

FIRST REGULAR SESSION

# HOUSE BILL NO. 323

## 93RD GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE JOHNSON (47).

Read 1<sup>st</sup> time January 25, 2005 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

0394L.02I

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### AN ACT

To repeal sections 86.370, 86.373, 86.374, 86.377, 86.380, 86.383, 86.387, 86.390, 86.393, 86.394, 86.397, 86.398, 86.400, 86.403, 86.407, 86.410, 86.413, 86.417, 86.420, 86.423, 86.427, 86.430, 86.433, 86.434, 86.437, 86.440, 86.441, 86.442, 86.443, 86.445, 86.447, 86.450, 86.453, 86.457, 86.460, 86.463, 86.467, 86.470, 86.473, 86.477, 86.480, 86.483, 86.487, 86.490, 86.493, 86.497, 86.600, 86.610, 86.611, 86.620, 86.630, 86.640, 86.650, 86.660, 86.665, 86.670, 86.671, 86.672, 86.675, 86.676, 86.680, 86.690, 86.700, 86.710, 86.720, 86.730, 86.740, 86.745, 86.750, 86.760, 86.770, 86.780 and 86.790, RSMo, and to enact in lieu thereof seventy-three new sections relating to Kansas City police retirement.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 86.370, 86.373, 86.374, 86.377, 86.380, 86.383, 86.387, 86.390, 2 86.393, 86.394, 86.397, 86.398, 86.400, 86.403, 86.407, 86.410, 86.413, 86.417, 86.420, 86.423, 3 86.427, 86.430, 86.433, 86.434, 86.437, 86.440, 86.441, 86.442, 86.443, 86.445, 86.447, 86.450, 4 86.453, 86.457, 86.460, 86.463, 86.467, 86.470, 86.473, 86.477, 86.480, 86.483, 86.487, 86.490, 5 86.493, 86.497, 86.600, 86.610, 86.611, 86.620, 86.630, 86.640, 86.650, 86.660, 86.665, 86.670, 6 86.671, 86.672, 86.675, 86.676, 86.680, 86.690, 86.700, 86.710, 86.720, 86.730, 86.740, 86.745, 7 86.750, 86.760, 86.770, 86.780 and 86.790, RSMo, are repealed and seventy-three new sections 8 enacted in lieu thereof, to be known as sections 86.900, 86.910, 86.920, 86.930, 86.940, 86.950, 9 86.951, 86.960, 86.970, 86.980, 86.990, 86.1000, 86.1010, 86.1020, 86.1030, 86.1040, 86.1050, 10 86.1060, 86.1070, 86.1080, 86.1090, 86.1100, 86.1110, 86.1120, 86.1130, 86.1140, 86.1150, 11 86.1160, 86.1170, 86.1180, 86.1190, 86.1200, 86.1210, 86.1220, 86.1230, 86.1240, 86.1250,

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

12 86.1260, 86.1270, 86.1280, 86.1310, 86.1320, 86.1330, 86.1350, 86.1360, 86.1370, 86.1380,  
13 86.1390, 86.1400, 86.1410, 86.1420, 86.1430, 86.1440, 86.1450, 86.1460, 86.1470, 86.1480,  
14 86.1490, 86.1500, 86.1510, 86.1520, 86.1530, 86.1540, 86.1550, 86.1560, 86.1570, 86.1580,  
15 86.1590, 86.1600, 86.1610, 86.1620, 86.1630 and 86.1640, to read as follows:

**86.900. The following words and phrases as used in sections 86.900 to 86.1280 shall  
2 have the following meanings unless a different meaning is plainly required by the context:**

3 (1) "Accumulated contributions", the sum of all amounts deducted from the  
4 compensation of a member and paid to the retirement board, together with all amounts  
5 paid to the retirement board by a member or by a member's beneficiary, for the purchase  
6 of prior service credits or any other purpose permitted under sections 86.900 to 86.1280;

7 (2) "Beneficiary", any person entitled, either currently or conditionally, to receive  
8 pension or other benefits provided in sections 86.900 to 86.1280;

9 (3) "Board of police commissioners", the board composed of police commissioners  
10 authorized by law to employ and manage an organized police force in the cities;

11 (4) "City" or "cities", any city which now has or may hereafter have a population  
12 of more than three hundred thousand and less than seven hundred thousand inhabitants,  
13 or any city that has made an election under section 86.910 to continue a police retirement  
14 system maintained under sections 86.900 to 86.1280;

15 (5) "Compensation", the basic wage or salary paid a member for any period on the  
16 basis of the member's rank and position, excluding bonuses, overtime pay, expense  
17 allowances, and other extraordinary compensation; except that, notwithstanding such  
18 provision, compensation for any year for any member shall not exceed the amount  
19 permitted to be taken into account under Section 401(a)(17) of the Internal Revenue Code  
20 as applicable to such year;

21 (6) "Consultant", unless otherwise specifically defined, a person retained by the  
22 retirement system as a special consultant on the problems of retirement, aging and related  
23 matters who, upon request of the retirement board, shall give opinions and be available to  
24 give opinions in writing or orally in response to such requests, as may be needed by the  
25 board;

26 (7) "Creditable service", service qualifying as a determinant of a member's pension  
27 or other benefit under sections 86.900 to 86.1280 by meeting the requirements specified in  
28 said sections or section 105.691, RSMo;

29 (8) "Final compensation", the average annual compensation of a member during  
30 the member's service if less than two years, or the twenty-four months of service for which  
31 the member received the highest salary whether consecutive or otherwise. In computing  
32 the average annual compensation of a member, no compensation for service after the

33 thirtieth full year of membership service shall be included. For any period of time when  
34 a member is paid on a frequency other than monthly, the member's salary for such period  
35 shall be deemed to be the monthly equivalent of the member's annual rate of compensation  
36 for such period;

37 (9) "Fiscal year", for the retirement system, the fiscal year of the cities;

38 (10) "Internal Revenue Code", the United States Internal Revenue Code of 1986,  
39 as amended;

40 (11) "Medical board", not less than one nor more than three physicians appointed  
41 by the retirement board to arrange for and conduct medical examinations as directed by  
42 the retirement board;

43 (12) "Member", a member of the police retirement system as described in section  
44 86.1090;

45 (13) "Pension", annual payments for life, payable monthly, beginning with the date  
46 of retirement or other applicable commencement date and ending with death;

47 (14) "Pension fund", the fund resulting from contributions made thereto by the  
48 cities affected by sections 86.900 to 86.1280 and by the members of the police retirement  
49 system;

50 (15) "Police officer", an officer or member of the police department of the cities  
51 employed for compensation by the boards of police commissioners of the cities for police  
52 duty who holds a rank or position for which an annual salary range is provided in section  
53 84.480 or 84.510, RSMo; in case of dispute as to whether any person is a police officer  
54 qualified for membership in the retirement system, the decision of the board of police  
55 commissioners shall be final;

56 (16) "Retirement board" or "board", the board provided in section 86.920 to  
57 administer the retirement system;

58 (17) "Retirement system", the police retirement system of the cities as defined in  
59 section 86.910;

60 (18) "Surviving spouse", when determining whether a person is entitled to benefits  
61 under sections 86.900 to 86.1280 by reason of surviving a member, shall include only:

62 (a) A person who was married to a member at the time of the member's death in  
63 the line of duty or from an occupational disease arising out of and in the course of the  
64 member's employment and who had not, after the member's death and prior to August 28,  
65 2000, remarried;

66 (b) With respect to a member who retired or died prior to August 28, 1997, a  
67 spouse who survives such member, whose marriage to such member occurred at least two  
68 years before the member's retirement or at least two years before the member's death

69 while in service, and who had not remarried anyone other than the member prior to  
70 August 28, 2000;

71 (c) With respect to a member who retired or died while in service after August 28,  
72 1997, and before August 28, 2000, a spouse who survives such member, was married to  
73 such member at the time of such member's retirement or of such member's death while in  
74 service, and had not, after the member's death and prior to August 28, 2000, remarried;  
75 and

76 (d) With respect to a member who retires or dies in service after August 28, 2000,  
77 a spouse who survives a member and was married to such member at the time of such  
78 member's retirement or death while in service.

86.910. In all cities that now have or may hereafter attain a population of more  
2 than three hundred thousand and less than seven hundred thousand inhabitants according  
3 to the last preceding federal decennial census, there are hereby created and established  
4 retirement or pension systems for the purpose of providing retirement allowances for  
5 police officers of such cities. Any city which has established a police retirement system  
6 under the provisions of sections 86.370 to 86.497 or sections 86.900 to 86.1280 may elect to  
7 continue its police retirement system under the provisions of sections 86.900 to 86.1280  
8 even though the city may cease to have the population described in this section, and any  
9 city so electing to continue its established police retirement system shall be excused from  
10 creating or maintaining any other police retirement system under any other provisions of  
11 the Missouri statutes. Each system shall be under the management of a retirement board  
12 to be known as the "Police Retirement System of (name of city)", and by such name all of  
13 its business shall be transacted, and all of its cash and other property held. The retirement  
14 systems so created shall begin operation on the effective date of sections 86.370 to 86.497.

86.920. The general administration and the responsibility for the proper operation  
2 of the retirement system and for making effective the provisions of sections 86.900 to  
3 86.1280 are hereby vested in a retirement board of nine persons.

86.930. 1. The retirement board shall be constituted as follows:

2 (1) Two members, one of whom shall be of the political party casting the highest  
3 number of votes statewide for governor in the election next preceding such member's  
4 selection and the other of whom shall be of the political party casting the next highest  
5 number of votes statewide for governor at the election next preceding such member's  
6 selection, shall be selected by the board of police commissioners of such cities to serve one-  
7 and two-year terms respectively. All such subsequent members shall serve for terms of two  
8 years each or to fill an unexpired term;

9 (2) Two members, one of whom shall be of the political party casting the highest

10 number of votes statewide for governor in the election next preceding such member's  
11 selection and the other of whom shall be of the political party casting the next highest  
12 number of votes statewide for governor at the election next preceding such member's  
13 selection, shall be selected by the city council of such city, one of whom may be the director  
14 of finance of such city to act as ex officio member, and the other to serve for a term of two  
15 years; and

16 (3) Five members shall be elected for three-year terms respectively or to fill an  
17 unexpired term in annual elections in which each member of the police retirement system,  
18 each person receiving benefits as a surviving spouse of a member of the police retirement  
19 system, and, if such city has established a civilian employees' retirement system of the  
20 police department of such city pursuant to the provisions of sections 86.1310 to 86.1640,  
21 each member of such civilian employees' retirement system and each person receiving  
22 benefits as a surviving spouse of a member of such civilian employees' retirement system  
23 shall be entitled to one vote.

24 2. Commencing with the first annual election for members of the retirement board  
25 in 2004, the five elected members of the board shall be designated and elected as follows:

26 (1) If a city has established a civilian employees' retirement system of the police  
27 department of such city under the provisions of sections 86.1310 to 86.1640, the elected  
28 members of the retirement board of such city shall consist of three restricted members and  
29 two open members:

30 (a) One restricted member shall be a member of the police retirement system who  
31 has retired from active service with the police department as of the date of such member's  
32 election to the board;

33 (b) One restricted member shall be a member of the police retirement system who,  
34 as of the date of such member's election to the board, is in active service as a police officer  
35 and has not attained the rank of sergeant or higher; and

36 (c) One restricted member shall be a member of the civilian employees' retirement  
37 system of the police department of such city.

38

39 There shall be no required qualifications for open members. At the annual election in 2004  
40 and each third year thereafter, one open member shall be elected to a three-year term. At  
41 the annual election in 2005 and each third year thereafter, one open member shall be  
42 elected to a three-year term. At the annual election in 2006 and each third year thereafter,  
43 the three restricted members shall be elected to a three-year term. Such elections shall be  
44 conducted simultaneously but as elections for three separate offices, in which only persons  
45 qualified for a respective office may be a candidate for such office;

46           (2) If a city has not established a civilian employees' retirement system of the police  
47 department of such city under the provisions of sections 86.1310 to 86.1640, the elected  
48 members of the retirement board of such city shall consist of two restricted members and  
49 three open members. All provisions of subdivision (1) of this subsection shall apply, except  
50 that the restricted membership provided for a member of a civilian employees' retirement  
51 system shall be an open membership;

52           (3) In every election in which more than one position is to be filled, either for a  
53 three-year term or for the unexpired portion of the term of a position which has become  
54 vacant, every candidate in such election must declare the position to which such candidate  
55 desires to be elected; and no person may be a candidate for more than one such position  
56 in any given election;

57           (4) Any person elected to a restricted position on the retirement board who at the  
58 time of such election meets the qualifications for such position shall be deemed to continue  
59 to meet such qualifications throughout the term to which such person was elected,  
60 regardless of any change in the rank, classification or other employment status of such  
61 person.

62           3. If a vacancy occurs in the office of a member of the retirement board the vacancy  
63 shall be filled for the unexpired term in the same manner as the vacated office was  
64 previously filled.

65           4. Each member of the retirement board shall, within ten days after appointment  
66 or election, take an oath of office that such member will diligently and honestly administer  
67 the affairs of the board, and will not knowingly violate or willingly permit to be violated  
68 any of the provisions of the law applicable to the police retirement system. Such oath shall  
69 be signed by the member and filed with the clerk of such city.

          86.940. Each member of the retirement board shall be entitled to one vote in the  
2 decisions of the board. Five votes or more in favor shall be necessary to pass a motion by  
3 the retirement board at any meeting of the board.

          86.950. 1. Subject to the limitations of sections 86.900 to 86.1280, the retirement  
2 board shall from time to time establish policies for the administration of its assets, for the  
3 transaction of its business and for the conduct of nominations and elections of the elected  
4 members of the retirement board.

5           2. The retirement board shall elect from its membership a chairman, a vice  
6 chairman, and a treasurer, and shall by majority vote of its members appoint a secretary,  
7 who may be, but need not be, one of its members. The offices of secretary and of treasurer  
8 shall not be held by the same person. The retirement board may employ such actuarial,  
9 legal, and other services as may be necessary to transact the business of the retirement

10 system. The compensation of all persons employed by the retirement board and all other  
11 expenses of the board necessary for the operation of the retirement system shall be paid in  
12 such manner as the retirement board shall determine; provided that the compensation of  
13 such persons as may be employed by the retirement board shall not be greater than the  
14 compensation paid for comparable abilities by the governments of the cities in which the  
15 retirement board is located.

86.951. The retirement board shall be deemed to be a state agency within the  
2 meaning of chapter 539, RSMo. Any rule or portion of a rule, as that term is defined in  
3 section 536.010, RSMo, that is created under the authority delegated in sections 86.900 to  
4 86.1280 shall become effective only if it complies with and is subject to all of the provisions  
5 of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter  
6 536, RSMo, are nonseverable and if any of the powers vested with the general assembly  
7 pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and  
8 annul a rule are subsequently held unconstitutional, then the grant of rulemaking  
9 authority and any rule proposed or adopted after August 28, 2005, shall be invalid and  
10 void.

86.960. 1. The retirement board shall keep in convenient form such data as is  
2 necessary for administration of the retirement system. The retirement board shall keep  
3 a record of all its proceedings which shall be open to public inspection.

4 2. The retirement board shall publish annually a statement reporting the operations  
5 of the retirement system for the year, including income and disbursements during the year  
6 and the financial condition of the retirement system at the end of the year, including  
7 actuarial valuation and valuations of its assets and liabilities as of April thirtieth of each  
8 year. Such statement shall be consistent with results reviewed and approved by  
9 independent certified public accountants selected by the board. One copy of the annual  
10 report shall be delivered to each member of the retirement board and each member of the  
11 board of police commissioners, and one copy shall be filed with the city clerk. Copies of  
12 the report shall be made conveniently available to each member of the retirement system.

13 3. The retirement board shall cause an actuarial study and calculation to be made  
14 annually based upon the experiences of the retirement system by an independent firm of  
15 pension actuaries.

16 4. The retirement board shall appoint a medical board of not more than three  
17 physicians, each of whom shall serve at the pleasure of the retirement board, to arrange  
18 for and conduct medical examinations as requested by the retirement board.

19 5. The retirement board shall adopt a common seal.

86.970. The members of the retirement board shall be compensated in full for all

2 services rendered under the provisions of sections 86.900 to 86.1280 at the rate of ten  
3 dollars per business session actually attended but no member shall be so compensated in  
4 an amount exceeding one hundred fifty dollars in any fiscal year regardless of the amount  
5 of services rendered or the number of business sessions actually attended. The members  
6 of the board shall be reimbursed from the funds of the police retirement system for all  
7 necessary expenses which they may incur on such board, in addition to their compensation  
8 for services.

2 **86.980.** Each member of the retirement board who is in active service with the  
3 police department of a city as either a police officer, as defined in section 86.900, or as an  
4 employee, as defined in section 86.1310, shall be granted authorized leave with pay by such  
5 police department to attend any and all educational seminars and like functions that have  
6 been authorized by the retirement board, including travel time to and from such functions,  
7 not to exceed ten days in any calendar year. Leave granted under this section shall not  
8 reduce vacation or other authorized leave time to which such member may be entitled  
without reference to this section.

2 **86.990.** The retirement board shall before January tenth of each year certify to the  
3 chief financial officer of such city the amount to be paid by the city under the retirement  
4 pension system for the succeeding fiscal year, as otherwise provided by sections 86.900 to  
5 86.1280.

2 **86.1000. 1.** The city shall contribute to the pension fund quarter-annually or at  
3 such lesser intervals as may be agreed upon by the city and the retirement board. Such  
4 contribution shall be in addition to and separate from the appropriations made by the city  
5 for the operation of the police department. For each fiscal year of the operation of the  
6 pension system, the city's contribution to the pension fund shall be a percentage of the  
7 compensation paid to members of the pension system from which a member's deduction  
8 has been made under section 86.1010. The city's contribution shall be such percentage as  
9 shall be agreed upon by the board of police commissioners and the city, but in no event  
10 shall such contribution be less than twelve percent.

11 **2.** On or before the tenth day of January of each year the retirement board shall  
12 certify to the board of police commissioners the amount of money that will likely be  
13 required to comply with the provisions of this section during the next succeeding fiscal year  
14 including administration expenses. The amounts so certified shall be included by the  
15 board of police commissioners in their annual budget estimate, and shall be appropriated  
by the cities and transferred to the pension fund during the ensuing fiscal year.

2 **86.1010.** The board of police commissioners shall cause to be deducted from the  
3 compensation of each member until retirement a percentage of such member's



3 compensation, which shall not be less than six percent, as determined by the retirement  
4 board, as such member's contribution to the pension fund. The sum so deducted shall be  
5 paid by the board of police commissioners promptly after each payroll to the retirement  
6 board to be credited to the member's account. Every member shall be deemed to consent  
7 to the deductions made and provided for herein. The board of police commissioners shall  
8 certify to the retirement board on every payroll the amount deducted, and such amounts  
9 shall be paid into the pension fund and shall be credited to the individual pension account  
10 of the member from whose compensation such deduction was made.

86.1020. 1. The retirement board shall act as trustee of the funds created by or  
2 collected under the provisions of sections 86.900 to 86.1280. With appropriate safeguards  
3 against loss by the retirement system, the board may designate one or more banks or trust  
4 companies to serve as a depository of retirement system funds, and as an intermediary in  
5 the investment of those funds and payment of system obligations. The board shall  
6 promptly deposit the funds with any such designated bank or trust company.

7 2. The retirement board shall have power, in the name and on behalf of the  
8 retirement pension system, to purchase, acquire, hold, invest, lend, lease, sell, assign,  
9 transfer, and dispose of all property, rights, and securities, and enter into written  
10 contracts, all as may be necessary or proper to carry out the purposes of sections 86.900  
11 to 86.1280. No investment transaction authorized by the retirement board shall be handled  
12 by any company or firm in which a member of the board has an interest, nor shall any  
13 member of the board profit directly or indirectly from any such investment. All  
14 investments shall be made for the account of the retirement system, and any securities or  
15 other properties obtained by the retirement board may be held by a custodian in the name  
16 of the retirement system, or in the name of a nominee in order to facilitate the expeditious  
17 transfer of such securities or other properties. Such securities or other properties may be  
18 held by such custodian in bearer form or in book entry form. The retirement system is  
19 further authorized to deposit, or have deposited for its account, eligible securities in a  
20 central depository system or clearing corporation or in a federal reserve bank under a  
21 book entry system as defined in the uniform commercial code, sections 400.8-102 and  
22 400.8-117, RSMo. When such eligible securities of the retirement system are so deposited  
23 with the central depository system they may be merged and held in the name of the  
24 nominee of such securities depository and title to such securities may be transferred by  
25 bookkeeping entry on the books of such securities depository or federal reserve bank  
26 without physical delivery of the certificates or documents representing such securities.

27 3. The retirement board may contract with a bank or trust company to act as the  
28 custodian of bonds and securities acquired by the board, in which case the retirement

29 board may authorize such custodian bank or trust company to order purchases, loans or  
30 sales of investments by such custodian bank or trust company, and may also appoint one  
31 or more investment managers to manage investments of the retirement pension system and  
32 in the course of such management to order purchases, loans, or sales of investments by  
33 such custodian bank or trust company, subject to such limitations, reporting requirements  
34 and other terms and restrictions as the retirement board may include in the terms of each  
35 such appointment. The income from investments shall be credited to the funds of the  
36 retirement system at frequent intervals satisfactory to the retirement board. All payments  
37 from the funds shall be made by the bank or trust company only upon orders signed by the  
38 secretary and treasurer of the retirement board, except as otherwise provided in this  
39 subsection. No order shall be drawn unless it shall have previously been allowed by a  
40 specific or an ongoing generalized resolution of the retirement board. In the case of  
41 payments for benefits, services, supplies or similar items in the ordinary course of business,  
42 such board resolutions may be ongoing generalized authorizations, provided that each  
43 payment other than payments to members or beneficiaries for benefits shall be reported  
44 to the board at its next following meeting and shall be subject to ratification and approval  
45 by the board.

46 4. Before assuming the duties of the office, the secretary and treasurer shall each  
47 be bonded for an amount determined by the retirement board at the cost of the retirement  
48 system, conditioned upon the faithful performance of the duties as such officer, and to  
49 account for all moneys, securities, and property which may come into their respective  
50 hands or under their respective control by virtue of such office, with a corporate surety  
51 duly licensed to transact business in this state. Such bonds shall be subject to the approval  
52 of the presiding judge of the circuit court of the county in which such cities are located.

86.1030. All benefits and all necessary administrative expenses of the retirement  
2 system shall be paid from the funds of the retirement system.

86.1040. The right of any person to pension or pensions, to the return of  
2 contributions, disability or death benefits, or any other right accrued or accruing to any  
3 person under the provisions of sections 86.900 to 86.1280 and the moneys in the various  
4 funds created under sections 86.900 to 86.1280 shall not be subject to execution,  
5 garnishment, attachment, or any other process whatsoever, and shall be unassignable  
6 except as specifically provided in sections 86.900 to 86.1280, and except for court orders  
7 or assignments approved by a court to provide support for family members or a former  
8 spouse of any person entitled to benefits under sections 86.900 to 86.1280. The moneys in  
9 the various funds created under sections 86.900 to 86.1280 are hereby exempt from any tax  
10 of the state of Missouri or of any municipality or political subdivision thereof. A revocable

11 request or authorization by a member or a beneficiary to withhold and apply for the  
12 requester's convenience some portion or all of a benefit payment shall not be deemed an  
13 assignment prohibited under this section provided that any such request shall remain  
14 revocable at all times except as to payments or withholdings effected prior to any such  
15 revocation. The retirement system may, but shall not be obligated to, comply with any  
16 such request.

**86.1050.** Nothing contained in sections 86.900 to 86.1280 shall in any way limit the  
2 criminal liability of any person subject to prosecution under any law which is now or may  
3 hereafter be in force. Should any change or error in records result in any member or  
4 beneficiary receiving from the pension system more or less than such person would have  
5 been entitled to receive had the records been correct, the retirement board shall correct  
6 such error and, as far as practicable, shall adjust the payments in such a manner that the  
7 benefit to which said member or beneficiary was correctly entitled shall be paid.

**86.1060. 1.** The retirement board may sue and be sued in its own name. Such suits  
2 shall constitute suits by or against the members of the retirement board in their  
3 representative capacities and not as individuals.

4 **2.** Service of process on the retirement board shall be sufficient if ten copies of the  
5 pleading or other document to be served shall be served upon the secretary of the  
6 retirement board at the principal office of the retirement system during business hours.

**86.1070. 1.** In any hearing conducted by the retirement board, the board's findings  
2 on all issues of fact shall be final and conclusive upon all parties concerned when such  
3 findings are supported by competent and substantial evidence.

4 **2.** Any ruling of the retirement board on a question of law and whether the same  
5 is supported by substantial evidence shall, at the option of the plaintiff, be reviewed upon  
6 application of any party by the circuit court of Cole County, or in the county of the  
7 residence of the plaintiff or one of the plaintiffs, or in the county in which the principal  
8 office of the retirement system is located.

**86.1080. 1.** The retirement board may purchase with retirement system assets from  
2 one or more insurers licensed to do business in this state one or more insurance policies  
3 that provide for reimbursement of the retirement system and any trustee, member of the  
4 retirement board, officer, or employee of the retirement system for liability imposed or  
5 damages because of an alleged act, error, or omission committed in the trustee's, board  
6 member's, officer's, or employee's capacity as a fiduciary, officer, or employee of the  
7 retirement system and for costs and expenses, including attorney fees, incurred as a trustee,  
8 board member, officer, or employee in defense of a claim for an alleged act, error, or  
9 omission, as long as the insurance policy does not provide for reimbursement of a trustee,

10 board member, officer, or employee for liability imposed or expenses incurred because of  
11 the trustee's, board member's, officer's, or employee's personal dishonesty, fraud, lack of  
12 good faith, or intentional failure to act prudently.

13       **2. If the insurance coverage described in subsection 1 of this section is insufficient**  
14 **or is not in effect, the retirement board may indemnify any person who was or is a party**  
15 **or is threatened to be made a party to any threatened, pending or completed action, suit,**  
16 **or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact**  
17 **that the person is or was a member of the retirement board, or is or was serving at the**  
18 **request of the retirement board in the capacity which caused the person's relationship to**  
19 **such action, suit, or proceeding, against expenses, including attorneys' fees, judgments,**  
20 **finances, and amounts paid in settlement actually and reasonably incurred by the person in**  
21 **connection with such action, suit, or proceeding, if the person acted in good faith and**  
22 **without willful malfeasance, and, with respect to any criminal action or proceeding, had**  
23 **reasonable cause to believe the relevant conduct was lawful. The termination of any action,**  
24 **suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo**  
25 **contendere or its equivalent, shall not, of itself, create a presumption that the person did**  
26 **not act in good faith, or, with respect to any criminal action or proceeding, that the person**  
27 **did not have reasonable cause to believe that the relevant conduct was lawful.**

28       **3. To the extent that a member of the retirement board has been successful on the**  
29 **merits or otherwise in defense of any action, suit, or proceeding referred to in subsections**  
30 **1 and 2 of this section, or in defense of any claim, issue, or matter therein, the person shall**  
31 **be indemnified against expenses, including attorneys' fees, actually and reasonably**  
32 **incurred in connection with the action, suit, or proceeding that are not covered by the**  
33 **insurance described in subsection 1 of this section.**

34       **4. Any indemnification under this section, unless ordered by a court, shall be made**  
35 **by the retirement board only as authorized in each specific case upon a determination that**  
36 **indemnification of any person potentially entitled to indemnification hereunder is proper**  
37 **in the circumstances because the person has met the applicable standard of conduct set**  
38 **forth in this section. The determination shall be made by the retirement board by a**  
39 **majority vote of a quorum consisting of members of the retirement board who are not**  
40 **parties to the action, suit, or proceeding, or if such a quorum is not obtainable, or even if**  
41 **obtainable and a quorum of disinterested members of the retirement board so directs, by**  
42 **independent legal counsel in a written opinion. Such legal counsel may but need not be**  
43 **counsel to the retirement system.**

44       **5. Expenses incurred in defending a civil or criminal action, suit, or proceeding**  
45 **may be paid by the retirement board in advance of the final disposition of the action, suit,**

46 or proceeding as authorized by the retirement board in the specific case upon receipt of an  
47 undertaking by or on behalf of the person potentially entitled to indemnification hereunder  
48 to repay such amount unless it shall ultimately be determined that the person is entitled to  
49 be indemnified by the retirement board as authorized in this section.

86.1090. 1. All persons who enter or reenter the service of the such cities as police  
2 officers for compensation after the date this police retirement system becomes effective,  
3 shall become members thereof as a condition of their employment.

4 2. Members of the police retirement system shall receive no retirement or pension  
5 allowance from any other retirement or pension system supported wholly or in part by  
6 such cities or the state of Missouri, nor shall they be required to make contributions under  
7 any other retirement or pension system of such cities or the state.

8 3. Nothing in sections 86.900 to 86.1280 shall be construed to prevent the  
9 inauguration of the federal Social Security laws for police officers, nor to prevent the  
10 contribution to such Social Security administration or fund established by the federal  
11 government, nor by it the pensioning of such police officers. In the event that federal  
12 Social Security benefits are made available to police officers covered by sections 86.900 to  
13 86.1280, then any benefits payable to any member or the dependents of such member  
14 under sections 86.900 to 86.1280 shall be in addition to the amount of such Social Security  
15 benefits, and any contributions required by a member under this section shall be in  
16 addition to the amount of such member's contribution under such Social Security system.

86.1100. 1. The retirement board shall fix and determine by proper rules and  
2 regulations how much service in any year is equivalent to one year of service. In no case  
3 shall more than one year of service be creditable for all service rendered in one calendar  
4 year. The retirement board shall not allow credit as service for any period of more than  
5 thirty consecutive days during which the member was absent without compensation, except  
6 as provided in subsection 3 of section 86.1140.

7 2. Creditable service at retirement on which the retirement allowance of a member  
8 is based consists of the membership service rendered by such member since such member  
9 last became a member.

10 3. Creditable service also includes any prior service credit to which a member may  
11 be entitled by virtue of an authorized purchase of such credit or as otherwise provided in  
12 sections 86.900 to 86.1280.

13 4. Creditable service shall not include any time a member was suspended from  
14 service without compensation. No contribution is required from either the member under  
15 section 86.1010 or from the city under section 86.1000 for such time.

16 5. Any member who has completed thirty years of creditable service may continue

17 in service by permission of the board of police commissioners. Contributions shall not be  
18 required of, and no service shall be credited to, any member for more than thirty years of  
19 service.

86.1110. 1. Whenever a member is given a leave of absence for military service and  
2 returns to employment after discharge from the service, such member shall be entitled to  
3 creditable service for the years of employment prior to the leave of absence.

4 2. Any member who served on active duty in the armed forces of the United States  
5 and who became a member, or returned to membership, after discharge under honorable  
6 conditions, may elect prior to retirement to purchase creditable service equivalent to such  
7 service in the armed forces, not to exceed two years, provided the member is not receiving  
8 and is not eligible to receive retirement credits or benefits from any other public or private  
9 retirement plan for the service to be purchased, other than a United States military service  
10 retirement system or United States Social Security benefits attributable to such military  
11 service, and an affidavit so stating is filed by the member with the retirement system. A  
12 member electing to make such purchase shall pay to the retirement system an amount  
13 equal to the actuarial value of the additional benefits attributable to the additional service  
14 credit to be purchased, as of the date the member elects to make such purchase. The  
15 retirement system shall determine such value using accepted actuarial methods and the  
16 same assumptions with respect to interest rates, mortality, future salary increases, and all  
17 related factors used in performing the most recent regular actuarial valuation of the  
18 retirement system. Payment in full of the amount due from a member electing to purchase  
19 creditable service under this subsection shall be made over a period not to exceed five  
20 years, measured from the date of election, or prior to the commencement date for payment  
21 of benefits to the member from the retirement system, whichever is earlier, including  
22 interest on unpaid balances compounded annually at the interest rate assumed from time  
23 to time for actuarial valuations of the retirement system. If payment in full including  
24 interest is not made within the prescribed period, any partial payments made by the  
25 member shall be refunded, and no creditable service attributable to such election, or as a  
26 result of any such partial payments, shall be allowed; provided that if a benefit  
27 commencement date occurs because of the death or disability of a member who has made  
28 an election under this subsection and if the member is current in payments under an  
29 approved installment plan at the time of the death or disability, such election shall be valid  
30 if the member, the surviving spouse, or other person entitled to benefit payments pays the  
31 entire balance of the remaining amount due, including interest to the date of such payment,  
32 within sixty days after the member's death or disability. The time of a disability shall be  
33 deemed to be the time when such member is retired by the board of police commissioners

34 for reason of disability as provided in sections 86.900 to 86.1280.

2           **86.1120.** Members who terminate membership with five years or more of creditable  
3 service and later return to membership may be given credit toward retirement for prior  
4 creditable service, subject to the condition that such member deposit in the pension fund  
5 a sum equal to the accumulated contributions which had been paid to such member upon  
6 the prior termination. Such repayment of withdrawn contributions shall be accompanied  
7 by an additional payment of interest equal to the amount of the actual net yield earned or  
8 incurred by the pension fund, including both net income after expenses and net  
9 appreciation or depreciation in values of the fund, whether realized or unrealized, during  
10 the period of time from the date upon which such contributions had been withdrawn to the  
11 date of repayment thereof, determined in accordance with such rules for valuation and  
accounting as may be adopted by the retirement board for such purposes.

2           **86.1130.** Each person who becomes a member of the police retirement system under  
3 the provisions of sections 86.900 to 86.1280 shall remain a member until the earliest to  
4 occur of the following events:

5           (1) The termination of service of such person and the payment to such person of all  
6 benefits due such person under the provisions of sections 86.900 to 86.1280; or

7           (2) The death of such person.

8           **86.1140. 1.** Should any member be granted leave of absence by the board of police  
9 commissioners, such member shall not, because of such absence, cease to be a member.

10           **2.** If a member is on leave of absence by authority of the board of police  
11 commissioners for thirty consecutive days or less, such member shall receive creditable  
12 service for such time.

1           **3.** If a member is on leave of absence for more than thirty consecutive days without  
2 compensation, such member shall not receive service credits for such time unless such  
3 member shall, within one year after returning from such absence, pay into the retirement  
4 system an amount equal to the member's contribution percentage at the time such absence  
5 began times an assumed salary figure for the period of such absence, computed by  
6 assuming that such member received a salary during such absence at the rate of the base  
7 annual salary the member was receiving immediately prior to such absence.

8           **86.1150. 1.** Any member may retire when such member has completed twenty-five  
9 or more years of creditable service and, except as otherwise provided in section 86.1100,  
10 shall retire when such member has completed thirty years of creditable service. Upon such  
11 retirement such member shall receive a base pension equal to:

12           (1) For a member retiring prior to August 28, 2000, two percent of such member's  
final compensation, as defined in section 86.900, multiplied by the number of years of such

7 member's total creditable service; or

8 (2) For a member retiring on or after August 28, 2000, two and one-half percent of  
9 such member's final compensation, as defined in section 86.900, multiplied by the number  
10 of years of such member's total creditable service. Such pension shall not exceed seventy-  
11 five percent of the member's final compensation.

12 2. Every member not having thirty years of service must retire at sixty years of age  
13 except that on recommendation of the chief of police, the board of police commissioners  
14 may permit such member who is sixty years of age or over to remain in service until such  
15 member reaches the age of sixty-five years. Such member shall continue to make  
16 contributions and receive credit for service until reaching sixty-five years of age, until  
17 retirement, or until completion of thirty years of creditable service, whichever occurs first.  
18 If such member shall reach sixty-five years of age or shall retire prior to completion of  
19 twenty-five years of service, the base pension of such member shall be calculated under  
20 subsection 3 of this section.

21 3. Except as provided in section 86.1100 or in subsection 2 of this section, any  
22 member in service who shall have attained sixty years of age and at that time shall have  
23 completed at least ten but less than thirty years of creditable service shall retire and shall  
24 receive a base pension equal to:

25 (1) For a member retiring prior to August 28, 2000, two percent of such member's  
26 final compensation, as defined in section 86.900, multiplied by the number of years of such  
27 member's total creditable service; or

28 (2) For a member retiring on or after August 28, 2000, two and one-half percent of  
29 such member's final compensation as defined in section 86.900 multiplied by the number  
30 of years of such member's total creditable service.

31 4. Subject to the provisions of subsection 5 of this section, whenever the service of  
32 a member is terminated for any reason prior to death or retirement and the member has  
33 fifteen or more years of creditable service, the member may elect not to withdraw such  
34 member's accumulated contributions and shall become entitled to a base pension beginning  
35 at the age of fifty-five, if then living, equal to:

36 (1) For a member whose service so terminates prior to August 28, 2001, two percent  
37 of such member's final compensation multiplied by the number of years of such member's  
38 creditable service; or

39 (2) For a member whose service so terminates on or after August 28, 2001, two and  
40 one-half percent of such member's final compensation multiplied by the number of years  
41 of such member's creditable service.

42 5. Notwithstanding any other provisions of sections 86.900 to 86.1280, any member



43 who is convicted of a felony prior to separation from active service shall not be entitled to  
44 any benefit from this retirement system except the return of such member's accumulated  
45 contributions.

86.1160. Whenever a member's service is terminated for any reason prior to death  
2 or retirement and such member has less than fifteen years of creditable service, or a  
3 member's service is terminated after conviction of a felony, or a member's service is  
4 terminated for any reason and such member requests the withdrawal of all such member's  
5 accumulated contributions to the retirement system, such member shall be paid the amount  
6 of such member's accumulated contributions in one lump sum, without interest, and such  
7 payment shall be in lieu of any and all other benefits to which such member or any  
8 beneficiary or survivor thereof might otherwise be or become entitled under sections  
9 86.900 to 86.1280.

86.1170. Any member who retires after August 28, 2000, who is entitled to a  
2 pension benefit under the provisions of sections 86.900 to 86.1280 and who either has at  
3 least twenty-five years of creditable service or is retired as a result of an injury or illness  
4 occurring in the line of duty or course of employment under section 86.1180, shall receive  
5 a pension benefit which, without including any supplemental retirement benefits paid such  
6 member by the retirement system, shall be not less than six hundred dollars monthly. Any  
7 member who retired on or before August 28, 2000, who is entitled to a pension benefit  
8 under the provisions of sections 86.900 to 86.1280 and who either had at least twenty-five  
9 years of creditable service or was retired as a result of an injury or illness occurring in the  
10 line of duty or course of employment under section 86.1180, shall upon application to the  
11 retirement board be appointed by the retirement board as a consultant and shall,  
12 beginning the later of August 28, 2000, or the time of such appointment under this section  
13 or a previously applicable statute, be compensated in an amount which, without including  
14 any supplemental retirement benefits provided by this system, shall be not less than six  
15 hundred dollars monthly. A pension benefit under this section shall be paid in lieu of such  
16 member's base pension as increased by cost-of-living adjustments granted under section  
17 86.1220. The benefit under this section shall not be subject to cost-of-living adjustments,  
18 but shall be terminated and replaced by the member's base pension and cost-of-living  
19 adjustments at such time as the total base pension and such adjustments exceed six  
20 hundred dollars monthly.

86.1180. 1. Any member who is permanently unable to perform the full and  
2 unrestricted duties of a police officer as the natural, proximate, and exclusive result of an  
3 accident occurring within the actual performance of duty at some definite time and place  
4 or through an occupational disease arising exclusively out of and in the course of his or her

5 employment shall be retired by the board of police commissioners upon certification by one  
6 or more physicians of the medical board that the member is mentally or physically unable  
7 to perform the full and unrestricted duties of a police officer, that the inability is  
8 permanent or likely to become permanent, and that the member should be retired. The  
9 inability to perform the full and unrestricted duties of a police officer means that the  
10 member is unable to perform all the essential job functions for the position of police officer  
11 as established by the board of police commissioners.

12       2. Upon such retirement on or after August 28, 2001, a member shall receive a base  
13 pension equal to seventy-five percent of his or her final compensation for so long as the  
14 permanent disability shall continue, during which time such member shall for purposes of  
15 this section be referred to as a disability beneficiary. Such pension may be subject to offset  
16 or reduction under section 86.1190 by amounts paid or payable under any workers'  
17 compensation law.

18       3. Once each year during the first five years following his or her retirement, and  
19 at least once in every three-year period thereafter, the retirement board may, and upon the  
20 member's application shall, require any disability beneficiary who has not yet attained the  
21 age of sixty years to undergo a medical examination at a place designated by the medical  
22 board or some member thereof. If any disability beneficiary who has not attained the age  
23 of sixty years refuses to submit to a medical examination his or her disability pension may  
24 be discontinued until his or her withdrawal of such refusal, and if his or her refusal  
25 continues for one year, all rights in and to such pension may be revoked by the retirement  
26 board.

27       4. If one or more members of the medical board certify to the retirement board that  
28 a disability beneficiary is able to perform the full and unrestricted duties of a police officer,  
29 and if the retirement board concurs on the report, then such beneficiary's disability  
30 pension shall cease.

31       5. If upon cessation of a disability pension under subsection 4 of this section, the  
32 former disability beneficiary is restored to active service, such member shall contribute to  
33 this retirement system thereafter at the same rate as other members. Upon subsequent  
34 retirement, such member shall be credited with all his or her creditable service, including  
35 any years in which such member received a disability pension under this section.

36       6. If upon cessation of a disability pension under subsection 4 of this section, the  
37 former disability beneficiary is not restored to active service, such member shall be entitled  
38 to the retirement benefit to which such member would have been entitled if such member  
39 had terminated service at the time of such cessation of the disability pension. For the  
40 purpose of such retirement benefits, such former disability beneficiary will be credited

41 with all his or her creditable service, including any years in which such member received  
42 a disability pension under this section.

86.1190. 1. Any periodic payment, excluding payments for medical treatment,  
2 which may be paid or payable by cities under the provisions of any workers' compensation  
3 or similar law to a member or to the dependents of a member on account of any disability  
4 or death shall be offset against any benefits payable to the recipient of the workers'  
5 compensation payments from funds provided by cities under the provisions of sections  
6 86.900 to 86.1280 on account of the same disability or death; except that, amounts payable  
7 under subsection 1 of section 86.1250 and section 86.1260 shall not be offset or reduced by  
8 any amount paid or payable under any workers' compensation or similar law. However,  
9 in no event shall the amount paid from funds under the provisions of sections 86.900 to  
10 86.1280 be less than the amount which represents the member's percentage, as defined in  
11 this section, of total benefits payable under sections 86.900 to 86.1280, other than under  
12 subsection 1 of section 86.1250 and section 86.1260 and before any offset for workers'  
13 compensation benefits.

14 2. Any lump sum amount, excluding payments for medical treatments, which may  
15 be paid or payable by the cities under the provisions of any workers' compensation or  
16 similar law to a member or to the dependents of a member on account of any disability or  
17 death shall be offset against any benefits payable from funds provided by cities under the  
18 provisions of sections 86.900 to 86.1280 on account of the same disability or death; except  
19 that, amounts payable under subsection 1 of section 86.1250 and section 86.1260 shall not  
20 be offset or reduced by any amounts paid or payable under any workers' compensation or  
21 similar law. The amount by which each periodic payment made under the provisions of  
22 sections 86.900 to 86.1280 is offset or reduced shall be computed as the periodic amount  
23 necessary to amortize as an annuity over the period of time represented by the respective  
24 workers' compensation benefits the total amount of the lump sum settlement received as  
25 a workers' compensation benefit by a beneficiary of the retirement system. Such  
26 computation shall be based upon the same interest rate and mortality assumptions as used  
27 for the retirement system at the time of such computation. However, in no event shall the  
28 amount paid from funds under the provisions of sections 86.900 to 86.1280 be less than the  
29 amount which represents the member's percentage, as defined in this section, of total  
30 benefits payable under sections 86.900 to 86.1280, other than under subsection 1 of section  
31 86.1250 and section 86.1260 and before any offset for workers' compensation benefits.

32 3. As used in this section, the term "member's percentage" shall be the fraction of  
33 which the numerator is the percentage of compensation contributed by a working member  
34 to the retirement pension system under section 86.1010 during the pay period immediately

35 preceding such member's death or disability which created entitlement to benefits and the  
36 denominator is the sum of the percentages of a member's compensation contributed by a  
37 working member under section 86.1010 and the city under section 86.1000 to the  
38 retirement pension system during such pay period. Such percentage shall identify the  
39 portion of any benefits due under the provisions of sections 86.900 to 86.1280 which is  
40 deemed to have been provided by the member's own contributions.

86.1200. 1. Any member who has completed ten or more years of creditable service  
2 and who has become permanently unable to perform the full and unrestricted duties of a  
3 police officer as the result of an injury or illness not exclusively caused or induced by the  
4 actual performance of his or her official duties or by his or her own negligence shall be  
5 retired by the board of police commissioners upon certification by one or more physicians  
6 of the medical board of the retirement board that the member is mentally or physically  
7 unable to perform the full and unrestricted duties of a police officer, that the inability is  
8 permanent or likely to become permanent, and that the member should be retired. The  
9 inability to perform the full and unrestricted duties of a police officer means that the  
10 member is unable to perform all the essential job functions for the position of police officer  
11 as established by the board of police commissioners.

12 2. Upon such retirement on or after August 28, 2001, a member shall receive a base  
13 pension equal to two and one-half percent of final compensation multiplied by the number  
14 of years of creditable service. Such pension shall be paid for so long as the permanent  
15 disability shall continue, during which time such member shall for purposes of this section  
16 be referred to as a nonduty disability beneficiary.

17 3. Once each year during the first five years following such member's retirement,  
18 and at least once in every three-year period thereafter, the retirement board may, and  
19 upon the member's application shall, require any nonduty disability beneficiary who has  
20 not yet attained the age of sixty years to undergo a medical examination at a place  
21 designated by the medical board. If any nonduty disability beneficiary who has not  
22 attained the age of sixty years refuses to submit to a medical examination, his or her  
23 nonduty disability pension may be discontinued until his or her withdrawal of such refusal,  
24 and if his or her refusal continues for one year, all rights in and to such pension may be  
25 revoked by the retirement board.

26 4. If one or more members of the medical board certify to the retirement board that  
27 a nonduty disability beneficiary is able to perform the full and unrestricted duties of a  
28 police officer, and if the retirement board concurs in the report, then such beneficiary's  
29 nonduty disability pension shall cease.

86.1210. 1. Any member entitled to commence a pension under section 86.1150

2 with twenty-six years or more of creditable service may elect an optional distribution under  
3 the partial lump sum option plan provided in this section if the member:

4 (1) Notifies the retirement system in writing of the member's retirement date at  
5 least ninety days in advance thereof and requests an explanation of the member's rights  
6 under this section; and

7 (2) Notifies the retirement system of the member's election hereunder at least thirty  
8 days in advance of the member's retirement date.

9

10 Following receipt of an initial notice of a member's retirement date and request for an  
11 explanation under this section, the retirement system shall, at least sixty days in advance  
12 of such retirement date, provide the member a written explanation of the member's rights  
13 under this section and an estimate of the amount by which the member's regular monthly  
14 base pension would be reduced in the event of the member's election of any of the options  
15 available to the member under this section.

16 2. (1) A member entitled to make an election under this section may elect to receive  
17 a lump sum distribution with the member's initial monthly pension payment under section  
18 86.1150, subject to all the terms of this section. The member may elect the amount of the  
19 member's lump sum distribution from one, but not more than one, of the following options  
20 for which the member qualifies:

21 (a) A member having twenty-six or more years of creditable service may elect a  
22 lump sum amount equal to twelve times the initial monthly base pension the member would  
23 receive if no election were made under this section;

24 (b) A member having twenty-seven or more years of creditable service may elect  
25 a lump sum amount equal to twenty-four times the initial monthly base pension the  
26 member would receive if no election were made under this section; or

27 (c) A member having twenty-eight or more years of creditable service may elect a  
28 lump sum amount equal to thirty-six times the initial monthly base pension the member  
29 would receive if no election were made under this section.

30 (2) When a member makes an election to receive a lump sum distribution under  
31 this section, the base pension which the member would have received in the absence of the  
32 election shall be reduced on an actuarially equivalent basis to reflect the payment of the  
33 lump sum distribution, and the reduced base pension shall be the member's base pension  
34 thereafter for all purposes relating to base pension amounts under sections 86.900 to  
35 86.1280.

36 3. An election under this section to receive a lump sum distribution and reduced  
37 monthly base pension shall be void if the member dies before retirement, and in such case

38 amounts due a surviving spouse or other beneficiary of the member shall be determined  
39 without regard to such election.

86.1220. 1. Provided that the retirement system shall remain actuarially sound,  
2 each of the following persons may receive each year, in addition to such person's base  
3 pension, a cost-of-living adjustment in an amount not to exceed three percent of such  
4 person's base pension during any one year:

5 (1) Every member who is retired and receiving a base pension from the retirement  
6 system;

7 (2) Every surviving spouse who is receiving a base pension from the retirement  
8 system; and

9 (3) Every child who, under subsection 2 of section 86.1250, is receiving the benefit,  
10 or a portion thereof, which would be payable to a surviving spouse of the member who was  
11 such child's parent.

12 2. Upon the death of a member who has been retired and receiving a pension and  
13 who dies after September 28, 1987, the surviving spouse of such member entitled to receive  
14 a base pension under section 86.1240 or children of such member entitled to receive a base  
15 pension under subsection 2 of section 86.1250 shall receive an immediate percentage cost-  
16 of-living adjustment to their respective base pension equal to the total percentage cost-of-  
17 living adjustments received during such member's lifetime under this section, except that  
18 the adjustment provided by this subsection shall not be made to a base pension calculated  
19 under either subdivision (1) or subdivision (2)(b) of subsection 2 of section 86.1240, either  
20 for a surviving spouse or for a child or children entitled to a base pension measured by the  
21 pension to which a qualified surviving spouse would be entitled, wherein such base pension  
22 is determined by a percentage of the amount being received by the deceased member at  
23 death.

24 3. For purposes of this section, the term "base pension" shall mean:

25 (1) For a member, the pension computed under the provisions of the law as of the  
26 date of retirement without regard to cost-of-living adjustments, as adjusted, if applicable,  
27 for any election made under section 86.1210, but in all events not including any  
28 supplemental benefit under section 86.1230;

29 (2) For a surviving spouse, the base pension calculated for such spouse in  
30 accordance with the provisions of section 86.1240, including any compensation as a  
31 consultant to which such surviving spouse is entitled under said section in lieu of a pension  
32 thereunder, but not including any supplemental benefit under section 86.1230; and

33 (3) For a member's surviving child who is entitled to receive part or all of the  
34 pension which would be received by the surviving spouse, if living, the base pension

35 calculated for such surviving spouse in accordance with the provisions of section 86.1240,  
36 including any compensation as a consultant to which such spouse would be entitled under  
37 said section, if living, divided by the number of surviving children entitled to share in such  
38 pension under subsection 2 of section 86.1250.

39 **4. The cost-of-living adjustment shall be an increase or decrease computed on the**  
40 **base pension amount by the retirement board in an amount that the board, in its**  
41 **discretion, determines to be satisfactory, but in no event shall the adjustment be more than**  
42 **three percent or reduce the pension to an amount less than the base pension. In**  
43 **determining and granting the cost-of-living adjustments, the retirement board shall adopt**  
44 **such rules and regulations as may be necessary to effectuate the purposes of this section,**  
45 **including provisions for the manner of computation of such adjustments and the effective**  
46 **dates thereof. The retirement board shall provide for such adjustments to be determined**  
47 **once each year and granted on a date or dates to be chosen by the board, and may apply**  
48 **such adjustments in full to members who have retired during the year prior to such**  
49 **adjustments but who have not been retired for one full year and to the surviving spouse**  
50 **or applicable children of a member who has died during the year prior to such**  
51 **adjustments.**

52 **5. The determination of whether the retirement system will remain actuarially**  
53 **sound shall be made at the time any cost-of-living adjustment is granted. If at any time the**  
54 **retirement system ceases to be actuarially sound, pension payments shall continue as**  
55 **adjusted by increases theretofore granted. A member of the retirement board shall have**  
56 **no personal liability for granting increases under this section if that retirement board**  
57 **member in good faith relied and acted upon advice of a qualified actuary that the**  
58 **retirement system would remain actuarially sound.**

59 **6. If any benefit under subsection 1 of section 86.1250 on August 27, 2005, would**  
60 **be reduced by application of this section, such benefit shall continue thereafter without**  
61 **reduction, but any benefit so continued shall terminate at the time prescribed in subsection**  
62 **1 of section 86.1250.**

**86.1230. 1. Any member who retires subsequent to August 28, 1991, with**  
2 **entitlement to a pension under sections 86.900 to 86.1280, shall receive each month, in**  
3 **addition to such member's base pension and cost-of-living adjustments thereto under**  
4 **section 86.1220, and in addition to any other compensation or benefit to which such**  
5 **member may be entitled under sections 86.900 to 86.1280, a supplemental retirement**  
6 **benefit of fifty dollars per month. The amount of such supplemental retirement benefit**  
7 **may be adjusted by cost-of-living adjustments determined by the retirement board not**  
8 **more frequently than annually. Such determination shall be based on advice of the plan's**

9 actuary that the increase in the benefit will not cause the present value of anticipated  
10 future plan benefits, calculated on the actuarial assumptions used for the most recent  
11 annual valuation, to exceed the sum of the trust fund assets plus the present value of  
12 anticipated contributions to the trust fund.

13 2. Any member who was retired on or before August 28, 1991, and is receiving  
14 retirement benefits from the retirement system shall, upon application to the retirement  
15 board, be retained as a consultant, and for such services such member shall receive each  
16 month, in addition to such member's base pension and cost-of-living adjustments thereto  
17 under section 86.1220, and in addition to any other compensation or benefit to which such  
18 member may be entitled under sections 86.900 to 86.1280, a supplemental compensation  
19 in the amount of fifty dollars per month. This appointment as a consultant shall in no way  
20 affect any member's eligibility for retirement benefits under the provisions of sections  
21 86.900 to 86.1280, or in any way have the effect of reducing retirement benefits otherwise  
22 payable to such member. The amount of such supplemental compensation under this  
23 subsection may be adjusted by cost-of-living adjustments determined by the retirement  
24 board not more frequently than annually. Such determination shall be based on advice of  
25 the plan's actuary that the increase in the benefit will not cause the present value of  
26 anticipated future plan benefits, calculated on the actuarial assumptions used for the most  
27 recent annual valuation, to exceed the sum of the trust fund assets plus the present value  
28 of anticipated contributions to the trust fund.

29 3. In determining and granting the cost-of-living adjustments under this section,  
30 the retirement board shall adopt such rules and regulations as may be necessary to  
31 effectuate the purposes of this section, including provisions for the manner of computation  
32 of such adjustments and the effective dates thereof. The retirement board shall provide  
33 for such adjustments to be determined once each year and granted on a date or dates to be  
34 chosen by the board. The retirement board shall not be required to prorate the initial  
35 adjustment to any supplemental retirement benefit or any supplemental compensation  
36 under this section for any member.

37 4. For purposes of subsections 1 and 2 of this section, the term "member" shall  
38 include a surviving spouse entitled to a benefit under sections 86.900 to 86.1280 who shall  
39 be deemed to have retired for purposes of this section on the date of retirement of the  
40 member of whom such person is the surviving spouse or on the date of death of such  
41 member if such member died prior to retirement; provided, that if the surviving spouse of  
42 any member who retired prior to August 28, 2000, shall not have remarried prior to  
43 August 28, 2000, but remarries thereafter, such surviving spouse shall thereafter receive  
44 benefits under subsection 2 of this section, and provided further, that no benefits shall be



45 payable under this section to the surviving spouse of any member who retired prior to  
46 August 28, 2000, if such surviving spouse was at any time remarried after the member's  
47 death and prior to August 28, 2000. All benefits payable to a surviving spouse under this  
48 section shall be in addition to all other benefits to which such surviving spouse may be  
49 entitled under other provisions of sections 86.900 to 86.1280. Any such surviving spouse  
50 of a member who dies while entitled to payments under this section shall succeed to the full  
51 amount of payment under this section to which such member was entitled at the time of  
52 such member's death, including any cost-of-living adjustments received by such member  
53 in the payment under this section prior to such member's death. In all events, the term  
54 "member" shall not include any children of the member who would be entitled to receive  
55 part or all of the pension which would be received by a surviving spouse if living.

56         5. The determination of whether the retirement system will remain actuarially  
57 sound shall be made at the time any cost-of-living adjustment under this section is granted.  
58 If at any time the retirement system ceases to be actuarially sound, supplemental  
59 retirement benefit payments under subsection 1 of this section and supplemental  
60 compensation payments as a consultant under subsection 2 of this section shall continue  
61 as adjusted by increases or decreases theretofore granted. A member of the retirement  
62 board shall have no personal liability for granting increases under this section if that  
63 retirement board member in good faith relied and acted upon advice of a qualified actuary  
64 that the retirement system would remain actuarially sound.

86.1240. 1. Upon receipt of the proper proofs of death of a member in service for  
2 any reason whatsoever, there shall be paid to such member's surviving spouse, if any, in  
3 addition to all other benefits but subject to subsection 6 of this section, a base pension equal  
4 to forty percent of the final compensation of such member, subject to adjustments, if any,  
5 as provided in section 86.1220.

6         2. (1) Upon receipt of the proper proofs of death of a member who was retired or  
7 terminated service after August 28, 1999, and died after commencement of benefits to such  
8 member from this retirement system, there shall be paid to such member's surviving  
9 spouse, if any, in addition to all other benefits but subject to subsection 6 of this section,  
10 a base pension equal to eighty percent of the pension being received by such member,  
11 including cost-of-living adjustments to such pension but excluding supplemental retirement  
12 benefits, at the time of such member's death, subject to subsequent adjustments, if any, as  
13 provided in section 86.1220. The pension provided by this subdivision shall terminate  
14 upon remarriage by the surviving spouse prior to August 28, 2000.

15         (2) (a) Upon receipt of the proper proof of death of a member who retired or  
16 terminated service on or before August 28, 1999, and who died after August 28, 1999, and

17 after commencement of benefits to such member from this retirement system, such  
18 member's surviving spouse, if any, shall be entitled to a base pension equal to forty percent  
19 of the final compensation of such member.

20 (b) Such a surviving spouse shall, upon application to the retirement board, be  
21 appointed by the retirement board as a consultant and be compensated in an amount equal  
22 to the benefits such spouse would receive under subdivision (1) of this subsection if the  
23 member had retired or terminated service after August 28, 1999.

24 (c) The benefits provided by this subdivision shall terminate upon remarriage by  
25 the surviving spouse prior to August 28, 2000.

26 3. In the case of any member who, prior to August 28, 2000, died in service or  
27 retired, the surviving spouse who would qualify for benefits under subsection 1 or 2 of this  
28 section but for remarriage, and who has not remarried prior to August 28, 2000, but  
29 remarries thereafter, shall upon application be appointed by the retirement board as a  
30 consultant. For services as such consultant, such surviving spouse shall be compensated  
31 in an amount equal to the benefits such spouse would have received under sections 86.900  
32 to 86.1280 in the absence of such remarriage.

33 4. For purposes of this section, commencement of benefits shall begin, for any  
34 benefit, at such time as all requirements of sections 86.900 to 86.1280 have been met  
35 entitling the member to a payment of such benefit at the next following payment date with  
36 the amount thereof established, regardless of whether the member has received the initial  
37 payment of such benefit.

38 5. Upon the death of any member who is in service after August 28, 2000, and who  
39 either had at least twenty-five years of creditable service or was retired or died as a result  
40 of an injury or illness occurring in the line of duty or course of employment under section  
41 86.1180, the surviving spouse's benefit provided under this section, without including any  
42 supplemental retirement benefits paid such surviving spouse by this retirement system,  
43 shall not be less than six hundred dollars per month. For any member who died, retired  
44 or terminated service on or before August 28, 2000, and who either had at least twenty-five  
45 years of creditable service or was retired or died as a result of an injury or illness occurring  
46 in the line of duty or course of employment under section 86.1180, the surviving spouse  
47 shall upon application to the retirement board be appointed by the retirement board as a  
48 consultant. For services as such consultant, the surviving spouse shall, beginning the later  
49 of August 28, 2000, or the time the appointment is made under this subsection, be  
50 compensated in an amount which without including supplemental retirement benefits  
51 provided by this system shall be not less than six hundred dollars monthly. A pension  
52 benefit under this subsection shall be paid in lieu of any base pension as increased by cost-

53 of-living adjustments granted under section 86.1220. The benefit under this subsection  
54 shall not be subject to cost-of-living adjustments, but shall be terminated and replaced by  
55 the base pension and cost-of-living adjustments to which such spouse would otherwise be  
56 entitled at such time as the total base pension and such adjustments exceed six hundred  
57 dollars monthly.

58         6. Any beneficiary of benefits under sections 86.900 to 86.1280 who becomes the  
59 surviving spouse of more than one member shall be paid all benefits due a surviving spouse  
60 of that member whose entitlements produce the largest surviving spouse benefits for such  
61 beneficiary but shall not be paid surviving spouse benefits as the surviving spouse of more  
62 than one member.

86.1250. 1. (1) Upon the death of a member in service or after retirement and  
2 commencement of benefits, such member's child or children under the age of eighteen  
3 years at the time of the member's death shall be paid fifty dollars per month each until he  
4 or she shall attain the age of eighteen years; however, each such child who is or becomes  
5 a full-time student at an accredited educational institution shall continue to receive  
6 payments under this section for so long as such child shall remain such a full-time student  
7 or shall be in a summer or other vacation period scheduled by the institution with intent  
8 by such child, demonstrated to the satisfaction of the retirement board, to return to such  
9 full-time student status upon the resumption of the institution's classes following such  
10 vacation period, but in no event shall such payments be continued after such child shall  
11 attain the age of twenty-one years except as hereinafter provided.

12         (2) Any child eighteen years of age or older, who is physically or mentally  
13 incapacitated from wage earning, so long as such incapacity exists as certified by a member  
14 of the medical board, shall be entitled to the same benefits as a child under the age of  
15 eighteen. For purposes of this section, a determination of whether a child of a member is  
16 physically or mentally incapacitated from wage earning so that the child is entitled to  
17 benefits under this section shall be made at the time of the member's death. If a child  
18 becomes incapacitated after the member's death, or if a child's incapacity existing at the  
19 member's death is removed and such child later becomes incapacitated again, such child  
20 shall not be entitled to benefits as an incapacitated child under the provisions of this  
21 section. A child shall be deemed incapacitated only for so long as the incapacity existing  
22 at the time of the member's death continues.

23         (3) Notwithstanding any other law to the contrary, amounts payable under  
24 subdivisions (1) or (2) of this subsection shall not be subject to offset or reduction by  
25 amounts paid or payable under any workers' compensation or similar law.

26         2. Upon or after the death of a member in service or after retirement and

27 commencement of benefits, if there is no surviving spouse or if a surviving spouse dies, the  
28 total amount, including any amounts receivable as consulting compensation, but not  
29 including any supplemental benefits under section 86.1230, which would be received by a  
30 qualified surviving spouse or which is being received by the surviving spouse at the date  
31 of death of such surviving spouse shall be added to the amounts received by and shall be  
32 divided among the children of such member under the age of eighteen years and the  
33 incapacitated children in equal shares. As each such child attains the age of eighteen years  
34 or has such incapacity removed, such total amount shall then be divided among the  
35 remaining such children, until there is no remaining child of such member under the age  
36 of eighteen years or incapacitated, at which time all benefits for children of such member  
37 under this subsection shall cease.

38       **3. Upon the death of a member in service or after retirement and commencement**  
39 **of benefits, a funeral benefit of one thousand dollars shall be paid to the person or entity**  
40 **who provided or paid for the funeral services for such member.**

41       **4. If no benefits are otherwise payable to a surviving spouse or child of a deceased**  
42 **member, the member's accumulated contributions, to any extent not fully paid to such**  
43 **member prior to the member's death or to the surviving spouse or child of such member,**  
44 **shall be paid in one lump sum to the member's named beneficiary or, if none, to the**  
45 **member's estate, and such payment shall constitute full and final payment of any and all**  
46 **claims for benefits under the retirement system.**

47       **5. For purposes of this section, commencement of benefits shall begin, for any**  
48 **benefit, at such time as all requirements of sections 86.900 to 86.1280 have been met**  
49 **entitling the member to a payment of such benefit at the next following payment date with**  
50 **the amount established, regardless of whether the member has received the initial payment**  
51 **of such benefit.**

**86.1260. 1. Upon the receipt of the proper proof that the death of a member in**  
2 **service was the natural and proximate result of an event occurring within the performance**  
3 **of duty or of an occupational disease arising out of and in the course of such member's**  
4 **employment, there shall be paid to the surviving spouse, or if there be no surviving spouse,**  
5 **then to the child or children of such member under the age of twenty-one years and those,**  
6 **if any, over the age of twenty-one years if mentally or physically incapacitated from wage**  
7 **earning, in equal shares or divided between or among them as the retirement board in its**  
8 **sole discretion shall direct, the sum of fifty thousand dollars.**

9       **2. If a member dies in such manner that a surviving spouse or child would be**  
10 **entitled to benefits under this section but there is no surviving spouse or child eligible to**  
11 **receive payments under this section, no payments under this section shall be paid.**

12           **3. Notwithstanding any other law to the contrary, amounts payable under this**  
13 **section shall not be subject to offset or reduction by amounts paid or payable under any**  
14 **workers' compensation or similar law.**

**86.1270. 1. A retirement plan under sections 86.900 to 86.1280 is a qualified plan**  
2 **under the provisions of applicable federal law. The benefits and conditions of a retirement**  
3 **plan under sections 86.900 to 86.1280 shall always be adjusted to ensure that the tax-**  
4 **exempt status is maintained.**

5           **2. The retirement board shall administer the retirement system in a manner as to**  
6 **retain at all times qualified status under Section 401(a) of the Internal Revenue Code.**

7           **3. The retirement board shall hold in trust the assets of the retirement system for**  
8 **the exclusive benefit of the members and their beneficiaries and for defraying reasonable**  
9 **administrative expenses of the system. No part of such assets shall, at any time prior to the**  
10 **satisfaction of all liabilities with respect to members and their beneficiaries, be used for or**  
11 **diverted to any purpose other than such exclusive benefit or to any purpose inconsistent**  
12 **with sections 86.900 to 86.1280.**

13           **4. A member's benefit shall be one hundred percent vested and nonforfeitable upon**  
14 **the member's attainment of normal retirement age, which shall be the earlier of:**

- 15           **(1) Completion of twenty-five years of service;**  
16           **(2) Age sixty if the member has completed at least ten years of creditable service;**  
17           **(3) Age seventy without regard to years of service; or**  
18           **(4) To the extent funded, upon the termination of the system established under**  
19 **sections 86.900 to 86.1280 or any partial termination which affects the members or any**  
20 **complete discontinuance of contributions by the city to the system.**

21  
22 **Amounts representing forfeited nonvested benefits of terminated members shall not be**  
23 **used to increase benefits payable from the system but may be used to reduce contributions**  
24 **for future plan years.**

25           **5. Distribution of benefits shall begin not later than April first of the year following**  
26 **the later of the calendar year during which the member becomes seventy and one-half**  
27 **years of age or the calendar year in which the member retires, and shall otherwise conform**  
28 **to Section 401(a)(9) of the Internal Revenue Code.**

29           **6. A member or beneficiary of a member shall not accrue a service retirement**  
30 **annuity, disability retirement annuity, death benefit, whether death occurs in the line of**  
31 **duty or otherwise, or any other benefit under sections 86.900 to 86.1280 in excess of the**  
32 **benefit limits applicable to the fund under Section 415 of the Internal Revenue Code. The**  
33 **retirement board shall reduce the amount of any benefit that exceeds those limits by the**

34 amount of the excess. If the total benefits under the retirement system and the benefits and  
35 contributions to which any member is entitled under any other qualified plan or plans  
36 maintained by the board of police commissioners that employs the member would  
37 otherwise exceed the applicable limits under Section 415 of the Internal Revenue Code, the  
38 benefits the member would otherwise receive from the retirement system shall be reduced  
39 to the extent necessary to enable the benefits to comply with Section 415 of the Internal  
40 Revenue Code.

41 7. The total salary taken into account for any purpose for any member of the  
42 retirement system shall not exceed two hundred thousand dollars per year, subject to  
43 periodic adjustments in accordance with guidelines provided by the United States  
44 Secretary of the Treasury, and shall not exceed such other limits as may be applicable at  
45 any given time under Section 401(a)(17) of the Internal Revenue Code.

46 8. If the amount of any benefit is to be determined on the basis of actuarial  
47 assumptions that are not otherwise specifically set forth for that purpose in sections 86.900  
48 to 86.1280, the actuarial assumptions to be used are those earnings and mortality  
49 assumptions being used on the date of the determination by the retirement system's  
50 actuary and approved by the retirement board. The actuarial assumptions being used at  
51 any particular time shall be attached as an addendum to a copy of the retirement system's  
52 statute that is maintained by the retirement board and shall be treated for all purposes as  
53 a part of sections 86.900 to 86.1280. The actuarial assumptions may be changed by the  
54 retirement system's actuary annually if approved by the retirement board, but a change  
55 in actuarial assumptions shall not result in any decrease in benefits accrued as of the  
56 effective date of the change.

57 9. Any member or beneficiary who is entitled to receive any distribution that is an  
58 eligible rollover distribution, as defined by Section 402(c)(4) of the Internal Revenue Code,  
59 is entitled to have that distribution transferred directly to another eligible retirement plan  
60 of the member's or beneficiary's choice upon providing direction to the secretary of this  
61 retirement system regarding the transfer in accordance with procedures established by the  
62 retirement board.

63 10. For all distributions made after December 31, 2001:

64 (1) For the purposes of subsection 9 of this section, an eligible retirement plan shall  
65 also mean an annuity contract described in Section 403(b) of the Internal Revenue Code  
66 and an eligible plan under Section 457(b) of the Internal Revenue Code which is  
67 maintained by the state, political subdivision of a state, or any agency or instrumentality  
68 of a state or political subdivision of a state and which agrees to separately account for  
69 amounts transferred into such plan from the retirement system. The definition of eligible

70 retirement plan shall also apply in the case of a distribution to a surviving spouse or to a  
71 spouse or former spouse who is the alternate payee under a qualified domestic relations  
72 order, as defined in Section 414(p) of the Internal Revenue Code; and

73 (2) For purposes of subsection 9 of this section, a portion of a distribution shall not  
74 fail to be an eligible rollover distribution merely because the portion consists of after-tax  
75 employee contributions which are not includable in gross income. However, such portion  
76 may be paid only to an individual retirement account or annuity described in Section  
77 408(a) or 408(b) of the Internal Revenue Code, or to a qualified defined contribution plan  
78 described in Section 401(a) or 403(a) of the Internal Revenue Code that agrees to  
79 separately account for amounts so transferred, including separately accounting for the  
80 portion of such distribution that is includable in gross income and the portion of such  
81 distribution that is not so includable.

86.1280. If a city and the police department of such city adopt any program of  
2 incentives to authorize or encourage early retirements, whether for employees not yet  
3 eligible for regular retirement or for employees who are eligible but have not yet chosen  
4 to retire or for both, the retirement board shall be authorized to administer and pay such  
5 incentives for retirees who accept such incentives and are members of the retirement  
6 system under sections 86.900 to 86.1280, in addition to such other benefits as such members  
7 or their beneficiaries are entitled to receive under sections 86.900 to 86.1280, provided such  
8 city shall so request and shall agree to increase the city's contribution under section  
9 86.1000 sufficiently to provide the full actuarial cost of any such incentives in addition to  
10 the contribution required of such city necessary, in conjunction with members'  
11 contributions under section 86.1010, to provide all other benefits provided under sections  
12 86.900 to 86.1280.

86.1310. The following words and phrases as used in sections 86.1310 to 86.1640  
2 shall have the following meanings unless a different meaning is plainly required by the  
3 context:

4 (1) "Accumulated contributions", the sum of all amounts deducted from the  
5 compensation of a member and paid to the retirement board, together with all amounts  
6 paid to the retirement board by a member or by a member's beneficiary for the purchase  
7 of prior service credits or any other purpose permitted under sections 86.1310 to 86.1640,  
8 in all cases with interest thereon at a rate determined from time to time for such purpose  
9 by the retirement board;

10 (2) "Beneficiary", any person entitled, either currently or conditionally, to receive  
11 pension or other benefits provided in sections 86.1310 to 86.1640;

12 (3) "Board of police commissioners", the board composed of police commissioners

13 authorized by law to employ and manage an organized police force in the cities;

14 (4) "City" or "cities", any city which now has or may hereafter have a population  
15 of more than three hundred thousand and less than seven hundred thousand inhabitants,  
16 or any city that has made an election under section 86.1320 to continue a civilian  
17 employees' retirement system theretofore maintained under sections 86.1310 to 86.1640;

18 (5) "Compensation", the basic wage or salary paid a member for any period,  
19 excluding bonuses, overtime pay, expense allowances, and other extraordinary  
20 compensation; except that, notwithstanding such provision, compensation for any year for  
21 any member shall not exceed the amount permitted to be taken into account under Section  
22 401(a)(17) of the Internal Revenue Code as applicable to such year;

23 (6) "Consultant", unless otherwise specifically defined, means a person retained  
24 by the retirement system as a special consultant on the problems of retirement, aging and  
25 related matters who, upon request of the retirement board, shall give opinions and be  
26 available to give opinions in writing or orally in response to such requests, as may be  
27 needed by the board;

28 (7) "Creditable service", service qualifying as a determinant of a member's pension  
29 or other benefit under sections 86.1310 to 86.1640 by meeting the requirements specified  
30 in such sections, or section 105.691, RSMo;

31 (8) "Employee", any regularly appointed civilian employee of the police  
32 department of the city as specified in sections 86.1310 to 86.1640 who is not eligible to  
33 receive a pension from the police retirement system of said city;

34 (9) "Final compensation", the average annual compensation of a member during  
35 the member's service if less than two years, or the twenty-four months of service for which  
36 the member received the highest salary whether consecutive or otherwise. For any period  
37 of time when a member is paid on a frequency other than monthly, the member's salary  
38 for such period shall be deemed to be the monthly equivalent of the member's annual rate  
39 of compensation for such period;

40 (10) "Internal Revenue Code", the United States Internal Revenue Code of 1986,  
41 as amended;

42 (11) "Medical board", not less than one nor more than three physicians appointed  
43 by the retirement board to arrange for and conduct medical examinations as directed by  
44 the retirement board;

45 (12) "Member", a member of the civilian employees retirement system as described  
46 in section 86.1480;

47 (13) "Pension", annual payments for life, payable monthly, beginning with the date  
48 of retirement or other applicable commencement date and ending with death;



49           (14) "Pension fund", the fund resulting from contributions made thereto by the  
50 cities affected by sections 86.1310 to 86.1640 and by the members of the civilian employees  
51 retirement system;

52           (15) "Retirement", termination of a member's status as an employee of the police  
53 department of the city at a time when the member or the member's beneficiary is  
54 immediately entitled to one or more benefits under sections 86.1310 to 86.1640;

55           (16) "Retirement board" or "board", the board provided in section 86.1330 to  
56 administer the retirement system;

57           (17) "Retirement system", the civilian employees' retirement system of the police  
58 department of the cities as defined in section 86.1320;

59           (18) "Surviving spouse", when determining whether a person is entitled to benefits  
60 under sections 86.1310 to 86.1640 by reason of surviving a member, shall include only:

61           (a) The person who was married to the member at the time of the member's death  
62 in service prior to August 28, 2001, and who had not remarried prior to August 28, 2001;

63           (b) The person who was married to the member at the time of the member's death  
64 in service on or after August 28, 2001;

65           (c) In the case of any member who both retired and died prior to August 28, 2001,  
66 the person who was married to the member at the time of the member's death and who had  
67 not remarried prior to August 28, 2001;

68           (d) In the case of any member who retired prior to August 28, 2001, and died on  
69 or after that date, the person who was married to the member at the time of the member's  
70 death; or

71           (e) In the case of any member who retired on or after August 28, 2001, the person  
72 who was married to the member at both the time of the member's retirement and the time  
73 of the member's death.

          86.1320. In all cities that now have or may hereafter attain a population of more  
2 than three hundred thousand and less than seven hundred thousand inhabitants according  
3 to the last preceding federal decennial census, there are hereby created and established  
4 retirement or pension systems for the purpose of providing retirement allowances for  
5 civilian employees of police departments of such cities. Any city which has established a  
6 civilian employees' retirement system under the provisions of sections 86.600 to 86.790 or  
7 sections 86.1310 to 86.1640 may elect to continue its civilian employees' retirement system  
8 under the provisions of sections 86.1310 to 86.1640 even though the city may cease to have  
9 the population described in this section, and any city so electing to continue its established  
10 civilian employees' retirement system shall be excused from creating or maintaining any  
11 other civilian employees' retirement system under any other provisions of the Missouri

12 statutes. Each system shall be under the management of a retirement board to be known  
13 as the "Civilian Employees' Retirement System of the Police Department of (name of  
14 city)," and by such name all of its business shall be transacted, and all of its cash and other  
15 property held. The retirement systems so created shall begin operation on October 13,  
16 1965, on which date contributions of employees shall be payable to the pension fund.

86.1330. 1. There shall be a retirement board whose members shall serve without  
2 compensation but shall be reimbursed from the pension fund for any necessary expenses  
3 which they may incur for service on the board. The board shall adopt policies for the  
4 administration of the affairs of the retirement system. The members of the retirement  
5 board for the civilian employees' retirement system herein enacted shall be the same as the  
6 members of the retirement board for police officers as provided in section 86.930 and upon  
7 election or appointment as provided in section 86.930, shall be vested with full authority  
8 to administer the retirement system provided in sections 86.1310 to 86.1640, and shall be  
9 vested with full authority to do all things necessary and required herein; but all funds  
10 received for the administration of the retirement system shall be kept separately and not  
11 commingled with funds included in retirement systems provided in sections 86.900 to  
12 86.1280. The members of the retirement system provided in sections 86.1310 to 86.1640  
13 and a surviving spouse receiving benefits from the retirement system shall be entitled to  
14 vote in the election of elected members of the retirement board as provided in section  
15 86.930.

16 2. Each member of the retirement board shall, within ten days after appointment  
17 or election, take an oath of office that such member will diligently and honestly administer  
18 the affairs of such board, and will not knowingly violate or willingly permit to be violated  
19 any of the provisions of the law applicable to the civilian employees' retirement system.  
20 Such oath shall be signed by the member and filed with the clerk of such city.

86.1350. Each member of the retirement board shall be entitled to one vote in the  
2 decisions of the board. Five votes or more in favor shall be necessary to pass a motion by  
3 the retirement board at any meeting of the board.

86.1360. 1. Subject to the limitations of sections 86.1310 to 86.1640, the retirement  
2 board shall, from time to time, establish policies for the administration of its assets, for the  
3 transaction of its business and for the conduct of nominations and elections of the elected  
4 members of the retirement board. The retirement board shall be deemed to be a state  
5 agency within the meaning of chapter 536, RSMo. Any rule or portion of a rule, as that  
6 term is defined in section 536.010, RSMo, that is created under the authority delegated in  
7 this section shall become effective only if it complies with and is subject to all of the  
8 provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section

9 and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general  
10 assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or to  
11 disapprove and annul a rule are subsequently held unconstitutional, then the grant of  
12 rulemaking authority and any rule proposed or adopted after August 28, 2005, shall be  
13 invalid and void.

14 2. The retirement board shall elect from its membership a chairman, a vice  
15 chairman, and a treasurer and shall, by majority vote of its members, appoint a secretary,  
16 who may be, but need not be, one of its members. The offices of secretary and of treasurer  
17 shall not be held by the same person. It may employ such actuarial, legal, and other  
18 services as may be necessary to transact the business of the retirement system. The  
19 compensation of all persons employed by the retirement board and all other expenses of  
20 the board necessary for the operation of the retirement system shall be paid in such  
21 manner as the retirement board shall determine; provided, that the compensation of such  
22 persons as may be employed by the retirement board shall not be greater than the  
23 compensation paid for comparable abilities by the governments of the cities in which the  
24 retirement board is located.

86.1370. 1. The retirement board shall keep in convenient form such data as is  
2 necessary for administration of the retirement system. The retirement board shall keep  
3 a record of all its proceedings which shall be open to public inspection.

4 2. The retirement board shall publish annually a statement reporting the operations  
5 of the retirement system for the year, including income and disbursements during the year  
6 and the financial condition of the retirement system at the end of the year, including  
7 actuarial valuation and valuations of its assets and liabilities as of April thirtieth of each  
8 year. Such statement shall be consistent with results reviewed and approved by  
9 independent certified public accountants selected by the board. One copy of the annual  
10 report shall be delivered to each member of the retirement board and each member of the  
11 board of police commissioners, and one copy shall be filed with the city clerk. Copies of  
12 the report shall be made conveniently available to each member of the retirement system.

13 3. The retirement board shall cause an actuarial study and calculation to be made  
14 annually based upon the experiences of the retirement system by an independent firm of  
15 pension actuaries.

16 4. The retirement board shall appoint a medical board of not more than three  
17 physicians, each of whom shall serve at the pleasure of the retirement board, to arrange  
18 for and conduct medical examinations as requested by the retirement board.

19 5. The retirement board shall adopt a common seal.

86.1380. The retirement board shall before January tenth of each year certify to

2 the chief financial officer of such city the amount to be paid by the city to the retirement  
3 pension system for the succeeding fiscal year, as otherwise provided by sections 86.1310 to  
4 86.1640.

2 86.1390. The cities specified in sections 86.1310 to 86.1640 shall contribute to the  
3 retirement pension system such an amount as may be necessary to pay the pensions as they  
4 accrue from year to year, and such additional amounts as may be necessary to maintain  
5 the system on a sound actuarial basis as determined by the retirement board and certified  
6 as provided in section 86.1380.

2 86.1400. The board of police commissioners shall cause to be deducted from the  
3 compensation of each member until retirement a percentage of such member's  
4 compensation, which shall not be less than five percent, as determined by the retirement  
5 board, as such member's contribution to the pension fund. The sum so deducted shall be  
6 paid by the board of police commissioners promptly after each payroll to the retirement  
7 board to be credited to the member's account. Every member shall be deemed to consent  
8 to the deductions made and provided for herein. The board of police commissioners shall  
9 certify to the retirement board on each payroll the amount deducted, and such amounts  
10 shall be paid into the pension fund and shall be credited to the individual pension account  
11 of the member from whose compensation such deduction was made.

2 86.1410. 1. The retirement board shall act as trustee of the funds created by or  
3 collected under the provisions of sections 86.1310 to 86.1640. With appropriate safeguards  
4 against loss by the retirement system, the board may designate one or more banks or trust  
5 companies to serve as a depository of retirement system funds and as an intermediary in  
6 the investment of those funds and payment of system obligations. The board shall  
7 promptly deposit the funds with any such designated bank or trust company.

2 2. The retirement board shall have power, in the name and on behalf of the  
3 retirement pension system, to purchase, acquire, hold, invest, lend, lease, sell, assign,  
4 transfer, and dispose of all property, rights, and securities, and enter into written  
5 contracts, all as may be necessary or proper to carry out the purposes of sections 86.1310  
6 to 86.1640. No investment transaction authorized by the retirement board shall be handled  
7 by any company or firm in which a member of the board has an interest, nor shall any  
8 member of the board profit directly or indirectly from any such investment. All  
9 investments shall be made for the account of the retirement system, and any securities or  
10 other properties obtained by the retirement board may be held by a custodian in the name  
11 of the retirement system, or in the name of a nominee in order to facilitate the expeditious  
12 transfer of such securities or other properties. Such securities or other properties may be  
13 held by such custodian in bearer form or in book entry form. The retirement system is  
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19 further authorized to deposit, or have deposited for its account, eligible securities in a  
20 central depository system or clearing corporation or in a federal reserve bank under a  
21 book entry system as defined in the uniform commercial code, sections 400.8-102 and  
22 400.8-117, RSMo. When such eligible securities of the retirement system are so deposited  
23 with the central depository system they may be merged and held in the name of the  
24 nominee of such securities depository and title to such securities may be transferred by  
25 bookkeeping entry on the books of such securities depository or federal reserve bank  
26 without physical delivery of the certificates or documents representing such securities.

27       3. The retirement board may contract with a bank or trust company to act as the  
28 custodian of bonds and securities acquired by the board, in which case the retirement  
29 board may authorize such custodian bank or trust company to order purchases, loans, or  
30 sales of investments by such custodian bank or trust company, and may also appoint one  
31 or more investment managers to manage investments of the retirement pension system and  
32 in the course of such management to order purchases, loans, or sales of investments by  
33 such custodian bank or trust company, subject to such limitations, reporting requirements  
34 and other terms and restrictions as the retirement board may include in the terms of each  
35 such appointment. The income from investments shall be credited to the funds of the  
36 retirement system at frequent intervals satisfactory to the retirement board. All payments  
37 from the funds shall be made by the bank or trust company only upon orders signed by the  
38 secretary and treasurer of the retirement board, except as otherwise provided in this  
39 subsection. No order shall be drawn unless it shall have previously been allowed by a  
40 specific or an ongoing generalized resolution of the retirement board. In the case of  
41 payments for benefits, services, supplies, or similar items in the ordinary course of  
42 business, such board resolutions may be ongoing generalized authorizations, provided that  
43 each payment other than payments to members or beneficiaries for benefits shall be  
44 reported to the board at its next following meeting and shall be subject to ratification and  
45 approval by the board.

46       4. Before assuming the duties of office, the secretary and treasurer shall each be  
47 bonded for an amount determined by the retirement board at the cost of the retirement  
48 system, conditioned upon the faithful performance of the duties as such officer, and to  
49 account for all moneys, securities, and property which may come into their respective  
50 hands or under their respective control by virtue of such office, with a corporate surety  
51 duly licensed to transact business in this state. Such bonds shall be subject to the approval  
52 of the presiding judge of the circuit court of the county in which such cities are located.

      86.1420. All benefits and all necessary administrative expenses of the retirement  
2 system shall be paid from the funds of the retirement system.

2           **86.1430.** The right of any person to pension or pensions, to the return of  
3 contributions, disability or death benefits, or any other right accrued or accruing to any  
4 person under the provisions of sections 86.1310 to 86.1640 and the moneys in the various  
5 funds created under sections 86.1310 to 86.1640 shall not be subject to execution,  
6 garnishment, attachment, or any other process whatsoever and shall be unassignable  
7 except as specifically provided in sections 86.1310 to 86.1640, and except for court orders  
8 or assignments approved by a court to provide support for family members or a former  
9 spouse of any person entitled to benefits under sections 86.1310 to 86.1640. The moneys  
10 in the various funds created under sections 86.1310 to 86.1640 are hereby exempt from any  
11 tax of the state of Missouri or of any municipality or political subdivision thereof. A  
12 revocable request or authorization by a member or a beneficiary to withhold and apply for  
13 the requester's convenience some portion or all of a benefit payment shall not be deemed  
14 an assignment prohibited under this section provided that any such request shall remain  
15 revocable at all times except as to payments or withholdings effected prior to any such  
16 revocation. The retirement system may, but shall not be obligated to, comply with any  
such request.

2           **86.1440.** Nothing contained in sections 86.1310 to 86.1640 shall in any way limit the  
3 criminal liability of any person subject to prosecution under any law which is now or may  
4 hereafter be in force. Should any change or error in records result in any member or  
5 beneficiary receiving from the pension system more or less than such person would have  
6 been entitled to receive had the records been correct, the retirement board shall correct  
7 such error and, as far as practicable, shall adjust the payments in such a manner that the  
benefit to which said member or beneficiary was correctly entitled shall be paid.

2           **86.1450. 1.** The retirement board may sue and be sued in its own name. Such suits  
3 shall constitute suits by or against the members of the retirement board in their  
4 representative capacities and not as individuals.

5           **2.** Service of process on the retirement board shall be sufficient if ten copies of the  
6 pleading or other document to be served shall be served upon the secretary of the  
retirement board at the principal office of the retirement system during business hours.

2           **86.1460. 1.** In any hearing conducted by the retirement board, the board's findings  
3 on all issues of fact shall be final and conclusive upon all parties concerned, when such  
4 findings are supported by competent and substantial evidence.

5           **2.** Any ruling of the retirement board on a question of law and whether the same  
6 is supported by substantial evidence shall, at the option of the plaintiff, be reviewed upon  
7 application of any party by the circuit court of Cole County, or in the county of the  
residence of the plaintiff or one of the plaintiffs, or in the county in which the principal

8 office of the retirement system is located.

2 **86.1470. 1. The retirement board may purchase with retirement system assets from**  
3 **one or more insurers licensed to do business in this state one or more insurance policies**  
4 **that provide for reimbursement of the retirement system and any trustee, member of the**  
5 **retirement board, officer, or employee of the retirement system for liability imposed or**  
6 **damages because of an alleged act, error, or omission committed in the trustee's, board**  
7 **member's, officer's, or employee's capacity as a fiduciary, officer, or employee of the**  
8 **retirement system and for costs and expenses, including attorney fees, incurred as a trustee,**  
9 **board member, officer, or employee in defense of a claim for an alleged act, error, or**  
10 **omission, as long as the insurance policy does not provide for reimbursement of a trustee,**  
11 **board member, officer, or employee for liability imposed or expenses incurred because of**  
12 **the trustee's, board member's, officer's, or employee's personal dishonesty, fraud, lack of**  
13 **good faith, or intentional failure to act prudently.**

14 **2. If the insurance coverage described in subsection 1 of this section is insufficient**  
15 **or is not in effect, the retirement board may indemnify any person who was or is a party**  
16 **or is threatened to be made a party to any threatened, pending or completed action, suit,**  
17 **or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact**  
18 **that the person is or was a member of the retirement board, or is or was serving at the**  
19 **request of the retirement board in the capacity which caused the person's relationship to**  
20 **such action, suit, or proceeding, against expenses, including attorneys' fees, judgments,**  
21 **finances, and amounts paid in settlement actually and reasonably incurred by the person in**  
22 **connection with such action, suit, or proceeding, if the person acted in good faith and**  
23 **without willful malfeasance, and, with respect to any criminal action or proceeding, had**  
24 **reasonable cause to believe the relevant conduct was lawful. The termination of any action,**  
25 **suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo**  
26 **contendere or its equivalent, shall not, of itself, create a presumption that the person did**  
27 **not act in good faith, or, with respect to any criminal action or proceeding, that the person**  
28 **did not have reasonable cause to believe that the relevant conduct was lawful.**

29 **3. To the extent that a member of the retirement board has been successful on the**  
30 **merits or otherwise in defense of any action, suit, or proceeding referred to in subsections**  
31 **1 and 2 of this section, or in defense of any claim, issue, or matter therein, the person shall**  
32 **be indemnified against expenses, including attorneys' fees, actually and reasonably**  
33 **incurred in connection with the action, suit, or proceeding that are not covered by the**  
34 **insurance described in subsection 1 of this section.**

35 **4. Any indemnification under this section, unless ordered by a court, shall be made**  
by the retirement board only as authorized in each specific case upon a determination that

36 indemnification of any person potentially entitled to indemnification hereunder is proper  
37 in the circumstances because the person has met the applicable standard of conduct set  
38 forth in this section. The determination shall be made by the retirement board by a  
39 majority vote of a quorum consisting of members of the retirement board who are not  
40 parties to the action, suit, or proceeding, or if such a quorum is not obtainable, or even if  
41 obtainable and a quorum of disinterested members of the retirement board so directs, by  
42 independent legal counsel in a written opinion. Such legal counsel may but need not be  
43 counsel to the retirement system.

44 5. Expenses incurred in defending a civil or criminal action, suit, or proceeding  
45 may be paid by the retirement board in advance of the final disposition of the action, suit,  
46 or proceeding as authorized by the retirement board in the specific case upon receipt of an  
47 undertaking by or on behalf of the person potentially entitled to indemnification hereunder  
48 to repay such amount unless it shall ultimately be determined that the person is entitled to  
49 be indemnified by the retirement board as authorized in this section.

86.1480. 1. Every person who becomes an employee, as defined in subdivision (8)  
2 of section 86.1310, after August 28, 2001, shall become a member of the retirement system  
3 defined in sections 86.1310 to 86.1640 as a condition of such employment.

4 2. Every person who was a member of the retirement system on or before August  
5 28, 2001, shall remain a member.

6 3. Every person who was an employee, as defined in subdivision (8) of section  
7 86.1310, on August 28, 2001, but was not a member, shall become a member as a condition  
8 of employment upon the completion of six months continuous employment.

86.1490. 1. Creditable service at retirement on which the retirement allowance of  
2 a member is based consists of the membership service rendered by such member for which  
3 such member received compensation since such member last became a member.

4 2. Creditable service also includes any prior service credit to which a member may  
5 be entitled by virtue of an authorized purchase of such credit or as otherwise provided in  
6 sections 86.1310 to 86.1640.

7 3. Creditable service shall not include any time a member was suspended from  
8 service without compensation. No contribution is required from either the member under  
9 section 86.1400 or from the city under section 86.1390 for such time.

86.1500. 1. Whenever a member is given a leave of absence for military service and  
2 returns to employment after discharge from the service, such member shall be entitled to  
3 creditable service for the years of employment prior to the leave of absence.

4 2. Any member who served on active duty in the armed forces of the United States  
5 and who became a member, or returned to membership, after discharge under honorable



6 conditions, may elect prior to retirement to purchase creditable service equivalent to such  
7 service in the armed forces, not to exceed two years, provided the member is not receiving  
8 and is not eligible to receive retirement credits or benefits from any other public or private  
9 retirement plan for the service to be purchased, other than a United States military service  
10 retirement system or United States Social Security benefits attributable to such military  
11 service, and an affidavit so stating is filed by the member with the retirement system. A  
12 member electing to make such purchase shall pay to the retirement system an amount  
13 equal to the actuarial value of the additional benefits attributable to the additional service  
14 credit to be purchased, as of the date the member elects to make such purchase. The  
15 retirement system shall determine such value using accepted actuarial methods and the  
16 same assumptions with respect to interest rates, mortality, future salary increases, and all  
17 related factors used in performing the most recent regular actuarial valuation of the  
18 retirement system. Payment in full of the amount due from a member electing to purchase  
19 creditable service under this subsection shall be made over a period not to exceed five  
20 years, measured from the date of election, or prior to the commencement date for payment  
21 of benefits to the member from the retirement system, whichever is earlier, including  
22 interest on unpaid balances compounded annually at the interest rate assumed from time  
23 to time for actuarial valuations of the retirement system. If payment in full including  
24 interest is not made within the prescribed period, any partial payments made by the  
25 member shall be refunded, and no creditable service attributable to such election, or as a  
26 result of any such partial payments, shall be allowed; provided that if a benefit  
27 commencement date occurs because of the death or disability of a member who has made  
28 an election under this subsection and if the member is current in payments under an  
29 approved installment plan at the time of the death or disability, such election shall be valid  
30 if the member, the surviving spouse or other person entitled to benefit payments pays the  
31 entire balance of the remaining amount due, including interest to the date of such payment,  
32 within sixty days after the member's death or disability. The time of a disability shall be  
33 deemed to be the time when such member is determined by the retirement board to be  
34 totally and permanently disabled as provided in section 86.1560.

2 86.1510. Members who terminate membership with three years or more of  
3 creditable service and later return to membership may be given credit toward retirement  
4 for prior creditable service, subject to the condition that such member deposit in the  
5 pension fund a sum equal to the accumulated contributions which had been paid to such  
6 member upon the prior termination. Such repayment of withdrawn contributions shall  
7 be accompanied by an additional payment of interest equal to the amount of the actual net  
yield earned or incurred by the pension fund, including both net income after expenses and

8 net appreciation or depreciation in values of the fund, whether realized or unrealized,  
9 during the period of time from the date upon which such contributions had been  
10 withdrawn to the date of repayment thereof, determined in accordance with such rules for  
11 valuation and accounting as may be adopted by the retirement board for such purposes.

86.1520. Each person who becomes a member of the civilian employees' retirement  
2 system under the provisions of sections 86.1310 to 86.1640 shall remain a member until the  
3 earliest to occur of the following events:

4 (1) The termination of service of such person and the payment to such person of all  
5 benefits due such person under the provisions of sections 86.1310 to 86.1640; or

6 (2) The death of such person.

86.1530. The normal retirement date of a member shall be the later of the date such  
2 member attains the age of sixty-five years, or the tenth anniversary of such member's  
3 employment.

86.1540. 1. (1) Upon retirement on or after a member's normal retirement date,  
2 such member shall receive a base pension in the amount of two percent of such member's  
3 final compensation times the number of years, including fractions thereof, of such  
4 member's creditable service.

5 (2) Such member may elect to receive a different base pension under an election  
6 permitted under this section or section 86.1580.

7 2. Members may elect early retirement as follows:

8 (1) Beginning at age fifty-five, if the member has completed at least ten years of  
9 creditable service or at any later age after the member has completed at least ten years of  
10 creditable service. Unless subdivision (3) of this subsection shall be applicable, the benefit  
11 as computed under subsection 1 of this section shall be reduced by one-half of one percent  
12 for each month the effective date is prior to the first day of the month following that in  
13 which such member will attain age sixty;

14 (2) Beginning at age sixty, if the member has completed at least five but not more  
15 than ten years of creditable service or at any later age after the member has completed at  
16 least five years of creditable service. Unless subdivision (3) of this subsection shall be  
17 applicable, the benefit as computed under subsection 1 of this section shall be reduced by  
18 one-half of one percent for each month the effective date is prior to the first day of the  
19 month following that in which such member will attain age sixty-five; or

20 (3) At any time after the member's total of age and years of creditable service  
21 equals or exceeds eighty, in which event the benefit shall be as computed under subsection  
22 1 of this section without any reduction.

23

24 If an election for early retirement results in a reduced benefit under subdivision (1) or (2)  
25 of this subsection, such reduced benefit shall become the member's base pension, subject  
26 to all other adjustments described in this section.

27       3. (1) A member who is married at the time of retirement may by a written  
28 election, with the written consent of such member's spouse, elect an optional benefit  
29 calculated as follows: Such optional benefit shall be a monthly pension in the initial  
30 amount which shall be actuarially equivalent to the actuarial value of the pension  
31 described in subdivision (1) of subsection 1 of this section for such member at the date of  
32 retirement (including the value of survivorship rights of a surviving spouse, where  
33 applicable, under section 86.1610), upon the basis that the initial annuity for the member's  
34 spouse, if such spouse survives the member, shall be the same as the amount being paid the  
35 member on such annuity at the member's death, and, subject to cost-of-living adjustments  
36 thereafter declared on the spouse's base pension under section 86.1590, shall be paid to  
37 such surviving spouse for the lifetime of such spouse without regard to remarriage. If a  
38 member who makes an election of an optional benefit under this subsection has also elected  
39 an early retirement under either subdivision (1) or (2) of subsection 2 of this section, any  
40 reduction in benefit required for such early retirement election shall be calculated before  
41 calculating the initial amount of the optional benefit under this subsection.

42       (2) If a member who makes the election permitted by this subsection also makes an  
43 election permitted under section 86.1580, such optional benefit shall be reduced as  
44 provided in subdivision (3) of subsection 2 of section 86.1580.

45       (3) If a member makes the election permitted by this subsection, the amount  
46 calculated for such optional benefit under either subdivision (1) or (2) of this subsection  
47 shall be the base pension for such member and for such member's spouse for all purposes  
48 of sections 86.1310 to 86.1640.

49       (4) An election for an optional benefit under this subsection shall be void if the  
50 member dies within thirty days after filing such election with the retirement system or if  
51 the member dies before the due date of the first payment of such member's pension.

52       4. Subject to the provisions of subsection 7 of this section, whenever the service of  
53 a member is terminated after August 28, 1999, for any reason prior to death or retirement  
54 and the member has five or more years of creditable service, the member may elect not to  
55 withdraw such member's accumulated contributions and shall become entitled to receive  
56 a pension upon such member's normal retirement date under subdivision (1) of subsection  
57 1 of this section or may elect to receive a pension commencing upon or after any date, prior  
58 to his or her normal retirement date, upon which early retirement would have been  
59 permitted under subsection 2 of this section if such member had remained a civilian

60 employee of such police department, except that in calculating any qualification under  
61 subsection 2 of this section, such member shall not be entitled to count any year of  
62 creditable service in excess of such member's total years of creditable service at the time  
63 of such member's termination of employment. The amount of any pension commenced  
64 upon the basis of a date permitted under subsection 2 of this section shall be computed on  
65 the basis of the member's final compensation and number of years of creditable service,  
66 subject to such adjustments as may be applicable under the subdivision of subsection 2 of  
67 this section upon which such member relies in electing the commencement of such  
68 member's pension and subject to any other adjustments that such member may elect under  
69 this section. The amount of the initial pension calculated after all applicable adjustments  
70 shall be the base pension for such member, and for such member's spouse if such member  
71 shall elect the optional benefit permitted under subsection 3 of this section, for all purposes  
72 of sections 86.1310 to 86.1640.

73         **5.** A member whose service was terminated on or before August 28, 1999, after five  
74 or more years of creditable service, and who permitted such member's accumulated  
75 contributions to remain in the pension fund, shall upon application to the retirement board  
76 be appointed as a consultant. For services as such consultant, such member shall,  
77 beginning the later of August 28, 1999, or the time of such appointment under this  
78 subsection, be entitled to elect to receive compensation in such amount and commencing  
79 at such time as such member would have been entitled to elect under any of the provisions  
80 of subsection 4 of this section if such member had terminated service after August 28, 1999.  
81 Such member shall be entitled to the same cost-of-living adjustments following the  
82 commencement of such compensation as if such member's compensation had been a base  
83 pension.

84         **6.** All payments of any pension shall be paid on the first day of each month for that  
85 month. The first payment shall be paid on the first day of the first month in which the  
86 member's benefit can be determined and processed for payment, and shall include benefits  
87 from the date of retirement to the date of such first payment. The final payment due a  
88 retired member shall be the payment due on the first day of the month in which such  
89 member's death occurs.

90         **7.** Notwithstanding any other provisions of sections 86.1310 to 86.1640, any member  
91 who is convicted of a felony prior to separation from active service shall not be entitled to  
92 any benefit from this retirement system except the return of such member's accumulated  
93 contributions.

**86.1550.** Whenever a member's service is terminated for any reason prior to death  
2 or retirement and such member has less than five years of creditable service, or a member's

3 service is terminated after conviction of a felony, or a member's service is terminated for  
4 any reason and such member requests the withdrawal of all such member's accumulated  
5 contributions to the retirement system, such member shall be paid the amount of such  
6 member's accumulated contributions in one lump sum and such payment shall be in lieu  
7 of any and all other benefits to which such member or any beneficiary or survivor thereof  
8 might otherwise be or become entitled under sections 86.1310 to 86.1640.

86.1560. 1. A member who becomes totally and permanently disabled, as defined  
2 in this section, shall be entitled to retire and to receive a base pension determined in  
3 accordance with the terms of this section. Members who are eligible and totally and  
4 permanently disabled shall receive a disability pension computed as follows:

5 (1) Duty disability, fifty percent of final compensation as of the date of disability;

6 (2) Nonduty disability, thirty percent of final compensation as of the date of  
7 disability, provided that a nonduty disability pension shall not be available to any member  
8 with less than ten years creditable service;

9 (3) In no event shall the disability pension be less than the amount to which the  
10 member would be entitled as a pension if the member retired on the same date with  
11 equivalent age and creditable service.

12 2. The final payment due a member receiving a disability pension shall be the  
13 payment due on the first day of the month in which such member's death occurs. Such  
14 member's surviving spouse, if any, shall be entitled to such benefits as may be provided  
15 under section 86.1610.

16 3. For purposes of sections 86.1310 to 86.1640, the following terms shall mean:

17 (1) "Duty disability", total and permanent disability directly due to and caused by  
18 actual performance of employment with the police department;

19 (2) "Nonduty disability", total and permanent disability arising from any other  
20 cause than duty disability;

21 (3) "Total and permanent disability", a state or condition which presumably  
22 prevents for the rest of a member's life the member's engaging in any occupation or  
23 performing any work for remuneration or profit. Such disability, whether duty or  
24 nonduty, must not have been caused by the member's own negligence or willful self-  
25 infliction.

26 4. The retirement board in its sole judgment shall determine whether the status of  
27 total and permanent disability exists. Its determination shall be binding and conclusive.  
28 The retirement board shall rely upon the findings of a medical board of three physicians,  
29 and shall procure the written recommendation of at least one member thereof in each case  
30 considered by the retirement board. The medical board shall be appointed by the

31 retirement board and expense for such examinations as are required shall be paid from  
32 funds of the retirement system.

33         **5. From time to time, the retirement board shall have the right to require proof of**  
34 **continuing disability which may include further examination by the medical board. Should**  
35 **the retirement board determine that disability no longer exists, it shall terminate the**  
36 **disability pension. A member who immediately returns to work with the police department**  
37 **shall again earn creditable service beginning on the first day of such return. Creditable**  
38 **service prior to disability retirement shall be reinstated. A member who does not return**  
39 **to work with the police department shall be deemed to have terminated employment at the**  
40 **time disability retirement commenced; but in calculating any benefits due upon such**  
41 **presumption, the retirement system shall receive credit for all amounts paid such member**  
42 **during the period of disability, except that such member shall not be obligated in any event**  
43 **to repay to the retirement system any amounts properly paid during such period of**  
44 **disability.**

**86.1570. 1. Any periodic payment, excluding payments for medical treatment,**  
2 **which may be paid or payable by cities under the provisions of any workers' compensation**  
3 **or similar law to a member or to the dependents of a member on account of any disability**  
4 **or death shall be offset against any benefits payable to the recipient of the workers'**  
5 **compensation payments from funds provided by cities under the provisions of sections**  
6 **86.1310 to 86.1640 on account of the same disability or death. However, in no event shall**  
7 **the amount paid from funds under the provisions of sections 86.1310 to 86.1640 be less**  
8 **than the amount which represents the member's percentage, as defined in this section, of**  
9 **total benefits payable under sections 86.1310 to 86.1640, before any offset for workers'**  
10 **compensation benefits.**

11         **2. Any lump sum amount, excluding payments for medical treatments, which may**  
12 **be paid or payable by cities under the provisions of any workers' compensation or similar**  
13 **law to a member or to the dependents of a member on account of any disability or death**  
14 **shall be offset against any benefits payable from funds provided by cities under the**  
15 **provisions of sections 86.1310 to 86.1640 on account of the same disability or death. The**  
16 **amounts by which each periodic payment made under the provisions of sections 86.1310**  
17 **to 86.1640 is offset or reduced shall be computed as the periodic amount necessary to**  
18 **amortize as an annuity over the period of time represented by the respective workers'**  
19 **compensation benefits the total amount of the lump sum settlement received as a workers'**  
20 **compensation benefit by a beneficiary of the retirement system. Such computation shall**  
21 **be based upon the same interest rate and mortality assumptions as used for the retirement**  
22 **system at the time of such computation. However, in no event shall the amount paid from**

23 funds under the provisions of sections 86.1310 to 86.1640 be less than the amount which  
24 represents the member's percentage, as defined in this section, of total benefits payable  
25 under sections 86.1310 to 86.1640, before any offset for workers' compensation benefits.

26       3. As used in this section, the term "member's percentage" shall be the fraction of  
27 which the numerator is the percentage of compensation contributed by a working member  
28 to the retirement pension system under section 86.1400 during the pay period immediately  
29 preceding such member's death or disability which created entitlement to benefits and the  
30 denominator is the sum of percentages of a member's compensation contributed by a  
31 working member under section 86.1400 and the city under section 86.1390 to the  
32 retirement pension system during such pay period. Such percentage shall identify the  
33 portion of any benefits due under the provisions of sections 86.1310 to 86.1640 which is  
34 deemed to have been provided by the member's own contributions.

      86.1580. 1. Any member in active service entitled to commence a pension under  
2 section 86.1540 may elect an optional distribution under the partial lump sum option plan  
3 provided in this section if the member:

4       (1) Notifies the retirement system in writing of the member's retirement date at  
5 least ninety days in advance thereof and requests an explanation of the member's rights  
6 under this section; and

7       (2) Notifies the retirement system of the member's election hereunder at least thirty  
8 days in advance of the retirement date.

9  
10 Following receipt of an initial notice of a member's retirement date and request for an  
11 explanation, the retirement system shall, at least sixty days in advance of such retirement  
12 date, provide the member a written explanation of such member's rights under this section  
13 and an estimate of the amount by which the member's regular monthly base pension would  
14 be reduced in the event of the member's election of any of the options available to the  
15 member under this section.

16       2. (1) A member entitled to make an election under this section may elect to receive  
17 a lump sum distribution with the member's initial monthly pension payment under section  
18 86.1540, subject to all the terms of this section. The member may elect the amount of the  
19 member's lump sum distribution from one, but not more than one, of the following options  
20 for which the member qualifies:

21       (a) A member having one or more years of creditable service after the member's  
22 eligible retirement date may elect a lump sum amount equal to twelve times the initial  
23 monthly base pension the member would receive if no election were made under this  
24 section;

25 (b) A member having two or more years of creditable service after the member's  
26 eligible retirement date may elect a lump sum amount equal to twenty-four times the initial  
27 monthly base pension the member would receive if no election were made under this  
28 section; or

29 (c) A member having three or more years of creditable service after the member's  
30 eligible retirement date may elect a lump sum amount equal to thirty-six times the initial  
31 monthly base pension the member would receive if no election were made under this  
32 section.

33

34 For purposes of this section, "eligible retirement date" for a member shall mean the  
35 earliest date on which the member could elect to retire and be entitled to receive a pension  
36 under section 86.1540.

37 (2) When a member makes an election to receive a lump sum distribution under  
38 this section, the base pension that the member would have received in the absence of an  
39 election shall be reduced on an actuarially equivalent basis to reflect the payment of the  
40 lump sum distribution, and the reduced base pension shall be the member's base pension  
41 thereafter for all purposes relating to base pension amounts under sections 86.1310 to  
42 86.1640, unless the member has also elected an optional benefit permitted under subsection  
43 3 of section 86.1540.

44 (3) If a member electing a lump sum distribution under this section has elected the  
45 optional benefit permitted under subsection 3 of section 86.1540, the calculation of the  
46 member's pension shall be made in the following order:

47 (a) The amount of the member's normal pension under subdivision (1) of  
48 subsection 1 of section 86.1540 shall be reduced if applicable by any reductions required  
49 under subsection 2 of section 86.1540;

50 (b) The amount of the pension as determined under paragraph (a) of this  
51 subdivision shall be reduced to the actuarially equivalent amount to produce the optional  
52 form of benefit described in subdivision (1) of subsection 3 of section 86.1540;

53 (c) The amount of reduced pension as determined under paragraph (b) of this  
54 subdivision shall be further reduced as required to produce an actuarially equivalent  
55 benefit in the form of the lump sum distribution option elected under this section and a  
56 remaining monthly annuity which shall be paid on the basis that the initial annuity for the  
57 member's spouse, if such spouse survives the member, shall be the same as the amount  
58 being paid the member on this annuity at the member's death, and, subject to cost-of-living  
59 adjustments thereafter declared on the spouse's base pension under section 86.1590, shall  
60 be paid to such surviving spouse for the lifetime of such spouse without regard to



61 remarriage.

62           **3. An election under this section to receive a lump sum distribution and reduced**  
63 **monthly base pension shall be void if the member dies before retirement, in which case**  
64 **amounts due a surviving spouse or other beneficiary of the member shall be determined**  
65 **without regard to such election.**

**86.1590. 1. Provided that the retirement system shall remain actuarially sound,**  
2 **each of the following persons may receive each year, in addition to such person's base**  
3 **pension, a cost-of-living adjustment in an amount not to exceed three percent of such**  
4 **person's base pension during any one year:**

5           **(1) Every member who is retired and receiving a base pension from this retirement**  
6 **system; and**

7           **(2) Every surviving spouse who is receiving a base pension from this retirement**  
8 **system.**

9           **2. Upon the death of a member who has been retired and receiving a pension, and**  
10 **who dies after August 28, 2001, the surviving spouse of such member entitled to receive a**  
11 **base pension under section 86.1610 shall receive an immediate percentage cost-of-living**  
12 **adjustment to his or her base pension equal to the total percentage cost-of-living**  
13 **adjustments received during such member's lifetime under this section, but such**  
14 **adjustment shall not be deemed to change the base pension amount to which subsequent**  
15 **cost-of-living adjustments may be made.**

16           **3. For purposes of this section, the term "base pension" shall mean:**

17           **(1) For a member, the pension computed under the provisions of the law as of the**  
18 **date of retirement without regard to cost-of-living adjustments, as adjusted if applicable,**  
19 **for any optional elections made under sections 86.1540 and 86.1580, but in all events not**  
20 **including any supplemental benefit under section 86.1600;**

21           **(2) For a surviving spouse whose pension is prescribed by section 86.1610, the base**  
22 **pension calculated for such spouse in accordance with the provisions of section 86.1610,**  
23 **including any compensation as a consultant to which such surviving spouse is entitled**  
24 **under said section in lieu of a pension, but not including any supplemental benefit under**  
25 **section 86.1600;**

26           **(3) For a surviving spouse entitled to the continuation of an optional benefit elected**  
27 **under subsection 3 of section 86.1540, the base pension determined in accordance with**  
28 **subdivision (3) of subsection 3 of section 86.1540.**

29           **4. The cost-of-living adjustment shall be an increase or decrease computed on the**  
30 **base pension amount by the retirement board in an amount that the board, in its**  
31 **discretion, determines to be satisfactory, but in no event shall the adjustment be more than**

32 three percent or reduce the pension to an amount less than the base pension. In  
33 determining and granting the cost-of-living adjustments, the retirement board shall adopt  
34 such rules and regulations as may be necessary to effectuate the purposes of this section,  
35 including provisions for the manner of computation of such adjustments and the effective  
36 dates thereof. The retirement board shall provide for such adjustments to be determined  
37 once each year and granted on a date or dates to be chosen by the board, and may apply  
38 such adjustments in full to members who have retired during the year prior to such  
39 adjustments but who have not been retired for one full year and to the surviving spouse  
40 of a member who has died during the year prior to such adjustments.

41 5. The determination of whether the retirement system will remain actuarially  
42 sound shall be made at the time any cost-of-living adjustment is granted. If at any time the  
43 retirement system ceases to be actuarially sound, pension payments shall continue as  
44 adjusted by increases theretofore granted. A member of the retirement board shall have  
45 no personal liability for granting increases under this section if that retirement board  
46 member in good faith relied and acted upon advice of a qualified actuary that the  
47 retirement system would remain actuarially sound.

86.1600. 1. Any member who retires subsequent to August 28, 1997, with  
2 entitlement to a pension under sections 86.1310 to 86.1640, shall receive each month, in  
3 addition to such member's base pension and cost-of-living adjustments thereto under  
4 section 86.1590, and in addition to any other compensation or benefit to which such  
5 member may be entitled under sections 86.1310 to 86.1640, a supplemental retirement  
6 benefit of fifty dollars per month. The amount of such supplemental retirement benefit  
7 may be adjusted by cost-of-living adjustments determined by the retirement board not  
8 more frequently than annually. Such determination shall be based on advice of the plan's  
9 actuary that the increase in the benefit will not cause the present value of anticipated  
10 future plan benefits, calculated on the actuarial assumptions used for the most recent  
11 annual valuation, to exceed the sum of the trust fund assets plus the present value of  
12 anticipated contributions to the trust fund.

13 2. Any member who was retired on or before August 28, 1997, and is receiving  
14 retirement benefits from the retirement system shall, upon application to the retirement  
15 board, be retained as a consultant, and for such services such member shall receive each  
16 month, in addition to such member's base pension and cost-of-living adjustments thereto  
17 under section 86.1590, and in addition to any other compensation or benefit to which such  
18 member may be entitled under sections 86.1310 to 86.1640, a supplemental compensation  
19 in the amount of fifty dollars per month. This appointment as a consultant shall in no way  
20 affect any member's eligibility for retirement benefits under the provisions of sections

21 **86.1310 to 86.1640, or in any way have the effect of reducing retirement benefits otherwise**  
22 **payable to such member. The amount of such supplemental compensation under this**  
23 **subsection may be adjusted by cost-of-living adjustments determined by the retirement**  
24 **board not more frequently than annually. Such determination shall be based on advice of**  
25 **the plan's actuary that the increase in the benefit will not cause the present value of**  
26 **anticipated future plan benefits, calculated on the actuarial assumptions used for the most**  
27 **recent annual valuation, to exceed the sum of the trust fund assets plus the present value**  
28 **of anticipated contributions to the trust fund.**

29 **3. In determining and granting the cost-of-living adjustments under this section,**  
30 **the retirement board shall adopt such rules and regulations as may be necessary to**  
31 **effectuate the purposes of this section, including provisions for the manner of computation**  
32 **of such adjustments and the effective dates thereof. The retirement board shall provide**  
33 **for such adjustments to be determined once each year and granted on a date or dates to be**  
34 **chosen by the board. The retirement board shall not be required to prorate the initial**  
35 **adjustment to any supplemental retirement benefit or any supplemental compensation**  
36 **under this section for any member.**

37 **4. For purposes of subsections 1 and 2 of this section, the term "member" shall**  
38 **include a surviving spouse who is entitled to a benefit under sections 86.1310 to 86.1640,**  
39 **who shall be deemed to have retired for purposes of this section on the date of retirement**  
40 **of the member of whom such person is the surviving spouse or on the date of death of such**  
41 **member if such member died prior to retirement. All benefits payable to a surviving**  
42 **spouse under this section shall be in addition to all other benefits to which such surviving**  
43 **spouse may be entitled under other provisions of sections 86.1310 to 86.1640. Any such**  
44 **surviving spouse of a member who dies while entitled to payments under this section shall**  
45 **succeed to the full amount of payment under this section to which such member was**  
46 **entitled at the time of such member's death, including any cost-of-living adjustments**  
47 **received by such member in the payment under this section prior to such member's death.**

48 **5. The determination of whether the retirement system will remain actuarially**  
49 **sound shall be made at the time any cost-of-living adjustment under this section is granted.**  
50 **If at any time the retirement system ceases to be actuarially sound, supplemental**  
51 **retirement benefit payments under subsection 1 of this section and supplemental**  
52 **compensation payments as a consultant under subsection 2 of this section shall continue**  
53 **as adjusted by increases or decreases theretofore granted. A member of the retirement**  
54 **board shall have no personal liability for granting increases under this section if that**  
55 **retirement board member in good faith relied and acted upon advice of a qualified actuary**  
56 **that the retirement system would remain actuarially sound.**

2           **86.1610. 1. Upon receipt of the proper proofs of death of a member in service for**  
3 **any reason whatsoever, the following amounts shall be payable subject to subsection 4 of**  
4 **this section, and if a pension shall be elected, the initial amount thereof shall be the base**  
5 **pension for such surviving spouse:**

6           **(1) If the member has less than five years of creditable service, the member's**  
7 **surviving spouse shall be paid, in one lump sum, the amount of the member's accumulated**  
8 **contributions. If there is no surviving spouse, the member's accumulated contributions**  
9 **shall be paid to the member's designated beneficiary, or if none, to the executor or**  
10 **administrator of the member's estate, and such payment shall be full and final settlement**  
11 **for all amounts due from the retirement system with respect to such member except as**  
12 **provided in subsection 1 of section 86.1620;**

13           **(2) If the member has at least five but fewer than twenty years of creditable service,**  
14 **the member's surviving spouse may elect the lump sum settlement in subdivision (1) of this**  
15 **subsection or a pension. Such pension shall be fifty percent of the member's accrued**  
16 **pension at date of death as computed in subdivision (1) of subsection 1 of section 86.1540,**  
17 **commencing on the later of the day after the member's death, or the date which would**  
18 **have been the member's earliest possible retirement date permitted under subsection 2 of**  
19 **section 86.1540;**

20           **(3) If the member has at least twenty years of creditable service, the member's**  
21 **surviving spouse may elect any one of:**

22           **(a) The lump sum settlement in subdivision (1) of this subsection;**

23           **(b) The pension as computed in subdivision (2) of this subsection; or**

24           **(c) A pension in the monthly amount determined on a joint and survivor's basis**  
25 **from the actuarial value of the member's accrued annuity at date of death;**

26           **(4) Any death of a retired member occurring before the first payment of the**  
27 **retirement pension shall be deemed to be a death prior to retirement;**

28           **(5) For the surviving spouse of a member who died in service after August 28, 2001,**  
29 **benefits payable under subsection 1 of this section shall continue for the lifetime of such**  
30 **surviving spouse without regard to remarriage.**

31           **2. Upon death of a member after retirement who has not elected the optional**  
32 **annuity permitted under subsection 3 of section 86.1540, the surviving spouse shall receive**  
33 **a base pension payable for life, equaling fifty percent of the member's base pension, as of**  
34 **the member's retirement date, subject to the following:**

35           **(1) No surviving spouse of a member who retires after August 28, 2001, shall be**  
36 **entitled to receive any benefits under sections 86.1310 to 86.1640 unless such spouse was**  
37 **married to the member at the time of the member's retirement; and**

37           (2) Any surviving spouse who was married to such a member at the time of the  
38 member's retirement shall be entitled to all benefits for surviving spouses under sections  
39 86.1310 to 86.1640 for the life of such surviving spouse without regard to remarriage.

40           3. In the case of any member who, prior to August 28, 2001, died in service or  
41 retired, the surviving spouse who would qualify for benefits under subsection 1 or 2 of this  
42 section but for remarriage, and has not remarried prior to August 28, 2001, but remarries  
43 thereafter, shall upon application be appointed by the retirement board as a consultant.  
44 For services as such consultant, such surviving spouse shall be compensated in an amount  
45 equal to the benefits such spouse would have received under sections 86.1310 to 86.1640  
46 in the absence of such remarriage.

47           4. Any beneficiary of benefits under sections 86.1310 to 86.1640 who becomes the  
48 surviving spouse of more than one member shall be paid all benefits due a surviving spouse  
49 of that member whose entitlements produce the largest surviving spouse benefits for such  
50 beneficiary but shall not be paid surviving spouse benefits as the surviving spouse of more  
51 than one member, except that any surviving spouse for whom an election has been made  
52 for an optional benefit under subsection 3 of section 86.1540 shall be entitled to every  
53 optional benefit for which such surviving spouse has so contracted.

54           5. The final payment due any surviving beneficiary shall be the payment due on the  
55 first day of the month in which such beneficiary dies or otherwise ceases to be entitled to  
56 benefits under this section.

57           6. If there is no surviving spouse, payment of the member's accumulated  
58 contributions less the amount of any prior payments from the retirement system to the  
59 member or to any beneficiary of the member shall be made to the member's designated  
60 beneficiary or, if none, to the personal representative of the member's estate.

86.1620. 1. (1) Upon the death after August 28, 2003, of a member in service, or  
2 upon the death of a member who was in service on or after August 28, 2003, and who dies  
3 after having been retired and pensioned, there shall be paid, in addition to all other  
4 benefits, a funeral benefit of one thousand dollars to the person or entity who provided or  
5 paid for the funeral services for such member.

6           (2) Any member who was retired on or before August 28, 2003, and is receiving  
7 retirement benefits from the retirement system, upon application to the retirement board,  
8 shall be appointed by the retirement board as a consultant for the remainder of such  
9 member's life. Upon the death of such member, there shall be paid, in addition to all other  
10 benefits, a funeral benefit of one thousand dollars to the person or entity who provided or  
11 paid for the funeral services for such member.

12           2. If no benefits are otherwise payable to a surviving spouse of a deceased member,

13 the member's accumulated contributions, to any extent not fully paid to such member prior  
14 to the member's death or to the surviving spouse of such member, shall be paid in one  
15 lump sum to the member's named beneficiary or, if none, to the member's estate, and such  
16 payment shall constitute full and final payment of any and all claims for benefits under the  
17 retirement system.

2 **86.1630. 1. A retirement plan under sections 86.1310 to 86.1640 is a qualified plan**  
3 **under the provisions of applicable federal law. The benefits and conditions of a retirement**  
4 **plan under sections 86.1310 to 86.1640 shall always be adjusted to ensure that the tax-**  
5 **exempt status is maintained.**

6 **2. The retirement board shall administer this retirement system in such manner as**  
7 **to retain at all times qualified status under Section 401(a) of the Internal Revenue Code.**

8 **3. The retirement board shall hold in trust the assets of the retirement system for**  
9 **the exclusive benefit of the members and their beneficiaries and for defraying reasonable**  
10 **administrative expenses of the system. No part of such assets shall, at any time prior to the**  
11 **satisfaction of all liabilities with respect to members and their beneficiaries, be used for or**  
12 **diverted to any purpose other than such exclusive benefit or to any purpose inconsistent**  
13 **with sections 86.1310 to 86.1640.**

14 **4. A member's benefit shall be one hundred percent vested and nonforfeitable upon**  
15 **the member's attainment of normal retirement age, which shall be the earlier of:**

16 **(1) The attaining of the age of sixty-five or the member's tenth anniversary of**  
17 **employment, whichever is later;**

18 **(2) When the total sum of age and years of service equals or exceeds eighty; or**

19 **(3) To the extent funded, upon the termination of the system established under**  
20 **sections 86.1310 to 86.1640 or any partial termination which affects the member or any**  
21 **complete discontinuance of contributions by the city to the system.**

22 **Amounts representing forfeited nonvested benefits of terminated members shall not be**  
23 **used to increase benefits payable from the system but may be used to reduce contributions**  
24 **for future plan years.**

25 **5. Distribution of benefits shall begin not later than April first of the year following**  
26 **the later of the calendar year during which the member becomes seventy and one-half**  
27 **years of age or the calendar year in which the member retires, and shall otherwise conform**  
28 **to Section 401(a)(9) of the Internal Revenue Code.**

29 **6. A member or beneficiary of a member shall not accrue a service retirement**  
30 **annuity, disability retirement annuity, death benefit, whether death occurs in the line of**  
31 **duty or otherwise, or any other benefit under sections 86.1310 to 86.1640 in excess of the**

32 benefit limits applicable to the fund under Section 415 of the Internal Revenue Code. The  
33 retirement board shall reduce the amount of any benefit that exceeds the limits of this  
34 section by the amount of the excess. If the total benefits under the retirement system and  
35 the benefits and contributions to which any member is entitled under any other qualified  
36 plan or plans maintained by the board of police commissioners that employs the member  
37 would otherwise exceed the applicable limits under Section 415 of the Internal Revenue  
38 Code, the benefits the member would otherwise receive from the retirement system are  
39 reduced to the extent necessary to enable the benefits to comply with Section 415 of the  
40 Internal Revenue Code.

41 7. The total salary taken into account for any purpose for any member of the  
42 retirement system shall not exceed two hundred thousand dollars per year, subject to  
43 periodic adjustments in accordance with guidelines provided by the United States  
44 Secretary of the Treasury and may not exceed such other limits as may be applicable at any  
45 given time under Section 401(a)(17) of the Internal Revenue Code.

46 8. If the amount of any benefit is determined on the basis of actuarial assumptions  
47 that are not specifically set forth for that purpose in sections 86.1310 to 86.1640, the  
48 actuarial assumptions to be used are those earnings and mortality assumptions used on the  
49 date of the determination by the retirement system's actuary and approved by the  
50 retirement board. The actuarial assumptions used at any particular time shall be attached  
51 as an addendum to a copy of the retirement system's statute maintained by the retirement  
52 board and shall be treated for all purposes as part of sections 86.1310 to 86.1640. The  
53 actuarial assumptions may be changed by the retirement system's actuary annually if  
54 approved by the retirement board, but a change in actuarial assumptions shall not result  
55 in any decrease in benefits accrued as of the effective date of the change.

56 9. Any member or beneficiary who is entitled to receive any distribution that is an  
57 eligible rollover distribution, as defined by Section 402(c)(4) of the Internal Revenue Code,  
58 is entitled to have that distribution transferred directly to another eligible retirement plan  
59 of the member's or beneficiary's choice upon providing direction to the secretary of the  
60 retirement system regarding the transfer in accordance with procedures established by the  
61 retirement board.

62 10. For all distributions made after December 31, 2001:

63 (1) For the purposes of subsection 9 of this section, an eligible retirement plan shall  
64 also mean an annuity described in Section 403(b) of the Internal Revenue Code and an  
65 eligible plan under Section 457(b) of the Internal Revenue Code that is maintained by a  
66 state, political subdivision of a state, or any agency or instrumentality of a state or political  
67 subdivision of a state and which agrees to separately account for amounts transferred into

68 such plan from the retirement system. The definition for eligible retirement plan shall also  
69 apply in the case of a distribution to a surviving spouse or to a spouse or former spouse  
70 who is the alternate payee under a qualified domestic relations order, as defined in Section  
71 414(p) of the Internal Revenue Code; and

72 (2) For the purposes of subsection 9 of this section, a portion of a distribution shall  
73 not fail to be an eligible rollover distribution merely because the portion consists of after-  
74 tax employee contributions which are not includable in gross income. However, such  
75 portion may be paid only to an individual retirement account or annuity described in  
76 Section 408(a) or 408(b) of the Internal Revenue Code, or to a qualified defined  
77 contribution plan described in Section 401(a) or 403(a) of the Internal Revenue Code that  
78 agrees to separately account for amounts so transferred, including separately accounting  
79 for the portion of such distribution that is includable in gross income and the portion of  
80 such distribution that is not so includable.

86.1640. If a city and the police department of such city adopt any program of  
2 incentives to authorize or encourage early retirements, whether for employees not yet  
3 eligible for regular retirement or for employees who are eligible but have not yet chosen  
4 to retire or for both, the retirement board shall be authorized to administer and pay such  
5 incentives for retirees who accept such incentives and are members of the retirement  
6 system under sections 86.1310 to 86.1640, in addition to such other benefits as such  
7 members or their beneficiaries are entitled to receive under sections 86.1310 to 86.1640,  
8 provided such city shall so request and shall agree to increase said city's contribution  
9 under section 86.1390 sufficiently to provide the full actuarial cost of any such incentives  
10 in addition to the contribution required of such city necessary, in conjunction with  
11 members' contributions under section 86.1400, to provide all other benefits provided under  
12 sections 86.1310 to 86.1640.

[86.370. The following words and phrases as used in sections 86.370 to  
2 86.497, unless a different meaning is plainly required by the context, shall have  
3 the following meanings, and the use of masculine gender shall include the  
4 feminine:

5 (1) "Accumulated contributions", the sum of all amounts deducted from  
6 the compensation of a member and paid to the retirement board, together with all  
7 amounts paid to the retirement board by a member or by a member's beneficiary,  
8 for the purchase of prior service credits or any other purpose permitted under  
9 sections 86.370 to 86.497;

10 (2) "Beneficiary", any person in receipt of pension or other benefit as  
11 provided in sections 86.370 to 86.497;

12 (3) "Board of police commissioners", any board composed of police  
13 commissioners and any other officials or boards authorized by law to employ and



14 manage an organized police force in the cities;

15 (4) "City" or "cities", any city which now has or may hereafter have a  
16 population of more than three hundred thousand and less than seven hundred  
17 thousand inhabitants;

18 (5) "Compensation", whenever used in connection with members of the  
19 police retirement system created by sections 86.370 to 86.497, and whether used  
20 solely or as part of another defined term, the regular compensation which a  
21 member would earn during one year on the basis of the stated compensation for  
22 his rank and position, and therefore excluding any overtime pay, meal and travel  
23 expenses, uniform or other clothing allowances, any sick leave or vacation  
24 entitlements accrued from prior years, college incentive or skill incentive  
25 allowances and any other allowances available only to particular individuals and  
26 not a part of the base stated compensation for all persons holding the given rank  
27 and position; except that, notwithstanding the foregoing, compensation for any  
28 year for any member shall not exceed the amount permitted to be taken into  
29 account under and pursuant to Section 401(a)(17) of the Internal Revenue Code  
30 as applicable to such year;

31 (6) "Creditable service", prior service plus membership service as  
32 provided in section 86.423;

33 (7) "Final compensation", the average annual compensation of a member  
34 during his service if less than two years, or the twenty-four months of his service  
35 for which he or she received the highest salary whether consecutive or otherwise.  
36 In computing the average annual compensation of a member under this  
37 subdivision, no compensation received for service which occurred after the  
38 thirtieth full year of membership service and no compensation attributable to any  
39 time a member was suspended from service without pay shall be included. For  
40 any period of time when a member is paid on a frequency other than monthly, the  
41 member's salary for such period shall be deemed to be the monthly equivalent of  
42 the member's annual rate of compensation for such period;

43 (8) "Fiscal year", the fiscal year of the cities;

44 (9) "Internal Revenue Code", the United States Internal Revenue  
45 Code of 1986, as amended;

46 (10) "Medical board", not less than one nor more than three physicians  
47 appointed by the retirement board to arrange for and conduct medical  
48 examinations as directed by the retirement board;

49 (11) "Member", a member of the police retirement system as defined in  
50 section 86.380;

51 (12) "Membership service", all service rendered as a policeman for  
52 compensation after June 15, 1946, excluding all probationary service of six  
53 months or less served prior to May 1, 1951;

54 (13) "Pension", annual payments for life, payable monthly, beginning  
55 with the date of retirement and ending with death; if the total of such monthly  
56 payments plus benefits pursuant to section 86.447 is less than the total of the

57 member's accumulated contributions, the excess of such accumulated  
58 contributions over the total of such monthly payments shall be paid in one sum  
59 to the beneficiary named by the member;

60 (14) "Pension fund", the fund resulting from contributions made thereto  
61 by the cities affected by sections 86.370 to 86.497 and by the members of the  
62 police retirement system;

63 (15) "Police officer", entitled to membership in the police retirement  
64 system created by sections 86.370 to 86.497, is an officer or member of the police  
65 department of the cities employed for compensation by the boards of police  
66 commissioners of the cities for police duty and includes the chief of police,  
67 lieutenant colonels, majors, superintendents, captains, lieutenants, sergeants,  
68 corporals, detectives, patrolmen, supervisors, technicians, radio operators, radio  
69 dispatchers, jailers, and matrons, but does not include any police commissioner  
70 or members of the police reserve corps, or special officers appointed to serve at  
71 elections, or temporary police appointed at school crossings or special officers  
72 appointed to serve during emergencies, or anyone employed in a clerical or other  
73 capacity not involving police duties; except that any policeman as herein defined,  
74 who is assigned to the performance of other duties for the police departments of  
75 the cities, by reason of personal injury by accident or disability arising out of and  
76 in the course of his employment as a policeman, shall be and remain a member  
77 of the police retirement system without regard to the duties performed under such  
78 assignment; in case of dispute as to whether any person is a policeman qualified  
79 for membership in the retirement system, the decision of the board of police  
80 commissioners shall be final;

81 (16) "Retirement board", the board provided in section 86.393 to  
82 administer the retirement system;

83 (17) "Retirement system", the police retirement system of the cities as defined  
84 in section 86.373.]

85

2 [86.373. In all cities that now have or may hereafter attain a population  
3 of more than three hundred thousand and less than seven hundred thousand  
4 inhabitants according to the last preceding federal decennial census, there are  
5 hereby created and established retirement or pension systems for the purpose of  
6 providing retirement allowances for policemen of such cities. Any city which has  
7 established a police retirement system under the provisions of sections 86.370 to  
8 86.497 may elect to continue its police retirement system under the provisions of  
9 sections 86.370 to 86.497 even though the city may cease to have the population  
10 described in this section, and any city so electing to continue its established  
11 police retirement system shall be excused from creating or maintaining any other  
12 police retirement system under any other provisions of the Missouri statutes.  
13 Each system shall be under the management of a retirement board hereinafter  
14 described and shall be known as the "Police Retirement System of (name of  
city)", and by such name all of its business shall be transacted, and all of its cash

15 and other property held. The retirement systems so created shall begin operation  
16 as of the date sections 86.370 to 86.497 become effective.

2 [86.374. 1. A retirement plan under and pursuant to sections 86.370 to  
3 86.497 is a qualified plan pursuant to the provisions of applicable federal law.  
4 The benefits and conditions of a retirement plan under and pursuant to sections  
5 86.370 to 86.497 shall always be adjusted to ensure that the tax-exempt status is  
6 maintained.

7 2. The retirement board shall administer this retirement system in a  
8 manner as to retain at all times qualified status under and pursuant to Section  
9 401(a) of the Internal Revenue Code.

10 3. The retirement board shall hold in trust the assets of this retirement  
11 system for the exclusive benefit of the members and their beneficiaries and for  
12 defraying reasonable administrative expenses of the system. No part of such  
13 assets shall, at any time prior to the satisfaction of all liabilities with respect to  
14 members and their beneficiaries, be used for or diverted to any purpose other than  
15 such exclusive benefit or to any purpose inconsistent with sections 86.370 to  
16 86.497.

17 4. A member's benefit shall be one hundred percent vested and  
18 nonforfeitable upon the member's attainment of normal retirement age, which  
19 shall be the earlier of:

20 (1) Completion of twenty-five years of service;

21 (2) Age sixty if the member has completed at least ten years of creditable  
22 service;

23 (3) Age seventy without regard to years of service; or

24 (4) To the extent funded, upon the termination of the system established  
25 under and pursuant to sections 86.370 to 86.497 or any partial termination which  
26 affects the member or any complete discontinuance of contributions by the city  
27 to the system.

28 Amounts representing forfeited nonvested benefits of terminated members shall  
29 not be used to increase benefits payable from the system but may be used to  
30 reduce contributions for future plan years.

31 5. Distribution of benefits shall begin not later than April first of the year  
32 following the later of the calendar year during which the member becomes  
33 seventy and one-half years of age or the calendar year in which the member  
34 retires, and shall otherwise conform to Section 401(a)(9) of the Internal Revenue  
35 Code.

36 6. A member or beneficiary of a member shall not accrue a service  
37 retirement annuity, disability retirement annuity, death benefit, whether death  
38 occurs in the line of duty or otherwise, or any other benefit under and pursuant  
39 to sections 86.370 to 86.497 in excess of the benefit limits applicable to the fund  
40 under and pursuant to Section 415 of the Internal Revenue Code. The retirement  
41 board shall reduce the amount of any benefit that exceeds those limits by the

42 amount of the excess. If the total benefits under this retirement system and the  
43 benefits and contributions to which any member is entitled under any other  
44 qualified plan or plans maintained by the board of police commissioners that  
45 employs the member would otherwise exceed the applicable limits under and  
46 pursuant to Section 415 of the Internal Revenue Code, the benefits the member  
47 would otherwise receive from this retirement system shall be reduced to the  
48 extent necessary to enable the benefits to comply with Section 415 of the Internal  
49 Revenue Code.

50 7. The total salary taken into account for any purpose for any member of  
51 this retirement system shall not exceed two hundred thousand dollars per year,  
52 subject to periodic adjustments in accordance with guidelines provided by the  
53 United States Secretary of the Treasury, and shall not exceed such other limits as  
54 may be applicable at any given time under and pursuant to Section 401(a)(17) of  
55 the Internal Revenue Code.

56 8. If the amount of any benefit is to be determined on the basis of  
57 actuarial assumptions that are not otherwise specifically set forth for that purpose  
58 in sections 86.370 to 86.497, the actuarial assumptions to be used are those  
59 earnings and mortality assumptions being used on the date of the determination  
60 by the retirement system's actuary and approved by the retirement board. The  
61 actuarial assumptions being used at any particular time shall be attached as an  
62 addendum to a copy of the retirement system's statute that is maintained by the  
63 retirement board and shall be treated for all purposes as a part of sections 86.370  
64 to 86.497. The actuarial assumptions may be changed by the retirement system's  
65 actuary annually if approved by the retirement board, but a change in actuarial  
66 assumptions shall not result in any decrease in benefits accrued as of the effective  
67 date of the change.

68 9. Any member or beneficiary who is entitled to receive any distribution  
69 that is an eligible rollover distribution, as defined by Section 402(c)(4) of the  
70 Internal Revenue Code, is entitled to have that distribution transferred directly to  
71 another eligible retirement plan of the member's or beneficiary's choice upon  
72 providing direction to the secretary of this retirement system regarding the  
73 transfer in accordance with procedures established by the retirement board.

74 10. For all distributions made after December 31, 2001:

75 (1) For the purposes of subsection 9 of this section, an eligible retirement  
76 plan shall also mean an annuity contract described in Section 403(b) of the  
77 Internal Revenue Code and an eligible plan under and pursuant to Section 457(b)  
78 of the Internal Revenue Code which is maintained by the state, political  
79 subdivision of a state, or any agency or instrumentality of a state or political  
80 subdivision of a state and which agrees to separately account for amounts  
81 transferred into such plan from this retirement system. The definition of eligible  
82 retirement plan shall also apply in the case of a distribution to a surviving spouse  
83 or to a spouse or former spouse who is the alternate payee under a qualified  
84 domestic relations order, as defined in Section 414(p) of the Internal Revenue

85 Code; and

86 (2) For purposes of subsection 9 of this section, a portion of a distribution  
87 shall not fail to be an eligible rollover distribution merely because the portion  
88 consists of after-tax employee contributions which are not includable in gross  
89 income. However, such portion may be paid only to an individual retirement  
90 account or annuity described in Section 408(a) or 408(b) of the Internal Revenue  
91 Code, or to a qualified defined contribution plan described in Section 401(a) or  
92 403(a) of the Internal Revenue Code that agrees to separately account for  
93 amounts so transferred, including separately accounting for the portion of such  
94 distribution that is includable in gross income and the portion of such distribution  
95 that is not so includable.]

96

2 [86.377. All persons who enter or reenter the service of the said cities as  
3 policemen as defined in sections 86.370 to 86.497 for compensation after the date  
4 this police retirement system becomes effective shall become members thereof  
5 as a condition of their employment and shall receive no retirement or pension  
6 allowance from any other retirement or pension system supported wholly or in  
7 part by the said cities or the state of Missouri, nor shall they be required to make  
8 contributions under any other retirement or pension system of the said cities or  
9 the state. However, nothing in sections 86.370 to 86.497 shall be construed to  
10 prevent the inauguration of the federal Social Security laws for policemen as  
11 defined in sections 86.370 to 86.497, nor to prevent the contribution to such  
12 Social Security administration or fund established by the federal government, nor  
13 by it the pensioning of such policemen. In the event that federal or state Social  
14 Security benefits are made available to policemen covered by sections 86.370 to  
15 86.497 then any benefits payable to any member, or the dependents of such  
16 member under sections 86.370 to 86.497, shall be in addition to the amount of  
17 such Social Security benefits, and any contributions required by a member  
18 hereunder shall be in addition to the amount of such member's contribution under  
19 such Social Security system.

19

2 [86.380. 1. All policemen as defined in sections 86.370 to 86.497 in  
3 service on the date this police retirement system becomes operative shall become  
4 members as of that date unless prior thereto any such policeman shall have filed  
5 with the retirement board on a form prescribed by such board, a notice of his  
6 election not to become a member of the police retirement system, together with  
7 a duly executed waiver of all present and prospective benefits which would  
8 otherwise inure to him or his beneficiaries on account of his participation in such  
9 police retirement system.

10 2. Any policeman who left the service of the police department to enter  
11 military service in a national emergency subsequent to October 16, 1940, and  
12 who shall return to police service with such department within one year after his  
discharge from the military service, shall be given credit for any prior service he

13 may have rendered.

14 3. Any policeman reentering police service after January 1, 1946, who  
15 had completed five years of prior creditable service may be given credit toward  
16 retirement for that service upon recommendation of the chief of police and  
17 approval of the board of police commissioners, subject, however, to the condition  
18 that such policeman deposit in the pension fund of the police retirement system  
19 a sum equal to the accumulated contributions which had been paid to him out of  
20 the pension fund upon or subsequent to the date that he left the police service and  
21 subject to subsection 2 referring to military service. Such repayment of  
22 withdrawn contributions shall be accompanied by an additional payment of  
23 interest in the amount of the actual net yield earned or incurred by the pension  
24 fund, including both net income after expenses and net appreciation or  
25 depreciation in values of the fund, whether realized or unrealized, during the  
26 period of time from the date upon which such contributions had been withdrawn  
27 to the date of repayment thereof, determined in accordance with such rules for  
28 valuation and accounting as may be adopted by the retirement board for such  
29 purposes.

30

2 [86.383. Any policeman whose membership is contingent on his own  
3 election and who elects not to become a member may thereafter revoke such  
4 election and become a member, but no such policeman shall receive credit for  
5 prior police service unless he becomes a member within ninety days from the  
6 date the police retirement system becomes effective.]

6

2 [86.387. Should any member be absent by authority of the board of police  
3 commissioners in military service or should he be granted temporary leave of  
4 absence by the board of police commissioners after the passage of sections  
5 86.370 to 86.497, he shall not, because of such absence, cease to be a member.  
6 A member absent for military service shall be entitled to such credits as are  
7 permitted by section 86.430. If a member is on temporary leave of absence for  
8 one month or less, such member shall receive service credit for such time. If a  
9 member is on temporary leave of absence for more than one month without  
10 compensation, such member shall not receive service credits for such time unless  
11 such member shall, within one year of his return from such absence, pay into the  
12 retirement system fund an amount equal to the member's contribution percentage  
13 at the time such absence began times an assumed salary figure for the period of  
14 such absence, computed by assuming that such member received a salary during  
15 his absence at the rate of the base annual salary the member was receiving  
16 immediately prior to his absence.]

16

2 [86.390. 1. Each person who becomes a member of this police retirement  
3 system pursuant to the provisions of sections 86.370 to 86.497 shall remain a  
4 member until the earliest to occur of the following events:

4 (1) The termination of service of such person and the payment to such  
5 person of all benefits due such person pursuant to the provisions of sections  
6 86.370 to 86.497, unless such termination of service with the police department  
7 shall be for the purpose of entering military service in a national emergency;

8 (2) The termination of service with the police department to enter  
9 military service in a national emergency and the failure of such person to return  
10 to police service with such department within one year after his discharge from  
11 the military service, unless there shall remain benefits due such person pursuant  
12 to the provisions of sections 86.370 to 86.497, in which event such person's  
13 membership shall terminate pursuant to this subdivision when there shall no  
14 longer remain any such benefits due such person; and

15 (3) The death of such person.

16 2. If the surviving spouse of a member is entitled to a pension benefit  
17 hereunder, such surviving spouse shall be a member of the retirement system for  
18 so long as such surviving spouse shall remain entitled to such benefit. Any  
19 beneficiary or survivor of a deceased member shall not be a member of this  
20 police retirement system if such beneficiary or survivor is not a surviving spouse  
21 entitled to benefits pursuant to the provisions of sections 86.370 to 86.497,  
22 irrespective of whether there may remain benefits due such beneficiary or  
23 survivor from this system.]  
24

2 [86.393. 1. The general administration and the responsibility for the  
3 proper operation of the retirement system and for making effective the provisions  
4 of sections 86.370 to 86.497 are hereby vested in a retirement board of nine  
5 persons.

6 2. The board shall be constituted as follows:

7 (1) Two members, one of whom shall be of the political party casting the  
8 highest number of votes statewide for governor in the election next preceding  
9 such member's selection and the other of whom shall be of the political party  
10 casting the next highest number of votes statewide for governor at the election  
11 next preceding such member's selection, to be selected by the board of police  
12 commissioners of such cities to serve one- and two-year terms respectively. All  
13 such subsequent members shall serve for terms of two years each or to fill an  
14 unexpired term.

15 (2) Two members, one of whom shall be of the political party casting the  
16 highest number of votes statewide for governor in the election next preceding  
17 such member's selection and the other of whom shall be of the political party  
18 casting the next highest number of votes statewide for governor at the election  
19 next preceding such member's selection to be selected by the city council of said  
20 city, one of whom may be the director of finance of such city to act as ex officio  
21 member, and the other to serve for a term of two years.

22 (3) Five members shall be elected for three-year terms respectively or to  
fill an unexpired term, in annual elections in which each member of the police

23 retirement system and, if such city has established a civilian employees'  
24 retirement system of the police department of such city pursuant to the provisions  
25 of sections 86.600 to 86.790, each member of such civilian employees' retirement  
26 system shall be entitled to one vote.

27 3. Commencing with the first annual election for members of the  
28 retirement board in 2004, the five elected members of the board shall be  
29 designated and elected as follows:

30 (1) If a city has established a civilian employees' retirement system of the  
31 police department of such city pursuant to the provisions of sections 86.600 to  
32 86.790, the elected members of the retirement board of such city shall consist of  
33 three restricted members and two open members:

34 (a) One restricted member shall be a member of the police retirement  
35 system who has retired from active service with the police department as of the  
36 date of such member's election to the board;

37 (b) One restricted member shall be a member of the police retirement  
38 system who, as of the date of such member's election to the board, is in active  
39 service as a police officer and has not attained the rank of sergeant or higher;

40 (c) One restricted member shall be a member of the civilian employees'  
41 retirement system of the police department of such city.

42  
43 There shall be no required qualifications for open members. At the annual  
44 election in 2004 and each third year thereafter, one open member shall be elected  
45 to a three-year term. At the annual election in 2005 and each third year  
46 thereafter, one open member shall be elected to a three-year term. At the annual  
47 election in 2006 and each third year thereafter, the three restricted members shall  
48 be elected to a three-year term. Such elections shall be conducted simultaneously  
49 but as elections for three separate offices, in which only persons qualified for a  
50 respective office may be a candidate for such office;

51 (2) If a city has not established a civilian employees' retirement system  
52 of the police department of such city pursuant to the provisions of sections  
53 86.600 to 86.790, the elected members of the retirement board of such city shall  
54 consist of two restricted members and three open members. All provisions of  
55 subdivision (1) of this subsection shall apply, except that the restricted  
56 membership provided for a member of a civilian employees' retirement system  
57 shall be an open membership;

58 (3) In every election in which more than one position is to be filled,  
59 either for a three-year term or for the unexpired portion of the term of a position  
60 which has become vacant, every candidate in such election must declare the  
61 position to which such candidate desires to be elected; and no person may be a  
62 candidate for more than one such position in any given election;

63 (4) Any person elected to a restricted position on the retirement board  
64 who at the time of such election meets the qualifications for such position shall  
65 be deemed to continue to meet such qualifications throughout the term to which



66 such person was elected, regardless of any change in the rank, classification or  
67 other employment status of such person.

68 4. If a vacancy occurs in the office of a member of the retirement board the vacancy shall  
69 be filled for the unexpired term in the same manner as the vacated office was previously filled.]

70

2 [86.394. Each member of the retirement board who is in active service  
3 with the police department of a city as either a police officer, as defined in section  
4 86.370, or as an employee, as defined in section 86.600, shall be granted  
5 authorized leave with pay by such police department to attend any and all  
6 educational seminars and like functions that have been authorized by the  
7 retirement board, including travel time to and from such functions, not to exceed  
8 ten days in any calendar year. Leave granted under this section shall not reduce  
9 vacation or other authorized leave time to which such member may be entitled  
10 without reference to this section.]

10

2 [86.397. The members of the retirement board shall be compensated in  
3 full for all services rendered pursuant to the provisions of sections 86.370 to  
4 86.497 at the rate of ten dollars per business session actually attended but no  
5 member shall be so compensated in an amount exceeding one hundred and fifty  
6 dollars in any fiscal year regardless of the amount of services rendered or the  
7 number of business sessions actually attended. They shall be reimbursed from  
8 the funds of the police retirement system for all necessary expenses which they  
9 may incur on said board, in addition to their compensation for services.]

9

2 [86.398. 1. The retirement board may purchase with retirement system  
3 assets from one or more insurers licensed to do business in this state one or more  
4 insurance policies that provide for reimbursement of this retirement system and  
5 any trustee, member of the retirement board, officer, or employee of the  
6 retirement system for liability imposed or damages because of an alleged act,  
7 error, or omission committed in the trustee's, board member's, officer's, or  
8 employee's capacity as a fiduciary, officer, or employee of the retirement system  
9 and for costs and expenses, including attorney fees, incurred as a trustee, board  
10 member, officer, or employee in defense of a claim for an alleged act, error, or  
11 omission, as long as the insurance policy does not provide for reimbursement of  
12 a trustee, board member, officer, or employee for liability imposed or expenses  
13 incurred because of the trustee's, board member's, officer's, or employee's  
14 personal dishonesty, fraud, lack of good faith, or intentional failure to act  
15 prudently.

16 2. If the insurance coverage described in subsection 1 of this section is  
17 insufficient or is not in effect, the retirement board may indemnify any person  
18 who was or is a party or is threatened to be made a party to any threatened,  
19 pending or completed action, suit or proceeding, whether civil, criminal,  
administrative or investigative, by reason of the fact that the person is or was a

20 member of the retirement board, or is or was serving at the request of the  
21 retirement board in the capacity which caused the person's relationship to such  
22 action, suit or proceeding, against expenses, including attorneys' fees, judgments,  
23 fines and amounts paid in settlement actually and reasonably incurred by the  
24 person in connection with such action, suit or proceeding, if the person acted in  
25 good faith and without willful malfeasance, and, with respect to any criminal  
26 action or proceeding, had reasonable cause to believe the relevant conduct was  
27 lawful. The termination of any action, suit or proceeding by judgment, order,  
28 settlement, conviction or upon a plea of nolo contendere or its equivalent, shall  
29 not, of itself, create a presumption that the person did not act in good faith, or,  
30 with respect to any criminal action or proceeding, that the person did not have  
31 reasonable cause to believe that the relevant conduct was lawful.

32 3. To the extent that a member of the retirement board has been  
33 successful on the merits or otherwise in defense of any action, suit or proceeding  
34 referred to in subsections 1 and 2 of this section, or in defense of any claim, issue  
35 or matter therein, the person shall be indemnified against expenses, including  
36 attorneys' fees, actually and reasonably incurred in connection with the action,  
37 suit or proceeding that are not covered by the insurance described in subsection  
38 1 of this section.

39 4. Any indemnification under this section, unless ordered by a court, shall  
40 be made by the retirement board only as authorized in each specific case upon a  
41 determination that indemnification of any person potentially entitled to  
42 indemnification hereunder is proper in the circumstances because the person has  
43 met the applicable standard of conduct set forth in this section. The  
44 determination shall be made by the retirement board by a majority vote of a  
45 quorum consisting of members of the retirement board who are not parties to the  
46 action, suit or proceeding, or if such a quorum is not obtainable, or even if  
47 obtainable a quorum of disinterested members of the retirement board so directs,  
48 by independent legal counsel in a written opinion. Such legal counsel may but  
49 need not be counsel to the retirement system.

50 5. Expenses incurred in defending a civil or criminal action, suit or  
51 proceeding may be paid by the retirement board in advance of the final  
52 disposition of the action, suit or proceeding as authorized by the retirement board  
53 in the specific case upon receipt of an undertaking by or on behalf of the person  
54 potentially entitled to indemnification hereunder to repay such amount unless it  
55 shall ultimately be determined that the person is entitled to be indemnified by the  
56 retirement board as authorized in this section.]

57

2 [86.400. Each member of the retirement board shall, within ten days after  
3 his appointment or election, take an oath of office, that, so far as it devolves upon  
4 him, he will diligently and honestly administer the affairs of the said board, and  
5 that he will not knowingly violate or willingly permit to be violated any of the  
provisions of the law applicable to the police retirement system. Such oath shall

6 be subscribed to by the member and filed with the clerk of such city.]  
7

2 [86.403. Each member of the retirement board shall be entitled to one  
3 vote in the decisions of the board. Five votes or more in favor shall be necessary  
4 to pass a motion by the retirement board at any meeting of the board.]

2 [86.407. 1. Subject to the limitations of sections 86.370 to 86.497 the  
3 retirement board shall, from time to time, establish rules and regulations for the  
4 administration of its assets, for the transaction of its business and for the conduct  
5 of nominations and elections of the elected members of the retirement board.  
6 The retirement board shall be deemed to be a state agency within the meaning of  
7 chapter 536, RSMo.

7 2. The retirement board shall elect from its membership a chairman, a  
8 vice chairman and a treasurer and shall, by majority vote of its members, appoint  
9 a secretary, who may be, but need not be, one of its members. It may employ  
10 such actuarial, legal and other services as may be necessary to transact the  
11 business of the retirement system. The compensation of all persons employed by  
12 the retirement board and all other expenses of the board necessary for the  
13 operation of the retirement system shall be paid in such manner as the retirement  
14 board shall determine; provided, that the compensation of such persons as may  
15 be employed by the retirement board shall not be greater than the compensation  
16 paid for comparable abilities by the governments of the cities in which said  
17 retirement board is located.]  
18

2 [86.410. 1. The retirement board shall keep in convenient form such data  
3 as is necessary for administration of the retirement system. The retirement board  
4 shall keep a record of all its proceedings which shall be open to public inspection.  
5 It shall publish annually in pamphlet form a report prepared by certified public  
6 accountants showing the fiscal transactions of the retirement system for the  
7 preceding fiscal year, the status of assets and liabilities and the amount of cash  
8 on hand. One copy of the annual report shall be delivered to each member of the  
9 retirement system, one copy to each member of the retirement board, one copy  
10 shall be filed with the city clerk and one copy delivered to each member of the  
11 board of police commissioners.

11 2. The retirement board shall cause an actuarial study and calculation to  
12 be made in 1959 based upon the experiences of the retirement system by an  
13 independent firm of pension actuaries and shall cause actuarial studies and  
14 calculations to be made each five years thereafter.]  
15

2 [86.413. The retirement board shall before January tenth of each year  
3 certify to the chief financial officer of said city, the amount to be paid by the city  
4 under the retirement pension system for the succeeding fiscal year, as otherwise  
provided by sections 86.370 to 86.497.]

5

[86.417. The retirement board shall adopt a common seal. The retirement board may sue and be sued in its own name and such suits shall constitute suits by or against the members of the retirement board in their representative capacities and not as individuals.]

5

[86.420. 1. The retirement board's findings on all issues of fact shall be final and conclusive upon all parties concerned, when such findings are supported by competent and substantial evidence.

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2. Rulings of the retirement board on questions of law and whether the same is supported by competent and substantial evidence may be reviewed, upon application of any party, by the circuit court of the county in which such cities are located.]

[86.423. 1. Under such rules and regulations as the retirement board shall adopt, each member who was a policeman, as defined in sections 86.370 to 86.497, on and prior to the date the police retirement system becomes operative and who becomes a member within ninety days from such date shall file a detailed statement of all prior service for which he claims credit.

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2. The retirement board shall fix and determine by proper rules and regulations how much service in any year is equivalent to one year of service, but in no case shall more than one year of service be creditable for all service rendered in one calendar year, nor shall the retirement board allow credit as service for any period of more than one month's duration during which the member was absent without pay, except for absence in the military service during a national emergency.

3. Subject to the above restrictions and to such other rules and regulations as the retirement board may adopt, the retirement board shall verify the prior service claims as soon as practicable after the filing of such statement of service.]

[86.427. Upon verification of the statements of service, the retirement board shall issue prior service certificates, certifying to each member the length of prior service with which he is credited, and the final compensation of such member computed as of June 15, 1946. So long as the holder of the certificate continues to be a member, the prior service certificate shall be final and conclusive for retirement purpose as to such service. Any member, within one year from the date of issuance or modification of the certificate, may request the retirement board to modify or correct his prior service certificate. When any policeman ceases to be a member his prior service certificate shall become void. Should he again become a policeman, he shall enter the retirement system as a member entitled to prior service credit only as provided in section 86.380.]

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[86.430. 1. Creditable service at retirement on which the retirement

2 allowance of a member is based consists of the membership service rendered by  
3 him since he last became a member and also, if he has a prior service certificate  
4 which is in full force and effect, the amount of the prior service certified on his  
5 prior service certificate.

6 2. Creditable service also includes all services rendered by a member as  
7 defined in subdivision (14) of section 86.370 even though he is assigned to the  
8 performance of duties for the police department of the cities other than for law  
9 enforcement.

10 3. Creditable service shall not include any time a member was suspended  
11 from service without pay. No contribution is required from either the member  
12 under section 86.470 or from the city under section 86.477 for such time.

13 4. Any active member on August 28, 1995, who served on active duty in  
14 the armed forces of the United States and who became a member, or returned to  
15 membership, after discharge under honorable conditions, may elect, prior to  
16 retirement but in no case later than August 28, 1997, to purchase creditable  
17 service equivalent to such service in the armed forces, not to exceed two years,  
18 provided the member is not receiving and is not eligible to receive retirement  
19 credits or benefits from any other public or private retirement plan for the service  
20 to be purchased other than a United States military service retirement system or  
21 United States Social Security benefits attributable to such military service, and  
22 an affidavit so stating is filed by the member with the retirement system. A  
23 member electing to make such purchase shall pay to the retirement system an  
24 amount equal to the actuarial value of the additional benefits attributable to the  
25 creditable service so purchased, as of the date the member elects to make the  
26 purchase. The retirement system shall determine the value using accepted  
27 actuarial methods and the same assumptions with respect to interest rates,  
28 mortality, future salary increases and all related factors used in performing the  
29 most recent regular actuarial valuation of the retirement system. Payment in full  
30 of the amount due from a member electing to purchase creditable service under  
31 this subsection shall be made over a period not to exceed five years, measured  
32 from the date of election, or prior to the commencement date for payment of  
33 benefits to the member from the retirement system, whichever is earlier,  
34 including interest on unpaid balances compounded annually at the interest rate  
35 assumed from time to time for actuarial valuations of the retirement system. If  
36 payment in full including interest is not made within the prescribed period, any  
37 partial payments made by the member shall be refunded, and no creditable  
38 service attributable to such election, or as a result of any such partial payments,  
39 shall be allowed; provided that if a benefit commencement date occurs because  
40 of the death or disability of a member who has made an election under this  
41 subsection and if the member is current in payments under an approved  
42 installment payment plan at the time of death or disability, such election shall be  
43 valid if the member, the surviving spouse or other person entitled to benefit  
44 payments pays the entire balance of the remaining amount due, including interest

45 to the date of such payment, within sixty days after the member's death or  
46 disability. The time of a disability shall be deemed to be the time when such  
47 member is retired by the board of police commissioners for reason of disability  
48 as provided in sections 86.370 to 86.497.

49 5. Any individual who becomes a member of the retirement system  
50 subsequent to August 28, 1995, and who served on active duty in the armed  
51 forces of the United States and who became a member, or returned to  
52 membership, after discharge under honorable conditions, may elect, prior to  
53 retirement but in no case later than two years after the effective date of his  
54 membership in the retirement system, to purchase creditable service equivalent  
55 to such service in the armed forces, not to exceed two years, provided the  
56 member is not receiving and is not eligible to receive retirement credits or  
57 benefits from any other public or private retirement plan for the service to be  
58 purchased, other than a United States military service retirement system or United  
59 States Social Security benefits attributable to such military service, and an  
60 affidavit so stating is filed by the member with the retirement system. A member  
61 electing to make such purchase shall pay to the retirement system an amount  
62 equal to the actuarial value of the additional benefits attributable to the additional  
63 service credit to be purchased, as of the date the member elects to make such  
64 purchase. The retirement system shall determine such value using accepted  
65 actuarial methods and the same assumptions with respect to interest rates,  
66 mortality, future salary increases and all related factors used in performing the  
67 most recent regular actuarial valuation of the retirement system. Payment in full  
68 of the amount due from a member electing to purchase creditable service under  
69 this subsection shall be made over a period not to exceed five years, measured  
70 from the date of election, or prior to the commencement date for payment of  
71 benefits to the member from the retirement system, whichever is earlier,  
72 including interest on unpaid balances compounded annually at the interest rate  
73 assumed from time to time for actuarial valuations of the retirement system. If  
74 payment in full including interest is not made within the prescribed period, any  
75 partial payments made by the member shall be refunded, and no creditable  
76 service attributable to such election, or as a result of any such partial payments,  
77 shall be allowed; provided that if a benefit commencement date occurs because  
78 of the death or disability of a member who has made an election under this  
79 subsection and if the member is current in payments under an approved  
80 installment plan at the time of the death or disability, such election shall be valid  
81 if the member, the surviving spouse or other person entitled to benefit payments  
82 pays the entire balance of the remaining amount due, including interest to the date  
83 of such payment, within sixty days after the member's death or disability. The  
84 time of a disability shall be deemed to be the time when such member is retired  
85 by the board of police commissioners for reason of disability as provided in  
86 sections 86.370 to 86.497.]

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2 [86.433. Any member may retire when such member has completed  
3 twenty-five or more years of creditable service and, except as otherwise provided  
4 in this section, shall retire when such member has completed thirty years of  
5 creditable service. Upon such retirement such member shall receive a pension  
6 equal to:

7 (1) For a member retiring prior to August 28, 2000, two percent of such  
8 member's final compensation, as defined in section 86.370, multiplied by the  
9 number of years of such member's total creditable service; or

10 (2) For a member retiring on or after August 28, 2000, two and one-half  
11 percent of such member's final compensation, as defined in section 86.370,  
12 multiplied by the number of years of such member's total creditable service.

13 Such pension shall be not less than seven thousand two hundred dollars annually  
14 and in any event shall not exceed seventy-five percent of the member's final  
15 compensation. Any member who has completed thirty years of creditable service  
16 may continue in service by permission of the board of police commissioners on  
17 recommendation of the chief of police until such member attains the age of  
18 sixty-five years. Contributions shall not be required of, and no service shall be  
19 credited to, any member for more than thirty years of service.]  
20

2 [86.434. 1. Any member entitled to commence a pension under and  
3 pursuant to section 86.433 with twenty-six years or more of creditable service  
4 may elect an optional distribution under the partial lump sum option plan  
5 provided in this section if the member:

6 (1) Notifies the retirement system in writing of the member's retirement  
7 date at least ninety days in advance of the member's retirement date and requests  
8 an explanation of the member's rights under and pursuant to this section; and

9 (2) Notifies the retirement system of the member's election hereunder at  
10 least thirty days in advance of the member's retirement date.

11 Following receipt of an initial notice of a member's retirement date and request  
12 for an explanation hereunder, the retirement system shall, at least sixty days in  
13 advance of such retirement date, provide the member a written explanation of the  
14 member's rights under and pursuant to this section and an estimate of the amount  
15 by which the member's regular monthly base pension would be reduced in the  
16 event of the member's election of any of the options available to the member  
17 under and pursuant to this section.

18 2. (1) A member entitled to make an election under and pursuant to this  
19 section may elect to receive a lump sum distribution with the member's initial  
20 monthly pension payment under and pursuant to section 86.433, subject to all the  
21 terms of this section. The member may elect the amount of the member's lump  
22 sum distribution from one, but not more than one, of the following options for  
23 which the member qualifies:

24 (a) A member having twenty-six or more years of creditable service may  
25 elect a lump sum amount equal to twelve times the initial monthly base pension  
26 the member would receive if no election were made under and pursuant to this  
27 section;

28 (b) A member having twenty-seven or more years of creditable service  
29 may elect a lump sum amount equal to twenty-four times the initial monthly base  
30 pension the member would receive if no election were made under and pursuant  
31 to this section; or

32 (c) A member having twenty-eight or more years of creditable service  
33 may elect a lump sum amount equal to thirty-six times the initial monthly base  
34 pension the member would receive if no election were made under and pursuant  
35 to this section.

36 (2) When a member makes an election to receive a lump sum distribution  
37 under and pursuant to this section, the base pension which the member would  
38 have received in the absence of the election shall be reduced on an actuarially  
39 equivalent basis to reflect the payment of the lump sum distribution, and the  
40 reduced base pension shall be the member's base pension thereafter for all  
41 purposes relating to base pension amounts under and pursuant to sections 86.370  
42 to 86.497.

43 3. An election under and pursuant to this section to receive a lump sum  
44 distribution and reduce monthly base pension shall be void if the member dies  
45 before retirement, and amounts due a surviving spouse or other beneficiary of the  
46 member shall be determined without regard to such election.]  
47

2 [86.437. Except as provided in section 86.443, any member in service  
3 who shall have attained sixty years of age and at that time shall have completed  
4 at least ten but less than thirty years of creditable service shall retire and shall  
5 receive an annual pension equal to:

6 (1) For a member retiring prior to August 28, 2000, two percent of such  
7 member's final compensation, as defined in section 86.370, multiplied by the  
8 number of years of such member's total creditable service; or

9 (2) For a member retiring on or after August 28, 2000, two and one-half  
10 percent of such member's final compensation as defined in section 86.370  
11 multiplied by the number of years of such member's total creditable service.]

2 [86.440. Any member who retires after August 28, 2000, who is entitled  
3 to a pension benefit pursuant to the provisions of sections 86.370 to 86.497 and  
4 who either has at least twenty-five years of creditable service or is retired as a  
5 result of an injury or illness occurring in the line of duty or course of employment  
6 pursuant to section 86.450, shall receive a pension benefit which, without  
7 including any supplemental retirement benefits paid such member by this  
8 retirement system, shall be not less than six hundred dollars monthly. Any  
member who retires on or before August 28, 2000, who is entitled to a pension



9 benefit pursuant to the provisions of sections 86.370 to 86.497 and who either  
10 had at least twenty-five years of creditable service or was retired as a result of an  
11 injury or illness occurring in the line of duty or course of employment pursuant  
12 to section 86.450, shall upon application to the retirement board be appointed by  
13 the retirement board as a special consultant on the problems of retirement, aging  
14 and other matters, and upon request of the retirement board shall give opinions  
15 and be available to give opinions in writing or orally in response to such requests,  
16 as may be required. For such services the member shall, beginning the later of  
17 August 28, 2000, or the time of such appointment under this section, be  
18 compensated in an amount which without including any supplemental retirement  
19 benefits provided by this system, shall be not less than six hundred dollars  
20 monthly. A pension benefit pursuant to this section shall be paid in lieu of such  
21 member's base pension as increased by cost-of-living adjustments granted  
22 pursuant to section 86.441. The benefit pursuant to this section shall not be  
23 subject to cost-of-living adjustments, but shall be terminated and replaced by the  
24 member's base pension and cost-of-living adjustments at such time as the total  
25 base pension and such adjustments exceed six hundred dollars monthly.]  
26

2 [86.441. 1. Any member who retires on a pension subsequent to August  
3 13, 1972, may receive each year, beginning January 1, 1972, in addition to such  
4 member's base pension, a cost-of-living adjustment in an amount not to exceed  
5 three percent of such member's base pension during any one year provided that  
6 the retirement pension system shall remain actuarially sound.

7 2. Any member who was retired on August 13, 1972, may receive each  
8 year, beginning January 1, 1986, in addition to such member's base pension, a  
9 cost-of-living adjustment in an amount not to exceed three percent of such base  
10 pension during any one year, provided that the retirement pension system shall  
11 remain actuarially sound.

12 3. If a member who has been retired and receiving a pension dies after  
13 September 28, 1987, the surviving spouse or children of such member entitled  
14 to receive a base pension pursuant to section 86.447 shall also receive a  
15 percentage cost-of-living adjustment to their respective base pension equal to the  
16 total percentage cost-of-living adjustments received during such member's  
17 lifetime pursuant to this section.

18 4. The cost-of-living adjustment shall be an increase or decrease  
19 computed on the base pension amount by the retirement board in an amount that  
20 the board, in its discretion, determines to be satisfactory, but in no event shall the  
21 adjustment be more than three percent or reduce the pension to an amount less  
22 than the base pension.

23 5. In determining and granting the cost-of-living adjustments, the  
24 retirement board shall adopt such rules and regulations as may be necessary to  
25 effectuate the purposes of this section including provisions for the manner of  
computation of such adjustments and the effective dates thereof. The retirement

26 board shall provide for such adjustments to be determined once each year and  
27 granted on a date or dates to be chosen by the board and may apply such  
28 adjustments in full to members who have retired during the year prior to such  
29 adjustments but who have not been retired for one full year and to the surviving  
30 spouse or children of a member who has died during the year prior to such  
31 adjustments.

32 6. As used in this cost-of-living adjustment section, the term "base  
33 pension" shall mean, when used in connection with a member, the pension  
34 computed under the provisions of the law as of the date of retirement of the  
35 member without regard to cost-of-living adjustment and, when used in  
36 connection with a surviving spouse or children of a member, the pension  
37 computed under the provisions of the law as of the date of death of the member  
38 without regard to cost-of-living adjustment except as provided in section 86.447.  
39 For the purposes of subsections 1 and 2 of this section, the term "member" shall  
40 include a surviving spouse entitled to pension benefits from this retirement  
41 system and any children of the member who are entitled to receive part or all of  
42 the pension which would be received by a surviving spouse if living.

43 7. The determination of whether the retirement pension system will  
44 remain actuarially sound shall be made at the time any cost-of-living adjustment  
45 is granted. If at any time the retirement pension system becomes actuarially  
46 unsound, pension payments shall continue as adjusted by increases theretofore  
47 granted. A member of the retirement board shall have no personal liability for  
48 granting increases under this section if that retirement board member in good  
49 faith relied and acted upon advice of a qualified actuary that the retirement  
50 pension system would remain actuarially sound.]  
51

[86.442. 1. Any member who retires subsequent to August 28, 1991,  
2 with entitlement to a pension under sections 86.370 to 86.497, shall receive each  
3 month, in addition to such member's base pension, a supplemental retirement  
4 benefit in the amount of fifty dollars per month, for assistance in meeting  
5 hospitalization and medical care costs or other expenses. Any member who  
6 receives such a supplemental retirement benefit may also receive not more  
7 frequently than annually, in addition to a base pension, as may be adjusted  
8 pursuant to section 86.441, and supplemental retirement benefit, a cost-of-living  
9 adjustment to the supplemental retirement benefit, in monthly adjustment  
10 increments to be determined by the retirement board. Such determination shall  
11 be based on advice of the plan's actuary, that the increase in the benefit will not  
12 cause the present value of anticipated future plan benefits calculated on the  
13 actuarial assumptions used for the most recent annual valuation, to exceed the  
14 sum of the trust fund assets plus the present value of anticipated contributions to  
15 the trust fund.

16 2. Any member who was retired on or before August 28, 1991, and is  
17 receiving retirement benefits from the retirement system, upon application to the

18 retirement board, shall be made, constituted, appointed and employed by the  
19 retirement board as a special consultant on the problems of retirement, aging and  
20 other matters, for the remainder of such member's life, and upon request of the  
21 retirement board shall give opinions and be available to give opinions in writing  
22 or orally, in response to such requests, as may be required. For such services  
23 such member shall be compensated monthly, in addition to a base pension, in the  
24 amount of fifty dollars per month. This employment shall in no way affect any  
25 member's eligibility for retirement benefits under the provisions of sections  
26 86.370 to 86.497, or in any way have the effect of reducing retirement benefits  
27 otherwise payable to such member. Any member who receives such monthly  
28 compensation as a special consultant to the retirement board may also receive not  
29 more frequently than annually, beginning in 1992, in addition to such member's  
30 base pension, as may be adjusted pursuant to section 86.441, and monthly  
31 compensation as a special consultant to the retirement board, a cost-of-living  
32 adjustment to such monthly compensation, in monthly adjustment increments to  
33 be determined by the retirement board. Such determination shall be based on  
34 advice of the plan's actuary, that the increase in the benefit will not cause the  
35 present value of anticipated future plan benefits calculated on the actuarial  
36 assumptions used for the most recent annual valuation, to exceed the sum of the  
37 trust fund assets plus the present value of anticipated future contributions to the  
38 trust fund.

39 3. In determining and granting cost-of-living adjustments under this  
40 section, the retirement board shall adopt such rules and regulations as may be  
41 necessary to effectuate the purposes of this section including provisions for the  
42 manner of computation of such adjustments and the effective dates thereof. The  
43 retirement board shall provide for such adjustments to be determined once each  
44 year and granted on a date or dates to be chosen by the board and may apply such  
45 adjustments in full to members who have retired during the year prior to such  
46 adjustments but who have not been retired for one full year and to the surviving  
47 spouse of a member who has died during the year prior to such adjustments.

48 4. For the purposes of subsections 1 and 2 of this section, the term  
49 "member" shall include a surviving spouse entitled to a pension benefit pursuant  
50 to sections 86.370 to 86.497, but shall not include any children of the member  
51 who would be entitled to receive part or all of the pension which would be  
52 received by a surviving spouse if living. In determining whether the rights of any  
53 such surviving spouse are provided under subsection 1 or under subsection 2 of  
54 this section, the surviving spouse shall be deemed to have the date of retirement  
55 of the member of whom such person is the surviving spouse, except that if the  
56 surviving spouse of any member who retired prior to August 28, 2000, shall not  
57 have remarried prior to August 28, 2000, but remarries thereafter, such surviving  
58 spouse shall thereafter receive benefits pursuant to subsection 2 of this section,  
59 and except further that no benefits shall be payable pursuant to this section to the  
60 surviving spouse of any member who retired prior to August 28, 2000, if such

61 surviving spouse was at any time remarried prior to August 28, 2000. Any such  
62 surviving spouse of a member who dies while entitled to payments under this  
63 section shall succeed to the full amount of payment under this section to which  
64 such member was entitled at the time of such member's death, including any  
65 cost-of-living adjustments received by such member in the payment hereunder  
66 prior to such member's death.

67 5. The determination of whether the retirement pension system will  
68 remain actuarially sound shall be made at the time any cost-of-living adjustment  
69 under this section is granted. If at any time the retirement pension system  
70 becomes actuarially unsound, supplemental retirement benefit payments under  
71 subsection 1 of this section and monthly compensation payments as a special  
72 consultant to the retirement board under subsection 2 of this section shall  
73 continue as adjusted by increases theretofore granted. A member of the  
74 retirement board shall have no personal liability for granting increases under this  
75 section if that retirement board member in good faith relied and acted upon  
76 advice of a qualified actuary that the retirement pension system would remain  
77 actuarially sound.]  
78

2 [86.443. Every member not having thirty years of service must retire at  
3 sixty years of age except that on recommendation of the chief of police, the board  
4 of police commissioners may permit such member who is sixty years of age, or  
5 over, to remain in service until such member reaches the age of sixty-five years  
6 and no longer. Such member shall continue to make contributions and receive  
7 credit for service until he is sixty-five years of age, until his retirement, or until  
8 he has completed thirty years of creditable service, whichever occurs first.]

2 [86.445. If a city and the police department of such city adopt any  
3 program of incentives to authorize or encourage early retirements, whether for  
4 employees not yet eligible for regular retirement or for employees who are  
5 eligible but have not yet chosen to retire or for both, the retirement board shall  
6 be authorized to administer and pay such incentives for retirees who accept such  
7 incentives and are members of this retirement system under and pursuant to  
8 sections 86.370 to 86.497, in addition to such other benefits as such members or  
9 their beneficiaries are entitled to receive under and pursuant to sections 86.370  
10 to 86.497 provided such city shall so request and shall agree to increase the city's  
11 contribution under and pursuant to section 86.477 sufficiently to provide the full  
12 actuarial cost of any such incentives in addition to the contribution required of  
13 such city necessary, in conjunction with members' contributions under and  
14 pursuant to section 86.470, to provide all other benefits provided under and  
15 pursuant to sections 86.370 to 86.497.]

2 [86.447. 1. Upon receipt of the proper proofs of death of a member in  
service for any reason whatever or of the death of a member after having been

3 retired and pensioned, there shall be paid, in addition to all other benefits but  
4 subject to subsection 7 of this section, the following:

5 (1) If a member dies while in service, such member's surviving spouse,  
6 if any, shall be paid a base pension equal to forty percent of the final compensation of such  
7 member, subject to subsequent adjustments, if any, as provided in section 86.441;

8 (2) If a member retires or terminates service after August 28, 1999, and  
9 dies after commencement of benefits pursuant to the provisions of sections  
10 86.370 to 86.497, the member's surviving spouse, if any, shall be paid a base  
11 pension equal to eighty percent of the pension being received by such member,  
12 including cost-of-living adjustments to such pension but excluding supplemental  
13 retirement benefits, at the time of such member's death, subject to subsequent  
14 adjustments, if any, as provided in section 86.441;

15 (3) If a member retired or terminated service on or before August 28,  
16 1999, and died after August 28, 1999, and after commencement of benefits, such  
17 member's surviving spouse shall upon application to the retirement board be  
18 appointed and employed by the retirement board as a special consultant on the  
19 problems of retirement, aging and other matters, and upon request of the  
20 retirement board shall give opinions and be available to give opinions in writing  
21 or orally in response to such requests, as may be required. For such services, the  
22 surviving spouse shall, beginning the later of August 28, 1999, or the time of  
23 such appointment under this subsection, be compensated in such amount as shall  
24 make the benefits received by such surviving spouse pursuant to this subsection  
25 equal to eighty percent of the pension being received by such member, including  
26 cost-of-living adjustments to such pension but excluding supplemental retirement  
27 benefits, at the time of such member's death, subject to subsequent adjustments,  
28 if any, as provided in section 86.441;

29 (4) Upon the death of any member who is in service after August 28,  
30 2000, and who either had at least twenty-five years of creditable service or was  
31 retired or died as a result of an injury or illness occurring in the line of duty or  
32 course of employment pursuant to section 86.450, the surviving spouse's benefit  
33 provided pursuant to this subsection, without including any supplemental  
34 retirement benefits paid such surviving spouse by this retirement system, shall  
35 not be less than six hundred dollars per month. For any member who dies, retires  
36 or terminates service on or before August 28, 2000, and who either had at least  
37 twenty-five years of creditable service or was retired or died as a result of an  
38 injury or illness occurring in the line of duty or course of employment pursuant  
39 to section 86.450, the surviving spouse shall upon application to the retirement  
40 board be appointed by the retirement board as a special consultant on the  
41 problems of retirement, aging and other matters, and upon request of the  
42 retirement board shall give opinions and be available to give opinions in writing  
43 or orally in response to such requests, as may be required. For such services, the  
44 surviving spouse shall, beginning the later of August 28, 2000, or the time the  
45 appointment is made pursuant to this subsection, be compensated in an amount

46 which without including supplemental retirement benefits provided by this  
47 system shall be not less than six hundred dollars monthly. A pension benefit  
48 pursuant to this subdivision shall be paid in lieu of any base pension as increased  
49 by cost-of-living adjustments granted pursuant to section 86.441. The benefit  
50 pursuant to this subdivision shall not be subject to cost-of-living adjustments, but  
51 shall be terminated and replaced by the base pension and cost-of-living  
52 adjustments to which such spouse would otherwise be entitled at such time as the  
53 total base pension and such adjustments exceed six hundred dollars monthly;

54 (5) Such member's child or children under the age of eighteen years at the  
55 time of the member's decease shall be paid fifty dollars per month each, subject  
56 to adjustments, if any, as provided in section 86.441, until he or she shall attain  
57 the age of eighteen years; however, each such child who is or becomes a full-time  
58 student at an accredited educational institution shall continue to receive payments  
59 hereunder for so long as such child shall remain such a full-time student or shall  
60 be in a summer or other vacation period scheduled by the institution with intent  
61 by such child, demonstrated to the satisfaction of the retirement board, to return  
62 to such full-time student status upon the resumption of the institution's classes  
63 following such vacation period, but in no event shall such payments be continued  
64 after such child shall attain the age of twenty-one years except as hereinafter  
65 provided. Any child eighteen years of age or older, who is physically or mentally  
66 incapacitated from wage earning, so long as such incapacity exists as certified by  
67 a member of the medical board, shall be entitled to the same benefits as a child  
68 under the age of eighteen;

69 (6) A funeral benefit of one thousand dollars.

70 2. For the purposes of this section, "commencement of benefits" shall  
71 begin, for any benefit, at such time as all requirements have been met entitling  
72 the member to a payment of such benefit at the next following payment date,  
73 disregarding advance notice periods required by any paying agent for physical  
74 preparation of the payment, so that a member who dies between the date all such  
75 requirements are met and the date when the system would have delivered such  
76 member's initial payment shall be deemed to have commenced such benefit.

77 3. If there is no person qualified to receive a pension as a surviving  
78 spouse or if a surviving spouse dies, the total amount which would be received  
79 by a qualified surviving spouse or which is being received by the surviving  
80 spouse at the date of death of such surviving spouse shall be added to the  
81 amounts received by and shall be divided among the children under the age of  
82 eighteen years and the incapacitated children in equal shares. As each child  
83 attains the age of eighteen years or has such incapacity removed, the total of the  
84 surviving spouse's pension shall then be added to and divided among the  
85 remaining children, and when there is only one child under the age of eighteen  
86 years or incapacitated, whether such child is the sole surviving child of the  
87 member or the youngest child of several children, the total amount of the  
88 surviving spouse's pension shall be paid to the child until such child reaches the

89 age of eighteen years or such incapacity is removed.

90 4. (1) The surviving spouse of a member who retired or died prior to  
91 August 28, 1997, shall not be entitled to receive benefits or the payment of a  
92 pension pursuant to sections 86.370 to 86.497 unless marriage to the member  
93 occurred at least two years before the member's retirement or at least two years  
94 before the death of the member while in service; provided, that no benefits shall  
95 be denied pursuant to this subsection to the surviving spouse of a member whose  
96 death occurred in the line of duty or from an occupational disease arising out of  
97 and in the course of the member's employment.

98 (2) No surviving spouse of a member who retired or died while in service  
99 after August 28, 1997, and before August 28, 2000, shall be entitled to receive  
100 any benefits pursuant to this section unless such spouse was married to the  
101 member at the time of the member's retirement or death while in service.

102 (3) Any surviving spouse who would qualify for benefits pursuant to  
103 subdivision (1) or (2) of this subsection and who has not remarried prior to  
104 August 28, 2000, but remarries thereafter, shall upon application to the retirement  
105 board be appointed by the retirement board as a special consultant on the  
106 problems of retirement, aging and other matters, and upon request of the  
107 retirement board shall give opinions and be available to give opinions in writing  
108 or orally in response to such requests, as may be required. For such services,  
109 such surviving spouse shall be compensated in an amount equal to the benefits  
110 such spouse would have received pursuant to sections 86.370 to 86.497 in the  
111 absence of such remarriage.

112 (4) No surviving spouse of a member who retires or dies in service after  
113 August 28, 2000, shall be entitled to receive any benefits pursuant to sections  
114 86.370 to 86.497 unless such spouse was married to the member at the time of  
115 the member's retirement or death in service. Any surviving spouse who was  
116 married to such a member at the time of the member's retirement or death in  
117 service shall be entitled to all benefits for surviving spouses pursuant to sections  
118 86.370 to 86.497 for the life of such surviving spouse without regard to  
119 remarriage.

120 5. If no benefits are otherwise payable to a surviving spouse or child of  
121 a deceased member, the member's accumulated contributions, to any extent not  
122 fully paid to such member prior to the member's death or to the surviving spouse  
123 or child of such member, shall be paid in one lump sum to the member's named  
124 beneficiary or, if none, to the member's estate.

125 6. For purposes of this section, a determination of whether a child of a  
126 member is physically or mentally incapacitated from wage earning so that the  
127 child is entitled to benefits under this section shall be made at the time of the  
128 member's death. If a child becomes incapacitated after the member's death, or if  
129 a child's incapacity existing at the member's death is removed and such child later  
130 becomes incapacitated again, such child shall not be entitled to benefits as an  
131 incapacitated child under the provisions of this section. A child shall be deemed

132 incapacitated only for so long as the incapacity existing at the time of the  
133 member's death continues.

134 7. Any beneficiary of benefits pursuant to sections 86.370 to 86.497 who  
135 becomes the surviving spouse of more than one member shall be paid all benefits  
136 due a surviving spouse of that member whose entitlements produce the largest  
137 surviving spouse benefits for such beneficiary but shall not be paid surviving  
138 spouse benefits as the surviving spouse of more than one member.]  
139

2 [86.450. 1. Any member who is permanently unable to perform the full  
3 and unrestricted duties of a police officer as the natural, proximate and exclusive  
4 result of an accident occurring within the actual performance of duty at some  
5 definite time and place or through an occupational disease arising exclusively out  
6 of and in the course of his or her employment shall be retired by the board of  
7 police commissioners upon certification by one or more physicians of the medical  
8 board of the retirement board that the member is mentally or physically unable  
9 to perform the full and unrestricted duties of a police officer, that the inability is  
10 permanent or likely to become permanent, and that the member should be retired.  
11 The inability to perform the full and unrestricted duties of a police officer means  
12 that the member is unable to perform all the essential job functions for the  
13 position of police officer as established by the board of police commissioners.

14 2. Upon such retirement, a member shall receive a pension equal to  
15 seventy-five percent of his or her final compensation for so long as the permanent  
16 disability shall continue, during which time such member shall for purposes of  
17 this section be referred to as a disability beneficiary. Such pension may be  
18 subject to offset or reduction under section 86.460 by amounts paid or payable  
19 under any workers' compensation law.

20 3. Once each year during the first five years following his or her  
21 retirement, and at least once in every three-year period thereafter, the retirement  
22 board may, and upon the member's application shall, require any disability  
23 beneficiary who has not yet attained the age of sixty years to undergo a medical  
24 examination at a place designated by the medical board or some member thereof.  
25 If any disability beneficiary who has not attained the age of sixty years refuses to  
26 submit to a medical examination his or her disability pension may be  
27 discontinued until his or her withdrawal of such refusal, and if his or her refusal  
28 continues for one year, all rights in and to such pension may be revoked by the  
29 retirement board.

30 4. If one or more members of the medical board certify to the retirement  
31 board that a disability beneficiary is able to perform the full and unrestricted  
32 duties of a police officer, and if the retirement board concurs on the report, then  
33 such beneficiary's disability pension shall cease.

34 5. If upon cessation of a disability pension pursuant to subsection 4 of  
35 this section, the former disability beneficiary is restored to active service, he or  
she shall again become a member, and he or she shall contribute thereafter at the



36 same rate as other members. Upon his or her subsequent retirement, he or she  
37 shall be credited with all his or her service as a member, including any years in  
38 which such disability beneficiary received a disability pension pursuant to this  
39 section.

40 6. If upon cessation of a disability pension pursuant to subsection 4 of  
41 this section, the former disability beneficiary is not restored to active service,  
42 such former disability beneficiary shall be entitled to the retirement benefit to  
43 which such former disability beneficiary would have been entitled if such former  
44 disability beneficiary had terminated service for any reason other than dishonesty,  
45 intemperate habits or being convicted of a felony at the time of such cessation of  
46 such former disability beneficiary's disability pension. For the purpose of such  
47 retirement benefits, such former disability beneficiary will be credited with all the  
48 former disability beneficiary's service as a member, including any years in which  
49 the former disability beneficiary received a disability beneficiary pension under  
50 this section.]

51

2 [86.453. 1. Upon the receipt of the proper proofs that the death of a  
3 member in service was the natural and proximate result of an event occurring  
4 within the performance of duty or of an occupational disease arising out of and  
5 in the course of his employment, there shall be paid to his surviving spouse, or  
6 if there be no surviving spouse, then to his child or children under the age of  
7 twenty-one years or over the age of twenty-one years if mentally or physically  
8 incapacitated from wage earning, in equal shares or divided between or among  
9 them, as the retirement board in its sole discretion shall direct, the sum of fifty  
10 thousand dollars.

11 2. If the member dies in such a manner that a surviving spouse or child  
12 would be entitled to benefits under this section but there is no surviving spouse  
13 or child eligible to receive payments under this section, no payments under this  
14 section shall be paid.

15 3. Notwithstanding anything to the contrary in this chapter or any other  
16 chapter of the Missouri revised statutes, amounts payable under this section shall  
17 not be subject to offset or reduction by amounts paid or payable under any  
18 workers' compensation or similar law.]

18

2 [86.457. 1. Any member who has completed ten or more years of  
3 creditable service and who has become permanently unable to perform the full  
4 and unrestricted duties of a police officer as the result of an injury or illness not  
5 exclusively caused or induced by the actual performance of his or her official  
6 duties or by his or her own negligence, shall be retired by the board of police  
7 commissioners upon certification by one or more physicians of the medical board  
8 of the retirement board that the member is mentally or physically unable to  
9 perform the full and unrestricted duties of a police officer, that the incapacity is  
permanent or likely to become permanent and that the member should be retired.

10 The inability to perform the full and unrestricted duties of a police officer means  
11 that the member is unable to perform all the essential job functions for the  
12 position of police officer as established by the board of police commissioners.

13 2. Upon such retirement, a member shall receive a pension equal to two  
14 and one-half percent of his final compensation multiplied by the number of years  
15 of his creditable service. Such pension shall be paid for so long as the permanent  
16 disability shall continue, during which time such member shall for purposes of  
17 this section be referred to as a nonduty disability beneficiary.

18 3. Once each year during the first five years following such member's  
19 retirement, and at least once in every three-year period thereafter, the retirement  
20 board may, and upon the member's application shall, require any nonduty  
21 disability beneficiary who has not yet attained the age of sixty years, to undergo  
22 a medical examination at a place designated by the medical board or some  
23 member thereof. If any nonduty disability beneficiary who has not attained the  
24 age of sixty years refuses to submit to a medical examination his or her nonduty  
25 disability pension may be discontinued until his or her withdrawal of such  
26 refusal, and if his or her refusal continues for one year, all rights in and to such  
27 pension may be revoked by the retirement board.

28 4. If one or more members of the medical board certify to the retirement  
29 board that a nonduty disability beneficiary is able to perform the full and  
30 unrestricted duties of a police officer, and if the retirement board concurs on the  
31 report, then such beneficiary's nonduty disability pension shall cease.]  
32

2 [86.460. 1. Any periodic payment, excluding payments for medical  
3 treatment, which may be paid or payable by the cities under the provisions of any  
4 workers' compensation or similar law to a member or to the dependents of a  
5 member on account of any disability or death shall be offset against any benefits  
6 payable to the recipient of the workers' compensation payments from funds  
7 provided by the cities under the provisions of sections 86.370 to 86.497 on  
8 account of the same disability or death; except that, amounts payable under  
9 section 86.453 shall not be offset or reduced by any amount paid or payable under  
10 any workers' compensation or similar law. However, in no event shall the  
11 amount paid from funds under the provisions of sections 86.370 to 86.497 be less  
12 than the amount which represents the member's percentage, as defined in this  
13 section, of total benefits payable under sections 86.370 to 86.497, other than  
14 under section 86.453 and before any offset for workers' compensation benefits.

15 2. Any lump sum amount, excluding payments for medical treatments,  
16 which may be paid or payable by the cities under the provisions of any workers'  
17 compensation or similar law to a member or to the dependents of a member on  
18 account of any disability or death shall be offset against any benefits payable  
19 from funds provided by the cities under the provisions of sections 86.370 to  
20 86.497 on account of the same disability or death; except that, amounts payable  
under section 86.453 shall not be offset or reduced by any amounts paid or

21 payable under any workers' compensation or similar law. The amount by which  
22 each periodic payment made under the provisions of sections 86.370 to 86.497  
23 is offset or reduced shall be computed as the periodic amount necessary to  
24 amortize as an annuity over the period of time represented by the respective  
25 workers' compensation benefits the total amount of the lump sum settlement  
26 received as a workers' compensation benefit by a beneficiary of the retirement  
27 system. Such computation shall be based upon the same interest rate and  
28 mortality assumptions as used for the retirement system at the time of such  
29 computation. However, in no event shall the amount paid from funds under the  
30 provisions of sections 86.370 to 86.497 be less than the amount which represents  
31 the member's percentage, as defined in this section, of total benefits payable  
32 under sections 86.370 to 86.497, other than under section 86.453 and before any  
33 offset for workers' compensation benefits.

34 3. The retirement board shall adopt such rules and regulations as may be  
35 necessary to effectuate the purposes of this section.

36 4. As used in this section, the term "member's percentage" shall be the  
37 fraction of which the numerator is the percentage of compensation contributed  
38 by a working member to the retirement pension system under section 86.470  
39 during the pay period immediately preceding such member's death or disability  
40 which created entitlement to benefits and the denominator is the sum of the  
41 percentages of a member's compensation contributed by a working member under  
42 section 86.470 and the city under section 86.477 to the retirement pension system  
43 during such pay period. Such percentage shall identify the portion of any benefits  
44 due under the provisions of sections 86.370 to 86.497 which is deemed to have  
45 been provided by the member's own contributions.]  
46

[86.463. 1. Whenever the service of a member is not terminated by death  
2 or retirement, but by order of the board of police commissioners for any reason  
3 other than dishonesty, intemperate habits or being convicted of a felony, and the  
4 member has not less than ten years of creditable service, the member shall  
5 become entitled to an annual pension beginning at the age of sixty, if he or she  
6 is then living, bearing the same ratio to fifty percent of his or her final  
7 compensation, as defined in section 86.370, that the number of years of creditable  
8 service bears to thirty. When the member has less than ten years of creditable  
9 service, upon termination of service he or she shall be paid the amount of his or  
10 her accumulated contributions in one lump sum payment without interest, which  
11 shall constitute payment in full of all benefits to which he or she might be entitled  
12 under sections 86.370 to 86.497.

13 2. Whenever the service of a member is not terminated by death or  
14 retirement, but by voluntary resignation and the member has not less than fifteen  
15 years of creditable service, the member may elect not to withdraw his or her  
16 accumulated contributions and shall become entitled to an annual pension  
17 beginning at the age of fifty-five, if he or she is then living, equal to two and

18 one-half percent of his or her final compensation multiplied by the number of  
19 years of his or her creditable service. When the member has less than fifteen  
20 years of creditable service, upon resignation from service he or she shall be paid  
21 the amount of his or her accumulated contributions in one lump sum payment  
22 without interest, which shall constitute payment in full of all benefits to which  
23 he or she might be entitled under sections 86.370 to 86.497.]  
24

2 [86.467. Whenever the service of a member is terminated for any reason,  
3 such member may choose to withdraw all of such member's accumulated  
4 contributions to the fund, in which case such member shall be paid on demand  
5 the amount of his accumulated contributions in one lump sum, and such payment  
6 shall be in lieu of any and all other benefits to which he might otherwise become  
7 entitled under sections 86.370 to 86.497.]

2 [86.470. The board of police commissioners shall deduct or cause to be  
3 deducted from the compensation of each member until retirement a percentage  
4 of his compensation, which shall not be less than six percent, as determined by  
5 the retirement board, as his contribution to the pension fund. The sum so  
6 deducted shall be paid by the board of police commissioners monthly or  
7 semimonthly to the retirement board to be credited to the member's account.]

2 [86.473. The deductions provided for herein shall be made even though  
3 the minimum compensation provided by law for any such member shall be  
4 reduced thereby. Every member shall be deemed to consent to the deductions  
5 made and provided for herein, and shall receipt for his full salary or  
6 compensation, and payment of salary or compensation less said deduction shall  
7 be a full and complete discharge and acquittance of all claims and demands  
8 whatsoever for services rendered during the period covered by such payment  
9 except as to benefits provided by sections 86.370 to 86.497. The board of police  
10 commissioners shall certify to the retirement board on each and every payroll the  
11 amount deducted, and such amounts shall be paid into the pension fund and shall  
12 be credited to the individual pension account of the member from whose  
13 compensation said deduction was made.]

2 [86.477. The city shall contribute to the pension fund quarter-annually  
3 or at such lesser intervals as may be agreed upon by the city and the retirement  
4 board. Such contribution shall be in addition to and separate from the  
5 appropriations made by the city for the operation of the police department. For  
6 each fiscal year of the operation of the pension system, the city's contribution to  
7 the pension fund shall be a percentage of the compensation paid to members of  
8 the pension system from which a member's deduction has been made under  
9 section 86.473. The city's contribution shall be such percentage as shall be  
agreed upon by the board of police commissioners and the city but in no event

10 shall such contribution be less than twelve percent.]  
11

[86.480. On or before the tenth day of January of each year the retirement board shall certify to the board of police commissioners the amount of money that will probably be required to comply with the provisions of section 86.477 during the next succeeding fiscal year including administration expenses. The amounts so certified shall be included by the board of police commissioners in their annual budget estimate, and shall be appropriated by the said cities and transferred to the pension fund during the ensuing fiscal year.]

[86.483. 1. The retirement board shall act as trustee of the funds created by or collected pursuant to the provisions of sections 86.370 to 86.497. With appropriate safeguards against loss by the retirement system, the board may designate one or more banks or trust companies to serve as a depository of retirement system funds and intermediary in the investment of those funds and payment of system obligations. The board shall promptly deposit the funds with any such designated bank or trust company.

2. The retirement board shall have power, in the name and on behalf of the retirement pension system, to purchase, acquire, hold, invest, lend, lease, sell, assign, transfer and dispose of all property, rights, and securities, and enter into written contracts, all as may be necessary or proper to carry out the purposes of sections 86.370 to 86.497. No investment transaction authorized by the retirement board shall be handled by any company or firm in which a member of the board has an interest, nor shall any member of the board profit directly or indirectly from any such investment. All investments shall be made for the account of the retirement system, and any securities or other properties obtained by the retirement board may be held by a custodian in the name of the retirement system, or in the name of a nominee in order to facilitate the expeditious transfer of such securities or other properties. Such securities or other properties may be held by such custodian in bearer form or in book entry form. The retirement system is further authorized to deposit, or have deposited for its account, eligible securities in a central depository system or clearing corporation or in a federal reserve bank under a book entry system as defined in the uniform commercial code, sections 400.8-102 and 400.8-109, RSMo. When such eligible securities of the retirement system are so deposited with the central depository system they may be merged and held in the name of the nominee of such securities depository and title to such securities may be transferred by bookkeeping entry on the books of such securities depository or federal reserve bank without physical delivery of the certificates or documents representing such securities.

3. The income from investments shall be credited to the funds of the retirement system at frequent intervals satisfactory to the retirement board. All payments from the funds shall be made by the bank or trust company only upon orders signed by the secretary and treasurer of the retirement board, except as

34 otherwise provided in this subsection. No order shall be drawn unless it shall  
35 have previously been allowed by a specific or an ongoing generalized resolution  
36 of the retirement board. In the case of payments for benefits, services, supplies  
37 or similar items in the ordinary course of business, such board resolutions may  
38 be ongoing generalized authorizations, provided that each payment other than  
39 payments to members or beneficiaries for benefits shall be reported to the board  
40 at its next following meeting and shall be subject to ratification and approval by  
41 the board. All bonds or securities acquired and held by the retirement board shall  
42 be kept in a safe-deposit box, and access thereto shall be had only by the secretary  
43 and treasurer, jointly; except that, the retirement board may contract with a bank  
44 or trust company to act as the custodian of the bonds and securities, in which case  
45 the retirement board may authorize such custodian bank or trust company to order  
46 purchases, loans or sales of investments by such custodian bank or trust company,  
47 and may also appoint one or more investment managers to manage investments  
48 of the retirement pension system and in the course of such management to order  
49 purchases, loans or sales of investments by such custodian bank or trust company,  
50 subject to such limitations, reporting requirements and other terms and  
51 restrictions as the retirement board may include in the terms of each such  
52 appointment.]

53

2 [86.487. The secretary and treasurer shall each, before assuming the  
3 duties of his office, give a good and sufficient surety bond for an amount  
4 determined by the retirement board, but not more than twenty-five percent more  
5 than the maximum amount on hand during the previous calendar year nor less  
6 than twenty thousand dollars, conditioned upon the faithful performance of his  
7 duties as such officer, and to account for all moneys, securities, and property  
8 which may come into his hands or under his control by virtue of such office, with  
9 two or more solvent sureties thereon with a net worth in excess of the amount of  
10 such bond who shall each execute an affidavit to be attached to such bond giving  
11 the net worth of such surety over and above all liabilities and statutory  
12 exemptions, or with a corporate surety duly licensed to transact business in this  
13 state, and in the event a corporate surety bond is given the premium therefor shall  
14 be paid out of the funds of the retirement pension system. Such bonds shall be  
15 subject to the approval of the presiding judge of the circuit court of the county in  
16 which such cities are located. The offices of secretary and of treasurer shall not  
17 be held by the same person.]

17

2 [86.490. The payment of all benefits provided by sections 86.370 to  
3 86.497 in excess of the amount of the members' contributions and the payment  
4 of all expenses necessary for the administration and operation of the police  
5 retirement system shall be and are hereby made obligations of said funds created  
6 hereunder and not of said city.]

6

2 [86.493. The right of any person to pension or pensions, to the return of  
3 contributions, disability or death benefits or any other right accrued or accruing  
4 to any person under the provisions of sections 86.370 to 86.497 and the moneys  
5 in the various funds created under sections 86.370 to 86.497 are hereby exempt  
6 from any tax of the state of Missouri or of any municipality or political  
7 subdivision thereof, and shall not be subject to execution, garnishment,  
8 attachment or any other process whatsoever and shall be unassignable except as  
9 specifically provided in sections 86.370 to 86.497, and except for court orders or  
10 assignments approved by a court to provide support for family members or a  
11 former spouse of any person entitled to benefits under sections 86.370 to 86.497.  
12 A revocable request or authorization by a member or a beneficiary to withhold  
13 and apply for the requester's convenience some portion or all of a benefit  
14 payment, such as a request to apply some portion of a benefit payment to a  
15 medical insurance premium, shall not be deemed an assignment prohibited under  
16 this section provided that any such request shall remain revocable at all times  
17 except as to payments or withholdings effected prior to any such revocation. The  
18 retirement system may, but shall not be obligated to, comply with any such  
19 request.]

2 [86.497. Nothing contained in sections 86.370 to 86.497 shall in any way  
3 limit the criminal liability of any person subject to prosecution under any law  
4 which is now or may hereafter be in force. Should any change or error in records  
5 result in any member or beneficiary receiving from the pension system more or  
6 less than he would have been entitled to receive had the records been correct, the  
7 retirement board shall correct such error and, as far as practicable, shall adjust the  
8 payments in such a manner that the benefit to which said member or beneficiary  
9 was correctly entitled shall be paid.]

2 [86.600. As used in sections 86.600 to 86.790, unless a different meaning  
3 is plainly required by the context, the following words and phrases mean:

4 (1) "Accumulated contributions", the sum of all amounts deducted from  
5 the compensation of a member and paid to the retirement board, together with all  
6 amounts paid to the retirement board by a member or by a member's beneficiary  
7 for the purchase of prior service credits or any other purpose permitted under  
8 sections 86.600 to 86.790 in all cases with interest thereon at a rate determined  
9 from time to time for such purpose by the retirement board;

10 (2) "Actuarial equivalent", a benefit of equal value when computed upon  
11 the basis of the mortality tables and interest rate as shall be adopted by the  
12 retirement board;

13 (3) "Appointing authority", any person or group of persons having power  
14 by law to make appointments to any position in the police departments of the  
15 cities;

(4) "Beneficiary", any person receiving a benefit from the retirement

- 16 system as a result of the death of a member;
- 17 (5) "Compensation", the basic wage or salary paid an employee for any
- 18 period, excluding bonuses, overtime pay, expense allowance, and other
- 19 extraordinary compensation; except that, notwithstanding the foregoing,
- 20 compensation for any year for any member shall not exceed the amount permitted
- 21 to be taken into account under and pursuant to Section 401(a)(17) of the Internal
- 22 Revenue Code as applicable to such year;
- 23 (6) "Creditable service", the period of service to which an employee, a
- 24 former employee, or a member is entitled, as prescribed by sections 86.600 to
- 25 86.790;
- 26 (7) "Employee", any regularly appointed civilian employee of the police
- 27 departments of the cities as specified in sections 86.600 to 86.790, who is not
- 28 eligible to receive a pension from the police pension system;
- 29 (8) "Employer", the police boards of the cities as specified in sections
- 30 86.600 to 86.790;
- 31 (9) "Final compensation", the average annual compensation of a member
- 32 during his or her service if less than two years, or the twenty-four months of his
- 33 or her service for which he or she received the highest salary whether consecutive
- 34 or otherwise. In computing the average annual compensation of a member under
- 35 this subsection, no compensation attributable to any time a member was
- 36 suspended from service without pay shall be included. For any period of time
- 37 when a member is paid on a frequency other than monthly, the member's salary
- 38 for such period shall be deemed to be the monthly equivalent of the member's
- 39 annual rate of compensation for such period;
- 40 (10) "Internal Revenue Code", the United States Internal Revenue Code
- 41 of 1986, as amended;
- 42 (11) "Medical board", the board of physicians chosen by the retirement
- 43 board;
- 44 (12) "Member", any member of the retirement system as provided by
- 45 sections 86.600 to 86.790;
- 46 (13) "Normal retirement", retirement from the service of the employer on
- 47 or after the normal retirement date;
- 48 (14) "Operative date", the date this retirement system becomes operative;
- 49 (15) "Pension", the annual payments for life which shall be payable in
- 50 equal monthly installments to a member or his or her spouse;
- 51 (16) "Retirement board", the persons appointed or elected to be members
- 52 of the retirement board for civilian employees of police departments of the cities;
- 53 (17) "Retirement system", the retirement system of the civilian
- 54 employees of the cities as specified in sections 86.600 to 86.790;
- 55 (18) "Surviving spouse", the legally married wife or husband of a
- 56 member surviving the member's death.]

57

[86.610. In all cities that now have or may hereafter attain a population



2 of more than three hundred thousand and less than seven hundred thousand  
3 inhabitants according to the last preceding federal decennial census, there are  
4 hereby created and established retirement or pension systems for the purpose of  
5 providing retirement allowances for civilian employees of police departments of  
6 the cities. Any city which has established a civilian employees' retirement system  
7 under the provisions of sections 86.600 to 86.790 may elect to continue its  
8 civilian employees' retirement system under the provisions of sections 86.600 to  
9 86.790 even though the city may no longer meet the requirements stated in  
10 sections 86.600 to 86.790. Each system shall be under the management of a  
11 retirement board hereinafter described and shall be known as the "Civilian  
12 Employees' Retirement System of the Police Department of (name of city)", and  
13 by this name all of its business shall be transacted, and all of its cash and other  
14 property held. The retirement systems so created shall begin operation on  
15 October 13, 1965, on which date contributions of employees shall be payable to  
16 the pension fund.]  
17

2 [86.611. 1. A retirement plan under and pursuant to sections 86.600 to  
3 86.790 is a qualified plan pursuant to the provisions of applicable federal law.  
4 The benefits and conditions of a retirement plan under and pursuant to sections  
5 86.600 to 86.790 shall always be adjusted to ensure that the tax-exempt status is  
6 maintained.

7 2. The retirement board shall administer this retirement system in such  
8 manner as to retain at all times qualified status under and pursuant to Section  
9 401(a) of the Internal Revenue Code.

10 3. The retirement board shall hold in trust the assets of this retirement  
11 system for the exclusive benefit of the members and their beneficiaries and for  
12 defraying reasonable administrative expenses of the system. No part of such  
13 assets shall, at any time prior to the satisfaction of all liabilities with respect to  
14 members and their beneficiaries, be used for or diverted to any purpose other than  
15 such exclusive benefit or to any purpose inconsistent with sections 86.600 to  
16 86.790.

17 4. A member's benefit shall be one hundred percent vested and  
18 nonforfeitable upon the member's attainment of normal retirement age, which  
19 shall be the earlier of:

20 (1) The attaining of the age of sixty-five or the member's tenth  
21 anniversary of employment, whichever is later;

22 (2) When the total sum of age and years of service equals or exceeds  
23 eighty; or

24 (3) To the extent funded, upon the termination of the system established  
25 under and pursuant to sections 86.600 to 86.790 or any partial termination which  
26 affects the member or any complete discontinuance of contributions by the city  
27 to the system.

28           Amounts representing forfeited nonvested benefits of terminated members shall  
29           not be used to increase benefits payable from the system but may be used to  
30           reduce contributions for future plan years.

31           5. Distribution of benefits shall begin not later than April first of the year following the  
32           later of the calendar year during which the member becomes seventy and one-half years of age  
33           or the calendar year in which the member retires, and shall otherwise conform to Section  
34           401(a)(9) of the Internal Revenue Code.

35           6. A member or beneficiary of a member shall not accrue a service  
36           retirement annuity, disability retirement annuity, death benefit, whether death  
37           occurs in the line of duty or otherwise, or any other benefit under and pursuant  
38           to sections 86.600 to 86.790 in excess of the benefit limits applicable to the fund  
39           under and pursuant to Section 415 of the Internal Revenue Code. The retirement  
40           board shall reduce the amount of any benefit that exceeds the limits of this  
41           section by the amount of the excess. If the total benefits under this retirement  
42           system and the benefits and contributions to which any member is entitled under  
43           any other qualified plan or plans maintained by the board of police  
44           commissioners that employs the member would otherwise exceed the applicable  
45           limits under and pursuant to Section 415 of the Internal Revenue Code, the  
46           benefits the member would otherwise receive from this retirement system are  
47           reduced to the extent necessary to enable the benefits to comply with Section 415  
48           of the Internal Revenue Code.

49           7. The total salary taken into account for any purpose for any member of  
50           this retirement system shall not exceed two hundred thousand dollars per year,  
51           subject to periodic adjustments in accordance with guidelines provided by the  
52           United States Secretary of the Treasury and may not exceed such other limits as  
53           may be applicable at any given time under and pursuant to Section 401(a)(17) of  
54           the Internal Revenue Code.

55           8. If the amount of any benefit is determined on the basis of actuarial  
56           assumptions that are not specifically set forth for that purpose in sections 86.600  
57           to 86.790, the actuarial assumptions used are those earnings and mortality  
58           assumptions used on the date of the determination by the retirement system's  
59           actuary and approved by the retirement board. The actuarial assumptions used  
60           at any particular time shall be attached as an addendum to a copy of the  
61           retirement system's statute maintained by the retirement board and shall be  
62           treated for all purposes as part of sections 86.600 to 86.790. The actuarial  
63           assumptions may be changed by the retirement system's actuary annually if  
64           approved by the retirement board, but a change in actuarial assumptions shall not  
65           result in any decrease in benefits accrued as of the effective date of the change.

66           9. Any member or beneficiary who is entitled to receive any distribution  
67           that is an eligible rollover distribution, as defined by Section 402(c)(4) of the  
68           Internal Revenue Code, is entitled to have that distribution transferred directly to  
69           another eligible retirement plan of the member's or beneficiary's choice upon  
70           providing direction to the secretary of this retirement system regarding the

71 transfer in accordance with procedures established by the retirement board.

72 10. For all distributions made after December 31, 2001:

73 (1) For the purposes of subsection 9 of this section, an eligible retirement  
74 plan shall also mean an annuity described in Section 403(b) of the Internal  
75 Revenue Code and an eligible plan under and pursuant to Section 457(b) of the  
76 Internal Revenue Code that is maintained by a state, political subdivision of a  
77 state, or any agency or instrumentality of a state or political subdivision of a state  
78 and which agrees to separately account for amounts transferred into such plan  
79 from this retirement system. The definition for eligible retirement plan shall also  
80 apply in the case of a distribution to a surviving spouse or to a spouse or former  
81 spouse who is the alternate payee under a qualified domestic relations order, as  
82 defined in Section 414(p) of the Internal Revenue Code; and

83 (2) For the purposes of subsection 9 of this section, a portion of a  
84 distribution shall not fail to be an eligible rollover distribution merely because the  
85 portion consists of after-tax employee contributions which are not includable in  
86 gross income. However, such portion may be paid only to an individual  
87 retirement account or annuity described in Section 408(a) or 408(b) of the  
88 Internal Revenue Code, or to a qualified defined contribution plan described in  
89 Section 401(a) or 403(a) of the Internal Revenue Code that agrees to separately  
90 account for amounts so transferred, including separately accounting for the  
91 portion of such distribution that is includable in gross income and the portion of  
92 such distribution that is not so includable.

93 [86.620. 1. Every person who becomes an employee, as defined in  
2 subdivision (7) of section 86.600, after August 28, 2001, shall become a member  
3 of the retirement system defined in sections 86.600 to 86.790 as a condition of  
4 such employment.

5 2. All civilian employees of such police departments who have  
6 completed six months of continuous employment as of August 13, 1990, but who  
7 have not theretofore been members of this retirement system because they were  
8 proscribed from participation by provisions of law in effect prior to such date,  
9 shall become members on that date.

10 3. Any employee described in subsection 2 of this section may establish  
11 creditable service for purposes of calculating such employee's pension under  
12 sections 86.600 to 86.790 for all years of such employee's employment by such  
13 police department, by paying as an employee contribution to the retirement  
14 system, on or before August 13, 1991, a single sum equal to the aggregate  
15 amount of contributions, without interest, which would have been deducted from  
16 such employee's compensation for all years pursuant to section 86.760 if such  
17 employee had not been proscribed from participation.

18 4. Except as provided in subsection 5 of this section, upon termination  
19 of employment prior to completion of five years of creditable service, an  
20 employee member shall be paid all of such member's accumulated contributions

21 to the fund, and such member's membership in the retirement system shall cease  
22 and such member shall forfeit all rights to any other benefits under the system  
23 arising from such member's service to date of termination.

24 5. A terminated employee member with five or more years of creditable  
25 service may choose to withdraw all of such member's accumulated contributions  
26 to the fund, in which case such member shall be paid upon demand the amount  
27 of such member's accumulated contributions in one lump payment and all  
28 provisions of subsection 4 of this section shall apply, or such terminated  
29 employee member may permit such member's contributions to remain in the fund  
30 until such member reaches such member's normal retirement date. Should a  
31 terminated member choose to withdraw his or her contributions, his or her  
32 membership in the retirement system shall cease, and he or she shall forfeit all  
33 rights to any other benefits under the system arising from his or her service to  
34 date of termination. The following shall apply to members described in this  
35 subsection:

36 (1) If such member retires after August 28, 1999, and allows such  
37 member's contributions to remain in the fund, such member shall be entitled to  
38 receive a pension upon such member's normal retirement date pursuant to section  
39 86.650 or may elect to receive a pension commencing upon or after any date,  
40 prior to his or her normal retirement date, upon which early retirement would  
41 have been permitted pursuant to section 86.660 if such member had remained a  
42 civilian employee of such police department, except that in calculating any  
43 qualification pursuant to section 86.660, such member shall not be entitled to  
44 count any year of creditable service in excess of such member's total years of  
45 creditable service at the time of such member's termination of employment. The  
46 amount of any pension commenced upon the basis of a date permitted pursuant  
47 to section 86.660 shall be computed on the basis of the member's final  
48 compensation and number of years of creditable service, subject to such  
49 adjustments as may be applicable pursuant to section 86.660 upon which such  
50 member relies in electing the commencement of such member's pension;

51 (2) If such member retired on or before August 28, 1999, and allowed his  
52 or her contributions to remain in the fund, such member shall upon application  
53 to the retirement board be appointed by the retirement board as a special  
54 consultant on the problems of retirement, aging and other matters, and upon  
55 request of the retirement board shall give opinions and be available to give  
56 opinions in writing or orally in response to such requests, as may be required.  
57 For such services the member shall, beginning the later of August 28, 1999, or  
58 the time of such appointment pursuant to this subsection, be entitled to elect to  
59 receive compensation in such amount and commencing at such time as such  
60 member would have been entitled to elect pursuant to any of the provisions of  
61 section 86.660 if such member had terminated service after August 28, 1999.  
62 Such member shall be entitled to the same cost-of-living adjustments following  
63 the commencement of such compensation as if such member's compensation had

64 been a pension.]

65

2 [86.630. 1. The years of future creditable service of an employee  
3 member shall be the number of years and months of completed membership in  
4 the retirement system up to the time of retirement during which he has received  
5 compensation. The years and months of creditable service prior to October 13,  
6 1965, shall be the continuous years and months of service from the latest date of  
7 employment. When an employee has been given a leave of absence prior to  
8 October 13, 1965, because of illness or disability and at the time he had reached  
9 the retirement age prescribed in sections 86.600 to 86.790, he shall be entitled to  
10 retire and the number of years served by him up to the time of the leave of  
11 absence are the years and months of creditable service. Whenever a member is  
12 given a leave of absence for military service and he returns to his employment  
13 within ninety days after his discharge from the service, he shall be entitled to  
14 creditable service for the years of his employment prior to the leave of absence.

15 2. Members who terminate membership and later return to membership  
16 may receive credit for prior service and membership service after they have been  
17 reemployed for at least two consecutive years and have repaid withdrawn  
18 contributions if an election to return to membership is made within three years  
19 of reemployment. Such repayment of withdrawn contributions shall be  
20 accompanied by additional payment of interest in the amount of the actual net  
21 yield earned or incurred by the pension fund, including both net income after  
22 expenses and net appreciation or depreciation in values of the fund, whether  
23 realized or unrealized, during the period of time from the date upon which such  
24 contributions have been withdrawn to the date of repayment thereof, determined  
25 in accordance with such rules for valuation and accounting as may be adopted by  
26 the retirement board for such purposes.

27 3. Creditable service shall not include any time a member was suspended  
28 from service without pay. No contribution is required from either the member  
29 or from the city under section 86.760 for such time.

30 4. Any active member on August 28, 1995, who served on active duty in  
31 the armed forces of the United States and who became a member, or returned to  
32 membership, after discharge under honorable conditions, may elect, prior to  
33 retirement but in no case later than August 28, 1997, to purchase creditable  
34 service equivalent to such service in the armed forces, not to exceed two years,  
35 provided the member is not receiving and is not eligible to receive retirement  
36 credits or benefits from any other public or private retirement plan for the service  
37 to be purchased, other than a United States military service retirement system or  
38 United States Social Security benefits attributable to such military service, and  
39 an affidavit so stating is filed by the member with the retirement system. A  
40 member electing to make such purchase shall pay to the retirement system an  
41 amount equal to the actuarial value of the additional benefits attributable to the  
42 creditable service so purchased, as of the date the member elects to make such

42 purchase. The retirement system shall determine the value using accepted  
43 actuarial methods and the same assumptions with respect to interest rates,  
44 mortality, future salary increases and all related factors used in performing the  
45 most recent regular actuarial valuation of the retirement system. Payment in full  
46 of the amount due from a member electing to purchase creditable service under  
47 this section shall be made over a period not to exceed five years, measured from  
48 the date of election, or prior to the commencement date for payment of benefits  
49 to the member from the retirement system, whichever is earlier, including interest  
50 on unpaid balances compounded annually at the interest rate assumed from time  
51 to time for actuarial valuations of the retirement system. If payment in full  
52 including interest is not made within the prescribed period, any partial payments  
53 made by the member shall be refunded, and no creditable service attributable to  
54 such election or as a result of any such partial payments shall be allowed;  
55 provided that if a benefit commencement date occurs because of the death or  
56 disability of a member who has made an election under this subsection and if the  
57 member is current in payments under an approved installment payment plan at  
58 the time of the death or disability, such election shall be valid if the member, the  
59 surviving spouse or other person entitled to benefit payments pays the entire  
60 balance of the remaining amount due, including interest to the date of such  
61 payment, within sixty days after the member's death or disability. The time of a  
62 disability shall be deemed to be the time when such member is determined by the  
63 retirement board to be totally and permanently disabled as provided in section  
64 86.670.

65 5. Any individual who becomes a member of the retirement system  
66 subsequent to August 28, 1995, and who served on active duty in the armed  
67 forces of the United States and who became a member, or returned to  
68 membership, after discharge under honorable conditions, may elect, prior to  
69 retirement but in no case later than two years after the effective date of his  
70 membership in the retirement system, to purchase creditable service equivalent  
71 to such service in the armed forces, not to exceed two years, provided the  
72 member is not receiving and is not eligible to receive retirement credits or  
73 benefits from any other public or private retirement plan for the service to be  
74 purchased, other than a United States military service retirement system or United  
75 States Social Security benefits attributable to such military service, and an  
76 affidavit so stating is filed by the member with the retirement system. A member  
77 electing to make such purchase shall pay to the retirement system an amount  
78 equal to the actuarial value of the additional benefits attributable to the additional  
79 service credit to be purchased, as of the date the member elects to make the  
80 purchase. The retirement system shall determine such value using accepted  
81 actuarial methods and the same assumptions with respect to interest rates,  
82 mortality, future salary increases and all related factors used in performing the  
83 most recent regular actuarial valuation of the retirement system. Payment in full  
84 of the amount due from a member electing to purchase creditable service under

85 this section shall be made over a period not to exceed five years, measured from  
86 the date of election, or prior to the commencement date for payment of benefits  
87 to the member from the retirement system, whichever is earlier, including interest  
88 on unpaid balances compounded annually at the interest rate assumed from time  
89 to time for actuarial valuations of the retirement system. If payment in full  
90 including interest is not made within the prescribed time period, any partial  
91 payments made by the member shall be refunded, and no creditable service  
92 attributable to such election, or as a result of any such partial payments, shall be  
93 allowed; provided that if a benefit commencement date occurs because of the  
94 death or disability of a member who has made an election under this section and  
95 if the member is current in payments at the time of death or disability, under an  
96 approved installment plan, such election shall be valid if the member, the  
97 surviving spouse or other person entitled to benefit payments shall pay the entire  
98 balance of remaining amount due, including interest to the date of such payment,  
99 within sixty days after the member's death or disability. The time of a disability  
100 shall be deemed to be the time when such member is determined by the  
101 retirement board to be totally and permanently disabled as provided in section  
102 86.670.]

103

2 [86.640. The normal retirement date of a member shall be the first day  
3 of the month which coincides with or next follows the later of the date he attains  
4 the age of sixty-five years, or his tenth anniversary of employment.]

4

2 [86.650. 1. Upon retirement on or after a member's normal retirement  
3 date, such member shall receive a normal pension in the amount of two percent  
4 of such member's final compensation times the number of years, including  
5 fractions thereof, of such member's creditable service.

6 2. A member who is married at the time of his retirement may by a  
7 written election, with the written consent of such member's spouse, elect an  
8 optional annuity, in lieu of a normal pension. Such optional annuity shall be a  
9 monthly pension in the initial amount which shall be actuarially equivalent to the  
10 actuarial value of the normal pension for such member at the date of retirement  
11 (including the value of survivorship rights of a surviving spouse, where  
12 applicable, pursuant to section 86.690), upon the basis that the annuity for the  
13 member's spouse if such spouse survives the member shall be the same amount  
14 as the annuity paid the member and shall be paid to such surviving spouse for the  
15 lifetime of such spouse without regard to remarriage. An election for an optional  
16 annuity shall be void if the member dies within thirty days after filing such  
17 election with the retirement system or if the member dies before the due date of  
18 the first payment of such member's pension.

19 3. All payments of a normal pension or of an optional annuity shall be  
20 paid on the first day of each month. The first payment shall be paid on the  
normal retirement date, if the member retires on such normal retirement date; or

21 if such member retires upon any other date, the first payment shall be paid on the  
22 first day of the month coinciding with or next following the date provided herein  
23 for the commencement of such member's retirement benefits. The final payment  
24 due a retired member shall be the payment due on the first day of the month in  
25 which such member's death occurs, and the final payment due any surviving  
26 beneficiary shall be the payment due on the first day of the month in which such  
27 beneficiary dies or otherwise ceases to be entitled to benefits hereunder.]  
28

[86.660. Members may elect early retirement:

2 (1) Beginning at age fifty-five if the member has completed at least ten  
3 years of creditable service, or at any later age after the member has completed at  
4 least ten years of creditable service. Unless subdivision (3) of this section shall  
5 be applicable, the benefit as computed under section 86.650 shall be reduced by  
6 one-half of one percent for each month the effective date is prior to the first day  
7 of the month following that in which such member will attain age sixty;

8 (2) Beginning at age sixty if the member has completed at least five but  
9 not more than ten years of creditable service, or at any later age after the member  
10 has completed at least five years of creditable service. Unless subdivision (3) of  
11 this section shall be applicable, the benefit as computed under section 86.650  
12 shall be reduced by one-half of one percent for each month the effective date is  
13 prior to the first day of the month following that in which such member will  
14 attain age sixty-five;

15 (3) At any time after the member's total of age and years of creditable  
16 service equals or exceeds eighty, in which event the benefit shall be as computed  
17 under section 86.650 without any reduction.]  
18

[86.665. 1. Any member entitled to commence a pension under and  
2 pursuant to either section 86.650 or 86.660 may elect an optional distribution  
3 under the partial lump-sum option plan provided in this section if such member:

4 (1) Notifies the retirement system in writing of such member's retirement  
5 date at least ninety days in advance thereof and requests an explanation of such  
6 member's rights under and pursuant to this section; and

7 (2) Notifies the retirement system of the member's election hereunder at  
8 least thirty days in advance of the retirement date.

9 Following receipt of an initial notice of a member's retirement date and request  
10 for an explanation hereunder, the retirement system shall, at least sixty days in  
11 advance of such retirement date, provide such member a written explanation of  
12 such member's rights under and pursuant to this section and an estimate of the  
13 amount by which such member's regular monthly base pension would be reduced  
14 in the event of the member's election of any of the options available to such  
15 member under and pursuant to this section.

16 2. (1) A member entitled to make an election under and pursuant to this  
17 section may elect to receive a lump sum distribution with such member's initial



18 monthly pension payment under and pursuant to section 86.650 or 86.660,  
19 subject to all the terms of this section. The member may elect the amount of the  
20 member's lump sum distribution from one, but not more than one, of the  
21 following options for which such member qualifies:

22 (a) A member having one or more years of creditable service after such  
23 member's eligible retirement date may elect a lump sum amount equal to twelve  
24 times the initial monthly base pension the member would receive if no election  
25 were made under and pursuant to this section;

26 (b) A member having two or more years of creditable service after such  
27 member's eligible retirement date may elect a lump sum amount equal to  
28 twenty-four times the initial monthly base pension the member would receive if  
29 no election were made under and pursuant to this section; or

30 (c) A member having three or more years of creditable service after such  
31 member's eligible retirement date may elect a lump sum amount equal to  
32 thirty-six times the initial monthly base pension the member would receive if no  
33 election were made under and pursuant to this section.

34  
35 For purposes of this section, "eligible retirement date" for a member shall mean  
36 the earliest date on which the member could elect to retire and be entitled to  
37 receive a pension under and pursuant to either section 86.650 or 86.660.

38 (2) When a member makes an election to receive a lump-sum distribution  
39 under and pursuant to this section, the base pension that the member would have  
40 received in the absence of an election shall be reduced on an actuarially  
41 equivalent basis to reflect the payment of the lump sum distribution, and the  
42 reduced base pension shall be the member's base pension thereafter for all  
43 purposes relating to base pension amounts under and pursuant to sections 86.600  
44 to 86.790.

45 (3) If a member electing a lump sum distribution under and pursuant to  
46 this section has elected the optional annuity described in section 86.650, the  
47 calculation of such member's pension shall be made in the following order:

48 (a) The amount of the member's normal pension under and pursuant to  
49 section 86.650 shall be reduced if applicable by any reductions required under  
50 and pursuant to section 86.660;

51 (b) The amount of the normal pension as determined under and pursuant  
52 to paragraph (a) of this subdivision shall be reduced to the actuarially equivalent  
53 amount to produce the optional form of annuity described in subsection 2 of  
54 section 86.650;

55 (c) The amount of reduced pension as determined under and pursuant to  
56 paragraph (b) of this subdivision shall be further reduced as required to produce  
57 an actuarially equivalent benefit in the form of the lump-sum distribution option  
58 elected under and pursuant to this section and a remaining monthly annuity which  
59 shall be paid on the basis that the annuity for the member's spouse if such spouse  
60 survives the member shall be the same amount as the annuity paid the member

61 and shall be paid to such surviving spouse for the lifetime of such spouse without  
62 regard to remarriage.

63 3. An election under and pursuant to this section to receive a lump sum  
64 distribution and reduced monthly base pension shall be void if the member dies  
65 before retirement, and amounts due a surviving spouse or other beneficiary of the  
66 member shall be determined without regard to such election.]  
67

2 [86.670. A member who becomes totally and permanently disabled, as  
3 defined in this section, shall be entitled to retire on the first day of the month  
4 following termination of employment arising from such disability, provided as  
5 follows:

6 (1) Members who are eligible and totally and permanently disabled, as  
7 defined herein, shall receive a disability pension computed as follows:

8 (a) Duty disability: Fifty percent of final compensation at date of  
9 disability;

10 (b) Nonduty disability: Thirty percent of final compensation, but in no  
11 event less than the amount the member would be entitled to as a pension if he  
12 retired on the same date with equivalent age and creditable service;

13 (c) The annuity shall cease upon the first day of the month following  
14 death except that a surviving spouse shall be entitled to death benefits as  
15 computed in accordance with subsection 2 of section 86.690;

16 (2) (a) "Duty disability" shall mean total and permanent disability  
17 directly due to and caused by actual performance of employment with the police  
18 department;

19 (b) "Nonduty disability" shall mean total and permanent disability arising  
20 from any other cause than duty disability. Only members with ten years or more  
21 of creditable service shall be eligible;

22 (3) "Total and permanent disability" shall mean a state or condition  
23 which presumably prevents for the rest of a member's life his engaging in any  
24 occupation or performing any work for remuneration or profit. Such disability,  
25 whether duty or nonduty, must not have been contracted, suffered, or incurred  
26 while the employee was engaged in or as a result of having been engaged in a  
27 criminal act or enterprise, or resulting from habitual drunkenness or addiction to  
28 narcotics or from self-inflicted injury, or from disability incurred while in the  
29 service of the armed forces of the United States or any foreign country. No  
30 benefit shall be payable if the disability results from or is incurred while the  
31 member is engaged in self-employment or in any occupation or performing any  
32 work for remuneration or profit not in the service of the police department. The  
33 retirement board in its sole judgment shall determine whether the status of total  
34 and permanent disability exists. Its determination shall be binding and  
35 conclusive. The retirement board shall rely upon the findings of a medical board  
36 of three physicians. The written opinion of any one shall be required. The  
medical board shall be appointed by the retirement board and expense for such

37 examinations as required shall be paid from funds of this retirement system.  
38 From time to time, the retirement board shall have the right to require proof of  
39 continuing disability which may include further examination by the medical  
40 board;

41 (4) Should the retirement board determine that disability no longer exists,  
42 it shall terminate the disability pension. If the member immediately returns to  
43 work with the police department, he shall again earn creditable service beginning  
44 on the first day of the month following such return. Creditable service prior to  
45 disability retirement shall be reinstated. Should the member not return to work  
46 with the police department, he shall be deemed to have terminated employment  
47 by the police department at the time his disability retirement commenced; but in  
48 calculating any benefits due him upon such presumption, the retirement system  
49 shall receive credit for all amounts paid such member during his period of  
50 disability, except that such member shall not be obligated in any event to repay  
51 to the retirement system any amounts properly paid to him during such period of  
52 disability.]

53

2 [86.671. 1. Any periodic payment, excluding payments for medical  
3 treatment, which may be paid or payable by the cities pursuant to the provisions  
4 of any workers' compensation or similar law to a member or to the dependents  
5 of a member on account of any disability or death shall be offset against any  
6 benefits payable to the recipient of the workers' compensation payments from  
7 funds provided by the cities pursuant to the provisions of sections 86.600 to  
8 86.790 on account of the same disability or death. In no event, however, shall the  
9 amount paid from funds pursuant to the provisions of sections 86.600 to 86.790  
10 be less than the amount which represents the member's percentage, as defined in  
11 subsection 4 of this section, of total benefits payable pursuant to sections 86.600  
12 to 86.790, before any offset for workers' compensation benefits.

13 2. Any lump sum amount, excluding payments for medical treatments,  
14 which may be paid or payable by the cities pursuant to the provisions of any  
15 workers' compensation or similar law to a member or to the dependents of a  
16 member on account of any disability or death shall be offset against any benefits  
17 payable from funds provided by the cities pursuant to the provisions of sections  
18 86.600 to 86.790 on account of the same disability or death. The amounts by  
19 which each periodic payment made pursuant to the provisions of sections 86.600  
20 to 86.790 is offset or reduced shall be computed as the periodic amount necessary  
21 to amortize as an annuity over the period of time represented by the respective  
22 workers' compensation benefits the total amount of the lump sum settlement  
23 received as a workers' compensation benefit by a beneficiary of the retirement  
24 system. Such computation shall be based upon the same interest rate and  
25 mortality assumptions as used for the retirement system at the time of such  
26 computation. In no event, however, shall the amount paid from funds pursuant  
to the provisions of sections 86.600 to 86.790 be less than the amount which

27 represents the member's percentage, as defined in subsection 4 of this section, of  
28 total benefits payable pursuant to sections 86.600 to 86.790, before any offset for  
29 workers' compensation benefits.

30 3. The retirement board shall adopt such rules and regulations as may be  
31 necessary to effectuate the purposes of this section.

32 4. As used in this section, the term "member's percentage" shall be the  
33 fraction of which the numerator is the percentage of compensation contributed  
34 by a working member to the retirement pension system pursuant to section  
35 86.760 during the pay period immediately preceding such member's death or  
36 disability which created entitlement to benefits and the denominator is the sum  
37 of percentages of a member's compensation contributed by a working member  
38 and the city pursuant to section 86.760 to the retirement pension system during  
39 such pay period. Such percentage shall identify the portion of any benefits due  
40 pursuant to the provisions of sections 86.600 to 86.790 which is deemed to have  
41 been provided by the member's own contributions.]  
42

[86.672. 1. Any member who retires after August 28, 1996, and who is  
2 entitled to a pension under sections 86.600 to 86.790, shall receive each month,  
3 in addition to such member's base pension and any other benefits provided in  
4 sections 86.600 to 86.790, a supplemental retirement health insurance benefit in  
5 the amount of fifty dollars per month. Any person who receives such a  
6 supplemental retirement health insurance benefit may also receive not more  
7 frequently than annually, in addition to a base pension as may be adjusted  
8 pursuant to section 86.675 and in addition to such supplemental retirement  
9 benefit, a cost-of-living adjustment to the supplemental retirement health  
10 insurance benefit in monthly adjustment increments to be determined by the  
11 retirement board.

12 2. Any member who retired after August 28, 1995, and on or before  
13 August 28, 1996, and who met the requirements of subsection 7 of this section  
14 on the date of such member's retirement, shall receive each month, in addition to  
15 such member's base pension and any other benefits provided in sections 86.600  
16 to 86.790, a supplemental retirement health insurance benefit in the amount of  
17 fifty dollars per month payable until the member attains the age of sixty-five  
18 years. Any person who receives such a supplemental retirement health insurance  
19 benefit may also receive not more frequently than annually, in addition to a base  
20 pension as may be adjusted pursuant to section 86.675, and in addition to such  
21 supplemental retirement health insurance benefit, a cost-of-living adjustment to  
22 the supplemental retirement health insurance benefit in monthly adjustment  
23 increments to be determined by the retirement board.

24 3. Any member who retired after August 28, 1992, and on or before  
25 August 28, 1995, and who met the requirements of subsection 7 of this section  
26 on the date of such member's retirement, shall receive each month, in addition to  
27 the member's base pension and any other benefits provided in sections 86.600 to

28 86.790, a supplemental retirement health insurance benefit in the amount of fifty  
29 dollars per month payable until the member attains the age of sixty-five years.  
30 Any member who was retired after August 28, 1992, and on or before August 28,  
31 1995, and who receives a supplemental retirement health insurance benefit, shall  
32 upon application to the retirement board, be made, constituted, appointed and  
33 employed by the retirement board as a special consultant on the problems of  
34 retirement, aging and other matters, until the member attains the age of sixty-five  
35 years, and upon request of the retirement board shall give opinions and be  
36 available to give opinions in writing or orally, in response to such requests, as  
37 may be required. For such services the member shall be compensated monthly,  
38 in addition to a base pension as may be adjusted pursuant to section 86.675, and  
39 in addition to the supplemental retirement health insurance benefit set out in this  
40 subsection, by a cost-of-living adjustment to the supplemental retirement health  
41 insurance benefit payable in monthly adjustment increments to be determined by  
42 the retirement board.

43 4. Any member who retired on or before August 28, 1999, who at the  
44 time of such retirement was entitled to a pension under sections 86.600 to 86.790  
45 and who either was not eligible for any supplemental retirement health insurance  
46 benefits or was eligible for and began receiving supplemental retirement health  
47 insurance benefits but ceased eligibility by attaining age sixty-five, shall upon  
48 application to the retirement board, be made, constituted, appointed and  
49 employed by the retirement board as a special consultant on the problems of  
50 retirement, aging and other matters, and upon request of the retirement board  
51 shall give opinions and be available to give opinions in writing or orally in  
52 response to such requests, as may be required. For such services the member  
53 shall, beginning the later of August 28, 1996, or the time of such appointment  
54 under this subsection, be compensated monthly, in addition to a base pension as  
55 may be adjusted pursuant to section 86.675, by a supplemental retirement health  
56 insurance benefit in the amount of fifty dollars per month, for assistance in  
57 meeting hospitalization and medical care costs or other expenses, and by a  
58 cost-of-living adjustment to the supplemental retirement health insurance benefit,  
59 in monthly adjustment increments to be determined by the retirement board.

60 5. The determination of cost-of-living adjustments under this section  
61 shall be based on advice of the plan's actuary that the increase in the benefit will  
62 not cause the present value of anticipated future plan benefits calculated on the  
63 actuarial assumptions used for the last annual valuation to exceed the sum of the  
64 retirement system assets plus the present value of anticipated contributions to the  
65 retirement system. The determination of whether an adjustment will satisfy said  
66 actuarial standard shall be made at the time an increase is granted. If at any time  
67 the retirement system shall cease to satisfy such standard, all benefit payments  
68 shall continue as adjusted by increases theretofore granted. A member of the  
69 retirement board shall have no personal liability for granting increases under this  
70 section if that retirement board member in good faith relied and acted upon

71 advice of a qualified actuary that the retirement system would satisfy such  
 72 standard at the time an adjustment is made. In determining and granting  
 73 cost-of-living adjustments under this section, the retirement board shall adopt  
 74 such rules and regulations as may be necessary to effectuate the purposes of this  
 75 section, including provisions for the manner of computation of such adjustments  
 76 and the effective dates thereof. The retirement board shall provide for such  
 77 adjustments to be determined once each year and granted on a date or dates to be  
 78 chosen by the board and may apply such adjustments in full to members who  
 79 have retired during the year prior to such adjustments but who have not been  
 80 retired for one full year.

81 6. Any member's employment as a special consultant under subsection  
 82 3 or 4 of this section shall in no way affect such member's eligibility for  
 83 retirement benefits under the provisions of sections 86.600 to 86.790, or in any  
 84 way have the effect of reducing retirement benefits otherwise payable to such  
 85 member.

86 7. Members entitled to the benefits provided in subsections 2 and 3 of  
 87 this section are those members who:

- 88 (1) Are under the age of sixty-five years; and
- 89 (2) (a) Have at least twenty-five years of creditable service; or
- 90 (b) Have a total of age and years of creditable service which equals or  
 91 exceeds eighty; or
- 92 (c) Meet the eligibility requirements for a duty disability pension under  
 93 the provisions of section 86.670.

94 8. For purposes of this section, the term "member" shall include a  
 95 surviving spouse who is entitled to a pension under sections 86.600 to 86.790.  
 96 In determining which subsection or subsections are applicable in a given  
 97 instance, the surviving spouse shall be deemed to have retired on the date of  
 98 retirement of the member of whom such person is the surviving spouse or on the  
 99 date of death of such member if such member died prior to retirement. Any such  
 100 surviving spouse of a member who dies while entitled to payments under this  
 101 section shall succeed to the full amount of payment under this section to which  
 102 such member was entitled at the time of such member's death, including any  
 103 cost-of-living adjustments received by such member in the payment hereunder  
 104 prior to such member's death.]

105 [86.675. 1. Any member, as defined in subsection 4 of this section, who  
 2 is entitled to a pension under sections 86.600 to 86.790 may receive, in addition  
 3 to such member's base pension, a cost-of-living adjustment in an amount not to  
 4 exceed three percent of such base pension during any one year, provided that the  
 5 retirement system shall remain actuarially sound. The determination of whether  
 6 the retirement system will remain actuarially sound shall be made at the time  
 7 such cost-of-living adjustment is granted. If at any time the retirement system  
 8 becomes actuarially unsound, pension payments shall continue as adjusted by

9 increases theretofore granted. A member of the retirement board shall have no  
10 personal liability for granting increases under this subsection if that retirement  
11 board member in good faith relied and acted upon advice of a qualified actuary  
12 that the retirement system would remain actuarially sound.

13 2. The cost-of-living adjustment provided by this section shall be an  
14 increase or decrease computed on the base pension amount by the retirement  
15 board in an amount that the board, in its discretion, determines to be satisfactory,  
16 but in no event shall the adjustment be more than three percent or reduce the  
17 pension to an amount less than the base pension.

18 3. In determining and granting the cost-of-living adjustments provided  
19 by this section, the retirement board shall adopt such rules and regulations as may  
20 be necessary to effectuate the purposes of this section, including provisions for  
21 the manner of computation of such adjustments and the effective dates thereof.  
22 The retirement board shall provide for such adjustments to be determined once  
23 each year and granted on a date or dates to be chosen by the board, and may apply  
24 such adjustments in full to members who have retired during the year prior to  
25 such adjustments but who have not been retired for one full year.

26 4. As used in this section, the term "base pension" shall mean the pension  
27 computed under the provisions of the law as of the date of retirement of the  
28 member without regard to cost-of-living adjustment. As used in this section, the  
29 term "member" shall include:

- 30 (1) A surviving spouse without regard to remarriage; and  
31 (2) A surviving spouse, without regard to remarriage, who is receiving  
32 an optional annuity pursuant to an election pursuant to subsection 2 of section  
33 86.650.

34 5. If a member who has been retired and receiving a pension dies after  
35 August 28, 2001, the surviving spouse of such member entitled to receive a base  
36 pension pursuant to section 86.690 shall also receive a percentage cost-of-living  
37 adjustment to his or her respective base pension equal to the total percentage  
38 cost-of-living adjustments received during such member's lifetime pursuant to  
39 this section.]  
40

2 [86.676. If a city and the police department of such city adopt any  
3 program of incentives to authorize or encourage early retirements, whether for  
4 employees not yet eligible for regular retirement or for employees who are  
5 eligible but have not yet chosen to retire or for both, the retirement board shall  
6 be authorized to administer and pay such incentives for retirees who accept such  
7 incentives and are members of this retirement system under and pursuant to  
8 sections 86.600 to 86.790, in addition to such other benefits as such members or  
9 their beneficiaries are entitled to receive under and pursuant to sections 86.600  
10 to 86.790, provided such city shall so request and shall agree to increase said  
11 city's contribution under and pursuant to section 86.760 sufficiently to provide  
the full actuarial cost of any such incentives in addition to the contribution

12 required of such city necessary, in conjunction with members' contribution under  
13 and pursuant to section 86.760, to provide all other benefits provided under and  
14 pursuant to sections 86.600 to 86.790.]  
15

[86.680. 1. Each person who becomes a member of this retirement  
2 system pursuant to the provisions of sections 86.600 to 86.790 shall remain a  
3 member until the earliest to occur of the following events:

4 (1) The termination of employment of such person by the applicable  
5 police department and the payment to him of all benefits due him pursuant to the  
6 provisions of sections 86.600 to 86.790, unless such termination of employment  
7 by the police department shall be for the purpose of entering military service in  
8 a national emergency;

9 (2) The termination of employment by the police department to enter  
10 military service in a national emergency and the failure of such person to return  
11 to employment by such department within one year after his discharge from the  
12 military service, unless there shall remain benefits due such person pursuant to  
13 the provisions of sections 86.600 to 86.790, in which event such person's  
14 membership shall terminate pursuant to this subdivision when there shall no  
15 longer remain any such benefits due such person; and

16 (3) The death of such person.

17 2. If the surviving spouse of a member is entitled to a pension benefit,  
18 such surviving spouse shall be a member of the retirement system for so long as  
19 such surviving spouse shall remain entitled to such benefit. Any beneficiary or  
20 survivor of a deceased member shall not be a member of this retirement system  
21 if such beneficiary or survivor is not a surviving spouse entitled to benefits  
22 pursuant to the provisions of sections 86.600 to 86.790, irrespective of whether  
23 there may remain benefits due such beneficiary or survivor from this system.]  
24

[86.690. 1. Upon death after August 28, 2001, of a member for any cause  
2 prior to retirement, the following amounts shall be payable subject to subsection  
3 5 of this section, as full and final settlement of any and all claims for benefits  
4 under this retirement system:

5 (1) If the member has less than five years of creditable service, the  
6 member's surviving spouse shall be paid, in a lump sum, the amount of  
7 accumulated contributions and interest. If there be no surviving spouse, payment  
8 shall be made to the member's designated beneficiary, or if none, to the executor  
9 or administrator of the member's estate.

10 (2) If the member has at least five, but less than twenty years of  
11 creditable service, the member's surviving spouse may elect, in lieu of the lump  
12 sum settlement in subdivision (1) of this subsection, an annuity. Such annuity  
13 shall be one-half of the member's accrued annuity at date of death as computed  
14 in section 86.650. The effective date of the election shall be the latter of the first  
15 day of the month after the member's death or attainment of what would have been



16 the member's early retirement date as provided in section 86.660.

17 (3) If the member has at least twenty years of creditable service, the  
18 member's surviving spouse may elect, in lieu of the lump sum settlement in  
19 subdivision (1) of this subsection, the larger of the annuity as computed in  
20 subdivision (2) of this subsection or an annuity determined on a joint and  
21 survivor's basis from the actuarial value of the member's accrued annuity at date  
22 of death.

23 (4) Any death of a retired member occurring before the date of first  
24 payment of the retirement annuity shall be deemed to be a death before  
25 retirement.

26 (5) Benefits payable pursuant to this section shall continue for the  
27 lifetime of such surviving spouse without regard to remarriage.

28 (6) No surviving spouse of a member who dies in service after August  
29 28, 2001, shall be entitled to receive any benefits pursuant to sections 86.600 to  
30 86.790 unless such spouse was married to the member at the time of the  
31 member's death in service.

32 2. Upon death following retirement for any cause after August 28, 2001,  
33 of a member who has not elected the optional annuity pursuant to section 86.650,  
34 the member's surviving spouse shall receive a pension payable for life, equaling  
35 one-half of the member's normal retirement allowance, computed under section  
36 86.650, as of the member's actual retirement date, subject to adjustments  
37 provided in subsection 5 of section 86.675, if any; provided, no surviving spouse  
38 of a member who retires after August 28, 2001, shall be entitled to receive any  
39 benefits pursuant to sections 86.600 to 86.790 unless such spouse was married  
40 to the member at the time of the member's retirement. Any surviving spouse who  
41 was married to such a member at the time of the member's retirement shall be  
42 entitled to all benefits for surviving spouses pursuant to sections 86.600 to 86.790  
43 for the life of such surviving spouse without regard to remarriage. If there be no  
44 surviving spouse, payment of the member's accumulated contributions less the  
45 amount of any prior payments from the retirement system to the member or to  
46 any beneficiary of the member shall be made to the member's designated  
47 beneficiary or, if none, to the personal representative of the member's estate.

48 3. Any surviving spouse of a member who dies in service or retired prior  
49 to August 28, 2001, who otherwise qualifies for benefits pursuant to subsection  
50 1 or 2 of this section and who has not remarried prior to August 28, 2001, but  
51 remarries thereafter, shall upon application to the retirement board be appointed  
52 by the retirement board as a special consultant on the problems of retirement,  
53 aging and other matters, and upon request of the retirement board shall give  
54 opinions in writing or orally in response to such requests, as may be required.  
55 For such services, such surviving spouse shall be compensated in an amount  
56 equal to the benefits such spouse would have received pursuant to sections  
57 86.600 to 86.790 in the absence of such remarriage.

58 4. Should the total amount paid from the retirement system to a member,

59 the member's surviving spouse, any other beneficiary of the member, and the  
60 funeral benefit under subsection 6 of this section be less than the member's  
61 accumulated contributions, an amount equal to such difference shall be paid to  
62 the member's designated beneficiary or, if none, to the personal representative of  
63 the member's estate, and such payment shall constitute full and final payment of  
64 any and all claims for benefits under the retirement system.

65 5. Any beneficiary of benefits pursuant to sections 86.600 to 86.790 who  
66 becomes the surviving spouse of more than one member shall be paid all benefits  
67 due a surviving spouse of that member whose entitlements produce the largest  
68 surviving spouse benefits for such beneficiary but shall not be paid surviving  
69 spouse benefits as the surviving spouse of more than one member, except that  
70 any surviving spouse for whom an election has been made for an optional annuity  
71 under subsection 2 of section 86.650 shall be entitled to every annuity for which  
72 such surviving spouse has so contracted.

73 6. (1) Upon receipt of the proper proof of death of a member in service  
74 after August 28, 2003, or the death of a member in service on or after August 28,  
75 2003, who dies after having been retired and pensioned, there shall be paid in  
76 addition to all other benefits a funeral benefit of one thousand dollars.

77 (2) Any member who was retired on or before August 28, 2003, and is  
78 receiving retirement benefits from the retirement system, upon application to the  
79 retirement board, shall be appointed by the retirement board as a special  
80 consultant on the problems of retirement, aging, and other matters, for the  
81 remainder of such member's life, and upon request of the retirement board shall  
82 give opinions and be available to give opinions in writing or orally, in response  
83 to such requests, as may be required. Upon receipt of the proper proof of death  
84 of such member, there shall be paid in addition to all other benefits a funeral  
85 benefit of one thousand dollars.]

86

2 [86.700. There shall be a retirement board whose members shall serve  
3 without compensation but shall be reimbursed from the pension fund for any  
4 necessary expenses which they may incur for service on the board. The board  
5 shall adopt rules and regulations for the administration of the affairs of the  
6 retirement system. The members of the retirement board for civilian employees  
7 of the retirement systems herein enacted shall be the same as the members of the  
8 retirement board for police officers as provided in section 86.393, and upon  
9 election or appointment as provided in section 86.393, shall be vested with full  
10 authority to administer the retirement system provided in sections 86.600 to  
11 86.790, and shall be vested with full authority to do all things necessary and  
12 required herein; but all funds received for the administration of this retirement  
13 system shall be kept separately and not commingled with funds included in  
14 retirement systems provided in sections 86.370 to 86.497. The members of this  
15 retirement system provided in sections 86.600 to 86.790 shall be entitled to vote  
in the election of elected members of the retirement board as provided in section

16 86.393.]  
17

2 [86.710. Each member of the retirement board shall, within ten days after  
3 his appointment or election, take an oath of office that, so far as it devolves upon  
4 him, he will diligently and honestly administer the affairs of the board and that  
5 he will not knowingly violate or willingly permit to be violated any of the  
6 provisions of the law applicable to the retirement system for civilian employees  
7 of the police department. The oath shall be subscribed to by the member and  
filed with the clerk of the city.]

2 [86.720. The general administration and the responsibility for the proper  
3 operation of the retirement system and for making effective the provisions of  
4 sections 86.600 to 86.790 are hereby vested in the retirement board. The  
5 retirement board shall, from time to time, establish rules and regulations for the  
6 administration of its assets and for the transaction of its business. The retirement  
7 board shall be deemed to be a state agency within the meaning of chapter 536,  
8 RSMo. The retirement board shall elect from its membership a chairman, a vice  
9 chairman, and a treasurer, and shall, by majority vote of its members, appoint a  
10 secretary, who may be but need not be one of its members. The retirement board  
11 may employ any actuarial, legal and other services as may be necessary to  
12 transact the business of the retirement system. The compensation of all persons  
13 employed by the retirement board and all other expenses of the board necessary  
14 for the operation of the retirement system shall be paid in the manner as the  
15 retirement board shall determine; except that the compensation of the persons as  
16 may be employed by the retirement board shall not be greater than the  
17 compensation paid for comparable abilities by the government of the city in  
18 which the retirement board is located.]

2 [86.730. 1. Each member of the retirement board shall be entitled to one  
3 vote in the decisions of the board. Five votes or more in favor shall be necessary  
4 to pass a motion by the retirement board at any meeting of the board.

5 2. The retirement board shall keep in convenient form the data necessary  
6 for the administration of the retirement system. The retirement board shall keep  
7 a record of all its proceedings which shall be open to public inspection. It shall  
8 publish annually in pamphlet form a report prepared by certified public  
9 accountants showing the fiscal transactions of the retirement system for the  
10 preceding fiscal year, the status of assets and liabilities and the amount of cash  
11 on hand. One copy of the annual report shall be delivered to each member of the  
12 retirement system, one copy to each member of the retirement board, one copy  
13 shall be filed with the city clerk and one copy delivered to each member of the  
14 board of police commissioners. The retirement board shall cause an actuarial  
15 study and calculation to be made in 1968 based upon the experiences of the  
retirement system by an independent firm of pension actuaries and shall cause

16 actuarial studies and calculations to be made each five years thereafter.

17 3. The retirement board shall before January tenth of each year certify to  
18 the chief financial officer of the city the amount to be paid by the city under the  
19 retirement pension system for the succeeding fiscal year.

20 4. The retirement board shall adopt a common seal. The retirement board  
21 may sue and be sued in its own name and the suits shall constitute suits by or  
22 against the members of the retirement board in their representative capacities and  
23 not as individuals.]  
24

2 [86.740. The retirement board's findings on all issues of fact shall be final  
3 and conclusive upon all parties concerned, when the findings are supported by  
4 competent and substantial evidence. Rulings of the retirement board on questions  
5 of law and whether the ruling is supported by competent and substantial evidence  
6 may be reviewed, upon application of any party, by the circuit court of the county  
7 in which the cities are located.]

2 [86.745. 1. The retirement board may purchase with retirement system  
3 assets from one or more insurers licensed to do business in this state one or more  
4 insurance policies that provide for reimbursement of the retirement system and  
5 any trustee, member of the retirement board, officer, or employee of the  
6 retirement system for liability imposed or damages because of an alleged act,  
7 error, or omission committed in the trustee's, board member's, officer's, or  
8 employee's capacity as a fiduciary, officer, or employee of the retirement system  
9 and for costs and expenses, including attorney fees, incurred as a trustee, board  
10 member, officer, or employee in defense of a claim for an alleged act, error, or  
11 omission, as long as the insurance policy does not provide for reimbursement of  
12 a trustee, board member, officer, or employee for liability imposed or expenses  
13 incurred because of the trustee's, board member's, officer's, or employee's  
14 personal dishonesty, fraud, lack of good faith, or intentional failure to act  
15 prudently.

16 2. If the insurance coverage described in subsection 1 of this section is  
17 insufficient or is not in effect, the retirement board may indemnify any person  
18 who was or is a party or is threatened to be made a party to any threatened,  
19 pending or completed action, suit or proceeding, whether civil, criminal,  
20 administrative or investigative, by reason of the fact that the person is or was a  
21 member of the retirement board, or is or was serving at the request of the  
22 retirement board in the capacity which caused the person's relationship to such  
23 action, suit or proceeding, against expenses, including attorneys' fees, judgments,  
24 fines and amounts paid in settlement actually and reasonably incurred by the  
25 person in connection with such action, suit or proceeding, if the person acted in  
26 good faith and without willful malfeasance, and, with respect to any criminal  
27 action or proceeding, had reasonable cause to believe the relevant conduct was  
lawful. The termination of any action, suit or proceeding by judgment, order,

28 settlement, conviction or upon a plea of nolo contendere or its equivalent shall  
29 not, of itself, create a presumption that the person did not act in good faith, or,  
30 with respect to any criminal action or proceeding, that the person did not have  
31 reasonable cause to believe that the relevant conduct was lawful.

32 3. To the extent that a member of the retirement board has been  
33 successful on the merits or otherwise in defense of any action, suit or proceeding  
34 referred to in subsections 1 and 2 of this section, or in defense of any claim, issue  
35 or matter therein, the person shall be indemnified against expenses, including  
36 attorneys' fees, actually and reasonably incurred in connection with the action,  
37 suit or proceeding that are not covered by the insurance described in subsection  
38 1 of this section.

39 4. Any indemnification under this section, unless ordered by a court, shall  
40 be made by the retirement board only as authorized in each specific case upon a  
41 determination that indemnification of any person potentially entitled to  
42 indemnification hereunder is proper in the circumstances because the person has  
43 met the applicable standard of conduct set forth in this section. The  
44 determination shall be made by the retirement board by a majority vote of a  
45 quorum consisting of members of the retirement board who are not parties to the  
46 action, suit or proceeding, or if such a quorum is not obtainable, or even if  
47 obtainable a quorum of disinterested members of the retirement board so directs,  
48 by independent legal counsel (who may but need not be counsel to the retirement  
49 system) in a written opinion.

50 5. Expenses incurred in defending a civil or criminal action, suit or  
51 proceeding may be paid by the retirement board in advance of the final  
52 disposition of the action, suit or proceeding as authorized by the retirement board  
53 in the specific case upon receipt of an undertaking by or on behalf of the person  
54 potentially entitled to indemnification hereunder to repay such amount unless it  
55 shall ultimately be determined that the person is entitled to be indemnified by the  
56 retirement board as authorized in this section.]

57

2 [86.750. 1. The retirement board shall act as trustee of the funds created  
3 by or collected pursuant to the provisions of sections 86.600 to 86.790. With  
4 appropriate safeguards against loss by the retirement system, the board may  
5 designate one or more banks or trust companies to serve as a depository of  
6 retirement system funds and intermediary in the investment of those funds and  
7 payment of system obligations. The board shall promptly deposit the funds with  
8 any such designated bank or trust company.

9 2. The retirement board shall have power, in the name and on behalf of  
10 the retirement pension system, to purchase, acquire, hold, invest, lend, lease, sell,  
11 assign, transfer and dispose of all property, rights, and securities, and enter into  
12 written contracts, all as may be necessary or proper to carry out the provisions of  
13 sections 86.600 to 86.790. No investment transaction authorized by the  
retirement board shall be handled by any company or firm in which a member of

14 the board has an interest, nor shall any member of the board profit directly or  
15 indirectly from any such investment. All investments shall be made for the  
16 account of the retirement system, and any securities or other properties obtained  
17 by the retirement board may be held by the custodian in the name of the  
18 retirement system, or in the name of the nominee in order to facilitate the  
19 expeditious transfer of such securities or other property. Such securities or other  
20 properties may be held by such custodian in bearer form or in book entry form.  
21 The retirement system is further authorized to deposit, or have deposited for its  
22 account, eligible securities in a central depository system or clearing corporation  
23 or in a federal reserve bank under a book entry system as defined in the uniform  
24 commercial code, sections 400.8-102 and 400.8-109, RSMo. When such eligible  
25 securities of the retirement system are so deposited with the central depository  
26 system they may be merged and held in the name of the nominee of such  
27 securities depository and title to such securities may be transferred by  
28 bookkeeping entry on the books of such securities depository or federal reserve  
29 bank without physical delivery of the certificates or documents representing such  
30 securities.

31 3. The income from investments shall be credited to the funds of the  
32 retirement system at frequent intervals satisfactory to the retirement board. All  
33 payments from the funds shall be made by the bank or trust company only upon  
34 orders signed by the secretary and treasurer of the retirement board, except as  
35 otherwise provided in this section. No order shall be drawn unless it shall have  
36 previously been allowed by a specific or an ongoing generalized resolution of the  
37 retirement board. In the case of payments for benefits, services, supplies or  
38 similar items in the ordinary course of business, such board resolutions may be  
39 ongoing generalized authorizations, provided that each payment other than  
40 payments to members or beneficiaries for benefits shall be reported to the board  
41 at its next following meeting and shall be subject to ratification and approval by  
42 the board. All bonds or securities acquired and held by the retirement board shall  
43 be kept in a safe-deposit box, and access thereto shall be had only by the secretary  
44 and treasurer, jointly; except that, the retirement board may contract with a bank  
45 or trust company to act as a custodian of the bonds and securities, in which case  
46 the retirement board may authorize such custodian bank or trust company to order  
47 purchases, loans or sales of investments by such custodian bank or trust company,  
48 and may also appoint one or more investment managers to manage investments  
49 of the retirement pension system and in the course of such management to order  
50 purchases, loans or sales of investments by such custodian bank or trust company,  
51 subject to such limitations, reporting requirements and other terms and  
52 restrictions as the retirement board may include in the terms of each such  
53 appointment.]  
54

2 [86.760. 1. Beginning October 1, 1965, the police board of the cities  
specified in sections 86.600 to 86.790 shall cause to be deducted from the salary

3 or wages of each member of the civilian employees' retirement system an amount  
4 of his base rate of monthly compensation as determined by the retirement board,  
5 which amount shall not be less than five percent of his base rate of monthly  
6 compensation until the member's retirement.

7 2. The cities specified in sections 86.600 to 86.790 shall contribute to the  
8 retirement pension system such an amount as may be necessary to pay the  
9 pensions as they accrue from year to year, and such additional amounts as may  
10 be necessary to maintain the system on a sound actuarial basis and as determined  
11 by the retirement board as certified in section 86.730.]  
12

13 [86.770. All employer and member contributions or other payments to  
2 the retirement system and all income from investments shall be credited to the  
3 funds of the retirement system. All benefits and all necessary administrative  
4 expenses of the retirement system shall be paid from the funds of the retirement  
5 system. The payment of the benefits granted under the provisions of sections  
6 86.600 to 86.790 and the expense in connection with the operation of the  
7 retirement system are hereby made obligations of the employer. All payments  
8 from the funds of the retirement system shall be made only upon voucher signed  
9 by two persons designated by the retirement board. No voucher shall be drawn  
10 unless it has been previously approved by the retirement board, either specifically  
11 or on an ongoing generalized basis as permitted by subsection 3 of section  
12 86.750.]  
13

2 [86.780. The moneys in the various funds created pursuant to sections  
3 86.600 to 86.790 are hereby exempt from any tax of the state of Missouri or of  
4 any other municipality or political subdivision thereof. Neither such funds, nor  
5 the right of any person to a benefit accruing pursuant to the provisions of sections  
6 86.600 to 86.790 shall be subject to execution, garnishment, attachment, or to any  
7 other process whatsoever and the right shall be unassignable except as  
8 specifically provided in sections 86.600 to 86.790 and except for court orders or  
9 assignments approved by a court to provide support for family members or a  
10 former spouse of any person entitled to benefits under sections 86.600 to 86.790.  
11 A revocable request or authorization by a member or a beneficiary to withhold  
12 and apply for the requester's convenience some portion or all of a benefit  
13 payment, such as a request to apply some portion of a benefit payment to a  
14 medical insurance premium, shall not be deemed an assignment prohibited  
15 pursuant to this section provided that any such request shall remain revocable at  
16 all times except as to payments or withholdings effected prior to any such  
17 revocation. The retirement system may, but shall not be obligated to, comply  
18 with any such request.]

2 [86.790. Any person who knowingly makes any false statement or  
falsifies or permits to be falsified any record in an attempt to defraud the

3 retirement system forfeits all rights to which he may be entitled hereunder.]