Actuarial Funding Policy Amended
During their December 5, 2016 meeting, the Kansas City Public School Retirement System (KCPSRS) Board of Trustees voted unanimously to revise the current KCPSRS actuarial funding assumptions as recommended in the 2016 Experience Study completed by the System’s actuary, Cavanaugh MacDonald. An Experience Study is conducted periodically to analyze existing assumptions and make changes as necessary to keep KCPSRS financially healthy.

The two most important assumption changes adopted by the Board are mortality rates (improved life expectancies) and lower expected investment returns.

Mortality – People are living longer. Consequently, revised mortality assumptions will better project the length of time pension benefits are expected to be paid to current and future retirees and beneficiaries.

Investment Returns – Investment experts and actuaries expect lower investment returns for the long term. In recognition of these lower expectations, KCPSRS will reduce the assumed rate of return for investments from 8% to 7.75%.

The newly adopted assumptions will first be reflected in the 2017 actuarial valuation. In many respects, an actuarial valuation can be thought of as an inventory process. An “inventory” will be taken as of 1/1/2017. On that date the assets of the System are appraised and compared to the System’s liabilities, specifically the benefits to be paid to members. The valuation allows the KCPSRS Board of Trustees to analyze financing needs and implement policies to sustain the long-term viability of the System, fulfilling the promise of a secure retirement for our members.
Beverly Pratt was elected by the retirees to serve a four year term (2017—2020). She is retired from the KC School District.

Roger Offield was elected by active members to serve a four year term (2017—2020). He is currently the Superintendent of Brookside Charter School.

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Mr. Richard Brown Retires from District to Embark on New Career
Mr. Brown was recently elected to the Missouri House of Representatives and will begin his new career in January 2017. He is retiring from the District and thus resigned from his seat on the KCPSRS Board. Mr. Brown served on the KCPSRS Board of Trustees since January 2014.

Mr. Alexander P. Ellison Steps Down from Board
Mr. Ellison was first appointed by the Board of Education, effective January 1991, to fill a vacant seat. Mr. Ellison was reappointed and served on the Board until his resignation in December 2016. Mr. Ellison served on the KCPSRS Board of Trustees for a total of 26 years of service!

“On behalf of the staff, the Board, and all the members of KCPSRS, I thank both Mr. Ellison and Mr. Brown for their outstanding service to the System. Their commitment of time, energy and talent were invaluable in all aspects of management of the pension plan.” Christine Gierer, Executive Director

IRS Tax Scams/Consumer Alerts
As tax season approaches KCPSRS would like to remind you that tax scams are real and pose serious danger.

The IRS does not initiate contact with taxpayers by email, text messages or social media channels to request personal or financial information. The IRS does not threaten taxpayers with lawsuits, imprisonment or other enforcement action. Being able to recognize these tell-tale signs of a phishing or tax scam could save you from becoming a victim.

Also know that the IRS will never:
• Call to demand immediate payment using a specific payment method such as a prepaid debit card, gift card or wire transfer. Generally, the IRS will first mail you a bill if you owe any taxes.
Ready to Retire in 2017?
KCPSRS is hosting pre-retirement seminars to help you prepare for your transition to retirement.

**When:** Tuesday, January 10, 2017 4:00 PM – 6:00 PM  
Wednesday, January 18, 2017 3:30 PM – 5:30 PM  
Thursday, January 26, 2017 4:00 PM – 6:00 PM  
Tuesday, January 31, 2017 4:00 PM – 6:00 PM

**Where:** 3100 Broadway (First Floor Room 130) Kansas City, MO 64111

*Free 2-hour parking on the first two levels of the parking garage*

The same information will be presented at each seminar date. Please contact KCPSRS at 816-472-5800 to reserve your space as seating is limited.

Active Member Statements
Your member statement is available online at [www.kcpsrs.org](http://www.kcpsrs.org) by logging in to **MY ACCOUNT**. Note: There is a one-two month lag before your contribution amounts are received from your employer and posted to KCPSRS. You may also view an estimate of your future retirement benefit.

Retirees
Your 1099-R will be mailed to you at the end of January. You will need this form to file your income tax return.

**Reminder:** If your address, bank account, or tax requirements have changed, you need to let us know. Change of Address, Direct Deposit, and Tax Change forms are available online at [www.kcpsrs.org](http://www.kcpsrs.org) under the Retirees tab – Important Forms.

Please keep your information current so there is no delay in your pension benefit.

2017 Federal Income Tax Withholding Adjustments
You may see a slight change in your federal tax withholding and “after tax” pension benefit amount in 2017. The Internal Revenue Service (IRS) made inflation adjustments for tax bracket and rate schedules for 2017 federal tax withholdings. Accordingly, KCPSRS implemented the IRS adjustments. Due to the IRS change of the tax brackets, your monthly federal tax withholding amount may reflect a slight change for 2017.

- Threaten to immediately bring in local police or other law-enforcement groups to have you arrested for not paying.
- Demand that you pay taxes without giving you the opportunity to question or appeal the amount they say you owe.
- Ask for credit or debit card numbers over the phone.


You may also report instances of IRS-related phishing attempts and fraud to the Treasury Inspector General for Tax Administration at 1-800-366-4484.
## IN THE KNOW—CALENDAR

### JANUARY
- **2**
  - KCPBSRS Office closed for New Year’s Day
- **10**
  - Pre-Retirement Seminar
- **13**
  - Deadline to submit direct deposit & tax changes for January pensions
- **16**
  - KCPBSRS Office closed for Martin Luther King, Jr. Day
- **18**
  - Pre-Retirement Seminar
- **20**
  - Pre-Retirement Seminar
- **26**
  - Pre-Retirement Seminar
- **30**
  - Pension checks mailed
- **31**
  - Pension direct deposits posted
  - Pre-Retirement seminar

### FEBRUARY
- **15**
  - Deadline to submit direct deposit & tax changes for February Pensions
- **20**
  - KCPBSRS Office closed for President’s Day
- **27**
  - Pension checks mailed
- **28**
  - Pension direct deposits posted

### MARCH
- **15**
  - Deadline to submit direct deposit & tax changes for March Pensions
- **30**
  - Pension checks mailed
- **31**
  - Pension direct deposits posted

### APRIL
- **14**
  - KCPBSRS Office closed
- **17**
  - Deadline to submit direct deposit & tax changes for April Pensions
- **27**
  - Pension checks mailed
- **28**
  - Pension direct deposits posted

### MAY
- **15**
  - Deadline to submit direct deposit & tax changes for May Pensions
- **29**
  - KCPBSRS Office closed for Memorial Day
- **30**
  - Pension checks mailed
- **31**
  - Pension direct deposits posted

### JUNE
- **15**
  - Deadline to submit direct deposit & tax changes for June Pensions
- **29**
  - Pension checks mailed
- **30**
  - Pension direct deposits posted

### JULY
- **4**
  - KCPBSRS Office closed for Independence Day
- **17**
  - Deadline to submit direct deposit & tax changes for July Pensions
- **28**
  - Pension checks mailed
- **31**
  - Pension direct deposits posted

### AUGUST
- **15**
  - Deadline to submit direct deposit & tax changes for August Pensions
- **30**
  - Pension checks mailed
- **31**
  - Pension direct deposits posted

### SEPTEMBER
- **4**
  - KCPBSRS Office closed for Labor Day
- **15**
  - Deadline to submit direct deposit & tax changes for September Pensions
- **28**
  - Pension checks mailed
- **29**
  - Pension direct deposits posted