

CITY OF CORAL GABLES  
RETIREMENT SYSTEM

WHEREAS, the City of Coral Gables Retirement Board met on August 10, 2023; and

WHEREAS, the City of Coral Gables passed and adopted Resolution No 2015-271 which set a policy for the accelerated pay down of the Coral Gables Retirement System unfunded liability; and

WHEREAS, the City of Coral Gables, pursuant to Resolution No. 2015-271, implemented and has followed its pension unfunded liability accelerated pay down policy to eliminate the current pension unfunded liability since 2015; and

WHEREAS, since 2015, the City of Coral Gables has made additional payments totaling \$36.7 million; and

WHEREAS, the City of Coral Gables and the Retirement Board agreed to reduce the Investment Return Assumption to 7.0 percent but agreed to move slowly at 5 to 10 basis points a year based on market returns to allow the City to focus on making additional payments towards paying down the Unfunded Liability; and

WHEREAS, with the additional payments and market returns, since 2015 the unfunded liability has dropped from \$239.9 million to \$155.9 million, and continuing the current plan, and if market conditions remain favorable, the Unfunded Liability would be fully paid off by 2032; and

WHEREAS, if the additional payments are reduced by 25%, payoff of the Unfunded Liability would be delayed until 2034 and would cost an additional \$11 million in interest to the Retirement System;

NOW, THEREFORE, BE IT RESOLVED:

SECTION 1: That the Coral Gables Retirement Board recommends that the City of Coral Gables Commission stay the course and continue to make additional payments to fund the pension unfunded liability as agreed to with the Retirement Board, Resolution 2015-271 and past practices, so that unless there are unexpected market conditions, the Unfunded Liability is fully paid off by 2032.

Resolved on this 10<sup>th</sup> day of August 2023.

A handwritten signature in black ink, appearing to read "Alex M. ...", written over a horizontal line.

Retirement Board Chairperson