

JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT
FIRST QUARTER MEETING
March 5, 2018

The Joint Committee on Public Employee Retirement held its First Quarter Meeting on Monday, March 5, 2018 at 3:00 pm in House Hearing Room 1. Chairman Schaaf called the meeting to order. Joint Committee members in attendance were Senators Curls, Koenig, Schaaf, and Wallingford, and Representatives Anders, Bernskoetter, Brown (27), Runions, Shull, and Walker (3). Senators Rizzo and Walsh were not in attendance.

Following roll call, Chairman Schaaf turned the meeting over to the Executive Director, Michael Ruff, to present the 2018 Annual Report for plan year 2016. For plan year 2016, 128 pension plans were surveyed. Of these, seventy-seven were defined benefit plans, thirty-nine were defined contribution, and twelve were a combination of defined benefit and defined contribution. It was noted that for defined benefit plans for plan year 2016 aggregate actuarial accrued liabilities equaled \$86.88 billion, actuarial value of assets equaled \$70.32 billion, and market value of assets equaled \$67.58 billion. It was also noted that two defined contribution plans, Franklin County SB40 Resource Board and University of Missouri Retirement, Disability & Death Benefit Plan, were added to the annual reporting this year, increasing aggregate market value of assets by \$580,000 and \$919 million, respectively. Net investment income was approximately \$1.28 billion, a decrease from plan year 2015's net investment income of \$1.67 billion. The Director also discussed actuarial assumption changes that occurred, funded ratio changes, and the plans' asset allocations. One noted trend is the decreasing of the investment rate of return assumption. By the close of plan year 2016, no Missouri plan was using an 8% investment rate of return assumption. The median rate of return assumption was 7.0, and the average was 6.94.

The Director then updated the committee on the State Auditor's follow-up report on audit findings for the City of Bridgeton Employees' Retirement Plan. At the time of the audit, the State Auditor rated the Plan "poor" due in part to the City having not met contribution requirements since 2008, having no funding policy in place, and a lack of board governance. The follow-up report indicates that most of the State Auditor's recommendations have been partially implemented, including proposed increases to plan contributions.

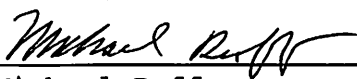
JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT
FIRST QUARTER MEETING
March 5, 2018
(Continued)

The Director provided an update on the MOSERS & MPERS Terminated Vested Members Buy-out Programs as a result of SB62 from the 2017 session. Approximately 3,700, or 19%, of eligible MOSERS members participated, as did approximately 380, or 17%, of eligible MPERS members. This program allowed terminated vested members to take a set percentage of the present value of their future retirement annuity. The application deadline was November 30, 2017.

The committee briefly reviewed pension-related legislation that has been filed in the 2018 Legislative Session. It was noted that 26 House bills and 12 Senate bills are being monitored. To date, two bills have crossed chambers. HB 1329 allows both soil and water conservation districts and metropolitan planning organizations to be considered political subdivisions for the purpose of joining LAGERS and modifies contribution rates the Kansas City PSRS. HB 1355 allows retired police officers to return to work when there has been a disaster proclaimed by the Governor or there is a national emergency.

Quarterly reporting information was reviewed for the 4th quarter of 2017. Seventy-two defined benefit plans reported their investment return information to the JCPER. All 12-month returns were positive with the majority showing double-digit returns.

No further business being presented, the committee adjourned.



Michael Ruff
Executive Director

JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT

**1st QUARTER MEETING
March 5, 2018
3 p.m.— House Hearing Room 1**

AGENDA

Roll Call

Presentation of Annual Report

**State Auditor: Follow-Up Report on Audit Findings, City of
Bridgeton Employees Retirement Plan**

MOSERS & MPERS

Legislative Update

Quarterly Investment Reporting



Office of Missouri State Auditor
Nicole Galloway, CPA

FOLLOW-UP REPORT ON AUDIT FINDINGS

**City of Bridgeton Employees Retirement Plan
Funding and Governance**

Report No. 2017-145
November 2017

auditor.mo.gov

City of Bridgeton Employees Retirement Plan Funding and Governance Follow-Up Report on Audit Findings

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NICOLE GALLOWAY, CPA Missouri State Auditor

Members of the City Council
Bridgeton, Missouri

We have conducted follow-up work on audit report findings contained in Report No. 2016-107, *City of Bridgeton Employees Retirement Plan Funding and Governance* (rated as Poor), issued in October 2016, pursuant to the Auditor's Follow-Up Team to Effect Recommendations (AFTER) program. The objectives of the AFTER program are to:

1. Identify audit report findings that require immediate management attention and any other findings for which follow up is considered necessary at this time, and inform the City Council about the follow-up review on those findings.
2. Identify and provide status information for each recommendation reviewed. The status of each recommendation reviewed will be one of the following:
 - Implemented: Auditee fully implemented the recommendation, either as described in the report or in a manner that resolved the underlying issue.
 - In Progress: Auditee has specific plans to begin, or has begun, to implement and intends to fully implement the recommendation.
 - Partially Implemented: Auditee implemented the recommendation in part, but is not making efforts to fully implement it.
 - Not Implemented: Auditee has not implemented the recommendation and has no specific plans to implement the recommendation.

As part of the AFTER work conducted, we reviewed documentation provided by city officials and held discussions with officials to verify the status of implementation for the recommendations. Documentation provided by the city included financial reports and budgets, actuarial reports, and other pertinent documents. This report is a summary of the results of this follow-up work, which was substantially completed during October 2017.

A handwritten signature in black ink that reads "Nicole R. Galloway".

Nicole R. Galloway, CPA
State Auditor

City of Bridgeton Employees Retirement Plan Funding and Governance

Follow-Up Report on Audit Findings

Status of Findings

1. Financial Condition The City of Bridgeton Employees Retirement Plan's (plan) financial condition was poor primarily because the city had not met contribution requirements since plan year 2008 and investment returns had been historically less than assumed returns. The lack of adequate board governance, policies, and oversight, as noted at MAR finding number 2, allowed for decisions that worsened the plan's financial condition. The plan's funded ratio had declined from 80 percent in plan year 2006 to 67 percent in plan year 2015, and the unfunded actuarial accrued liability (UAAL) was nearly \$14 million as of plan year 2015.

1.1 Funding Actuarially determined annual contributions (ADC) had not been received from the city since 2008, and the city had not developed a funding policy. In addition, the city's actions in 2013 and 2015 to address the plan's poor financial condition were made without timely analysis of the impact and sufficiency of the changes.

Recommendation The City Council, as the plan's trustee, consult with the plan's actuary to develop a plan to increase plan assets to a level sufficient to pay all projected benefit payments and ensure annual contribution amounts are no less than the actuarially determined amounts. The City Council should develop a formal funding policy and obtain projection analyses when making changes impacting the plan's financial condition.

Status **Partially Implemented**
Because the city contributed only 69 percent of the ADC amount in 2016, and smoothed investment returns were less than assumed returns, the plan's UAAL grew to over \$14.6 million and the funded ratio declined to 66 percent as of plan year 2016.

In 2017, the city increased its budget for plan contributions by \$325,000, to \$1,525,000, or 91 percent of the \$1,680,000 ADC amount determined by the actuary. As of October 2017, the city had made three quarterly contribution payments with the final payment due in December 2017. City officials indicated they plan to fully fund the ADC amount in the 2018 budget and all subsequent years; however, a formal funding policy has not been adopted. As noted in sections 1.2 and 3.1, the city obtained projection analyses from its actuary when changes to the pension plan were considered during 2017.

1.2 Investments Actual investment returns had historically been less than assumed returns, and the city had not established an investment policy or analyzed the sufficiency of plan investment return assumptions.

Recommendation The City Council, as the plan's trustee, obtain an experience study or similar procedures to evaluate the sufficiency of the plan's assumed investment rate of return and make changes to the rate and/or investment strategy if necessary. In addition, the City Council should develop a formal investment policy.



City of Bridgeton Employees Retirement Plan Funding and Governance
Follow-up Report on Audit Findings
Status of Findings

Status

Not Implemented

The City Council has not obtained an experience study or similar procedures to evaluate the sufficiency of the plan's assumed investment rate of return, and has no plans to obtain such a study. In April 2017, the city's actuary prepared a projection analysis that evaluated the impact of 1) lowering the assumed rate of return and salary scale, 2) increasing contributions by \$200,000 each year for 5 years, or 3) changing the amortization period, on future funded ratios and ADC amounts. However, this analysis did not evaluate the reasonableness of the plan's assumed rate of return of 7.50 percent based on relevant factors, such as historical investment performance and asset allocation. City officials indicated the plan's investment advisor and members of the city's recently-created Pension Commission believe this rate of return is achievable; however, a formal analysis has not been performed. As indicated in the audit report, the plan's investment returns over the previous 30, 20, and 10-year time periods ended December 31, 2015, have been significantly less than the plan's assumed 7.50 percent rate of return. For plan year 2016, the plan's market rate of return was 7.60 percent; however, the 3-year smoothed rate of return was 3.50 percent.

The City Council has not developed a formal investment policy. Based on our review of Pension Commission meeting minutes, during August 2017, Commission members and city officials agreed to start developing a formal investment policy. City officials indicated the initial discussions regarding a policy will occur during the November 2017 meeting.

2. Plan Governance

The plan was not governed by an independent board. Because the plan was governed by the City Council, the governance structure did not allow for a variety of interest groups to be represented. This governance structure provided for an inherent conflict of interest because the City Council was responsible for budgeting and planning decisions regarding both the city and the plan. The exclusion of viewpoints from all key stakeholders in plan decisions may have contributed to the plan's poor financial condition.

The City Council, as plan trustee, did not sufficiently monitor and oversee the plan. The city delegated oversight of the plan to the Finance Commission, but the Finance Commission did not hold meetings during 2012, 2013, or 2014. In addition, the city had not established a plan board member education program and City Council members had not received training concerning their fiduciary responsibilities and duties, as required by state law.

Recommendation

The City Council, as the plan's trustee, maintain effective oversight of the plan by delegating fiduciary responsibilities to a pension board that consists of a varied and balanced representation of key stakeholders. Additionally, the City Council should develop and implement a training program for pension board members as required by state law.



City of Bridgeton Employees Retirement Plan Funding and Governance
Follow-up Report on Audit Findings
Status of Findings

Status

Partially Implemented

The City Council still serves as the plan's trustee and has not delegated fiduciary responsibilities to an independent pension board.

In December 2016, the City Council approved Ordinance 16-47 to establish a Pension Commission to serve in an advisory capacity to the City Council. The Commission is required to meet at least once a year for the purpose of monitoring the plan's financial condition and making recommendations to the City Council, as necessary. The authorizing ordinance requires the Commission to be composed of five members, including one current city employee, one retiree, and three citizens. However, the Pension Commission serves in an advisory capacity only; and therefore an inherent conflict of interest still exists because the plan is governed by the City Council.

City Council members are now obtaining training as required. City officials provided training certificates showing all eight City Council members attended required annual pension training during 2016. Officials indicated the next annual pension training for City Council members is scheduled for November 2017.

3. Actuarial Valuations

The method used to amortize the UAAL when calculating annual ADC amounts was contrary to recommended best practices and the city had not obtained an actuarial audit.

3.1 Amortization Method

The city's continued use of a 30-year open amortization method for calculating the annual ADC provided for inequities because costs of current covered employees were shifted to future generations.

Recommendation

The City Council, as the plan's trustee, work with the actuary to evaluate implementing a closed amortization period recommended by best practices.

Status

Implemented

In May 2017, the plan's actuary performed a projection analysis to determine the impact of using a 30-year closed amortization period on future funded ratios and ADC amounts. City officials indicated they plan to implement the 30-year closed amortization period for plan year 2018.

3.2 Actuarial Audit

The city had never obtained an independent actuarial audit or alternative review to ensure the reliability of amounts reported in plan actuarial reports and the reasonableness of the actuarial methods and assumptions used by the plan actuary.

Recommendation

The City Council, as the plan's trustee, consider periodically obtaining actuarial audits or alternative reviews.



City of Bridgeton Employees Retirement Plan Funding and Governance
Follow-up Report on Audit Findings
Status of Findings

Status

Not Implemented

The City Council has not obtained an actuarial audit. City officials indicated they considered obtaining an actuarial audit, but decided they did not want to incur this expense at this time. However, discussions on this matter were not documented in the meeting minutes or other records. They indicated they would consider obtaining an independent actuarial audit or alternative review in the future.

4. Communication to Key Stakeholders

City officials did not prepare or distribute reports of financial information, including information showing the impact of insufficient contributions on the plan's financial condition, to key stakeholders such as employees, retirees, and citizens. In addition, city officials primarily used a less relevant "funded percentage" statistic, rather than the plan's funded ratio, to communicate the plan's financial condition. The funded percentage statistic was unrealistic because it used current wages only and did not consider future wage increases for current employees. In addition, the use of this statistic could be misleading and provide a false sense of security to stakeholders.

Recommendation

The City Council, as the plan's trustee, prepare and distribute reports summarizing plan financial information, including the impact of insufficient contributions on the plan's financial condition, to key stakeholders. In addition, the City Council should cite the plan's funded ratio, rather than the funded percentage statistic, in communications regarding the plan's financial condition.

Status

Partially Implemented

City officials indicated various efforts were made to communicate the pension plan's financial condition to key stakeholders. Such efforts included an October 2016 letter from the Mayor to retirees, meetings with current employees, and a statement from the Mayor published in the city's November/December 2016 newsletter to residents. We reviewed the Mayor's letter and newsletter statements and noted the statements contained only limited plan financial information, such as plan assets and increased contribution amounts. The Mayor's letter to retirees correctly cited the plan's funded ratio of 67 percent, but the newsletter to citizens stated the plan "will be over 70 percent funded" after increased contributions in 2016 and 2017. City officials indicated this statement was based on an estimate, rather than a formal projection analysis.

2018 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 612	PSRS, KC PSRS, St. Louis PSRS	Modifies provisions relating to education, including return to work laws for retired teachers in innovation schools.	Koenig	Gov't Reform	1/17/18, Hearing Held	1/24/18 SCS Voted Do Pass	Placed on Informal Calendar							
SB 628	LAGERS	Permits Soil & Water Conservation Districts to be considered political subdivisions for the purpose of joining MO LAGERS.	Munzlinger	Health & Pensions	1/31/18 Hearing Held	2/14/18 Do Pass								
SB 686	All state plans	Modifies the law relating to the investment policies of the State.	Chappelle-Nadal	Insurance & Banking										
SB 747	MOSERS / MPERS	Requires a General Assembly member or statewide elected official who first holds office on or after 1/1/19 to participate in a defined contribution retirement plan.	Emery	Health & Pensions	1/31/18 Hearing Held									
SB 810	PSRS / PEERS / KC PSRS / St Louis PSRS	Requires school districts to make certain financial information available on websites, including retirement benefits costs.	Koenig	Education	2/6/18 Hearing Held									
SB 856	KC PSRS	Modifies the contribution rates for the Kansas City Public School Retirement System.	Curls	Health & Pensions	2/21/18 Hearing Held									
SB 892	PACARS	Changes the laws regarding the retirement system for prosecuting and circuit attorneys.	Walsh	Health & Pensions	2/7/18 Hearing Held	2/14/18 Do Pass w/SCS	3/1/18 Perfected (SCS)							
SB 902	St Louis City Firefighters & Other Public Retirement Systems	Allows the Firemen's Retirement System of the City of St. Louis to form agreements with other public retirement systems so that members may transfer creditable service.	Hummel	Health & Pensions	2/7/18 Hearing Held									
SB 910	Blind Pension Fund	Modifies Blind Pension Fund eligibility and payment calculations.	Sater	Health & Pensions	2/7/18 Hearing Held	2/14/18 Do Pass w/SCS								
SB 1021	Judges	Exempts certain individuals from the 2011 tier of the Judicial Retirement System.	Dixon	Health & Pensions										

2018 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 1045	PSRS / PEERS	Modifies return-to-work provisions for certain retired members of PSRS.	Romine	Health & Pensions										
SB 1077	PSRS, KC PSRS, St. Louis PSRS	Modifies provisions relating to education, including return to work laws for retired teachers in innovation schools.	Holsman											
SJR 33	All state plans	Prohibits state departments or agencies from implementing any program that confers a state public benefit without an appropriation, which includes retirement benefits.	Eigel	Ways & Means	2/20/18 Hearing Held									

2018 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 1329	LAGERS, KC PSRS	1. Permits Soil & Water Conservation Districts to be considered political subdivisions for the purpose of joining MO LAGERS; 2. Allows a metropolitan planning organization to be considered a political subdivision for the purpose of joining MO LAGERS; 3. modifies the contribution rates for the Kansas City PSRS.	Remole	Pensions	1/31/18 Executive Session Completed Do Pass	2/5/18 Rules-Admin Oversight: Do Pass	2/13/18 Perfected (HA 1, HA 2)	2/19/18 Third Read & Passed/ 2/19/18 Reported to Senate	3/1/18 Health & Pensions						
HB 1354	LAGERS	Permits Soil & Water Conservation Districts to be considered political subdivisions for the purpose of joining MO LAGERS.	Remole	Pensions											
HB 1355	All law enforcement plans	Allows retired police officers to return to work when there has been a disaster or emergency proclaimed by the Governor, or there is a national emergency.	Phillips	Crime Prevention & Public Safety	1/23/18 Executive Session Completed Do Pass - Consent	1/30/18 Consent & House Procedures: Do Pass-Consent	2/7/18 Perfected by Consent	2/21/18 Third Read & Passed/ 2/21/18 Reported to Senate	3/1/18 Transportation, Infrastructure & Public Safety						
HB 1670	PSRS	Modifies provisions relating to teacher compensation. Changes the amount of compensation a retired member of PSRS may earn when returning to work without a discontinuance of the person's retirement allowance.	Swan	Elementary & Secondary Education											
HB 1673	All public employee retirement 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	Pensions	2/12/18 Executive Session Completed Do Pass	Exec Session Scheduled, Rules-Admin Oversight, 3/5/18, 5pm, HHR 6									
HB 1674	State employees and certain employees of public higher education institutions	Modifies the State Deferred Compensation Program by auto-enrolling employees who are rehired and by offering employees the option to automatically increase deferrals.	Kendrick												

2018 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 1914	St Louis Police Retirement System	Returns control of the City of St. Louis Police Dept back to the Board of Police Commissioners and modifies the composition of the St. Louis Police Retirement System's board of trustees.	Roden											
HB 1984	Blind Pension Fund	Specifies that the first \$100,000 in an individual's ABLE account shall not be considered an asset for purposes of the asset limits of the blind pension program.	Unsicker											
HB 2044	LAGERS / KC PSRS / PSRS / PEERS	1. Permits a metropolitan planning organization and Soil & Water Conservation Districts to be considered a political subdivision for the purpose of joining Missouri LAGERS; 2. Modifies the contribution rates for the Kansas City PSRS; 3. Exempts salary & benefit information for the PSRS/PEERS executive director & board members from being confidential.	Taylor	Pensions	1/31/18 Executive Session Completed Do Pass	2/5/18 Rules-Admin Oversight: Do Pass	2/20/18 Perfected (HA1, HA2, HA3)	2/22/18 Third Read & Passed / Reported to Senate						
HB 2131	Judicial Retirement System	Modifies provisions relating to the compensation of drug court commissioners.	Austin	General Laws										
HB 2171	Blind Pension Fund	Modifies eligibility criteria relating to the blind pension fund.	Wood	Budget	2/14/18 Executive Session Completed HCS Do Pass	3/1/18, Voted Do Pass, Rules - Legislative Oversight								
HB 2184	KC PSRS	Modifies the contribution rates for the Kansas City Public School Retirement System.	Bondon	Pensions	2/12/18 Executive Session Completed Do Pass	Exec Session Scheduled, Rules-Admin Oversight, 3/5/18, 5pm, HHR 6								
HB 2200	PSRS / PEERS / KC PSRS / St Louis PSRS	Modifies provisions relating to education including working after retirement for retired teachers.	Rhoads	Elementary & Secondary Education	2/19/18 Executive Session Completed HCS Do Pass	2/26/18 Rules-Admin Oversight: Do Pass								

2018 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 2202	St. Louis Police Retirement System	Modifies multiple provisions relating to the St. Louis Police Retirement System.	Plocher	Pensions	2/12/18 Executive Session Completed HCS Do Pass	2/26/18 Rules-Admin Oversight: Exec Session held, Action Postponed								
HB 2210	PSRS / PEERS / KC PSRS / St Louis PSRS	Modifies provisions relating to education, including requiring school districts to make retirement benefit costs available on its website.	Cristofanelli	Special Committee on Govt Oversight	2/6/18 Hearing Held	3/5/18, Exec Session Scheduled, Rules - Admin Oversight, HHR 6								
HB 2322	PACARS	Changes the laws regarding the retirement system for prosecuting and circuit attorneys.	Walker (003)	Pensions	2/26/18 Executive Session Completed Do Pass	3/5/18, Exec Session Scheduled, Rules - Admin Oversight, HHR 6								
HB 2335	PSRS / PEERS	Modifies return-to-work provisions for certain retired members of PSRS.	Black	Pensions	2/26/18 Executive Session Completed HCS Do Pass	2/27/18 Ref: Rules-Admin Oversight								
HB 2376	MPERS	Modifies provisions relating to disability benefits for members of the MODOT and Highway Patrol Employees Retirement System.	Higdon											
HB 2404	MPERS	Permits certain uniformed members of the Highway Patrol to receive service credit for prior military service.	Stephens (128)											
HB 2475		Creates a tax credit for eligible taxpayers who have had their defined benefit pension reduced.	Curtis											

2018 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 2505	All DC Plans	Removes defined contribution plans from the annual board member education requirement and the requirement to include certain information in an annual pension statement.	Plocher	Pensions										
HB 2517	All law enforcement plans	Prohibits law enforcement officers from receiving certain retirement benefits if convicted of certain crimes.	Curtis											
HB 2619	PSRS / PEERS / KC PSRS	Increases the number of hours a retired school employee may work without having his or her retirement allowance suspended.	Brattin											
HB 2633	PSRS	Reauthorizes the 2.55 multiplier for teachers retiring with 31 or more years of service.	Dinkins											
HB 2660	PSRS	Modifies the composition of the PSRS board of trustees and mandates that the retirement system refund an employer's contributions if a member leaves the system and is paid his or her contributions with interest.	Miller											
HB 2728	KC PSRS, PSRS, PEERS	Modifies provisions relating to substitute teaching for retired teachers.	Arthur											

Joint Committee on Public Employee Retirement

Quarterly Reports

2017 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	\$8,413,560	\$8,867,082	13.9% (Net)	7.5% (Net)	9.3% (Net)	6.5%	2.75%	3.5%
Antonia FPD Pension Plan	\$2,297,671	\$2,343,074	10.60% (Net)	n/a% (Net)	n/a% (Net)	n/a%	n/a%	n/a%
Bi-state Dev Agency Division 788, A.T.U.	\$135,728,430	\$139,613,712	N/A% (Net)	N/A% (Net)	N/A% (Net)	7%	2.5%	N/A%
Bi-state Development Agency Local 2 I.B.E.W.	\$5,017,175	\$5,392,292	N/A% (Net)	N/A% (Net)	N/A% (Net)	7%	2.5%	N/A%
Bi-state Salaried Employees	\$65,363,963	\$67,498,811	N/A% (Net)	N/A% (Net)	N/A% (Net)	7%	2.5%	4.5%
Black Jack FPD Retirement Plan	\$13,613,467	\$13,813,040	1% (Net)	1% (Net)	1% (Net)	7.0%	2.75%	4.50%
Bothwell Regional Health Center Retirement Plan	\$44,787,794	\$45,884,977	15.4% (Net)	6.6% (Net)	7.4% (Net)	7.75%	2.9%	3.0%
Brentwood Police & Firemen's Retirement Fund	\$38,328,587	\$39,330,683	N/A% (Gross)	N/A% (Gross)	N/A% (Gross)	N/A%	N/A%	N/A%
Bridgeton Employees Retirement Plan	\$27,940,440	\$28,641,918	9.8% (Net)	2.9% (Net)	5.9% (Net)	7.5%	3.0%	4.0%
Carthage Policemen's & Firemen's Pension Plan	\$7,077,930	\$7,329,425	13.49% (Net)	6.62% (Net)	8.01% (Net)	7.0%	2.2%	3.5%
Cedar Hill Fire Protection District Length of Service Awards Program	\$160,791	\$177,847	N/A% (Gross)	N/A% (Gross)	N/A% (Gross)	4.75%	N/A%	N/A%
Clayton Non-uniformed Employee Pension Plan	\$17,943,879	\$18,470,572	15.56% (Net)	8.09% (Net)	9.98% (Net)	7%	2%	4%
Columbia Police and Firemens' Retirement Plan	\$129,314,248	\$134,230,423	13.95% (Net)	5.56% (Net)	7.26% (Net)	7%	2.5%	3.25%
County Employees Retirement Fund	\$491,914,000	\$504,885,000	15.15% (Gross)	6.90% (Gross)	8.97% (Gross)	7.5%	2.5%	2.5%
Creve Coeur Employees Retirement Plan	\$24,700,196	\$26,549,749	15.3% (Net)	7.6% (Net)	8.0% (Net)	7.5%	3.5%	5.0%
Creve Coeur FPD Retirement Plan	\$10,889,207	\$11,091,670	n/a% (Gross)	n/a% (Gross)	n/a% (Gross)	7%	3%	4%
Eureka FPD Retirement Plan	\$11,676,674	\$12,061,171	1% (Net)	1% (Net)	1% (Net)	7.0%	2.75%	4.50%
Fenton FPD Retirement Plan	\$30,369,247	\$31,207,313	16.17% (Net)	7.75% (Net)	8.86% (Net)	7.5%	2.5%	2%
Florissant Employees Pension Plan	\$10,029,046	\$10,277,014	0% (Net)	0% (Net)	0% (Net)	6.0%	0%	3.0%
Florissant Valley FPD Retirement Plan	\$28,891,664	\$29,855,551	n/a% (Net)	n/a% (Net)	n/a% (Net)	6.25%	2.5%	see comme nts%
Glendale Pension Plan	\$5,249,526	\$5,304,028	13.26% (Gross)	5.95% (Gross)	N/A% (Gross)	7.50%	2.50%	3.75%

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<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	\$16,947,931	\$17,293,250	13.6% (Gross)	6.6% (Gross)	8.9% (Gross)	7.0%	2.5%	3.5%
Hazelwood Retirement Plan	\$39,290,531	\$40,491,858	28.91% (Net)	11.65% (Net)	15.62% (Net)	7.5%	3%	4.5%
High Ridge Fire Protection District Pension Plan	\$7,224,147	\$7,625,672	12.8% (Net)	6.5% (Net)	7.9% (Net)	5.5%	2.5%	0.0%
Jackson County Employees Pension Plan	\$276,336,272	\$288,641,855	17.83% (Gross)	8.30% (Gross)	9.63% (Gross)	6.75%	2.5%	2.75% to 4.75%
Joplin Police & Fire Pension Plan	\$39,592,787	\$40,935,062	14.9% (Net)	6.4% (Net)	6.9% (Net)	7%	2.5%	2.5%
Kansas City Civilian Police Employees' Retirement System	\$137,367,000	\$142,672,500	14.16% (Net)	6.94% (Net)	7.92% (Gross)	7.5%	3.0%	3.5%
Kansas City Employees' Retirement System	\$1,135,628,100	\$1,165,612,166	15.6% (Net)	6.8% (Net)	8.8% (Net)	7.5%	3.0%	3.75% -5.0%
Kansas City Firefighter's Pension System	\$530,488,000	\$542,856,000	16.34% (Gross)	8.52% (Gross)	9.64% (Gross)	7.25%	2.5%	3.0% -8.0%
Kansas City Police Retirement System	\$861,184,000	\$883,456,000	14.17% (Net)	7.08% (Net)	8.13% (Gross)	7.5%	3.0%	3.5%
Kansas City Public School Retirement System	\$651,619,277	\$673,744,145	16.93% (Net)	7.59% (Net)	7.73% (Net)	7.75%	2.75%	3.5%
KC Area Transportation Authority Salaried Employees Pension Plan	\$17,941,485	\$18,384,896	15.64% (Gross)	7.58% (Gross)	9.45% (Gross)	7.00%	3.00%	4.00%
KC Trans. Auth. Union Employees Pension Plan	\$48,726,442	\$50,017,153	14.48% (Net)	6.61% (Net)	8.18% (Net)	7.00%	3.00%	4.00%
Ladue Non-uniformed Employees Retirement Plan	\$4,935,374	\$4,637,079	15.0% (Net)	7.0% (Net)	8.5% (Net)	7.0%	2.5%	4.5%
Ladue Police & Fire Pension Plan	\$34,472,830	\$32,472,301	14.9% (Net)	7.0% (Net)	8.5% (Net)	7.0%	2.5%	4.5%
LAGERS Staff Retirement Plan	\$11,327,685	\$11,699,574	17.74% (Net)	7.55% (Net)	9.40% (Net)	7.25%	2.5%	3.25%
Little River Drainage Dist Retirement Plan	\$1,476,656	\$1,485,751	6.86% (Gross)	3.28% (Gross)	3.4% (Gross)	5%	0%	3.5%
Local Government Employees Retirement System	\$7,188,196,133	\$7,497,714,592	15.95% (Net)	7.80% (Net)	9.45% (Net)	7.25%	2.5%	3.25%
Maplewood Police & Fire Retirement Fund	\$13,553,024	\$13,698,924	12.7% (Gross)	5.25% (Gross)	8.04% (Gross)	7.00%	1.5%	3.0%
Metro St. Louis Sewer Dist Employees Pension Plan	\$268,840,714	\$278,084,407	12.3% (Net)	5.4% (Net)	6.0% (Net)	7.0%	2.5%	4.25%
Metro West FPD Retirement Plan	\$49,115,167	\$51,473,434	17.60% (Net)	7.33% (Net)	8.41% (Net)	0%	0%	0%
Mid-County FPD Retirement Plan	\$1,752,083	\$1,767,150	1% (Net)	1% (Net)	1% (Net)	7.0%	2.75%	4.50%
Missouri Higher Education Loan Authority Pension Plan	\$45,340,302	\$47,237,595	n/a% (Net)	n/a% (Net)	n/a% (Net)	6.75%	2.25%	4.5%

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Missouri State Employees Retirement System	\$8,234,119,008	\$8,502,309,032	12.8087% (Net)	4.4018% (Net)	6.0055% (Net)	7.5%	2.5%	3.0%
MoDOT & Highway Patrol Employees' Retirement System	\$2,217,786,078	\$2,281,305,294	13.11% (Net)	7.64% (Net)	9.70% (Net)	7.75%	3.0%	3.5%
North Kansas City Hospital Retirement Plan	\$270,591,660	\$275,400,623	14.53% (Net)	7.29% (Net)	9.09% (Net)	7.25%	2.3%	2.5%
North Kansas City Policemen's & Firemen's Retirement Fund	\$53,838,624	\$55,455,466	17.3% (Gross)	8.4% (Gross)	9.8% (Gross)	6.5%	4.0%	1.2%
Olivette Salaried Employees' Retirement Plan	\$20,987,106	\$21,776,027	15.6% (Net)	8.1% (Net)	9.7% (Net)	7.25%	2.75%	4.00%
Overland Non-uniform Pension Fund	\$10,738,000	\$11,104,000	14.59% (Net)	6.94% (Net)	8.09% (Net)	7%	2.5%	3.5%
Overland Police Retirement Fund	\$12,592,000	\$12,993,000	15.62% (Net)	7.59% (Net)	8.70% (Net)	7%	2.5%	3.5%
Pattonville-Bridgeton FPD Retirement Plan	\$37,496,332	\$38,286,743	15.72% (Net)	11.76% (Net)	13.15% (Net)	7.75%	2.5%	2.5%
Prosecuting Attorneys' Retirement System	\$43,093,960	\$44,615,825	14.05% (Net)	5.88% (Net)	6.86% (Net)	7.1%	2.5%	2.5%
Public Education Employees' Retirement System	\$4,525,356,285	\$4,673,291,172	14.9% (Net)	7.9% (Net)	9.6% (Net)	7.6%	2.25%	3.25%
Public School Retirement System	\$37,782,070,777	\$38,815,745,590	14.9% (Net)	8% (Net)	9.7% (Net)	7.6%	2.25%	2.75%
Raytown Policemen's Retirement Fund	\$10,657,275	\$10,898,793	15.19% (Gross)	7.09% (Gross)	8.67% (Gross)	7.5%	2.5%	N/A%
Richmond Heights Police & Fire Retirement Plan	\$54,696,676	\$57,134,691	17.18% (Net)	7.98% (Net)	10.01% (Net)	6.5%	2.5%	5.0%
Rock Community FPD Retirement Plan	\$16,753,544	\$17,245,120	13.8% (Net)	7.0% (Net)	9.7% (Net)	7.5%	2.5%	3.0%
Rock Hill Police & Firemen's Pension Plan	\$2,021,954	\$2,114,734	1.90% (Net)	1.90% (Net)	1.90% (Net)	6.40%	3.0%	6.50%
Saline Valley Fire Protection District Retirement Plan	\$2,991,415	\$3,091,761	12.0% (Gross)	5.5% (Gross)	7.5% (Gross)	7.0%	2.5%	2.5%
Sedalia Firemen's Retirement Fund	\$7,516,135	\$7,545,177	12,9% (Gross)	6.4% (Gross)	8.9% (Gross)	7.0%	2,0%	3.0%
Sedalia Police Retirement Fund	\$3,456,937	\$3,448,801	16.88% (Gross)	7.16% (Gross)	N/A% (Gross)	6%	None%	None%
Sheriff's Retirement System	\$45,291,621	\$44,154,283	11.84% (Gross)	7.184% (Gross)	9.49% (Gross)	6.5%	3.5%	see comment%
St. Joseph Policemen's Pension Fund	\$36,290,425	\$37,419,975	9.56% (Gross)	0% (Gross)	0% (Gross)	7.5%	2.0%	4.0%
St. Louis County Employees Retirement Plan	\$682,083,480	\$707,278,722	19.10% (Net)	?% (Net)	9.83% (Net)	7.75%	2.5%	4.5%
St. Louis County Library Dist Empl Pension Plan	\$47,760,774	\$48,681,474	15.26% (Net)	6.3% (Net)	7.44% (Net)	7.0%	2.5%	3.5%
St. Louis Employees Retirement System	\$817,283,202	\$837,144,151	15.37% (Gross)	7.15% (Gross)	8.74% (Gross)	7.5%	2.5%	3%

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St. Louis Firemen's Retirement System	\$485,061,269	\$491,011,246	16.6% (Gross)	8% (Gross)	9.72% (Gross)	7%	2.75%	3%
St. Louis Public School Retirement System	\$864,027,521	\$905,561,816	16.2% (Net)	7.1% (Net)	8.3% (Net)	7.5%	2.75%	3.5% / 5.0%
University City Non-uniformed Retirement Plan	\$23,544,529	\$24,260,890	12.0% (Gross)	6.3% (Gross)	8.8% (Gross)	3.8% -6.8%	3.0%	3.0%
University City Police & Fire Retirement Fund	\$28,166,228	\$28,825,118	11.6% (Gross)	6.1% (Gross)	8.5% (Gross)	3.8% - 6.8%	3.0%	3.0%
University of Mo Retirement, Disability & Death Benefit Plan	\$3,580,484,000	\$3,686,340,000	13.8% (Net)	7.2% (Net)	7.7% (Net)	%	%	%
Valley Park FPD Retirement Plan	\$6,328,504	\$6,566,729	14.68% (Net)	7.17% (Net)	9.36% (Net)	7.0%	2.0%	4..0%
	<u>\$72,414,148,754</u>	<u>\$74,605,832,969</u>						