

Financial Services
Mr. Ron Y. Steiger, Chief Financial Officer

SUBJECT: RESOLUTION NO. 1, FY 2021-22 FIDUCIARY FUND – PENSION TRUST FINAL BUDGET REVIEW

COMMITTEE: FISCAL ACCOUNTABILITY & GOVERNMENT RELATIONS

LINK TO STRATEGIC PLAN: EFFECTIVE AND SUSTAINABLE OPERATIONAL PRACTICES

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”). Eligibility to participate in this plan was discontinued effective July 1, 2003.

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 and 61 and who have completed at least 25 years, but no more than 28 years, of creditable service.

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.

This resolution decreases additions, deductions, and net position as shown on the attached schedule to reflect actual FY 2021-22 results. The decrease in additions is primarily due to a decrease of approximately \$5.8 million in Fair Market Value of investments.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, adopt Resolution No. 1, the FY 2021-22 Fiduciary Fund - Pension Trust - Final Budget Review, decreasing additions by \$4,459,929, decreasing deductions by \$212,673 and decreasing net position by \$4,247,256 as shown on the schedule on page 2 of 2.

**SUMMARY OF REVENUES & APPROPRIATIONS
 FY 2021-22 STATEMENT OF CHANGES IN NET POSITION
 FIDUCIARY FUND - PENSION TRUST FUND**

	ADOPTED BUDGET 9/9/2021	INCREASE (DECREASE)	AMENDED BUDGET 9/7/2022
ADDITIONS			
Employer Contributions	\$ 1,854,697	\$ 25,438	\$ 1,880,135
Investment Earnings	<u>1,000,000</u>	<u>(4,485,367)</u>	<u>(3,485,367)</u>
TOTAL ADDITIONS	\$ 2,854,697	\$ (4,459,929)	\$ (1,605,232)
BEGINNING NET POSITION	<u>28,144,356</u>	<u>-</u>	<u>28,144,356</u>
TOTAL ADDITIONS AND BEGINNING NET POSITION	<u>\$ 30,999,053</u>	<u>\$ (4,459,929)</u>	<u>\$ 26,539,124</u>
DEDUCTIONS			
Retirement Benefit Payments	\$ 3,900,000	\$ (177,215)	\$ 3,722,785
Trustee Services and Other Expenses	<u>115,000</u>	<u>(35,458)</u>	<u>79,542</u>
TOTAL DEDUCTIONS	\$ 4,015,000	\$ (212,673)	\$ 3,802,327
ENDING NET POSITION	<u>26,984,053</u>	<u>(4,247,256)</u>	<u>22,736,797</u>
TOTAL DEDUCTIONS AND ENDING NET POSITION	<u>\$ 30,999,053</u>	<u>\$ (4,459,929)</u>	<u>\$ 26,539,124</u>