



**JACKSONVILLE CITY COUNCIL**

**TRUE COMMISSION  
PERFORMANCE COMMITTEE MEETING MINUTES  
October 4, 2012  
3:00p.m.**

**City Council Conference Room B  
Suite 425, City Hall  
117 W. Duval Street**

**Attendance:** Committee Members Ted Wendler (Chair), Joe Andrews, Diane Brown, Tom Martin and Greg Radlinski

**Also:** Danny Becton (commissioner-designate), Jeff Clements – Council Research Division

The meeting was called to order at 3:02 p.m. by Chairman Wendler.

Staff provided copies of a number of articles from various newspapers, magazines and web sites relating to municipal pension reform and local government bankruptcy. The group discussed the division of tasks outlined at the September meeting. Commissioner Andrews recommended that the committee meet more often than monthly in order to move the pension project forward.

Commissioner Martin said that he had talked to firefighter union president Randy Wyse on several occasions and the union is unwilling to retreat in any way from the provisions of the 30 year settlement agreement between the City and the Police and Fire Pension Fund. The union appears to refuse to acknowledge the possibility that the pension fund may someday fail and cause the City to have to declare bankruptcy. Commissioner Andrews wants to develop a presentation showing a parade of other municipal bankruptcies around the country and show how Jacksonville is going down the same path with its pension that led the others to disaster as a way of making the gravity of the situation real to union members and City leadership. Commissioner Radlinski prefers to skip the examples of other jurisdictions' failures and go right to a list of options for potential solutions.

Commissioner-designate Becton said that the police and fire unions' fundamental response to the prospect of pension failure is to point out that the city has a very low tax rate, utilizing only half of its 20 mill cap. The solution to them is to raise the millage to a level needed to keep the pension solvent. Chairman Wendler felt that the guaranteed cost-of-living-adjustment (COLA) in the City's pension plans is one of the major factors in their unsustainability. COLAs should only be payable if inflation is actually high, and/or should be in the form of one-time bonuses rather than permanent increases in the base benefit. Mr. Becton believes that the general public will not stand for a tax increase to prop up the pensions because they feel the defined benefit pensions far exceed what they are earning in 401(k) plans. Commissioner Radlinski felt that public safety pensions need to take into account the danger of the professions and therefore more security is warranted. This could be done by other means, such as insurance or annuities rather than strictly through the pension plan.

Jeff Clements reported that the TRUE Commission's request to the Mayor to allow the designation of a commissioner to participate in the Mayor's pension reform efforts was transmitted two weeks ago. The Mayor has not responded as of yet. Chairman Wendler said that he hopes to have his spreadsheet for calculating individual employee pension contributions and benefits ready for presentation at the next committee meeting. He has a meeting scheduled with staff from the Treasury Division to discuss the project.

The group discussed potential meeting times and generally agreed that Wednesday afternoons are good for most members.

Commissioner Brown said that she would attempt to meet with Sheriff John Rutherford, Fire Chief Marty Senterfitt, police union president Nelson Cuba and fire union president Randy Wyse to discuss their ideas about pension reform.

There being no further business, the meeting was adjourned at 3:56 p.m.

Jeff Clements, Chief  
Council Research Division  
630-1405

Posted 10.5.12  
5:00 p.m.