

1 HB661
2 150837-1
3 By Representative Poole (N & P)
4 RFD: Tuscaloosa County Legislation
5 First Read: 23-APR-13

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9 A BILL
10 TO BE ENTITLED
11 AN ACT
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13 Relating to the City of Tuscaloosa; to amend Act
14 99-568 of the 1999 Regular Session (Acts 1999, p. 1220), as
15 last amended by Act 2012-450 of the 2012 Regular Session,
16 providing a retirement system for police officers and
17 firefighters of the city; to amend Section 7.04, relating to
18 the duties of the board; to further provide for the
19 investments of the board.

20 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

21 Section 1. Section 7.04 of Act 99-568 of the 1999
22 Regular Session (Acts 1999, p. 1220), as amended, is amended
23 to read as follows:

24 "Section 7.04. Duties of the Board.

25 "(a) The members of the board shall annually elect a
26 chairperson from their number; may appoint from their number
27 such subcommittees with such powers as they shall determine;

1 may authorize one or more of their number or any agent to
2 execute or deliver any instrument or make any payment on their
3 behalf; may retain counsel, employ agents and provide for such
4 clerical, accounting, actuarial, financial, and consulting
5 services as they may require in carrying out the provisions of
6 the plan; and may allocate among themselves or delegate to
7 other persons all or such portion of their functions under the
8 plan subject to proper supervision and accountability, as
9 they, in their sole discretion, shall decide. The board shall
10 authorize an audit of the fund to be made by an independent
11 accountant at least once every year. The board shall authorize
12 an actuarial study to be made of the fund at least once every
13 other year by the plan actuary, where such study is based upon
14 reasonable actuarial assumptions and methods as determined by
15 the plan actuary.

16 " (b) The board shall appoint a financial institution
17 (which may be a bank or trust company or other financial
18 institution) as a depository and the treasurer of the fund
19 shall promptly deposit all money belonging to the fund or
20 coming into his or her hands as treasurer thereof in the
21 depository. If any of the funds are dissipated or lost by
22 reason of the insolvency or failure of the financial
23 institution appointed as the depository as provided herein,
24 the dissipation or loss shall not constitute a liability on
25 the official bond of the chief financial officer of the city
26 and/or the treasurer of the fund nor a liability against the

1 sureties thereon. All interest received on the deposits shall
2 become a part of the fund.

3 "(c) The board after considering the probable
4 demands upon the fund, may invest such portion of it as may be
5 safely withdrawn for the purpose. The board may employ
6 investment counselors and agents to invest and manage such
7 portions of the fund as the board may direct. Of that portion
8 of the fund which the board has determined to be available for
9 investment, not less than ~~forty percent (40%)~~ 30 percent shall
10 be invested, or held for investment, in interest bearing bonds
11 or securities of the United States of America, bonds of any
12 state in the United States, any bonds lawfully issued by
13 municipalities in the United States, or invested in any
14 insured savings and loan association to the extent that such
15 investment is insured by the Federal Savings and Loan
16 Insurance Corporation; or invested in any commercial bank to
17 the extent such investment is insured by the Federal Deposit
18 Insurance Corporation; not exceeding ~~sixty percent (60%)~~ 70
19 percent of the money deemed available for investment may be
20 invested in corporate stocks and bonds. All income from
21 investments shall be and become a part of the fund. All
22 securities belonging to the fund shall be deposited with the
23 treasurer of the fund, or in the event that a financial agent
24 has been employed, may be held by the financial agent and
25 shall be subject to the direction and control of the board.

26 "(d) On or before the first day of February of each
27 year, the board shall make a written report to the mayor and

1 city council, and to the fire department and the police
2 department in the city, of the condition of the fund as of
3 December 31st of the preceding year."

4 Section 2. This act shall become effective
5 immediately following its passage and approval by the
6 Governor, or its otherwise becoming law.