**MEMORANDUM**

**TO:** City Council Members, City of Jacksonville

**THRU:** Randall Barnes, Treasurer

**FROM:** City of Jacksonville Retirement System Board of Trustees

General Employees’ Pension Advisory Committee

**SUBJECT:** Comments to Proposed Ord. 2019-566

**DATE:** September 19, 2019

Section 120.102(v) of the City of Jacksonville Code of Ordinances provides the City of Jacksonville Retirement System Board of Trustees and the appropriate Pension Advisory Committee the opportunity to make comment to the City Council on any legislation that may affect the Plan. The City Council shall consider those comments but shall not be bound by them.

**Board of Trustees Comments – September 19, 2019**

1. The Board of Trustees advises City Council that Comment No. 3 from the Pension Advisory Committee is not within the purview of the PAC or the Board. Additionally, upon any potential future JEA recapitalization event, the Board requests to provide City Council input regarding the distribution of the proceeds in so far as the impact may affect the enhanced benefits and the unfunded actuarial accrued liability of the General Employees’ Pension Plan.

**Pension Advisory Committee Comments – September 11, 2019**

1. Consider modifying the current proposed legislation (2019-566) to reflect that a portion of the recapitalization proceeds to the City should be used to pay off the BJP debt and thereby accelerate the payment of the surtax proceeds to the Pension Plans in accordance with the projection prepared by Segal.
2. Consider having the City use a portion of the proceeds from a recapitalization event to pay down the JEA portion of the unfunded liability.
3. Recommend the current proposed legislation (2019-566) should be modified to address perceived inequities expressed by some appointed and non-appointed retirement-eligible workers. Solutions suggested by some in this population include eliminating the COLA wait period or pension buy-up of service for up to three years for the retirement-eligible population.