



FRS EMPLOYER Newsletter

YOUR Money YOUR Choice

• October 2015 •

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Do you know a co-worker who should receive this newsletter?

If so, send an email to walter.kelleher@sbafla.com with the co-worker's name, title, agency name, mailing address, and email address.

Alerts & Hot Topics

The "Alerts & Hot Topics" section is your best source for important information and breaking news affecting the Florida Retirement System. Located on the MyFRS.com home page, it contains links to 2016 legislation and other items of interest. Check back often for updates.

Actuarial Assumption Changes Affect 2nd Elections

FRS Pension Plan actuarial assumption changes effective July 1, 2015 revised the 2nd Election calculations used to determine the:

- Present value for members transferring from the Pension Plan to the Investment Plan; and
- Buyback cost for members transferring from the Investment Plan to the Pension Plan.

Calculations used to determine the transfer cost between the Investment Plan and Pension Plan are based on the actuarial assumptions in the Florida Retirement System's (FRS) most recent valuation. There were numerous assumption changes adopted by the 2014 Actuarial Assumptions Conference, including changes to the Pension Plan's investment return, inflation rate, payroll growth rate, mortality, and the timing and frequency of DROP retirements to more closely reflect actual Pension Plan member experience.

Members who request 2nd Election calculations effective on or after July 1, 2015 may notice modest to significant changes as a result of these assumption changes when compared to pre-July 1, 2015 calculations. Members who wish to determine their current calculations should call the MyFRS Financial Guidance Line at 1-866-446-9377, Option 1 (for EY) or Option 3 (for the Division of Retirement).

A Reminder About 2nd Elections

To make a valid 2nd Election, a member must be actively working for an FRS-covered employer and earning salary and service at the time the 2nd Election Retirement Plan Enrollment Form is received by Aon Hewitt or the online election is confirmed. For example, if a member's last day of work for an FRS-covered employer is July 1 (whether the termination is voluntary or involuntary), the election form must be received by Aon Hewitt, or the online election must be confirmed, prior to 4:00 p.m. ET on July 1. It is not sufficient for a member to return to his or her office after terminating employment and complete a 2nd Election form in person. Such elections will be considered invalid and will be reversed.



Legal Guardianship and Power of Attorney: Assisting Employees With Critical Decisions

As a result of a major illness, an accident, or similar hardship, employees and their families may be faced with important and time-sensitive decisions, such as the appointment of a legal guardian or the granting of power of attorney. The following information may help you know what to expect during these situations so you can more effectively assist your employees during these difficult times. (Decisions and processes may vary for employees with a spouse or dependents.)

Other Benefits to Consider

Other important benefits to consider include the continuation of health insurance and life insurance coverage and potential eligibility for the Health Insurance Subsidy (HIS) benefit. Under the Investment Plan, only members and spouses are eligible for the HIS, and the member must have at least six or eight years of service (depending on first date of hire) and meet the normal retirement requirements of the Pension Plan. Under the Pension Plan, members, spouses, and other dependents (depending on option selected) are eligible for the HIS at the time the Pension Plan benefit commences.

If you need assistance in putting together a package of information for one of your employees, please call the FRS Employer Assistance Line at 1-866-377-2121, Option 1, and speak with an EY financial planner. If you have questions regarding the Pension Plan or HIS, you can contact the Division of Retirement at 1-866-377-2121, Option 2.

Recognizing Legal Guardians and Power of Attorney

- If an FRS member/retiree is determined by a judge to be physically or mentally incapacitated, the judge will appoint a legal guardian. To be able to act on the member's behalf, the guardian will need to furnish the Division of Retirement, the Pension Plan Administrator, or Aon Hewitt, the Investment Plan Administrator, with a copy of the Letters of Guardianship. The guardian will be notified if any other documentation is needed by the FRS.
- An FRS member/retiree may grant a durable power of attorney to another person to handle his or her financial affairs. A copy of the durable power of attorney must be provided to the Division of Retirement or Aon Hewitt, if requested. The person appointed as attorney-in-fact through the durable power of attorney will be notified if any other documentation is needed. Note that a medical power of attorney is not acceptable.

Making Plan Changes on Behalf of a Member

- A legal guardian or person granted a durable power of attorney is permitted to make a 2nd Election or application for retirement on behalf of a member and is allowed to make changes to the deductions, mailing address, and direct deposit information for the member/retiree.
- If the legal guardian or a person granted a durable power of attorney makes a 2nd Election retirement plan change, the member must be living and earning salary and retirement service credit at the time the 2nd Election form is submitted and received by the FRS Plan Administrator; otherwise, the 2nd Election will not be valid.

Applying for Benefits on Behalf of a Member

- If the legal guardian or a person granted a durable power of attorney applies for **Pension Plan** retirement benefits on behalf of a member, the member must be living on the effective date of his or her retirement. If the member dies prior to their retirement effective date, benefits will be paid under the Pension Plan death benefit provisions.
- If the legal guardian or a person granted a durable power of attorney wishes to take a distribution from an **Investment Plan** member's account, the guardian or attorney-in-fact must follow the termination and waiting period provisions of the Investment Plan before the distribution will be processed.



Schedule an FRS Retirement Planning Workshop

To help your employees adequately plan for their financial future, schedule an FRS retirement planning workshop.

These workshops are conducted by experienced financial planners from EY and are free of charge to FRS members. They give you and your employees in-depth information on topics such as retirement, estate and insurance planning, spending and debt management, investment planning, and more.

For more information, a workshop calendar, and detailed descriptions of each workshop, visit *MyFRS.com* and click the workshop button in the top portion of the screen.

To schedule a workshop date for your employees, call the MyFRS Employer Assistance Line at 1-866-377-2121, Option 1.

Financial Planner Appointments

The "Alerts & Hot Topics" box on the *MyFRS.com* home page has a link that gives you easy access to a financial planning expert. By clicking the "Schedule an Appointment with an EY Financial Planner" link, you and your employees can make an appointment to speak with an EY financial planner at a time that's convenient for you. The online MyFRS Financial Guidance Line Appointment System allows you to select the date and time that best fit your schedule.

2015 Workshop Schedule

Employer Training Workshop Webcasts

Investment Plan Dates Location: SBA	Pension Plan Dates Location: Division of Retirement
October 7	October 8
To register for Investment Plan training, call the toll-free FRS Employer Assistance Line (1-866-377-2121, Option 1) and ask for Marc Mancuso, Angela Ko, or Scott Jennings.	To register for Pension Plan training, email the Division of Retirement at <i>retirement@dms.myflorida.com</i> or call 1-844-377-1888 (toll-free) or 850-907-6500 (local).

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).

2015 Dates	10:00 a.m. to Noon ET	1:00 to 3:00 p.m. ET
October 20	Using the FRS to Plan for Retirement	Investment Planning for Everyone – The Basics
October 21	Nearing Retirement in the FRS	New Employee Retirement Plan Choice

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 Benefit Comparison Statement or by calling the MyFRS 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 ...
April 2015	September 30, 2015
May 2015	October 30, 2015
June 2015	November 30, 2015
July 2015	December 31, 2015
August 2015	January 29, 2016
September 2015	February 29, 2016
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

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.