

NEWSLETTER OF THE PUBLIC SCHOOL RETIREMENT SYSTEM OF THE CITY OF ST. LOUIS (PSRSSTL)

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Public School Retirement System of the City of St. Louis

www.psrstl.org



Summer 2017



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INSURANCE OPEN ENROLLMENT

The health insurance open enrollment period for 2018 begins soon. Retired members covered by medical and dental insurance plans offered through or sponsored by PSRSSTL will see an Open Enrollment Packet in the mail in early October 2017.

Information regarding open enrollment meetings will be included with the packet and posted on the website, www.psrstl.org.

ANNUAL BENEFIT STATEMENTS

The 2017 Annual Benefit Statements will be mailed to active members in August. Review your statement carefully to ensure personal information reported to PSRSSTL by your employer is accurate. To make updates to personal information, members must work with their employers. For questions about retirement information on your statement, contact the Retirement System.

GOVERNOR APPROVES NEW LAW

Governor Eric Greitens signed into law Senate Bill No. 62 (SB 62). The revisions in SB 62 take effect on August 28, 2017, and change retirement benefits and provisions for members and employers as follows.

- “Rule of 85” replaced by “Rule of 80”
- Member & employer contribution rates begin 0.5% annual change in 2018 & 2019 until each reach 9% of covered compensation.
- In 2018, new Members to contribute 9% of covered compensation upon employment.
- In 2018, new Members to earn retirement benefits based on a 1.75% pension factor. The pension factor for current Members will remain at 2.0%.

PSRSSTL will update all affected member communications, such as the Member Handbook, and post the documents on the website beginning August 28, 2017.

Regular Board Meeting Schedule for Remainder of 2017

October 16th
December 18th
 Usually 4:30 p.m.
 Meetings are open to the public and held in the boardroom on the 2nd floor at 3641 Olive Street St. Louis, Missouri

MEMORIALS

The Retirement System regretfully reports the following members as deceased:

Arlene Alillups, Thomas J. Bahlinger, William Bishop Sr., Johnny B. Blair, Carolyn Bloemer, Pamela L. Bonnot, Russell Buchanan, Lawrence E. Carroll, Gloria D. Collins, Maxwell Culmore, Sharon L. Diaz, Maurice L. Dinwiddie, Irene V. Fenner, Hatchie D. Greene, Charleszetta Henderson, Janice M. Hill, Ella S. Holtwick, Alvin M. Howard, Rosie Howard, Adrienne J. Hutchison, Frank Intagliata, Lawrence Johnson, Pamela Klein, Artis Lark, Alma D. McNamara, Keith W. McWilliams, Joseph Merriweather, Jamae Milam, Julia Y. Moore, Patricia S. Nelson, Cedric M. Nichols, Artimese B. Pack, Jesse Parr, Michael Pfefferkorn, Gregory J. Ragsdale, Constance Ramsey, Marjorie Rhoten, Alicia F. Sherod, Charles W. Smith, Kevin L. Smith, David P. Strauss, Evelyn M. Strong, Kenneth Strumpler, Elizabeth Temple, Shirley M. Unger, Marianne S. Wehrle, Armetta Whitmore, Fannie L. Whittaker and Chloe W. Williams



RETIREMENT APPLICATION DEADLINES

Applications must be filed at least 15 days prior to retirement. The next (6) deadlines are:

<u>Deadline</u>	<u>Retirement</u>	<u>Deadline</u>	<u>Retirement</u>
September 18, 2017	October 1, 2017	December 18, 2017	January 1, 2018
October 17, 2017	November 1, 2017	January 17, 2018	February 1, 2018
November 16, 2017	December 1, 2017	February 14, 2018	March 1, 2018

Mission Statement

The Mission of the Public School Retirement System of the City of St. Louis is to enhance the well-being and financial security of its members, retirees and beneficiaries through benefit programs and services which are soundly financed and prudently administered in an effective and efficient manner.

PSRSSTL STAFF CONTACTS



314-534-7444

<u>Staff Member</u>	<u>Position</u>	<u>Ext.</u>
Angela Johnson	Member Services Lead	3014
Dawn Waters	Insurance Benefits Specialist	3011
Robin Willis	Receptionist/Clerical Assistant	3010
Terry Mayes	Accounting Specialist	3012
Tiffany Jones	Customer Service Representative	3013
Tom Kinealy	Technology Manager	3017
Fax Number		314-533-0531

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2017 SECOND QUARTER INVESTMENT BRIEF

“Investing your money for lifetime security”

The Retirement System’s investment portfolio experienced a positive return of 3.0% during the 2017 Second Quarter, ranking in the top 65% of similar public funds. During the one-year period ending on June 30, 2017, the Retirement System experienced a positive return on investments of 12.1%, a net increase of 3.7% in market value, and ranked in the top 64% of similar public funds. The summaries of the PSRSSTL market value, rankings, investment returns and asset allocation of funds held in trust on behalf of the membership for the reporting period follow.

Market Value		
Period Ending 06/30/2017	One Quarter	One Year
Beginning Market Value	\$855,397	\$827,557
Net Additions/Deductions ¹	(23,545)	(68,892)
Return on Investment	25,890	99,077
Ending Market Value	\$857,742	\$857,742
¹ Deductions fund pension payments	(Dollars in \$000's)	

Period Ending 06/30/2017	Percentile Ranking (Public Funds Universe)	Investment Return
One Quarter	65 th	3.0%
One Year	64 th	12.1%
Three Years	76 th	4.4%
Five Years	76 th	8.1%
Ten Years	50 th	5.2%
Since 1997	29 th	6.8%

Asset Allocation Summary Period Ending 06/30/2017		
Asset Class	Market Value	% of Portfolio
Domestic Stocks	\$244,721,171	28.5%
Domestic Bonds	110,177,345	12.9%
International Stocks	133,229,747	15.5%
Global Stocks	46,779,146	5.5%
International Bonds	36,627,945	4.3%
Emerging Markets Debt	26,966,269	3.1%
Tactical Asset Allocation (GTAA)	101,424,548	11.8%
Hedge Funds	74,166,059	8.6%
Real Estate	53,700,980	6.3%
Alternatives	25,750,320	3.0%
Cash	4,198,325	0.5%
Total	\$857,741,855	100%

MEDICARE INSURANCE INFORMATION

If you are a retiree enrolled in a secondary Medicare medical plan with UnitedHealthcare through the St. Louis Public Schools (SLPS), you might save on premium costs by switching to a PSRSSTL Medicare Advantage Plan during the open enrollment period for 2018.

Please review the 2018 Insurance Open Enrollment Packet to be mailed to covered retirees in early October 2017. A review will reveal your eligibility for a Medicare Advantage Plan and **any premium cost savings**. If you decide a change is appropriate for 2018, PSRSSTL is here to assist you during the open enrollment period.

There are two SLPS Plans and soon to be three Medicare Advantage PPO Plans, any cost savings will vary based on the type of plans under comparison. In the past, retirees have saved at least \$1,700 in annual premium costs by simply changing plans.

A review of your medical history prior to making a change is very important because of possible additional out-of-pocket costs with the Medicare Advantage Plans.

PSRSSTL INFORMATION NEWS FLASH

- ◆ If you are a retiree with dependent(s) covered under your health insurance and/or benefit payment option, and your dependent(s) predecease you, please notify the Retirement System at once to ensure changes are made timely to your insurance coverage and retirement benefits.
- ◆ The waiting period to replace a lost pension check is ten (10) calendar days and, in most cases, replacement checks may only be issued after the 10th of the month.
- ◆ If you are a retiree or survivor beneficiary, please remind your loved ones to contact PSRSSTL immediately upon your death to avoid the collection of overpayments.

Please remember to keep your mailing address current with your employer or PSRSSTL if retired.

Mailing Schedule for Remainder of 2017

Newsletters: November

Annual Benefit Statements: August

Health Insurance Open Enrollment Packets: October

Election Information: as needed

BENEFIT INCREASES ARE NOT SET IN STONE

The Board of Trustees and Executive Director would like to remind all members how pension benefits are determined upon retirement. An employee contributes a certain percentage of covered compensation each pay period, earning credited service over time that is used as part of a formula set in state law.

The last employee contribution rate change for many retirees, from 4.5% to 5%, occurred in 1999. The employee contribution rate never includes an added cost component for future benefit increases and retirees are paid a defined benefit based on compensation during employment. All pension benefit increases are made on an ad-hoc basis, subject to approval by the Board of Trustees and the Board of Education because of added employer costs, and only occur when funding sources become available.

Members should consider pension benefits as fixed income. Accordingly, the retirement system encourages members to plan for their income source limits prior to retirement.

WARNING ABOUT A POTENTIAL SCAM

IF YOU ARE CONTACTED BY ANYONE OFFERING UNSOLICITED OR FREE PSRSSTL RETIREMENT ADVICE OR COUNSELING, **IT IS A SCAM**. PLEASE NOTE: THE PSRSSTL DOES NOT CONTACT ITS MEMBERSHIP UNEXPECTEDLY TO OFFER UNSOLICITED OR FREE RETIREMENT SERVICES.