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**Disclaimer**

### *Disclaimer*

*This workshop is designed to be educational in nature and is not intended to provide investment, tax, or legal advice.*

*You should consult with your own tax, legal, accounting professionals or any other advisors for advice on the implementation of any plan of action in your particular situation.*

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### *Pension Workshop*

- *Pension Board*
- *Retirement Plan Update*
- *Overview of Benefits*
- *Processing of Applications*

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### *Pension Board (Plan Administrator)*

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### *Pension Board (Plan Administrator)*

- *Trustees Serve as Fiduciaries*
- *Board Meets Quarterly*
- *Board Hires and Manages All Service Providers*
- *Trustees Review and Approve All Benefits*

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## Board: Administers Plan

- Trustees Serve 4-Year Terms
- Elected Employee Members
  - Thomas R. Cummings, Chair
  - Tammy Romero, Secretary
- City Appointments
  - William Alonso (by Ordinance)
  - (Vacant Position)
- Fifth Trustee:  
Francisco Arguelles

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## Pension Board (and Board Retained Service Providers)

```

    graph TD
      Board[Board] --- Actuary[Actuary]
      Board --- Attorney[Attorney]
      Board --- Auditor[Auditor]
      Board --- Custodian[Custodian]
      Board --- IC[Investment Consultant]
      Board --- IM[Investment Managers]
      Board --- RC[Resource Centers]
  
```

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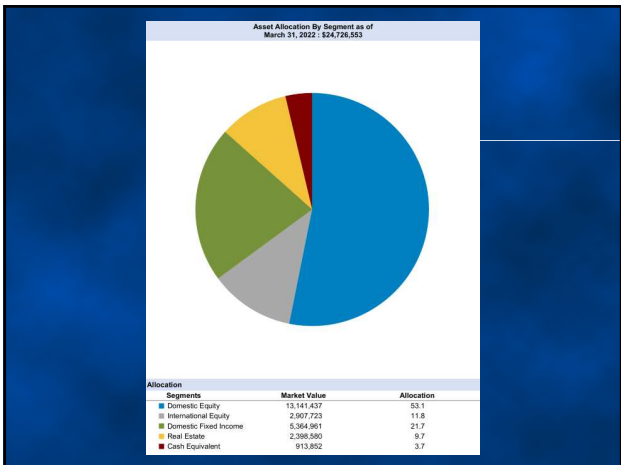
## Board Retained Service Providers

- Attorney: Klausner, Kaufman, Jensen & Levinson
- Actuary: Gabriel Roeder Smith
- Custodian: Salem Trust
- Investment Managers:
  - Highland Capital Fixed & Equity
  - Polen Capital
  - Vanguard Total Stock Index
  - Harding Loevner
  - American Realty Core Property
- Investment Consultant: AndCo
- Plan Administrator: Resource Centers

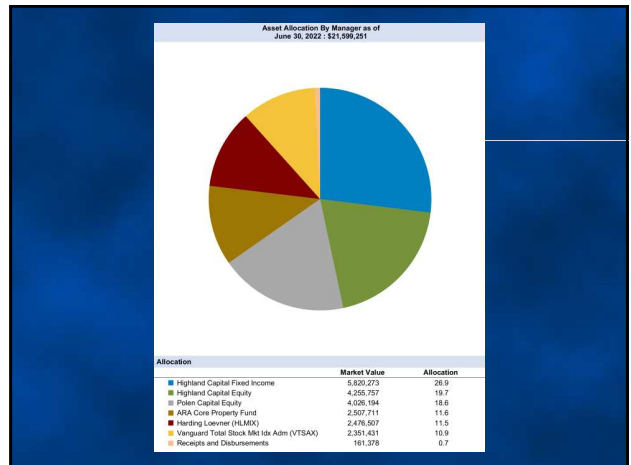
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## Defined Benefit Pension Plan

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Asset Allocation & Performance		Allocation	
		Market Value \$	%
<b>Total Fund Composite</b>		<b>21,599,251</b>	<b>100.0</b>

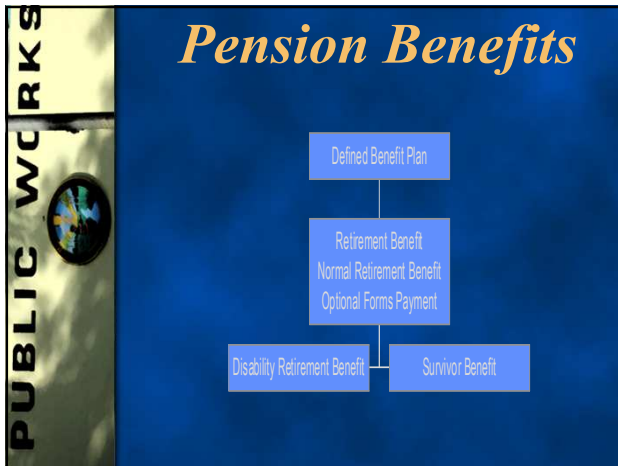
Performance(%)							
QTR	FYTD	1 YR	3 YR	5 YR	7 YR	10 YR	
-11.43 (73)	-11.98 (64)	-11.48 (55)	6.24 (21)	7.88 (4)	8.02 (2)	9.38 (1)	

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# Pension Overview

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## Defined Pension Benefit

- Benefits Funded Primarily by Returns on Invested Assets
- Vesting After 5 Years Service
- City + Employee Contributions
  - Members contribute 5.83% of payroll
  - City must keep plan actuarially sound
  - Retirement System currently 103.2% funded

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## Retirement

- Normal Retirement
  - Age 62 and 5 years credited service
  - Age + credited service equal 75
- Early Retirement
  - Age 55 and 10 years of service
  - Benefit reduced by 0.25% for each month member retires early
- Benefit commences on first day of month coinciding with or next following retirement date


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## Benefit Formula

- Pension:
 
$$\text{(Average of Highest 5 Years in Last 10)} \times \text{(Number Years of Service)} \times \text{Multiplier}$$
- Service Includes Years & Fractional Years
- Maximum Benefit at 100% of Final Average Salary


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## *Benefit Formula Details*

- *Multiplier*
  - 1.75% per year prior 10/01/89
  - 2.5% per year after 10/01/89
- *Average highest 5 years in last 10 years of service*
- *Excluded from pension compensation*
  - Lump sum payments
  - Overtime

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## *Forms of Benefit Payment*

- *Normal Form: Life Annuity*
- *Optional Forms of Benefit Payment*
  - 10 Year Certain & Life
  - 100% Joint & Survivor
  - 50% Joint & Survivor
- *Member Has 30 Days After Final Calculation to Choose Optional Form*

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## *DROP Plan*

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## *DROP Plan*

- *Members Eligible for Normal Retirement*
- *Maximum DROP Period 5 Years*
- *Accounts earn net investment return on Plan assets*
- *Members must take full distribution following separation from service*

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## *Other Plan Provisions*

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## *Disability Retirement*

- *Duty Related Disability:*

A member receiving payments from Workers Comp receives greater of accrued benefit or 25% of final salary
- *Non-Duty Related Disability:*

A member with 10 or more years service receives greater of accrued benefit or 25% of final salary
- *Benefit converts at Age 60*

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## *Survivor Benefits*

- *Members with 10 or more years service:*
  - *Beneficiary receives 100% contingent annuity benefit*
  - *Benefit paid as though member retired on date of death*
- *Members with less than 10 years service receive contribution refund with interest*

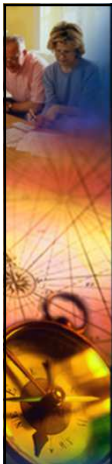
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## *Refund of Contributions*

- *Paid in place of any other plan benefits*
- *Board determines interest on contributions annually*
- *Separation before normal retirement*
  - *Deferred benefit at otherwise normal retirement date*
  - *Refund of contributions with interest*

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## *Deferred Compensation (457 Plan)*

- *Participants Defer Current Income Until Separation from City*
- *Income Taxes Deferred Until Distributions Following Separation*
- *Accounts Available Through Empower*
- *Contribution Limit Set by IRS*

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## *Retirement Procedures*

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## *Application Procedures for Retirement*

- *Application filed with Pension Resource Center 30 days in advance*
- *Resource Centers provides estimate of benefit*
- *PRC completes final estimate of benefit following retirement date*
- *Actuary reviews and issues final calculation*

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## *Application Procedures for Retirement*

- *Participant elects form of benefit payment*
- *Board approves benefit*
- *Custodian pays benefit to retired members*

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## Application Procedures for Retirement

- Application: 30 Days Prior To Retirement
- Final Calculation: 1 Week Following Receipt of Final Payroll
- Benefit Calculation & Forms Sent to Member
- Member: 1-2 Weeks to Respond
- Simultaneous Review By Actuary
- Board Approval of Benefit
- Set Up Pension Payment: 1 Week
- Actual Receipt First Check: Additional Mail Time

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## Processing Your Pension



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## Processing Your Pension

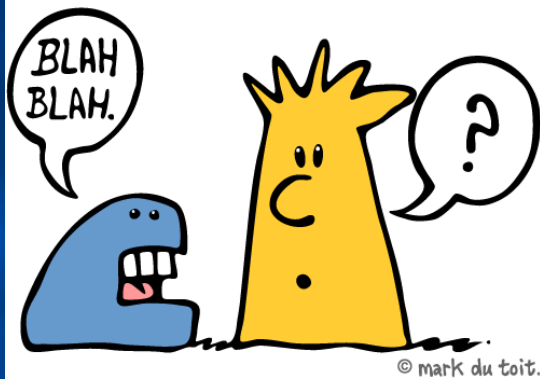


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## Application Procedures for Retirement

- **Required Forms**
  - Application for Retirement
  - Tax Withholding Form (W-4P)
  - Benefit Election Form
  - Copy Birth Certificate or Driver's License
- **Optional Forms**
  - Direct Deposit Form
  - Beneficiary Designation

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## Your Annual Benefit Statement

Miami Springs General Employees Retirement System A Pensioned Employees Benefit Statement	
<b>Your Information</b>	1. Statement Date: October 1, 2009
	2. Your Normal Annual Salary on the Statement Date: \$14,000
	3. Your Normal Retirement Date: October 1, 2009
	4. If your plan provides for career level and you continue working for the employer past your normal retirement date, the appropriate monthly benefit will be the following percent of your average monthly earnings: 84%
<b>Benefits You Earned</b>	5. You have already received a portion of your retirement benefit based on your service and salary up to the Statement Date. The appropriate monthly benefit will be: \$14,021
	6. Your vested interest in the account benefit: 100%
	7. If your account benefit exceeds 100% of your continuing working for the employer as a full-time employee, the benefit you will receive will be the lesser of the two. The appropriate monthly benefit will be: \$26
	8. Total of your contributions with interest on the Statement Date for: \$ 208,476.12

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## Summary Plan Description

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CITY OF MIAMI SPRINGS GENERAL EMPLOYEES' RETIREMENT PLAN  
SUMMARY PLAN DESCRIPTION

Prepared August 1, 2021

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## www.ResourceCenters.com

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## Virtual Pension Office

- Pension Plan Documents
  - Plan Document
  - Summary Plan Description
- Board Approved Minutes
- Forms & Applications
- Recent Plan Investment Performance
- Links to Other Service Providers
- Plan Email Box:  
[MiamiSprings@ResourceCenters.com](mailto:MiamiSprings@ResourceCenters.com)
- Online Benefit Calculation and Account Inquiry Systems

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## Online Resources

Select City of Miami Springs General EE  
Click on the "Benefit Calculator" Icon  
For Pension Benefit Projections

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## Time To Answer Questions . . .

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## THANK YOU

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