

FLORIDA RETIREMENT SYSTEM
Actuarial Valuation
as of
July 1, 2007



November 2007

This work product was prepared solely for the Department of Management Services for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

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November 30, 2007

Ms. Sarabeth Snuggs
State Retirement Director
Division of Retirement
PO Box 9000
Tallahassee, FL 32315-9000

Dear Ms. Snuggs:

At your request, we have conducted our annual actuarial valuation of the Florida Retirement System (FRS) as of July 1, 2007, for determining contribution payments for Fiscal Year 2009. The major findings of the valuation are contained in the following report.

Section I contains an Executive Summary of the results of our valuation followed by four sections containing detailed information on FRS Assets (Section II), Liabilities (Section III), Contributions (Section IV), and Accounting Statements (Section V). In the Appendices, we provide information regarding actuarial methods and assumptions, a summary of plan provisions, membership statistics, cost projections, and a glossary of terms.

All costs and liabilities shown in this report have been determined on the basis of actuarial assumptions and methods set forth in Appendix A. The actuarial assumptions used in performing this valuation have been recommended by the actuary and adopted by the Actuarial Assumption Conference based on Milliman's most recent review of the System's experience for the period July 1, 1998 through June 30, 2003 completed during Plan Year 2004-2005. We believe these assumptions are reasonable and have used them for purposes of GASB Statements No. 25 and No. 27. For funding purposes, we believe that the assumptions are reasonable except for the retirement assumptions which have been modified to reflect the Assumption Conference decision on funding DROP. The current funding method treats the impact of DROP on a system basis meaning all classes' retirement rates do not explicitly recognize the probability of a member electing DROP participation, and the related individual class impact on their liabilities and funding. The results of this report are dependent upon future experience conforming



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to these assumptions. Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions used in this valuation. It is certain that actual experience will not conform exactly to the assumptions used in this valuation. Actual amounts will differ from projected amounts to the extent that actual experience deviates from expected experience.

Actuarial computations presented in this report are for purposes of determining the recommended funding amounts for the System. Actuarial computations under GASB Statements No. 25 and No. 27 are for purposes of fulfilling financial accounting requirements. The calculations in the enclosed report have been made on a basis consistent with our understanding of the System's funding requirements and goals, and of GASB Statements No. 25 and No. 27. Determinations for purposes other than meeting these requirements may be significantly different from the results contained in this report. Accordingly, additional determinations may be needed for other purposes.

In preparing our report we relied, without audit, on information (some oral and some written) supplied by the Division of Retirement. This information includes, but is not limited to, statutory provisions, employee census, and financial information. In our examination of these data, we have found them to be reasonably consistent and comparable with data used for other purposes. Since the valuation results are dependent on the integrity of the data supplied, the results can be expected to differ if the underlying data is incomplete or missing. It should be noted that if any data or other information is inaccurate or incomplete, our calculations may need to be revised.

This actuarial valuation was prepared and completed by me or under my direct supervision, and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. There is no benefit provision or related expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. There were no known events that were not taken into account in the valuation. We have not assumed any changes in the trend of actuarial experience.

Milliman's work product was prepared exclusively for the Florida Department of Management Services, Division of Retirement for a specific and limited purpose. It is a complex technical analysis that assumes a high level of knowledge concerning the Florida Retirement System's operations, and uses Division data, which Milliman





Ms. Sarabeth Snuggs
November 30, 2007
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has not audited. It is not for the use or benefit of any third party for any purpose. Any third party recipient of Milliman's work product who desires professional guidance should not rely upon Milliman's work product, but should engage qualified professionals for advice appropriate to its own specific needs. Any distribution of this report must be provided in its entirety including this cover letter, unless prior written consent is obtained from Milliman.

On the basis of the foregoing, I hereby certify that, to the best of my knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with Actuarial Standards of Practice, the Code of Professional Conduct and Qualification Standards for Public Statements of Actuarial Opinion of the American Academy of Actuaries. I am a member of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

Respectfully submitted,

Milliman, Inc.

A handwritten signature in blue ink that reads "Robert Dezube".

Robert S. Dezube, F.S.A.
Consulting Actuary, Enrollment #05-3397



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SECTION I

EXECUTIVE SUMMARY



FLORIDA RETIREMENT SYSTEM
Actuarial Valuation as of July 1, 2007

This work product was prepared solely for the Department of Management Services for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

EXECUTIVE SUMMARY

This report presents the results of our July 1, 2007 actuarial valuation of the Florida Retirement System. In this section, we compare the 2006 and 2007 principal valuation results for the total System. This comparison includes an analysis of the primary factors contributing to the change in the FRS's assets, liabilities, and contributions since July 1, 2006. We conclude this section with summary comments regarding the System's overall financial condition.

We would like to point out several key changes reflected in this valuation:

- The composite normal cost rate, excluding DROP, remained unchanged at 11.52% of payroll.
- The unfunded actuarial liability (including DROP Class liability) changed due to an additional year of experience; in fact the surplus increased from \$7.6 billion to \$8.2 billion. Florida Law establishes a methodology to develop the resulting usable surplus. This amount is statutorily amortized over 10 years and translates to \$0.174 billion available surplus for the Plan Year 2008-2009.
- Prior to July 1, 2002, all members of the FRS Defined Benefit Program were provided a 90-day election period to elect between the Defined Benefit Program and the Public Employee Optional Retirement Program (PEORP). Members newly hired after the election period for their employee group are provided five months after their month of hire to file an election between the two primary programs. Members who do not make an election default into the Defined Benefit Program. After the period during which a member had the choice to elect the Defined Benefit Program or the PEORP, an employee will have one opportunity, at the employee's discretion, to choose to move from the Defined Benefit Program to the PEORP or from the PEORP to the Defined Benefit Program. During the initial election period, approximately 21,000 members (less than 4% of the active population) elected to transfer from the FRS Defined Benefit Program to the PEORP during the enrollment periods for existing defined benefit plan members. Due to the relatively small percentage making the election, the initial impact on the Defined Benefit Program was *deminimus*. Approximately \$363 million was transferred from the Defined Benefit Program to the PEORP in 2003 as a result of these elections creating an estimated actuarial gain of \$293 million. Whether the long-term impact will be more significant will be determined by the actions (i.e., elections) of future hires. While to date these elections have also been primarily to the FRS Defined Benefit Program, it is unknown whether this trend will continue.

Members of the FRS Defined Benefit Program who elected to join PEORP and elected to transfer the present value of their service credits during the initial election period in 2002 and then choose to make a second election back to the Defined Benefit Program will not have to pay to the Defined Benefit Program the full cost of their actuarial liability. The cost of this potential subsidy is considered a contingent liability. This contingent liability is considered pre-funded because legislation enacted in 2001 "walls off" for 25 years the actuarial gain arising from these transfers to PEORP. The remaining contingent liability as of July 1, 2007 is \$230 million. Thus the available surplus of \$8.2 billion was reduced to \$8.0 billion prior to determining the available surplus for budget consideration.

In general, throughout this report, any reference to FRS refers to the FRS Defined Benefit Program, unless noted to the contrary.

The tables immediately following compare July 1, 2006 actuarial valuation results with July 1, 2007 actuarial results. The difference column shows the change between the final July 1, 2007 valuation results and the July 1, 2006 results.

A. Assets and Liabilities

A comparison of the actuarial liabilities and actuarial value of assets follows. These figures are based upon the actuarial assumptions used to determine the actuarial costs of the FRS (see Appendix A).

Valuation Results (numbers in \$ billions)			
	July 1, 2006	July 1, 2007	Difference
Actuarial Liability	\$ 109.5	\$ 117.4	\$ 7.9
Actuarial Value of Assets	\$ 117.1	\$ 125.6	\$ 8.5
Unfunded Actuarial Liability	\$ (7.6)	\$ (8.2)	\$ (0.6)

In Section V of this report we present an additional measure of funded status, the "accumulated benefit obligation" (ABO), based on both the actuarial value of assets and the market value of assets.

B. Contributions

Contribution rates for each class are set by statute and consist of a normal cost contribution and an unfunded liability contribution. The unfunded liability amortization payment will consist primarily of costs or savings associated with plan changes, assumption changes, differences in actual and expected experience, or changes in

EXECUTIVE SUMMARY

actuarial methodology (if applicable). As of July 1, 2007 the FRS has a UAL (surplus) of (\$8.2) billion, prior to adjustments for the contingent liability.

The current surplus is 7.0% of the actuarial liability prior to recognition of the contingent liability and 6.8% after recognition of the contingent liability. Thus, ½ of the excess from 5% to 10% is available to be used. After the rate stabilization mechanism is applied approximately \$1.058 billion of the surplus is available for contribution rate reduction, or other Florida Retirement System uses. This surplus pursuant to Florida Law is amortized over 10 years, which translates to \$0.174 billion available for the Plan Year (PY) 2008-2009.

The comparative FRS Regular and Special Risk contribution rates resulting from the 2006 valuation and this valuation (prior to any use of the surplus) are as follows:

	July 1, 2006		July 1, 2007		Difference	
	Valuation Results		Valuation Results			
	FRS Reg	Special Risk	FRS Reg	Special Risk	FRS Reg	Special Risk
Normal Cost	9.59%	22.01%	9.60%	22.03%	0.01%	0.02%
Certain Post-1998 Benefit Increases and Experience Studies	-0.94%	-0.58%	-0.94%	-0.57%	0.00%	0.01%
Initial Surplus Reduction	<u>0.94%</u>	<u>0.58%</u>	<u>0.94%</u>	<u>0.57%</u>	<u>0.00%</u>	<u>-0.01%</u>
Preliminary FRS Contribution Rate	9.59%	22.01%	9.60%	22.03%	0.01%	0.02%
Additional Surplus Reduction	-0.97%	-2.48%				
Administrative Charge	<u>0.00%</u>	<u>0.00%</u>			Not determined	
Enacted DB FRS Contribution Rate (Prior to blending for the uniform rate structure)	8.62%	19.53%			Not determined	

The July 1, 2006 valuation provided proposed contribution rates for plan year 2007-2008. Hence, there is a two-year lag between when the rates are set and when the contribution dollars are coming into the System. The July 1, 2006 preliminary FRS contribution rates for all classes were reduced through use of the available surplus.

The current valuation proposes rates for plan year 2008-2009. Included in Section IV of this report we provided the preliminary contribution rate and prepared five possible scenarios assuming the Legislature uses all \$0.174 billion available surplus to reduce contribution rates. One scenario shows 1.49% is available for rate reduction for all classes except DROP, as compared to the 1.45% reduction last year (Table IV-3). Another scenario assumes the DROP contribution rate is reduced using surplus to 9.80%, the enacted DROP rate for the Plan Year 2007-2008, and the remaining 1.40%,

EXECUTIVE SUMMARY

is available for the rate reduction of all classes except DROP (Table IV-4). Tables IV-5, IV-6 and IV-7 show the utilization of all available surplus proportionate to each class's liability, payroll and normal cost, respectively. All tables show the utilization of available surplus for rate reduction after first offsetting the UAL cost by various percentages of payroll for the aforementioned certain post-1998 benefit increases and the 1998 and 2003 experience studies. **Please note these scenarios are meant for illustrative purposes only as possible uses of the surplus.**

The existence of a surplus and/or the rate stabilization mechanism may lead to an accounting disclosure under GASB Statement Number 27 (see Section V).

C. Membership

The total membership (active, terminated vested, retired, and DROP) of the FRS Defined Benefit Program increased by 16,552 members from 960,166 as of July 1, 2006, to 976,718 as of July 1, 2007, an increase of 1.7%. Please note, the IFAS population (223 members) is included in the July 1, 2007 member count, but was not included in the FRS as of July 1, 2006. The total annualized payroll of active members (exclusive of DROP members) increased by 4.23%, from \$23.51 billion as of July 1, 2006 to \$24.51 billion as of July 1, 2007, a \$1.00 billion increase in payroll. A summary of membership growth by status follows:

Valuation Results: Counts			
	July 1, 2006	July 1, 2007	% Change
Active Members	599,816	598,438	-0.2%
Terminated Vested Members	79,928	84,766	6.1%
Retired Members	248,740	261,952	5.3%
DROP Members	<u>31,682</u>	<u>31,562</u>	-0.4%
Total Members	960,166	976,718	1.7%

D. Experience

Several factors contributed to the changes in the FRS's assets, liabilities and contribution rates between July 1, 2006 and July 1, 2007. These factors included:

1. Assets:

The assets of the FRS, measured on an actuarial basis (i.e., smoothed), increased by \$8.409 billion. This change was attributable to the following:

Change Due to:

• Contributions Received	\$2.778
• Payment of Benefits, and Expenses	(6.102)
• Investment Experience	11.733
Total	\$8.409 billion

Of this total change, \$5.629 billion was expected, based on our assumption that the assets of the FRS would earn 7.75% during plan year 2006-2007. However, the actual annualized investment return on the actuarial value of assets was 10.16% resulting in an investment gain of \$2.780 billion. On a market value basis, the assets of the FRS earned 18.38%. On a year-by-year basis, the assets earned the following:

Asset Bases	Rates of Return*		
	2004/2005	2005/2006	2006/2007
Market Value	10.71%	10.65%	18.38%
Actuarial Value	7.43%	8.06%	10.16%

* Assumes net cash-flow occurs mid-year

2. *Liabilities:*

The actuarial liabilities of the FRS increased by \$7.840 billion. This increase is attributable to the following:

Change due to:

• Expected increase based on current assumptions	\$5.086
<u>(Gains) / Losses</u>	
• Healthy Retiree, Beneficiary & Terminated Vested Death	(0.680) ¹
• Disabled Retiree Death	(0.002)
• Inactive Data Clean-Up	1.172
• Active Withdrawal	(0.137) ^{2 & 3}
• Active Retirement	(0.114)
• Active Death	0.008
• Active Disability	(0.009)
• Salary Increases greater than expected	0.360
• New Actives (includes rehires)	0.930 ³
• New Renewed Members	0.112
• Actives Entering DROP	0.564
• Demographics/Other	0.550
Total Increase	\$7.840 Billion

The current financing method (see page I-12) for the DROP class makes it inconsistent with traditional gain/loss analysis. First, it makes any new DROP participant a source of actuarial loss since the retirement decrement reflects only expected retirements. Second, individual DROP liabilities are moved back to their original classes when the DROP membership ends. For purposes of this analysis, we have reallocated the DROP class gain/loss (see Table IV-2) to the seven traditional classes and subclasses of membership.

¹ The retiree mortality experience was a \$60 million gain.

² Includes PEORP and transfers between membership classes.

³ Transfers between membership classes are valued as withdrawals from the prior membership class and new entrants into the new membership class.

3. *Unfunded Liability:*

The net change in the FRS's unfunded actuarial liability was a decrease of \$0.585 billion (i.e., an increase in the surplus of \$0.585 billion). The increase is attributable to the following:

Change due to:

• Expected Increase based on Current Assumptions and Funding Policy	(\$0.559)	
• Favorable Investment Experience	(2.780)	
• Unfavorable Liability Experience	2.754	
• Assumption or Benefit Changes	0.000	
Total	(\$0.585)	Billion

See table on the following page for total gains/losses by class.

UAL (Gain)/Loss by Source (All Amounts in Thousands)

	FRS Regular	---- Special Risk ---- Regular Administration	--Elected Officers' Class --			County	Senior Management	Grand Total
			Judges	Leg-Atty-Cab				
Total UAL (Gain)/Loss	(\$452,323)	\$217,127	\$5,658	\$36,697	\$996	\$6,876	\$159,029	(\$25,941)
Investment (Gain)/Loss (excluding DROP)	(\$2,301,326)	(\$481,823)	(\$2,104)	(\$23,320)	(\$2,319)	(\$11,025)	(\$54,822)	(\$2,876,740)
Allocation of DROP Investment (Gain)/Loss	<u>77,149</u>	<u>16,152</u>	<u>71</u>	<u>782</u>	<u>78</u>	<u>370</u>	<u>1,838</u>	<u>96,439</u>
Total Investment (Gain)/Loss	(\$2,224,177)	(\$465,671)	(\$2,033)	(\$22,539)	(\$2,241)	(\$10,656)	(\$52,985)	(\$2,780,301)
Liability (Gain)/Loss (excluding DROP)	\$1,703,781	\$666,841	\$7,670	\$57,828	\$3,185	\$17,112	\$209,260	\$2,665,676
Additional (Gain)/Loss due to DROP	<u>68,073</u>	<u>15,956</u>	<u>21</u>	<u>1,408</u>	<u>52</u>	<u>419</u>	<u>2,754</u>	<u>88,684</u>
Total Liability (Gain)/Loss	\$1,771,854	\$682,797	\$7,691	\$59,236	\$3,237	\$17,531	\$212,014	\$2,754,360
Liability (Gain)/Loss by Source								
Healthy Inactive Experience	(\$495,978)	(\$150,363)	\$157	(\$5,305)	(\$346)	(\$2,981)	(\$24,972)	(\$679,788)
Disabled Inactive Experience	(2,092)	438	(70)	0	0	41	(591)	(2,274)
Inactive New Entrants	945,010	179,137	648	8,788	465	2,968	34,798	1,171,814
Active Withdrawal ¹	(224,433)	92,507	(79)	9,638	432	755	(16,211)	(137,391)
Active Retirement	(98,683)	(14,176)	(53)	1,480	347	0	(3,132)	(114,217)
Active Death	12,401	(3,890)	3	(470)	6	59	(310)	7,799
Active Disability	(6,777)	(1,737)	0	(145)	(2)	(21)	8	(8,674)
Salary Increases less than Expected	323,235	12,579	99	1,788	(390)	(2,217)	25,147	360,241
New Actives (includes Rehires) ¹	649,204	246,151	2,275	3,634	234	3,835	24,862	930,195
New Renewed Members	105,458	1,265	0	969	(10)	318	4,047	112,047
Actives Entering DROP	415,181	134,132	511	12,188	489	2,636	(1,201)	563,936
Demographics/ Other	<u>149,328</u>	<u>186,754</u>	<u>4,200</u>	<u>26,671</u>	<u>2,012</u>	<u>12,138</u>	<u>169,569</u>	<u>550,672</u>
Total Liability (Gain)/Loss	\$1,771,854	\$682,797	\$7,691	\$59,236	\$3,237	\$17,531	\$212,014	\$2,754,360
Total UAL (Gain)/Loss	(\$452,323)	\$217,127	\$5,658	\$36,697	\$996	\$6,876	\$159,029	(\$25,941)

¹ Transfers between membership classes are valued as withdrawals from the prior membership class and new entrants into the new membership class.

4. Contributions (prior to the Legislature’s use of the surplus):

On a level-rate-of-pay basis, the FRS contribution rates for each membership class changed as follows:

	FRS	----- Special Risk -----		-- Elected Officers' Class --			Senior
	<u>Regular</u>	<u>Regular</u>	<u>Administration</u>	<u>Judicial</u>	<u>Leg-Atty-Cab</u>	<u>County</u>	<u>Management</u>
• July 1, 2006 Normal Cost	9.59%	22.01%	11.90%	20.46%	14.99%	17.15%	13.35%
• UAL Cost (Certain Post-1998 Benefit Increases and 1998 and 2003 Experience Studies)	-0.94%	-0.58%	18.40%	1.39%	1.48%	3.74%	2.38%
• Surplus Used for Rate Reduction	<u>-0.03%</u>	<u>-1.90%</u>	<u>-19.07%</u>	<u>-3.52%</u>	<u>-3.35%</u>	<u>-5.88%</u>	<u>-3.60%</u>
• Subtotal July 1, 2006 Contribution Rate ¹	8.62%	19.53%	11.23%	18.33%	13.12%	15.01%	12.13%
• Impact of							
- Retirements, Disabilities, Terminations, and Transfers within membership classes	-0.04%	-0.03%	0.06%	-0.31%	-0.69%	-0.16%	-0.02%
- Actual Salary Increases	0.02%	0.01%	-0.09%	0.02%	0.02%	0.00%	0.01%
- New Entrants (excludes transfers)	0.03%	0.04%	0.11%	0.18%	0.12%	-0.14%	0.02%
- New Assumptions / Plan Changes	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
- Other Experience	0.00%	0.00%	0.00%	0.02%	0.08%	0.21%	0.00%
• July 1, 2007 Normal Cost (July 1, 2006 Normal Cost plus “Impact of . . .”)	9.60%	22.03%	11.98%	20.37%	14.52%	17.06%	13.36%
• UAL Cost (Certain Post-1998 Benefit Increases and 1998 and 2003 Experience Studies)	<u>-0.94%</u>	<u>-0.57%</u>	<u>19.57%</u>	<u>1.37%</u>	<u>1.70%</u>	<u>4.09%</u>	<u>2.29%</u>
• Total July 1, 2007 Contribution Rate ²	8.66%	21.46%	31.55%	21.74%	16.22%	21.15%	15.65%

¹ See Page B-4, Defined Benefit Column, note 2007 Legislation used additional surplus beyond that available under the Rate Stabilization Mechanism to further reduce the contribution rates.

² Before surplus utilization beyond UAL Cost.

E. Graphs

Chart A: ASSET / LIABILITIES

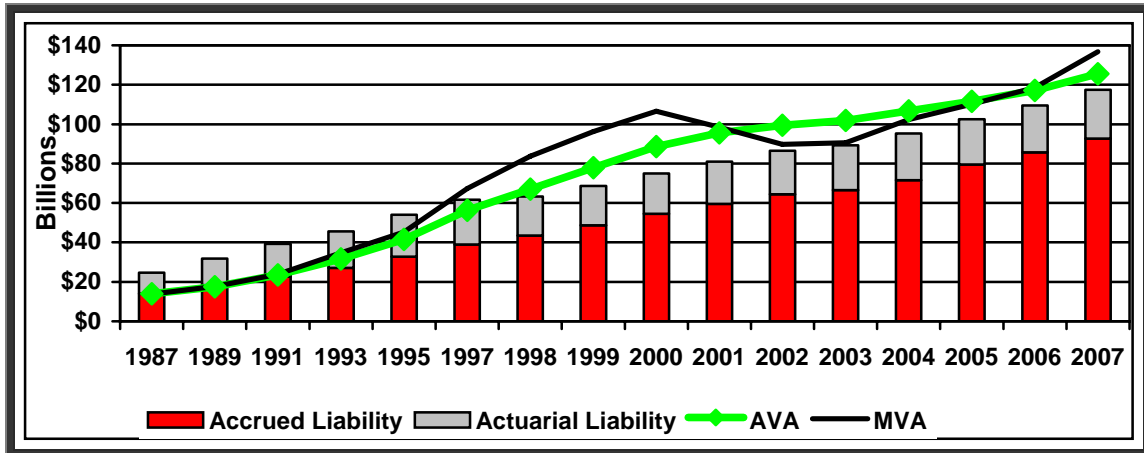


Chart B: CASH FLOWS

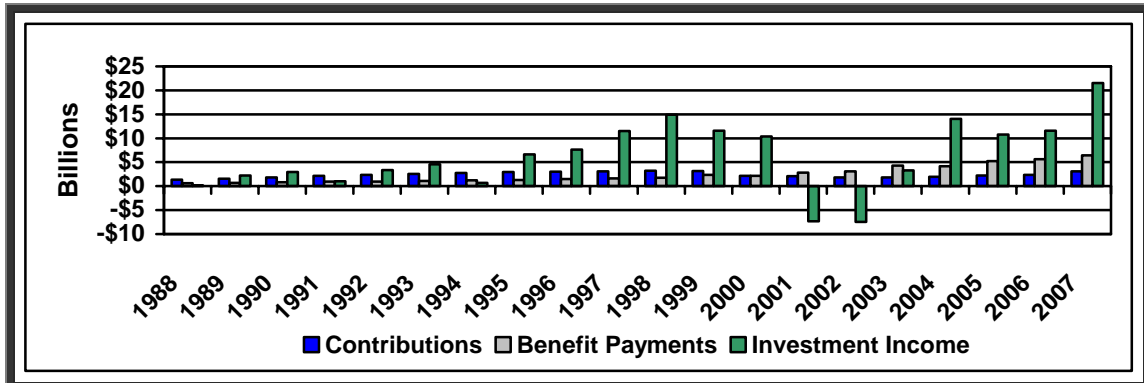
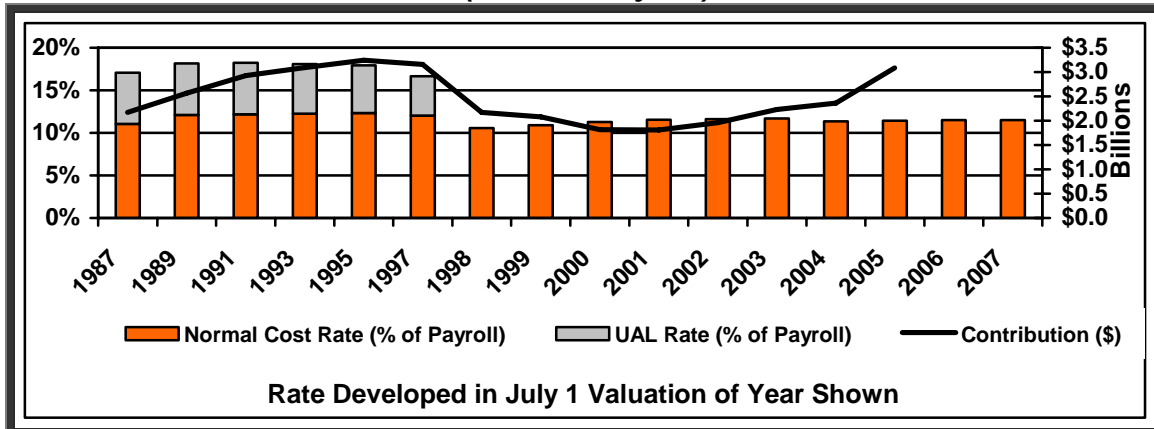


Chart C: CONTRIBUTION RATE (as % of Payroll) and CONTRIBUTIONS



* As discussed earlier, the contribution rate developed in this report is for plan year 2008 – 2009. Therefore, our graph above accounts for the two-year lag between the development of the contribution rate and the actual contribution to the System. In addition, the Legislature has used surplus pursuant to the Rate Stabilization Mechanism which produces “negative” UAL contribution rates.

F. Summary Comments

We caution that the results herein are applicable only for the next year. With the following caveats, we expect that if the available surplus diminishes, contribution rates will trend toward the normal cost rates (subject to the net impact of charge and credit amortization bases.)

- Benefit and payroll increases always have a direct impact on costs and liabilities.
- The state of the economy affects membership turnover (i.e., if job mobility or security is uncertain, people tend to stay, hence increasing benefits earned).
- The extremely favorable investment returns prior to 2000 helped to mitigate the unfavorable investment returns in 2001-2003 and maintain the actuarial surplus. The FRS experienced favorable investment returns in subsequent years. Investment return on an actuarial basis (10.16% for PY 2006-2007) exceeded the 7.75% investment assumption. Unfavorable investment returns in the future would erode the actuarial surplus. For example, returns as shown in the following table would produce the corresponding estimated surplus amounts assuming no liability gains or losses.

Market Return		UAL / (Surplus) ¹⁾ measured as of		
PY 2007–2008	PY 2008–2009	July 1, 2007	July 1, 2008	July 1, 2009
7.75%	7.75%	\$ (7,996)	\$ (10,802)	\$ (13,434)
0.00%	7.75%	(7,996)	(8,705)	(9,367)
0.00%	0.00%	(7,996)	(8,705)	(7,316)
4.07% ²⁾	4.07%	(7,996)	(9,807)	(10,488)

¹⁾ Numbers in Millions

²⁾ The estimated market value as of November 2, 2007 was \$139.4 billion as supplied by the State Board of Administration. The 4.07% is the necessary market return required to reflect a \$139.4 billion market value as of July 1, 2008.

- The reader should note that while the effect of the implementation of PEORP is included in this report, the initial election percentage was less than 5%. Current PEORP membership is around 12% of total active membership. Elections by future hires may have a more material impact if a much larger percentage elect PEORP.
- The most recent experience study covered the period from July 1, 1998 to June 30, 2003. Typically experience studies are performed every five years and

compare actual plan experience to the assumptions set forth in this report. This valuation reflects the assumption changes proposed by the June 30, 2003 experience study and adopted in plan year 2004 - 2005.

We mention these caveats because the actuarial process merely measures the impact of these factors on FRS costs and liabilities after they have occurred. Unanticipated benefit or salary changes, changes in member behavior (e.g. withdrawal rates, rates of retirement, etc.), or changes in investment return could necessitate a change in the contribution rates.

Finally, we caution the readers of this report not to overemphasize the results of any single valuation; the trends are more important.

G. DROP Contribution Rate

Since the FRS funds the DROP through a separate contribution rate, we have developed a contribution rate associated with the actual cost of the DROP. We isolated the cost of the DROP by comparing the results of two scenario valuations:

- One in which the DROP did not exist. In this scenario we estimated that half of those electing to go into DROP would have retired in the absence of the DROP.
- One in which the DROP exists as it does today.

The difference in the dollar amount of the normal cost and amortization cost of the two scenarios is the amount needed to fund the DROP. We divided this dollar amount by current DROP payroll to determine the new DROP contribution rate of 10.96%, compared with 10.89% determined by the July 1, 2006 valuation.

SECTION II

ASSETS



FLORIDA RETIREMENT SYSTEM
Actuarial Valuation as of July 1, 2007

This work product was prepared solely for the Department of Management Services for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

In many respects, an actuarial valuation can be considered as an inventory process. The inventory is taken as of the actuarial valuation date, which for this valuation is July 1, 2007. On that date the assets available for the payment of benefits are appraised. The 2006 asset values do not reflect any changes made to the financial statements after preparation of the 2006 actuarial valuation report. These assets are compared with the actuarial liabilities. The actuarial process thus leads to a method of determining what contributions by members and/or their employers are needed to systematically eliminate the shortfall, if any.

This section of the report deals with the asset determination. In the next section, the actuarial liabilities will be discussed. Section IV will deal with the process for determining required contributions, based upon the relationship between the assets and actuarial liabilities.

Two measures of FRS assets are presented in the valuation:

The market value of assets tends to be the more erratic of the two asset measures and therefore is not used for determining the required payroll contribution rates.

The actuarial value of assets is a second measure of FRS asset holdings. It is the market value of all assets with a smoothing technique applied to mitigate market fluctuations. It is developed and used to stabilize the required FRS contributions.

The actuarial valuation measure, implemented in 1989, reflects a five-year averaging methodology, as required by Florida Law (S.121.031(3)(a), Florida Statutes). Under this method, the expected actuarial value of assets is determined by crediting the rate of investment return assumed in our valuation (8% through June 30, 2004, 7.75% beginning July 1, 2004) to the prior year's actuarial value of assets. Then, 20% of the difference between the actual market value and the expected actuarial value of assets is recognized. Table II-3 presents the details of this calculation.

Five tables are presented in this section, summarizing the financial resources of the System on July 1, 2007. The assets are analyzed by category in Table II-1. Table II-2 shows the reconciliation of assets from July 1, 2006 to July 1, 2007. Table II-3 provides a detailed development of the July 1, 2007 actuarial value of assets. In Table II-4, the actuarial value of assets is allocated to each employee group, based on estimated cash flows. Finally in Table II-5, rates of return are presented along with a comparison of asset allocation figures between 2006 and 2007. All Tables reflect the addition of the assets (approximately \$16.3 million) attributable to IFAS as of July 1, 2006.

The data for Table II-1 (Market Value as of July 1, 2007) was furnished to us by the Division of Retirement. The values have been accepted for use in this report without audit, but have been reviewed for consistency and reasonableness, when compared to prior reports.

**Table II-1
Florida Retirement System
Summary of Assets (Market)
(by Asset Category)
(\$ in Thousands)**

<u>Asset Category</u>	Market Value as of July 1,	
	<u>2006</u>	<u>2007</u>
1. Common Stock	\$85,531,185	\$90,236,748
2. Bonds	\$25,462,843	\$40,658,514
3. Real Estate	\$5,205,999	\$7,474,764
4. Temporary Investments	\$19,394,432	\$19,893,309
5. Cash – Including Certificates of Deposit	\$825,606	\$1,129,884
6. Receivables	\$2,836,720	\$3,922,638
7. Miscellaneous	\$657	\$657
8. Reverse Purchase Agreements	\$560,064	\$33,169
Gross Assets	\$139,817,506	\$163,349,683
9. Current Liabilities and Reserves	(\$21,290,782)	(\$26,643,776)
Total Net Assets	\$118,526,724	\$136,705,907

**Table II-2
Florida Retirement System**

Reconciliation of Market Value of Assets ³⁾

Total Net Assets as of June 30, 2006	\$118,526,723,775
IFAS Net Assets as of June 30, 2006	16,228,978
+ Contributions by Source:	
Pension Contributions – State ¹	671,356,410
Pension Contributions - Non-State ¹	2,366,330,370
Pension Contributions - PEORP	20,999,468
Pension Contributions - Employees	28,112,456
Transfer from ORP	472
Transfer from OAP	0
Other	0
+ Interest and Dividends:	
Interest Income	1,563,117,302
Dividend Income	1,650,359,526
Real Estate Income	325,014,495
Other ²	(148,528,535)
+Net Realized and Unrealized Appreciation:	
- Pension Payments:	4,944,731,954
- Contribution Refunds:	1,710,407
- Disbursements – PEORP	1,431,878,039
- Expenses: ²	16,356,908
- Transfers to Other Funds and Departments ¹ :	15,894,893
Total Net Assets as of June 30, 2007	\$136,705,906,859

¹ Includes PEORP Administrative fees.

² Effective with the implementation of GASB #25, certain investment expenses (contractual services and fees) are used to offset investment income rather than being classified as expenses.

³ Individual reconciliation items include amounts attributable to IFAS.

**Table II-3
Florida Retirement System
Development of 2007
Actuarial Value of Assets**

1. FRS Market Value of Assets on July 1, 2006	\$118,526,723,775
2. IFAS Market Value of Assets on July 1, 2006	\$16,228,978
3. FRS+IFAS Market Value of Assets on July 1, 2006	\$118,542,952,753
4. Actuarial Value of Assets on July 1, 2006*	\$117,175,844,001
5. 2006/2007 Net Cash Flow (Contributions less Benefits and Expenses)	(\$3,323,773,026)
6. Value of Assets, July 1, 2007, if Items 4 and 5 earned an assumed rate of 7.75%	\$122,804,402,680
7. Market Value of Assets, July 1, 2007	\$136,705,906,859
8. Net Assets (Actuarial Value Basis) Available for Benefits 6 + ((7 - 6) x 20%)	\$125,584,703,521
9. 120% of Market Value [120% (7)]	\$164,047,088,231
10. 80% of Market Value [80% (7)]	\$109,364,725,487
11. Actuarial Value of Assets on July 1, 2007 Lesser of (8) and (9), but not less than (10)	<u>\$125,584,703,521</u>

*Includes IFAS Assets

**Table II-4
Florida Retirement System
Breakdown of Actuarial Value of Assets
By Membership Class
(\$ in Thousands)**

	FRS	----- Special Risk -----		-- Elected Officers' Class --			Senior	Total	
	Regular	Regular	Administration	Judicial	Leg-Atty-Cab	County	Management	DROP	System
1. Allocated Actuarial Value of Assets by Class, July 1, 2006	\$96,620,604	\$20,347,416	\$90,980	\$986,589	\$98,169	\$470,915	\$2,286,520	(\$3,725,349)	\$117,175,844
2. Total Contribution for the Plan Year	1,795,325	693,352	342	21,047	937	7,455	61,777	198,264	2,778,499
3. Benefit Payments and other Disbursements	3,808,863	1,351,288	7,497	56,435	4,575	33,125	79,347	761,142	6,102,272
4. Estimated Investment Earnings during the Year	9,711,398	2,033,253	8,877	98,410	9,786	46,527	231,347	(406,965)	11,732,633
5. Net Transfers	(166,229)	0	0	0	0	7,597	158,632	0	0
6. Allocated Actuarial Value of Assets by Class, July 1, 2007	\$104,152,235	\$21,722,733	\$92,702	\$1,049,611	\$104,317	\$499,369	\$2,658,929	(\$4,695,192)	\$125,584,704

As previously discussed in Section I, Executive Summary, in aggregate the Unfunded Actuarial Liability is eliminated. On the basis of prior discussions with the Division of Retirement (dating back to 1998 when all existing UAL was considered fully amortized), assets, on an actuarial basis, were transferred from the Regular Class of membership to the Senior Management Class (\$158.632 million) and the Elected County Officers' Class (\$7.597 million) to eliminate the Unfunded Actuarial Liability for those classes of membership. Thus, the actuarial value of assets will equal or exceed the actuarial liabilities for every class of FRS membership other than DROP.

**Table II-5
Florida Retirement System**

A. Rates of Return on Investments ¹

<u>Asset Bases</u>	<u>Rates of Return</u>		
	<u>2004/2005</u>	<u>2005/2006</u>	<u>2006/2007</u>
Market Value	10.71%	10.65%	18.38%
Actuarial Value	7.43%	8.06%	10.16%

¹ Assumes net cash flow occurs mid-year.

B. Allocation of Assets at Market Value

<u>Asset Category</u>	<u>July 1, 2006</u>	<u>July 1, 2007</u>
Stocks	72.16%	66.01%
Bonds	21.48%	29.74%
Real Estate	4.39%	5.47%
Temporary Investments	16.36%	14.55%
Cash	0.70%	0.83%
Other (includes receivables & payables)	-15.09%	-16.60%
	100%	100%

SECTION III

LIABILITIES



FLORIDA RETIREMENT SYSTEM
Actuarial Valuation as of July 1, 2007

This work product was prepared solely for the Department of Management Services for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

In the previous section, an actuarial valuation was compared to an inventory process, and an analysis was given of the inventory of assets of the FRS as of the valuation date, July 1, 2007. In this section, the discussion will focus upon the commitments of the FRS, which will be referred to as its actuarial liabilities. In later sections, other liabilities are presented (Section V) based on accounting principles of FASB and GASB. It is important to note that the accountant's liabilities are presented for disclosure and comparison purposes and that the actuarial liabilities in this section are used for determining the FRS contribution requirements.

The liabilities presented in this report differ by whether future anticipated salary increases or service credits are included in the calculation. Actuarial liabilities include future salary increases and service credits. The GASB No. 25 accounting liabilities include future salary increases and service credits (actuarial liabilities). FASB accounting liabilities do not include either future salary increases or future service credits. See Section V of this report for further information on GASB No. 25 and other accounting liabilities.

A fundamental principle in financing a retirement program is that the cost of its benefits should be related to the period in which benefits are earned, rather than to the period of benefit distribution. There are several methods that could be used in making such a determination.

The method used for this valuation is referred to as the "entry age actuarial cost method." Under this method, a level percent of pay (employer cost) is determined which will pay for projected benefits at retirement for a new entrant into the plan if future experience actually matches the actuarial assumptions. The level percent required is called the normal cost rate and the product of that rate and payroll is the normal cost.

The actuarial liability is that portion of the actuarial present value of projected benefits that will not be paid by future employer normal costs or member contributions. The difference between this liability and funds accumulated as of the same date is referred to as the unfunded actuarial liability (UAL). (If the difference is negative, the excess of the funds accumulated over the liabilities may be referred to as the surplus.) If the employer's contributions exceed the employer's normal cost for the year, after allowing for interest earned on the previous balance of the UAL, this UAL will be reduced. Benefit improvements, actuarial gains and losses, and changes in actuarial procedures will also have an effect on the total actuarial liability and on the UAL.

After the amount of the UAL has been determined, a schedule of contributions is established to amortize it. Section IV of the report discusses the contribution schedules in detail.

Table III-1 contains a breakdown of the actuarial liabilities and unfunded actuarial liabilities/(surplus) in the FRS for both the 2006 and 2007 valuations. In Table III-2, the 2007 liabilities are shown for each employee group. The 2007 liability amounts include the liabilities attributable to IFAS members.

Legislation enacted in 2001 “walls off,” for 25 years, the actuarial gains arising from former Pension Plan participants electing the Investment Plan option. The “walled off” amount is called the contingent liability. The actuarial liabilities generally do not include the contingent liability. However, surplus used for contribution rate reductions is net of the contingent liability. Table III-3 shows contingent liability and the number of participants, by class, who elected to transfer from the Retirement Plan to the Investment Plan.

**Table III-1
Florida Retirement System
Actuarial Liabilities
(\$ in Thousands)**

	July 1, 2006	July 1, 2007
1. Actuarial Liabilities for:		
(a) Active Members	\$53,984,772	\$57,031,281
(b) Retired, Disabled and Beneficiary Members	39,352,163	43,583,228
(c) Terminated Vested Members	3,539,361	3,824,115
(d) DROP	12,642,747	12,920,751
2. Total Actuarial Liability	\$109,519,043	\$117,359,375
3. Actuarial Value of Assets	117,159,615	\$125,584,704
4. Unfunded Actuarial Liability / (Surplus)	(\$7,640,572)	(\$8,225,329)
5. PEORP Contingent Liability ¹⁾	238,465	229,505
6. Surplus Available for Rate Reduction	(\$7,402,107)	(\$7,995,824)

¹⁾ See Table III-3.

**Table III-2
Florida Retirement System
Actuarial Liabilities
July 1, 2007
(\$ in Thousands)**

	FRS Regular	---- Special Risk ---- Regular	Administration	Judicial	-- Elected Officers' Class -- Leg-Atty-Cab	County	Senior Management	DROP	Total System
1. Present Value of Benefits for:									
a. Active Members	\$59,648,554	\$20,958,671	\$17,128	\$636,666	\$32,726	\$231,781	\$2,331,540	\$0	\$83,857,066
b. Retired, Disabled and Beneficiary Members	34,534,563	7,378,150	62,976	444,380	49,241	306,488	807,430	12,920,751	56,503,979
c. Terminated Vested Members	<u>3,116,911</u>	<u>531,863</u>	<u>1,516</u>	<u>18,341</u>	<u>8,348</u>	<u>23,239</u>	<u>123,897</u>	<u>0</u>	<u>3,824,115</u>
d. Total Present Value of Benefits (a)+(b)+(c)	97,300,028	28,868,684	81,620	1,099,387	90,315	561,508	3,262,867	12,920,751	144,185,160
2. Present Value of Future Normal Cost (Actives):	\$16,882,698	\$9,038,766	\$3,177	\$228,238	\$6,829	\$62,139	\$603,938	\$0	\$26,825,785
3. Actuarial Liabilities for:									
a. Active Members (1a – 2)	\$42,765,856	\$11,919,905	\$13,951	\$408,428	\$25,897	\$169,642	\$1,727,602	\$0	\$57,031,281
b. Retired, Disabled and Beneficiary Members (1b)	34,534,563	7,378,150	62,976	444,380	49,241	306,488	807,430	12,920,751	56,503,979
c. Terminated Vested Members (1c)	<u>3,116,911</u>	<u>531,863</u>	<u>1,516</u>	<u>18,341</u>	<u>8,348</u>	<u>23,239</u>	<u>123,897</u>	<u>0</u>	<u>3,824,115</u>
d. Total Actuarial Liability (a)+(b)+(c)	\$80,417,330	\$19,829,918	\$78,443	\$871,149	\$83,486	\$499,369	\$2,658,929	\$12,920,751	\$117,359,375
4. Actuarial Value of Assets	\$104,152,235	\$21,722,733	\$92,702	\$1,049,611	\$104,317	\$499,369	\$2,658,929	(\$4,695,192)	\$125,584,704
5. Unfunded Actuarial Liability / (Surplus)	(\$23,734,905)	(\$1,892,815)	(\$14,259)	(\$178,462)	(\$20,831)	\$0	\$0	\$17,615,943 ¹	(\$8,225,329)
6. Present Value of Future Pay	\$179,925,181	\$41,397,351	\$25,759	\$1,134,368	\$47,603	\$372,908	\$4,552,626	\$0	\$227,455,796

¹ This is a bookkeeping item. DROP liabilities include the total present value of benefits to all members currently in DROP. When a member leaves DROP, their liability is transferred to the class of membership from which they retired.



**Table III-3
Public Employee Optional Retirement Program (PEORP)
Contingent Actuarial Liabilities
July 1, 2007
(\$ in Thousands)**

	<u>FRS Regular</u>	<u>----Special Risk---- Regular Administration</u>	<u>----Elected Officers' Class---- Judicial Leg-Atty-Cab County</u>	<u>Senior Management</u>	<u>DROP</u>	<u>Total System</u>
<u>As of July 1, 2006</u>						
Contingent Liability	\$216,895	\$11,703	(\$30) (\$752)	\$180 \$149	\$10,320	N/A \$238,465
Participant Counts	12,134	435	2 9	7 23	311	N/A 12,921
<u>As of July 1, 2007</u>						
Contingent Liability ^{1&2}	\$209,359	\$11,335	(\$33) (\$630)	\$166 \$119	\$9,189	N/A \$229,505
Participant Counts	10,870	391	2 7	6 17	257	N/A 11,550

¹ The contingent liability is not included in the actuarial liabilities of FRS and is removed from the surplus.

² The contingent liability as of July 1, 2007 is calculated as the July 1, 2003 contingent liability increased by four years of interest, adjusted for the proportion of original transfers remaining in PEORP.

SECTION IV

CONTRIBUTIONS



FLORIDA RETIREMENT SYSTEM
Actuarial Valuation as of July 1, 2007

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If there were a difference between the actuarial liabilities and the assets it would have to be made up of (1) the excess of future contributions over normal costs and (2) the excess of actual investment returns over assumed returns. An actuarial valuation sets out a schedule of future contributions that will deal with this deficiency in an orderly fashion. Since FRS has an actuarial surplus, contributions are allowed to fall below the Normal Cost. In this section we develop and present the possible FRS contribution rates based on the July 1, 2007 membership data to be effective for the Plan Year beginning July 1, 2008.

First, we present a description of the actuarial method used to determine the FRS contribution. This is followed by a series of tables presenting the details of our calculations.

A. Funding Methods

The actuarial cost method used to determine the pattern of future contributions is called the "entry age actuarial cost method". Under this method (as is the case for most actuarial cost methods), the contributions required are based on two elements:

- The normal cost
- The amortization payment to liquidate the unfunded actuarial liability (UAL) or surplus.

These elements are described in more detail below.

1. Normal Cost

Under the entry age actuarial cost method, the normal cost rate is that level percentage of pay, which would fully fund a member's benefit at retirement, if paid from the year of entry (i.e., "entry age") to the year of retirement if future experience exactly matches the actuarial assumptions.

We have determined the normal cost rates for the FRS separately by type of employee and benefit. These are summarized in Table IV-1.

2. Unfunded Actuarial Liability (UAL)

The term "fully funded" is often applied to a system where contributions at the normal cost rate are completely adequate to pay for the benefits of all existing employees. More often than not, systems are not fully funded, either because benefit improvements in the past have not been completely paid for, or because actuarial

deficiencies have occurred due to experience that has not been as favorable as anticipated. Under these circumstances, an unfunded actuarial liability (UAL) exists. For the FRS, this is the tenth year that it has an actuarial surplus.

Table IV-2 shows how the UAL/surplus was derived for the FRS. A key consideration in appraising the adequacy of the funding of the FRS is how the UAL, if any, is being funded.

Since the 1998 actuarial valuation, all UAL bases in existence at that time are considered fully amortized. Plan changes, assumption changes, and funding method changes that arise after that date are amortized over 30 years, with future gains and losses being combined into a single base each valuation period and then amortized at 10% per year (i.e. approximately a 17-year period). However, future gains and losses would not be subject to amortization unless a UAL reemerges.

B. EMPLOYER CONTRIBUTION RATES

Table IV-3, Table IV-4, Table IV-5, Table IV-6 and Table IV-7 present a range of possible employer contribution rates. Each table shows the use of all available surplus; first to pay the UAL attributable to certain post-1998 benefit increases and the 1998 and 2003 experience studies, and then for rate reduction for all actives.

Table IV-3 assumes all the remaining available surplus is used for rate reduction evenly for all classes except DROP.

Table IV-4 assumes all the remaining available surplus is first used to reduce the DROP class contribution rate to 9.80% (the legislated rate for plan year 2007-2008) and then any remaining surplus is applied to reduce the contribution rates evenly over all the other classes.

Table IV-5 assumes the available surplus is allocated to each class based on its proportion of the total Actuarial Accrued Liability.

Table IV-6 assumes the available surplus is allocated to each class based on its proportion of the Total Active Payroll.

Table IV-7 assumes the available surplus is allocated to each class based on its proportion of the Normal Cost, and to DROP based on the expected contribution.

Table IV-8 shows the derivation of the "UAL cost" in Tables IV-3 through IV-7 and then the total UAL contribution percentage.

CONTRIBUTIONS

As previously mentioned, since July 1, 1998, the actuarial value of assets exceeded the actuarial liabilities. Because of this, all pre-1998 amortization bases were considered to be fully amortized and therefore extinguished. The contribution rate is therefore equal to:

The normal cost *less* the sum of:

- The amortization of the changes in liabilities attributable to certain post-1998 benefit increases and the 1998 and 2003 experience studies.
- Any additional rate reductions possible due to surplus available under the rate stabilization mechanism.

The FRS has been enjoying the surplus position for several years and legislation was enacted pertaining to how that surplus is used. Chapter 2000-169, Laws of Florida implemented a rate stabilization methodology to monitor use of the surplus. The final contribution rates enacted by the Legislature since Plan Year 2000-2001 reflected the use of the surplus available under the rate stabilization mechanism to lower contribution rates.

Since the funding surplus developed in this actuarial valuation exceeds 5% of the actuarial liability (the actual percentage is 7.0% of the actuarial liability prior to recognition of the contingent liability and 6.8% after recognition of the contingent liability), $\frac{1}{2}$ of the excess from 5% to 10% is available for use under the rate stabilization mechanism. After the rate stabilization mechanism is applied, approximately \$1.058 billion of the surplus is available for contribution rate reduction or other Florida Retirement System uses. This surplus, pursuant to Florida Law, is amortized over 10 years, which translates to \$0.174 billion available for the 2008-2009 Plan Year.

Below is an excerpt from Table D-3, which provides a projection of the available surplus. This table assumes several prior rate reductions, credits, or offsets would continue for plan year 2008-2009. These items (in aggregate a credit) increase the total available surplus of \$0.174 billion to \$0.381 billion. Item (7) reflects the Legislature then enacting rates to make use of the total surplus, in addition to the prior rate reductions, credits, and offsets. Since these other items are a credit in the aggregate, the total available surplus of \$0.381 billion is used to further **reduce** the contribution rate. If these items are adopted by the Legislature, none of the available surplus will remain. Table IV-4 presents this possible scenario.

CONTRIBUTIONS

	2008 – 2009 Plan Year (in millions)
1 Estimated Surplus Available RSM	\$174.0
2 Increase in Available Surplus from prior year	\$16.6
<u>Surplus Utilization</u>	
3 12% Increase in Special Risk benefits (in pay status before 07/01/2000)	(\$21.9)
4 Special Risk Minimum In-Line-of-Duty Disability Increased to 65%	\$0.4
5 1993-1998 Experience Study Assumption Changes	\$27.6
6 1998-2003 Experience Study Assumption Changes	<u>\$200.7</u>
Subtotal [(3) + (4) + (5) + (6)]	\$206.8
7 Across the Board Rate Reduction of -1.49%	<u>(\$379.8)</u>
Total [Subtotal + (7)]	(\$173.0)
8 Surplus Available After Previously Legislated Rate Reduction and using remaining available surplus for Rate Reduction for all classes but DROP [(1) + Total] =	\$1.0

Please refer to table D-3 for important footnotes that should be understood when reading this table.

C. CHANGES SINCE PRIOR VALUATION

None.

**Table IV-1
Florida Retirement System
Normal Cost Rates by Decrement
July 1, 2007**

	FRS	----- Special Risk -----		-- Elected Officers' Class --			Senior	DROP	Composite
	Regular	Regular	Administration	Judicial	Leg-Atty-Cab	County	Management		Rate
1. Vested Benefits and Early Retirement	2.90%	3.79%	2.94%	3.37%	7.78%	5.56%	3.20%	NA	3.04%
2. Regular Retirement	5.90%	16.19%	7.79%	15.04%	5.77%	10.25%	9.29%	NA	7.49%
3. Non-Duty Death	0.17%	0.36%	0.18%	0.88%	0.37%	0.53%	0.29%	NA	0.21%
4. Line of Duty Death	0.14%	0.31%	0.28%	0.28%	0.23%	0.25%	0.17%	NA	0.16%
5. Non-Duty Disability	0.39%	0.80%	0.37%	0.65%	0.27%	0.36%	0.33%	NA	0.45%
6. Line of Duty Disability	0.10%	0.58%	0.42%	0.15%	0.10%	0.11%	0.08%	NA	0.17%
7. Total Normal Cost	<u>9.60%</u>	<u>22.03%</u>	<u>11.98%</u>	<u>20.37%</u>	<u>14.52%</u>	<u>17.06%</u>	<u>13.36%</u>	<u>NA</u>	<u>11.52%</u>

**Table IV-2
Florida Retirement System
Unfunded Actuarial Liability (UAL) Bases
July 1, 2007
(\$ in Thousands)**

	FRS	----- Special Risk -----		-- Elected Officers' Class --			Senior		Total
	Regular	Regular	Administration	Judicial	Leg-Atty-Cab	County	Management	DROP	
1. Expected UAL / (Surplus)	(\$23,303,589)	(\$2,077,833)	(\$19,826)	(\$212,969)	(\$21,697)	\$1,511	\$4,195	\$17,430,820	(\$8,199,388)
2. Actuarial Accrued Liability (Table III-2)	\$80,417,330	\$19,829,918	\$78,443	\$871,149	\$83,486	\$499,369	\$2,658,929	\$12,920,751	\$117,359,375
3. Actuarial Value of Assets (Table II-4)	<u>104,152,235</u>	<u>21,722,733</u>	<u>92,702</u>	<u>1,049,611</u>	<u>104,317</u>	<u>499,369</u>	<u>2,658,929</u>	<u>(4,695,192)</u>	<u>125,584,704</u>
4. Total UAL / (Surplus) (2 - 3)	(\$23,734,905)	(\$1,892,815)	(\$14,259)	(\$178,462)	(\$20,831)	\$0	\$0	\$17,615,943	(\$8,225,329)
5. Net Transfers	<u>166,229</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(7,597)</u>	<u>(158,632)</u>	<u>0</u>	<u>0</u>
6. New UAL Base Attributable to 2006-2007 (Gain)/Loss (4 - 5 - 1)	(\$597,545)	\$185,018	\$5,567	\$34,507	\$866	\$6,086	\$154,437	\$185,123	(\$25,941)

**Table IV-3
Florida Retirement System
Possible Employer Contribution Rates
July 1, 2007 Valuation for Plan Year Beginning July 1, 2008**

**Possible scenario assuming the Legislature chooses to use all available surplus for rate reduction:
The contribution rate is reduced by 1.49% for all classes except DROP.**

	FRS	----- Special Risk -----		-- Elected Officers' Class --			Senior	Composite	Composite	
	Regular	Regular	Administration	Judicial	Leg-Atty-Cab	County	Management	(excluding DROP)	DROP ¹	(including DROP)
1. Normal Cost	9.60%	22.03%	11.98%	20.37%	14.52%	17.06%	13.36%	11.52% ³	10.96%	11.48%
2. UAL Cost ²	-0.94%	-0.57% ²	19.57%	1.37%	1.70%	4.09%	2.29%	-0.80%	-0.20%	-0.75%
3. Total Cost [(1) + (2)]	8.66%	21.46%	31.55%	21.74%	16.22%	21.15%	15.65%	10.72%	10.76%	10.73%
4. UAL Cost Paid from Surplus ⁴	0.94%	0.57% ²	-19.57%	-1.37%	-1.70%	-4.09%	-2.29%	0.80%	0.20%	0.75%
5. Rate Reduction Paid from Surplus ^{4&5}	-1.49%	-1.49%	-1.49%	-1.49%	-1.49%	-1.49%	-1.49%	-1.49%	0.00%	-1.39%
6. Total Adjusted Contribution [(3) + (4) + (5)]	8.11%	20.54%	10.49%	18.88%	13.03%	15.57%	11.87%	10.03%	10.96%	10.09%

¹ DROP rates are special charges to cover the assumed cost of DROP participants; they are not Normal Cost or UAL Cost according to the actuarial funding method.

² The reader should be aware that if the surplus were to be eliminated there would be an additional cost/savings for each class attributable to prior benefit improvements and/or prior experience studies, which is currently being paid from the surplus. See Table IV-8.

³ Due to the relatively different payrolls by membership class, the composite contribution rate (excluding DROP) can change from year to year.

⁴ Florida law provides for items 4 and 5 above to be paid from the surplus for the plan year 2007-2008.

⁵ Based on available surplus of \$174.0 million plus prior amortizations of \$206.8 million.

Table IV-4
Florida Retirement System
Possible Employer Contribution Rates
July 1, 2007 Valuation for Plan Year Beginning July 1, 2008

**Possible scenario assuming the Legislature chooses to use all available surplus for rate reduction:
The DROP contribution rate is reduced to 9.80% and the contribution rates for all other classes are reduced by 1.40%.**

	FRS	----- Special Risk -----		-- Elected Officers' Class --			Senior	Composite	Composite	
	Regular	Regular	Administration	Judicial	Leg-Atty-Cab	County	Management	(excluding DROP)	DROP ¹	(including DROP)
1. Normal Cost	9.60%	22.03%	11.98%	20.37%	14.52%	17.06%	13.36%	11.52% ³	10.96%	11.48%
2. UAL Cost ²	-0.94%	-0.57% ²	19.57%	1.37%	1.70%	4.09%	2.29%	-0.80%	-0.20%	-0.75%
3. Total Cost [(1) + (2)]	8.66%	21.46%	31.55%	21.74%	16.22%	21.15%	15.65%	10.72%	10.76%	10.73%
4. UAL Cost Paid from Surplus ⁴	0.94%	0.57% ²	-19.57%	-1.37%	-1.70%	-4.09%	-2.29%	0.80%	0.20%	0.75%
5. Rate Reduction Paid from Surplus ^{4&5}	-1.40%	-1.40%	-1.40%	-1.40%	-1.40%	-1.40%	-1.40%	-1.40%	-1.16%	-1.39%
6. Total Adjusted Contribution [(3) + (4) + (5)]	8.20%	20.63%	10.58%	18.97%	13.12%	15.66%	11.96%	10.12%	9.80%	10.09%

¹ DROP rates are special charges to cover the assumed cost of DROP participants; they are not Normal Cost or UAL Cost in the traditional sense.

² The reader should be aware that if the surplus were to be eliminated there would be an additional cost/savings for each class attributable to prior benefit improvements and/or prior experience studies, which is currently being paid from the surplus. See Table IV-8.

³ Due to the relatively different payrolls by membership class, the composite contribution rate (excluding DROP) can change from year to year.

⁴ Florida law provides for items 4 and 5 above to be paid from the surplus for the plan year 2007-2008.

⁵ Based on available surplus of \$174.0 million plus prior amortizations of \$206.8 million.



**Table IV-5
Florida Retirement System
Possible Employer Contribution Rates
July 1, 2007 Valuation for Plan Year Beginning July 1, 2008**

**Possible scenario assuming the Legislature chooses to use all available surplus for rate reduction:
The surplus is allocated to each class based on its proportion of the total Actuarial Accrued Liability.**

	FRS	----- Special Risk -----		-- Elected Officers' Class --			Senior	Composite	Composite	
	Regular	Regular	Administration	Judicial	Leg-Atty-Cab	County	Management	(excluding DROP)	DROP ¹	(including DROP)
1. Normal Cost	9.60%	22.03%	11.98%	20.37%	14.52%	17.06%	13.36%	11.52% ³	10.96%	11.48%
2. UAL Cost ²	-0.94%	-0.57% ²	19.57%	1.37%	1.70%	4.09%	2.29%	-0.80%	-0.20%	-0.75%
3. Total Cost [(1) + (2)]	8.66%	21.46%	31.55%	21.74%	16.22%	21.15%	15.65%	10.72%	10.76%	10.73%
4. UAL Cost Paid from Surplus ⁴	0.94%	0.57% ²	-19.57%	-1.37%	-1.70%	-4.09%	-2.29%	0.80%	0.20%	0.75%
5. Rate Reduction Paid from Surplus ^{4&5}	-1.23%	-1.77%	-8.52%	-2.42%	-3.83%	-3.28%	-1.62%	-1.33%	-2.17%	-1.39%
6. Total Adjusted Contribution [(3) + (4) + (5)]	8.37%	20.26%	3.46%	17.95%	10.69%	13.78%	11.74%	10.19%	8.79%	10.09%

¹ DROP rates are special charges to cover the assumed cost of DROP participants; they are not Normal Cost or UAL Cost in the traditional sense.

² The reader should be aware that if the surplus were to be eliminated there would be an additional cost/savings for each class attributable to prior benefit improvements and/or prior experience studies, which is currently being paid from the surplus. See Table IV-8.

³ Due to the relatively different payrolls by membership class, the composite contribution rate (excluding DROP) can change from year to year.

⁴ Florida law provides for items 4 and 5 above to be paid from the surplus for the plan year 2007-2008.

⁵ Based on available surplus of \$174.0 million plus prior amortizations of \$206.8 million.

**Table IV-6
Florida Retirement System
Possible Employer Contribution Rates
July 1, 2007 Valuation for Plan Year Beginning July 1, 2008**

**Possible scenario assuming the Legislature chooses to use all available surplus for rate reduction:
The surplus is allocated to each class based on its proportion of the total Active Payroll.**

	FRS	----- Special Risk -----		-- Elected Officers' Class --			Senior	Composite	Composite	
	Regular	Regular	Administration	Judicial	Leg-Atty-Cab	County	Management	(excluding DROP)	DROP ¹	(including DROP)
1. Normal Cost	9.60%	22.03%	11.98%	20.37%	14.52%	17.06%	13.36%	11.52% ³	10.96%	11.48%
2. UAL Cost ²	-0.94%	-0.57% ²	19.57%	1.37%	1.70%	4.09%	2.29%	-0.80%	-0.20%	-0.75%
3. Total Cost [(1) + (2)]	8.66%	21.46%	31.55%	21.74%	16.22%	21.15%	15.65%	10.72%	10.76%	10.73%
4. UAL Cost Paid from Surplus ⁴	0.94%	0.57% ²	-19.57%	-1.37%	-1.70%	-4.09%	-2.29%	0.80%	0.20%	0.75%
5. Rate Reduction Paid from Surplus ^{4&5}	-1.39%	-1.39%	-1.39%	-1.39%	-1.39%	-1.39%	-1.39%	-1.39%	-1.39%	-1.39%
6. Total Adjusted Contribution [(3) + (4) + (5)]	8.21%	20.64%	10.59%	18.98%	13.13%	15.67%	11.97%	10.13%	9.57%	10.09%

¹ DROP rates are special charges to cover the assumed cost of DROP participants; they are not Normal Cost or UAL Cost in the traditional sense.

² The reader should be aware that if the surplus were to be eliminated there would be an additional cost/savings for each class attributable to prior benefit improvements and/or prior experience studies, which is currently being paid from the surplus. See Table IV-8.

³ Due to the relatively different payrolls by membership class, the composite contribution rate (excluding DROP) can change from year to year.

⁴ Florida law provides for items 4 and 5 above to be paid from the surplus for the plan year 2007-2008.

⁵ Based on available surplus of \$174.0 million plus prior amortizations of \$206.8 million.

Table IV-7
Florida Retirement System
Possible Employer Contribution Rates
July 1, 2007 Valuation for Plan Year Beginning July 1, 2008

**Possible scenario assuming the Legislature chooses to use all available surplus for rate reduction:
The surplus is allocated based on its proportion of the total Normal Cost, and to DROP based on the expected contribution.**

	FRS	----- Special Risk -----		-- Elected Officers' Class --			Senior	Composite	Composite	
	Regular	Regular	Administration	Judicial	Leg-Atty-Cab	County	Management	(excluding DROP)	DROP ¹	(including DROP)
1. Normal Cost	9.60%	22.03%	11.98%	20.37%	14.52%	17.06%	13.36%	11.52% ³	10.96%	11.48%
2. UAL Cost ²	-0.94%	-0.57% ²	19.57%	1.37%	1.70%	4.09%	2.29%	-0.80%	-0.20%	-0.75%
3. Total Cost [(1) + (2)]	8.66%	21.46%	31.55%	21.74%	16.22%	21.15%	15.65%	10.72%	10.76%	10.73%
4. UAL Cost Paid from Surplus ⁴	0.94%	0.57% ²	-19.57%	-1.37%	-1.70%	-4.09%	-2.29%	0.80%	0.20%	0.75%
5. Rate Reduction Paid from Surplus ^{4&5}	-1.16%	-2.66%	-1.45%	-2.46%	-1.76%	-2.06%	-1.62%	-1.39%	-1.33%	-1.39%
6. Total Adjusted Contribution [(3) + (4) + (5)]	8.44%	19.37%	10.53%	17.91%	12.76%	15.00%	11.74%	10.13%	9.63%	10.09%

¹ DROP rates are special charges to cover the assumed cost of DROP participants; they are not Normal Cost or UAL Cost in the traditional sense.

² The reader should be aware that if the surplus were to be eliminated there would be an additional cost/savings for each class attributable to prior benefit improvements and/or prior experience studies, which is currently being paid from the surplus. See Table IV-8.

³ Due to the relatively different payrolls by membership class, the composite contribution rate (excluding DROP) can change from year to year.

⁴ Florida law provides for items 4 and 5 above to be paid from the surplus for the plan year 2007-2008.

⁵ Based on available surplus of \$174.0 million plus prior amortizations of \$206.8 million.

**Table IV-8
Florida Retirement System
Possible UAL / (Surplus)
July 1, 2007**

	FRS	----- Special Risk -----		-- Elected Officers' Class --			Senior		Total
	Regular	Regular	Administration	Judicial	Leg-Atty-Cab	County	Management	DROP	
1. Previous UAL Bases**									
a. Special Risk-Regular 12% Pre-2000 Retired Benefit Increase (2000)	0.00%	0.60%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.08%
b. Special Risk 65% In-Line-of-Duty Disability (2000)	0.00%	-0.01%	0.12%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
c. 1998 Experience Study (1999)***	-0.10%	-0.17%	-0.77%	0.00%	0.00%	0.00%	-0.04%	0.00%	-0.10%
d. 2003 Experience Study (2004)	<u>-0.84%</u>	<u>-0.99%</u>	<u>20.22%</u>	<u>1.37%</u>	<u>1.70%</u>	<u>4.09%</u>	<u>2.33%</u>	<u>-0.20%</u>	<u>-0.73%</u>
e. Total UAL Bases	-0.94%	-0.57%	19.57%	1.37%	1.70%	4.09%	2.29%	-0.20%	-0.75%
2. 2006-2007 (Gains) / Losses *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3. 2006-2007 Assumption Changes	NA	NA	NA	NA	NA	NA	NA	NA	NA
4. 2006-2007 Plan Changes	NA	NA	NA	NA	NA	NA	NA	NA	NA
5. Use of Surplus									
a. UAL Cost	0.94%	0.57%	-19.57%	-1.37%	-1.70%	-4.09%	-2.29%	0.20%	0.75%
b. Rate reduction (See Table IV-3)	<u>-1.49%</u>	<u>-1.49%</u>	<u>-1.49%</u>	<u>-1.49%</u>	<u>-1.49%</u>	<u>-1.49%</u>	<u>-1.49%</u>	<u>0.00%</u>	<u>-1.39%</u>
c. Total surplus Utilization	-0.55%	-0.92%	-21.06%	-2.86%	-3.19%	-5.58%	-3.78%	0.20%	-0.64%
6. Total	-1.49%	-1.49%	-1.49%	-1.49%	-1.49%	-1.49%	-1.49%	0.00%	-1.39%

* Due to Actuarial Value of Assets exceeding Actuarial Liabilities, all prior Gain / Loss bases are considered fully amortized.

** Year in parentheses refers to year when bases were calculated.

*** For classes with 0.00%, amortization payments are being made; however as a percentage of payroll they round to less than 0.005%.



SECTION V

ACCOUNTING STATEMENTS



FLORIDA RETIREMENT SYSTEM
Actuarial Valuation as of July 1, 2007

This work product was prepared solely for the Department of Management Services for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

ACCOUNTING STATEMENT

Statement No. 35 of the Financial Accounting Standards Board (FASB) previously required the Florida Retirement System to disclose certain information regarding the Plan's funded status. Statement No. 25 of the Governmental Standards Board (GASB) establishes standards for disclosure of pension information by public employee retirement systems (PERS) and governmental employers in notes to financial statements and supplementary information.

The FASB-35 disclosures are intended to provide a "snap shot" view of how the Plan's assets compare to its liabilities if contributions stopped and accrued benefit claims had to be satisfied. The accrued benefits obligation (ABO) are determined assuming that the plan is ongoing and participants continue to terminate employment, retire, and otherwise act in accordance with the actuarial assumptions. Liabilities are discounted at the assumed valuation interest rate of 7.75% per annum.

Table V-1 presents the ABO for the Florida Retirement System determined as of July 1, 2007. All of the calculations presented in that table are based on the actuarial assumptions used in the valuation, as described in Appendix A, except no salary projection. Values of the ABO are shown by type of member and by class. The active members' values are also divided between the employee-financed (accumulated member contributions) and employer-financed portions, with the employer-financed portions shown separately for vested benefits and non-vested benefits.

Table V-2 presents the total ABO for the FRS for current and prior valuations. The prior year results displayed are always after any plan and/or assumptions changes.

Table V-3 reconciles the ABO determined as of the prior valuation, July 1, 2006, to the ABO as of July 1, 2007. This reconciliation indicates the impact of the assumption changes and plan changes, if any.

GASB Statement No. 25 requires the actuarial accrued liability (AAL) to be compared with the actuarial value of assets used for funding purposes. The report includes two tables for GASB No. 25 disclosures and a third table used in the Comprehensive Annual Financial Report. Table V-4 shows the GASB No. 25 Accounting Statement Information by membership class. Table V-5 shows similar information for the total FRS comparing several years' results in addition to the July 1, 2007 results. Table V-6 shows the Solvency Test for the FRS for the 2005, 2006, and 2007 valuations. The Solvency Test compares the actuarial accrued liabilities to the market value of assets. Starting with the July 1, 2005 valuation, the Statement No. 25 liabilities are based on DROP retirees being included in the class of membership from which they retired, and active liabilities are based on the full retirement rates (per page I-12.)

ACCOUNTING STATEMENT

The trend of the FRS's funding status, as measured by the unfunded AAL or ABO over a period of time, is one indication of the progress being made in accumulating sufficient assets to pay benefits when due. Some of the basic trend data for this valuation and the prior two valuations (i.e., as of July 1, 2005 and July 1, 2006) for the FRS are shown in Table V-2 (ABO) and Table V-5 (AAL). Past and future results are affected by changes in actuarial assumptions, benefit provisions, accounting policies, etc.

For fiscal 1999-00 because the System was in a surplus position and the FRS employers contributed the normal cost (which was more than the actuarially determined contribution level), an accounting disclosure under GASB Statement Number 27 first became necessary. For fiscal 2000-01, the System continued in a surplus position and FRS employers again contributed more than the GASB actuarially determined contribution. For fiscal 2001-02 through fiscal 2003-04, because of the rate stabilization mechanism, the FRS employers have contributed less than the actuarially determined contribution, whereas in fiscal 2004-2005 the employers contributed more than the actuarially determined contribution. In fiscal 2005-2006 employers again contributed less than the actuarial determined contribution. For fiscal 2006-2007, actual contributions were more than expected meaning the FRS employers contributed more than the actuarially determined contributions, assuming 30 year amortization of the surplus. To date, the accumulation impact remains a negative number (i.e., cumulative contributions exceed actuarially determined contributions, both adjusted with interest). The Annual Required Contribution (ARC) developed in the 2005 annual valuation which applies to FY 2006-2007, \$2,455,255,000, included the sum of the composite contribution rate (including DROP) of 11.70% offset by the minimum UAL amortization payment required by GASB. As shown on Table V-7, the Annual Pension Cost (APC) is \$2,452,943,000 and the total employer contribution was actually \$2,736,861,000. Therefore, if GASB 27 applies, the State's CAFR must reflect a Net Pension Obligation (NPO) of (\$382,832,000), as compared to an NPO of (\$98,914,000) as of the prior year.

ACCOUNTING STATEMENT

Table V-1
Florida Retirement System
Accumulated Benefit Obligation - FASB Statement #35
July 1, 2007
(All Amounts in Thousands)

	FRS	----- Special Risk -----		-- Elected Officers' Class --			Senior	DROP	Total
	Regular	Regular	Administration	Judicial	Leg-Atty-Cab	County	Management		
A. Accumulated Benefit Obligation									
1. Active Members									
a. Accumulated Member Contributions Employer - Financed	\$53,996	\$8,408	\$2	\$537	\$115	\$784	\$2,094	\$0	\$65,936
b. Vested Benefits	23,777,967	6,040,835	7,739	241,643	16,853	106,323	966,438	0	31,157,798
c. Non - Vested Benefits	747,645	253,535	9	6,936	300	2,965	12,152	0	1,023,542
d. Total	\$24,579,608	\$6,302,778	\$7,750	\$249,116	\$17,268	\$110,072	\$980,684	\$0	\$32,247,276
2. Annuitants	\$34,534,563	\$7,378,150	\$62,976	\$444,380	\$49,241	\$306,488	\$807,430	\$12,920,751	\$56,503,979
3. Other Inactive Members	\$3,116,911	\$531,863	\$1,516	\$18,341	\$8,348	\$23,239	\$123,897	\$0	\$3,824,115
4. Total Accumulated Benefit Obligation	\$62,231,082	\$14,212,791	\$72,242	\$711,837	\$74,857	\$439,799	\$1,912,011	\$12,920,751	\$92,575,370
B. Assets Available for Benefits									
1. Market	\$113,375,477	\$23,646,398	\$100,911	\$1,142,560	\$113,555	\$543,591	\$2,894,392	(\$5,110,977)	\$136,705,907
2. Actuarial Basis	\$104,152,235	\$21,722,733	\$92,702	\$1,049,611	\$104,317	\$499,369	\$2,658,929	(\$4,695,192)	\$125,584,704
C. Unfunded Total Accumulated Benefit Obligation, Assets at:									
1. Market	(\$51,144,395)	(\$9,433,607)	(\$28,669)	(\$430,723)	(\$38,698)	(\$103,792)	(\$982,381)	\$18,031,728	(\$44,130,537)
2. Actuarial Basis	(\$41,921,153)	(\$7,509,942)	(\$20,460)	(\$337,774)	(\$29,460)	(\$59,570)	(\$746,918)	\$17,615,943	(\$33,009,334)
D. Percent of Accumulated Obligation Funded, Assets at:									
1. Market	182.18%	166.37%	139.68%	160.51%	151.70%	123.60%	151.38%	-39.56%	147.67%
2. Actuarial Basis	167.36%	152.84%	128.32%	147.45%	139.36%	113.54%	139.06%	-36.34%	135.66%



ACCOUNTING STATEMENT

Table V-2
Florida Retirement System
Analysis of Funding Progress - FASB Statement #35
(All Amounts in Thousands)

	July 1, 2005 Valuation Basis	July 1, 2006 Valuation Basis	July 1, 2007 Valuation Basis
A. Accumulated Benefit Obligation			
1. Active Members			
a. Accumulated Member Contributions Employer - Financed	\$64,001	\$57,681	\$65,936
b. Vested Benefits	27,285,526	29,007,018	31,157,798
c. Non - Vested Benefits	<u>957,867</u>	<u>999,079</u>	<u>1,023,542</u>
d. Total	\$28,307,394	\$30,063,778	\$32,247,276
2. Annuitants	\$35,742,438	\$39,352,163	\$43,583,228
3. Other Inactive Members	\$3,322,825	\$3,539,361	\$3,824,115
4. DROP	<u>\$12,149,046</u>	<u>\$12,642,747</u>	<u>\$12,920,751</u>
5. Total Accumulated Benefit Obligation	\$79,521,703	\$85,598,049	\$92,575,370
B. Assets Available for Benefits			
1. Market	\$110,205,894	\$118,526,723	\$136,705,907
2. Actuarial Basis	\$111,539,878	\$117,159,615	\$125,584,704
C. Unfunded/(Surplus) Total Accumulated Benefit Obligation, Assets at:			
1. Market	(\$30,684,191)	(\$32,928,674)	(\$44,130,537)
2. Actuarial Basis	(\$32,018,175)	(\$31,561,566)	(\$33,009,334)
D. Percent of Accumulated Benefit Obligation Funded, Assets at:			
1. Market	138.59%	138.47%	147.67%
2. Actuarial Basis	140.26%	136.87%	135.66%
E. Annual Salaries ¹	\$24,185,983	\$25,327,922	\$26,385,768
F. Unfunded/(Surplus) Accumulated Benefit Obligation as a Percent of Salary, Assets at:			
1. Market	-126.87%	-130.01%	-167.25%
2. Actuarial Basis	-132.38%	-124.61%	-125.10%

¹ Includes Drop Salaries



ACCOUNTING STATEMENT

Table V-3
Florida Retirement System
Statement of Changes in Total Actuarial
Present Value of All Accrued Benefits
(All Amounts in Thousands)

	<u>Accumulated Benefit Obligation</u>
Actuarial Present Value of Accrued Benefits at July 1, 2006	\$85,598,049
Increase (Decrease) During Year Attributable to:	
Increase for Interest Due to Decrease in Discount Period	\$6,401,798
Benefits Paid – PY 2007	(\$6,102,272)
Benefits Accrued & Other Gains / Losses	\$6,677,795
Plan Provision / Assumption Changes	\$0
Net Increase (Decrease)	\$6,977,321
Actuarial Present Value of Accrued Benefits at July 1, 2007	\$92,575,370

ACCOUNTING STATEMENT

Table V-4
Florida Retirement System
Accounting Statement Information - GASB Statement #25
July 1, 2007
(All Amounts in Thousands)

	FRS Regular	----- Special Risk ----- Regular Administration	----- Elected Officers' Class ----- Judicial Leg-Atty-Cab County			Senior Management	Total	
1. Actuarial Accrued Liability:								
a. Active Member Contributions	\$53,996	\$8,408	\$2	\$537	\$115	\$784	\$2,094	\$65,936
b. Annuitants	44,728,240	9,445,439	69,257	622,691	68,850	377,101	1,192,400	56,503,978
c. Other Inactive Members	3,116,911	531,863	1,516	18,341	8,348	23,239	123,897	3,824,115
d. Active Members	<u>43,821,033</u>	<u>12,245,737</u>	<u>14,211</u>	<u>423,947</u>	<u>26,531</u>	<u>172,867</u>	<u>1,772,158</u>	<u>58,476,484</u>
2. Total Actuarial Accrued Liability [1(a) + 1(b) + 1(c) + 1(d)]	\$91,720,180	\$22,231,447	\$84,986	\$1,065,516	\$103,844	\$573,991	\$3,090,549	\$118,870,513
3. Actuarial Value of Assets	100,435,546	20,937,865	86,947	997,869	98,596	468,034	2,559,847	125,584,704
4. Unfunded Actuarial Accrued Liability / (Surplus) (UAAL), [2 - 3]	(\$8,715,366)	\$1,293,582	(\$1,961)	\$67,647	\$5,248	\$105,957	\$530,702	(\$6,714,191)
5. Funded Ratio	109.50%	94.18%	102.31%	93.65%	94.95%	81.54%	82.83%	105.65%
6. Covered Payroll	\$21,929,900	\$3,696,400	\$3,469	\$129,367	\$8,660	\$54,144	\$563,828	\$26,385,768
7. UAAL / (Surplus) as a % of Payroll	-39.74%	35.00%	-56.53%	52.29%	60.60%	195.69%	94.12%	-25.45%



ACCOUNTING STATEMENT

Table V-5
Florida Retirement System
Accounting Statement Information - GASB Statement #25
(All Amounts in Thousands)

	<u>July 1, 2005</u> <u>Valuation Basis</u>	<u>July 1, 2006</u> <u>Valuation Basis</u>	<u>July 1, 2007</u> <u>Valuation Basis</u>
1. Actuarial Accrued Liability:			
a. Active Member Contributions	\$64,001	\$57,681	\$65,936
b. Annuitants	47,891,484	51,994,911	56,503,978
c. Other Inactive Members	3,322,825	3,539,361	3,824,115
d. Active Members	<u>52,647,188</u>	<u>55,385,878</u>	<u>58,476,484</u>
2. Total Actuarial Accrued Liability [1(a) + 1(b) + 1(c) + 1(d)]	\$103,925,498	\$110,977,831	\$118,870,513
3. Actuarial Value of Assets	\$111,539,878	\$117,159,615	\$125,584,704
4. Unfunded Actuarial Accrued Liability / (Surplus) (UAAL), [2 - 3]	(\$7,614,380)	(\$6,181,784)	(\$6,714,191)
5. Funded Ratio	107.33%	105.57%	105.65%
6. Covered Payroll ¹	\$24,185,983	\$25,327,922	\$26,385,768
7. UAAL / (Surplus) as a % of Payroll	-31.48%	-24.41%	-25.45%

¹ Includes Drop Salaries



ACCOUNTING STATEMENT

Table V-6
Florida Retirement System
Solvency Test
(All Amounts in Thousands)

	<u>July 1, 2005</u> <u>Valuation Basis</u>	<u>July 1, 2006</u> <u>Valuation Basis</u>	<u>July 1, 2007</u> <u>Valuation Basis</u>
1. Actuarial Accrued Liability for:			
a. Retired and Disabled Members, and Survivors	\$47,891,484	\$51,994,911	\$56,503,978
b. Vested Deferred and Inactive Status Members	3,322,825	3,539,361	3,824,115
c. Active Members			
i) Accumulated employee contributions with interest	64,001	57,681	65,936
ii) Employer-financed liabilities	<u>52,647,188</u>	<u>55,385,878</u>	<u>58,476,484</u>
d. Total	\$103,925,498	\$110,977,831	\$118,870,513
2. Net Assets Available for Benefits at Market Value	\$110,205,894	\$118,526,723	\$136,705,907
3. Ratio of Assets to Actuarial Accrued Liabilities: [2 / 1]	106.04%	106.80%	115.00%



ACCOUNTING STATEMENT

Table V-7
Florida Retirement System
Net Pension Obligation - GASB Statement #27
(All Amounts in Thousands)

	ACTUAL		PROJECTED
	<u>7/1/2005 - 6/30/2006</u>	<u>7/1/2006 - 6/30/2007</u>	<u>7/1/2007 - 6/30/2008</u>
1. Unfunded Actuarial Liability (UAL)	(\$11,521,992)	(\$7,614,380)	(\$6,181,784)
2. Amortization of UAL	(623,651)	(412,144)	(334,602)
3. Normal Cost	<u>2,817,580</u>	<u>2,867,398</u>	<u>3,013,798</u>
4. Annual Required Contribution: [2 + 3]	\$2,193,928	\$2,455,255	\$2,679,196
5. Interest on Net Pension Obligation:	(14,840)	(7,666)	(29,669)
6. Adjustment to Annual Required Contribution:	<u>10,364</u>	<u>5,354</u>	<u>20,722</u>
7. Annual Pension Cost: [4 + 5 + 6]	\$2,189,452	\$2,452,943	\$2,670,249
8. Contributions Made:	<u>\$2,096,884</u>	<u>\$2,736,861</u>	<u>NA</u>
9. Increase in Net Pension Obligation: [7 - 8]	92,568	(283,918)	NA
10. Net Pension Obligation at Beginning of Year:	<u>(191,482)</u>	<u>(98,914)</u>	<u>(382,832)</u>
11. Net Pension Obligation at End of Year:	(98,914)	(382,832)	NA



APPENDIX A

ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS



FLORIDA RETIREMENT SYSTEM
Actuarial Valuation as of July 1, 2007

This work product was prepared solely for the Department of Management Services for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

The actuarial procedures and assumptions used in this valuation are described herein.

Table A-I summarizes the assumptions. The pre and post-retirement mortality rates are taken from the sources listed. The other rates were developed from the experience of the FRS and are illustrated in Tables A-2 through A-9, as noted.

The actuarial assumptions are intended to estimate the future experience of the members of the FRS and of the FRS in other areas that affect the projected benefit flow and anticipated investment earnings. Any variations in future experience from that expected from these assumptions will result in corresponding changes in the estimated costs of the FRS' benefits. These assumptions are based on the most recent experience study of the period from July 1, 1998 through June 30, 2003.

All tables in this section give independent rates of decrement expressed as percentages. The independent rates of decrement are referred to by the general symbol "q" in actuarial notation. The underlying theory is described more fully in Life Contingencies, by C. Wallace Jordan, Society of Actuaries (Second Edition, 1967), page 278.

ACTUARIAL COST METHOD

The actuarial valuation is prepared using the entry age actuarial cost method. Under the principles of this method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated as a level percentage of the individual's projected compensation between entry age and assumed exit. The portion of this actuarial present value allocated to a valuation year is called the normal cost. The portion of this actuarial present value not provided for at a valuation date by the sum of (a) the actuarial value of the assets, and (b) the actuarial present value of future normal costs, is called the unfunded actuarial liability (UAL). In the past, the UAL was amortized as level percentages of the projected payroll (salaries of present and future members of the FRS) during various amortization periods.

Effective July 1, 1998, changes in the UAL were to be amortized as level dollar. Had the FRS not maintained a surplus position, each plan, method or assumption change would have set up a new base (layer) to be amortized over a period of 30 years. All other changes, (i.e., experience gains and losses), would have been maintained in a single base. Since the UAL remained negative (i.e., surplus position), it was not amortized. In the future, if the base is positive (i.e., UAL exists), it will be amortized



ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

on a rolling 10% basis. In other words, 10% of the outstanding balance will be recognized each year.

The normal cost for the valuation year was calculated separately for each individual, based on his or her age at entry into the FRS. The individual normal costs were then aggregated and divided by the total current compensation of the individuals included in the valuation to determine the normal cost rate as a percentage of compensation.

RECORDS AND DATA

The data used in this valuation consist of financial information and records of age, service and income of active members, annuitants and other inactive members. All of the data was supplied by the FRS, and was accepted for valuation purposes without audit.

REPLACEMENT OF TERMINATED MEMBERS

The ages and relative salaries at entry of future members are assumed to follow a new entrant distribution based on the current active population. Under this assumption, the normal cost rates for active members will remain valid in future years, unless the governing law or actuarial assumptions are changed.

GROWTH IN MEMBERSHIP

The membership of the FRS is assumed to grow at the rate of 0.0% per year. This assumption was changed in the July 1, 1997 valuation from 1.50% in the July 1, 1995 valuation, as required by GASB No. 25.

ADMINISTRATIVE EXPENSE

Administrative expenses are paid from investment earnings. It is assumed that investments will yield 7.75% as the valuation assumption and 0.25% to cover the administrative expenses.

VALUATION OF ASSETS

The asset valuation method determines the actuarial value as follows:

Step 1. Determine the total yield on the investments of the FRS using the full investment return (including capital gains) measured by the difference in the actuarial value of the assets at the beginning of the plan year just

ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

ended and the market value of assets at the end of the year. For the first year this method is employed, the market value of assets is used for the beginning of the plan year.

- Step 2.** Calculate the excess of the yield determined in Step 1 over the expected yield for the same year according to the actuarial assumptions.
- Step 3.** Calculate an adjusted yield equal to the expected yield plus one-fifth of the yield determined in Step 2.
- Step 4.** The actuarial value of assets used in this valuation equals the amount that would have existed if the actual yield on the assets had been at the yield determined in Step 3.

The resulting actuarial value of the assets shall be not less than 80% nor more than 120% of the market value.

This method conforms to Section 121.031(3)(a), Florida Statutes, calling for an averaging method acceptable under U.S. Treasury Regulations.

INVESTMENT EARNINGS

The future investment earnings of the assets of the FRS are assumed to accrue at an annual rate of 7.75%, compounded annually, net of investment expenses.

POST-RETIREMENT BENEFIT INCREASES

A post-retirement increase of 3% per year is assumed.

INTEREST ON EMPLOYEE CONTRIBUTIONS

Interest is only credited on accounts held by members of TRS. A 6.5% annual rate of interest is assumed to be credited on these accounts.

FUTURE SALARIES

Salaries are assumed to increase between 4.00% and 10.00% per year depending on the member's age and service. In addition to increases in salary due to promotions and longevity, this scale includes an assumed 4.00% per annum rate of increase in the average wage level of the membership. Table A-2 shows merit (i.e., promotion and longevity) scale rates at representative ages, by class.



ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

SERVICE RETIREMENT

Members are assumed to take unreduced retirement at the rates shown in Table A-3. Rates of reduced early retirement are included in rates of other terminations of employment.

All members who have attained age 80 (age 70 for TRS, SCOERS and IFAS) in active service are assumed to retire immediately.

DISABLEMENT

Note that the frequency of disablement reflects not only the impairments but also the policies underlying the approval of claims and the administration of disability benefits. The more liberal the administration or conditions under which an employee may qualify for disability, the greater the expected incidence of disability.

Line-of-Duty Disability Incidence Rates

The rates used to estimate the likelihood of line-of-duty disability were initially based on Social Security disability experience reported in the Social Security Administration's disability study published as Actuarial Study Number 74, adjusted to recognize the FRS line-of-duty disability incidence experience. These tables were adjusted slightly based on the line-of-duty disability incidence experience for the five plan years ending June 30, 2003.

Not-in-Line-of-Duty Disability Incidence Rates

The rates used to estimate the likelihood of not-in-line-of-duty disability were initially based on Social Security disability experience reported in the Social Security Administration's disability study published as Actuarial Study Number 74, adjusted to recognize the FRS not-in-line-of-duty disability incidence experience. These rates were modified to be more in line with FRS experience during the five plan years ending June 30, 2003.

The rates of disablement used in the valuation are illustrated in Tables A-4 and A-5.

PRE-RETIREMENT MORTALITY

Mortality rates for members who die in service are based on the RPA – 2000 Employee Mortality tables for males and females. Table A-6 shows these rates at representative ages.



ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

To allocate active member deaths between duty and non-duty death, the following percentages of total active member deaths were assumed to be duty deaths.

Age	FRS-Special Risk		FRS-All Other Groups	
	Men	Women	Men	Women
37	60%	60%	25%	15%
42	40	40	25	15
47	30	30	15	10
52	25	25	15	10

POST-RETIREMENT MORTALITY

Mortality rates for all members once in retirement status are based on the RPA-2000 Healthy White Collar tables for males and females, as projected from the year 2001 using Projection Scale AA, adjusted by the following percentages:

	Males	Females
Regular and Special Risk Classes, TRS, SCOERS, IFAS	133.6%	115.0%
Elected Officers', Senior Management Service, and Special Risk Administrative Support Classes	91.5%	56.7%

Table A-7 shows these rates for representative ages.

DISABILITY MORTALITY RATES

Disability mortality rates are based on 92.4% of the RPS –2000 Disabled Retiree Table for males, and 103.6% of the PBGC Disabled with Social Security Table for females. Representative rates of disability mortality are illustrated in Table A-8.

OTHER TERMINATIONS OF EMPLOYMENT

Table A-9 shows, for representative ages, the rates assumed in this valuation for future withdrawal from active service for reasons other than death, disability or



ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

retirement with an unreduced benefit. These rates contain the probability of retiring with a reduced immediate pension.

ELIGIBLE SURVIVORS

It is assumed that 80% of deceased active members will have survivors eligible for lifetime benefits upon their death. Males are assumed to be three years older than their female spouses.

MILITARY SERVICE AND OUT-OF-STATE SERVICE CREDITS

Each member is assumed to have the following additional years of service credit purchased:

Type of Service Credit	FRS-Special Risk		FRS-All Other Groups	
	Men	Women	Men	Women
Military Service Credit ¹⁾	0.2818	0	0.1853	0
Out-of-State Service Credit	0	0	0.0910	0.0910

No extra service credit was assumed for TRS, SCOERS and IFAS participants.

ANNUAL LEAVE CREDIT

Unused annual leave in the amount of 139 hours is assumed to be credited to each retiring member to increase the salary used for calculating the retirement benefits. An increase in the retirement benefit of 1.66% is assumed to result from this factor.

¹⁾ Pre-1987 hires only.

ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

TABLE A-1
Summary of Valuation Assumptions
July 1, 2007

I. Economic Assumptions	
A. General Wage Increases	4.00%*
B. Investment Earnings	7.75%*
C. Growth in Membership	0.00%
D. Post-Retirement Benefit Increases	3.00%
* Including a 3.0% inflation assumption.	
II. Non-Economic Assumptions	
A. Salary Increases Due to Promotion and Longevity	Table A-2
B. Service Retirement	Table A-3
C. Disablement	Tables A-4 and A-5
D. Pre-Retirement Mortality	RPA – 2000 Mortality Tables for males and females. Table A-6
E. Post-Retirement Mortality	RPA – 2000 Healthy White Collar Tables for males and females, projected from 2001 using Projection Scale AA. Table A-7
F. Disabled Termination (Mortality and Recovery)	Table A-8
G. Other Terminations of Employment	Table A-9

ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

Table A-2 Salary										
REGULAR, TRS, SCOERS, IFAS – Male										
Combined Years of Service	Attained Age									
	20	25	30	35	40	45	50	55	60	65
0	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%
1	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%
2	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
3	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
4	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
5	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
6	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
7	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
8	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
9	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
10 or more	3.00%	3.00%	3.00%	3.00%	2.50%	2.00%	1.50%	0.50%	0.50%	0.50%
REGULAR, TRS, SCOERS, IFAS - Female										
Combined Years of Service	Attained Age									
	20	25	30	35	40	45	50	55	60	65
0	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
1	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
2	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
3	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
4	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
5	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
6	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
7	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
8	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
9	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
10 or more	3.00%	3.00%	3.00%	3.00%	2.50%	2.00%	1.00%	0.00%	0.00%	0.00%
ECO, ESO – Male and Female										
Combined Years of Service	Attained Age									
	20	25	30	35	40	45	50	55	60	65
0	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
1	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
2	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
3	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
4	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
5	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
6	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
7	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
8	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
9	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
10 or more	1.50%	1.50%	1.50%	1.50%	1.50%	1.25%	1.00%	0.00%	0.00%	0.00%



ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

**Table A-2 (cont.)
Salary**

JUDICIAL – Male and Female											
Combined Years of Service	Attained Age										
	20	25	30	35	40	45	50	55	60	65	
0	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
1	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
2	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
3	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
4	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
5	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
6	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
7	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
8	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
9	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
10 or more	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	0.50%	0.50%	0.50%	0.50%
SENIOR MANAGEMENT SERVICE – Male											
Combined Years of Service	Attained Age										
	20	25	30	35	40	45	50	55	60	65	
0	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
1	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
2	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
3	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%
4	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
5	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
6	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
7	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
8	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
9	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
10 or more	3.00%	3.00%	3.00%	3.00%	2.50%	2.00%	1.50%	1.50%	1.50%	1.50%	1.50%
SENIOR MANAGEMENT SERVICE - Female											
Combined Years of Service	Attained Age										
	20	25	30	35	40	45	50	55	60	65	
0	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%
1	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%
2	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%
3	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%
4	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%
5	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
6	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
7	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
8	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
9	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
10 or more	3.50%	3.50%	3.50%	3.50%	2.50%	2.25%	1.50%	0.50%	0.50%	0.50%	0.50%



This work product was prepared solely for the Department of Management Services for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

**Table A-2 (cont.)
Salary**

SPECIAL RISK – Male											
Combined Years of Service	Attained Age										
	20	25	30	35	40	45	50	55	60	65	
0	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
1	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
2	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
3	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
4	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
5	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
6	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
7	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
8	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
9	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
10 or more	2.50%	2.50%	2.50%	2.50%	2.50%	2.00%	1.00%	0.50%	0.50%	0.50%	0.50%
SPECIAL RISK – Female											
Combined Years of Service	Attained Age										
	20	25	30	35	40	45	50	55	60	65	
0	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
1	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
2	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
3	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
4	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
5	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
6	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
7	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
8	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
9	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
10 or more	2.50%	2.50%	2.50%	2.50%	2.00%	1.50%	1.25%	0.75%	0.75%	0.75%	0.75%
SPECIAL RISK ADMINISTRATIVE SUPPORT – Male and Female											
Combined Years of Service	Attained Age										
	20	25	30	35	40	45	50	55	60	65	
0	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%
1	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%
2	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%
3	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%
4	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%
5	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%
6	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%
7	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
8	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
9	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
10 or more	3.00%	3.00%	3.00%	3.00%	2.50%	2.00%	1.75%	1.75%	1.75%	1.75%	1.75%



ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

Table A-3 Unreduced Retirement Annual Rates					
REGULAR					
Age	Male		Female		
	First Eligibility	Subsequent Eligibility	First Eligibility	Subsequent Eligibility	Subsequent Eligibility
20	0.0%	0.0%	0.0%	0.0%	0.0%
25	0.0%	0.0%	0.0%	0.0%	0.0%
30	0.0%	0.0%	0.0%	0.0%	0.0%
35	0.0%	0.0%	0.0%	0.0%	0.0%
40	0.0%	0.0%	0.0%	0.0%	0.0%
45	6.9%	2.5%	6.3%	0.5%	0.5%
50	19.9%	13.5%	14.3%	8.0%	8.0%
55	19.5%	12.5%	16.3%	9.0%	9.0%
60	26.4%	18.1%	26.3%	17.4%	17.4%
65	31.6%	32.8%	25.3%	27.6%	27.6%
ELECTED OFFICERS' GROUPS: ECO, ESO, JUDICIAL					
Age	Male		Female		
	First Eligibility	Subsequent Eligibility	First Eligibility	Subsequent Eligibility	Subsequent Eligibility
20	0.0%	0.0%	0.0%	0.0%	0.0%
25	0.0%	0.0%	0.0%	0.0%	0.0%
30	0.0%	0.0%	0.0%	0.0%	0.0%
35	0.0%	0.0%	0.0%	0.0%	0.0%
40	0.0%	0.0%	0.0%	0.0%	0.0%
45	0.0%	0.0%	3.5%	1.5%	1.5%
50	2.0%	1.0%	3.5%	1.5%	1.5%
55	3.5%	2.1%	4.5%	5.0%	5.0%
60	5.1%	6.9%	6.5%	9.0%	9.0%
65	14.9%	13.3%	12.4%	13.4%	13.4%
SENIOR MANAGEMENT SERVICE					
Age	Male		Female		
	First Eligibility	Subsequent Eligibility	First Eligibility	Subsequent Eligibility	Subsequent Eligibility
20	0.0%	0.0%	0.0%	0.0%	0.0%
25	0.0%	0.0%	0.0%	0.0%	0.0%
30	0.0%	0.0%	0.0%	0.0%	0.0%
35	0.0%	0.0%	0.0%	0.0%	0.0%
40	0.0%	0.0%	0.0%	0.0%	0.0%
45	5.0%	2.5%	3.5%	0.5%	0.5%
50	16.0%	13.5%	10.5%	8.0%	8.0%
55	14.5%	12.5%	11.5%	9.0%	9.0%
60	20.1%	18.1%	20.4%	17.4%	17.4%
65	26.3%	32.8%	20.1%	27.6%	27.6%



ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

Table A-3 (cont.) Unreduced Retirement Annual Rates*					
TRS and SCOERS					
Age	Male		Female		
	First Eligibility	Subsequent Eligibility	First Eligibility	Subsequent Eligibility	
20	0.0%	0.0%	0.0%	0.0%	
25	0.0%	0.0%	0.0%	0.0%	
30	0.0%	0.0%	0.0%	0.0%	
35	0.0%	0.0%	0.0%	0.0%	
40	0.0%	0.0%	0.0%	0.0%	
45	3.8%	2.5%	3.8%	1.5%	
50	14.7%	2.5%	11.3%	1.5%	
55	14.7%	13.5%	11.3%	9.0%	
60	60.0%	56.5%	60.0%	55.5%	
65	10.0%	56.5%	60.0%	57.5%	
SPECIAL RISK					
Age	Male		Female		
	First Eligibility	Subsequent Eligibility	First Eligibility	Subsequent Eligibility	
20	0.0%	0.0%	0.0%	0.0%	
25	0.0%	0.0%	0.0%	0.0%	
30	0.0%	0.0%	0.0%	0.0%	
35	0.0%	0.0%	0.0%	0.0%	
40	2.5%	1.0%	2.5%	1.0%	
45	2.5%	1.0%	2.5%	1.0%	
50	7.5%	6.0%	7.0%	5.5%	
55	7.8%	8.3%	7.8%	7.8%	
60	6.6%	7.9%	6.1%	8.6%	
65	33.5%	46.0%	33.0%	53.5%	
SPECIAL RISK ADMINISTRATIVE SUPPORT					
Age	Male		Female		
	First Eligibility	Subsequent Eligibility	First Eligibility	Subsequent Eligibility	
20	0.0%	0.0%	0.0%	0.0%	
25	0.0%	0.0%	0.0%	0.0%	
30	0.0%	0.0%	0.0%	0.0%	
35	0.0%	0.0%	0.0%	0.0%	
40	0.0%	0.0%	0.0%	0.0%	
45	0.0%	0.0%	0.0%	0.0%	
50	4.5%	4.5%	4.5%	4.5%	
55	5.8%	5.8%	29.3%	5.8%	
60	11.6%	11.6%	29.1%	11.6%	
65	56.0%	56.0%	56.0%	56.0%	

* It is assumed that IFAS participants will retire upon the later of attainment of age 62 and 10 years of covered service or immediately, if beyond that time.



ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

Table A-4 Line-of-Duty Disability Annual Rates		
REGULAR		
Age	Male	Female
20	0.004%	0.001%
25	0.004%	0.001%
30	0.006%	0.002%
35	0.010%	0.007%
40	0.018%	0.010%
45	0.029%	0.016%
50	0.044%	0.022%
55	0.069%	0.035%
60	0.095%	0.049%
65	0.099%	0.044%
ELECTED OFFICERS, SENIOR MANAGEMENT SERVICE		
Age	Male	Female
20	0.004%	0.001%
25	0.004%	0.001%
30	0.005%	0.002%
35	0.007%	0.004%
40	0.011%	0.006%
45	0.017%	0.009%
50	0.029%	0.014%
55	0.049%	0.022%
60	0.072%	0.027%
65	0.080%	0.027%
SPECIAL RISK, SPECIAL RISK ADMINISTRATIVE SUPPORT		
Age	Male	Female
20	0.012%	0.008%
25	0.012%	0.008%
30	0.017%	0.016%
35	0.029%	0.037%
40	0.051%	0.068%
45	0.087%	0.106%
50	0.138%	0.153%
55	0.215%	0.230%
60	0.301%	0.285%
65	0.231%	0.143%
TRS and SCOERS		
Same as Non-Duty Disability		

ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

Table A-5		
Non-Duty Disability Annual Rates		
REGULAR		
Age	Male	Female
20	0.000%	0.000%
25	0.030%	0.010%
30	0.058%	0.026%
35	0.073%	0.049%
40	0.102%	0.075%
45	0.188%	0.165%
50	0.313%	0.285%
55	0.523%	0.478%
60	0.687%	0.599%
65	0.239%	0.150%
ELECTED OFFICERS, SENIOR MANAGEMENT SERVICE		
Age	Male	Female
20	0.001%	0.002%
25	0.001%	0.002%
30	0.024%	0.017%
35	0.034%	0.030%
40	0.051%	0.047%
45	0.110%	0.096%
50	0.186%	0.176%
55	0.323%	0.309%
60	0.482%	0.381%
65	0.156%	0.106%
SPECIAL RISK, SPECIAL RISK ADMINISTRATIVE SUPPORT		
Age	Male	Female
20	0.037%	0.036%
25	0.037%	0.036%
30	0.043%	0.046%
35	0.055%	0.075%
40	0.087%	0.118%
45	0.140%	0.259%
50	0.292%	0.318%
55	0.446%	0.492%
60	0.628%	0.597%
65	0.698%	0.380%

ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

**Table A-5 (cont.)
Non-Duty Disability Annual Rates**

TRS and SCOERS		
Age	Male	Female
20	0.149%	0.089%
25	0.149%	0.089%
30	0.190%	0.154%
35	0.264%	0.262%
40	0.396%	0.382%
45	0.616%	0.580%
50	1.044%	0.914%
55	1.918%	1.532%
60	2.724%	1.876%
65	3.436%	1.924%

The valuation of IFAS members does not include a disability decrement.

ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

Table A-6				
Pre-Retirement Mortality Annual Rates				
REGULAR, ELECTED OFFICERS, SENIOR MANAGEMENT SERVICE				
Age	Male		Female	
	Duty Death	Non-Duty Death	Duty Death	Non-Duty Death
20	0.01%	0.03%	0.00%	0.02%
25	0.01%	0.03%	0.00%	0.02%
30	0.01%	0.03%	0.00%	0.02%
35	0.02%	0.06%	0.01%	0.04%
40	0.03%	0.08%	0.01%	0.06%
45	0.02%	0.13%	0.01%	0.10%
50	0.03%	0.18%	0.02%	0.15%
55	0.05%	0.26%	0.03%	0.23%
60	0.07%	0.42%	0.04%	0.35%
65	0.11%	0.65%	0.06%	0.52%
70	0.15%	0.85%	0.08%	0.69%
75	0.23%	1.30%	0.11%	1.02%
80	0.39%	2.21%	0.18%	1.66%
85	0.00%	0.00%	0.00%	0.00%
90	0.00%	0.00%	0.00%	0.00%
95	0.00%	0.00%	0.00%	0.00%
100	0.00%	0.00%	0.00%	0.00%
105	0.00%	0.00%	0.00%	0.00%
110	0.00%	0.00%	0.00%	0.00%
115	0.00%	0.00%	0.00%	0.00%
120	0.00%	0.00%	0.00%	0.00%
SPECIAL RISK, SPECIAL RISK ADMINISTRATIVE SUPPORT				
Age	Male		Female	
	Duty Death	Non-Duty Death	Duty Death	Non-Duty Death
20	0.02%	0.01%	0.01%	0.01%
25	0.02%	0.02%	0.01%	0.01%
30	0.03%	0.02%	0.02%	0.01%
35	0.05%	0.03%	0.03%	0.02%
40	0.04%	0.06%	0.03%	0.04%
45	0.05%	0.11%	0.03%	0.08%
50	0.05%	0.16%	0.04%	0.13%
55	0.08%	0.23%	0.06%	0.19%
60	0.12%	0.37%	0.10%	0.30%
65	0.19%	0.57%	0.15%	0.44%
70	0.25%	0.75%	0.19%	0.57%
75	0.38%	1.15%	0.28%	0.85%
80	0.65%	1.96%	0.46%	1.39%
85	0.00%	0.00%	0.00%	0.00%
90	0.00%	0.00%	0.00%	0.00%
95	0.00%	0.00%	0.00%	0.00%
100	0.00%	0.00%	0.00%	0.00%
105	0.00%	0.00%	0.00%	0.00%
110	0.00%	0.00%	0.00%	0.00%
115	0.00%	0.00%	0.00%	0.00%
120	0.00%	0.00%	0.00%	0.00%

ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

Table A-6 (cont.)		
Pre-Retirement Mortality Annual Rates		
TRS, SCOERS		
Age	Male	Female
20	0.05%	0.02%
25	0.05%	0.03%
30	0.07%	0.04%
35	0.09%	0.05%
40	0.13%	0.08%
45	0.20%	0.11%
50	0.38%	0.17%
55	0.65%	0.25%
60	1.00%	0.39%
65	1.59%	0.69%
70	2.63%	1.16%
75	0.00%	0.00%
80	0.00%	0.00%
85	0.00%	0.00%
90	0.00%	0.00%
95	0.00%	0.00%
100	0.00%	0.00%
105	0.00%	0.00%
110	0.00%	0.00%
115	0.00%	0.00%
120	0.00%	0.00%
IFAS		
Age	Male	Female
20	0.03%	0.02%
25	0.04%	0.02%
30	0.04%	0.03%
35	0.08%	0.05%
40	0.11%	0.07%
45	0.15%	0.11%
50	0.21%	0.17%
55	0.30%	0.25%
60	0.49%	0.39%
65	0.76%	0.58%
70	0.99%	0.76%
75	0.00%	0.00%
80	0.00%	0.00%
85	0.00%	0.00%
90	0.00%	0.00%
95	0.00%	0.00%
100	0.00%	0.00%
105	0.00%	0.00%
110	0.00%	0.00%
115	0.00%	0.00%
120	0.00%	0.00%

ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

Table A-7 ¹⁾		
Post-Retirement Mortality Annual Rates		
REGULAR, SPECIAL RISK, TRS, SCOERS, IFAS		
Age	Male	Female
20	0.22%	0.02%
25	0.27%	0.02%
30	0.34%	0.04%
35	0.42%	0.07%
40	0.52%	0.11%
45	0.65%	0.17%
50	0.80%	0.28%
55	0.73%	0.40%
60	0.88%	0.65%
65	1.55%	1.05%
70	2.58%	1.75%
75	4.49%	2.96%
80	7.94%	4.95%
85	13.98%	8.53%
90	23.82%	14.51%
95	35.74%	22.37%
100	46.03%	27.31%
105	53.16%	33.71%
110	53.44%	41.93%
115	53.44%	46.00%
120	100.00%	100.00%
ELECTED OFFICERS, SENIOR MANAGEMENT SERVICE SPECIAL RISK ADMINISTRATIVE SUPPORT		
Age	Male	Female
20	0.15%	0.01%
25	0.19%	0.01%
30	0.23%	0.02%
35	0.29%	0.03%
40	0.36%	0.05%
45	0.44%	0.09%
50	0.55%	0.14%
55	0.50%	0.20%
60	0.60%	0.32%
65	1.06%	0.52%
70	1.76%	0.86%
75	3.08%	1.46%
80	5.44%	2.44%
85	9.58%	4.21%
90	16.31%	7.15%
95	24.48%	11.03%
100	31.53%	13.46%
105	36.41%	16.62%
110	36.60%	20.67%
115	36.60%	22.68%
120	91.50%	56.70%

¹⁾ Rates shown are for 2001. Rates are projected to the valuation date using Projection Scale AA.



ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

Table A-8 Disabled Termination (Mortality and Recovery)		
All Groups		
Age	Male	Female
20	2.09%	2.72%
25	2.09%	2.72%
30	2.09%	2.46%
35	2.09%	2.22%
40	2.09%	2.17%
45	2.09%	2.32%
50	2.68%	2.66%
55	3.27%	3.06%
60	3.88%	3.43%
65	4.64%	3.83%
70	5.78%	4.26%
75	7.58%	5.10%
80	10.11%	7.73%
85	13.08%	11.69%
90	16.95%	17.43%
95	24.72%	26.16%
100	31.84%	39.25%
105	36.76%	58.89%

ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

**Table A-9
Other Terminations of Employment Annual Rates**

REGULAR, TRS, SCOERS, IFAS – Male										
Combined Years of Service	Attained Age									
	20	25	30	35	40	45	50	55	60	65
0	32.8%	27.2%	25.8%	25.8%	24.4%	24.4%	23.4%	27.4%	27.4%	27.4%
1	31.8%	23.2%	19.2%	17.9%	15.8%	15.7%	15.2%	18.4%	18.4%	18.4%
2	25.2%	19.1%	15.5%	14.2%	12.0%	11.6%	10.7%	14.1%	14.1%	14.1%
3	18.4%	14.6%	13.2%	12.6%	10.7%	10.3%	9.4%	12.4%	12.3%	12.3%
4	15.8%	12.7%	11.8%	10.9%	9.0%	8.8%	7.9%	9.9%	9.7%	9.7%
5	13.3%	11.0%	10.0%	9.7%	8.4%	7.7%	6.9%	8.9%	8.8%	8.8%
6	12.4%	9.4%	8.6%	8.3%	7.5%	7.2%	6.1%	6.4%	6.3%	6.3%
7	11.7%	8.8%	7.5%	7.2%	6.6%	6.3%	5.6%	5.5%	5.4%	5.4%
8	11.0%	7.7%	6.4%	6.2%	5.8%	5.7%	5.1%	4.9%	4.8%	4.8%
9	10.5%	6.6%	5.8%	5.6%	5.5%	5.4%	4.8%	5.0%	4.9%	4.9%
10 or more	10.9%	6.9%	5.2%	4.7%	3.3%	3.0%	3.3%	5.0%	5.9%	4.1%

REGULAR, TRS, SCOERS, IFAS – Female										
Combined Years of Service	Attained Age									
	20	25	30	35	40	45	50	55	60	65
0	31.9%	28.0%	26.7%	26.7%	25.7%	25.7%	24.4%	27.8%	27.8%	27.8%
1	28.6%	22.0%	18.8%	17.7%	15.5%	15.4%	14.8%	17.6%	17.6%	17.6%
2	23.3%	18.0%	15.3%	14.2%	12.1%	11.9%	11.5%	13.7%	13.7%	13.7%
3	18.3%	14.7%	13.2%	12.6%	10.6%	10.3%	9.2%	11.3%	11.2%	11.2%
4	15.4%	12.9%	11.3%	10.9%	9.1%	8.8%	8.4%	9.7%	9.6%	9.6%
5	15.3%	12.2%	10.7%	10.2%	8.0%	7.7%	7.0%	8.3%	8.2%	8.2%
6	12.4%	10.5%	9.5%	9.2%	7.2%	7.0%	6.5%	7.0%	6.9%	6.9%
7	11.9%	9.7%	8.5%	8.2%	6.6%	6.4%	5.8%	6.3%	6.2%	6.2%
8	11.6%	8.6%	7.9%	7.5%	6.0%	5.8%	5.5%	6.0%	5.9%	5.9%
9	11.3%	7.9%	7.2%	6.9%	5.5%	5.3%	5.1%	5.6%	5.4%	5.4%
10 or more	11.6%	5.3%	5.4%	4.6%	3.3%	3.0%	3.2%	5.4%	7.2%	4.1%

ELECTED COUNTY OFFICERS - Male										
Combined Years of Service	Attained Age									
	20	25	30	35	40	45	50	55	60	65
0	8.2%	8.2%	8.2%	8.2%	8.2%	8.2%	8.2%	8.2%	8.2%	8.2%
1	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%
2	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%
3	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
4	23.9%	23.9%	23.9%	23.9%	23.9%	23.9%	23.9%	23.9%	23.9%	23.9%
5	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%
6	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%
7	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
8	13.8%	13.8%	13.8%	13.8%	13.8%	13.8%	13.6%	13.4%	13.3%	11.5%
9	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.6%	4.4%	4.3%	2.5%
10 or more	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.6%	5.3%	5.2%	3.5%

ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

Table A-9 (cont.) Other Terminations of Employment Annual Rates										
ELECTED COUNTY OFFICERS – Female										
Combined Years of Service	Attained Age									
	20	25	30	35	40	45	50	55	60	65
0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%
2	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
3	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
4	18.1%	18.1%	18.1%	18.1%	18.1%	18.1%	18.1%	18.1%	18.1%	18.1%
5	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
6	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
7	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
8	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	14.9%	14.6%	14.5%	12.8%
9	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.1%	2.8%	2.7%	1.0%
10 or more	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.1%	4.9%	4.8%	3.0%
ELECTED STATE OFFICERS – Male										
Combined Years of Service	Attained Age									
	20	25	30	35	40	45	50	55	60	65
0	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%
1	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%
2	11.7%	11.7%	11.7%	11.7%	11.7%	11.7%	11.7%	11.7%	11.7%	11.7%
3	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
4	21.1%	21.1%	21.1%	21.1%	21.1%	21.1%	21.1%	21.1%	21.1%	21.1%
5	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
6	10.6%	10.6%	10.6%	10.6%	10.6%	10.6%	10.6%	10.6%	10.6%	10.6%
7	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%
8	20.2%	20.2%	20.2%	20.2%	20.2%	20.8%	20.0%	18.7%	18.4%	16.7%
9	6.6%	6.6%	6.6%	6.6%	6.6%	7.2%	6.4%	5.2%	4.9%	3.1%
10 or more	9.6%	9.6%	9.6%	9.6%	9.6%	10.2%	9.4%	8.1%	7.8%	6.1%
ELECTED STATE OFFICERS – Female										
Combined Years of Service	Attained Age									
	20	25	30	35	40	45	50	55	60	65
0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%
2	15.9%	15.9%	15.9%	15.9%	15.9%	15.9%	15.9%	15.9%	15.9%	15.9%
3	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
4	16.3%	16.3%	16.3%	16.3%	16.3%	16.3%	16.3%	16.3%	16.3%	16.3%
5	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
7	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
8	17.8%	17.8%	17.8%	17.8%	17.8%	18.4%	17.6%	16.3%	16.0%	14.3%
9	3.5%	3.5%	3.5%	3.5%	3.5%	4.1%	3.3%	2.1%	1.8%	0.0%
10 or more	10.8%	10.8%	10.8%	10.8%	10.8%	11.4%	10.6%	9.4%	9.1%	7.3%

ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

**Table A-9 (cont.)
Other Terminations of Employment Annual Rates**

JUDICIAL - Male											
Combined Years of Service	Attained Age										
	20	25	30	35	40	45	50	55	60	65	
0	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
1	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
2	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
3	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
4	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%
5	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
6	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
7	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
8	2.6%	2.6%	2.6%	2.4%	2.4%	2.4%	2.1%	1.6%	1.4%	0.9%	0.9%
9	2.6%	2.6%	2.6%	2.4%	2.4%	2.4%	2.1%	1.6%	1.4%	0.9%	0.9%
10 or more	2.6%	2.6%	2.6%	2.4%	2.4%	2.4%	2.1%	1.6%	1.4%	0.9%	0.9%

JUDICIAL – Female											
Combined Years of Service	Attained Age										
	20	25	30	35	40	45	50	55	60	65	
0	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
1	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
2	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
3	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
4	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
5	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
6	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
7	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
8	3.2%	3.2%	3.2%	3.0%	3.0%	3.0%	2.7%	2.2%	2.0%	1.5%	1.5%
9	3.2%	3.2%	3.2%	3.0%	3.0%	3.0%	2.7%	2.2%	2.0%	1.5%	1.5%
10 or more	3.2%	3.2%	3.2%	3.0%	3.0%	3.0%	2.7%	2.2%	2.0%	1.5%	1.5%

SENIOR MANAGEMENT SERVICE – Male											
Combined Years of Service	Attained Age										
	20	25	30	35	40	45	50	55	60	65	
0	24.3%	24.3%	24.3%	24.3%	24.3%	24.3%	24.3%	24.3%	24.3%	24.3%	24.3%
1	27.9%	23.3%	20.7%	19.4%	18.9%	18.8%	18.8%	18.8%	18.8%	18.8%	18.8%
2	24.9%	21.4%	19.3%	18.0%	17.2%	16.9%	16.8%	16.8%	16.8%	16.8%	16.8%
3	19.5%	18.5%	17.7%	17.1%	16.7%	16.4%	16.2%	16.0%	16.0%	16.0%	16.0%
4	15.5%	14.9%	14.5%	13.6%	12.9%	12.6%	12.4%	12.3%	12.2%	12.2%	12.2%
5	9.1%	8.8%	8.4%	8.0%	7.8%	7.1%	6.9%	6.7%	6.7%	6.6%	6.6%
6	8.2%	7.9%	7.5%	7.2%	6.9%	6.7%	6.5%	6.3%	6.3%	6.2%	6.2%
7	7.5%	7.3%	6.9%	6.6%	6.3%	6.1%	5.9%	5.8%	5.7%	5.7%	5.7%
8	6.8%	6.8%	6.5%	6.3%	6.1%	5.9%	5.8%	5.7%	5.6%	5.6%	5.6%
9	5.5%	5.5%	5.3%	5.1%	4.9%	4.8%	4.6%	4.5%	4.4%	4.4%	4.4%
10 or more	4.8%	4.8%	4.1%	3.6%	3.2%	2.9%	3.0%	3.6%	4.4%	2.6%	2.6%

ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

**Table A-9 (cont.)
Other Terminations of Employment Annual Rates**

SENIOR MANAGEMENT SERVICE – Female										
Combined Years of Service	Attained Age									
	20	25	30	35	40	45	50	55	60	65
0	24.3%	24.3%	24.3%	24.3%	24.3%	24.3%	24.3%	24.3%	24.3%	24.3%
1	25.8%	21.7%	19.6%	18.5%	18.1%	18.0%	18.0%	18.0%	18.0%	18.0%
2	22.8%	20.0%	18.3%	17.3%	16.7%	16.5%	16.4%	16.4%	16.4%	16.4%
3	17.3%	16.4%	15.7%	15.2%	14.7%	14.5%	14.3%	14.2%	14.1%	14.1%
4	12.2%	11.7%	11.2%	10.8%	10.5%	10.3%	10.1%	10.0%	9.9%	9.8%
5	10.1%	9.4%	8.8%	8.2%	7.8%	7.5%	7.3%	7.2%	7.1%	7.1%
6	8.8%	8.5%	8.1%	7.8%	7.5%	7.3%	7.1%	6.9%	6.8%	6.8%
7	8.2%	8.1%	7.7%	7.3%	7.1%	6.9%	6.7%	6.6%	6.5%	6.5%
8	7.5%	7.4%	7.0%	6.6%	6.4%	6.1%	5.9%	5.8%	5.7%	5.6%
9	6.3%	6.3%	5.8%	5.5%	5.2%	4.9%	4.7%	4.5%	4.3%	4.3%
10 or more	4.8%	4.9%	3.9%	3.2%	2.7%	2.4%	2.5%	3.3%	5.1%	1.9%

SPECIAL RISK – Male										
Combined Years of Service	Attained Age									
	20	25	30	35	40	45	50	55	60	65
0	19.4%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%
1	12.9%	12.3%	11.8%	11.5%	11.2%	11.1%	11.0%	11.0%	11.0%	11.0%
2	10.7%	10.1%	9.7%	9.3%	9.1%	8.9%	8.8%	8.8%	8.8%	8.8%
3	9.2%	8.6%	8.2%	7.9%	7.4%	7.3%	7.2%	7.2%	7.2%	7.2%
4	7.9%	7.4%	7.1%	6.8%	6.7%	6.5%	6.5%	6.5%	6.5%	6.5%
5	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
6	5.5%	5.5%	5.5%	5.3%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
7	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
8	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
9	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%
10 or more	2.9%	2.9%	2.7%	2.4%	2.3%	2.4%	2.7%	6.2%	6.2%	6.2%

SPECIAL RISK – Female										
Combined Years of Service	Attained Age									
	20	25	30	35	40	45	50	55	60	65
0	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%
1	15.5%	14.2%	13.2%	12.6%	12.2%	12.0%	11.9%	11.9%	11.9%	11.9%
2	12.3%	11.7%	11.2%	10.9%	10.7%	10.5%	10.4%	10.4%	10.4%	10.4%
3	10.3%	9.8%	9.3%	9.0%	8.7%	8.5%	8.4%	8.4%	8.4%	8.4%
4	9.7%	9.2%	8.7%	8.4%	8.0%	7.8%	7.7%	7.7%	7.7%	7.7%
5	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%
6	6.6%	6.6%	6.6%	6.6%	6.6%	6.6%	6.6%	6.6%	6.6%	6.6%
7	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
8	4.7%	4.7%	4.7%	4.6%	4.6%	4.6%	4.5%	4.5%	4.5%	4.5%
9	4.8%	4.8%	4.7%	4.7%	4.7%	4.6%	4.6%	4.5%	4.5%	4.5%
10 or more	2.4%	2.4%	2.1%	1.8%	3.1%	3.1%	2.0%	5.0%	5.0%	5.0%



ACTUARIAL METHODS, PROCEDURES AND ASSUMPTIONS

**Table A-9 (cont.)
Other Terminations of Employment Annual Rates**

SPECIAL RISK ADMINISTRATIVE SUPPORT – Male										
Combined Years of Service	Attained Age									
	20	25	30	35	40	45	50	55	60	65
0	16.2%	15.5%	15.5%	15.5%	15.5%	15.5%	15.5%	15.5%	15.5%	15.5%
1	11.3%	10.8%	10.3%	9.9%	9.7%	9.5%	9.4%	9.4%	9.4%	9.4%
2	10.4%	9.7%	9.3%	8.9%	8.7%	8.5%	8.4%	8.4%	8.4%	8.4%
3	9.7%	9.1%	8.7%	8.3%	7.9%	7.8%	7.7%	7.6%	7.6%	7.6%
4	8.8%	8.3%	8.0%	7.8%	7.6%	7.4%	7.4%	7.4%	7.4%	7.4%
5	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
6	4.4%	4.4%	4.4%	4.2%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
7	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%
8	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%
9	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%
10 or more	3.5%	3.5%	3.3%	3.0%	2.9%	3.0%	3.3%	6.8%	6.8%	6.8%

SPECIAL RISK ADMINISTRATIVE SUPPORT – Female										
Combined Years of Service	Attained Age									
	20	25	30	35	40	45	50	55	60	65
0	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%
1	19.4%	18.0%	17.1%	16.5%	16.1%	15.9%	15.7%	15.7%	15.7%	15.7%
2	17.5%	16.9%	16.5%	16.2%	15.9%	15.8%	15.7%	15.7%	15.7%	15.7%
3	20.3%	19.8%	19.3%	19.0%	18.7%	18.6%	18.4%	18.4%	18.4%	18.4%
4	20.8%	20.2%	19.8%	19.4%	19.0%	18.8%	18.7%	18.7%	18.7%	18.7%
5	18.8%	18.8%	18.8%	18.8%	18.8%	18.8%	18.8%	18.8%	18.8%	18.8%
6	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%
7	17.9%	17.9%	17.9%	17.9%	17.9%	17.9%	17.9%	17.9%	17.9%	17.9%
8	17.8%	17.8%	17.7%	17.7%	17.7%	17.6%	17.6%	17.6%	17.6%	17.6%
9	17.8%	17.8%	17.8%	17.8%	17.7%	17.7%	17.6%	17.6%	17.6%	17.6%
10 or more	18.4%	18.4%	18.1%	17.8%	17.6%	17.7%	18.0%	21.0%	21.0%	21.0%

APPENDIX B

SUMMARY OF PLAN PROVISIONS



FLORIDA RETIREMENT SYSTEM
Actuarial Valuation as of July 1, 2007

This work product was prepared solely for the Department of Management Services for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

SUMMARY OF PLAN PROVISIONS

All actuarial calculations are based upon our understanding of Florida Statutes regarding the retirement provisions of the retirement systems. These provisions are briefly summarized below for reference purposes, along with corresponding references to the Statutes. This summary encompasses the major provisions; it does not attempt to cover all of the detailed provisions.

PART I: FLORIDA RETIREMENT SYSTEM (FRS)

The benefit and contribution provisions of the FRS are set forth in Chapter 121 of the Florida Statutes. Provisions relating to other State-administered retirement systems are set forth in other sections of the Florida Statutes, under Chapters 112, 122, and 238.

EFFECTIVE DATE

The effective date of the Florida Retirement System (FRS) was December 1, 1970. The FRS was created with closure and consolidation of the Teachers' Retirement System, the State and County Officers and Employees' Retirement System, and the Highway Patrol Pension Fund. In 1972, the Judicial Retirement System was also consolidated with the Florida Retirement System. The FRS was created to provide a defined benefit retirement, disability, and survivor program for participating public employees. Social Security coverage is also required for all members.

Beginning in 2002, the FRS became one system with two primary programs, the existing Defined Benefit Program and a defined contribution plan alternative to the defined benefit plan known as the Public Employee Optional Retirement Program (PEORP). The earliest that any member could participate in PEORP was July 1, 2002.

(Section 121.011(2))

MEMBERSHIP

Membership is a condition of employment for all new state, county, or other participating agency employees filling regularly established positions and employed on or after December 1, 1970, or who elected to transfer from an existing System. Employees may be full-time or part-time and can be elected, appointed, or employed in state government, county government, a state university, or a community college. A city or special district may join the FRS at its option.

Effective July 1, 1978, a member in an existing retirement system who is re-employed after termination of employment may remain in that system, provided his or her member contributions have not been withdrawn.

SUMMARY OF PLAN PROVISIONS

Members of the FRS Defined Benefit Program were provided an educational period about their plan choice options prior to a 90-day election period to elect between the Defined Benefit Program and the Public Employee Optional Retirement Program (PEORP). Members newly hired after the election period for their employee group are provided five months after their month of hire to file an election between the two primary programs. Members who do not make an election default into the Defined Benefit Program.

After the period during which a member had the choice to elect the Defined Benefit Program or the PEORP, the employee has one opportunity, at the employee's discretion, to choose to move from the Defined Benefit Program to the PEORP or from the PEORP to the Defined Benefit Program.

(Sections 121.051, 121.4501)

CLASSIFICATION

There are five separate classes of members: Regular Class, Special Risk Class, Special Risk Administrative Support Class, Elected Officers' Class, and Senior Management Service Class. In addition, the Deferred Retirement Option Program is available to members who meet the requirements for normal retirement under the defined benefit program of the FRS.

Regular Class members are members not classified as members of the Special Risk Class, Special Risk Administrative Support Class, Elected Officers' Class, or Senior Management Service Class.

Special Risk Class members are members employed as law enforcement officers, emergency medical technicians, paramedics, firefighters, firefighter trainers, fire prevention inspectors, correctional officers, correctional probation officers, certain professional health care positions within the Department of Children and Family Services and the Department of Corrections, youth custody officers, or correctional officers who meet the criteria set forth in the Florida Retirement System law and rules.

Special Risk Administrative Support Class members are former Special Risk members who have been moved or been re-assigned to non-Special Risk administrative support positions within a Florida Retirement System Special Risk employing agency.

Elected Officers' Class members include the governor, lieutenant governor, cabinet officers, supreme court justices, district court of appeals judges, circuit judges, county court judges, state attorneys, public defenders, and elected county officers. Also included are city and special district officers if the employer chose to place their elected officials in this class. All such elected

SUMMARY OF PLAN PROVISIONS

officers may withdraw from the Florida Retirement System, or elect membership in the Senior Management Service Class or in the Senior Management Service Optional Annuity Program for state officers.

Senior Management Service Class members are members currently participating in the Florida Retirement System who hold positions in the Senior Management Service of the State of Florida; community college presidents; appointed school board superintendents; county and city managers; selected managerial staff of the Legislature; the Auditor General and managerial staff; the Executive Director of the Ethics Commission; the State University System Executive Service and university presidents; selected managerial staff of the State Board of Administration; judges of compensation claims; selected managerial staff with the Judicial Branch; Chief Deputy Court Administrator; capital collateral regional counsels and assistant capital collateral regional counsels; assistant state attorneys; assistant public defenders; assistant statewide prosecutors or assistant attorneys general; and nonelective managerial positions designated for SMSC membership by local government agencies. Members in this class have chosen not to participate in the elective Senior Management Service Optional Annuity Program for state senior managers or to withdraw from the FRS if employed by non-state employers. This class became effective February 1, 1987, and members of an existing retirement system and members of the Special Risk or Special Risk Administrative Support Classes who were employed prior to February 1, 1987 could elect to remain in such system or class.

Deferred Retirement Option Program allows members of the Defined Benefit Program of the Florida Retirement System (FRS) in any of the above five classes to elect to retire and have their FRS benefits accumulate in the FRS Trust Fund, earning interest, while the member continues to work for an FRS employer. DROP membership is for a specific and limited period.

(Sections 121.021(12), 121.0515, 121.052, 121.055, 121.091 (13))

CONTRIBUTIONS

Since January 1, 1975, for the state and for school boards, and since October 1, 1975, for other agencies, the total cost of the System has been paid by the participating employers.

(Section 121.071 (2))

SUMMARY OF PLAN PROVISIONS

The employer contribution rates for the July 1, 2007 – June 30, 2008 plan year are as follows:

Classification	Defined Benefit	PEORP	Blended
Regular	8.62%	9.25%	8.69%
Special Risk	19.53	21.33	19.76
Special Risk Administrative Support Elected Officers'	11.23	11.80	11.39
- Judicial	18.33	19.63	18.40
- State	13.12	13.81	13.32
- County	15.01	16.61	15.37
Senior Management Service	12.13	11.21	11.96
DROP	9.80	N/A	9.80

The above rates exclude the 0.05% administrative charge for PEORP administration and education (except DROP), and the 1.11% for the financing of the health insurance subsidy described later in this part.

The separate Defined Benefit and PEORP rates above were modified by the 2007 Legislature to reflect potential transfers to PEORP and to continue the uniform rate structure for both the primary plans of the FRS. The net result of the legislation was that employers contributed the same rate (i.e. blended) whether the member elected PEORP membership or FRS Defined Benefit Program membership with the anticipated elections to not impact the expected amount of actual FRS defined benefit contributions.

(Section 121.71)

FRS DEFINED BENEFIT PROGRAM

NORMAL RETIREMENT BENEFIT

Eligibility

- Regular Class
 1. 30 years of creditable service at any age.
 2. Age 62 and 6 or more years of creditable service.

(Section 121.021(29)(a))

SUMMARY OF PLAN PROVISIONS

- Special Risk Class
 1. 25 years of special risk service at any age; or
 2. Age 55 and 6 or more years of special risk service; or
 3. Age 52 and 25 years of creditable service, including special risk service and up to a maximum of four years of active duty wartime military service credit.
 4. 30 years of any creditable service, at any age, or age 62 and 6 or more years of creditable service (same requirement as the Regular Class).

(Section 121.021(29)(b))

- Special Risk Administrative Support Class
(with six or more years of Special Risk Class service, the same requirements as apply to the Special Risk Class, otherwise same as apply to the Regular Class)

(Section 121.021(29)(b))

- Elected Officers' Class
(same requirements as apply to Regular Class)

(Section 121.021(29)(d))

- Senior Management Service Class
(same requirements as apply to Regular Class)

(Section 121.021(29)(c))

Normal Form

Straight life benefit (Option 1), payable on the last day of each month, with a guarantee that benefits paid will at least equal member contributions.

(Section 121.091(1))

SUMMARY OF PLAN PROVISIONS

Optional Forms

10-year certain and life benefit (Option 2), 100% joint and survivor benefit (Option 3), or 66-2/3% joint and survivor benefit (Option 4). If the joint annuitant is the member's non-disabled child, payment ceases upon attainment of the joint annuitant's 25th birthday under the 100% and 66- 2/3% joint and survivor benefit.

(Section 121.091(6))

Dual Retirement

In the event a member accumulates retirement benefits to commence at different normal retirement ages by virtue of having performed duties for an employer which would entitle him or her to benefits as both a Special Risk Class member and a member of another class, the amount of the benefits payable shall be computed separately with respect to each such age, and the sum of such computed amounts shall be paid. Note that this does not apply to a Special Risk Administrative Support Class member with at least 6 years of Special Risk Class Membership when the Special Risk and Special Risk Administrative Support Classes are the only memberships held because such a member is treated as a Special Risk Class member.

(Section 121.091(2))

Regular Benefit Amount

The monthly FRS allowance is the product of:

1. Average monthly compensation in the highest five plan years of creditable service;
2. Creditable service during the applicable period; and
3. The appropriate benefit percentage for periods of service.

(Sections 121.021(17), (24) and (25), 121.091(1))

SUMMARY OF PLAN PROVISIONS

The appropriate benefit percentages are as follows:

- For Creditable Service as a Regular Member Subsequent to November 30, 1970:

Retirement at:	Percentage
Age 62 with 6 years of creditable service, or 30 years of creditable service	1.60%
Age 63 with 6 years of creditable service, or 31 years of creditable service	1.63
Age 64 with 6 years of creditable service, or 32 years of creditable service	1.65
Age 65 with 6 years of creditable service, or 33 years of creditable service	1.68

(Section 121.091(1))

- For Service as a Special Risk Class member:

Retirement on or After July 1, 2001 with Service Performed During:	Percentage
December 1, 1970 to September 30, 1974	2.00%
October 1, 1974 and thereafter	3.00

(Section 121.091(1))

SUMMARY OF PLAN PROVISIONS

- For Creditable Service as a Special Risk Administrative Support Class member Subsequent to November 30, 1970:

Retirement at:	Percentage
Age 55 with 6 years of creditable service, or age 52 with 25 years of creditable service, which may include up to four years of active duty wartime military service, or 25 years of creditable service	1.60%
Age 56 with 6 years of creditable service, or age 53 with 26 years of creditable service, which may include up to four years of active duty wartime military service, or 26 years of creditable service	1.63
Age 57 with 6 years of creditable service, or age 54 with 27 years of creditable service, which may include up to four years of active duty wartime military service, or 27 years of creditable service	1.65
Age 58 with 6 years of creditable service, or age 55 with 28 years of creditable service, which may include up to four years of active duty wartime military service, or 28 years of creditable service	1.68

(Section 121.091(1))

- For Service as an Elected Officers' Class member:
3% for each year of creditable service in such class, except 3-1/3% for service in the judicial class. Military service credit is at the rate for Regular Class members.

(Sections 121.052(5)(a) and (d), 121.091(1))

- For Service as a Senior Management Service Class member:
2% for each year of creditable service in such class, after January 31, 1987.

(Section 121.055(4)(d))

SUMMARY OF PLAN PROVISIONS

ADDITIONAL BENEFIT AMOUNT

In addition, members may receive an additional retirement allowance under the pre-1971 existing systems. The benefit is a percentage of average compensation times the creditable service in that system up to November 30, 1970. The system percentages are:

State and County Officers and Employees' Retirement System:

2.00% for creditable service rendered under Division A prior to Social Security coverage; and 1.50% for creditable service rendered under Division B subsequent to Social Security coverage.

Teachers Retirement System:

Plan E: 2.00%

(Sections 121.091(1)(c), 122.28, 238.07(7)(a))

MINIMUM BENEFIT

Eligibility

The month following attainment of age 65 by a pensioner, or, in the case of a beneficiary receiving the survivor's portion of a member's benefit, the 65th anniversary of the deceased member's birth. The member must have earned at least 10 years of creditable service and retired under normal retirement.

Benefit Amount

An eligible benefit recipient will receive a benefit adjustment to bring the benefit to the calculated minimum benefit. Effective July 1, 2007, the minimum monthly benefit is \$23.32 multiplied by years of creditable service prior to application of the reduction factor for electing an optional form of payment. For retirements on or after July 1, 1987, creditable service for the minimum benefit calculation does not include any service earned on or after that date.

(Section 112.362)

SUMMARY OF PLAN PROVISIONS

HEALTH INSURANCE SUBSIDY

A subsidy of \$5 per month per year of creditable service, with a minimum of \$30, and a maximum of \$150 per month, shall be paid to retirees and surviving beneficiaries to subsidize health insurance premiums. This benefit is not indexed with the cost of living.

Further, the benefit is funded separately, on a pay-as-you-go basis, and is not part of this actuarial valuation.

(Section 112.363)

EARLY RETIREMENT

Eligibility

Six years of creditable service for all classes of membership.

(Section 121.021(30))

Benefit Amount

The normal retirement benefit accrued to the date of early retirement, reduced by 5/12% for each month that the early retirement date precedes the normal retirement date based upon age. The normal retirement date is age 62, except for Special Risk Class members, for whom it is age 55.

(Sections 121.021(30), 121.091(3))

NON-DUTY DISABILITY RETIREMENT

Eligibility

Members are eligible if totally and permanently disabled:

After completing at least 8 years of creditable service (or after 6 years if disability retirement is ordered for a judge by the Supreme Court).

SUMMARY OF PLAN PROVISIONS

Benefit Amount

Same as for normal retirement, but based on average monthly compensation and creditable service to the date of disability retirement.

Minimum Benefit Amount

25% of average monthly compensation.

If the Supreme Court orders disability retirement for a judge, the minimum is two-thirds of compensation at disability. This benefit is not paid from the FRS Trust Fund.

(Section 121.091(4))

LINE-OF-DUTY DISABILITY

Eligibility

Members are eligible if totally and permanently disabled during the actual performance of duty. There is no service credit requirement.

Benefit Amount

Same as for normal retirement, but based on average monthly compensation and creditable service to the date of disability retirement.

Minimum Benefit Amount

42% of average monthly compensation, except for the Special Risk and the Special Risk Administrative Support classes whose members are entitled to 65% of average monthly compensation.

If the Supreme Court orders disability retirement for a judge, the minimum is two-thirds of compensation at disability. This benefit is not paid from the FRS Trust Fund.

(Section 121.091(4))

SUMMARY OF PLAN PROVISIONS

POST-RETIREMENT DEATH BENEFITS

Based on the optional form elected.

NON-DUTY PRE-RETIREMENT DEATH BENEFITS

Eligibility

Employment is terminated by death after 6 years of creditable service for all classes of membership.

Benefit Amount

The normal or early retirement benefit amount for which the member would have been eligible had the member retired on his or her date of death and elected the 100% joint and survivor form of payment in favor of his or her beneficiary who is the surviving spouse or other eligible dependent. The monthly benefit is normally payable to the member's beneficiary for the beneficiary's lifetime. If the beneficiary is the member's non-disabled child, payment ceases upon attainment of the beneficiary's 25th birthday.

If the member had completed at least 20 years of creditable service, the reduction for early retirement is applied from the earlier of age 62 (age 55 for Special Risk Class and Special Risk Administrative Support Class members) or the date on which the member would have completed 30 years of creditable service, had he or she continued employment. The value of this benefit may not be less than the member's accumulated contributions, if any.

(Sections 121.091(3) and (7))

LINE-OF-DUTY PRE-RETIREMENT DEATH BENEFITS

Eligibility

Member died during the actual performance of duty. There is no service credit requirement.

SUMMARY OF PLAN PROVISIONS

Benefit Amount

The surviving spouse will receive one-half of the member's monthly compensation at death. If the spouse dies, or if there is no surviving spouse, the monthly benefits continue until the youngest child is 18.

A surviving spouse may elect to receive a non-duty death benefit in lieu of the duty death benefit.

(Section 121.091(7))

VESTING

Eligibility

Six years of creditable service for all classes of membership.

Benefit Amount

The normal or early retirement benefit amount based on average monthly compensation and creditable service to the date of termination.

(Sections 121.021(45), 121.091(5))

DROP – DEFERRED RETIREMENT OPTION PROGRAM

Eligibility

Vested FRS members are eligible for DROP participation upon attaining eligibility for normal retirement. Deferral of DROP participation for all but K-12 Instructional Personnel is allowed if the eligible participant has completed 30 years of service (or 25 years for Special Risk Class members) and has not reached age 57 (or age 52 for Special Risk Class members). In this case the participant can defer participation in DROP until he reaches age 57 (or age 52 for Special Risk Class members). Instructional Personnel in grades K-12 may defer DROP participation to any age. Participants who reached normal retirement before July 1, 1998 were eligible to participate in DROP for up to 60 months (36 months for Special Risk Class members) beginning July 1, 1998.

Effective July 1, 1998, eligible members can retire without terminating their employment during DROP participation. Monthly retirement benefits will be invested in the FRS Trust Fund, earning tax-deferred interest while the member

SUMMARY OF PLAN PROVISIONS

continues to work for a maximum of 60 months. Upon completion of the maximum five-year period, DROP participation ends and participants must terminate employment with all FRS employers. At that time, the participant will receive payment of the accumulated DROP benefits, and begin receiving his FRS monthly retirement benefit (in the same amount as determined at retirement, plus annual cost-of-living increases).

Effective July 1, 2003, participants employed in eligible instructional positions with a district school board, the Florida School for the Deaf and Blind, or a developmental research school can extend their participation beyond their initial 60-month period, for up to an additional 36 months. The employer must approve the request for DROP extension as well as the period of extension granted to an eligible DROP participant, if any, within the 36-month limit.

Disabled While in DROP

Participants that became disabled while participating in DROP will continue to accumulate the same monthly benefit in the FRS Trust Fund until termination. Since the normal retirement benefit commenced upon DROP participation, a disability benefit will not be issued.

Death While in DROP

The designated beneficiary of a participant who dies while participating in DROP will receive all accumulated DROP benefits, and a continuing monthly benefit, if the participant had elected Option 2, 3, or 4. Survivors of DROP participants are not eligible for FRS line-of-duty death benefits.

(Section 121.091 (13))

RETURN OF EMPLOYEE CONTRIBUTIONS

A member who terminates employment but is not eligible to retire, to receive a vested retirement allowance, or to receive a disability pension, or the beneficiary of a member who passed away before satisfying the requirement for a pre-retirement death benefit, will be entitled to a refund of any employee contributions made by the member. No interest is credited on employee contribution accounts.

A vested terminated participant may elect to receive a return of employee contributions in lieu of a retirement benefit.

(Sections 121.071(2)(b), 121.091(7)(a), Sections 121.091(5)(a) and (c))

SUMMARY OF PLAN PROVISIONS

COST-OF-LIVING ADJUSTMENT

Except for the health insurance subsidy, all retirement allowances, including the dollar factor used in the minimum benefit, are increased by 3.0% each July 1. A pro-rated rate may apply in the initial year of applicability.

(Section 121.101)

PUBLIC EMPLOYEE OPTIONAL RETIREMENT PROGRAM

The Public Employee Optional Retirement Program is a defined contribution plan offered to eligible employees as an alternative to the FRS Pension Plan. The plan is authorized under sec. 401(a) of the Internal Revenue Code.

Benefits

Under the Public Employee Optional Retirement Program, benefits accrue in individual member accounts funded entirely by employer contributions and earnings thereon. Benefits are provided through employee-directed investments offered by approved investment providers. Vested benefits are payable upon termination or death as a lump-sum distribution, direct rollover distribution, or periodic distribution. In addition to normal benefits and death benefits, the plan also provides disability coverage as described below.

(Sections 121.4501, 121.591)

CONTRIBUTIONS

The employer contributions deposited in each participant's PEORP account are based upon allocation rates established by law for each membership class. This statutorily prescribed percentage of the participant's gross compensation for the calendar month is deducted from the total amount paid by the employer on behalf of all members in the same class of membership based on the uniform contribution rate established by law. Current PEORP allocation rates are set forth in the following charts. The allocation rates shown in the first chart below do not include the 0.05% charge for PEORP administration and education, the separate employer contribution assessed to fund the PEORP disability program, or the contribution of 1.11% for the financing of the health insurance subsidy described later in this part.

(Sections 121.71, 121.72)

SUMMARY OF PLAN PROVISIONS

The employer allocations to PEORP accounts are based on contribution rates as follows:

Classification	2007-2008 Plan Year Rates
Regular	9.00%
Special Risk	20.00
Special Risk Administrative Support	11.35
Elected Officers	
- Judicial	18.90
- State	13.40
- County	16.20
Senior Management Service	10.95

The employer contribution rates to fund the disability benefit under PEORP are as follows:

Classification	2007-2008 Plan Year Rates
Regular	0.25%
Special Risk	1.33
Special Risk Administrative Support	0.45
Elected Officers	
- Judicial	0.73
- State	0.41
- County	0.41
Senior Management Service	0.26

SUMMARY OF PLAN PROVISIONS

HEALTH INSURANCE SUBSIDY

In addition to retirement or death benefits, eligible PEORP retirees or surviving spouses may receive a subsidy of \$5 per month per year of creditable service, with a minimum of \$30, and a maximum of \$150 per month, to subsidize the cost of health insurance premiums. This benefit is established by law and is not indexed (adjusted for changes in the cost of living). To qualify for this benefit, PEORP members must terminate employment and meet the normal retirement requirements applicable to Defined Benefit Program members as defined under s. 121.021(29).

This benefit is separately funded, on a pay-as-you-go basis, and is not part of this actuarial valuation.

(Section 112.363)

NON-DUTY DISABILITY RETIREMENT

Eligibility

PEORP participants who have completed at least eight years of creditable service (or six years of creditable service if disability retirement is ordered for a judge by the Supreme Court) are eligible for regular disability benefits if they become totally and permanently disabled due to injury or illness suffered while actively employed in an FRS-covered position. Upon approval for disability retirement, the PEORP participant may choose either to retain his/her PEORP account balance or to surrender his/her account balance to the Defined Benefit Program and receive guaranteed lifetime monthly disability benefits, assuming the member remains disabled.

Benefit Amount

If the disabled PEORP participant chooses to retain his/her account balance, he/she may elect to receive the normal benefit payable under PEORP. If he/she elects to surrender the account balance and receive lifetime monthly disability benefits, the amount of each monthly payment is calculated in the same manner as provided for regular disability retirement under the Defined Benefit Program and is subject to the same threshold benefit amounts.

(Sections 121.091(4), 121.591(1) and (2))

SUMMARY OF PLAN PROVISIONS

LINE-OF-DUTY-DISABILITY

Eligibility

PEORP participants are eligible for in-line-of-duty disability benefits if they become totally and permanently disabled due to injury or illness suffered during the actual performance of duty while actively employed in an FRS-covered position. There is no service credit requirement for in-line-of-duty disability benefits. Upon approval for disability retirement, the PEORP member may choose either to retain his/her PEORP account balance or to surrender his/her account balance to the Defined Benefit Program and receive guaranteed lifetime monthly disability benefits, assuming the member remains disabled.

Benefit Amount

If the disabled PEORP participant elects to retain his/her account balance, he/she may elect to receive the normal benefit payable under PEORP. If he/she elects to surrender the account balance and receive lifetime monthly disability benefits, the amount of each monthly payment is calculated in the same manner as provided for line-of-duty disability retirement under the Defined Benefit Program, and is subject to the same threshold benefit amounts.

(Sections 121.091(4), 121.591(1) and (2))

SUMMARY OF PLAN PROVISIONS

PART II: TEACHERS' RETIREMENT SYSTEM (TRS)

The benefit and contribution provisions of the Statutes for this closed system are set forth in Chapter 238 of the Florida Statutes. Certain provisions are from other sections of the Florida Statutes.

EFFECTIVE DATE

The effective date of the Retirement System was July 1, 1939.

(Section 238.02)

MEMBERSHIP

All employees who were teachers in public schools, employees of professional non-profit teachers associations, county superintendents, Department of Education employees and the staff of the Teachers' Retirement System, and who were employed prior to December 1, 1970, are members of the Teachers' Retirement System.

Any member who was hired prior to July 1, 1955, and who did not later elect to join Plan E, retains membership in one of Plans A through D.

Any member who was hired on or after July 1, 1955 and prior to December 1, 1970, or who was hired prior to July 1, 1955 and so elected, is a member of Plan E.

(Sections 238.01(4), 238.05, 238.07(3))

MEMBER CONTRIBUTIONS

All members of Plan E make contributions of 6% of earnable compensation. All members of Plans A through D will make contributions, to be determined by the actuary, to provide the annuities called for by the Statutes. All members contribute 0.25% of earnable compensation for survivor benefits.

(Section 238.09)

SUMMARY OF PLAN PROVISIONS

EMPLOYER CONTRIBUTIONS

The employer will contribute the amount that, when combined with member contributions, will pay the total cost of the benefits payable. This amount, for Plan E, 10.24%; an additional 1.11% is contributed for the financing of the health insurance subsidy described later in this part.

(Section 238.09)

NORMAL RETIREMENT BENEFIT

Eligibility

Plan A: Age 60 and 10 years of creditable service, or 30 years of creditable service at any age.

Plan B: Age 55 and 10 years of creditable service, or 30 years of creditable service at any age.

Plan C: Age 55 and 10 years of creditable service, or 30 years of creditable service at any age.

Plan D: Age 50 and 25 years of creditable service, or 30 years of creditable service at any age.

Plan E:

Members prior to July 1, 1963: Age 60 and 10 years of creditable service, or 30 years of creditable service at any age.

Members on or after July 1, 1963: Age 62 and 10 years of creditable service, or 30 years of creditable service at any age.

(Sections 238.07(2) and (9))

Normal Form

Straight life benefit (Option 1), which will be the total of the pension paid by employer contributions plus an annuity based on the member's accumulated contributions.

(Sections 238.07(4), (5), (6) and (7))

SUMMARY OF PLAN PROVISIONS

Optional Forms

Modified cash refund annuity (Option 2).

100% joint & survivor (Option 3).

50% joint and survivor (Option 4).

(Section 238.08)

Regular Benefit Amount

The monthly allowance is:

Plans A & B:

The product of 1/140 of the member's average final compensation and years of membership service; plus

1/70 of average final compensation multiplied by the years of certified prior service; plus

an annuity based on the actuarial equivalent of the member's accumulated contributions.

(Section 238.07(4))

Plan C:

The product of 1/120 of the member's average final compensation and years of membership service; plus

1/60 of average final compensation multiplied by the years of certified prior service; plus

an annuity based on the actuarial equivalent of the member's accumulated contributions.

(Section 238.07(5))

SUMMARY OF PLAN PROVISIONS

Plan D:

The product of $1/100$ of the member's average final compensation and years of membership service; plus

$1/50$ of average final compensation multiplied by the years of certified prior service; plus

an annuity based on the actuarial equivalent of the member's accumulated contributions.

(Section 238.07(6))

Plan E:

2% of the member's average final compensation multiplied by years of creditable service.

(Section 238.07(7)(a))

Average Final Compensation

The larger of the highest ten-year average compensation in the 15 years preceding retirement, or the career average salary.

(Section 238.01(14))

MINIMUM BENEFIT

If a member retires after 30 years of creditable service, he or she shall receive at least \$100 per month. If a member retires under Plans A, B, or C with 10 or more years of service, but less than 30, he or she shall receive an annual retirement allowance equal to $1/60$ of \$2,400 multiplied by years of creditable service (but not more than \$100 per month).

(Section 238.07(8))

ADDITIONAL MINIMUM BENEFIT

Eligibility

Attainment of age 65 by a pensioner, or, in the case of a beneficiary receiving the pension, the 65th anniversary of the deceased member's birth. The member must have earned at least 10 years of creditable service.

SUMMARY OF PLAN PROVISIONS

Benefit Amount

Effective July 1, 2007, the minimum monthly benefit is \$23.32 times years of creditable service prior to application of the reduction factor for electing an optional form of payment. For retirements on or after July 1, 1987, creditable service for the minimum benefit calculation does not include any service earned on or after that date.

(Section 112.362)

EARLY RETIREMENT BENEFIT

Eligibility

Only members of Plan E are eligible for early retirement. The requirement is age 55 and 10 years of creditable service.

(Section 238.07(2)(e)2)

Benefit Amount

The actuarial equivalent of the retirement benefit accrued at the early retirement date.

(Section 238.07(7)(b))

DISABILITY RETIREMENT

If a member has 10 or more years of creditable service and is certified mentally or physically incapacitated for the performance of duty, and that the disability is permanent, he or she may retire on a disability retirement.

The member shall receive an allowance, as follows:

Plans A, B, C and D: A total retirement allowance equal to the larger of:

1. A factor times average final compensation times years of creditable service;
2. 25% times average final compensation;
3. \$75 per month; and
4. \$40 per year times years of creditable service.

SUMMARY OF PLAN PROVISIONS

However, the disability benefit shall not exceed a factor times average compensation times the possible years of creditable service to the normal retirement date.

The factor is 1/70 for Plans A and B, 1/60 for Plan C, and 1/50 for Plan D.

(Section 238.07(11))

Plan E: The larger of:

1. The accrued benefit based on average final compensation and creditable service at disability; and
2. 25% times average final compensation.

The disability benefit shall not exceed the retirement allowance payable if service had continued to the first date the member would have been eligible for service retirement at the same rate of compensation.

(Section 238.07(11))

HEALTH INSURANCE SUBSIDY

A monthly subsidy of \$5 per month per year of creditable service, with a minimum of \$30, and a maximum of \$150 per month, shall be paid to retirees and surviving beneficiaries to subsidize health insurance premiums. This benefit is not indexed with the cost of living.

Further, this benefit is funded separately, on a pay-as-you-go basis, and is not part of this actuarial valuation.

(Section 112.363)

POST-RETIREMENT DEATH BENEFITS

Based on the optional form elected, plus a \$500 lump sum.

(Sections 238.07(16)(b)(7), 238.08(8))

SUMMARY OF PLAN PROVISIONS

PRE-RETIREMENT DEATH BENEFITS

Payable to Beneficiaries

Minimum Period of Paid Service of Member in Florida as Regular Full-Time Teacher	Beneficiaries of Deceased Member	Benefits
1. One calendar day	Widow or widower who has care of dependent child or children of the deceased member.	\$190 per month for one child; \$250 per month if more than one child; maximum benefit \$250 per month.
2. One calendar day	One or more dependent children if there is no surviving widow or widower.	\$190 per month per child; maximum benefit \$250 per month if more than one child.
3. One calendar day	Dependent parents 65 years of age or older.	For each parent, \$100 per month for life.
4. One calendar day	Designated beneficiary and, if no designated beneficiary, then the executor or administrator of deceased member.	\$500 lump-sum death benefit payable only once.
5. One calendar day	Dependent widow or widower 50 years of age and less than 65 years of age.	\$150 per month for life.
6. Ten Years	Widow or widower 65 years of age or older.	\$175 per month for life.

If the member dies before completing three years of service, the above benefits are reduced for any Social Security benefits payable.

SUMMARY OF PLAN PROVISIONS

The benefits above are payable only if death occurs while in service, or during the following periods after service is terminated:

Years of Service	Period After Florida Service in Which Death Occurs
3 – 5	2 years
6 – 9	5 years
10 or more	10 years

The above restrictions do not apply if the member is receiving disability payments at time of death.

(Section 238.07(16))

Payable to the Surviving Spouse

Before 10 years of service: Return of member contributions with interest.

After 10 years of service: Instead of the death benefit described above, the surviving spouse may elect to receive the return of member contributions with interest or a 100% joint & survivor annuity, calculated assuming the member retired on the date of death.

(Section 238.08(5)(a))

VESTING

Eligibility

After 10 years of creditable service if the member leaves employee contributions in the System.

Benefit Amount

The normal retirement benefit based on average final compensation and creditable service to the retirement date.

(Sections 238.07(9), 238.07(14))

SUMMARY OF PLAN PROVISIONS

DROP – DEFERRED RETIREMENT OPTION PROGRAM

Eligibility

Vested TRS members are eligible for DROP participation upon attaining eligibility for normal retirement. Deferral of DROP participation for all but K-12 Instructional Personnel is allowed if the eligible participant has completed 30 years of service and has not reached age 57. In this case the participant can defer participation in DROP until he reaches age 57. Instructional Personnel in grades K-12 may defer DROP participation to any age. Participants who reached normal retirement before July 1, 1998, were eligible to participate in DROP for up to 60 months beginning July 1, 1998.

Effective July 1, 1998, eligible members can retire without terminating their employment during DROP participation. Monthly retirement benefits will be invested in the FRS Trust Fund, earning tax-deferred interest while the member continues to work for a maximum of 60 months. Upon completion of the maximum five-year period, DROP participation ends and participants must terminate employment with all FRS employers. At that time, the participant will receive payment of the accumulated DROP benefits, and begin receiving his TRS monthly retirement benefit (in the same amount as determined at retirement, plus annual cost-of-living increases).

Effective July 1, 2003, participants employed in eligible instructional positions with a district school board, the Florida School for the Deaf and Blind, or a developmental research school can extend their participation beyond their initial 60-month period, for up to an additional 36 months. The employer must approve the request for DROP extension as well as the period of extension granted to an eligible DROP participant, if any, within the 36-month limit.

Disabled While in DROP

Participants that became disabled while participating in DROP will continue to accumulate the same monthly benefit in the FRS Trust Fund until termination. Since the normal retirement benefit commenced upon DROP participation, a disability benefit will not be issued.

SUMMARY OF PLAN PROVISIONS

Death While in DROP

The designated beneficiary of a participant who dies while participating in DROP will receive all accumulated DROP benefits, and a continuing monthly benefit, if the participant had elected Option 2, 3, or 4. Survivors of DROP participants are not eligible for TRS line-of-duty death benefits.

(Section 121.091 (13))

RETURN OF EMPLOYEE CONTRIBUTIONS

A member who terminates employment but is not eligible to retire will be entitled to a refund of any employee contributions made, with interest.

(Sections 238.07(13), 238.10)

COST-OF-LIVING ADJUSTMENTS

Retirees and beneficiaries of deceased retirees are eligible to receive cost-of-living adjustments identical to those for Florida Retirement System members.

(Section 121.101)

SUMMARY OF PLAN PROVISIONS

PART III: STATE AND COUNTY OFFICERS AND EMPLOYEES' RETIREMENT SYSTEM (SCOERS)

The benefit and contribution provisions of the Statutes are set forth in Chapter 122 of the Florida Statutes. Certain provisions are drawn from other sections of the Florida Statutes. This is a closed system that no longer includes any members in the high hazard or legislative categories.

EFFECTIVE DATE

The effective date of the Retirement System was July 1, 1955.

(Section 122.01(2))

MEMBERSHIP

All full-time employees of the state and its counties not covered by another system who were employed prior to December 1, 1970.

Those members who were hired prior to January 1, 1958 and did not elect to join Division B are in Division A. These members do not contribute to the Social Security system.

Those members who elected to join Division B and those members hired after December 31, 1957 and prior to December 1, 1970 are in Division B. These members contribute to the Social Security system.

(Sections 122.01, 122.24)

MEMBER CONTRIBUTIONS

All members of Division A contribute 6% of salary.

All members of Division B contribute 4% of salary.

(Sections 122.03, 122.27)

EMPLOYER CONTRIBUTIONS

Employer contributions are:

Division A	9.99%
Division B	7.99%

SUMMARY OF PLAN PROVISIONS

To these rates 1.11% is added for the financing of the health insurance subsidy described later in this part.

(Section 122.35)

NORMAL RETIREMENT BENEFIT

Eligibility

Members prior to July 1, 1963: Age 60 and 10 years of service, or 30 years of creditable service.

Members after July 1, 1963: Age 62 and 10 years of service, or 30 years of creditable service.

Members under former Chapters 121 and 134: 30 years of service.

(Sections 122.08(1), 122.08(8), 122.28)

Normal Form

Straight life benefit (Option 1).

(Section 122.08)

Optional Forms

Modified cash refund annuity (Option 2).
50% joint & survivor (Option 3).
100% joint & survivor (Option 4).

(Section 122.08)

Regular Benefit Amount

Division A: The monthly allowance is 2% of average final compensation for each year of service rendered.

SUMMARY OF PLAN PROVISIONS

Division B: 2% of average final compensation for each year of service rendered prior to the effective date of Social Security coverage, plus 1.5% of average final compensation for each year of service rendered after the effective date of Social Security coverage.

(Sections 122.08(1), 122.28(1))

Average Final Compensation

The larger of the highest ten-year average compensation in the fifteen years preceding retirement, or the career average salary.

(Section 122.02(2))

MAXIMUM BENEFIT

Division A: No maximum.

Division B: For those who became members after June 30, 1963, monthly allowance plus Social Security primary insurance amount cannot be greater than 80% of average final compensation. For those who became members before July 1, 1963, there is no maximum.

(Sections 122.28(3), 122.08)

MINIMUM BENEFIT

Eligibility

Attainment of age 65 by a pensioner, or, in the case of a beneficiary receiving the pension, the 65th anniversary of the deceased member's birth. The member must have earned at least ten years of creditable service and retired under normal retirement.

Benefit Amount

Effective July 1, 2007, the minimum monthly benefit is \$23.325 times years of creditable service prior to application of the reduction factor for electing an optional form of payment. For retirements on or after July 1, 1987, creditable service for the minimum benefit calculation does not include any service earned on or after that date.

(Section 112.362)

SUMMARY OF PLAN PROVISIONS

EARLY RETIREMENT BENEFIT

Eligibility

Age 55 and 10 years of service.

(Section 122.08(2)(a))

Benefit Amount

The actuarial equivalent of the retirement benefit accrued at the early retirement date.

(Section 122.08(2)(a))

DISABILITY RETIREMENT

Eligibility

A member who has 10 or more years of service and becomes permanently and totally disabled may retire with a disability pension.

Benefit Amount

The benefit will be the same as the regular benefit amount, except that the benefit will not be less than the lesser of 50% of average final compensation or \$75. This minimum benefit does not apply to an officer or employee who has attained age 60 or is receiving Social Security disability.

(Section 122.09)

Minimum Benefit

A member of Division B shall receive his or her regular benefit amount, but no less than 20% of his or her average final compensation.

(Section 122.28(2))

Form of Benefit

Straight life annuity. No optional form may be elected.

(Section 122.08(6))

SUMMARY OF PLAN PROVISIONS

HEALTH INSURANCE SUBSIDY

A monthly subsidy of \$5 per month per year of creditable service, with a minimum of \$30, and a maximum of \$150 per month, shall be paid to retirees and surviving beneficiaries to subsidize health insurance premiums. This benefit is not indexed with the cost of living.

Further, the benefit is funded separately, on a pay-as-you-go basis, and is not part of this actuarial valuation.

(Section 112.363)

POST-RETIREMENT DEATH BENEFITS

Based on the optional form elected.

(Section 122.08(3))

PRE-RETIREMENT DEATH BENEFITS

Eligibility

When employment is terminated by death after 10 years of service if member was eligible for normal or early retirement.

Benefit Amount

1. If surviving spouse has received a refund of the member's contributions, no benefit is payable.
2. If surviving spouse has not received a refund of the member's contributions, or has repaid the member's contributions, with interest, the spouse is entitled to receive a benefit, calculated assuming the member had retired on his or her date of death and had chosen a 100% joint & survivor option.

(Section 122.08(9))

VESTING

Eligibility

After 10 years of service if member leaves employee contributions in the System.

SUMMARY OF PLAN PROVISIONS

Benefit Amount

The normal or early retirement benefit based on average final compensation and years of service to the date of retirement.

(Section 122.10(1))

DROP – DEFERRED RETIREMENT OPTION PROGRAM

Eligibility

Vested SCOERS members are eligible for DROP participation upon attaining eligibility for normal retirement. Deferral of DROP participation for all but K-12 Instructional Personnel is allowed if the eligible participant has completed 30 years of service, and has not reached age 57. In this case the participant can defer participation in DROP until he reaches age 57. Instructional Personnel in grades K-12 may defer DROP participation to any age. Members who reached normal retirement before July 1, 1998 were eligible to participate in DROP for up to 60 months beginning July 1, 1998.

Effective July 1, 1998, eligible members can retire without terminating their employment during DROP participation. Monthly retirement benefits will be invested in the FRS Trust Fund, earning tax-deferred interest while the member continues to work for a maximum of 60 months. Upon completion of the maximum five-year period, DROP participation ends and participants must terminate employment with all FRS employers. At that time, the participant will receive payment of the accumulated DROP benefits, and begin receiving his SCOERS monthly retirement benefit (in the same amount as determined at retirement, plus annual cost-of-living increases).

Effective July 1, 2007, participants employed in eligible instructional positions with a district school board, the Florida School for the Deaf and Blind, or a developmental research school can extend their participation beyond their initial 60-month period, for up to an additional 36 months. The employer must approve the request for DROP extension as well as the period of extension granted to an eligible DROP participant, if any, within the 36-month limit.

Disabled While in DROP

Participants that became disabled while participating in DROP will continue to accumulate the same monthly benefit in the FRS Trust Fund until termination. Since the normal retirement benefit commenced upon DROP participation, a disability benefit will not be issued.

SUMMARY OF PLAN PROVISIONS

Death While in DROP

The designated beneficiary of a participant who dies while participating in DROP will receive all accumulated DROP benefits, and a continuing monthly benefit, if the participant had elected Option 2, 3, or 4. Survivors of DROP participants are not eligible for SCOERS line-of-duty death benefits.

(Section 121.091 (13))

RETURN OF EMPLOYEE CONTRIBUTIONS

A member who terminates employment but is not eligible to retire, to receive a vested retirement allowance, or to receive a disability pension, or the beneficiary of a member who passed away before satisfying the requirements for a pre-retirement death benefit, will be entitled to a refund of any employee contributions made.

No interest is credited on employee contribution accounts.

(Section 122.10(1))

COST-OF-LIVING BENEFITS

Retirees and beneficiaries of deceased retirees are eligible each July 1 to receive cost-of-living adjustments to their benefits. The adjustments are identical to those for Florida Retirement System members.

(Section 121.101)

SUMMARY OF PLAN PROVISIONS

PART IV: INSTITUTE OF FOOD AND AGRICULTURAL SCIENCES SUPPLEMENTAL RETIREMENT PROGRAM (IFAS)

The benefit and contribution provisions of the Statutes are set forth in Chapter 121 of the Florida Statutes. Certain provisions are drawn from other sections of the Florida Statutes. This is a closed system.

EFFECTIVE DATE

The effective date of the Supplemental Retirement Program was July 1, 1985.

(Section 121.40)

MEMBERSHIP

Employees hired on or before July 1, 1983 who:

- a. hold both state and federal appointments while employed at the Institute,
- b. are not entitled to any benefit from a state-supported retirement system or Social Security based on service as an employee of the Institute, and
- c. are participants in the Federal Civil Service Retirement System.

(Section 122.40)

MEMBER CONTRIBUTIONS

The total cost of the Program is paid by the participating employers.

EMPLOYER CONTRIBUTIONS

Effective July 1, 2007, employer contributions are fixed at 18.75%.

(Section 122.40)

NORMAL RETIREMENT BENEFIT

Eligibility

Age 62 and 10 or more years of creditable service, plus immediate eligibility for retirement benefits under the Federal Civil Service Retirement System (i.e.,



SUMMARY OF PLAN PROVISIONS

attainment of age 55 and completion of at least 30 years of service or attainment of age 60 and completion of at least 20 years of service or attainment of age 62 and completion of at least 5 years of service).

(Section 121.40)

Normal Form

Straight life benefit (Option 1).

(Section 121.40)

Optional Forms

Modified cash refund annuity (Option 2).

50% joint & survivor (Option 3).

100% joint & survivor (Option 4).

(Section 121.40)

Regular Benefit Amount

The sum of (a) and (b) less (c) where:

- a. The amount of a monthly retirement benefit that a participant would be entitled to receive under the Florida Retirement System calculated as follows:

The appropriate benefit percentage multiplied by average monthly compensation in the highest five years of credited service, the product then multiplied by the credited years of service, where the appropriate benefit percentage is as follows;

<u>Retirement at:</u>	<u>Percentage</u>
Age 62 with 10 years creditable service, or 30 years creditable service	1.60%
Age 63 with 10 years creditable service, or 31 years creditable service	1.63
Age 64 with 10 years creditable service, or 32 years creditable service	1.65

SUMMARY OF PLAN PROVISIONS

Age 65 with 10 years creditable service,
or 33 years creditable service 1.68

- b. An amount equal to the monthly primary insurance amount that a participant would be entitled to receive under Social Security had he been covered for Social Security based only on service after December 1, 1970.
- c. The amount of a monthly retirement benefit that a participant would be entitled to receive under the Federal Civil Service Retirement System calculated as follows:

The sum of (i) and (ii) and (iii) below multiplied by average monthly compensation in the highest three years of credited service:

- i.) 1.50% multiplied by the credited years of service, up to 5, earned after December 1, 1970.
- ii.) 1.75% multiplied by the credited years of service earned after December 1, 1970 in excess of 5 years but not more than 5.
- iii.) 2.00% multiplied by the credited years of service earned after December 1, 1970 in excess of 10 years.

Credited Service

Credited service is earned only for employment subsequent to December 1, 1970. It is awarded as follows:

- a. For service from December 1, 1970 through June 30, 1974 one month of credited service will be earned for each calendar month during which the employee is paid a salary payment.
- b. For service from July 1, 1974 through June 30, 1979 one month of credited service will be earned for each calendar month during which the employee is paid at least \$100 in salary payments. In any month that the employee is paid less than \$100 in salary payments, credited service shall be determined by dividing the actual salary payment by \$100.
- c. For service from July 1, 1979 through June 30, 1985 one month of credited service will be earned for each calendar month during which the employee is paid at least \$250 in salary payments. In any month that the employee is paid less than \$250 in salary payments, credited service shall be determined by dividing the actual salary payment by \$250.

SUMMARY OF PLAN PROVISIONS

- d. For service on or after July 1, 1985 one month of credited service will be earned for each calendar month during which the employee is paid a salary payment.

(Section 121.40))

MAXIMUM BENEFIT

No maximum.

MINIMUM BENEFIT

No minimum.

EARLY RETIREMENT BENEFIT

None.

DISABILITY RETIREMENT

None.

HEALTH INSURANCE SUBSIDY

A monthly subsidy of \$5 per month per year of creditable service, with a minimum of \$30, and a maximum of \$150 per month, shall be paid to retirees and surviving beneficiaries to subsidize health insurance premiums. This benefit is not indexed with the cost of living.

Further, the benefit is funded separately, on a pay-as-you-go basis, and is not part of this actuarial valuation.

(Section 112.363)

POST-RETIREMENT DEATH BENEFITS

Based on the optional form elected.

(Section 122.40)

SUMMARY OF PLAN PROVISIONS

PRE-RETIREMENT DEATH BENEFITS

Eligibility

When employment is terminated by death after 10 years of creditable service, or death occurs after termination of employment but while eligible for a terminated vested benefit.

Benefit Amount

The regular benefit amount for which the member would have been eligible had the member retired on his or her date of death and elected the 100% joint and survivor form of payment in favor of his or her surviving spouse or other dependent. The monthly benefit commences upon the beneficiary attaining age 62 and is payable to the member's beneficiary for the beneficiary's lifetime.

(Section 121.40)

VESTING

Eligibility

Attainment of age 60 and 20 or more years of service or attainment of age 55 and 30 or more years of service.

Benefit Amount

The normal retirement benefit accrued to the date of termination. Benefits may not commence prior to age 62.

(Section 121.40)

DROP – DEFERRED RETIREMENT OPTION PROGRAM

Eligibility

IFAS members are not eligible for DROP.

COST-OF-LIVING BENEFITS

Retirees and beneficiaries of deceased retirees are eligible each July 1 to receive cost-of-living adjustments to their benefits. The adjustments are identical to those for Florida Retirement System members.

(Section 121.40)

APPENDIX C

MEMBERSHIP DATA



FLORIDA RETIREMENT SYSTEM
Actuarial Valuation as of July 1, 2007

This work product was prepared solely for the Department of Management Services for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

MEMBERSHIP DATA

This valuation is based upon the membership of the System as of July 1, 2007.

The membership of the System includes employees of the State of Florida and participating political subdivisions. The membership is divided into several categories by System.

Tables C-1 through C-5 present distributions of members receiving service or disability retirement benefits, and of beneficiaries of deceased members. Shown in the tables are the numbers of persons receiving benefits and the total annual benefits received.

Table C-6 summarizes the DROP membership and provides total annual benefits received.

Tables C-7 through C-27 contain summaries of the active members in each category of membership. Values shown in the tables are the numbers of members and their total annual salaries. Table C-27 is the grand total of Tables C-7 through C-26.

Table C-28 presents a summary by System of active membership, payroll, and accumulated employee contributions.

Table C-1
Florida Retirement System
Annuitants at July 1, 2007
Regular and Early Retirement by Age

Age	Men	Women	Total
Number of Persons			
Under 50	1,641	2,112	3,753
50 to 54	2,750	3,416	6,166
55 to 59	8,823	12,719	21,542
60 to 64	17,543	25,684	43,227
65 to 69	19,768	31,843	51,611
70 to 74	17,077	27,207	44,284
75 to 79	13,153	21,932	35,085
80 & Up	13,818	30,008	43,826
Total	94,573	154,921	249,494

Annual Benefits (in Thousands)			
Under 50	\$16,150	\$17,900	\$34,050
50 to 54	62,779	37,152	99,931
55 to 59	203,017	179,281	382,298
60 to 64	396,632	396,918	793,550
65 to 69	379,628	446,436	826,064
70 to 74	320,139	375,340	695,479
75 to 79	246,286	304,254	550,540
80 & Up	222,948	360,553	583,501
Total	\$1,847,579	\$2,117,834	\$3,965,413

Table C-2
Florida Retirement System
Annuitants at July 1, 2007
Disability Retirement by Age

Age	Men	Women	Total
Number of Persons			
Under 50	530	687	1,217
50 to 54	699	1,109	1,808
55 to 59	967	1,602	2,569
60 to 64	1,092	1,730	2,822
65 to 69	670	1,138	1,808
70 to 74	383	553	936
75 to 79	213	363	576
80 & Up	240	482	722
Total	4,794	7,664	12,458

Annual Benefits (in Thousands)			
Under 50	\$7,589	\$7,363	\$14,952
50 to 54	9,834	12,084	21,918
55 to 59	13,041	17,695	30,736
60 to 64	14,214	18,723	32,937
65 to 69	8,169	11,822	19,991
70 to 74	4,322	5,340	9,662
75 to 79	2,352	2,972	5,324
80 & Up	2,297	3,833	6,130
Total	\$61,818	\$79,832	\$141,650

Table C-3
Florida Retirement System
Potential Annuitants at July 1, 2007
Vested Terminated Members by Age for the Regular,
Senior Management, and Elected Officers' Classes

Age	Men	Women	Total
Number of Persons			
Under 30	100	308	408
30 to 34	801	2,744	3,545
35 to 39	2,179	5,834	8,013
40 to 44	3,417	7,950	11,367
45 to 49	5,164	10,987	16,151
50 to 54	5,790	11,978	17,768
55 to 59	4,489	8,799	13,288
60 & Up	<u>2,941</u>	<u>5,957</u>	<u>8,898</u>
Total	24,881	54,557	79,438

Annual Benefits (in Thousands) *			
Under 30	\$258	\$722	\$980
30 to 34	2,839	9,580	12,419
35 to 39	10,737	25,948	36,685
40 to 44	21,549	41,083	62,632
45 to 49	37,325	62,089	99,414
50 to 54	44,628	73,090	117,718
55 to 59	36,545	53,995	90,540
60 & Up	<u>19,853</u>	<u>26,702</u>	<u>46,555</u>
Total	\$173,734	\$293,209	\$466,943

* Deferred to Age 62

Table C-4
Florida Retirement System
Potential Annuitants at July 1, 2007
Vested Terminated Members by Age for the
Special Risk Regular & Administrative Support Classes

Age	Men	Women	Total
Number of Persons			
Under 30	32	13	45
30 to 34	332	135	467
35 to 39	836	311	1,147
40 to 44	1,010	408	1,418
45 to 49	836	332	1,168
50 to 54	559	185	744
55 to 59	171	61	232
60 & Up	79	28	107
Total	3,855	1,473	5,328

Annual Benefits (in Thousands) *			
Under 30	\$252	\$79	\$331
30 to 34	2,649	965	3,614
35 to 39	8,458	2,840	11,298
40 to 44	12,815	4,896	17,711
45 to 49	11,793	4,518	16,311
50 to 54	7,753	2,708	10,461
55 to 59	2,254	769	3,023
60 & Up	976	282	1,258
Total	\$46,950	\$17,057	\$64,007

* Deferred to Age 55

Table C-5
Florida Retirement System
Annuitants and Potential Annuitants at July 1, 2007
All Types of Retirement by System

System	Annuitants	Potential Annuitants	Total
Number of Persons			
Regular	237,498	78,249	315,747
Senior Management	1,500	827	2,327
Special Risk	20,961	5,309	26,270
Special Risk Administrative	154	19	173
Judges	622	38	660
Legislative/Attorneys/Cabinet	163	85	248
County Officials	1,054	239	1,293
Total	261,952	84,766	346,718
Annual Benefits (in Thousands)			
Regular	\$3,392,684	\$446,242	\$3,838,926
Senior Management	59,194	15,480	74,674
Special Risk	580,124	63,871	643,995
Special Risk Administrative	4,704	136	4,840
Judges	39,846	1,858	41,704
Legislative/Attorneys/Cabinet	4,242	944	5,186
County Officials	26,269	2,419	28,688
Total	\$4,107,063	\$530,950	\$4,638,013

Table C-6
Florida Retirement System
Annuitants at July 1, 2007
DROP Members *

Age		Men	Women	Total
Number of Persons				
Under	50	206	62	268
	50 to 54	1,383	1,604	2,987
	55 to 59	4,210	6,339	10,549
	60 to 64	4,450	7,873	12,323
	65 to 69	1,699	3,378	5,077
	70 to 74	116	159	275
	75 to 79	28	39	67
	80 & Up	8	8	16
Total		12,100	19,462	31,562
Annual Benefits (in Thousands)				
Under	50	\$10,329	\$2,260	\$12,589
	50 to 54	57,422	39,578	97,000
	55 to 59	140,503	174,341	314,844
	60 to 64	108,990	153,273	262,263
	65 to 69	30,892	47,392	78,284
	70 to 74	2,208	2,323	4,531
	75 to 79	728	373	1,101
	80 & Up	267	100	367
Total		\$351,339	\$419,640	\$770,979

* Amounts include all DROP applicants processed by the data collection date.

MEMBERSHIP DATA

**Table C-7
Florida Retirement System
Members and Their Salaries at July 1, 2007
FRS - Regular: Men**

AGE	UNDER 5		SERVICE 5 TO 10		SERVICE 10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20	635	7,065,063				
20 to 24	4,987	105,866,195	147	3,631,345		
25 to 29	8,634	263,415,446	2,081	70,404,600	49	1,887,286
30 to 34	6,298	204,311,571	4,776	190,392,759	1,294	54,093,266
35 to 39	5,652	183,718,662	4,913	198,743,240	4,338	204,369,681
40 to 44	5,554	180,864,946	4,358	174,313,610	4,128	190,922,095
45 to 49	5,641	183,271,107	4,796	193,354,100	4,176	192,560,789
50 to 54	5,025	162,721,154	4,761	189,842,711	4,035	182,188,247
55 to 59	4,313	137,403,515	4,200	165,932,280	4,041	179,909,724
60 to 64	2,540	77,671,457	3,078	116,170,630	2,452	107,278,334
65 & UP	1,690	33,172,258	2,211	60,878,574	1,407	47,400,150
TOTALS	50,969	1,539,481,374	35,321	1,363,663,849	25,920	1,160,609,572

AGE	SERVICE 15 TO 20		SERVICE 20 TO 25		SERVICE 25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34	47	2,206,492				
35 to 39	1,317	61,891,831	96	4,522,757		
40 to 44	3,957	206,234,362	1,792	90,372,931	119	6,397,648
45 to 49	4,281	222,001,199	4,266	240,366,098	1,806	97,932,711
50 to 54	4,209	216,245,558	3,915	222,066,800	3,836	228,906,518
55 to 59	3,887	196,929,284	3,293	189,338,331	3,098	189,521,722
60 to 64	2,227	113,717,686	1,530	84,924,300	1,254	78,116,845
65 & UP	866	37,563,744	419	22,760,853	228	13,543,181
TOTALS	20,791	1,056,790,156	15,311	854,352,070	10,341	614,418,625

AGE	SERVICE 30 TO 35		SERVICE 35 TO 40		SERVICE 40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49	107	5,522,607				
50 to 54	1,274	73,823,149	35	1,935,132		
55 to 59	1,514	98,229,308	212	11,869,502	2	79,513
60 to 64	502	33,710,074	188	12,541,012	33	1,966,419
65 & UP	135	9,823,510	106	8,836,760	46	3,195,237
TOTALS	3,532	221,108,648	541	35,182,406	81	5,241,169

AGE	SERVICE 45 TO 50		SERVICE 50 & UP		ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20					635	7,065,063
20 to 24					5,134	109,497,540
25 to 29					10,764	335,707,332
30 to 34					12,415	451,004,088
35 to 39					16,316	653,246,171
40 to 44					19,908	849,105,592
45 to 49					25,073	1,135,008,611
50 to 54					27,090	1,277,729,269
55 to 59					24,560	1,169,213,179
60 to 64					13,804	626,096,757
65 & UP	15	1,083,325	3	262,446	7,126	238,520,038
TOTALS	15	1,083,325	3	262,446	162,825	6,852,193,640



MEMBERSHIP DATA

**Table C-8
Florida Retirement System
Members and Their Salaries at July 1, 2007
FRS - Regular: Women**

AGE	UNDER 5		SERVICE 5 TO 10		SERVICE 10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20	972	8,778,229			1	41,997
20 to 24	11,009	232,041,839	226	5,205,376	2	80,477
25 to 29	22,958	692,220,497	5,548	183,149,821	107	3,609,595
30 to 34	15,087	426,669,183	13,501	483,943,782	3,555	136,041,220
35 to 39	13,905	358,707,156	12,388	414,966,078	11,157	458,927,460
40 to 44	13,199	322,991,057	12,045	367,082,422	9,720	365,985,709
45 to 49	12,167	301,959,079	12,448	373,444,175	10,474	372,697,716
50 to 54	9,490	248,735,727	10,510	324,720,861	9,879	353,836,199
55 to 59	6,707	177,455,720	7,746	242,647,418	7,790	287,106,421
60 to 64	3,125	74,074,460	4,561	133,231,981	3,850	132,087,291
65 & UP	1,764	29,425,912	2,373	49,388,492	1,549	39,394,942
TOTALS	110,383	2,873,058,859	81,346	2,577,780,406	58,084	2,149,809,027

AGE	SERVICE 15 TO 20		SERVICE 20 TO 25		SERVICE 25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24	1	45,079				
25 to 29			1	53,022		
30 to 34	66	2,364,582				
35 to 39	3,353	145,360,346	161	6,847,514	2	65,990
40 to 44	9,356	430,492,031	3,766	176,395,018	159	7,188,419
45 to 49	9,464	410,021,800	8,798	441,574,728	4,009	197,764,650
50 to 54	10,306	434,419,059	8,452	407,490,106	8,860	484,463,393
55 to 59	9,086	393,847,597	8,282	398,388,679	7,140	377,407,638
60 to 64	4,236	175,841,589	3,996	188,676,484	3,247	163,601,643
65 & UP	1,094	33,750,250	724	24,948,890	406	14,363,617
TOTALS	46,962	2,026,142,333	34,180	1,644,374,441	23,823	1,244,855,350

AGE	SERVICE 30 TO 35		SERVICE 35 TO 40		SERVICE 40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49	117	5,442,233				
50 to 54	2,107	117,637,123	26	1,285,819		
55 to 59	2,442	147,703,110	299	15,689,801		
60 to 64	738	39,678,823	272	13,625,233	31	1,406,804
65 & UP	273	10,781,585	130	5,144,643	40	2,091,206
TOTALS	5,677	321,242,874	727	35,745,496	71	3,498,010

AGE	SERVICE 45 TO 50		SERVICE 50 & UP		SERVICE ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20					973	8,820,226
20 to 24					11,238	237,372,771
25 to 29					28,614	879,032,935
30 to 34					32,209	1,049,018,767
35 to 39					40,966	1,384,874,544
40 to 44					48,245	1,670,134,656
45 to 49					57,477	2,102,904,381
50 to 54					59,630	2,372,588,287
55 to 59					49,492	2,040,246,384
60 to 64					24,056	922,224,308
65 & UP	11	569,997	8	628,456	8,372	210,487,990
TOTALS	11	569,997	8	628,456	361,272	12,877,705,249



MEMBERSHIP DATA

**Table C-9
Florida Retirement System
Members and Their Salaries at July 1, 2007
FRS - Special Risk: Men**

AGE	UNDER 5		SERVICE 5 TO 10		SERVICE 10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20	36	817,671				
20 to 24	3,044	102,708,352	61	2,331,649		
25 to 29	4,508	172,637,400	1,611	74,056,697	25	1,154,150
30 to 34	2,989	117,477,458	3,059	153,201,254	1,267	68,857,961
35 to 39	2,076	83,274,549	2,672	136,405,490	3,093	181,160,071
40 to 44	1,297	52,180,361	1,326	66,925,549	1,884	107,882,613
45 to 49	832	33,759,076	816	39,388,716	951	50,557,031
50 to 54	523	21,412,327	612	29,065,569	705	35,071,253
55 to 59	270	11,122,969	401	19,125,886	414	20,430,731
60 to 64	98	3,415,586	194	9,065,375	203	10,371,667
65 & UP	15	484,791	49	2,063,214	60	3,296,338
TOTALS	15,688	599,290,540	10,801	531,629,399	8,602	478,781,815

AGE	SERVICE 15 TO 20		SERVICE 20 TO 25		SERVICE 25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34	17	959,327				
35 to 39	1,513	95,893,882	46	3,356,323		
40 to 44	2,829	184,718,869	1,649	119,309,086	61	4,550,969
45 to 49	1,612	102,933,136	2,226	164,977,086	887	71,349,665
50 to 54	849	50,357,612	1,049	74,347,915	881	71,331,442
55 to 59	397	22,360,311	302	19,452,998	219	15,759,584
60 to 64	199	10,419,800	120	7,542,027	79	5,345,876
65 & UP	43	2,351,404	33	2,075,503	9	711,007
TOTALS	7,459	469,994,341	5,425	391,060,938	2,136	169,048,543

AGE	SERVICE 30 TO 35		SERVICE 35 TO 40		SERVICE 40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49	16	1,605,907				
50 to 54	207	16,443,198	1	100,430		
55 to 59	105	7,936,536	6	530,935		
60 to 64	30	2,258,941	13	1,089,893	2	129,948
65 & UP	6	345,668	1	58,345		
TOTALS	364	28,590,250	21	1,779,603	2	129,948

AGE	SERVICE 45 TO 50		SERVICE 50 & UP		SERVICE ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20					36	817,671
20 to 24					3,105	105,040,001
25 to 29					6,144	247,848,247
30 to 34					7,332	340,496,000
35 to 39					9,400	500,090,315
40 to 44					9,046	535,567,447
45 to 49					7,340	464,570,617
50 to 54					4,827	298,129,746
55 to 59					2,114	116,719,950
60 to 64					938	49,639,113
65 & UP	1	60,818			217	11,447,088
TOTALS	1	60,818			50,499	2,670,366,195



MEMBERSHIP DATA

**Table C-10
Florida Retirement System
Members and Their Salaries at July 1, 2007
FRS - Special Risk: Women**

AGE	UNDER 5		SERVICE 5 TO 10		SERVICE 10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20	10	202,176				
20 to 24	1,040	31,465,382	7	233,570		
25 to 29	1,672	57,281,390	519	21,679,085	8	360,245
30 to 34	985	35,035,845	1,071	47,206,868	342	16,304,253
35 to 39	693	24,484,845	830	37,143,795	956	49,270,923
40 to 44	419	14,908,091	491	22,035,073	571	29,658,292
45 to 49	278	9,906,209	308	13,365,464	390	19,388,142
50 to 54	167	6,262,001	173	7,421,940	247	11,111,197
55 to 59	67	2,571,552	96	4,123,165	126	5,587,930
60 to 64	23	852,397	28	1,054,937	56	2,305,534
65 & UP	2	68,001	9	406,895	14	840,814
TOTALS	5,356	183,037,889	3,532	154,670,792	2,710	134,827,330

AGE	SERVICE 15 TO 20		SERVICE 20 TO 25		SERVICE 25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34	3	235,302				
35 to 39	314	18,464,549	14	768,338		
40 to 44	777	45,179,837	376	24,341,969	5	364,278
45 to 49	512	29,230,674	616	39,496,921	190	12,790,764
50 to 54	317	16,713,654	311	18,575,467	226	14,882,713
55 to 59	119	5,968,401	92	5,117,560	79	4,986,896
60 to 64	43	2,253,299	25	1,303,492	15	1,024,860
65 & UP	5	236,852	6	337,810	1	135,833
TOTALS	2,090	118,282,568	1,440	89,941,557	516	34,185,344

AGE	SERVICE 30 TO 35		SERVICE 35 TO 40		SERVICE 40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49	2	110,993				
50 to 54	26	1,857,757				
55 to 59	25	1,681,555	2	147,884		
60 to 64	3	198,169	2	103,226		
65 & UP	1	51,104				
TOTALS	57	3,899,578	4	251,110		

AGE	SERVICE 45 TO 50		SERVICE 50 & UP		ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20					10	202,176
20 to 24					1,047	31,698,952
25 to 29					2,199	79,320,720
30 to 34					2,401	98,782,268
35 to 39					2,807	130,132,450
40 to 44					2,639	136,487,540
45 to 49					2,296	124,289,167
50 to 54					1,467	76,824,729
55 to 59					606	30,184,943
60 to 64					195	9,095,914
65 & UP					38	2,077,309
TOTALS					15,705	719,096,168



MEMBERSHIP DATA

**Table C-11
Florida Retirement System
Members and Their Salaries at July 1, 2007
FRS - Special Risk Administrative Support: Men**

AGE	SERVICE UNDER 5		SERVICE 5 TO 10		SERVICE 10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34					2	77,810
35 to 39					3	119,896
40 to 44					2	97,034
45 to 49						
50 to 54			1	36,584		
55 to 59					1	41,418
60 to 64			1	33,863		
65 & UP						
TOTALS			2	70,447	8	336,158

AGE	SERVICE 15 TO 20		SERVICE 20 TO 25		SERVICE 25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39	4	164,375				
40 to 44	5	230,413	3	140,471		
45 to 49	1	45,080	2	96,515	2	92,533
50 to 54	2	96,306	4	181,990	6	305,935
55 to 59	2	77,122	2	87,428	1	40,912
60 to 64						
65 & UP	1	39,739				
TOTALS	15	653,035	11	506,404	9	439,380

AGE	SERVICE 30 TO 35		SERVICE 35 TO 40		SERVICE 40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64						
65 & UP						
TOTALS						

AGE	SERVICE 45 TO 50		SERVICE 50 & UP		SERVICE ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34					2	77,810
35 to 39					7	284,271
40 to 44					10	467,918
45 to 49					5	234,128
50 to 54					13	620,815
55 to 59					6	246,880
60 to 64					1	33,863
65 & UP					1	39,739
TOTALS					45	2,005,424



MEMBERSHIP DATA

**Table C-12
Florida Retirement System
Members and Their Salaries at July 1, 2007
FRS - Special Risk Administrative Support: Women**

AGE	SERVICE UNDER 5		SERVICE 5 TO 10		SERVICE 10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34					2	79,906
35 to 39	1	26,915	1	40,474	1	35,121
40 to 44						
45 to 49			1	36,969		
50 to 54						
55 to 59						
60 to 64						
65 & UP						
TOTALS	1	26,915	2	77,443	3	115,027

AGE	SERVICE 15 TO 20		SERVICE 20 TO 25		SERVICE 25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39	2	84,613				
40 to 44	2	85,149	1	49,366		
45 to 49	1	34,187			2	105,816
50 to 54	1	32,738	1	43,307	2	85,192
55 to 59			1	40,218		
60 to 64						
65 & UP						
TOTALS	6	236,687	3	132,891	4	191,008

AGE	SERVICE 30 TO 35		SERVICE 35 TO 40		SERVICE 40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64						
65 & UP						
TOTALS						

AGE	SERVICE 45 TO 50		SERVICE 50 & UP		SERVICE ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34					2	79,906
35 to 39					5	187,123
40 to 44					3	134,515
45 to 49					4	176,972
50 to 54					4	161,237
55 to 59					1	40,218
60 to 64						
65 & UP						
TOTALS					19	779,971



This work product was prepared solely for the Department of Management Services for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

MEMBERSHIP DATA

**Table C-13
Florida Retirement System
Members and Their Salaries at July 1, 2007
EOC - Judicial: Men**

AGE	SERVICE					
	UNDER 5		5 TO 10		10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39	6	830,274	10	1,231,646	4	413,195
40 to 44	3	423,156	12	1,431,351	6	819,532
45 to 49	11	1,493,363	17	2,231,446	14	1,911,253
50 to 54	11	1,411,507	22	3,069,592	23	3,107,272
55 to 59	16	1,718,849	16	2,282,515	22	3,047,826
60 to 64	14	1,675,045	18	2,595,804	24	3,451,088
65 & UP	2	287,368	3	431,052	2	287,368
TOTALS	63	7,839,562	98	13,273,406	95	13,037,534

AGE	SERVICE					
	15 TO 20		20 TO 25		25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44	9	1,211,116				
45 to 49	16	2,211,270	8	1,130,749	1	143,684
50 to 54	28	3,868,270	26	3,639,591	22	3,112,328
55 to 59	28	3,836,217	28	3,988,684	41	5,824,716
60 to 64	31	4,322,163	13	1,851,456	19	2,697,955
65 & UP	5	701,928	1	143,684	3	439,615
TOTALS	117	16,150,964	76	10,754,164	86	12,218,298

AGE	SERVICE					
	30 TO 35		35 TO 40		40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59	5	718,420	1	143,684		
60 to 64	5	710,790				
65 & UP	1	143,684				
TOTALS	11	1,572,894	1	143,684		

AGE	SERVICE					
	45 TO 50		50 & UP		ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39					20	2,475,115
40 to 44					30	3,885,155
45 to 49					67	9,121,765
50 to 54					132	18,208,560
55 to 59					157	21,560,911
60 to 64					124	17,304,301
65 & UP					17	2,434,699
TOTALS					547	74,990,506



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MEMBERSHIP DATA

**Table C-14
Florida Retirement System
Members and Their Salaries at July 1, 2007
EOC - Judicial: Women**

AGE	SERVICE					
	UNDER 5		5 TO 10		10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34	1	144,034			8	1,037,091
35 to 39	5	476,158	4	415,564	8	1,078,599
40 to 44	7	987,918	9	1,105,577	8	1,078,599
45 to 49	10	1,363,711	11	1,467,749	17	2,346,586
50 to 54	11	1,351,114	10	1,345,570	7	989,607
55 to 59	1	143,684	5	701,928	9	1,158,084
60 to 64	1	72,014	1	151,986	3	431,052
65 & UP			1	143,684	1	143,684
TOTALS	36	4,538,633	41	5,332,058	53	7,184,703

AGE	SERVICE					
	15 TO 20		20 TO 25		25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44	5	605,190				
45 to 49	13	1,661,481	13	1,796,269		
50 to 54	16	2,164,549	16	2,254,637	7	981,834
55 to 59	12	1,708,155	17	2,412,561	11	1,550,769
60 to 64	4	574,803	4	566,558	5	718,476
65 & UP	1	143,684				
TOTALS	51	6,857,862	50	7,030,025	23	3,251,079

AGE	SERVICE					
	30 TO 35		35 TO 40		40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59	2	287,368				
60 to 64						
65 & UP						
TOTALS	2	287,368				

AGE	SERVICE					
	45 TO 50		50 & UP		ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34					1	144,034
35 to 39					17	1,928,813
40 to 44					29	3,777,284
45 to 49					64	8,635,796
50 to 54					67	9,087,311
55 to 59					57	7,962,549
60 to 64					18	2,514,889
65 & UP					3	431,052
TOTALS					256	34,481,728



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MEMBERSHIP DATA

**Table C-15
Florida Retirement System
Members and Their Salaries at July 1, 2007
EOC - Legislators/Attorneys/Cabinet: Men**

AGE	SERVICE UNDER 5		SERVICE 5 TO 10		SERVICE 10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34	1	34,392	3	86,916		
35 to 39	2	61,992	2	69,318	4	111,549
40 to 44	1	30,093	7	234,604	1	30,996
45 to 49	3	81,150	8	279,979	1	28,015
50 to 54	2	50,399	2	51,057	6	412,722
55 to 59	1	30,093	6	174,697	4	251,716
60 to 64	4	123,081	3	213,978	3	91,488
65 & UP	2	41,420	3	92,988	1	30,996
TOTALS	16	452,620	34	1,203,537	20	957,482

AGE	SERVICE 15 TO 20		SERVICE 20 TO 25		SERVICE 25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44	1	30,996	1	30,996		
45 to 49	2	61,992	2	61,992		
50 to 54	2	69,318	2	303,972	1	151,986
55 to 59	3	455,958			5	517,950
60 to 64						
65 & UP	1	30,996				
TOTALS	9	649,260	5	396,960	6	669,936

AGE	SERVICE 30 TO 35		SERVICE 35 TO 40		SERVICE 40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59	4	365,964				
60 to 64			1	151,986		
65 & UP			1	151,986		
TOTALS	4	365,964	2	303,972		

AGE	SERVICE 45 TO 50		SERVICE 50 & UP		SERVICE ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34					4	121,308
35 to 39					8	242,859
40 to 44					11	357,685
45 to 49					16	513,128
50 to 54					15	1,039,454
55 to 59					23	1,796,378
60 to 64					11	580,533
65 & UP					8	348,386
TOTALS					96	4,999,731



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MEMBERSHIP DATA

**Table C-16
Florida Retirement System
Members and Their Salaries at July 1, 2007
EOC - Legislators/Attorneys/Cabinet: Women**

AGE	SERVICE		SERVICE		SERVICE	
	UNDER 5	5 TO 10	10 TO 15	15 TO 20	20 TO 25	25 TO 30
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44			1	30,996	2	84,509
45 to 49	2	61,992	1	30,996	2	51,057
50 to 54			2	61,992	1	151,986
55 to 59			3	82,053		
60 to 64	1	30,996	1	30,996		
65 & UP	1	30,996	1	20,061	1	30,996
TOTALS	4	123,984	9	257,094	6	318,548

AGE	SERVICE		SERVICE		SERVICE	
	15 TO 20	20 TO 25	25 TO 30	30 TO 35	35 TO 40	40 TO 45
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49	1	30,996				
50 to 54	2	303,972	2	61,992		
55 to 59					2	294,667
60 to 64	2	182,982			1	20,061
65 & UP					1	30,996
TOTALS	5	517,950	2	61,992	4	345,724

AGE	SERVICE		SERVICE		SERVICE	
	30 TO 35	35 TO 40	40 TO 45	45 TO 50	50 & UP	ALL YEARS
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54	1	23,145				
55 to 59						
60 to 64						
65 & UP						
TOTALS	1	23,145				

AGE	SERVICE		SERVICE		SERVICE	
	45 TO 50	50 & UP	50 & UP	50 & UP	ALL YEARS	ALL YEARS
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44					3	115,505
45 to 49					6	175,041
50 to 54					8	603,087
55 to 59					5	376,720
60 to 64					5	265,035
65 & UP					4	113,049
TOTALS					31	1,648,437



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MEMBERSHIP DATA

**Table C-17
Florida Retirement System
Members and Their Salaries at July 1, 2007
EOC - County Officials: Men**

AGE	SERVICE					
	UNDER 5		5 TO 10		10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24	1	35,334				
25 to 29	6	63,183				
30 to 34	3	241,099	1	44,151		
35 to 39	6	151,181	12	341,842	4	178,478
40 to 44	17	649,945	10	183,844	11	591,395
45 to 49	22	835,174	17	476,316	17	901,372
50 to 54	21	765,911	23	1,049,316	23	1,020,224
55 to 59	15	559,081	20	1,052,315	19	880,289
60 to 64	17	631,572	28	884,602	12	448,695
65 & UP	25	910,529	33	936,438	20	664,927
TOTALS	133	4,843,009	144	4,968,824	106	4,685,380

AGE	SERVICE					
	15 TO 20		20 TO 25		25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39	3	282,986				
40 to 44	8	362,743	3	333,963		
45 to 49	13	507,247	6	432,950	4	415,591
50 to 54	18	934,169	13	592,830	9	905,260
55 to 59	18	1,067,497	9	614,459	11	1,148,063
60 to 64	19	904,463	6	576,128	9	686,791
65 & UP	19	678,497	7	393,985	4	64,094
TOTALS	98	4,737,602	44	2,944,315	37	3,219,799

AGE	SERVICE					
	30 TO 35		35 TO 40		40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54	4	330,371				
55 to 59	9	745,298	2	202,294		
60 to 64	4	423,656				
65 & UP	3	172,018	4	374,329		
TOTALS	20	1,671,343	6	576,623		

AGE	SERVICE					
	45 TO 50		50 & UP		ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24					1	35,334
25 to 29					6	63,183
30 to 34					4	285,250
35 to 39					25	954,487
40 to 44					49	2,121,890
45 to 49					79	3,568,650
50 to 54					111	5,598,081
55 to 59					103	6,269,296
60 to 64					95	4,555,907
65 & UP					115	4,194,817
TOTALS					588	27,646,895



MEMBERSHIP DATA

**Table C-18
Florida Retirement System
Members and Their Salaries at July 1, 2007
EOC - County Officials: Women**

AGE	SERVICE					
	UNDER 5		5 TO 10		10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34	2	30,984	2	85,330		
35 to 39	7	161,692	5	135,693	3	111,547
40 to 44	4	123,324	7	240,067	3	91,721
45 to 49	6	189,158	8	521,170	4	154,999
50 to 54	9	319,291	20	729,284	16	684,486
55 to 59	8	378,337	21	1,173,589	18	1,057,870
60 to 64	10	480,444	13	556,017	14	724,556
65 & UP	7	246,963	9	410,999	15	557,404
TOTALS	53	1,930,193	85	3,852,149	73	3,382,583

AGE	SERVICE					
	15 TO 20		20 TO 25		25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39	3	233,890				
40 to 44	4	185,881	2	192,680	1	100,506
45 to 49	4	191,251	9	715,853	2	154,228
50 to 54	11	515,047	12	802,900	2	202,733
55 to 59	12	856,263	5	431,871	7	487,383
60 to 64	17	1,037,243	3	146,480	7	481,846
65 & UP	1	7,500	1	35,157		
TOTALS	52	3,027,075	32	2,324,941	19	1,426,696

AGE	SERVICE					
	30 TO 35		35 TO 40		40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54	13	1,168,038				
55 to 59	9	747,924	5	502,853		
60 to 64	1	102,578	2	117,998		
65 & UP	1	27,997	1	76,862		
TOTALS	24	2,046,537	8	697,713		

AGE	SERVICE					
	45 TO 50		50 & UP		ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34					4	116,314
35 to 39					18	642,822
40 to 44					21	934,179
45 to 49					33	1,926,659
50 to 54					83	4,421,779
55 to 59					85	5,636,090
60 to 64	1	117,349			68	3,764,511
65 & UP					35	1,362,882
TOTALS	1	117,349			347	18,805,236



MEMBERSHIP DATA

**Table C-19
Florida Retirement System
Members and Their Salaries at July 1, 2007
FRS - Senior Management Service: Men**

AGE	SERVICE					
	UNDER 5		5 TO 10		10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24	1	40,078				
25 to 29	183	7,478,152	2	146,537		
30 to 34	151	6,753,508	67	4,024,821	13	873,779
35 to 39	80	4,442,857	81	5,646,984	76	6,081,001
40 to 44	56	3,553,018	63	4,445,393	87	7,343,962
45 to 49	47	2,966,453	42	2,920,299	66	6,040,540
50 to 54	44	3,826,626	73	6,657,324	84	7,640,618
55 to 59	42	3,244,960	63	5,479,633	112	10,618,681
60 to 64	23	1,944,519	51	4,831,077	62	6,299,877
65 & UP	6	479,249	12	1,042,125	17	1,523,491
TOTALS	633	34,729,420	454	35,194,193	517	46,421,949

AGE	SERVICE					
	15 TO 20		20 TO 25		25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34	2	103,207				
35 to 39	18	1,497,880	1	65,537		
40 to 44	113	10,119,915	25	2,264,992		
45 to 49	120	11,218,165	163	16,051,744	34	3,533,320
50 to 54	108	10,456,881	161	16,050,237	154	17,391,273
55 to 59	96	9,836,812	122	12,659,213	158	17,036,853
60 to 64	64	6,067,040	36	3,709,815	44	4,621,363
65 & UP	24	2,493,230	7	875,481	5	430,980
TOTALS	545	51,793,130	515	51,677,019	395	43,013,789

AGE	SERVICE					
	30 TO 35		35 TO 40		40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49	1	93,632				
50 to 54	35	4,010,349				
55 to 59	76	8,427,757	8	1,074,681		
60 to 64	13	1,880,886	13	1,761,805	1	101,076
65 & UP	4	446,168	2	171,615	3	536,534
TOTALS	129	14,858,792	23	3,008,101	4	637,610

AGE	SERVICE					
	45 TO 50		50 & UP		ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24					1	40,078
25 to 29					185	7,624,689
30 to 34					233	11,755,315
35 to 39					256	17,734,259
40 to 44					344	27,727,280
45 to 49					473	42,824,153
50 to 54					659	66,033,308
55 to 59					677	68,378,590
60 to 64					307	31,217,458
65 & UP					80	7,998,873
TOTALS					3,215	281,334,003



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MEMBERSHIP DATA

Table C-20
Florida Retirement System
Members and Their Salaries at July 1, 2007
FRS - Senior Management Service: Women

AGE	SERVICE UNDER 5		SERVICE 5 TO 10		SERVICE 10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24	1	33,112				
25 to 29	239	9,853,245	3	116,289		
30 to 34	149	6,799,410	105	5,848,174	8	431,266
35 to 39	79	3,523,987	105	6,398,970	98	7,047,931
40 to 44	45	2,158,735	54	3,629,533	96	6,686,617
45 to 49	29	1,649,192	51	3,331,347	66	5,042,447
50 to 54	30	2,092,505	48	4,166,731	63	4,997,481
55 to 59	24	1,855,991	35	2,758,372	50	4,159,879
60 to 64	4	428,110	17	1,126,646	19	1,477,532
65 & UP	3	206,666	7	478,412	6	417,778
TOTALS	603	28,600,953	425	27,854,474	406	30,260,931

AGE	SERVICE 15 TO 20		SERVICE 20 TO 25		SERVICE 25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34	1	53,514				
35 to 39	35	2,420,646	3	237,881		
40 to 44	132	10,560,323	45	3,382,771	2	108,101
45 to 49	126	10,488,898	157	14,407,360	54	4,338,245
50 to 54	103	9,187,817	128	12,404,217	150	15,216,496
55 to 59	66	6,553,972	80	7,896,621	112	10,703,051
60 to 64	27	2,275,457	36	3,345,642	36	3,069,422
65 & UP	8	470,598	1	109,973	1	111,587
TOTALS	498	42,011,225	450	41,784,465	355	33,546,902

AGE	SERVICE 30 TO 35		SERVICE 35 TO 40		SERVICE 40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49	4	337,982				
50 to 54	39	3,326,497	2	182,102		
55 to 59	47	5,096,775	2	317,385		
60 to 64	15	1,727,843	4	213,339		
65 & UP	2	182,227	2	367,879		
TOTALS	107	10,671,324	10	1,080,705		

AGE	SERVICE 45 TO 50		SERVICE 50 & UP		SERVICE ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24					1	33,112
25 to 29					242	9,969,534
30 to 34					263	13,132,364
35 to 39					320	19,629,415
40 to 44					374	26,526,080
45 to 49					487	39,595,471
50 to 54					563	51,573,846
55 to 59					416	39,342,046
60 to 64					158	13,663,991
65 & UP	1	92,767			31	2,437,887
TOTALS	1	92,767			2,855	215,903,746

MEMBERSHIP DATA

**Table C-21
Florida Retirement System
Members and Their Salaries at July 1, 2007
TRS - Teachers' Retirement System: Men**

AGE	SERVICE UNDER 5		SERVICE 5 TO 10		SERVICE 10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64						
65 & UP						
TOTALS						

AGE	SERVICE 15 TO 20		SERVICE 20 TO 25		SERVICE 25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64						
65 & UP						
TOTALS						

AGE	SERVICE 30 TO 35		SERVICE 35 TO 40		SERVICE 40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64			8	687,623	1	139,383
65 & UP			7	643,532	7	603,506
TOTALS			15	1,331,155	8	742,889

AGE	SERVICE 45 TO 50		SERVICE 50 & UP		SERVICE ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64					9	827,006
65 & UP					14	1,247,038
TOTALS					23	2,074,044



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MEMBERSHIP DATA

Table C-22
Florida Retirement System
Members and Their Salaries at July 1, 2007
TRS - Teachers' Retirement System: Women

AGE	SERVICE		SERVICE		SERVICE	
	UNDER 5	5 TO 10	10 TO 15	15 TO 20	20 TO 25	25 TO 30
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64						
65 & UP						
TOTALS						

AGE	SERVICE		SERVICE		SERVICE	
	15 TO 20	20 TO 25	25 TO 30	30 TO 35	35 TO 40	40 TO 45
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64	1	61,224	1	72,257	1	54,550
65 & UP						
TOTALS	1	61,224	1	72,257	1	54,550

AGE	SERVICE		SERVICE		SERVICE	
	30 TO 35	35 TO 40	40 TO 45	45 TO 50	50 & UP	ALL YEARS
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59			7	469,076		
60 to 64			17	1,243,220	5	351,891
65 & UP			5	350,599	3	231,272
TOTALS			29	2,062,895	8	583,163

AGE	SERVICE		SERVICE		SERVICE	
	45 TO 50	50 & UP	50 & UP	50 & UP	ALL YEARS	ALL YEARS
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59					8	541,333
60 to 64	1	82,471			25	1,793,356
65 & UP	1	74,794	1	62,505	10	719,170
TOTALS	2	157,265	1	62,505	43	3,053,859



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MEMBERSHIP DATA

Table C-23
Florida Retirement System
Members and Their Salaries at July 1, 2007
SCOERS - State & County Officers' Employees' R.S.: Men

AGE	SERVICE UNDER 5		SERVICE 5 TO 10		SERVICE 10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64						
65 & UP						
TOTALS						

AGE	SERVICE 15 TO 20		SERVICE 20 TO 25		SERVICE 25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64						
65 & UP						
TOTALS						

AGE	SERVICE 30 TO 35		SERVICE 35 TO 40		SERVICE 40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64			1	46,892	1	34,608
65 & UP						
TOTALS			1	46,892	1	34,608

AGE	SERVICE 45 TO 50		SERVICE 50 & UP		SERVICE ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64					2	81,500
65 & UP						
TOTALS					2	81,500



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MEMBERSHIP DATA

**Table C-24
Florida Retirement System
Members and Their Salaries at July 1, 2007
SCOERS - State & County Officers' Employees' R.S.: Women**

AGE	SERVICE UNDER 5		SERVICE 5 TO 10		SERVICE 10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64						
65 & UP						
TOTALS						

AGE	SERVICE 15 TO 20		SERVICE 20 TO 25		SERVICE 25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64						
65 & UP						
TOTALS						

AGE	SERVICE 30 TO 35		SERVICE 35 TO 40		SERVICE 40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64			1	26,850	1	32,400
65 & UP			1	18,853		
TOTALS			2	45,703	1	32,400

AGE	SERVICE 45 TO 50		SERVICE 50 & UP		SERVICE ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64					2	59,250
65 & UP					1	18,853
TOTALS					3	78,103



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MEMBERSHIP DATA

**Table C-25
Florida Retirement System
Members and Their Salaries at July 1, 2007
IFAS - Institute of Food and Agricultural Sciences: Men**

AGE	SERVICE		SERVICE		SERVICE	
	UNDER 5	5 TO 10	5 TO 10	10 TO 15	10 TO 15	10 TO 15
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64	1	111,155				
65 & UP						
TOTALS	1	111,155				

AGE	SERVICE		SERVICE		SERVICE	
	15 TO 20	20 TO 25	20 TO 25	25 TO 30	25 TO 30	25 TO 30
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54			2	152,022		
55 to 59			16	1,535,464	2	135,685
60 to 64	1	90,669	14	1,269,825	1	79,766
65 & UP			4	415,663		
TOTALS	1	90,669	36	3,372,974	3	215,451

AGE	SERVICE		SERVICE		SERVICE	
	30 TO 35	35 TO 40	35 TO 40	40 TO 45	40 TO 45	40 TO 45
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64						
65 & UP						
TOTALS						

AGE	SERVICE		SERVICE		SERVICE	
	45 TO 50	50 & UP	50 & UP	ALL YEARS	ALL YEARS	ALL YEARS
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54					2	152,022
55 to 59					18	1,671,149
60 to 64					17	1,551,415
65 & UP					4	415,663
TOTALS					41	3,790,249



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MEMBERSHIP DATA

**Table C-26
Florida Retirement System
Members and Their Salaries at July 1, 2007
IFAS - Institute of Food and Agricultural Sciences: Women**

AGE	SERVICE		SERVICE		SERVICE	
	UNDER 5	5 TO 10	10 TO 15	15 TO 20	20 TO 25	25 TO 30
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64						
65 & UP						
TOTALS						

AGE	SERVICE		SERVICE		SERVICE	
	15 TO 20	20 TO 25	25 TO 30	30 TO 35	35 TO 40	40 TO 45
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54			6	399,577	2	182,949
55 to 59			9	673,760	2	116,894
60 to 64			3	249,162		
65 & UP			2	129,448	1	81,880
TOTALS			20	1,451,947	5	381,723

AGE	SERVICE		SERVICE		SERVICE	
	30 TO 35	35 TO 40	40 TO 45	45 TO 50	50 & UP	ALL YEARS
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64						
65 & UP	1	85,612				
TOTALS	1	85,612				

AGE	SERVICE		SERVICE		SERVICE	
	45 TO 50	50 & UP	50 & UP	50 & UP	ALL YEARS	ALL YEARS
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54					8	582,526
55 to 59					11	790,654
60 to 64					3	249,162
65 & UP					4	296,940
TOTALS					26	1,919,282



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MEMBERSHIP DATA

**Table C-27
Florida Retirement System
Distribution of Active Participants
Grand Totals
July 1, 2007**

AGE	SERVICE					
	UNDER 5		5 TO 10		10 TO 15	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20	1,653	16,863,139			1	41,997
20 to 24	20,083	472,190,292	441	11,401,940	2	80,477
25 to 29	38,200	1,202,949,313	9,764	349,553,029	189	7,011,276
30 to 34	25,666	797,497,484	22,585	884,834,055	6,483	276,759,461
35 to 39	22,512	659,860,268	21,023	801,539,094	19,745	908,863,944
40 to 44	20,602	578,870,644	18,383	641,658,019	16,519	711,273,074
45 to 49	19,048	537,535,664	18,524	630,848,726	16,178	651,679,947
50 to 54	15,333	448,948,562	16,257	568,218,531	15,089	601,211,292
55 to 59	11,464	336,484,751	12,612	445,533,851	12,606	514,250,569
60 to 64	5,861	161,510,836	7,994	269,947,892	6,698	264,967,114
65 & UP	3,517	65,354,153	4,711	116,292,934	3,093	94,588,888
TOTALS	183,939	5,278,065,106	132,294	4,719,828,071	96,603	4,030,728,039

AGE	SERVICE					
	15 TO 20		20 TO 25		25 TO 30	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24	1	45,079				
25 to 29			1	53,022		
30 to 34	136	5,922,424				
35 to 39	6,562	326,294,998	321	15,798,350	2	65,990
40 to 44	17,198	890,016,825	7,663	416,814,243	347	18,709,921
45 to 49	16,166	790,637,376	16,266	921,108,265	6,991	388,621,207
50 to 54	15,972	745,364,950	14,100	759,367,560	14,158	838,120,052
55 to 59	13,726	643,497,589	12,259	642,710,104	10,888	625,532,783
60 to 64	6,871	317,748,418	5,786	294,161,369	4,718	260,519,454
65 & UP	2,068	78,468,422	1,205	52,226,447	659	29,912,790
TOTALS	78,700	3,797,996,081	57,601	3,102,239,360	37,763	2,161,482,197

AGE	SERVICE					
	30 TO 35		35 TO 40		40 TO 45	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20						
20 to 24						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49	247	13,113,354				
50 to 54	3,706	218,619,627	64	3,503,483		
55 to 59	4,238	271,940,015	544	30,948,095	2	79,513
60 to 64	1,311	80,691,760	522	31,609,077	75	4,162,529
65 & UP	427	22,059,573	260	16,195,403	99	6,657,755
TOTALS	9,929	606,424,329	1,390	82,256,058	176	10,899,797

AGE	SERVICE					
	45 TO 50		50 & UP		ALL YEARS	
	COUNT	SALARY	COUNT	SALARY	COUNT	SALARY
UNDER 20					1,654	16,905,136
20 to 24					20,527	483,717,788
25 to 29					48,154	1,559,566,640
30 to 34					54,870	1,965,013,424
35 to 39					70,165	2,712,422,644
40 to 44					80,712	3,257,342,726
45 to 49					93,420	3,933,544,539
50 to 54					94,679	4,183,354,057
55 to 59					78,339	3,510,977,270
60 to 64	2	199,820			39,838	1,685,518,269
65 & UP	29	1,881,701	12	953,407	16,080	484,591,473
TOTALS	31	2,081,521	12	953,407	598,438	23,792,953,966



Table C-28
Florida Retirement System
Summary Totals for All Systems
Number, Total Annualized Payroll and Accumulated Employee
Contributions of Active Members by System

<u>System</u>	<u>Number of</u> <u>Members</u>	<u>Total Payroll</u> <u>Payroll</u> (000's omitted)	<u>Accumulated</u> <u>Employee</u> <u>Contributions</u> (000's omitted)
Florida Retirement System			
Regular	524,097	\$20,332,090	\$48,217
Senior Management	6,070	512,802	2,094
Florida Retirement System - Special Risk			
Non-Administrative	66,204	3,501,877	8,408
Administrative	64	2,872	2
Florida Retirement System - Elected Officers' Class			
Judicial	803	112,123	537
Leg. / Atty. / Cabinet	127	6,805	115
County Elected Off.	935	47,559	784
Teachers Retirement System	66	5,234	5,613
State and County Retirement System	5	163	126
Institute of Food and Agricultural Sciences	67	5,836	15
Total	598,438	\$24,527,361	\$65,911
	Average Annual Salary =	\$40,986	

APPENDIX D

PROJECTIONS



FLORIDA RETIREMENT SYSTEM
Actuarial Valuation as of July 1, 2007

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PROJECTIONS

Table D-1 presents a projection of total costs of the employers covered by the Florida Retirement System (exclusive of PEORP) during the five-year period following the actuarial valuation date, July 1, 2007. The contributions shown beginning with plan year 2008-2009 are based on the assumption that the contribution levels calculated in this report and in conjunction with Florida law (see next paragraph) are extended throughout the projection period. The contributions shown for plan year 2007-2008 are based on the rates on page B-4, (after blending) of this report.

Table D-2 projects each existing amortization base as of July 1, 2007. Since the July 1, 1998 actuarial valuation, all UAL in existence as that time are considered to be fully amortized. The UAL amortization payment or credit is made from the surplus for certain post-1998 benefit increases and the 1998 and 2003 experience studies prior to any use of the surplus for contribution rate reductions or any other Florida Retirement System uses.

Table D-3 estimates the available surplus for the next three plan years based on Florida law. The estimates are projections of our July 1, 2007 valuation results, and assume experience occurs as stated in our July 1, 2007 valuation, except that the market value of assets is assumed to earn 7.75% per annum, and some of the stored asset losses will be recognized over this time period.

All three tables also assume that all of the available surplus is used for rate reduction (i.e. applying the 1.49% rate reduction for all classes except DROP.) The amortization methodology recognizes the time value of money.

**Table D-1
Florida Retirement System
Projection of Retirement Costs (Excluding Member Contributions)
July 1, 2007**

(All Amounts in Millions)

	2007 -2008	2008 -2009	2009 -2010	2010 -2011	2011 - 2012
A. Normal Cost *	\$3,022	\$3,106	\$3,187	\$3,265	\$3,340
B. Surplus Utilization	(\$291)	(\$380)	(\$395)	(\$411)	(\$427)
C. Cost for Additional Administrative Charge (for PEORP)	\$0	\$0	\$0	\$0	\$0
D. Total	\$2,731	\$2,726	\$2,792	\$2,854	\$2,913
E. Social Security	\$2,000	\$2,051	\$2,102	\$2,151	\$2,200
F. Grand Total	\$4,731	\$4,777	\$4,894	\$5,005	\$5,113

* Includes DROP contributions on behalf of DROP members.

Table D-2
Florida Retirement System – July 1, 2007 Valuation
Funding of UAL / (Surplus) by Duration of Amortization
 (000 Omitted)
 Years to Amortize Surplus

	FRS	---- Special Risk ----		-- Elected Officers' Class --			Senior	
	Regular	Regular	Administration	Judicial	Leg-Atty-Cab	County	Management	DROP
Outstanding Balance / (Surplus)	(\$23,734,905)	(\$1,892,815)	(\$14,259)	(\$178,462)	(\$20,831)	\$0	\$0	\$17,615,943
Rate Reduction (see Table IV-3)	-1.49%	-1.49%	-1.49%	-1.49%	-1.49%	-1.49%	-1.49%	0.00%
Normal Cost Payroll ¹	\$20,323,774	\$3,501,841	\$2,872	\$112,123	\$6,805	\$47,537	\$512,727	\$0
Annual Payment / (Savings) for PY 2008-2009	(\$314,937)	(\$54,265)	(\$45)	(\$1,737)	(\$105)	(\$737)	(\$7,945)	\$0
Amortization Period Calculated Assuming								
Level Dollar	(26)	(17)	(43)	(29)	(37)	1	1	NA ²
Level Percent of Payroll	(38)	(23)	(72)	(44)	(60)	1	1	NA ²

¹ A separate UAL payroll that includes OAP and ORP members would apply if a UAL existed.

² No annual payment, therefore no amortization period.

* Current annual payment / (savings) will never accumulate to the Surplus if the earned interest rate is 7.75% (N/A for 2007).

Table D-3 Retirement Plan with FRS Rate Stabilization Mechanism Impact of Florida Law on FRS Trust Fund ¹

Updated FY 2008-2009 Forward Based on 07/01/2007 Valuation Results and 07/01/2007 Assets

		In Millions		
		<u>2008 - 09</u>	<u>2009 - 010</u>	<u>2010 - 011</u>
1	Estimated Surplus Available RSM ²	\$174.0	\$378.4	\$583.1
2	Increase in Available Surplus from prior year	\$16.6	\$204.4	\$204.7
3	12% Increase in Special Risk benefits (in pay status before 07/01/2000) ³	(\$21.9)	(\$22.7)	(\$23.2)
4	Special Risk Minimum In-Line-of-Duty Disability Increased to 65% ⁴	\$0.4	\$0.4	\$0.4
5	1993 - 1998 Experience Study Assumption Changes ⁵	\$27.6	\$28.7	\$29.8
6	1998 - 2003 Experience Study Assumption Changes ⁵	<u>\$200.7</u>	<u>\$208.8</u>	<u>\$217.1</u>
	Subtotal [(3) + (4) + (5) + (6)]	\$206.8	\$215.2	\$224.1
7	Across the Board Rate Reduction of -1.49% ⁶	<u>(\$379.8)</u>	<u>(\$395.0)</u>	<u>(\$410.8)</u>
	Total [Subtotal + (7)]	(\$173.0)	(\$179.8)	(\$186.7)
8	Surplus Available After Previously Legislated Rate Reduction and using remaining available surplus for Rate Reduction for all classes but DROP			
	[(1) + Total] =	\$1.0	\$198.6	\$396.4

¹ Numbers exclude contributions to DC Plan

² Projected surplus based on 07/01/2007 valuation results. Using amortization method that reflects interest.

³ Assumed to be paid from surplus. However, if the surplus were to be eliminated there would be an additional cost to the Special Risk Regular Class of 0.60% attributable to the 12% increase in pre-2000 retired benefits.

⁴ Assumed to be paid from surplus. However, if the surplus were to be eliminated there would be an additional cost to the Special Risk Regular Class of -0.01% and an additional cost to the Special Risk Administrative Class of 0.12% attributable to the Increase in the Minimum ILOD Disability Benefit

⁵ Assumed to be paid from surplus. However, if the surplus were to be eliminated there would be an additional charge or credit to each class. See Table IV-8 for details.

⁶ For all classes except DROP; DROP remains at 10.96%. This scenario corresponds with Table IV-3.

APPENDIX E

COMPARISONS/RECONCILIATION



FLORIDA RETIREMENT SYSTEM
Actuarial Valuation as of July 1, 2007

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COMPARISONS/RECONCILIATION

This Appendix contains certain comparative information required by the state. The table below compares actual investment return, aggregate payroll growth, and individual salary increases with the actuarial assumptions.

The next table reconciles the flow of participants from the 2006 actuarial valuation to the 2007 actuarial valuation, while the last table cross-references the required sections of 112.64 with this report.

TABLE E-1			
One-Year Comparisons			
1. Annual Rate of Investment Return on Actuarial Value of Assets			
Period Ending	Actual	Assumed	
June 30, 2005	7.43%	7.75%	
June 30, 2006	8.06%	7.75%	
June 30, 2007	10.16%	7.75%	
2. Annual Rate of Payroll Growth			
Period Ending	Actual ^{1) & 2)}	Assumed ²⁾	
June 30, 2005	4.09%	0.00%	
June 30, 2006	4.72%	0.00%	
June 30, 2007	4.23%	0.00%	
3. Individual Rates of Salary Increases for Regular Members and Special Risk Members			
Year Ended June 30	Rate of Increase During Year		
	Regular Members	Special Risk	Assumed ³⁾
2005	7.0%	10.2%	6.25%
2006	7.7%	9.5%	6.25%
2007	7.6%	7.8%	6.25%

¹⁾ Payroll excludes DROP members for all years

²⁾ Since a UAL does not exist, the payroll base compared is used for normal cost calculations

³⁾ Individual rates vary by age

COMPARISONS/RECONCILIATION

**TABLE E-2
FLORIDA RETIREMENT SYSTEM
DATA RECONCILIATION
(FRS TRUST FUND)**

	Active Members	Disabled Members	Retired Members and Beneficiaries	DROP Participants	Total
Number reported as of July 1, 2006	599,816	12,088	236,652	31,682	880,238
IFAS Members	76	0	118	0	194
New Entrants	73,780	0	0	0	73,780
Retirements	(13,120)	904	20,726	(8,510)	0
DROP	(8,390)	0	0	8,390	0
Terminations, PEORP Transfers and deaths with and without benefit	(53,724)	0	0	0	(53,724)
Cessation of benefit payments	NA	(534)	(8,002)	0	(8,536)
Number reported as of July 1, 2007	598,438	12,458	249,494	31,562	891,952

COMPARISONS/RECONCILIATION

Table E-3
Florida Retirement System
Cross Reference to Section 112.64 Reporting Requirements

Code Ref	1 General Information:	
1.003 (3g)	Includes certification by the enrolled actuary (signed and dated)?	Page 3
1.003 (11)	Do procedures follow commonly accepted procedures and determinations?	Page 3
1.003 (4g)	Disclosure of events not taken into account by actuary?	Page 2
1.003 (4g)	Disclosure of trends not assumed to continue (by actuary)?	Page 2
	2 Assumptions:	
1.003 (3e)	Description and explanation of all actuarial assumptions?	A-1
1.003 (3f)	Is there a comparison of actual to expected salary increases over the preceding 3-year period?	E-1
1.003 (3f)	Is there a comparison of actual to expected investment returns over the preceding 3-year period?	E-1
1.003 (6)	Do assumptions factor in actual experience?	A-1
1.003 (6)	Is impact of inflation considered?	A-7
1.003 (6)	Any consistent experience gains or losses to suggest assumption changes?	NO
1.003 (7)	Listing of changed assumptions?	NA
	3 Plan Provisions & Funding Method:	
1.003 (4c)	Contain a summary of plan provisions?	B-1
1.003 (4d)	Contain a detailed summary of funding method?	A-1
1.003 (5)	Does funding method provide a contribution sufficient to meet the NC and amortize the UAL?	Y(Section IV)
	4 Assets & Method:	
1.003 (3a)	Is the MVA breakdown included (by cash, bonds, stocks, and other)?	II-3
1.003 (3a)	Is the "statement value" breakdown included?	No
1.003 (3a)	Is the derivation of AVA included?	II-5
1.003 (8)	Are administrative expenses being paid on a current basis?	II-4
	Asset reconciliation, including:	
1.003 (4j)	- contributions by source	II-4
1.003 (4j)	- interest and dividends	II-4
1.003 (4j)	- realized gains / (losses)	II-4
1.003 (4j)	- unrealized appreciation	II-4
1.003 (4j)	- pension payments	II-4
1.003 (4j)	- contribution refunds	II-4
1.003 (4j)	- expenses	II-4
1.003 (4j)	- other receipts (identified)	II-4 (transfer)
1.003 (4j)	- other disbursements (identified)	II-4 (PEORP)
	5 UAL & Amortization Schedule:	
1.003 (3b)	Include a plan to amortize any UAL?	IV-1

COMPARISONS/RECONCILIATION

	Does amortization schedule of UAL exist (as of the valuation date) ...	
1.003 (3c)	- on an annual basis for the next 3-years?	NA
1.003 (3c)	- for the final year?	NA
1.003 (3c)	Is a statement as to how method was derived included?	NA
1.003 (3d)	Is a description of actions taken to reduce the UAL included?	NA
	Reconciliation of UAL (must include items below):	
1.003 (4h)	- UAL for prior valuation (w/ start date)	IV-6
1.003 (4h)	- Normal Cost, contributions, & accrued interest	No
1.003 (4h)	- Impact of changes (assumption, funding method, amendments, gain/loss)	IV-6
1.003 (4h)	- UAL for current valuation	IV-6
	6 Results:	
1.003 (4a)	Valuation Date clearly indicated?	I-3 III-3 And Sections IV & V
1.003 (4e)	Are results separated by employee group?	
1.003 (4f)	Is there disclosure of any benefit and expense provided by and/or paid from plan assets for which no liabilities or current costs have been established?	Page 2
1.003 (4i)	Projection of emerging liabilities/cash flow needs for next 10-15 years (optional)	No
1.003 (4l)	Summary of principal results (for current and prior valuation) including:	
	- participant data (counts, total pay, total annual benefits by group)	C-2
	- assets (market and actuarial)	II-4
	- PVB (split: active by decrement, tv, ret & ben, dis, and total)	III-3
	- PV of future benefit payments	III-3
	- AL and UAL, i.e., including amount, date, amortization period	III-3
	- PVVB (by group), non-vested PVAB, Total PVAB	V-3
1.003 (4l)	Reconciliation of PVAB, including:	
	- PVAB at beginning of year	V-5
	- changes due to amendment and/or assumptions	V-5
	- change due to decrease in discount period and benefits accrued	V-5
	- Benefits paid	V-5
	- Other changes	V-5
	- Net increase (decrease)	V-5
	- PVAB at end of year	V-5
1.003 (4l)	Pension Cost	
	- Normal cost (shown for each benefit and amount for admin expense)	IV-5
	- Payment to amortize UAL	IV-7
	- Expected plan sponsor contribution (i.e. total of above pieces with interest, also as % of pay)	IV-7
	- Amount to be contributed by members (total and % of pay)	N/A
1.003 (4l)	Past Contributions	
	- Required plan sponsor & member contribution	V-9
	- Actual contributions made by: plan sponsor, members, other	V-9

COMPARISONS/RECONCILIATION

1.003 (4k)	Active member accumulated contributions with interest	V-4
1.003 (4l)	Net actuarial gain / loss	IV-6
1.003 (4l)	Other (PVFS & PVFC at attained age and at entry age, PVFC from other sources, PVF Expected BP)	III-4
7 Data:		
1.003 (4i)	Are membership demographics and financial statistics included?	C-1
1.003 (4i)	Age/service table for actives included?	C-8
1.003 (4i)	Data reconciliation?	E-2
8 Contribution Rate:		
1.003 (4a)	Applicable beginning and ending dates for recommended contribution indicated?	I-3
1.003 (4b)	Are ER and EE contribution rates adequate to meet benefits?	I-3
1.003 (4b)	Are contribution rate changes necessary to achieve or preserve funding?	No
1.003 (7)	Is the impact of assumption or cost method changes indicated?	NA
1.003 (9)	Were costs to be paid at a later date adjusted for interest and/or salary?	Yes I-3
1.003 (10)	Is the effective date of recommended changes no later than the next fiscal year?	Yes I-3

APPENDIX F

GLOSSARY



FLORIDA RETIREMENT SYSTEM
Actuarial Valuation as of July 1, 2007

This work product was prepared solely for the Department of Management Services for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

The following definitions are largely excerpts from a list adopted in 1981 by the major actuarial organizations in the United States. In some cases the definitions have been modified for specific applicability to the Florida Retirement System.

1. Actuarial Assumptions

Assumptions as to the occurrence of future events affecting pension costs, such as: mortality, withdrawal, disablement, and retirement; changes in compensation; rates of investment earnings, and asset appreciation or depreciation; procedures used to determine the Actuarial Value of Assets; and other relevant items.

2. Actuarial Cost Method

A procedure for determining the Actuarial Present Value of pension plan benefits and expenses and for developing an actuarially equivalent allocation of such value to time periods, usually in the form of a Normal Cost and an Actuarial Liability.

3. Actuarial Gain (Loss)

A measure of the difference between actual experience and that expected based upon a set of Actuarial Assumptions during the period between two Actuarial Valuation dates, as determined in accordance with a particular Actuarial Cost Method.

4. Actuarial Present Value

The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of Actuarial Assumptions.

5. Actuarial Valuation

The determination, as of a valuation date, of the Normal Cost, Actuarial Liability, Actuarial Value of Assets, and related Actuarial Present Values for a pension plan.

6. Actuarial Value of Assets

The value of cash, investments and other property belonging to a pension plan, as used by the actuary for the purpose of an Actuarial Valuation.

7. Actuarially Equivalent

Of equal Actuarial Present Value, determined as of a given date with each value based on the same set of Actuarial Assumptions.

8. Amortization Payment

That portion of the pension plan contribution which is designed to pay interest on and to amortize the Unfunded Actuarial Liability.

- *Level Percent of Pay*
Produces a level series of payments when expressed as a percent of payroll. Cash payment increases in line with payroll growth assumption.
- *Level Dollar*
Produces a decreasing pattern of payments when expressed as a level percent of payroll. Cash payment remains level.

9. Entry Age Actuarial Cost Method

A method under which the Actuarial Present Value of the Projected Benefits of each individual included in an Actuarial Valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit ages. The portion of this Actuarial Present Value allocated to a valuation year is called the Normal Cost. The portion of this Actuarial Present Value not provided for at a valuation date by the Actuarial Present Value of future Normal Costs is called the Actuarial Liability.

10. Normal Cost

That portion of the Actuarial Present Value of pension plan benefits and expenses which is allocated to a valuation year by the Actuarial Cost Method.

11. Actuarial Liability

That portion, as determined by a particular Actuarial Cost Method, of the Actuarial Present Value of pension plan benefits and expenses which is not provided for by future Normal Costs.

12. *Unfunded Actuarial Liability*

The excess of the Actuarial Liability over the Actuarial Value of Assets. When the Actuarial Value of Assets exceed Actuarial Liabilities a surplus exists.

13. *Accrued Benefit*

The amount of an individual's benefit (whether or not vested) as of a specific date, determined in accordance with the terms of a pension plan and based on compensation and service to that date.

14. *Projected Benefits*

Those pension plan benefit amounts which are expected to be paid at various future times under a particular set of Actuarial Assumptions, taking into account such items as the effect of advancement in age and past and anticipated future compensation and service credits.

15. *Unaccrued Benefit*

The excess of an individual's Projected Benefits over the Accrued Benefits as of a specified date.