

**95.622 Pension fund created in cities adopting provisions of KRS 95.621 to 95.629 -
- Board of trustees, members, officers, powers -- Option to convert pension
benefits to annuity benefits -- Repeal of ordinances establishing pension fund --
Liquidation and distribution of residual assets -- Report.**

- (1) There shall be created in cities that elected to adopt the provisions of KRS 95.621 to 95.629 a policemen's and firefighters' pension fund, and a board of trustees for that fund.
- (2)
 - (a) Except as provided by paragraph (c) of this subsection, in cities where there are fewer than six (6) active members of the pension fund, the board of trustees of the policemen's and firefighters' pension fund shall be composed of the mayor, city treasurer or chief financial officer, and one (1) retired member each from the police and fire departments shall be elected by the respective retired members of those departments annually by ballot, one (1) from each department, and shall serve for one (1) year and until their successors are elected and qualified.
 - (b) If there are six (6) or more active members of the fund, there shall be two (2) additional board members who shall be one (1) active member of the fund from each department elected by the active members of the fund from the respective departments and who shall serve for one (1) year and until their successors are elected and qualified. If all of the six (6) or more active members or all of the retired members are from one (1) department, then both of the active member board members or both of the retired board members, as the case may be, shall be elected from that department.
 - (c) If there are fewer than six (6) active and retired members of the fund, the board of trustees shall be composed of the mayor, city treasurer or chief financial officer, and two (2) employees appointed by the mayor, one (1) from the city police department and one (1) from the city fire department, who shall serve for one (1) year and until their respective successors are appointed and qualified. If all of the members of the pension fund are from one (1) department, no appointment shall be made from the other department.
 - (d) The board shall select from their number a president and a secretary. The board of trustees shall be the trustees of the pension fund and of all moneys donated or paid for the relief or pensioning of members of the police and fire departments. It may do all things necessary to protect the fund.
- (3) The board of trustees may draw the pension fund from the treasury and invest it, in whole or in part, in the name of the board or nominee name as provided by KRS 286.3-225, as the board deems most advantageous for the objects of the fund, in a local government pension investment fund created pursuant to KRS 95.895 or in any other securities in which trustees are permitted to invest trust funds under the laws of this state. The securities shall be subject to the order of the board.
- (4) The board of trustees' membership shall be restructured according to the provisions of this section at the time of the next scheduled election of board members after July 15, 2016.

- (5) If there are fewer than twelve (12) active and retired members or beneficiaries of the policemen's and firefighters' pension fund, the governing body of the fund may elect to offer to individuals entitled to benefits from the fund a one (1) time irrevocable option to convert monthly pension benefits from the fund to monthly annuity benefits from an insurance company for the same amount. An insurance company accepting a benefit transfer shall honor any features and options available under the existing plan. If the governing body of the fund elects to offer the option to convert monthly pension benefits to monthly annuity benefits, it shall provide to individuals entitled to benefits from the fund sufficiently complete and appropriate disclosures to assist in making an informed decision.
- (6) If all liabilities to all individuals entitled to benefits from the policemen's and firefighters' pension fund have been satisfied, the ordinances establishing the fund may be repealed by the majority vote of the duly elected members of the entire legislative body in accordance with the provisions established by KRS 95.530(6).

Effective: July 15, 2020

History: Amended 2020 Ky. Acts ch. 121, sec. 6, effective July 15, 2020. -- Amended 2016 Ky. Acts ch. 31, sec. 14, effective July 15, 2016. -- Amended 2014 Ky. Acts ch. 92, sec. 134, effective January 1, 2015. -- Amended 1990 Ky. Acts ch. 83, sec. 3, effective July 13, 1990. -- Amended 1980 Ky. Acts ch. 307, sec. 14, effective July 15, 1980. -- Amended 1978 Ky. Acts ch. 164, sec. 29, effective June 17, 1978. -- Created 1966 Ky. Acts ch. 8, sec. 2.

Legislative Research Commission Note (7/12/2006). 2006 Ky. Acts ch. 247 instructs the Reviser of Statutes to adjust KRS references throughout the statutes to conform with the 2006 renumbering of the Financial Services Code, KRS Chapter 286. Such an adjustment has been made in this statute.