

POLICE AND FIRE PENSION FUND

**ONE WEST ADAMS STREET, SUITE 100
JACKSONVILLE, FLORIDA 32202-3616**

"We Serve. . .and We Protect"



Phone: (904) 255-7373

Fax: (904) 353-8837

August 26, 2014

**John Keane
Executive Director -
Administrator**

Honorable Clay Yarborough
City Council President
City Hall, 4th Floor
117 W. Duval Street
Jacksonville, FL 32202

HAND DELIVERED

Dear President Yarborough:

The Board of Trustees and Staff of the Police and Fire Pension Fund have great respect for the City Council and the leadership provided to our City. As you are aware, in the past we have respectfully disagreed with legal advice provided to the City Council on issues of the authority of the City Council in the area of budgetary control and employee compensation when the advice conflicts with the advice provided to the Board by our Counsel.

On behalf of Board Chair Walt Bussells, our Trustees, and in the spirit of cooperation envisioned in paragraph 28 of the Restated Settlement Agreement between the City of Jacksonville and the Pension Board, I respectfully request your consideration to jointly seek the opinion of the Florida Attorney General to resolve these important issues.

Thank you for your consideration of this request.

Sincerely,

John Keane
Executive Director - Administrator

JK/dm



OFFICE OF THE CITY COUNCIL

CLAY YARBOROUGH
PRESIDENT
COUNCIL MEMBER, DISTRICT 1
OFFICE (904) 630-1389
FAX (904) 630-2906

SUITE 425, CITY HALL
117 WEST DUVAL STREET
JACKSONVILLE, FLORIDA 32202
E-MAIL: CLAY@COJ.NET

August 27, 2014

Mr. John Keane, Administrator
Police and Fire Pension Fund
One West Adams Street, Suite 100
Jacksonville, FL 32202

Mr. Keane,

Thank you for your letter dated August 26, 2014, on behalf of the Police and Fire Pension Fund Board requesting my consideration to join with you in seeking an opinion from the Florida Attorney General.

In the same manner you relied on input from the PFPF Board in coming to the point of presenting the request to me, I believe it would be prudent for me to consider input from the full City Council on such an important action. If you concur, please forward the proposed language you believe should be included in the opinion request and I will direct staff to draft a resolution for Council consideration.

Respectfully,

Clay Yarborough

cc: City Council Members

Enclosure: August 26, 2014 letter attached for reference

POLICE AND FIRE PENSION FUND

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John Keane
Executive Director -
Administrator

September 9, 2014

Honorable Clay Yarborough
City Council President
City Hall, 4th Floor
117 West Duval Street
Jacksonville, FL 32202

Dear President Yarborough:

In response to your letter dated August 27, 2014, I have attached a draft resolution for your review and consideration by the City Council.

Sincerely,

A handwritten signature in blue ink that reads "John Keane". The signature is fluid and cursive.

John Keane
Executive Director - Administrator

JK/lw

1 Introduced by:
2
3

4 **RESOLUTION**
5

6 **WHEREAS**, Chapter 22 of the City Charter sets forth the powers
7 of the Board of Trustees of the Police and Fire Pension Fund; and,

8 **WHEREAS**, a difference of opinion has arisen concerning the
9 authority of the City Council to alter the budget of the Police and
10 Fire Pension Fund; and,

11 **WHEREAS**, the Attorney General of Florida has previously opined
12 on the subject; and,

13 **WHEREAS**, the former City General Counsel has offered a
14 different opinion; and

15 **WHEREAS**, the Settlement Agreement between the Fund and the City
16 calls for cooperation on matters of mutual concern; and,

17 **WHEREAS**, there is a desire to settle the differences of opinion
18 between the parties;

19 **NOW THEREFORE**, BE IT RESOLVED, by the City Council of the City
20 of Jacksonville, that the Council President is authorized to jointly
21 request an opinion from the Florida Attorney with the Police and
22 Fire Pension and to execute a written request for same.

23 Adopted at Jacksonville, Duval County, Florida, this ___ day of
24 September, 2014.

25
26 Form Approved:
27
28 _____
29 Office of General Counsel
30 Legislation Prepared By:

From: Yarborough, Clay
Sent: Monday, September 15, 2014 9:21 PM
To: Keane, John
Subject: PFPF Admin budget

Mr. Keane,

Paragraph 25 on page 21 of the March 5, 2001, agreement between the City and the PFPF Board identifies that the Board is required to prepare and submit its budget to the City Council each year for approval. This is consistent with City Ordinance Code provisions related to the many departments and agencies required to do the same each year.

Inasmuch as you and the PFPF Board continue to state that the 2001 agreement is legally-binding, do you believe ambiguity exists with regard to paragraph 25 and the budget provisions required of the PFPF?

Respectfully,

Clay Yarborough
President
Jacksonville City Council



ONE WEST ADAMS STREET, SUITE 100
JACKSONVILLE, FLORIDA 32202-3616

"We Serve...and We Protect"

September 18, 2014

Phone: (904) 255-7373

Fax: (904) 353-8837

John Keane
Executive Director -
Administrator

Council President Clay Yarbrough
Office of the City Council
City Hall
117 West Duval Street, Suite 425
Jacksonville, FL 32202

HAND DELIVERED

Dear Council President Yarborough:

I am in receipt of your email of September 15, 2014. Section 112.113(a) of the Jacksonville Ordinance Code provides that the Board shall certify the amount recommended by the actuary to maintain the Fund on a sound actuarial basis "together with such sums as may be necessary to administer the Fund." The Code further states those sums shall be placed by the Council in the budget and the Council shall "levy a tax therefore, if necessary."

The City has the right to challenge the actuarial determination, in good faith, and a procedure for that challenge is outlined in the Code. The current issue does not involve a challenge to the actuarial determination.

The contractual provision to which you have referred by necessity takes into account that the submission of the budget is a ministerial act and not subject to alteration. While the actuarial determinations are subject to the three actuary review process, the operating budget is not. This is reflected in the mandatory language in Ordinance Code Section 121.113 which requires the levying of a tax for the budget certified by the Fund.

The Fund remains available to work with the Council and City staff to achieve economies and to reduce the unfortunate economic tensions between us.

Respectfully,

John Keane
Executive Director – Administrator

JK/dm