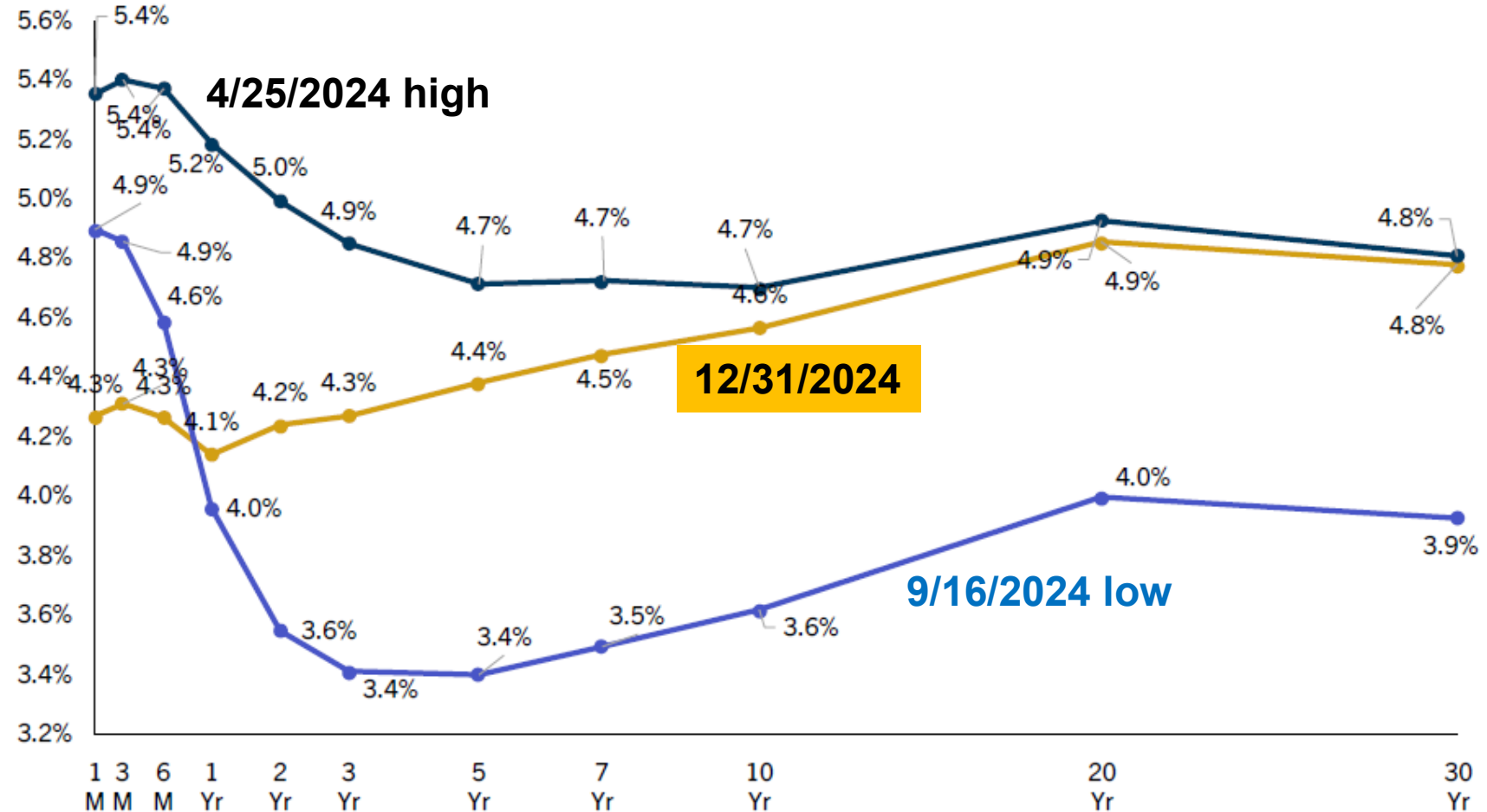


1-Year Return Ending 12/31/2024



# 4<sup>th</sup> Quarter 2024 – Fixed Income

US bond yields rose sharply higher in the quarter as economic resilience and higher inflation made their way into fixed income prices. Moves in both the short and long ends of the curve are notable. Short end reflects anticipated rate cuts. The 10-year has risen 95 basis points since the rate cuts began, which is unusual. It reflects outlooks for more growth, more inflation, and fewer interest rate cuts.



\*Source: Bloomberg

# 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

Q2 = Second 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 13, 2025



## **Executive Summary Fourth Quarter 2024**

Arkansas Judicial Retirement  
System

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**Brianne Weymouth, CAIA**  
Senior Vice President

**John Jackson, CFA**  
Senior 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.

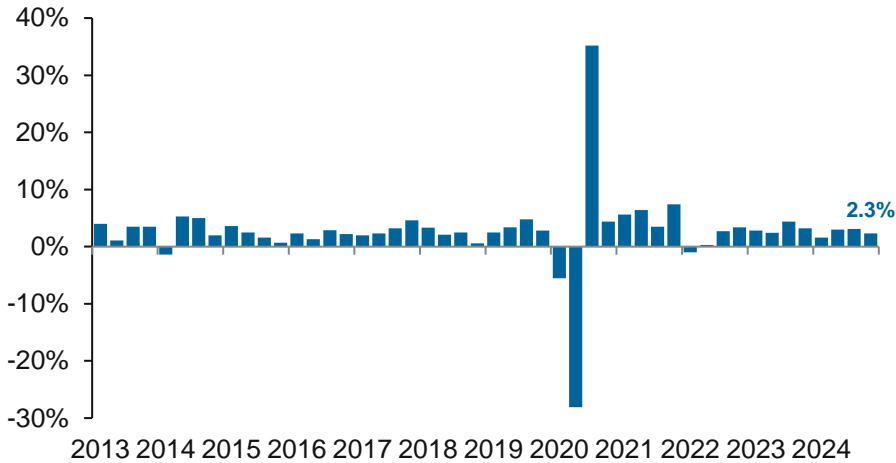


**Economic Overview**

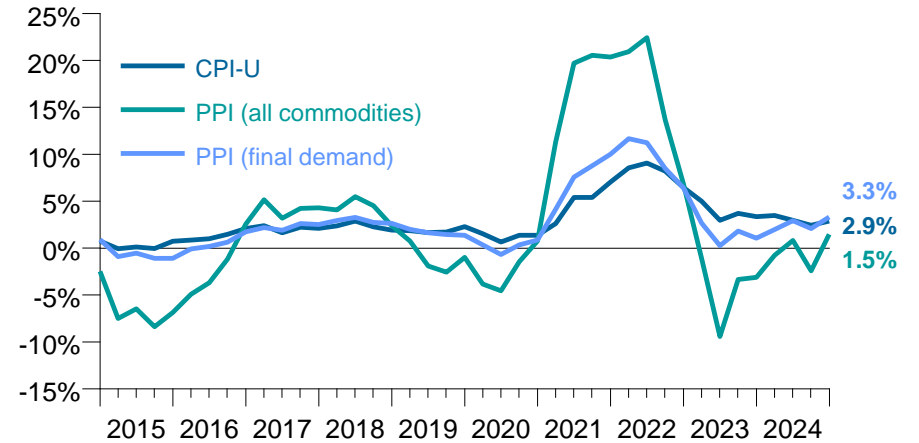
# U.S. Economy—Summary

For periods ended 12/31/24

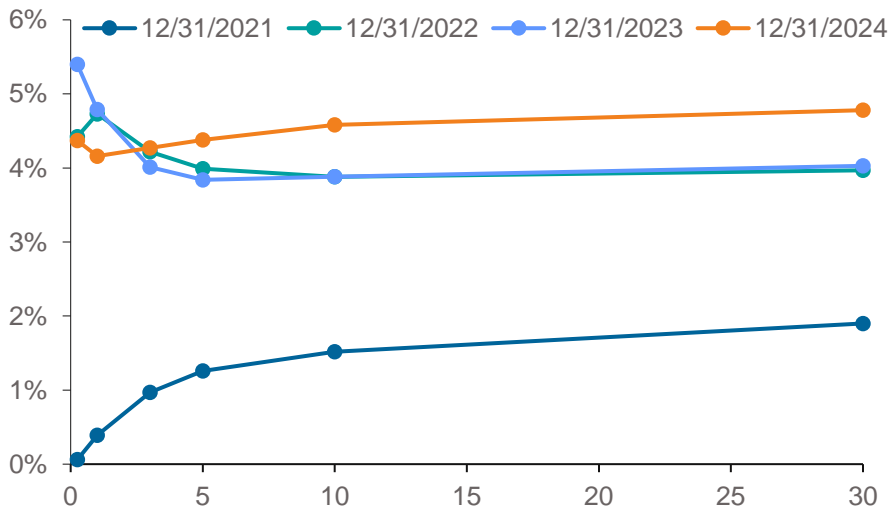
Quarterly Real GDP Growth



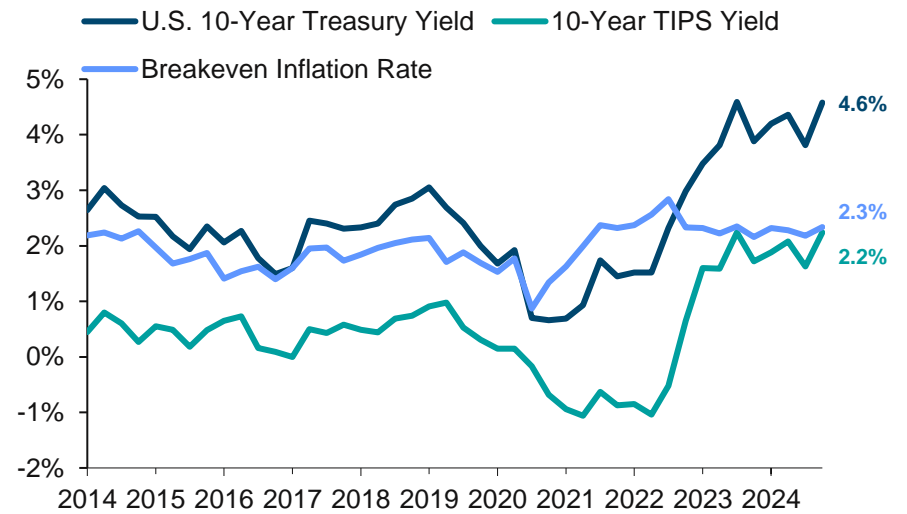
Inflation Year-Over-Year



U.S. Treasury Yield Curves



Historical 10-Year Yields



Sources: Bureau of Labor Statistics, Callan, Federal Reserve



## Global Markets Snapshot

# Global Markets Snapshot

## Returns for Periods ended 12/31/24

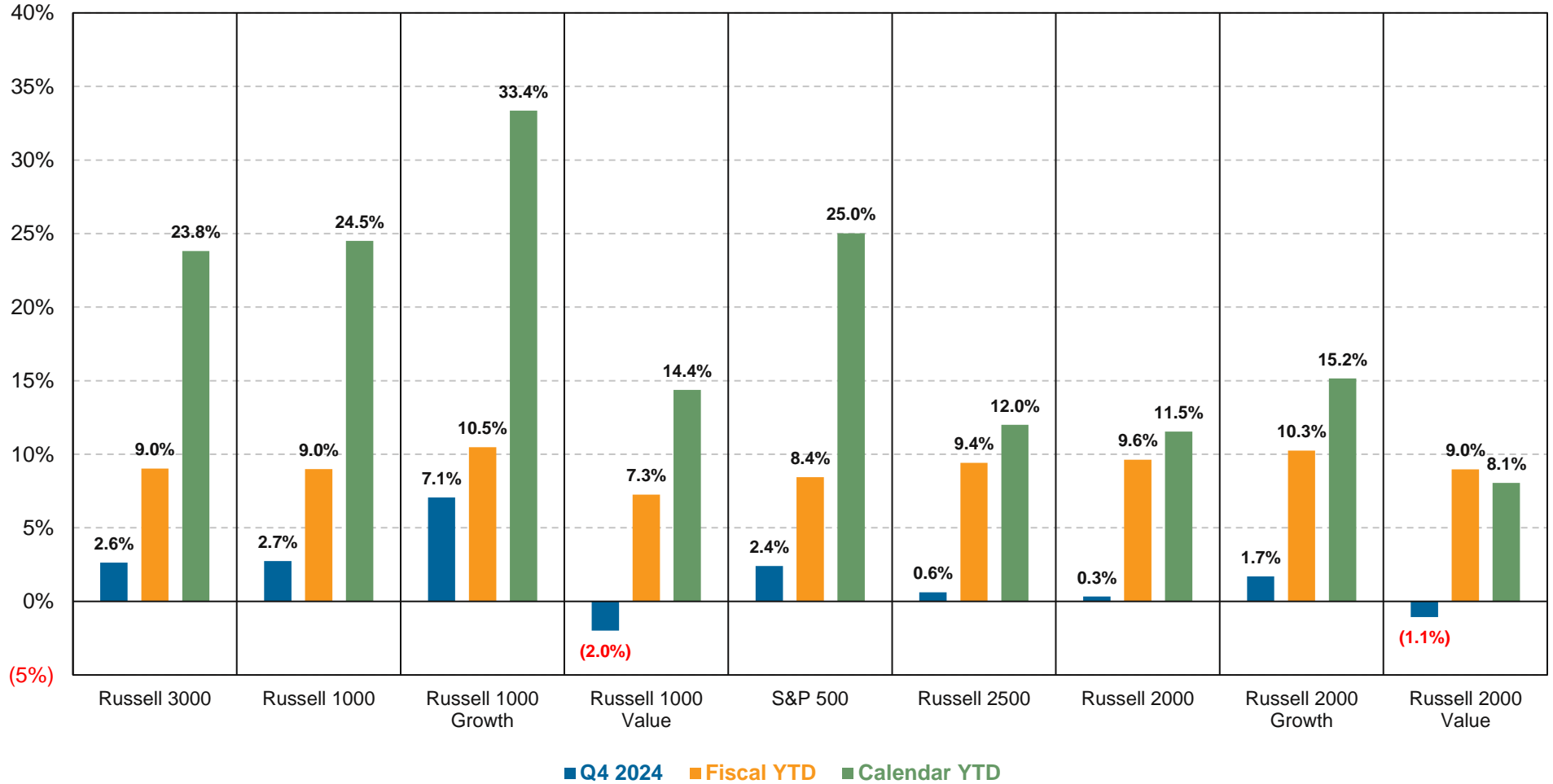
	Q4 2024	FYTD	1 Year	5 Years	10 Years	25 Years
<b>U.S. Equity</b>						
S&P 500	2.41	8.44	25.02	14.53	13.10	7.70
Russell 1000 Growth	7.07	10.49	33.36	18.96	16.78	7.80
Russell 1000 Value	-1.98	7.26	14.37	8.68	8.49	7.36
Russell 2000	0.33	9.64	11.54	7.40	7.82	7.55
Russell 2000 Growth	1.70	10.26	15.15	6.86	8.09	5.83
Russell 2000 Value	-1.06	8.98	8.05	7.29	7.14	8.98
Russell 3000	2.63	9.03	23.81	13.86	12.55	7.84
<b>Global ex-U.S. Equity</b>						
MSCI World ex USA	-7.43	-0.24	4.70	5.10	5.26	3.78
MSCI:EAFE	-8.11	-1.44	3.82	4.73	5.20	3.60
MSCI Emerging Markets	-8.01	0.02	7.50	1.70	3.64	--
MSCI ACWI ex USA Small Cap	-7.66	0.56	3.36	4.30	5.66	6.23
<b>Fixed Income</b>						
Bloomberg Aggregate	-3.06	1.98	1.25	-0.33	1.35	3.94
90-day T-Bill	1.17	2.55	5.25	2.46	1.77	1.91
Bloomberg Long Gov/Credit	-7.42	-0.06	-4.15	-3.26	0.99	5.36
Bloomberg Global Agg ex-US	-6.84	1.09	-4.22	-3.37	-0.90	2.45
<b>Real Estate</b>						
NCREIF Property	0.90	1.69	0.43	3.13	5.66	7.58
NCREIF NFI ODCE Eq Wt Net	0.85	0.78	-2.43	2.24	5.25	6.04
FTSE Nareit Equity	-6.21	8.88	8.73	4.27	5.73	9.84
<b>Alternatives</b>						
HFRI Fund Weighted	1.42	4.38	9.75	6.98	5.26	5.57
Cambridge Private Equity*	2.68	3.71	7.93	14.27	13.40	12.39
<b>Inflation - CPI-U</b>						
	0.10	0.46	2.89	4.20	3.00	2.54

Cambridge Private Equity and Cambridge Senior Debt data as of 9/30/24. 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 2024

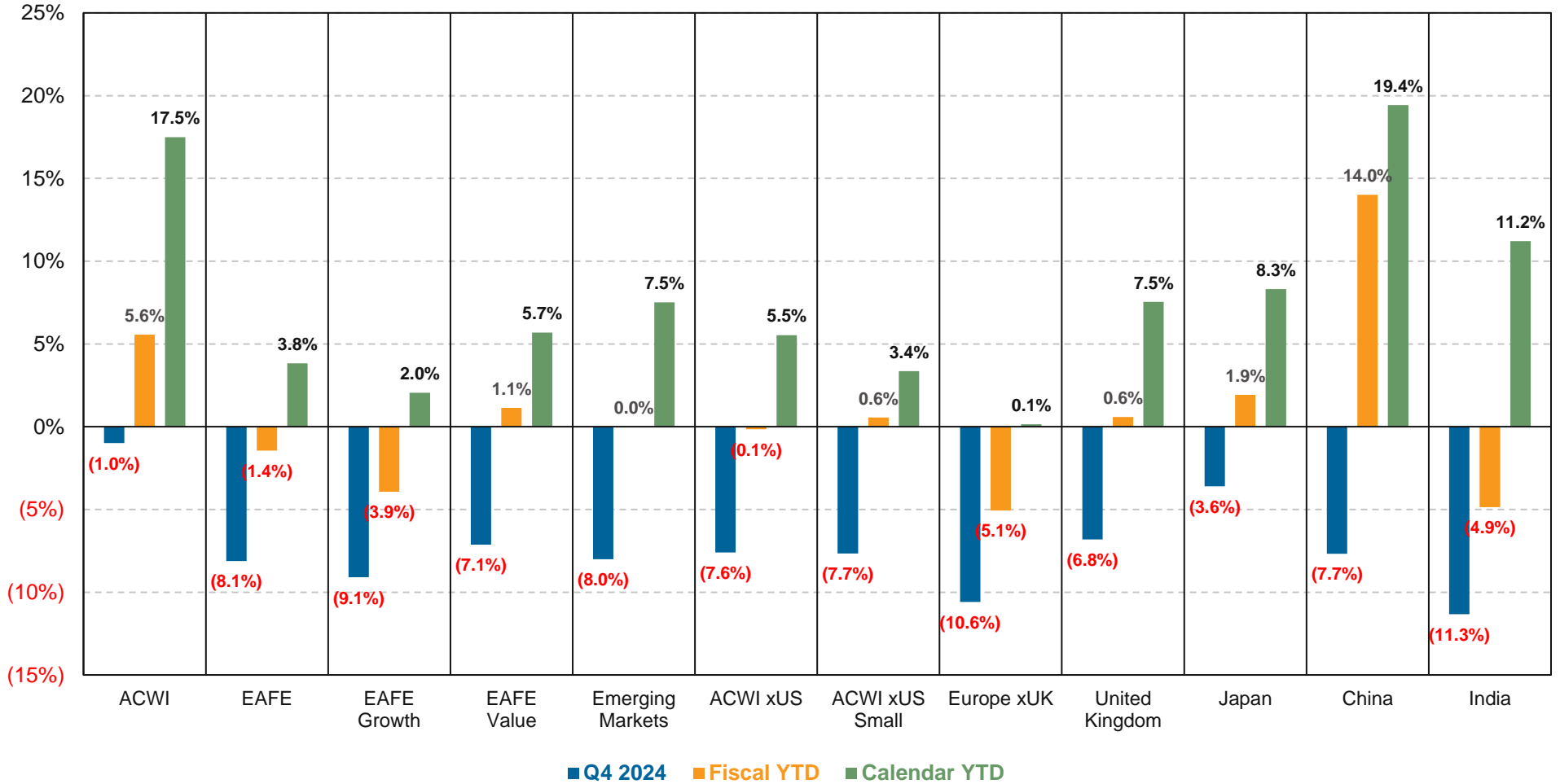
Returns for Periods Ended December 31, 2024



Sources: FTSE Russell, S&P Dow Jones Indices

# Global Equity Market Snapshot: Q4 2024

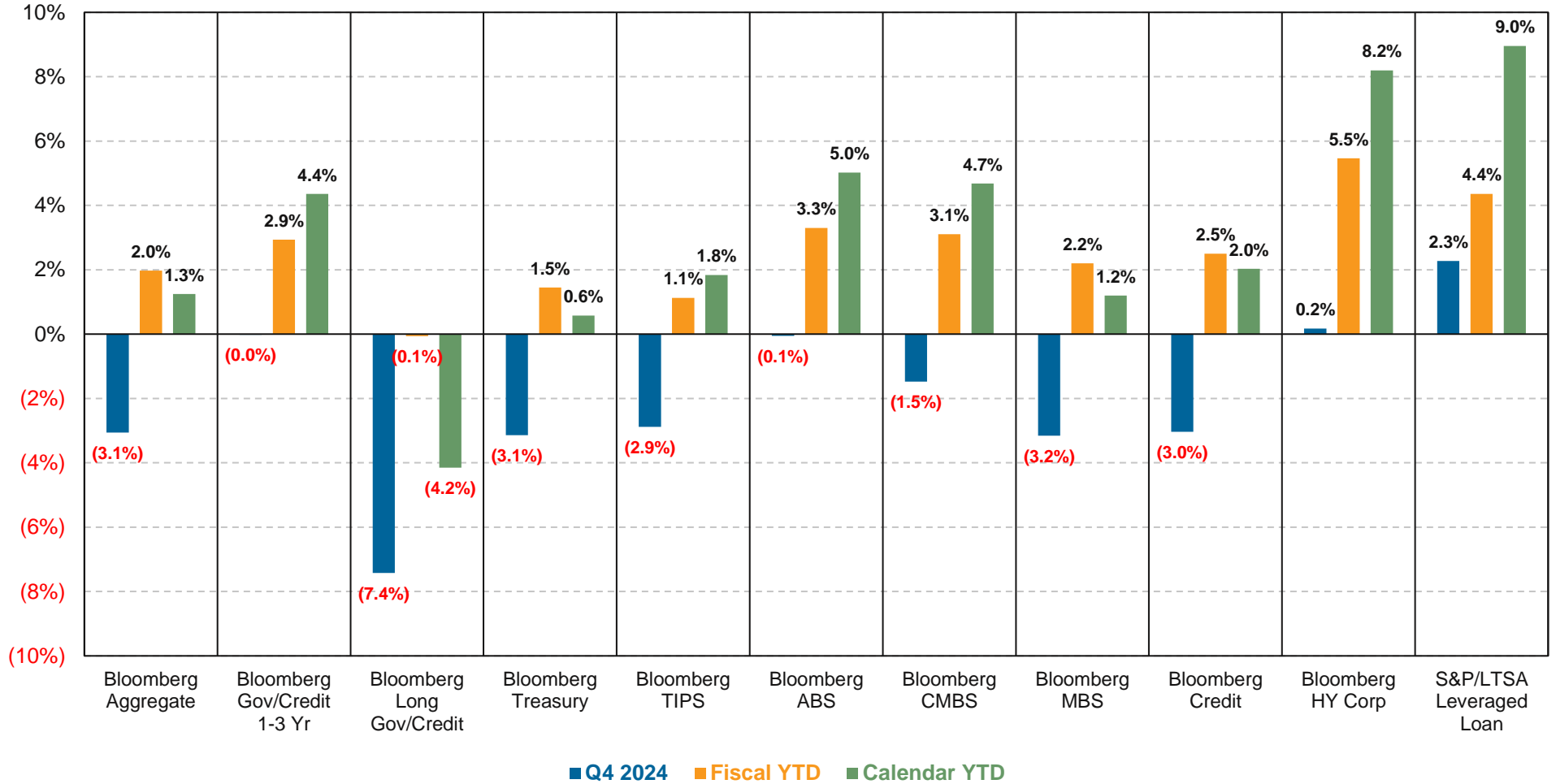
Returns for Periods Ended December 31, 2024



Source: MSCI

# U.S. Fixed Income Market Snapshot: Q4 2024

Returns for Periods Ended December 31, 2024



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

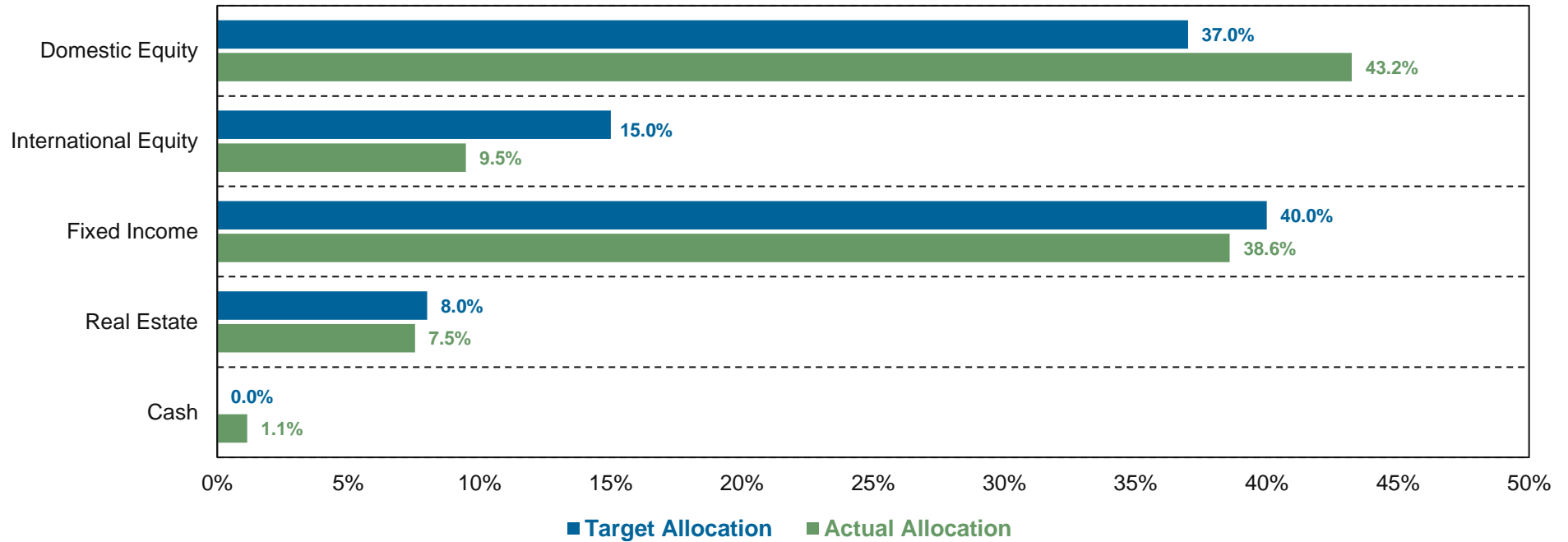




## AJRS Portfolio Review

# Actual vs. Target Asset Allocation

December 31, 2024

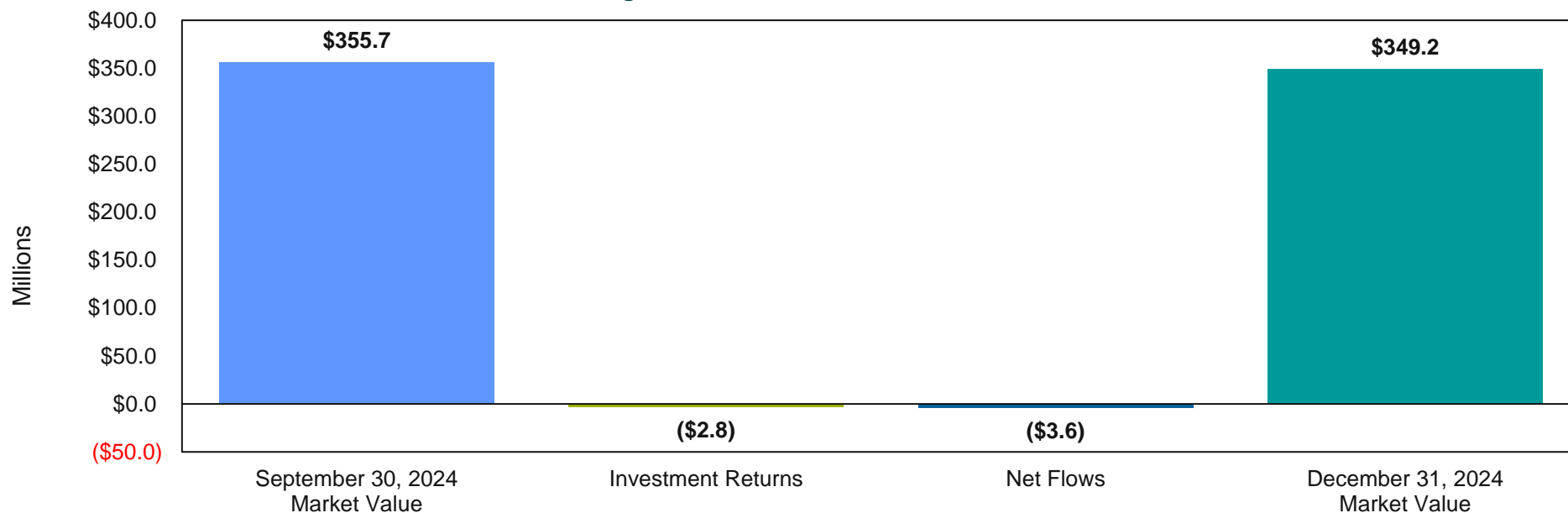


Asset Class	\$000s Actual	Weight Actual	Min. Target	Target	Max. Target
Domestic Equity	151,037	43.2%	32.0%	37.0%	42.0%
International Equity	33,088	9.5%	10.0%	15.0%	20.0%
Fixed Income	134,781	38.6%	35.0%	40.0%	45.0%
Real Estate	26,345	7.5%	3.0%	8.0%	13.0%
Cash	3,996	1.1%	0.0%	0.0%	5.0%
<b>Total</b>	<b>349,247</b>	<b>100.0%</b>		<b>100.0%</b>	

AJRS' target asset allocation was approved at the February 2024 Board meeting.

# Total Fund Asset Summary

Changes in Total Fund Assets – Q4 2024



	Beginning Market Value	+	Investment Gain/(Loss)	+	Net Flows	=	Ending Market Value
<b>Q4 2024</b> (9/30/24 – 12/31/24)	\$355,691,824	+	(\$2,826,700)	+	(\$3,618,404)	=	<b>\$349,246,720</b>
<b>Fiscal YTD</b> (6/30/24 – 12/31/24)	\$334,827,022	+	\$14,999,306	+	(\$579,610)	=	<b>\$349,246,720</b>

# Total Fund Performance

December 31, 2024

Returns for Periods Ended December 31, 2024

Group: Callan Public Fd Mid DB

	Q4 2024	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 20 Years
10th Percentile	0.52%	12.94%	4.47%	8.38%	8.21%	7.47%
25th Percentile	(0.72%) ←	11.78%	3.53%	7.75%	7.70%	7.22%
Median	→ (1.29%)	→ 10.20%	2.80%	7.07%	7.27%	6.93%
75th Percentile	(1.65%)	8.81%	→ 1.84%	→ 6.16%	→ 6.68%	→ 6.59%
90th Percentile	(2.10%)	7.52%	← 0.97%	5.51%	6.03%	6.19%
<b>Total Fund</b>	<b>(0.80%) (26)</b>	<b>10.63% (39)</b>	<b>1.42% (83)</b>	<b>6.45% (65)</b>	<b>6.93% (62)</b>	<b>6.82% (62)</b>
<b>Benchmark</b>	<b>(1.31) (51)</b>	<b>9.75 (54)</b>	<b>2.16 (67)</b>	<b>6.27 (72)</b>	<b>6.69 (75)</b>	<b>6.57 (77)</b>
Peer Universe Constituents	121	121	118	118	111	72

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

# Asset Class Performance and Market Values

December 31, 2024

	Market Value \$(Dollars)	Ending Weight	4Q 2024	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
<b>Domestic Equity</b> Russell:3000 Index	\$151,037,320	43.25%	2.34% 2.63%	7.63% 9.03%	22.04% 23.81%	7.98% 8.01%	13.99% 13.86%	12.17% 12.55%
<b>International Equity</b> Intl Equity Benchmark*	\$33,087,826	9.47%	(7.02%) (7.50%)	1.27% 0.05%	4.32% 6.09%	(7.63%) 1.35%	1.54% 4.61%	4.38% 5.32%
<b>Fixed Income</b> Blmbg:Aggregate	\$134,780,926	38.59%	(2.54%) (3.06%)	2.88% 1.98%	4.64% 1.25%	(1.05%) (2.41%)	1.44% (0.33%)	2.66% 1.35%
<b>Real Estate</b> NCREIF:NFI-ODCE Eq Wt Net	\$26,344,620	7.54%	(1.00%) 0.85%	(1.00%) 0.78%	(5.60%) (2.43%)	(3.68%) (3.11%)	1.26% 2.24%	5.35% 5.25%
<b>Cash &amp; Equivalents</b> 3 Month T-Bill	\$3,996,028	1.14%	0.83% 1.17%	2.16% 2.55%	4.89% 5.25%	3.81% 3.89%	2.36% 2.46%	1.74% 1.77%
<b>Total Fund</b> Total Fund Benchmark	\$349,246,720	100.0%	(0.80%) (1.31%)	4.41% 4.22%	10.63% 9.75%	1.42% 2.16%	6.45% 6.27%	6.93% 6.69%

\* Benchmark definitions included in the Appendix.

# Investment Manager Returns and Peer Group Rankings

December 31, 2024

	Q4 2024	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
<b>Domestic Equity</b>	<b>2.34%</b>	<b>7.63%</b>	<b>22.04%</b>	<b>7.98%</b>	<b>13.99%</b>	<b>12.17%</b>
Russell 3000 Index	2.63%	9.03%	23.81%	8.01%	13.86%	12.55%
S&P 500 Index	2.41%	8.44%	25.02%	8.94%	14.53%	13.10%
Mellon Russell 1000 Growth Idx	7.07% (16)	10.49% (14)	33.47% (24)	10.36% (18)	18.81% (12)	--
Russell:1000 Growth	7.07% (16)	10.49% (14)	33.36% (24)	10.47% (17)	18.96% (9)	16.78% (10)
Callan Large Cap Growth	5.32%	8.20%	29.91%	8.42%	16.43%	15.41%
Boston Partners	(0.60%) (33)	5.46% (71)	17.10% (30)	8.84% (28)	11.81% (21)	10.15% (25)
Russell:1000 Value	(1.98%) (72)	7.26% (35)	14.37% (55)	5.63% (77)	8.68% (85)	8.49% (87)
Callan Large Cap Value	(1.25%)	6.66%	15.41%	7.24%	10.45%	9.46%
Aristotle Capital Boston	(0.29%) (60)	7.14% (72)	9.86% (66)	2.28% (64)	7.18% (88)	--
Russell:2000 Index	0.33% (1)	9.64% (1)	11.54% (10)	1.24% (59)	7.40% (13)	7.82% (11)
Callan Small Cap Core	0.15%	9.12%	11.73%	3.14%	9.58%	9.37%
<b>International Equity</b>	<b>(7.02%)</b>	<b>1.27%</b>	<b>4.32%</b>	<b>(7.63%)</b>	<b>1.54%</b>	<b>4.38%</b>
Intl Equity Benchmark	(7.50%)	0.05%	6.09%	1.35%	4.61%	5.32%

- Note: Baillie Gifford International Equity was terminated during the 4<sup>th</sup> quarter of 2024 and replaced by Conor Clark & Lund (CC&L) International Equity. CC&L's first quarter of performance will be reflected in the 1Q 2025 report.

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

# Investment Manager Returns and Peer Group Rankings

December 31, 2024

	Q4 2024	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
<b>Fixed Income</b>	<b>(2.54%)</b>	<b>2.88%</b>	<b>4.64%</b>	<b>(1.05%)</b>	<b>1.44%</b>	<b>2.66%</b>
Blmbg:Aggregate	(3.06%)	1.98%	1.25%	(2.41%)	(0.33%)	1.35%
MacKay Shields LLC	(2.54%) (22)	2.88% (10)	4.64% (2)	(1.05%) (15)	1.44% (15)	2.66% (24)
Blmbg:Aggregate	(3.06%) (80)	1.98% (91)	1.25% (95)	(2.41%) (88)	(0.33%) (98)	1.35% (100)
Callan Core Plus FI	(2.76%)	2.44%	2.74%	(1.59%)	0.78%	2.31%
<b>Real Estate</b>	<b>(1.00%)</b>	<b>(1.00%)</b>	<b>(5.60%)</b>	<b>(3.68%)</b>	<b>1.26%</b>	<b>5.35%</b>
NCREIF NFI ODCE Eq Wt Net	0.85% (14)	0.78% (98)	(2.43%) (100)	(3.11%) (100)	2.24% (100)	5.25% (100)
Invesco Core Real Estate	(1.00%) (96)	(1.00%) (86)	(5.60%) (89)	(3.68%) (68)	1.26% (77)	5.35% (59)
NCREIF NFI ODCE Eq Wt Net	0.85% (33)	0.78% (41)	(2.43%) (64)	(3.11%) (67)	2.24% (56)	5.25% (61)
Callan OE Core Cmngld RE	0.72%	0.48%	(1.72%)	(1.95%)	2.55%	5.49%
<b>Total Fund</b>	<b>(0.80%) (26)</b>	<b>4.41% (36)</b>	<b>10.63% (39)</b>	<b>1.42% (83)</b>	<b>6.45% (65)</b>	<b>6.93% (62)</b>
Total Fund Benchmark	(1.31%) (51)	4.22% (47)	9.75% (54)	2.16% (67)	6.27% (72)	6.69% (75)
Callan Public Fd Mid DB	(1.29%)	4.08%	10.20%	2.80%	7.07%	7.27%

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

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## Organizational Developments

*4<sup>th</sup> Quarter 2024*

### **Mellon Investments Corporation – Passive Large Cap Growth Equity**

January 2025 – Mellon Investments Corporation informed Callan of its plan to close the San Francisco office, which has housed passive index investment professionals. Employees may relocate to Mellon's Pittsburgh office and must decide by the end of February. Those accepting the offer have until Q3 2026 to move. Head of Index Stephanie Hill has accepted and will relocate. The remaining 16 team members have not disclosed their plans. Callan will monitor the decisions of remaining team members.

No action required.



# Work Plan Update

## Annual Work Plan

Agenda Item	Frequency	Last Completed	Scheduled Review
Performance Measurement Reports	Quarterly	03/2025	06/2025
Quarterly Board Meetings	Quarterly	03/2025	06/2025
Customized Board Education Sessions	As Needed		
Investment Policy Statement Review	Annual	02/2024	2025

## Multi-Year Work Plan

Agenda Item	Frequency	Last Completed	Scheduled Review
Asset Allocation Analysis	3-5 years	02/2024	2027 - 2029
Domestic Equity Manager Search – Aristotle Hired	As Needed	05/2019	
Non-U.S. Equity Manager Search – TBD	As Needed	08/2024	
Fixed Income Manager Search – Mackay Shields Hired	As Needed	02/2010	
Real Estate Manager Search – Invesco Hired	As Needed	11/2011	



## Appendix

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## Benchmark Definitions

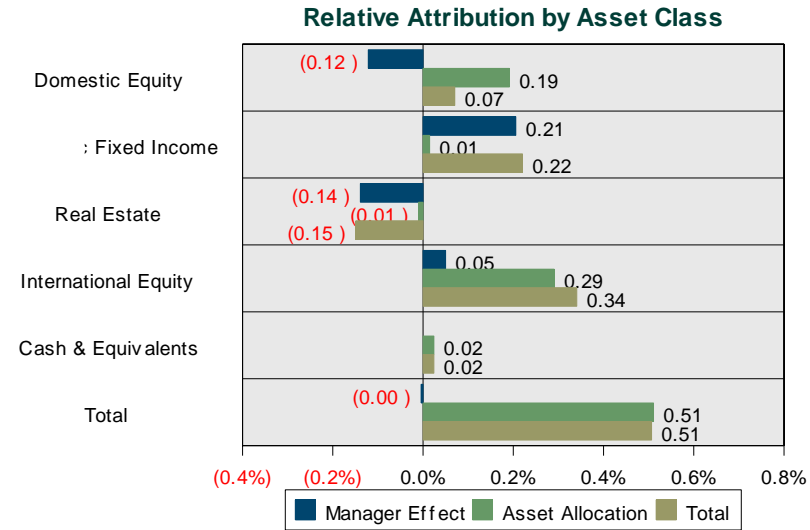
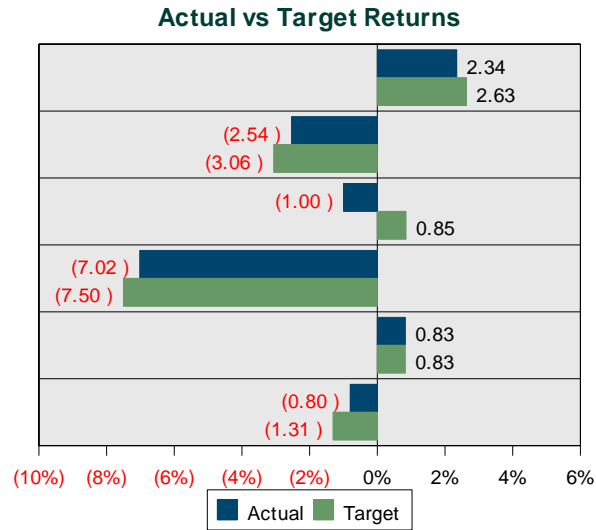
1. **Total Fund Benchmark (Target):** Blend of asset class benchmarks at policy weights.

	<u>Target</u>
Domestic Equity	37.0%
International Equity	15.0
Fixed Income	40.0
<u>Real Estate</u>	<u>8.0</u>
<b>Total Target</b>	<b>100.0%</b>

2. **Domestic Equity Benchmark:** Russell 3000 Index
3. **International Equity Benchmark:** MSCI EAFE prior to 7/1/17, MSCI ACWI xUS Gross thereafter
4. **Fixed Income Benchmark:** Bloomberg Aggregate Index
5. **Real Estate Benchmark:** NCREIF NFI-ODCE Eq Wt Net

# Total Fund Relative Attribution – Q4 2024

December 31, 2024



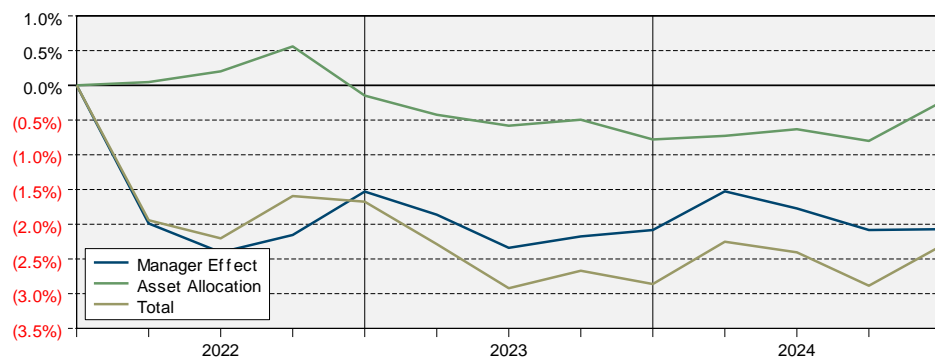
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	42%	37%	2.34%	2.63%	(0.12)%	0.19%	0.07%
Fixed Income	39%	40%	(2.54)%	(3.06)%	0.21%	0.01%	0.22%
Real Estate	8%	8%	(1.00)%	0.85%	(0.14)%	(0.01)%	(0.15)%
International Equity	10%	15%	(7.02)%	(7.50)%	0.05%	0.29%	0.34%
Cash & Equivalents	1%	0%	0.83%	0.83%	0.00%	0.02%	0.02%
<b>Total</b>			<b>(0.80)%</b>	<b>(1.31)%</b>	<b>(0.00)%</b>	<b>0.51%</b>	<b>0.51%</b>

Benchmark definitions included in the Appendix.

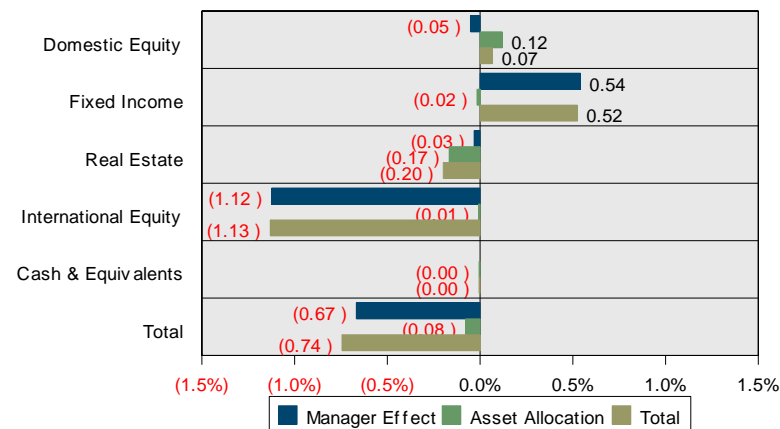
# Total Fund Relative Attribution – 3 Years

December 31, 2024

Cumulative Relative Attribution Effects



3-Year Annualized Relative Attribution Effects



Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	39%	37%	7.98%	8.01%	(0.05%)	0.12%	0.07%
Fixed Income	40%	40%	(1.05%)	(2.41%)	0.54%	(0.02%)	0.52%
Real Estate	9%	8%	(3.68%)	(3.11%)	(0.03%)	(0.17%)	(0.20%)
International Equity	11%	15%	(7.63%)	1.35%	(1.12%)	(0.01%)	(1.13%)
Cash & Equivalents	0%	0%	3.81%	3.81%	0.00%	(0.00%)	(0.00%)
<b>Total</b>			<b>1.42%</b>	<b>2.16%</b>	<b>(0.67%)</b>	<b>(0.08%)</b>	<b>(0.74%)</b>

Benchmark definitions included in the Appendix.

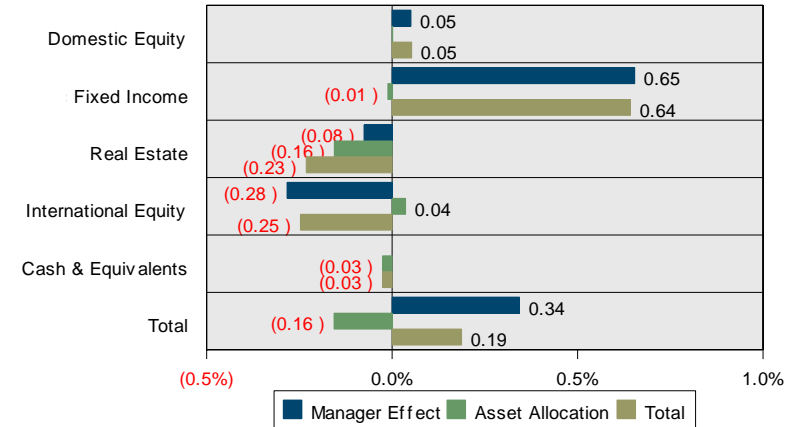
# Total Fund Relative Attribution – 5 Years

December 31, 2024

Cumulative Relative Attribution Effects



5-Year Annualized Relative Attribution Effects



Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	38%	37%	13.99%	13.86%	0.05%	0.00%	0.05%
Fixed Income	39%	40%	1.44%	(0.33%)	0.65%	(0.01%)	0.64%
Real Estate	9%	8%	1.26%	2.24%	(0.08%)	(0.16%)	(0.23%)
International Equity	13%	15%	1.54%	4.61%	(0.28%)	0.04%	(0.25%)
Cash & Equivalents	0%	0%	2.36%	2.36%	0.00%	(0.03%)	(0.03%)
<b>Total</b>			<b>6.45%</b>	<b>6.27%</b>	<b>+ 0.34%</b>	<b>+ (0.16%)</b>	<b>0.19%</b>

Benchmark definitions included in the Appendix.

# Asset Distribution Across Investment Managers

December 31, 2024

	December 31, 2024				September 30, 2024	
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
<b>Domestic Equity</b>	<b>\$151,037,320</b>	<b>43.25%</b>	<b>\$(135,498)</b>	<b>\$3,459,567</b>	<b>\$147,713,251</b>	<b>41.53%</b>
Mellon Russell 1000 Growth Index	59,733,760	17.10%	(5,319)	3,945,838	55,793,240	15.69%
Boston Partners	70,555,097	20.20%	(88,505)	(425,293)	71,068,895	19.98%
Aristotle Capital Boston	20,748,463	5.94%	(41,674)	(60,978)	20,851,115	5.86%
<b>International Equity</b>	<b>\$33,087,826</b>	<b>9.47%</b>	<b>\$(3,438,686)</b>	<b>\$(2,571,479)</b>	<b>\$39,097,991</b>	<b>10.99%</b>
Baillie Gifford Intl Choice Fd	0	0.00%	(28,438,425)	(1,099,142)	29,537,567	8.30%
CC&L Q Intl Equity	29,416,183	8.42%	30,000,000	(583,817)	-	-
Mellon ACWI ex US Fund	3,671,643	1.05%	(5,000,261)	(888,520)	9,560,424	2.69%
<b>Fixed Income</b>	<b>\$134,780,926</b>	<b>38.59%</b>	<b>\$(103,165)</b>	<b>\$(3,510,311)</b>	<b>\$138,394,402</b>	<b>38.91%</b>
MacKay Shields LLC	134,780,926	38.59%	(103,165)	(3,510,311)	138,394,402	38.91%
<b>Real Estate</b>	<b>\$26,344,620</b>	<b>7.54%</b>	<b>\$(56,091)</b>	<b>\$(265,346)</b>	<b>\$26,666,057</b>	<b>7.50%</b>
Invesco Core Real Estate	26,344,620	7.54%	(56,091)	(265,346)	26,666,057	7.50%
<b>Cash &amp; Equivalents</b>	<b>\$3,996,028</b>	<b>1.14%</b>	<b>\$115,037</b>	<b>\$60,868</b>	<b>\$3,820,123</b>	<b>1.07%</b>
AJRS Cash Account	3,996,028	1.14%	115,037	60,868	3,820,123	1.07%
<b>Total Fund</b>	<b>\$349,246,720</b>	<b>100.0%</b>	<b>\$(3,618,405)</b>	<b>\$(2,826,700)</b>	<b>\$355,691,824</b>	<b>100.0%</b>

# Investment Manager Returns – Net of Fees

December 31, 2024

	Q4 2024	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
<b>NET OF FEE RETURNS</b>					
<b>Domestic Equity</b>					
Mellon Russell 1000 Growth Index	7.06%	33.41%	10.32%	18.77%	-
Russell 1000 Growth Index	7.07%	33.36%	10.47%	18.96%	16.78%
Boston Partners Russell 1000 Value Index	(0.72%) (1.98%)	16.51% 14.37%	8.26% 5.63%	11.22% 8.68%	9.56% 8.49%
Aristotle Capital Boston Russell 2000 Index	(0.49%) 0.33%	8.98% 11.54%	1.46% 1.24%	6.32% 7.40%	- 7.82%
<b>Domestic Fixed Income</b>					
MacKay Shields LLC Blmbg Aggregate Index	(2.61%) (3.06%)	4.33% 1.25%	(1.34%) (2.41%)	1.14% (0.33%)	2.36% 1.35%
<b>Real Estate</b>					
Invesco Core Real Estate NFI-ODCE Equal Weight Net	(1.21%) 0.85%	(5.98%) (2.43%)	(4.00%) (3.11%)	0.95% 2.24%	4.84% 5.25%
<b>Total Fund</b>	<b>(0.88%)</b>	<b>10.26%</b>	<b>1.07%</b>	<b>6.09%</b>	<b>6.49%</b>
<b>Total Fund ex Cash</b>	<b>(0.91%)</b>	<b>10.29%</b>	<b>1.06%</b>	<b>6.13%</b>	<b>6.53%</b>
Target Benchmark*	(1.31%)	9.75%	2.16%	6.27%	6.69%

Benchmark definitions included in the Appendix.



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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 of 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.

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## 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.



Quarterly Board Meeting

**Statement of Fiduciary Net Position as of (December 31, 2024)**

ASSETS

Cash and Cash Equivalents	\$ 3,995,825
Receivables	
Overpayment Receivable	\$ 17,748
Allowance for Doubtful Accounts	<u>(17,748)</u>
Total Receivables	-
Investment Assets	<u>345,269,901</u>
TOTAL ASSETS	<u>349,265,726</u>

LIABILITIES

Accrued Expenses and Other Liabilities	272,647
Investment Liabilities	<u>-</u>
TOTAL LIABILITIES	<u>272,647</u>

NET POSITION RESTRICTED FOR PENSION BENEFITS	<u><u>\$ 348,993,079</u></u>
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Quarterly Board Meeting

**Statement of Changes in Fiduciary Net Position for the Period Ending (December 31, 2024)**

ADDITIONS

Contributions		
Employer	\$	8,334,465
Employee		686,980
Court Fees		<u>195,606</u>
Total Contributions		9,217,051
Investment Income		15,073,835
Less: Investment Expense		<u>(627,618)</u>
Net Investment Income		14,446,217
Other Additions		
Miscellaneous Additions		<u>143</u>
TOTAL ADDITIONS		<u>23,663,411</u>

DEDUCTIONS

Benefits		9,213,508
Refunds of Contributions		-
Administrative Expenses		<u>146,877</u>
TOTAL DEDUCTIONS		<u>9,360,385</u>

NET CHANGE IN NET POSITION 14,303,027

NET POSITION RESTRICTED FOR PENSION BENEFITS

Beginning of Fiscal Year		<u>334,690,053</u>
End of 2nd Quarter	\$	<u><u>348,993,079</u></u>



## Quarterly Board Meeting

March 13, 2025

### **Legal Report**

#### **ADMINISTRATIVE MEMBER APPEALS**

None

#### **APPEAL FROM ADMINISTRATIVE MEMBER APPEAL - LITIGATION**

##### ***Wendell Griffen vs. Arkansas Judicial Retirement System, 60CV-23-8282***

On October 30, 2023, Wendell Griffin filed in Pulaski County Court a petition for judicial review of the board's September 28, 2023, decision to uphold the Executive Director's Determination regarding the calculation of Griffen's monthly benefit. Judge Pierce entered a judgment on December 26, 2024, remanding the decision back to the board with instructions to recalculate Griffen's benefits in accordance with Tier One. A special board meeting was held on February 13, 2025, to follow the dictates of Judge Pierce's order, and the board voted to comply with the order.

#### **RULES PROMULGATION**

Administrative staff will review the Acts after the 2025 legislative session to determine if rule promulgation is needed to conform to the new laws.

#### **LEGISLATION (2025 SESSION) AJRS Bills**

Act 128 (HB1208) Adds AJRS to the list of claimant agencies allowed an offset of member's tax refund  
Act 129 (HB1209) Prohibits assignment of benefits; errors corrections with 5-year statute of limitations  
Act 130 (HB1210) AJRS Administrative Costs Allocated to APERS (Codifying "Special Language")  
Act 112 (HB1317) Designates fraud of a state supported retirement system as a Class D felony



## Quarterly Board Meeting Benefits Summary

### Membership

Whether elected or appointed to office, all circuit judges, judges of the Court of Appeals, and justices of the Supreme Court must participate in the Arkansas Judicial Retirement System.

- **Tier One:** A person who became a member of the system before July 30, 1999, participates in the benefit plan referred to as Tier One.
- **Tier Two:** A person who becomes a member of the system on or after July 30, 1999, must participate in the Tier Two Actual Judicial Service Benefit Plan.

### Eligibility for Benefits

- **Normal retirement:** Any member may retire and be eligible for benefits after attaining:
  - A minimum of 20 years of actual service, regardless of age, or
  - At least eight (8) years of service, upon reaching age 65.
  - Generally, judges or justices must retire by their seventieth birthday or lose their retirement benefits. A judge or justice who becomes 70 during a term may complete that term; and a judge or justice who is not eligible to retire at age 70 may continue until he or she attains sufficient service to retire.
- **Early retirement:** Any member may elect to retire and receive benefits after attaining:
  - Eight (8) years or more of actual service, after reaching age 62 and before reaching 65.
  - Retirement benefits are reduced six percent (6%) for each full year that the judge or justice retires before reaching age 65.
- **Disability retirement:** Members who have served a minimum of three (3) consecutive years will receive retirement benefits if the Board determines an incapacitating disability occurs.
- **Survivor retirement:** Survivors of members who have served at least three (3) years may receive survivor benefits. Eligible survivors include a spouse and minor children.

### Retirement Benefits

- **Retirement Benefits:** The retirement benefits paid to an eligible and qualified member is 3.2% of the annual salary payable to the last judicial office held multiplied by the number of years of actual service, not to exceed 80% of salary. These benefits are payable for the recipient's life.
- **Benefit calculation example:** Annual Salary X 3.2% X Actual Service  
$$\$193,955 \times 3.2\% \times 20.1 \text{ yrs.} = \$ 124,751 \text{ annually/ } \$10,396 \text{ monthly}$$
- **Survivors' Benefits:** Survivors' benefits are 67% of the amount of a member's retirement benefits.
- **Cost-of-living adjustments:** Each July 1, the system redetermines the amount of each monthly benefit paid for at least twelve months. The amount of the redetermined benefit – a cost-of-living adjustment (COLA) – is the previous July 1 benefit amount increased by three percent (3%).



Quarterly Board Meeting  
Benefits Summary

**Active Members - Historical**

	1 year	5 years	10 years	20 years
Number	145	140	140	134
Average Age	58.7	60.5	59.7	55.6
Average Service*	15.9	17.8	16.8	10.5
Average Pay	\$193,955	\$168,591	\$141,297	\$ 121,505

\* Includes reciprocal service

**Inactive Members - Historical**

	1 year	5 years	10 years	20 years
Number	13	8	4	0
Total Accrued Liabilities*	\$10.4m	\$4.7	\$2.2m	\$1.6m

\* Includes refunds of contributions

**Retirees - Historical**

	1 year	5 years	10 years	20 years
Number	179	149	124	100
Total Annual Benefits	\$18.4m	\$13.3m	\$10.1m	\$6.6m
Average Age*	71.0	65.5	62.0	n/a
Average Service*	20.1	13.9	12.00	n/a
Avg. Annual Benefit*	\$137,934	\$65,700	\$45,586	n/a

\* New retirees

**Legend – Historical Periods**

Time	Fiscal Year Ending
1 year	June 30, 2024
5 years	June 30, 2019
10 years	June 30, 2014
20 years	June 30, 2004



Quarterly Board Meeting  
**Board Report**

**New Retiree List for Month of 10/2024**

<b>APERS ID</b>	<b>Full Name</b>	<b>Annuity Type</b>	<b>Annuity Option</b>	<b>Age</b>	<b>Employer Name</b>	<b>Gross Amount</b>	<b>Service Credit</b>	<b>Plan</b>
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Quarterly Board Meeting  
**Board Report**

**New Retirees Summary for Month of 10/2024**

<b>No. of Retirees Contributory</b>	<b>No. of Retirees Non - Contributory</b>	<b>Total No. of Retirees</b>	<b>Monthly Benefit Contributory</b>	<b>Monthly Benefit Non - Contributory</b>	<b>Total Benefit</b>	<b>Average Benefit Contributory</b>	<b>Average Benefit Non - Contributory</b>
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TOTAL



Quarterly Board Meeting  
**Board Report**

**All Retirees Summary for Month of 10/2024**

	<b>No. of Retirees Contributory</b>	<b>No. of Retirees Non - Contributory</b>	<b>Total No. of Retirees</b>	<b>Monthly Benefit Contributory</b>	<b>Monthly Benefit Non - Contributory</b>	<b>Total Benefit</b>	<b>Average Benefit Contributory</b>	<b>Average Benefit Non - Contributory</b>
Judicial	117	61	178	\$918,595.32	\$605,955.84	\$1,524,551.16	\$7,851.24	\$9,933.70
<b>TOTAL</b>	<b>117</b>	<b>61</b>	<b>178</b>	<b>\$918,595.32</b>	<b>\$605,955.84</b>	<b>\$1,524,551.16</b>	<b>\$7,851.24</b>	<b>\$9,933.70</b>



Quarterly Board Meeting  
Board Report

New Retiree List for Month of 11/2024

APERS ID	Full Name	Annuity Type	Annuity Option	Age	Employer Name	Gross Amount	Service	Credit	Plan
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Quarterly Board Meeting  
Board Report

**New Retirees Summary for Month of 11/2024**

No. of Retirees Contributory	No. of Retirees Non - Contributory	Total No. of Retirees	Monthly Benefit Contributory	Monthly Benefit Non - Contributory	Total Benefit	Average Benefit Contributory	Average Benefit Non - Contributory
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TOTAL



Quarterly Board Meeting  
Board Report

All Retirees Summary for Month of 11/2024

	No. of Retirees Contributory	No. of Retirees Non - Contributory	Total No. of Retirees	Monthly Benefit Contributory	Monthly Benefit Non - Contributory	Total Benefit	Average Benefit Contributory	Average Benefit Non - Contributory
Judicial	118	61	179	\$925,058.09	\$605,955.84	\$1,531,013.93	\$7,839.48	\$9,933.70
<b>TOTAL</b>	<b>118</b>	<b>61</b>	<b>179</b>	<b>\$925,058.09</b>	<b>\$605,955.84</b>	<b>\$1,531,013.93</b>	<b>\$7,839.48</b>	<b>\$9,933.70</b>



Quarterly Board Meeting  
Board Report

**New Retiree List for Month of 12/2024**

APERS ID	Full Name	Annuity Type	Annuity Option	Age	Employer Name	Gross Amount	Service Credit	Plan
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Quarterly Board Meeting  
Board Report

**New Retirees Summary for Month of 12/2024**

<b>No. of Retirees Contributory</b>	<b>No. of Retirees Non - Contributory</b>	<b>Total No. of Retirees</b>	<b>Monthly Benefit Contributory</b>	<b>Monthly Benefit Non - Contributory</b>	<b>Total Benefit</b>	<b>Average Benefit Contributory</b>	<b>Average Benefit Non - Contributory</b>
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TOTAL



Quarterly Board Meeting  
Board Report

All Retirees Summary for Month of 12/2024

	No. of Retirees Contributory	No. of Retirees Non - Contributory	Total No. of Retirees	Monthly Benefit Contributory	Monthly Benefit Non - Contributory	Total Benefit	Average Benefit Contributory	Average Benefit Non - Contributory
Judicial	118	61	179	\$931,822.87	\$610,136.75	\$1,541,959.62	\$7,896.80	\$10,002.24
<b>TOTAL</b>	<b>118</b>	<b>61</b>	<b>179</b>	<b>\$931,822.87</b>	<b>\$610,136.75</b>	<b>\$1,541,959.62</b>	<b>\$7,896.80</b>	<b>\$10,002.24</b>





## Quarterly Board Meeting

### Executive Report

#### **Annual Comprehensive Financial Report**

The Annual Comprehensive Financial Report (ACFR) for Fiscal Year 2024 are available for APERS, ASPRS, and AJRS. The ACFR reflects the system's overall financial health, investment performance, and long-term sustainability.

#### **APERS Legislative Audit**

APERS FY24 Legislative Audit has been completed, and Trustees will be receiving it in the mail shortly.

#### **Pension Administration System Upgrade**

Upgrading our pension administration system remains a top priority. Our goal is to implement a modern, secure, and efficient platform that improves the accuracy of member data, streamlines benefit processing, and enhances overall service delivery and security. Planning activities are well underway, and project work is scheduled to fully commence in July 2025. The complete upgrade is expected to take up to two years to finalize.

#### **Multi-Factor Authentication**

APERS is implementing a multi-factor authentication process to begin in May for our current pension administration system for a greater security and protection of data.

#### **Membership Outreach and Education**

We are enhancing our outreach efforts to ensure all members remain well-informed about their benefits. Key initiatives include:

- **Employer Webinars:** Organizing educational sessions that focus on employer reporting requirements and system navigation.
- **Social Media Engagement:** Utilizing social media channels to share essential information on retirement planning and benefits.
- **Member/Retiree Webinars and On-Site Training:** The public affairs team conducted several training sessions during the last quarter to further educate and engage our members.

#### **Legislative Session Update**

APERS staff is actively monitoring the legislative session with an emphasis on proposals that could impact pension funding, benefit formulas, and administrative processes. We are collaborating closely with legislators to ensure that our members' interests are effectively represented.