

House Bill Changes Employer Contribution Rates

House Bill 5007, passed by the Florida Legislature during the 2018 session, changes employer contribution rates in the Florida Retirement System (FRS), effective July 1, 2018.

What's Changing?

- The uniform normal cost and unfunded actuarial liability contribution rates
- Employer 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 provide all FRS-participating employers an information release with the contribution rate information (by reporting plan codes) after the retirement bill is signed into law.

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

Keep Up With Legislation

Visit MyFRS.com and click "2018 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).



Contribution Rates Effective July 1, 2018

Table 1: Uniform Contribution Rates (new rates effective July 1, 2018)

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
	Current	New	Current	New	Current	New	Current	New	Current	New	Current	New		
Regular Class	3%	3%	2.90%	3.04%	3.30%	3.50%	0.06%	0.06%	1.66%	1.66%	7.92%	8.26%	10.92%	11.26%
Special Risk Class	3%	3%	11.86%	12.18%	9.69%	10.60%	0.06%	0.06%	1.66%	1.66%	23.27%	24.50%	26.27%	27.50%
Special Risk Administrative Support Class	3%	3%	3.83%	3.64%	29.08%	29.62%	0.06%	0.06%	1.66%	1.66%	34.63%	34.98%	37.63%	37.98%
Elected Officers' Class (Judges)	3%	3%	11.67%	12.00%	26.25%	27.05%	0.06%	0.06%	1.66%	1.66%	39.64%	40.77%	42.64%	43.77%
Elected Officers' Class (Legislature/Cabinet/Public Defender/State Attorney)	3%	3%	6.45%	6.65%	42.69%	48.38%	0.06%	0.06%	1.66%	1.66%	50.86%	56.75%	53.86%	59.75%
Elected Officers' Class (County and Local)	3%	3%	8.54%	8.50%	35.24%	38.48%	0.06%	0.06%	1.66%	1.66%	45.50%	48.70%	48.50%	51.70%
Senior Management Service Class	3%	3%	4.29%	4.45%	16.70%	17.89%	0.06%	0.06%	1.66%	1.66%	22.71%	24.06%	25.71%	27.06%
DROP	0%	0%	4.17%	4.41%	7.43%	7.96%	0%	0%	1.66%	1.66%	13.26%	14.03%	13.26%	14.03%



Contribution Rates Effective July 1, 2018, continued

Table 2: Optional Program Contribution Rates (new rates effective July 1, 2018)

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%	3.30%	3.50%	11.45%	11.65%
Senior Management Service Optional Annuity Program	3%	3%	6.27%	6.27%	0%	0%	16.70%	17.89%	25.97%	27.16%
State Community College System Optional Retirement Program	3%	3%	5.15%	5.15%	0% ²	0% ²	3.30%	3.50%	11.45%	11.65%

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.

FRS Rolls Out Improved Advisor Service and Choice Service

Effective April 2, 2018, the FRS rolled out an improved online Advisor Service and Choice Service for all FRS employees. Both services are available to all Pension Plan and Investment Plan members at no cost by logging in to MyFRS.com.

Advisor Service Simplifies Retirement Planning

The Advisor Service provides members with personalized, professional advice on how to allocate investments in their Investment Plan account and most other non-FRS retirement accounts. Members can also use the service to estimate their retirement benefit and compare scenarios to help them make decisions about their future. To learn more about the Advisor Service, [visit the Advisor Service page on MyFRS.com](#).

Choice Service Helps Members Choose an FRS Plan

The Choice Service helps new members make their initial retirement plan election. It also helps current members decide whether to use their 2nd Election to change from their current FRS retirement plan to the other. To support these decisions, the Choice Service lets members compare benefit estimates from both plans. These estimates are customized, based on the members' assumptions for salary growth and age at retirement.

FRS Investment Plan Employer Handbook Updated

The FRS Investment Plan Employer Toolkit and Manual have been combined into one online publication titled the [FRS Investment Plan Employer Handbook](#). The new handbook, which is available online only, is a comprehensive source of information about policies and procedures, member eligibility requirements, workshops, and resources concerning the FRS retirement plans. For detailed information about the Pension Plan, refer to the [FRS Pension Plan Employer Handbook](#).



Include New Employee Email Addresses in Your Payroll File

When reporting new hires on the monthly retirement report to the Division of Retirement, be sure to provide each employee's unique email address on your agency's payroll file. Multiple email reminders are sent to new hires during their 1st Election choice window in addition to the hard-copy reminder letters mailed to their mailing address. By receiving members' email addresses, we are also able to target specific correspondence to members.

New Hire Communication Road Map — Effective January 1, 2018 — Highlights 1st Election Reminders

As announced in the [prior issue of the FRS Employer Newsletter](#), the 1st Election deadline has been extended from 5 months to 8 months following the month of hire. This change affects members initially enrolled in the FRS on or after January 1, 2018, and certain other members.¹

A [New Hire Communication Road Map, which is now available online](#), shows the materials your employees will receive during their 1st Election period. Explore the road map and click the links to access samples of each communication.

HIRED!	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	
Employee Orientation	Payroll Submitted	Welcome Brochure	1 st Reminder Email	2 nd Reminder Email	3 rd Reminder Mailing	4 th Reminder Email	5 th Reminder Email	6 th Reminder Mailing	Confirm and Welcome Letter	
New Hire Video			20 th day of the month 	15 th day of the month 	10 th day of the month 	5 th day of the month 	1 st day of the month 	10 th day of the month 	(Version depends on plan selected or default. Shown is the default to Investment Plan welcome letter.) 	
New Hire Flyer 										
Access to Choose My FRS Plan 		Employee receives PIN and can access the 1 st Election Choice Service	Click on the yellow boxes to see sample communications.							7 th Reminder Email Day before choice deadline 
								Choice Deadline 4:00 p.m. on the last business day of month 8		

¹ 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.

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.

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.

	8:30 to 11:30 a.m. ET	1:00 to 4:00 p.m. ET
May 16, 2018	Pension Plan	Investment Plan
August 1, 2018	Pension Plan	Investment Plan
November 7, 2018	Pension Plan	Investment Plan

To register:

By phone:

1-866-377-2121, Option 1

Be ready to provide your name, 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,” then “Employer” under the “County” drop-down box. (Be sure to select “Employer” and **not** the county you live or work in.) Under the “Workshop” drop-down box, choose the training you wish to attend, then click “Next” to select a date. You must register separately for each workshop you wish to attend.



Annual Fee Disclosure Statement Notice

The Annual Fee Disclosure Statement for the Investment Plan provides information concerning the Investment Plan’s structure, administrative and individual expenses, and investment funds, including performance, benchmarks, fees, and expenses. This Statement is designed to set forth relevant information in simple terms to help Investment Plan members make better investment decisions. The Statement is available [online](#), or members can request a printed copy, mailed at no cost to them, by calling the MyFRS Financial Guidance Line toll-free at 1-866-446-9377, Option 4 (TRS 711).

Free Financial Planning Workshops for Employees

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

April 4	Using the FRS to Plan for Retirement	10:00 a.m. to Noon
April 4	Using the FRS to Plan for Retirement (SPANISH)	1:00 to 3:00 p.m.
April 5	Nearing Retirement in the FRS	10:00 a.m. to Noon
April 5	Nearing Retirement in the FRS (SPANISH)	1:00 to 3:00 p.m.
July 11	Using the FRS to Plan for Retirement	10:00 a.m. to Noon
July 11	Taking Control of Your Finances ¹	1:00 to 3:00 p.m.
July 12	Nearing Retirement in the FRS	10:00 a.m. to Noon
July 12	Understanding the FRS Investment Plan ²	1:00 to 3:00 p.m.
October 2	Using the FRS to Plan for Retirement	4:30 to 6:30 p.m.
October 2	Investment Planning ³	7:00 to 9:00 p.m.
October 3	Nearing Retirement in the FRS	4:30 to 6:30 p.m.
October 3	Protecting Yourself and Your Loved Ones ⁴	7:00 to 9:00 p.m.

ALL TIMES ARE ET

¹ Formerly “Cash and Debt Management.”

² Formerly “FRS Investment Plan: Understanding Your Benefits.”

³ Combines “Investment Planning for Everyone – The Basics/The Details.”

⁴ Combines “Insurance Planning” and “Estate Planning.”

To register:

By phone:

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

Online: Log in to the [workshop registration page](#). Select “Attend a Workshop,” then “A WEBINAR” under the “County” drop-down box. (Be sure to select “A WEBINAR” and **not** the county you live or work in.)



Financial Planning Workshops in Spanish

We now offer three employee workshops in Spanish. These workshops are led by an experienced EY financial planner who speaks fluent Spanish. Workshop slides are also in Spanish.

- Using the FRS to Plan for Retirement ([watch video](#))
- New Employee Retirement Plan Choice ([watch video](#))
- Nearing Retirement in the FRS ([watch video](#))

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

Upcoming 1st Election Deadlines

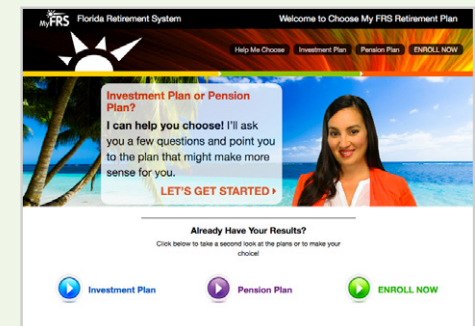
Deadline dates and times apply to all members, no matter how they submit their retirement plan choice. To confirm a new hire's deadline, call the FRS Employer Assistance Line at 1-866-377-2121, Option 3, or refer to the member's Benefit Comparison Statement.

Month of Hire	1 st Election Deadline
October 2017	4:00 p.m. ET, March 30, 2018
November 2017	4:00 p.m. ET, April 30, 2018
December 2017	4:00 p.m. ET, May 31, 2018
January 2018	4:00 p.m. ET, September 28, 2018
February 2018	4:00 p.m. ET, October 31, 2018
March 2018	4:00 p.m. ET, November 30, 2018
April 2018	4:00 p.m. ET, December 31, 2018
May 2018	4:00 p.m. ET, January 31, 2019
June 2018	4:00 p.m. ET, February 28, 2019
July 2018	4:00 p.m. ET, March 29, 2019
August 2018	4:00 p.m. ET, April 30, 2019
September 2018	4:00 p.m. ET, May 31, 2019

If a retirement plan choice is not received by the 1st Election deadline, the member will default as follows:

Date Initially Enrolled in the FRS	Membership Class	Plan Default
Prior to January 1, 2018	All classes	Pension Plan
On or after January 1, 2018	Special Risk Class	Pension Plan
On or after January 1, 2018	All classes (except Special Risk Class)	Investment Plan

Ways to Submit a Retirement Plan Choice



Fastest

Go to ChooseMyFRSplan.com.

Fast (especially if the employee has questions)

Call the MyFRS Financial Guidance Line at 1-866-446-9377, Option 4 (TRS 711).

Slower

Fax a form to 1-888-310-5559.

Slowest

Mail a form to:
Plan Choice Administrator
P.O. Box 785027
Orlando, FL 32878-5027

Forms are available on MyFRS.com.

Reminders

Help Keep Names and Addresses Current for Inactive and Retired Members

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

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

Fax: 850-410-2010

Phone: 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 **online** to download and print the forms you need as you need them.



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.

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 Links** — Links to agencies, departments, and other resources
- **Laws & 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

