

Florida Legislature Approves Change to FRS Employer Contribution Rates

During the 2020 session, the Florida Legislature passed House Bill 5007, changing the employer contribution rates in the FRS, effective July 1, 2020, pending approval by the Governor.

What's Changing?

- The uniform normal cost and unfunded actuarial liability contribution rates
- Unfunded actuarial liability contribution rates for optional programs, such as SUSORP, SMSOAP, and SCCSORP

What's Not Changing?

- The 3% contribution rate paid by employees into any FRS plan
- The administrative and education assessment
- The Health Insurance Subsidy contribution rate
- The total amount paid into members' Investment Plan accounts

Employer contribution rates are the same by membership class for members in both the Investment Plan and the Pension Plan. These contribution rates provide for funding of the normal cost of benefits of both plans and provide for the actuarially determined contributions required for the Pension Plan's unfunded actuarial liability.

The Division of Retirement will soon provide all FRS-participating employers with an Information Release detailing contribution rate information (by reporting plan codes).

To review contributions, refer to the tables on the following pages.

Legislative Roundup

During the 2020 session, the Florida Legislature also passed the following legislation. These bills are effective July 1, 2020, pending approval by the Governor.

Senate Bill 936 — This bill would allow FRS members receiving care at a federal Veterans Health Administration facility to offer certifications from two of that facility's physicians as proof of the member's total and permanent disability, regardless of where the physicians are licensed.

Senate Bill 952 — Under this bill, compulsory membership in the Senior Management Service Class (SMSC) would expand to include each appointed criminal conflict and civil regional counsel and each district's assistant regional counsel chiefs, administrative directors, and chief investigators. These members may upgrade past service in these positions to the SMSC by purchasing such service retroactive to October 1, 2007.

To keep up with legislation, visit MyFRS.com and click "Legislation" in the "Alerts & Hot Topics" box.



Contribution Rates Effective July 1, 2020

Table 1: Uniform Contribution Rates (new rates effective July 1, 2020)

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		Total Paid by Employee and Employer	
	Current	New	Current	New	Current	New	Current	New	Current	New	Current	New	Current	New
Regular Class	3%	3%	3.19%	4.84%	3.56%	3.44%	0.06%	0.06%	1.66%	1.66%	8.47%	10.00%	11.47%	13.00%
Special Risk Class	3%	3%	12.61%	15.13%	11.15%	7.60%	0.06%	0.06%	1.66%	1.66%	25.48%	24.45%	28.48%	27.45%
Special Risk Administrative Support Class	3%	3%	3.61%	9.89%	33.26%	24.23%	0.06%	0.06%	1.66%	1.66%	38.59%	35.84%	41.59%	38.84%
Elected Officers' Class (Judges)	3%	3%	12.30%	13.31%	27.98%	24.70%	0.06%	0.06%	1.66%	1.66%	42.00%	39.73%	45.00%	42.73%
Elected Officers' Class (Legislature/Cabinet/Public Defender/State Attorney)	3%	3%	6.67%	8.38%	47.64%	48.81%	0.06%	0.06%	1.66%	1.66%	56.03%	58.91%	59.03%	61.91%
Elected Officers' Class (County and Local)	3%	3%	8.73%	10.07%	38.37%	37.39%	0.06%	0.06%	1.66%	1.66%	48.82%	49.18%	51.82%	52.18%
Senior Management Service Class	3%	3%	4.60%	6.39%	19.09%	19.18%	0.06%	0.06%	1.66%	1.66%	25.41%	27.29%	28.41%	30.29%
DROP	0%	0%	4.68%	7.03%	8.26%	8.29%	0%	0%	1.66%	1.66%	14.60%	16.98%	14.60%	16.98%

Contribution Rates Effective July 1, 2020, continued

Table 2: Optional Program Contribution Rates (*new rates effective July 1, 2020*)

Optional Programs ¹	Paid by Employee		Paid by Employer						Total Paid by Employee and Employer	
	Contribution		Contribution		Administrative Cost		Unfunded Actuarial Liability		Total Paid by Employee and Employer	
	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%	3.56%	3.44%	11.71%	11.59%
Senior Management Service Optional Annuity Program	3%	3%	6.27%	6.27%	0%	0%	19.09%	19.18%	28.36%	28.45%
State Community College System Optional Retirement Program	3%	3%	5.15%	5.15%	0% ²	0% ²	3.56%	3.44%	11.71%	11.59%

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

² Administrative cost is determined by each state college offering this program.

Table 3: Investment Plan Contribution Rates (*no changes were made to these rates*)

Membership Class	Paid by Employee	Paid by Employer ¹	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%

¹ 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.

New Workshop Available in July

Starting in July, a new one-day workshop will be offered to help your employees plan for their financial future. The “FRS Retirement Seminar,” developed by both the Division of Retirement and the State Board of Administration and conducted by experienced financial planners from EY, will offer three to five existing presentations based on your agency’s needs. Three of the presentations are required to be presented, one is optional, and one is strictly for state agencies. The presentations will include:

- Understanding Your Benefits Under the FRS Pension Plan (**required presentation**)
- Protecting Yourself and Your Loved Ones (**required presentation**)
- Social Security and Your Retirement (**required presentation**)
- Understanding the FRS Investment Plan (**optional**)
- Continuing State Group Insurance Benefits as a Retiree (**state agencies only**)

Employees will not be required to attend all presentations but rather will be able to pick and choose the presentations they are interested in and that fit their schedule. As with all workshops, we will have a requirement of at least 25 attendees.

These workshops are free of charge to FRS members. To schedule a workshop on or after July 1, call the FRS Employer Assistance Line at 1-866-377-2121, Option 1.

Service Line Operating Hours Change

MyFRS Financial Guidance Line and FRS Employer Assistance Line

Effective July 1, 2020, the operating hours for the MyFRS Financial Guidance Line and the FRS Employer Assistance Line will be changing from 9:00 a.m. to 8:00 p.m. ET, to 8:00 a.m. to 6:00 p.m. ET. This change will align the opening time with the Division of Retirement’s call center (available 8:00 a.m. to 5:00 p.m. ET) and eliminate little-used hours in the evening. All forms, publications, and online text will be updated to reflect this change and Investment Plan members will be notified in the April and July 2020 Investment Plan newsletters.

FRS Resources Are Unbiased

All resources used by the MyFRS Financial Guidance Program, including publications, website, workshops, and EY and Alight call centers, are unbiased and do not favor one retirement plan over the other. Both retirement plans are good and our role is to provide new hires and existing members with the information they need to choose the correct plan for themselves. We strictly follow the education directive provided in Section 121.4501(10)(b), Florida Statutes, which states: “The education component must provide system members with impartial and balanced information about plan choices.”



Lifetime Income Figure Added to Quarterly Statements

In an effort to get Investment Plan members thinking about their Investment Plan balance as a source of retirement income rather than just a lump sum dollar amount, we are updating the Investment Plan quarterly statements to include a new section called “Will you be ready for retirement?” (See sample screenshot below.) This section will show each member with a balance greater than \$10,000 the monthly income their current Investment Plan balance would provide over a lifetime. If the amount is lower than the member expected, we hope it will encourage them to increase their outside savings, consider working longer to boost savings, and consult with an EY financial planner for retirement planning and to explore lifetime income options offered by MetLife, the Investment Plan’s exclusive lifetime income provider.

EXAMPLE ONLY

MyFRS
Florida Retirement System

JOHN DOE

Review your account online at MyFRS.com

Your Account Summary

Activity from October 1, 2019 through December 31, 2019

Opening Balance	\$71,368.44
Deposits	
Investment Plan Employee	\$214.53
Investment Plan Employer	\$235.93
Gains/Losses	\$2,246.67
Closing Balance	\$74,516.21
Your Rate of Return for the Period	3.8%

Will you be ready for retirement?

Your Investment Plan account balance would provide you a lifetime monthly benefit of **\$540***

Visit MyFRS.com or call the MyFRS Financial Guidance Line to learn more about available annuity options or to build a retirement plan.

* This estimate assumes you are age 65 (or your current age if you are older) and that you selected a single life annuity with level payments and no additional features. It is not a guarantee.

Your Account Balance by Source

Here's more detail about your account balance by source:

Source	Amount	Vested
Prior Career	\$7,320.23	100%
Investment Plan Employer	\$2,485.72	100%

Your Beneficiaries

Beneficiary Name	Benefit Percentage	Relationship
Primary JANE DOE	100%	Spouse
Secondary/Contingent JEAN DOE	EQUAL	Daughter
JASON DOE	EQUAL	Son

MyFRS Financial Guidance Line
1-866-446-9377, Option 2 (TRS 711) for free financial and retirement planning

FRS Investment Plan Administrator
Questions about your Statement?
Call 1-866-446-9377, Option 4 (TRS 711).

Coming Soon: Online FRS Investment Plan Beneficiary Designation Form

An online FRS Investment Plan Beneficiary Designation form is being developed and will be available soon. This online form will give Investment Plan members an easy way to name their beneficiary(ies) and submit this information in one simple step. Investment Plan members will still have the option to change their beneficiaries by:

- Logging in to MyFRS.com and clicking Investment Plan > Your Profile > Beneficiaries.
- Mailing or faxing an [FRS Investment Plan Beneficiary Designation form \(IPBEN-1\)](#), available online, to the Investment Plan Administrator.
- Calling the MyFRS Financial Guidance Line at 1-866-446-9377, Option 4 (TRS 711).

You Can Now Search for Invoices by Social Security Number

The Division of Retirement has rolled out an enhancement to the FRS Online, Online Invoices module, that allows you to search for invoices by Social Security number. This query will list all invoices by status code that contain a particular member. This should assist you in a more efficient reconciliation of invoices. Note that the invoice numbers are hyperlinked so that you can retrieve, view, and print the invoice from the screen.

The screenshot shows the 'Agency Invoices' interface. It features a left-hand navigation menu with options like 'My Account', 'Profile Settings', 'My Inbox', and 'Employer Services'. The main content area has three sections: 'Retrieve/Print Invoices by Invoice number', 'Retrieve/Print Invoices by status and SSN', and 'Flatfile Download only new Invoices'. The 'Retrieve/Print Invoices by status and SSN' section is highlighted with a red arrow, showing a search form with 'Invoice Status' set to 'Created' and 'SSN' set to 'XXXXXXXX (99999999)'. Below this, the 'Flatfile Download' section is also visible, with a 'Download Files' button. A second screenshot below shows the 'Agency Invoice Detail' for SSN 'XXXX-XX-XXXX', displaying a table of invoices with columns for Invoice Number, Agency Number, Invoice Amount, Invoice Date, and Status Code. A red arrow points to the 'Invoice Number' column, which contains the value '241056'.

Invoice Number	Agency Number	Invoice Amount	Invoice Date	Status Code
260741		-6,365.09	10/10/2019	CRTD
241056		1,794.01	3/12/2018	CRTD

FRS Online Website Gets a New Address

In April 2020, the Florida Division of Retirement will be changing the FRS Online website URL from www.rol.frs.state.fl.us to frs.fl.gov. The purpose of this change is to simplify how users and employers access the Division of Retirement's self-service website. The previous website will remain active; however, users will be redirected to the new website. Look for more communication in the spring from the Division of Retirement about this initiative.



FRS Employer Training Workshops

Pension Plan and Investment Plan employer training workshops are offered both in person in Tallahassee and by live broadcast over the internet. Videos of the latest **Pension Plan** and **Investment Plan** workshops are available online.

These workshops are presented by representatives from the Division of Retirement and the State Board of Administration. They are an excellent opportunity for you and your staff to receive an overview of the FRS plans and the various areas, functions, and processes that involve your agency and its employees.

To register:

By phone:

1-866-377-2121, Option 1

Be ready to provide your name, your contact information, the date and time of the workshop you want to attend, and the number of people from your agency who will be attending.

Online:

- Log in to the [workshop registration page](#).
- Select “Attend a Workshop.”
- Click “County.”
- In the drop-down menu, select either “EMPLOYER Webcast - Live Stream” (to attend online) or “EMPLOYER Workshop” (to attend in person). **DO NOT SELECT THE COUNTY YOU LIVE/WORK IN.**
- Click “Workshop.”
- In the drop-down menu, select “FRS Investment Plan - Employer Training” or “FRS Pension Plan - Employer Training.”
- Click “Next.”
- Select the date you want to attend.

You must register separately for each workshop you wish to attend.

Upcoming Workshops

Pension Plan

8:30 to 11:30 a.m. ET

May 11, 2020

August 4, 2020

November 4, 2020

Investment Plan

1:00 to 4:00 p.m. ET

May 11, 2020

August 4, 2020

November 4, 2020



Free Financial Planning Workshops for Employees

Workshops are free and unlimited for FRS members. Employees can attend in person in Tallahassee or from anywhere by webcast.

July 8	Using the FRS to Plan for Retirement	10:00 a.m. to Noon
July 8	Investment Planning	1:00 to 3:00 p.m.
July 9	Education Planning	10:00 a.m. to Noon
July 9	Understanding the FRS Investment Plan	1:00 to 3:00 p.m.
October 5	Using the FRS to Plan for Retirement	10:00 a.m. to Noon
October 5	Protecting Yourself and Your Loved Ones	1:00 to 3:00 p.m.
October 6	Nearing Retirement in the FRS	10:00 a.m. to Noon
October 6	Understanding the FRS Investment Plan	1:00 to 3:00 p.m.
ALL TIMES ARE ET		

Schedule a Workshop for Your Employees

Help your employees plan for their financial future by scheduling an FRS retirement planning workshop at your location. These workshops are conducted by experienced financial planners from EY and are free of charge to FRS members.

Workshops that are available in Spanish are led by an experienced EY financial planner who speaks fluent Spanish.

For details, visit the [online workshop page](#). To schedule a workshop, call the FRS Employer Assistance Line at 1-866-377-2121, Option 1.

To register:

By phone:

1-866-446-9377, Option 2 (TRS 711)

Online:

- Log in to the [workshop registration page](#).
- Select “Attend a Workshop.”
- Click “County.”
- In the drop-down menu, select either “EMPLOYEE Webcast - Live Stream” (to attend online) or “EMPLOYEE Workshop” (to attend in person). **DO NOT SELECT THE COUNTY YOU LIVE/WORK IN.**
- Click “Workshop.”
- In the drop-down menu, select the workshop you want to attend.
- Click “Next.”
- Select the date you want to attend.

You must register separately for each workshop you wish to attend.

Upcoming 1st Election Deadlines

Deadline dates and times apply to all members, no matter how they submit their retirement plan choice. To confirm a new hire's deadline, call the FRS Employer Assistance Line at 1-866-377-2121, Option 3, or refer to the member's benefit comparison statement.

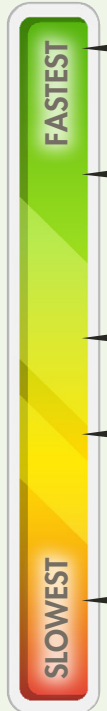
Month of Hire	Enrollment Deadline at 4:00 p.m. ET
July 2019	March 31, 2020
August 2019	April 30, 2020
September 2019	May 29, 2020
October 2019	June 30, 2020
November 2019	July 31, 2020
December 2019	August 31, 2020
January 2020	September 30, 2020
February 2020	October 30, 2020
March 2020	November 30, 2020
April 2020	December 31, 2020
May 2020	January 29, 2021
June 2020	February 26, 2021

If a retirement plan choice is not received by the 1st Election deadline, members initially enrolled in the FRS on or after January 1, 2018* will default as follows:

Membership Class	Plan Default
Special Risk Class	Pension Plan
All classes (except Special Risk Class)	Investment Plan

* Also applies to members who were initially enrolled in the FRS prior to January 1, 2018, terminated employment during their initial election period without making an election, and return to FRS-covered employment on or after January 1, 2018.

Ways to Submit a Retirement Plan Choice



- Go to [ChooseMyFRSplan.com](https://www.choosemyfrsplan.com).
- Call the MyFRS Financial Guidance Line at 1-866-446-9377, Option 4 (TRS 711). *Good option if the employee has questions.*
- Use the [online EZ Retirement Plan Enrollment Form](#).
- Fax a form to: 1-888-310-5559
- Mail a form to: Plan Choice Administrator, P.O. Box 785027, Orlando, FL 32878-5027
- Forms are available on [MyFRS.com](https://www.myfrs.com).

Help Keep All Members' Names and Addresses Current

Encourage your inactive and retired FRS members to keep their contact information current so they don't miss any important information from you or the FRS.

Investment Plan Members

Active Employees

Names and addresses are automatically updated on the FRS database when you submit your agency's monthly payroll report.

Inactive or Retired

See the online FAQ "[How can I change my name or mailing address if retired or terminated from the Investment Plan?](#)"

Pension Plan Members

Active Employees

Names and addresses are automatically updated on the FRS database when you submit your agency's monthly payroll report.

Inactive (Not Currently Employed)

Address Change – The member must call the Division of Retirement, or scan, mail, or fax a signed and dated letter to the Division of Retirement.

Retired and Receiving a Benefit

Address Change – The member can log in to their FRS Online account, call the Division of Retirement, or send a signed letter or **Form ADDCH-1** to the Division of Retirement by mail or fax.

Name Change – The member must mail or fax a signed letter to the Division of Retirement. The letter must be accompanied by a copy of the court order, marriage certificate, or driver license reflecting the member's new name.

How to Reach the Division of Retirement



Division of Retirement,
P.O. Box 9000,
Tallahassee, FL 32315-9000



850-410-2010



1-844-377-1888 (toll-free) or
850-907-6500
(Tallahassee local calling area)



Are You Using Outdated FRS Forms?

FRS forms are routinely updated throughout the year. To use up-to-date forms and save paper, go to the [Forms section on MyFRS.com](#) to download and print the forms as you need them.

Resources

FRS Employer Assistance Line

1-866-377-2121 (toll-free)

EY and Alight Solutions 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.

MyFRS.com Resources

- **Alerts & Hot Topics** — Keep up with the latest legislation and more
- **Contribution Rates** — See “Retirement and Health Insurance Subsidy (HIS) Contribution Rates”
- **Employer Forms** — Current forms available to print on demand
- **Employer Handbooks** — Technical guides for Retirement Coordinators, payroll staff, and others who have FRS responsibilities
- **FAQs** — Frequently asked questions and glossary
- **Helpful Websites** — Links to agencies, departments, and other resources
- **Laws and Rules** — Florida Statutes and Administrative Code governing the FRS
- **Order Materials** — Online catalog of printed materials that you can order free of charge
- **Public Records** — State Board of Administration and Division of Retirement Public Records Policy
- **Publications** — All available online publications
- **Request for Intervention/Final Orders** — Interventions may include unresolved customer service complaints and allegations of misconduct or misrepresentation
- **Videos** — New hire, educational, and training videos



Help Keep Your Co-Workers Informed

If you know a co-worker who should receive this newsletter, send an email to walter.kelleher@sbafla.com with the co-worker's name, title, agency name, and email address.