RESOLUTION

BOARD OF TRUSTEES OF THE POLICE RETIREMENT SYSTEM OF ST. LOUIS RE:

CONTINGENCY ASSIGNMENT DIFFERENTIAL AND TEMPORARY ASSIGNMENT DIFFERENTIAL PAYMENT TO SYSTEM MEMBERS

WHEREAS, The Police Retirement System of St. Louis ("PRS") is a pension plan created and governed by sections 86.200 to .366, RSMo., which constitute the "Plan Document"; and

WHEREAS, pursuant to section 86.213, RSMo., the general administration and the responsibility for the proper operation of PRS and for making effective the provisions of sections 86.200 to 86.366 are vested in a board of trustees of nine persons ("Board"); and

WHEREAS, PRS, among its aforementioned administrative functions, must calculate and process the pension and/or annuity benefits of its members and their beneficiaries according to the aforementioned statutes; and

WHEREAS, the calculation of any of said benefits is dependent on the calculation of "average final compensation," as that term is used in section 86.200(3), RSMo.; and

WHEREAS, the calculation of "average final compensation" is in turn dependent on the determination of "earnable compensation," as that term is defined in section 86.200(8), RSMo.; and

WHEREAS, section 86.200(8), RSMo. defines "earnable compensation" in pertinent part as:

"the annual salary established under section 84.160 which a member would earn during one year on the basis of the member's rank or position plus any additional compensation for academic work and shift differential that may be provided," and

WHEREAS, the aforementioned section 84.160, RSMo. is no longer in effect as a result of the passage of Proposition A, approved by the voters of the State of Missouri on November 6, 2012, enabling the City of St. Louis to control its municipal police force; and

WHEREAS, pursuant to Proposition A and its enabling legislation, the City of St. Louis has now established control over its municipal police force, including setting the annual salaries of its employees, including police officer members of PRS, and does so by ordinances, generally described as "An ordinance to regulate employer and employee working relationships between the City of St. Louis and all employees under the Classified Service" ("Pay Ordinances"); and

WHEREAS, the aforementioned Pay Ordinances set forth several different components of pay which police officer members may be eligible to receive; and

WHEREAS, among the said components of pay in the Pay Ordinances appear the following:

"Contingency assignment differential" ("CAD") may be paid for certain assignments when immediate position coverage is needed for any unexpected reason (e.g. death, forced leave, emergency illness, etc.) in a higher pay grade, and shall be granted at the onset of the assignment, not to extend more than one pay period.

"Temporary assignment differential" ("TAD") will be paid for certain assignments when a vacancy exists for any reason (e.g. separations, terminal vacation, leave of absence,

military leave, etc.) in a position with a higher pay grade, and shall be granted for at least one (1) pay period but not more than thirteen (13) pay periods ...

and

WHEREAS, CAD and TAD, as authorized in the Pay Ordinances, are each defined as "not constitut[ing] a promotion or advancement in pay"; and

WHEREAS, the authorizing language of CAD and TAD evince an intent to not treat CAD or TAD as "annual salary," "compensation for academic work" or "shift differential"; and

WHEREAS, the meaning of any term in the Plan Document is ultimately a legal determination which may be made by courts of law; and

WHEREAS, unless or until a court of law makes a legal determination, it is presumptively a function of the Board of Trustees of the Police Retirement System to interpret Plan provisions;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE POLICE RETIREMENT SYSTEM OF ST. LOUIS AS FOLLOWS:

1. That, as currently defined in City of St. Louis Pay Ordinances

"Contingency assignment differential" ("CAD") does not qualify as "earnable compensation," as set forth in in section 86.200(8), RSMo.;

"Temporary assignment differential" ("TAD") does not qualify as "earnable compensation," as set forth in in section 86.200(8), RSMo.;

- 2. If there is a final decision by any court of law inconsistent with this Resolution, then that decision shall be accepted for use immediately by the Police Retirement System of St. Louis, and provisions of this Resolution shall immediately be null and void.
- 3. This Resolution shall take effect and be in full force immediately upon its adoption by the Board.

Adopted this 30 That ago A UGUST, 2023.

BOARD OF TRUSTEES OF THE POLICE RETIREMENT SYSTEM OF ST. LOUIS

Chairman

ATTEST:

Executive Director