



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

ANNUAL REPORT
JULY 1, 2003- JUNE 30, 2004

STATE OF FLORIDA
DEPARTMENT OF MANAGEMENT SERVICES
Division of Retirement



FLORIDA RETIREMENT SYSTEM
ANNUAL REPORT
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Jeb Bush
Governor

William S. Simon
Secretary

Sarabeth Snuggs
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 226,425 retirees or their designated beneficiaries and 28,663 Deferred Retirement Option Program participants, and offers a wide range of information services to 633,642 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, 2004 were valued at approximately \$117.4 billion.

This annual report, which covers the period from July 1, 2003 through June 30, 2004, 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 2004 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

Sarabeth Snuggs
Director

Vacant
Assistant Director

STAFF ACTIVITIES

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

Vacant, 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 increased 1.42%, the annual payroll increased 4.31%, and the average annual salary increased 3.12%.

	2003*	as of June 30 2004*	% Increase
Members	620,164	633,642	2.17
Annual Payroll	\$20,656,776,573	\$21,709,344,276	5.10
Average Annual Salary	\$33,948	\$34,884	2.76

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.

	2003*	as of June 30 2004*	% Increase
Members	24,785	35,976	44.43
Annual Payroll	\$759,127,937	\$1,099,563,226	44.85
Average Annual Salary	\$31,810	\$32,076	0.84

For the previous fiscal year the FRS Pension Plan membership decreased 2.63%, the annual payroll increased 0.48%, and the average annual salary increased 3.39%.

	2003*	as of June 30 2004*	% Increase
Members	595,379	597,666	0.38
Annual Payroll	\$19,897,648,635	\$20,609,781,050	3.58
Average Annual Salary	\$34,037	\$35,054	2.99

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.

	2003*	as of June 30 2004*	% Increase
Annuityants	210,342	226,425	7.65
Benefit Payments (Annualized)	\$2,786,884,017	\$3,182,035,471	14.18
Average Benefits (Annualized)	\$13,249	\$14,053	6.07

DISABILITIES

	2003*	as of June 30 2004*	% Increase
Disabled Retirees	12,406	13,005	4.83
Benefit Payments (Annualized)	\$116,996,544	\$127,575,969	9.04
Average Benefits (Annualized)	\$9,431	\$9,810	4.02

DEFERRED RETIREMENT OPTION PROGRAM

	2003	as of June 30 2004	% Increase
DROP Participants	26,720	28,663	7.27
Annual Payroll	\$1,403,026,540	\$1,528,521,563	8.94
Employer Contributions	\$113,132,730	\$122,281,725	8.09
DROP Accrued Liability	\$1,262,931,035	\$1,467,335,793	16.18

* Excludes DROP participants who are retired under the FRS.



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

as of June 30

	2003	2004
Florida Retirement System Trust Fund	\$88,348,993,080	\$100,783,149,969
IFAS Supplemental Retirement Program Trust Fund	14,488,182	14,778,317
Health Insurance Subsidy Trust Fund	134,049,348	151,399,967
SUS Optional Retirement Program Trust Fund	264,062	203,126
Senior Management Service Optional Annuity Program Trust Fund	17,868	27,383
General Revenue Appropriation	—	—
Police Officers and Firefighters' Premium Tax Trust Fund	42,624,438	57,369,687
Total Fund Balance	<u>\$88,540,436,978</u>	<u>\$101,006,928,449</u>



Highlights

**FLORIDA RETIREMENT SYSTEM TRUST FUND
ADDITIONS, DEDUCTIONS & NET ASSETS**

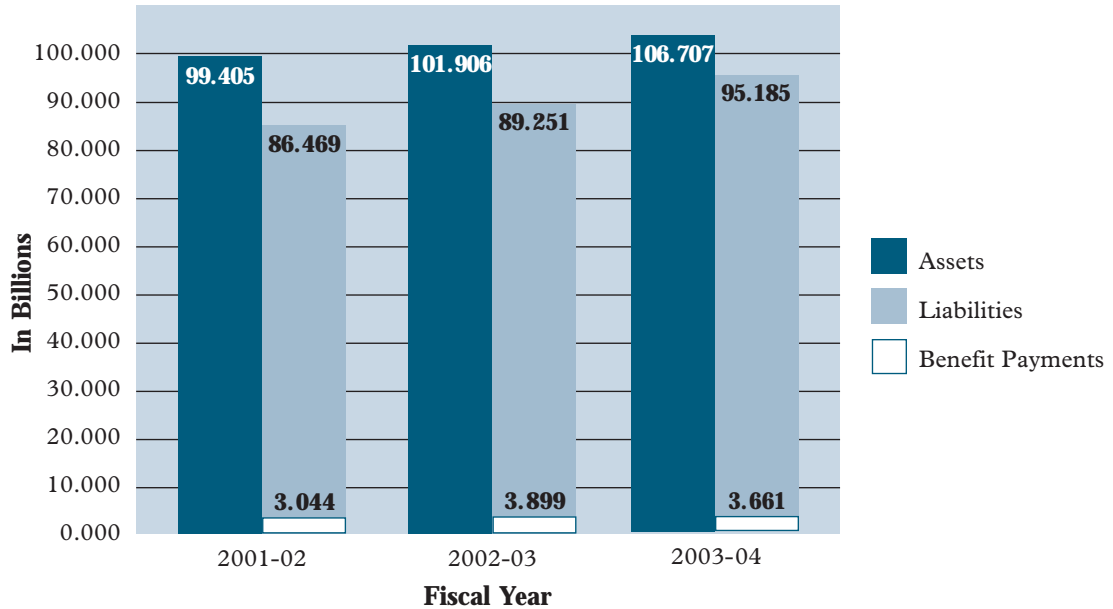
as of June 30

	2003	2004
Additions		
Contributions		
Pension Contributions - State	\$ 371,658,690	\$ 434,308,300
Pension Contributions - Non-State	1,429,785,255	1,464,127,888
Pension Contributions - Employee	1,055,490	49,270,184
	<hr/>	<hr/>
	1,802,499,435	1,947,706,372
Transfers from Other Funds		
Optional Annuity Program	—	—
Preservation of Benefits Plan	9,572,393	9,967,588
Savings Bonds	—	—
Social Security	—	—
PEORP	9,672,502	9,387,258
Property Transfers In	2,555	10,659
	<hr/>	<hr/>
Total Contributions	1,821,746,886	1,967,071,877
Investment Income		
Net Appreciation/(Depreciation)		
In Fair Value of Investments	471,177,214	12,335,312,138
Interest Income	1,257,834,535	1,085,963,333
Dividends	854,888,039	1,212,595,938
Real Estate Operating Income, Net	248,542,342	259,306,243
Other Investment Income	6,253,908	6,187,428
	<hr/>	<hr/>
	2,838,696,037	14,899,365,080
Less Investment Activity Expense	164,006,364	173,824,511
	<hr/>	<hr/>
Net Income from Investment Activity	2,674,689,673	14,725,540,569
Security Lending Activities		
Security Lending Income	157,928,151	159,798,518
Security Lending Expense	123,299,719	114,150,378
	<hr/>	<hr/>
Net Income from Security Lending	34,628,432	45,648,140
	<hr/>	<hr/>
Total Additions	4,531,064,991	16,738,260,586
Deductions		
Benefit Payments	3,889,614,092	3,661,451,134
Benefit Payments - GR Funded	9,572,502	9,967,588
Refunds of Contributions	3,455,273	4,440,492
Transfers Out W/I Dept	556,640	703,285
Transfers to Other Departments	32,049,704	22,826,583
Transfers to Other Departments - PEORP	362,865,323	439,693,561
Property Dispositions	1,028,859	5,527
Depreciation Expense	411,167	287,138
Administrative Expenses	14,511,208	14,301,357
	<hr/>	<hr/>
Total Deductions	4,324,064,769	4,153,676,665
	<hr/>	<hr/>
Net Increase (Decrease)	207,000,222	12,584,583,921
Net Assets Held in Trust For Pension Benefits		
Beginning of Year	88,141,992,859	88,348,993,081
	<hr/>	<hr/>
End of Year	\$88,348,993,081	\$100,933,577,003
	<hr/>	<hr/>



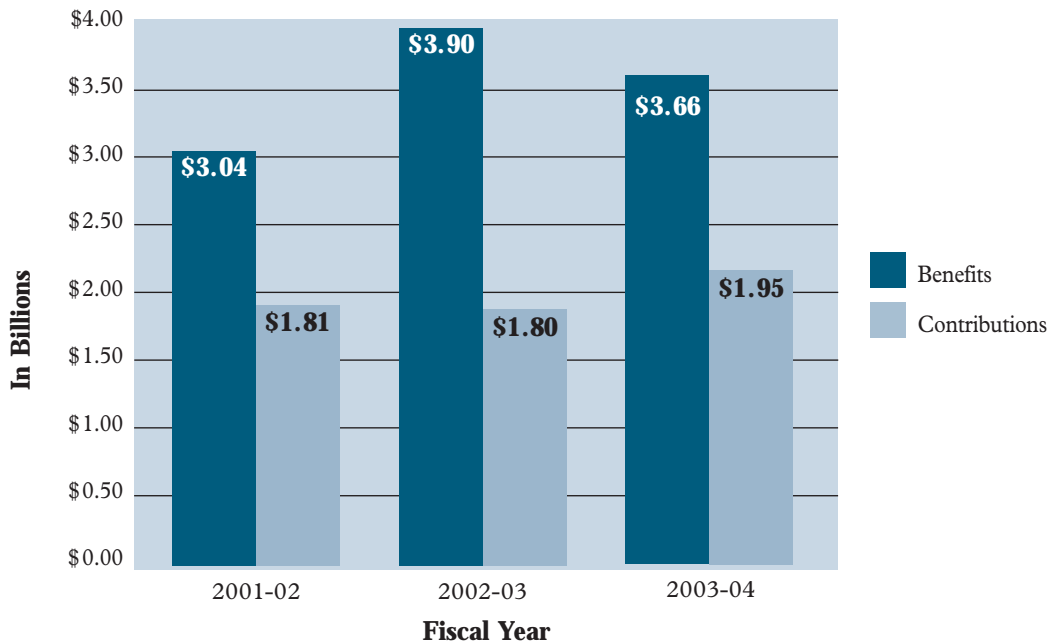
FRS TOTAL ACTUARIAL ASSETS COMPARED TO FRS TOTAL ACTUARIAL LIABILITIES

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

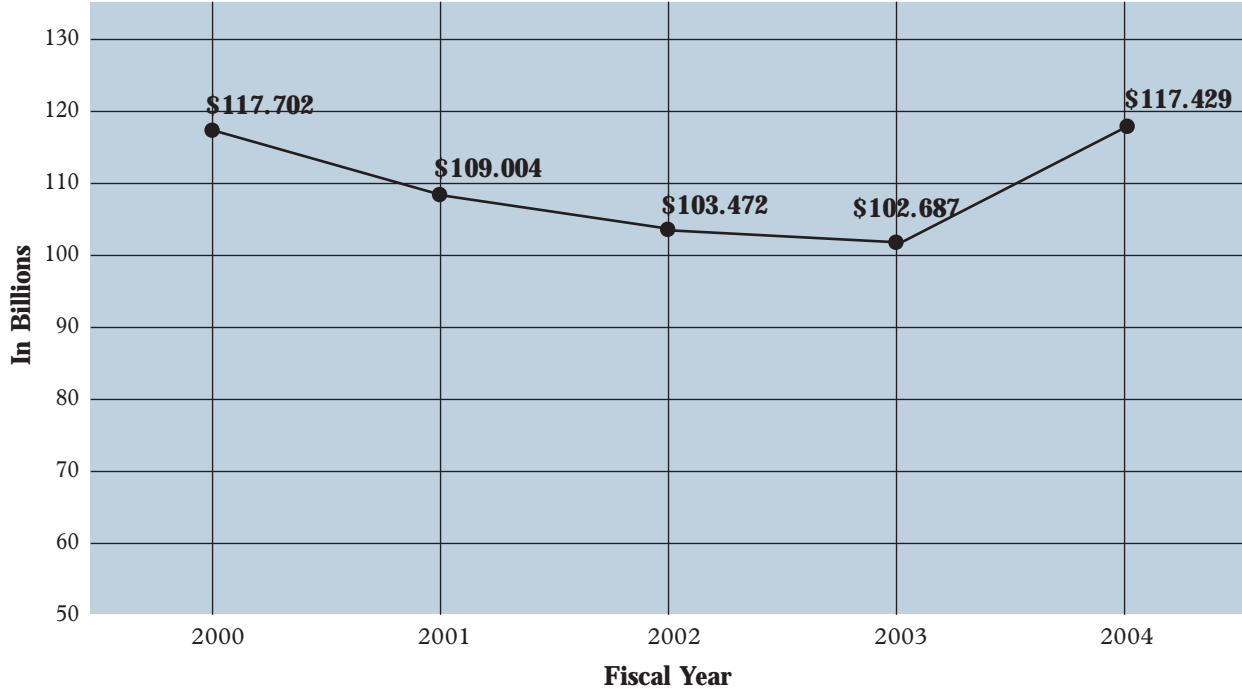
The actuarial assets of the FRS defined benefit plan have exceeded the actuarial liability of the system since 1998. Lower contributions have been required because the Legislature authorized the use of surplus actuarial assets to offset employer contributions that would otherwise be required. Benefit 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.





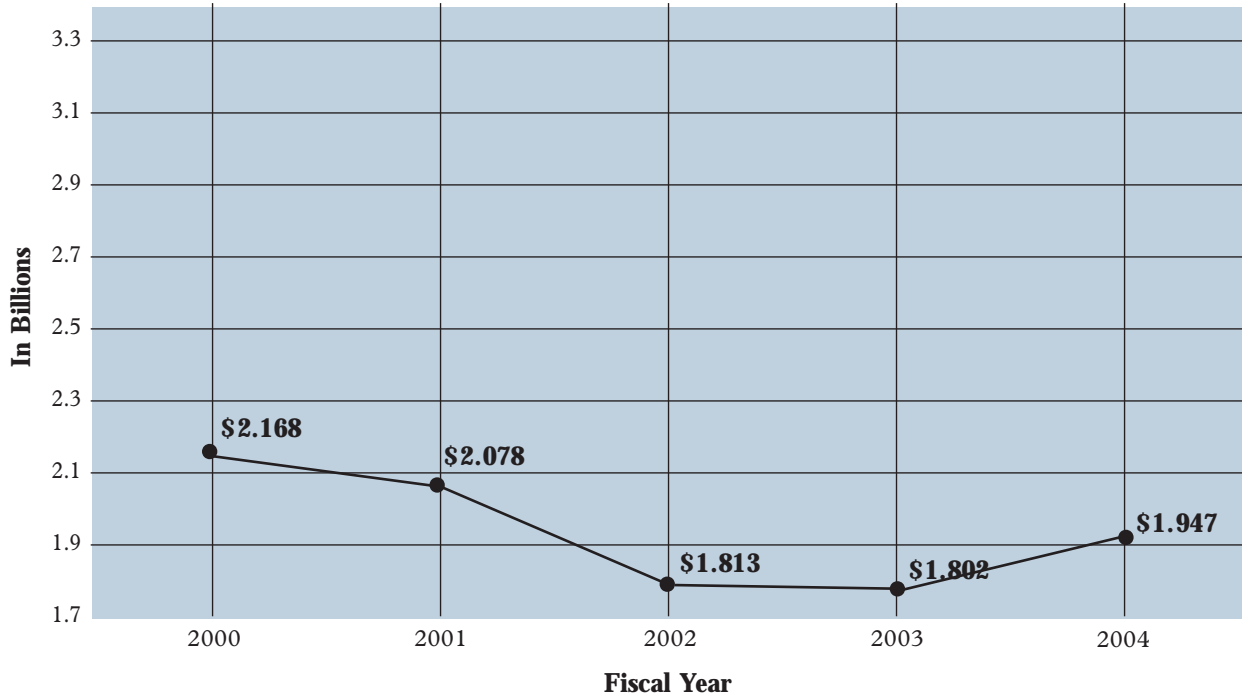
GROWTH OF FRS TRUST ASSETS

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
2000	10.8%
2001	(6.9)%
2002	(8.07)%
2003	2.8%
2004	16.65%

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 2003–04. 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

	2003	2004	% Increase (Decrease)
Social Security Taxes Collected	\$ —	\$ —	—
Investment Earnings on Social Security Funds	\$295	\$141	(52.20)%

ADMINISTRATIVE COSTS

The cost of administering the Florida Retirement System decreased for the 2004 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 2004, the State Board of Administration paid \$155,216,000 for external investment and banking fees, for internal investment management and other Florida Retirement System administrative costs.

as of June 30

	2003	2004	% Increase (Decrease)
Administrative Costs	\$16,492,168	\$15,422,073	(06.49)



2004 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 2004:

1. Chapter 2004-293, Laws of Florida

- Established uniform employer contribution rates for the Florida Retirement System (FRS) membership classes and subclasses effective July 1, 2004 and July 1, 2005.

2. Chapter 2004-355, Laws of Florida

- Provided a reemployment exception for FRS and Teachers' Retirement System (TRS) retirees for employment as instructional personnel at a charter school or the Florida School for the Deaf and the Blind after the first calendar month of retirement.
- Retroactive to July 1, 2003, provided a reemployment exception for TRS retirees reemployed by district school boards as classroom teachers after the first calendar month of retirement.
- Repealed the Florida Mentor Teacher Pilot Program, eliminating the bonuses paid under that program from the definition of compensation for FRS members.
- Provided for extended Deferred Retirement Option Program participation for participants who retired from the FRS or the TRS and who were employed as instructional personnel in developmental research schools.



FINANCIAL STATEMENTS



Financial Statements

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

as of June 30, 2004

	Combined Totals		Florida Retirement System Trust Fund		IFAS Supplemental Retirement Program Trust Fund	
	2004	2003	2004	2003	2004	2003
Assets						
Cash and Cash Equivalents	\$1,094,585,707	\$44,902,765	\$1,094,546,562	\$44,838,903	\$39,145	\$63,862
State Treasury Investment Pool	836,484	412,927	836,484	412,927	—	—
Total Cash and ST Investments	1,095,422,191	45,315,692	1,095,383,046	45,251,830	39,145	63,862
Investments:						
Certificates of Deposit	2,000,000	—	—	—	2,000,000	—
U S Govt & Federally Guaranteed Obligations	5,456,715,794	5,000,195,848	5,453,443,021	4,999,910,791	3,272,773	285,057
Federal Agencies	82,696	5,682,417,752	—	5,674,395,354	82,696	8,022,398
Commercial Paper	1,306,775,841	1,363,038,809	1,304,777,989	1,361,087,705	1,997,852	1,951,105
Repurchase Agreements	498,703,586	1,022,442,935	498,508,599	1,018,367,323	194,987	4,075,612
International Bonds and Notes	1,493,660,625	688,058,975	1,486,628,668	688,058,975	7,031,957	—
Bonds and Notes	8,809,978,016	—	8,809,978,016	—	—	—
Fix Income Investment	6,261,088,178	9,313,507,262	6,260,964,386	9,313,507,262	123,792	—
Real Estate Contracts	3,928,013,400	3,353,676,987	3,928,013,400	3,353,676,987	—	—
Short Term Investment Funds	1,080,258,228	1,385,353,383	1,080,258,228	1,385,353,383	—	—
Domestic Equity/						
Domestic Equity Commingled	56,427,117,790	49,139,331,889	56,427,117,790	49,139,331,889	—	—
Limited Partnerships	2,927,140,568	2,565,542,224	2,927,140,568	2,565,542,224	—	—
Equity Group Trust	10,871,610	11,763,405	10,871,610	11,763,405	—	—
International Equity/						
International Equity Commingled	15,855,831,080	11,756,429,372	15,855,831,080	11,756,372,216	—	57,156
Total Investments	104,058,237,412	91,281,758,842	104,043,533,355	91,267,367,513	14,704,057	14,391,328
Receivables:						
Accounts Receivable	474,856	356,250	474,856	356,250	—	—
Contributions Receivable - State	3,857,018	123,658	3,857,018	96,554	—	27,104
Contributions Receivable - Non-State	130,353,300	93,382,065	130,353,300	93,382,065	—	—
Interest Receivable	292,540,194	263,450,240	292,504,474	263,441,851	35,720	8,390
Dividends Receivable	92,912,529	73,137,864	92,912,529	73,137,864	—	—
Pending Investment Sales	651,579,897	1,600,383,048	651,579,897	1,600,383,048	—	—
Forward Contract Receivable	371,749,180	175,770,003	371,749,180	175,770,003	—	—
Due from Other Funds Within Division	—	—	—	—	—	—
Due from Other Funds	30,938,621	27,202,982	30,938,621	27,202,982	—	—
Total Receivables	1,574,405,595	2,233,806,110	1,574,369,875	2,233,770,616	35,720	35,494
Security Lending Collateral	10,715,362,822	9,140,400,545	10,715,362,822	9,140,400,545	—	—
Property, at Cost	4,114,402	4,233,953	4,114,402	4,233,953	—	—
Accumulated Depreciation	(3,266,208)	(3,139,455)	(3,266,208)	(3,139,455)	—	—
Total Property	848,194	1,094,498	848,194	1,094,498	—	—
Total Assets	117,444,276,214	102,702,375,687	117,429,497,291	102,687,885,003	14,778,922	14,490,685
Liabilities						
Accounts Payable	45,436,664	41,515,512	45,436,664	41,515,512	—	—
Benefits Payable	1,447,028	1,043,233	1,447,028	1,041,359	—	1,874
Accrued DROP Liability	1,605,005,648	2,161,750,415	1,605,005,648	2,161,750,415	—	—
Accrued Salaries and Wages	265,620	242,775	265,620	242,775	—	—
Due to Other Funds	544,708	440,190	544,708	440,190	—	—
Due to Other Departments	15,262,494	12,247,026	15,261,889	12,246,398	605	628
Future Trade Equity Payable	7,566,693	—	7,566,693	—	—	—
Accrued Interest Payable	24,795,342	—	24,795,342	—	—	—
Obligations under Securities Lending	11,695,355,612	9,141,884,774	11,695,355,612	9,141,884,774	—	—
Pending Investment Purchases	2,721,360,489	2,801,753,212	2,721,360,489	2,801,753,212	—	—
Forward Contracts Payable	371,817,957	172,170,495	371,817,957	172,170,495	—	—
Broker Rebate Fees	6,142,472	4,926,624	6,142,472	4,926,624	—	—
Compensated Absences Liability	920,167	920,167	920,167	920,167	—	—
Total Liabilities	16,495,920,894	14,338,894,425	16,495,920,289	14,338,891,921	605	2,502
Net Plan Assets Held In Trust For Pension Benefits	\$100,948,355,320	\$88,363,481,263	\$100,933,577,003	\$88,348,993,081	\$14,778,317	\$14,488,182



Financial Statements

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

as of June 30, 2004

	Combined Totals		Florida Retirement System Trust Fund		IFAS Supplemental Retirement Program Trust Fund	
	2004	2003	2004	2003	2004	2003
Additions						
Contributions						
Pension Contributions — State	\$ 435,253,970	\$ 372,226,298	\$ 434,308,300	\$ 371,658,690	\$ 945,670	\$ 567,608
Pension Contributions — Non—State	1,464,127,888	1,429,785,255	1,464,127,888	1,429,785,255	—	—
Pension Contributions — Employee	49,270,184	1,055,490	49,270,184	1,055,490	—	—
	1,948,652,042	1,803,067,043	1,947,706,372	1,802,499,435	945,670	567,608
Transfers from Other Funds						
Optional Annuity Program	—	—	—	—	—	—
Preservation of Benefits Plan	—	—	—	—	—	—
General Revenue	9,967,588	9,572,393	9,967,588	9,572,393	—	—
Savings Bonds	—	—	—	—	—	—
Social Security	—	—	—	—	—	—
PEORP	9,387,258	9,672,502	9,387,258	9,672,502	—	—
Property Transfers In	10,659	2,555	10,659	2,555	—	—
Total Contributions	1,968,017,547	1,822,314,494	1,967,071,877	1,821,746,886	945,670	567,608
Investment Income						
Net Appreciation in Fair Value	12,335,236,970	471,214,372	12,335,312,138	471,177,214	(75,168)	37,158
Interest Income	1,086,191,503	1,258,089,238	1,085,963,333	1,257,834,535	228,170	254,703
Dividends	1,212,595,938	854,888,039	1,212,595,938	854,888,039	—	—
Real Estate Operating Income, Net	259,306,243	248,542,342	259,306,243	248,542,342	—	—
Other Investment Income	6,187,428	6,253,908	6,187,428	6,253,908	—	—
	14,899,518,082	2,838,987,898	14,899,365,080	2,838,696,037	153,002	291,861
Less Investment Activity Expense	173,826,928	164,008,883	173,824,511	164,006,364	2,417	2,519
Net Income from Investment Activity	14,725,691,154	2,674,979,015	14,725,540,569	2,674,689,673	150,585	289,342
Security Lending Activities						
Security Lending Income	159,798,518	157,928,151	159,798,518	157,928,151	—	—
Security Lending Expense	114,150,378	123,299,719	114,150,378	123,299,719	—	—
Net Income from Security Lending	45,648,140	34,628,432	45,648,140	34,628,432		
Total Additions	16,739,356,842	4,531,921,940	16,738,260,586	4,531,064,991	1,096,255	856,950
Deductions						
Benefit Payments	3,662,257,254	3,900,391,839	3,661,451,134	3,899,614,092	806,120	777,747
Benefit Payments—GR Funded	9,967,588	9,572,502	9,967,588	9,572,502	—	—
Refunds of Contributions	4,440,492	3,455,273	4,440,492	3,455,273	—	—
Transfers Out W/I Dept	703,285	556,640	703,285	556,640	—	—
Transfers To Other Depts	22,826,583	32,049,704	22,826,583	32,049,704	—	—
Transfers To Other Depts—PEORP	439,693,561	362,865,323	439,693,561	362,865,323	—	—
Property Dispositions	5,527	1,028,859	5,527	1,028,859	—	—
Depreciation Expense	287,138	411,167	287,138	411,167	—	—
Administrative Expenses	14,301,357	14,511,208	14,301,357	14,511,208	—	—
Total Deductions	4,154,482,785	4,324,842,516	4,153,676,665	4,324,064,768	806,120	777,747
Net Increase(Decrease)	12,584,874,057	207,079,424	12,584,583,921	207,000,222	290,135	79,202
Net Assets Held in Trust For Pension Benefits						
Beginning of Year	88,363,481,263	88,156,401,839	88,348,993,081	88,141,992,859	14,488,182	14,408,980
End of Year	\$100,948,355,320	\$88,363,481,263	\$100,933,577,003	\$88,348,993,081	\$14,778,317	\$14,488,182

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



Financial Statements

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

as of June 30, 2004

	Combined Totals		State University System Optional Retirement Program Trust Fund		Senior Mgmt Service Optional Annuity Program Trust Fund	
	2004	2003	2004	2003	2004	2003
Assets						
Cash	23,668	2,921,544	2,516	2,901,110	21,152	20,434
Investments with State Treasury	1,190,473	877,617	1,141,977	870,406	48,496	7,212
Interest Receivable	5,067	4,070	4,974	4,007	93	63
Contributions Receivable	2,588,335	2,191,522	2,565,791	2,186,438	22,544	5,084
Due from Other Funds	—	—	—	—	—	—
Property, at Cost	—	2,269	—	2,269	—	—
Accumulated Depreciation	—	(1,040)	—	(1,040)	—	—
Total Assets	3,807,543	5,995,982	3,715,258	5,963,190	92,285	32,793
Liabilities and Fund Balance						
Liabilities						
Accounts Payable	3,553,052	5,689,438	3,488,155	5,675,283	64,897	14,154
Due to Other Funds	56	836	56	67	—	769
Due to Other Departments	234	87	230	86	4	1
Compensated Absences Liability	23,692	23,692	23,692	23,692	—	—
Total Liabilities	3,577,034	5,714,052	3,512,133	5,699,127	64,901	14,925
Fund Balance	230,509	281,930	203,126	264,062	27,383	17,868
Total Liabilities and Fund Balance	3,807,543	5,995,982	3,715,259	5,963,189	92,284	32,793



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

as of June 30, 2004

	Combined Totals		State University System Optional Retirement Program Trust Fund		Senior Mgmt Service Optional Annuity Program Trust Fund	
	2004	2003	2004	2003	2004	2003
Revenues						
Pension Contributions — State	98,224,599	87,438,402	97,164,801	86,328,284	1,059,798	1,110,118
Pension Contributions — Non—State	162,700	140,803	162,700	140,803	—	—
Pension Contributions — Employees	50,771,163	46,269,158	50,658,254	46,060,800	112,909	208,358
Investment Earnings	83,306	69,439	81,694	68,142	1,612	1,297
Total Revenues	149,241,768	133,917,802	148,067,449	132,598,030	1,174,319	1,319,772
Expenses						
Payments to Annuity Companies	149,209,330	133,775,566	148,044,526	132,472,657	1,164,804	1,302,909
Transfers to FRS Trust Fund	—	—	—	—	—	—
Administrative Expenses	83,859	102,786	83,859	102,786	—	—
Total Expenses	149,293,189	133,878,352	148,128,385	132,575,443	1,164,804	1,302,909
Excess of Revenues over Expenses	(51,421)	39,450	(60,936)	22,587	9,515	16,863
Fund Balance, July 1	281,930	242,480	264,062	241,475	17,868	1,005
Fund Balance, June 30	230,509	281,930	203,126	264,062	27,383	17,868



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EXHIBIT E – OTHER EMPLOYEE BENEFIT TRUST FUND COMPARATIVE BALANCE SHEET

as of June 30, 2004

	Health Insurance Subsidy Trust Fund	
	2004	2003
Assets		
Cash	\$35,702	\$364,726
Investments	127,627,078	107,703,237
Accounts Receivable	21,319	29,830
Interest Receivable	476,169	123,690
Due from Other Funds	528,729	21,143,315
Due from Other Departments	4,579,866	4,684,550
Due from Other Governmental Units	18,131,104	—
Total Assets	<u>151,399,967</u>	<u>134,049,348</u>
Liabilities		
Accounts Payable	5,190	5,190
Due to Other Funds	—	—
Due to Other Departments	5,255	4,705
Due to Other Governmental Units	—	—
Due to General Revenue	—	—
Total Liabilities	<u>10,445</u>	<u>9,895</u>
Fund Balance	<u>151,389,522</u>	<u>134,039,453</u>
Total Liabilities and Fund Balance	<u>\$151,399,967</u>	<u>\$134,049,348</u>

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

as of June 30, 2004

	Health Insurance Subsidy Trust Fund	
	2004	2003
Revenues		
HIS Employer Contributions	\$264,452,615	\$259,651,153
Investment Earnings	1,255,794	1,981,297
Other Revenues-Refunds from Cities	—	—
Total Revenues	<u>265,708,409</u>	<u>261,632,450</u>
Expenditures		
Benefit Payments	248,291,392	228,813,187
Distribution to Cities	—	—
Administrative Expenses	47,714	46,273
Interest and Fiscal Charges	18,954	16,092
Transfers to Other Funds	280	59
Total Expenditures	<u>248,358,340</u>	<u>228,875,611</u>
Excess of Revenues over Expenditures	<u>17,350,069</u>	<u>32,756,839</u>
Fund Balance, July 1	<u>134,039,453</u>	<u>101,282,614</u>
Fund Balance, June 30	<u>\$151,389,522</u>	<u>\$134,039,453</u>



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**EXHIBIT G – SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

as of June 30, 2004

	Police and Firefighters Premium Tax Trust Fund	
	2004	2003
Assets		
Cash	\$22,989	\$1,431
Investments	153,802,436	129,954,614
Accounts Receivable	-	-
Interest Receivable	1,827,674	29,993
Due from Other Funds	-	-
Due from Other Departments	22,478,586	20,713,437
Due from Other Governmental Units	25,296	28,617
Total Assets	<u>178,156,981</u>	<u>150,728,092</u>
Liabilities and Fund Balance		
Liabilities		
Accounts Payable	19,793	15,793
Due to Other Funds	1,830	722
Due to Other Departments	11,761,417	10,743,979
Due to Other Governmental Units	107,070,998	95,329,564
Due to General Revenue	1,933,256	2,013,596
Total Liabilities	<u>120,787,294</u>	<u>108,103,654</u>
Fund Balance	<u>57,369,687</u>	<u>42,624,438</u>
Total Liabilities and Fund Balance	<u>\$178,156,981</u>	<u>\$150,728,092</u>



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

as of June 30, 2004

	Police and Firefighters Premium Tax Trust Fund	
	2004	2003
Revenues		
HIS Employer Contributions	\$—	\$—
Premium Taxes	143,240,413	117,719,950
Investment Earnings	850,779	1,029,404
Other Revenues—Refunds From Cities		100,711
Total Revenues	144,091,192	118,850,065
Expenditures		
Benefit Payments	—	—
Distribution to Cities	102,438,995	94,701,127
Administrative Expenses	585,488	508,165
Interest and Fiscal Charges	13,471	12,848
Transfers to Other Funds	26,307,989	19,937,487
Total Expenditures	129,345,943	115,159,627
Excess of Revenues over Expenditures	14,745,249	3,690,438
Fund Balance, July 1	42,624,438	38,934,000
Fund Balance, June 30	\$57,369,687	\$42,624,438

EXHIBIT I - AGENCY FUNDS COMBINING COMPARATIVE BALANCE SHEET

as of June 30, 2004

	Combined Totals		Social Security Contributions Trust Fund		U.S. Savings Bond Trust Fund	
	2004	2003	2004	2003	2004	2003
Assets						
Cash	\$1,749	\$1,749	\$1,729	\$1,729	\$20	\$20
Investments with State Treasury	76,669	74,180	65,381	63,258	11,288	10,921
Interest Receivable	165	346	141	295	24	51
Total Assets	78,583	76,275	67,251	65,283	11,332	10,992
Liabilities						
Accounts Payable	78,575	76,268	67,244	65,277	11,331	10,991
Due to Other Departments	8	7	7	6	1	1
Total Liabilities	78,583	76,275	67,251	65,283	11,332	10,992
Fund Balance	—	—	—	—	—	—
Total Liabilities and Fund Balance	\$78,583	\$76,275	\$67,251	\$65,283	\$11,332	\$10,992



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

for the year ended June 30, 2004

Combined Totals

	Balance 07/01/03	Additions	Deductions	Balance 06/30/04
Assets				
Cash	\$1,749	\$—	\$—	\$1,749
Investments with State Treasury	74,179	2,490	—	76,669
Accounts Receivable	—	—	—	—
Interest Receivable	346	165	346	165
Total Assets	76,275	2,655	346	78,583
Liabilities				
Accounts Payable	76,268	2,307	—	\$78,575
Due to Other Departments	7	8	7	\$8
Due to Other Funds	—	—	—	—
Total Liabilities	\$76,275	\$2,315	\$7	\$78,583

Social Security Contributions Trust Fund

	Balance 07/01/03	Additions	Deductions	Balance 06/30/04
Assets				
Cash	\$1,729	\$—	\$—	\$1,729
Investments with State Treasury	63,258	2,123	—	65,381
Accounts Receivable	—	—	—	—
Interest Receivable	295	141	295	141
Total Assets	65,283	2,264	295	67,251
Liabilities				
Accounts Payable	65,277	1,967	—	67,244
Due to Other Departments	6	7	6	7
Total Liabilities	\$65,283	\$1,974	\$6	\$67,251

U.S. Savings Bond Trust Fund

	Balance 07/01/03	Additions	Deductions	Balance 06/30/04
Assets				
Cash	\$20	\$—	\$—	\$20
Investments with State Treasury	10,921	367	—	11,288
Accounts Receivable	—	—	—	—
Interest Receivable	51	24	51	24
Total Assets	10,992	391	51	11,332
Liabilities				
Accounts Payable	10,991	340	—	11,331
Due to Other Departments	1	1	1	1
Due to Other Funds	—	—	—	—
Total Liabilities	\$10,992	\$341	\$1	\$11,332



Financial Statements

EXHIBIT K – NOTES TO THE FINANCIAL STATEMENTS

June 30, 2004

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, 2004 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 57.

FRS Membership Summary

	June 30	
	2003	2004
Employers		
District School Boards	67	67
Community Colleges	28	28
County Agencies	397	397
Cities	130*	141**
Independent Hospitals	4*	4**
Special Districts	151*	166**
State of Florida	52	52
Other	11	11
Total Employers	840	866

*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.

**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 80-85 for more information.



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	June 30	
	2003	2004
Employee Members		
Current Retirees and Beneficiaries (excludes TRS-SB)	208,680	224,813
DROP Participants	26,720	28,663
Terminated Vested Participants	64,912	69,758
Subtotal	300,312	323,234
Active Participants:		
Vested	382,474	401,489
Non-vested	237,690	232,153
Subtotal	620,164	633,642
Total Employee Members	920,476	956,876

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, 2004 was \$1,605,005,648 for 29,751 retirees.
- Compensated Absences Liability – At June 30, 2004 the amount recorded for compensated absences liability in General Long Term Debt for Special Revenue funded activities was \$63,578.



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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 2003-04 totaling \$1,949,688,966 (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, 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%)
July 1, 2004	106,707,426	95,185,433	(11,521,993)	112.10%	23,115,581 ¹	(49.85%)

Schedule of Employer Contributions

(000 omitted in dollar amounts)

Year Ended June 30	Annual Required Contributions	Percent Contributed
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%
2004	2,044,540	92%

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, 2004
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar of Pay, Open
Equivalent Single amortization period	30 years
Asset valuation method	5-year Smoothed Method
Actuarial assumptions:	
Investment rate of return	7.75%
Projected salary increases	6.25% ³
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 Includes individual salary growth of 4.00% plus an age-graded merit scale from 4.00% at age 20, to 1.50% at age 40, to 0.25% at age 60.



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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
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
2003-04	1,947,706,372	14,771,188,710	19,365,505	16,738,260,586

Expenditures by Type

Fiscal Year	Benefits	Administrative Expenses	Refunds	Other**	Total
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
2003-04	3,661,451,134***	477,817,450	4,440,492	9,967,588	4,153,676,664

* 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.



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

as of June 30, 2004

	2004	2003
Personal Services:		
Salaries and Wages	\$6,076,611	\$6,410,286
State Retirement	467,943	410,661
Other Employee Benefits	830,711	784,183
Social Security	450,240	476,672
Other Personal Services	10,936	8,153
Total Personal Services	7,836,441	8,089,955
Professional Services:		
Data Processing	253,205	207,308
I.T. Contractual Services	3,520,000	3,520,000
I.T. Contractual Monitoring	—	—
Other Contractual Services	103,639	130,361
Legal	150,855	154,753
Actuarial	189,469	222,747
Total Professional Services	4,217,168	4,235,169
Communication:		
Postage and Freight	957,149	962,300
Printing and Reproduction Services	73,311	220,513
Travel	74,474	78,030
Telephone Services	117,830	122,268
Total Communication	1,222,764	1,383,112
Rentals:		
Office Rental	710,850	696,725
Equipment Leasing	32,173	12,626
Total Rentals	743,023	709,351
Miscellaneous:		
Repair and Maintenance	41,059	70,566
Materials and Supplies	119,591	166,369
Other Current Charges and Obligations	124,763	59,206
Total Miscellaneous	285,413	296,141
Sub-Total Administrative Expenses	14,304,809	14,713,728
Transfers to Other Funds:		
DMS Administrative Assessment	647,950	535,029
DMS HRM Personnel Assessment	55,335	21,611
DOI Risk Management	73,385	70,086
DOI Fire and Workers' Comp	20,355	15,610
Division of Administrative Hearings	31,245	9,070
Total Transfers to Other Funds	828,270	651,406
Property Dispositions	1,856	23,710
Depreciation Expense	287,138	1,103,324
Total Administrative Expenses	\$15,422,073	\$16,492,168



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, 2004

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 for the FRS are to provide investment returns sufficient to insure timely payment of promised benefits and keep plan costs at a reasonable level. 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 2003-2004			
	9/30/03	12/31/03	3/31/04	6/30/04
	\$91.90 billion	\$100.33 billion	\$102.71 billion	\$102.41 billion

Asset Classes	Actual Quarter-End Asset Allocation Fiscal Year 2003-2004			
	9/30/03	12/31/03	3/31/04	6/30/04
Domestic Equities	52.4%	53.3%	50.4%	50.8%
Global Equities	1.0%	2.1%	3.1%	4.1%
International Equities	13.5%	14.9%	15.2%	15.1%
Fixed Income	19.4%	20.1%	20.8%	20.2%
Real Estate	5.7%	5.5%	5.7%	5.7%
Alternative Investments	3.4%	3.6%	3.4%	3.4%
Cash Equivalents/Short Term	0.5%	0.5%	0.5%	0.5%
Policy Transition	4.0%	0.0%	1.0%	0.2%
Total **	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

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

FRSTF Public and Private Market	Annualized Total Fund Investment Performance (By Fiscal Year Periods)			
	10 Years 1994-2004	5 Years 1999-2004	3 Years 2001-2004	1 Year 2003-2004
Total Fund	10.16%	2.41%	3.31%	16.65%

Investment Performance of the FRS is reported in the SBA's 2003-2004 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,

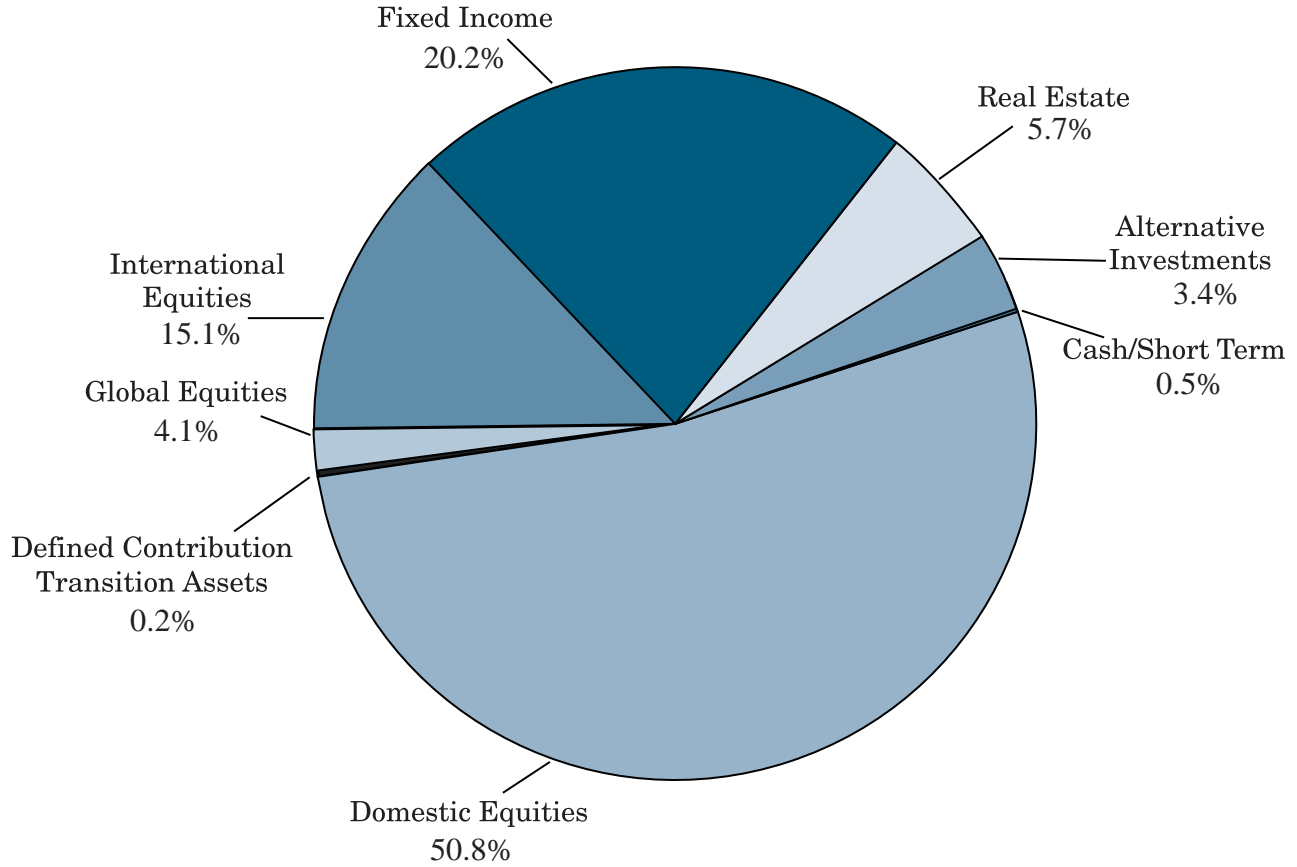
Coleman Stipanovich



Investments

Florida Retirement System Trust Fund
DISTRIBUTION OF INVESTMENTS

as of June 30, 2004



Fund Market Value \$102,409,370,564

Investments by Asset Class	
Asset Class	Value as of 6-30-04
Domestic Equities	\$52,071,429,802
Global Equities	\$4,192,371,437
International Equities	\$15,413,365,181
Fixed Income	\$20,669,479,133
Real Estate	\$5,869,972,553
Alternative Investments	\$3,490,694,587
Cash/Short Term/Transition Asset.....	\$702,057,865
Total	\$102,409,370,564





ACTUARIAL REPORT



Actuarial Report



Milliman
Consultants and Actuaries

8000 Towers Crescent Drive, Suite 1000
Vienna, VA 22182-6209
Tel +1 703-917-0143
Fax +1 703-827-9266
www.milliman.com

December 31, 2004

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

Statement Regarding Actuarial Valuation as of July 1, 2004

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, 2004 marks the seventh 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 exceeded the actuarial liabilities. Historically, separate amortization bases were established for plan changes, method and assumption changes, and experience gains and losses. Effective July 1, 1998, because of the surplus position, all previous bases were assumed to be fully amortized (paid in full).

As was the case during the past few fiscal years (i.e., 1998-2003), the unfunded actuarial liability (including DROP liability) continues to be eliminated (in fact the surplus is \$11.5 billion). Using the rate stabilization mechanism, approximately \$3.7 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 2005-2006 of \$0.604 billion.

The composite FRS normal cost contribution rate decreased from 11.71% to 11.37% as reported in the 2004 valuation. After the special adjustments but before any additional surplus utilization, the composite FRS Trust Fund contribution rate, excluding DROP, has decreased to 9.85% from 9.90%. (The composite contribution rate including DROP is 9.97%). The report contains information about use of available surplus and potential cost reduction if all available surplus used for rate reduction.

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. We believe the assumptions used reflect our best estimate of anticipated future experience of the plan. The results of this report are dependent upon future experience conforming to these assumptions. Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions used in this valuation. It is certain that actual experience will not conform exactly to the assumptions used in this valuation. Actual amounts will differ from projected amounts to the extent that actual experience deviates from expected experience.



The assumptions and methods used in performing this valuation meet the parameters set by Government Accounting Standards Board (GASB) Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contributions 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, Inc. does not assume responsibility for either its accuracy or its completeness.

In preparing our report we relied, without audit, on information (some oral and some written) supplied by the Division of Retirement. This information includes, but is not limited to, plan provisions, employee data, and financial information. Census data provided to us by the Division has been reviewed for reasonableness and for consistency with data used in prior valuations. It should be noted that if any data or other information is inaccurate or incomplete, our calculations may need to be revised.

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,

A handwritten signature in cursive script that reads "Robert S. Dezube".

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, 2004 is shown below:

Trust Fund Performance
(Based on fair value)

Assumption	2001/2002	2002/2003	2003/2004
8.0%	(7.6)%	3.76%	15.7%

Salary Increases for Regular Class Active Members (Actual)

Assumption*	2001/2002	2002/2003	2003/2004
6.25%	5.3%	6.3%	5.7%

Payroll Growth (Actual)

Assumption*	2001/2002	2002/2003	2003/2004
0.00%	2.8%	0.7%	3.9%

Average Age at Retirement (Actual)

	2001/2002	2002/2003	2003/2004
Regular - Male	61.1	61.0	60.8
Regular - Female	60.5	60.4	60.3
Special Risk	55.4	55.2	55.0

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



Actuarial Report

SUMMARY OF ACCRUED AND UNFUNDED ACTUARIAL LIABILITIES

as of June 30, 2004

(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, 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)
July 1, 2004	95,185,433	106,707,426	112	(11,521,993)	23,115,581 ¹	(50)

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, 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
July 1, 2004	74,554	46,016,931	49,093,948	106,707,426	100	100	123

ASSUMPTIONS

(used in Actuarial Valuations in specified years)

	Yield Rate	Salary Scale	Payroll Growth
1993	8.00	7.50	7.00
1995	8.00	7.50	7.00
1997	8.00	7.25	5.50
1998	8.00	6.25	5.50
1999	8.00	6.25	0.00
2000	8.00	6.25	0.00
2001	8.00	6.25	0.00
2002	8.00	6.25	0.00
2003	8.00	6.25	0.00
2004	7.75	6.25	0.00



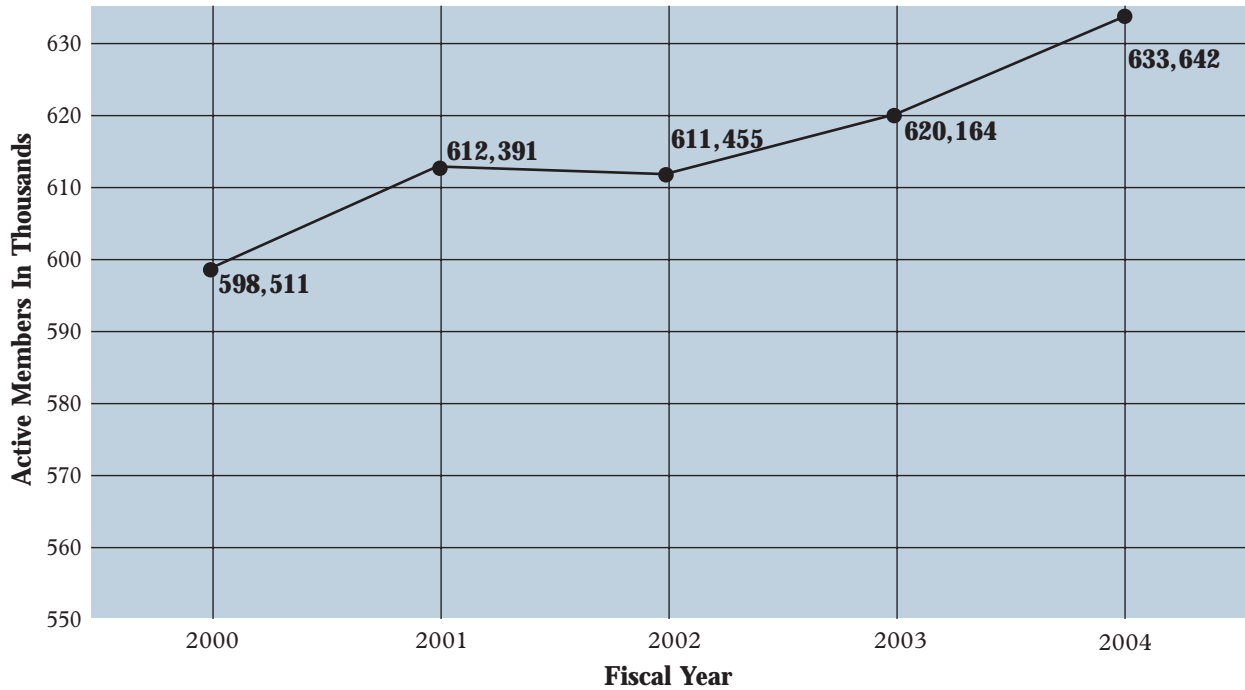


STATISTICAL TABLES



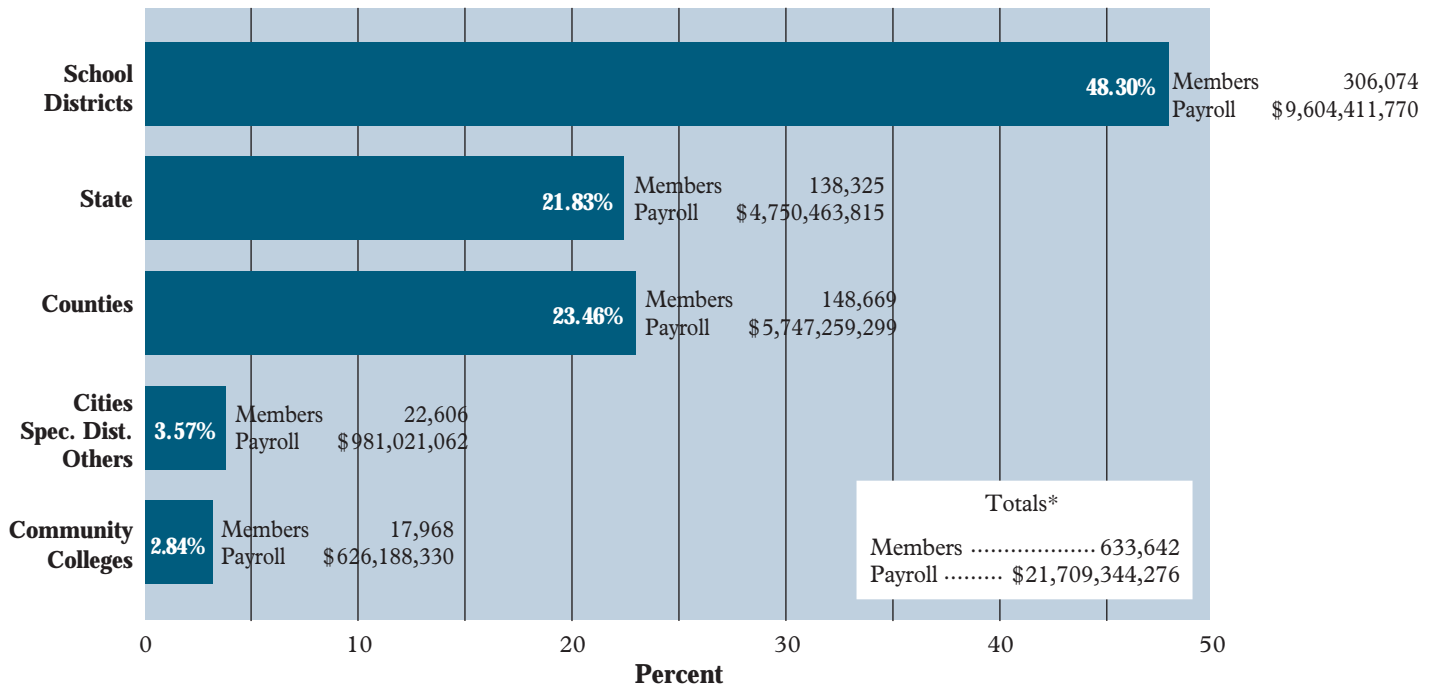
GROWTH OF ACTIVE MEMBERS 2000-2004

as of June 30



SOURCE OF MEMBERSHIP AND COVERED PAYROLL FOR FISCAL YEAR 2003-2004*

% = Percent of Total Active Members



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



ACTIVE MEMBERS BY SYSTEM*

System	2000	2001	2002	2003	2004
FRS – Regular Class	541,443	540,845	538,524	543,889	553,505
– Senior Mgmt. Service Class	1,308	4,878	5,775	6,116	6,312
– Special Risk Class	50,521	61,231	61,593	64,201	66,861
– Special Risk Adm. Supp. Class	138	97	97	108	92
– Elected Officers’ Class	1,818	1,853	1,968	1,972	1,989
– Renewed Membership					
– Regular Class	2,523	3,029	3,111	3,544	4,546
– Senior Mgmt. Service Class	7	6	22	34	61
– Elected Officers’ Class	64	67	81	91	123
Subtotal	597,822	612,006	611,171	619,955	633,489
TRS	647	359	260	193	141
SCOERS	42	26	24	16	12
Subtotal	689	385	284	209	153
Grand Total	598,511	612,391	611,455	620,164	633,642

ANNUAL PAYROLL BY SYSTEM*

(000 Omitted Except for Averages)

System	2000	2001	2002	2003	2004
FRS – Regular Class	\$15,932,632	\$16,278,614	\$16,679,867	\$17,328,246,861	\$18,088,440,508
– Senior Mgmt. Service Class	118,537	309,324	374,527	406,619,867	432,655,375
– Special Risk Class	1,908,602	2,383,429	2,504,006	2,663,972,538	2,890,442,704
– Special Risk Adm. Supp. Class	5,922	4,123	4,084	4,576,405	3,931,302
– Elected Officers’ Class	132,814	139,879	147,750	149,266,758	154,775,851
– Renewed Membership					
– Regular Class	52,324	67,188	71,849	85,745,547	118,895,841
– Senior Mgmt. Service Class	560	519	1,318	2,076,738	4,326,079
– Elected Officers’ Class	2,226	2,389	3,035	3,757,160	6,614,357
Subtotal	18,153,617	19,185,470	19,786,440	20,644,261,874	21,700,062,015
TRS	37,574	21,634	16,148	12,107,294	8,980,057
SCOERS	998	711	638	407,404	302,204
Subtotal	38,572	22,346	16,787	12,514,698	9,282,261
Grand Total	\$18,192,189	\$19,207,816	\$19,803,227	\$20,656,776,573	\$21,709,344,276
Average	\$30,396	\$31,988	\$32,920	\$33,948	\$34,884

MEMBERS’ ACCUMULATED CONTRIBUTIONS*

(000 Omitted)

System	2000	2001	2002	2003	2004
FRS – Regular Class	\$73,786	\$66,031	\$61,738	\$53,560,861	\$54,841,102
– Senior Mgmt. Service Class	1,821	2,382	2,444	2,270,488	2,231,657
– Special Risk Class	5,640	5,815	5,646	5,824,481	7,240,314
– Special Risk Adm. Supp. Class	81	44	21	21,612	17,206
– Elected Officers’ Class	2,158	1,795	1,595	1,394,608	1,291,446
– Renewed Membership					
– Regular	0	14	25	1,805,373	30,684
– Senior Management	0	37	0	7,747	0
– Elected Officers’ Class	0	560	8	95,460	61
Subtotal	83,486	91,028	71,480	64,980,630	65,652,470
TRS	35,607	21,166	16,265	12,511,181	9,588,101
SCOERS	688	505	442	292,756	204,940
Subtotal	36,295	21,672	16,707	12,803,937	9,793,041
Grand Total	\$119,781	\$112,701	\$88,187	\$77,784,567	\$75,445,512

*Excludes DROP Participants



Statistical Tables

PROFILE OF ACTIVE FRS MEMBERS

as of June 30, 2004

	<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	58,799	37,912	96,711	12,636	9,742	22,378	46,163	28,170	74,333
1 Through 5 Years	96,365	52,944	149,309	16,754	11,959	28,713	79,611	40,985	120,596
6 Through 9 Years	65,689	36,972	102,661	13,007	9,721	22,728	52,682	27,251	79,933
10 Through 19 Years	116,473	69,676	186,149	24,373	17,287	41,660	92,100	52,389	144,489
20 Through 29 Years	56,320	32,081	88,401	12,090	8,731	20,821	44,230	23,350	67,580
30 or More Years	6,244	4,167	10,411	1,086	1,320	2,406	5,158	2,847	8,005
Total	399,890	233,752	633,642	79,946	58,760	138,706	319,944	174,992	494,936
By Age	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 30	49,357	27,060	76,417	10,409	7,494	17,903	38,948	19,566	58,514
30 Through 39	90,609	54,673	145,282	18,529	13,638	32,167	72,080	41,035	113,115
40 Through 49	123,998	70,041	194,039	25,886	17,382	43,268	98,112	52,659	150,771
50 Through 59	109,608	61,848	171,456	20,823	16,193	37,016	88,785	45,655	134,440
60 Through 69	23,586	17,163	40,749	4,059	3,741	7,800	19,527	13,422	32,949
70 and Over	2,732	2,967	5,699	240	312	552	2,492	2,655	5,147
Total	399,890	233,752	633,642	79,946	58,760	138,706	319,944	174,992	494,936
Increase (or Decrease) since June 30, 2003			13,478			(1,884)			15,362
Percentage Increase (or Decrease) since June 30, 2003			2.2%			(1.3%)			3.2%
Average Age	43.85	44.29	44.01	43.27	43.77	43.48	43.99	44.46	44.16
Average Years of Service	10.54	10.52	10.53	10.88	10.94	10.91	10.45	10.37	10.43
Average Annual Salary	\$31,916	\$39,963	\$34,884	\$32,373	\$39,241	\$35,283	\$31,802	\$40,205	\$34,773
Percentage (by Gender)	63.1%	36.9%		57.6%	42.4%		64.6%	35.4%	
Percentage Entitled to a Benefit if Terminated by June 30, 2004	63.4%	63.3%	63.4%	66.2%	65.9%	66.1%	62.7%	62.4%	62.6%

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



Statistical Tables

PROFILE OF FRS INVESTMENT PLAN ACTIVE MEMBERS

as of June 30, 2004

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	9,351	5,347	14,698	2,010	1,448	3,458	7,341	3,899	11,240
1 Through 5 Years	8,909	4,958	13,867	2,396	1,663	4,059	6,513	3,295	9,808
6 Through 9 Years	2,413	1,573	3,986	781	678	1,459	1,632	895	2,527
10 Through 19 Years	1,449	1,289	2,738	476	571	1,047	973	718	1,691
20 Through 29 Years	252	348	600	71	165	236	181	183	364
30 or More Years	35	52	87	5	23	28	30	29	59
Total	22,409	13,567	35,976	5,739	4,548	10,287	16,670	9,019	25,689
By Age	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 30	5,246	2,226	7,472	1,384	853	2,237	3,862	1,373	5,235
30 Through 39	6,717	3,838	10,555	1,994	1,544	3,538	4,723	2,294	7,017
40 -Through 49	5,341	3,206	8,547	1,348	1,106	2,454	3,993	2,100	6,093
50 Through 59	3,517	2,484	6,001	776	730	1,506	2,741	1,754	4,495
60 Through 69	1,327	1,414	2,741	213	268	481	1,114	1,146	2,260
70 and Over	261	399	660	24	47	71	237	352	589
Total	22,409	13,567	35,976	5,739	4,548	10,287	16,670	9,019	25,689
Increase (or Decrease) since June 30, 2003			11,191			2,122			9,069
Percentage Increase (or Decrease) since June 30, 2003			45.2%			26.0%			54.6%
Average Age	39.95	43.21	41.18	38.51	40.56	39.41	40.44	44.55	41.88
Average Years of Service	3.83	4.63	4.13	4.39	5.58	4.92	3.64	4.14	3.82
Average Annual Salary	\$29,437	\$36,434	\$32,076	\$32,518	\$39,212	\$35,477	\$28,376	\$35,034	\$30,713
Percentage (by Gender)	62.3%	37.7%		55.8%	44.2%		64.9%	35.1%	
Percentage Entitled to a Benefit if Terminated June 30, 2004	58.3%	60.6%	59.1%	65.0%	68.2%	66.4%	56.0%	56.8%	56.2%

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

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



Statistical Tables

PROFILE OF FRS PENSION PLAN ACTIVE MEMBERS

as of June 30, 2004

By Years of Service	Total Membership			State Membership			Non-State Membership		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 1 Year	49,448	32,565	82,013	10,626	8,294	18,920	38,822	24,271	63,093
2 Through 5 Years	87,456	47,986	135,442	14,358	10,296	24,654	73,098	37,690	110,788
6 Through 9 Years	63,276	35,399	98,675	12,226	9,043	21,269	51,050	26,356	77,406
10 Through 19 Years	115,024	68,387	183,411	23,897	16,716	40,613	91,127	51,671	142,798
20 Through 29 Years	56,068	31,733	87,801	12,019	8,566	20,585	44,049	23,167	67,216
30 or More Years	6,209	4,115	10,324	1,081	1,297	2,378	5,128	2,818	7,946
Total	<u>377,481</u>	<u>220,185</u>	<u>597,666</u>	<u>74,207</u>	<u>54,212</u>	<u>128,419</u>	<u>303,274</u>	<u>165,973</u>	<u>469,247</u>

By Age	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 30	44,111	24,834	68,945	9,025	6,641	15,666	35,086	18,193	53,279
30 Through 39	83,892	50,835	134,727	16,535	12,094	28,629	67,357	38,741	106,098
40 Through 49	118,657	66,835	185,492	24,538	16,276	40,814	94,119	50,559	144,678
50 Through 59	106,091	59,364	165,455	20,047	15,463	35,510	86,044	43,901	129,945
60 Through 69	22,259	15,749	38,008	3,846	3,473	7,319	18,413	12,276	30,689
70 and Over	2,471	2,568	5,039	216	265	481	2,255	2,303	4,558
Total	<u>377,481</u>	<u>220,185</u>	<u>597,666</u>	<u>74,207</u>	<u>54,212</u>	<u>128,419</u>	<u>303,274</u>	<u>165,973</u>	<u>469,247</u>

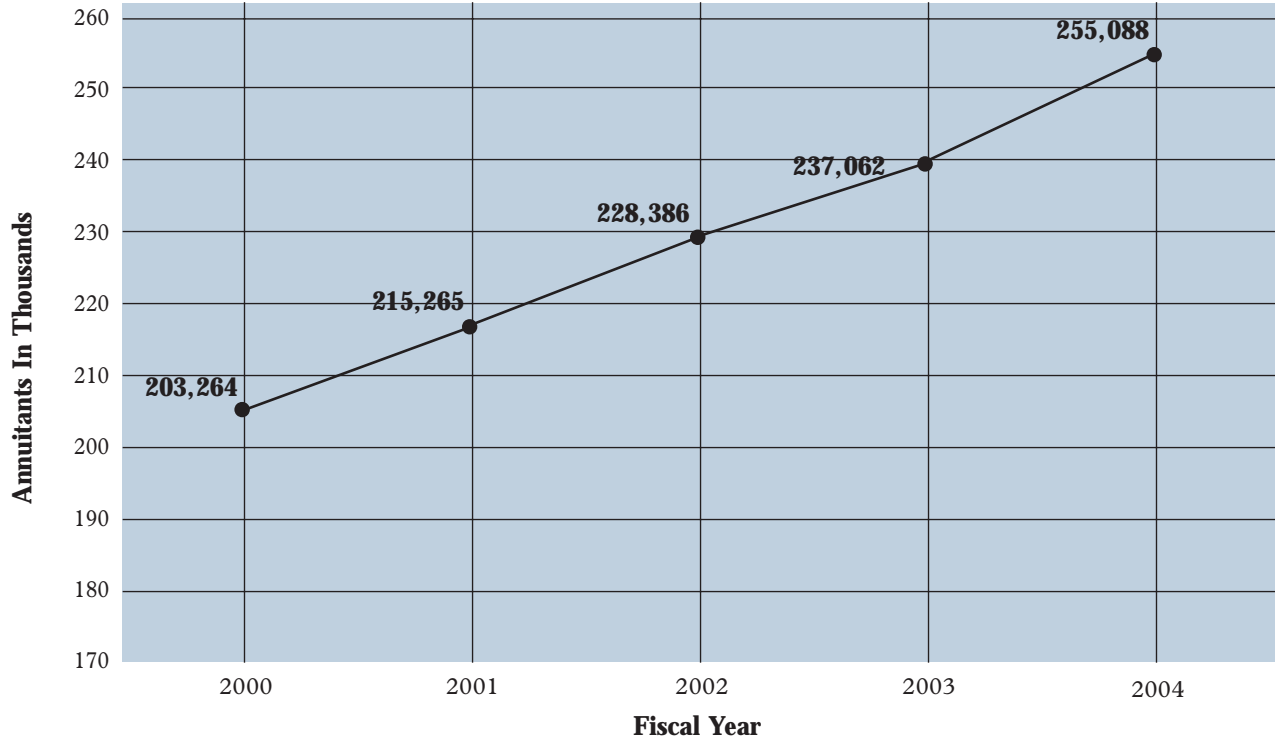
Increase (or Decrease) since June 30, 2003			2,287			(4,006)			6,293
Percentage Increase (or Decrease) since June 30, 2003			0.4%			(3.0%)			1.4%
Average Age	44.08	44.35	44.18	43.64	44.04	43.81	44.19	44.45	44.28
Average Years of Service	10.94	10.88	10.92	11.39	11.39	11.39	10.83	10.71	10.79
Average Annual Salary	\$32,063	\$40,180	\$35,054	\$32,362	\$39,243	\$35,267	\$31,990	\$40,486	\$34,995
Percentage (by Gender)	63.2%	36.8%		57.8%	42.2%		64.6%	35.4%	
Percentage Entitled to a Benefit if Terminated June 30, 2004	63.7%	63.4%	63.6%	66.3%	65.7%	66.1%	63.1%	65.7%	62.9%

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

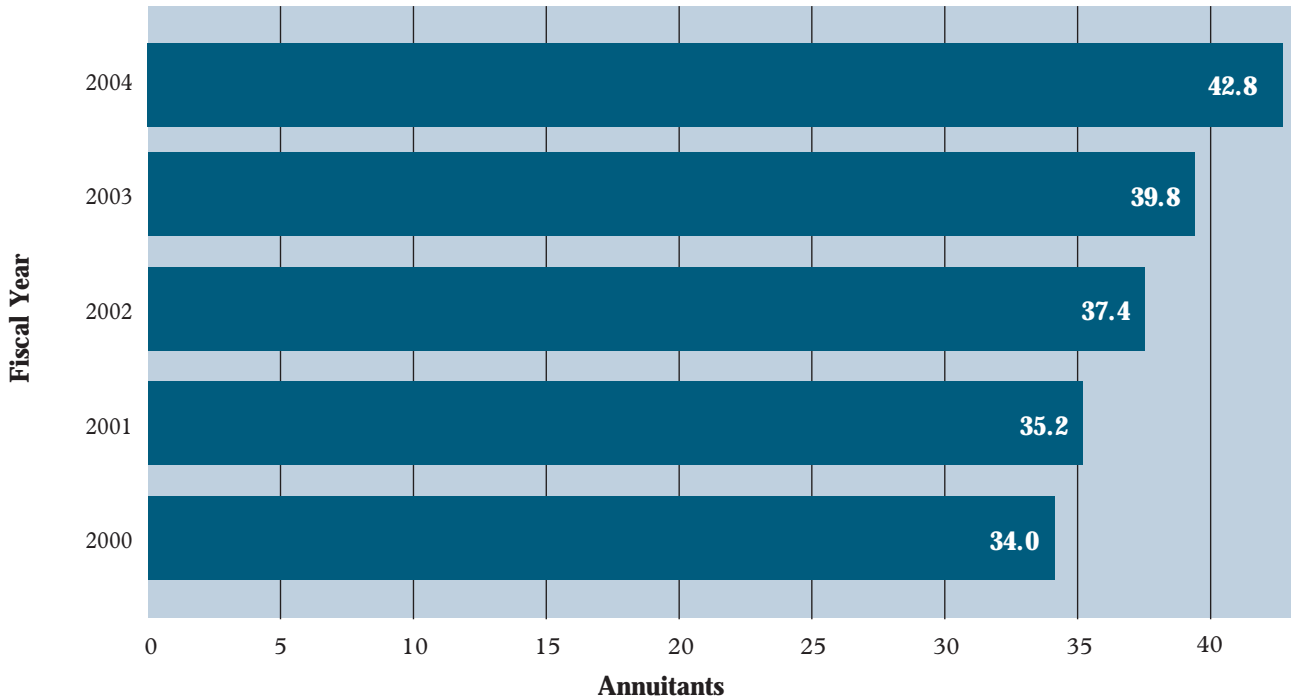


GROWTH OF ANNUITANTS – ALL SYSTEMS 2000-2004*

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, 2004

System	Count	Average Service	Average AFC	Avg. Initial Benefit	Annual Average
FRS - Regular Class	24,840	25.88	\$44,631	\$18,822	\$21,584
FRS - Senior Management Service Class	326	29.19	\$92,854	\$43,602	\$49,829
FRS - Special Risk Class	2,921	23.77	\$55,728	\$36,234	\$41,582
FRS - Special Risk Admin Support Class	22	29.02	\$62,342	\$36,196	\$41,797
FRS - Elected Officers' Class	171	27.66	\$97,590	\$64,969	\$73,688
TRS	376	32.14	\$51,951	\$32,374	\$37,322
SCOERS	7	30.77	\$29,402	\$13,009	\$14,759
Total/Average	28,663	25.80	\$46,732	\$21,343	\$24,474

PROFILE OF ACTIVE DROP PARTICIPANTS

as of June 30, 2004

System	Number of Annuitants	Average Service	Average AFC	(Annual) Avg. Initial Benefit	(Annual) Avg. Current Benefit
By Monthly Benefit Range					
Less than \$50	5	7.65	\$4,300	\$431	\$493
\$50 - \$99	84	6.98	\$7,873	\$842	\$957
\$100 - \$149	182	7.93	\$11,905	\$1,356	\$1,544
\$150 - \$199	279	8.19	\$15,660	\$1,845	\$2,102
\$200 - \$249	345	8.82	\$18,987	\$2,382	\$2,716
\$250 - \$299	413	10.05	\$20,175	\$2,890	\$3,296
\$300 - \$349	399	10.96	\$22,242	\$3,418	\$3,898
\$350 - \$399	383	11.98	\$23,983	\$3,957	\$4,503
\$400 - \$449	364	12.92	\$24,818	\$4,477	\$5,098
\$450 - \$499	345	14.30	\$25,178	\$5,035	\$5,731
\$500 - \$999	3,520	18.64	\$30,101	\$7,893	\$9,008
\$1,000 - \$1,999	8,788	27.20	\$38,998	\$15,940	\$18,232
\$2,000 - \$2,999	8,465	29.90	\$52,892	\$25,363	\$29,134
\$3,000 - \$3,999	3,083	30.18	\$68,260	\$35,588	\$40,894
\$4,000 - \$4,999	1,126	29.15	\$78,235	\$46,397	\$53,267
\$5,000 or more	882	29.00	\$98,271	\$65,927	\$75,442
Total/Average	28,663	25.80	\$46,732	\$21,343	\$24,474
By Option Selection					
Lifetime Benefit (1)	15,185	25.24	\$44,619	\$20,704	\$23,749
Benefit with a Guarantee (2)	6,241	26.20	\$45,841	\$21,780	\$24,968
Member with a Joint Annuitant (3)	6,116	26.64	\$51,120	\$21,765	\$24,953
Reduced Benefit on 1st Death (4)	1,121	26.53	\$56,388	\$25,278	\$28,931
Total/Average	28,663	25.80	\$46,732	\$21,343	\$24,474
By Employer Group					
State	6,069	25.80	\$41,974	\$19,440	\$22,241
State University System	1,708	26.91	\$55,922	\$23,948	\$27,400
Counties	5,165	22.84	\$50,580	\$25,207	\$28,854
School Boards	13,915	26.83	\$45,774	\$20,396	\$23,444
Community Colleges	926	25.63	\$52,962	\$22,466	\$25,718
Cities & Special Districts	880	24.87	\$47,745	\$20,544	\$23,476
Total/Average	28,663	25.80	\$46,732	\$21,343	\$24,474



Statistical Tables

PROFILE OF ACTIVE DROP PARTICIPANTS

as of June 30, 2004

By Years of Service	Total Membership			State Membership			Non-State Membership*		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
6 - 9	781	796	1,577	236	217	453	545	579	1,124
10 - 14	1,327	1,148	2,475	359	320	679	968	828	1,796
15 - 19	1,404	872	2,276	299	220	519	1,105	652	1,757
20 - 24	1,376	944	2,320	260	267	527	1,116	677	1,793
25 - 29	1,328	2,092	3,420	229	653	882	1,099	1,439	2,538
30 - 34	9,691	6,371	16,062	2,317	2,205	4,522	7,374	4,166	11,540
35+	278	255	533	52	143	195	226	112	338
Total	16,185	12,478	28,663	3,752	4,025	7,777	12,433	8,453	20,886

Age Range	Total Membership			State Membership			Non-State Membership*		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less than 50	152	367	519	95	125	220	57	242	299
50 through 54	2,568	2,100	4,668	885	689	1,574	1,683	1,411	3,094
55 through 59	5,349	4,648	9,997	1,087	1,443	2,530	4,262	3,205	7,467
60 through 64	6,063	3,849	9,912	1,274	1,255	2,529	4,789	2,594	7,383
65 through 69	1,809	1,232	3,041	369	417	786	1,440	815	2,255
70 through 74	182	211	393	30	72	102	152	139	291
75 through 79	54	58	112	10	18	28	44	40	84
80+ Years	8	13	21	2	6	8	6	7	13
Total	16,185	12,478	28,663	3,752	4,025	7,777	12,433	8,453	20,886

Average Age	59.44	58.81	59.16	58.51	58.84	58.68	59.72	58.79	59.34
Average Years of Service	26.04	25.48	25.80	25.64	26.43	26.05	26.16	25.03	25.70
Average Annual Salary	\$47,734	\$60,582	\$53,327	\$42,175	\$59,550	\$51,168	\$49,412	\$61,074	\$54,132
Percentage (by Gender)	56.5%	43.5%		48.2%	51.8%		59.5%	40.5%	
Average Annual Benefit	\$21,269	\$28,631	\$24,474	\$18,168	\$28,227	\$23,374	\$22,205	\$28,823	\$24,884

DROP ACCRUED BENEFITS AND INTEREST

as of June 30, 2004

System/Class	Total Membership			State Membership			Non-State Membership*		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
FRS - EOC	\$5,470,466	\$21,777,972	\$27,248,438	\$1,300,758	\$14,136,292	\$15,437,050	\$4,169,708	\$7,641,680	\$11,811,388
FRS - Regular	\$644,360,009	\$471,424,172	\$1,115,784,182	\$121,597,603	\$148,466,325	\$270,063,929	\$522,762,406	\$322,957,847	\$845,720,253
FRS - SMSC	\$8,909,447	\$21,941,670	\$30,851,117	\$2,726,006	\$10,662,158	\$13,388,163	\$6,183,441	\$11,279,512	\$17,462,954
FRS - Sp Risk Admin Sup	\$120,018	\$2,108,648	\$2,228,665	\$120,018	\$706,861	\$826,878	\$0	\$1,401,787	\$1,401,787
FRS - Special Risk Class	\$16,855,383	\$229,338,748	\$246,194,132	\$4,933,553	\$54,061,674	\$58,995,227	\$11,921,830	\$175,277,075	\$187,198,905
SCOERS	\$408,736	\$149,098	\$557,834	\$0	\$58,440	\$58,440	\$408,736	\$90,658	\$499,394
TRS	\$31,632,545	\$12,838,881	\$44,471,425	\$1,121,788	\$3,276,001	\$4,397,790	\$30,510,756	\$9,562,879	\$40,073,636
Totals	\$707,756,604	\$759,579,190	\$1,467,335,793	\$131,799,726	\$231,367,751	\$363,167,477	\$575,956,878	\$528,211,438	\$1,104,168,316

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



Statistical Tables

TERMINATED DROP PARTICIPANTS BY SYSTEM*

as of June 30, 2004

System	Number of Annuitants	Average Service	Average AFC	(Annual) Average Init. Ben.	(Annual) Average Final Ben.
FRS - Regular Class	5,678	25.51	\$41,454	\$17,310	\$18,964
FRS - Senior Management Service Class	62	27.50	\$96,664	\$43,159	\$46,031
FRS - Special Risk Class	757	23.44	\$52,673	\$31,134	\$36,397
FRS - Special Risk Admin Support Class	10	30.27	\$50,357	\$25,285	\$29,930
FRS - Elected Officers' Class	15	26.83	\$93,420	\$63,085	\$69,302
TRS	140	30.91	\$50,004	\$29,850	\$34,127
SCOERS	4	30.77	\$35,545	\$19,083	\$23,177
Total/Average	6,666	25.42	\$43,548	\$19,500	\$21,640

PROFILE OF TERMINATED DROP PARTICIPANTS*

as of June 30, 2004

By Years of Service	Number of Annuitants	Average Service	Average AFC	(Annual) Average Init. Ben.	(Annual) Average Final Ben.
6 - 9	257	7.85	\$26,404	\$3,407	\$3,557
10 - 14	742	11.74	\$29,970	\$5,938	\$6,595
15 - 19	563	17.55	\$36,939	\$10,763	\$11,790
20 - 24	623	22.51	\$41,324	\$15,836	\$17,178
25 - 29	954	26.99	\$49,272	\$26,627	\$30,387
30 - 34	3,406	30.73	\$47,607	\$23,512	\$25,979
35+	121	36.32	\$46,043	\$27,233	\$30,324
Total/Average	6,666	25.42	\$43,548	\$19,500	\$21,640

By Age

Less than 50	62	26.77	\$52,216	\$34,612	\$37,426
50 through 54	509	28.87	\$50,800	\$28,395	\$31,182
55 through 59	1,899	29.45	\$48,502	\$24,758	\$27,730
60 through 64	2,396	26.40	\$43,346	\$19,089	\$21,053
65 through 69	1,604	19.69	\$36,776	\$11,970	\$13,351
70 through 74	139	12.54	\$32,174	\$8,202	\$8,856
75 through 79	40	9.42	\$30,988	\$4,582	\$5,069
80+ Years	17	12.81	\$31,474	\$6,628	\$6,997
Total/Average	6,666	25.42	\$43,548	\$19,500	\$21,640

By Option Selection

Lifetime Benefit (1)	3,666	24.95	\$41,181	\$18,860	\$20,800
Benefit with a Guarantee (2)	1,398	26.10	\$44,180	\$20,609	\$23,006
Member and Joint Annuitant (3)	1,330	25.92	\$47,326	\$19,297	\$21,570
Reduced Benefit on 1st Death (4)	272	25.74	\$53,730	\$23,419	\$26,300
Total/Average	6,666	25.42	\$43,548	\$19,500	\$21,640

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, 2004

By Gender Code	Number of Annuitants	Average Service	Average AFC	(Annual)	
				Average Init. Ben.	Average Final Ben.
Female	3,656	25.65	\$38,889	\$17,055	\$18,618
Male	3,010	25.14	\$49,207	\$22,470	\$25,312
Total/Average	6,666	25.42	\$43,548	\$19,500	\$21,640

By Cause of Termination

Deceased	100	24.62	\$47,989	\$21,630	\$22,882
Termination	6,566	25.43	\$43,481	\$19,468	\$21,621
Total/Average	6,666	25.42	\$43,548	\$19,500	\$21,640

Average length of participation - 2.63 years.

By Employer

State	1536	25.53	\$39,069	\$17,285	\$19,051
State University System	354	27.03	\$49,777	\$21,258	\$23,577
Counties	1222	22.21	\$47,876	\$22,536	\$25,729
School Boards	3132	26.49	\$42,920	\$19,100	\$20,978
Community Colleges	213	25.49	\$49,666	\$21,621	\$24,012
Cities & Special Districts	209	24.63	\$43,783	\$18,889	\$20,929
Total/Average	6,666	25.42	\$43,548	\$19,500	\$21,640

By Monthly Benefit Amount

Less than \$50	1	11.30	\$2,602	\$421	\$442
\$50 - \$99	26	7.65	\$7,716	\$880	\$922
\$100 - \$149	49	8.50	\$11,588	\$1,444	\$1,527
\$150 - \$199	67	9.14	\$14,978	\$2,001	\$2,107
\$200 - \$249	81	9.78	\$19,047	\$2,539	\$2,717
\$250 - \$299	121	10.60	\$19,982	\$3,085	\$3,312
\$300 - \$349	96	11.77	\$20,920	\$3,589	\$3,904
\$350 - \$399	99	12.54	\$23,131	\$4,171	\$4,507
\$400 - \$449	100	13.32	\$25,440	\$4,747	\$5,117
\$450 - \$499	116	14.77	\$25,866	\$5,290	\$5,696
\$500 - \$999	1032	20.02	\$29,771	\$8,443	\$9,122
\$1,000 - \$1,999	2396	27.71	\$39,662	\$16,799	\$18,222
\$2,000 - \$2,999	1610	29.88	\$52,995	\$26,205	\$29,194
\$3,000 - \$3,999	566	29.64	\$66,767	\$35,708	\$40,389
\$4,000 - \$4,999	194	28.85	\$77,409	\$46,124	\$53,384
\$5,000 or more	112	28.47	\$96,721	\$62,690	\$71,938
Total/Average	6,666	25.42	\$43,548	\$19,500	\$21,640



Statistical Tables

TOTAL ANNUITANTS BY SYSTEM*

System	2000	2001	2002	2003	2004
FRS — Regular Class	158,892	166,301	174,874	184,106	197,914
— Senior Mgmt. Service Class	468	548	636	752	938
— Special Risk Class	10,570	11,661	12,974	14,308	16,583
— Special Risk Adm. Supp. Class	94	102	112	116	134
— Elected Officers Class	1,242	1,406	1,445	1,537	1,590
Subtotal	171,266	180,018	190,041	200,819	217,159
TRS	7,323	6,553	6,291	6,093	6,056
TRS — SB	957	918	882	846	798
SCOERS	2,328	2,093	1,869	1,672	1,507
Hwy. Patrol	88	85	83	78	73
JRS	21	21	19	18	18
Subtotal	10,717	9,670	9,144	8,707	8,452
Total	181,983	189,688	199,185	209,526	225,611
General Revenue and IFAS					
Noncontributory (112.05, F.S.)	144	135	127	120	109
IFAS	80	87	94	99	97
National Guard	550	567	577	583	594
Judicial Retirement	7	7	9	10	10
Teachers (238.171, F.S.)	7	5	4	3	3
Special Pensions	2	1	1	1	1
Total	790	802	812	816	814
Grand Total	182,773	190,490	199,997	210,342	226,425

AVERAGE ANNUALIZED BENEFITS TO TOTAL ANNUITANTS BY SYSTEM*

System	2000	2001	2002	2003	2004
FRS — Regular Class	\$11,377	\$11,648	\$11,864	\$12,195	\$12,815
— Senior Mgmt. Service Class	36,341	36,036	36,526	36,693	37,605
— Special Risk Class	17,361	18,452	21,220	22,250	24,090
— Special Risk Adm. Supp. Class	20,830	21,037	23,667	24,666	26,920
— Elected Officers Class	30,882	32,155	32,946	34,361	35,370
TRS	14,698	16,907	17,794	18,993	20,892
TRS — SB	2,193	1,897	1,879	1,880	1,878
SCOERS	5,426	5,662	5,962	6,218	6,720
Hwy. Patrol	14,530	14,767	15,049	15,654	16,512
JRS	22,388	23,060	23,278	24,284	24,892
Average	\$11,939	\$12,365	\$12,802	\$13,250	\$14,097
General Revenue and IFAS					
Noncontributory (112.05, F.S.)	\$10,386	\$10,696	\$11,186	\$11,525	\$12,038
IFAS	7,373	7,667	7,920	8,142	8,379
National Guard	10,396	11,142	12,561	13,468	14,455
Judicial Retirement	47,004	45,637	54,292	58,404	60,156
Teachers (238.171, F.S.)	1,681	1,668	1,710	1,719	1,771
Special Pensions	2,975	3,861	3,861	3,861	3,861
Average	\$10,317	\$10,923	\$12,207	\$13,031	\$13,909
Average All Annuitants	\$11,932	\$12,359	\$12,800	\$13,249	\$14,053

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



ANNUALIZED BENEFITS TO TOTAL ANNUITANTS BY SYSTEM*

(000 Omitted Except for Averages)

System	2000	2001	2002	2003	2004
FRS – Regular Class	\$1,807,761	\$1,937,061	\$2,074,745	\$2,245,256,215	\$2,536,307,795
– Senior Mgmt. Service Class	17,008	19,747	23,230	27,593,352	35,273,443
– Special Risk Class	183,501	215,166	275,306	318,359,188	399,489,562
– Special Risk Adm. Supp. Class	1,958	2,145	2,650	2,861,216	3,607,256
– Elected Officers’ Class	38,356	45,210	47,607	52,812,827	56,238,791
Subtotal	2,048,584	2,219,331	2,435,540	2,646,882,798	3,030,916,846
TRS	107,637	110,789	111,943	115,723,520	126,519,713
TRS – SB	2,099	1,724	1,657	1,590,086	1,498,646
SCOERS	12,631	11,850	11,142	10,395,897	10,126,617
Hwy. Patrol	1,278	1,255	1,249	1,220,997	1,205,349
JRS	470	484	442	437,117	446,569
Subtotal	124,115	126,103	126,434	129,367,618	139,796,895
Total	\$2,172,699	\$2,345,435	\$2,549,974	\$2,776,250,415	\$3,170,713,741
General Revenue and IFAS					
Noncontributory (112.05, F.S.)	\$1,495	\$1,443	\$1,420	\$1,382,945	\$1,312,176
IFAS	590	667	744	806,020	812,744
National Guard	5,718	6,317	7,247	7,851,575	8,586,072
Judicial Retirement	329	319	488	584,042	601,563
Teachers (238.171, F.S.)	12	8	6	5,158	5,313
Special Pensions	6	3	3	3,861	3,861
Total	\$8,150	\$8,760	\$9,912	\$10,633,601	\$11,321,730
Grand Total	\$2,180,849	\$2,354,195	\$2,559,886	\$2,786,884,017	\$3,182,035,471
Average All Annuitants	\$11,932	\$12,359	\$12,800	\$13,249	\$14,053

COMPARISON OF TOTAL DISABILITY BENEFITS BY SYSTEM*

as of June 30

System	Number of Retirees		Annualized Benefits		Average Annual Benefits	
	2003	2004	2003	2004	2003	2004
FRS – Regular	11,042	11,569	\$96,490,289	\$104,489,535	\$8,738	\$9,032
– Senior Mgmt. Service Class	10	15	285,832	357,442	28,583	23,829
– Special Risk Class	1,003	1,088	16,381,068	18,919,283	16,332	17,389
– Special Risk Adm. Supp. Class	4	4	47,761	49,194	11,940	12,299
– Elected Officers’ Class	6	6	91,362	94,103	15,227	15,684
TRS	243	234	2,592,561	2,567,562	10,669	10,972
SCOERS	85	76	496,352	469,192	5,839	6,174
Hwy. Patrol	3	3	27,277	28,095	9,092	9,365
General Revenue	10	10	584,042	601,563	58,404	60,156
Total/Average	12,406	13,005	\$116,996,544	\$127,575,969	\$9,431	\$9,810

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



Statistical Tables

TOTAL ANNUITANTS BY SYSTEM*

as of June 30, 2004

Retirement System Group	Plan/Class	Count	Avg. Service Credit	Avg. AFC	Avg Ann. Initial Benefit	Avg Ann. Current Benefit
FRS	PP - Regular Class	197,914	21.01	\$28,268	\$9,843	\$12,815
FRS	PP - SMSC	938	24.99	82,557	31,786	37,605
FRS	PP - Special Risk Class	16,583	20.20	38,367	18,235	24,090
FRS	PP - Special Risk Admin Support	134	24.72	43,821	20,181	26,920
FRS	PP - Elected Officers' Class	1,590	21.73	52,065	27,494	35,370
Existing Systems	TRS	6,056	27.62	26,579	14,845	20,892
Existing Systems	TRS SB	798	0.00	0	1,893	1,878
Existing Systems	Judicial Retirement System	18	19.48	22,395	12,617	24,809
Existing Systems	Highway Patrol	73	24.93	14,716	9,768	16,512
Existing Systems	SCOERS	1,507	20.48	8,540	3,404	6,720
IFAS	IFAS	97	0.00	0	6,688	8,379
General Revenue	General Revenue	717	4.96	3,101	8,973	14,657
		<u>226,425</u>	<u>21.01</u>	<u>\$29,036</u>	<u>\$10,737</u>	<u>\$14,053</u>

PROFILE OF FRS ANNUITANTS**

as of June 30, 2004

Years of Service	Number of Annuitants	Average Service	Average AFC	Average Initial Benefit	Average Current Benefit	
40 or More Years	2,783	42.37	\$40,371	\$28,366	\$38,943	
35 - 39	9,716	36.97	38,377	24,072	33,159	
30 - 34	39,791	31.34	39,319	20,401	26,182	
25 - 29	27,071	27.04	34,700	15,390	19,998	
20 - 24	35,410	22.23	29,207	9,665	12,627	
15 - 19	41,437	17.33	25,559	6,544	8,645	
10 - 14	61,585	12.01	21,541	3,918	5,163	
5 - 9	6,696	7.86	23,672	3,684	4,332	
Less than 5 Years	324	3.08	14,620	6,483	9,861	
		<u>224,813</u>	<u>21.15</u>	<u>\$29,234</u>	<u>\$10,776</u>	<u>\$14,097</u>
Age Range						
Under 40	1,653	18.41	\$31,115	\$6,337	\$7,446	
40 - 44	1,057	16.45	29,959	7,793	8,967	
45 - 49	2,789	17.29	31,582	9,606	10,759	
50 - 54	8,393	19.92	34,879	12,007	13,609	
55 - 59	23,432	21.76	37,112	13,840	16,119	
60 - 64	36,715	21.93	35,182	13,255	15,743	
65 - 69	44,681	21.16	31,978	11,726	14,577	
70 - 74	39,744	21.33	28,967	10,861	14,641	
75 - 79	31,351	21.03	24,402	9,118	13,528	
80 - 84	20,691	20.57	19,668	7,250	11,866	
85 and Older	14,057	20.90	13,641	5,199	10,166	
Option 2 Payees - Member Deceased	250	19.77	13,115	3,363	6,897	
		<u>224,813</u>	<u>21.15</u>	<u>\$29,234</u>	<u>\$10,776</u>	<u>\$14,097</u>
By Option Selection						
Lifetime Benefit (1)	129,711	20.29	\$27,338	\$10,138	\$13,208	
Benefit with a Guarantee (2)	39,884	22.40	30,578	12,131	16,005	
Member and Joint Annuitant (3)	45,113	21.93	32,213	10,669	14,183	
Reduced Benefit on 1st Death (4)	10,105	23.82	34,973	14,095	17,596	
Total/Average	<u>224,813</u>	<u>21.15</u>	<u>\$29,234</u>	<u>\$10,776</u>	<u>\$14,097</u>	

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

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



PROFILE OF FRS ANNUITANTS* (CONTINUED)

as of June 30, 2004

	Count	Avg. Service Credit	Avg. AFC	Avg Ann. Initial Benefit	Avg Ann. Current Benefit
By Monthly Benefit Amount					
Benefit Less Than \$50	587	10.81	\$11,018	\$352	\$411
50 - 99	2,455	10.95	10,765	818	944
100 - 149	4,516	11.65	12,155	1,273	1,519
150 - 199	6,293	12.08	13,688	1,699	2,110
200 - 249	9,433	12.08	13,464	1,889	2,713
250 - 299	10,470	13.01	15,077	2,347	3,299
300 - 349	10,159	13.86	16,725	2,825	3,900
350 - 399	9,713	14.70	17,974	3,284	4,498
400 - 449	9,146	15.54	19,315	3,772	5,097
450 - 499	8,445	16.18	20,640	4,261	5,696
500 - 999	58,236	18.89	25,480	6,606	8,664
1000 - 1999	54,285	25.60	34,188	13,154	17,238
2000 - 2999	26,368	30.71	44,202	22,365	29,031
3000 - 3999	9,454	32.47	55,771	31,578	40,944
4000 - 4999	3,399	32.99	66,935	40,652	52,919
5000 or more	1,854	33.39	85,239	56,801	73,128
	<u>224,813</u>	<u>21.15</u>	<u>\$29,234</u>	<u>\$10,776</u>	<u>\$14,097</u>
By Benefit Recipient					
Member Deceased	20,853	20.64	\$27,352	\$8,511	\$10,933
Member Living	203,960	21.20	29,427	11,008	14,421
	<u>224,813</u>	<u>21.15</u>	<u>\$29,234</u>	<u>\$10,776</u>	<u>\$14,097</u>
By Retirement Date					
Before 12/1970	1,041	23.00	\$6,391	\$2,522	\$7,821
12/1970 - 6/1985	28,408	21.02	14,685	5,517	10,698
7/1985 - 6/1994	58,544	21.67	25,652	9,687	14,485
7/1994 - 6/1995	9,780	21.53	29,882	11,074	14,754
7/1995 - 6/1996	12,021	21.87	31,891	12,072	15,682
7/1996 - 6/1997	11,554	21.59	32,388	12,198	15,390
7/1997 - 6/1998	12,163	21.48	32,553	12,035	14,822
7/1998 - 6/1999	29,355	24.24	38,748	16,709	20,188
7/1999 - 6/2000	13,318	20.59	33,768	11,553	13,408
7/2000 - 6/2001	12,330	20.36	34,716	12,257	13,635
7/2001 - 6/2002	14,978	17.55	32,000	9,736	10,511
7/2002 - 6/2003	11,561	18.07	32,897	10,223	10,717
7/2003 - 6/2004	9,760	17.66	33,414	9,826	10,003
	<u>224,813</u>	<u>21.15</u>	<u>\$29,234</u>	<u>\$10,776</u>	<u>\$14,097</u>
By Employer					
State	47,154	20.88	\$28,023	\$10,078	\$13,056
State University System	11,346	22.47	34,786	12,977	16,811
Counties	47,455	18.50	30,994	10,487	13,564
School Boards	104,890	22.45	27,933	10,902	14,436
Community Colleges	7,835	21.59	34,465	12,896	16,749
Cities & Special Districts	6,133	18.45	30,233	9,453	12,021
	<u>224,813</u>	<u>21.15</u>	<u>\$29,234</u>	<u>\$10,776</u>	<u>\$14,097</u>

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



Statistical Tables

PROFILE OF FRS ANNUITANTS* (CONTINUED)

as of June 30, 2004

By Gender	Number of Annuitants	Average Service	Average AFC	Average Initial Init. Ben.	Average Current Curr. Ben
Female	138,872	21.01	\$25,735	\$9,296	\$12,151
Male	85,941	21.38	34,889	13,169	17,241
Total/Average	<u>224,813</u>	<u>21.15</u>	<u>\$29,234</u>	<u>\$10,776</u>	<u>\$14,097</u>

By Type of Retirement

Line of Duty Death	291	8.75	\$23,444	\$11,643	\$18,327
Not Line of Duty Death	6,961	19.24	28,269	6,259	8,883
Line of Duty Disability	2,889	14.07	23,444	10,032	12,619
Not Line of Duty Disability	10,106	17.35	24,120	7,121	8,957
Early	58,986	17.55	26,081	6,304	8,224
Normal	145,580	23.13	31,040	13,071	17,104
Total/Average	<u>224,813</u>	<u>21.15</u>	<u>\$29,234</u>	<u>\$10,776</u>	<u>\$14,097</u>

Duration of Benefit Payments to Date

Less Than 5 Years	61,947	18.88	\$33,311	\$10,734	\$11,714
5 - 10	74,873	22.65	34,501	13,773	17,143
10 - 15	38,074	21.82	27,844	10,565	15,174
15 - 20	25,115	21.41	21,147	7,920	13,138
20 - 25	15,452	20.99	15,493	5,798	10,964
25 - 30	6,282	20.67	11,236	4,184	9,089
30 - 35	2,434	21.51	8,498	3,298	8,655
35 - 40	482	23.11	6,224	2,458	7,662
40+	154	22.91	4,540	1,679	7,011
Total/Average	<u>224,813</u>	<u>21.15</u>	<u>\$29,234</u>	<u>\$10,776</u>	<u>\$14,097</u>

Average duration of benefit payments = 9.31 years

Duration of Benefit Payments - Deaths in Current Year

Less Than 1 Year	7	14.58	\$32,915	\$2,532	\$2,595
1 - 2	42	16.51	34,926	6,740	7,142
2 - 3	507	16.45	34,020	7,076	7,642
3 - 4	101	18.55	35,479	9,109	9,856
4 - 5	70	21.45	36,242	11,948	12,644
5 - 10	435	22.96	33,197	12,272	13,077
10 - 15	167	22.41	30,433	13,616	14,082
15 - 20	153	23.60	27,437	14,979	15,071
20 - 25	107	23.92	19,359	11,585	11,505
25 - 30	35	24.05	14,120	10,762	9,668
30 - 35	12	25.27	8,850	8,881	6,741
35 - 40	3	20.89	7,066	7,048	4,526
Total/Average	<u>1,639</u>	<u>20.51</u>	<u>\$31,409</u>	<u>\$10,551</u>	<u>\$11,033</u>

Average duration of benefits to deceased annuitants = 7.86 years

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



Statistical Tables

**FRS RETIREES AND JOINT ANNUITANTS*
BY AGES AT RETIREMENT**

as of June 30, 2004

Retirement Age	Retirees	Retirees' Annualized Benefits	Joint Annuitants	Joint Annuitants' Annualized Benefits
Under 40	841	\$7,402,176	266	\$3,054,224
40 - 44	2,000	19,118,978	536	3,779,110
45 - 49	7,726	106,816,423	1,502	11,340,483
50 - 54	27,968	491,797,967	3,002	30,772,654
55 - 59	48,163	779,908,733	4,354	52,317,629
60 - 64	77,549	1,044,006,510	6,362	74,227,617
65 - 69	31,178	401,347,053	3,550	40,378,874
70 - 74	6,315	72,256,964	850	8,918,284
75 - 79	1,749	15,448,939	310	2,522,499
80 - 84	404	2,781,371	90	539,912
85 and Older	67	348,591	31	130,102
Total	203,960	\$2,941,233,705	20,853	\$227,981,389

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

as of June 30, 2004

Years of Service	Retirees	Retirees' Annualized Benefits	Joint Annuitants	Joint Annuitants' Annualized Benefits
Less than 5 Years	206	\$1,678,829	118	\$1,515,985
5 - 9	6,210	26,091,240	486	2,918,454
10 - 14	55,619	291,993,519	5,966	25,973,650
15 - 19	37,118	326,672,235	4,319	31,560,526
20 - 24	31,809	409,376,989	3,601	37,727,652
25 - 29	24,395	498,619,863	2,676	42,744,768
30 - 34	37,428	992,294,992	2,363	49,498,609
35 - 39	8,731	296,574,761	985	25,593,419
40 or More Years	2,444	97,931,277	339	10,448,326
Total	203,960	\$2,941,233,705	20,853	\$227,981,389

**FRS RETIREES* RETIRED
BETWEEN JULY 1, 2003 AND JUNE 30, 2004**

	Number of Annuitants	Average Age	Average Service	Average AFC	Average Initial Benefit	Average Current Ben.
FRS - Regular Class Male	3,121	60.16	16.77	\$35,296	\$8,896	\$9,058
FRS - Regular Class Female	5,584	59.16	18.06	29,983	8,395	8,550
FRS - Special Risk Class	887	53.82	17.50	42,196	19,420	19,736
Other	168	59.61	21.79	66,138	24,038	24,501
Total/Average	9,760	59.00	17.66	\$33,414	\$9,826	\$10,003

*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 (FRS) 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 FRS. The system was created to provide a program offering retirement, disability, and survivor benefits for participating public employees. Social Security coverage is also required for all members.

Membership

Membership in the FRS is compulsory for all full-time and part-time employees working in regularly established positions for state agencies, county governments, district school boards, state universities, community colleges, or participating cities or special districts. 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 or to withdraw from the FRS altogether. The following members may elect to participate in various optional programs instead of the FRS:

- Most pension plan members (including renewed members), Senior Management Service Optional Annuity Program participants, and Community College Optional Retirement Program participants may elect to participate in the Public Employee Optional Retirement Program (FRS Investment Plan). Participants of the State University System Optional Retirement Program or FRS Pension Plan members who retired to join the Deferred Retirement Option Program (DROP) are not eligible to participate in this plan;
- 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; and
- Community College System faculty and certain administrators may elect to participate in a Community College Optional Retirement Program, if the college offers an optional retirement program.

Classes of Membership

Regular Class — This class consists of members of the FRS 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 to qualify for this class as set forth in Florida Law and Rules, and who 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;
- Professional health care workers in specified positions within the Department of Corrections or the Department of Children and Family Services who spend at least 75% of their time performing duties that involve contact with patients or inmates in a correctional or forensic facility or institution; or
- Youth custody officers with the Department of Juvenile Justice.

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 an FRS special risk employing agency and meet the criteria set forth in Florida Law.

Elected Officers' Class (EOC) — This class consists of members who hold specified elective offices in either state or local government:

- State officers 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.
- County officers include: sheriff, tax collector, property appraiser, supervisor of elections, school board member, school board superintendent, clerk of circuit court, and county commissioner.
- City or special district officers include: Those elected officials in 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;



Summary Plan Description

- Community college presidents;
- Appointed school board superintendents;
- County and city managers;
- Selected managerial staff of the Legislature;
- The Auditor General and managerial staff;
- The Executive Director of the Ethics Commission;
- The State University System Executive Service and university presidents;
- Selected managerial staff of the State Board of Administration;
- Judges of compensation claims;
- Selected managerial staff with the Judicial Branch;
- 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;
- Nonelective 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 0.10% for administration of the FRS Investment Plan and provision of educational tools for both plans, the uniform rates for FY 2003/04 are as follows:

<i>Class</i>	<i>Rate</i>
Regular	6.28%
Special Risk	17.42%
Special Risk Administrative Support	8.81%
Elected Officers	
Judges	17.54%
Governor, Lt. Governor, Cabinet, Legislators, State Attorneys, and Public Defenders	11.38%
Elected County Officials (in EOC)	14.12%
Senior Management Service	8.26%
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.

Any member who terminates employment with an FRS employer may receive a refund of any retirement contributions personally made to the system (and lose the associated retirement credit), or may leave these personal contributions in the system and keep all creditable service earned through the date of termination.

Creditable Service

Members receive 1 month of service credit for each month in which any salary is paid for work performed. Members may also purchase additional credit to increase their retirement benefits under the FRS. Credit may be purchased for past service, prior service (including re-funded service credit), certain military service (up to 4 years), approved leaves of absence (up to 2 years), out-of-state public service (including 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 purchase this service credit, members must meet certain requirements. Only the purchase of past service and prior service may be included in the creditable years of service needed to vest (see next section). All other types of service credit purchases become creditable service only after a member is vested based on his/her other service.

Vesting

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 FRS 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.



Summary Plan Description

Service Retirement

Members become eligible for normal retirement based on their age and/or service when they meet the minimum requirements listed in the following section. Early retirement may be taken any time after a member has vested; however, there is a 5% benefit reduction for each year remaining from a member's retirement date to his/her normal retirement age.

Normal Retirement Requirements

<p><i>Regular Class, Elected Officers' Class, and Senior Management Service Class Special Risk Class</i></p>	<p>Six years of service and age 62, the age after 62 the member becomes vested, or thirty years of service, regardless of age, whichever comes first.</p>
<p><i>Special Risk Administrative Support Class</i></p>	<p>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. Special risk normal retirement requirements apply to service in this class if member has six years actual special risk service; otherwise Regular Class requirements apply.</p>

Benefit Calculation

Service retirement benefits are computed on the basis of age and/or years of service, average final compensation (AFC), and service credit. Credit for each year of service is expressed as a percentage of AFC (the average of the 5 highest fiscal years of earnings). 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 percentage value for each year of service credit earned:

RETIREMENT PLAN	% VALUE (per year of service)
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 Class 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.



Summary Plan Description

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, if living, will receive the same benefit for the remainder of his or her life. A joint annuitant who is under age 25 and is the member's child or other dependent for whom the member has guardianship 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 either 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. A joint annuitant who is under age 25 and is the member's child or other dependent for whom the member has guardianship 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, eligible members must end all employment relationships with all FRS employers for 1 calendar month, or begin participation in the Deferred Retirement Option Program (DROP). Members who elect to participate in DROP must remain off all FRS payrolls for 1 calendar month at the end of their program participation. (Special DROP termination provisions may apply as described in the following section.)

Deferred Retirement Option Program

The 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 accumulate in the FRS Trust Fund (increased by a cost-of-living adjustment each July) 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 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 must comply with applicable reemployment restrictions thereafter. However, certain exceptions apply:

- 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 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
- Since June 1, 2003, K-12 instructional personnel employed with a district school board or the Florida School for the Deaf and the Blind may extend their DROP participation for up to an additional 36 months beyond their initial 60-month DROP participation period. To qualify for the extension, the DROP participant must receive authorization from the Division and from the district school superintendent or the Board of Trustees of the School for the Deaf and the Blind, as appropriate. If authorized to extend DROP participation, a participant must remain employed in an eligible position.

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

- Since June 23, 2004, K-12 instructional personnel employed by a developmental research school may extend DROP participation up to an additional 36 months beyond their initial 60-month DROP participation period. To qualify for the extension, the DROP participant must receive authorization from the Division and from the developmental research school's director (or principal if there is no director), as appropriate. If authorized to extend DROP participation under this provision, a participant must remain employed in an eligible position.

Employers pay contributions at a rate of 8.00% of salary for all DROP participants.

Survivor Benefits

If an active member dies in the line of duty, his/her spouse will receive a monthly benefit equal to one-half of the member's monthly salary at death, payable for the spouse's 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 an active 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 the active member dies within 1 year of vesting, the member's joint annuitant may use the deceased member's accumulated leave on an hour-by-hour basis, or the member's eligible 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 who is under age 25, 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.

Cost-of-Living Adjustments

The benefits received by retirees and beneficiaries are increased by a 3% cost-of-living adjustment (COLA) each July based on their June benefit amount (excluding the Retiree Health Insurance Subsidy benefit). For retirees who have received benefits for less than 12 months on July 1, the increase is prorated. The COLA applies to all continuing monthly retirement 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 or DROP termination, retired FRS members may be reemployed by any private employer or any public employer not participating in the FRS without affecting their FRS benefits. However, restrictions apply to reemployment with an FRS employer. Any retired FRS member who is employed by an FRS employer during the first calendar month after retirement or DROP termination is not considered to have terminated employment and is therefore not considered to have retired. His/her active membership will be reinstated.

Upon meeting termination requirements, FRS retirees who are reemployed by FRS employers may not receive both salary and retirement benefits for the rest of the 12 month period after retirement, and must forfeit retirement benefits for the months employed. Exceptions to the reemployment restrictions allow FRS retirees to be reemployed in specified positions during the 2nd through 12th months of retirement without forfeiting benefits. After being retired for 1 month, retirees may be reemployed without further limitation in specified positions with district school boards, the Florida School for the Deaf and the Blind, developmental research schools, and participating charter schools. Retirees may also be reemployed for up to 780 hours in specified positions by a state community college or a university in the State University System, 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 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 retirees have established renewed membership in the system, they 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 will be subject to the same vesting requirements and other limitations as apply to other active members. However, renewed members are not eligible to participate in the Special Risk Class, to participate in the Deferred Retirement Option Program, or to retire under disability retirement provisions.

Appeals Procedure

Whenever 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 Department of Management Services 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.



Summary Plan Description

Forfeiture of Benefits

If, before retirement, a member commits a felony specified by law and is found guilty of or enters a plea of no contest to such crime, or their employment was terminated due to admission of 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 then 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

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%).



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.



Chronology



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, 2004, there were 525 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 \$87,000 to \$87,900. 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 14,903 participants during the 2003-04 fiscal year.

The five approved participating companies with which participants must invest their funds are ING, TIAA-CREF (Teachers Insurance and Annuity Association – College Retirement Equities Fund), Variable Annuity Life Insurance Company, Jefferson National Life Insurance Company, and MetLife Investors USA Insurance Company. These companies are required to provide reports to the participants each quarter.

CONTRIBUTION RATES

	2003	2004
	July 1, 2002 – June 30, 2003	July 1, 2003 – June 30, 2004
Total Contribution Rate (Includes HIS portion)	10.43%	10.43%
Annuity Contracts	10.42%	10.42%
UAL	—	—
Fee for Administrative Expense	0.01%	0.01%
	—	

RECEIPTS AND EXPENSES

	2003	2004
Receipts:		
Contributions — Employee	\$46,060,800	\$50,658,254
Employer	\$86,469,087	\$97,327,501
Total	\$132,529,887	\$147,985,755
Investment and Other Earnings	\$68,142	\$81,694
Expenses:		
Payments to Annuity Companies	\$132,472,657	\$148,044,526
UAL (Paid to FRS Trust Fund)	—	—
Administrative Expenses	\$102,786	\$83,859



**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 June 1, 2002), 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, 2004, there were 77 participants.

CONTRIBUTION RATES

	2003 July 1, 2002 - June 30, 2003	2004 July 1, 2003- June 30, 2004
Total Contribution Rate (Includes HIS portion)	12.49%	12.49%
Annuity Contracts	12.49%	12.49%
UAL	—	—
Fee for Administrative Expense	—	—

RECEIPTS AND EXPENSES

	2003	2004
Receipts:		
Contribution		
— Employee	\$208,538	\$112,909
— Employer	\$1,110,118	\$1,059,798
— Total	\$1,318,476	\$1,172,708
Investment and Other Earnings	\$1,297	\$1,611
Expenses:		
Payments to Annuity Companies	\$1,302,909	\$1,164,804
UAL (Paid to FRS Trust Fund)	—	—
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

	<u>2003</u>	<u>2004</u>
HIS Recipients as of June 30	184,386	199,107
Total Annual HIS Employer Contributions	\$259,651,153	\$264,452,615
Contribution Rate	1.11%	1.11%
Total Annual HIS Payments	\$228,813,187	\$248,291,392
Average June HIS Payment	\$104.72	\$105.35
HIS Trust Fund Balance as of June 30	\$134,039,453	\$151,389,522



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

	<u>2003</u>	<u>2004</u>
Active Participants	100	96
Annual Payroll	\$7,239,582	\$7,163,331
Contribution Rate	13.83%	13.83%
Contributions	\$567,608	\$945,670
Retired Participants Receiving a Supplement	98	97
Total Benefits Paid.....	\$777,747	\$806,120
Average June Monthly Benefit	\$659	\$676



**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

LEGISLATIVE BRANCH

The Legislature
 Auditor General
 Commission on Ethics
 Public Service Commission

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
 City of Gainesville ³
 City of High Springs ^{1,2}
 City of Newberry
 Caring & Sharing Learning School
 Genesis Preparatory School of Gainesville, Inc.
 Santa Fe Community College
 SIATech Gainesville

BAKER COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
City of MacClenny
 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
 City of Parker
City of Springfield
 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 ³
Canaveral Port Authority
 Brevard Community College
 Town of Malabar

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 ³
 City of Hollywood ³
City of Lauderdale Lakes
 City of Margate
 City of Miramar ³
 City of Weston ³
 Town of Hillsboro Beach
 Town of Lauderdale-by-the-Sea
North Broward Hospital District
 Broward County Housing Authority
 Tri-County Commuter Rail
Fort Lauderdale Downtown Development Authority
 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
 City of North Lauderdale ²
 Plantation Acres Improvement District
 Charter School of Excellence

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
 Homosassa Special Water District
 Citrus County Mosquito Control District

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**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
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 Island
Big Corkscrew Island Fire Control & Rescue District
East Naples Fire Control and Rescue District
Golden Gate Fire Control District
Immokalee Fire Control District
Marco Island Fire Control District
North Naples Fire Control & Rescue District^{3,4}
Collier County Soil & Water Conservation District
Collier Mosquito Control District
Marco Island Charter Middle School

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 District

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 Authority
West Florida Regional Planning Council
Pensacola Junior College
Pensacola Beach Elementary School

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
City of Bunnell

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 Belle
Hendry County Hospital Authority
Port La Belle Community Development District
Barron Water Control District
City of Clewiston¹

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

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Participating Employers

HIGHLANDS COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
City of Avon Park
 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
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
City of Temple Terrace
 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
 Holmes County Housing Authority

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 Hospital

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 Eustis
 City of Umatilla
 Oklawaha Basin Recreation & Water
 Conservation District
 Lake Sumter Community College
 Town of Astatula

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 District²
 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
 Bayshore Fire Protection and Rescue Service
 District
 Lee Soil and Water Conservation District

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
 City of Fanning Springs
 Town of Inglis^{1, 4}

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 Beach
 Braden River Fire Control & Rescue
 Cedar Hammock Fire Control District

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Participating Employers

Myakka City Fire Department
 Parrish Fire Control District ²
 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 Dunnellon
 Rainbow Lakes Municipal Service
 Central Florida Community College

MARTIN COUNTY

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

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 ³
 City of North Miami Beach ³
 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 Memorial
 Miami Beach Housing Authority
 Miami-Dade County Expressway Authority
 Miami-Dade Community College
 City of Miami Gardens
 Town of Miami Lakes
 The Children's Trust

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 ³
 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 Valparaiso
Town of Shalimar
Okaloosa County Gas District
 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 Maitland
 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
 Harmony Neighborhood School, Inc.

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 Pahokee
City of Greenacres
Town of Juno Beach
 Town of Jupiter
 Town of Ocean Ridge
Village of Tequesta
 Florida Inland Navigation District
 Port of Palm Beach
Acme Improvement District
 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 District
 Palm Beach Soil & Water Conservation
 South Florida Conservancy
 G-STAR School of the Arts for Motion
 Pictures & Television
 Survivors Charter School
 Palm Beach County Solid Waste Authority
 Palm Beach Community College
 Western Academy Charter School

PASCO COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
City of Dade City
City of New Port Richey
 City of Port Richey
 City of Zephyrhills
Pasco County Housing Authority
 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 Beach
City of Dunedin
City of Indian Rocks Beach
City of Madeira Beach
City of Oldsmar

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Participating Employers

City of Safety Harbor
 City of Seminole ³
 City of South Pasadena
 City of Treasure Island ^{1,2}
 Town of Indian Shores ³
 Town of Kenneth City ¹
 Town of North Redington Beach
 Town of Redington Beach
 Town of Redington Shores ³
 Lealman Special Fire Control District
 Palm Harbor Special Fire Control District ^{3, 4}
 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
 Berkley Charter School
 Discovery Academy of Lake Alfred
 Ridgeview Global Studies Academy

PUTNAM COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 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 ³
 North Saint Lucie River Water Management District
 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 Breeze
 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 Port
 City of Venice ³
 West Coast Inland Navigation District
 Englewood Water District
 Sarasota Military Academy

SEMINOLE COUNTY

Clerk of Circuit Court
 Board of County Commissioners
 Property Appraiser
 Tax Collector
 Supervisor of Elections
 Sheriff
 School Board
 City of Altamonte Springs
 City of Casselberry
 City of Longwood
 City of Sanford
 South Seminole-North Orange Wastewater Authority
 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 Bushnell
 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 Oak
 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 Beach
 City of Daytona Beach Shores
 City of Holly Hill
 City of Lake Helen ^{3, 4}
 City of New Smyrna Beach
 City of South Daytona
 Town of Pierson
 Town of Ponce Inlet ^{1, 2}
 New Smyrna Beach Utilities Commission
 Volusia Soil & Water Conservation District
 Volusia County Law Library
 Daytona Beach Community College
 City of Oak Hill ^{1, 4}
 City of Orange City

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

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Participating Employers

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	141 *
Independent Hospitals	4 *
Special Districts	166 *
Other	11
Total	866**

*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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