

City of Jacksonville (COJ) Proposal
to Jacksonville Police and Fire Pension Fund (JPFPPF)

May 14, 2014 at 5:30 P.M.

- **COJ will modify offer of prospective COLA cap from 1.5% to 2% for all current employees (regardless of years of service)**
- **COJ will modify proposal on DROP rate of return (actual rate of return with a rate floor of 2.5% and a rate cap of 10%)**
- **COJ will agree to enhanced PFPF investment authority**
- **COJ will make an additional unfunded liability payment of \$40M annually until the PFPF reaches an 80% funded status if:**
 - **The JPFPPF contributes the full half of Chapter 175/185 funds currently going to enhanced benefits (approximately 4% of payroll, but in any event no less than half of the Chapter funds received in a given year) to unfunded liability until the Fund reaches 80% funded status**
 - **The JPFPPF will transfer the approximately \$61M in the Enhanced Benefit Account (EBA) and the City Budget Stabilization Account (CBSA) to the COJ for the benefit of the Plan.**