

Facts about the Florida Retirement System

The 2014 legislative session will again feature legislation intended to further degrade retirement benefits for new teachers and other public schools employees. The latest solution to a non-existent problem is called a “cash balance plan.”

Despite assurances from bill sponsors in the 2013 session, any change could harm current school employees enrolled in the FRS. New policies are likely to put pressure on the viability of the retirement plan by ending or lessening the stream of contributions going into it giving legislators the excuse they need to make even more changes to the detriment of public school employees.

The Legislature made significant cost saving changes to the FRS in 2011. They mandated a 3 percent employee contribution, suspended cost-of-living increases, increased the vesting period and reduced the DROP accrual rate.

Fast Facts*

- Investment earnings, not taxpayer dollars, fund the majority of retirement benefits.
- Benefits represent less than 2.4 percent of the state and local budgets in Florida, well below the national average.
- Florida was ranked among the top 10 state pension systems in the nation.
- 623,011 active FRS participants and 375,238 annuitants.
- 49 percent employed by local school boards, 79 percent of those are female.
- \$41,459 average salary.
- \$18,625 average benefit; \$16,506 for Regular Class.
- 21 years of service average for annuitants.
- \$36,810 average final compensation (over five years; these numbers were compiled before the higher eight-year requirement was legislated).
- \$765 million value of 3 percent contribution by FRS participants in 2012.

**2012 numbers from the latest FRS annual report*