

House Bill No. 1023

An act relating to the City of Tampa, Hillsborough County; amending chapter 23559 (1945), Laws of Florida, as amended; revising provisions relating to the pension fund for general employees of the City of Tampa; clarifying covered employees; revising the definition of “average monthly salary,” “pension credit,” and “normal retirement date” to provide for 6-year vesting; revising deferred pension, early retirement, and disability retirement provisions to provide for 6-year vesting; providing additional cost-of-living adjustments; revising benefits provisions regarding reemployment after termination to provide for 6-year vesting; providing for 6-year vesting for elective officers, department heads, and appointive officers; revising the eligibility requirements for the Deferred Retirement Option Program to provide for 6-year vesting; adding a provision regarding limitations on amounts of benefits; providing an effective date.

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

Section 1. Section 2, subsections (I), (K), and (L) of section 4, section 9, subsection (A) of section 10, subsection (A) of section 11, subsection (C) of section 13, section 15, subsection (A) of section 17, and subsection (A) of section 22 of chapter 23559 (1945), Laws of Florida, as amended, are amended, and subsection (G) is added to section 24 of said chapter, to read:

Section 2. Creation.

A pension fund is hereby created for all employees of the City of Tampa, Florida, who are not now members of any other pension fund for employees of the City of Tampa, Florida, heretofore created by the Legislature of the State of Florida.

Section 4. Definitions.

(I) Average Monthly Salary. The Average Monthly Salary shall be determined by calculating the average of an Employee’s Salary for the highest 3 of the last ~~6~~ 10 years of Continuous Service ending on the date of retirement, and dividing by 12. In the event an Employee does not have ~~6~~ 10 years service at the time his or her Average Monthly Salary is calculated, the average for the highest 3 of the total number of years employed shall be used for this definition. If the Employee does not have 3 years service, the average for years employed shall be used.

(K) Pension Credit. Pension Credit shall refer to the minimum number ~~numbers~~ of years necessary to have a vested pension. For the purposes of this Act, an Employee shall work ~~6~~ 10 continuous years to earn Pension credit.

(L) Normal Retirement Date. This shall mean the date an Employee qualifies for benefits under this Act. For Division A Employees the Normal Retirement Date shall mean the date an Employee has both ~~6~~ 10 years of

Continuous Service and has attained the age of 55 years. For Division B Employees the Normal Retirement Date shall mean the date an Employee has both ~~6~~ 10 years of Continuous Service and attains the age of 62 years.

Section 9. Deferred Pension.

(A) Division A Employees. Any Employee who has been in the service of the City of Tampa for a period of not less than ~~6~~ 10 years continuously who voluntarily terminates his employment or is discharged may elect to allow the amount contributed to the pension Fund to remain in said Fund, and upon attaining the age of 55 years shall be entitled to a pension in an amount equal to the Employee's Accrued Pension based upon the number of years and months of actual Service.

(B) Division B Employees. Any Employee in Division B who has worked for the City of Tampa for a period of ~~6~~ 10 years continuously who leaves the employ of the City either voluntarily or by discharge, and who has not reached his 62nd birthday, upon attaining his 62nd birthday, shall be entitled to a pension equal to his Accrued Pension based upon the number of years and months of actual Service. However, if such Employee was previously a member of Division A and elects to withdraw his employee contributions in Division A, his period of Service as a member of Division A shall not be used to qualify under this subsection, or, if he otherwise qualifies, in computing his pension, hereunder.

Section 10. Early Retirement.

(A) An Employee in Division B of this Plan, on or after his 55th birthday, may elect to take an Early Retirement, provided that he has been in the Service of the City of Tampa for ~~6~~ 10 continuous years.

Section 11. Disability Retirement.

(A) An Employee in Division A or Division B who has been in the service of the City of Tampa for a period of not less than ~~6~~ 10 years, continuously who becomes totally and permanently disabled physically or mentally, or both, from further rendering useful and efficient service as an Employee shall be entitled to immediately receive a monthly disability pension equal to his Accrued Pension.

Section 13. Cost-of-living adjustment.

(C) Commencing January 1, 2000, and each January 1 thereafter, the pension benefit due each retired Employee or beneficiary shall be adjusted as follows:

1. For those retired Employees, and beneficiaries thereof, in Division A, the amount of the monthly pension benefit due for the 12-month period commencing on the adjustment date shall be the amount of the retired Employee's or beneficiary's monthly benefit being received on December 31 immediately preceding the adjustment date plus an amount equal to 2 percent of such benefit. Commencing January 1, 2005, the 2-percent adjustment amount provided for in this subparagraph (C)1. shall be revised to 2.2 percent.

2. For those retired Employees, and beneficiaries thereof, in Division B, the amount of the monthly pension benefit due for the 12-month period commencing on the adjustment date shall be the amount of the retired Employee's or beneficiary's monthly benefit being received on December 31 immediately preceding the adjustment date plus an amount equal to 1 percent of such benefit. Commencing January 1, 2005, the 1-percent adjustment amount provided for in this subparagraph (C)2. shall be revised to 1.2 percent.

Section 15. Reemployment After Termination.

(A) Should any former Employee in Division A of the City of Tampa who had participated in this Fund and had withdrawn his contributions be reinstated or reemployed, said Employee may receive credit towards retirement for any previous service under the provisions of this Act, provided said Employee shall redeposit in the pension Fund the amount refunded upon the Employee's voluntary resignation or discharge and shall pay a yearly interest rate as determined by the Board of Trustees upon the amount so redeposited for the period of time elapsing between receipt of the refunded moneys provided for herein and redeposit of the same in the pension Fund. In order to receive credit for past service under this subsection, an Employee must return to work with the City within 5 years of the date of withdrawal of his contributions. Employees who have already received a refund on the effective date of this Act shall have 5 years from the effective date of this Act to be eligible to repurchase past Service. Such Employee cannot receive any benefit under this Act unless he shall then serve continuously for a period of ~~6~~ 10 years. Past Service in Division A repurchased by a Division B Employee shall be treated as Division B Service for the purpose of calculating benefits subject to the minimum benefits specific in Section 8(B)2.

(B) An Employee in Division B who terminates his employment with the City or is terminated, if he is reemployed with the City, shall receive credit for his past Service if he returns to employment with the City within 5 years of his voluntary termination or discharge. However, the Employee shall work ~~6~~ 10 continuous years from his date of reemployment before becoming eligible to receive any benefits under this Act.

(C) An Employee in Division A or B who elects to take a Deferred Pension as defined in Section 9 of this Act and subsequently returns to employment with the City shall not receive any additional benefits (in computing Average Monthly Salary, Continuous Service, or otherwise) until he shall then serve for a period of ~~6~~ 10 continuous years from his date of reemployment. However, an Employee who earned a Deferred Pension in Division A who returns to work with the City may have either his Deferred Pension in Division A considered separate and apart from his Service upon reemployment in Division B; (in which case, he may receive his Division A benefits at age 55, provided he is no longer in the employ of the City); or, he may have his Service earned in Division A converted to Division B Service subject to the minimum benefits of Section 8(B)2. This election shall be made at the date of retirement after reemployment.

Section 17. Officers,

(A) Elective officers, department heads, and appointive officers of the City shall participate in the pension or retirement Plan. Such elective officers, department heads, and appointive officers shall have the same status for pension purposes as permanent Employees; provided, however, ~~the minimum number of years necessary for an elective officer of the City to have a vested pension under the plan and be eligible for the Deferred Retirement Option Program set forth in section 22 of this Plan shall be 8 continuous years of Service; and provided further that any such~~ elective officer, department head, or appointive officer of the City who (1) shall have participated in the pension or retirement Plan and acquired a vested right to a deferred proportionate pension thereunder, (2) shall have at the end of any term in office (a) unsuccessfully sought election, (b) not been appointed, or (c) not declined appointment to any office of the City, (3) shall have left his contributions in the Fund if he was a member of Division A and had contributed to the Fund, and (4) is or shall have been subsequently elected or appointed to any office or employed in any position in the City, shall resume his participation in the Plan; and the period during which such person shall have been out of office shall not constitute a break in Service, but no creditable Service shall be allowed for such period. Pensions under this section shall be calculated in the same manner as any pensions of Employees receiving retirement benefits who were subsequently reemployed (section 16).

Section 22. Deferred Retirement Option Program.

(A) Eligibility. In order to be eligible for the DROP option, the member must meet the following eligibility criteria:

1. The member must have attained the age of 55 years and at least 6 10 years of continuous Service at the time the member files an election under this section. A member is eligible for accumulations pursuant to the DROP for a maximum of 7 years.

2. The member must meet all eligibility requirements for pension benefits, other than separation from Service as an Employee of the City.

3. Upon electing to participate in the DROP, the member shall submit on forms required by the City and the Board of Trustees:

a. An irrevocable written election to participate in the DROP, specifying a DROP benefit calculation date. The DROP benefit calculation date is used to determine the DROP calculation period, which commences on the DROP benefit calculation date and ends on the earlier of the member's separation from service or death;

b. An irrevocable notice of employment termination to take effect upon the expiration of the DROP calculation period; provided that a DROP participant shall not be precluded from voluntarily terminating employment with the City before the expiration of the DROP calculation period, nor shall the City be precluded from terminating such DROP participant's employment as applicable due to disciplinary action, layoff, or other separation in accordance with the applicable collective bargaining agreement, civil service law, or other applicable law;

c. A properly completed application for longevity retirement benefits to be calculated pursuant to Section 8 or Section 10 as of the DROP benefit calculation date; and

d. Any other information required by the Board of Trustees.

4. A member may only make one DROP election during the member's lifetime.

Section 24. Limitations on Amounts of Benefits.

(G) Notwithstanding any other provision of this Plan, benefits and limitations under this Plan shall satisfy all the applicable provisions of Section 415 of the Code and the regulations thereunder, which provisions and regulations are incorporated by reference.

Section 2. This act shall take effect January 1, 2005.

Approved by the Governor June 17, 2004.

Filed in Office Secretary of State June 17, 2004.