

1 Introduced by the Council President at the request of the Mayor:
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4 **RESOLUTION 2024-508**

5 A RESOLUTION ADOPTING THE ANNUAL GROWTH RATE AS
6 RECOMMENDED BY THE ADMINISTRATION FOR THE FUTURE
7 PENSION LIABILITY SURTAX PROCEEDS; PROVIDING AN
8 EFFECTIVE DATE.
9

10 **WHEREAS**, the Florida legislature enacted Section 212.055(9),
11 *Florida Statutes*, establishing a Pension Liability Surtax not to
12 exceed 0.50% which counties may levy to fund defined benefit
13 retirement plans which are below 80% of actuarial funding if certain
14 other criteria as described in the law are met; and

15 **WHEREAS**, such law requires the county to apply the present
16 value of the total projected proceeds of the Pension Liability Surtax
17 to reduce the unfunded liability of the defined benefit retirement
18 plans; and

19 **WHEREAS**, citizens of Duval County approved a local referendum
20 on August 30, 2016, to enact the Pension Liability Surtax if all the
21 criteria set forth by the law are met; and

22 **WHEREAS**, the City of Jacksonville enacted Ordinance 2017-257-E
23 to meet all of the requirements of the law and to levy the Pension
24 Liability Surtax; and

25 **WHEREAS**, Ordinance 2017-257-E, in part, created Section
26 776.105, *Ordinance Code*, which established that the present value of
27 future Pension Liability Surtax proceeds shall be calculated assuming
28 a 4.25% annual growth rate, and that the City Council shall approve
29 by legislation the assumed growth rate by October 31 of each year;
30 and

31 **WHEREAS**, once any change to the assumed growth rate is approved

1 by City Council each year, the rate shall be used by the defined
2 benefit plan actuaries in determining the present value amount of
3 future Pension Liability Surtax proceeds and consider that amount as
4 an asset in the fund when determining the City's required
5 contributions for the following fiscal year; and

6 **WHEREAS**, City Administration has reviewed various relevant
7 economic indicators and has determined that no change is necessary
8 to the previously established annual growth rate of 4.25%, and
9 recommends the City Council approve using the established rate without
10 changes to calculate the present value of future Pension Liability
11 Surtax proceeds as of the October 1, 2024 actuarial valuation, which
12 will affect the City's Fiscal Year 2025-2026 required contributions
13 to defined benefit plans; now therefore

14 **BE IT RESOLVED** by the Council of the City of Jacksonville:

15 **Section 1. Adopting Annual Growth Rate.** Based on the
16 review and recommendation of City Administration, no change is
17 necessary to the previously established annual growth rate of 4.25%.
18 The City's defined benefit plan actuaries shall use this rate to
19 calculate the present value of future Pension Liability Surtax
20 proceeds as of the October 1, 2024, actuarial valuation when
21 determining the City's required contributions to defined benefit
22 plans for Fiscal Year 2025-2026.

23 **Section 2. Effective Date.** This Resolution shall become
24 effective upon signature by the Mayor or upon becoming effective
25 without the Mayor's signature.

26 Form Approved:

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28 /s/ Mary E. Staffopoulos

29 Office of General Counsel

30 Legislation Prepared By: Mary E. Staffopoulos

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