

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

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www.psrstl.org



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Public School  
Retirement System  
of the  
City of St. Louis

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## PENSIONS AND TAX DEDUCTIONS

For retirees with questions about payroll tax deductions, it is important to note that all retirement benefits are subject to Federal income taxes imposed by the IRS. However, the State of Missouri treats pension income more favorably than the IRS and, in most cases, it is exempt from state income taxes.

Retirees should seek advice from a qualified tax professional regarding income taxes as the Retirement System is unqualified to give out tax advice of any kind.

Retirees living outside Missouri should seek tax advice from qualified tax experts in their area to determine any state or local income tax liabilities. Retirees who do not file a Missouri tax return should not have state income taxes deducted from their pension benefits because the Retirement System only withholds taxes for residents of the State of Missouri. This information is for guidance purposes only and should not be considered tax advice.

## CONVENIENCE OF DIRECT DEPOSIT

If your pension check is mailed to you, please consider switching to direct deposit. This delivery method is much quicker and more secure than the U.S. Postal Service.

It is riskier than ever to mail checks because there is no way to control the number of hands that come into contact with them while en route to their rightful owners. Once a pension check is mailed from the retirement office, the postal service handles the delivery of it; with direct deposit, the banks control the routing of the funds from beginning to end. In other words, direct deposit eliminates the need for a middle man.

If a paper check is lost or stolen, the retiree must wait ten calendar days before PSRSSTL will issue another payment. Contrarily, and in the rare event a problem occurs with a direct deposit, PSRSSTL will issue a new payment to the recipient the day after the bank returns the funds.

Direct Deposit forms are available on the website or by contacting the retirement office.

## 2017 Regular Board Meeting Schedule

*February 27<sup>th</sup>*

*April 17<sup>th</sup>*

*June 19<sup>th</sup>*

*August 21<sup>st</sup>*

*October 16<sup>th</sup>*

*December 18<sup>th</sup>*

*Usually 4:30 p.m.*

*Meetings are open to the public and held in the boardroom on the 2<sup>nd</sup> floor at 3641 Olive Street St. Louis, Missouri*

## MEMORIALS

The Retirement System regretfully reports the following members as deceased:

*Gurcharan Aulakh, Linda Baker-Rell, Johnetta Becker, Shirley A. Beyersdorfer, John Callahan, Dolores Carroll, Torris Caston, Albertine Chenault, Clarence Clayborn, Robert K. Cook, Gloria M. Danielson, Darryl R. Davis, Betty F. Dittmeier, Theresa Dolci, Willie G. Gillespie, Frances T. Gooden, Claudia B. Graves, Mildred Green, Alice Hartman, Susie Hollis, Joann S. Jones, Daniel Karty, Hedwig M. Kuhn, Gladys Lewis, Philip Mallette, Diane McKenzie, Betty Mehl, Edna Nicholas, Geraldine Plato, Shirley G. Powell, Alice W. Ryan, Cynthia A. Sanders, Juanita Sanders, Betty J. Schaffer, Philip Shaw, Melverne D. Shelton, Joseph Sterling, Edna Tonnies, Fonzella Troupe, Willie L. Wilson, Janet M. Works and Patrick Wroblewski*



## 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>
March 17, 2017	April 1, 2017	June 16, 2017	July 1, 2017
April 17, 2017	May 1, 2017	July 17, 2017	August 1, 2017
May 17, 2017	June 1, 2017	August 17, 2017	September 1, 2017

## 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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## 2016 FOURTH QUARTER INVESTMENT BRIEF

*"Investing your money for lifetime security"*

The Retirement System's investment portfolio experienced a positive return of 0.2% during the 2016 Fourth Quarter, ranking in the top 74% of similar public funds. During the one-year period ending on December 31, 2016, the Retirement System experienced a positive return on investments of 6.3%, a net decrease of 1.9% in market value, and ranked in the top 85% 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 12/31/2016	One Quarter	One Year
Beginning Market Value	\$832,447	\$857,355
Net Additions/Deductions <sup>1</sup>	6,224	(68,064)
Return on Investment	2,382	51,762
Ending Market Value	\$841,053	\$841,053
<sup>1</sup> Deductions fund pension payments	(Dollars in \$000's)	

Period Ending 12/31/2016	Percentile Ranking (Public Funds Universe)	Investment Return
One Quarter	74 <sup>th</sup>	0.2%
One Year	85 <sup>th</sup>	6.3%
Three Years	85 <sup>th</sup>	3.4%
Five Years	80 <sup>th</sup>	7.6%
Ten Years	51 <sup>st</sup>	5.1%

Asset Allocation Summary Period Ending 12/31/2016		
Asset Class	Market Value	% of Portfolio
Domestic Stocks	229,642,697	27.30%
Domestic Bonds	106,152,119	12.60%
International Stocks	115,356,347	13.80%
Global Stocks	41,990,627	5.00%
International Bonds	33,964,387	4.00%
Emerging Markets Debt	26,161,818	3.10%
Tactical Asset Allocation (GTAA)	102,754,864	12.20%
Hedge Funds	72,934,809	8.70%
Real Estate	52,710,452	6.30%
Alternatives	20,799,029	2.40%
Cash	38,585,792	4.60%
Total	\$841,052,941	100%

### 1099R's MAILED ON JANUARY 31st

If you received retirement benefits, a refund or rollover distribution from PSRSSTL in 2016, 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 2016 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 = 2016 regular pension benefit payments

SUP PEN = 2016 sick leave conversion benefit payments

DIST = 2016 distribution (refund) of member contributions

#### Explanations

Box 1: 2016 Gross Distributions paid

Box 2a: Taxable Amount from Box 1

Box 4: 2016 Federal Income Tax withholdings

Box 5: Difference between Box 1 and 2a = non-taxed \$'s

Box 12: 2016 State Tax withholdings

If a box is blank, then the amount equals zero.

View Form: <https://www.irs.gov/pub/irs-pdf/f1096.pdf>

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 or survivor beneficiary, please remind your loved ones to contact PSRSSTL immediately upon your death to avoid the collection of overpayments.
- ♦ 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.
- ♦ Members who had medical insurance through PSRSSTL in 2016 should expect to receive an IRS Form 1095-B or C for tax purposes. Depending on the type of coverage, the form will be mailed by either the insurance carrier or Medicare.
- ♦ 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, reissues will only be made starting the 11<sup>th</sup> day of the month.
- ♦ Please remember to keep your mailing address current with your employer or PSRSSTL if retired. Retiree change forms are available on the website or by request.

#### Mailing Schedule for 2017

**Newsletters:** May, August, November

**Annual Report Summaries:** July

**Annual Benefit Statements:** August

**Health Insurance Open Enrollment Packets:** October

**Election Information:** as needed