



City of Eustis

P.O. Drawer 68 • Eustis, Florida 32727-0068 • (352) 483-5430

TO: Eustis City Commission

FROM: Rick Gierok, Interim City Manager

DATE: June 4, 2026

RE: Second Reading of Ordinance Number 2026-26: Amendment to the City of Eustis Municipal Firefighters' Pension and Retirement System

Introduction

The proposed ordinance amends Chapter 70, Article III of the City of Eustis Code of Ordinances relating to the City of Eustis Municipal Firefighters' Pension and Retirement System. Specifically, the ordinance amends Section 70-69(a), Retirement Age, to revise the normal retirement date applicable to members of the Firefighters' Pension and Retirement System.

The amendment implements pension-related provisions negotiated as part of the Collective Bargaining Agreements between the City of Eustis and the Eustis Professional Firefighters' Local 4731 International Association of Firefighters for fiscal years 2024-2027.

Background

The City of Eustis Municipal Firefighters' Pension and Retirement System is established pursuant to Chapter 70, Article III of the City Code and is intended to comply with the minimum standards and benefits established under Chapter 175, Florida Statutes.

During collective bargaining negotiations for the 2024-2027 labor agreements, the City and the bargaining units negotiated modifications to certain pension provisions, including:

- Revision of the normal retirement date;
- Adjustment of member contribution calculations;
- Modification of disability pension provisions; and
- Allocation and use of Chapter 175 premium tax revenues.

The negotiated retirement-age amendment requires modification of the City's local-law pension ordinance. The Board of Trustees of the Firefighters' Pension and Retirement System reviewed the proposed amendment and recommended approval.

Proposed Amendment

The ordinance amends Section 70-69(a) of the City Code to revise the normal retirement date for members of the Firefighters' Pension and Retirement System.

Under the proposed amendment, a member's normal retirement date will be the earlier of:

- Attainment of age 55 and completion of 10 years of credited service; or
- Completion of 25 years of credited service regardless of age.

The amendment modifies only subsection (a) of Section 70-69. Existing early retirement provisions remain unchanged.

Collective Bargaining Agreement

The proposed ordinance is consistent with the pension provisions negotiated and ratified as part of the Collective Bargaining Agreements between the City and IAFF Local 4731 bargaining units for fiscal years 2024-2027.

The negotiated pension provisions expressly contemplate amendment of the Firefighters' Pension and Retirement System ordinance to implement the revised normal retirement date and related Chapter 175 premium tax allocation provisions.

Actuarial Impact Statement

An Actuarial Impact Statement ("AIS") was prepared by Foster & Foster Actuaries and Consultants dated February 10, 2026, evaluating the proposed amendment in accordance with applicable provisions of Chapters 112 and 175, Florida Statutes.

The AIS concludes that the proposed amendment:

- Complies with applicable statutory requirements;
- Identifies the projected funding impact associated with the revised retirement eligibility provisions; and
- Includes the required actuarial analysis for transmittal to the Division of Retirement prior to final adoption.

The AIS also confirms that the existing early retirement provisions remain unchanged.

Chapter 175 Premium Tax Revenues

The Collective Bargaining Agreements also address allocation and use of Chapter 175 premium tax revenues received by the Pension System.

Under the negotiated provisions:

- Frozen and excess premium tax revenues up to \$196,911 annually will continue to offset the City's required pension contribution; and
- Revenues received in excess of that amount will be allocated equally between the members' Share Plan and reduction of the City's required contribution.

The AIS incorporates these funding assumptions in evaluating the proposed amendment.

Statutory Compliance

The proposed ordinance is intended to comply with:

- Chapter 175, Florida Statutes;
- Part VII, Chapter 112, Florida Statutes; and
- Article X, Section 14 of the Florida Constitution.

The pension plan currently maintains state-accepted status through the Division of Retirement.

Fiscal Impact

The proposed amendment will have actuarial and long-term pension funding impacts as identified in the Actuarial Impact Statement.

The AIS projects:

- An increase in the Minimum Required Contribution from 39.7% to 42.9% of projected payroll; and
- An increase in the combined City and State required contribution from 35.2% to 38.4% of projected payroll.

The AIS further projects that the City Required Contribution will increase from 28.3% to 28.7% of projected payroll.

Recommendation

Staff recommends approval of Ordinance Number 2026-26. The proposed ordinance:

- Implements collectively bargained pension provisions;
- Is supported by the Board of Trustees of the Firefighters' Pension and Retirement System;
- Is supported by an Actuarial Impact Statement prepared in accordance with applicable law;
- Maintains consistency with Chapters 112 and 175, Florida Statutes; and
- Provides clear implementation of the negotiated retirement-age amendment.

Business Impact Estimate

A Business Impact Estimate exemption analysis has been prepared pursuant to Section 166.041(4), Florida Statutes.

Staff has determined that the ordinance is exempt from the Business Impact Estimate requirements because the ordinance implements collectively bargained pension provisions and does not directly regulate private business activity.

Attachments

Ordinance Number 2026-26 with Exhibit "A" – Amendment to Section 70-69(a)
Actuarial Impact Statement dated February 10, 2026
Division of Retirement State Acceptance Letter dated March 31, 2026
Business Impact Estimate Exemption Form

Prepared By

Sasha Garcia, City Attorney
Christine Halloran, City Clerk

Reviewed By

Miranda Burrowes, Deputy City Manager