

**Current state & local government employee enrollment in Florida DROP is 31,343.**

*Taxpayer Action Group (TAG) respectfully submit this call to action for legislative sponsorship to effectuate -*

at very least **Require** all participating in DROP "Deferred Retirement Option Program" pay 3% of salary to FRS commencing July 1, 2021.

and phase in **Repeal** of Drop "Deferred Retirement Option Program" effective July 1,2022.

See information included in addition to [TripleDippers.Org](http://TripleDippers.Org) for overview of cost and potential savings in Collier and Lee Counties **alone**. TAG (Taxpayer Action Group) is in midst of researching Lee & Collier DROP covering county administration #'s. Content does include 2 Op-Ed newspaper commentaries that appeared with emphasis on local education. Please be advised that represents only a portion of the burden imposed upon property taxpayers. [All state and local government employment categories are eligible, and do participate in the DROP largesse.](#)

Ron Pure

TaxpayerActionGroup

*Extensive Information also available related to Deferred Retirement Option Program and DROP specific Rule Book 60S-11*

Department of Management Services

DMS.myflorida.com

Refer also - Florida Retirement Laws Chapters 112, 121, 122, 175, 185, 238

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12/27/2019

Dear Mr. Pure:

**The Division of Retirement received your recent correspondence from Governor DeSantis' office concerning Deferred Retirement Option Program (DROP) participation. Information about the DROP is provided below.**

The DROP is available to FRS Pension Plan members who reach normal retirement. As you noted, DROP participation is voluntary. The FRS member who retires through DROP is effectively retired for benefit accumulation purposes.

- DROP participants are not fully retired until the end of DROP participation when termination is met. They do not separate from employment with the FRS employer in order to be re-hired and participate in DROP.
- DROP participation does not guarantee employment.
- No additional service credit to increase retirement benefits is earned during DROP participation.
- The member's effective retirement date is calculated using the DROP begin date and the basis of benefits that accumulate in the FRS Trust Fund during DROP participation.
- The DROP accumulation cannot be paid out until the retiree has terminated all employment relationships with all FRS employers.
- DROP participants do not pay required employee contributions as specified by law when required employee contributions were re-instituted see subsection 121.71(3), Florida Statutes.
- Unlike other benefits funded within the membership class contribution rates collected and invested over time during the member's working career, DROP is not traditionally funded. DROP is funded on the salaries of DROP participants using a uniform contribution rate paid only during their DROP participation.
  - The required employer contributions vary by membership class and reflect the benefits accrued to members of the class. As you noted, the Regular Class employer contribution rate is 8.47 percent.

- Employer contributions for the other membership classes include the Special Risk Class at 25.48 percent, the Senior Management Service Class at 25.41 percent, and 48.82 percent for local elected officials.
- The DROP rate is 14.60 percent paid on the salaries of DROP participants only during DROP participation.
- All of the above employer contribution rates include 1.66 percent to fund the Retiree Health Insurance Subsidy (HIS) program for benefits being paid to current FRS retirees.

I hope this information is helpful to you.

Sincerely, **Garry Green** |

Chief of Research and Education *Retirement*

850-414-6349 (office)

Florida Department of Management Services

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Gannett Newspapers NaplesNews & NewsPress  
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## **Defund DROP in Collier and across Florida.**

“Will the Collier School District pass up the opportunity to replace 255 ‘retired’ employees, currently collecting their salary plus retirement to do the same job?” So asks Ms. Sandy Doyle, a Naples resident and Taxpayer Advocate since 1990.

Those 255 ‘retirees’ are at the pinnacle of their pay grade. They would be replaced by freshly trained, newly educated, qualified teachers and other employee categories. All of whom would be at lower than peak salary levels. The ‘retirees’ are receiving \$36 Million in pension, and \$16.5 Million in salaries to do the same job. This is the travesty on taxpayers and the

unemployed. It is an integral part of the infamous DROP (Deferred Retirement Option Program).

DROP represents the only Florida public employees who don't pay their 3% pension contribution which was mandated for all public employees since 2011. The taxpayers must pay that 3% while DROP violates the mandate. This misdeed alone costs Florida taxpayers statewide upwards of \$35 Million annually. see [www.TripleDippers.org](http://www.TripleDippers.org) for names, salaries, pensions and more re; DROP - Collier County Public Schools.

DROP sets up Triple Dipping for 'retirees', plus allowing a comfortable option to delay Social Security which increases 8% per year to age 70. They can cash in unused days-off based on current pay rates.

All Collier School employees work under one year contracts, except the three year contract of Superintendent Kamela Patton - First retirement date 6/1/2016 collecting a cash bonus of \$685,655 on 6/20/2023 plus annual salary of \$245,672 and added benefits. A Note: The Superintendent failed to increase student achievement scores in 8 categories, including one objective; to increase the math scores by only 1% point for students in 3rd to 8th grades.

“Collier public schools are failing 40% of our 47,000+ students who cannot read or write at grade level on National tests. With COVID-19, up to 40% of parents are seriously considering home schooling. CCPS needs to up the quality and stop wasting money”, said Keith Flaugh, Director, Florida Citizens Alliance.

Only 43% of the Collier Schools DROP are traditional classroom teachers. Many are non-core mission employees including secretaries, bus drivers, bus managers, cooks and incredibly, a plumber. Over 75% have salaries above the Collier County

government average of \$48,000. Eliminating DROP would save taxpayers approximately \$20,100,000 each year without cutting a single school job! Consider how much technology, finances, business and training has changed over the last 10 years. Many of the Collier School DROP haven't been in college since 1978!

Collier Schools should privatize non-academic services just like Duval Schools and many Charter Schools. Collier did privatize school janitor services in 2008, saving approximately \$5 million a year.

DROP allows School Districts and government units the option to allow employees at age 65 to "retire", then return to work and collect a pension and paycheck at the same time to do the same job. Florida Taxpayers are also on the hook to pay \$40 Billion in unfunded public pensions and health care, which is a \$7,100 liability for each person in Florida.

This \$20.1 Million savings by replacing Triple Dippers is the best reason to vote NO on the \$34.3 million schools operating budget tax increase on August 18, 2020. Collier School Bureaucrats are robbing the children's piggy bank; the capital budget, which by law is required to be spent on new buildings, renovations, computers and safety improvements, not operating funds which are approximately 80% for salaries.

We had to file a complaint with the State Attorney General's office to obtain Collier School's Triple Dipper list!

*Research and analysis - Ron Pure, Chairman & David Jaye - Taxpayers Action Group*

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## **A taxing problem, Double Dipping is ripe for reform & repeal.**

Naples News article September 15. "State's top economists are warning of huge revenue shortfall over next 2 years". How about politicians begin pushback to shut down questionable programs? Here's one having potential for saving several hundred million tax dollars. With over 30,000 DROP (Deferred Retirement Option Program) employees in Florida, TAG (Taxpayer Action Group) continues to focus on the Lee and Collier County government

DROP re-hired employees who:

- \* Collect their pension.
- \* Collect pay checks.
- \* Do not pay their mandated 3% contribution to the Florida Retirement System; law for all public employees since 2011. [TripleDippers.org](http://TripleDippers.org)
- \*Can afford to delay Social Security which then increases 8% per year to age 70.

The names of 446 Lee County School re-hired DROP employees, receiving school pensions of \$53 million, plus \$26.2 million a year in pay, to do the same job, were recently released. This capped a 20 month investigation by TAG in collaboration with [dave.jaye55@gmail.com](mailto:dave.jaye55@gmail.com) research and analyzed data provided by Lee County Schools and the Florida Department of Management Services. Conclusion: Replacing 446 DROP Lee School employees with freshly trained and newly educated entry level people would save taxpayers approximately \$22 million each year without cutting a single school job.

DROP is a voluntary program. Beside teachers and administrators, are secretaries (68) many with salaries over \$85,000; janitors (15); bus drivers and attendants (13); cooks (15); even one messenger/courier. Many others, not core school mission employees, have the opportunity to join DROP. The taxpayer contribution to DROP is 14.60 % of their salaries, which is 72% higher than the total employer pension contribution for all employees, including teachers, of 8.47%.

TAG again called upon the Lee School Board to not renew the contracts of the Lee School DROP before all the annual contracts expired on June 30, 2019. Further, the School Board and Superintendent should not allow more retirees to be re-hired under DROP.

Until local & state officials stop DROP, all the re-hired should be required to pay their 3% share retroactively toward the Florida Retirement System, as other school employees do, and as taxpayers continue to contribute their 14.6%. To borrow \$25 million rather than end DROP, is another example of a poor decision by the state, and certainly the Lee County School Board and Bureaucrats. DROP allows school districts and government units the option to allow employees with 30 years and less service to retire, collect their pensions and then be re-hired at their highest pay for up to 8 years plus salary increases and bonuses. The average age of current DROP members is under 62 years old.

Florida taxpayers are obligated for \$29.8 Billion in unfunded public pensions and \$7.5 Billion liability in retiree health care. That is a public liability of \$1,751 for every person in Florida. At Lee County Schools, collecting a pension and salary at the same time is abusing taxpayers, denying services for students and/or a tax cut for property owners.

Lee Schools cry poverty even after using tax dollars to push for a \$70 million annual sales tax increase. Ridding of DROP re-hired employees reduces the need for much of the recent sales tax increase. When DROP re-hires finally "retire" for the second time, they will receive an even higher pension, accruing supplemental payments plus cashing in unused vacation/sick/personal days—at a higher pay level, than when the unused days were banked.

sBefore contacting your legislative representative, commissioner and council person, please remember, elected officials are also eligible to participate in the DROP.

Ron Pure  
TAG chairman  
239-495-3333  
[tagbonita@aol.com](mailto:tagbonita@aol.com)