

Alderman Lyda Krewson, Alderman Kenneth Ortmann, Alderman Shane Cohn, Alderman Stephen Conway, Alderman Carol Howard, Alderman Jennifer Florida, and Alderman Donna Baringer

1 An Ordinance pertaining to The Firemen’s Retirement System of St. Louis, repealing  
2 Section Six of Ordinance 49623, codified as Section 4.18.060 of the Revised Code of the City of  
3 St. Louis, and enacting in lieu thereof a new section pertaining to the jurisdiction and authority of  
4 the trustees of the The Firemen’s Retirement System of St. Louis; containing an emergency  
5 clause.

6 **WHEREAS**, in 1959 the City adopted Ordinance 49623, establishing The Firemen’s  
7 Retirement System of St. Louis (“FRS”), effective January 1, 1960, under the general authority  
8 of Senate Bill 314, approved by the Missouri General Assembly.

9 **WHEREAS**, the City is required to fund FRS to the extent investment returns and other  
10 revenues are insufficient to fund benefit obligations.

11 **WHEREAS**, FRS incurred actuarial investment losses totaling more than \$256 million  
12 during the eleven-year period from 2001 through 2011, resulting in an unfunded liability in  
13 excess of \$117 million.

14 **WHEREAS**, during the same period of time, the City’s required annual payment to FRS  
15 increased by 529 percent, from \$3,365,007 to \$21,176,763 (not including service of debt  
16 incurred to fund contributions).

17 **WHEREAS**, the City therefore wishes to clarify, augment and amend the provisions of  
18 FRS ordinances relating to the duties and responsibilities of FRS trustees so as to assure that said  
19 trustees do not cause the City to incur additional and unnecessary expenditures as a result of  
20 conduct that exceeds the intended scope of the trustees’ authority.

Date: April 27, 2012

Page 1 of 4



1 operation and general administration of the Plan shall be vested in the Board of Trustees.

2 (b) Duties of Plan Administrator. The Board of Trustees shall have the discretionary  
3 authority and responsibility to interpret and manage the Plan and exercise all fiduciary  
4 responsibilities with respect to the Plan. The duties and powers of the Board of Trustees as  
5 Plan Administrator shall include, but not be limited to, the following:

6 (1) To interpret the Plan provisions and to decide all questions concerning the Plan  
7 and the eligibility of any Employee to participate in the Plan and to receive  
8 benefits from the Plan;

9 (2) To authorize the payment of benefits at such times and in such manner as they  
10 determine are consistent with the terms of the Plan;

11 (3) To keep accurate and detailed records of the administration of the Plan, including  
12 the amount of Accumulated Contributions credited to the account of each  
13 Member, which records shall be open to inspection by the City at all reasonable  
14 times;

15 (4) To establish and enforce such rules, regulations and procedures as it shall deem  
16 necessary or proper for the efficient administration of the Plan;

17 (5) To delegate to any agents such duties and powers, both ministerial and  
18 discretionary, as it deems appropriate, by an instrument in writing which specifies

Date: April 27, 2012

Page 3 of 5

Board Bill No. 11 Floor Substitute  
Alderswoman Lyda Krewson, Alderman Kenneth Ortmann, Alderman Shane Cohn, Alderman  
Stephen Conway, Alderswoman Carol Howard, Alderswoman Jennifer Florida, and Alderswoman  
Donna Baringer

Sponsored by: Alderman Craig Schmid,

Alderswoman Lyda Krewson, Alderman Kenneth Ortmann, Alderman Shane Cohn, Alderman  
Stephen Conway, Alderswoman Carol Howard, Alderswoman Jennifer Florida, and Alderswoman  
Donna Baringer

1           which such duties are so delegated and to whom each such duty is so delegated;  
2           and

- 3           (6)    To keep a record of all its proceedings, which shall be open to public inspection,  
4           and to publish annually a report showing the fiscal transactions of the Plan for the  
5           preceding fiscal year and the financial statement showing the assets of the Plan.

6           Notwithstanding any other provision of the City's ordinances, the FRS Board of Trustees  
7           shall have no duty or authority with respect to the establishment, design, amendment or  
8           termination of the plan. Such functions are settlor functions, which are reserved to the City, not  
9           fiduciary functions, in accordance with trust law. In particular, the Board of Trustees shall have  
10          no duty or authority to contest or challenge actions taken by the City with respect to the  
11          establishment, design, amendment or termination of the FRS, or any other action taken by the  
12          City in its capacity as settlor of the FRS or employer of plan members; and shall not authorize  
13          the expenditure of any assets of the FRS to fund any such contest or challenge, including but not  
14          limited to expenses related to litigation. The fiduciary authority of the Board of Trustees  
15          includes discretionary control over investment of assets of the Trust Fund. In particular,  
16          enforcing collection of a receivable, such as an obligation of the City to make a contribution to  
17          the plan, is included in the scope of the fiduciary duties and authority of the Board of Trustees.

18          The provisions, terms and conditions of this section shall be codified as Section 4.18.060

Date: April 27, 2012

Page 4 of 5

Board Bill No. 11 Floor Substitute  
Alderman Lyda Krewson, Alderman Kenneth Ortmann, Alderman Shane Cohn, Alderman  
Stephen Conway, Alderman Carol Howard, Alderman Jennifer Florida, and Alderman  
Donna Baringer

Sponsored by: Alderman Craig Schmid,

Alderman Lyda Krewson, Alderman Kenneth Ortmann, Alderman Shane Cohn, Alderman  
Stephen Conway, Alderman Carol Howard, Alderman Jennifer Florida, and Alderman  
Donna Baringer

1 B of the Revised Code of the City of St. Louis.

2 **SECTION FOUR. Emergency Clause**

3 This being an ordinance for the preservation of public peace, health and safety, to prevent  
4 excessive expenditures and liabilities of the city government, it is hereby declared to be an  
5 emergency measure within the meaning of Sections 19 and 20 of Article IV of the Charter of the  
6 City of St. Louis and therefore shall become effective immediately upon its passage and approval  
7 by the Mayor.

8

9

Date: April 27, 2012

Page 5 of 5

Board Bill No. 11 Floor Substitute  
Alderman Lyda Krewson, Alderman Kenneth Ortmann, Alderman Shane Cohn, Alderman  
Stephen Conway, Alderman Carol Howard, Alderman Jennifer Florida, and Alderman  
Donna Baringer

Sponsored by: Alderman Craig Schmid,

Alderman Lyda Krewson, Alderman Kenneth Ortmann, Alderman Shane Cohn, Alderman  
Stephen Conway, Alderman Carol Howard, Alderman Jennifer Florida, and Alderman  
Donna Baringer