

1                   A bill to be entitled  
 2           An act relating to the City of Jacksonville, Duval  
 3           County; amending chapter 92-341, Laws of Florida, as  
 4           amended; revising the membership of the Jacksonville  
 5           Police and Fire Pension Board of Trustees; providing  
 6           for a board member to be nominated by the city council  
 7           and chosen by the board; requiring the board to create  
 8           and submit an annual budget to the mayor and city  
 9           council; providing that the city council may review,  
 10          modify, and approve parts of the budget; deleting  
 11          language appearing to grant unspecified powers to the  
 12          board; providing an effective date.

13  
 14   Be It Enacted by the Legislature of the State of Florida:

15  
 16           Section 1. Subsection (a) of section 22.02 and section  
 17   22.04 of Article 22 of section 1 of chapter 92-341, Laws of  
 18   Florida, as amended by chapters 2005-330 and 2009-255, Laws of  
 19   Florida, are amended to read:

20                                   ARTICLE 22.

21           JACKSONVILLE POLICE AND FIRE PENSION BOARD OF TRUSTEES

22           Section 22.02. Membership.—

23           (a) The membership of the Jacksonville Police and Fire  
 24   Pension Board of Trustees shall consist of five members, of whom  
 25   two shall be legal residents of the City of Jacksonville  
 26   appointed by the city council. One member shall be chosen by the  
 27   board of trustees from a list of three nominees in priority  
 28   order provided by the city council for selection; provided,

HB 1169

2013

29 | however, that if the board is unable after voting to select a  
30 | nominee by majority of the board, then the first-listed nominee  
31 | shall be deemed selected; provided further that none of the  
32 | nominees shall have an interest in the pension fund. † One member  
33 | shall be a police officer elected by a majority vote of the  
34 | police officers who are members of the pension fund, and one  
35 | member shall be a firefighter elected by a majority of the  
36 | firefighters who are members of the pension fund, ~~and the last~~  
37 | ~~shall be chosen by a majority of the previous four members. The~~  
38 | ~~fifth member's name shall be submitted to the City Council,~~  
39 | ~~which shall, as a ministerial act, appoint such person as the~~  
40 | ~~fifth member of the board.~~ Effective for all new appointments  
41 | after July 1, 2005, each resident member shall serve as a  
42 | trustee for a period of 4 years, unless sooner replaced by the  
43 | City Council at whose pleasure he or she shall serve, and may  
44 | succeed himself or herself as a trustee. Effective for all  
45 | elections after July 1, 2005, the police officer and firefighter  
46 | members shall serve as trustees for a period of 4 years, unless  
47 | they shall sooner leave the employment of the city as a police  
48 | officer or firefighter, whereupon the class of employees whose  
49 | elected representative has left office shall elect a successor  
50 | to fill the unexpired term of office as provided for in this  
51 | section. Each employee member may succeed himself or herself in  
52 | office. ~~Effective for all new appointments after July 1, 2005,~~  
53 | ~~the fifth member shall serve a term of 4 years and may succeed~~  
54 | ~~himself or herself in office.~~ Members shall continue to serve  
55 | until their respective successors are appointed, elected, or  
56 | selected.

57 Section 22.04. General powers.—The board shall have the  
 58 following powers and duties ~~power to~~:

59 (a) Be the sole entity responsible for administering the  
 60 Jacksonville Police and Fire Pension Fund.

61 (b) Invest and reinvest the assets of the pension fund in:

62 (1) Any lawful investment as provided in applicable  
 63 provisions of s. 215.47, Florida Statutes, provided the  
 64 investment is permitted in the written investment policy adopted  
 65 by the board as provided in chapter 112, part VII, Florida  
 66 Statutes.

67 (2) Notwithstanding anything to the contrary in the  
 68 applicable provisions of s. 215.47, Florida Statutes,  
 69 investments in fixed real estate assets, not to exceed 20  
 70 percent of the assets of the plan, at cost.

71 (3) Investment plan.

72 (i) In making investments for the plan, the board shall  
 73 make no investment after June 30, 1996, which is not in  
 74 conformance with the plan's investment plan. The investment plan  
 75 must include, among other items: the investment objectives;  
 76 permitted types of securities in which the board may not invest;  
 77 the criteria to measure annual investment performance; and any  
 78 other applicable criteria established by the board.

79 (ii) The investment plan shall be developed by the plan  
 80 administrator and shall be approved by the board. Upon adoption  
 81 by the board, the investment plan and any amendments shall be  
 82 promptly filed with the Division of Retirement, and the plan's  
 83 sponsor and plan actuary.

HB 1169

2013

84 (iii) The effective date of the investment plan shall be  
85 the 31st calendar day following the filing date with the plan  
86 sponsor. Investments permitted by the investment plan shall not  
87 be made prior to the effective date of the investment plan.

88 (iv) The investment plan may be amended at any time  
89 subject to paragraphs (ii) and (iii).

90 (v) For each illiquid investment (an investment for which  
91 a generally recognized market is not available or for which  
92 there is no consistent or generally accepted pricing mechanism)  
93 the investment plan shall: include the criteria set forth in s.  
94 215.47(6), Florida Statutes; require a statement as to the  
95 additional expected yield anticipated to compensate the plan for  
96 the additional risk of such investment which additional yield is  
97 not available from an investment for which there is a generally  
98 recognized market; require the board to verify the determination  
99 of the fair market value for each such investment as of each  
100 date as of which an actuarial valuation is prepared and that the  
101 determination complies with all applicable state and federal  
102 requirements; and require the board to disclose to the Division  
103 of Retirement and the plan's sponsor each such investment as of  
104 each date as of which an actuarial valuation is prepared for  
105 which the fair market value is not provided.

106 (vi) Immediately prior to the date as of which each  
107 actuarial valuation is prepared, the board shall determine the  
108 total expected annual rate of return for the plan's assets for  
109 the year beginning with the date as of which the actuarial  
110 valuation is prepared, for each of the next several years and  
111 for the long-term thereafter. This determination shall be

HB 1169

2013

112 promptly filed with the Division of Retirement, and the plan's  
113 sponsor and plan actuary.

114 (c) Sue and be sued, implead and be impleaded, and  
115 complain and defend in all courts.

116 (d) Enter into contracts, leases, or other transactions.

117 (e) Employ and fix the compensation of an administrator  
118 and any consultants, attorneys, actuaries, accountants, and  
119 other employees or contractors as the board may require.

120 (f) Delegate to one or more of its agents or employees  
121 such of its powers as it may deem necessary to carry out the  
122 purposes of this article, subject always to the supervision and  
123 control of the board.

124 (g) Determine all facts with regard to any participant's  
125 age, normal retirement date, disability, amount of compensation,  
126 length of service and credited service, and date of initial  
127 coverage under the pension plan, and, by application of the  
128 facts so determined and any other facts deemed material,  
129 determine a participant's amount of benefit.

130 (h) Make rules and regulations for the administration of  
131 the pension plan which are not inconsistent with the terms and  
132 provisions of law.

133 (i) Construe all terms, provisions, conditions, and  
134 limitations of the pension plan; and its construction thereof,  
135 made in good faith, shall be final and conclusive upon the  
136 interested parties.

137 (j) Correct any defect or supply any omission or reconcile  
138 any inconsistency that may appear in the pension fund and make

HB 1169

2013

139 any equitable adjustments for any mistakes or errors made in the  
140 administration of the pension.

141 (k) Determine all questions relating to the administration  
142 of the pension fund in order to promote the uniform  
143 administration of the pension fund and to effectuate its  
144 purposes and provisions.

145 (l) Authorize and direct the payment from the pension fund  
146 of all expenses and fees incurred in the administration of the  
147 pension fund.

148 (m) Require such information as may be necessary for the  
149 proper operation of the system from any participant,  
150 beneficiary, or officer, department head, or other person or  
151 persons in authority, as the case may be, of any employer.

152 (n) Cause a general investigation to be made by a  
153 competent actuary and at least once every 3 years or as required  
154 by law thereafter of the retirement, disability, separation,  
155 mortality, interest, and employee earning rates; recommended, as  
156 a result of such investigation, the tables to be adopted for all  
157 required actuarial calculations; cause an annual determination  
158 to be made by a competent actuary of the liabilities and  
159 reserves of the pension plan and the annual determination of the  
160 amount of the contributions required by the city; and maintain  
161 the funds of the pension plan on a sound actuarial basis. A copy  
162 of this actuarial study shall be furnished to the city council  
163 by the board immediately upon its receipt.

164 (o) Cause an audit of the affairs of the pension plan to  
165 be made annually by an independent certified public accountant,

166 and submit a copy thereof to all interested parties as soon as  
 167 possible after the end of the fiscal year.

168 (p) Issue subpoenas to compel the attendance of witnesses  
 169 and the production of books, papers, and records pertinent to  
 170 any investigation or hearing concerning any application for  
 171 membership or benefits, and to administer oaths to witnesses.

172 (q) Create and submit an annual budget to the mayor and  
 173 the city council. The city council shall have the same power of  
 174 review, modification, and approval over the administrative costs  
 175 of the Jacksonville Police and Fire Pension Fund as it has for  
 176 all other departments and agencies of the Consolidated City of  
 177 Jacksonville.

178  
 179 ~~The foregoing list of expressed powers is not intended to be~~  
 180 ~~either complete or exclusive, and the board shall, in addition,~~  
 181 ~~have all such powers as it may reasonably determine to be~~  
 182 ~~necessary or appropriate to the performance of its duties under~~  
 183 ~~the retirement system. Any decision or judgment of the board in~~  
 184 ~~good faith on any questions arising hereunder in connection with~~  
 185 ~~the exercise of its powers shall be final, binding, and~~  
 186 ~~conclusive upon all parties concerned.~~

187 Section 2. This act shall take effect upon becoming a law.  
 188