



# JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT

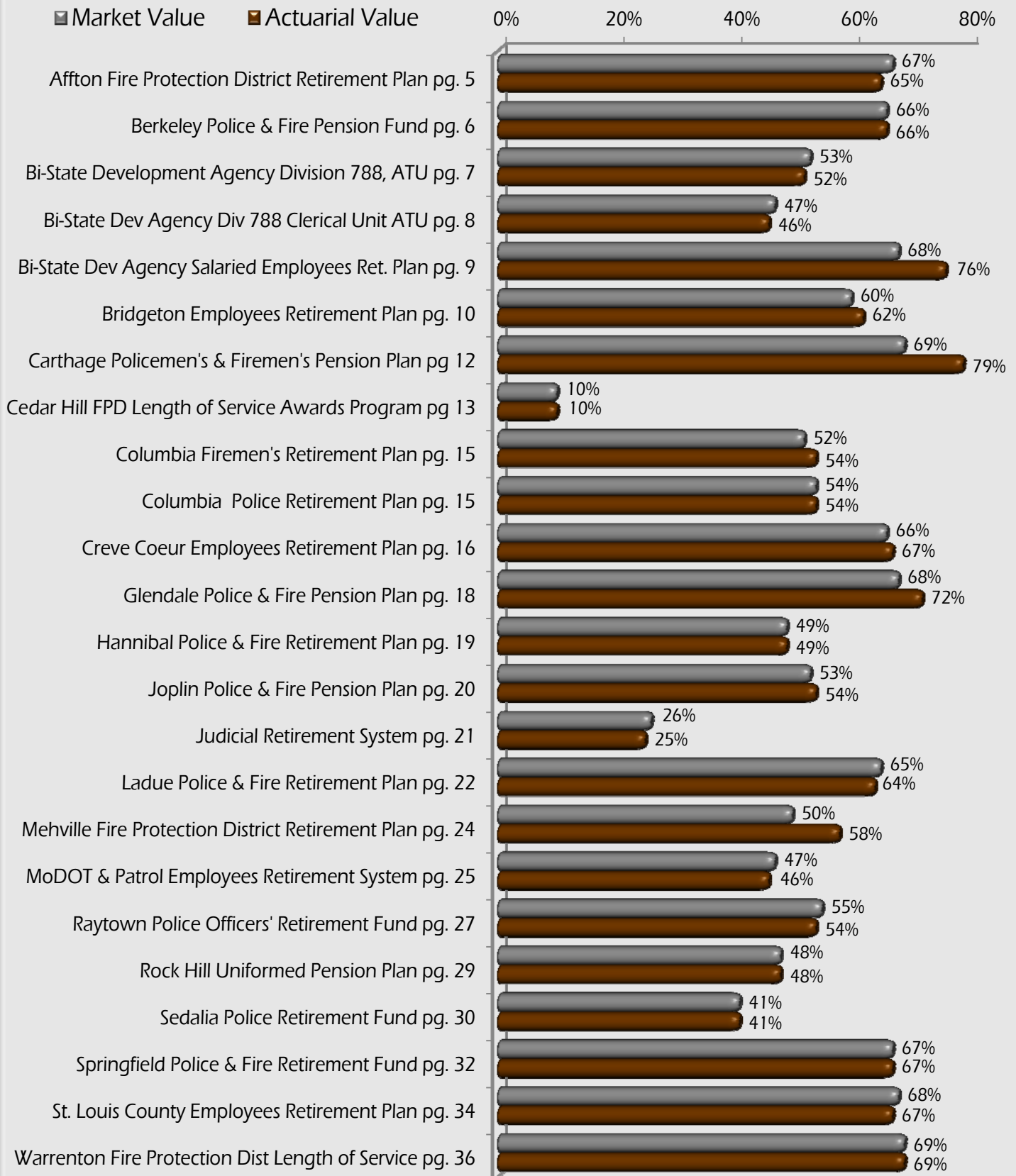
## WATCH LIST

2013

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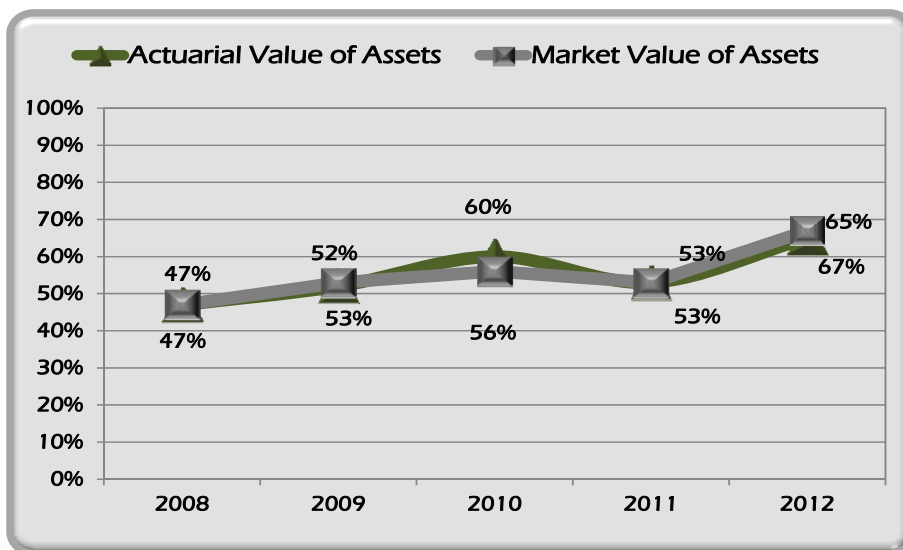
## FUNDED RATIO





# AFFTON FIRE PROTECTION DISTRICT RETIREMENT PLAN

- ✦ Rate of return on investments equaled 12% (Market) vs. 6.5% assumed.
- ✦ Assets are valued at Market Value except 2008 loss which is smoothed over 5 years.
- ✦ Unfunded Actuarial Accrued Liabilities are amortized over an open 30 year period.
- ✦ Plan provisions were modified effective 01/01/13. The benefit multiplier was changed from 2.1667% to 1.7333%. Accrued benefits are not modified however new and prospective service will be at new provision levels. Lump sum benefit payments were also ceased.
- ✦ Employee contributions were implemented in 2010 at 4% and then 7% thereafter.
- ✦ Investment assumption reduced from 7.5% to 6.5% and salary assumption reduced from 4.5% to 3.5%
- ✦ Extra payments above the dedicated tax levy proceeds have been contributed to the fund since 2006. In 2012, the employer contribution exceeded the ARC.



**As of 1/1/13**

**Market Value:** \$6,314,515  
**Actuarial Value:** \$6,120,117  
**AAL:** \$9,413,596

**MEMBERSHIP:**  
**Active:** 33      **Inactive:** 25

**Normal Retirement Formula:**  
 52% (from 65%) of compensation  
 Reduced for less than 30 Years  
**Supplemental Benefit:**  
 \$500 monthly to Age 62 if employed  
 on 01/01/09 and have at least 30  
 Yrs service as of 12/31/09

**Normal Retirement Benefits:**  
 Age 60 with 5 years of service

**Social Security Coverage:** Yes

**COLA:** No COLA

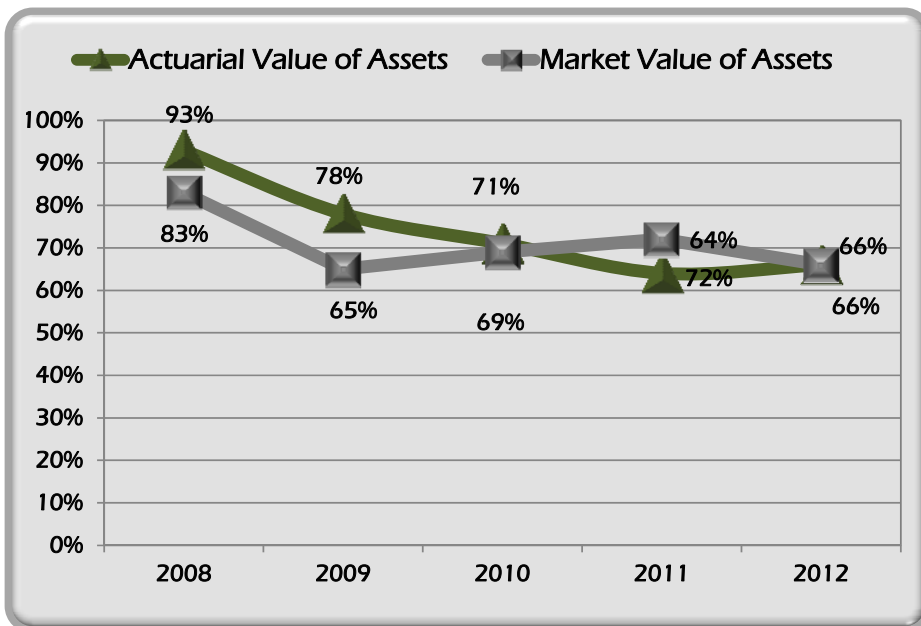
**ACTUARIAL ASSUMPTIONS:**

**Interest:** 6.5%      **Salary:** 3.5%

	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
<b>2012</b>	\$437,922	\$1,308,443	299%
<b>2011</b>	\$395,863	\$286,615	72%
<b>2010</b>	\$384,986	\$284,870	74%
<b>2009</b>	\$583,257	\$326,225	56%
<b>2008</b>	\$476,913	\$347,709	73%

# BERKELEY POLICE & FIRE PENSION FUND

- ✚ Rate of return on investments equaled 1.4% (Market) & 14.9% (Actuarial) vs. 7.5% assumed.
- ✚ Investment gains/losses are smoothed over a 5 year period.
- ✚ Updated mortality tables increased plan liability by \$613,624 and the plan contribution by \$95,000.
- ✚ Actuary notes, "If the City's current annual contribution rate continues into the future, we project that the funded ratio on a market value basis will continue to deteriorate, dropping below 60% within 3 years and below 50% within 7 years, and the Fund will be on a path toward insolvency that will be difficult to reverse. If plan assets fail to earn at least 7.5% each year, the deterioration will occur even more quickly."
- ✚ The dedicated tax of 11 cents per \$100 assessed value is not generating nearly enough revenue to support the existing benefit structure according to plan actuary.
- ✚ Employees contribute 6% of pay to this plan. *Employee contributions are refunded at retirement.*
- ✚ The employer has not met the ARC since 2003.



	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
12/13	\$1,279,952	N/A	-
11/12	\$1,245,038	\$225,619	18%
10/11	\$976,809	\$246,418	25%
09/10	\$855,227	\$228,800	27%
08/09	\$557,893	\$211,259	38%

As of 6/30/12

**Market Value:** \$11,825,774  
**Actuarial Value:** \$11,883,023  
**AAL:** \$17,940,998

## MEMBERSHIP:

**Active:** 74      **Inactive:** 47

## BENEFITS:

### Normal Retirement Formula:

50% of compensation for first 20 years of service plus 1% for next 5 years of service

Maximum: 55% of compensation

### Normal Retirement Benefits:

Age 55 with 10 years of service

**Social Security Coverage:** Yes

### COLA:

Percent of CPI: 50%

Annual Amount Maximum: 3%

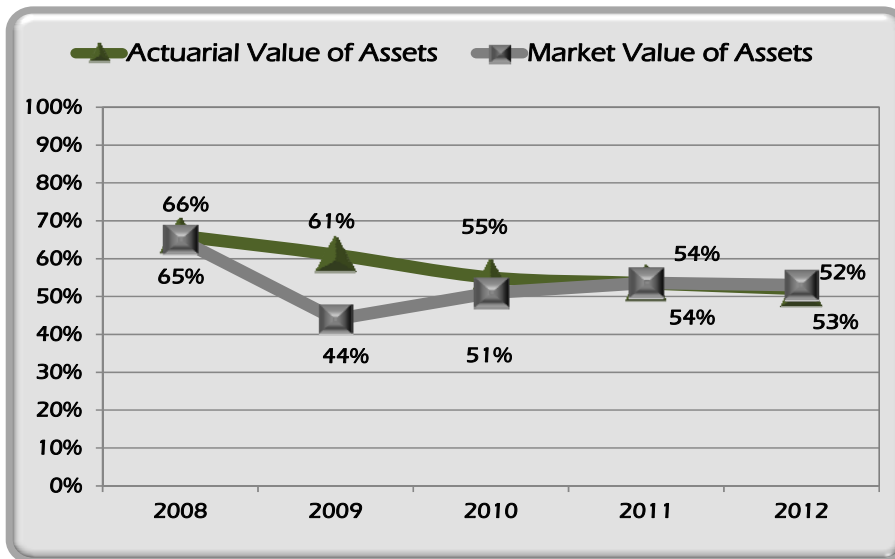
## ACTUARIAL ASSUMPTIONS:

**Interest:** 7.5%    **Salary:** 4%

# BI-STATE DEVELOPMENT AGENCY DIVISION 788, A.T.U.

- ✦ Rate of return on investments equaled 4.0% (Market) and 3.2% (Actuarial) vs. 7.25% assumed.
- ✦ Investment gains/losses are smoothed.
- ✦ Unfunded Actuarial Accrued Liability are amortized on a closed 30 year period effective April 1, 2003.
- ✦ Plan assumption and method changes incorporated in the 4/1/10 valuation include:
  - Decreased interest rate assumption from 8% to 7.25%
  - Mortality tables updates to RP-2000
- ✦ The weekly recommended contribution for plan year 12/13 equals \$154.09 per active participant.
- ✦ Employees contribute approx. 30% of weekly contributions.
- ✦ The Employer continues to meet the full ARC however total recommended contributions have not been met since plan year 06/07.

Plan Year	Div 788, ATU <u>Total Plan Contributions</u>		
	Recd Total Contribution	Actual Total Contribution	% Contributed
11/12	\$ 9,659,870	\$ 9,250,099	95.76%
10/11	\$ 8,825,103	\$ 7,501,929	85.01%
09/10	\$ 7,416,877	\$ 6,841,491	92.24%
08/09	\$ 6,406,578	\$ 6,908,808	107.84%
07/08	\$ 6,437,859	\$ 6,396,002	99.35%
06/07	\$ 5,181,710	\$ 6,421,831	123.93%



	<u>EMPLOYER RECOMMENDED</u>	<u>EMPLOYER ACTUAL</u>	<u>PERCENT CONTRIBUTED</u>
11/12	\$6,904,988	\$6,904,988	100%
10/11	\$5,393,748	\$5,393,748	100%
09/10	\$4,953,503	\$4,953,503	100%
08/09	\$4,854,000	\$4,854,000	100%
07/08	\$4,671,805	\$4,671,805	100%

## As of 4/1/12

**Market Value:** \$ 91,652,460  
**Actuarial Value:** \$ 90,572,184  
**AAL:** \$173,975,933

### **MEMBERSHIP:**

**Active:** 1,288    **Inactive:** 1,060

### **BENEFITS:**

#### **Normal Retirement Formula:**

\$40 times years of service for those retiring with less than 25 years of service  
 \$55 times years of service for those retiring with 25 or more years of service

#### **Normal Retirement Benefits:**

25 years of service, age 65, or age 55 with 20 years of service

**Social Security Coverage:** Yes

**COLA:** Ad Hoc COLA

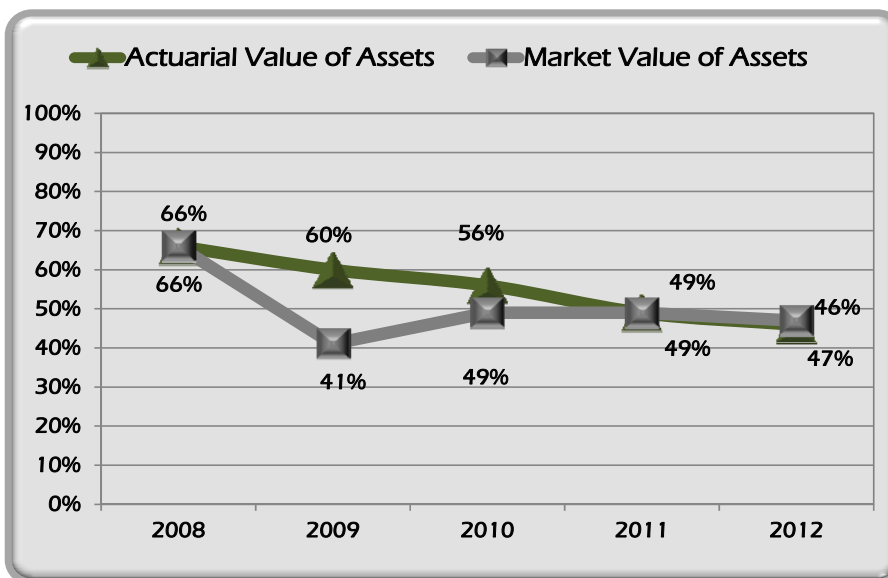
#### **ACTUARIAL ASSUMPTIONS:**

**Interest:** 7.25%

# BI-STATE DEVELOPMENT AGENCY DIVISION 788 CLERICAL UNIT ATU

- ✚ Rate of return on investments equaled 1.8% (Market) vs. 7.25% assumed.
- ✚ Investment gains/losses are smoothed.
- ✚ Unfunded Actuarial Accrued Liability are amortized on a closed 30 year period effective April 1, 2004.
- ✚ Plan assumption and method changes incorporated in the 4/1/10 valuation include:
  - Decreased interest rate assumption from 8% to 7.25%
  - Mortality assumption changed from 1983 GAMT to RP-2000 mortality tables
- ✚ The weekly recommended contribution for plan year 12/13 equals \$270.73 per active participant.
- ✚ Employees contribute approximately 32% of the weekly contributions.
- ✚ The Employer continues to meet the full ARC however the total contribution has not met in since plan year 06/07.

Plan Year	Clerical Unit, Union Employees <u>Total</u> Plan Contributions		
	Recd Total Contribution	Actual Total Contribution	% Contributed
11/12	\$ 621,627	\$ 509,846	82.02%
10/11	\$ 518,448	\$ 347,392	67.01%
09/10	\$ 457,771	\$ 322,525	70.46%
08/09	\$ 371,521	\$ 312,519	84.12%
07/08	\$ 343,278	\$ 323,074	94.11%
06/07	\$ 310,145	\$ 316,634	102.09%



As of 4/1/12

**Market Value:** \$ 5,315,418  
**Actuarial Value:** \$ 5,214,565  
**AAL:** \$11,383,262

**MEMBERSHIP:**  
**Active:** 50      **Inactive:** 73

**BENEFITS:**  
**Normal Retirement Formula:**  
 \$40 times years of service for those retiring with less than 25 years of service;  
 \$55 times years of service for those retiring with 25 or more years of service

**Normal Retirement Benefits:**  
 25 years of service, or age 65 with 10 years of service

**Social Security Coverage:** Yes

**COLA:** No COLA

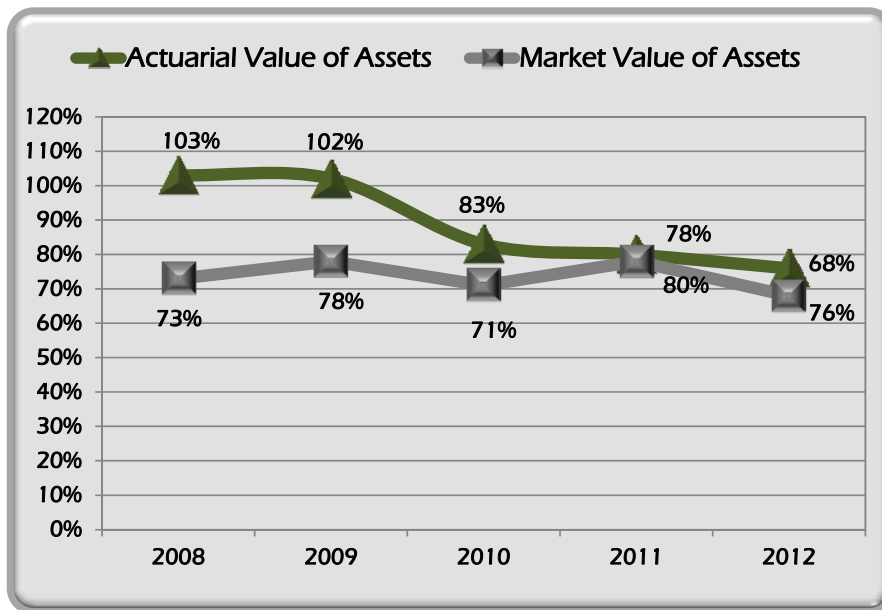
**ACTUARIAL ASSUMPTIONS:**  
**Interest:** 7.25%

	<u>EMPLOYER RECOMMENDED CONTRIBUTION</u>	<u>EMPLOYER ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
11/12	\$402,109	\$402,109	100%
10/11	\$241,798	\$241,798	100%
09/10	\$223,550	\$223,550	100%
08/09	\$216,471	\$216,471	100%
07/08	\$229,977	\$229,977	100%



# BI-STATE SALARIED EMPLOYEES RETIREMENT PLAN

- ✎ Rate of return on investments equaled -5.1% (Market) and 2.2% (Actuarial) vs. 7.5% assumed.
- ✎ Plan gains/losses are smoothed over a 5 year period.
- ✎ Unfunded Actuarial Accrued Liability are amortized on a closed 30 year period effective June 1, 2010.
- ✎ Plan assumption and method changes incorporated in the 6/1/10 valuation include:
  - Decreased interest rate assumption from 8% to 7.5%
  - Mortality assumption changed from 1983 GAMT to RP-2000 mortality tables
- ✎ Employees do not make a payroll contribution to this plan. Employees participate in Social Security.
- ✎ The Employer continues to meet the full ARC.



As of 6/1/12

Market Value: \$ 43,035,069  
 Actuarial Value:: \$ 47,628,801  
 AAL: \$ 63,034,360

## MEMBERSHIP:

Active: 483 Inactive: 480

## BENEFITS:

### Normal Retirement Formula:

1.5% of compensation times years of service

### Normal Retirement Benefits:

Age 65 with 5 years of service

Social Security Coverage: Yes

COLA: No COLA

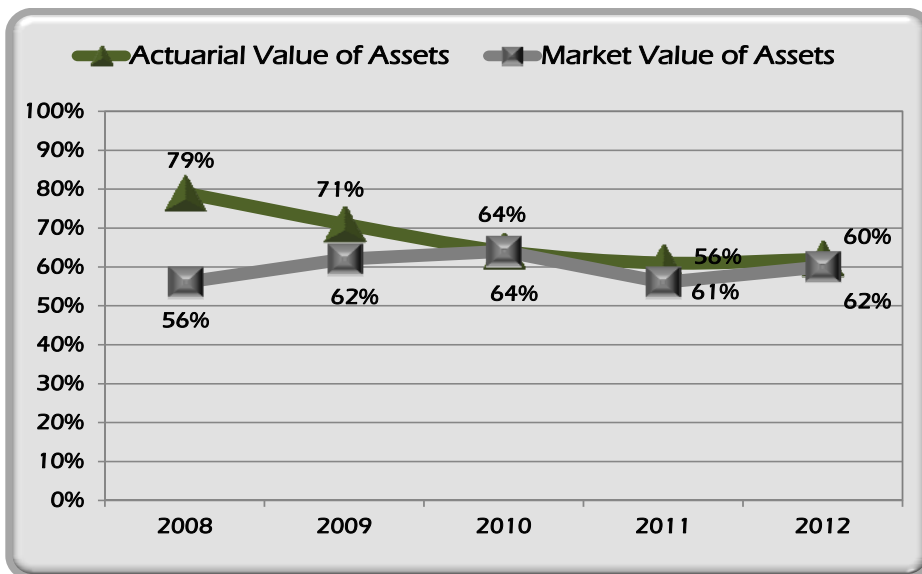
## ACTUARIAL ASSUMPTIONS:

Interest: 7.5% Salary: 4.5%

	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
11/12	\$3,129,976	\$3,129,976	100%
10/11	\$1,924,940	\$1,924,940	100%
09/10	\$2,803,934	\$2,803,934	100%
08/09	\$2,234,053	\$2,234,053	100%
07/08	\$1,731,125	\$1,731,125	100%

# BRIDGETON EMPLOYEES RETIREMENT PLAN

- ✦ Rate of return on investments equaled 11.3% (Market) and 6.9% (Actuarial) vs. assumed 7.5%
- ✦ Investment gains/losses are smoothed over a 3 year period.
- ✦ Open 30 year period for amortization of unfunded liabilities
- ✦ Actuary notes reasons for increase in contribution requirements are mortality assumption change and *"actual City contributions falling short of target contributions."*
- ✦ Employees do not make a payroll contribution to this plan.
- ✦ The Employer has not met the ARC since 2008.
- ✦ *This plan was frozen to new employees as of January 1, 2012*
- ✦ *The City has implemented a new defined contribution plan for employees hired after January 1, 2012.*



**As of 12/31/12**

**Market Value:** \$22,089,366  
**Actuarial Value:** \$22,889,266  
**AAL:** \$36,832,385

## **MEMBERSHIP:**

**Active:** 124 **Inactive:** 133

## **BENEFITS:**

**Normal Retirement Formula:**  
 2% of compensation times  
 years of service

**Normal Retirement Benefits:**  
 Age 60 with 5 years of service

**Social Security Coverage:**  
 Yes

**COLA:** No COLA

**ACTUARIAL ASSUMPTIONS:**  
**Interest:** 7.5% **Salary:** 4.5%

	<u><b>RECOMMENDED CONTRIBUTION</b></u>	<u><b>ACTUAL CONTRIBUTION</b></u>	<u><b>PERCENT CONTRIBUTED</b></u>
<b>2013</b>	\$1,767,398	N/A	-
<b>2012</b>	\$1,745,095	\$1,000,000	57%
<b>2011</b>	\$1,529,511	\$900,000	59%
<b>2010</b>	\$1,400,936	\$900,000	64%
<b>2009</b>	\$1,165,675	\$900,000	77%

## City of Bridgeton Response

**From:** Dennis Rainey <DRainey@bridgetonmo.com>

**Sent:** Thursday, November 07, 2013 10:48 AM

**To:** Ronda Stegmann

**Subject:** RE: JCPER Plan Information

In response to the watch list report for Bridgeton:

The ratio of 62% comes from the market value as a percentage of Actuarial Accrued Liability (\$35,608,949). Our Actuarial Report uses the criteria of market value as a percentage of Actuarial Present Value of Accumulated Benefits (\$30,073,693). Also, the market value used (\$22,089,366) does not include the \$1,000,000 accrued contribution, which brings the market value to \$23,089,366. Based on this criteria, our Actuaries calculated the funded percentage to be 77%.

Sincerely,

Dennis Rainey

Finance Officer

City of Bridgeton

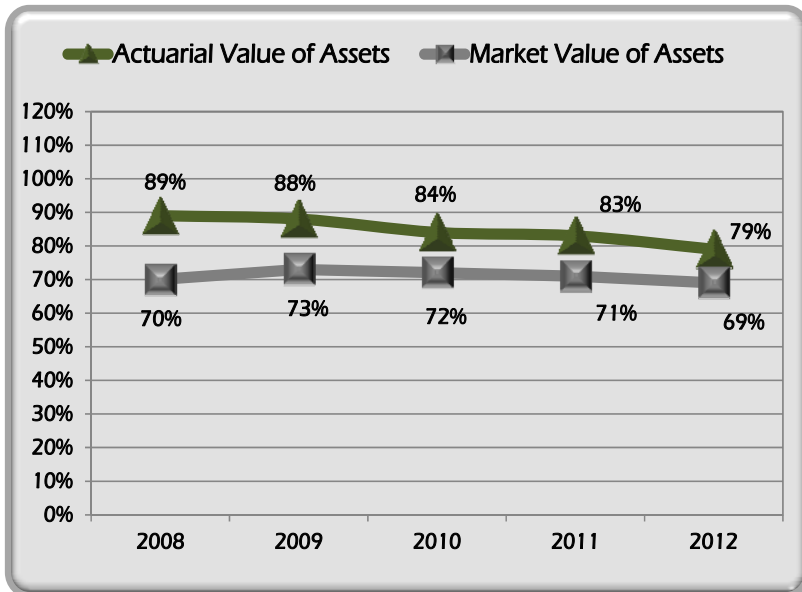
12355 Natural Bridge Rd.

Bridgeton, MO 63044

314-739-7500

# CARTHAGE POLICEMEN'S & FIREMEN'S PENSION PLAN

- ✚ Rate of return on investments equaled 6.18% (Market) & 3.96% (Actuarial) vs. 7% assumed.
- ✚ Plan gains/losses are smoothed over a 5 year period. The 2008 investment loss is being recognized over a 10 year period.
- ✚ Plan assumptions were modified with the 01/01/13 valuation with the assumed investment return reduced from 8.0% to 7.0% and salary increase assumption reduced from 4.0% to 3.5%.
- ✚ Prior to this year, this plan has not previously been included on this list.
- ✚ Employee payroll contributions have not been required since 1988.
- ✚ Members participate in Social Security.
- ✚ The employer did not meet the ARC in 2012.



## AS OF 12/31/12

**Market Value:** \$ 5,665,561  
**Actuarial Value:** \$ 6,519,979  
**AAL:** \$ 8,228,699

### **MEMBERSHIP:**

**Active: 50      Inactive: 43**

### **Normal Retirement Formula:**

2.5% of compensation for first 20 years of service, plus 1% for next 15 years of service

### **Normal Retirement Benefits:**

Age 58 with 10 years of service

**COLA:** No COLA

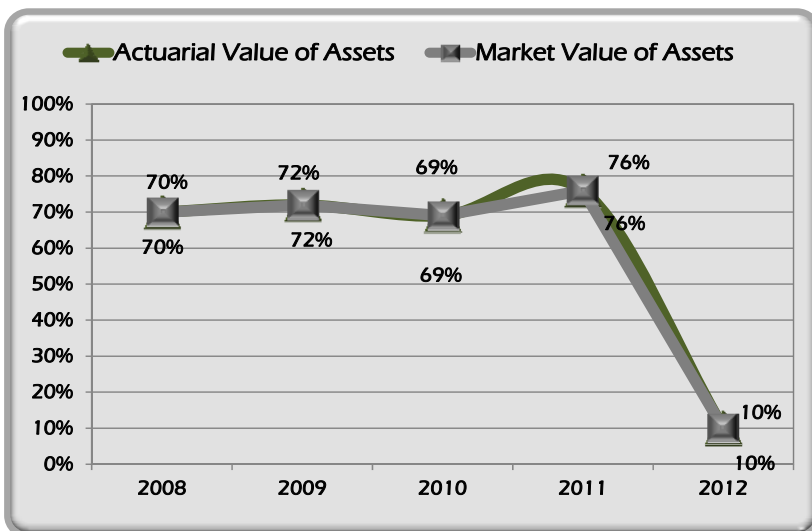
### **ACTUARIAL ASSUMPTIONS:**

**Interest:** 7%      **Salary:** 3.5%

	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
<b>2013</b>	\$346,065	N/A	-
<b>2012</b>	\$328,432	\$286,553	87%
<b>2011</b>	\$317,672	\$293,074	92%
<b>2010</b>	\$260,475	\$268,370	103%
<b>2009</b>	\$235,336	\$218,899	93%

## CEDAR HILL FPD LENTH OF SERVICE AWARDS PROGRAM

- ✚ This plan provides a pension benefit for volunteer members of the fire protection district.
- ✚ Provides \$15 per month per year of service with a maximum monthly benefit of \$450.
- ✚ Normal form of payment is life annuity guaranteed for 10 years.
- ✚ Benefit payments in the 2012 exceeded \$140,000 which greatly depleted plan assets.
- ✚ Active members do not make a monetary contribution to this plan.
- ✚ The District exceeded the ARC for the last two plan years.



### AS OF 12/01/12

**Market Value:** \$ 8,204  
**Actuarial Value:** \$ 8,204  
**AAL:** \$ 78,716

#### **MEMBERSHIP:**

Active: 30 Inactive: 15

#### **Normal Retirement Formula:**

\$15 per month times years of service  
 Maximum: \$450 per month  
 Life annuity guaranteed for 10 years

#### **Normal Retirement Benefits:**

Age 65 with 5 years of service

**COLA:** No COLA

#### **ACTUARIAL ASSUMPTIONS:**

**Interest:** 4.75%

	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
2012	\$18,571	\$28,374	152%
2011	\$27,116	\$27,342	101%
2010	\$26,310	\$22,825	87%
2009	\$22,013	\$19,074	87%
2008	\$17,262	\$18,877	109%

## Cedar Hill Fire Protection District Response

**From:** Terry Soer <chfpd@cedarhillfire.com>  
**Sent:** Thursday, November 07, 2013 2:43 PM  
**To:** Ronda Stegmann  
**Cc:** Greg Spinner  
**Subject:** RE: JCPER Plan Information  
**Attachments:** SKMBT\_C45213110715420.pdf  
Hi Ronda,

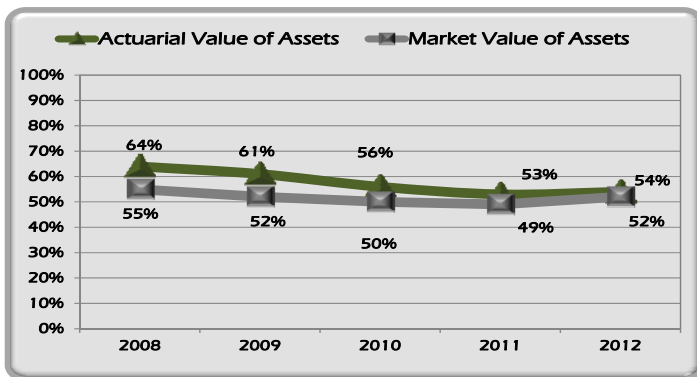
Per our conversation this afternoon I would like to respond with some explanations that may clear up the report. Attached you will find the report from Hartford Life on the LOSAP Plan for the volunteers defined benefit plan for Cedar Hill Fire Protection District through 9/30/13. You will see a contribution this year of \$30,984.18 on 3/18/13. In 2012 an annuity was taken out of the plan for a volunteer that achieved his entitlement age of 65. VFIS, the program administrator, withdrew the wrong amount for the annuity in 2012 and had to refund the plan in 2013. This along with taking out additional annuities for some additional personnel that left the plan but were vested caused the plan balance to drop considerably. I appreciate the review and comments along with our conversation and suggestions that were made today. I will be forwarding these on to the Board of Directors on Monday evening. I hope that this will be of some assistance to clarify our plan better. If you should have any question or need any further information please do not hesitate to contact me. Thanks again.

Terry Soer

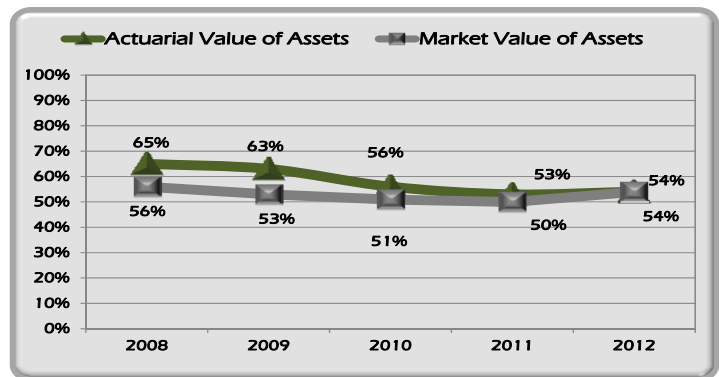
# COLUMBIA FIREMEN & POLICE RETIREMENT SYSTEMS

- The Fire & Police plans are comingled for investment purposes. Rate of return on investments equaled 13.2% (Market) & 5.6% (Actuarial) vs. 7.5% assumed. Investment gains/losses are smoothed over a 4 year period.
- Unfunded liabilities amortized over a 27 year period.
- A new tier of provisions were passed for employees hired on or after October 1, 2012. These provisions include, but are not limited to, modified age and service requirements for retirement eligibility, modified benefit multiplier with no retiree COLA, fire member contribution reduced to 4% of pay, and automatic survivor benefit replaced with a survivor option at retirement with member's reduced benefit. New tier provisions estimated to produce in excess of \$40 million savings over 20 years.
- Plan assumptions were modified in the 9/30/10 valuation with the assumed investment return reduced to 7.5% (from 8%), the payroll growth reduced to 3.5% (from 4%), the amortization period changed to a closed 30 year period (beginning with 9/30/09 valuation) from closed 19 years and a 25% market value corridor was adopted.
- Fire Employees contribute 16.32% of pay (4% - new hires) and do not participate in Social Security.
- Police employees contribute between 7.45% & 8.35% of pay (4.5% - new hires) & do participate in Social Security.
- The employer continues to meet the ARC.

## FIREMEN'S RETIREMENT SYSTEM



## POLICE RETIREMENT SYSTEM



	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
12/13	\$4,207,897 est.	n/a	n/a
11/12	\$3,995,869	\$3,995,869	100%
10/11	\$3,598,322	\$3,598,322	100%
09/10	\$3,330,409	\$3,330,409	100%
08/09	\$3,098,617	\$3,098,617	100%

	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
12/13	\$3,342,063 est.	n/a	n/a
11/12	\$3,153,367	\$3,153,367	100%
10/11	\$3,033,164	\$3,033,164	100%
09/10	\$2,693,152	\$2,693,152	100%
08/09	\$2,549,967	\$2,549,967	100%

**As of 09/30/12**

Market Value:	\$ 55,394,354	Membership:	
Actuarial Value:	\$ 57,179,657	Active:	126
AAL:	\$ 106,779,915	Inactive:	124

**Normal Retirement Formula:**  
 3.5% of compensation for first 20 years + 2% for next 5 years  
 Maxi 80% of compensation; 2% of compensation < 20 years  
*2.5% of compensation x yrs service—No max (new hires)*

**Normal Retirement Benefits:** **COLA:**  
 Age 65 or 20 years of service Annual Amount Max: 2%  
 Age 55 w/ 5 yrs service or Rule of 80 (new hires)

**ACTUARIAL ASSUMPTIONS:**  
 Interest: 7.5% Salary: 3.5%

**As of 09/30/12**

Market Value:	\$ 38,911,003	Membership:	
Actuarial Value:	\$ 38,862,427	Active:	146
AAL:	\$ 71,536,365	Inactive:	142

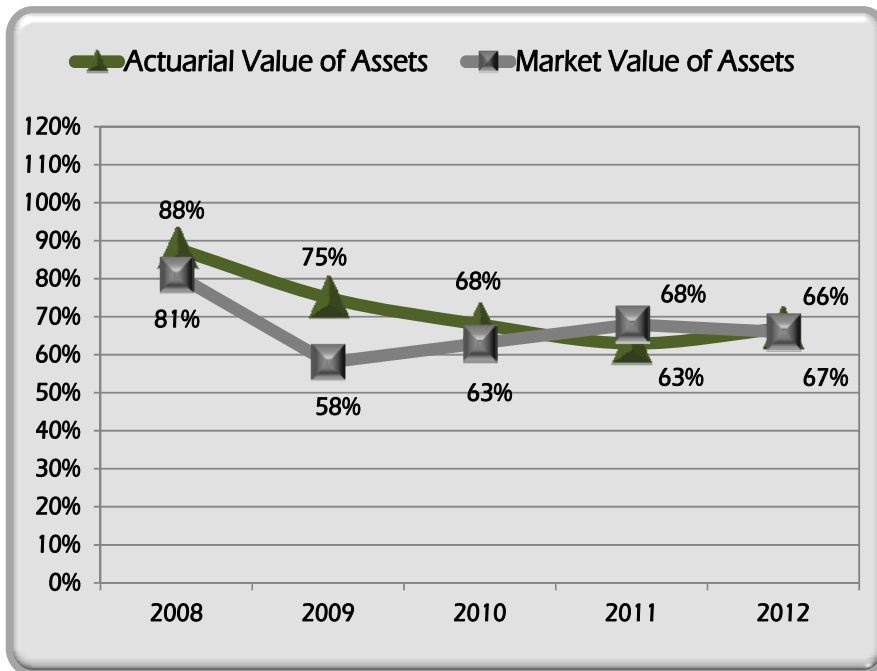
**Normal Retirement Formula:**  
 3% of compensation for first 20 years + 2% for next 5 years  
 Maximum: 70% of compensation  
*2.0% of compensation up to 25 years + 1.5% over 25 years*  
*Max—57.5% of compensation (new hires)*

**Normal Retirement Benefits:** **COLA:**  
 20 years of service, or age 65 Annual Amount Max: 0.6%  
 25 years of service or age 65 (new hires)

**ACTUARIAL ASSUMPTIONS:** Interest: 7.5% Salary: 3.5%

# CREVE COEUR EMPLOYEES RETIREMENT PLAN

- ✦ Rate of return on investments equaled 0.49% (Market) & 10.6% (Actuarial) vs. 7.5% assumed.
- ✦ Investment gains/losses are smoothed in over a 3 year period.
- ✦ Unfunded Actuarial Accrued Liabilities are amortized over an open 15 year period.
- ✦ Investment assumption reduced from 8% to 7.5% and salary assumption reduced from 5.5% to 5.0% in 2009.
- ✦ Mortality tables updated resulting in approximately \$2.1 million increase in plan liability and approximately \$260,000 increase to annual cost.
- ✦ This plan is closed to new employees hired after June 1, 2006. Those new employees participate in the City's defined contribution plan.
- ✦ Employee payroll contributions are being phased in beginning 07/01/11 at 1% with annual increases of .5% until the contribution rate meets 3%.
- ✦ Employer has consistently met or exceeded the ARC.



	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
12/13	\$1,204,193	N/A	-
11/12	\$1,339,314	\$1,389,538	104%
10/11	\$1,179,145	\$1,225,000	104%
09/10	\$1,004,897	\$1,057,900	105%
08/09	\$675,394	\$757,900	112%

**As of 6/30/12**

**Market Value:** \$16,444,937  
**Actuarial Value:** \$16,671,075  
**AAL:** \$24,744,421

**MEMBERSHIP:**

Active: 62                      Inactive: 91

**BENEFITS:**

**Normal Retirement Formula:**

2% of compensation times years of service;  
or  
1.7% of compensation times years of service, plus  
3% employer contribution to DC Plan;  
Maximum: 30 years of service

**Normal Retirement Benefits:**

Age 65 with 8 years of service, or Rule of 85  
Uniformed: Age 55

**Social Security Coverage:** Yes

**COLA:** Ad Hoc COLA

**ACTUARIAL ASSUMPTIONS:**

Interest: 7.5%      Salary: 5%

**Deferred Retirement Option Plan**

**Defined Benefit Plan Closed June 2006**



## City of Creve Coeur Response

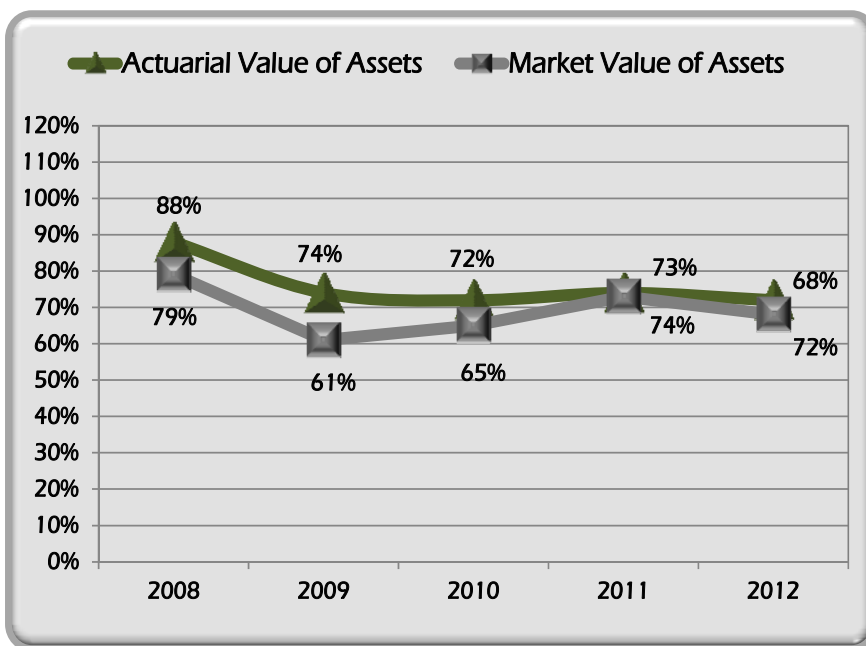
**From:** Smith, Daniel N [<mailto:dsmith@ci.creve-coeur.mo.us>]  
**Sent:** Thursday, November 07, 2013 10:20 AM  
**To:** Ronda Stegmann  
**Cc:** Perkins, Mark C.; [ksullivan@dunckerstreett.com](mailto:ksullivan@dunckerstreett.com); Williams, Glen  
**Subject:** RE: JCPER Plan Information

For your information the most recent actuarial report just received shows funding at 71.4%. In addition City Council approved an additional \$300,000 contribution to the plan, above the actuarially required amount, for FY 2014. In addition during the Budget meeting they indicated a desire to continue the additional annual contribution for at least a 5 year period. Thanks. DNS

*Daniel N. Smith, CPA, CPFO*  
Director Of Finance  
City of Creve Coeur  
300 N. New Ballas Rd.  
Creve Coeur, Missouri 63141  
314-872-2519  
[dsmith@ci.creve-coeur.mo.us](mailto:dsmith@ci.creve-coeur.mo.us)

# GLENDALE POLICE & FIRE PENSION PLAN

- ✚ Rate of return on investments equaled 0.4% (Market) & 6.0% (Actuarial) vs. 7.5% assumed.
- ✚ Plan gains/losses are smoothed in over a 5 year period.
- ✚ Plan uses the "Aggregate" Cost Method which does not yield an unfunded actuarial accrued liability for amortization purposes.
- ✚ Employees contribute 3.25% of pay to the plan.
- ✚ The Employer contribution is tied to tax levy which has met the full Annual Required Contribution (ARC) one time (2007) since 2002.



	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
12/13	\$311,625	N/A	-
11/12	\$305,145	\$132,462	43%
10/11	\$347,737	\$165,555	48%
09/10	\$305,247	\$132,524	43%
08/09	\$181,814	\$123,650	68%

As of 7/01/12

**Market Value:** \$4,579,712  
**Actuarial Value:** \$4,810,012  
**AAL:** \$6,717,055

**MEMBERSHIP:**

**Active:** 27                      **Inactive:** 18

**BENEFITS:**

**Normal Retirement Formula:**

50% of compensation for first 20 years of service, plus 1% of compensation for each year over 20 years

**Normal Retirement Benefits:**

Age 55 with 15 years of service

**Social Security Coverage:** Yes

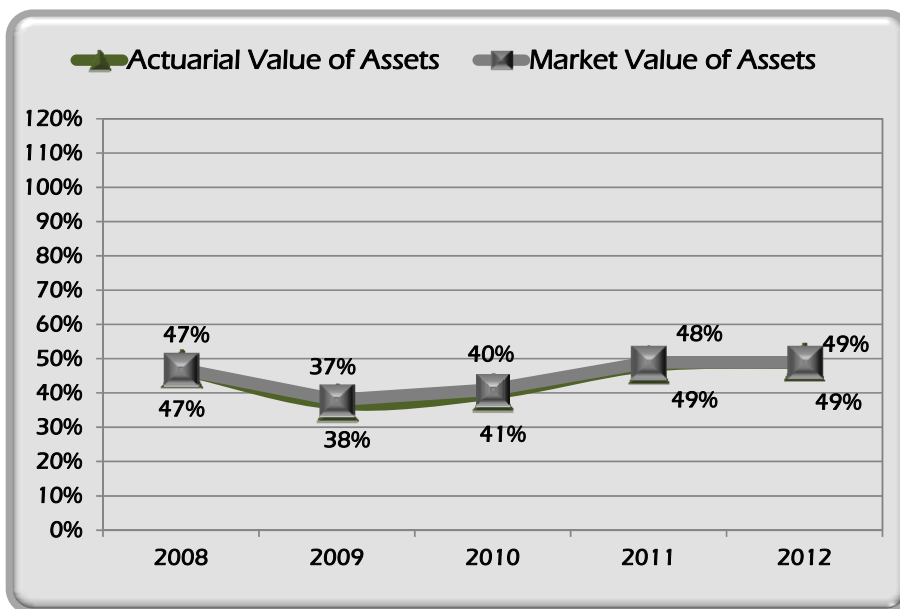
**COLA:** No COLA

**ACTUARIAL ASSUMPTIONS:**

**Interest:** 7.5%                      **Salary:** 3.75%

# HANNIBAL POLICE & FIRE RETIREMENT PLAN

- ✦ The plan does not smooth investment gains/losses.
- ✦ Open 20 year period for amortization of unfunded liabilities.
- ✦ Actuary notes *"In recent years the city has been contributing less than the actuarial recommended contribution. Asset and liability gains have helped increase the funded status. The new policy increasing employee contributions while not decreasing the city's contribution rate will also help the Plan in its recovery. However, any continuation of less than adequate funding could decrease the funded status of the Plan to a point from which it would be impossible to recover."*
- ✦ Plan modifications effective 7/1/11 include: Increasing mandatory employee contributions from 9.5% of pay to 12%, 11.4% annual minimum City contribution (plus tax revenue) will be modified to provide that the City's contribution will not be reduced unless the plan is determined to be at least 80% funded.
- ✦ Employee contribution of 12% of pay effective with plan year 2011 (from 9.5%). These members do not participate in Social Security.
- ✦ The employer exceeded the ARC in 2011/12 after 6 consecutive years of not meeting ARC.



	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
<b>12/13</b>	\$1,010,251	N/A	-
<b>11/12</b>	\$921,124	\$1,152,165	125%
<b>10/11</b>	\$1,179,620	\$1,101,663	93%
<b>09/10</b>	\$1,169,397	\$935,435	80%
<b>08/09</b>	982,832	\$803,329	82%

**As of 6/30/12**

**Market Value:** \$11,412,637  
**Actuarial Value:** \$11,412,637  
**AAL:** \$23,358,465

**MEMBERSHIP:**

**Active:** 75      **Inactive:** 63

**BENEFITS:**

**Normal Retirement Formula:**

65% of compensation for first 25 years of service, plus 1% for each of the next 5 years of service in excess of 25  
 Maximum: 70% of compensation

**Normal Retirement Benefits:**

Age 55 or 25 years of service

**Social Security Coverage:** No

**COLA:** Ad Hoc COLA

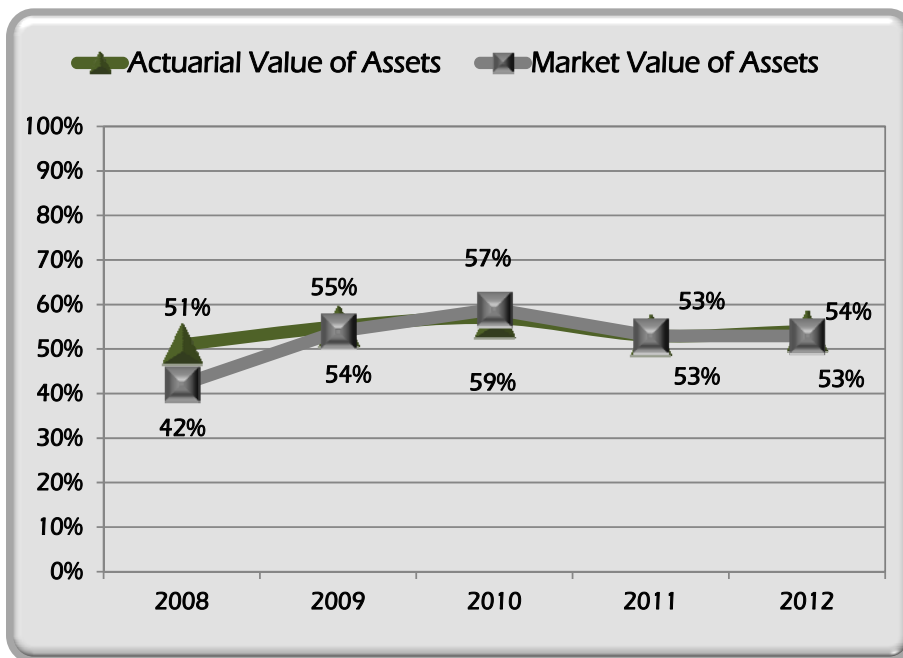
No COLA if Funded Ratio below 50%

**ACTUARIAL ASSUMPTIONS:**

**Interest:** 7.5%      **Salary:** 4%

# JOPLIN POLICE & FIRE PENSION PLAN

- ✦ Rate of return on investments equaled 6.9% (Market) and 6.5% (Actuarial) vs. 7% assumed.
- ✦ Investment gains/losses are smoothed over a 5 year period.
- ✦ Closed 30 year period as of 11/01/06 for amortization of unfunded liabilities.
- ✦ Modified plan assumptions in 2011 included, but not limited to, mortality, inflation rate and retirement rates resulted in approximately \$5 million increase in plan liabilities. These modifications were based on the most recent experience study.
- ✦ A new tier was implemented for those hired after 1/31/09 with provisions including normal retirement service of 25 years (from 20) and maximum benefit of 60% of compensation (from 65%).
- ✦ Employees contribute 18.08% of pay, which is refunded at retirement. Those hired under new benefit tier contribute 10% of pay without refund.
- ✦ The City has agreed to make an additional payment of \$950,000 and beginning each plan year as of 11/1/11 and after, the City's contribution is calculated by the plan's actuary.
- ✦ The City exceeded the ARC in plan year 2012.



	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
12/13	\$2,580,017	N/A	-
11/12	\$2,214,118	\$2,473,301	112%
10/11	\$2,214,118	\$2,653,556	120%
09/10	\$2,206,690	\$1,797,683	81%
08/09	\$2,169,744	\$2,443,752	113%

## As of 10/31/12

**Market Value:** \$28,359,384  
**Actuarial Value:** \$28,678,333  
**AAL:** \$53,113,500

### **MEMBERSHIP:**

**Active:** 199      **Inactive:** 156

### **BENEFITS:**

#### **Normal Retirement Formula:**

Hired after 1/31/09: 2.2% of compensation for first 25 years of service, plus 1% for each of the next 5 years of service

Maximum: 60% of compensation

#### **Normal Retirement Benefits:**

Age 60 or 25 years of service

**Social Security Coverage:** No

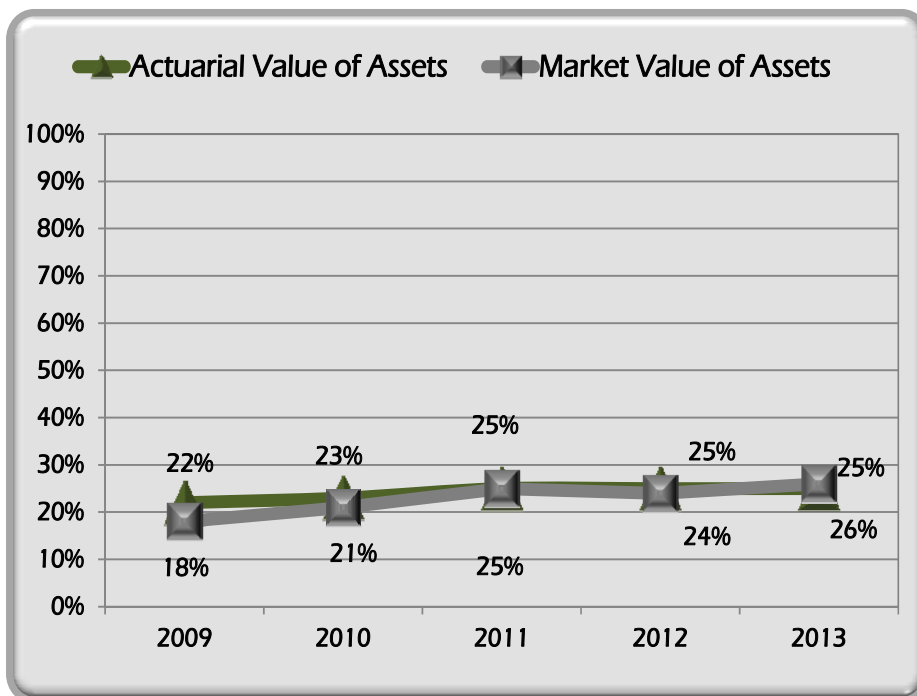
**COLA:** No COLA

### **ACTUARIAL ASSUMPTIONS:**

**Interest:** 7%      **Salary:** 2.5%

# JUDICIAL RETIREMENT SYSTEM

- ✦ Rate of return on investments equaled 10.71% (Market) and 8.03% (Actuarial) vs. 8.0% assumed.
- ✦ Adopted a Closed 30 year amortization of unfunded liabilities (Previously open 30 years).
- ✦ Asset Method modified to recognize the expected investment return and averages unanticipated market return over a five-year period.
- ✦ New tier provisions were passed in 2010 requiring increased age and service requirements, as well as employee contributions for judges serving for the first time on or after 01/01/11.
- ✦ Modified plan assumptions including, but not limited to, investment return assumption from 8.5% to 8.0% and price inflation from 3.20% to 2.50%. These modifications were based on the most recent experience study.
- ✦ Prior to 1998, the plan was funded on a pay-as-you-go basis.
- ✦ Judges serving for the first time on or after 1/1/11 make a 4% of pay contribution.
- ✦ The Employer continues to meet the ARC.



	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
14/15	\$30,200,000 (estimated)	N/A	-
13/14	\$29,000,000 (estimated)	N/A	-
12/13	\$28,330,648	\$28,330,648	100%
11/12	\$26,324,526	\$26,324,526	100%
10/11	\$27,762,640	\$27,702,682	100%

## As of 6/30/13

**Market Value:** \$111,203,538  
**Actuarial Value:** \$111,140,339  
**AAL:** \$435,378,358

### **MEMBERSHIP:**

**Active:** 400      **Inactive:** 530

### **BENEFITS:**

#### **Normal Retirement Formula:**

Less than 12 years of service:  
 4.17% of compensation times years of service;  
 > 12 years: 50% of compensation

#### **Normal Retirement Benefits:**

Age 62 with 12 years of service;  
 Age 60 with 15 years of service;  
 Age 55 with 20 years of service

Serving for first time on or after 01/01/11:  
 Age 67 with 12 years of service, or  
 Age 62 with 20 years of service

**Social Security Coverage:** Yes

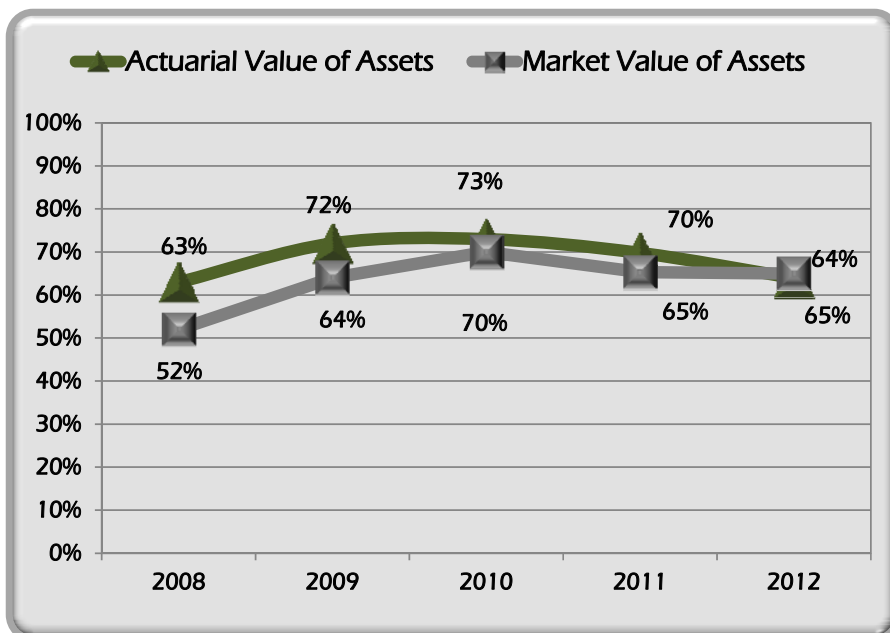
**COLA:** Annual Amount Max: 5%  
 Percent of CPI: 80%

#### **ACTUARIAL ASSUMPTIONS:**

**Interest:** 8.0%      **Salary:** 4%

# LADUE POLICE & FIRE RETIREMENT PLAN

- ✚ Rate of return on investments equaled 11.3% (Market) and 3.0% (Actuarial) vs. 7.0% assumed.
- ✚ Investment gains/losses are smoothed over a 5 year period.
- ✚ Open 20 year period amortization of Unfunded Actuarial Accrued Liabilities.
- ✚ The plan decreased the assumed investment rate of return assumption from 8.5% in PY01 to 8% in PY02 to 7.75% in PY03 to 7.5% in 2010 and 7.0% in 2013.
- ✚ 2012 plan modifications to the plan include: Exclusion of lump sum cash-out of unused vacation and sick leave from retirement calculations, reduction of benefit maximum from 65% of compensation to 60% for new members, increase of employee contributions from 3% to 4.5% in 2013 and from 4.5% to 6.0% in 2014.
- ✚ Employees contribute 4.5% of pay. These members do not participate in Social Security.
- ✚ The Employer has consistently met or exceeded the ARC.



	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
2013	\$1,616,761	N/A	-
2012	\$1,182,728	\$1,182,728	100%
2011	\$1,100,673	\$1,100,673	100%
2010	\$1,092,786	\$1,692,786	155%
2009	\$1,255,382	\$2,255,382	180%

## As of 01/01/13

**Market Value:** \$23,241,352  
**Actuarial Value:** \$23,012,239  
**AAL:** \$35,826,301

### **MEMBERSHIP:**

**Active:** 52      **Inactive:** 65

### **BENEFITS:**

#### **Normal Retirement Formula:**

2% of compensation for first 20 years of service, plus 2.5% for each of the next 10 years of service  
 Maximum: 65% of compensation

New hires after 12/31/12:

2% of compensation  
 Maximum: 60% of compensation

#### **Normal Retirement Benefits:**

Age 55 with 10 years of service

**Social Security Coverage:** No

**COLA:** Annual Maximum: 2%  
 'CAP'-Total Maximum: 20%  
 Percent of CPI: 100%

#### **ACTUARIAL ASSUMPTIONS:**

**Interest:** 7.0%      **Salary:** 4.5%

## City of Ladue Response

**From:** Administration <[administration@cityofladue-mo.gov](mailto:administration@cityofladue-mo.gov)>

**Sent:** Monday, November 11, 2013 7:53 AM

**To:** Ronda Stegmann

**Subject:** RE: JCPER Plan Information

Rhonda – thank you for the opportunity to comment. The City of Ladue continues to closely monitor its employees' pension plans and is committed to implementing best practices to insure the financial stability of the plans. I reviewed your attachments and have only a couple of comments.

1. The City committed to the employees that an additional \$1,000,000, in addition to the ACR, would be contributed to the Police & Fire Pension Plan in 2013 and 2014 for acceptance of the changes approved in December 2012. The ACR and additional \$1,000,000 contribution for 2013 have been made for a total contribution of \$2,616,761.00.
2. The plan trustees decreased the salary increase assumption from 4.75 to 4.5%.
3. The amortization of Unfunded Accrued Liability was changed from a level percent of payroll to a level dollar amortization.

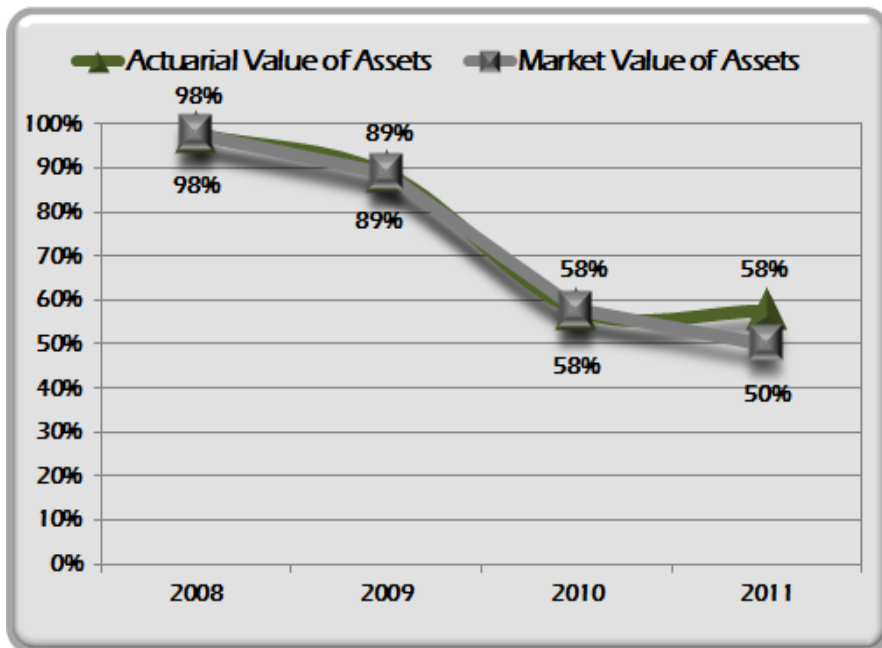
If you need any further information, please let me know.

Michael W. Wooldridge  
City of Ladue  
9345 Clayton Road  
St. Louis, Mo 63124  
314-993-3439  
314-993-5652 (fax)  
[administration@cityofladue-mo.gov](mailto:administration@cityofladue-mo.gov)

# MEHLVILLE FIRE PROTECTION DISTRICT DEFINED BENEFIT PLAN

- ✚ Rate of return on investments equaled 0.05% (Market) vs. 5% assumed.
- ✚ Plan does not smooth investment gains/losses.
- ✚ Plan was closed in 2006 and a defined contribution plan was established for District employees.
- ✚ Unfunded Actuarial Accrued Liabilities amortized over a 20 year period as of 2011.
- ✚ According to the actuarial valuation, the IRS, in a **Determination letter dated June 11, 2010** approved the Plan's termination. The Plan's assets and liabilities have yet to be fully settled as part of that termination as of 1/1/13.
- ✚ Interest rate assumption decreased from 7.5% to 5.0% in 2010.
- ✚ Biennial Valuation is performed on this plan with another valuation due as of 01/01/13.
- ✚ Employees do not make a payroll contribution to this plan.
- ✚ The employer has not made a contribution to the plan since 2006.

*This information reflects identical information reported in the last Watch List report.*



As of 1/1/11 & 12/31/11

Market Value: \$ 6,644,743  
 Actuarial Value: \$ 7,786,626  
 AAL: \$13,373,649

#### MEMBERSHIP:

Active: 0 Inactive: 32

#### BENEFITS:

##### Normal Retirement Formula:

2.625% of compensation for each of the first 27 years of service, plus 1% for each additional year

Maximum: 75% of compensation

Temporary Supplemental Benefit: \$500 per month from age 58 until Social Security eligibility

##### Normal Retirement Benefits:

Age 58 with 5 years of service

Social Security Coverage: Yes

COLA: 'CAP'-Total Maximum: 3%

#### ACTUARIAL ASSUMPTIONS:

Interest: 5.0%

#### Defined Contribution Plan

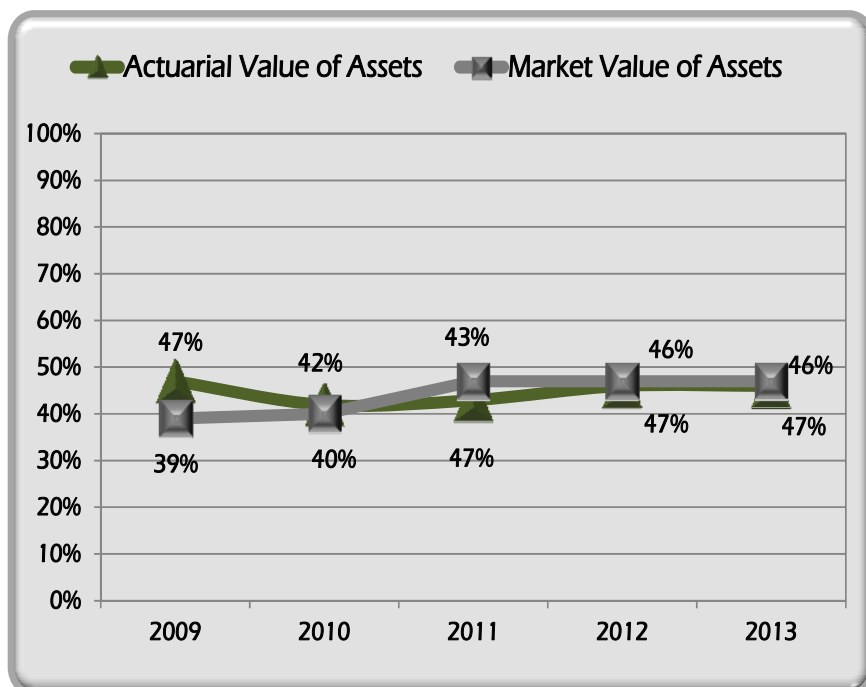
Defined Benefit Plan frozen effective 3/31/06

	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
2011	\$426,969	\$0	0%
2010	\$35,435	\$0	0%
2009	\$35,435	\$0	0%
2008	\$110,715	\$0	0%
2007	\$1,681,820	\$0	0%



# MoDOT & PATROL EMPLOYEES RETIREMENT SYSTEM

- Rate of return on investments equaled 13.0% (Market) and 12.0% (Actuarial) vs. 7.75% assumed.
- Investment gains/losses are smoothed over a 3 year period.
- Assumed Investment return reduced from 8.25% to 7.75%. The inflation component of 3.75% was not changed, yielding a real rate of return reduction of 4.5% to 4.0%
- New tier provisions were passed in 2010 requiring increased age and service requirement, increased vesting period and employee contributions for employees hired for the first time on or after 01/01/11. As of 06/30/13, 659 members (up from 198 in 2012) were covered under the 2011 tier.
- Closed 11 year period amortization of unfunded retiree liabilities and closed 26 year period amortization for the remaining unfunded liabilities.
- Provisions passed to address asset transfer associated with reciprocal service provisions between MPERS and MOSERS.
- Employees hired for the first time on or after 1/1/11, contribute 4% of pay.
- The Employer continues to meet the ARC.



	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
14/15	\$200,485,540 (estimated)	N/A	-
13/14	\$184,188,191	N/A	-
12/13	\$170,836,117	\$170,836,117	100%
11/12	\$164,884,467	\$164,884,467	100%
10/11	\$149,952,750	\$149,952,750	100%

## As of 6/30/13

**Market Value:** \$1,685,732,710  
**Actuarial Value:** \$1,657,402,393  
**AAL:** \$3,583,975,559

### MEMBERSHIP:

**Active:** 7,336 **Inactive:** 10,479

### BENEFITS:

#### Normal Retirement Formula:

MSEP 2000: 1.7% of compensation times years of service, plus .8% to Age 62 (under Rule of 80 or Rule of 90)

#### Normal Retirement Benefits:

Age 62 with 5 years service, or Rule of 80 (Age 48)  
 Uniformed Patrol: Mandatory retirement at Age 60  
 Hired for first time on or after 01/01/11: Age 67 w 10 years service, or Rule of 90 (Age 55)  
 Uniformed Patrol: Age 55 with 10 years service

**Social Security Coverage:** Yes

**COLA:** Annual Amount Maximum: 5%  
 Percent of CPI: 80%

### ACTUARIAL ASSUMPTIONS:

**Interest:** 7.75% **Salary:** 3.50%

## MoDOT & Patrol Employees Retirement System Response

**From:** Scott Simon <Scott.Simon@mpers.org>  
**Sent:** Thursday, November 07, 2013 10:47 AM  
**To:** Ronda Stegmann  
**Subject:** RE: JCPER Plan Information

Ronda, Thank you for the opportunity to respond. While it is noted within your documented plan information, it may not be clear that our actuarial assumptions were recently updated. Specifically, our assumed rate of return was lowered from 8.25% to 7.75%. This update, along with our pre-established accelerated funding policy, demonstrates our Board's continued resolve to address our funding shortfalls of the past.

Should the Joint Committee like to discuss our recent changes or the funding policies developed to address our funded status, I would be happy to oblige.

Scott

*Serving those who keep us safe!*

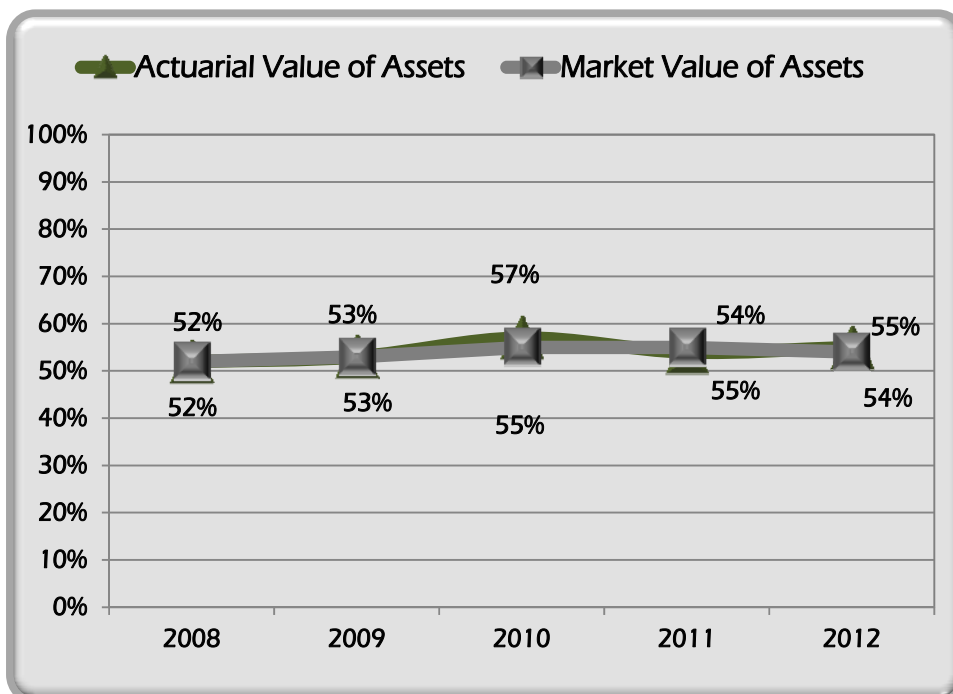
**Scott L Simon | Executive Director | MoDOT and Patrol Employees' Retirement System**

**Office Location:** 1913 William St., Jefferson City, MO 65109 **Mailing Address:** Post Office Box 1930, Jefferson City, MO 65102-1930

**Telephone Number:** (573) 298-6020 **Toll Free:** 1-800-270-1271 **Admin. Fax:** (573) 526-5895 **Website:** [www.mpers.org](http://www.mpers.org)

# RAYTOWN POLICE OFFICERS' RETIREMENT FUND

- Plan experience was more favorable than expected plan year due to investment and liability gains.
- Plan does not smooth investment gains/losses.
- Modified from a Closed 30 to an Open 30 year period amortization of Unfunded Actuarial Accrued Liabilities.
- An Employee contribution of 3% of pay was ceased in 2000 when the Plan was 101% funded.
- The actuary notes *"The Plan has been making progress toward a safe funding level. Asset gains in 2009 and 2010 continue to help offset losses from 2008. Losses from 2011 have caused the funded status to drop slightly and the recommended contribution to increase accordingly. Gains from 2012 have slightly increased the funded status. The City policy to contribute the recommended contribution will allow the funded status to slowly improve."*
- The City exceeded the ARC for plan year 2011 and 2012.



## As of 12/31/12 and 10/31/12

**Market Value:** \$ 8,910,693  
**Actuarial Value:** \$ 8,765,297  
**AAL:** \$16,326,706

## **MEMBERSHIP:**

**Active:** 51    **Inactive:** 33

## **BENEFITS:**

**Normal Retirement Formula:**  
 2.5% of compensation for first 20 years of service, plus 1% for each of the next 10 years of service

**Normal Retirement Benefits:**  
 Age 55 with 20 years of service

**Social Security Coverage:** Yes

**COLA:** No COLA

**ACTUARIAL ASSUMPTIONS:**  
**Interest:** 7.5%    **Salary:** 4%

	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
<b>2013</b>	\$660,842	N/A	-
<b>2012</b>	\$678,787	\$678,787	100%
<b>2011</b>	\$616,618	\$637,728	103%
<b>2010</b>	\$865,591	\$614,745	71%
<b>2009</b>	\$685,030	\$278,854	41%

## Raytown Police Department Response

**From:** Melanie Lanigan [mailto:laniganm@raytownpolice.org]  
**Sent:** Tuesday, November 12, 2013 11:04 AM  
**To:** Ronda Stegmann  
**Cc:** James Lynch  
**Subject:** FW: JCPER Plan Information

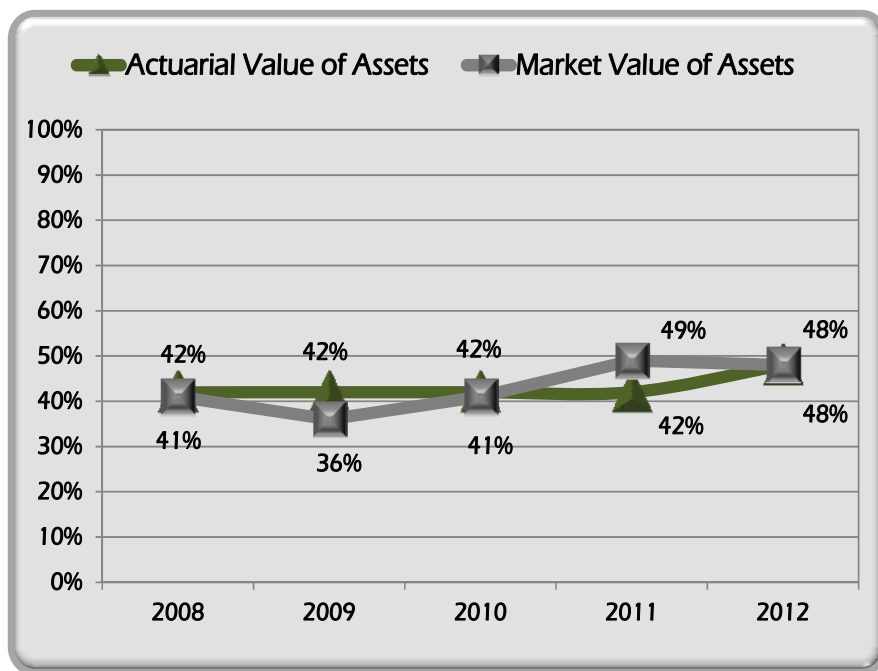
Ms. Stegmann,

We have looked at the report and have no comments. However, please find attached our City Ordinance changing our Pension Plan to LAGERS effective January 1, 2014. If you have any questions or if I need to submit anything further, please feel free to contact me.

*Melanie Lanigan*  
Office Manager  
Raytown Police Dept.  
Phone 816□737□6022  
Fax 816□737□6025

# ROCK HILL UNIFORMED PENSION PLAN

- ✚ This plan was closed to new employees effective May 2003.
- ✚ All active participants as well as new hires are members of LAGERS as of 09/2007.
- ✚ After multiple years of the employer not making a contribution to this plan, contributions have resumed to this plan. However, contributions continue to not meet the ARC.
- ✚ Employees do not make a payroll contribution to this plan.
- ✚ Plan does not smooth investment gains/losses.
- ✚ The employer has not met the ARC since 2007.



## As of 3/31/13 & 5/1/12

**Market Value:** \$1,748,170  
**Actuarial Value :** \$1,746,542  
**AAL:** \$3,618,670

### MEMBERSHIP:

**Active:** 10      **Inactive:** 20

### BENEFITS:

#### Normal Retirement Formula:

40% or 50% of compensation, reduced by 1/20 for each year less than 20, plus temporary benefit. Percentage based on age and years of service as of 4/30/03.

#### Normal Retirement Benefits:

Age 60 with 5 years of service

**Social Security Coverage:** Yes

**COLA:** No COLA

### ACTUARIAL ASSUMPTIONS:

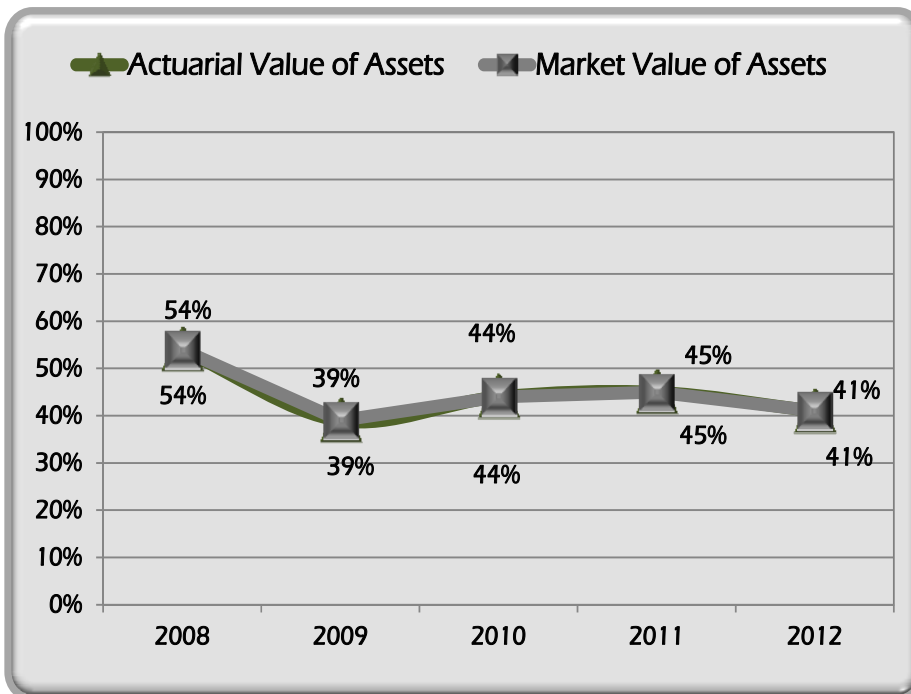
**Interest:** 6.0%      **Salary:** 0%

**Closed Plan effective October 2003**

	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
<b>2013</b>	\$251,551	n/a	-
<b>2012</b>	\$293,522	\$210,325	72%
<b>2011</b>	\$293,522	\$213,226	73%
<b>2010</b>	\$293,522	\$280,000	95%

# SEDALIA POLICE RETIREMENT FUND

- ✚ Rate of return on investments equaled 1.05% (Market) vs. 7.5% assumed.
- ✚ Plan does not smooth investment gains/losses.
- ✚ Unfunded Actuarial Accrued Liabilities amortized over a 25 year period as of 2012 (down from a 28 year period in 2011).
- ✚ The actuary notes regarding the 7.5% interest assumption... *"Given the current economic environment, the Board should give serious consideration to whether or not that represents a reasonable long term rate of return on plan assets. It should be noted that the measure of future costs and liabilities is very sensitive to this assumption. A slight decrease in the assumed rate can cause a substantial increase in the liabilities measured."*
- ✚ Plan was frozen as of April 1, 2010, with no additional benefit accruals.
- ✚ Existing and new employees moved to LAGERS.
- ✚ Effective 4/1/10, Employee payroll contributions are not required.
- ✚ Employer contributions tied to tax levy proceeds are not meeting the ARC.



	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
2013	\$401,679	N/A	-
2012	\$364,705	\$231,860	64%
2011	\$429,331*	\$222,527	52%
2010	\$597,847	\$221,579	37%
2009	\$476,644	\$213,378	45%

\* estimate

## As of 7/31/12

**Market Value:** \$3,157,848  
**Actuarial Value:** \$3,157,848  
**AAL:** \$7,800,214

### **MEMBERSHIP:**

**Active:** 35      **Inactive:** 41

### **BENEFITS:**

#### **Normal Retirement Formula:**

2% of compensation times years of service

Maximum: 30 years

#### **Normal Retirement Benefits:**

Age 52 with 15 years of service

**Social Security Coverage:** Yes

### **COLA:**

Annual Amount Maximum: 2%

### **ACTUARIAL ASSUMPTIONS:**

**Interest:** 7.5%

**Plan Frozen April 2010**

## City of Sedalia Response

**From:** Arlene Silvey [mailto:[asilvey@cityofsedalia.com](mailto:asilvey@cityofsedalia.com)]

**Sent:** Friday, November 08, 2013 10:39 AM

**To:** Ronda Stegmann

**Subject:** RE: JCPER Plan Information

Ronda:

I have sent the e-mail to all of our Police Retirement Board Members which includes the Mayor and City Administrator.

I did want to let you know that the City of Sedalia contributed \$37,000 to the Police Fund in September of this year as part of the 2013/2014 budget.

Arlene

Arlene Silvey, MRCC City Clerk

City of Sedalia, MO

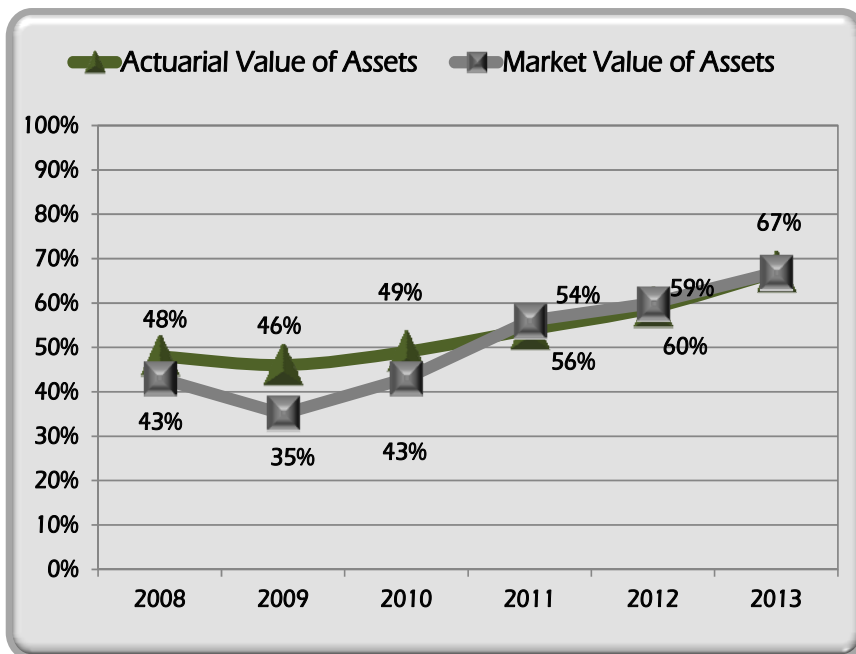
200 S. Osage

Sedalia, MO 65301

[asilvey@cityofsedalia.com](mailto:asilvey@cityofsedalia.com)

# SPRINGFIELD POLICE & FIRE RETIREMENT FUND

- ↳ Rate of return on investments equaled 10.5% (Market) and 9.2% (Actuarial) vs. 7.5% assumed.
- ↳ Investment gains/losses are smoothed over a 4 year period.
- ↳ A 3/4 cent sales tax passed in November 2009. Tax proceeds contributed \$27.9 million to the plan for PYE 06/30/13 in addition to the City's contribution of 35% of pay. A renewal vote for this sales tax will be held in 2014.
- ↳ Plan is closed to new employees. Tier 2 members (hired after June 2006) and new employees were moved to LAGERS in 2010.
- ↳ Employees make a 14.63% payroll contribution to the plan effective 07/01/13.
- ↳ The Employer has exceeded the ARC since PYE 06/30/09.



**As of 6/30/13**

**Market Value:** \$254,357,749  
**Actuarial Value:** \$251,103,602  
**AAL:** \$375,635,753

**MEMBERSHIP:**  
**Active:** 354    **Inactive:** 511

**BENEFITS:**  
**Normal Retirement Formula:**  
 2.8% of compensation times years of service;  
 Maximum: 70% of compensation

**Normal Retirement Benefits:**  
 Age 50 with 20 years of service,  
 Age 60, or 25 years of service

**Social Security Coverage:** No

**COLA:**  
 Annual Amount Maximum: 3%

**ACTUARIAL ASSUMPTIONS:**  
**Interest:** 7.5%    **Salary:** varies

***Plan Closed January 31, 2010  
 Active members hired after 6/01/06  
 & new hires moved to LAGERS***

	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
<b>13/14</b>	\$18,429,782 (estimated)	N/A	-
<b>12/13</b>	\$20,823,687	\$35,615,908	171%
<b>11/12</b>	\$20,881,652	\$35,726,586	171%
<b>10/11</b>	\$12,972,229	\$34,141,863	263%
<b>09/10</b>	\$13,137,104	\$31,916,852	243%



## City of Springfield Response

**From:** Mannix, Mary <mmannix@springfieldmo.gov>  
**Sent:** Tuesday, November 12, 2013 2:22 PM  
**To:** Ronda Stegmann  
**Cc:** Kerringer, Maryjo  
**Subject:** RE: JCPER Plan Information

Rhonda,

I have just a few comments for the City's response.

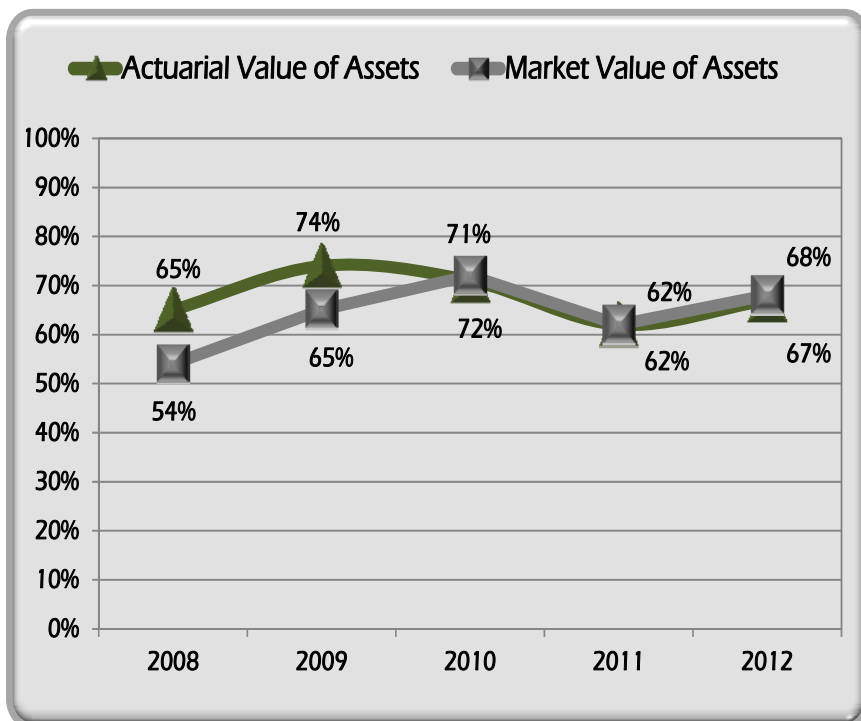
1. The time weighted rate of return for the Plan was 11.5% for the fiscal year ending in June 2013. This reflects actual investment returns as opposed to the average rate of return prepared by the actuary.
2. The sales tax is expected to generate \$29 million in FY 2014.
3. The comment pertaining to the COLA can be deleted since this has been resolved.

Thank you for providing the opportunity for our input.

**Mary Mannix Decker**  
Director of Finance  
City of Springfield  
417-864-1399  
[mmannix@springfieldmo.gov](mailto:mmannix@springfieldmo.gov)

# ST. LOUIS COUNTY EMPLOYEES RETIREMENT PLAN

- ✦ Rate of return on investments equaled 14.3% (Market) and 11.7% (Actuarial) vs, 8% assumed.
- ✦ Investment gains/losses are smoothed over a 4 year period.
- ✦ Open 30 year period amortization of unfunded actuarial accrued liabilities.
- ✦ This plan maintains both uniformed and non-uniformed components.
- ✦ Mortality tables were updated, termination and retirement assumptions were modified in accordance with a 2012 study.
- ✦ Employees do not make a payroll contribution to this plan. Employees participate in Social Security.
- ✦ The Employer continues to meet the ARC.



## As of 12/31/12

**Market Value:** \$500,156,496  
**Actuarial Value:** \$493,174,121  
**AAL:** \$740,433,523

### **MEMBERSHIP:**

**Active:** 3,808 **Inactive:** 3,778

### **BENEFITS:**

#### **Normal Retirement Formula:**

General Employees: 1.5% of compensation times years of service, plus \$15 per month times yrs service  
Uniformed: 1.6% of compensation times years of service, plus \$30 per month times years of service to age 65, plus \$5 per month times years of service

#### **Normal Retirement Benefits:**

General Employees: Age 65 with 3 years of service  
 Uniformed: Age 60 with 10 years of service, age 65 with 3 years of service, or Rule of 80

**Social Security Coverage:** Yes

**COLA:** Ad Hoc COLA

#### **ACTUARIAL ASSUMPTIONS:**

**Interest:** 8% **Salary:** 4.5%

	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
<b>2013</b>	\$36,628,538	N/A	-
<b>2012</b>	\$38,959,667	\$38,959,667	100%
<b>2011</b>	\$30,949,913	\$30,949,913	100%
<b>2010</b>	\$29,106,006	\$29,106,006	100%
<b>2009</b>	\$32,848,970	\$32,848,970	100%

## St. Louis County Response

### ST. LOUIS COUNTY EMPLOYEES RETIREMENT PLAN

I was recently notified by the Joint Committee on Public Employee Retirement that the St. Louis County Employees Retirement Plan is being placed on a "watch list" of public pension plans with a funded ratio of less than 70% as of 12/31/12. Given that this information will be a part of JCPER members' packets as well as the committee's website information I am accepting the invitation to submit a brief response on behalf of our plan:

1. As of 9/30/13 the plan has reached a 73% funding level. Year to date returns exceed 12%. As of 10/29/13 total funding is \$567MM.
2. Since 12/31/08 when the plans' value was \$334MM, the plan has accrued more than \$233MM through County contributions and investment returns.
3. The County has contributed 100% of its recommended contribution since the inception of the plan in 1967.
4. The pension board has been prudent with allocating any plan improvements awarding beneficiaries a most recent COLA increase in 2005.

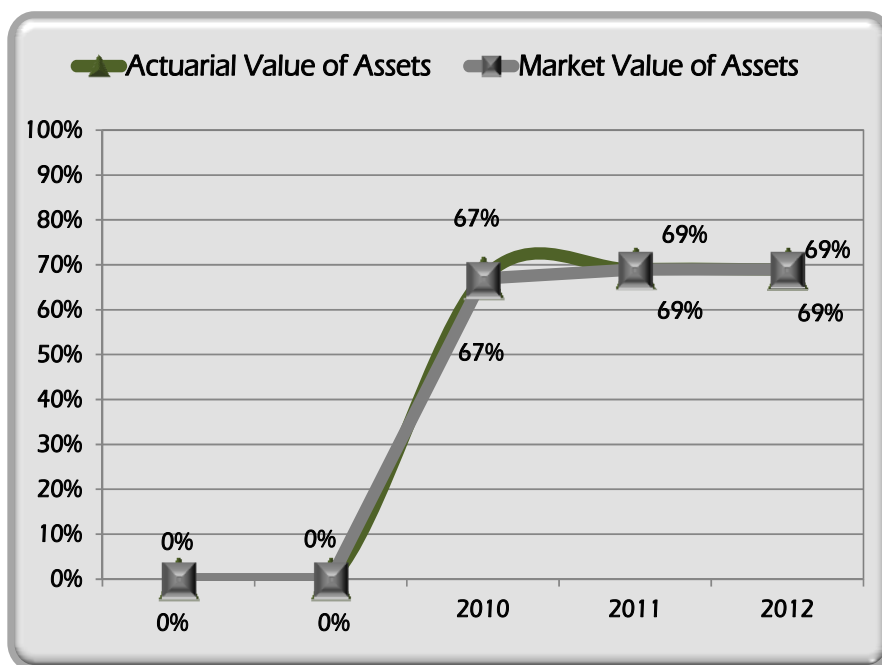
Sincerely,

Kirk McCarley

Plan Administrator

# WARRENTON FIRE PROTECTION DISTRICT LENGTH OF SERVICE AWARDS PROGRAM

- ✚ This plan provides a pension benefit for volunteer members of the fire protection district.
- ✚ Plan was established in 1988.
- ✚ Plan began reporting to JCPER in 2011.
- ✚ Active members do not make a monetary contribution to the plan.
- ✚ District has made the full contribution in 2011 and 2012.



	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
2012	\$18,297	\$19,320	106%
2011	\$30,668	\$32,064	105%

## As of 12/31/12

**Market Value:** \$178,794  
**Actuarial Value:** \$178,794  
**AAL:** \$258,708

### **MEMBERSHIP:**

**Active:** 37      **Inactive:** 8

### **BENEFITS:**

#### **Normal Retirement Formula:**

\$10 per month times yrs service;  
 Maximum: \$200 per month  
 Life annuity guaranteed for 10 years

#### **Normal Retirement Benefits:**

Age 65 with 1 year of service

**Social Security Coverage:** Yes

**COLA:** No COLA

### **ACTUARIAL ASSUMPTIONS:**

**Interest:** 4.75%