

**PUBLIC SCHOOL RETIREMENT SYSTEM
OF THE CITY OF ST. LOUIS**

MINUTES OF THE BOARD OF TRUSTEES REGULAR MEETING

June 19, 2017

I. ROLL CALL AND ANNOUNCEMENT OF A QUORUM

The June meeting of the Board of Trustees of the Public School Retirement System of the City of St. Louis (PSRSSTL) was called to order at around 4:40 p.m., Monday, June 19, 2017. The meeting was held in the 2nd floor boardroom of the PSRSSTL office building located at 3641 Olive Street, St. Louis, Missouri. Joseph Clark, Chairman of the Board of Trustees, was the presiding officer.

Roll Call was taken and Trustees Paula Bentley, Joseph Clark, John Moten, Bobbie Richardson, Rick Sullivan and Eural Thomas were present. The Board of Trustees had a quorum at the meeting. Trustee Yvette Levy joined the meeting in progress. Trustees Christina Bennett, Darnetta Clinkscale and Sheila Goodwin were absent.

Executive Director, Andrew Clark, Accounting Specialist, Terry Mayes, PSRSSTL Attorney Representative, Matt Gierse, PSRSSTL Actuary Representatives, Troy Jaros and Stephen Robb, and several interested parties were also in attendance.

The Chairman asked for a motion to change the meeting agenda by moving the Report of the Attorney before the Report of the Actuary to add continuity to the Actuarial Valuation Report because of impending legislation waiting for action by the Missouri Governor.

John Moten made a motion, seconded by Bobbie Richardson, to move the Report of the Attorney before the Report of the Actuary.

By voice vote, motion carried.

II. APPROVAL OF MINUTES FROM LAST MEETING

Rick Sullivan made a motion, seconded by John Moten, to approve the minutes of the Board of Trustees Regular Meeting of April 17, 2017.

By voice vote, motion carried.

John Moten made a motion, seconded by Bobbie Richardson, to approve the minutes of the Special Telephonic Board of Trustees Meeting of April 26, 2017.

By voice vote, motion carried.

III. READING OF COMMUNICATIONS TO THE BOARD OF TRUSTEES

None

IV. PRESENTATIONS BY INTERESTED PARTIES

None

V. CONSENT AGENDA

Yvette Levy made a motion, seconded by Rick Sullivan, to approve the Retirements and Benefits of May and June 2017. The Chairman made a few comments on the low number of retirees.

By voice vote, motion carried.

John Moten made a motion, seconded by Bobbie Richardson, to approve the Refunds and Bills of April and May 2017.

By voice vote, motion carried.

VI. UNFINISHED BUSINESS

Trustee Christina Bennett was absent for the second reading of the proposed amendment to Chapter A., Rule VI. Committees, Section 1; thus, the Chairman made the second reading as follows:

Section 1¹. No later than April 1 of each year, the Chairperson of the Board of Trustees shall establish such Committees to serve for the current year for such purposes as the Chairperson deems appropriate; and the Chairperson may dissolve any Committee so appointed with the approval of the Board of Trustees. Each such Committee shall be charged with the duty to meet and recommend action to the Board of Trustees on matters within the scope of the Committee's purpose, but shall have no authority to take action on behalf of the Board of Trustees. If the April 1st deadline is not adhered to by the Chairperson of the Board of Trustees, then the Vice Chairperson shall establish such Committees to allow the continuance of business.

¹Proposed new text is underlined.

Rick Sullivan made a motion, seconded by John Moten, to adopt the rule amendment as read by the Chairman. There was some discussion regarding the reasons behind the rule change.

A roll call vote was taken.

Paula Bentley	Yes	Joseph Clark	Yes	Yvette Levy	Yes
John Moten	Yes	Bobbie Richardson	Yes	Rick Sullivan	Yes
Eural Thomas	Yes				

With seven yes votes, motion carried.

VII. REPORT OF THE CHAIRPERSON

None

VIII. REPORT OF THE EXECUTIVE DIRECTOR

The Executive Director reported on upcoming Trustee travel; five Trustees will be attending the annual NASP conference and three Trustees will be attending the annual MAPERS conference; and one Trustee is ineligible for travel for lack of filing a complete travel expense report.

IX. REPORT OF THE INVESTMENT CONSULTANT

None

X. REPORT OF THE ATTORNEY

The Attorney Representative reported on Senate Bill No. 62, that was truly agreed to and finally passed by the Missouri Legislature during the last days of the 2017 Legislative Session. The bill is in the Governor's office awaiting his action, either signing it into law or vetoing it by July 14, 2017. If the Governor chooses to do nothing with the legislation, it will automatically become law on August 28, 2017. The Attorney Representative reviewed the numerous attempts to kill the legislation during the legislative session on behalf of the system because of the damage it will cause to the ability of the system to provide retirement benefits to its beneficiaries.

The concerns over this legislation stem from the reduction of the eligibility requirements for full retirement from the current "Rule of 85" to a new "Rule of 80"; reducing the pension factor to 1.75% from the current 2.0% for new employees hired on or after 1/1/18; increasing existing employee contributions by 0.5% per year from 5.0% beginning in 2018 and capping at 9.0%; and the increase of the employee contribution rate from 5.0% to 9.0% for new employees hired on or after 1/18/18. The most damage stemming from the legislation will be caused by the steady decrease of 0.5% per year in employer contributions from 16% of covered compensation for the 2018 plan year to a floor of 9.0% by plan year 2032 and forward.

The Attorney Representative reported on some of the fiscal and funding impacts of the legislation on the system based on a Cost Statement prepared by Milliman, an actuarial firm, hired by the SLPS Special Administrative Board. The Cost Statement admits that the proposed legislation will impair the ability of the plan to meet its benefit obligations; will cost the system \$71.2 million by 2028; will reduce the system's funded percentage by at least 6.7% by 2028; and will increase the system's unfunded liability by at least \$93.5 million by 2028.

The Trustees were assured that, in the event the legislation becomes law, the Attorney's office will begin exploring legal remedies and make a report to the Trustees at a future board meeting.

XI. REPORT OF THE ACTUARY

The Actuary presented the results of the 2017 Actuarial Valuation Report by reviewing a discussion document. The Actuary presented findings on the system's member census information and demographics; the system's assets, liabilities and funding ratios; and the annual required contributions (ARC) for the St. Louis Public Schools Board of Education, PSRSSTL and the Charter Schools. The Actuary reported on the changes to the system's actuarial assumptions and methods adopted by the Board of Trustees in December 2016, and the impacts of the changes on the unfunded actuarial accrued liability (UAAL), annual required contributions for employers, the system's

funding ratios and other actuarial figures. There was extended discussion on the system's actuarial methodology relative to the reset of the amortization period for the UAAL from the remaining 19-years for the period set in 2006 to 30-years beginning with the 2017 Actuarial Valuation Report, due to the impending legislation in the Governor's office which is expected to become law on August 28, 2017.

The Actuary presented a letter to the Trustees comparing the employer ARC based on a reset 30-year amortization period to the remaining 19-years for the amortization period set in 2006. There was discussion around the impact of the impending legislation and that it might be prudent as fiduciaries of the fund to reconsider the 30-year reset of the amortization period, including the related actuarial methods. It appeared the Trustees reached a consensus on "how to" proceed with the 2017 Actuarial Valuation.

Eural Thomas made a motion, seconded by Yvette Levy, to rescind the prior decision to reset the actuarial methodology and amortization period for the UAAL to 30-years and maintain the actuarial methods for the remaining 19-years of the amortization period set in 2006.

A roll call vote was taken.

Paula Bentley	Yes	Joseph Clark	Yes	Yvette Levy	Yes
John Moten	Yes	Bobbie Richardson	Yes	Eural Thomas	Yes

With six yes votes, motion carried.

John Moten made a motion, seconded by Bobbie Richardson, to adopt the 2017 Actuarial Valuation Report as presented by the Actuary, contingent upon the change back to the actuarial methods for the remaining 19-years of the amortization period set in 2006.

A roll call vote was taken.

Paula Bentley	Yes	Joseph Clark	Yes	Yvette Levy	Yes
John Moten	Yes	Bobbie Richardson	Yes	Eural Thomas	Yes

With six yes votes, motion carried.

XII. REPORTS OF COMMITTEES OF THE BOARD OF TRUSTEES

The Chairman asked for reports from the Committees.

Benefits Committee

None

Trustee Business Committee

None

Investment Committee

None

Legislative, Rules & Regulations Committee

None

Professional Contracts Committee

Eural Thomas, Chair of the Professional Contracts Committee, reported on the status of the Investment Consulting Services Request for Proposals (RFP). The Chair reported that the Committee will meet later in the summer to discuss the proposals received in response to the RFP.

XIII. NEW BUSINESS

None

XIV. ADJOURNMENT

John Moten made a motion, seconded by Bobbie Richardson, to adjourn the meeting.

By voice vote, motion carried and the meeting adjourned at around 6:35 p.m.

Attachments:

Retirements Paid: May and June 2017

Refunds & Bills Paid: April and May 2017

Report on Trustee Travel Expenses: Calendar Year 2016 and 2017

Letter from the Actuary, dated June 15, 2017

To be Authorized and Approved
by the Board of Trustees

APPLICATIONS FOR RETIREMENT

NAME \ POSITION	RETIREMENT DATE	TYPE	CREDITED SERVICE	FINAL AVG SALARY	MONTHLY BENEFIT
Kathleen Callahan Instructional Coach	4/1/2017	Normal	7.0000	\$69,634.57	\$812.40
Carla Mauldin Teacher	4/1/2017	Disability	18.2222	\$59,495.62	\$1,806.90
Ernest Owulette Teacher	4/1/2017	Normal	5.4196	\$56,328.26	\$402.96
Vincent Stoltz Lead Custodian	4/1/2017	Normal	30.0000	\$44,711.23	\$2,235.56

To be Authorized and Approved
by the Board of Trustees

APPLICATIONS FOR RETIREMENT

NAME \ POSITION	RETIREMENT DATE	TYPE	CREDITED SERVICE	FINAL AVG SALARY	MONTHLY BENEFIT
Mark Jackson Stationary Engineer	5/1/2017	Normal	30.0000	\$57,686.80	\$2,884.34
JoAnn Reese Teacher Specialist	5/1/2017	Normal	30.0000	\$86,559.73	\$4,327.99
Catherine Robinson Custodian	5/1/2017	Early	11.6576	\$35,219.29	\$650.07
Dorthea Sides Teacher	5/1/2017	Normal	10.2555	\$48,166.91	\$656.99

Distributions - April, 2017

CHECK NUMBER	CHECK DATE	LAST NAME	FIRST NAME/MI	GROSS PAY	FEDERAL TAXES W/H	NET PAY	A(Active) R(Retired)	D(eath) S(eparation)	NOTES
072787	04/11/17	CLEMENT-BAYARD	AURELIE	3,657.39		3,657.39	A	S	SLLIS
072788	04/11/17	HERMAN	KENDRA	19,852.55	3,970.51	15,882.04	A	S	OTO, CLA, AQS-CLA
072789	04/11/17	JOHNSON	HERBERT	1,301.96	260.39	1,041.57	A	S	CA
072790	04/11/17	SAV	MELDAG	963.48	192.70	770.78	A	S	GSA-STL
072791	04/11/17	STRIEBEL	KIRSTIN	3,468.80		3,468.80	A	S	AQS-CLA
072792	04/11/17	CARROLL	CAMILLE	2,374.19	474.84	1,899.35	A	S	
072793	04/11/17	HAYES	RAYBURN	1,009.80	201.96	807.84	A	S	
072794	04/11/17	MAULE	LISA	3,485.63	697.13	2,788.50	A	S	
072795	04/11/17	MILLETT	JESSICA	3,563.54		3,563.54	A	S	
072795	04/11/17	MILLETT	JESSICA	(3,563.54)		(3,563.54)	A	S	VOID AND REISSUE
072796	04/11/17	TURNER	EMERALD	32,852.02		32,852.02	A	S	
072797	04/11/17	WOODARD	NATASHA	9,615.77	1,923.15	7,692.62	A	S	
072824	04/21/17	ALIVERNIA	JENNIFER	2,626.32	525.26	2,101.06	A	S	GSA STL
072825	04/21/17	CLARK	MOLLEY E	852.27		852.27	A	S	AQS CLA
072826	04/21/17	HANKS	CARAN	3,426.25	685.25	2,741.00	A	S	SCPA
072827	04/21/17	HOWARD	TAUSHA	13,757.23		13,757.23	A	S	CA
072828	04/21/17	LEATHERWOOD	CHRISTOPHER	7,816.57		7,816.57	A	S	SLPS KIPP
072829	04/21/17	ROTH	JONATHAN	1,959.52		1,959.52	A	S	SCPA
072830	04/21/17	SMITH	COLLEEN	8,238.87		8,238.87	A	S	SCPA CCC SLPS
072831	04/21/17	ANDREWS	MIA	216.85	43.37	173.48	A	S	
072832	04/21/17	COLLARD	VERNETTA	5,813.12	1,162.62	4,650.50	A	S	
072833	04/21/17	COOPER	JOHNNIE	3,390.43	678.09	2,712.34	A	S	
072834	04/21/17	DENNLER-SIMA	KELSEY	7,486.38		7,486.38	A	S	
072835	04/21/17	ROEBUCK	TERRELL	7,028.21	1,405.64	5,622.57	A	S	
072836	04/21/17	WATKINS-ROSS	LAURA A	5,710.62	1,142.10	4,568.52	A	D	DEC: STACEY ROSS
072837	04/21/17	LINEHAN	BENJAMIN LINEHAN C/O CECELIA WESSELS	71,168.34	7,116.83	64,051.51	A	D	DEC: SEAN LINEHAN
072838	04/21/17	MILLETT	JESSICA	3,563.54	712.71	2,850.83	A	S	VOID AND REISSUE
TOTAL				\$ 221,636.11	\$ 21,192.55	\$ 200,443.56			

Distributions - May, 2017

CHECK NUMBER	CHECK DATE	LAST NAME	FIRST NAME/MI	GROSS PAY	FEDERAL TAXES W/H	NET PAY	A(Active) R(etired)	D(eath) S(eparation)	NOTES
072866	05/08/17	BOHANNON	ALEXIS	1,559.87		1,559.87	A	S	EAGLE
072867	05/08/17	GBRENO	AMANDA	5,169.00	1,033.80	4,135.20	A	S	CITY GARDEN
072868	05/08/17	GLENDE	ELIZABETH	5,463.08		5,463.08	A	S	KIPP
072869	05/08/17	JOHNSON	ANJEANETTE	5,337.78	1,067.56	4,270.22	A	S	KIPP
072870	05/08/17	MAYES	D'ANTAY	19,417.88	3,883.58	15,534.30	A	S	KIPP
072871	05/08/17	MORADI	KEVON	3,990.34		3,990.34	A	S	GSA-STL
072872	05/08/17	CAMPBELL	RALPH	848.63	169.73	678.90	A	S	
072873	05/08/17	COOKSEY	CHARLI	5,852.94		5,852.94	A	S	
072874	05/08/17	GRAY	AKIO	3,551.57	710.31	2,841.26	A	S	
072875	05/08/17	LUETTECKE	ANASTASIA	3,108.83	621.77	2,487.06	A	S	
072876	05/08/17	SCAILS	GREGORY	1,602.90	320.58	1,282.32	A	S	
072877	05/08/17	SPROAPS	CARLOS	19,257.61	1,925.76	17,331.85	A	D	DEC: JACARA SPROAPS 1 OF 2 BENEF
072911	05/19/17	ANDERSON	ALERICA	1,340.90	268.18	1,072.72	A	S	KIPP
072912	05/19/17	GULDEN	ERICKA	8,016.70	1,603.34	6,413.36	A	S	GSA STL
072913	05/19/17	BUTLER	TIFFANY	4,921.42	984.28	3,937.14	A	S	
072914	05/19/17	CANTONE	FRANK	4,401.23	880.25	3,520.98	A	S	
072915	05/19/17	DAVIS	DERISSA	2,132.93	426.59	1,706.34	A	S	
072916	05/19/17	FOWLER	BRANDEN	9,117.63	1,823.53	7,294.10	A	S	
072917	05/19/17	ROBARGE	HEATHER	10,020.39	2,004.08	8,016.31	A	S	
072918	05/19/17	ROLEN	LEWIS	36,929.91	7,385.98	29,543.93	A	S	
072919	05/19/17	AYLOR	ARNITA	20,800.72		20,800.72	A	D	DEC: LAVERNE SMITH 1 OF 3 BENEF
TOTAL				\$ 172,842.26	\$ 25,109.32	\$ 147,732.94			

Public School Retirement System of the City of St. Louis
Checks Written During the Month of April, 2017

<u>Payee</u>	<u>Ck. Number</u>	<u>Description</u>	<u>Amount</u>
Date Paid April 5, 2017			
Ameren Missouri	72766	Electric Service	1,908.09
AT&T	72767	U-Verse Internet	60.00
Purchase Power	72768	Postage	553.97
OffsiteDataSync	72769	Online Backups	208.12
Windstream Communications	72770	Telephone, Data	534.13
Office Essentials	72771	Office Supplies	41.27
Minuteman Press	72772	Envelopes	427.50
Konika Minolta Business Solutions USA Inc.	72773	Service - Copier C352	160.00
Anders CPAs & Advisors	72774	Audit of Financial Statements	35,000.00
Digital Intersection	72775	Monthly Data Center Housing	150.00
Gregory F.X. Daly, Collector of Revenue	72776	City Earnigs Tax - First Quarter 2017	1,035.73
Gregory F.X. Daly, Collector of Revenue	72777	Water - City	97.25
Louis C. Cross III	72778	Reissue For Check 69874 Issued Oct. 31, 2014	44.95
Terry Mayes	72779	Flowers for Gloria Shelton/Charles Shelton	57.98
Republic Services #346	72780	Trash Pick-Up	142.01
CBRE - 608844	72781	Management Fee - December 2016	1,100.00
CBRE - 608844	72782	Engineer Services	858.91
Full Care	72783	Snow and Ice Management	675.00
Board of Education St. Louis Benefits Trust	72784	Office Employees Insurance - Dental	248.99
Board of Education St. Louis Benefits Trust	72785	Office Employees Insurance - Vision	17.00
Board of Education St. Louis Benefits Trust	72786	Office Employees Insurance - Life	87.35
Date Paid April 14, 2017			
Office Payroll	ACH	Office Payroll	10,307.16
AXA Equitable	ACH	457 Contributions	2,223.00
Date Paid April 20, 2017			
Absopure Water Company	72798	Water Cooler Service	60.80
Conduit HR Consulting, LLC	72799	Actuarial Consulting Services - March & April	6,969.00
AT&T	72800	Monthly Service Charge	193.31
Parking Management Services, LLC	72801	May 2017 Parking - 2 Employees	130.00
Parking Management Services, LLC	72802	Parking Ticket Validations - March 2017	34.50
Hartnett Gladney Hettermann, L.L.C.	72803	Legal Fees	12,062.55
BuildingStars STL Operations, Inc.	72804	Janitorial Services	1,386.00
Blade Technologies, Inc.	72805	Professional Services	1,335.34
Speciality Mailing	72806	Postage - Daily Pickup	160.00
Anders CPAs & Advisors	72807	Audit of Financial Statements, Trustee Election	17,900.00
Crossroads Courier, Inc.	72808	Courier Service	5.84
Office Essentials	72809	Office Supplies	144.29
Gallagher Benefit Services, Inc.	72810	Group Ins. Consulting Services Monthly Fee	3,320.25
Charter Communications	72811	Charter Internet and Voice	179.96
Jupiter Consulting Services, LLC	72812	Programming Consulting	4,473.00
Tech Electronics	72813	Repair Alarm Monitor	1,480.00
CBRE - 608844	72814	Management Fee - April 2017	1,108.00
CBRE - 608844	72815	Engineer Services	175.35
Blue Chip Pest Services	72816	Pest Control	44.00
St. Louis Mat & Linen Company	72817	Floor Mats	132.50
Yardi Marketplace	72818	Supplies	60.56
EARNEST Partners, LLC	72819	1st Quarter 2017 Management Fee	7,472.18
Loomis, Sayles & Company, L.P.	72820	1st Quarter 2017 Management Fee	53,851.26
Piedmont Investment Advisors, LLC	72821	1st Quarter 2017 Management Fee	8,245.14
Systematic Financial Management, LP	72822	1st Quarter 2017 Management Fee	65,077.11
TCW Asset Management Company	72823	1st Quarter 2017 Management Fee	45,069.80
Date Paid April 28, 2017			
Office Payroll	ACH	Office Payroll	10,307.16
AXA Equitable	ACH	457 Contributions	2,223.00
		TOTAL	\$299,539.31

Public School Retirement System of the City of St. Louis
Checks Written During the Month of May, 2017

<u>Payee</u>	<u>Ck. Number</u>	<u>Description</u>	<u>Amount</u>
Date Paid May 5, 2017			
Ameren Missouri	72839	Electric Service	1,472.26
AT&T	72840	U-Verse Internet	60.00
Purchase Power	72841	Postage	1,016.43
OffsiteDataSync	72842	Online Backups	208.12
Windstream Communications	72843	Telephone, Data	533.59
Office Essentials	72844	Office Supplies	292.95
Digital Intersection	72845	Monthly Data Center Housing	150.00
Access	72846	Scanning Services	1,384.78
MSD	72847	Sewer Service	33.09
BuildingStars STL Operations, Inc.	72848	Janitorial Service and Supplies	1,757.68
GCI Security, Inc.	72849	Security Guard 04/17/2017	144.00
The Berwyn Group	72850	Death Check Verification Services	50.00
Tom Kinealy	72851	Software	143.01
Tiffany Jones	72852	Tuition Reimbursement	1,149.00
Causeway Capital Management LLC	72853	1st Quarter 2017 Management Fee	73,574.57
Chicago Equity Partners, LLC	72854	1st Quarter 2017 Management Fee	39,983.97
The Edgar Lomax Company	72855	1st Quarter 2017 Management Fee	42,916.53
Holland Capital Management LLC	72856	1st Quarter 2017 Management Fee	46,913.10
INTECH Investment Management LLC	72857	1st Quarter 2017 Management Fee	30,456.96
Manulife Asset Management U.S. LLC	72858	1st Quarter 2017 Management Fee	31,240.17
Mondrian Investment Partners Limited	72859	1st Quarter 2017 Management Fee	40,080.79
Progress Investment Management Co., LLC	72860	1st Quarter 2017 Management Fee	71,436.79
Westfield Capital Management Company, LP	72861	1st Quarter 2017 Management Fee	57,518.67
US Bank	72862	1st Quarter 2017 Custodial Fee	36,011.00
Board of Education St. Louis Benefits Trust	72863	Office Employees Insurance - Dental	248.99
Board of Education St. Louis Benefits Trust	72864	Office Employees Insurance - Vision	17.00
Board of Education St. Louis Benefits Trust	72865	Office Employees Insurance - Life	87.35
Date Paid May 12, 2017			
Office Payroll	ACH	Office Payroll	10,307.16
AXA Equitable	ACH	457 Contributions	2,223.00
Date Paid May 19, 2017			
Absopure Water Company	72878	Water Cooler Service	82.75
Conduit HR Consulting, LLC	72879	Actuarial Consulting Services - April & May	14,451.00
AT&T	72880	Monthly Service Charge	193.28
Parking Management Services, LLC	72881	June 2017 Parking - 2 Employees	130.00
Parking Management Services, LLC	72882	Parking Ticket Validations - April 2017	27.00
Hartnett Gladney Hettermann, L.L.C.	72883	Legal Fees	16,131.45
Blade Technologies, Inc.	72884	Professional Services	1,335.34
Speciality Mailing	72885	Postage and Service - Election Notice	2,795.36
Anders CPAs & Advisors	72886	Retired Teacher Trustee Special Election	650.00
Crossroads Courier, Inc.	72887	Courier Service	5.84
Office Essentials	72888	Office Supplies	842.96
Gallagher Benefit Services, Inc.	72889	Group Ins. Consulting Services Monthly Fee	3,320.25
Charter Communications	72890	Charter Internet and Voice	179.96
Jupiter Consulting Services, LLC	72891	Programming Consulting	4,158.00
Tech Electronics	72892	Door Repairs	280.00
Arthur J Gallagher Risk Mgmt Services, Inc.	72893	Fiduciary Liability & Crime Insurance Premiums	75,061.00
Access	72894	Scanning Services	426.35
MSD	72895	Sewer Service	33.09
The Berwyn Group	72896	Death Check Verification Services	130.00
Blue Stingray, Inc.	72897	Website Development	2,500.00
Shred-It USA	72898	Document Shredding	222.43
Andrew Clark	72899	Plant, Robin Willis Family	62.97

Public School Retirement System of the City of St. Louis
Checks Written During the Month of May, 2017

<u>Payee</u>	<u>Ck. Number</u>	<u>Description</u>	<u>Amount</u>
Tom Kinealy	72900	Software	155.40
AT&T Teleconference Services	72901	Teleconference Services	12.78
Republic Services #346	72902	Trash Pick-Up	137.00
CBRE - 608844	72903	Management Fee - May 2017	1,108.00
CBRE - 608844	72904	Engineer Services	233.80
Blue Chip Pest Services	72905	Pest Control	44.00
Tech Electronics	72906	Central Monitoring of Fire Alarm System	93.00
Jarrell Mechanical Contractors	72907	HVAC Inspection, Air Conditioner Repair	1,321.51
St. Louis Mat & Linen Company	72908	Floor Mats	106.00
Mellon Capital Management Corporation	72909	1st Quarter 2017 Management Fee	66,903.38
Mellon Capital Management Corporation	72910	1st Quarter 2017 Management Fee	1,757.14
Date Paid May 26, 2017			
Office Payroll	ACH	Office Payroll	10,307.16
AXA Equitable	ACH	457 Contributions	2,223.00
Speciality Mailing	72920	Postage - Newsletters	2,149.77
Andrew Clark	72921	Retirement Certificates	49.95
Purchase Power	72922	Postage	66.50
		TOTAL	<u><u>\$701,098.38</u></u>

**Public School Retirement System of the City of St. Louis
Travel Activity and Expenses - Calendar Year 2016**

NAME	SPONSOR	DATES		LOCATION	ADVANCES TO	REIMBURSEMENTS		TOTAL COST	EXP RPT	VOUCHER STATUS*	NOTES
		FROM	TO			TO	FROM				
Bennett, Christina	NASP	06/12/2016	06/15/2016	Atlanta, GA		\$1,636.22		\$1,636.22	Y	Approved	Monday, December 19, 2016
Bentley, Paula	NASP	06/12/2016	06/15/2016	Atlanta, GA	\$1,770.00	\$236.09		\$2,006.09	Y	Approved	Monday, December 19, 2016
	MAPERS	07/11/2016	07/13/2016	Osage Beach, MO	\$958.76	\$5.43		\$964.19	Y	Approved	Monday, December 19, 2016
	NCTR	07/24/2016	07/27/2016	Berkley, CA	\$1,769.00	\$3.13		\$1,772.13	Y	Approved	Monday, December 19, 2016
Goodwin, Sheila	NEPC	05/09/2016	05/11/2016	Boston, MA		\$2,111.55		\$2,111.55	Y	Approved	Monday, December 19, 2016
	NASP	06/13/2016	06/15/2016	Atlanta, GA		\$2,058.31		\$2,058.31	Y	Approved	Monday, December 19, 2016
	MAPERS	07/11/2016	07/13/2016	Osage Beach, MO		\$905.74		\$905.74	Y	Approved	Monday, December 19, 2016
Levy, Yvette	NCTR	07/24/2016	07/27/2016	Berkley, CA		\$2,197.70		\$2,197.70	Y	Approved	Monday, December 19, 2016
	NCTR	10/08/2016	10/12/2016	Providence, RI		\$2,428.90		\$2,428.90	Y	Approved	Monday, December 19, 2016
	NEPC	05/09/2016	05/11/2016	Boston, MA	\$1,475.00	\$6.33		\$1,481.33	Y	Approved	Monday, December 19, 2016
Moten, John	NASP	06/13/2016	06/15/2016	Atlanta, GA	\$2,000.00		\$84.63	\$1,915.37	Y		Need reimbursement
	MAPERS	07/11/2016	07/13/2016	Osage Beach, MO					Y		Need Voucher
	NEPC	05/09/2016	05/11/2016	Boston, MA		\$1,446.52		\$1,446.52	Y	Approved	Monday, December 19, 2016
Shelton, Charles	NASP	06/12/2016	06/15/2016	Atlanta, GA		\$1,011.88		\$1,011.88	Y	Approved	Monday, December 19, 2016
	NEPC	05/09/2016	05/11/2016	Boston, MA	\$1,921.00	\$441.40		\$2,362.40	Y	Approved	Monday, December 19, 2016
	NASP	06/13/2016	06/15/2016	Atlanta, GA	\$1,422.97	\$388.73		\$1,811.70	Y	Approved	Monday, December 19, 2016
Thomas, Eural	NCTR	10/08/2016	10/12/2016	Providence, RI	\$2,080.00	\$340.43		\$2,420.43	Y	Approved	Monday, December 19, 2016
	NASP	06/12/2016	06/15/2016	Atlanta, GA		\$1,698.36		\$1,698.36	Y	Approved	Monday, December 19, 2016
								Total Cost			\$30,228.82

MAPERS - Missouri Association of Public Employees Retirement Systems
 NASP - National Association of Securities Professionals
 NCTR - National Council on Teacher Retirement
 NEPC - New England Pension Consultants

*Pending = pending board approval

**Public School Retirement System of the City of St. Louis
Travel Activity and Expenses - Calendar Year 2017**

NAME	SPONSOR	DATES		LOCATION	ADVANCES TO	REIMBURSEMENTS		TOTAL COST	EXP RPT	VOUCHER STATUS*	NOTES	
		FROM	TO			TO	FROM					
Bennett, Christina												
Bentley, Paula	NASP	06/25/2016	06/29/2017	Los Angeles, CA	\$1,656.40			\$1,656.40				
	MAPERS	07/12/2017	07/14/2017	Osage Beach, MO	\$622.88			\$622.88				
Clark, Joe												
Clinkscale, Darnetta	NASP	06/25/2017	06/29/2017	Los Angeles, CA								
Goodwin, Sheila	NASP	06/25/2017	06/29/2017	Los Angeles, CA	\$597.96			\$597.96				
	MAPERS	07/12/2017	07/14/2017	Osage Beach, MO								
Levy, Yvette												
Moten, John	MAPERS	07/12/2017	07/14/2017	Osage Beach, MO								
Richardson, Bobbie	NASP	06/25/2017	06/29/2017	Los Angeles, CA	\$1,915.90			\$1,915.90				
Sullivan, Rick												
Thomas, Eural	NASP	06/25/2017	06/29/2017	Los Angeles, CA								
Clark, Andrew												
								Total Cost				\$4,793.14

MAPERS - Missouri Association of Public Employees Retirement Systems
 NASP - National Association of Securities Professionals

*Pending = pending board approval



231 S. Bemiston, Suite 400
St. Louis, MO 63105

June 15, 2017

Mr. Andrew Clark
Executive Director
PSRS of the City of St. Louis
3641 Olive Street, Suite 300
St. Louis, MO 63108-3601

Dear Andrew:

Effective with the January 1, 2017 valuation, the amortization period for the Unfunded Frozen Actuarial Accrued Liability (UFAAL) was reset to 30 years from the 19 years that were remaining. In addition, the Actuarial Value of Assets was reset to Market Value and the UFAAL was reestablished. Please refer to the comprehensive 2017 actuarial valuation report for details

Contribution requirements presented in the Actuarial Valuation Report reflect this change. This change reduced the required contribution by \$8,313,843, or 3.20% of covered payroll. This change reduced the funding percentage on a Projected Benefit Obligation purpose by 4.2%. Details of these changes are shown in the charts attached.

The undersigned meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein, and are available to answer any questions regarding the results.

We believe that the assumptions and methods used for funding purposes are individually and in aggregate, reasonable and in combination represent a best estimate of anticipated experience under the plan. We believe that these results conforms with the requirements of the Missouri statutes, and where applicable, other federal and accounting laws, regulations and rules, as well as Actuarial Standards of Practice.

Conduent Human Resource Services

A handwritten signature in black ink, appearing to read "Troy Jaros".

Troy Jaros, FSA, EA, MAAA, FCA
Senior Consultant, Retirement Actuary

For comparison purposes, the below tables show the contribution requirements based on both the 30-year period (With reset of AVA to MVA) and the 19-year period (Before Asset Method Change).

Required Annual Contribution with 30-Year Amortization:

	Board of Education	Retirement System	Charter Schools	Total
Normal cost contribution	\$ 5,137,486	\$ 13,823	\$ 1,679,222	\$ 6,830,531
Actuarial accrued liability contribution	<u>25,985,698</u>	<u>69,918</u>	<u>8,493,599</u>	<u>34,549,215</u>
Annual required contribution (ARC)	\$ 31,123,184	\$ 83,741	\$ 10,172,821	\$ 41,379,746
Covered payroll	\$ 195,723,057	\$ 526,616	\$ 63,973,393	\$ 260,223,066
ARC as % of covered payroll	15.90%	15.90%	15.90%	15.90%

Required Annual Contribution with 19-Year Amortization:

	Board of Education	Retirement System	Charter Schools	Total
Normal cost contribution	\$ 19,818,916	\$ 53,325	\$ 6,477,946	\$ 26,350,187
Actuarial accrued liability contribution	<u>17,557,407</u>	<u>47,240</u>	<u>5,738,755</u>	<u>23,343,402</u>
Annual required contribution (ARC)	\$ 37,376,323	\$ 100,565	\$ 12,216,701	\$ 49,693,589
Covered payroll	\$ 195,723,057	\$ 526,616	\$ 63,973,393	\$ 260,223,066
ARC as % of covered payroll	19.10%	19.10%	19.10%	19.10%

For comparison purposes, the below tables show the Projected Benefit Obligation funded status based on both the 30-year period (With Reset AVA to MVA) and the 19-year period (Before Asset Method Change).

As of January 1, 2017 the Projected Unit Credit Actuarial Accrued Liability was:

1. Retired members and beneficiaries currently receiving benefits and terminated members not yet receiving benefits	\$ 933,916,821
a. Current active participants	
i. Accumulated member contributions, including interest	122,746,557
ii. Employer-financed benefits	<u>166,666,305</u>
Total Projected Unit Credit Actuarial Accrued Liability	\$ 1,223,329,683

Projected Benefit Obligation Funded Status with 30-Year Amortization:

As of January 1, 2017 the Projected Unit Credit AAL was funded as follows:

1. Net assets available for benefits at actuarial value	\$ 850,180,422
2. Unfunded Projected Unit Credit AAL	373,149,261
3. Actuarial value funding ratio, (2) / (1)	69.5%
4. Net assets available for benefits at market value	\$ 819,258,525
5. Unfunded Projected Unit Credit AAL	404,071,158
6. Market value funding ratio, (5) / (1)	67.0%

Projected Benefit Obligation Funded Status with 19-Year Amortization:

As of January 1, 2017 the Projected Unit Credit AAL was funded as follows:

1. Net assets available for benefits at actuarial value	\$ 901,076,683
2. Unfunded Projected Unit Credit AAL	322,253,000
3. Actuarial value funding ratio, (2) / (1)	73.7%
4. Net assets available for benefits at market value	\$ 819,258,525
5. Unfunded Projected Unit Credit AAL	404,071,158
6. Market value funding ratio, (5) / (1)	67.0%