

FIRST REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]

HOUSE BILL NO. 629

98TH GENERAL ASSEMBLY

1587H.01T

2015

AN ACT

To repeal sections 86.1270, 86.1630, 169.291, and 169.450, RSMo, and to enact in lieu thereof four new sections relating to retirement systems.

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

Section A. Sections 86.1270, 86.1630, 169.291, and 169.450, RSMo, are repealed and
2 four new sections enacted in lieu thereof, to be known as sections 86.1270, 86.1630, 169.291,
3 and 169.450, to read as follows:

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;

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.

17 (2) Age sixty for any Tier I member who has completed at least ten years of creditable
18 service or age sixty for any Tier II member who has completed at least fifteen years of creditable
19 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. Amounts representing forfeited
24 nonvested benefits of terminated members shall not be used to increase benefits payable from
25 the system but may be used to reduce contributions for future plan years.

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

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

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

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

54 retirement board, but a change in actuarial assumptions shall not result in any decrease in
55 benefits accrued as of the effective date of the change.

56 9. Any member or beneficiary who is entitled to receive any distribution that is an
57 eligible rollover distribution, as defined by Section 402(c)(4) of the Internal Revenue Code, is
58 entitled to have that distribution transferred directly to another eligible retirement plan of the
59 member's or beneficiary's choice upon providing direction to the secretary of this retirement
60 system regarding the transfer in accordance with procedures established by the retirement board.
61 **Effective for distributions made on or after January 1, 2010, a nonspouse beneficiary may**
62 **elect to directly rollover an eligible rollover distribution to an individual retirement**
63 **account under Section 408(a) of the Internal Revenue Code of 1986, as amended; to an**
64 **individual retirement annuity under Section 408(b) of the Internal Revenue Code of 1986,**
65 **as amended; or if the participant satisfies the requirements for making a Roth contribution**
66 **under Section 408(A)(c)(3)(B) of the Internal Revenue Code of 1986, as amended, to a Roth**
67 **individual retirement account.**

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

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

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

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-seven
17 or the member's twentieth anniversary of employment, whichever is later for any Tier II member;

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

21 (3) To the extent funded, upon the termination of the system established under sections
22 86.1310 to 86.1640 or any partial termination which affects the member or any complete
23 discontinuance of contributions by the city to the system. Amounts representing forfeited
24 nonvested benefits of terminated members shall not be used to increase benefits payable from
25 the system but may be used to reduce contributions for future plan years.

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

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

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

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

56 9. Any member or beneficiary who is entitled to receive any distribution that is an
57 eligible rollover distribution, as defined by Section 402(c)(4) of the Internal Revenue Code, is
58 entitled to have that distribution transferred directly to another eligible retirement plan of the
59 member's or beneficiary's choice upon providing direction to the secretary of the retirement
60 system regarding the transfer in accordance with procedures established by the retirement board.
61 **Effective for distributions made on or after January 1, 2010, a nonspouse beneficiary may**
62 **elect to directly rollover an eligible rollover distribution to an individual retirement**
63 **account under Section 408(a) of the Internal Revenue Code of 1986, as amended; to an**
64 **individual retirement annuity under Section 408(b) of the Internal Revenue Code of 1986,**
65 **as amended; or if the participant satisfies the requirements for making a Roth contribution**
66 **under Section 408(A)(c)(3)(B) of the Internal Revenue Code of 1986, as amended, to a Roth**
67 **individual retirement account.**

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

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

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

169.291. 1. The general administration and the responsibility for the proper operation
2 of the retirement system are hereby vested in a board of trustees of twelve persons who shall be
3 resident taxpayers of the school district, as follows:

4 (1) Four trustees to be appointed for terms of four years by the board of education;
5 provided, however, that the terms of office of the first four trustees so appointed shall begin
6 immediately upon their appointment and shall expire one, two, three, and four years from the
7 date the retirement system becomes operative, respectively;

8 (2) **Until the election in 2016**, four trustees to be elected for terms of four years by and
9 from the members of the retirement system; provided, however, that the terms of office of the
10 first four trustees so elected shall begin immediately upon their election and shall expire one,
11 two, three, and four years from the date the retirement system becomes operative, respectively,
12 **but beginning at the election in 2016, three trustees;**

13 (3) **Beginning at the election in 2016, one trustee shall be a person employed as a**
14 **teacher or administrator at a charter school, as "charter school" is defined in section**
15 **169.270, elected for a term of four years by and from the members of the retirement**
16 **system;**

17 (4) The ninth trustee shall be the superintendent of schools of the school district;

18 [(4)] (5) The tenth trustee shall be one retirant of the retirement system elected for a term
19 of four years beginning the first day of January immediately following August 13, 1986, by the
20 retirants of the retirement system;

21 [(5)] (6) The eleventh trustee shall be appointed for a term of four years beginning the
22 first day of January immediately following August 13, 1990, by the board of trustees described
23 in subdivision (3) of section 182.701;

24 [(6)] (7) The twelfth trustee shall be a retirant of the retirement system elected for a term
25 of four years beginning the first day of January immediately following August 28, 1992, by the
26 retirants of the retirement system.

27 2. If a vacancy occurs in the office of a trustee, the vacancy shall be filled for the
28 unexpired term in the same manner as the office was previously filled, except that the board of
29 trustees may appoint a qualified person to fill the vacancy in the office of an elected member

30 until the next regular election at which time a member shall be elected for the unexpired term.
31 No vacancy or vacancies on the board of trustees shall impair the power of the remaining trustees
32 to administer the retirement system pending the filling of such vacancy or vacancies.

33 3. In the event of a lapse of the school district's corporate organization as described in
34 subsections 1 and 4 of section 162.081, the general administration and responsibility for the
35 proper operation of the retirement system shall continue to be vested in a twelve-person board
36 of trustees, all of whom shall be resident taxpayers of a city, other than a city not within a county,
37 of four hundred thousand or more. In such event, if vacancies occur in the offices of the four
38 trustees appointed, prior to the lapse, by the board of education, or in the offices of the four
39 trustees elected, prior to the lapse, by the members of the retirement system, or in the office of
40 trustee held, prior to the lapse, by the superintendent of schools in the school district, as provided
41 in subdivisions (1), (2) and (3) of subsection 1 of this section, the board of trustees shall appoint
42 a qualified person to fill each vacancy and subsequent vacancies in the office of trustee for terms
43 of up to four years, as determined by the board of trustees.

44 4. Each trustee shall, before assuming the duties of a trustee, take the oath of office
45 before the court of the judicial circuit or one of the courts of the judicial circuit in which the
46 school district is located that so far as it devolves upon the trustee, such trustee shall diligently
47 and honestly administer the affairs of the board of trustees and that the trustee will not knowingly
48 violate or willingly permit to be violated any of the provisions of the law applicable to the
49 retirement system. Such oath shall be subscribed to by the trustee making it and filed in the
50 office of the clerk of the circuit court.

51 5. Each trustee shall be entitled to one vote in the board of trustees. Seven trustees shall
52 constitute a quorum at any meeting of the board of trustees. At any meeting of the board of
53 trustees where a quorum is present, the vote of at least seven of the trustees in support of a
54 motion, resolution or other matter is necessary to be the decision of the board; provided,
55 however, that in the event of a lapse in the school district's corporate organization as described
56 in subsections 1 and 4 of section 162.081, a majority of the trustees then in office shall constitute
57 a quorum at any meeting of the board of trustees, and the vote of a majority of the trustees then
58 in office in support of a motion, resolution or other matter shall be necessary to be the decision
59 of the board.

60 6. The board of trustees shall have exclusive original jurisdiction in all matters relating
61 to or affecting the funds herein provided for, including, in addition to all other matters, all claims
62 for benefits or refunds, and its action, decision or determination in any matter shall be reviewable
63 in accordance with chapter 536 or chapter 621. Subject to the limitations of sections 169.270
64 to 169.400, the board of trustees shall, from time to time, establish rules and regulations for the
65 administration of funds of the retirement system, for the transaction of its business, and for the
66 limitation of the time within which claims may be filed.

67 7. The trustees shall serve without compensation. The board of trustees shall elect from
68 its membership a chairman and a vice chairman. The board of trustees shall appoint an executive
69 director who shall serve as the administrative officer of the retirement system and as secretary
70 to the board of trustees. It shall employ one or more persons, firms or corporations experienced
71 in the investment of moneys to serve as investment counsel to the board of trustees. The
72 compensation of all persons engaged by the board of trustees and all other expenses of the board
73 necessary for the operation of the retirement system shall be paid at such rates and in such
74 amounts as the board of trustees shall approve, and shall be paid from the investment income.

75 8. The board of trustees shall keep in convenient form such data as shall be necessary
76 for actuarial valuations of the various funds of the retirement system and for checking the
77 experience of the system.

78 9. The board of trustees shall keep a record of all its proceedings which shall be open
79 to public inspection. It shall prepare annually and furnish to the board of education and to each
80 member of the retirement system who so requests a report showing the fiscal transactions of the
81 retirement system for the preceding fiscal year, the amount of accumulated cash and securities
82 of the system, and the last balance sheet showing the financial condition of the system by means
83 of an actuarial valuation of the assets and liabilities of the retirement system.

84 10. The board of trustees shall have, in its own name, power to sue and to be sued, to
85 enter into contracts, to own property, real and personal, and to convey the same; but the members
86 of such board of trustees shall not be personally liable for obligations or liabilities of the board
87 of trustees or of the retirement system.

88 11. The board of trustees shall arrange for necessary legal advice for the operation of the
89 retirement system.

90 12. The board of trustees shall designate a medical board to be composed of three or
91 more physicians who shall not be eligible for membership in the system and who shall pass upon
92 all medical examinations required under the provisions of sections 169.270 to 169.400, shall
93 investigate all essential statements and certificates made by or on behalf of a member in
94 connection with an application for disability retirement and shall report in writing to the board
95 of trustees its conclusions and recommendations upon all matters referred to it.

96 13. The board of trustees shall designate an actuary who shall be the technical advisor
97 of the board of trustees on matters regarding the operation of the retirement system and shall
98 perform such other duties as are required in connection therewith. Such person shall be qualified
99 as an actuary by membership as a Fellow of the Society of Actuaries or by similar objective
100 standards.

101 14. At least once in each five-year period the actuary shall make an investigation into
102 the actuarial experience of the members, retirants and beneficiaries of the retirement system and,
103 taking into account the results of such investigation, the board of trustees shall adopt for the

104 retirement system such actuarial assumptions as the board of trustees deems necessary for the
105 financial soundness of the retirement system.

106 15. On the basis of such actuarial assumptions as the board of trustees adopts, the actuary
107 shall make annual valuations of the assets and liabilities of the funds of the retirement system.

108 16. The rate of contribution payable by the employers shall equal one and ninety-nine
109 one-hundredths percent, effective July 1, 1993; three and ninety-nine one-hundredths percent,
110 effective July 1, 1995; five and ninety-nine one-hundredths percent, effective July 1, 1996; seven
111 and one-half percent effective January 1, 1999, and for subsequent calendar years through 2013.
112 For calendar year 2014 and each subsequent year, the rate of contribution payable by the
113 employers for each year shall be determined by the actuary for the retirement system in the
114 manner provided in subsection 4 of section 169.350 and shall be certified by the board of trustees
115 to the employers at least six months prior to the date such rate is to be effective.

116 17. In the event of a lapse of a school district's corporate organization as described in
117 subsections 1 and 4 of section 162.081, no retirement system, nor any of the assets of any
118 retirement system, shall be transferred to or merged with another retirement system without prior
119 approval of such transfer or merge by the board of trustees of the retirement system.

169.450. 1. The general administration and responsibility for the proper operation of the
2 retirement system and for making effective the provisions of sections 169.410 to 169.540 are
3 hereby vested in a board of trustees of eleven persons, as follows:

4 (1) Four trustees to be appointed for terms of four years by the board of education;
5 provided, however, that their terms shall be fixed so the terms of one of the trustees so appointed
6 shall expire each year. The members of such board of trustees appointed by the board of
7 education may be members of the board of education or other individuals deemed qualified to
8 hold such positions by the board of education;

9 (2) Four trustees to be elected for terms of four years by and from the active members
10 of the retirement system who shall hold office as trustees only while active members; provided,
11 however, that their terms shall be fixed so that the terms of one of the trustees so elected shall
12 expire each year; and provided further, that [not more than] **at least** two of such persons shall
13 be teachers and [two] **not more than one** shall be [nonteachers] **a nonteacher, and beginning**
14 **in 2016, one shall be a person employed as a teacher or administrator at a charter school,**
15 **as "charter school" is defined in section 169.270, and elected for a term of four years by**
16 **the members of the retirement system.** For the purposes of this subsection, a school
17 administrator shall not be eligible for the positions established pursuant to this subdivision and
18 shall be eligible for the position established pursuant to subdivision (4) of this subsection;

19 (3) Two trustees, who shall be retired members, to be elected for terms of four years by
20 and from the retired members of the retirement system; provided, however, that the terms of
21 office of the first two trustees so elected shall begin immediately upon their election and shall

22 expire two and four years from the date of their election, respectively; and provided further, that
23 not more than one of such persons shall be a teacher and one shall be a nonteacher;

24 (4) One member, who shall be a school administrator, to be elected for a term of four
25 years by and from the active members of the retirement system who shall hold office as a trustee
26 only while an active member; except that, the initial term of office of such trustee shall expire
27 on December 31, 1999.

28 2. If a vacancy occurs in the office of trustee, the vacancy shall be filled for the
29 unexpired term in the same manner as the office was previously filled. No vacancy or vacancies
30 on the board of trustees shall impair the power of the remaining trustees to administer the
31 retirement system pending the filling of such vacancies.

32 3. In the event of a lapse of a school district's corporate organization as described in
33 subsections 1 and 4 of section 162.081, or for any other reason, the general administration and
34 the responsibility for the proper operation of the retirement system shall continue to be fully
35 vested in the trustees then currently serving and such trustees shall continue to serve and be
36 elected in the same manner as set forth in this statute as if no lapse had occurred, except that in
37 the event of vacancies occurring in the office of trustees appointed by the board of education
38 prior to the lapse, the board of trustees shall appoint a qualified person or persons to fill such
39 vacancy or vacancies for terms of up to four years.

40 4. Trustees shall serve without compensation, and any trustee shall be reimbursed from
41 the expense fund for all necessary expenses which the trustee may incur through service on the
42 board of trustees.

43 5. Each trustee shall, within ten days after such trustee's appointment or election, take
44 an oath of office before the clerk of the circuit court of the judicial circuit in which the school
45 district is located that, so far as it devolves upon the trustee, the trustee will diligently and
46 honestly administer the affairs of the board of trustees and that the trustee will not knowingly
47 violate or willingly permit to be violated any of the provisions of the law applicable to the
48 retirement system. Such oath shall be subscribed to by the trustee making it and filed in the
49 office of the clerk of the circuit court.

50 6. The circuit court of the judicial circuit in which the school district is located shall have
51 jurisdiction over the members of the board of trustees to require them to account for their official
52 conduct in the management and disposition of the funds and property committed to their charge;
53 to order, decree and compel payment by them to the public school retirement system of their
54 school district of all sums of money, and of the value of all property which may have been
55 improperly retained by them, or transferred to others, or which may have been lost or wasted by
56 any violation of their duties or abuse of their powers as such members of such board; to remove
57 any such member upon proof that the trustee has abused the trustee's trust or has violated the
58 duties of the trustee's office; to restrain and prevent any alienation or disposition of property of

59 such public school retirement system by the members, in cases where it may be threatened, or
60 there is good reason to apprehend that it is intended to be made in fraud of the rights and
61 interests of such public school retirement system. The jurisdiction conferred by sections 169.410
62 to 169.540 shall be exercised as in ordinary cases upon petition, filed by the board of education
63 of such school district, or by any two members of the board of trustees. Such petition shall be
64 heard in a summary manner after ten days' notice in writing to the member complained of, and
65 an appeal shall lie from the judgment of the circuit court as in other causes and be speedily
66 determined, but such appeal shall not operate under any condition as a supersedeas of a judgment
67 of removal from office.

68 7. Each trustee shall be entitled to one vote in the board of trustees. Six votes shall be
69 necessary for a decision by the trustees at any meeting of the board of trustees.

70 8. Subject to the limitations of sections 169.410 to 169.540, the board of trustees shall,
71 from time to time, establish rules and regulations for the administration of the retirement system,
72 for eligibility for and determination of benefits under the retirement system, for the investment
73 of retirement system assets, and for the transaction of the retirement system's business.

74 9. The board of trustees shall elect from its membership a chairman and shall, by
75 majority vote of its members, appoint a secretary, who may be, but need not be, one of its
76 members. It shall engage such actuarial and other services as shall be required to transact the
77 business of the retirement system. It shall also engage an investment counselor who shall be
78 experienced in the investment of moneys to advise the trustees on investments of the retirement
79 system. The compensation of all persons engaged by the board of trustees and all other expenses
80 of the board necessary for the operation of the retirement system shall be paid at such rates and
81 in such amounts as the board of trustees shall approve.

82 10. The board of trustees shall keep in convenient form such data as shall be necessary
83 for actuarial valuations of the assets of the retirement system and for checking the experience of
84 the system.

85 11. The board of trustees shall keep a record of all its proceedings which shall be open
86 to public inspection. It shall prepare annually and send to the board of education and to each
87 member of the retirement system a report showing the fiscal transactions of the retirement system
88 for the preceding fiscal year, a detailed listing of all salaries and expenditures incurred by the
89 trustees for its operation, the amount of the accumulated cash and securities of the system, and
90 the last balance sheet showing the financial condition of the system by means of an actuarial
91 valuation of the assets and liabilities of the retirement system. The board of trustees shall also
92 prepare or cause to be prepared an annual report concerning the operation of the retirement
93 system herein provided for, which report shall be sent by the chairman of the board of trustees
94 to the board of education.

95 12. The board of trustees shall arrange for necessary legal advice for the operation of the
96 retirement system.

97 13. The board of trustees shall designate a medical board to be composed of three
98 physicians, none of whom shall be eligible for benefits pursuant to sections 169.410 to 169.540,
99 who shall arrange for and pass upon all medical examinations required pursuant to the provisions
100 of sections 169.410 to 169.540, shall investigate all essential statements and certificates made
101 by or on behalf of a member in connection with an application for disability retirement and shall
102 report in writing to the board of trustees its conclusions and recommendations upon all matters
103 referred to it.

104 14. The actuary shall be the technical adviser of the board of trustees on matters
105 regarding the operation of the system created by sections 169.410 to 169.540 and shall perform
106 such other duties as are required in connection therewith. Such person shall be qualified as an
107 actuary by membership as a fellow in the Society of Actuaries or by objective standards which
108 are no less stringent than those established by the Society of Actuaries.

109 15. At least once in each five-year period the actuary shall make an investigation into
110 the actuarial experience of the retirement system, and taking into account the results of such
111 investigation of the experience, the board of trustees shall adopt for the retirement system such
112 actuarial assumptions as shall be deemed necessary.

113 16. On the basis of such actuarial assumptions as the board of trustees shall adopt, the
114 actuary shall make an annual valuation of the assets and liabilities of the funds of the retirement
115 system.

116 17. On the basis of the valuation the board of trustees shall certify the rates of
117 contribution payable by the board of education.

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