

## **Florida State Board of Administration Posts Performance for 2010-2011**

### **~ FRS Pension Plan Preliminary Return Exceeds 20% ~**

**Tallahassee, FL** – The Florida State Board of Administration released preliminary figures for the fiscal year ending June 30, 2011 showing the FRS Pension Plan posting a return of 22.0 percent, beating its benchmark by 30 basis points and ending the fiscal year with a market value of \$128.42 billion. This is an increase of \$19.07 billion above 2010 figures after net distributions of \$4.6 billion to retirees and is reported on the heels of the 14.0% gain last year.

The fiscal year-end returns confirm that the FRS Pension Plan has implemented a solid investment strategy for the nearly 1,000,000 beneficiaries of the plan and kept costs low for the nearly 1,000 participating employers. The preliminary return represents the best performance of the past 25 years in absolute terms, on top of the all-time best above-benchmark return the SBA earned last year. According to the most recent analysis completed by CEM Benchmarking, a globally recognized company providing pension comparison services, the all-in cost for managing the FRS Pension Plan was 32 basis points (0.32%), the third lowest within FRS Pension Plan’s peer group, and nearly 40% lower than that of the median pension plan.

	<b>Annualized Return</b>	<b>Benchmark</b>	<b>Value-Added</b>
1 Year	22.00%	21.70%	0.30%
3 Year	4.05%	3.67%	0.38%
5 Year	4.92%	4.66%	0.26%
10 Year	5.50%	5.25%	0.25%
15 Year	7.45%	7.15%	0.30%
20 Year	8.79%	8.61%	0.18%

\*based on preliminary figures and net of fees

“This year’s performance is a reflection of how the SBA conducts its business; we’re prudent, we’re disciplined, and we’re patient,” Ash Williams, Executive Director and Chief Investment Officer for the SBA said. “By staying the course and being able to use strong partnerships to take advantage of market opportunities, the fiscal year-end figure represents a rebound of more than \$54 billion from the recent low of \$83.3 billion just 27 months earlier.”

The FRS Investment Plan, the optional retirement plan for public employees, also posted year-end gains. With over 136,500 participants, the plan grew to a year-end record \$6.738 billion, representing an increase of \$1.688 billion more than this time last year. Returns for the FRS Investment Plan were 18.10%, beating its benchmark by 87 basis points. During the fiscal year 9,960, or 24.9% of new hires elected the Investment Plan, and 8,312 Pension Plan members switched to the Investment Plan.

	<b>Annualized Return</b>	<b>Benchmark</b>	<b>Value-Added</b>
1 - Year	18.10%	17.23%	0.87%
5 - Year	4.24%	3.64%	0.80%
Since Inception	7.27%	6.91%	0.36%

\*based on preliminary figures and net of fees

Florida PRIME ended the fiscal year with \$6,822,641,152 in deposits. The figure represents an increase of \$1.34 billion above the pool’s value at the same time last year, and a 24.5% growth rate in assets under management. Florida PRIME is an exclusive service for Florida governmental organizations, providing a cost-effective investment vehicle for their surplus funds. Florida PRIME’s investment objective consists of three parts which, in priority order, are safety, liquidity, and competitive returns with minimization of risks.

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*The State Board of Administration is a body of Florida state government that provides a variety of investment services to various governmental entities. These include managing the assets of the Florida Retirement System, the Local Government Surplus Funds Trust Fund (Florida PRIME), the Hurricane Catastrophe Fund, and over 30 other mandates.*