



FRS EMPLOYER Newsletter

YOUR Money YOUR Choice

• April 2016 •

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Survivor Financial Counseling for Pension Plan Beneficiaries

Pension Plan beneficiaries are now eligible for free and unbiased survivor financial counseling services from EY. A copy of the Survivor Financial Counseling brochure will be mailed automatically to beneficiaries upon notification of a Pension Plan member's death. Copies of the brochure can be ordered on MyFRS.com by clicking on the "Employers" section on the home page, then "Order Materials." Investment Plan beneficiaries have been eligible for these services since 2008.

Keep Up With Legislation

Visit MyFRS.com and click "2016 Legislation" in the "Alerts & Hot Topics" box. Or call the MyFRS Financial Guidance Line toll-free at 1-866-446-9377, Option 2 (TRS 711), between 9:00 a.m. and 8:00 p.m. ET, Monday through Friday, except holidays.

The Division of Retirement will provide all FRS employers an information release with the contribution rate information (by reporting plan codes) after the retirement bills become law.

Legislative Update

During the 2016 session, the Florida Legislature passed legislation authorizing in-line-of-duty death benefits for certain Investment Plan beneficiaries and changing employer contribution rates in the Florida Retirement System (FRS). Both changes are effective July 1, 2016.

In-Line-of-Duty Death Benefits

The Florida Legislature passed Senate Bill 7012, authorizing in-line-of-duty death benefits equal to 100% of the member's monthly salary at the time of death. This benefit is provided to the spouse and children of Special Risk Class members in the Investment Plan who are killed in the line of duty. In-line-of-duty death benefits provided in the Pension Plan for Special Risk Class members were increased from 50% to 100% of the member's monthly salary at the time of death. Eligibility for this benefit is retroactive for any Investment Plan or Pension Plan Special Risk Class member who has been killed in the line of duty since July 1, 2013.

If the Investment Plan members' death occurred prior to July 1, 2016, the benefit is effective the later of the month after the application is received or July 1, 2016. If the surviving spouse or children received an Investment Plan distribution, the monthly benefit will be actuarially reduced to account for the benefit already received.

If the Investment Plan members' death occurs on or after July 1, 2016, the member's Investment Plan account balance will be transferred to the Pension Plan and the monthly benefit will be paid from the Pension Plan.

Employer Contribution Rates

As shown in Table 1 on page 2, House Bill 5005 changes the normal cost rates, the unfunded actuarial liability rates, and the administrative and education rates. Employers pay the same contribution rates for members in both the Investment Plan and the Pension Plan. The new contribution rates provide for full funding of the normal cost of benefits of both plans and provide for full funding of the Pension Plan's unfunded actuarial liability.

The employer contribution rates for optional programs also will change, effective July 1, 2016, as shown in Table 2 on page 2.

No change was made to the total amount paid into Investment Plan members' accounts, to the 3% contribution rate paid by employees, or to the Health Insurance Subsidy contribution rate. See Table 3 on page 2.

What Didn't Pass

House Bill 7107 proposed renewing membership in the FRS Investment Plan for certain retirees, changing the default retirement plan election from the Pension Plan to the Investment Plan, and in-line-of-duty death benefits for all Investment Plan beneficiaries. This bill did not pass.



Legislative Update, continued

Table 1: Uniform Contribution Rates

Membership Class	Paid by Employee		Paid by Employer										Total Paid by Employee and Employer	
	Retirement		Normal Cost		Unfunded Actuarial Liability		Administrative and Education		Health Insurance Subsidy		Total Paid by Employer			
	Current	New ¹	Current	New ¹	Current	New ¹	Current	New ¹	Current	New ¹	Current	New ¹	Current	New ¹
Regular Class	3%	3%	2.91%	2.97%	2.65%	2.83%	0.04%	0.06%	1.66%	1.66%	7.26%	7.52%	10.26%	10.52%
Special Risk Class	3%	3%	11.35%	11.80%	8.99%	9.05%	0.04%	0.06%	1.66%	1.66%	22.04%	22.57%	25.04%	25.57%
Special Risk Administrative Support Class	3%	3%	3.71%	3.87%	27.54%	22.47%	0.04%	0.06%	1.66%	1.66%	32.95%	28.06%	35.95%	31.06%
Elected Officers' Class (Judges)	3%	3%	11.39%	11.68%	22.62%	23.30%	0.04%	0.06%	1.66%	1.66%	35.71%	36.70%	38.71%	39.70%
Elected Officers' Class (Legislature/Cabinet/Public Defender/State Attorney)	3%	3%	6.48%	6.63%	37.62%	33.75%	0.04%	0.06%	1.66%	1.66%	45.80%	42.10%	48.80%	45.10%
Elected Officers' Class (County and Local)	3%	3%	8.48%	8.55%	32.09%	32.20%	0.04%	0.06%	1.66%	1.66%	42.27%	42.47%	45.27%	45.47%
Senior Management Service Class	3%	3%	4.32%	4.38%	15.41%	15.67%	0.04%	0.06%	1.66%	1.66%	21.43%	21.77%	24.43%	24.77%
DROP	0%	0%	4.10%	4.23%	7.12%	7.10%	0%	0%	1.66%	1.66%	12.88%	12.99%	12.88%	12.99%

¹ Effective July 1, 2016.

Table 2: Optional Program Contribution Rates

Optional Programs ²	Paid by Employee		Paid by Employer						Total Paid by Employee and Employer	
	Contribution		Contribution		Administrative Cost		Unfunded Actuarial Liability			
	Current	New	Current	New	Current	New	Current	New	Current	New
State University System Optional Retirement Program	3%	3%	5.14%	5.14%	0.01%	0.01%	2.65%	2.83%	10.80%	10.98%
Senior Management Service Optional Annuity Program	3%	3%	6.27%	6.27%	0%	0%	15.41%	15.67%	24.68%	24.94%
State Community College System Optional Retirement Program	3%	3%	5.15%	5.15%	0%	0%	2.65%	2.83%	10.80%	10.98%

² Rates for local annuity programs are not listed since those rates are established by local authority, per s. 121.055(1)(b)2., Florida Statutes.

Table 3: Investment Plan Contributions

Membership Class	Paid by Employee	Paid by Employer ³	Total to Employee Account
Regular Class	3%	3.30%	6.30%
Special Risk Class	3%	11.00%	14.00%
Special Risk Administrative Support Class	3%	4.95%	7.95%
Elected Officers' Class (Judges)	3%	10.23%	13.23%
Elected Officers' Class (Legislature/Cabinet/Public Defender/State Attorney)	3%	6.38%	9.38%
Elected Officers' Class (County and Local)	3%	8.34%	11.34%
Senior Management Service Class	3%	4.67%	7.67%

³ Paid by employers via the uniform contribution rates specified in Table 1. Built into the uniform contribution rates is a contribution that funds guaranteed monthly benefits for Investment Plan members who are totally and permanently disabled from all employment.



Attend an FRS Employer Training Workshop

Investment Plan Workshops

Investment Plan workshops will be conducted both in person in Tallahassee and by live broadcast over the Internet (from 1:00 p.m. to 4:00 p.m. ET). To register and receive login details, call the toll-free FRS Employer Assistance Line (1-866-377-2121, Option 1) and ask for Marc Mancuso, Angela Ko, or Scott Jennings.

Pension Plan Workshops

Pension Plan workshops will be conducted in Tallahassee only (from 8:30 a.m. to 4:00 p.m. ET). To register, email the Division of Retirement at retirement@dms.myflorida.com or call 1-844-377-1888 (toll-free) or 850-907-6500 (local).

Investment Plan 2016 Dates
Location: SBA and Internet Broadcast
September 9
October 12

Pension Plan 2016 Dates
Location: Division of Retirement
September 8
October 13

For more information about all employer workshops, visit the “Employers” section of MyFRS.com.

Investment Plan Fund Name Change

The “Pyramis Intermediate Duration Pool Fund (90)” has changed its name to the “FIAM Intermediate Duration Pool Fund (90).” Although the name has changed, there has been no change to the management company, fund objectives, investment strategy, or portfolio management team. Investment Plan members will be notified of this change in the April 2016 “Investment Plan Quarterly Newsletter.”

Spanish Workshops

“Using the FRS to Plan for Retirement” and “Nearing Retirement in the FRS” are now available in Spanish. Their Spanish titles are “Usando el FRS para Planificar su Jubilación” and “Acercándose a la Jubilación en el FRS.” These workshops are led by an experienced EY planner who speaks fluent Spanish, and workshop slides have been translated into Spanish. To schedule a Spanish workshop for your employees, call the FRS Employer Assistance Line at 1-866-377-2121, Option 1. Both of these Spanish workshops will be webcast on April 20 and 21 (see “Employee Workshop Webcasts” on this page).

Employee Workshop Webcasts

To register for any of the financial planning workshop webcasts listed below, FRS-covered employees should call 1-866-446-9377, Option 2 (TRS 711) or visit <http://tinyurl.com/nwokknj>. (After login, select “Attend a Workshop,” then select “WEBINAR” under the County drop-down box, and then select the workshop you would like to attend.)

2016 Dates	10:00 a.m. to Noon ET	1:00 to 3:00 p.m. ET
April 20	Using the FRS to Plan for Retirement	Using the FRS to Plan for Retirement (SPANISH)
April 21	Nearing Retirement in the FRS	Nearing Retirement in the FRS (SPANISH)
July 19	Using the FRS to Plan for Retirement	Estate Planning: Caring for Your Loved Ones
July 20	Nearing Retirement in the FRS	Insurance Planning: Protecting Your Loved Ones
October 5	Using the FRS to Plan for Retirement	FRS Investment Plan: Understanding Your Benefits
October 6	Nearing Retirement in the FRS	Investment Planning for Everyone - The Details

Keep Employees' Names and Addresses Current

Encourage your employees to report any changes to their names or mailing addresses to ensure they continue to receive important information from you and the FRS.

Active FRS Pension Plan and Investment Plan members' information is updated in the FRS database after you submit your agency's monthly payroll report.

Inactive or retired Investment Plan members can:

Make address changes online. For instructions, visit MyFRS.com, click the "?" icon on the home page, then "Retirees" in the gray column, then "How can I change my name or mailing address if retired or terminated from the Investment Plan?" The "Click here for further details" link in the FAQ opens a PDF with the online instructions.

Make name changes by submitting a signed form or letter. The form or letter must be accompanied by a copy of the court order, marriage certificate, or driver license reflecting the member's new name. Name change requests can be mailed (P.O. Box 785027, Orlando, FL 32878-5027) or faxed (1-888-310-5559) to Aon Hewitt.

- *To request a name change form*, call the toll-free MyFRS Financial Guidance Line at 1-866-446-9377 and select Option 4 (Aon Hewitt).
- *If sending a letter*, the letter must include the member's old name, new name, and last four digits of their Social Security number.

Inactive Pension Plan members can:

Make address changes by mailing an address change form to P.O. Box 9000, Tallahassee, FL 32315-9000 or by contacting the Division of Retirement's Calculations Section at 1-888-738-2252 (toll-free) or 850-488-6491 (in the Tallahassee area).

Retired Pension Plan members can:

Make address changes from their FRS Online account or by contacting the Division's Retired Payroll Section at 1-888-377-7687 (toll-free) or 850-488-4742 (in the Tallahassee area).

Important New Hire Enrollment Deadlines

Plan enrollment forms must be received by 4:00 p.m. ET on the last business day of an employee's enrollment deadline month. (See deadlines below.) Enrollment forms must be sent directly to Aon Hewitt, the FRS Plan Choice Administrator, in either of the following ways:

- **By mail:** P.O. Box 785027, Orlando, FL 32878-5027
- **By fax:** 1-888-310-5559

The 4:00 p.m. ET deadline is also applicable to Regular and Special Risk Class members who make their elections electronically on MyFRS.com or by calling the MyFRS Financial Guidance Line at 1-866-446-9377, Option 4 (TRS 711). You should confirm a member's deadline by reviewing the date on their personalized Benefit Comparison Statement or by calling the FRS Employer Assistance Line at 1-866-377-2121, Option 3.

Enrollment Deadlines

If Hired in This Month ...	Retirement Plan Choice Deadline Is 4:00 p.m. ET on ...
October 2015	March 31, 2016
November 2015	April 29, 2016
December 2015	May 31, 2016
January 2016	June 30, 2016
February 2016	July 29, 2016
March 2016	August 31, 2016
April 2016	September 30, 2016
May 2016	October 31, 2016
June 2016	November 30, 2016
July 2016	December 30, 2016
August 2016	January 31, 2017
September 2016	February 28, 2017

Employer Resources

- MyFRS.com website
- Toll-free FRS Employer Assistance Line at 1-866-377-2121
 - EY and Aon Hewitt representatives are available from 9:00 a.m. to 8:00 p.m. ET, Monday through Friday, except holidays.
 - Division of Retirement staff are available from 8:00 a.m. to 5:00 p.m. ET, Monday through Friday, except holidays.