

FIRST REGULAR SESSION  
[TRULY AGREED TO AND FINALLY PASSED]  
HOUSE COMMITTEE SUBSTITUTE FOR

# HOUSE BILL NO. 418

## 97TH GENERAL ASSEMBLY

1323H.02T

2013

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### AN ACT

To repeal sections 86.900, 86.990, 86.1000, 86.1010, 86.1030, 86.1100, 86.1110, 86.1150, 86.1180, 86.1210, 86.1220, 86.1230, 86.1240, 86.1250, 86.1270, 86.1310, 86.1380, 86.1420, 86.1500, 86.1530, 86.1540, 86.1580, 86.1590, 86.1610, and 86.1630, RSMo, and to enact in lieu thereof twenty-seven new sections relating to Kansas City police retirement systems.

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

Section A. Sections 86.900, 86.990, 86.1000, 86.1010, 86.1030, 86.1100, 86.1110, 2 86.1150, 86.1180, 86.1210, 86.1220, 86.1230, 86.1240, 86.1250, 86.1270, 86.1310, 86.1380, 3 86.1420, 86.1500, 86.1530, 86.1540, 86.1580, 86.1590, 86.1610, and 86.1630, RSMo, are 4 repealed and twenty-seven new sections enacted in lieu thereof, to be known as sections 86.900, 5 86.990, 86.1000, 86.1010, 86.1030, 86.1100, 86.1110, 86.1150, 86.1151, 86.1180, 86.1210, 6 86.1220, 86.1230, 86.1231, 86.1240, 86.1250, 86.1270, 86.1310, 86.1380, 86.1420, 86.1500, 7 86.1530, 86.1540, 86.1580, 86.1590, 86.1610, and 86.1630, 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 paid to 5 the retirement board by a member or by a member's beneficiary, for the purchase of prior service 6 credits or any other purpose permitted under sections 86.900 to 86.1280;

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.

7 (2) "Actuarial cost", the present value of a future payment or series of payments as  
8 calculated by applying the actuarial assumptions established according to subsection 8 of section  
9 86.1270;

10 (3) "Beneficiary", any person entitled, either currently or conditionally, to receive  
11 pension or other benefits provided in sections 86.900 to 86.1280;

12 (4) "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 (5) "City" or "cities", any city which now has or may hereafter have a population of more  
15 than three hundred thousand and less than seven hundred thousand inhabitants, or any city that  
16 has made an election under section 86.910 to continue a police retirement system maintained  
17 under sections 86.900 to 86.1280;

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

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

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

30 (9) "Final compensation":

31 **(a) For a Tier I member as described in subdivision (13) of this section**, the average  
32 annual compensation of a member during the member's service if less than two years, or the  
33 twenty-four months of service for which the member received the highest salary whether  
34 consecutive or otherwise. In computing the average annual compensation of a member, [no  
35 compensation for service after the thirtieth full year of membership service shall be included.]  
36 **compensation shall only be included for the periods in which the member made**  
37 **contributions as provided under section 86.1010 except as provided in subsection 3 of**  
38 **section 86.110;**

39 **(b) For a Tier II member as described in subdivision (13) of this section**, the  
40 **average annual compensation of a member during the member's service if less than three**  
41 **years, or the thirty-six months of service for which the member received the highest salary**  
42 **whether consecutive or otherwise. In computing the average annual compensation of a**

43 **member, compensation shall only be included for the periods in which the member made**  
44 **contributions as provided under section 86.1010 except as provided in subsection 3 of**  
45 **section 86.110;**

46 (c) For any period of time when a member is paid on a frequency other than monthly,  
47 the member's salary for such period shall be deemed to be the monthly equivalent of the  
48 member's annual rate of compensation for such period;

49 (10) "Fiscal year", for the retirement system, the fiscal year of the cities;

50 (11) "Internal Revenue Code", the United States Internal Revenue Code of 1986, as  
51 amended;

52 (12) "Medical board", not less than one nor more than three physicians appointed by the  
53 retirement board to arrange for and conduct medical examinations as directed by the retirement  
54 board;

55 (13) "Member", a member of the police retirement system as described in section  
56 86.1090[;] :

57 (a) **"Tier I member", any person who became a member prior to August 28, 2013,**  
58 **and who remains a member on August 28, 2013, shall remain a Tier I member until such**  
59 **member's membership is terminated as described in section 86.1130;**

60 (b) **"Tier I surviving spouse", the surviving spouse of a Tier I member;**

61 (c) **"Tier II member", any person who became a member on or after August 28,**  
62 **2013;**

63 (d) **"Tier II surviving spouse", the surviving spouse of a Tier II member;**

64 (e) **Any person whose membership is terminated as described in section 86.1130**  
65 **and who re-enters membership on or after August 28, 2013, shall become a member under**  
66 **paragraph (c) of this subdivision;**

67 (14) "Pension", annual payments for life, payable monthly, at the times described in  
68 section 86.1030;

69 (15) "Pension fund", the fund resulting from contributions made thereto by the cities  
70 affected by sections 86.900 to 86.1280 and by the members of the police retirement system;

71 (16) "Police officer", an officer or member of the police department of the cities  
72 employed for compensation by the boards of police commissioners of the cities for police duty  
73 who holds a rank or position for which an annual salary range is provided in section 84.480 or  
74 84.510; in case of dispute as to whether any person is a police officer qualified for membership  
75 in the retirement system, the decision of the board of police commissioners shall be final;

76 (17) "Retirement board" or "board", the board provided in section 86.920 to administer  
77 the retirement system;

78 (18) "Retirement system", the police retirement system of the cities as defined in section  
79 86.910;

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

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

85 (b) With respect to a member who retired or died prior to August 28, 1997, a spouse who  
86 survives such member, whose marriage to such member occurred at least two years before the  
87 member's retirement or at least two years before the member's death while in service, and who  
88 had not remarried anyone other than the member prior to August 28, 2000;

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

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

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

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

10 (1) **Such amounts as may be necessary to meet the requirements for the annual**  
11 **actuarial required contributions as determined by a qualified professional actuary selected**  
12 **by the retirement board;**

13 (2) **An amount of two-hundred dollars per month for every member entitled to**  
14 **receive a supplemental benefit under section 86.1230 or section 86.1231.**

15 **Such total of said amounts shall be certified by the retirement board to the chief financial**  
16 **officer of said city as provided in section 86.990.**

17 2. On or before [the tenth day of January] **October fifteenth** of each year the retirement  
18 board shall certify to the board of police commissioners the amount of money that will [likely]  
19 be required to comply with the provisions of this section during the next succeeding fiscal year  
20 including administration expenses. The amounts so certified shall be included by the board of  
21 police commissioners in their annual budget estimate, and shall be appropriated by the cities and  
22 transferred to the pension fund during the ensuing fiscal year.

86.1010. **Except as provided in subsection 5 of section 86.1100**, the board of police  
2 commissioners shall cause to be deducted from the compensation of each member [until  
3 retirement] **who is accruing creditable service** a percentage of such member's compensation[,  
4 which shall not be less than six percent,] as determined by the retirement board, as such  
5 member's contribution to the pension fund. The sum so deducted shall be paid by the board of  
6 police commissioners promptly after each payroll to the retirement board to be credited to the  
7 member's account. Every member shall be deemed to consent to the deductions made and  
8 provided for herein. The board of police commissioners shall certify to the retirement board on  
9 every payroll the amount deducted, and such amounts shall be paid into the pension fund and  
10 shall be credited to the individual pension account of the member from whose compensation  
11 such deduction was made.

86.1030. 1. All benefits and all necessary administrative expenses of the retirement  
2 system shall be paid from the funds of the retirement system.

3 2. The base pension of a member who, after August 28, 2011, retires from or otherwise  
4 terminates active service with entitlement to a base pension under sections 86.900 to 86.1280  
5 shall commence as of the first day of the month next following such retirement or termination  
6 with no proration of such pension for the month in which such retirement or termination occurs.  
7 The supplemental retirement benefits of a member who, after August 28, 2011, retires from or  
8 otherwise terminates active service with entitlement to a supplemental retirement benefit  
9 provided in subsection 1 of section 86.1230 **or as provided in section 86.1231** shall commence  
10 as of the first day of the month next following such retirement or termination with no proration  
11 of such supplemental retirement benefit for the month in which such retirement or termination  
12 occurs.

13 3. Upon the death of a member who is receiving a base pension under sections 86.900  
14 to 86.1280 leaving a surviving spouse, as defined in section 86.900, entitled to benefits, payment  
15 of the member's base pension including all cost-of-living adjustments thereto, prorated for that  
16 portion of the month of such death in which such member was living, shall be made to such  
17 surviving spouse, and the benefit for which such spouse is entitled under section 86.1240 **or**

18 **subdivision (1) of subsection 2 of section 86.1151** shall be prorated and paid to such spouse for  
19 the remainder of such month.

20 4. Upon the death of a member who is receiving a base pension under sections 86.900  
21 to 86.1280 leaving no surviving spouse, as defined in section 86.900, entitled to benefits,  
22 payment of the member's base pension including all cost-of-living adjustments thereto, prorated  
23 for that portion of the month of such death in which such member was living, shall be made in  
24 equal shares to or for the benefit of the children, if any, of such member as are entitled to share  
25 in spousal benefits as described in subsection 2 of section 86.1250. If no such children shall  
26 survive such member, such prorated benefit for the month of such member's death shall be paid  
27 to the beneficiary named by such member in a writing filed with the retirement system prior to  
28 the member's death for the purpose of receiving such benefit. If no beneficiary is named, then  
29 no payment shall be made of such prorated benefit for the month of such member's death.

30 5. Upon the death of a surviving spouse who is receiving a base pension under section  
31 86.1240 **or subdivision (1) of subsection 2 of section 86.1151**, payment of such spouse's base  
32 pension including all cost-of-living adjustments thereto, prorated for that portion of the month  
33 of such death in which such spouse was living, shall be made in equal shares to or for the benefit  
34 of the children, if any, of the member of whom such spouse is the surviving spouse as are entitled  
35 to share in spousal benefits described in subsection 2 of section 86.1250. If no such children  
36 shall survive such spouse, such prorated benefit for the month of such spouse's death shall be  
37 paid to the beneficiary named by such surviving spouse in a writing filed with the retirement  
38 system prior to such spouse's death for the purpose of receiving such benefit. If no beneficiary  
39 is named, then no payment shall be made of such prorated benefit for the month of such spouse's  
40 death.

41 6. Upon the death of a **Tier I** member who is receiving a supplemental benefit under  
42 section 86.1230 **or upon the death of a Tier II member who is receiving a supplemental**  
43 **benefit under section 86.1231** and who leaves a surviving spouse, as defined in section 86.900,  
44 entitled to benefits, the entire supplemental benefit for the month of such death shall be paid to  
45 such surviving spouse without proration, and the surviving spouse shall receive no additional  
46 supplemental benefit for such month.

47 7. Upon the death of a **Tier I** member who is receiving a supplemental benefit under  
48 section 86.1230 **or upon the death of a Tier II member who is receiving a supplemental**  
49 **benefit under section 86.1231** and who leaves no surviving spouse, as defined in section  
50 86.900, entitled to benefits, or upon the death of a surviving spouse who is receiving a  
51 supplemental benefit under section 86.1230 **or section 86.1231**, such supplemental benefit shall  
52 terminate upon such death. No benefit shall be payable for any period after the most recent  
53 monthly payment of such benefit prior to such death.

54 8. Upon the death of a member in service who leaves a surviving spouse, as defined in  
55 section 86.900, entitled to benefits, the base pension of such surviving spouse shall commence  
56 as of the first day of the month next following such death with no proration of such pension for  
57 the month in which such death occurs.

58 9. Upon the death of a member in service who leaves no surviving spouse, as defined  
59 in section 86.900, entitled to benefits, any benefit payable to surviving children of such member  
60 under subsection 2 of section 86.1250 shall commence as of the first day of the month next  
61 following such death with no proration of such benefit for the month in which such death occurs.  
62 If there are no such surviving children entitled to such benefit, then such member's accumulated  
63 contributions shall be paid to the beneficiary named by such member in a writing filed with the  
64 retirement system prior to the member's death for the purpose of receiving such benefit, or if no  
65 beneficiary is named, then to such member's estate.

66 10. Upon the death of a member in service or after retirement, any benefit payable to the  
67 surviving children of such member under subsection 1 of section 86.1250 shall commence as of  
68 the first day of the month next following such death with no proration of such benefit for the  
69 month in which such death occurs.

70 11. All payments of any benefit shall be paid on the last business day of each month for  
71 that month. For any benefit under sections 86.900 to 86.1280, the retirement system shall  
72 withhold payment of such benefit until all requisite documentation has been filed with the  
73 retirement system evidencing the entitlement of payee to such payment.

74 12. If no benefits are otherwise payable to a surviving spouse or child of a deceased  
75 member or otherwise as provided in this section, the member's accumulated contributions, to any  
76 extent not fully paid to such member prior to the member's death or to the surviving spouse or  
77 child of such member or otherwise as provided in this section, shall be paid in one lump sum to  
78 the member's beneficiary named by such member in a writing filed with the retirement system  
79 prior to the member's death for the purpose of receiving such benefit, or if no beneficiary is  
80 named, then to such member's estate. Such payment shall constitute full and final payment of  
81 any and all claims for benefits under the retirement system.

86.1100. 1. The retirement board shall fix and determine by proper rules and regulations  
2 how much service in any year is equivalent to one year of service. In no case shall more than one  
3 year of service be creditable for all service rendered in one calendar year. The retirement board  
4 shall not allow credit as service for any period during which the member was absent without  
5 compensation, except as provided in sections 86.1110 and 86.1140.

6 2. Except as provided in subsection 3 of section 86.1110 **or subsection 2 of section**  
7 **86.1140**, creditable service at retirement on which the retirement allowance of a member is based  
8 consists of the membership service rendered by such member since such member last became

9 a member **provided that no creditable service shall be allowed for any period of time when**  
10 **a member was not making contributions.**

11 3. Creditable service also includes any prior service credit to which a member may be  
12 entitled by virtue of an authorized purchase of such credit or as otherwise provided in sections  
13 86.900 to 86.1280.

14 4. Creditable service shall not include any time a member was suspended from service  
15 without compensation. No contribution is required from either the member under section  
16 86.1010 or from the city under section 86.1000 for such time.

17 5. Any member [who has completed thirty years of creditable service may continue in  
18 service by permission of the board of police commissioners] **in active service with the police**  
19 **department on or after August 28, 2013, may accrue up to a maximum of thirty-two years**  
20 **of creditable service.** Contributions shall not be required of, and no service shall be credited  
21 to, any member for more than [thirty] **thirty-two** years of 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. Except as provided in subsection 3 of this section, a member who served on active  
5 duty in the Armed Forces of the United States and who became a member, or returned to  
6 membership, after discharge under honorable conditions, may elect prior to retirement to  
7 purchase creditable service equivalent to such service in the Armed Forces, not to exceed two  
8 years, provided the member is not receiving and is not eligible to receive retirement credits or  
9 benefits from any other public or private retirement plan for the service to be purchased, other  
10 than a United States military service retirement system or United States Social Security benefits  
11 attributable to such military service, and an affidavit so stating is filed by the member with the  
12 retirement system. A member electing to make such purchase shall pay to the retirement system  
13 an amount equal to the actuarial cost of the additional benefits attributable to the additional  
14 service credit to be purchased, as of the date the member elects to make such purchase. Payment  
15 in full of the amount due from a member electing to purchase creditable service under this  
16 subsection shall be made over a period not to exceed five years, measured from the date of  
17 election, or prior to the commencement date for payment of benefits to the member from the  
18 retirement system, whichever is earlier, including interest on unpaid balances compounded  
19 annually at the interest rate assumed from time to time for actuarial valuations of the retirement  
20 system. If payment in full including interest is not made within the prescribed period, any partial  
21 payments made by the member shall be refunded, and no creditable service attributable to such  
22 election, or as a result of any such partial payments, shall be allowed; provided that if a benefit  
23 commencement date occurs because of the death or disability of a member who has made an



24 election under this subsection and if the member is current in payments under an approved  
25 installment plan at the time of the death or disability, such election shall be valid if the member,  
26 the surviving spouse, or other person entitled to benefit payments pays the entire balance of the  
27 remaining amount due, including interest to the date of such payment, within sixty days after the  
28 member's death or disability. The time of a disability shall be deemed to be the time when such  
29 member is retired by the board of police commissioners for reason of disability as provided in  
30 sections 86.900 to 86.1280.

31 3. Notwithstanding any other provision of sections 86.900 to 86.1280, a member who  
32 is on leave of absence for military service during any portion of which leave the United States  
33 is in a state of declared war, or a compulsory draft is in effect for any of the military branches  
34 of the United States, or any units of the military reserves of the United States, including the  
35 National Guard, are mobilized for combat military operations, and who becomes entitled to  
36 reemployment rights and other employment benefits under Title 38, Chapter 43 of the U.S. Code,  
37 relating to employment and reemployment rights of members of the uniformed services by  
38 meeting the requirements for such rights and benefits under Section 4312 of said chapter, or the  
39 corresponding provisions of any subsequent applicable federal statute, shall be entitled to service  
40 credit for the time spent in such military service for all purposes of sections 86.900 to 86.1280  
41 and such member shall not be required to pay any member contributions for such time. If it  
42 becomes necessary for the years of such service to be included in the calculation of such  
43 member's compensation for any purpose, such member shall be deemed to have received the  
44 same compensation throughout such period of service as the member's base annual salary  
45 immediately prior to the commencement of such leave of absence; **provided, however, that the**  
46 **foregoing provisions of this subsection shall apply only to such portion of such leave with**  
47 **respect to which the cumulative length of the absence and of all previous absences from a**  
48 **position of employment with the employer by reason of service in the uniformed services**  
49 **does not exceed five years except for such period of any such excess as meets the**  
50 **requirements for exceptions to such five-year limitation set forth in the aforesaid Section**  
51 **4312.**

86.1150. 1. Any **Tier I** member may retire when such member has completed  
2 twenty-five or more years of creditable service [and, except as otherwise provided in section  
3 86.1100, shall retire when such member has completed thirty years of creditable service]. Upon  
4 such retirement such member shall receive a base pension equal to:

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

8 (2) For a member retiring on or after August 28, 2000, **and prior to August 28, 2013**,  
9 two and one-half percent of such member's final compensation, as defined in section 86.900,  
10 multiplied by the number of years of such member's total creditable service. Such pension shall  
11 not exceed seventy-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 may  
14 permit such member who is sixty years of age or over to remain in service until such member  
15 reaches the age of sixty-five years. Such member shall continue to make contributions and  
16 receive credit for service until reaching sixty-five years of age, until retirement, or until  
17 completion of thirty years of creditable service, whichever occurs first. If such member shall  
18 reach sixty-five years of age or shall retire prior to completion of twenty-five years of service,  
19 the base pension of such member shall be calculated under subsection 3 of this section.

20 3. Except as provided in section 86.1100 or in subsection 2 of this section,] ; or

21 **(3) For a member retiring on or after August 28, 2013, two and one-half percent of**  
22 **such member's final compensation, as defined in section 86.900, multiplied by the number**  
23 **of years of such member's total creditable service. Such pension shall not exceed eighty**  
24 **percent of the member's final compensation.**

25 2. Any **Tier I** member in service who shall have attained sixty years of age and at that  
26 time shall have completed at least ten [but less than thirty] years of creditable service [shall] **may**  
27 retire and **upon such retirement** shall receive a base pension equal to:

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

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

34 [4.] **3.** Subject to the provisions of subsection [5] **4** of this section, whenever the service  
35 of a **Tier I** member is terminated for any reason prior to death or retirement and the member has  
36 fifteen or more years of creditable service, the member may elect not to withdraw such member's  
37 accumulated contributions and shall become entitled to a base pension commencing on the first  
38 day of the month following the attainment of the age of fifty-five, if then living, equal to:

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

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

45 [5.] 4. Notwithstanding any other provisions of sections 86.900 to 86.1280, any member  
46 who is convicted of a felony prior to separation from active service shall not be entitled to any  
47 benefit from this retirement system except the return of such member's accumulated  
48 contributions.

**86.1151. 1. Any Tier II member may retire when such member has completed  
2 twenty-seven or more years of creditable service. Upon such retirement such member shall  
3 receive a base pension equal to two and one-half percent of such member's final  
4 compensation, as defined in section 86.900, multiplied by the number of years of such  
5 member's total creditable service. Such pension shall not exceed eighty percent of the  
6 member's final compensation.**

7 **2. (1) A Tier II member who is married at the time of retirement may by a written  
8 election, with the written consent of such member's spouse, elect an optional benefit  
9 calculated as follows: such optional benefit shall be a monthly pension in the initial amount  
10 which shall be actuarially equivalent to the actuarial value of the pension described in  
11 subsection 1 of this section for such member at the date of retirement (including the value  
12 of survivorship rights of a surviving spouse, where applicable, under section 86.1240), upon  
13 the basis that the initial annuity for the member's spouse, if such spouse survives the  
14 member, shall be:**

15 **(a) The same as the amount being paid the member at the member's death, and,  
16 together with cost-of-living adjustments thereafter declared on the spouse's base pension  
17 under section 86.1220, shall be paid to such surviving spouse for the lifetime of such  
18 spouse; or**

19 **(b) Seventy-five percent of the amount being paid the member at the member's  
20 death, and, together with cost-of-living adjustments thereafter declared on the spouse's  
21 base pension under section 86.1220, shall be paid to such surviving spouse for the lifetime  
22 of such spouse.**

23 **(2) If a member who elects the optional benefit permitted by this subsection also  
24 makes an election permitted under section 86.1210, such optional benefit shall be reduced  
25 as provided in subdivision (3) of subsection 2 of section 86.1210.**

26 **(3) If a member makes the election permitted by this subsection, the amount  
27 calculated for such optional benefit under either subdivision (1) or (2) of this subsection  
28 shall become the base pension for such member and for such member's spouse for all  
29 purposes of sections 86.900 to 86.1280.**

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

33           **3. Subject to the provisions of subsection 4 of this section, whenever the service of**  
34 **a Tier II member is terminated for any reason prior to death or retirement and the**  
35 **member has fifteen or more years of creditable service, the member may elect not to**  
36 **withdraw such member's accumulated contributions and shall become entitled to a base**  
37 **pension commencing on the first day of the month following the attainment of the age of**  
38 **sixty, if then living, equal to two and one-half percent of such member's final compensation**  
39 **multiplied by the number of years of such member's creditable service.**

40           **4. Notwithstanding any other provisions of sections 86.900 to 86.1280, any member**  
41 **who is convicted of a felony prior to separation from active service shall not be entitled to**  
42 **any benefit from this retirement system except the return of such member's accumulated**  
43 **contributions.**

          86.1180. 1. Any member in active service who is permanently unable to perform the full  
2 and 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 or  
4 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 or  
6 more physicians of the medical board that the member is mentally or physically unable to  
7 perform the full and unrestricted duties of a police officer, that the inability is permanent or likely  
8 to become permanent, and that the member should be retired. The inability to perform the full  
9 and unrestricted duties of a police officer means that the member is unable to perform all the  
10 essential job functions for the position of police officer as established by the board of police  
11 commissioners.

12           **2. (1) Upon such retirement on or after August 28, 2001, and prior to August 28, 2013,**  
13 **a member shall receive a base pension equal to seventy-five percent of his or her final**  
14 **compensation for so long as the permanent disability shall continue, during which time such**  
15 **member shall for purposes of this section be referred to as a disability beneficiary. Such pension**  
16 **may be subject to offset or reduction under section 86.1190 by amounts paid or payable under**  
17 **any workers' compensation law;**

18           **(2) Upon such retirement on or after August 28, 2013, a member shall receive a**  
19 **base pension equal to eighty percent of his or her final compensation for so long as the**  
20 **permanent disability shall continue, during which time such member shall for purposes of**  
21 **this section be referred to as a disability beneficiary. Such pension may be subject to offset**

22 **or reduction under section 86.1190 by amounts paid or payable under any workers'**  
23 **compensation law.**

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

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

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

41 6. If upon cessation of a disability pension under subsection 4 of this section, the former  
42 disability beneficiary is not restored to active service, such member shall be entitled to the  
43 retirement benefit to which such member would have been entitled if such member had  
44 terminated service at the time of such cessation of the disability pension. For the purpose of such  
45 retirement benefits, such former disability beneficiary will be credited with all his or her  
46 creditable service, including any years in which such member received a disability pension under  
47 this section.

86.1210. 1. Any member **in active service** entitled to commence a pension under  
2 **subsection 1 of** section 86.1150 [with twenty-six years or more of creditable service] **or**  
3 **subsection 1 of section 86.1151** may elect an optional distribution under the partial lump sum  
4 option plan provided in this section if the member:

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

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

10

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

17 2. (1) A member entitled to make an election under this section may elect to receive a  
18 lump sum distribution with the member's initial monthly pension payment under **subsection 1**  
19 **of section 86.1150 or subsection 1 of section 86.1151**, subject to all the terms of this section.  
20 The member may elect the amount of the member's lump sum distribution from one, but not  
21 more than one, of the following options for which the member qualifies:

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

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

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

34

35 **For purposes of this section, "eligible retirement date" for a member shall mean the**  
36 **earliest date on which the member could elect to retire and be entitled to receive a pension**  
37 **under subsection 1 of section 86.1150 or subsection 1 of section 86.1151.**

38 (2) When a member makes an election to receive a lump sum distribution under this  
39 section, the base pension which the member would have received in the absence of the election  
40 shall be reduced on an actuarially equivalent basis to reflect the payment of the lump sum  
41 distribution, and the reduced base pension shall be the member's base pension thereafter for all  
42 purposes relating to base pension amounts under sections 86.900 to 86.1280, **unless the member**  
43 **has also elected an optional benefit permitted under subdivision (1) of subsection 2 of**  
44 **section 86.1151;**

45           **(3) If a member electing a lump sum distribution under this section has elected the**  
46 **optional benefit permitted under subdivision (1) of subsection 2 of section 86.1151, the**  
47 **calculation of the member's pension shall be made in the following order:**

48           **(a) The amount of the member's normal pension under subsection 1 of section**  
49 **86.1151 shall be reduced to the actuarially equivalent amount to produce the optional form**  
50 **of benefit described in subdivision (1) of subsection 2 of section 86.1151, and**

51           **(b) The amount of reduced pension as determined under paragraph (a) of this**  
52 **subdivision shall be further reduced as required to produce an actuarially equivalent**  
53 **benefit in the form of the lump sum distribution option elected under this section which**  
54 **will include the lump sum benefit and the optional benefit elected under subdivision (1) of**  
55 **subsection 2 of section 86.1151, and, subject to cost-of-living adjustments thereafter**  
56 **declared on the spouse's base pension under section 86.1220, shall be paid to such surviving**  
57 **spouse for the lifetime of such spouse.**

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

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

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

7           (2) Every **Tier I** 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, or  
10 a portion thereof, which would be payable to a surviving spouse of the member who was such  
11 child's parent].

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

16           **(1) Every Tier II member who retired with at least thirty-two years of creditable**  
17 **service shall be eligible in the year following retirement; and**

18           **(2) Every Tier II member who retired under subsection 1 of section 86.1151 with**  
19 **less than thirty-two years of creditable service shall be eligible in the year following the**

20 year in which they would have attained thirty-two years of creditable service had such  
21 member remained in active service; and

22 (3) Every Tier II member who retired under section ] shall be eligible in the year  
23 following retirement; and

24 (4) Every Tier II member who retired under section 86.1200 shall be eligible in the  
25 earlier of the year following the fifth year after retirement or the year following the year  
26 in which they would have attained thirty-two years of creditable service had such member  
27 remained in active service; and

28 (5) Every Tier II member who retired under subsection 3 of section 86.1151 shall  
29 be eligible in the year following the fifth year after retirement; and

30 (6) (a) Every Tier II surviving spouse of a member who, at the member's death,  
31 was receiving benefits including cost-of-living adjustments shall be eligible in the year  
32 following the most recent year when the decedent received a cost-of-living adjustment; and

33 (b) Every Tier II surviving spouse of a member who, at the member's death, was  
34 receiving benefits but who was not yet eligible for cost-of-living adjustments shall be  
35 eligible in the year when the decedent member would have become eligible had such  
36 decedent survived; and

37 (c) Every Tier II surviving spouse entitled to the benefit provided in subsection 1  
38 of section 86.1260 shall be eligible in the year following the year of the member's death;  
39 and

40 (d) Every Tier II surviving spouse of a member who died with less than twenty-  
41 seven years of creditable service, entitled to benefits provided in subsection 1 of section  
42 86.1240, and who is not eligible for the benefit provided in subsection 1 of section 86.1260,  
43 shall be eligible in the year following the fifth year after the member's death; and

44 (e) Every Tier II surviving spouse of a member who died with twenty-seven or more  
45 years of creditable service, entitled to benefits provided in subsection 1 of section 86.1240,  
46 and who is not eligible for the benefit provided in subsection 1 of section 86.1260, shall be  
47 eligible the later of the year following the year of the member's death or the year following  
48 the year in which the member would have attained thirty-two years of creditable service  
49 had such member remained in active service.

50 3. Provided that the retirement system shall remain actuarially sound, every child  
51 who, under subsection 2 of section 86.1250, is receiving the benefit, or a portion thereof,  
52 which would be payable to a surviving spouse of the member who was such child's parent,  
53 may receive each year such cost-of-living adjustment on such benefit as would have been  
54 payable on such benefit, or portion thereof, to such surviving spouse if living.



55           **4.** Upon the death of a **Tier I** member who has been retired and receiving a pension and  
56 who dies after September 28, 1987, the surviving spouse of such member entitled to receive a  
57 base pension under section 86.1240 or children of such member entitled to receive a base  
58 pension under subsection 2 of section 86.1250 shall receive an immediate percentage  
59 cost-of-living adjustment to their respective base pension equal to the total percentage  
60 cost-of-living adjustments received during such member's lifetime under this section, except that  
61 the adjustment provided by this subsection shall not be made to a base pension calculated under  
62 either subdivision (1) or paragraph (b) of subdivision (2) of subsection 2 of section 86.1240,  
63 either for a surviving spouse or for a child or children entitled to a base pension measured by the  
64 pension to which a qualified surviving spouse would be entitled, wherein such base pension is  
65 determined by a percentage of the amount being received by the deceased member at death.

66           **5. Upon the death of a Tier II member who has been retired and receiving a**  
67 **pension, the surviving spouse of such member entitled to receive a base pension under**  
68 **section 86.1240 or children of such member entitled to receive a base pension under**  
69 **subsection 2 of section 86.1250 shall receive an immediate percentage cost-of-living**  
70 **adjustment to their respective base pension equal to the total percentage cost-of-living**  
71 **adjustments received during such member's lifetime under this section, except that the**  
72 **adjustment provided by this subsection shall not apply for any surviving spouse, or for a**  
73 **child or children entitled to benefits which would be received by a qualified surviving**  
74 **spouse, receiving a benefit pursuant to an election made under subdivision (1) of subsection**  
75 **2 of section 86.1151.**

76           [3.] **6.** For purposes of this section, the term "base pension" shall mean:

77           (1) For a member, the pension computed under the provisions of the law as of the date  
78 of retirement without regard to cost-of-living adjustments, as adjusted, if applicable, for any  
79 election made under **subdivision (1) of subsection 2 of section 86.1151** or section 86.1210, but  
80 in all events not including any supplemental benefit under section 86.1230 **or section 86.1231**;

81           (2) For a surviving spouse, the base pension calculated for such spouse in accordance  
82 with the provisions of section 86.1240 **or subdivision (3) of subsection 2 of section 86.1151**,  
83 including any compensation as a consultant to which such surviving spouse is entitled under said  
84 section in lieu of a pension thereunder, but not including any supplemental benefit under section  
85 86.1230 **or section 86.1231**; and

86           (3) For a member's surviving child who is entitled to receive part or all of the pension  
87 which would be received by the surviving spouse, if living, the base pension calculated for such  
88 surviving spouse in accordance with the provisions of section 86.1240 **or subdivision (3) of**  
89 **subsection 2 of section 86.1151**, including any compensation as a consultant to which such

90 spouse would be entitled under said section, if living, divided by the number of surviving  
91 children entitled to share in such pension under subsection 2 of section 86.1250.

92 [4.] 7. The cost-of-living adjustment shall be an increase or decrease computed on the  
93 base pension amount by the retirement board in an amount that the board, in its discretion,  
94 determines to be satisfactory, but in no event shall the adjustment be more than three percent or  
95 reduce the pension to an amount less than the base pension. In determining and granting the  
96 cost-of-living adjustments, the retirement board shall adopt such rules and regulations as may  
97 be necessary to effectuate the purposes of this section, including provisions for the manner of  
98 computation of such adjustments and the effective dates thereof. The retirement board shall  
99 provide for such adjustments to be determined once each year and granted on a date or dates to  
100 be chosen by the board, and may apply such adjustments in full to **eligible members as provided**  
101 **in subsections 1 and 2 of this section** who have retired during the year prior to such adjustments  
102 but who have not been retired for one full year and to the surviving spouse or applicable children  
103 of a member who has died during the year prior to such adjustments.

104 [5.] 8. The determination of whether the retirement system will remain actuarially sound  
105 shall be made at the time any cost-of-living adjustment is granted. If at any time the retirement  
106 system ceases to be actuarially sound, pension payments shall continue as adjusted by increases  
107 theretofore granted. A member of the retirement board shall have no personal liability for  
108 granting increases under this section if that retirement board member in good faith relied and  
109 acted upon advice of a qualified actuary that the retirement system would remain actuarially  
110 sound.

111 [6.] 9. If any benefit under subsection 1 of section 86.1250 on August 27, 2005, would  
112 be reduced by application of this section, such benefit shall continue thereafter without reduction,  
113 but any benefit so continued shall terminate at the time prescribed in subsection 1 of section  
114 86.1250.

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

8 2. Any **Tier I** member who was retired on or before August 28, 1991, and is receiving  
9 retirement benefits from the retirement system shall, upon application to the retirement board,  
10 be retained as a consultant, and for such services such member shall receive, in addition to such  
11 member's base pension and cost-of-living adjustments thereto under section 86.1220, and in

12 addition to any other compensation or benefit to which such member may be entitled under  
13 sections 86.900 to 86.1280, a supplemental compensation in the amount of fifty dollars per  
14 month. This appointment as a consultant shall in no way affect any member's eligibility for  
15 retirement benefits under the provisions of sections 86.900 to 86.1280, or in any way have the  
16 effect of reducing retirement benefits otherwise payable to such member. The amount of such  
17 supplemental compensation under this subsection may be adjusted by cost-of-living adjustments  
18 determined by the retirement board not more frequently than annually.

19         3. For purposes of subsections 1 and 2 of this section, the term "member" shall include  
20 a surviving spouse entitled to a benefit under sections 86.900 to 86.1280 who shall be deemed  
21 to have retired for purposes of this section on the date of retirement of the member of whom such  
22 person is the surviving spouse or on the date of death of such member if such member died prior  
23 to retirement; provided, that if the surviving spouse of any member who retired prior to August  
24 28, 2000, shall not have remarried prior to August 28, 2000, but remarries thereafter, such  
25 surviving spouse shall thereafter receive benefits under subsection 2 of this section, and provided  
26 further, that no benefits shall be payable under this section to the surviving spouse of any  
27 member who retired prior to August 28, 2000, if such surviving spouse was at any time remarried  
28 after the member's death and prior to August 28, 2000. All benefits payable to a surviving  
29 spouse under this section shall be in addition to all other benefits to which such surviving spouse  
30 may be entitled under other provisions of sections 86.900 to 86.1280. Any such surviving spouse  
31 of a member who dies while entitled to payments under this section shall succeed to the full  
32 amount of payment under this section to which such member was entitled at the time of such  
33 member's death, including any cost-of-living adjustments received by such member in the  
34 payment under this section prior to such member's death. In all events, the term "member" shall  
35 not include any children of the member who would be entitled to receive part or all of the  
36 pension which would be received by a surviving spouse if living.

37         4. Any member who is receiving benefits from the retirement system and who either was  
38 retired under the provisions of subdivision (1) of subsection 1 of section 86.1150, or who retired  
39 before August 28, 2001, under the provisions of section 86.1180 or section 86.1200, shall, upon  
40 application to the retirement board, be retained as a consultant. For such services such member  
41 shall receive each month in addition to such member's base pension and cost-of-living  
42 adjustments thereto under section 86.1220, and in addition to any other compensation or benefit  
43 to which such member may be entitled under sections 86.900 to 86.1280, an equalizing  
44 supplemental compensation of ten dollars per month. This appointment as a consultant shall in  
45 no way affect any member's eligibility for retirement benefits under the provisions of sections  
46 86.900 to 86.1280, or in any way have the effect of reducing retirement benefits otherwise  
47 payable to such member. The amount of equalizing supplemental compensation under this

48 subsection may be adjusted by cost-of-living adjustments, determined by the retirement board  
49 not more frequently than annually, but in no event shall the aggregate of such equalizing  
50 supplemental compensation together with all such cost-of-living adjustments thereto exceed  
51 twenty-five percent of the member's base pension. Each cost-of-living adjustment to  
52 compensation under this subsection shall be determined independently of any cost-of-living  
53 adjustment to any other benefit under sections 86.900 to 86.1280. For the purposes of this  
54 subsection, the term "member" shall include a surviving spouse entitled to benefits under the  
55 provisions of sections 86.900 to 86.1280, and who is the surviving spouse of a member who  
56 qualified, or would have qualified if living, for compensation under this subsection. Such  
57 surviving spouse shall, upon application to the retirement board, be retained as a consultant, and  
58 for such services shall be compensated in an amount equal to the compensation which would  
59 have been received by the member under this subsection, if living. Any such surviving spouse  
60 of a member who dies while entitled to payments under this subsection shall succeed to the full  
61 amount of payment under this subsection to which such member was entitled at the time of such  
62 member's death, including any cost-of-living adjustments received by such member in the  
63 payment under this subsection prior to such member's death. In all events, the term "member"  
64 shall not include any children of the member who would be entitled to receive part or all of the  
65 pension that would be received by a surviving spouse, if living.

66         5. A surviving spouse who is entitled to benefits under the provisions of subsection 1 of  
67 section 86.1240 as a result of the death prior to August 28, 2007, of a member in service, and  
68 who is receiving benefits from the retirement system, shall, upon application to the retirement  
69 board, be retained as a consultant, and for such services such surviving spouse shall receive each  
70 month an equalizing supplemental compensation of ten dollars per month. A surviving spouse  
71 entitled to benefits under the provisions of subsection 1 of section 86.1240 as a result of the  
72 death of a member in service on or after August 28, 2007, shall receive each month an equalizing  
73 supplemental benefit of ten dollars per month. All benefits payable to a surviving spouse under  
74 this subsection shall be in addition to all other benefits to which such surviving spouse may be  
75 entitled under other provisions of sections 86.900 to 86.1280 and shall in no way have the effect  
76 of reducing benefits otherwise payable to such surviving spouse. The amount of equalizing  
77 supplemental benefit or equalizing supplemental compensation under this subsection may be  
78 adjusted by cost-of-living adjustments, determined by the retirement board not more frequently  
79 than annually, but in no event shall the aggregate of such equalizing supplemental benefit or  
80 compensation together with all such cost-of-living adjustments thereto exceed twenty-five  
81 percent of the base pension of the surviving spouse. Each cost-of-living adjustment to an  
82 equalizing supplemental benefit or compensation under this subsection shall be determined  
83 independently of any cost-of-living adjustment to any other benefit under sections 86.900 to

84 86.1280. In all events the term "surviving spouse" as used in this subsection shall not include  
85 any children of the member who would be entitled to receive part or all of the pension that would  
86 be received by a surviving spouse, if living.

87 6. In determining and granting the cost-of-living adjustments under this section, the  
88 retirement board shall adopt such rules and regulations as may be necessary to effectuate the  
89 purposes of this section, including provisions for the manner of computation of such adjustments  
90 and the effective dates thereof. The retirement board shall provide for such adjustments to be  
91 determined once each year and granted on a date or dates to be chosen by the board. The  
92 retirement board shall not be required to prorate the initial adjustment to any benefit or  
93 compensation under this section for any member.

94 7. The determination of whether the retirement system will remain actuarially sound  
95 shall be made at the time any cost-of-living adjustment under this section is granted. If at any  
96 time the retirement system ceases to be actuarially sound, any benefit or compensation payments  
97 provided under this section shall continue as adjusted by increases or decreases theretofore  
98 granted. A member of the retirement board shall have no personal liability for granting increases  
99 under this section if that retirement board member in good faith relied and acted upon advice of  
100 a qualified actuary that the retirement system would remain actuarially sound.

**86.1231. Any Tier II member who retires with entitlement to a pension under  
2 sections 86.900 to 86.1280, shall receive, in addition to such member's base pension and  
3 cost-of-living adjustments thereto under section 86.1220, and in addition to any other  
4 compensation or benefit to which such member may be entitled under sections 86.900 to  
5 86.1280, a supplemental retirement benefit of two hundred dollars per month. For  
6 purposes of this section, the term "member" shall include a surviving spouse entitled to a  
7 benefit under sections 86.900 to 86.1280 as a Tier II surviving spouse. All benefits payable  
8 to a surviving spouse under this section shall be in addition to all other benefits to which  
9 such surviving spouse may be entitled under other provisions of sections 86.900 to 86.1280.  
10 Any such surviving spouse of a member who dies while entitled to payments under this  
11 section shall succeed to the full amount of payment under this section to which such  
12 member was entitled at the time of such member's death. In all events, the term "member"  
13 shall not include any children of the member who would be entitled to receive part or all  
14 of the pension which would be received by a surviving spouse, if living.**

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

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

15           (2) (a) Upon receipt of the proper proof of death of a **Tier I** member who retired or  
16 terminated service on or before August 28, 1999, and who died after August 28, 1999, and after  
17 having become entitled to benefits from this retirement system, such member's surviving spouse,  
18 if any, shall be entitled to a base pension equal to forty percent of the final compensation of such  
19 member.

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

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

26           **(3) Upon receipt of the proper proof of death of a Tier II member after retirement**  
27 **who has not elected the optional annuity permitted under subdivision (1) of subsection 2**  
28 **of section 86.1151, such member's surviving spouse, shall be entitled to a base pension**  
29 **payable for life equaling fifty percent of the member's base pension.**

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

36           4. Upon the death of any member who is in service after August 28, 2000, and who  
37 either had at least 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 under section 86.1180, the  
39 surviving spouse's benefit provided under this section, without including any supplemental  
40 retirement benefits paid such surviving spouse by this retirement system, shall be six hundred  
41 dollars per month. For any member who died, retired or terminated service on or before August

42 28, 2000, and who either had at least twenty-five years of creditable service or was retired or died  
43 as a result of an injury or illness occurring in the line of duty or course of employment under  
44 section 86.1180, the surviving spouse shall upon application to the retirement board be appointed  
45 by the retirement board as a consultant. For services as such consultant, the surviving spouse  
46 shall, beginning the later of August 28, 2000, or the time the appointment is made under this  
47 subsection, be compensated in an amount which without including supplemental retirement  
48 benefits provided by this system shall be six hundred dollars monthly. A pension benefit under  
49 this subsection shall be paid in lieu of any base pension as increased by cost-of-living  
50 adjustments granted under section 86.1220. The benefit under this subsection shall not be  
51 subject to cost-of-living adjustments, but shall be terminated and replaced by the base pension  
52 and cost-of-living adjustments to which such spouse would otherwise be entitled at such time  
53 as the total base pension and such adjustments exceed six hundred dollars monthly.

54 5. A surviving spouse who is entitled to benefits under the provisions of subsection 1 of  
55 this section as a result of the death on or before August 28, 2009, of a member in service who  
56 is receiving benefits under sections 86.900 to 86.1280 and who does not qualify under the  
57 provisions of subsection 4 of this section shall, upon application to the retirement board, be  
58 appointed as a consultant, and for such services such surviving spouse shall be compensated in  
59 an amount which, without including any supplemental retirement benefits provided by sections  
60 86.900 to 86.1280, shall be six hundred dollars monthly. A pension benefit under this subsection  
61 shall be paid in lieu of any base pension as increased by cost-of-living adjustments granted under  
62 section 86.1220. The benefit under this subsection shall not be subject to cost-of-living  
63 adjustments, but shall be terminated and replaced by the base pension and cost-of-living  
64 adjustments to which such surviving spouse would otherwise be entitled at such time as the total  
65 base pension and such adjustments exceed six hundred dollars monthly. As used in this  
66 subsection, "surviving spouse" shall not include any children of the member who would be  
67 entitled to receive part or all of the pension that would be received by a surviving spouse, if  
68 living.

69 6. Any beneficiary of benefits under sections 86.900 to 86.1280 who becomes the  
70 surviving spouse of more than one member shall be paid all benefits due a surviving spouse of  
71 that member whose entitlements produce the largest surviving spouse benefits for such  
72 beneficiary but shall not be paid surviving spouse benefits as the surviving spouse of more than  
73 one member.

86.1250. 1. (1) Upon the death of a member in service or after retirement, such  
2 member's child or children under the age of eighteen years at the time of the member's death shall  
3 be paid fifty dollars per month each until he or she shall attain the age of eighteen years;  
4 however, each such child who is or becomes a full-time student at an accredited educational

5 institution shall continue to receive payments under this section for so long as such child shall  
6 remain such a full-time student or shall be in a summer or other vacation period scheduled by  
7 the institution with intent by such child, demonstrated to the satisfaction of the retirement board,  
8 to return to such full-time student status upon the resumption of the institution's classes  
9 following such vacation period, but in no event shall such payments be continued after such child  
10 shall attain the age of twenty-one years except as hereinafter provided.

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

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

24 2. Upon or after the death of a member in service or after retirement with entitlement to  
25 benefits, if there is no surviving spouse or if a surviving spouse dies, the total amount, including  
26 any amounts receivable as consulting compensation, but not including any supplemental benefits  
27 under section 86.1230 **for a Tier I member or section 86.1231 for a Tier II member**, which  
28 would be received by a qualified surviving spouse or which is being received by the surviving  
29 spouse at the date of death of such surviving spouse shall be added to the amounts received by  
30 and shall be divided among the children of such member under the age of eighteen years and the  
31 incapacitated children in equal shares. As each such child attains the age of eighteen years or  
32 has such incapacity removed, such total amount shall then be divided among the remaining such  
33 children, until there is no remaining child of such member under the age of eighteen years or  
34 incapacitated, at which time all benefits for children of such member under this subsection shall  
35 cease.

36 3. Upon the death of a member in service or after retirement, a funeral benefit of one  
37 thousand dollars shall be paid to the person or entity who provided or paid for the funeral  
38 services for such member.

86.1270. 1. A retirement plan under sections 86.900 to 86.1280 is a qualified plan under  
2 the provisions of applicable federal law. The benefits and conditions of a retirement plan under



3 sections 86.900 to 86.1280 shall always be adjusted to ensure that the tax-exempt status is  
4 maintained.

5         2. The retirement board shall administer the retirement system in a manner as to retain  
6 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 the  
8 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 with  
12 sections 86.900 to 86.1280.

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

15             (1) Completion of twenty-five years of service **for Tier I members and twenty-seven**  
16 **years of service for Tier II members;**

17             (2) Age sixty [if the] **for any Tier I member who** has completed at least ten years of  
18 **creditable service or age sixty for any Tier II member who has completed at least fifteen**  
19 **years of creditable service;**

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

21             (4) To the extent funded, upon the termination of the system established under sections  
22 86.900 to 86.1280 or any partial termination which affects the members or any complete  
23 discontinuance of contributions by the city to the system.

24

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

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

32         6. A member or beneficiary of a member shall not accrue a service retirement annuity,  
33 disability retirement annuity, death benefit, whether death occurs in the line of duty or otherwise,  
34 or any other benefit under sections 86.900 to 86.1280 in excess of the benefit limits applicable  
35 to the fund under Section 415 of the Internal Revenue Code. The retirement board shall reduce  
36 the amount of any benefit that exceeds those limits by the amount of the excess. If the total  
37 benefits under the retirement system and the benefits and contributions to which any member is  
38 entitled under any other qualified plan or plans maintained by the board of police commissioners

39 that employs the member would otherwise exceed the applicable limits under Section 415 of the  
40 Internal Revenue Code, the benefits the member would otherwise receive from the retirement  
41 system shall be reduced to the extent necessary to enable the benefits to comply with Section 415  
42 of the Internal Revenue Code.

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

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

58 9. Any member or beneficiary who is entitled to receive any distribution that is an  
59 eligible rollover distribution, as defined by Section 402(c)(4) of the Internal Revenue Code, is  
60 entitled to have that distribution transferred directly to another eligible retirement plan of the  
61 member's or beneficiary's choice upon providing direction to the secretary of this retirement  
62 system regarding the transfer in accordance with procedures established by the 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 also  
65 mean an annuity contract described in Section 403(b) of the Internal Revenue Code and an  
66 eligible plan under Section 457(b) of the Internal Revenue Code which is maintained by the state,  
67 political subdivision of a state, or any agency or instrumentality of a state or political subdivision  
68 of a state and which agrees to separately account for amounts transferred into such plan from the  
69 retirement system. The definition of eligible retirement plan shall also apply in the case of a  
70 distribution to a surviving spouse or to a spouse or former spouse who is the alternate payee  
71 under a qualified domestic relations order, as defined in Section 414(p) of the Internal Revenue  
72 Code; and

73 (2) For purposes of subsection 9 of this section, a portion of a distribution shall not fail  
74 to be an eligible rollover distribution merely because the portion consists of after-tax employee

75 contributions which are not includable in gross income. However, such portion may be paid only  
76 to an individual retirement account or annuity described in Section 408(a) or 408(b) of the  
77 Internal Revenue Code, or to a qualified defined contribution plan described in Section 401(a)  
78 or 403(a) of the Internal Revenue Code that agrees to separately account for amounts so  
79 transferred, including separately accounting for the portion of such distribution that is includable  
80 in gross income and the portion of such distribution that is not so includable.

86.1310. The following words and phrases as used in sections 86.1310 to 86.1640 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 paid to  
5 the retirement board by a member or by a member's beneficiary for the purchase of prior service  
6 credits or any other purpose permitted under sections 86.1310 to 86.1640, in all cases with  
7 interest, if any, thereon at a rate determined from time to time for such purpose by the retirement  
8 board;

9 (2) "Actuarial cost", the present value of a future payment or series of payments as  
10 calculated by applying the actuarial assumptions established according to subsection 8 of section  
11 86.1630;

12 (3) "Beneficiary", any person entitled, either currently or conditionally, to receive  
13 pension or other benefits provided in sections 86.1310 to 86.1640;

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

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

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

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

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

32 (9) "Employee", any regularly appointed civilian employee of the police department of  
33 the city as specified in sections 86.1310 to 86.1640 who is:

34 (a) Appointed prior to August 28, 2011, and is not eligible to receive a pension from the  
35 police retirement system of said city;

36 (b) Appointed on or after August 28, 2011, and is not eligible to receive a pension from  
37 the police retirement system of such city or from any other retirement or pension system of such  
38 city;

39 (10) "Final compensation"[,] :

40 (a) **For a Tier I member as described in subdivision (13) of this section**, the average  
41 annual compensation of a member during the member's service if less than two years, or the  
42 twenty-four months of service for which the member received the highest salary whether  
43 consecutive or otherwise[.] ;

44 (b) **For a Tier II member as described in subdivision (13) of this section, the**  
45 **average annual compensation of a member during the member's service if less than three**  
46 **years, or the thirty-six months of service for which the member received the highest salary**  
47 **whether consecutive or otherwise;**

48 (c) For any period of time when a member is paid on a frequency other than monthly,  
49 the member's salary for such period shall be deemed to be the monthly equivalent of the  
50 member's annual rate of compensation for such period;

51 (11) "Internal Revenue Code", the United States Internal Revenue Code of 1986, as  
52 amended;

53 (12) "Medical board", not less than one nor more than three physicians appointed by the  
54 retirement board to arrange for and conduct medical examinations as directed by the retirement  
55 board;

56 (13) "Member", a member of the civilian employees' retirement system as described in  
57 section 86.1480[.] :

58 (a) **"Tier I member", any person who became a member prior to August 28, 2013,**  
59 **and who remains a member on August 28, 2013, shall remain a Tier I member until such**  
60 **member's membership is terminated as described in section 86.1520;**

61 (b) **"Tier I surviving spouse", the surviving spouse of a Tier I member;**

62 (c) **"Tier II member", any person who became a member on or after August 28,**  
63 **2013;**

64 (d) **"Tier II surviving spouse", the surviving spouse of a Tier II member;**

65 (e) Any person whose membership is terminated as described in section 86.1520  
66 and who re-enters membership on or after August 28, 2013, shall become a member under  
67 paragraph (c) of this subdivision;

68 (14) "Pension", annual payments for life, payable monthly, at the times described in  
69 section 86.1420;

70 (15) "Pension fund", the fund resulting from contributions made thereto by the cities  
71 affected by sections 86.1310 to 86.1640 and by the members of the civilian employees'  
72 retirement system;

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

76 (17) "Retirement board" or "board", the board provided in section 86.1330 to administer  
77 the retirement system;

78 (18) "Retirement system", the civilian employees' retirement system of the police  
79 department of the cities as defined in section 86.1320;

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

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

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

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

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

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

86.1380. The retirement board shall before [January tenth] **October fifteenth** of each  
2 year certify to the chief financial officer of such city the amount to be paid by the city to the  
3 retirement pension system for the succeeding fiscal year, as otherwise provided by sections  
4 86.1310 to 86.1640.

86.1420. 1. All benefits and all necessary administrative expenses of the retirement  
2 system shall be paid from the funds of the retirement system.

3           2. The base pension of a member who, after August 28, 2011, retires from or otherwise  
4 terminates active service with entitlement to a base pension under sections 86.1310 to 86.1640  
5 shall commence as of the first day of the month next following such retirement or termination  
6 with no proration of such pension for the month in which such retirement or termination occurs.  
7 The supplemental retirement benefit of a member who, after August 28, 2011, retires from or  
8 otherwise terminates active service with entitlement to a supplemental retirement benefit  
9 provided in subsection 1 of section 86.1600 shall commence as of the first day of the month next  
10 following such retirement or termination with no proration of such supplemental retirement  
11 benefit for the month in which such retirement or termination occurs.

12           3. Upon the death of a member in service who leaves a surviving spouse, as defined in  
13 section 86.1310, entitled to benefits, any base pension which such surviving spouse shall elect  
14 under subdivision (2) of subsection 1 of section 86.1610 or under paragraph (b) of subdivision  
15 (3) of subsection 1 of section 86.1610 shall commence the later of the first day of the month next  
16 following such death or the first day of the month following the date which would have been the  
17 member's earliest possible retirement date permitted under [subsection] **subsections 2 or 3** of  
18 section 86.1540 with no proration of such pension for the month prior to such commencement  
19 date. Any base pension which such surviving spouse shall elect under paragraph (c) of  
20 subdivision (3) of subsection 1 of section 86.1610 shall commence the first day of the month  
21 next following such death with no proration of such pension for the month prior to such  
22 commencement date.

23           4. Upon the death of a member who is receiving a base pension under sections 86.1310  
24 to 86.1640 leaving a surviving spouse, as defined in section 86.1310, entitled to benefits, the  
25 pension of such surviving spouse shall commence on the first day of the month next following  
26 such death with no proration for the month in which such death occurs.

27           5. All payments of any benefit shall be paid on the first business day of each month for  
28 that month. For any benefit under sections 86.1310 to 86.1640, the retirement system shall  
29 withhold payment of such benefit until all requisite documentation has been filed with the  
30 retirement system evidencing the entitlement of the payee to such payment. The final payment  
31 due to a retired member shall be the payment due on the first day of the month in which such  
32 member's death occurs. The final payment due to any surviving spouse shall be the payment due  
33 on the first day of the month in which such surviving spouse dies or otherwise ceases to be  
34 entitled to benefits under sections 86.1310 to 86.1640.

35           6. If no benefits are otherwise payable to a surviving spouse of a deceased member or  
36 otherwise as provided in this section, the member's accumulated contributions, to any extent not  
37 fully paid to such member prior to the member's death or to the surviving spouse of such member  
38 or otherwise as provided in this section, shall be paid in one lump sum to the member's

39 beneficiary named by such member in a writing filed with the retirement system prior to the  
40 member's death for the purpose of receiving such benefit, and if no beneficiary is named, then  
41 to such member's estate. Such payment shall constitute full and final payment of any and all  
42 claims for benefits under the retirement system, except as provided in section 86.1620.

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. Except as provided in subsection 3 of this section, a member who served on active  
5 duty in the Armed Forces of the United States and who became a member, or returned to  
6 membership, after discharge under honorable conditions, may elect prior to retirement to  
7 purchase creditable service equivalent to such service in the Armed Forces, not to exceed two  
8 years, provided the member is not receiving and is not eligible to receive retirement credits or  
9 benefits from any other public or private retirement plan for the service to be purchased, other  
10 than a United States military service retirement system or United States Social Security benefits  
11 attributable to such military service, and an affidavit so stating is filed by the member with the  
12 retirement system. A member electing to make such purchase shall pay to the retirement system  
13 an amount equal to the actuarial cost of the additional benefits attributable to the additional  
14 service credit to be purchased, as of the date the member elects to make such purchase. Payment  
15 in full of the amount due from a member electing to purchase creditable service under this  
16 subsection shall be made over a period not to exceed five years, measured from the date of  
17 election, or prior to the commencement date for payment of benefits to the member from the  
18 retirement system, whichever is earlier, including interest on unpaid balances compounded  
19 annually at the interest rate assumed from time to time for actuarial valuations of the retirement  
20 system. If payment in full including interest is not made within the prescribed period, any partial  
21 payments made by the member shall be refunded, and no creditable service attributable to such  
22 election, or as a result of any such partial payments, shall be allowed; provided that if a benefit  
23 commencement date occurs because of the death or disability of a member who has made an  
24 election under this subsection and if the member is current in payments under an approved  
25 installment plan at the time of the death or disability, such election shall be valid if the member,  
26 the surviving spouse or other person entitled to benefit payments pays the entire balance of the  
27 remaining amount due, including interest to the date of such payment, within sixty days after the  
28 member's death or disability. The time of a disability shall be deemed to be the time when such  
29 member is determined by the retirement board to be totally and permanently disabled as provided  
30 in section 86.1560.

31 3. Notwithstanding any other provision of sections 86.1310 to 86.1640, a member who  
32 is on leave of absence for military service during any portion of which leave the United States

33 is in a state of declared war, or a compulsory draft is in effect for any of the military branches  
34 of the United States, or any units of the military reserves of the United States, including the  
35 National Guard, are mobilized for combat military operations, and who becomes entitled to  
36 reemployment rights and other employment benefits under Title 38, Chapter 43 of the U.S. Code,  
37 relating to employment and reemployment rights of members of the uniformed services by  
38 meeting the requirements for such rights and benefits under Section 4312 of said chapter, or the  
39 corresponding provisions of any subsequent applicable federal statute, shall be entitled to service  
40 credit for the time spent in such military service for all purposes of sections 86.1310 to 86.1640  
41 and such member shall not be required to pay any member contributions for such time. If it  
42 becomes necessary for the years of such service to be included in the calculation of such  
43 member's compensation for any purpose, such member shall be deemed to have received the  
44 same compensation throughout such period of service as the member's base annual salary  
45 immediately prior to the commencement of such leave of absence; **provided, however, that the**  
46 **foregoing provisions of this subsection shall apply only to such portion of such leave with**  
47 **respect to which the cumulative length of the absence and of all previous absences from a**  
48 **position of employment with the employer by reason of service in the uniformed services**  
49 **does not exceed five years except for such period of any such excess as meets the**  
50 **requirements for exceptions to such five-year limitation set forth in the aforesaid Section**  
51 **4312.**

86.1530. The normal retirement date of a member shall be the later of:

- 2       **(1) Tier I member** - the date such member attains the age of sixty-five years, or the tenth  
3 anniversary of such member's employment; **or**  
4       **(2) Tier II member** - **the date such member attains the age of sixty-seven years, or**  
5 **the twentieth anniversary of such member's employment.**

86.1540. 1. (1) Upon retirement on or after a member's normal retirement date, such  
2 member shall receive a base pension in the amount of two percent of such member's final  
3 compensation times the number of years, including fractions thereof, of such member's creditable  
4 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. **Tier I** 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 as  
11 computed under subsection 1 of this section shall be reduced by one-half of one percent for each



12 full month the initial payment is prior to the first day of the month following that in which such  
13 member will attain age sixty;

14 (2) Beginning at age sixty, if the member has completed at least five but not more than  
15 ten years of creditable service or at any later age after the member has completed at least five  
16 years of creditable service. Unless subdivision (3) of this subsection shall be applicable, the  
17 benefit as computed under subsection 1 of this section shall be reduced by one-half of one  
18 percent for each full month the initial payment is prior to the first day of the month following that  
19 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 equals or  
21 exceeds eighty, in which event the benefit shall be as computed under subsection 1 of this section  
22 without any reduction. If an election for early retirement results in a reduced benefit under  
23 subdivision (1) or (2) of this subsection, such reduced benefit shall become the member's base  
24 pension, subject to all other adjustments described in this section.

25 **3. Tier II members may elect early retirement as follows:**

26 (1) **Beginning at age sixty-two, if the member has completed at least five years of**  
27 **creditable service, the benefit as computed under subsection 1 of this section shall be**  
28 **reduced by one-half of one percent for each full month the initial payment is prior to the**  
29 **first day of the month following that in which such member will attain age sixty-seven; or**

30 (2) **At any time after the member has completed at least twenty years of creditable**  
31 **service and is at least sixty-two years of age, in which event the benefit shall be as**  
32 **computed under subsection 1 of this section without any reduction; or**

33 (3) **At any time after the member's total of age and years of creditable service**  
34 **equals or exceeds eighty-five, in which event the benefit shall be as computed under**  
35 **subsection 1 of this section without any reduction. If an election for early retirement**  
36 **results in a reduced benefit under subdivision (1) of this subsection, such reduced benefit**  
37 **shall become the member's base pension, subject to all other adjustments described in this**  
38 **section.**

39 **4. (1) A member who is married at the time of retirement may by a written election, with**  
40 **the written consent of such member's spouse, elect an optional benefit calculated as follows:**  
41 **such optional benefit shall be a monthly pension in the initial amount which shall be actuarially**  
42 **equivalent to the actuarial value of the pension described in subdivision (1) of subsection 1 of**  
43 **this section for such member at the date of retirement (including the value of survivorship rights**  
44 **of a surviving spouse, where applicable, under section 86.1610), upon the basis that the initial**  
45 **annuity for the member's spouse, if such spouse survives the member, shall be the same as the**  
46 **amount being paid the member on such annuity at the member's death, and, subject to**  
47 **cost-of-living adjustments thereafter declared on the spouse's base pension under section**

48 86.1590, shall be paid to such surviving spouse for the lifetime of such spouse without regard  
49 to remarriage. If a member who makes an election of an optional benefit under this subsection  
50 has also elected an early retirement under either subdivision (1) or (2) of subsection 2 of this  
51 section **or subdivision (1) of subsection 3 of this section**, any reduction in benefit required for  
52 such early retirement election shall be calculated before calculating the initial amount of the  
53 optional benefit under this subsection.

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

57 (3) If a member makes the election permitted by this subsection, the amount calculated  
58 for such optional benefit under either subdivision (1) or (2) of this subsection shall be the base  
59 pension for such member and for such member's spouse for all purposes of sections 86.1310 to  
60 86.1640.

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

64 [4.] 5. Subject to the provisions of subsection [6] 7 of this section, whenever the service  
65 of a member is terminated after August 28, 1999, for any reason prior to death or retirement and  
66 the member has five or more years of creditable service, the member may elect not to withdraw  
67 such member's accumulated contributions and shall become entitled to receive a pension upon  
68 such member's normal retirement date under subdivision (1) of subsection 1 of this section or  
69 may elect to receive a pension commencing upon or after any date, prior to his or her normal  
70 retirement date, upon which early retirement would have been permitted under subsection 2 of  
71 this section **for Tier I members or subsection 3 of this section for Tier II members** if such  
72 member had remained a civilian employee of such police department, except that in calculating  
73 any qualification under [subsection] **subsections 2 or 3** of this section, such member shall not  
74 be entitled to count any year of creditable service in excess of such member's total years of  
75 creditable service at the time of such member's termination of employment. The amount of any  
76 pension commenced upon the basis of a date permitted under [subsection] **subsections 2 or 3**  
77 of this section shall be computed on the basis of the member's final compensation and number  
78 of years of creditable service, subject to such adjustments as may be applicable under the  
79 subdivision of [subsection] **subsections 2 or 3** of this section upon which such member relies  
80 in electing such member's pension and subject to any other adjustments that such member may  
81 elect under this section. The amount of the initial pension calculated after all applicable  
82 adjustments shall be the base pension for such member, and for such member's spouse if such  
83 member shall elect the optional benefit permitted under subsection [3] 4 of this section, for all

84 purposes of sections 86.1310 to 86.1640. Payment of any benefits elected under this subsection  
85 shall commence as of the first day of the month next following the applicable date with no  
86 proration of such benefit for any initial partial month.

87 [5.] 6. A member whose service was terminated on or before August 28, 1999, after five  
88 or more years of creditable service, and who permitted such member's accumulated contributions  
89 to remain in the pension fund, shall upon application to the retirement board be appointed as a  
90 consultant. For services as such consultant, such member shall, beginning the later of August  
91 28, 1999, or the time of such appointment under this subsection, be entitled to elect to receive  
92 compensation in such amount and at such time as such member would have been entitled to elect  
93 under any of the provisions of subsection [4] 5 of this section if such member had terminated  
94 service after August 28, 1999. Such member shall be entitled to the same cost-of-living  
95 adjustments following the commencement of such compensation as if such member's  
96 compensation had been a base pension.

97 [6.] 7. Notwithstanding any other provisions of sections 86.1310 to 86.1640, any member  
98 who is convicted of a felony prior to separation from active service shall not be entitled to any  
99 benefit from this retirement system except the return of such member's accumulated  
100 contributions.

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

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

7 (2) Notifies the retirement system of the member's election hereunder at least thirty days  
8 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 date,  
12 provide the member a written explanation of such member's rights under this section and an  
13 estimate of the amount by which the 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 the member under this  
15 section.

16 2. (1) A member entitled to make an election under this section may elect to receive a  
17 lump sum distribution with the member's initial monthly pension payment under section 86.1540,  
18 subject to all the terms of this section. The member may elect the amount of the member's lump

19 sum distribution from one, but not more than one, of the following options for which the member  
20 qualifies:

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

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

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

30

31 For purposes of this section, "eligible retirement date" for a member shall mean the earliest date  
32 on which the member could elect to retire and be entitled to receive a pension under section  
33 86.1540.

34 (2) When a member makes an election to receive a lump sum distribution under this  
35 section, the base pension that the member would have received in the absence of an election shall  
36 be reduced on an actuarially equivalent basis to reflect the payment of the lump sum distribution,  
37 and the reduced base pension shall be the member's base pension thereafter for all purposes  
38 relating to base pension amounts under sections 86.1310 to 86.1640, unless the member has also  
39 elected an optional benefit permitted under subsection [3] 4 of section 86.1540.

40 (3) If a member electing a lump sum distribution under this section has elected the  
41 optional benefit permitted under subsection [3] 4 of section 86.1540, the calculation of the  
42 member's pension shall be made in the following order:

43 (a) The amount of the member's normal pension under subdivision (1) of subsection 1  
44 of section 86.1540 shall be reduced if applicable by any reductions required under [subsection]  
45 **subsections 2 or 3** of section 86.1540;

46 (b) The amount of the pension as determined under paragraph (a) of this subdivision  
47 shall be reduced to the actuarially equivalent amount to produce the optional form of benefit  
48 described in subdivision (1) of subsection [3] 4 of section 86.1540;

49 (c) The amount of reduced pension as determined under paragraph (b) of this subdivision  
50 shall be further reduced as required to produce an actuarially equivalent benefit in the form of  
51 the lump sum distribution option elected under this section and a remaining monthly annuity  
52 which shall be paid on the basis that the initial annuity for the member's spouse, if such spouse  
53 survives the member, shall be the same as the amount being paid the member on this annuity at  
54 the member's death, and, subject to cost-of-living adjustments thereafter declared on the spouse's

55 base pension under section 86.1590, shall be paid to such surviving spouse for the lifetime of  
56 such spouse without regard to remarriage.

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

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

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

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

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

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

23 (3) For a surviving spouse entitled to the continuation of an optional benefit elected  
24 under subsection [3] 4 of section 86.1540, the base pension determined in accordance with  
25 subdivision (3) of subsection [3] 4 of section 86.1540.

26 4. The cost-of-living adjustment shall be an increase or decrease computed on the base  
27 pension amount by the retirement board in an amount that the board, in its discretion, determines  
28 to be satisfactory, but in no event shall the adjustment be more than three percent or reduce the  
29 pension to an amount less than the base pension. In determining and granting the cost-of-living  
30 adjustments, 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 of  
32 such adjustments and the effective dates thereof. The retirement board shall provide for such  
33 adjustments to be determined once each year and granted on a date or dates to be chosen by the  
34 board, and may apply such adjustments in full to members who have retired during the year prior  
35 to such adjustments but who have not been retired for one full year and to the surviving spouse  
36 of a member who has died during the year prior to such adjustments.

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

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

5 (1) If the member has less than five years of creditable service, the member's surviving  
6 spouse shall be paid, in one lump sum, the amount of the member's accumulated contributions.  
7 If there is no surviving spouse, the member's accumulated contributions shall be paid as provided  
8 in subsection 6 of section 86.1420;

9 (2) If the member has at least five but fewer than twenty years of creditable service, the  
10 member's surviving spouse may elect the lump sum settlement in subdivision (1) of this  
11 subsection or a pension. Such pension shall be fifty percent of the member's accrued pension at  
12 date of death as computed in subdivision (1) of subsection 1 of section 86.1540, commencing  
13 as provided in subsection 3 of section 86.1420;

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

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

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

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

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

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

25 2. Upon death of a member after retirement who has not elected the optional annuity  
26 permitted under subsection [3] 4 of section 86.1540, the surviving spouse shall receive a base  
27 pension payable for life, equaling fifty percent of the member's base pension, as of the member's  
28 retirement date, subject to the following:

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

32 (2) Any surviving spouse who was married to such a member at the time of the member's  
33 retirement shall be entitled to all benefits for surviving spouses under sections 86.1310 to  
34 86.1640 for the life of such surviving spouse without regard to remarriage.

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

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

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

5 2. The retirement board shall administer this retirement system in such 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 the  
8 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 with  
12 sections 86.1310 to 86.1640.

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

15 (1) The attaining of the age of sixty-five or the member's tenth anniversary of  
16 employment, whichever is later **for any Tier I member, or the attaining of the age of sixty-**  
17 **seven or the member's twentieth anniversary of employment, whichever is later for any**  
18 **Tier II member;**

19 (2) **For any Tier I member** when the total sum of age and years of **creditable** service  
20 equals or exceeds eighty, **or for any Tier II member when the total sum of age and years of**  
21 **creditable service equals or exceeds eighty-five;** or

22 (3) To the extent funded, upon the termination of the system established under sections  
23 86.1310 to 86.1640 or any partial termination which affects the member or any complete  
24 discontinuance of contributions by the city to the system.

25

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

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

33 6. A member or beneficiary of a member shall not accrue a service retirement annuity,  
34 disability retirement annuity, death benefit, whether death occurs in the line of duty or otherwise,  
35 or any other benefit under sections 86.1310 to 86.1640 in excess of the benefit limits applicable  
36 to the fund under Section 415 of the Internal Revenue Code. The retirement board shall reduce  
37 the amount of any benefit that exceeds the limits of this section by the amount of the excess. If  
38 the total benefits under the retirement system and the benefits and contributions to which any  
39 member is entitled under any other qualified plan or plans maintained by the board of police  
40 commissioners that employs the member would otherwise exceed the applicable limits under  
41 Section 415 of the Internal Revenue Code, the benefits the member would otherwise receive  
42 from the retirement system are reduced to the extent necessary to enable the benefits to comply  
43 with Section 415 of the Internal Revenue Code.

44 7. The total salary taken into account for any purpose for any member of the retirement  
45 system shall not exceed two hundred thousand dollars per year, subject to periodic adjustments



46 in accordance with guidelines provided by the United States Secretary of the Treasury and may  
47 not exceed such other limits as may be applicable at any given time under Section 401(a)(17) of  
48 the Internal Revenue Code.

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

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

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

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

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

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