

**CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY**



JEFFREY R. CLEMENTS
Chief of Research
(904) 255-5137

117 West Duval Street
City Hall, Suite 425
Jacksonville, FL 32202
FAX (904) 255-5229

Bill Type and Number: Ordinance 2020-185

Introducer/Sponsor(s): Council Member Priestly Jackson

Date of Introduction: March 10, 2020

Committee(s) of Reference: F, R

Date of Analysis: March 12, 2020

Type of Action: Ordinance Code amendment

Bill Summary: The bill amends Ordinance Code Chapter 129 – Salaries of Public Officials and Employees – to change the word “salaries” to “compensation” in the chapter title and to create a new Section 129.113 – Unlawful Compensation. The new section prohibits the following:

- Any compensation other than: salary, City or State authorized pension or retirement plans; a bonus program that meets all the requirements of state law; and non-taxable benefits such as insurance, mileage, club membership, or other allowances.
- Pension, retirement, or deferred compensation plans that are not approved by the State of Florida as part of the Florida Retirement System or as part of the City retirement system or approved by City ordinance.
- Retirement or deferred compensation plans that are not fully exempt pursuant to federal Internal Revenue Service laws, rules, and regulations.
- A contract that in any manner bases compensation on any version of cost savings to the City or any department or agency of the City. This includes, but is not limited to, circumstances wherein actual costs are lower than budgeted costs either due to revenues above projected revenues or costs below projected costs.
- A contract that in any manner purports to grant to any officer or employee any property or ownership interest of any sort in the City or any department or agency of the City or any property of the City.
- A contract that bases compensation to any employee or officer upon the value or growth or loss in value of the City or any of its agencies or departments; or any property of any sort owned by the City or any of its agencies or departments.
- A contract that purports to grant to any officer or employee any equity or other property interest in a former city department or agency that is recapitalized or sold.

The bill amends Ordinance Code Chapter 601 – Offenses Against the Operation of Government – to create a new Section 601.409 – Unlawful Contracts. The new section prohibits the following:

- A contract that in any manner bases compensation on any version of cost savings to the City or any department or agency of the City. This includes, but is not limited to, circumstances wherein actual costs are lower than budgeted costs either due to revenues above projected revenues or costs below projected costs.
- A contract that in any manner purports to grant to any person any property or ownership interest of any sort in the City or any department or agency of the City or any property of the City.
- A contract that bases compensation to any person upon the value or growth or loss in value of the City or any of its agencies or departments; or any property of any sort owned by the City or any of its agencies or departments.
- A contract that purports to exist in perpetuity.
- A contract with an officer or employee exempt from civil service that:
 - (1) Creates a relationship other than at-will status; or
 - (2) Contains a clause that prohibits firing except for cause.

Background Information: The bill is intended, in part, to address issues raised by the JEA privatization exploration process, particularly the Performance Unit Plan which would have allowed JEA employees to purchase “units” that could have substantially increased in value depending on the utility’s success in meeting a variety of operational and financial targets, and the senior management team contracts that provided for post-employment consulting arrangements and other non-City-standard compensation elements.

Policy Impact Area: City officer/employee compensation and employment contracts.

Fiscal Impact: Expected to be minimal

Analyst: Clements