



THE FLORIDA RETIREMENT SYSTEM
Pension Plan & Other State-Administered Systems

ANNUAL REPORT
JULY 1, 2002- JUNE 30, 2003

STATE OF FLORIDA
DEPARTMENT OF MANAGEMENT SERVICES
Division of Retirement



FLORIDA RETIREMENT SYSTEM
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Jeb Bush
Governor

William S. Simon
Secretary

Erin B. Sjostrom
State Retirement Director

State of Florida
Department of Management Services
Division of Retirement



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INTRODUCTION

Established in 1970 with the consolidation of the then existing state-administered retirement systems, the Florida Retirement System provides retirement, disability, or death benefits to 210,342 retirees or their designated beneficiaries and 26,720 Deferred Retirement Option Program participants, and offers a wide range of information services to 620,164 non-retired members. The primary system is a defined benefit plan for all state, county, district school board, community college and university employees. There are some cities and special districts that participate in the system. Optional retirement programs (defined contribution plans) for some State University System, State Community College System, and Senior Management employees are also available. The Public Employee Optional Retirement Program, a defined contribution plan alternative to the defined benefit plan for non-retired members, became available starting in 2002. Assets of the Florida Retirement System Trust Fund as of June 30, 2003 were valued at approximately \$102.7 billion.

This annual report, which covers the period from July 1, 2002 through June 30, 2003, provides comprehensive information about the system, including statements of financial condition, investment objectives and policy, an actuarial report, historical and statistical information on active members, annuitants and benefit payments, as well as a description of the retirement plans. The "Highlights and Legislation" section presents summaries of fiscal and membership reports and an overview of retirement-related legislation that was passed during the 2003 Legislative session.



Management of Florida's state-administered retirement systems is accomplished through the Division of Retirement. The Governor appoints the Secretary of the Department of Management Services who appoints the State Retirement Director. Management of the state-administered retirement systems involved the following individuals:

William S. Simon
Secretary

Erin B. Sjostrom
Director

Vacant
Assistant Director

STAFF ACTIVITIES

Mark Morton, Manager
Management Review Section

Jerry Haynes, Manager
Administrative Services

BUREAUS

Pat Connolly, Chief
Bureau of Benefit Payments

Maurice Helms, Chief
Bureau of Retirement Calculations

David Jones, Chief
Bureau of Local Retirement Systems

Sarabeth Snuggs, Chief
Bureau of Enrollment and Contributions

Division of Retirement
Cedars Executive Center
2639 North Monroe Street – Bldg. C
Tallahassee, Florida 32399-1560



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Terms and Abbreviations

The following are terms and abbreviations used in this annual report:

Accumulated Contributions – The total amount of contributions posted to the accounts of active members over their employment career, including interest on the contributions for members of the Teachers' Retirement System.

Active Member – Any employee on the May or June payroll who had not retired or had not been refunded his accumulated contributions as of June 30.

Annualized Benefits – The monthly benefit paid on June 30 multiplied by 12.

Annual Payroll – The total salaries paid during the fiscal year to the members indicated.

Annuitant – Retired person or the survivor of a retired person who is receiving monthly benefits.

Combined Systems – Teachers' Retirement System, State and County Officers and Employees' Retirement System, Highway Patrol Pension Trust Fund, Judicial Retirement System, and the Florida Retirement System since 1970.

DROP – Deferred Retirement Option Program.

FRS – Florida Retirement System.

REGULAR – Regular Class.

SPECIAL RISK – Special Risk Class.

SPECIAL RISK ADM. SUP. – Special Risk Administrative Support Class.

ELECTED OFFICERS' CLASS – Elected Officers' Class.

SMSC – Senior Management Service Class.

FRS DB Plan – Florida Retirement System Defined Benefit Plan – Also known as the Florida Retirement System Pension Plan.

HIS – Health Insurance Subsidy.

HWY PATROL – Highway Patrol Pension Fund.

IFAS – Institute of Food and Agricultural Sciences.

Inactive Members – All members who had contributions posted to their accounts on June 30, except active members, retired members, and members who had received a partial refund of their contributions, as of June 30.

JRS – Judicial Retirement System.

PEORP – Public Employee Optional Retirement Program – also known as Florida Retirement System Investment Plan.

Retirees – Retired members (does not include joint annuitants or survivors).

SCOERS – State and County Officers and Employees' Retirement System.

SMSOAP – Senior Management Service Optional Annuity Program.

SUSORP – State University System Optional Retirement Program.

TRS – Teachers' Retirement System.

TRS-SB – Teachers' Retirement System Survivors' Benefit.

UAL – Unfunded Actuarial Liability – The difference between the actuarial assets of the system and the benefits required to be paid in the future.



HIGHLIGHTS AND LEGISLATION



Highlights

MEMBERSHIP AND PAYROLL

For the previous fiscal year the membership decreased 0.15%, the annual payroll increased 3.10%, and the average annual salary increased 2.91%.

	2002*	as of June 30 2003*	% Increase
Members	611,455	620,164	1.42
Annual Payroll	\$19,803,227,254	20,656,776,573	4.31
Average Annual Salary	\$32,920	33,948	3.12

For the previous fiscal year there were no changes in the FRS Investment Plan in membership, the annual payroll, or the average annual salary since membership was not effective until July 1, 2002.

	2002*	as of June 30 2003*	% Increase
Members	0	24,785	N/A
Annual Payroll	\$0	\$759,127,937	N/A
Average Annual Salary	\$0	\$31,810	N/A

For the previous fiscal year the FRS Pension Plan membership decreased 0.15%, the annual payroll increased 3.10%, and the average annual salary increased 2.91%.

	2002*	as of June 30 2003*	% Increase
Members	611,455	595,379	-2.63
Annual Payroll	\$19,803,227,254	\$19,897,648,635	0.48
Average Annual Salary	\$32,920	\$34,037	3.39

ANNUITANTS AND BENEFIT PAYMENTS FOR THE FRS PENSION PLAN

The increase in benefit payments is the result of several factors: (1) an increase in number of new retirees; (2) higher salaries; and (3) cost-of-living adjustments to retirees. The figures below include disability payments, IFAS, General Revenue, and TRS-SB, but do not include refunds of member contributions.

	2002*	as of June 30 2003*	% Increase
Annuityants	199,997	210,342	5.17
Benefit Payments (Annualized)	\$2,559,886,848	\$2,786,884,017	8.87
Average Benefits (Annualized)	\$12,800	\$13,249	3.51

DISABILITIES

	2002*	as of June 30 2003*	% Increase
Disabled Retirees	11,881	12,406	4.42
Benefit Payments (Annualized)	\$107,322,261	\$116,996,544	9.01
Average Benefits (Annualized)	\$9,033	\$9,431	4.41

DEFERRED RETIREMENT OPTION PROGRAM

	2002*	as of June 30 2003*	% Increase
DROP Participants	28,389	26,720	-5.88
Annual Payroll	\$1,466,491,488	\$1,403,026,540	-4.33
Employer Contributions	\$169,526,416	\$113,132,730	-33.27
DROP Accrued Liability	\$1,532,945,409	\$1,262,931,035	-17.61

* Excludes DROP participants who are retired under the FRS.



**ALL TRUST FUNDS ADMINISTERED
STATEMENT OF FUND BALANCE**

as of June 30

	<u>2002</u>	<u>2003</u>
Florida Retirement System Trust Fund	\$88,141,992,859	\$88,348,993,080
IFAS Supplemental Retirement Program Trust Fund	14,408,980	14,488,182
Health Insurance Subsidy Trust Fund	101,289,143	134,049,348
SUS Optional Retirement Program Trust Fund	241,475	264,062
Senior Management Service Optional Annuity Program Trust Fund	1,005	17,868
General Revenue Appropriation	—	—
Police Officers and Firefighters' Premium Tax Trust Fund	38,934,000	42,624,438
Total Fund Balance	<u>\$88,296,867,462</u>	<u>\$88,540,436,978</u>



Highlights

FLORIDA RETIREMENT SYSTEM TRUST FUND ADDITIONS, DEDUCTIONS & NET ASSETS

as of June 30

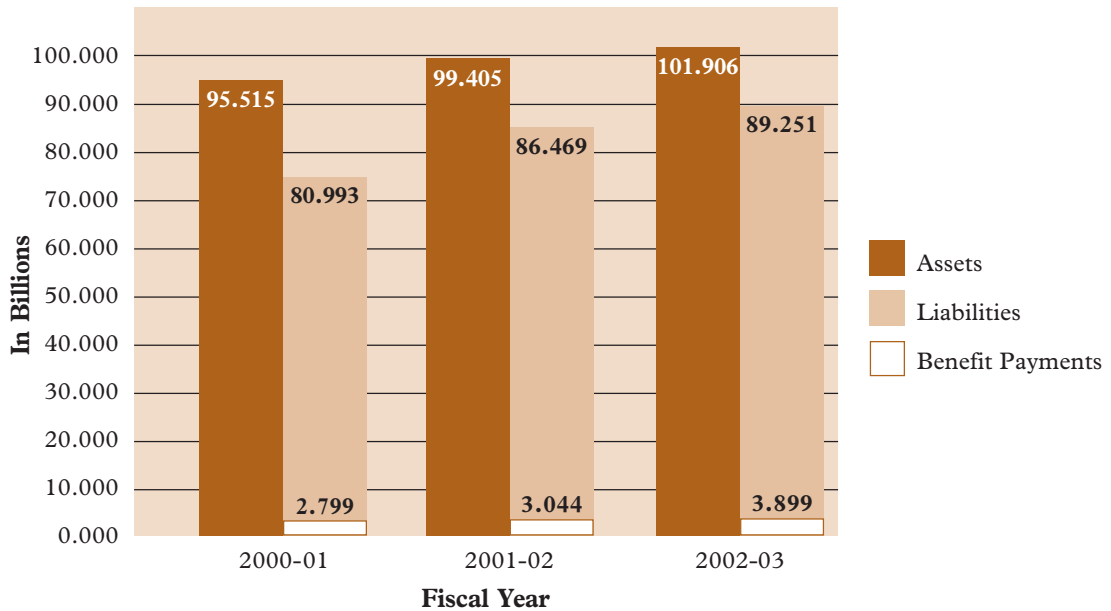
	2002	2003
Additions		
Contributions		
Pension Contributions - State	\$448,800,182	\$371,658,690
Pension Contributions - Non-State	1,328,549,073	1,429,785,255
Pension Contributions - Employee	36,106,293	1,055,490
	<u>1,813,455,548</u>	<u>1,802,499,435</u>
Transfers from Other Funds		
Optional Annuity Program	179	—
Preservation of Benefits Plan	24,466	—
General Revenue	8,587,667	9,572,393
Savings Bonds	530	—
Social Security	—	—
PEORP	—	9,672,502
Property Transfers In	23,871	2,555
	<u>1,822,092,261</u>	<u>1,821,746,886</u>
Total Contributions		
Investment Income		
Net Appreciation/(Depreciation)		
In Fair Value of Investments	(10,233,245,656)	471,177,214
Interest Income	1,489,423,128	1,257,834,535
Dividends	700,636,053	854,888,039
Real Estate Operating Income, Net	266,235,365	248,542,342
Other Investment Income	15,848,002	6,253,908
	<u>(7,761,103,108)</u>	<u>2,838,696,037</u>
Less Investment Activity Expense	152,414,606	164,006,364
	<u>(7,913,517,714)</u>	<u>2,674,689,673</u>
Net Income from Investment Activity		
Security Lending Activities		
Security Lending Income	262,339,757	157,928,151
Security Lending Expense	212,595,615	123,299,719
	<u>49,744,142</u>	<u>34,628,432</u>
Net Income from Security Lending		
	<u>(6,041,681,311)</u>	<u>4,531,064,991</u>
Total Additions		
Deductions		
Benefit Payments	3,044,287,975	3,889,614,092
Benefit Payments - GR Funded	8,587,667	9,572,502
Refunds of Contributions	3,890,449	3,455,273
Transfers Out W/I Dept	472,417	556,640
Transfers to Other Departments	22,110,146	32,049,704
Transfers to Other Departments - PEORP	—	362,865,323
Property Dispositions	47,650	1,028,859
Depreciation Expense	1,103,254	411,167
Administrative Expenses	14,918,054	14,511,208
	<u>3,095,417,612</u>	<u>4,324,064,769</u>
Total Deductions		
Net Increase (Decrease)		
	<u>(9,137,098,923)</u>	<u>207,000,222</u>
Net Assets Held in Trust For Pension Benefits		
Beginning of Year	97,279,091,782	88,141,992,859
End of Year	<u>\$88,141,992,859</u>	<u>88,348,993,081</u>



Highlights

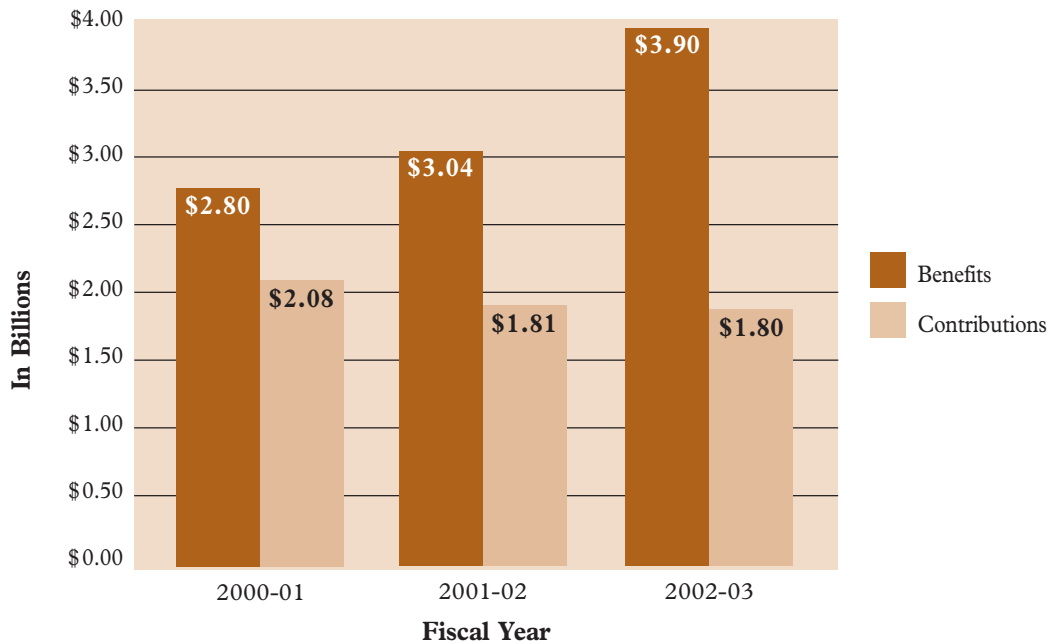
FRS TOTAL ACTUARIAL ASSETS COMPARED TO FRS TOTAL ACTUARIAL LIABILITIES

This chart illustrates the overall financial health of the FRS defined benefit plan. Annual benefit payments are identified as part of the total liabilities.



BENEFIT PAYMENTS COMPARED TO TOTAL CONTRIBUTIONS

The actuarial assets of the FRS defined benefit plan have exceeded the actuarial liability of the system since 1998. Lower contributions have been required because the Legislature authorized the use of surplus actuarial assets to offset employer contributions that would otherwise be required. Benefit payments are increasing due to an increased number of retirees, higher salaries and annual cost-of-living increases. Consequently total annual benefit payments now exceed 100% of contributions collected from employers.

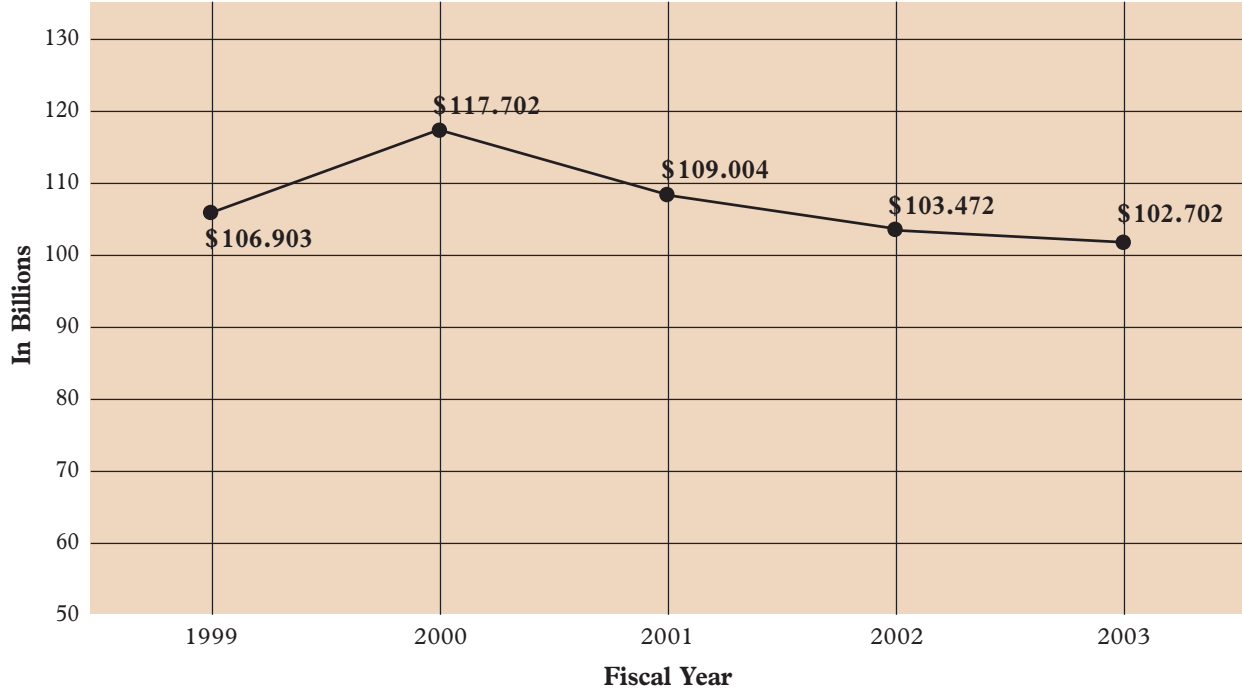




Highlights

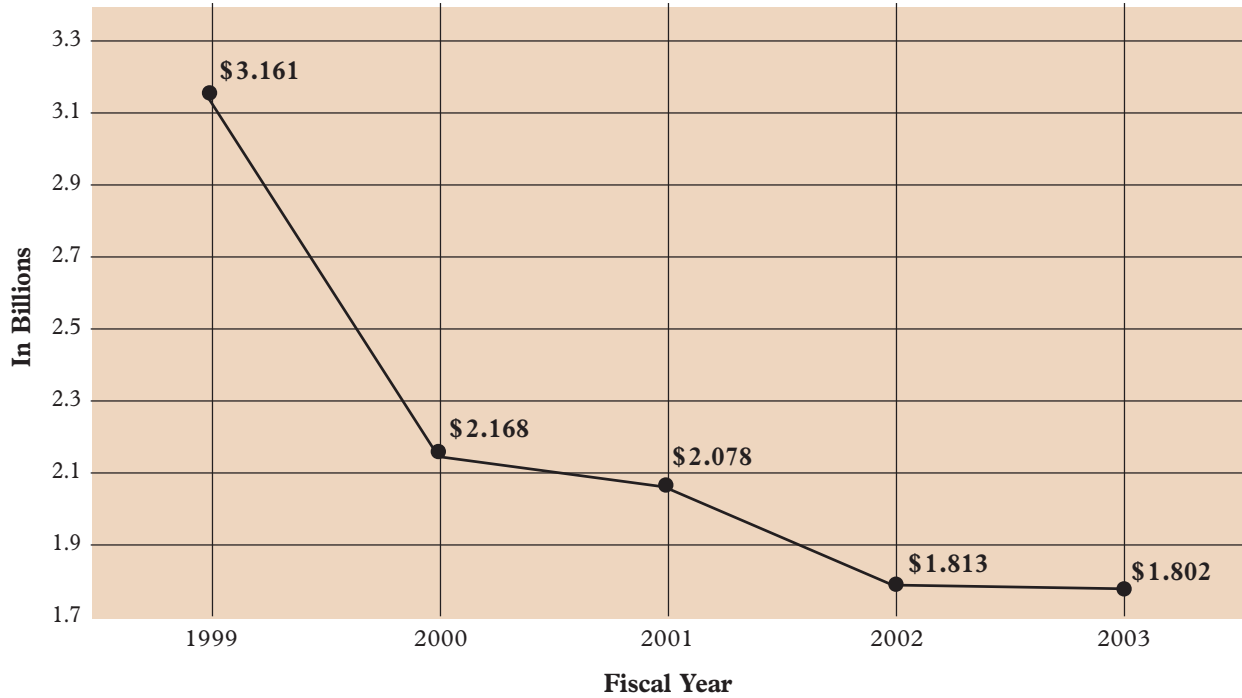
GROWTH OF FRS TRUST ASSETS

as of June 30



RETIREMENT CONTRIBUTIONS FOR FRS

as of June 30





FLORIDA RETIREMENT SYSTEM TRUST FUND PERFORMANCE

The following shows the Florida Retirement System Trust Fund performance of investments reported at fair value for one-year periods as of June 30 of each year:

Fiscal Year	Based On Fair Value
1999	14.0%
2000	10.8%
2001	(6.9)%
2002	(8.07)%
2003	2.8%

SOCIAL SECURITY

Effective January 1, 1987, the Division of Retirement no longer has the intermediary role of collecting Social Security contributions from public employers. Therefore, no Social Security taxes were collected by the Division in 2002-03. Public employers send Social Security contributions directly to the Internal Revenue Service. Earnings on funds temporarily remaining in the Social Security Trust Fund were transferred to General Revenue.

as of June 30

	2002	2003	% Increase (Decrease)
Social Security Taxes Collected	\$ —	—	—
Investment Earnings on Social Security Funds	\$ 192	\$ 295	53.65%

ADMINISTRATIVE COSTS

The cost of administering the Florida Retirement System decreased for the 2003 year. The fees to the State Board of Administration for their investment services are deducted directly from the FRS Trust Fund and do not appear in the Division’s operating budget. For 2003, the State Board of Administration paid \$144,699,000 for external investment and banking fees, for internal investment management and other Florida Retirement System administrative costs.

as of June 30

	2002	2003	% Increase (Decrease)
Administrative Costs	\$ 16,582,771	\$ 16,492,168	(0.01)



2003 LEGISLATIVE SESSION

All retirement legislation must comply with Article X, Section 14, of the State Constitution and with part VII, chapter 112, Florida Statutes. Both of these provisions require that any increase in retirement benefits must be funded concurrently on an actuarially sound basis. The Florida Legislature enacted the following substantive changes in 2003:

1. Chapter 2003-158, Laws of Florida

- Expanded the felonies under Chapter 838, Florida Statutes, for which conviction would result also in forfeiture of public retirement benefits.

2. Chapter 2003-260, Laws of Florida

- Established new uniform employer contribution rates for the Florida Retirement System (FRS) effective July 1, 2003 and established new employer contribution rate for the Institute of Food and Agricultural Sciences Supplemental Retirement Program effective July 1, 2003.
- Expanded reemployment exceptions for retirees reemployed by district school boards and provided the required funding for this benefit improvement.
- Provided employer-approved extended participation in the Deferred Retirement Option Program (DROP), up to 36 additional months beyond the initial 60-month participation period, for specified instructional personnel employed by district school boards.
- Provided members of the Community College Optional Retirement Program (CCORP) a one-time opportunity to transfer to the FRS, expanded the enrollment period for new hires from 60 days to 90 days, expanded distribution options under the CCORP, and made other miscellaneous changes to this program.

3. Chapter 2003-391, Laws of Florida

- Provided employer-approved extended participation in the DROP, up to 36 additional months beyond the initial 60-month participation period, for specified instructional personnel employed by the Florida School for the Deaf and the Blind.
- Repealed the Florida Mentor Teacher Pilot Program, eliminating the bonuses paid under that program from the definition of compensation.

4. Chapter 2003-392, Laws of Florida

- Limited compensation of state university presidents to \$225,000 in public funds and tied the compensation reported for retirement to that defined in s. 121.021(22), F.S.

5. Chapter 2003-399, Laws of Florida

- Provided a one-year opportunity between July 1, 2003 and June 30, 2004, for FRS members to purchase up to 10 years of out-of-state service credit in addition to up to 5 years of in-state service credit.



FINANCIAL STATEMENTS



Financial Statements

**EXHIBIT A - DEFINED BENEFIT PENSION PLANS
COMBINING COMPARATIVE STATEMENT OF PLAN NET ASSETS**

as of June 30, 2003

	Combined Totals		Florida Retirement System Trust Fund		IFAS Supplemental Retirement Program Trust Fund	
	2003	2002	2003	2002	2003	2002
Assets						
Cash and Cash Equivalents	\$44,902,765	\$1,021,133,071	\$44,838,903	\$1,021,110,776	\$63,862	\$22,295
State Treasury Investment Pool	412,927	1,171,466	412,927	1,171,466	—	—
Total Cash and ST Investments	45,315,692	1,022,304,537	45,251,830	1,022,282,242	63,862	22,295
Investments:						
Certificates of Deposit	—	84,998,738	—	84,998,738	—	—
U S Govt & Federally Guaranteed Obligations	5,000,195,848	5,073,557,312	4,999,910,791	5,073,557,312	285,057	—
Federal Agencies	5,682,417,752	7,665,351,453	5,674,395,354	7,665,351,453	8,022,398	—
Commercial Paper	1,363,038,809	2,116,608,430	1,361,087,705	2,116,608,430	1,951,105	—
Repurchase Agreements	1,022,442,935	984,710,547	1,018,367,323	984,710,547	4,075,612	—
Bonds and Notes	688,058,975	10,139,979,844	688,058,975	10,139,979,844	—	—
Fix Income Investment PEORP	9,313,507,262	—	9,313,507,262	—	—	—
Real Estate Contracts	3,353,676,987	3,261,416,832	3,353,676,987	3,261,416,832	—	—
Short Term Investment Funds	1,385,353,383	1,041,927,749	1,385,353,383	1,027,554,399	—	14,373,350
Domestic Equity/Domestic Equity Commingled	49,139,331,889	46,488,245,054	49,139,331,889	46,488,245,054	—	—
Limited Partnerships	2,565,542,224	2,528,008,008	2,565,542,224	2,528,008,008	—	—
Equity Group Trust	11,763,405	11,417,698	11,763,405	11,417,698	—	—
International Equity/International Equity Commingled	11,756,429,372	11,408,449,471	11,756,372,216	11,408,449,471	57,156	—
Total Investments	91,281,758,842	90,804,671,136	91,267,367,513	90,790,297,786	14,391,328	14,373,350
Receivables:						
Accounts Receivable	356,250	68,352	356,250	68,352	—	—
Contributions Receivable — State	123,658	35,214,092	96,554	35,200,595	27,104	13,497
Contributions Receivable — Non-State	93,382,065	110,012,299	93,382,065	110,012,299	—	—
Interest Receivable	263,450,240	323,843,060	263,441,851	323,841,957	8,390	1,103
Dividends Receivable	73,137,864	106,952,344	73,137,864	106,952,344	—	—
Pending Investment Sales	1,600,383,048	2,661,436,224	1,600,383,048	2,661,436,224	—	—
Forward Contract Receivable	175,770,003	384,804,786	175,770,003	384,804,786	—	—
Proceeds from Sale of Investments	—	10,140,676	—	10,140,676	—	—
Due from Other Funds	27,202,982	474,461	27,202,982	474,461	—	—
Total Receivables	2,233,806,110	3,632,946,294	2,233,770,616	3,632,931,694	35,494	14,600
Security Lending Collateral	9,140,400,545	8,010,086,113	9,140,400,545	8,010,086,113	—	—
Property, at Cost	4,233,953	6,308,322	4,233,953	6,308,322	—	—
Accumulated Depreciation	(3,139,455)	(4,044,957)	(3,139,455)	(4,044,957)	—	—
Total Property	1,094,498	2,263,365	1,094,498	2,263,365	—	—
Total Assets	102,702,375,687	103,472,271,445	102,687,885,003	103,457,861,200	14,490,684	14,410,245
Liabilities						
Accounts Payable	41,515,512	28,451,729	41,515,512	28,451,729	—	—
Benefits Payable	1,043,233	1,059,564	1,041,359	1,058,506	1,874	1,058
Accrued DROP Liability	2,161,750,415	1,546,094,627	2,161,750,415	1,546,094,627	—	—
Accrued Salaries and Wages	242,775	192,787	242,775	192,787	—	—
Due to Other Funds	440,190	6,151,272	440,190	6,151,272	—	—
Due to Other Departments	12,247,026	1,894,386	12,246,398	1,894,179	628	207
Obligations under Securities Lending	9,141,884,774	8,812,855,463	9,141,884,774	8,812,855,463	—	—
Pending Investment Purchases	2,801,753,212	4,536,370,306	2,801,753,212	4,536,370,306	—	—
Forward Contracts Payable	172,170,495	375,819,175	172,170,495	375,819,175	—	—
Broker Rebate Fees	4,926,624	5,958,965	4,926,624	5,958,965	—	—
Compensated Absences Liability	920,167	1,021,332	920,167	1,021,332	—	—
Total Liabilities	14,338,894,425	15,315,869,606	14,338,891,922	15,315,868,341	2,502	1,265
Net Plan Assets Held In Trust For Pension Benefits	\$88,363,481,263	\$88,156,401,839	\$88,348,993,080	\$88,141,992,859	\$14,488,182	\$14,408,980



EXHIBIT B - DEFINED BENEFIT PENSION PLANS
COMBINING COMPARATIVE STATEMENT OF CHANGES IN NET ASSETS

as of June 30, 2003

	Combined Totals		Florida Retirement System Trust Fund		IFAS Supplemental Retirement Program Trust Fund	
	2003	2002	2003	2002	2003	2002
Additions						
Contributions						
Pension Contributions — State	372,226,298	449,382,904	\$371,658,690	\$448,800,182	\$567,608	\$582,722
Pension Contributions — Non—State	1,429,785,255	1,328,549,073	1,429,785,255	1,328,549,073	—	—
Pension Contributions — Employee	1,055,490	36,106,293	1,055,490	36,106,293	—	—
	<u>1,803,067,043</u>	<u>1,814,038,270</u>	<u>1,802,499,435</u>	<u>1,813,455,548</u>	<u>567,608</u>	<u>582,722</u>
Transfers from Other Funds						
Optional Annuity Program	—	179	—	179	—	—
Preservation of Benefits Plan	—	24,466	—	24,466	—	—
General Revenue	9,572,393	8,587,667	9,572,393	8,587,667	—	—
Savings Bonds	—	530	—	530	—	—
Social Security	—	—	—	—	—	—
PEORP	9,672,502	—	9,672,502	—	—	—
Property Transfers In	2,555	23,871	2,555	23,871	—	—
Total Contributions	1,822,314,494	1,822,674,983	1,821,746,886	1,822,092,261	567,608	582,722
Investment Income						
Net Appreciation in Fair Value	471,214,372	(10,233,245,656)	471,177,214	(10,233,245,656)	37,158	—
Interest Income	1,258,089,238	1,489,761,749	1,257,834,535	1,489,423,128	254,703	338,621
Dividends	854,888,039	700,636,053	854,888,039	700,636,053	—	—
Real Estate Operating Income, Net	248,542,342	266,235,365	248,542,342	266,235,365	—	—
Other Investment Income	6,253,908	15,848,002	6,253,908	15,848,002	—	—
	<u>2,838,987,898</u>	<u>(7,760,764,487)</u>	<u>2,838,696,037</u>	<u>(7,761,103,108)</u>	<u>291,861</u>	<u>338,621</u>
Less Investment Activity Expense	164,008,883	152,416,694	164,006,364	152,414,606	2,519	2,088
Net Income from Investment Activity	2,674,979,015	(7,913,181,181)	2,674,689,673	(7,913,517,714)	289,342	336,533
Security Lending Activities						
Security Lending Income	157,928,151	262,339,757	157,928,151	262,339,757	—	—
Security Lending Expense	123,299,719	212,595,615	123,299,719	212,595,615	—	—
Net Income from Security Lending	34,628,432	49,744,142	34,628,432	49,744,142	—	—
Total Additions	4,531,921,940	(6,040,762,056)	4,531,064,991	(6,041,681,311)	856,950	919,255
Deductions						
Benefit Payments	3,900,391,839	3,044,983,189	3,899,614,092	3,044,287,975	777,747	695,214
Benefit Payments—GR Funded	9,572,502	8,587,667	9,572,502	8,587,667	—	—
Refunds of Contributions	3,455,273	3,890,449	3,455,273	3,890,449	—	—
Transfers Out W/I Dept	556,640	472,417	556,640	472,417	—	—
Transfers To Other Depts	32,049,704	22,110,146	32,049,704	22,110,146	—	—
Transfers To Other Depts—PEORP	362,865,323	—	362,865,323	—	—	—
Property Dispositions	1,028,859	47,650	1,028,859	47,650	—	—
Depreciation Expense	411,167	1,103,254	411,167	1,103,254	—	—
Administrative Expenses	14,511,208	14,918,054	14,511,208	14,918,054	—	—
Total Deductions	4,324,842,516	3,096,112,826	4,324,064,769	3,095,417,612	777,747	695,214
Net Increase (Decrease)	207,079,424	(9,136,874,882)	207,000,222	(9,137,098,923)	79,202	224,041
Net Assets Held in Trust For Pension Benefits						
Beginning of Year	88,156,401,839	97,293,276,721	88,141,992,859	97,279,091,782	14,408,980	14,184,939
End of Year	\$88,363,481,263	\$88,156,401,839	\$88,348,993,081	\$88,141,992,859	\$14,488,182	\$14,408,980

(A schedule of funding progress is presented on page 26.)



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**EXHIBIT C – DEFINED CONTRIBUTION PLANS
COMBINING COMPARATIVE BALANCE SHEET**

as of June 30, 2003

	Combined Totals		State University System Optional Retirement Program Trust Fund		Senior Mgmt Service Optional Annuity Program Trust Fund	
	2003	2002	2003	2002	2003	2002
Assets						
Cash	2,921,544	3,025	2,901,110	985	20,434	2,040
Investments with State Treasury	877,617	1,010,913	870,406	1,003,578	7,212	7,335
Interest Receivable	4,070	3,648	4,007	3,607	63	41
Contributions Receivable	2,191,522	2,432,224	2,186,438	2,404,902	5,084	27,322
Due from Other Funds	—	2,395	—	1,180	—	1,215
Property, at Cost	2,269	—	2,269	—	—	—
Accumulated Depreciation	(1,040)	—	(1,040)	—	—	—
Total Assets	5,995,982	3,452,205	5,963,190	3,414,252	32,793	37,953
Liabilities						
Accounts Payable	5,689,438	3,136,401	5,675,283	3,100,315	14,154	36,086
Due to Other Funds	836	54,976	67	54,114	769	862
Due to Other Departments	87	—	86	—	1	—
Compensated Absences Liability	23,692	18,348	23,692	18,348	—	—
Total Liabilities	5,714,052	3,209,725	5,699,127	3,172,777	14,925	36,948
Fund Balance	281,930	242,480	264,062	241,475	17,868	1,005
Total Liabilities and Fund Balance	5,995,982	3,452,205	5,963,190	3,414,252	32,793	37,953



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EXHIBIT D – DEFINED CONTRIBUTION PLANS COMBINING COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE

as of June 30, 2003

	Combined Totals		State University System Optional Retirement Program Trust Fund		Senior Mgmt Service Optional Annuity Program Trust Fund	
	2003	2002	2003	2002	2003	2002
Revenues						
Pension Contributions - State	87,438,402	82,262,695	86,328,284	80,977,034	1,110,118	1,285,661
Pension Contributions - Non-State	140,803	145,085	140,803	145,085	—	—
Pension Contributions - Employees	46,269,158	38,872,376	46,060,800	38,815,096	208,358	57,280
Investment Earnings	69,439	79,308	68,142	78,124	1,297	1,184
Total Revenues	133,917,802	121,359,464	132,598,030	120,015,339	1,319,772	1,344,125
Expenses						
Payments to Annuity Companies	133,775,566	121,225,126	132,472,657	119,882,185	1,302,909	1,342,941
Transfers to FRS Trust Fund	—	179	—	—	—	179
Administrative Expenses	102,786	113,887	102,786	113,887	—	—
Total Expenses	133,878,352	121,339,192	132,575,443	119,996,072	1,302,909	1,343,120
Excess of Revenues over Expenses	39,450	20,272	22,587	19,267	16,863	1,005
Fund Balance, July 1	242,480	222,208	241,475	222,208	1,005	—
Fund Balance, June 30	281,930	242,480	264,062	241,475	17,868	1,005



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EXHIBIT E – OTHER EMPLOYEE BENEFIT TRUST FUND COMPARATIVE BALANCE SHEET

as of June 30, 2003

	Health Insurance Subsidy Trust Fund	
	2003	2002
Assets		
Cash	\$364,726	\$1,840,646
Investments	107,703,237	79,407,871
Accounts Receivable	29,830	15,509,483
Interest Receivable	123,690	20,738
Due from Other Funds	21,143,315	9,211
Due from Other Departments	4,684,550	4,501,194
Due from Other Governmental Units	—	—
Total Assets	134,049,348	101,289,143
Liabilities		
Accounts Payable	5,190	5,387
Due to Other Funds	—	—
Due to Other Departments	4,705	1,142
Due to Other Governmental Units	—	—
Due to General Revenue	—	—
Total Liabilities	9,895	6,529
Fund Balance	134,039,453	101,282,614
Total Liabilities and Fund Balance	\$134,049,348	\$101,289,143

EXHIBIT F – OTHER EMPLOYEE BENEFIT TRUST FUND COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

as of June 30, 2003

	Health Insurance Subsidy Trust Fund	
	2003	2002
Additions		
HIS Employer Contributions	\$259,651,153	\$240,112,109
Investment Earnings	1,981,297	1,623,173
Total Revenues	261,632,450	241,735,282
Expenditures		
Benefit Payments	228,813,187	217,326,138
Administrative Expenses	46,273	45,611
Interest and Fiscal Charges	16,092	9,085
Transfers to Other Funds	59	1,185
Total Expenditures	228,875,611	217,382,019
Excess of Revenues over Expenditures	32,756,839	24,353,263
Fund Balance, July 1	101,282,614	76,929,351
Fund Balance, June 30	\$134,039,453	\$101,282,614



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EXHIBIT G – SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

as of June 30, 2003

	Police and Firefighters Premium Tax Trust Fund	
	2003	2002
Assets		
Cash	\$1,431	\$11,542
Investments	129,954,614	117,788,934
Accounts Receivable	-	-
Interest Receivable	29,993	9,042
Due from Other Funds	-	-
Due from Other Departments	20,713,437	17,774,848
Due from Other Governmental Units	28,617	43,055
Total Assets	<u>150,728,092</u>	<u>135,627,421</u>
Liabilities and Fund Balance		
Liabilities		
Accounts Payable	15,793	62,116
Due to Other Funds	722	969
Due to Other Departments	10,743,979	8,044,252
Due to Other Governmental Units	95,329,564	86,578,413
Due to General Revenue	2,013,596	2,007,671
Total Liabilities	<u>108,103,654</u>	<u>96,693,421</u>
Fund Balance	<u>42,624,438</u>	<u>38,934,000</u>
Total Liabilities and Fund Balance	<u>\$150,728,092</u>	<u>\$135,627,421</u>



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EXHIBIT H – SPECIAL REVENUE FUND COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

as of June 30, 2003

	Police and Firefighters Premium Tax Trust Fund	
	2003	2002
Revenues		
Premium Taxes	117,719,950	102,774,848
Investment Earnings	1,029,404	1,362,709
Other Revenues-Refunds From Cities	100,711	569,976
Total Revenues	118,850,065	104,707,533
Expenditures		
Distribution to Cities	94,701,127	83,417,794
Administrative Expenses	508,165	725,111
Interest and Fiscal Charges	12,848	7,845
Transfers to Other Funds	19,937,487	16,848,783
Total Expenditures	115,159,627	100,999,533
Excess of Revenues over Expenditures	3,690,438	3,708,000
Fund Balance, July 1	38,934,000	35,226,000
Fund Balance, June 30	\$42,624,438	\$38,934,000

EXHIBIT I – AGENCY FUNDS COMBINING COMPARATIVE BALANCE SHEET

as of June 30, 2003

	Combined Totals		Social Security Contributions Trust Fund		U.S. Savings Bond Trust Fund	
	2003	2002	2003	2002	2003	2002
Assets						
Cash	\$1,749	\$1,749	\$1,729	\$1,729	\$20	\$20
Investments with State Treasury	74,180	70,566	63,258	60,176	10,921	10,390
Interest Receivable	346	226	295	193	51	33
Total Assets	76,275	72,541	65,283	62,098	10,992	10,443
Liabilities						
Accounts Payable	76,268	72,120	65,277	62,098	10,991	10,022
Due to Other Departments	7	421	6	—	1	421
Total Liabilities	76,275	72,541	65,283	62,098	10,992	10,443
Fund Balance	—	—	—	—	—	—
Total Liabilities and Fund Balance	\$76,275	\$72,541	\$65,283	\$62,098	\$10,992	\$10,443



EXHIBIT J – AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

for the year ended June 30, 2003

Combined Totals

	Balance 07/01/02	Additions	Deductions	Balance 06/30/03
Assets				
Cash	\$1,749	\$—	\$—	\$1,749
Investments with State Treasury	70,565	3,614	—	74,179
Accounts Receivable	—	—	—	—
Interest Receivable	226	346	226	346
Total Assets	72,540	3,961	226	76,275
Liabilities				
Accounts Payable	72,120	4,148	—	76,268
Due to Other Departments	—	7	—	7
Due to Other Funds	421	—	421	—
Total Liabilities	\$72,540	\$4,156	\$421	\$76,275

Social Security Contributions Trust Fund

	Balance 07/01/02	Additions	Deductions	Balance 06/30/03
Assets				
Cash	\$1,729	\$—	\$—	\$1,729
Investments with State Treasury	60,176	3,082	—	63,258
Accounts Receivable	—	—	—	—
Interest Receivable	192	295	192	295
Total Assets	62,098	3,377	192	65,283
Liabilities				
Accounts Payable	62,098	3,179	—	65,277
Due to Other Departments	—	6	—	6
Total Liabilities	\$62,098	\$3,185	\$—	\$65,283

U.S. Savings Bond Trust Fund

	Balance 07/01/02	Additions	Deductions	Balance 06/30/03
Assets				
Cash	\$20	\$—	\$—	\$20
Investments with State Treasury	10,389	532	—	10,921
Accounts Receivable	—	—	—	—
Interest Receivable	33	51	33	51
Total Assets	10,443	583	33	10,992
Liabilities				
Accounts Payable	10,022	970	—	10,991
Due to Other Departments	—	1	—	1
Due to Other Funds	421	—	421	—
Total Liabilities	\$10,443	\$971	\$421	\$10,992



Financial Statements

EXHIBIT K – NOTES TO THE FINANCIAL STATEMENTS

June 30, 2003

1. Organization and Plan Description

A. Administration

The Division of Retirement, Department of Management Services administers the:

- Florida Retirement System (FRS) Pension Plan, a defined benefit retirement program for participating public employees;
- State University System Optional Retirement Program (SUSORP), a defined contribution retirement program for State University System faculty, members of the State University System Executive Service, and administrative and professional staff positions that are exempt from career service;
- Institute of Food and Agricultural Sciences (IFAS) Supplemental Retirement Act, a supplemental retirement program for certain civil service employees of IFAS;
- Senior Management Service Optional Annuity Program (SMSOAP), a defined contribution retirement program for state Senior Management Service Class employees;
- Retiree Health Insurance Subsidy (HIS), a supplemental health insurance payment program for retirees;
- Police Officers and Firefighters' Premium Tax Trust Fund, supplemental funding of defined benefit plans for municipal police officers and firefighters who are not in the FRS, based upon taxes collected on property and casualty insurance premiums within the city limits or special fire district boundaries of the participating plan; and
- Various General Revenue pension appropriations.

Effective December 31, 1986, the collection and remittance of Social Security taxes for public employers in the State was transferred to the U.S. Department of the Treasury, Internal Revenue Service. The balance remaining in the Social Security Contribution Trust Fund as of June 30, 2003 is subject to a final federal audit. The balance in the Medicare Tax Trust Fund was transferred to the Social Security Contribution Trust Fund during 1993/94 and the Medicare Tax Trust Fund was abolished.

B. Plan Description-Florida Retirement System

The FRS is a multiple-employer, cost-sharing retirement system. It was created December 1970 by consolidating 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 brought into the overall system.

The provisions of the FRS are summarized in the section titled "Summary Plan Description and Chronology" beginning on page 56.

FRS Membership Summary

	June 30	
	2002	2003
Employers		
District School Boards	67	67
Community Colleges	28	28
County Agencies	397	397
Cities	127*	130**
Independent Hospitals	4*	4**
Special Districts	148*	151**
State of Florida	54	52
Other	12	11
Total Employers	837	840

*These totals include the 51 cities, 3 independent hospitals, and 22 independent special districts that are closed to new FRS members as of January 1, 1996.

**These totals include the 48 cities, 3 independent hospitals, and 18 independent special districts that are closed to new members effective January 1, 1996. See pages 76-80 for more information.



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	June 30	
	2002	2003
Employee Members		
Current Retirees and Beneficiaries (excludes TRS-SB)	198,303	208,680
DROP Participants	28,389	26,720
Terminated Vested Participants	56,635	64,912
Subtotal	283,327	300,312
Active Participants:		
Vested	380,133	382,474
Non-vested	231,322	237,690
Subtotal	611,455	620,164
Total Employee Members	894,782	920,476

2. Summary of Significant Accounting Policies and Plan Asset Matters

- Basis of Accounting

Financial statements for the Pension Funds, both Defined Benefit and Defined Contribution Plans, are prepared using the accrual basis of accounting. Revenues are recognized when earned, contributions are recognized as revenue in the period in which employee services are performed and expenses are recognized when incurred.

Financial statements for the Special Revenue and Agency Funds are prepared using the modified accrual basis of accounting. Revenues are recognized when measurable and available for expenditure; expenditures are recognized when incurred.

- Method Used to Value Investments – Investments are reported at fair value. Short-term investments are reported at amortized cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of expected future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair value.
- Property – Division fixed assets are capitalized in the Operating Trust Fund which is combined with the Florida Retirement System Trust Fund for reporting purposes. Effective July 1, 1999 the dollar value in the definition of property as provided in the Florida Statutes was amended to \$1,000 or more and the Division removed from inventory items not meeting the definition for capitalization.
- Accrued DROP Liability – Benefits accrue monthly to employees who enter the Deferred Retirement Option Program who have up to sixty months to terminate from service. The Accrued DROP Liability at June 30, 2003 was \$2,161,750,450 for 34,298 retirees.
- Compensated Absences Liability – At June 30, 2003 the amount recorded for compensated absences liability in General Long Term Debt for Special Revenue funded activities was \$92,476.



3. Contributions Required and Contributions Made

The funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due (See page 59 for current rates). Level percentages of payroll employer contribution rates, established by state law, are determined using the entry-age actuarial funding method. The level percentages of payroll method is also used to amortize the unfunded liability over a period of 30 years, and to amortize each change in actuarial assumptions.

Contributions during fiscal year 2002-03 totaling \$1,802,499,435 (includes pension contributions by employees) were made in accordance with contribution requirements determined through the actuarial valuation. Significant actuarial assumptions used to compute contribution requirements are listed below.

The annual report and findings of the annual actuarial valuation and special studies are provided to the Legislature to assist in making funding decisions.

4. Required Supplementary Information

Schedule of Funding Progress

(000 omitted in dollar amounts)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annualized Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
July 1, 1997	56,220,804	61,610,883	5,390,079	91.25%	17,257,738	31.23%
July 1, 1998	66,997,227	63,205,829	(3,791,398)	106.00%	18,010,189	(21.05%)
July 1, 1999	77,795,313	68,575,249	(9,220,064)	113.75%	18,998,086 ¹	(48.53%)
July 1, 2000	88,503,838	74,948,950	(13,554,888)	118.09%	20,463,401 ¹	(66.24%)
July 1, 2001	95,517,948	80,993,718	(14,524,230)	117.93%	21,360,862 ¹	(68.00%)
July 1, 2002	99,405,677	86,469,774	(12,935,903)	114.96%	22,195,184 ¹	(58.28%)
July 1, 2003	101,906,723	89,251,331	(12,655,392)	114.18%	22,270,807 ¹	(56.83%)

Schedule of Employer Contributions

(000 omitted in dollar amounts)

Year Ended June 30	Annual Required Contributions	Percent Contributed
1996	2,967,448	100%
1997	3,036,978	100%
1998	3,184,912	100%
1999	3,102,984	100%
2000	1,969,057	111% ²
2001	1,869,731	110%
2002	1,825,485	97%
2003	1,844,203	98%

Notes to Required Supplementary Information

The information presented in the required supplementary schedules was determined as part of the actuarial valuations performed at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	July 1, 2003
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar of Pay, Open
Equivalent Single amortization period	Not Applicable ³
Asset valuation method	5-year Smoothed Method
Actuarial assumptions:	
Investment rate of return	8.00%
Projected salary increases	6.25% ⁴
Includes inflation at	3.50%
Cost-of-Living Adjustments	3.00%

¹ Includes DROP.

² The 2000 required annual contributions and the corresponding percentage contributed were restated to reflect a change in the annual required contribution through the use of actuarially determined surplus.

³ The UAAL surplus for the July 1, 2003 Valuation precludes the need for an amortization period.

⁴ Includes individual salary growth of 5.00% plus an age-graded merit scale from 5.00% at age 20, to 1.50% at age 40, to 0.25% at age 60.



Financial Statements

Schedule A – Florida Retirement System Trust Fund HISTORICAL TREND INFORMATION

Revenues by Source and Expenditures by Type

Revenues by Source

Fiscal Year	Contributions	Investment Income	Other Income*	Total
1991-92	\$2,384,014,412	\$2,326,014,527	\$385,008	\$4,710,413,947
1992-93	2,567,748,878	2,358,762,478	423,871	4,926,935,227
1993-94	2,778,375,127	2,445,672,029	633,921	5,224,681,077
1994-95	2,928,863,876	2,961,775,218	392,236	5,891,031,330
1995-96	3,016,363,949	5,223,964,355	338,696	8,240,667,000
1996-97	3,088,683,431	11,562,949,226	5,891,651	14,657,524,308
1997-98	3,244,292,562	14,897,249,970	6,457,937	18,148,000,469
1998-99	3,160,461,533	11,575,504,419	7,094,839	14,743,060,791
1999-00	2,167,898,261	9,976,443,137	7,623,224	12,151,964,622
2000-01	2,077,983,564	(7,825,964,164)	8,149,870	(5,739,830,730)
2001-02	1,813,480,193	(7,863,773,572)	8,612,068	(6,041,681,311)
2002-03	1,802,499,435	2,709,318,105	19,247,450	4,531,064,991

Expenditures by Type

Fiscal Year	Benefits	Administrative Expenses	Refunds	Other**	Total
1991-92	907,947,244	10,466,978	2,800,813	126,834,879	1,048,049,914
1992-93	1,025,029,001	10,126,230	2,051,413	62,013,678	1,099,220,322
1993-94	1,144,595,924	10,693,050	2,242,334	94,589,630	1,252,120,938
1994-95	1,266,903,642	11,350,052	2,508,704	185,940,527	1,469,702,925
1995-96	1,417,634,446	13,202,002	2,133,106	286,115,863	1,719,085,417
1996-97	1,574,507,391	14,932,837	1,762,348	5,717,476	1,596,920,052
1997-98	1,736,525,978	19,543,361	2,713,434	6,223,598	1,765,006,371
1998-99	2,314,669,713***	24,164,454	2,602,340	6,757,506	2,348,194,013
1999-00	2,394,587,599***	25,922,957	1,848,667	7,353,624	2,429,712,847
2001-01	2,796,239,561***	38,122,576	2,502,025	7,865,164	2,844,729,326
2001-02	3,044,287,975***	38,651,521	3,890,449	8,587,667	3,095,417,612
2002-03	3,899,614,092***	411,422,901	3,455,273	9,572,502	4,324,064,769

* Beginning 1996-97, transfers from General Revenue are considered "Other Income."

** Beginning 1996-97, General Revenue funded benefit payments are considered "Other." Also, "Other" no longer includes Investment and Security Lending Expenses, which are netted against income from Investment and Security Lending Activities.

*** Includes Accrued DROP liability.



Financial Statements

Schedule B - Florida Retirement System Trust Fund
COMPARATIVE ANALYSIS OF ADMINISTRATIVE EXPENSES

as of June 30, 2003

	2003	2002
Personal Services:		
Salaries and Wages	\$6,410,286	\$6,411,573
State Retirement	410,661	520,394
Other Employee Benefits	784,183	761,189
Social Security	476,672	482,302
Other Personal Services	8,153	19,712
Total Personal Services	8,089,955	8,195,170
Professional Services:		
Data Processing	207,308	606,144
I.T. Contractual Services	3,520,000	3,517,500
I.T. Contractual Monitoring	—	—
Other Contractual Services	130,361	273,277
Legal	154,753	127,215
Actuarial	222,747	167,938
Total Professional Services	4,235,169	4,692,074
Communication:		
Postage and Freight	962,300	492,174
Printing and Reproduction Services	220,513	124,276
Travel	78,030	77,266
Telephone Services	122,268	144,204
Total Communication	1,383,112	837,920
Rentals:		
Office Rental	696,725	813,426
Equipment Leasing	12,626	17,216
Total Rentals	709,351	830,642
Miscellaneous:		
Repair and Maintenance	70,566	179,824
Materials and Supplies	166,369	103,973
Other Current Charges and Obligations	59,206	78,451
Total Miscellaneous	296,141	362,248
Sub-Total Administrative Expenses	14,713,728	14,918,054
Transfers to Other Funds:		
DMS Administrative Assessment	535,029	460,794
DMS HRM Personnel Assessment	21,611	11,623
DOI Risk Management	70,086	24,703
DOI Fire and Workers' Comp	15,610	11,892
Division of Administrative Hearings	9,070	4,801
Total Transfers to Other Funds	651,406	513,813
Property Dispositions	23,710	47,650
Depreciation Expense	1,103,324	1,103,254
Total Administrative Expenses	\$16,492,168	\$16,582,771



INVESTMENTS



Investments



STATE BOARD OF ADMINISTRATION
OF FLORIDA
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA
32308
(850) 488-4406

JEB BUSH
GOVERNOR
AS CHAIRMAN
TOM GALLAGHER
CHIEF FINANCIAL OFFICER
AS TREASURER
CHARLIE CRIST
ATTORNEY GENERAL
AS SECRETARY
COLEMAN STIPANOVICH
EXECUTIVE DIRECTOR

DATE: December 31, 2003

TO: Members of the Florida Legislature
Members of the Florida Retirement System
RE: Assets of the Florida Retirement System

The State Board of Administration of Florida (SBA) manages the assets of the Florida Retirement System (FRS). The Board consists of Governor Jeb Bush, Chairman; Chief Financial Officer Tom Gallagher, Treasurer; and Attorney General Charlie Crist, Secretary. The primary investment objectives of the FRS are to maximize the risk adjusted, long-term total return of the Florida Retirement System Trust Fund (FRSTF) and reduce the total cost of the FRS. The portfolio consists of a highly diversified asset mix of investments, which includes government and corporate bonds, common stocks, income-producing real estate, and short-term money market instruments.

The proportions of major asset classes in the FRS portfolio, by quarter, are shown below:

Fund Market Value	Fund Market Value for Fiscal Year 2002-2003			
	9/30/02	12/31/02	3/31/03	6/30/03
	\$79.49 billion	\$83.50 billion	\$81.23 billion	\$90.42 billion

	Actual Quarter-End Asset Allocation Fiscal Year 2002-2003			
	9/30/02	12/31/02	3/31/03	6/30/03
Domestic Equities	51.9%	54.2%	53.6%	53.5%
Global Equities	0.0%	0.0%	0.0%	1.0%
International Equities	11.2%	12.0%	11.4%	12.7%
Fixed Income	26.7%	24.9%	26.1%	23.0%
Real Estate	4.7%	4.2%	4.4%	4.6%
Alternative Investments	3.5%	3.4%	3.5%	3.4%
Cash/Short Term	0.8%	1.3%	1.0%	1.4%
Policy Transition	0.0%	0.0%	0.0%	0.4%
Defined Contribution Transition	1.2%	0.0%	0.0%	0.0%
Total **	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Cash/Short Term is inclusive of all investments in cash equivalents, defined as investment securities with maturities of one year or less. Funds are fully invested in earning assets.

** Columns may not add to totals due to rounding.

FRSTF Public and Private Market Total Fund	Annualized Total Fund Investment Performance (By Fiscal Year Periods)			
	10 Years	5 Years	3 Years	1 Year
	1993-2003	1998-2003	2000-2003	2002-2003
	8.54%	1.94%	-4.40%	2.85%

Investment Performance of the FRS is reported in the SBA's 2002-2003 Investment Report. The annual report is prepared before January 1, in compliance with Section 215.44(5), Florida Statutes, and includes detailed information on FRS investment assets, strategy, and performance. The SBA's performance consultant, State Street Bank, independently prepares reported performance data.

Respectfully submitted,

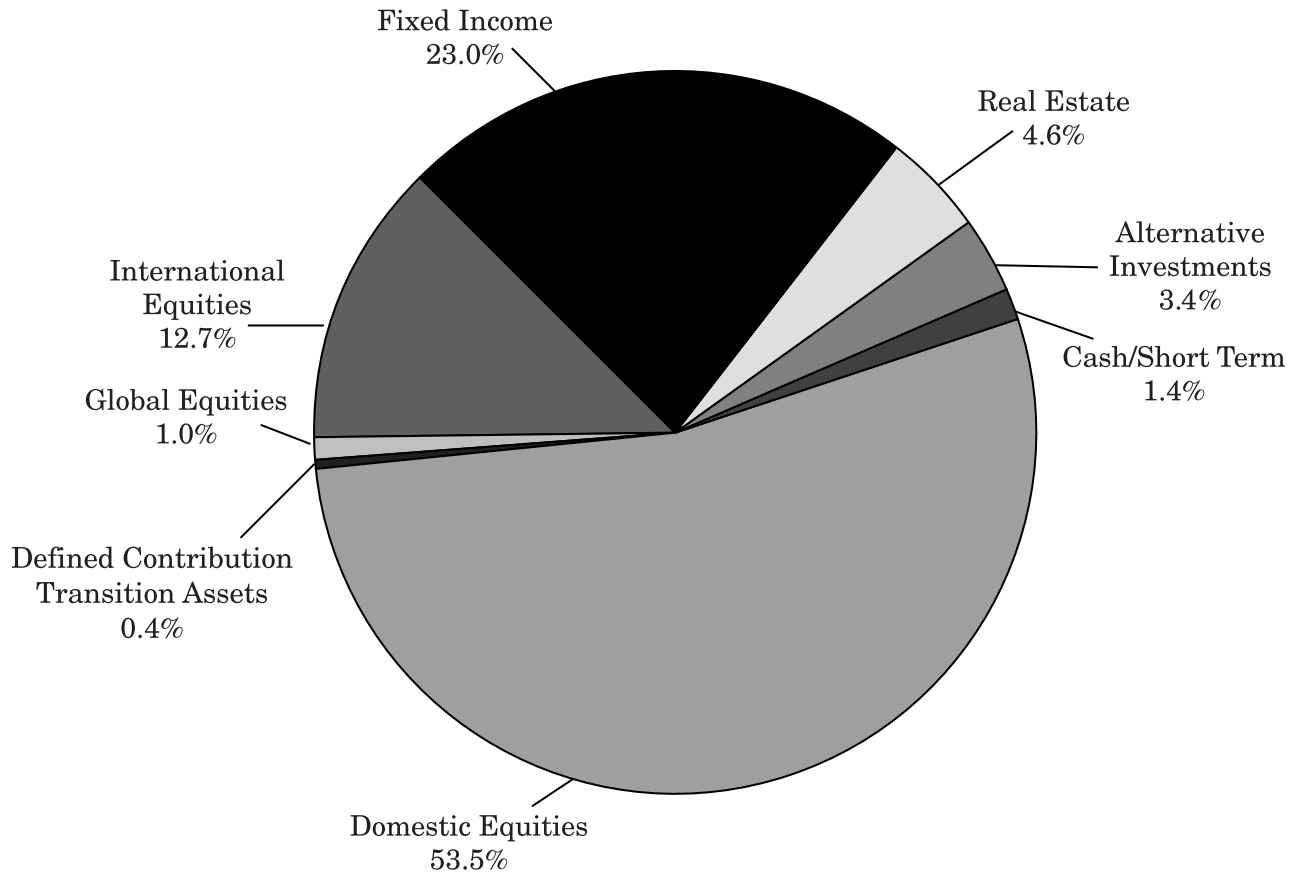
Coleman Stipanovich
Coleman Stipanovich



Investments

Florida Retirement System Trust Fund
DISTRIBUTION OF INVESTMENTS

as of June 30, 2003



Fund Market Value \$90,416,381,762

Investments by Asset Class	
Asset Class	Value as of 6-30-03
Domestic Equities	\$48,331,468,386
Global Equities	\$904,956,523
International Equities	\$11,500,614,689
Fixed Income	\$20,823,206,377
Real Estate	\$4,136,226,013
Alternative Investments	\$3,047,200,079
Cash/Short Term	\$1,288,368,529
Defined Contribution Transition Assets	\$384,341,166
Total	\$90,416,381,762





ACTUARIAL REPORT



Actuarial Report

A MILLIMAN GLOBAL FIRM



Milliman USA
Consultants and Actuaries

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Vienna, VA 22182-6209
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www.milliman.com

December 31, 2003

Members of the Florida Legislature
and
Members of the Florida Retirement System

Statement Regarding Actuarial Valuation as of July 1, 2003

Legislation enacted during the 2000 legislative session requires annual actuarial valuations of the Florida Retirement System (FRS). Prior to this legislation, valuations were required on a biennial schedule, with the last two valuations being as of July 1, 1997 and July 1, 1999. In addition, the Legislature requested a special July 1, 1998 actuarial valuation. Thus, July 1, 2003 marks the sixth annual valuation of the FRS.

The funding objective of the plan is to establish contribution rates which over time will remain level as a percentage of payroll. As of July 1, 1998, the FRS was determined to be in a surplus position or "fully funded." That is, the System's actuarial value of assets exceeds the actuarial liabilities. Thus, the unfunded actuarial liability (UAL) was completely amortized, within the statutory periods.

As was the case in over the past few years (i.e., 1998-2002), the unfunded actuarial liability (including DROP liability) continues to be eliminated (in fact the surplus is \$12.7 billion). Using the rate stabilization mechanism, approximately \$4.8 billion of the surplus is available for contribution rate reduction. This surplus is amortized over 10 years and translates into a potential contribution reduction in FY 2004-2005 of \$0.795 billion.

The composite FRS normal cost contribution rate increased from 11.62% to 11.71% as reported in the 2003 valuation. Florida law details specific adjustments to the employer contribution rate starting with the FY 2001 fiscal year: a 1.0% rate reduction, an offset of rate increases attributable to the 1999 experience study and the cost of six-year vesting and subsequent changes in the normal cost rate component due to gains and losses, and a surplus utilization technique. Beginning July 1, 2003 the employer contribution rate is also adjusted for liberalized re-employment rules. After the special adjustments but before any additional surplus utilization, the composite FRS Trust Fund contribution rate, excluding DROP, has increased to 9.90% from 9.75%. (The composite contribution rate including DROP has increased to 10.01%).

Actuarial assumptions are needed to estimate the future economic and demographic experience of the System, which affect future System benefit payments and investment earnings. Any deviations between actual and expected future experience will result in corresponding changes in the on-going costs of the System. The economic assumptions were developed from both external economic forecasts and information and forecasts furnished by the Division of Retirement and the State Board of Administration. The demographic actuarial assumptions were developed both from the experience of the System and from standard actuarial sources. We believe the actuarial assumptions used in the valuation are reasonable, as related to the experience of the System. They represent our best estimate of future conditions affecting the System. Nevertheless, the results of this report are dependent upon future experience conforming to the actuarial assumptions used and the results will be altered to the extent that future System experience deviates from these actuarial assumptions. The

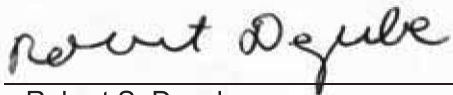


assumptions and methods used in performing this valuation meet the parameters set for disclosure presented in the financial section by Government Accounting Standards Board (GASB) Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans

In performing the valuation, we relied without audit upon the financial statements, membership data, and other cost and benefit information furnished by the Division of Retirement. Although membership data was subjected to standard editing procedures and the other information was reviewed for reasonableness, Milliman USA, Inc. does not assume responsibility for either its accuracy or its completeness.

We hereby certify that our valuation report is complete and accurate to the best of our knowledge, and in our opinion the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes, and Section 14, Article X of the State Constitution. The report was prepared in accordance with generally accepted actuarial principles and practices which reflect the applicable Guides to Professional Conduct, amplifying Opinions, and supporting Recommendations of the American Academy of Actuaries.

Respectfully submitted,

By: 
Robert S. Dezube
Fellow of the Society of Actuaries
Member, American Academy of Actuaries
Enrolled Actuary #02-3397



STATEMENT OF ACTUARY

An on-going analysis is made of the various actuarial assumptions employed in determining not only the financial condition of the Florida Retirement System but also the required employer contributions to place the system on a sound financial basis. Our experience with regard to several of the more consequential assumptions for the past three years ending June 30, 2003 is shown below:

Trust Fund Performance
(Based on fair value)

Assumption	2000/2001	2001/2002	2002/2003
8.0%	(6.9)%	(7.6)%	3.76%

Salary Increases for Regular Class Active Members (Actual)

Assumption*	2000/2001	2001/2002	2002/2003
6.25%	4.4%	5.3%	6.3%

Payroll Growth (Actual)

Assumption*	2000/2001	2001/2002	2002/2003
0.00%	3.7%	2.8%	0.7%

Average Age at Retirement (Actual)

	2000/2001	2001/2002	2002/2003
Regular - Male	61.1	61.1	61.0
Regular - Female	60.7	60.5	60.4
Special Risk	55.6	55.4	55.2

The above gives an idea of the trend developing with regard to future probable experience. Since the assumptions interact, it is not possible to forecast the level of the future contribution rates without an actuarial valuation.

*Effective with July 1, 1998 Actuarial Valuation



SUMMARY OF ACCRUED AND UNFUNDED ACTUARIAL LIABILITIES

as of June 30, 2003

(000 Omitted) (Based on the FRS funding method of entry age normal cost)

	Accrued Liabilities	Valuation Assets	Funding Ratio (Assets / Liabilities)	Unfunded Actuarial Liability (UAL)	Annualized Payroll (Active Members)	Unfunded Actuarial Liability/Payroll
July 1, 1991	39,258,990	23,365,936	60	15,893,054	13,898,283	114
July 1, 1993	45,655,929	31,692,778	69	13,963,151	14,562,057	96
July 1, 1995	54,027,447	41,575,509	77	12,451,938	16,280,775	76
July 1, 1997	61,610,883	56,220,804	91	5,390,079	17,257,737	31
July 1, 1998	63,205,829	66,997,227	106	(3,791,398)	18,010,189	(21)
July 1, 1999	68,575,249	77,795,313	113	(9,220,064)	18,998,086 ¹	(49)
July 1, 2000	74,948,950	88,503,838	118	(13,554,888)	20,463,403 ¹	(66)
July 1, 2001	80,993,718	95,517,948	118	(14,524,230)	21,360,862 ¹	(68)
July 1, 2002	86,469,774	99,405,677	115	(12,935,903)	22,195,184 ¹	(58)
July 1, 2003	89,251,331	101,906,724	114	(12,655,392)	22,270,807 ¹	(57)

¹ Includes DROP

SOLVENCY TEST

(000 Omitted)

Accrued Liabilities For:

	(1) Active Member Contributions	(2) Retirees and Beneficiaries	(3) Active Members (Employer Financed)	Valuation Assets	Portion of Accrued Liabilities Covered by Assets		
					(1)	(2)	(3)
July 1, 1991	470,968	9,853,712	28,934,310	23,484,330	100	100	45
July 1, 1993	418,677	12,564,200	32,673,052	31,692,778	100	100	57
July 1, 1995	400,201	15,479,486	38,147,760	41,575,509	100	100	67
July 1, 1997	355,846	18,925,595	42,329,442	56,220,805	100	100	87
July 1, 1998	343,248	20,847,469	42,015,112	66,997,227	100	100	109
July 1, 1999	254,908	27,284,344	41,035,997	77,795,315	100	100	122
July 1, 2000	120,214	31,748,721	43,080,015	88,503,838	100	100	131
July 1, 2001	112,961	35,129,192	45,751,565	95,517,948	100	100	132
July 1, 2002	87,734	39,015,278	47,366,762	99,405,677	100	100	127
July 1, 2003	75,423	40,007,027	49,168,881	101,906,724	100	100	126

ASSUMPTIONS

(used in Actuarial Valuations in specified years)

	Yield Rate	Salary Scale	Payroll Growth
1991	8.0	7.50	7.00
1993	8.0	7.50	7.00
1995	8.0	7.50	7.00
1997	8.0	7.25	5.50
1998	8.0	6.25	5.50
1999	8.0	6.25	0.00
2000	8.0	6.25	0.00
2001	8.0	6.25	0.00
2002	8.0	6.25	0.00
2003	8.0	6.25	0.00





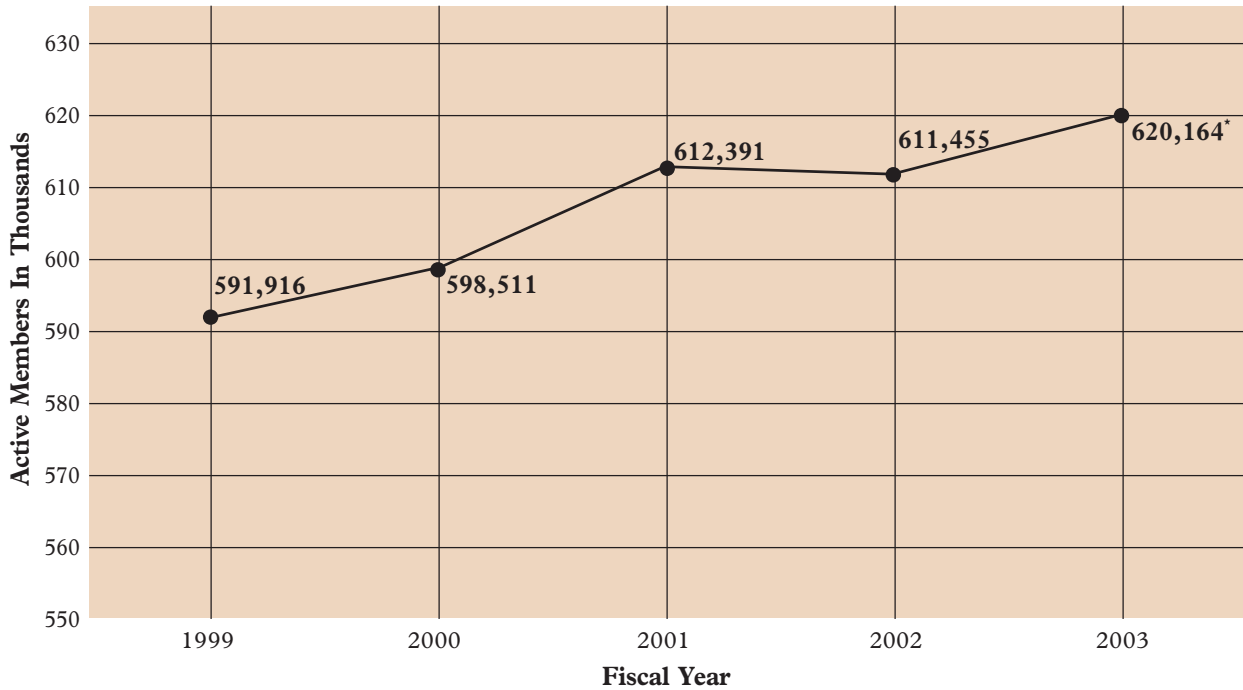
STATISTICAL TABLES



Statistical Tables

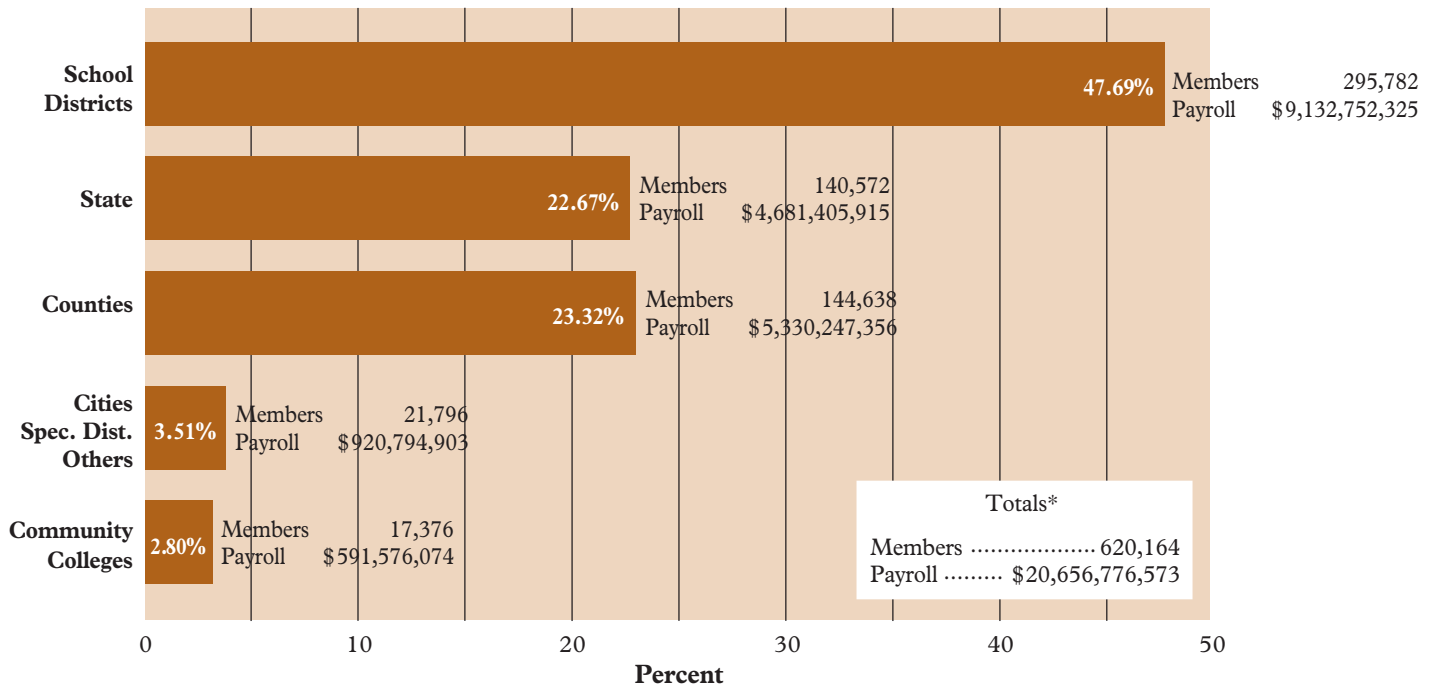
GROWTH OF ACTIVE MEMBERS 1999-2003

as of June 30



SOURCE OF MEMBERSHIP AND COVERED PAYROLL FOR FISCAL YEAR 2002-2003*

% = Percent of Total Active Members



* Includes both FRS Pension Plan and Investment Plan members and excludes DROP Participants



ACTIVE MEMBERS BY SYSTEM*

System	1999	2000	2001	2002	2003
FRS – Regular Class	530,405	541,443	540,845	538,524	543,889
– Senior Mgmt. Service Class	1,323	1,308	4,878	5,775	6,116
– Special Risk Class	54,683	50,521	61,231	61,593	64,201
– Special Risk Adm. Supp. Class	186	138	97	97	108
– Elected Officers’ Class	1,834	1,818	1,853	1,968	1,972
– Renewed Membership					
– Regular Class	2,336	2,523	3,029	3,111	3,544
– Senior Mgmt. Service Class	9	7	6	22	34
– Elected Officers’ Class	74	64	67	81	91
Subtotal	590,850	597,822	612,006	611,171	619,955
TRS	1,026	647	359	260	193
SCOERS	40	42	26	24	16
Subtotal	1,066	689	385	284	209
Grand Total	591,916	598,511	612,391	611,455	620,164

ANNUAL PAYROLL BY SYSTEM*

(000 Omitted Except for Averages)

System	1999	2000	2001	2002	2003
FRS – Regular Class	\$15,134,977	\$15,932,632	\$16,278,614	\$16,679,867	\$17,328,246,861
– Senior Mgmt. Service Class	111,126	118,537	309,324	374,527	406,619,867
– Special Risk Class	1,955,900	1,908,602	2,383,429	2,504,006	2,663,972,538
– Special Risk Adm. Supp. Class	7,390	5,922	4,123	4,084	4,576,405
– Elected Officers’ Class	127,790	132,814	139,879	147,750	149,266,758
– Renewed Membership					
– Regular Class	47,690	52,324	67,188	71,849	85,745,547
– Senior Mgmt. Service Class	669	560	519	1,318	2,076,738
– Elected Officers’ Class	2,627	2,226	2,389	3,035	3,757,160
Subtotal	17,388,169	18,153,617	19,185,470	19,786,440	20,644,261,874
TRS	55,947	37,574	21,634	16,148	12,107,294
SCOERS	1,045	998	711	638	407,404
Subtotal	56,992	38,572	22,346	16,787	12,514,698
Grand Total	\$17,445,161	\$18,192,189	\$19,207,816	\$19,803,227	\$20,656,776,573
Average	\$29,472	\$30,396	\$31,988	\$32,920	\$33,948

MEMBERS’ ACCUMULATED CONTRIBUTIONS*

(000 Omitted)

System	1999	2000	2001	2002	2003
FRS – Regular Class	\$134,186	\$73,786	\$66,031	\$61,738	\$53,560,861
– Senior Mgmt. Service Class	1,622	1,821	2,382	2,444	2,270,488
– Special Risk Class	6,472	5,640	5,815	5,646	5,824,481
– Special Risk Adm. Supp. Class	105	81	44	21	21,612
– Elected Officers’ Class	2,247	2,158	1,795	1,595	1,394,608
– Renewed Membership					
– Regular	0	0	14	25	1,805,373
– Senior Management	0	0	37	0	7,747
– Elected Officers’ Class	0	0	560	8	95,460
Subtotal	144,632	83,486	91,028	71,480	64,980,630
TRS	109,885	35,607	21,166	16,265	12,511,181
SCOERS	679	688	505	442	292,756
Subtotal	110,564	36,295	21,672	16,707	12,803,937
Grand Total	\$255,196	\$119,781	\$112,701	\$88,187	\$77,784,567

*Excludes DROP Participants



PROFILE OF ACTIVE FRS MEMBERS

as of June 30, 2003

	<u>Total Membership</u>			<u>State Membership</u>			<u>Non-State Membership</u>		
By Years of Service	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 1 Year	24,994	17,865	42,859	7,178	5,331	12,509	17,816	12,534	30,350
1 Through 5 Years	125,903	68,232	194,135	22,854	16,112	38,966	103,049	52,120	155,169
6 Through 9 Years	64,592	37,787	102,379	13,441	10,091	23,532	51,151	27,696	78,847
10 Through 19 Years	114,758	68,501	183,259	24,689	17,398	42,087	90,069	51,103	141,172
20 Through 29 Years	56,209	32,077	88,286	12,148	8,968	21,116	44,061	23,109	67,170
30 or More Years	5,462	3,784	9,246	1,066	1,314	2,380	4,396	2,470	6,866
Total	<u>391,918</u>	<u>228,246</u>	<u>620,164</u>	<u>81,376</u>	<u>59,214</u>	<u>140,590</u>	<u>310,542</u>	<u>169,032</u>	<u>479,574</u>
By Age	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 30	47,248	25,305	72,553	10,493	7,059	17,552	36,755	18,246	55,001
30 Through 39	91,073	54,748	145,821	19,422	13,954	33,376	71,651	40,794	112,445
40 Through 49	123,780	69,240	193,020	26,659	17,944	44,603	97,121	51,296	148,417
50 Through 59	105,507	60,332	165,839	20,634	16,400	37,034	84,873	43,932	128,805
60 Through 69	21,867	15,910	37,777	3,944	3,563	7,507	17,923	12,347	30,270
70 and Over	2,443	2,711	5,154	224	294	518	2,219	2,417	4,636
Total	<u>391,918</u>	<u>228,246</u>	<u>620,164</u>	<u>81,376</u>	<u>59,214</u>	<u>140,590</u>	<u>310,542</u>	<u>169,032</u>	<u>479,574</u>
Increase (or Decrease) since June 30, 2002			8,079			1,014			7,695
Percentage Increase (or Decrease) since June 30, 2002			1.4%			0.7%			1.6%
Average Age	43.70	44.21	43.89	43.10	43.81	43.40	43.86	44.35	44.03
Average Years of Service	10.58	10.63	10.60	10.81	11.03	10.90	10.52	10.49	10.51
Average Annual Salary	\$31,055	\$38,915	\$33,948	\$31,411	\$38,457	\$34,378	\$30,962	\$39,075	\$33,822
Percentage (by Gender)	63.2%	36.8%		57.9%	42.1%		64.8%	35.2%	
Percentage Entitled to a Benefit if Terminated by June 30, 2003	64.19%	64.9%	64.4%	65.7%	67.3%	66.3%	63.5%	64.0%	63.7%

*Non-State Membership: School Bonds, Counties, Community Colleged, Cities and Special Districts.



PROFILE OF FRS INVESTMENT PLAN ACTIVE MEMBERS

as of June 30, 2003

By Years of Service	<u>Total Membership</u>			<u>State Membership</u>			<u>Non-State Membership</u>		
	<u>Females</u>	<u>Males</u>	<u>Total</u>	<u>Females</u>	<u>Males</u>	<u>Total</u>	<u>Females</u>	<u>Males</u>	<u>Total</u>
Less Than 1 Year	1,833	1,258	3,091	1,530	452	1,982	1,193	806	1,999
1 Through 5 Years	10,540	5,908	16,448	2,088	2,073	4,161	7,562	3,835	11,397
6 Through 9 Years	1,799	1,204	3,003	622	562	1,184	1,177	642	1,819
10 Through 19 Years	1,048	844	1,892	351	363	714	697	481	1,178
20 Through 29 Years	155	136	291	43	59	102	112	77	189
30 or More Years	28	32	60	6	16	22	22	16	38
Total	<u>15,403</u>	<u>9,382</u>	<u>24,785</u>	<u>4,640</u>	<u>3,525</u>	<u>8,165</u>	<u>10,763</u>	<u>5,857</u>	<u>16,620</u>

By Age	<u>Females</u>			<u>Males</u>			<u>Total</u>		
	<u>Females</u>	<u>Males</u>	<u>Total</u>	<u>Females</u>	<u>Males</u>	<u>Total</u>	<u>Females</u>	<u>Males</u>	<u>Total</u>
Less Than 30	3,692	1,508	5,200	1,152	617	1,769	2,540	891	3,431
30 Through 39	5,049	2,980	8,029	1,729	1,341	3,070	3,320	1,639	4,959
40 Through 49	3,647	2,210	5,857	1,028	831	1,859	2,619	1,379	3,998
50 Through 59	2,128	1,542	3,670	562	515	1,077	1,566	1,027	2,593
60 Through 69	735	866	1,601	154	189	343	581	677	1,258
70 and Over	152	276	428	15	32	47	137	244	381
Total	<u>15,403</u>	<u>9,382</u>	<u>24,785</u>	<u>4,640</u>	<u>3,525</u>	<u>8,165</u>	<u>10,763</u>	<u>5,857</u>	<u>16,620</u>

Increase (or Decrease) since June 30, 2002			N/A ¹			N/A ¹			N/A ¹
Percentage Increase (or Decrease) since June 30, 2002			N/A ¹			N/A ¹			N/A ¹
Average Age	39.10	42.51	40.39	37.82	40.08	38.80	39.65	43.97	41.18
Average Years of Service	4.09	4.51	4.25	4.29	5.02	4.61	4.01	4.21	4.08
Average Annual Salary	\$29,428	\$35,721	\$31,810	\$31,704	\$37,977	\$34,412	\$28,447	\$34,363	\$30,532
Percentage (by Gender)	62.1%	37.9%		56.8%	43.2%		64.8%	35.2%	
Percentage Entitled to a Benefit if Terminated by June 30, 2003	88.1%	86.6%	87.5%	67.0%	87.2%	75.7%	88.9%	86.2%	88.0%

¹July 2002 was the first possible month of enrollment for FRS Investment Plan Members.

*Non-State Membership: School Bonds, Counties, Community Colleged, Cities and Special Districts.



Statistical Tables

PROFILE OF FRS PENSION PLAN ACTIVE MEMBERS

as of June 30, 2003

By Years of Service	Total Membership			State Membership			Non-State Membership		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 1 Year	23,161	16,607	39,768	6,538	4,879	11,417	16,623	11,728	28,351
2 Through 5 Years	115,363	62,324	177,687	19,876	14,039	33,915	95,487	48,285	143,772
6 Through 9 Years	62,793	36,583	99,376	12,819	9,529	22,348	49,974	27,054	77,028
10 Through 19 Years	113,710	67,657	181,367	24,338	17,035	41,373	89,372	50,622	139,994
20 Through 29 Years	56,054	31,941	87,995	12,105	8,909	21,014	43,949	23,032	66,981
30 or More Years	5,434	3,752	9,186	1,060	1,298	2,358	4,374	2,454	6,828
Total	<u>376,515</u>	<u>218,864</u>	<u>595,379</u>	<u>76,736</u>	<u>55,689</u>	<u>132,425</u>	<u>299,779</u>	<u>163,175</u>	<u>462,954</u>

By Age	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 30	43,556	23,797	67,353	9,341	6,442	15,783	34,215	17,355	51,570
30 Through 39	86,024	51,768	137,792	17,693	12,613	30,306	68,331	39,155	107,486
40 Through 49	120,133	67,030	187,163	25,631	17,113	42,744	94,502	49,917	144,419
50 Through 59	103,379	58,790	162,169	20,072	15,885	35,957	83,307	42,905	126,212
60 Through 69	21,132	15,044	36,176	3,790	3,374	7,164	17,342	11,670	29,012
70 and Over	2,291	2,435	4,726	209	262	471	2,082	2,173	4,255
Total	<u>376,515</u>	<u>218,864</u>	<u>595,379</u>	<u>76,736</u>	<u>55,689</u>	<u>132,425</u>	<u>299,779</u>	<u>163,175</u>	<u>462,954</u>

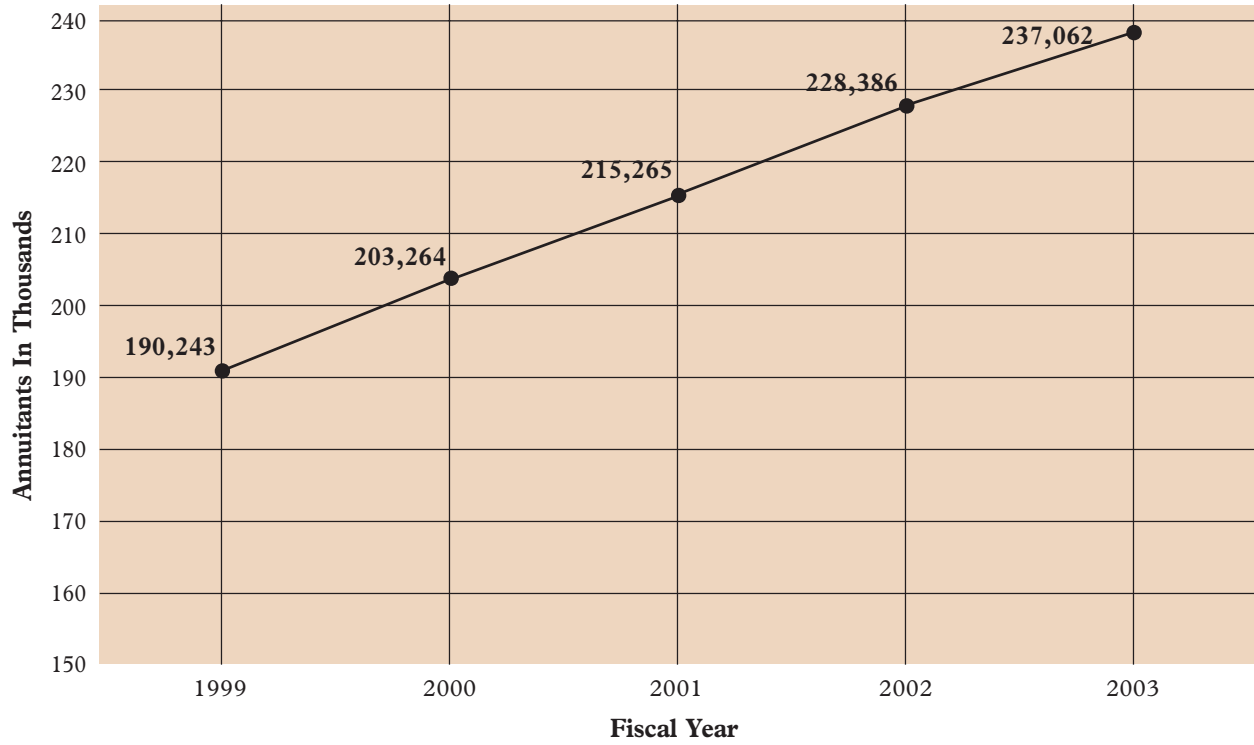
Increase (or Decrease) since June 30, 2002			(16,076)			(7,151)			(8,925)
Percentage Increase (or Decrease) since June 30, 2002			(2.6%)			(5.1%)			(1.9%)
Average Age	43.89	44.28	44.03	43.42	44.05	43.68	44.01	44.36	44.13
Average Years of Service	10.85	10.89	10.86	11.20	11.41	11.29	10.76	10.71	10.74
Average Annual Salary	\$31,122	\$39,052	\$34,037	\$31,393	\$38,487	\$34,376	\$31,052	\$39,244	\$33,940
Percentage (by Gender)	63.2%	36.8%		57.9%	42.1%		64.8%	35.2%	
Percentage Entitled to a Benefit if Terminated by June 30, 2003	63.2%	63.9%	63.5%	65.6%	66.0%	65.8%	62.6%	63.2%	62.8%

*Non-State Membership: School Bonds, Counties, Community Colleged, Cities and Special Districts.

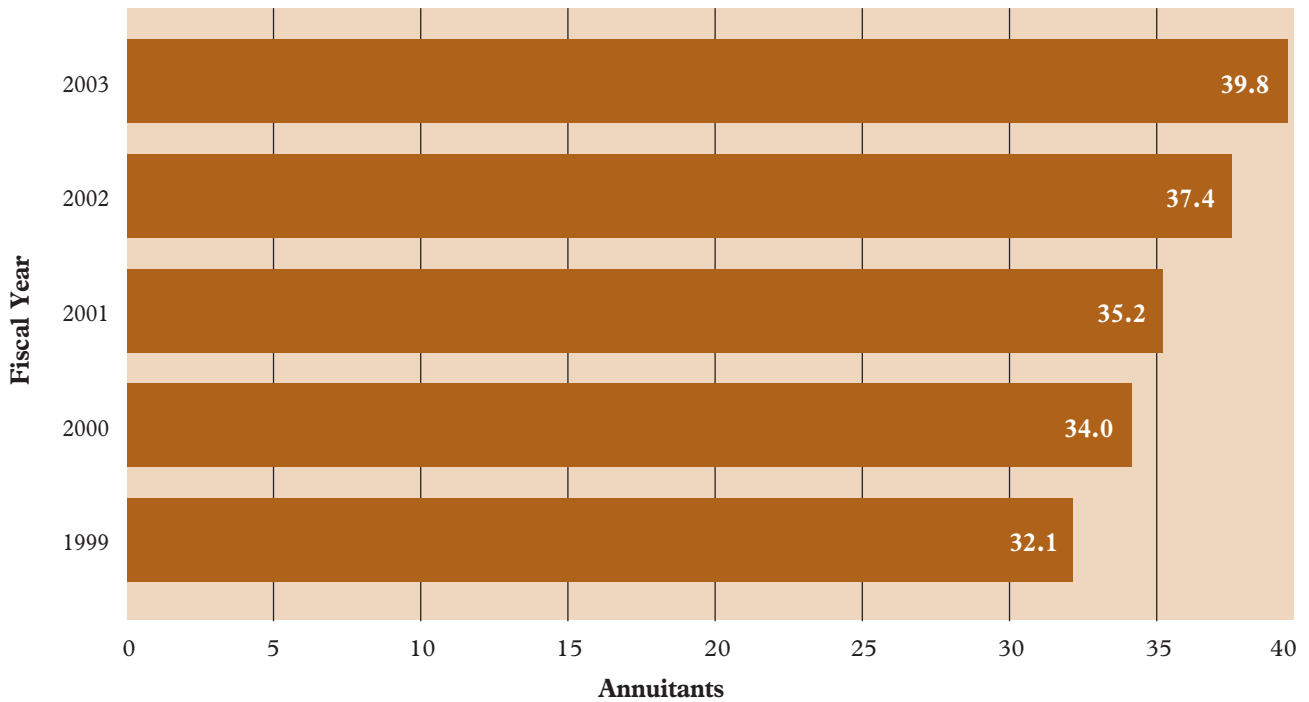


GROWTH OF ANNUITANTS – ALL SYSTEMS 1999-2003*

as of June 30



NUMBER OF ANNUITANTS PER 100 ACTIVE MEMBERS*



*Includes DROP Participants



Statistical Tables

ACTIVE DROP PARTICIPANTS BY SYSTEM

as of June 30, 2003

System	Count	Average Service	Average AFC	Avg. Initial Benefit	Avg. Current Benefit
FRS - Regular Class	22,890	25.75	\$43,429	\$18,296	\$20,955
- Senior Management Service Class	277	28.96	94,851	44,508	50,917
- Special Risk Class	2,878	23.58	54,383	34,468	40,203
- Special Risk Admin Support Class	27	29.42	59,015	32,753	38,231
- Elected Officers' Class	147	27.39	94,905	61,984	70,158
TRS	490	31.46	50,500	30,819	35,427
SCOERS	11	30.77	31,636	15,218	17,329
Total/Average	26,720	25.67	\$45,566	\$20,793	\$23,891

PROFILE OF ACTIVE DROP PARTICIPANTS

as of June 30, 2003

System	Number of Annuitants	Average Service	Average AFC	(Annual) Avg. Initial Benefit	(Annual) Avg. Current Benefit
By Monthly Benefit Amount					
Less than \$50	4	9.05	\$4,042	\$428	\$491
\$50 - \$99	79	7.24	7,736	850	968
\$100 - \$149	187	8.15	11,443	1,361	1,549
\$150 - \$199	269	8.69	14,721	1,842	2,099
\$200 - \$249	332	9.14	18,377	2,381	2,717
\$250 - \$299	432	9.97	20,090	2,898	3,306
\$300 - \$349	428	10.89	21,965	3,417	3,893
\$350 - \$399	372	11.84	23,723	3,951	4,497
\$400 - \$449	355	12.85	25,028	4,475	5,099
\$450 - \$499	348	14.21	25,534	5,037	5,724
\$500 - \$999	3,347	18.66	30,044	7,892	9,012
\$1,000 - \$1,999	8,469	27.45	38,601	15,982	18,280
\$2,000 - \$2,999	7,608	29.89	52,243	25,301	29,068
\$3,000 - \$3,999	2,715	30.03	67,176	35,411	40,831
\$4,000 - \$4,999	1,001	29.14	77,494	45,989	53,265
\$5,000 or more	774	29.03	97,065	64,629	74,486
Total/Average	26,720	25.67	\$45,566	\$20,793	\$23,891
By Option Selection					
Lifetime Benefit (1)	14,280	25.12	\$43,289	\$20,112	\$23,092
Benefit with a Guarantee (2)	5,758	26.17	45,202	21,440	24,645
Member with a Joint Annuitant (3)	5,622	26.43	49,860	21,114	24,282
Reduced Benefit on 1st Death (4)	1,060	26.35	55,440	24,743	28,465
Total/Average	26,720	25.67	\$45,566	\$20,793	\$23,891
By Employer					
State	5,871	25.66	\$40,552	\$18,518	\$21,257
State University System	1,623	27.14	55,353	23,938	27,412
Counties	4,809	22.33	49,450	24,424	28,248
School Boards	12,686	26.80	44,571	19,979	22,916
Community Colleges	922	25.87	52,864	22,792	26,089
Cities & Special Districts	809	24.64	46,516	19,884	22,816
Total/Average	26,720	25.67	\$45,566	\$20,793	\$23,891



PROFILE OF ACTIVE DROP PARTICIPANTS

as of June 30, 2003

By Years of Service	Total Membership			State Membership			Non-State Membership*		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
6 - 9	676	753	1,429	203	206	409	473	547	1,020
10 - 14	1,348	1,246	2,594	398	351	749	950	895	1,845
15 - 19	1,211	793	2,004	259	200	459	952	593	1,545
20 - 24	1,257	861	2,118	250	222	472	1,007	639	1,646
25 - 29	1,268	2,105	3,373	219	682	901	1,049	1,423	2,472
30 - 34	8,642	6,052	14,694	2,114	2,194	4,308	6,528	3,858	10,386
35+	253	255	508	53	143	196	200	112	312
Total	14,655	12,065	26,720	3,496	3,998	7,494	11,159	8,067	19,226

Age Range	Total Membership			State Membership			Non-State Membership*		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less than 50	154	393	547	100	128	228	54	265	319
50 through 54	2,422	2,103	4,525	813	721	1,534	1,609	1,382	2,991
55 through 59	4,706	4,414	9,120	990	1,394	2,384	3,716	3,020	6,736
60 through 64	5,534	3,650	9,184	1,179	1,238	2,417	4,355	2,412	6,767
65 through 69	1,608	1,212	2,820	363	417	780	1,245	795	2,040
70 through 74	171	211	382	37	73	110	134	138	272
75 through 79	51	65	116	12	20	32	39	45	84
80+ Years	9	17	26	2	7	9	7	10	17
Total	14,655	12,065	26,720	3,496	3,998	7,494	11,159	8,067	19,226

Average Age	59.40	58.74	59.10	58.58	58.80	58.70	59.65	58.71	59.26
Average Years of Service	25.93	25.36	25.67	25.46	26.44	25.98	26.07	24.82	25.55
Average Annual Salary	\$46,572	\$59,719	\$52,508	\$41,626	\$58,600	\$50,681	\$48,121	\$60,274	\$53,221
Percentage (by Gender)	54.8%	45.2%		46.7%	53.3%		58.0%	42.0%	
Average Annual Benefit	\$20,555	\$27,943	\$23,891	\$17,398	\$27,130	\$22,590	\$21,543	\$28,345	\$24,397

DROP ACCRUED BENEFITS AND INTEREST

as of June 30, 2003

System/Class	Total Membership			State Membership			Non-State Membership*		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
FRS - EOC	\$3,930,845	\$15,425,708	\$19,356,553	\$1,009,103	\$10,037,312	\$11,046,415	\$2,921,743	\$5,388,395	\$8,310,138
FRS - Regular	\$523,012,489	\$418,828,784	\$941,841,273	\$101,606,283	\$139,496,032	\$241,102,315	\$421,406,206	\$279,332,751	\$700,738,957
FRS - SMSC	\$6,950,412	\$16,431,723	\$23,382,135	\$2,314,538	\$7,695,912	\$10,010,450	\$4,635,873	\$8,735,812	\$13,371,685
FRS - Sp Risk Admin Sup	\$66,821	\$2,254,182	\$2,321,003	\$66,821	\$792,856	\$859,677	\$0	\$1,461,326	\$1,461,326
FRS - Special Risk Class	\$13,718,224	\$210,295,777	\$224,014,001	\$3,657,550	\$48,336,533	\$51,994,083	\$10,060,674	\$161,959,245	\$172,019,919
SCOERS	\$608,066	\$423,704	\$1,031,770	\$71,266	\$115,074	\$186,340	\$536,799	\$308,631	\$845,430
TRS	\$33,018,305	\$17,965,995	\$50,984,300	\$1,012,967	\$3,212,398	\$4,225,365	\$32,005,338	\$14,753,597	\$46,758,935
Totals	\$581,305,162	\$681,625,873	\$1,262,931,035	\$109,738,528	\$209,686,117	\$319,424,645	\$471,566,633	\$471,939,757	\$943,506,390

* Non-State Membership : School Boards, Counties, Community Colleges, Cities and Special Districts



Statistical Tables

TERMINATED DROP PARTICIPANTS BY SYSTEM*

as of June 30, 2003

System	Number of Annuitants	Average Service	Average AFC	Average Init. Ben.	(Annual) Average Final Ben.
FRS - Regular Class	9,126	26.31	\$41,229	\$18,089	\$20,210
- Senior Management Service Class	84	30.84	\$86,300	\$42,220	\$46,868
- Special Risk Admin Support Class	9	29.52	\$61,250	\$34,751	\$42,289
- Special Risk Class	1,452	23.86	\$49,168	\$27,869	\$34,357
- Elected Officers' Class	53	28.24	\$95,209	\$65,353	\$72,770
SCOERS	9	34.07	\$32,859	\$19,157	\$14,126
TRS	337	32.70	\$49,266	\$30,714	\$35,018
Total/Average	11,070	26.24	\$43,125	\$20,180	\$22,857

PROFILE OF TERMINATED DROP PARTICIPANTS*

as of June 30, 2003

By Years of Service	Number of Annuitants	Average Service	Average AFC	Average Init. Ben.	(Annual) Average Final Ben.
6 - 9	232	8.05	\$26,240	\$3,595	\$3,683
10 - 14	1,370	12.13	\$29,012	\$6,031	\$6,877
15 - 19	1,087	17.39	\$34,722	\$10,202	\$11,696
20 - 24	1,105	22.38	\$39,464	\$14,817	\$16,935
25 - 29	1,521	27.25	\$48,011	\$25,315	\$29,785
30 - 34	4,761	31.36	\$47,829	\$24,730	\$27,835
35+	994	37.81	\$49,769	\$30,775	\$35,193
Total/Average	11,070	26.24	\$43,125	\$20,180	\$22,857

By Age

Less than 50	66	26.57	\$51,226	\$34,302	\$36,183
50 through 54	560	28.96	\$47,817	\$26,309	\$29,362
55 through 59	2,238	30.10	\$49,110	\$26,158	\$30,183
60 through 64	3,619	27.96	\$43,717	\$21,092	\$23,796
65 through 69	3,024	22.94	\$39,341	\$15,813	\$17,818
70 through 74	1,123	22.14	\$39,731	\$15,714	\$17,812
75 through 79	333	21.75	\$35,052	\$13,506	\$15,156
80+ Years	107	22.88	\$36,033	\$14,559	\$16,405
Total/Average	11,070	26.24	\$43,125	\$20,180	\$22,857

By Option Selection

Lifetime Benefit (1)	5,864	25.38	\$40,271	\$19,115	\$21,612
Benefit with a Guarantee (2)	2,362	27.32	\$43,837	\$21,842	\$24,541
Member and Joint Annuitant (3)	2,311	27.03	\$47,114	\$19,976	\$22,899
Reduced Benefit on 1st Death (4)	533	27.41	\$54,070	\$25,420	\$29,390
Total/Average	11,070	26.24	\$43,125	\$20,180	\$22,857

Notes: AFC = Average Final Compensation, Init. Ben. = Initial Benefit, Final Ben. = Final Benefit.

Option selections for existing systems have been included in the FRS options outlined even though they are different.

*Terminated DROP participants are also included with the statistics of all annuitants on pages 50 to 55.



PROFILE OF TERMINATED DROP PARTICIPANTS

as of June 30, 2003

By Gender Code	Number of Annuitants	Average Service	Average AFC	(Annual)	
				Average Init. Ben.	Average Final Ben.
Female	5,703	26.23	\$37,480	\$17,269	\$18,995
Male	5,367	26.25	\$49,124	\$23,273	\$26,921
Total/Average	11,070	26.24	\$43,125	\$20,180	\$22,857
By Cause of Termination					
Deceased	124	25.31	\$43,733	\$19,515	\$21,335
Termination	10,946	26.25	\$43,118	\$20,187	\$22,874
Total/Average	11,070	26.24	\$43,125	\$20,180	\$22,857
Average length of participation - 3.15					
By Employer					
State	2,564	26.02	\$37,963	\$17,581	\$20,091
State University System	892	28.68	\$54,305	\$25,082	\$28,435
Counties	2,136	22.25	\$44,554	\$20,509	\$24,399
School Boards	4,716	27.65	\$42,531	\$20,267	\$22,343
Community Colleges	459	27.50	\$49,569	\$23,697	\$26,757
Cities & Special Districts	303	24.98	\$43,287	\$18,729	\$21,085
Total/Average	11,070	26.24	\$43,125	\$20,180	\$22,857
By Monthly Benefit Amount					
Less Than \$50	3	11.56	\$14,434	\$309	\$330
\$50 - \$99	21	8.95	\$6,606	\$914	\$938
\$100 - \$149	57	10.02	\$10,068	\$1,444	\$1,551
\$150 - \$199	92	10.32	\$14,068	\$1,993	\$2,137
\$200 - \$249	122	10.79	\$16,374	\$2,487	\$2,679
\$250 - \$299	172	11.93	\$17,891	\$3,033	\$3,305
\$300 - \$349	187	12.94	\$18,966	\$3,551	\$3,896
\$350 - \$399	172	13.78	\$21,335	\$4,106	\$4,488
\$400 - \$449	192	14.55	\$22,105	\$4,615	\$5,100
\$450 - \$499	183	15.71	\$23,750	\$5,161	\$5,694
\$500 - \$999	1,716	19.43	\$28,568	\$8,034	\$8,927
\$1,000 - \$1,999	3,696	27.81	\$39,027	\$16,936	\$17,944
\$2,000 - \$2,999	2,614	30.79	\$50,804	\$25,823	\$29,347
\$3,000 - \$3,999	1,160	31.54	\$63,237	\$35,344	\$41,125
\$4,000 - \$4,999	465	31.47	\$74,344	\$44,469	\$53,030
\$5,000 or more	218	32.38	\$93,884	\$61,972	\$73,322
Total/Average	11,070	26.24	\$43,125	\$20,180	\$22,857



Statistical Tables

TOTAL ANNUITANTS BY SYSTEM*

System	1999	2000	2001	2002	2003
FRS — Regular Class	150,295	158,892	166,301	174,874	184,106
— Senior Mgmt. Service Class	412	468	548	636	752
— Special Risk Class	9,835	10,570	11,661	12,974	14,308
— Special Risk Adm. Supp. Class	86	94	102	112	116
— Elected Officers Class	1,222	1,242	1,406	1,445	1,537
Subtotal	161,850	171,266	180,018	190,041	200,819
TRS	6,744	7,323	6,553	6,291	6,093
TRS — SB	965	957	918	882	846
SCOERS	2,449	2,328	2,093	1,869	1,672
Hwy. Patrol	88	88	85	83	78
JRS	21	21	21	19	18
Subtotal	10,267	10,717	9,670	9,144	8,707
Total	172,117	181,983	189,688	199,185	209,526
General Revenue and IFAS					
Noncontributory (112.05, F.S.)	149	144	135	127	120
IFAS	69	80	87	94	99
National Guard	523	550	567	577	583
Judicial Retirement	7	7	7	9	10
Teachers (238.171, F.S.)	7	7	5	4	3
Special Pensions	2	2	1	1	1
Total	757	790	802	812	816
Grand Total	172,874	182,773	190,490	199,997	210,342

AVERAGE ANNUALIZED BENEFITS TO TOTAL ANNUITANTS BY SYSTEM*

System	1999	2000	2001	2002	2003
FRS — Regular Class	\$10,965	\$11,377	\$11,648	\$11,864	\$12,195
— Senior Mgmt. Service Class	35,074	36,341	36,036	36,526	36,693
— Special Risk Class	16,644	17,361	18,452	21,220	22,250
— Special Risk Adm. Supp. Class	20,345	20,830	21,037	23,667	24,666
— Elected Officers Class	29,951	30,882	32,155	32,946	34,361
TRS	14,863	14,698	16,907	17,794	18,993
TRS — SB	1,881	2,193	1,897	1,879	1,880
SCOERS	5,232	5,426	5,662	5,962	6,218
Hwy. Patrol	14,280	14,530	14,767	15,049	15,654
JRS	21,736	22,388	23,060	23,278	24,284
Average	\$11,510	\$11,939	\$12,365	\$12,802	\$13,250
General Revenue and IFAS					
Noncontributory (112.05, F.S.)	\$10,176	\$10,386	\$10,696	\$11,186	\$11,525
IFAS	7,002	7,373	7,667	7,920	8,142
National Guard	9,589	10,396	11,142	12,561	13,468
Judicial Retirement	45,635	47,004	45,637	54,292	58,404
Teachers (238.171, F.S.)	1,632	1,681	1,668	1,710	1,719
Special Pensions	2,975	2,975	3,861	3,861	3,861
Average	\$9,711	\$10,317	\$10,923	\$12,207	\$13,031
Average All Annuitants	\$11,502	\$11,932	\$12,359	\$12,800	\$13,249

* Total Annuitants include General Revenue, TRS-SB, and IFAS annuitants.



ANNUALIZED BENEFITS TO TOTAL ANNUITANTS BY SYSTEM*

(000 Omitted Except for Averages)

System	1999	2000	2001	2002	2003
FRS – Regular Class	\$1,647,992	\$1,807,761	\$1,937,061	\$2,074,745	\$2,245,256,215
– Senior Mgmt. Service Class	14,450	17,008	19,747	23,230	27,593,352
– Special Risk Class	163,696	183,501	215,166	275,306	318,359,188
– Special Risk Adm. Supp. Class	1,749	1,958	2,145	2,650	2,861,216
– Elected Officers’ Class	36,600	38,356	45,210	47,607	52,812,827
Subtotal	1,864,489	2,048,584	2,219,331	2,435,540	2,646,882,798
TRS	100,232	107,637	110,789	111,943	115,723,520
TRS – SB	1,815	2,099	1,724	1,657	1,590,086
SCOERS	12,813	12,631	11,850	11,142	10,395,897
Hwy. Patrol	1,256	1,278	1,255	1,249	1,220,997
JRS	456	470	484	442	437,117
Subtotal	116,574	124,115	126,103	126,434	129,367,618
Total	<u>\$1,981,064</u>	<u>\$2,172,699</u>	<u>\$2,345,435</u>	<u>\$2,549,974</u>	<u>2,776,250,415</u>
General Revenue and IFAS					
Noncontributory (112.05, F.S.)	\$1,516	\$1,495	\$1,443	\$1,420	\$1,382,945
IFAS	483	590	667	744	806,020
National Guard	5,014	5,718	6,317	7,247	7,851,575
Judicial Retirement	319	329	319	488	584,042
Teachers (238.171, F.S.)	11	12	8	6	5,158
Special Pensions	5	6	3	3	3,861
Total	<u>\$7,351</u>	<u>\$8,150</u>	<u>\$8,760</u>	<u>\$9,912</u>	<u>\$10,633,601</u>
Grand Total	<u>\$1,988,415</u>	<u>\$2,180,849</u>	<u>\$2,354,195</u>	<u>\$2,559,886</u>	<u>\$2,786,884,017</u>
Average All Annuitants	\$11,502	\$11,932	\$12,359	\$12,800	\$13,249

COMPARISON OF TOTAL DISABILITY BENEFITS BY SYSTEM*

as of June 30

System	Number of Retirees		Annualized Benefits		Average Annual Benefits	
	2002	2003	2002	2003	2002	2003
FRS – Regular	10,584	11,042	\$89,287,037	\$96,490,289	\$8,436	\$8,738
– Senior Mgmt. Service Class	8	10	222,789	285,832	27,849	28,583
– Special Risk Class	918	1,003	13,980,591	16,381,068	15,229	16,332
– Special Risk Adm. Supp. Class	4	4	46,370	47,761	11,593	11,940
– Elected Officers’ Class	4	6	78,164	91,362	19,541	15,227
TRS	258	243	2,661,171	2,592,561	10,315	10,669
SCOERS	93	85	531,026	496,352	5,710	5,839
Hwy. Patrol	3	3	26,483	27,277	8,828	9,092
General Revenue	9	10	488,629	584,042	54,292	58,404
Total/Average	<u>11,881</u>	<u>12,406</u>	<u>\$107,322,261</u>	<u>\$116,996,544</u>	<u>\$9,033</u>	<u>\$9,431</u>

* Total Annuitants include General Revenue, TRS-SB, and IFAS annuitants.



Statistical Tables

TOTAL ANNUITANTS BY SYSTEM*

as of June 30, 2003

System	Number of Annuitants	Average Service	Average AFC	(Annual) Average Init. Ben.	Average Curr. Ben.
FRS — Regular Class	184,106	20.89	\$27,161	\$9,392	\$12,195
— Senior Management Service Class	752	24.87	81,437	31,212	36,693
— Special Risk Class	14,308	19.93	36,557	16,843	22,250
— Special Risk Adm. Supp. Class	116	23.92	41,746	18,606	24,666
— Elected Officers' Class	1,537	21.71	51,352	26,982	34,361
TRS	6,093	27.26	24,402	13,394	18,993
TRS — SB	846	0.00	0	1,885	1,880
JRS	18	20.50	22,199	13,414	24,284
Hwy. Patrol	78	24.91	14,621	9,640	15,654
SCOERS	1,672	20.12	7,984	3,088	6,218
IFAS	99	0.00	0	6,676	8,142
General Revenue	717	5.44	3,223	8,670	13,707
Total/Average	210,342	20.88	\$27,738	\$10,143	\$13,249

PROFILE OF FRS ANNUITANTS**

as of June 30, 2003

Years of Service	Number of Annuitants	Average Service	Average AFC	Average Initial Benefit	Average Current Benefit
40 or More Years	2,775	42.36	\$39,070	\$27,451	\$37,358
35 - 39	9,218	36.99	36,974	23,256	31,848
30 - 34	34,261	31.38	37,557	19,584	25,110
25 - 29	25,002	27.03	33,105	14,412	18,642
20 - 24	33,645	22.22	28,179	9,271	12,066
15 - 19	39,369	17.33	24,649	6,281	8,285
10 - 14	59,074	12	20,835	3,775	4,965
5 - 9	5,013	7.87	22,846	3,764	4,496
Less than 5 Years	323	3.08	14,321	6,291	9,512
Total/Average	208,680	21.03	\$27,948	\$10,183	\$13,296
Age Range					
Under 40	1,579	18.29	\$30,294	\$6,274	\$7,386
40 - 44	992	16.60	29,152	7,553	8,695
45 - 49	2,669	17.46	31,370	9,416	10,606
50 - 54	8,109	19.89	33,937	11,344	12,837
55 - 59	20,768	21.50	35,939	13,017	14,982
60 - 64	32,530	21.51	33,559	12,313	14,467
65 - 69	41,145	21.16	30,860	11,329	14,022
70 - 74	37,848	21.29	27,907	10,453	14,045
75 - 79	30,088	21.02	23,253	8,670	12,847
80 - 84	19,450	20.42	18,432	6,728	11,042
85 and Older	13,234	20.97	12,919	4,929	9,719
Option 2 Payees - Member Deceased	268	19.75	12,644	3,106	6,580
Total/Average	208,680	21.03	\$27,948	\$10,183	\$13,296
By Option Selection					
Lifetime Benefit (1)	120,631	20.17	\$26,181	\$9,615	\$12,484
Benefit with a Guarantee (2)	36,814	22.28	29,154	11,432	15,090
Member and Joint Annuitant (3)	41,733	21.79	30,809	10,021	13,330
Reduced Benefit on 1st Death (4)	9,502	23.80	33,137	13,267	16,517
Total/Average	208,680	21.03	\$27,948	\$10,183	\$13,296

* Total Annuitants include General Revenue, TRS-SB, and IFAS annuitants.

** FRS Annuitants exclude General Revenue, TRS-SB, and IFAS annuitants.



Statistical Tables

PROFILE OF FRS ANNUITANTS* (CONTINUED)

as of June 30, 2003

By Benefit Amount	Number of Annuitants	Average Service	Average AFC	Average Initial Benefit	Average Current Benefit
Benefit Less Than \$50	529	10.98	\$10,713	\$356	\$415
50 - 99	2,257	11.27	10,582	818	946
100 - 149	4,306	11.85	11,880	1,275	1,522
150 - 199	6,117	12.23	13,306	1,683	2,111
200 - 249	9,690	12.17	12,870	1,843	2,708
250 - 299	10,257	13.15	14,610	2,331	3,296
300 - 349	10,026	14.09	16,312	2,816	3,895
350 - 399	9,667	14.95	17,584	3,286	4,496
400 - 449	8,830	15.75	18,883	3,756	5,096
450 - 499	8,141	16.44	20,150	4,260	5,697
500 - 999	55,475	19.16	25,044	6,610	8,650
1000 - 1999	49,730	25.92	33,608	13,129	17,211
2000 - 2999	22,372	31.03	43,756	22,445	28,980
3000 - 3999	7,458	32.90	55,237	31,783	40,955
4000 - 4999	2,509	33.50	66,871	41,068	52,913
5000 or more	1,316	34	85,024	57,523	73,374
Total/Average	208,680	21.03	\$27,948	\$10,183	\$13,296
By Benefit Recipient					
Member Deceased	20,065	20.65	\$26,431	\$8,083	\$10,445
Member Living	188,615	21.07	28,109	10,406	13,600
Total/Average	208,680	21.03	\$27,948	\$10,183	\$13,296
By Retirement Date					
Before 12/1970	1,283	23.31	\$6,412	\$2,607	\$7,786
12/1970 - 6/1985	30,777	20.96	14,536	5,425	10,331
7/1985 - 6/1994	60,804	21.61	25,545	9,604	13,983
7/1994 - 6/1995	10,075	21.49	29,744	10,950	14,198
7/1995 - 6/1996	12,164	21.84	31,846	12,033	15,225
7/1996 - 6/1997	11,707	21.58	32,350	12,174	14,934
7/1997 - 6/1998	12,318	21.45	32,482	11,990	14,347
7/1998 - 6/1999	21,954	23.14	36,572	14,967	17,534
7/1999 - 6/2000	12,455	20.25	33,106	11,046	12,443
7/2000 - 6/2001	11,563	20.03	34,163	11,782	12,732
7/2001 - 6/2002	14,103	17.23	31,397	9,277	9,732
7/2002-6/2003	9,477	17.47	32,115	9,550	9,737
Total/Average	208,680	21.03	\$27,948	\$10,183	\$13,296
By Employer					
State	43,173	20.72	\$26,819	\$9,526	\$12,335
State University System	10,310	22.05	32,551	11,827	15,384
Counties	43,768	18.34	29,515	9,698	12,506
School Boards	98,480	22.39	26,814	10,434	13,777
Community Colleges	7,246	21.40	33,224	12,273	15,863
Cities & Special Districts	5,703	18.26	29,020	8,909	11,300
Total/Average	208,680	21.03	\$27,948	\$10,183	\$13,296

* FRS annuitants exclude General Revenue, TRS-SB, and IFAS annuitants.



Statistical Tables

PROFILE OF FRS ANNUITANTS* (CONTINUED)

as of June 30, 2003

By Gender	Number of Annuitants	Average Service	Average AFC	Average Initial Init. Ben.	Average Current Curr. Ben
Female	129,648	20.91	\$24,633	\$8,825	\$11,534
Male	79,032	21.23	33,385	12,410	16,187
Total/Average	208,680	21.03	\$27,948	\$10,183	\$13,296
By Type of Retirement					
Death of Active Member					
Line of Duty Death	292	8.61	\$22,818	\$11,300	\$17,705
Not Line of Duty Death	6,695	19.42	27,467	6,179	8,738
Disability					
Line of Duty Disability	2,728	13.96	22,831	9,663	12,092
Not Line of Duty Disability	9,668	17.31	23,328	6,857	8,629
Early	55,341	17.63	25,289	6,088	7,929
Normal	133,956	22.95	29,519	12,323	16,093
Total/Average	208,680	21.03	\$27,948	\$10,183	\$13,296
Duration of Benefit Payments to Date					
Less Than 5 Years	69,552	20.14	\$33,894	\$11,844	\$13,180
5 - 10	55,775	21.62	31,314	11,685	14,692
10 - 15	36,012	21.68	26,515	10,024	14,393
15 - 20	24,325	21.31	19,873	7,412	12,331
20 - 25	14,466	20.95	14,485	5,404	10,289
25 - 30	5,800	20.38	10,302	3,751	8,387
30 - 35	2,181	22.30	8,045	3,228	8,556
35 - 40	399	23.10	5,846	2,298	7,202
40+	170	23.57	4,600	1,887	7,101
Total/Average	208,680	21.03	\$27,948	\$10,183	\$13,296
Average duration of benefit payments = 9.30 years					
Duration of Benefit Payments - Deaths in Current Year					
Less Than 1 Year	41	16.57	\$34,025	\$6,709	\$6,902
1 - 2	506	16.44	33,777	7,082	7,424
2 - 3	102	18.65	35,564	9,192	9,654
3 - 4	72	21.44	36,778	12,019	12,361
4 - 5	157	24.03	34,187	12,537	12,827
5 - 10	352	22.34	32,171	11,968	12,454
10 - 15	178	22.91	29,419	13,890	13,686
15 - 20	151	22.80	25,057	13,495	13,353
20 - 25	92	24.51	18,603	12,271	11,510
25 - 30	33	24.50	13,231	10,552	9,056
30 - 35	10	25.26	8,410	8,904	6,623
35 - 40	2	22.04	8,314	8,718	4,625
40+	1	16.92	1,498	3,502	3,715
Total/Average	1,697	20.61	\$31,069	\$10,572	\$10,726

Average Duration of Benefits to Deceased Annuitants = 7.10 years

*FRS annuitants exclude General Revenue, TRS-SB, and IFAS annuitants.



FRS RETIREES AND JOINT ANNUITANTS* BY AGES AT RETIREMENT

as of June 30, 2003

Retirement Age	Retirees	Retirees' Annualized Benefits	Joint Annuitants	Joint Annuitants' Annualized Benefits
Under 40	803	\$6,644,464	246	\$2,885,344
40 - 44	1,862	16,613,312	501	3,599,383
45 - 49	6,838	84,346,318	1,422	10,445,581
50 - 54	24,249	389,670,095	2,850	28,224,088
55 - 59	43,441	659,920,482	4,147	46,669,688
60 - 64	72,766	943,761,051	6,179	69,276,432
65 - 69	30,520	379,115,063	3,493	37,230,409
70 - 74	6,045	68,298,745	842	8,429,797
75 - 79	1,655	13,908,299	284	2,316,828
80 - 84	373	2,469,850	78	403,126
85 and Older	63	332,434	23	99,539
Total	188,615	\$2,565,080,114	20,065	\$209,580,215

FRS RETIREES AND JOINT ANNUITANTS* BY YEARS OF SERVICE AT RETIREMENT

as of June 30, 2003

Years of Service	Retirees	Retirees' Annualized Benefits	Joint Annuitants	Joint Annuitants' Annualized Benefits
Less than 5 Years	202	\$1,568,346	121	\$1,504,053
5 - 9	4,647	19,952,703	366	2,586,089
10 - 14	53,221	268,494,921	5,853	24,816,068
15 - 19	35,198	297,036,632	4,171	29,135,340
20 - 24	30,135	370,491,831	3,510	35,459,102
25 - 29	22,496	428,622,657	2,506	37,457,853
30 - 34	32,047	816,045,253	2,214	44,242,379
35 - 39	8,242	269,656,931	976	23,921,118
40 or More Years	2,427	93,210,838	348	10,458,214
Total	188,615	\$2,565,080,114	20,065	\$209,580,215

FRS RETIREES* RETIRED BETWEEN JULY 1, 2002 AND JUNE 30, 2003

	Number of Annuitants	Average Age	Average Service	Average AFC	Average Init. Ben.	Average Curr. Ben.
FRS - Regular Class Female	5,389	59.27	17.87	\$28,797	\$8,031	\$8,192
FRS - Regular Class Male	3,039	60.25	16.59	33,604	8,605	8,769
FRS - Special Risk Class	876	53.43	17.85	41,647	19,598	19,970
Other	173	61.21	18.65	61,063	22,611	23,046
Total/Average	9,477	59.08	17.47	\$32,115	\$9,550	\$9,737

*FRS retirees and annuitants exclude DROP, General Revenue, TRS-SB, and IFAS retirees and annuitants.





SUMMARY PLAN DESCRIPTION
AND CHRONOLOGY



Summary Plan Description

The following summary is a brief description of the Florida Retirement System Pension Plan. Questions of interpretation shall be determined from part I of chapter 121, Florida Statutes, and chapter 60S of the Florida Administrative Code.

Creation

The Florida Retirement System was created December 1, 1970, with 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 system was created to provide a retirement, disability, and survivor benefit program for participating public employees. Social Security coverage is also provided to all members.

Membership

Membership in the Florida Retirement System is compulsory for all full-time and part-time employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or participating city or special district. Certain members, including elected officials and local government senior managers, may elect to not participate in the system. Members of the Elected Officers' Class may elect to participate in the Senior Management Service Class in lieu of the Elected Officers' Class. The following members may elect to participate in various optional programs instead of the Florida Retirement System:

- Senior Management Service Class members who are state employees (including state-level Elected Officers' Class members who choose to join that class) may elect to participate in the Senior Management Service Optional Annuity Program (while locally designated members of the class may elect to opt out of the system altogether);
- State University System faculty and administrative and professional employees may elect to participate in the State University System Optional Retirement Program;
- State Community College System faculty and certain administrators may elect to participate in the State Community College System Optional Retirement Program, if their college offers an optional retirement program; and
- Most pension plan members (including renewed members) and Senior Management Service Optional Annuity Program participants may elect to participate in the Public Employee Optional Retirement Program (FRS Investment Plan). Participants of the other optional programs or the Deferred Retirement Option Program (DROP) are not eligible for this program.

Classes of Membership

Regular Class — This class consists of members of the Florida Retirement System who do not qualify for membership in the Special Risk, Special Risk Administrative Support, Elected Officers', or Senior Management Service Classes.

Special Risk Class — This class consists of members who meet the criteria set forth in the Law and Rules to qualify for this class and are employed as:

- Law enforcement officers;
- Firefighters (including fire prevention and firefighter training positions, and aerial firefighting surveillance pilots for the Department of Agriculture and Consumer Services);
- Correctional officers or community-based correctional probation officers;
- Paramedics or emergency medical technicians;
- Certain health care positions in correctional and forensic facilities within the Departments of Corrections and Children and Families, or
- Youth custody officers.

Special Risk Administrative Support Class — This class consists of special risk members who are transferred or reassigned to a non-special risk law enforcement, firefighting or correctional administrative support position within a Florida Retirement System special risk employing agency and meet the criteria set forth in the Law.

Elected Officers' Class (EOC) — This class consists of members who hold specified elected offices in both state and local government:

- State elected offices include: Governor, Lieutenant Governor, Cabinet Officer, Legislator, Supreme Court Justice, district court of appeal judge, circuit judge, county court judge, state attorney, and public defender.
- Elected county offices include: sheriff, tax collector, property appraiser, supervisor of elections, school board member, school board superintendent, clerk of circuit court, and county commissioner.
- Cities and special districts that have chosen to place their elected officials in the EOC.

Senior Management Service Class (SMSC) — This class consists of:

- Members of the Senior Management Service of state government;
- 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;



Summary Plan Description

- Judges of compensation claims;
- Selected managerial staff with the Judicial Branch;
- Capital collateral regional counsels and assistant capital collateral regional counsels;
- Assistant state attorneys;
- Assistant public defenders;
- Assistant statewide prosecutors or assistant attorneys general;
- Elected officials who chose to join the SMSC in lieu of the EOC;
- Nonselective managerial positions designated for SMSC membership by local government agencies; and
- Chief Deputy Court Administrator.

Contributions

Retirement coverage is employee noncontributory. Employers pay all contributions. Effective July 1, 2002, the Florida Legislature established a uniform contribution rate system for the Florida Retirement System (FRS), covering both the FRS Pension Plan and the FRS Investment Plan. Including the fee of 0.15% for administration of the FRS Investment Plan and provision of educational tools for both plans, the uniform rates for FY 2002/03 are as follows:

<i>Class</i>	<i>Rate</i>
Regular	4.65%
Special Risk	14.90%
Special Risk Administrative Support	5.45%
Elected Officers	
Judges	14.75%
Governor, Lt. Governor, Cabinet, Legislators, State Attorneys, and Public Defenders	8.30%
Elected County Officials (in EOC)	10.75%
Senior Management Service	4.95%
Deferred Retirement Option Program (DROP)	8.00%

Note: To offset the rates shown above, a portion of the normal cost has been prefunded from surplus actuarial assets for all rates. These rates do not include the separate 1.11% contribution for the Retiree Health Insurance Subsidy.

A member who terminates employment with a Florida Retirement System employer may receive a refund of any retirement contributions personally made to the system, or may leave these personal contributions in the system and keep all creditable service earned through the date of termination.

Creditable Service

A member receives 1 month of service credit for each month in which any salary is paid for work performed. Members may purchase credit for past service, prior service, certain military service (up to 4 years), approved leaves-of-absence (up to 2 years), out-of-state public service (includes federal service), non-FRS public service and non-public service in certain schools or colleges in Florida (up to 5 years total including both in-state and out-of-state service), and in some cases credit for periods of disability, to increase their retirement benefit. To purchase this service credit, members must meet certain requirements.

Service Retirement

Since July 1, 2001, the FRS has provided for vesting of benefits after 6 years of creditable service. (Members not employed in a position covered by the pension plan on July 1, 2001, may be required to return to covered employment for up to 1 work year to be eligible to vest with less service than was required under the law in effect before July 1, 2001.) Members are eligible for *normal retirement* when they have met the minimum requirements listed below. *Early retirement* may be taken any time after vesting; however, there is a 5% benefit reduction for each year from the member's retirement date to his/her normal retirement age.

Normal Retirement Requirements

<i>Regular Class, Elected Officers' Class, and Senior Management Service Class</i>	Six years of service and age 62, the age after 62 the member becomes vested, or thirty years of service, regardless of age (may include four years military), whichever comes first.
<i>Special Risk Class</i>	Six years of special risk service and age 55; or Twenty-five total years of service, consisting of both special risk service and up to four years of military service, and age 52; or Twenty-five total years of special risk service, regardless of age; or Thirty years of any creditable service, regardless of age (may include four years military).
<i>Special Risk Administrative Support Class</i>	Special risk normal retirement requirements apply to service in this class if member has six years actual special risk service; otherwise regular member requirements apply.



Summary Plan Description

Benefit Calculation

Benefits are computed on the basis of age and/or years of service, average final compensation, and service credit. Average final compensation (AFC) is the average of the 5 highest fiscal years of earnings. Each year of service is expressed as a percentage of AFC. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned. The following chart shows the value for each year of service:

<i>RETIREMENT PLAN</i>	<i>% VALUE (per year of service)</i>
State and County Officers' and Employees' Retirement System (SCOERS)	
Division A (no Social Security)	2.00%
Division B (with Social Security)	1.50%
Teachers' Retirement System (TRS)	
Plan E	2.00%
Florida Retirement System (FRS)	
Regular Class	
Retirement at age 62 or with 30 years of service	1.60%
Retirement at age 63 or 31 years of service	1.63%
Retirement at age 64 or 32 years of service	1.65%
Retirement at age 65 or 33 or more years of service	1.68%
Special Risk Class	
Service from 12/1/70 through 9/30/74	2.00%
Service on and after 10/1/74	3.00%
Special Risk Administrative Support Class	
(With 6 years of special risk service, the service in this class counts towards special risk normal retirement; otherwise, regular member requirements apply.)	
Retirement at age 55; or with 25 total years special risk service; or at age 52 with 25 years (if total service includes military service)	1.60%
Retirement at age 56; or with 26 total years special risk service; or at age 53 with 26 years (if total service includes military service)	1.63%
Retirement at age 57; or with 27 total years special risk service; or at age 54 with 27 years (if total service includes military service)	1.65%
Retirement at age 58; or with 28 total years special risk service; or at age 55 with 28 years (if total service includes military service)	1.68%
Elected Officers' Class	
Service as Supreme Court Justice, district court of appeal judge, circuit court judge, or county court judge	3.33%
Service as Governor, Lt. Governor, Cabinet Officer, Legislator, state attorney, public defender, elected county officer, or elected official of a city or special district that chose EOC membership for its elected officials	3.00%
Senior Management Service Class	2.00%

There are three steps in computing an annual retirement benefit:

- Step 1. Determine the member's retirement plan(s) and class(es) of membership, years of creditable service in each, and the total percentage value earned.
- Step 2. Calculate the average final compensation (AFC).
- Step 3. Multiply the figures obtained in Steps 1 and 2 to determine the annual normal retirement benefit.

Benefit Options

Members must select one of the following four benefit options at retirement:

- Option 1 — Member receives a benefit for life with no continuing survivor benefit at death.
- Option 2 — Member receives a reduced benefit for life. If member dies anytime within 10 years after retiring, the beneficiary will receive the benefit for the remainder of the 10 years.
- Option 3 — Member receives a reduced benefit for life. Upon the member's death, the joint annuitant will receive the same benefit for the remainder of his or her life. If the joint annuitant is the member's child or other dependent for whom the member has guardianship, he or she will receive the member's maximum benefit, but only until age 25, or, if disabled, until he or she is no longer disabled.
- Option 4 — Member receives a reduced benefit for life. Upon the death of the member or the joint annuitant, the survivor will receive a lifetime benefit equal to two-thirds of the benefit the member was receiving when both were living. If the joint annuitant is the member's child or other dependent for whom the member has guardianship, he or she will receive the member's maximum benefit, but only until age 25, or, if disabled, until he or she is no longer disabled.



Termination

To receive monthly benefits payable under the FRS Pension Plan, an eligible member must end all employment relationships with all FRS employers for 1 calendar month, or begin participation in the Deferred Retirement Option Program. Any member who elects to participate in the Deferred Retirement Option Program must remain off all FRS payrolls for 1 calendar month at the end of his/her program participation. (Special DROP termination provisions may apply as described in the following section.)

Deferred Retirement Option Program

The FRS Deferred Retirement Option Program (DROP) is available under the FRS Pension Plan when the member first reaches eligibility for normal retirement. DROP allows a member to retire while continuing employment for up to 60 months. While in DROP, the member's retirement benefits (increased by a cost-of-living adjustment each July) accumulate in the FRS Trust Fund and earn monthly interest equivalent to an annual rate of 6.5%.

The election to participate in DROP must be made within 12 months of the member's normal retirement date, unless the member is eligible to defer the election. To participate for the maximum DROP period, the member must enter DROP upon first reaching eligibility for normal retirement, or upon reaching an eligible deferral date as described below:

- A Special Risk Class member or a Special Risk Administrative Support Class member (with 6 years of Special Risk Class service) who reaches his or her normal retirement date based upon years of service before reaching age 52 may defer DROP entry up to age 52 and still participate for 60 months.
- A member of the Regular Class, Elected Officers' Class, or the Senior Management Service Class who reaches his or her normal retirement date based upon years of service before reaching age 57 may defer DROP entry until age 57 and still participate for 60 months.
- A member of the Elected Officers' Class who reaches his or her normal retirement date during a term of office may defer the DROP election until the next succeeding term in that office and still participate for up to 60 months or until the end of that succeeding term, whichever is less.
- A member who is employed as K-12 instructional personnel as defined in s. 1012.01(2), F.S., may elect to participate in DROP at any time after reaching his or her normal retirement date.

Upon termination, the DROP account is paid out as a lump sum payment, a rollover, or a combination partial lump sum payment and rollover, and monthly benefits are paid to the member in the amount as calculated upon entry into DROP, plus cost-of-living adjustments for intervening years.

In most cases, the DROP participant must cease employment after a maximum of 60 months in DROP, must satisfy the termination requirements for retirement, and is subject to reemployment restrictions thereafter. However, effective July 1, 2002, a DROP participant who holds an elective office covered by the Elected Officers' Class may end DROP participation and postpone compliance with termination requirements and reemployment limitations until he or she no longer holds the elective office (including consecutive terms in the same office). For the period of time between the end of DROP participation and termination, no retirement credit is earned and the member's DROP accumulation accrues no additional monthly benefits (but continues to earn interest).¹

Disability Benefits

There are two types of disability retirement under the FRS: in-line-of-duty disability retirement and regular disability retirement. To qualify, a member must be totally and permanently disabled to the extent that he or she is unable to work. A member is eligible for in-line-of-duty disability on the first day of employment. The minimum Option 1 benefit for in-line-of-duty disability retirement is 42% of AFC for all members except those in the Special Risk Class, who receive a minimum Option 1 in-line-of-duty disability benefit of 65% of AFC. To be eligible for regular disability retirement, a member must complete 8 years of creditable service. The minimum Option 1 benefit under regular disability retirement is 25% of AFC. If the disabled member's service benefit would be higher than the minimum disability benefit, the higher benefit is paid.

Survivor Benefits

If death occurs in the line of duty, a member's spouse will receive a monthly benefit equal to one-half of the member's monthly salary at death, payable for his or her lifetime. If the spouse dies, the benefit will continue to the member's children until the youngest child reaches age 18 or is married, if earlier.

If a member dies before becoming vested and his/her death was not suffered in the line of duty, the designated beneficiary will receive a refund of any member-paid retirement contributions. However, if an active member dies within 1 year of vesting, the member's joint annuitant may use his/her accumulated leave, on an hour-by-hour basis, or buy credit for the member's in-state or out-of-state service, to purchase enough service credit to vest the deceased member and receive monthly benefits.

If the member was vested at death, the beneficiary may receive a refund of any contributions that may have been paid by the member or, if the beneficiary qualifies as a joint annuitant, he or she may receive a lifetime monthly benefit calculated as though the member had retired on the date of death and had chosen Option 3. If the joint annuitant is the member's child or other dependent for whom the member has guardianship, he or she will receive the member's maximum benefit only until age 25, or, if disabled, until no longer disabled. A deceased member's joint annuitant may buy any service credit that could have been claimed by the member at the time of death.

¹ Notwithstanding these provisions, any elected officer who entered DROP on or before June 30, 2002, is subject to prior provisions of law and may end DROP without terminating employment and be automatically enrolled as a renewed member of the Elected Officers' Class.



Summary Plan Description

Cost-of-Living Adjustments

Retirees receive a 3% cost-of-living increase each July based on the June benefit (excluding the Retiree Health Insurance Subsidy). If the retiree has received benefits for less than 12 months on July 1, the increase is prorated. The cost-of-living adjustment applies to all continuing monthly benefits paid under the FRS Pension Plan (i.e., normal and early service retirement benefits and benefits accruing in participant accounts under DROP, disability retirement benefits, and survivor benefits).

Reemployment after Retirement

After retirement, an FRS Pension Plan retiree may be reemployed by any private employer or by any public employer not participating in the FRS without affecting his/her FRS pension benefits. However, any DROP participant who is employed by an FRS employer during the first calendar month after DROP termination, and any other FRS Pension Plan retiree who is employed with an FRS employer during the first calendar month after retirement, is not considered to have terminated employment and is therefore not considered to have retired.

Upon meeting termination requirements as described above, if an FRS Pension Plan retiree is reemployed with an FRS employer after the first calendar month of retirement, he or she may not receive both a salary and retirement benefits for the remainder of the 12-month period after retirement, and must suspend retirement benefits for the months employed. Exceptions to the reemployment limitations described above allow retirees to be reemployed in specified positions during the 2nd through 12th months after retirement without suspending benefits. After being retired for 1 month, retirees may be reemployed for up to 780 hours by certain educational institutions in specified part-time noncontractual positions, or by FRS employers as firefighters or paramedics. Finally, retired judges called to temporary duty and retirees appointed to or voted into elective office are exempt from reemployment limitations after being retired for 1 month.

Renewed Membership

Retirees of the FRS Pension Plan who are reemployed in regularly established positions will have renewed membership in the Regular Class, the Senior Management Service Class (SMSC), or the Elected Officers' Class and earn credit toward a second-career benefit based on requirements for their class of membership. Once a retiree of the FRS Pension Plan has established renewed membership in the system, he or she will have the same opportunities to elect to participate in alternative retirement programs, or to withdraw from the system altogether, as do similarly situated regular members of that membership class, and he or she will be subject to the same vesting requirements and other limitations as apply to other active members.

Appeals Procedure

If the Division makes a decision that will reduce, suspend or terminate a member's retirement benefits, the member may petition the Division for a hearing. Section 28-106.201, F.A.C., outlines the requirements for filing a petition. After the Division reviews the petition, the State Retirement Director may ask a hearing officer from the Division of Administrative Hearings to conduct the hearing, or in some cases the State Retirement Director may conduct the hearing. If the outcome of the hearing is not in the member's favor, the member will be informed of the time period during which he or she can appeal the decision to the District Court of Appeal.

Forfeiture of Benefits

If, prior to retirement, a member commits a crime specified by law and is found guilty, or if his or her employment was terminated because of an admission to committing, aiding, or abetting a specified crime, the member's retirement rights and benefits are forfeited (except for a refund of personal retirement contributions, if any). The forfeiture of benefits provision applies in the case of any job-related felony offense as outlined below:

- Committing, aiding or abetting an embezzlement of public funds or any grand theft from the employer;
- Committing bribery in connection with employment;
- Committing any other felony specified in chapter 838, F.S., (bribery and misuse of public office), except ss. 838.15 and 838.16, F.S., (commercial bribes);
- Committing any felony with intent to defraud the public or the employer of the right to receive the faithful performance of duty, or receiving or attempting to receive profit or advantage for the member or another person through the use of his or her position; or
- Committing an impeachable offense (applies to elected officials only).

In addition to the crimes stated above, if a court of competent jurisdiction finds the member guilty of violating any state law against strikes by public employees, the member's benefits are forfeited. If the member's designated beneficiary is found guilty of intentionally killing or procuring the death of the member, the beneficiary forfeits all rights to retirement benefits. Any benefits payable would be paid as if the beneficiary died before the member. The Clerk of the Court, the Secretary of the Senate or the employer, as appropriate, must notify the Commission on Ethics if the member is found guilty, impeached, or terminated prior to retirement due to any of the above offenses. The Commission on Ethics will notify the Division. The member's benefits will be suspended subject to a hearing held by a hearing officer of the Division of Administrative Hearings. The hearing officer's decision may be appealed to the District Court of Appeal. (See s. 112.3173, F.S., and Article II, Section 8, of the Florida Constitution for more information.)

Assignment, Execution, or Attachment

Your retirement benefits and accumulated contributions accrued under the Florida Retirement System Pension Plan are not subject to assignment, execution, attachment or any other legal process with the exception of qualified domestic relations orders, certain income deduction orders (see s. 61.1301, F.S.), and federal income tax levies.



CHRONOLOGICAL HIGHLIGHTS OF STATE-ADMINISTERED RETIREMENT AND PENSION SYSTEMS

Year	Event	Year	Event
1885	—The Confederate Pension Fund was created to pay benefits to Confederate soldiers and sailors who were unfit for manual labor as a result of wounds received during the Civil War.		
1923	—The Supreme Court Justices’ Pension Fund was created to provide pensions for members of the Judiciary of Florida.	1963	—The State and County Officers and Employees’ Retirement System was split into two divisions: Division A (closed to new members) and Division B (with social security coverage).
1927	—The Noncontributory Retirement Plan for State Employees was created to provide pensions for all state employees.		
1931	—The Incapacitated Teachers’ Special Pension was created to provide pensions for incapacitated teachers who had taught at least 20 years.	1963	—The Supreme Court Justices and Circuit Court Judges’ Retirement System was split into three Divisions: Divisions A and B were closed to new members and Divisions B and C provided social security coverage.
1939	—The Teachers’ Retirement System was created to provide pensions for teachers.		—The High Hazard Classification was added to the State and County Officers and Employees’ Retirement System.
1941	—The National Guard Pension Fund was established for guardsmen serving in the organized militia of the State.	1970	—The Florida Retirement System
1945	—The State Officers and Employees’ Retirement System was created.		—A defined benefit plan was created, consisting of the Regular Class and Special Risk Class.
	—The County Officers and Employees’ Retirement System was created.		—The Teachers’ Retirement System was closed to new members.
	—The Highway Patrol Pension Fund was established.		—The State and County Officers and Employees’ Retirement System was closed to new members.
	The Teachers’ Retirement System added Plans B & C.		—The Highway Patrol Pension Fund was closed to new members.
1947	—The Teachers’ Retirement System added Plan D.	1972	—The Elected State Officers’ Class was created as part of the Florida Retirement System (FRS).
1953	—The Noncontributory Retirement Plan for State Employees was closed to new members.	1974	—The Elected State Officers’ Class was expanded to include County Court Judges.
1955	—The Supreme Court Justices’ Pension Fund and the Circuit Judges’ Retirement Fund were combined to create the Supreme Court Justices and Circuit Court Judges’ Retirement System.		—Special Risk Class annual retirement credit was increased from 2% to 3%, effective October 1, 1974.
	—The State Officers and Employees’ Retirement System and County Officers and Employees’ Retirement System were combined to create the State and County Officers and Employees’ Retirement System.	1975	—The FRS became employee-noncontributory for regular and special risk members.
	—The Teachers’ Retirement System added Plan E and closed Plans A, B, C, and D to new members.		—The State Retirement Commission was created.
1957	—The Supreme Court Justices and Circuit Court Judges’ Retirement System was expanded to include District Court of Appeal Judges.	1977	—The Elected State Officers’ Class was expanded to include Public Defenders.
	—Survivor benefits provisions were added to the Teachers’ Retirement System.	1978	—The FRS 30-year retirement plan was enacted.
			—Special Risk annual retirement credit was reduced from 3% to 2%.
		1979	—Public Service Commissioners were removed from the Elected State Officers’ Class to become regular members.
			—The Elected State Officers’ Class became employee-noncontributory for judges, state attorneys, and public defenders.
		1980	—Annual cost-of-living adjustments were provided to all retirees upon retirement equal to the cost-of-living index (but no more than 3%).



Chronology

Year	Event
	—The minimum service credit requirement for regular disability retirement eligibility was increased from 5 to 10 years.
1981	—Elected county officers were given the option to transfer to the Elected State Officers’ Class. —Certain retirees were granted a supplemental cost-of-living adjustment based on years of service and years retired.
1982	—The Special Risk Administrative Support Class was created.
1983	—The State University System Optional Retirement Program (a defined contribution plan) was created, effective July 1, 1984.
1984	—Certain retirees were granted a supplemental cost-of-living adjustment based on years of service and years retired. —A supplemental retirement plan was created for the Institute of Food and Agricultural Sciences (IFAS), effective July 1, 1985.
1985	—FRS members first entering covered employment on or after January 1, 1987, were excluded from provisions of law allowing purchase of wartime military service at special rates.
1986	—The Senior Management Service Class and the Senior Management Service Optional Annuity Program (a defined contribution plan) were created, effective February 1, 1987.
1987	—The Health Insurance Subsidy was established for all eligible retirees. —The annual cost-of-living adjustment was set at 3% per year.
1989	—Special Risk annual retirement credit was increased from 2% to 3%, phased in over a 5 year period (1989-1993).
1990	—Renewed membership for reemployed retirees was established, effective July 1, 1990, for elected officers covered by the Elected Officers’ Class and effective July 1, 1991, for all other members.
1994	—Members became eligible to purchase service credit for out-of-state public service, effective January 1, 1995.
1995	—Cities, special districts, and hospitals were given a one-time opportunity to withdraw from the FRS for future employees, effective January 1, 1996. —An Optional Retirement Program (a defined contribution plan) for the State Community College System was created, effective January 1, 1996.

Year	Event
1996	—Federal maximum compensation limits were adopted, effective July 1, 1996. —Certain retirees without Social Security were granted a supplemental cost-of-living adjustment based on their years of service and years retired.
1997	—The Deferred Retirement Option Program (DROP) was established, to be implemented effective July 1, 1998. —Cities and special districts already participating in the FRS for their elected officials were given an opportunity to designate their elected officials for membership in the Elected Officers’ Class. —Members became eligible to purchase service credit for in-state, non-FRS public service, effective January 1, 1998.
1999	—The FRS Preservation of Benefits Plan was established, effective July 1, 1999.
2000	—The Public Employee Optional Retirement Program (also referred to as the FRS Investment Plan) was established to become implemented in 2002. —Special risk annual retirement credit was upgraded to 3% for all years between October 1, 1978, and January 1, 1993 for members retiring on and after July 1, 2000. —Minimum special risk in-line-of-duty disability benefits were increased from 42% to 65%, effective July 1, 2000. —The vesting requirement was reduced to 6 years for all FRS membership classes, beginning July 1, 2001. —The vesting requirement for regular disability retirement was reduced to 8 years, beginning July 1, 2001.
2001	—A one-time special 12% benefit increase was provided, effective January 1, 2002, for FRS retirees with special risk service between October 1, 1978, and December 31, 1992, for members retiring before July 1, 2000. —Cities and special districts already participating in the FRS for their elected officials were given a second opportunity to designate their elected officials for membership in the Elected Officers’ Class.
2002	—A uniform employer contribution rate structure was created effective July 1, 2002, for members of the defined benefit plan (FRS Pension Plan) and members of the Public Employee Optional Retirement Program (FRS Investment Plan). —A 90-day window was provided to allow members to convert their Senior Management Service Optional Annuity Program service to creditable service under the FRS Pension Plan.
2003	—Participants of the Community College Optional Retirement Program were provided a one-time opportunity to transfer to the Florida Retirement System.



SOCIAL SECURITY COVERAGE



SOCIAL SECURITY COVERAGE

Administration of the Social Security Coverage Program for public employees in Florida is a responsibility of the Division of Retirement. Public employees are provided Social Security coverage through a federal-state agreement with various modifications applicable to specific political subdivisions. As of June 30, 2003, there were 502 modifications to the initial 1951 agreement. Existing modifications provide Social Security coverage for most state, county, and district school board employees, and employees of a number of cities and special districts. Social Security coverage is required for employees who participate in state-administered retirement systems, except for members of the Teachers' Retirement System and members of Division A of the State and County Officers and Employees' Retirement System. Retirees of any of the state-administered retirement systems who will fill temporary positions designated exclusively for retirees of those systems are also excluded from Social Security coverage.

For the calendar year 2003, the combined Social Security contribution rate for employees and employers totaled 15.30% (12.40% for Old Age, Survivors and Disability Insurance (OASDI) and 2.90% for Medicare). The maximum taxable wage base on which OASDI contributions were paid increased from \$84,900 to \$87,000. There is no limitation on Medicare wages.



STATE UNIVERSITY SYSTEM
OPTIONAL RETIREMENT PROGRAM



Optional Retirement Program

STATE UNIVERSITY SYSTEM OPTIONAL RETIREMENT PROGRAM

The 1983 Florida Legislature created an Optional Retirement Program for eligible State University System faculty and administrators. The program, which became effective July 1, 1984, was expanded in 1988 to include the State University System Executive Service and in 1999 to include all administrative and professional positions that are exempt from career service. The program is designed to aid the university system in recruiting employees by offering more portability to those employees who are not expected to remain in the Florida Retirement System long enough to become vested in the FRS Defined Benefit Plan.

The State University System Optional Retirement Program is a defined contribution plan which provides for full and immediate vesting of all contributions submitted to the participating companies on behalf of the participant. Employees in eligible positions are compulsory participants in the Optional Retirement Program unless they choose membership in the Florida Retirement System. This program provides retirement and death benefits through contracts with designated insurance carriers. The employing university contributes on behalf of the participant the same percentage of the participant's salary as would have been contributed to the Florida Retirement System. Since October 1, 1987, this contribution also includes the Health Insurance Subsidy (HIS) contribution. A portion of the total contribution is transferred to the Florida Retirement System Trust Fund to help amortize the unfunded actuarial liability (UAL) of the Florida Retirement System when a UAL exists, and an additional small amount remains in the Optional Retirement Program Trust Fund for program administrative costs. The remaining contribution is invested in the company or companies selected by the participant to create a fund for purchase of annuities at retirement. The participant may contribute by salary reduction an amount not to exceed the percentage contributed by the university to the participant's annuity account. There were 14,683 participants during the 2002-03 fiscal year.

The four approved participating companies with which participants must invest their funds are Security First Group, TIAA-CREF (Teachers Insurance and Annuity Association – College Retirement Equities Fund), Variable Annuity Life Insurance Company, and Great American Reserve Insurance Company. These companies are required to provide reports to the participants each quarter.

CONTRIBUTION RATES

	2002 July 1, 2001 – June 30, 2002	2003 July 1, 2002 – June 30, 2003
Total Contribution Rate	10.43%	10.43%
(Includes HIS portion)		
Annuity Contracts	10.32%	10.42%
UAL	—	—
Administrative Costs	.01%	.01%
Fee for Administrative Expense to Establish Public Employee Optional Retirement Program	.10%	—

RECEIPTS AND EXPENSES

	2002	2003
Receipts:		
Contributions — Employee	\$38,815,096	\$46,060,800
Employer	81,122,119	86,469,087
Total	\$119,937,215	\$132,529,887
Investment and Other Earnings	\$78,124	\$68,142
Expenses:		
Payments to Annuity Companies	\$119,882,185	\$132,472,657
UAL (Paid to FRS Trust Fund)	—	—
Administrative Expenses	113,887	102,786



SENIOR MANAGEMENT SERVICE
OPTIONAL ANNUITY PROGRAM



Senior Management Service Optional Annuity Program

SENIOR MANAGEMENT SERVICE OPTIONAL ANNUITY PROGRAM

The 1986 Florida Legislature created an Optional Annuity Program for members of the state Senior Management Service. The program, which became effective February 1, 1987, has been expanded to include selected managerial staff of the Legislature, the Auditor General and his managerial staff, and the Executive Director of the Ethics Commission (all effective January 1, 1990), senior-level managers of the State Board of Administration (effective January 1, 1991), selected managerial staff with the Judicial Branch (effective January 1, 1994), and selected managerial staff with Department of Military Affairs (effective July 1, 1996). This program is designed to aid state government in recruiting senior managers by offering more portability of retirement benefits to those who do not expect to remain in public service long enough to vest in the Florida Retirement System.

The Senior Management Service Optional Annuity Program is a defined contribution plan which provides for full and immediate vesting of all contributions submitted to participating companies on behalf of the participant. Employees in eligible positions may irrevocably elect to participate in the Optional Annuity Program rather than the Florida Retirement System. This program provides retirement and death benefits through contracts with designated insurance carriers. The state contributes on behalf of the participant the same percentage of the participant's salary as would have been contributed to the Florida Retirement System. Effective October 1, 1987, this contribution also includes the Health Insurance Subsidy (HIS) contribution. A portion of the total contribution is transferred to the Florida Retirement System Trust Fund to help amortize the unfunded actuarial liability (UAL) of the Florida Retirement System when a UAL exists. The remaining contribution is invested in the company or companies selected by the participant to create a fund for the purchase of annuities at retirement. The participant may contribute by salary deduction an amount not to exceed the percentage contributed by the state to the participant's annuity account. As of June 30, 2003, there were 97 participants.

CONTRIBUTION RATES

	2002	2003
	July 1, 2001 – June 30, 2002	July 1, 2002–June 30, 2003
Total Contribution Rate (Includes HIS portion)	12.49%	12.49%
Annuity Contracts	12.39%	12.49%
UAL	—	—
Fee for Administrative Expense	—	—
Fee to Establish Public Employee Optional Retirement Program	0.10%	—

RECEIPTS AND EXPENSES

	2002	2003
Receipts:		
Contribution		
— Employee	\$57,280	\$208,538
— Employer	\$1,285,661	\$1,110,118
— Total	\$1,342,941	\$1,318,476
Investment and Other Earnings	\$1,184	\$1,297
Expenses:		
Payments to Annuity Companies	\$1,342,941	\$1,302,909
UAL (Paid to FRS Trust Fund)	\$179	—
Administrative Expenses	—	—



RETIREE HEALTH INSURANCE
SUBSIDY



Retiree Health Insurance Subsidy

RETIREE HEALTH INSURANCE SUBSIDY

In 1987, the Florida Legislature established the Retiree Health Insurance Subsidy (HIS) to assist retirees of all state-administered retirement systems in paying health insurance costs (s. 112.363, Florida Statutes). The amount of the Health Insurance Subsidy payment has increased twice since the program was established. Eligible retirees currently receive an extra \$5 per month for each year of creditable service completed at retirement, with a minimum monthly payment of \$30 and a maximum monthly payment of \$150.

To be eligible to receive the Health Insurance Subsidy, a retiree under any state-administered retirement system must provide proof of health insurance coverage, which can include Medicare. Any spouse or financial dependent who receives a monthly retirement benefit may also receive the Health Insurance Subsidy. The law excludes those retirees receiving free health insurance coverage from the State under a 1985 law, and certain other groups who receive supplemental or nonservice-based retirement benefits.

The Health Insurance Subsidy program is funded by required contributions from Florida Retirement System (FRS) participating employers. Each employer contributes a percentage of payroll for all active employees covered by the FRS, the Teachers' Retirement System and the State and County Officers and Employees' Retirement System. The required contribution rate has increased from 0.24% in 1987 to the current rate of 1.11% of payroll. This contribution is added to the amount submitted for retirement contributions but is deposited in a separate trust fund (The Retiree Health Insurance Subsidy Trust Fund) from which Health Insurance Subsidy payments are authorized. If these contributions, on a pay-as-you-go basis, fail to provide full subsidy benefits to all participants, the subsidy payments may be reduced or cancelled.

PARTICIPANTS, CONTRIBUTIONS AND SUBSIDY PAYMENTS

	2002	2003
HIS Recipients as of June 30	174,971	184,386
Total Annual HIS Employer Contributions	\$240,112,190	\$259,651,153
Contribution Rate	1.11%	1.11%
Total Annual HIS Payments	\$217,326,138	\$228,813,187
Average June HIS Payment	\$104.98	\$104.72
HIS Trust Fund Balance as of June 30	\$101,282,614	\$134,039,453



INSTITUTE OF FOOD AND
AGRICULTURAL SCIENCES
SUPPLEMENTAL RETIREMENT
PROGRAM



IFAS Supplemental Retirement Program

INSTITUTE OF FOOD AND AGRICULTURAL SCIENCES SUPPLEMENTAL RETIREMENT PROGRAM

In 1984 the Florida Legislature enacted the Institute of Food and Agricultural Sciences Supplemental Retirement Act to provide a supplement to the monthly retirement benefit of retirees of the Institute of Food and Agricultural Sciences (IFAS) at the University of Florida who are receiving a benefit from the Federal Civil Service Retirement System. The supplement is designated for IFAS cooperative extension employees employed before July 1, 1983 who are not entitled to benefits from either a state-supported retirement system or Social Security based on their service with IFAS. It was intended to compensate these IFAS employees for the difference between their Civil Service benefit and the benefits a Florida Retirement System (FRS) member receives, which include a Social Security benefit. No additional persons can become eligible for this supplement.

The IFAS Supplemental Retirement Program became effective July 1, 1985 and allowed eligible IFAS employees who had terminated as early as January 1, 1985 to receive a benefit.

PARTICIPANTS, PAYROLL AND CONTRIBUTIONS

as of June 30

	2002	2003
Active Participants	113	100
Annual Payroll	\$7,812,635	\$7,239,582
Contribution Rate	7.17%	13.83%
Contributions	\$582,722	\$567,608
Retired Participants Receiving a Supplement	94	98
Total Benefits Paid	\$695,214	\$777,747
Average June Monthly Benefit	\$642	\$659



POLICE OFFICERS
AND FIREFIGHTERS'
PREMIUM TAX TRUST FUND



Police Officers and Firefighters' Premium Tax Trust Fund

POLICE OFFICERS AND FIREFIGHTERS' PREMIUM TAX TRUST FUND

The Municipal Police Officers' and Firefighters' Retirement Trust Funds Office is the state agency responsible for the administrative oversight of local police and fire pension funds in the State of Florida which participate under Chapters 175 and 185, Florida Statutes. Chapter 175 refers to the firefighters' plans and Chapter 185 refers to the police officers' plans.

These statutes provide a means to control the minimum pension benefits provided to local police officers and firefighters under these defined benefit retirement plans. There are two types of plans that operate under these statutes:

- **Chapter Plans** – plans that meet the minimum provisions of the Florida Statutes.
- **Local Law Plans** – plans that are created by a special act, local ordinance or fire district resolution that must meet the minimums, but may provide benefits in excess of the chapter provisions.

For both types of plans, the day-to-day operational control of the individual trust funds is vested in the respective boards of trustees created at the local level, subject to regulatory oversight by the Division of Retirement.

Participating cities and special fire control districts are eligible to receive annual distributions of state premium tax collections on property and casualty insurance policies written within the city limits or special fire district boundaries of the participating plan. The amount of premium taxes collected under Chapter 175 is equal to 1.85% of all property insurance written within the city limits or special fire district boundaries of the participating plan. Chapter 185 levies a 0.85% tax on all casualty insurance premiums written within the city limits of the participating plan. These amounts are collected by the Department of Revenue via the DR-908 tax form, and submitted to the Police Officers and Firefighters' Premium Tax Trust Fund. These funds are then available for distribution to the participating pension plans on an annual basis, once the Plan has been determined by the Division to be in compliance with all statutory requirements that are applicable to the particular plan.

Further funding for these plans is provided by employee contributions, other revenue sources, and city or special fire district contributions. The city or special fire districts are required to meet any contribution funding deficiencies as calculated based upon the plan's actuarial valuation.



PARTICIPATING EMPLOYERS



Participating Employers

FRS PARTICIPATING EMPLOYERS

STATE AGENCIES - EXECUTIVE BRANCH

State Board of Administration
 Department of Agriculture and Consumer Services
 Department of Financial Services
 Department of Business and Professional Regulation
 Department of Children and Families
 Department of Citrus
 Department of Community Affairs
 Department of Corrections
 Department of Education
 Department of Elder Affairs
 Department of Environmental Protection
 Fish & Wildlife Conservation Commission
 Executive Office of the Governor
 Department of Health
 Agency for Health Care Administration
 Department of Highway Safety & Motor Vehicles
 Department of Juvenile Justice
 Department of Law Enforcement
 Department of Legal Affairs
 Department of Lottery
 Department of Management Services
 Department of Military Affairs
 Parole & Probation Commission
 Department of Revenue
 Department of State
 Department of Transportation
 Department of Veterans' Affairs
 Agency for Workforce Innovation
 Vending Facilities Operators

STATE AGENCIES - LEGISLATIVE BRANCH

The Legislature
 Auditor General
 Commission on Ethics
 Public Service Commission

STATE AGENCIES - JUDICIAL BRANCH

Supreme Court
 District Courts of Appeal
 Circuit Courts
 County Courts
 State Attorneys
 Public Defenders
 Capital Collateral Regional Counsels
 Florida Board of Bar Examiners

STATE UNIVERSITY SYSTEM

Florida A&M University
 Florida Atlantic University
 Florida Gulf Coast University
 Florida International University
 Florida State University
 University of Central Florida
 New College
 University of Florida
 University of North Florida
 University of South Florida
 University of West Florida

LOCAL AGENCIES - ALACHUA COUNTY

Clerk of Circuit Court

Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
*City of Alachua*¹
 City of Gainesville (EOC)²
*City of High Springs*¹
 City of Newberry
 Caring & Sharing Learning School
 Genesis Preparatory School of Gainesville, Inc.
 Santa Fe Community College

BAKER COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
*City of MacClenny*¹
 New River Solid Waste Association

BAY COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
*City of Panama City*¹
 City of Parker
*City of Springfield*¹
 Panama City Port Authority
 Beach Mosquito Control District
 Gulf Coast Community College

BRADFORD COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board

BREVARD COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 City of Indian Harbour Beach
*City of Melbourne*¹ (EOC)²
*Canaveral Port Authority*¹
 Brevard Community College

BROWARD COUNTY

Clerk of Circuit & County Courts
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff

School Board
 City of Coconut Creek
 City of Deerfield Beach (EOC)²
 City of Hollywood (EOC)²
*City of Lauderdale Lakes*¹
 City of Margate
 City of Miramar (EOC)²
 City of Weston (EOC)²
 Town of Hillsboro Beach
 Town of Lauderdale-by-the-Sea
*North Broward Hospital District*¹
 Broward County Housing Authority
 Tri-County Commuter Rail
*Fort Lauderdale Downtown Development Authority*¹
 Hillsborough Inlet Improvement & Maintenance
 Central Broward Water Control District
 Old Plantation Water Control District
 South Broward Drainage District
 South Florida Regional Planning Council
 Children's Services Council of Broward
 Central Charter School
 Smart School, Inc.
 Broward Community College

CALHOUN COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 City of Blountstown
 Town of Altha
 Apalachee Regional Planning Council

CHARLOTTE COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 Charlotte County Airport Authority

CITRUS COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 City of Crystal River
*City of Inverness*¹
 Homosassa Special Water District
 Citrus County Mosquito Control District

CLAY COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
*City of Green Cove Springs*¹

¹ This agency withdrew from the Florida Retirement System (FRS) effective January 1,1996, and new employees hired on or after this date do not participate in the FRS.

² (EOC) This agency participates in the FRS only for its elected officials.

³ (Police & Fire) This agency participates in the FRS only for its police and/or fire employees.



Participating Employers

Clay County Utility Authority
First Coast Workforce Consortium

COLLIER COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
City of Marco Island¹
Big Corkscrew Island Fire Control & Rescue District¹
East Naples Fire Control and Rescue District¹
Golden Gate Fire Control District
Immokalee Fire Control District
Marco Island Fire Control District¹
North Naples Fire Control & Rescue District¹
Collier County Soil & Water Conservation District
Collier Mosquito Control District

COLUMBIA COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
Lake City Community College

DADE COUNTY

See Miami-Dade County

DE SOTO COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
Joshua Water Control District¹

DIXIE COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
Town of Cross City
Three Rivers Regional Library System

DUVAL COUNTY

School Board
Jacksonville Airport Authority
Jacksonville Seaport Authority
Jacksonville Transportation Authority
Northeast Florida Regional Planning Council
Florida Community College

ESCAMBIA COUNTY

Clerk of Circuit & County Courts
Board of County Commissioners
Property Appraiser
Tax Collector

Supervisor of Elections
Sheriff
School Board
Utilities Authority¹
West Florida Regional Planning Council
Pensacola Junior College

FLAGLER COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
Flagler County Housing Authority
East Flagler Mosquito Control District

FRANKLIN COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
City of Apalachicola
City of Carrabelle
Eastpoint Water & Sewer District

GADSDEN COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
City of Chattahoochee
City of Gretna
Town of Greensboro
Town of Havana
Northwest Florida Water Management District

GILCHRIST COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
City of Trenton

GLADES COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
City of Moore Haven

GULF COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector

Supervisor of Elections
Sheriff
School Board
City of Port Saint Joe
Port Saint Joe Port Authority

HAMILTON COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
City of Jasper

HARDEE COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board

HENDRY COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
City of La Belle¹
Hendry County Hospital Authority¹
Port La Belle Community Development District
Barron Water Control District

HERNANDO COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
City of Brooksville
Hernando County Housing Authority
Southwest Florida Water Management District

HIGHLANDS COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
City of Avon Park¹
City of Sebring
Town of Lake Placid
Sebring Airport Authority
South Florida Community College

HILLSBOROUGH COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser

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Participating Employers

Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
City of Temple Terrace¹
 Hillsborough Area Regional Transit
 Hillsborough County Aviation Authority
 Hillsborough County Public Transportation
 Commission
 Tampa-Hillsborough County Expressway
 Authority
 Tampa Port Authority
 Tampa Bay Estuary Program
 Tampa Sports Authority
 Children’s Board of Hillsborough County
 Hillsborough Community College

HOLMES COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board

INDIAN RIVER COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 Fellsmere Water Control District
 Indian River Farms Water Control District
 Saint Johns Water Control District
 Indian River Mosquito Control District

JACKSON COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 City of Graceville
 Town of Grand Ridge
 Town of Sneads
Jackson Hospital¹
 Northwest Florida Regional Housing Authority
 Challenge for Success Charter School
 Chipola Community College

JEFFERSON COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board

LAFAYETTE COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector

Supervisor of Elections
 Sheriff
 School Board
 Town of Mayo

LAKE COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
City of Eustis²
 City of Umatilla
 Oklawaha Basin Recreation & Water
 Conservation District
 Lake Sumter Community College

LEE COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 City of Bonita Springs
 Alva Fire & Rescue Service District
 Bonita Springs Fire & Rescue
 Captiva Fire Control District
 Fort Myers Beach Fire Control District
 Fort Myers Shores Fire Department
 Iona McGregor Fire Protection and Rescue
 Service
 Lehigh Acres Fire Control & Rescue District
 Matlacha-Pine Fire District
 North Fort Myers Fire Control District
 San Carlos Fire Protection & Rescue District
 Sanibel Fire Control District
South Trail Fire Control & Rescue District¹ (FF)³
 Tice Fire & Rescue District
 East County Water Control District
 Fort Myers Beach Mosquito Control
 Lee County Mosquito Control District
 Hyacinth Control District
 Fort Myers Beach Library District
 Public Risk Management of Florida
 Southwest Florida Regional Planning Council
 Edison Community College

LEON COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 Tallahassee Housing Authority
 CK Steele-Leroy Collins Community Charter
 Middle School
 The School of Arts & Sciences Foundation, Inc.
 Tallahassee Community College

LEVY COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser

Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 City of Chiefland
 Town of Yankeetown
 Levy County Housing Authority

LIBERTY COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 City of Bristol

MADISON COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 Town of Greenville
 Aucilla Area Solid Waste Administration
 North Florida Community College

MANATEE COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 City of Anna Maria
 City of Bradenton
 City of Holmes Beach¹
 Braden River Fire Control & Rescue
 Cedar Hammock Fire Control District
 Myakka City Fire Department
 Parrish Fire Control District³
 West Manatee Fire and Rescue District
 Manatee County Housing Authority
 Bradenton Downtown Development
 Peace River/Manasota Regional Water Supply
 Authority
 Manatee County Mosquito Control District
 Manatee Community College

MARION COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
City of Dunnellon¹
 Rainbow Lakes Municipal Service
 Central Florida Community College

MARTIN COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser

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Tax Collector
Supervisor of Elections
Sheriff
School Board
City of Stuart¹

MIAMI - DADE COUNTY

Clerk of Circuit Court
Miami-Dade County
Property Appraiser
Tax Collector
Supervisor of Elections
Miami-Dade Police Department
School Board
City of North Miami (EOC)²
City of North Miami Beach (EOC)²
City of Opa-Locka
City of Sunny Isles Beach
City of West Miami
Village of Biscayne Park
Village of El Portal
Public Health Trust - Jackson Memorial¹
Miami Beach Housing Authority
Miami-Dade County Expressway Authority
Miami-Dade Community College

MONROE COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
City of Key Colony Beach
City of Marathon (EOC)²
Florida Keys Aqueduct Authority
Florida Keys Mosquito Control District
Florida Keys Community College

NASSAU COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
Town of Callahan
Town of Hilliard
Amelia Island Mosquito Control

OKALOOSA COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
City of Valparaiso¹
Town of Shalimar¹
Okaloosa County Gas District¹
Liza Jackson Preparatory School
Okaloosa-Walton Community College

OKEECHOBEE COUNTY

Clerk of Circuit Court
Board of County Commissioners

Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board

ORANGE COUNTY

Clerk of Circuit Court
Office of the Comptroller
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
City of Edgewood
City of Maitland¹
Lake Apopka Natural Gas District
Central Florida Regional Transit Authority
Greater Orlando Aviation Authority
Orlando-Orange County Expressway Authority
Reedy Creek Improvement District
Florida Virtual High School
Nap Ford Community School
Rio Grand Charter School of Excellence
Valencia Community College

OSCEOLA COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
New Dimensions High School

PALM BEACH COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
City of Boynton Beach
City of Pahokee¹
City of Greenacres¹
Town of Juno Beach¹
Town of Jupiter
Town of Ocean Ridge
Village of Tequesta¹
Florida Inland Navigation District
Port of Palm Beach
Acme Improvement District¹
Indian Trail Improvement District
Lake Worth Drainage District
Loxahatchee Groves Water Control District
Shawano Drainage District
South Florida Water Management District
South Indian River Water Control District¹
Palm Beach Soil & Water Conservation
South Florida Conservancy
STAR School of the Arts for Motion Pictures
& Television
Survivors Charter School
Palm Beach County Solid Waste Authority
Palm Beach Community College

PASCO COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
City of Dade City¹
City of New Port Richey¹
City of Port Richey
City of Zephyrhills
Pasco County Housing Authority¹
Pasco County Mosquito Control District
Pasco-Hernando Community College

PINELLAS COUNTY

Clerk of Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
City of Belleair Beach¹
City of Dunedin¹
City of Indian Rocks Beach¹
City of Madeira Beach¹
City of Oldsmar¹
City of Safety Harbor¹
City of Seminole¹ (EOC)²
City of South Pasadena¹
City of Treasure Island (Police and Fire)³
Town of Indian Shores (EOC)²
Town of Kenneth City (Police)³
Town of North Redington Beach¹
Town of Redington Beach¹
Town of Redington Shores¹ (EOC)²
Lealman Special Fire Control District
Palm Harbor Special Fire Control District¹
Pinellas Suncoast Fire & Rescue District
Pinellas Housing Authority
Pinellas-Suncoast Transit Authority
Pinellas Park Water Management District
Tampa Bay Water
Juvenile Welfare Board
Pinellas County Planning Council
Tampa Bay Regional Planning Council
Saint Petersburg Junior College

POLK COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff
School Board
Town of Polk City
McKeel Academy of Technology
Polk Community College

PUTNAM COUNTY

Clerk of Circuit Court
Board of County Commissioners
Property Appraiser
Tax Collector
Supervisor of Elections
Sheriff

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Participating Employers

School Board
 Saint Johns River Water Management District
 Saint Johns River Community College

SAINT JOHNS COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 City of Saint Augustine Beach
 Town of Hastings
 Saint Augustine-Saint Johns County Airport Authority
 Anastasia Mosquito Control District

SAINT LUCIE COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 City of Port Saint Lucie (EOC)²
North Saint Lucie River Water Management District¹
 Children's Service Council of Saint Lucie
 Indian River Community College

SANTA ROSA COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
City of Gulf Breeze¹
 Town of Jay

SARASOTA COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
City of North Port¹
City of Venice¹ (EOC)²
 West Coast Inland Navigation District
 Englewood Water District

SEMINOLE COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
City of Altamonte Springs¹
City of Casselberry¹
City of Longwood¹
 City of Sanford

South Seminole-North Orange Wastewater Authority¹
 Seminole Community College

SUMTER COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
City of Bushnell¹
 City of Coleman
 City of Webster
 City of Wildwood

SUWANNEE COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
City of Live Oak¹
 Suwannee Valley Transit Authority
 Suwannee River Water Management District

TAYLOR COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 City of Perry
 Taylor County Development Authority

UNION COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 City of Lake Butler
 Union County Housing Authority
 New River Library Cooperative

VOLUSIA COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
City of Daytona Beach¹
City of Daytona Beach Shores¹
 City of Holly Hill
 City of Lake Helen
City of New Smyrna Beach¹ (EOC)²
 City of South Daytona
 Town of Pierson
 Town of Ponce Inlet³

New Smyrna Beach Utilities Commission¹
 Volusia Soil & Water Conservation District
 Volusia County Law Library
 Daytona Beach Community College

WAKULLA COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 City of Sopchoppy
 Wilderness Coast Libraries

WALTON COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 City of DeFuniak Springs
 South Walton Mosquito Control District
 Walton Academy

WASHINGTON COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 City of Chipley
 City of Vernon
 Town of Wausau
 Northwest Florida Community Hospital

Summary

State	52
County Agencies	397
School Boards	67
Community Colleges	28
Cities	130*
Independent Hospitals	4*
Special Districts	151*
Other	11
Total	840**

The employer membership represented in this document is as of June 30, 2003.

*These totals include the 48 cities, 3 independent hospitals, and 18 independent special districts that are closed to new FRS members as of January 1, 1996.

**This schedule lists all local agency employers as defined in s. 121.021(42)(a) and (b), F.S. Dependent special districts are not listed as separate entities.

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NOTES



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