

IN THE COUNTY LEGISLATURE OF JACKSON COUNTY, MISSOURI

Corrected 2/23/11

AN ORDINANCE repealing sections 1503.17, 1503.22, 1503.25, 1503.31, 1511., 1532., 1533., and 1573., Jackson County Code, 1984, relating to the Jackson County Employees' Pension Plan, and enacting, in lieu thereof, four new sections and five new subsections relating to the same subject.

ORDINANCE #4289, February 7, 2011

INTRODUCED BY Scott Burnett, County Legislator

WHEREAS, special counsel for the Pension Plan Board of Trustees has recommended certain minor revisions to the Plan to comply with recent United States Internal Revenue Services regulations; and,

WHEREAS, the Board itself has recommended additional revisions to the Plan to ensure consistency with the anti-discrimination provisions of the 2010 County Charter which became effective August 23, 2010; and,

WHEREAS, the proposal revisions are in the best interests of the health, welfare, and safety of the citizens of Jackson County; now therefore,

BE IT ORDAINED by the County Legislature of Jackson County, Missouri, as follows:

Section A. Enacting Clause. Sections 1503.17, 1503.22, 1503.25, 1503.31, 1511., 1532., 1533., and 1573., Jackson County Code, 1984, are hereby repealed and four new

sections and five new subsections enacted in lieu thereof, to be known as sections 1503.17, 1503.22, 1503.23, 1503.26, 1503.32, 1511., 1532., 1533., and 1573., to read as follows, with the remaining existing subsections of section 1503. to be renumbered accordingly:

1503.17 Death Benefit.

The term "Death Benefit" shall mean any benefit paid to a Spouse, Domestic Partner, or Beneficiary at the death of a Member, Disabled Member, or Retired Member, as provided under the terms of the Plan.

1503.22 Distributee.

The term "Distributee" shall include an Employee or former Employee, or the Employee's or former Employee's surviving spouse. Effective January 1, 2010, a Distributee includes an Employee's or former Employee's designated Beneficiary, subject to the limitations described in Section 1503.26.

1503.23 Domestic Partner.

The term "Domestic Partner" shall mean an adult, unrelated by blood, with whom an unmarried or separated Member has an exclusive committed relationship, maintains a mutual residence, and shares basic living expenses. In determining whether a person meets this definition, reference may be made to the current "Jackson County Domestic Partner Statement and Policy," issued and maintained by the Jackson County Department of Human Resources.

1503.2[5]6 Eligible Retirement Plan.

The term "Eligible Retirement Plan" shall mean an individual retirement account described in section 408(a) of the Code, an individual retirement annuity described in section 408(b) of the Code, an annuity plan described in Section 403(a) of the Code or a qualified trust described in section 401(a) of the Code, an annuity contract described in Section 403(b) of the Code, and an eligible plan under Code Section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state, which agrees to separately account for amounts transferred into such from this Plan, that accepts the Distributee's Eligible Rollover Distribution. Effective for distributions made after December 31, 2007, an Eligible Retirement Plan shall also include a Roth IRA described in Code Section 408 or 408A.

1503.3[1]2 Highest Average Compensation.

The term "Highest Average Compensation" shall mean the average compensation for the period of the three consecutive calendar years during which the Member [was an active participant in the Plan that produces the highest average] had the greatest aggregate compensation from the Employer.

1511. Pension Income, Basic Form.

The basic form of Monthly Pension Income (to which the formula indicated in Section 1512 applies) shall be a monthly income commencing on the Member's Disability, Early, Normal or Late Retirement Date or the date specified in Section 1530 and continuing for his

lifetime thereafter, with sixty (60) payments guaranteed. Prior to his Disability, Early, Normal or Late Retirement Date, or the date specified in Section 1530, the Member may elect, in a written application provided by the Pension Plan Administration Committee, and subject to the Committee's approval, to receive his Monthly Pension Income in one of the alternative forms listed below; provided, however, that in the case of a Disabled Member whose Disability Retirement Date is prior to the date such Disabled Member attains age 55, the Disability Payments provided for in section 1515 shall be paid in the basic form provided for in this section 1511 and shall not be paid in any of the alternative forms specified in subsections 1511.1 and 1511.2. Each of the alternative forms shall be the Actuarial Equivalent of the Monthly Pension Income payable under the basic form and shall commence as of the Member's Disability, Early, Normal, or Late Retirement Date or the date specified in section 1530. Notwithstanding the foregoing provisions of this section 1511, a Disabled Member whose Disability Retirement Date precedes such Disabled Member's attainment of age 55 and who is receiving Disability Payments in the basic form, may elect, not later than 60 days after attaining age 55, in a written application provided by the Pension Plan Administration Committee, and subject to the Committee's approval, to receive his remaining Monthly Pension Income in one of the alternative forms listed below. Such alternative form shall be the Actuarial Equivalent of the Monthly Pension Income then being received by the Disabled Member.

1511.1 A monthly income payable for the Member's lifetime with one hundred and twenty (120) payments guaranteed (an alternative form).

1511.2 A monthly income payable for the lifetime of the Member and continuing thereafter in the same monthly amount to a Beneficiary designated in writing by the Member (an alternative form). Should the Beneficiary named by the Member die prior to the Member's Disability, Early, Normal or Late Retirement Date or prior to the date specified in Section 1530, the election shall be void and Monthly Pension Income shall be paid under the basic form. Should the Beneficiary die after Monthly Pension Income has commenced to the Member, no alternative Beneficiary can be named.

1511.3 If the Member's designated Beneficiary is other than his Spouse or Domestic Partner, the Actuarial Value of the benefits payable to the Member shall be more than fifty percent (50%) of the Actuarial Value of the benefits payable to the Member and his Beneficiary or survivor.

1511.4 Contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Code, notwithstanding any contrary provision set forth herein.

1532. Death, Effect.

Except as specifically provided in section 1533. of this chapter, if any active Member should die being Vested in the Plan, a lump sum Death Benefit equal to the deceased Member's Current Accrued Benefit at the time of death shall be payable: (i) to the deceased Member's surviving Spouse or Domestic Partner, if any; (ii) if the deceased Member is not

survived by a Spouse or Domestic Partner, to such other survivor as the deceased Member has designated; or (iii) if the deceased Member has made no such designation, to the deceased Member's estate.

1533. Death After Age 55 With Spouse or Domestic Partner, Effect.

If any active Member should die (i) after reaching Attained Age fifty-five, (ii) being Vested in the Plan, and (iii) be survived by a Spouse or Domestic Partner, that Spouse or Domestic Partner shall be entitled to a Death Benefit. No Death Benefit shall be payable if the Member is not survived by a Spouse or Domestic Partner. Such Death Benefit shall be a monthly income, payable for the life of the Spouse or Domestic Partner equal to the benefit that would have been payable to such Spouse or Domestic Partner if the Member had retired on the day before the date of death and elected the form of payments specified in Section 1511.2 with 100% of the reduced benefits continued to the Member's Spouse or Domestic Partner for lifetime. Such Spouse or Domestic Partner Death Benefit payments shall commence on the first day of the month next following the Member's date of death. Notwithstanding the above, if a Member had reached the Member's Normal Retirement Date and had made a written election as to the form of benefit payments pursuant to Section 1511, then, upon the Member's death prior to the commencement of benefits, any Death Benefit shall be payable in accordance with such written election.

1573. Benefits, Non Assignable.

None of the benefits under the Plan are subject to the claims of creditors of Members, Retired Members, Disabled Members or their Beneficiaries and will not be subject to

attachment, garnishment or any other legal process. Neither a Member, a Retired Member, a Disabled Member, a Beneficiary, nor a Spouse or Domestic Partner may assign, sell, borrow on or otherwise encumber any of his beneficial interest in this Plan and the Trust Fund nor shall any such benefits be in any manner liable for or subject to the deeds, contracts, liabilities, engagements, or torts of any Member, Retired Member, Disabled Member, Beneficiary, or Spouse.

Effective Date: This Ordinance shall be effective immediately upon its signature by the County Executive.

APPROVED AS TO FORM:

[Signature]
Chief Deputy County Counselor

[Signature]
County Counselor

I hereby certify that the attached Ordinance, Ordinance #4289 of February 7, 2011, was duly passed on February 22, 2011 by the Jackson County Legislature. In the votes thereon were as follows:

Yeas 8

Nays 0

Abstaining 0

Absent 1

This Ordinance is hereby transmitted to the County Executive for his signature.

2/22/11
Date

[Signature]
Mary Jo Spino, Clerk of Legislature

I hereby approve the attached Ordinance #4289.

2/23/2011
Date

[Signature]
Michael D. Sanders, County Executive