NCERP

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NON-CERTIFICATED EMPLOYEES RETIREMENT PLAN

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Individuals with speech or hearing impairments may call via Relay Missouri by dialing 711.

Columbia Management's Investment Presentation as of December 31, 2015

At the NCERP quarterly committee meeting on February 10, 2016, Mr. Jim Wilkinson, Senior Relationship Manager, Columbia ThreadNeedle, began his quarterly report by stating the economy has had a rocky ride over the last quarter and at the end of 2015 the Gross Domestic Product (GDP) had only grown by 2 per cent. The Feds has started raising interest rates at 0.25 per cent and are expected to rise to the 0.50 per cent rate depending on the strength of the economy, employment rates, inflation numbers, and stock/credit markets to make their adjustments. The unemployment rate is currently at 5 per cent and is expected to reach 4.9 per cent in the near future, and that's the lowest we have seen since 2008.

The stock market ended the year (2015) in somewhat of a disarray. With crude oil trading at $37.50 per barrel at the beginning of 2016 with an anticipated decline of at least 20 per cent, $30.00 per barrel is not out of reach. This should result is more discretionary spending, but hasn't exactly worked out because consumers seem to be saving more. Cheaper oil prices has had a negative impact on the economies in the Middle East as well. Market turbulence is anticipated throughout the upcoming year. The presidential elections are upcoming, contributing to more market volatility. China's growth has slowed down, as they recently devalued their dollars causing some need for more market frustrations. The single event of the ISIS bombing in Paris caused more market volatility as well as the firing of rockets in North Korea. The continued violence in the Middle East is are also ongoing contributors for market fluctuations.

The plan's portfolio allocation have been changed to include the International Value Fund and the International Opportunity Fund replacing the Columbia Acorn International Fund. Basically a 60 for 40 split between Large Cap Funds (39%) and Fixed Income (38%), Small Cap Index (9%), the International Value Fund (5%), the International Opportunity Fund (5%), and Cash (4%).

The Plan's reconciliation of assets for the quarter; started at $70,669,550, net withdrawals were ($560,743), the income earned was $1,024,583, the change in market value was $1,304,536, and the quarter's ended with a market value of $72,437,926.

The Plan's portfolio performance as of December 31, 2015 was 3.30 per cent, over the last year was 0.36 per cent, the last 3 years was 8.82 per cent, the last 5 years was 7.98 per cent, the last10 year period was 6.56 per cent, and since inception 10.99 per cent.

In conclusion Mr. Wilkinson, predicted that no changes to the Plan are anticipated and if we able to stay the course the Plan will remain solid.

Report on New Participants/Return Of Contributions/ Retirees/ Deceased Retirees

During the time period October 1, 2015 through December 31, 2015 there were five (5) new participants added to the Plan and also there were five (5) who separated from the Plan. Those who separated from the college; their returned contributions and credited interest totaled $35,842.06.

Also during the same period of time, six (6) Plan participants chose to retire. Five (5) chose the life annuity option and one (1) chose the Lump Sum Payment totaling over $100K. No one chose the 50 percent Annuity/50 percent Lump Sum method of payment during the previous quarter.

Mrs. Mary Schildz, who worked at the Meramec campus, passed on January 6, 2016.

NCERP's Accounting System:

The fiscal year budget report as of December 31, 2015, includes the following:

- Total budget for FY 2016: $419,774.00
- Total invoices paid at through the end of quarter is; $189,609.28
- Balance of budget as of December 31, 2015, after all bills paid: $230,164.72

The Plan anticipates completing the fiscal year 2015-2016 under its proposed budget.

Retirement Interview Schedule:

If employees would like an estimate of their retirement benefits, attend any of the campus visits made by James Hayden, plan coordinator, ext. 5217. Please call at least one week before the scheduled visit to ensure the retirement assessment is complete. Every participant is encouraged to contact Hayden at any time to obtain a retirement benefit assessment. *See schedule on the right.*

Beneficiary Accuracy

Please make sure your current beneficiary form on file for your NCERP retirement contributions is accurate. Failure to do so could result in retirement contributions being paid to the employee's estate versus having the contributions going to loved ones. If there are questions or concerns, contact James Hayden, plan coordinator, at ext. 5217.

NCERP Coordinator's Proposed Schedule of Campus Visits

DATE	LOCATION	TIME
April 7, 2016	Forest Park	12 p.m.
April 14, 2016	Florissant Valley	2 p.m.
April 21, 2016	Meramec	2 p.m.
April 28, 2016	Cosand Center	2 p.m.
May 5, 2016	Forest Park	12 p.m.
May 12, 2016	Florissant Valley	2 p.m.
May 19, 2016	Meramec	2 p.m.
June 2, 2016	Forest Park	12 p.m.
June 9, 2016	Florissant Valley	2 p.m.
June 16, 2016	Meramec	2 p.m.
June 23, 2016	Cosand Center	2 p.m.
July 7, 2016	Forest Park	12 p.m.
July 14, 2016	Florissant Valley	2 p.m.
July 21, 2016	Meramec	2 p.m.
August 4, 2016	Forest Park	12 p.m.
August 11, 2016	Florissant Valley	2 p.m.
August 18, 2016	Meramec	2 p.m.
August 25, 2016	Cosand Center	2 p.m.
September 8, 2016	Forest Park	12 p.m.
September 15, 2016	Florissant Valley	2 p.m.
September 22, 2016	Meramec	2 p.m.
October 6, 2016	Forest Park	12 p.m.
October 13, 2016	Florissant Valley	2 p.m.
October 20, 2016	Meramec	2 p.m.
October 27, 2016	Cosand Center	2 p.m.
November 3, 2016	Forest Park	12 p.m.
November 10, 2016	Florissant Valley	2 p.m.
November 17, 2016	Meramec	2 p.m.
December 1, 2016	Forest Park	12 p.m.
December 8, 2016	Florissant Valley	2 p.m.
December 15, 2016	Meramec	2 p.m.

LOCATIONS:

- **Meramec**, BA-106
- **Florissant Valley**, Training Center, TC-109
- **Forest Park**, VP Academic Affairs' Conference Room
- **Cosand Center**, Room 208

Any suggestions for improvements, questions, comments or other concerns about the retirement plan may be directed to any of the NCERP Committee representatives.

Any proposed agenda items may be sent to ***James Hayden*** *or the employee representative 10 days prior to the meeting date.*

Unofficial

10 Worst Retirement Mistakes Made by Retirees:
Money mistakes are a common learning experience from which we can all grow, but when you are already in your retirement phase, the results can be a little more catastrophic. It's much easier to recover from mistakes when you are younger but retirees are depending on that nest egg and their ability to replenish savings is greatly diminished.

1. Not Changing Lifestyle After Retirement
Among the biggest mistakes retirees make is not adjusting their expenses to their new budget dependent life. Those who have worked for many years usually find it hard to reconcile with the fact that food, clothing and entertainment expenses should be adjusted because they are no longer earning the same amount of money as they were while in the work force. For example you might need to do a little less dining out and learn to enjoy home cooked meals.

Many retirees also tend to forget to take into account healthcare and long term care costs that usually come into plan as a person ages. If you have never considered this before, it's to talk with a trusted financial planner to iron out your retirement planning. With some appropriate adjustments to your budgeting and proper planning, you'll make sure you are set for any event.

2. Failing to move to More Conservative Investments
Once you have retired, you can't afford large negative swings in your savings. You regularly hear financial advisors recommending a long term strategy and touting the strategy of leaving money in market regardless of the ups and downs. That's because over time the market while very volatile at times, has historically ended up rising in the long term. When you retire however, you have to think more short term as you will need to access the cash. It's still probably smart to keep some money in more aggressive growth investments, but not nearly at the level you did when you were younger. A financial advisor can offer advice on how you investments should be diversified. You might not make a huge gains in net worth, but you will be protected.

3. Applying for Social Security Too Early
Just because you are already eligible to apply for Social Security at 62 does not mean you should. If you start taking benefits at age 62 will bet you about 25% less than what you would get on your full retirement age of 66.

You will also get 32% less than if wait until age 70.If you have the means to pay your bills, try to delay your application for retirement benefits for a few years more. The benefit increase is maxed out by 70 years old and will not increase any further, so that's the target age you should shoot for.

4. Spending Too Much Money Too Soon
Before finalizing your retirement, you must take into consideration that you will only be living on a fixed amount of money. Oftentimes the amount of retirement savings looks pretty large, but retirees must keep in mind that money will have to last a very long time – hopefully a very, very long time! Avoid the temptation to spend large chunks of that next egg early in retirement. The temptation to spend your money can be almost irresistable, but discipline is vital. Depleting our money beyond the interest that it earns will hurt the principal and would leave you with nothing after just a few years.

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NCERP MEETING SCHEDULE
The quarterly NCERP Committee meetings now are being rotated from various campus locations. The tentative schedule is:

May 11, 2016
Florissant Valley, 9:15 a.m.

August 10, 2016
Cosand Center, 9:15 a.m.

November 9, 2016
Forest Park, 9:15 a.m.

February 8, 2017
Meramec, 9:15 a.m.

YOUR NCERP REPRESENTATIVES:

Physical Plant Representative
Mike Wibbenmeyer - Chair
MC-Utilities/HVAC
Phone: 314-984-7749
E-mail: mwibbenmeyer@stlcc.edu
Term expires: Oct. 30, 2016

Board of Trustees Appointee
Ruth Lewis – Vice Chair
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Phone: 314-567-7098
Term Expires: BOT's pleasure

Board of Trustees Appointee
Calla White
6688 Chesapeake Drive, Apt. C
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Non-Unit Representative
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CC – Institutional Development
Phone: 314-539-5756
E-mail: krobinson229@stlcc.edu
Term expires: June 30, 2017

Unit Representative
Kevin White
FP-Media Services
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E-mail: kwhite@stlcc.edu
Term expires: June 30, 2016

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5. Failure To Be Aware Of Frauds and Scam

Retiree unfortunately are among the most targeted for scams. Be sure to consult an advisor prior to making any investment or laying out a large amount of cash on anything. Scammers will prey upon your desire to grow your savings.

Even if you are not retired or about to retire, always keep a certain level of skepticism when it comes to the investments being presented to you. Do your research first; ask about it and search for it online. You might just find out that this whole system is just an elaborate way for people to get money out of you.

6. Cashing Out Pension too Soon

Retirees are easily swayed by the promise of a higher return once they try to put their money on a particular investment vehicle thus pushing them to cash out their entire pension. This is not always the best move to make; investments are highly unpredictable and it can be difficult to look for one that could pay just as much, or even more, as the pension over the long term.

Remember that cashing out on a pension early oftentimes comes at a big cost. Be extremely wary and weigh your options well. The longer your life, the more you are going to miss out on the benefits of the pension if you have cashed out early.

7. Not Being Effective Tax-Wise During Retirement

Having multiple retirement accounts may sound ideal but you have to remember that each retirement account is being taxed differently. If you do not find a way to take out your money from your assets and your accounts, you could end up paying more taxes that you actually have to. Finding the most cost-efficient way of being taxed during retirement is a complicated manner so you might want to make sure that you have a trusted financial planner to help you along the way.

8. Supporting Adult Working Children

Family is often hard to refuse, but you have to remember that your savings are fixed for the most part and your ability to earn back money taken from savings is greatly diminished in retirement. Your children are going to be much better equipped to recover from financial difficulties. Unless you are really sure you have the money to spare, avoid giving large monetary gifts or loans, especially if you are already out of the work force.

Remember that you will no longer be earning the same as you did when you still had a job. It is expected that your expenses will have already gone down by this time. This means that whatever money you get should be enough to cover only your personal expenses.

9. Being House-Rich but Cash Poor

People often pay for their mortgage for most of their life and by the time they retire, end up with a lot of equity in the home and with little cash left. While houses appreciate in value, the cost of upkeep including taxes, utilities, services, repairs and maintenance is too much for a retiree to handle. Once you have decided to get out of the work force, it is assumed that your children should have already moved out of your house. You can downsize your living expenses by selling your house and moving to a smaller home that you can afford. You can also invest the remaining money or more predictable income in order to support your new retirement lifestyle.

10. Not Staying Active Socially or Physically

Possibly one of the worst things you can do when you retire is become reclusive and inactive. It's important to maintain social connections and frequently enjoy the company of friends and family or join social groups and activities that will enable social interaction with peers. The mind is like a muscle – if it is not exercised, the capabilities will fade. So in addition to continuing some sort of regular exercise habit, seniors should also exercise their brains. Reading books, solving puzzles and just simply engaging in conversation are all great ways to keep the brain sharp and functioning well into later life. Becoming reclusive and spending a lot of time in front of the television, while on occasion may offer relaxation, should not monopolize our time.

Keeping active will not only help keep you mentally sharp and physically healthy, but will also elevate your mood and help you be happy well into your golden years!

Source: financialword.com