

Introduced by Council Member Gulliford and amended by the Finance Committee:

ORDINANCE 2015-422-E

AN ORDINANCE AMENDING CHAPTER 120 (GENERAL EMPLOYEES AND CORRECTIONS OFFICERS RETIREMENT PLANS), PART II (THE GENERAL EMPLOYEES RETIREMENT PLAN), SECTION 120.201 (DEFINITIONS), *ORDINANCE CODE*, TO INCLUDE AS ELIGIBLE FOR MEMBERSHIP WITHIN THE GENERAL EMPLOYEES RETIREMENT PENSION PLAN THOSE EMPLOYEES OF THE JACKSONVILLE POLICE AND FIRE PENSION FUND BOARD OF TRUSTEES; PROVIDING AN EFFECTIVE DATE.

WHEREAS, in 1990 the Legislature enacted Chapter 90-442, Laws of Florida, creating the Jacksonville Police and Fire Pension Fund Board of Trustees ("PFPF Board") to administer the retirement plan for the City of Jacksonville ("City") law enforcement officers and firefighters known as the Jacksonville Police and Fire Pension Fund ("Pension Fund"); and

WHEREAS, Chapter 90-442 also amended Section 18.07 of the Charter of the City of Jacksonville to include the PFPF Board as an independent agency of the City; and

WHEREAS, the PFPF Board is granted those powers needed to administer the Pension Fund including the power to "[e]mploy and fix the compensation of an administrator and any consultants, attorneys, actuaries, accountants, and other employees or contractors;" and

WHEREAS, in 2000, the PFPF Board interpreted this grant of authority to permit the creation of a pension plan to be funded by

1 the City called the Jacksonville Police and Fire Senior Staff
2 Voluntary Retirement Plan ("Senior Plan"), a defined benefit plan
3 for its "senior staff employees and other employees of the Board
4 not otherwise enrolled in the City of Jacksonville Retirement
5 System;" and

6 **WHEREAS,** the Senior Plan currently has two retirees, one
7 surviving spouse of a deceased member and no active members. All
8 other PFPF Board employees are currently members of the City's
9 Retirement System; and

10 **WHEREAS,** the City became aware of the Senior Plan for the
11 first time during 2012 and questioned the Senior Plan's legality
12 and the Trustees' fiduciary responsibilities; and

13 **WHEREAS,** Article 16 of the Charter of the City of
14 Jacksonville identifies the retirement pension systems of the City
15 to be the Pension Fund and the General Employees Pension Fund; and
16 Section 16.01 authorizes the Council to amend the pension system to
17 provide for separate classifications; however, nothing in Article
18 16 authorizes any agency to create pension fund debt for the City
19 without Council approval; and

20 **WHEREAS,** in 2012, the General Counsel for the City issued a
21 binding legal opinion that the PFPF Board was without authority to
22 create the Senior Plan for its employees; and

23 **WHEREAS,** the PFPF Board's counsel issued an opinion to the
24 PFPF Board that it had the authority to create the Senior Plan; and

25 **WHEREAS,** there is an ongoing dispute between the City and the
26 PFPF Board as to the lawfulness of the Senior Plan; and

27 **WHEREAS,** the PFPF Board claims that it created the Senior Plan
28 for certain PFPF Board employees who were not eligible to
29 participate in the City's Retirement System; and

30 **WHEREAS,** despite the PFPF Board claims, the City of
31 Jacksonville has always allowed the PFPF employees to join and/or

continue to participate in the City's Retirement System; and

WHEREAS, this Ordinance removes any argument that a PFPF Board employee is unable to participate in the City's Retirement System; now therefore

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

Section 1. Amending Section 120.201 (Definitions), Ordinance Code. Section 120.201, *Ordinance Code*, is hereby amended to read as follows:

CHAPTER 120. GENERAL EMPLOYEES AND CORRECTIONS OFFICERS RETIREMENT PLANS

* * *

PART II. THE GENERAL EMPLOYEES RETIREMENT PLAN

Sec. 120.201. Definitions.

* * *

(h) ~~City, for purposes of this Chapter,~~ shall mean the City of Jacksonville Florida, JEA, the Jacksonville Housing Authority, the Jacksonville Police and Fire Pension Board of Trustees, and those ~~employees of~~ City agencies with employees who are active members of the Retirement Plan.

* * *

(m) *Employee* shall mean a person currently employed by the City and for whom contributions are being made to the Plan. The term "employee" shall include general employees, all other eligible employees of the City, JEA, the Jacksonville Housing Authority and the Jacksonville Police and Fire Pension Board of Trustees, and employees of outside agencies covered by this Plan.

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Section 2. Effective Date. This Ordinance shall become effective upon signature by the Mayor or upon becoming effective without the Mayor's signature.

Form Approved:

/s/ Paige Hobbs Johnston

Office of General Counsel

Legislation Prepared By: Loree L. French

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