

ORDINANCE NO. 1849

SUBJECT: To amend Sections 1503.7, 1511.4, 1511.5, 1512.3, 1515. and 1516., to add sections 1503. (9) (c) (vi), 1503.25 (b) (vi), 1513.1, 1513.2, 1513.3, 1532., and 1535., to delete sections 1511.3 and 1512.1 and to enact a new section in lieu of 1512.1, of Chapter 15 of the Jackson County Code, 1984, Pension Plan.

INTRODUCED: July 9, 1990  
(Finance & Audit)

FINANCE & AUDIT COMMITTEE  
AMENDMENT: July 23, 1990

ADOPTED: July 30, 1990

SIGNED BY EXECUTIVE: July 31, 1990

(o.#1142)CHAPTER 15

IN THE COUNTY LEGISLATURE OF JACKSON COUNTY, MISSOURI

AN ORDINANCE to amend Sections 1503.7, 1511.4, 1511.5, 1512.3, 1515. and 1516., to add sections 1503. (9)(c) (vi), 1503.25 (b)(vi), 1513.1, 1513.2, 1513.3, 1532., and 1535., to delete sections 1511.3 and 1512.1 and to enact a new section in lieu of 1512.1., of Chapter 15 of the Jackson County Code, 1984, Pension Plan.

ORDINANCE #1849, July 9, 1990

INTRODUCED BY Ed Growney, County Legislator

BE IT ORDAINED by the County Legislature of Jackson County, Missouri that Chapter 15, Pension Plan of the Jackson County Code, 1984, be revised to read as follows:

1503.7 Average Monthly Earnings.

The term "Average Monthly Earnings" shall mean the highest average of Monthly Earnings (as defined in Section 1503.18) as determined for any [sixty (60)] thirty-six (36) consecutive months of credited service for the Employer as an Employee during the one hundred twenty (120) months prior to the Member's Disability Retirement Date, Early Retirement Date, Normal Retirement Date, or termination date. (Ord. 1353, Eff. 08/01/85)

1503.9 Credited Service.

The term "Credited Service" shall mean the number of years and months of employment for which a Member is given credit for the purpose of calculating his Monthly Retirement Income or Spouse Death Benefit under this Plan. As of any date, "Credited Service" shall be equal to the sum of the years and months calculated under Section 1503.9(a) and Section 1503.9(b), subject to the provisions of Section 1503.9(c), if applicable. (Ord. 1353, Eff. 08/01/85)

1503.9 (a) For any period of employment prior to January 1, 1967, three-fourths (3/4) of the number of years and completed months of the Member's continuous employment for the Employer as an Employee from his last date of hire as an Employee to December 31, 1966. (Ord. 1353, Eff. 08/01/85)

1503.9 (b) For any period of employment after December 31, 1966, the number of years and completed months of the Member's continuous employment for the Employer as an

Employee from the later of (i) January 1, 1967, and (ii) his last date of hire as an Employee to the date of his termination of employment. (Ord. 1353, Eff. 08/01/85)

1503.9 (c) For the purposes of this Plan the following periods of employment shall be considered "continuous employment" but shall not be recognized as Credited Service:

(i) a break in continuity of employment of not more than two (2) years; provided the Employee returns to work for at least twelve (12) months;

(ii) any period of employment during which the Employee was not compensated by the Employer;

(iii) any period of employment excluded pursuant to Section 1506 hereof;

(iv) any period of employment prior to January 1, 1977, during which the Employee was eligible to participate in the Prior Plan but refused to make the Employee contributions required thereunder;

(v) a break in the continuity of employment prior to April 1, 1967, of more than two (2) years; provided

(A) the Employee was employed by the Employer as an Employee on April 1, 1967, and

(B) the Employee completes twenty-five (25) years of employment as an Employee by his Normal Retirement Date (including for this purpose any break in the continuity of employment occurring prior to April 1, 1967). (Ord. 1353, Eff. 08/01/85)

(vi) a break in the continuity of employment of more than two (2) years; provided

(A) the reemployed employee terminated vested in the plan, or is a retired member of the plan, and,

(B) the employee accrues sufficient credited service during his period of reemployment to become vested in the plan.

1503.25 Service.

The term "Service" shall mean the number of years for which a Member is given credit for the purpose of determining his eligibility for benefits under the Plan. As of any date, "Service" shall be equal to the sum of the years of

employment calculated under Section 1503.25 (a), subject to the provisions of Section 1503.25 (b), if applicable. (Ord. 1353, Eff. 08/01/85)

1503.25 (a) The number of years and completed months of the Member's continuous employment for the Employer as an Employee from his date of hire as an Employee to the date of his termination of employment.

1503.25 (b) For the purposes of this Plan the following periods of employment shall be considered "continuous employment" but shall not be recognized as Service:

(i) a break in the continuity of employment of not more than two (2) years;

(ii) any period of employment during which the Employee was not compensated by the Employer;

(iii) any period of employment excluded pursuant to the provisions of Section 1505 hereof;

(iv) any period prior to January 1, 1977, during which the Employee was eligible to participate in the Prior Plan but refused to make the Employee contributions thereunder;

(v) a break in the continuity of employment prior to April 1, 1967 of more than two (2) years; provided

(A) the Employee was employed by the Employer as an Employee on April 1, 1967, and

(B) the Employee completes twenty-five (25) years of employment as an Employee by his Normal Retirement Date (including for this purpose any break in the continuity of employment occurring prior to April 1, 1967). (Ord. 1353, Eff. 08/01/85)

(b) (vi) a break in the continuity of employment of more than two (2) years; provided

(A) the reemployed employee terminated vested in the plan, or is a retired member of the plan, and,

(B) the employee accrues sufficient credited service during his period of reemployment to become vested in the plan.

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. 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. 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. (Ord. 1353, Eff. 08/01/85)

1511.1 A monthly income payable for the Member's lifetime with sixty (60) payments guaranteed (the basic form). (Ord. 1353, Eff. 08/01/85)

1511.2 A monthly income payable for the Member's lifetime with one hundred and twenty (120) payments guaranteed (an alternative form). (Ord. 1353, Eff. 08/01/85)

[1511.3 A monthly income payable for the lifetime of the Member and continuing thereafter in one-half (1/2) of such 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. (Ord. 1353, Eff. 08/01/85)]

1511.[4] 3 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. (Ord. 1353, Eff. 08/01/85)

1511.[5] 4 If the Member's designated Beneficiary is other than his Spouse, 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. (Ord. 1353, Eff. 08/01/85)

1512. Pension Income, Calculations.

When a Member lives to his Normal Retirement Date, he shall be entitled to retire and to receive a Monthly Pension Income in an amount calculated by the Actuary and certified to the Trustee by the Pension Plan Administration Committee. The amount of a Member's Monthly Pension Income under the basic form and payable on his Normal Retirement Date shall be the greater of the amount calculated under Section 1512.1 [and Section 1512.2] but in no event less than the amount calculated under Section 1512.[3] 2. [and if applicable, reduced by the amount under Section 1503.30.] (Ord. 1353, Eff. 08/01/85)

1512.1 [An amount equal to:

1.05%	Effective 8-1-85
1.10%	Effective 1-1-86
1.15%	Effective 1-1-87
1.20%	Effective 1-1-88
1.25%	Effective 1-1-89
1.30%	Effective 1-1-90
1.35%	Effective 1-1-91
1.40%	Effective 1-1-92
1.45%	Effective 1-1-93
1.50%	Effective 1-1-94

for each year of Credited Service times the Member's Average Monthly Earnings. (Ord. 1353, Eff. 08/01/85)]

1512.1 1.5 % Per Year

An amount equal to 1.5% for each year of credited service times the member's average monthly earnings, but in no event less than fifty dollars (\$50.00).

[1512.2 Fifty dollars (\$50.00). (Ord. 1353, Eff. 08/01/85)]

1512.[3] 2 If a Member was a participant in the Prior Plan on December 31, 1976, an amount equal to five-sixths (5/6) percent of the Member's "average monthly earnings" (as hereinafter defined) up to five hundred fifty dollars (\$550.00) plus one and two-thirds (1-2/3) percent of his "average monthly earnings" in excess of five hundred fifty dollars (\$550.00), such sum multiplied by the Member's years of Credited Service.

For the purpose of this Section 1512.2, "average monthly earnings" shall be calculated in the same manner as Average Monthly Earnings assuming the Member's aggregate Monthly Earnings for calendar year 1976 divided by twelve (12) (or by the number of months during which the Member received compensation from the Employer in 1976, if less) continued,

without increase, until his Normal Retirement Date or earlier date of severance of employment. (Ord. 1353, Eff. 08/01/85)

1513. Pension Income, Effect of Late Retirement.

If a Member remains in the employ of the Employer after his Normal Retirement Date, no Monthly Pension Income shall be paid until the Member's Late Retirement Date except as provided in Section 1516. At the Member's Late Retirement Date he shall thereupon be entitled to receive a Monthly Pension Income which shall be an amount computed under Section 1512, based upon the Member's Credited Service and Average Monthly Earnings up to his Late Retirement Date. (Ord. 1353, Eff. 08/01/85)

1513.1 Upon Reaching the Age of 70 1/2.

If a member remains in the employ of the employer after the age of 70 1/2 the member shall receive the required minimum distribution from the plan as calculated by the plan's actuary.

1513.2 Effective Date of 70 1/2 Distribution.

If an employed member became 70 1/2 years of age prior to December 31, 1989, distributions shall begin effective April 1, 1990 and distributions shall be recalculated each April 1 thereafter as long as the member remains an employee of the employer.

1513.3 Distribution on April 1.

If an employed member becomes 70 1/2 years of age on January 1, 1990 or later, distributions shall begin April 1 following the calendar year in which the member attains age 70 1/2 and distributions shall be recalculated April 1 thereafter as long as the member remains an employee of the employer.

1515. Pension Income If Disabled.

When a Member who has [reached Attained Age forty (40) and who has] Vested in the Plan shall be determined to be Totally and Permanently Disabled by the Pension Plan Administration Committee, such Disabled Member shall be entitled to receive Disability Payments as hereinafter provided. Such Disabled Member shall be entitled to a Monthly Pension Income equal to his Accrued Benefit, without actuarial reduction, commencing as of the first day of the month next following the date of his entitlement to his Social Security disability benefits. If the Disabled Member recovers prior to his Normal Retirement Date (by ceasing to be eligible for continued entitlement to Social Security disability benefits), the Pension Plan Administration Committee shall direct the Trustee to immediately discontinue the Disability Payments. If the Disabled Member returns to the employ of the Employer as an Employee within a reasonable period of time after recovery, he shall on actual return again become an

active Member with Service and Credited Service prior to his disability being recognized for all purposes under this Plan. If the former Disabled Member does not return to the employ of the Employer as an Employee within a reasonable period of time after recovery, he shall be deemed terminated as of his Disability Retirement Date, and the benefits, if any, to which he is entitled under the Plan shall be reduced by the Actuarial Value of Disability Payments actually received. (Ord. 1353, Eff. 08/01/85)

1516. Pension Income, Effect of Reemployment.

If a Retired Member is reemployed by the Employer on a permanent, full-time status, his Monthly Pension Income payments shall be suspended during any such period of reemployment. If a Retired Member is reemployed by the Employer on a Temporary, Seasonal or Part-time status, his Monthly Pension Income payments shall be suspended after the Member earns the maximum amount allowed for the retention of Social Security benefits for individuals at age 65. A reemployed Retired Member shall [not] accrue [any] additional benefits during any such period of reemployment the same as any rehired employee. (Ord. 1353, Eff. 08/01/85)

1532. Death Prior to Age 55 With Spouse, 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, his Spouse shall be entitled to a Death Benefit. No Death Benefit shall be payable if the Member is not survived by a Spouse. Such Death Benefit shall be a monthly income, payable for the life of the Spouse equal to the benefit that would have been payable to such Spouse if the Member had retired on the day before his date of death and elected the form of payments specified in Section 1511.3 with [one-half (1/2)] 100% of his reduced benefits continued to his Spouse for lifetime. Such Spouse 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 his Normal Retirement Date and had made a written election as to the form of benefit payments pursuant to Section 1511, then, upon his death prior to the commencement of benefits, any Death Benefit shall be payable in accordance with such written election. If such a deceased Member had elected that his benefit be payable in the form specified in Section 1511.1 and he is survived by a Spouse, the Death Benefit provided in this Section 1532 shall nonetheless be payable to his Spouse. (Ord. 1353, Eff. 08/01/85)

1535. Cost-of Living Adjustment.

Only in the case of members who terminate after July 30, 1990 and are vested or are eligible for immediate retirement benefits, a cost-of-living adjustment is authorized under these conditions:

(i) The Pension Plan Administration Committee before June 1 of each year shall determine the annual adjustment if any. The adjustment shall apply to retirement benefits being paid on behalf of eligible members including beneficiaries.

(ii) The amount of the adjustment shall not exceed three percent (3%) and may be either zero percent (0%), one percent (1%), two percent (2%), or three percent (3%).

(iii) The Pension Plan Administration Committee shall use a guide for setting the amount of the cost-of-living adjustment, the amount of increases given to Jackson County merit employees for the previous year, the Consumer Price Index (CPI), and any other measure the Committee deems appropriate for measuring cost-of-living increases.

(iv) Cost-of-living adjustments, if any, shall apply to the July 1 pension payments.

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

APPROVED AS TO FORM:

Jan McJannet John B. Hill  
County Counselor

I hereby certify that the attached Ordinance, Ordinance #1849 introduced on July 9, 1990 was duly passed on July 30, 1990 by the Jackson County Legislature. The votes thereon were as follows:

Yeas 7 Nays 0  
Abstaining 0 Absents 2

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

7-30-90 Bernice J. Conley  
Date Bernice J. Conley, Clerk of  
Legislature

I hereby approve the attached Ordinance #1849.

7.31.90 Bill Waris  
Date Bill Waris, County Executive