JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT
FOURTH QUARTER MEETING
December 1, 2020

The Joint Committee on Public Employee Retirement (JCPER) held its fourth quarter meeting on Tuesday, December 1, 2020 at 1:00pm in the Joint Committee Room (Room 117) in the State Capitol. The meeting was livestreamed via the House and Senate websites. Chair Pike called the meeting to order.

The first item on the agenda was roll call. JCPER members in attendance were: Representatives Pike, Paula Brown (70), Richard Brown (27), Shull (16), and Sara Walsh (50), and Senators Bernskoetter, Wallingford (via telephone), Gina Walsh (13), and Williams. The following members were not present: Representative Runions and Senators Koenig and Rizzo.

Chair Pike introduced Maria Walden, Director of Legislation and Policy, and Dearld Snider, Executive Director, of the Public School Retirement System and Public Education Employee Retirement System (PSRS/PEERS). Ms. Walden and Mr. Snider provided a presentation on the issue of working after retirement and the use of retired teachers for substitute teaching.

Chair Pike turned the meeting over to Executive Director Michael Ruff to present the annual watch list. The watch list consists of plans that have a funded ratio below seventy percent based on market value of assets. Seventeen plans are on the watch list this year compared to twenty-two plans last year. The five plans that were removed had benefited from strong investment returns that helped to improve their funded ratio. The Director provided information on each plan on the watch list and also summarized written responses he had received and phone conversations he had with some of the plans.

The next agenda item consisted of updates on seven fire protection district pension plans. First, Florissant Valley Fire Protection District filed a cost statement with the JCPER in September for a substantial proposed change to increase the schedule of monthly earnings for each position classification used for the pension benefit formula. Second, Mid-County Fire Protection District of St. Louis County filed a cost statement with the JCPER in September for a substantial proposed change to establish a Voluntary Early Retirement Program (VERP) that would grant an additional retirement benefit to employees who meet specific criteria as of January 1, 2021. Third, Pattonville Fire Protection District filed a cost statement with the JCPER in September for multiple changes to its benefit program. The Director explained the various changes in the cost statement and pointed out two charts prepared by the plan's actuary that showed the projected increase in the recommended contribution and projected change in the funded ratio over a ten year period. The FPD has since adopted the changes. Fourth, Wentzville Fire Protection District established a defined benefit plan effective January 1, 2019 to work in conjunction with its existing defined contribution plan. Fifth, Central County Fire and Rescue terminated its defined contribution plan and transferred most of the funds to a newly established defined benefit plan. Finally, Central County Fire and Rescue, Cottleville Fire Protection District and O'Fallon Fire Protection District had propositions on the November election ballot to increase their property tax levies for pension purposes. The voters adopted all three propositions.

The next item was an update on the litigation relating to SB 62 (2017). The St. Louis Public School Retirement System had filed suit against the state, the St. Louis Public Schools, and Confluence Academy over the statutory changes made to the retirement system in SB 62 (2017). The Missouri Supreme Court denied the retirement system's application for transfer. Previously, the Circuit Court had ruled against the retirement system and the Eastern District Court of Appeals affirmed the Circuit Court's decision. The Director explained that with the Missouri Supreme Court's denial, there is no other appeal option; if the retirement system wants a change in the future, it will have to be legislative.

The next item was an update on the litigation relating to the Sheriffs' Retirement System. There have been no developments since the previous JCPER meeting except for the parties having received an extension of time to file briefs with the Missouri Supreme Court.

The JCPER moved to quarterly investment reporting for defined benefit plans. The most recent information is for the end of third quarter 2020 (as of September 30, 2020). Twelve month investment returns are largely positive with a few plans reporting double digit returns. These returns are an improvement from returns at the end of first quarter, which were largely negative. However, the Director explained that much uncertainty remains due to the Covid-19 pandemic.

Chair Pike thanked the JCPER for its work during the past two years. She recognized the following JCPER members who are leaving the legislature: Senator Walsh (13), Senator Wallingford, Representative Shull (16), and Representative Runions. Senator Walsh (13), Senator Wallingford, and Representative Shull (16) commented on their experiences on the JCPER and in the legislature.

Finally, Chair Pike suggested that the JCPER would hold its first quarter 2021 meeting in late February or early March.

With no further business to be presented, the committee adjourned.

Michael Ruff

Michael Ruff
Executive Director

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JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT

4th QUARTER MEETING
December 1, 2020
1pm— Joint Committee Room (Room 117), State Capitol

AGENDA

Roll Call

Update on working after retirement, Public School Retirement System (PSRS) and Public Education Employee Retirement System (PEERS). Presentation by PSRS/PEERS staff

Review and Discussion of Annual Watch List

Fire Protection District plan updates:
Florissant Valley FPD
Mid-County FPD (St. Louis County)
Pattonville FPD
Wentzville FPD
Central County Fire and Rescue
Cottleville FPD
O'Fallon FPD

Update on litigation relating to SB 62 (2017)

Update on litigation relating to Sheriffs' Retirement System

Quarterly Investment Reporting

Recognition of departing JCPER members

Comments of the Chair

UPDATE ON WORKING AFTER RETIREMENT, PSRS/PEERS

Title 16—RETIREMENT SYSTEMS
Division 10—The Public School Retirement System of Missouri
Chapter 5—Retirement, Options and Benefits

IN ADDITION

NOTICE OF SUSPENSION OF RULE

16 CSR 5.010(6)(A), (C), & (E) Service Retirement

ACTION TAKEN: This NOTICE OF SUSPENSION OF RULE 16 CSR 5.010(6)(A), (C), & (E) shall be temporarily suspended, as a result of and in accordance with the August 7, 2020 Administrative Memo issued by the Department of Secondary and Elementary Education waiving portions of Section 169.560, RSMo., pursuant to Executive Order 20-04. The temporary suspension applies to regulatory references to the 550-hour and 50% compensation working after retirement limits applicable to PSRS retirees in subsection (6)(A), the entirety of subsection (6)(C) regarding the annual compensation limits applicable to PSRS retirees working in non-certificated positions, and related references to these limits in subsection (6)(E).

EMERGENCY STATEMENT: Pursuant to the August 7, 2020 Administrative Memo issued by the Department of Elementary and Secondary Education pursuant to Executive Order (EO) 20-04 dated March 18, 2020 and extended pursuant to EO 20-10 dated May 4, 2020 and EO 20-12 dated June 11, 2020 the rule is suspended effective August 7, 2020 until December 30, 2020.

*This in addition notice will appear in the September 15, 2020 issue of the **Missouri Register**.*

Title 16—RETIREMENT SYSTEMS
Division 10—The Public School Retirement System of Missouri
Chapter 6—The Public Education Employee Retirement System of Missouri

IN ADDITION

NOTICE OF SUSPENSION OF RULE

16 CSR 6.060(4) Service Retirement

ACTION TAKEN: This NOTICE OF SUSPENSION OF RULE 16 CSR 6.060(4) shall be temporarily suspended, as a result of and in accordance with the August 7, 2020 Administrative Memo issued by the Department of Secondary and Elementary Education waiving portions of Section 169.660.2, RSMo., pursuant to Executive Order 20-04. The temporary suspension applies to regulatory references to the 550-hour working after retirement limits applicable to PEERS retirees.

EMERGENCY STATEMENT: Pursuant to the August 7, 2020 Administrative Memo issued by the Department of Elementary and Secondary Education pursuant to Executive Order (EO) 20-04 dated March 18, 2020 and extended pursuant to EO 20-10 dated May 4, 2020 and EO 20-12 dated June 11, 2020 the rule is suspended effective August 7, 2020 until December 30, 2020.

*This in addition notice will appear in the September 15, 2020 issue of the **Missouri Register**.*

EXECUTIVE ORDER
20-19

WHEREAS, COVID-19 is a novel acute respiratory illness that is spread through close contact between persons and respiratory transmissions and is highly contagious; and

WHEREAS, I have been advised by the Missouri Department of Health and Senior Services and the State Emergency Management Agency that COVID-19 continues to pose a serious health risk for the citizens of the State of Missouri. The spread of COVID-19 and the identification of additional cases in Missouri continues, and steps are being taken to prevent a substantial risk to public health and safety; and

WHEREAS, Executive Order 20-02 was issued on March 13, 2020; extended on April 24, 2020 until June 15, 2020, through Executive Order 20-09; and extended on June 11, 2020 until December 30, 2020, through Executive Order 20-12 declaring a State of Emergency within the State of Missouri; and

WHEREAS, Executive Order 20-04 was issued on March 19, 2020; extended in its entirety on May 4, 2020 until June 15, 2020 through Executive Order 20-10; and extended in part on June 11, 2020 until December 30, 2020, through Executive Order 20-12 ordering the temporary suspension of certain statutory and regulatory provisions related to telemedicine and motor carriers, and vesting state agencies and executive boards and commissions with authority to waive or suspend statutory or regulatory requirements, subject to approval from the Governor's Office, where strict compliance would hinder the State's response to COVID-19, and to ease licensing requirements to eliminate barriers to the provision of health care services and other professions; and

WHEREAS, Executive Order 20-05 was issued on March 23, 2020; extended on May 4, 2020 until June 15, 2020 through Executive Order 20-10; and extended on June 11, 2020 until December 30, 2020, through Executive Order 20-12 ordering the temporary suspension of prohibitions on the sale of unprepared foods by restaurants; and

WHEREAS, Executive Order 20-06 was issued on March 26, 2020; extended on May 4, 2020 until June 15, 2020, through Executive Order 20-10; extended on June 11, 2020 until September 15, 2020, through Executive Order 20-12, and extended on September 15, 2020 until December 30, 2020, through Executive Order 20-16 ordering and directing the Adjutant General of the State of Missouri, or his designee, to forthwith call and order into active service such portions of the organized militia as he deems necessary to aid the executive officials of Missouri, to protect life and property, and further ordered and directing that the Adjutant General or his designee, and through him, the commanding officer of any unit or other organization of such organized militia so called into active service take such action and employ such equipment may be necessary in support of civilian authorities, and provide such assistance as may be authorized and directed by the Governor; and

WHEREAS, Executive Order 20-14 was issued on September 3, 2020, ordering the temporary suspension of any physical appearance requirements as stated in Chapter 474 and authorizing the use of audio-visual technology with criteria established in the Order until December 30, 2020; and

WHEREAS, the state of emergency, and Executive Orders 20-02, 20-04, 20-05, and 20-06, as extended through other Executive Orders listed above, and Executive Order 20-14, will expire on December 30, 2020, unless extended in whole or in part; and

WHEREAS, an invocation of chapter 44, RSMo, is still required to ensure the protection, safety, and welfare of the citizens of Missouri; and

WHEREAS, resources of the State of Missouri continue to be needed to combat the public health threat caused by COVID-19 and to aid in Missouri's recovery to this emergency; and

WHEREAS, I find it necessary to extend the state of emergency and extend Executive Order 20-04, in part, and Executive Orders 20-02, 20-05, 20-06, and 20-14 in whole.

NOW, THEREFORE, I, MICHAEL L. PARSON, GOVERNOR OF THE STATE OF MISSOURI, by virtue of the authority vested in me by the Constitution and the laws of the State of Missouri declare that a state of emergency continues to exist in the State of Missouri and direct the Missouri State Emergency Operations Plan to continue to remain activated. I therefore, extend until March 31, 2021 the state of emergency originally contained in Executive Order 20-02, as extended by Executive Orders 20-09 and 20-12.

I also extend until March 31, 2021 the order suspending certain statutory and regulatory provisions related to telemedicine and motor carriers, and vesting state agencies and executive boards and commissions with authority to waive or suspend statutory or regulatory requirements, subject to my approval, where strict compliance would hinder the State's response to COVID-19, and to ease licensing requirements to eliminate barriers to the provision of health care services and other professions contained in Executive Order 20-04, as extended by Executive Orders 20-10 and 20-12. The provision in Executive Order 20-04 which suspended the provisions of subsection 3 of section 161.210, RSMo, and 5 CSR 20-400.330, 500-560, 590-610, and 640 relating to teacher certification with regard to qualifying scores on exit examinations and culminating clinical experience in terms of semester hours, weeks, and number of placements was terminated on June 11, 2020 through Executive Order 20-12 and is not revived by this Order. All other provisions in Executive Order 20-04 remain in full force and effect. All statutory and regulatory waivers currently in effective will remain in effect through the duration of the state of emergency unless rescinded by the state agency, executive board, or commission, subject to approval of the Governor's Office.

I extend until March 31, 2021 the order allowing the temporary suspension of prohibitions on the sale of unprepared foods by restaurants contained in Executive Order 20-05, as extended by Executive Orders 20-10 and 20-12.

I extend until March 31, 2021 the order to the Adjutant General of the State of Missouri, to forthwith call and order into active service such portions of the organized militia as he deems necessary to aid the executive officials of Missouri, to protect life and property contained in Executive Order 20-06, as extended by Executive Orders 20-10, 20-12, and 20-16.

I extend until March 31, 2021 the order temporarily suspending any physical appearance requirements as stated in Chapter 474 and authorizing the use of audio-visual technology with criteria contained in Executive Order 20-14.

This order shall terminate on March 31, 2021, unless extended in whole or in part.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, on this 19th day of November, 2020.

MICHAEL L. PARSON
GOVERNOR

ATTEST:

JOHN R. ASHCROFT
SECRETARY OF STATE

STATE OF MISSOURI
JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT

STATE CAPITOL, ROOM 219-A
JEFFERSON CITY, MO 65101
PHONE (573) 751-1280
FAX (573) 526-6459

September 21, 2020

Ms. Maria Walden
Director of Legislation and Policy
PSRS/PEERS
P.O. Box 268
Jefferson City, MO 65102-0268

Dear Ms. Walden:

The JCPER discussed the Governor's waiver of the 550/50 working after retirement limits at its third quarter meeting on September 15, 2020. The JCPER plans to revisit the issue of working after retirement at its fourth quarter meeting on December 1, 2020 at 1pm in Room 117 of the State Capitol.

The JCPER requests that you attend this meeting and provide an informational update. We would like you to speak on the following areas for the school year beginning on July 1, 2020:

1. Whether there has been a change in demand for retired members to return to work as substitute teachers compared to previous years;
2. The total number of retired members using working after retirement;
3. Total earnings paid to retired members using working after retirement;
4. Average earnings per retired member using working after retirement;
5. An earnings chart similar to the enclosed chart (that was included in the 8/27/18 legislative review and planning meeting packet);
6. The number of retired members who would have met or exceeded the 550 or 50 limit but for the waiver, and if any retired member has exceeded either limit, the amount in excess of the limit;
7. Any particular geographic area or school district in which there has been a notable difference from prior years' usage of working after retirement;
8. Comparison to school years 2018-2019 and 2019-2020;
9. Whether the waiver has resulted in any fiscal impact to the retirement system, and if so, an explanation of such impact;
10. Any analysis, projection, or opinion that the actuary has prepared relating to the waiver subsequent to the August 3, 2020 letter; and
11. Any other information that you believe would be helpful to the JCPER on the issue of working after retirement.

STATE OF MISSOURI
JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT

STATE CAPITOL, ROOM 219-A
JEFFERSON CITY, MO 65101
PHONE (573) 751-1280
FAX (573) 526-6459

In addition, the JCPER would like you to speak on the emergency substitute teacher pool that was proposed in HB 2460 (2020) and provide and explain any actuarial analysis performed by the systems' actuary.

Thank you for your time and assistance to the JCPER. If you have questions, please do not hesitate to contact the JCPER office at 573-751-1280.

Sincerely,

Patricia Pike

Representative Patricia Pike
Chair

Andrew Koenig

Senator Andrew Koenig
Vice Chair

PSRS/PEERS Working After Retirement

Updated: December 1, 2020

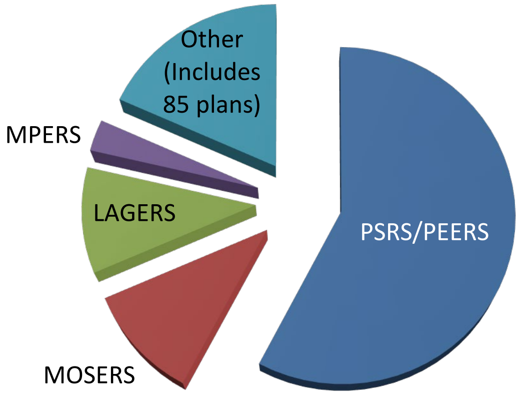
Quick Facts

PSRS/PEERS benefits are an important source of financial security for our members and retirees.

- PSRS/PEERS Quick Facts:
  - Over 283,000 actives, inactives, retirees and beneficiaries
  - $45.6 billion in invested assets as of June 30, 2020
  - For the year ended June 30, 2020, PSRS/PEERS paid nearly **$3.1 billion** in benefits to approximately 98,000 retirees and beneficiaries
  - As of June 30, 2020, PSRS was 84.0% actuarially pre-funded; and PEERS was 86.3% actuarially pre-funded
  - Fiscal Year 2020 investment return of 3.7% (net of all investment expenses and fees)
  - 45th largest public pension plan in the nation, 101st largest institutional investor in the world

Distribution of Assets Among Missouri Public Pension Plans

As of June 2020



Source: June 30, 2019 plan CAFRs, Actuarial Valuations and JCPER 2020 Annual Report

Number of Members Eligible for Retirement Versus Number of PSRS Retirees

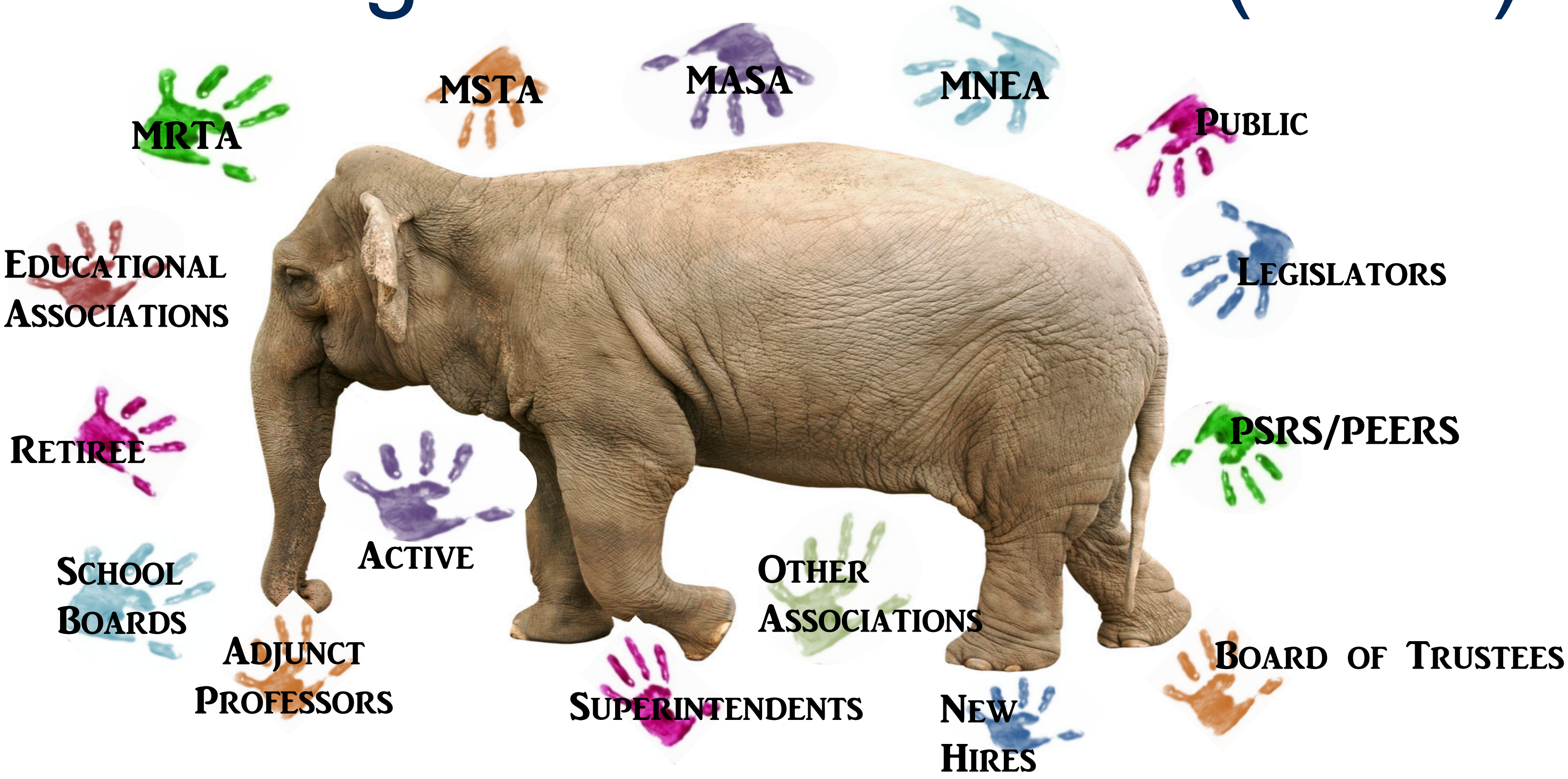
Any legislative change could dramatically change the number of members who retire in future years.

- **16,704** PSRS members are currently eligible to retire (88,120 active and inactive vested).
- **17,522** PEERS members are currently eligible to retire (57,046 active and inactive vested).

Year	Number Eligible to Retire - PSRS	Number Retired - PSRS	Percentage
2019-2020	16,704	2,479	14.84%
2018-2019	16,471	2,502	15.19%
2017-2018	16,874	2,406	14.26%
2016-2017	16,962	2,601	15.33%
2015-2016	17,183	2,603	15.15%
2014-2015	16,814	2,570	15.28%
2013-2014	18,345	2,888	15.74%

Source: PSRS/PEERS Accounting

Working After Retirement (WAR)



Working After Retirement Options for PSRS

1. Place Benefit on Hold for Full-Time Employment
   - Member can return to work on a full-time basis and place his or her PSRS benefit on hold.
     - One-year special vesting allows a retired member to start a second PSRS membership.

2. Working After Retirement
   1. 550 hours/50% salary for positions that would normally require a DESE-issued certificate, or a community college staff person.
      - Part-time, temporary basis employment
      - Working for a third-party in a position that requires a certificate
      - Examples of positions would be teacher, counselor, superintendent
   2. No hours/$15,000 salary cap for positions that would not require a DESE-issued certificate
      - Examples of positions would be bus driver, paraprofessional, coach

3. Critical Shortage
   - PSRS members can return to work in a critical shortage position if a district declares a critical shortage of certificated positions.
   - A district can employ up to five individual PSRS retirees to teach for up to 24 months under this provision.
     - Doesn't have to be consecutive school years

Currently, there is a waiver in place on working after retirement statute by the governor.

Working After Retirement Options for PSRS

Critical Shortage (Continued)

- In order to employ retirees full-time under this provision, the employer must:
  - Not have offered early retirement incentives for either of the previous two school years,
  - Post the vacancy or vacancies for at least one month,
  - Solicit applications through the local newspaper, other media, or teacher education programs,
  - Make a good faith effort to fill positions with non-retired employees,
  - Determine that there is an insufficient number of eligible applicants for the advertised position(s), and
  - Declare a shortage of certificated or non-certificated employees.
- Superintendents are prohibited from working under this provision by statute

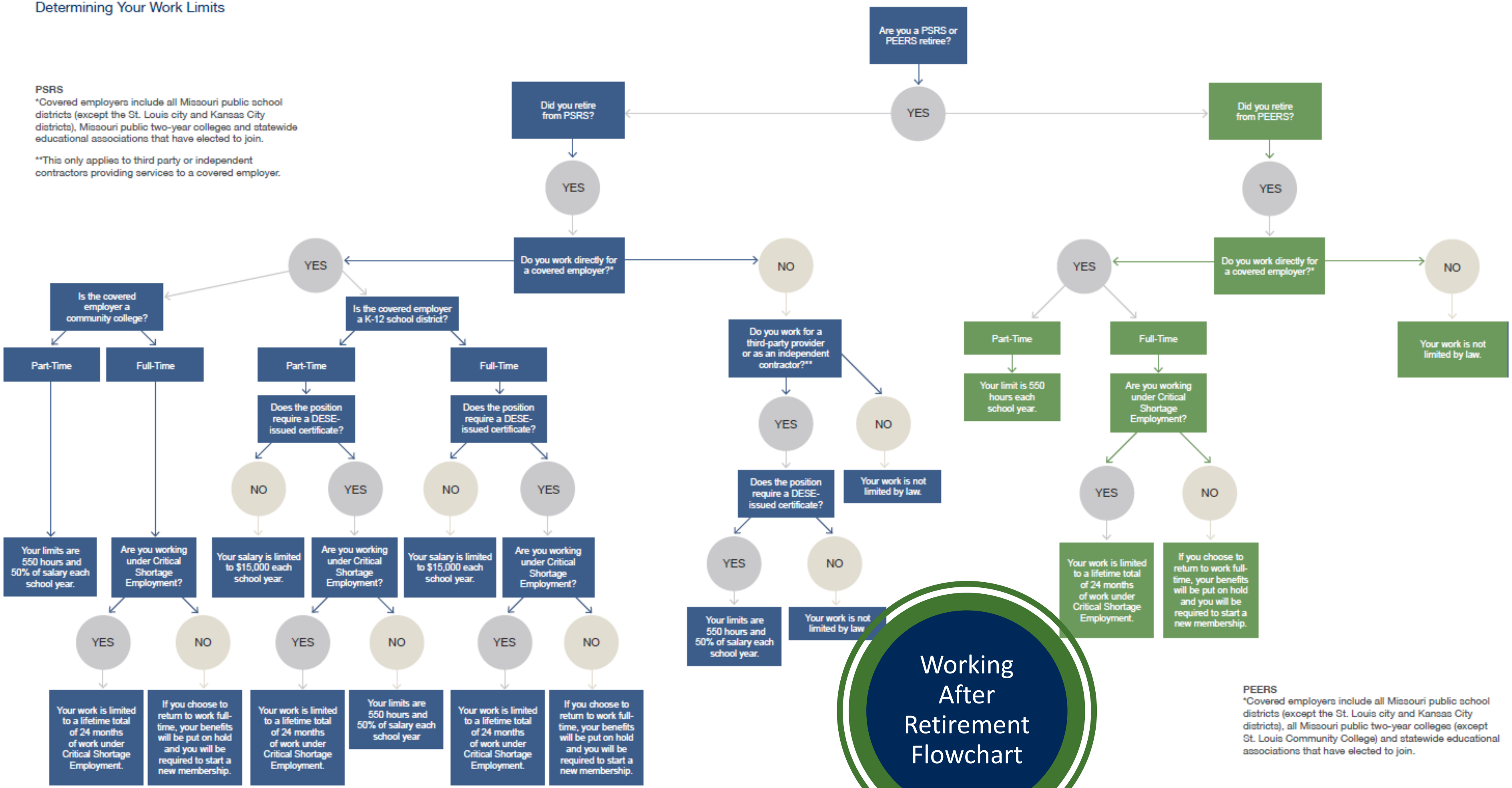
Working After Retirement Flowchart

Determining Your Work Limits

PSRS

*Covered employers include all Missouri public school districts (except the St. Louis city and Kansas City districts), Missouri public two-year colleges and statewide educational associations that have elected to join.

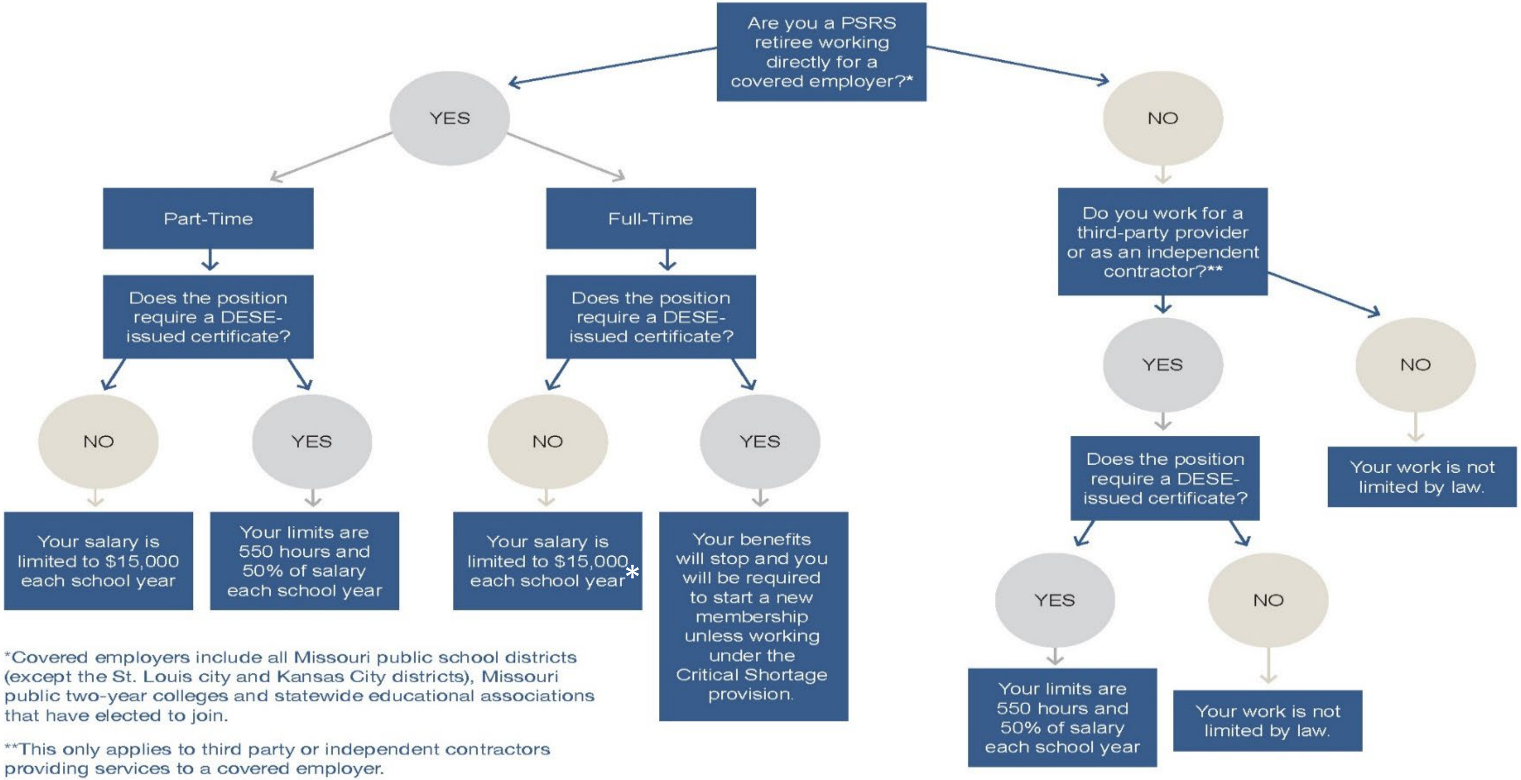
**This only applies to third party or independent contractors providing services to a covered employer.



PEERS

*Covered employers include all Missouri public school districts (except the St. Louis city and Kansas City districts), all Missouri public two-year colleges (except St. Louis Community College) and statewide educational associations that have elected to join.

PSRS Working After Retirement Options and Limits



*Covered employers include all Missouri public school districts (except the St. Louis city and Kansas City districts), Missouri public two-year colleges and statewide educational associations that have elected to join.

**This only applies to third party or independent contractors providing services to a covered employer.

* Community College employees limits are 550 hours and 50% of salary each school year.

Why Have Working After Retirement?

- Working after retirement statute offers many benefits:
  - Valuable source of short-term or part-time employees
  - Beneficial to Missouri public school children and school districts to have experienced educators in the classroom
  - Provides flexibility for school districts and helps ease transitions when employees leave mid-term or for emergency reasons
  - Allows for a phased-retirement approach for retirees (after a clear termination/separation)
  - Allows retirees to supplement their income

Why Critical Shortage?

- Provides temporary flexibility for school districts and helps ease transitions when employees leave mid-term or for an emergency
  - Sickness
  - Death
  - Accident
  - Can't immediately find qualified applicants

- Beneficial to Missouri public school children and school districts to have experienced education professionals in the classroom and in other educational positions

Usage of Working After Retirement

2018-2019

- PSRS
  - 8,412 total PSRS retirees
  - $57,689,106 total earnings
    - $6,858 average earnings per retiree
  - 96% of retirees earn less than $25,000
  - 1,939,332 hours worked

- PEERS
  - 2,006 total PEERS retirees
  - $9,567,972 total earnings
    - $4,770 average earnings per retiree
  - 99% of retirees earn less than $25,000
  - 531,049 hours worked

2019-2020

- PSRS
  - 8,025 total PSRS retirees
  - $51,857,823 total earnings
    - $6,462 average earnings per retiree
  - 96% of retirees earn less than $25,000
  - 1,551,411 hours worked

- PEERS
  - 1,951 total PEERS retirees
  - $8,744,392 total earnings
    - $4,482 average earnings per retiree
  - 99% of retirees earn less than $25,000
  - 438,533 hours worked

Source: PSRS/PEERS Legislative Affairs, September 2020

PSRS Usage of Working After Retirement

PSRS Working After Retirement	2018-2019
$5,000 and below	4,538
$5,001 - $10,000	2,029
$10,001 - $15,000	832
$15,001 - $20,000	362
$20,001 - $25,000	330
$25,001 - $30,000	188
$30,001 - $35,000	70
$35,001 - $40,000	29
$40,001 - $45,000	13
$45,001 - $50,000	8
$50,000 and above	13
Total Retirees	**8,412**

88%
92%
96%
0.15%

20 People Placed Benefit on Hold

20 People Exceeded Limits

PSRS Working After Retirement	2019-2020
$5,000 and below	4,807
$5,001 - $10,000	1,590
$10,001 - $15,000	670
$15,001 - $20,000	319
$20,001 - $25,000	318
$25,001 - $30,000	189
$30,001 - $35,000	64
$35,001 - $40,000	27
$40,001 - $45,000	13
$45,001 - $50,000	13
$50,000 and above	15
Total Retirees	**8,025**

88%
92%
96%
0.19%

21 People Placed Benefit on Hold

18 People Exceeded Limits

PSRS/PEERS Usage of Working After Retirement

PSRS/PEERS Working After Retirement	2018-2019
$5,000 and below	5,796
$5,001 - $10,000	2,535
$10,001 - $15,000	966
$15,001 - $20,000	431
$20,001 - $25,000	354
$25,001 - $30,000	200
$30,001 - $35,000	73
$35,001 - $40,000	29
$40,001 - $45,000	13
$45,001 - $50,000	8
$50,000 and above	13
Total Retirees	**10,418**

89%

93%

97%

0.13%

PSRS/PEERS Working After Retirement	2019-2020
$5,000 and below	6,120
$5,001 - $10,000	2,001
$10,001 - $15,000	808
$15,001 - $20,000	375
$20,001 - $25,000	336
$25,001 - $30,000	198
$30,001 - $35,000	69
$35,001 - $40,000	28
$40,001 - $45,000	13
$45,001 - $50,000	13
$50,000 and above	15
Total Retirees	**9,976**

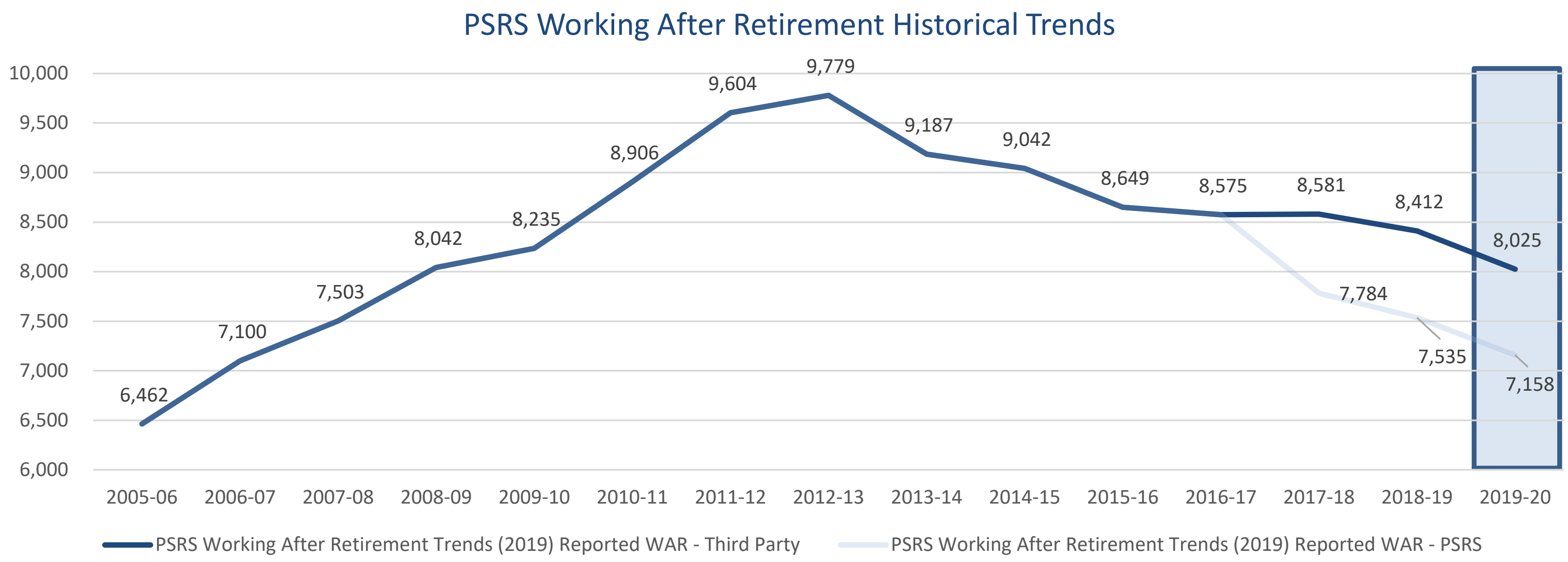
90%

93%

97%

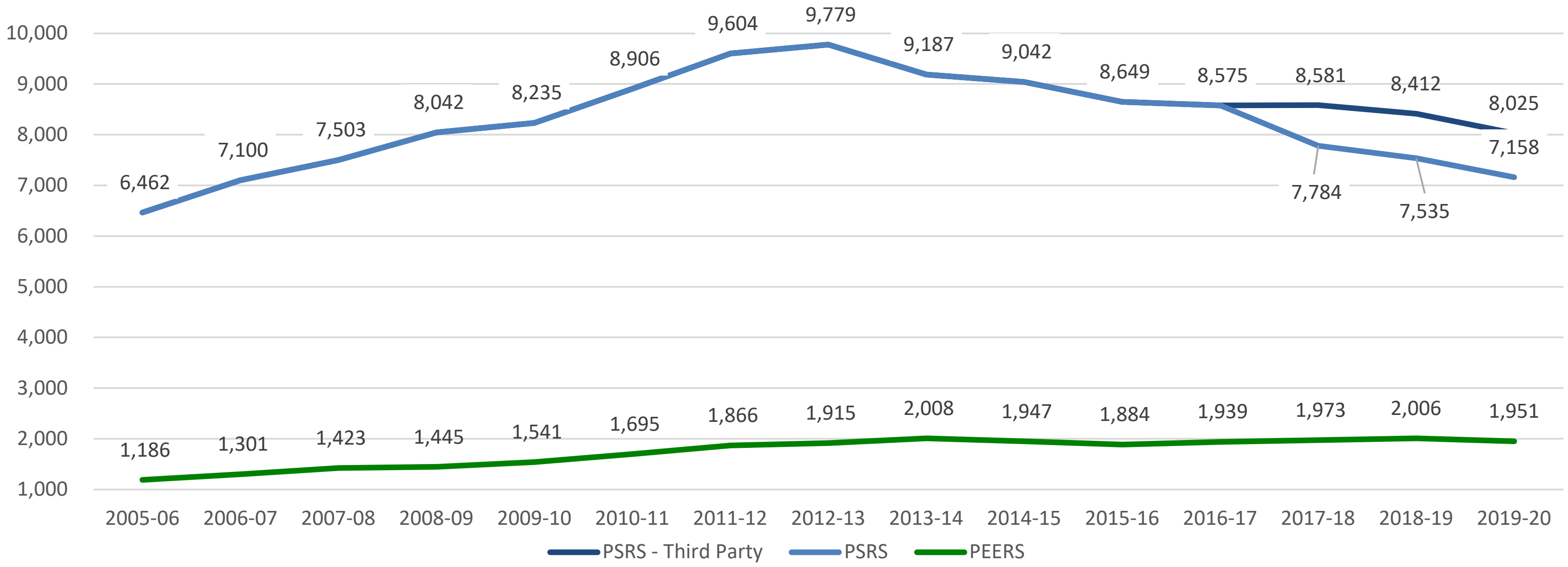
0.15%

PSRS Working After Retirement Historical



Source: PSRS/PEERS Legislative Affairs, September 2019

PSRS/PEERS Working After Retirement Historical



Actuarial Cost Statement Factors for Working After Retirement

- There are a multitude of factors that are reviewed by the actuary regarding the cost of working after retirement.
  - Does it change the behavior of the active members to retire early?
    - Currently, we have 16,704 active members who could retire today. We normally have 2,500 +/- who retire in a year.
    - 6,566 of 78,848 active PSRS members were eligible for unreduced retirement as of June 30, 2020.

Actuarial Cost Statement Factors for Working After Retirement

- Does it allow school districts to hire one or two retiree(s) to replace one current, active member?
  - Actuary makes an assumption on the number of new employees that will be hired each year, if that number decreases, there is a cost to the Systems.
    - If the hours are increased from 550 to 700 hours and 50% of salary, and only 10% of our active members retire when first eligible, and it reduces payroll by 3%, there is a potential cost of $312 million to PSRS.

- Are contributions collected on the amount of earnings?
  - In 2018-2019, there was approximately $58 million of non-covered PSRS working after retirement salary that was earned that the Systems did not collect over $8 million (14.5%) in employer contributions.
    - PEERS had over $9 million of non-covered working after retirement salary that was earned that the Systems did not collect over $656,000 (6.86%) in employer contributions.

Social Security - Working After Retirement

- If you were born between 1943 and 1954 your full retirement age is 66.
  - If you start receiving benefits at age 66 you get 100 % of your monthly benefit.
- If you're younger than full retirement age, there is a limit to how much you can earn and still receive full Social Security benefits.
  - A Social Security recipient is limited to earning $18,960 for 2021.
    - Automatic annual increase in limit.

Governor Waiver

Governor's waiver of certain working after retirement limits

- On August 7, 2020, Governor Parson signed a waiver of certain working after retirement statutes
  - Suspends the 550-hour and 50% salary limits of RSMo 169.560.1 on working after retirement (as well as corresponding language regarding how to calculate the 50% salary limit) for retired PSRS members who return to work in certificated positions.
  - Suspends the 60% of minimum teacher salary limit of RSMo 169.560.2 for retired PSRS members who return to work in non-certificated positions and subjects such retired members to the (non-suspended) requirements of RSMo 169.560.1.
  - Suspends the 550-hour limit of RSMo 169.660.2 on working after retirement for retired PEERS members.
  - The waiver for working after retirement limits is in effect for as long as the current Executive Order declared by the governor due to the COVID-19 pandemic is in effect.

- On Thursday, November 19, Governor Mike Parson signed an Executive Order extending the state of emergency in Missouri through March 31, 2021.

Actuary Cost Statement on Waiver

- PricewaterhouseCoopers, external actuary for Systems, completed a cost statement on the Governor's Waiver on August 3, 2020. Below are their findings:
  - The proposal for ***temporarily*** suspending certain aspects of RSMo 169.560 and 169.660 would address the situation without a significant financial detriment to PSRS and PEERS for the following reasons:
    - Suspension of the pay and hours limitations on retired members who return to work on a part-time/ temporary basis **would expand** the pool of retired members who are eligible to work in part-time or temporary substitute teaching and other positions without a suspension of their retirement allowance.
    - Retaining the limitation that only part-time or temporary employment can be undertaken without a suspension of the retirement allowance would maintain the prohibition against receiving both a retirement allowance and full-time pay, and therefore mitigate the incentive for (additional) active members to retire or terminate their full-time employment.
    - Suspending the pay and hours limitations for a temporary period strikes the balance between providing relief to school districts that are in need of part-time or temporary substitute teaching and other services during the pandemic, but without creating a permanent, and costly, ability for members to receive a retirement allowance and full-time income at the same time.

Actuary Cost Statement on Waiver (Continued)

- The temporary suspension of limitations on working after retirement would result in a **small fiscal cost to PSRS**.
  - PWC have not attempted to quantify the impact actuarially, but the enhanced ability for employers to fill vacant positions with retired members working on a part-time or temporary basis would likely reduce the number of members contributing to PSRS and the payroll basis on which employers contribute to PSRS (beyond the effects the virus may have anyway).

- The temporary suspension of limitations on working after retirement would result in a **small fiscal cost to PEERS.**
  - The proposed temporary suspension of RSMo 169.560.2 would also eliminate contributions from employers to PEERS on behalf of retired PSRS member who return to work in non-certificated positions.

- **From a fiscal cost standpoint PWC would emphasize the importance of making temporary any measures that increase or remove the limitations of RSMo 169.560 and 169.660 for retired members who return to work. Permanent increase or removal of these limitations would likely come with a significant fiscal cost and would go against the fundamental goal of a pension system to provide income in retirement, not during active employment.**

Usage of Working After Retirement First Three Months of 2020-2021

(As of October 31, 2020)

- PSRS
  - 4,311 total PSRS retirees
  - $9,760,690 total earnings
    - $2,264 average earnings per retiree
  - 300,238 hours worked

- PEERS
  - 1,166 total PEERS retirees
  - $2,053,968 total earnings
    - $1,762 average earnings per retiree
  - 99,989 hours worked

32 Retirees Benefit On Hold

120 Retirees Working Under Critical Shortage

Source: PSRS/PEERS Legislative Affairs, November 2020

Goals to Comprehensive Reform

Working After Retirement Statute

- Maintain financial stability for both Systems
- Allow for flexibility of school districts to hire qualified workers on a temporary, part-time basis
- Simplify working after retirement statute for our members and school districts
- Widen the working after retirement pool with qualified retirees for districts

2020 Legislative Issues

(Not Enacted – Could Return)

Emergency Substitute Teacher Pool (ESTP)

- Creates a Missouri Emergency Substitute Teacher Pool.
  - By September 10 of each school year each participating district **must** notify the system of its intent to utilize the emergency substitute teacher pool.
  - The pool allows any retired member of the Public School Retirement System or the Public Education Employee Retirement System to be employed as a temporary or long-term substitute under the provisions of the emergency substitute teacher pool and still receive his or her monthly retirement benefit.
  - Earnings are limited to the Social Security Earnings Limit ($18,960)
  - There is no hourly limitation on those hours worked under the Pool.
  - Employers who utilize this Pool are required to pay the employer's contribution rate at 2/3's the rate.
  - Retirees who work under the provision for the Pool do not contribute and do not earn memberships service.
  - The provisions in this section sunset after five years.

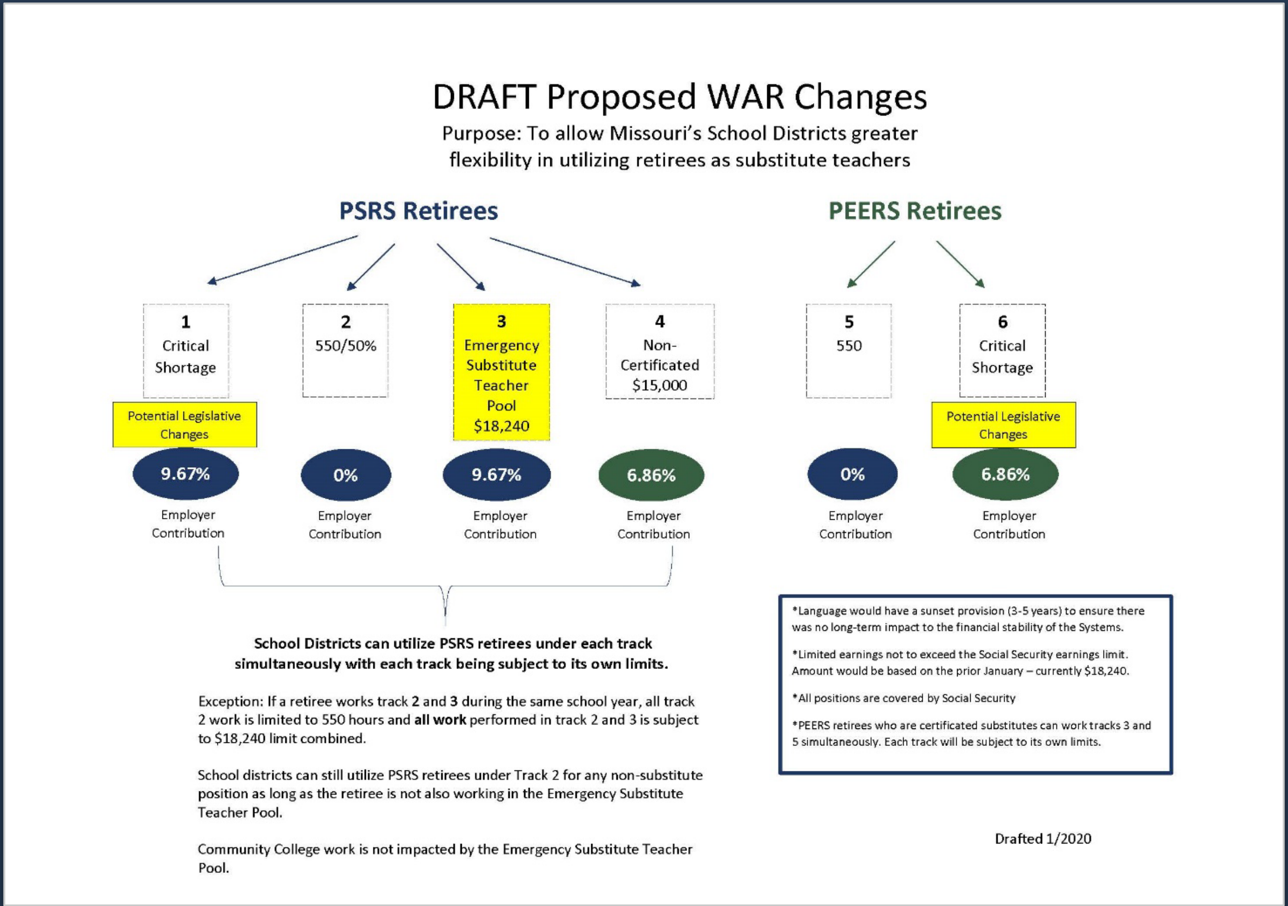
2020 Legislative Issues

(Not Enacted – Could Return)

Critical Shortage Employment

- The Critical Shortage statute is a provision which allows covered employers who meet certain requirements to employ PSRS/PEERS retirees up to full-time without affecting the payment of their retirement benefits. If a school district declares a critical shortage of either certificated or non-certificated employees, they can hire up to 10% of the certificated (or non-certificated) staff, not to exceed five individual PSRS retirees to teach, or five individual PEERS retirees to work, for up to two years under this provision (24 months).
- This bill will expand the time frame for usage of critical shortage from two years (24 months) to four years (48 months).

Emergency Substitute Teacher Pool



DRAFT Proposed WAR Changes

Purpose: To allow Missouri's School Districts greater flexibility in utilizing retirees as substitute teachers

PSRS Retirees

		Employer Contribution
1	Critical Shortage (Potential Legislative Changes)	9.67%
2	550/50%	0%
3	Emergency Substitute Teacher Pool $18,240	9.67%
4	Non-Certificated $15,000	6.86%

PEERS Retirees

		Employer Contribution
5	550	0%
6	Critical Shortage (Potential Legislative Changes)	6.86%

School Districts can utilize PSRS retirees under each track simultaneously with each track being subject to its own limits.

Exception: If a retiree works track **2** and **3** during the same school year, all track 2 work is limited to 550 hours and **all work** performed in track 2 and 3 is subject to $18,240 limit combined.

School districts can still utilize PSRS retirees under Track 2 for any non-substitute position as long as the retiree is not also working in the Emergency Substitute Teacher Pool.

Community College work is not impacted by the Emergency Substitute Teacher Pool.

*Language would have a sunset provision (3-5 years) to ensure there was no long-term impact to the financial stability of the Systems.

*Limited earnings not to exceed the Social Security earnings limit. Amount would be based on the prior January – currently $18,240.

*All positions are covered by Social Security

*PEERS retirees who are certificated substitutes can work tracks 3 and 5 simultaneously. Each track will be subject to its own limits.

Drafted 1/2020

Contact Information

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  - 573-638-1041
  - dsnider@psrsmo.org

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  - mwalden@psrsmo.org

- James Moody, Legislative Consultant
  - 573-635-6633
  - jmoodyjc@gmail.com

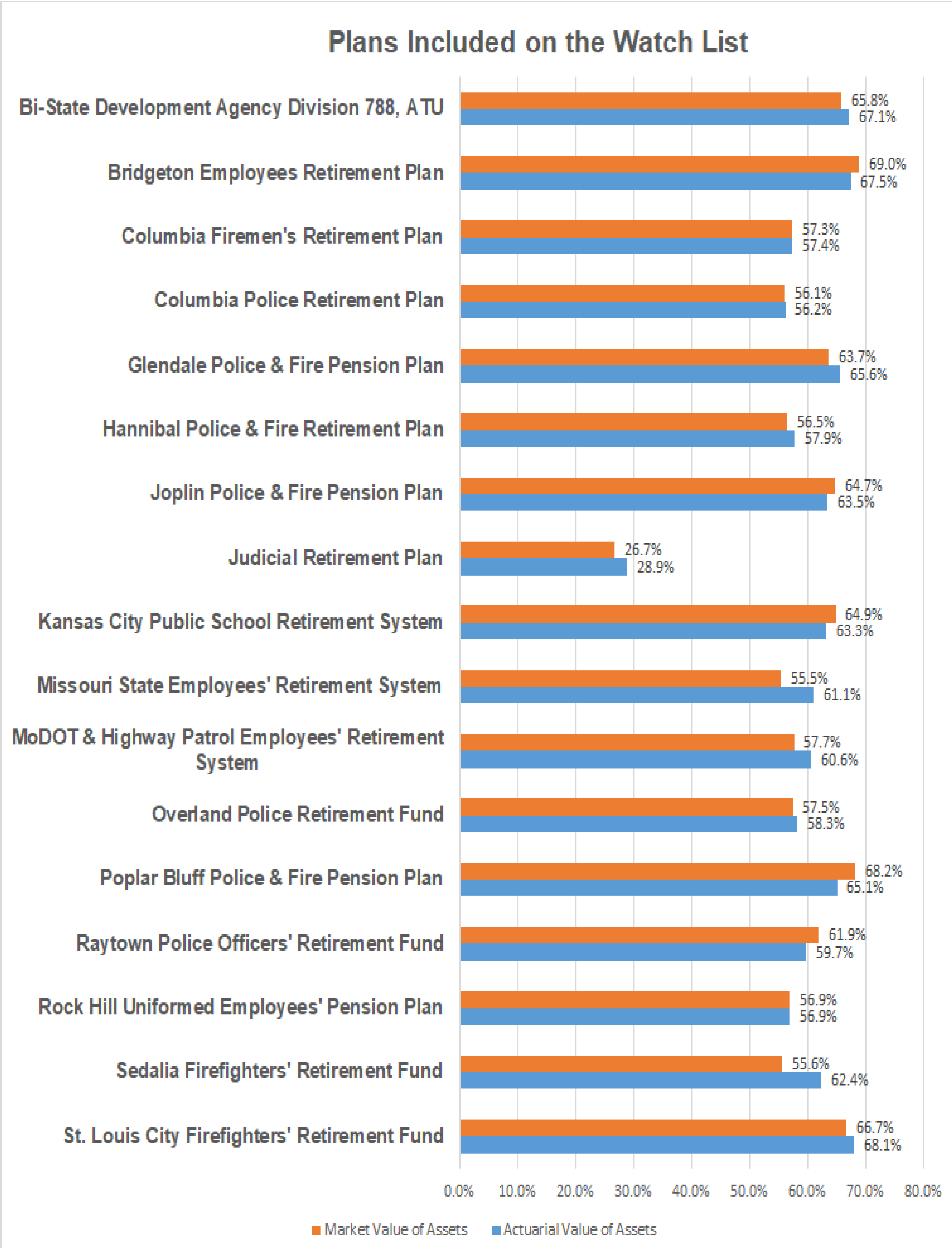

PSRS PEERS
PUBLIC SCHOOL & EDUCATION EMPLOYEE
RETIREMENT SYSTEMS OF MISSOURI
Making a Positive
Impact
on Our Members

JOINT COMMITTEE ON
PUBLIC EMPLOYEE RETIREMENT

ANNUAL WATCH LIST

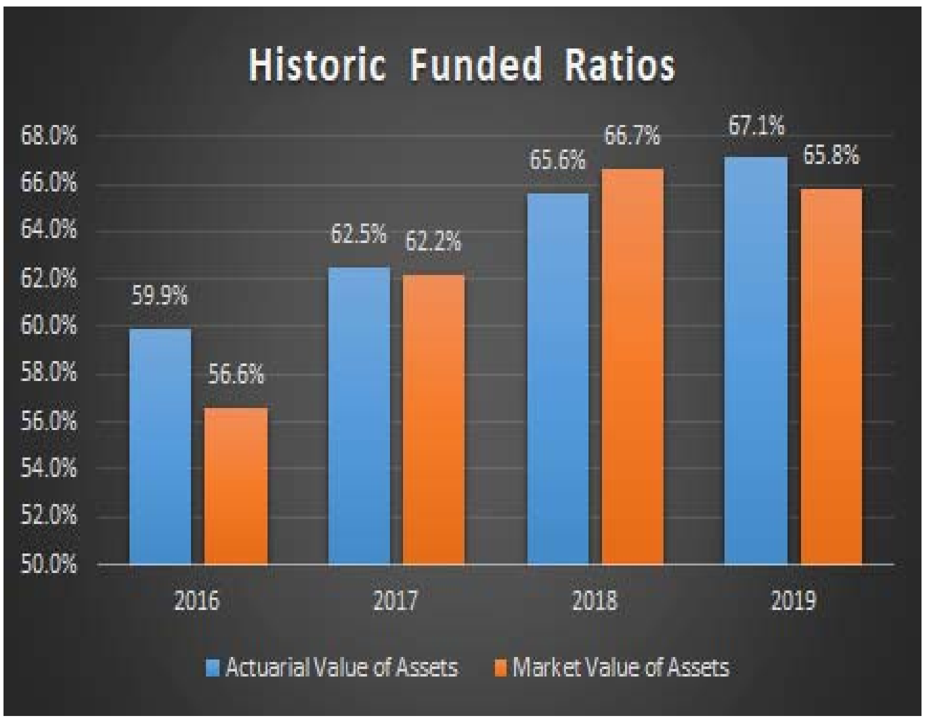
December 1, 2020

Please Note: For purposes of the Watch List, the term "inactive" includes terminated vested, retired, surviving beneficiary, disabled members, and for some plans, terminated nonvested members who have not withdrawn employee contributions.


Plans Included on the Watch List
Bi-State Development Agency Division 788, ATU
65.8%
67.1%
Bridgeton Employees Retirement Plan
69.0%
67.5%
Columbia Firemen's Retirement Plan
57.3%
57.4%
Columbia Police Retirement Plan
56.1%
56.2%
Glendale Police & Fire Pension Plan
63.7%
65.6%
Hannibal Police & Fire Retirement Plan
56.5%
57.9%
Joplin Police & Fire Pension Plan
64.7%
63.5%
Judicial Retirement Plan
26.7%
28.9%
Kansas City Public School Retirement System
64.9%
63.3%
Missouri State Employees' Retirement System
55.5%
61.1%
MoDOT & Highway Patrol Employees' Retirement System
57.7%
60.6%
Overland Police Retirement Fund
57.5%
58.3%
Poplar Bluff Police & Fire Pension Plan
68.2%
65.1%
Raytown Police Officers' Retirement Fund
61.9%
59.7%
Rock Hill Uniformed Employees' Pension Plan
56.9%
56.9%
Sedalia Firefighters' Retirement Fund
55.6%
62.4%
St. Louis City Firefighters' Retirement Fund
66.7%
68.1%
0.0%
10.0%
20.0%
30.0%
40.0%
50.0%
60.0%
70.0%
80.0%
Market Value of Assets
Actuarial Value of Assets

BI-STATE DEVELOPMENT AGENCY
DIVISION 788, A.T.U. EMPLOYEES' PENSION PLAN

- Rate of return on investments equaled 2% (Market) and 5.7% (Actuarial) vs. 7% assumed.
- Effective with the 4/1/16 valuation, the assumed rate of return was lowered from 7.25% to 7%.
- Unfunded Actuarial Accrued Liability is amortized on a closed 30-year period effective April 1, 2003. As of 4/1/19, 14 years remain on the amortization period.
- At its 11/9/17 meeting, the Pension Committee voted to maintain the total weekly contribution rate of $175 per active participant. The actuary does not recommend decreasing the contribution rate below this level.
- The Employer continues to meet the full ADC.
- Effective April 1, 2015, this plan merged with the 788 Clerical Unit ATU plan pursuant to a resolution and vote of the membership and acceptance by the plans' pension committees. The Clerical Unit ATU plan had previously been on the JCPER Watch List.
- The contribution history below is taken from the plan's 3/31/19 Financial Statements (pg. 23), which revised the contribution history to include the previous amounts from the Clerical Plan.



Fiscal Year ending 6/30,	EMPLOYER RECOMMENDED CONTRIBUTION	EMPLOYER ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
2019	$10,281,297	$10,281,297	100%
2018	$9,393,252	$9,393,252	100%
2017	$9,626,600	$9,626,600	100%
2016	$9,342,714	$9,342,714	100%
2015	$9,199,407	$9,199,407	100%

As of 4/1/19

Market Value: $139,763,901

Actuarial Value: $142,494,408

Liabilities: $212,320,074

Membership:

Active: 1,420 **Inactive**: 1,372

Normal Retirement Formula:

$40 times years of service for those retiring with less then 25 years of service. $55 times years of service for those retiring with 25 or more years of service.

Normal Retirement Eligibility: 25 years of service, age 65, or age 55 with 20 years of service.

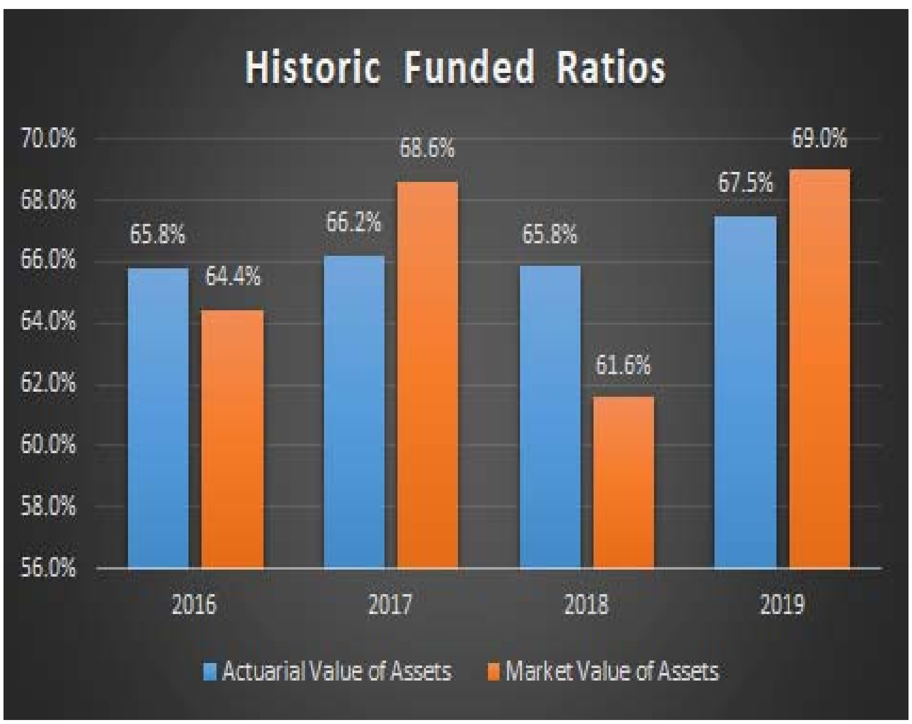
Social Security Coverage: Yes

COLA: Ad hoc COLA

Assumed rate of return: 7%

BRIDGETON EMPLOYEES RETIREMENT PLAN

- Rate of return on investments equaled 17.61% (Market) and 7.52% (Actuarial) vs. assumed 7.5%.
- For plan years 2018 and 2019, the City contributed the full actuarially determined contribution (slightly exceeding it). Previously, the City had not contributed the full ADC since 2008.
- Effective with the 1/1/18 valuation, the City has changed its funding policy by adopting a 30-year closed amortization period for payment of unfunded liabilities.
- The plan was frozen to new employees as of January 1, 2012. For employees hired after 1/1/12, the City uses a matching component to its 457 deferred compensation plan. Recently, the City Council has discussed the possibility of joining Missouri LAGERS and migrating the 58 employees not covered by this plan to LAGERS. In March 2020, LAGERS's actuary prepared an initial actuarial valuation for the City to consider.
- In April 2015, voters approved a hotel/motel tax increase to generate an additional $900,000 in revenue annually.
- The actuary comments that "the chief reasons for the increase in annual cost as a percentage of payroll is the fact that the payroll is declining as the plan is closed to new entrants."



January 1,	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
2020	$1,653,998	N/A	N/A
2019	$1,725,085	$1,725,090	100%
2018	$1,697,979	$1,700,000	100.1%
2017	$1,687,909	$1,680,000	99.5%
2016	$1,680,519	$1,525,000	91%

As of 1/1/20

Market Value: $32,134,577*

Actuarial Value: $31,434,961

Liabilities: $46,571,048

Membership:

Active: 71 **Inactive**: 180

Normal Retirement Formula:

2% of compensation times years of service

Normal Retirement Eligibility:

Age 60 with 5 years of service

Social Security Coverage: Yes

COLA: No COLA

Assumed Rate of Return: 7.5%

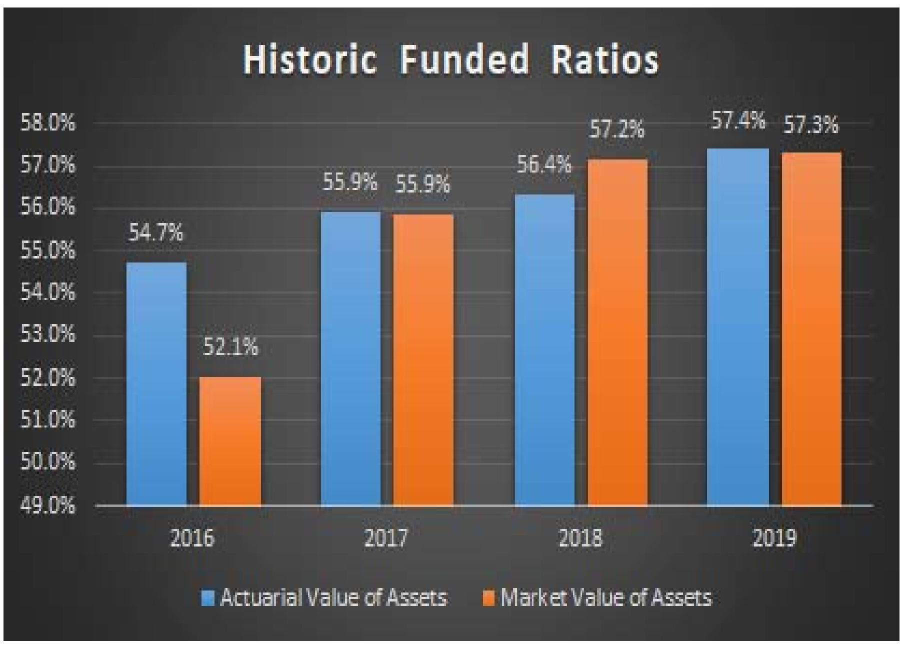
Salary: 4%

*Market Value from 1/1/20 actuarial valuation including accrued contribution of $1,725,090

COLUMBIA FIREMEN'S & POLICE RETIREMENT SYSTEMS

- The Fire and Police plans are commingled for investment purposes. Rate of return on investments equaled 5.4% (Market) & 7.2% (Actuarial) vs. 7% assumed.
- The employer continues to meet or exceed the ADC. The actuary notes that "For the continued well-being of the fund, the fund must receive contributions at least at the levels recommended in the actuarial valuation."
- In the past 10 years, the City has twice reset the amortization period. First, for the 2010 valuation, the City changed the amortization period from 17 years to 29 years. Second, for the 2016 valuation, the City changed the amortization period from 23 years to 30 years. As of the 9/30/19 valuation, 27 years remain. On page A-13 of the valuation, the actuary comments that "Periods above 17 to 23 years generally indicate that the UAAL payment is less than the interest in the UAAL. This situation is referred to as 'negative amortization.' Negative amortization is increasingly viewed as undesirable." On page A-9, the actuary expects that "in nominal dollars, the UAAL is expected to increase until the amortization period becomes approximately 17 years, at which point it would be expected to decline…"
- A new tier of provisions were passed for employees hired on or after October 1, 2012. These provisions include, but are not limited to, modified age and service requirements for retirement eligibility, modified benefit multiplier with no retiree COLA, fire member contribution reduced to 4% of pay, and automatic survivor benefit replaced with a survivor option at retirement with member's reduced benefit. The actuary notes that "the normal cost decreased as more active members came into the post October 1, 2012 benefit plan."
- Fire employees contribute 16.32% of pay (4% for those hired on/after 10/01/12) and do not participate in Social Security. Police employees contribute between 7.45% & 8.35% of pay (4.5% for those hired on/after 10/01/12) & do participate in Social Security.

FIREMEN'S RETIREMENT FUND



Year Ending 9/30,	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
2019	$5,306,842	$5,306, 842	100%
2018	$5,426,042	$5,426,042	100%
2017	$4,789,910	$4,789,910	100%
2016	$5,226,250	$5,226,250	100%
2015	$4,751,496	$7,751,496	163%

Fire as of 9/30/19

Market Value: $86,967,494

Actuarial Value: $87,096,048

Liabilities: $151,662,295

Membership:

Active: 137 **Inactive**: 164

Normal Retirement Formula:

3.5% of compensation for the first 20 years + 2% for the next 5 years. Max of 80% of compensation.

Hired on/after 10/1/12: 2.5% of compensation times years of service. No max benefit.

Normal Retirement Eligibility:

Age 65 or 20 years of service

Hired on/after 10/1/12: Age 55 with 1 year of service. Rule of 80.

COLA Annual Minimum: 2%

Social Security Coverage: No

Assumed Rate of Return: 7%

Salary: 3.25%

COLUMBIA FIREMEN'S & POLICE RETIREMENT SYSTEMS (Continued)

POLICE RETIREMENT SYSTEM

Police as of 9/30/19

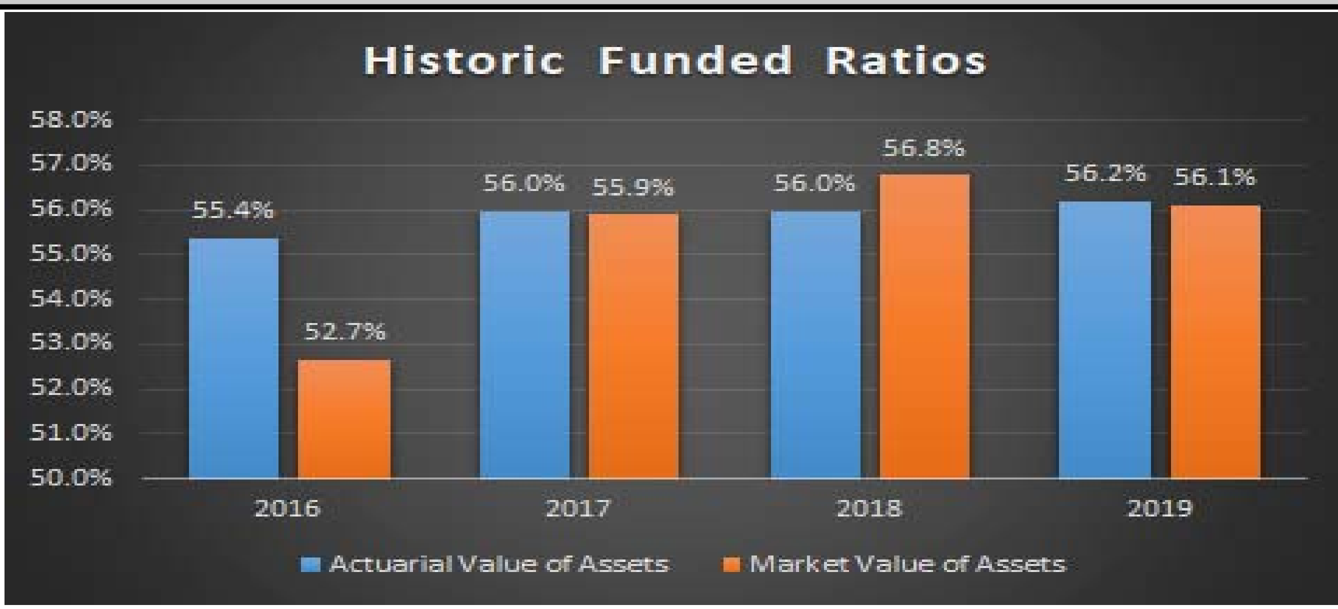
Market Value:	$56,143,587	**Membership**:		**Assumed Rate of Return**: 7%	
Actuarial Value:	$56,226,578	**Active**:	157	**Salary**:	3.25%
Liabilities:	$100,081,780	**Inactive**:	204	**Social Security Coverage**: Yes	

Normal Retirement Formula: 3% of Compensation for the first 20 years of service plus 2% of compensation for the next 5 years of service. Max: 70% of compensation with 25 years of service.

Hired on/after 10/1/12: 2% of compensation for the first 25 years of service plus 1.5% of compensation for each year over 25. Max of 57.5% of compensation.

Normal Retirement Eligibility: 20 years of service or age 65. **Hired on/after 10/1/12**: 25 years of service or age 65.

COLA: Annual increase of 0.6%.



Year ending 9/30,	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
2019	$4,019,648	$4,019,648	100%
2018	$3,796,494	$3,796,494	100%
2017	$3,365,161	$3,365,161	100%
2016	$3,812,192	$3,812,192	100%
2015	$3,486,784	$5,486,784	157%

From: James McDonald
To: Michael Ruff
Subject: Re: Columbia Fire and Police Pension Plans
Date: Wednesday, November 11, 2020 2:42:04 PM

Michael

Thanks for sending this over. Having looked it over I don't see anything that would need to be changed or clarified.

Thanks

On Fri, Nov 6, 2020 at 3:19 PM Michael Ruff <mruff@senate.mo.gov> wrote:

> Hello Jim,
>
> Thank you for talking with me this afternoon about the Columbia Police and Fire Pension plans. As I mentioned, each year, the Joint Committee on Public Employee Retirement (JCPER) compiles a report for the committee's review that includes any defined benefit retirement plan that has a funded ratio of less than 70% on a market value basis. We have used information from the plan year 2019 annual survey (including the September 30, 2019 actuarial valuation) to prepare this report. This report is designed to increase awareness of trends in plan funding and contribution levels.
>
> I am attaching an information sheet that will be presented to the JCPER at its fourth quarter meeting on Tuesday, December 1, 2020 at 1pm in Room 117 in the State Capitol. Please feel free to review this information and respond with any additional information or thoughts you believe appropriate. If you would like to respond, please provide any information or comments by Wednesday, November 18.
>
> Thank you for your ongoing cooperation with the JCPER. Please do not hesitate to contact me if you have any questions or would like additional information.
>
> Sincerely,
>
> Michael Ruff
>
> Executive Director
>
> Joint Committee on Public Employee Retirement
>
> State Capitol, Room 219-A
>
> Jefferson City, MO 65101

> 573-751-1280
>
> mruff@senate.mo.gov

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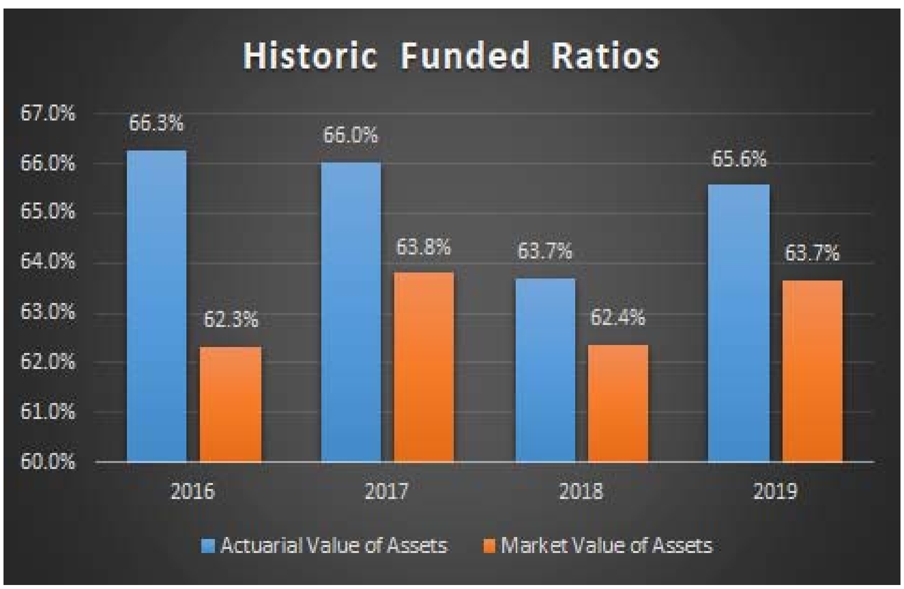
Jim McDonald CPA
Assistant Finance Director
City of Columbia
701 E. Broadway
P.O. Box 6015
Columbia Mo, 65205
Tel: 573-874-7388

GLENDALE POLICE & FIRE PENSION PLAN

- Investment return equaled 5.2% (market) and 6.1% (actuarial) vs. 7% assumed.
- Updated mortality tables.
- The plan has historically been funded from two sources: a dedicated property tax levy and an employee contribution of 3.25%. The City's Financial Statements note that "For fiscal year 2020, the City will be contributing $250,000 in monthly installments of $20,833 from the Prop P Fund to help close the unfunded gap."
- The actuary writes that "the targeted city contribution...decreased from $414,326...to $399,345...while the contribution made in 2018-2019 was not as high as the recommendation it was much greater than in prior years."
- At the June 2020 municipal election, City voters adopted Proposition E to increase the property tax rate used to fund the plan to a rate not to exceed $0.24 per $100 of assessed valuation. Previously, the tax levy has only produced sufficient revenue to meet the full annual required contribution one time (2007) since 2002. The tax rate had been set at $0.076 (residential), $0.076 (commercial) and $0.1 (personal) per $100 of assessed valuation.
- In previous years, the Plan reduced the assumed rate of return from 7.5 to 7.25 and from 7.25 to 7.
- The City is currently working with LAGERS to migrate employees from the City plan to LAGERS.



Year Ending 6/30,	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
2020	$399,345	N/A	N/A
2019	$414,326	$385,226	93%
2018	$376,231	$132,195	35%
2017	$370,101	$130,456	35%
2016	$333,799	$130,235	39%

As of 7/1/19

Market Value: $5,602,985

Actuarial Value: $5,772,240

Liabilities: $8,803,033

Membership:

Active: 22 **Inactive**: 21

Normal Retirement Formula: 50% of compensation for the first 20 years of service plus 1% of compensation for each year over 20 years.

Normal Retirement Benefits: Age 55 with 15 years of service

Social Security Coverage: Yes

COLA: No COLA

Assumed Rate of Return: 7%

Salary: 3.5%

From:	Daniel Lawrence
To:	Michael Ruff
Subject:	RE: Glendale Police and Fire Pension Plan
Date:	Thursday, November 12, 2020 3:50:40 PM
Attachments:	2020taxrateinfo.pdf

Michael:

Attached is the 2020 and 2019 pages for property tax. As you can see the passage of Prop E allowed the City to increase revenue from 2019 of $139,510 up to $501,849 for 2020. The City received the actuarial results from Lagers earlier in the week as we move forward with the plan to move all Pension activities to MO. Lagers. I believe the first step is for Public Works and Administrative which is already in Lagers to move to the 2% benefit level from 1.5% and employees would need to contribute 4% of payroll. Next the Fire and Police employees would join Admin and PW in Lagers and finally the frozen Glendale Plan of retirees would be managed by Lagers. All of this should be completed by 03/31/2021. The extra property tax funds is needed to properly manage the underfunded balance of the current Glendale Plan. If you have any further questions please let me know.

Thank you,

Dan Lawrence
City of Glendale

From: Michael Ruff <mruff@senate.mo.gov>
Sent: Friday, November 6, 2020 2:02 PM
To: Daniel Lawrence <dlawrence@glendalemo.org>
Subject: Glendale Police and Fire Pension Plan

Hello Dan,
Thank you for talking with me this afternoon about the City of Glendale's police and fire pension plan. The Joint Committee on Public Employee Retirement (JCPER) is in the process of compiling its annual watch list of pension plans that have a funded ratio below 70% based on market value of assets. This information is based off the plan year 2019 annual survey including the actuarial valuation and the City's financial statements. This list is designed to increase awareness of trends in plan funding and contribution levels.

I am attaching an information sheet that will be presented to the JCPER at its fourth quarter meeting on Tuesday, December 1, 2020 at 1pm in Room 117 in the State Capitol. You and I have talked periodically about the Prop E tax levy change in June and the City's plan to move employees to LAGERS in the future. Could the City please provide the JCPER with an update on the status of the move to LAGERS, the tax rate adopted by the City and an estimate of the revenue expected from the passage of Prop E?

Thank you for ongoing cooperation with the JCPER. Please do not hesitate to contact me if you have any questions or would like additional information.

PRO FORMA - STATE AUDITOR'S REVIEW OF DATA SUBMITTED

9/17/2020

Summary Page

(2020)

For Political Subdivisions Other Than School Districts With a Separate Rate on Each Subclass of Property

City of Glendale	09-096-0036	Pension
Name of Political Subdivision	Political Subdivision Code	Purpose of Levy

The final version of this form MUST be sent to the county clerk.

The information to complete the Summary Page is available from prior year forms, computed on the attached forms, or computed on this page. Information on this page takes into consideration any voluntary reduction(s) taken in previous even numbered year(s). If in an even numbered year, the political subdivision wishes to no longer use the lowered tax rate ceiling to calculate its tax rate, it can hold a public hearing and pass a resolution, a policy statement, or an ordinance justifying its action prior to setting and certifying its tax rate. The information on the Informational Summary Page, at the end of these forms, provides the rate that would be allowed had there been no previous voluntary reduction(s) taken in an even numbered year(s).

	Real Estate				
	Residential	Agriculture	Commercial	Personal Property	Prior Method Single Rate
A. **Prior year tax rate ceiling** as defined in Chapter 137, RSMo, revised if prior year data changed or a voluntary reduction was taken in a non-reassessment year. (Prior year Summary Page, Line F minus Line H in odd numbered year or prior year Summary Page, Line F in even numbered year)	0.0660	0.0000	0.0710	0.1000	0.0693
B. **Current year rate computed** pursuant to Article X, Section 22, of the Missouri Constitution and Section 137.073, RSMo, if no voter approved increase (Form A, Line 37 & Line 23 prior method)	0.0660	0.0000	0.0700	0.1000	0.0693
C. **Amount of rate increase authorized by voters for current year** if same purpose adjusted to provide the revenue available if applied to the prior year assessed value and increased by the percentage of CPI (Form B, Line 17 & Line 20 prior method)	0.2460	0.2400	0.2400	0.2460	0.2458
D. **Rate to compare to maximum authorized levy to determine tax rate ceiling** (Line B if no election, otherwise Line C)	0.2460	0.2400	0.2400	0.2460	0.2458
E. **Maximum authorized levy** the most recent voter approved rate	0.2460	0.2400	0.2400	0.2460	0.2458
F. **Current year tax rate ceiling** maximum legal rate to comply with Missouri laws. Political subdivision's tax rate (Lower of Line D or Line E)	0.2460	0.2400	0.2400	0.2460	0.2458
G. 1. **Less required sales tax reduction** taken from tax rate ceiling (Line F), if applicable					
G. 2. **Less 20% required reduction 1st class charter county political subdivision NOT submitting an estimated non-binding tax rate to the county(ies)** taken from tax rate ceiling (Line F)					
H. **Less voluntary reduction by political subdivision taken from tax rate ceiling (Line F)** WARNING: A voluntary reduction taken in an even numbered year will lower the tax rate ceiling for the following year.					
I. **Plus allowable recoupment rate** added to tax rate ceiling (Line F) If applicable, attach Form G or H.					
J. **Tax rate to be levied** (Line F - Line G1 - Line G2 - Line H + Line I)	.2460	.0000	.2400	.2460	
AA. **Rate to be levied for debt service,** if applicable (Form C, Line 10)					
BB. **Additional special purposed rate authorized by voters** after the prior year tax rates were set (Form B, Line 17 if a different purpose) Adjusted to provide the revenue available if applied to the prior year assessed value and increased by the percentage of CPI					

Certification

I, the undersigned, FINANCE OFFICER (Office) of CITY OF GLENDALE (Political Subdivision) levying a rate in ST. LOUIS (County(ies)) do hereby certify that the data set forth above and on the accompanying forms is true and accurate to the best of my knowledge and belief.

Please complete Line G through BB, sign this form, and return to the county clerk(s) for final certification.

9/21/2020	Daniel L. Lawrence	DANIEL L. LAWRENCE	314-965-3600
(Date)	(Signature)	(Print Name)	(Telephone)

Proposed rate to be entered on tax books by the county clerk based on the certification from the political subdivision:

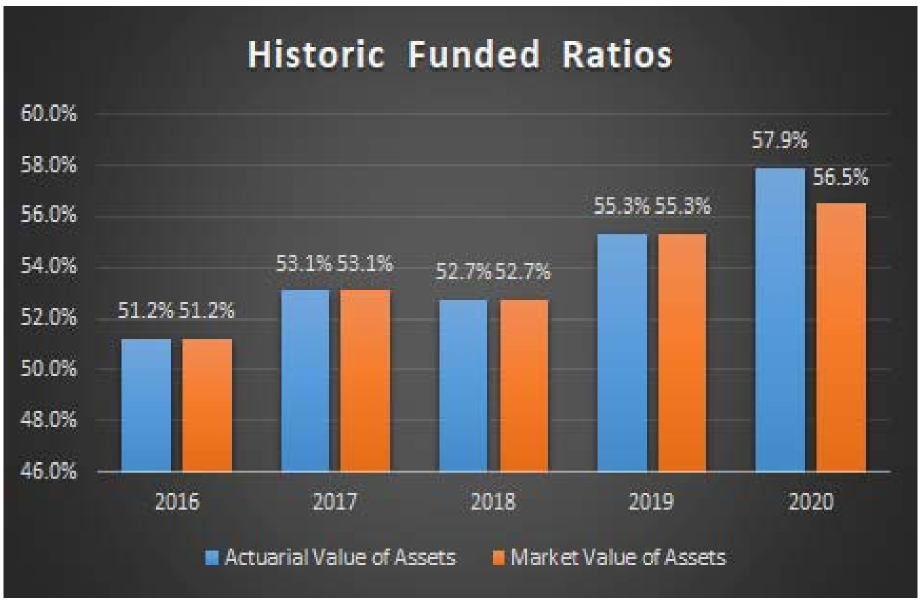
Section 137.073.7 RSMo, states that no tax rate shall be extended on the tax rolls by the county clerk unless the political subdivision has complied with the foregoing provisions of the section.

Lines: J ______ AA ______ BB ______

(Date) 018 (County Clerk's Signature) (County) (Telephone)

HANNIBAL POLICE & FIRE RETIREMENT PLAN

- Rate of return on investments equaled 3.6% (Market) vs. 7% assumed.
- In October 2020, the City Council removed the ad hoc COLA provision effective 7/1/21 and replaced it with authority for the Board to authorize an ad hoc payment of an additional benefit check under certain conditions. The actuarial cost statement indicates that this change would improve the ability of the plan to meet its obligations.
- The actuary completed an experience study for the period 7/1/14—6/30/19. Updated the retirement assumption and updated mortality tables to Pub-2010 Public Safety. Adopted 4-year smoothing of investment gains/losses to "temper investment volatility's effect on contribution levels."
- The plan's actuary writes "Since June 30, 2012, the city has consistently contributed in excess of the recommended contribution and the funded ratio of the plan has gradually increased. In 2016, the funding interest rate was lowered, and generational mortality was introduced. These more conservative assumptions require more robust contributions, which, if made, will cause the plan to continue to improve its funded status."
- The City changed the plan to permit contracting with Standard Insurance for disability coverage.
- Effective July 1, 2016, the employee contribution rate will increase by one-half percent annually until it reaches 15% on July 1, 2021. Employee contributions are 14.5% from July 1, 2020 to June 30, 2021.
- The City made multiple plan modifications effective 7/1/11 including: Increasing mandatory employee contributions from 9.5% of pay to 12%, 11.4% annual minimum City contribution (plus tax revenue) will be modified to provide that the City's contribution will not be reduced unless the plan is determined to be at least 80% funded.



Year ending 6/30,	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
2021	$1,214,588**	N/A	N/A
2020	$1,283,839**	$1,424,566	111%
2019	$1,321,254	$1,364,514	103%
2018	$1,201,580	$1,298,013	108%
2017	$1,193,766	$1,276,452	107%
2016	$1,066,446	$1,264,977	119%

As of 7/1/20

Market Value: $19,066,850

Actuarial Value: $19,544,755

Liabilities: $33,732,093

Membership:

Active: 73 Inactive: 69

Normal Retirement Formula:

65% of compensation for the first 25 years of service plus 1% for each of the next 5 years of service in excess of 25. Max of 70% of compensation.

Normal Retirement Eligibility: 25 years of service

Hired on/after 7/1/07: Age 55 and 25 years of service

Social Security Coverage: No

COLA: Ad hoc. Max 3% annually. No COLA if funded ratio below 50%. (Repealed 7/1/21)

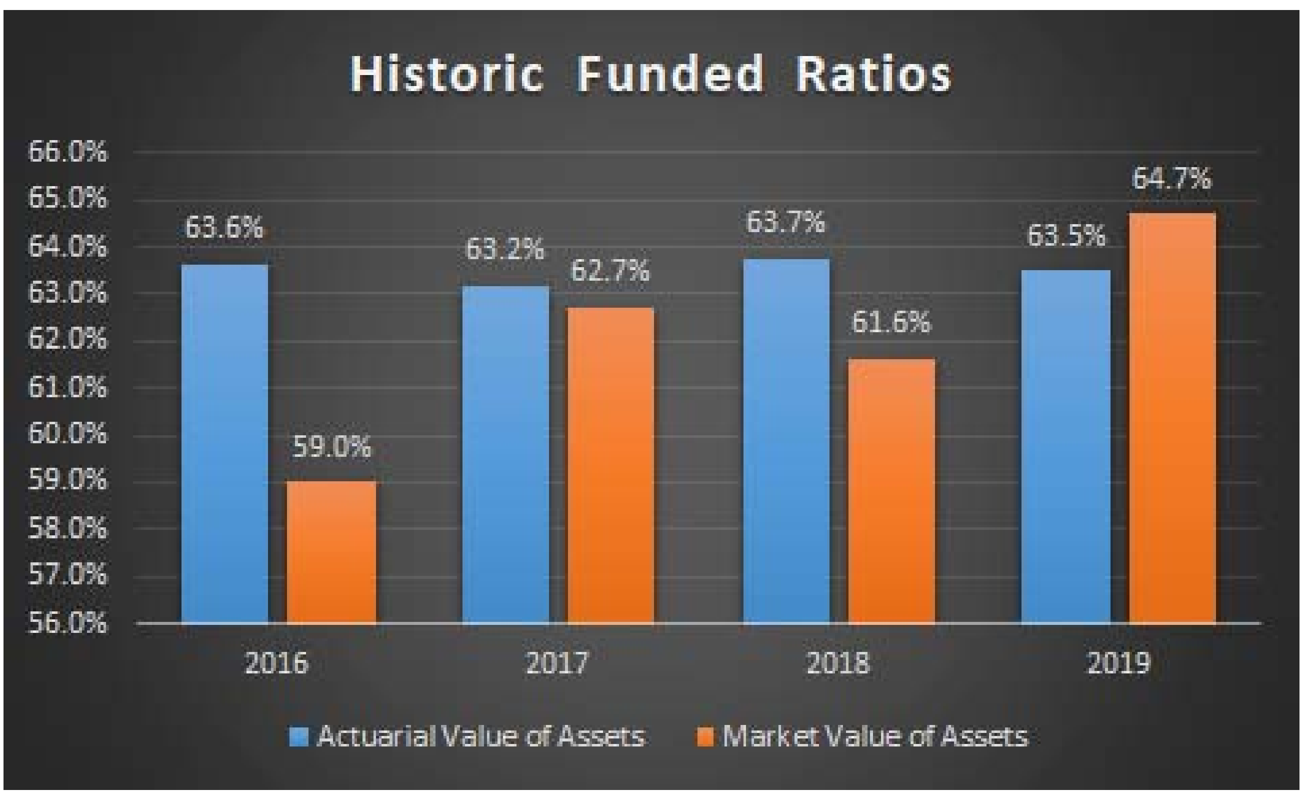
Assumed Rate of Return: 7%

Salary: 3.5%

**The computed contribution decreased from the previous year. However, the plan document provides that the City's actual contribution cannot decrease from one year to the next until the plan is 80% funded.

JOPLIN POLICE & FIRE PENSION PLAN

- Rate of return on investments equaled 11.6% (Market) & 5.7% (Actuarial) vs. 6.75% assumed.
- On 11/5/19, city voters adopted a one-half of one percent sales tax to provide additional funding. The tax will expire when the plan is 120% funded or in twelve years, whichever is earlier.
- In February 2020, the City closed the plan to new entrants. Members hired on/after 2/1/20 are enrolled in LAGERS. Members hired on/before 1/31/09 (Tier 1) remain in the closed Police & Fire Pension Plan. Members hired on/after 1/31/09 (Tier 2) had the option to remain in the closed plan or transfer to LAGERS. 128 of 131 eligible Tier 2 members chose to move to LAGERS.
- In June 2020, the actuary prepared a supplemental actuarial valuation and revised the actuarial assumptions and methods used by the plan due to the closure and membership changes.
- Lowered the assumed rate of return from 6.75 to 5.75.
- Changed the actuarial cost method from Entry Age Normal to the Aggregate Cost Method. Under the Entry Age Normal Cost method, 17 years remained on the closed 30 year amortization period. Under the Aggregate Cost method, the plan will use a ten year paydown period beginning in FY 21.
- Reset the actuarial value of assets from a five-year smoothed value to the market value of assets minus accumulated contributions of transferring members. In future valuations, five-year smoothing will be used.
- A new tier was implemented for those hired after 1/31/09 with provisions including normal retirement service of 25 years (from 20) and maximum benefit of 60% of compensation (from 65%).
- Employees hired on/before 1/31/09 contribute 18.08% of pay, which is refunded at retirement. Those hired after 1/31/09 contribute 10% of pay without refund upon retirement.



FY Ending 10/31,	RECOMMENDED CONTRIBUTION*	ACTUAL CONTRIBUTION*	PERCENT CONTRIBUTED
2021	$3,942,972 (revised as of 6/1/20 to reflect membership and actuarial changes)	N/A	N/A
2020	$2,921,839	N/A	N/A
2019	$2,814,812	$2,999,709	106.5%
2018	$2,706,972	$2,620,298	96.8%
2017	$2,657,867	$2,601,983	97.8%
2016	$2,708,565	$2,619,993	96.7%

*Contribution information is taken from Actuarial Valuation Report as of October 31, 2019, Page I-2, Schedule of Employer Contributions

As of 10/31/19

Market Value: $44,648,763

Actuarial Value: $43,779,962

Liabilities: $68,950,590

Membership:

Active: 192 Inactive: 166

Normal Retirement Formula:

Hired after 1/31/09: 2.2% of compensation for the first 25 years of service plus 1% for the next 5 years of service. Maximum 60% of compensation.

Hired on/before 1/31/09: 2.5% of compensation for the first 20 years plus 1% for each of the next 5 years. Maximum 65% of compensation.

Normal Retirement Eligibility:

Hired after 1/31/09: Age 60 or 25 YOS

Hired before 1/31/09: 20 YOS

Social Security Coverage: No

COLA: No COLA

Assumed rate of return: 6.75

Salary: 2.5

As of 6/1/20

Actuarial Value: $42,297,918

Membership:

Active: 63 (60 Tier 1, 3 Tier 2)

Inactive: 166

Members transferred to LAGERS: 128 active, 1 terminated vested

Normal Retirement Formula:

Hired after 1/31/09: 2.2% of compensation for the first 25 years of service plus 1% for the next 5 years of service. Maximum 60% of compensation.

Hired on/before 1/31/09: 2.5% of compensation for the first 20 years plus 1% for each of the next 5 years. Maximum 65% of compensation.

Normal Retirement Eligibility:

Hired after 1/31/09: Age 60 or 25 YOS

Hired before 1/31/09: 20 YOS

Social Security Coverage: No

COLA: No COLA

Assumed rate of return: 5.75

Salary: 2.5

Hired on/after 2/1/20: Members are enrolled in the LAGERS L-11 program. 2.5% of compensation X years of service.

Normal Retirement Eligibility: Age 55 with 5 years of service.

From: Haase, Leslie
To: Michael Ruff
Subject: RE: Joplin Police and Fire Pension Plan
Date: Sunday, November 8, 2020 2:17:00 PM

Michael:

This looks good. We don't have anything else to add.

Thanks!
Leslie

From: Michael Ruff <mruff@senate.mo.gov>
Sent: Tuesday, November 03, 2020 2:25 PM
To: Haase, Leslie <LHaase@joplinmo.org>
Subject: Joplin Police and Fire Pension Plan

Hello Leslie,
The JCPER is in the process of preparing its annual report of defined benefit plans that are funded below 70% on a market value basis. The Joplin Police and Fire Plan will be included in this report. I have used information from the September 2019 actuarial valuation and the June 1, 2020 supplemental valuation to show the changes that have occurred with the migration of Tier 2 employees to LAGERS – a "before and after" look at the plan.

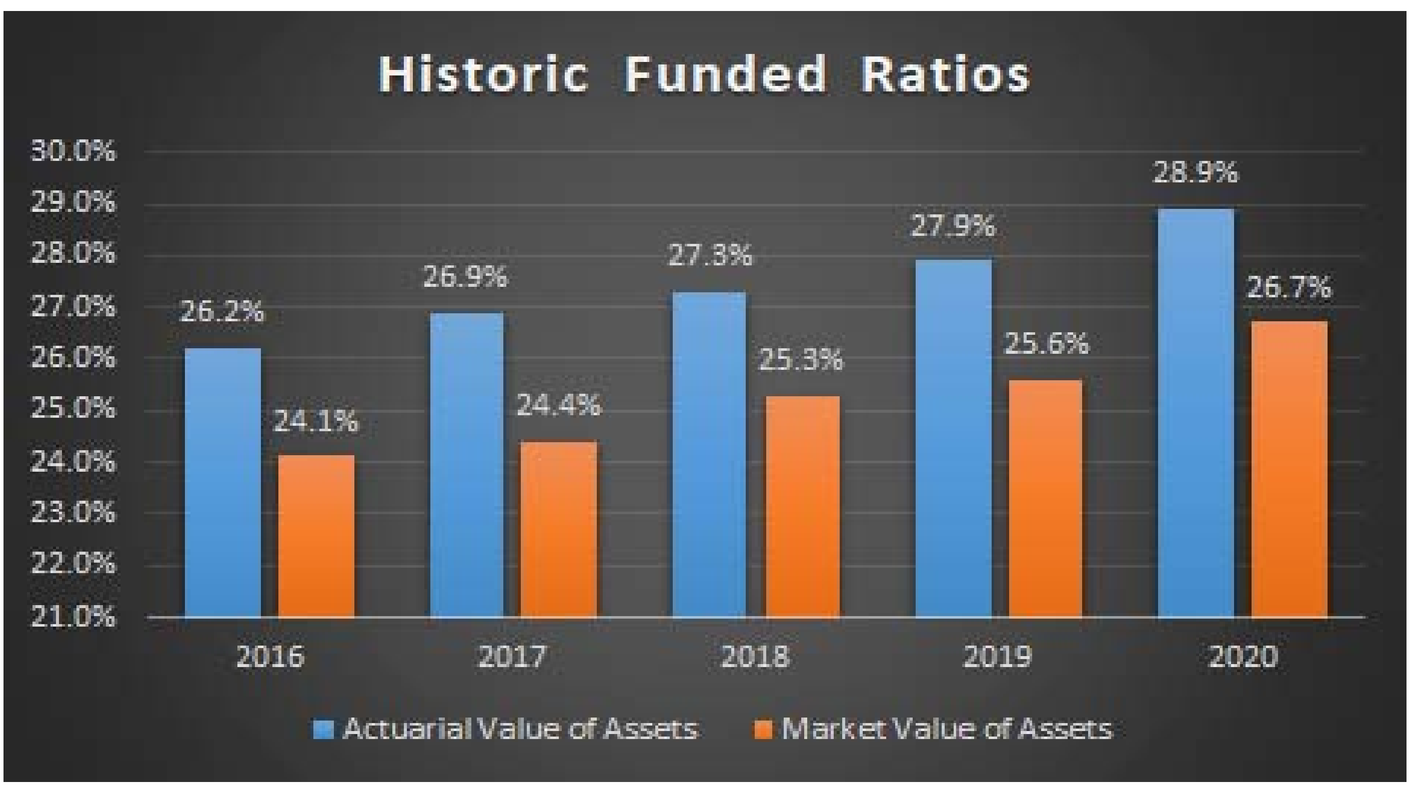
This information will be presented at the JCPER's fourth quarter meeting on Tuesday, December 1, 2020 at 1pm in Room 117 in the State Capitol. Please feel free to review this information and respond with any additional information or thoughts you believe appropriate. If you would like to respond, please provide any information or comments by Wednesday, November 18.

Thank you for your consideration and ongoing cooperation with the JCPER. Please do not hesitate to contact me if you have any questions or comments.

Michael
573-751-1280

JUDICIAL RETIREMENT PLAN

- For the year ending 6/30/20, investment return equaled 5.2% (Market) and 4.5% (Actuarial) vs. 7.1 assumed.
- As of 6/30/20, the board completed its three year reduction schedule for key economic assumptions: investment return, inflation, COLA, wage growth, and payroll growth. As of 6/30/20, lowered investment return to 6.95% and general wage growth to 2.5%. The net impact of these changes was an increase of $6.3 million in actuarial accrued liabilities and an increase of 0.78% in the employer contribution rate.
- The actuary incorporated a programming change to its valuation software that affected the calculation of the COLA for judges who work beyond normal retirement age; the change resulted in a decrease in the actuarial accrued liability of $11.8 million and a decrease in the employer contribution rate of 1.83%.
- Effective 6/30/18, the board modified the method of amortizing the UAAL from a closed 30 year period (adopted 6/30/14) to a layered approach. The cumulative UAAL was established as an initial base to be amortized over 30 years with each year's gains/losses amortized as an additional layer over 30 years.
- Modified the asset smoothing method from an open five-year period to a closed five-year period. Existing unrecognized investment experience as of 6/30/18 will be recognized over a closed seven-year transition period.
- New tier provisions were passed in 2010 requiring increased age and service requirements, as well as employee contributions of 4% for judges serving for the first time on or after 1/01/11. As more employees fall under the 2011 tier, normal cost will decrease.
- The number of active members covered by the 2011 tier increased from 216 in the prior year's valuation to 235. This 2011 tier membership increase resulted in a normal cost rate decrease of 0.47%.
- Prior to 1998, the plan was funded on a pay-as-you-go basis so no pre-funding occurred. When funding on an actuarial basis began, the funded ratio was at 0%.



FY End-ing 6/30,	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUT-ED
2020	$39,174,515	$39,174,515	100%
2019	$38,604,668	$38,604,668	100%
2018	$36,892,203	$36,892,203	100%
2017	$32,670,710	$34,246,826	104.8%
2016	$31,604,527	$33,642,497	106%

As of 6/30/20

Market Value: $167,288,066

Actuarial Value: $180,713,310

Liabilities: $624,847,011

Membership:

Active: 418 **Inactive**: 625

Normal Retirement Formula:

50% of compensation. Less than service requirement=pro-rated benefit based on service

Normal Retirement Eligibility:

Age 62 with 12 years of service

Age 60 with 15 years of service

Age 55 with 20 years of service

Serving for the first time on/after 1/1/11:

Age 67 with 12 years of service

Age 62 with 20 years of service

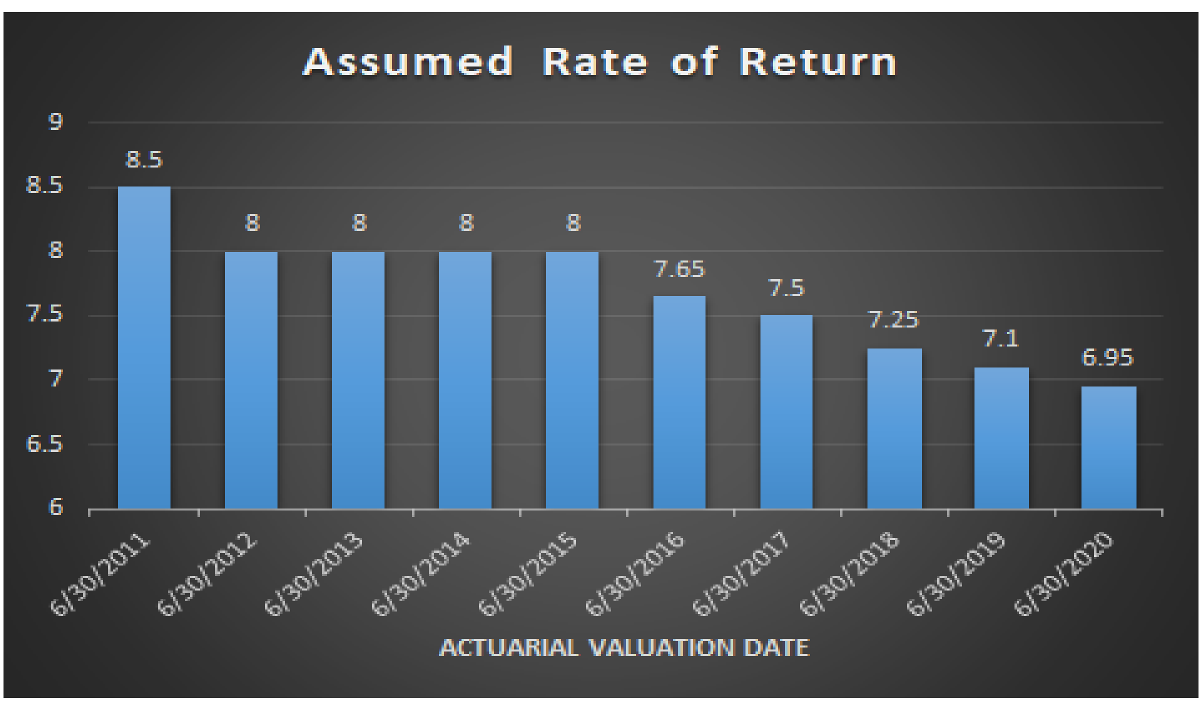
Social Security Coverage: Yes

COLA: Annual max 5%, 80% CPI

Assumed rate of return: 6.95

General Wage Growth: 2.5

The board of trustees has lowered the assumed rate of return six times since the June 30, 2012 valuation date from 8.5 to 6.95.



MOSERS
MISSOURI STATE EMPLOYEES' RETIREMENT SYSTEM

PO Box 209, Jefferson City, MO 65102-0209
(573) 632-6100 or (800) 827-1063
Fax (573) 632-6103 | ***www.mosers.org***

November 17, 2020

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

Dear Michael:

Thank you for the opportunity to respond to the inclusion of the Judicial Retirement Plan (Judicial Plan) on the annual "Watch List" of the Joint Committee on Public Employee Retirement (JCPER). We would like to offer the following information for the Committee's review.

As you are aware, the Judicial Plan was operated on a pay-as-you-go basis prior to 1998 when the law was changed to require that the plan be funded on an actuarial basis. The funded status of the Judicial Plan was approximately 0% in 1999 and has increased to the June 30, 2020 funded ratio of 28.9%.

In June 2018, the MOSERS Board of Trustees adopted a funding policy to incrementally reduce the Judicial plan investment rate of return assumption. This policy reduced MOSERS investment rate of return assumption from 7.5% to an eventual investment rate of return assumption of 6.95%, effective with the June 30, 2018 actuarial valuation through the June 30, 2020 actuarial valuation. In June 2020, the Board remained committed to this funding policy through the last incremental reduction of the investment rate of return assumption to 6.95% (from 7.10%).

Actuarial Valuation Date	Employer Contribution Applied	ROR Assumption	ROR Assumption (without Inflation Assumption)
June 30, 2019	FY21	7.10%	4.75%
June 30, 2020	FY22	6.95%	4.70%

This board-adopted funding policy is intended to more closely align the fund's investment return assumption with capital market expectations. While public pension funds across the state and nation are re-evaluating the appropriate level of an investment return assumption to reduce the long-term investment risk, such reduction often requires an <u>increased</u> Employer Contribution Rate to the plan and results in a <u>decreased</u> Funded Ratio. The information contained in the June 30, 2020 annual actuarial valuation (see below) illustrates how a change in the investment return assumption rate can significantly affect the plan's Employer Contribution Rate and Funded Ratio.

JUDICIAL PLAN SENSITIVITY ANALYSIS

Investment Return Assumption	**5.95%**	**6.45%**	**6.95%**	**7.45%**	**7.95%**
Total Employer Contribution (% of pay)	67.34%	64.54%	61.94%	59.49%	57.20%
Total Employer Contribution ($ in millions)	$43.6	$41.8	$40.1	$38.5	$37.1
Actuarial Value of Assets	$180.7	$180.7	$180.7	$180.7	$180.7
Actuarial Accrued Liability	$687.4	$654.9	$624.8	$597.0	$571.3
Funded Ratio	26.3%	27.6%	28.9%	30.3%	31.6%

2010 Pension Reform

As you are aware, the General Assembly passed pension reform relative to judges in the 2010 special session. This reform was implemented as the "Judicial Plan 2011" for judges serving for the first time on or after January 1, 2011. As included in the June 30, 2020 annual actuarial valuation, the ongoing annual cost of the **Judicial Plan 2011** (known as the "Employer Normal Cost") is 16.19% of pay, compared to the **pre-2011** annual cost of 20.96% of pay. Approximately 56% of the 418 Judicial Plan active employees are Judicial Plan 2011 members.

Judicial Plan Actuarial Valuation Results as of 06/30/20	**Percents of Payroll**		
	Pre 01/01/11 Hires	**Post 01/01/11 Hires**	**Weighted Average**
Normal Cost	20.96%	20.19%	20.53%
Less **Member** Contributions	0.00%	4.00%	2.26%
Employer Normal Cost	20.96%	16.19%	18.27%
Unfunded Actuarial Accrued Liabilities (UAAL) (level % of payroll amortization with layered bases)			43.67%
Total FY22 Computed Employer Contribution Rate			61.94%
Estimated Employer Contribution ($ in Millions)			$40.1

We hope this information is helpful to the JCPER as it conducts its proceedings. If you have any questions or we can provide additional information, please do not hesitate to contact our office.

Sincerely,

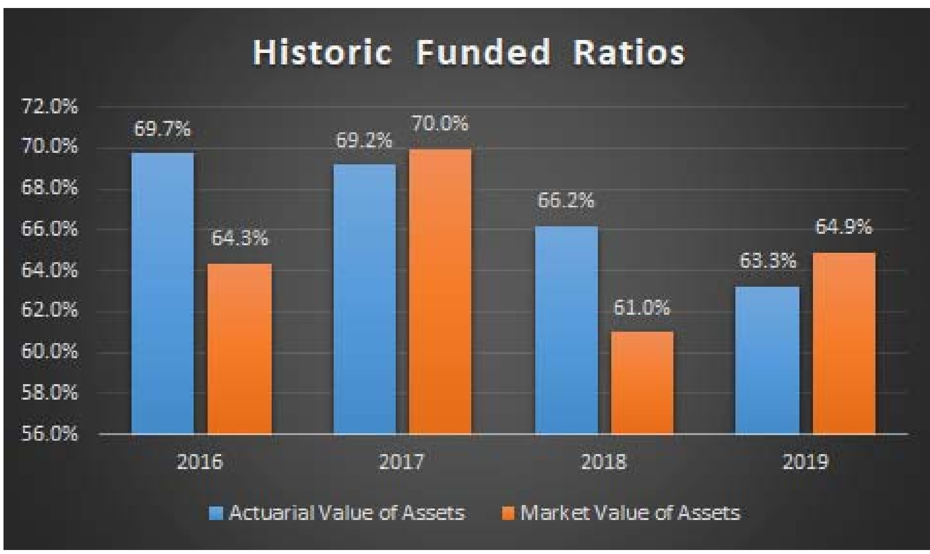
Ronda Stegmann

Ronda Stegmann
Executive Director

cc: MOSERS Board of Trustees

KANSAS CITY PUBLIC SCHOOL RETIREMENT SYSTEM

- For the year ending 12/31/19, net rate of return on investments equaled 18.22% (Market) and 5.7% (Actuarial) versus 7.75% assumed.
- Effective with the 1/1/20 actuarial valuation, the plan's board of trustees lowered the assumed rate of return from 7.75% to 7.5%. This change increased the UAAL by $23.4 million and increased the actuarial contribution rate by 0.88%. The system's actuary is in the process of completing a four-year experience study for the period ended 12/31/19.
- In 2018, the General Assembly passed SB 892 that, in part, increased the employer contribution rate from 9% to 10.5% in calendar year 2019 and then to 12% on 1/1/20. Beginning 7/1/21, a statutory formula will be used to determine the employer contribution rate and depending on valuation results, whether future employee contribution rates may be lowered from the current 9%. The actuary writes "these changes to the determination of the employer contribution rate were a significant step in strengthening the long-term funding of the system and providing a sustainable path towards full funding."
- FY20 is the first year since 2011 in which the actual contribution rate (21%) will exceed the actuarial contribution rate (20.8%).
- Effective with the 1/1/17 valuation, the board of trustees changed the amortization policy for payment of UAAL from an open 30 to a layered approach: initial UAAL as of 1/1/17 is amortized over a closed 30-year period with subsequent pieces amortized over closed 20-year periods.
- The General Assembly passed legislation in 2013 that established a new tier for employees hired on or after 1/1/2014. New hires receive a 1.75% benefit multiplier (instead of 2%) and have increased age and service requirements to age 62 & 5 years of service or rule of 80 (versus age 60 & 5 YOS or rule of 75).



Year ending 12/31,	RECOMMENDED CONTRIBUTION* (In thousands)	ACTUAL CONTRIBUTION* (In thousands)	PERCENT CONTRIBUTED
2019	$22,144	$21,489	97%
2018	$19,125	$17,528	92%
2017	$18,074	$16,927	94%
2016	$20,224	$16,280	80%
2015	$18,866	$14,499	77%

*See Schedule of Employers' Contributions, Financial Statements for the Years Ended December 31, 2019 and 2018, page 25

As of 1/1/20

Market Value: $662,085,840

Actuarial Value: $645,373,172

Liabilities: $1,020,121,813

Membership:

Active: 4,074 Inactive: 7,305*

Normal Retirement Formula:

2% of compensation times years of service. **Hired on/after 1/1/14:** 1.75% of compensation times YOS.

Normal Retirement Eligibility:

Age 60 with 5 years of service or Rule of 75. **Hired on/after 1/1/14:** Age 62 with 5 years of service or Rule of 80.

Social Security Coverage: Yes

COLA: Ad hoc. Annual max 3%

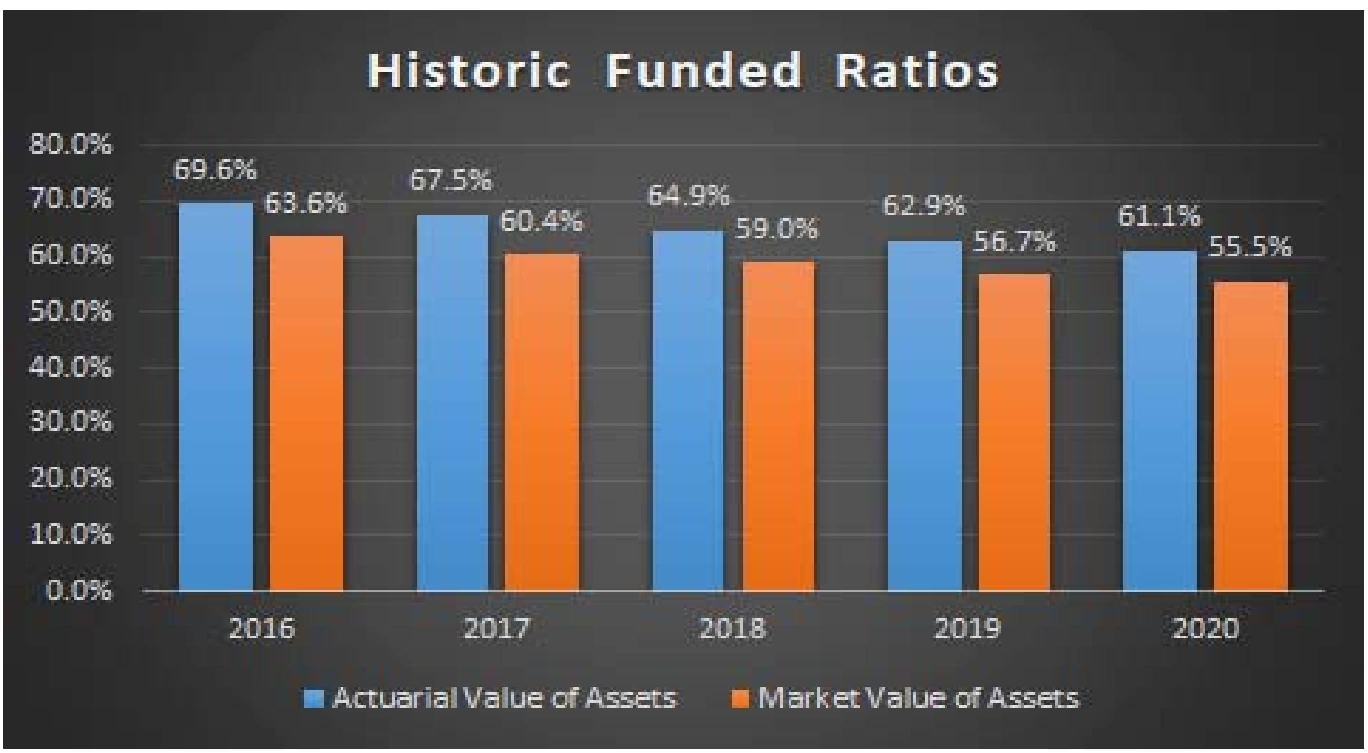
Assumed Rate of Return: 7.5%

Salary Increases: 5%

*2,631 inactives are terminated non-vested and will not receive a benefit.

MISSOURI STATE EMPLOYEES' RETIREMENT SYSTEM

- For the year ending June 30, 2020, rate of return on investments equaled 5.2% (market) and 3.9% (actuarial) vs. 7.1% assumed.
- As of 6/30/20, the board completed its three-year reduction schedule for key economic assumptions: investment return, inflation, COLA, wage growth, and payroll growth. As of 6/30/20, lowered investment return to 6.95 and wage growth to 2.5. The net impact of these changes was an increase in actuarial accrued liability of $125 million and an increase of 0.46% in the employer contribution rate.
- The actuary incorporated a programming change to its valuation software that affected the calculation of the COLA for members who work beyond normal retirement age; the change resulted in a decrease in the actuarial accrued liability of $121 million and a decrease in the employer contribution rate of 0.45%.
- Effective 6/30/18, the board modified the method of amortizing the UAAL from a closed 30 year period (adopted 6/30/2014) to a layered approach. The cumulative UAAL was established as an initial base to be amortized over 30 years with each year's gains/losses amortized as an additional layer over 30 years.
- Modified the asset smoothing method from an open five-year period to a closed five-year period. Existing unrecognized investment experience as of 6/30/18 will be recognized over a closed seven-year transition period.
- The computed employer contribution rate as a percent of payroll increased from 22.88% for FY21 to 23.51% for FY22.
- In 2018, the Board adopted a new investment portfolio asset allocation. The board is transitioning the portfolio over a 36-month period through 12/31/21. As of 6/30/20, 58% of the transition has been completed with the transition three months ahead of schedule.
- New tier provisions were passed in 2010 requiring increased age and service requirements, as well as employee contributions of 4% for employees hired for the first time on or after 01/01/11. The number of active members covered by the 2011 tier increased from 21,893 (6/30/19) to 23,075 (6/30/20). The actuary writes that "Because the benefit structure is different for MSEP 2011 members...the ongoing cost of the System declines as a larger percentage of active members are covered by MSEP 2011."



Year Ending 6/30	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
2020	$436,895,653	$436,895,653	100%
2019	$394,150,042	$394,150,042	100%
2018	$379,557,962	$379,557,962	100%
2017	$322,772,697	$335,217,422	104%
2016	$310,124,928	$329,957,369	106%

- The board of trustees has lowered the assumed rate of return six times since the June 30, 2012 valuation date from 8.50% to 6.95%.
- When describing the growth of the system's liabilities, the actuary writes that "Some of the growth is due to significant changes in the actuarial assumptions...including lowering the investment return assumption from 8.50% to 6.95%."

As of 6/30/20

Market Value: $7,910,830,533

Actuarial Value: $8,711,224,151

Liabilities: $14,258,408,888

Active Members: 45,999

Inactive Members: 89,790

Normal Retirement Formula:

MSEP 2000: 1.7% of compensation times years of service plus 0.8% to age 62 (temp benefit under Rule of 80 or Rule of 90 for the 2011 Tier).

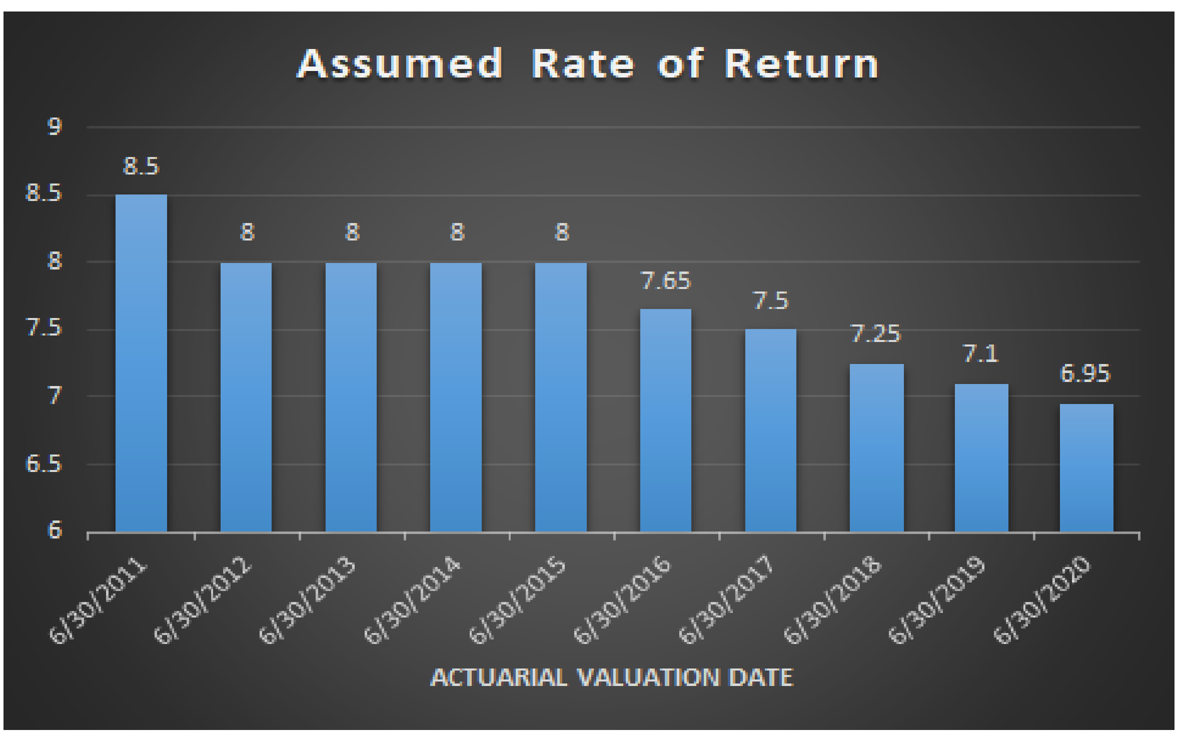
Normal Retirement Eligibility: Age 62 with 5 years of service or Rule of 80. 2011 Tier: Age 67 with 5 years of service or Rule of 90 with minimum age of 55.

Social Security Coverage: Yes

COLA: Annual Max 5%, 80% of CPI

Assumed Rate of Return: 6.95

Salary: 2.5



MOSERS
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PO Box 209, Jefferson City, MO 65102-0209
(573) 632-6100 or (800) 827-1063
Fax (573) 632-6103 | www.mosers.org

November 17, 2020

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

Dear Michael:

Thank you for the opportunity to respond to the inclusion of the Missouri State Employees' Retirement System (MOSERS) on the annual "Watch List" of the Joint Committee on Public Employee Retirement (JCPER). We would like to offer the following information for the Committee's review.

In June 2018, the MOSERS Board of Trustees adopted a funding policy to incrementally reduce MOSERS' investment rate of return assumption. This policy reduced MOSERS investment rate of return assumption from 7.5% to an eventual investment rate of return assumption of 6.95%, effective with the June 30, 2018 actuarial valuation through the June 30, 2020 actuarial valuation. In June 2020, the Board remained committed to this funding policy through the last incremental reduction of the investment rate of return assumption to 6.95% (from 7.10%).

Actuarial Valuation Date	Employer Contribution Applied	ROR Assumption	ROR Assumption (without Inflation Assumption)
June 30, 2019	FY21	7.10%	4.75%
June 30, 2020	FY22	6.95%	4.70%

This board-adopted funding policy is intended to more closely align the fund's investment return assumption with capital market expectations. While public pension funds across the state and nation are re-evaluating the appropriate level of an investment return assumption to reduce the long-term investment risk, such reduction often requires an <u>increased</u> Employer Contribution Rate to the plan and results in a <u>decreased</u> Funded Ratio. The information contained in the June 30, 2020 annual actuarial valuation (see below) illustrates how a change in the investment return assumption rate can significantly affect the plan's Employer Contribution Rate and Funded Ratio.

MOSERS SENSITIVITY ANALYSIS

Investment Return Assumption	**5.95%**	**6.45%**	**6.95%**	**7.45%**	**7.95%**
Total Employer Contribution (% of pay)	28.43%	25.92%	23.51%	21.20%	18.97%
Total Employer Contribution ($ in millions)	$599.7	$546.7	$495.9	$447.2	$400.1
Actuarial Value of Assets	$8,711.2	$8,711.2	$8,711.2	$8,711.2	$8,711.2
Actuarial Accrued Liability	$15,858.9	$15,023.2	$14,258.4	$13,556.9	$12,912.3
Funded Ratio	54.9%	58.0%	61.1%	64.3%	67.5%

2010 Pension Reform

As you are aware, the General Assembly passed pension reform relative to state employees in the 2010 special session. This reform was implemented as the "MSEP 2011" for state employees hired for the first time on or after January 1, 2011. As included in the June 30, 2020 annual actuarial valuation, the ongoing annual cost of the **MSEP 2011** (known as the "Employer Normal Cost") is 4.08% of pay, compared to the **pre-2011** annual cost of 8.90% of pay. Approximately 50% of the 45,999 MOSERS' active employees are MSEP 2011 members.

Actuarial Valuation Results as of 06/30/20	**Percents of Payroll**		
	MSEP & MSEP 2000	**MSEP 2011**	**Weighted Average**
Normal Cost	8.90%	8.08%	8.53%
Less **Member** Contributions	0.00%	4.00%	1.80%
Employer Normal Cost	8.90%	4.08%	6.73%
Unfunded Actuarial Accrued Liabilities (UAAL) (level % of payroll amortization w layered bases)			16.78%
Total FY22 Computed Employer Contribution Rate			23.51%
Estimated Employer Contribution ($ in Millions)			$495.9

We hope this information is helpful to the JCPER as it conducts its proceedings. If you have any questions or we can provide additional information, please do not hesitate to contact our office.

Sincerely,

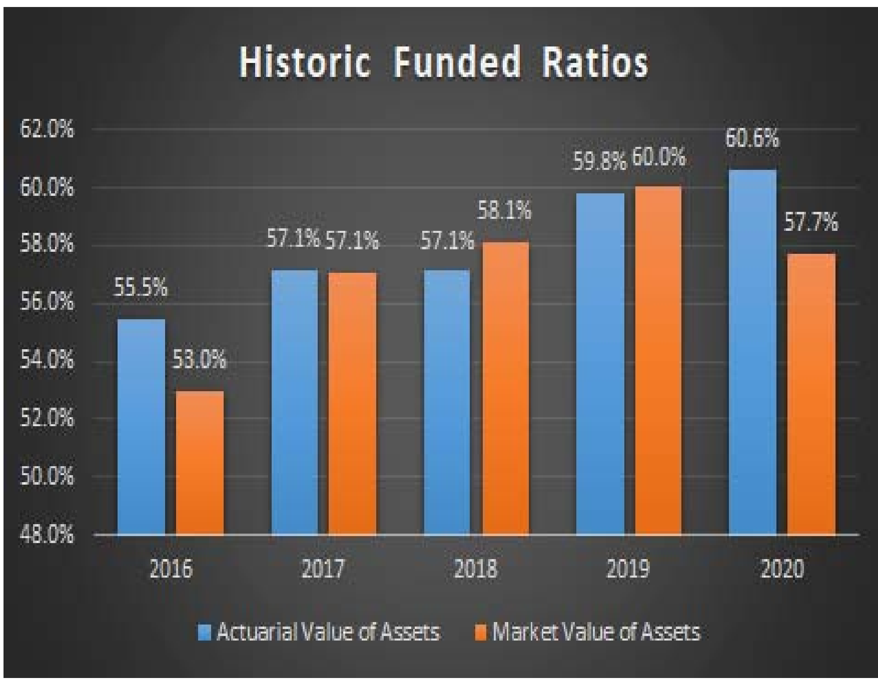
Ronda Stegmann

Ronda Stegmann
Executive Director

cc: MOSERS Board of Trustees

MoDOT & HIGHWAY PATROL EMPLOYEES' RETIREMENT SYSTEM (MPERS)

- Rate of return on investments equaled –0.44% (Market) and 4.9% (Actuarial) vs. 7% assumed as of 6/30/20.
- The Board of Trustees has retained a governance consultant to review board governance policies. The Board's investment consultant completed an asset/liability study. Planning to implement investment portfolio changes.
- The actuary writes that "our modeling indicates that the current economic assumptions are reasonable based on the asset allocation adopted by the Board at the June 18, 2020 Board meeting. However, our modeling indicates a continued trend downward of future expectations of investment returns...there is an increasing likelihood that we will be recommending lowering the investment return assumption within the next couple of years, assuming the trend on future expectations continues."
- Completed a 5-year experience study for the period July 1, 2012 to June 30, 2017. Lowered the assumed rate of return from 7.75 to 7. Updated mortality tables. Adjusted additional assumptions including: price inflation, withdrawal, disability, retirement rate, and wage increases due to merit and longevity.
- New tier provisions were passed in 2010 requiring increased age and service requirements and an employee contribution rate of 4% of pay for employees hired for the first time on or after 01/01/11. As of 6/30/20, 3,131 active members were covered under the 2011 tier.
- In 2009, the actuary presented an accelerated amortization schedule in accordance with 105.684. As of 6/30/20 valuation, the plan uses a closed 4-year amortization period for unfunded retiree liabilities and a closed 19-year amortization period for the remaining unfunded liabilities (for the plan year beginning 7/1/21).
- In September 2014, the Board established a "rate stabilization reserve fund" from experience gains to attempt to maintain the employer contribution rate at or close to its current level (58% of covered payroll).



Year Ending June 30,	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
2020	$210,871,852	$210,871,852	100%
2019	$210,166,927	$210,166,927	100%
2018	$204,955,180	$204,955,180	100%
2017	$206,562,924	$206,562,924	100%
2016	$199,609,396	$199,609,396	100%

As of 6/30/20

Market Value: $2,361,599,888

Actuarial Value: $2,481,329,531

Liabilities: $4,092,097,897

Membership:

Active: 7,355 Inactive: 11,276

Normal Retirement Formula:

Year 2000 Plan: 1.7% of compensation times years of service plus 0.8% to age 62 (temporary benefit under rule of 80 or rule of 90 for the 2011 Tier)

Normal Retirement Eligibility:

Age 62 with 5 years of service or rule of 80. Uniformed Patrol: Mandatory retirement at age 60. Rule of 80 with minimum age of 48.

Hired for the first time on/after 1/1/11: Age 67 with 5 years of service or Rule of 90 (age 55). Uniformed Patrol: Age 55 with 5 years of service. Mandatory retirement at age 60.

Social Security Coverage: Yes

COLA: Annual Max 5%; 80% of CPI

Assumed rate of return: 7%

Salary: 3%

From:	Scott Simon
To:	Michael Ruff
Subject:	RE: MPERS watch list
Date:	Tuesday, November 3, 2020 1:42:56 PM
Attachments:	image001.png image002.png image004.png

Michael, The “one pager” looks accurate to me. Thanks for the opportunity to review.

ss

Scott L Simon **I** *Executive Director*
MoDOT & Patrol Employees’ Retirement System
PO Box 1930 • Jefferson City, MO 65102-1930
P (573) 298-6020 • F (573) 522-6111
www.mpers.org

From: Michael Ruff <mruff@senate.mo.gov>
Sent: Tuesday, November 3, 2020 12:20 PM
To: Scott Simon <Scott.Simon@mpers.org>
Subject: MPERS watch list

Hello Scott,
Thank you for talking with me this morning about MPERS. I am attaching this year’s watch list one-pager for MPERS. It is based on the June 30, 2020 actuarial valuation. I included information on current events happening at MPERS – governance consultant, asset/liability study, and the plan to implement some investment portfolio changes. I also added a portion of GRS’s language about the assumed rate of return and capital market expectations (which is something that has come up in other plans’ actuarial valuations as well).

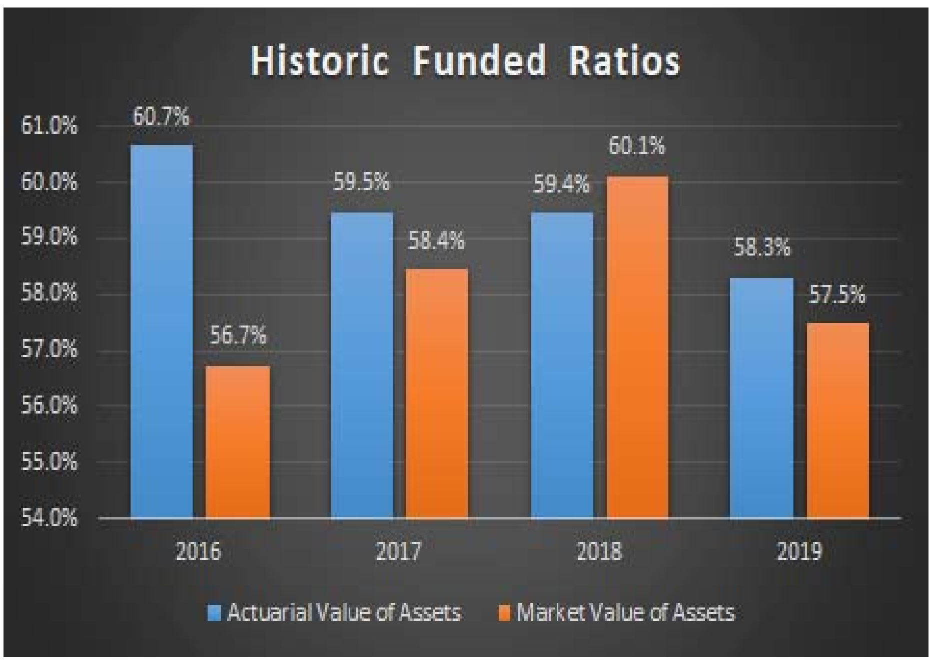
The JCPER will meet on Tuesday, December 1, 2020 at 1pm in Room 117 in the State Capitol. The meeting will be live streamed as an alternative to in-person attendance.

If you have any questions or comments, please feel free to call or email. Thank you.

Michael
573-751-1280

OVERLAND POLICE RETIREMENT FUND

- Rate of return on investments equaled 3.2% (Market) and 5.9% (Actuarial) vs. 7% assumed.
- In November 2020, the City Council increased employee contributions for lieutenants and captains to 8.5%.
- The City Council adopted three changes to the plan in 2017: increased employee contributions from 5% to 7.5%, phased out a retroactive COLA for certain members, and changed the refund of employee contributions upon retirement provision so employee contributions made after April 1, 2017 will not be refunded upon retirement. As part of the collective bargaining agreement approved in November 2018, the employee contribution rate for sergeants, corporals and police officers is now 9.4%.
- The employer contribution was supported by a tax levy of $0.12 that had been insufficient to meet the ADC since 2008. In August 2017, the voters approved a tax levy increase. The current City tax rates are $0.24 residential, $0.36 commercial, $0.367 personal. The actuary writes "These were recently increased...but are still below the recommended rate." The recommended contribution rate decreased from $0.58 as of 4/1/18 to $0.478 as of 4/1/19.
- The City made multiple changes to actuarial assumptions in 2014 based on the results of a five-year experience study, including lowering the assumed rate of return from 7.5 to 7.0 and updating mortality tables.
- The plan smooths investment gains and losses over five years.



Year Ending 3/31,	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
2020	$1,203,306	N/A	N/A
2019	$1,117,425	$680,159	61%
2018	$1,091,236	$553,559	51%
2017	$1,136,068	$233,363	21%
2016	$1,085,072	$242,311	22%

As of 4/1/19

Market Value: $13,030,126

Actuarial Value: $13,215,954

Liabilities: $22,668,850

Membership:

Active: 42 Inactive: 42

Normal Retirement Formula:

2.5% of compensation for the first 20 years of service plus 1.5% of compensation for each of the next 10 years of service.

Normal Retirement Eligibility:

20 years of service or Age 62 with 18 years of service or SSA full retirement age with 5 years of service.

Social Security Coverage: Yes

COLA: Annual Max 3%; 60% of CPI

Assumed Rate of Return: 7%

Salary: 3.5%

From: Melissa Burton
To: Michael Ruff
Subject: Overland Police Pension
Date: Tuesday, November 10, 2020 8:26:54 AM
Attachments: 2020-18 - Amend Section 200.400 Employee Contributions - Police Pension.pdf

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Good morning, Michael,

City Council passed Ordinance #2020-18, increasing employee contributions to the police pension for lieutenants and captains to 8.5 percent. The legislation also addressed the employee contribution level based on the collective bargaining agreement in November 2018.

The Police Chief is the only employee contributing at the 7.5 percent level.

Thanks!

Melissa J. Burton
City Clerk, MMC/MPCC
City of Overland
9119 Lackland Road
Overland, MO 63114
(314) 428-4321
(314) 428-3515 (fax)
www.OverlandMO.org

Sponsored By: Police Pension Board of Trustees

Bill No. 19-2020
Ordinance No. 2020-18

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF OVERLAND, MISSOURI, SECTION 200.400: EMPLOYEE CONTRIBUTIONS

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OVERLAND, COUNTY OF ST. LOUIS, STATE OF MISSOURI, AS FOLLOWS:

Section 1: The City Council hereby amends Section 200.400 of the Municipal Code of the City of Overland, Missouri by the deleting the current Section 200.400 and inserting the following in lieu thereof:

Section 200.400 Employee Contributions

Every covered employee of the Police Department of the City shall be assessed and required to pay into the Police Retirement Fund, herein created, a sum equal to the following:

1. five percent (5%) of his/her salary paid prior to April 1, 2017;

2. seven and one-half percent (7 1/2%) of his/her salary paid on or after April 1, 2017;

3. nine and four-tenths percent (9.4%) of an employee's salary paid on or after December 7, 2018, if the employee bears the rank of sergeant's or below; and

4. eight and one-half percent (8 1/2%) of an employee's salary paid on or after November 20, 2020, if the employee bears the rank of lieutenants or captain.

The City in making up its payroll for covered employees of the Police Department shall be authorized and is hereby required to deduct from the compensation and salary due each covered employee for each payroll period a sum representing employee contributions from compensation and such deduction shall be placed in a special fund and shall be paid monthly to the Treasurer of the Board of Trustees. All contributions made by covered employees on or after April 1, 2017, shall be deemed to be "pick-up" contributions under Code Section 414(h)(2). Each covered employee of the Police Department shall execute and deliver to the City Clerk an authorization, in proper form, for the deduction herein described, and no covered employee shall be employed in covered services in the Police Department unless he/she shall execute such authorization.

Section 2: This ordinance shall be in full force and effect from and after its passage and approval according to law.

PASSED this 9th day of November, 2020.

MAYOR

November 9, 2020

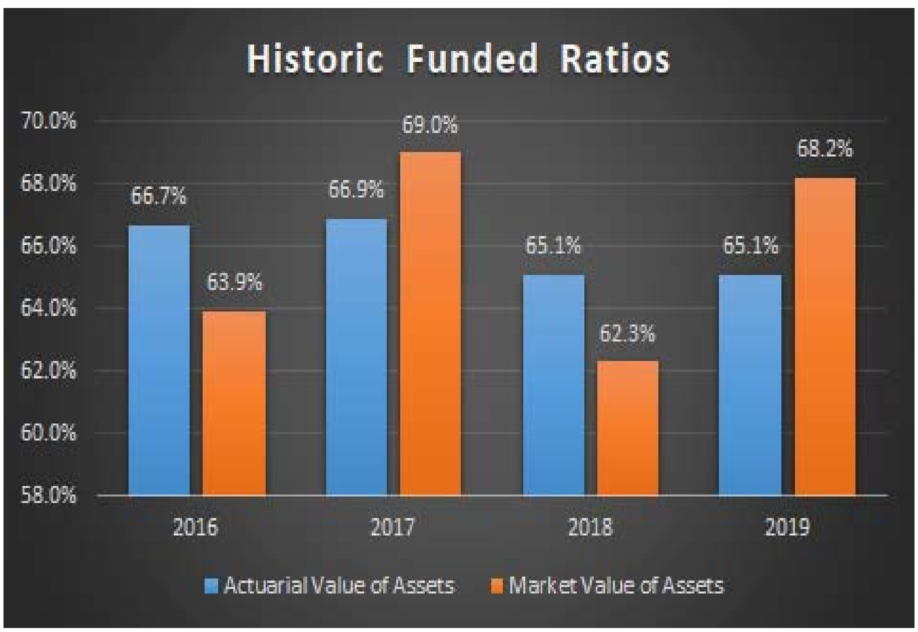
Date of Approval

ATTEST:

CITY CLERK

POPLAR BLUFF POLICE & FIRE PENSION PLAN

- Market rate of return on investments equaled 17.49% vs. 5.25% assumed.
- Updated mortality tables. The plan experienced an actuarial loss and an increase in the actuarially determined contribution. The actuary identifies several factors for the actuarial loss, including contributions less than the 2019 ADC, higher salaries than in the prior year, and an overall loss due to the experience of the participant group.
- A property tax levy of $0.0976 per $100 of assessed valuation is used to fund the plan. The City has not contributed 100% of the ADC beginning with plan year 2012. The actuary cautions that "Over the years, the plan sponsor has been contributing 30-50% of the ADC. This contribution policy will likely not be enough to cover future benefit obligations and ADC is likely to increase with each year the contribution is under 100%."
- Prior to the 1/1/19 valuation, the plan's actuary conducted a comprehensive review of assumptions. Effective with the 1/1/19 valuation, the following assumptions were changed: increased the assumed rate of return from 5 to 5.25, increased inflation assumption from 2 to 2.25, and updated mortality tables.
- Effective with the January 1, 2015 actuarial valuation, the cost method was changed from the Aggregate method to the Entry Age Normal cost method with a 20-year amortization period for unfunded liabilities. Initial UAAL as of 1/1/15 will be amortized over a closed 20 year period. Subsequent gains and losses are amortized over 15 year periods.



January 1,	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
2020	$938,667	N/A	N/A
2019	$912,881	$201,001	22%
2018	$850,408	$254,653	30%
2017	$811,036	$253,225	31%
2016	$579,058	$330,864	57%
2015	$543,721	$235,832	43%

As of 1/1/20

Market Value: $13,564,525

Actuarial Value: $12,928,322

Liabilities: $19,868,789

Membership:

Active: 76 **Inactive**: 75

Normal Retirement Formula:

2% of compensation for the first 20 years of service plus 1.5% for each additional year of service. Maximum benefit of $1650 per month.

Normal Retirement Eligibility:

Later of age 55 or 5 years of service.

Social Security Coverage: No

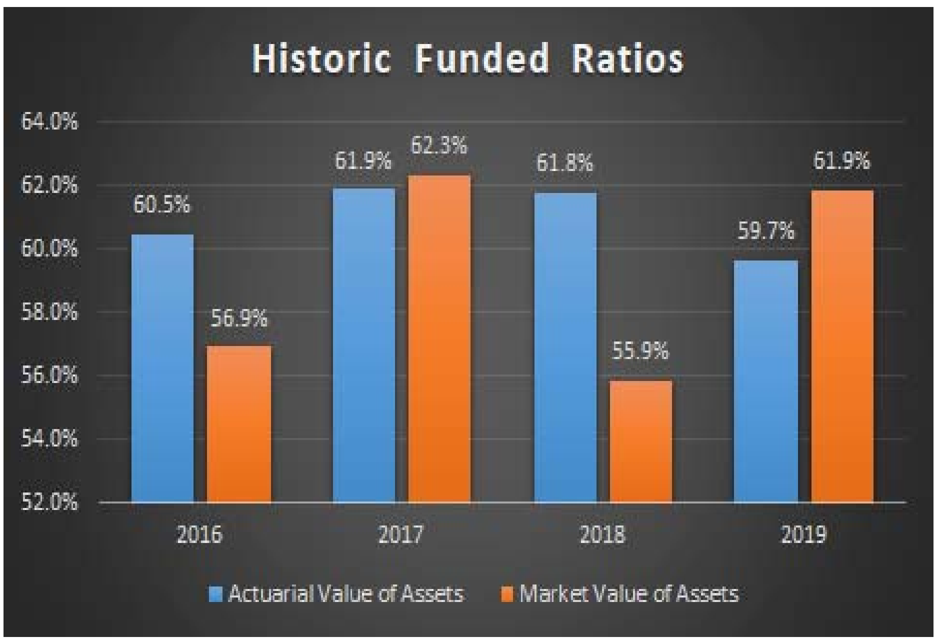
COLA: No COLA

Assumed rate of return: 5.25%

Salary: 3%

RAYTOWN POLICE OFFICERS' RETIREMENT FUND

- Rate of return on investments equaled 21.6% (market) and 5.62% (actuarial) vs. 7.5% assumed.
- Updated mortality tables to Pub2010-Public Safety Mortality Table with the most recent projection scale.
- The actuary writes that "the asset gains experienced in 2019 will be recognized in the four succeeding valuations, and should help the funding status continue to improve. The change to mortality tables reflecting mortality specific to Public Service participants is warranted, and increased plan liabilities just 0.9%. The City policy to contribute the recommended contribution will allow the funded status to gradually improve."
- Effective with the 1/1/16 valuation, the plan implemented five year smoothing of investment gains and losses. This is designed to reduce volatility of market returns and produce more stability in contribution rates.
- The plan utilizes a closed 30-year period for amortization of unfunded actuarial accrued liabilities that began 1/1/14.
- An employee contribution of 3% of pay was ceased in 2000 when the Plan was 101% funded.
- The Plan was frozen as of December 31, 2013 with members moving to LAGERS.



Year ended 12/31,	RECOMMENDED CONTRIBUTION*	ACTUAL CONTRIBUTION*	PERCENT CONTRIBUTED
2020	$635,147	N/A	N/A
2019	$590,127	$590,127	100%
2018	$593,459	$593,459	100%
2017	$608,134	$608,134	100%
2016	$562,862	$562,862	100%

* Contribution history taken from January 1, 2020 Valuation, Page 19, Ten-Year Schedule of Contributions.

As of 1/1/20

Market Value: $10,717,776

Actuarial Value: $10,333,301

Liabilities: $17,322,028

Membership:

Active: 15 **Inactive**: 67

Normal Retirement Formula:

2.5% of compensation for the first 20 years of service plus 1% for each of the next 10 years of service. Benefits frozen as of 12/31/13.

Normal Retirement Eligibility:

Age 55 with 20 years of service

Social Security Coverage: Yes

COLA: No COLA

Assumed Rate of Return: 7.5%

Salary: 4%

From:	Robert J. Kuehl
To:	Michael Ruff
Cc:	Randy Hudspeth
Subject:	RE: Raytown Police Officers' Retirement Fund
Date:	Tuesday, November 3, 2020 3:29:34 PM
Attachments:	Raytown Police.pdf

Sir,

Thank you very much for the information; we will discuss internally and provide any information or comments prior to the listed date in the below email.

Have a great and safe day!

Bob

****

Chief Robert J Kuehl
Raytown Police Dept
10000 East 59th St.
Raytown, MO 64133
Off: 816-737-6100

From: Michael Ruff [mailto:mruff@senate.mo.gov]
Sent: Tuesday, November 03, 2020 3:07 PM
To: Robert J. Kuehl
Subject: Raytown Police Officers' Retirement Fund

Dear Chief Kuehl,
Each year, the Joint Committee on Public Employee Retirement (JCPER) staff compiles a report for the committee's review that includes any defined benefit plan that has a funded ratio of less than 70% on a market value basis. We have used information from the January 1, 2020 actuarial valuation and the plan year 2019 annual survey submitted by McCloud & Associates. This report is designed to increase awareness of trends in plan funding and contribution levels.

I am attaching an information sheet relating to the Raytown Police Officers' Retirement Fund that will be presented to the JCPER at its fourth quarter meeting on Tuesday, December 1, 2020 at 1pm in Room 117 in the State Capitol. Please feel free to review this information and respond with any additional information or thoughts you deem appropriate. If you would like to respond, please provide any information or comments by Wednesday, November 18.

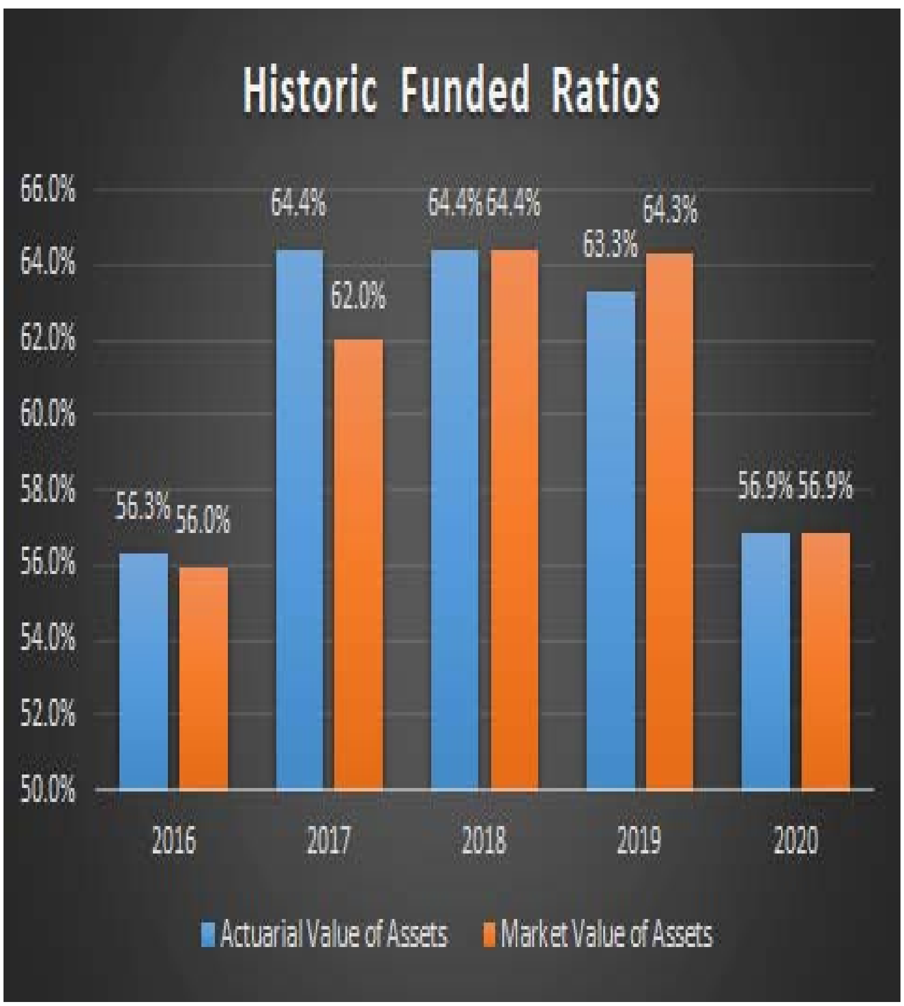
Thank you for your consideration and ongoing cooperation with the JCPER. Please do not hesitate to contact me if you have any questions or would like additional information.

Sincerely,

Michael Ruff

ROCK HILL UNIFORMED EMPLOYEES' PENSION PLAN

- For the fiscal year ended 3/31/20, the rate of return on investments equaled –8.35% (market) compared to 6.4% assumed.
- As of the May 1, 2020 actuarial valuation, the assumed rate of return was lowered from 6.4% to 5.5%. Updated mortality tables.
- The employer has not met the ADC since 2008. The City's 3/31/20 CAFR, page 17, notes that "The liability for the Uniformed Employee Pension Fund continues to be an on-going issue. The City contributions into the plan have averaged 75% of the Actuarial Required Contribution (ARC) for the past six years. The funded ratio has decreased from 63.43% in fiscal year 2019 to 53.69% in fiscal year 2020 as a result of depreciation of investment and City contributions." (The funded ratios identified in the CAFR are based on the 3/31 fiscal year end rather than the May 1 actuarial valuation date.)
- The CAFR page 44 notes that "As of March 31, 2020, the City did not have a formal contribution policy...Based on the actuary's recommendation, the City will research a contribution policy that better reflects the facts that the Plan is frozen and the number of active participants is declining."



As of 5/1/20

Market Value: $1,904,181

Actuarial Value: $1,904,181

Liabilities: $3,344,141

Membership:

Active: 7 **Inactive**: 18

Normal Retirement Formula:

40% or 50% of compensation, reduced by 1/20 for each year less than 20, plus temporary benefit. Percentage based on age and years of service as of 4/30/03.

Normal Retirement Eligibility: Age 60 with 20 years of service.

Social Security Coverage: Yes

COLA: No COLA

Assumed Rate of Return: 5.5

Salary: N/A

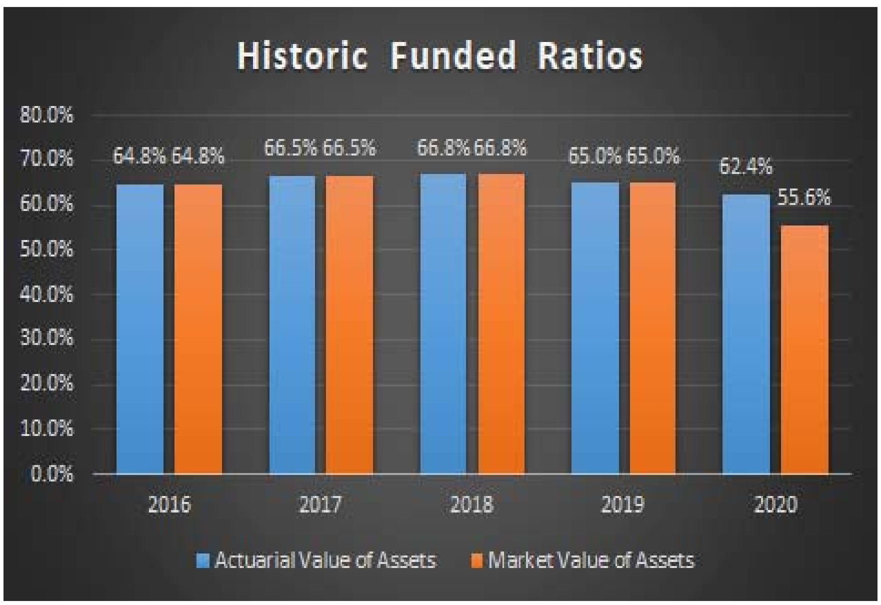
The City has an actuarial valuation performed every other year. This information is from the most recent valuation as of May 1, 2020.

Year Ending March 31,	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
2021	$279,993	N/A	N/A
2020	$178,339	$125,000	70%
2019	$178,339	$150,000	84%
2018	$212,536	$150,000	71%
2017	$212,536	$150,000	71%
2016	$199,227	$150,000	75%

- This plan was closed to new hires in May 2003. Benefit accruals were frozen as of 5/1/11.
- All active participants as well as new hires are members of LAGERS as of September 2007. The City had previously considered transferring the plan to LAGERS under section 70.621 but in fiscal year 2019, the Board of Aldermen held off on transferring the administration and trustee service for the plan to LAGERS due to the downturn in market performance.
- Contribution history is found in the Comprehensive Annual Financial Report for Fiscal Year Ended March 31, 2020, Page 65, Schedule of Contributions.
- *The Recommended Contribution for the Fiscal year ended March 31, 2021 is from the May 1, 2020 Actuarial Valuation, Page 2.

FIREFIGHTERS’ RETIREMENT FUND OF THE CITY OF SEDALIA

- Rate of return on investments equaled –6.9% (market) and 4.22% (actuarial) versus 7% assumed.
- Effective with the 4/1/20 actuarial valuation, updated mortality tables to Public Safety 2010. Adopted five-year smoothing of investment gains/losses to “realize less volatility in asset values and consequently less year-to-year volatility in contribution amounts.”
- Completed an experience study in November 2017 for the period 4/1/09 to 3/3/17. Updated termination and retirement rate assumptions and updated mortality tables.
- Beginning with the 4/1/16 valuation, the plan adopted a closed 30-year period for amortizing unfunded liabilities with additional UAAL amortized over layered 20-year periods. Previously, it used an open 30.
- The plan is funded by both property tax revenues ($0.051 per $100 of assessed valuation as of 3/31/19) and city-appropriated contributions based on the recommendation of the actuary.
- Discontinued employee contributions effective 4/1/12.
- The actuary writes “The Plan has been making progress toward a safe funding level. The City policy to contribute the recommended contribution will allow the fund status to continue to improve. We recommend a review of the Plan’s investment policy with asset managers and a future discussion regarding the discount rate currently being used.”



Year ending 3/31,	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
2021	$461,365	N/A	N/A
2020	$417,212	$428,571	103%
2019	$385,272	$367,813	95%
2018	$362,295	$450,145	124%
2017	$439,494	$353,426	80%
2016	$358,679	$331,451	92%

As of 4/1/20

Market Value: $6,279,520

Actuarial Value: $7,047,180

Liabilities: $11,297,192

Membership:

Active: 41 **Inactive**: 52

Normal Retirement Formula:

50% of Indexed Earnings Base (IEB) in the Year of Retirement

2020 IEB = $59,529

Normal Retirement Eligibility:

Age 55 with 22 years of service

Social Security Coverage: No

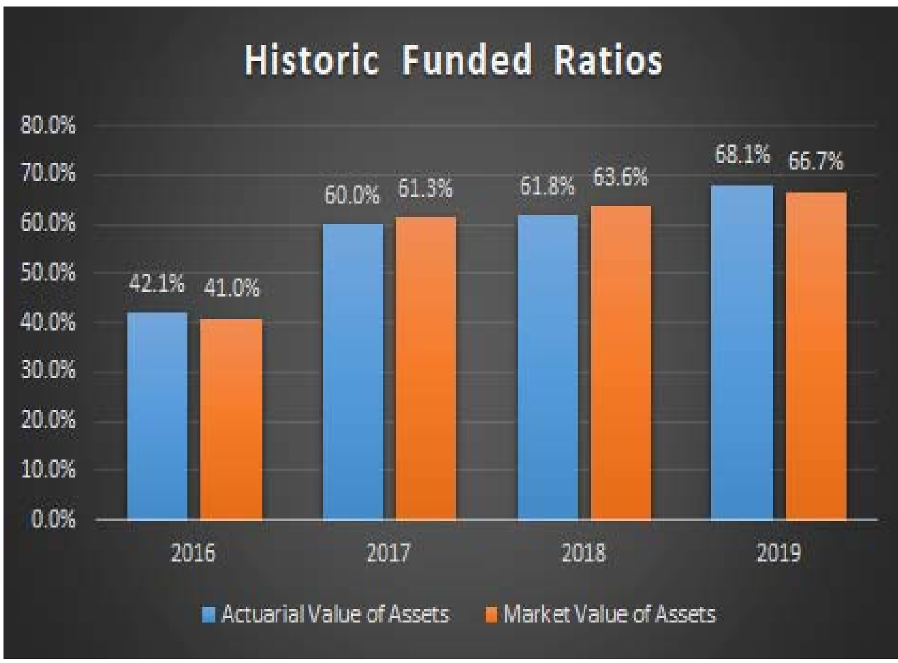
COLA: Annual max 3%

Assumed Rate of Return: 7%

Increases in IEB: 3%

FIREFIGHTERS' RETIREMENT PLAN OF THE CITY OF ST. LOUIS

- Rate of return on investments equaled 1.44% (Market) and 6.72% (Actuarial) vs. 7.25% assumed.
- The actuarially determined contribution decreased from the 9/30/18 valuation to the 9/30/19 valuation due, in part, to lower salary increases.
- Completed an experience study for October 1, 2013 through September 30, 2017. Reduced the assumed rate of return from 7.625 to 7.25. Revised multiple assumptions, including mortality tables, disability rate, withdrawal rate, retirement rate, marriage, and sick leave. Reduced payroll growth from 3 to 2.75 and increases in the Consumer Price Index from 3 to 2.75. These changes reduced the plan's liabilities and resulted in a lower actuarially determined contribution.
- Effective February 1, 2013, benefit accruals under the Firemen's Retirement System of St. Louis were frozen. This plan (The Firefighters' Retirement Plan of the City of St. Louis) was established to provide benefits for service rendered after that date.
- The Plan adopted a 30-year closed amortization period effective February 1, 2013 for payment of unfunded liabilities.



FY ending 9/30,	RECOMMENDED CONTRIBUTION	ACTUAL CONTRIBUTION	PERCENT CONTRIBUTED
2020	$8,583,020	N/A	N/A
2019	$8,995,724	$8,995,725	100%
2018	$8,022,799	$8,022,799	100%
2017	$9,262,698	$9,262,698	100%
2016	$9,148,007	$9,148,007	100%

As of 10/1/19

Market Value: $88,559,061

Actuarial Value: $90,372,061

Liabilities: $132,717,952

Membership:

Active: 609 **Inactive**: 119

Normal Retirement Formula (new members since 2/1/13):

2% of average final compensation for the first 25 years of service plus 2.5% (5% for grandfathered participants) in excess of 25 years of service. Maximum of 75% of compensation.

Normal Retirement Eligibility: Age 55 with 20 years of service.

Social Security Coverage: No

COLA: 1.5% to 5% not to exceed CPI depending on age and years of service. CPI must be at least 1% to receive a COLA. COLA cap of 25%.

Assumed Rate of Return: 7.25

Salary: 2.75

FLORISSANT VALLEY FPD

ĒkonBenefits
YOUR TRUSTED PARTNER

4940 Washington Blvd.
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ekonbenefits.com

ACTUARIAL COST STATEMENT FOR PROPOSED CHANGES FOR THE RETIREMENT PLAN FOR EMPLOYEES OF FLORISSANT VALLEY FIRE PROTECTION DISTRICT

Prepared September 15, 2020

This actuarial statement is to disclose the financial impact of the Substantial Proposed Changes to the Retirement Plan for Employees of Florissant Valley Fire Protection District which would become effective on January 1, 2021. This statement is prepared using the actuarial assumptions and methods employed in the last annual actuarial valuation in accordance with R.S.Mo. § 105.665.

Proposed Changes

Pension Benefit Formula

The current pension benefit is defined as a monthly benefit of 2.5% times Average Monthly Earnings for each year of Credited Service, limited to 30 years, where Average Monthly Earnings is defined by the following employee classifications:

Employee Classification	Monthly Earnings
Firefighter	6,852.08
Captain	7,475.00
Deputy Chief	8,097.83
Chief	8,720.83
Office Manager	4,600.00
Secretary	3,075.00

- Average Monthly Earnings for each classification specified above shall be increased by $125 per month for each Plan Year beginning after December 31, 2013

- Average Monthly Earnings shall be limited to the highest 24-month average of the Participant’s actual monthly earnings and thus, the monthly benefit under the Plan cannot exceed 75% of the highest 24-month average of the Participant’s actual monthly earnings.

- If a Participant changes classification, then the Monthly Earnings shall reflect the number of days in the month to which each classification applies.

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f: 314.367.7982
ekonbenefits.com

Under the proposal, the schedule of Average Monthly Earnings will be replaced with the following table as of January 1, 2020 for retirements on or after January 1, 2021:

Employee Classification	**Monthly Earnings**
Firefighter	7,973.00
Captain	8,596.00
Deputy Chief	9,219.00
Chief	11,474.00
Office Manager	6,725.00
Secretary	4,207.00

- Average Monthly Earnings for each classification specified above shall be increased by $125 per month for each Plan Year beginning after December 31, 2020
- Average Monthly Earnings shall be limited to the highest 24-month average of the Participant's actual monthly earnings and thus, the monthly benefit under the Plan cannot exceed 75% of the highest 24-month average of the Participant's actual monthly earnings.
- If a Participant changes classification, then the Monthly Earnings shall reflect the number of days in the month to which each classification applies.

Actuarial Analysis

1. The basis of the proposed change is to incorporate current compensation into the Average Monthly Earnings calculation of the pension benefit.
2. Attached is a 10-year projection of the current plan and the proposed plan.
3. The District is currently contributing in excess of the amount determined by the Annual Cost in item 4 below.

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f: 314.367.7982
ekonbenefits.com

4. The below table summarizes the January 1, 2021 impact of the Proposed Benefit:

	Current	Proposed
ACCRUED LIABILITY	$37,366,000	$38,320,000
ESTIMATED ASSETS	$36,163,000	$36,163,000
UNFUNDED ACCRUED LIABILITY	$1,203,000	$2,157,000
ACCRUED LIABILITY FUNDED RATIO	96.8%	94.4%
NORMAL COST	$624,000	$646,000
NORMAL COST AS A % OF PAYROLL	9.8%	10.2%
AMORTIZATION OF UNFUNDED LIABILITY	$97,000	$183,000
AMORTIZATION AS A % OF PAYROLL	1.5%	2.9%
ANNUAL COST (beginning of year)	$721,000	$829,000
ANNUAL COST (end of year)	$768,000	$883,000
ANNUAL COST AS A % OF PAYROLL	12.1%	13.9%
EXPECTED CONTRIBUTION	$721,000	$829,000
ASSUMED PAYROLL	$6,341,000	$6,341,000
EXPECTED BENEFIT PAYMENTS	$1,543,000	$1,560,000

5. As shown in the projections, we do not believe that the proposed change would impair the ability of the plan to meet the obligations thereof in effect at the time the proposal is made.

6. The assumptions used for this analysis are listed in the cost projection exhibits and the 1/1/2020 actuarial report that has been attached.

7. We believe the assumptions used for the actuarial valuation produce results which, in the aggregate, are reasonable.

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8. The Recommended Contribution is based on the Entry Age Normal Cost Method, with experience gains and losses (changes in the unfunded accrued liability which result from causes other than contributions and the accrual of interest and additional normal costs) amortized over 15 years. Liability changes due to plan amendments are also amortized over 15 years. Increases and decreases resulting from changes in assumptions or funding method are amortized over 20 years. The total amortization amount is adjusted by the proportion of current Unfunded Accrued Liability to the total current balance. In addition, the total contribution is reduced by expected employee contributions.

Ekon Benefits

Keith Kowalczyk

Keith Kowalczyk
President
Associate of the Society of Actuaries
Enrolled Actuary, No. 20-2812

RETIREMENT PLAN FOR EMPLOYEES OF FLORISSANT VALLEY FIRE PROTECTION DISTRICT
10 YEAR COST PROJECTION UNDER CURRENT PLAN

	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030
ACCRUED LIABILITY	$36,037,434	$37,366,000	$38,866,000	$40,358,000	$41,734,000	$43,160,000	$44,638,000	$46,137,000	$47,544,000	$48,838,000	$50,188,000
ESTIMATED ASSETS	$34,788,696	$36,163,000	$37,714,000	$39,265,000	$40,710,000	$42,212,000	$43,777,000	$45,373,000	$46,887,000	$48,299,000	$49,777,000
UNFUNDED ACCRUED LIABILITY	$1,248,738	$1,203,000	$1,152,000	$1,093,000	$1,024,000	$948,000	$861,000	$764,000	$657,000	$539,000	$411,000
ACCRUED LIABILITY FUNDED RATIO	96.5%	96.8%	97.0%	97.3%	97.5%	97.8%	98.1%	98.3%	98.6%	98.9%	99.2%
NORMAL COST	$549,600	$624,000	$633,000	$641,000	$647,000	$656,000	$662,000	$665,000	$671,000	$677,000	$673,000
AMORT OF UNFUNDED LIABILITY	$93,481	$97,000	$101,000	$106,000	$109,000	$113,000	$117,000	$120,000	$123,000	$124,000	$122,000
ANNUAL COST (beginning of year)	$643,081	$721,000	$734,000	$747,000	$756,000	$769,000	$779,000	$785,000	$794,000	$801,000	$795,000
ANNUAL COST (end of year)	$684,881	$768,000	$782,000	$796,000	$805,000	$819,000	$830,000	$836,000	$846,000	$853,000	$847,000
COST AS A % OF PAYROLL	11.4%	12.1%	12.1%	12.0%	11.9%	11.9%	11.8%	11.7%	11.6%	11.5%	11.4%
EXPECTED CONTRIBUTION	$643,081	$721,000	$734,000	$747,000	$756,000	$769,000	$779,000	$785,000	$794,000	$801,000	$795,000
ASSUMED PAYROLL	$6,020,000	$6,341,000	$6,477,000	$6,649,000	$6,775,000	$6,904,000	$7,018,000	$7,151,000	$7,278,000	$7,416,000	$7,441,000
EXPECTED BENEFIT PAYMENTS	1,549,280	1,543,000	1,655,000	1,869,000	1,914,000	1,962,000	2,041,000	2,228,000	2,432,000	2,465,000	3,214,000

Assumptions

Discount Rate	6.50%
Rate of Return	6.50%
Aggregate Payroll Growth	1.90%
Inflation	2.50%

Assumes Level Population (New Hires Replace Retirements)

RETIREMENT PLAN FOR EMPLOYEES OF FLORISSANT VALLEY FIRE PROTECTION DISTRICT
10 YEAR COST PROJECTION UNDER PROPOSED PLAN

	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030
ACCRUED LIABILITY	$36,037,434	$38,320,000	$39,888,000	$41,436,000	$42,861,000	$44,335,000	$45,860,000	$47,408,000	$48,861,000	$50,198,000	$51,592,000
ESTIMATED ASSETS	$34,788,696	$36,163,000	$37,808,000	$39,449,000	$40,984,000	$42,586,000	$44,260,000	$45,978,000	$47,624,000	$49,180,000	$50,818,000
UNFUNDED ACCRUED LIABILITY	$1,248,738	$2,157,000	$2,080,000	$1,987,000	$1,877,000	$1,749,000	$1,600,000	$1,430,000	$1,237,000	$1,018,000	$774,000
ACCRUED LIABILITY FUNDED RATIO	96.5%	94.4%	94.8%	95.2%	95.6%	96.1%	96.5%	97.0%	97.5%	98.0%	98.5%
NORMAL COST	$549,600	$646,000	$653,000	$659,000	$666,000	$674,000	$681,000	$683,000	$687,000	$694,000	$684,000
AMORT OF UNFUNDED LIABILITY	$93,481	$183,000	$193,000	$203,000	$213,000	$224,000	$235,000	$246,000	$258,000	$268,000	$276,000
ANNUAL COST (beginning of year)	$643,081	$829,000	$846,000	$862,000	$879,000	$898,000	$916,000	$929,000	$945,000	$962,000	$960,000
ANNUAL COST (end of year)	$684,881	$883,000	$901,000	$918,000	$936,000	$956,000	$976,000	$989,000	$1,006,000	$1,025,000	$1,022,000
COST AS A % OF PAYROLL	11.4%	13.9%	13.9%	13.8%	13.8%	13.8%	13.9%	13.8%	13.8%	13.8%	13.7%
EXPECTED CONTRIBUTION	$643,081	$829,000	$846,000	$862,000	$879,000	$898,000	$916,000	$929,000	$945,000	$962,000	$960,000
ASSUMED PAYROLL	$6,020,000	$6,341,000	$6,477,000	$6,649,000	$6,775,000	$6,904,000	$7,018,000	$7,151,000	$7,278,000	$7,416,000	$7,441,000
EXPECTED BENEFIT PAYMENTS	1,549,280	1,560,000	1,685,000	1,908,000	1,958,000	2,009,000	2,090,000	2,282,000	2,490,000	2,526,000	3,286,000

Assumptions

Discount Rate	6.50%
Rate of Return	6.50%
Aggregate Payroll Growth	1.90%
Inflation	2.50%

Assumes Level Population (New Hires Replace Retirements)

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Florissant Valley Fire Protection District

661 St. Ferdinand Street
Florissant, Missouri 63031

DAN LUBIEWSKI
Director

BOB CARMACK
Director

MIKE MAHAFFY SR.
Director

JASON HOEVELMANN
Chief of Department

Regular Meeting of the Board of Directors of October 20, 2020

The meeting was called to order at 7:30 a.m. by Director Lubiewski. Those in attendance were Fire Board Directors Dan Lubiewski, Bob Carmack and Mike Mahaffy, Chief Jason Hoevelmann, Battalion Chief Russ Kleffner, Fire Marshal Cliff Robinson, Captain Jason Dauster, Accountant Rick Rognan, Attorney Dan Bruntrager, Canteen member Dan Cunningham, Firefighter candidate Corey Neudecker and Secretary Diane Kaatman.

Minutes

Director Mahaffy made a motion to approve the Regular meeting minutes from October 13, 2020 which was seconded by Director Carmack. All Directors voted in favor of this motion.

Hearing from Citizens

None.

Chief Hoevelmann moves to adjust the agenda and go to unfinished and new business. New Hire and Promotion.

Department Reports

Chief Jason Hoevelmann reported the Run Summary Report for October 11th thru October 17th was read. A total of 101 Fire and EMS and 198 Ambulance calls were ran.

Caption Jason Dauster reported the following:

- Live Burns at Robertson
- DePaul providing the crews individual skills training through October.

Battalion Chief Russ Kleffner gave an update on the Apparatus Maintenance.

Directors Report

Director Lubiewski congratulated Captain Jason Dauster on his promotion.

The Treasurer's Report for October 20th, 2020 was presented. The General Fund had expenses which totaled $8,285.56; the Ambulance Fund expenses of $1,233.93; the Vision Fund expenses of $1,367.56; and the Payroll Fund expenses of $248,689.46. There were no expenses for The Capital Improvements Fund; Debt Service Fund; Dispatch Fund; Pension Fund; and Retiree Medical Trust Fund. There was a motion made by Director Carmack and seconded by Director Mahaffy to approve these bills and transfer the necessary funds for the operation of the Fire District. All Directors voted in favor of this motion.

Local 2665 Shop Report

None.

Accountant's Report

Accountant Rick Rognan presented the September Financial Report.

Attorney's Report

Attorney Dan Bruntrager indicated November 3rd Board meeting is Election Day. After discussion the meeting is moved to November 4th.

Unfinished Business

Chief Hoevelmann introduced Firefighter candidate Corey Neudecker to the Board. Discussion followed. Director Mahaffy made a motion to hire Corey Neudecker, which was seconded by Director Carmack. All Directors in favor of this motion.

Chief Hoevelmann presented the Board with the Staff contract. Discussion followed. There was a motion made by Director Mahaffy which was seconded by Director Carmack to accept the contract for the years 2021-2022.

New Business

Chief Hoevelmann recommends Captain Jason Dauster to Battalion Chief. There was a motion made by Director Carmack, which was seconded by Director Mahaffy to promote Captain Jason Dauster to Battalion Chief. All Directors in favor of this motion.

Battalion Chief Russ Kleffner indicated the proposed changes to the Pension plan have been posted at all three firehouses. The Pension Board of Trustee meeting is scheduled for December 1st.

A motion was made by Director Lubiewski, which was seconded by Director Carmack that in accordance with RsMo. 610.021 (1), (3), (9), (11), & (13) that the Board would go into executive session to discuss legal and personnel matters. All Directors voted in favor of this motion.

With no further business to come before the Board, there was a motion made by Director Lubiewski, which was seconded by Director Carmack to adjourn this meeting. All Directors voted in favor of this motion. The meeting adjourned at approximately 7:50 a.m.

Florissant Valley Fire Protection District,

MMahaffy

Mike Mahaffy, Sr. - Secretary – Fire Board of Directors

MID-COUNTY FPD (ST. LOUIS COUNTY)

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ACTUARIAL COST STATEMENT FOR PROPOSED CHANGES FOR THE MID-COUNTY FIRE PROTECTION DISTRICT PENSION PLAN

Prepared September 4, 2020

This actuarial statement is to disclose the financial impact of the Substantial Proposed Changes to the Mid-County Fire Protection District Pension Plan which would become effective on December 1, 2020. This statement is prepared using the actuarial assumptions and methods employed in the last annual actuarial valuation in accordance with R.S.Mo. § 105.665.

Proposed Changes

Pension Benefit Formula

The current pension benefit equals $55.00 times Credited Service (maximum 20 years).

Under the proposal, participants that are age 55 and whose combination of full years of age and full years of service equal or exceed 75 determined as of January 1, 2021 would become eligible for a Voluntary Early Retirement Program (VERP) that provides an additional monthly benefit of $50.00 times Credited Service (with a minimum additional monthly benefit of $1,000) from voluntary retirement date December 1, 2020 through attaining age 66.

Under the proposal, the future mandatory retirement age is set to age 62 except for all employees who are age 62 as of September 1, 2020. Mandatory retirement age of 62 becomes effective for these grandfathered participants on September 1, 2023.

Actuarial Analysis

1. Part of the basis of the proposed change is to institute a mandatory retirement age in a manner that limits the impact on individuals close to or over age 62.

2. The actuarial valuation assumes a retirement age of 55. The proposed mandatory retirement age of 62 has no impact on the actuarial valuation.

3. Attached is a 10-year projection of the current plan and the proposed plan.

4. The Voluntary Early Retirement Program generates potential additional pension liability for five eligible participants currently over age 55 and whose combination of full years of service and years of age exceed 75 as of January 1, 2021.

5. The District is paying the contribution rate determined by the Annual Cost in item 6 below.

6. The below table summarizes the January 1, 2021 impact of the Proposed Benefit:

	Current	**Proposed**
ACCRUED LIABILITY	$2,642,000	$3,099,000
ESTIMATED ASSETS	$2,413,000	$2,406,000
UNFUNDED ACCRUED LIABILITY	$229,000	$693,000
ACCRUED LIABILITY FUNDED RATIO	91.3%	77.6%
NORMAL COST	$62,000	$62,000
NORMAL COST AS A % OF PAYROLL	3.0%	3.0%
EXPENSES	$8,000	$8,000
20 YEAR AMORT OF UNFUNDED LIABILITY	$19,000	$57,000
AMORT AS A % OF PAYROLL	0.9%	2.7%
ANNUAL COST (beginning of year)	$89,000	$127,000
ANNUAL COST (end of year)	$94,000	$135,000
ANNUAL COST AS A % OF PAYROLL	4.5%	6.5%
EXPECTED CONTRIBUTION	$94,000	$135,000
ASSUMED PAYROLL	$2,076,000	$2,076,000
EXPECTED BENEFIT PAYMENTS	$143,000	$221,000

7. The post-change contribution rate initially is $135,000, which is 6.50% of payroll. This amount decreases over time because the contribution is set to decrease the Unfunded Accrued Liability over an open 20-year period.

8. As shown in the projections, we do not believe that the proposed change would impair the ability of the plan to meet the obligations thereof in effect at the time the proposal is made.

9. The assumptions used for this analysis are listed in the cost projection exhibits and the 1/1/2020 actuarial report that has been attached.

10. We believe the assumptions used for the actuarial valuation produce results which, in the aggregate, are reasonable.

11. Individual Entry Age Normal method is used for the actuarial valuation. Unfunded Actuarial Liabilities are amortized over an open 20-year period. The Unfunded Accrued Liability equals the Accrued Liability less the Actuarial Value of Assets.

Ekon Benefits

Keith Kowalczyk

Keith Kowalczyk
President
Associate of the Society of Actuaries
Enrolled Actuary, No. 20-2812

MID-COUNTY FIRE PROTECTION DISTRICT PENSION PLAN
10 YEAR COST PROJECTION UNDER CURRENT PLAN

	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030
ACCRUED LIABILITY	$2,537,667	$2,642,000	$2,719,000	$2,795,000	$2,879,000	$2,972,000	$3,024,000	$3,083,000	$3,149,000	$3,223,000	$3,271,000
ESTIMATED ASSETS	$2,298,990	$2,413,000	$2,499,000	$2,584,000	$2,677,000	$2,779,000	$2,840,000	$2,907,000	$2,980,000	$3,062,000	$3,118,000
UNFUNDED ACCRUED LIABILITY	$238,677	$229,000	$220,000	$211,000	$202,000	$193,000	$184,000	$176,000	$169,000	$161,000	$153,000
ACCRUED LIABILITY FUNDED RATIO	90.6%	91.3%	91.9%	92.5%	93.0%	93.5%	93.9%	94.3%	94.6%	95.0%	95.3%
NORMAL COST	$55,380	$62,000	$69,000	$73,000	$76,000	$72,000	$75,000	$78,000	$82,000	$79,000	$76,000
EXPENSES	$8,000	$8,000	$8,000	$8,000	$8,000	$8,000	$8,000	$8,000	$8,000	$8,000	$8,000
20 YEAR AMORT OF UNFUNDED LIABILITY	$19,631	$19,000	$18,000	$17,000	$17,000	$16,000	$15,000	$14,000	$14,000	$13,000	$13,000
ANNUAL COST (beginning of year)	$83,011	$89,000	$95,000	$98,000	$101,000	$96,000	$98,000	$100,000	$104,000	$100,000	$97,000
ANNUAL COST (end of year)	$87,992	$94,000	$101,000	$104,000	$107,000	$102,000	$104,000	$106,000	$110,000	$106,000	$103,000
COST AS A % OF PAYROLL	4.4%	4.5%	4.7%	4.6%	4.6%	4.4%	4.3%	4.2%	4.2%	4.1%	3.9%
EXPECTED CONTRIBUTION - EMPLOYER	$87,992	$94,000	$101,000	$104,000	$107,000	$102,000	$104,000	$106,000	$110,000	$106,000	$103,000
ASSUMED PAYROLL	$2,010,000	$2,076,000	$2,147,000	$2,244,000	$2,345,000	$2,299,000	$2,403,000	$2,511,000	$2,624,000	$2,599,000	$2,655,000
EXPECTED BENEFIT PAYMENTS	103,133	143,000	156,000	156,000	156,000	197,000	196,000	196,000	196,000	222,000	223,000

Assumptions

Discount Rate	6.00%
Rate of Return	6.00%
Aggregate Payroll Growth	4.50%
Inflation	2.75%

Assumes Level Population (New Hires Replace Retirements)

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MID-COUNTY FIRE PROTECTION DISTRICT PENSION PLAN
10 YEAR COST PROJECTION UNDER PROPOSED BENEFIT

	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030
ACCRUED LIABILITY	$2,537,667	$3,099,000	$3,123,000	$3,143,000	$3,168,000	$3,202,000	$3,200,000	$3,202,000	$3,228,000	$3,274,000	$3,293,000
ESTIMATED ASSETS	$2,298,990	$2,406,000	$2,454,000	$2,496,000	$2,543,000	$2,598,000	$2,617,000	$2,639,000	$2,684,000	$2,749,000	$2,786,000
UNFUNDED ACCRUED LIABILITY	$238,677	$693,000	$669,000	$647,000	$625,000	$604,000	$583,000	$563,000	$544,000	$525,000	$507,000
ACCRUED LIABILITY FUNDED RATIO	90.6%	77.6%	78.6%	79.4%	80.3%	81.1%	81.8%	82.4%	83.1%	84.0%	84.6%
NORMAL COST	$55,380	$62,000	$69,000	$73,000	$76,000	$72,000	$75,000	$78,000	$82,000	$79,000	$76,000
EXPENSES	$8,000	$8,000	$8,000	$8,000	$8,000	$8,000	$8,000	$8,000	$8,000	$8,000	$8,000
20 YEAR AMORT OF UNFUNDED LIABILITY	$19,631	$57,000	$55,000	$53,000	$51,000	$50,000	$48,000	$46,000	$45,000	$43,000	$42,000
ANNUAL COST (beginning of year)	$83,011	$127,000	$132,000	$134,000	$135,000	$130,000	$131,000	$132,000	$135,000	$130,000	$126,000
ANNUAL COST (end of year)	$87,992	$135,000	$140,000	$142,000	$143,000	$138,000	$139,000	$140,000	$143,000	$138,000	$134,000
COST AS A % OF PAYROLL	4.4%	6.5%	6.5%	6.3%	6.1%	6.0%	5.8%	5.6%	5.4%	5.3%	5.0%
EXPECTED CONTRIBUTION - EMPLOYER	$87,992	$135,000	$140,000	$142,000	$143,000	$138,000	$139,000	$140,000	$143,000	$138,000	$134,000
ASSUMED PAYROLL	$2,010,000	$2,076,000	$2,147,000	$2,244,000	$2,345,000	$2,299,000	$2,403,000	$2,511,000	$2,624,000	$2,599,000	$2,655,000
EXPECTED BENEFIT PAYMENTS	109,633	221,000	234,000	234,000	230,000	263,000	262,000	242,000	228,000	254,000	254,000

Assumptions

Discount Rate	6.00%
Rate of Return	6.00%
Aggregate Payroll Growth	4.50%
Inflation	2.75%

Assumes Level Population (New Hires Replace Retirements)

PATTONVILLE FPD

PATTONVILLE FIRE PROTECTION DISTRICT
13900 St. Charles Rock Road, Bridgeton, MO 63044
Phone: (314) 739-3118 • Fax: (314) 739-5477 • www.pattonvillefd.com

September 3, 2020

Via Federal Express and e-mail: mruff@senate.mo.gov
Mr. Michael Ruff
Executive Director
Joint Committee on Public Employee Retirement
Missouri State Capital Building, Room 219-A
Jefferson City, MO 65101

RE: Amendment to Pattonville Fire Protection District Defined Benefit Pension Plan

Dear Mr. Ruff:

This letter transmits an Actuarial Cost Statement related to a proposed amendment to the Pattonville Fire Protection District Defined Benefit Pension Plan.

As indicated in the Actuarial Cost Statement the proposed amendment to the Plan effective as of January 1, 2021; (i) will increase the participant's contribution from 2% to 4%; (ii) will eliminate the bridge benefit for participants who terminate employment on or after January 1, 2021; (iii) will eliminate COLA for participants who terminate employment on or after January 1, 2021, and; (iv) will change the formula for calculating retirement benefits for participants who terminate employment on or after January 1, 2021 to the greater of the actuarial equivalent of the grandfathered amount or 80% of the participant's average monthly compensation reduced by years of service based on the hire date of the participant. The Cost Statement of Proposed Changes dated August 31, 2020 is included with this letter as is the January 1, 2020 Actuarial Valuation Report.

Since these changes in the pension plan will have an impact on the cost of the Defined Benefit Pension Plan that benefits the employees of the Pattonville Fire Protection District, we have arranged for the preparation of the attached cost statement in accordance with R.S.Mo Section 105.665 and are, via this transmittal letter, filing this statement with you as the Executive Director of the "Joint Committee on Public Employee Retirement."

Please make the enclosed Actuarial Cost Statement immediately available for public inspection. Thank you for your assistance. If there is anything else you need, please let me know.

Sincerely,
Fire Chief
Plan Administrator

Enclosures

4849-0047-3802, v. 1

William Esterline, Charirman • Robert Biondo, Secretary • Robert Soutier, Treasurer
David Dotson, Fire Chief

nyhart
part of FuturePlan by Ascensus®

Cost Statement of Proposed Changes

Pattonville Fire Protection District Defined Benefit Pension Plan

August 31, 2020

Certification

This report was prepared for the Pattonville Fire Protection District Defined Benefit Pension Plan to summarize the key results of increasing benefits relating to their pension plan and may not be appropriate for other uses. Please contact Nyhart prior to disclosing this report to any other party or relying on its content for any purpose other than the intended use.

Except where indicated otherwise, the results included in this report are based on the same assumptions, methods, and plan provisions as the January 1, 2020 valuation dated July 22, 2020. This report has been prepared in accordance with generally accepted actuarial principles and practice.

The actuarial assumptions and methods were chosen by the Board. In our opinion, all actuarial assumptions and methods are individually reasonable and in combination represent our best estimate of anticipated experience of the plan. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following:

- plan experience differing from that anticipated by the economic or demographic assumptions;
- changes in economic or demographic assumptions;
- increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and
- changes in plan provisions or applicable law.

Neither Nyhart nor any of its employees have any relationship with the plan or its sponsor which could impair or appear to impair the objectivity of this report. To the extent that this report or any attachment concerns tax matters, it is not intended to be used and cannot be used by a taxpayer for the purpose of avoiding penalties that may be imposed by law. The consultants indicated below are compliant with the continuing education requirements of the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States.

Heath W Merlak

Heath W. Merlak
FSA, EA, MAAA

Elizabeth A. Wiley

Elizabeth A. Wiley
FSA, EA

063

About This Material

This report contains summary information about the January 1, 2020 actuarial results. In addition, it includes cost analysis completed to assess the impact of increases to plan benefits to be effective as of January 1, 2021. Reasonable actuarial techniques and assumptions were used to produce these results.

We have shown the impact of each of the different changes on the January 1, 2020 results, to illustrate the change in contributions, unfunded liability, and funded percentage of the plan. These results are meant to be used to demonstrate the relative impact of benefit increases implemented to the plan.

Note there are key risks such as investment return, salary growth, and longevity when determining pension plan costs. Please see the January 1, 2020 actuarial report dated July 22, 2020 for more information related to the types of risks facing the Pattonville Fire Protection District Defined Benefit Pension Plan.

Missouri State Law

Chapter 105 of the Missouri Revised Statutes requires that, in order for a local public employee retirement system to increase benefits:

(1) the Plan is at least 80% funded <u>prior to</u> adopting the change; and

(2) the Plan is at least 75% funded <u>after</u> adopting the change

The plan's funded ratio as of 1/1/2020 is 94.6%.

Description of Plan Changes

The following changes are effective as of January 1, 2021:

- Beginning January 1, 2021 participants must contribute 4% of compensation per annum.
- Participants who terminate employment on or after January 1, 2021 are ineligible to receive a bridge benefit.
- Participants who terminate employment on or after January 1, 2021 are ineligible for a 1% COLA, and will have no annual increases applied to their benefits.
- Participants terminating on or after January 1, 2021 may retire with the greater of
  a) the actuarial equivalent of the Grandfathered Amount
  b) 80% of the Participant's Average Monthly Compensation, reduced by years of service less than 20 for employees hired prior to 11/26/2007 and reduced by years of service less than 25 for participants hired on or after 11/26/2007

1/1/2020 Valuation Results

	1/1/2020 Valuation	1/1/2020 Valuation with Plan Changes
Market Value of Assets	$37,755,491	$37,755,491
Accrued Liability	$39,881,691	$45,107,890
Actuarial Value of Assets	37,736,076	37,736,076
Unfunded Liability, 1/1/2020	$2,145,615	$7,371,815
Funded Ratio	94.6%	83.66%
Employer Normal Cost	$622,373	$714,662
Employer Normal Cost, as a % of Payroll	*9.9%*	*14.8%*
Amortization	193,761	662,706
Amortization, as a % of Payroll	*3.1%*	*10.6%*
Interest	59,170	99,859
Recommended Contribution	$875,304	$1,477,227
Recommended Contribution, as a % of Payroll	*14.0%*	*23.6%*
Employee Normal Cost	$106,815	$213,630
Active Members	59	59
Valuation Payroll	$6,256,846	$6,256,846

Cost Projections Considerations

- The 10-year cost projections use the same actuarial assumptions as disclosed in the annual valuation report. Other assumptions are described in the Appendix.

- The 10-year projections assume the plan changes occur at January 1, 2020. This shows the sensitivity of results on the current population. If the changes occur at a later date, the impact would be smaller which reflects that participants that retire before the plan change would receive the current benefit structure. Actual plan changes are proposed to occur on January 1, 2021.

- We have assumed the District contributes the recommended contribution each year.

- We have reflected up-to-date asset information as of 1/1/2020 and assumed 0% asset return for 2020. Future year returns are assumed to be 7.25%.

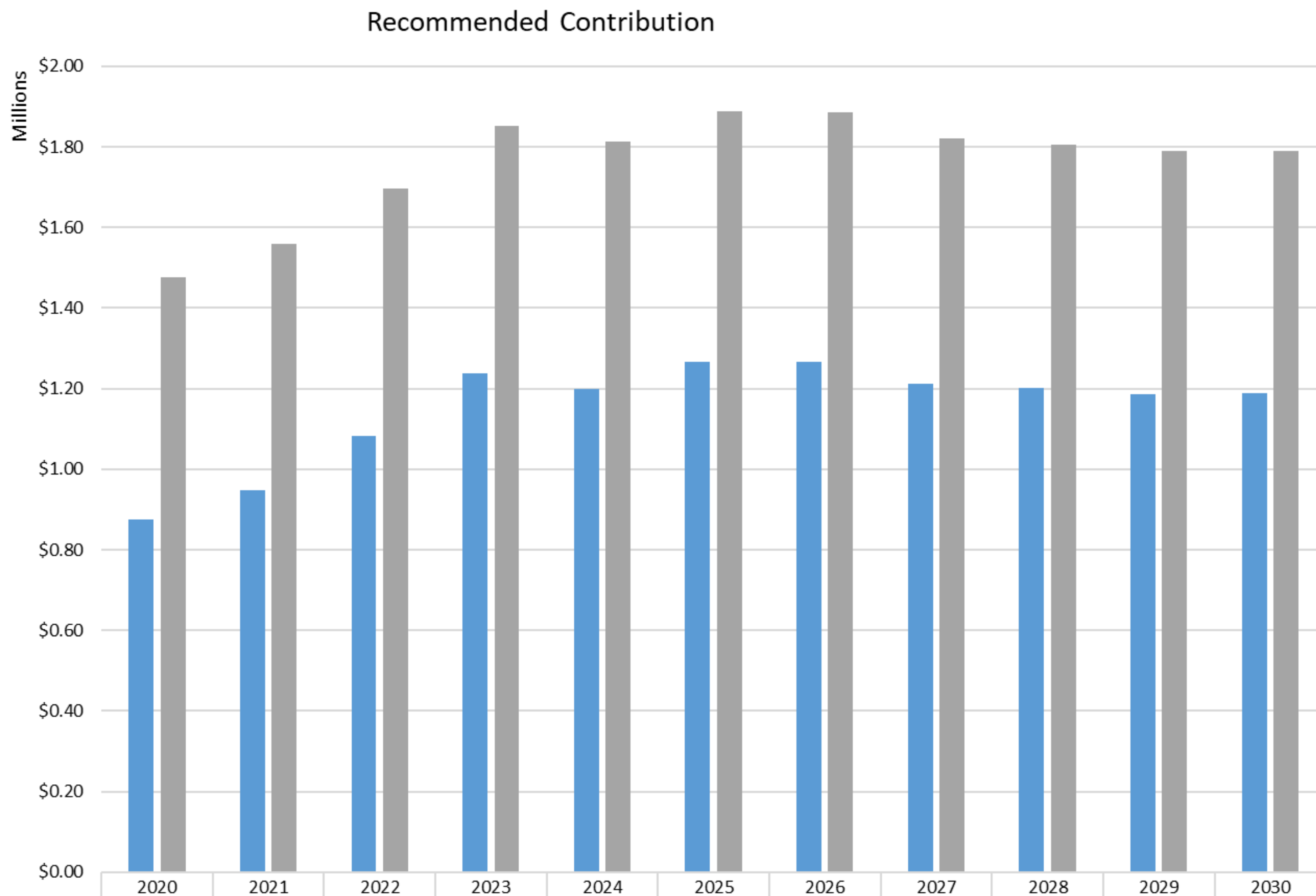
- All calculations shown in these results are based on Data and Assumptions from the January 1, 2020 Valuation. More information on the demographics of the population and the actuarial assumptions used can be found in the January 1, 2020 Valuation Report.

- New firefighter demographics are based on new hire experience during 2019. Ten firefighters are assumed to meet participation at 1/1/2021, then the population is assumed to remain flat thereafter.

Cost Projection Considerations

- The cost projections contained in this report are based on data as of January 1, 2020. Assumptions used in measuring the liabilities are consistent with the January 1, 2020 actuarial report dated July 22, 2020 unless stated otherwise. Reasonable actuarial techniques and assumptions were used to produce the cost projections. Data was provided by the District.
- The following pages show cost projections under one specific economic scenario and is meant to be used for illustration purposes only. Actual results will vary from projections shown in this report due to actual participant data, actual asset returns, and any assumption changes that may be warranted.
- These projections reflect numerous assumptions and one should focus on the general trend of the results rather than the absolute dollar amounts.

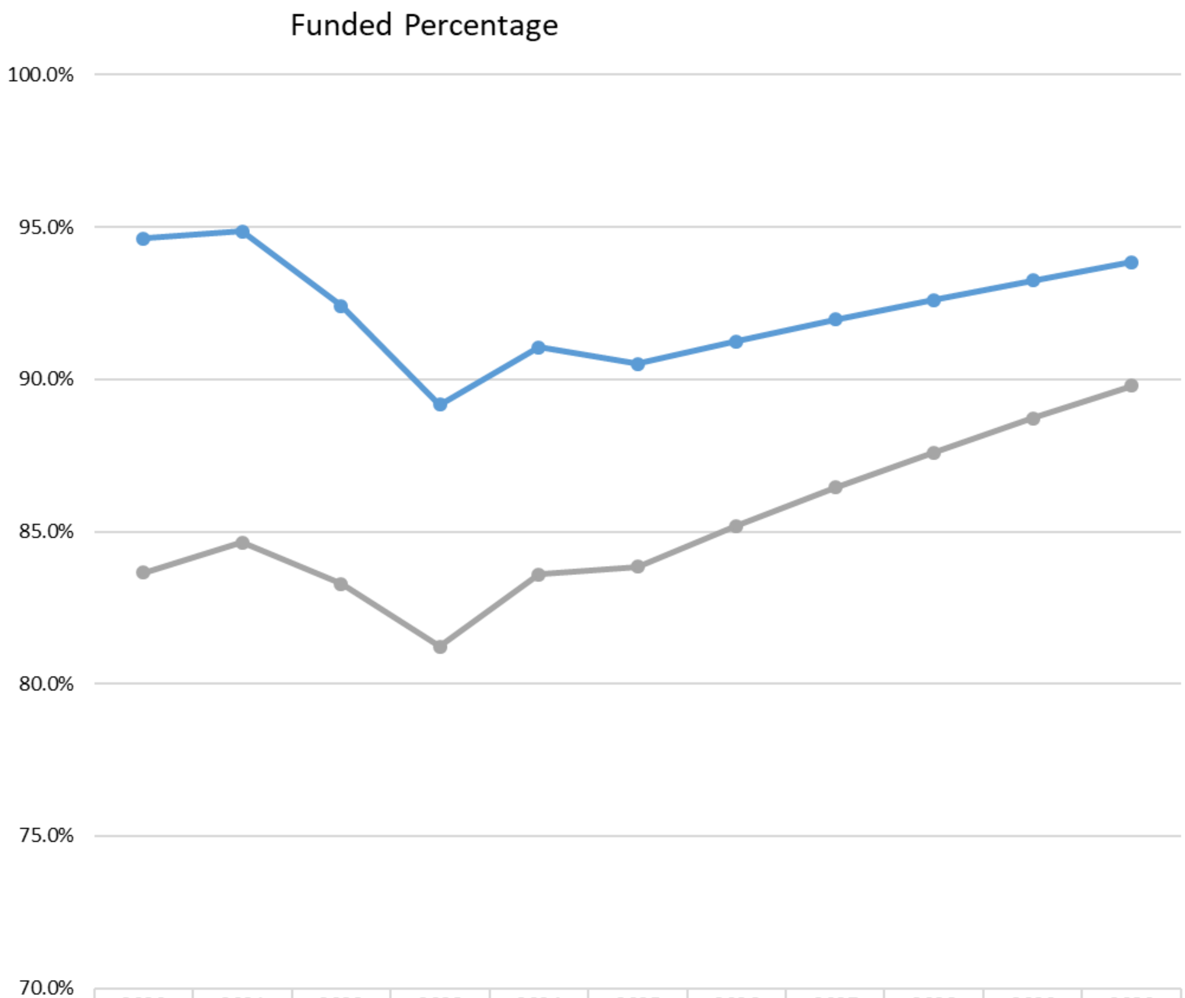
Recommended Contribution



	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Baseline	875,305	947,268	1,081,275	1,238,596	1,198,351	1,267,281	1,266,306	1,212,096	1,200,461	1,185,927	1,187,467
80% with No Bridge, No COLA, 4% EEC	1,477,227	1,558,655	1,696,562	1,852,414	1,813,288	1,886,961	1,886,639	1,820,233	1,805,167	1,788,616	1,790,677

This scenario assumed a 0% return during plan year ending 12/31/2020 and 7.25% for each thereafter.

Funded Ratio



	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Baseline	94.6%	94.9%	92.4%	89.2%	91.0%	90.5%	91.3%	92.0%	92.6%	93.2%	93.9%
80% with No Bridge, No COLA, 4% EEC	83.7%	84.6%	83.3%	81.2%	83.6%	83.9%	85.2%	86.4%	87.6%	88.7%	89.8%

071

This scenario assumed a 0% return during plan year ending 12/31/2020 and 7.25% for each thereafter.

Projection Summary

Baseline

Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Funding Liability	$39,881,692	$41,162,349	$42,620,145	$44,116,302	$45,635,914	$47,252,521	$48,922,877	$50,616,417	$52,043,213	$53,449,465	$54,712,291
Actuarial Value of Assets	$37,736,075	$39,050,039	$39,384,560	$39,333,961	$41,551,325	$42,768,975	$44,642,281	$46,549,041	$48,198,959	$49,839,649	$51,349,461
Market Value of Assets	$37,755,491	$36,435,832	$37,798,886	$39,312,066	$41,013,270	$42,768,975	$44,642,281	$46,549,041	$48,198,959	$49,839,649	$51,349,461
Funded %	94.62%	94.87%	92.41%	89.16%	91.05%	90.51%	91.25%	91.96%	92.61%	93.25%	93.85%
Unfunded Liability	$2,145,617	$2,112,310	$3,235,585	$4,782,341	$4,084,589	$4,483,546	$4,280,596	$4,067,376	$3,844,254	$3,609,816	$3,362,830
Actuarial Recommended Contribution	$875,305	$947,268	$1,081,275	$1,238,596	$1,198,351	$1,267,281	$1,266,306	$1,212,096	$1,200,461	$1,185,927	$1,187,467
as % of Total Salary	14.0%	14.3%	16.3%	18.5%	17.8%	18.5%	18.3%	17.5%	17.5%	17.1%	17.2%
Total Salary	$6,256,846	$6,623,264	$6,642,118	$6,702,242	$6,738,014	$6,851,414	$6,902,447	$6,917,461	$6,878,590	$6,923,046	$6,897,301

Plan Design Changes

Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Funding Liability	$45,107,890	$46,908,219	$48,909,665	$50,964,167	$53,071,271	$55,323,914	$57,621,369	$59,901,259	$61,920,779	$63,905,039	$65,746,509
Actuarial Value of Assets	$37,736,075	$39,707,186	$40,730,098	$41,392,467	$44,362,251	$46,391,859	$49,085,005	$51,783,438	$54,244,182	$56,695,029	$59,030,790
Market Value of Assets	$37,755,491	$37,074,774	$39,130,771	$41,361,470	$43,819,645	$46,391,859	$49,085,005	$51,783,438	$54,244,182	$56,695,029	$59,030,790
Funded %	83.66%	84.65%	83.28%	81.22%	83.59%	83.85%	85.19%	86.45%	87.60%	88.72%	89.79%
Unfunded Liability	$7,371,815	$7,201,033	$8,179,567	$9,571,700	$8,709,020	$8,932,055	$8,536,364	$8,117,821	$7,676,597	$7,210,010	$6,715,719
Actuarial Recommended Contribution	$1,477,227	$1,558,655	$1,696,562	$1,852,414	$1,813,288	$1,886,961	$1,886,639	$1,820,233	$1,805,167	$1,788,616	$1,790,677
as % of Total Salary	23.6%	23.5%	25.5%	27.6%	26.9%	27.5%	27.3%	26.3%	26.2%	25.8%	26.0%
Total Salary	$6,256,846	$6,623,264	$6,642,118	$6,702,242	$6,738,014	$6,851,414	$6,902,447	$6,917,461	$6,878,590	$6,923,046	$6,897,301

072

This scenario assumed a 0% return during plan year ending 12/31/2020 and 7.25% for each thereafter.

Final Statements

- The plan is over 80% funded before the implementation of plan changes, and at least 75% funded after the implementation of plan changes.
- The plan sponsor is currently paying at least the recommended contribution on an annual basis.
- The proposed change would not in any way impair the ability of the plan to meet the obligations in effect at this time.
- Additional contributions to the plan are not mandated for the 2020 plan year. Future contribution obligations are increased in projected future years comparing to the current plan design.
- The assumptions used for the valuation and related projections produced results which, in the aggregate, are reasonable.

Appendix

074

2020 Actuarial Assumptions and Methods

- **Funding Interest Rate**
  7.25%

- **Salary Increases**
  2.50% per Year

- **Mortality Rates**
  PubS-2010 with generational improvements using Scale MP-2019

- **Expense Loading**
  None

- **Actuarial Cost Method**
  Entry Age Normal

- **Amortization Method**
  20-year closed level dollar amortization of UAAL

- **Asset Valuation Method**
  Gains and losses on the Market Value of Assets are recognized over five years

- **Retirement Rates**
  Non-Uniformed: 100% at age 62
  Uniformed: 50% at age 55, 50% at age 56, and 100% at age 57

- **Withdrawal Rates**

age 25	4.9%
30	3.7%
35	2.3%
40	1.1%
45	0.3%

- **Disability Rates**
  Per 1,000 employees

age 25	0.3
35	0.3
45	0.9
55	4.2

Cost Projection Actuarial Assumptions and Methods

- **Funding Interest Rate**

  7.25%

- **Asset Return**

  7.25% per year unless otherwise noted

- **Assumed Contribution**

  The recommended contribution each year beginning in 2020

- **Population Growth**

  the populated is projected to remain flat after 1/1/2021. Ten new employees are assumed to meet participation at 1/1/2021.

- **Population Growth**

  New entrants are based on new hire demographic data in 2019.

- **All other methods, assumptions**

  As described in the January 1, 2020 draft valuation report.

Summary of Plan Provisions

- **Normal Retirement**

  Eligibility – Uniformed: Age 57* Non-Uniformed: Age 62

  Benefit – 50% of average monthly compensation multiplied by a fraction of participant's actual service in completed years to the date of determination divided by the participant's service to retirement, but not more than 20 years (25 years for employees after 11/25/2007.) Minimum benefit of actuarial equivalent benefit under prior plan.
  (Proposed change: 80% of average monthly compensation replaces 50% of average monthly compensation above)

  * Uniformed employees hired before January 1, 2013 and age 50 on or before January 1, 2013 have a normal retirement age of 55

- **Early Retirement**

  Uniformed
  Eligibility – age 55 with 5 years of service
  Benefit – benefit is reduced 5% per year from age 57. Benefits accrued prior to January 1, 2013 are unreduced for early retirement.

  Non-Uniformed
  Eligibility – age 55 with 10 years of service
  Benefit – actuarially reduced accrued benefit

Summary of Plan Provisions

- **Bridge Benefit**
  Eligibility – Uniformed retirees between ages 55 and 62
  Benefit – 20% of average monthly compensation paid until participant is one month past age 62, reduced for service less than 20 or 25 years at NRA depending on hire date.
  (Proposed change: Bridge benefit is eliminated for participants terminating employment on or after January 1, 2021)

- **Death Benefit**
  Eligibility – immediate
  Benefit – Actuarial equivalent of vested accrued benefit paid to beneficiary

- **Vesting**
  Eligibility – 10-year graded vesting: 50% at 5 years, increasing 10% per year to 100% at 10 years
  Benefit – Accrued benefit paid at Normal Retirement

- **Cost of Living Increase**
  1% retiree increase every January 1
  (Proposed change: 1% COLA is eliminated for participants terminating employment on or after January 1, 2021)

- **Payment Form Options**
  The unreduced payment form is a life annuity. Several other actuarially equivalent payment form options are available, including a partial lump sum payment.

- **Employee contributions**
  078 1% of compensation for 2013 and 2% of compensation for 2014 and later.
  (Proposed change: 4% of compensation beginning January 1, 2021)

WENTZVILLE FPD

Minutes of the Pension Meeting of the Board of Directors
Of The Wentzville Fire Protection District
October 24 2019

The Pension Meeting of the Wentzville Fire Protection District was held on October 24, 2019 at Fire Station 1 at 502 Luetkenhaus Blvd, Wentzville MO 63385.

Chairwoman Houston called the meeting to order at 6:00 p.m.

Chief Schneider led the Pledge of Allegiance

Roll Call: Chief Schneider called roll, all five pension board members were present. Chairwoman Jennifer Houston, Director Bob Hawkins, Director Frank Grassmuck as well as Captains Steven Hayes and Captain Fred Hohenshell.

Also in attendance were Fire Chief John Schneider, Assistant Chief John LeDoux, Battalion Chief Willie Meyer as well as Shop Steward Max Mueller. Legal Counsel McLaughlin was present via teleconference.

Chairwoman Houston made a motion to approve the agenda it was seconded by Director Grassmuck. Chairwoman Houston-aye, Director Hawkins-aye, Director Grassmuck-aye, Captain Steve Hayes-aye, Captain Fred Hohenshell-aye.

Chief Schneider presented the Plan document for the Defined Benefit. He stated it has been prepared by Legal Counsel McLaughlin. All board members stated they had reviewed the document. The board agreed to approve the plan document. On a motion of Chairwoman Houston and second of Director Grassmuck, the Defined Benefit Plan of the Wentzville Fire Protection District was approved. Chairwoman Houston-aye, Director Hawkins-aye, Director Grassmuck-aye, Captain Steve Hayes-aye, and Captain Fred Hohenshell-aye.

Chairwoman Houston motioned to adjourn the Pension Board Meeting at 6:11 p.m. it was seconded by Director Grassmuck and unanimously approved by all Pension Board Members. Chairwoman Houston-aye, Director Hawkins-aye, Director Grassmuck-aye, Captain Steve Hayes-aye, Captain Fred Hohenshell-absent.

Frank Grassmuck, Secretary

Stacy Krieger, Recording Secretary

Wentzville Fire Protection District Defined Benefit Plan, As of 1/1/20

MEMBERSHIP:

Active: 60 **Inactive:** 0

CONTRIBUTIONS:

Contributions: 4,000,000 **Employee:** Non-Contributory

BENEFITS:

Normal Retirement Formula:

1.5% of compensation for each year for a maximum of 20 years.

Normal Retirement Eligibility:

Age 60 for First Responders and Age 62 for other Participants with 10 years of service

Final Average Salary Calculation: Average annual compensation earned in the highest 5 out of the last 10 years

Social Security Coverage: Yes

Valuation of Assets: Market Value

Mortality Table: PubS-2010 with generational improvements from 2010 based on MP-19

Vesting: 10 years

COLA: No COLA

ACTUARIAL ASSUMPTIONS:

Interest: 5.0% **Salary:** 3.0%

AVA: $4,005,764 **MVA:** $4,005,764

Liabilities: $9,633,185

Funded Ratio: 41.6%

Amortization: 20 year closed level dollar amortization

Recommended contribution as of 1/1/20: $1,000,811

Plan became effective January 1, 2019

The Fire Protection District continues to operate and contribute to the defined contribution plan.

CENTRAL COUNTY FIRE AND RESCUE, COTTLEVILLE FPD, O’FALLON FPD

CENTRAL COUNTY FIRE & RESCUE RETIREMENT PLAN, as of 1/1/20

MEMBERSHIP:

Active: 85 **Inactive:** 0

CONTRIBUTIONS:

Contributions: 0 **Employee:** Non-Contributory

DC Plan balance converted $27,755,010 to DB Plan

BENEFITS:

Normal Retirement Formula:

The greater of: 2.0% of compensation for each year for a maximum of 30 years; or
The actuarial equivalent of the member's DC Plan balance as of 12/31/19 (as described in the plan document)

Normal Retirement Eligibility:

Age 60
Age 55 with 10 years of service

Final Average Salary Calculation:

Average annual compensation earned in the final three consecutive years preceding retirement

Social Security Coverage: Yes

Valuation of Assets: 5 years

Mortality Table: PubS-2010 with generational improvements from 2010 based on MP-19

Vesting: Partial 5/ Full 10

COLA: No COLA

ACTUARIAL ASSUMPTIONS:

Interest: 6.75% **Salary:** 4.0%

AVA: $27,755,010 **MVA:** $27,755,010

Liabilities: $31,416,891

Funded Ratio: 88.3%

Amortization: 20 year closed level percentage of pay

Recommended contribution as of 1/1/20: $1,503,266

Plan became effective January 1, 2020
The FPD terminated the defined contribution plan and transferred most of the funds to the DB plan.

SAMPLE BALLOT

GENERAL ELECTION

NOVEMBER 3, 2020

ST. CHARLES COUNTY, MISSOURI

NOTICE OF ELECTION

Notice is hereby given that the General Election will be held in the County of St. Charles on Tuesday, November 3, 2020 as certified to this office by the participating entities of St. Charles County. The ballot for the Election shall be in substantially the following form.

FOR PRESIDENT AND VICE PRESIDENT

Vote for ONE PAIR

- DONALD J. TRUMP / MICHAEL R. PENCE — REP
- JOSEPH R. BIDEN / KAMALA D. HARRIS — DEM
- JO JORGENSEN / JEREMY (SPIKE) COHEN — LIB
- HOWIE HAWKINS / ANGELA NICOLE WALKER — GRN
- DON BLANKENSHIP / WILLIAM MOHR — CST
- WRITE IN

FOR GOVERNOR

Vote For One

- MIKE PARSON — REP
- NICOLE GALLOWAY — DEM
- RIK COMBS — LIB
- JEROME HOWARD BAUER — GRN
- WRITE IN

FOR LIEUTENANT GOVERNOR

Vote For One

- MIKE KEHOE — REP
- ALISSIA CANADY — DEM
- BILL SLANTZ — LIB
- KELLEY DRAGOO — GRN
- WRITE IN

FOR SECRETARY OF STATE

Vote For One

- JOHN R. (JAY) ASHCROFT — REP
- YINKA FALETI — DEM
- CARL HERMAN FREESE — LIB
- PAUL LEHMANN — GRN
- PAUL VENABLE — CST
- WRITE IN

FOR STATE TREASURER

Vote For One

- SCOTT FITZPATRICK — REP
- VICKI LORENZ ENGLUND — DEM
- NICHOLAS (NICK) KASOFF — LIB
- JOSEPH CIVETTINI — GRN
- WRITE IN

FOR ATTORNEY GENERAL

Vote For One

- ERIC SCHMITT — REP
- RICH FINNERAN — DEM
- KEVIN C BABCOCK — LIB
- WRITE IN

FOR UNITED STATES REPRESENTATIVE DISTRICT 2

Vote For One

- ANN WAGNER — REP
- JILL SCHUPP — DEM
- MARTIN SCHULTE — LIB
- WRITE IN

FOR UNITED STATES REPRESENTATIVE DISTRICT 3

Vote For One

- BLAINE LUETKEMEYER — REP
- MEGAN REZABEK — DEM
- LEONARD J STEINMAN II — LIB
- WRITE IN

FOR STATE SENATOR DISTRICT 23

Vote For One

- BILL EIGEL — REP
- RICHARD ORR — DEM
- WRITE IN

FOR STATE REPRESENTATIVE DISTRICT 042

Vote For One

- JEFF PORTER — REP
- WRITE IN

FOR STATE REPRESENTATIVE DISTRICT 063

Vote For One

- RICHARD W WEST — REP
- WRITE IN

FOR STATE REPRESENTATIVE DISTRICT 064

Vote For One

- TONY LOVASCO — REP
- AALIYAH BAILEY — DEM
- WRITE IN

FOR STATE REPRESENTATIVE DISTRICT 065

Vote For One

- TOM HANNEGAN — REP
- BILL OTTO — DEM
- WRITE IN

FOR STATE REPRESENTATIVE DISTRICT 070

Vote For One

- JERRY ADZIMA — REP
- PAULA BROWN — DEM
- WRITE IN

FOR STATE REPRESENTATIVE DISTRICT 102

Vote For One

- RON HICKS — REP
- TRACY GRUNDY — DEM
- WRITE IN

FOR STATE REPRESENTATIVE DISTRICT 103

Vote For One

- JOHN D. WIEMANN — REP
- LISA REES — DEM
- WRITE IN

FOR STATE REPRESENTATIVE DISTRICT 104

Vote For One

- ☐ ADAM SCHNELTING — REP
- ☐ JESSICA DeVOTO — DEM
- ☐ WRITE IN

FOR STATE REPRESENTATIVE DISTRICT 105

Vote For One

- ☐ PHIL CHRISTOFANELLI — REP
- ☐ CHRISTINE HYMAN — DEM
- ☐ WRITE IN

FOR STATE REPRESENTATIVE DISTRICT 106

Vote For One

- ☐ ADAM SCHWADRON — REP
- ☐ CINDY BERNE — DEM
- ☐ WRITE IN

FOR STATE REPRESENTATIVE DISTRICT 107

Vote For One

- ☐ NICK SCHROER — REP
- ☐ VICTORIA WITT DATT — DEM
- ☐ MIKE COPELAND — LIB
- ☐ WRITE IN

FOR STATE REPRESENTATIVE DISTRICT 108

Vote For One

- ☐ JUSTIN S. HILL — REP
- ☐ SUSAN SHUMWAY — DEM
- ☐ WRITE IN

FOR CIRCUIT JUDGE CIRCUIT 11 DIVISION 1

Vote For One

- ☐ REBECA McKELVEY — REP
- ☐ WRITE IN

FOR ASSOCIATE CIRCUIT JUDGE DIVISION 13

Vote For One

- ☐ CHRIS McDONOUGH — REP
- ☐ MICHELE HAMMOND — DEM
- ☐ WRITE IN

FOR ASSOCIATE CIRCUIT JUDGE DIVISION 14

Vote For One

- ☐ BRITTNEY R. SMITH — REP
- ☐ WRITE IN

FOR COUNTY COUNCIL DISTRICT 2

Vote For One

- ☐ JOE BRAZIL — REP
- ☐ WRITE IN

FOR COUNTY COUNCIL DISTRICT 4

Vote For One

- ☐ DAVID HAMMOND — REP
- ☐ WRITE IN

FOR COUNTY COUNCIL DISTRICT 6

Vote For One

- ☐ NANCY L. SCHNEIDER — REP
- ☐ WRITE IN

FOR OFFICE OF COUNCILMEMBER - WARD EIGHT TO FILL AN UNEXPIRED TERM ENDING APRIL 2022

Vote For One

- ☐ TONY BETHMANN
- ☐ MICHAEL GALBA
- ☐ DANIEL M. SILVERMAN

MISSOURI SUPREME COURT JUDGES

Shall Judge PATRICIA BRECKENRIDGE of the Missouri Supreme Court be retained in office?

- ☐ YES
- ☐ NO

MISSOURI COURT OF APPEALS JUDGE, EASTERN DISTRICT

Shall Judge KURT S. ODENWALD of the Eastern District Court of Appeals be retained in office?

- ☐ YES
- ☐ NO

Shall Judge ROBIN RANSOM of the Eastern District Court of Appeals be retained in office?

- ☐ YES
- ☐ NO

CONSTITUTIONAL AMENDMENT NO. 1

Proposed by the 100th General Assembly (First Regular Session) (SS SCS SJR 14 & 9)

Do you want to amend the Missouri Constitution to extend the two term restriction that currently applies to the Governor and Treasurer to the Lt. Governor, Secretary of State, Auditor and the Attorney General?

State and local governmental entities estimate no costs or savings from this proposal.

- ☐ YES
- ☐ NO

CONSTITUTIONAL AMENDMENT NO. 3

Proposed by the 100th General Assembly (Second Regular Session) (SS 3 SJR 38)

Shall the Missouri Constitution be amended to:

- Ban gifts from paid lobbyists to legislators and their employees;
- Reduce legislative campaign contribution limits;
- Change the redistricting process voters approved in 2018 by: (i) transferring responsibility for drawing state legislative districts from the Nonpartisan State Demographer to Governor-appointed bipartisan commissions; (ii) modifying and reordering the redistricting criteria.

State governmental entities expect no cost or savings. Individual local governmental entities expect significant decreased revenues of a total unknown amount.

- ☐ YES
- ☐ NO

CITY OF FORISTELL

PROPOSITION F

SHALL THE CITY OF FORISTELL, MISSOURI, IMPOSE A REAL ESTATE AND PERSONAL PROPERTY TAX OF FIFTY-CENTS ($.50) FOR EVERY ONE HUNDRED DOLLARS ($100) OF THE ASSESSED VALUATION OF SAID PROPERTY FOR THE PURPOSE OF FUNDING THE GENERAL FUND FOR PUBLIC PURPOSES.

- ☐ YES
- ☐ NO

CITY OF SAINT CHARLES

PROPOSITION 1

IN ORDER TO INCREASE FUNDING FOR CITY OF SAINT CHARLES PUBLIC SAFETY SERVICES AND ROAD IMPROVEMENTS, SHALL THE CITY OF SAINT CHARLES IMPOSE A LOCAL USE TAX AT THE SAME RATE AS THE TOTAL LOCAL SALES TAX, CURRENTLY AT A RATE OF TWO PERCENT (2%), PROVIDED THAT IF THE LOCAL SALES TAX IS REDUCED OR RAISED BY VOTER APPROVAL, THE LOCAL USE TAX SHALL ALSO BE REDUCED OR RAISED BY THE SAME ACTION? A USE TAX RETURN SHALL NOT BE REQUIRED TO BE FILED BY PERSONS WHOSE PURCHASES FROM OUT-OF-STATE VENDORS DO NOT IN TOTAL EXCEED TWO THOUSAND DOLLARS IN ANY CALENDAR YEAR.

- [ ] YES
- [ ] NO

CENTRAL COUNTY FIRE AND RESCUE

PROPOSITION R

SHALL THE BOARD OF DIRECTORS OF CENTRAL COUNTY FIRE & RESCUE, A FIRE PROTECTION DISTRICT OF ST. CHARLES COUNTY MISSOURI, BE AUTHORIZED TO LEVY AN ADDITIONAL TAX OF TEN CENTS PER ONE HUNDRED DOLLARS VALUATION, THE REVENUES FROM WHICH SHALL BE DEPOSITED IN A SPECIAL FUND AND USED ONLY FOR THE PENSION PROGRAM OF THE DISTRICT?

- [ ] YES
- [ ] NO

NEW MELLE FIRE PROTECTION DISTRICT

PROPOSITION FIRE

SHALL THE NEW MELLE FIRE PROTECTION DISTRICT ISSUE ITS GENERAL OBLIGATION BONDS IN THE AMOUNT OF SEVEN MILLION DOLLARS ($7,000,000) FOR THE PURPOSE OF ACQUIRING REAL PROPERTY, CONSTRUCTING, RENOVATING, IMPROVING, EQUIPPING AND FURNISHING FIRE STATIONS AND RELATED FACILITIES, AND REPLACING OUTDATED FIREFIGHTING VEHICLES AND EQUIPMENT WITH TECHNOLOGICALLY ADVANCED LIFESAVING FIREFIGHTING TRUCKS, SUPPORT VEHICLES AND OTHER LIFESAVING EQUIPMENT?

- [ ] YES
- [ ] NO

COTTLEVILLE COMMUNITY FIRE PROTECTION DISTRICT

PROPOSITION HEALTH

TO KEEP PACE WITH THE GROWTH OF THE DISTRICT, SHALL THE BOARD OF DIRECTORS OF COTTLEVILLE COMMUNITY FIRE PROTECTION DISTRICT BE AUTHORIZED TO LEVY AN ADDITIONAL TAX RATE OF NINE CENTS PER ONE HUNDRED DOLLARS VALUATION, THE REVENUES FROM WHICH SHALL BE DEPOSITED IN A SPECIAL FUND AND USED ONLY FOR THE CONTINUATION OF THE PENSION PROGRAM OF THE DISTRICT?

- [ ] YES
- [ ] NO

O'FALLON FIRE PROTECTION DISTRICT

PROPOSITION (F)

IN ORDER TO KEEP PACE WITH THE DISTRICTS GROWTH, SHALL THE BOARD OF DIRECTORS OF THE O'FALLON FIRE PROTECTION DISTRICT OF ST. CHARLES COUNTY, MISSOURI, BE AUTHORIZED TO LEVY AN ADDITIONAL TAX OF NOT MORE THAN TEN CENTS ($0.10) PER ONE HUNDRED DOLLARS ASSESSED VALUATION, THE REVENUES FROM WHICH SHALL BE DEPOSITED IN A SPECIAL FUND AND USED ONLY FOR THE CONTINUATION OF THE PENSION PROGRAM OF THE DISTRICT?

- [ ] YES
- [ ] NO

Pension Tax Levy Propositions, Fire Protection Districts in St. Charles County, November 2020 Election

Central County Fire and Rescue

Assessed valuation, year ended 12/31/19: $1,958,781,985

Property tax rate per $100 assessed value:

Pension tax fund: $0.0415

Proposition R: The FPD sought authority from the voters to levy an additional tax of 10 cents per one hundred dollars valuation

Status: Adopted by the voters

Cottleville Fire Protection District

Assessed valuation, year ended 12/31/19: $1,470,792,785

Property tax rate per $100 assessed value:

Pension tax fund: $0.0815

Proposition Health: The FPD sought authority from the voters to levy an additional tax of 9 cents per one hundred dollars valuation

Status: Adopted by the voters

O'Fallon Fire Protection District

Assessed valuation, year ended 12/31/19: $1,725,544,478

Property tax rate per $100 assessed value:

Pension tax fund: $0.0375

Proposition F: The FPD sought authority from the voters to levy an additional tax of not more than 10 cents per one hundred dollars assessed valuation

Status: Adopted by the voters

Website Updated: 11/18/2020 08:55:58 AM

St. Charles County Election Authority ()

November 3, 2020 General Election

OFFICIAL FINAL ELECTION RESULTS

PRECINCTS REPORTING

100%

Fully Reporting	122
Total Precincts	122

Showing 3 of 39 contests Show All

CENTRAL COUNTY FIRE AND RESCUE PROP. R
(VOTE FOR 1)

YES	24,311	51.11%
NO	23,254	48.89%

COTTLEVILLE FPD PROP. HEALTH
(VOTE FOR 1)

YES	16,305	51.62%
NO	15,281	48.38%

O'FALLON FPD PROP. (F)
(VOTE FOR 1)

YES	23,384	53.48%
NO	20,342	46.52%

Central County FIRE & RESCUE (https://centralcountyfire.org/)

Search ...

(https://www.facebook.com/centralcountyfire) (https://twitter.com/centralcounty)

Prop. R Placed On Nov. 3 Ballot

Posted on September 9, 2020

The Central County Fire & Rescue (CCFR) Board of Directors placed Prop. R on the Tuesday, Nov. 3 ballot. If approved by voters, the proposal would provide funding to honor retirement commitments to all CCFR firefighters.

"When we hire our firefighters, we make a commitment to provide them with a competitive salary, training opportunities, a safe work environment and the opportunity to retire with dignity. Funding from Prop. R would allow us to honor this commitment," said CCFR Board President Dave Tilley.

Residents approved the firefighter's retirement fund tax rate in 1991, nearly 30 years ago. Since then, it has not increased, despite providing retirement funds for nearly four times the number of employees.

Not only has the rate not increased in nearly three decades, it has actually decreased. Due to responsible financial planning, the District has been able to fund retirement commitments through economic highs and lows, and an 18% reduction in the rate caused by state regulations. But, after close to 30 years, this is simply no longer possible.

"Through the years, we have strived to maintain the high level of service our residents expect and deserve. Unfortunately, this has taken a toll on the ability of our firefighters to comfortably retire at a reasonable age, with many of them fighting fires well into their 60s," said Tilley.

Firefighters have one of the highest rates of injuries and illnesses of all occupations. The biggest dangers firefighters face are an increased risk of cancer, heart disease, PTSD, and most recently, exposure to COVID-19. These risks increase the longer a firefighter serves and the older they are.

Many of the District's firefighters are close to 50-years-old, or older, with more than two decades of service to the community.

If approved, the plan will cost the owner of a $200,000 home $3.17 per month, similar to the cost of a gallon of milk. Voters can request mail in and absentee ballots from the St. Charles County Election Authority at www.election.sccmo.org or by calling 636-949-7550. Election Day is Tuesday, Nov. 3, polls will be open from 6 a.m. until 7 p.m.

Facebook
[illegible]%2Fprop-r-

Twitter
[illegible]n%20Nov.%203%20Ballot&url=https%3A%2F%2Fcentralcountyfire.org%2Fprop

Like
()

Posted in News (https://centralcountyfire.org/category/news/)

CCFR Firefighters Provide Mental Health Assistance To Community Members Following Traumatic Experiences (https://centralcountyfire.org/ccfr-firefighters-provide-mental-health-assistance-to-community-members-following-traumatic-experiences/)

Recent News

- Prop. R Placed On Nov. 3 Ballot (https://centralcountyfire.org/prop-r-placed-on-nov-3-ballot/)
- CCFR Firefighters Provide Mental Health Assistance To Community Members Following Traumatic Experiences (https://centralcountyfire.org/ccfr-firefighters-provide-mental-health-assistance-to-community-members-following-traumatic-experiences/)
- Drive-In Movie Night (https://centralcountyfire.org/drive-in-movie-night/)
- 2020 Local Fireworks Regulations (https://centralcountyfire.org/2020-local-fireworks-regulations/)
- St. Peters Neighbors Rescue Man From Burning Home (https://centralcountyfire.org/st-peters-neighbors-rescue-man-from-burning-home/)

Post Topics

- Ask The Chief (https://centralcountyfire.org/category/ask-the-chief/) (2)
- Community Outreach (https://centralcountyfire.org/category/community-outreach/) (14)
- Events (https://centralcountyfire.org/category/events/) (25)
- Fire Prevention Month (https://centralcountyfire.org/category/news/firepreventionmonth/) (5)
- Fires & Rescues (https://centralcountyfire.org/category/news/fires/) (17)
- News (https://centralcountyfire.org/category/news/) (182)

PROP. HEALTH

VOTE NOV. 3

PROTECT THE FUTURE OF OUR COMMUNITY

PROP. HEALTH Would Protect The Future Of Our Community, Firefighters and Emergency Services

In these uncertain times, the safety of our local community is more important than ever. Prop. Health is a proposal on the Nov. 3 ballot to protect the future of the Cottleville Fire Protection District and the firefighters who keep the community safe.

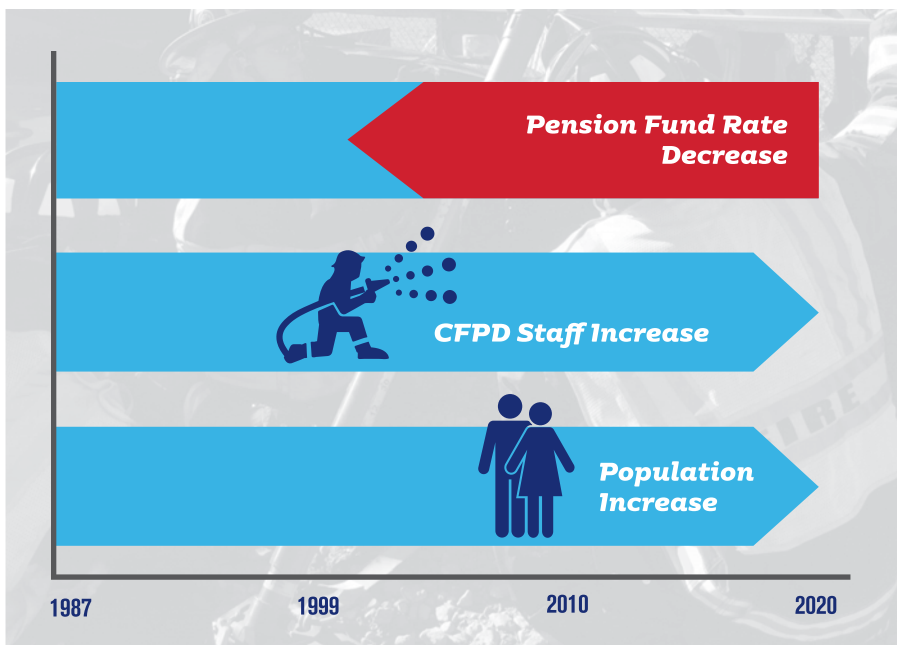
It would provide adequate funding for the District's pension program, which supports retirement for our firefighters. If approved by voters, it would cost the owner of a $250,000 home $3.56 a month, around the cost of a box of cereal.

PROP. HEALTH Would Support The First Pension Fund Update In Decades

More than 20 years ago, the community made the commitment to provide a reasonable retirement package to Cottleville firefighters by approving a pension fund.

Since then, our community's population has tripled and our number of firefighters has grown from 33 to 53. This growth, combined with fluctuations in the economy and state regulations, have reduced funding levels for our firefighters' retirement program.

Because of sound fiscal management, the District has been able to fund existing pension commitments without a rate increase, or using general operating funds. Unfortunately, this is no longer feasible without additional funding.



PROP. HEALTH Would Allow Firefighters To Retire When They Need To

Firefighters devote their lives to protecting our future, our lives and our property, responding to an average of 12,000 emergency calls throughout their career. In return, the District makes a commitment to protect their future by providing an adequate retirement program.

In many cases, work-related injuries or illness force our firefighters to leave the truck before their retirement benefits are available. Of the original 13 CFPD firefighters hired more than 30 years ago, only two were able to retire upon leaving service on the firetruck. Nearly 70% died in the line of duty, became disabled or had to move to an administrative position within the District that required less physical activity before retiring.

More than 33% of the District's firefighters are in their 50s and 60s.

Today, working to the point of retirement means a firefighter needs to stay on active duty until they are well into their 60s. The median age for our Cottleville firefighters is 47 years old, with over a third of the department in their 50s and 60s.

Without additional funding for the pension program, the average age of our firefighters will continue to increase, and money from the general operating fund, which is used for training, equipment and emergency services, will need to be used to fund existing retirement commitments.

The Dangers of the Job

Firefighters have one of the **HIGHEST RATES OF INJURIES AND ILLNESSES** of all occupations.

CANCER IS THE NO. 1 KILLER OF ACTIVE FIREFIGHTERS. Firefighters have a 9% higher chance of receiving a cancer diagnosis and a 14% higher chance of dying of cancer than the general population.

Approximately 20% of firefighters and paramedics suffer from **POST-TRAUMATIC STRESS DISORDER (PTSD),** compared to 3.5% of the general population.

Suicide rates among firefighters are estimated to be **10 TIMES GREATER THAN THE NATIONAL AVERAGE.**

SUDDEN CARDIAC DEATH consistently accounts for approximately half of firefighters' on-duty fatalities.

INCREASED EXPOSURE TO COVID-19 and other communicable diseases is unavoidable for first responders, whose job requires frequent and sustained interactions with the general public.

Data compiled from U.S. Bureau of Labor Statistics, National Institute for Occupational Health and Safety (NIOSH), Journal of Occupational Health, Journal of Emergency Medical Services and the National Fire Protection Association.

The dangers of the job increase the longer a firefighter serves and make it harder to recruit new candidates. A secure retirement program ensures we can recruit and retain well-trained firefighters by offering a competitive benefits package.

Funding from Prop. Health would protect the health of our firefighters by giving them the opportunity to retire before they become disabled or receive a life-threatening medical diagnosis, and protect the level of emergency services our community receives.

HOW TO VOTE

In-Person

Election Day, Tuesday, Nov. 3

Polls Open 6 a.m. - 7 p.m.

By Mail

1. Request ballot by 5 p.m. Oct. 21
2. Receive ballot in mail
3. Complete ballot and have it notarized
4. Mail notarized ballot to Election Authority office, must arrive by Nov. 3 ***or*** Surrender the ballot at your polling place and vote in person Nov. 3

Absentee

1. Request ballot by 5 p.m. Oct. 21
2. Receive ballot in mail
3. Complete ballot and have it notarized, if needed
4. Mail ballot to Election Authority, must arrive by Nov. 3 ***or*** Deliver ballot to Election Authority by 7 p.m. Nov. 3 ***or*** Surrender the ballot at your polling place and vote in person Nov. 3

You may also vote absentee in-person at the Election Authority until 5 p.m. on Nov. 2.

Election Authority

For details on how to vote, to request an absentee or mail-in ballot, or to find polling place information, contact the St. Charles County Election Authority.

Phone: 636.949.7550

Website: sccmo.org/410/Election-Authority

Address: 397 Turner Blvd., St. Peters, MO 63376

PROP. HEALTH

Learn More

Cottlevillefpd.org or call 636.447.6655.

VOTE NOV. 3

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O'FALLON
FIRE PROTECTION DISTRICT

MENU

Prop. F: Our Community

Prop. F Would Support The First Pension Fund Update In Decades

In 1994, more than 25 years ago, the community made the commitment to provide a reasonable retirement package to O'Fallon Fire Protection District firefighter/paramedic/EMTs by approving a pension fund. This is a separate fund that can only be used for fire district pensions. Since then, our community's population has more than tripled, and our District has grown from 17 employees to 71 to keep the growing community safe.

In addition, the voter-approved pension tax rate has been rolled back 26%, due to the State's Hancock Amendment.

Growth, state regulations and fluctuations in the economy have all reduced funding levels for our firefighters' retirement program. Due to sound fiscal management, the District has been able to fund existing pension commitments without ever-increasing the rate. Unfortunately, this is no longer feasible, and the current pension funding level simply cannot support a community of our size.

This information was prepared and paid for by the O'Fallon Fire Protection District, 111 Laura K Dr., O'Fallon, MO 63366, Thomas Vineyard, Chief. This information is intended solely to educate and inform residents about a question that will be before voters. It is not intended to advocate, support or oppose the passage or defeat of the measure. Each voter should vote for or against the question based on his or her own judgment.

092

Approved at 09-24-20 Board Mtg

MINUTES OF THE REGULAR BOARD MEETING AND PUBLIC HEARING OF THE O'FALLON FIRE PROTECTION DISTRICT BOARD OF DIRECTORS

September 10, 2020

A Regular Session and Public Hearing of the O'Fallon Fire Protection District Board of Directors was held on Thursday, September 10, 2020, via Zoom due to COVID-19. Director Laughlin called the meeting to order at 7:01 p.m. Notice of said meeting had been provided at least 24 hours in advance of the meeting by posting the meeting time in the case on the outside wall of the Administrative Offices. The following Directors were present: Director Bill Laughlin, Director Matt Gober, and Director Matt Simmons. The following staff members were present: Chief Tom Vineyard, Assistant Chief Ken Vomund, Assistant Chief Brian Moore, Fire Marshal Mark Morrison, Battalion Chief Andy Parrish, Battalion Chief Matt Braile, Shop Steward Captain Eric Johnston, Engineer Tom Vogelgesang, Firefighters Jeff Woodson, Trey Thomure, Cody Willis, Fire Prevention Specialist Ed Engel, and Board Administrative Assistant Karen Lucido.

The following guests were present: Attorney Neil Bruntrager, Rick Rognan, CPA, and Bruce Kummer, CPA.

The Pledge of Allegiance was led by Chief Vineyard, followed by the reading of the Firefighter Prayer. Director Laughlin requested special prayers for our fallen brothers and sisters of the 9/11 terrorist attack; and he thanked everyone for all their sacrifices and dedication to keeping our citizens safe.

APPROVED COPY

PUBLIC HEARING

Director Laughlin opened the Public Hearing and recognized Mr. Rognan who reviewed the Profoma calculations andDistrict's proposed tax rates post BOE. He reviewed the general fund, pension and debt services amounts, noting they remain unchanged from 2019. He anticipates revenue increases of approximately $205,711.00. The Notice of Public Hearing was published at least 7 days prior to this hearing. Chief Vineyard questioned what the pension tax would be if Proposition F is successful in November. Mr. Rognan stated the District currently has a 5-cents per $100 assessed value ceiling, however, with the Hancock Amendment, the District is only receiving 3.75 cents per $100 assessed value; with the 10-cents from Proposition F it is possible the District will be at 13.75 cents per $100 assessed

Approved at 09-24-20 Board Mtg

value; and could go higher depending on CPI, but not exceed 15 cents. Mr. Rognan reviewed the proposed 2020 tax rates per $100 assessed values: $0.7818 for General Fund; $0.0375 for Pension; $0.0413 for Debt Service for a total proposed 2020 tax rate of $0.8606. Director Laughlin asked for any comments. There being none, a motion was made by Director Laughlin to close the Public Hearing, seconded by Director Simmons. Upon roll call the vote was:

Ayes:	(3)	Directors Laughlin, Gober, and Simmons
Nays:	(0)	None
Absent:	(0)	None

Motion declared and carried.

There being no further discussion or comments, the public hearing was closed.

Director Laughlin made a motion to approve Resolution 2020-04 as presented, setting the 2020 tax levy rates for General Fund, Debt Service, and Pension tax rates for utilization in the 2021 fiscal year, Resolution attached as Exhibit I, seconded by Director Gober. Upon roll call the vote was:

Ayes:	(3)	Directors Laughlin, Gober, and Simmons
Nays:	(0)	None
Absent:	(0)	None

Motion declared and carried.

APPROVED COPY

ANNUAL AUDIT

Director Laughlin recognized Bruce Kummer, CPA. Mr. Kummer thanked the Board, Chief Vineyard, and staff for their patience in completing the Audit this year, which was done virtually due to COVID-19. Mr. Kummer stated the District is in good financial shape, and compared 2019 vs. 2018, stating cash increased approximately $1 million; over $500,000 in long term debt was paid off, and the total net position (equity) of the District increased several million dollars. Mr. Kummer reviewed the revenue and expenses, stating the Board of Directors is very conservative in their spending, and hired six additional firefighter/paramedics. Indepth review of the annual audit was conducted. Mr. Kummer stated the District is very financially healthy and asked if the Board had any changes on the management report. There were no changes. Mr. Kummer stated the District has a great Board of Directors and Administrative staff. Directors Laughlin, Simmons, and Gober thanked Mr. Kummer for his report and the work he did getting this done during these COVID circumstances. Chief Vineyard thanked Mr. Kummer, stating Mr. Kummer and his staff are always professional and do a first rate job, and are great to work with. There being no further questions or comments, a motion was made by Director Laughlin to

UPDATE ON LITIGATION RELATING TO SB 62 (2017)

Supreme Court of Missouri
en banc

SC98754
ED108450

September Session, 2020

Public School Retirement System
of the City of St. Louis, et al.,
Appellants,

vs. (TRANSFER)

State of Missouri, et al.,
Respondents.

Now at this day, on consideration of the Appellants' application to transfer the above-entitled cause from the Missouri Court of Appeals, Eastern District, it is ordered that the said application be, and the same is hereby denied.

STATE OF MISSOURI-Sct.

I, Betsy AuBuchon, Clerk of the Supreme Court of the State of Missouri, certify that the foregoing is a full, true and complete transcript of the judgment of said Supreme Court, entered of record at the September Session, 2020, and on the 24th day of November, 2020, in the above-entitled cause.

IN TESTIMONY WHEREOF, I have hereunto set my hand and the seal of said Court, at my office in the City of Jefferson, this 24th day of November, 2020.

SEAL OF THE SUPREME COURT OF MISSOURI

________________________, Clerk

________________________, Deputy Clerk

SCANNED

In the Missouri Court of Appeals
Eastern District

PUBLIC SCHOOL RETIREMENT SYSTEM OF THE CITY OF ST. LOUIS, JOSEPH W.B. BLARK, JR., BOARD OF TRUSTEES OF THE PUBLIC SCHOOL RETIREMENT SYSTEM OF THE CITY OF ST. LOUIS AND WILLIAM ANDREW CLARK, APPELLANTS,	)	
	)	No. ED108450
vs.	)	
STATE OF MISSOURI, SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS, ST. LOUIS PUBLIC SCHOOLS, BOARD OF EDUCATION OF THE CITY OF ST. LOUIS, CONFLUENCE ACADEMY, CONFLUENCE ACADEMY D/B/A GRANT CENTER ARTS ACADEMY, MISSOURI STATE EMPLOYEES RETIREMENT SYSTEM, PUBLIC SCHOOL RETIREMENT SYSTEM OF MISSOURI AND THE PUBLIC EDUCATION EMPLOYEE RETIREMENT SYSTEM OF MISSOURI, MISSOURI DEPARTMENT OF TRANSPORTATION AND HIGHWAY PATROL EMPLOYEES' RETIREMENT SYSTEM AND MISSOURI COUNTY EMPLOYEES' RETIREMENT FUND, RESPONDENTS.	)	

<u>ORDER</u>

Appellant's Motion for Rehearing is denied.

SO ORDERED.

DATED:

Chief Judge
Missouri Court of Appeals Eastern District

SEP 1 7 2020

SCANNED

In the Missouri Court of Appeals
Eastern District

PUBLIC SCHOOL RETIREMENT SYSTEM OF THE CITY OF ST. LOUIS, JOSEPH W.B. BLARK, JR., BOARD OF TRUSTEES OF THE PUBLIC SCHOOL RETIREMENT SYSTEM OF THE CITY OF ST. LOUIS AND WILLIAM ANDREW CLARK, APPELLANTS,	
	No. ED108450
vs.	
STATE OF MISSOURI, SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS, ST. LOUIS PUBLIC SCHOOLS, BOARD OF EDUCATION OF THE CITY OF ST. LOUIS, CONFLUENCE ACADEMY, CONFLUENCE ACADEMY D/B/A GRANT CENTER ARTS ACADEMY, MISSOURI STATE EMPLOYEES RETIREMENT SYSTEM, PUBLIC SCHOOL RETIREMENT SYSTEM OF MISSOURI AND THE PUBLIC EDUCATION EMPLOYEE RETIREMENT SYSTEM OF MISSOURI, MISSOURI DEPARTMENT OF TRANSPORTATION AND HIGHWAY PATROL EMPLOYEES' RETIREMENT SYSTEM AND MISSOURI COUNTY EMPLOYEES' RETIREMENT FUND, RESPONDENTS.	

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ORDER

Appellant's Application for Transfer to Missouri Supreme Court is denied.

SO ORDERED.

DATED:

SEP 1 7 2020

Chief Judge
Missouri Court of Appeals Eastern District

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IN THE SUPREME COURT OF MISSOURI

PUBLIC SCHOOL RETIREMENT SYSTEM OF THE CITY OF ST. LOUIS, et al.,	) Circuit Court No. 1722-CC12044)
	) Court of Appeals No. ED108450
Appellants/Plaintiffs,	)
	) Supreme Court No. _____________
v.	)
	) Court of Appeals, Eastern District
STATE OF MISSOURI, et al.,	)
	) Circuit Court of the City of St. Louis
Respondents/Defendants.	))

APPLICATION FOR TRANSFER

Is transfer sought prior to opinion _____ or after opinion **X**

The date the record on appeal was filed.................................. December 18, 2019

The date the Court of Appeals opinion was filed....................... August 11, 2020

The date the motion for rehearing was filed............................ August 26, 2020
and ruled on .... September 17, 2020

The date the application for transfer was filed.......................... August 26, 2020
and ruled on .... September 17, 2020

List every party involved in the case, indicate the position of the party in the circuit court (e.g., Plaintiff, Defendant, Intervenor) and in the court of appeals (e.g., Appellant or Respondent), and indicate the name and address of the attorney of record for each party. List first the parties applying for transfer and place a check mark in the space following to indicate each party applying for transfer.

Party		**Attorney**
Public School Retirement System of the City of St. Louis; Joseph W.B. Clark, Jr.; William Andrew Clark; Board of Trustees of the Public School Retirement System of the City of St. Louis *Plaintiffs/Appellants*	**X**	Matthew J. Gierse, 63828 James P. Faul, 58799 Hartnett Reyes-Jones, LLC 4399 Laclede Avenue St. Louis, MO 63108 Telephone: 314-531-1054 Facsimile: 314-531-1131 MGierse@hrjlaw.com JFaul@hrjlaw.com
State of Missouri *Defendant/Respondent*	___	Robert J. Isaacson, 38361 Assistant Attorneys General Missouri Attorney General's Office P.O. Box 861 St. Louis, Missouri 63188 Telephone: 314-340-7803 Facsimile: 314-340-7029 Robert.Isaacson@ago.mo.gov
Special Administrative Board of the Transitional School District of the City of St. Louis; St. Louis Public Schools; Board of Education of the City of St. Louis *Defendants/Respondents*	__	Grant Wiens, 65701 Mickes O'Toole, LLC 555 Maryville University Dr., Suite 240 St. Louis, Missouri 63141 Telephone: 314-878-5600 Facsimile: 314-878-5607 gwiens@mickesotoole.com

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Confluence Academy, Inc.; Confluence Academy d/b/a Grand Center Arts Academy *Defendants/Respondents*	___	Margaret A. Hesse, 43059 James R. Layton, 45631 Veronica E. Potter, 65955 34 N. Meramec Avenue, Suite 600 St. Louis, Missouri 63105 Telephone: 314-880-3600 Facsimile: 314-880-3601 mhesse@tuethkeeney.com jlayton@tuethkeeney.com vpotter@tuethkeeney.com
Missouri State Employees Retirement System; Public School Retirement System of Missouri and the Public Education Employee Retirement System of Missouri; Missouri Department of Transportation and Highway Patrol Employees' Retirement System *Intervenors/Respondents*	___	Lawrence C. Friedman, 34382 Jeffrey R. Fink, 44963 Thompson Coburn LLP One US Bank Plaza St. Louis, Missouri 63101 Telephone: 314-552-6000 Facsimile: 314-552-7000 lfriedman@thompsoncoburn.com jfink@thompsoncoburn.com
Missouri County Employees' Retirement Fund *Intervenor/Respondent*	___	Lewis Mills, 35275 Meredith P. Jacobowitz, 70227 Bryan Cave Leighton Paisner, LLP 211 N. Broadway, Suite 3600 St. Louis, Missouri 63102 Telephone: 314-259-2000 Facsimile: 314-259-2020 lewis.mills@bclplaw.com meredith.jacobowitz@bclplaw.com

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APPELLANTS' APPLICATION FOR TRANSFER

Appellants Public School Retirement System of the City of St. Louis, Board of Trustees of the Public School Retirement System of the City of St. Louis, Joseph W.B. Clark, Jr., and William Andrew Clark (collectively, "the Retirement System"), request transfer of this appeal to the Missouri Supreme Court pursuant to MO. R. CIV. P. 83.04.

GROUNDS FOR TRANSFER TO THE SUPREME COURT

1. Is the change in normal retirement eligibility from the Rule of 85 to the Rule of 80, which allows members to retire earlier and still receive a normal pension benefit, resulting in said retirees receiving more than $22 Million in additional pension benefits from the Retirement System, and which allows some members to receive a larger monthly pension benefit because the benefit would no longer be subject to an early retirement penalty, a "benefit increase, supplement, [or] enhancement" as stated in Section 105.684?

2. Does Section 169.597, which has never been previously interpreted by a Missouri court, and which states that "the board of trustees of any retirement system or the governing body of any political subdivision which funds such retirement system shall have standing to seek a declaratory judgment concerning the application of Article X, Section 21 of the Missouri Constitution to the provisions of" Chapter 169, enable the Retirement System to challenge an unfunded mandate imposed on the Retirement System through TAFP SB 62's changes to Chapter 169 that results in over $451 Million in lost employer contributions through 2034 and which caused an increase in pension payments of more than $22 Million for the members of the Retirement System?

3. Is the Court of Appeals' Opinion that Section 169.597 only provides a retirement system with standing to seek "a declaratory judgment as to the application of the Hancock Amendment to its funding political subdivision", but does not provide any substantive protection of the Hancock Amendment onto the retirement system, in conflict with *Byrne & Jones Enterprises, Inc. v. Monroe City R-1 Sch. Dist.*, 493 S.W.3d 847 (Mo. banc. 2016); *Schweich v. Nixon*, 408 S.W.3d 769 (Mo. banc. 2013); and *Manzara v. State*, 343 S.W.3d 656 (Mo. banc. 2011)?

4. Are public retirement systems lacking the power to tax other political subdivisions as defined in Article X, Section 15 of the Missouri Constitution?

STATEMENT OF FACTS

On May 11, 2017, the Missouri General Assembly passed Truly Agreed to and Finally Passed Senate Bill 62 ("TAFP SB 62"), which was signed into law by Governor Eric Greitens on July 14, 2017. (D140, pp. 8-9, ¶42-43). For the Retirement System, TAFP SB 62 amends Section 169.460 and increases the benefits to be paid out by expanding the eligibility to a normal pension for members of the Retirement System from previously attaining "an age which when added to the number of years of credited service of such member shall total a sum not less than eighty-five" ("Rule of 85") to now equaling only eighty ("Rule of 80"). (D134, p. 21). At the same time TAFP SB 62 amends 169.490 and decreases the amount of required employer contributions through a tiered contribution schedule that reduces the employer contributions being paid into the Retirement System over a 15-year period from 16% in 2018 to 9% in 2032. (D134, pp. 28-29).

Ultimately, once this 15-year reduction in contributions is complete, combined with the increase in benefits, the Retirement System will receive $451,269,000 less in employer contributions than actuarially required through 2034. (D148, p. 5 ¶25). Further, TAFP SB 62 will reduce the Retirement System's funded ratio by 17.38% by 2034. (D148, p. 5 ¶27). The Retirement System's actuary concluded that TAFP SB 62 materially affects the actuarial soundness of the Retirement System. (D148, pp. 5-7 ¶¶29, 30, 36).

Plaintiffs instituted this legal action alleging that: the benefit increase contained in TAFP SB 62 shall not become effective until the provisions of Sections 105.660 to 105.685 of the Missouri Revised Statutes are complied with (Count I); TAFP SB 62 violates the Hancock Amendment by creating an unfunded mandate (Count II); and TAFP SB 62 violates the Hancock Amendment by reducing the state financed proportion of the costs of an existing activity or service (Count III).

In the Opinion, the Court of Appeals affirmed the ruling of the Circuit Court granting Defendants' motions for judgment on the pleadings as to Counts I through III.

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Regarding Count I, in an instance of first impression, the Court of Appeals found that the change from the Rule of 85 to the Rule of 80 is not an additional benefit increase, supplement, or enhancement under 105.684 RSMo. Op. 5-6. Regarding Counts II and III pertaining to the Hancock Amendment and also matters of first impression, the Court of Appeals found that the Retirement System is not an "other political subdivision" entitled to the protections of the Hancock Amendment. Op. 8-9. The Court of Appeals further found that while Section 169.597 may give the Retirement System standing to bring a declaratory judgment action regarding the applicability of the Hancock Amendment to its funding political subdivision, Section 169.597 does not give the Retirement System any substantive protection of the Hancock Amendment. Op. 10-12.

DISCUSSION

Transfer of this matter to the Supreme Court is warranted because the issues identified herein involve matters of general interest and importance, the Opinion decided an issue of first impression requiring a reexamination of Missouri law, and because parts of the Opinion conflicts with prior precedent.

I. Entire Case is Largely One of First Impression

The entirety of this case is largely one of first impression. No Court has previously interpreted the statutes central to this case, Sections 105.684, 105.685, or 169.597. Likewise, Appellants are not aware of any decision from this Court previously discussing a public retirement system's status as an "other political subdivision" as defined in the Hancock Amendment. Therefore, this case provides an appropriate vehicle for this Court to not only discuss these issues that are of importance to the Retirement System, but are of importance and effect every public retirement system in Missouri.

A. No Missouri Court has Ever Discussed Section 105.684

Section 105.684 was first enacted by the Missouri General Assembly in 2007. Section 105.684 is part of an overall scheme that the legislature put in place, and which includes Sections 105.660 to 105.685, to protect the financial soundness of public pension plans in Missouri. This is the first case from a Missouri appellate court discussing any of

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the statutes set forth in Sections 105.660 to 105.685, let alone Section 105.684.

Furthermore, the financial soundness requirements that must be met in Section 105.684 before a plan can "adopt or implement any additional benefit increase, supplement, [or] enhancement," applies to every public pension plan in Missouri. Additionally, Section 105.684 not only provides protection to these public retirement plans from benefit changes made by the legislature, but also limits a public retirement plan's own ability to make benefit changes. Therefore, this case provides the appropriate vehicle for this Court to clarify for every public retirement system in Missouri and the thousands of public pension plan participants, the scope of what changes in benefits are encompassed by the phrase "benefit increase, supplement, [or] enhancement" in Section 105.684.

B. No Missouri Court has Ever Discussed Section 169.597

Likewise, this is the first case to interpret Section 169.597. Section 169.597 not only pertains to the Retirement System, but applies to every retirement system governed by Chapter 169. Thus, the Court of Appeals' Opinion interpreting Section 169.597, not only effects the Retirement System, but also effects the Public School Retirement System of Missouri ("PSRS") (Sections 169.010 through 169.141), the Kansas City Public School Retirement System (Sections 169.270 through 169.400), and the Public Education Employee Retirement System of Missouri ("PEERS") (Sections 169.600 through 169.750).

Thus, the Court of Appeals' Opinion that Section 169.597 only provides a retirement system with standing to seek "a declaratory judgment as to the application of the Hancock Amendment to its funding political subdivision," has a wide ranging and long lasting impact that effectively limits the ability of all of these aforementioned public retirement systems to protect themselves from being subject to unfunded mandates that may materially harm their financial soundness.

Additionally, the Opinion sets forth a hypothetical situation that Section 169.597 would apply to these retirement systems "if the legislature passed a statute requiring a retirement system to distribute a new benefit to its members and directing its funding political subdivision to pay for it." Op. 12. Nevertheless, under this hypothetical, the only

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way a retirement system could be involved would be if the funding political subdivision refused to remit payment to the retirement system as required under the hypothetical statute. Nevertheless, the Opinion misinterprets material matters of law by overlooking that in this hypothetical situation the retirement systems would have standing under the Declaratory Judgment Act anyway, such as the retirement system in *Neske v. City of St. Louis*, 218 S.W.3d 417 (Mo. banc. 2007), *overruled on other grounds in King-Willmann v. Webster Groves Sch. Dist.*, 361 S.W.3d 414 (Mo. banc. 2012).

Therefore, despite attempts by the Court of Appeals to the contrary, the Opinion effectively renders Section 169.597 meaningless as to all of the aforementioned retirement systems and renders them vulnerable to being subject to unfunded mandates that may materially harm their financial soundness. Thus, this case provides the appropriate vehicle for the Missouri Supreme Court to clarify the scope of Section 169.597, not only for the Retirement System, but for every retirement system governed by Chapter 169.

C. No Missouri Court has Previously Discussed Whether Public Retirement Systems are Political Subdivisions under the Hancock Amendment

Furthermore, prior to this Case, the Retirement System is not aware of any Missouri Court interpreting the the Hancock Amendment's relationship with public pension plans. Thus, it appears that the question of whether a public retirement system is an "other political subdivision," as defined in Article X, Section 15 of the Missouri Constitution, and which would then fall within the scope of the Hancock Amendment itself, is a question of first impression that has not been litigated in any Missouri Court prior to this case.

Therefore, this case provides an appropriate vehicle for this Court to clarify the scope of the Hancock Amendment and determine whether public retirement systems are political subdivisions covered by the Hancock Amendment. This is an issue that effects not only the Retirement System, but effectively every public retirement plan in Missouri.

Likewise, this case also presents an appropriate vehicle for this Court to reexamine existing law and clarify Article X, Section 15, to definitively state whether an entity must have the power to tax to fall within the definition of a political subdivision under Article

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X, Section 15. While the Retirement System is aware of a number of cases discussing the definition of an "other political subdivision" in Article X, Section 15, it is not aware of any controlling authority holding that an entity *must* have the power to tax to fall within the definition of "other political subdivision" in Article X, Section 15.

Instead, the vast majority of the cases discussing the power to tax requirement under Article X, Section 15, pertained to courts stating that an *Authority* is required to have the power to tax to fall within the definition of "other political subdivision." *See State ex rel. Wagner v. St. Louis Cty. Port Auth.*, 604 S.W.2d 592, 604 (Mo. banc. 1980) ("this Court has determined that *an authority* without the power to tax does not fall within the definition of § 15 and therefore is not a political subdivision") (emphasis added). *See also Menorah Med. Ctr. v. Health & Educ. Facilities Auth.*, 584 S.W.2d 73, 81 (Mo. banc. 1979). Indeed, two of the cases cited by the Court of Appeals in the Opinion, *State ex rel. Jardon v. Indus. Dev. Auth. of Jasper Cty.*, and *Champ v. Poelker*, simply state that a private corporation or an authority must have the power to tax to fall within Article X, Section 15. 570 S.W.2d 666, 668, 677 (Mo. banc. 1978) (involving an industrial development authority organized pursuant to Chapter 349); 755 S.W.2d 383, 388-89 (Mo. App. E.D. 1988) (involving a convention bureau that "is a not-for-profit corporation organized under Chapter 355, RSMo." and which is a "'private' corporation."). Additionally, the Court in *Champ* stated that an industrial development authority, such as the one in *Jardon*, is actually a "private corporation organized under Chapter 349" and "subject to Missouri's general corporation law, Chapter 351." 755 S.W.2d at 390. Likewise, neither of these cases involved Section 169.597 or a public employee retirement system, but instead involved private corporations organized pursuant to Missouri law.

Therefore, this case presents an appropriate vehicle for this Court to reexamine existing law and clarify Article X, Section 15, to definitively state whether an entity must have the power to tax to fall within the definition of an "other political subdivision" under Article X, Section 15. This issue not only effects the Retirement System, but every public retirement system in Missouri, along with any other public entity lacking the power to tax.

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II. Opinion Greatly Reduces Financial Protections Contained in Section 105.684 to all Public Retirement Systems in Missouri

Furthermore, this case involves matters of general interest and importance, because the Court of Appeals greatly weakened the scope of Section 105.684 and its ability to protect the financial stability of all of Missouri's public retirement systems.

The Court of Appeals concluded, without citing to any case, that the change to the Rule of 80 from the Rule of 85 in TAFP SB 62 is not a "benefit increase, supplement, [or] enhancement," as stated in Section 105.684, because "the change to the Rule of 80 does not increase the rate of a member's retirement benefits; it simply modifies the eligibility requirements under which members can receive their normal benefits." Op. 5-6.

However, the change to the Rule of 80 most certainly is a benefit increase, supplement, or enhancement as members can now retire a whole 2 ½ years earlier and still receive a full normal pension benefit, thereby increasing a member's lifetime pension benefit. Indeed, the Retirement System will be paying an additional $22 Million in lifetime benefits to the same pool of retirees. (D135, p. 6). This is in addition to the members who will see their monthly pension benefits increase as their normal pension benefits will not be reduced by the early retirement penalty as set forth in Section 169.460.3.

While the Court acknowledged that many members will now receive greater monthly pension benefits and that lifetime pension benefits to these members will increase by over $22 Million, the Court distinguished this fact by claiming that these additional benefits are caused by a change in eligibility, not in the rate of a member's benefit. Op. 5-6. However, this is an illogical conclusion and can lead to absurd results as the financial benefit to the member and the financial harm to the Retirement System is the same. Such a narrow definition of benefit increase, supplement, or enhancement will lead to illogical results and runs counter to the legislature's intent to protect the financial soundness of public retirement systems in enacting Section 105.684.

Nevertheless, the plain language of Section 105.684 is not so limited. The word "rate" is stated nowhere in Section 105.684. Additionally, the definition of "benefit" that the Court used also does not reference rate. *See* Webster's Third New Int'l Dict. 204 (3d ed. 2002) ("a cash payment or service provided for under an annuity, pension plan, or insurance policy."). By interpreting Section 105.684 to only apply to situations where the rate of a member's retirement benefits have increased, and not as a result of a change in eligibility, the Opinion has added terms to Section 105.684 to limit its applicability and effectiveness. However, "Courts cannot add words to a statute under the auspice of statutory construction." *Southwestern Bell Yellow Pages, Inc. v. Dir. of Revenue*, 94 S.W.3d 388, 390 (Mo. banc. 2002).

Simply, the Court's decision greatly limits the effectiveness of Section 105.684 to protect the financial soundness of all public retirement systems in the future.

III. The Financial Soundness of the Retirement System is at Stake

The Retirement System was created by the legislature in 1943 and is the statutory retirement system for employees of the Saint Louis Public Schools and of Charter Schools operating in the City of St. Louis. *See State ex rel. Dreer v. Pub. Sch. Ret. Sys. of the City of St. Louis*, 519 S.W.2d 290, 295 (Mo. banc. 1975). The Retirement System currently serves over 12,000 members.

In that regard, according to the most recent calculations performed by the Retirement System's actuary, TAFP SB 62 as a whole will result in the Retirement System receiving over $451 Million less in employer contributions than actuarially required through 2034. (D148, p. 5 ¶25). Likewise, the change from the Rule of 85 to the Rule of 80 alone contained within TAFP SB 62 will cost the Retirement System over $119 Million through 2034. (D148, pp. 5-6 ¶30). Further, TAFP SB 62 will reduce the Retirement System's funded ratio by 17.38% by 2034. (D148, p. 5 ¶27).

According to the Retirement System's actuary, TAFP SB 62 "will impair the ability of the [Retirement System] to meet the obligations due to the employer contribution being lower than the actuarially determined contribution in years when the statutory employer contribution rate is lower than the actuarially determined contribution rate." (D135, p. 3). Likewise, the Retirement System's actuary further concluded that TAFP SB 62 materially

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affects the actuarial soundness of the Retirement System. (D148, pp. 5-7 ¶¶29, 30, 36).

Ultimately, the actuary for the Retirement System concluded that TAFP SB 62 will materially affect the actuarial soundness of the Retirement System, cause significant financial harm to the Retirement System, and significantly damage the Retirement System's ability to provide benefits required by law to its members. (D148, p. 5 ¶29). Put simply, the long-term financial soundness of the Retirement System, which has over 12,000 members, is at stake in this case. Thus, this case plainly presents questions of general interest or importance that warrants transfer to the Missouri Supreme Court.

IV. The Court of Appeals' Interpretation of Standing Under Section 169.597 Conflicts With Long-Standing Missouri Supreme Court Precedent

In the Opinion, the Court of Appeals found that Section 169.597 does not give the Retirement System the substantive protection of the Hancock Amendment, but that it simply provides the Retirement System with the ability to seek a declaratory judgment as to the application of the Hancock Amendment to the funding political subdivision, which in this instance is the Saint Louis Public Schools ("School District"). Op. 10-12.

Furthermore, the Court of Appeals effectively found that under Section 169.597 the Retirement System does not have the ability to file suit on its own behalf to redress its own injury, but rather only on behalf of a third party, the School District. However, this finding in the Opinion is contrary to the principle in Missouri that to "have standing, the party seeking relief must have 'a legally cognizable interest' and 'a threatened or real injury.'" *Manzara v. State*, 343 S.W.3d 656, 659 (Mo. banc. 2011). *See also Byrne & Jones Enterprises, Inc. v. Monroe City R-1 Sch. Dist.*, 493 S.W.3d 847, 851 (Mo. banc. 2016) ("the plaintiff must have a legally protectable interest at stake in the outcome of the litigation."). "A party establishes standing, therefore, by showing that it has some legally protectable interest in the litigation so as to be directly and adversely affected by its outcome." *Schweich v. Nixon*, 408 S.W.3d 769, 775 (Mo. banc. 2013).

While the Court of Appeals recognizes the principle in *Manzara*, the reasoning in the Opinion is contrary to these aforementioned cases as it effectively ruled that a party

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need not have a legally cognizable interest or a threatened or real injury in order to file suit, as it held that the Retirement System does not have the ability to file suit under Section 169.597 to apply the Hancock Amendment to itself, but only to the School District.

However, this principle is contrary to the understanding of the doctrine of standing as set forth by this Court, such as in *Manzara*. While Missouri Courts have recognized associational or representational standing where a plaintiff who is not directly injured may file suit on behalf of others who are, this is a limited doctrine that only exists where an association can sue on behalf of its individual members so long as certain elements are met, which are not applicable to this case.[1] *See*, *Missouri Bankers Ass'n v. Director of Missouri Div. of Credit Unions*, 126 S.W.3d 360, 363 (Mo. banc. 2003); *Missouri Health Care Ass'n v. Attorney General of the State of Mo.*, 953 S.W.2d 617, 620 (Mo. banc. 1997). Nevertheless, the Opinion effectively expands the doctrine of representational standing to permit the Retirement System to file suit on behalf of the School District.

Additionally, to support this new reading of standing, the Court of Appeals states that a "grant of standing but not substantive protection is not inconsistent with other constitutional provisions relating to the Hancock Amendment." In this regard, the Court stated that because "every Missouri taxpayer has standing to bring suit to enforce the Hancock Amendment, obviously not all Missouri taxpayers are 'political subdivisions' that enjoy the substantive protections of the Hancock Amendment." Op. 10-11.

However, the Court of Appeals overlooks that while these taxpayers are not political subdivisions entitled to the protection of the Hancock Amendment, these taxpayers still have "a legally cognizable interest" and "a threatened or real injury" because one of the purposes of the Hancock Amendment is to protect taxpayers from an increase in taxes. *See Fort Zumwalt Sch. Dist. v. State*, 896 S.W.2d 918, 921 (Mo. banc. 1995) (Stating that

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[1] These elements are "1) its members would otherwise have standing to bring suit in their own right; 2) the interests it seeks to protect are germane to the organization's purpose; and 3) neither the claim asserted nor the relief requested requires the participation of individual members in the lawsuit." *Missouri Bankers Ass'n*, 126 S.W.3d at 363.

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the Hancock Amendment "aspires to erect a comprehensive, constitutionally-rooted shield [to] protect taxpayers from government's ability to increase the tax burden above that borne by the taxpayers on November 4, 1980.").

Thus, these taxpayers have standing under Article X, Section 23, to protect their own interest, not simply to protect the interest of a third party. Conversely, under the Court's reasoning, the Retirement System does not have the ability to invoke the Hancock Amendment to protect its own interest or injury, but only a third party's interest.

To support this interpretation of standing, the Opinion states that the Retirement System and the funding political subdivision "represent the necessary adverse parties in any declaratory judgment action properly brought under Section 169.597." Op. 11. Therefore, according to the Court of Appeals Section 169.597 only "allows a retirement system (or its funding political subdivision) to seek a declaratory judgment regarding whether any provision of Chapter 169 violates the Hancock Amendment's protections of the funding political subdivision." Op. 11. However, the Retirement System and the School District may not always be "the necessary adverse parties in any declaratory judgment action" as there may be occasions where both parties are in agreement and decide to file a declaratory judgment against another entity (such as the State). Or there may be occasions where only the Retirement System is harmed and the School District has no interest and is not involved.

Furthermore, the Opinion overlooks that if there were a question that required the Retirement System and the funding political subdivision to seek a declaratory judgment to declare their rights and obligations, the Retirement System would not need standing under Section 169.597 to do so, because it would have standing under the Declaratory Judgment Act anyway, just like the retirement system in *Neske v. City of St. Louis*, 218 S.W.3d 417 (Mo. banc. 2007). In that regard, the Declaratory Judgment Act in Section 527.020 permits "[a]ny person . . . whose rights, status or other legal relations are affected by a statute, . . . may have determined any question of construction or validity arising under the . . . statute . . . and obtain a declaration of rights, status or other legal relations thereunder."

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Thus, the fact that the Retirement System would have standing anyway under the Declaratory Judgment Act undercuts the Opinion's hypothetical that Section 169.597 "would apply if the legislature passed a statute requiring a retirement system to distribute a new benefit to its members and directing its funding political subdivision to pay for it." Op. 12. However, the question before the Court is not whether Section 169.597 would apply in some hypothetical situation, but rather whether the language of the statute supports the Retirement System's claims.

Nevertheless, under this hypothetical, the only way the Retirement System could be involved would be if the funding political subdivision refused to remit payment to the Retirement System as required under the hypothetical statute. However, just as in *Neske*, the Retirement System would not need standing under Section 169.597 to bring this hypothetical action, but would have standing under the Declaratory Judgment Act anyway.

Thus, under the Opinion's reasoning, Section 169.597 is effectively meaningless, not only to the Retirement System, but to all public school retirement systems governed by Chapter 169. In that regard, a "statute would never be construed in a manner which results in the mooting of the legislative changes since the legislature is never presumed to have committed a useless act." *State v. Harris*, 705 S.W.2d 544, 548 (Mo. App. E.D. 1986).

Ultimately, if Section 169.597 was dependent on a retirement system being covered by the Hancock Amendment, the legislature would have explicitly said so. Instead, the legislature in Section 169.597 equally provided retirement systems and their funding political subdivisions with "standing," which as noted above means that they each have a legally cognizable interest or a threatened or real injury and each can invoke the Hancock Amendment to the same extent to redress these injuries. However, as noted above, the Opinion conflicts with established Missouri case law on standing and for this reason, this case should be transferred to the Missouri Supreme Court.

CONCLUSION

For each of the reasons stated above, Appellants respectfully request that this Court grant their Application for Transfer.

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Respectfully submitted,

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CERTIFICATE OF SERVICE

A copy of this application for transfer, the Form 15 cover sheet, and all accompanying attachments were served via electronic mail on the following parties of record on October 2, 2020.

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QUARTERLY INVESTMENT REPORTING, THIRD QUARTER 2020 (AS OF 11/24/20)

Joint Committee on Public Employee Retirement
Quarterly Reports
2020 Third Quarter

Plan Name	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	$11,826,527	$12,364,124	9.8% (Net)	6.1% (Net)	7.8% (Net)	6.5%	0.0%	varies%
Arnold Police Pension Plan	$14,782,933	$15,613,029	5.16% (Gross)	5.38% (Gross)	6.52% (Gross)	6.0%	2.5%	4.50%
Bi-state Dev Agency Division 788, A.T.U.	$147,271,222	$154,039,793	N/A% (Net)	N/A% (Net)	N/A% (Net)	7%	2.5%	N/A%
Bi-state Development Agency Local 2 I.B.E.W.	$6,275,619	$6,638,485	N/A% (Net)	N/A% (Net)	N/A% (Net)	7%	2.5%	N/A%
Bi-state Salaried Employees	$81,245,631	$85,496,309	N/A% (Net)	N/A% (Net)	N/A% (Net)	7%	2.5%	4.5%
Black Jack FPD Retirement Plan	$18,822,192	$18,178,414	1% (Net)	1% (Net)	1% (Net)	7%	2.75%	4.5%
Bothwell Regional Health Center Retirement Plan	$44,329,999	$46,104,856	7.0% (Net)	6.2% (Net)	8.0% (Net)	7.75%	2.9%	3.0%
Brentwood Police & Firemen's Retirement Fund	$41,779,305	$43,545,629	N/A% (Gross)	N/A% (Gross)	N/A% (Gross)	N/A%	N/A%	N/A%
Bridgeton Employees Retirement Plan	$28,783,755	$29,827,121	2.43% (Net)	2.25% (Net)	4.40% (Net)	7.5%	3.0%	4.0%
Carthage Policemen's & Firemen's Pension Plan	$7,906,251	$8,293,523	12.85% (Net)	9.53% (Net)	9.04% (Net)	7.0%	2.2%	3.5%
Central County Fire & Rescue Pension Plan	$27,355,998	$27,613,681	NA% (Net)	NA% (Net)	NA% (Net)	6.75%	2.5%	4%
Clayton Non-uniformed Employee Pension Plan	$19,323,576	$20,762,696	7.66% (Net)	6.42% (Net)	8.15% (Net)	7%	2%	4%
Clayton Uniformed Employees Pension Plan	$47,617,415	$49,654,624	8.41% (Net)	7.12% (Net)	8.93% (Net)	7%	2%	3.5%
Columbia Police and Firemens' Retirement Plan	$143,654,206	$151,122,708	1.42% (Gross)	6.64% (Gross)	7.44% (Gross)	7%	2.5%	3.25%
Community FPD Retirement Plan	$24,726,584	$26,829,254	-4.36% (Net)	-3.77% (Net)	4.78% (Net)	7%	2.5%	4%
County Employees Retirement Fund	$568,516,000	$596,731,000	8.19% (Gross)	7.58% (Gross)	8.46% (Gross)	7.25%	2.5%	2.7%
Eureka FPD Retirement Plan	$13,852,455	$14,455,260	1% (Net)	1% (Net)	1% (Net)	7%	2.75%	4.5%
Fenton FPD Retirement Plan	$34,058,910	$35,804,649	11.30% (Net)	8.34% (Net)	9.71% (Net)	7.5%	2.5%	2.0%
Ferguson Pension Plan	$26,090,499	$26,847,465	5.95% (Gross)	6.15% (Gross)	7.63% (Gross)	7.5%	0%	3.25%
Florissant Valley FPD Retirement Plan	$34,237,780	$35,215,268	N/A% (Net)	N/A% (Net)	N/A% (Net)	6.5%	2.5%	See comme nts%
Glendale Pension Plan	$5,750,784	$5,805,027	4.91% (Gross)	5.45% (Gross)	7.48% (Gross)	7.00%	2.50%	3.75%

Plan Name	Beg. Mkt Value	End Mkt Value	ROR 12 mos.	ROR 36 mos.	ROR 60 mos.	ROR for Inv	Price Inf. Assump..	Sal/Wage Assump.
Hannibal Police & Fire Retirement Plan	$19,040,459	$20,007,307	9.8% (Gross)	7.2% (Gross)	8.3% (Gross)	7.0%	2.5%	3.5%
Hazelwood Retirement Plan	$42,775,948	$44,621,569	-1.92% (Net)	-.64% (Net)	-.39% (Net)	7.5%	2.75%	4.5%
High Ridge Fire Protection District Pension Plan	$7,308,149	$7,693,877	7.7% (Net)	5.4% (Net)	7.00% (Net)	7.0%	0.0%	0.0%
Jackson County Employees Pension Plan	$307,983,130	$318,768,750	7.97% (Gross)	7.13% (Gross)	8.85% (Gross)	6.75%	2.5%	2.75% - 4.75%
Kansas City Civilian Police Employees' Retirement System	$150,847,000	$158,180,000	8.09% (Net)	5.89% (Net)	7.49% (Net)	7.4%	2.5%	3.0%
Kansas City Employees' Retirement System	$1,149,863,942	$1,192,461,176	5.52% (Net)	5.46% (Net)	7.23% (Net)	7.5%	3.0%	3.75 to 5.0%
Kansas City Firefighter's Pension System	$549,600,000	$574,423,000	6.66% (Gross)	5.82% (Gross)	8.17% (Gross)	7.25%	2.5%	3.0% to 8.0%
Kansas City Police Retirement System	$900,799,000	$941,060,000	7.72% (Net)	5.78% (Net)	7.47% (Net)	7.4%	2.5%	3.0%
Kansas City Public School Retirement System	$610,383,000	$626,008,000	6.02% (Net)	4.91% (Net)	7.66% (Net)	7.50%	2.75%	5.0%
KC Area Transportation Authority Salaried Employees Pension Plan	$19,581,019	$20,821,727	9.21% (Gross)	7.05% (Gross)	8.57% (Gross)	7%	2.6%	4%
KC Trans. Auth. Union Employees Pension Plan	$50,074,120	$51,555,522	3.2% (Net)	4.4% (Net)	7.1% (Net)	7%	2.6%	4.25%
Ladue Non-uniformed Employees Retirement Plan	$5,270,281	$5,549,154	7.2% (Net)	5.6% (Net)	7.6% (Net)	7.0%	2.5%	4.5%
Ladue Police & Fire Pension Plan	$37,112,926	$38,698,272	7.2% (Net)	5.6% (Net)	7.6% (Net)	7.0%	2.5%	4.5%
LAGERS Staff Retirement Plan	$14,204,260	$18,970,005	4.37% (Net)	4.92% (Net)	7.92% (Net)	5.5%	2.5%	3.25%
Little River Drainage Dist Retirement Plan	$1,727,353	$1,806,280	7.15% (Gross)	4.51% (Gross)	4.89% (Gross)	5.0%	0%	3.5%
Local Government Employees Retirement System	$8,125,800,698	$8,321,051,209	4.63% (Net)	7.04% (Net)	8.6% (Net)	7.25%	2.5%	3.25%
Maplewood Police & Fire Retirement Fund	$13,430,949	$13,559,731	10.47% (Gross)	7.18% (Gross)	7.13% (Gross)	5.02%	.2%	2.5%
Metro West FPD Retirement Plan	$58,064,643	$60,890,495	11.3% (Net)	8.3% (Net)	9.5% (Net)	0.0%	0.0%	0.0%
Mid-County FPD Retirement Plan	$1,913,871	$2,079,261	1% (Net)	1% (Net)	1% (Net)	6.00%	2.75%	4.50%
Missouri Higher Education Loan Authority Pension Plan	$53,262,351	$57,456,983	7.95% (Net)	n/a% (Net)	n/a% (Net)	6.75%	2.25%	4.5%
Missouri State Employees Retirement System	$8,056,548,650	$8,392,973,793	8.1649% (Net)	6.3110% (Net)	6.4638% (Net)	6.95%	2.25%	2.50%
North Kansas City Hospital Retirement Plan	$284,848,188	$298,424,850	11.71% (Net)	8.00% (Net)	9.07% (Net)	7.25%	2.3%	2.5%
North Kansas City Policemen's & Firemen's Retirement Fund	$57,224,924	$60,064,152	10.3% (Gross)	7.5% (Gross)	9.4% (Gross)	6.5%	4.0%	1.2%

Plan Name	Beg. Mkt Value	End Mkt Value	ROR 12 mos.	ROR 36 mos.	ROR 60 mos.	ROR for Inv	Price Inf. Assump..	Sal/Wage Assump.
Olivette Salaried Employees' Retirement Plan	$21,075,799	$21,828,225	7.1% (Net)	6.0% (Net)	8.2% (Net)	7.25%	2.75%	4.00%
Overland Non-uniform Pension Fund	$11,372,000	$12,001,000	7.30% (Net)	6.33% (Net)	8.04% (Net)	7%	2.5%	3.5%
Overland Police Retirement Fund	$12,716,000	$12,943,000	7.59% (Net)	6.54% (Net)	8.60% (Net)	7.5%	2.5%	3.5%
Pattonville Fire Protection District	$31,954,973	$34,046,841	-0.47% (Net)	-2.47% (Net)	5.93% (Net)	7.75%	2.5%	2.5%
Prosecuting Attorneys' Retirement System	$47,227,659	$49,018,119	4.9% (Net)	4.8% (Net)	6.5% (Net)	7.0%	2.0%	3.5%
Public Education Employees' Retirement System	$5,098,158,767	$5,322,292,664	8.5% (Net)	7.3% (Net)	8.7% (Net)	7.5%	2.25%	3.25%
Public School Retirement System	$40,497,973,441	$42,167,300,361	8.5% (Net)	7.3% (Net)	8.7% (Net)	7.5%	2.25%	2.75%
Raytown Policemen's Retirement Fund	$9,783,804	$10,134,748	7.58% (Gross)	6.52% (Gross)	8.19% (Gross)	7.5%	2.5%	N/A%
Rock Community FPD Retirement Plan	$19,934,767	$20,783,875	7.2% (Net)	5.5% (Net)	7.2% (Net)	7.0%	2.0%	3.0%
Saline Valley Fire Protection District Retirement Plan	$3,909,231	$4,023,480	8.5% (Gross)	6.5% (Gross)	6.4% (Gross)	7.0%	2.5%	2.5%
Sedalia Firemen's Retirement Fund	$6,985,416	$7,204,207	8.1% (Gross)	6.6% (Gross)	7.9% (Gross)	7.0%	2.0%	3.0%
Sheriff's Retirement System	$45,546,107	$46,948,792	1.840% (Gross)	4.150% (Gross)	6.280% (Gross)	7%	2.5%	2.5%
St. Joseph Policemen's Pension Fund	$38,113,727	$38,107,895	12.47% (Gross)	8.11% (Gross)	8.47% (Gross)	5%	2%	3%
St. Louis Firemen's Retirement System	$422,940	$435,688	5.21% (Gross)	4.56% (Gross)	7.55% (Gross)	6.75%	2.5%	2.75%
St. Louis Public School Retirement System	$798,348,500	$806,186,609	5.3% (Net)	4.8% (Net)	7.0% (Net)	7.5%	2.75%	3.5%/5.0%
University City Non-uniformed Retirement Plan	$22,944,020	$23,832,698	4.4% (Gross)	5.8% (Gross)	7.6% (Gross)	6.5%	3.0%	3.0%
University City Police & Fire Retirement Fund	$22,769,289	$23,357,941	4.1% (Gross)	5.5% (Gross)	7.3% (Gross)	6.5%	3.0%	3.0%
University of Mo Retirement, Disability & Death Benefit Plan	$3,629,879,034	$3,799,820,582	5.40% (Net)	5.62% (Net)	7.46% (Net)	7.2%	%	%
Valley Park FPD Retirement Plan	$7,380,669	$8,138,445	16.25% (Net)	8.75% (Net)	10.55% (Net)	7%	2%	45%
Wentzville Fire Protection District Pension Plan	$8,153,847	$8,790,892	0% (Gross)	0% (Gross)	0% (Gross)	5%	2%	3%
	$72,200,522,492	$75,055,264,090						

Joint Committee on Public Employee Retirement
Quarterly Reports

2020 Third Quarter

Plan Name	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	$11,826,527	$12,364,124	9.8% (Net)	6.1% (Net)	7.8% (Net)	6.5%	0.0%	varies%
Arnold Police Pension Plan	$14,782,933	$15,613,029	5.16% (Gross)	5.38% (Gross)	6.52% (Gross)	6.0%	2.5%	4.50%
Bi-state Dev Agency Division 788, A.T.U.	$147,271,222	$154,039,793	N/A% (Net)	N/A% (Net)	N/A% (Net)	7%	2.5%	N/A%
Bi-state Development Agency Local 2 I.B.E.W.	$6,275,619	$6,638,485	N/A% (Net)	N/A% (Net)	N/A% (Net)	7%	2.5%	N/A%
Bi-state Salaried Employees	$81,245,631	$85,496,309	N/A% (Net)	N/A% (Net)	N/A% (Net)	7%	2.5%	4.5%
Black Jack FPD Retirement Plan	$18,822,192	$18,178,414	1% (Net)	1% (Net)	1% (Net)	7%	2.75%	4.5%
Bothwell Regional Health Center Retirement Plan	$44,329,999	$46,104,856	7.0% (Net)	6.2% (Net)	8.0% (Net)	7.75%	2.9%	3.0%
Brentwood Police & Firemen's Retirement Fund	$41,779,305	$43,545,629	N/A% (Gross)	N/A% (Gross)	N/A% (Gross)	N/A%	N/A%	N/A%
Bridgeton Employees Retirement Plan	$28,783,755	$29,827,121	2.43% (Net)	2.25% (Net)	4.40% (Net)	7.5%	3.0%	4.0%
Carthage Policemen's & Firemen's Pension Plan	$7,906,251	$8,293,523	12.85% (Net)	9.53% (Net)	9.04% (Net)	7.0%	2.2%	3.5%
Central County Fire & Rescue Pension Plan	$27,355,998	$27,613,681	NA% (Net)	NA% (Net)	NA% (Net)	6.75%	2.5%	4%
Clayton Non-uniformed Employee Pension Plan	$19,323,576	$20,762,696	7.66% (Net)	6.42% (Net)	8.15% (Net)	7%	2%	4%
Clayton Uniformed Employees Pension Plan	$47,617,415	$49,654,624	8.41% (Net)	7.12% (Net)	8.93% (Net)	7%	2%	3.5%
Columbia Police and Firemens' Retirement Plan	$143,654,206	$151,122,708	1.42% (Gross)	6.64% (Gross)	7.44% (Gross)	7%	2.5%	3.25%
Community FPD Retirement Plan	$24,726,584	$26,829,254	-4.36% (Net)	-3.77% (Net)	4.78% (Net)	7%	2.5%	4%
County Employees Retirement Fund	$568,516,000	$596,731,000	8.19% (Gross)	7.58% (Gross)	8.46% (Gross)	7.25%	2.5%	2.7%
Eureka FPD Retirement Plan	$13,852,455	$14,455,260	1% (Net)	1% (Net)	1% (Net)	7%	2.75%	4.5%
Fenton FPD Retirement Plan	$34,058,910	$35,804,649	11.30% (Net)	8.34% (Net)	9.71% (Net)	7.5%	2.5%	2.0%
Ferguson Pension Plan	$26,090,499	$26,847,465	5.95% (Gross)	6.15% (Gross)	7.63% (Gross)	7.5%	0%	3.25%
Florissant Valley FPD Retirement Plan	$34,237,780	$35,215,268	N/A% (Net)	N/A% (Net)	N/A% (Net)	6.5%	2.5%	See comme nts%
Glendale Pension Plan	$5,750,784	$5,805,027	4.91% (Gross)	5.45% (Gross)	7.48% (Gross)	7.00%	2.50%	3.75%

Plan Name	Beg. Mkt Value	End Mkt Value	ROR 12 mos.	ROR 36 mos.	ROR 60 mos.	ROR for Inv	Price Inf. Assump..	Sal/Wage Assump.
Hannibal Police & Fire Retirement Plan	$19,040,459	$20,007,307	9.8% (Gross)	7.2% (Gross)	8.3% (Gross)	7.0%	2.5%	3.5%
Hazelwood Retirement Plan	$42,775,948	$44,621,569	-1.92% (Net)	-.64% (Net)	-.39% (Net)	7.5%	2.75%	4.5%
High Ridge Fire Protection District Pension Plan	$7,308,149	$7,693,877	7.7% (Net)	5.4% (Net)	7.00% (Net)	7.0%	0.0%	0.0%
Jackson County Employees Pension Plan	$307,983,130	$318,768,750	7.97% (Gross)	7.13% (Gross)	8.85% (Gross)	6.75%	2.5%	2.75% - 4.75%
Joplin Police & Fire Pension Plan	$42,262,898	$44,427,354	9.7% (Net)	7.71% (Net)	8.84% (Net)	6.75%	2.5%	2.5%
Kansas City Civilian Police Employees' Retirement System	$150,847,000	$158,180,000	8.09% (Net)	5.89% (Net)	7.49% (Net)	7.4%	2.5%	3.0%
Kansas City Employees' Retirement System	$1,149,863,942	$1,192,461,176	5.52% (Net)	5.46% (Net)	7.23% (Net)	7.5%	3.0%	3.75 to 5.0%
Kansas City Firefighter's Pension System	$549,600,000	$574,423,000	6.66% (Gross)	5.82% (Gross)	8.17% (Gross)	7.25%	2.5%	3.0% to 8.0%
Kansas City Police Retirement System	$900,799,000	$941,060,000	7.72% (Net)	5.78% (Net)	7.47% (Net)	7.4%	2.5%	3.0%
Kansas City Public School Retirement System	$610,383,000	$626,008,000	6.02% (Net)	4.91% (Net)	7.66% (Net)	7.50%	2.75%	5.0%
KC Area Transportation Authority Salaried Employees Pension Plan	$19,581,019	$20,821,727	9.21% (Gross)	7.05% (Gross)	8.57% (Gross)	7%	2.6%	4%
KC Trans. Auth. Union Employees Pension Plan	$50,074,120	$51,555,522	3.2% (Net)	4.4% (Net)	7.1% (Net)	7%	2.6%	4.25%
Ladue Non-uniformed Employees Retirement Plan	$5,270,281	$5,549,154	7.2% (Net)	5.6% (Net)	7.6% (Net)	7.0%	2.5%	4.5%
Ladue Police & Fire Pension Plan	$37,112,926	$38,698,272	7.2% (Net)	5.6% (Net)	7.6% (Net)	7.0%	2.5%	4.5%
LAGERS Staff Retirement Plan	$14,204,260	$18,970,005	4.37% (Net)	4.92% (Net)	7.92% (Net)	5.5%	2.5%	3.25%
Little River Drainage Dist Retirement Plan	$1,727,353	$1,806,280	7.15% (Gross)	4.51% (Gross)	4.89% (Gross)	5.0%	0%	3.5%
Local Government Employees Retirement System	$8,125,800,698	$8,321,051,209	4.63% (Net)	7.04% (Net)	8.6% (Net)	7.25%	2.5%	3.25%
Maplewood Police & Fire Retirement Fund	$13,430,949	$13,559,731	10.47% (Gross)	7.18% (Gross)	7.13% (Gross)	5.02%	.2%	2.5%
Metro West FPD Retirement Plan	$58,064,643	$60,890,495	11.3% (Net)	8.3% (Net)	9.5% (Net)	0.0%	0.0%	0.0%
Mid-County FPD Retirement Plan	$1,913,871	$2,079,261	1% (Net)	1% (Net)	1% (Net)	6.00%	2.75%	4.50%
Missouri Higher Education Loan Authority Pension Plan	$53,262,351	$57,456,983	7.95% (Net)	n/a% (Net)	n/a% (Net)	6.75%	2.25%	4.5%
Missouri State Employees Retirement System	$8,056,548,650	$8,392,973,793	8.1649% (Net)	6.3110% (Net)	6.4638% (Net)	6.95%	2.25%	2.50%
MoDOT & Highway Patrol Employees' Retirement System	$2,361,830,385	$2,473,020,894	3.51% (Net)	6.01% (Net)	7.13% (Net)	7%	2.25%	3%

Plan Name	Beg. Mkt Value	End Mkt Value	ROR 12 mos.	ROR 36 mos.	ROR 60 mos.	ROR for Inv	Price Inf. Assump..	Sal/Wage Assump.
North Kansas City Hospital Retirement Plan	$284,848,188	$298,424,850	11.71% (Net)	8.00% (Net)	9.07% (Net)	7.25%	2.3%	2.5%
North Kansas City Policemen's & Firemen's Retirement Fund	$57,224,924	$60,064,152	10.3% (Gross)	7.5% (Gross)	9.4% (Gross)	6.5%	4.0%	1.2%
Olivette Salaried Employees' Retirement Plan	$21,075,799	$21,828,225	7.1% (Net)	6.0% (Net)	8.2% (Net)	7.25%	2.75%	4.00%
Overland Non-uniform Pension Fund	$11,372,000	$12,001,000	7.30% (Net)	6.33% (Net)	8.04% (Net)	7%	2.5%	3.5%
Overland Police Retirement Fund	$12,716,000	$12,943,000	7.59% (Net)	6.54% (Net)	8.60% (Net)	7.5%	2.5%	3.5%
Pattonville Fire Protection District	$31,954,973	$34,046,841	-0.47% (Net)	-2.47% (Net)	5.93% (Net)	7.75%	2.5%	2.5%
Prosecuting Attorneys' Retirement System	$47,227,659	$49,018,119	4.9% (Net)	4.8% (Net)	6.5% (Net)	7.0%	2.0%	3.5%
Public Education Employees' Retirement System	$5,098,158,767	$5,322,292,664	8.5% (Net)	7.3% (Net)	8.7% (Net)	7.5%	2.25%	3.25%
Public School Retirement System	$40,497,973,441	$42,167,300,361	8.5% (Net)	7.3% (Net)	8.7% (Net)	7.5%	2.25%	2.75%
Raytown Policemen's Retirement Fund	$9,783,804	$10,134,748	7.58% (Gross)	6.52% (Gross)	8.19% (Gross)	7.5%	2.5%	N/A%
Rock Community FPD Retirement Plan	$19,934,767	$20,783,875	7.2% (Net)	5.5% (Net)	7.2% (Net)	7.0%	2.0%	3.0%
Saline Valley Fire Protection District Retirement Plan	$3,909,231	$4,023,480	8.5% (Gross)	6.5% (Gross)	6.4% (Gross)	7.0%	2.5%	2.5%
Sedalia Firemen's Retirement Fund	$6,985,416	$7,204,207	8.1% (Gross)	6.6% (Gross)	7.9% (Gross)	7.0%	2.0%	3.0%
Sheriff's Retirement System	$45,546,107	$46,948,792	1.840% (Gross)	4.150% (Gross)	6.280% (Gross)	7%	2.5%	2.5%
St. Joseph Policemen's Pension Fund	$38,113,727	$38,107,895	12.47% (Gross)	8.11% (Gross)	8.47% (Gross)	5%	2%	3%
St. Louis County Library Dist Empl Pension Plan	$53,091,174	$55,385,703	11.36% (Net)	6.83% (Net)	8.05% (Net)	7%	2.5%	3.5%
St. Louis Employees Retirement System	$775,228,410	$801,041,955	6.4% (Gross)	4.9% (Gross)	7.4% (Gross)	7.25%	2.5%	3%
St. Louis Firemen's Retirement System	$422,940	$435,688	5.21% (Gross)	4.56% (Gross)	7.55% (Gross)	6.75%	2.5%	2.75%
St. Louis Public School Retirement System	$798,348,500	$806,186,609	5.3% (Net)	4.8% (Net)	7.0% (Net)	7.5%	2.75%	3.5%/5.0%
University City Non-uniformed Retirement Plan	$22,944,020	$23,832,698	4.4% (Gross)	5.8% (Gross)	7.6% (Gross)	6.5%	3.0%	3.0%
University City Police & Fire Retirement Fund	$22,769,289	$23,357,941	4.1% (Gross)	5.5% (Gross)	7.3% (Gross)	6.5%	3.0%	3.0%
University of Mo Retirement, Disability & Death Benefit Plan	$3,629,879,034	$3,799,820,582	5.40% (Net)	5.62% (Net)	7.46% (Net)	7.2%	%	%
Valley Park FPD Retirement Plan	$7,380,669	$8,138,445	16.25% (Net)	8.75% (Net)	10.55% (Net)	7%	2%	45%
Wentzville Fire Protection District Pension Plan	$8,153,847	$8,790,892	0% (Gross)	0% (Gross)	0% (Gross)	5%	2%	3%

Plan Name	Beg. Mkt Value	End Mkt Value	ROR 12 mos.	ROR 36 mos.	ROR 60 mos.	ROR for Inv	Price Inf. Assump..	Sal/Wage Assump.
	$75,432,935,359	$78,429,139,996						