

Office of Superintendent of Schools
Board Meeting of September 13, 2000

September 7, 2000

Financial Affairs
Richard H. Hinds, Chief Financial Officer

**SUBJECT: RESOLUTION NO. 1, 1999-2000 TRUST & AGENCY – EARLY
RETIREMENT FUND – FINAL BUDGET REVIEW**

In addition to participating in the Florida Retirement System, the School Board established an early retirement plan on July 1, 1984. The plan is non-contributory and is administered by an independent trustee.

All employees participating in the Florida Retirement System were eligible to participate in the Supplemental Early Retirement Plan (the "Plan"). Accordingly, the School Board's payroll for employees covered by the early retirement plan is the same as that for those employees covered by the System. The plan was established in order to supplement an early retiree's benefits by the amount of reduction imposed by the Florida Retirement System. The program provides a supplemental income for those employees who retire between the ages of 55 to 61 and who have completed at least 25 years, but no more than 28 years, of creditable service. Payments under the Plan shall be equal to the early retirement penalty imposed by the Florida Retirement System. The penalty is equal to a 5% reduction in benefits for each year prior to age 62 a person retires with less than 30 years creditable service. These benefit provisions and all other requirements are established by Florida Statute Section 121.011.

Required contributions to the Early Retirement Fund are established by a Board-appointed actuarial consultant and are expended in the funds making the contributions during the years contributed. Contributions in prior years exceeded actual payments to retirees because of the need to amortize over a 30-year period the actuarial value of accumulated benefits earned by employees prior to the inception of the Plan.

This resolution increases revenues, appropriations and ending fund balance as show on the attached schedule to reflect actual 1999-2000 results.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, adopt Resolution No. 1, 1999-2000 Trust & Agency – Early Retirement Fund – Final Budget Review, increasing budgeted revenues and appropriations by \$9,998 as show on the schedule on page 2 of 2.

**REPLACEMENT
G-6**

**MIAMI-DADE COUNTY PUBLIC SCHOOLS
1999-2000 SUMMARY OF REVENUES & APPROPRIATIONS
TRUST AND AGENCY - EARLY RETIREMENT
RESOLUTION 1**

	ADOPTED BUDGET 9/8/99	RESOLUTION NO. 1	AMENDED BUDGET 9/13/00
REVENUES			
Interest/Investment Income	\$ 1,856,236	\$ 9,998	\$ 1,866,234
Contributions from Other Funds	736,101		736,101
Total Revenues	\$ 2,592,337	\$ 9,998	\$ 2,602,335
Beginning Fund Balance	32,290,055		32,290,055
Total Revenues and Beginning Fund Balance	<u>\$ 34,882,392</u>	<u>\$ 9,998</u>	<u>\$ 34,892,390</u>
APPROPRIATIONS			
Payment to Retirees	\$ 2,932,605	\$ 73,562	\$ 3,006,167
Purchased Services	54,362	(10,620)	43,742
Total Appropriations	\$ 2,986,967	\$ 62,942	\$ 3,049,909
Ending Fund Balance	31,895,425	(52,944)	31,842,481
Total Appropriations and Ending Fund Balance	<u>\$ 34,882,392</u>	<u>\$ 9,998</u>	<u>\$ 34,892,390</u>