CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY

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Bill Type and Number: Resolution 2025-508

Introducer/Sponsor(s): Council President at the request of the Mayor

Date of Introduction: July 22, 2025

Committee(s) of Reference: F

Date of Analysis: July 21, 2025

Type of Action: Adoption of Annual Growth Rate for Pension Liability Surtax Proceeds

Bill Summary: This resolution adopts the annual growth rate of 4.25 percent for the calculation of the present value of future Pension Liability Surtax proceeds, as recommended by the City Administration. The growth rate will be used by actuaries to calculate the present value as of the October 1, 2025 actuarial valuation, which will impact the City's required contributions to defined benefit retirement plans in Fiscal Year 2026-2027.

Background Information: Section 212.055(9), Florida Statutes, allows counties to levy a pension liability surtax to fund defined benefit retirement plans that are less than 80 percent actuarially funded, subject to meeting additional statutory criteria. A referendum approved by Duval County voters on August 30, 2016, authorized the surtax contingent on those requirements. Ordinance 2017-257-E implemented the surtax and established Section 776.105 of the Ordinance Code, which includes a requirement that the City Council approve the assumed growth rate annually by October 31. The Administration reviewed relevant economic indicators and found no reason to revise the previously adopted growth rate of 4.25 percent.

Policy Impact Area: Pension Funding

Fiscal Impact: The approved growth rate will be factored into the City's required pension contributions for Fiscal Year 2026-2027.

Analyst: Jimenez