

1 A bill to be entitled
2 An act relating to the General Pension and
3 Retirement Fund of the City of Pensacola,
4 Escambia County; repealing and replacing
5 chapter 61-2655, Laws of Florida, as amended;
6 creating, establishing, and reinstating a
7 pension fund providing for retirement,
8 disability, death, and survivor benefits for
9 the general employees of the City of Pensacola;
10 providing definitions; providing for
11 contributions to the fund by employees of the
12 City of Pensacola; providing for investment of
13 funds held in such retirement fund; providing
14 that this act shall not affect present
15 pensioners; providing for severability;
16 repealing chapter 20061, Laws of Florida, 1939;
17 chapter 27816, Laws of Florida, 1951; chapter
18 29409, Laws of Florida, 1953; chapter 29410,
19 Laws of Florida, 1953; chapter 61-2655, Laws of
20 Florida, and laws or parts of laws in conflict;
21 providing an effective date.

22
23 Be It Enacted by the Legislature of the State of Florida:

24
25 Section 1. The General Pension and Retirement Fund of
26 the City of Pensacola is re-created to read:

27 Section 1. Establishment of General Pension and
28 Retirement Fund.--

29 (1) There is hereby created for the general employees
30 of the City of Pensacola, Florida, a fund to be entitled the
31 "General Pension and Retirement Fund" providing for

1 retirement, disability, and death benefits for such general
2 employees. The General Pension and Retirement Fund shall be
3 administered and distributions made therefrom as provided in
4 this act.

5 (2) Irrespective of anything contained herein, as now
6 expressed or hereafter amended, the General Pension and
7 Retirement Fund shall be used for the exclusive benefit of the
8 members of the plan, their dependents, or their beneficiaries
9 at all times and for the satisfaction of all rights and
10 liabilities with respect to members of the plan, their
11 dependents, or their beneficiaries hereunder and for costs and
12 expenses of operating the fund.

13 (3) The General Pension and Retirement Fund shall
14 continue to exist exclusively for the purposes provided by
15 this act and related legislation.

16 Section 2. Definitions.--The words and phrases as used
17 in this act shall have the following meanings unless a
18 different meaning is plainly required by the context:

19 (1) Act.--The General Pension and Retirement Fund
20 Special Act.

21 (2) Actuary.--The person, firm, or corporation, one of
22 whose officers shall be a member of the Society of Actuaries
23 and an enrolled actuary, as defined by the Employee Retirement
24 Income Security Act of 1974, authorized by the board of
25 trustees of the fund to render actuarial services to the fund.

26 (3) Average monthly salary.--One twenty-fourth of the
27 salary of the 2 best years of the last 5 years of credited
28 service prior to retirement or death.

29 (4) Bank of national repute.--See investment bank of
30 national repute.

31

1 (5) Beneficiary.--Person so designated in writing by a
2 member of the general pension plan who may become entitled to
3 receive a refund of contributions made by a member of the
4 plan.

5 (6) Best 2 years.--Two separate periods of 365
6 consecutive days.

7 (7) Board of trustees, the board, or the general
8 pension board.--The pension board, consisting of six members
9 as provided in this act.

10 (8) City.--The City of Pensacola.

11 (9) City council.--The city council of the City of
12 Pensacola.

13 (10) Code.--Internal Revenue Code of 1986, as amended.

14 (11) Credited service years or credited years of
15 service.--A period of service years credited to a member of
16 the plan in which the member has contributed an amount to the
17 General Pension and Retirement Fund, as provided in this act.

18 (12) Dependent.--The spouse or dependent children
19 under the age of 18 of a member of the plan.

20 (13) Dependent children.--A son or daughter under 18
21 years of age who is born in wedlock to a member of the plan;
22 and/or a child under 18 years of age adopted by a member of
23 the plan; and/or a child under 18 years of age dependent upon
24 a member of the plan for support whose dependency is proven to
25 the satisfaction of the board or, in the alternative, whose
26 dependency has been established by a final court order.

27 (14) Disability.--Physical or mental impairment which
28 renders an employee partially and permanently or totally and
29 permanently unable to perform the duties of his or her
30 employment or unable to perform any substantial gainful
31 employment.

1 (15) ECUA.--Escambia County Utilities Authority.

2 (16) General Pension and Retirement Fund, general
3 pension plan, or the plan.--The special fund created
4 exclusively for the purposes provided in this act.

5 (17) Investment bank of national repute.--A bank
6 having trust powers or a trust company which is experienced in
7 the fiduciary investment of pension funds from more than one
8 state.

9 (18) Line of duty.--Within the scope of employment as
10 an employee of the city during such times as such employee was
11 rendering services to the city.

12 (19) Major fraction of a year.--For calculation of
13 benefits in this act, 6 months and 1 day.

14 (20) Member of the plan.--An individual who has been
15 credited with a period of service under the plan and has
16 contributed an amount to the plan, as provided in this act.

17 (21) Nonemployment.--Any period of time an individual
18 is not employed in any capacity by the City of Pensacola.

19 (22) Normal retirement and early retirement.--Any
20 retirement not based upon a disability, illness, or injury.

21 (23) Plan.--The General Pension and Retirement Fund.

22 (24) Plan administrator.--The Director of Finance of
23 the City of Pensacola.

24 (25) Pensioner.--A member of the plan who has drawn or
25 is drawing a pension under the provisions of this act.

26 (26) Permanent full-time employee.--A person employed
27 by the city, working an established work period set forth by
28 city policy, and not employed on a part-time, temporary, or
29 specified timeframe basis.

30 (27) Refund of contributions.--The distribution of
31 funds contributed by a member of the plan.

1 (28) Retiree.--A member of the plan, or a dependent of
2 a member, who has drawn or is drawing a pension under the
3 provisions of this act.

4 (29) Salary.--The total cash remuneration paid to the
5 member of the plan by the city for services rendered before
6 all pretax, salary deferral, or salary reduction contributions
7 made to the General Pension and Retirement Fund on behalf of
8 the general pension plan member under section 404(h)(2) of the
9 Internal Revenue Code and any code section 457 plan and
10 section 125 plan of the city. Unless otherwise provided by the
11 city council, "salary" shall exclude any educational incentive
12 pay, field training pay, certificate pay, specialized duty
13 pay, pistol qualifications pay, clothing allowance, education
14 benefit, accumulated sick leave pay at retirement, accumulated
15 vacation pay at retirement, and any other pay excluded by the
16 city council.

17 (30) Service under the plan.--A period of service
18 years credited to a member of the plan, during which the
19 member has contributed an amount to the General Pension and
20 Retirement Fund, as provided in this act.

21 (31) Spouse.--Under the laws of the State of Florida,
22 the legally married husband or wife of the member of the plan.

23 (32) Surviving spouse.--The legally married husband or
24 wife of a member of the plan who outlives the member of the
25 plan.

26 (33) Vested member or vesting right.--A member of the
27 plan who has a right, or the right itself, to future pension
28 benefits as provided in this act.

29 Section 3. Pension board.--

30 (1) There is hereby created a pension board of the
31 City of Pensacola, consisting of six members.

1 (a) Three members shall be residents of Escambia
2 County who are freeholders of the city and shall be appointed
3 by the city council for a term of 6 years or until their
4 successors are appointed and qualified. Each appointment shall
5 be for a term of 6 years, with one appointment being made
6 every 2 years, which appointment shall be made not later than
7 the second regular meeting of the council held in July of each
8 odd-numbered year hereafter.

9 (b) The remaining three members shall consist of the
10 current presiding mayor of the city, or his appointed
11 representative, who shall serve at the pleasure of the mayor,
12 and two active, contributing participants of the General
13 Pension and Retirement Fund, who shall be elected by a
14 plurality vote of active, contributing participants of the
15 fund, said election to be held at the same time as the
16 election of members of the Classified Service Employee
17 Executive Committee of the city. Each elected member shall
18 take office upon election and shall serve for a term of 2
19 years or until the member's successor is elected and
20 qualified. Should a vacancy occur in the position of elected
21 member, the Classified Service Employee Executive Committee
22 shall, within 30 days, appoint a successor to serve for the
23 balance of the term.

24 (2) The pension board is vested with the
25 responsibility for the administration and proper operation of
26 the fund and for compliance with the provisions of all related
27 laws and regulations.

28 Section 4. Oath of office; meetings; quorum.--Before
29 entering upon the duties as a member of the pension board,
30 each member shall take and subscribe to the oath of office
31 required by the city charter, which oath shall be filed with

1 the city clerk. The board shall elect one of its members
2 chairperson, who shall be a voting member of the board. The
3 Director of Finance shall serve as plan administrator and
4 shall be the chief administrative officer of the General
5 Pension and Retirement Fund and shall keep the minutes of the
6 board. The board shall meet as often as is necessary, upon the
7 request of the chairperson or the plan administrator. A
8 majority of the board shall constitute a quorum for the
9 transaction of any business.

10 Section 5. Powers of the board.--The pension board
11 shall have the power and authority to:

12 (1) Adopt rules and regulations, not inconsistent with
13 the provisions of this act, governing its activities and
14 providing for the certification of the moneys to be paid from
15 the General Pension and Retirement Fund.

16 (2) Perform all the duties and enjoy all the rights
17 and powers vested by law or ordinance. The city attorney of
18 the city may give advice and legal assistance to the pension
19 board in all matters pertaining to the performance of its
20 duties, whenever requested, and may prosecute and defend all
21 suits which may be instituted by or against the board.
22 However, if in the opinion of the city attorney or in the
23 opinion of the pension board, a conflict of interest exists as
24 to a particular matter, the pension board may, in its
25 discretion, employ independent legal counsel for such
26 purposes, the expense of such employment to be paid from the
27 General Pension and Retirement Fund.

28 (3) Cause subpoenas to be issued and require the
29 attendance of witnesses and the production of documents for
30 the purpose of determining or redetermining at any time and
31 from time to time the eligibility, right, or entitlement to

1 any pension, benefit, or other payment provided under this
2 act.

3 (4) Employ its own secretary, clerks, stenographers,
4 or other personnel as required, who shall be paid such
5 compensation, from the General Pension and Retirement Fund
6 only, as fixed by the pension board. Nothing herein shall be
7 construed to authorize or empower the board to incur such
8 expense or obligation to be borne by the City of Pensacola.

9 Section 6. Reserved.

10 Section 7. Membership requirements and exclusions.--

11 (1) All permanent full-time employees of the city
12 automatically become, upon employment, members of the General
13 Pension and Retirement Fund of the city, except that the city
14 may by ordinance amend or revise the foregoing membership
15 criteria in the General Pension and Retirement Fund, provided,
16 however, that in no event shall the following be permitted to
17 participate in the General Pension and Retirement Fund:

18 (a) Members of the fire department of the city who are
19 eligible to participate under the Firemen's Relief and Pension
20 Fund.

21 (b) Any officer or employee of the police department
22 hired on or after October 1, 1979, who is eligible to
23 participate in the Police Officers' Retirement Fund of the
24 city.

25 (c) City fire and police department public safety
26 cadets.

27 (d) All permanent full-time employees of the city
28 hired prior to October 6, 1997, making an election not to
29 participate in the plan and having continuous service from
30 October 6, 1997, until retirement.

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1 (e) Any individual who is drawing a normal retirement
2 or early retirement benefit and who is subsequently reemployed
3 by the city. Such individual shall not be eligible for current
4 participation in the plan and shall continue to draw a pension
5 benefit from the plan.

6 (f) Elected officials of the city.

7 (2) As a condition of eligibility of such employees to
8 credit toward future retirement benefits based upon prior
9 years of service as an employee of the city, there shall be
10 paid to the fund or transferred from qualified plans
11 maintained by the city or other qualified retirement plans an
12 amount determined by the plan administrator to be sufficient
13 to cover such prior years of service at 8 percent interest
14 compounded annually. However, the plan from which such funds
15 are transferred must permit the transfer to be made and the
16 transfer must not jeopardize the tax-exempt status of this
17 plan or create adverse tax consequences for the city.

18 Section 8. Escambia County Utilities Authority
19 provisions.--

20 (1) Individuals who transferred to the Escambia County
21 Utilities Authority when established in 1981 and who chose to
22 continue participation in the General Pension and Retirement
23 Fund shall be members of the plan and governed by all
24 provisions of this act. When administering this act on behalf
25 of ECUA members of the plan, the phrase "City of Pensacola"
26 shall be interpreted as ECUA where applicable.

27 (2) Notwithstanding any provision of this act,
28 disability determinations concerning ECUA employees shall be
29 made by the general pension board, but shall not be effective
30 unless and until the personnel appeals board of ECUA,
31

1 utilizing the criteria set forth in section 15, concurs in
2 such determinations.

3 (3) The ECUA, through its proper officers, shall
4 deduct 5.5 percent from the salary of the members of the plan
5 and shall pay the same to the General Pension and Retirement
6 Fund. Such moneys shall be deposited in a special account by
7 the City of Pensacola to be designated "General Pension and
8 Retirement Fund," and no employee shall have any right to said
9 moneys paid into the fund except as otherwise provided in this
10 act.

11 (4) The ECUA shall make for the ECUA members of the
12 plan a payment of a sum equal to the actuarially required
13 funding amount shown by an annual actuarial valuation, as
14 approved by the general pension board.

15 Section 9. Multiple plan participant.--If an employee
16 is or has been a participant in one or more defined benefit
17 plans and/or one or more defined contribution plans maintained
18 by the city and participation by such employee, hereinafter
19 referred to as the "multiple plan participant," in such
20 multiple plans will cause, in a particular limitation year,
21 the limitations of the Internal Revenue Code to be violated,
22 the benefit payable under this act shall be reduced to the
23 maximum benefit which may be paid to the multiple plan
24 participant without causing a violation of the code after
25 considering the benefits and contributions for the multiple
26 plan participant under all other plans that must be considered
27 in determining benefits and contributions for purposes of the
28 limitations of the code. Regardless of whether caused by
29 multiple plan participation, the maximum annual benefit
30 payable to a participant under this plan shall not exceed the
31 amount allowable under the code as applied to governmental

1 plans described in section 414(d) of the code. The effect of
2 this section shall be to limit the benefits payable under this
3 act to an amount which does not cause a violation of the code.

4 Section 10. Eligible rollover distributions.--

5 (1) For distributions made on or after January 1,
6 1993, notwithstanding any provision of the plan to the
7 contrary that would otherwise limit a distributee's election
8 under this section, a distributee may elect, at the time and
9 in the manner prescribed by rules and regulations of the
10 board, to have any portion of any eligible rollover
11 distribution paid directly to an eligible retirement plan
12 specified by the distributee in a direct rollover.

13 (2) The following words and phrases, as used in this
14 section, shall have the following meanings unless a different
15 meaning is plainly required by the context:

16 (a) Eligible rollover distribution.--Any distribution
17 of all or any portion of the balance of the General Pension
18 and Retirement Fund to the credit of the distributee. Eligible
19 rollover distribution, however, does not include:

20 1. Any distribution that is one of a series of
21 substantially equal periodic payments, not less frequently
22 than annually, made for the life, or life expectancy, of the
23 distributee or the joint lives, or joint life expectancies, of
24 the distributee and the distributee's designated beneficiary,
25 or for a specified period of 10 years or more.

26 2. Any distribution to the extent required under
27 section 401(a)(9) of the Internal Revenue Code of 1986, as
28 amended.

29 3. The portion of any distribution that is not
30 includable in gross income of the distributee, such as that
31

1 portion of a distribution attributable to employee after-tax
2 contributions to the plan.

3 (b) Eligible retirement plan.--An individual
4 retirement account described in section 408(a) of the Internal
5 Revenue Code, an individual retirement annuity described in
6 section 408(b) of the code, an annuity plan described in
7 section 403(a) of the code, or a qualified trust described in
8 section 401(a) of the code that accepts the distributee's
9 eligible rollover distribution. However, in the case of an
10 eligible rollover distribution to the surviving spouse, an
11 eligible retirement plan is an individual retirement account
12 or individual retirement annuity.

13 (c) Distributee.--An employee or former employee who
14 receives any distributions from the General Pension and
15 Retirement Fund. In addition, the employee's or former
16 employee's surviving spouse and employee's or former
17 employee's spouse or former spouse who is the alternate payee
18 under a qualified domestic relations order, as defined in
19 section 414(p) of the Internal Revenue Code, are distributees
20 with regard to the interest of the spouse or former spouse.

21 (d) Direct rollover.--A payment by the plan to the
22 eligible retirement plan specified by the distributee.

23 Section 11. Designation of employee
24 contributions.--For the purposes of section 414(h) of the
25 Internal Revenue Code, the contributions made by each employee
26 to the General Pension and Retirement Fund shall be designated
27 as "employer contributions." However, such designation is
28 contingent upon the contributions being excluded from the
29 employee's gross income for federal income tax purposes. Such
30 contributions shall, nevertheless, be subject to refund or
31

1 return to the employee upon termination of employment, or
2 otherwise as provided in this act.

3 Section 12. Reserved.

4 Section 13. Separation from service and
5 reemployment.--

6 (1) Former members of the plan.--Any employee who has
7 separated from employment with the city for any reason except
8 normal retirement or early retirement, hereinafter referred to
9 as "nonemployment," and who withdrew his or her contribution
10 to the plan, shall upon reemployment, if within 10 years after
11 the last separation date, be entitled to buy back his or her
12 prior service years under the plan for the purpose of
13 computing the period of service under the plan. The employee
14 shall not be entitled to buy back periods of nonemployment
15 except as provided by section 14 of this act. If the employee
16 elects to repay the contributions upon reemployment, he or she
17 shall have 6 months from the reemployment date to repay the
18 withdrawn contributions plus 8 percent interest compounded
19 annually from the date of withdrawal.

20 (2) Former nonmembers of the plan.--Any employee who
21 has separated from employment, hereinafter referred to as
22 "nonemployment," with the city for any reason, who has never
23 been a member of the General Pension and Retirement Fund, and
24 who is reemployed within 10 years after the last separation
25 date may elect to have his or her eligible prior service years
26 added to his or her subsequent service for the purpose of
27 computing the period of service under the plan. The employee
28 shall not be entitled to buy back periods of nonemployment
29 except as provided by section 14 of this act. Service years
30 eligible for another city-defined benefit plan shall not be
31 included in the calculation of the period of service under the

1 General Pension and Retirement Fund. The employee shall have 6
2 months from the date of reemployment to pay an amount
3 determined by the plan administrator to be sufficient to cover
4 such period of eligible prior service years at 8 percent
5 interest compounded annually.

6 (3) Vested members of the plan.--Any employee who has
7 separated from employment, hereinafter referred to as
8 "nonemployment," with the city for any reason, without having
9 withdrawn his or her contribution to the plan but having a
10 vested right to a benefit as provided by this act, shall upon
11 reemployment be allowed to continue computation of credited
12 years of service by including the vested period. The employee
13 shall not be entitled to buy back periods of nonemployment
14 except as provided by section 14 of this act.

15 (4) Reemployment after disability.--Any employee who
16 has separated from employment, hereinafter referred to as
17 "nonemployment," with the city and who received a disability
18 pension as provided by this act shall upon reemployment be
19 allowed to continue computation of credited years of service
20 by including all prior credited years of service. The employee
21 shall not be entitled to credit for periods of nonemployment
22 except as provided by section 14 of this act.

23 Section 14. Military service.--When any provision of
24 law requires that any period of service in the Armed Forces of
25 the United States is deemed continuous service in the
26 employment of the city for purposes of computing credited
27 service under this act, such service shall be so credited.
28 However, if any member of the plan has withdrawn the
29 contributions or any part thereof paid by the member into the
30 fund, the member shall return such moneys to the fund. In
31 addition, such member shall pay into the fund, within the time

1 required by applicable federal or state law, all contributions
2 the member would have been required to pay during the term the
3 member was actively serving in the Armed Forces of the United
4 States.

5 Section 15. Disability.--A pension for injury or
6 illness, whether incurred in the line of duty or not in the
7 line of duty, as provided in this act, shall be awarded only
8 upon determination of the disability. The City of Pensacola
9 adheres to the Americans with Disabilities Act of 1990 as may
10 be amended, and reasonable accommodation for disabilities
11 shall be evaluated on a case-by-case basis. Application,
12 determinations, awards, and reevaluation of disability
13 pensions shall be governed by the following:

14 (1) An employee, or the employer on behalf of the
15 employee, must make application for a disability pension,
16 complete with medical and other evidentiary material as
17 prescribed by the board.

18 (2) Upon receipt of an application for a disability
19 pension, the board shall make a determination of the
20 disability, which determination shall be final. The board may
21 employ the services of one or more independent third-party
22 agents, such as, but not limited to, a physician or a health
23 and disability claims adjusting firm, to evaluate the case and
24 to make a report containing recommended findings and
25 conclusions, which may be approved, disapproved, or modified
26 in the determination of the board.

27 (3) In the case of determination of disability, the
28 board shall award a disability pension in an amount computed
29 as a percentage equal to the percentage of the employee's
30 disability times the full disability pension award as provided
31 in this act. At any time after an employee is awarded a

1 disability pension, the City of Pensacola may offer its former
2 employee employment for which his or her disability does not
3 prevent performance. At such time as the former employee
4 returns to active service, or at such time as the former
5 employee fails to accept said offer of employment, all
6 disability payments shall cease.

7 (4) The board, through its third-party agents, shall
8 periodically reevaluate disability pensioners to determine if
9 the condition of the disability persists.

10 (a) A disabled pensioner's percentage of disability
11 may be reclassified upon reevaluation by the board.

12 (b) If the pensioner has recovered sufficiently, as
13 determined by the board, so that he or she is no longer
14 disabled, and such determination is made within 1 year after
15 the effective date of the award of the pension, said pensioner
16 shall be reinstated to active service in the same rank he or
17 she occupied prior to the award of the pension. If such
18 determination is made more than 1 year after the effective
19 date of the award of the pension, the pensioner shall be
20 placed on an eligible list to be reinstated to his or her
21 position upon the first vacancy in that position. At such time
22 as a pensioner resumes active service, or at such time as the
23 pensioner fails to accept reinstatement to active service, the
24 payment of pension benefits shall cease.

25 Section 16. Reserved.

26 Section 17. Normal retirement with 20 or more years of
27 credited service under the plan.--

28 (1) All members of the plan who have attained the age
29 of 55 years who have at least 20 credited service years under
30 the plan preceding the date of application for retirement may
31 apply for and be entitled to benefits under the provisions of

1 this act. In calculating the years of service under the plan,
2 a major fraction of a year shall be computed as a whole year.

3 (2) If any member of the plan has not attained the age
4 of 55 years after a period of 20 credited service years under
5 the plan and does not make withdrawal of funds from the
6 General Pension and Retirement Fund, such employee shall be
7 eligible to receive a pension after attaining the age of 55
8 years. Said member of the plan must have a vested right to
9 said pension. A major fraction of a year of credited service
10 shall be computed as a whole year for the purpose of vesting
11 rights.

12 (3) For the purpose of determining the monthly pension
13 of an employee:

14 (a) The General Pension and Retirement Fund of the
15 city shall pay to each member of the plan retired hereafter,
16 whose credited service years under the plan are not less than
17 20 years and who has attained the age of 55 years, a pension
18 which has as its basis for calculation the selection of the
19 best 2 years out of the last 5 years immediately preceding
20 retirement, and thereby arrive at the average monthly salary
21 of such member. Based upon such average monthly salary, a
22 pension shall be paid according to the following table:

| | |
|--|--------------|
| <u>75% upon the first.....</u> | <u>\$200</u> |
| <u>50% upon the next.....</u> | <u>\$100</u> |
| <u>40% upon all in excess thereof; and</u> | |

27
28 (b) Any employee who has attained 20 credited years of
29 service under the plan and who elects to remain employed after
30 reaching 55 years of age shall upon retirement be entitled to
31 all of the rights and benefits provided for in this act, and,

1 in addition, the monthly pension shall be increased by 1
2 percent for each year of credited service between the age of
3 55 years and the actual age of retirement, but not for any
4 year beyond the age of 70; or

5 (c) The monthly pension for a member of the plan who
6 retires on or after July 1, 1988, shall be equal to 2 percent
7 of the average monthly salary of the member during the best 2
8 years out of the last 5 years immediately preceding retirement
9 times the number of years of credited service under the plan
10 not in excess of 30 credited service years, unless the
11 payments would be greater if calculated by the applicable
12 formulas set forth above in this subsection.

13 (4) The monthly pension shall in no event be less than
14 \$25 for each year of credited service under the plan not in
15 excess of 20 years.

16 Section 18. Early retirement at 25 years of credited
17 service, having attained the age of 45 years.--

18 (1)(a) Any member of the plan who has 25 credited
19 service years under the plan prior to attaining the age of 55
20 years may retire at any time after reaching the age of 45
21 years and receive a reduced pension, which shall have as its
22 basis for calculation the selection of the best 2 years out of
23 the last 5 years immediately preceding retirement, and thereby
24 arrive at the average monthly salary of such member. A major
25 fraction of a year of credited service under the plan shall be
26 computed as a whole year. Based upon such average monthly
27 salary, a pension shall be paid according to the following
28 table:

| | |
|--------------------------------|--------------|
| <u>75% upon the first.....</u> | <u>\$200</u> |
| <u>50% upon the next.....</u> | <u>\$100</u> |

1 40% upon all in excess thereof; or

2
 3 (b) The monthly pension for a member of the plan who
 4 retires on or after July 1, 1988, shall be equal to 2 percent
 5 of the average monthly salary of the member during the best 2
 6 years out of the last 5 years immediately preceding retirement
 7 times the number of years of credited service under the plan
 8 not in excess of 30 years, unless the payments would be
 9 greater if calculated by the formula set forth above.

10 (2) After said amount has been determined, the sum
 11 payable shall be adjusted by the following factors for early
 12 retirement as may be applicable to the member's age at the
 13 time of retirement:

14

| <u>Retirement Factors</u> | |
|---------------------------|---------------|
| <u>Age at retirement</u> | <u>Factor</u> |
| <u>55</u> | <u>1.000</u> |
| <u>54</u> | <u>.928</u> |
| <u>53</u> | <u>.856</u> |
| <u>52</u> | <u>.784</u> |
| <u>51</u> | <u>.730</u> |
| <u>50</u> | <u>.676</u> |
| <u>49</u> | <u>.622</u> |
| <u>48</u> | <u>.586</u> |
| <u>47</u> | <u>.550</u> |
| <u>46</u> | <u>.514</u> |
| <u>45</u> | <u>.478</u> |

28
 29 (3) The monthly pension shall in no event be less than
 30 \$25 for each year of credited service not in excess of 20
 31 years.

1 Section 19. Normal retirement with less than 20 years
2 of credited service under the plan.--After a period of 10
3 credited years of service under the plan, any member of the
4 plan not having made withdrawal of funds from the General
5 Pension and Retirement Fund shall be eligible to receive a
6 pension upon attaining the age of 60 years. Said member of the
7 plan shall have a vested right to said pension. However, any
8 member of the plan leaving employment must have a period of
9 not less than 10 credited service years under the plan in
10 order to obtain a vested interest and right to pension
11 benefits. A major fraction of a year of credited service shall
12 not be computed as a whole year for the purpose of vesting
13 rights.

14 (1)(a) The General Pension and Retirement Fund of the
15 city shall pay to those members of the plan with less than 20
16 credited service years under the plan a pension which shall
17 have as its basis for calculation the selection of the best 2
18 years out of the last 5 years immediately preceding
19 retirement, and thereby arrive at the average monthly salary
20 of such member. A major fraction of a year of credited service
21 under the plan shall be computed as a whole year. Based upon
22 such average monthly salary, a pension shall be paid according
23 to the following table:

24

| | | |
|----|--|--------------|
| 25 | <u>75% upon the first.....</u> | <u>\$200</u> |
| 26 | <u>50% upon the next.....</u> | <u>\$100</u> |
| 27 | <u>40% upon all in excess thereof; and</u> | |

28

29 (b) After said amount has been determined, the sum
30 payable shall be reduced to the percentage set opposite the
31

1 number of years of credited service shown in the following
2 schedule:

| | |
|----|--|
| 3 | |
| 4 | <u>For 10 years of service.....60%</u> |
| 5 | <u>For 11 years of service.....63%</u> |
| 6 | <u>For 12 years of service.....66%</u> |
| 7 | <u>For 13 years of service.....69%</u> |
| 8 | <u>For 14 years of service.....72%</u> |
| 9 | <u>For 15 years of service.....75%</u> |
| 10 | <u>For 16 years of service.....80%</u> |
| 11 | <u>For 17 years of service.....85%</u> |
| 12 | <u>For 18 years of service.....90%</u> |
| 13 | <u>For 19 years of service.....95%</u> |

14
15 (2) The monthly pension shall in no event be less than
16 \$25 for each year of credited service under the plan not in
17 excess of 20 years.

18 Section 20. Refund of contributions with less than 10
19 credited years of service, except for disability or death in
20 the line of duty.--

21 (1) In the event any member of the plan with less than
22 10 credited years of service separates from service, except
23 for disability or death in the line of duty, such member or
24 the decedent's dependent or beneficiary shall receive a refund
25 of the member's contributions to the plan.

26 (a) The maximum amount of a refund of contributions
27 shall equal the amount of contributions by the member of the
28 plan less any amount of pension benefit received by the member
29 of the plan and/or the member's dependents.

30 (b) Distribution election and distribution of a refund
31 of contributions shall be made within 90 days after

1 eligibility. If no election is made, distribution shall be in
2 a lump-sum payment.

3 (c) Any refund of the member's contributions under
4 this act shall be in full satisfaction of any and all claims
5 by any person against the General Pension and Retirement Fund.

6 (2) The service years shall be computed on the basis
7 of the total credited service years under the plan, either
8 continuous or by totaling separate or discontinuous periods
9 for the required total period. A major fraction of a year of
10 credited service shall not be computed as a whole year for the
11 purpose of vesting rights.

12 Section 21. Disability injury or illness in line of
13 duty.--If any member of the plan, due to injury or illness in
14 the line of duty, makes application for retirement and is
15 entitled to the benefits under this act, the General Pension
16 and Retirement Fund of the city shall pay according to the
17 following schedule:

18 (1)(a) The General Pension and Retirement Fund of the
19 city shall pay to each member of the plan retired hereafter
20 because of injury or illness in the line of duty, whose period
21 of credited service under the plan is not less than 20 years,
22 a pension which has as its basis for calculation the selection
23 of the best 2 years out of the last 5 years immediately
24 preceding retirement, and thereby arrive at the average
25 monthly salary of such member. Based upon such average monthly
26 salary, a pension shall be paid according to the following
27 table:

| | |
|--|--------------|
| <u>75% upon the first.....</u> | <u>\$200</u> |
| <u>50% upon the next.....</u> | <u>\$100</u> |
| <u>40% upon all in excess thereof; and</u> | |

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(b) Any employee who has attained 20 years of credited service under the plan and who elects to remain employed after reaching 55 years of age shall upon disability retirement be entitled to all of the rights and benefits provided for in this act, and, in addition, the monthly pension shall be increased by 1 percent for each year of service between the age of 55 years and the actual age of disability retirement, but not for any year beyond the age of 70; or

(c) The monthly pension for a member of the plan who retires on or after July 1, 1988, shall be equal to 2 percent of the average monthly salary of the member during the best 2 years out of the last 5 years immediately preceding disability retirement times the number of years of credited service under the plan not in excess of 30 years, unless the payments would be greater if calculated by the applicable formulas set forth above in this section.

(2)(a) The General Pension and Retirement Fund of the city shall pay to those members of the plan retired hereafter because of injury or illness in the line of duty, whose period of credited service under the plan is less than 20 years, a pension which has as its basis for calculation the selection of the best 2 years out of the last 5 years immediately preceding retirement, and thereby arrive at the average monthly salary of such member. Based upon such average monthly salary, a pension shall be paid according to the following table:

| | |
|--|--------------|
| <u>75% upon the first.....</u> | <u>\$200</u> |
| <u>50% upon the next.....</u> | <u>\$100</u> |
| <u>40% upon all in excess thereof; and</u> | |

CODING:Words ~~stricken~~ are deletions; words underlined are additions.

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(b) After said amount has been determined, the sum payable shall be reduced to the percentage set opposite the number of years of credited service shown in the following schedule:

| | |
|---|------------|
| <u>For less than 1 year of service.....</u> | <u>60%</u> |
| <u>For 1 year of service.....</u> | <u>62%</u> |
| <u>For 2 years of service.....</u> | <u>64%</u> |
| <u>For 3 years of service.....</u> | <u>66%</u> |
| <u>For 4 years of service.....</u> | <u>68%</u> |
| <u>For 5 years of service.....</u> | <u>70%</u> |
| <u>For 6 years of service.....</u> | <u>72%</u> |
| <u>For 7 years of service.....</u> | <u>74%</u> |
| <u>For 8 years of service.....</u> | <u>76%</u> |
| <u>For 9 years of service.....</u> | <u>78%</u> |
| <u>For 10 years of service.....</u> | <u>80%</u> |
| <u>For 11 years of service.....</u> | <u>82%</u> |
| <u>For 12 years of service.....</u> | <u>84%</u> |
| <u>For 13 years of service.....</u> | <u>86%</u> |
| <u>For 14 years of service.....</u> | <u>88%</u> |
| <u>For 15 years of service.....</u> | <u>90%</u> |
| <u>For 16 years of service.....</u> | <u>92%</u> |
| <u>For 17 years of service.....</u> | <u>94%</u> |
| <u>For 18 years of service.....</u> | <u>96%</u> |
| <u>For 19 years of service.....</u> | <u>98%</u> |

(3) The monthly pension shall in no event be less than \$25 for each year of credited service not in excess of 20 years.

CODING:Words ~~stricken~~ are deletions; words underlined are additions.

1 (4) In computing the number of years of credited
2 service under the plan, a major fraction of a year shall be
3 computed as a whole. The disability benefits provided for
4 herein shall be in addition to any other benefits payable.

5 (5) In the event any member of the plan becomes
6 disabled in the line of duty while employed, such member shall
7 receive a pension benefit as provided in this section or, upon
8 request, in lieu of a pension benefit, shall receive a refund
9 of the member's contributions to the General Pension and
10 Retirement Fund.

11 (a) The maximum amount of a refund of contributions
12 shall equal the amount of contributions by the member of the
13 plan less any amount of pension benefit received by the member
14 of the plan.

15 (b) Distribution election and distribution of a refund
16 of contributions shall be made within 90 days after
17 eligibility. If no election is made, distribution shall be in
18 a lump-sum payment.

19 (c) Any refund of the member's contributions under
20 this act shall be in full satisfaction of any and all claims
21 by any person against the General Pension and Retirement Fund.

22 Section 22. Death in the line of duty.--In the event
23 any member of the plan dies in the line of duty while
24 employed, the deceased member's dependents or beneficiaries
25 shall be eligible to receive benefits as provided for in
26 sections 21 and 24 of this act.

27 Section 23. Disability injury or illness not in the
28 line of duty.--If any member of the plan who, due to injuries
29 or illness not in the line of duty, makes application for
30 disability retirement and is entitled to the benefits under
31 this act, the General Pension and Retirement Fund of the City

1 of Pensacola shall pay according to the following schedule. In
2 computing the number of years of credited service under the
3 plan, a major fraction of a year shall be computed as a whole.
4 The disability benefits provided for shall be in addition to
5 any other benefits payable.

6 (1)(a) The General Pension and Retirement Fund of the
7 city shall pay to each member of the plan retired hereafter
8 because of injuries or illness not in the line of duty, whose
9 period of credited service is not less than 20 years, a
10 pension which has as its basis for calculation the selection
11 of the best 2 years out of the last 5 years immediately
12 preceding retirement, and thereby arrive at the average
13 monthly salary of such member. Based upon such average monthly
14 salary, a pension shall be paid according to the following
15 table:

- 16
- 17 75% upon the first.....\$200
- 18 50% upon the next.....\$100
- 19 40% upon all in excess thereof; and
- 20

21 (b) Any employee who has attained 20 years of credited
22 service under the plan and who elects to remain employed after
23 reaching 55 years of age shall upon retirement be entitled to
24 all of the rights and benefits provided in this act, and, in
25 addition, the monthly pension shall be increased by 1 percent
26 for each year of credited service between the age of 55 years
27 and the actual age of retirement, but not for any year beyond
28 the age of 70; or

29 (c) The monthly pension for a member of the plan who
30 retires on or after July 1, 1988, shall be equal to 2 percent
31 of the average monthly salary of the member during the best 2

1 years out of the last 5 years immediately preceding retirement
2 times the number of years of credited service under the plan
3 not in excess of 30 years, unless the payments would be
4 greater if calculated by the applicable formulas set forth
5 above in this section.

6 (2)(a) The General Pension and Retirement Fund of the
7 city shall pay to those members of the plan retired hereafter
8 because of injury or illness not in the line of duty, whose
9 period of credited service under the plan is less than 20
10 years, a pension which has as its basis for calculation the
11 selection of the best 2 years out of the last 5 years
12 immediately preceding retirement, and thereby arrive at the
13 average monthly salary of such member. Based upon such average
14 monthly salary, a pension shall be paid according to the
15 following table:

| | | |
|----|--|--------------|
| 17 | <u>75% upon the first.....</u> | <u>\$200</u> |
| 18 | <u>50% upon the next.....</u> | <u>\$100</u> |
| 19 | <u>40% upon all in excess thereof; and</u> | |

20
21 (b) After said amount has been determined, the sum
22 payable shall be reduced to the percentage set opposite the
23 number of years of credited service shown in the following
24 schedule:

| | | |
|----|-------------------------------------|------------|
| 26 | <u>For 10 years of service.....</u> | <u>60%</u> |
| 27 | <u>For 11 years of service.....</u> | <u>63%</u> |
| 28 | <u>For 12 years of service.....</u> | <u>66%</u> |
| 29 | <u>For 13 years of service.....</u> | <u>69%</u> |
| 30 | <u>For 14 years of service.....</u> | <u>72%</u> |
| 31 | <u>For 15 years of service.....</u> | <u>75%</u> |

| | | |
|---|-------------------------------------|------------|
| 1 | <u>For 16 years of service.....</u> | <u>80%</u> |
| 2 | <u>For 17 years of service.....</u> | <u>85%</u> |
| 3 | <u>For 18 years of service.....</u> | <u>90%</u> |
| 4 | <u>For 19 years of service.....</u> | <u>95%</u> |

5
6 (3) The monthly pension shall in no event be less than
7 \$25 for each year of credited service under the plan not in
8 excess of 20 years.

9 (4) In the event any member of the plan with less than
10 10 years of credited service under the plan becomes totally or
11 partially disabled not in the line of duty and such member is
12 disabled to such an extent that he or she cannot properly
13 discharge the duties of his or her employment, such member
14 shall receive, in lieu of a pension, a refund of the total
15 amount of his or her contributions to the General Pension and
16 Retirement Fund. A major fraction of a year of credited
17 service shall not be computed as a whole year for the purpose
18 of vesting rights.

19 (a) The maximum amount of a refund of contributions
20 shall equal the amount of contributions by the member of the
21 plan less any amount of pension benefit received by the member
22 of the plan.

23 (b) Distribution election and distribution of a refund
24 of contributions shall be made within 90 days after
25 eligibility. If no election is made, distribution shall be in
26 a lump-sum payment.

27 (c) Any refund of the member's contributions under
28 this act shall be in full satisfaction of any and all claims
29 by any person against the General Pension and Retirement Fund.

30 Section 24. Other benefit provisions.--
31

1 (1) The order of eligibility for a pension benefit or
2 a refund of contributions under this act shall be first to the
3 member of the plan, next to dependents if the member of the
4 plan dies, then to the beneficiaries if there are no eligible
5 dependents, and finally to the estate of the decedent if a
6 beneficiary has not been named.

7 (2) In the event of the death of an individual
8 eligible to receive benefits under this act, his or her
9 dependents or beneficiaries shall become immediately entitled
10 to the benefits herein provided.

11 (a) Dependents eligible to receive a pension shall be
12 paid in the following order:

13 1.a. To the surviving spouse, a monthly pension equal
14 to one-twelfth of 80 percent of the annual pension which the
15 deceased pensioner was receiving or to which the decedent
16 would have been entitled in the event of retirement as of the
17 date of death.

18 b. Effective on or after passage of this act, if the
19 surviving spouse should remarry, the surviving spouse of the
20 deceased member of the plan shall continue to be entitled to
21 the pension benefit provided for herein. Notwithstanding this
22 provision, if a surviving spouse should become a surviving
23 spouse of more than one deceased member of the plan, the
24 surviving spouse shall receive only the greater dependent
25 benefit. In no case shall the surviving spouse receive
26 benefits from more than one deceased member of the plan.

27 2. If such decedent is not survived by a spouse but
28 has dependent children under the age of 18 years or, if such
29 decedent is survived by a spouse and dependent children under
30 the age of 18 years and the spouse dies before the youngest of
31 said dependent children attains the age of 18 years, the

1 dependent children of said decedent shall receive an amount
2 equal to the benefit to which a surviving spouse would have
3 been entitled under subparagraph 1. in equal shares among the
4 dependent children and not exceeding in total the surviving
5 spouse benefit. If any dependent child under this subparagraph
6 ceases to be eligible for benefits for any reason, the
7 benefits shall be recalculated to provide for equal shares to
8 the remaining eligible dependent children.

9 (b) A beneficiary shall be entitled only to a refund
10 of the contributions of the deceased member of the plan.

11 1. The maximum amount of a refund of contributions
12 shall equal the amount of contributions by the member of the
13 plan less any amount of pension benefit received by the member
14 of the plan and/or the member's dependents.

15 2. Distribution election and distribution of a refund
16 of contributions shall be made within 90 days after
17 eligibility. If no election is made, distribution shall be in
18 a lump-sum payment.

19 3. Any refund of the member's contributions under this
20 act shall be in full satisfaction of any and all claims by any
21 person against the General Pension and Retirement Fund.

22 (3) In the event any member of the plan with 10 or
23 more credited service years under the plan dies or otherwise
24 separates from service of the city, such member or the
25 deceased member's dependent shall, upon request, receive a
26 refund of the member's contributions to the General Pension
27 and Retirement Fund in lieu of a pension benefit.

28 (a) The maximum amount of a refund of contributions
29 shall equal the amount of contributions by the member of the
30 plan less any amount of pension benefit received by the member
31 of the plan and/or the member's dependents.

1 (b) Distribution election and distribution of a refund
2 of contributions shall be made within 90 days after
3 eligibility. If no election is made, distribution shall be in
4 a lump-sum payment.

5 (c) Any refund of the member's contributions under
6 this act shall be in full satisfaction of any and all claims
7 by any person against the General Pension and Retirement Fund.

8 Section 25. Misconduct charges; hearings,
9 forfeiture.--

10 (1) No member of the plan shall at any time be retired
11 under this or any other section of this act while any charges
12 of misconduct are pending before the civil service board
13 against such member, but such charge shall be heard and
14 determined, and no application for retirement shall be made or
15 acted upon until 30 days subsequent to the final
16 determination.

17 (2) A member of the plan shall forfeit all benefits
18 provided by this act to the extent provided by the State
19 Constitution and section 112.3173, Florida Statutes.

20 Section 26. Cost-of-living increases.--A
21 cost-of-living increase in benefits paid pursuant to this act
22 shall be given effective July 1, 1999, and shall be paid
23 biennially thereafter. Each biennial increase shall have an
24 effective date of July 1. All such increases shall be equal
25 to, but no greater than, the increase in the Consumer Price
26 Index (U) (CPI) issued by the United States Department of
27 Labor since the date of the last cost-of-living increase which
28 was granted pursuant to this section, and in no event shall
29 such increase be greater than 3 percent. In the event the
30 United States Department of Labor ceases to issue a CPI (U),
31 the board may utilize a CPI index that is the functional

1 equivalent. The period to be used for calculation of any CPI
2 increase shall be April 1 of the last year in which an
3 increase was given to March 31 of the year in which the
4 increase is to be given.

5 Section 27. Deferred Retirement Option Plan.--The City
6 of Pensacola, by ordinance, may permit members of the General
7 Pension and Retirement Fund who are eligible to retire and to
8 receive retirement benefits to remain in the active service of
9 the city until a contractually fixed termination date and to
10 have accumulated for the employee's account from the date the
11 contract is made all benefits which the employee would be
12 eligible to begin receiving on that date and to have those
13 accumulated benefits held for the benefit of the employee
14 until the employee separates from active service. Such
15 ordinance may provide for forfeiture of the accumulated
16 benefits or other penalty if the employee does not comply with
17 the contract. However, if the employee complies in all
18 respects with the terms of the contract, the employee shall
19 receive all retirement benefits the employee would be entitled
20 to under this act upon the employee's actual retirement from
21 the active service of the city.

22 Section 28. Benefits under other statutes to remain
23 unchanged.--Nothing in this act shall operate to increase or
24 diminish or in any way alter the amount of any pension now
25 being paid by the City of Pensacola or any retirement benefits
26 under the provisions of chapter 20061, Laws of Florida, 1939,
27 and chapter 61-2655, Laws of Florida, as amended, or
28 otherwise.

29 Section 29. General pension benefits to be unaffected
30 by other benefit payments.--If any employee of the City of
31 Pensacola who is participating in the benefits provided by

1 this act is entitled to any social security benefits and/or
2 deferred compensation benefits as a city employee, the amount
3 of such benefits received shall not be deducted from the
4 amount to which the employee is entitled under the provisions
5 of this act.

6 Section 30. Maximum benefits.--Notwithstanding any
7 provision of this act, the maximum benefit to be paid to any
8 member of the plan shall not exceed the limitations, if any,
9 provided in section 112.65, Florida Statutes.

10 Section 31. Reserved.

11 Section 32. Continuance of existing fund sources of
12 revenue.--There is hereby continued in the City of Pensacola
13 the fund heretofore established and known as the General
14 Pension and Retirement Fund, to be maintained in the following
15 manner:

16 (1) All sums of money now in the existing fund,
17 designated "General Pension and Retirement Fund," shall remain
18 therein.

19 (2) The City of Pensacola, through its proper
20 officers, shall deduct 5.5 percent from the salary of members
21 of the general pension plan and shall pay the same to the
22 pension board herein created. Such payments shall be deposited
23 in a special account by the City of Pensacola to be designated
24 "General Pension and Retirement Fund," and no employee shall
25 have any right to any moneys paid into the fund except as
26 otherwise provided in this act.

27 (3) By all gifts, bequests, and devices when donated
28 to said fund and all other sources of income now or hereafter
29 authorized by law for its augmentation.

30 (4) By all accretions to the fund by way of interest,
31 profit, or otherwise.

1 (5) By mandatory payment by the City of Pensacola of a
2 sum equal to the actuarially required funding amount shown by
3 an actuary's annual valuation as approved by the general
4 pension board.

5 (6) This provision supersedes the provisions contained
6 in chapter 18777, Laws of Florida, 1937, as amended, chapter
7 24804, Laws of Florida, 1947, as amended, or any other
8 applicable law, and no other revenue or funding source shall
9 be utilized to maintain the fund other than as is provided for
10 in subsections (1) through (5).

11 Section 33. Maintenance of sufficient funds to meet
12 liabilities.--It is the duty of the pension board to at all
13 times maintain the general pension fund at an amount
14 sufficient to meet its current liabilities and, should there
15 be an excess, the pension board may request the city council
16 to authorize the abatement of the 5.5 percent employee
17 contributions deducted under subsection (2) of section 32
18 proportionately to such amount as will maintain the fund as
19 nearly as possible without increase or diminution; however,
20 should the current income of the fund become insufficient to
21 meet its current liabilities after the provision has been set
22 apart for accumulations as above specified, the pension board
23 shall so certify to the city manager, and it is the mandatory
24 duty of the city and all of the officers thereof to provide
25 from any source of revenue available, budgeted or unbudgeted,
26 or from any fund, whether earmarked by ordinance or statute
27 for other purposes, except that designated interest and
28 sinking fund, a sufficient sum to meet such current
29 liabilities without default. It is the mandatory duty of the
30 city and its officers to fully fund from any source of revenue
31 available any unfunded actuarially accrued liabilities arising

1 under the General Pension and Retirement Fund as a result of
2 pension benefits earned by city employees while actively
3 employed by the city.

4 Section 34. Retiree health insurance premium
5 assistance.--The General Pension and Retirement Fund shall
6 provide premium assistance for each covered general retiree
7 participating in the city group health insurance plan in the
8 amount of \$56 per month. The General Pension and Retirement
9 Fund shall make payments to the City of Pensacola no less
10 often than monthly to provide such premium assistance. Upon
11 recommendation of the board of trustees, the city council may
12 authorize a change in the monthly premium assistance paid to
13 the City of Pensacola. No later than December 31, 1999, all
14 amounts held in the City of Pensacola's General Pension
15 Medical Account allocated for such premium assistance payments
16 shall be transferred to the General Pension and Retirement
17 Fund.

18 Section 35. Reserved.

19 Section 36. Investing funds; custodian of securities,
20 contracts with investment banks.--

21 (1) The pension board shall have the power and
22 authority to invest and reinvest the assets of the General
23 Pension and Retirement Fund in:

24 (a) Time or savings accounts of a national bank, a
25 state bank insured by the Federal Deposit Insurance
26 Corporation, or a savings and loan association insured by the
27 Federal Savings and Loan Insurance Corporation.

28 (b) Obligations of the United States or obligations
29 guaranteed as to principal and interest by the United States.

30 (c) Obligations of municipal authority issued pursuant
31 to the laws of this state; however, for each of the 5 years

1 next preceding the date of investment, the income of such
2 authority available for fixed charges shall have been not less
3 than 1 1/2 times its average annual fixed-charges requirement
4 over the life of its obligations.

5 (d) Bonds, stocks, or other evidences of indebtedness
6 issued or guaranteed by a corporation organized under the laws
7 of the United States, any state or organized territory of the
8 United States, or the District of Columbia; however, the board
9 shall not invest more than 5 percent of its assets in the
10 common stock or capital stock of any one issuing company, nor
11 shall the aggregate investment in any one issuing company
12 exceed 5 percent of the outstanding capital stock of the
13 company, nor shall the aggregate market value of the fund's
14 investments in common stocks exceed 75 percent of the assets
15 of the fund, nor shall the aggregate market value of the
16 fund's investments in all corporate securities exceed 80
17 percent of the assets of the fund.

18 (e) Commingled bank and insurance company temporary
19 investment, stock, and bond funds without regard to the
20 quality restrictions for individual securities contained in
21 paragraph (d).

22 (f) Commingled bank and insurance company real estate
23 funds up to the maximum of 15 percent of assets at market
24 value. Direct ownership and operation of real estate
25 properties are prohibited.

26 (g) Guaranteed insurance contracts.

27 (h) Foreign securities, provided that the aggregate
28 market value of such investments does not exceed 25 percent of
29 the assets of the fund.

30 (2)(a) The pension board and the City of Pensacola are
31 hereby authorized to contract with one or more investment

1 banks of national repute to act as agents and corporate
2 trustees of all or any portion of the assets of the fund. The
3 investment bank or banks shall have full investment powers
4 with respect to said assets subject to the provisions of
5 subsection (1) which limit the types of investments which may
6 be made, and subject to such further restrictions as may be
7 imposed by the board.

8 (b) The city and the board, for the purpose of
9 contracting with an investment bank or banks to invest all or
10 any portion of the fund, shall enter into agreements between
11 themselves providing for procedures for selecting, entering
12 into contracts with, and terminating contracts with any such
13 investment bank or banks.

14 (3) In order to accomplish the purpose outlined in
15 subsection (2), the pension board may direct the plan
16 administrator of the city to act as the board's agent in
17 handling the administrative details concerning contracting
18 with the investment bank; however, the plan administrator or
19 his or her designee shall report the status of the pension
20 funds to the pension board on a quarterly basis or with
21 greater frequency as requested by the board, and the pension
22 board shall review same and give directions to the plan
23 administrator with respect to the continued contract status of
24 the investment bank.

25 Section 37. Reserved.

26 Section 38. Reserved.

27 Section 2. If any section, clause, or portion of this
28 act is for any reason held or declared to be unconstitutional,
29 invalid, inoperative, or void, such unconstitutionality or
30 invalidity shall not affect the remaining provisions of this
31 act, and it shall be construed to have been the legislative

1 intent to pass this act without such unconstitutional,
2 invalid, or inoperative portion or portions, and the remaining
3 provisions of the act shall be deemed valid as if such
4 excluded portion or portions had not been included therein.

5 Section 3. All laws or parts of laws in conflict
6 herewith are hereby repealed. Chapter 20061, Laws of Florida,
7 1939, as amended; chapter 27816, Laws of Florida, 1951, as
8 amended; chapter 29409, Laws of Florida, 1953, as amended;
9 chapter 29410, Laws of Florida, 1953, as amended; and chapter
10 61-2655, Laws of Florida, as amended, are repealed.

11 Section 4. This act shall take effect upon becoming a
12 law.