

**BOARD BILL 122
COMMITTEE SUBSTITUTE**

INTRODUCED BY ALDERMAN STEPHEN GREGALI

1 An Ordinance pertaining to the Employees Retirement System of the City of St. Louis
2 (the “Retirement System”); repealing Subsection 13 of Section Four and Subsection 1 of
3 Section Six of Ordinance 66511 and enacting in lieu thereof new provisions freezing the
4 amount of sick leave that can be taken into account in calculating the benefits of current
5 members and prohibiting the use of sick leave or medical leave in calculating the benefits
6 of future members hired after the effective date of this Ordinance; and containing a
7 severability clause and an emergency clause.

8 WHEREAS, the City of St. Louis, Missouri (the “City”) established the
9 Retirement System by City ordinance effective April 1, 1960 pursuant to that state statute
10 currently codified as Section 95.540 of Missouri Revised Statutes 2000, as amended, in
11 order to provide for the pensioning of certain City employees and the employees of
12 certain other governmental entities providing services to the inhabitants of the City; and

13 WHEREAS, the City has determined it is in the best interest of the Retirement
14 System to freeze the amount of sick leave used in calculating benefits for current
15 members who retire after the effective date of this Ordinance; and

16 WHEREAS, the City has determined it is in the best interest of the Retirement
17 System to prohibit the use of sick leave or medical leave in calculating the benefits of
18 future members hired after the effective date of this Ordinance.

19 **NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF ST. LOUIS**

20 **AS FOLLOWS:**

21 **SECTION ONE.** Subsection 13 of Section Four of Ordinance No. 66511 of the
22 City of St. Louis, Missouri (the “City”) is hereby repealed and enacted in lieu thereof is
23 the following:

July 6, 2010

Page 1 of 6

Board Bill No. 122CS Sponsored by Alderman Gregali

1 13. Final Average Compensation.

2 A. “Final Average Compensation” is equal to one-half of the sum of
3 (i) and (ii) below:

4 (i) The annual Compensation (as that term is defined in
5 Subsection 7 of Section Four of Ordinance 66511) received by a Member
6 (as that term is defined in Subsection 16 of Ordinance 66511) for the two
7 (2) consecutive years of Creditable Service (as that term is defined in
8 Subsection 8 of Section Four of Ordinance 66511 and as modified by
9 Section Two below) in which the highest Compensation was received
10 preceding the termination of his or her employment; and

11 (ii) The Member’s sick leave balance as accrued on the
12 effective date of this Ordinance, less the sum of the following: (a) sick
13 leave hours used by the Member as for sick leave purposes prior to
14 retirement; (b) sick leave hours paid to the Member upon termination of
15 his or her employment; and (c) sick leave hours considered as Creditable
16 Service for the purpose of determining eligibility for and/or calculation of
17 retirement benefits. Notwithstanding the foregoing, the sick leave balance
18 used in calculating Final Average Compensation shall not exceed twenty-
19 five percent (25%) of a Member’s total sick leave balance on the effective
20 date of this Ordinance, less sick leave hours used by the Member for sick
21 leave purposes prior to retirement.

22 B. If a Member has less than two (2) consecutive years of Creditable
23 Service his or her Final Average Compensation shall be equal to the sum

1 of (i) and (ii) below, divided by (iii) below and then multiplied by (iv)
2 below:

3 (i) The sum of monthly Compensation received by the
4 member for each consecutive month of Creditable Service immediately
5 preceding the termination of his or her employment; and

6 (ii) The Member's sick leave balance on the effective date of
7 this Ordinance less the sum of the following: (a) sick leave hours used by
8 the Member as for sick leave purposes prior to retirement; (b) sick leave
9 hours paid to the Member upon termination of his/her employment; and
10 (c) less sick leave hours considered as Creditable Service for the purpose
11 of determining eligibility for and /or calculation of retirement benefits.

12 Notwithstanding the foregoing, the sick leave balance used in calculating
13 Final Average Compensation shall not exceed twenty-five percent (25%)
14 of a Member's total sick leave balance on the effective date of this
15 Ordinance, less sick leave hours used by the Member for sick leave
16 purposes prior to retirement.

17 (iii) The number of consecutive months of Creditable Service
18 immediately preceding the termination of his or her employment;

19 (iv) Twelve (12).

20 C. Notwithstanding anything to the contrary contained herein, for
21 purposes of the calculations set forth in this Section, a Member's sick
22 leave balance at the time of retirement shall not exceed the Member's sick
23 leave balance on the effective date of this Ordinance.

1 D. Notwithstanding anything to the contrary contained herein, no
2 future Member hired by an Employer (as that term is defined in
3 Subsection 12 of Section Four of Ordinance 66511) after the effective date
4 of this Ordinance shall have any portion of his or her sick leave balance or
5 medical leave balance used in determining such future Member's Final
6 Average Compensation.

7 E. Notwithstanding anything to the contrary contained herein, if a
8 member does not make written application for retirement prior to
9 termination of employment and does not retire within 90 days after said
10 member terminates employment, the sick leave balance or medical leave
11 balance shall not be used to increase such Member's Final Average
12 Compensation.

13 **SECTION TWO.** Subsection 1 of Section Six of Ordinance No. 66511 is hereby
14 repealed and enacted in lieu thereof is the following:

15 1. Calculation.

16 The years of Creditable Service of a Member shall be the number of years
17 and full calendar months of service during which he or she receives
18 Compensation from the first day of each employment with an Employer
19 until his or her employment is terminated, subject to the provisions of this
20 Section. The years of Creditable Service of an Employee (as that term is
21 defined in Subsection 11 of Section Four of Ordinance 66511) hired after
22 the Operative Date (as that term is defined in Subsection 18 of Section
23 Four of Ordinance 66511) who had attained the age of sixty (60) years at

1 initial employment shall be the number of years and completed months of
2 service during which he or she receives Compensation from October 1,
3 1988, and hereafter, from the first day on or after October 1, 1988, of the
4 beginning of each employment with an Employer until his or her
5 employment is terminated. No Creditable Service shall be granted for any
6 period of employment before October 1, 1988, after the calendar month in
7 which the member attains age seventy (70). No Creditable Service for
8 prior employment shall be granted an Employee who becomes a Member
9 after April 1, 1960, unless he or she was employed by an Employer on
10 April 1, 1960. A Member's sick leave balance as accrued on the effective
11 date of this Ordinance, less the sum of (A), (B) and (C) below, shall be
12 considered as additional Creditable Service in determining eligibility for
13 and calculation of retirement benefits under any provision of Ordinance
14 66511, as amended:

15 A. sick leave hours used by the Member for sick leave purposes prior
16 to retirement;

17 B. sick leave hours paid to the Member upon termination of his or her
18 employment; and

19 C. sick leave hours used in determining Final Average Compensation.

20 Notwithstanding anything to the contrary contained herein, for purposes of
21 the calculations set forth in this Section, a Member's sick leave balance at
22 the time of retirement shall not exceed the Member's sick leave balance on
23 the effective date of this Ordinance.

1 Notwithstanding anything to the contrary contained herein, no future
2 Member hired by an Employer after the effective date of this Ordinance
3 shall have any portion of his or her sick leave balance or medical leave
4 balance used in determining such future Member's Creditable Service.
5 Notwithstanding anything to the contrary contained herein, if a member
6 does not make written application for retirement prior to termination of
7 employment and does not retire within 90 days after said member
8 terminates employment, the sick leave balance or medical leave balance
9 shall not be used to increase such Member's Creditable Service..

10 **SECTION THREE. SEVERABILITY.** Each provision of this ordinance shall
11 be severable. In the event any provision of this Ordinance is found by a court of
12 competent jurisdiction to be unconstitutional or void, the remaining provisions of this
13 Ordinance are valid, unless the court finds the valid provisions of this Ordinance are so
14 essentially and inseparably connected with, and so dependent upon, the void provision(s)
15 that it cannot be presumed that the Board of Aldermen would have enacted the valid
16 provisions without the void one(s); or unless the court finds that the valid provisions,
17 standing alone, are incomplete and are incapable of being executed in accordance with
18 the legislative intent.

19 **SECTION FOUR. EMERGENCY CLAUSE.** This being an Ordinance
20 providing for the public peace, health, or safety, it is hereby declared to be an emergency
21 measure as defined in Article IV, Section 20 of the City of St. Louis' Charter and shall
22 become effective immediately upon its approval by the Mayor of the City of St. Louis.

July 6, 2010

Page 6 of 6

Board Bill No. 122CS Sponsored by Alderman Gregali