

JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT
THIRD QUARTER MEETING
September 14, 2021

The Joint Committee on Public Employee Retirement (JCPER) held its third quarter meeting on Tuesday, September 14, 2021 at 1:00pm in the Joint Committee Room (Room 117) in the State Capitol. Chair Pike called the meeting to order.

The first item on the agenda was roll call. JCPER members in attendance were: Representatives Paula Brown (70), Richard Brown (27), Hovis, Pike, and Reedy and Senators Beck, Bernskoetter, Koenig, and Moon. The following members were not present: Representative Bosley and Senators Rizzo and Williams. A quorum was established.

Following roll call, the Chair turned the meeting over to Michael Ruff, Executive Director, to take up the next agenda item, which was a presentation by the Sheriffs' Retirement System and an update on litigation involving the system. The Director provided background information on the Sheriffs' Retirement System and explained that the Missouri Supreme Court ruled in June 2021 that the \$3 court surcharge used to fund the system violated a provision of the Missouri Constitution. The Director stated that he had been in contact with the retirement system and discussed the need for legislation to enact a new funding mechanism. The Director introduced Jeff Padgett, the Sheriffs' Retirement System's Executive Director. Mr. Padgett provided some additional history of the system, the litigation, and stated that the parties are currently in settlement negotiations. He expects that they will know the impact of the lawsuit on the retirement system in about 4-5 months. JCPER members inquired of Mr. Padgett regarding the following issues: plans to replace the \$3 court surcharge with another funding mechanism, whether the plan's actuary has performed work on projecting future contribution rates, whether the plan's members might participate in more than one retirement system, whether the plan's members have Social Security coverage, the current funded status of the retirement system, and possible legislative changes to the funding statute. The retirement system hopes to be ready with legislation for pre-filing.

The next agenda item was an update on the Prosecuting Attorneys' and Circuit Attorneys' Retirement System (PACARS). A lawsuit has been filed against the PACARS, the State Treasurer and the Director of the Department of Revenue challenging the legality of a \$4 court surcharge that is used as one of three funding mechanisms for the retirement system as well as other court surcharges used for other purposes. The Director provided some background information on the PACARS including the three statutory funding mechanisms for it. The lawsuit includes a challenge to other statutory funds that are funded by court surcharges: DNA Profiling Analysis Fund, Domestic Relations Resolution Fund, Juvenile Justice Preservation Fund, Brain Injury Fund, Independent Living Center Fund, Motorcycle Safety Trust Fund,

Missouri Office of Prosecution Services Fund, Spinal Cord Injury Fund, and Crime Victims' Compensation Fund. The PACARS has filed a motion to dismiss. The parties are currently filing pre-trial motions and JCPER staff will update the committee as the litigation progresses.

The next agenda item was an update on the St. Louis Police Retirement System. A retired member of the retirement system has brought a lawsuit against the retirement system, the City of St. Louis, and the state of Missouri arguing that five statutory provisions of St. Louis PRS are unconstitutional; these statutory provisions made changes to the benefit program and were enacted by the General Assembly after the adoption of the Hancock Amendment to the Missouri Constitution. The plaintiffs' argument is that these benefit program changes passed by the State had the effect of requiring the City to pay increased contributions to the retirement system. Also, the plaintiffs are seeking to have the State pay for these particular benefit provisions and not the City. JCPER members inquired of the Director about the process for apportioning cost and about the PRS's DROP (deferred retirement option program). The retirement system has filed a motion to dismiss. The parties are filing pre-trial motions with a case management conference scheduled for November 30, 2021. JCPER staff will continue to monitor the litigation and keep the committee informed.

The next agenda item was an update on working after retirement for the Public School Retirement System (PSRS) and Public Education Employee Retirement System (PEERS). In August 2021, the Governor ended many of the provisions of the state of emergency that had been in effect due to covid-19 but he extended the waiver of the PSRS/PEERS statutory working after retirement hour and compensation limits through the end of the calendar year. The JCPER plans to have representatives from PSRS/PEERS provide an update on working after retirement at the fourth quarter meeting.

The next agenda item was a legislative update from regular session. The Director pointed the committee to the End of Session Review included in the members' packets. Although no bills passed that directly impacted public employee retirement benefits, two bills that were somewhat related to pensions passed and were signed into law by the Governor. One bill, CCS/HCS/SS/SCS/SBs 53 & 60, an omnibus public safety bill, adjusts the annual salaries of county sheriffs. This bill will impact the Sheriffs' Retirement System over time; by increasing the active members' compensation, it will increase the retirement benefits that they earn.

The next agenda item was an update on the virtual conference held by the Missouri Association of Public Employee Retirement System (MAPERS). The MAPERS offered six virtual sessions in lieu of an in-person conference.

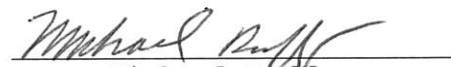
The JCPER moved to quarterly investment reporting. The JCPER reviewed investment returns for defined benefit plans as of second

quarter 2021. In general, the returns are quite strong, especially the 12 month numbers but the Director cautioned that it would be unlikely that returns as strong as these would persist. There remains uncertainty with covid, the economy, unemployment, and reopening of the economy. Representative Paula Brown (70) questioned the Director about several plans that appeared to have incorrectly reported their investment returns. The Director responded that he would follow up with the plans to make sure they were correctly reporting their returns.

The next agenda item was procurement action plans for utilization of minority and women money managers, brokers, and investment counselors. The JCPER reviewed the annual report from the St. Louis Public School Retirement System.

The final order of business was comments of the chair. The Chair stated that the next meeting will be on December 1st. Agenda items will include, but not be limited to, the annual watch list and a presentation by PSRS/PEERS staff on the issue of working after retirement.

The committee stood at ease. The committee reconvened. With no further business to be presented, the committee adjourned.



Michael Ruff
Executive Director

JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT

**3rd QUARTER MEETING
September 14, 2021**

1pm— Joint Committee Room (Room 117), State Capitol

AGENDA

Roll Call

Presentation by Sheriffs' Retirement System and update on litigation

Plan Update: Prosecuting Attorneys' and Circuit Attorneys' Retirement System (PACARS)

Plan Update: St. Louis Police Retirement System

PSRS/PEERS: Update on waiver of working after retirement limits

Legislative Update

MAPERS virtual conference update

Quarterly Investment Reporting

Procurement Action Plans, Sections 104.621, 105.702, 169.573, RSMo

Comments of the Chair

Rep. Pike, Chairman
Senator Koenig, Vice-Chairman
Senator Beck
Senator Bernskoetter
Senator Moon
Senator Rizzo
Senator Williams
Rep. Bosley
Rep. Brown 70
Rep. Brown 27
Rep. Hovis
Rep. Reedy



Accounting
Administration
Bill Room
Bulletin Board
Communications
Computer Information Systems
General Counsel - Cindy Kadlec
Oversight
Sec. of Senate - Adriane Crouse
Senate Research
Sergeant-at-arms

Joint Committee on Public Employee Retirement

Day: Tuesday, September 14, 2021

Time: 1:00PM

Place: Joint Committee Room-117

JCPER 3rd quarter meeting in Joint Committee Room (Room 117)

Please note additional procedures will be in place due to the COVID-19 pandemic:

- All entrants to the capitol building may be required to submit to screening questions and physical screening.
- Members of the public must enter the building using the south entrance.
- Public seating will be socially distanced and therefore very limited.
- The committee meeting will be streamed. Links may be found at www.senate.mo.gov and www.house.mo.gov for the committee room

SHERIFFS' RETIREMENT SYSTEM

57.955. Sources of fund — remittances — disbursements. — 1. There shall be assessed and collected a surcharge of three dollars in all civil actions filed in the courts of this state and in all criminal cases including violation of any county ordinance or any violation of criminal or traffic laws of this state, including infractions, but no such surcharge shall be assessed when the costs are waived or are to be paid by the state, county or municipality or when a criminal proceeding or the defendant has been dismissed by the court. For purposes of this section, the term “**county ordinance**” shall not include any ordinance of the city of St. Louis. The clerk responsible for collecting court costs in civil and criminal cases, shall collect and disburse such amounts as provided by sections 488.010 to 488.020*. **Such funds shall be payable to the sheriffs' retirement fund.** Moneys credited to the sheriffs' retirement fund shall be used only for the purposes provided for in sections 57.949 to 57.997 and for no other purpose.

2. The board may accept gifts, donations, grants and bequests from public or private sources to the sheriffs' retirement fund.

(L. 1983 H.B. 81 § 57.960, A.L. 1984 S.B. 704, A.L. 1996 S.B. 869)

Effective 7-01-97

*Words “section 514.015” appear in original rolls, which was changed to effectuate the court cost bill.

(2021) Section providing for surcharge of three dollars on court costs payable to sheriffs' retirement fund was not reasonably related to expense of the administration of justice and thus violated constitutional provision requiring that justice be administered without sale, denial, or delay. *Fowler v. Missouri Sheriffs' Retirement System*, 623 S.W.3d 578 (Mo.banc).

Summary of SC98484, *Daven Fowler and Jerry Keller v. Missouri Sheriffs' Retirement System*

Appeal from the Jackson County circuit court, Judge Kevin D. Harrell
Argued and submitted April 13, 2021; opinion issued June 1, 2021

Attorneys: Fowler and Keller were represented by Adam S. Davis, Brian J. Madden, Eric D. Barton and Joan D. Toomey of Wagstaff & Cartmell LLP in Kansas City, (816) 701-1100; and Gerald F. McGonagle and Christopher S. Gahagan of McGonagle Spencer Gahagan PC in Kansas City, (816) 221-2222.

This summary is not part of the opinion of the Court. It is provided by communications counsel for the convenience of the reader. It neither has been reviewed nor approved by the Supreme Court and should not be quoted or cited.

Overview: Two men who paid a \$3 statutory surcharge assessed and collected as part of their municipal division court proceedings appeal from the circuit court's judgment dismissing their action for unjust enrichment against the sheriffs' retirement fund, which ultimately receives the statutory surcharge. The retirement fund cross-appeals. In a 6-0 decision written by Judge Zel M. Fischer, the Supreme Court of Missouri vacates the judgment and remands (sends back) the case. The men had standing (legal ability to sue) and did not waive their constitutional challenges to the surcharge by failing to raise them in the municipal division. The municipal clerks who assessed and collected the surcharge were not necessary parties to the litigation, and the surcharge violates the open courts provision of the state constitution because, as compensation paid to executive branch officials, the surcharge is not a reasonably related expense to the administration of justice.

Facts: Section 57.955.1, RSMo, permits the collection of a \$3 surcharge for the Missouri Sheriffs' Retirement System in all traffic law violation cases. In 2017, Daven Fowler and Jerry Keller (collectively, "the challengers") both received speeding tickets in the Kansas City area to which they pleaded guilty. The municipal division clerks assessed and collected the \$3 surcharge in both cases. The challengers subsequently filed a lawsuit on behalf of themselves and a putative class in the circuit court alleging the surcharge violates the open courts provision of the Missouri Constitution and results in unjust enrichment. Following trial, the circuit court concluded – although the challengers had standing and did not waive their constitutional challenges by failing to raise them in the municipal division – the case must be dismissed because the municipal clerks were necessary and indispensable parties and the challengers failed to join the clerks as defendants. The circuit court further concluded the surcharge does not violate the open courts provision. The challengers appeal; the retirement system cross-appeals.

VACATED AND REMANDED.

Court en banc holds: (1) The challengers have standing to raise their unjust enrichment claim. Although their attorney originally paid the municipal division costs, the challengers reimbursed him; therefore, the challengers have a pecuniary interest in the outcome of the litigation.

(2) The challengers did not waive their constitutional claims by failing to raise them before the municipal division. This Court has held that the failure to raise constitutional questions in a municipal division is not considered a waiver of the constitutional issues. Accordingly, the challengers were not required to present their constitutional challenge to the municipal division.

(3) The retirement system failed to preserve its arguments regarding its defenses of voluntary payment and passive acquiescence. The retirement system's point relied on fails to comply with Rule 84.04(d), which requires a party to state concisely the legal reasons for its claims of error, and is multifarious in that it groups together multiple, independent claims of error; therefore, the point relied on preserves nothing for this Court's review.

(4) The municipal clerks are not necessary parties to the unjust enrichment claim. The challengers seek restitution or repayment of the surcharge, and the retirement system retained the benefit of the surcharge payment. Because complete relief can be accorded between the named parties, the municipal clerks are not necessary parties under Rule 52.04(a)(1). Likewise, the municipal clerks are not necessary parties under Rule 52.04(a)(2) because the clerks have not claimed an interest in the lawsuit at any point in the litigation.

(5) The \$3 surcharge assessed pursuant to section 57.955 violates article I, section 14 of the Missouri Constitution. Court costs used to enhance compensation paid to executive branch officials are not reasonably related to the expense of the administration of justice and, thereby, violate the open courts provision. Because section 57.955 requires the collection of a surcharge used to enhance the compensation of retired county sheriffs, who are executive branch officials, it is not reasonably related to the expense of the administration of justice and, therefore, is constitutionally invalid.



SUPREME COURT OF MISSOURI
en banc

DAVEN FOWLER, ET AL.,) *Opinion issued June 1, 2021*
)
Appellants/Cross-Respondents,)
)
v.) No. SC98484
)
MISSOURI SHERIFFS' RETIREMENT)
SYSTEM,)
)
Respondent/Cross-Appellant.)

APPEAL FROM THE CIRCUIT COURT OF JACKSON COUNTY
The Honorable Kevin D. Harrell, Judge

Daven Fowler and Jerry Keller appeal the circuit court's dismissal of their lawsuit against the Missouri Sheriffs' Retirement System ("MSRS"). MSRS cross-appeals. Because the municipal court clerks are not necessary and indispensable parties, and the statute authorizing the \$3 surcharge, § 57.955,¹ violates article I, § 14 of the Missouri Constitution, the circuit court's judgment is vacated and remanded.

¹ All statutory references are to RSMo 2016 unless otherwise provided.

Factual Background and Procedural History

The General Assembly enacted § 57.955 in 1983. At enactment, the statute provided in pertinent part:

After the effective date of the establishment of the system, in addition to all other legal costs in each civil suit, action, case and all other proceedings of a civil nature filed in each circuit court and the divisions^[2] thereof, except the juvenile divisions, in a county there shall be assessed and collected in the same manner as other civil court costs are collected a sum of three dollars and in all criminal cases a sum of two dollars, but no such costs shall be assessed when the costs are to be paid by the state for indigent defendants. The clerk, or other official responsible for collecting court costs in civil and criminal cases, shall collect such amounts and shall remit them monthly to the board for deposit in the sheriffs' retirement fund.

§ 57.955.1, RSMo Supp. 1983. From its enactment until 1997, the statute did not require municipal courts to collect either the \$3 or the \$2 surcharge.³

In 1997, the General Assembly amended the statute to its current version, which provides:

There shall be assessed and collected a surcharge of three dollars in all civil actions filed in the courts of this state and in all criminal cases including violation of any county ordinance or any violation of criminal or traffic laws of this state, including infractions, but no such surcharge shall be assessed when the costs are waived or are to be paid by the state, county or municipality or when a criminal proceeding or the defendant has been dismissed by the court. For purposes of this section, the term "**county ordinance**" shall not include any ordinance of the city of St. Louis. The clerk responsible for collecting court costs in civil and criminal cases, shall collect and disburse such amounts as provided by sections 488.010 to 488.020. Such funds shall be payable to the sheriffs' retirement fund. Moneys credited to the sheriffs' retirement fund shall be used only for the purposes provided for in sections 57.949 to 57.997 and for no other purpose.

² Municipal courts, as they are commonly called, are divisions of the circuit court. *State v. Severe*, 307 S.W.3d 640, 643 n.6 (Mo. banc 2010) (citing Mo. Const. art. V, §§ 23, 27).

³ The General Assembly amended the statute in 1984 to exclude municipal courts from collecting the surcharges. *See* § 57.955.1, RSMo Supp. 1984.

§ 57.955.1 (emphasis in statute). The municipal court clerks ("the clerks") assess and collect the surcharge and then remit collected surcharges to the Missouri Sheriffs' Retirement Fund ("the Fund"). The Fund pays its benefits to retired elected county sheriffs and their spouses, but only if the elected sheriff served in that capacity for at least eight years.

In May 2017, Daven Fowler and Jerry Keller received speeding tickets in Kansas City. Both men hired the same attorney and resolved their cases by pleading guilty and paying court costs totaling \$223.50 to the Kansas City municipal court. Three dollars of the total costs was the surcharge authorized by § 57.955. Neither Fowler nor Keller knew they were paying the \$3 surcharge. After discussions with their attorney, Fowler and Keller believed the surcharge was unconstitutional, and both men agreed to become class representatives for all Kansas City municipal court litigants who had paid the surcharge.

Fowler and Keller, on behalf of a putative class, sued MSRS in the Jackson County circuit court. As germane to this case, the petition alleged one count of unjust enrichment and asserted the surcharge violated article I, § 14 of the Missouri Constitution. The case proceeded to a bench trial. After the close of all the evidence, the circuit court dismissed this case,⁴ concluding Fowler and Keller had failed to join the clerks responsible for assessing, collecting, and remitting the surcharge as necessary and indispensable parties.

⁴ The circuit court rejected MSRS' arguments that the plaintiffs did not have standing, waived their constitutional challenge by failing to raise it with the municipal court, waived their unjust enrichment claim under the "voluntary payment doctrine," and that MSRS' reception of surcharge funds was nothing more than passive acquiescence.

Despite this conclusion, the circuit court addressed the constitutional challenge and concluded § 57.955 did not violate article I, § 14 of the Missouri Constitution.

Fowler and Keller appealed, and MSRS cross-appealed. This Court has exclusive appellate jurisdiction over the appeal because Fowler and Keller challenge the constitutional validity of § 57.955. Mo. Const. art. V, § 3; *Mo. State Conf. of NAACP v. State*, 601 S.W.3d 241, 244 (Mo. banc 2020).

Analysis

I.

MSRS' Threshold Arguments

MSRS raises several arguments, which, if accepted, would prevent this Court from reaching the merits. Namely, MSRS argues: (1) Fowler and Keller do not have standing; (2) Fowler and Keller waived their constitutional claim by failing to raise it with the municipal court; (3) the "voluntary payment doctrine" bars Fowler and Keller's unjust enrichment claim; and (4) Fowler and Keller's unjust enrichment claim fails as a matter of law because MSRS' reception of funds was nothing more than "passive acquiescence." All of these arguments fail.

A.

Fowler and Keller Have Standing

MSRS argues Fowler and Keller do not have standing because their attorney originally paid the court costs (including the surcharge) on their behalf. "This Court reviews the issue of standing *de novo*." *Mo. Coal. for Env't v. State*, 579 S.W.3d 924, 926 (Mo. banc 2019). "Standing. . . requires a petitioner to demonstrate a personal stake in the

outcome of the litigation, meaning a pecuniary or personal interest directly at issue and subject to immediate or prospective consequential relief." *Id.* (internal quotation marks omitted).

It was established that Fowler and Keller's attorney originally paid their respective court costs to the municipal court. However, both Fowler and Keller testified they reimbursed their attorney for the court costs.⁵ It is of no consequence that the attorney originally paid the court costs. Fowler and Keller reimbursed their attorney and, therefore, have a pecuniary interest. Their petition seeks a refund or reimbursement of the surcharge. Fowler and Keller have standing.

B.

Fowler and Keller Did Not Waive Their Constitutional Claim

MSRS argues Fowler and Keller waived their constitutional claim because they failed to raise the same with the municipal court. Fowler and Keller do not dispute they failed to present their constitutional challenge to the municipal court, but disagree they waived the claim. Because the parties do not dispute the facts related to the issue of waiver, it is a question of law this Court reviews *de novo*. *Hay v. Bankers' Life Co.*, 231 S.W. 1035, 1037 (Mo. App. 1921) ("[W]aiver is generally a question of fact . . . yet where the facts and circumstances relating to the subject are admitted or clearly established, waiver becomes a question of law."); *see also Malam v. State, Dep't of Corr.*, 492 S.W.3d 926, 928 (Mo. banc 2016) ("Questions of law are reviewed *de novo*").

⁵ Keller paid the attorney back directly while Fowler's mother originally reimbursed the attorney. Fowler testified he paid his mother back for the reimbursement.

Generally, to properly raise and preserve a constitutional challenge, a party must:

- (1) raise the constitutional question at the first available opportunity;
- (2) designate specifically the constitutional provision claimed to have been violated, such as by explicit reference to the article and section or by quotation of the provision itself; (3) state the facts showing the violation; and (4) preserve the constitutional question throughout for appellate review.

United C.O.D. v. State, 150 S.W.3d 311, 313 (Mo. banc 2004). However, this Court has recognized an exception to the general rule as it pertains to municipal courts, that is, "failure to raise constitutional questions in municipal court is not considered a waiver of the same."

State ex rel. Kansas City v. Meyers, 513 S.W.2d 414, 418 (Mo. banc 1974); *City of Ferguson v. Nelson*, 438 S.W.2d 249, 252 (Mo. 1969). Because Fowler and Keller were not required to present their constitutional challenge to the municipal court, and because they have otherwise sufficiently raised and preserved the issue, they did not waive their claim that § 57.955 violates article I, § 14 of the Missouri Constitution.

C.

MSRS' Remaining Arguments Not Preserved

MSRS' remaining point relied on provides: "**THE CIRCUIT COURT ERRED IN REJECTING [MSRS'] VOLUNTARY PAYMENT AND PASSIVE ACQUIESCENCE DEFENSES.**" This point relied on fails to comply with Rule 84.04(d) in that it fails to concisely state the legal reasons for MSRS' claims of error and fails to explain how those legal reasons, in the context of the case at hand, support MSRS' stated claims of error. Rule 84.04(d)(1)(B)-(C). Furthermore, the point relied on is multifarious in violation of Rule 84.04 because it groups together multiple, independent claims.

Macke v. Patton, 591 S.W.3d 865, 869 (Mo. banc 2019). Because Rule 84.04's requirements are mandatory, MSRS' noncompliant point relied on fails to preserve either argument for this Court's review. *Id.*; *see also Storey v. State*, 175 S.W.3d 116, 126 (Mo. banc 2005).

II.

Municipal Court Clerks Are Not Necessary Parties

Turning to the merits of Fowler and Keller's appeal, they first argue the circuit court erred in dismissing their petition for failing to include the clerks as necessary and indispensable parties. "This Court applies de novo review to a judgment dismissing a petition." *Rolwing v. Nestle Holdings, Inc.*, 437 S.W.3d 180, 182 (Mo. banc 2014).

Rule 52.04 governs whether a person is a necessary and indispensable party. More precisely, Rule 52.04(a) governs whether a party is "necessary." It provides:

A person shall be joined in the action if: (1) in the person's absence complete relief cannot be accorded among those already parties, or (2) the person claims an interest relating to the subject of the action and is so situated that the disposition of the action in the person's absence may: (i) as a practical matter impair or impede the person's ability to protect that interest or (ii) leave any of the persons already parties subject to a substantial risk of incurring double, multiple, or otherwise inconsistent obligations by reason of the claimed interest. If the person has not been joined, the court shall order that the person be made a party. If the person should join as a plaintiff but refuses to do so, the person may be made a defendant.

"If either prong of Rule 52.04(a) has been satisfied, courts have traditionally labeled such party 'necessary.'" *State ex rel. Woodco, Inc. v. Phillips*, 603 S.W.3d 873, 876 (Mo. banc 2020).

MSRS argues, in conclusory fashion, that the clerks must be necessary and indispensable parties because they are the party responsible for assessing, collecting, and remitting the surcharge; therefore, a court could not grant complete relief without them.⁶ The only relief sought by Fowler and Keller is restitution or repayment of the \$3 surcharge. If the plaintiffs prevail on their unjust enrichment claim, they are entitled to restitution from MSRS as the party that retained the benefit of their surcharge payment. *Polk Tp., Sullivan Cnty. v. Spencer*, 259 S.W.2d 804, 807 (Mo. 1953); *see also* Restatement (Third) of Restitution and Unjust Enrichment § 1 (2011) ("A person who is unjustly enriched at the expense of another is subject to liability in restitution."). MSRS does not argue it is incapable of providing restitution directly to Fowler and Keller if their unjust enrichment claim is successful, nor does it explain how the clerks are necessary to ensuring restitution is paid. Because complete relief can be accorded among the named parties, the clerks are not necessary parties under Rule 52.04(a)(1). Nor are the clerks necessary parties under Rule 52.04(a)(2).

As Rule 52.04(a)(2)'s plain language makes clear, the clerks themselves must claim an interest in the subject matter of this lawsuit to be a necessary party. Rule 52.04(a)(2); *see also Aversman v. Danner*, 616 S.W.2d 117, 123 (Mo. App. 1981) (holding natural

⁶ MSRS argued the clerks are necessary and indispensable parties because, as the state officials required to enforce § 57.955, the clerks would have an "interest that would be affected by a court's *declaration*." *See Mo. Health Care Ass'n v. Att'y Gen. of the State of Mo.*, 953 S.W.2d 617, 621 (Mo. banc 1997) (emphasis added). Of course, this line of thinking applies only to a declaratory judgment action. Because Fowler and Keller seek restitution through an unjust enrichment theory—and at no point seek a declaration § 57.955 is unconstitutional—the clerks are not necessary and indispensable parties for that reason.

mother and her present husband were not required to be joined as necessary and indispensable parties because they claimed no interest in the underlying wrongful death lawsuit). At no point in this litigation have the clerks claimed an interest in this lawsuit, and none of the parties suggest they have claimed such an interest at any time. Because the clerks do not satisfy either prong of Rule 52.04(a), they are not necessary parties and this Court need not address whether they are indispensable parties. *State ex rel. Twenty-Second Jud. Cir. v. Jones*, 823 S.W.2d 471, 475 (Mo. banc 1992).

III.

Section 57.955 Violates Article I, § 14 of the Missouri Constitution

Fowler and Keller argue § 57.955's \$3 surcharge violates article I, § 14 of the Missouri Constitution. "This Court reviews the constitutional validity of a statute *de novo*." *Donaldson v. Mo. State Bd. of Registration for the Healing Arts*, 615 S.W.3d 57, 62 (Mo. banc 2020). "A statute is presumed constitutional and will not be found unconstitutional unless it clearly and undoubtedly violates the constitution." *Priorities USA v. State*, 591 S.W.3d 448, 452 (Mo. banc 2020) (internal quotation marks omitted).

Article I, § 14 of the Missouri Constitution provides "[t]hat the courts of justice shall be open to every person, and certain remedy afforded for every injury to person, property or character, and that right and justice shall be administered without sale, denial or delay." This Court has recognized, "Art. I, § 14 embodies the principle found in Chapter 40 of the Magna Carta that 'To no one will We sell, to no one will We deny or delay, right or justice.'" *Harrison v. Monroe Cnty.*, 716 S.W.2d 263, 267 (Mo. banc 1986). For a statute imposing

a court cost to withstand an article I, § 14 challenge to its validity, this Court has held the statute must be "reasonably related to the expense of the administration of justice." *Id.*

Harrison is directly on point. In *Harrison*, the plaintiff alleged Senate Bill 601 violated article I, § 14. *Id.* at 264 & n.1. SB 601 provided for additional compensation to county officials (including county sheriffs) if those officials attended a certain training program. *Id.* at 264-65. To fund the additional compensation, SB 601 authorized the assessment of a \$4 surcharge in criminal and civil proceedings. *Id.* at 265. As in this case, the clerk of court collected the \$4 surcharge and paid any amount to the county treasurer, who then transmitted the funds to the state treasurer for deposit into the "County Officers Compensation Fund." *Id.* The circuit court dismissed the plaintiff's suit, and the plaintiff appealed to this Court. *Id.*

In addressing SB 601's constitutional validity, this Court reasoned:

S.B. 601 civil court costs bear no reasonable relationship to the expenses of the administration of justice; S.B. 601 civil court costs are collected to enhance the compensation of officials of the executive department of county government. We, therefore, hold that the fees imposed in civil cases by S.B. 601 are unreasonable impediments to access to justice in violation of art. I, § 14.

Id. at 267. *Harrison* laid down a bright-line rule that court costs used to enhance compensation paid to executive officials are not "reasonably related to the expense of the administration of justice" and, therefore, violate article I, § 14. Like SB 601, § 57.955 requires the collection of a court cost used to enhance the compensation of executive department officials—retired county sheriffs. Applying *Harrison's* bright-line rule,

§ 57.955 is not "reasonably related to the expense of the administration of justice" and therefore, violates article I, § 14 of the Missouri Constitution.

Conclusion

Because the circuit court erred in determining that the clerks were necessary parties and that § 57.955 did not violate article I, § 14 of the Missouri Constitution, this Court vacates the circuit court's judgment. This case is remanded for further proceedings consistent with this opinion.

Zel M. Fischer, Judge

Draper, C.J., Wilson, Russell,
Powell and Breckenridge, JJ., concur.

SHERIFFS' RETIREMENT SYSTEM

As of January 1, 2021

Established in 1983 by the Missouri General Assembly

Governance: Governed by a five member board of trustees. Members serve a term of four years. The board is elected by secret ballot of the active sheriffs and members of the system. At least one but not more than two board members must be a retired member of the system.

MEMBERSHIP:

Active: 114 **Inactive:** 228

Covers the elected or appointed sheriff of a county (except for St. Louis County)

CONTRIBUTIONS:

Employer: \$1,636,185

Funding source for employer contributions: \$3 surcharge in all civil actions filed in the courts of this state and in all criminal cases. See section 57.955, RSMo. On June 1, 2021, the Missouri Supreme Court held that section 57.955 violates Article I, Section 14 of the Missouri Constitution. The case has been remanded to the Circuit Court for further proceedings. Section 57.952, RSMo prohibits the General Assembly and county governments from appropriating funds to the system.

Employee: \$0

Employees do not contribute to the plan

BENEFITS:

Normal Retirement Formula:

2% of compensation x years of creditable service
Maximum: 75% of final average compensation
Plus monthly supplement not to exceed \$450. 2020 and 2021 supplement = \$450
Benefit expense for plan year 2020: \$3,169,024

Normal Retirement Eligibility:

Age 55 with 12 years of service
Age 62 with 8 years of service

Final Average Salary Calculation: 3 years

Social Security Coverage: Yes

Valuation of Assets: 5 Years

Mortality Table: PubS-2010, generational projection, Scale MP-2019

Vesting: 8 years

COLA: Annual Amount Maximum: 5%

Percent of CPI: 100%

ACTUARIAL ASSUMPTIONS:

Interest: 7%

Salary: 2.75%

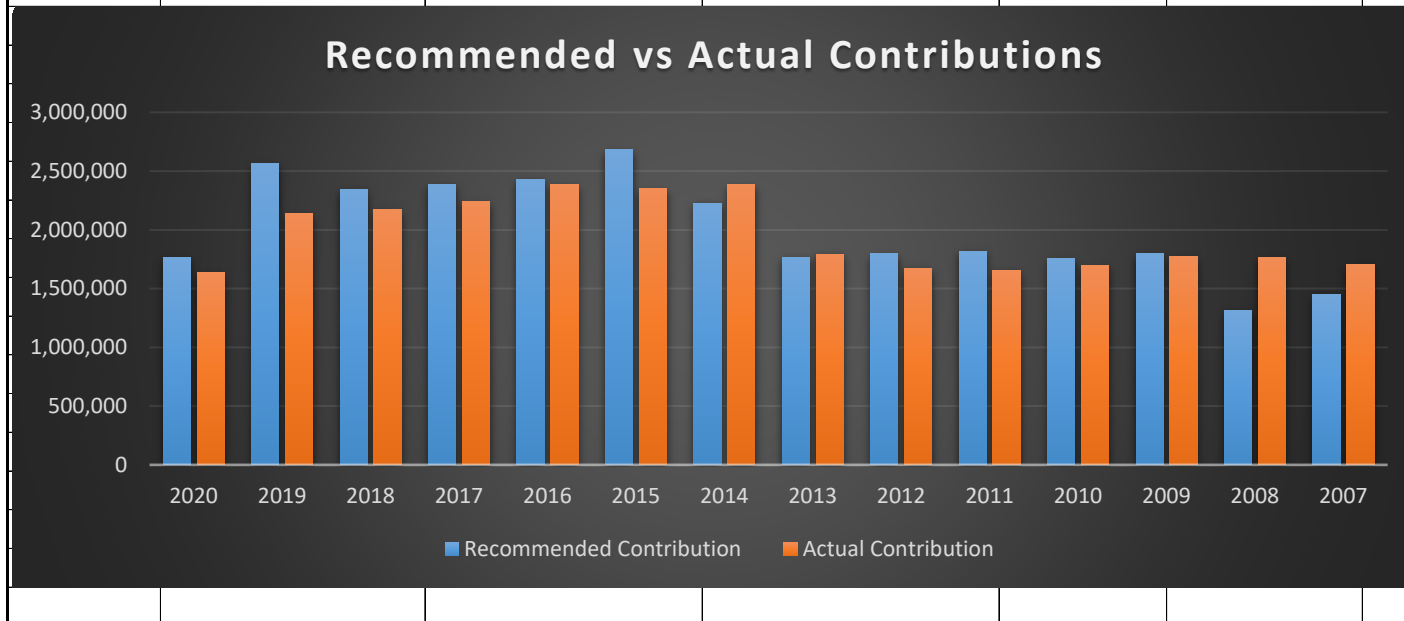
Market Value of Assets: \$51,486,054 **Funded Ratio:** 116%

Actuarial Value of Assets: \$49,062,929 **Funded Ratio:** 111%

Actuarial Accrued Liability: \$44,346,454

| Sheriffs' Retirement System | | | | | | |
|---|---------------------------------|----------------------------------|----------------------------|-------------|--------------------------|--------------------------|
| January 1, | Market Value of Assets | Actuarial Value of Assets | Liabilities | UAAL | Funded Ratio, MVA | Funded Ratio, AVA |
| 2021 | 51,486,054 | 49,062,929 | 44,346,454 | -4,716,475 | 116.10% | 110.64% |
| 2020 | 48,290,986 | 46,775,593 | 42,512,541 | -4,263,052 | 113.59% | 110.03% |
| 2019 | 42,411,211 | 45,479,604 | 47,094,870 | 1,615,266 | 90.05% | 96.57% |
| 2018 | 45,739,235 | 44,619,293 | 44,414,999 | -204,294 | 102.98% | 100.46% |
| 2017 | 41,882,603 | 42,108,813 | 45,598,652 | 3,489,839 | 91.85% | 92.35% |
| 2016 | 38,898,303 | 39,218,221 | 45,163,772 | 5,945,551 | 86.13% | 86.84% |
| 2015 | 39,507,013 | 37,057,544 | 44,195,693 | 7,138,149 | 89.39% | 83.85% |
| 2014 | 37,161,992 | 34,364,720 | 40,644,087 | 6,279,367 | 91.43% | 84.55% |
| 2013 | 32,316,213 | 32,303,509 | 35,396,051 | 3,092,542 | 91.30% | 91.26% |
| 2012 | 29,329,109 | 31,010,301 | 34,302,866 | 3,292,565 | 85.50% | 90.40% |
| 2011 | 30,105,275 | 30,110,220 | 32,429,617 | 2,319,397 | 92.83% | 92.85% |
| 2010 | 27,469,898 | 27,474,416 | 28,751,450 | 1,277,124 | 95.54% | 95.56% |
| 2009 | 23,643,907 | 23,627,415 | 28,739,289 | 5,111,874 | 82.27% | 82.21% |
| 2008 | 29,255,959 | 29,254,426 | 26,941,296 | -2,313,130 | 108.59% | 108.59% |
| | | | | | | |
| | | | | | | |
| Contributions to the Fund were from the \$3 surcharge established by section 57.955. | | | | | | |
| | | | | | | |
| Plan Year | Recommended Contribution | Actual Contribution | Percent Contributed | | | |
| 2020 | 1,765,953 | 1,636,185 | 92.7% | | | |
| 2019 | 2,560,643 | 2,139,149 | 83.5% | | | |
| 2018 | 2,345,374 | 2,171,831 | 92.6% | | | |
| 2017 | 2,382,531 | 2,237,613 | 93.9% | | | |
| 2016 | 2,429,638 | 2,383,322 | 98.1% | | | |
| 2015 | 2,680,282 | 2,348,981 | 87.6% | | | |
| 2014 | 2,227,689 | 2,383,991 | 107.0% | | | |
| 2013 | 1,767,128 | 1,790,827 | 101.3% | | | |
| 2012 | 1,797,679 | 1,674,091 | 93.1% | | | |

| | | | | | |
|------|-----------|-----------|--------|--|--|
| 2011 | 1,819,656 | 1,653,864 | 90.9% | | |
| 2010 | 1,754,053 | 1,696,393 | 96.7% | | |
| 2009 | 1,797,972 | 1,771,298 | 98.5% | | |
| 2008 | 1,313,650 | 1,761,091 | 134.1% | | |
| 2007 | 1,449,584 | 1,703,656 | 117.5% | | |
| | | | | | |



**PROSECUTING ATTORNEYS' AND CIRCUIT
ATTORNEYS' RETIREMENT SYSTEM**

56.807. Local payments, amounts — prosecuting attorneys and circuit attorneys' retirement system fund created — surcharges — donations may be accepted — member contribution to fund, amount.

1. Beginning August 28, 1989, and continuing monthly thereafter until August 27, 2003, the funds for prosecuting attorneys and circuit attorneys provided for in subsection 2 of this section shall be paid from county or city funds.

2. Beginning August 28, 1989, and continuing monthly thereafter until August 27, 2003, each county treasurer shall pay to the system the following amounts to be drawn from the general revenues of the county:

(1) For counties of the third and fourth classification except as provided in subdivision (3) of this subsection, three hundred seventy-five dollars;

(2) For counties of the second classification, five hundred forty-one dollars and sixty-seven cents;

(3) For counties of the first classification, and, except as otherwise provided under section 56.363, counties which pursuant to section 56.363 elect to make the position of prosecuting attorney a full-time position after August 28, 2001, or whose county commission has elected a full-time retirement benefit pursuant to subsection 3 of section 56.363, and the City of St. Louis, one thousand two hundred ninety-one dollars and sixty-seven cents.

3. Beginning August 28, 1989, and continuing until August 27, 2003, the county treasurer shall at least monthly transmit the sums specified in subsection 2 of this section to the Missouri office of prosecution services for deposit to the credit of the "Missouri Prosecuting Attorneys and Circuit Attorneys' Retirement System Fund", which is hereby created. All moneys held by the state treasurer on behalf of the system shall be paid to the system within ninety days after August 28, 1993. Moneys in the Missouri prosecuting attorneys and circuit attorneys' retirement system fund shall be used only for the purposes provided in sections 56.800 to 56.840 and for no other purpose.

4. Beginning August 28, 2003, the funds for prosecuting attorneys and circuit attorneys provided for in this section shall be paid from county or city funds and the surcharge established in this section and collected as provided by this section and sections 488.010 to 488.020.

5. (1) Beginning August 28, 2003, each county treasurer shall pay to the system the following amounts to be drawn from the general revenues of the county:

(a) For counties of the third and fourth classification except as provided in paragraph (c) of this subdivision, one hundred eighty-seven dollars;

(b) For counties of the second classification, two hundred seventy-one dollars;

(c) For counties of the first classification, counties which pursuant to section 56.363 elect to make the position of prosecuting attorney a full-time position after August 28, 2001, or whose county commission has elected a full-time retirement benefit pursuant to subsection 3 of section 56.363, and the City of St. Louis, six hundred forty-six dollars.

(2) Beginning August 28, 2015, the county contribution set forth in paragraphs (a) to (c) of subdivision (1) of this subsection shall be adjusted in accordance with the following schedule based upon the prosecuting attorneys and circuit attorneys' retirement system's annual actuarial valuation report. If the system's funding ratio is:

(a) One hundred twenty percent or more, no monthly sum shall be transmitted;

(b) More than one hundred ten percent but less than one hundred twenty percent, the monthly sum transmitted shall be reduced fifty percent;

(c) At least ninety percent and up to and including one hundred ten percent, the monthly sum transmitted shall remain the same;

(d) At least eighty percent and less than ninety percent, the monthly sum transmitted shall be increased fifty percent; and

(e) Less than eighty percent, the monthly sum transmitted shall be increased one

hundred percent.

6. Beginning August 28, 2003, the county treasurer shall at least monthly transmit the sums specified in subsection 5 of this section to the Missouri office of prosecution services for deposit to the credit of the Missouri prosecuting attorneys and circuit attorneys' retirement system fund. Moneys in the Missouri prosecuting attorneys and circuit attorneys' retirement system fund shall be used only for the purposes provided in sections 56.800 to 56.840, and for no other purpose.

7. Beginning August 28, 2003, the following surcharge for prosecuting attorneys and circuit attorneys shall be collected and paid as follows:

(1) There shall be assessed and collected a surcharge of four dollars in all criminal cases filed in the courts of this state including violation of any county ordinance, any violation of criminal or traffic laws of this state, including infractions, and against any person who has pled guilty for any violation and paid a fine through a fine collection center, but no such surcharge shall be assessed when the costs are waived or are to be paid by the state, county, or municipality or when a criminal proceeding or the defendant has been dismissed by the court. For purposes of this section, the term "county ordinance" shall include any ordinance of the City of St. Louis;

(2) The clerk responsible for collecting court costs in criminal cases shall collect and disburse such amounts as provided by sections 488.010 to 488.026. Such funds shall be payable to the prosecuting attorneys and circuit attorneys' retirement fund. Moneys credited to the prosecuting attorneys and circuit attorneys' retirement fund shall be used only for the purposes provided for in sections 56.800 to 56.840 and for no other purpose.

8. The board may accept gifts, donations, grants and bequests from private or public sources to the Missouri prosecuting attorneys and circuit attorneys' retirement system fund.

9. No state moneys shall be used to fund section 56.700 and sections 56.800 to 56.840 unless provided for by law.

10. Beginning January 1, 2019, all members, who upon vesting and retiring are eligible to receive a normal annuity equal to fifty percent of the final average compensation, shall, as a condition of participation, contribute two percent of their gross salary to the fund. Beginning on January 1, 2020, each such member shall contribute four percent of the member's gross salary to the fund. Each county treasurer shall deduct the appropriate amount from the gross salary of the prosecuting attorney or circuit attorney and, at least monthly, shall transmit the sum to the prosecuting attorney and circuit attorney retirement system for deposit in the prosecuting attorneys and circuit attorneys' retirement fund.

11. Upon separation from the system, a nonvested member shall receive a lump sum payment equal to the total contribution of the member without interest or other increases in value.

12. Upon retirement and in the sole discretion of the board on the advice of the actuary, a member shall receive a lump sum payment equal to the total contribution of the member without interest or other increases in value, but such lump sum shall not exceed twenty-five percent of the final average compensation of the member. This amount shall be in addition to any retirement benefits to which the member is entitled.

13. Upon the death of a nonvested member or the death of a vested member prior to retirement, the lump sum payment in subsection 11 or 12 of this section shall be made to the designated beneficiary of the member or, if no beneficiary has been designated, to the member's estate.

(L. 1989 S.B. 30 § 56.790, A.L. 1993 S.B. 169, A.L. 1995 H.B. 416, et al., A.L. 2001 S.B. 290, A.L. 2002 H.B. 2080, A.L. 2003 S.B. 5, A.L. 2014 H.B. 1231 merged with S.B. 672, A.L. 2018 H.B. 1291 merged with S.B. 892)

PROSECUTING ATTORNEYS' & CIRCUIT ATTORNEYS' RETIREMENT SYSTEM

As of July 1, 2019

Established in 1989 by the Missouri General Assembly

Governance: Governed by a five member board of trustees. Members serve a term of four years. The board is elected by secret ballot vote of the prosecuting attorneys and circuit attorneys of the state.

MEMBERSHIP:

Active: 115 **Inactive:** 127

Covers the elected or appointed prosecuting attorney or circuit attorney of a county or a city not within a county

CONTRIBUTIONS:

Employer: \$1,929,092

Funding sources for employer contributions: (1) \$4 surcharge in all criminal cases filed in the courts of this state. See Section 56.807.7, RSMo. (2) The counties are required to contribute to the plan on a monthly basis. The amount is established in state law based on county classification and benefit level. See Section 56.807.5, RSMo.

Employee: \$84,298

SB 892 (2018) establishes an employee contribution rate of 4% effective 1/1/20 for any member receiving a normal annuity equal to 50% of final average salary. (SB 892 required a 2% employee contribution rate effective 1/1/19 for such members.)

BENEFITS:

Normal Retirement Formula:

1st & 2nd Class Counties & St. Louis City: 50% of Final Average Salary
3rd & 4th Class Counties: 12 - 20 years of service = \$105 x each 2 year period
3rd & 4th Class Counties: 20+ years of service = \$130 x each 2 year period
Benefit expense for plan year 2019: \$2,001,786

Normal Retirement Eligibility:

Age 62 with 12 years of service
Hired on/after 1/1/19: Age 65 with 12 years of service

Final Average Salary Calculation: Average compensation for the two consecutive years prior to retirement when the employee's compensation was greatest

Social Security Coverage: Yes

Valuation of Assets: Market Value

Mortality Table: PubG-2010, generational, scale MP-2018

Vesting: 12 years

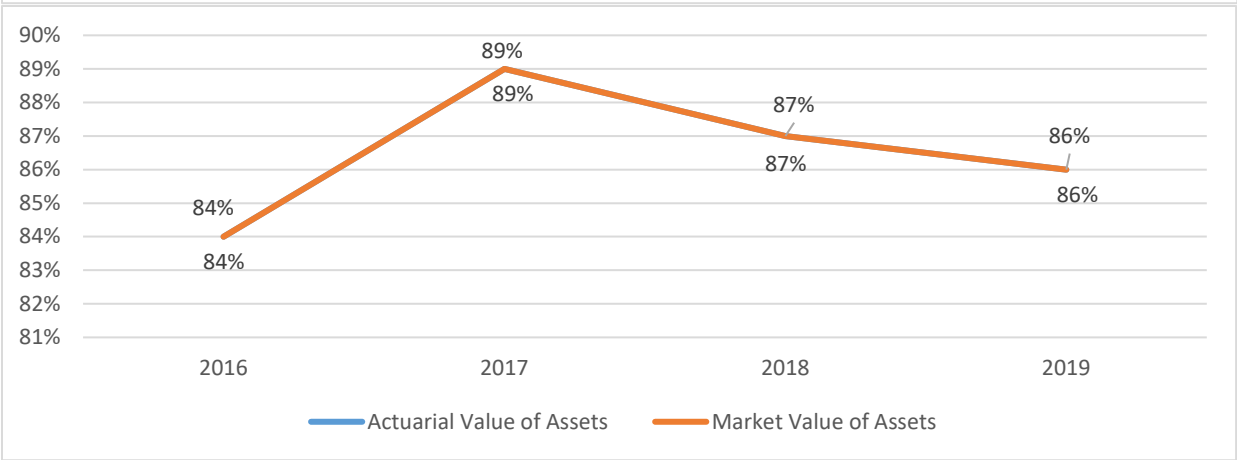
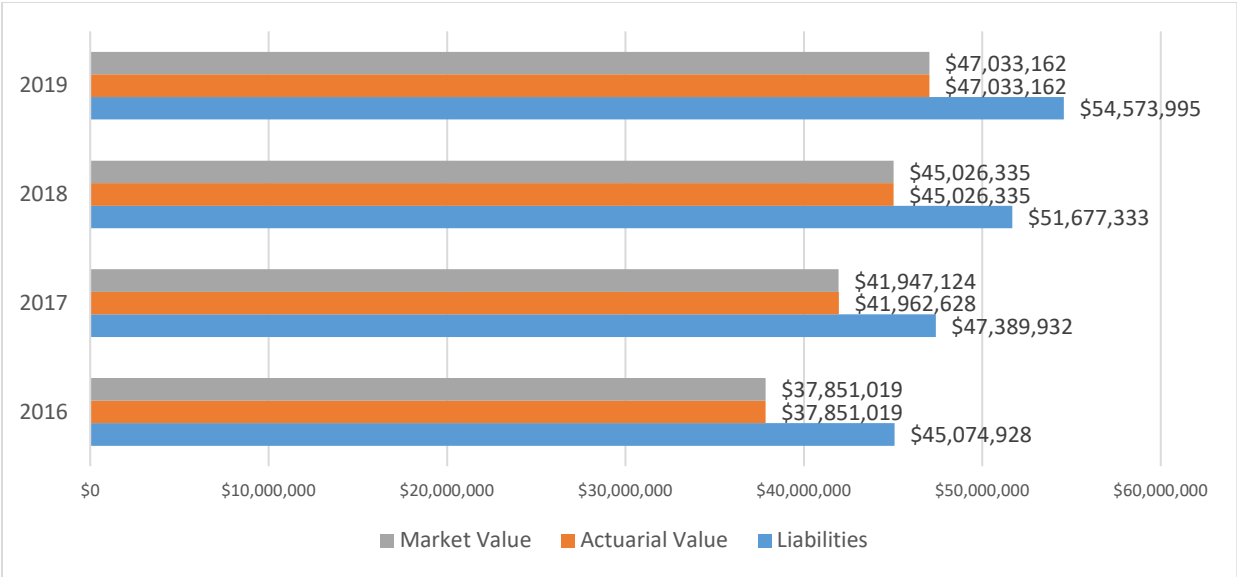
COLA: Annual Amount Maximum: 2%

Cap Total Max: 50%

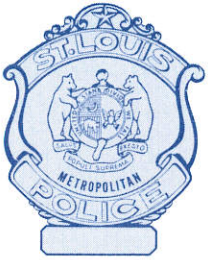
ACTUARIAL ASSUMPTIONS:

Interest: 7% **Salary:** 3.5%

Market Value of Assets: \$47,033,162 **Funded Ratio** 86%
Actuarial Value of Assets: \$47,033,162 **Funded Ratio** 86%
Actuarial Accrued Liability: \$54,573,995



ST. LOUIS POLICE RETIREMENT SYSTEM



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

To: Members of the Police Retirement System of St. Louis

Re: *Charles Lane and Johnny E. McCrary v. Police Retirement System of St. Louis, City of St. Louis and State of Missouri, Cause No. 2122-CC000751*

Dear Members:

This letter is to advise you of a lawsuit filed by Charles A. Lane and Johnny McCrary ("Plaintiffs") against the Police Retirement System ("PRS"), the City of St. Louis ("City") and the State of Missouri ("State"). A PDF of the lawsuit is on the PRS website, www.stlouisprs.org.

In the lawsuit, the Plaintiffs seek an order from the Court declaring five (5) state statutes that provide and/or enhance benefits to members of the PRS as unconstitutional. These provisions are:

- A. the refund of member contributions to the System (*i.e.*, the "lump sum"), § 86.253(4), RSMo;
- B. institution of the DROP program, §§ 86.320(4) and 86.251, RSMo;
- C. an increase in the maximum cost of living allowance from twenty-five percent (25%) to thirty percent (30%), § 86.253(3), RSMo;
- D. an increase in the maximum service retirement allowance from seventy percent (70%) to seventy-five percent (75%), § 86.253(1), RSMo; and
- E. a change in the formula for average final compensation serving as the basis for calculating pensions from three (3) years to two (2) years, § 86.200(3), RSMo.

The Plaintiffs also seek declarations and orders from the Court that, in essence, the State and not the City must pay for these benefits and that the State must reimburse the City for the City's prior payments, over an unstated time period, that funded the PRS to provide these benefits.

The Board of Trustees of the PRS believes it is *not* in the best interests of its members for a Court to declare the above cited statutes unconstitutional. Further, the Board believes there are strong and viable defenses to the constitutional challenges brought by the Plaintiffs.

While for obvious reasons the Board cannot discuss publicly its legal theories or strategies in relation to this suit, the Board intends to vigorously pursue on its members' behalf all claims and defenses that support the constitutionality of these statutes and the important benefits they provide to those who have protected and served the citizens of the City.

Respectfully,

A handwritten signature in black ink, appearing to read "Wallace K. Leopold".

Wallace K. Leopold, Chair, Board of Trustees
Police Retirement System of St. Louis

86.344. Certification of amounts due and payable, when, to whom — city, to appropriate funds, when. — On or before the first day of March of each year the board of trustees shall certify to the board of estimate and apportionment of the city the amounts which will become due and payable during the year next following for expenses pursuant to subsection 2 of section 86.343 and the cost of benefits as determined pursuant to section 86.337. The amounts so certified shall be appropriated by the city and transferred to the retirement system in equal payments in the first six months of the ensuing year.

(L. 1983 H.B. 664, A.L. 2000 H.B. 1808)

Effective 7-01-00

(2007) Requirement that city pay entire contribution amounts certified by trustees for police retirement system and firemen's retirement system does not violate section 21, article X, Constitution of Missouri. *Neske v. City of St. Louis*, 218 S.W.3d 417 (Mo.banc).

ST. LOUIS POLICE RETIREMENT SYSTEM

as of 9/30/20

Governance: Governed by a nine member board of trustees: the City Comptroller (or the Deputy Comptroller), two members appointed by the mayor, three members elected by the members, and three retired members elected by the retired members.

MEMBERSHIP:

Active: 1,229 **Inactive:** 1,990

CONTRIBUTIONS:

Employer: \$35,335,830 **Employee:** \$5,592,594

BENEFITS:

Normal Retirement Formula:

2% of compensation for the first 25 years of service + 4% for the next 5 years of service
 Plus 5% for all service after 30 years
 Maximum: 75% of compensation

Normal Retirement Eligibility:

Age 55 or 20 years of service
 Mandatory retirement age of 65

Social Security Coverage: No

Valuation of Assets: 5 Years

Mortality Table: RP-2014 Blue Collar projected generationally with Scale MP-2015

Vesting: 20 years

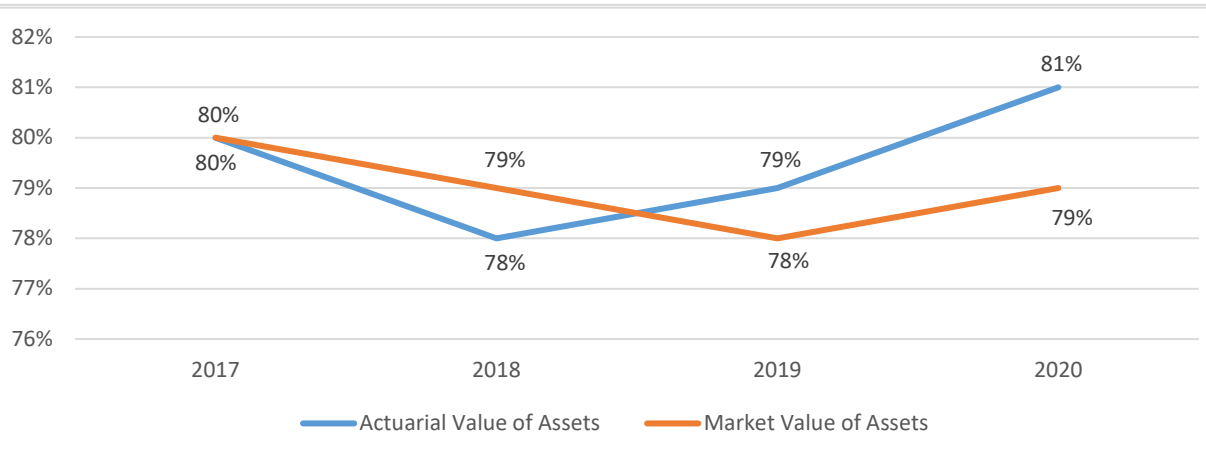
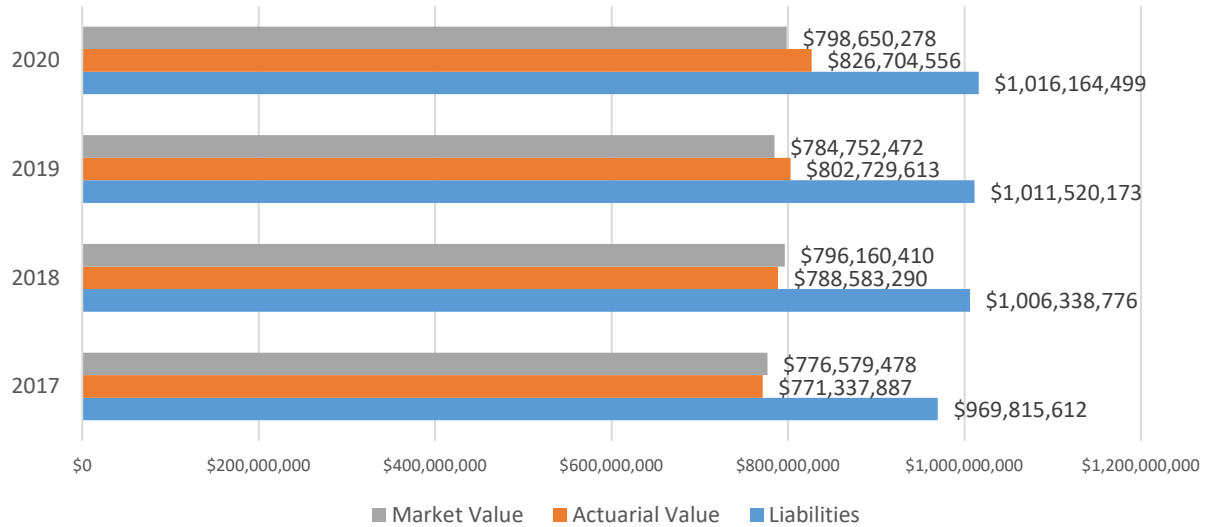
COLA: Annual Amount Maximum: 3%

Percent of CPI: 100%

Cap Total Max: 30%

ACTUARIAL ASSUMPTIONS:

Interest: 7.5% **Salary:** 3% to 6%



PSRS/PEERS WORKING AFTER RETIREMENT

Working After Retirement Limit Waiver Extended through December 31, 2021



Announcement



August 30, 2021 – In August 2020, Governor Parson approved a request from the Missouri Department of Elementary and Secondary Education (DESE) to temporarily waive portions of the state statutes that limit the number of hours worked and amount of salary earned by retirees working for covered employers in temporary, part-time or substitute positions.

This action was designed to help alleviate the potential shortage of substitute teachers and/or

school support staff members during the 2020-2021 school year. The governor approved their request. The work limit waiver was set to remain in effect for the duration of the governor's general emergency order declaring a state of emergency.

On August 27, Governor Parson ended this executive order declaring a general state of emergency. However, he issued a new, more targeted executive order that allows many of the statutory or regulatory waivers, including the work limit waiver, to remain in effect through December 31, 2021. This more targeted approach acknowledges that while progress has been made, there is a need for continued support in areas such as health care and education.

Retiree work limits will continue to be waived until January 1, 2022. At that time, We will contact retirees who are working for covered employers with information about their personal work limits and provide each with a new Working After Retirement Record form on which to track their work.

LEGISLATIVE UPDATE

Joint Committee on Public Employee Retirement

End of Session Review

September 3, 2021

At the end of the 101st General Assembly, First Regular Session, zero bills passed that contained provisions relating to Missouri state and local retirement plan benefits.

One bill passed that impacts certain individuals receiving a military retirement benefit:

SS/SCS/SB 120 (White): Relating to military affairs.

- Multiple provisions relating to military affairs;
- Current law authorizes an income tax deduction for retirement benefits received by a taxpayer for the taxpayer's service in the Armed Forces of the United States, including reserve components and the National Guard. Makes a correction to ensure that one hundred percent of such benefits may be deducted without any reductions.

One bill passed that will impact the salaries earned by county sheriffs:

CCS/HCS/SS/SCS/SBs 53 & 60 (Luetkemeyer): Relating to public safety.

- Modifies the statutory salary tables for county sheriffs;
- Salary increases will, over time, impact their retirement benefit amounts earned as members of the Sheriffs' Retirement System.

In the 2021 legislative session, 630 Senate bills were introduced and 1,445 House bills were introduced. Legislators also introduced 29 Senate Joint Resolutions and 64 House Joint Resolutions. The General Assembly truly agreed to and finally passed 29 Senate bills, 39 House bills, 1 House Joint Resolution and three Senate Concurrent Resolutions. A Joint Resolution is a proposed constitutional amendment.

Legislation passed by the General Assembly is presented to the Governor for his approval. The Governor must act on legislation by July 14, 2021. He has three options: sign legislation into law, veto legislation, or take no action and permit legislation to become law without his approval. Any legislation that is vetoed may be brought up by the legislature for veto override at the veto session in September.

This document is for summary purposes and should not be considered legal interpretation.

Please feel free to contact the JCPER office with questions or for assistance:

Joint Committee on Public Employee Retirement

State Capitol, Room 219-A

Jefferson City, MO 65101

Phone: 573-751-1280

Fax: 573-526-6459

Or via the JCPER website at <https://jcper.org/>

Joint Committee on Public Employee Retirement

Missouri General Assembly

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Annual Watch List

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PERS Directory

Quarterly Meetings

The Committee

In response to the growing concern about the fiscal integrity of Missouri's public employee retirement systems (PERS) in 1983 the First Regular Session of the 82nd General Assembly passed legislation creating a permanent pension review and oversight body, the Joint Committee on Public Employee Retirement (JCPER). Prior to the creation of the committee there was no one place where information concerning these plans was gathered, analyzed and recorded. The committee consists of six senators appointed by the President Pro Tem of the Senate and six members of the House of Representatives, appointed by the Speaker of the House. The JCPER governing statutes require that the committee shall:

Make a continuing study and analysis of all state and local government retirement systems and report annually to the General Assembly;

Devise a standard reporting system to obtain data on each public employee retirement system that will provide information on each system's financial and actuarial status at least biennially;

Determine from its study and analysis the need for changes in statutory law;

Make any other recommendations to the General Assembly necessary to provide adequate retirement benefits to state and local government employees within the ability of taxpayers to support their future costs.



**QUARTERLY
REPORT**

**ANNUAL
REPORTING**

(USERNAME AND PASSWORD REQUIRED)

Contact Information

Address:

Missouri State Capitol Building
Room 219-A
Jefferson City, MO 65101

Phone: 573-751-1280

Fax: 573-526-6459

Contact JCPER

MAPERS Conference: The Missouri Association of Public Employee Retirement Systems is holding its annual conference virtually due to Covid-19 concerns. Six one-hour sessions will be held on July 14 and July 15, 2021. The JCPER staff will present a virtual Capitol Report on July 14 with information about the 2021 legislative session. More information regarding these virtual education offerings can be accessed at the MAPERS website: <https://momapers.org/conference/> or by calling 573-634-3861.

This document is for summary purposes and should not be considered legal interpretation.

QUARTERLY INVESTMENT REPORTING

Joint Committee on Public Employee Retirement

Quarterly Reports

2021 Second Quarter

| <u>Plan Name</u> | Beg. Mkt Value | End Mkt Value | ROR 12 mos. | ROR 36 mos. | ROR 60 mos. | ROR for Inv | Price Inf. Assump.. | Sal/Wage Assump. |
|---|-------------------|------------------|----------------|----------------|----------------|----------------|------------------------|----------------------|
| Affton FPD Retirement Plan | \$14,778,886 | \$15,427,413 | 29.1% (Net) | 11.8% (Net) | 10.9% (Net) | 6.75% | 0% | See commen ts% |
| Arnold Police Pension Plan | \$18,239,875 | \$19,120,522 | 24.87% (Gross) | 10.15% (Gross) | 9.31% (Gross) | 6.0% | 2.5% | 4.50% |
| Black Jack FPD Retirement Plan | \$20,076,812 | \$22,464,579 | 1% (Net) | 1% (Net) | 1% (Net) | 7% | 2.75% | 4.5% |
| Bothwell Regional Health Center Retirement Plan | \$51,633,340 | \$53,545,381 | 29.9% (Net) | 12.2% (Net) | 11.2% (Net) | 7.50% | 2.2% | 3.0% |
| Brentwood Police & Firemen's Retirement Fund | \$49,449,669 | \$51,596,838 | N/A% (Gross) | N/A% (Gross) | N/A% (Gross) | N/A% | N/A% | N/A% |
| Bridgeton Employees Retirement Plan | \$32,979,918 | \$47,348,318 | 64.5% (Net) | 22.47% (Net) | 17.23% (Net) | 7.5% | 3.0% | 4.0% |
| Carthage Policemen's & Firemen's Pension Plan | \$9,147,568 | \$9,556,204 | 12.85% (Net) | 9.53% (Net) | 9.04% (Net) | 7.0% | 2.2% | 3.5% |
| Central County Fire & Rescue Pension Plan | \$32,253,524 | \$34,637,640 | 29.18% (Net) | NA% (Net) | NA% (Net) | 6.75% | 2.5% | 4% |
| Clayton Non-uniformed Employee Pension Plan | \$23,406,893 | \$24,362,169 | 27.38% (Net) | 11.31% (Net) | 10.74% (Net) | 7% | 2% | 4% |
| Clayton Uniformed Employees Pension Plan | \$56,242,720 | \$60,139,756 | 29.37% (Net) | 12.49% (Net) | 11.90% (Net) | 7% | 2% | 3.5% |
| Columbia Police and Firemens' Retirement Plan | \$172,042,712 | \$179,922,219 | 26.55% (Gross) | 11.91% (Gross) | 10.56% (Gross) | 7% | 2.5% | 3.25% |
| Community FPD Retirement Plan | \$38,595,966 | \$40,234,682 | 63.78% (Net) | 8.12% (Net) | 11.33% (Net) | 7% | 2.5% | 4% |
| Cottleville Community FPD Retirement Plan | \$25,653,280 | \$27,066,299 | 4.72% (Net) | N/A% (Net) | N/A% (Net) | 6.5% | 0% | 4% |
| County Employees Retirement Fund | \$680,248,000 | \$719,412,000 | 27.12% (Gross) | 12.32% (Gross) | 12.11% (Gross) | 7.25% | 2.5% | 2.5% |
| Creve Coeur Employees Retirement Plan | \$31,908,662 | \$33,094,916 | 27.7% (Net) | 11.5% (Net) | 10.8% (Net) | 6.75% | 2.5% | 4.0% |
| Eureka FPD Retirement Plan | \$13,852,455 | \$17,709,815 | 1% (Net) | 1% (Net) | 1% (Net) | 7% | 2.75% | 4.5% |
| Fenton FPD Retirement Plan | \$39,935,552 | \$42,691,316 | 30.21% (Net) | 14.93% (Net) | 14.27% (Net) | 7.5% | 2.5% | 2.0% |
| Florissant Employees Pension Plan | \$9,912,322 | \$10,106,965 | 0% (Net) | 0% (Net) | 0% (Net) | 6% | 0% | 3% |
| Florissant Valley FPD Retirement Plan | \$39,729,210 | \$41,584,128 | 11.99% (Net) | 8.78% (Net) | 7.80% (Net) | 6.50% | 2.50% | See commen ts% |
| Hannibal Police & Fire Retirement Plan | \$24,570,381 | \$25,850,111 | 36.8% (Gross) | 15.1% (Gross) | 12.7% (Gross) | 7.0% | 2.5% | 3.5% |

Please be aware information provided in this report may contain unaudited data.

9/9/2021

| <u>Plan Name</u> | Beg. Mkt Value | End Mkt Value | ROR 12 mos. | ROR 36 mos. | ROR 60 mos. | ROR for Inv | Price Inf. Assump.. | Sal/Wage Assump. |
|--|-------------------|------------------|----------------|----------------|----------------|----------------|------------------------|---------------------|
| Hazelwood Retirement Plan | \$50,419,831 | \$52,357,490 | 27.01% (Net) | 12.02% (Net) | 12.47% (Net) | 7.5% | 2.75% | 4.5% |
| High Ridge Fire Protection District Pension Plan | \$9,046,217 | \$8,218,017 | 26.5% (Net) | 10.5% (Net) | 9.8% (Net) | 6.5% | 0.0% | None% |
| Kansas City Civilian Police Employees' Retirement System | \$170,730,000 | \$177,000,000 | 19.66% (Net) | 9.43% (Net) | 9.25% (Net) | 7.35% | 2.5% | 3.0% |
| Kansas City Employees' Retirement System | \$1,310,691,513 | \$1,356,301,779 | 23.11% (Net) | 9.97% (Net) | 9.89% (Net) | 7.0% | 2.5% | 2.75 to 5.0% |
| Kansas City Firefighter's Pension System | \$654,020,000 | \$683,709,000 | 27.9% (Gross) | 10.95% (Gross) | 11.46% (Gross) | 7.25% | 2.5% | 3.0 to 8% |
| Kansas City Police Retirement System | \$1,014,415,000 | \$1,049,898,000 | 19.63% (Net) | 9.33% (Net) | 9.24% (Net) | 7.35% | 2.5% | 3.0% |
| Kansas City Public School Retirement System | \$710,495,323 | \$743,549,613 | 29.60% (Gross) | 11.70% (Gross) | 11.80% (Gross) | 7.25% | 2.25% | 3.85% - 9.50% |
| KC Area Transportation Authority Salaried Employees Pension Plan | \$23,526,687 | \$24,585,827 | 8.99% (Gross) | 12.12% (Gross) | 11.67% (Gross) | 7% | 2.6% | 4% |
| KC Trans. Auth. Union Employees Pension Plan | \$56,791,315 | \$59,248,101 | 22.4% (Net) | 9.3% (Net) | 9.3% (Net) | 6.5% | 2.6% | 5.66% |
| LAGERS Staff Retirement Plan | \$21,902,963 | \$23,295,005 | 25.99% (Net) | 10.37% (Net) | 9.99% (Net) | 5.5% | 2.5% | 3.25% |
| Little River Drainage Dist Retirement Plan | \$2,052,065 | \$2,145,504 | 22.24% (Gross) | 9.83% (Gross) | 7.77% (Gross) | 5.0% | 0% | 3.5% |
| Metro West FPD Retirement Plan | \$71,904,268 | \$75,313,311 | 30.30% (Net) | 13.20% (Net) | 12.80% (Net) | 0% | 0% | 0% |
| Mid-County FPD Retirement Plan | \$1,737,126 | \$1,635,323 | 14.79% (Gross) | 11.72% (Gross) | 8.55% (Gross) | 6.00% | 2.75% | 4.50% |
| Missouri Higher Education Loan Authority Pension Plan | \$65,134,646 | \$67,230,060 | 27.74% (Net) | 11.97% (Net) | NA% (Net) | 6.75% | 2.25% | 4.5% |
| Missouri State Employees Retirement System | \$9,091,592,095 | \$9,710,012,639 | 26.4075% (Net) | 11.5243% (Net) | 9.0541% (Net) | 6.95% | 2.25% | 2.50% |
| MoDOT & Highway Patrol Employees' Retirement System | \$2,799,344,008 | \$3,002,833,720 | 30.80% (Net) | 11.63% (Net) | 11.10% (Net) | 7% | 2.25% | 3% |
| North Kansas City Policemen's & Firemen's Retirement Fund | \$67,969,927 | \$72,608,545 | 29.2% (Gross) | 13.0% (Gross) | 12.4% (Gross) | 6.5% | 4.0% | 1.2% |
| Olivette Salaried Employees' Retirement Plan | \$24,462,343 | \$25,635,513 | 27.4% (Net) | 11.2% (Net) | 11.0% (Net) | 7.25% | 2.75% | 4.00% |
| Overland Non-uniform Pension Fund | \$13,804,000 | \$14,040,000 | 26.70% (Net) | 11.00% (Net) | 10.72% (Net) | 7% | 2.5% | 3.5% |
| Overland Police Retirement Fund | \$15,035,000 | \$15,074,000 | 28.58% (Net) | 11.53% (Net) | 11.5% (Net) | 7% | 2.5% | 3.5% |
| Pattonville Fire Protection District | \$46,371,661 | \$47,348,787 | 56.96% (Net) | 9.91% (Net) | 12.17% (Net) | 7.75% | 2.5% | 2.5% |
| Prosecuting Attorneys' Retirement System | \$54,085,863 | \$56,474,828 | 20.8% (Net) | 8.9% (Net) | 8.6% (Net) | 7.0% | 2.0% | 3.5% |

Please be aware information provided in this report may contain unaudited data.

9/9/2021

| <u>Plan Name</u> | Beg. Mkt Value | End Mkt Value | ROR 12 mos. | ROR 36 mos. | ROR 60 mos. | ROR for Inv | Price Inf. Assump.. | Sal/Wage Assump. |
|--|-------------------------|-------------------------|----------------|----------------|----------------|----------------|------------------------|---------------------|
| Raytown Policemen's Retirement Fund | \$11,296,244 | \$11,649,042 | 29.96% (Gross) | 12.28% (Gross) | 11.44% (Gross) | 7.5% | 2.5% | N/A% |
| Rock Hill Police & Firemen's Pension Plan | \$2,195,645 | \$2,258,871 | 2.12% (Net) | 2.12% (Net) | 2.12% (Net) | 5.5% | 3% | 0% |
| Sedalia Firemen's Retirement Fund | \$8,714,798 | \$8,799,554 | 32.3% (Gross) | 13.6% (Gross) | 11.7% (Gross) | 7.0% | 2.0% | 3.0% |
| Sheriff's Retirement System | \$52,549,847 | \$54,088,619 | 23.81% (Gross) | 9.81% (Gross) | 10.5% (Gross) | 7% | 2.5% | 2.5% |
| St. Joseph Policemen's Pension Fund | \$41,331,668 | \$43,770,807 | 27.93% (Gross) | 13.68% (Gross) | 12.02% (Gross) | 5% | 2% | 3% |
| St. Louis County Employees Retirement Plan | \$877,987,108 | \$928,423,000 | 30.75% (Net) | 12.7% (Net) | 12.54% (Net) | 7.25% | 2.4% | 2.75% |
| St. Louis County Library Dist Empl Pension Plan | \$61,340,180 | \$66,187,314 | 27.26% (Net) | 12.03% (Net) | 11.10% (Net) | 7% | 2.5% | 3.5% |
| St. Louis Employees Retirement System | \$895,578,332 | \$932,968,473 | 26.3% (Net) | 9.7% (Net) | 9.7% (Net) | 7.25% | 2.5% | 3% |
| St. Louis Firemen's Retirement System | \$483,783 | \$499,034 | 27.14% (Gross) | 10.25% (Gross) | 10.72% (Gross) | 6.75% | 2.5% | 2.75% |
| St. Louis Public School Retirement System | \$927,319,808 | \$946,220,796 | 26.5% (Gross) | 10.0% (Gross) | 10.2% (Gross) | 7.5% | 2.75% | 3.5%/5.0% |
| University City Non-uniformed Retirement Plan | \$27,931,695 | \$28,974,805 | 28.7% (Gross) | 11.5% (Gross) | 10.3% (Gross) | 6.5% | 3.0% | 3.0% |
| University City Police & Fire Retirement Fund | \$26,667,742 | \$27,455,042 | 30.1% (Gross) | 11.6% (Gross) | 10.4% (Gross) | 6.5% | 3.0% | 3.0% |
| University of Mo Retirement, Disability & Death Benefit Plan | \$4,235,412,465 | \$4,493,421,136 | 28.73% (Net) | 10.95% (Net) | 10.76% (Net) | 7.2% | NA% | NA% |
| Valley Park FPD Retirement Plan | \$9,111,401 | \$9,678,268 | 31.13% (Net) | 15.12% (Net) | 12.91% (Net) | 7% | 2% | 4% |
| Wentzville Fire Protection District Pension Plan | \$10,383,877 | \$12,729,686 | 13.7% (Gross) | 0% (Gross) | 0% (Gross) | 5% | 2.4% | 4% |
| | <u>\$24,848,494,189</u> | <u>\$26,311,510,780</u> | | | | | | |

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| | | | | |
| | Sample Benchmark Indices | 1-year | 3-year | 5-year |
| | S&P 500 | 40.79 | 18.67 | 17.65 |
| | Russell 2000 | 62.03 | 13.52 | 16.47 |
| | MSCI EAFE | 32.35 | 8.27 | 10.28 |
| | Bloomberg Barclays U.S. Aggregate Bond | -0.33 | 5.34 | 3.03 |

PROCUREMENT ACTION PLANS

**PUBLIC SCHOOL RETIREMENT SYSTEM
OF THE CITY OF ST. LOUIS**
3641 OLIVE STREET, SUITE 300 ♦ ST. LOUIS, MO 63108-3601

OFFICE OF THE
EXECUTIVE DIRECTOR

PHONE: (314) 534-7444
FAX: (314) 533-0531

July 16, 2021

Mr. Michael Ruff, Executive Director
Joint Committee on Public Employee Retirement
Missouri State Capitol Building, Room 219-A
Jefferson City, MO 65101

Re: Annual Reporting, Procurement Action Plan, Fiscal Year 2020

Dear Mr. Ruff:

By consensus of the Board of Trustees, it is understood that during all money manager and investment consultant searches that priority is given to qualified women and/or minority owned/controlled firms, as well as to firms with a strong corporate culture focused on diversity. I am happy to report the following firms as women and/or minority owned/controlled or with diverse corporate cultures that provided investment services to the retirement system in 2020.

| <u>Name</u> | <u>Service</u> |
|---|---|
| Basis Investment Group | Private Markets Real Estate Manager |
| Chicago Equity Partners | Large Cap Money Manager |
| EARNEST Partners | Domestic Bonds Money Manager |
| Edgar Lomax | Large Cap Money Manager |
| Grosvenor Capital Management | Hedge Fund Money Manager |
| Loomis Sayles | Domestic Bonds Money Manager |
| NEPC LLC | Investment Consultant |
| Xponance (formerly Piedmont Investment Advisors) | Domestic Bonds Money Manager |
| Xponance (Arga, Applied Research, Foresight, Martin) | Manager of Global Emerging Managers (Sub-Managers of Progress Investments) |
| Smith Whiley | Private Equity Money Manager |

During 2020, there were some changes to this group. Chicago Equity Partners decided to close its business at the end of April 2020. Those assets were transferred to Edgar Lomax, another minority firm. Due to a name change, Piedmont is now Xponance, which is a part of the same organization that is the Manager of Global Emerging Managers. The Smith Whiley fund also closed in November 2020.

Collectively, these firms received from the system over \$900,000 in fees in 2020. Although the Trustees recognize the need for the system's money managers to make regular brokerage transactions with best price execution, the Trustees encourage money managers to honor *Appendix IV – MWBE Brokerage Policy* (see attached) of the system's *Investment and Operating Guidelines*. The Investment Consultant provides the Trustees with regular reports regarding money manager compliance with the policy.

If your office should require additional information or have questions, please contact me directly at 314-533-3883 or by email at skane@psrstl.org.

Sincerely,



Susan Kane, CEBS
Executive Director

Attachment as noted.

APPENDIX IV – Minority or Women-Owned Business Enterprise (MWBE) Brokerage Policy

The Board encourages the use of broker/dealer firms that are Minority or Women-Owned Business Enterprises.

The Fund's Investment Managers shall give consideration to certified Minority or Women-Owned Business Enterprises when executing trades for the Fund subject to each Investment Manager being responsible for implementing trading policies that result in the best price and execution of any broker/dealer selected.

In implementing this Broker/Dealer Trading Policy, the Fund has established the following minimum annual goals based on its current asset allocation:

1) **Active Domestic Equity Investment Managers:**

Subject to best price execution, each Investment Manager shall direct at least one-third (33.3%) of total commission dollars, on an annual basis, to Minority or Women-Owned Business Enterprises. Step-out-trades will not be counted towards trades with Minority or Women-Owned Business Enterprises.

2) **International Equity Investment Managers:**

Subject to best price execution, each Investment Manager shall direct at least 10% of total commission dollars, on an annual basis to Minority or Women-Owned Business Enterprises. Correspondence arrangements will not be counted towards trades with Minority or Women-Owned Business Enterprises.

3) **Fixed Income Investment Managers:**

Subject to best price execution, each Investment Manager shall direct 10% of eligible fixed income trading volume (par) to Minority or Women-Owned Business Enterprises.

4) **Transition Managers:**

Subject to best price execution, each Transition Manager shall direct at least 40% of total commission dollars to Minority or Women-Owned Business Enterprises. Step-out-trades will not be counted towards this goal.

Reporting

All trades must be identified in an Investment Manager's quarterly report submitted to the Board. Investment Managers must identify which brokers utilized are broker/dealers that are Minority or Women-Owned Business Enterprises and the dollar amount traded with each firm. In addition, the report should detail total shares executed, total trading commissions, and average commission cost per share.

When an Investment Manager cannot meet these goals, the Investment Manager must identify the reasons the goal could not be met within the quarterly report to the Board. Failure by an Investment Manager to meet the goals set forth in this Policy will be considered as a factor when evaluating the Investment Manager's overall performance and relationship with the Fund.

(Adopted 10-21-13)

Joint Committee on Public Employee Retirement

Quarterly Reports

2021 Second Quarter

| <u>Plan Name</u> | Beg. Mkt Value | End Mkt Value | ROR 12 mos. | ROR 36 mos. | ROR 60 mos. | ROR for Inv | Price Inf. Assump.. | Sal/Wage Assump. |
|---|-------------------|------------------|----------------|----------------|----------------|----------------|------------------------|----------------------|
| Affton FPD Retirement Plan | \$14,778,886 | \$15,427,413 | 29.1% (Net) | 11.8% (Net) | 10.9% (Net) | 6.75% | 0% | See commen ts% |
| Arnold Police Pension Plan | \$18,239,875 | \$19,120,522 | 24.87% (Gross) | 10.15% (Gross) | 9.31% (Gross) | 6.0% | 2.5% | 4.50% |
| Black Jack FPD Retirement Plan | \$20,076,812 | \$22,464,579 | 1% (Net) | 1% (Net) | 1% (Net) | 7% | 2.75% | 4.5% |
| Bothwell Regional Health Center Retirement Plan | \$51,633,340 | \$53,545,381 | 29.9% (Net) | 12.2% (Net) | 11.2% (Net) | 7.50% | 2.2% | 3.0% |
| Brentwood Police & Firemen's Retirement Fund | \$49,449,669 | \$51,596,838 | N/A% (Gross) | N/A% (Gross) | N/A% (Gross) | N/A% | N/A% | N/A% |
| Bridgeton Employees Retirement Plan | \$32,979,918 | \$47,348,318 | 64.5% (Net) | 22.47% (Net) | 17.23% (Net) | 7.5% | 3.0% | 4.0% |
| Carthage Policemen's & Firemen's Pension Plan | \$9,147,568 | \$9,556,204 | 12.85% (Net) | 9.53% (Net) | 9.04% (Net) | 7.0% | 2.2% | 3.5% |
| Central County Fire & Rescue Pension Plan | \$32,253,524 | \$34,637,640 | 29.18% (Net) | NA% (Net) | NA% (Net) | 6.75% | 2.5% | 4% |
| Clayton Non-uniformed Employee Pension Plan | \$23,406,893 | \$24,362,169 | 27.38% (Net) | 11.31% (Net) | 10.74% (Net) | 7% | 2% | 4% |
| Clayton Uniformed Employees Pension Plan | \$56,242,720 | \$60,139,756 | 29.37% (Net) | 12.49% (Net) | 11.90% (Net) | 7% | 2% | 3.5% |
| Columbia Police and Firemens' Retirement Plan | \$172,042,712 | \$179,922,219 | 26.55% (Gross) | 11.91% (Gross) | 10.56% (Gross) | 7% | 2.5% | 3.25% |
| Community FPD Retirement Plan | \$38,595,966 | \$40,234,682 | 63.78% (Net) | 8.12% (Net) | 11.33% (Net) | 7% | 2.5% | 4% |
| Cottleville Community FPD Retirement Plan | \$25,653,280 | \$27,066,299 | 4.72% (Net) | N/A% (Net) | N/A% (Net) | 6.5% | 0% | 4% |
| County Employees Retirement Fund | \$680,248,000 | \$719,412,000 | 27.12% (Gross) | 12.32% (Gross) | 12.11% (Gross) | 7.25% | 2.5% | 2.5% |
| Creve Coeur Employees Retirement Plan | \$31,908,662 | \$33,094,916 | 27.7% (Net) | 11.5% (Net) | 10.8% (Net) | 6.75% | 2.5% | 4.0% |
| Eureka FPD Retirement Plan | \$13,852,455 | \$17,709,815 | 1% (Net) | 1% (Net) | 1% (Net) | 7% | 2.75% | 4.5% |
| Fenton FPD Retirement Plan | \$39,935,552 | \$42,691,316 | 30.21% (Net) | 14.93% (Net) | 14.27% (Net) | 7.5% | 2.5% | 2.0% |
| Florissant Employees Pension Plan | \$9,912,322 | \$10,106,965 | 0% (Net) | 0% (Net) | 0% (Net) | 6% | 0% | 3% |
| Florissant Valley FPD Retirement Plan | \$39,729,210 | \$41,584,128 | 11.99% (Net) | 8.78% (Net) | 7.80% (Net) | 6.50% | 2.50% | See commen ts% |
| Hannibal Police & Fire Retirement Plan | \$24,570,381 | \$25,850,111 | 36.8% (Gross) | 15.1% (Gross) | 12.7% (Gross) | 7.0% | 2.5% | 3.5% |

Please be aware information provided in this report may contain unaudited data.

9/14/2021

| <u>Plan Name</u> | Beg. Mkt Value | End Mkt Value | ROR 12 mos. | ROR 36 mos. | ROR 60 mos. | ROR for Inv | Price Inf. Assump.. | Sal/Wage Assump. |
|--|-------------------|------------------|----------------|----------------|----------------|----------------|------------------------|---------------------|
| Hazelwood Retirement Plan | \$50,419,831 | \$52,357,490 | 27.01% (Net) | 12.02% (Net) | 12.47% (Net) | 7.5% | 2.75% | 4.5% |
| High Ridge Fire Protection District Pension Plan | \$9,046,217 | \$8,218,017 | 26.5% (Net) | 10.5% (Net) | 9.8% (Net) | 6.5% | 0.0% | None% |
| Kansas City Civilian Police Employees' Retirement System | \$170,730,000 | \$177,000,000 | 19.66% (Net) | 9.43% (Net) | 9.25% (Net) | 7.35% | 2.5% | 3.0% |
| Kansas City Employees' Retirement System | \$1,310,691,513 | \$1,356,301,779 | 23.11% (Net) | 9.97% (Net) | 9.89% (Net) | 7.0% | 2.5% | 2.75 to 5.0% |
| Kansas City Firefighter's Pension System | \$654,020,000 | \$683,709,000 | 27.9% (Gross) | 10.95% (Gross) | 11.46% (Gross) | 7.25% | 2.5% | 3.0 to 8% |
| Kansas City Police Retirement System | \$1,014,415,000 | \$1,049,898,000 | 19.63% (Net) | 9.33% (Net) | 9.24% (Net) | 7.35% | 2.5% | 3.0% |
| Kansas City Public School Retirement System | \$710,495,323 | \$743,549,613 | 29.60% (Gross) | 11.70% (Gross) | 11.80% (Gross) | 7.25% | 2.25% | 3.85% - 9.50% |
| KC Area Transportation Authority Salaried Employees Pension Plan | \$23,526,687 | \$24,585,827 | 8.99% (Gross) | 12.12% (Gross) | 11.67% (Gross) | 7% | 2.6% | 4% |
| KC Trans. Auth. Union Employees Pension Plan | \$56,791,315 | \$59,248,101 | 22.4% (Net) | 9.3% (Net) | 9.3% (Net) | 6.5% | 2.6% | 5.66% |
| LAGERS Staff Retirement Plan | \$21,902,963 | \$23,295,005 | 25.99% (Net) | 10.37% (Net) | 9.99% (Net) | 5.5% | 2.5% | 3.25% |
| Little River Drainage Dist Retirement Plan | \$2,052,065 | \$2,145,504 | 22.24% (Gross) | 9.83% (Gross) | 7.77% (Gross) | 5.0% | 0% | 3.5% |
| Local Government Employees Retirement System | \$9,445,671,422 | \$10,248,441,538 | 29.48% (Net) | 12.13% (Net) | 12.42% (Net) | 7.25% | 2.5% | 3.25% |
| Metro West FPD Retirement Plan | \$71,904,268 | \$75,313,311 | 30.30% (Net) | 13.20% (Net) | 12.80% (Net) | 0% | 0% | 0% |
| Mid-County FPD Retirement Plan | \$1,737,126 | \$1,635,323 | 14.79% (Gross) | 11.72% (Gross) | 8.55% (Gross) | 6.00% | 2.75% | 4.50% |
| Missouri Higher Education Loan Authority Pension Plan | \$65,134,646 | \$67,230,060 | 27.74% (Net) | 11.97% (Net) | NA% (Net) | 6.75% | 2.25% | 4.5% |
| Missouri State Employees Retirement System | \$9,091,592,095 | \$9,710,012,639 | 26.4075% (Net) | 11.5243% (Net) | 9.0541% (Net) | 6.95% | 2.25% | 2.50% |
| MoDOT & Highway Patrol Employees' Retirement System | \$2,799,344,008 | \$3,002,833,720 | 30.80% (Net) | 11.63% (Net) | 11.10% (Net) | 7% | 2.25% | 3% |
| North Kansas City Policemen's & Firemen's Retirement Fund | \$67,969,927 | \$72,608,545 | 29.2% (Gross) | 13.0% (Gross) | 12.4% (Gross) | 6.5% | 4.0% | 1.2% |
| Olivette Salaried Employees' Retirement Plan | \$24,462,343 | \$25,635,513 | 27.4% (Net) | 11.2% (Net) | 11.0% (Net) | 7.25% | 2.75% | 4.00% |
| Overland Non-uniform Pension Fund | \$13,804,000 | \$14,040,000 | 26.70% (Net) | 11.00% (Net) | 10.72% (Net) | 7% | 2.5% | 3.5% |
| Overland Police Retirement Fund | \$15,035,000 | \$15,074,000 | 28.58% (Net) | 11.53% (Net) | 11.5% (Net) | 7% | 2.5% | 3.5% |
| Pattonville Fire Protection District | \$46,371,661 | \$47,348,787 | 56.96% (Net) | 9.91% (Net) | 12.17% (Net) | 7.75% | 2.5% | 2.5% |

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9/14/2021

| <u>Plan Name</u> | Beg. Mkt Value | End Mkt Value | ROR 12 mos. | ROR 36 mos. | ROR 60 mos. | ROR for Inv | Price Inf. Assump.. | Sal/Wage Assump. |
|--|-------------------------|-------------------------|----------------|----------------|----------------|----------------|------------------------|---------------------|
| Prosecuting Attorneys' Retirement System | \$54,085,863 | \$56,474,828 | 20.8% (Net) | 8.9% (Net) | 8.6% (Net) | 7.0% | 2.0% | 3.5% |
| Public Education Employees' Retirement System | \$5,979,223,884 | \$6,428,237,139 | 28.7% (Net) | 12.7% (Net) | 11.9% (Net) | 7.3% | 2.00% | 2.5% |
| Public School Retirement System | \$47,015,809,990 | \$50,388,500,785 | 28.7% (Net) | 12.7% (Net) | 11.9% (Net) | 7.3% | 2% | 2.50% |
| Raytown Policemen's Retirement Fund | \$11,296,244 | \$11,649,042 | 29.96% (Gross) | 12.28% (Gross) | 11.44% (Gross) | 7.5% | 2.5% | N/A% |
| Rock Hill Police & Firemen's Pension Plan | \$2,195,645 | \$2,258,871 | 2.12% (Net) | 2.12% (Net) | 2.12% (Net) | 5.5% | 3% | 0% |
| Sedalia Firemen's Retirement Fund | \$8,714,798 | \$8,799,554 | 32.3% (Gross) | 13.6% (Gross) | 11.7% (Gross) | 7.0% | 2.0% | 3.0% |
| Sheriff's Retirement System | \$52,549,847 | \$54,088,619 | 23.81% (Gross) | 9.81% (Gross) | 10.5% (Gross) | 7% | 2.5% | 2.5% |
| St. Joseph Policemen's Pension Fund | \$41,331,668 | \$43,770,807 | 27.93% (Gross) | 13.68% (Gross) | 12.02% (Gross) | 5% | 2% | 3% |
| St. Louis County Employees Retirement Plan | \$877,987,108 | \$928,423,000 | 30.75% (Net) | 12.7% (Net) | 12.54% (Net) | 7.25% | 2.4% | 2.75% |
| St. Louis County Library Dist Empl Pension Plan | \$61,340,180 | \$66,187,314 | 27.26% (Net) | 12.03% (Net) | 11.10% (Net) | 7% | 2.5% | 3.5% |
| St. Louis Employees Retirement System | \$895,578,332 | \$932,968,473 | 26.3% (Net) | 9.7% (Net) | 9.7% (Net) | 7.25% | 2.5% | 3% |
| St. Louis Firemen's Retirement System | \$483,783,000 | \$499,034,000 | 27.14% (Gross) | 10.25% (Gross) | 10.72% (Gross) | 6.75% | 2.5% | 2.75% |
| St. Louis Public School Retirement System | \$927,319,808 | \$946,220,796 | 26.5% (Gross) | 10.0% (Gross) | 10.2% (Gross) | 7.5% | 2.75% | 3.5%/5.0% |
| University City Non-uniformed Retirement Plan | \$27,931,695 | \$28,974,805 | 28.7% (Gross) | 11.5% (Gross) | 10.3% (Gross) | 6.5% | 3.0% | 3.0% |
| University City Police & Fire Retirement Fund | \$26,667,742 | \$27,455,042 | 30.1% (Gross) | 11.6% (Gross) | 10.4% (Gross) | 6.5% | 3.0% | 3.0% |
| University of Mo Retirement, Disability & Death Benefit Plan | \$4,235,412,465 | \$4,493,421,136 | 28.73% (Net) | 10.95% (Net) | 10.76% (Net) | 7.2% | NA% | NA% |
| Valley Park FPD Retirement Plan | \$9,111,401 | \$9,678,268 | 31.13% (Net) | 15.12% (Net) | 12.91% (Net) | 7% | 2% | 4% |
| Wentzville Fire Protection District Pension Plan | \$10,383,877 | \$12,729,686 | 13.7% (Gross) | 0% (Gross) | 0% (Gross) | 5% | 2.4% | 4% |
| | <u>\$87,772,498,702</u> | <u>\$93,875,225,208</u> | | | | | | |