

PEERS for your Benefit

PUBLIC EDUCATION EMPLOYEE RETIREMENT SYSTEM OF MISSOURI

Board of Trustees

Unanimously Votes to Maintain Contribution Rates

Is Your Beneficiary
Designation Up to Date?

PEERS Returns 4.5% on
Investments for Fiscal Year 2015 –
Market Volatility Ahead in 2016

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PUBLIC EDUCATION EMPLOYEE
RETIREMENT SYSTEM OF MISSOURI

- 2 Board of Trustees Unanimously Votes to Maintain Contribution Rates
- 4 PEERS Returns 4.5% on Investments for Fiscal Year 2015 – Market Volatility Ahead in 2016
- 5 PSRS/PEERS Welcomes New Trustee

Why You Should Read Your Annual **Member Statement**
- 6 Thinking of Retirement? Attend a Pre-Retirement Planning Seminar
- 7 Is Your Beneficiary Designation Up to Date?

Be Sure to Properly Terminate Pre-Retirement Employment Before Returning to Work

Steps to Working After Retirement
- 8 Use Web Member Services to Stay Informed About Your Membership

Board of Trustees Unanimously Votes to Maintain Contribution Rates

Contribution rates for PEERS members and employers will not change for the 2016-2017 school year.

2016-2017 PEERS Contribution Rates		
Employee Rate	Employer Rate	Total Combined Rate
6.86%	6.86%	13.72%

At the October 26, 2015 Public School and Education Employee Retirement Systems of Missouri (PSRS/PEERS) Board of Trustees' meeting, the Board voted to maintain the current contribution rates for the 2016-2017 school year. This action was based on the recommendation of the Systems' actuary, PricewaterhouseCoopers (PwC).

According to PwC, PEERS is 86.8% actuarially pre-funded and is considered to be financially healthy.

PwC indicated that there could be an impact on the future pre-funded status and contribution rates dependent on investment and actuarial assumptions, which are currently being reviewed.

During fiscal year 2016, PEERS will conduct both an actuarial experience study, which will provide information on any required changes to the actuarial assumptions, and an asset/liability study to help the plan better project future assets, liabilities and risks associated with investment performance.

Contributions Help Fund Your Benefits

PEERS is primarily funded by investment earnings, but also through the contributions made by you and your employers.

PEERS contributions are automatically deducted from your pay and are credited to your individual membership. You do not pay taxes on your contributions until you receive them back from PEERS as monthly benefits or a lump-sum payment.

20-Year Average



Note: the member amount shown above is slightly higher than the employer amount because it includes funds paid by members to purchase and reinstate service, as well as their contributions.

Learn More

For more information on your PEERS contributions and how they help fund benefits, refer to your **Member Handbook** found at www.psr-peers.org.

For specific information regarding the contributions you have made to PEERS during your membership, refer to your annual **Member Statement**, which was mailed to you on November 30, 2015, and can also be accessed via PEERS Web Member Services using the Member Log-in link at the top right corner of your screen at www.psr-peers.org.

PEERS For Your Benefit is published by the Public School and Education Employee Retirement Systems of Missouri.



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Simply visit www.psr-peers.org and log in to Web Member Services to subscribe.

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PEERS Returns 4.5% on Investments for Fiscal Year 2015 – Market Volatility Ahead in 2016

The Public Education Employee Retirement System of Missouri (PEERS) earned an investment return of 4.5% for the fiscal year ended June 30, 2015. This exceeded the policy benchmark of 3.5%, but fell short of the long-term investment objective (actuarial assumption) of earning 8%.

However, PEERS continues to produce long-term investment returns that meet or exceed the System's objective. The annualized investment return for PEERS over the last five years is 11.1%, and 9% over the last 30 years.

PEERS Long-Term Investment Returns	
Last 5 Years	11.1%
Last 30 Years	9.0%



Although the investment return for fiscal year 2015 was lower than expected, it was far better than that achieved by most other institutional investors.

The PEERS investment return for fiscal year 2015 exceeded 85% of the peer group as defined by the Wilshire TUCS universe of public pension plans with assets in excess of \$1 billion.



It is also important to note that PEERS generated the fiscal year 2015 return (and longer-term investment returns) while taking less risk than approximately two-thirds of comparable public funds in the United States.

The System added value above the policy benchmark of over \$280 million, net of all fees and expenses, in fiscal year 2015. This was due to portfolio construction and tactical asset allocation decisions by internal investment staff (overweighting and underweighting asset classes around targets) as well as active management on the part of external investment managers.

PEERS maintains a diversified asset allocation of stocks, bonds, real estate, hedged assets and private equity. In the last year, the best performing asset classes for the System were private equity with a return of 9.6%, and real estate, which produced a return of 14%.

Best Performing Asset Classes in Fiscal Year 2015	
Private Equity	9.6%
Real Estate	14.0%

As we begin to work our way through fiscal year 2016, we are mindful of the fact that volatility in all investment markets has increased significantly. Specifically, the stock market has been on a roller coaster, experiencing declines in both August and September and then a strong recovery in October.

It is evident there are still many obstacles for the global economy to overcome and market volatility is likely to remain elevated for some time. For example, the steep decline in the price of oil, the downturn in the Chinese economy and continued intervention from policymakers are all issues facing investors. We will continue to manage the PEERS assets with a focus on return but also with a keen awareness of the embedded risks.

The total combined market value of assets for PEERS and the Public School Retirement System of Missouri (PSRS) was approximately \$37.7 billion on November 30, 2015, making PSRS/PEERS larger than all other public retirement plans in Missouri combined, and the 44th largest defined benefit pension plan in the United States.

Total Combined Market Value of Assets



PSRS/PEERS Welcomes New Trustee

Jason Steliga, a high school science teacher for the Center School District, located in Kansas City, MO, joined the Public School and Education Employee Retirement Systems of Missouri (PSRS/PEERS) Board of Trustees effective October 21, 2015.



Steliga was the only candidate to file for the open Board seat that resulted from the July 2015 retirement and resignation of former trustee Susan McClintic. Because he was the only candidate who filed for this position, no election was required.

With 12 years of teaching experience, Steliga currently serves as the high school science department chair for the Center School District, teaching advanced placement and upper-level science courses.

Steliga was the 2014 Center High School teacher of the year, and a semi-finalist for the 2012-2013 U.S. Department of Education's Washington Teaching

Ambassador Program. He is the treasurer of the Center Education Association, has served as a delegate to the National Education Association (NEA) convention, and served on the Missouri National Education Association (MNEA) Legislative committee. He currently serves as the chair of the Membership Advisory Committee for MNEA.

"The Board welcomes Jason to his new role as a trustee. We believe his background and experience will serve him well as a member of this Board," said Dr. Aaron Zalis, chairman of the PSRS/PEERS Board of Trustees. "We feel confident that he will make an important contribution to the Retirement Systems, and look forward to working with him."

As for Steliga, he is ready for the new responsibility. "I am truly grateful to the committed members and trustees who, over the years, worked to build our strong and stable Retirement Systems," Steliga said. "I understand the responsibility of this new role and I am eager to give back by continuing their work to safeguard the Systems."

Steliga will serve out the remainder of McClintic's four-year term, which will end on June 30, 2018.

Why You Should Read Your Annual *Member Statement*

On November 30, we mailed June 30, 2015 *Member Statements* to all of our active members. We send this important document to you each year, providing you a comprehensive look at your membership.

So why should you read your *Member Statement*? Here are our top five, very important, reasons!

- Your statement provides you a **complete summary of your membership**, including a look at your salaries and contributions with PEERS, and a list of your employment and service earned by school year.
- Your statement includes information on **possible disability and survivor benefits** you and your loved ones may be eligible to receive.

- If you are in the process of purchasing or reinstating service, you can view how much **service you have paid for and what you have remaining** to purchase or reinstate.
- You can view your **current beneficiary designation** with PEERS. Remember to keep this information up to date so benefits are paid according to your wishes.
- New this year, your *Member Statement* includes **estimates of your future service retirement benefits** based on your current membership, including the dates you will be eligible for early and normal (full) benefits!

Thinking of Retirement? Attend a Pre-Retirement Planning Seminar

If you are considering retirement, we recommend that you register to attend a PEERS Pre-Retirement Planning Seminar. Seminars are held around the state throughout the year, providing valuable information you need to know as you prepare for retirement. A retirement counselor will deliver an overview of benefits, benefit payment plans available to you, and how to file your paperwork. You will also receive a personalized benefit estimate.

Register early – seating is limited and we cannot accept late registrations. Log in to Web Member Services at www.psr-peers.org to register or call us toll free at (800) 392-6848 today. You need an idea of your retirement date, and your beneficiary's name and birth date. If you are unsure of your retirement date or eligibility, call us and we will be happy to help.

We look forward to seeing you at a seminar!

Date	Location	Address	Time	Closing Date to Register
January 20, 2016	Rolla 31 School District Board Office	500 A Forum Dr, Rolla	7:00 pm	January 4, 2016
January 21, 2016	State Fair Community College	3201 W 16th, Sedalia	5:30 pm	January 5, 2016
January 21, 2016	Chillicothe High School	2801 Hornet Rd, Chillicothe	5:30 pm	January 7, 2016
January 26, 2016	Clinton Building (Parks & Rec Dept)	501 Campanella, Sikeston	7:00 pm	January 11, 2016
January 27, 2016	Cape Girardeau Career & Tech Center	1080 S Silver Springs Rd, Cape Girardeau	7:00 pm	January 11, 2016
February 2, 2016	Hannibal Quality Inn	120 Lindsey Dr Hwy 36, Hannibal	5:30 pm	January 14, 2016
February 3, 2016	Nevada High School	800 W Hickory, Nevada	7:00 pm	January 14, 2016
February 9, 2016	Blue Springs High School	2000 NW Ashton Dr, Blue Springs	7:00 pm	January 19, 2016
February 11, 2016	Stoney Creek Inn - Columbia	2601 S Providence, Columbia	5:30 pm	January 20, 2016
February 17, 2016	Liberty Early Childhood Center	9600 NE 79th St, Liberty	7:00 pm	January 28, 2016
February 18, 2016	Ozarks Technical Community College	815 N Sherman Ave, Springfield	7:00 pm	February 1, 2016
February 25, 2016	Ft Zumwalt North High School	1230 Tom Ginnever Ave, O'Fallon	5:30 pm	February 4, 2016
March 2, 2016	PSRS/PEERS Office	3210 W Truman Blvd, Jefferson City	7:00 pm	February 16, 2016
March 3, 2016	Pattonville Senior High School	2497 Creve Coeur Mill Rd, Maryland Heights	5:30 pm	February 16, 2016
March 8, 2016	Kirksville Middle School	1515 S Cottage Grove, Kirksville	5:30 pm	February 22, 2016
March 10, 2016	Winnetonka High School	5815 NE 48th St, Kansas City	7:00 pm	February 23, 2016
March 15, 2016	Joplin East Middle School	4594 E 20th St, Joplin	7:00 pm	February 29, 2016
March 16, 2016	Ozarks Technical Community College	815 N Sherman Ave, Springfield	7:00 pm	February 29, 2016
March 22, 2016	Stoney Creek Inn - St. Joseph	1201 N Woodbine Rd, St Joseph	7:00 pm	March 7, 2016
March 30, 2016	Parkway West High School	14653 Clayton Rd, Ballwin	5:30 pm	March 10, 2016
March 31, 2016	Francis Howell Board Office	4545 Central School Rd, St. Charles	7:00 pm	March 14, 2016
April 5, 2016	Lee's Summit West High School	2600 SW Ward Rd, Lee's Summit	7:00 pm	March 21, 2016
April 7, 2016	Rockwood Summit Senior High School	1780 Hawkins Rd, Fenton	7:00 pm	March 22, 2016
April 13, 2016	Fort Osage High School	2101 N Twyman Rd, Independence	5:30 pm	March 28, 2016

Is Your Beneficiary Designation Up to Date?

To provide your family with the best financial protection, it is important to designate your beneficiaries properly and keep them updated as life-changing events occur.



During the first 18 months of your membership, you can designate and change your PEERS beneficiaries using Web Member Services at www.psr-peers.org or by using a *Pre-Retirement Beneficiary Designation* form available on our website or from our office.

For your security, after your first 18 months of membership, you must make changes to your pre-retirement beneficiary designation using a *Pre-Retirement Beneficiary Designation* form, available on our website or by contacting us.

To view your current beneficiary designation, log in to Web Member Services or refer to your annual Member Statement.

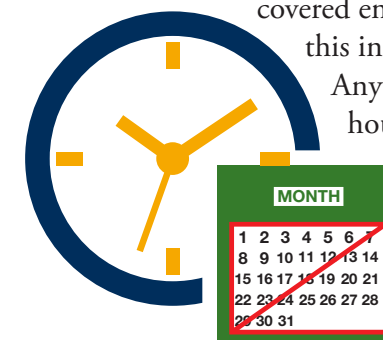
A marriage, divorce, birth or adoption of a child automatically voids your beneficiary designation before retirement. Unless you file a new beneficiary designation, Missouri law will determine your beneficiaries when you die.

Be Sure to Properly Terminate Pre-Retirement Employment Before Returning to Work

To properly terminate your employment and be eligible for retirement benefits, you must wait one month after your PEERS retirement date before you sign any kind of employment contract with a PEERS-covered employer.

Effective July 1, 2016 you cannot enter into any agreement, written or unwritten, for future employment in any capacity by a PEERS-covered employer until after you have received your first benefit payment.

In addition, you must wait for one month after your PEERS retirement date before returning to work for a covered employer. In some cases, this includes "volunteer" work. Any paid work or volunteer hours performed as part of a retirement incentive or separation agreement can cause you to be ineligible for benefits.



Steps to Working After Retirement

If you are close to retirement, you may already be thinking about returning to work part-time under the 550-hour limit. If you do, make sure you understand and stay within the limit. Don't jeopardize your benefits!

- 1 Learn your limit.**
We will send you a *Working After Retirement Record* form with your personal limit on hours. The maximum is 550 hours each school year to remain eligible for benefits.
- 2 Track your hours.**
Keep track of the hours you work on the *Working After Retirement Record* form.
- 3 Stay under your number.**
Stay within your limit on hours!
- 4 Keep in touch.**
Check with your employer to make sure you understand how they are tracking your work and your records agree.
- 5 Know when to stop.**
If you reach the limit, stop working until a new school year begins on July 1. If you don't, you will forfeit your benefits effective the month you exceed the limit. **The minimum you will forfeit is one full monthly benefit.**



PUBLIC EDUCATION EMPLOYEE
RETIREMENT SYSTEM OF MISSOURI

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Use Web Member Services to Stay Informed About Your Membership

You can view your membership information securely online using PEERS Web Member Services at www.psrp-peers.org. If you have not yet setup your online access, you can easily do so by creating your own unique username and password. Register for access using the Member Log-in link found at the top right corner of the screen.

As a PEERS member, you can use Web Member Services to view and update your:

- Mailing address
- Phone number
- Email address

You will also find:

- A benefit estimator that gives you estimates of your future service retirement benefits and the dates you will be eligible for early and normal (full) benefits
- A summary of your service on record with PEERS
- A history of your years of service and salaries with each covered employer

- Your current beneficiary designation with PEERS
- Information about any open service purchases or reinstatements, and any amounts due
- Your current and archived *Member Statements*

