



# JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT

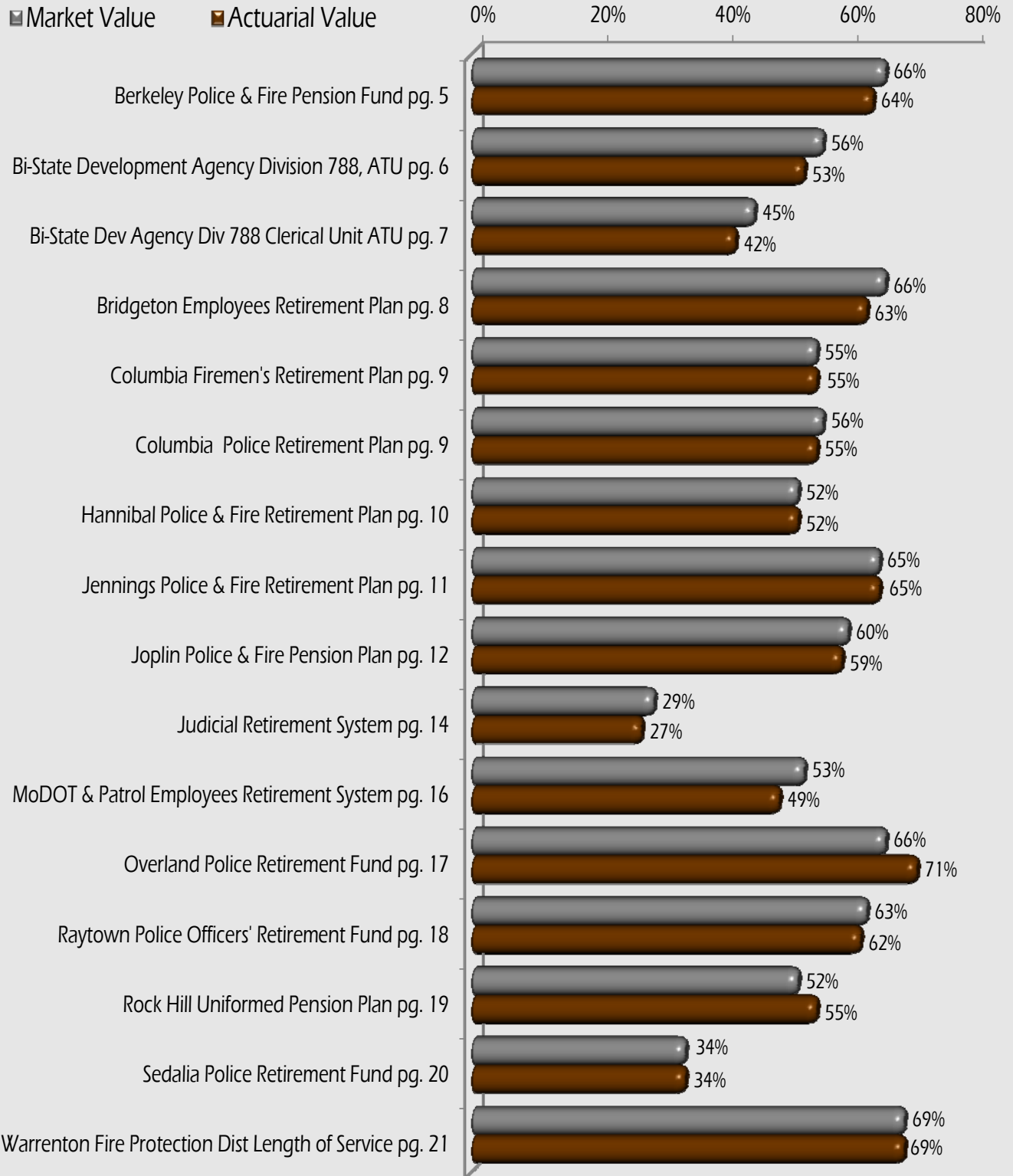
## WATCH LIST

2014

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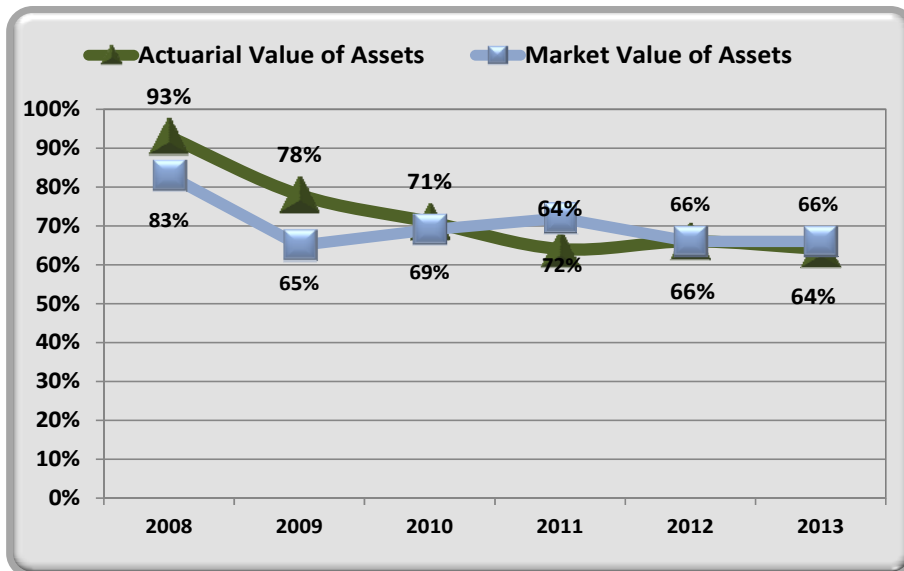
## FUNDED RATIO





# BERKELEY POLICE & FIRE PENSION FUND

- ✚ Rate of return on investments equaled 9.7% (Market) & 5.5% (Actuarial) vs. 7.5% assumed.
- ✚ Investment gains/losses are smoothed over a 5 year period.
- ✚ The plan experienced an actuarial gain for the year ending 06/30/13 through 13 non-vested terminations during the year.
- ✚ 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 2-3 years and below 50% within 6 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>
13/14	\$1,337,551	N/A	-
12/13	\$1,279,952	\$186,654	15%
11/12	\$1,245,038	\$225,619	18%
10/11	\$976,809	\$246,418	25%
09/10	\$855,227	\$228,800	27%

## As of 6/30/13

**Market Value:** \$12,181,113  
**Actuarial Value:** \$11,757,542  
**AAL:** \$18,494,931

## **MEMBERSHIP:**

**Active:** 63      **Inactive:** 49

## **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%

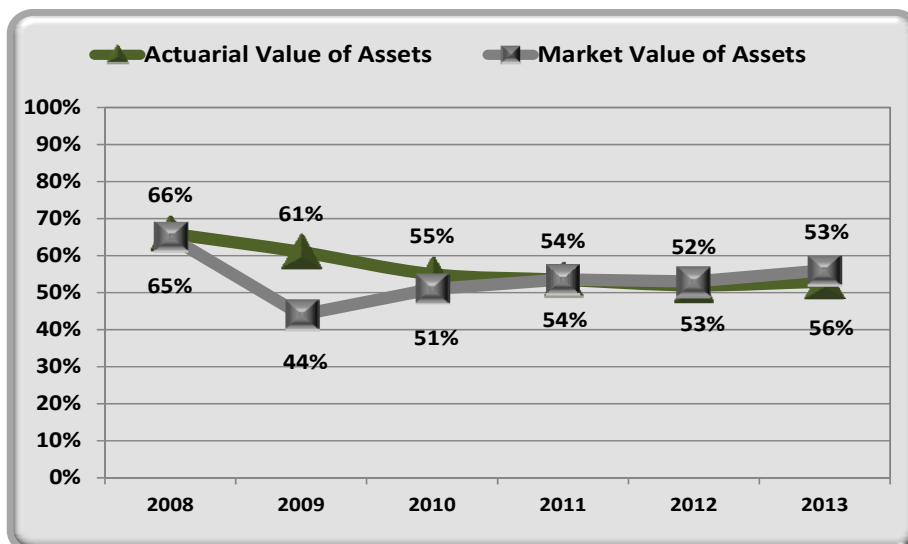
## **ACTUARIAL ASSUMPTIONS:**

**Interest:** 7.5%    **Salary:** 4%

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

- ✦ Rate of return on investments equaled 9.7% (Market) and 5.0% (Actuarial) vs. 7.25% assumed.
- ✦ Investment gains/losses are smoothed over a 5 year period.
- ✦ Unfunded Actuarial Accrued Liability are amortized on a closed 30 year period effective April 1, 2003.
- ✦ The weekly recommended contribution for plan year 13/14 equals \$156.48 per active participant.
- ✦ An additional 5 year weekly contribution of \$8.87 was calculated for the plan to achieve a 60% funded ratio.
- ✦ Employees contribute approx. 30% of weekly contributions.
- ✦ The Employer continues to meet the full ARC & the total recommended contributions were received in Plan Year 2013 after 3 consecutive years of not meeting the total contribution.
- ✦ This plan was included on the State Auditor's "watch list" in 2014.

Plan Year	Div 788, ATU TOTAL Plan Contributions		
	Recmd Total Contribution	Actual Total Contribution	% Contributed
12/13	\$ 10,320,463	\$ 10,954,684	106.15%
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 CONTRIBUTION</u>	<u>EMPLOYER ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
12/13	\$7,830,531	\$7,830,531	100%
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%

## As of 4/1/13

**Market Value:** \$ 97,975,716  
**Actuarial Value:** \$ 92,629,813  
**AAL:** \$176,399,555

### **MEMBERSHIP:**

**Active:** 1,286 **Inactive:** 1,088

### **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 3.5% (Actuarial) and 8.0% (Market) vs. 7.25% assumed.

✚ Investment gains/losses are smoothed over a 5 year period.

✚ Unfunded Actuarial Accrued Liability are amortized on a closed 30 year period effective April 1, 2004.

✚ The weekly recommended contribution for plan year 13/14 equals \$286.32 per active participant (up from \$270.40).

✚ The actuary notes an additional contribution over a 5 year period to reach various funded levels of:

60% funded ratio - \$ 67.32 per week

65% funded ratio - \$107.58 per week

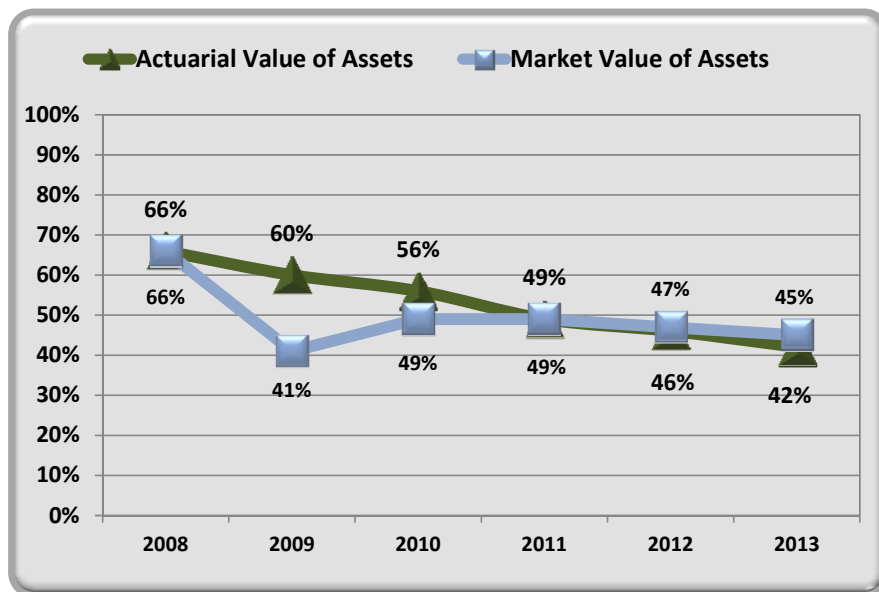
70% funded ratio - \$147.84 per week

✚ 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.

### Clerical Unit, Union Employees TOTAL Plan Contributions

Plan Year	Recmd Total Contribution	Actual Total Contribution	% Contributed
12/13	\$ 703,031	\$ 479,875	68.26%
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%



	<u>EMPLOYER RECOMMENDED CONTRIBUTION</u>	<u>EMPLOYER ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
12/13	\$326,673	\$326,673	100%
11/12	\$402,107	\$402,107	100%
10/11	\$241,797	\$241,797	100%
09/10	\$223,550	\$223,550	100%
08/09	\$216,471	\$216,471	100%

### As of 4/1/13

Market Value: \$ 5,118,949  
Actuarial Value: \$ 4,794,257  
AAL: \$11,383,041

### MEMBERSHIP:

Active: 51 Inactive: 72

### 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

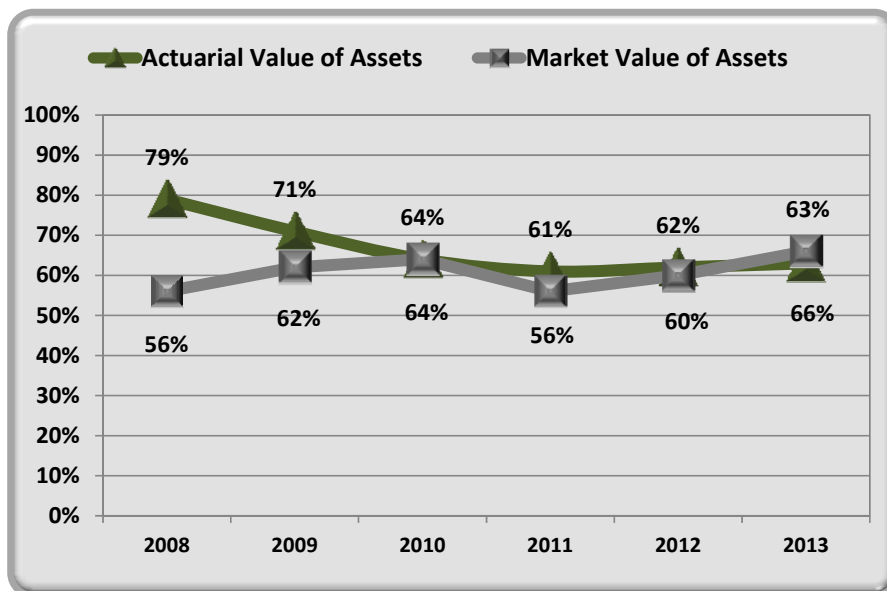
COLA: No COLA

### ACTUARIAL ASSUMPTIONS:

Interest: 7.25%

# BRIDGETON EMPLOYEES RETIREMENT PLAN

- ✦ Rate of return on investments equaled 16.3% (Market) and 9.4% (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 annual cost, as a percentage of payroll, result from the decline in payroll and *“that actual City contributions fell short of target contributions.”*
- ✦ General City sales tax of 1/4 of 1% was passed by voters in August 2013.
- ✦ 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 matching component to the City’s 457 deferred compensation plan for employees hired after January 1, 2012.*
- ✦ *This plan was included on the State Auditor’s “watch list” in 2014.*



	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
2014	\$1,740,187	N/A	-
2013	\$1,767,398	\$1,000,000	56%
2012	\$1,745,095	\$1,000,000	57%
2011	\$1,529,511	\$1,000,000	65%
2010	\$1,400,936	\$900,000	64%
2009	\$1,165,675	\$900,000	77%

## As of 12/31/13

**Market Value:** \$25,278,995  
**Actuarial Value:** \$24,452,827  
**AAL:** \$38,327,780

### **MEMBERSHIP:**

**Active:** 117 **Inactive:** 138

### **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

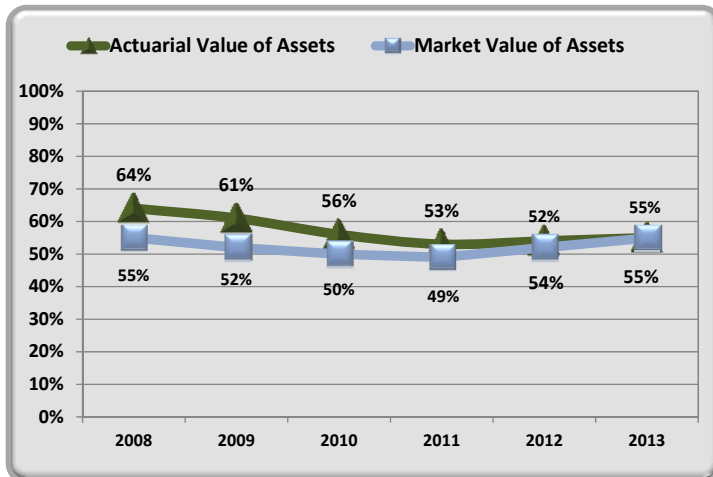
**COLA:** No COLA

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

# COLUMBIA FIREMEN & POLICE RETIREMENT SYSTEMS

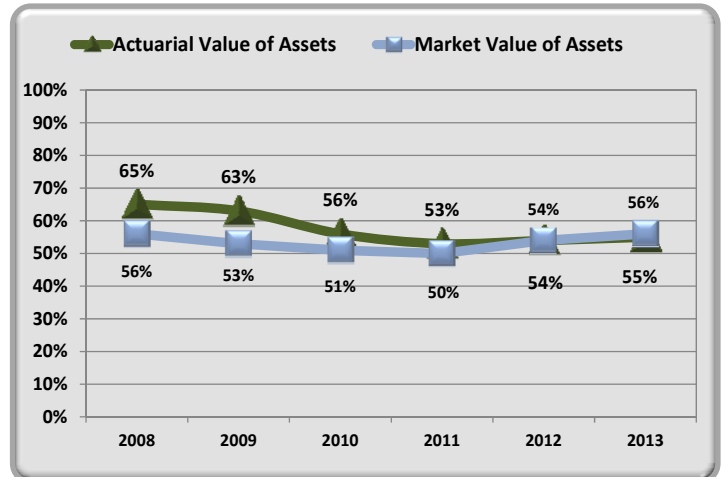
- The Fire & Police plans are comingled for investment purposes. Rate of return on investments equaled 9.7% (Market) & 8.0% (Actuarial) vs. 7.5% assumed. Investment gains/losses are smoothed over a 4 year period.
- Unfunded liabilities amortized over a 26 year closed period.
- A new tier of provisions 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.
- 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.
- These plans were included on the State Auditor's watch list in 2014.*

## FIREFIGHTER'S RETIREMENT FUND



	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
13/14	\$4,376,766 est.	n/a	n/a
12/13	\$4,382,296	\$4,382,296	100%
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%

## POLICE RETIREMENT SYSTEM



	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
13/14	\$3,340,920 est.	n/a	n/a
12/13	\$3,243,455	\$3,243,455	100%
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%

**As of 09/30/13**

Market Value:	\$ 60,876,677	Membership:
Actuarial Value:	\$ 61,190,565	Active: 136
AAL:	\$ 110,758,321	Inactive: 147

**Normal Retirement Formula:**  
 3.5% of compensation for first 20 years + 2% for next 5 years  
 Max: 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 09/30/13**

Market Value:	\$ 42,007,703	Membership:
Actuarial Value:	\$ 41,564,868	Active: 150
AAL:	\$ 74,992,992	Inactive: 155

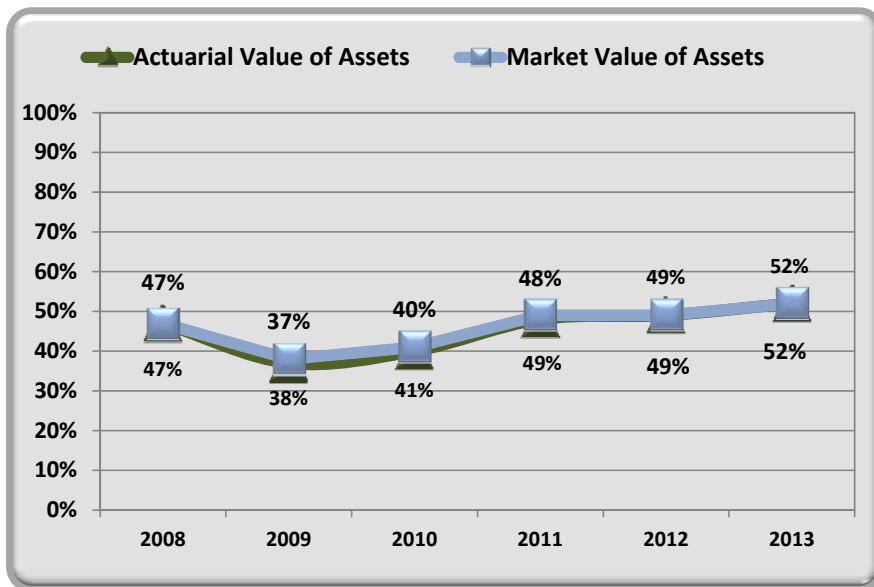
**Normal Retirement Formula:**  
 3% of compensation for first 20 years + 2% for next 5 years  
 Maximum: 70% of compensation  
*2.0% of compensation up to 25 years + 1.5% each year over 25 years Max—57.5% of compensation (new hires)*

**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%

# 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. The city has contributed more than recommended contribution in the last two years. Asset gains have helped increase the funded status. The new policy, implemented in 2012 increasing employee contributions while not decreasing the city's contribution rate will also help the Plan in its recovery. However, any pattern 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 for the past 2 years after 6 years of not meeting ARC.



	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
<b>13/14</b>	\$994,809	N/A	-
<b>12/13</b>	\$1,010,251	\$1,212,249	120%
<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%

**As of 6/30/13**

**Market Value:** \$12,636,059  
**Actuarial Value:** \$12,616,812  
**AAL:** \$24,262,236

**MEMBERSHIP:**

**Active:** 74      **Inactive:** 64

**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

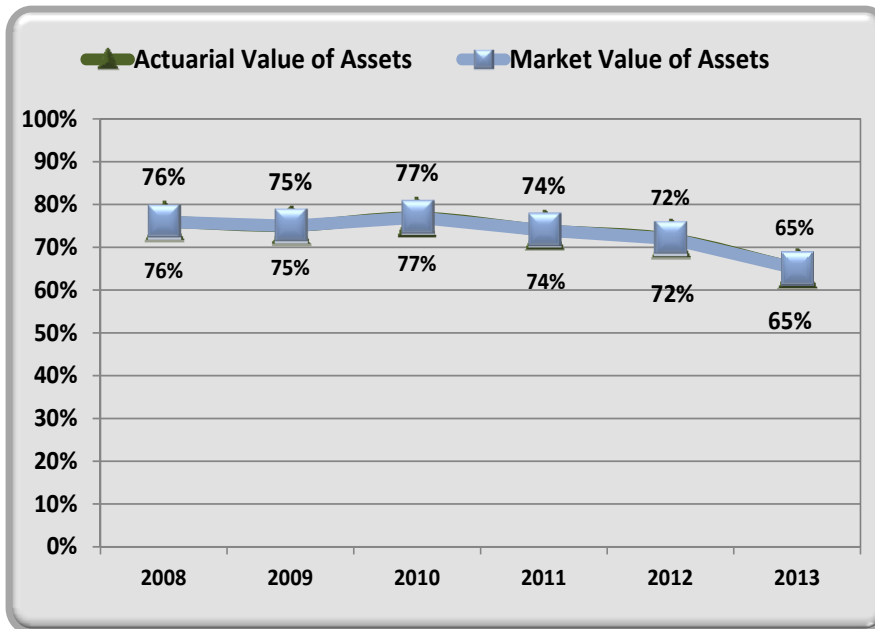
No COLA if Funded Ratio below 50%

**ACTUARIAL ASSUMPTIONS:**

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

# JENNINGS POLICE & FIRE RETIREMENT FUND

- ✚ Rate of return on investments equaled 3.3% (Market) vs. 6% assumed.
- ✚ Investment gains/losses are not smoothed.
- ✚ Closed 15 year period for amortization of unfunded liabilities.
- ✚ Plan was closed in 1987 with new hires joining LAGERS.
- ✚ First time being included on JCPER watch list.
- ✚ Officials with this plan expressed interest in LAGERS administration proposal of 2014. This bill was TAFP'd under SB 675 but was vetoed by the Governor.
- ✚ The Police Department was disbanded in 2011 with the St. Louis County Police Department being contracted for public safety purposes.
- ✚ Voters approved the dissolving of the Fire Department in August 2014 with the city merging with Riverview FPD for fire services.
- ✚ Employees contribute 3.39% of pay, which is refunded at retirement.
- ✚ The City has met the ARC two years (2010 & 2011) since 1999. The contribution is tied to a tax levy which the actuary notes is *"no longer adequate to meet this funding timeline"*.



**As of 04/01/13**

**Market Value:** \$5,604,265  
**Actuarial Value:** \$5,604,265  
**AAL:** \$8,554,488

**MEMBERSHIP:**

**Active:** 4      **Inactive:** 43

**BENEFITS:**

**Normal Retirement Formula:**

2.25% of compensation times years of service

Maximum: 50% of compensation

**Normal Retirement Benefits:**

Age 55 with 20 years of service

Age 65 with 15 years of service

**Social Security Coverage:** Yes

**COLA:** No COLA

**ACTUARIAL ASSUMPTIONS:**

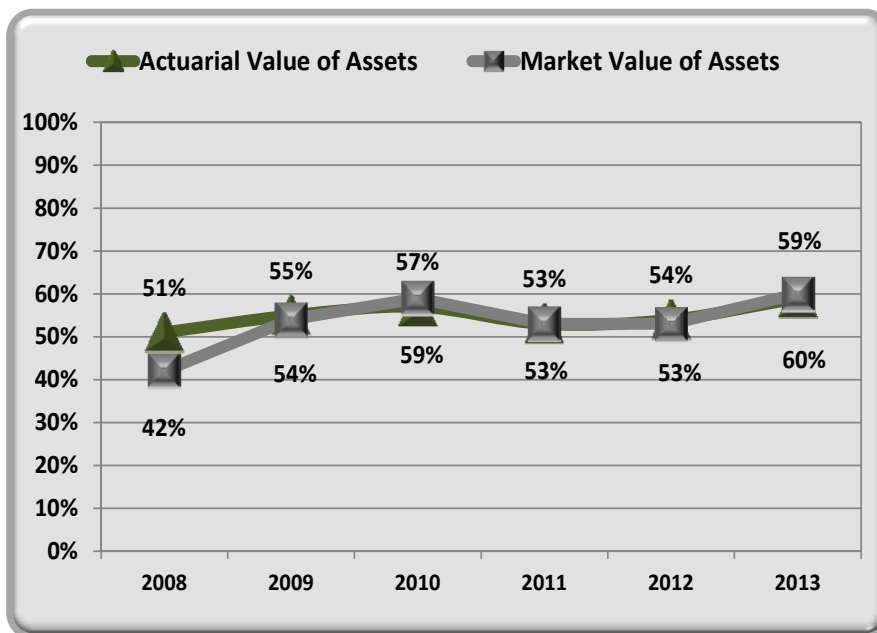
**Interest:** 6%      **Salary:** 4%

**Plan Closed in 1987 with New Hires joining LAGERS.**

	<b><u>RECOMMENDED CONTRIBUTION</u></b>	<b><u>ACTUAL CONTRIBUTION</u></b>	<b><u>PERCENT CONTRIBUTED</u></b>
<b>13/14</b>	\$315,629	N/A	-
<b>12/13</b>	\$244,685	\$203,049	83%
<b>11/12</b>	\$209,394	\$203,184	97%
<b>10/11</b>	\$201,076	\$210,405	105%
<b>09/10</b>	\$216,908	\$218,467	101%
<b>08/09</b>	\$200,240	\$185,587	93%

# JOPLIN POLICE & FIRE PENSION PLAN

- ↳ Rate of return on investments equaled 10.5% (Market) & 7.3% (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 prefunded \$1 million in addition to the ARC in fiscal year 2013.
- ↳ *This plan was included on the State Auditor's "watch list" in 2014.*



## As of 10/31/13

**Market Value:** \$33,287,630  
**Actuarial Value:** \$32,674,943  
**AAL:** \$55,327,408

### **MEMBERSHIP:**

**Active:** 198      **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%

	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
<b>13/14</b>	\$2,737,752	N/A	-
<b>12/13</b>	\$2,580,017	\$3,718,194	144%
<b>11/12</b>	\$2,214,118	\$2,473,301	112%
<b>10/11</b>	\$2,214,118	\$2,653,556	120%
<b>09/10</b>	\$2,206,690	\$1,797,683	81%
<b>08/09</b>	\$2,169,744	\$2,443,752	113%



**Office of the Finance Director  
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State of Missouri  
Joint Committee on Public Employee Retirement  
State Capitol, Room 219-A  
Jefferson City, Mo 65101

Ladies and Gentlemen:

The Joplin Policemen's and Firemen's Pension Plan is currently funded less than 70%. On January 31, 2009, the pension plan and the City of Joplin passed a major change to the plan that provided a long-term solution for the funding status of the plan. The original actuarial analysis indicated the changes to the plan would increase the funding status of the plan to above 80% over a period of approximately eight to ten years. As stated, the new plan is different for all new hires after 1/31/09.

Some changes to the plan include the following for new hires after 1/31/09:

- \*The employee contribution drops to 10% of pay; however, upon retirement this amount is no longer refunded to the employee but retained in the plan to help fund the plan over time.

- \*Full retirement benefits after twenty-five (25) years of service rather than twenty (20) years.

- \*By Ordinance, the City agreed to fund the plan at a progressive rate each year until finally reaching the full actuarial required rate beginning on 11/1/11.

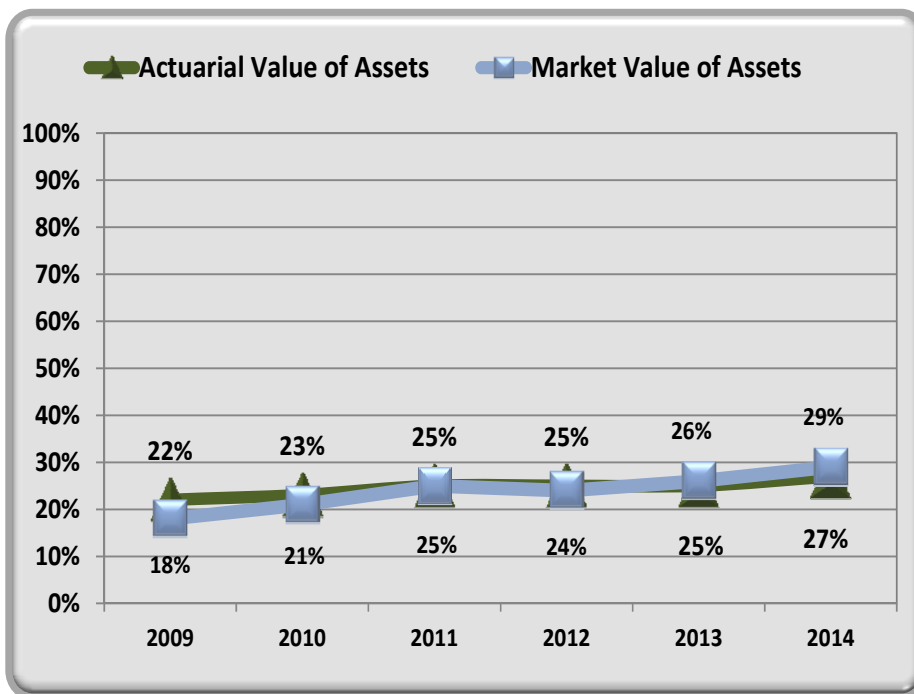
While these changes will help the funding status of the plan over the long-term, there was also a short-term commitment by the City to improve the funding status of the plan. Specifically, the city has made several additional contributions to the plan. The City made a one-time contribution of \$1,000,000 in 2009 and another \$1,000,000 contribution in 2013. In fact, each year since the change to the plan, the City has contributed more than the actuarial recommended contribution rate. As a result, the plan was 54% funded on 10/31/12 and 59.1% funded on 10/31/13. Since the change to the plan in 2009, without additional contributions by the City, the funded status of the plan has consistently increased approximately 2% per year. Given this information, it is expected the plan will be 70% funded in no more than ten years. It is possible that this will occur faster, but it depends in large part on the retention of the employees on the original plan.

However, the guarantee of the City contribution at the actuarial recommended amount, along with the board approved policy change of using a 30-year closed amortization period, it is certain the funded status of the pension plan will continue to increase over the next several years. The pension board and the City of Joplin place a high priority on the funding of the pension plan and continue to look for innovative ways to increase the funding of the plan.

Thank you for the opportunity to respond.  
Joplin Policemen's and Firemen's Pension Board

# JUDICIAL RETIREMENT PLAN

- ✦ Rate of return on investments equaled 11.77% (Actuarial) and 19.24% (Market) 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.
- ✦ Board of Trustees voted to certify an annual contribution rate minimum of 58.45% of payroll until the plan's funded ratio is at least 80%.
- ✦ 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.



**As of 6/30/14**

**Market Value:** \$132,645,657  
**Actuarial Value:** \$124,269,105  
**AAL:** \$462,336,255

**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

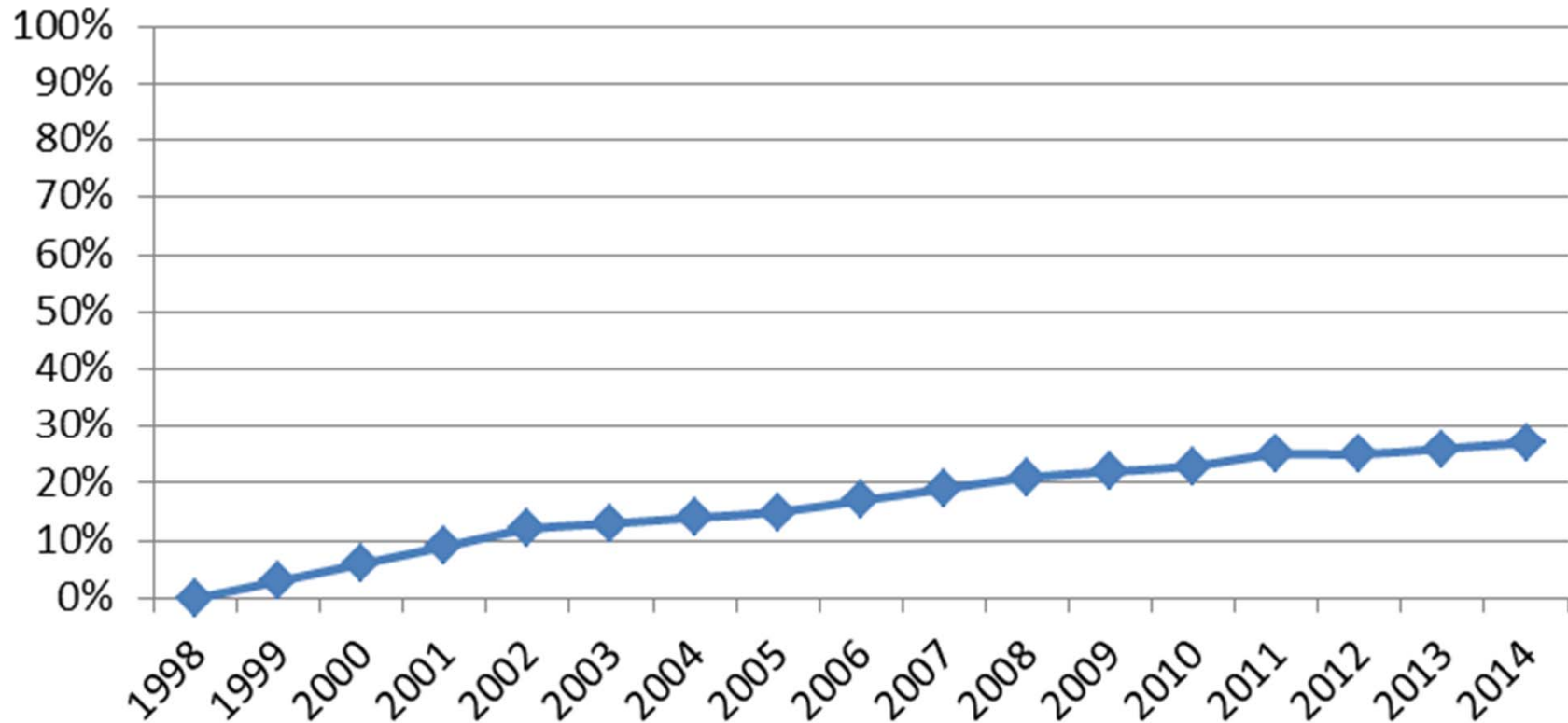
**COLA:** Annual Amount Max: 5%  
 Percent of CPI: 80%

**ACTUARIAL ASSUMPTIONS:**

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

	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
<b>14/15</b>	\$30,200,000 (estimated)	N/A	-
<b>13/14</b>	\$29,264,877	\$29,264,877	100%
<b>12/13</b>	\$28,330,648	\$28,330,648	100%
<b>11/12</b>	\$26,324,526	\$26,324,526	100%
<b>10/11</b>	\$27,702,682	\$27,702,682	100%

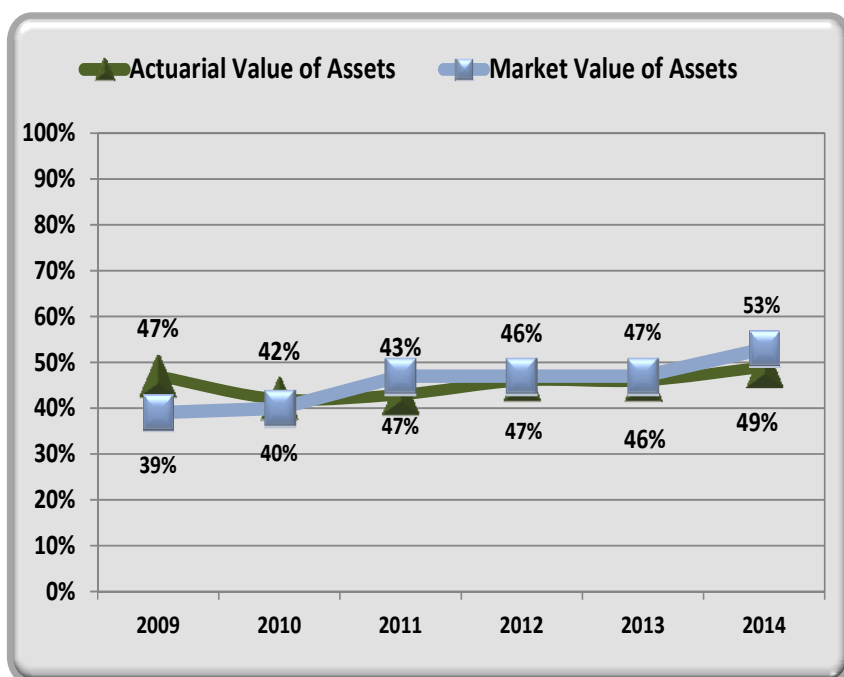
## Judicial Retirement Plan Funded Status Since the Inception of the Funding Program



As was noted in the JCPER report, the plan was funded on a pay-as-you-go basis until 1998 with no accumulation of assets. Steady funding progress has been made since the actuarial funding program was initiated.

# MoDOT & PATROL EMPLOYEES RETIREMENT SYSTEM

- ✦ Rate of return on investments equaled 18.28% (Market) and 11.36% (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%.
- ✦ 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 06/30/14, 1,060 members were covered under the 2011 tier.
- ✦ Closed 10 year period amortization of unfunded retiree liabilities and closed 25 year period amortization for the remaining unfunded liabilities.
- ✦ Board voted to certify the FY15/16 contribution at the same level as FY 14/15 which exceeds the actuary's ARC to allow for a "rate stabilization reserve fund".
- ✦ Employees hired for the first time on or after 1/1/11, contribute 4% of pay.
- ✦ The Employer continues to meet the ARC.
- ✦ *This plan was included on the State Auditor's "watch list" in 2014.*



	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
14/15	\$200,485,540 (estimated)	N/A	-
13/14	\$183,358,841	\$183,358,841	100%
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 6/30/14

**Market Value:** \$1,937,268,639  
**Actuarial Value:** \$1,795,264,291  
**AAL:** \$3,650,241,741

### MEMBERSHIP:

**Active:** 7,390 **Inactive:** 10,613

### 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

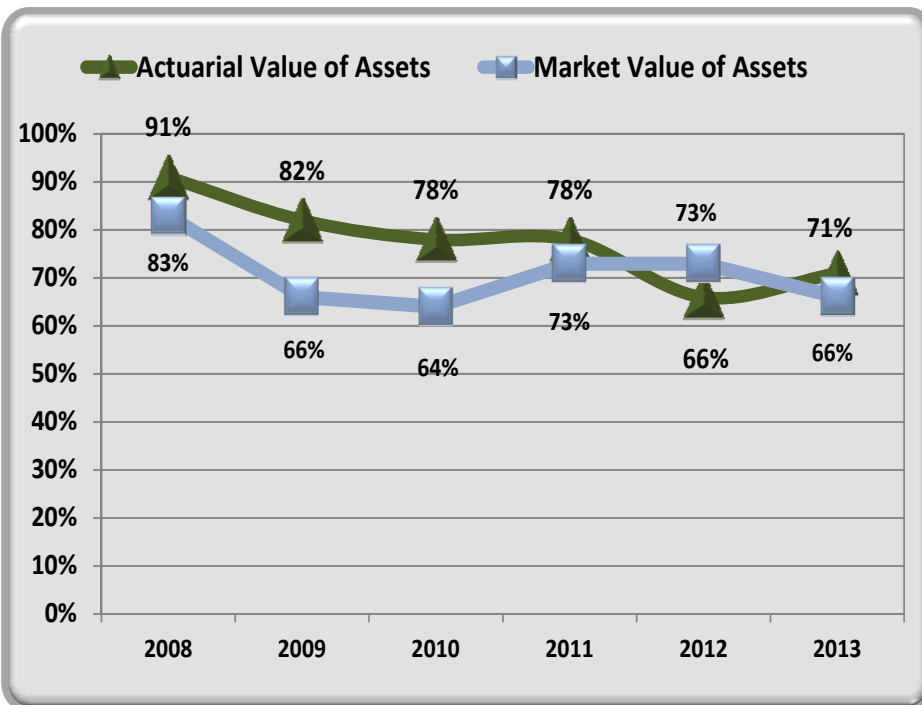
**COLA:** Annual Amount Maximum: 5%  
Percent of CPI: 80%

### ACTUARIAL ASSUMPTIONS:

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

# OVERLAND POLICE RETIREMENT FUND

- ↳ Rate of return on investments equaled 6.0% (Market) and 4.5% (Actuarial) vs. 7.5% assumed.
- ↳ Gains/losses are smoothed over a 4 year period.
- ↳ The Aggregate Cost Method is utilized by the plan which does not yield an actuarial accrued liability.
- ↳ The actuary notes *"The rate [property tax] is currently 12 cents which is less than one-third of the recommended rate. Although the Plan has no immediate solvency issues, this contribution shortfall issue should be addressed as soon as possible. Potential approaches might include: i) securing a higher rate from the County, ii) developing an additional source of funding and/or iii) adjusting the benefit provisions to a level consistent with what the current tax rate will support."*
- ↳ Employees contribute 5% of pay to the Plan.
- ↳ The City has not met the ARC since 2008.



**As of 04/01/13**

**Market Value:** \$12,867,194  
**Actuarial Value:** \$13,942,330  
**AAL:** \$19,506,350

**MEMBERSHIP:**

**Active:** 47 **Inactive:** 37

**BENEFITS:**

**Normal Retirement Formula:**  
 2.5% of compensation for first 20 years of service, plus 1.5% for each of the next 10 years of service

**Normal Retirement Benefits:**  
 20 years of service, or  
 Age 62 w/ 18 years of service, or  
 SSA full retirement age w/ 5 years of service

**Social Security Coverage:** Yes

**COLA:** Annual Max: 3%  
 Percent of CPI: 60%

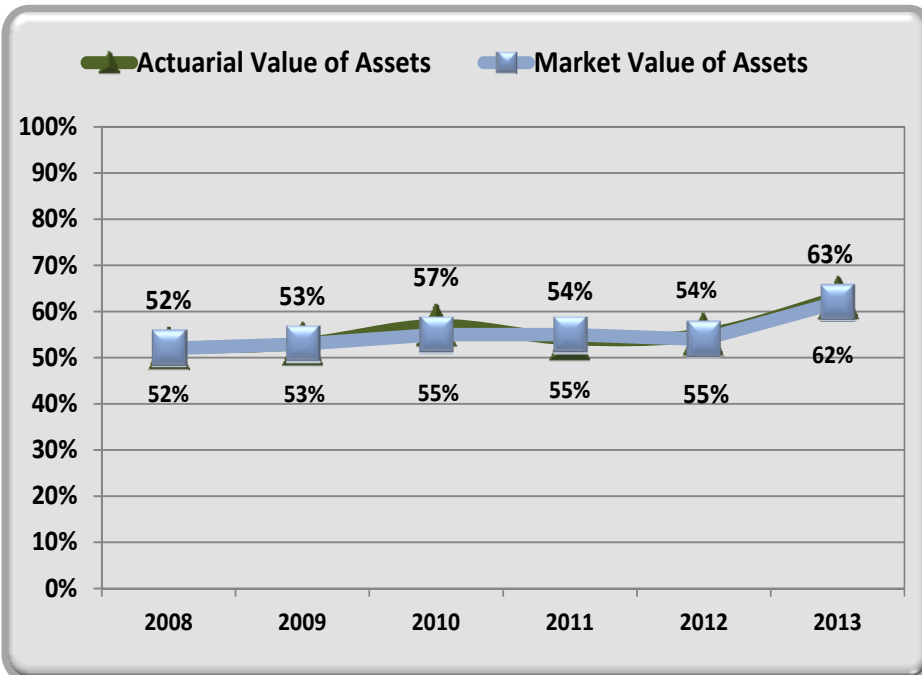
**ACTUARIAL ASSUMPTIONS:**

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

	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
<b>2013</b>	\$802,905	\$268,988	34%
<b>2012</b>	\$696,430	\$271,164	39%
<b>2011</b>	\$676,873	\$275,969	41%
<b>2010</b>	\$574,731	\$259,656	45%
<b>2009</b>	\$406,552	\$314,083	77%

# 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.
- ↳ Plan utilizes a Closed 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. The City policy to contribute the recommended contribution will allow the funded status to slowly improve."*
- ↳ The City met or exceeded the ARC for plan years 2011, 2012, and 2013.
- ↳ **The Plan was frozen as of December 31, 2013 with members moving to LAGERS.**



## As of 12/31/13 and 10/31/13

**Market Value:** \$10,181,542  
**Actuarial Value:** \$10,434,102  
**AAL:** \$16,493,351

## **MEMBERSHIP:**

**Active:** 47    **Inactive:** 35

## **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—Benefits are frozen as of 12/31/13.

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

**Social Security Coverage:** Yes

**COLA:** No COLA

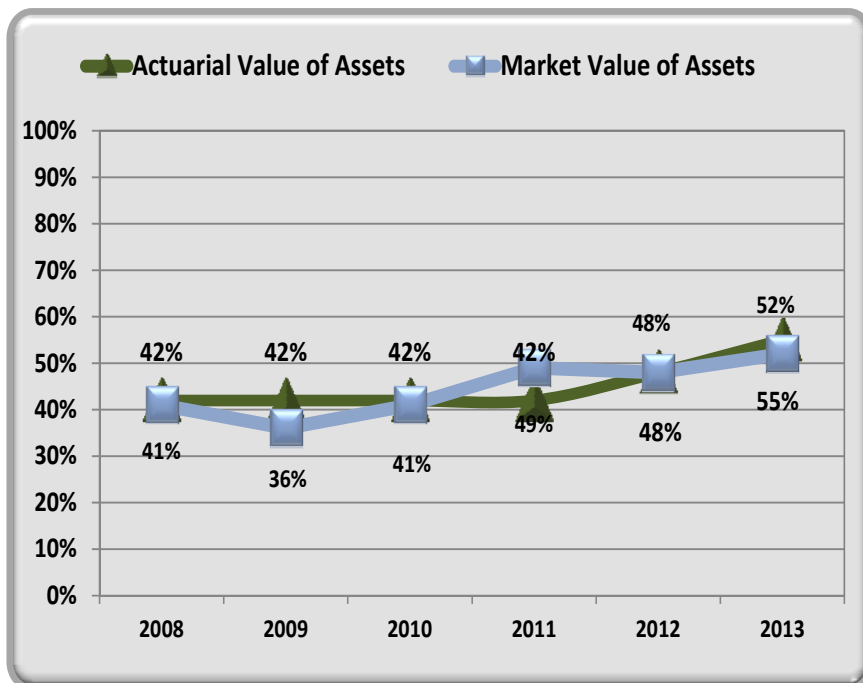
## **ACTUARIAL ASSUMPTIONS:**

**Interest:** 7.5%    **Salary:** 4%

	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
2014	\$508,285	N/A	-
2013	\$660,842	\$660,842	100%
2012	\$678,787	\$686,270	101%
2011	\$616,618	\$645,818	105%
2010	\$865,591	\$721,033	83%

# 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 & 5/1/14

**Market Value:** \$1,891,531  
**Actuarial Value :** \$2,004,533  
**AAL:** \$3,642,395

### MEMBERSHIP:

**Active:** 8      **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:

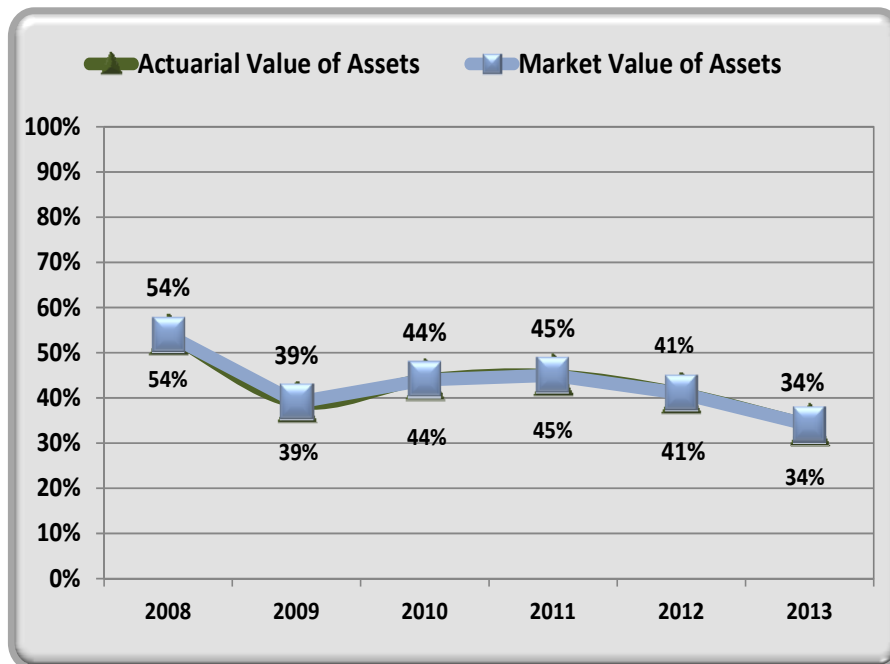
**Interest:** 6.0%      **Salary:** 0%

**Closed Plan effective October 2003**

	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
13/14	\$199,227	n/a	-
12/13	\$251,551	\$210,325	84%
11/12	\$251,551	\$210,325	84%
10/11	\$293,522	\$213,226	73%

# SEDALIA POLICE RETIREMENT FUND

- ✦ Rate of return on investments equaled 1.49% (Market) vs. 7.5% assumed (investment assumption was reduced to 6.0% effective the 8/01/13 actuarial valuation).
- ✦ The reduced investment assumption increased the accrued liability by \$1.3 million.
- ✦ Plan does not smooth investment gains/losses.
- ✦ Unfunded Actuarial Accrued Liabilities amortized over a 25 year period as of 2013.
- ✦ The actuary notes 3 investment assumption scenarios and an time estimate of when the plan will have liabilities that it will not be able to fund using available assets. This time estimate ranges from 2020 to 2023.
- ✦ 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>
2014	\$459,978	N/A	-
2013	\$394,889	\$235,179	57%
2012	\$359,75	\$231,860	64%
2011	\$429,331*	\$222,527	52%
2010	\$597,847	\$221,579	37%

\* estimate

## As of 7/31/13

**Market Value:** \$3,153,449  
**Actuarial Value:** \$3,153,449  
**AAL:** \$9,382,244

### **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%

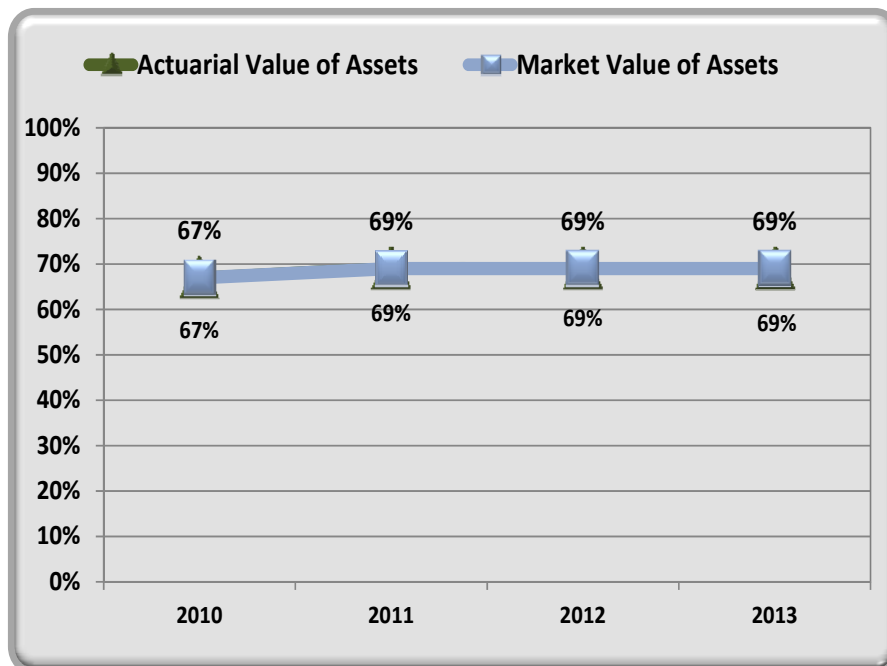
### **ACTUARIAL ASSUMPTIONS:**

**Interest:** 6.0%

**Plan Frozen April 2010**  
**Current & New Employees moved to LAGERS**

# 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, 2012 and 2013.



## As of 12/31/13

**Market Value:** \$178,851  
**Actuarial Value:** \$178,851  
**AAL:** \$260,218

### **MEMBERSHIP:**

**Active:** 32      **Inactive:** 17

### **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%

	<u>RECOMMENDED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>PERCENT CONTRIBUTED</u>
<b>2013</b>	\$21,299	\$32,565	153%
<b>2012</b>	\$18,297	\$19,320	106%
<b>2011</b>	\$30,668	\$32,064	105%