

History of Changes - Civilian Employees' Retirement System of the Police Department of Kansas City, Missouri

1965

- Civilian Employees' Retirement System of the Police Department of Kansas City, Missouri created by Missouri General Assembly

1972

- Members vested in plan after 5 years of service, eligible for deferred benefits.
- Changed computation of retirement benefit on a graduated basis without reduction for Social Security benefits. Changed multiplier to 1.2% for first ten years of service plus 1.5% for next ten years of service plus 2.0% for remaining service.
- Removed retirement benefit cap of 65% of Final Average Salary (FAS).
- Established optional early retirement at age 60 with 10 years of service with no reduction in benefit.
- Eliminated any age and service requirements for duty disability retirement.
- Changed age and service requirements for non-duty disability retirement to 10 years and under age 60.
- Increased duty disability retirement to 50% of FAS. Increased non-duty disability retirement to a minimum of 30% of FAS.
- Established surviving spouse benefits. Retirement benefits stop when the surviving spouse remarries.

1974

- Added Financial Counselors Inc. as fixed income and domestic stock managers.

1976

- FAS calculated over 3 highest years of the last 10 years.
- Members who return to active service granted the option to restore prior time after 2 years of reemployment.
- Increased multiplier to 1.5% for first 20 years of service plus 2.0% for remaining service.
- Established optional early retirement at age 55 with 10 years of service or at age 60 with 5 years of service with reduction in benefits.
- Established optional 100% joint and survivor benefit at retirement.
- Added optional retirement benefit for the surviving spouse of a member who dies prior to retirement with 20 or more years of service.

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1985

- Established optional early retirement at age 55 with 30 years of service with no reduction in benefit.
- Established Cost of Living Adjustment (COLA) of up to 3% for retirees and eligible surviving spouses. Consumer Price Index used to determine percentage adjustments.

1990

- 2.0% multiplier for all service for unmarried members and married members waiving the right to a surviving spouse benefit; 1.8% multiplier for all service for married members not waiving surviving spouse benefits.
- Changed optional early retirement with no reduction in benefit to Rule of 80; member's total age and years of service must equal or exceed 80.
- Eliminated mandatory retirement at age 70.
- Eliminated age restrictions for membership eligibility.
- Civilian members eligible to vote in Retirement Board election.

1991

- Civilian member added to Retirement Board.

1992

- FAS calculated over highest 2 years of service.
- Established supplemental benefit at \$50 per month until age 65 for certain members retiring after August 1992.

1994

- Added GE Asset Management as international fund manager.

1995

- Members allowed to purchase up to two years of prior military service.
- Ability to grant cost of living adjustments to \$50 per month supplemental benefit.

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1997

- 2.0% multiplier for all service for all members regardless of spousal considerations.
- Eliminated restriction of less than age 60 for non-duty disability retirement.
- Eliminate age and/or service restriction for supplemental benefit.
- Surviving spouses eligible for supplemental benefit.

1999

- Deferred vested members eligible for all early retirement options.
- Surviving spouses eligible to vote in Retirement Board election.
- Added Waddell & Reed as small cap growth manager.

2000

- COLA increases up to 3% without regard for Consumer Price Index.
- Added RCM and JP Morgan as large cap growth managers.
- Added Neuberger Berman as large cap value manager.
- Added Northern Trust as Custodial bank replacing Bank of New York.

2001

- Eliminated six month waiting period to join Civilian Employees' Retirement System.
- Retired member cost of living adjustments pass on to surviving spouse.
- Surviving spouse permitted to remarry without loss of benefits.
- Limited surviving spouse benefit, for those entitled to multiple surviving spouse benefits, to the largest qualified benefit.
- Added provisions for workers compensation benefit offset.
- Added Systematic as small cap value manager.

2002

- Added Gabriel Roeder Smith & Co. (GRS) as actuarial consultant replacing Mercer.

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2003

- IRS Qualification and pre-tax member contributions.
- Partial Lump-sum Option Payments (PLOP).
- Tax free rollover provisions for refunds of member contributions.
- \$1000 funeral benefit for members retiring after August 2003.
- Retirement Board authorized to establish Early Retirement Incentive Plan.
- Added LSV and Vontobel as large cap value managers replacing Neuberger Berman and JP Morgan.
- Started retirement education seminars and access to financial planning assistance.

2004

- \$1000 funeral benefit for members retired prior to August 2003.

2005

- Complete revision of the statutes governing both plans to organize them in a similar manner and make them easier to understand. The new statutes for the Civilian Employees' Retirement System are sections 86.1310 to 86.1640 RSMo.
- Allow the purchase of eligible prior service at any time prior to retirement with minimum of three years prior service.
- Added Prudential as a real estate manager.
- Added Abbott Capital as a private equity manager.

2006

- Provide creditable service under certain conditions for military leave of absence without requiring member contributions.
- Added JP Morgan as private equity manager.
- Added LSV as an international fund manager.

2007

- Required 15 or more years of service, or retirement on a duty or non-duty disability, to be eligible for the supplemental benefit.
- Added Milliman as actuarial consultants replacing Gabriel Roeder Smith & Co.
- Added GE and LSV as emerging market fund managers.
- Added Northern Trust as large cap growth index manager, replacing Vontobel.

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2008

- Required members to be in active status to be eligible for a duty or non-duty disability retirement.
- Added PIMCO as commodity fund manager.

2009

- Added Vaughan Nelson as small cap value manager replacing Systematic.
- Added Shenkman as high yield bond fund manager.

Civilian Employees' Retirement System Cost of Living Adjustments

Year	Percent	Year	Percent	Year	Percent
		1990	3%	2000	3%
		1991	3%	2001	3%
		1992	3%	2002	3%
		1993	2.4%	2003	3%
		1994	3%	2004	3%
1985	3%	1995	2.4%	2005	3%
1986	3%	1996	3%	2006	3%
1987	0%	1997	3%	2007	3%
1988	3%	1998	2.6%	2008	3%
1989	3%	1999	0.9%	2009	3%

Civilian Employees' Retirement System Monthly Supplemental Benefit

Year	Increase	Total
1992	\$50	\$50
1999	\$70	\$120
2000	\$40	\$160

Civilian Employees' Retirement System Contribution Rates

Year	Member Contributions	Year	Employer Contributions
1965	2.5% on Social Security Base. 5% above Social Security Base.	1965	5.92%
1972	5.00%	1975	5.17%
		1982	3.00%
		1997	3.64%
		1998	4.38%
		1999	5.76%
		2000	7.14%

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		2005	9.14%
		2006	11.14%
		2007	13.14%