

NOTICE OF STUDY SESSION
Pension Fund Overview

CITY HALL, Fifth Floor
6801 Delmar Blvd., University City, Missouri 63130
Monday, March 25 2024
6:00 p.m.

AGENDA

1. Meeting called to order
2. Changes to Regular Agenda
3. Pension Fund Overview
4. EXECUTIVE SESSION (*roll call vote required*)

Motion to go into a Closed Session according to Missouri Revised Statutes 610.021 (1) Legal actions, causes of action or litigation involving a public governmental body and any confidential or privileged communications between a public governmental body or its representatives or attorneys.

5. Adjournment

The public may also observe via:

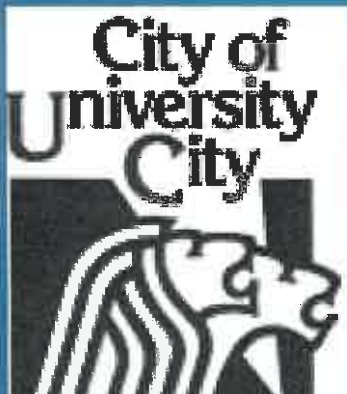
Live Stream via YouTube:

<https://www.youtube.com/channel/UCyN1EJ-Q22918E9EZimWoQ>

Posted 22nd day of Mach, 2024.

UNIVERSITY CITY

PENSION PLANS: Uniform and Non-Uniform



March 25, 2024



Pensions at University City

Basic Plan Information

- Staff Administrator: Employer via Keith Cole
- Plan Administrator/Trustee: UMB
- Actuary: Buck, A Gallagher Company
- Plan Year: January 1 – December 31



Non-Uniform Pension Plan

- **Retirement Benefits**
 - Normal Retirement
 - Age 65 or age 62 with 30 years of creditable service
 - Early Retirement
 - Age 55 with 20 years of creditable service
 - Vesting
 - After 5 years of creditable service
 - Termination of Benefit
 - Attainment of age 65. 100% after 5 years of creditable service

Definition: Creditable Service – years and completed months of full-time service



Non-Uniform Pension Plan

- **Death Benefit**
 - Prior to Normal Retirement
 - Accumulated employee contributions, plus \$100,000
 - After Normal Retirement
 - Accumulated employee contributions
 - Lump sum payment, but if the beneficiary is a spouse, they may elect a monthly life annuity instead
- **Changes from Prior Years**
 - Vesting requirement reduced from 10 years to 5



Non-Uniform Pension Plan

- Refund of Contributions
 - Accumulated employee contribution with interest of 5%
- Contributions
 - 3% of annual compensation
- Accrued Benefit
 - $\frac{2}{3}$ of the final average compensation plus 1% of the final compensation in excess of the average Social Security wages, all multiplied by creditable service



Non-Uniform Pension Plan

- Expenses
 - The normal cost for expected Administrative Expenses up 3% from 2022 is \$168,849
- Interest Rate
 - Increased .030 to 6.80% compounded annually currently

Uniform Pension Plan

- **Retirement Benefits**
 - Retirement Eligibility
 - Age 50 with 25 years of service
 - Receives 65% plus 1% for each year of service over 25 years up to a maximum of 70%, multiplied by the base salary
 - Retirement Eligibility
 - Age 50 with 20 years of service
 - Receives 40% plus 4% for each year of service over age 50 up to a maximum of 60% multiplied by the base salary
 - Vesting
 - After 10 years of service
 - Termination of Benefit
 - Attainment of age 55, 100% after 10 years of service

Uniform Pension Plan

- **Funeral Death Benefit**

- Paid upon death in the sum equal to one (1) month's base salary in effect at the time of death

- **Death Benefit**

- Death of a participant retired or eligible for retirement after age 50 with 20 or more years of service, if married 3 years prior to retirement
 - 50% of the benefit the employee was receiving or eligible to receive plus 10% for each unmarried dependent under age 18, maximum 60% of the base salary
 - If no surviving spouse's benefit is payable, the benefit will be divided among the children
- Death of a participant prior to retirement eligibility
 - \$100,000, lump sum



Uniform Pension Plan

- **Minimum Benefit**
 - Retiree or surviving spouse - \$325 per month
- **Contributions**
 - 5% of salary to an investment account
 - 0.02 per \$100 of assessed valuation
- **10-Year Drop Payment for Uniform Members**
 - Average payments from 2020 – 2024
 - Police - \$81,256
 - Fire - \$115,761



Uniform Pension Plan

- Expenses
 - The normal cost for expected Administrative Expenses up 3% from 2022 is \$138,348
- Interest Rate
 - 6.80% compounded annually currently



Questions?

- Next Pension Board Meeting
 - Currently, scheduled for Tuesday, April 23, at 6:30pm

