

## **Provisions to Ensure Compliance with Additional Funding Commitment**

1. For the term of this agreement (October 1, 2014 through September 30, 2024), the City of Jacksonville shall contribute not less than \$40 million annually in additional unfunded liability payments.
2. For the term of this agreement (October 1, 2014 through September 30, 2024), the Jacksonville Police and Fire Pension Fund shall continue to contribute half of the Chapter 175/185 funds received annually (which are currently valued at approximately \$10M) to the base benefits of the plan. It will also contribute the additional half of Chapter 175/185 Funds received annually as additional unfunded liability payments.
3. If either party fails to fulfill its annual funding commitment as set forth in paragraphs 1 and 2 above, the other party is relieved of its additional funding commitment on a proportional basis. ***[Example: If the City of Jacksonville only provides \$30 Million in a given year, the Jacksonville Police and Fire Pension Fund is relieved of its additional funding commitment by 25% for that year]***
4. As part of the implementation of this agreement, the City of Jacksonville will adopt the following Ordinance Code provision to be effective on October 1, 2014:

Upon receipt of the Duval County Property Appraiser's initial ad valorem revenue estimate, which is currently due on June 1, the Chief Financial Officer (CFO) shall convene an "Additional Unfunded Liability Payment Committee" (the "Committee") subject to the Sunshine requirements of Chapter 286, Florida Statutes, and consisting of the following persons in addition to the CFO:

1. The Council Auditor;
2. The Chief Administrative Officer;
3. The treasurer;
4. The budget officer;
5. The JEA Chief Financial Officer; and
6. The chairman of the Jacksonville Retirement Reform Task Force (the "Task Force") or, at his discretion or inability to serve, the chairman of the Task Force Plan Funding Subcommittee;

These persons will review available funding sources for the required \$40 million additional unfunded liability payment, including without limitation the sources cited in the Jacksonville Retirement Reform Task Force Final Report; innovative cost savings; incremental growth in available revenues such as ad valorem and state shared revenues; sale of City owned real estate; JEA revenue sharing; and other appropriate sources. No later than June 30, the Committee shall make a funding source(s) recommendation to the Mayor and Council President for their consideration in proposing and adopting the City of Jacksonville budget for the following fiscal year.