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1
 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 severability; providing an
 13 effective date.

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

16
 17 Section 1. Sections 2, 3, and 6, subsection (a) of section
 18 8, section 23, and subsections (b), (d), and (n) of section 30
 19 of chapter 21483, Laws of Florida (1941), as amended by chapters
 20 2000-468 and 2015-206, Laws of Florida, are amended to read:

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

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

31 | Section 3. Powers of the board.—

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

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

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

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

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

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

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51 and be open to the public for inspection; and a statement and
52 audit of the receipts and disbursements shall be made and a copy
53 furnished to each contributor and each pensioner not less than
54 annually.

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

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

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

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

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

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

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

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

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

130 | Section 8. Automatic retirement.—

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

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

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

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

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

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

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

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

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

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

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

224 (1) In determining the creditable service of any

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

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

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

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

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

249 1. The contribution required of the employee to purchase

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

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

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

262 Section 2. If any provision of this act is determined
 263 invalid by a court of law, including, but not limited to, being
 264 found to irreconcilably conflict with or violate the minimum
 265 standards and benefits conferred upon plan participants by
 266 chapter 175, Florida Statutes, as may be amended subsequently,
 267 all the rest and remainder of this act shall remain in full
 268 force and effect as a law of this state.

269 Section 3. This act shall take effect upon becoming a law.