

House Bill No. 1555

An act relating to the Firemen's Relief and Pension Fund of the City of Pensacola, Escambia County, Florida; amending chapter 21483, Laws of Florida, 1941, as amended; amending provisions describing sources of revenue; revising provisions relating to retirement benefits; providing for optional participation in a deferred retirement option program; coordinating retirement benefits with workers' compensation benefits; amending chapter 74-576, Laws of Florida, as amended, relating to cost-of-living benefits; providing for repeal of conflicting laws; providing an effective date.

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

Section 1. Section 4 of chapter 21483, Laws of Florida, 1941, as amended by chapter 77-632, Laws of Florida, is amended to read:

Section 4. There is hereby continued in the City of Pensacola the fund heretofore established and cited as the "Firemen's Relief and Pension Fund," to be maintained in the following manner ~~The Firemen's Relief and Pension Fund shall be created and maintained in the following manner:~~

(a) All sums of money in the existing fund as of July 1, 1999, designated "Firemen's Relief and Pension Fund" of said city, shall be and remain therein. By a sum of not less than the total annual contribution from the salaries of firemen provided by subsection (c) hereof, annually from the general fund, or any other fund of the City of Pensacola, and the City of Pensacola, through its proper officers and agents is hereby directed to budget and pay annually into the Firemen's Relief and Pension Fund an amount not less than the aforesaid sum.

(b) By the net proceeds of the 1.85-percent two (2%) excise or license tax levied and collected under the authority of chapter 19112, Laws of Florida, 1939, as amended, which may be imposed by the City of Pensacola upon certain insurance companies or other insurers against loss by fire and tornado on their gross receipts of premiums from holders of policies, which policies cover property within the corporate limits of such municipality, or any additional amount that may hereafter be levied and collected. This revenue shall be used first to fund the cost-of-living adjustment provision, then the benefit for 75 percent of compensation with 25 years of service on normal pension benefits, and then any remaining amount shall be used for the remaining benefits of the plan. If the receipt of this money is not sufficient to pay all benefits of the plan, nevertheless, all benefits of the plan shall be paid.

(c) The City of Pensacola, through its proper officers, shall deduct 11 percent from the compensation of all members of the Firemen's Relief and Pension Fund who are not in the deferred retirement option program, and shall pay the same to the pension board herein created. Such payments shall be deposited in a special account by the City of Pensacola to be designated

~~“Firemen’s Relief and Pension Fund” and no employee shall have any right to said money so paid into said fund except as otherwise provided in the act. The contributions may be “pickup” contributions, in accordance with the Internal Revenue Code. By eleven percent (11%) of the salary of each fireman duly appointed and enrolled as members of such fire department, which shall be deducted by the municipality, and paid over to board of trustees of the Firemen’s Relief and Pension Fund and no fireman shall have any right to said money so paid into said fund except as provided in this act.~~

~~(d) By an amount equal to two percent (2%) of the salary of each fireman duly appointed and enrolled as members of such fire department which shall be appropriated annually from the general fund, or any other fund of the City of Pensacola, and the City of Pensacola, through its proper officers and agents, is hereby directed to budget and pay annually into the Firemen’s Relief and Pension Fund an amount not less than the aforesaid sum in addition to the contributions hereinabove provided for.~~

~~(d)(e) By all fines and forfeitures imposed and collected from any fireman because of the violation of any rule and regulation promulgated by the Pension Board.~~

~~(f) By all sums derived by direct millage assessments levied and collected for the augmentation of such Firemen’s Relief and Pension Fund, the levy of said taxes being hereby authorized in addition to any taxes now authorized, anything in special or general law to the contrary notwithstanding.~~

~~(e)(g) By all gifts, bequests, bequest and devises when donated for the fund.~~

~~(f)(h) By all accretions to the fund by way of interest or dividends on bank deposits or otherwise.~~

~~(i) By all other sources of income now or hereafter authorized by law for the augmentation of such Firemen’s Relief and Pension Fund.~~

~~(j) The proceeds of the tax provided for by chapter 24804, Laws of Florida, 1947.~~

~~(g)(k) By mandatory payment by the City of Pensacola of a sum equal to the actuarially required funding amount shown by the Fire Pension Board’s actuary’s annual actuarial valuation. Balances in the prepayment reserve account provided for in the annual actuary report shall be drawn down before the city is required to make any contributions normal cost and the amount required to fund over a period of forty (40) years or on a forty-(40) year basis, any actuarial deficiency shown by a quinquennial actuarial valuation. The first such actuarial valuation shall be conducted for the calendar year ending December 31, 1963.~~

~~(l) By the payment monthly into the said fund of twenty-five (25%) of the accruals from the sum of two dollars and fifty cents (\$2.50) now collected or such other or different sum as may hereafter be collected on each bond forfeiture and/or fine imposed and collected in the municipal court of said city, on convictions where warrants are issued, but not for parking violations.~~

(m) ~~At the end of the fiscal year, the City of Pensacola shall reimburse the Firemen's Relief and Pension Fund for the total amount of pensions or other benefits paid to employees, their widows or children, whose disability or death was incurred in the line of duty.~~

Section 2. Section 5 of chapter 21483, Laws of Florida, 1941, as amended by chapters 77-630, 86-453, and 87-527, Laws of Florida, is amended to read:

Section 5. The pension of all persons entitled thereto, as hereinafter specified, shall be computed upon the basis of their compensation, and their years of service in accordance with the following tables:

(a) Such compensation shall be calculated by the selection from the last ~~5~~ five (5) years of service immediately preceding retirement of the best ~~2~~ two (2) of said years, thereby to arrive at the average monthly earnings of such fireman. Based upon such average monthly rate, a pension shall be paid according to the following table, ~~to wit:~~

- 75 % upon the first \$200.00 of compensation
- 70 % upon the next \$100.00 of compensation
- 65 % upon any additional amount.

If an employee retires on a normal pension benefit after July 1, 1999, with 25 years of service or more, the employee shall receive a benefit equal to 75 percent of his or her final average monthly compensation.

(b) The pension of those firemen retired hereunder for cause other than disability incurred in line of duty, whose period of service shall be less than ~~25~~ twenty-five (25) years, shall be computed under the table set out in subsection (a), and after said amount shall have been so determined, the sum payable shall be reduced to the percentage set opposite the number of years of service shown in the following schedule, ~~to wit:~~

- For 1 year of service or less 30%
- For 2 years of service 36%
- For 3 years of service 42%
- For 4 years of service 48%
- For 5 years of service 54%
- For 6 years of service 60%
- For 7 years of service 64%
- For 8 years of service 66%
- For 9 years of service 68%
- For 10 years of service 70%

For 11 years of service	72%
For 12 years of service	74%
For 13 years of service	76%
For 14 years of service	78%
For 15 years of service	80%
For 16 years of service	82%
For 17 years of service	84%
For 18 years of service	86%
For 19 years of service	88%
For 20 years of service	90%
For 21 years of service	92%
For 22 years of service	94%
For 23 years of service	96%
For 24 years of service	98%
For 25 years of service	100%

(c) The pension of those firemen retired hereunder because of a disability or injuries received in line of duty, whose period of service shall be less than 25 ~~twenty-five (25)~~ years, shall be computed under the table set out in subsection (a), and after said amount shall have been so determined, the sum payable shall be reduced to the percentage set opposite the number of years of service shown in the following schedule, ~~to wit:~~

For 1 year of service or less	60%
For 2 years of service	64%
For 3 years of service	68%
For 4 years of service	72%
For 5 years of service	76%
For 6 years of service	80%
For 7 years of service	82%
For 8 years of service	83%
For 9 years of service	84%
For 10 years of service	85%

For 11 years of service	86%
For 12 years of service	87%
For 13 years of service	88%
For 14 years of service	89%
For 15 years of service	90%
For 16 years of service	91%
For 17 years of service	92%
For 18 years of service	93%
For 19 years of service	94%
For 20 years of service	95%
For 21 years of service	96%
For 22 years of service	97%
For 23 years of service	98%
For 24 years of service	99%
For 25 years of service	100%

(d) Those firemen whose period of service before attaining the age of 60 ~~sixty (60)~~ years shall exceed 25 ~~twenty-five (25)~~ years and who retire with a pension calculated under subsection (a), shall receive an increase of 1 ~~one~~ percent ~~(1%)~~ in the amount of pension for each additional year or major fraction thereof; and in computing any period of service, a major fraction of a year shall be counted as a whole year.

(e) Any duly appointed and enrolled firefighter who upon the taking effect of this act, or hereafter, shall have attained the age of 52 years and who retires with a pension calculated under subsection (a) and 25 years of service, shall be, upon ~~his~~ application to the board of trustees, retired on a pension as in this section is provided; and any such person who shall have served as a duly appointed and enrolled firefighter for a period of 25 years, but who has not attained the age of 52 years, upon ~~his~~ application to the board of trustees shall be retired on a pension as in this section provided except that the amount of such pension shall be reduced in the ratio that the applicant's age bears to 52 years. ~~But~~ Any time spent in military or naval service, voluntary or compulsory, or other forms of national service in time of war, or within 1 year thereafter, by any person theretofore employed by said city, shall be deemed equivalent to a like period of actual service in the employment of the city for the purpose of securing the benefits of this act; and, provided further, that any employee who shall be laid off because of illness, reduction of force, or other cause not of the employee's his own doing and who shall elect not to withdraw his or her contribution to the said

retirement fund, or to return the same if withdrawn, shall be entitled to have the period of such service prior to said layoff added to any his subsequent service for the purpose of computing his or her period ~~pension~~ of service.

(f) Any person regularly employed by the City of Pensacola as a duly appointed and enrolled firefighter, who shall while so employed and in line of duty become totally and permanently disabled to perform his duties as a firefighter or who shall become so disabled not in the line of duty, through no intentional and self-inflicted injury, shall upon his application, and the approval thereof by the board of trustees be entitled to and shall receive a pension, to be determined in accordance with the schedules above set out having regard to his or her rate of pay and period of service irrespective of his or her age.

(g) Any employee retired under the provisions of this section, or any widow or widower entitled to a pension under this chapter, shall be entitled to receive not less than \$500 ~~five hundred dollars~~ (\$500) per month, irrespective of ~~the~~ his term of service, and of the results of the tables above set out. This provision ~~act~~ is applicable ~~related~~ to all persons who are receiving benefits from the Firemen's Relief and Pension Fund prior to January 1, 1986. They shall receive this benefit as of July 14, 1986 ~~the date of passage~~.

Section 3. Section 1 of chapter 74-576, Laws of Florida, as amended by chapter 85-486, Laws of Florida, is amended, section 2 is repealed, present section 3 is renumbered as section 2 and amended, and a new section 3 is added to said chapter, to read:

Section 1. A cost-of-living increase in benefits paid pursuant to this act shall be given effective July 1, 1999, and shall be paid annually thereafter. Each annual increase shall have an effective date of July 1. All such increases shall be equal to but no greater than the annual increase in the Consumer Price Index (U) issued by the United States Department of Labor, provided that such increase shall in no event be greater than 3 percent per year. The annual CPI (U) period to be used for calculation of any increase shall end in March of the year of the July 1 increase. The increase in the CPI (U) shall be the change in the values from April 1 to March 31. In the event the United States Department of Labor ceases to issue a CPI (U), the board shall utilize a current CPI index that is the functional equivalent. Whenever there is an increase of six percent (6%) in the Consumer Price Index as reported by the Bureau of Labor Statistics, the Pension Board may grant a five percent (5%) increase in pension benefits payable from the Firemen's Relief and Pension Fund of the City of Pensacola, provided that said increase shall not exceed five percent (5%) in any one calendar year. Any Consumer Price Index increase above six percent (6%) in any one year shall be applied to the next succeeding years for the purpose of computing cost-of-living increases. The Consumer Price Index as measured from the 1967 base of 100 shall be the base figure, and the implementation of benefits, as provided herein, shall be calculated from this base.

Section 2. ~~This act shall operate retroactively to January 1, 1974. All those persons who receive pension benefits shall be granted a five percent~~

(5%) increase in their pension and shall be entitled to another five percent (5%) increase January 1, 1975 or whenever the consumer price index reflects an increase of six percent (6%).

Section 2.3. After June 22, 1974, the effective date of this act no person shall transfer creditable service from another retirement system into the Firemen's Relief and Pension Fund.

Section 3. The City of Pensacola, by ordinance, may permit but not require members of the Firemen's Relief and Pension Fund who are eligible, to participate in a deferred retirement option program (DROP). The ordinance may include members who are eligible to retire and to receive retirement benefits to remain in the active service of the city until a contractually fixed termination date and to have accumulated for the employee's account from the date the contract is made all benefits which the employee would be eligible to begin receiving on that date and to have those accumulated benefits held for the benefit of the employee until the employee separates from active service. Such ordinance may provide for forfeiture of the accumulated benefits or other penalty if the employee does not comply with the contract. However, if the employee complies in all respects with the terms of the contract, the employee shall receive all retirement benefits the employee would be entitled to under this act upon the employee's actual retirement from the active service of the city.

Section 4. Subsection (1) of section 20 of chapter 21483, Laws of Florida, 1941, as amended by chapter 77-630, Laws of Florida, is amended to read:

Section 20. (1) If any employee eligible for the benefits of this act shall die under such circumstances as to entitle his or her widow or widower or children to benefits hereunder, such widow, widower, or children shall be entitled to receive such benefits in addition to any workmen's compensation payable to them or any of them; and in the event of disability of any pensioner, the pensioner he shall be entitled to such pension as is hereby provided. However, effective January 1, 2000, the total of the pension and workers' compensation benefits, not to include benefits provided as a reimbursement of medical costs incurred as the result of the compensable injury, shall not exceed 100 percent of the employee's average monthly salary. Should the total of the benefits exceed 100 percent of the average monthly salary, the pension benefit shall be reduced so as not to cause the total pension and workers' compensation benefit to exceed 100 percent. In the event an employee eligible for benefits under this act receives a lump-sum settlement of a workers' compensation disability claim, the benefits received shall be prorated over a 10-year projected period for the purposes of the offset of any benefit in excess of 100 percent. For the purpose of this part, workers' compensation disability benefits are primary and the Firemen's Rescue and Pension Fund are secondary. Since pension benefits are secondary, the pension benefits shall be reduced in order to observe the cap. No reduction of benefits shall be implemented until an employee eligible for the benefits under this act realizes the other benefit sources, workers' compensation disability benefits. The employee eligible for benefits must advise the Plan Administrator of the receipt of benefits from a primary source, workers' compensation disability benefits, within 3 days after the incipient receipt of

the benefits. Any cost-of-living adjustment as provided by chapter 74-576, Laws of Florida, as amended by this act, shall be calculated on the full benefit, prior to the offset, in addition to any workmen's compensation that may be payable to him.

Section 5. All laws or parts of laws in conflict herewith are repealed.

Section 6. This act shall take effect upon becoming a law.

Approved by the Governor May 26, 1999.

Filed in Office Secretary of State May 26, 1999.