

RETIREMENT REFORM COMMISSION

Chairman William Scheu

Councilmember Gregory Anderson

Charles Appleby

Robert Miller

Dr. William Rupp

Greg Smith

Dr. Chester Aikens

Kirsten Doolittle

Kelli O'Leary

Robert Shircliff

John Wilbanks



AUGUST 21, 2013



POLICE AND FIRE PENSION FUND

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

"We Serve...and We Protect"

August 21, 2013

Phone: (904) 255-7373
Fax: (904) 353-8837

John Keane
Executive Director -
Administrator

Chairman William Scheu & Members
Retirement Reform Commission
Jacksonville, FL 32202

Dear Chairman Scheu & Members:

On behalf of the Police and Fire Pension Fund Board of Trustees and Members, thank you for service to our City and the opportunity to speak to you this afternoon.

For your information on the relationship between the Pension and the City of Jacksonville, I have attached the following:

Article 22-Charter of Jacksonville, pertinent sections

Excerpts from Agreement, paragraphs 28, 31, and 32

Ordinance 2000-1164-E, 1st page and signature pages

Ordinance 2003-303-E, 1st page and signature pages

Ordinance 2003-1338-E, 1st page and signature pages

Ordinance 2006-508-E, 1st page and signature pages

I hope this helps the Commission fully understand the Agreement between the City and the Pension Fund.

Thank you again, for inviting me to speak this afternoon. Best wishes in your work.

Sincerely,

John Keane
Executive Director-Administrator

JK/reg

THE LAW: ARTICLE 22

Jacksonville Police and Fire Pension Board of Trustees

Section 22.01

Creation

There is hereby created and established a body politic and corporate to be known as the Jacksonville Police and Fire Pension board of Trustees, which is hereby authorized to exercise its jurisdiction, powers, and duties within the territorial limits of Duval County.

Section 22.04.

General Powers

The Board shall have the power to:

(c) Sue and be sued, implead and be impleaded, and complain and defend in all courts.

(d) Enter into contracts, leases, or other transactions.

Section 22.07.

Amendatory power

(a) The Board of Trustees shall have the sole and exclusive responsibility of administering the pension plan, but nothing herein shall empower the Board to amend the provisions of the pension plan without the approval of the Jacksonville City Council.

(b) No legislation shall be adopted by the Jacksonville City Council altering the terms of the pension fund without said legislation having first been referred to the Board for its consideration and comment. The Board may, as it deems necessary, recommend legislative changes and pass those recommendations on to the Jacksonville City Council for their consideration

as ordinances.

(c) The benefit plan administered by the Board shall be as established by ordinance or charter provision, or by special act or general law of the Legislature, which shall be incorporated in this article by reference.

Section 22.08.

Applicability of state law

The Board shall be bound in its actions by the provisions of:

- (a) Chapter 185, Florida Statutes, as amended.
- (b) Chapter 175, Florida Statutes, as amended.
- (c) Section 14, Article X of the State Constitution.

Section 22.10.

Declaration of purposes

The Board created by this article and the purposes for which it is intended to serve are hereby found to be for a public purpose. The Board shall be considered a governmental unit responsible for the management of an irrevocable trust as that term is used in s. 112.66(8), Florida Statutes.

**RESTATED AGREEMENT
BETWEEN THE CITY OF JACKSONVILLE AND THE
JACKSONVILLE POLICE AND FIRE PENSION BOARD OF TRUSTEES**

28. Cooperation. The parties agree to make available to each other on a continuing basis, all information that is necessary to insure the success of this Agreement and to avoid the creation of any further disputes, to execute any and all documents necessary to fulfill the terms of this Agreement, and to work harmoniously to enforce the provisions of this Agreement, and all pension ordinances and statutes, and to avoid obstruction of either party's rights under the law or this Agreement. The parties further agree to harmoniously recodify existing police and fire pension ordinances consistent with the intent of this Agreement and existing practice.

Both the City and the Board hereby covenant and agree that they shall neither take any action nor fail to take any action, nor, to the extent that they may do so, permit any person to take any action which, if either taken or not taken, would adversely affect the terms of this Agreement.
(Page 22)

31. Term. This Agreement shall have a term extending to September 30, 2030. If for any reason the term shall be challenged as a matter of law, the term of this Agreement shall not be less than the minimum term allowed by law. The terms of this Agreement shall control beyond the expressed term hereof until such time as either party is notified in writing by certified mail, return receipt requested as to its intention to terminate. (Page 23)

32. The City and the Board of Trustees of the Police and Fire Pension Fund shall meet no later than January 1, 2005, and periodically thereafter to review the provisions of this Agreement, which either party wishes to address. Such future discussion shall be guided by a mutual desire to ensure the continued application of terms and conditions that are fair and equitable given circumstances that may present themselves in the future that are not currently addressed nor presently anticipated by the parties hereto upon execution of this Restated Agreement. (Page 23)

1 Introduced by the Council President at the request of the Mayor and
2 the Police and Fire Pension Board of Trustees:
3
4

5 **ORDINANCE 2000-1164-E**

6 AN ORDINANCE PERTAINING TO THE POLICE AND FIRE
7 PENSION PLAN; AMENDING SECTION 121.103,
8 ORDINANCE CODE TO AMEND THE TERM OF OFFICE FOR
9 MEMBERS OF THE ADVISORY COMMITTEE; AMENDING
10 SECTION 121.113, ORDINANCE CODE TO PROVIDE FOR
11 MODIFICATIONS IN THE CALCULATION OF PENSION
12 CONTRIBUTIONS; AMENDING SECTION 121.201, TO
13 MODIFY RETIREMENT BENEFIT FORMULA; AMENDING
14 SECTION 121.204, TO CLARIFY CERTAIN
15 PROVISIONS; AMENDING SECTION 121.208, TO
16 CLARIFY CERTAIN LIMITATIONS ON THE PURCHASE OF
17 WARTIME MILITARY SERVICE; AMENDING SECTION
18 121.209, ORDINANCE CODE TO PROVIDE FOR
19 MODIFICATIONS IN DROP DISTRIBUTION OPTIONS AND
20 IN THE DETERMINATION OF EMPLOYER CONTRIBUTIONS
21 FOR DROP PARTICIPANTS AND IN THE DISPOSITION
22 OF EMPLOYEE CONTRIBUTIONS OF DROP
23 PARTICIPANTS; AMENDING SECTION 121.306,
24 ORDINANCE CODE TO PROVIDE FOR MODIFICATIONS IN
25 THE USE OF MEMBER RESERVE ACCOUNT AND ENHANCED
26 BENEFIT ACCOUNT; AMENDING THE AGREEMENT
27 ORIGINALLY APPROVED BY ORDINANCE 91-1017-605;
28 PROVIDING AN EFFECTIVE DATE.
29

30 **WHEREAS,** the City and the Board of Pension Trustees have
31 previously executed an original agreement as well as various

ORDINANCE 2000-1164-E

CERTIFICATE OF AUTHENTICATION

ENACTED BY THE COUNCIL

February 13, 2001



ALBERTA HIPPS
COUNCIL PRESIDENT

ATTEST:



KATHLEEN A. ROBERTS
ACTING COUNCIL SECRETARY

FEB 22 2001

APPROVED: _____



JOHN DELANEY, MAYOR



It is intended that each UAAL base be amortized over its specified period from April 1, 2000, through monthly contributions expressed as a level percentage of each month's payroll, incorporating an assumption that future payroll will grow at the rate of 5.25% per year. Payments are assumed to begin on April 1, 2000, and continue monthly for the remaining period unless offset as provided above.

Asset Valuation Method: Fresh start as of April 1, 2000. Asset Values used for purposes of the Actuarial Valuation performed as of April 1, 2000, were based upon actual market values as of March 31, 2000. Future Asset Valuations will be determined in accordance with the multi-year smoothing methodology.

Note: Methods of valuing assets and actuarial cost methods are also defined for purposes of this Agreement as actuarial assumptions.

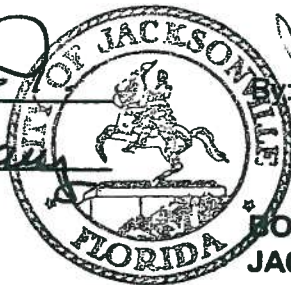
IN WITNESS WHEREOF, The authorized representative of the parties have affixed their signatures this 5th day of March, 2001.

Sam E. Mousa
Chief Administrative Officer
For: Mayor John Delaney
Under Authority of
Executive Order No. 00-10

Signed, sealed and delivered
in the presence of:

Richard M. Allen
Corporate Trust Secretary

CITY OF JACKSONVILLE



Sam E. Mousa

BOARD:
JACKSONVILLE POLICE AND FIRE
PENSION FUND BOARD OF TRUSTEES

[Signature]

Chairman

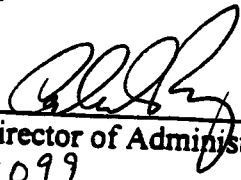
Richard M. Lund


Secretary

John Keane
Administrator



In accordance with the Charter of the City of Jacksonville, I do hereby certify that there is an unexpended, unencumbered and unimpounded balance in the appropriation sufficient to cover the foregoing Agreement and that provision has been made for the payment of the monies provided therein to be paid.



Director of Administration and Finance
8099 

Form Approved:


Assistant General Counsel

1 Introduced by the Council President at the request of the Police
2 and Fire Pension Board of Trustees:
3
4

5 **ORDINANCE 2003-303-E**

6 AN ORDINANCE PERTAINING TO THE POLICE AND
7 FIRE PENSION PLAN; AMENDING SECTION 121.112,
8 ORDINANCE CODE, PROVIDING FOR CERTIFICATIONS
9 OF PENSION PAYROLL; AMENDING SECTION 121.104,
10 ORDINANCE CODE, TO MODIFY THE STANDARDS FOR
11 THE INTRODUCTION OF PROPOSED LEGISLATION;
12 AMENDING SECTION 121.201, ORDINANCE CODE, TO
13 MODIFY THE RATE OF ACCRUAL FOR VESTED
14 RETIREMENT BENEFITS; AMENDING 121.208,
15 ORDINANCE CODE, TO CLARIFY CERTAIN
16 RESTRICTIONS UPON THE CONNECTION OF MILITARY
17 TIME; AMENDING 121.209, ORDINANCE CODE, TO
18 EXPAND THE RANGE OF ROLLOVER OPTIONS FOR DROP
19 PARTICIPANTS; AMENDING SECTION 121.209,
20 ORDINANCE CODE, TO PROHIBIT RETIREES WHO WERE
21 FORMERLY ENROLLED IN THE DROP PROGRAM TO REJOIN
22 MEMBERSHIP IN THE FUND; AUTHORIZING THE MAYOR
23 AND CORPORATION SECRETARY TO EXECUTE A FIRST
24 AMENDMENT TO THE RESTATED AGREEMENT BETWEEN THE
25 CITY OF JACKSONVILLE AND THE JACKSONVILLE
26 POLICE AND FIRE PENSION BOARD OF TRUSTEES;
27 PROVIDING AN EFFECTIVE DATE.
28

29 WHEREAS, the Board of Pension Trustees have identified
30 certain language in the Ordinance Code that is in need of
31 clarification and adjustment so as to improve technical clarity

ORDINANCE 2003-303-E

CERTIFICATE OF AUTHENTICATION

ENACTED BY THE COUNCIL

APRIL 8, 2003



JERRY HOLLAND
COUNCIL PRESIDENT

ATTEST:



CHERYL L. BROWN
COUNCIL SECRETARY

APR 11 2003

APPROVED:



JOHN A. DELANEY, MAYOR

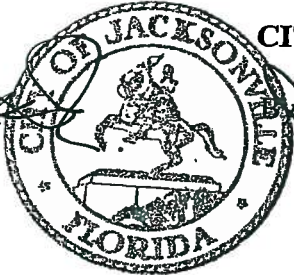


- (3) DROP element of Ordinance 97-1103-E
- (4) Modifications to the benefit formula increasing the rate of accrual from 2.8% to 3% per year of service for the first 20 years of service, with 2% thereafter to a maximum of 80% at 30 years of service rather than 32 years and re-establishing the accrual rate for vested retirement benefits at 3% (for implementation effective April 1, 2001).

SAVE AND EXCEPT as expressly amended herein, the terms and conditions of the Restated Agreement shall remain in full force and effect.


IN WITNESS WHEREOF, The authorized representative of the parties have affixed their signatures on the day and year first above written.

ATTEST:
 By: *Neill W. McArthur, Jr.*
 Neill W. McArthur, Jr.
 Corporation Secretary

 **CITY OF JACKSONVILLE**
 By: *Sam E. Mousa*
 John A. Delaney, Mayor

Sam E. Mousa
 Chief Administrative Officer
 For: Mayor John Delaney
 Under Authority of
 Executive Order No. 00

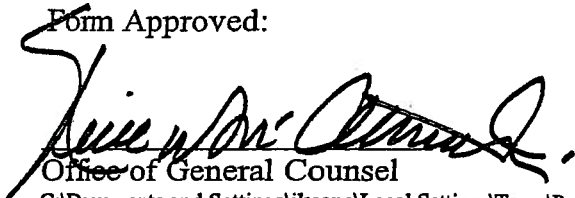
ATTEST:
 By: *John Keane*
 John Keane, Administrator

 **JACKSONVILLE POLICE AND FIRE PENSION FUND BOARD OF TRUSTEES**
 By: *Hastings Williams, Jr.*
 Hastings Williams, Jr., Chairman

By: *Bobby L. Deal*
 Bobby L. Deal, Secretary

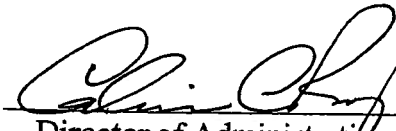
In accordance with the *Ordinance Code*, of the City of Jacksonville, I do hereby certify that there is an unexpended, unencumbered, and unimpounded balance in the appropriation sufficient to cover the foregoing instrument; and that provision has been made for the payment of monies provided therein to be paid.

Form Approved:



Office of General Counsel

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Director of Administration and Finance

8099



1 Introduced by the Police and Fire Pension Fund Board of Trustees:

3
4 **ORDINANCE 2003-1338-E**

5 AN ORDINANCE CONCERNING THE POLICE AND FIRE PENSION
6 PLAN; REPEALING SECTION 121.201(d), ORDINANCE CODE;
7 CREATING NEW SECTION 121.201 (d); PROVIDING A
8 SAVINGS CLAUSE; AUTHORIZING THE MAYOR AND
9 CORPORATION SECRETARY TO EXECUTE A SECOND AMENDMENT
10 TO THE RESTATED AGREEMENT BETWEEN THE CITY OF
11 JACKSONVILLE AND THE JACKSONVILLE POLICE AND FIRE
12 PENSION BOARD OF TRUSTEES; AND PROVIDING AN
13 EFFECTIVE DATE.

14
15 WHEREAS, Ordinance 2003-573-E enacted by the City Council
16 on June 24th, 2003, provided an increased pension supplement for
17 certain retirees and beneficiaries of the City of Jacksonville
18 effective with the first full biweekly pay period after October
19 1, 2003; and

20 WHEREAS, retirees of the Police and Fire Pension Plan were
21 not included in the legislation; and

22 WHEREAS, pursuant to the Restated Agreement between the
23 City of Jacksonville and the Jacksonville Police and Fire
24 Pension Board of Trustees dated March 5, 2001, as amended by the
25 First Amendment dated May 21, 2003, and as approved by
26 Ordinances 2000-1164-E and 2003-303-E, respectively, the City
27 agreed that effective April 1, 2000, the COLA described in
28 section 121.201(d), Ordinance Code, was an immediate benefit and
29 was fixed at three percent; consequently, Police and Fire
30 retirees no longer had to wait the five year period required by
31 the current version of section 121.201(d)(1) before receiving
32 the COLA; now therefore,

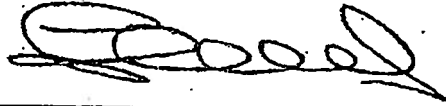
33 **BE IT ORDAINED** by the Council of the City of Jacksonville:

ORDINANCE 2003-1338-E

CERTIFICATE OF AUTHENTICATION

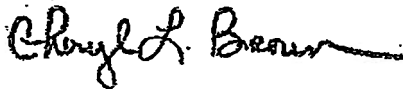
ENACTED BY THE COUNCIL

MARCH 9, 2004



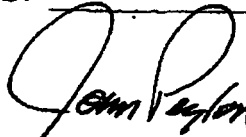
LAD DANIELS
COUNCIL PRESIDENT

ATTEST:



CHERYL L. BROWN
COUNCIL SECRETARY

APPROVED: MAR 12 2004



JOHN PEYTON, MAYOR



The parties recognize the City's interest in obtaining various forms of actuarial and other financial data that would allow the City to properly assess the financial and actuarial condition of the Fund, including the calculation of the unfunded actuarial accrued liability, revised required contribution rates and the balance of reserve funds on a timely basis. Such data is generally reflected in the annual GASB reports prepared by the Plan Actuary, the annual independent audit report, and the Actuarial Valuation that is periodically prepared by the Plan Actuary. In addressing the City's need for timely information, the Board commits to the provision of such reports no later than January 15th of the year following the September 30th as of date from such reports. For reports covering the period ending September 30, 2003, the due date of such reports shall be April 1, 2004.

SAVE AND EXCEPT as expressly amended herein, the terms and conditions of the Restated Agreement shall remain in full force and effect.


IN WITNESS WHEREOF, The authorized representative of the parties have affixed their signatures on the day and year first above written.

ATTEST:

By:





Daniel A. Kleman
Chief Operating Officer
For: Mayor John Peyton
Under Authority of
Executive Order No. 04-0

By: 
John Peyton, Mayor

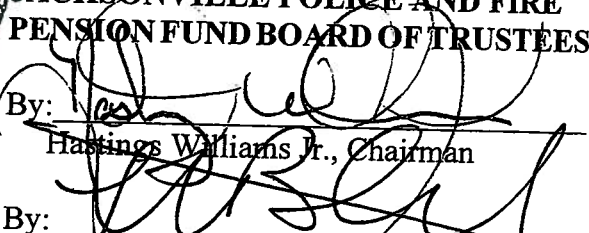
ATTEST:

By:

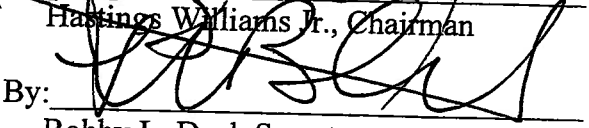

John Keane, Executive
Administrator

JACKSONVILLE POLICE AND FIRE
PENSION FUND BOARD OF TRUSTEES

By:

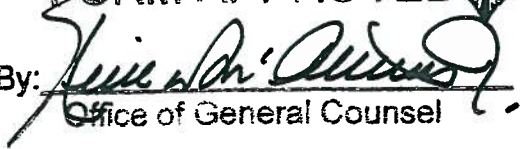

Hastings Williams Jr., Chairman

By:


Bobby L. Deal, Secretary

FORM APPROVED

By:


Office of General Counsel

1 Introduced by the Council President at the request of the Board of
2 Trustees of the Police and Fire Pension Fund and amended by the
3 Finance Committee:
4

5 **ORDINANCE 2006-508-E**

6 AN ORDINANCE PERTAINING TO THE POLICE AND FIRE
7 PENSION PLAN; AUTHORIZING THE EXPENDITURE OF EXCESS
8 CHAPTER FUNDS FOR CERTAIN POST RETIREMENT
9 ENHANCEMENTS; AUTHORIZING THE MAYOR, OR HIS
10 DESIGNEE, AND THE CORPORATION SECRETARY TO (1)
11 EXECUTE AND DELIVER A THIRD AMENDMENT TO THE
12 RESTATED AGREEMENT BETWEEN THE CITY OF JACKSONVILLE
13 AND THE JACKSONVILLE POLICE AND FIRE PENSION BOARD
14 OF TRUSTEES AND (2) TAKE FURTHER ACTION TO
15 EFFECTUATE THE PURPOSE OF THIS ORDINANCE; AND
16 PROVIDING AN EFFECTIVE DATE.
17

18 **WHEREAS**, the Jacksonville Police and Fire Pension Fund (the
19 "Fund"), along with other police and fire pension plans
20 throughout the State of Florida, receive annual remittances from
21 the distribution of funds pursuant to Chapters 175 and 185 (the
22 "Chapter Funds"), Florida Statutes, which originate from the
23 collection of premiums on casualty insurance policies; and

24 **WHEREAS**, the vast majority of Chapter Funds are utilized by
25 the Fund to provide funding for a defined level of pension
26 benefits (the "Base Benefits"), with any residual Chapter Funds
27 being available and designated to support programs of enhanced
28 benefits (the "Enhanced Benefits"); and

29 **WHEREAS**, one of the programs of Enhanced Benefits which
30 utilizes funding from Chapter Funds is represented by the

1 **BE IT ORDAINED** by the Council of the City of Jacksonville:

2 **Section 1. Approval of Agreement; Authorization to**
3 **Execute and Implement.** There is hereby approved and the Mayor,
4 or his designee, and the Corporation Secretary are authorized to
5 (1) execute and deliver, for and on behalf of the City of
6 Jacksonville, a Third Amendment to the Restated Agreement
7 between the City of Jacksonville and the Jacksonville Police and
8 Fire Pension Board of Trustees in substantially the form
9 attached hereto as **Exhibit 1**, and (2) take, or cause to be
10 taken, for and on behalf of the City of Jacksonville, such
11 further action to effectuate the purpose of this ordinance.

12 **Section 2. Effective Date.** This Ordinance shall become
13 effective upon signature by the Mayor of upon becoming effective
14 without the Mayor's signature.

15 Form Approved:

16
17 /s/ Margaret M. Sidman

18 Office General Counsel

19 Legislation Prepared By: John Keane, Executive Director-
20 Administrator, Police and Fire Pension Fund

21 5/30/06 G:\shared\LEGIS.CC\2006\ord\P&F Settlement 3. ser.doc

22
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ORDINANCE 2006-508-F

CERTIFICATE OF AUTHENTICATION

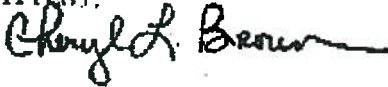
ENACTED BY THE COUNCIL

May 23, 2006



KEVIN E. HYDE
COUNCIL PRESIDENT

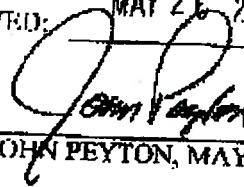
ATTEST:



CHEYL L. BROWN
COUNCIL SECRETARY

APPROVED:

MAY 26 2006



JOHN PEYTON, MAYOR



~~C. The biennial retiree bonus paid pursuant to this section in any two (2) year period shall not be larger than three (3%) percent of the pension base amount of the retiree or surviving spouse.~~

SAVE AND EXCEPT as expressly amended herein, the terms and conditions of the Restated Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the authorized representative of the parties have affixed their signatures on the day and year first above written.

ATTEST:

CITY OF JACKSONVILLE

By: 

John Peyton, Mayor



ATTEST:

JACKSONVILLE POLICE AND FIRE
PENSION FUND BOARD OF TRUSTEES

By: 

John Keane
Executive Director
Administrator



By: 

Hastings Williams, Jr.
Chairman

By: 

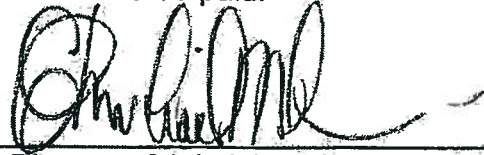
Bobby L. Deal, Secretary

FORM APPROVED

By: 

Office of General Counsel

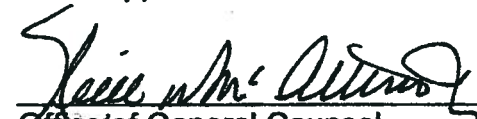
In accordance with the *Ordinance Code*, of the City of Jacksonville, I do hereby certify that there is an unexpended, unencumbered, and unimpounded balance in the appropriation sufficient to cover the foregoing agreement; and that provision has been made for the payment of monies provided therein to be paid.



Director of Administration and Finance

City Contract Number 8099-2 Jc

Form Approved:


Office of General Counsel