

**Mayor Alvin Brown
Retirement Reform
Police and Fire Employees in the PFPF**



**OFFICE OF THE MAYOR
ALVIN BROWN
MAYOR**

**Employee Contributions and
Future Savings Opportunities**

Employee Contributions

Current employees will pay an additional 2% contribution as follows:

- On October 1, 2010, wages for fire members were reduced by 2 percent. On January 1, 2012, wages for police members were reduced by 3 percent. After those reductions are restored, one-half of any subsequent increase shall be used to increase the employee contribution to a maximum of 9 percent. However, if compensation is subsequently reduced below the level that generated the contribution increases, then the employee contribution will decrease in a similar manner to a minimum of 7 percent.
- Upon the effective date of the agreement (October 1, 2013), the PFPF will pay a one-time member contribution to the plan in the amount of \$20 million.
- Upon the effective date of the agreement (October 1, 2013), the PFPF will pay an additional interim contribution of 1% of payroll from its Enhanced Benefit Account. That contribution will continue until Sept. 30, 2014, for police members and Sept. 30, 2015, for fire members.

Future Savings Opportunities

- ***Disability Plan***

This agreement preserves the disability plan in the PFPF for current police and fire employees. However, the City will conduct a study as to the possibility of establishing a disability plan separate and apart from the PFPF. Following the completion of that study, the parties to this agreement may agree to establish such a disability plan provided it is limited to police and fire employees.

- ***City of Jacksonville Real Estate***

Later this year, the City of Jacksonville will complete its real estate optimization study (the so-called "Lazy Assets" study) to determine how it will utilize or whether it will sell, lease, or otherwise dispose of City-owned properties. Following the completion of that study, the parties to this agreement will consult on the possible use of these properties to address City pension costs and PFPF liabilities.

- ***Purchase of Service***

The parties to this agreement will submit to the City's actuary a uniform method for purchase of service credit. The method will set a rate of 20% and require the employee to give up rights in any other retirement system for the years of service being purchased. If the actuary determines that the change has either a positive or neutral cost effect, the City will implement it by appropriate legislation.