

**2006-508-E**

1 payment of a discretionary, one-time bonus payment (the "Bonus  
2 Payment") to retirees that, if made, is distributed in the  
3 second payroll in December of odd-numbered years; and

4 **WHEREAS**, the allocation of Chapter Funds and the  
5 authorization for the Bonus Payment is governed by provisions  
6 reflected in that certain Restated Agreement Between the City of  
7 Jacksonville and the Jacksonville Police and Fire Pension Board  
8 of Trustees (the "Restated Agreement"), as amended; and

9 **WHEREAS**, recent growth in the level of Chapter Funds  
10 collections may allow for the consideration of supplemental  
11 programs of Enhanced Benefits to be funded solely from residual  
12 Chapter Funds; and

13 **WHEREAS**, on February 27, 2004, Mayor Peyton endorsed a  
14 concept (the "Peyton Plan") that would have provided for the  
15 payment of certain post-retirement enhancements from residual  
16 Chapter Funds in conjunction with the consideration of Ordinance  
17 2003-1338-E; and

18 **WHEREAS**, for a variety of reasons, Ordinance 2003-1338-E,  
19 as enacted, did not contain the Peyton Plan; and

20 **WHEREAS**, a revised approach to the Peyton Plan has been  
21 developed in an effort to more specifically describe the nature  
22 of the post-retirement enhancement that would be funded solely  
23 from such residual Chapter Funds; and

24 **WHEREAS**, the revised approach authorizes a discretionary,  
25 one-time bonus payment to be paid in the first payroll in  
26 December of even numbered years, provided that sufficient  
27 residual Chapter Funds are available to fund the entire cost of  
28 the same, so as to provide the possibility for a discretionary,  
29 one-time bonus payment to be paid in December of every calendar  
30 year; now therefore

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

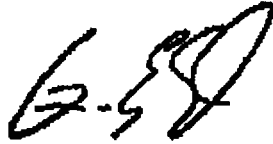
21 5/30/06 G:\shared\LEGIS.CC\2006\ord\P&F Settlement 3. ser.doc

ORDINANCE 2006-508-F

CERTIFICATE OF AUTHENTICATION

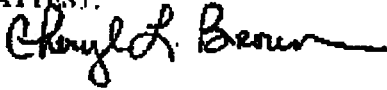
ENACTED BY THE COUNCIL

May 23, 2006



\_\_\_\_\_  
KEVIN E. EYDE  
COUNCIL PRESIDENT

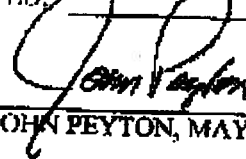
ATTEST:



CHERYL L. BROWN  
COUNCIL SECRETARY

APPROVED:

MAY 26, 2006



\_\_\_\_\_  
JOHN PEYTON, MAYOR



**CITY COUNCIL RESEARCH DIVISION  
LEGISLATIVE SUMMARY**



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Chief of Research  
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Jacksonville, FL 32202  
FAX (904) 630-3403

**Bill Type and Number:** Ordinance 2006-508

**Sponsor:** Council President at the Request of the Board of Trustees of the Police and Fire Pension Fund

**Date of Introduction:** April 25, 2006

**Committee(s) of Reference:** F

**Date of Analysis:** April 27, 2006

**Type of Action:** Agreement Amendment Approval

**Bill Summary:** This bill approves a Third Amendment to the Restated Agreement Between the City of Jacksonville and the Jacksonville Police and Fire Pension Board of Trustees. The Mayor, or designee, and Corporation Secretary are authorized to execute said amendment and to take further action to effectuate the purposes of this ordinance.

**Background Information:** Certain chapters of Florida Statutes provide for distribution to police and fire pension plans throughout Florida of certain funds which originate from the collection of premiums on casualty insurance policies. In Jacksonville, funds are used to provide for a defined, base level of pension benefits, with any residual funds being available to support programs of enhanced benefits. This Third Amendment changes the current biennial retiree bonus to an annually-based retiree bonus. It provides for a discretionary, annual retiree bonus, if authorized by the Board and provided that sufficient funds are then available in the Enhanced Benefit Account to fund the entire cost. The discretionary annual retiree bonus is to be in an amount up to, but not exceeding, 3% of the pension base amount of the retiree or surviving spouse. Information from the Police and Fire Pension Fund states that this will incur no additional cost to the City or Members contribution rate, as the plan can be accommodated by current balances and future revenues accruing to the Enhanced Benefit Account. Additionally, the statement from Pension Board Consultants, Inc., indicates that this amendment does not increase plan costs and has no actuarial impact.

**Policy Impact Area:** Police and Fire Pension Fund

**Fiscal Impact:** The statement from Pension Board Consultants, Inc., indicates that this amendment does not increase plan costs and has no actuarial impact.

**Analyst:** Campbell

**FINANCE COMMITTEE AMENDMENT**

The Finance Committee offers its first amendment to File No. 2006-508:

- (1) On **page 2, lines 16 & 17**, strike "2004-1338-E" and insert "2003-1338-E"; and
- (2) On **page 1, line 1**, amend the introductory sentence to add that the bill was amended by this committee's amendment.

Form Approved:

          /s/ Steven E. Rohan            
Office of General Counsel

Legislation Prepared By: Margaret M. Sidman

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Jacksonville City Council

Regular Session

2006-508

RCS# 437  
5/23/2006  
10:28 PM

Amend-Approve

Yea: 14    Nay: 0    Abs 0    Not Voting: 3    Excused: 2    PASSED

Yea: 14

Pres. Hyde  
Corrigan  
Alvarez  
Brown

Clark  
Daniels  
Davis  
Fullwood

Graham  
Jenkins  
Johnson  
Jones

L-Felder  
Yates

Nay: 0

Abs 0

Not Voting: 3

Copeland

Self

Shad

Excused: 2

Fussell

Ray

*Handwritten:*  
RCS  
2006-508-5  
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