
**JACKSONVILLE POLICE AND FIRE PENSION FUND
BOARD OF TRUSTEES
SPECIAL MEETING AGENDA – APRIL 17, 2017 – 1:30PM
RICHARD “DICK” COHEE BOARD ROOM**

PRESENT

Lt. Richard Tuten III, Board Chair
Richard Patsy, Board Secretary
Lt. Chris Brown, Trustee
Willard Payne, Trustee
William Scheu, Trustee

STAFF

Timothy H. Johnson, Executive Director – Plan Administrator
Bob Sugarman, Fund Attorney – via Webex
Jeffrey Amrose, GRS, Fund Actuary – via Webex
Devin Carter, Chief Financial Officer
Steve Lundy, Pension Benefit Specialist
Denice Taylor, AAA Reporters

EXCUSED

CITY REPRESENTATIVES INVITED

Jason Gabriel, Office of General Counsel
Anna Brosche, City Council Liaison
Joey Greive, Fund Treasurer
Steve Durden, Office of General Counsel
Lawsikia Hodges, Office of General Counsel

GUESTS

I. CALL TO ORDER

II. PUBLIC SPEAKING PERIOD

III. NEW BUSINESS

Board action requested

1. Board comments to Ordinance 2017-257
2. Board comments to Ordinance 2017-259

IV. ADJOURNMENT

NOTES:

Any person requiring a special accommodation to participate in the meeting because of disability shall contact Steve Lundy, Pension Benefits Specialist at (904) 255-7373, at least five business days in advance of the meeting to make appropriate arrangements.

If any person decides to appeal any decision made with respect to any matter considered at this public meeting such person will need a record of proceedings, and for such purpose such person may need to ensure that a verbatim record of the proceedings is made at their own expense and that such record includes the testimony and evidence on which the appeal is based. The public meeting may be continued to a date, time, and place to be specified on the record at the meeting.

Additional items may be added / changed prior to meeting.

Thank you for the opportunity to review and comment on Ordinances 257 and 259.

The Board of Trustees of the Police and Fire Pension Fund is given the responsibility of commenting on any proposed ordinances concerning our Pension Fund. Section 121.104 of the City Charter and section 22.07 of the Code require that any proposed legislation concerning our Pension Fund be presented to our Board of Trustees for review and comment. Likewise, section 121.104 of the Charter requires that recommendations and comments from the State Division of Retirement accompany proposed pension ordinances before the last public hearing is held on the proposed ordinances. We look forward to receiving those from the state. We understand that the city administration has submitted the city administration's proposals and the actuarial impact statement that we approved on April 10th to the state.

We realize that the Council is not bound by our comments and recommendations but we have taken this responsibility seriously. We hope that you will recognize the hard work and good faith that we have put into meeting your legislative schedule and seeking the advice of our trustees, professional advisors and staff. We also hope that you will give great weight to our expertise in administering a pension plan that must be well-funded and actuarially sound to protect the retirement security of our police officers and firefighters in their most vulnerable years.

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The city-wide pension reform legislation affects all city workers and the city's overall finances. Our focus in these comments is limited, as it must be, to the retirement security of our current and retired firefighters and police officers. Under the fiduciary standards of the Florida Protection of Public Employee Retirement Benefits Act, our Board's sole duty is to act in the best interests of our members' retirement security. The overall costs and benefits of the pension reform package to the city, its workers, their unions, and the taxpayers are for others to evaluate. Our duty is only to our members and retirees. Our comments and recommendations only apply to how these two ordinances affect the security of their promised pension payments.

Our first comments will be on the overall pension reform proposal as it affects our Pension Fund. Then we will comment on and make recommendations for the two specific ordinances that you have referred to us.

THE OVERALL PENSION REFORM ARRANGEMENT

As Mayor Curry said, the pension reform arrangement replaces one revenue stream with another. In 2015, our Board and the City agreed in both our 2015 Pension Reform Agreement and the federal court consent decree that the city would endeavor to make additional payments of \$350 million dollars to our pension fund over the next 13 years. As shown in the attached 30 Year Projection from the Board's actuary, those additional contributions, if made, would have lowered our unfunded liability each year and brought our Pension Fund to over 100% funded in 2035, 18 years from now (page 4.)

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Under the proposed ordinances, those additional payments anticipated in the 2015 Agreement and Consent Decree will be replaced by a portion of the pension surtax, but starting in 2030. Because of

the delay in receiving those surtax revenues, our unfunded liability expressed in expected market value of our assets will increase each year until 2032, when it will begin to decrease. Our Pension Fund will not reach 100% funding until 2060, rather than in 18 years.

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As said in the iconic Fram filters commercial, “You can pay me now or you can pay me later.” Of course, our Pension Fund would prefer to be paid more now, as anticipated in the 2015 Agreement and Consent Decree, so our pension fund will be fully funded by the time that most of our current members will have retired. As the date of full funding is pushed out 25 more years by 2017 pension reform, we just want you to realize the increased uncertainty and risk of achieving a fully funded plan by then.

That being said, we also acknowledge that pension reform brings higher benefits to our Group II members. Equalizing their benefits with those of Group I brings significant benefit to them and makes it easier for us to administer the Pension Fund. Increasing their benefits brings added liability to our Pension Fund that was not anticipated when the 2015 agreement and consent decree were reached. While the current pension reform proposal may take longer to pay off those liabilities than we’d prefer, we recognize that the city has given us both a plan and a revenue stream to pay our debts to our members and retirees.

The pension reform package also closes our defined benefit plan to new hires at the close of this fiscal year. While we believe that a defined benefit plan provides the best retirement security, that was not our decision to make. We respect the collective bargaining process between the city and the unions that, without our involvement, made this decision. Our only comment is to echo the warning that we received from our actuary. Eventually, as our cohort of active members ages and get closer to retiring, we will be unable to tolerate the current level of investment risk and our investment policy will become more conservative. This is the same as an individual’s decision as she or he gets older to shift personal investments to less risky investments. With the reduced risk tolerance of a mature closed plan must come reduced investment return, and thus eventually higher city contributions. This will be a slow and gradual process that will likely not need to begin immediately, but we do want our warning to be on record. This is faced by all closed pension plans everywhere.

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We want to assure you that we are ready, willing and able to administer and operate whatever pension plan you enact. We have an experienced, devoted, educated and committed group of five volunteer trustees who oversee our experienced, devoted, educated and committed staff and professional advisors. We are no longer in the pension benefits design business. We will faithfully and to the letter administer the pension plan that you enact. We hope that you will favorably consider our following recommendations to help us do that for you and for our members.

THE PENSION SURTAX – ORDINANCE 2017-257

This ordinance implements the pension liability surtax imposed by the City’s voters. Once it is imposed, state law permits the city to reduce its annual contribution to our Pension Fund by a 30-year amortization of the present value of the surtax.

Valuation of surtax revenue.

In our actuarial impact statement approved April 10th, our Board accepted the City's determination that the surtax revenue would grow by 4.25% per year. The General Counsel told our Board that in his opinion we were obligated to accept and apply the City's determination of the surtax growth rate. To best determine the value of this surtax to our Pension Fund, we'd engaged Dr. John Pertner, a Registered Municipal Advisor Representative of GAPublic Solutions in Orlando, to project the growth of the surtax through 2060. His report, projecting a 3.34% growth rate, is attached. Because of the General Counsel's opinion, the Board chose to accept the City's projection of 4.25%.

The Board was uncomfortable with the difference between Dr. Pertner's and the City's projections. However, it took some comfort from the assurances from Finance Director Weinstein and General Counsel Gabriel that the city's projection would be reviewed annually. The proposed ordinance permits, but does not require, such an annual review of the projection. It also does not specify that the projection will be based upon any historical data (as does state law require that our pension fund project payroll growth using 10 years of data) or that the method of projection be the same each year (as does the city charter require that our Pension Board's annual actuarial valuations utilize consistency in methods). Thus we request and recommend the following change to section 776.105(b)(2) of Ordinance 2017-57:

RECOMMENDATION: 776.105(B)(2): The present value shall be calculated assuming 4.25 percent growth per annum in the proceeds of the surtax, which shall be reviewed and set by Council by October 31, 2018 and by each October 31st of each subsequent fiscal year using consistent methods and the growth in surtax revenue for the previous ten years unless the Council modifies such percentage by October 31, 2017 and by each October 31 of any subsequent fiscal year thereafter.

This proposed change does not require the Council to change the projection; only to review it.

ACTUARIAL DISCLOSURES

The actuarial impact statement approved by the Trustees on April 19th was prepared by the Pension Fund's new actuaries, Gabriel, Roeder & Smith (GRS Retirement Consulting), the largest governmental actuarial firm in the U.S. The statement contains several disclosures that are not usually found in actuarial impact statements: they comment on the reliance on the city's projection of the surtax revenue, the use a payroll growth assumption greater than zero for a closed fund, the 30 year amortization for the entire net unfunded liability, and whether current pension costs will be transferred to future taxpayers (see pp. 4 and 5.) Each of these items is required by a specific provision of state law and the opinion of the General Counsel and this is so recognized by the actuary in his impact statement.

Both the Florida Constitution and the City Charter require that the pension fund be maintained on a sound actuarial basis. Our position, based upon the advice of the General Counsel, is that it is sound actuarial practice to follow state law and the City Charter and the actuarial practices and assumptions prescribed therein.

GASB REPORTING AND CAFR VALUATIONS

We have been advised by Finance Director Weinstein and our actuary that the valuation and recognition of the surtax revenue in our annual actuarial valuations and our impact statement may differ from the manner in which they are valued and recognized by our auditors in our annual audit and by your auditors in your GASB disclosures and CAFR. We add this comment just to bring it to your attention now.

PENSION BENEFIT AND FUNDING CHANGES – ORDINANCE 2017-259

The benefit changes and increased worker contributions provided in the new collective bargaining agreements are enacted by this ordinance. The additional city funding provided in the 2015 Pension Reform Agreement and Consent Decree is repealed, to be replaced with the surtax revenue, a minimum annual city payment, and city payments needed to preserve our Pension Fund's ability to pay benefits ("liquidity") as we await the surtax revenue starting in 2030.

LIQUIDITY PAYMENT

Because the Pension Fund's anticipated assets and funding level will decrease (compared to the assets expected under the 2015 Pension Reform Agreement and Consent Decree) while its payments to retirees will increase (as our members continue to retire), the Pension Fund's liquidity could be impaired. Our liquidity can be further impaired by adverse market events reducing the value of our assets, as shown in the "stress test" projections in our actuary's 30-year Projections, attached. Our actuary has warned us that a severe market downturn could cause large additional City payments (\$100M or more) to maintain liquidity in such situations. Both Dr. Pernter and our actuary have warned us that recessions and market downturns will occur several times during the next 43 years until our pension plan is expected to be fully funded.

Section 121.113(b)(4) of the proposed ordinance provides for an additional city contribution if our liquidity falls below an unspecified ratio. Based upon the advice of our Executive Director and our actuaries as to the amount we need to pay our bills, we

RECOMMEND: that the liquidity ratio in section 121.113(b)(4) be at least 5.0, and that this liquidity ratio be more specifically defined as the net market value of assets in the Pension Fund (net of the DROP accounts and other reserve accounts) divided by the total benefit payments paid in the most recent fiscal year.

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MINIMUM PAYMENT

Section 121.113(b)(5) of the proposed ordinance provides for a minimum city payment to our pension fund each year. This minimum payment, which will be in addition to the surtax revenue and the annual actuarially determined employer contribution, will improve our funding and partially offset the loss of additional payments anticipated under the 2015 Pension Reform Agreement and Consent

Decree. Any amounts paid by the City to maintain liquidity will be credited towards this payment. Based upon the advice of our Executive Director and actuaries, we

RECOMMEND: that the minimum annual payment in section 121.113(b)(5) be \$110,000,000.

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“SUBJECT TO ANNUAL APPROPRIATION”

Both the liquidity payment and the annual minimum payment are described in the proposed ordinance as being “subject to annual appropriation.” This, in our view, makes the payments optional with each year’s Council deciding whether to make the appropriations so vital to our Pension Plan’s liquidity and funding.

Under the proposed pension reform, our liquidity and our funding ratio will decrease until the surtax revenue arrives in 2031. The liquidity and annual minimum payments are crucial to our continued operation and soundness. To assure the flow of these minimum amounts that we need, we

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RECOMMEND: that the phrase “subject to annual appropriation” be deleted from sections 121.113(b)(4) and (5).

DETERMINATION OF USE OF STATE PREMIUM TAX REBATE INCOME FOR ADDITIONAL BENEFITS

Sections 121.114(a)-(d) prescribe the use of certain funds now in internal Pension Fund accounts and those premium tax rebate funds received from the state in the future. The four subsections require that these funds be used for the “legal use” of our firefighter and police officer members, “as determined by the legally recognized bargaining unit[s].”

The intent of these subsections is to permit the firefighter and police unions to decide how these funds will be allocated among their members. The unions will decide what benefits will be bought with this money and who will receive them. The proposed ordinance does not specify any procedure, method or deadline by which the unions will make these determinations or how they will be presented to, recognized by, and administered by our Pension Fund.

Deciding upon and designing pension benefits is no longer a function of our Board of Trustees. Our job is to administer the pension benefits agreed upon by the city and the unions in collective bargaining that result in an ordinance enacted by Council. Other than informing the unions and the city of the amount of money available for these benefits and making our actuary available to cost out any proposed use of these funds, we should not be involved in the creation of any additional pension benefits. Rather, the unions should present the benefits they’ve decided upon to the City to be adopted as a pension plan amendment by City Council. Therefore, we

RECOMMEND: that the following underlined phrase be added to subsections 121.114(a),(b),(c) and (d):

“...as determined by the legally recognized bargaining unit and thereafter adopted by ordinance by the City Council.”

ASSURANCES AND EFFECT ON 2015 PENSION REFORM AGREEMENT AND CONSENT DECREE

The viability of this 2017 pension reform and of our Pension Plan depends upon our assured receipt of the surtax revenue, the annual minimum payment, and the liquidity payment when it is needed. These are the income streams that replace those anticipated by the 2015 Pension Reform Agreement and Consent Decree. Thus, we have recommended deleting the words that make the liquidity and minimum annual payments “subject to appropriation.” We also need assurance that the pension surtax will not be repealed or reduced between now and the time our pension plan becomes fully funded (now estimated to be 43 years in the future.)

Also, the proposed ordinance repeals the funding provisions contained in the 2015 Pension Reform Agreement and the Consent Decree. Our pension fund is a party to both the agreement and the consent decree. The consent decree requires annual reporting to the federal court on compliance with its terms. Whether legally required or not, both that agreement and the consent decree should be amended to reflect 2017’s pension reform as a substitute for 2015’s pension reform.

This Council may not wish or be able to bind future City Councils. However, regardless who sits on City Council, our need to receive the funding promised under 2017 pension reform continues each and every month. We will need these payments until we are fully funded so that we’ll have the money needed to pay the last surviving retiree or beneficiary her or his last pension payment. To go forward with our now-delayed goal of full funding, we need assurances that the payments promised in Ordinance 2017-257 and 259 will be made or that the funding in the 2015 Pension Reform Agreement and Consent Decree (that is replaced by these ordinances) will be provided. Thus we

RECOMMEND:

- (1) that the 2015 Pension Reform Agreement and Consent Decree be amended to include the provisions of this 2017 pension reform as a substitute for the pension funding provisions contained therein; and
- (2) that Ordinance 2017-259, the 2015 Pension Reform Agreement and the Consent Decree be amended to provide that if the liquidity payments, annual minimum payments, and pension surtax revenue are repealed, reduced, or not received by our Pension Fund, then the funding in the 2015 Pension Reform Agreement, Consent Decree, and sections 112.114(a)-(g) will be reinstated. The amounts provided under the 2015 agreement, consent decree and city code, less any payments paid under the 2017 pension reform, should be paid by the city to our pension fund, retroactively with interest at the assumed rate of investment return, within two years.

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CONCLUSION

After pension reform is considered and enacted by City Council, we will be left with the task of administering it. While appreciating the increased benefits for our members, we will be faced with a decreasing funded ratio and an increasing unfunded liability until mid-century. Our goal of 100% funding will be deferred for another 25 years. We acknowledge that it is the task of the city

administration, the unions, and this City Council (and not our task) to balance the needs for enhanced benefits, adequate pension funding and the city's other financial priorities. We only ask that the 2017 pension reform be backed with promises, not just plans and projections, so that we can administer our pension plan on a sound basis.

We face considerable challenges in administering and financing our Pension Plan with the reduced resources made available under 2017 pension reform. With our six recommendations above, we seek only assurances from this Council that the City is committed to providing us with the contributions that we need to keep things going until the surtax revenue begins to flow and our progress towards full funding resumes.

DRAFT

1 Introduced by the Council President at the Request of the Mayor:
2
3

4 **ORDINANCE 2017-257**

5 AN ORDINANCE LEVYING A 1/2-CENT DISCRETIONARY
6 SALES SURTAX AUTHORIZED BY SECTION 212.055(9),
7 FLORIDA STATUTES, ON ALL TAXABLE TRANSACTIONS
8 DESCRIBED IN CHAPTER 212, FLORIDA STATUTES,
9 OCCURRING IN DUVAL COUNTY, FLORIDA; CREATING A
10 NEW CHAPTER 776 ENTITLED PENSION LIABILITY
11 SURTAX; PROVIDING FOR COLLECTION,
12 ADMINISTRATION, REMITTANCE, DISTRIBUTION AND
13 FUTURE APPROPRIATION OF REVENUES AND USE OF
14 PROCEEDS OF THE SURTAX, PURSUANT TO THE
15 FORMULA SET FORTH HEREIN, INTO THE THREE
16 PENSION PLANS TO BE CLOSED AS OF SEPTEMBER 30,
17 2017; ESTABLISHING START DATE FOR COLLECTION
18 AND THE DURATION OF THE SURTAX; DIRECTING THE
19 GENERAL COUNSEL TO PROVIDE NOTICES TO STATE
20 GOVERNMENT; PROVIDING FOR EXERCISE OF COUNTY
21 POWERS; AMENDING SECTION 16.01 (RETIREMENT AND
22 PENSION SYSTEM AUTHORIZED), *CITY CHARTER*,
23 CLOSING ALL CONSOLIDATED GOVERNMENT PENSION
24 PLANS CONSISTENT WITH THE REQUIREMENTS OF THE
25 PENSION LIABILITY SURTAX; PROVIDING AN
26 EFFECTIVE DATE.

27
28 **WHEREAS**, each of Jacksonville's three defined benefit pension
29 funds are underfunded; and

30 **WHEREAS**, the Police and Fire Pension Fund is currently funded
31 at a rate of approximately 46%, the Corrections Officers Pension

1 Fund is currently funded at a rate of approximately 48%, and the
2 General Employee Pension Fund is currently funded at an approximate
3 66% rate; and

4 **WHEREAS**, the City may impose a pension liability surtax only
5 if the City uses the tax proceeds to fund a defined benefit
6 retirement plan or system that is below 80 percent of actuarial
7 funding at the time the ordinance or referendum is passed. The most
8 recent actuarial report submitted to the Department of Management
9 Services pursuant to Section 112.63, Florida Statutes, must be used
10 to establish the level of actuarial funding for purposes of
11 determining eligibility to impose the surtax; and

12 **WHEREAS**, the City of Jacksonville seeks a pension funding
13 solution that keeps the current sales tax at the existing 7% rate
14 and that does not require raising ad valorem taxes; and

15 **WHEREAS**, Section 212.055(9), Florida Statutes, permits local
16 governments to adopt a sales surtax to be dedicated to paying the
17 cost of pension liability (hereinafter "Pension Liability Surtax");
18 and

19 **WHEREAS**, pursuant to Ordinance 2016-300-E, the City Council
20 called a referendum of qualified voters residing in Duval County to
21 determine whether or not to adopt a Pension Liability Surtax; and

22 **WHEREAS**, the voters approved the tax with about two-thirds of
23 the voters supporting the tax; and

24 **WHEREAS**, the City will close each of its defined benefit
25 retirement plans that will receive surtax proceeds to any employee
26 who enters employment after September 30, 2017; and

27 **WHEREAS**, the City and the collective bargaining representative
28 for the members of each of the City's defined benefit retirement
29 plans, have mutually consented to requiring each member to make an
30 employee retirement contribution of at least 10 percent of each
31 member's salary for each pay period beginning with the first pay

1 period after the plan or system is closed; and

2 **WHEREAS**, the pension board of trustees for each of the City's
3 defined benefit retirement plans entitled to receive Pension
4 Liability Surtax proceeds is prohibited from participating in the
5 collective bargaining process and engaging in the determination of
6 pension benefits; and

7 **WHEREAS**, Section 212.055(9), Florida Statutes, authorizes the
8 governing body of a county to impose a 1/2-cent discretionary
9 pension liability surtax ("Pension Liability Surtax") to fund
10 underfunded defined benefit retirement plans subject to conditions
11 set for in Section 212.055(9), Florida Statutes; now, therefore

12 **BE IT ORDAINED** by the Council of the City of Jacksonville:

13 **Section 1. Creating a new Chapter 776 (Pension Liability**
14 **Surtax), Ordinance Code.** A new Chapter 776 (Pension Liability
15 Surtax), Ordinance Code, is hereby created to read as follows:

16 **Chapter 776. Pension Liability Surtax.**

17 **Sec. 776.101. Pension Liability Surtax.**

18 There is hereby levied and imposed a pension liability surtax
19 created pursuant to and as authorized by Section 212.055(9),
20 Florida Statutes.

21 **Sec. 776.102. Definitions.**

22 (a) "Police and Fire Pension Plan" means that defined benefit
23 retirement plan created by Chapter 121, Ordinance Code, and its
24 predecessor ordinances and state laws.

25 (b) "General Employees' Retirement Plan" means that defined
26 benefit retirement plan created by Part II, Chapter 120, Ordinance
27 Code and its predecessor ordinances and state laws.

28 (c) "Correction Officers' Retirement Plan" means that defined
29 benefit retirement plan created by Part III, Chapter 120, Ordinance
30 Code and its predecessor ordinances and state laws.

31 (d) "Eligible defined benefit plans" means and includes the

1 Police and Fire Pension Plan, the General Employees' Retirement
2 Plan, and the Correction Officers' Retirement Plan.

3 (e) "City's total unfunded liability" means the sum total of
4 the unfunded actuarial liabilities of the eligible defined benefit
5 plans.

6 **Sec. 776.103. Pension Liability Surtax Levy.**

7 There is hereby levied and imposed throughout Duval County,
8 with collection commencing as set forth in Section 776.106, a
9 discretionary sales surtax at the rate of 0.5 percent per dollar on
10 all transactions within Duval County subject to the State sales and
11 use tax imposed by Chapter 212, Florida Statutes, subject to the
12 limitations imposed thereon by Section 212.054, Florida Statutes.

13 **Sec. 776.104. Manner of Collection and Administration.**

14 The Pension Liability Surtax shall be collected and
15 administered as set forth in Section 212.054, Florida Statutes.

16 **Sec. 776.105. Recognition of Net Present Value of Surtax
17 and Actuarial Defined Employer Contribution.**

18 (a) At the commencement of the fiscal year beginning October
19 1, 2017, the proceeds of the pension liability surtax imposed by
20 the City pursuant to this Chapter shall be actuarially recognized
21 to impact the Actuarial Determined Employer Contribution ("ADEC")
22 for the fiscal beginning October 1, 2017 and each fiscal year
23 thereafter.

24 (b) In each fiscal year beginning with the 2017-18 fiscal year
25 the ADEC shall be determined using the following approaches:

26 (1) The proceeds of the Pension Liability Surtax shall be
27 actuarially recognized, and each fiscal year the City shall apply
28 the present value of the total projected proceeds of the surtax to
29 reduce the unfunded liability of the eligible defined benefit
30 plans. The present value shall be calculated assuming ____ percent
31 growth per annum in the proceeds of the surtax, unless the Council

1 modifies such percentage by October 31, 2017 and by each October 31
2 of any subsequent fiscal year thereafter.

3 (2) The unfunded liability amortization schedule of all
4 unfunded liabilities existing as of October 1, 2016, must be
5 adjusted beginning with the 2017-18 fiscal year and amortized over
6 a period of 30 years.

7 (3) The payroll of all employees in classifications
8 covered by a closed retirement plan or system that receives funds
9 from the pension liability surtax must be included in determining
10 the unfunded liability amortization schedule for the closed plan,
11 regardless of the plan in which the employees currently
12 participate, and the payroll growth assumption must be adjusted to
13 reflect the payroll of those employees when calculating.

14 (4) The eligible defined benefit plans shall apply the
15 present value of the total projected proceeds of the surtax, as
16 determined by the City, in accordance with the pro rata share of
17 each plans respective proportion of the City's total unfunded
18 liability as determined by the October 1, 2015 actuarial valuation
19 and each subsequent year's actuarial valuation.

20 **Sec. 776.106. Manner of Collection and Administration.**

21 (a) Collection of the Pension Liability Sales Tax shall begin
22 on January 1 immediately following expiration of The Better
23 Jacksonville 1/2-Cent Sales Surtax (implemented pursuant to Chapter
24 775, Ordinance Code), but in no event shall collection begin later
25 than January 1, 2031.

26 (b) From and after the first fiscal year in which collection
27 of the Pension Liability Surtax begins, the proceeds shall be
28 remitted to the City, in its capacity as a county, as provided by
29 law, and shall be distributed annually, pursuant to Section
30 212.055(9), Florida Statutes, this chapter, and other applicable
31 provisions of law. All of the Pension Liability Surtax revenues and

1 any interest accrued thereon received shall be appropriated
2 annually, by separate legislative action by the City Council, only
3 for distribution of the proceeds to each of the eligible defined
4 benefit plans as a pro rata share of each plans respective
5 proportion of the City's total unfunded liability as determined by
6 each previous year's actuarial valuation.

7 (c) Payments to an eligible defined benefit plan shall
8 terminate prior to the end of the 30 years if the actuarial funding
9 level for such eligible defined benefit retirement plan levied is
10 expected to reach or exceed 100 percent. The most recent actuarial
11 report submitted to the Department of Management Services pursuant
12 to Section 112.63, Florida Statutes, must be used to establish the
13 level of actuarial funding for the determination of the date that
14 the actuarial funding level for each of the eligible defined
15 benefit plans is expected to reach or exceed 100 percent.

16 (d) In the event that one or more of the eligible defined
17 benefit plans becomes ineligible for future funding pursuant to
18 subsection(c), the formula in subsection (b) shall be modified, and
19 each remaining plan shall receive a percentage of the annual
20 collection of the pension liability surtax equivalent to the
21 percentage of the total of the unfunded actuarial liability of the
22 remaining eligible defined benefit plans.

23 **Sec. 776.107. Termination of the Pension Liability Surtax.**

24 (a) The Pension Liability Surtax shall remain in effect no
25 longer than 30 years. The Pension Liability Surtax shall terminate
26 prior to the end of the 30 years if the actuarial funding level for
27 each of the eligible defined benefit plans is expected to reach or
28 exceed 100 percent. The early termination date shall be on December
29 31 of the year in which the actuarial funding level for all of the
30 eligible defined benefit plans is expected to reach or exceed 100
31 percent.

1 (b) In no event shall collection of the Pension Liability
2 Surtax continue past December 31, 2060.

3 (c) The most recent actuarial report submitted to the
4 Department of Management Services pursuant to Section 112.63,
5 Florida Statutes, must be used to establish the level of actuarial
6 funding for the determination of the date that the actuarial
7 funding level for each of the eligible defined benefit plans is
8 expected to reach or exceed 100 percent.

9 **Section 2. Amending Section 16.01 (Retirement and pension**
10 **system authorized), City Charter.** Section 16.01 (Retirement and
11 pension system authorized), *City Charter*, is hereby amended to read
12 as follows:

13 **ARTICLE 16. RETIREMENT AND PENSION BENEFITS.**

14 **Sec. 16.01. Retirement and pension system authorized.**

15 All officers and employees of the consolidated government
16 employed after the effective date of this charter shall be members
17 of the consolidated government pension and retirement system, which
18 system shall include the 1937 police and fire department pension
19 fund of the City of Jacksonville, under the provisions of chapter
20 18615, Acts of 1937, as amended, ~~or~~ and the 1937 pension fund for
21 employees of the City of Jacksonville, under the provisions of
22 chapter 18610, Acts of 1937, as amended, and such system shall be
23 the retirement and pension system for the consolidated government
24 and shall also include any other retirement plan adopted by the
25 council. Pursuant to collective bargaining as authorized in
26 Article I, Section 6, Florida Constitution, Chapter 447, Florida
27 Statutes, and Section 212.055(9), from and after October 1, 2017,
28 no new employee of the consolidated government shall become a
29 member of any of the consolidated government pension funds under
30 the provisions of chapter 18615, Acts of 1937, as amended, or
31 chapter 18610, Acts of 1937, as amended. The council shall have

1 the authority to amend said retirement and pension system to
2 provide a separate classification or classifications, including
3 provisions relating to eligibility, contributions, required
4 services, retirement age and benefits thereunder, for officers and
5 employees becoming members of said retirement and pension system
6 after the effective date of this charter. Nothing in this Section
7 shall impair or diminish the rights and privileges, including
8 rights and privileges of social security coverage, to which
9 employees of former governments may be entitled under retirement
10 and pension plans of or under former governments on the effective
11 date of this charter. Employees of the Jacksonville Police and Fire
12 Pension Board of Trustees shall be members of the 1937 pension fund
13 for employees of the City of Jacksonville, under the provisions of
14 chapter 18610, Acts of 1937.

15 **Section 3. Notice of Tax to State.** The General Counsel
16 or his authorized representative shall provide, on behalf of the
17 City Council, the notices to the Florida Department of Revenue
18 required in Section 212.054(7) (a) and (b), Florida Statutes.

19 **Section 4. Exercise of County Powers.** This ordinance is
20 enacted by the Council exercising its county powers pursuant to the
21 Florida Constitution, the statutes and laws of Florida, and the
22 Charter of the City of Jacksonville.

23 **Section 5. Effective Date.** This Ordinance shall become
24 effective upon signature by the Mayor or upon becoming effective
25 without his signature.

26 Form Approved:

27
28 /s/ Stephen M. Durden

29 Office of General Counsel

30 Legislation prepared by: Stephen M. Durden

31 GC-#1114648-v1-2017-257_Pension_Tax_(Chapter_776).doc

1 Introduced by the Council President at the request of the Mayor:
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4 **ORDINANCE 2017-259**

5 AN ORDINANCE REGARDING THE POLICE AND
6 FIREFIGHTERS PENSION PLAN; AMENDING CHAPTER
7 121 (POLICE AND FIREFIGHTERS PENSION PLAN),
8 *ORDINANCE CODE*; AMENDING SECTION 121.101
9 (CONTROL AND ADMINISTRATION OF POLICE AND FIRE
10 PENSION FUND), SECTION 121.102 (POLICE AND
11 FIRE PENSION PLANS), SECTION 121.103 (ADVISORY
12 COMMITTEE), SECTION 121.105 (PENSIONER'S
13 RIGHTS UPON REEMPLOYMENT BY CITY), SECTION
14 121.106 (REFUND OF PENSION CONTRIBUTION AFTER
15 VESTING), SECTION 121.107 (CREDIT FOR BROKEN
16 SERVICE, CONTINUOUS SERVICE, PARTIAL YEARS
17 TRANSFERABILITY, AND SERVICE AS A FLORIDA
18 STATE CERTIFIED POLICE OFFICER OR
19 FIREFIGHTER), SECTION 121.111 (TEMPORARY
20 DISABILITY PENSION), SECTION 121.112 (PERIODIC
21 PHYSICAL EXAMINATION MAY BE REQUIRED;
22 CESSATION OF PENSION; ANNUAL AFFIDAVIT
23 PROGRAM), SECTION 121.113 (CALCULATION OF
24 PENSION CONTRIBUTIONS FOR POLICE AND FIRE
25 PENSION FUND), SECTION 121.114 (UNFUNDED
26 ACTUARIAL LIABILITY; MUTUAL CONTRIBUTIONS;
27 FLORIDA INSURANCE PREMIUM TAX REBATE DOLLARS),
28 SECTION SEC. 121.115 (SUPPLEMENTAL SHARE
29 PLAN), SECTION 121.201 (RETIREMENT BENEFITS),
30 SECTION 121.201A (RETIREMENT BENEFITS FOR
31 GROUP I MEMBERS), SECTION 121.201B (RETIREMENT

1 BENEFITS FOR GROUP II MEMBERS), SECTION
2 121.202 (REFUND OF MEMBER'S CONTRIBUTIONS),
3 SECTION 121.203 (SINGLE MEMBER'S DEATH
4 BENEFIT), SECTION 121.204 (SURVIVING SPOUSE'S
5 BENEFITS), SECTION 121.205 (REINSTATEMENT OF
6 SURVIVING SPOUSE'S BENEFITS), SECTION 121.206
7 (CHILDREN'S BENEFITS), SECTION 121.208
8 (PURCHASE OF WARTIME MILITARY SERVICE;
9 MILITARY LEAVES OF ABSENCE), SECTION 121.209
10 (DEFERRED RETIREMENT OPTION PROGRAM (DROP) FOR
11 GROUP I MEMBERS), SECTION 121.210 (TRANSFER OF
12 TERMINAL LEAVE), SECTION 121.211 (BACKDROP FOR
13 GROUP II MEMBERS), SECTION 121.301 (MINIMUM
14 TIME SERVICE, DISABILITY AND SURVIVING
15 SPOUSE'S BENEFITS), SECTION 121.302
16 (RETIREMENT BENEFIT ADJUSTED), SECTION 121.304
17 (FORFEITURE, DISQUALIFICATION AND RECOVERY OF
18 PENSION BENEFITS FOR FRAUDS COMMITTED ON OR TO
19 THE POLICE AND FIRE PENSION FUND AND FOR OTHER
20 ACTS WHICH COULD RESULT IN THE LOSS OF CITY
21 PENSION BENEFITS), SECTION 121.305 (SURVIVOR'S
22 BENEFITS BARRED), SECTION 121.306 (USE OF
23 MEMBER RESERVE ACCOUNT AND ENHANCED BENEFIT
24 ACCOUNT TO REDUCE MEMBER CONTRIBUTIONS AND TO
25 FUND BENEFITS), SECTION 121.307 (FINAL PENSION
26 BENEFIT DISTRIBUTION), TO CORRECT
27 TYPOGRAPHICAL ERRORS, TO REFLECT NEGOTIATED
28 BENEFITS, AND TO CLOSE THE PLAN TO EMPLOYEES
29 HIRED ON OR AFTER OCTOBER 1, 2017; PROVIDING
30 AN EFFECTIVE DATE.
31

1 **BE IT ORDAINED** by the Council of the City of Jacksonville:

2 **Section 1. Amending Chapter 121 (Police and Firefighters**
3 **Pension Plan), Ordinance Code.** Chapter 121, *Ordinance Code*, is
4 hereby amended to read as follows:

5 **CHAPTER 121. POLICE AND FIREFIGHTERS PENSION PLAN**

6 **PART 1. - POLICE AND FIRE PENSION FUND ADMINISTRATION**

7 **Sec. 121.101. - Control and Administration of Police and Fire**
8 **Pension Fund.**

9 *******

10 (f) From and after the effective date of Ordinance 2015-304-E: (1)
11 the Board shall not engage in the determination of pension
12 benefits and shall leave the negotiation and future modification
13 of pension benefits to elected City officials and certified
14 bargaining agents; (2) Nothing in this section shall be
15 construed to impair the rights provided under Article 1, Section
16 6 of the Florida Constitution or F.S. Ch. 447; (3) All subjects
17 of collective bargaining including but not limited to pension or
18 retirement benefits shall be subject to the requirements of F.S.
19 Ch. 447; (4) ~~The City and any authorized certified bargaining~~
20 ~~agent shall have all of the rights and be subject to the~~
21 ~~provisions of F.S. Ch. 447, including but not limited to the~~
22 ~~requirement for negotiations, the term limitation set forth in~~
23 ~~F.S. § 447.309(5), and the impasse process, provided however,~~
24 ~~that the City shall not unilaterally alter the pension benefits~~
25 ~~of Group I Members, as authorized by F.S. § 447.403(4)(d), for a~~
26 ~~period of seven years from the effective date of Ordinance 2015-~~
27 ~~304-E; and (5) Nothing herein shall be construed to waive the~~
28 ~~City's or the certified bargaining agent's right to demand~~
29 ~~collective bargaining as authorized under Florida law;~~ and (5)
30 The City and any authorized certified bargaining agent shall
31 have all of the rights and be subject to the provisions of F.S.

1 Ch. 447, including but not limited to the requirement for
2 negotiations, the term limitation set forth in F.S. §
3 447.309(5), and the impasse process, provided however, that the
4 City shall not unilaterally alter Members' pension benefits, as
5 authorized by F.S. § 447.403(4)(d), for a period of three years
6 from October 1, 2017, and such period shall automatically extend
7 for two additional three-year periods, and one additional one-
8 year period, under the following circumstances: if the fiscal
9 condition of the economy for the City of Jacksonville, as
10 determined and certified in writing by the City's Director of
11 Finance and Administration, within 90 days after the termination
12 of the first three-year period, and, if applicable, within 90
13 days after the termination of the second three-year period, and,
14 if applicable, within 90 days after the termination of the third
15 three-year period, meets the all of the following requirements:

16 (i) The average annual growth rate of the City of
17 Jacksonville's total share of ad valorem revenues collected
18 for Duval County for the three most recent fiscal years is
19 no less than 2.5%, as provided in writing by the City's
20 Director of Finance and Administration. For the purposes of
21 this subsection, during a particular fiscal year, if (1)
22 there is a millage rate reduction, and (2) the 2.5%
23 threshold is not met, that particular fiscal year shall not
24 be counted as part of the three most recent fiscal years
25 average and instead on the remaining non-effected fiscal
26 years shall be used to calculate the average annual growth;
27 and

28 (ii) The time-weighted, average annual growth on investment for
29 the Police and Fire Pension Fund for the three most recent
30 fiscal years is no less than the actuarial assumed rate of
31 return, less 1%, as provided in writing by the Police and

1 Fire Pension Fund investment consultant.

2 (iii) The three most recent fiscal years shall be the three
3 fiscal years terminating prior to or during the 90-day
4 period(s) noted in the subsection (i) above; and

5 (iv) The automatic extension referenced in subsection (i) above
6 shall not take effect if the certified collective
7 bargaining agent declares an impasse on retirement
8 benefits.

9 **Sec. 121.102. - Police and Fire Pension Plans.**

10 Pursuant to Section 16.03 of the Charter, it is hereby
11 established that the pension plans of the former City, namely:

12 ***

13 (e) Definitions of Membership Classes:

14 (1) *Members:* Are employees of the City of Jacksonville, hired
15 before October 1, 2017, who have enrolled in the Police
16 and Fire Pension Plan and are contributing to the Plan
17 through payroll deduction ~~and are either classified as~~
18 ~~Group I Members or Group II Members.~~

19 ~~(2) *Group I Members:* Are employees of the City of Jacksonville~~
20 ~~who were hired by the City for full time employment prior~~
21 ~~to the effective date of Ordinance 2015-304-E and who have~~
22 ~~enrolled in the Police and Fire Pension Plan and are~~
23 ~~contributing to the Plan through payroll deduction.~~

24 ~~(3) *Group II Members:* Are employees of the City of~~
25 ~~Jacksonville who are hired by the City for full time~~
26 ~~employment on or after the effective date of Ordinance~~
27 ~~2015-304-E and who have enrolled in the Police and Fire~~
28 ~~Pension Plan and are contributing to the Plan through~~
29 ~~payroll deduction.~~

30 (A) Employees who previously met the requirements of
31 Members, who leave employment with the City of

1 Jacksonville but do not remove their contributions from
2 the Police and Fire Pension Plan, upon being rehired,
3 may re-enroll in the Police and Fire Pension Plan and
4 be considered Members as defined herein.

5 (B) Employees who previously met the requirements of
6 Members, who leave employment with the City of
7 Jacksonville and remove their contributions from the
8 Police and Fire Pension Plan, upon being rehired, shall
9 not be entitled to re-enroll in the Police and Fire
10 Pension Plan and shall not be considered Members as
11 defined herein.

12 (C) Employees hired on or after October 1, 2017, shall
13 never be eligible to be Members of the Police and Fire
14 Pension Plan. Employees hired on or after October 1,
15 2017, shall be members of the defined contribution plan
16 provided for in Section 120.501C.

17 ~~(4) *Group I Retirees:* Are former Group I Members who are~~
18 ~~retired under the terms of the Plan.~~

19 ~~(5) *Group II Retirees:* Are former Group II Members who are~~
20 ~~retired under the terms of the Plan.~~

21 ~~(6)~~ (2) *Qualified Members:* Are Group I Members who have
22 elected to participate in the deferred retirement option
23 program under Section 121.209.

24 ~~(7)~~ (3) *Beneficiary or Beneficiaries:* Are (i) with respect to
25 Group I Members, former active Group I Members who have
26 completed five or more years of credited service as active
27 Members and have either (1) vested their service for
28 deferred retirement (Inactive Beneficiary) or (2) have met
29 time and service requirements for retirement, or are
30 retired as totally and permanently disabled while an
31 active member, or anyone receiving benefits as a

1 surviving spouse or minor child of a ~~m~~Member (Active
2 Beneficiary); ~~or (ii) with respect to Group II Members,~~
3 ~~former active Group II Members who have completed ten or~~
4 ~~more years of credited service as active Members and have~~
5 ~~either (1) vested their service for retirement or (2) have~~
6 ~~met time and service requirements for retirement, or are~~
7 ~~retired as totally and permanently disabled while an~~
8 ~~active member, or anyone receiving benefits as a surviving~~
9 ~~spouse or minor child of a member (Active Beneficiary).~~ In
10 the case of the distribution of DROP benefits ~~for Group I~~
11 ~~Members,~~ the estate of the Qualified Member or former
12 Qualified Member may also be considered to be a
13 ~~b~~Beneficiary in the event that there is no surviving
14 spouse.

15 **Sec. 121.103. - Advisory Committee.**

16 There shall be an advisory committee composed of three police
17 officers and three firefighters who are ~~m~~Members or ~~e~~Qualified
18 ~~m~~Members of the fund and one person who has retired from the fund.
19 The Trustees shall establish the rules and regulations for the
20 election. Advisory Committee members shall be elected for a four-
21 year term, with the election in November of odd-numbered years,
22 with those elected to take office on the first Monday of the
23 following January. The police officers shall be elected by police
24 officers, the firefighters shall be elected by firefighters, who
25 are ~~m~~Members or ~~e~~Qualified ~~m~~Members of the fund. The retired member
26 shall be elected by a vote of the retired members as a group. The
27 Advisory Committee shall elect a chair and vice chair, who shall
28 serve for a period of one year. Any vacancy on the Advisory
29 Committee shall be filled by an election from the ranks of the
30 service represented by the vacancy, with both ~~m~~Members and
31 ~~e~~Qualified ~~m~~Members of the fund eligible to vote on such elections.

1 All applications for pension benefits shall be referred to and
2 reviewed by the Advisory Committee. Employee members of the
3 Advisory Committee are entitled to leave of absence from their
4 respective duties, without loss of vacation leave, pay, time or
5 efficiency rating, during the time which they are attending
6 meetings of the Advisory Committee, or to attend seminars,
7 conferences and training sessions conducted in Florida and
8 elsewhere. Attendance at seminars, conferences and training
9 sessions shall be approved by the Board in advance and the expense
10 paid from the Pension Fund, and written request for such leave
11 shall be submitted in a timely manner.

12 ***

13 **Sec. 121.105. - Pensioner's rights upon reemployment by City.**

14 (a) Notwithstanding any provisions to the contrary contained in Laws
15 of Fla. Ch. 18615 (1937), as amended; or Laws of Fla. Ch. 23259
16 (1945), as amended; any pensioner of the pension funds created
17 by these acts who is retired or elects to retire under the
18 provisions of his respective fund for time-service retirement or
19 vested retirement and who has been or is thereafter reemployed
20 by the City shall cease to receive his or her pension or pension
21 entitlement during such period of reemployment, except as
22 further provided by this Section. The pensioner upon
23 reemployment including appointed positions, shall be required to
24 join the applicable pension fund and make the required
25 contribution payments into the fund and shall be entitled to the
26 benefits of the fund, except for participation in the DROP Plan
27 as created in Section 121.209 for those reemployed ~~m~~Members who
28 were former DROP participants, during his or her period of
29 reemployment not inconsistent with the intent of this Section.

30 ***

31 **Sec. 121.106. - Refund of Pension contribution after vesting.**

1 Notwithstanding anything to the contrary contained in Laws of
2 Fla. Ch. 18615(1937), as amended, in the event a ~~m~~Member of the
3 Pension Fund created by this law elected or elects to vest early
4 under the provisions of this fund, the ~~m~~Member shall have the right
5 to rescind his vesting and receive a refund of 100 percent of the
6 pension contributions he has contributed to his Pension Fund,
7 without interest, upon proper application to the Board, requesting
8 the refund. Acceptance of the refund of employee contributions
9 constitutes an irrevocable waiver of all rights to benefits from
10 the Plan.

11 **Sec. 121.107. - Credit for broken service, continuous service,**
12 **partial years transferability, and service as a Florida State**
13 **Certified Police Officer or Firefighter.**

14 (a) A person who becomes a ~~m~~Member of the Police and Fire Pension
15 Fund who is not a retiree of any current or former pension plan
16 of the City of Jacksonville or Duval County, or is not a retiree
17 nor has attained vested status under the Florida Retirement
18 System or the City of Atlantic Beach, shall be entitled to
19 receive time-service credit for any previous period of full-time
20 employment either continuous or broken with the City or its
21 independent agencies, authorities or boards, or the City of
22 Atlantic Beach Fire Department, provided such service has not
23 been used for entitlement to benefits under any other pension
24 system with such entitlement resulting from the attainment of
25 vested status under such other pension system. For purposes of
26 applying these provisions, a ~~m~~Member who has previously attained
27 vested status and accordingly has previously secured a legal
28 claim to an entitlement to benefits under another pension plan
29 shall not be entitled to time service credit for such periods of
30 full time employment notwithstanding the fact that the ~~m~~Member
31 may have abandoned or rejected such vested status or legal claim

1 to the receipt of future benefits by requesting a refund of
2 contributions or otherwise. However, such general prohibitions
3 shall not preclude a former mMember of the Fund from purchasing
4 previous vested service with the Fund for which a refund of
5 contributions was previously received and for which the former
6 mMember has not otherwise used for entitlement to benefits under
7 any other pension system. To be entitled to credit, a mMember
8 shall make application for credit to the Board at any time prior
9 to retirement. Furthermore, the employee shall pay into the fund
10 a sum of money equal to the percentage of his current monthly
11 salary required to be contributed by the fund of which he is a
12 mMember multiplied by the number of months and fractional parts
13 thereof for the entire period of time for which credit is being
14 sought or on such other terms as the Board shall determine.

15 (b) Notwithstanding anything to the contrary contained in Section
16 (a) above or in Chapter 18615, Laws of Florida, Special Acts of
17 1937, as amended, a person who becomes a mMember of the Police
18 and Fire Pension Fund, from the General Employees Pension Fund
19 or the City of Atlantic Beach Fire Pension Fund, without a break
20 in service, shall be entitled to time-service credit for the
21 number of months and fractional parts thereof the mMember
22 accrued in the mMember's previous pension fund for computation
23 of pension benefits as stated in the time-service transfer
24 provisions of the enumerated pension law upon transfer of the
25 mMember's accumulated mMember and employer contributions from
26 the former fund.

27 ***

28 (d) Any active Member of the Police and Fire Pension Fund who is not
29 a retiree and who has not attained vested status under any other
30 governmental retirement system shall be entitled to purchase
31 time service credit for up to five years of full time employment

1 as a Police Officer under the provisions of F.S. Ch. 943, or as
2 a certified Firefighter under the provisions of F.S. Ch. 633.
3 Notwithstanding the preceding sentence, any active ~~m~~Member of
4 the Police and Fire Pension Fund who is not a retiree and seeks
5 to purchase time service credit as a Police Officer under the
6 provisions of F.S. Ch. 943, or as a certified Firefighter under
7 the provisions of F.S. Ch. 633, under this paragraph for service
8 with another government in Duval County, shall be entitled to
9 purchase up to five years of such time service credit provided
10 such service has not been used for entitlement for benefits
11 under any other pension system. To be entitled to pension
12 credit, a Member shall make application to the Board at any time
13 prior to retirement. Furthermore, the employee shall pay into
14 the Pension Fund a sum equal to 20 percent of his or her current
15 monthly salary multiplied by the number of months (60 months
16 maximum) for which credit is being sought, on such terms as the
17 Board shall determine.

18 ***

19 **Sec. 121.111. - Temporary disability pension.**

20 (a) Any ~~m~~Member of the Police and Fire Pension Fund created by Laws
21 of Fla. Ch. 18615(1937), as amended, Laws of Fla. Ch.
22 23259(1945), as amended; who, after making proper application
23 for disability retirement and prior to such application being
24 approved, exhausts all earned leave time and is removed from the
25 payroll, shall receive, beginning with the following pay period,
26 a temporary pension in the amount of such application, while the
27 application is pending before the Board, for a period not to
28 exceed six months.

29 ***

30 (c) In the event the application for a disability pension is denied
31 by the Board of Pension Administration and a new application for

1 a disability pension is made by the ~~m~~Member within six months of
2 the denial, the provisions of this Section as they apply to the
3 new application shall not become effective until approved by the
4 Board as required for other pension entitlements.

5 **Sec. 121.112. - Periodic physical examination may be required;**
6 **cessation of pension; Annual Affidavit Program.**

7 ***

8 (f) To safeguard the assets of the Fund, the Board is authorized to
9 establish an Affidavit Program for the purpose of annually
10 certifying the accuracy of the pension payroll. This program
11 shall require from each pensioner and ~~b~~Beneficiary, on an annual
12 basis, the execution of a notarized Affidavit of Eligibility
13 certifying that the recipient is entitled to continue receiving
14 pension benefits. In the event that the pension recipient fails
15 to provide the required affidavit of continued eligibility, the
16 recipient shall be subject to the suspension of pension benefits
17 in accordance with rules and regulations prescribed by the
18 Board. Prior to the implementation of final steps to terminate
19 the payment of pension benefits, the Administrator shall
20 schedule an administrative hearing for the purpose of allowing
21 the recipient the opportunity to show cause as to why a
22 termination of pension benefits should not be implemented.

23 **Sec. 121.113. - Calculation of pension contributions for**
24 **Police and Fire Pension Fund.**

25 The Pension Fund created by Laws of Fla. Ch. 18615(1937), as
26 amended, shall consist of moneys derived as follows:

27 (a) *Salary Deductions.* ~~(1) Group I Members.~~ A deduction of
28 ~~eight~~ten percent per annum, ~~plus an additional two percent~~
29 ~~subject to the conditions described within (i) and (ii)~~
30 ~~below,~~ from all salaries (base salary, longevity, City
31 college incentive, enhanced certification pay, emergency

1 operation and hazardous duty pay; shift differential, and
2 "upgrade" pay; and excluding all overtime, state incentive
3 pay, reimbursed expenses and allowances such as
4 cleaning/clothes allowances, and payments for unused accrued
5 time), of all ~~Group I~~ Members, to be deducted in installments
6 from each periodical paycheck of each ~~Group I~~ Member. The
7 ~~foregoing eight percent deduction shall be increased by two~~
8 ~~percent as follows:~~

9 ~~(i) For Fire Members: On October 1, 2010, fire Members~~
10 ~~received a general wage reduction of two percent. (See~~
11 ~~Agreement Between the City of Jacksonville and the~~
12 ~~International Association of Firefighters Local 122,~~
13 ~~October 1, 2009 through September 30, 2012.) In the~~
14 ~~first pay period, after the effective date of Ordinance~~
15 ~~2015-304 E, which reflects a total general wage~~
16 ~~increase of at least two percent over the general wages~~
17 ~~in effect for fire Members as of October 1, 2010 the~~
18 ~~fire Member's salary deduction will simultaneously~~
19 ~~increase to ten percent.~~

20 ~~(ii) For Police Members: On January 1, 2012, police~~
21 ~~Members received a general wage reduction of three~~
22 ~~percent. (See Agreement Between the City of~~
23 ~~Jacksonville and the Fraternal Order of the Police,~~
24 ~~October 1, 2011 through September 30, 2014.) In the~~
25 ~~first pay period, after the effective date of~~
26 ~~Ordinance 2015-304 E, which reflects a total general~~
27 ~~wage increase of at least three percent over the~~
28 ~~general wages in effect for police Members as of~~
29 ~~January 1, 2012 the police Member's salary deduction~~
30 ~~will simultaneously increase to ten percent.~~

31 ~~(2) Group II Members. A deduction of ten percent per annum~~

1 from all salaries (base salary, longevity, City college
2 incentive, enhanced certification pay, emergency operation
3 and hazardous duty pay; shift differential (provided that,
4 the shift pay included in the calculation may not exceed
5 125 percent of the shift pay earned during the five years
6 prior to the beginning of the 130th pay period immediately
7 preceding retirement, adjusted for promotion), and upgrade
8 pay; and excluding all overtime, state incentive pay,
9 reimbursed expenses and allowances such as
10 cleaning/clothes allowances, and payments for unused
11 accrued time), of all Group II Members, to be deducted in
12 installments from each periodical paycheck of each Group
13 II Member. The foregoing ten percent per annum salary
14 deduction shall also apply during the BACKDROP period
15 described in Section 121.211 for all eligible Group II
16 Members who elect the BACKDROP.

17 (b) (1) Except as otherwise provided herein, the City shall
18 contribute a sum equal to an amount not less than the minimum
19 recommended contribution in the most recent actuarial
20 valuation of the fund expressed as a percent per annum of all
21 salaries (as defined above) of all Members of the Police and
22 Fire Departments participating in this fund according to the
23 amount thereof as set up in the current budget in each year
24 hereafter, together with Actuarially Determined Employer
25 Contribution, as provided for in relevant statutes and
26 ordinances, including Chapter 776.

27 (2) The City shall also contribute such additional sums
28 as may be necessary to administer this fund, which two latter
29 amounts shall be designated by the Board and certified to the
30 Council for each fiscal year.

31 (3) and the Council shall thereupon place the amount so

1 ~~designated in the budget for the succeeding year and levy a~~
2 ~~tax therefor, if necessary; except that t~~The City may in good
3 faith challenge the City contribution designated by the
4 Board. In the event of such a challenge, the Board's actuary
5 and City's actuary shall agree on an impartial third actuary
6 who shall resolve all disputes between the actuaries and
7 whose decision shall be binding and final as between the
8 Board and the City.

9 (4) In any year, beginning with Fiscal Year 2017-18, that the
10 Plan's liquidity ratio, meaning the market value of assets
11 divided by the annual benefit payments, falls below -----, the
12 City shall, subject to annual appropriation, make a contribution
13 or payment in an amount sufficient to restore the Plan's
14 liquidity ratio to at least -----, as determined by the plan
15 actuary.

16 (5) Beginning with Fiscal Year 2017-18, regardless of the
17 amount of revenue received from the Pension Liability Surtax and
18 the applicable Actuarially Determined Employer Contribution, the
19 City shall hereinafter, subject to annual appropriation, make an
20 annual contribution from a source other than the Pension
21 Liability Surtax proceeds (provided for in Chapter 776) in a
22 minimum amount of -----, less any amount paid under subsection
23 (4) above.

24 (6) The provisions of subsections (4) and (5) shall remain in
25 effect until the Plan is 100 percent funded.

26 (c) Notwithstanding the deduction provided in subsection
27 (a)~~(1)~~ of this Section, a deduction of two percent per annum
28 shall be made from all salaries (as defined in Section
29 121.113(a)~~(1)~~) of Qualified Members ~~in Group I~~ who elect to
30 participate in the deferred retirement option program, with
31 such amount being credited to the Pension Fund's Ordinance

1 91-1017-605, Base Benefit Fund.

2 ***

3 (f) The application of the employer pick up provisions of Section
4 414(h) (2) of the Internal Revenue Code, as described above in
5 121.113(e) shall also extend to elective contributions made
6 by payroll deduction installment payments for the purpose of
7 securing service credit for prior service or additional
8 service. As used herein, "elective contributions" shall
9 include contributions initiated under conditions wherein, (i)
10 a mMember is eligible to purchase credit for prior service
11 under 121.107, or (ii) a former mMember who received a refund
12 of contributions previously made to the fund who was
13 subsequently rehired and again becomes a mMember and elects
14 to repurchase such prior broken service under 121.107, or
15 (iii) a mMember who is eligible to purchase service as a
16 police officer or firefighter within the State of Florida
17 under 121.107(d), or (iv) a mMember who is eligible to
18 purchase additional permissive service credit for wartime
19 military service under 121.208. However, direct payments made
20 by the mMember for elective contributions shall not qualify
21 under the pick-up provisions. In order to qualify for pre-tax
22 treatment under Section 414(h) (2), elective contributions
23 paid via payroll deduction installment payments must be made
24 pursuant to the completion of a binding irrevocable payroll
25 authorization executed by the mMember. Such employee
26 contributions made through payroll deduction will be picked
27 up and paid by the City with the mMember having no option of
28 receiving such picked up amounts directly instead of having
29 such amounts contributed to the fund. The payroll deduction
30 authorization will state the number of pay periods during
31 which the deduction(s) will be made, the dollar amount of the

1 deduction(s), and that the plan will not accept direct
2 payments from the ~~m~~Member while the payroll deduction is in
3 effect.

4 ***

5 **Sec. 121.114. - Chapter Funds and Accounts Unfunded Actuarial**
6 **Liability; Mutual Contributions; Florida Insurance Premium Tax**
7 **Rebate Dollars.**

8 (a)Effective October 1, 2017, 20 percent of the accumulated
9 balances existing on September 30, 2017, together with interest
10 thereon, in the Unfunded Liability Payment Account (UALPA) and
11 the Supplemental Payment Account (SPA), shall be administered
12 by the Board for the legal use of the police officer Members,
13 as determined by the legally recognized collective bargaining
14 unit.

15 (b)Effective October 1, 2017, 20 percent of the accumulated
16 balances existing on September 30, 2017, together with the
17 interest thereon, in the Unfunded Liability Payment Account
18 (UALPA) and the Supplemental Payment Account (SPA), shall be
19 administered by the Board for the legal use of the fire fighter
20 Members, as determined by the legally recognized collective
21 bargaining unit.

22 (c)Effective October 1, 2017, all Chapter 175 Florida Insurance
23 Premium Tax Rebate Dollars shall be administered by the Board
24 for the legal use of the fire fighter Members, as determined by
25 the legally recognized collective bargaining unit.

26 (d)Effective October 1, 2017, all Chapter 185 Florida Insurance
27 Premium Tax Rebate Dollars shall be administered by the Board
28 for the legal use of the police officer Members, as determined
29 by the legally recognized collective bargaining unit.

30 (e)Effective October 1, 2017, 60 percent of the accumulated
31 balances existing on September 30, 2017, in the Unfunded

1 Liability Payment Account (UALPA) and the Supplemental Payment
2 Account (SPA), and 100 percent of the accumulated balances
3 existing on September 30, 2017, in the City Budget
4 Stabilization Account (CBSA) and the Enhanced Benefits Account
5 (EBA), together with the interest thereon, shall be
6 administered by the Board for the sole purpose of being applied
7 to the City's Actuarially Determined Employer Contribution
8 (ADEC) for the year(s) selected by the City, at the discretion
9 of the City.

10 (f)The Board shall not utilize the funds identified in this
11 section for any purpose other than the specifically enumerated
12 purposes set forth in this section.

13 ~~(a)As of the effective date of Ordinance 2015-304-E, the Police and~~
14 ~~Fire Pension Fund has an unfunded actuarial accrued liability.~~
15 ~~In order to reduce such liability, subject to availability of~~
16 ~~funds and annual appropriation, the City shall make~~
17 ~~contributions to the fund in excess of any annual, statutorily~~
18 ~~required payments, and funds from the Enhanced Benefits Account~~
19 ~~and the City Budget Stabilization Account shall be applied~~
20 ~~pursuant to the formula and requirements set forth in this~~
21 ~~section.~~

22 ~~(b)As of the effective date, the Enhanced Benefits Account and the~~
23 ~~City Budget Stabilization Account have a combined balance of not~~
24 ~~less than \$79 million. Immediately upon the effective date of~~
25 ~~Ordinance 2015-304-E, the Board of Trustees shall transfer the~~
26 ~~entire balances of the Enhanced Benefits Account and the City~~
27 ~~Budget Stabilization Account, less \$5 million from the City~~
28 ~~Budget Stabilization Account, into a newly created Unfunded~~
29 ~~Actuarial Liability Payment Account. After the transfer into the~~
30 ~~Unfunded Actuarial Liability Payment Account ("UALPA"), the~~
31 ~~Enhanced Benefits Account and City Budget Stabilization Account~~

1 shall continue to operate in the same manner as prior to the
2 transfer.

3 ~~(e) Beginning with the first fiscal year commencing after the~~
4 ~~effective date of Ordinance 2015-304-E and ending with the~~
5 ~~thirteenth fiscal year after the effective date of Ordinance~~
6 ~~2015-304-E, the City shall contribute additional unfunded~~
7 ~~liability payments in the amounts outlined below. The Council~~
8 ~~may designate any source of funds, subject to annual~~
9 ~~appropriation, including the increase in ad valorem tax dollars~~
10 ~~over and above the ad valorem tax dollars within each prior~~
11 ~~fiscal year's budget. In any year that the Council makes a~~
12 ~~payment pursuant to this section, the Council shall designate~~
13 ~~this payment in the annual budget as separate and distinct from~~
14 ~~any other payment made to the fund, including but not limited~~
15 ~~to, any payment required by statute. In any year that the~~
16 ~~Council makes a payment pursuant to this section, the Board of~~
17 ~~Trustees shall transfer the amount listed below from the~~
18 ~~Unfunded Actuarial Liability Payment Account and apply it to~~
19 ~~reduce the unfunded actuarial accrued liability. In any fiscal~~
20 ~~year the City fails to make the entire payment listed below,~~
21 ~~then, in that year, the Board of Trustees shall make a pro rata~~
22 ~~transfer of funds and the remainder of that year's transfer~~
23 ~~amount shall be transferred to the Enhanced Benefits Account.~~
24 ~~The amount of the payments by the City and transfers by the~~
25 ~~Board of Trustees shall be as follows:~~

Fiscal Year	City Payment	Transfer from UALPA
1	\$5 million	\$5 million
2	\$10 million	\$10 million
3	\$15 million	\$15 million
4	\$32 million	\$8 million

5	\$32 million	\$8 million
6	\$32 million	\$8 million
7	\$32 million	\$8 million
8	\$32 million	\$8 million
9	\$32 million	\$8 million
10	\$32 million	\$8 million
11	\$32 million	\$8 million
12	\$32 million	\$8 million
13	\$32 million	\$8 million

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~~If sufficient funds are not available in the Unfunded Actuarial Liability Payment Account to make the transfers required by this subsection in any single fiscal year, the remaining balance in the Unfunded Actuarial Liability Payment Account shall be applied toward the payment as a partial payment for that fiscal year, and further unfunded liability payments shall not be required until such time as additional funds are available in the Unfunded Actuarial Liability Payment Account.~~

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~~(d) In the fourteenth fiscal year following the effective date of Ordinance 2015-304-E, the City may make an additional unfunded liability payment up to a total of \$32 million. If the City elects to make this fourteenth payment, the remaining balance, if any, in the Unfunded Actuarial Liability Payment Account shall match the City's fourteenth payment with a dollar for dollar transfer, up to \$32 million.~~

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~~(e) The Board of Trustees shall not expend or use any of the money in the Enhanced Benefits Account except pursuant to this section. Upon the effective date of Ordinance 2015-304-E and in each of the subsequent 14 fiscal years thereafter, 50 percent of~~

18

19

20

1 the Florida Insurance Premium Tax Rebate Dollars (i.e., Chapter
2 175/185 Funds) shall be deposited into the Enhanced Benefits
3 Account and 50 percent of the Florida Insurance Premium Tax
4 Rebate Dollars shall be credited to the City as a portion of
5 each fiscal year's actuarially required contribution (i.e., ARC
6 payment). In each year that the Florida Insurance Premium Tax
7 Rebate Dollars are deposited in the Enhanced Benefit Account, or
8 whenever there is a transfer into the Enhanced Benefit Account
9 pursuant to subsection (c), the Board of Trustees may use the
10 deposited amount of the Florida Insurance Premium Tax Rebate
11 Dollars to: (i) pay down the unfunded liability as a voluntary
12 contribution or (ii) fund a share plan as established in Section
13 121.115 or (iii) pay the "holiday bonus." (As used herein,
14 "holiday bonus" refers to the annual discretionary Chapter
15 175/185 Fund bonus payment identified in City Ordinance 2006-
16 508-E.)

17 (f) As an alternative to the provisions of subsection (c), the City
18 may, at any time, make an equivalent present value payment. The
19 equivalent present value payment shall be the payment required
20 for the fund to reach an 80 percent funded status, said payment
21 amount to be confirmed by the actuary for the Board of Trustees
22 and the actuary for the City. The source of funds for such
23 equivalent present value payment shall be all amounts within the
24 Unfunded Actuarial Liability Payment Account at the time the
25 payment is made, plus whatever other source of funds the City,
26 in its discretion, uses.

27 (g) The fifteenth fiscal year after the effective date of Ordinance
28 2015-304 E or after compliance with subsection (f), the Board of
29 Trustees may use 100 percent of the Florida Insurance Premium
30 Tax Rebate Dollars, and any money remaining in the Enhanced
31 Benefit Account and the Unfunded Actuarial Liability Payment

1 ~~Account, to either: (i) pay down the unfunded liability as a~~
2 ~~voluntary contribution or (ii) fund a share plan as established~~
3 ~~in Section 121.115 or (iii) pay the "holiday bonus."~~

4 **Sec. 121.115. - Supplemental Share Plan.**

5 (a) *Supplemental share plan retirement benefit.* A supplemental share
6 plan retirement benefit ("Share Plan") is hereby created. The
7 Share Plan shall consist of an individual share account for each
8 ~~active police officer or firefighter~~ ("Member, otherwise known
9 in this section as "Participant", who was employed on or after
10 June 19, 2015 but was employed before October 1, 2017.) ~~on or~~
11 ~~after the effective date of Ordinance 2015-304-E.~~ The sole
12 source of funds for the Share Plan shall be Florida Premium Tax
13 Dollars (i.e., Chapter 175/185 Funds) distributed pursuant to
14 ~~Section 121~~the requirements, limitations, and provisions of
15 Section 121.114. ~~The Board may deposit into the Share Plan only~~
16 ~~those monies identified in Section 121.114(e) and only when in~~
17 ~~conformance with the requirements of Section 121.114(e) and (e).~~
18 ~~The Share Plan shall remain dormant until such time as the Board~~
19 ~~makes its first deposit pursuant to Section 121.114(e).~~

20 (b) Participant Share Plan accounts shall be credited with premium
21 tax revenues and investment earnings or losses, and interest,
22 and distributed as set forth in this Section.

23 (c) *Annual crediting.* ~~Effective January 1 after the first year in~~
24 ~~which the Board has made its first contribution to the Share~~
25 ~~Plan pursuant to Section 121.114(e) and e~~Each January 1
26 ~~thereafter,~~ the Share Plan account of each ~~active~~ Participant on
27 the city's payroll as of the preceding September 30 shall be
28 credited as follows: Each ~~active~~ Participant who was employed on
29 the preceding September 30 shall receive one share for the plan
30 year ending on the same September 30. The total number of shares
31 thus determined shall be divided into the portion, if any, of

1 premium tax revenues received by the Share Plan during that plan
2 year to determine the amount to be credited to the Share Plan
3 account of each eligible Participant. Participants who had less
4 than one year of service on September 30 shall receive prorated
5 shares for each full month of service based on their partial
6 year of service prior to September 30. ~~In any fiscal year in
7 which the Board of Trustees elects to fund the share plan with
8 any money transferred into the Enhanced Benefits Account,
9 pursuant to Section 121.114(c), then the Board of Trustees shall
10 distribute such funds to the Participants pursuant to a formula
11 determined at the Board of Trustee's discretion.~~

12 (d) *Investment earnings and losses, or interest.* ~~Effective the first~~
13 ~~January 1 after the Board makes its first contribution to the~~
14 ~~Share Plan, and e~~Each January 1 thereafter, the Share Account of
15 each ~~active~~ Participant shall be credited or debited with
16 earnings or losses based upon the amount in the Share Account at
17 the close of the immediately preceding calendar year at a rate
18 equal to the pension plan's actual net rate of investment return
19 for the preceding plan year.

20 (e) *Distribution of share accounts.* A Participant with ten or more
21 years of credited service with the City, upon termination of
22 creditable service employment, shall be eligible to receive a
23 distribution of 100 percent of the balance in his or her Share
24 Account, together with all earnings and losses and interest
25 credited to the Share Account through the date of termination of
26 employment. No benefit shall be payable to a Participant who
27 terminates creditable service employment with fewer than ten
28 years of credited service. The Share Account balances of such
29 non-vested terminated Members shall be redistributed among all
30 eligible Participants' Share Accounts in the same manner as
31 premium tax revenues in the following calendar year. The

1 designated beneficiary of a Participant who has died shall
2 receive the accumulated total of their Share Account balance. A
3 Participant awarded a disability pension from the pension plan
4 shall receive the accumulated total of their Share Account
5 balance. Payment of Share Account benefits shall be by lump sum,
6 which shall consist of the accumulated total balance of the
7 active Participant's Share Account, or, at the Participant's
8 direction, the Share Account balance may be rolled over to
9 another qualified plan in accordance with the Internal Revenue
10 Code, with an additional payment made for any amount credited in
11 the year following termination of employment.

12 (f) The Board shall promulgate uniform rules and procedures for the
13 administration of the Share Accounts and shall file a copy of
14 those rules and procedures with the City Council Secretary.

15 ***

16 **PART 2. - PENSION BENEFITS**

17 **Sec. 121.201. - Retirement benefits.**

18 Notwithstanding any provisions to the contrary in Chapter 18615,
19 Laws of Fla. Ch. 18615 (1937), retirement benefits shall be ~~as~~
20 ~~defined and set forth in Section 121.201A and Section 121.201B.~~

21 ~~**Sec. 121.201A. - Retirement Benefits for Group I Members.**~~

22 ~~This Section 121.201A applies solely to Group I Members. Nothing~~
23 ~~herein shall be construed to apply to Group II Members. The~~
24 ~~following definitions are applicable to Group I Members:~~

25 (a) ~~Time service retirement. (1) For Members with five or more~~
26 ~~years of service as of the effective date of Ordinance 2015-~~
27 ~~304-E, those Members shall be entitled to a time service~~
28 ~~retirement benefit equal to a maximum of 80 percent of the~~
29 ~~average salary (as defined in Section 121.113(a)(1)) received~~
30 ~~by the member for the 52 pay periods immediately preceding~~
31 ~~the time of retirement, upon the completion of 30 years of~~

1 credited service. For each year prior to the thirtieth year
2 of service that a ~~m~~Member retires, the 80 percent retirement
3 benefit shall be reduced by two percent, of the average
4 salary (as defined in Section 121.113(a)(~~1~~)) received by the
5 ~~m~~Member for the 52 pay periods immediately preceding the time
6 of retirement, with the minimum normal retirement benefit
7 being 60 percent after completion of 20 years of credited
8 service.

9 ~~(2) For Members with fewer than five years of service as of~~
10 ~~the effective date of Ordinance 2015-304-E, those Members~~
11 ~~shall be entitled to a time service retirement benefit~~
12 ~~equal to a maximum of 80 percent of the average salary (as~~
13 ~~defined in Section 121.113(a)(1)) received by the member~~
14 ~~for the 104 pay periods immediately preceding the time of~~
15 ~~retirement, upon the completion of 30 years of credited~~
16 ~~service. For each year prior to the thirtieth year of~~
17 ~~service that a member retires, the 80 percent retirement~~
18 ~~benefit shall be reduced by two percent, of the average~~
19 ~~salary (as defined in Section 121.113(a)(1)) received by~~
20 ~~the member for the 104 pay periods immediately preceding~~
21 ~~the time of retirement, with the minimum normal retirement~~
22 ~~benefit being 60 percent after completion of 20 years of~~
23 ~~credited service. However, in no event shall the average~~
24 ~~salary be less than it would have been using the 52 pay~~
25 ~~periods ending on the effective date of Ordinance 2015-~~
26 ~~304-E.~~

27 (b) *Disability retirement.*

28 (1) ~~Any Group I~~ ~~m~~Member, who prior to reaching the minimum
29 normal retirement becomes permanently and totally disabled
30 from useful and efficient service as a police officer or
31 firefighter, as established by competent medical evidence,

1 shall be entitled to a disability retirement. The disability
2 retirement benefit ~~for Members with five years of service as~~
3 ~~of the effective date of Ordinance 2015-304-E~~ shall be equal
4 to 60 percent of the average salary received by the Member
5 for the 52 pay periods immediately preceding the time of
6 disability retirement. ~~The disability retirement benefit for~~
7 ~~Members with fewer than five years of service as of the~~
8 ~~effective date of Ordinance 2015-304-E shall be equal to 60~~
9 ~~percent of the average salary received by the member for the~~
10 ~~104 pay periods immediately preceding the time of disability~~
11 ~~retirement. However, in no event shall the average salary be~~
12 ~~less than it would have been using the 52 pay periods ending~~
13 ~~on the effective date of Ordinance 2015-304-E.~~ The Board
14 shall establish the effective date on which the disability
15 benefit shall commence. The Board shall, by rule, establish
16 procedures for the examination of applicants for disability
17 retirement, for the conduct of disability retirement
18 hearings, for review of said hearings by a court of competent
19 jurisdiction, and reexamination of retirees on disability
20 pension. In the event the application for a disability
21 pension is denied by the Board, then a new application for
22 the same disability cannot be filed by the ~~m~~Member within six
23 months of the denial.

24 (2) ~~For Group I~~ Any ~~Members with five or more years of service~~
25 ~~as of the effective date of Ordinance 2015-304-E,~~ who
26 ~~has~~ve been in the service of the City for a period of time
27 equal to the minimum time necessary for time service
28 retirement or more and become permanently and totally
29 disabled from useful and efficient service shall be
30 entitled to the same rate of pension benefit calculation
31 of the average salary (as defined in Section

1 121.113(a)-(1)) received by the mMember for the 52 pay
2 periods immediately preceding the time of disability
3 retirement as those Members of his pension plan who retire
4 on time service retirement. ~~For Group I Members with fewer~~
5 ~~than five years of service as of the effective date of~~
6 ~~Ordinance 2015-304-E, who have been in the service of the~~
7 ~~City for a period of time equal to the minimum time~~
8 ~~necessary for time service retirement or more and become~~
9 ~~permanently and totally disabled from useful and efficient~~
10 ~~service shall be entitled to the same rate of pension~~
11 ~~benefit calculation of the average salary (as defined in~~
12 ~~Section 121.113(a)(1)) received by the member for the 104~~
13 ~~pay periods immediately preceding the time of disability~~
14 ~~retirement as those Members of his pension plan who retire~~
15 ~~on time service retirement. However, in no event shall the~~
16 ~~average salary be less than it would have been using the~~
17 ~~52 pay periods ending on the effective date of Ordinance~~
18 ~~2015-304-E. Any mMember who elects to retire under a~~
19 ~~disability pension as provided in this Section shall be~~
20 ~~required to meet the same requirements for a disability~~
21 ~~pension as are required for any other mMember of the~~
22 ~~respective fund requesting a disability retirement. The~~
23 ~~Board shall establish the effective date on which the~~
24 ~~disability benefit shall commence.~~

25 (3) In applying the provisions of this Section, the adjustment
26 supplement described in 121.201A(d)(2) that is calculated
27 for the benefit of a mMember and a surviving spouse shall
28 be based upon the actual years of credited service,
29 subject to the minimum and maximum provisions, rendered by
30 the mMember.

31 (c) *Vested retirement benefits.*

1 (1) ~~For Group I Members with five or more years of service as~~
2 ~~of the effective date of Ordinance 2015-304-E, who~~
3 ~~terminate employment on or after the effective date of~~
4 ~~Ordinance 2015-304-E with five or more years of credited~~
5 ~~service and are not otherwise eligible to retire, are~~
6 ~~eligible to receive either a deferred retirement benefit~~
7 ~~of three percent of the average salary received by the~~
8 ~~mMember for the 52 pay periods immediately preceding the~~
9 ~~date of vesting, for each year of credited service prior~~
10 ~~to the date of vesting, to commence on the date the~~
11 ~~mMember would have been eligible to receive minimum time~~
12 ~~service benefits or be paid a refund of 100 percent of~~
13 ~~mMember contributions to the Plan without interest. For~~
14 ~~Group I Members with fewer than five years of service as~~
15 ~~of the effective date of Ordinance 2015-304-E, who~~
16 ~~terminate employment on or after the effective date of~~
17 ~~Ordinance 2015-304-E with five or more years of credited~~
18 ~~service and are not otherwise eligible to retire, are~~
19 ~~eligible to receive either a deferred retirement benefit~~
20 ~~of three percent of the average salary received by the~~
21 ~~member for the 104 pay periods immediately preceding the~~
22 ~~date of vesting, for each year of credited service prior~~
23 ~~to the date of vesting, to commence on the date the member~~
24 ~~would have been eligible to receive minimum time service~~
25 ~~benefits or be paid a refund of 100 percent of member~~
26 ~~contributions to the Plan without interest. However, in no~~
27 ~~event shall the average salary be less than it would have~~
28 ~~been using the 52 pay periods ending on the effective date~~
29 ~~of Ordinance 2015-304-E. Within 30 days of a mMember~~
30 ~~leaving the payroll prior to normal service retirement,~~
31 ~~the mMember must make the election in writing to either~~

1 vest or the refund will be issued automatically.
2 Acceptance of the refund of employee contributions
3 constitutes an irrevocable waiver of all rights to
4 benefits from the Plan.

5 ***

6 (d) *Cost of Living Adjustments.*

7 (1) A Cost of Living Adjustment (COLA) based on each prior
8 annual benefit amount actually received (exclusive of
9 onetime bonuses or adjustments) shall be provided for
10 retirees and survivors. ~~For Members with 20 or more years~~
11 ~~of credited service as of the effective date of Ordinance~~
12 ~~2015-304-E, beginning with the first bi-weekly pay period~~
13 ~~in the first January after commencement of benefit and in~~
14 ~~each subsequent first bi-weekly pay period in January, the~~
15 ~~recipient shall be granted a COLA in the amount of three~~
16 ~~percent. For Members with fewer than 20 years of credited~~
17 ~~service as of the effective date of Ordinance 2015-304-E,~~
18 ~~beginning with the first bi-weekly pay period in the first~~
19 ~~January after commencement of benefit and in each~~
20 ~~subsequent first bi-weekly pay period in January, the~~
21 ~~Member shall be granted a COLA equal to three percent~~
22 ~~applied to the portion of the accrued benefit based on~~
23 ~~credited service prior to the effective date of Ordinance~~
24 ~~2015-304-E, and equal to the Social Security COLA for the~~
25 ~~same plan year, but not to exceed six percent, applied to~~
26 ~~the portion of the accrued benefit based on credited~~
27 ~~service on and after the effective date of Ordinance 2015-~~
28 ~~304-E.~~

29 (2) In addition to the COLA, a minimum adjustment supplement
30 of \$5 per month for each year of actual credited service
31 of the Participant used to compute the pension benefit

1 shall be provided for current and future retirees and
2 their survivors, and it shall be paid beginning with the
3 first full biweekly pay period after October 1, 2003, and
4 continuously thereafter; provided however, that such
5 supplement shall be no less than \$25 nor more than \$150
6 per month. The adjustment supplement described herein
7 shall be based upon the ~~m~~Member's actual years of service
8 rather than imputed years of service, which is used for
9 purposes of calculating pension benefits under the
10 disability retirement provisions of Section 121.201A(b)
11 and the surviving spouse provision of Section
12 121.204(a)(1), and becomes operative in the event of the
13 disability or death of a ~~m~~Member, respectively. The Mayor
14 shall annually, each January, evaluate the annual cost of
15 the foregoing adjustment supplement by comparing it to the
16 City's annual cost to provide single employee group health
17 insurance. In the event that the City's cost to provide
18 such health insurance per employee is less than the amount
19 of such supplement per retiree, then the supplement shall
20 be reduced to the amount of the insurance cost.

21 (e) *Deferred Retirement Option Program (DROP)*. A ~~m~~Member eligible
22 to receive normal retirement benefits as provided in Section
23 121.201A(a), may remain in the employment of the City until
24 the elected termination date by electing to participate in
25 the DROP, as provided in Section 121.209, deferring the
26 receipt of such retirement benefits for a maximum of 130 full
27 bi-weekly pay periods (60 months) from the date of
28 participation in the Deferred Retirement Option Program.

29 (f) *Limitations on benefits*. Notwithstanding any benefit granted
30 hereunder or under any other provision relating to benefits
31 under the Police and Fire Pension Plan, benefit payments for

1 any Member shall not exceed the maximum amount permitted
2 under Section 415 of the Internal Revenue Code of 1986, as
3 amended.

4 (g) *Annual Compensation Limit.* Section 401(a)(17) of the Internal
5 Revenue Code establishes an annual compensation limit for
6 each employee under a qualified plan. The provisions of Code
7 Section 401(a)(17) are further described pursuant to Treasury
8 Regulations Section 1.401(a)(17)-1. The Police and Fire
9 Pension Plan incorporates by reference the annual
10 compensation limit described under Section 401(a)(17) and
11 Treasury Regulations Section 1.401(a)(17)-1. Accordingly, the
12 Plan acknowledges that the compensation taken into account
13 for any Member of the Plan in determining plan allocations or
14 benefit accruals for the plan is limited to the annual
15 compensation limit as described in Internal Revenue Code
16 Section 401(a)(17) and the Treasury Regulations related
17 thereto. The Plan additionally elects to avail itself of the
18 transition rule for governmental plans as described in
19 Treasury Regulation Section 1.401(a)(17)-1(d)(4)(ii) which
20 provides that "eligible participants," as such term is used
21 in the regulations, will not be affected by the revised limit
22 per the 1993 OBRA and accordingly such "eligible
23 participants" may have their contributions and benefits
24 computed by using compensation of more than \$150,000 (as
25 adjusted), so long as it does not exceed the limit in effect
26 on July 1, 1993. All other plan Participants ("non-eligible
27 participants") shall be subject to the revised limits for
28 plan years beginning after December 31, 1995.

29 (h) *Requirements that Actuarial Assumptions be specified.* Section
30 401(a)(25) of the Internal Revenue Code provides that
31 whenever the amount of any benefit is to be determined on the

1 basis of actuarial assumptions, such assumptions are
2 specified in the plan in a way which precludes employer
3 discretion. The provisions of Code Section 401(a)(25) and the
4 linkage between the proper use of actuarial assumptions and
5 the conclusion that the plan is established and maintained
6 primarily to provide systematically for the payment of
7 "definitely determinable benefits" to employees, is further
8 described pursuant to Treasury Regulations Section 1.401-
9 1(b)(1)(i). The Police and Fire Pension Plan incorporates by
10 reference the requirements that actuarial assumptions be
11 specified as described under Code Section 401(a)(25) and
12 Treasury Regulations Section 1.401-1(b)(1)(i).

13 (i) *Required distributions.* Distributions from the Plan will be
14 made in accordance with the requirements of the regulations
15 under Internal Revenue Code Section 401(a)(9) and that any
16 provisions in the Plan that are contradictory to the
17 distribution requirements shall be overridden. In accordance
18 therewith, distributions to Participants must commence by the
19 later of April 1 of the calendar year following the calendar
20 year in which the employee attains the age of 70 $\frac{1}{2}$, or April
21 1 of the calendar year following the calendar year in which
22 the employee retires. In addition to meeting the minimum
23 distribution amount, the distribution must also meet the
24 incidental benefit requirements of Internal Revenue Code
25 Section 401(a)(9)(g) and Proposed Regulations Sections
26 1.401(a)(9)-1 and 1.401(a)(9)-2 if applicable.

27 ~~**Sec. 121.201B. -- Retirement Benefits for Group II Members.**~~

28 ~~This Section 121.201B sets forth the pension benefits that are~~
29 ~~applicable solely to Group II Members, and the term "Member" as~~
30 ~~used in this Section means "Group II Member."~~

31 ~~(a) *Time service retirement.* Upon reaching 30 years of credited~~

1 service, Group II Members shall be entitled to a time service
2 retirement with a benefit equal to 2.5 percent of average
3 salary multiplied by the number of years of credited service,
4 but not exceeding a maximum of 75 percent of average salary.
5 The term "average salary" as used in the foregoing sentence
6 means the average "salaries" (as defined in Section
7 121.113(a)(2)) received by the Group II Member during the 130
8 bi-weekly pay periods immediately preceding the date of
9 retirement. Notwithstanding the foregoing, the annual
10 retirement benefit shall not exceed \$99,999.99, which amount
11 shall be adjusted January 1 of each year beginning with the
12 first January after the effective date of Ordinance 2015-304-
13 E, by the most recent cost of living adjustment applicable to
14 recipients of Social Security retirement benefits, as
15 determined by the U.S. Social Security Administration each
16 calendar year, but not exceeding 1.5 percent.

17 ~~(b) Disability retirement.~~

18 ~~(1) A Group II Member who, prior to reaching the minimum
19 normal retirement eligibility of 30 years of credited
20 service, becomes permanently and totally disabled from
21 useful and efficient service as a police officer or
22 firefighter, as established by competent medical evidence,
23 shall be entitled to a disability retirement. The
24 disability retirement benefit shall be equal to 50 percent
25 of the average "salaries" (as defined in Section
26 121.113(a)(2)) received by the Group II Member for the 130
27 pay periods immediately preceding the time of disability
28 retirement. The Board shall establish the effective date
29 on which the disability benefit shall commence. The Board
30 shall, by rule, establish procedures for the examination
31 of applicants for disability retirement, for the conduct~~

1 of disability retirement hearings, for review of said
2 hearings by a court of competent jurisdiction, and
3 reexamination of retirees on disability pension. In the
4 event the application for a disability pension is denied
5 by the Board, then a new application for the same
6 disability cannot be filed by the Group II Member within
7 six months of the denial.

8 ~~(2) A Group II Member who has been in the service of the City~~
9 ~~for a period of time at least equal to the minimum time~~
10 ~~necessary for time service retirement and who becomes~~
11 ~~permanently and totally disabled from useful and efficient~~
12 ~~service, shall be entitled to the same pension calculation~~
13 ~~as a Group II Member who retires pursuant to a time~~
14 ~~service retirement as described in Section 121.201B(a).~~
15 ~~Any Group II Member who elects to retire under a~~
16 ~~disability pension as provided in this Section shall be~~
17 ~~required to meet the same requirements for a disability~~
18 ~~pension as are required for any other Member of the Fund~~
19 ~~requesting a disability retirement.~~

20 ~~(c) Vested retirement benefits.~~

21 ~~(1) Group II Members who terminate employment with at least 10~~
22 ~~but less than 25 years of credited service are eligible to~~
23 ~~receive a deferred retirement benefit of 2.0 percent of~~
24 ~~the average "salaries" (as defined in Section~~
25 ~~121.113(a)(2)) received by the member during the 130 pay~~
26 ~~periods immediately preceding the date of separation, for~~
27 ~~each year of credited service. The benefit shall commence~~
28 ~~at age 62. In the alternative, and in lieu of any other~~
29 ~~benefit from the Fund, a vested member may elect to be~~
30 ~~paid a refund of 100 percent of member contributions to~~
31 ~~the Plan without interest. Within 30 days of a member~~

1 leaving the payroll prior to normal service retirement,
2 the vested member must elect in writing to vest or else
3 the refund will be issued automatically after the end of
4 such 30-day period. Acceptance of the refund of employee
5 contributions constitutes an irrevocable waiver of all
6 rights to benefits from the Plan.

7 ~~(2) In the event that a former Group II Member who separates~~
8 ~~from service and is entitled to vested retirement benefits~~
9 ~~dies prior to the scheduled date for the commencement of~~
10 ~~the payment of retirement benefits, the surviving spouse~~
11 ~~and/or children of such member shall not be entitled to a~~
12 ~~refund of contributions nor shall they be entitled to the~~
13 ~~payment of survivors benefits otherwise extended to~~
14 ~~Members who complete the required number of years of~~
15 ~~service to become eligible for minimum time service~~
16 ~~benefits.~~

17 ~~(3) Former Group II Members who separate from service and are~~
18 ~~entitled to receive vested retirement benefits are not~~
19 ~~eligible to qualify for potential enhancements pursuant to~~
20 ~~the minimum monthly pension provisions of Section 121.301.~~

21 ~~(4) Group II Members with at least 25 but less than 30 years~~
22 ~~of credited service shall be eligible for early~~
23 ~~retirement, provided that for each year or partial year~~
24 ~~prior to reaching 30 years of credited service, the Group~~
25 ~~II Member who retires early shall incur a 2.5 percent~~
26 ~~accrual rate penalty for any year or part thereof short of~~
27 ~~30 years. Notwithstanding this provision, the minimum~~
28 ~~pension a person taking early retirement under this~~
29 ~~section will not be less than 52.5 percent of employee's~~
30 ~~final average compensation. Early retirement benefits~~
31 ~~pursuant to this section will be calculated as follows:~~

Number of Years of Credited Service:	Retirement Benefit as a Percentage of Final Average Salary as defined in 121.113(a)(2):
25, but less than 26	52.50%
26, but less than 27	55.00%
27, but less than 28	60.00%
28, but less than 29	65.00%
29, but less than 30	70.00%

~~(d) Cost of Living Adjustments.~~

~~(1) A Cost of Living Adjustment (COLA) based on each prior annual benefit amount actually received (exclusive of one-time bonuses or adjustments) shall be provided for Group II Retirees and their eligible survivors, on the first bi-weekly pay period in each January beginning in the third January following commencement of benefit. Group II Retirees and their eligible survivors shall be granted a COLA in the amount of COLA applicable to recipients of Social Security retirement benefits, as determined by the U.S. Social Security Administration each calendar year, but not exceeding 1.5 percent.~~

~~(2) In addition to the COLA, a minimum adjustment supplement of \$5 per month for each year of actual credited service of the Participant used to compute the pension benefit shall be provided for current and future retirees and their survivors, and it shall be paid beginning with the first full biweekly pay period after October 1, 2003, and continuously thereafter; provided however, that such supplement shall be no less than \$25 nor more than \$150 per month. The adjustment supplement described herein shall be based upon the member's actual years of service~~

1 rather than imputed years of service, which is used for
2 purposes of calculating pension benefits under the
3 disability retirement provisions of Section 121.201A(b)
4 and the surviving spouse provision of Section
5 121.204(a)(1), and becomes operative in the event of the
6 disability or death of a member, respectively. The Mayor
7 shall annually, each January, evaluate the annual cost of
8 the foregoing adjustment supplement by comparing it to the
9 City's annual cost to provide single employee group health
10 insurance. In the event that the City's cost to provide
11 such health insurance per employee is less than the amount
12 of such supplement per retiree, then the supplement shall
13 be reduced to the amount of the insurance cost.

14 ~~(e) Limitations on benefits.~~ Notwithstanding any benefit granted
15 hereunder or under any other provision relating to benefits
16 under the Police and Fire Pension Plan, benefit payments for
17 any Member shall not exceed the maximum amount permitted
18 under Section 415 of the Internal Revenue Code of 1986, as
19 amended.

20 ~~(f) Annual Compensation Limit.~~ Section 401(a)(17) of the Internal
21 Revenue Code establishes an annual compensation limit for
22 each employee under a qualified plan. The provisions of Code
23 Section 401(a)(17) are further described pursuant to Treasury
24 Regulations Section 1.401(a)(17)-1. The Police and Fire
25 Pension Plan incorporates by reference the annual
26 compensation limit described under Section 401(a)(17) and
27 Treasury Regulations Section 1.401(a)(17)-1. Accordingly, the
28 Plan acknowledges that the compensation taken into account
29 for any Member of the Plan in determining plan allocations or
30 benefit accruals for the plan is limited to the annual
31 compensation limit as described in Internal Revenue Code

1 Section 401(a)(17) and the Treasury Regulations related
2 thereto. The Plan additionally elects to avail itself of the
3 transition rule for governmental plans as described in
4 Treasury Regulation Section 1.401(a)(17)-1(d)(4)(ii) which
5 provides that "eligible participants," as such term is used
6 in the regulations, will not be affected by the revised limit
7 per the 1993 OBRA and accordingly such "eligible
8 participants" may have their contributions and benefits
9 computed by using compensation of more than \$150,000 (as
10 adjusted), so long as it does not exceed the limit in effect
11 on July 1, 1993. All other plan Participants ("non-eligible
12 participants") shall be subject to the revised limits for
13 plan years beginning after December 31, 1995.

14 ~~(g) Requirements that Actuarial Assumptions be specified.~~ Section
15 401(a)(25) of the Internal Revenue Code provides that
16 whenever the amount of any benefit is to be determined on the
17 basis of actuarial assumptions, such assumptions are
18 specified in the plan in a way which precludes employer
19 discretion. The provisions of Code Section 401(a)(25) and the
20 linkage between the proper use of actuarial assumptions and
21 the conclusion that the plan is established and maintained
22 primarily to provide systematically for the payment of
23 "definitely determinable benefits" to employees, is further
24 described pursuant to Treasury Regulations Section 1.401-
25 1(b)(1)(i). The Police and Fire Pension Plan incorporates by
26 reference the requirements that actuarial assumptions be
27 specified as described under Code Section 401(a)(25) and
28 Treasury Regulations Section 1.401-1(b)(1)(i).

29 ~~(h) Required distributions.~~ Distributions from the Plan will be
30 made in accordance with the requirements of the regulations
31 under Internal Revenue Code Section 401(a)(9) and any

1 ~~provisions in the Plan that are contradictory to the~~
2 ~~distribution requirements shall be overridden. In accordance~~
3 ~~therewith, distributions to Participants must commence by the~~
4 ~~later of April 1 of the calendar year following the calendar~~
5 ~~year in which the employee attains the age of 70½, or April 1~~
6 ~~of the calendar year following the calendar year in which the~~
7 ~~employee retires. In addition to meeting the minimum~~
8 ~~distribution amount, the distribution must also meet the~~
9 ~~incidental benefit requirements of Internal Revenue Code~~
10 ~~Section 401(a)(9)(g) and Proposed Regulations Sections~~
11 ~~1.401(a)(9)-1 and 1.401(a)(9)-2.~~

12 **Sec. 121.202. - Refund of mMember's contributions.**

13 Members ~~whether or~~who have not vested, who terminate employment
14 ~~on or after the effective date of this Section, prior to~~
15 ~~retirement,~~ shall be paid a refund of 100 percent of their
16 contributions to the Plan without interest. Acceptance of the
17 refund of employee contributions constitutes an irrevocable waiver
18 of all rights to benefits from the Plan.

19 **Sec. 121.203. - Single mMember's death benefit.**

20 In the event of the death of a mMember who does not have a
21 surviving spouse or children, 100 percent of the mMember's
22 contributions to the Plan without interest shall be payable to the
23 estate of the mMember to be distributed in accordance with the law
24 of the domicile of the mMember at the time of death. Acceptance of
25 the refund of employee contribution constitutes an irrevocable
26 waiver of all rights to benefits from the Plan.

27 **Sec. 121.204. - Surviving spouse's benefits.**

28 Notwithstanding the provisions of Laws of Fla. Ch. 18615 (1937),
29 as amended; or Laws of Fla. Ch. 23259 (1945), as amended, and to
30 increase the benefits thereby provided:

31 (a) ~~Benefits under this section for Group I and Group II Members~~

1 ~~will be as follows:~~

2 ~~(1)The following shall apply only to Group I Members' spouse~~

3 ~~benefits:~~A Member of the fund hereafter who shall be

4 killed or die from effects of an injury or of any illness

5 or disease and any such Member so killed or dying shall

6 have a spouse living with such Member at time of death,

7 the Board shall direct the payment from the fund of the

8 following sum to the surviving spouse, 75 percent of the

9 pension benefit the deceased Member would be entitled to

10 receive, had the Member completed 20 years of credited

11 service and survived to receive such pension. If a

12 deceased Member served in excess of 20 years, the 75

13 percent of the pension benefit shall be based upon the

14 actual years of service. In applying the provisions of

15 this Section, the adjustment supplement described in

16 121.201A(d) (2) that is calculated for the benefit of the

17 surviving spouse of a ~~Group I~~ Member shall be based upon

18 the actual years of credited service, subject to the

19 minimum and maximum provisions, rendered by the ~~m~~Member

20 rather than the assumed completion of 20 years of credited

21 service otherwise acknowledged in this Section. The

22 pension benefit as used herein shall be comprised of the

23 base pension benefit as adjusted for the COLA, but

24 exclusive of the adjustment supplement described in

25 121.201A(d) (2) which shall be 100 percent allocable to the

26 surviving spouse.

27 ~~(2)The following shall apply only to Group II Members' spouse~~

28 ~~benefits:~~ A Member of the fund hereafter who shall be

29 ~~killed or die from effects of an injury or of any illness~~

30 ~~or disease and any such Member so killed or dying shall~~

31 ~~have a spouse living with such Member at time of death,~~

1 ~~the Board shall direct the payment from the fund of the~~
2 ~~following sum to the surviving spouse, 75 percent of the~~
3 ~~pension benefit the deceased Member would be entitled to~~
4 ~~receive, had the Member completed 30 years of credited~~
5 ~~service, as defined in 121.201B(c)(4), and survived to~~
6 ~~receive such pension. If a deceased Member served in~~
7 ~~excess of 30 years, the 75 percent of the pension benefit~~
8 ~~shall be based upon the actual years of service. The~~
9 ~~pension benefit as used herein shall be comprised of the~~
10 ~~base pension benefit as adjusted for the COLA, but~~
11 ~~exclusive of the adjustment supplement described in~~
12 ~~121.201B(d)(2) which shall be 100 percent allocable to the~~
13 ~~surviving spouse.~~

14 (b) If any such beneficiary of the fund shall hereafter be killed
15 or die and any such ~~m~~Member so killed or dying shall have a
16 spouse living with such beneficiary at time of death, the
17 Board shall direct the payment from the fund of the following
18 sum to the surviving spouse, 75 percent of the pension
19 benefit the beneficiary was receiving. The pension benefit as
20 used herein shall be comprised of the base pension benefit as
21 adjusted for the COLA's previously credited to the record of
22 the former ~~m~~Member, but exclusive of the adjustment
23 supplement described in 121.201A(d)(2) ~~for Group I Members~~
24 ~~and in 121.201B(d)(2) for Group II Members~~ which shall be 100
25 percent allocable to the surviving spouse.

26 (c) Notwithstanding any other provision of law to the contrary,
27 the surviving spouse of any pension participant ~~m~~Member
28 killed in the line of duty shall not lose survivor retirement
29 benefits if the spouse remarries. The surviving spouse of
30 such deceased ~~m~~Member whose benefit terminated because of
31 remarriage shall have the benefit reinstated as of July 1,

1 1994, at an amount that would have been payable had such
2 benefit not been terminated.

3 (d) Notwithstanding any other provision of law to the contrary,
4 the surviving spouse of any pension participant ~~m~~Member who
5 shall be killed or die from the effects of an injury, illness
6 or disease outside of the line of duty shall not lose
7 survivor retirement benefits if the spouse remarries after
8 September 30, 2000. Surviving spouses who were removed from
9 the pension rolls due to remarriage prior to October 1, 2000
10 shall continue to be ineligible for reinstatement of pension
11 benefits so long as such previously existing marriage
12 continues.

13 (e) In the event that a spouse of a deceased ~~m~~Member is entitled,
14 either now or in the future, to the receipt of retirement
15 benefits by virtue of their employment with the City, such
16 individual may simultaneously enjoy the receipt of City
17 retirement benefits from such employment in addition to the
18 receipt of City pension benefits as a surviving spouse that
19 such individual was otherwise entitled to receive following
20 the death of a ~~m~~Member.

21 (f) In the event that a spouse of a deceased ~~m~~Member is already
22 receiving City retirement benefits as a surviving spouse from
23 a previous marriage, such individual would only be entitled
24 to the larger surviving spouse benefit calculated in
25 conjunction with such multiple marriages, but not both
26 simultaneously. Stated differently, an individual may only
27 receive a single surviving spouse benefit at a time. The
28 receipt of multiple surviving spouse benefits under the Plan
29 are prohibited.

30 ***

31 **Sec. 121.205. - Reinstatement of surviving spouse's benefits.**

1 Notwithstanding any provision contained to the contrary in the
2 Chapters enumerated in Section 121.102, a surviving spouse of a
3 mMember or pensioner of any of these funds:

4 (a) Who was heretofore removed from the pension rolls due to
5 marriage prior to October 1, 2000, and

6 (b) Whose marriage subsequently is or was dissolved by death or
7 otherwise.

8 Upon application by the surviving spouse of the mMember or
9 bBeneficiary for approval by the Trustees, shall have his or
10 her name restored to the surviving spouse's pension roll,
11 and, thereafter, the reinstated surviving spouse shall be
12 entitled to be paid the appropriate surviving spouse's
13 benefit beginning no sooner than the date that the
14 application for reinstatement was filed in writing with the
15 Board. No surviving spouse shall receive more than one
16 pension benefit pursuant to this Section at one time.

17 ***

18 **Sec. 121.206. - Children's benefits.**

19 (a) Notwithstanding any provisions to the contrary contained in Laws
20 of Fla. Ch. 18615(1937), as amended, or Laws of Fla. Ch.
21 23259(1945), as amended; the amount of children's survivor
22 pension benefit paid pursuant to these funds shall be increased
23 to \$200 per month; provided, that the conditions and maximum
24 amounts established by the Pension Fund concerning children's
25 benefits shall be followed and, in the event that any
26 combination of survivor's benefits would exceed the amount
27 allowable to the mMember had he received a pension under the
28 Pension Fund, the benefits shall be calculated and prorated
29 among the entitled bBeneficiaries in such a manner as not to
30 exceed the maximum amount allowed to the mMember.

31 (b) If there is a surviving spouse, each child's benefit shall be

1 \$200 per month until (i) each child reaches age 18 years,
2 whether or not the child is a qualified student, or (ii) each
3 child reaches age 22, provided the child is a qualified student,
4 or (iii) each child becomes married, whereupon the children's
5 benefits described herein shall cease, provided that the total
6 of the surviving spouse and children's benefits do not exceed
7 the total of the deceased Member's projected benefit. In
8 addition thereto, each child of a surviving spouse of a ~~Group I~~
9 ~~Member or Group II Member~~ shall be entitled to the receipt of
10 the minimum adjustment supplement provided in Section
11 121.201A(d) (2) ~~or Section 121.201B(d) (2)~~.

12 (c) If there is no surviving spouse, each child under the age of 18
13 shall receive the greater of either: (a) \$200 per month plus,
14 for each child of a former ~~Group I Member or Group II Member~~,
15 the minimum adjustment supplement provided in Section
16 121.201A(d) (2) ~~or 121.201B(d) (2)~~, or (b) a proportionate share
17 of the surviving spouse's benefit (including the supplement
18 where applicable) until (i) each child reaches age 18 years,
19 whether or not the child is a qualified student, or (ii) each
20 child becomes married, whereupon the children's benefits
21 described herein shall cease. If there is no surviving spouse,
22 each child who is age 18 or over and who is a qualified student
23 shall be entitled to the payment of a child's benefit of \$200
24 per month until (i) each child reaches age 22, or (ii) each
25 child becomes married, whereupon the child's benefit described
26 herein shall cease. In the event of multiple children causing
27 the payment of a prorated benefit as each child no longer
28 becomes eligible for the payment of children's benefits the
29 remaining eligible children shall receive the greater of the
30 benefits provided for in this Section up to the limits provided.

31 ***

1 **Sec. 121.208. - Purchase of wartime military service; military**
2 **leaves of absence.**

3 (a) Subject to the entitlement to benefit limitations described in
4 Section 121.107(a) existing at the time of purchase, ~~m~~Members of
5 the Police and Fire Pension Fund may purchase up to 24 months of
6 wartime military service for credited service towards retirement
7 based on the following definitions: World War II, December 7,
8 1941 December 31, 1946; Korean Conflict, June 27, 1950 January
9 31, 1955; Vietnam Era, August 5, 1964 May 7, 1975; Persian Gulf
10 (Desert Shield and Desert Storm), August 2, 1990 a date to be
11 determined by Congress.

12 (b) Members of the fund must apply for purchase of wartime military
13 service and will be required to pay into the Pension Fund an
14 amount equal to 20 percent of the base pay the ~~m~~Member was
15 earning on the date of application, to be paid as directed by
16 the Board. Notwithstanding the provisions contained herein and
17 in Section 116.501, Ordinance Code, no ~~m~~Member of the Fund shall
18 be entitled to receive time service credit for military service
19 that was rendered during periods where the ~~m~~Member has already
20 earned time service credit for such period(s) while serving as
21 an active contributing ~~m~~Member of the Fund.

22 (c) Section 116.501 shall govern the pension benefits available to a
23 ~~m~~Member of the Police and Fire Pension Fund who is on a military
24 leave of absence, as described in Section 116.501(a).

25 **Sec. 121.209 - Deferred Retirement Option Program (DROP) ~~for~~**
26 **~~Group I Members.~~**

27 ~~This Section 121.209 applies only to Group I Members, and the~~
28 ~~term "Member" as used in this Section means "Group I Member." In~~
29 ~~general, and subject to the provisions of this Section, the~~
30 ~~Deferred Retirement Option Program, hereinafter referred to as the~~
31 ~~DROP, is a program under which an eligible Member of the plan, may~~

1 elect to participate, deferring receipt of normal retirement
2 benefits while continuing employment with the City without loss of
3 any other employee benefits. Upon an eligible Member's election to
4 participate in the DROP, the amount of credited service and final
5 average salary becomes frozen for purposes of determining pension
6 benefits. Additional service beyond the date of entry into the DROP
7 shall no longer accrue any additional benefits under the Pension
8 Fund. The deferred monthly retirement benefits under the DROP shall
9 accrue in the fund on behalf of the Participant, plus interest
10 compounded monthly, as provided in subsection (c)(1) of this
11 Section, for the specified period of the DROP participation, as
12 provided in subsection (b)(1) of this Section. Upon termination of
13 employment, the Participant shall receive the total DROP benefits,
14 as provided in Section 121.209(c) and begin to receive the
15 previously determined normal retirement benefits.

16 (a) *Eligibility of ~~m~~Member to participate in the DROP* . All
17 Members who are eligible to, may elect participation in the
18 DROP, provided Members comply administratively with the rules
19 and regulations established by the board for the
20 administration of the DROP.

21 (1) A ~~m~~Member who is eligible to receive normal retirement
22 benefits under Section 121.201A(a) may participate in the
23 DROP providing the ~~m~~Member elects to participate within
24 the time limits contained in Section 121.209(b)(1).

25 (2) Election to participate is made on a date following the
26 date on which the ~~m~~Member first reaches the minimum normal
27 retirement benefit after completion of 20 years of
28 credited service.

29 (3) An eligible ~~m~~Member may elect to participate in the DROP
30 by complying with the election process established by the
31 Board.

1 (b) *Participation in the DROP.*

2 (1) A eligible ~~m~~Member may elect to participate in the DROP
3 for a period not to exceed a maximum of 130 full bi-weekly
4 pay periods (60 months) following the date on which the
5 ~~m~~Member begins participation in the DROP. The following
6 time limits will apply for eligibility to elect to
7 participate in the DROP.

Years of Credited Service at Time of Election	Maximum Pay Periods of Participation	Maximum Months of Participation
20 but less than 30 years	130 biweekly	60
30 but less than 31 years	78 biweekly	36
31 but less than 32 years	52 biweekly	24

8
9 A ~~m~~Member who reaches 32 years of service after the
10 effective date of this Section and who fails to make an
11 election prior to attaining 32 years of service shall
12 forfeit all rights to participate in the DROP.
13 Notwithstanding the time limits described above, ~~m~~Members
14 who previously elected to participate in the DROP for a
15 period of 48 months shall have their period of
16 participation in the DROP extended to a period of 60
17 months.

18 (2) Upon participation in the DROP, the ~~m~~Member shall be
19 deemed a "~~e~~Qualified ~~m~~Member" as defined in Section
20 121.102(e) (~~62~~).

21 (3) The beginning date of the DROP period shall be the first
22 full biweekly day period after the first day of January,
23 April, July or October subsequent to the date of election
24 to participate, or as soon as administratively practical

1 thereafter and shall not exceed the DROP participation
2 period as provided in (b)(1), above.

3 (4) Upon electing to participate in the DROP, the ~~m~~Member
4 shall submit on forms prescribed and required by the
5 Board:

6 (i) A written election to participate in the DROP;

7 (ii) Selection of the DROP participation and retirement
8 dates, which satisfy the limitation stated in
9 subsection (b)(1) of this Section. Such retirement
10 date shall be in a binding application for retirement
11 with the employer establishing a deferred retirement
12 date. The ~~m~~Member may change the deferred retirement
13 date within the limitations of subsection (b)(1) of
14 this Section on forms required by the board;

15 (iii) A written notification advising the ~~m~~Member's
16 employer of the date on which the DROP shall begin
17 for the ~~m~~Member;

18 (iv) A properly-completed DROP application for service
19 retirement as provided in this Section; and

20 (v) Any other forms required by the board.

21 ***

22 (c) *Benefits payable under the DROP.*

23 (1) Effective with the date of DROP participation, the
24 Member's initial normal retirement benefit, including
25 creditable service and average compensation, as provided
26 in Section 121.201A(a) and the effective date of
27 retirement shall be fixed. Such normal retirement
28 benefits, together with annual cost of living adjustments
29 as provided in Section 121.201A(d), and interest, shall
30 accrue monthly in the fund for the benefit of the DROP
31 Participant. ~~For Members with 20 or more years of~~

1 ~~creditable service, as of the effective date of Ordinance~~
2 ~~2015-304-E, s~~Such interest shall produce an annual rate of
3 return of 8.40 percent. ~~For Members with less than 20~~
4 ~~years of service as of the effective date of Ordinance~~
5 ~~2015-304-E, such interest shall accrue based on the money-~~
6 ~~weighted rate of return as presented in the plan's most~~
7 ~~recent audited financial statements as required by~~
8 ~~Statement 67 of GASB; provided however, that the minimum~~
9 ~~interest shall be 2.0 percent and the maximum interest~~
10 ~~shall be 14.4 percent.~~ Interest calculations shall be
11 administered in accordance with rules prescribed by the
12 board and interest distributions shall be credited using
13 the 30-day month/360-day year method of calculation.

14 ***

15 (5) DROP participants shall not be eligible for the disability
16 retirement benefits provided in Section 121.201A(b) of
17 this Chapter.

18 (d) *Death benefits under the DROP.*

19 ***

20 (2) Upon the death of a DROP participant, contributions to the
21 DROP shall cease and the surviving spouse shall be
22 entitled to apply for and receive the accrued benefits in
23 the DROP as provided in subsection 121.209(c)(2), and
24 apply for surviving spouse benefits in accordance with the
25 provisions of Section 121.204(b). If there is no surviving
26 spouse, the accrued benefits in the DROP will be paid to
27 the estate of the ~~e~~Qualified ~~m~~Member as provided by law.

28 (3) The normal retirement benefit accrued for the benefit of
29 the DROP participant during the month of a participant's
30 death, shall be the final monthly benefit credited for
31 such DROP participant.

1 (4) The single ~~m~~Member death benefit under Section 121.203 of
2 this Chapter in the event of death during the DROP period
3 will not be paid.

4 ***

5 (e) *Cost of living adjustment.* On the first full biweekly pay
6 period after April 1, 2000 or as soon as administratively
7 practical thereafter, and for the first full biweekly pay
8 period after each succeeding April 1st, the deferred
9 retirement benefit may be increased, under the provisions of
10 Section 121.201A(d) (1), if applicable.

11 (f) *Health insurance subsidy.* DROP participants are not eligible
12 for the health insurance subsidy as provided in Section
13 121.201A(d) (2) of this Chapter until termination of
14 employment is effectuated.

15 (g) *DROP rescission for elected or appointed officials or*
16 *appointed employees.* The irrevocable nature of DROP
17 participation shall not apply in the case of a DROP
18 participant who becomes an elected or appointed official or
19 an appointed employee with such ~~m~~Member being granted the
20 option of rescinding DROP participation within one calendar
21 year of election or appointment. In such event of DROP
22 rescission, the elected or appointed official or the
23 appointed employee shall be granted pension service credit
24 for DROP participation periods, the City shall be assessed
25 the amount of City contributions that otherwise would have
26 been remitted to the fund by the City during the DROP period,
27 the ~~m~~Member will be required to make the contributions in
28 accordance with the provisions of Section 121.113, and the
29 retirement leave account frozen and removed pursuant to
30 Section 8 of Ordinance 97-1103-E shall be restored. All
31 deposits plus interest into the DROP account will revert to

1 the fund. Such appointed and elected officials or appointed
2 employees shall be permitted to re-enroll into the DROP at a
3 later date. However, ~~m~~Members who were former DROP
4 participants and who retired while in such status shall not
5 be eligible to rejoin membership into the Fund.

6 ***

7 (k) *Administration of the DROP.* The Board shall make such rules
8 as are necessary for the effective and efficient
9 administration of the DROP. Neither the Board or staff of the
10 fund shall advise ~~m~~Members of the federal tax consequences of
11 an election related to the DROP. A copy of the rules and
12 regulations governing the DROP shall be on file with the
13 Council Secretary and with the Board.

14 ***

15 **Sec. 121.210. - Transfer of terminal leave.**

16 ***

17 (c) If a ~~m~~Member on whose behalf the City makes a leave balance
18 transfer to the Plan dies prior to selection of an optional form
19 of distribution from the Plan, or after an election but prior to
20 actual distribution, the election option shall be deemed void.
21 In such an event, any person who would have received a death
22 benefit had the ~~m~~Member died in service immediately prior to the
23 date of retirement, entry into the DROP or other separation,
24 shall be eligible to receive an amount equal to the transferred
25 leave balance in a lump sum. In the case of a surviving spouse,
26 in addition to the right to elect a lump sum payment of the
27 leave balance, an election may alternatively be made to transfer
28 the leave balance, or a portion thereof, to a qualified
29 retirement plan, or the surviving spouse may elect to continue
30 to participate in any program of post-retirement health care in
31 which the ~~m~~Member would have been eligible to participate under

1 the terms of the rules adopted by the Board in accordance with
2 the programs established by the City. The surviving spouse may
3 elect one or a combination of the foregoing options up to the
4 amount of the leave balance. Failure to make any such election
5 as to the leave balance, or any portion thereof, within 60 days
6 after the death of the ~~m~~Member shall be deemed an election to
7 receive a lump sum payment as to the portion of the leave
8 balance as to which no election has been made.

9 ***

10 (e) For the purposes of this Section the term "~~m~~Member" shall
11 include participants in the Florida Retirement System who would
12 have otherwise been eligible to participate in this plan.

13 (f) For the purposes of this Section the terms *terminal leave* and
14 *transferable leave* and *accumulated leave* shall mean all accrued
15 and unused leave to which a ~~m~~Member is entitled upon termination
16 of employment.

17 (g) The accounts established by this Section shall be irrevocable
18 trusts maintained for the exclusive use of the ~~m~~Members and
19 ~~b~~Beneficiaries of the retirement plan and no portion of any
20 account shall inure to the benefit of the City or be used for
21 any purpose other than that set forth in this Section.

22 ~~Sec. 121.211. - BACKDROP for Group II Members.~~

23 ~~(a) There is hereby created a BACKDROP retirement option (the~~
24 ~~"BACKDROP") to the Retirement Plan, which shall allow any Group~~
25 ~~II Member who has 30 or more years of credited service, to elect~~
26 ~~to enter the BACKDROP plan. By electing to participate in the~~
27 ~~BACKDROP, that Member's retirement benefits are calculated as if~~
28 ~~the member had actually retired at an earlier date, provided~~
29 ~~however the BACKDROP period shall not exceed five years.~~

30 ~~(b) (1) An eligible Group II Member may elect to participate in the~~
31 ~~BACKDROP by submitting the following to the Fund:~~

1 ~~(i) One copy of a signed and submitted letter of resignation~~
2 ~~dated effective as of the date of election to~~
3 ~~participate in the BACKDROP.~~

4 ~~(ii) A properly completed BACKDROP application on forms~~
5 ~~provided by the Fund, which, once submitted, shall be~~
6 ~~irrevocable by the member.~~

7 ~~(iii) Subject to Section 121.211(d), the selection of the~~
8 ~~dates that begin and end the period of participation in~~
9 ~~the BACKDROP (the "BACKDROP Period"). The BACKDROP~~
10 ~~period shall not exceed five years.~~

11 ~~(iv) An agreement to replace the retirement benefits~~
12 ~~otherwise applicable with BACKDROP benefits and a~~
13 ~~reduced time service benefit calculated as of the~~
14 ~~beginning of the BACKDROP Period as if the BACKDROP~~
15 ~~Participant had retired as of that date, but payable~~
16 ~~starting as of actual retirement at the end of the~~
17 ~~BACKDROP Period.~~

18 ~~(v) Any other documents or information as may be reasonably~~
19 ~~required by the Fund.~~

20 ~~(2) For purposes of this Section, each eligible member who elects~~
21 ~~to participate in the BACKDROP and satisfies all of the~~
22 ~~requirements of this Section shall be referred to as a~~
23 ~~"BACKDROP Participant."~~

24 ~~(c) A BACKDROP Participant must resign and retire from the City as~~
25 ~~of the date of election to participate in the BACKDROP. No~~
26 ~~benefits shall be paid under this Section unless and until the~~
27 ~~BACKDROP Participant has resigned and retired from the City.~~

28 ~~(d) (1) Provided the BACKDROP Participant has satisfied all~~
29 ~~requirements set forth in this Section, the BACKDROP~~
30 ~~Participant shall be entitled to receive a BACKDROP amount~~
31 ~~equal to:~~

~~(i) The time service retirement benefits pursuant to Section 121.201B the BACKDROP Participant Member would have received had the BACKDROP Participant actually retired at the commencement of the BACKDROP Period, and~~

~~(ii) Interest on benefits credited pursuant to Section 121.211(a). The amount of interest to be credited shall be determined pursuant to Section 121.211(e).~~

~~(2) Upon retirement, the BACKDROP Participant thereafter shall be eligible to receive a reduced time service benefit determined as of the beginning of the BACKDROP period, as defined in Section 121.211(b) (1) (iii). Should the Member elect to use any year or partial year of service which occurred prior to reaching 30 years of credited service in their BACKDROP period, the retirement benefit otherwise calculated for those years will be reduced by two percent of average salary as defined in Section 121.113(a) (2). The reduced time service benefit will be calculated as follows:~~

Number of years of Credited Service at Commencement of BACKDROP:	Retirement Benefit as a Percentage of Average Salary as defined in Sec. 121.113(a) (2):
25 but less than 26	52.50%
26 but less than 27	57.00%
27 but less than 28	61.50%
28 but less than 29	66.00%
29 but less than 30	70.50%

~~(e) Interest shall be credited starting from the hypothetical date the payment would have been made had the BACKDROP Participant retired as of the beginning of the BACKDROP period to the end of~~

1 the BACKDROP period at an annual rate of return, compounded
2 annually, equivalent to the money-weighted rate of return as
3 presented in the plan's most recent audited financial statements
4 as required by Statement 67 of GASB during the applicable period
5 of BACKDROP, provided that such rate of return shall not be less
6 than zero nor more than ten percent.

7 ~~(f) A BACKDROP Participant shall not be entitled to receive any~~
8 ~~cost-of-living increase during the BACKDROP Period. The waiting~~
9 ~~period to receive cost-of-living increases, as set forth in~~
10 ~~Section 121.201B(d), shall commence upon retirement.~~

11 ~~(g) Provided the BACKDROP Participant has satisfied all requirements~~
12 ~~set forth in this Section, within 30 days from the date of~~
13 ~~expiration of the BACKDROP Period or as soon as practical~~
14 ~~thereafter, the Retirement Plan shall disburse the amount of the~~
15 ~~BACKDROP Participant's BACKDROP benefits to the BACKDROP~~
16 ~~Participant.~~

17 ~~(h) All disbursements made pursuant to Section 121.211(g) shall be~~
18 ~~made subject to and in accordance with all applicable provisions~~
19 ~~of the Internal Revenue Code.~~

20 PART 3. - MISCELLANEOUS BENEFITS

21 Sec. 121.301. - Minimum time service, disability and surviving 22 spouse's benefits.

23 Notwithstanding the provisions of Laws of Fla. Ch. 18615(1937),
24 as amended, and Laws of Fla. Ch. 23259(1945), as amended, and to
25 increase the benefits thereby provided, after the effective date
26 hereof, the minimum monthly pension of a ~~b~~Beneficiary, either time
27 service or disability but excluding vested retirement, will be \$400
28 per month and the minimum monthly pension of any ~~b~~Beneficiary
29 receiving survivors benefits will be \$300 per month.

30 Sec. 121.302. - Retirement benefit adjusted.

31 Retirees and participants receiving survivor's benefits which

1 commenced prior to January 1, 1990, shall have their monthly
2 payments increased effective the first distribution in January
3 1990, according to the following formula:

Years of Credit Service	Percentage Increases Times Years Retired
Less than 20	1%
20 but less than 30	2%
30 or more	3%

4
5 *Years retired*, as used in this part, means the year 1990 minus
6 the year of retirement; provided, however, persons retiring in 1989
7 will be credited with one full year's benefits. Revised payments
8 shall remain in effect according to the applicable form of payment.

9 Sec. 121.303. - Pension benefits and workers' compensation.

10 (a) A Member of the fund who becomes eligible to receive workers'
11 compensation benefits for any injury or illness occurring during
12 his employment shall be subject to one of the following
13 provisions:

14 (1) If the Member receives no partial salary or wage payments,
15 the Member shall contribute an amount equal to the
16 employee's contribution that otherwise would have been paid
17 to the Pension Fund, and the Member shall continue to
18 receive retirement credit for the period for which workers'
19 compensation payments are received.

20 (2) If the Member receives partial salary or wage payments, the
21 Member shall contribute an amount equal to the employee's
22 contribution that otherwise would have been paid to the
23 pension fund and such amounts shall be deducted from his
24 partial salary or wage payments and the Member shall
25 continue to receive full retirement credit for the period for

1 which workers' compensation payments are received.

2 (3) During the period that a mMember receives workers'
3 compensation payments or partial salary or wage payments, the
4 City shall be required to contribute an amount equal to the
5 employer's contribution that otherwise would have been paid
6 to the Pension Fund had the mMember not become eligible to
7 receive workers' compensation benefits.

8 (b) Pension benefits for any period during which workers'
9 compensation payments are received shall be based on the
10 mMember's rate of compensation on which pension contributions
11 were made. Time service benefits shall not be reduced because
12 the mMember is or was receiving workers' compensation payments.
13 Disability pension benefits shall not be reduced because the
14 mMember is or was receiving workers' compensation payments
15 unless the sum of the pension benefits and workers' compensation
16 exceed the compensation on which workers' compensation benefits
17 are computed. In such case, the disability pension benefits
18 shall be reduced to an amount which when added to the workers'
19 compensation payment will equal the compensation on which
20 workers' compensation benefits are computed.

21 **Sec. 121.304 - Forfeiture, disqualification and recovery of**
22 **pension benefits for frauds committed on or to the Police and Fire**
23 **Pension Fund and for other acts which could result in the loss of**
24 **City pension benefits.**

25 (a) Any mMember, ~~e~~qualified mMember or ~~b~~beneficiary of the Police
26 and Fire Pension Fund who:

- 27 (1) Is found guilty by verdict of a jury; or
28 (2) Is found guilty by a court trying the case without a jury, or
29 (3) Entered a plea of guilty or nolo contendere, regardless of
30 whether the mMember is adjudicated guilty; or
31 (4) Has been found administratively to be guilty by the Police

1 and Fire Pension Fund Board of Trustees after an
2 administrative hearing; of committing a fraud on or to the
3 Pension Fund, or aiding or abetting the commission of any
4 fraud on or to the Pension Fund, shall forfeit or be
5 disqualified from all benefits provided by the Pension Fund
6 and shall be required to reimburse the Pension Fund for any
7 funds or benefits wrongfully received.

8 (b) In furtherance of the purposes of subsection (a)(4) of this
9 Section, the Pension Fund's Administrator is empowered to
10 investigate any perceived fraud upon the Pension Fund, and the
11 Board is empowered to conduct such administrative hearings as
12 are appropriate to determine if fraud has been perpetrated upon
13 the Pension Fund as provided in subsection (a)(4) of this
14 Section, or if the circumstances described in subsections
15 (a)(1), (2), and (3) of this Section, apply to any ~~m~~Member or
16 ~~b~~Beneficiary.

17 (c) Any administrative hearing conducted in furtherance of the
18 purposes of subsections (a) and (b) of this Section shall be
19 conducted in accordance with generally accepted rules of
20 administrative procedure and with due regard for the due process
21 rights of the ~~m~~Member or ~~b~~Beneficiary. Any determination by the
22 Board to impose a forfeiture upon, or to disqualify the ~~m~~Member
23 or ~~b~~Beneficiary from benefits, or finding that the ~~m~~Member or
24 ~~b~~Beneficiary is indebted to the Pension Fund for any funds or
25 benefits wrongfully received, shall be supported by the greater
26 weight of the evidence and by written findings of facts and
27 conclusions of law. Any decision of the Board resulting in a
28 forfeiture of, or disqualification from benefits, or finding
29 that the ~~m~~Member or ~~b~~Beneficiary is indebted to the Pension Fund
30 for any funds or benefits wrongfully received, shall be subject
31 to review by petition for common law certiorari to the Circuit

1 Court of the Fourth Judicial Circuit. Any decision of the Board
2 finding that as a result of a fraud perpetrated upon the Pension
3 Fund, a ~~m~~Member or ~~b~~Beneficiary is indebted to the Pension Fund
4 in a specified sum may be enforced through a civil action in the
5 Circuit Court of the Fourth Judicial Circuit.

6 (d) For the purpose of this Section, the term "~~m~~Member" shall refer
7 to an active, contributing ~~m~~Member of the Police or Fire
8 Departments who is accumulating benefits; the term "~~e~~Qualified
9 ~~m~~Member" shall refer to an active employee who has elected to
10 participate in the Deferred Retirement Option Program and the
11 term "~~b~~Beneficiary" shall refer to any retired ~~m~~Member,
12 surviving spouse, minor child or other person permitted by law
13 to receive benefits under the fund.

14 (e) Violations under F.S. § 112.3173, ~~F~~Felonies involving breach of
15 public trust and other specified offenses by public officers and
16 employees; forfeiture of retirement benefits.

17 (1) *Definitions.* As used in this subsection, unless context
18 otherwise requires, the term:

19 (i) *Conviction* and *convicted* mean an adjudication of guilt by
20 a court of competent jurisdiction; and plea of guilty or
21 of nolo contendere; a jury verdict of guilty when
22 adjudication of guilt is withheld and the accused is
23 placed on probation; or a conviction by the Senate of an
24 impeachable offense.

25 (ii) *Court* means any state or federal court of competent
26 jurisdiction which is exercising its jurisdiction to
27 consider a proceeding involving the alleged commission of
28 a specified offense.

29 (iii) *Public officer or employee* means an officer or employee
30 of the City of Jacksonville who is a ~~m~~Member of the
31 Fund.

1 ***

2 **Sec. 121.305. - Survivor's benefits barred.**

3 Notwithstanding any provisions to the contrary contained in Laws
4 of Fla. Ch. 18615(1937), as amended; or Laws of Fla. Ch.
5 23259(1945), as amended; a surviving spouse who unlawfully and
6 intentionally kills or participates in procuring the death of a
7 ~~m~~Member or ~~b~~Beneficiary who was a participant in a pension fund, is
8 not entitled to any benefits from such pension fund.

9 ~~**Sec. 121.306. - Use of member reserve account and enhanced benefit**~~
10 ~~**account to reduce member contributions and to fund benefits.**~~

11 ~~The agreement attached as Exhibit A to Ordinance 91-1017-605~~
12 ~~provided for establishment of a member reserve account in the~~
13 ~~original amount of \$13,659,113 as of January 1, 1992 and authorized~~
14 ~~the subsequent accumulation of uncommitted Chapter funds into an~~
15 ~~enhanced benefit account. The member reserve account was~~
16 ~~subsequently ordered to be liquidated and retired from further~~
17 ~~service as of March 31, 2000 with the accumulated balance of the~~
18 ~~member reserve account as of the date of such liquidation and~~
19 ~~retirement ordered to be transferred into the City budget~~
20 ~~stabilization account. In addition thereto, the accumulated balance~~
21 ~~of the enhanced benefit account as of March 31, 2000 shall be~~
22 ~~liquidated and transferred into the City budget stabilization~~
23 ~~account; however, the enhanced benefits account shall continue to~~
24 ~~be operative for periods subsequent to April 1, 2000 for the future~~
25 ~~receipt of uncommitted Chapter Funds.~~

26 **Sec. 121.3076. - Final pension benefit distribution.**

27 In the event that a retiree or a participant receiving surviving
28 spouse benefits becomes deceased on a date other than the date of a
29 bi-weekly pension payroll, such pension recipient shall be deemed
30 to be entitled to the continued receipt of pension benefits through
31 the end of the pay period during which the pension recipient became

1 deceased (the "extended payment date"). In those cases where
2 surviving spouse benefits will be paid following the death of a
3 retiree, the payment of such surviving spouse benefits shall
4 commence on the date following the extended payment date.

5 ***

6 **Section 2. Effective Date.** This Ordinance shall become
7 effective upon signature by the Mayor or upon becoming effective
8 without the Mayor's signature.

9
10 Form Approved:

11
12 /s/ Stephen M. Durden

13 Office of General Counsel

14 Legislation Prepared By: Stephen M. Durden

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