

FIRST REGULAR SESSION

HOUSE BILL NO. 1001

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MURPHY.

2147H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 87.140, 87.145, 87.155, 87.260, and 87.350, RSMo, and to enact in lieu thereof five new sections relating to the firefighter's retirement systems for certain cities.

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

Section A. Sections 87.140, 87.145, 87.155, 87.260, and 87.350, RSMo, are repealed and five new sections enacted in lieu thereof, to be known as sections 87.140, 87.145, 87.155, 87.260, and 87.350, to read as follows:

87.140. 1. The general administration and the responsibility for the proper operation of the retirement system shall be vested in a board of trustees of nine persons. The board shall be constituted as follows:

(1) The chief of the fire department of the city, ex officio;

(2) The comptroller or deputy comptroller of the city, ex officio;

(3) Two members to be appointed by the mayor of the city to serve for a term of two years;

(4) Three members to be elected by the members of the retirement system for a term of three years who shall be members of the system and hold office only while members of the system;

(5) Two members who shall be retired firemen to be elected by the retired firemen of the city and who shall hold office for a term of three years.

2. If a vacancy occurs in the office of trustee, the vacancy shall be filled for the unexpired term in the same manner as the office was previously filled.

3. The trustees shall serve without compensation, but they shall be reimbursed from the expense fund for all necessary expenses which they may incur through service on the board.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 4. Each trustee shall, within ten days after his appointment or election, take an oath of
18 office before the clerk of circuit court of the city, that, so far as it devolves upon him, he will
19 diligently and honestly administer the affairs of the board and that he will not knowingly violate
20 or willingly permit to be violated any of the provisions of the law applicable to the retirement
21 system. The oath shall be subscribed to by the member making it and certified by the clerk of
22 circuit court and filed in his office.

23 5. Each trustee shall be entitled to one vote on the board. Five votes shall be necessary
24 for a decision by the trustees at any meeting of the board.

25 **6. Notwithstanding any provision of sections 87.120 to 87.371 to the contrary, the**
26 **board of trustees of the retirement system shall not be prevented from simultaneously**
27 **acting as the trustees of any other pension plan that provides retirement, disability, and**
28 **death benefits for firefighters employed by any city not within a county and their covered**
29 **dependents. The administration of the other pension plan shall be in accordance with the**
30 **terms of such pension plan.**

 87.145. The board of trustees shall have exclusive original jurisdiction in all matters
2 relating to or affecting the funds herein provided for, including, in addition to all other matters,
3 all claims for benefits and refunds under this law, and its action, decision or determination in any
4 matter shall be reviewable under chapter 536 only, and any party to the proceedings shall have
5 a right of appeal from the decision of the reviewing court. Subject to the limitations of sections
6 87.120 to 87.370, the board of trustees shall, from time to time, establish rules and regulations
7 for the administration of funds created by this law, for the transaction of its business, and for the
8 limitation of the time within which claims may be filed. **The administration of any pension**
9 **plan, other than the retirement system, includes the ability of the board of trustees, from**
10 **time to time, to establish rules and regulations for the administration of funds of such other**
11 **pension plan and for the transaction of such other pension plan's business.**

 87.155. 1. The board of trustees shall keep in convenient form such data as is necessary
2 for actuarial valuation of the funds of the retirement system and for checking the experience of
3 the system.

4 2. The board of trustees shall keep a record of all its proceedings which shall be open to
5 public inspection. It shall publish annually a report showing the fiscal transactions of the
6 retirement system for the preceding fiscal year, the amount of the accumulated cash and
7 securities of the system, and the last balance sheet showing the financial condition of the system
8 by means of an actuarial valuation of the assets and liabilities of the retirement system.

9 **3. To the extent the board of trustees administers a pension plan other than the**
10 **retirement system, the board of trustees shall maintain separate records of all proceedings**
11 **of such other pension plan.**

87.260. The board of trustees of the firefighters' retirement system shall have the
2 exclusive authority and discretion to invest and reinvest the funds in property of any kind, real
3 or personal. The board of trustees shall invest and manage the fund as a prudent investor would,
4 by considering the purposes, terms, distribution requirements, and other circumstances of the
5 firefighters' retirement system. In satisfying this standard, the board of trustees shall exercise
6 reasonable care, skill, and caution. No trustee shall have any interest as a trustee in the gains or
7 profits made on any investment, except benefits from interest in investments common to all
8 members of the plan, if entitled thereto. **To the extent the board of trustees administers a**
9 **pension plan other than the retirement system, the board of trustees shall also have the**
10 **authority and discretion to invest and reinvest the funds of such other pension plan in**
11 **property of any kind, real or personal. The board of trustees may choose to invest the**
12 **funds of the retirement system and the funds of the other pension plan in the same**
13 **investments so long as the amounts invested and the gains, profits, or losses on such**
14 **investments are accounted for separately. No benefits due to the firefighters or their**
15 **covered dependents from the other pension plan shall be paid from the funds of the**
16 **retirement system.**

87.350. The expense fund shall be the fund to which shall be credited all money
2 provided to pay the administration expenses of the retirement system and from which shall be
3 paid all the expenses necessary in connection with the administration and operation of the
4 system. Annually the board of trustees shall estimate the amount of money necessary to be paid
5 into the expense fund during the ensuing year to provide for the expense of operation of the
6 retirement system. Such estimate shall be provided by the board of trustees from interest and
7 other earnings on assets of the retirement system. **In no event shall any expenses, including**
8 **administrative expenses, incurred by the board of trustees in the administration of any**
9 **pension plan other than the retirement system or in the investment of any funds of any**
10 **pension plan other than the retirement system be paid from the funds of the retirement**
11 **system. Such expenses shall be paid entirely from the funds of the other pension plan.**

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