

The Florida Times-Union

UP TO \$1,291 IN COUPON SAVINGS

Sunday JANUARY 22, 2017 \$3

ANNUAL GARDEN CALENDAR

Life, D-6

4 KILLED, WIDESPREAD DAMAGE WHEN TORNADO HITS MISSISSIPPI

Nation, A-8



FLORIDA STATE TOPPLES LOUISVILLE, GATORS TUMBLE AGAINST VANDERBILT

Sports, C-1

Women take to streets in huge Trump protests



Protesters make their way along Independent Drive near the Jax Chamber on Saturday as part of the Women's March on Jacksonville in support of the Women's March on Washington. (Bob Mack/Florida Times-Union)

More than 1 million join anti-Trump women's marches worldwide

By Nancy Benac & Ben Nuckols
Associated Press

WASHINGTON | In a global exclamation of defiance and solidarity, more than 1 million people rallied at women's marches in the nation's capital and cities around the world Saturday to send President Donald Trump an emphatic message on his first full day in office that they won't let his agenda go unchallenged.

Many of the women came wearing pink, pointy-eared hats to mock the new president. Plenty of men joined in, too, contributing to surprising numbers everywhere from New York, Philadelphia, Chicago and Los Angeles to Mexico City, Paris, Berlin, London, Prague and Sydney.

The Washington rally alone attracted over

MARCH continues on A-3



Stephanie Aiken encourages the group to "Stay Outraged!" during the march in Jacksonville.

TRUMP TAKES OFFICE

Swamp shuffling: Fresh crop of lobbyists, consultants, ex-officials setting up shop. **A-7**
First act: What Trump's executive order on Obamacare order does. **A-7**

Thousands of protesters march in solidarity in downtown Jacksonville

By Amanda Williamson
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Marchers who flooded into the streets of downtown Jacksonville carried with them a lot of messages for the new president of the United States.

"Respect my existence — or expect resistance."

"I will not go quietly back to the 1950s."

"What kind of world are you making for my daughter?"

Voices of the more than 2,000, possibly 3,000, local marchers joined a much larger movement across the country, where women and men throughout America spoke out against the political rhetoric espoused by President Donald Trump during his cam-

JACKSONVILLE continues on A-3



Mayor Lenny Curry wants to move workers into a 401(k) plan instead of a pension.

Curry offer would end '15 reform on pension

Fund board chair says city needs to honor widely hailed deal

By Nate Monroe & David Bauerlein
The Times-Union

Buried within Mayor Lenny Curry's latest collective bargaining offer to the local police and firefighter unions is a stunning revelation: He proposes terminating a 2015 reform agreement that was widely viewed by Jacksonville civic and political leaders as a major step in fixing the city's broken pension system.

Curry — hoping to entice skeptical union leaders into accepting a 401(k) plan for future hires — has offered to restore more costly pension benefits to current employees that the 2015 agreement with the Police and Fire Pension Fund sought to end. The reform agreement, which is enforced and monitored by a federal court, had a trio of goals: Cutting what were considered unsustainable pension benefits, locking City Hall into more quickly paying down its massive pension debt, and putting more responsible governance and transparency practices in place for the pension fund.

It's not clear why Curry's latest offer is contingent upon ending the reform agreement. His office says that step is necessary in order to restore old benefits to current police officers and firefighters.

But General Counsel Jason Gabriel, the city's top lawyer, said nothing in the 2015 agreement stops the city and labor unions from collectively bargaining changes to pension benefits.

Indeed, Bill Scheu, who

PENSION continues on A-6

Weather
Severe storms?
Forecast on A-2

79

Today's high

45

Monday morning's low



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PENSION

Continued from A-1

serves on the Police and Fire Pension Fund board and previously was chairman of a pension reform task force, said a major point of the 2015 agreement was to involve the unions in negotiating retirement benefits again without any involvement from the pension fund, which it had done for years until a court struck down that arrangement.

"It's very puzzling," Scheu said of Curry's bid to terminate the 2015 agreement. "They don't give you any information so it's hard to evaluate."

Advocates of the 2015 agreement also fear that eliminating the agreement could wipe away the improvements in governance and transparency measures it put into place.

Eliminating the deal would require a green light from the Police and Fire Pension Fund board, an otherwise obscure group that took on unusual prominence in past years when it was effectively negotiating benefits instead of the unions.

Ironically, Curry's move to cut the deal puts the board — which he has repeatedly criticized as being stacked with "cronies" — back in the spotlight. Curry might face a tough crowd.

Richard Tuten, the board chairman, said the 2015 pact resulted from a "lot of heartache and heartburn" as it came together during a multitude of meetings. He said the city needs to fulfill its end of the deal, including a commitment to spend \$350 million above and beyond the minimum required by state law over a 13-year period.

Tuten said any attempt to change the requirement for those extra payments would be a "non-starter."

"Zero," he said. "Not a chance."

Curry's office did not respond to a request to interview administration officials to discuss these issues.

Earlier responses his of-



Richard Tuten, Police and Fire Pension board chairman, said the 2015 pact resulted from a "lot of heartache and heartburn" and that the city needs to fulfill its end of the deal. (Bob Self/Florida Times-Union)

fice provided to written questions were also incomplete and did not address the lack of clarity about why his latest offer to the police and fire unions hinges on terminating the 2015 agreement.

That lack of information has been the norm.

During collective bargaining, Curry has not provided any financial analysis to taxpayers showing how his proposal compares to current costs for wages and retirement benefits, or what his long-range plan is for paying off the city's \$2.85 billion pension debt.

Voters approved a referendum over the summer to dedicate future revenue generated by a half-penny sales tax to paying down the debt. That tax doesn't start until 2030, however, and Curry hasn't fleshed out how he wants to use the tax to get financial relief in the interim. Those specifics are rarely discussed in public.

During a committee meeting last year, for example, city Finance Director Mike Weinstein said he wished council members would stop asking questions about the mechanics of the tax because he worried about the risk of confusing voters ahead of the referendum.

2015 AGREEMENT

The 2015 reform agreement with the Police and Fire Pension Fund was

the result of years of work by former Mayor Alvin Brown's administration, members of the high-profile pension reform task force, and back-and-forth negotiations between the City Council and the pension fund.

Signed in the waning days of Brown's administration, it was shepherded through the council with the help of City Councilman Bill Gulliford, a Republican and Curry ally. It was met with nearly unanimous approval, including by Curry, who in the past called it a good first step.

It's not clear what portions of the 37-page agreement Curry is interested in eliminating permanently or what he would keep in place.

The 2015 deal also included a laundry list of more esoteric measures designed to institute best practices at the Police and Fire Pension Fund board, which oversees the fund's investment strategy and is responsible for calculating the city's annual required payments. Gulliford said he doesn't think Curry would do away with provisions for governance of the pension fund.

Curry's collective bargaining negotiators have signaled they are willing to discuss altering other bedrock portions of the reform agreement.

Local advocates weren't the only ones to cheer the

city's passage of the deal in 2015.

"Even if the city chooses to make additional changes, we would recommend that the 2015 reforms be retained," said David Draine, a senior researcher at Pew Charitable Trusts, which assisted a city task force on pension reform.

"The Jacksonville Retirement Reform Task Force's recommendations aimed at balancing an affordable and sustainable benefit with retirement security for public safety workers," he said. "In addition, the reforms made improvements to transparency and oversight and included a plan to pay down the unfunded liability for the Jacksonville Police and Fire Pension Fund."

The city promised to pay \$350 million more toward the pension debt on an accelerated timeline, guided by a belief that paying off debt faster would save more money in the future. The pension fund agreed to match those extra payments with \$110 million from the fund's reserves. But city leaders at the time had not figured out a way for the city to make its accelerated payments.

Curry pushed the pension tax option as a way to create a dedicated funding source for pension debt. But accessing that money first requires closing the pension plans to future hires in collective bargaining.

The pension tax wouldn't begin until a current half-penny tax that pays for infrastructure expires in 2030 — so it wouldn't help meet the city's short-term commitments unless the city borrowed against the future revenue or found another kind of arrangement.

MORE NOW, LESS LATER

One such arrangement that Curry administration officials have discussed in the past is considered risky and would actually reverse the "pay more now, save later" approach of the 2015 reform deal.

State legislation Curry lobbied for that authorized the pension sales tax includes a provision that would allow Jacksonville to estimate the current-day value of the 2030-60 tax revenue and count it as a current asset in the pension fund. That would have the effect of dramatically reducing — on paper — the city's debt to the Police and Fire Pension Fund.

It would also allow for the city to make dramatically lower annual payments.

But that method carries potential drawbacks.

For one, it's virtually unheard of and defies conventional wisdom about how to manage pension costs. It could also endanger the pension fund in the event of a market crash or cash crunch.

An analysis by Moody's, a Wall Street credit-rating agency, completed after voters passed the pension-tax referendum last summer, notes that this method of funding the pension debt "could make it more difficult for Jacksonville pension funds to build assets if plan cash flows turn negative." The analysis further noted that the "far-off nature of the newly authorized revenues poses a variety of potential risks, depending on which course of action the city ultimately follows."

A separate analysis conducted by a city consultant last year showed that method would leave the Police and Fire Pension Fund only 58 percent or 65 percent

funded by 2045.

During the campaign pushing voters to pass the pension tax referendum, Curry told voters the pension plans would be 100 percent funded by the late 2040s.

"Counting a future revenue stream as a pension asset is not a standard practice — we don't know of a similar example," Draine, the Pew pension researcher, said.

"Future revenues are uncertain — lowering contributions now in anticipation of payments from sales taxes later runs the risk of a shortfall that would need to be filled in with additional funding," he said. "As with any debt, the longer Jacksonville takes to pay it off, the greater the cost."

It's unclear what Curry's latest offer restoring more costly benefits to cops and firefighters would cost the city. He's also promised 3 percent lump sum payments if a deal is signed, plus 20 percent raises over three years. Curry has also proposed a generous 401(k) plan for future hires that would offer a city matching contribution of 25 percent of pay on day one; employees would contribute 8 percent.

His office won't release cost figures, but it's virtually certain these concessions would cost the city millions more each year.

That means it's also not clear whether Curry's total package to the public-safety unions — including his 401(k) proposal — would be cheaper in the long run than the retirement package currently in place for police officers and firefighters. The 2015 agreement created less expensive pension benefits for employees hired after it took effect.

An analysis conducted by a city consultant estimated that plan would cost the city 10 percent of payroll.

Curry's administration has refused to acknowledge that figure. They are adamant the 401(k), which would cost 25 percent of payroll, is a more fiscally responsible alternative.

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UPCOMING SAVANNAH EVENTS

<p style="font-size: 14px; margin: 0;">March 9 - 11 Savannah Stopover Festival</p>	<p style="font-size: 14px; margin: 0;">March 23 - April 8 28th Annual Savannah Music Festival</p>	<p style="font-size: 14px; margin: 0;">April 8 Publix Savannah Women's Half & 5K</p>
<p style="font-size: 14px; margin: 0;">March 17 - 18 St. Patrick's Day Parade and Celebration</p>	<p style="font-size: 14px; margin: 0;">March 23 - 26 Savannah Tour of Homes and Gardens</p>	<p style="font-size: 14px; margin: 0;">April 28 - 29 Tybee Island Wine Festival</p>

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