FOR FISCAL YEAR

2025

ASPRS
ARKANSAS STATE POLICE
RETIREMENT SYSTEM

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Arkansas State Police Retirement System
Annual Comprehensive Financial Report
for the fiscal year ending June 30, 2025.

501 - 682 - 7800

www.arsprs.org

ASPRS
ARKANSAS STATE POLICE
RETIREMENT SYSTEM

Arkansas State Police Retirement System
Annual Comprehensive Financial Report

for Fiscal Year 2025

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ARKANSAS STATE POLICE
RETIREMENT SYSTEM

ASPRS

ARKANSAS STATE POLICE
RETIREMENT SYSTEM

System Highlights

(for the fiscal year ended June 30, 2025)

Active Members

(excludes DROP participants)

	Tier I	Tier II
Number	4	538
Average Age	51.1	38.6
Average Years' Service	25.5	11.5
Average Annual Salary	$ 121,948	$ 79,368

Inactive Vested Members

Number of Inactive Vested members	123

Members Who Retired or Entered DROP in Fiscal 2025

	Age & Service	Disability
Retired Members	19	0
Average Age	55.08	n/a
Average Credited Years of Service	19.31	n/a
Average Monthly Pension	$ 4,379	n/a

Total Retirees & Beneficiaries

(includes DROP participants, disability recipients, and death-in-service beneficiaries)

Retired Members and Beneficiaries	789
Average Monthly Pension	$ 3,468

December 1, 2025

Board of Trustees

Arkansas State Police Retirement System

Little Rock, AR 72201

To the Members of the Arkansas State Police Retirement System (ASPRS):

We are pleased to present the Arkansas State Police Retirement System Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2025.

This report reflects the collaborative work of ASPRS management, under the guidance of the Board of Trustees. To the best of our knowledge, the information presented is materially accurate and fairly represents the financial position and operations of the System. The report supports informed decision-making, promotes transparency, ensures legal compliance, and reflects our commitment to responsible stewardship of retirement assets.

Plan Basics

Established in 1951, the Arkansas State Police Retirement System provides retirement benefits to Arkansas State Troopers. ASPRS operates as a separate retirement system with distinct benefit provisions, while investment assets are managed under the authority of the APERS Board of Trustees pursuant to Act 1242 of 2009.

The System's mission is to provide secure and sustainable retirement benefits for its members. Plan provisions and benefit structures are summarized in the Actuarial Section, with additional historical and statistical information presented in the Statistical Section.

Financial Information

This report has been prepared in accordance with generally accepted accounting principles (GAAP) in the United States.

ASPRS is responsible for establishing and maintaining effective internal controls over financial reporting. These controls are designed to provide reasonable assurance that transactions are properly authorized and recorded, and that financial statements are prepared in conformity with GAAP.

Investments

Pursuant to Act 1242 of 2009, ASPRS investment assets are managed by the APERS Board of Trustees in accordance with Arkansas Code Annotated § 24-2-618 et seq., including fiduciary obligations under the prudent investor rule.

The Investment Policy Statement guides asset allocation and risk management. Through diversification, the portfolio seeks to optimize long-term returns while managing risk. Asset allocation details are provided in the Investments Section.

Investment managers execute policy directives within Board-approved guidelines and applicable law. Ongoing compliance monitoring is conducted by APERS staff and the System's investment consultant. A list of investment managers appears in the Investments Section.

For fiscal year 2025, the fund achieved an 11.11% rate of return. Over the past 20 years, ASPRS has maintained a long-term annualized return of 7.45%.

Actuarial Analysis

A retirement system is considered well-funded when assets are sufficient to meet future benefit obligations. Higher funding ratios reflect stronger financial health and long-term sustainability. ASPRS' statutory funding objective is to meet benefit obligations through stable employer contributions expressed as a percentage of active member payroll. ASPRS follows the APERS Actuarial Funding Policy targeting a funding level of 100%.

As of June 30, 2025, ASPRS reported an actuarial accrued liability of $594.1 million and actuarial funding value of assets totaling $467 million, resulting in a funded ratio of 79%. A detailed analysis is provided in the Actuarial Section.

Professional Services

The Board retains independent professionals to support the System's long-term strength and integrity. Actuarial services are provided by Gabriel, Roeder, Smith & Company (GRS); investment consulting is provided by Callan, LLC and Stephens, Inc.; and annual financial audits are performed by Arkansas Legislative Audit pursuant to Arkansas Code Annotated § 24-2-702.

Acknowledgments

This report reflects the combined efforts of ASPRS staff and the Board of Trustees. We thank all who contribute to the prudent administration and long-term success of the System.

Message from the Chair and Executive Secretary

Throughout fiscal year 2025, the Board remained focused on fulfilling its fiduciary responsibilities and strengthening the trust fund. We thank the Board of Trustees for their leadership and the ASPRS staff for their continued dedication and service.

We remain committed to preserving the financial strength of the System to ensure ASPRS meets its benefit obligations — now and in the future.

Respectfully,

Kyle Drown, Chair
Arkansas State Police Retirement System
Board of Trustees

Amy Fecher, Executive Secretary
Arkansas State Police Retirement System

A Brief History of ASPRS

With the passage of Act 311 on March 19, 1951, the Arkansas General Assembly created the Arkansas State Police Retirement System (ASPRS or "the System"). The System provides for the retirement of the Arkansas State Police Troopers within the Department of Public Safety.

In the beginning, all ASPRS members participated in a contributory plan whereby the employer and employees made contributions to the System until 1977, when Act 793 was signed by then Governor David Pryor. This legislation offered a choice to employees who were currently under the contributory plan. They could remain under the contributory plan or change over to the new non-contributory plan in which only the employer makes contributions to the System. This choice was offered to employees who were current or previous ASPRS members that returned to work on or after January 1, 1978; however, anyone joining the System on or after January 1, 1978, who was not previously an ASPRS member is automatically covered under the new non-contributory plan.

Act 1071 of 1997 created the Tier Two Benefit Plan for the State Police Retirement System (Tier II) for all troopers hired on or after April 3, 1997. Members of the plan in effect before April 3, 1997 (Tier I) had the option to elect participation in Tier II for one year.

Act 1242 of 2009 merged the investable assets of ASPRS with those of the Arkansas Public Employees' Retirement System (APERS). All authority over investment of the merged assets was granted to the Board of Trustees of the Arkansas Public Employees' Retirement System (APERS Board). Investment schedules contained herein reflect the market values accrued to each system.

This annual financial report, which covers the period from July 1, 2024, through June 30, 2025, provides comprehensive information about the System including a description of the retirement plan; investment policies and objectives; financial statements; an actuarial report; and historical and statistical information on active members, annuitants, and benefit payments.

Troop Headquarters

Troop "A" 501-618-8282
1 State Police Plaza Drive, Little Rock, AR 72209
Captain Jeffrey Plouch - Commander

Troop "B" 870-523-2701
3200 Highway 367 North, Newport, AR 72112
Captain Todd Shaw - Commander

Troop "C" 870-935-7302
2216 Browns Lane Access Rd, Jonesboro, AR 72403
Captain John Carter - Commander

Troop "D" 870-633-1454
3205 North Washington, Forrest City, AR 72335
Captain David Williams - Commander

Troop "E" 870-247-1483
6816 Princeton Pike, Pine Bluff, AR 71602
Captain Marcus Daniels - Commander

Troop "F" 870-226-3713
1237 North Myrtle, Warren, AR 71671
Captain Rick Neill - Commander

Troop "G" 870-777-4641
2501 North Hazel, Hope, AR 71801
Captain Brady Gore - Commander

Troop "H" 479-783-5195
5728 Kelley Highway, Fort Smith, AR 72914
Captain Chris Goodman - Commander

Troop "I" 870-741-3455
5196 US 65 South, Harrison, AR 72601
Captain Wesley Smithee - Commander

Troop "J" 479-754-3096
2700 West Main, Clarksville, AR 72830
Captain Kyle Drown - Commander

Troop "K" 501-767-8550
200 Karen Street, Hot Springs, AR 71901
Captain Scott Joe - Commander

Troop "L" 479-751-6663
1120 W Monroe Ave, Lowell, AR 72745
Captain Seth Pinner - Commander

Board of Trustees

Senior Staff

Amy Fecher
Executive Secretary

Carlos Borromeo
Chief Investment Officer

Allison Woods
Chief Benefits Officer

Ashley Golleher
Chief Operations Officer

Jason Willett
Chief Fiscal Officer

Patty Shipp
Chief Assurance and Risk Management Officer

Phillip Norton
Chief Information Officer

Laura Gilson
General Counsel

Usha Doolabh
Director of Investments

Jennifer Taylor
Retirement Administrator

Jacobia Bates
Director of Public Affairs

Cheryl Wilburn
Manager, Benefits Operations

Tammy Shadwick
Manager, Human Resources

Shelly George
Manager, Employer Reporting

Jon Aucoin
Manager, Investment and Finance Reporting

Brooke Hollowoa
Director of Marketing

Professional Service Providers

Custodial Bank	Actuary	Investment Consultant	Private Markets Consultant
The Bank of New York Mellon	Gabriel, Roeder, Smith & Co.	Callan Associates, Inc.	Stephens Capital Management
Pittsburgh, PA 15258	Southfield, MI 48076	Chicago, IL 60602	Little Rock, AR 72201

Management's Discussion and Analysis

This discussion and analysis of the Arkansas State Police Retirement System (ASPRS or "the System") provides an overview of the System's financial activities for the fiscal year ended June 30, 2025 (fiscal year 2025 or FY25). It is intended to be used in conjunction with the Letter from the Chair of the ASPRS Board and Executive Secretary and the ASPRS financial statements and notes, which begin on page 17 of this report.

Using the Financial Report

This Annual Comprehensive Financial Report reflects the activities of the ASPRS as reported in the Statement of Fiduciary Net Position (page 15) and the Statement of Changes in Fiduciary Net Position (page 16). These statements are presented on an accrual basis and reflect all Trust Fund activities as incurred.

The Notes to the Financial Statements are an integral part of the financial statements and include additional information essential to understanding the basic financial statements.

The Required Supplementary Information following the Notes to the Financial Statements provides historical information and additional details considered useful in evaluating the condition of the plan. Investment data in the Financial section is presented at fair value. See the Actuarial section of this report for a detailed discussion of the actuarial value of assets and liabilities and the funded ratio.

Financial Highlights

ASPRS net position restricted for pension benefits increased by $43.7 million during FY2025. On June 30, 2025 total plan assets were $513.1 million. These assets exceeded total liabilities of $29.9 million, resulting in a net position restricted for pension benefits of $483.2 million.

Total additions for the System increased by $7.7 million in FY2025. The primary reasons for this increase in FY2025 additions was the increase in net investment income of $6.2 million and the increase of $1.5 million in total contributions. ASPRS had an investment return of 11.11% in FY2025, which was slightly higher than the return of 10.42% in FY2024.

The Statement of Fiduciary Net Position

The Statement of Fiduciary Net Position (see page 15) reports the pension trust fund's assets, liabilities, and resulting net position at the end of the fiscal year such that

ASSETS - LIABILITIES = NET POSITION

It is a snapshot of the financial position of the pension trust fund at that specific time.

The Statement of Changes in Fiduciary Net Position

The Statement of Changes in Fiduciary Net Position (page 16) reports the pension trust fund's financial transactions that have occurred during the fiscal year such that:

ADDITIONS - DEDUCTIONS = NET CHANGE IN NET POSITION

It supports the change that has occurred to the prior year's net position value on the Statement of Fiduciary Net Position.

ASPRS
ARKANSAS STATE POLICE
RETIREMENT SYSTEM

Notes to the Financial Statements

The notes to the financial statements are provided as an integral component of the financial statements to help explain in narrative form some of the more complex or less obvious elements to the statements. Further, the notes provide additional information that is essential for a comprehensive understanding of the System's financial condition and the results of its operations.

Note 1 provides a general description of the System, including information regarding membership and employers.

Note 2 summarizes significant accounting policies, including the basis of accounting, management's use of estimates, and other accounting policies.

Note 3 describes deposits and investment risk.

Note 4 provides information regarding legally required reserves.

Note 5 provides information regarding the System's net pension liability.

Note 6 describes the System's Deferred Retirement Option Plan.

Basic Financial Statements

Statement of Fiduciary Net Position

(as of June 30, 2024 and 2025)

ASSETS	2025	2024
Cash and Cash Equivalents	$21,114,410	$24,851,474
Receivables	1,601,900	2,504,661
Investments at Fair Value		
Government Securities	23,050,154	18,145,585
Corporate Securities	253,955,347	195,262,847
International Securities	88,476,921	109,813,700
Core Plus Bond Fund	27,804,651	25,438,017
Real Estate	38,975,401	41,794,869
Private Markets	12,901,588	10,434,294
Timberland	16,205,448	13,109,751
Commercial Loans	24,071	24,156
Core Infrastructure	798,184	-
Secondary Infrastructure	368,778	-
Total Investments at Fair Value	462,560,543	414,023,219
Securities Lending Collateral Investments, At Fair Value	27,787,581	25,330,373
TOTAL ASSETS	513,064,434	466,709,727
LIABILITIES		
Accounts Payable and Accrued Expenses	1,064,008	608,869
Investment Purchases Payable	989,997	1,262,108
Securities Lending Liability	27,810,953	25,334,078
TOTAL LIABILITIES	29,864,958	27,205,055
NET POSITION RESTRICTED FOR PENSION BENEFITS	$483,199,476	$439,504,672

Statement of Changes in Fiduciary Net Position

(as of June 30, 2024 and 2025)

ADDITIONS	**2025**	**2024**
Employer Contributions	$12,155,840	$11,012,463
Plan Member	84,774	8,021
Supplemental	10,387,039	11,427,008
Court	943,282	674,665
Drivers' License Reinstatement Fees	1,543,664	1,547,229
Motor Vehicle Title Fees	6,009,478	4,915,733
Total Contributions	31,124,077	29,585,119
Investment Income		
Interest	4,788,898	4,311,169
Dividends	3,146,353	3,495,127
Investment Gain/(Loss)	35,363,298	31,512,280
Security Lending Income	1,426,890	1,502,471
Real Estate Income	4,513,173	1,474,081
Total Investment Income	49,238,612	42,295,128
Less: Investment Expense	3,831,502	3,073,210
Net Investment Income	45,407,110	39,221,918
Other Additions	420	499
Total Additions	76,531,607	68,807,536
Deductions		
Benefit Payments	32,582,475	31,410,879
Administrative Expenses	254,328	227,099
Total Deductions	32,836,803	31,637,978
NET INCREASE (DECREASE)	43,694,804	37,169,558
Net Position Restricted for Pension Benefits		
Beginning of Year	439,504,672	402,335,114
End of Year	$483,199,476	$439,504,672

Notes to the Financial Statements

Note 1: Plan Description

General Information

ASPRS is a single-employer, defined benefit pension plan established on March 19, 1951 with the passage of Act 311 of 1951. The System provides for the retirement of police officers employed by the Arkansas State Police. The laws governing the operations of ASPRS are set forth in Arkansas Code Annotated (A.C.A.), Title 24, Chapters 2 and 6. Act 1071 of 1997 created a Tier II benefit plan for all police officers hired on or after April 3, 1997.

Effective July 1, 2009, Act 1242 of 2009 transferred the assets of ASPRS to the Arkansas Public Employees' Retirement System (APERS) to hold in trust for ASPRS. Act 1242 of 2009 also states that the Arkansas State Police Trust Fund shall not be treated as segregated funds but shall be commingled with the assets of APERS strictly for investment purposes and that the assets of ASPRS and APERS shall be invested as determined by the Board of Trustees of the Arkansas Public Employees' Retirement System (APERS Board).

Act 1242 of 2009 also created the Arkansas State Police Officers' Tier II Deferred Retirement Option Plan (DROP), and it changed the composition of the Board of Trustees of the State Police Retirement System (ASPRS Board).

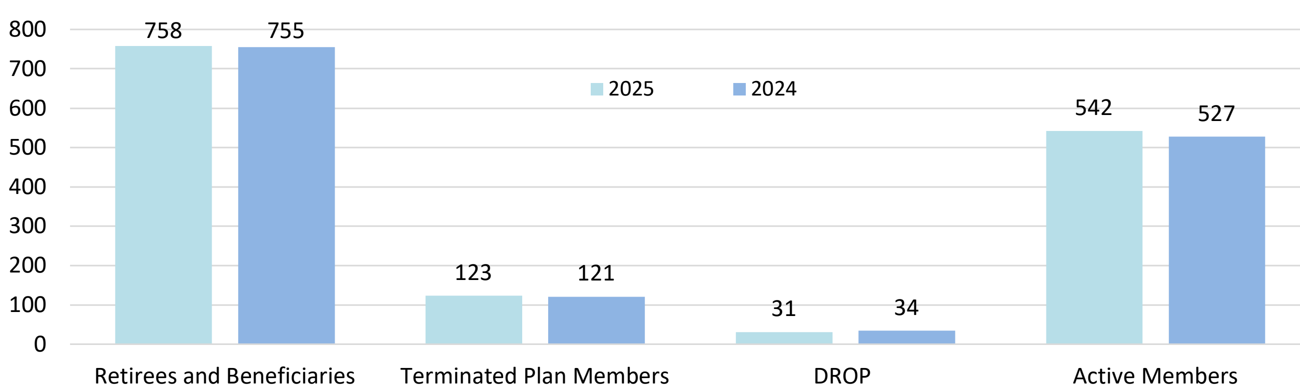
Arkansas Code Annotated § 24-6-204 states that the membership of the ASPRS Board shall be composed of seven members as follows:

- One active member enrolled in the Tier I benefits program,
- One active, vested member enrolled in the Tier II benefits program,
- The State Police Commissioner who shall be appointed by the Governor,
- The Chief Fiscal Officer of State or his or her designee, and
- Three citizens at large who shall be appointed by the Governor.
- The members of the ASPRS Board are listed on page 12 of this report.

Membership

(as of June 30, 2024 and 2025)

Members	2025	2024
Retirees and Beneficiaries	758	755
Terminated plan members entitled to but not yet receiving benefits	123	121
DROP Participants	31	34
Active Plan Members (Excludes DROP Participants)	542	527
Total Membership	1,454	1,437



Contributions
As of June 30 in both 2024 and 2025, there were no contributory members of ASPRS. Plan member contributions presented in the financial statements are related to service purchase payments. Contribution provisions are established by state law and may be amended only by the Arkansas General Assembly. Beginning with fiscal year 2022, the statutory employer contribution rate was increased to 26% by Act 415 of the 2021 legislative session.

Additional Revenue
Act 1071 of 1997 provides for a transfer from insurance premium taxes to the State Police Retirement Fund (the ASPRS fund). The ASPRS fund received $10.39 million of Act 1071 funds in fiscal year 2025 and $11.43 million in fiscal year 2024. Additional funds are collected from motor vehicle title fees in accordance with Act 718 of 2011. The ASPRS fund received $6.01 million of Act 718 funds in fiscal year 2025 and $4.92 million in fiscal year 2024.

System Administration
The costs of administering the System are paid out of investment earnings.

Benefits
Benefit provisions are established by state law and found at Arkansas Code Annotated Title 24, Subchapter 6. They may be amended only by the Arkansas General Assembly. Members are eligible for full retirement benefits after meeting minimum age and service requirements. The normal retirement benefit, paid on a monthly basis, is determined based on a formula that uses (a) the member's final average salary and (b) the number of years of credited service.

Increases after Retirement
Retirees will receive a cost of living adjustment (COLA) increase in their benefit each July 1. Eligibility for the COLA requires being retired from July 1 for a full 12 months.

Note 2: Summary of Significant Accounting Policies
Basis of Accounting
The System's accounts and records are maintained using fund accounting principles, and its financial statements are prepared using the accrual basis of accounting. Expenses are recorded when the liability is incurred; revenues are recorded in the accounting period in which they are earned and become measurable; and investment purchases and sales are recorded as of their trade dates. Member and employer contributions are established by statute as a percentage of salaries and are recognized when due, pursuant to legal requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Use of Estimates
The preparation of the System's financial statements in conformity with accounting principles generally accepted in the U.S. requires the System Administrator to make significant estimates and assumptions that affect various data in the report, including the following:

- The net position restricted for pensions at the date of the financial statements
- The net pension liability and other actuarial information presented in Note 5

- The required supplementary information as of the benefit information date
- The changes in fiduciary net position during the reporting period

Estimates may also be involved in formulating disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from these estimates.

Cash and Cash Equivalents

Cash and cash equivalents include demand accounts, interest accounts, cash in the state treasury, and short-term investment funds (STIF). The STIF accounts are created through daily sweeps of excess cash by the System's custodial bank into bank-sponsored commingled funds that are invested in U.S. Government and agency securities and other short-term investments. The STIF accounts had an average weighted maturity of 90 days or less and are stated at fair value.

Note 3: Deposits and Investments

Deposits

Deposits are carried at cost and are included in "cash and cash equivalents". Cash and cash equivalents include demand accounts, cash in state treasury, and short-term investment funds. As of June 30, 2025, these totals were $19,171, $874,460, and $20,220,779 respectively. State Treasury Management Law governs the management of funds held in the State Treasury (cash in state treasury), and it is the responsibility of the Treasurer of State to ensure the funds are adequately insured and collateralized.

Custodial Credit Risk for Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the System will not be able to recover deposits or collateral securities. The System's policy is to place deposits only in collateralized or insured accounts. As of June 30, 2025, the System's only deposits exposed to potential custodial credit risk were those holding its foreign currency balance which is detailed in the Foreign Currency Risk Table. The System holds foreign currency in banks outside the United States as a result of transactions by international investment managers.

Investments

Arkansas Code Annotated (A.C.A.) §§ 24-2-601 – 24-2-619 authorize the Board to have full power to invest and reinvest monies of the System and to hold, purchase, sell, assign, transfer or dispose of any of the investments or proceeds of the investments in accordance with the prudent investor rule. Security transactions and any resulting gains or losses are accounted for on a trade basis. Net investment income includes net appreciation in the fair value of investments, interest income, dividend income, and total investment expense, which includes investment management fees, custodial fees, and all other significant investment-related costs.

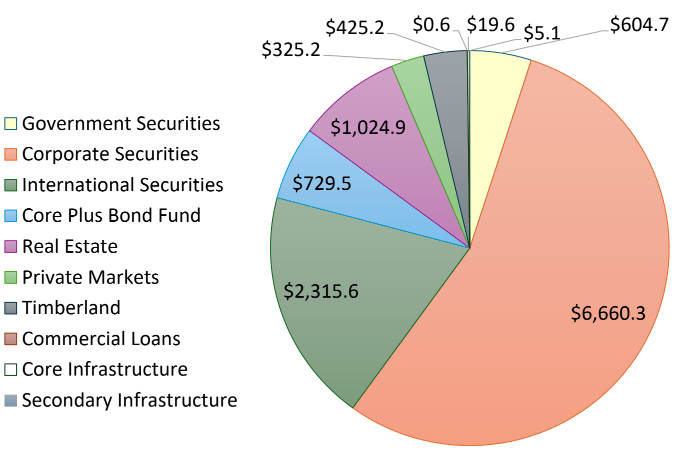
A.C.A. § 24-2-608 also states that the System shall seek to invest not less than 5% nor more than 10% of the System's portfolio in Arkansas-related investments. ASPRS recognizes a legal responsibility to seek to invest in the Arkansas economy while realizing that its primary, legal, and fiduciary commitment is to beneficiaries of the retirement system. As stated in A.C.A. § 24-2-608 (d), "nothing in this section shall in any way limit or impair the responsibility of a fiduciary to invest in accordance with the prudent investor rule set forth in §§ 24-2-610 – 24-2-619."

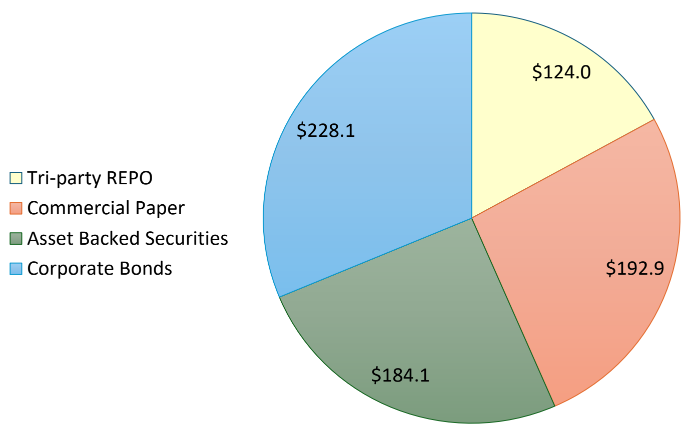
Investments are reported at fair value as determined by the custodial bank. The custodial bank's determination of fair values includes, among other things, using pricing services or quotes by major independent brokers at current exchange rates as available. The schedule on the following page reflects the fair value of investments.

Statement of Invested Assets

(Assets by type at fair value in dollars as of June 30, 2025)*

Category	Base Market Value	ASPRS	APERS
Government Securities	$604,721,594	$23,050,155	$581,671,439
Corporate Securities	6,660,311,876	253,870,908	6,406,440,968
International Securities	2,315,577,869	88,262,812	2,227,315,057
Core Plus Bond Fund	729,455,979	27,804,652	701,651,327
Real Estate	1,024,868,271	39,064,873	985,803,398
Private Markets	325,156,826	12,393,993	312,762,833
Timberland	425,150,475	16,205,448	408,945,027
Commercial Loans	631,501	24,071	607,430
Core Infrastructure	19,617,069	747,743	18,869,325
Secondary Infrastructure	5,050,342	192,504	4,857,838
	$12,110,541,802	$461,617,159	$11,648,924,644
Securities Lending Collateral Investments, at Fair Value:			
Tri-party REPO	$123,970,110	$4,725,365	$119,244,745
Commercial Paper	192,878,023	7,351,926	185,526,097
Asset Backed Securities	184,059,307	7,015,783	177,043,524
Corporate Bonds	228,100,720	8,694,508	219,406,212
	$729,008,159	$27,787,582	$701,220,577





(in millions of dollars)

*Totals may not add up due to rounding.

Custodial Credit Risk for Investments

Custodial credit risk for investments is the risk that, in the event of failure of the counterparty to a transaction, the System will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are (a) uninsured, (b) not registered in the name of the government, and (c) held by either the counterparty or the counterparty's trust department or agent but not in the System's name. Arkansas Code Annotated § 24-2-606 does address the custodianship of assets, and the investment policy states that "the custodian bank shall, by nominee agreement, hold any and all securities for the beneficial interest of the ASPRS fund." As of June 30, 2025, there were no investments exposed to custodial credit risk.

Credit Risk for Investments

Credit risk of investments is the risk that the issuer or other counterparty will not fulfill its obligation to the holder of the investment. Credit risk exposure is dictated by each investment manager's agreement. This credit risk is measured by the credit quality of investment in debt securities as described by nationally recognized statistical rating organizations. Each portfolio is managed in accordance with investment guidelines that are specific as to permissible credit quality ranges, exposure levels within individual security quality rating tiers, and the average credit quality of the overall portfolio.

The schedule below indicates the System's exposure to credit risk for investments:

The System's Exposure to Credit Risk

S&P's Quality Ratings		Securities Lending Collateral
Rating		
AAA	$ 9,895,077	$183,558,420
AA	438,967,389	180,259,648
A	79,297,284	240,719,095
BBB	284,359,423	
BB	63,661,840	
B	17,383,115	
CCC or below	9,657,411	311,525
Not rated	1,808,336,546	123,762,063
Base Market Value	**$2,711,558,085**	**$728,610,751**

Moody's Quality Ratings	
Rating	
Aaa	$ 446,870,656
Aa	181,569,005
A	77,712,609
Baa	269,066,948
Ba	51,333,196
B	19,661,427
Caa or below	16,166,022
Not rated	1,649,178,222
Base Market Value	**$2,711,558,085**

All figures are APERS and ASPRS combined.

Concentration of Credit Risk for Investments

The concentration of credit risk is the risk of loss attributed to the magnitude of the System's investment in a single issuer (not including investments issued or guaranteed by the U.S. government or investments in mutual funds or external investment pools). The System has a formal investment policy for concentration of credit risk. None of the System's investments in any one issuer (other than those issued or guaranteed by the U.S. government) represented more than 5% of total investments.

Interest Rate Risk for Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. Investments can be highly sensitive to changes in interest rates due to their terms or characteristics. Interest rate risk is the greatest risk faced by an investor in the debt securities market since the price of a debt security will often move in the opposite direction of the change in interest rates.

The System's external fixed income investment managers use the measurement of effective duration to mitigate the interest rate risk of the fixed income investments. Each fixed income investment manager monitors and reports the effective duration monthly. The effective duration of the investment portfolio is required to be +/- 10% of the benchmark's duration. The benchmark for the U.S. fixed income markets is the Barclays Capital U.S. Aggregate Bond Index.

As of June 30, 2025, the System had the following debt security investments and maturities:

Debt Security Investments and Maturities

(in dollars as of June 30, 2025)

	Market Value	Less than 1	1 - 5	6 - 10	More than 10	Fund - No Maturities
Government Securities	$ 604,721,594	$ 52,381,224	$ 34,417,081	$ 129,331,103	$388,592,186	-
Corporate Securities	931,498,876	86,798,451	370,442,093	160,461,074	313,797,258	-
International Securities	170,685,359	10,373,417	75,843,532	52,664,752	31,803,658	-
Floating Rate Fund	16,372,550	-	-	-	-	$ 16,372,550
Core Plus Bond Fund	729,455,979	-	-	-	-	729,455,979
Commercial Loans	631,501	-	631,501	-	-	-
Co-Mingled Funds	9,368,008	-	-	-	-	9,368,008
High Yield Income Fund	248,824,218	248,824,218	-	-	-	-
	2,711,558,085	398,377,309	481,334,207	342,456,929	734,193,103	755,196,537
Securities Lending Collateral	728,610,751	521,070,153	207,039,711	500,887	-	-
	$3,440,168,836	$919,447,462	$688,373,919	$342,957,816	$734,193,103	$755,196,537

All figures are APERS and ASPRS combined.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The System's currency risk resides within the international equity investments as well as within the fixed income investments and the fixed income managers. The System's policy is to allow the external investment managers to decide what action to take regarding their respective portfolio's foreign currency exposure using currency forward contracts. The System has a formal investment policy for foreign currency risk which limits foreign currency exposure to 10% of the investment manager's respective portfolio.

Foreign Currency Risk Table

(as of June 30, 2025)

Currency	Fair Value	Percentage
Australian Dollar	$ 6,214,907	0.88%
Brazilian Real	6,232,930	0.88%
British Pound Sterling	132,337,937	18.65%
Canadian Dollar	49,372,843	6.96%
Danish Krone	29,326,852	4.13%
Euro Currency	186,809,074	26.33%
Hong Kong Dollar	38,470,179	5.42%
Israeli Shekel	35,141,488	4.95%
Japanese Yen	110,430,037	15.56%
Mexican New Peso	3,301,266	0.47%
Norwegian Krone	240	0.00%
Singapore Dollar	16,565,003	2.33%
South Korean Won	4,764,985	0.67%
Swedish Krone	36,473,004	5.14%
Swiss Franc	54,168,058	7.63%
	$ 709,608,803	100.00%

Asset-Backed Securities

Asset-backed securities (ABS) are bonds or notes backed by loan paper or accounts receivable originated by banks, credit card companies, or other credit providers. The System's ability to recover the amount of principal invested in these securities depends on the performance and quality of the trust assets.

Mortgage-Backed Securities

A mortgage-backed security (MBS) is a type of asset-backed security that is secured by a mortgage or collection of mortgages. MBSs depend on the underlying pool of mortgage loans to provide cash flow to make principal and interest payments on the security to its holders. The payments are usually periodic, similar to coupon payments. MBSs are subject to credit risk, prepayment risk, and extension risk.

A collateralized mortgage obligation (CMO) is an MBS that comprises classes of bonds created by prioritizing the cash flows of the underlying mortgage pool. CMOs may be collateralized by whole-loan mortgages, mortgage pass-through securities, or stripped mortgage-backed securities.

The System invests in MBSs and CMOs for diversification and to enhance fixed income returns. These instruments are reported at fair value in the Statement of Fiduciary Net Position.

Corporate Bonds

Corporate bonds are a debt security issued by a corporation. The backing for the bond is usually the payment ability of the company, which is typically money to be earned from future operations.

Convertible Corporate Bonds

Convertible bonds convey an option to the bondholders to be exchanged for another asset, generally a fixed number of shares of common stock at a pre-stated price.

Pooled Funds

Pooled funds are funds from many individual investors that are aggregated for the purposes of investment and benefit from economies of scale. The System could be indirectly exposed to credit and market risks associated with forward currency contracts to the extent that these pooled funds hold forward currency contracts for purposes of managing exposure to fluctuations in foreign exchange rates. APERS and ASPRS investments in international pooled funds can be found in the Investments Measured at the Net Asset Value table.

Securities Lending

Arkansas Code Annotated § 24-2-602 and the Board's investment policy permit the System to participate in a securities lending program to augment investment income. The System lends its securities to brokers-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future.

Derivative Instruments

The System adheres to the Governmental Accounting Standards Board (GASB) Statement No. 53: Accounting and Financial Reporting for Derivative Instruments, which addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments.

Derivative instruments are financial contracts or agreements whose values depend on the values of one or more underlying assets, reference rates, or financial indexes. Derivative instruments include futures contracts, forward contracts, swap contracts, options contracts, and forward foreign currency exchange. ASPRS, through its external investment managers, can hold such instruments.

ASPRS does comply with GASB No. 53 and will disclose its exposure to derivative instruments if there is exposure. ASPRS had no exposure to any GASB No. 53 derivative instruments at June 30, 2025.

Foreign Currency Forward Contracts

A foreign currency forward is a contractual agreement between two parties to pay or receive specific amounts of foreign currency at a future date in exchange for another currency at an agreed upon exchange rate. Forward commitments are not standardized and carry credit risk due to the possible nonperformance by one of the counterparties. The maximum potential loss is the aggregate face value in U.S. dollars at the time the contract was opened. These contracts are entered into in order to hedge risks from foreign currency rate fluctuation and to facilitate trade settlement of foreign security transactions. Forwards carry foreign currency risk resulting from adverse fluctuations in foreign exchange rates.

Foreign Currency Forwards

(in dollars as of June 30, 2025)

	Pay	Receive	Notional Value	Market Value	Unrealized G/L
Euro Currency	EUR	USD	$ (462,308)	$ 461,843	$ (465)
Japanese Yen	JPY	USD	(2,123,885)	2,121,976	(1,910)
Japanese Yen	USD	JPY	(1,591,680)	1,591,073	(606)
Swiss Franc	USD	CHF	(308,791)	308,202	(590)
British Pound	USD	GBP	(302,983)	302,640	(342)
			$(4,789,647)	$4,785,734	$(3,913)

All figures are APERS and ASPRS combined.

Financial Futures

A financial future is an agreement to purchase or sell a specific amount of an asset at a specified delivery or maturity date for an agreed upon price. These derivative securities are used to improve yield, adjust duration of the portfolio, circumvent changes in interest rates, or to replicate an index. Futures contracts are standardized and traded on organized exchanges, thereby reducing credit risk.

Financial Futures

(in dollars as of June 30, 2025)

Futures Contract	Expiration	Notional Value	Fair Value	Unrealized Gain/(Loss)
U.S. 2-year Treasury Note	Sept 2025	$ 335,251,752	$ 336,789,946	$ 1,538,194
U.S. 5-year Treasury Note	Sept 2025	47,359,469	47,742,000	382,531
U.S. 10-year Treasury Note	Sept 2025	(7,251,094)	(7,288,125)	(37,031)
U.S. 10-year Ultra Treasury Note	Sept 2025	(15,946,515)	(16,454,250)	(507,735)
U.S. Long Bond Treasury	Sept 2025	42,211,339	43,878,125	1,666,786
U.S. Ultra Bond Treasury	Sept 2025	29,327,492	30,615,125	1,287,633
		$ 430,952,443	$ 435,282,821	$ 4,330,378

Fair Value Measurements

ASPRS categorizes its fair value measurements within the fair value hierarchy by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets of liabilities (Level 1 measurements) and the lower priority to unobservable inputs (Level 3 measurements).

Level 1 – Unadjusted quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The System assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. The table(s) on the following pages shows the fair value leveling of the investments for the System.

Assets classified in Level 1 of the fair value hierarchy are valued directly from a predetermined primary external pricing vendor. Assets classified in Level 2 are subject to pricing by an alternative pricing source due to lack of information available by the primary vendor. Real estate, timberland, and partnership assets classified in Level 3, due to lack of an independent pricing source, are valued using an internal fair value as provided by the investment manager.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument(s) and should not be perceived as the particular investment's risk.

Investments classified as Level 3 in the Investments and Derivative Instruments Measured at Fair Value table are unobservable, meaning that the assets lack an independent pricing source. Values are provided by the investment manager or an external pricing source such as an independent appraiser.

Investments Measured at the Net Asset Value

The fair value of investments that are organized as commingled funds or limited partnerships have no readily ascertainable fair value. The value is determined by using the net asset value per share or its equivalent. Commingled fund values are based on each investor's proportionate share of the total underlying assets in the fund less any liabilities for client withdrawals, investment purchases or other accrued expenses. Limited partnership values are based on the capital account balance the general partner reports at the end of each reporting period, adjusted by subsequent contributions, distributions, management fees, and changes in values of foreign currency and published market prices for certain securities. Even though the limited partnerships and commingled funds issue annual financial statements audited by independent auditors, the year-end for the state and these entities do not always agree. There are inherent uncertainties in estimating fair values for these types of investments, and it is possible that the estimates will change in the near-term or the subsequent sale of assets will be different from the reported net asset value. With certain exceptions, mainly the equity and the fixed income funds, these investments cannot be redeemed, or, have certain restrictions regarding redemption. The real estate investments distributions are through the liquidation of the underlying assets or net operating cash flows. Each investment has a different redemption frequency and notice period as noted in the Investment Measured at the Net Asset Value table.

Investments and Derivative Instruments Measured at Fair Value

(in dollars as of June 30, 2025)

	Fair Value	Level 1	Level 2	Level 3
Investments at Fair Value				
Cash & Cash Equivalents	$6,572,304	$1,162,373	$237	$5,409,694
Public Equities				
Domestic Equity	118,416,393	118,416,393	_	_
International Equity	52,492,362	52,492,362	_	_
U.S. Convertible Preferred	2,308,792	1,786,496	522,296	_
International Preferred	7,377	_	7,377	_
Fixed Income				
U.S. Government Securities	9,696,857	9,696,857	_	_
Futures	165,061	165,061	_	_
US Convertible Bonds	12,410,144	_	12,410,144	_
International Convertible Bonds	1,881,434	_	1,881,434	_
International Fixed Income	4,624,574	_	4,624,574	_
Domestic Fixed Income	32,805,464	_	32,805,464	_
Term Loans	$24,071	_	_	24,071
Total Investments	241,404,833	183,719,542	52,251,526	5,433,765
Securities Lending Collateral Investments, at Fair Value				
Tri-party repo	4,725,365	_	4,725,365	_
CD's	8,694,508	_	8,694,508	_
Commercial Paper	7,015,783	_	7,015,783	_
Asset Backed Securities	7,351,926	_	7,351,926	_
Total Securities Lending Collateral	27,787,582	_	27,787,582	_
Total Investments Measured at Fair Value	$269,192,415	$183,719,542	$80,039,108	$5,433,765
Investments Measured at the Net Asset Value (NAV)				
Pooled Investments				
Index Fund - REITs	$1,090,596	_	_	$1,090,596
Index Fund - ACWI exUS	23,728,968	_	_	23,728,968
Index Fund - U.S. Large Cap Value	6,845,187	_	_	6,845,187
Index Fund - U.S. Large Cap Growth	16,816,770	_	_	16,816,770
Index Fund - S&P 500	27,311,168	_	_	27,311,168
Global Bond Fund	357,080	$357,080	_	_
Global Floating Rate Fund	624,072	624,072	_	_
International Equity Pooled Funds	40,944,517	_	_	40,944,517
Fixed Income Pooled Funds	30,993,753	_	_	30,993,753
Alternative Investments				
Hedge Fund of Funds	10,276,433	_	_	10,276,433
Infrastructure	940,247	_	_	940,247
Agriculture	3,688,825	_	_	3,688,825
Timber	3,713,790	_	_	3,713,790
Private Equity	8,732,787	_	_	8,732,787
Real Estate	49,558,062	_	_	49,558,062
Total Investments Measured at the NAV	$225,622,255	$ 981,152	_	$224,641,103

Investments Measured at the Net Asset Value

(in dollars as of June 30, 2025)

	ASPRS Total	Unfunded Commitments	Redemption Frequency	Redemption Notice
Equity Pooled Investments				
Index Fund - REITs	$1,090,596	_	Daily	T-1
Index Fund - ACWI exUS	23,728,968	_	Daily	T-2
Index Fund - U.S. Large Cap Value	6,845,187	_	Daily	T-1
Index Fund - U.S. Large Cap Growth	16,816,770	_	Daily	T-1
Index Fund - S&P 500	27,311,168	_	Daily	T-1
International Equity Pooled Funds	40,944,517	_	Daily	T-2
Fixed Income Pooled Investments				
Global Bond Fund	357,080	_	Daily	T-1
Global Floating Rate Fund	624,072	_	Daily	T-1
Fixed Income Pooled Funds	30,993,753	_	Daily	T-1
Hedge Fund of Funds				
Blackstone	10,276,433	_	Quarterly	T-45
Infrastructure				
HarbourVest Infrastructure Opportunities Fund III	192,504	$3,621,112	N/A	N/A
Blue Owl Digital Infrastructure Fund III	747,743	1,193,323	N/A	N/A
Agriculture / Farmland				
PGIM Agriculture Investments	1,706,546	_	Quarterly	T-45
International Farming Corp Core Farmland Fund	1,982,279	_	Quarterly	T-45
Timber				
PFI Timberland Fund	3,713,790	_	N/A	N/A
Private Equity				
HarbourVest Dover Street XI	6,615,227	9,757,944	N/A	N/A
Neuberger Berman APERS Fund of One	2,117,560	15,406,879	N/A	N/A
Core Real Estate				
Carlyle Property Investors	3,100,854	_	Quarterly	T-45
Clarion Partners Lion Industrial Trust	3,033,802	_	Quarterly	T-45
Heitman America Real Estate Trust	11,315,090	_	Quarterly	T-90
Principal Enhanced Property Fund	3,261,522	_	Quarterly	T-45
INVESCO Core Real Estate, USA	16,137,893	_	Quarterly	T-45
Value-Add				
Harrison Street Real Estate Partners IX	1,371,561	576,892	N/A	N/A
Harrison Street Real Estate Partners VIII	1,712,701	202,739	N/A	N/A
Heitman Value Partners IV	961,746	184,700	N/A	N/A
LaSalle Income & Growth Fund VII	409,686	_	N/A	N/A
LaSalle Income & Growth Fund VI	127,981	_	N/A	N/A
TA Realty Associates Fund XII	2,007,053	_	N/A	N/A
Starwood Distressed Opportunity Fund XII	2,187,607	857,632	N/A	N/A
TA Realty Associates Fund XIII	2,515,265	192,967	N/A	N/A
TA Realty Associates Fund XI	2,210	_	N/A	N/A
Secondary Real Estate				
Neuberger Berman Real Estate Secondary Opportunities Fund II	755,516	2,142,993	N/A	N/A
Stepstone Real Estate Partners V	657,575	2,212,853	N/A	N/A
	$225,622,255	$36,350,034		

Domestic Equity Pooled Funds

The ASPRS fund does invest in the following passive index funds (beta). An S&P 500 Index Fund, a U.S. Large Cap Growth Index Fund, a U.S. Large Cap Value Index Fund, a REIT Index Fund, and an international ACWI exUS Index Fund. The S&P 500 Index is a fund of the largest 500 corporations in the U.S. equity markets. The Large Cap Growth Index Fund invests in large, well-known companies with a total market value typically exceeding $10 billion and exhibits characteristics associated with rapid growth. Large Cap Value Index Fund also invests in companies typically exceeding $10 billion, however the fund focuses on stocks that appear to be less expensive or are growing more slowly than other large cap stocks. The philosophy is that the market may have underpriced these companies. A REIT Index Fund is a passively managed fund that tracks a specific index of publicly traded Real Estate Investment Trusts (REITs). It provides investors with broad exposure to the real estate market through a single, diversified investment.

International Equity Pooled Funds

The pooled funds consist of two international strategies. The Acadian All Country World ex-US Small Cap strategy employs a combination of top-down and bottom-up multi-factor models to construct the strategy. The top-down consists of value, growth, momentum, volatility, and macro factors. The bottom up drives 80% of the process. The other strategy is the Artisan International Value Fund. It seeks to invest in high-quality, undervalued businesses that offer the potential for superior return. The International Equity ACWI ex US Index Fund is an investment fund that tracks the performance of stocks in developed and emerging markets around the world, excluding the United States.

Fixed Income Pooled Investments

Global Bond Fund and Global Floating Rate Fund — The Global Bond Fund seeks to generate strong risk-adjusted returns from the global bond markets. The strategy focuses on selecting securities with attractive valuations in countries with stable to improving structural outlooks and growth trajectories. By combining bond and currency investments across countries, it creates a well-diversified portfolio that can take advantage of different market, business, and economic cycles and will be generally less correlated to other traditional asset classes. The Floating Rate Fund seeks a high level of current income by investing primarily in floating rate loans and other floating rate investments while diversifying across industries and issuers. The strategy seeks investments with the potential for outperformance based on credit fundamentals and does not sacrifice this quality to chase yield. Preservation of capital stands as the prerequisite to maximization of total return. This means that satisfaction of credit and valuation criteria comes before considering the incremental yield of a prospective security.

Fixed Income Pooled Funds — There are three commingled investment strategies. PGIM Core Plus Bond Fund, MacKay Defensive Bond Fund, and MacKay High Yield Core Fund. The Core Plus Fixed Income Strategy seeks additional return from multiple sources, including sector allocation and subsector and security selection.

Duration, yield curve, and currency positionings are moderate. The largest component of the Core Plus Fixed Income risk is allocated to portfolio strategies that have consistently generated the highest return for the lowest unit of risk over time, such as sector allocation and subsector security selection. The Defensive Bond Fund investment objective is to exploit different sources of return available in high yield corporate securities in a way that generates risk-adjusted returns superior to those available from conventional high yield securities. The investment strategy is based on the assumption and observation that numerous market inefficiencies exist throughout the capital markets (particularly in the high yield bond markets) and that the prudent, active and systematic exploitation of these inefficiencies can generate returns consistent with these objectives. The High Yield Fund's philosophy is centered on the belief that the best risk-adjusted returns and, ultimately, the best absolute returns are generated by a strategy of yield capture and error avoidance.

Hedge Fund of Funds

Blackstone — The System hired Blackstone to manage a fund-of-funds strategy. As the name suggests, Blackstone invests ASPRS' funds in other hedge funds. The number of funds that ASPRS invests in varies on market conditions. The types of strategies that are contained within ASPRS' portfolio also vary. On June 30 there were fundamental equity strategies, event driven strategies, fundamental credit strategies, credit trading strategies, distressed credit strategies, RMBS strategies, structured ABS strategies, multi-strategies, commodity strategies, macro rates strategies, thematic macro strategies, quantitative strategies, Commodity Trading Advisor (CTA) strategies, and special situation strategies in the portfolio.

Infrastructure

HarbourVest Infrastructure Opportunities Fund (IOF III) — IOF III targets secondary investment opportunities and is further strengthened by direct co-investments in infrastructure assets in North America and Western Europe.

Blue Owl Digital Infrastructure Fund (ODI III) — ODI III focuses on developing, acquiring, and owning data centers and other connectivity related real assets to help meet the AI and cloud-driven global digital capacity needs of the world's largest technology companies, with a focus on large-scale, build-to-suit developments.

Agriculture / Farmland

PGIM U.S. Agriculture Fund —PGIM seeks to build diversified portfolios of assets with good quality soils and water security located in microclimates with favorable growing conditions. Targeted investments typically fall within one of the following investment themes: healthier lifestyles, farm tech efficacies and higher productivity, competitive advantage/scale, and opportunistic.

International Farm Corporation (IFC) Core Farmland Fund — This fund seeks to generate stable income and attractive risk-adjusted financial returns. The strategy has a lower correlation to other asset classes, has a lease strategy that reduces risk, and seeks long-term appreciation. The strategy may enable food sourcing solutions for core fund and IFC growers as well.

Timberland

An objective of a timber investment is to provide the fund with diversification from traditional asset classes. The goal of the timber investment is to get a stable core-type return with very low or little volatility.

Private Equity

HarbourVest Dover Street Fund XI — This is a Private Equity ("P/E") secondaries strategy. It is primarily domestic secondary P/E funds. The fund is diversified by vintage year and strategy types. Investment types vary between buyout, venture, growth equity, and distressed.

Neuberger Berman Fund of One — This is a Private Equity fund-of-fund strategy similar to the Blackstone strategy. Neuberger Berman invests ASPRS' funds in other P/E strategies. Neuberger Berman will diversify the strategy by vintage years and style.

Real Estate
This asset class provides diversification to the total portfolio and strives to reduce total fund volatility while also enhancing the total return of the portfolio. Real estate has a low, and in some cases, negative correlation with other major investment asset classes. The following are the strategies that comprise the Real Estate asset class and are explained in greater detail.

Core Real Estate
Carlyle Property Investors — This U.S. focused core-plus fund has its focus on sectors where accelerating demographic trends drive demand. The fund objectives: target investments with a Core+ return profile, seek attractive property rent and NOI growth, seek to generate attractive levels of income and quarterly distributions, and construct a highly diversified portfolio by sector and geography.

Clarion Partners Lion Industrial Trust — This is an open-end industrial fund. It is one of the largest private industrial funds in the U.S. and one of the few "pure-play." The strategy is to invest in warehouse/distribution facilities that appeal to companies focused on e-commerce, logistics, and supply-chain management, with an emphasis on large core industrial markets throughout the United States.

Heitman America Real Estate Trust (HART) — The HART strategy creates a high-quality, low-risk portfolio of stabilized, income-producing assets diversified by property type and economic exposure through acquiring assets in infill locations within major metropolitan areas, focusing on strong site attributes such as proximity to amenities and transportation networks, and ensuring that assets are well constructed with features that will appeal to tenants over long periods of time.

Principal Enhanced Property Fund — This is an open-end, commingled fund sponsored and managed by Principal Real Estate Investors. The features and objectives of the Fund include: pursues a nationally diversified portfolio of high-quality assets, pursues an "enhanced" or "core plus" investment strategy, and provides market competitive total return.

Invesco Core Real Estate (ICRE) — The ICRE strategy is a portfolio of U.S. properties diversified by property type and geographic location, with an emphasis on attractive current income returns and the opportunity for both income and capital growth. It is based on top-down economic fundamentals combined with bottom-up local market intelligence.

Value-Add Real Estate
Harrison Street Real Estate Partners Fund VIII and IX— These Funds acquire, develop, and/or redevelop assets in the education, healthcare, life science, and storage sectors. The majority of the return is anticipated to be generated through appreciation.

Heitman Value Partners IV ("HVP IV") — This is the fourth offering in Heitman's North American value-add series. It is a closed-end, commingled fund that will pursue a diverse set of real estate opportunities with value-added business plans. The objective is to provide investors with attractive risk-adjusted returns. The strategy seeks to benefit from Heitman's extensive research, real estate, and capital markets expertise to identify emerging investment opportunities and trends before they are fully appreciated by the broader market. The Fund will execute investment strategies that capitalize on those opportunities.

LaSalle Funds VI and VII — These Funds pursue non-core properties that exhibit strong fundamentals and are expected to generate both income and appreciation. The sectors focused upon are office, multifamily, retail, industrial, and specialty.

Starwood Distressed Opportunity Fund XII — The strategy pursues distressed investment opportunities which are expected to arise from economic disruptions. Investments are made across multiple sectors, including multifamily, affordable housing, hotels, office, and industrial. The Fund invests primarily in the United States and Europe. The fund pursues both debt and equity investments, including the acquisition of distressed or non-performing loans.

TA Realty Funds XI, XII and XIII — TA Realty has managed value-add, commingled real estate funds for approximately 30 years. They have investments in 35 markets, and four property types (office, industrial, multifamily, and retail). The firm has developed and refined a consistent approach focused on creating diversified real estate portfolios that can generate strong cash flow, benefit from an intensive asset management approach, and result in the long-term creating of value of the life of the fund(s).

Secondary Real Estate

Neuberger Berman Real Estate Secondary Opportunities Fund II (RESOF II) — RESOF II primarily seeks to acquire interests in mature real estate funds from LPs who desire liquidity, as well as to recapitalize seasoned real estate funds and investments alongside incumbent third-party managers. RESOF II invests globally with a focus on the U.S. and Europe. The fund targets the middle market and employs a value-oriented approach.

Stepstone Real Estate Partners V (SREP V) — SREP V seeks to provide liquidity to managers of real estate vehicles through special situations secondaries, including recapitalizations, also referred to as “GP-led secondaries”. Stepstone partners with managers and sponsors to offer creative, flexible secondary and recapitalization solutions across global real estate markets.

Note 4: Legally Required Reserves

The Employers’ Accumulation Account accumulates employers’ contributions to be used in providing the reserves required for transfer to the Retirement Reserve Account as members retire or become eligible for disability benefits.

- The Retirement Reserve Account is the account to which member contributions, interest on those contributions, and employer contributions are transferred upon member retirement.
- The Deferred Annuity Account is the amount set up to cover estimated retirement benefits to inactive vested members who are not currently receiving benefit payments.

As a by-product of achieving level contribution financing, actuarial accrued liabilities usually become increasingly well funded over a period of years. Funded ratios in the 70% to 90% range are common in public sector retirement plans.

The reserve strength of ASPRS remains strong both by absolute and relative measures. Sufficient assets were available to pay estimated retirement benefits applicable to retired individuals or beneficiaries currently receiving benefits and inactive vested individuals who are not currently receiving benefits.

Reserve Balances

(as of June 30, 2025)

Member Deposit Account Reserve	$ 337,598
MDA Interest Reserve	(48,421)
Employer Accumulation Account	110,926,236
Retirement Reserve Account	347,069,088
DROP Reserve Account	4,830,478
Deferred Annuity Reserve	20,083,402
Outlawed Warrants Reserve	1,095
TOTAL	$483,199,476

Note 5: Net Pension Liability

The components of the net pension liability (NPL) of the System on June 30, 2025, were as follow:

Total pension liability	$598,312,356
Plan fiduciary net position	$483,199,476
Net pension liability	$115,112,880
Plan fiduciary net position as a percentage of total pension liability	80.76%

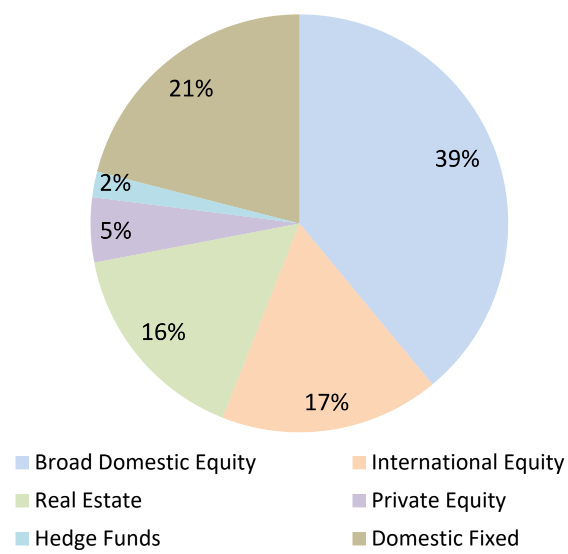
Long-term Expected Return on Plan Assets

The System's policy in regard to the allocation of its invested assets was established by the Board and is reviewed at least annually to determine if the asset allocation is consistent with an acceptable level of risk and volatility.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the current asset allocation percentage and by adding expected price inflation. Best estimates of arithmetic real rates of return for the 10-year period from 2025 to 2034 were based upon capital market assumptions provided by the plan's investment consultants. For each major asset class that is included in the pension plan's current asset allocation as of June 30, 2025, these best estimates are summarized in the following table:

Target Allocation table

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Broad Domestic Equity	39%	5.14%
International Equity	17%	5.97%
Real Estate	16%	5.00%
Private Equity	5%	8.77%
Hedge Funds	2%	3.58%
Domestic Fixed	21%	3.26%
Total	100%	
Total Real Rate of Return		5.02%
Plus: Price Inflation - Actuary's Assumption		2.50%
Less: Investment Expenses (Passive)		0.00%
Net Expected Return		7.52%



Discount Rate

A single discount rate of 7% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

1% Decrease	Current Discount Rate	1% Increase
6.00%	7.00%	8.00%
$190,021,062	$115,112,880	$52,871,040

Note 6: Deferred Retirement Option Plan

A Deferred Retirement Option Plan (DROP) is available to members of the System as authorized by A.C.A. §§ 24-4-801 - 24-4-806. In lieu of terminating employment and accepting a retirement benefit under the System, any member who has at least 28 years of actual service in the System can elect to participate in the DROP. The DROP allows a member to defer the receipt of retirement benefits for a maximum of 10 years. During that time, a percentage of a member's chosen benefit is deposited into an account that accrues interest at a rate of 3.25% annually. The System had a balance of $4,830,478 in the DROP reserve as of June 30, 2025.

Required Supplementary Information

Schedule of Employer Contributions

(dollars in millions)

Year Ended June 30	Actuarially Determined Contribution	Actual Contribution*	Contribution Deficiency (Excess)	Covered Employee Payroll	Actual Contributions as a % of Covered Payroll
2016	$ 14.3	$ 19.7	$ (5.4)	$ 29.4	67.01%
2017	14.1	20.0	(5.9)	29.1	68.73
2018	15.2	21.0	(5.8)	30.0	70.00
2019	15.6	21.3	(5.7)	30.3	70.30
2020	16.9	21.9	(5.0)	33.3	65.77
2021	16.7	22.8	(6.1)	33.6	67.86
2022	15.9	22.7	(6.8)	32.8	69.21
2023	18.3	24.0	(5.7)	37.7	63.66
2024	24.3	29.6	(5.3)	42.9	69.00
2025	24.1	31.1	(7.0)	46.4	67.03

*Actual contributions are based on covered payroll at the time of the contribution. This payroll is not reported to the actuary. The covered payroll shown on this page is the valuation payroll. Based upon the limitations of this schedule, the final column cannot be compared to the contribution rates actually charged to ASPRS participating employers.

Schedule of the Net Pension Liability

Year Ending June 30	Total Pension Liability	Fiduciary Net Position	Net Pension Liability	Fiduciary Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2016	$ 413,882,894	$ 272,920,012	$ 140,962,882	65.94%	$ 29,448,593	478.67%
2017	437,870,023	299,525,117	138,344,906	68.41	29,076,764	475.79
2018	446,878,220	324,938,251	121,939,969	72.71	29,593,145	412.05
2019	458,133,785	337,739,012	120,394,773	73.72	30,287,691	397.50
2020	476,569,897	338,183,678	138,386,219	70.96	33,311,093	415.44
2021	495,913,550	434,873,081	61,040,469	87.69	33,585,266	181.75
2022	504,594,302	381,940,750	122,653,552	75.69	32,757,302	374.43
2023	551,397,552	402,335,114	149,062,438	72.97	37,711,310	395.27
2024	574,074,407	439,504,672	134,569,735	76.56	42,912,787	313.59
2025	598,312,356	483,199,476	115,112,880	80.76	46,387,108	248.16

Schedule of Annual Money Weighted Rate of Return

(annual money-weighted rate of return, net of investment expense, by fiscal year)

Year Ending June 30	Rate of Return
2016	(0.08)%
2017	11.82%
2018	9.82%
2019	5.36%
2020	2.03%
2021	30.59%
2022	(10.82)%
2023	8.43%
2024	9.94%
2025	10.51%

Schedule of Changes in the Net Pension Liability and Related Ratios

(for years ended June 30)

	2025	2024	2023	2022
TOTAL PENSION LIABILITY				
Service Cost	$11,297,816	$9,795,799	$7,156,062	$7,194,124
Interest	39,440,245	37,841,301	35,098,769	34,672,914
Benefit Changes	4,853,429	-	-	-
Differences Between Expected and Actual Experience	1,228,934	6,450,634	24,739,809	(4,036,777)
Assumption Changes	-	-	14,369,541	-
Benefit Payments	(32,580,220)	(31,410,879)	(34,560,931)	(29,149,509)
Refunds	(2,255)	-	-	-
NET CHANGE IN TOTAL PENSION LIABILITY	24,237,949	22,676,855	46,803,250	8,680,752
TOTAL PENSION LIABILITY, BEGINNING OF YEAR	574,074,407	551,397,552	504,594,302	495,913,550
TOTAL PENSION LIABILITY, END OF YEAR (a)	$598,312,356	$574,074,407	$551,397,552	$504,594,302
FIDUCIARY NET POSITION				
Contributions - Employer	$31,124,497	$29,585,618	$ 23,989,270	$22,693,976
Contributions - Member	-	-	-	-
Net Investment Income	45,407,110	39,221,918	31,210,504	(46,247,450)
Benefit Payments	(32,580,220)	(31,410,879)	(34,560,931)	(29,149,509)
Refunds	(2,255)	-	-	-
Administrative Expense	(254,328)	(227,099)	(244,479)	(229,348)
Other	-	-	-	-
NET CHANGE IN FIDUCIARY NET POSITION	43,694,804	37,169,558	20,394,364	(52,932,331)
FIDUCIARY NET POSITION, BEGINNING OF YEAR	439,504,672	402,335,114	381,940,750	434,873,081
FIDUCIARY NET POSITION, END OF YEAR (b)	$483,199,476	$439,504,672	$402,335,114	$381,940,750
NET PENSION LIABILITY, END OF YEAR (a) - (b)	$115,112,880	$134,569,735	$149,062,438	$122,653,552
FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY	80.76%	76.56%	72.97%	75.69%
COVERED - EMPLOYEE PAYROLL	$46,387,108	$42,912,787	$37,711,310	$32,757,302
NET PENSION LIABILITY AS A PERCENTAGE OF COVERED - EMPLOYEE PAYROLL	248.16%	313.59%	395.27%	374.43%

2021	2020	2019	2018	2017	2016
$6,536,818	$5,861,499	$6,691,528	$6,577,148	$5,473,626	$5,488,445
33,332,676	31,967,469	31,299,758	30,678,211	30,322,786	29,469,678
9,589,716	997,533	-	-	-	-
(2,821,477)	7,543,752	(1,805,446)	467,389	(3,052,763)	1,757,687
-	-	-	(4,529,133)	15,875,267	-
(27,294,080)	(27,934,141)	(24,930,275)	(24,185,418)	(24,631,787)	(26,035,466)
19,343,653	18,436,112	11,255,565	9,008,197	23,987,129	10,680,344
476,569,897	458,133,785	446,878,220	437,870,023	413,882,894	403,202,550
$495,913,550	$476,569,897	$458,133,785	$446,878,220	$437,870,023	$413,882,894
$22,783,661	$21,873,425	$21,254,010	$21,003,650	$19,961,066	$19,713,295
-	-	-	-	-	-
101,415,206	6,700,845	17,031,467	28,823,333	31,484,250	(210,045)
(27,294,080)	(27,934,141)	(24,930,275)	(24,185,419)	(24,631,787)	(26,035,466)
(215,384)	(195,463)	(554,441)	(228,430)	(208,424)	(205,342)
-	-	-	-	-	-
96,689,403	444,666	12,800,761	25,413,134	26,605,105	(6,737,558)
338,183,678	337,739,012	324,938,251	299,525,117	272,920,012	279,657,570
$434,873,081	$338,183,678	$337,739,012	$324,938,251	$299,525,117	$272,920,012
$61,040,469	$138,386,219	$120,394,773	$121,939,969	$138,344,906	$140,962,882
87.69%	70.96%	73.72%	72.71%	68.41%	65.94%
$33,585,266	$33,311,093	$30,287,691	$29,593,145	$29,076,764	$29,448,593
181.75%	415.44%	397.50%	412.05%	475.79%	478.67%

ASPRS
ARKANSAS STATE POLICE
RETIREMENT SYSTEM

Investment Overview

Investment returns play an important role in the funded ratio of the Arkansas State Police Retirement System and the Arkansas Public Employees' Retirement System combined portfolio, referred to as "combined portfolio" throughout the remainder of the Investment Section.

The Board of Trustees of the Arkansas Public Employees' Retirement System (the Board) has adopted an Investment Policy Statement with the purpose of the exclusive benefit of the participants and beneficiaries of the System and with the objective of maximizing the total rate of return on investments within prudent risk parameters. The overall goal is to achieve an annualized rate of return which, when combined with employee and employer contributions, will meet or exceed the benefit and administrative requirements of the System.

The System's investments are managed by professional investment management firms based upon statutory investment authority as well as the investment policies adopted by the Board. The investment staff coordinates and monitors the investment of the trust fund's assets and assists in the formulation and implementation of investment policies and long-term investment strategy.

The net investment portfolio fair values shown in this section, and used for the basis of calculating investment returns, may differ from those shown in other sections of this report. The values shown in this section are the appropriate industry standard basis for investment return calculation.

Asset Allocation and Diversification

Asset allocation is a process which is designed to construct an optimal long-term asset mix which achieves a specific set of investment objectives. The Investment Policy Statement establishes the System's asset allocation policy as designed to meet those objectives.

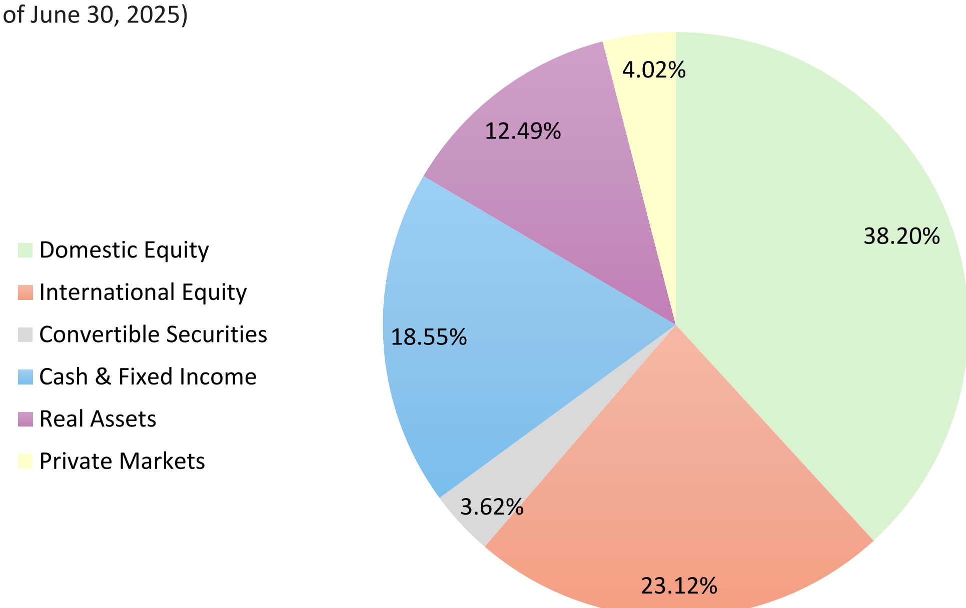
The System's asset allocation policy has been adopted to provide diversification. The goal is to maximize the investment return as well as to be consistent with prudent levels of market and economic risks. The most important investment decision is the determination of asset allocation targets.

Risk is diversified by utilizing active and passive management as well as by retaining multiple investment management firms with varying investment styles.

The pie chart illustrates the actual asset allocation to each type of investment as of the June 30, 2025.

Summary of Investment Allocation by Asset Class

(as of June 30, 2025)

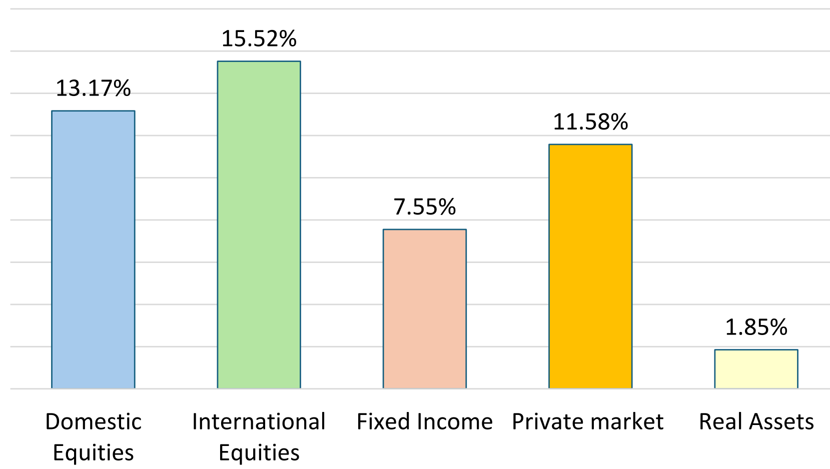


Due to rounding, chart may not equal 100%

Investment Return Summary

For the Fiscal Year 2025

- The System posted an **11.11%** return.
- Domestic Equity posted a **13.17%** return.
- International Equity posted a **15.52%** return.
- Fixed Income posted a **7.55%** return.
- Real Assets posted a **1.85%** return.



Investment Results

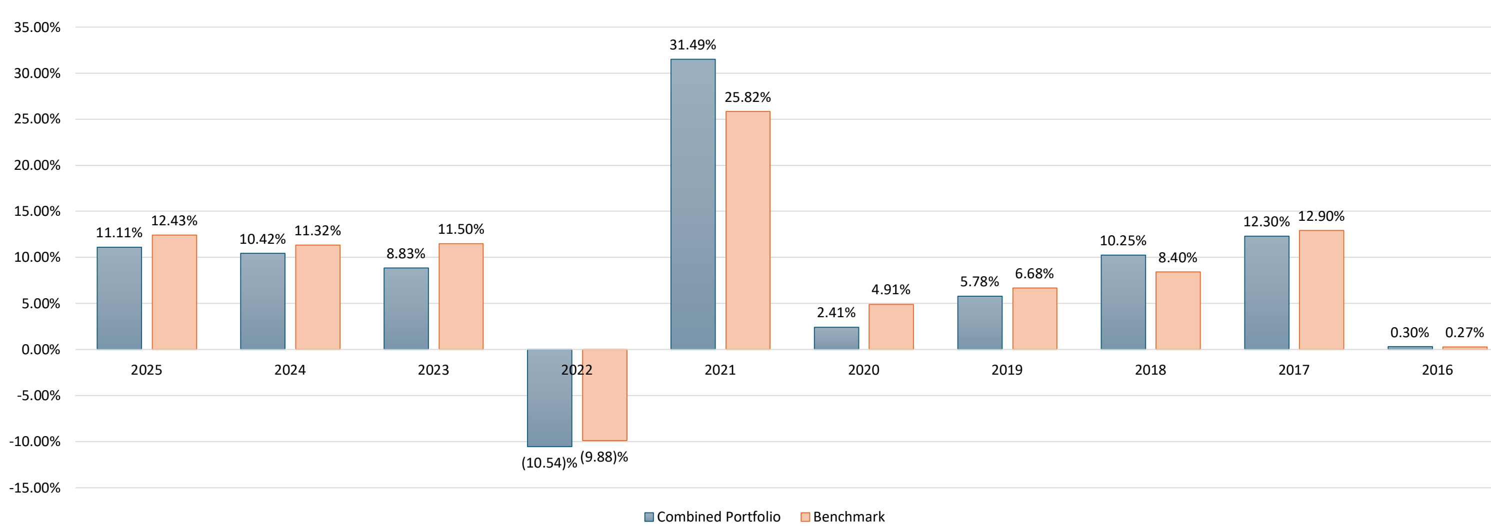
For the fiscal year ending June 30, 2025, the combined portfolio realized a total investment return of 11.11%. The return slightly underperformed the 12.43% return of the combined portfolio's policy benchmark, a set of market indexes and weightings to those indexes that reflect the combined portfolio's asset class targets.

The combined portfolio's return exceeded the actuarial assumed rate of return of 7.00%.

The following tables provide a historical perspective of the combined portfolio's investment returns and performance over the past 10 years. The investment returns are shown for the total combined portfolio as well as for each asset class over various time periods, including benchmark or target for each asset class.

Actual vs Benchmark return - 10 Year Comparison

(for fiscal years ended June 30)



Schedule of Comparative Investment Results by Year

(for fiscal years ended June 30)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Fund										
ASPRS	11.11%	10.42%	8.83%	(10.54)%	31.49%	2.41%	5.78%	10.25%	12.30%	0.30%
Benchmark	12.43%	11.32%	11.50%	(9.88)%	25.82%	4.91%	6.68%	8.40%	12.90%	0.27%
Actuarial Assumed Investment Return	7.00%	7.00%	7.00%	7.15%	7.15%	7.15%	7.15%	7.15%	7.15%	7.50%
Domestic Equities										
ASPRS	13.17%	18.49%	15.24%	(14.22)%	43.65%	6.06%	8.12%	16.27%	17.52%	(0.38)%
Russell 3000 Index	15.30%	23.13%	18.95%	(13.87)%	44.16%	6.53%	8.98%	14.78%	18.51%	2.14%
International Equities										
ASPRS	15.52%	10.90%	17.06%	(2.24)%	41.35%	(1.45)%	1.98%	7.22%	18.39%	(6.88)%
MSCI - EAFE Index	17.83%	11.57%	18.77%	17.77%	32.35%	(5.13)%	1.08%	6.84%	20.27%	(10.16)%
Fixed Income										
ASPRS	7.55%	5.48%	0.82%	(11.39)%	4.32%	6.81%	8.57%	0.79%	3.04%	5.06%
Bloomberg Aggregate Index	6.08%	2.63%	(0.94)%	(10.29)%	(0.33)%	8.74%	7.87%	(0.40)%	(0.31)%	6.00%
Private Markets										
ASPRS	11.58%	24.56%	4.75%	(4.53)%	17.26%	(1.17)%	10.20%	6.43%	5.51%	2.86%
Diversified Strategy Target	N/A	N/A	10.49%	(12.51)%	22.15%	6.45%	7.41%	6.40%	10.51%	0.82%
Real Assets										
ASPRS	1.85%	(6.38)%	(7.53)%	29.59%	18.52%	(4.37)%	1.72%	11.34%	3.27%	8.29%
Benchmark	4.23%	(5.53)%	6.97%	13.06%	9.39%	4.65%	5.65%	6.87%	5.63%	5.01%

Schedule of Comparative Annualized Investment Results

	Annualized Returns			
	3-year	**5-year**	**7-year**	**10-year**
Total Fund				
ASPRS	10.10%	9.43%	7.90%	7.75%
Benchmark	11.75%	9.51%	8.44%	8.02%
Actuarial Assumed Investment Return	7.00%	7.06%	7.09%	7.14%
Domestic Equities				
ASPRS	15.61%	13.75%	11.80%	11.51%
Russell 3000 Index	19.08%	15.96%	13.55%	12.96%
International Equities				
ASPRS	14.46%	10.51%	7.48%	6.95%
MSCI - EAFE Index	13.92%	9.57%	6.11%	5.74%
Fixed Income				
ASPRS	4.58%	1.12%	2.95%	2.95%
Bloomberg Aggregate Index	2.55%	(0.73)%	1.77%	1.76%
Private Markets				
ASPRS	13.34%	10.26%	7.44%	7.44%
Diversified Strategy Target	N/A	N/A	N/A	N/A
Real Assets				
ASPRS	(4.11)%	6.25%	4.02%	5.07%
Benchmark	1.75%	5.43%	5.35%	5.50%

Domestic Equity

As of June 30, 2025, 41.82% of the combined portfolio was invested in domestic equities (U.S. stocks). The fair value of the domestic equity component was $5.189 billion.

The passive component is primarily an S&P 500 Index Fund and a Large Cap Growth Index Fund. It constitutes an efficient, low-cost means of obtaining market exposure and provides liquidity should it be needed for benefit payments.

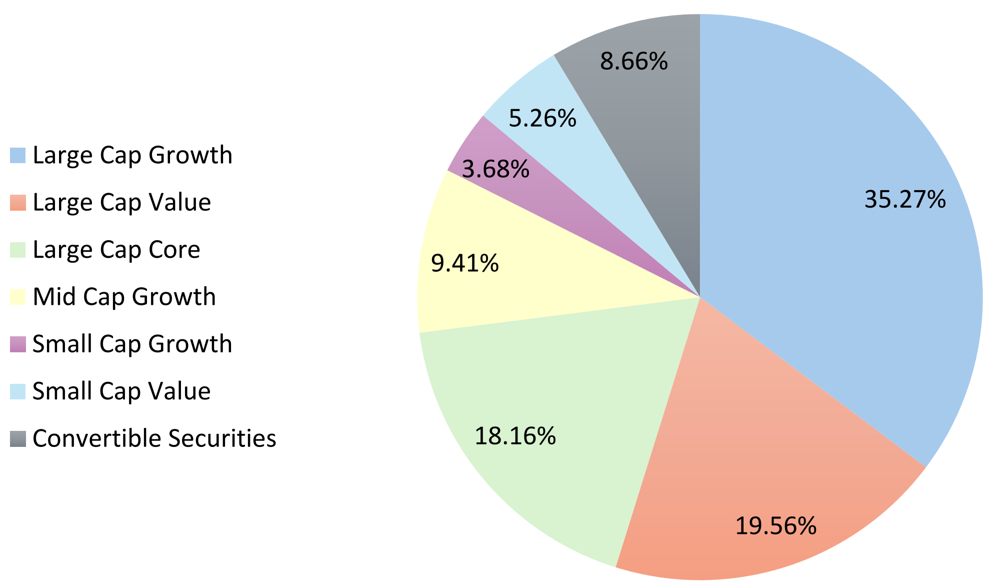
Combined Portfolio Strategies

The combined portfolio utilizes active management in small, mid, and large capitalization stock strategies. The portfolio is also invested in strategies that focus on different investment styles: a value portfolio which focuses on companies undervalued relative to their prospective dividend and earnings growth; a growth portfolio which focuses on companies whose earnings are expected to grow at rates which exceed the general economy; and a core portfolio which seeks to add value across all sectors through stock selection.

Results

The domestic equity portfolio returned 13.17% for the fiscal year, the Russell 3000 Index, returned 15.30%.

Combined Portfolio Strategies



The portfolio is widely diversified across various equity market sectors and industries.

International Equity

As of June 30, 2025, 23.12% of the combined portfolio was invested in international equities (non-U.S. stocks). The fair value of the international equity portfolio of the combined portfolio was $2.87 billion.

The international equity portfolio takes an active management approach to international markets with approximately 78% invested with active investment managers. The international portfolio assets are allocated across developed and emerging markets. The combined portfolio utilizes the MSCI EAFE (Europe, Asian, and Far East) Index as its benchmark for the international equity index.

The passive component is an ACWI ex-US Index Fund. Similar to the S&P 500 Index Fund, it constitutes an efficient, low-cost means of obtaining market exposure and provides liquidity should it be needed for benefit payments.

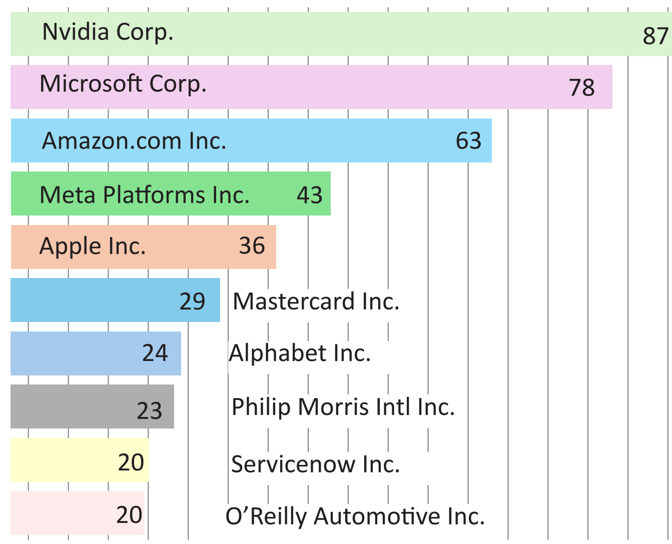
The international equity portfolio returned 15.52% for the fiscal year, the MSCI ACWI xUS IMI Index returned 17.83%.

Top 10 Holdings

The top 10 holdings within the public equity portfolio (domestic and international combined) as of June 30, 2025

	Holding	Market Value*
1	NVIDIA CORP	$86,698,513
2	MICROSOFT CORP	78,038,904
3	AMAZON.COM INC	62,945,404
4	META PLATFORMS INC	42,791,137
5	APPLE INC	35,969,379
6	MASTERCARD INC	28,973,345
7	ALPHABET INC	24,116,635
8	PHILIP MORRIS INTERNATIONAL INC	23,210,829
9	SERVICENOW INC	20,113,357
10	O'REILLY AUTOMOTIVE INC	19,557,489

*Figures are ASPRS and ASPRS combined



(in millions of dollars)

Fixed Income

As of June 30, 2025, 17.19% of the combined portfolio was invested in fixed income securities. The fair value of the fixed income equity portfolio was $2.133 billion

Core-Plus Fixed Income

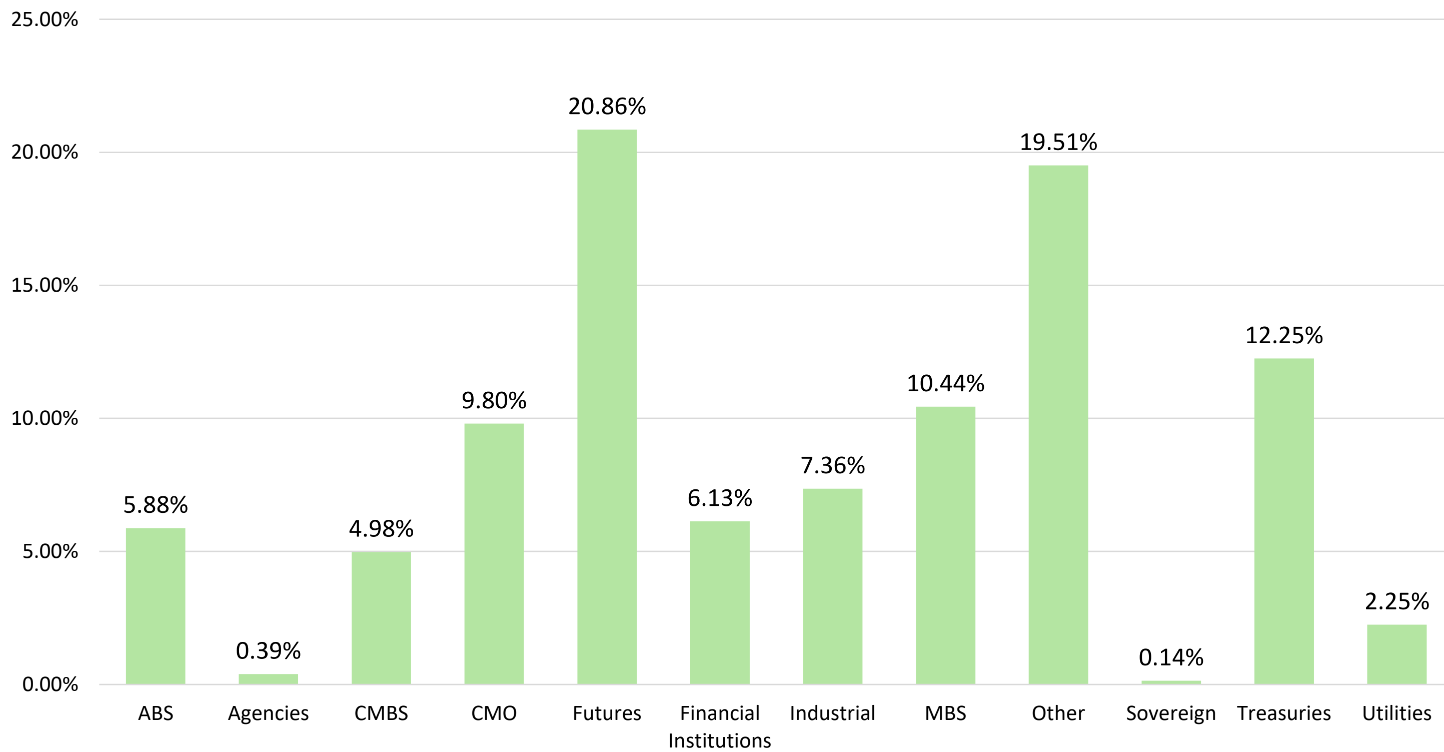
The fixed income portfolio of the combined portfolio is invested in core-plus fixed income strategies. The objective is to generate a return above the core fixed income investment. The fixed income portfolio is 100% invested in core plus and is 100% actively managed.

The core-plus portfolio is a diversified portfolio of fixed income securities, utilizing cash and cash equivalents, forward foreign exchange contracts, swaps, currency options, financial futures, government and government agency bonds, Eurobonds, nondollar bonds, nonconvertible preferred stock, options on fixed income instruments, mortgage-backed bonds, corporate bonds, commercial mortgage-backed securities, private placement corporate bonds, and asset-backed securities.

Results

The fixed income portfolio returned 7.55% for the fiscal year, the Bloomberg Aggregate Index, returned 6.08%.

Core-Plus Fixed Income Distribution



Top 10 Holdings

The top 10 holdings within the fixed income portfolio as of June 30, 2025

	Holdings	Description	Market Value*
1	U S TREASURY NOTE	4.000% 04/30/2032	$ 21,616,988
2	U S TREASURY NOTE	0.875% 11/15/2030	16,803,276
3	U S TREASURY NOTE	4.250% 05/15/2035	13,299,957
4	U S TREASURY BOND	1.125% 08/15/2040	12,473,595
5	U S TREASURY BOND	5.000% 05/15/2045	12,222,221
6	U S TREASURY NOTE	0.750% 03/31/2026	8,777,970
7	U S TREASURY BOND	1.875% 02/15/2041	7,522,846
8	U S TREASURY NOTE	0.625% 08/15/2030	6,331,298
9	U S TREASURY NOTE	0.625% 05/15/2030	6,236,160
10	U S TREASURY BOND	4.750% 05/15/2055	5,932,359

*Figures are ASPRS and ASPRS combined

Private Markets

As of June 30, 2025, 4.02% of the combined portfolio was invested in diversified strategies. This asset class has the smallest allocation target. The fair value of the portfolio was $518 million.

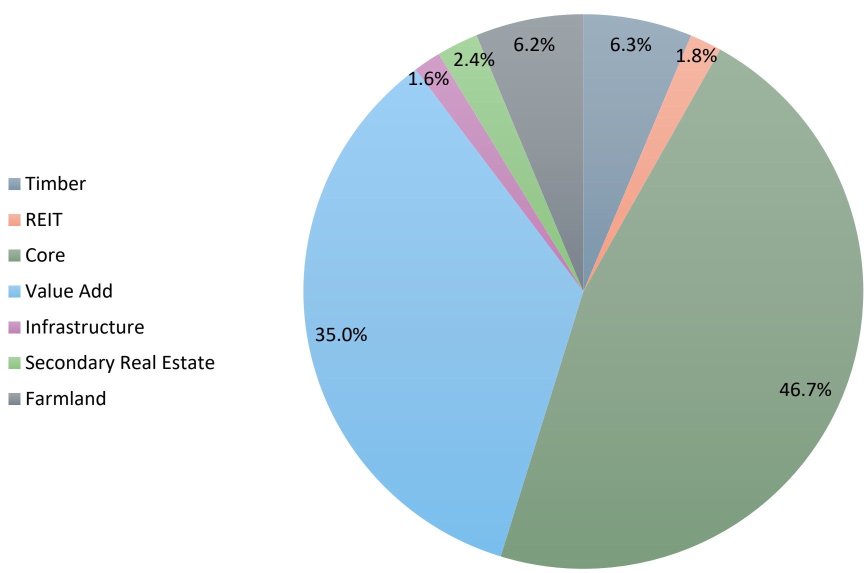
The Fund-of-Funds strategy invests in hedge funds. The total number of funds varies as does the types of strategies. On June 30, 2025, there were fundamental equity strategies, event driven strategies, fundamental credit strategies, credit trading strategies, distressed credit strategies, Residential Mortgage Backed Securities (RMBS) strategies, structured Asset-Backed Securities (ABS) strategies, “multi-strat” strategies, commodity strategies, macro rates strategies, thematic macro strategies, quantitative strategies, Commodity Trade Advisor (CTA) strategies, and special situation strategies in the portfolio.

The private markets sector also includes private equity which is a new asset class for the fund.

Results

The Private Markets Strategies portfolio returned 11.58% for the fiscal year. The combined portfolio’s hedge fund targeted performance returned 7.28%.

Real Assets Portfolio



Timber	$ 97,431,405
REIT	28,611,813
Core	723,320,736
Value Add	542,398,332
Infrastructure	24,667,411
Secondary Real Estate	37,259,996
Farmland	96,776,444
	$1,550,466,137

Investment Managers

Acadian Asset Management
Boston, MA 02110

Artisan Partners
Milwaukee, WI 53202

Baillie Gifford Overseas Ltd.
Edinburgh, Scotland

Blackstone Alternative Asset Management, LP
New York, NY 10154

Blue Owl Capital
New York, NY 10022

Boston Partners
Boston, MA 02108

The Carlyle Group
Washington, D.C. 20001

CastleArk Management, LLC
Chicago, IL 60606

Clarion Partners
New York, NY 10169

DoubleLine Capital
Los Angeles, CA 90071

Franklin Templeton Institutional
Coral Gables, FL

HarbourVest Partners, LLC
Boston, MA 02111

Harrison Street Real Estate Partners
Chicago, IL 60606

Heitman America Real Estate
Chicago, IL 60606

Horrell Capital Management
Little Rock, AR 72211

International Farming Investment Management, LLC.
Kinston, NC 28504

Invesco Real Estate
Dallas, TX 75240

LaSalle Investment Management
San Francisco, CA 94111

Lazard Asset Management
New York, NY 10020

LSV Asset Management
Chicago, IL 60606

MacKay Shields
New York, NY 10105

Mellon Capital
Pittsburgh, PA 15258

Neuberger Berman Group, LLC
New York, NY 101

PGIM U.S. Agriculture
San Francisco, CA 94111

Pinnacle Forest Investments, LLC
Little Rock, AR 72211

PGIM, Inc.
Newark, NJ 07102

Principal Real Estate Investors, LLC
Des Moines, IA 50309

SSI Investment Management
Beverly Hills, CA 90210

Starwood Management LLC
Los Angeles, CA 90025

Stephens Investment Management Group
Houston, TX 77046

StepStone Group
New York, NY 10172

TA Associates Realty
Boston, MA 02109

Wellington Management Company
Boston, MA 02210

William Blair, LLC
Chicago, IL 60606

Schedule of Manager Distribution

(for the year ended June 30, 2025)

MANAGER	ASPRS
DOMESTIC EQUITY	
SSI INVESTMENT MGMT	$ 17,124,817
WELLINGTON	15,900,915
CASTLEARK MGMT	29,500,725
CASTLEARK LGE CAP GROWTH	3,002,971
STEPHENS SMALL CAP GROWTH	7,288,528
STEPHENS MID CAP GROWTH	18,609,573
LSV ASSET MANAGEMENT	10,401,965
HORRELL CAPITAL (PASSIVE)	8,610,757
BNYM LARGE CAP VALUE	6,845,187
BOSTON PARTNERS LCV	15,934,985
MCM EB LARGE CAP GROWTH	16,816,770
WILLIAM BLAIR - LARGE CAP GROWTH	20,446,288
MCM EB DV STOCK INDEX	27,311,168
	197,794,649
DOMESTIC FIXED INCOME	
MACKAY CP II (PARETO)	27,936,133
DOUBLELINE CAPITAL	25,574,430
PRUDENTIAL INVESTMENTS	27,804,652
	81,315,215
INTERNATIONAL EQUITY	
MCM ACWI EX-US INDEX FUND	23,728,968
ACADIAN ASSET MANAGEMENT	10,035,048
FRANKLIN TEMPLETON	6,865,803
MANNING & NAPIER	6,200
LAZARD ASSET MGMT	24,199,832
ARTISAN PARTNERS	111,221
ARTISAN PARTNERS CIT	30,909,469
BAILLIE GIFFORD	13,482,791
	109,339,332
PRIVATE MARKETS / DIVERSIFIED STRATEGIES	
HARBOURVEST DOVER XI	6,615,227
NEUBERGER BERMAN	2,117,560
BLACKSTONE	10,276,433
	19,009,220

(Table continued on the following page.)

(Table continued from the previous page.)

Schedule of Manager Distribution

(for the year ended June 30, 2025)

MANAGER	ASPRS
REAL ASSETS	
PGIM AGRICULTURE	$ 1,706,546
IFC INTERNATIONAL FARMING	1,982,279
HARRISON STREET FUND VIII	1,712,701
STARWOOD SOF XII	2,187,606
INVESCO REALTY (CORE FUND)	16,255,705
HEITMAN VALUE FD IV	961,746
TA ASSOC. REALTY - FUND XI	2,210
TA ASSOC. REALTY - FUND XII	2,007,053
TA ASSOC. REALTY - FUND XIII	2,515,265
LASALLE INV MGMT - FUND VI	127,981
LASALLE INV MGMT- FUND VII	409,686
HEITMAN REAL ESTATE	11,315,090
PINNACLE FOREST INVEST.	3,713,790
MCM EB DV NON ST RT	1,090,596
CARLYLE PROP INV FUND	3,083,447
PRINCIPLE ENHANCED PF	3,261,522
CLARION LION IND TRUST	3,033,802
NEUBERGER BERMAN RE SECONDARY II	762,663
BLUE OWL DG INFR III	747,743
STEPSTONE RE PTR V	657,575
HARBOURVEST IOF III	192,504
HARRISON STREET FUND IX	1,371,561
	59,099,071
Short Term Investment Fund	16,241,324
TOTAL FUND	$482,798,811

Schedule of Brokerage Commissions

(for the year ended June 30, 2025)

Brokerage firm	
J.P MORGAN SECURITIES INC, NEW YORK	$ 7,317
MORGAN STANLEY AND CO., LLC, NEW YORK	4,570
GOLDMAN SACHS & CO, NY	4,070
JEFFERIES & CO INC, NEW YORK	3,609
BANK OF AMERICA CORP, CHARLOTTE	3,313
ISI GROUP INC, NEW YORK	2,784
UBS SECURITIES LLC, STAMFORD	2,680
WILLIAM BLAIR & CO, CHICAGO	2,410
UBS EQUITIES, LONDON	2,393
BARCLAYS CAPITAL, LONDON (BARCGB33)	2,092
All Others (157)	44,558
	$ 79,796

Schedule of Investment Fees

(for the year ended June 30, 2025)

Domestic Equity	$ 560,207
Fixed Income	155,370
International Equity	445,616
Private Markets/Diversified Strategies	344,561
Real Assets	540,740
Consulting Services	44,695
Custodian Bank Services	19,464
	$ 2,110,652

ASPRS

ARKANSAS STATE POLICE
RETIREMENT SYSTEM

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November 12, 2025

Board of Trustees
Arkansas State Police Retirement System
Little Rock, Arkansas

Dear Board Members:

The basic financial objective of the Arkansas State Police Retirement System (ASPRS) as provided in the Arkansas Code is to establish and receive contributions which, expressed as percents of active member payroll, will remain approximately level from generation to generation of Arkansas citizens and when combined with present assets and future investment return will be sufficient to meet the financial obligations of ASPRS to present and future benefit recipients. The progress towards meeting this financial objective is illustrated in the Schedule of Funding Progress and the Schedule of Employer Contributions.

We performed an actuarial valuation and issued an actuarial valuation report for ASPRS as of June 30, 2025. The purpose of the June 30, 2025 annual actuarial valuation was to determine the contribution requirement for the fiscal year ending June 30, 2026 and to measure the System's funding progress. The actuarial valuation report should not be relied upon for any other purpose. The valuation process develops contribution rates that are sufficient to fund the plan's normal cost (i.e., the cost assigned by the valuation method to the year of service about to be rendered) as well as to fund unfunded actuarial accrued liabilities as a level percent of active member payroll over a period of up to 30 years. The most recent valuations were completed based upon population data, asset data, and plan provisions as of June 30, 2025. In addition, a separate report was issued (dated October 31, 2025) to provide actuarial information for GASB Statement No. 67 and GASB Statement No. 68.

The ASPRS administrative staff provides the actuary with data for the actuarial valuation. The actuary relies on the data after reviewing it for internal and year-to-year consistency. The actuary summarizes and tabulates population data in order to analyze longer term trends. We are not responsible for the accuracy or completeness of the data provided by staff.

The actuarial valuation report and GASB Statement Nos. 67 and 68 report contain the following supporting schedules for use in the Actuarial and Financial Sections of the Annual Comprehensive Financial Report:

Actuarial Section
- Summary of Assumptions Used
- Summary of Actuarial Methods and Assumptions
- Active Member Valuation Data
- Short Condition Test
- Analysis of Financial Experience
- Analysis of Financial Experience – Gains and Losses by Risk Area

Board of Trustees
Arkansas State Police Retirement System
November 12, 2025
Page 2

Financial Section
- Schedule of Funding Progress
- Schedule of Changes in Net Pension Liability and Related Ratios
- Schedule of the Net Pension Liability
- Schedule of Contributions
- Notes to Schedule of Contributions

For actuarial valuation purposes, assets are valued on a market related basis that recognizes each year's difference between actual and assumed investment return over a closed four-year period.

Actuarial valuations are based upon assumptions regarding future activity in specific risk areas, including the rates of investment return and payroll growth, eligibility for the various classes of benefits, and longevity among retired lives. These assumptions are adopted by the Board after considering the advice of the actuary and other professionals. The actuarial assumptions used for the valuation produce results which, individually and in the aggregate, are reasonable. The combined effect of the assumptions, excluding prescribed assumptions or methods set by law, is expected to have no significant bias (i.e., not significantly optimistic or pessimistic). The assumptions and the methods comply with the requirements of the Actuarial Standards of Practice. Each actuarial valuation takes into account all prior differences between actual and assumed experience in each risk area and adjusts the contribution rates as needed. The June 30, 2025 valuations were based upon assumptions that were recommended in connection with a study of experience covering the period 2017-2022.

The computed employer contribution rate to satisfy the statutory funding requirements set forth in Section 24-6-209 of the Arkansas Code is 53.17% of covered payroll for the year beginning July 1, 2025. Actual revenues were greater than the statutory requirement for the last 19 years. ***ASPRS' ongoing ability to satisfy statutory funding requirements is dependent upon its access to sufficient annual transfers from the remainder of insurance premium taxes enumerated in A.C.A.19-6-301(27) to finance unfunded actuarial accrued liabilities over a closed period of 14 years.***

We have assessed that the contribution rate calculated under the current funding policy is a reasonable Actuarially Determined Employer Contribution (ADEC) and it is consistent with the plan accumulating adequate assets to make benefit payments when due.

Future actuarial measurements may differ significantly from those presented in the annual valuations due to such factors as experience differing from that anticipated by actuarial assumptions, or changes in plan provisions, actuarial assumptions/methods or applicable law. Due to the limited scope of the assignment, we did not perform an analysis of the potential range of future measurements.

Board of Trustees
Arkansas State Police Retirement System
November 12, 2025
Page 3

The reports were prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation, and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled

The signing actuaries are independent of the plan sponsor.

Mita D. Drazilov and Heidi G. Barry are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Respectfully submitted,
Gabriel, Roeder, Smith & Company

Mita Drazilov

Mita D. Drazilov, ASA, FCA, MAAA

Heidi G Barry

Heidi G. Barry, ASA, FCA, MAAA

MDD/HGB:rmn

Summary of Actuarial Assumptions *

In accordance with Section 24-6-204 of the Arkansas Code, the Board of Trustees adopts the actuarial assumptions used for actuarial valuation purposes.

The actuarial assumptions used in the valuation are shown in this section. Assumptions were established based upon an Experience Study covering the period July 1, 2017 through June 30, 2022 (please see our report dated May 10, 2023 and our follow-up letter dated September 20, 2023). The actuarial assumptions represent estimates of future experience.

Economic Assumptions

The investment return assumption used in making the valuation was 7.00% per year, compounded annually (net after investment expenses). The assumed real rate of return is the portion of investment return, which is more than the wage inflation rate. Considering assumed wage inflation of 3.25%, the 7.00% investment return rate translates to an effective assumed real rate of return of 3.75%. The wage inflation assumption was revised for the June 30, 2015 valuation and the investment return assumption was revised for the June 30, 2023 valuation.

Pay increase assumptions for individual active members are shown on page D-5. Part of the assumption for each age is for a merit and/or seniority increase, and the other 3.25% recognizes wage inflation. The wage inflation assumption consists of 2.50% for price inflation and 0.75% for real wage growth. The pay increase assumption for individual active members was revised for the June 30, 2023 valuation.

Total active member payroll is assumed to increase 3.25% a year, which is the portion of the individual pay increase assumptions recognizing wage inflation.

The number of active members is assumed to continue at the present number.

Non-Economic Assumptions

The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were the PubS-2010 Amount-Weighted Below-Median Income Safety Retiree Mortality tables for healthy retirees, multiplied by 114% for males and 108% for females. The disabled retiree mortality tables, for post-retirement disabled mortality, used in evaluating allowances to be paid were the PubNS-2010 Amount-Weighted Safety Disabled Retiree Mortality tables for disabled retirees, multiplied by 114% for males and 108% for females. The pre-retirement mortality tables used were 75% of the PubS-2010 Amount-Weighted Below-Median Safety Employee Mortality tables for active mortality experience. Mortality rates for a particular calendar year are determined by applying the MP-2021 mortality improvement scale to the above described tables. Related values are shown on pages D-3 (post-retirement) and D-5 (pre-retirement). These assumptions were first used for the June 30, 2023 valuation.

The probabilities of retirement for members eligible to retire are shown on page D-4. The assumption was revised for the June 30, 2023 valuation.

The probabilities of death-in-service, disability and withdrawal from service are shown for sample ages on page D-5. The assumption for death-in-service was revised for the June 30, 2023 valuation.

The individual entry-age normal actuarial cost method of the valuation was used in determining liabilities and normal cost.

Differences in the past between assumed experience and actual experience ("actuarial gains and losses") become part of actuarial accrued liabilities.

*The data referenced in this section is taken from the actuary's report, Arkansas Public Employees' Retirement System Actuarial Valuation and Experience Gain/(Loss) Analysis June 30, 2025, prepared by Gabriel Roeder Smith & Co. The page numbers mentioned above refer to this report. A PDF copy of the report is available for download at www.apers.org.

Unfunded actuarial accrued liabilities are amortized to produce contribution amounts (principal & interest) which are level percent-of-payroll contributions.

Present assets (cash & investments) were valued on a market related basis in which differences between actual and assumed returns are phased-in over a four-year period.

The data about persons now covered and about present assets was furnished by the System's administrative staff. Although examined for general reasonableness, the data was not audited by the Actuary.

The actuarial valuation computations were made by or under the supervision of a Member of the American Academy of Actuaries (MAAA).

Actuarial Methods and Assumptions

(as of June 30, 2025)

Valuation Date	June 30, 2025
Actuarial Cost Method	Entry Age Normal Cost
Amortization Method	Level Percent-of-Payroll
Remaining Amortization Period	14-year closed
Asset Valuation Method	4-year smoothed market
Actuarial Assumptions:	
Investment Rate of Return	7.00%
Projected Salary Increases	4.05% - 8.25%
Including Wage Inflation at	3.25%
Cost-of-Living Adjustments	3.0% Annual compound increases

Retirees and Beneficiaries Receiving Benefits	758
Terminated Plan Members Entitled to but not yet Receiving Benefits	123
DROP Members	31
Active Plan Members	542
Total	1,454

Actuarial Data

Single Life Retirement Values

(as of June 30, 2025)

Sample Attained Ages	Present Value of $1.00 Monthly for Life		Present Value of $1.00 Monthly for Life Increasing 3% Annually		Future Life Expectancy (Years) 2025 *	
	Men	Women	Men	Women	Men	Women
40	$ 161.67	$ 166.29	$ 240.82	$ 252.34	42.79	46.96
45	156.49	162.22	227.13	240.14	37.69	41.73
50	150.22	156.58	211.80	225.41	32.79	36.52
55	141.90	149.13	193.81	208.20	27.97	31.43
60	131.48	139.82	173.52	188.79	23.35	26.55
65	119.01	128.49	151.46	167.41	19.02	21.94
70	104.25	114.73	127.79	143.98	15.01	17.61
75	87.59	98.55	103.41	119.05	11.39	13.63
80	69.95	80.82	79.67	94.05	8.28	10.12
85	53.13	63.17	58.60	71.03	5.79	7.24

* *Applicable to calendar year 2025. Life expectancies and rates in future years are determined by the fully generational MP-2021 projection scale.*

Sample Attained Ages	$100 Benefit Increasing 3% Yearly
55	$100.00
60	115.93
65	134.39
70	155.79
75	180.60
80	209.36

Active Members in Actuarial Valuation
(for fiscal years ended June 30)

June 30	No. #	Group Averages: Age	Service	Pay
2016	554	40.9	13.1	53,156
2017	528	41.7	13.8	55,070
2018	528	41.4	12.7	56,048
2019	529	41.0	12.5	57,255
2020	541	40.9	12.5	61,573
2021	545	41.1	12.6	61,624
2022	519	40.8	12.6	63,116
2023	517	40.4	13.8	72,943
2024	561	39.7	12.6	76,493
2025	573	39.6	12.6	80,955

 # Includes DROP participants.

Tier One and Tier Two Participants
(as of June 30, 2025)

	No.	Group Averages: Age	Vesting Service	Pay
Tier One	4	51.1 yrs.	25.5 yrs.	$121,948
Tier Two	538	38.6	11.5	79,368
Tier One - DROP	19	56.4	29.2	106,309
Tier Two - DROP	12	54.3	32.0	98,271
Total	**573**	**39.6**	**12.6**	**$ 80,955**

Separations from Active Employment Before Retirement
(as of June 30, 2025)

Sample Ages	Percent of Active Members Separating Within the Next Year: Death – Male	Death – Female	Disability	Other	Pay Increase Assumptions for Active Members: Merit & Seniority	Base (Economic)	Increase Next Year
20	0.03%	0.01%	0.06%	5.50%	5.00%	3.25%	8.25%
25	0.04%	0.02%	0.09%	5.50%	4.40%	3.25%	7.65%
30	0.06%	0.04%	0.19%	5.50%	3.40%	3.25%	6.65%
35	0.07%	0.05%	0.31%	4.18%	2.40%	3.25%	5.65%
40	0.08%	0.06%	0.43%	2.64%	1.88%	3.25%	5.13%
45	0.09%	0.07%	0.55%	1.43%	1.60%	3.25%	4.85%
50	0.11%	0.08%	0.67%	0.55%	1.30%	3.25%	4.55%
55	0.16%	0.12%	0.79%	0.00%	1.10%	3.25%	4.35%

Probabilities of death are for calendar year 2025.

Probabilities of Retirement for Members Eligible to Retire
(as of June 30, 2025)

Retirement Ages	Percent of Eligible Active Members Retiring Within Next Year		Years of Service	Percent of Eligible Active Members Retiring Within Next Year
	Tier One	Tier Two		Tier Two
47	1%	-		
48	1%	-	28	20%
49	3%	-	29	10%
50	7%	3%	30	10%
51	10%	3%	31	10%
52	8%	3%	32	10%
53	10%	6%	33	20%
54	10%	10%	34	35%
55	8%	35%	35	40%
56	8%	25%	36 & Over	100%
57	10%	25%		
58	18%	25%		
59	40%	25%		
60	50%	25%		
61	50%	30%		
62	50%	100%		
63	80%	100%		
64	100%	100%		
65	100%	100%		

A member is assumed to be eligible to retire at age 52 (55 for Tier Two) with 17 years of service, or at age 50 with 28 years of service (Tier One), or at any age with 28 years of service (Tier Two). A member is assumed to be eligible to retire early at age 47 (50 for Tier Two) with 17 years of service. For a Tier Two member with 28 or more years of service at the beginning of a year, the percentages shown for service based retirement (28 or more years) take precedence over the percentages associated with age-based retirement.

For purposes of modeling, Tier Two members who are eligible to retire under the service based condition are assumed to have one year of credited service in addition to the credited service that is reported for valuation purposes.

It was assumed that members eligible to enter the DROP will do so to maximize the value of their benefits.

Short Condition Test

The ASPRS funding objective is to meet long-term benefit promises through contributions that remain approximately level from year-to-year as a percent of member payroll. If the contributions to the System are level in concept and soundly executed, the System will ***pay all promised benefits when due -- the ultimate test of financial soundness.*** Testing for level contribution rates is the long-term test.

A short condition test is one means of checking a System's progress under its funding program. In a short condition test, the plan's valuation assets (cash and investments) are compared with:

1) Member accumulated contributions;

2) The liabilities for future benefits to present retired lives; and

3) The employer financed portion of liabilities for service already rendered by non-retired members.

In a System that has been following the discipline of level percent-of-payroll financing, active member contributions (liability 1) and the liabilities for future benefits to present retired lives (liability 2) will be fully covered by valuation assets (except in rare circumstances).

In addition, the liabilities for service already rendered by active members (liability 3) will be partially covered by the remainder of valuation assets. The larger the funded portion of liability 3, the stronger the condition of the System.

Ten-Year Comparative Statement

(dollars in millions for fiscal years ended June 30)

	Entry Age Accrued Liability				Portion of Present Values Covered by Valuation Assets			
Valuation Date June 30	(1) Active Members Contr.	(2) Retirees and Benef.	(3) Active Member (Employer Financed Portion)	Valuation Assets	(1)	(2)	(3)	Total
2016	$0.57	$260.49	$147.68	$297.91	100%	100%	19%	71%
2017@	0.57	273.86	154.62	305.85	100%	100%	20%	71%
2018	0.62	284.61	157.70	319.79	100%	100%	22%	72%
2019	0.57	296.12	157.93	335.97	100%	100%	25%	74%
2020#	0.65	301.96	170.31	352.08	100%	100%	29%	74%
2021#	0.61	305.18	185.72	387.54	100%	100%	44%	79%
2022	0.58	319.89	179.80	403.30	100%	100%	46%	81%
2023@	0.54	335.64	211.38	418.03	100%	100%	39%	76%
2024	0.46	348.70	220.80	449.03	100%	100%	45%	79%
2025	**0.34**	**347.07**	241.93	**466.97**	**100%**	**100%**	**49%**	**79%**
2025#	**0.34**	**347.07**	246.72	**466.97**	**100%**	**100%**	**48%**	**79%**

@ *After changes in actuarial assumptions and/or methods.*
# *After legislated changes in benefit provisions.*
* *(1) was estimated based on reported member contribution balances on data received by the actuary from ASPRS.*

Derivation of Experience Gain/(Loss)

(for the fiscal year ended June 30, 2025)

Actual experience will not (except by coincidence) coincide exactly with assumed experience. Gains and losses often cancel each other over a period of years, but sizable year-to-year fluctuations are common. Detail on the derivation of the experience gain/loss is shown below:

(1)	UAAL * at start of year	$ 120,924
(2)	Normal cost from last valuation	12,071
(3)	Employer contributions	31,124
(4)	Interest accrual: (1) x 0.07 + ((2) - (3)) x 0.035	7,798
(5)	Expected UAAL before changes: (1) + (2) - (3) + (4)	109,669
(6)	Change for revised actuarial assumptions and/or valuation methods	0
(7)	Change from benefit changes	4,791
(8)	Expected UAAL after changes: (5) + (6) + (7)	114,460
(9)	Actual UAAL at end of year	127,161
(10)	Gain/(loss): (8) - (9)	$ (12,701)
(11)	Actuarial accrued liability at start of year	$ 569,957
(12)	Gain/(loss) as percent of actuarial accrued liabilities at start of year: (10) / (11)	(2.2)%
(13)	Investment gain/(loss)	$ (11,725)
	As a percent of AAL at the start of the year: (13) / (11)	(2.1)%
(14)	Liability gain/(loss)	$ (976)
	As a percent of AAL at the start of the year: (14) / (11)	(0.1)%

* *Unfunded actuarial accrued liability.*

Figures are shown in $1,000's

* Unfunded actuarial accrued liability

Gains/(Losses) by Risk Area

(for the fiscal year ended June 30, 2025)

Type of Risk Area	Gain/Loss in Period $ Millions	 Percent of Liabilities
ECONOMIC RISK AREAS ...		
Pay Increases. If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	$ (4.1)	(0.7)%
Investment Return. If there is greater recognized investment return than assumed, there is a gain. If less return, a loss.	(11.7)	(2.1)%
NON-ECONOMIC RISK AREAS ...		
Age & Service Retirements. If members retire at older ages or with lower final average pays than assumed, there is a gain. If younger ages or higher average pays, a loss.	1.2	0.2 %
Disability Retirements. If there are fewer disabilities than assumed, there is a gain. If more, a loss.	0.1	0.0 %
Death-in-Service Benefits. If more liabilities are released by deaths-in-service, there is a gain. If smaller releases, a loss.	(0.1)	0.0 %
Withdrawal. If more liabilities are released by other separations than assumed, there is a gain. If smaller releases, a loss.	(0.2)	0.0 %
Actuarial Gain/Loss	$(14.8)	(2.6)%
Other. Gains and losses resulting from group size change, data adjustments, timing of financial transactions, and retiree mortality.	2.1	0.4 %
TOTAL GAIN (OR LOSS) DURING PERIOD	**$(12.7)**	**(2.2)%**

ASPRS
ARKANSAS STATE POLICE
RETIREMENT SYSTEM

The System

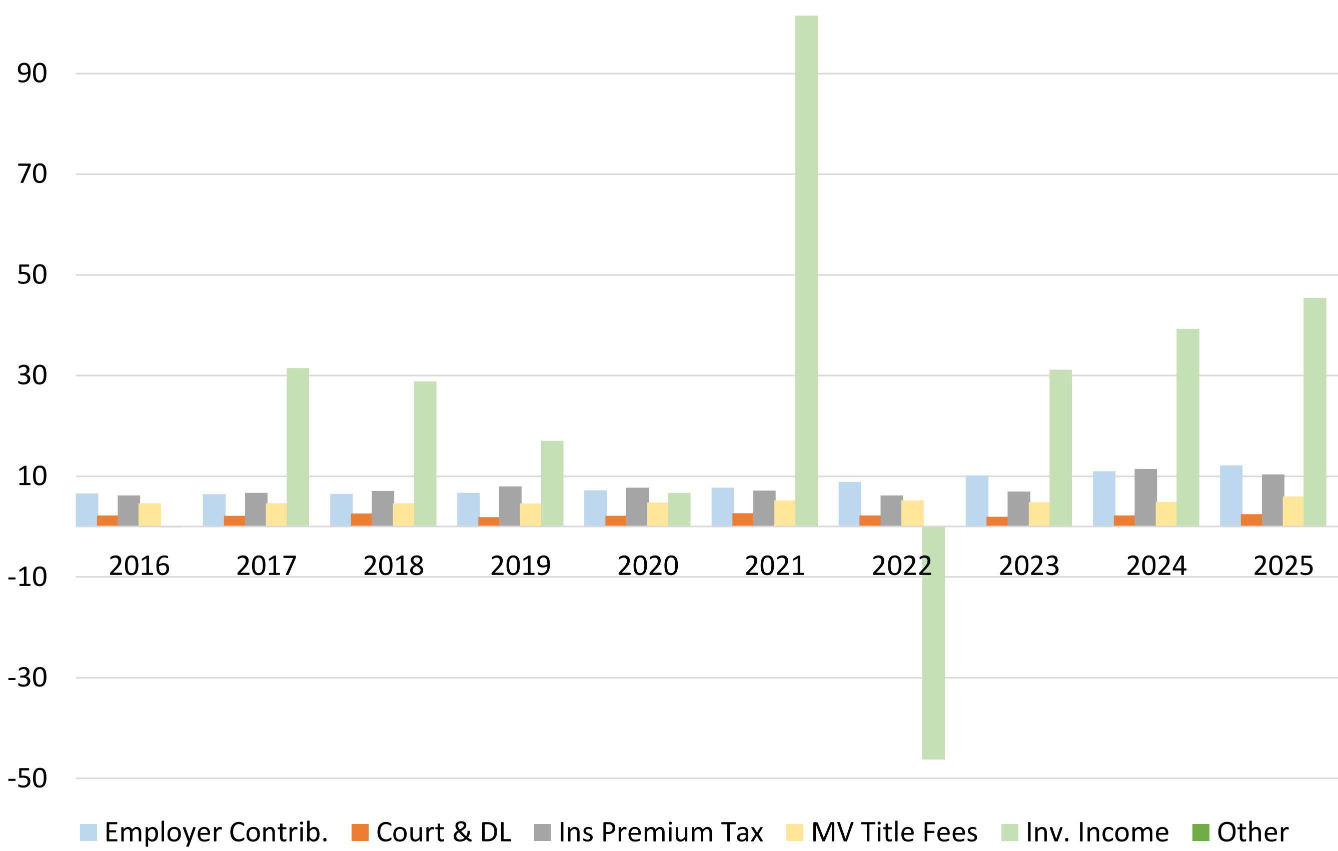
Schedule of Revenues by Source

(for fiscal years ended June 30)

Year Ending June 30	Employer Contributions	Court & Driver's License Reinst. Fees	Insurance Premium Tax	Motor Vehicle Title Fees	Investment Income	Other Income	Total
2016	$ 6,581,580	$2,206,082	$6,233,769	$4,661,683	$(210,045)	$30,181	$19,503,250
2017	6,416,736	2,139,475	6,693,915	4,667,895	31,484,250	43,045	51,445,316
2018	6,515,063	2,580,695	7,109,703	4,664,315	28,823,333	133,871	49,826,982
2019	6,727,409	1,864,132	8,035,962	4,598,976	17,031,466	27,532	38,285,476
2020	7,205,047	2,114,797	7,705,096	4,754,635	6,700,847	93,849	28,574,271
2021	7,706,274	2,646,549	7,139,013	5,250,891	101,415,154	40,986	124,198,867
2022	8,908,482	2,243,224	6,165,687	5,235,756	(46,247,489)	140,865	(23,553,475)
2023	10,197,986	1,942,333	6,952,517	4,838,091	31,210,504	58,344	55,199,775
2024	11,012,463	2,221,894	11,427,008	4,915,733	39,221,918	$8,520	68,807,536
2025	12,155,840	2,486,946	10,387,039	6,009,478	45,407,111	85,193	76,531,607

Chart of Revenues by Source

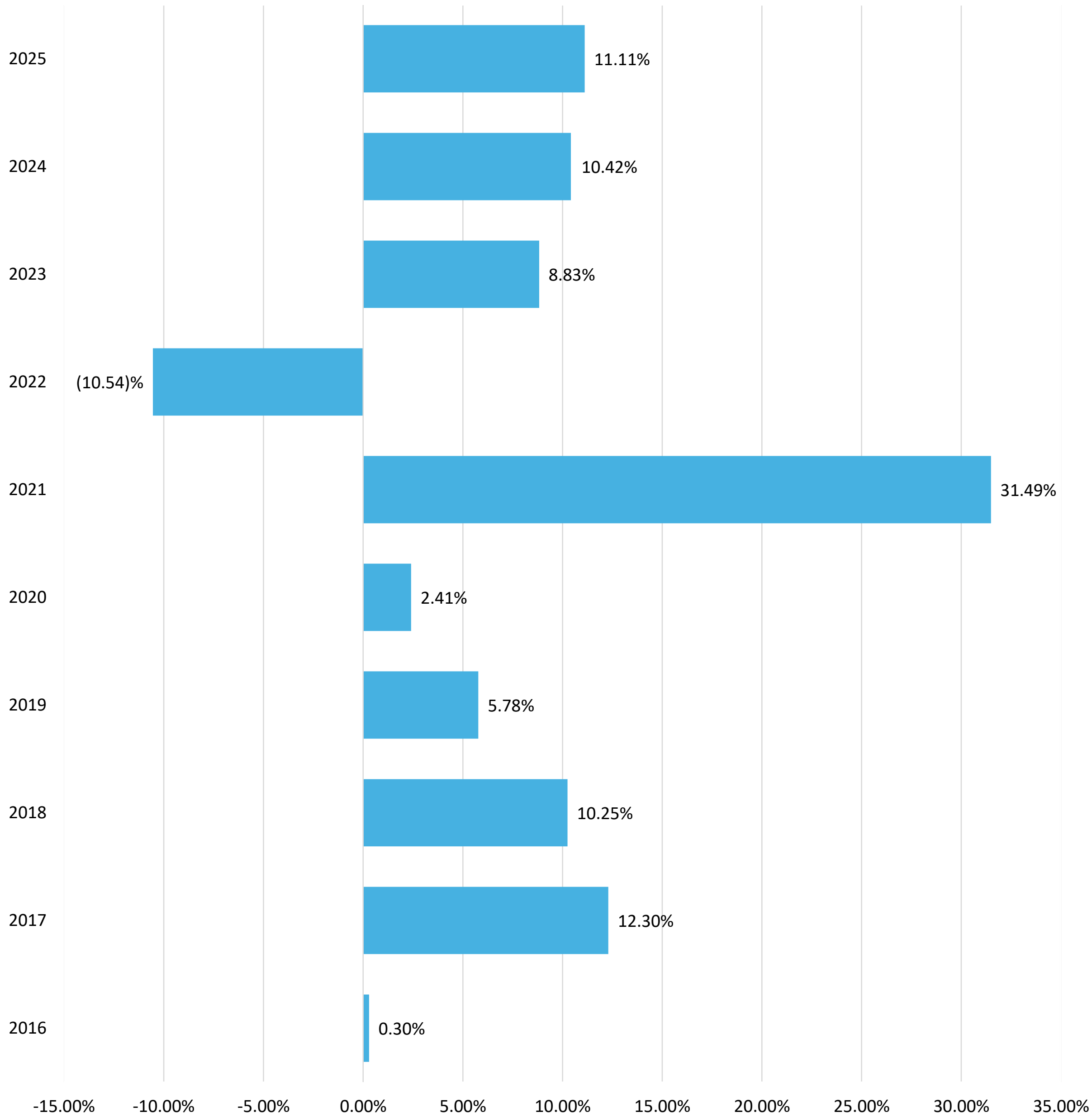
(for fiscal years ended June 30)



The figures shown are in millions of dollars.

Chart of Investment Return Percentage Rate

(for fiscal years ended June 30)



Schedule of Expenses by Type

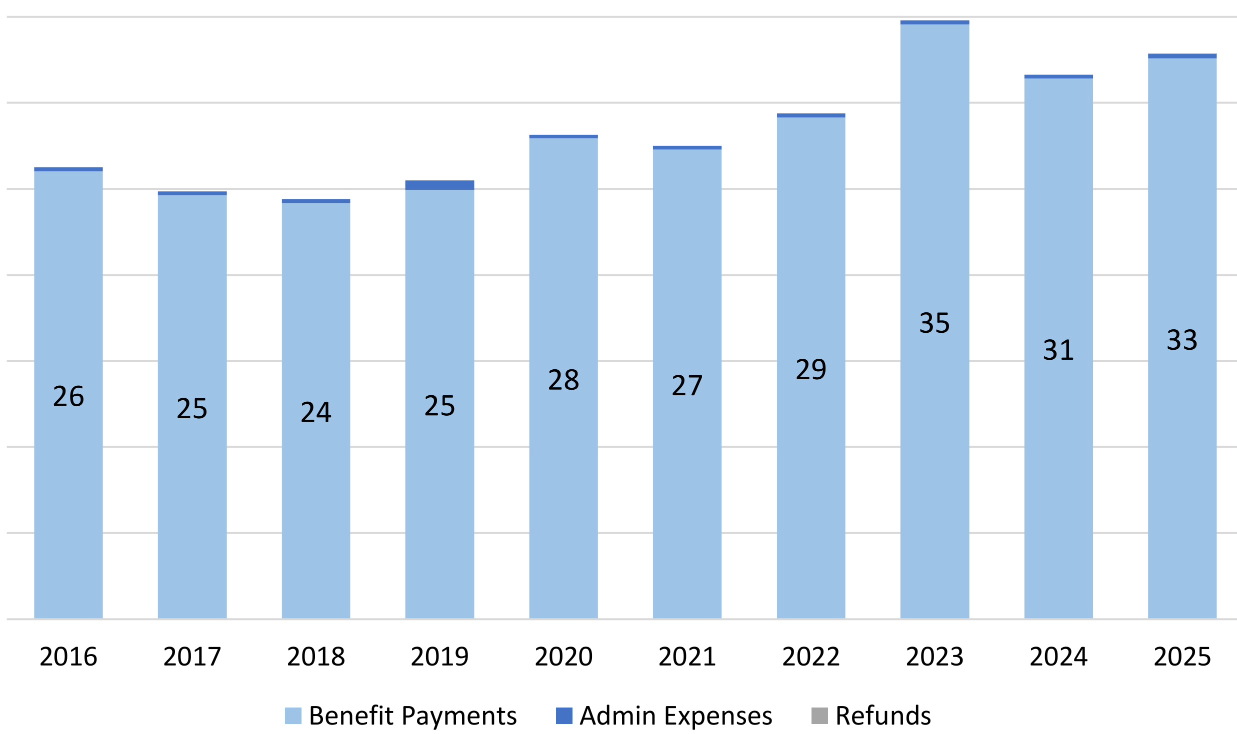
(for fiscal years ended June 30)

Year Ended June 30	Benefit Payments*	Admin Expenses	Refunds	Totals
2016	$26,035,466	$205,342	_	$26,240,808
2017	24,631,787	208,424	_	24,840,211
2018	24,185,419	228,430	_	24,413,849
2019	24,930,274	554,441	_	25,484,715
2020	27,934,142	195,463	_	28,129,605
2021	27,294,080	215,384	_	27,509,464
2022	29,149,508	229,348	_	29,378,856
2023	34,560,932	244,479	_	34,805,411
2024	31,410,879	227,099	_	31,637,978
2025	32,580,220	254,328	$2,255	32,836,803

*Includes DROP and PAW distribution.

Chart of Expenses by Type

(for fiscal years ended June 30)



The figures shown are in millions of dollars.

Schedule of Benefit Expenses by Type *

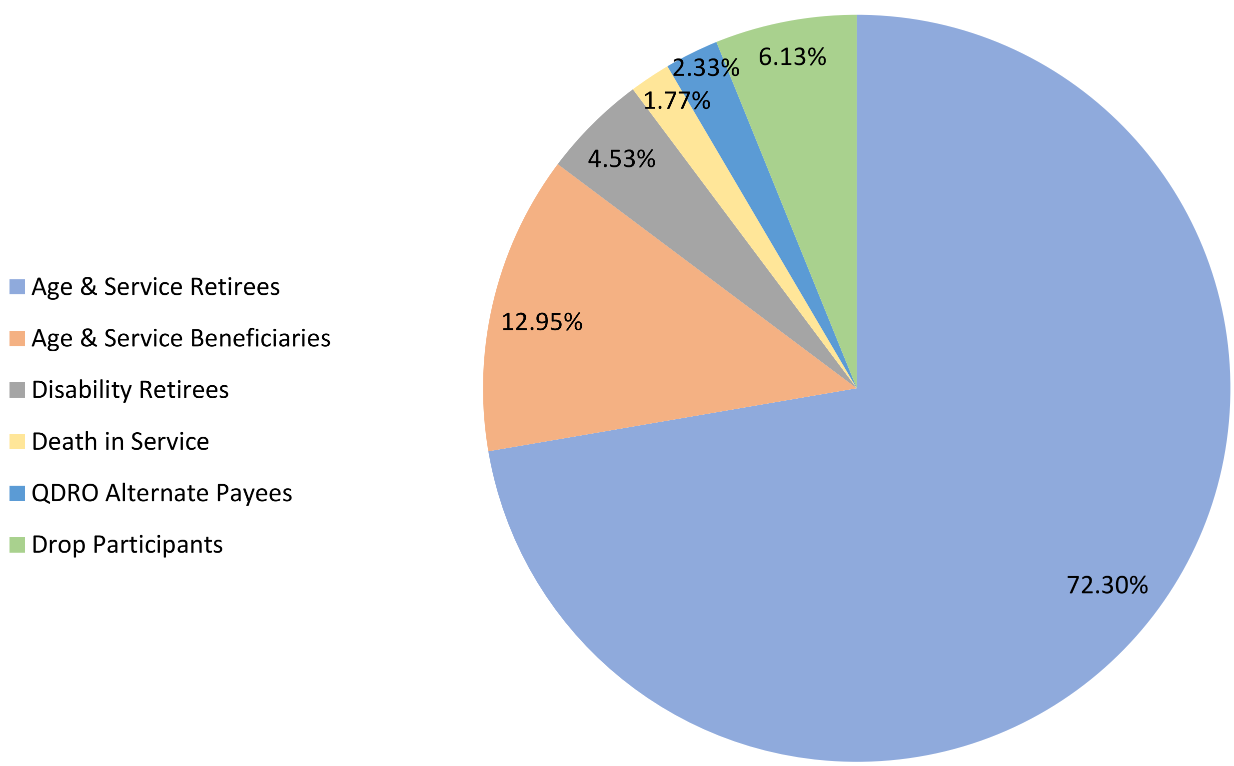
(for fiscal years ended June 30)

Year Ended June 30	Age & Service Retirees	Age & Service Beneficiaries	Disability Retirees	Death in Service	QDRO Alternate Payees	Drop Participants
2016	$18,805,319	$2,355,686	$1,064,772	$79,188	$532,792	$3,434,940
2017	18,769,461	2,320,702	1,350,504	491,004	607,318	3,281,616
2018	19,037,338	2,702,300	1,400,784	508,092	634,167	3,630,132
2019	19,922,625	2,942,626	1,413,720	510,120	637,202	3,334,908
2020	20,318,260	3,229,236	1,442,208	527,664	687,097	3,477,012
2021	20,799,930	3,312,885	1,461,060	500,460	687,593	3,387,900
2022	21,352,320	3,600,540	1,372,704	518,928	685,068	2,188,500
2023	22,230,444	3,993,408	1,442,540	533,340	719,472	1,888,296
2024	23,330,568	4,128,852	1,450,356	533,544	740,136	2,146,236
2025	23,738,256	4,250,064	1,487,484	579,804	764,568	2,011,152

*Expenses are based on annualized June 30 benefits amounts.

Chart of Benefit Expenses by Type (Percentages) **

(for the fiscal year ended June 30, 2025)



** Figures in chart are rounded and may not equal 100 percent.

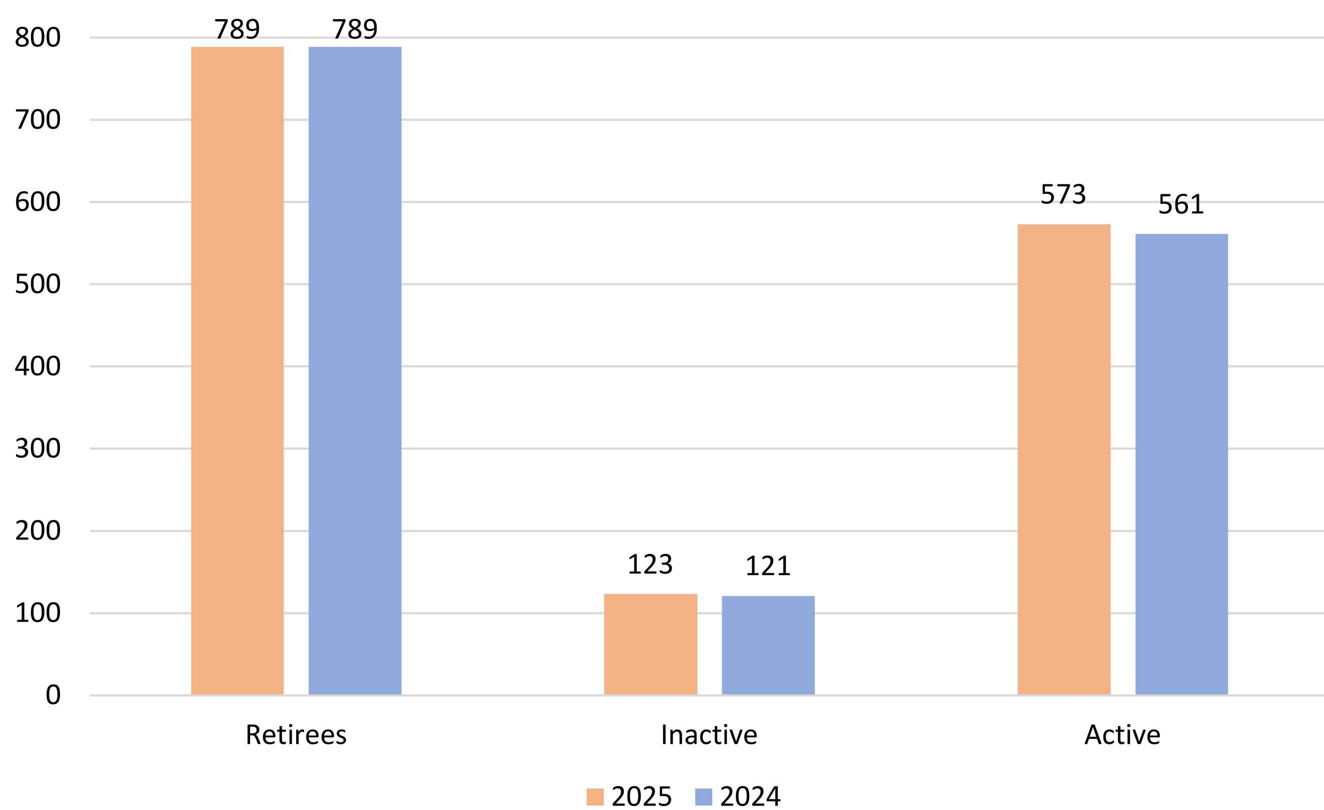
Membership

The Arkansas State Police Retirement System includes active members in a two tier program, retired members, beneficiaries, participants in the Deferred Retirement Option Plan (DROP), and deferred members.

Members
(for fiscal years ended June 30)

	2025	2024
Retirees and Beneficiaries Receiving Benefits (includes DROP participants)	789	789
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	123	121
Active Plan Members	573	561

Chart of Memberships by Type
(for fiscal years ended June 30)



Benefits Paid by Type of Benefit

(for the fiscal year ended June 30, 2025)

Type of Annuity	Number	Annual Annuities	Actuarial Accrued Liabilities
Age & Service Retirees			
Life	54	$ 1,977,264	$ 28,601,511
Option A-60 (5 years certain)	9	220,404	2,884,638
Option A-120 (10 years certain)	5	201,204	2,641,729
Option B-50 (joint and 50% survivor)	418	21,299,928	242,005,415
Option B-75 (joint and 75% survivor)	2	39,456	729,419
Totals	488	23,738,256	276,862,712
Disability Retirees			
Life	17	319,344	4,199,259
Option A-60	3	84,228	1,200,447
Option A-120	3	99,564	1,207,603
Option B-50	30	984,348	11,040,857
Option B-75	-	-	-
Totals	53	1,487,484	17,648,166
Beneficiaries of Age & Service and Disability Retirees			
Life	-	-	-
Option A-60	-	-	-
Option A-120	-	-	-
Option B-50	150	4,250,064	37,815,823
Option B-75	-	-	-
Totals	150	4,250,064	37,815,823
Death-In-Service Beneficiaries	22	579,804	5,516,932
QDRO Alternate Payees	45	764,568	9,225,455
Total Retirees & Beneficiaries	**758**	**30,820,176**	**347,069,088**
DROP Participants	31	2,011,152	31,924,838
Total Including DROP Participants	**789**	**$ 32,831,328**	**$ 378,993,926**

Also included in the valuation were 123 inactive members eligible to receive vested deferred benefits, commencing at normal retirement age, totaling $1,568,844 annually.

Chart of Retired Members and Beneficiaries by Type of Benefit

(for the fiscal year ended June 30, 2025)

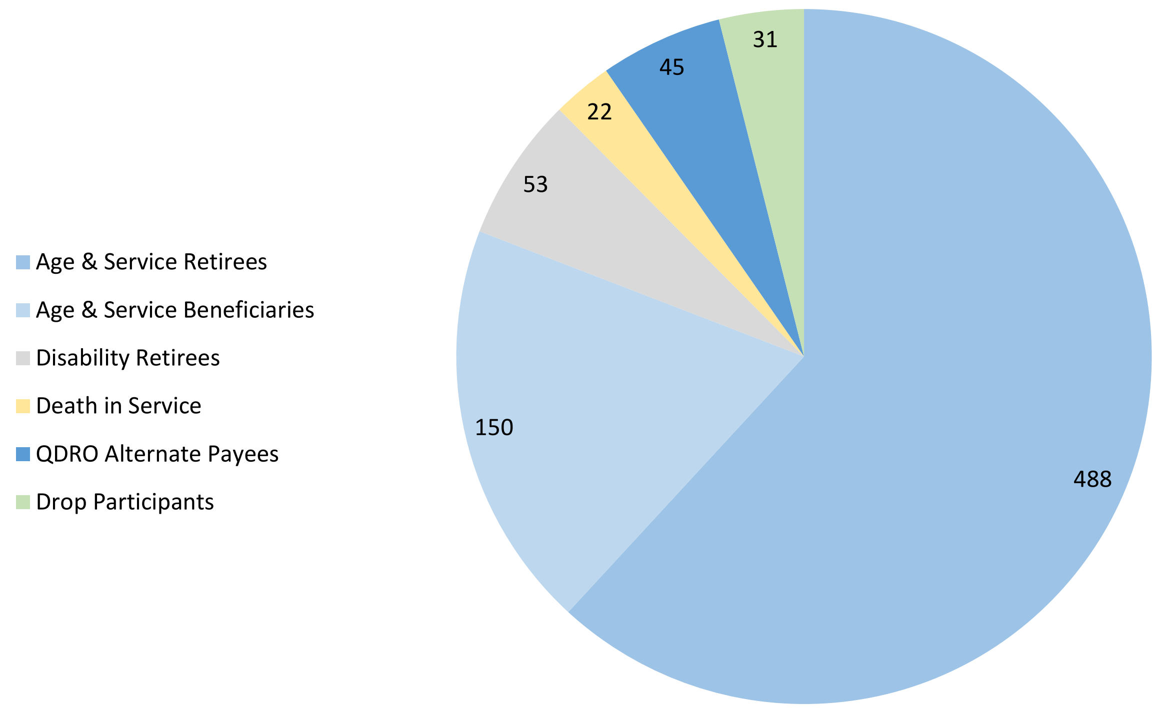


Chart of Members by Status in System

(for the fiscal year ended June 30, 2025)