



THE POLICE RETIREMENT SYSTEM OF ST. LOUIS

2020 MARKET STREET
SAINT LOUIS, MISSOURI 63103
Toll Free 1-800-850-4407
(314) 241-0800 Fax (314) 241-4009

February 15, 2017

The Honorable Board of Estimate and Apportionment
City of St. Louis
1200 Market Street, Room 230
St. Louis, Missouri 63103

Re: Actuarially Required Contribution

Dear Sirs and Madam:

Cheiron, actuary for The Police Retirement System of St. Louis (the "System"), has conducted the annual valuation of assets mandated by Section 86.247 RSMo and determined the annual contribution by the sponsor City of St. Louis to be \$33,826,528.00.

During the regular meeting of the Board of Trustees of The Police Retirement System of St. Louis held on February 15, 2017, the Actuarial Valuation Report as of October 1, 2016 as submitted by Cheiron was presented to the Board, along with the attached letter dated January 20, 2017. The Board accepted said Report and required City contribution submitted by Cheiron. A copy of the January 20, 2017 required City contribution letter is attached.

The Board requests the payment of \$33,826,528.00 to the System pursuant to Chapter 86.200 through 86.366 RSMo, with payments in six equal installments to begin on July 1, 2017 pursuant to 86.344 RSMo.

Sincerely,

A handwritten signature in blue ink that reads "Stephen G. Olish".

Stephen G. Olish
Executive Director

SGO/cd
Enclosure

cc: Honorable Francis Slay, Mayor
Honorable Darlene Green, Comptroller
Honorable Lewis E. Reed, President, Board of Aldermen
Mr. Paul Payne, Budget Director
File



January 20, 2017

The Board of Trustees
Police Retirement System of St. Louis
2020 Market Street
St. Louis, MO 63103

Re: City Contribution to The Police Retirement System of St. Louis

Dear Board Members:

Cheiron has conducted the annual actuarial valuation of The Police Retirement System of St. Louis (the System) as of October 1, 2016. On the basis of that report, we find that the contribution to the System by the City of St. Louis for the System's plan year beginning October 1, 2016 and the City's 2018 fiscal year beginning July 1, 2017 is \$33,826,528. This compares to the contribution for the prior year of \$30,778,664.

This contribution amount is conditional on the Board's confirmation of the October 1, 2016 actuarial valuation report, which we will be sending under separate cover.

This amount was determined based on October 1, 2016 census data provided by the System and the plan provisions, assumptions and methods described in our October 1, 2016 Actuarial Valuation Report. This calculation was based on the provisions of relevant statutes (Sections 86.200 to 86.366 of the Revised Statutes of Missouri, as amended through August 2011, inclusive). The assets are based on The Police Retirement System of St. Louis preliminary financial report for the year ended September 30, 2016 that was provided by Hochschild, Bloom & Company LLP.

The purpose of this letter is to present the annual contribution to the System by the City of St. Louis. This report is for the use of the System and its auditors in preparing financial reports in accordance with applicable law and accounting requirements.

In preparing our report, we relied on information (some oral and some written) supplied by the System. This information includes, but is not limited to, the plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

To the best of our knowledge, this letter has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this letter. This letter does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

The Board of Trustees
January 20, 2017
Page 2

This letter was prepared exclusively for The Police Retirement System of St. Louis for the purpose described herein. This letter is not intended to benefit any third party, and Cheiron assumes no duty or liability to any such party.

Feel free to call Steve McElhaney at (703) 893-1456 ext. 1030 or Mike Noble at ext. 1209, should you have any questions.

Sincerely,
Cheiron



Stephen T. McElhaney, FSA, FCA, EA
Principal Consulting Actuary



Michael J. Noble, FSA, FCA, EA
Principal Consulting Actuary

cc: Stephen G. Olish, The Police Retirement System of St. Louis
Cheryl Donofrio, The Police Retirement System of St. Louis