

St. Louis City Ordinance 64833

FLOOR SUBSTITUTE

BOARD BILL NO. [99] 177

INTRODUCED BY ALDERMAN FRANCIS G. SLAY

An ordinance pertaining to the Employees Retirement System of the City of St. Louis repealing Ordinance Nos. 49933, 53738, 55041, 56132, 56719, 57354, 57368, 57971, 58419, 58670, 58694, 59046, 59279, 59441, 59486, 59487, 59708, 59709, 59714, 59823, 60877, 61249, 61976, 61357, 62719, 62792, 63347, 64076 and 64048 all presently codified as Chapter 4.16 of the Revised Code of the City of St. Louis and enacting a new ordinance relating to the same subject matter.

BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:

SECTION ONE. Ordinance Nos. 49933, 53738, 55041, 56132, 56719, 57354, 57368, 57971, 58419, 58670, 58694, 59046, 59279, 59441, 59486, 59708, 58487, 59709, 59714, 59823, 60877, 61249, 61976, 62719, 62792, 63157, 63347, 64076 and 64048 are hereby repealed and enacted in lieu thereof is the following:

SECTION TWO. DEFINITIONS

The following words and phrases as used in this ordinance shall have the following meaning, unless a different meaning is plainly required by the context.

1. Accumulated contributions.

◆Accumulated contributions◆ means the sum of all amounts deducted from the compensation of a member and credited to the fund together with interest thereon.

2. Actuarial equivalent.

◆Actuarial equivalent◆ means a benefit of equal value when computed upon the basis of such mortality tables and interest rate as shall be adopted by the Board of Trustees.

3. Appointing authority.

◆Appointing authority◆ means any person or group of persons having power by law or ordinance, or by lawfully delegated authority to make appointments to any position in the City service.

4. Beneficiary.

◆Beneficiary◆ means any person in receipt of a benefit from the Retirement System as a result of the death of a member or retiree.

5. Benefit compensation base.

◆Benefit compensation base◆ means the amount of annual compensation with respect to which old age and survivor's insurance benefits would be provided to the member under the Social Security Act in effect on the date the benefit compensation base is determined. The benefit compensation base shall be computed for each member on the earlier to occur of (a) his normal service retirement date, or (b) the date of termination of his employment. The benefit compensation base shall be determined as though for each year prior to and including the year of computation the member's annual compensation was at least equal to the maximum amount of earnings subject to tax in each year under the Federal Insurance Contributions Act, and for each year after the date of computation until the member's normal service retirement date, his annual compensation is equal to the maximum amount of earnings subject to tax in the year of computation under the Federal Insurance Contributions Act.

6. Board of Trustees.

◆Board of Trustees◆ means the board provided for in this ordinance to establish policy and rules for the administration of the Retirement System.

7. Compensation.

◆Compensation◆ means the basic wage or salary paid an employee for any period excluding bonuses, overtime pay, expense allowances and other extraordinary compensation.

8. Creditable service.

◆Creditable service◆ means the period of service which is creditable in accordance with Section Four of this ordinance.

9. Employee.

◆Employee◆ means any appointive or elective employee of an employer, whether performing city or county functions, except those employees remunerated at hourly rates, per performance rates, or employees in training positions as determined by the Department of Personnel of the City, or members of other Retirement Systems established by ordinance and/or state statute, or part-time employees on less than a half-time basis are excluded. In case of doubt as to whether any person is an employee within the meaning of this ordinance, the decision of the Board of Trustees shall be final.

10. Employer.

◆Employer◆ means the City as a city and as a county, any public utility owned by the City, the Retirement System, or any administrative board or board of control organized and existing under the general laws of the state for the purpose of furnishing library services or maintaining and operating an art museum or a zoological park or similar public service to the inhabitants of the City, which elects to participate in this Retirement System.

11. Final average compensation.

◆Final average compensation◆ means the average annual compensation received by a member for the two consecutive years of creditable service in which the highest compensation was received preceding the termination of his employment. If a member has less than two consecutive years of creditable service then his final average compensation shall be the average compensation received by him during the number of his consecutive years of creditable service prior to such date.

12. Medical board.

◆Medical board◆ means the Board of Physicians provided for in this ordinance.

13. Member.

◆Member◆ means a member of the Retirement System as defined by Section Three of this ordinance.

14. Operative date.

◆Operative date◆ means the date this Retirement System becomes operative for an employer; and, as to the City as an employer, the operative date shall be April 1, 1960.

15. Pension.

◆Pension◆ means the annual payments for life which shall be payable in equal monthly installments to a retiree or to a beneficiary, including a full monthly payment for the month in which the death of the retiree or beneficiary occurs.

16. Retiree.

Retiree means a member who has retired and is entitled to benefits from the Retirement System.

17. Retirement System.

◆Retirement System◆ means the Employees Retirement System of the City as authorized under an act of the 70th General Assembly of the State known as Senate Bill 329, and as set forth in this ordinance.

18. Service retirement date.

◆Service retirement date◆ means the date of actual retirement of a member for reasons other than disability.

19. Spouse.

◆Spouse◆ means the spouse of a member at the date of his retirement or at the date of his death if he dies before retirement.

20. Gender.

Masculine pronouns include the corresponding pronoun of the feminine gender unless otherwise qualified by the context.

SECTION THREE. MEMBERSHIP

1. Employment.

All employees shall become members upon employment.

2. Enrollment information.

All employees shall provide such enrollment information as required by the Secretary of the Board of Trustees to qualify for membership, in addition to meeting other provisions of this section.

3. Cessation.

Membership ceases on termination of employment by resignation, discharge, death, retirement, layoff or if for any other reason except military service if the employee is not on the payroll of an employer for more than twelve consecutive months.

SECTION FOUR. CREDITABLE SERVICE.

1. Calculation.

The years of creditable service of a member shall be the number of years and completed months of service during which he receives compensation from the first day of the calendar month following the date of the beginning of each employment with an employer until his employment is terminated, subject to the provisions of this section. The years of creditable service of an employee hired after the operative date who had attained the age of sixty years at initial employment shall be the number of years and completed months of service during which he receives compensation from October 1, 1988, and hereafter, from the first day on or after October 1, 1988, of the beginning of each employment with an employer until his employment is terminated. No creditable service shall be granted for any period of employment before October 1, 1988, after the calendar month in which the member attains age seventy. No creditable service for employment prior to April 1, 1960 shall be granted an employee who becomes a member after April 1, 1960 unless he was employed by an employer on April 1, 1960. Unused credited sick leave shall be considered as additional creditable service in determining eligibility for and calculation of retirement benefits under any provision of this ordinance provided the member does not receive payment for said sick leave upon termination of his employment.

2. Reemployment.

A. If a member resumes employment after the effective date of this ordinance with an employer within two years after his employment is terminated his creditable service as of date of termination shall be restored.

B. If a member resumes employment with an employer more than two years after his employment is terminated, he may request that his creditable service as of the date of his termination be restored. Using accepted actuarial methods, the System shall determine the cost of any change in the benefit obligation to the member to be incurred by the System for creditable service being restored to a member and adjust the member's amount of creditable service to reflect said cost. A member may elect to purchase any period of creditable service not restored as a result of the above reduction. The cost shall be determined using accepted actuarial methods by the System. Payment in full of an amount due by an individual electing to purchase creditable service shall be made over a period not to exceed two years, measured from the date of election, or prior to the effective date of retirement benefit payments to the member, whichever is earlier, with interest compounded annually at the actuarially assumed rate of the System. If payment in full is not made within this prescribed time period, any partial payments made by the member because of the election shall be refunded, and no creditable service shall be allowed by the System as a result of the partial payments.

3. Absence without pay.

Creditable service to date of absence shall not be forfeited by reason of any absence without pay due to leave granted by an employer for up to a one year period, provided the employee returns to active service with his employer at the expiration of his leave.

4. Vested Benefit

A member with at least five (5) years of creditable service will have a vested benefit.

5. Rules and regulations.

The Board of Trustees shall fix and determine by proper rules and regulations how much service in any year is equivalent to one year of creditable service, but in no event shall more than one year of service be creditable for all service in one calendar year, nor shall the Board of Trustees allow credit as service for

any period of more than one month's duration during which the member was absent without pay except as provided otherwise in this section.

6. Military service.

Absence from employment with an employer because of compulsory military service or military service in time of war shall be considered a leave of absence granted by the employer, provided the employee returns to active employment with his employer within the period of time during which he has reemployment rights under any applicable federal law or within 90 days from and after discharge from such military service if no federal law is applicable and such service shall be included in creditable service, provided he has not withdrawn his accumulated contributions. Any other military service will be creditable up to two years if leave of absence is granted by the employer prior to such service.

7. Termination and reemployment.

If the employment of a member is terminated and he is employed by any employer thereafter he shall be considered a new employee for all purposes of the Retirement System except as provided by Section Four(2) of this ordinance.

8. Claim prior to operative date.

Each member claiming creditable service prior to the operative date shall at the request of the Secretary of the Board of Trustees file such detailed statement as may be required to establish such claimed creditable service.

SECTION FIVE. NORMAL SERVICE RETIREMENT

1. Date established.

The normal service retirement date of a member shall be the first day of the month following his sixty-fifth birthday, provided however that a member must have completed at least five years of creditable service as of his normal service retirement date to be eligible for a pension benefit under this provision.

2. Written application.

Any member may retire as of his normal service retirement date or as of the first day of any month thereafter upon his written application to the Board of Trustees not less than thirty days nor more than ninety days prior to such date,

provided that the member has completed at least five years of creditable service as of the date of his application.

3. Benefit compensation base.

Upon retirement on his normal service retirement date or thereafter a member shall receive a monthly pension beginning on the first day of the month following his retirement, equal to his number of years of creditable service and fractions thereof, multiplied by one-twelfth of the sum of:

A. 1.30% of his final average compensation up to the Benefit Compensation Base for the year of his normal service retirement date; and

B. 2.05% of that part of his final average compensation in excess of the Benefit Compensation Base according to the year of his normal service retirement date.

4. Rule of Eighty-Five -- Pension amount.

A. A member of the Retirement System who has satisfied the Rule of Eighty-Five at date of termination of employment shall receive a monthly pension equal to his number of years of creditable service and fraction thereof multiplied by one-twelfth (1/12) of the sum of:

1. One and three-tenths percent (1.3%) of his final average compensation; and

2. Three-fourths percent (3/4%) of that part of his final average compensation in excess of the benefit compensation base according to the year of termination of employment.

A member shall be deemed to have satisfied the Rule of Eighty-Five if the sum of his age and creditable service at date of termination of his employment is equal to or in excess of eighty-five (85).

B. It is hereby declared that the employment provisions of compensation and retirement from service benefits are herein adjusted to each other and to the present prevailing conditions under which exists for the City, and other public entities governed by the Retirement System.

5. Cost of living factor.

The pension of a retiree or of his beneficiary, if any including benefits payable to a member's spouse pursuant to this ordinance, will be adjusted as of January 1 of each year beginning with the second January 1 following the date benefits were first payable, using the cost of living factor adopted by the Board of Trustees. The Consumers Price Index (U.S. city average index) as compiled by the U.S. Department of Labor for the twelve-month period ending September 30 of each year shall be used. The cost of living factor shall be the change in the specified Consumers Price Index since the previous adjustment in benefits, to the nearest one-tenth of one percent; provided, that if the change is an increase less than one percent the factor shall be zero, and if the change is an increase greater than five percent the factor shall be five percent. If the change is a decrease, the factor shall be zero unless the change is five percent or more. The cumulative cost of living percentage increases applied to the benefit earned by a member cannot exceed twenty-five percent. The cost of living factor may not be used if it would result in a benefit lower than the initial benefit payable to a retiree or beneficiary. The cost of living factor as of September 30 of each year shall be applied to the monthly benefit for December of such year to obtain the monthly benefit payable in the following year to retirees who are eligible.

6. Laws governing benefits.

The law as in effect the date a member ceased to be an employee shall govern as to any benefits paid thereafter to him or to his beneficiaries.

7. Board of Aldermen pension.

Upon retirement on his or her retirement date or thereafter, a member who has served at least five years in the Retirement System shall receive a pension.

SECTION SIX. EARLY SERVICE RETIREMENT

1. Date established.

Upon the effective date of this ordinance the early service retirement date of a member or a former member with vested benefits, shall be the first day of any month after he has attained age sixty (60) with at least five (5) years of service, age fifty-five (55) with at least twenty (20) years of creditable service, or has completed at least thirty (30) years of creditable service at any age.

2. Written application.

Any member or former member with vested benefits may retire on his early service retirement date upon his written application to the Board of Trustees not less than thirty (30) days nor more than ninety (90) days prior to such date.

3. Benefit computation.

Upon retirement at his early service retirement date the member shall receive benefits under either subsection A or B:

A. A pension beginning on his normal service retirement date calculated as for normal service retirement but based on his years of creditable service, benefit compensation base, and final average compensation as of his early retirement date; or

B. A pension, as computed in subsection A, beginning on the first day of any month following his retirement and prior to his normal service retirement date, reduced by one-third percent (1/3%) for each month by which the commencement of the pension precedes the member's normal service retirement date.

4. Vested accrued benefit.

A member with at least five (5) years of creditable service at date of termination of employment and not eligible for early retirement will have a vested accrued benefit.

5. Suspension of Pension

A member who has retired under the early or normal service retirement provisions and again becomes an employee of an employer shall have his pension suspended until his termination of employment.

6. Accumulated contributions.

A member who retires early may elect to withdraw his accumulated contributions at any time prior to the date his pension is to commence. In event of his death prior to the date his pension is to commence, his accumulated contributions will be payable in a lump sum to his designated beneficiary.

7. Rule of 80 retirement window.

A. Persons who elected to retire under the retirement window as provided for in Ordinance 60877 and who later return to work for an Employer under said System as an employee-regular, temporary, per performance, for limited term or under contract with the employer whether designated as a consultant or otherwise, shall have their subsequent retirement benefits under the plan reduced by the actuarial value of the lump sum payment provided herein. In such event subsequent retirement benefits of such person will be determined without regard to the elimination of early retirement reduction provided in this section.

B. Persons who elected to retire under [this] the retirement window as provided for in Ordinance 61976 and who later return to work for an employer under said System as an employee in a permanent position working thirty or more hours per week on a regular basis shall have their subsequent retirement benefits under the plan reduced by the actuarial value of the cash supplement provided therein. In such event subsequent retirement benefits of any such person will be determined without regard to the elimination of any retirement reduction provided in this section.

C. The Board of Trustees of the System is hereby vested with authority to adopt such rules and procedures for the administration of the provisions of this section.

SECTION SEVEN. DISABILITY RETIREMENT

1. Written application.

If a member who has completed five years of creditable service is totally disabled as defined hereafter prior to his normal retirement date he will be retired upon written application to the Board of Trustees by him or by his appointing authority and he will receive a disability retirement pension. A member must file said written application within one (1) year from the date said member terminates employment due to said disability.

2. Total disability defined.

A member will be considered totally disabled if the medical board certifies that he is wholly prevented from engaging in any occupation for wage or profit and the Board of Trustees approves his application for benefits. The medical board will apply as a guideline standards of impairment and disability of the whole person as established by special committees of the various specialists for the

American Medical Association. The degree of impairment of part or parts of the body, including mental illness, each or all in relation to the whole person, to be determined by the medical board.

3. Pension calculations.

Upon retirement for disability a member will be entitled to receive a disability retirement pension calculated as for normal service retirement using the benefit compensation base for the year of his disability retirement but based on his years of creditable service and final average compensation as of his last day on the payroll of the employer.

4. Determination of date benefits are payable.

The Board of Trustees in approving the application for disability retirement shall determine the date from which benefits are payable, which date shall be the first of the month that is not over two months prior to date of approval. No disability benefits shall be payable during any period the member is receiving compensation from his employer.

5. Medical examination.

Once each year during the first five years following the retirement of the member on a disability retirement pension and once in every three-year period thereafter, the Board of Trustees may, and upon his application shall require any member who has retired because of total disability to undergo a medical examination. Such examination will be made at a place designated by the medical board, and by a physician or physicians designated by such board. Should such retiree refuse to submit to such medical examination his pension may be discontinued until his withdrawal of such refusal and should his refusal continue for one year, all rights in and to his pension may be revoked by the Board of Trustees.

6. Offset of Pension Benefits.

Any amounts which may be paid or payable by the City of St. Louis under the provisions of any workers' compensation or similar law to a member on account of any disability shall be offset (deducted from) and payable in lieu of any disability retirement benefits payable to said member on account of the same disability.

7. Discontinuance of pension.

Should the medical board report and certify to the Board of Trustees that a retired member receiving a disability pension, at any time before attainment of age sixty-five is able to engage in a gainful occupation, and should the Board of Trustees concur in such report, the Board of Trustees shall direct that the disability retirement pension be discontinued. Should the Board of Trustees find that a retired member receiving a disability pension is engaged in a gainful occupation at any time before attainment of age sixty-five, the pension may be reduced or discontinued at the option of the Board of Trustees.

8. Reemployment -- Restoration of creditable service. Should a retired member receiving a disability pension again become an employee his disability retirement pension shall cease and he shall immediately become a member of the Retirement System as of the date of reemployment. His creditable service at the time of his disability retirement shall be restored in full force and effect.

SECTION EIGHT. BENEFITS OTHER THAN ON RETIREMENT

1. Payment to former members.

Should the membership of an employee be terminated by reason other than his death or retirement he shall be paid the amount of his accumulated contributions upon application therefor. No payment of employee contributions shall be made if the former member was in employment for less than sixty days. In the event of death of a former member entitled to payment of his accumulated contributions, and prior to receiving his accumulated contributions, his accumulated contributions shall be paid to his designated beneficiary. If application for payment of the accumulated contributions of a former member is not made within five years of his termination of employment, but is made thereafter, the Board of Trustees shall make such payment from the Fund, but no credit for interest will be allowed after the date the accumulated contributions were first payable.

2. Refund of accumulated contributions on retirement -- Before retirement

A. When an employee retires, or when a member, who hereafter elects a deferred annuity retires, the Board of Trustees shall refund to him, if any, his regular accumulated contributions and interest credited to the day of his retirement. This amount is in addition to any retirement benefits to which he is entitled.

B. An employee may elect prior to retirement to have his regular accumulated contributions and allocated interest, refunded by filing a written application with the Board of Trustees. Such refund to any member who has been employed for at least sixty days shall be paid to such member in a lump sum, or in one or more installments, if not previously paid pursuant to other provisions of this ordinance. The time and method of such payment shall be determined by the Board of Trustees in a manner that will maintain the financial security of the Retirement System. In determining the time and method of such payment, the Board of Trustees shall prescribe uniform rules with respect to classes of members and may base such classes on years of creditable service, membership, and amount of member's accumulated contributions. In no event shall the time of final payment be later than ninety days from the date of termination of employment of a member who is not eligible for retirement. Credit for interest will not be allowed after the date accumulated contributions were first payable.

3. Early retirement provision.

If the death of a member occurs after his early retirement date but prior to his actual retirement, his spouse shall receive a pension as if he had retired on the day of his death and elected benefits under the option in Section 8(8) of this ordinance.

4. Death before early retirement date.

If the death of an active member occurs after completion of five years of creditable service but prior to his early retirement date, his spouse shall receive a pension on the date deceased member would have reached his early service retirement date. Such pension shall be determined as if the member had reached his early service retirement date and elected benefits under the option in Section 8(8) of this ordinance.

5. Death Benefit Coverage for Spouse

At termination of employment a member with at least five (5) years of creditable service may elect preretirement death benefit coverage in one of the benefit forms specified herein as follows:

a. A member may elect such surviving spouse or 10-year certain coverage within six months of his termination of employment. Such election shall remain

in full force and effect until the later of the date of the terminated member's death, reemployment by an employer, or revocation of such election;

b. If the death of such terminated member occurs after he would otherwise be entitled to retire under the Retirement System, such member's surviving spouse, or 10-year certain designated beneficiary, shall receive a pension as if he had retired on the day of his death and elected benefits under the option in Section 8(8) of this ordinance. Such surviving spouse or beneficiary death benefit shall be reduced by a survivor reduction percentage per year or portion thereof in which the surviving spouse or beneficiary death benefit coverage was in effect prior to the terminated member's date of death.

c. If the death of a terminated member occurs prior to his early retirement date, his spouse, or 10-year certain designated beneficiary, shall receive a pension on the date the deceased member would have reached his early service retirement date. Such pension shall be determined as if the member had reached his early service retirement date and elected benefits under the option in Section 8(8) of this ordinance. Such surviving spouse or beneficiary death benefit shall be reduced by a survivor reduction percentage per year or portion thereof in which the preretirement death benefit coverage was in effect prior to the terminated member's date of death.

d. For purposes of this section, surviving spouse shall be the spouse who was legally married to the terminated member on such member's date of death and who survived such member's death.

6. Purchase of additional pension income in lieu of benefits.

A member or surviving spouse having regular accumulated contributions and interest thereon due at time of retirement may elect to use this sum to purchase additional pension income based on the interest rate, mortality, and other tables then adopted by the Board of Trustees.

7. Payment of accumulated contributions after death.

If there are no further benefits otherwise payable under this ordinance and the total amount of benefits received by a member, retiree or beneficiary up to the date of the death of the last survivor is less than an amount equal to the member's accumulated contributions at his death or at his actual retirement date, whichever occurs first, the difference shall be paid to the beneficiary named to receive such amount, or if no such beneficiary is living, to the estate

of the person last receiving benefits, or, if no benefits have been received, to the estate of the member.

8. Optional form of benefits to spouse.

A member may elect prior to his retirement date to receive, a reduced pension payable in one of the benefit payment forms as specified herein. Monthly payment of the retirement pension shall commence on the member's applicable retirement date and shall continue as provided below:

a. Joint and Survivor annuity shall mean a reduced pension payable for the life of the member and continuing on after the member's death to his spouse, if living, for her life. The amount of the monthly pension payable to the surviving spouse shall be an amount equal to one hundred percent (100%) of the monthly pension payable to the member; or

b. Ten (10) year certain and life annuity shall mean a monthly pension for the life of the member, but in no case less than one hundred and twenty (120) monthly payments. If the member dies before one hundred and twenty (120) monthly payments have been paid to him, payment of such monthly payments will continue to be paid to the member's beneficiary until a total of one hundred and twenty (120) payments have been made to the member and his beneficiary.

If a member elects one of the above optional benefit payment forms, the amount of the retirement pension under such other form shall be the actuarial equivalent determined on the date such pension is to commence but no later than the member's normal service retirement date of the pension regularly payable.

SECTION NINE. BOARD OF TRUSTEES

1. Members.

There shall be a Board of Trustees of six members who shall be responsible for the establishment of policy and rules as may be necessary for the administration and operation of the Retirement System. The Board shall be constituted as follows:

A. The Comptroller of the City, ex officio;

B. Two members, one of whom may be the Director of Personnel, to be appointed by the Mayor. Appointments for the two members shall be for terms of two years

C. Two members to be elected by and from the membership of the Retirement System. Such members shall hold office for terms of two years only while members of the system. Elections for the two members shall be held in odd dated years.

D. One retired member to be elected by the retired members of the system. Such member shall be a retired member of the Retirement System who shall reside in the City of St. Louis. Elections for this member shall be for terms of two years and shall be held in odd dated years.

E. The trustees serving on the Board of Trustees upon passage of this ordinance shall be entitled to serve the remainder of their term provided that they continue to meet the requirements set forth above.

F. The Board of Trustees shall promulgate and adopt rules and regulations for the election of trustees.

2. Vacancy.

If a vacancy occurs in the office of trustee the vacancy shall be filled for the unexpired term in the same manner as the office was previously filled.

3. Compensation.

The trustees and Secretary shall serve without compensation from the Retirement System but they shall be reimbursed for all necessary expenses which they may incur through service on the Board.

4. Oath of office.

Each trustee shall within ten days after his appointment or election, take an oath of office before the register, that, so far as it devolves upon him, he will diligently and honestly administer the affairs of the Board and that he will not knowingly violate or willingly permit to be violated any of the provisions of the law applicable to the Retirement System. The oath shall be subscribed to by the member making it and certified by the register and filed in the Register's Office.

5. Voting.

Each trustee shall be entitled to one vote in the Board. A majority of four votes shall be necessary for a decision by the trustees at any meeting of the Board.

6. Jurisdiction.

The Board of Trustees shall have exclusive original jurisdiction in all matters relating to or affecting the fund provided for in this ordinance, including, in addition to all other matters, all claims for benefits and refunds under this ordinance and its action, decision or determination in any matter shall be reviewable according to law. Subject to the limitations of this ordinance, the Board of Trustees shall from time to time establish rules and regulations for the administration of the fund created by this law, for the transaction of its business and for the limitation of the time within which claims may be filed.

7. Officers -- Employees.

The Board of Trustees shall elect a chairman from its membership by majority vote and the Director of Personnel shall be secretary of the Board of Trustees but he may appoint an employee of the Retirement System to perform necessary duties of the position. It may engage actuarial, investment, administrative and other services as required or deemed advisable to transact the business of the Retirement System. The Director of Personnel shall appoint in accordance with Article XVIII of the Charter of the City of St. Louis all employees of the Retirement System and direct their work in accordance with the policy and rules established by the Board of Trustees. The compensation of all persons so appointed shall be paid in accordance with the comprehensive compensation plan of the city. All necessary expenses of the board and the staff of the Retirement System shall be paid at such rates and in such amounts as the Board of Trustees shall approve.

8. Data.

The staff of the Retirement System, under the direction of the Director of Personnel, shall keep in convenient form data as necessary for actuarial valuation of the liabilities of the Retirement System and for checking the experience of the system.

9. Secretary -- Transaction report.

The secretary of the Board of Trustees shall be responsible for keeping a record of all its proceedings. The records of the Retirement System, required to be open by state or local law, shall be available for public inspection. The Secretary shall publish annually a report approved by the Board of Trustees showing the fiscal transactions of the Retirement System for the preceding fiscal year, the amount of the accumulated cash and securities of the system, and the last balance sheet showing the financial condition of the system

10. Legal advisor.

The City Counselor shall be the legal adviser of the Board of Trustees.

11. Medical board.

The Board of Trustees shall designate a medical board to be composed of three physicians who shall arrange for and pass upon all medical examinations required under the provisions of this ordinance, shall investigate all essential statements and certificates made by or on behalf of a member in connection with an application for disability retirement, and shall report in writing to the Board of Trustees its conclusions and recommendations upon all the matters referred to it.

12. Changes in benefit compensation base table.

Whenever the maximum annual taxable earnings under the Federal Social Security Act are changed, the Board of Trustees shall make a study of the effect on total contributions and total benefits under the Retirement System and the Federal Social Security Act. Based upon this study and the advice of the actuary, the Board of Trustees shall change the benefit compensation base table for the purpose of maintaining the combined normal service retirement benefits under the Retirement System and Social Security at the same approximate level for equal years of service and equal final average compensation.

13. Limitations.

Except as provided in this this ordinance the Board of Trustees shall have no administrative powers or duties.

SECTION TEN. ACTUARY

1. Advisor.

The actuary shall be the technical adviser of the Board of Trustees on matters regarding the status of the fund created by this ordinance and shall perform other duties as required in connection therewith. He shall be qualified by membership as a Fellow of the Society of Actuaries.

2. Actuarial investigation.

The Board of Trustees shall have made every five years an actuarial investigation into the mortality, service and compensation experiences of the members, retirees and beneficiaries of the Retirement System and, taking into account the results of the investigation and valuation, the Board of Trustees shall establish for the Retirement System mortality, service and other tables as deemed necessary.

3. Valuation of assets and liabilities.

On the basis of tables as the Board of Trustees shall adopt, the actuary shall make an annual valuation of the assets and liabilities of the fund of the system.

4. Employer contribution rates.

On the basis of the valuation the Board of Trustees shall certify the rates of contribution payable by the employers.

SECTION ELEVEN. MEMBER CONTRIBUTIONS

1. Member Contribution Rates

Each employer shall cause to be deducted from the compensation of each employee who is currently making contributions a contribution equal to three percent (3%) multiplied by the compensation received by each member on each payroll period until the total compensation received while an employee during the calendar year equals the maximum annual taxable earnings under the Federal Social Security Act as in effective on January 1 of the calendar year. Thereafter, such member shall contribute six percent (6%) multiplied by the compensation received by him during the remained of the calendar year. A member may continue contribution at the rates set forth in this section in order to increase his pension as provided in Section Eight(6) of this ordinance. No member not making contributions upon passage of this ordinance will be allowed to make contributions.

2. Deductions.

The deductions provided for in Section Fourteen of this ordinance shall be made notwithstanding that the minimum compensation provided by law for any member shall be reduced thereby. Every member shall be deemed to consent to the deduction made and provided for herein. Each employer shall certify to the Board of Trustees on each and every payroll or in such other manner that the Board of Trustees shall prescribe, the total amount deducted and such amount shall be paid into the fund and shall be credited to the member from whose salary or wages such deduction was made.

SECTION TWELVE. EMPLOYER CONTRIBUTIONS

1. Established.

Each employer shall on account of its employees who are members of the Retirement System pay annually into the fund an amount equal to a certain percentage of the contribution of the employees to be known as ~~the~~ the normal contribution ~~for~~ for the employer and an additional amount equal to a percentage of the compensation of the employees to be known as ~~the~~ the accrued liability contribution. ~~the~~

2. Normal contribution rate.

The normal contribution rate percentage shall be determined annually by the actuary from the liabilities of the system as shown by actuarial valuations which are based on the interest rate and such mortality and other tables as shall be adopted by the Board of Trustees. The normal cost percentage shall equal the normal cost amount determined under the Projected Unit Credit Actuarial Cost Method based on Service Proration divided by the compensation of employees who are members.

3. Accrued liability contributions --

Determination.

The accrued liability represents the liability for normal and member contributions not paid in the year prior to the effective date, for the increased contributions not paid in the years prior to a benefit increase and for accumulated increases/decreases in liabilities/assets caused by variation of actual plan experience from assumptions underlying past contributions. The accrued liabilities contributions shall be determined by the actuary annually, as a part of the actuarial valuation. Such contributions shall represent the amount,

expressed as a level dollar amount which should be contributed over the following years in order to completely amortize the accrued liability not later than twenty (20) years from the date of passage of this ordinance.

4. Accrued liability contribution -- Percentage rate.

The accrued liability contribution rate percentage at the discretion of the Board of Trustees may be calculated separately for each employer and the Board of Trustees may require different contributions based on such calculations.

SECTION THIRTEEN. FUNDS

1. Established.

For the purpose of funding the benefits provided for herein, the Retirement System has established the Employees Retirement System of the City of St. Louis Savings Fund (hereinafter "fund"). All employer contributions and member accumulated contributions, if applicable, shall be credited to this fund. There shall be no diversion of any portion of the assets of the fund other than for the exclusive benefit of members and their beneficiaries for the satisfaction of all liabilities with respect to members and their beneficiaries under the plan. The total amount payable in each year by each employer to the general reserve fund shall not be less than the normal contribution plus the accrued liability contribution. If any employer shall fail to make the required contributions when due, the Board of Trustees may reduce the benefits payable to employees and former employees of such employer until all required contributions are paid. All money provided to pay the administration expenses of the Retirement System shall be credited to the fund and all necessary expenses in connection with the administration and operation of the system shall be paid from the fund.

All investment income shall be put in this fund.

2. Amounts due and payable.

On or before the first of April each year the Board of Trustees shall certify to the employers the amounts which will become due and payable during the year next following to the fund. The amounts so certified shall be included by the employers in their annual budget estimate. Such amount shall be appropriated by the employers and transferred to the Retirement System for the ensuing year.

3. Employer obligations. The creation and maintenance of reserves in the fund as provided for, and the payment of all benefits granted under the provisions of this chapter, and expenses in connection with the administration and operation of the Retirement System are hereby made obligations of the employer.

4. Payment vouchers.

All payments from the fund shall be made only upon vouchers signed by two persons designated by the Board of Trustees. No vouchers shall be drawn unless it shall have previously been allowed by the Board of Trustees.

5. Investment.

The Board of Trustees shall be the trustees of the fund created by this ordinance and shall have full power to invest and reinvest the funds, subject to all the terms, conditions, limitations and restrictions imposed by law upon a corporate trustee in the State in making and disposing of its investments, and subject to like terms, conditions, limitations and restrictions the trustees shall have full power to hold, purchase, sell, assign, transfer or dispose of any of the securities and investments in which the fund created in this ordinance shall have been invested, as well as of the proceeds of the investments and any moneys belonging to the funds. Any securities obtained by the Board of Trustees may be held in the name of a nominee in order to facilitate investments.

6. Personal gains by trustee or employee.

Except as provided, no trustee and no employee of the Retirement System of the City shall have any direct interest in the gains or profits of any investment made by the Board of Trustees, nor as such receive any pay or emolument for his services. No trustee or employee of the Retirement System of the City shall directly or indirectly for himself or as an agent in any manner use the assets of the Retirement System except to make current and necessary payments as authorized by the Board of Trustees, nor shall any trustee or employee of the Retirement System of the City become an endorser or surety or become in any manner an obligor for moneys loaned by or borrowed from the Board of Trustees.

7. Allocation of interest.

The Board of Trustees annually shall allow interest at the rate determined by the Board on the mean amount for the preceding year in the fund. The amount so allowed shall be due and payable to the fund and shall be annually credited

thereto by the Board of Trustees from interest and other earnings on the moneys and other assets of the Retirement System. From the interest allocated to the fund, the Board of Trustees shall annually credit to each member interest on the largest balance for the entire year and at the rate determined by the Board.

SECTION FOURTEEN. MISCELLANEOUS

1. Assignment of benefits.

The right of any person to a benefit, any other right accrued or accruing to any person under the provisions of this ordinance and the moneys in the fund created hereunder shall not be subject to execution, garnishment, attachment or any other process whatsoever, and shall be unassignable except as specifically provided in this ordinance or by state or federal law. The Board of Trustees in its discretion may terminate any benefit in event of execution, garnishment, attachment, other process or assignment.

2. Correction of errors.

The Board of Trustees may cancel or reduce the benefits of any person who shall make any false statement, or shall falsify or permit to be falsified any record or records in any attempt to defraud this Retirement System. Should any change or error in records result in any member or beneficiary receiving from the Retirement System more or less than he should have been entitled to receive had the records been correct, the Board of Trustees shall correct the error, and as far as practicable, shall adjust the payments in such a manner that the actuarial equivalent of the benefit to which the member or beneficiary was correctly entitled, shall be paid.

3. Special consultants to Retirement System.

A. Any retiree who is receiving benefits as a result of retirement taken prior to October 14, 1977 and any person who is receiving benefits as a result of death of any retirant, and any member of the system who ceased to be a member prior to October 14, 1977 and has vested retirement benefits, shall upon application to the Board of Trustees, be engaged by the Board as a special consultant on the problems of retirement, aging and other matters of concern to the Retirement System, to be available to give opinions, orally or in writing, upon request of the board.

Upon acceptance of such application the applicant shall have the option of:

1. Securing a refund to applicant of retiree's regular accumulated contribution with interest at date of retirement of retiree or at date of leaving service with the City for those who vested retirement benefits.
2. An increase of monthly benefits to applicant based on the actuarial benefit due computed on the value of retiree's regular accumulated contributions with interest at date of retirement of retiree or, in case of a member who left the service and vested retirement benefits, at date of separation from service. The value of the services requested in return for such compensation shall not exceed the amount of such compensation.

The employment provided for by this section shall in no way effect any person's eligibility for retirement benefits or in any way have the effect of reducing benefits.

4. Retiree holding elective office --

Benefits to be continued.

Retirees of the Retirement System of the City of St. Louis who subsequent to retirement are elected to a City office shall have a continuation of all their retirement benefits as well as other emoluments provided by law for their public office, notwithstanding any other contrary provision of the said Employees Retirement System.

5. Retired members designed as advisors.

A. Any retired member who applied for and was granted retirement status by the Employee Retirement System of the City of St. Louis prior to November 3, 1992 and who (1) was employed by the City of St. Louis a total of at least thirty-five (35) years at the time of retirement, or (2) enjoyed at the time of retirement a service record greater than the thirty-five (35) years then used to cap retirement benefits, or the eligible surviving spouse of said retired member, shall, upon application, be designated as an advisor to the System for the remainder of the retired member's life on the problems of retirement, aging, and other related matters and shall give an opinion on such matters as requested by the Board of Trustees.

B. For the additional service as advisor under subsection A of this paragraph each retired member or eligible surviving spouse shall receive an increase of monthly benefits based upon the retired member's actuarial benefit due on the number of years of creditable service over 35 years.

C. The additional services provided for by this paragraph shall in no way effect any person's eligibility for retirement benefits or in any way have the effect of reducing benefits.

6. Termination of System.

Upon termination of the Retirement System the accrued benefit of each member as of the date of such termination shall be nonforfeitable. In the event of such termination, each such member shall have recourse toward satisfaction of his nonforfeitable rights to his accrued benefit. Further, in no event shall a member's accumulated contributions be forfeited.

SECTION FIFTEEN - SEVERABILITY

The sections of this ordinance shall be severable. In the event any section of this ordinance is found by a court of competent jurisdiction to be unconstitutional, the remaining sections of this ordinance are valid, unless the court finds the valid sections of this ordinance are so essentially and inseparably connected with, and so dependent upon, the void section(s) that it cannot be presumed that the Board of Aldermen would have enacted the valid sections without the void one(s); or unless the court finds that the valid sections, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

Legislative History				
1ST READING	REF TO COMM	COMMITTEE	COMM SUB	COMM AMEND
09/24/99	09/24/99	PE	11/09/99	
2ND READING	FLOOR AMEND	FLOOR SUB	PERFECTN	PASSAGE
11/19/99			12/03/99	12/17/99

ORDINANCE	VETOED	VETO OVR
64833		