



AR TRS

Arkansas Teacher Retirement System

ATRS was established in 1937

ATRS is a defined benefit plan for public school and other public education employees.

It is administered as a "qualified" retirement plan under the provisions of IRS § 401(a). The state statutes contain the benefit provisions for our members at Arkansas Code §§ 24-7-201 et. seq., which are supplemented by ATRS Rules.

ATRS Mission Statement: **Recruit, Retain, and Reward** Career Educators.

Ultimate authority, general administration and responsibility for the proper operation of ATRS is vested in the 15 member Board of Trustees. Eleven trustees are elected by ATRS members, and four trustees serve as ex officio by virtue of their elected positions in state government.

ATRS Actuarial Status as of June 30, 2018

80% Funded

28 Year Amortization Period

(Should be less than 30 years, with a target of 18 years)

ATRS Actuarial Value as of June 30, 2018: \$16.7 Billion

ATRS Market Value as of June 30, 2019: \$17.6 Billion

ATRS Member Data – September 2019

Active Members – 77,216

Retirees and Survivors - 50,083 (including 1,379 new as of July 1, 2019)

Total Annual Benefits Paid:	\$ 1,179,049.116
Total Monthly Benefits Paid:	\$ 98,254,093
Average Monthly Benefit Paid:	\$ 1,965

T-DROP Participants: 3,751 (including 640 new as of July 1, 2019)

Accumulated Account Balances in T-DROP: \$ 336,894,805

Working Retirees (FY 2018-19): 4,003

TOTAL Employer/Employee Contributions (FY 2018-19): \$ 534,992,640

14% Active Employer Contributions:	\$ 356,614,671
6% Active Employee Contributions:	\$ 130,248,080
14% T-DROP Employer Contributions:	\$ 32,370,459
14% Working Retiree Employer Contributions:	\$ 15,759,430

Number of Retirees 90-99 Years of Age: 976

Female:	803
Male:	173

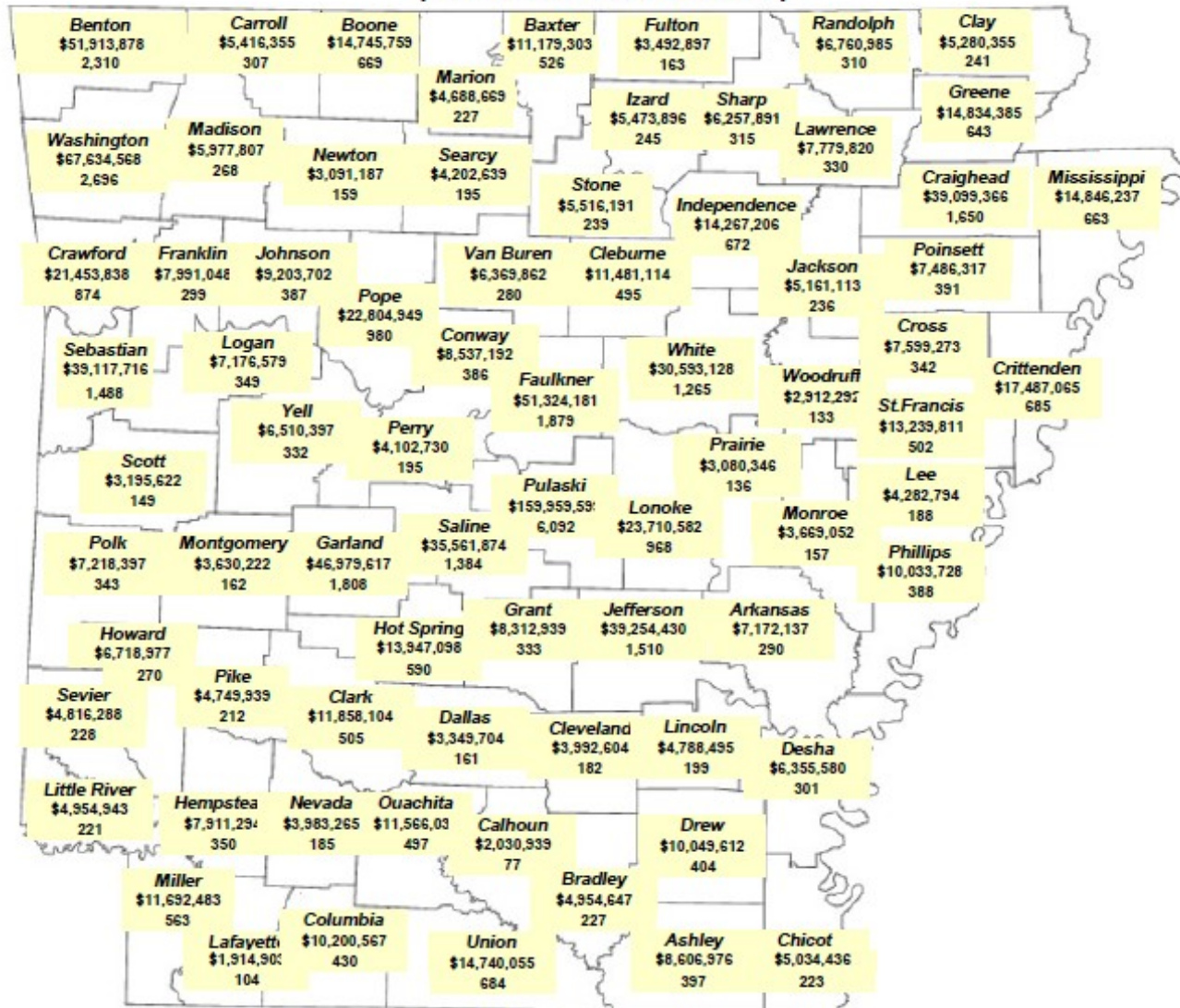
Number of Retirees 100 Years of Age or older: 31

Female:	28
Male:	3

Oldest ATRS Retiree Age: 108 (Female)

Retired Members

(current as of 09/03/2019)

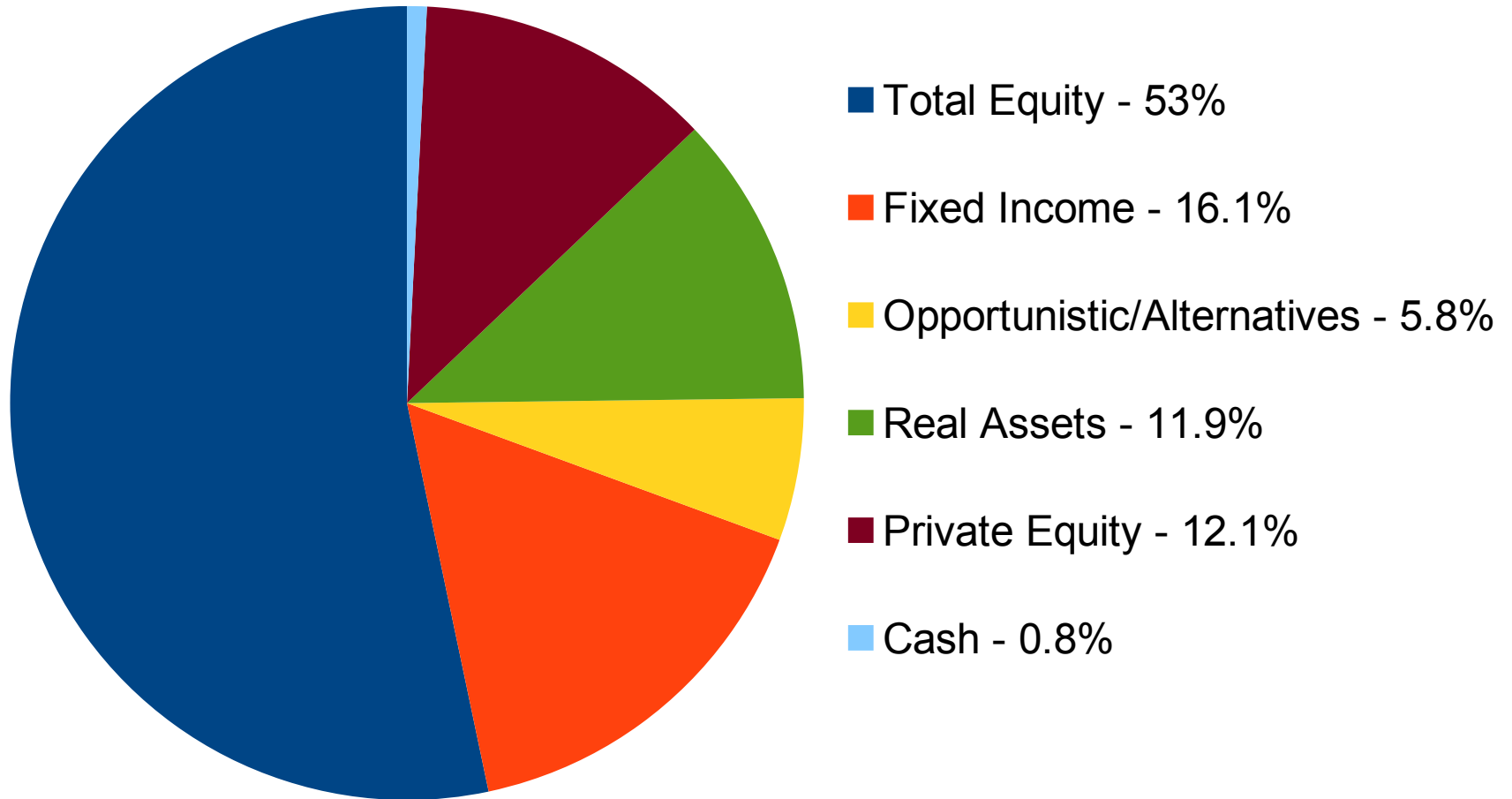


CURRENT BENEFITS AS OF 09/03/2019:

- Recipients: 50,083 total (4,839 outside Arkansas) (includes Retirees, Surviving Spouses and Children)

\$ - Annual Benefit to Retired Members: \$1,179,049,116 total (\$91,759,129 outside Arkansas)

ATRS Asset Allocation

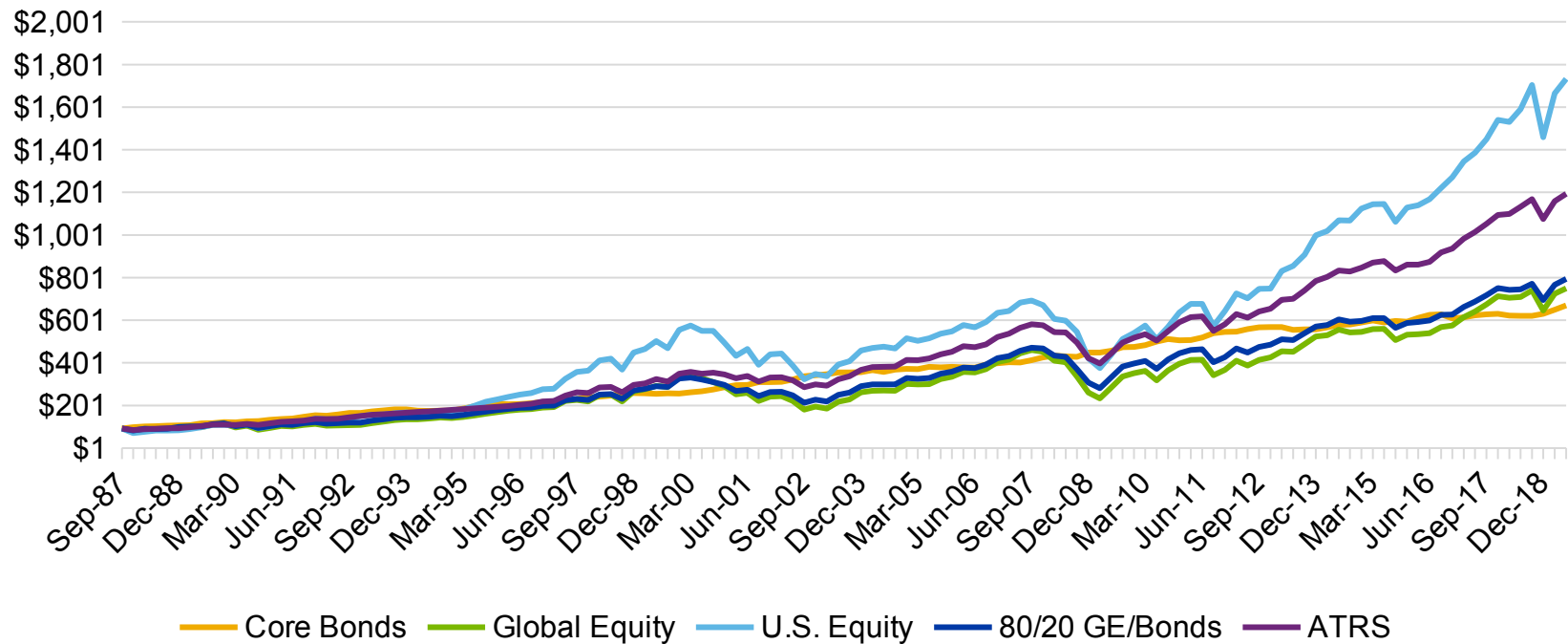


Investment Growth of Assets

- Assumes beginning ATRS Total Fund Value of \$93.8 million on September 30, 1987

9/30/1987 - 6/30/2019	Core Bonds	Global Equity	U.S. Equity	80/20 GE/Bonds	ATRS
Investment Growth in Assets (\$M)*	\$576	\$657	\$1,639	\$701	\$1,100

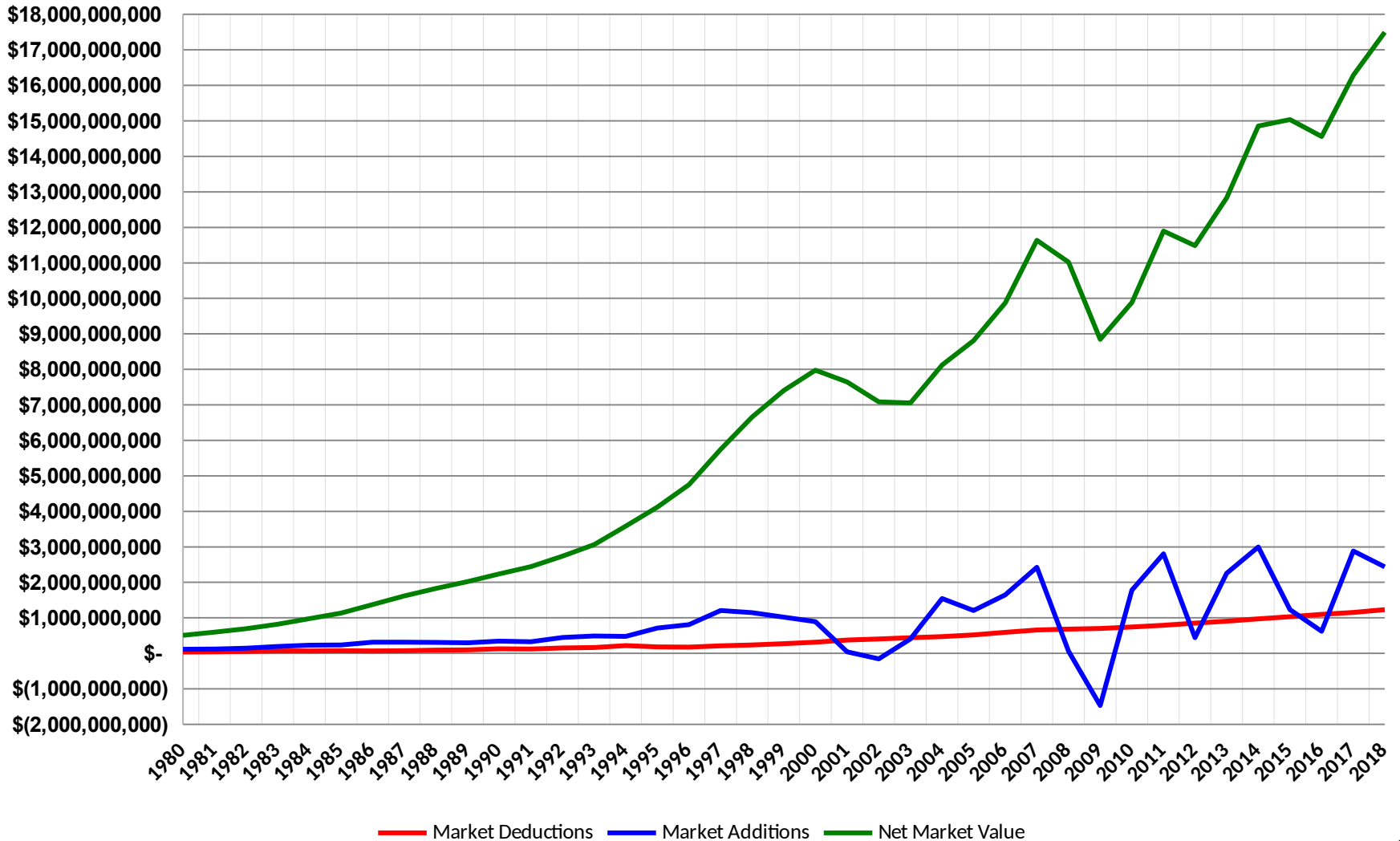
Investment Growth of Assets



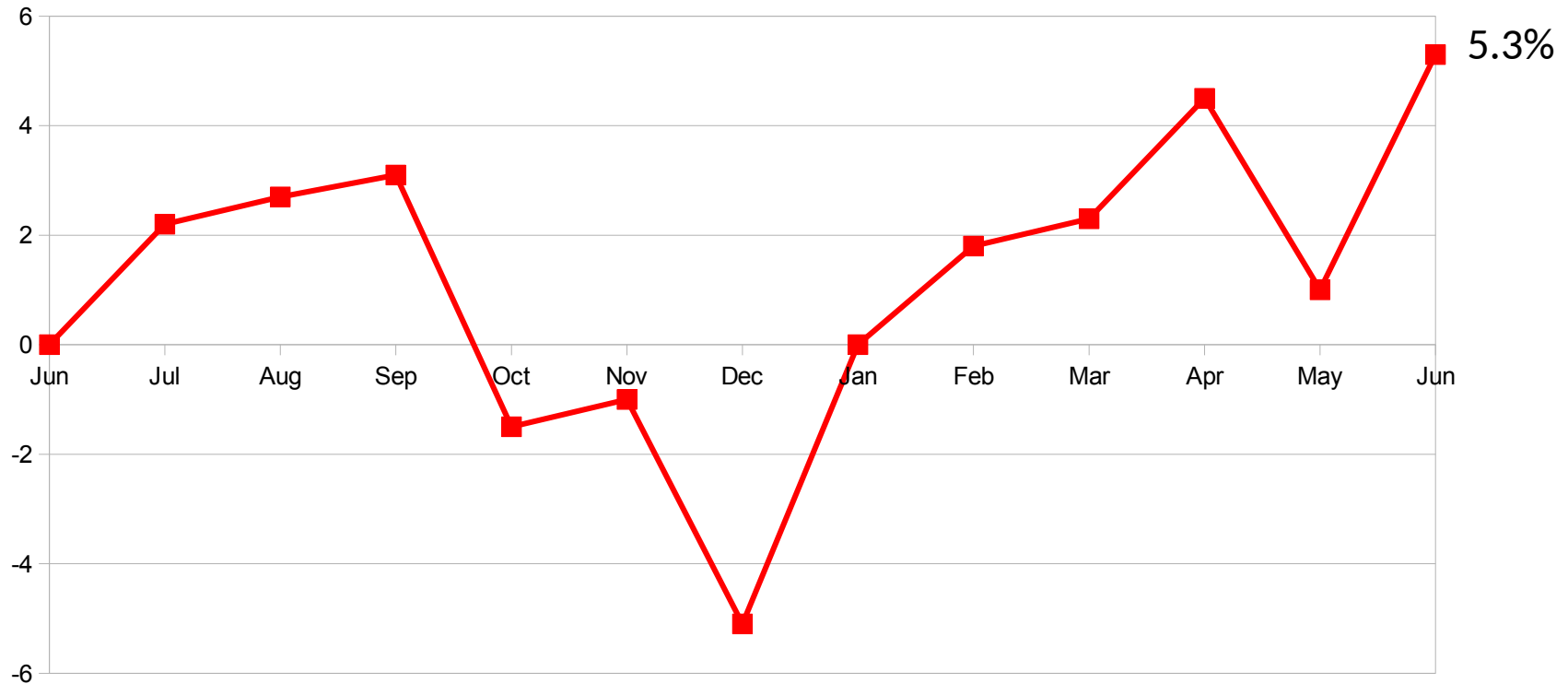
* Growth of assets does not include any contributions into the Plan. Reflects solely investment earnings

History of Income, Expense, and Total Assets

ATRS Income / Expense Comparison



ATRS Rate of Return Snapshot at June 30, 2019



Long Term Geometric Average of Investment Returns

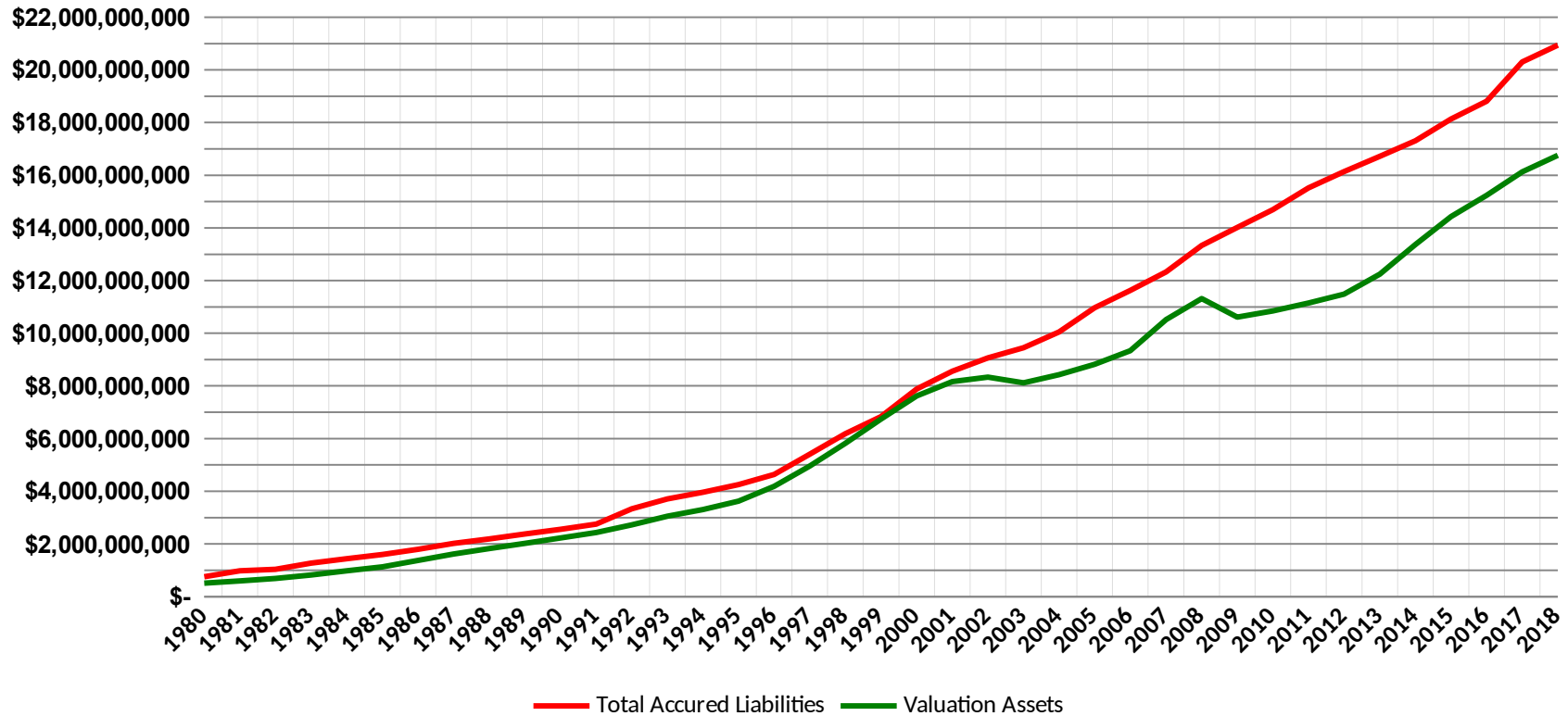
10 Year Average - 10.4%

20 Year Average - 6.7%

30 Year Average - 8.8%

History of Projected Liabilities and Accumulated Assets

ATRS Actuarial Accrued Liabilities & Assets



2017 Member Benefit Adjustments

Reasons for 2017 Adjustments:

- Increased Expected Lifespan of Members
- Reduced Assumed Rate of Investment Return (from 8.0% to 7.5%)

Adjustments to Keep a Healthy System:

- 5 Year Final Average Salary
- 10 Year Quasi-Vesting Period
- Early Retirement Reduction Increased to 10% per year
- Benefit Stipend removed from Base Salary for COLA
- Benefit Stipend Reduced by \$25/Month
- Noncontributory Multiplier Reduced to 1.25%
- Outsourcing of School Personnel Surcharge up to 3%
- Member and Employer Contribution Rates Increase by 1%
- T-DROP Amortization Rate reduced to 3%

These adjustments will not be fully implemented until July 1, 2022.

