

1 A bill to be entitled
2 An act relating to the City Pension Fund for Firefighters
3 and Police Officers in the City of Tampa, Hillsborough
4 County; authorizing the City of Tampa to enter into a
5 supplemental contract with certain firefighters and police
6 officers to comply with chapter 2009-97, Laws of Florida;
7 revising the manner in which elective trustees are
8 elected; increasing the maximum length of time prior to
9 term commencement in which to conduct trustee elections;
10 allowing the board to retain the services of more than one
11 nationally recognized professional investment counselor;
12 increasing the investment cap on foreign securities;
13 providing that the investment cap on foreign securities
14 may not be revised, amended, increased, or repealed except
15 as provided by general law; allowing retired members to
16 elect to receive a reduced retirement benefit in order to
17 provide a surviving spouse benefits under certain
18 circumstances; allowing DROP participants upon entering
19 DROP and annually thereafter to elect as an option for
20 accruing annual interest a low-risk variable rate selected
21 annually by the board of trustees, in its sole discretion,
22 in lieu of a rate reflecting the fund's net investment
23 performance, as determined by the board of trustees;
24 prohibiting members from selecting certain pension
25 contract changes and rejecting others; confirming in part
26 the City of Tampa Firefighters and Police Officers Pension
27 Contract; providing for severability; providing an
28 effective date.

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Be It Enacted by the Legislature of the State of Florida:

Section 1. The City of Tampa is authorized and empowered to enter into a supplemental contract with each firefighter or police officer who was an active member of the City Pension Fund for Firefighters and Police Officers in the City of Tampa on or after the date this act becomes a law, or each firefighter or police officer who hereafter enters into a pension contract with the City, to comply with chapter 2009-97, Laws of Florida.

Section 2. Section 5(C), Section 6, Section 9(C), and Section 26(D) of the City of Tampa Firefighters and Police Officers Pension Contract as prescribed by Section 28-17 of the City of Tampa Code [Ordinance No. 4746-A, enacted September 30, 1969], as amended by Section 28-19 of the City of Tampa Code [Ordinance No. 6038-A, enacted September 17, 1974], pursuant to chapter 74-613, Laws of Florida, as further amended by Ordinance No. 89-314, enacted December 21, 1989, and approved, ratified, validated, and confirmed by chapter 90-391, Laws of Florida, as further amended by chapter 92-231, Laws of Florida, chapter 94-463, Laws of Florida, chapter 98-515, Laws of Florida, chapter 2000-485, Laws of Florida, Ordinance No. 2001-133, enacted July 3, 2001, chapter 2001-288, Laws of Florida, chapter 2002-369, Laws of Florida, Ordinance No. 2003-22, enacted January 23, 2003, chapter 2004-427, Laws of Florida, and chapter 2007-304, Laws of Florida, are amended to read:

SECTION 5. The general administration and responsibility for the proper operation of the pension system and for making

57 | effective the provisions of this Act are hereby vested in a
 58 | board consisting of nine persons, as follows:

59 | (1) Three members of the City Administration other than
 60 | firefighters or police officers to be appointed as hereinafter
 61 | provided;

62 | (2) Three members of the Fire Department to be elected as
 63 | hereinafter provided; and

64 | (3) Three members of the Police Department to be elected
 65 | as hereinafter provided.

66 | (C) The elective trustees shall be elected in the following
 67 | manner, to wit: by per capita vote of all members of each of said
 68 | respective departments who come within the purview of this Act,
 69 | both active and retired, at elections ~~meetings~~ to be held at
 70 | places designated by the Board, at which elections ~~meetings~~ all
 71 | qualified members entitled to vote shall be notified in person or
 72 | by mail ten days in advance of said election ~~meeting~~. The
 73 | candidate receiving the majority of votes for each office shall
 74 | be declared elected and shall take office immediately upon
 75 | commencement of the term of office for which elected or as soon
 76 | thereafter as he shall qualify therefor. An election shall be
 77 | held each year not more than sixty ~~thirty~~ and not less than ten
 78 | days prior to the commencement of the terms for which trustees
 79 | are to be elected in that year. The Board of Trustees shall meet,
 80 | organize, and elect one trustee as chairman, one trustee as vice
 81 | chairman, and one trustee as secretary within ten days after any
 82 | trustees are elected and duly qualified.

83 | SECTION 6. Money shall be withdrawn from the Pension Fund
 84 | created by this Act only upon warrants executed by a majority of

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85 the Board of Trustees. Monies needed for the meeting of the
86 current obligations of said fund may be deposited in a
87 depository recognized by law for the deposit of funds of the
88 State of Florida and upon the posting of similar security for
89 that required for state deposits. The Board shall have exclusive
90 charge of the investment of any surplus in said fund not needed
91 for the current obligations thereof; and said funds shall be
92 managed by said Board and shall be invested by said Board in
93 accordance with the following:

94 (1) That the Board shall retain the services of one or more
95 ~~a~~ nationally recognized professional investment counselors
96 ~~counsel~~.

97 (2) That not less than once every six (6) months a written
98 opinion shall be obtained from the investment counselor or
99 counselors ~~counsel~~ as to the overall condition and composition of
100 the investment portfolio.

101 (3) That the portfolio, representing the principal or
102 surplus funds of the Pension Fund may be invested in the
103 following securities or other property, real or personal,
104 including, but without being limited to, bonds, notes, or other
105 evidences of indebtedness issued, or assumed or guaranteed in
106 whole or in part by the United States or any of its agencies or
107 instrumentalities; or by any foreign government or political
108 subdivisions or agencies thereof; or by the State of Florida, or
109 by any county, city, school district, municipal corporation, or
110 other political subdivision of the State of Florida, both general
111 and revenue obligations; in mortgages and other interests in
112 realty; or in such corporation bonds, notes, or other evidences

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113 of indebtedness, and corporation stocks including common and
114 preferred stocks, of any corporation created or existing under
115 the laws of the United States or any of the states of the United
116 States, or of any foreign government or political subdivisions or
117 agencies thereof, provided that in making each and all of such
118 investments the Board of Trustees shall exercise the judgment and
119 care under the circumstances then prevailing which men of
120 ordinary prudence, discretion, and intelligence exercise in the
121 management of their own affairs, not in regard to speculation but
122 in regard to the permanent disposition of their funds,
123 considering the probable income therefrom as well as probable
124 safety of their capital; provided, however, that not more than
125 sixty-five per centum (65%) of said fund, based on the total book
126 value of all investments held, shall be invested at any given
127 time in common stocks, and that not more than five per centum
128 (5%) of said fund shall be invested at any given time in the
129 preferred and common, or either, stock of any one corporation
130 and its affiliates and that not more than twenty-five per centum
131 (25%) ~~ten per centum (10%)~~ of said fund, based on the total book
132 value of all investments held, shall be invested at any given time
133 in the bonds, notes or other evidences of indebtedness of any
134 foreign government or political subdivisions or agencies thereof
135 or corporations created or existing under the laws thereof. The
136 investment cap on foreign securities may not be revised,
137 amended, increased, or repealed except as provided by general
138 law.

139 SECTION 9. To the widow or widower (until death or
140 remarriage) and child or children (under the age of eighteen

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141 (18) years), until death or marriage before reaching the age of
142 eighteen (18) years, of any member who dies from causes not
143 attributed to his active duties in the departments, provided,
144 however, that such member shall have been a member of such
145 department for ten (10) years prior to the date of his death,
146 the Trustees shall authorize and direct payment in equal monthly
147 installments as follows:

148 (C) (1) The widow or widower of a member who dies while
149 receiving a retirement pension shall receive sixty-five per
150 centum (65%) of the pension which the member was receiving;
151 provided, however, that no pension shall be allowed to any widow
152 or widower unless she or he was married to the member prior to
153 the date of retirement of the member, except as provided in
154 paragraph (2). For the widow or widower of any member of this
155 Pension Fund who prior to October 16, 1992 was a member of
156 Division B of the General Employees Pension Plan as established
157 by Chapter 81-497, Laws of Florida, as amended, upon the
158 reaching social security normal retirement age, except as
159 provided in Section 28(C) of this Contract, the benefit paid to
160 the widow or widower shall be reduced by an amount equal to the
161 actual social security benefit earned by the member for
162 employment as a firefighter or police officer for the City to
163 the extent that such employment is considered to be creditable
164 service under this Fund; provided, however, that if the widow or
165 widower does not receive the member's accrued social security
166 benefit, there shall be no reduction in benefits paid to such
167 widow or widower. The effect of such reduction shall be that the
168 sum of the benefit paid herein and said social security benefit

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169 shall be equal to the amount of the benefit otherwise payable
170 herein. The widow or widower of each such member shall, upon
171 demand by the Board, authorize the Social Security
172 Administration to release any information necessary to calculate
173 such reduction. The Board shall not make any payment for the
174 benefit payable herein for any period during which such widow or
175 widower willfully fails or refuses to authorize the release of
176 such information in the manner and within the time prescribed by
177 rules adopted by the Board.

178 (2) (a) Members (i) who have been retired for less than
179 forty (40) years as of the effective date of this act, (ii) who
180 retired or entered DROP prior to October 1, 2002, and (iii) who
181 married or remarried after the date of the member's retirement
182 may elect prospectively to receive a voluntarily reduced
183 retirement benefit payable to the widow or widower. The amount
184 of the widow or widower's benefit will be based on the actuarial
185 equivalence calculated by the Fund's actuary, and such benefit
186 shall not result in any additional cost to the Fund or to the
187 plan sponsor than would have been incurred if the member had not
188 elected such benefit under this paragraph. Said actuarial
189 calculation shall be paid for by the retired member.

190 (b) The election under subparagraph (a) is available only
191 if (i) the spouse is not more than twenty (20) years younger
192 than the married or remarried member, (ii) the marriage or
193 remarriage occur at least three (3) years prior to the member's
194 said election, and (iii) the electing member is restricted to
195 exercising this provision for a maximum of two remarriages after
196 retirement.

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197 SECTION 26. DEFERRED RETIREMENT OPTION PROGRAM

198 Notwithstanding any other provisions of this contract, and
199 subject to the provisions of this section, the Deferred
200 Retirement Option Program, hereinafter referred to as the DROP,
201 is an option under which an eligible member may elect to have
202 the member's pension benefits calculated as of a certain date
203 prior to retirement, and accumulate benefits plus the investment
204 return pursuant to this section during the DROP calculation
205 period. Participation in the DROP does not guarantee employment
206 for the DROP calculation period, as defined in this section.

207 (D) Interest and Administrative Costs - Interest shall
208 accumulate annually ~~at the rate to reflect the Fund's net~~
209 ~~investment performance~~, whether positive or negative, during the
210 DROP calculation period, less the cost of administering the
211 DROP, all of which shall be determined by the Board of Trustees.
212 A DROP participant shall have the opportunity to elect, as
213 provided in this subsection, an investment option to be applied
214 to such DROP participant's account for the Plan Year when
215 entering the DROP and for each subsequent Plan Year. In such
216 election, the DROP participant shall choose to have interest
217 accumulate annually, whether positive or negative, at either (i)
218 a rate reflecting the Fund's net investment performance, as
219 determined by the Board of Trustees, or (ii) a rate reflecting a
220 low-risk variable rate selected annually by the Board of
221 Trustees in its sole discretion. Each election must be made at
222 such time, on such forms, and in such manner as the Board of
223 Trustees may determine in its sole discretion. If the DROP
224 participant fails to make a valid election upon entering the

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225 DROP, the Fund interest rate shall be applied as provided
226 herein. If the DROP participant fails to make a valid election
227 in a subsequent Plan Year, the election for the then-current
228 Plan Year shall be applied.

229 Section 3. The changes to the pension contract in this act
230 for firefighters and police officers who are active members of
231 the City Pension Fund for Firefighters and Police Officers in
232 the City of Tampa on or after the date this act becomes a law
233 shall be made available in a supplemental pension contract, and
234 an individual shall not be permitted to select some of the
235 pension contract changes and reject other pension contract
236 changes. Any firefighter or police officer who is entitled to
237 benefits under the City Pension Fund for Firefighters and Police
238 Officers in the City of Tampa who is actively employed as a
239 firefighter or police officer in the City of Tampa on or after
240 the date this act becomes a law shall have the opportunity to
241 sign such supplemental pension contract before October 1, 2010.
242 However, any person who becomes a member of the City Pension
243 Fund for Firefighters and Police Officers in the City of Tampa
244 on or after the date this act becomes a law shall be required as
245 a condition of membership into said Pension Fund to sign a
246 pension contract which includes the provisions of this act, and
247 shall be required to make contributions if required as a result
248 of such benefits.

249 Section 4. The City of Tampa Firefighters and Police
250 Officers Pension Contract as prescribed by Section 28-17 of the
251 City of Tampa Code [Ordinance No. 4746-A, enacted September 30,
252 1969], as amended by Section 28-19 of the City of Tampa Code

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253 [Ordinance No. 6038-A, enacted September 17, 1974], pursuant to
254 chapter 74-613, Laws of Florida, as further amended by Ordinance
255 No. 89-314, enacted December 21, 1989, and approved, ratified,
256 validated, and confirmed by chapter 90-391, Laws of Florida, as
257 further amended by chapter 92-231, Laws of Florida, chapter 94-
258 463, Laws of Florida, chapter 98-515, Laws of Florida, chapter
259 2000-485, Laws of Florida, Ordinance No. 2001-133, enacted July
260 3, 2001, chapter 2001-288, Laws of Florida, chapter 2002-369,
261 Laws of Florida, Ordinance No. 2003-22, enacted January 23,
262 2003, chapter 2004-427, Laws of Florida, and chapter 2007-304,
263 Laws of Florida, is in all other respects approved, ratified,
264 validated, and confirmed.

265 Section 5. If any provision of this act or its application
266 to any person or circumstance is held invalid, the invalidity
267 does not affect other provisions or applications of the act
268 which can be given effect without the invalid provision or
269 application, and to this end the provisions of this act are
270 severable.

271 Section 6. This act shall take effect October 1, 2010.