REQUIREMENTS FOR COLA’S & OTHER BENEFIT INCREASES

The law governing PSRSSTL is clear about the financial requirements that must be satisfied prior to awarding benefit increases to its members, including cost-of-living adjustments (COLA’s). Specifically, the funded ratio of PSRSSTL must be at least 80% before consideration may be given to adopting a benefit increase. And, the Actuary must confirm that PSRSSTL will remain actuarially sound after implementing a COLA by determining that the funded ratio will be at least 75% as a result of it.

Also, the law is specific regarding the two sources from which requests for COLA’s, or any type of benefit increases, may originate for later adoption by PSRSSTL. The SLPS Board of Education is authorized, in its discretion, to increase retirement benefits, including COLA’s, provided the Board of Trustees approves such increases; conversely, the Board of Trustees is authorized, in its discretion, to increase retirement benefits, including COLA’s, provided PSRSSTL finds that the additional benefits will not require an increase in contributions from its members and employers, and that the increase in benefits is actuarially sound.

In 2019, the actuary calculated that the retirement system had a funded ratio using the projected unit credit (PUC) cost method of 71.6%, which is below the 80% requirement for the retirement system to consider granting a COLA or other benefit increase. And, the actuary has calculated that the retirement system’s funded ratio will remain below 75% until at least 2034.

Until the funded ratio is at least 80%, the PSRSSTL is prohibited by law from adopting any type of retirement benefit increase. And, after reaching a funded ratio of at least 80%, the Actuary must be willing to certify the actuarial soundness of the retirement system after the implementation of the benefit increase. As it stands now, it will be many years before the retirement system is able to consider adopting a COLA or other benefit increase for its members.

MEMORIALS

The Retirement System regretfully reports the following members as deceased:


RETIREMENT APPLICATION DEADLINES

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

- **February 18, 2020**: Retirement Deadline - May 18, 2020
- **March 17, 2020**: Retirement Deadline - June 16, 2020
- **April 16, 2020**: Retirement Deadline - July 17, 2020
- **June 1, 2020**: Retirement Deadline - August 1, 2020

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

<table>
<thead>
<tr>
<th>Staff Member</th>
<th>Position</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Angela Johnson</td>
<td>Member Services Manager</td>
<td>3014</td>
</tr>
<tr>
<td>Dawn Waters</td>
<td>Insurance Benefits Specialist</td>
<td>3011</td>
</tr>
<tr>
<td>Monica Brewer</td>
<td>Receptionist/Clerical Assistant</td>
<td>3013</td>
</tr>
<tr>
<td>Randy Elam</td>
<td>Technology Manager</td>
<td>3017</td>
</tr>
<tr>
<td>Robin Willis</td>
<td>Customer Service Representative</td>
<td>3010</td>
</tr>
<tr>
<td>Terry Mayes</td>
<td>Accounting Specialist</td>
<td>3012</td>
</tr>
<tr>
<td>Fax Number</td>
<td></td>
<td>314-533-0531</td>
</tr>
</tbody>
</table>

Fax Number: 314-533-0531

**Index**

- Benefit Increases
- Memorials
- Ret. App. Deadlines
- Staff Contacts
- Investment Brief
- 2019 1099R’s
- News Flash
- 2020 Mailings
2019 FOURTH QUARTER INVESTMENT BRIEF

The Retirement System’s investment portfolio experienced a positive return of 5.5% during the 2019 Fourth Quarter, ranking in the top 45% of similar public funds. During the one-year period ending on December 31, 2019, the Retirement System experienced a return on investments of 16.8%, an increase of 9.6% in market value, and ranked in the top 79% 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.

<table>
<thead>
<tr>
<th>Period Ending 12/31/2019</th>
<th>One Quarter</th>
<th>One Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Market Value</td>
<td>$826,095</td>
<td>$809,373</td>
</tr>
<tr>
<td>Net Additions/Deductions¹</td>
<td>15,299</td>
<td>(54,747)</td>
</tr>
<tr>
<td>Return on Investment</td>
<td>45,728</td>
<td>132,496</td>
</tr>
<tr>
<td>Ending Market Value</td>
<td>$887,122</td>
<td>$887,122</td>
</tr>
</tbody>
</table>

¹Deductions fund pension payments (Dollars in $000’s)

1099R’s MAILED WEEK OF JANUARY 27th

If you received retirement benefits, a cash refund or a rollover distribution from PSRSSTL in 2019, a 1099R has been mailed to you. PSRSSTL must provide this form to members and beneficiaries who received funds during the year. If you received funds from PSRSSTL in 2019 but have yet to receive a 1099R, please contact the Retirement System. A summary of information provided on the form follows below.

Account Number Explanations
REGULAR = 2019 regular pension benefit payments
SUP PEN = 2019 sick leave conversion benefit payments
DIST = 2019 distribution (refund) of member contributions

Explanations
Box 1: 2019 Gross Distributions paid
Box 2a: Taxable Amount from Box 1
Box 4: 2019 Federal Income Tax withholdings
Box 5: Difference between Box 1 and 2a = non-taxed S’s
Box 12: 2019 State Tax withholdings
If a box is blank, then the amount equals zero.
FYI: Health insurance cost statements were mailed separately.

Retired members are required to submit a W4-P form to have taxes withheld and to make changes. The form is available on the website or by request.

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.
* If you would like your monthly benefit direct deposited each month but don’t have a bank account, you may want to research reloadable debit cards because PSRSSTL is able to make automatic deposits to these accounts.
* Read the entire Newsletter, it doesn’t take too long.
* Members with medical insurance through PSRSSTL in 2019 should expect an IRS Form 1095-B or C. Depending on your coverage type, the form will be mailed by either the insurance carrier or Medicare.
* The waiting period to replace a lost pension check is ten (10) calendar days and, in most cases, reissues will only be made starting the 11th day 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 2020
Newsletters: May, August, November
Annual Report Summaries: July
Annual Benefit Statements: August
Health Insurance Open Enrollment Packets: October
Election Information: as needed