



MRTA

Missouri Retired Teachers' Association & Public School Personnel

August 18, 2011

PSRS/PEERS Director Steve Yoakum
PSRS Board of Directors
Jefferson City, Missouri

Dear PSRS/ PEERS Leaders:

Attached you will find the MRTA 2012 Legislative Platform for your review. For 2012, MRTA's priorities will be to maintain and protect the benefits of all education retirees of Missouri as well as the public education system of Missouri. This includes but is not limited to opposing any attempt to privatize our retirement system by requiring new hires into a Defined Contribution plan. MRTA will strongly oppose any attempt to put any public retirement funds into a State Investment Board/Company. It is the view of MRTA that a State Investment Board/Company is bad public policy for any public retirement funds in Missouri due to the lack of fiduciary responsibility and also the lack of oversight any of these type of investment boards present to the patrons of the systems and taxpayers of Missouri.

Item #2 of the attached MRTA Legislative Platform states: MRTA will support the current independent governance of the PSRS/PEERS Board and the independent investments decisions of that board. A large percentage of MRTA members participate in the election of the four positions of the PSRS/PEERS Board of Directors. We believe we have a voice. We trust the PSRS/PEERS Board will make the tough decisions needed for the good of all education employees and education retirees in these extraordinary difficult times.

MRTA wishes to go on record as "CONCERNED" regarding the proposed PSRS/PEERS Funding Stabilization Policy. Our concern with a mandated 2% COLA is that our retirement security and quality of life in retirement may be reduced. MRTA realizes the PSRS/PEERS Board can enact these policies with or without our support. MRTA requests that the proposed policy reflect a mandated review of COLA policy at the minimum of every five years and that the Board be required to renew the policy by board vote at that time.

Continued

PSRS/PEERS Director Steve Yoakum
PSRS Board of Directors
August 18, 2011, Page 2

MRTA believes in shared sacrifice between active employees and retired employees in making our system better funded and more sound. Therefore, MRTA opposes the required renewal of the "25 and Out" and "2.55 Factor After 31 Years" options offered through state law by our retirement system. As with the proposed 2% COLA, times necessitate reduction in costs and liabilities to the system. These two options conflict in education policy and will allow a way to help reduce costs to the system.

MRTA believes that any legislation in the future should initiate reforms to PLSO-Partial Lump Sum Options, the purchasing of years of service, WAR-work after retirement provisions and beneficiary options. MRTA will advocate for reforms on these issues and will look forward to working with you on them.

MRTA wishes to extend our sincere gratitude to you, the leaders of PSRS/PEERS. Please do not hesitate to contact us if you have any questions or if we can be of assistance to you.

Sincerely,



Ron Schlimme
Legislative Committee Chairman, MRTA



Jim Kreider
Executive Director, MRTA

enclosure

c: Maria Walden
MRTA Board of Directors
MRTA Legislative Committee