

## 2012 Kansas Statutes

### **13-1246a. Board of pension trustees in certain cities over 120,000; composition; contributions for operation of plans; costs of increased pensions; agreements between pension board and public utilities board as to assets and property; powers of pension board; plan, revision, printing; pension and retirement benefits; funds and earnings; exemptions; qualified domestic relations orders; beneficiaries for benefits.**

(a) (1) Any board of public utilities in any municipality of the state of Kansas having a population of more than 120,000 shall be empowered to enter into an agreement with its employees for the purpose of reorganizing and establishing a board to be known as a board of pension trustees composed of six members, and for the purpose of continuing, revising, maintaining and adopting an equitable and adequate pension program for all of its employees, including retired employees, and their dependents. Three members of the board of pension trustees shall be appointed by the board of public utilities from its regular employees to serve at its discretion. Three members of the board of pension trustees shall be elected annually by all of the nonsupervisory employees of the board of public utilities from its nonsupervisory employees and shall serve for fixed periods of one year, commencing on July 1, of each year.

(2) Present employees of such board of public utilities, in order to pay the cost of implementing, continuing and operating such retirement pension plan for such present employees, shall contribute in the aggregate from their earnings not more than  $\frac{1}{2}$  of the costs of future-service pensions, and such board of public utilities shall pay or contribute the remaining portion thereof to any revised, continued or adopted retirement pension plan, as provided for herein.

(3) Any costs of paying increased pensions or benefits to retired employees and their dependents of such board of public utilities, and the costs of any back-service obligations under terms of such revised pension plan as may be found and determined to be proper and equitable, under rules and provisions to be adopted by such board of pension trustees, shall be borne in their entirety by such board of public utilities; and such contributions to such continued and revised retirement pension plan for the use and benefit of retired employees and their dependents which shall be made by such board of public utilities shall be computed and based on sound actuarial standards.

(4) Such board of pension trustees shall be empowered to make and enter into an agreement with such board of public utilities, authorizing such board of pension trustees to take control and custody of all assets, property and funds presently held, controlled and in the possession of the now constituted retirement advisory council of such board of public utilities, and its present trustee, as the same was theretofore created and is now functioning as provided by K.S.A. 13-1247, and amendments thereto. The board shall provide for such additional funds as may be necessary to fulfill the purposes of this act.

(5) Such board of pension trustees shall be empowered to control and take immediately into and under its custody and control, title to and possession of all records, funds, property and assets of the such existing retirement advisory council of such board of public utilities, and its present trustees, as the same is now constituted by the provisions of K.S.A. 13-1247, and amendments thereto, which such retirement council of such board of public utilities, its powers, authority and duties shall be abolished, cease and terminate upon the effective date of this act.

(b) (1) The board of pension trustees shall establish a formal, adequate written pension plan with specific rules of eligibility for pension coverage for all present employees, including retired employees, and their dependents, of such board of public utilities. The plan and rules appertaining thereto may be amended at any time by the vote of four members of such board of pension trustees and may be the subject of negotiations between such board of public utilities and its employees, but subject to the revision, adoption and ratification of the same by such board of pension trustees, as the same is created and governed by the provisions of this act. The plan and rules shall be printed and distributed to all employees.

(2) Pensions and retirement benefits, received and paid under the such continued and revised retirement pension plan and rules promulgated by such board of pension trustees, to retired employees, their dependents, and present employees, shall at all times bear a reasonable relationship to the wages or earnings paid to any employee of such board of public utilities. Such benefits shall be compatible with any changes in cost of living indexes except, such plan and benefits payable shall at all times be in strict conformity with current, sound actuarial standards and principles.

(3) No employee shall be exempt from having contributions made on such employee's behalf or be precluded from receiving benefits for any reason other than lack of age, or an insufficient period or time of employment.

(4) No plan shall be adopted or modified at any future time which is not properly funded and in conformity with recognized, sound actuarial principles and standards.

(5) All funds and the earnings therefrom held in trust for the use and benefit of the employees and members, including retired employees and their dependents, of such board of public utilities, of any retirement pension plan continued, revised and adopted under the provisions of this act, shall be exempt from civil process, taxation or assessment, and shall not be subject to seizure or execution or liens of any kind. All benefits due to the members or to their beneficiaries of any retirement pension plan continued and revised under the provisions of this act, shall be exempt from any tax of the state of Kansas or any political subdivision or taxing body of the state and civil liability for debts of the members and employees, or their beneficiaries, receiving the same, and, except as otherwise provided, shall not be subject to seizure, execution or process of any nature. Any annuity or benefit or accumulated contributions due and owing to any person under the provisions of any retirement pension plan continued and revised under the provisions of this act are subject to claims of an alternate payee under a qualified domestic relations order. As used in this subsection, the terms "alternate payee" and "qualified domestic relations order" shall have the meaning ascribed to them in section 414(p) of the United States internal revenue code of 1954, as amended. The provisions of this act shall apply to any qualified domestic relations order which is in effect on or after July 1, 1994. Such retirement pension plan continued and revised under the provisions of this act, such board of pension trustees, or such board of public utilities shall not be a party to any action under the Kansas family law code, chapter 23 of the Kansas Statutes Annotated, and amendments thereto, but is subject to orders from such actions issued by the district court of the county where such action was filed and may accept orders which it deems to be qualified under this subsection if such orders are issued by courts having jurisdiction of such actions outside the state of Kansas. Such orders from such actions shall specify either a specific amount or specific percentage of the amount of the pension or benefit or any accumulated contributions due and owing from such retirement pension plan pursuant to this act.

(6) The members and employees of any retirement pension plan continued, revised and adopted under the provisions of this act, may name one or more beneficiaries to receive any benefits that may be due or become due

to such member and employee in the event of such member or employee's death.

**History:** L. 1969, ch. 99, § 1; L. 1990, ch. 282, § 29; L. 1994, ch. 231, § 3; L. 2012, ch. 162, § 27; May 31.