

JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT  
FIRST QUARTER MEETING  
March 16, 2017

The Joint Committee on Public Employee Retirement held its 1st Quarter Meeting on Thursday, March 16, 2017 at 9:00 am in Senate Committee Room 2. Returning Vice-Chairman Schaaf called the meeting to order. The Vice-Chairman introduced and welcomed the new members. Joint Committee members in attendance were Senators Rizzo, Schaaf, Wallingford, and Representatives Anders, Bernskoetter, Brown (27), Runions, and Walker (3). Senators Chappelle-Nadal, Koenig, and Walsh and Representative Shull were not in attendance.

Following roll call, returning Vice-Chairman Schaaf led the committee in the first order of business to elect a new Chair and Vice-Chair. Senator Wallingford made the motion to elect Senator Schaaf as Chairman of the Joint Committee with a second by Representative Walker. The motion passed by acclamation of the committee. Representative Anders then made a motion to elect Representative Walker as Vice-Chairman with a second by Representative Brown. The motion passed by acclamation of the committee.

Chairman Schaaf turned the meeting over to the Executive Director, Michael Ruff, to present the 2017 Annual Report which covers plan year 2015. For plan year 2015, 128 pension plans were surveyed. It was noted that for plan year 2015 aggregate actuarial accrued liabilities equaled \$83.2 billion, actuarial value of assets equaled \$67.7 billion, and market value of assets equaled \$68.3 billion. Active members increased by 3,146, compared to plan year 2014, for a total of 299,136. Inactive members increased by 7,636, from prior plan year, for a total of 297,639. It was noted that with more "baby boomers" exiting the workforce, the difference between active and inactive members is narrowing. Overall investment revenue was positive, but much lower than the previous three years. Investment returns were generally lower in plan year 2015 than 2014 with a number of plans also lowering their assumed rate of return. The Director also discussed other assumption changes that occurred, funded ratio changes, and the plan asset allocations. The Director also noted changes to three plans that had occurred: Bi-state Development Agency Clerical Unit, Lincoln County Memorial Hospital, and West Overland Fire Protection District.

The Director then updated the committee on two plans. Poplar Bluff Police & Fire would have been included on November 2016's Watch List, but the JCPER did not receive the City's data



## JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT

## FIRST QUARTER MEETING

March 16, 2017

*(Continued)*

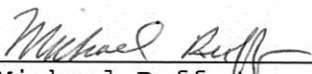
until late December. The plan is funded at 69%, and the City has not made its full actuarially determined contribution since 2011. Hannibal Police & Fire is proceeding with its decision to contract with Standard Insurance for disability coverage and will seek a municipal code change to do so.

Quarterly reporting information was reviewed for the 4th quarter of 2016. Seventy-eight defined benefit plans reported their return information to the JCPER. All 12-month returns were positive. Since the November 2016 election, equity markets have rallied to new highs, and this is reflected in the 4th quarter reporting.

The Director provided a MOSERS' update from the Board of Trustees special meeting held on March 13, 2017. House Budget Chair, Representative Scott Fitzpatrick, requested the board consider modifying the contribution rate which would result in not contributing the full actuarially determined contribution this year. The board declined to take action on his request. The board did authorize its executive director to work with the legislature to address terminated vested member liabilities. The committee requested JCPER staff to follow this potential legislation and to provide updates.

The committee reviewed pension-related legislation that has been filed in the 2017 Legislative Session. It was noted that 26 House bills and 12 Senate bills are being monitored. To date, two bills have crossed chambers. SB 62 (CURP) changes the employer contribution rate to CURP and establishes an employee contribution rate. SB 309 (PACARS) changes PACARS part-time/full-time employee contributions, increases age/service requirements, and modifies the COLA. Bill tracking information is emailed weekly to the Committee members but is updated daily and can also be viewed on the JCPER website.

No further business being presented, the committee adjourned.

  
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Michael Ruff  
Executive Director



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R** **JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT**

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**1st QUARTER MEETING**

**March 16 , 2017**

**9:00 a.m.— Senate Committee Room 2**

**AGENDA**

**Roll Call**

**Election of Chair and Vice-Chair**

**Presentation of 2017 Annual Report**

**Plan Issues:**

Poplar Bluff Police & Fire

Hannibal Police & Fire

**Quarterly Investment Reporting**

**Legislative Update**

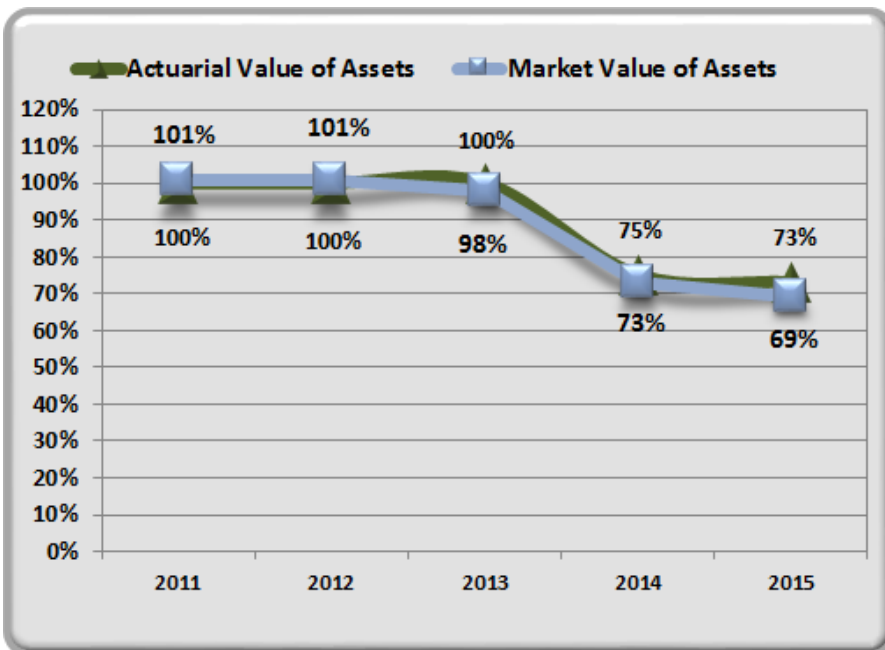
**Other Business**





# POPLAR BLUFF POLICE & FIRE PENSION PLAN

- Market rate of return on investments equaled -0.59% vs. 5.50% assumed.
- Investment gains and losses are smoothed over four years.
- Effective with the January 1, 2015 actuarial valuation, the plan reduced the assumed rate of return for investments from 5.75% to 5.50%.
- Effective with the January 1, 2015 actuarial valuation, the actuarial cost method was changed from the Aggregate method to the Entry Age Normal Method with a 20 year amortization period for unfunded liabilities.
- The City has not contributed 100% of the actuarially determined contribution beginning with plan year 2012. The actuary has noted that “contributing less than this amount will increase your next year Actuarially Determined Contribution.”
- The actuary commented that people who were expected to retire did not. Instead, they remained active employees and earned additional retirement benefits. “The net effect on costs is an increase because the value of the extra benefit is more valuable than the year of payments they did not receive.”



## As of 1/1/16

**Market Value:** \$11,987,434\*  
**Actuarial Value:** \$12,606,652  
**AAL:** \$17,259,925

### MEMBERSHIP:

**Active:** 79    **Inactive:** 69

### Normal Retirement Formula:

2% of compensation for the first 20 years of service, plus 1.5% for each additional year of service. Maximum: \$1650 per month.

### Normal Retirement Eligibility:

Later of age 55 or 5 years of service

**Social Security Coverage:** No

**COLA:** No COLA

### ACTUARIAL ASSUMPTIONS:

**Interest:** 5.5%    **Salary:** 3.25%

\*Includes employer and employee contributions of \$215,398 received on or after 1/1/16.

	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
<b>2016</b>	\$579,058	n/a	n/a
<b>2015</b>	\$543,721	\$235,832	43%
<b>2014</b>	\$507,503	\$233,861	46%
<b>2013</b>	\$473,003	\$244,411	52%
<b>2012</b>	\$333,732	\$225,236	67%
<b>2011</b>	\$141,125	\$206,337	146%

# Joint Committee on Public Employee Retirement

## Quarterly Reports

### 2016 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	\$7,383,594	\$7,679,464	8.3% (Net)	4.7% (Net)	8.7% (Net)	6.5%	2.75%	3.5%
Antonia FPD Pension Plan	\$2,061,905	\$2,079,590	5.23% (Net)	n/a% (Net)	n/a% (Net)	n/a%	n/a%	n/a%
Arnold Police Pension Plan	\$11,267,304	\$11,528,921	9.57% (Net)	7.34% (Net)	10.81% (Net)	6.5%	0.0%	4.5%
Berkeley Police & Fire Pension Fund	\$11,668,169	\$11,891,489	NA% (Net)	NA% (Net)	NA% (Net)	7.5%	2.5%	1.5%
Bi-state Dev Agency Division 788, A.T.U.	\$121,427,722	\$122,121,862	N/A% (Net)	N/A% (Net)	N/A% (Net)	7%	2.5%	N/A%
Bi-state Development Agency Local 2 I.B.E.W.	\$4,160,118	\$4,255,333	N/A% (Net)	N/A% (Net)	N/A% (Net)	7%	2.5%	N/A%
Bi-state Salaried Employees	\$55,541,447	\$55,148,549	N/A% (Net)	N/A% (Net)	N/A% (Net)	7%	2.5%	4.5%
Black Jack FPD Retirement Plan	\$11,737,470	\$11,899,045	1% (Gross)	1% (Gross)	1% (Gross)	7%	2.75%	4.50%
Bothwell Regional Health Center Retirement Plan	\$42,091,040	\$42,126,417	6.50% (Net)	2.6% (Net)	7.0% (Net)	6.75%	2.9%	3.0%
Bridgeton Employees Retirement Plan	\$26,039,190	\$26,077,613	5.56% (Net)	1.82% (Net)	6.84% (Net)	7.5%	3.0%	4.0%
Carthage Policemen's & Firemen's Pension Plan	\$6,544,994	\$6,647,117	4.99% (Net)	4.66% (Net)	6.97% (Net)	7.0%	2.2%	3.5%
Cedar Hill Fire Protection District Length of Service Awards Program	\$139,714	\$157,412	N/A% (Gross)	N/A% (Gross)	N/A% (Gross)	4.75%	N/A%	N/A%
Clayton Non-uniformed Employee Pension Plan	\$15,624,667	\$16,077,115	7.13% (Net)	5.93% (Net)	9.70% (Net)	7%	2%	4%
Clayton Uniformed Employees Pension Plan	\$38,356,602	\$39,542,691	9.29% (Net)	6.19% (Net)	9.38% (Net)	7%	2%	3.5%
Columbia Police and Firemens' Retirement Plan	\$121,695,036	\$120,089,484	5.24% (Net)	2.96% (Net)	6.36% (Net)	7.5%	3%	3.5%
Community FPD Retirement Plan	\$24,298,611	\$27,475,570	29.50% (Net)	5.43% (Net)	10.87% (Net)	7.00%	NONE %	4.00%
County Employees Retirement Fund	\$445,498,000	\$447,023,000	5.61% (Gross)	3.58% (Gross)	8.69% (Gross)	7.5%	2.5%	2.5%
Creve Coeur Employees Retirement Plan	\$22,357,695	\$22,694,522	9.1% (Net)	4.9% (Net)	8.8% (Net)	7.5%	3.5%	5.0%
Creve Coeur FPD Retirement Plan	\$10,182,399	\$10,057,595	n/a% (Gross)	n/a% (Gross)	n/a% (Gross)	7%	3%	4%
Eureka FPD Retirement Plan	\$10,432,983	\$10,505,717	1% (Gross)	1% (Gross)	1% (Gross)	7%	2.75%	4.50%
Fenton FPD Retirement Plan	\$27,851,933	\$27,927,826	9.20% (Net)	4.03% (Net)	8.05% (Net)	7.5%	2.5%	2%

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

3/8/2017

<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.
Firefighter's Retirement Plan of the City of St. Louis	\$43,847,442	\$44,726,934	7.2% (Gross)	n/a% (Gross)	n/a% (Gross)	7.625%	3%	3%
Florissant Employees Pension Plan	\$10,263,258	\$10,039,179	4.49% (Net)	2.63% (Net)	4.26% (Net)	6.0%	0%	3.0%
Florissant Valley FPD Retirement Plan	\$25,161,257	\$26,971,694	N/A% (Net)	N/A% (Net)	N/A% (Net)	6.25%	2.5%	see comments%
Glendale Pension Plan	\$5,021,685	\$4,926,047	8.17% (Gross)	N/A% (Gross)	N/A% (Gross)	7.50%	2.50%	3.75%
Hannibal Police & Fire Retirement Plan	\$15,467,315	\$15,593,172	8.3% (Gross)	4.9% (Gross)	7.9% (Gross)	7.0%	2.5%	3.5%
Hazelwood Retirement Plan	\$36,532,752	\$36,505,825	7.23% (Net)	4.98% (Net)	13.88% (Net)	7.5%	3%	4.5%
High Ridge Fire Protection District Pension Plan	\$7,294,872	\$7,012,603	8.6% (Net)	4.0% (Net)	7.8% (Net)	5.5%	2.5%	0.0%
Jackson County Employees Pension Plan	\$248,665,827	\$249,120,086	6.37% (Gross)	4.33% (Gross)	9.02% (Gross)	7%	2.5%	4%
Jefferson City Firemen's Retirement System	\$15,827,259	\$15,399,687	6.31% (Net)	3.09% (Net)	5.34% (Net)	5.50%	2.50%	n/a%
Joplin Police & Fire Pension Plan	\$36,296,485	\$36,215,486	6.65% (Net)	3.17% (Net)	6.12% (Net)	7%	2.5%	2.5%
Kansas City Civilian Police Employees' Retirement System	\$126,713,000	\$126,470,000	7.22% (Gross)	4.22% (Gross)	6.97% (Gross)	7.5%	3.0%	3.75%
Kansas City Employees' Retirement System	\$1,047,521,109	\$1,044,074,482	4.8% (Net)	3.7% (Net)	8.2% (Net)	7.5%	3.0%	4-8%
Kansas City Firefighter's Pension System	\$477,453,000	\$482,629,000	7.27% (Net)	5.07% (Net)	9.03% (Net)	7.5%	2.45%	3-8%
Kansas City Police Retirement System	\$796,199,000	\$792,512,000	7.34% (Gross)	4.42% (Gross)	7.17% (Gross)	7.5%	3.0%	3.5%
Kansas City Public School Retirement System	\$621,843,000	\$618,150,000	7.92% (Gross)	3.56% (Gross)	7.25% (Gross)	8.0%	3.0%	5%
KC Area Transportation Authority Salaried Employees Pension Plan	\$15,631,985	\$16,511,794	6.78% (Gross)	4.64% (Gross)	8.41% (Gross)	7.50%	3.00%	4.0%
KC Trans. Auth. Union Employees Pension Plan	\$45,179,746	\$45,288,373	8.20% (Net)	4.52% (Net)	8.65% (Net)	7.50%	3.00%	4.25%
Ladue Non-uniformed Employees Retirement Plan	\$4,507,647	\$4,476,167	6.92% (Net)	4.03% (Net)	7.63% (Net)	7.0%	2.5%	4.5%
Ladue Police & Fire Pension Plan	\$31,277,811	\$30,994,503	6.79% (Net)	3.98% (Net)	7.66% (Net)	7.0%	2.5%	4.5%
LAGERS Staff Retirement Plan	\$10,030,539	\$9,891,852	8.76% (Net)	4.91% (Net)	9.00% (Net)	7.25%	2.5%	3.25%
Little River Drainage Dist Retirement Plan	\$1,380,911	\$1,381,933	5.3% (Net)	2.42% (Net)	3.4% (Net)	5%	0%	3.5%
Local Government Employees Retirement System	\$6,471,501,563	\$6,541,235,951	7.96% (Net)	4.89% (Net)	9.31% (Net)	7.25%	2.5%	3.25%
Maplewood Police & Fire Retirement Fund	\$13,218,839	\$12,875,514	3.39% (Gross)	2.73% (Gross)	8.06% (Gross)	7.00%	2.5%	0.00%

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3/8/2017

<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.
Metro St. Louis Sewer Dist Employees Pension Plan	\$252,419,178	\$251,150,380	5.1% (Net)	2.4% (Net)	6.0% (Net)	7.0%	2.5%	4.25%
Metro West FPD Retirement Plan	\$43,342,844	\$43,770,487	6.66% (Net)	3.33% (Net)	6.54% (Net)	N/A%	N/A%	N/A%
Mid-County FPD Retirement Plan	\$1,814,404	\$1,578,354	5.39% (Net)	2.51% (Net)	3.55% (Net)	7%	2.75%	4.5%
Missouri Higher Education Loan Authority Pension Plan	\$41,217,722	\$40,643,753	4.95% (Net)	3.66% (Net)	7.05% (Net)	6.75%	2.25%	5%
Missouri State Employees Retirement System	\$8,271,805,743	\$7,987,177,337	9.5320% (Net)	2.6787% (Net)	6.1508% (Net)	7.65%	2.5%	3%
MoDOT & Highway Patrol Employees' Retirement System	\$2,030,160,446	\$2,058,050,304	6.77% (Net)	3.90% (Net)	9.67% (Net)	7.75%	3.0%	3.5%
North Kansas City Hospital Retirement Plan	\$251,311,667	\$254,741,289	7.97% (Net)	5.10% (Net)	8.87% (Net)	7.0%	2.3%	3.0%
North Kansas City Policemen's & Firemen's Retirement Fund	\$48,561,037	\$48,445,577	8.5% (Gross)	5.2% (Gross)	9.0% (Gross)	6.5%	4.0%	1.2%
Olivette Salaried Employees' Retirement Plan	\$19,421,823	\$19,483,954	8.8% (Net)	5.6% (Net)	9.3% (Net)	7.25%	2.75%	4.00%
Overland Non-uniform Pension Fund	\$9,871,000	\$9,914,000	7.67% (Net)	4.02% (Net)	7.56% (Net)	7%	2.5%	3.5%
Overland Police Retirement Fund	\$12,042,000	\$11,916,000	8.7% (Net)	4.45% (Net)	7.96% (Net)	7%	2.5%	3.5%
Pattonville-Bridgeton FPD Retirement Plan	\$30,827,383	\$33,546,118	25.85% (Net)	39.36% (Net)	12.74% (Net)	7.75%	2.5%	2.5%
Poplar Bluff Police & Fire Pension Plan	\$12,375,701	\$12,157,881	6.53% (Gross)	0% (Gross)	0% (Gross)	5.5%	2.25%	3.25%
Prosecuting Attorneys' Retirement System	\$38,838,807	\$38,856,926	6.17% (Net)	3.24% (Net)	6.33% (Net)	7.1%	2%	0%
Public Education Employees' Retirement System	\$4,070,148,537	\$4,123,463,082	7.9% (Net)	5.7% (Net)	9.0% (Net)	7.75%	2.25%	3.25%
Public School Retirement System	\$34,665,342,873	\$34,910,949,025	8% (Net)	5.7% (Net)	9.2% (Net)	7.75%	2.25%	2.75%
Raytown Policemen's Retirement Fund	\$10,041,775	\$10,139,871	7.22% (Gross)	4.20% (Gross)	7.45% (Gross)	7.5%	2.5%	N/A%
Richmond Heights Police & Fire Retirement Plan	\$48,989,298	\$49,267,785	8.54% (Net)	4.17% (Net)	8.97% (Net)	7.0%	3.0%	5.0%
Rock Community FPD Retirement Plan	\$14,875,989	\$15,020,066	8.41% (Net)	4.38% (Net)	8.72% (Net)	7.5%	2.5%	3.0%
Rock Hill Police & Firemen's Pension Plan	\$1,887,804	\$1,886,937	2.03% (Net)	2.03% (Net)	2.03% (Net)	6.40%	3.0%	6.5%
Saline Valley Fire Protection District Retirement Plan	\$2,547,277	\$2,579,773	8.5% (Net)	3.5% (Net)	7.4% (Net)	7.0%	2.5%	2.5%
Sedalia Firemen's Retirement Fund	\$7,030,443	\$7,008,438	8.0% (Gross)	4.9% (Gross)	8.1% (Gross)	7%	2%	3%
Sedalia Police Retirement Fund	\$3,153,714	\$3,028,724	6.26% (Gross)	3.45% (Gross)	n/a% (Gross)	6%	None%	None%

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3/8/2017

<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.
Sheriff's Retirement System	\$40,857,431	\$41,405,448	9.27% (Gross)	5.685% (Gross)	10.955% (Gross)	6.5%	3.5%	see comme nts%
Springfield Police & Fire Retirement Fund	\$346,355,473	\$341,222,654	7.50% (Net)	2.31% (Net)	6.91% (Net)	0.0%	0.0%	0.0%
St. Joseph Policemen's Pension Fund	\$35,472,588	\$34,944,057	0% (Gross)	0% (Gross)	0% (Gross)	7.5%	2.0%	4.0%
St. Louis County Employees Retirement Plan	\$614,841,826	\$613,764,689	6.19% (Gross)	4.79% (Gross)	9.45% (Gross)	7.75%	2.5%	4.5%
St. Louis County Library Dist Empl Pension Plan	\$43,331,102	\$42,681,868	6.40% (Net)	3.02% (Net)	6.69% (Net)	7.0%	2.5%	3.5%
St. Louis Employees Retirement System	\$765,265,843	\$762,807,487	8.72% (Gross)	4.23% (Gross)	8.51% (Gross)	7.5%	2.5%	3.0%
St. Louis Firemen's Retirement System	\$454,971,243	\$450,915,792	7.41% (Gross)	4.5% (Gross)	9.38% (Gross)	7%	2.75%	3%
St. Louis Police Retirement System	\$702,297,232	\$692,994,775	6.4% (Net)	3.3% (Net)	7.3% (Net)	7.75%	2.5%	3%
St. Louis Public School Retirement System	\$832,447,284	\$841,052,940	6.3% (Net)	3.4% (Net)	7.6% (Net)	7.5%	3.5%	3.5% / 5.0%
University of Mo Retirement, Disability & Death Benefit Plan	\$3,311,969,000	\$3,346,055,000	9.0% (Net)	4.0% (Net)	7.5% (Net)	.%	.%	.%
Valley Park FPD Retirement Plan	\$5,470,284	\$5,530,492	8.18% (Net)	4.92% (Net)	8.90% (Net)	7.00%	2.00%	4.00%
	<u>\$68,164,503,666</u>	<u>\$68,304,159,877</u>						



## 2017 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	Governor Action
<u>SB 58</u>	MOSERS	Establishes MOSERS coverage for employees of the Missouri Charter Public School Commission.	Sifton	Education	Hearing Held 2/28/17									
<u>SB 62</u>	CURP	Changes the employer contribution rate to CURP and requires employees to contribute to the plan.	Hegeman	Health & Pensions	Hearing Held 1/18/17	2/1/17 Do Pass	3/7/17 Perfected (SS)	3/9/17 Passed (SS)						
<u>SB 141</u>	MOSERS / MPERS	Requires a General Assembly member or statewide elected official who first holds office on or after 1/1/18 to participate in a defined contribution retirement plan.	Emery	Health & Pensions	Hearing Held 2/15/17	2/22/17 Do Pass	3/15/17 Formal Calendar							
<u>SB 228</u>	MOSERS / MPERS	Modifies the Year 2000 Retirement Plan for state employees, members of the General Assembly, and statewide elected officials hired after 1/1/18. Members also must participate in Deferred Comp plan.	Koenig	Health & Pensions	Hearing Held 1/25/17	2/1/17 Do Pass	3/15/17 Informal Calendar w/SS & SA 1 (pending)							
<u>SB 295</u>	CERF	Modifies the fees and penalties collected to be paid to the County Employees' Retirement Fund.	Schraaf	Health & Pensions	Hearing Held 2/15/17	2/22/17 Do Pass w/SCS	3/15/17 Formal Calendar w/SCS							
<u>SB 296</u>	St Louis Police & St Louis City Employees	Modifies provisions relating to membership of the police retirement system of St. Louis as a condition of employment.	Hummel	Health & Pensions	Hearing Held 2/1/17	2/22/17 Consent, Do Pass	3/15/17 Consent Calendar							
<u>SB 308</u>	All state plans	Modifies the law relating to the investment policies of the State.	Chappelle-Nadel	Insurance & Banking										
<u>SB 309</u> (HB 561)	PACARS	Changes the laws regarding the retirement system for prosecuting and circuit attorneys.	Walsh	Health & Pensions	Hearing Held 2/1/17	2/15/17 Do Pass w/ SCS	3/1/17 SCS Adopted	3/1/17 Passed - Consent						

2017 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	Governor Action
SB 333 (HB 729)	MOSERS / MPERS	Changes the vesting requirement for members of the state retirement plan known as MSEP 2011 and modifies the benefits of such members who have vested, but are no longer state employees.	Schaaf	Health & Pensions	Hearing Held 2/15/17	2/22/17 Do Pass w/SCS	3/15/17 Formal Calendar w/SCS							
SB 394 (HB 304)	PSRS / PEERS	Extends notification period from 90 days to 1 year relative to nominating a successor beneficiary after death or divorce; provides "pop-up" provision relative to divorce after retirement.	Romine	Health & Pensions	2/22/17 Hearing Held	3/1/17 Consent, Do Pass	3/15/17 Consent Calendar							
SB 409 (HB 619)	St Louis PSRS	Makes multiple changes to St Louis Public School Retirement System; provides for a new benefit tier for employees hired on or after Jan 1, 2018.	Koenig	Health & Pensions	2/22/17 Hearing Held	3/1/17 Do Pass	3/15/17 Formal Calendar							
SB 441 (HB 305)	PSRS / KCPERS	Modifies working after retirement provisions to include retirees employed by a third party or independent contractor.	Hegeman	Health & Pensions	Hearing Held 3/1/17									



2017 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	Governor Action
<u>HB 75</u>	PACARS	Allows the utilization of a prosecuting attorney in two or more contiguous counties in a judicial circuit and outlines compensation/benefit levels for such position.	McGaugh	Judiciary										
<u>HB 80</u>		Changes to multiemployer plans (employee retirement plans or welfare plans maintained under collective bargaining). Requires multiemployer plans to provide each plan participant a summary annual report.	Vescovo	Pensions	2/20/17 Executive Session Completed Do Pass	2/21/17 Ref: Rules-Admin Oversight								
<u>HB 304</u>	PSRS / PEERS	Extends notification period from 90 days to 1 year relative to nominating a successor beneficiary after death or divorce; provides "pop-up" provision relative to divorce after retirement.	Pike	Pensions	Heard 2/6/17; HCS Do Pass 2/20/17	2/28/17 Consent & House Procedure: HCS Do Pass-Consent	3/9/17 Perfected by Consent	3/14/17 Passed (HCS)						
<u>HB 305</u>	PSRS / KPCPSRS	Modifies working after retirement provisions to include retirees employed by a third party or independent contractor.	Pike	Pensions	2/20/17 Executive Session Completed Do Pass	3/13/17 Rules-Admin Oversight Do Pass								
<u>HB 561</u> (SB 309)	PACARS	Changes the laws regarding the retirement system for prosecuting and circuit attorneys.	Walker (003)	Pensions	2/20/17 Executive Session Completed HCS Do Pass	2/21/17 Ref: Rules-Admin Oversight								
<u>HB 619</u> (SB 409)	St Louis PSRS	Makes multiple changes to St Louis Public School Retirement System; provides for a new benefit tier for employees hired on or after Jan 1, 2018.	Dogan	Pensions	3/6/17 Hearing Held	3/13/17 Do Pass w/HCS								

2017 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	Governor Action
<u>HB 645</u>	All law enforcement plans	Allows retired police officers to return to work when there has been a disaster or emergency proclaimed by Governor, or there is a national emergency.	Phillips	Crime Prevention & Public Safety	2/28/17 Executive Session Completed HCS Do Pass - Consent	Heard 3/7/17 Consent & House Procedure: HCS Do Pass- Consent	3/15/17 Consent Calendar (HCS)							
<u>HB 723</u>	Kansas City PSRS	Modifies provisions relating to the retirement of school employees.	Walker (003)	Pensions	3/6/17 Executive Session Completed Do Pass	3/13/17 Rules-Admin Oversight: Do Pass								
<u>HB 729</u>	MOSERS/MPERS	Changes the vesting requirement for members of the state retirement plan known as MSEP 2011 and modifies the benefits of such members who have vested, but are no longer state employees.	Bernskoetter	Pensions	3/13/17 Executive Session Completed HCS Do Pass	3/14/17 Ref: Rules-Admin Oversight								
<u>HB 755</u>	PSRS / PEERS	Provides that salary and benefits information for the executive director and board employees is exempt from confidentiality requirements.	Cookson											
<u>HB 782</u>	PACARS	Modifies provisions relating to the prosecuting attorneys and circuit attorneys' retirement system; exempts Ozark County from monthly contributions to PACARS when there is no prosecuting attorney in office.	Rowland	Pensions	2/27/17 Executive Session Completed Do Pass - Consent	2/28/17 Ref: Rules-Admin Oversight								
<u>HB 819</u> (SB 296)	St Louis Police & St Louis City Employees	Modifies provisions relating to membership of the police retirement system of St. Louis as a condition of employment.	Gregory											



2017 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	Governor Action
HB 831 (SB 296)	St Louis Police & St Louis City Employees	Modifies provisions relating to membership of the police retirement system of St. Louis as a condition of employment, with an emergency clause.	Baringer	Crime Prevention & Public Safety	3/14/17 Executive Session Completed Do Pass - Consent (HCS)	3/16/17 Executive Session: Consent & House Procedure 8:30am HHR5								
HB 865	LAGERS / St Louis Police	Modifies provisions relating to membership of the police retirement system of St. Louis as a condition of employment; modifies coverage of jailers and EMTs within LAGERS; addresses gender neutrality.	Walker (003)											
HB 886 (SB 62)	CURP	Changes the employer contribution rate to CURP and requires employees to contribute to the plan.	Black	Pensions	3/13/17 Executive Session Completed HCS Do Pass	3/14/17 Ref: Rules-Admin Oversight								
HB 891	PSRS / PEERS	Provides for cost of living increases for public school retirees; repeals authority of board of trustees to decrease benefits, COLA's	Cookson											
HB 918	All public employee retirement plans	Requires the actuary for each public employee retirement plan to use certain assumptions when performing the plan's actuarial valuation.	Berry											
HB 933	LAGERS	Allows a metropolitan planning organization to be considered a political subdivision for purposes of the Missouri LAGERS.	Fraker											
HB 936	PSRS / PEERS	Changes provisions relating to the work of retired teachers in school districts in positions not requiring teacher certification.	Shaul											
HB 979 (SB 295)	CERF	Modifies the fees and penalties collected to be paid to the County Employees' Retirement Fund.	Walker (003)	Pensions	3/13/17 Executive Session Completed HCS Do Pass									

2017 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	Governor Action
<u>HB 996</u>	All public employee retirement plans	Modifies the eligibility of a public employee who is convicted of a certain work-related felony to receive retirement benefits.	Rhoads	Pensions										
<u>HB 1047</u>		Prohibits elected federal officials from receiving any benefits under a retirement plan accrued as an elected state official once vested in a federal retirement plan	Neely											
<u>HB 1085</u> (HB 619)	St Louis PSRS	Makes multiple changes to St Louis Public School Retirement System; provides for a new benefit tier for employees hired on or after 1/1/18, and establishes a COLA under certain conditions.	Walker (003)											
<u>HB 1086</u>	St Louis City Police	Modifies provisions relating to the police retirement system for the City of St Louis.	Walker (003)											
<u>HB 1146</u>	PSRS	Changes the laws regarding teacher compensation in public schools.	Swan											
<u>HB 1151</u> (HB 979)	CERF	Modifies the fees and penalties collected to be paid to the County Employees' Retirement Fund.	Reiboldt	Pensions										
<u>HJR 33</u>	JUDGES	Proposes a constitutional amendment allowing a judge who has attained age of 70 to complete his or her term.	Morris	Judiciary										



## New Mortality Improvement Scale Could Reduce Pension Obligations

October 20, 2016

**Based on the Society of Actuaries' preliminary estimates, the new scale may reduce pension plan clients' current liabilities by 1.5% to 2%, depending on the individual characteristics of the plan.**

The Society of Actuaries (SOA) released its annually-updated mortality improvement scale for pension plans, MP-2016, incorporating three additional years of Social Security Administration (SSA) data on U.S. population mortality.

The updated improvement scale suggests U.S. mortality continues to improve, but at a slower average rate of improvement than previous years, which may decrease pension plan obligations slightly.

MP-2016 incorporates SSA mortality data from 2012 to 2014 and a slight modification of two input values designed to improve the model's year-over-year stability. The updated improvement scale indicates a slight decline in life expectancy as a result of the slower average rate of mortality improvement. For example, the life expectancy for a 65-year-old male declined to 85.8 years under the MP-2016 scale, compared to 86.2 years using the MP-2015 scale. Additionally, the life expectancy for a 65-year-old female is now 87.8 years under MP-2016, compared to 88.2 years based on the previous MP-2015 scale.

The updated scale can be used by pension plans to assist in making forward mortality assumptions in the valuation of pension payment obligations. Based on the SOA's preliminary estimates, MP-2016 may reduce a pension plan's current liabilities by 1.5% to 2%, depending on the individual characteristics of the plan.

"By releasing MP-2016, we are building on our commitment to regularly update the mortality improvement scale as new data becomes available," says Dale Hall, managing director of research for the SOA. "The updated scale provides the latest information to help accurately measure pension obligations. However, it is up to pension plan sponsors, working with their plan actuaries, to determine how to incorporate emerging mortality improvement data into their plan valuations."

The SOA conducted its analysis in full cooperation with the SSA, the Centers for Disease Control and Prevention (CDC) and the Centers for Medicare & Medicaid Services (CMS), and is releasing the 2014 mortality data publicly for the first time with the MP-2016 update.

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## The Society of Actuaries Publishes Annual Update to Mortality Improvement Scale

### *Updated Scale includes the Latest Social Security Administration Mortality Data*

SCHAUMBURG, Ill., Oct. 20, 2016 – The Society of Actuaries (SOA) today released its annually-updated mortality improvement scale for pension plans, MP-2016, incorporating three additional years of Social Security Administration (SSA) data on U.S. population mortality. The updated improvement scale suggests U.S. mortality continues to improve, but at a slower average rate of improvement than previous years, which may decrease pension plan obligations slightly.

MP-2016 incorporates SSA mortality data from 2012-2014 and a slight modification of two input values designed to improve the model's year-over-year stability. The updated improvement scale indicates a slight decline in life expectancy as a result of the slower average rate of mortality improvement. For example, the life expectancy for a 65-year-old male declined to 85.8 years under the MP-2016 scale, compared to 86.2 years using the MP-2015 scale. Additionally, the life expectancy for a 65-year-old female is now 87.8 years under MP-2016, compared to 88.2 years based on the previous MP-2015 scale.

The updated scale can be used by pension plans to assist in making forward mortality assumptions in the valuation of pension payment obligations. Based on the SOA's preliminary estimates, MP-2016 may reduce a pension plan's current liabilities by 1.5-2.0 percent, depending on the individual characteristics of the plan.

“By releasing MP-2016, we are building on our commitment to regularly update the mortality improvement scale as new data becomes available,” said Dale Hall, managing director of research for the SOA. “The updated scale provides the latest information to help

accurately measure pension obligations. However, it is up to pension plan sponsors, working with their plan actuaries, to determine how to incorporate emerging mortality improvement data into their plan valuations.”

The SOA’s MP-2015 improvement scale update, released in October of 2015, included SSA mortality data from 2010 and 2011. This year’s scale incorporates 2012 and 2013 SSA mortality data released since the previous update, and also includes preliminary 2014 SSA mortality data generated by the SOA using the SSA’s mortality rate analysis process. The SOA conducted this analysis in full cooperation with the SSA, the Centers for Disease Control and Prevention (CDC) and the Centers for Medicare & Medicaid Services (CMS), and is releasing the 2014 mortality data publicly for the first time with the MP-2016 update.

The updated mortality improvement scale was developed by the SOA’s Retirement Plans Experience Committee (RPEC). For additional information, you can read the full Mortality Improvement Scale MP-2016 report [here](#).

## About The Society Of Actuaries

With roots dating back to 1889, the Society of Actuaries (SOA) is the world’s largest actuarial professional organization with more than 27,000 actuaries as members. Through research and education, the SOA’s mission is to advance actuarial knowledge and to enhance the ability of actuaries to provide expert advice and relevant solutions for financial, business and societal challenges. The SOA’s vision is for actuaries to be the leading professionals in the measurement and management of risk. If you want to learn more about the SOA, please visit [soa.org](http://soa.org).

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