



retiree newsletter



Summer 2012

FLORIDA RETIREMENT SYSTEM • DEPARTMENT OF MANAGEMENT SERVICES • DIVISION OF RETIREMENT

Cost of Living Adjustment Increases

Retirees and beneficiaries who receive benefits under the Florida Retirement System receive a cost of living adjustment (COLA) every July. The increase for 2012 was reflected in the benefit paid July 31, 2012.

- Members with an effective retirement date, Deferred Retirement Option Program (DROP) begin date before August 1, 2011, or a future retirement date without service credit earned on or after July 1, 2011, receive an annual 3% COLA.
- Members with an effective retirement date or DROP begin date on or after August 1, 2011, who worked in July 2011 and after, will have an individually calculated COLA that is less than 3%.

For an individually calculated COLA, divide the total years of service before July 1, 2011, by the total years of service at retirement. Multiply this number by 3% to determine the retiree's annual COLA.

For example: a member who retired effective July 1, 2012, with 30 years of service, of which 29 years occurred before July 1, 2011:

$$29/30 = .9667 \times 3\% = 2.9\%$$

This member's annual COLA is 2.9%.

Your first COLA will be prorated based on the number of months you have been retired (with or without DROP participation) for less than 12 calendar months, upon reaching the first July after your effective retirement date or DROP begin date.

National Guard Supplemental Retirement benefit payments and Retiree Health Insurance Subsidy payments do not receive the annual COLA.

Reemployment for Retired Members

If your effective retirement date without Deferred Retirement Option Program (DROP) participation or your DROP termination date is on or after July 1, 2010, remember that current law states that:

- You must meet the termination requirement to finalize your retirement by not being employed with a Florida Retirement System (FRS)-participating employer for the first six calendar months of your retirement or for the first six calendar months following your DROP termination date. Your retirement (with or without DROP participation) will be voided if you work for an FRS employer during this period. You must repay all benefits paid (including any DROP payout) and apply for retirement again and establish a future retirement date; and
- If you return to work for an FRS-participating employer, you cannot receive FRS benefits during the seventh through the twelfth calendar months after your effective retirement date or following your DROP termination date. Your benefits will be suspended for any months that you work for an FRS-participating employer during this period, regardless of whether your employment is covered for retirement. These suspended benefits will not be paid to you at a later date. There are no exceptions to this reemployment limitation.

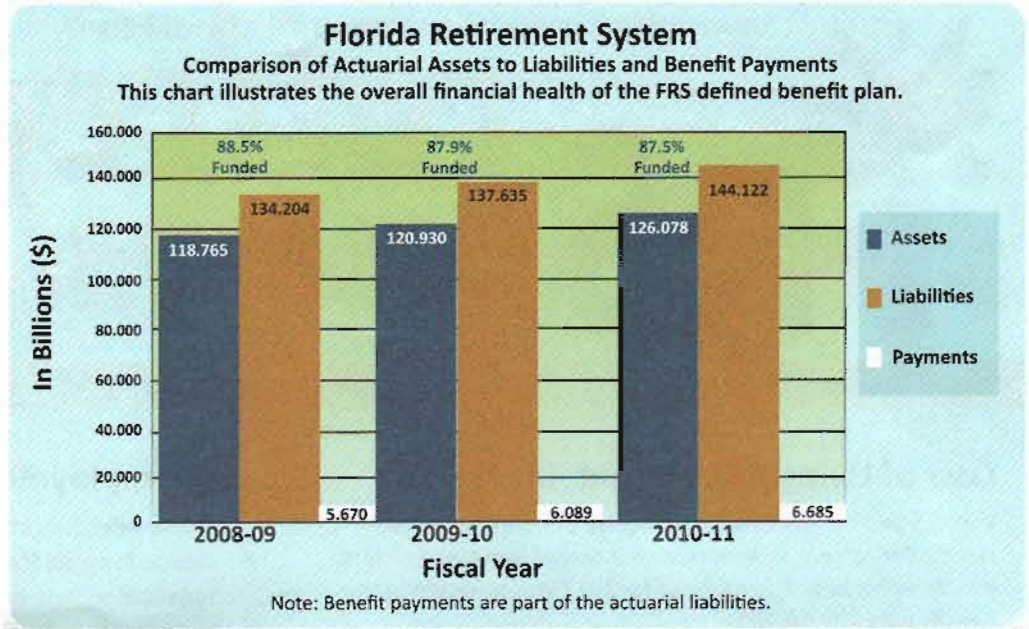
Regardless of your effective retirement date or DROP termination date, you will not earn another FRS retirement benefit if you become initially reemployed with an FRS-participating employer on or after July 1, 2010.

The *After You Retire* brochure was provided in your packet after retirement and has more information about termination, reemployment limitations, and renewed membership. The brochure is also available to view and download from the "Publications" page of the Division of Retirement's website, www.frs.MyFlorida.com. If you have questions about termination, reemployment limitations, or renewed membership, please contact the Bureau of Retirement Calculations (see Contact Us on Page 3).



Funding of the Florida Retirement System Pension Plan

The Florida Retirement System (FRS) Pension Plan was 87.5 percent funded, as of July 1, 2011. The graph on the right compares the plan's actuarial liabilities to the plan's actuarial assets for the past three fiscal years. The annual benefit payments to FRS retirees and beneficiaries, shown in white, are a part of the overall plan liabilities. When the FRS is less than 100 percent funded, the legislature may reduce future benefits to lessen plan liabilities or may raise employee or employer contributions to increase plan funding.



Schedule of 2012 Benefit Payments

Retirement benefits are payable on the last state working day of each month. If you use Direct Deposit, you will have your benefit payments available to you on the scheduled dates shown below for 2012. If you receive benefit payments through the mail, your check will be mailed two working days before the scheduled dates.

Tuesday, July 31	Friday, August 31	Friday, September 28
Wednesday, October 31	Friday, November 30	Monday, December 31

If you receive your benefit payment by mail and it is not received by the fifth of the next month, notify the Retired Payroll Section (see *Contact Us* on Page 3). If you request a replacement check, the division will immediately place a stop payment order on the original check, which will become null and void. Do not attempt to cash the original check if you receive it after you have requested a replacement check. Your replacement check can be easily identified because the word "DUPLICATE" will be printed on the face of the check. On average it takes two weeks to complete the processing of a replacement check.

Online Services Awaits Your Visit

The "Retiree" page of the Division of Retirement's website at www.frs.MyFlorida.com is your online source for updates and useful retiree information. Log into your Online Services account to access your secure information and maintain your personal information, as well as:

- Update your contact information, including mailing address, e-mail address, and telephone number;
- View your most recent benefit payment information ("benefit stub") and payment history;
- Print a pension verification letter (awards letter);
- Select delivery options (communication preferences);
- View current tax withholding and other benefit deductions and make *Form W4-P* tax withholding changes; and
- Print historical *IRS Forms 1099-R* since tax year 2000.

You can report the death of a retiree or beneficiary by using the "Death Notice" feature found on the Online Services home page or by contacting the Survivor Benefits Section (see *Contact Us* on Page 3).

Contact the Retired Payroll Section (see *Contact Us* on Page 3) if you need assistance logging into your Online Services account.



Check Out Our Website for "FRS Quick Clips"

The "FRS Quick Clips" link is located on the Division of Retirement's home page (www.frs.MyFlorida.com). "FRS Quick Clips" are a series of short videos designed to assist you in logging into your Online Services account, navigating the Retiree Online Services, explaining the limitations on reemployment and many other useful topics.

Life Begins At 100

As of May 2012, there were 145 retirees and surviving beneficiaries over the age of 100. Of these retirees, 110 live in Florida, one lives in Germany, and the remaining 34 are scattered throughout the country in Alabama, California, Colorado, Georgia, Maryland, Mississippi, North Carolina, Nevada, Pennsylvania, South Dakota, Tennessee, Texas, Utah and Virginia. The oldest benefit recipient is 108 years old and retired in 1965.

Has Your Address Changed?



It is critical to keep your mailing address current with the Division of Retirement to avoid delays in receiving monthly benefit payments and other important information. You may update your mailing address anytime from the Division of Retirement's website (www.frs.MyFlorida.com) by logging into your Online Services account and submitting a completed Address Change Request Form located on the "Retiree" page. In addition, you may contact the Retired Payroll Section directly (see chart on right). The U.S. Postal Service provides services when a person moves or changes a mailing address; however, timely delivery of your mail to your new mailing address is not guaranteed. Avoid unnecessary delays by updating your mailing address on file with the Division of Retirement whenever your address changes.

Contact Us

The Division of Retirement's offices are open from 8 a.m. to 5 p.m. (Eastern Standard Time), Monday through Friday, excluding state holidays. Please visit the "Contact Us" page on the Division of Retirement's website at www.frs.MyFlorida.com for a map to the division's offices.

The chart below will help you contact the office that is best able to serve your needs. You can also send us your questions or comments from the "Contact Us" page. When writing to the Division of Retirement, please include your full name (both printed and signed), the last four digits of your Social Security number, mailing address, and a daytime telephone number. If you are writing on behalf of a member, be sure to include the member's name and last four digits of his or her Social Security number. The Division of Retirement's mailing address is:

Division of Retirement
P.O. Box 3090
Tallahassee, FL 32315-3090

Bureau of Benefit Payments	
Retired Payroll Section Issues benefit payments, handles retiree/payee address changes, and processes tax deductions	Toll-free: (888) 377-7687 Local: (850) 488-4742 Fax: (850) 410-2193 E-mail: retired@dms.MyFlorida.com
DROP Termination and Refund Payment Section Receives reports of DROP employment terminations, processes DROP payout forms, issues employee contribution refunds, and processes insurance deductions from FRS pension benefits	Toll-free: (877) 738-3767 Local: (850) 487-4856 Fax: (850) 410-2199 E-mail: drop_term_refund_payment@dms.MyFlorida.com
Survivor Benefits Section Processes claims for survivors and beneficiaries upon a member's death and processes beneficiary changes after an employee retires, including during DROP participation and after the end of DROP participation	Toll-free: (877) 377-4347 Local: (850) 488-5207 Fax: (850) 410-2197 E-mail: survivor@dms.MyFlorida.com
Bureau of Retirement Calculations Answers questions about reemployment after retirement and renewed membership, determines eligibility for service retirement and DROP, calculates the cost to purchase various types of creditable service, and provides estimates of benefits and calculates retirement benefits	Toll-free: (888) 738-2252 Local: (850) 488-6491 Fax: (850) 410-2195 E-mail: calculations@dms.MyFlorida.com
Research and Education Section Analyzes proposed legislation, researches retirement-related issues, maintains the website, coordinates policy development, and produces and distributes publications	Toll-free: (877) 377-1737 Local: (850) 488-5706 Fax: (850) 921-0371 E-mail: rep@dms.MyFlorida.com



Don't Forget Direct Deposit of Your Florida Retirement System Retirement Benefits!

Direct deposit offers the freedom and peace of mind of knowing your benefits are deposited to your financial institution when they are supposed to be and saves the time and money associated with taking a paper check to your bank to be cashed. If you do not currently have direct deposit, it is easy to enroll. Just complete and return a *Direct Deposit Authorization, Form DFS-A1-26R*, which may be obtained from the "Retiree" page of the Division of Retirement's website at www.frs.MyFlorida.com; or request one from the Retired Payroll Section (see *Contact Us* on Page 3).

Keep an eye on the "Retiree" page for updates. In the future, you will be able to complete your Direct Deposit Authorization right from your computer.

Division of Retirement
PO BOX 9000
Tallahassee, FL 32315-9000

FROM THE DESK OF
PETER S. TINGOM

PRSRT STD
U.S. Postage
PAID
Tallahassee, FL
Permit No. 307

"Go Direct" for Social Security and Other Federal Benefits

The U.S. Department of Treasury is making changes to the way federal benefits are paid that will save U.S. taxpayers an estimated \$1 billion over the next ten years. As of May 1, 2011, all new applicants for federal benefits, including Social Security, are required to choose to receive their payments electronically, either by direct deposit to a bank or credit union account or to a Direct Express® Debit MasterCard® account. By March 1, 2013, all recipients of federal benefits, including Social Security, must select one of these electronic payment methods or their payments will automatically be received via the Direct Express® card to avoid any payment interruption. As of March 1, 2013, the Direct Express® card also will be the option available to current recipients who don't have a bank account or prefer a prepaid debit card.

The Division of Retirement has provided this information as a courtesy to our retirees but does not administer federal benefits and cannot answer any questions about these changes to the payment of federal benefits. For more information, or help with making the switch today, visit www.GoDirect.org, or call the U.S. Treasury Electronic Payment Solution Center toll free at (800) 333-1795. Don't wait until the last minute!

