

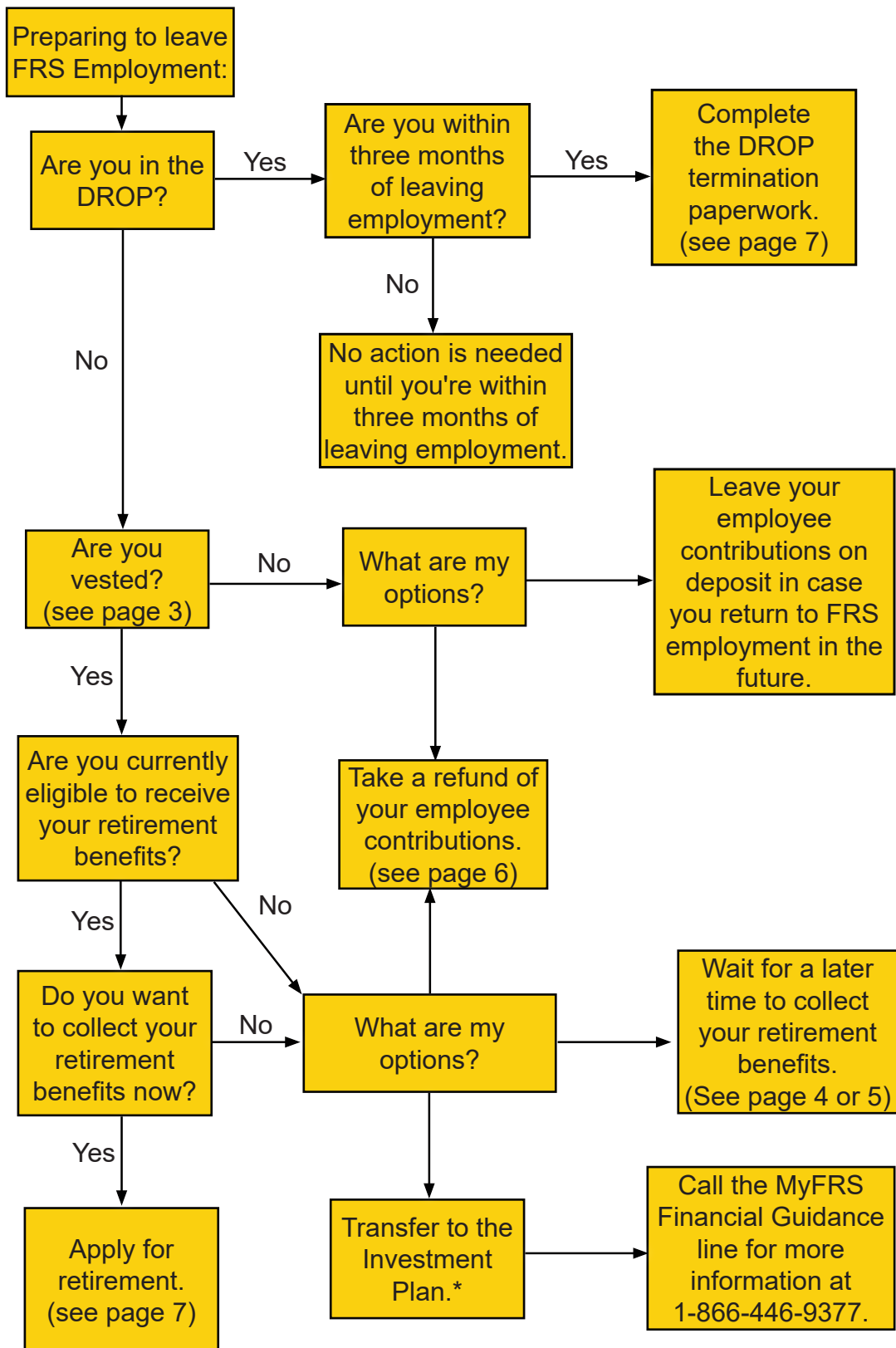


Leaving FRS Employment Pension Plan Informational Guide

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Options Chart



*Note: Transferring to the Investment Plan is only for members who are actively employed, and service credit must be reported in the month that the election is made.

Vesting

Being vested means that you have met the service requirements to be eligible to receive a future Florida Retirement System (FRS) retirement benefit. Your vesting requirement will be based on your initial enrollment with an FRS employer. If your first day of work was:¹

Initial Enrollment in FRS	Prior to July 1, 2001	July 1, 2001, through June 30, 2011	On or after July 1, 2011
	↓	↓	↓
Vesting Provisions	Seven, eight, or 10 year vesting requirement (Contingent on Membership Class)	Six-year vesting requirement	Eight-year vesting requirement

Note: If your first day of work was before July 1, 2001, and if you were more than one year away from vesting at the time you terminated covered employment before July 1, 2001, you must return to covered employment for one work year in order to be eligible for six-year vesting.

Example: You started working October 27, 1995, and terminated September 24, 1999. If you return to covered employment for one year, you are eligible for six-year vesting.

However, if you were within one work year of vesting, under the provisions of law in place when you terminated employment, you will vest upon working the number of months that were required for you to vest before you terminated.

¹ Initial date of employment in an FRS eligible position.

Retirement Eligibility for all Classes Except the Special Risk

Your normal retirement date is the date you are first eligible to receive an unreduced retirement benefit based on your age and years of service. When you reach normal retirement is based on when you started working. If you began working:

Normal Retirement

Before July 1, 2011	Whichever occurs first: <ul style="list-style-type: none">• Vested and age 62; or• 30 years of service
On or after July 1, 2011	Whichever occurs first: <ul style="list-style-type: none">• Vested and age 65; or• 33 years of service

Early Retirement

Under the FRS Pension Plan, early retirement can be taken instead of normal retirement if you are vested and within 20 years of your normal retirement age. Your benefit is reduced by 5% for each year you are under your normal retirement age.

Example: Your retirement benefit is determined to be \$2,000/month. If you retire two years early, your benefit would be reduced by 10% (5% x 2 years under normal retirement age) and would be \$1,800.

Retirement Eligibility for the Special Risk Class

Your normal retirement date is the date you are first eligible to receive an unreduced retirement benefit based on your age and years of service. If you have participated in the Special Risk Class, regardless of when that participation occurred, you will be eligible to retire as shown below:

Normal Retirement

All Special Risk

Whichever occurs first:

- You are vested in Special Risk Class and are age 55; or
- You have at least 25 years of special risk creditable service; or
- You have a combined total of 25 years of special risk creditable service and military service and are age 52; or
- You have at least 30 years of any creditable service, regardless of age.

Early Retirement

If you are vested and have not reached your normal retirement date, you may choose to take retirement early. If you do, the amount of your benefit will be reduced by 5% for each year you are under your normal retirement age.

- If you have Special Risk Class service and service in another membership class, your years of service and benefit must be calculated for each class of service.

Less-Common Special Risk Situations

Special Risk Administrative Support Class: You will qualify for normal retirement based on the special risk age and service criteria listed above, provided that you have at least the number of years of credible service in the Special Risk Class that is required for you to vest.

Mix of Special Risk and non Special-Risk service: If you have at least 30 years of credible service with some in the Special Risk class, you qualify for normal retirement regardless of your age.

Refunds of Employee Contributions

The Pension Plan is funded by mandatory employee and employer contributions. Based on current Florida law, employees contribute 3% of their pretax salary. You paid employee contributions, if

- 1 you were a member of the FRS on or after July 1, 2011, or before 1975; or
- 2 you purchased additional service credit.

To be eligible to receive a refund of your employee contributions, you must terminate all employment and remain off all payrolls with FRS-covered employers for three consecutive calendar months.

You may apply for a refund by following the below steps:

1. Log in to your FRS Online account at FRS.FL.gov.
2. Click Refund Application.
3. Complete the application.
4. Choose your payout method.

Your refund will not include contributions made by your employer, nor will it include interest earnings. You will lose retirement service credit in the FRS Pension Plan for the period represented by the refund.

If you return to covered employment and earn one year of creditable service, you may purchase service credit for your refunded service.

You will retain all service credit funded solely by employer-paid contributions unless you forfeit your benefits.

Applying for Retirement

You must apply for retirement benefits before you can begin receiving benefit payments. You can complete the retirement application online at FRS.FL.gov under the Member Service tab in the left menu.

Through the online Service Retirement Application, members can:

- Submit all required forms online.
- Generate an estimate during the application process.
- Choose a retirement date within a six-month range and compare the monthly benefit amounts.
- Make their option selection.
- Name one or more beneficiaries.
- Upload documents during the application process.

The earliest you can apply for retirement is six months before your planned retirement date. When you submit your retirement application, the division will acknowledge it and request anything else it needs from you. If you purchase additional service credit, the division must receive your final payment before you can begin receiving benefits.

If you leave FRS employment and wait to take your retirement benefit, be sure to keep your beneficiary information up to date.

Health Insurance Subsidy (HIS)

Retirees and beneficiaries can apply for an HIS, which is a monthly benefit to offset the cost of insurance premiums. The benefit is \$7.50 per month for each year of FRS Pension Plan and/or Investment Plan retirement service credit earned at retirement. The minimum monthly benefit is \$45, and the maximum is \$225. Submit this form to apply: FRS.FL.gov/forms/HIS-1.pdf. You may complete this form during the online Service Retirement Application process, or download and complete the form, then upload through your FRS Online account at FRS.FL.gov.

Exiting the DROP

If you are participating in the Deferred Optional Retirement Program (DROP), the Division of Retirement (division) will send the forms that you need to complete within three months of your scheduled DROP end date.² The forms will be sent through the delivery preference you have selected in FRS Online.

If you plan to leave the DROP before your scheduled DROP end date, you or your employer must notify the division of your new end date within three months of the new end date.

For all DROP participants, except Elected Officials, required forms include:

- DP-TERM – Termination Notification Form
Requires employer certification of termination date.
- DP-PAYT – Selected Payout Method Form
If no selection within 60 days of DROP termination, the division will send out a lump-sum minus 20% taxes.

For DROP participants that chose Retirement Option 4:

- DP-JOINT – Joint Annuitant Verification Form

For DROP participants holding an elected office, required forms include:

- DP-TEOC-3 – Elected Officer Termination Notification Form
Requires employer certification of termination date.
- DP-PAYT – Selected Payout Method Form
If no selection within 60 days of DROP termination, the division will send out a lump-sum minus 20% taxes.

For DROP participants that chose Retirement Option 4:

- DP-JOINT – Joint Annuitant Verification Form

² That is your employment and DROP termination date.

Reemployment Restrictions

During the first six calendar months from your service retirement effective date or following your DROP termination date, you cannot be in an employment relationship with and must cease providing services to all FRS employers. An employment relationship with an FRS employer in any capacity during this six calendar month period may void your retirement and you and your FRS employer may be held jointly and severally liable for repayment of all retirement benefits received, which include any DROP accumulation or payout. This means that each party can be held fully responsible for the repayment of the total amount of retirement benefits.

Beginning with the seventh calendar month from your service retirement effective date or following your DROP termination date, there are no restrictions on working for an FRS employer.

For more information, read the *Ready. Set. Retire.* guide on the publications page of [FRS.MyFlorida.com](https://www.frs.myflorida.com).

Keeping Your Contact Information Up to Date

Your member yearly statements, year-end tax forms, and any other Pension Plan communications will be sent to you via electronic delivery or mailed to your address on file, so be sure to keep your information up to date.

While you are an active employee, you can make these changes through your employer. You can change your email address, phone number, and update your communication preferences on [FRS Online](#).

1099-R

The division will send you a Form 1099-R each year for the payments received in the previous year.

In [FRS Online](#), you can choose to receive an email when your 1099-R is available.

What to Do When a Payee Passes Away

Please have your beneficiary, or someone else close to you, notify the division of your death as soon as possible. Send death notifications through FRS Online, or by calling 844-377-1888.

FRS Online

Through FRS Online at [FRS.FL.gov](https://www.frs.fl.gov), Pension Plan members can access personal retirement account information, including service history, service credit, salary data, beneficiaries and more.

Financial Guidance Line

If you have any financial questions or would like further financial guidance about what to do next, call the MyFRS Financial Guidance Line to speak with an experienced EY financial planner free of charge at 1-866-446-9377.

Glossary

Deferred Retirement Option Program (DROP) - Under this program, a member effectively retires and continues covered employment for up to eight years. While in the DROP, the member's monthly retirement benefits accumulate, earning interest and any applicable annual cost-of-living adjustments. When the DROP period concludes, the participant terminates covered employment and begins receiving a predetermined monthly retirement benefit, as well as the accrued DROP benefit.

Early Retirement - Early retirement is an optional, service-based retirement that occurs before the member reaches normal retirement by age or years of service. The amount of the member's benefit is reduced by 5% for each year the member is under their normal retirement age. The 5% per-year reduction for early retirement is prorated on a month-by-month basis for any period less than a full year.

Elected Officers' Class - FRS membership class for elected state and county officers, and for those elected municipal or special district officers whose governing body has chosen to participate in the Elected Officers' Class for its elected officers.

Employee Contributions - Effective July 1, 2011, employee contributions are required for all FRS participants. Employee contributions remain on deposit in the member's name until the member retires or takes a refund of their employee contributions.

Employer Contributions - Contribution rates are a percentage of the employee's salary, as determined by law, which are used to fund the FRS benefits.

Florida Retirement System (FRS) - Florida Retirement System. The FRS is a single retirement system consisting of two primary retirement plans and other nonintegrated programs administered under Chapter 121, Florida Statutes.

FRS-Covered Employment - A position that is eligible to be reported for FRS contributions.

FRS Employer - Any agency that participates in the Florida Retirement System.

Investment Plan - A defined contribution plan created under Part II of Chapter 121, Florida Statutes, which began enrolling members in July 2002.

Normal Retirement - The date that a member qualifies to retire under the FRS Pension Plan with unreduced benefits, by meeting the age or service requirements for the member's class of membership.

Pension Plan - This plan is a defined benefit plan administered under Part I of Chapter 121, Florida Statutes. The benefits to be paid at retirement are guaranteed by the plan, and are based on a formula determined by the plan.

Regular Class - The FRS membership class for any member of the FRS not assigned to the Special Risk Class, the Special Risk Administrative Support Class, the Elected Officers' Class, or the Senior Management Service Class.

Senior Management Service Class - FRS membership class for members who fill senior-level management positions assigned by law to this class or authorized by law as eligible for designation under this class.

Service Credit - The total of all years and partial years a member works in a retirement covered position with an FRS employer.

Special Risk Administrative Support Class - An FRS membership class established in 1982 for special risk members who are employed in or reassigned to a position that provides administrative support for a special risk employer, but who no longer meet the criteria for special risk membership.

Special Risk Class - The FRS membership class for eligible members who are employed as law enforcement officers, firefighters, correctional officers, paramedics, or emergency medical technicians, or as health care workers specified under section 121.0515(2)(f), Florida Statutes, and who meet the criteria in the retirement laws and rules to qualify for this class.

Vested - The guarantee that a member is eligible to receive a future retirement benefit upon completion of the required years of creditable service for the employee's class of membership, even if the member terminated covered employment prior to reaching normal retirement.