

1 A bill to be entitled

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3 An act relating to the City of Tampa,
4 Hillsborough County; amending chapter 23559,
5 Laws of Florida, 1945, as amended; revising
6 investment policy provisions to conform with
7 general law; providing an effective date.
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10 Be It Enacted by the Legislature of the State of
11 Florida:

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13 Section 1. Section 6 of chapter 23559, Laws of
14 Florida, 1945, as amended, is amended to read:
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16 Section 6. Administration.--The Administration of
17 this Fund shall be in charge of a pension or
18 retirement board, consisting of seven members who
19 shall be designated as trustees of the pension or
20 retirement fund ("Board of Trustees"). Three members
21 of this Board shall be appointed by the Mayor or
22 Executive Head of the City of Tampa. Three members of
23 this Board shall be Employees participating in this
24 Fund elected by the members of this Fund. However,
25 not more than one Employee member shall be elected
26 from the same department of the Employer. In the event
27 that two or more candidates from the same department
28 should receive sufficient number of votes for
29 election, then only the candidate receiving the
30 highest number of votes among the candidates from the
31 same department shall be elected. The Director of
32 Finance shall be the seventh member of this Board.
33 The three members of this Board to be appointed by
34 the Mayor or Executive Head of the City, shall be
35 appointed immediately after the passage of this Act,
36 and they shall qualify within 30 days thereafter. One
37 member appointed by the Mayor or Executive Head of
38 the City shall serve for a period of 3 years, one
39 member for a period of 2 years, and one member for a
40 period of 1 year. Three members of this Board shall
41 be elected by the Employees who are beneficiaries of
42 this Fund. One member elected shall serve for a period
43 of 3 years, one member for a period of 2 years, and
44 one member for a period of 1 year. At the expiration
45 of the term of office of each member appointed, the
46 Mayor or Executive Head of the City shall appoint his
47 or her successor to serve for a term of 3 years.

48 Thirty days prior to the expiration of the term of
49 office of each member elected, a successor shall be
50 elected by the Employees and shall take office upon
51 the expiration of his or her predecessor's term and
52 shall serve for a term of 3 years. Vacancies on the
53 pension or retirement board before the expiration of
54 the term of office shall be filled in the same manner
55 as prescribed for members replacing those whose term
56 of office expires for the period of the unexpired
57 time. The Board shall have the power to adopt and
58 prescribe reasonable rules, regulations, and orders
59 necessary and proper for effective administration and
60 enforcement of this Act and for the election of
61 Trustees. The Director of Finance of the City shall
62 be the treasurer of the Board and he or she shall
63 give bond as may be prescribed by the board. The city
64 attorney shall be the legal advisor of the Board. The
65 compensation of all persons

66 engaged by the City for the Board of Trustees and all
67 other expenses of the Board of Trustees necessary for
68 the administration of the Plan shall be paid out of
69 the Fund at such rates and in such amounts as the
70 Board of Trustees shall approve, but in no case shall
71 the expenditures for such compensation and
72 administration exceed .5 percent of the maximum of
73 the Fund each fiscal year. The funds shall be managed
74 by said Trustees and shall be invested by the Trustees
75 in accordance with the following:

76 (A) That the investments of the Fund shall be
77 consistent with a written investment policy adopted
78 by the Board of Trustees pursuant to section 112.661,
79 Florida Statutes, and subject to the provisions in
80 section 215.47, Florida Statutes. In making each and
81 all of such investments, the Board of Trustees shall
82 exercise the judgment and care under the
83 circumstances then prevailing that men or women of
84 ordinary prudence, discretion, and intelligence
85 exercise in the management of their own affairs, not
86 in regard to speculation but in regard to the
87 permanent disposition of their funds, considering the
88 probable income therefrom as well as probable safety
89 of their capital.

90
91 ~~(B)-(A)~~ That the Board of Trustees shall retain
92 the services of one or more recognized professional

93 investment counselors or state or national banks in
94 the State of Florida offering qualified and competent
95 investment advisory services. Said banks must be
96 capitalized at not less than \$10 million, having trust
97 assets aggregating not less than \$150 million in value,
98 and having not less than 500 trust accounts.

99
100 (C)~~(B)~~ That not less than once every 6 months
101 a written opinion shall be obtained from the investment
102 counselor or counselors as to the overall condition
103 and composition of the investment portfolio.

104
105 ~~(C) That the portfolio, representing the~~
106 ~~principal or surplus funds of the pension Fund may be~~
107 ~~invested in the following securities or other~~
108 ~~property, real or personal, including, but without~~
109 ~~being limited to bonds, notes, or other evidences of~~
110 ~~indebtedness issued, or assumed or guaranteed in whole~~
111 ~~or in part by the United States or any of its agencies~~
112 ~~or instrumentalities; or by any foreign government or~~
113 ~~political subdivisions or agencies thereof; or by the~~
114 ~~State of Florida, or by any county, city, school~~
115 ~~district, municipal corporation, or other political~~
116 ~~subdivision of the State of Florida, both general and~~
117 ~~revenue obligations; in mortgages and other interests~~
118 ~~in realty and shares or certificates of real estate~~
119 ~~investment trusts; or in such corporation bonds,~~
120 ~~notes, or other evidences of indebtedness, and~~
121 ~~corporation stocks including common and preferred~~
122 ~~stocks, or any corporation created or existing under~~
123 ~~the laws of the United States, of any of the States of~~
124 ~~the United States or of any foreign government or~~
125 ~~political subdivisions or agencies thereof; provided:~~

126 (D)1. That the Board of Trustees shall cause
127 actuarial surveys of the Plan to be made from time to
128 time as deemed necessary or as required by state law,
129 by a competent actuary to be selected by the Board of
130 Trustees.

131 ~~2. In making each and all of such investments~~
132 ~~the Board of Trustees shall exercise the judgement and~~
133 ~~care under the circumstances then prevailing which men~~
134 ~~or women of ordinary prudence, discretion, and~~
135 ~~intelligence exercise in the management of their own~~
136 ~~affairs, not in regard to speculation but in regard to~~
137 ~~the permanent disposition of their funds, considering~~
138 ~~the probable income therefrom as well as probable~~

139 ~~safety of their capital. However, not more than 65~~
140 ~~percent of said Fund, based on the total book value of~~
141 ~~all investments held, shall be invested at any time in~~
142 ~~common and/or preferred stocks, and not more than 10~~
143 ~~percent of said Fund shall be invested at any given~~
144 ~~time in the preferred and/or common stock of any one~~
145 ~~corporation and its affiliates; and not more than 5~~
146 ~~percent of the outstanding stock of any one corporation~~
147 ~~and its affiliates shall be held by the Fund at any~~
148 ~~given time; and that corporation bonds, notes, or other~~
149 ~~evidences of indebtedness commonly referred to as~~
150 ~~"fixed income investments," must hold a rating in one~~
151 ~~of the four highest classifications by a major rating~~
152 ~~service and corporation bonds, notes, or other~~
153 ~~evidences of indebtedness with an equity conversion~~
154 ~~provision used as an equity substitute are not required~~
155 ~~to hold a rating in one of the four highest~~
156 ~~classifications by a major rating service.~~

157 ~~3. Anything in this chapter to the contrary~~
158 ~~notwithstanding, the Board of Trustees may also invest~~
159 ~~the principal or surplus funds of the pension Fund,~~
160 ~~without limitations, in appropriate contracts of life~~
161 ~~insurance or group annuities, with insurers duly~~
162 ~~licensed to do business in Florida, including any such~~
163 ~~contract or contracts which provide for the placement~~
164 ~~of funds in separate accounts maintained by any such~~
165 ~~insurer in accordance with the laws of Florida~~
166 ~~controlling such accounts.~~

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168 Section 2. This act shall take effect October 1,
169 2019.
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