

1 A bill to be entitled
2 An act relating to the Firefighters' Relief and
3 Pension Fund of the City of Pensacola, Escambia
4 County; amending chapter 21483, Laws of Florida
5 (1941), as amended; correcting and updating
6 terminology and dates; prohibiting certain
7 participants from receiving a cost-of-living increase
8 in benefits while they are participants in the
9 Deferred Retirement Option Plan; revising and
10 providing definitions; providing the maximum number of
11 hours per plan year of annual overtime pay for certain
12 firefighters; providing an effective date.

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

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16 Section 1. Sections 2, 3, and 6, subsection (a) of section
17 8, section 23, and subsections (b), (d), and (n) of section 30
18 of chapter 21483, Laws of Florida (1941), as amended by chapters
19 2000-468 and 2015-206, Laws of Florida, are amended to read:

20 Section 2. Board to act as trustees of fund; records.—The
21 Pension Board of the City of Pensacola shall act as trustees of
22 the Firefighters' Relief and Pension Fund and shall perform the
23 duties herein required. The secretary of the board shall keep a
24 separate and complete minute book of proceedings of the board in
25 reference to the business and affairs relating to the

26 Firefighters' Relief and Pension Fund. Said minute book shall at
27 all times be kept in the office of the Chief Financial Officer
28 ~~Director of Finance~~ of the City of Pensacola and be open to the
29 public for inspection.

30 Section 3. Powers of the board.—

31 (1) In addition to the other powers and authorities
32 granted to it under Florida law, that the pension board shall
33 have power and authority:

34 (a) To invest and reinvest the assets of the Firefighters'
35 Relief and Pension Fund, as provided by Florida law.

36 (b) To cause to be issued payments from the Firefighters'
37 Relief and Pension Fund pursuant to this act and rules and
38 regulations prescribed by the board. All such payments shall be
39 made in the manner now provided by law for the disbursement of
40 city funds. The Chief Financial Officer ~~Director of Finance~~
41 shall maintain an accounting of payments made, and no money
42 shall be otherwise drawn from the fund.

43 (c) To finally decide all claims to relief under this act
44 and under the board's rules and regulations.

45 (d) To convert into cash any securities of the fund.

46 (e) To keep a complete record of all receipts and
47 disbursements and of the board's acts and proceedings. Said
48 records shall at all times be kept in the office of the Chief
49 Financial Officer ~~Director of Finance~~ of the City of Pensacola
50 and be open to the public for inspection; and a statement and

51 audit of the receipts and disbursements shall be made and a copy
52 furnished to each contributor and each pensioner not less than
53 annually.

54 (2) Any and all acts and decisions of the pension board
55 shall be effectuated by vote of a majority of the members of
56 such board; however, no trustee shall take part in any action in
57 connection with such trustee's own participation in the fund.

58 Section 6. Increase in benefits due to consumer price
59 index increases.—

60 (a) A cost-of-living increase in benefits paid pursuant to
61 this act shall be given effective July 1, 1999, for those
62 retired before June 10, 2015, ~~the effective date of this act~~ and
63 shall be paid annually thereafter. Each annual increase shall
64 have an effective date of July 1. All such increases shall be
65 equal to but no greater than the annual increase in the Consumer
66 Price Index (U) issued by the United States Department of Labor,
67 provided that such increase shall in no event be greater than 3
68 percent per year. The annual CPI (U) period to be used for
69 calculation of any increase shall end in March of the year of
70 the July 1 increase. The increase in the CPI (U) shall be the
71 change in the values from April 1 to March 31. In the event the
72 United States Department of Labor ceases to issue a CPI (U), the
73 board shall utilize a current CPI index that is the functional
74 equivalent.

75 (b) A cost-of-living increase in benefits paid pursuant to
76 this act shall be given to those participants hired before June
77 10, 2015, and who retire after June 10, 2015, ~~the effective date~~
78 ~~of this act and who retire on or after the effective date of~~
79 ~~this act~~ and shall be paid annually thereafter. Each annual
80 increase shall have an effective date of July 1. All such
81 increases shall be equal to but no greater than the annual
82 increase in the Consumer Price Index (U) issued by the United
83 States Department of Labor, provided that such increase shall in
84 no event be greater than 2 percent per year. The annual CPI (U)
85 period to be used for calculation of any increase shall end in
86 March of the year of the July 1 increase. The increase in the
87 CPI (U) shall be the change in the values from April 1 to March
88 31. In the event the United States Department of Labor ceases to
89 issue a CPI (U), the board shall utilize a current CPI index
90 that is the functional equivalent.

91 (c) A cost-of-living increase in benefits paid pursuant to
92 this act shall be given for those hired on or after June 10,
93 2015, ~~the effective date of this act~~ and shall be paid annually
94 thereafter. Each annual increase shall have an effective date of
95 July 1. All such increases shall be equal to but no greater than
96 the annual increase in the Consumer Price Index (U) issued by
97 the United States Department of Labor, provided that such
98 increase shall in no event be greater than 1.25 percent per
99 year. The annual CPI (U) period to be used for calculation of

100 any increase shall end in March of the year of the July 1
101 increase. The increase in the CPI (U) shall be the change in the
102 values from April 1 to March 31. In the event the United States
103 Department of Labor ceases to issue a CPI (U), the board shall
104 utilize a current CPI index that is the functional equivalent.

105 (d) After June 22, 1974, no person shall transfer
106 creditable service from another retirement system into the
107 Firefighters' Relief and Pension Fund.

108 (e) The City of Pensacola, by ordinance, may permit but
109 not require members of the Firefighters' Relief and Pension Fund
110 who are eligible, to participate in a Deferred Retirement Option
111 Plan (DROP). A participant entering DROP on or after June 10,
112 2015, shall not receive a cost-of-living increase in benefits
113 while he or she is a participant in DROP. The ordinance may
114 include members who are eligible to retire and to receive
115 retirement benefits to remain in the active service of the city
116 until a contractually fixed termination date and to have
117 accumulated for the employee's account from the date the
118 contract is made all benefits which the employee would be
119 eligible to begin receiving on that date and to have those
120 accumulated benefits held for the benefit of the employee until
121 the employee separates from active service. Such ordinance may
122 provide for forfeiture of the accumulated benefits or other
123 penalty if the employee does not comply with the contract.
124 However, if the employee complies in all respects with the terms

125 of the contract, the employee shall receive all retirement
126 benefits the employee would be entitled to under this act upon
127 the employee's actual retirement from the active service of the
128 city.

129 Section 8. Automatic retirement.—

130 (a) Any firefighter subject to the provisions of this act
131 attaining the age of seventy (70) years shall be automatically
132 retired and shall cease to draw his or her compensation as such
133 employee, but shall become immediately entitled to the pension
134 or benefits provided hereby. ~~In the event of doubt as to the~~
135 ~~attainment of such age, the Civil Service Board shall make~~
136 ~~inquiry and determine such fact after due notice to interested~~
137 ~~parties; provided that the provisions of this section shall not~~
138 ~~become operative until January 1, 1960, the former law remaining~~
139 ~~in effect until such date.~~

140 Section 23. Depositing of funds and securities.—All funds
141 and securities of the Firefighters' Relief and Pension Fund may
142 be deposited by the Board of Trustees with the Chief Financial
143 Officer ~~Director of Finance~~ of the city, acting in a ministerial
144 capacity only, who shall keep the same in a separate fund, and
145 he or she shall be liable for the safekeeping of the same, under
146 the bond given by him or her to the city, and he or she shall be
147 liable in the same manner and to the same extent as he or she is
148 liable for the safekeeping of the funds of the city.

149 Section 30. Definitions.—The following words and phrases
 150 have the following meanings:

151 (b) "Actuarial equivalent" means, for Plan Years before
 152 October 1, 2013, the equality in the value of the aggregate
 153 amount to be received under different forms of payment, computed
 154 on the basis of the 1971 Group Annuity Mortality Table and an
 155 interest rate equal to 8 percent per annum. Notwithstanding the
 156 foregoing, with respect to disability retirement, "actuarial
 157 equivalent" means equality in the value of the aggregate amount
 158 to be received under different forms of payment, computed on the
 159 basis of the SSA-74 Mortality Table and an interest rate equal
 160 to 8 percent per annum. For Plan Years beginning on and after
 161 October 1, 2013, "actuarial equivalent" means, unless otherwise
 162 specified herein, the equality in the value of the aggregate
 163 amount to be received under different forms of payment computed
 164 using the most recent actuarial valuation ~~on the basis of the RP~~
 165 ~~2000 Combined Healthy Mortality Table and an interest rate equal~~
 166 ~~to 8 percent per annum.~~

167 (d) "Compensation," "salary," and "earnings" mean the
 168 wages paid to a firefighter as overtime pay, station or watch
 169 captain pay, special duty pay, in-service sick leave redemption
 170 pay (when paid), bonuses, lump-sum payments not paid at
 171 termination, including employee-elective salary reductions to
 172 deferrals to any salary reduction, deferred compensation, or
 173 tax-sheltered annuity programs authorized under the Internal

174 Revenue Code if the firefighter would receive those reductions
175 or deferrals if he or she were not participating in such
176 programs, and any other payments required by law to be included
177 in pension calculations. However:

178 (1) For those firefighters with 10 or more years of
179 service as of June 10, 2015, a maximum of 300 hours per plan
180 year of annual overtime pay shall be included in compensation.

181 (2) For those firefighters with fewer than 10 years of
182 service as of June 10, 2015, a maximum of 200 hours per plan
183 year of annual overtime pay shall be included in compensation.

184 (3) For those firefighters hired on or after June 10,
185 2015, no overtime pay shall be included in compensation ~~for~~
186 ~~those with 10 or more years of service as of the effective date~~
187 ~~of this act a maximum of 300 hours annual overtime pay, for~~
188 ~~those with less than 10 years of service as of the effective~~
189 ~~date of this act a maximum of 200 hours annual overtime pay, for~~
190 ~~those hired on or after the effective date of this act no~~
191 ~~longevity pay, overtime pay, station or watch captain pay,~~
192 ~~special duty pay, in-service sick leave redemption pay (when~~
193 ~~paid), bonuses, lump sum payments not paid at termination,~~
194 ~~inclusive of employee elective salary reductions or deferrals to~~
195 ~~any salary reduction, deferred compensation, or tax-sheltered~~
196 ~~annuity program authorized under the Internal Revenue Code if~~
197 ~~the firefighter would receive those reductions or deferrals if~~
198 ~~he or she were not participating in such program, and any other~~

199 ~~payments required by law to be included in pension calculations.~~
200 Compensation for any plan year shall not exceed the annual
201 compensation limit under section 401(a)(17) of the Code, as in
202 effect on the first day of the plan year. This limit shall be
203 adjusted by the Secretary of the Treasury to reflect increases
204 in the cost of living, as provided in section 401(a)(17)(B) of
205 the Code; however, the dollar increase in effect on January 1 of
206 any calendar year is effective for the plan year beginning in
207 such calendar year. If a Plan determines compensation over a
208 plan year that contains less than 12 calendar months (a "short
209 plan year"), then the compensation limit for such short plan
210 year is equal to the compensation limit for the calendar year in
211 which the short plan year begins multiplied by the ratio
212 obtained by dividing the number of full months in the short plan
213 year.

214 (n) "Years of service" means the aggregate number of years
215 of service, and major fractional parts of a year of service
216 after becoming vested, of any firefighter, omitting intervention
217 years and major fractional parts of a year ~~years~~ when such
218 firefighter may not have been employed by the City of Pensacola
219 as a firefighter. Service shall include military service, as
220 provided in paragraph (1) below, and shall not include credit
221 for any other type of service. "Major fractional parts of a
222 year" means 6 months and 1 day.

223 (1) In determining the creditable service of any

224 firefighter, credit for up to 5 years of the time spent in the
225 military service of the Armed Forces of the United States shall
226 be added to the years of actual service if:

227 a. The firefighter is in the active employ of the city
228 before such service and leaves a position, other than a
229 temporary position, for the purpose of voluntary or involuntary
230 service in the Armed Forces of the United States.

231 b. The firefighter is entitled to reemployment under the
232 provisions of the Uniformed Services Employment and Reemployment
233 Rights Act.

234 c. The firefighter returns to his or her employment as a
235 firefighter of the city within 1 year after the date of his or
236 her release from such active service.

237 (2) In addition to service credits awarded for military
238 service leave under subsection (1) above, any member of the Plan
239 who served in the Armed Forces of the United States as described
240 under chapter 2009-97, Laws of Florida, shall be entitled to
241 purchase service credits for such service or employment by
242 contributing as provided in 2. below an amount which is
243 determined to be the full actuarial cost of the service credits
244 purchased. Once the member is vested but not yet retired or
245 entered into DROP, the member may purchase a maximum of 5 years
246 of any combination of the aforementioned qualifying noncity
247 service.

248 1. The contribution required of the employee to purchase

249 service credits for prior military service or prior employment
250 as a firefighter may be made in one lump sum installment or by
251 rollover from a qualified plan.

252 2. The contribution is an actuarially determined amount of
253 the employee's pensionable current annual compensation at the
254 time of the buy-back for each year purchased.

255

256 A member who is receiving or will receive a pension benefit for
257 military or prior firefighter service in any other pension plan
258 supported by public funds, excluding a military pension, may not
259 use or buy back credited service for the City of Pensacola
260 Firefighters' Relief and Pension Fund.

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