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

Contact Us

PO Box 268
3210 W. Truman Blvd.
Jefferson City, MO
65102-0268
Call Toll Free (800) 392-6848 or (573) 634-5290
Email psrspeers@psrspeers.org
Web www.psrs-peers.org
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

<table>
<thead>
<tr>
<th>Rate Type</th>
<th>Rate</th>
<th>Total Combined Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee</td>
<td>6.86%</td>
<td></td>
</tr>
<tr>
<td>Employer</td>
<td>6.86%</td>
<td></td>
</tr>
<tr>
<td>Total Combined</td>
<td>13.72%</td>
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</tbody>
</table>

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.

Learn More

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

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.
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.

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.

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%.

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.

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!

1. 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.

2. Your statement includes information on possible disability and survivor benefits you and your loved ones may be eligible to receive.

3. 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 restate.

4. 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.

5. 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.psrs-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!

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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.psrs-peers.org or by using a Pre-Retirement Beneficiary Designation form available on our website or from our office.

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.

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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.

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

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.

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Working After Retirement:

By registering for a seminar, you will be sent a seminar packet. It includes a seminar registration form, a Pre-Retirement Beneficiary Designation form, a Pre-Retirement Employment Before Returning to Work form, and a Working After Retirement Record form.

Register early – seating is limited and we cannot accept late registrations. Log in to Web Member Services at www.psrs-peers.org to register or call us toll free at (800) 392-6848 today.
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.psrs-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