



## Retirement

**Jessica Estes and Kenyetta “Kiki” Epps**

**Senior Human Resources Coordinators**

May 3, 2022

## JAC Human Resources

### Retirement Coordinator

- Agency and JRO Liaison
- New Hires – FRS Reemployment Provisions
- Application Process for Retirement
- Continuation of Insurance at Retirement
- Resolve retirement contribution variances
- Agency and JRO Resource



# Retirement on JAC's Website

[www.justiceadmin.org/HR/retirement.aspx](http://www.justiceadmin.org/HR/retirement.aspx)



Click on Services then select Retirement under Human Resources



# New Hire Eligibility

Who is eligible?

- Florida Retirement System
  - Full Time Equivalent (FTE) Positions
- Deferred Compensation
  - FTE & Other Personnel Services (OPS) Positions

## Florida Retirement System Plans



Learn more on our website under "Who is Eligible?"



## Retirement Classes

Regular

Senior Management

Special Risk

Elected Officers



See "Retirement Class Specifications" on our website under "Who is Eligible?" <sup>5</sup>

## Investment Plan Employer Contribution Allocations

HB 5007 – Effective July 1, 2022, the allocation of employer contributions placed in an employee's Investment Plan account will increase by three percent for each retirement class.

Retirement Class	Employee Contributions	Employer Contributions	Total
Regular	3%	6.3%	9.3%
Snr. Mgmt.	3%	7.67%	10.67%
Special Risk	3%	14%	17%
Elected Off.	3%	9.38%	12.38%



# Retirement Plan Election

New members have eight months to elect a plan.

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 <sup>st</sup> Reminder Email	2 <sup>nd</sup> Reminder Email	3 <sup>rd</sup> Reminder Mailing	4 <sup>th</sup> Reminder Email	5 <sup>th</sup> Reminder Email	6 <sup>th</sup> Reminder Mailing	Confirm Letter Welcome Letter

## How to Make an Active Retirement Plan Election



### What if an active election is not made?

Default to Investment Plan

**DEFAULT**

Exception: Special Risk default to Pension Plan

Learn more on our website under "How to Enroll in a Retirement Plan"



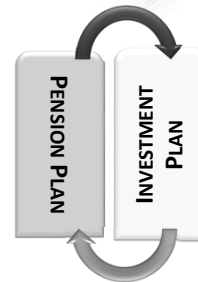
# Second Election

One-time opportunity to switch retirement plans.

### Is a 2<sup>nd</sup> Election RIGHT FOR YOU?



Contact the FRS Financial Guidance Line to learn more about possible buy-in costs, how switching plans affects vesting, etc.





## Vesting

Being vested means that you have met the service requirements to be eligible to receive a future retirement benefit.

### **Pension Plan**

Enrolled before July 1, 2011\*\*

- 6 years of service

Enrolled on or after July 1, 2011

- 8 years of service

### **Investment Plan**

- 1 year of service



\*\*Exceptions apply if initially enrolled but not vested at termination before 7/1/01, and were inactive on this date.



## Normal Retirement Date

Under the FRS Pension Plan, normal retirement is the time you are first eligible to receive an unreduced retirement benefit or begin DROP based on your age or years of service.

- **By Age** – First of the month in which you reach your normal retirement age.
  - Birthday is May 20
  - Normal ret. date is May 1
- **By Service** – First of the month after attaining the required years of service.
  - 30 years of service in May
  - Normal ret. date is June 1

**What is NORMAL?**





## Normal Retirement Date Regular, Senior Management, & Elected

### Tier 1 – Initially enrolled before July 1, 2011

- Vested and age 62;
- 30 years of service before 62; or
- When you become vested after age 62.

### Tier 2 – Initially enrolled on or after July 1, 2011

- Vested and age 65;
- 33 years of service before 65; or
- When you become vested after age 65.



## Normal Retirement Date Special Risk

*\*\*State Attorney Investigators Only\*\**

### Tier 1 – Initially enrolled before July 1, 2011

- Vested and age 55;
- 25 years of Special Risk service before 55;
- 52 with 25 yrs. combined Special Risk & military service; or
- 30 years of any service, regardless of age.

### Tier 2 – Initially enrolled on or after July 1, 2011

- Vested and age 60;
- 30 years of Special Risk service; or
- 33 years of any service, regardless of age.

## Deferrals

For each retirement class and tier there are deferral options for delaying DROP entry when normal retirement is reached before specified ages.

### Most Common Scenario – Example

Tier 1 Reg./Snr. Mgmt. Ret. Class Age 54 30 years of service	May defer entering DROP until age 57 and still participate for five years.
---	--



## Participation in DROP

### What is DROP?

Deferred Retirement Option Program

**DROP allows Pension Plan members to effectively retire, without terminating employment, for up to five years.**

- ✓ Accumulate retirement benefits while remaining employed
- ✓ Earn tax-deferred interest at 1.3% compounded monthly
- ✓ Receive DROP accumulation payout at termination
- ✓ Begin receiving monthly pension payments



Learn more on our website under "DROP"

## DROP Termination

A DROP Termination Packet will be sent to the employee approximately three months prior to their required termination date.



### DROP Termination Notification Form (DP-TERM)

- Employee and employer certification of termination date
- Employee is added to the retired payroll when submitted

### DROP Payout Method Selection Form (DP-PAYT)

- Lump Sum Payout – 20% Tax
- Direct Rollover to Qualified Plan
- Combined partial rollover and lump sum payouts



or



Learn more on our website under "How to Retire"

## Extended DROP Participation

State Attorney Investigators are members of the Special Risk Retirement Class.



### DROP 5 ➡ 8 Years

HB 5007 - Modifies DROP to allow these employees to participate for up to 36 calendar months beyond the standard five years if they are in DROP as of 7/1/22, or join DROP between 7/1/22 and 6/30/28.







## Pension Plan Retirement

Employees are encouraged to begin discussing their retirement plans three to six months in advance.

### Applying for Service Retirement

- Read Ready, Set, Retire Guide
- Request an estimate
- Submit application

### Applying for DROP

- Read DROP Guide
- Request an estimate
- Submit application



Learn more on our website under "How to Retire"



## Investment Plan Retirement

### Retiring from the Investment Plan

- Notify local HR Office of official resignation date and intentions to retire
- Review the Investment Plan Termination Kit
- Review your options with an EY (f/k/a Ernst & Young) Financial Advisor, by contacting the My FRS Financial Guidance Line at 1-866-446-9377, option 2
- Request a distribution from your account after required waiting period



## Retiree Benefits

Qualifying retirees may continue their state group health insurance coverage and/or enroll in retiree life insurance.

### Health Insurance

- Continue current HMO or PPO plan
- Enroll in the Medicare Advantage – Prescription Drug plan

### Life Insurance

- Two policies offered with either \$2,500 or \$10,000 coverage



*Important: The enrollment process for employees retiring from the Investment Plan differs from that of Pension Plan retirees.*

- A New Retiree Benefits Packet is mailed to Pension Plan retirees at separation.
- Investment Plan retirees receive this packet after taking their first distribution from their Investment Plan account, thereby retiring.



Learn more on our website under “Continuing Insurance at Retirement” and “Retiree Facts”

## COBRA Coverage for Retirees

Retirees may continue their current state group dental and/or vision insurance for 18 months under COBRA.

- COBRA packet mailed at separation
- Premiums cannot be deducted from monthly pension
- 2% service charge added



*Other pre-tax and post-tax supplemental plans cannot be continued at retirement through the state. Retirees must contact the provider directly to continue their coverage, where possible, or convert a private policy. Contact information for providers is available on our website.*



Learn more on our website under “Retiree Facts”

## Health Insurance Subsidy (HIS)

The HIS is an additional payment added to a retiree's monthly benefit to help offset some of the cost of health insurance coverage.

- Years of Service x \$5 = \$150 Max.
- Many types of qualifying coverage
- Need not be the policyholder



***Did you know?***

Your HIS is not considered taxable income if your state group insurance premiums are deducted from your pension payment.

Learn more on our website under "Continuing Insurance at Retirement"



## Disability Retirement

Disability retirement is available to eligible members who become totally and permanently disabled and unable to work.

- Available to Pension & Investment Plan Members
- Must be totally and permanently disabled
- Regular Disability – 8 years of service
- In-Line-of-Duty – Available day 1

Learn more by reviewing the [Disability Benefits Guide](#)

**Minimum Benefit**

Regular	Option 1 = 25% of AFC
In-Line-of-Duty – Special Risk	Option 1 = 65% of AFC
In-Line-of-Duty – All Others	Option 1 = 42% of AFC





## Survivor Benefits

- There are two types of survivor benefits coverage:
  - Regular
  - In-the-Line-of-Duty: Available Day 1
- Available to both Pension and Investment Plan members
- Benefits available differ based on factors such as retirement plan, retirement class, vesting, DROP participation, etc.
- Learn more by reviewing the [Survivor Benefits Guide](#)



## My FRS website

[www.myfrs.com](http://www.myfrs.com)

New Hires	Members	Retirees
<ul style="list-style-type: none"> <li>• ChooseMyFRSPlan.com</li> <li>• Orientation Brochure</li> <li>• Benefit Comparison Statement</li> <li>• Online EZ Enrollment Form</li> </ul>	<ul style="list-style-type: none"> <li>• Investment Plan Newsletters</li> <li>• Pension Plan Bulletins</li> <li>• Pension Plan Members</li> <li>• Additional Links</li> </ul>	<ul style="list-style-type: none"> <li>• Investment Plan Termination Kit</li> <li>• Ready, Set, Retire (Pension Plan)</li> <li>• PP Retirees Online Services</li> <li>• DROP</li> <li>• Additional Links</li> </ul>



# Register for My FRS

myFRS Florida Retirement System Select Language

SIGN IN OR REGISTER SIGN IN / REGISTER  
Login Trouble?

## Register for MyFRS

Great care is taken to protect the confidentiality of your MyFRS.com account.

Before accessing your account, you must confirm your identity by completing the form and then clicking the "Submit" button.

After your identity is confirmed, you can set up your MyFRS User ID and Password that will allow you to log in to this site in the future.

Last 4 Digits of SSN

★ 6-Digit PIN

Date of Birth (MM/DD/YYYY)

SUBMIT

Don't have a PIN? Request PIN

Helpful Hint: Your PIN can be found in your FRS New Hire Packet & Orientation Brochure

Misplaced your PIN? Contact the My FRS Guidance Line to request a new PIN at 1-866-446-9377, option 1



# My FRS account

## What can I access via My FRS account?

### Choice Service

- Pension vs. Investment
- Comparison Estimates

Log into your account to receive personalized assistance in making a plan election

### 2nd Election Choice Service

- Projected benefit estimates
- Possible Pension buy-in cost

Is a 2<sup>nd</sup> Election RIGHT FOR YOU? What are the financial impacts of switching plans?

### Investment Plan Members

- Manage their account

### INVESTMENT PLAN

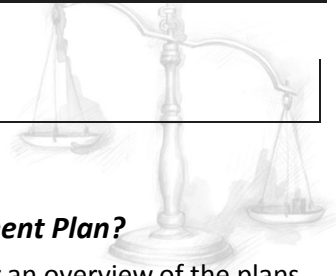
User ID

Password

Login



# My FRS Resources



## New Hires

### *Need Assistance Choosing a Retirement Plan?*

- Review the [Plan Comparison Chart](#) for an overview of the plans
- View the [New Hire Video](#) for an in-depth analysis of the plans
- Log into [My FRS](#) and utilize the [Choice Service](#) to create a personalized estimate of benefits under both plans
- Contact the **My FRS Guidance Line** at 1-866-446-9377, option 1



# My FRS Resources



## Members

### *What about my personal finances and investments?*

- Log in to [My FRS](#) and use the [Guided Choice Advisor Service](#) to create a personalized retirement portfolio
- Utilize [Personal Financial Calculators](#) for retirement planning, mortgage loan qualification, saving for college expenses, and more
- View pre-recorded [Financial Planning Workshops](#), such as Social Security and Your Retirement, Income Tax Planning, and Taking Control of Your Personal Finances





## My FRS Resources



### Retirees

#### *How do I prepare for my upcoming retirement?*

- Review [How to Receive My Benefit](#) to determine when and how you can receive a benefit
- Review the [Pension Retirement Plan Checklist](#) or [Investment Plan Retirement Checklist](#) for a timeline of important steps
- Review the [FRS Reemployment Guidelines](#) to get acquainted with the rules for returning to FRS employment

CALL the MyFRS Financial Guidance Line 1-866-446-9377  
(TTY 1-888-429-2160) Monday through Friday, 9:00 a.m. to 8:00 p.m. Eastern Time  
VISIT [MyFRS.com](#)



## FRS Resources



### Employers

#### *Educational Workshops for Retirement Coordinators*

- [Investment Plan Employer Training Video](#)  
Hosted by EY financial advisors
- [Pension Plan Employer Training Video](#)  
Hosted by the Division of Retirement

#### *Additional Tools*

- [Employer Handbooks](#)  
Plan Administration
- [Employer Newsletters](#)  
Important Deadlines, Hot Topics, Legislation



## FRS Online - Login

- Login to FRS Online at [frs.fl.gov/#/login](https://frs.fl.gov/#/login)

**FRS Online**  
Florida's Pension Plan

Log in Securely To Your **Pension** Account

Username

Password

By logging in, you agree to the terms.

**Log in Securely**

[Forgot Login](#) | [Create Account](#)



## FRS Online – Pension Members

### Active Members

#### What can I access via FRS Online?

- Years of FRS creditable service
- History of salaries (used to calculate your AFC)
- Member Annual Statement (available during your birth month)
- View and update your beneficiaries
- ★ Create retirement estimates, including DROP estimates
- DROP participants – final estimate of accruals



#### Why Wait?

You can choose to have correspondence from the Division delivered to your account inbox.



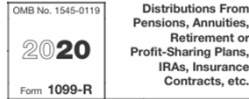


## FRS Online – Pension members

### Retired Members

#### What can I access via FRS Online?

- View monthly Pension statements
- View federal withholding (if applicable)
- Determine receipt of monthly Health Insurance Subsidy
- View and update beneficiary designations
- View and update Direct Deposit
- Access 1099R (retiree W2) during tax season each year



## JAC Retirement Coordinators

We encourage you to use our email group:  
[RetirementCoordinator@justiceadmin.org](mailto:RetirementCoordinator@justiceadmin.org)



Jessica Estes  
[Jessica.Estes@justiceadmin.org](mailto:Jessica.Estes@justiceadmin.org)

Kenyetta “Kiki” Epps  
[Kenyetta.Epps@justiceadmin.org](mailto:Kenyetta.Epps@justiceadmin.org)

*We are Here  
to Help You!*

