

Sponsored by: Police Pension Board of Trustees

Bill No. 07-2024

Co-Sponsored by:

Ordinance No. 2024-07

AN ORDINANCE AMENDING CHAPTER 200 POLICE, ARTICLE V RETIREMENT AND PENSIONS BY THE REPEAL OF SECTION 200.390 EMPLOYER CONTRIBUTION AND SOURCES OF FUNDING, THE REPEAL OF SECTION 200.490 BENEFIT ADJUSTMENTS AND SECTION 200.530 OPTIONAL FORM OF PENSION AND DELETION OF ALL ASSOCIATED CROSS REFERENCES AND BY THE ADOPTION OF A NEW SECTION 200.390 AND SECTION 200.490.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OVERLAND, ST. LOUIS COUNTY, MISSOURI, AS FOLLOWS:

Section 1. That Chapter 200, Article V of the Municipal Code of the City of Overland is hereby amended by the repeal of **Section 200.390 Employer Contribution and Source of Funding**, which reads as follows, in its entirety;

Section 200.390 Employer Contribution and Sources of Funding

A. The Police Retirement Fund shall consist of:

1. The proceeds of a tax to be levied by the City Council of the City as hereinafter provided, not exceeding twelve cents (\$0.12) per one hundred dollars (\$100.00) on the value of all taxable property annually assessed in the City as the same appears on the tax books of the City and collected by the City. The rate of tax shall be levied by the City Council at the time when the tax rates of the City are fixed and established in 1994 and each year thereafter, except as may otherwise be provided. The tax money thus collected shall be allocated to and set apart in a separate fund for the purposes mentioned in this Chapter, and such money shall not be used for nor devoted to any purposes other than herein provided.
2. Any and all property given or donated to the fund from any source, and for this purpose the Board of Trustees may accept donations to the Retirement Fund in the form of gifts, grants, devises and bequests of any money, personal property, real estate or any interests therein, or any right of property; and any such gift, grant, devise or bequest may be absolute or in fee simple, or upon condition that only the rents, income or profits arising therefrom shall be applied to the purpose for which the Police Retirement Fund is established.

3. The contributions paid into such fund by the covered employees as provided in Section 200.400.
4. Twenty percent (20%) of all rewards received by covered employees of the Police Department.
5. The net earnings on all investments and all interest earned.
6. Allocation from the earnings received from future annual Fourth of July fireworks displays and of any other entertainment or events given for the benefit of the Police Department and specifically approved by the Board of Trustees.

Section 2. That Chapter 200, Article V of the Municipal Code of the City of Overland is hereby amended by the adoption of a new **Section 200.390 Employer Contribution and Sources of Funding**, which reads as follows:

Section 200.390 Employer Contribution and Sources of Funding

A. The Police Retirement Fund shall consist of:

1. The proceeds of a tax to be levied by the City Council of the City as hereinafter provided as the most recently voter approved levy on the value of all taxable property annually assessed in the City as the same appears on the tax books of the City and collected by the City. The rate of tax shall be levied by the City Council at the time when the tax rates of the City are fixed, except as may otherwise be provided. The tax money thus collected shall be allocated to and set apart in a separate fund for the purposes mentioned in this Chapter, and such money shall not be used for nor devoted to any purposes other than herein provided.
2. Any and all property given or donated to the fund from any source, and for this purpose the Board of Trustees may accept donations to the Retirement Fund in the form of gifts, grants, devises and bequests of any money, personal property, real estate or any interests therein, or any right of property; and any such gift, grant, devise or bequest may be absolute or in fee simple, or upon condition that only the rents, income or profits arising therefrom shall be applied to the purpose for which the Police Retirement Fund is established.
3. The contributions paid into such fund by the covered employees as provided in Section 200.400.
4. Twenty percent (20%) of all rewards received by covered employees of the Police Department.

5. The net earnings on all investments and all interest earned.
6. Allocations from the earnings received from future annual Fourth of July fireworks displays and of any other entertainment or events given for the benefit of the Police Department and specifically approved by the Board of Trustees.
7. A one-time contribution from the General Fund of the City of Overland in the amount of \$300,000 to be completed upon adoption.

Section 3. That Chapter 200, Article V of the Municipal Code of the City of Overland is hereby amended by the repeal of **Section 200.490 Benefit Adjustments**, which reads as follows, in its entirety;

Section 200.490. Benefit Adjustments.

- A. The retirement or death benefits of a covered employee who retires or dies on or after April 1, 1993, shall be annually adjusted for cost of living increases or decreases. Adjustments shall be made to the first (1st) benefit payments which are made after April first (1st) of each calendar year commencing with the benefit payments made after April 1, 1993. Benefits shall be increased or decreased by sixty percent (60%) of the change in the Consumer Price Index for all St. Louis metropolitan area consumers as published by the Department of Labor Statistics, for the immediately preceding calendar year. The maximum adjustment shall not exceed three percent (3%) for a calendar year. In no event shall a covered employee's benefits under this Section be reduced to less than the amount of benefits payable to such employee after the date of his/her retirement or, in the event he/she dies before retirement, to his/her beneficiary after his/her death. The benefits of a covered employee who retires prior to age sixty (60) shall not be subject to adjustment under this Section until the April first (1st) immediately following the date upon which such employee attains age sixty (60). The benefits payable to a beneficiary or beneficiaries of a deceased employee shall not be subject to adjustment under this Section until the April first (1st) of the calendar year immediately following the date the employee would have attained age sixty (60) had he/she survived. With respect to covered employees first participating in the plan prior to April 1, 2017, an initial retroactive adjustment of benefits, the payment of which commences as of the April first (1st) immediately following an employee's sixtieth (60th) birthday, under this Section 200.490 shall be the cumulative total of the adjustments under this Section 200.490 which would have been made if such adjustments were made starting with payments made on or after the April first (1st) immediately following the date which payment of such benefits commences. No retroactive adjustment (as described in the preceding sentence) shall be made for any covered employee first participating in the plan on or after

April 1, 2017. Any covered employee who participated in the plan prior to April 1, 2017, and received a distribution of his/her investment account pursuant to Section 200.440 and again becomes a covered employee on or after April 1, 2017, shall not be eligible to receive an initial retroactive adjustment of benefits.

- B. The retirement or death benefits of a covered employee who began participating in the plan on or after December 1, 2022, shall be annually adjusted for cost of living increases or decreases. Benefits shall be increased or decreased by sixty percent (60%) of the change in the Consumer Price Index for all St. Louis metropolitan area consumers as published by the Department of Labor Statistics, for the immediately preceding calendar year. The maximum adjustment shall not exceed three percent (3%) for a calendar year. In no event shall a covered employee's benefits under this Section be reduced to less than the amount of benefits payable to such employee after the date of his/her retirement or, in the event he/she dies before retirement, to his/her beneficiary after his/her death. The benefits of a participant shall not be subject to adjustment under this Section until the first day of the plan year immediately following the plan year in which the participant attains age sixty-two (62). The benefits payable to a beneficiary or beneficiaries of a deceased participant shall not be subject to adjustment under this Section until the first day of the plan year immediately following the plan year the participant would have attained age sixty-two (62) had he/she survived.

Section 4. That Chapter 200, Article V of the Municipal Code of the City of Overland is hereby amended by the adoption of a new **Section 200.490 Benefit Adjustments**, which reads as follows;

Section 200.490 Benefit Adjustments.

- A. The retirement or death benefits of a covered employee who retires or dies on or after April 1, 1993, shall be annually adjusted for cost of living increases or decreases. Adjustments shall be made to the first (1st) benefit payments which are made after April first (1st) of each calendar year commencing with the benefit payments made after April 1, 1993. Benefits shall be increased or decreased by sixty percent (60%) of the change in the Consumer Price Index for all St. Louis metropolitan area consumers as published by the Department of Labor Statistics, for the immediately preceding calendar year, provided for any year in which the plan's funding level, as determined by the actuary for the immediately preceding year, is below sixty percent (60%), benefits shall be increased by twenty percent (20%) of the change in the Consumer Price Index for all St. Louis metropolitan area consumers as published by the Department of Labor Statistics, for the immediately preceding calendar year, and any year in which the plan's funding level, as determined by the actuary for the immediately preceding year, is at least sixty percent (60%) but less than eighty percent (80%), benefits shall be increased by

thirty percent (30%) of the change in the Consumer Price Index for all St. Louis metropolitan area consumers as published by the Department of Labor Statistics, for the immediately preceding calendar year. The maximum adjustment shall not exceed three percent (3%) for a calendar year. In no event shall a covered employee's benefits under this Section be reduced to less than the amount of benefits payable to such employee after the date of his/her retirement or, in the event he/she dies before retirement, to his/her beneficiary after his/her death. The benefits of a covered employee who retires prior to age sixty (60) shall not be subject to adjustment under this Section until the April first (1st) immediately following the date upon which such employee attains age sixty (60). The benefits payable to a beneficiary or beneficiaries of a deceased employee shall not be subject to adjustment under this Section until the April first (1st) of the calendar year immediately following the date the employee would have attained age sixty (60) had he/she survived. With respect to covered employees first participating in the plan prior to April 1, 2017, an initial retroactive adjustment of benefits, the payment of which commences as of the April first (1st) immediately following an employee's sixtieth (60th) birthday, under this Section **200.490** shall be the cumulative total of the adjustments under this Section **200.490** which would have been made if such adjustments were made starting with payments made on or after the April first (1st) immediately following the date which payment of such benefits commences. No retroactive adjustment (as described in the preceding sentence) shall be made for any covered employee first participating in the plan on or after April 1, 2017. Any covered employee who participated in the plan prior to April 1, 2017, and received a distribution of his/her investment account pursuant to Section **200.440** and again becomes a covered employee on or after April 1, 2017, shall not be eligible to receive an initial retroactive adjustment of benefits. No retroactive adjustment shall be made for any covered employee who terminates employment on or after April 1, 2024.

- B. The retirement or death benefits of a covered employee who began participating in the plan on or after December 1, 2022, shall be annually adjusted for cost-of-living increases or decreases. Benefits shall be increased or decreased by sixty percent (60%) of the change in the Consumer Price Index for all St. Louis metropolitan area consumers as published by the Department of Labor Statistics, for the immediately preceding calendar year, provided for any year in which the plan's funding level, as determined by the actuary for the immediately preceding year, is below sixty percent (60%), benefits shall be increased by twenty percent (20%) of the change in the Consumer Price Index for all St. Louis metropolitan area consumers as published by the Department of Labor Statistics, for the immediately preceding calendar year, and any year in which the plan's funding level, as determined by the actuary for the immediately preceding year, is at least sixty percent (60%) but less than eighty percent (80%), benefits shall be increased by thirty percent (30%) of the change in the Consumer Price Index for all St. Louis metropolitan area consumers as published by the Department of Labor Statistics, for the immediately

preceding calendar year. The maximum adjustment shall not exceed three percent (3%) for a calendar year. In no event shall a covered employee's benefits under this Section be reduced to less than the amount of benefits payable to such employee after the date of his/her retirement or, in the event he/she dies before retirement, to his/her beneficiary after his/her death. The benefits of a participant shall not be subject to adjustment under this Section until the first day of the plan year immediately following the plan year in which the participant attains age sixty-two (62). The benefits payable to a beneficiary or beneficiaries of a deceased participant shall not be subject to adjustment under this Section until the first day of the plan year immediately following the plan year the participant would have attained age sixty-two (62) had he/she survived.

Section 5. That Chapter 200, Article V of the Municipal Code of the City of Overland is hereby amended by the repeal of **Section 200.530 Optional Form of Pension**, which reads as follows, in its entirety;

Section 200.530. Optional Form of Pension

A. Any covered employee retiring pursuant to the provisions of Section 200.410 may elect, in writing, to have the actuarial equivalent of his/her benefits paid in the form of an annuity for his/her life only as provided in Table A of this Section 200.530. In this event, the survivor benefits payable under Section 200.480 shall not be applicable. If the covered employee has a spouse who would be entitled to survivor benefits under Section 200.530 in the event of the covered employee's death, benefits shall not be paid in the form of an annuity only for the life of the covered employee unless the spouse of such covered employee consents in writing, within ninety (90) days prior to the day payment of such benefit is to commence, to payment of benefits only for the life of the covered employee.

TABLE A

CITY OF OVERLAND, MISSOURI POLICE RETIREMENT PLAN

Factors To Increase Benefit By If Participant Elects A Life Only Option

Participant's Age	Factor
45	1.067
46	1.071
47	1.075

TABLE A**CITY OF OVERLAND, MISSOURI POLICE RETIREMENT PLAN****Factors To Increase Benefit By If Participant Elects A Life Only Option**

Participant's Age	Factor
48	1.079
49	1.083
50	1.088
51	1.093
52	1.098
53	1.103
54	1.107
55	1.112
56	1.117
57	1.124
58	1.129
59	1.135
60	1.142
61	1.148
62	1.155
63	1.161
64	1.168

TABLE A

CITY OF OVERLAND, MISSOURI POLICE RETIREMENT PLAN

Factors To Increase Benefit By If Participant Elects A Life Only Option

Participant's Age	Factor
65	1.175
66	1.182
67	1.189
68	1.195
69	1.202
70	1.209

Note: If the participant has a spouse and the spouse's age is more than three (3) years younger than the participant's age, adjust the factor as follows: add 0.007 for every year greater than three (3) that the participant's age exceeds the spouse's [e.g., if the participant is ten (10) years older than the spouse and the participant is fifty-five (55), the factor is 1.112 plus 7×0.007 , which equals 1.161]. No such adjustment is needed if the spouse is older than the participant or within three (3) years of the participant's age. Also, no adjustment is needed if the participant has no spouse.

Section 6. The portions of this Ordinance shall be severable. In the event that any portion of this Ordinance is found by a court of competent jurisdiction to be invalid, the remaining portions of this Ordinance are valid, unless the court finds the valid portions of this Ordinance are so essential and inseparably connected with and dependent upon the void portion that it cannot be presumed that the City Council would have enacted the valid portions without the invalid ones, or unless the court finds that the valid portions standing alone are incomplete and are incapable of being executed in accordance with the legislative intent.

Section 7. This ordinance shall be in full force and effect from and after its passage and approval according to law.

PASSED this 13th day of May, 2024.


MAYOR

May 13, 2024
Date of Approval

ATTEST:


CITY CLERK