

By Senator Joyner

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16 repealed except as provided by general law; allowing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

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30 providing an effective date.

31
32 Be It Enacted by the Legislature of the State of Florida:

33
34 Section 1. The City of Tampa is authorized and empowered to
35 enter into a supplemental contract with each firefighter or
36 police officer who was an active member of the City Pension Fund
37 for Firefighters and Police Officers in the City of Tampa on or
38 after the date this act becomes a law, or each firefighter or
39 police officer who hereafter enters into a pension contract with
40 the City, to comply with chapter 2009-97, Laws of Florida.

41 Section 2. Section 5(C), Section 6, Section 9(C), and
42 Section 26(D) of the City of Tampa Firefighters and Police
43 Officers Pension Contract as prescribed by Section 28-17 of the
44 City of Tampa Code [Ordinance No. 4746-A, enacted September 30,
45 1969], as amended by Section 28-19 of the City of Tampa Code
46 [Ordinance No. 6038-A, enacted September 17, 1974], pursuant to
47 chapter 74-613, Laws of Florida, as further amended by Ordinance
48 No. 89-314, enacted December 21, 1989, and approved, ratified,
49 validated, and confirmed by chapter 90-391, Laws of Florida, as
50 further amended by chapter 92-231, Laws of Florida, chapter 94-
51 463, Laws of Florida, chapter 98-515, Laws of Florida, chapter
52 2000-485, Laws of Florida, Ordinance No. 2001-133, enacted July
53 3, 2001, chapter 2001-288, Laws of Florida, chapter 2002-369,
54 Laws of Florida, Ordinance No. 2003-22, enacted January 23,
55 2003, chapter 2004-427, Laws of Florida, and chapter 2007-304,
56 Laws of Florida, are amended to read:

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

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59 effective the provisions of this Act are hereby vested in a
60 board consisting of nine persons, as follows:

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

64 (2) Three members of the Fire Department to be elected as
65 hereinafter provided; and

66 (3) Three members of the Police Department to be elected as
67 hereinafter provided.

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

85 SECTION 6. Money shall be withdrawn from the Pension Fund
86 created by this Act only upon warrants executed by a majority of
87 the Board of Trustees. Monies needed for the meeting of the

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

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

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

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

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

141 SECTION 9. To the widow or widower (until death or
142 remarriage) and child or children (under the age of eighteen
143 (18) years), until death or marriage before reaching the age of
144 eighteen (18) years, of any member who dies from causes not
145 attributed to his active duties in the departments, provided,

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146 however, that such member shall have been a member of such
147 department for ten (10) years prior to the date of his death,
148 the Trustees shall authorize and direct payment in equal monthly
149 installments as follows:

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

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175 such reduction. The Board shall not make any payment for the
176 benefit payable herein for any period during which such widow or
177 widower willfully fails or refuses to authorize the release of
178 such information in the manner and within the time prescribed by
179 rules adopted by the Board.

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

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

199 SECTION 26. DEFERRED RETIREMENT OPTION PROGRAM

200 Notwithstanding any other provisions of this contract, and
201 subject to the provisions of this section, the Deferred
202 Retirement Option Program, hereinafter referred to as the DROP,
203 is an option under which an eligible member may elect to have

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204 the member's pension benefits calculated as of a certain date
205 prior to retirement, and accumulate benefits plus the investment
206 return pursuant to this section during the DROP calculation
207 period. Participation in the DROP does not guarantee employment
208 for the DROP calculation period, as defined in this section.

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

231 Section 3. The changes to the pension contract in this act
232 for firefighters and police officers who are active members of

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

251 Section 4. The City of Tampa Firefighters and Police
252 Officers Pension Contract as prescribed by Section 28-17 of the
253 City of Tampa Code [Ordinance No. 4746-A, enacted September 30,
254 1969], as amended by Section 28-19 of the City of Tampa Code
255 [Ordinance No. 6038-A, enacted September 17, 1974], pursuant to
256 chapter 74-613, Laws of Florida, as further amended by Ordinance
257 No. 89-314, enacted December 21, 1989, and approved, ratified,
258 validated, and confirmed by chapter 90-391, Laws of Florida, as
259 further amended by chapter 92-231, Laws of Florida, chapter 94-
260 463, Laws of Florida, chapter 98-515, Laws of Florida, chapter
261 2000-485, Laws of Florida, Ordinance No. 2001-133, enacted July

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262 3, 2001, chapter 2001-288, Laws of Florida, chapter 2002-369,
263 Laws of Florida, Ordinance No. 2003-22, enacted January 23,
264 2003, chapter 2004-427, Laws of Florida, and chapter 2007-304,
265 Laws of Florida, is in all other respects approved, ratified,
266 validated, and confirmed.

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

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