

2ND AMENDMENT

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

THIS SECOND AMENDMENT to the Restated Agreement made and entered into in duplicate this 17th day of March, 2004, by and between and among the City of Jacksonville and the Jacksonville Police and Fire Pension Board of Trustees.

WITNESSETH:

WHEREAS, on February 13, 2001, the City Council enacted Ordinance 2000-1164-E, which among other things, authorized the execution of the Restated Agreement which was attached to Ordinance 2000-1164-E as Exhibit A; and

WHEREAS, on April 8, 2003, the City Council enacted Ordinance 2003-303-E, which among other things, authorized the execution of the First Amendment to the Restated Agreement which was attached to Ordinance 2003-303-E as Exhibit A; and

WHEREAS, the parties wish to further amend the Restated Agreement to provide for the conversion of Temporary Commitments of Chapter Funds to a Supplemental Commitment of Chapter Funds, to describe reporting obligations, and to expand the definition of Base Benefits, and Ordinance 2003-1338 has been approved in support of this purpose.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree to undertake the enactment of amendments described as follows:

Section 1. Paragraph 1 of Article I is amended to include a modification to definition (w) and a new definition (ff) to read as follows:

(w). **Post Retirement Enhancement** - Enhanced benefit, in the nature of a biennial retiree bonus, and which may be adopted by the Board, and funded from the Enhanced Benefit

Account.

* * *

(ff). **Supplemental Commitment of Chapter Funds** - The supplemental portion of Chapter Funds (above a level in excess of an amount equivalent to 3.35% of Valuation Payroll) that has been supplementally committed for remittance to the Base Benefits Fund at a value not to exceed an amount equivalent to one percent (1%) of Valuation Payroll.

Section 2. Paragraph 8(D) of Article VI is amended to read as follows:

D. Any Chapter Funds received by the Fund subsequent to March 31, 2000, at a level in excess of an amount equivalent to 3.35% of Valuation Payroll shall be made available for designation as Temporary Commitments of Chapter Funds in an amount not to exceed a value equivalent to one percent (1%) of Valuation Payroll through the period ended September 30, 2003. Beginning October 1, 2003, such Temporary Commitments of Chapter Funds shall be converted to a Supplemental Commitment of Chapter Funds in an amount not to exceed a value equivalent to one percent (1%) of Valuation Payroll, with such amount being committed to the Base Benefits Fund, and acknowledged as an element of the consideration offered by the Trustees in securing the benefits reflected in Ordinance 2003-1338. Any such residual Chapter Funds remaining thereafter are designated as Uncommitted Chapter Funds with such uncommitted amounts earmarked for remittance to the Enhanced Benefits Account.

Section 3. Paragraph 11(j) of Article VII is amended to read as follows:

(j) It is agreed that Base Benefits shall be amended to include the following categories of benefits for period subsequent to March 31, 2000:

1. Twenty (20) year retirement element of Ordinance 91-1017-605

2. Immediate COLA Benefit
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).
5. Modifications to the benefit formula increasing the adjustment supplement from \$3 to \$5 per month for each year of actual pension service and providing for the simultaneous payment of the adjustment supplement and the COLA (for implementation on the first full payroll after October 1, 2003).

Section 4. Paragraph 28 of Article X is amended to read as follows:

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.

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: [Signature]



CITY OF JACKSONVILLE

By: [Signature]

John Peyton, Mayor

Daniel A. Kleman
Chief Operating Officer
For: Mayor John Peyton
Under Authority of
Executive Order No. 04-03

ATTEST:

By: [Signature]

John Keane, Executive
Administrator



JACKSONVILLE POLICE AND FIRE
PENSION FUND BOARD OF TRUSTEES

By: [Signature]

Hastings Williams Jr., Chairman

By: [Signature]

Bobby L. Deal, Secretary

FORM APPROVED

By: [Signature]

Office of General Counsel