

STATE OF MISSOURI  
COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**REQUEST FOR FISCAL NOTE**

**Fiscal Note Number:** 5554-02 **Date Due:** could be asap

**Bill Number:** HCS/HB 2202 **CONFIDENTIAL**

**Subject of Proposed Legislation:** Retirement - Local Government; Law Enforcement Officers and Agencies

**Short description of purpose of draft:** Modifies provisions relating to retirement for police officers

**Agency Assigned:** JCPER, STLPRS, STLFRS, City of St. Louis

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**Date:** February 13, 2018

**PLEASE RETURN RESPONSE BY DATE DUE TO:**

**OVERSIGHT DIVISION  
ROOM 132 STATE CAPITOL  
JEFFERSON CITY, MO 65101**

**OR ELECTRONICALLY TO:** [fiscal.note@lr.mo.gov](mailto:fiscal.note@lr.mo.gov)

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Per drafter this is similar/ identical to:

If agencies other than those listed should be assigned, please let me know.

**This is a Confidential Draft. Please limit the distribution to those required to review and respond.**

HOUSE COMMITTEE SUBSTITUTE

FOR

HOUSE BILL NO. 2202

AN ACT

To repeal sections 86.200, 86.223, 86.247, 86.250, 86.251, 86.253, 86.254, 86.257, 86.260, 86.263, 86.267, 86.277, 86.283, 86.288, 86.290, 86.320, 86.330, 86.333, 86.337, 86.344, and 86.354, RSMo, and to enact in lieu thereof twenty-one new sections relating to retirement benefits for police officers.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

Section A. Sections 86.200, 86.223, 86.247, 86.250, 86.251, 86.253, 86.254, 86.257, 86.260, 86.263, 86.267, 86.277, 86.283, 86.288, 86.290, 86.320, 86.330, 86.333, 86.337, 86.344, and 86.354, RSMo, are repealed and twenty-one new sections enacted in lieu thereof, to be known as sections 86.200, 86.223, 86.247, 86.250, 86.251, 86.253, 86.254, 86.257, 86.260, 86.263, 86.267, 86.277, 86.283, 86.288, 86.290, 86.320, 86.330, 86.333, 86.337, 86.344, and 86.354, to read as follows:

86.200. The following words and phrases as used in sections 86.200 to 86.366, unless a different meaning is plainly required by the context, shall have the following meanings:

(1) "Accumulated contributions", the sum of all mandatory contributions deducted from the compensation of a member and credited to the member's individual account, together with members' interest thereon;

(2) "Actuarial equivalent", a benefit of equal value when computed upon the basis of mortality tables and interest

1 assumptions adopted by the board of trustees;

2 (3) "Average final compensation":

3 (a) ~~[With respect to a member who earns no creditable~~  
4 ~~service on or after October 1, 2001, the average earnable~~  
5 ~~compensation of the member during the member's last three years~~  
6 ~~of creditable service as a police officer, or if the member has~~  
7 ~~had less than three years of creditable service, the average~~  
8 ~~earnable compensation of the member's entire period of creditable~~  
9 ~~service;~~

10 ~~——(b)]~~ With respect to a member who commenced employment  
11 before October 1, 2018, who is not participating in the DROP  
12 pursuant to section 86.251 on October 1, 2001, who did not  
13 participate in the DROP at any time before such date, and who  
14 earns any creditable service on or after October 1, 2001, the  
15 average earnable compensation of the member during the member's  
16 last two years of creditable service as a policeman, or if the  
17 member has had less than two years of creditable service, then  
18 the average earnable compensation of the member's entire period  
19 of creditable service; provided, however, that with respect to a  
20 member who commenced employment on or after October 1, 2018, who  
21 is not participating in the DROP under section 86.251, who did  
22 not participate in the DROP at any time before such date, and who  
23 earns any creditable service on or after October 1, 2018, the  
24 "average final compensation" means the average earnable  
25 compensation of the member during the member's last three years  
26 of creditable service as a police officer or, if the member has  
27 had less than three years of creditable service, the average  
28 earnable compensation of the member's entire period of creditable

1 service;

2 ~~[(c) With respect to a member who is participating in the~~  
3 ~~DROP pursuant to section 86.251 on October 1, 2001, or whose~~  
4 ~~participation in DROP ended before such date, who returns to~~  
5 ~~active participation in the system pursuant to section 86.251,~~  
6 ~~and who terminates employment as a police officer for reasons~~  
7 ~~other than death or disability before earning at least two years~~  
8 ~~of creditable service after such return, the portion of the~~  
9 ~~member's benefit attributable to creditable service earned before~~  
10 ~~DROP entry shall be determined using average final compensation~~  
11 ~~as defined in paragraph (a) of this subdivision; and the portion~~  
12 ~~of the member's benefit attributable to creditable service earned~~  
13 ~~after return to active participation in the system shall be~~  
14 ~~determined using average final compensation as defined in~~  
15 ~~paragraph (b) of this subdivision;~~

16 ~~—(d)]~~ (b) With respect to a member who commenced employment  
17 before October 1, 2018, who is participating in the DROP pursuant  
18 to section 86.251 [en] before October 1, [2001] 2018, or whose  
19 participation in the DROP ended before such date, who returns to  
20 active participation in the system pursuant to section 86.251,  
21 and who terminates employment as a police officer after earning  
22 at least two years of creditable service after such return, the  
23 member's benefit attributable to all of such member's creditable  
24 service shall be determined using the member's average final  
25 compensation as defined in paragraph [-(b)] (a) of this  
26 subdivision; provided, however, that with respect to a member who  
27 commenced employment for the first time on or after October 1,  
28 2018, who is participating in the DROP (regardless of the period

1 of time such member has participated in DROP) under section  
2 86.251, and who shall terminate employment as a police officer  
3 and actually retire:

4 a. At the end of the five-year DROP period; or

5 b. At the time such member elects to withdraw from  
6 participation in DROP (regardless of the period of time such  
7 member participated in DROP),

8  
9 the portion of the member's benefit attributable to creditable  
10 service earned before DROP entry shall be determined using  
11 average final compensation as defined in paragraph (a) of this  
12 subdivision;

13 ~~[(e) With respect to a member who is participating in the~~  
14 ~~DROP pursuant to section 86.251 on October 1, 2001, or whose~~  
15 ~~participation in DROP ended before such date, who returns to~~  
16 ~~active participation in the system pursuant to section 86.251,~~  
17 ~~and whose employment as a police officer terminates due to death~~  
18 ~~or disability after such return, the member's benefit~~  
19 ~~attributable to all of such member's creditable service shall be~~  
20 ~~determined using the member's average final compensation as~~  
21 ~~defined in paragraph (b) of this subdivision;]~~ and

22 ~~[(f)]~~ (c) With respect to the surviving spouse or  
23 surviving dependent child of a member who earns any creditable  
24 service on or after October 1, 2001, the average earnable  
25 compensation of the member during the member's last two years of  
26 creditable service as a police officer or, if the member has had  
27 less than two years of creditable service, the average earnable  
28 compensation of the member's entire period of creditable service;

1 provided, however, that with respect to a member who commenced  
2 employment for the first time on or after October 1, 2018, the  
3 "average final compensation" for purposes of this paragraph means  
4 the average earnable compensation of the member during the  
5 member's last three years of creditable service as a police  
6 officer or, if the member has had less than three years of  
7 creditable service, the average earnable compensation of the  
8 member's entire period of creditable service;

9 (4) "Beneficiary", any person in receipt of a retirement  
10 allowance or other benefit;

11 (5) "Board of trustees", the board provided in sections  
12 86.200 to 86.366 to administer the retirement system;

13 (6) "Creditable service", prior service plus membership  
14 service as provided in sections 86.200 to 86.366;

15 (7) "DROP", the deferred retirement option plan provided  
16 for in section 86.251;

17 (8) "Earnable compensation", the annual salary established  
18 under section 84.160 which a member would earn during one year on  
19 the basis of the member's rank or position plus any additional  
20 compensation for academic work and shift differential that may be  
21 provided by any official or board now or hereafter authorized by  
22 law to employ and manage a permanent police force in such cities.  
23 Such amount shall include the member's deferrals to a deferred  
24 compensation plan pursuant to Section 457 of the Internal Revenue  
25 Code or to a cafeteria plan pursuant to Section 125 of the  
26 Internal Revenue Code or, effective October 1, 2001, to a  
27 transportation fringe benefit program pursuant to Section  
28 132(f)(4) of the Internal Revenue Code. Earnable compensation

1 shall not include a member's additional compensation for  
2 overtime, standby time, court time, nonuniform time or unused  
3 vacation time. Notwithstanding the foregoing, the earnable  
4 compensation taken into account under the plan established  
5 pursuant to sections 86.200 to 86.366 with respect to a member  
6 who is a noneligible participant, as defined in this subdivision,  
7 for any plan year beginning on or after October 1, 1996, shall  
8 not exceed the amount of compensation that may be taken into  
9 account under Section 401(a)(17) of the Internal Revenue Code, as  
10 adjusted for increases in the cost of living, for such plan year.  
11 For purposes of this subdivision, a "noneligible participant" is  
12 an individual who first becomes a member on or after the first  
13 day of the first plan year beginning after the earlier of:

14 (a) The last day of the plan year that includes August 28,  
15 1995; or

16 (b) December 31, 1995;

17 (9) "Internal Revenue Code", the federal Internal Revenue  
18 Code of 1986, as amended;

19 (10) "Mandatory contributions", the contributions required  
20 to be deducted from the salary of each member who is not  
21 participating in DROP in accordance with section 86.320;

22 (11) "Medical board", the health care organization  
23 appointed by the trustees of the police retirement board and  
24 responsible for arranging and passing upon all medical  
25 examinations required under the provisions of sections 86.200 to  
26 86.366, which shall investigate all essential statements and  
27 certificates made by or on behalf of a member in connection with  
28 an application for disability retirement and shall report in

1 writing to the board of trustees its conclusions and  
2 recommendations;

3 (12) "Member", a member of the retirement system as defined  
4 by sections 86.200 to 86.366;

5 (13) "Members' interest", interest on accumulated  
6 contributions at such rate as may be set from time to time by the  
7 board of trustees;

8 (14) "Membership service", service as a policeman rendered  
9 since last becoming a member, except in the case of a member who  
10 has served in the Armed Forces of the United States and has  
11 subsequently been reinstated as a policeman, in which case  
12 "membership service" means service as a policeman rendered since  
13 last becoming a member prior to entering such armed service;

14 (15) "Plan year" or "limitation year", the twelve  
15 consecutive-month period beginning each October first and ending  
16 each September thirtieth;

17 (16) "Policeman" or "police officer", any member of the  
18 police force of such cities who holds a rank in such police  
19 force;

20 (17) "Prior service", all service as a policeman rendered  
21 prior to the date the system becomes operative or prior to  
22 membership service which is creditable in accordance with the  
23 provisions of sections 86.200 to 86.366;

24 (18) "Reserve officer", any member of the police reserve  
25 force of such cities, armed or unarmed, who works less than full  
26 time, without compensation, and who, by his or her assigned  
27 function or as implied by his or her uniform, performs duties  
28 associated with those of a police officer and who currently



1 receives a service retirement as provided by sections 86.200 to  
2 86.366;

3 (19) "Retirement allowance", annual payments for life as  
4 provided by sections 86.200 to 86.366 which shall be payable in  
5 equal monthly installments or any benefits in lieu thereof  
6 granted to a member upon termination of employment as a police  
7 officer and actual retirement;

8 (20) "Retirement system", the police retirement system of  
9 the cities as defined in sections 86.200 to 86.366;

10 (21) "Surviving spouse", the surviving spouse of a member  
11 who was the member's spouse at the time of the member's death.

12 86.223. ~~[Six]~~ A majority of the appointed and elected  
13 trustees shall constitute a quorum for the transaction of  
14 business, and any official action of the board shall be based on  
15 the majority vote of the trustees present.

16 86.247. On the basis of such tables as the board of  
17 trustees shall adopt, the actuary shall make an annual valuation  
18 of the assets and liabilities of the system created by sections  
19 86.200 to 86.366. The actuary may use the entry age normal  
20 actuarial cost method subject to subsection 2 of section 86.344.

21 86.250. Retirement of a member on a service retirement  
22 allowance shall be made by the board of trustees as follows:

23 ~~[(1)]~~ Any member who commenced employment before October 1,  
24 2018, may terminate employment as a police officer and actually  
25 retire after completing twenty or more years of creditable  
26 service or attaining the age of fifty-five upon the member's  
27 written application to the board of trustees setting forth at  
28 what time, but not more than ninety days subsequent to the

1 execution and filing of the application, the member desires to be  
2 retired[↗

3 ~~(2) Any member in service who has attained the age of~~  
4 ~~sixty five shall be terminated as a police officer and actually~~  
5 ~~retired forthwith provided that upon request of the chief of~~  
6 ~~police the board of trustees may permit such member to remain in~~  
7 ~~service for periods of not to exceed one year from the date of~~  
8 ~~the last request from the chief of police]. Any member who~~  
9 ~~commenced employment for the first time on or after October 1,~~  
10 ~~2018, may terminate employment as a police officer and actually~~  
11 ~~retire after completing ten or more years of creditable service~~  
12 ~~and attaining the age of fifty-five upon the member's written~~  
13 ~~application to the board of trustees setting forth at what time,~~  
14 ~~but not more than ninety days subsequent to the execution and~~  
15 ~~filing of the application, the member desires to be retired;~~  
16 ~~provided, however, that any member who commenced employment for~~  
17 ~~the first time on or after October 1, 2018, may enter the DROP at~~  
18 ~~any time after completing twenty years of creditable service.~~

19 86.251. 1. The board of trustees may develop and establish  
20 a deferred retirement option plan (DROP) in which members who are  
21 eligible for retirement but who have not terminated employment as  
22 police officers and who have not actually retired may  
23 participate. The DROP shall be designed to allow members with at  
24 least twenty years of creditable service or who have attained the  
25 age of fifty-five who have achieved eligibility for retirement  
26 and are entitled to a service retirement allowance and other  
27 benefits to postpone actual retirement, continue active  
28 employment and accumulate a deferred receipt of the service

1 retirement allowance. No one shall participate in the DROP for a  
2 period exceeding five years.

3 2. Any member who has at least twenty years of creditable  
4 service or has attained the age of fifty-five may elect in  
5 writing before retirement to participate in the DROP. A member  
6 electing to participate in the DROP shall postpone actual  
7 retirement, shall continue in active employment and shall not  
8 receive any direct retirement allowance payments or benefits  
9 during the period of participation. Any member who commenced  
10 employment for the first time on or after October 1, 2018, who  
11 terminates employment before age fifty-five shall not be eligible  
12 to receive a retirement allowance until he or she reaches age  
13 fifty-five.

14 3. Upon the start of the participation in the DROP, the  
15 member shall cease to make any mandatory contributions to the  
16 system. No contribution shall be required by the city into the  
17 DROP account. During the period of participation in the DROP,  
18 the amount that the member would have received as a service  
19 retirement allowance if the member had actually retired instead  
20 of entering DROP shall be deposited monthly in the member's DROP  
21 account which shall be established in the member's name by the  
22 board of trustees. The member's service retirement allowance  
23 shall not be adjusted for any cost-of-living increases for any  
24 period prior to the member's termination of employment as a  
25 police officer and actual retirement. Cost-of-living increases,  
26 if any, for any period following the member's termination of  
27 employment as a police officer and actual retirement shall be  
28 applied only to monthly service retirement payments made

1 following termination of employment as a police officer and  
2 actual retirement. Service earned during the period of  
3 participation in the DROP shall not be creditable service and  
4 shall not be counted in determination of any service retirement  
5 allowance or surviving spouse's or dependents' benefits.  
6 Compensation paid during the period of participation in the DROP  
7 shall not be earnable compensation and shall not be counted in  
8 the determination of any service retirement allowance or  
9 surviving spouse's or dependent's benefits. The member's service  
10 retirement allowance shall be frozen as of the date the member  
11 enters DROP. Except as specifically provided in sections 86.200  
12 to 86.366, the member's frozen service retirement allowance shall  
13 not increase while the member is participating in DROP or after  
14 the member's participation in DROP ends, and the member shall not  
15 share in any benefit improvement that is enacted or that becomes  
16 effective while such member is participating in the DROP.

17 4. A member shall cease participation in the DROP upon the  
18 termination of the member's employment as a police officer and  
19 actual retirement, or at the end of the five-year period  
20 commencing on the first day of the member's participation in the  
21 DROP, or as of the effective date of the member's election to  
22 return to active participation in the system, whichever occurs  
23 first. A member's election to return to active participation in  
24 the system before the end of the five-year period commencing on  
25 the first day of participation in the DROP shall be made and  
26 shall become effective in accordance with procedures established  
27 by the board of trustees. Upon the member's termination of  
28 employment as a police officer and actual retirement, the member

1 shall elect to receive the value of the member's DROP account, in  
2 one of the following forms of payment:

- 3 (1) A lump sum payment; or
- 4 (2) Equal monthly installments over a ten-year period.

5  
6 Either form of payment should begin within thirty days after the  
7 member's notice to the board of trustees that the member has  
8 selected a particular option.

9 5. If a member who is participating in the DROP elects to  
10 return to active participation in the system or if a member who  
11 is participating in the DROP does not terminate employment and  
12 actually retires as a police officer in the city for which the  
13 retirement system was established pursuant to sections 86.200 to  
14 86.366 at the end of the five-year period commencing on the first  
15 day of the member's participation in the DROP, the member shall  
16 return to active participation in the system and shall resume  
17 making mandatory contributions to the system effective as of the  
18 day after participation in the DROP ends. The board of trustees  
19 shall notify the chief of police to begin deducting mandatory  
20 contributions from the member's salary and the member's  
21 employment period shall count as creditable service beginning as  
22 of the day the member returns to active participation.

23 6. In no event shall a member, including any member who  
24 commenced employment for the first time on or after October 1,  
25 2018, whose participation in DROP has ended for any reason be  
26 eligible to participate in DROP again.

27 7. Upon the member's termination of employment as a police  
28 officer and actual retirement, the member's mandatory

1 contributions to the retirement system shall be paid to the  
2 member pursuant to subsection 4 of section 86.253.

3 8. If a member dies prior to termination of employment as a  
4 police officer and actual retirement while participating in the  
5 DROP or before the member has received full withdrawal of the  
6 amount in the member's DROP account under the installment  
7 optional payment form, the remaining balance of the member's DROP  
8 account shall be payable to the member's surviving spouse; or, if  
9 the member is then unmarried, to the member's dependent children  
10 in equal shares; or, if none, to the member's dependent mother or  
11 father; or, if none, to the member's designated beneficiary or,  
12 if no such beneficiary is then living, to the member's estate.  
13 Payment shall be made in a lump sum within sixty days after  
14 receipt by the board of trustees of evidence and proof of the  
15 death of a member. In addition, the member's mandatory  
16 contributions, if any, that were not already paid to the member  
17 pursuant to subsection 4 of section 86.253 shall be paid to the  
18 member's surviving spouse pursuant to section 86.288.

19 9. If a member applies for and receives benefits for an  
20 accidental disability retirement allowance pursuant to the  
21 provisions of section 86.263, the member shall forfeit all  
22 rights, claims or interest in the member's DROP account and the  
23 member's benefits shall be calculated as if the member has  
24 continued in employment and had not elected to participate in the  
25 DROP. Any portion of a DROP account that has been forfeited as  
26 provided in this subsection shall be a general asset of the  
27 system.

28 10. ~~[A member's]~~ The DROP account of a member who commenced

1 employment before October 1, 2018, shall earn interest equal to  
2 the rate of return earned by the system's investment portfolio on  
3 a market value basis, including realized and unrealized gains and  
4 losses, net of investment expense, as certified by the system's  
5 actuary. As of the last day of each plan year beginning after  
6 DROP participation begins, the member's DROP account balance,  
7 determined as of the last day of the prior plan year, shall be  
8 credited with interest at the investment rate earned by the  
9 assets of the retirement system for such prior plan year. If  
10 distribution of the member's DROP account balance is made in a  
11 lump sum under subsection 4 or 8 of this section, interest for  
12 the plan year of distribution shall be credited on the ending  
13 balance for the prior plan year at the investment rate earned on  
14 the assets of the retirement system for the prior plan year, in  
15 proportion to the part of the plan year preceding the date of the  
16 member's termination of employment or death, whichever is  
17 earlier. If the member's DROP account is paid in equal monthly  
18 installments pursuant to subsection 4 of this section, interest  
19 during the installment period shall be credited as of the last  
20 day of each plan year ending after installment payment begins on  
21 the account balance as of the first or last day of the plan year,  
22 whichever is lower, at the investment rate earned by the assets  
23 of the system for the prior plan year. Interest for the year in  
24 which the final installment is paid shall be credited on the  
25 balance remaining after the final installment is paid, at the  
26 investment rate earned on the assets of the system for the prior  
27 plan year, in proportion to the part of the plan year preceding  
28 payment of the final installment. Any interest credited to the

1 DROP account during the installment period shall be paid as soon  
2 as reasonably possible after the final monthly installment. No  
3 interest shall be credited on amounts, if any, added to the  
4 member's DROP account during the year in which the distribution  
5 of the account is completed. Any member who commenced employment  
6 for the first time on or after October 1, 2018, shall earn  
7 interest for all purposes for which interest is allowed at the  
8 rate of return earned by the ten-year United States Treasury note  
9 as of September thirtieth each year plus one percent, not to  
10 exceed a rate of six percent per annum.

11 11. The board of trustees shall not incur any liability  
12 individually or on behalf of other individuals for any act or  
13 omission made in good faith in relation to the DROP or assets  
14 credited to DROP accounts established by this section. The  
15 provisions of the Internal Revenue Code and regulations  
16 promulgated thereunder shall supersede any provision of this  
17 section if there is any inconsistency with the Internal Revenue  
18 Code or regulation.

19 12. Upon the receipt by the board of trustees of evidence  
20 and proof that the death of a member resulted from an event  
21 occurring while the member was in the actual performance of duty,  
22 and if the member is participating in the DROP, the member's  
23 surviving spouse or, if the member is then unmarried, the  
24 member's unmarried dependent children, may elect within thirty  
25 days after the member's death to have the amount in the member's  
26 DROP account paid in the form of a monthly survivor annuity.  
27 Payment of the survivor annuity shall begin within sixty days  
28 after the election is received. Payment to the member's



1 surviving spouse shall continue until the surviving spouse's  
2 death; payment to the member's unmarried dependent children shall  
3 be made while any child qualifies as an unmarried dependent child  
4 pursuant to section 86.280. The survivor annuity shall be the  
5 actuarial equivalent of the member's DROP account as of the date  
6 of the member's death. In no event shall the total amount paid  
7 pursuant to this subsection be less than the member's DROP  
8 account balance as of the date of the member's death.

9 86.253. 1. Upon termination of employment as a police  
10 officer and actual retirement for service, a member who commenced  
11 employment before October 1, 2018, shall receive a service  
12 retirement allowance which shall be an amount equal to two  
13 percent of the member's average final compensation multiplied by  
14 the number of years of the member's creditable service, up to  
15 twenty-five years, plus an amount equal to four percent of the  
16 member's average final compensation for each year of creditable  
17 service in excess of twenty-five years but not in excess of  
18 thirty years; plus an additional five percent of the member's  
19 average final compensation for any creditable service in excess  
20 of thirty years. Notwithstanding the foregoing, the service  
21 retirement allowance of a member who ~~[does not earn any~~  
22 ~~creditable service after August 11, 1999]~~ commenced employment  
23 before October 1, 2018, shall not exceed an amount equal to  
24 ~~[seventy]~~ seventy-five percent of the member's average final  
25 compensation~~[, and the service retirement allowance of a member~~  
26 ~~who earns creditable service on or after August 12, 1999, shall~~  
27 ~~not exceed an amount equal to seventy-five percent of the~~  
28 ~~member's average final compensation; provided, however, that the~~

1 ~~service retirement allowance of a member who is participating in~~  
2 ~~the DROP pursuant to section 86.251 on August 12, 1999, who~~  
3 ~~returns to active participation in the system pursuant to section~~  
4 ~~86.251, and who terminates employment as a police officer and~~  
5 ~~actually retires for reasons other than death or disability~~  
6 ~~before earning at least two years of creditable service after~~  
7 ~~such return shall be the sum of (1) the member's service~~  
8 ~~retirement allowance as of the date the member entered DROP and~~  
9 ~~(2) an additional service retirement allowance based solely on~~  
10 ~~the creditable service earned by the member following the~~  
11 ~~member's return to active participation]. However, if a member~~  
12 ~~commenced employment for the first time on or after October 1,~~  
13 ~~2018, the service retirement allowance of the member shall not~~  
14 ~~exceed an amount equal to seventy percent of the member's average~~  
15 ~~final compensation. The member's total years of creditable~~  
16 ~~service shall be taken into account for the purpose of~~  
17 ~~determining whether the additional allowance attributable to such~~  
18 ~~additional creditable service is two percent, four percent or~~  
19 ~~five percent of the member's average final compensation.~~

20 2. If, at any time since first becoming a member of the  
21 retirement system, the member has served in the Armed Forces of  
22 the United States, and has subsequently been reinstated as a  
23 policeman within ninety days after the member's discharge, the  
24 member shall be granted credit for such service as if the  
25 member's service in the police department of such city had not  
26 been interrupted by the member's induction into the Armed Forces  
27 of the United States. If earnable compensation is needed for  
28 such period in computation of benefits it shall be calculated on

1 the basis of the compensation payable to the officers of the  
2 member's rank during the period of the member's absence.  
3 Notwithstanding any provision of sections 86.200 to 86.366 to the  
4 contrary, the retirement system governed by sections 86.200 to  
5 86.366 shall be operated and administered in accordance with the  
6 applicable provisions of the Uniformed Services Employment and  
7 Reemployment Rights Act of 1994, as amended.

8 3. The service retirement allowance of each present and  
9 future retired member who earned creditable service before  
10 October 1, 2018, and who terminated employment as a police  
11 officer and actually retired from service after attaining age  
12 fifty-five or after completing twenty years of creditable service  
13 shall be increased annually at a rate not to exceed three percent  
14 as approved by the board of trustees beginning with the first  
15 increase in the second October following the member's retirement  
16 and subsequent increases in each October thereafter, provided  
17 that each increase is subject to a determination by the board of  
18 trustees that the consumer price index (United States City  
19 Average Index) as published by the United States Department of  
20 Labor shows an increase of not less than the approved rate during  
21 the latest twelve-month period for which the index is available  
22 at the date of determination; and provided further, that if the  
23 increase is in excess of the approved rate for any year, such  
24 excess shall be accumulated as to any retired member and  
25 increases may be granted in subsequent years subject to a maximum  
26 of three percent for each full year from October following the  
27 member's retirement but not to exceed a total percentage increase  
28 of thirty percent. The service retirement allowance of a member

1 who commenced employment for the first time on or after October  
2 1, 2018, shall be increased in the same manner; except that, the  
3 increases shall not exceed a total percentage increase of twenty-  
4 five percent. In no event shall the increase described under  
5 this subsection be applied to the amount, if any, paid to a  
6 member or surviving spouse of a deceased member for services as a  
7 special consultant under subsection 5 of this section [~~or, if~~  
8 ~~applicable, subsection 6 of this section~~]. If the board of  
9 trustees determines that the index has decreased for any year,  
10 the benefits of any retired member that have been increased shall  
11 be decreased but not below the member's initial benefit. No  
12 annual increase shall be made of less than one percent and no  
13 decrease of less than three percent except that any decrease may  
14 be limited in amount by the initial benefit.

15 4. In addition to any other retirement allowance payable  
16 under this section and section 86.250, a member, upon termination  
17 of employment as police officer and actual service retirement,  
18 may request payment of the total amount of the member's mandatory  
19 contributions to the retirement system without interest. Upon  
20 receipt of such request, the board shall pay the retired member  
21 such total amount of the member's mandatory contributions to the  
22 retirement system to be paid pursuant to this subsection within  
23 sixty days after such retired member's date of termination of  
24 employment as a police officer and actual retirement.

25 Notwithstanding the foregoing, a member who commenced employment  
26 for the first time on or after October 1, 2018, shall not be  
27 eligible for the return of his or her mandatory contributions to  
28 the retirement system upon termination of employment as a police

1 officer and actual service retirement; except that, a member who  
2 commenced employment for the first time on or after October 1,  
3 2018, shall receive his or her mandatory contributions to the  
4 retirement system without interest if not vested at the time of  
5 termination of employment as a police officer or actual service  
6 retirement.

7         5. Any person who is receiving retirement benefits from the  
8 retirement system, upon application to the board of trustees,  
9 shall be made, constituted, appointed and employed by the board  
10 of trustees as a special consultant on the problems of  
11 retirement, aging and other matters, for the remainder of the  
12 person's life or, in the case of a deceased member's surviving  
13 spouse, until the earlier of the person's death or remarriage,  
14 and upon request of the board of trustees shall give opinions and  
15 be available to give opinions in writing or orally, in response  
16 to such requests, as may be required. For such services the  
17 special consultant shall be compensated monthly, in an amount  
18 which, when added to any monthly retirement benefits being  
19 received from the retirement system, including any cost-of-living  
20 increases under subsection 3 of this section, shall total six  
21 hundred fifty dollars a month. This employment shall in no way  
22 affect any person's eligibility for retirement benefits under  
23 this chapter, or in any way have the effect of reducing  
24 retirement benefits, notwithstanding any provisions of law to the  
25 contrary.

26         86.254. 1. Beginning July 1, 1994, in addition to any  
27 other annuity, benefits, or retirement allowance provided  
28 pursuant to sections 86.200 to 86.366, each present and future

1 retired member who commenced employment before October 1, 2018,  
2 after attaining the age of sixty years shall, upon application to  
3 the board of trustees, be made, constituted, appointed and  
4 employed by the board of trustees as an advisor on the problems  
5 of retirement, aging and other matters, for the remainder of the  
6 retired member's life, and upon request of the board of trustees  
7 shall give opinions in writing or orally in response to such  
8 requests as may be required.

9 2. For the performance of duties required in subsection 1  
10 of this section, each retired member employed as an advisor by  
11 the board of trustees shall be compensated monthly in an amount  
12 of ten dollars per month multiplied by the number of years the  
13 retired member is past the age of sixty years. The compensation  
14 provided by this subsection shall be adjusted annually. No  
15 funding shall be required prior to the effective date of this  
16 benefit.

17 3. Beginning October 1, 1999, in addition to any other  
18 benefit provided to any surviving spouse pursuant to sections  
19 86.200 to 86.366, each present and future surviving spouse of a  
20 member who commenced employment before October 1, 2018, after  
21 attaining the age of sixty years shall upon application to the  
22 board of trustees, be made, constituted, appointed and employed  
23 by the board of trustees as an advisor on the problems of  
24 retirement, aging and other matters for the remainder of the  
25 surviving spouse's life or until the surviving spouse remarries,  
26 whichever is earlier, and upon request of the board of trustees  
27 shall give opinions in writing or orally in response to such  
28 requests as may be required.

1           4. For the performance of duties required in subsection 3  
2 of this section, each surviving spouse of a member employed as an  
3 advisor by the board of trustees shall be compensated monthly in  
4 an amount of ten dollars per month multiplied by the number of  
5 years the surviving spouse is past the age of sixty years. The  
6 compensation provided by this subsection shall be adjusted  
7 annually.

8           86.257. 1. Upon the application of the chief of police or  
9 a member, any member who has completed ten or more years of  
10 creditable service or upon the police retirement system created  
11 by sections 86.200 to 86.366 first attaining, after August 28,  
12 2013, a funded ratio, as defined in section 105.660 and as  
13 determined by the system's annual actuarial valuation, of at  
14 least eighty percent, a member who has completed five or more  
15 years of creditable service and who has become permanently unable  
16 to perform the duties of a police officer as the result of an  
17 injury or illness not exclusively caused or induced by the actual  
18 performance of his or her official duties or by his or her own  
19 negligence shall be retired by the board of trustees of the  
20 police retirement system upon certification by the medical board  
21 of the police retirement system and approval by the board of  
22 trustees of the police retirement system that the member is  
23 mentally or physically unable to perform the duties of a police  
24 officer, that the inability is permanent or likely to become  
25 permanent, and that the member should be retired.

26           2. Once each year during the first five years following  
27 such member's retirement, and at least once in every three-year  
28 period thereafter, the board of trustees may, and upon the

1 member's application shall, require any nonduty disability  
2 beneficiary who has not yet attained sixty years of age to  
3 undergo a medical examination at a place designated by the  
4 medical board or such physicians as the medical board appoints.  
5 If any nonduty disability beneficiary who has not attained sixty  
6 years of age refuses to submit to a medical examination, his or  
7 her nonduty disability ~~[pension]~~ retirement allowance may be  
8 discontinued until his or her withdrawal of such refusal, and if  
9 his or her refusal continues for one year, all rights in and to  
10 such ~~[pension]~~ disability retirement allowance may be revoked by  
11 the board of trustees.

12 3. If the medical board certifies to the board of trustees  
13 that a nonduty disability beneficiary is able to perform the  
14 duties of a police officer, and if the board of trustees concurs  
15 on the report, then such beneficiary's nonduty disability  
16 ~~[pension]~~ retirement allowance shall cease.

17 4. If upon cessation of a disability ~~[pension]~~ retirement  
18 allowance under subsection 3 of this section, the former  
19 disability beneficiary is restored to active service, he or she  
20 shall again become a member, and he or she shall contribute  
21 thereafter at the same rate as other members. Upon his or her  
22 subsequent retirement, he or she shall be credited with all of  
23 his or her active retirement, but not including any time during  
24 which the former disability beneficiary received a disability  
25 ~~[pension]~~ retirement allowance under this section.

26 86.260. 1. Upon termination of employment as a police  
27 officer and actual retirement for nonduty disability a member  
28 shall receive a service retirement allowance as calculated under



1 subsection 1 of section 86.253 if the member has attained the age  
2 of fifty-five or completed twenty years of creditable service;  
3 otherwise the member shall receive a nonduty disability  
4 retirement allowance which shall be equal to ninety percent of  
5 the member's accrued service retirement in section 86.253, but  
6 not less than one-fourth of the member's average final  
7 compensation; provided, however, that no such allowance shall  
8 exceed ninety percent of the member's accrued service retirement  
9 benefit based on continuation of the member's creditable service  
10 to the age set out in section 86.250. To the extent a member  
11 receiving a nonduty disability retirement allowance is gainfully  
12 employed, a proportionate offset shall apply against any  
13 disability retirement allowance received if the sum of the  
14 member's current salary plus disability retirement allowance  
15 equals an amount in excess of one hundred twenty-five percent of  
16 the member's current salary.

17 2. Effective October 1, 1999, the nonduty disability  
18 retirement allowance will be increased by fifteen percent of the  
19 member's average final compensation for each unmarried dependent  
20 child of the disabled member who is under the age of eighteen, or  
21 who, regardless of age, is totally and permanently mentally or  
22 physically disabled and incapacitated from engaging in gainful  
23 occupation sufficient to support himself or herself.

24 3. Any member receiving benefits pursuant to the provisions  
25 of this section immediately prior to October 1, 1999, shall upon  
26 application to the board of trustees be made, constituted,  
27 appointed and employed by the board of trustees as a special  
28 consultant on the problems of retirement, aging and other matters

1 while the member is receiving such benefits, and upon request of  
2 the board of trustees shall give opinions in writing or orally in  
3 response to such requests as may be required. Beginning October  
4 1, 1999, for such services as may be required, there shall be  
5 payable an additional monthly compensation of one hundred dollars  
6 or five percent of the member's average final compensation,  
7 whichever is greater, for each unmarried dependent child of the  
8 member.

9 4. Any benefit payable to or for the benefit of a child or  
10 children under the age of eighteen years pursuant to the  
11 provisions of subsections 2 and 3 of this section shall continue  
12 to be paid beyond the age of eighteen years through the age of  
13 twenty-two years in those cases where the child is a full-time  
14 student at a regularly accredited college, business school,  
15 nursing school, school for technical or vocational training, or  
16 university, but such extended benefit shall cease whenever the  
17 child ceases to be a student. A college or university shall be  
18 deemed to be regularly accredited which maintains membership in  
19 good standing in a national or regional accrediting agency  
20 recognized by any state college or university.

21 5. No benefits pursuant to this section shall be paid to a  
22 child over eighteen years of age who is totally and permanently  
23 disabled if such child is a patient or resident of a  
24 public-supported institution, nor shall such benefits be paid  
25 unless such disability occurred prior to such child reaching the  
26 age of eighteen.

27 86.263. 1. Any member in active service who is permanently  
28 unable to perform the full and unrestricted duties of a police

1 officer as the natural, proximate, and exclusive result of an  
2 accident occurring within the actual performance of duty at some  
3 definite time and place, through no negligence on the member's  
4 part, shall be retired by the board of trustees of the police  
5 retirement system upon certification by the medical board that  
6 the member is mentally or physically unable to perform the full  
7 and unrestricted duties of a police officer, that the inability  
8 is permanent or likely to become permanent, and that the member  
9 should be retired. The inability to perform the "full and  
10 unrestricted duties of a police officer" means the member is  
11 unable to perform all the essential job functions for the  
12 position of police officer as established by the chief of police.

13 2. No member shall be approved for retirement under the  
14 provisions of subsection 1 of this section unless the application  
15 was made and submitted by the chief of police or a member no  
16 later than five years following the date of accident, provided,  
17 that if the accident was reported within five years of the date  
18 of the accident and an examination made of the member within  
19 thirty days of the date of accident by a health care provider  
20 whose services were provided through the chief of police with  
21 subsequent examinations made as requested, then an application  
22 made more than five years following the date of the accident  
23 shall be considered timely.

24 3. Once each year during the first five years following a  
25 member's retirement, and at least once in every three-year period  
26 thereafter, the board of trustees may require any disability  
27 beneficiary who has not yet attained sixty years of age to  
28 undergo a medical examination or medical examinations at a place

1 designated by the medical board or such physicians as the medical  
2 board appoints. If any disability beneficiary who has not  
3 attained sixty years of age refuses to submit to a medical  
4 examination, his or her disability [~~pension~~] retirement allowance  
5 may be discontinued by the board of trustees of the police  
6 retirement system until his or her withdrawal of such refusal,  
7 and if his or her refusal continues for one year, all rights in  
8 and to such [~~pension~~] disability retirement allowance may be  
9 revoked by the board of trustees.

10 4. If the medical board certifies to the board of trustees  
11 that a disability beneficiary is able to perform the duties of a  
12 police officer, then such beneficiary's disability [~~pension~~]  
13 retirement allowance shall cease.

14 5. If upon cessation of a disability [~~pension~~] retirement  
15 allowance under subsection 4 of this section, the former  
16 disability beneficiary is restored to active service, he or she  
17 shall again become a member, and he or she shall contribute  
18 thereafter at the same rate as other members. Upon his or her  
19 subsequent retirement, he or she shall be credited with all of  
20 his or her active service time as a member including the service  
21 time prior to receiving disability retirement, but not including  
22 any time during which the former disability beneficiary received  
23 a disability [~~pension~~] retirement allowance under this section.

24 6. If upon cessation of a disability [~~pension~~] retirement  
25 allowance under subsection 4 of this section, the former  
26 disability beneficiary is not restored to active service, such  
27 former disability beneficiary shall be entitled to the retirement  
28 benefit to which such former disability beneficiary would have

1 been entitled if such former disability beneficiary had  
2 terminated service for any reason other than dishonesty or being  
3 convicted of a felony at the time of such cessation of such  
4 former disability beneficiary's disability [~~pension~~] retirement  
5 allowance. For purposes of such retirement benefits, such former  
6 disability beneficiary shall be credited with all of the former  
7 disability beneficiary's active service time as a member, but not  
8 including any time during which the former disability beneficiary  
9 received a disability [~~beneficiary pension~~] retirement allowance  
10 under this section.

11 86.267. 1. Upon termination of employment as a police  
12 officer and actual retirement for accidental disability, other  
13 than permanent total disability as defined in subsection 2 of  
14 this section, a member shall receive a disability retirement  
15 allowance of seventy-five percent of the member's average final  
16 compensation.

17 2. Any member who, as the natural and proximate result of  
18 an accident occurring at some definite time and place in the  
19 actual performance of the member's duty through no negligence on  
20 the member's part, is permanently and totally incapacitated from  
21 performing any work, occupation or vocation of any kind  
22 whatsoever shall receive a disability retirement allowance as  
23 under subsection 1 of this section or, in the discretion of the  
24 board of trustees, may receive a larger disability retirement  
25 allowance in an amount not exceeding the member's rate of  
26 compensation as a policeman in effect as of the date the  
27 allowance begins.

28 3. The board of trustees, in its discretion, may, in

1 addition to the disability retirement allowance granted in  
2 accordance with the provisions of subsections 1 and 2 of this  
3 section, grant an allowance in an amount to be determined by the  
4 board of trustees, to provide such member with surgical, medical  
5 and hospital care reasonably required after retirement, which are  
6 the result and in consequence of the accident causing such  
7 disability.

8 4. Any person who is receiving benefits pursuant to  
9 subsection 2 of this section on or after August 28, 1997, and any  
10 person who is receiving benefits pursuant to subsection 1 of this  
11 section on or after October 1, 2001, and who made mandatory  
12 contributions to the retirement system, upon application to the  
13 board of trustees, shall be made, constituted, appointed and  
14 employed by the board of trustees as a special consultant on the  
15 problems of retirement, aging and other matters, and upon request  
16 of the board of trustees shall give opinions and be available to  
17 give opinions in writing or orally, in response to such requests,  
18 as may be required. For such services the retired member shall  
19 be paid a lump sum payment in an amount equal to the total amount  
20 of the member's mandatory contributions to the retirement system,  
21 without interest, within sixty days after approval of the retired  
22 member's application by the board of trustees.

23 86.277. Should a disabled member be restored to active  
24 service, such member's disability retirement allowance shall  
25 cease. The disabled member shall again become a member and shall  
26 contribute thereafter at the same rate in effect prior to  
27 disability. Any prior service certificate on the basis of which  
28 the member's service was computed at the time of retirement shall

1 be restored to full force and effect and in addition upon the  
2 member's subsequent retirement, the member shall be credited with  
3 all service as a member, and if the member's then average final  
4 compensation is less than the average final compensation used in  
5 determining the member's disability retirement allowance, the  
6 latter amount shall be used in determining benefits.

7 86.283. Upon receipt of proper proofs of the death of a  
8 retired member who retired while in service, including retirement  
9 for service, [~~ordinary~~] nonduty disability or accidental  
10 disability, and provided no other benefits are payable from the  
11 retirement system, there shall be paid the following benefits:

12 (1) Effective October 1, 1999, a pension to the surviving  
13 spouse until the surviving spouse dies or remarries, whichever is  
14 earlier, of forty percent of the deceased member's average final  
15 compensation plus fifteen percent of such compensation to, or for  
16 the benefit of, each unmarried dependent child of the deceased  
17 member, who is either under the age of eighteen, or who,  
18 regardless of age, is totally and permanently mentally or  
19 physically disabled and incapacitated from engaging in a gainful  
20 occupation sufficient to support himself or herself;

21 (2) Any surviving spouse or unmarried dependent child  
22 receiving benefits pursuant to this section immediately prior to  
23 October 1, 1999, shall upon application to the board of trustees  
24 be made, constituted, appointed and employed by the board of  
25 trustees as a special consultant on the problems of retirement,  
26 aging and other matters while the surviving spouse or unmarried  
27 dependent child is receiving such benefits, and upon request of  
28 the board of trustees shall give opinions in writing or orally in

1 response to such requests as may be required. Beginning October  
2 1, 1999, for such services as may be required, a surviving spouse  
3 shall receive additional monthly compensation equal to the amount  
4 which when added to the benefits the surviving spouse was  
5 receiving pursuant to this section prior to October 1, 1999,  
6 determined without regard to any increase applied to such  
7 benefits prior to October 1, 1999, pursuant to subdivision (8) of  
8 this section, will increase the surviving spouse's total monthly  
9 payment pursuant to this section to forty percent of the deceased  
10 member's average final compensation, and there shall be payable  
11 an additional monthly compensation of one hundred dollars or five  
12 percent of the member's average final compensation, whichever is  
13 greater, for each unmarried dependent child of the member. The  
14 additional monthly compensation payable to a surviving spouse  
15 pursuant to this subdivision shall be adjusted for any  
16 cost-of-living increases that apply to the benefit the surviving  
17 spouse was receiving prior to October 1, 1999;

18 (3) If no surviving spouse benefits are payable pursuant to  
19 subdivisions (1) and (2) of this section, such total pension as  
20 would have been paid pursuant to subdivisions (1) and (2) of this  
21 section had there been a surviving spouse, determined without  
22 regard to any increase which would have applied to the surviving  
23 spouse's benefits pursuant to subdivision (8) of this section,  
24 shall be divided among the unmarried dependent children under age  
25 eighteen and unmarried dependent children, regardless of age, who  
26 are totally and permanently mentally or physically disabled and  
27 incapacitated from engaging in a gainful occupation sufficient to  
28 support themselves. The benefit shall be divided equally among



1 the eligible dependent children, and the share of a child who is  
2 no longer eligible shall be divided equally among the remaining  
3 eligible dependent children; provided that not more than one-half  
4 of the surviving spouse's benefits shall be paid for one child;

5 (4) No benefits pursuant to this section shall be paid to a  
6 child over eighteen years of age who is totally and permanently  
7 disabled if such child is a patient or resident of a  
8 public-supported institution, nor shall such benefits be paid  
9 unless such disability occurred prior to such child reaching the  
10 age of eighteen;

11 (5) Whenever any dependent child designated by the board of  
12 trustees to receive benefits pursuant to this section is in the  
13 care of the surviving spouse of the deceased member, such  
14 benefits may be paid to such surviving spouse for the child;

15 (6) In the event of the death of a retired member receiving  
16 accidental disability benefits before such benefits have been  
17 paid for five years, the member's surviving spouse until the  
18 surviving spouse dies or remarries, whichever is earlier, shall  
19 receive an additional pension of ten percent of the deceased  
20 member's final average compensation;

21 (7) Any benefit payable to, or for the benefit of, a child  
22 or children under the age of eighteen years pursuant to  
23 subdivisions (1) to (3) of this section shall continue to be paid  
24 beyond the age of eighteen years through the age of twenty-two  
25 years if the child is a full-time student at a regularly  
26 accredited college, business school, nursing school, school for  
27 technical or vocational training, or university, but such  
28 extended benefit shall cease whenever the child ceases to be a

1 student. A college or university shall be deemed to be regularly  
2 accredited which maintains membership in good standing in a  
3 national or regional accrediting agency recognized by any state  
4 college or university;

5 (8) The benefits payable pursuant to this section to the  
6 surviving spouse of a retired member who received or was entitled  
7 to receive a service retirement allowance shall be increased in  
8 the same percentages and pursuant to the same method as is  
9 provided in section 86.253 for adjustments in the service  
10 retirement allowance of a retired member.

11 86.288. In addition to any other benefits payable,  
12 notwithstanding any provisions of sections 86.280 and 86.287 to  
13 the contrary, if a member who commenced employment before October  
14 1, 2018, dies while commissioned as a peace officer, or after  
15 retiring and before receiving a refund of the member's mandatory  
16 contributions in accordance with section 86.253 or 86.290, or  
17 while receiving a disability retirement allowance in accordance  
18 with section 86.253 or 86.257, the total amount of the member's  
19 mandatory contributions to the retirement system shall be paid  
20 without interest to the surviving spouse of such member. Payment  
21 pursuant to this section shall be made within sixty days after  
22 the later of the date proper proofs of death are provided or  
23 August 28, 1994, regardless of when the member died or actually  
24 retired, provided that the surviving spouse shall be alive on the  
25 date that payment is made.

26 86.290. Except in the case of a member who commenced  
27 employment for the first time on or after October 1, 2018, who is  
28 not vested under section 86.354, should a member cease to be a

1 policeman except by death or actual retirement, the member may  
2 request payment of the amount of the accumulated contributions  
3 standing to the credit of the member's individual account,  
4 including members' interest, in which event such amount shall be  
5 paid to the member not later than one year after the member  
6 ceases to be a policeman. If the former member is reemployed as  
7 a policeman before any portion of such former member's  
8 accumulated contributions is distributed, no distribution shall  
9 be made. If the former member is reemployed as a policeman after  
10 a portion of the former member's accumulated contributions is  
11 distributed, the amount remaining shall also be distributed.

12 86.320. 1. (1) The board of trustees shall certify to the  
13 chief of police who shall cause to be deducted, prior to  
14 taxation, from the salary of each member hired before October 1,  
15 2018, on each and every payroll for each and every pay period,  
16 ~~[seven]~~ eight percent of the compensation of each member who is  
17 not participating in the DROP, including each member whose  
18 participation in the DROP has ended and who has returned to  
19 active participation in the system pursuant to section 86.251,  
20 and zero percent of the compensation of each member who is  
21 participating in the DROP or whose participation in the DROP has  
22 ended but who has not returned to active participation in the  
23 system pursuant to section 86.251.

24 (2) The board of trustees shall certify to the chief of  
25 police who shall cause to be deducted, prior to taxation, from  
26 the salary of each member hired on or after October 1, 2018, on  
27 each and every payroll for each and every pay period, nine  
28 percent of the compensation of each member who is not

1 participating in the DROP and zero percent of the compensation of  
2 each member who is participating in the DROP.

3         2. The deductions provided for in this section shall be  
4 made notwithstanding that the minimum compensation provided by  
5 law for any member shall be reduced thereby. Every member shall  
6 be deemed to consent to the deductions made and provided for in  
7 this section, and shall receipt for the member's full salary or  
8 compensation and payment of salary or compensation less such  
9 deduction shall be a full and complete discharge and acquittance  
10 of all claims and demands whatsoever for services rendered during  
11 the period covered by the payment except as to benefits provided  
12 by sections 86.200 to 86.366. The chief of police shall certify  
13 to the board of trustees on each and every payroll or in such  
14 other manner as the board of trustees shall prescribe the amount  
15 deducted, and such amounts shall be paid into the system and  
16 shall be credited together with members' interest thereon to the  
17 individual account of the member from whose compensation such  
18 deduction was made.

19         3. The board of trustees is authorized to grant additional  
20 benefits for such parts of contributions as were made prior to  
21 the adoption of the seven-percent rate for all members which were  
22 in excess of the compulsory contributions required of each  
23 member.

24         86.330. 1. After each annual valuation, the actuary  
25 engaged by the board to make the valuation required by sections  
26 86.200 to 86.366, shall determine the normal contribution rate.  
27 The normal contribution rate shall be the rate percent of the  
28 earnable compensation of all members obtained by deducting from

1 the total liabilities of the retirement system the amount of the  
2 assets in hand to the credit of the retirement system and the  
3 present value of expected future member contributions and  
4 dividing the remainder by one percent of the present value of the  
5 prospective future compensation of all members as computed on the  
6 basis of mortality and service tables and interest assumptions  
7 adopted by the board of trustees.

8 2. Notwithstanding the provisions of subsection 1 of this  
9 section, if a city not within a county adopts an ordinance as  
10 described in subsection 2 of section 86.344, then, after the  
11 effective date of such ordinance, for each annual valuation for  
12 the first of the plan years beginning with the plan year of such  
13 adoption and each subsequent year, the actuary engaged by the  
14 board to make the valuation required by sections 86.200 to 86.366  
15 shall determine the normal cost for such year using the entry age  
16 normal actuarial cost method as described in this subsection.  
17 Under the entry age normal actuarial cost method, the actuarial  
18 present value of the projected benefits of each individual  
19 included in an actuarial valuation is allocated on a level basis  
20 over the service of the individual between entry age and assumed  
21 exit age. The portion of this actuarial present value allocated  
22 to a valuation year is called the "normal cost".

23 86.333. 1. At the first valuation after the effective date  
24 of these amendments the actuary engaged by the board of trustees  
25 shall compute the rate percent of the total earnable compensation  
26 of all members which is equivalent to four percent of the amount  
27 of the total unfunded benefit liability on account of all members  
28 and beneficiaries which is not dischargeable by the aforesaid

1 normal contribution made on account of such members during the  
2 remainder of their active service. The rate percent originally  
3 so determined shall be known as "the accrued liability  
4 contribution rate".

5 2. (1) Notwithstanding the provisions of subsection 1 of  
6 this section, if a city not within a county adopts an ordinance  
7 as described in subsection 2 of section 86.344, then, after each  
8 annual valuation for plan years beginning with the year of such  
9 adoption, the actuary engaged by the board to make the valuation  
10 required by sections 86.200 to 86.366 shall determine the  
11 actuarial accrued liability under the entry age normal actuarial  
12 cost method. Under the entry age normal actuarial cost method,  
13 the actuarial present value of the projected benefits of each  
14 individual included in an actuarial valuation is allocated on a  
15 level basis over the service of the individual between entry age  
16 and assumed exit age. The portion of this actuarial present  
17 value not provided for at a valuation date by the actuarial  
18 present value of future normal costs is called the "actuarial  
19 accrued liability".

20 (2) The actuary shall determine the initial unfunded  
21 actuarial accrued liability as the amount by which the actuarial  
22 accrued liability exceeds the actuarial value of the assets of  
23 the retirement system. The amortization payment for the initial  
24 unfunded actuarial accrued liability as of October 1, 2018, shall  
25 be determined as a level percentage of payroll for a twenty-year  
26 period. The amortization period for subsequent years for the  
27 initial unfunded accrued liability shall decline by one year for  
28 each of the next twenty years. Any changes in the unfunded

1 accrued liability that result from experience gains and losses,  
2 changes in actuarial assumptions, and changes in plan benefits  
3 for plan years beginning on or after October 1, 2018, shall be  
4 amortized in accordance with policies and procedures adopted by  
5 the board. Such policies shall include the period of  
6 amortization and pattern of payments, provided that the period of  
7 amortization is no more than thirty years. Other than the  
8 initial unfunded liability, the board may combine amortization  
9 periods in the interest of efficiency if the effect upon the  
10 contribution calculation is not considered material. Such  
11 policies adopted by the board shall be based on the advice of the  
12 system's actuary and shall comply with all applicable actuarial  
13 standards of practice.

14 86.337. 1. The total amount payable to the retirement  
15 system for each fiscal year shall be not less than the normal  
16 contribution rate of the total compensation earnable by all  
17 members during the year; provided, however, that the aggregate  
18 payment by the said cities shall be sufficient when combined with  
19 the assets of the retirement system to provide the pensions and  
20 other benefits payable during the then current year.

21 2. Notwithstanding the provisions of subsection 1 of this  
22 section, if a city not within a county adopts an ordinance as  
23 described in subsection 2 of section 86.344, the total amount  
24 payable to the retirement system for each plan year, beginning on  
25 or after October first of the year of the adoption of such  
26 ordinance, shall be not less than the greater of the following:

27 (1) The sum of:

28 (a) The normal cost determined under section 86.330; and

1           (b) The unfunded accrued liability contribution determined  
2 under section 86.333; or

3           (2) The amount, when combined with the assets of the  
4 retirement system, required to provide the pensions and other  
5 benefits payable during the then current plan year.

6           86.344. 1. On or before the first day of March of each  
7 year the board of trustees shall certify to the board of estimate  
8 and apportionment of the city the amounts which will become due  
9 and payable during the year next following for expenses pursuant  
10 to subsection 2 of section 86.343 and the cost of benefits as  
11 determined pursuant to section 86.337. The amounts so certified  
12 shall be appropriated by the city and transferred to the  
13 retirement system in equal payments in the first six months of  
14 the ensuing year.

15           2. The city may change the actuarial formula by which such  
16 amounts are calculated to the entry age normal actuarial cost  
17 method. The city may adopt an ordinance authorizing the change  
18 to the entry age normal actuarial cost method, which ordinance  
19 shall include the city's expressed acknowledgment that the  
20 benefit calculation formula change is undertaken voluntarily and  
21 not under compulsion by the state of Missouri, so that the  
22 conversion does not implicate the provisions of article X,  
23 sections 16 to 23 of the Constitution of Missouri. If either the  
24 provisions of this subsection or the city's adoption of the entry  
25 age normal actuarial cost method is determined by a final  
26 judgment of a court of competent jurisdiction to violate article  
27 X, sections 16 to 23 of the Constitution of Missouri, then this  
28 subsection and subsection 2 of section 86.330, subsection 2 of



1 section 86.333, and subsection 2 of section 86.337 referencing  
2 this subsection shall be null and void, the method of calculation  
3 shall revert to the method used before the effective date of this  
4 subsection, and the board of trustees shall certify to the board  
5 of estimate and apportionment of the city the amounts that will  
6 become due and payable during the year based upon the formula  
7 described in subsection 1 of section 86.330, subsection 1 of  
8 section 86.333, and subsection 1 of section 86.337.

9 86.354. 1. A member's benefit shall be one hundred percent  
10 vested and nonforfeitable upon the first of the following to  
11 occur:

12 (1) The member's attainment of age fifty-five, the normal  
13 retirement age; or

14 (2) The member's completion of twenty years of creditable  
15 service regardless of age; or

16 (3) The termination of the plan established pursuant to  
17 sections 86.200 to 86.366, to the extent the plan is funded.

18 2. Notwithstanding any provision in subsection 1 of this  
19 section to the contrary:

20 (1) Any member who commenced employment before October 1,  
21 2018, who has completed a total of twenty years of creditable  
22 service is eligible for retirement at any age; and

23 (2) Any member who commenced employment for the first time  
24 on or after October 1, 2018, who is one hundred percent vested  
25 due to the completion of ten years of creditable service shall  
26 not be eligible to receive a retirement allowance until the age  
27 of fifty-five.

28 3. Forfeitures of any nature under such plan shall not be

1 used to increase the benefits of any member, but shall be used to  
2 reduce the city's contributions pursuant to section 86.243.