

JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT
FIRST QUARTER MEETING
March 4, 2019

The Joint Committee on Public Employee Retirement (JCPER) held its 1st Quarter Meeting on Monday, March 4, 2019 at 1:00 pm in House Hearing Room 4. JCPER members in attendance were Senators Bernskoetter, Koenig, Wallingford, Gina Walsh (13), and Williams, Representatives Paula Brown (70), Richard Brown (27), Pike, Runions, Shull (16), and Sara Walsh (50). Senator Rizzo was not in attendance.

Following the roll call, Senator Wallingford led the committee in the first order of business to elect a new Chair and Vice Chair. Senator Wallingford made the motion to nominate Representative Patricia Pike as Chair of the JCPER with a second by Representative Richard Brown. With no further nominations, nominations ceased. The motion passed by acclamation of the committee. Senator Wallingford then made the motion to nominate Senator Koenig as Vice Chair with a second by Senator Bernskoetter. With no further nominations, nominations ceased. The motion passed by acclamation of the committee.

Chair Pike moved the committee to the first action item to authorize the purchase of new computers and related equipment. Senator Gina Walsh made the motion to authorize the purchase of new computers and related equipment with a second by Representative Richard Brown. The motion passed by acclamation of the committee.

Chair Pike moved the committee to the second action item to authorize the extension of the employment of part-time administrative assistant Tanya Pleus. Chair Pike made a motion to authorize the extension of Ms. Pleus's employment as part-time administrative assistant with a second by Senator Wallingford. The motion passed by acclamation of the committee.

Chair Pike turned the meeting over to the Executive Director, Michael Ruff, to present the 2019 Annual Report, which covers plan year 2017. For plan year 2017, the JCPER surveyed 126 pension plans. The Director noted that for defined benefit plans, the plan year 2017 aggregate actuarial accrued liabilities equaled \$91.77 billion, actuarial value of assets equaled \$73.64 billion, and market value of assets equaled \$72.87 billion. The number of active members increased by 2,235 compared to plan year 2016, for a total of 309,252. Inactive members increased by 10,839 from plan year 2016, for a total of 317,790. Overall investment revenue for 2017 was positive, with returns exceeding the previous two years of returns. The Director discussed how some plans have adjusted their actuarial assumptions, including lowering their assumed rate of return for investments. The Director also noted that two defined contribution plans were dissolved: Lake Ozark Fire Protection District and West Overland Fire Protection District.

At the request of Representative Richard Brown, the committee moved to the agenda item regarding proposed changes to the University of Missouri Retirement plan. The University is considering closing the existing defined benefit plan to new hires and adopting a defined contribution plan for employees hired on or after October 1, 2019.

The Director explained the study process the University used to develop the proposed defined contribution plan and described the employee and employer contribution rates if adopted. In addition, the University prepared an actuarial cost statement and filed it with the JCPER on February 13. A letter from the University's General Counsel's office indicated that the Board of Curators is scheduled to consider and take final action on the proposed defined contribution plan at its next meeting scheduled for April 11-12, 2019.

Next, the committee reviewed pension legislation that has been filed. The Director noted that staff has been monitoring sixteen House bills and eight Senate bills. The Director discussed four bills: SB 17 and HB 77, HB 563, and SB 499.

The Director provided an update to the committee's prior discussion at the December 2018 meeting of the statutory requirement that plans adopt a procurement action plan for utilization of minority and women money managers, brokers, and investment counselors. In early January, JCPER staff sent a letter to most of the plans informing them of the procurement action plan statutory requirement. Since then, approximately 15-20 plans have contacted the JCPER about this requirement.

Quarterly reporting was reviewed from the fourth quarter of 2018, ending December 31st. In general, most of the 12-month returns were negative due to a market downturn in December 2018. However, the Director mentioned that the markets have experienced at least a partial or nearly full recovery from this downturn by the end of February 2019.

The committee reviewed a Jackson County pension plan ordinance passed by the Jackson County Legislature in December 2018 that modified the County's working after retirement law. As a result, if certain members aged 65 or older return to work after retirement, such members' pension benefits are not suspended and they will accrue additional service credit. The Director explained that most other retirement systems typically suspend a retired member's pension benefit if he or she returns to work and works in excess of established limits on the number of hours or amount of compensation earned.

At the end of the meeting, Representative Pike announced possible meeting dates for the 2019 second, third, and fourth quarter meetings: late April, around veto session in September, and early December. With no further business to be presented, the committee adjourned.



Michael Ruff
Executive Director

JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT

**1st QUARTER MEETING
March 4, 2019
1pm— House Hearing Room 4**

AGENDA

Roll Call

Election of Chair and Vice-Chair

Introduction of new JCPER members

Action Item: Authorization to purchase new computers and related equipment

Action Item: Authorization to extend employment of part-time administrative assistant

Presentation of 2019 Annual Report

Changes to Jackson County, Missouri Revised Pension Plan

Proposed changes to University of Missouri Retirement, Disability & Death Benefit Plan

Legislative Update

Procurement Action Plans, Sections 104.621, 105.702, 169.573, RSMo

Quarterly Investment Reporting

Joint Committee on Public Employee Retirement
Chairman History

Biennial Assembly	Chairman
2017-2018	Senator Rob Schaaf
2015-2016	Representative Mike Leara
2013-2014	Representative Mike Leara
2011-2012	Senator Jason Crowell
2009-2010	Representative Ward Franz
2007-2008	Senator Jason Crowell
2005-2006	Representative Todd Smith
2003-2004	Senator Chuck Gross
2001-2002	Representative DJ Davis
1999-2000	Senator John Scott
1997-1998	Senator John Scott
1995-1996	Representative Jim O'Toole
1993-1994	Representative Mary Hagan-Harrell
1991-1992	Representative Clay*/Senator Henry Panethiere
1989-1990	Senator Henry Panethiere
1987-1988	Representative Gladys Marriott
1985-1986	Representative Gladys Marriott
1983-1984	Representative Gladys Marriott

**Rep. Clay was elected to the Senate – at 3rd qtr mtg, 09/12/91, Sen. Panethiere was voted Chairman.*

21.553. 1. There is established a permanent joint committee of the general assembly to be known as the "Joint Committee on Public Employee Retirement" to be comprised of six members of the senate and six members of the house of representatives. The senate members shall be appointed by the president pro tem of the senate and the house members shall be appointed by the speaker of the house. The appointment of members shall continue during their term of office as members of the general assembly or until a successor has been duly appointed to fill their place when their term of office as members of the general assembly has expired.

2. No political party shall be represented on the committee by more than three members from the senate nor by more than three members from the house.

(L. 1983 S.B. 393 § 1)

21.555. 1. The joint committee on public employee retirement shall meet within ten days after its creation and organize by selecting a chairman and a vice chairman, one of whom shall be a member of the senate and the other a member of the house of representatives.

2. The committee shall regularly meet at least quarterly.

3. A majority of the members of the committee shall constitute a quorum.

4. The members of the committee shall serve without compensation but shall be reimbursed for actual and necessary expenses incurred in the performance of their official duties.

(L. 1983 S.B. 393 § 2, A.L. 1985 H.B. 695)

From: [Cris Wilson](#)
To: [Michael Ruff](#)
Subject: PC Upgrades
Date: Friday, February 1, 2019 10:57:19 AM

Michael,

We are recommending that you upgrade the three machines in your office. They have all reached or passed the point when we normally rotate them out of service. By replacing them together, you will ensure that they are at the same performance level and on the same rotation timeframe in the future.

Currently, your office has three Dell desktops purchased in May 2014, May 2015 and March 2016.

The suggested purchase would be a configuration and approximate pricing similar to:

Dell PC =	\$700
Dual monitors =	\$300
Speaker, keyboard, cables =	\$100
Total	\$1,100
Grand total for 3	\$3,300

If you have any questions, don't hesitate to ask.

Crissy Wilson
Director, MO Senate Computer Information Systems
(573) 751-2406



Jackson County Missouri

Jackson County Courthouse
415 E. 12th Street, 2nd floor
Kansas City, Missouri 64106
(816)881-3242

Legislation Details (With Text)

File #: 5185 **Version:** 1 **Name:** Repealing 1516 related to Employees' Pension Plan
Type: Ordinance **Status:** Passed
File created: 11/21/2018 **In control:** Finance and Audit Committee
On agenda: 11/26/2018 **Final action:** 12/3/2018
Title: AN ORDINANCE repealing sections 1511. and 1516., Jackson County Code, 1984, relating to the Jackson County Employees' Pension Plan and enacting, in lieu thereof, two new sections relating to the same subject.
Sponsors: Dennis Waits, Garry J. Baker
Indexes: PENSION PLAN
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
12/3/2018	1	County Legislature	adopt	Pass
12/3/2018	1	County Legislature	perfect	Pass
12/3/2018	0	Finance and Audit Committee	recommend for perfection	Pass
12/3/2018	0	County Legislature	substitute	Pass
11/28/2018	0	County Legislature	Go To 1st Perfection	Pass
11/27/2018	0	County Legislature		

IN THE COUNTY LEGISLATURE OF JACKSON COUNTY, MISSOURI

AN ORDINANCE repealing sections 1511. and 1516., Jackson County Code, 1984, relating to the Jackson County Employees' Pension Plan and enacting, in lieu thereof, two new sections relating to the same subject.

ORDINANCE NO. 5185, November 26, 2018

INTRODUCED BY Dennis Waits and Garry Baker, County Legislators

WHEREAS, the Legislature has determined that it is in the best interests of the health, welfare and safety of the citizens of Jackson County that the Jackson County Employees Pension Plan be amended to provide that a rehired member of the Plan may return to active County service after reaching the normal retirement age of 65 without forfeiting his or her right to continue to receive his or her earned pension benefit; now therefore,

BE IT ORDAINED by the County Legislature of Jackson County, Missouri, as follows:

Section A. Enacting Clause. Sections 1511. and 1516., Jackson County Code, 1984, are hereby repealed and two new sections enacted in lieu thereof, to be known as sections 1511. and 1516., to read as follows:

1511. Pension Income, Basic Form.

The basic form of Monthly Pension Income (to which the formula indicated in section 1512 applies) shall be a monthly income commencing on the Member's Disability, Early, Normal or Late Retirement Date or the date specified in section 1530 and continuing for his lifetime thereafter, with sixty (60) payments guaranteed. The Member must certify at the time of the application for benefits that the Member has a present intent to retire and no intent to return to employment with the County as a full-time Employee. Prior to his Disability, Early, Normal or Late Retirement Date, or the date specified in section 1530, the Member may elect, in a written application provided by the Board of Trustees, Pension Plan Administration Committee, and subject to the Committee's approval, to receive his Monthly Pension Income in one of the alternative forms listed below; provided, however, that in the case of a Disabled Member whose Disability Retirement Date is prior to the date such Disabled Member attains age 55, the Disability Payments provided for in section 1515 shall be paid in the basic form provided for in this section 1511 and shall not be paid in any of the alternative forms specified in subsections 1511.1 and 1511.2. Each of the alternative forms shall be the Actuarial Equivalent of the Monthly Pension Income payable under the basic form and shall commence as of the Member's Disability, Early, Normal, or Late Retirement Date or the date specified in section 1530. Notwithstanding the foregoing provisions of this section 1511, a Disabled Member whose Disability

Retirement Date precedes such Disabled Member's attainment of age 55 and who is receiving Disability Payments in the basic form, may elect, not later than 60 days after attaining age 55, in a written application provided by the Pension Plan Administration Committee, and subject to the Committee's approval, to receive his remaining Monthly Pension Income in one of the alternative forms listed below. Such alternative form shall be the Actuarial Equivalent of the Monthly Pension Income then being received by the Disabled Member.

1516. Pension Income, Effect of Reemployment.

1516.1 If a Retired Member is reemployed by the Employer as an Employee as defined in section 1503.28 of this chapter, before his normal retirement age of 65 as provided in section 1503.39(b) of this chapter, his Monthly Pension Income payments shall be suspended during any such period of reemployment. [If a Retired Member is reemployed by the Employer and is not an Employee as defined in section 1503.28, his Monthly Pension Income payments shall be suspended if the Employee receives payments from the Employer equal to the maximum amount allowed for the retention of Social Security benefits for individuals at age 65. The Monthly Pension Income payments will be suspended until the amount of the suspended payments equals the amount of payments received in excess of the amount of Social Security benefits allowed at age 65.] A reemployed Retired Member reemployed before age 65 shall accrue additional benefits during such period of reemployment the same as any rehired Employee.

1516.2 If Retired Member is first reemployed by the Employer as an Employee as defined in section 1503.28 of this chapter, after age 65, then his Monthly Pension Income payments shall not be suspended, and he shall continue to accrue additional benefits during such reemployment in the

same manner as any rehired Employee, but his Monthly Pension Income amount will be recalculated each Plan Year in accordance with subsection 1516.3 of this section.

1516.3 The benefit calculation, for a Retired Member who is a rehired Employee as provided in subsection 1516.2 of this section, and who earns additional years of Credited Service, will be based on the Employee's then Attained Age, will include any years of Credited Service earned after the date of reemployment, and will be reduced by the Actuarial Equivalent of any Monthly Pension Income payments made prior to age 65. The amount of such reduction shall be calculated by dividing the amount of the Retired Member's payments prior to age 65 by a factor that corresponds to the Retired Member's Attained Age when payments resume. In no event will the new Monthly Pension Income payment, after recalculation, be less than the prior year's Monthly Pension Income payment.

..Enacted and Approved

Effective Date: This ordinance shall be effective immediately upon its signature by the County Executive.

APPROVED AS TO FORM:

Chief Deputy County Counselor

County Counselor

I hereby certify that the attached Ordinance, Ordinance No. 5185 introduced on November 26, 2018, was duly passed on December 3, 2018 by the Jackson County Legislature. The votes thereon were as follows:

Yeas 6

Nays 3

Abstaining

0

Absent

0

This Ordinance is hereby transmitted to the County Executive for his signature.

Date

Spino, Clerk of Legislature

Mary

Jo

I hereby approve the attached Ordinance No.5185.

Date

County Executive

Frank

White,



FRANK WHITE, JR.
Jackson County Executive

EXECUTIVE ORDER NO. 18-22

To: Members of the Legislature
Clerk of the Legislature

From: Frank White, Jr.
County Executive

Date: Monday, December 17, 2018

Subj.: Amendment to the Personnel Rules: Reemployment Waiting Period

RECEIVED

DEC 17 2018

MARY JO SPINO
COUNTY CLERK

*4:10 pm
MJH*

Pursuant to section 706.1 of the Jackson County Code, 1984, I hereby promulgate the attached amendment to Rule 11 of the Jackson County Personnel Rules for Jackson County Associates. The amendment shall be effective immediately.

Pursuant to Rule 11:

Section 11.23 – Reemployment Waiting Period for Retired County Employees

Any former county employee who is currently receiving county monthly pension income payments shall not be considered for reemployment by the county within one-year of leaving county employment, unless such pension benefits are suspended due to reemployment.

Frank White, Jr., County Executive

12/17/2018
Date

Members of the Legislature
Clerk of the Legislature
December 17, 2018
Page 2

Rule 11 – Applications and Examinations Applicants and Conditions of Employment

Section 11.23 – Reemployment Waiting Period for Retired County Employees

Any former county employee that is currently receiving monthly pension income payments from the county shall not be considered for reemployment within one-year of leaving the county, unless such pension benefits are suspended due to reemployment.



FRANK WHITE, JR.
Jackson County Executive

Monday, December 17, 2018

Every day, more than 1,000 men and women come to work for Jackson County, many of whom will spend years or even decades in service to the County. Each and every one of them deserves to know that when they need it, the pension they worked so hard to earn will be there for them.

Recently, a “super-majority” of our County Legislature voted to make changes to the county’s pension system. These changes include, most notably, provisions allowing certain county retirees to return to full-time work while simultaneously drawing a pension from the county. To be clear, if I were still a member of the Legislature I would have joined the minority and voted against this change. My vote in opposition would have been based, in large part, upon the unanimous recommendation of the County’s Pension Board. It is concerning when the body that has been created by the County Legislature to manage and protect our pension system votes unanimously in opposition to a proposal, yet six members of the Legislature nevertheless vote to support the change. In addition, at this time we still do not have an estimate of the cost to the pension system to implement such a change. However, similar provisions have been found to cost public pensions millions of dollars annually.¹

As County Executive, I do not have a vote on the matter and my charter authority to request reconsideration would most certainly have been overridden by the same six legislators that voted for this proposal. While I have chosen not to sign the Ordinance, I have chosen not to go through the disapproval process and instead am offering the support and cooperation of my administration to the legislators that will be seated in less than a month to work together on addressing this issue.

In conclusion, today I have issued Executive Order #18-22. This executive order modifies the county’s existing personnel rule by prohibiting certain county retirees from returning to full-time employment within a year of retirement. Without this executive order, certain county employees would be able to retire, start drawing their monthly pension payments and return to work immediately while still receiving their pension payments. While this change will limit potential abuse of the new pension provisions, legislative action will be required to fully address this issue.

Frank White, Jr.
Jackson County Executive

¹ “Utah Postretirement Employment Restrictions,” Office of Legislative Research and General Counsel. December 2014. Stating, “According to URS’s actuary, URS incurred an accumulated impact of rehired retirees from 2000 to 2008 to be \$401.3 million due to postretirement reemployment provisions. OLAG auditors estimate that if the current [2009] trend of reemployed retirees continues, URS will incur additional liabilities of at least \$897 million between 2009 and 2018.”



172.300. Employment of faculty and employees — compensation, retirement, death and disability plans. — The curators may appoint and remove, at discretion, the president, deans, professors, instructors and other employees of the university; define and assign their powers and duties, and fix their compensation, and such compensation may include payments under, or provision for, such retirement, disability, or death plan or plans as the curators deem proper for persons employed by the university and paid out of any of its public funds for educational services, their beneficiaries or estates, and the curators may administer such plan or plans under such rules and regulations as they deem proper; and for these purposes the curators may use state-appropriated or other public funds under their control and pay or transfer such funds into a fund or funds for paying such benefits, and they may enter into agreements for and make contributions to both voluntary and statutory plans for paying such benefits.

(RSMo 1939 § 10790, A.L. 1955 p. 569)

Prior revisions: 1929 § 9633; 1919 § 11530; 1909 § 11104

UNIVERSITY OF MISSOURI
COLUMBIA • KANSAS CITY • ROLLA • ST. LOUIS



OFFICE OF THE GENERAL COUNSEL
227 UNIVERSITY HALL
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Mark Van Zandt, Counsel

February 13, 2019

By Hand Delivery and E-mail

Michael Ruff
Executive Director
Joint Committee on Public Employee Retirement
State Capitol, Room 219-A
Jefferson City, MO 65101

Re: University of Missouri Retirement Plan Provisions

Dear Mr. Ruff:

In accordance with the provisions of Section 105.675, RSMo, The Curators of the University of Missouri hereby respectfully submits the enclosed actuarial cost statement prepared by Joshua P. Kaplan, Vice President and Actuary for Segal Consulting. Mr. Kaplan's actuarial cost statement was prepared in accordance with the provisions of Section 105.665, RSMo.

In submitting the attached actuarial statement, the University of Missouri does not concede that the provisions of Section 105.675, RSMo apply to its University of Missouri Retirement, Disability and Death Benefit Plan or that said statute can be lawfully applied to the University of Missouri. Nonetheless out of courtesy and respect to the Joint Committee, and in an abundance of caution, we submit this notice and information.

The following is a summary of proposed revisions which are discussed further in the actuarial cost statement described above:

1. There are no proposed revisions to the defined benefit plan provided under the University of Missouri Retirement, Disability and Death Benefit Plan ("Plan") for employees who become full-time, benefit eligible employees on or before September

30, 2019. Such employees will remain in that Plan and will not move to the new defined contribution plan noted below.

2. Employees of the University of Missouri who become full-time, benefit eligible employees on or after October 1, 2019 will not become members in that defined benefit plan and will accrue no benefits thereunder. Such employees instead will be covered under a defined contribution plan through which the University of Missouri will match each eligible employee's contributions up to a stated maximum level.

Currently, the Board of Curators for the University of Missouri is scheduled to consider and take final action to approve the proposed revisions at its next meeting, scheduled for April 11-12, 2019. Thus this notice complies with the requirement that JCPER be notified at least 45 days prior to final action. A copy of this letter and the enclosure has been provided to the Secretary of the Board of Curators of the University of Missouri as provided in Section 105.675, RSMo.

Sincerely,



Paul R. Maguffee

Enclosures

cc: Mun Choi
Marsha Fischer
Jessica Baker
Cindy Harmon



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Joshua P. Kaplan
Vice President and Actuary
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January 11, 2019

Stephen J. Owens, Esq.
General Counsel
University of Missouri
227 University Hall
Columbia, MO 65211

Re: Cost Statement of Proposed Changes to the University of Missouri Retirement, Disability and Death Benefit Plan

Dear Mr. Owens:

In accordance with Chapter 105 of the laws of the State of Missouri, this letter is to advise you of the cost impact of the proposed changes to the University of Missouri Retirement, Disability and Death Benefit Plan ("Plan") as summarized below:

Proposed Plan Changes for:

A. Current Employees in the Plan as of September 30, 2019

- No changes to the Plan of benefits for current service as well as future service periods of employment
- No change in the employee mandatory contributions

B. Benefit Eligible Employees hired on or after October 1, 2019

- Will not become members in the Plan and will accrue no benefits under the Plan
- Will instead be covered under a defined contribution plan

Results of the most recent Actuarial Valuation of the Plan (as of October 1, 2017)

The most recent actuarial valuation of the Plan was as of October 1, 2017. The valuation determined the contribution requirements for University's fiscal year July 1, 2018 – June 30, 2019 ("fiscal 2019"). The valuation report, dated March 16, 2018, has been previously issued to the Board of Curators.

The following is a summary of the cost components of the Plan based on that actuarial valuation [Statute 105.665.2(1), (2), (3)]:

	<u>Dollar Amount</u>	<u>Percent of Payroll</u>
1. Total normal cost:	\$65,979,258	5.75%
2. Expected employee contributions:	<u>14,908,183</u>	<u>1.30%</u>
3. Net employer normal cost:	\$51,071,075	4.45%
4. Actuarial accrued liability:	\$4,310,862,288	
5. Actuarial value of assets:	<u>3,572,150,725</u>	
6. Unfunded actuarial accrued liability:	\$738,711,563	
7. 26-year amortization payment on unfunded actuarial accrued liability:	\$61,615,901	5.37%
8. Total annual contribution requirement (item 1 plus item 7):	\$127,595,159	11.13%
9. Net employer contribution requirement (item 3 plus item 7):	\$112,686,976	9.83%

Note: Detailed figures may not add to totals shown due to rounding.

To the best of my knowledge, the University has always paid the employer contribution as determined in accordance with the above methodology [Statute 105.665.2(4)].

The following is a summary of the plan's assets and liabilities based on the actuarial valuation [Statute 105.665.2(5)]:

Actuarial value of assets:	\$3,572,150,725
Market value of assets:	\$3,572,074,894
Actuarial accrued liability:	\$4,310,862,288
Funded ratio:	82.86%

Cost impact resulting from the proposed plan change [Statute 105.665.2(6)]

A: Impact on current contribution requirement and future year contribution requirements for current employees (and those hired prior to October 1, 2019)

There is no impact on the October 1, 2017 actuarial valuation results shown above (contributions for fiscal 2019) that results from the above plan changes since no plan changes are applicable to current employees (those hired before October 1, 2019).

The contribution requirements for future fiscal years for those individuals hired prior to October 1, 2019 will also not be impacted from what they otherwise would be as a result of the plan changes.

While the dollar cost of the contribution requirements for future valuations/fiscal years will not be impacted by the plan changes for new employees, if the dollar amount of the amortization payment is considered as a percent of only the payroll for the employees hired prior to October 1, 2019, then the percent of payroll of such payment will increase over time (as the aggregate payroll for this closed group of employees declines due to attrition). If the amortization payment continues to be viewed as a percent of payroll for all employees (those hired both before and after October 1, 2019), then there will not be any such percent of payroll increase.

B: Impact on future contribution requirements for those hired on or after October 1, 2019

The plan changes noted above for those employees hired on or after October 1, 2019 will result in lower contribution requirements in future fiscal years for these individuals than if there were no plan changes made. While as noted above the total normal cost for current employees under the current Plan provisions is 5.75% of payroll (a 4.45% net employer normal cost), the normal cost for similar situated new employees after reflecting the plan changes would be zero, as they would not be covered by the Plan. The dollar amount of the amortization payment of the existing unfunded liability will not be impacted by the plan change for these future new employees.

C: Comparison of Employer Cost Requirements for Current and Proposed Plan Provisions

Ten-year projections with and without the proposed change are shown on the following page [Statute 105.665.2(7)].

There are no additional contributions required under the proposed change and therefore no such contributions are mandated [Statute 105.665.2(8)].

The proposed change would not in any way impair the ability of the plan to meet the obligations thereof in effect at the time the proposal is made [Statute 105.665.2(9)].

Current Plan Provisions						
Plan Year	Market Value of Assets	Actuarial Value of Assets	Actuarial Accrued Liability	Funded Percentage	Employer Contribution (Dollars)	Employer Contribution (Percent of Payroll)
2019	3,833,940,623	3,781,032,669	4,545,120,934	83.19%	113,975,013	9.57%
2020	3,978,468,193	3,957,049,608	4,659,293,530	84.93%	108,584,582	8.94%
2021	4,109,886,170	4,111,171,617	4,767,039,167	86.24%	104,567,137	8.44%
2022	4,243,394,306	4,243,394,306	4,869,718,757	87.14%	102,154,453	8.08%
2023	4,372,316,024	4,372,316,024	4,968,369,578	88.00%	99,810,278	7.74%
2024	4,496,807,003	4,496,807,003	5,062,042,017	88.83%	97,506,058	7.40%
2025	4,616,532,335	4,616,532,335	5,151,929,718	89.61%	95,388,157	7.09%
2026	4,730,831,834	4,730,831,834	5,236,377,970	90.35%	93,365,909	6.79%
2027	4,840,182,985	4,840,182,985	5,315,699,435	91.05%	91,404,275	6.51%
2028	4,943,767,058	4,943,767,058	5,388,601,180	91.74%	89,465,220	6.23%

Proposed Plan Provisions						
Plan Year	Market Value of Assets	Actuarial Value of Assets	Actuarial Accrued Liability	Funded Percentage	Employer Contribution (\$)	Employer Contributions (Percent of Payroll) ¹
2019	3,833,940,623	3,781,032,669	4,545,120,934	83.19%	113,975,013	9.57%
2020	3,978,468,193	3,957,049,608	4,659,293,530	84.93%	105,749,695	8.71%
2021	4,108,721,988	4,110,007,436	4,762,382,439	86.30%	99,060,375	8.00%
2022	4,228,909,549	4,228,909,549	4,856,436,323	87.08%	95,037,705	7.52%
2023	4,341,044,261	4,341,044,261	4,942,859,866	87.82%	91,329,786	7.08%
2024	4,445,833,593	4,445,833,593	5,020,913,547	88.55%	87,824,057	6.67%
2025	4,542,897,139	4,542,897,139	5,091,783,708	89.22%	84,581,288	6.29%
2026	4,630,982,891	4,630,982,891	5,153,404,218	89.86%	81,537,174	5.93%
2027	4,710,523,805	4,710,523,805	5,205,996,566	90.48%	78,624,657	5.60%
2028	4,780,529,506	4,780,529,506	5,248,133,350	91.09%	75,793,471	5.28%

¹ Employer contribution as a percent of payroll is determined based on the projected total payroll of the entire active population, including those hired after October 1, 2019.

Other Potential Plan Changes

It is our understanding that the Board is considering the addition of a defined contribution plan for employees hired on or after October 1, 2019. The cost of such a defined contribution plan has not been included in the fiscal cost impact in this analysis. That is, this letter only addresses the cost impact of proposed changes being made to the above referenced Retirement, Disability and Death Benefit Plan.

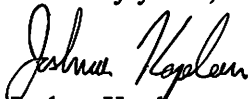
Assumptions, Methods and Cost Projections [Statute 105.665.2(10)(a)-(g), (11), 12]

This cost statement was prepared based on the same actuarial methods and assumptions used in the most recent actuarial valuation as of October 1, 2017. Please refer to the actuarial valuation report, a copy of which is attached, for a complete description of those assumptions and methods. For purposes of the projections, the active employee group size is assumed to remain the same as reflected in the October 1, 2017 actuarial valuation.

Projections, by their nature, are not a guarantee of future results. Emerging results will differ if the actual experience proves to be different from the assumptions or if alternative methodologies are used. Actual experience may differ due to such variables as demographic experience, the economy, stock market performance and the regulatory environment.

I will be pleased to answer any questions that may arise in connection with the information contained in this letter.

Sincerely yours,


Joshua Kaplan

cc: Marsha Fischer
Ryan Rapp

8830927V1/03731.001

Supporting documents presented to the Board of Curators for the proposed University of Missouri defined contribution plan may be accessed here:

<https://board.um.umsystem.edu/February%202019%20Board%20of%20Curators%20Meeting/Forms/AllItems.aspx>

2019 RETIREMENT LEGISLATION - HOUSE

HOUSE BILLS			HOUSE ACTION						SENATE ACTION				OTHER ACTION	
Bill Number	System Affected	Description	Sponsor	Committee Assigned	Date / Time Hearing Rm	Committee Action	Perfected	Passed 3rd Read	Committee Assigned	Date / Time Hearing Rm	Committee Action	Passed 3rd Read	Notes	Gov Action
HB69	PSRS	Reauthorizes the 2.55 multiplier for teachers retiring with 31 or more years of service.	Dinkins											
HB77	PSRS/PEERS	Modifies working after retirement provisions for retired members of PSRS who are employed by a community college.	Black (7)	Pensions	Executive Session completed Do Pass 2/5/19	2/11/19 Rules - Admin Oversight HHR 7 6pm	2/13/2019 Perfected	2/18/19 Third Read & Passed/ Reported to Senate						
HB200	Private Sector Employees	Creates the Missouri Secure Choice Savings Program to permit certain private sector employers to enroll in a retirement savings plan. Establishes enrollment conditions and what documents the board needs to provide to the employee.	Kendrick											
HB201	All Public Plans	Requires public retirement plans to provide certain financial information to participants and modifies the criteria for when a public retirement plan is deemed delinquent.	Kendrick											
HB362	PSRS/PEERS/ KC-PSRS	Increases to 700 the number of hours a retired member may work annually without having his or her retirement benefits suspended.	Roeber											
HB404	Retired Individuals	Establishes the Retirees Experiencing a Better Living Initiative Fund to advertise Missouri to retirees in other states	Messenger	Sp. Committee on Aging	2/6/19 Public Hearing completed									
HB459	PSRS/PEERS	Repeal a provision of law that governs working after retirement for retired PSRS members who return to work in a position that does not normally require Missouri teacher certification	Washington											
HB563	MOSERS	Modifies employer eligibility for MOSERS for Missouri Housing Development Commission and the Environmental Improvement Energy Resource Authority	Wiemann	Budget	3/7/19 HHR 3 8:15am									

2019 RETIREMENT LEGISLATION - HOUSE

HOUSE BILLS			HOUSE ACTION						SENATE ACTION				OTHER ACTION	
Bill Number	System Affected	Description	Sponsor	Committee Assigned	Date / Time Hearing Rm	Committee Action	Perfected	Passed 3rd Read	Committee Assigned	Date / Time Hearing Rm	Committee Action	Passed 3rd Read	Notes	Gov Action
HB568	LAGERS	Authorizes participating political subdivisions in LAGERS to elect to cover certain employee classes as public safety members. Those that can elect to be covered are emergency telecommunicators, jailors, and emergency medical service personnel	Black (7)	Pensions	3/5/19 HHR 7 8am									
HB609	MPERS	Permits uniformed members of the Highway Patrol and radio personnel employees of the Highway Patrol who were hired for the first time on or after 1/1/11 to elect to participate in BackDROP.	Kelly (141)											
HB649	MOSERS/ MPERS	Requires state employees, General Assembly members and statewide elected officials who first hold office on or after 1/1/20 to participate in a defined contribution retirement plan.	Schroer											
HB723	PSRS/PEERS	Modifies the "pop-up" provision relating to divorce after retirement.	Pike	Pensions	Executive Session completed Do Pass 2/19/19	2/21/19 Rules - Admin Oversight Voted Do Pass								
HB864	School Retirement Systems	Establishes a new defined contribution plan option for PSRS members.	Taylor											
HB1006	All Public Plans	Prohibits public entities from entering into certain contracts with companies unless the contract includes a written certification that the company is not engaged in a boycott of goods or services from Israel.	Rehder											

2019 RETIREMENT LEGISLATION - HOUSE

HOUSE BILLS			HOUSE ACTION						SENATE ACTION				OTHER ACTION	
Bill Number	System Affected	Description	Sponsor	Committee Assigned	Date / Time Hearing Rm	Committee Action	Perfected	Passed 3rd Read	Committee Assigned	Date / Time Hearing Rm	Committee Action	Passed 3rd Read	Notes	Gov Action
HB1011	All Public Plans	Prohibits public entities from entering into certain contracts with companies unless the contract includes a written certification that the company is not engaged in a boycott of goods or services from Israel.	Hicks											
HB1105	MPERS/ MOSERS	Modifies provisions related to state employee retirement systems.	Black (7)											

2019 RETIREMENT LEGISLATION - SENATE

SENATE BILLS			SENATE ACTION						HOUSE ACTION				OTHER ACTION	
Bill Number	System Affected	Description	Sponsor	Committee Assigned	Date / Time Hearing Rm	Committee Action	Perfected	Passed 3rd Read	Committee Assigned	Date / Time Hearing Rm	Committee Action	Passed 3rd Read	Notes	Gov. Action
SB 17	PSRS/PEERS	Modifies working after retirement provisions for retired members of PSRS who are employed by a community college.	Romine	Health and Pensions	1/23/19 Hearing Held	Voted do pass, consent	Placed Senate consent calendar 2/4	2/7/19 Third Read & Passed/ Consent/ Reported to the House	Pensions	Executive Session 2/26/19 Voted Do Pass	3/5/19, 5pm, HHR 1, Rules-Administrative Oversight			
SB 124	LAGERS	Allows participating political subdivisions in LAGERS to elect to cover certain employee classes as public safety members. Those that can elect to be covered are emergency police telecommunicators, emergency fire telecommunicators, jailors and emergency medical personnel	Hough	Health and Pensions										
SB 185	MOSERS	Modifies employer eligibility for MOSERS for Missouri Housing Development Commission and the Environmental Improvement Energy Resource Authority	Wallingford	Health and Pensions										
SB 199	Private Sector Employees	Creates the Missouri Secure Choice Savings Program to permit certain private sector employers to enroll in a retirement savings plan. Establishes enrollment conditions and what documents the board needs to provide to the employee.	Arthur	Small Business and Industry										
SB 403	MPERS	Creates the Bridge and Road Authorization Trust Fund. Beginning in fiscal year 2022, prohibits disbursements in any fiscal year following a fiscal year were State Road Fund moneys are used for certain purposes, including retirement programs.	Eigel	Transportation, Infrastructure and Public Safety										
SB 499	MOSERS/ MPERS	Consolidates the Missouri Department of Transportation and Highway Patrol Employees' Retirement System into the Missouri State Employees' Retirement System	Burlison											
SJR 6	All state retirement systems	Modifies the appropriation of state benefits. No state department or agency can implement a state public benefit without appropriation for said program.	Eigel	Appropriations										
SJR 24	Plans sponsored by a political subdivision	Modifies voter turn out threshold for new tax or tax increase.	Cierpiot											



3100 Broadway
Suite 1211
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816.472.5800
www.kcpsrs.org

KANSAS CITY PUBLIC SCHOOL RETIREMENT SYSTEM

December 4, 2018

Mr. Michael Ruff, Executive Director
Joint Committee on Public Employee Retirement
Missouri Capital Building, Rm. 219-A
Jefferson City, MO 65101

RE: 2018 Report: KCPSRS Procurement Action Plan

Dear Mr. Ruff:

On behalf of the Kansas City Public School Retirement System (KCPRS) Board of Trustees, I submit this *2018 KCPSRS Procurement Action Plan for Utilization of Minority and Women Money Managers* as stipulated in RSMO 169.573.

2018 KCPSRS Procurement Action Plan for Utilization of Minority and Women Money Managers

Current Status

As of September 30, 2018, 32% of KCPSRS' total fund is managed by minority and women owned money managers, including Earnest Partners, Pugh Capital, and Rhumblin. One of our two commission recapture brokers, CAPIS, is women owned.

Professional Gatherings and Information

In 2018, five KCPSRS Trustees attended the 2018 National Association of Securities Professionals (NASP) conference. The mission of NASP is "to promote professional excellence, facilitate new business opportunities, and encourage economic empowerment for people of color and women on Wall Street and for our community. We seek to connect members to industry leaders and business opportunities; advocate for policies that create equal representation and inclusion; provide educational opportunities; and work to build awareness about the value of ensuring that people of color and women are included in all aspects of the financial services industry."

Money Manager's Report of Affirmative Actions

In December 2017, KCPSRS staff requested all money managers contracted with KCPSRS to report on the results of their affirmative action plan with respect to the employment of women and minorities. Managers reported on current ownership, current staffing statistics, and their approach to attracting, developing and retaining diverse talent.

KCPSRS Affirmative Action Policy

Within the bounds of fiduciary responsibility under Missouri law and other applicable statutes and regulations, including, but not limited to, RSMO Section 105.688 and RSMO Section 169.573, KCPSRS desires to take affirmative action to assure equal opportunity for minorities and women in money management, brokerage, investment services and other professional services. The Board of Trustees specifically desires to take affirmative steps to ensure those opportunities with respect to services provided to the Retirement System. To accomplish that goal, the Board of Trustees adopts the following plan.

- A.** All contracts of the Retirement System with money managers, brokers, investment counselors and other professional service providers will require the contractor to maintain an affirmative action plan with respect to the employment of women and minorities. Those contracts will also require the contractors to report to the Retirement System the results of their affirmative action plans, at least annually, in sufficient detail to allow an assessment of the good faith effort of the contractor in carrying out the affirmative action plan. Reporting will include, but not be limited to, information on efforts to employ minorities and women, the number of minorities and women employed, the positions in which they are employed and the particular duties of minorities and women with respect to the Retirement System contract or services. In addition, the report will include any efforts of the contractor to engage minorities and women in subcontractors, partnerships and joint ventures. The staff of the Retirement System will develop the specific reporting requirements.

The staff of the Retirement System is directed to take steps to amend existing contracts and contract forms, where necessary, to incorporate these requirements.

- B.** In soliciting proposals from money managers, brokers, investment counselors and other professionals, the Retirement System will request information similar to the reports required of contractors with respect to minorities and women.
- C.** In soliciting proposals from money managers, brokers, investment counselors and other professionals, the Retirement System will make specific efforts to identify and solicit proposals from qualified firms owned by minorities and women. Such efforts will include identifying individual firms from which to solicit a proposal and publicizing the contract process in a manner likely to inform qualified firms owned by minorities and women.
- D.** The Board of Trustees and the staff of the Retirement System will make reasonable efforts to attend professional gatherings of minorities and women in money management, brokerage, investment counseling and other professional services used by the Retirement System. In addition, the staff will use other reasonable means to inform firms owned by minorities and women, and minorities and women employed as money manager, brokers, investment counselors and other professionals, of the opportunities for doing business with the Retirement System, and the means for pursuing those opportunities. The staff will regularly report to the Board of Trustees on its efforts in this regard.
- E.** The Board of Trustees and the staff of the Retirement System will request its Investment consultant to assist the Retirement System in locating and contacting qualified investment firms owned by minorities and women and minorities and women employed as money managers and assisting those companies and individuals pursuing opportunities to provide services to the Retirement System.

- F. The Board of Trustees will annually evaluate the results of this affirmative action policy. Based on this evaluation the Board of Trustees will determine whether any changes in the policy are necessary. The results will be reported to the Board and the joint committee on public employee retirement.

- G. Pursuant to RSMO Section 105.702, the System has developed a procurement action plan for utilization of minority and women money managers, brokers, and investment counselors. The System shall report their progress annually to the joint committee on public employee retirement and the governor’s minority advocacy commission on a plan incumbency section C, D, E, F, and G of this document.

To qualify as a minority or woman owned firm, such firm shall:

1. Be domiciled in the United States;
 2. Be owned or controlled by one or more individuals who are women or who qualify as a minority as defined below. Ownership is classified as having a controlling interest in the firm of at least 51%; and
 3. Have such women or minority owners involved in the daily business operations of the firm.
- As used in this policy, the term “minorities” means individuals socially and economically disadvantaged due to their race or ethnic background, including, but not necessarily limited to, Black Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans and Native Hawaiians.

Should you have any questions, contact me at 816-474-5800 or Christine.gierer@kcpsrs.org.

Best,



Christine Gierer
Executive Director

From: [Harper, Scott](#)
To: [Michele Fehlings](#); [Michael Ruff](#)
Cc: [Denise Droege](#)
Subject: Minority and Women Manager Report
Date: Friday, January 25, 2019 9:05:31 AM
Attachments: [Addendum Diversity Participation Procurement Policy 8-24-18.doc](#)

Dear Mr. Ruff and Ms. Fehlings:

This is in response to JCPER's letter dated January 15, 2019 seeking information on the Employees Retirement System of the City of St. Louis' (the "System's") Action Plan and Report for Minority and Women owned money managers. Attached is the System's Action Plan which is an Operational Addendum to the System's Statement of Investment Policy.

Please also note that the System currently utilizes two money managers whose ownership and key decision makers are at least 51% or more African Americans. In addition, the System utilizes one additional money manager whose ownership and key decision makers are at least 51% Hispanic or Latino. Furthermore, the System utilizes one additional money manager whose ownership and key decision makers are 51% women.

I trust this adequately responds to your request. In the event you have any questions or require additional information, please contact me.

Could you please provide information on how to contact and send annual report to the Governor's Minority Advocacy Commission?

Thank you for your assistance with this matter.

--

Very truly,

Scott Lang Harper
General Counsel
Employees Retirement System of the City of St. Louis
1114 Market Street, Suite 905
St. Louis, Missouri 63101
(314) 622-5739
fax (314) 436-7405

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Operational Addendum to Statement of Investment Policy

**Procurement Action Policy for the
Employees Retirement System of the
City of St. Louis**

In accordance with Section 4.16.100(E) of the Revised Code of the City of St. Louis 1994, as amended, and Section 105.702 of the Missouri Revised Statutes 2000, as amended, and within the bounds of its fiduciary responsibilities under law, including but not limited to the provisions of Section 105.688 RSMo., the Board of Trustees of the Employees Retirement System of the City of St. Louis (the “Board”) desires to take actions to encourage diversity and assure equal opportunities for minorities and women with respect to contracts and agreements involving the Employees Retirement System of the City of St. Louis (the “System”). To accomplish that goal, the Board adopts the following plan:

- 1) In soliciting proposals from service providers, the Board will include, as a specification, the requirement the proposed firm describe its efforts to recruit, encourage or enhance diversity in its workplace and describe minority or women ownership interests (partnership or equity ownership interest) in the firm.
 - a. Service providers will provide sufficient information to ascertain the percentage of minorities and the percentage of women in key decision making positions in the firm, along with a description of their positions.
 - b. Service providers will provide a copy of their current processes and/or policies established to help recruit, hire, and develop a diverse workforce, including but not limited to, minorities and women at their firm.
 - c. Service providers will describe the extent and nature of ownership interests of the firm (partnership or equity interests) held by diverse persons, including but not limited to minorities and women. Said service providers will also outline the extent and nature of the key decision making roles held by diverse persons, including but not limited to, minorities or women with a partnership or equity ownership interest in the firm

- 2) In soliciting proposals from Investment Managers and Investment Consultants, the Board’s Investment Consultant will publicize the contract or agreement process in a manner likely to inform qualified firms owned by diverse persons, including, but not limited to, minorities and women.

- 3) In accordance with the Board's fiduciary obligations, diversely owned service providers, including but not limited to, minority or women-owned service providers who submit qualified proposals that meet the criteria for any Board approved Request for Proposals shall be directly and contemporaneously compared, via quantitative and qualitative analysis, against other qualified firms submitting proposals. The Board shall give consideration to all said qualified diversely owned service providers, including but not limited to, minority or women-owned service providers whose economic value to the System, its participants and beneficiaries is economically preferable to or indistinguishable from other qualified firms that have submitted proposals. The Board hereby instructs its Investment Consultant to provide the Board with the quantitative and qualitative analysis for any qualified diversely-owned Investment Manager, including but not limited to minority or women-owned Investment Manager and to make a recommendation to the Board regarding whether or not the economic value to the System, its participants and beneficiaries is preferable or indistinguishable from other qualified Investment Managers who have submitted proposals.
- 4) The Board will gather information from each System service provider on a periodic basis pertaining to the following:
 - a. The efforts the firm made to recruit a diverse workforce, including but not limited to, minorities and women as employees;
 - b. The positions of diverse persons, including but not limited to, minorities and women employed by the firm;
 - c. The diverse persons, including but not limited to minorities and women, who have a partnership or equity interest in the firm and whether or not they have a combined significant ownership interest; and
 - d. The key decision making firm roles played by diverse persons, including but not limited to, minorities and women who have a partnership or equity interest in the firm.
- 5) Each solicitation for System service providers performing any services pursuant to a contract or agreement awarded pursuant to a Request for Proposals must state that neither the bidder nor anyone under the bidder's control, will permit discrimination against any employee, worker or applicant for employment because of race, color, age, religion, sex, familial status, disability, sexual

orientation, gender identity or expression, national origin, ancestry or genetic information. In addition, each bidder must agree that the bidder will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, age, religion, sex, familial status, disability, sexual orientation, gender identity or expression, national origin or ancestry.

- 6) The Board will review this Procurement Action Policy periodically after its adoption. Based on the review, the Board will determine whether any changes in the Policy are necessary.
- 7) This Procurement Action Policy shall only apply prospectively.
- 8) To qualify as a diversely owned or minority or women-owned service provider, such firm shall:
 - a. be domiciled in the United States;
 - b. be owned or controlled by one or more individuals who collectively are diverse persons, women or who qualify as a minority as defined below. Ownership is classified as having a combined significant or controlling interest in the firm; and
 - c. have such diverse persons or women or minority owners involved in the daily business operations of the firm.

As used herein, the term “diversity” or “diverse person” encompasses efforts to expand opportunity to persons protected under Missouri laws and/or City of St. Louis (“City”) ordinances which bar discrimination in places of public accommodation, state and/or City contracting, employment or housing based on race, color, religious creed, age, familial status, national origin, ancestry, disability, sexual orientation, genetic information, gender identity or expression, but also to Missouri-based firms, and to emerging firms which have been in business less than five (5) years.

As used in this policy, the term “minorities” includes, but is not necessarily limited to, African Americans, Native Americans, Hispanic Americans, and Asian Americans.

- a. African American (not of Hispanic Origin) - All persons having origins in any of the Black racial groups of Africa.

- b. Hispanic- All persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish or Portuguese speaking culture or origin, regardless of race.
- c. Asian or Pacific Islander- All persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands. This area includes China, India, Japan, Korea, the Philippine Islands, and Samoa.
- d. Native American- All persons having origins of at least one quarter descent in any of the original peoples of North America, and who maintain cultural identification through tribal affiliation or community recognition as evidenced by a tribal enrollment card recognized by the Federal Bureau of Indian Affairs, a Native Hawaiian organization, or an Alaska Native Corporation.



WHERE COMMUNITY AND SPIRIT MEET

February 19, 2019

Michael Ruff, Executive Director
Joint Committee on Public Employee Retirement
State Capitol, Room 219-A
Jefferson City, MO 65101

Mr. Ruff,

Please allow this correspondence to serve as the progress report from the City of Kirkwood Police Officers' and Firefighters' Pension Plan ("Plan") regarding its utilization of minority and women money managers, brokers, and investment counselors as required by §105.702 R.S.Mo.

The Statement of Investment Objectives and Policy for the City of Kirkwood Police Officers' and Firefighters' Pension Fund states:

5. Within the bounds of its fiduciary responsibility under law, including but not limited to the provisions of Section 105.699 RSMo, the Board of Trustees of the City of Kirkwood Police Officers and Firefighters Pension Fund desires to develop a procurement action plan to assure equal opportunities for minorities and women to participate as principals and employees in the areas of money management, brokerage, and investment counseling services. To accomplish that goal the Board adopts the following plan.
 - a. All contracts with money managers, brokerage firms and investment counselors will require the contractor to maintain an affirmative action plan with respect to the employment of women and minorities.
 - b. In soliciting proposals from money managers, brokers and investment counselors, the system will include, as a specification, the requirement of an affirmative action plan.
 - c. In soliciting proposals from money managers, brokers and investment counselors, the system will publicize the contract process in a manner likely to inform qualified firms owned by minorities and women.

Currently TIAA is the recordkeeper and custodian for the Plan. As this is a defined contribution plan with self-directed investments, all of the investment options are offered through the TIAA platform. Notably TIAA has a diversity and inclusion initiative among its own workforce, which means that women represented 40% of the members of the TIAA Board of Overseers and TIAA and CREF Boards of Trustees, and minorities represented 30% of the same group as of the end of September, 2018. Moreover, TIAA has a Supplier Diversity Program, which meant that in 2018 11.5% of its overall procurement spending was with diverse companies.

Given that the Plan has not sought out a new money manager, broker, or investment counselor in 2018, or thus far in 2019, and the Plan's provider has a commitment to diversity that shows measurable results, the Board of Trustees is pleased with its progress on the utilization of minority and women money managers, brokers, and investment counselors.

Should you need anything further, please do not hesitate to contact me.

Sincerely,



Georgia L. Ragland
Asst. Chief Administrative Officer
City of Kirkwood

Joint Committee on Public Employee Retirement

Quarterly Reports

2018 Fourth Quarter

<u>Plan Name</u>	Beg. Mkt Value	End Mkt Value	ROR 12 mos.	ROR 36 mos.	ROR 60 mos.	ROR for Inv	Price Inf. Assump..	Sal/Wage Assump.
Affton FPD Retirement Plan	\$9,168,794	\$9,269,814	-5.30% (Net)	5.60% (Net)	4.60% (Net)	6.50%	2.75%	3.50%
Arnold Police Pension Plan	\$13,425,078	\$12,405,236	-4.32% (Gross)	3.91% (Gross)	3.66% (Gross)	6.00%	2.50%	4.50%
Bi-state Dev Agency Division 788, A.T.U.	\$142,671,317	\$127,973,546	N/A% (Net)	N/A% (Net)	N/A% (Net)	7%	2.5%	N/A%
Bi-state Development Agency Local 2 I.B.E.W.	\$5,657,630	\$5,174,510	N/A% (Net)	N/A% (Net)	N/A% (Net)	7%	2.5%	N/A%
Bi-state Salaried Employees	\$74,452,907	\$67,932,625	N/A% (Net)	N/A% (Net)	N/A% (Net)	7%	2.5%	4.5%
Black Jack FPD Retirement Plan	\$15,462,290	\$13,826,348	1% (Gross)	1% (Gross)	1% (Gross)	7%	2.75%	4.5%
Bothwell Regional Health Center Retirement Plan	\$46,126,683	\$41,397,996	-5.8% (Net)	5.0% (Net)	3.3% (Net)	7.75%	2.9%	3.0%
Bridgeton Employees Retirement Plan	\$28,990,941	\$26,471,530	-7.58% (Net)	2.15% (Net)	.94% (Net)	7.5%	3.0%	4.0%
Carthage Policemen's & Firemen's Pension Plan	\$7,552,456	\$6,937,666	3.24% (Net)	7.15% (Net)	6.08% (Net)	7.0%	2.2%	3.5%
Clayton Non-uniformed Employee Pension Plan	\$19,229,974	\$17,351,060	-5.00% (Net)	5.47% (Net)	5.28% (Net)	7%	2%	4%
Clayton Uniformed Employees Pension Plan	\$46,699,723	\$41,868,293	-3.39% (Net)	6.55% (Net)	5.79% (Net)	7%	2%	3.5%
Columbia Police and Firemens' Retirement Plan	\$139,082,548	\$125,303,862	-6.06% (Net)	4.05% (Net)	3.16% (Net)	7%	2.5%	3.25%
Community FPD Retirement Plan	\$32,261,424	\$25,668,149	-20.3% (Net)	5.76% (Net)	1.46% (Net)	7.0%	2.5%	4.0%
County Employees Retirement Fund	\$533,585,000	\$487,518,000	-3.11% (Gross)	5.68% (Gross)	4.47% (Gross)	7.5%	2.5%	2.5%
Creve Coeur Employees Retirement Plan	\$26,299,288	\$24,465,929	-6.50% (Net)	5.60% (Net)	4.50% (Net)	6.75%	3.50%	4.00%
Creve Coeur FPD Retirement Plan	\$11,087,469	\$9,986,892	N/A% (Gross)	N/A% (Gross)	N/A% (Gross)	7%	3%	4%
Eureka FPD Retirement Plan	\$12,725,401	\$11,706,543	1% (Gross)	1% (Gross)	1% (Gross)	7%	2.75%	4.5%
Fenton FPD Retirement Plan	\$31,849,801	\$28,740,601	4.45% (Net)	9.84% (Net)	6.44% (Net)	7.5%	2.5%	2%
Firefighter's Retirement Plan of the City of St. Louis	\$76,846,843	\$69,295,544	-6.6% (Gross)	5.8% (Gross)	0% (Gross)	7.25%	3.0%	3.0%
Florissant Valley FPD Retirement Plan	\$30,792,890	\$29,397,007	n/a% (Net)	n/a% (Net)	n/a% (Net)	6.5%	2.5%	see comme nts%
Glendale Pension Plan	\$5,350,828	\$4,867,639	-5.96% (Gross)	4.82% (Gross)	N/A% (Gross)	7.00%	2.50%	3.75%

Please be aware information provided in this report may contain unaudited data.

3/4/2019

<u>Plan Name</u>	Beg. Mkt Value	End Mkt Value	ROR 12 mos.	ROR 36 mos.	ROR 60 mos.	ROR for Inv	Price Inf. Assump..	Sal/Wage Assump.
Hannibal Police & Fire Retirement Plan	\$18,248,994	\$16,558,834	(3.4)% (Gross)	5.9% (Gross)	4.9% (Gross)	7.0%	2.5%	3.5%
Hazelwood Retirement Plan	\$42,224,513	\$37,038,568	-8.62% (Net)	8.09% (Net)	6.39% (Net)	7.5%	3%	4.5%
High Ridge Fire Protection District Pension Plan	\$6,884,186	\$6,368,980	-4.91% (Net)	4.97% (Net)	3.63% (Net)	5.5%	2.5%	0%
Jackson County Employees Pension Plan	\$292,568,289	\$272,294,696	-3.86% (Gross)	6.43% (Gross)	5.17% (Gross)	6.75%	2.5%	2.75% to 4.75%
Joplin Police & Fire Pension Plan	\$42,229,941	\$39,855,861	-2.2% (Net)	6.3% (Net)	4.3% (Net)	6.75%	2.5%	2.5%
Kansas City Civilian Police Employees' Retirement System	\$144,695,000	\$137,033,000	-3.06% (Net)	5.74% (Net)	4.37% (Net)	7.5%	3.0%	3.5%
Kansas City Employees' Retirement System	\$1,165,975,355	\$1,078,713,103	-4.12% (Net)	5.19% (Net)	4.38% (Net)	7.5%	3.0%	3.75% to 5.0%
Kansas City Firefighter's Pension System	\$558,155,000	\$506,814,000	-4.30% (Net)	5.67% (Net)	4.69% (Net)	7.25%	2.5%	3.0% to 8.0%
Kansas City Police Retirement System	\$892,100,000	\$839,600,000	-2.87% (Net)	5.87% (Net)	4.54% (Net)	7.5%	3.0%	3.5%
Kansas City Public School Retirement System	\$664,421,827	\$600,370,080	-5.54% (Net)	6.19% (Net)	4.11% (Net)	7.75%	2.75%	3.50%
Ladue Non-uniformed Employees Retirement Plan	\$5,123,642	\$4,617,332	-6.7% (Net)	4.8% (Net)	3.9% (Net)	7.0%	2.5%	4.5%
Ladue Police & Fire Pension Plan	\$36,209,082	\$32,599,549	-6.7% (Net)	4.7% (Net)	3.9% (Net)	7.0%	2.5%	4.5%
LAGERS Staff Retirement Plan	\$11,773,113	\$10,937,471	-6.47% (Net)	6.02% (Net)	4.18% (Net)	7.25%	2.5%	3.25%
Little River Drainage Dist Retirement Plan	\$1,537,361	\$1,462,916	-2.85% (Gross)	2.53% (Gross)	2.10% (Gross)	5%	0%	3.5%
Local Government Employees Retirement System	\$1,938,416	\$1,777,087	-7.00% (Net)	5.70% (Net)	4.38% (Net)	7.25%	2.5%	3.25%
Maplewood Police & Fire Retirement Fund	\$13,726,346	\$12,510,882	-2.15% (Gross)	4.46% (Gross)	3.64% (Gross)	6%	3.4%	3.7%
Metro West FPD Retirement Plan	\$55,165,473	\$48,247,916	-4.98% (Net)	6.02% (Net)	4.28% (Net)	0%	0%	0%
Mid-County FPD Retirement Plan	\$1,549,493	\$1,520,040	1% (Gross)	1% (Gross)	1% (Gross)	7%	2.75%	4.5%
Missouri Higher Education Loan Authority Pension Plan	\$49,504,409	\$45,617,043	-5.10% (Net)	n/a% (Net)	n/a% (Net)	6.75%	2.25%	4.5%
Missouri State Employees Retirement System	\$7,996,674,588	\$7,490,702,263	-6.8411% (Net)	4.8019% (Net)	2.6128% (Net)	7.25%	2.50%	2.75%
MoDOT & Highway Patrol Employees' Retirement System	\$2,357,669,264	\$2,283,229,303	2.49% (Net)	7.37% (Net)	7.20% (Net)	7%	2.25%	3%
North Kansas City Hospital Retirement Plan	\$272,468,916	\$243,551,224	-4.91% (Net)	5.58% (Net)	4.82% (Net)	7.25%	2.3%	2.5%

Please be aware information provided in this report may contain unaudited data.

3/4/2019

<u>Plan Name</u>	Beg. Mkt Value	End Mkt Value	ROR 12 mos.	ROR 36 mos.	ROR 60 mos.	ROR for Inv	Price Inf. Assump..	Sal/Wage Assump.
North Kansas City Policemen's & Firemen's Retirement Fund	\$56,616,911	\$51,413,807	(4.7)% (Gross)	6.6% (Gross)	5.4% (Gross)	6.5%	4.0%	1.2%
Olivette Salaried Employees' Retirement Plan	\$21,820,596	\$19,907,200	-5.3% (Net)	6.0% (Net)	5.2% (Net)	7.25%	2.75%	4.00%
Overland Non-uniform Pension Fund	\$11,426,000	\$10,374,000	-4.53% (Net)	5.56% (Net)	4.18% (Net)	7.00%	2.5%	3.5%
Overland Police Retirement Fund	\$13,297,000	\$11,702,000	-4.77% (Net)	6.14% (Net)	4.59% (Net)	7.00%	2.5%	3.5%
Pattonville-Bridgeton FPD Retirement Plan	\$39,283,566	\$30,396,251	-19.52% (Net)	5.95% (Net)	2.7% (Net)	7.75%	2.5%	2.5%
Prosecuting Attorneys' Retirement System	\$46,016,364	\$42,827,972	-4.23% (Net)	4.81% (Net)	3.59% (Net)	7.1%	2.1%	2.2%
Public Education Employees' Retirement System	\$4,826,581,449	\$4,555,121,004	-1% (Net)	7.1% (Net)	6.1% (Net)	7.5%	2.25%	3.25%
Public School Retirement System	\$39,579,214,328	\$37,152,450,959	-1% (Net)	7.1% (Net)	6.1% (Net)	7.5%	2.25%	2.75%
Raytown Policemen's Retirement Fund	\$10,904,327	\$9,629,258	(6.21)% (Gross)	5.02% (Gross)	4.10% (Gross)	7.5%	2.5%	N/A%
Rock Community FPD Retirement Plan	\$18,304,688	\$16,601,189	-6.2% (Net)	5.1% (Net)	4.2% (Net)	7.5%	2.5%	3.0%
Saline Valley Fire Protection District Retirement Plan	\$3,384,069	\$3,078,139	-6.4% (Gross)	3.3% (Gross)	4.0% (Gross)	7.0%	2.5%	2.5%
Sedalia Firemen's Retirement Fund	\$7,388,687	\$6,532,784	-3.2% (Gross)	5.7% (Gross)	4.7% (Gross)	7.0%	2.0%	3.0%
Sedalia Police Retirement Fund	\$3,612,557	\$3,095,187	-6.37% (Gross)	5.16% (Gross)	N/A% (Gross)	6%	None%	None%
Sheriff's Retirement System	\$45,886,771	\$42,225,715	-4.230% (Gross)	5.384% (Gross)	4.718% (Gross)	7%	3.5%	1.5%
Springfield Police & Fire Retirement Fund	\$395,972,573	\$406,818,606	15.14% (Net)	6.85% (Net)	7.19% (Net)	na%	na%	na%
St. Joseph Policemen's Pension Fund	\$41,611,650	\$41,310,414	10.81% (Gross)	0% (Gross)	0% (Gross)	7.1%	2.5%	3%
St. Louis Employees Retirement System	\$827,759,424	\$746,897,588	-5.86% (Gross)	5.7% (Gross)	4.23% (Gross)	7.5%	2.5%	3%
St. Louis Firemen's Retirement System	\$478,258,274	\$428,649,521	-6.00% (Gross)	5.60% (Gross)	4.58% (Gross)	7%	2.75%	3%
University City Non-uniformed Retirement Plan	\$24,142,397	\$21,086,508	-7.3% (Gross)	4.6% (Gross)	4.2% (Gross)	6.5%	3.0%	3.0%
University City Police & Fire Retirement Fund	\$26,229,924	\$22,690,345	-7.2% (Gross)	4.3% (Gross)	4.0% (Gross)	6.5%	3.0%	3.0%
Valley Park FPD Retirement Plan	\$6,566,729	\$5,925,424	-9.76% (Net)	4.66% (Net)	4.76% (Net)	7%	2%	4%
	<u>\$62,424,440,777</u>	<u>\$58,527,712,809</u>						