

JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT
SECOND QUARTER MEETING
April 26, 2012

The Joint Committee on Public Employee Retirement held its 2nd Quarter Meeting on Thursday, April 26, 2012 at 9:00 am in House Hearing Room 6. With a quorum being established, Senator Crowell called the meeting to order. Joint Committee members in attendance were Senators Crowell, Keaveny, Lamping, and Rupp and Representatives Anders, Atkins, Brown, Franz, Pierson and Wieland. Senators Chappelle-Nadal and Green were not in attendance.

Senator Crowell turned the meeting over to the Executive Director, Ronda Stegmann. The Director presented action items that require approval of the committee. By unanimous consent, the Committee approved computer and software upgrades for JCPER staff, salary increases for JCPER staff at levels included in the finalized FY 13 state budget, and 2012 MAPERS conference expenses for JCPER staff.

The Director updated the Committee on the Kansas City MAST issue. It was reviewed that the Committee provided an official comment during the 45 day comment period associated with the actuarial cost statement relative to the awarding of service credit to former MAST employees within the Employees' Retirement System of the City of Kansas City. The official comment reinforced previously expressed concerns associated with this service credit award and Section 105.684, RSMo provisions. The Director advised that the Finance Committee within the Kansas City Council met on Wednesday, April 25th and advanced Ordinance #120377 which provides for final action on the MAST benefit. The full Council is scheduled to take this ordinance up today. Senator Crowell asked if there would be any opposition to corresponding with the Attorney General and ask him to investigate statutory conflict regarding this issue. No opposition was expressed by committee members. The Director was requested to compose correspondence for the committee signatures.


The Director provided an update on the St. Louis Firemen's Retirement System issues including City Board Bills, and House legislation regarding the system. The Director indicated that Board Bill 270 was passed by the Board of Aldermen which repeals local sections pertaining to the Firemen's Retirement System upon the passage of a successor retirement plan. The 2011/2012 legislative session ended on April 16th and a new session began on April 17th. To date, there has not been a Board Bill in this new session which proposes a successor retirement plan. Representative Brown presented copies of correspondence to the Committee that she sent to the Attorney General requesting an opinion on the St. Louis issue on March 26, 2012. The Attorney General's office indicated they will contact her within 90 days of receipt of her correspondence. Representative Brown will keep the Committee updated regarding the outcome.

The Director reviewed pension related legislation and indicated that to date there are 5 pension bills that have crossed chambers.

The Committee was provided with 4th quarter plan reporting numbers for 2011. It was noted that plan assets increased by \$2 billion between the 3rd and 4th quarters of 2011.

Addition to the JCPER website was discussed. The Director indicated the intention to work with Senate IT to provide an area on the website to place the actuarial cost statements filed with the JCPER to facilitate increased public access to these documents.

No further business being presented, the committee adjourned.


Ronda Stegmann
Executive Director



JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT

2nd QUARTER MEETING
April 26, 2012
9:00 a.m.
House Hearing Room 6

AGENDA

Roll Call

Plan Issue Updates
KC MAST Issue
St. Louis Fire

Legislation

Plan Reporting
Annual Surveys
Quarterly Reporting

Website Revision

Other Business
Computer & Software Upgrade*
State Salary Increases*
MAPERS Conference Expenses*

**Action Item—Vote will be taken*



ORDINANCE NO. 120377

Taking final action to implement the pension benefits for former MAST employees set forth in Committee Substitute for Ordinance No. 100607, As Amended, and Committee Substitute for Ordinance No. 110588, following receipt of public comments and transferring the remaining balances of MAST's operating accounts to the City's operating bank account upon approval of the MAST Board of Directors.

WHEREAS, Committee Substitute for Ordinance No. 100607, As Amended, ("Ordinance") required that a cost statement for the plan benefits be prepared and then made available as public information for 45 days in the office of the City Clerk; and

WHEREAS, the cost statement of the pension plan set out in the Ordinance was filed in the City Clerk's Office on February 17, 2012; and

WHEREAS, public comments were received during the 45 day period and have been reported back to the City Council as required under the Ordinance; and

WHEREAS, the City Council desires to take final action to adopt the pension benefits set out in the Ordinance; and

WHEREAS, the operating accounts for MAST will be closed upon approval of the MAST Board of Directors and the remaining balances transferred to the City's operating bank account; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the City Council hereby takes final action to adopt the pension benefits set out in Committee Substitute for Ordinance No. 100607, As Amended, and Committee Substitute for Ordinance No. 110588, after receiving a report of the public input concerning the cost statement filed with the City Clerk's Office for forty-five days.

Section 2. That the revenue in the following account of the General Fund is hereby estimated in the following amount:

12-1000-140000-485370 Contribution from MAST \$4,600,000.00

Section 3. That the sum of \$4,600,000.00 is hereby appropriated from the Unappropriated Fund Balance of the General Fund to the following account:

12-1000-142200-B Retirement \$4,600,000.00

Section 4. That the unexpended and unencumbered balance in the following account in the General Fund is appropriated to the same account in Fiscal Year 2012-13:

12-1000-142200-B Retirement

Section 5. That the uncollected revenue in Account No. 12-1000-140000-485370, Contribution from MAST in the General Fund is re-estimated in the same account in Fiscal Year 2012-13.

I hereby certify that there is a balance, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditure is to be charged, and a cash balance, otherwise unencumbered, in the treasury, to the credit of the fund from which payment is to be made, each sufficient to meet the obligation hereby incurred.

Randall J. Landes
Director of Finance

Approved as to form and legality:

Lana K. Torczon
Assistant City Attorney

February 16, 2012

VIA ELECTRONIC MAIL

Mr. Troy Schulte
City Manager
City of Kansas City, Missouri
414 East 12th Street
Kansas City, Missouri 64106

Re: Cost Statement Regarding MAST Employees entering the Employees' Retirement System

Dear Mr. Schulte:

The purpose of this study is to provide a cost statement in accordance with the "Committee Substitute for Ordinance No. 100607" and the "Committee Substitute for Ordinance No. 110588" that allows employees previously employed by the private ambulance company (known as "MAST") would enter into the Kansas City, Missouri Employees' Retirement System (ERS or the "System").

It is our understanding that the retirement benefits of such employees are calculated by including a percentage of prior service credit with MAST, as described in the ordinance mentioned above, which will vest after 18 months of service with the City. These employees will also be required to make contributions to the plan ranging from 4% to 6% of compensation (compared to the 4% rate which applies to all other active members in the System). The employee data used regarding the MAST employees was provided to us by the System. This data included a total of 314 employees, of which 39 employees have been fully enrolled in the Employees' Retirement System since they became City employees on April 25, 2010.

The results are shown on the enclosed Exhibit 1. The following information is provided as of the May 1, 2011 valuation date in accordance with the requirements of the Statute.

- (1) The level normal cost of plan benefits currently in effect for members as a percent of active employee payroll is 13.00%. Of this amount, 4% of compensation is paid by employees, so the total employer normal cost as a percent of active employee payroll is 9.00%.
- (2) The contribution for unfunded accrued liabilities currently payable by the plan as a percentage of active plan payroll is 7.14%. Amortizations of changes in unfunded liability are amortized as a level percent of pay over 20 years from each valuation date, except that the actuarial loss as of May 1, 2009 was amortized over 30 years. The current average amortization period is 21.4 years.
- (3) The total employer contribution rate as a percent of active employee payroll is 16.14%.



- (4) Kansas City is not currently paying the full actuarially computed contribution rate of 16.14%. The scheduled contribution rate for the current plan year ending April 30, 2012 is 12.12% of payroll.
- (5) With the inclusion of the MAST past service and contribution provisions, the actuarially computed contribution rate is 16.73% of payroll.
- (6) The actuarial assumptions used for our calculations are included as Exhibit 2 to this statement. Additionally, we assumed that all MAST employees included in these calculations would remain employed during the 18-month period required to become vested in the prior service benefit.
- (7) We believe that the actuarial assumptions used for this cost statement produce results that are reasonable in the aggregate.
- (8) The actuarial funding method is described within Exhibit 2 to this statement.
- (9) The increase in the total annual contribution amount determined by multiplying the increase in the total contribution rate by the active employee payroll is \$962,371.

In preparing this cost estimate, we relied without audit, on the census data provided to us by the System. The calculations in this letter are based upon the assumptions, methods and plan provisions as used to produce the May 1, 2011 actuarial valuation of the Employees' Retirement System, which are included in Exhibit 2 and Exhibit 3. In addition, we assumed that all MAST employees provided would remain employed during the 18-month period required to become vested in the prior service benefit and would elect the defined benefit plan. We believe that the actuarial assumptions used for this cost estimate produce results that are reasonable in the aggregate for purposes of this estimate.

We have also assumed that 100% of eligible MAST employees would elect to be covered for this benefit. Under the ordinance such employees will be given an election to elect participation in a defined contribution plan in lieu of the benefits in the Employees' Retirement System. We would expect these elections to have a relatively small affect on the unfunded actuarial liability (since those employees with the greatest liability would be expected to elect participation in ERS. However, the total City contribution rate would be expected to increase since the amortization of the unfunded actuarial liability would be expressed as a percentage of lower payroll. We also have not made any specific assumptions regarding the possibility of earlier than expected retirement for the MAST employees electing ERS. To the extent that such earlier retirements occur, actuarial experience losses could be incurred which could increase costs in future years.

I hereby certify that, to the best of my knowledge, this letter and its contents, which are work products of Cheiron, Inc., are complete and accurate and have been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board. Furthermore, as a credentialed actuary, I meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this letter. This letter does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

Mr. Troy Schulte
February 16, 2012
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This letter was prepared solely for the City of Kansas City Employees' Retirement System for the purposes described herein, except that the plan auditor may rely on this report solely for the purpose of completing an audit related to the matters herein. Cheiron does not intend to benefit any other person who receives this report and assumes no duty or liability to such a person.

Sincerely,
Cheiron



Stephen T. McElhaney, FCA, FSA
Principal Consulting Actuary

Exhibits

cc: Rick Boersma
Katie Dobbs

CITY OF KANSAS CITY, MISSOURI EMPLOYEES' RETIREMENT SYSTEM
MAST COST STUDY

EXHIBIT 1

City of Kansas City, Missouri Employees' Retirement System Including MAST Employees Special Study Summary of Principal Plan Results Valuation as of May 1, 2011		
	(1) Baseline: 2011 Kansas City Employees	(2) 2011 Kansas City Employees including special MAST benefits
<u>Participant Counts</u>		
Actives Participants	3,498	3,498
Disabled Participants	14	14
Retired and Beneficiaries Participants	2,038	2,038
Terminated Vested Participants	89	89
Inactive Participants	147	147
Total	5,786	5,786
Annual Salaries of Active Members	\$ 163,113,722	\$ 163,113,722
<u>Assets and Liabilities</u>		
Actuarial Liability (AL)	\$ 1,010,996,133	\$ 1,029,937,967
Assets for Valuation Purposes	806,792,596	806,792,596
Unfunded Actuarial Liability (UAL)	204,203,537	223,145,371
Funding Ratio	79.80%	78.33%
Present Value of Accrued Benefits (PVAB)	\$ 886,342,240	\$ 897,845,898
Market Value of Assets	886,328,136	886,328,136
Unfunded (PVAB)	14,104	11,517,762
Accrued Benefit Funding Ratio	100.00%	98.72%
<u>Contributions as a Percentage of Payroll</u>		
Normal Cost Rate	9.00%	8.80%
Unfunded Actuarial Liability Rate	7.14%	7.93%
Total City Contribution Rate	16.14%	16.73%
Annual Required Contribution (GASB)	\$26,326,555	\$27,288,926

CITY OF KANSAS CITY, MISSOURI EMPLOYEES' RETIREMENT SYSTEM
MAST COST STUDY

EXHIBIT 2
ACTUARIAL ASSUMPTIONS AND METHODS

A. Actuarial Assumptions and Actuarial Cost Method

1. Demographic Assumptions

a. Mortality Rates

Healthy: 1994 Group Annuity Mortality Table (sample rates shown below)

Disabled: 1983 Railroad Retirement Board Disabled Life Mortality Table

b. Termination Rates before Retirement

Age	Mortality		Rate (%)		
	Male	Female	General Employees**	Judges	Elected Officials
20	0.05%	0.03%	10.74%	--	10.00%
25	0.07%	0.03%	10.46%	--	10.00%
30	0.08%	0.04%	10.09%	--	10.00%
35	0.09%	0.05%	7.50%	--	10.00%
40	0.11%	0.07%	6.00%	--	10.00%
45	0.16%	0.10%	4.50%	--	10.00%
50	0.26%	0.14%	4.35%	--	--
55	0.44%	0.23%	3.00%	--	--
60	0.80%	0.44%	0.15%	--	--

* Withdrawal rates end upon first assumed retirement age.

** Select rates for first four years of service for General Employees:

Select Period	
Years of Service	Rate
0 - 1	20%
1 - 2	15%
2 - 3	12%
3 - 4	10%

CITY OF KANSAS CITY, MISSOURI EMPLOYEES' RETIREMENT SYSTEM
MAST COST STUDY

EXHIBIT 2
ACTUARIAL ASSUMPTIONS AND METHODS

c. Retirement Rates

Age	General Employees Age Plus Service Greater than or Equal to 80*	Other General Employees
Under 55	15%	0%
55	10%	2%
56	10%	2%
57	10%	2%
58	10%	2%
59	10%	2%
60	15%	10%
61	15%	10%
62	15%	20%
63	15%	20%
64	15%	20%
65	50%	50%
66	50%	50%
67	50%	50%
68	50%	50%
69	50%	50%
70	100%	100%

* 33% of General Employees are assumed to retire at first age when age plus service equals 80.

	Age	Percent
Elected Officials	65	100%
Judges	65	100%

d. Retirement Age for Inactive Vested Members

60

e. Unknown Data for Members

Same as those exhibited by Members with similar known characteristics. If not specified, Members are assumed to be male.

f. Percent Married

80% for males and 70% for females in active status.

CITY OF KANSAS CITY, MISSOURI EMPLOYEES' RETIREMENT SYSTEM
MAST COST STUDY

EXHIBIT 2
ACTUARIAL ASSUMPTIONS AND METHODS

g. Age of Spouse

Females 3 years younger than males.

h. Joint and Survivor Election Assumption

85% for married males and 70% for married females in active status.

i. Net Investment Return

7.50% per annum, net of investment fees and administrative expenses (*for the current year administrative expenses and investment fees represent approximately 0.4% of plan assets*)

j. Salary Increases

General Employees	
Age	Rate (%)
Less than 25	8.00%
25 – 29	7.00
30 – 34	6.50
35 – 39	5.50
40 – 44	5.00
45 – 49	5.00
50 – 54	4.50
55 – 59	4.00
60 – 64	4.00
65 and up	4.00

Judges and Elected Official: 5.00% per year for all ages.

CITY OF KANSAS CITY, MISSOURI EMPLOYEES' RETIREMENT SYSTEM
MAST COST STUDY

EXHIBIT 2
ACTUARIAL ASSUMPTIONS AND METHODS

B. Actuarial Methods

1. Actuarial Value of Assets

Asset values are gradually adjusted toward market value by adding 25% of the difference between the market value and expected actuarial asset value to the expected actuarial asset value. The expected actuarial asset value is the actuarial asset value at the beginning of the year plus contributions, less benefit payments, all with interest at the assumed net rate of investment return on an actuarial basis. If the actuarial value of assets is less than 85% or more than 110% of the market value, an adjustment is made to the actuarial value to bring the value within this corridor.

2. Actuarial Cost Method

Entry Age Normal Actuarial Cost Method. Entry age is the age at the time the participant commenced employment. Normal cost and actuarial liability are calculated on an individual basis and are allocated by salary, with normal cost determined as if the current benefit accrual rate had always been in effect.

3. Amortization of Unfunded Actuarial Liability/Surplus

20-year layered amortization method; level percent of pay for all years except the 5/1/2009 Plan Year (30-year layer). Under the layered approach, the May 1, 2009 changes to the unfunded actuarial liability will be written down over a 30-year period and all future changes to the unfunded actuarial liability will establish new 20-year amortization periods.

4. Changes since Last Valuation

Actuarial assumptions have been changed based upon recommendations from the May 1, 2006 through April 30, 2010 actuarial experience study that were adopted by the Board. The changes affected withdrawal rates, retirement rates, age of spouse assumptions, salary increases, and J&S election assumptions.

CITY OF KANSAS CITY, MISSOURI EMPLOYEES' RETIREMENT SYSTEM
MAST COST STUDY

EXHIBIT 3
SUMMARY OF PLAN PROVISIONS

1. Plan Year

May 1 through April 30.

2. Membership

All full-time permanent employees in the classified and unclassified services shall become members as a condition of employment. Employees of any administrative board or board of control as organized and existing under general laws of Missouri and as defined in Revised Statutes of Missouri, Section 95.540, whose governing body has elected membership, shall become members. Unless otherwise provided, no members of the Council, including the Mayor, who commence a term of office after April 30, 2011 shall participate in this plan for any service after April 30, 2011. However, members of the Council, including the Mayor, elected on March 27, 2007 for a term beginning May 1, 2007 and also elected on March 22, 2011 for a term beginning May 1, 2011 are members of this plan as long as they are continuously a member of the council, including the mayor. Membership shall begin on the first day of employment.

3. Credited Service

Total creditable service is defined as the sum of the number of years of membership service and prior service.

Membership Service: Years and full calendar months of employment while a contributing member of this System.

Prior Service: Years and full calendar months of employment preceding December 21, 1962, if continuous with membership service.

4. Normal Retirement

Age Requirement: General Employees: 65
Judges and Elected Officials: Later of age 60 or expiration of term of office.

Service Requirement: General Employees: 5 years of creditable service.
Judges and Elected Officials: One elective term.

Amount: General Employees:
If unmarried at time of retirement, 2.22% of final average compensation multiplied by years and months of creditable service.

CITY OF KANSAS CITY, MISSOURI EMPLOYEES' RETIREMENT SYSTEM
MAST COST STUDY

EXHIBIT 3
SUMMARY OF PLAN PROVISIONS

If married at date of retirement, 2.00% of final average compensation multiplied by years and months of creditable service.

Minimum benefit: \$400 per month if retirement with at least 10 years of creditable service.

Maximum benefit: 70% of final average compensation.

Judges and Elected Officials:
2.22% of average monthly compensation received by then serving Judges and Elected Officials of the same office during the 24 months preceding the beginning of the annuity multiplied by years and months of creditable service.

Maximum benefit: 70% of the existing salary for then serving Judges and Elected Officials of the same office.

A member retiring with a normal, optional, service or early retirement benefit may elect to withdraw all, or a portion of, member accumulated contributions and interest, and receive a reduced annuity.

Final average compensation is defined as the monthly average of the two highest years of compensation in the last ten years (for Judges and Elected Officials, last ten years for then serving elected official of same office). Compensation does not include bonus, overtime, expense allowance or other extraordinary compensation.

5. Optional Retirement

Age/Service Requirement: 60 and 10 years of creditable service, or the sum of age and service equals 80, if earlier.

Amount: Same as normal retirement.

CITY OF KANSAS CITY, MISSOURI EMPLOYEES' RETIREMENT SYSTEM
MAST COST STUDY

EXHIBIT 3
SUMMARY OF PLAN PROVISIONS

6. Early Retirement

Age/Service Requirement: General Employees: 60 and 5 years of creditable service, or 55 and 10 years of creditable service.

Judges and Elected Officials: 55 and 10 years of creditable service.

Amount: Accrued benefit reduced by $\frac{1}{2}$ of 1% per month of age less than 60 or, if service is less than ten $\frac{1}{2}$ of 1% per month of age less than 65.

7. Disability Benefit

Disability benefits are provided through a separate long-term disability program, effective June 1, 1996.

8. Vesting

Age Requirement: None.

Service Requirement: Five years of service.

Amount: Accrued benefit payable at age 60, or payable at age 65 if service less than 10.

9. Withdrawal (Refund) Benefit

Age Requirement: None.

Service Requirement: Less than five years of service.

Amount: An employee terminating before becoming eligible for a deferred pension or choosing not to elect a deferred benefit, will receive a return of contributions with interest.

CITY OF KANSAS CITY, MISSOURI EMPLOYEES' RETIREMENT SYSTEM
MAST COST STUDY

EXHIBIT 3
SUMMARY OF PLAN PROVISIONS

10. Pre-Retirement Death Benefit

Service less than five years

Age Requirement: None.

Service Requirement: Less than five years.

Amount: Lump sum equal to the member's accumulated contributions and interest shall be paid to the surviving spouse or, if no surviving spouse, to the designated beneficiary, or, if none, to the member's estate.

Service of five or more years but less than 20 years:

Age Requirement: None.

Service Requirement: Five or more years of service but less than 20 years.

Amount: The surviving spouse may elect, in lieu of the lump sum settlement above, an annuity equal to 50% of the member's accrued annuity at the time of death. The effective date of this annuity shall be the later of the first day of the month following the member's death or attainment of what would have been the member's early retirement date. The annuity is reduced for early retirement if paid at the member's early retirement date.

Service of 20 or more years of service:

Age Requirement: None.

Service Requirement: 20 or more years of service.

Amount: The surviving spouse may elect, in lieu of the settlements above, an annuity equal to 100% of the member's accrued annuity at the time of death, actuarially reduced for 100% joint and survivor coverage. The effective date of this annuity shall be the first day of the month following the member's death.

CITY OF KANSAS CITY, MISSOURI EMPLOYEES' RETIREMENT SYSTEM
MAST COST STUDY

**EXHIBIT 3
SUMMARY OF PLAN PROVISIONS**

11. Post-Retirement Death Benefit

Age Requirement: None.

Service Requirement: None.

Amount: The surviving spouse shall receive an annuity equal to 50% of the member's accrued annuity, or, if the member elected the actuarially equivalent 100% joint and survivor annuity, this annuity shall continue to be paid to the surviving spouse. Either annuity is payable until death or remarriage of the spouse.

12. Minimum Surviving Spouses' Pension

A minimum benefit of \$200 per month is paid to surviving spouses of members with 10 or more years of creditable service.

13. Health Insurance Subsidy

A monthly health insurance subsidy of \$200 is paid to all current and future pensioners. Benefits are payable for the lifetime of the member and are not subject to an annual cost-of-living adjustment.

14. Cost-of-Living Adjustment (COLA)

An increase of 3.00% of the original pension will be made annually. Members must retire on or before January 1st in order to receive a COLA in the following year.

15. Contributions

- a. Member
 - 4.00% of salary
 - The City "picks up" these employee contributions.
- b. City
 - 9.50% of payroll for General Employees
 - 2.53% of payroll for General Employees for the retirement window offered in 2003, projected to be paid annually through April 30, 2013.
 - 19.50% of payroll for Judges and Elected Officials.

16. Interest on Employee Contributions

5.25% per year, compounded.

CITY OF KANSAS CITY, MISSOURI EMPLOYEES' RETIREMENT SYSTEM
MAST COST STUDY

EXHIBIT 3
SUMMARY OF PLAN PROVISIONS

17. Changes since Last Valuation

The Plan was amended according to ORDINANCE NO. 110218, so that unless otherwise provided, no members of the Council, including the Mayor, who commence a term of office after April 30, 2011 shall participate in this plan for any service after April 30, 2011. However, members of the Council, including the Mayor, elected on March 27, 2007 for a term beginning May 1, 2007 and also elected on March 22, 2011 for a term beginning May 1, 2011 are members of this plan as long as they are continuously a member of the council, including the mayor.



**STATE OF MISSOURI
JOINT COMMITTEE ON
PUBLIC EMPLOYEE RETIREMENT**

STATE CAPITOL, ROOM 219-A
JEFFERSON CITY, MO 65101
PHONE (573) 751-1280
FAX (573) 526-6459

March 21, 2012

Mr. Troy Schulte, City Manager
City of Kansas City, Missouri
414 E 12th Street, 29th Floor
Kansas City, MO 64106

Dear Mr. Schulte:

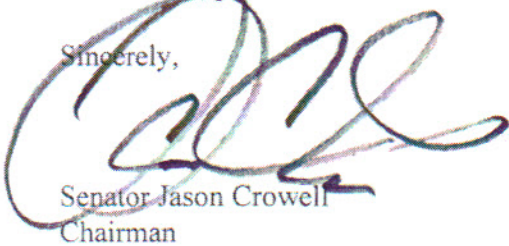
This correspondence is to serve as official comment relative to the cost statement filed with the Joint Committee on Public Employee Retirement (JCPER) on February 17, 2012 associated with the awarding of prior service credit for former employees of the Metropolitan Ambulance Services Trust (MAST) within the Employees' Retirement System of Kansas City, MO (ERSKC). As you are aware, Section 105.675, RSMo requires a 45 day public disclosure period after the filing of an actuarial cost statement associated with a "substantial proposed change" as defined in Section 105.660, RSMo.

According to the actuarial cost statement filed with our office, the awarding of prior service credit to former MAST employees will result in an increase in the unfunded actuarial accrued liability (UAAL) to the ERSKC by approximately \$18.9 million and would increase the Annual Required Contribution (ARC) by approximately \$960,000. Attached, you will find past correspondence from the JCPER outlining statutory concerns and considerations. Most notable of these concerns continue to focus on the provisions of Section 105.684, RSMo which prohibits "...any additional benefit increase, supplement, enhancement, lump sum benefit payments to participants, or cost of living adjustment beyond current plan provisions in effect prior to August 28, 2007 unless the plan's actuary determines that the funded ratio prior to implementation is at least eighty percent and will not be less than seventy-five percent after such adoption or implementation." As of the May 1, 2011 actuarial valuation, the ERSKC funded ratio was 79.80%. This level coupled with the employer contribution deficiency for the last two plan years yields a measure of significant consideration.

Additionally, the JCPER urges serious consideration of the March 12, 2012 ERSKC Board of Trustees comments relative to statutory and Constitutional concerns associated with this issue. As public pension plans and their sponsors across the country continue to experience budgetary challenges and, in some instances, reevaluate benefit levels, the Kansas City Council is urged to review and deliberate the legality and appropriateness of any proposal that may increase the obligations of the plan sponsor.

Thank you for your attention to this matter. If you have any questions or require additional information, please do not hesitate to contact our office.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jason Crowell", is written over the word "Sincerely,". The signature is fluid and cursive.

Senator Jason Crowell
Chairman

attachments

cc: JCPER members
The Honorable Chris Koster, Attorney General
The Honorable Sly James, Mayor
City Council Members of the Kansas City Council
Vickie Thompson-Carr, Kansas City Clerk
William Geary, City Attorney
Rick Boersma, Kansas City Employees' Retirement System

EMPLOYER CONTRIBUTIONS

SCHEDULE OF FUNDING PROGRESS

Kansas City Employees' Retirement System					Kansas City Employees' Retirement System					
Ending April 30	Annual Required Contribution (ARC)	% of payroll	Actual Contribution	% Contributed	May 1	Market Value	Actuarial Value	Liabilities	Funded Ratio	
									MV	AV
2012	\$ 26,326,555	16.14%	N/A							
2011	27,772,227	18.04%	\$ 18,822,709	67.78%	2011	\$ 886,328,136	\$ 806,792,596	\$ 1,010,996,133	87.67%	79.80%
2010	29,589,060	18.47%	19,186,317	64.84%	2010	795,328,534	749,551,649	994,767,954	79.95%	75.35%
2009	19,364,846	11.40%	20,330,486	104.99%	2009	640,063,117	704,069,429	966,779,322	66.21%	72.83%
2008	15,623,936	9.84%	20,011,617	128.08%	2008	883,100,233	873,680,276	934,333,865	94.52%	93.51%
2007	17,652,900	12.06%	18,496,476	104.78%	2007	914,460,201	823,014,181	847,393,167	107.91%	97.12%
2006	25,770,978	18.20%	17,557,758	68.13%	2006	828,578,881	745,720,993	800,839,808	103.46%	93.12%
2005	23,406,798	17.06%	14,825,719	63.34%	2005	717,344,299	645,609,869	781,899,987	91.74%	82.57%
2004	20,018,740	15.23%	12,100,061	60.44%	2004	674,111,615	627,078,139	740,186,346	91.07%	84.72%
2003	13,996,455	9.53%	9,284,587	66.34%	2003	585,919,321	624,897,653	707,513,176	82.81%	88.32%
2002	9,094,835	6.67%	8,747,053	96.18%	2002	632,026,569	634,025,842	630,683,891	100.21%	100.53%
2001	8,106,825	6.61%	8,106,825	100.00%	2001	643,558,681	623,249,552	573,339,758	112.25%	108.71%

Kansas City Firemens' Retirement System					Kansas City Firemens' Retirement System					
Ending April 30	Annual Required Contribution (ARC)	% of payroll	Actual Contribution	% Contributed	May 1	Market Value	Actuarial Value	Liabilities	Funded Ratio	
									MV	AV
2012	\$ 14,045,886	27.02%	N/A							
2011	12,827,773	24.70%	\$ 10,297,638	80.28%	2011	\$ 414,604,824	\$ 432,540,955	\$ 528,481,037	78.45%	81.85%
2010	17,123,835	31.94%	10,465,322	61.12%	2010	376,138,444	435,427,953	516,599,916	72.81%	84.29%
2009	9,476,409	18.52%	10,319,886	108.90%	2009	291,545,072	348,489,209	500,193,509	58.29%	69.67%
2008	8,734,919	17.67%	9,937,683	113.77%	2008	429,216,296	447,209,064	478,734,450	89.66%	93.41%
2007	9,419,485	20.03%	9,466,685	100.50%	2007	460,001,862	412,407,949	447,939,116	102.69%	92.07%
2006	9,807,644	19.60%	9,087,549	92.66%	2006	425,580,918	381,404,249	434,033,285	98.05%	87.87%
2005	9,808,923	22.33%	8,743,431	89.14%	2005	370,926,691	332,415,711	392,856,425	94.42%	84.62%
2004	9,632,622	22.76%	8,455,725	87.78%	2004	354,909,533	318,841,561	384,247,836	92.36%	82.98%
2003	8,215,224	19.70%	8,215,224	100.00%	2003	300,544,607	306,204,360	371,993,884	80.79%	82.31%
2002	7,709,082	19.60%	7,709,082	100.00%	2002	329,456,025	313,619,727	358,688,291	91.85%	87.44%
2001	6,990,611	19.39%	6,990,611	100.00%	2001	333,672,073	314,419,934	334,755,400	99.68%	93.93%

EMPLOYER CONTRIBUTIONS

SCHEDULE OF FUNDING PROGRESS

Kansas City Police Retirement System					Kansas City Police Retirement System					
Ending April 30	Annual Required Contribution (ARC)	% of payroll	Actual Contribution	% Contributed	May 1	Market Value	Actuarial Value	Liabilities	Funded Ratio	
									MV	AV
2013	\$ 33,840,461	36.79%	N/A							
2012	31,756,810	33.75%	N/A							
2011	34,363,170	36.76%	\$ 16,532,016	48.11%	2011	\$ 715,764,084	\$ 715,764,084	\$ 940,609,092	76.10%	76.10%
2010	23,642,278	26.22%	16,645,229	70.40%	2010	655,571,619	722,464,003	915,463,037	71.61%	78.92%
2009	24,311,281	29.04%	16,700,688	68.70%	2009	534,314,117	641,176,940	893,559,090	59.80%	71.76%
2008	22,749,385	29.00%	15,747,111	69.22%	2008	734,379,847	742,060,223	850,763,745	86.32%	87.22%
2007	21,444,703	29.06%	14,526,734	67.74%	2007	755,107,136	698,078,688	807,902,176	93.47%	86.41%
2006	18,992,671	26.26%	13,729,225	72.29%	2006	692,539,940	635,621,582	775,271,985	89.33%	81.99%
2005	15,774,578	23.14%	13,297,605	84.30%	2005	604,107,701	604,560,607	741,001,020	81.53%	81.59%
2004	15,095,290	23.14%	12,817,176	84.91%	2004	577,093,152	603,418,620	712,273,616	81.02%	84.72%
2003	11,579,240	19.55%	12,017,801	103.79%	2003	502,971,920	611,246,928	682,690,968	73.67%	89.53%
2002	10,837,294	18.85%	11,312,754	104.39%	2002	561,755,162	620,948,986	648,632,789	86.61%	95.73%
2001	10,785,784	18.66%	11,392,871	105.63%	2001	594,826,903	600,051,893	615,291,156	96.67%	97.52%

Kansas City Civilian Police Retirement System					Kansas City Civilian Police Retirement System					
Ending April 30	Annual Required Contribution (ARC)	% of payroll	Actual Contribution	% Contributed	May 1	Market Value	Actuarial Value	Liabilities	Funded Ratio	
									MV	AV
2013	\$ 5,202,401	19.82%	N/A							
2012	4,944,371	18.19%	N/A							
2011	5,412,676	18.87%	\$ 3,185,041	58.84%	2011	\$ 102,522,611	\$ 102,522,611	\$ 137,040,461	74.81%	74.81%
2010	4,013,807	14.27%	3,329,727	82.96%	2010	91,224,200	100,515,970	131,222,564	69.52%	76.60%
2009	4,322,860	16.24%	3,470,682	80.29%	2009	71,944,135	86,332,962	124,990,468	57.56%	69.07%
2008	4,202,987	16.12%	3,372,411	80.24%	2008	96,639,301	97,989,985	117,626,995	82.16%	83.31%
2007	3,854,132	15.87%	2,681,732	69.58%	2007	95,806,912	89,110,860	110,394,115	86.79%	80.72%
2006	3,480,720	14.45%	2,175,167	62.49%	2006	85,222,558	78,846,717	105,928,172	80.45%	74.43%
2005	3,076,906	12.84%	1,612,080	52.39%	2005	72,320,741	72,382,548	97,103,806	74.48%	74.54%
2004	2,944,407	12.84%	1,601,243	54.38%	2004	67,252,371	69,868,024	89,141,414	75.44%	78.38%
2003	1,761,146	8.12%	1,567,833	89.02%	2003	57,063,133	68,182,691	83,044,509	68.71%	82.10%
2002	1,410,461	7.49%	1,420,668	100.72%	2002	60,493,985	66,401,308	67,814,254	89.21%	97.92%
2001	1,259,454	7.08%	1,286,166	102.12%	2001	61,644,758	61,895,208	62,097,908	99.27%	99.67%

**POINTS OF RECOMMENDATION
FROM THE KANSAS CITY PENSION TASK FORCE
TO
MAYOR JAMES AND MEMBERS OF THE CITY COUNCIL**

OVERALL OBJECTIVE:

Attain funding percentage level on each of the four plans with no less than:

- (a) 80% in five years
- (b) 85% in ten years
- (c) 90% in fifteen years
- (d) 95% in twenty years
- (e) 100% in twenty-five years and beyond

Implementation of this policy shall include the following:

- (1) Increase the employee contribution rate by a minimum of 1% in all four plans
- (2) Continue the Defined Benefit Plan for all public safety employees consisting of firefighters and uniformed police
- (3) Continue the Defined Benefit Plan for all currently-vested City employees and currently-vested civilian police employees
- (4) Eliminate the current COLA policy in all plans and replace it with an “ad hoc” COLA contingent on Funded Percentages (as outlined in the Funded Percentage objectives) as follows assuming the Funded Percentages objectives are met:
 - (a) COLA will be equal to the lesser of 2.00% or CPI
 - (b) COLA will be payable to existing retirees only if the Funded Percentages are met
- (5) Reduce the multiplier for future benefit accruals for active members with five or more years of service and reduce the multiplier for actives with less than five years of service and for all new hires as follows:
 - (a) ERS from 2.00% for married and 2.22% for single to 1.85% for all
 - (b) Firefighters and Police from 2.50% to 2.25%
 - (c) Civilian Employees of the Police Department from 2.00% to 1.85%

- (6) Benchmark the City's funding obligation (across all four Plans) (currently \$52,000,000) as a percentage of the City's overall cost of personal services (even after the "2013 retirement window" closes). Thus, if the overall cost of personal services increases or decreases, the percentage of the City's budget devoted to funding the retirement plan will change proportionately.
- (7) A new Defined Contribution or Hybrid Plan should be considered for implementation in the following manner:
 - (a) The initial members eligible for the Defined Contribution or Hybrid Plan would be those employees of the City or Civilian employees of the Police Department who are in management positions and/or are deemed to be those having higher annual salaries.
 - (b) The time of the implementation of this new program would be when the Funding Percentage levels for all plans have reached at least 90% and are trending towards the 100% level.
 - (c) The principal purpose of this new Defined Contribution or Hybrid plan would be to (i) impose a ceiling on the City's obligation for the Defined Benefit Plan and to shift the investment risk from the City to the employee as to that portion which would be held in such employee's Defined Contribution or Hybrid Plan and (ii) to provide increased flexibility and portability for employees.
- (8) If the Funded Percentage of all four Plans exceeds 100%, any excess could reduce the City's obligation or be available for a Defined Contribution or Hybrid Plan.
- (9) Combine all four Funds and Boards for the purpose of having:
 - (a) common investment advisors
 - (b) common administrators
 - (c) common actuaries
- (10) Implementation of this policy must consider and be consistent with state law and collective bargaining agreements.

BOARD BILL NO. 270 Committee Substitute INTRODUCED BY ALDERMAN Craig Schmid, Alderwoman Lyda Krewson, Alderman Kenneth Ortmann, Alderman Shane Cohn, Alderman Stephen Conway, Alderwoman Carol Howard, Alderwoman Jennifer Florida, and Alderwoman Donna Baringer

1 An Ordinance pertaining to The Firemen's Retirement System of St. Louis discontinuing
2 the accrual of benefits under the Firemen's Retirement System of St. Louis and repealing in its
3 entirety Chapter 4.18 of the Revised Code of the City of St. Louis, 1994 (as supplemented and
4 amended), all ordinances referenced therein, and other ordinance provisions related to The
5 Firemen's Retirement System of St. Louis.

6 **WHEREAS**, in 1959 the City adopted Ordinance 49623, establishing The Firemen's
7 Retirement System of St. Louis, effective January 1, 1960, under the general authority of
8 Senate Bill 314, approved by the Missouri General Assembly.

9 **WHEREAS**, pursuant to Section Fifty-five (55) of Ordinance 49623, the City
10 reserved the right to repeal Ordinance 49623 and the Firemen's Retirement System at any
11 time.

12 **WHEREAS**, as a result of a series of amendments ~~enacted by the state legislature,~~ and
13 actions by the trustees of The Firemen's Retirement System of St. Louis ("FRS"), the retirement
14 plan originally adopted by the City has been transformed into an unsustainable system with many
15 unaffordable secondary benefits, which must be funded by City taxpayers ~~but over which the~~
16 ~~City has no influence or control.~~

17 **WHEREAS**, the City is required to fund FRS to the extent investment returns and other
18 revenues are insufficient to fund benefit obligations.

19 **WHEREAS**, FRS incurred actuarial investment losses totaling more than \$229 million
20 during the ten-year period from 2001 through 2010.

February 10, 2012

Page 1 of 4

Board Bill #270 CS Sponsored by: Alderman Craig Schmid, Alderwoman Lyda Krewson,
Alderman Kenneth Ortmann, Alderman Shane Cohn, Alderman Stephen Conway, Alderwoman
Carol Howard, Alderwoman Jennifer Florida, and Alderwoman Donna Baringer

1 **WHEREAS**, during the same period of time, the City's required annual payment to FRS
2 increased by 586 percent, from \$3,365,007 to \$23,072,000 (not including service of debt
3 incurred to fund contributions).

4 **WHEREAS**, the cost of funding FRS currently totals more than 56 percent of the total
5 firefighter's payroll, compared to 10.3 percent in 2001 (not including service of debt incurred to
6 fund contributions), and approximately 12.7 percent of payroll to fund the pension plan for other
7 City employees.

8 **WHEREAS**, firefighter pension costs now consume nearly a third of the Fire
9 Department's budget;

10 **WHEREAS**, these dramatic increases in FRS costs have created a severe budgetary
11 hardship on the City, which lacks the financial resources to sustain this level of funding without
12 drastically reducing other essential services, including services related to fighting fires.

13 **WHEREAS**, service-related disability benefits under the FRS are more generous than
14 ordinary retirement benefits and have become a significant expense that is ultimately borne by
15 the City.

16 **WHEREAS**, the City is committed to funding the entire amount certified by the actuary
17 for the plan each year.

18 **WHEREAS**, given that there are hundreds of applicants for each opening for entry level
19 firefighter positions in the fire department, the City believes it can attract and retain qualified
20 firefighters, and maintain a pension plan that is very competitive in the marketplace, with a
21 reduced level of contributions for pensions.

February 10, 2012

Page 2 of 4

Board Bill #270 CS Sponsored by: Alderman Craig Schmid, Alderwoman Lyda Krewson,
Alderman Kenneth Ortmann, Alderman Shane Cohn, Alderman Stephen Conway,
Alderwoman Carol Howard, Alderwoman Jennifer Florida, and Alderwoman Donna
Baringer

1 **WHEREAS**, the City wishes to reform the current retirement plan for its firefighters, in
2 order to (i) assure that firefighters receive all benefits accrued and earned to date; (ii) make
3 modifications for future benefits in a manner that provides substantial retirement income
4 benefits at an early retirement age of fifty-five, typical for firefighters generally; (iii) maintain a
5 pension benefit that is competitive in the marketplace that will attract and retain qualified
6 firefighters; (iv) preserve the long-term financial sustainability of the plan and the City; (v) and
7 reduce the financial burden on taxpayers who fund the system.

8 **WHEREAS**, for the aforementioned reasons, and others, the City has determined that it
9 would be in the best interest of the City to repeal the current Firemen's Retirement System as
10 referenced in the ordinances above and as codified in Chapter 4.18 of the City of St. Louis
11 Revised Code.

12 **BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:**

13 **SECTION ONE.** Ordinances 49623, 50707, 52141, 53604, 53605, 52218, 55177, 53997,
14 54779, 54780, 57603, 57962, 58242, 58179, 56444, 58651, 58652, 59018, 59578, 59822, 60025,
15 61844, 61980, 62801, 62994, 63286, 63475, 63591, 63988, 64923, 65541, 65993 and 67259 are
16 hereby repealed effective ~~June 1, 2012~~, upon the enactment of a Board Bill, which establishes
17 a successor plan. Chapter 4.18 of the Revised Code of the City of St. Louis, 1994 (as
18 supplemented and amended), is hereby repealed effective ~~June 1, 2012~~, upon the enactment of a
19 Board Bill, which establishes a successor plan, as are all other ordinances and any parts of
20 ordinances in conflict herewith, to the extent of such conflict.

21 **SECTION TWO.** Pursuant to the power to amend or repeal the Firemen's Retirement
22 System of the City of St. Louis, under Section Fifty-five of Ordinance 49623, codified in
February 10, 2012

Page 3 of 4

Board Bill #270 CS Sponsored by: Alderman Craig Schmid, Alderwoman Lyda Krewson,
Alderman Kenneth Ortmann, Alderman Shane Cohn, Alderman Stephen Conway,
Alderwoman Carol Howard, Alderwoman Jennifer Florida, and Alderwoman Donna
Baringer

1 Section 4.18.345 of the Revised Code, and notwithstanding any provision or ordinance to the
2 contrary, the benefits accrued under the Firemen's Retirement System of the City of St. Louis
3 shall not increase on account of compensation paid or service performed on or after ~~June 1,~~
4 2012; the enactment of a Board Bill, which establishes a successor plan. For purposes of this
5 Ordinance, the benefit accrued under the Firemen's Retirement System, codified as Chapter 4.18
6 of the Revised Code, includes the service retirement allowance, the disability allowance, the
7 death benefit, and any other benefit payable in accordance with Chapter 4.18 of the Revised
8 Code.

9 **SECTION THREE.** This Ordinance shall not affect the benefit of a member whose
10 pension, disability or death benefit payments commenced before ~~June 1, 2012; the effective~~
11 date of this Ordinance.

February 10, 2012

Page 4 of 4

Board Bill #270 CS Sponsored by: Alderman Craig Schmid, Alderwoman Lyda Krewson,
Alderman Kenneth Ortmann, Alderman Shane Cohn, Alderman Stephen Conway,
Alderwoman Carol Howard, Alderwoman Jennifer Florida, and Alderwoman Donna
Baringer



RECEIVED

APR 1 2012

ATTORNEY GENERAL OF MISSOURI

JEFFERSON CITY

65102

CHRIS KOSTER
ATTORNEY GENERAL

P.O. Box 899
(573) 751-3321

March 28, 2012

The Honorable Cloria Brown
State Representative, District 85
State Capitol, Room 201BA
Jefferson City, MO 65101

Dear Representative Brown,


Your request for an Attorney General's opinion regarding Firemens' Retirement System of the City of St. Louis (FRS) was received March 26, 2012.

The Solicitor General's division has been assigned to address your request. We generally work on the opinion requests in the order that they are received and make every effort to complete them in a timely fashion. We will contact you within 90 days of receipt of the opinion request.

If you have any questions regarding your pending opinion request, please do not hesitate to contact Joan Gummels at 751-1800 or joan.gummels@ago.mo.gov.

Very truly yours,

CHRIS KOSTER
Attorney General

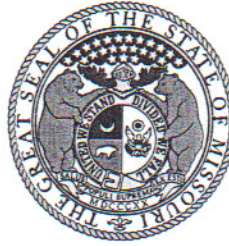


JAMES R. LAYTON
Solicitor General

CAK/JRL/kkb

OP-2012-0095

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MISSOURI
HOUSE OF REPRESENTATIVES
CLORIA BROWN
State Representative
District 85

March 26, 2012

The Honorable Chris Koster
Attorney General
Supreme Court Building
207 W. High Street
Jefferson City, MO 65101

Dear Attorney General Koster:

This correspondence is to serve as a request for your opinion regarding a recent issue associated with public employee pensions. I serve as a member of the Joint Committee on Public Employee Retirement (JCPER) as well as the House Standing Committee on Retirement. On March 1st, the JCPER held an informational meeting regarding the Firemen's Retirement System of the City of St. Louis (FRS) and recent proposals filed within the St. Louis Board of Aldermen to modify this system. As I understand it, the FRS was established in 1960 under the authority of Senate Bill 314 (1959). Since that time, any modifications to the FRS have come, first, before the Missouri General Assembly for "enabling" provisions with like local ordinance passage required prior to inclusion in the FRS plan document. The recent attached Board bills presented to the City's Board of Aldermen closes the FRS upon passage of another bill which establishes a successor retirement plan. These Board bills do not reflect existing statutory enabling provisions.

In the JCPER informational meeting, City officials indicated the ability to opt out of the existing statutory FRS provisions through Ordinance 49623, Section 55 which allows the City to "amend or repeal" the ordinances associated with FRS. Additionally, the Board Bill establishing a successor retirement plan modifies retirement provisions prospectively for current members as well as new hires effective June 1, 2012. As public pension plans across the country experience rising contribution levels and the associated plan sponsors consider the budgetary effects, an ongoing question involves

the employment contract and the ability to modify retirement benefits for current employees.

I respectfully request your consideration of the following:

- 1) Can the City of St. Louis opt out of the FRS provisions contained in Section 87.120 - 87.371, RSMo, and establish a successor retirement plan under local ordinance?
- 2) Can current retirement benefits be modified on a prospective basis for current FRS members?

Attached, to assist in your review and opinion, are presentation handouts from the JCPER informational meeting, legal opinion from the City and the FRS legal counsel as well as House Bill 1857 offered by Representative Leara which contains a statutory proposal for a new tier of retirement benefits for FRS new employees on or after August 29, 2012.

Thank you for your assistance and opinion in this matter. If you have any questions or require additional information, please do not hesitate to contact my office. I look forward to your opinion on this very important matter.

Sincerely,

Cloria Brown
State Representative
District 85

Enclosures

2012 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 451	KCPERS & PSRS	SCS: The directors of PSRS, KCPERS & the Commissioner of Education shall review/study the affects of district annexation on the retirement systems. ► Fiscal Note	Cunningham	General Laws	Hearing Conducted 1/31/12	DP w/SCS 2/14/12	S Informal Calendar Bills for Perfection							
SB 461	St. Louis City Police	Allows the City of St. Louis to establish local control of city's police force no sooner than 1/1/13. The police pension system continues to be governed under Chapter 86, RSMo.	Keavery	Financial & Govt. Organization										
SB 478	MOSERS	Eliminates retirement benefits, life insurance, disability insurance & health insurance coverage for General Assembly members & Statewide Elected Officials who first hold office on or after 1/1/13. ► Fiscal Note	Crowell	Veterans Affairs, Pensions & Emerging Issues	Hearing Conducted 1/26/12									
SB 479	MOSERS	Eliminates retirement benefits for General Assembly members & Statewide Elected Officials who first hold office on or after 1/1/13. Eliminates life insurance & disability insurance for these members with the option to purchase through the state. These members will be responsible for the premium for any health insurance coverage elected. ► Fiscal Note	Crowell	Veterans Affairs, Pensions & Emerging Issues	Hearing Conducted 1/26/12	DP 1/26/12	S Informal Calendar Bills for Perfection							
SB 492	MOSERS	SS #2: Modifies retirement benefit formula for General Assembly members & Statewide Elected Officials who first hold office on or after 1/1/13, to be the same as general state employees. Changes the interest rate on refundable contributions. ► Fiscal Note	Crowell	Veterans Affairs, Pensions & Emerging Issues	Hearing Conducted 1/26/12	DP 1/26/12 DP Fiscal Oversight 3/8/12	3/5/12 w/ SS #2	3/8/12	Retirement				Provisions included in SCS for SB 625	

2012 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 516	MOSERS & LAGERS	SCS: Requires Gubernatorial appointments to Board of Trustees to be made with advice & consent of Senate ► Fiscal Note	Schaaf	Gubernatorial Appointments	Hearing Conducted 2/15/12	DP w/SCS 3/21/12	S Informal Calendar Bills for Perfection						SCS includes provisions from SB 650	
SB 535	St. Louis City Police	Allows the City of St. Louis to establish local control of city's police force no sooner than 1/1/13. The police pension system continues to be governed under Chapter 86, RSMo.	Chappelle-Nadal	Financial & Govt. Organization										
SB 581	KCPERS, JCPER & PSRS	KC School District Proposal - includes plan membership & retiree return to work provisions. Requires JCPER to contract with an actuary to perform study of KCPERS. ► Fiscal Note	Callahan	General Laws	Hearing Conducted 1/31/12									
SB 597	St. Louis City	Changes the governance of the St. Louis Airport. Allows the airport authority to enter into negotiations with the city of St. Louis to discuss pension plans and other retirement issues, beginning April 1, 2015.	Dempsey	Jobs, Econ Development & Local Govt										
SB 625 (HB 1331)	MOSERS & MPERS	Provides for service transfers made prior to passage of reciprocal transfer of service asset provisions. SCS: Modifies retirement benefit formula for General Assembly members & Statewide Elected Officials who first hold office on or after 1/1/13, to be the same as general state employees. Changes the interest rate on refundable contributions. ► Fiscal Note	Kehoe	Veterans Affairs, Pensions & Emerging Issues	Hearing Conducted 2/9/12	DP w/ SCS 3/8/12	4/18/12	S Formal Calendar for 3rd Read					SCS includes provisions from SS#2 for SB 492	

2012 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 650	MOSERS & LAGERS	Requires Gubernatorial appointments to Board of Trustees to be made with advice & consent of Senate ➤ Fiscal Note	Ridgeway	Governmental Accountability	Hearing Conducted 2/15/12	DP 2/22/12	S Informal Calendar Bills for Perfection						Similar provisions included in SCS for SB 516	
SB 669	MOSERS	Modifies retirement plans for judges, statewide elected officials, & members of the general assembly who first take office after January 1, 2013 ➤ Fiscal Note	Lembke	Veterans Affairs, Pensions & Emerging Issues	Hearing Cancelled 2/9/12									
SB 706	KCPSRS & PSRS	Public Education bill - includes required retirement system coverage for new hires of annexed school districts resulting from unaccredited status ➤ Fiscal Note	Cunningham	General Laws	Hearing Conducted 4/3/12	DP w/ SCS 4/17/12	S Formal Calendar Bills for Perfection							
SB 756 (HB 1741)	MOSERS	Effective 7/1/13, modifies provisions relating to the defined contribution plan for employees of certain higher education institutions. ➤ Fiscal Note	Engler	Veterans Affairs, Pensions & Emerging Issues	Hearing Conducted 3/8/12									
SB 842	PSRS / PEERS	Requires matching contribution rates to be fixed at 2011/2012 school year levels, COLA to be set at 2% with exceptions and a closed 30 year amortization period used until plans are 100% funded ➤ Fiscal Note	Lamping	Veterans Affairs, Pensions & Emerging Issues	Hearing Conducted 3/8/12	DP w/SCS 3/21/12	4/4/12	On 3rd Read Calendar						
SB 852	St. Louis Firemen	If St. Louis City adopts a new firemen's retirement plan by ordinance, then any new firemen hired after the adoption of the ordinance will be covered by the new local ordinance pension plan	Crowell	Veterans Affairs, Pensions & Emerging Issues										

2012 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 853	St. Louis Firemen	St. Louis City firemen hired on or after August 28, 2012, will no longer be covered by the current pension plan. These new hires may be covered by a pension plan established by local ordinance.	Crowell	Veterans Affairs, Pensions & Emerging Issues										
SB 887 (HB 1802)	City of North Kansas City	Allows the City of North Kansas City to submit to voters a retail sales tax of up to .5% for Public Safety use	Ridgeway	Jobs, Econ Development & Local Govt										

2012 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 1039	LAGERS	Allows an option for deduction of health care or long term care premiums from retiree's benefit as permitted by Federal Law. Fiscal Note	Leara	Retirement	Hearing Conducted 1/19/12	DP Consent 1/19/12 DP Rules 1/30/12	Consent 2/7/12	2/8/12	Veterans Affairs, Pensions & Emerging Issues	Hearing Conducted 3/8/12	DP 4/5/12			
HB 1138	MOSERS	Beginning 1/1/13, General Assembly members will not accrue credited service under the MSEP 2000 plan. Fiscal Note	Smith	Retirement	Hearing Scheduled - Bill Not Heard 2/13/12									
HB 1139	MOSERS & MPERS	Establishes the 2012 State Employee Retirement Incentive. Fiscal Note	Gatschenberger	Retirement	Hearing Conducted 2/6/12	DP w/ HCS 2/13/12 DP Rules 2/23/12	2/29/12	3/1/12	Veterans Affairs, Pensions & Emerging Issues					
HB 1202	MOSERS & CERF	Removes state salary limitations associated with multi-circuit juvenile court employees. Fiscal Note	Franz	Judiciary	Hearing Conducted 3/7/12									
HB 1226	MOSERS	HCS - Establishes a defined contribution plan for new General Assembly members beginning 1/1/13, with no less than 10% of annual pay being contributed by the employer. Members will be vested after serving 3 full biennial assemblies. Fiscal Note	Brattin	Retirement	Hearing Conducted 2/6/12	DP w/ HCS 3/5/12								
HB 1256	PACARS	Allows a \$4 surcharge to be assessed and collected against persons who pled guilty and paid a fine through a fine collection center Fiscal Note	Diehl	Judiciary	Hearing Conducted 1/25/12	DP w/ HCS 3/7/12 DP Rules 3/29/12	4/11/12	4/12/12	Veterans Affairs, Pensions & Emerging Issues					
HB 1312	MOSERS	Beginning 1/1/13, prohibits General Assembly members who have not served at least 3 biennial assemblies from accruing credited service	Koenig	Retirement										

2012 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 1331 (SB 625)	MOSERS & MPERS	Provides for service transfers made prior to passage of reciprocal transfer of service asset provisions. » Fiscal Note	Jones	Retirement	Hearing Conducted 2/13/12	DP 2/13/12 DP Rules 3/1/12	3/6/12	3/8/12	Veterans Affairs, Pensions & Emerging Issues	Hearing Conducted 4/5/12	DP w/SCS 4/12/12	S Formal Calendar H Bills for 3rd Read		
HB 1358	City of North Kansas City	HCS #2: Allows the City of North Kansas City to submit to voters a retail sales tax of up to .5% for Public Safety use » Fiscal Note	Gateschenberger	Local Government	Hearing Conducted 3/7/12	DP w/HCS 4/4/12 DP Rules 4/12/12							Similar provisions included in HCS for HB 1397 & HB 1802	
HB 1397	City of North Kansas City	HCS: Allows the City of North Kansas City to submit to voters a retail sales tax of up to .5% for Public Safety use » Fiscal Note	Gateschenberger	Local Government	Hearing Conducted 3/28/12	DP w/HCS 3/28/12 DP Rules 4/12/12							Similar provisions included in HCS #2 for HB 1358 & HB 1802	
HB 1472	St. Louis PSRS	Allows teachers to retire when their age added to their years of service is greater than 80	Carter	Retirement										
HB 1543	CERF	Provides for employee contribution of refunds in certain circumstances. » Fiscal Note	Franz	Retirement	Hearing Conducted 3/19/12	DP w/HCS 3/19/12	Bill combined with HCS for HB 1741							
HB 1573	CERF & LAGERS	CERF: Modifies direct rollover provisions to provide automatic conformance with regulations & board provisions. LAGERS: Modifies the adjustment factor associated with an election of a Partial Lump Sum distribution to include a maximum of 90% of the monthly retirement benefit » Fiscal Note	Schneider	Local Government	Hearing Conducted 2/22/12	Motion to DP Failed 2/29/12								
HB 1600	MOSERS	Modifies normal retirement eligibility for General Assembly members serving for the first time on or after 1/1/13.	Webber	Retirement										

2012 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 1741 & 1543 (SB 756)	MOSERS & CERF	Effective 7/1/13, modifies provisions relating to the defined contribution plan for employees of certain higher education institutions. HCS: Provides for employee contribution of refunds in certain circumstances. » Fiscal Note	Leara	Retirement	Hearing Conducted 3/5/12	DP 3/19/12 DP Rules 4/19/12	4/24/12							
HB 1754	MOSERS & CERF	Modifies composition of judicial circuits » Fiscal Note	Cox	Judicial Reform	Hearing Conducted 2/21/12	DP w/HCS 3/6/12 DP Rules 4/19/12	H Bills for Perfection Calendar							
HB 1802 (SB 887)	City of North Kansas City	Allows the City of North Kansas City to submit to voters a retail sales tax of up to .5% for Public Safety use	Swearingen	Local Government									Similar provisions included in HCS #2 for HB 1358 & HCS for HB 1397	
HB 1857	St. Louis Firemen	Creates a new benefit tier for members hired on or after 8/29/12 » Fiscal Note	Leara	Retirement	Hearing Conducted 3/19/12	DP w/ HCS 4/12/12								
HB 1922	MPERS	Establishes the MoDOT & Hwy Patrol Health Care Plan » Fiscal Note	Molendorp	Health Insurance	Hearing Conducted 3/27/12	DP w/HCS 4/5/12 DP Rules 4/19/12	H Bills for Perfection Calendar							
HB 2106	All Public Plans, CERF, PACARS, LAGERS, MPERS, MOSERS, PSRS	Allows state auditor to audit any public retirement system within the state. Removes current provisions associated with the state auditor examination and reporting requirements » Fiscal Note	Marshall	Downsizing State Government	4/26/12 9:00 am HHR 4									

Joint Committee on Public Employee Retirement

Quarterly Reports

2011 Fourth Quarter

<u>Plan Name</u>	<u>Beg. Market Value</u>	<u>End. Market Value</u>	<u>ROR 12 mos.</u>	<u>ROR 36 mos.</u>	<u>ROR 60 mos.</u>
Affton FPD Retirement Plan	\$4,172,511	\$4,529,182	-1.38% (Net)	6.55% (Net)	6.55% (Net)
Arnold Police Pension Plan	\$6,245,978	\$6,713,874	2.3% (Net)	10.3% (Net)	n/a% (Net)
Bi-state Dev Agency Division 788, A.T.U.	\$78,522,207	\$83,434,719	N/A% (Net)	N/A% (Net)	N/A% (Net)
Bi-state Development Agency Local 2 I.B.E.W.	\$1,809,455	\$1,950,270	N/A% (Net)	N/A% (Net)	N/A% (Net)
Bi-state Division 788 Clerical Unit ATU	\$4,559,067	\$4,816,864	N/A% (Net)	N/A% (Net)	N/A% (Net)
Bi-state Salaried Employees	\$40,259,149	\$42,107,714	N/A% (Net)	N/A% (Net)	N/A% (Net)
Black Jack FPD Retirement Plan	\$6,931,315	\$7,417,551	1% (Net)	1% (Net)	1% (Net)
Bothwell Regional Health Center Retirement Plan	\$34,964,715	\$37,032,640	1.30% (Net)	11.5% (Net)	3.00% (Net)
Bridgeton Employees Retirement Plan	\$18,827,341	\$20,075,555	0.53% (Gross)	9.95% (Gross)	-0.35% (Gross)
Carthage Policemen's & Firemen's Pension Plan	\$5,221,124	\$5,465,907	5.32% (Net)	7.79% (Net)	2.60% (Net)
Cedar Hill Fire Protection District Length of Service Awards Program	\$119,321	\$143,414	NA% (Gross)	NA% (Gross)	NA% (Gross)
Clayton Non-uniformed Employee Pension Plan	\$9,598,463	\$10,041,985	2.17% (Gross)	10.91% (Gross)	2.46% (Gross)
Clayton Uniformed Employees Pension Plan	\$27,624,057	\$28,688,696	2.17% (Gross)	10.91% (Gross)	2.46% (Gross)
Community FPD Retirement Plan	\$12,794,773	\$14,151,599	-1.59% (Net)	n/a% (Net)	n/a% (Net)
County Employees Retirement Fund	\$287,456,000	\$305,300,000	-.1% (Gross)	12.3% (Gross)	3.2% (Gross)
Creve Coeur FPD Retirement Plan	\$7,384,693	\$7,728,720	N/A% (Gross)	N/A% (Gross)	N/A% (Gross)
Eureka FPD Retirement Plan	\$6,547,535	\$7,020,853	0.74% (Net)	11.55% (Net)	0.52% (Net)
Fenton FPD Retirement Plan	\$20,203,063	\$21,155,712	-.0165% (Net)	.0781% (Net)	.0068% (Net)
Florissant Employees Pension Plan	\$10,314,114	\$9,840,769	2.49% (Net)	4.52% (Net)	4.52% (Net)
Florissant Valley FPD Retirement Plan	\$15,693,660	\$16,828,527	n/a% (Net)	n/a% (Net)	n/a% (Net)
Glendale Pension Plan	\$4,204,037	\$4,428,620	1.30% (Gross)	11.50% (Gross)	n/a% (Gross)
Hazelwood Retirement Plan	\$23,074,000	\$24,225,629	-7.70% (Net)	14.04% (Net)	-1.22% (Net)
High Ridge Fire Protection District Pension Plan	\$4,686,886	\$4,943,745	-1.17% (Net)	10.75% (Net)	10.75% (Net)

<u>Plan Name</u>	<u>Beg. Market Value</u>	<u>End. Market Value</u>	<u>ROR 12 mos.</u>	<u>ROR 36 mos.</u>	<u>ROR 60 mos.</u>
Jackson County Employees Pension Plan	\$158,733,751	\$171,412,585	6.9% (Gross)	10.2% (Gross)	1.8% (Gross)
Joplin Police & Fire Pension Plan	\$25,296,186	\$26,709,680	-1.42% (Net)	11.69% (Net)	2.59% (Net)
Kansas City Civilian Police Employees' Retirement System	\$92,023,000	\$95,065,000	0.6% (Gross)	10.7% (Gross)	1.5% (Gross)
Kansas City Employees' Retirement System	\$769,703,211	\$811,312,501	-.2% (Gross)	11.4% (Gross)	.9% (Gross)
Kansas City Firefighter's Pension System	\$363,174,234	\$378,768,710	-.4% (Gross)	13.6% (Gross)	.7% (Gross)
Kansas City Police Retirement System	\$636,507,000	\$656,541,000	0.8% (Gross)	10.7% (Gross)	1.8% (Gross)
Kansas City Public School Retirement System	\$634,663,074	\$668,520,500	.80% (Gross)	9.92% (Gross)	1.59% (Gross)
Kansas City Supplemental Retirement Plan	\$1,375,351	\$1,381,140	NA% (Net)	NA% (Net)	NA% (Net)
KC Area Transportation Authority Salaried Employees Pension Plan	\$12,478,796	\$12,549,849	3.31% (Gross)	14.25% (Gross)	2.35% (Gross)
KC Trans. Auth. Union Employees Pension Plan	\$33,430,854	\$36,346,334	-1.20% (Net)	13.01% (Net)	1.07% (Net)
LAGERS Staff Retirement Plan	\$5,039,502	\$5,377,185	-0.52% (Gross)	9.12% (Gross)	1.10% (Gross)
Little River Drainage Dist Retirement Plan	\$891,623	\$958,736	-1.35% (Net)	1.24% (Net)	1.66% (Net)
Local Government Employees Retirement System	\$4,101,765,556	\$4,351,800,222	-0.52% (Gross)	9.12% (Gross)	1.10% (Gross)
Maplewood Police & Fire Retirement Fund	\$11,571,691	\$12,132,058	4.88% (Gross)	11.69% (Gross)	3.14% (Gross)
Metro St. Louis Sewer Dist Employees Pension Plan	\$188,148,679	\$200,494,127	1.9% (Net)	11.2% (Net)	4.2% (Net)
Metro West FPD Retirement Plan	\$30,978,765	\$31,852,980	-1.56% (Net)	8.56% (Net)	1.44% (Net)
Missouri Higher Education Loan Authority Pension Plan	\$25,613,398	\$26,873,378	na% (Gross)	na% (Gross)	na% (Gross)
Missouri State Employees Retirement System	\$7,220,953,356	\$7,450,496,912	2.0335% (Net)	12.0111% (Net)	3.8806% (Net)
MoDOT & Highway Patrol Employees' Retirement System	\$1,452,144,614	\$1,480,475,388	4.54% (Net)	11.16% (Net)	1.64% (Net)
Overland Non-uniform Pension Fund	\$7,637,616	\$8,141,641	-1.5% (Net)	8.8% (Net)	1.7% (Net)
Overland Police Retirement Fund	\$11,185,768	\$11,796,921	-1.5% (Net)	8.6% (Net)	1.9% (Net)
Pattonville-Bridgeton FPD Retirement Plan	\$18,611,421	\$20,043,747	-7.54% (Net)	15.52% (Net)	.67% (Net)
Prosecuting Attorneys' Retirement System	\$25,869,242	\$27,434,829	-0.7% (Net)	9.3% (Net)	2.4% (Net)
Public Education Employees' Retirement System	\$2,651,389,627	\$2,779,252,822	1.60% (Net)	10.03% (Net)	1.58% (Net)
Public School Retirement System	\$25,401,732,654	\$26,396,134,595	2.15% (Net)	10.23% (Net)	1.67% (Net)
Raytown Policemen's Retirement Fund	\$8,781,928	\$8,817,491	0.33% (Gross)	11.85% (Gross)	0.00% (Gross)

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

4/25/2012

<u>Plan Name</u>	<u>Beg. Market Value</u>	<u>End. Market Value</u>	<u>ROR 12 mos.</u>	<u>ROR 36 mos.</u>	<u>ROR 60 mos.</u>
Richmond Heights Police & Fire Retirement Plan	\$31,486,082	\$33,680,932	2.63% (Net)	12.8% (Net)	3.95% (Net)
Rock Community FPD Retirement Plan	\$8,261,911	\$8,762,227	-1.3% (Net)	10.74% (Net)	2.14% (Gross)
Saline Valley Fire Protection District Retirement Plan	\$970,093	\$1,032,893	-2.19% (Net)	12.84% (Net)	12.84% (Net)
Sheriff's Retirement System	\$27,339,621	\$28,845,957	1.760% (Gross)	10.773% (Gross)	5.928% (Gross)
Springfield Police & Fire Retirement Fund	\$171,711,136	\$185,988,820	-.33% (Net)	10.08% (Net)	.80% (Net)
St. Louis County Employees Retirement Plan	\$427,952,992	\$443,954,179	-1.56% (Gross)	12.79% (Gross)	1.49% (Gross)
St. Louis Employees Retirement System	\$584,800,070	\$611,658,754	1.35% (Gross)	9.94% (Gross)	2.24% (Gross)
St. Louis Firemen's Retirement System	\$366,783,319	\$402,647,836	-0.31% (Gross)	11.18% (Gross)	0.96% (Gross)
St. Louis Public School Retirement System	\$807,559,005	\$855,478,096	-.1% (Net)	11.5% (Net)	2.8% (Net)
Valley Park FPD Retirement Plan	\$3,300,516	\$3,166,927	-1.00% (Net)	N/A % (Net)	N/A% (Net)
	<u>\$46,951,079,106</u>	<u>\$48,913,949,497</u>			

COMPUTER UPGRADE ESTIMATES

Replacement Computer with MS Office 2010

PC and Monitor	\$851.00
Microsoft Office Professional Plus 2010 - License	\$336.00

Software Upgrade for existing office PC

Microsoft Office Professional Plus 2010 - License	\$336.00
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Total	\$1,523.00
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PROPOSED STATE SALARY INCREASES

	Current Annual Pay Rates	With House Proposed Pay Plan of 2% for < \$70,000*	With Senate Proposed Pay Plan of 2% for < \$45,000*
Director	\$58,350	\$59,517	No Increase
Analyst	\$40,000	\$40,800	\$40,800

**Any committee approval would be contingent upon pay provisions passed in the FY13 appropriations process.*

ESTIMATED MAPERS CONFERENCE EXPENSES

Staff

Registration	\$75.00
Lodging	\$108.00
Travel	\$35.00
Total	\$218.00

JCPER Members

Registration	\$75.00
Lodging	\$216.00
Travel	\$35.00
Total	\$326.00

JCPER FY 12 Appropriation	\$160,810
Total Expenditures (as of 04/23/12)	\$79,687
Balance available as of 04/23/12	\$81,123

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MAPERS 2012 Conference

July 11 - 13, 2012 Tan-Tar-A Resort

Wednesday, July 11, 2012

Trustees Training Workshop Sessions - Open to Plan Sponsor & Associate Members

1:00 - 1:45 pm	Sunshine Law/Death Audits , Jason Paulsmeyer, PSRS
1:00 - 1:45 pm	Missouri Legal Issues , Dan Tobben, Danna McKittrick, P.C.
1:45 - 2:30 pm	Fiduciary Responsibility , Bill Ackerman, Klausner & Kaufman, P.A.
1:45 - 2:30 pm	Beginning Investments , Brian Collett, LAGERS
2:45 - 3:30 pm	Fiduciary Responsibility , Bill Ackerman, Klausner & Kaufman, P.A.
2:45 - 3:30 pm	Positive Positioning of Pension Plan (Communication w/Participants/Boards, etc.) , Jim Pyle, Police Retirement System of K.C. and Bob Wilson, LAGERS
3:30 - 4:15 pm	Advanced Investments , Brian Collett, LAGERS
3:30 - 4:15 pm	Beginning Actuarial Funding Topics , Pat Beckham, Cavanaugh Macdonald Consulting, LLC
4:15 - 5:00 pm	Sunshine Law/Death Audits , Jason Paulsmeyer, PSRS
4:15 - 5:00 pm	Advanced Actuarial Funding Topics , Pat Beckham, Cavanaugh Macdonald Consulting, LLC
5:30 - 7:00 pm	<i>Early Bird Reception - Open to all Attendees/Guests/Family (Name Tags Required)</i>

Thursday, July 12, 2012

07:00 - 08:15 am	<i>Breakfast Buffet - Open to all Attendees/Guests/Family (Name Tags Required)</i>
08:15 - 08:30 am	Opening Remarks - Jim Pyle, MAPERS Board President
08:30 - 09:45 am	"An Investor's View of the Economy" - Charles D. Ellis, Ph.D.
10:00 - 11:00 am	"Getting Members and Taxpayers to Appreciate Your Pension" - Dennis Ackley, Ackley Associates
11:00 - 12:00 N Management	"Chasing Your Own Tail (Risk)" - Cliff Asness, AQR Capital
12:00 - 01:15 pm	<i>Lunch - Open to all Attendees/Guests/Family (Name Tags Required)</i>
01:15 - 02:15 pm	"Breaking Cycles" - Christopher Gardner (Keynote)
02:30 - 03:30 pm	"Sustainable Investing" - John Fullerton, Capital Investments
03:30 - 04:45 pm	"GASB Update" - Tom Cavanaugh, Cavanaugh Macdonald Consulting, LLC

05:30 - 07:00 pm *Evening Reception - Open to all Attendees/Guests/Family (Name Tags Required)*

Friday, July 13, 2012

07:00 - 08:15 am *Breakfast Buffet - Open to all Attendees/Guests/Family (Name Tags Required)*

08:15 - 09:15 am **"The Next Revolution is in Your Pocket"**-Peter Shankman, The Geek Factory

09:15 - 10:15 am **"The European Crisis"** - Chris Probyn, State Street Global Advisors

10:30 - 11:30 am **"Capital Report"** - Ronda Stegmann, Joint Committee on Public Employee Retirement (JCPER)

11:30 - 01:00 pm **General Business Meeting/Working Lunch**, Jim Pyle, MAPERS Board President

11:30 - 01:00 pm *"Brown Bag" Lunch - Open to all Attendees/Guests/Family (Name Tags Required)*