

# FLORIDA RETIREMENT SYSTEM PENSION PLAN AND OTHER STATE ADMINISTERED SYSTEMS ANNUAL COMPREHENSIVE FINANCIAL REPORT FISCAL YEAR ENDED JUNE 30, 2024



**FLORIDA STATE CAPITAL (TALLAHASSEE, FL)  
CA. 1845**







THE FREEDOM TOWER (MIAMI, FL)  
CA. 1925

# FLORIDA RETIREMENT SYSTEM PENSION PLAN AND OTHER STATE ADMINISTERED SYSTEMS ANNUAL COMPREHENSIVE FINANCIAL REPORT FISCAL YEAR ENDED JUNE 30, 2024

DIVISION OF RETIREMENT  
P.O. BOX 9000  
TALLAHASSEE, FL 32315-9000

[FRS.MYFLORIDA.COM](https://FRS.MYFLORIDA.COM)

TOLL FREE: 844-377-1888  
LOCAL: 850-907-6500  
TTY: 800-955-8771

RON DESANTIS, GOVERNOR  
PEDRO ALLENDE, SECRETARY

THIS REPORT HAS BEEN PREPARED BY THE DEPARTMENT OF MANAGEMENT SERVICES,  
DIVISION OF RETIREMENT

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# INTRODUCTORY SECTION



**EDISON AND FORD WINTER ESTATES (FORT MYERS, FL)  
CA. 1886**



December 13, 2024

### **Letter of Transmittal**

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

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the state retirement systems administered by the Department of Management Services (Department), Division of Retirement (Division). This annual report covers the period from July 1, 2023, through June 30, 2024. It includes the operations and financial status of the state retirement systems administered by the Division, a summary description of the retirement plans, investment objectives and policy, actuarial reports, and historical and statistical information on active members, annuitants, and benefit payments.

The ACFR is intended to fulfill the legal requirements for compliance with the Florida Constitution, Chapters 112 and 121, Florida Statutes (F.S.) and sections 216.136(10) and 216.102, F.S. The Florida Legislature determines the plan structure, benefit levels and funding. To the best of our knowledge, the enclosed data is accurate in all material respects and reported in a manner designed to fairly present the financial position and operations of the state-administered retirement systems.

The Division of Retirement prepared this report. Division management is responsible for the accuracy and completeness of all data and disclosures in this report. The office of the Florida Auditor General has audited the accompanying financial statements in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by Comptroller General of the United States.

### **Management's Discussion and Analysis**

Included in this report is a section titled Management's Discussion and Analysis (MD&A). This section provides a narrative introduction, overview, and analysis to accompany the basic financial statements. This transmittal letter is designed to complement the MD&A and should be read in conjunction with it.

### **State-Administered Retirement Systems Profile**

The state-administered retirement systems include three separate defined benefit pension plans: the Florida Retirement System (FRS) Pension Plan, the Retiree Health Insurance Subsidy (HIS) Program, and the Florida National Guard Supplemental Retirement Plan; two separate defined contribution retirement plans: one for state senior managers and one for specified staff of the State University System; general revenue funded pensions; and funding to certain local government plans. The FRS is one of the largest state retirement systems that provides services to 995 employers and 30 non-participating employers. As of June 30, 2024, FRS has 459,428 retirees (including disability or their designated beneficiaries) and 29,017 Deferred Retirement Option Program (DROP) participants and offers a wide range of information services to 659,333 active non-retired members.

The FRS offers members a choice between the Pension Plan (a defined benefit plan) and the Investment Plan (a defined contribution plan). FRS participation is required by all state, county, district school board, state college and state university employers with optional participation offered to cities, charter schools, metropolitan planning districts and special districts.

Participation in non-integrated defined contribution plan alternatives to the FRS are provided to specified State University System employees through the State University System Optional Retirement Program and state senior managers through the Senior Management Service Optional Annuity Program. General revenue funded pensions include a retirement benefit to retirees of the Florida National Guard. The Florida National Guard Supplemental Retirement Benefit Program is accounted for separately as a stand-alone pension plan. Oversight is provided to local government pension plans with premium tax collections distributed to eligible municipal police and firefighter plans.

### **Economic Condition**

All FRS assets are invested under the authority and direction of the State Board of Administration (SBA). An Investment Advisory Council (IAC) provides independent oversight of the SBA's funds and has investment responsibilities of the FRS. The

IAC meets quarterly to discuss alternative investments, investment protection principals, risk budgets and general economic outlook. The primary investment objectives for the FRS Pension Plan are to provide investment returns sufficient to ensure 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, alternative investments and short-term money market instruments.

As of June 30, 2024, the market value of assets for the FRS Pension Plan was approximately \$198.23 billion, net of related liabilities, as detailed in the Investment Section. This reflects a 10.52 percent annualized investment return. The fiduciary net position as of June 30, 2024, was \$198.7 billion, a 6.60 percent increase over the previous year. The FRS Pension Plan is 83.7 percent funded on a Governmental Accounting Standards Board Statement No. 67 reporting basis. See the Investment Section of this report for more information.

Since the benefit payments are not all immediately payable, the SBA can maintain a long-term investment strategy. This approach, along with a well-diversified investment portfolio, helps weather periods of volatility in the investment markets.

### **Internal Controls**

The Division maintains a system of internal controls to safeguard the assets, prevent fraud, abuse and waste, and to ensure the accuracy of financial information. Employee and contractor standards are in place to minimize risk of loss or theft. There are inherent limitations with internal controls. These limitations include: the internal control cost should not exceed the benefits derived from it; the objective is to provide reasonable, rather than absolute, assurance the financial statements are free from any material misstatements; and the risk of management override due to their levels of access. Additionally, internal controls are primarily designed to prevent one individual from being able to steal assets, commit fraud, waste or abuse, or to manipulate the financial records of an entity. If two or more employees collude together some internal controls could be circumvented.

### **Awards and Recognition**

The Public Pension Coordinating Council (PPCC) is a coalition of three associations that represent public retirement systems covering the majority of public employees in the United States: National Association of State Retirement Administrators (NASRA), National Council on Teacher Retirement (NCTR) and the National Conference on Public Employees Retirement System (NCPERS). This award recognizes plans that meet professional standards for plan funding and administration in categories such as benefits, audit, actuarial valuations, financial reporting and communications to members. They also serve as a benchmark by which all defined public plans should be measured.

The FRS was awarded the Public Pension Coordinating Council's Public Pensions Standards Award for its plan funding and administration in 2024. FRS has received this award every year since it was introduced in 2004.

### **Acknowledgements**

We created this report to provide complete and reliable information to members of these systems, the Governor, the Florida Legislature and the citizens of Florida. We continue to work to make the state-administered retirement systems cost effective and managed for the benefit of active and retired members. In compliance with s. 121.135, F.S., the annual report, on the operation and condition of the state-administered retirement systems, is prepared and submitted to the Florida Legislature by the Department each regular Legislative Session. This report is available on the Department website at: <https://www.dms.myflorida.com>.

A link to this document is emailed to all FRS employers.

Respectfully submitted,



Kathy Gould  
State Retirement Director

## Management Staff

The Division of Retirement manages Florida's state-administered retirement systems. The Governor appoints the Secretary of the Department of Management Services who appoints the State Retirement Director. The following individuals are involved in managing the state-administered retirement systems:



**Pedro Allende**  
Secretary



**Edric Sanchez**  
Deputy Secretary  
Workforce Operations



**Kathy Gould**  
State Retirement Director



**Shirley Beauford**  
Administrator  
Retirement Operations



**Amber Burns**  
Deputy Director  
Financial and Support Services



**Ben Hensarling**  
Deputy Director  
Member Services



**Kelly Recio**  
Chief  
Benefit Payments



**Shaundra Mitchell**  
Chief  
Business Support Services



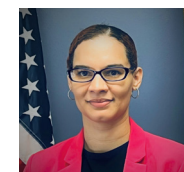
**Keith Brinkman**  
Chief  
Local Retirement



**Joyce Morgan**  
Retiring Chief  
Enrollment and Contributions



**Hobart Lawrence**  
Incumbent Chief  
Enrollment and Contributions



**Nicolle Bournival**  
Administrator  
Retirement Policy



**Samantha Starks-Harrison**  
Chief  
Retirement Calculations



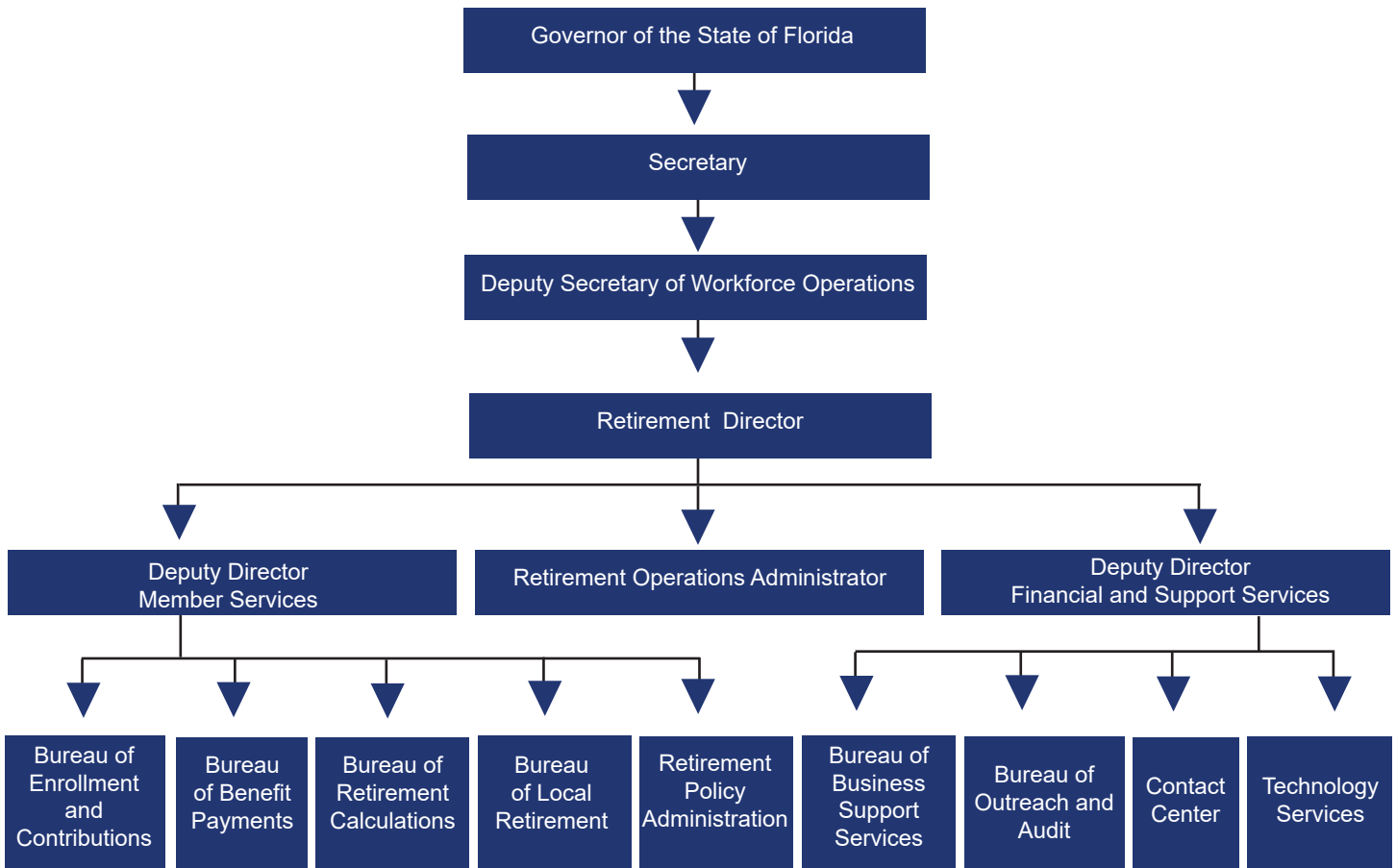
**Becky Griffith**  
Chief  
Outreach and Audit



**Joe Higgins**  
Chief  
Contact Center

# Administrative Organization

## As of December 13, 2024



Managed at Department Level



### CONSULTING SERVICES

Actuary  
**Milliman, Inc., Consultants and Actuaries**  
 Portland, Oregon

Information Technology  
**22<sup>nd</sup> Century Technologies, Inc.**  
 Tallahassee, Florida

Investment  
**State Board of Administration**  
 Tallahassee, Florida

## TERMS AND ABBREVIATIONS

This annual report contains the following terms and abbreviations:

**ABO** – Accumulated Benefit Obligation.

**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 accumulated contributions as of June 30.

**ADC** – Actuarially Determined Contribution.

**AFC** – Average Final Compensation.

**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.

**AVA** – Actuarial Value of Assets.

**ACFR** – Annual Comprehensive Financial Report.

**COLA** – Cost-of-Living Adjustment.

**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.

**Division** – Division of Retirement, Department of Management Services.

**DMS** – Department of Management Services.

**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.

**EOC** – 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.

**FRS DC Plan** – Florida Retirement System Defined Contribution Plan, also known as the Florida Retirement System Investment Plan.

**GAAP** – Generally Accepted Accounting Principles.

**GASB** – Governmental Accounting Standards Board.

**HIS** – Health Insurance Subsidy.

**HWY PATROL** – Highway Patrol Pension Fund.

**IFAS** – Institute of Food and Agricultural Sciences.

**JRS** – Judicial Retirement System.

**MVA** – Market Value of Assets.

**National Guard** – Florida National Guard Supplemental Retirement Benefit Program.

**NPL** – Net Pension Liability – The difference between the total pension liability of the system and the net position.

## **TERMS AND ABBREVIATIONS (continued)**

**OPEB** – Other Postemployment Benefits.

**Retirees** – Retired members (includes joint annuitants or survivors).

**SBA** – State Board of Administration.

**SCCSORP** – State Community College System Optional Retirement Program.

**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 Survivor Benefits.

**UAL** – Unfunded Actuarial Liability – The difference between the plan's actuarial value of assets and the actuarial value of liabilities as of the measurement date.



Public Pension Coordinating Council

***Public Pension Standards Award  
For Funding and Administration  
2024***

Presented to

***Florida Retirement System Pension Plan***

In recognition of meeting professional standards for  
plan funding and administration as  
set forth in the Public Pension Standards.

*Presented by the Public Pension Coordinating Council, a confederation of*

National Association of State Retirement Administrators (NASRA)  
National Conference on Public Employee Retirement Systems (NCPERS)  
National Council on Teacher Retirement (NCTR)

A handwritten signature in black ink that reads "Alan H. Winkle". The signature is written in a cursive, flowing style.

Alan H. Winkle  
Program Administrator

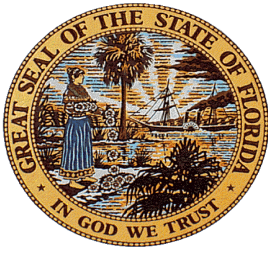


# FINANCIAL SECTION



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Sherrill F. Norman, CPA  
Auditor General

# AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74  
111 West Madison Street  
Tallahassee, Florida 32399-1450



Phone: (850) 412-2722  
Fax: (850) 488-6975

The President of the Senate, the Speaker of the  
House of Representatives, and the  
Legislative Auditing Committee

## INDEPENDENT AUDITOR'S REPORT

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of the governmental activities, governmental fund, and fiduciary funds of the Florida Retirement System Pension Plan and Other State-Administered Systems (System) administered by the Florida Department of Management Services (Department), as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, governmental fund, and fiduciary funds of the System, as of June 30, 2024, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Florida Retirement System Trust Fund maintained by the State Board of Administration to account for assets and investment income (loss) of the Florida Retirement System Defined Benefit Pension Plan, which represent 99.9 percent of the assets and 77.1 percent of the additions of the Florida Retirement System Defined Benefit Pension Plan as of June 30, 2024, and the respective changes in financial position. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Florida Retirement System Trust Fund, is based solely on the report of the other auditors.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the **Auditor's Responsibilities for the Audit of the Financial Statements** section of our report. We are required to be independent of the Department, the State Board of Administration, and the System and to meet our other ethical responsibilities, in accordance with the

relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Emphasis of Matters***

As discussed in Note 1, the financial statements present only the Florida Retirement System Pension Plan and Other State-Administered Systems and do not purport to, and do not, present fairly the financial position of the State of Florida as of June 30, 2024, or the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

As discussed in Management's Discussion and Analysis, the ability of the current statutory contribution rate to pay full Retiree Health Insurance Subsidy Program benefits is very sensitive to near-term demographic experience, particularly the volume and timing of retirements on the amount of payroll on which the statutory rate is charged. Our opinion is not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is greater than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that **Management's Discussion and Analysis** on pages 21 through 25, the **Required Supplementary Schedules of Changes in Net Pension Liability and Related Ratios, Schedule of Employer Contributions, Schedule of Money-Weighted Rate of Return, Schedule of Proportionate Share of the State's Total OPEB Liability**, and related **Notes to Required Supplementary Information** on pages 92 through 107, and **required budgetary information** on pages 108 through 110, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the System's basic financial statements. The Schedule of Administrative Expenses on page 112 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The Schedule of Administrative Expenses has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Schedule of Administrative Expenses is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the Introductory Section on pages 7 through 14 and the Investment, Actuarial, Statistical, and System Summary Sections on pages 113 through 238, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2024, on our consideration of the System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, administrative rules, regulations, contracts, and other matters included under the heading **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the System's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System's internal control over financial reporting and compliance.

Respectfully submitted,



Sherrill F. Norman, CPA  
Tallahassee, Florida  
December 13, 2024  
Audit Report No. 2025-072

## Management's Discussion and Analysis

Management's Discussion and Analysis provides an overview of the financial activities of the state-administered retirement systems and the fund for local government pension plans administered by the Florida Department of Management Services' Division of Retirement (Division) for the fiscal year ended June 30, 2024. This section should be read in conjunction with the financial statements and other information provided in this Annual Comprehensive Financial Report (ACFR).

The Florida Retirement System (FRS) Pension Plan is the primary retirement plan administered by the division. It is a section 401(a), Internal Revenue Code, qualified cost-sharing, multiple-employer defined benefit plan for participating public employers and their covered employees. In addition to the FRS Pension Plan, the division administers several smaller plans and other retirement activities, including the:

- Retiree Health Insurance Subsidy (HIS) Program, a supplemental benefit provided to eligible FRS retirees that is treated as a defined benefit plan for reporting purposes;
- State University System Optional Retirement Program (SUSORP), a section 403(b), Internal Revenue Code, qualified defined contribution plan for faculty, members of the State University System Executive Service, and administrative and professional staff positions that are exempt from career service;
- Senior Management Service Optional Annuity Program (SMSOAP), a section 401(a), Internal Revenue Code, qualified defined contribution plan for state senior managers;
- Police and Firefighters' Premium Tax Trust Fund, a supplemental funding of defined benefit plans for municipal police officers and firefighters who are not in the FRS;
- Florida National Guard Supplemental Retirement (National Guard) Plan; and
- Various General Revenue funded pension programs.

The division's responsibilities include making benefit payments to retirees, collecting contributions to the plans and transmitting contributions to the State Board of Administration (SBA) and other third-party providers for investment, and directing actuarial studies. The SBA is responsible for, among other duties, investing defined benefit retirement fund assets consistent with statutory authority. The Florida Legislature is responsible for establishing plan structure, benefit levels and contribution rates, and providing statutory authority for the administration of the state-administered retirement systems.

### Financial and Actuarial Highlights

#### *Florida Retirement System (FRS) Pension Plan*

The FRS Pension Plan represents 99.5 percent of the financial activity of the state-administered retirement systems. The following financial highlights relate specifically to the FRS Pension Plan:

- The overall financial position of the FRS Pension Plan increased during the year ended June 30, 2024; the fiduciary net position of the FRS Pension Plan increased to \$198.7 billion, an increase of \$12.3 billion, or 6.6 percent above fiscal year 2023. The increase in value was due primarily to investment returns. As detailed in the Investment Section, the market value of assets net of related liabilities for the FRS Trust Fund was \$198.23 billion. The FRS realized an overall investment gain of 10.52 percent for fiscal year 2024, compared with a 7.50 percent gain for fiscal year 2023.
- The FRS relies upon contributions from employees and employers, along with investment income, to meet the funding requirements of an actuarially-determined accrued liability. As of July 1, 2024, the date of the latest actuarial valuation, the FRS' funded ratio was 80.7 percent on the valuation funding basis, as compared to 81.4 percent as of July 1, 2023. The funded ratio on the Governmental Accounting Standards Board (GASB) Statement No. 67 basis increased from 82.4 percent to 83.7 percent as of July 1, 2024.
- Administrative expense of the plan for fiscal year 2024 totaled \$29.0 million as compared to \$27.0 million for fiscal year 2023. Administrative expenses reported on the Statement of Changes in Fiduciary Net Position for fiscal year 2024 include items such as personnel and professional service cost, communication cost, and other operating costs which include administrative overhead assessment charges and facilities lease expenses. For additional information on administrative expenses refer to the Schedule of Administrative Expenses located immediately following the Required Supplementary Information Section.
- Contribution revenue recognized from employees and employers during fiscal year 2024 totaled \$6.5 billion, an increase of 15.6 percent over the prior year. The employers continue to be required to pay the full

unfunded actuarial liability (UAL) rates recommended by the plan's consulting actuary. A higher payroll base, primarily in local government employers and higher employer contribution rates, account for the majority of the increase over the prior year.

- Pension benefits paid to retirees and beneficiaries during fiscal year 2024 increased 0.9 percent or \$0.11 billion more than fiscal year 2023 benefit payments, for a total of \$12.36 billion. These benefits include payouts to terminating participants of the Deferred Retirement Option Program before being added to the monthly payroll for benefit payments.
- Refunds of employee contributions increased by \$5.7 million in fiscal year 2024 to a total of \$41.5 million.
- The investment return assumption used in calculating the FRS Pension Plan's net pension liability for GASB 67 reporting purposes and the investment return assumption selected by the FRS Actuarial Assumption Conference and used for the funding policy was 6.70 percent. The system's consulting actuary determined the investment return assumption of 6.70 percent for GASB 67 reporting purposes to be reasonable and appropriate per Actuarial Standards of Practice. The consulting actuary prepared a depletion date projection and determined that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments. A description of the change in the investment return assumption for GASB 67 reporting purposes is provided in Note 4.A. of the financial statements. The depletion date projection is available in the 2024 GASB 67 Supplement to the FRS Actuarial Valuation on the division's website at [www.frs.myflorida.com](http://www.frs.myflorida.com).

#### *Actuarial Valuations*

- The FRS actuarial valuation was prepared as of July 1, 2024.
- The HIS actuarial valuation was prepared as of July 1, 2024.
- The National Guard actuarial valuation was prepared as of July 1, 2024.

Note 4, the Required Supplementary Information and the Actuarial Section of this report provide information on the net pension liability, key methods and assumptions used, and other required disclosures for each of the defined benefit plans.

#### *Retiree Health Insurance Subsidy (HIS) Program*

The HIS Program provides a health insurance subsidy payment to most retired employees and beneficiaries. The Florida Legislature sets the contribution rate for this program, which operates using a pay-as-you-go funding structure. Accumulated HIS assets as of the measurement date of July 1, 2024, constituted approximately eleven months of projected benefit payments. The ability of the current statutory contribution rate to pay full HIS benefits is very sensitive to near-term demographic experience, particularly the volume and timing of retirements and the amount of payroll on which the statutory rate is charged.

#### *Florida National Guard Supplemental Retirement Benefit (National Guard) Plan*

The National Guard Plan is a single-employer, non-qualified defined benefit pension plan established under Section 250.22, Florida Statutes. The monthly benefit is equal to the difference between fifty percent of the federal military pay table rate for the highest rank held while in the Florida National Guard and the reservist pension benefit received from the federal government for military service. The plan is funded by an annual appropriation from the General Revenue Fund.



## **Overview of the Financial Statements**

As required by generally accepted accounting principles, the state administered retirement systems' financial statements consist of the following components: basic financial statements, notes to the financial statements and required supplementary information.

### ***Basic Financial Statements***

The systems' basic financial statements include the following elements as of and for fiscal year ended June 30, 2024:

- Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position - The pension plans report operations and fiduciary net position on a full accrual basis of accounting and a focus on economic resources. The Statement of Fiduciary Net Position reports the assets, deferred outflows of resources, liabilities, deferred inflows of resources and resulting fiduciary net position, providing a measurement of the financial position of the funds as of the end of the fiscal year. The Statement of Changes in Fiduciary Net Position presents the results of operating activities in the fiduciary funds during the fiscal year and reflects the changes in resources available to provide future retirement benefits.
- Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - The Police and Firefighters' Premium Tax Trust Fund is a special revenue fund, reported as a governmental fund type using a modified accrual basis of accounting with a focus on current financial resources. The Balance Sheet reports the assets, liabilities and resulting fund balance as of the end of the fiscal year. The Statement of Revenues, Expenditures and Changes in Fund Balance presents the results of operating activities during the fiscal year and reflects the changes in resources available to provide the services administered by the division.
- Statement of Net Position and Statement of Activities – The Police and Firefighters' Premium Tax Trust Fund is converted to a government-wide perspective which reports on a full accrual basis of accounting and a focus on economic resources. The Statement of Net Position presents the assets, liabilities and resulting net position as of the end of the fiscal year. The Statement of Activities presents the results of operating activities during the fiscal year.
- Notes to the financial statements are an integral part of the financial statements. They are important to the reader's understanding of the statements and provide additional information on plan description, significant accounting policies, material account balances and activities, and related party transactions.

### ***Required Supplementary Information***

The following schedules and reconciliation are included to assist the reader by adding operational, economic, and historical context to the financial statements and notes to the financial statements.

- Schedule of Changes in Net Pension Liability and Related Ratios
- Schedule of Employer Contributions
- Schedule of Money-Weighted Rate of Return
- Budgetary Comparison Schedule
- Budget to GAAP Reconciliation
- Schedule of Proportionate Share of Total OPEB Liability

### ***Other Supplementary Information***

The Schedule of Administrative Expenses provides additional information not included in the basic financial statements, notes, or Required Supplementary Information.

## Condensed Financial Statements and Overall Financial Analysis

### Statements of Fiduciary Net Position / Net Position

These statements present the assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position of the state-administered retirement funds as of the end of the fiscal year and are point-in-time financial statements. Table 1, below, presents the condensed Statements of Fiduciary Net Position / Net Position for the fiscal years ended June 30, summarizing the activities of the various retirement funds. The net position at the close of the fiscal year for all funds combined was \$199.70 billion, with the defined benefit plans comprising 99.9 percent of the total. Net position increased 6.6 percent from the previous year's total net position of \$187.36 billion.

**Table 1: Condensed Statements of Fiduciary Net Position / Net Position<sup>1</sup>**  
As of June 30  
(In thousands)

	Defined Benefit Plans		Defined Contribution Plans		Governmental Activities		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Cash and investments	\$ 200,618,142	\$ 188,208,908	\$ 15,180	\$ 17,335	\$ 433,664	\$ 371,839	\$ 201,066,986	\$ 188,598,082
Other assets	4,675,028	2,220,573	2,560	1,880	16,829	39,139	4,694,417	2,261,592
<b>Total assets</b>	<b>205,293,170</b>	<b>190,429,481</b>	<b>17,740</b>	<b>19,215</b>	<b>450,493</b>	<b>410,978</b>	<b>205,761,403</b>	<b>190,859,674</b>
Total deferred outflows of resources	4,866	4,059	217	241	181	141	5,264	4,441
<b>Total liabilities</b>	<b>5,848,180</b>	<b>3,385,471</b>	<b>10,745</b>	<b>5,108</b>	<b>197,226</b>	<b>98,985</b>	<b>6,056,151</b>	<b>3,489,564</b>
Total deferred inflows of resources	7,495	8,888	204	193	416	497	8,115	9,578
<b>Fiduciary net position/ net position</b>	<b>\$ 199,442,361</b>	<b>\$ 187,039,181</b>	<b>\$ 7,008</b>	<b>\$ 14,154</b>	<b>\$ 253,032</b>	<b>\$ 311,637</b>	<b>\$ 199,702,401</b>	<b>\$ 187,364,972</b>

<sup>1</sup>Table may not foot due to rounding.

### Statements of Changes in Fiduciary Net Position / Activities

These statements detail the changes in fiduciary net position/net position that occurred during the fiscal year. Table 2 presents the Condensed Statements of Changes in Fiduciary Net Position / Activities for the fiscal years ended June 30. Over time, increases and decreases in the fiduciary net position/net position measure whether the financial position of the state-administered retirement funds is improving or deteriorating. The total net position for all funds increased by \$12.3 billion during the fiscal year.

**Table 2: Condensed Statements of Changes In Fiduciary Net Position / Activities<sup>1</sup>**  
For the fiscal year ended June 30  
(In thousands)

	Defined Benefit Plans		Defined Contribution Plans		Governmental Activities		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
<b>Additions/Revenues</b>								
Employer contributions	\$ 6,509,263	\$ 5,468,461	\$ 110,899	\$ 112,961	\$ -	\$ -	\$ 6,620,162	\$ 5,581,422
Employee contributions	808,727	789,085	114,303	115,201	-	-	923,030	904,286
Premium taxes	-	-	-	-	324,230	311,186	324,230	311,186
Transfers and other additions	104,056	88,703	218	220	-	432	104,274	89,355
Net investment income/(loss)	18,926,575	13,387,616	1,053	566	13,517	7,690	18,941,145	13,395,872
<b>Total additions/revenues</b>	<b>26,348,621</b>	<b>19,733,865</b>	<b>226,473</b>	<b>228,948</b>	<b>337,747</b>	<b>319,308</b>	<b>26,912,841</b>	<b>20,282,121</b>
<b>Deductions/Expenses</b>								
Benefit payments	13,184,348	12,803,274	-	-	-	-	13,184,348	12,803,274
Refunds of contributions	41,497	35,824	-	-	-	-	41,497	35,824
Payments to annuity companies	-	-	233,233	221,437	-	-	233,233	221,437
Distributions to cities	-	-	-	-	326,068	190,029	326,068	190,029
Administrative expenses	29,225	27,308	386	383	858	982	30,469	28,673
Transfers and other deductions	690,371	590,051	-	-	69,426	61,697	759,797	651,748
<b>Total deductions/expenses</b>	<b>13,945,441</b>	<b>13,456,457</b>	<b>233,619</b>	<b>221,820</b>	<b>396,352</b>	<b>252,708</b>	<b>14,575,412</b>	<b>13,930,985</b>
Change in net position	12,403,180	6,277,408	(7,146)	7,128	(58,605)	66,600	12,337,429	6,351,136
Fiduciary net position/net position - beginning	187,039,181	180,761,773	14,154	7,027	311,637	245,037	187,364,972	181,013,837
<b>Fiduciary net position/ net position - ending</b>	<b>\$ 199,442,361</b>	<b>\$ 187,039,181</b>	<b>\$ 7,008</b>	<b>\$ 14,154</b>	<b>\$ 253,032</b>	<b>\$ 311,637</b>	<b>\$ 199,702,401</b>	<b>\$ 187,364,972</b>

<sup>1</sup>Table may not foot due to rounding.

## **Additions to Fiduciary Net Position / Net Position**

Net investment income (loss) of \$18.94 billion, employer contributions of \$6.62 billion, employee contributions of \$923 million, plus premium taxes, transfers and other additions totaling \$429 million, were classified as additions. Additions totaled \$26.91 billion for all state-administered retirement funds during the fiscal year.

## **Deductions from Fiduciary Net Position / Net Position**

Of the total deductions of \$14.58 billion for all state-administered retirement funds during the fiscal year, benefit payments account for the majority of deductions from fiduciary net position, comprising 90.46 percent or \$13.2 billion. Payments to annuity companies, distributions to cities, refunds, transfers and other deductions made up 9.34 percent of total deductions. Administrative expense represents only 0.2 percent of total deductions.

## **Summary**

The long-term financial health of all retirement plans is dependent upon several key items: future investment returns, contributions, and future benefit payments. In the defined contribution plans, the members bear the investment risk to ensure adequate resources are available for retirement. For the FRS Pension Plan, a defined-benefit plan, the investment risk is held at the plan level. Annual valuations and experience studies performed every five years are utilized to measure the Pension Plan's actual economic and demographic experience compared to the plan's assumptions to determine the contribution level required to meet the long-term benefit obligations. The division's funding objective is to accumulate sufficient assets over time to meet its long-term benefit obligations as they become due. Accordingly, collecting employer and employee contributions as well as earning the assumed long-term rate of return on its investments are essential components of the division's funding plan to accumulate the assets needed to finance future retirement benefits.

The FRS Pension Plan's Fiduciary Net Position held in trust for pension benefits increased by 6.63 percent as of June 30, 2024, as compared to June 30, 2023. This increase primarily resulted from higher than anticipated investment returns. The actual investment performance for the FRS Pension Plan for the fiscal year ended June 30, 2024, was an increase of 10.52 percent compared with an investment increase of 7.50 percent for the fiscal year ended June 30, 2023. The long-term average annual investment return assumption for the 2024 FRS Pension Plan valuation for GASB 67 reporting purposes was 6.70 percent and 6.70 percent for the 2023 FRS Pension Plan valuation. The amount of assets available to meet future obligations will be based on actual future investment returns and actual contributions received rather than the assumed future investment returns and assumed contributions.

The division is required by state law to provide an actuarial valuation of the defined benefit pension plans to assist decision makers in assessing the funding strength and fiduciary net position of the defined benefit pension plans. The results of these actuarial valuation reports are included in Note 4, Net Pension Liability, and the Required Supplementary Information and Actuarial Section.

The Florida Retirement System (FRS) Actuarial Assumption Conference is responsible for setting the assumptions used in the funding valuations of the defined benefit pension plans pursuant to section 216.136(10), Florida Statutes. The division determines the investment return assumptions for GASB 67 reporting purposes. See Note 4 and the Actuarial Section for further information.

Key assumption updates for the 2024 FRS Pension Plan Valuation were increases in male retiree life expectancy, increases in the individual member salary increase assumption for Regular and Special Risk members at most service levels, and increases in the likelihood of DROP entry for K-12 School Instructional personnel in Regular Class.

## **Contacting the Division**

This report is designed to provide an overview of the division's activities to citizens, taxpayers, retirement plan members, and other interested parties. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Department of Management Services, Division of Retirement, Research and Education Section, P.O. Box 9000, Tallahassee, Florida, 32315-9000; phone 850-778-4408.

# STATEMENT OF FIDUCIARY NET POSITION

As of June 30, 2024

	Defined Benefit		
	Florida Retirement System	Retiree Health Insurance Subsidy	National Guard
<b>ASSETS</b>			
Cash and cash equivalents	\$ 113,586,435	\$ -	\$ -
State treasury investment pool	116,190,464	106,017	6,000
Total cash and cash equivalents	<u>229,776,899</u>	<u>106,017</u>	<u>6,000</u>
<u>Investments:</u>			
Certificates of deposit	100,064,250	-	-
U.S. government and federally guaranteed obligations	17,932,296,445	-	-
Federal agencies	8,359,530,102	-	-
Commercial paper	2,745,016,816	-	-
Repurchase agreements	1,600,000,000	-	-
International bonds and notes	3,322,254,691	-	-
Bonds and notes	13,200,144,072	-	-
Real estate contracts	15,577,634,924	-	-
Mutual Funds	-	-	-
Short term investment funds	28,089,531	677,731,353	-
Domestic equity / domestic equity commingled	57,446,035,169	-	-
Alternative investment	43,893,436,096	-	-
International equity	35,233,379,668	-	-
Other Investments	21,422,435	-	-
Total investments	<u>199,459,304,199</u>	<u>677,731,353</u>	<u>-</u>
<u>Receivables:</u>			
Accounts receivable	13,755,800	79,606	94
Contributions receivable	468,426,031	61,981,456	-
Interest receivable	561,729,295	-	-
Dividends receivable	278,670,747	-	-
Pending investment sales	2,984,889,222	-	-
Pending spot fx trades receivable	214,309,708	-	-
Forward contracts receivable	-	-	-
Futures trade equity	3,182,455	-	-
Due from other funds	53,046,272	7,198,420	-
Due from other funds within division	3,195,426	9,700,549	-
Total receivables	<u>4,581,204,956</u>	<u>78,960,031</u>	<u>94</u>
Security lending collateral	251,217,625	-	-
Prepaid items	-	-	-
Furniture and equipment	1,099,483	-	-
Right-of-use lease	17,205,111	-	-
Accumulated depreciation	(3,441,337)	-	-
Total assets	<u>204,536,366,936</u>	<u>756,797,401</u>	<u>6,094</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pension liability	-	-	-
Deferred outflows related to other postemployment benefits liability	4,866,375	-	-
Total deferred outflows of resources	<u>4,866,375</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>			
Accounts payable	84,878,584	4,008	-
Benefits payable	1,680,966	18,337	-
Accrued DROP liability	190,614,686	-	-
Due to other funds	27,796,201	-	-
Due to other funds within division	9,700,549	-	-
Due to other departments	10,696,168	-	6,094
Accrued interest payable	9,483,915	-	-
Loans Payable	267,700,000	-	-
Obligations under security lending agreements	251,237,412	-	-
Pending investment purchases	4,683,449,708	-	-
Pending spot fx trades payable	214,651,152	-	-
Broker rebate fees	1,063,036	-	-
Short sell obligations - fixed income	49,777,694	-	-
Compensated absences liability	1,328,862	-	-
Net pension liability	-	-	-
Other postemployment benefits liability	12,214,349	-	-
Lease liability	14,853,899	-	-
Other liabilities	17,024,688	-	-
Total liabilities	<u>5,848,151,869</u>	<u>22,345</u>	<u>6,094</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pension liability	-	-	-
Deferred inflows related to other pension amounts	-	-	-
Deferred inflows related to other post employment benefits liability	7,495,408	-	-
Total deferred inflows of resources	<u>7,495,408</u>	<u>-</u>	<u>-</u>
<b>FIDUCIARY NET POSITION</b>			
Restricted for pensions	<u>\$ 198,685,586,034</u>	<u>\$ 756,775,056</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

Defined Contribution			
State University System Optional Retirement Program	Senior Management Service Optional Annuity Program		Total June 30, 2024
\$ -	\$ -		\$ 113,586,435
15,145,230	35,251		131,482,962
<u>15,145,230</u>	<u>35,251</u>		<u>245,069,397</u>
-	-		100,064,250
-	-		17,932,296,445
-	-		8,359,530,102
-	-		2,745,016,816
-	-		1,600,000,000
-	-		3,322,254,691
-	-		13,200,144,072
-	-		15,577,634,924
-	-		-
-	-		705,820,884
-	-		57,446,035,169
-	-		43,893,436,096
-	-		35,233,379,668
-	-		21,422,435
-	-		<u>200,137,035,552</u>
-	-		13,835,500
2,241,002	328		532,648,817
16,133	62		561,745,490
-	-		278,670,747
-	-		2,984,889,222
-	-		214,309,708
-	-		-
-	-		3,182,455
3,813	-		60,248,505
-	-		12,895,975
<u>2,260,948</u>	<u>390</u>		<u>4,662,426,419</u>
-	-		251,217,625
-	-		-
-	-		1,099,483
355,089	-		17,560,200
(55,982)	-		(3,497,319)
<u>17,705,285</u>	<u>35,641</u>		<u>205,310,911,357</u>
68,922	-		68,922
148,090	-		5,014,465
<u>217,012</u>	<u>-</u>		<u>5,083,387</u>
6,829,029	3,848		91,715,469
-	-		1,699,303
-	-		190,614,686
-	-		27,796,201
3,185,505	9,921		12,895,975
539	2		10,702,803
-	-		9,483,915
-	-		267,700,000
-	-		251,237,412
-	-		4,683,449,708
-	-		214,651,152
-	-		1,063,036
-	-		49,777,694
11,792	-		1,340,654
218,068	-		218,068
178,965	-		12,393,314
307,636	-		15,161,535
-	-		17,024,688
<u>10,731,534</u>	<u>13,771</u>		<u>5,858,925,613</u>
12,156	-		12,156
-	-		-
191,896	-		7,687,304
<u>204,052</u>	<u>-</u>		<u>7,699,460</u>
\$ 6,986,711	\$ 21,870		\$ 199,449,369,671

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Fiscal Year Ended of June 30, 2024

	Defined Benefit		
	Florida Retirement System	Retiree Health Insurance Subsidy	National Guard
<b>ADDITIONS</b>			
<u>Contributions and other deposits</u>			
Pension contributions - employer	\$ 5,662,633,286	\$ 846,629,519	\$ -
Pension contributions - employee	803,559,235	261,486	-
Purchase of time by employees	4,905,829	-	-
General revenue	1,157,828	-	15,956,154
Other income	4,906,565	279,210	-
Forfeiture of employee benefit	-	-	-
Total contributions and other deposits	6,477,162,743	847,170,215	15,956,154
<u>Transfers</u>			
Other funds within division	-	-	-
Other funds - FRS investment plan	81,756,252	-	-
Other departments	-	-	-
Total transfers	81,756,252	-	-
Total contributions and transfers	6,558,918,995	847,170,215	15,956,154
<u>Investment income</u>			
Net appreciation (depreciation) in fair value	13,462,665,417	-	-
Interest income	1,380,794,764	36,977,529	-
Dividends	1,764,063,350	-	-
Real estate operating income, net	654,549,476	-	-
Other investment income	2,369,295,905	38	-
Total investment income (loss)	19,631,368,912	36,977,567	-
Investment activity expense	(765,468,034)	(363)	-
Net income (loss) from investing activity	18,865,900,878	36,977,204	-
<u>Security lending activity</u>			
Security lending income	47,695,409	-	-
Security lending expense	(23,998,799)	-	-
Net income from security lending	23,696,610	-	-
Total net investment income (loss)	18,889,597,488	36,977,204	-
Total additions	25,448,516,483	884,147,419	15,956,154
<b>DEDUCTIONS</b>			
Benefit payments	12,358,262,025	808,986,679	-
Benefit payments - general revenue funded	1,157,828	-	15,941,460
Refund of contributions	41,496,720	-	-
Transfers to other departments	-	-	6,094
Transfers to FRS investment plan	690,364,553	-	-
Payments to annuity companies	-	-	-
Administrative expense	29,015,291	200,620	8,600
Total deductions	13,120,296,417	809,187,299	15,956,154
Change in fiduciary net position	12,328,220,066	74,960,120	-
Fiduciary net position - beginning	186,357,365,968	681,814,936	-
Fiduciary net position - ending	\$ 198,685,586,034	\$ 756,775,056	\$ -

The notes to the financial statements are an integral part of this statement.

Defined Contribution		
State University System Optional Retirement Program	Senior Management Service Optional Annuity Program	Total June 30, 2024
\$ 110,855,231	\$ 43,881	\$ 6,620,161,917
114,279,633	22,073	918,122,427
-	-	4,905,829
-	-	17,113,982
218,408	8	5,404,191
-	-	-
<u>225,353,272</u>	<u>65,962</u>	<u>7,565,708,346</u>
-	-	-
-	-	81,756,252
-	-	-
-	-	81,756,252
<u>225,353,272</u>	<u>65,962</u>	<u>7,647,464,598</u>
838,815	2,387	13,463,506,619
220,357	620	1,417,993,270
-	-	1,764,063,350
-	-	654,549,476
-	-	2,369,295,943
<u>1,059,172</u>	<u>3,007</u>	<u>19,669,408,658</u>
(8,800)	(23)	(765,477,220)
<u>1,050,372</u>	<u>2,984</u>	<u>18,903,931,438</u>
-	-	47,695,409
-	-	(23,998,799)
-	-	23,696,610
1,050,372	2,984	18,927,628,048
<u>226,403,644</u>	<u>68,946</u>	<u>26,575,092,646</u>
-	-	13,167,248,704
-	-	17,099,288
-	-	41,496,720
-	-	6,094
-	-	690,364,553
233,160,770	72,195	233,232,965
385,539	-	29,610,050
<u>233,546,309</u>	<u>72,195</u>	<u>14,179,058,374</u>
(7,142,665)	(3,249)	12,396,034,272
<u>14,129,376</u>	<u>25,119</u>	<u>187,053,335,399</u>
<u>\$ 6,986,711</u>	<u>\$ 21,870</u>	<u>\$ 199,449,369,671</u>

**GOVERNMENTAL FUND BALANCE SHEET /  
STATEMENT OF NET POSITION**

As of June 30, 2024

Police and Firefighters' Premium Tax Trust Fund			
	Special Revenue Fund	Reconciliation Adjustments (Note 2E)	Statement of Net Position
<b>ASSETS</b>			
State treasury investment pool	\$ 22,710	\$ -	\$ 22,710
Investments	433,641,693	-	433,641,693
Interest receivable	-	-	-
Due from other funds within division	-	-	-
Due from other departments	16,230,432	-	16,230,432
Right-of-use leased asset	-	710,177	710,177
Amortization, right-of-use leased asset	-	(111,965)	(111,965)
Total assets	449,894,835	598,212	450,493,047
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to other postemployment benefits	-	180,771	180,771
Total deferred outflows of resources	-	180,771	180,771
<b>LIABILITIES AND FUND BALANCE</b>			
<u>Current liabilities</u>			
Accounts payable	32,192	-	32,192
Due to other funds	-	-	-
Due to other departments	29,587,535	-	29,587,535
Due to other governmental units	146,331,617	-	146,331,617
Due to general revenue	20,064,180	-	20,064,180
Compensated absences liability	37,392	-	37,392
Lease liability	5,568	28,162	33,730
Other postemployment benefits liability	10,863	-	10,863
Total current liabilities	196,069,347	28,162	196,097,509
<u>Noncurrent liabilities</u>			
Other postemployment benefits liability	-	406,721	406,721
Compensated absences liability	-	140,461	140,461
Lease liability	-	581,543	581,543
Total liabilities	196,069,347	1,156,887	197,226,234
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to other postemployment benefits	-	415,940	415,940
Total deferred inflows of resources	-	415,940	415,940
Fund balance - committed	253,825,488	(253,825,488)	-
Total liabilities and fund balance	\$ 449,894,835		
Net position - restricted		\$ 253,031,644	\$ 253,031,644

The notes to the financial statements are an integral part of this statement.



**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
GOVERNMENTAL FUND / STATEMENT OF ACTIVITIES**

For the Fiscal Year Ended June 30, 2024

	<b>Police and Firefighters' Premium Tax Trust Fund</b>		
	<b>Special Revenue Fund</b>	<b>Reconciliation Adjustments (Note 2E)</b>	<b>Statement of Activities</b>
<b>REVENUES</b>			
Premium taxes	\$ 324,230,432	\$ -	\$ 324,230,432
Investment earnings	13,516,600	-	13,516,600
General revenue	2	-	2
Refunds	-	-	-
<b>Total revenues</b>	<b>337,747,034</b>	<b>-</b>	<b>337,747,034</b>
<b>EXPENDITURES / EXPENSES</b>			
Distribution to cities	326,067,777	-	326,067,777
Administrative expense	901,502	(43,008)	858,494
<b>Total expenditures / expenses</b>	<b>326,969,279</b>	<b>(43,008)</b>	<b>326,926,271</b>
Revenues over (under) expenditures	10,777,755		10,820,763
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in from other funds within division	-	-	-
Operating transfers out to other funds	(69,426,499)	-	(69,426,499)
Revenues and transfers in over expenditures and transfers out	(58,648,744)	58,648,744	-
Change in net position	-	(58,605,736)	(58,605,736)
Fund balance / net position - beginning	312,474,232	(836,852)	311,637,380
Fund balance / net position - ending	<u>\$ 253,825,488</u>	<u>\$ (793,844)</u>	<u>\$ 253,031,644</u>

*The notes to the financial statements are an integral part of this statement.*

**Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2024**

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## NOTE 1 – PLAN DESCRIPTION

### A. Reporting Entity

The Florida Retirement System Pension Plan and Other State-Administered Systems (System) are administered by the Florida Department of Management Services, Division of Retirement (division), and are part of the primary government of the State of Florida. The division administers three defined benefit plans and two defined contribution plans which are fiduciary activities, as well as a supplemental funding of defined benefit plans for municipal police officers and firefighters which is a special revenue activity, and various general revenue funded pension programs. These state-administered retirement systems are included in the department's Annual Comprehensive Financial Report (ACFR) and in the State of Florida's ACFR as part of the primary government. The department's financial statements do not include the pension liabilities of the participating employers. The financial statements present only the Florida Retirement System Pension Plan and other State-Administered Systems and do not purport to, and do not, present fairly the financial position of the State of Florida as of June 30, 2024, or the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### B. Defined Benefit Plans

#### 1. The Florida Retirement System Pension Plan

##### Organization

The Florida Retirement System (FRS) Pension Plan was created in Chapter 121, Florida Statutes, effective Dec. 1, 1970, by consolidating and closing these existing plans to new members: the Teachers' Retirement System (Chapter 238, Florida Statutes), the State and County Officers and Employees' Retirement System (Chapter 122, Florida Statutes), and the Highway Patrol Pension Trust Fund (Chapter 321, Florida Statutes). In 1972, the Judicial Retirement System (Chapter 123, Florida Statutes) was closed and consolidated into the FRS. The FRS is a qualified retirement plan under section 401(a), Internal Revenue Code, created to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution plan is the FRS Investment Plan, which is administered by the State Board of Administration. Effective July 1, 2007, the Institute of Food and Agricultural Sciences (IFAS) Supplemental Retirement Program, established under section 121.40, Florida Statutes, was consolidated under the Florida Retirement System Pension Plan as a closed retirement plan. Participation in the IFAS Supplemental Retirement Program does not constitute membership in the FRS.

Chapter 121, Florida Statutes, also provides for nonintegrated, optional retirement programs in lieu of the FRS to certain members of the Senior Management Service Class (SMSC) employed by the state, state elected officials who chose SMSC membership in lieu of Elected Officers' Class membership, and faculty and other specified positions in the State University System and Florida College System institutions. Provisions relating to the FRS are also contained in Chapter 112, Florida Statutes.

##### Covered Members and Classes

FRS membership is compulsory for employees filling a regularly established position in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under section 121.053 or section 121.122, Florida Statutes, or allowed to participate in a non-integrated defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools, and metropolitan planning organizations, although optional, is generally irrevocable after election to participate is made. Retirees initially reemployed in regularly established positions on or after July 1, 2010, through June 30, 2017, may not participate in the FRS. Effective July 1, 2017, retirees of specified defined contribution plans<sup>1</sup> employed in a regularly established position are eligible to be enrolled as renewed members of the defined contribution plan<sup>2</sup> covering the position held except the Senior Management Service Optional Annuity Program that is closed to new members. FRS Pension Plan retirees remain ineligible for renewed membership. Members hired into certain positions may be eligible to withdraw from the FRS altogether or elect to participate in the non-integrated optional retirement programs in lieu of the FRS except faculty of a medical college in a state university who must participate in the State University System Optional Retirement Program.

<sup>1</sup> Retirees of the following defined contribution plans are eligible to be enrolled as a renewed member if employed in a regularly established position on or after July 1, 2017: the State University System Optional Retirement Program (SUSORP), the State Community College System Optional Retirement Program (SCCSORP), the FRS Investment Plan, and the Senior Management Service Optional Annuity Program (SMSOAP).

<sup>2</sup> Defined contribution Plan retirees initially enrolled on or after July 1, 2017, may be enrolled in the SUSORP, SCCSORP, or the FRS Investment Plan depending upon the retirement plan covering the position held. The SMSOAP was closed to new members effective July 1, 2017. Participation in the Investment Plan includes membership in the Special Risk Class for these renewed members.

The FRS has five classes of membership, as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions in state and local governments who fill compulsory and designated positions participate in the Senior Management Service Class (SMSC). Members of the EOC may also elect to participate in the SMSC in lieu of the EOC.
- *Special Risk Class* – Members who are employed as law enforcement officers, firefighters, firefighter trainers, fire prevention officers, state fixed-wing pilots for aerial firefighting surveillance, correctional officers, emergency medical technicians, paramedics, community-based correctional probation officers, youth custody officers (from July 1, 2001, through June 30, 2014), certain health-care related positions within state forensic or correctional facilities, or specified forensic employees of a medical examiner's office or a law enforcement agency, and meet the criteria to qualify for this class.
- *Special Risk Administrative Support Class* – Former Special Risk Class members who are transferred or reassigned to nonspecial risk law enforcement, firefighting, emergency medical care, or correctional administrative support positions within an FRS special risk-employing agency.
- *Elected Officers' Class (EOC)* – Members who are elected state and county officers and the elected officers of cities and special districts that choose to place their elected officials in this class.

### **Vesting**

Beginning July 1, 2001, through June 30, 2011, the FRS Pension Plan provided for vesting of benefits after six years of creditable service for members working on or after July 1, 2001, and initially enrolled before July 1, 2011. Members not actively working in a position covered by the FRS on July 1, 2001, must return to covered employment for up to one work year to be eligible to vest with less service than was required under the law in effect before July 1, 2001. Members initially enrolled on or after July 1, 2011, vest after eight years of creditable service. Early retirement may be taken any time after vesting within 20 years of normal retirement age; however, there is a 5 percent benefit reduction for each year prior to the normal retirement age. Vested members are eligible for normal retirement when they have met the requirements listed below.

- *Regular Class, Senior Management Service Class, and Elected Officers' Class Members* – For members initially enrolled in the FRS before July 1, 2011, six or more years of creditable service and age 62, or the age after completing six years of creditable service if after age 62. Thirty years of creditable service regardless of age before age 62.

For members initially enrolled in the FRS on or after July 1, 2011, eight or more years of creditable service and age 65, or the age after completing eight years of creditable service if after age 65. Thirty-three years of creditable service regardless of age before age 65.

- *Special Risk Class and Special Risk Administrative Support Class Members* – For members initially enrolled in the FRS before July 1, 2011, six or more years of Special Risk Class service and age 55, or the age after completing six years of Special Risk Class service if after age 55. Twenty-five years of special risk service regardless of age before age 55. A total of 25 years of service including special risk service and up to four years of active-duty wartime service and age 52. Without six years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class.

For members initially enrolled in the FRS on or after July 1, 2011, eight or more years of Special Risk Class service and age 55, or the age after completing eight years of Special Risk Class service if after age 55. Twenty-five years of special risk service regardless of age before age 55. Without eight years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class.

### **Significant Plan Provisions**

The Florida Legislature establishes and amends the contribution requirements and benefit terms of the FRS Pension Plan. Benefits are computed based on age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' 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:

## Florida Retirement System

% Value  
(per year of service)

### Regular Class members initially enrolled before July 1, 2011

Retirement up to age 62 or up to 30 years of service .....	1.60%
Retirement at age 63 or with 31 years of service .....	1.63%
Retirement at age 64 or with 32 years of service .....	1.65%
Retirement at age 65 or with 33 or more years of service.....	1.68%

### Regular Class members initially enrolled on or after July 1, 2011

Retirement up to age 65 or up to 33 years of service .....	1.60%
Retirement at age 66 or with 34 years of service .....	1.63%
Retirement at age 67 or with 35 years of service .....	1.65%
Retirement at age 68 or with 36 or more years of service.....	1.68%

### Special Risk Class

Service from Dec. 1, 1970 through Sept. 30, 1974 .....	2.00%
Service on and after Oct. 1, 1974 .....	3.00%

### Special Risk Administrative Support Class members initially enrolled before July 1, 2011

(With six or more years of special risk service, the service in this class counts towards special risk normal retirement; otherwise, Regular Class requirements apply.)

Retirement up to age 55; or up to 25 total years special risk service; or at age 52 with 25 years (if total service includes wartime 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 wartime 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 wartime 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 wartime military service) .....	1.68%

### Special Risk Administrative Support Class members initially enrolled on or after July 1, 2011

(With eight or more years of special risk service, the service in this class counts towards special risk normal retirement; otherwise, Regular Class requirements apply.)

Retirement up to age 60; or up to 30 total years special risk service .....	1.60%
Retirement at age 61; or with 31 total years special risk service .....	1.63%
Retirement at age 62; or with 32 total years special risk service .....	1.65%
Retirement at age 63; or with 33 total years special risk 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.
- Step 3. Multiply the figures obtained in Steps 1 and 2 to determine the annual normal retirement benefit. (If the member elects to retire early, the benefit is reduced by 5 percent for each year remaining before the member would reach normal retirement age. The benefit is reduced if the member elects to provide a continuing benefit to an eligible surviving beneficiary.)

Members must select one of the 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 ten years after retiring, the beneficiary will receive the benefit for the remainder of the ten-year (120-month) period from the member's retirement date or DROP begin date. No survivor benefits are paid if the member dies ten or more years after the effective retirement date.

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 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 Option 1 benefit, but only until age 25, or, if disabled, until no longer disabled.

Option 4 — Member receives a benefit for life based on the age of the member and the joint annuitant at retirement while both are living. 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 Option 1 benefit, but only until age 25, or, if disabled, until no longer disabled.

Members must terminate all employment relationships with and cease providing services to all FRS employers for the first six calendar months after their DROP termination date or their non-DROP effective retirement dates to complete their retirement process, in addition to meeting all other requirements to receive monthly benefits payable under the FRS Pension Plan. FRS members employed by an agency that withdrew from the FRS effective January 1, 1996, for new employees, must remain unemployed by that agency and all other FRS employers to satisfy the termination requirement during the first six calendar months after the service retirement or DROP termination date.

## **DROP**

FRS Pension Plan members in a regularly established position can elect to participate in DROP for a period not to exceed a maximum of 96 calendar months. The election to participate in the DROP can be made at any time after the member first reaches their normal retirement date by age or service. This provision replaces the previous individual eligibility windows. The DROP allows a member to retire while continuing employment. While in the DROP, the member's retirement benefits accumulate in the FRS Trust Fund increased by a cost-of-living adjustment (COLA) each July, if eligible, and earn monthly interest equivalent to an annual rate of 4.00 percent on the preceding month's DROP accumulation until DROP participation ends. Upon employment termination, the DROP account is paid out as a lump sum payment, a rollover, or a combination partial lump sum payment and rollover. Monthly benefits are paid to the member in the amount calculated upon entry into the DROP, including any applicable COLA for intervening years.

Certain K-12 employees may be granted an extension of DROP participation as follows:

- K-12 instructional personnel employed with a district school board, the Florida School for the Deaf and the Blind or a developmental research school of a state university may be allowed to extend their DROP participation for up to an additional 24 months beyond their initial 96 month DROP participation period. To qualify for the extension, the DROP participant must receive authorization from the employer and be approved by the division. If authorized to extend DROP participation, a participant must remain employed in an eligible position during the period of DROP extension. Instructional personnel whose DROP participation is extended must have a termination date that coincides with the end of the school year but cannot exceed 24 months of extended participation. This DROP extension provision will expire June 30, 2029.
- Administrative personnel in grades K-12 as defined in section 1012.01(3), Florida Statutes, whose DROP participation ends during a school year may be granted extended DROP participation through the end of the school year.

In most cases, after a maximum of 96 calendar months in the DROP, participants must satisfy the termination requirement by terminating all employment relationships with, and cease providing services to all FRS employers during the first six calendar months after the DROP termination date. See below for the exception to terminating employment at the end of DROP participation:

- Effective July 1, 2002, a DROP participant who holds an elective office may end DROP participation and postpone compliance with the termination requirement until no longer holding the elective office (including consecutive held terms of office). For the period between the end of DROP participation and employment termination, no retirement credit is earned, no interest is earned, and the member's DROP accumulation accrues no additional monthly benefits<sup>3</sup>.

<sup>3</sup> Elected officials who began DROP participation before July 1, 2010, and continue to hold consecutive terms of office may continue to earn interest on the accumulated DROP benefits.

As of June 30, 2024, the FRS Trust Fund held \$3,274,890,005 in accumulated benefits for 31,213<sup>4</sup> DROP participants. Of this total, 29,946<sup>5</sup> were active in the DROP with balances totaling \$3,084,275,319. The remaining participants were no longer active in the DROP and had balances totaling \$190,614,686 processed for payment after June 30, 2024.

### **Disability and Survivor Benefits**

There are two types of disability retirement available under the FRS: In-line-of-duty disability retirement and regular disability retirement. To qualify for either type of disability retirement, members must be totally and permanently disabled to the extent that they are unable to work in any job for any employer. In-line-of-duty disability benefits are available to members from their first day of employment. The minimum Option 1 benefit for in-line-of-duty disability retirement is 42 percent of their average final compensation for all members except those in the Special Risk Class, who receive a minimum Option 1 in-line-of-duty disability benefit of 65 percent of their average final compensation. To be eligible for regular disability retirement, members must complete eight years of creditable service. The minimum Option 1 benefit under regular disability retirement is 25 percent of their average final compensation. If a disabled member's service benefit would be higher than the minimum disability benefit, the member may elect to receive the higher benefit.

If an active member in any class but the Special Risk Class dies in the line of duty, the spouse will receive a lifetime monthly benefit equal to one-half of the member's monthly salary at death. If the spouse dies, the benefit will continue to be paid on behalf of the member's dependent children until the youngest child reaches age 18 or is married, if earlier. If a member of the Special Risk Class dies in the line of duty, the spouse will receive a lifetime monthly benefit equal to 100 percent of the member's monthly salary at death. If the spouse dies, the benefit will be paid on behalf of the member's dependent children until the youngest reaches age 18 but payment may be extended until the youngest child reaches age 25 if unmarried and a full-time student.

If an active member dies before becoming vested and the 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 one 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, a lifetime monthly benefit calculated as though the member had retired on the month following 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, the joint annuitant will receive the member's Option 1 benefit 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, if the member's termination of employment was due to death.

### **Cost of Living Adjustment (COLA)**

The COLA for retirements or DROP participation effective before August 1, 2011, is 3 percent per year. The COLA formula for retirees with an effective retirement date or DROP begin date on or after August 1, 2011, will be the sum of the pre-July 2011 service credit divided by the total service credit at retirement multiplied by 3 percent. Each Pension Plan member with an effective retirement date of August 1, 2011, or after will have an individual COLA factor for retirement. FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a COLA after retirement.

The benefits received by retirees and beneficiaries who are eligible for a COLA are increased by a COLA each July based on their June benefit amount (excluding the Retiree Health Insurance Subsidy benefit). For retirees who have been retired for less than 12 months on July 1, the first COLA increase is prorated. The COLA applies to 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 the DROP, disability retirement benefits, and survivor benefits).

### **Termination Requirement**

Retired members must satisfy the termination requirement to be eligible to receive retirement benefits. Members must terminate all employment relationships with and cease providing services to all FRS employers, during the first six calendar months from the retirement effective date or following the DROP termination date, regardless of whether the employment is covered for retirement. An employment relationship with an FRS employer in any capacity during this six-calendar month period may void the retirement and the retired member and the FRS employer may be held jointly and severally liable for repayment of benefits, including a DROP payout, if termination is violated. Any retired FRS member who does not satisfy the termination requirement is not considered to have retired. His or her active membership will be reinstated and all benefits received must be repaid. If a member retires from an FRS employer that withdrew for new

<sup>4</sup> Includes retirees with a DROP payment pending.

<sup>5</sup> Includes elected officials with a deferred employment termination date that is after June 30, 2024.

employees effective January 1, 1996, the member must remain unemployed by the withdrawn employer to meet the definition of termination in order to finalize the retirement.

After retirement or the DROP termination date, retired FRS members may be employed by any private employer or any public employer not participating in the FRS without affecting their FRS benefits provided the retiree is not providing services to an FRS employer. However, beginning with the 7th calendar month from the retirement effective date or following the DROP termination date, there are no restrictions on working for an FRS employer.

### **Renewed Membership**

FRS retirees who are initially reemployed in regularly established positions no later than June 30, 2010, have renewed membership in the Regular Class, the SMSC, or the EOC and earn credit toward a second-career benefit based on requirements for their class of membership. Having a break in service or not being employed on July 1, 2010, does not change a renewed member's status. Once retirees have established renewed membership in the system, they will have the same opportunities to elect to participate in alternative defined contribution retirement programs instead of the FRS and choose between the FRS Pension Plan or the FRS Investment Plan as do similarly situated newly hired members of that membership class until they retire. Renewed members are subject to the same vesting requirements and other limitations as apply to other active members. However, these renewed members are not eligible to participate in the Special Risk Class, retire through DROP participation, or retire under disability retirement provisions.

Retirees of the FRS Investment Plan, the State University System Optional Retirement Program (SUSORP), the State Community College System Optional Retirement Program (SCCSORP), and the Senior Management Service Optional Retirement Program are not eligible for renewed membership from July 1, 2010, through June 30, 2017. Retirees of these defined contribution plans who are employed in a regularly established position on or after July 1, 2017, will be enrolled as renewed members of the FRS Investment Plan, the SUSORP or the SCCSORP depending upon the plan covering the position. Renewed members initially enrolled in the FRS Investment Plan on or after July 1, 2017, are able to be Special Risk Class members if employed in positions covered by this class and they meet the criteria to qualify for the class. The SMSOAP was closed to new membership effective July 1, 2017.

FRS Pension Plan retirees who are initially reemployed on or after July 1, 2010, are not eligible for renewed membership.

### **Appeals Procedure and Forfeiture Of Benefits**

Whenever the division makes a decision that will reduce, suspend or terminate a member's retirement benefits, the member may petition the Department of Management Services (department) in writing for a formal or informal hearing. Rule 28-106.201, Florida Administrative Code, outlines the requirements for filing a petition for a formal hearing. If this request is granted, the matter will be referred to the Division of Administrative Hearings with a request that an administrative law judge be assigned to conduct the hearing. Rule 28-106.301, Florida Administrative Code, outlines the requirements for filing a petition for an informal hearing, and an impartial hearing officer will be appointed by the department to preside over the proceedings. If the outcome of the hearing is not in the member's favor, the member will be informed of the time period during which the member can appeal the decision to the District Court of Appeal.

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, Florida Statutes, (bribery and misuse of public office), except sections 838.15 and 838.16, Florida Statutes, (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 the member's position; or
- Committing an impeachable offense (applies to elected officials only); or
- Committing of certain felony offenses against a minor through the use or attempted use of rights, privileges, duties, or position of public employment or office.

In addition to the aforementioned crimes, 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 section 112.3173, Florida Statutes, and Article II, section 8, of the Florida Constitution for more information.)

Retirement benefits and accumulated contributions accrued under the FRS 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 section 61.1301, Florida Statutes), and federal income tax levies.

**Plan Administration:**

The FRS is a cost-sharing multiple-employer public-employee retirement system with two primary plans and approximately 1,000 participating employers. The Department of Management Services, Division of Retirement administers the FRS Pension Plan. The State Board of Administration invests the assets of the Pension Plan held in the FRS Trust Fund. Costs of administering the FRS Pension Plan are funded through earnings on investments of the FRS Trust Fund. Reporting of the FRS is on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when the obligation is incurred.

Section 121.031(3), Florida Statutes, requires an annual actuarial valuation of the FRS Pension Plan, which is provided to the Legislature as guidance for funding decisions. Employer and employee contribution rates are established in section 121.71, Florida Statutes. All FRS employers must comply with statutory contribution requirements. Employer contribution rates under the uniform rate structure (a blending of both the FRS Pension Plan and Investment Plan rates) are recommended by the actuary but set by the Legislature. Section 112.64(4), Florida Statutes, requires that any unfunded actuarial liability (UAL) be amortized within 30 plan years. All bases are amortized for 20 plan years as first adopted by the 2021 FRS Assumption Conference as required by section 216.136(10), Florida Statutes. Pursuant to section 121.031(3)(f), Florida Statutes, any surplus actuarial assets available to offset total retirement system costs are to be amortized over a 10-year rolling period on a level-dollar basis. All pre-existing UAL bases were recalculated as of July 1, 2021, to be no more than a 20-year amortization as a level percent of projected future payroll. The balance of legally required reserves at June 30, 2024, was \$198,685,586,034. These funds were reserved to provide for total current and future benefits, refunds, and administration of the FRS Pension Plan.

**FRS Retirement Contribution Rates:**

Effective July 1, 2011, both employees and employers of the FRS are required to contribute to establish service credit for work performed in a regularly established position. Effective July 1, 2002, the Florida Legislature established a uniform contribution rate system for the FRS, covering both the Pension Plan and the Investment Plan. The uniform rates for Fiscal Year 2023-24 were as follows:

<b>Class</b>	<b>Employee Contribution Rate</b>	<b>Employer Contribution Rate<sup>1</sup></b>	<b>Total Contribution Rate</b>
Regular	3.00%	11.51%	14.51%
Special Risk	3.00%	30.61%	33.61%
Special Risk Administrative Support Elected Officers'	3.00%	37.76%	40.76%
Judges	3.00%	42.83%	45.83%
Governor, Lt. Governor, Cabinet, Legislators, State Elected County, City, and Special District Officials	3.00%	60.66%	63.66%
Senior Management Service	3.00%	56.62%	59.62%
Deferred Retirement Option Program	N/A	32.46%	35.46%
		19.13%	19.13%

<sup>1</sup> These rates include the normal cost and unfunded actuarial liability contributions but do not include the 2.00 percent contribution for the Retiree Health Insurance Subsidy and the assessment of 0.06 percent for administration of the FRS Investment Plan and retirement and financial planning for members of both plans.

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 for both their FRS and Health Insurance Subsidy benefits) or may leave these personal contributions in the system and keep all creditable service earned through the date of termination.

**FRS Membership:**

Member Types	Fiscal Year Ended June 30, 2024					
	Regular Class	SMSC	Special Risk	Special Risk Admin Supp.	EOC	Total
Active <sup>1</sup> :						
Non-vested	133,428	1,321	34,834	10	302	169,895
Vested	436,218	6,746	44,484	96	1,894	489,438
Current Retirees and Beneficiaries	404,931	6,360	45,280	161	2,696	459,428
DROP Participants	24,842	555	3,446	8	166	29,017
Vested Terminated <sup>2</sup>	108,821	1,880	6,022	16	403	117,142
<b>Total Members</b>	<b>1,108,240</b>	<b>16,862</b>	<b>134,066</b>	<b>291</b>	<b>5,461</b>	<b>1,264,920</b>

<sup>1</sup> Member counts include 230,666 active FRS Investment Plan members.  
<sup>2</sup> Member counts include 14,246 vested terminated FRS Investment Plan members.

The table below provides additional information for the FRS Pension Plan as of June 30 (in thousands where amounts are dollars):

	Fiscal Year Ended June 30		
	2024	2023	2022
Recipients	459,428	455,601	448,846
Contributions	\$ 6,471,098	\$ 5,599,506	\$ 5,036,410
Benefits paid <sup>1</sup>	\$ 12,399,758	\$ 12,287,995	\$ 11,973,325
Fiduciary net position <sup>2</sup>	\$ 198,685,586	\$ 186,357,365	\$ 180,226,405

<sup>1</sup> Includes refunds of member contributions.  
<sup>2</sup> Fiduciary net position for 2022 reflects restatement of beginning net position at July 1, 2021, due to implementation of GASB Statement No. 87, Leases.

**2. Retiree Health Insurance Subsidy Program**

The Retiree Health Insurance Subsidy (HIS) Program is a non-qualified, cost-sharing multiple-employer defined benefit pension plan established under section 112.363, Florida Statutes. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the HIS Program. The benefit is a monthly payment to assist eligible retirees and surviving beneficiaries of state-administered retirement systems in paying their health insurance costs. The Department of Management Services, Division of Retirement, is part of the primary government of the State of Florida that administers the HIS program. For the fiscal year ended June 30, 2024, retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$7.50. The payments are at least \$45 but not more than \$225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

The HIS Program is funded by required contributions from FRS employers as set by the Legislature. Employer contributions are a percentage of gross compensation for specified employees. For the fiscal year ended June 30, 2024, the contribution rate was 2.00 percent of payroll pursuant to section 112.363, Florida Statutes. HIS contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, the legislation may reduce or cancel HIS Payments.

Note 4 and the Actuarial Section of this report include actuarial and other information regarding the HIS Program. The table below provides additional information for the HIS as of June 30 (in thousands where amounts are dollars):

	Fiscal Year Ended June 30		
	2024	2023	2022
Recipients	418,210	415,827	409,837
Contributions	\$ 846,891	\$ 658,040	\$ 605,133
Benefits paid	\$ 808,987	\$ 534,547	\$ 524,004
Fiduciary net position	\$ 756,775	\$ 681,815	\$ 535,368

### 3. The Florida National Guard Supplemental Retirement Benefit (National Guard) Plan

The Florida National Guard Supplemental Retirement Benefit Plan is a single-employer, non-qualified defined benefit pension plan established under section 250.22, Florida Statutes, and is administered by the Florida Department of Management Services, Division of Retirement. The Florida Legislature establishes and amends the benefit terms of the plan, which provide a monthly benefit equal to the difference between 50 percent of the federal military pay table for the highest rank held while in the Florida National Guard and the reservist pension benefit received from the federal government for military service. The benefit amount is recalculated whenever the federal military pay table is increased or the federal benefit is increased by a cost-of-living adjustment. Florida National Guard retirees must have at least 30 years of Florida National Guard service. The benefit is payable for the lifetime of the retiree without a survivor benefit option. Normal retirement is at age 62 with early retirement available beginning at age 60. The Florida National Guard Supplemental Retirement Benefit Plan is funded by an annual appropriation from General Revenue by the Legislature. Any appropriated funds not obligated for benefit payments and expenses owed at June 30 each year revert to the General Revenue Fund.

Note 4 and the Actuarial Section of this report include actuarial and other information regarding the Florida National Guard Supplemental Retirement Benefit Plan. Information about active and terminated vested Florida National Guard personnel, federal benefits including cost-of-living adjustments and pay tables, and forecasts of National Guard personnel is provided by the Florida Department of Military Affairs. The table below provides additional information for the plan as of June 30 (in thousands where amounts are dollars):

	Fiscal Year Ended June 30		
	2024	2023	2022
Active Members			
Vested <sup>1</sup>	77	70	95
Non-Vested	12,090	12,247	12,127
Total Active	12,167	12,317	12,222
Terminated Vested <sup>1</sup>	460	505	470
Retirees	741	726	736
	Fiscal Year Ended June 30		
	2024	2023	2022
Benefits paid	\$ 15,941	\$ 15,424	\$ 15,580
Fiduciary net position	\$ -	\$ -	\$ -

<sup>1</sup> The change from active status to terminated vested status is a result of National Guard retention board conclusions on retaining personnel due to the reduction of deployments supporting overseas military operations.

## C. Defined Contribution Programs (Optional Retirement Programs)

### 1. State University System Optional Retirement Program (SUSORP)

The SUSORP is established under section 121.35, Florida Statutes, for eligible State University System faculty, administrators, and administrative and professional staff. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the SUSORP. This program is designed to aid universities in recruiting employees who may not remain in the FRS long enough to vest. The SUSORP is a defined contribution plan qualified under section 403(b), Internal Revenue Code, that upon signing an investment contract provides full and immediate vesting of all contributions paid on behalf of the members to the participating provider companies. The SUSORP member directs the investment of contributions to provide retirement and death benefits. Employees in eligible positions are compulsory SUSORP members unless they elect FRS membership. Faculty in a college of medicine with a faculty practice plan are mandatory SUSORP members and cannot elect FRS membership.

The employing universities were statutorily required to contribute 5.15 percent of the members' gross monthly compensation<sup>6</sup> from July 2023 through June 2024. In accordance with section 121.35, Florida Statutes, 0.01 percent of the employer contribution rate is an assessment used for the administration of the SUSORP and 5.14 percent was transferred to the provider companies designated by the member. SUSORP members are not eligible to receive HIS payments. Effective July 1, 2011, there is a required employee contribution of 3 percent. A member may voluntarily contribute by salary reduction an amount not to exceed the percentage contributed to the member's account by the employer net of the administrative assessment.

When applicable, the employer is also required to contribute the unfunded actuarial liability (UAL) contribution for the Regular Class on the salaries of SUSORP members which is transferred to the FRS Trust Fund to help amortize any UAL. The required UAL contribution rate for the fiscal year 2023-24 was 4.78 percent. Additional information pertaining to the SUSORP is as follows:

<b>Members</b>	<b>19,620</b>
<b>Payroll</b>	<b>\$ 2,212,869,418</b>
<b>Contributions:</b>	
<b>Employee</b>	<b>\$ 114,279,633</b>
<b>Employer</b>	<b>\$ 110,855,231</b>

<sup>6</sup> Employees who reach maximum compensation limits, employer contributions will be zero.

## 2. Senior Management Service Optional Annuity Program (SMSOAP)

The SMSOAP is established under section 121.055, Florida Statutes, offering an optional retirement program alternative for state members of the Senior Management Service Class (SMSC). Employees in eligible state positions may make an irrevocable election to participate in the SMSOAP while employed in a position eligible for SMSOAP in lieu of the SMSC. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the Program. The SMSOAP is a defined contribution plan qualified under section 401(a), Internal Revenue Code that upon signing an investment contract, provides full and immediate vesting of all contributions paid on behalf of the members to the participating provider companies. SMSOAP members direct the investment of contributions to provide retirement and death benefits. Employers were required to contribute 6.27 percent of covered payroll from July 2023 through June 2024. The employers' contributions were transferred to the provider companies designated by the member. SMSOAP members are not eligible to receive HIS payments from the HIS Trust Fund. There is an HIS component included in the employer's contribution deposited to the members' accounts. Effective July 1, 2011, there is a mandatory employee contribution of 3 percent. A member may contribute by salary deduction an amount not to exceed the percentage contributed by the employer to the member's account. Effective July 1, 2017, SMSOAP is closed to new members, however a non-retired member enrolled in SMSOAP prior to July 1, 2017, retains their membership and, before retirement, may continue to participate when employed in an SMSOAP covered position.

When applicable, the employer is also required to contribute the unfunded actuarial liability (UAL) contribution for the SMSC on the salaries of SMSOAP members which is transferred to the FRS Trust Fund to help amortize the UAL. The required UAL contribution rate for fiscal year 2023-24 was 23.90 percent. Additional information pertaining to the SMSOAP is as follows:

<b>Members</b>		<b>4</b>
<b>Payroll</b>	<b>\$</b>	<b>699,862</b>
<b>Contributions:</b>		
<b>Employee</b>	<b>\$</b>	<b>22,073</b>
<b>Employer</b>	<b>\$</b>	<b>43,881</b>

## D. Social Security Coverage

The Division of Retirement is responsible for administering the Social Security coverage for public employers in Florida. Public employees are provided Social Security coverage through a federal-state agreement with various modifications applicable to specific employers in political subdivisions. As of June 30, 2024, there were 669 modifications to the initial 1951 agreement. Existing modifications provide Social Security coverage for state, county, and district school board employees and employees of a number of cities, charter schools, and special districts. Public employers must provide Social Security coverage for their employees who participate in the FRS Pension Plan and Investment Plan, SUSORP, SMSOAP, and the existing defined benefit plans grandfathered under the FRS except for members of the Teachers' Retirement System or the IFAS Supplemental Retirement Program.

For the 2024 calendar year, the combined Social Security contribution rate for employees and employers totaled 15.30 percent (12.40 percent for Old Age, Survivors, and Disability Insurance and 2.90 percent for Medicare). The maximum taxable wage base on which Old Age, Survivors, and Disability Insurance contributions increased to \$168,600. There is no limitation on Medicare wages.

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A. Measurement Focus and Basis of Accounting

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles as prescribed by GASB. The fiduciary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Member contributions are recognized in the period of time for which the contributions are assessed. Employer contributions are recognized when due in the period in which employee services are performed and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, while expenses are recorded when a liability is incurred, regardless of the timing of cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as they become susceptible to accrual, generally when they are both measurable and available. Revenues collected within 60 days of the end of the current fiscal year are considered available. Liabilities due within 60 days of the end of the current fiscal year are expected to be liquidated with current financial resources. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

### B. Basis of Presentation

**Defined Benefit and Defined Contribution Trust Funds** - fiduciary funds used to report resources that are required to be held in trust for the members and beneficiaries of the state's pension plan, retiree health insurance subsidy program, national guard supplemental retirement benefit plan (defined benefit plans) and optional retirement plans (defined contribution plans).

**Police and Firefighters' Premium Tax Trust Fund** - a governmental special revenue fund that accounts for excise taxes assessed on insurance premiums. The premiums are used to supplement the funding of municipal police and firefighters' pension plans and relief funds.

### C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance

#### Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and short-term investments with an original maturity date within ninety days of the acquisition date. State Treasury cash management pool is included as cash equivalents. Details of deposits are included in Note 3. A.

#### Investments

The Plan is authorized through various state laws to invest in various security instruments. The Plan reports investments in accordance with GASB Codification Section 150, *Investments*.

Investments with the State Treasury are reported at fair value which is obtained from independent pricing service providers. Independent pricing service providers use quoted market prices when available and employ various, sometimes proprietary, multifactor models for determining a security's fair value if it is not available from quoted market prices. Some securities, including U.S. government, municipal bonds, and mortgage-backed and asset-backed securities, are priced using evaluated bid prices. Evaluated bid prices are determined by taking bid prices and adjusting them by an evaluated adjustment factor derived from the independent pricing service's multifactor model. If values are not available using the above methods, secondary methods such as non-evaluated

mid-price and bid price are used. If no source of values is available, cost or last available price from any source is used or other pricing methodology as directed by the State Treasury.

The State Board of Administration (SBA) has statutory responsibility for custody and investment of pension plan assets. Section 215.47, Florida Statutes, gives the SBA the authority to invest in a range of instruments, including security lending agreements. Investments are reported in accordance with GASB reporting standards. Realized and unrealized gains and losses are reflected in the Statement of Changes in Fiduciary Net Position as "Net appreciation in fair value."

The fair values of the Plans' assets are obtained or estimated in accordance with the Global Pricing Guidelines established with the SBA's custodian bank, BNY Mellon. BNY Mellon uses a variety of independent pricing sources and designates certain vendors as the primary source based on asset type, class or issue. BNY Mellon monitors pricing information supplied by these primary sources and may use a supplemental pricing source or change the primary pricing source if any of the following occurs:

- The price of a security is not received from the primary pricing source.
- The primary pricing source no longer provides prices for a particular asset type, class or issue.
- The SBA or its portfolio investment manager challenges a price and BNY Mellon reviews the price with the vendor, who agrees that the price provided by that vendor may not be appropriate.
- The price from the primary source exceeds price tolerance checkpoints and results in a vendor comparison review where another source is deemed to be more appropriate by BNY Mellon.

When a portfolio includes securities or instruments for which the custodian bank does not receive fair value information from its vendor pricing source, the custodian bank uses a "non-vendor pricing source." Examples include, but are not limited to, limited partnerships or similar private investment vehicles that do not actively trade through established exchange mechanisms; other private placements where there is limited or no information in the marketplace; and unique fixed income and equity instruments. The SBA does not provide direction regarding the substitution of prices in instances where securities or instruments are in the portfolio of an investment manager appointed by the SBA. In cases where the SBA directed the purchase of securities or instruments, BNY Mellon may obtain the non-vendor prices by contacting the SBA only if it is not commercially reasonable to directly obtain the non-vendor price information from the broker of record, as identified by the SBA.

For private market investments, where no readily ascertainable market value exists (including limited partnerships, hedge funds, direct-owned real estate, and real estate pooled funds), fair values for the individual investments are based on the net asset value (NAV), which equates to the capital account balance, at the closest available reporting period, as communicated by the general partner and/or investment manager, adjusted for subsequent contributions and distributions. The valuation techniques vary based upon investment type and involve a certain degree of judgment. The most significant input into the NAV of an entity is the value of its investment holdings. The NAV is provided by the general partner and/or investment manager and reviewed by SBA management.

Annually, the financial statements of all private market investments are audited by independent auditors. Private market investments, in which the SBA has a controlling interest and are reported at cost per the investment manager, are also required to be valued, generally annually, by independent, licensed external appraisers selected by an appraisal management company retained by the SBA.

Money market funds and repurchase agreements are reported at amortized cost. Commingled funds are generally reported at the NAV of units held at the end of the period based upon the value of the underlying investments as reported by the external investment manager. Certain commingled funds may be valued under different pricing methods depending on the nature of the fund.

All investment derivative instruments are reported at fair value in the statements of net position. The instruments are adjusted to fair value at least monthly, with valuation changes recognized during the period as gains or losses in the statements of changes in net position and included in the "Net appreciation in fair value." The nature and use of derivative instruments is discussed in Note 3.

Because of the inherent uncertainty of the valuation using pricing methodologies other than the quoted market prices, the estimated fair values may differ from the values that would have been used had an active market existed.

Investment detail is included in Note 3.

## **Capital Assets**

Tangible capital assets are recorded at cost at the time of acquisition. All property, furniture and equipment with an original acquisition cost of \$5,000 or more and an estimated useful life extending beyond one year is capitalized, as well as books and reference materials with a cost of \$250 or more. Depreciation is computed on the straight-line basis over the estimated useful life of the asset. Additional information about the System's capital assets, including leased assets, can be found in Note 9.

## **Deferred Outflows of Resources**

A consumption of net assets by the division that is applicable to a future reporting period is presented as a deferred outflow of resources. The State University System Optional Retirement Program (SUSORP) Trust Fund shares in reporting the FRS and HIS pension liabilities and related components with other funds within the state. Each fiscal year end, the SUSORP Trust Fund recognizes its allocated share of the state's deferred outflows of resources related to applicable pensions, as determined by the Florida Department of Financial Services, Statewide Financial Reporting Section.

The division shares the cost of Other Postemployment Benefits (OPEB) liability and other related components with other funds within the state. The state-administered retirement funds recognize their allocated share of the state's deferred outflows of resources related to OPEB, as determined by the Florida Department of Financial Services, Statewide Financial Reporting Section.

## **Compensated Absences Liability**

Employees earn the right to be compensated during absences for vacation and illness as well as for unused special compensatory leave earned for hours worked on legal holidays and other specifically authorized overtime. Compensated absences for annual leave are recorded as a liability when the benefits are earned. Compensated absences for sick leave are calculated based on the vesting method. Within the limits established by law or rule, the value of unused leave benefits will be paid to employees upon separation from state service. The amounts reported for compensated absences are based on current year-end salary rates and include employer Social Security and Medicare tax and pension contributions, as applicable, at current rates. Refer to Note 6 for details of the compensated absences liability.

## **Long-term Liabilities**

The SUSORP Trust Fund shares the reported FRS and HIS pension liabilities and related components with other funds within the state. Each fiscal year end, the SUSORP Trust Fund recognizes its allocated share of the state's applicable pension liability, as determined by the Florida Department of Financial Services, Statewide Financial Reporting Section.

The division shares the cost of OPEB with other funds within the state. The state-administered retirement funds recognize their proportionate share of the state's OPEB liability, as determined by the Florida Department of Financial Services, Statewide Financial Reporting Section. Refer to Note 6 for details of the System's long-term liabilities.

## **Deferred Inflows of Resources**

A deferred inflow of resources is an acquisition of net assets by the division that is applicable to a future reporting period. The SUSORP Trust Fund shares the reported FRS and HIS pension liabilities and related components with other funds within the state. Each fiscal year end, the SUSORP Trust Fund recognizes its allocated share of the state's deferred inflows of resources related to applicable pensions, as determined by the Florida Department of Financial Services, Statewide Financial Reporting Section.

The division shares the cost of OPEB liability and other related components with other funds within the state. The state-administered retirement funds recognize their allocated share of the state's deferred inflows of resources related to OPEB, as determined by the Florida Department of Financial Services, Statewide Financial Reporting Section.



The division may receive pension contributions prior to the due date. At the end of the fiscal year, any contributions received for the following reporting period are recognized in the applicable state administered retirement fund as deferred inflows related to other pension amounts.

### **Components of Net Position**

Net position is classified as (1) net investment in capital assets, (2) restricted, and (3) unrestricted.

*Restricted net position* is reported when constraints are placed on net position that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The net position of all the fiduciary funds reported are classified as “restricted for pensions”.

### **Components of Fund Balance**

Fund balance is classified as nonspendable, restricted, committed or unassigned. Committed fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the State’s highest level of decision-making authority, the Legislature and the Governor, i.e., through legislation passed into law. Commitments may only be modified or rescinded by equivalent formal, highest-level action. The fund balance of the Police and Firefighters’ Premium Tax Trust Fund reported in this ACFR is classified as committed.

### **D. Contributions**

Contributions are recognized as revenues in the period for which the contributions are due pursuant to statutory requirements. Total employer contributions for the FRS are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes, and employers also pay a required assessment to cover financial planning education costs for all FRS members and administrative costs of the FRS Investment Plan.

For purposes of financial statement presentation, the unfunded actuarial liability (UAL) portion of the employer’s total contribution remitted on the salaries of members in the FRS IP, the SUSORP, the State Community College System Optional Retirement Program, and the Senior Management Service Optional Annuity Program (SMSOAP) is classified as contributions in the FRS Pension Plan financial statements. Delinquent fees are reported as other income. The administrative assessment paid on the salaries of members in the SUSORP defined contribution plan is classified as other income.

Employee contributions required pursuant to Section 121.71(3), Florida Statutes, are accounted for by the FRS as employer-paid employee contributions and are treated as employer contributions under 26 U.S.C. s. 414(h)(2) allowing these contributions to be deducted on a pre-tax basis.

### **E. Adjustments Between Governmental Fund and Governmental Activities Financial Statement Amounts**

The adjustments necessary to convert the Governmental Fund financial statements to the governmental activities financial statement presentation are: (1) Recognition of general capital assets; (2) Recognition of long-term liabilities which are not due and payable in the current period and therefore are not reported in the Governmental Fund; (3) Recognition of deferred inflows and outflows not related to current financial resources and therefore not reported in the Governmental Fund; (4) Recognition of expenses not recognized under governmental accounting; and (5) Reclassification of Fund Balance reported in the Governmental Fund into the Net Position categories reported for governmental activities in the Statement of Net Position.

### **F. Interfund Activity and Balances**

In the fund financial statements, transfers represent flows of assets without equivalent flows of assets in return or a requirement for repayment. Transfers are recorded when a fund receiving revenue provides it to the fund which expends the resources. Transfers between funds are made to accomplish various provisions of law. Refer to Note 5.

## **G. Use of Estimates**

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues (additions) and expenses (deductions) during the reporting period. Actual results could differ from those estimates.

## **H. Investment and Administrative Expenses**

For investments in the State Treasury cash management pool, an administrative fee is charged on the average daily balance in the account. These fees are recorded as "Investment activity expense" on the Statement of Changes in Fiduciary Net Position.

For investments managed by the SBA, external investment managers are hired to invest a significant portion of the retirement system's assets. Investment management fees are typically paid based on individually-negotiated investment management agreements. The fees, usually paid quarterly, may be based on a sliding scale of the portfolio's net asset value at quarter-end, calculated by multiplying each level of net position by a specified basis point charge, or may be performance related, typically associated with exceeding a market benchmark or hurdle rate. Fees are paid from the appropriate manager's portfolio and are recognized as an expense over the time period for which the fees are applicable. These fees are recorded as "Investment activity expense" on the Statement of Changes in Fiduciary Net Position. Certain investment management fees, usually in private equity portfolios, are paid at the beginning of the period. These fees are recorded as "Prepaid items" on the Statement of Fiduciary Net Position and are expensed over their applicable time period.

Administrative expenses represent the cost of administering the various state-administered retirement systems, including such costs as salaries, rent, telephone, printing, and the like. Administrative expenses also include transfers for administrative assessments, depreciation expense, and the allocated share of compensated absences expense, applicable OPEB-related expenses, and applicable pension-related expenses. A detailed Schedule of Administrative Expenses is located in the Other Supplementary Information section.

## NOTE 3 – PLAN INVESTMENTS

### A. Deposits

As of June 30, 2024, the state-administered retirement fund deposits in financial institutions pending investment totaled \$113.6 million for fiduciary activities. There were no deposits in financial institutions for governmental activities.

#### 1. Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the state will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The state mitigates custodial credit risk by generally requiring public funds to be deposited in a bank or savings association that is designated by the Chief Financial Officer (CFO) as authorized to receive deposits in the state and meets the collateral requirements set forth in Chapter 280, Florida Statutes.

The CFO determines the collateral requirements and collateral pledging level for each Qualified Public Depository (QPD) following guidelines outlined in Section 280.04, Florida Statutes, and Department of Financial Services Rules, Chapter 69C-2, Florida Administrative Code. Collateral pledging levels include 25, 50, 110, and 150 percent of a QPD's average daily deposit balance, or, if needed, an amount as prescribed by the CFO. Section 280.13, Florida Statutes, outlines eligible types of collateral including direct obligations of the United States (U.S.) Government, federal agency obligations fully guaranteed by the U.S. Government, certain federal agency obligations, state and local government obligations, corporate bonds, and letters of credit issued by a Federal Home Loan Bank. Also, with the CFO's permission, eligible collateral includes collateralized mortgage obligations, real estate mortgage investment conduits and securities or other interests in any open-end management investment company registered under the Investment Company Act of 1940. However, the portfolio of the investment company must be limited to direct obligations of the U.S. Government and to repurchase agreements fully collateralized by such direct obligations of the U.S. Government, and the investment company must take delivery of such collateral either directly or through an authorized custodian.

In accordance with Section 280.08, Florida Statutes, if a QPD defaults, losses to public depositors are first satisfied with any applicable depository insurance, followed by demands of payment under any letters of credit or sale of the defaulting QPD's collateral. If necessary, any remaining losses are to be satisfied by assessments against the other participating QPDs according to a statutory based ratio.

All U.S. dollar deposits at the Florida Retirement System (FRS) Pension Trust Fund's custodian bank were covered by federal depository insurance (FDIC) as of June 30, 2024. The remaining uninsured and uncollateralized deposits, totaling \$97.9 million as of June 30, 2024, were held in foreign currencies in the SBA's custodian nominee name.

#### 2. Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of a deposit or investment. Under Section 215.47, Florida Statutes, and subject to the limitations and conditions of the State Constitution or of the trust agreement relating to a trust fund, moneys available for investments by the State Board of Administration (SBA) may be invested in various types of securities denominated in foreign currency. The SBA has developed for the FRS Pension Trust Fund an Investment Policy Statement (IPS) that sets ranges on investments by asset class. All asset classes may hold non-U.S. securities, depending on portfolio guidelines. For the fiscal year ended June 30, 2024, Florida law limits the exposure to foreign securities held outside of foreign group trusts and certain other foreign entities to 50 percent of the total fund. There is no requirement that this exposure to foreign currency risk be hedged through forward currency contracts, although some managers are authorized to use forward currency contracts. The investment policies may be modified in the future if the SBA adopts changes.

This investment activity in foreign investments resulted in deposits in foreign currency as of June 30, 2024, as illustrated in the following schedule (in thousands):

**Foreign Currency Deposits Held**  
As of June 30, 2024

Currency	Bank Statement Balance (in U.S. Dollars)	
	FRS Pension Trust Fund	
Australian dollar	\$	1,073
Brazilian real		2,890
British pound sterling		8,792
Canadian dollar		4,308
Chilean peso		263
Chinese yuan Hong Kong		9,432
Colombian peso		14
Czech koruna		45
Danish krone		213
Egyptian pound		6
Euro		6,953
Hong Kong dollar		3,681
Hungarian forint		285
Indian rupee		10,623
Indonesian rupiah		694
Israeli shekel		600
Japanese yen		10,429
Malaysian ringgit		298
Mexican peso		2,958
New Taiwan dollar		5,410
New Zealand dollar		32
Norwegian krone		416
Pakistani rupee		55
Peruvian sol		4
Philippines peso		89
Polish zloty		163
Saudi Arabian riyal		18,598
Singapore dollar		820
South African rand		50
South Korean won		4,982
Swedish krona		613
Swiss franc		747
Thailand baht		11
Turkish lira		245
Vietnam dong		2,059
Total deposits subject to foreign currency risk	\$	97,851

## **B. Investments**

Surplus cash is maintained in the State Treasury's general pool of investments. The State CFO pools funds from all State agencies. Pooled investments with the State Treasury are not registered with the Securities and Exchange Commission. Oversight of the pooled investments with the State Treasury is provided by the Treasury Investment Council per Section 17.575, Florida Statutes. The authorized investment types are set forth in Section 17.57, Florida Statutes. Redemptions are on a dollar in/dollar out basis adjusted for distributed income. The fair value of the pooled investments with the State Treasury is determined at fiscal year-end for financial reporting purposes. Included in the pool are primarily time deposits, U.S. Government securities, federal agency securities, commercial paper, corporate bonds and notes, money market funds and repurchase agreements. The FRS Pension Trust Fund's, Retiree Health Insurance Subsidy Program's (HIS), State University System Optional Retirement Program's (SUSORP), Senior Management Service Optional Annuity Program's (SMSOAP), the National Guard Supplemental Benefit Plan, and Police and Firefighters' Premium Tax Trust Fund's (Police and Fire) shares of the investment pool at June 30, 2024, were \$116,190,464; \$106,017; \$15,145,230; \$35,251; \$6,000 and \$22,710, respectively. No allocation will be made as to the share of the types of investments or their risk categories for the FRS Pension Trust Fund, the HIS Program, the National Guard, the SUSORP, the SMSOAP, or Police and Fire. The share of the assets and liabilities for the FRS Pension Trust Fund, the HIS Program, the National Guard, the SUSORP, the SMSOAP and Police and Fire arising from the securities lending agreements administered by the State Treasury will likewise not be carried on the Statements of Net Position since the State Treasury operates on a pooled basis and to do so may give the misleading impression that the funds themselves have entered into such agreements. For further information, refer to the State of Florida's Annual Comprehensive Financial Report or publications of the State of Florida Department of Financial Services, Office of the Chief Financial Officer.

Pursuant to Section 215.44, Florida Statutes, the SBA has the authority and responsibility to manage and invest various funds of the state, including, but not limited to, the FRS Pension Trust Fund, the Retiree Health Insurance Subsidy Trust Fund, and the Police and Fire Trust Fund. Section 215.47, Florida Statutes, allows the SBA to invest funds in a range of instruments, including security lending agreements, reverse repurchase agreements and alternative investments (including limited partnerships and hedge funds).

The schedule below discloses investments at June 30, 2024, as well as reconciliation to the basic financial statements (in thousands):

**Schedule of Investments**  
As of June 30, 2024

Investment Type	FRS Pension Trust Fund	Retiree Health Insurance Subsidy	Police and Firefighters' Premium Tax Trust Fund	Total
Certificates of deposit	\$ 100,064	\$ -	\$ -	\$ 100,064
Commercial paper	2,745,017	-	-	2,745,017
Money market funds	28,090	677,731	433,642	1,139,463
Repurchase agreements	1,600,000	-	-	1,600,000
U.S. guaranteed obligations	17,932,296	-	-	17,932,296
Federal agencies	8,359,530	-	-	8,359,530
Domestic bonds and notes	13,200,144	-	-	13,200,144
International bonds and notes	3,322,255	-	-	3,322,255
Domestic stocks	57,446,035	-	-	57,446,035
International stocks	32,281,386	-	-	32,281,386
Commingled international funds	2,951,994	-	-	2,951,994
Alternative investments	43,893,436	-	-	43,893,436
Real estate investments (directly owned)	13,398,266	-	-	13,398,266
Real estate commingled funds	2,179,369	-	-	2,179,369
Forwards <sup>1</sup>	6,559	-	-	6,559
Futures <sup>1</sup>	12,563	-	-	12,563
Swaps <sup>1</sup>	2,300	-	-	2,300
Total investments excluding securities lending collateral	<u>199,459,304</u>	<u>677,731</u>	<u>433,642</u>	<u>200,570,677</u>
Securities lending collateral				
Money market funds	251,218	0	-	251,218
Domestic bonds and notes	0	0	-	0
Total securities lending collateral	<u>251,218</u>	<u>0</u>	<u>0</u>	<u>251,218</u>
Total investments	<u>\$199,710,522</u>	<u>\$ 677,731</u>	<u>\$ 433,642</u>	<u>\$ 200,821,895</u>
Liabilities - investments sold short <sup>2</sup>				
U.S. guaranteed obligations	\$ (4,642)	\$ -	\$ -	\$ (4,642)
Federal agencies	(45,136)	-	-	(45,136)
Other liabilities:				
Forwards	(2,666)	-	-	(2,666)
Futures	(11,677)	-	-	(11,677)
Swaps	(2,681)	-	-	(2,681)
Total liabilities	<u>\$ (66,802)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (66,802)</u>

<sup>1</sup> Forwards, futures, options and swaps are included in Other investments on the Statement of Fiduciary Net Position.

<sup>2</sup> Investments sold short are classified as liabilities on the Statement of Fiduciary Net Position.

Reconciliation of carrying value to the basic financial statements (in thousands):

	Governmental Activities	Fiduciary Funds	Total
Investments	\$ 433,642	\$ 200,137,036	\$ 200,570,677
Security lending collateral	-	251,218	251,218
Total Investments	<u>\$ 433,642</u>	<u>\$ 200,388,254</u>	<u>\$ 200,821,895</u>

Columns may not foot due to rounding.

Certain investments included in the above schedule were pledged as collateral with the SBA's futures and swaps clearing counterparties to meet initial margin requirements. Investments pledged as collateral as of June 30, 2024, are presented below (in thousands):

#### FRS Pension Trust Fund

Securities Pledged as Collateral for Futures and Swaps Contracts

As of June 30, 2024

Investment Type	Fair Value
U.S. guaranteed obligations	\$ 125,195
Federal agencies	-
Total pledged collateral	<u>\$ 125,195</u>

In addition, cash required to open futures and swap contracts (initial margins) may be pledged as collateral with the SBA's futures and swap counterparties. Such initial margin amounts are reflected as "Accounts receivable" on the Statement of Fiduciary Net Position. Pursuant to these types of contracts, and also pending foreign currency contracts and commitments to purchase (TBAs), the fund agrees to receive or pay to the broker an amount of cash equal to the daily fluctuation in the value of the contract. Such receivables and payables are known as variation margin, which are reflected as "Accounts receivable" and "Accounts payable and accrued liabilities" on the Statement of Fiduciary Net Position. All initial and variation margin amounts receivable from or payable to the broker as of June 30, 2024, are presented below (in thousands):

#### FRS Pension Trust Fund

Cash and Foreign Currency Pledged as Collateral for Futures and Swaps Contracts

As of June 30, 2024

	Fair Value (U.S. Dollar)
Margin receivable from counterparty:	
Futures contracts	\$ 3,182
Swaps contracts	4,081
Foreign currency contracts	-
Commitments to purchase (TBAs)	130
Total margin receivable from counterparty	<u>\$ 7,393</u>
Margin payable to counterparty:	
Futures contracts	\$ 11,265
Swaps contracts	2,311
Foreign currency contracts	4,170
Commitments to purchase (TBAs)	1,929
Total margin payable to counterparty	<u>\$ 19,675</u>

## 1. Fair Value Hierarchy

The FRS Pension Plan Trust Fund's investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 – Investments reflect prices based on significant observable inputs (including, but not limited to, quoted prices for similar investments, interest rates, foreign exchange rates, volatility and credit spreads), either directly or indirectly. These inputs may be derived principally from, or corroborated by, observable market data through correlation or by other means.

Level 3 – Investments reflect prices based upon unobservable inputs, including situations where there is little market activity, if any, for assets or liabilities.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

Equity securities classified as Level 1 of the fair value hierarchy are valued using quoted prices at June 30 (or the most recent market close date if the markets are closed on June 30) in active markets from the custodian bank's external pricing vendors, which utilize primary exchanges.

Fixed income securities classified as Level 2 are valued using evaluated prices from the custodian bank's external pricing vendors. The pricing methodology involves the use of evaluation models such as matrix pricing, which is based on the securities' relationship to benchmark quoted prices. Other evaluation models use actual trade data, collateral attributes, broker bids, new issue pricings and other observable market information.

Equity securities classified as Level 2 are valued using evaluated prices from the custodial bank's external pricing vendors, or alternative pricing source, such as investment managers, if information is not available from the custodial bank's external pricing vendors.

Fixed income and equity securities classified as Level 3 are valued using prices from the custodian bank's external pricing vendors or an alternative pricing source, utilizing inputs such as stale prices, cash flow models, or broker bids.

Derivative instruments classified as Level 1 of the fair value hierarchy are valued using exchange-traded prices as provided by the custodian bank's external pricing vendors. Derivative instruments classified as Level 2 receive clearing house prices, which are based on models that reflect the contractual terms of the derivative instruments.

Private equity funds and real estate direct investments classified as Level 3 were valued using external appraisals, as described in the footnotes for the *Additional GASB 72 Required Disclosures* (tables). See footnotes 12 and 14, respectively. Other private equity funds are measured at net asset value (NAV).

Certain investments, such as money market funds and repurchase agreements, are carried at amortized cost, and not priced at fair value. Commingled investments are generally measured at the net asset value (NAV) per share (or its equivalent) as provided by the investment manager. Commingled funds classified as Level 2 are valued using observable inputs that are market corroborated.



The FRS Pension Plan Trust Fund has the following fair value measurements as of June 30, 2024 (in thousands):

**FRS Pension Trust Fund**  
As of June 30, 2024

Investments by Fair Value Level	Total	Fair Value Measurements Using		
		(Level 1)	(Level 2)	(Level 3)
<b>Fixed income</b>				
Certificates of deposit	\$ 100,064	\$ -	\$ 100,064	\$ -
Commercial paper	2,745,017	-	2,745,017	-
U.S. guaranteed obligations	17,932,296	-	17,932,296	-
Federal agencies	8,359,530	-	8,335,567	23,963
Domestic bonds and notes	13,200,144	-	13,159,877	40,267
International bonds and notes	3,322,255	-	2,834,327	487,928
Total fixed income	45,659,306	-	45,107,148	552,158
<b>Equity</b>				
Domestic	57,446,035	57,438,515	-	7,520
International	32,281,386	32,229,946	-	51,440
Commingled international funds	187,082	-	187,082	-
Total equity	89,914,503	89,668,461	187,082	58,960
<b>Alternative</b>				
Private equity funds	127,500	-	-	127,500
<b>Real Estate direct</b>				
	13,398,266	-	-	13,398,266
<b>Other</b>				
Forwards	6,559	-	6,559	-
Futures	12,563	12,563	-	-
Swaps	2,300	-	2,300	-
Total other	21,422	12,563	8,859	-
Total investments by fair value level	149,120,997	\$ 89,681,024	\$ 45,303,089	\$ 14,136,884
<b>Investments measured at the net asset value</b>				
Commingled international equity funds	2,764,912			
Commingled real estate investment funds	2,179,369			
Activist equity funds	1,562,151			
Hedge funds	3,606,289			
Insurance funds	1,604,579			
Private debt/credit opportunity funds	6,542,373			
Private equity funds	21,719,556			
Private real asset funds	8,730,988			
Total investments measured at the NAV	48,710,217			
<b>Other investments carried at amortized cost</b>				
Money market funds	28,090			
Money market funds - security lending collateral	251,218			
Repurchase agreements	1,600,000			
Total investments carried at amortized cost	1,879,308			
<b>Total investments</b>	<b>\$ 199,710,522</b>			
<b>Short sales (liabilities)</b>				
U.S. guaranteed obligations	\$ (4,642)	\$ -	\$ (4,642)	\$ -
Federal agencies	(45,136)	-	(45,136)	-
Total short sales (liabilities)	(49,778)	-	(49,778)	-
<b>Other (liabilities)</b>				
Forwards	(2,666)	-	(2,666)	-
Futures	(11,677)	(11,677)	-	-
Swaps	(2,681)	-	(2,681)	-
Total other (liabilities)	(17,024)	(11,677)	(5,347)	-
Total investments (liabilities)	\$ (66,802)	\$ (11,677)	\$ (55,125)	\$ -

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) as of June 30, 2024, is presented in the footnotes to the table below (in thousands).

**FRS Pension Trust Fund**  
Additional GASB 72 Required Disclosures

	Fair Value 6/30/2024	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
<b>Investments Measured at the NAV</b>				
Commingled international equity funds <sup>1</sup>	\$ 2,764,912	-	Daily, Monthly	2 - 3 days
Commingled real estate investment funds <sup>2</sup>	2,179,369	-	Quarterly	15 - 90 days
Activist equity funds <sup>3</sup>	1,562,151	-	Monthly, Annually	65 - 90 days
Hedge funds				
Diversifying strategies (managed futures) <sup>4</sup>	1,496,868	-	Daily, Monthly	10 - 35 days
Equity long/short <sup>5</sup>	354,970	-	Monthly, Quarterly	30 - 45 days
Event driven <sup>6</sup>	49,981	-	See footnote	
Multi-strategy <sup>7</sup>	877,945	-	Quarterly	30 - 65 days
Opportunistic debt <sup>8</sup>	176,682	-	See footnote	
Relative value <sup>9</sup>	649,843	-	Quarterly	60 - 90 days
Insurance funds <sup>10</sup>	1,604,579	\$ 133,486	Monthly, Biannually, Annually	30 - 120 days
Private debt/credit opportunity funds <sup>11</sup>	6,542,373	\$ 3,099,793		
Private equity funds <sup>12</sup>	21,719,556	\$ 8,652,846		
Private real asset funds <sup>13</sup>	8,730,988	\$ 5,558,833		
Total investments measured at the NAV	<u>\$ 48,710,217</u>			
<b>Investments at Level 3</b>				
Private equity funds <sup>12</sup>	\$ 127,500	-		
Real estate direct investments <sup>14</sup>	\$ 13,398,266	\$ 349,974		

<sup>1</sup> *Commingled International Equity Funds*: The four funds in this group are primarily invested in publicly traded international equity securities. One of these funds focuses on emerging markets. Each is valued at the NAV of units held at the end of the period based upon the fair value of the underlying investments. Two funds within this strategy are redeemable daily, one fund is redeemable monthly, and the remaining fund is currently in the liquidation process with a residual balance remaining.

<sup>2</sup> *Commingled Real Estate Investment Funds*: The ten funds in this group consist primarily of real estate investments owned directly or through partnership interests located in the United States. These investments include multi-family, industrial, retail, office, apartments and mortgage loans on income producing property. Each is valued at the NAV of units held at the end of the period based upon the fair value of the underlying investments. Nine funds within this strategy are eligible for redemption quarterly, and the remaining fund is subject to contractual lock-up restrictions and is not currently eligible for redemption.

<sup>3</sup> *Activist Equity Funds*: The four funds in this group invest in public companies with the intent to effect positive change through influencing management. The funds may be structured with a focus on specific domestic or foreign geographic regions. These investments are valued at the NAV per share. One fund (approximately 35 percent of this strategy) is currently eligible for redemption monthly. Another fund (approximately 26 percent of this strategy) is eligible for redemption in six months due to annual lock-up restrictions. The remaining two funds (approximately 39 percent of this strategy) are subject to contractual lock-up restrictions and are not currently eligible for redemption.

<sup>4</sup> *Diversifying Strategies (Managed Futures) Hedge Funds*: The three funds that make up this group primarily trade equity and commodity futures, but can also participate in indexes, rates and currencies across global markets. These funds use a systematic approach and focus on trends in price and other market signals. These investments are valued at the NAV per share. All funds within this strategy are no longer subject to contractual lock-up restrictions and are eligible for redemption within one month or less.

<sup>5</sup> *Equity Long/Short Hedge Funds*: Consisting of two funds, this strategy invests both long and short, primarily in U.S. and global stocks that are mispriced by the markets. These managers vary in their use of short selling, leverage and definitions of growth or value. These funds are valued at the NAV per share. All funds within this strategy are no longer subject to contractual lock-up restrictions and are eligible for redemption within three months or less.

<sup>6</sup> *Event Driven Hedge Funds*: The one fund in this group seeks to gain an advantage from pricing inefficiencies that may occur in the onset or aftermath of a corporate action or related event. This investment is valued at the NAV per share, and is currently in the liquidation process.

<sup>7</sup> *Multi-Strategy Hedge Funds*: The four funds in this group aim to diversify risks and reduce volatility by combining other strategies. These strategies are usually a mix of Equity Long/Short, Event-Driven, Opportunistic Debt and Relative Value. These funds are valued at the NAV per share. Three funds are currently eligible for redemption within three months due to quarterly redemption restrictions. The remaining fund (less than one percent of this strategy) is currently in the liquidation process with a residual balance remaining.

<sup>8</sup> *Opportunistic Debt Hedge Funds*: Consisting of two funds that pursue various strategies and asset classes, with an emphasis on mispriced debt or equity of companies in distress. These managers vary in their focus on early versus late stage situations, senior versus subordinated levels on the capital structure

and non-traditional areas including high yield bonds and Emerging Markets debt, and may also pursue relative value and arbitrage strategies with various debt instruments. These funds are valued at the NAV per share. Two funds in this strategy are currently in the redemption process.

<sup>9</sup>*Relative Value Hedge Funds:* Consisting of two funds, this strategy focuses on benefiting from valuation discrepancies that may be present in related financial instruments by simultaneously purchasing (long) or selling (short) these instruments. These investments are valued at the NAV per share. Both funds in this strategy are no longer subject to contractual lock-up restrictions and are eligible for redemption within three months.

<sup>10</sup>*Insurance Funds:* The eight funds in this group invest primarily in reinsurance contracts and insurance-linked securities. These investments are valued at the NAV per share. One fund (approximately 21 percent) has varying restrictions due to underlying investment funds and is redeemable within one to three months. Two funds (approximately 57 percent) are eligible for redemption in seven months or less due to biannual redemption restrictions. One fund (approximately 3%) is eligible for redemption within six months due to annual redemption restrictions. Three funds (approximately 11%) are not eligible for redemption due to contractual lock-up restrictions. The remaining fund (approximately 8%) is currently in the liquidation process.

<sup>11</sup>*Private Debt/Credit Opportunity Funds:* There are 77 private debt/credit funds investing primarily in Distressed, Mezzanine and Loans with some exposure to Special Situations. The fair value of these funds has been determined using the NAV at June 30, 2024, or one quarter in arrears adjusted for current quarter cash flows. These funds are not eligible for redemption. Distributions are received as underlying investments within the funds are liquidated, which on average can occur over the span of five to ten years.

<sup>12</sup>*Private Equity Funds:* There are 284 private equity funds investing primarily in Leveraged Buyouts funds, Venture Capital funds, Secondary funds and Growth funds, and Co-Investments with some exposure to Special Situations, Diversifying Strategies and GP Investments. The fair value of 283 funds has been determined using the NAV at June 30, 2024, or one quarter in arrears adjusted for current quarter cash flows. The fair value of the remaining one fund (approximately one percent of the value of these investments) is based on external appraisals at June 30, 2024, and classified as Level 3. These funds are not eligible for redemption. Distributions are received as underlying investments within the funds are liquidated, which on average can occur over the span of five to ten years.

<sup>13</sup>*Private Real Asset Funds:* There are 116 real asset funds, 78 of which invest in real estate assets such as commercial office buildings, retail properties, multi-family residential properties, developments or hotels. In addition, the funds may be structured with a focus on specific geographic domestic or foreign regions. The remaining 38 funds invest in infrastructure, timberland, transportation and commodities. The fair value of these funds has been determined using the NAV at June 30, 2024, or one quarter in arrears adjusted for current quarter cash flows. These funds are not eligible for redemption. Distributions are received as underlying investments within the funds are liquidated, which on average can occur over the span of five to ten years.

<sup>14</sup>*Direct Real Estate Investments:* There are 89 direct owned/joint venture real estate assets that are valued based on annual external and/or quarterly internal appraisals and are classified as Level 3.

The HIS and Police and Fire funds, at June 30, 2024, were fully invested in the Local Government Surplus Funds Trust Fund (Florida PRIME), a qualified external investment pool that measures for financial reporting purposes all of its investments at amortized cost. Florida PRIME currently has no limitations or restrictions on withdrawals.

Section 218.409(8)(a), Florida Statutes, provides that the SBA executive director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the external investment pool, for 48 hours limit contributions to or withdrawals from the external investment pool to ensure that the SBA can invest moneys entrusted to it in exercising its fiduciary responsibility. With regard to liquidity fees, Section 218.409(4), Florida Statutes, provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

Florida PRIME currently follows all requirements in Government Accounting Standards Board Statement No. 79, paragraph 4, which lays out the requirements for external investment pools to report their investments at amortized cost. Florida PRIME is not required to register (and has not registered) with the Securities and Exchange Commission. Sections 218.40 through 218.415, Florida Statutes, and State Board of Administration Rules 19-7.002 through 19-7.016, Florida Administrative Code, promulgated pursuant to Section 218.405(4), Florida Statutes, govern the operation of Florida PRIME. The amortized cost of the participant account balance is reported as the fair value of the HIS and Police and Fire funds' investment in Florida PRIME.

## **2. Investment Risk**

The FRS Pension Trust Fund has a broad range of financial investments exposed to various risks, including overall market volatility. Due to the level of risk associated with certain financial investments, it is reasonably possible that changes in the values of financial investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires that certain risks be discussed in the financial statements. These risks include credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. Each of these risks is discussed in more detail below.

## **3. Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit quality ratings are used as an assessment of creditworthiness and are assigned by Nationally Recognized Statistical Rating

Organizations (NRSROs). These ratings are disclosed in aggregate by investment type for the securities held as of the financial statement date.

The State Treasury Investment Pool's current rating by Standard and Poor's was AA-f as of June 30, 2024.

The SBA, in compliance with Section 215.47, Florida Statutes, has adopted certain investment policies with regard to credit risk of fixed income securities, which generally are managed through individual portfolios within various asset classes. Some of the individual portfolios have slightly different restrictions on credit quality.

For the Short-Term Portfolio, securities must be high quality at the time of purchase. For short-term investment ratings, this is defined as the highest applicable rating from one of the NRSROs. For long-term investment ratings, this is defined as being a minimum rating of A from one of the NRSROs. Securities of a single issuer are generally limited to five percent of the market value of the portfolio (excluding U.S. Treasuries and Agencies).

Generally, securities in other major portfolios, such as the Securitized Index Portfolio, Government/Credit Index Portfolio, and the Core Portfolio, should be rated investment grade by at least one of the NRSROs at the time of purchase, with minimum long-term ratings of Baa/BBB by one of the NRSROs. Securities for a single issuer are generally limited to five percent of the fair value of the portfolio (excluding U.S. Treasuries and Agencies).

The Securitized Index Portfolio limits securities generally to those issued by Government Sponsored Enterprises (GSE), securitized products, swaps, swaptions, and futures.

The Government/Credit Index Portfolio and the Core Portfolio allow U.S. Treasuries, U.S. Government Agencies, corporates, foreign sovereign debt, and municipals. The Core Portfolio also allows mortgage and asset-backed securities.

For security lending portfolios, eligible cash collateral investments are the following:

- Tri-party qualified repurchase obligations are collateralized by U.S. Treasury bills, notes, bonds, and/or strips, U.S. Government Agency securities, U.S. Government Agency mortgage-backed securities, and U.S. equity securities. U.S. Treasury and Government Agencies must maintain a market value of at least 102 percent of the market value of the securities subject to being repurchased and U.S. equities must maintain a market value of at least 107 percent of the market value of the securities subject to being repurchased.
- Money market mutual funds regulated by SEC rule 2a-7 and rated the highest applicable rating by at least one of the NRSROs.
- U.S. Treasury bills, notes, and bonds.

Security lending investments that were purchased prior to the policy guidelines established in December 2008 were sold for a loss during fiscal year 2024.

The following table discloses credit quality ratings related to credit risk on investments held in the FRS Pension Trust Fund at June 30, 2024 (in thousands):

**FRS Pension Trust Fund**  
Credit Quality Ratings  
As of June 30, 2024

Credit Rating <sup>1</sup>		Total <sup>2</sup>	Certificates of Deposit	Commercial Paper	Money Market Funds	Repurchase Agreements	Federal Agencies <sup>4</sup>	Domestic Bonds and Notes	International Bonds and Notes
S&P	Moody's								
A-1 / AAAm		\$ 2,899,146	\$ 50,030	\$ 2,569,808	\$ 279,308	\$ -	\$ -	\$ -	\$ -
A-3		287	-	287	-	-	-	-	-
AAA		988,181	-	-	-	-	-	502,569	485,612
AA		854,954	-	-	-	-	341,335	326,432	187,187
A		3,365,347	-	-	-	-	-	2,637,036	728,311
BBB		6,456,537	-	-	-	-	-	5,273,521	1,183,016
BB		270,970	-	-	-	-	-	214,555	56,415
B		71,823	-	-	-	-	-	42,520	29,303
CCC		7,595	-	-	-	-	-	7,595	-
CC		1,118	-	-	-	-	-	-	1,118
	P-1	174,922	-	174,922	-	-	-	-	-
	Aaa	1,187,262	-	-	-	-	-	931,962	255,300
	Aa	154,706	-	-	-	-	-	110,960	43,746
	A	240,834	-	-	-	-	-	209,474	31,360
	Baa	524,544	-	-	-	-	-	354,043	170,501
	Ba	245,628	-	-	-	-	-	230,022	15,606
	B	44,689	-	-	-	-	-	30,945	13,744
	Caa	2,753	-	-	-	-	-	1,060	1,693
	Ca	264	-	-	-	-	-	264	-
NR	NR	11,493,919	50,034	-	-	979,161	8,018,195	2,327,186	119,343
		<u>\$ 28,985,479</u>	<u>\$ 100,064</u>	<u>\$ 2,745,017</u>	<u>\$ 279,308</u>	<u>\$ 979,161</u>	<u>\$ 8,359,530</u>	<u>\$ 13,200,144</u>	<u>\$ 3,322,255</u>
Ratings not applicable:									
Repurchase agreements <sup>3</sup>		620,839							
U.S. guaranteed obligations <sup>3</sup>		17,932,296							
Total fixed income investments		<u>\$ 47,538,614</u>							

<sup>1</sup> S&P ratings were primarily used. If S&P did not provide a rating or did not provide the rating with the greatest degree of risk, then Moody's ratings were used. If neither rating agency issued a rating, the security was listed as "NR" (not rated). Long-term ratings are presented except for commercial paper and money market funds.

<sup>2</sup> All investments are included in this table, including security lending collateral investments.

<sup>3</sup> U.S. guaranteed obligations and collateral for repurchase agreements, which are explicitly guaranteed by the U.S. Government, do not require disclosure of credit quality.

<sup>4</sup> Federal Agency TBAs and mortgage-backed securities are classified as "NR" because they do not have explicit credit ratings on individual securities.

All futures, options and swaps contracts held by the FRS Pension Trust Fund at June 30, 2024, were exchange-traded, therefore minimizing counterparty credit risk through the use of futures and swaps clearing merchants and clearing houses.

The FRS Pension Trust Fund may enter into contracts that allow for close-out netting with certain counterparties. In the event of default or early termination, the contract permits the non-defaulting party the right to close-out all transactions in a single net settlement to one net amount payable by one counterparty to the other. The aggregate fair value of non-exchange traded derivative instruments subject to close-out netting totaled \$3.4 million as of June 30, 2024.

Counterparty credit ratings related to credit risk for forward currency contracts held at June 30, 2024, are presented below (in thousands):

**FRS Pension Trust Fund**  
Forward Currency Contract Counterparty Credit Ratings  
As of June 30, 2024

Counterparty Credit Rating (Long/Short) <sup>1</sup>		Asset	Liability	Net Unrealized Gain (Loss)
S&P	Moody's			
A/A-1		\$ 5,128	\$ (2,581)	\$ 2,547
	A/P-1	116	-	116
	NR/P-1	1,315	(85)	1,230
Total		<u>\$ 6,559</u>	<u>\$ (2,666)</u>	<u>\$ 3,893</u>

<sup>1</sup>S&P ratings were primarily used. If S&P did not provide a rating or did not provide the rating with the greatest degree of risk, then Moody's ratings were used. If neither rating agency issued a rating, the security was listed as "NR" (not rated).

Counterparty credit ratings related to credit risk for spot currency contracts held at June 30, 2024, are presented below (in thousands):

**FRS Pension Trust Fund**  
Spot Currency Contract Counterparty Credit Ratings  
As of June 30, 2024

Counterparty Credit Rating (Long/Short) <sup>1</sup>		Receivables	Payables	Net Unrealized Gain (Loss)
S&P	Moody's			
AA/A-1		\$ 21,569	\$ (21,582)	\$ (13)
A/A-1		104,129	(104,369)	(240)
	A/P-1	10,429	(10,466)	(37)
	NR/P-1	22,656	(22,673)	(17)
NR	NR	55,527	(55,561)	(34)
Total		<u>\$ 214,310</u>	<u>\$ (214,651)</u>	<u>\$ (341)</u>

<sup>1</sup>S&P ratings were primarily used. If S&P did not provide a rating or did not provide the rating with the greatest degree of risk, then Moody's ratings were used. If neither rating agency issued a rating, the security was listed as "NR" (not rated).

The Police and Firefighters' Premium Tax Trust Fund and the Retiree Health Insurance Subsidy Trust Fund had investments in money market funds totaling \$433,641,693 and \$677,731,353, respectively, which held an S&P rating of AAAM at June 30, 2024.

#### 4. Custodial Credit Risk

Custodial credit risk for investments is the risk that, if a depository financial institution or counterparty fails, the state will not be able to recover the value of its investments or collateral securities in the possession of an outside party.

As stated in SBA's custodial credit policy, the SBA seeks to minimize custodial credit risk through the use of trust accounts maintained at top tier third-party custodian banks, whose creditworthiness is monitored by the SBA. To the extent possible, negotiated trust and custody contracts shall require that all deposits, investments, and collateral be held in accounts in the SBA's name, or in the case of certain foreign investments, in an omnibus client account, but separate and apart from the assets of the custodian banks. This policy applies to investments evidenced by cash or securities but does not apply to investments evidenced by contractual agreements such as alternatives, real estate, cleared derivative instruments (futures, options and swaps), external investment pools or open-ended mutual funds. These types of investments are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. In addition, un-invested cash for all portfolios/funds under SBA management is generally swept nightly into overnight investments, thereby reducing the plan's exposure to custodial credit risk. On occasion, however, the plan's cash balances can exceed federally-insured limits.

There were no investments that were uninsured and unregistered, with securities held by the counterparty, or by the counterparty's trust department but not in the SBA's name, as of June 30, 2024.

## 5. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The FRS Pension Trust Fund did not hold any investments with a single issuer representing five percent or more of the fund's fair value at June 30, 2024.

Investment policy guidelines allow the security lending programs to hold up to 30 percent of the cash collateral reinvestment portfolio in U.S. Treasury bills, notes, and bonds.

## 6. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of fixed income instruments. The SBA, in compliance with Section 215.47, Florida Statutes, has adopted certain investment policies with regard to interest rate risk exposure for fixed income securities, which generally are managed through individual portfolios with various asset classes. The individual portfolios may have different policies regarding interest rate risk.

For the Short-term Portfolio, the weighted-average maturity to final maturity date (WAL) is limited to 120 days and weighted-average time to coupon reset (WAM) is limited to 60 days. For securities without a fixed interest rate, the next coupon reset date is used as the maturity for the reset WAM calculation.

The Securitized Index Portfolio duration should be similar to the duration of the mortgage related fixed income market and should remain within plus or minus 0.25 years of the Bloomberg U.S. Securitized Index duration. Interest rate swaps, swaptions, interest rate futures, and/or Agency debentures may contribute no more than 25% of the portfolio's total duration.

The Government/Credit Index Portfolio duration should remain within plus or minus 0.25 years of the Bloomberg U.S. Government/Credit Index duration. Interest rate swaps and interest rate futures, on a net basis, may contribute no more than 25% of the portfolio's total duration.

The Core Portfolio duration should remain within plus or minus 0.50 years of the Bloomberg U.S. Aggregate Index duration. Interest rate swaps and interest rate futures, on a net basis, may contribute no more than 25% of the portfolio's total duration.

The Core Portfolio contains certain investments known as collateralized mortgage obligations (CMOs). CMOs are often more sensitive to interest rate changes than other fixed income instruments. Examples of CMO securities that qualify as "highly interest rate sensitive" include interest-only (IOs), principal-only (POs), and inverse floaters (INVs). IO and PO securities are transactions that involve the separation of the interest and principal components of a security. They are highly sensitive to prepayments by mortgagors, which increase the value of a PO and decrease the value of an IO. Inverse floaters (INVs) have an inverse relationship to a benchmark rate, and the coupon payment is adjusted as the interest rate changes. If the benchmark interest rate decreases, the coupon rate increases and vice versa, which allows the bondholder to benefit from declining interest rates. Similar to an IO, an interest-only inverse floater's value increases as interest rates rise.

For security lending portfolios, policy guidelines allow investment in the following:

- Tri-party qualified repurchase obligations, with a term to repurchase not to exceed 45 calendar days, that are fully collateralized by U.S. Treasury bills, notes, bonds and/or strips, U.S. Government Agency securities, U.S. Government Agency mortgage-backed securities, and U.S. Equity securities.
- Money market mutual funds regulated by SEC rule 2a-7.
- U.S. Treasury bills, notes and bonds maturing within 92 days or less.

Security lending investments that were purchased prior to the investment policy guidelines established in December 2008 were sold for a loss, during fiscal year 2024. For investments that had floating interest rates, interest rate reset dates were used to calculate WAM.



The interest rate risk table for the FRS Pension Trust Fund as of June 30, 2024, is presented below (in thousands). Investment types related to fixed income portfolios are presented using effective weighted duration. Investment types related to short-term and security lending collateral portfolios are presented using weighted-average maturity.

### FRS Pension Trust Fund

Debt Investments  
As of June 30, 2024

Investment Type	Total (Duration)	Effective Weighted Duration (in Years)	Total (WAM)	Weighted Average Maturity (in Days)
Certificates of deposit	\$ -	N/A	\$ 100,064	82
Commercial paper	-	N/A	2,745,017	17
Money market funds	-	N/A	279,308	1
Repurchase agreements	-	N/A	1,600,000	4
U.S. guaranteed obligations:				
Treasury bills	2,105,429	0.12	-	N/A
Treasury bonds and notes	14,063,212	6.36	-	N/A
Treasury strips	17,240	16.89	-	N/A
Index linked government bonds	187,576	7.34	-	N/A
Bonds and notes	4,867	5.67	-	N/A
Asset-backed	2,057	1.27	-	N/A
GNMA mortgage-backed	1,023,571	5.21	-	N/A
GNMA commitments to purchase (TBAs)	111,867	5.74	-	N/A
Mortgage-backed CMOs and CMBS <sup>1</sup>	416,477	5.71	-	N/A
Federal agencies:				
Discount notes	27,596	0.02	-	N/A
Unsecured bonds and notes	313,739	5.49	-	N/A
Agency strips	28,050	7.93	-	N/A
Mortgage-backed	5,819,612	4.08	-	N/A
FNMA, FHLMC commitments to purchase (TBAs)	1,285,213	5.58	-	N/A
Mortgage-backed CMOs and CMBS <sup>1</sup>	885,320	5.37	-	N/A
Domestic:				
Corporate bonds and notes	10,795,574	2.37	-	N/A
Asset and mortgage backed	700,676	2.22	-	N/A
Mortgage-backed CMOs and CMBS <sup>1</sup>	1,681,098	3.50	-	N/A
Municipal/provincial	22,796	8.00	-	N/A
International:				
Government and agency obligations	842,929	4.59	-	N/A
Corporate bonds and notes	1,988,927	4.12	-	N/A
Asset and mortgage-backed	475,995	0.14	-	N/A
Mortgage-backed CMOs and CMBS <sup>1</sup>	14,404	0.08	-	N/A
Futures - long <sup>2</sup>	10,690	4.70	-	N/A
Futures - short <sup>2</sup>	(4,123)	8.27	-	N/A
Credit default swaps <sup>2</sup>	(2,029)	-	-	N/A
Interest rate swaps <sup>2</sup>	1,648	1.24	-	N/A
 Total fixed income investments	 <u>\$42,820,411</u>		 <u>\$ 4,724,389</u>	

<sup>1</sup> Includes investments in IOs, POs, and INVs totaling \$62 million.

<sup>2</sup> The futures and swaps contracts' effective weighted durations were calculated using notional values (in U.S. dollars) rather than fair values.

The effective duration of the State Treasury Investment Pool at June 30, 2024, was approximately 3.23 years. Interest rate risk information for fixed income investments sold short is presented below (in thousands):

**FRS Pension Trust Fund**  
Sold Short<sup>1</sup> Debt Investment Positions  
As of June 30, 2024

Investment Type	Fair Value (Duration)	Effective Weighted Duration (in Years)
GNMA commitments to sell (TBAs)	\$ (4,642)	6.21
FNMA, FHLMC commitments to sell (TBAs)	(45,136)	6.36
Total fixed income investments sold short <sup>1</sup>	<u>\$ (49,778)</u>	

<sup>1</sup> Investments sold short are reported as liabilities on the Statement of Fiduciary Net Position.

The Police and Firefighters' Premium Tax Trust Fund and the Retiree Health Insurance Subsidy Trust Fund had investments in money market funds totaling \$433,641,693 and \$677,731,353, respectively, which had daily liquidity at June 30, 2024.

## 7. Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of a deposit or investment. Under Section 215.47, Florida Statutes, and subject to the limitations and conditions of the State Constitution or of the trust agreement relating to a trust fund, moneys available for investment by the FRS Pension Trust Fund may be invested in various types of securities denominated in foreign currency. The SBA has developed for the FRS Pension Trust Fund an Investment Policy Statement (IPS) that sets ranges on investments by asset class. All asset classes may hold non-U.S. securities, depending on portfolio guidelines. Florida law limits the exposure to foreign securities held outside of foreign group trusts and certain other foreign entities to 50 percent of the total FRS Pension Trust Fund. There is no requirement that this exposure to foreign currency risk be hedged through forward currency contracts, although some managers are authorized to use forward currency contracts.

Commingled international equity funds are collective investments where the FRS Pension Trust Fund owns a portion of the total units in commingled funds with other investors. Exchange-traded funds (ETFs) are investment funds, traded on the exchanges that hold assets such as stocks or bonds, and the FRS Pension Trust Fund owns a portion of the total shares in the ETFs. Participatory notes (P-notes) allow the FRS Pension Trust Fund to participate in certain foreign equity markets where direct participation is not possible due to local government regulations, tax policies, or for other reasons. The overall investments or notes themselves are denominated in U.S. dollars, but a portion of the underlying assets may be exposed to foreign currency risk in various currencies.

Alternative investments are commingled investment funds (primarily limited partnerships) where the FRS Pension Trust Fund owns a portion of the overall investment in the funds. For those funds denominated in U.S. dollars, some of the underlying investments may be exposed to foreign currency risk in various currencies.

The FRS Pension Trust Fund also holds positions in futures, options, swaps, and foreign currency contracts that may be exposed to foreign currency risk. Additional information on derivatives is provided in section B.9. in Note 3 to the financial statements.

Following are the FRS Pension Trust Fund's investments, by currency at fair value (in U.S. dollars), exposed to foreign currency risk as of June 30, 2024 (in thousands):

**FRS Pension Trust Fund**  
Investments Exposed to Foreign Currency Risk (fair values in U.S. dollars, in thousands)  
As of June 30, 2024

Currency	FRS Pension Trust Fund Investment Type					Total
	Equity	Alternative Investments	Fixed Income	Other	Spot Contracts, net	
Australian dollar	\$ 652,872	\$ -	\$ -	\$ 105,725	\$ (1,234)	\$ 757,363
Brazilian real	314,828	-	12,386	-	(1,885)	325,329
British pound sterling	3,007,643	135,402	8,643	(35,557)	19,981	3,136,112
Canadian dollar	1,161,712	-	913	88,619	(411)	1,250,833
Chilean peso	24,176	-	-	-	199	24,375
Chinese yuan renminbi	339,193	-	-	(9,984)	1,235	330,444
Colombian peso	549	-	-	-	-	549
Czech koruna	22,071	-	-	-	-	22,071
Danish krone	872,440	-	-	(17,292)	(81)	855,067
Egyptian pound	84	-	-	-	-	84
Euro	6,810,087	2,150,406	86,595	(354,465)	56,639	8,749,262
Hong Kong dollar	1,798,521	-	-	-	4,573	1,803,094
Hungarian forint	16,947	-	-	-	-	16,947
Indian rupee	1,563,055	-	-	-	-	1,563,055
Indonesian rupiah	212,709	-	-	-	(267)	212,442
Israeli shekel	24,829	-	-	-	(395)	24,434
Japanese yen	3,732,818	12,789	-	2,243	4,469	3,752,319
Kuwaiti dinar	10,470	-	-	-	-	10,470
Malaysian ringgit	83,806	-	-	-	113	83,919
Mexican peso	220,950	-	11,533	-	-	232,483
New Taiwan dollar	1,582,069	-	-	(15,207)	(2,945)	1,563,917
New Zealand dollar	13,095	-	-	-	219	13,314
Norwegian krone	188,643	-	-	8,431	(56)	197,018
Philippines peso	46,855	-	-	-	78	46,933
Polish zloty	90,562	-	-	-	(114)	90,448
Qatari riyal	26,981	-	-	-	-	26,981
Saudi Arabian riyal	163,657	-	-	-	(5)	163,652
Singapore dollar	300,391	-	-	7,069	1,527	308,987
South African rand	200,819	-	-	-	1,497	202,316
South Korean won	1,357,195	-	-	(44,243)	(2,135)	1,310,817
Swedish krona	572,501	44,909	-	38,593	(3,757)	652,246
Swiss franc	1,351,274	-	-	80,311	(2,066)	1,429,519
Thailand baht	139,677	-	-	-	833	140,510
Turkish lira	69,181	-	-	-	500	69,681
United Arab Emirates dirham	117,509	-	-	-	-	117,509
Uruguayan peso	-	-	17,492	-	-	17,492
Vietnam dong	10,366	-	-	-	-	10,366
Total foreign currency risk	27,100,535	2,343,506	137,562	(145,757)	76,512	29,512,358
Other investments with potential exposure to foreign currency risk:						
Alternative investments	-	41,549,930	-	-	-	41,549,930
P-notes and ETFs	1,073,917	-	-	-	-	1,073,917
Commingled international equity funds	2,951,994	-	-	-	-	2,951,994
Total investments subject to foreign currency risk	\$31,126,446	\$43,893,436	\$137,562	\$ (145,757)	\$ 76,512	\$75,088,199

The tables below provide additional details on the futures contracts and foreign currency contracts, and swap agreements that were subject to foreign currency risk. The margin payments included in “Accounts receivable” and “Accounts payable and accrued liabilities” on the Statement of Fiduciary Net Position may also be exposed to foreign currency risk.

## Futures

The FRS Pension Trust Fund’s futures contract positions at June 30, 2024, that were exposed to foreign currency risk are presented below (in thousands):

**FRS Pension Trust Fund**  
Futures Positions Exposed to Foreign Currency Risk  
June 30, 2024

Futures Contract Type	Currency	Number of Contracts	In Local Currency			In U.S. Dollars
			Notional Traded Exposure	Notional Market Exposure	Unrealized Gain/(Loss)	Unrealized Gain/(Loss)
Stock Index Futures:						
MSCI EAFE <sup>1</sup>	U.S. dollar	4,401	516,515	515,621	(894)	\$ (894)
MSCI Emerging Markets <sup>1</sup>	U.S. dollar	181	9,820	9,848	28	28
Bond Futures:						
Euro Bobl	Euro	(65)	(7,487)	(7,568)	(81)	(87)
Euro Bund	Euro	(105)	(13,782)	(13,820)	(38)	(41)
Euro Buxl 30-Year	Euro	(15)	(1,922)	(1,954)	(32)	(34)
Canada 10-Year	Canadian dollar	118	14,055	14,168	113	83
Total futures subject to foreign currency risk		4,515	517,199	516,295	(904)	\$ (945)

<sup>1</sup> Futures denominated in U.S. dollars are based on an index that converts the foreign issues to dollar equivalents at currency market exchange rates.

## Options

There were no option contracts held as of June 30, 2024.

## Forward and Spot Foreign Currency Contracts

Foreign currency contracts are agreements to exchange one currency for another currency at an agreed-upon price and settlement date. Currently, there are two types of foreign currency contracts being utilized by the FRS Pension Trust Fund. Spot currency contracts are valued at spot (traded) currency rates and are used primarily for trade settlement and currency repatriation. Forward currency contracts are valued at interpolated forward rates and may be used to mitigate currency risk for changes in value associated with foreign holdings, payables and/or receivables. Forward currency contracts are recorded as other investments and other liabilities on the statements of net position and spot currency contracts are recorded as receivables and payables on the statements of net position.

The FRS Pension Trust Fund's forward and spot currency contract positions as of June 30, 2024, that were exposed to foreign currency risk are presented below, by currency (in thousands):

**FRS Pension Trust Fund**  
Forward and Spot Foreign Currency Exchange Contracts  
As of June 30, 2024

Currency	Forward Currency Contracts				Spot Currency Contracts			
	Receivable Notional	Payable Notional	Net Investment /Liability	Unrealized Gain/(Loss)	Receivables	Payables	Net Receivables / Payables	Unrealized Gain/(Loss)
Australian dollar	\$ 105,121	\$ -	\$ 105,725	\$ 604	\$ -	\$ (1,234)	\$ (1,234)	\$ (6)
Brazilian real	-	-	-	-	2,311	(4,196)	(1,885)	(15)
British pound sterling	2,081	38,700	(36,469)	150	25,184	(5,203)	19,981	(48)
Canadian dollar	89,409	1,460	88,536	587	-	(411)	(411)	-
Chilean peso	-	-	-	-	199	-	199	-
Chinese yuan renminbi	-	9,872	(9,984)	(112)	1,268	(33)	1,235	5
Danish krone	2,063	19,380	(17,292)	24	-	(81)	(81)	-
Euro	17,273	373,691	(354,303)	2,115	89,273	(32,634)	56,639	(246)
Hong Kong dollar	6,932	6,929	-	(3)	6,555	(1,982)	4,573	-
Indonesian rupiah	-	-	-	-	226	(493)	(267)	-
Israeli shekel	-	-	-	-	-	(395)	(395)	-
Japanese yen	65,397	62,732	2,243	(422)	9,720	(5,251)	4,469	(9)
Malaysian ringgit	-	-	-	-	386	(273)	113	-
New Taiwan dollar	-	15,444	(15,207)	237	-	(2,945)	(2,945)	(7)
New Zealand dollar	-	-	-	-	219	-	219	-
Norwegian krone	8,156	-	8,431	275	56	(112)	(56)	-
Philippines peso	-	-	-	-	78	-	78	-
Polish zloty	-	-	-	-	588	(702)	(114)	(1)
Saudi Arabian riyal	-	-	-	-	-	(5)	(5)	-
Singapore dollar	7,129	-	7,069	(60)	1,527	-	1,527	1
South African rand	-	-	-	-	1,951	(454)	1,497	2
South Korean won	-	44,666	(44,243)	424	2,831	(4,966)	(2,135)	(17)
Swedish krona	41,097	2,497	38,593	(7)	-	(3,757)	(3,757)	(4)
Swiss franc	80,230	-	80,311	81	781	(2,847)	(2,066)	1
Thailand baht	-	-	-	-	1,079	(246)	833	4
Turkish lira	-	-	-	-	1,222	(722)	500	(1)
U.S. dollar	575,371	424,888	150,483	-	68,856	(145,709)	(76,853)	-
Total	\$1,000,259	\$1,000,259	\$ 3,893	\$ 3,893	\$ 214,310	\$ (214,651)	\$ (341)	\$ (341)

The FRS Pension Trust Fund's swap agreement position as of June 30, 2024, that was exposed to foreign currency risk is presented below (in thousands):

**FRS Pension Trust Fund**  
Swap Agreement  
As of June 30, 2024

Currency	National Amount (Local Currency)	Receive <sup>1</sup>	Pay	Maturity Date	Market Value (Local Currency)	Market Value (U.S. \$)
British Pound Sterling	5,565	SONIA-1D	1.00% Fixed	5/8/2026	345	\$ 436
British Pound Sterling	4,400	SONIA-1D	1.05% Fixed	5/8/2027	376	\$ 476

<sup>1</sup> The SONIA (Sterling Overnight Index Average) is an interest rate published by the British central bank (Bank of England). SONIA can be seen as the average interest rate at which a selection of financial institutions lend to one another in British pound sterling (GBP) with a maturity of 1 day (overnight).

## 8. Security Lending

During fiscal year 2024, the FRS Pension Trust Fund participated in security lending programs with two lending agents, including the custodian and one third-party agent. These security lending programs have indemnity clauses requiring the lending agent to assume the borrower's risk from default. There are no restrictions on the amount of securities that can be loaned at one time to one borrower.

In addition to the two agent lending programs, the FRS Pension Trust Fund participated in security lending through investments in three commingled funds that do not offer borrower indemnification. The fund receives a proportionate share of the security lending income generated from these activities.

Collateral requirements for securities on loan range from 100 percent to 110 percent, depending on the lending agent, the type of security lent, and the type of collateral received. As of June 30, 2024, the FRS Pension Trust Fund had received and invested approximately \$251.2 million in cash collateral and received \$12.4 billion in securities as collateral for the lending programs. The collateral held for the security lending transactions exceeded the fair value of the securities on loan (including accrued interest). As a result, none of the lending programs were under-collateralized at the end of the fiscal year. The FRS Pension Trust Fund does not have the ability to pledge or sell the non-cash collateral securities unless the borrower defaults, so the non-cash portion is not reported on the Statement of Fiduciary Net Position.

Maturities of investments made with cash collateral generally are not matched to maturities of the securities loaned, because security lending agreements generally are open-ended with no fixed expiration date. As such, investments made with cash collateral are limited to those with a final maturity up to 92 days. During fiscal year 2024, the remaining legacy securities, with final maturities of six months or more, were sold for a loss. The amount written off totaled approximately \$18.2 million.

The schedule below discloses the fair value and carrying value of investments on loan at June 30, 2024 (in thousands):

### Schedule of Investments on Loan Under Security Lending Agreements

As of June 30, 2024

Securities on Loan for Cash Collateral, by Security Type	Fair Value of Securities on Loan <sup>1</sup>	
		FRS Pension Trust Fund
U.S. guaranteed obligations	\$	101,306
Federal agencies		4,996
Domestic corporate bonds and notes		47,568
International bonds and notes		37,859
Domestic equities		45,925
International equities		6,017
Total securities on loan for cash collateral	\$	243,671
<b>Securities on Loan for Non-Cash Collateral, by Security Type</b>		
U.S. guaranteed obligations	\$	4,234,237
Federal agencies		1,562,311
Domestic corporate bonds and notes		534,553
International bonds and notes		105,700
Domestic equities		2,298,217
International equities		3,119,436
Total securities on loan for non-cash collateral		11,854,454
Total securities on loan	\$	12,098,125

<sup>1</sup>Fair value includes accrued interest on fixed income securities.

## 9. Derivatives

The FRS Pension Trust Fund accounts for derivative instruments in accordance with GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* (GASB 53). This statement defines a derivative instrument as a financial instrument or other contract that has all of the following characteristics:

- a. Settlement factors. It has (1) one or more reference rates and (2) one or more notional amounts or payment provisions or both. Those terms determine the amount of the settlement or settlements and, in some cases, whether or not a settlement is required.
- b. Leverage. It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- c. Net settlement. Its terms require or permit net settlement, it can readily be settled net by a means outside the contract, or it provides for delivery of an asset that puts the recipient in a position not substantially different from net settlement.

Derivative instruments in the FRS Pension Trust Fund as of June 30, 2024, consisted of futures, options, forward currency contracts, and swaps. There were no option contracts held as of June 30, 2024.

The SBA has established investment guidelines for each investment portfolio. Pursuant to these guidelines, investment derivative instruments are authorized to be used as tools for managing risk or executing investment strategies more efficiently than could otherwise be done in cash markets and may only be used as part of a prudent investment process. Various derivative investment instruments are used as part of the investment strategy to hedge against interest rate risk, currency risk in foreign markets, default risk, and mortgage-backed security prepayment risk, and to effectively manage exposure to domestic and international equities, bonds, and real estate markets.

A futures contract is an agreement between a buyer and a seller to exchange a particular good for a particular price at a particular date in the future, all of which are specified in a contract common to all members in a market on an organized futures exchange. Upon entering into a futures contract, collateral (cash and/or securities) is deposited with the counterparty, in SBA's name, in accordance with the initial margin requirements of the counterparty. Futures contracts are marked to market daily by the board of trade or exchange on which they are traded. The resulting gain/loss is received/paid the following day until the contract expires. The frequency of cash flows depends upon specified collateral and margin limits mutually agreed upon by the SBA and third-party counterparties. Futures contracts involve, to varying degrees, risk of loss in excess of the variation margin disclosed in the Statement of Fiduciary Net Position. Losses may arise from future changes in the value of the underlying instrument.

An option gives the buyer a stipulated privilege of buying or selling a stated property, security, or commodity at a given price (strike price) within a specified time (for an American-style option, at any time prior to or on the expiration date). A securities option is a negotiable contract in which the seller (writer), for a certain sum of money called the option premium, gives the buyer the right to demand within a specified time the purchase (call) from or sale (put) to the option seller of a specified number of bonds, currency units, index units, or shares of stock, at a fixed price or rate, called the strike price.

A forward contract is a contractual obligation, typically over-the-counter, traded between two parties to exchange a particular good or instrument at a set price on a future date. The buyer of the forward agrees to pay the price and take delivery of the good or instrument and is said to be "long" in the forward contract, while the seller of the forward, or "short", agrees to deliver the good or instrument at the agreed price on the agreed date.

A swap is a contractual agreement to exchange a stream of periodic payments utilizing a central clearing house whereby each party in the transaction enters into a contract with the central counterparty. These agreements may be over-the-counter or exchange-traded. Upon entering into a swap contract through a clearing house, collateral is deposited with the counterparty, in SBA's name, in accordance with the initial margin requirements of the counterparty. Swaps are available in and between all active financial markets. Examples include:

Interest rate swap - An agreement between two parties where one stream of future interest payments is exchanged for another based on a specified principal amount. Interest rate swaps often exchange a fixed payment for a floating payment that is linked to an interest rate.

Credit default swap - An agreement that allows one party to "buy" protection from another party for losses that might be incurred as a result of default by a specified reference credit (or credits). The "buyer" of protection pays a premium for the protection, and the "seller" of protection agrees to make a payment to compensate the buyer for losses incurred if a defined credit event occurs.

The fair value, changes in fair value, and notional amounts of the derivative investments held by the FRS Pension Trust Fund for the fiscal year ended June 30, 2024, are classified by type and presented in the table below (in thousands):

### FRS Pension Trust Fund

	Increase/(Decrease) in Fair Value			Fair Value at June 30, 2024	
	Notional (in U.S. Dollars)	Classification	Amount (in U.S. Dollars)	Classification	Amount (in U.S. Dollars)
Investment derivatives:					
<b>Futures<sup>1</sup></b>					
Fixed income futures	\$ 3,787,728	Investment Income	\$ (23,888)	Investment	\$ 6,567
Equity futures	<u>2,166,297</u>	Investment Income	<u>253,606</u>	Investment	<u>(5,681)</u>
<b>Total futures</b>	<u>\$ 5,954,025</u>		<u>\$ 229,718</u>		<u>\$ 886</u>
<b>Foreign currency forwards</b>	<u>\$ 1,000,259</u>	Investment Income	<u>\$ 5,720</u>	Investment	<u>\$ 3,893</u>
<b>Foreign currency options sold</b>	<u>\$ -</u>	Investment Income	<u>\$ 45</u>	Investment	<u>\$ -</u>
<b>Swaps</b>					
Credit default swaps	\$ 116,715	Investment Income	\$ (4,300)	Investment	\$ (2,029)
Interest rate swaps	<u>385,132</u>	Investment Income	<u>(4,119)</u>	Investment	<u>1,648</u>
<b>Total swaps</b>	<u>\$ 501,847</u>		<u>\$ (8,419)</u>		<u>\$ (381)</u>

<sup>1</sup> The total notional values of long and short fixed income futures positions were \$2.8 billion and \$948.2 million, respectively. The total notional value of long equity futures positions was \$2.2 billion.

## 10. Commitments

Each year the FRS Pension Trust Fund enters into a number of agreements that commit the fund, upon request, to make additional investment purchases (i.e., capital commitments) up to predetermined amounts over certain investment time periods. The unfunded capital commitments for private equity, real estate, strategic and active credit investments not reported on the FRS Pension Trust Fund Statement of Fiduciary Net Position totaled \$17.8 billion as of June 30, 2024.

## C. Loans Payable

### Credit Facility Program

During fiscal year 2023, SBA implemented the Credit Facility Program (CFP), which consists of one or more special-purpose entities that are wholly owned by the SBA. These special-purpose entities receive funds through secured revolving lines of credit with the purpose of providing downstream loans to Real Estate Principal Investments. Principal Investments may utilize the CFP to facilitate lending and financing needs for investments within the Principal Investments Portfolio. These special-purpose entities are considered blended component units of the FRS Pension Trust Fund.

As of June 30, 2024, the total amount available under existing credit facilities was \$750 million, of which \$636.6 million was committed and \$267.7 million in principal was drawn for the purpose of providing downstream loans to Real Estate Principal Investments. The available credit facilities will mature in March 2026, with the option to extend through March 2028. As well, capital commitments, from the FRS Pension Trust Fund to the special-purpose entities, used to secure loans were \$788 million.

Pursuant to the terms and conditions of the existing loan agreements, in the event of certain defined trigger events or events of default, including, without limitation, an uncured failure to make the payments due after all cure periods have expired, the lender is entitled to exercise certain remedies, including the suspension or termination of the commitment to fund the loan and declaring the outstanding loan balance to become immediately due.



## Note 4 – NET PENSION LIABILITY

The components of the net pension liability of the state-administered pension plans are presented below:

### A. Florida Retirement System (FRS) Pension Plan

Net Pension Liability	June 30, 2023	June 30, 2024
Total pension liability	\$ 226,204,201,000	\$ 237,370,289,000
Fiduciary net position	\$ 186,357,365,968	\$ 198,685,586,034
Net pension liability	\$ 39,846,835,032	\$ 38,684,702,966
Fiduciary net position as a % of total pension liability	82.38%	83.70%
Covered payroll <sup>1</sup>	\$ 41,958,000,000	\$ 44,621,000,000
Net pension liability as a % of covered payroll	94.97%	86.70%

<sup>1</sup>Covered payroll shown includes the payroll for Investment Plan members and payroll on which only UAL rates are charged.

The total pension liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below. The total pension liability is calculated using the Individual Entry Age Normal cost allocation method.

Discount Rate	June 30, 2023	June 30, 2024
Discount rate	6.70%	6.70%
Long-term expected rate of return, net of investment expense	6.70%	6.70%
Municipal bond rate	N/A	N/A

The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees if future experience follows assumptions and the Actuarially Determined Contribution (ADC) is contributed in full each year. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The 6.70 percent rate of return assumption used in the June 30, 2024, calculations was determined by the consulting actuary, Milliman, to be reasonable and appropriate per Actuarial Standard of Practice Number 27 (ASOP 27). For additional information regarding the depletion date projection, refer to the 2024 GASB 67 Supplement to the FRS Actuarial Valuation available from Valuations on Publications page of the Division of Retirement's website at [www.frs.myflorida.com](http://www.frs.myflorida.com).

### Other Key Actuarial Assumptions

The actuarial assumptions that determined the total pension liability as of June 30, 2024, were based on the results of an actuarial experience study for the period July 1, 2018 – June 30, 2023.

Valuation date	July 1, 2023	July 1, 2024
Measurement date	June 30, 2023	June 30, 2024
Inflation	2.40%	2.40%
Salary increases including inflation	3.25%	3.50%

Mortality	PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2018; details in valuation report	PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2021; details in valuation report
Actuarial cost method	Individual Entry Age	Individual Entry Age

Changes in Net Pension Liability	Increase (Decrease)		Net Pension Liability (a) – (b)
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	
Balances as of June 30, 2023	\$226,204,201,000	\$186,357,365,968	\$39,846,835,032
Changes for the year:			
Service cost	3,047,443,178		3,047,443,178
Interest on total pension liability	14,931,144,439		14,931,144,439
Effect of plan changes	-		-
Effect of economic/demographic gains or losses	1,475,374,429		1,475,374,429
Effect of assumptions changes or inputs	4,720,493,000		4,720,493,000
Benefit payments <sup>1</sup>	(13,008,367,046)	(13,008,367,046)	-
Employer contributions		5,662,633,286	(5,662,633,286)
Member contributions		808,465,064	(808,465,064)
Net investment income		18,894,504,053	(18,894,504,053)
Administrative expenses		(29,015,291)	29,015,291
Balances as of June 30, 2024	<u>\$237,370,289,000</u>	<u>\$198,685,586,034</u>	<u>\$38,684,702,966</u>

<sup>1</sup>Benefit payments shown above include outbound transfers to the Investment Plan and returns of contributions, net of \$81,756,252 inbound transfers from the Investment Plan, plus general revenue-funded benefit payments net of general revenue contributions.

## Sensitivity Analysis

The following presents the net pension liability of the pension plan, calculated using the discount rate of 6.70 percent, as well as what the pension plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.70 percent) or one percentage point higher (7.70 percent) than the current rate.

	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
Total pension liability	\$ 266,730,624,000	\$ 237,370,289,000	\$ 212,774,781,000
Fiduciary net position	198,685,586,034	198,685,586,034	198,685,586,034
Net pension liability	<u>\$ 68,045,037,966</u>	<u>\$ 38,684,702,966</u>	<u>\$ 14,089,194,966</u>

## Long-Term Expected Rate of Return

The long-term expected rate of return assumption of 6.70 percent used in GASB discount rate calculations consists of two building block components: 1) a long-term average annual inflation assumption of 2.40 percent as adopted in October 2024 by the FRS Actuarial Assumption Conference; and 2) an inferred real (in excess of inflation) return of 4.20 percent. Geometrically combining those building blocks using the formula  $(1 + .024) \times (1 + .042) - 1$  generates an expected nominal return of 6.70 percent. In the opinion of the FRS consulting actuary, both building block components and the overall 6.70 percent return assumption were determined to be reasonable and appropriate per Actuarial Standards of Practice. The 6.70 percent reported investment return assumption is the same as the investment return assumption chosen by the 2023 FRS Actuarial Assumption Conference for funding policy purposes.

For reference, the table below contains a summary of return assumptions for various asset classes based on the long-term target asset allocation. The six specific asset classes displayed are per system request and are summarized results of a more detailed market outlook model with additional asset classes. Each asset class assumption is based on a consistent set of underlying real return assumptions from Milliman's model combined with the FRS Actuarial Assumption Conference's 2.4 percent inflation assumption. The Milliman assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation <sup>1</sup>	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.1%
Fixed income	29.0%	5.7%	5.6%	3.9%
Global equity	45.0%	8.6%	7.0%	18.2%
Real estate	12.0%	8.1%	6.8%	16.6%
Private equity	11.0%	12.4%	8.8%	28.4%
Strategic investments	2.0%	6.6%	6.2%	8.7%
Assumed Inflation – Mean			2.4%	1.5%

<sup>1</sup>As outlined in the FRS Pension Plan's investment policy available from Funds We Manage on the SBA's website at [www.sbafla.com](http://www.sbafla.com).

## Calculation of Money-Weighted Rate of Return

For the year ended June 30, 2024, the annual money-weighted rate of return on FRS pension plan investments, net of pension plan investment expense, was 10.33 percent.<sup>1</sup> The money-weighted rate of return considers the changing amounts estimated as invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period. Cash flows are estimated on a monthly basis and are assumed to occur at the beginning of each month. Cash inflows are netted with cash outflows, resulting in a net cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

<sup>1</sup>The money-weighted plan rate of return is an estimate using estimated level monthly net external cash flows. It may differ from the more precise return calculated by the State Board of Administration.

## B. Retiree Health Insurance Subsidy (HIS) Program

Actuarial valuations for the HIS Program are conducted biennially. The July 1, 2024, HIS valuation is the most recent actuarial valuation and was used to develop the liabilities for the June 30, 2024, financial reporting exhibits shown below. The discount rates used at the two liability measurement dates differ due to changes in the applicable municipal bond index between dates.

Net Pension Liability	June 30, 2023	June 30, 2024
Total pension liability	\$ 16,563,148,691	\$ 15,757,751,902
Fiduciary net position	\$ 681,814,936	\$ 756,775,056
Net pension liability	\$ 15,881,333,755	\$ 15,000,976,846
Fiduciary net position as a % of total pension liability	4.12%	4.80%
Covered payroll	\$ 39,628,534,004	\$ 42,340,606,287
Net pension liability as a % of covered payroll	40.08%	35.43%

The total pension liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected to the measurement date. Any significant changes during this period have been reflected as prescribed by GASB 67.

Discount Rate	June 30, 2023	June 30, 2024
Discount rate	3.65%	3.93%
Long-term expected rate of return, net of investment expense	N/A	N/A
Bond Buyer General Obligation 20-Bond Municipal Bond Index	3.65%	3.93%

In general, the discount rate for calculating the total pension liability under GASB 67 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate. The single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Assumption Conference.

### Other Key Actuarial Assumptions

The actuarial assumptions that determined the total pension liability as of June 30, 2024, were based on certain results of an actuarial experience study of the FRS for the period July 1, 2018 - June 30, 2023.

Valuation date	July 1, 2022	July 1, 2024
Measurement date	June 30, 2023	June 30, 2024
Inflation	2.40%	2.40%
Salary increases including inflation	3.25%	3.50%
Mortality	Generational PUB-2010 with Projection Scale MP-2018; details in valuation report	Generational PUB-2010 with Projection Scale MP-2021; details in valuation report
Actuarial cost method	Individual Entry Age	Individual Entry Age

Changes in Net Pension Liability	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances as of June 30, 2023	\$ 16,563,148,691	\$ 681,814,936	\$ 15,881,333,755
Changes for the year:			
Service cost	314,151,850		314,151,850
Interest on total pension liability	601,389,781		601,389,781
Effect of plan changes	-		-
Effect of economic/demographic gains or losses	1,593,973		1,593,973
Effect of assumptions changes or inputs	(913,545,714)		(913,545,714)
Benefit payments	(808,986,679)	(808,986,679)	-
Employer contributions		846,629,519	(846,629,519)
Member contributions		261,486	(261,486)
Net investment income		37,256,414	(37,256,414)
Administrative expenses		(200,620)	200,620
Balances as of June 30, 2024	\$ 15,757,751,902	\$ 756,775,056	\$ 15,000,976,846

### Sensitivity Analysis

The following presents the net pension liability of the HIS, calculated using the discount rate of 3.93 percent, as well as what the HIS's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.93 percent) or one percentage point higher (4.93 percent) than the current rate.

	1% Decrease 2.93%	Current Discount Rate 3.93%	1% Increase 4.93%
Total pension liability	\$17,833,459,277	\$15,757,751,902	\$14,034,579,306
Fiduciary net position	756,775,056	756,775,056	756,775,056
Net pension liability	\$17,076,684,221	\$15,000,976,846	\$13,277,804,250

### C. Florida National Guard Supplemental Retirement Benefit (National Guard) Plan

Actuarial valuations for the Florida National Guard Supplemental Retirement Benefit Plan are performed biennially. The July 1, 2024, National Guard valuation is the most recent actuarial valuation and was used to develop the liabilities for the June 30, 2024, financial reporting exhibits shown below. The discount rates used at the two liability measurement dates differ due to changes in the applicable municipal bond index between dates.

Net Pension Liability	June 30, 2023	June 30, 2024
Total pension liability	\$ 609,412,914	\$ 615,322,621
Fiduciary net position	-	-
Net pension liability	\$ 609,412,914	\$ 615,322,621
Fiduciary net position as a % of total pension liability	0.00%	0.00%
Covered payroll <sup>1</sup>	\$ 578,409,000	\$ 625,220,000
Net pension liability as a % of covered payroll	105.36%	98.42%

The total pension liability was determined by an actuarial valuation as of the measurement date, calculated based on the discount rate and actuarial assumptions below.

<sup>1</sup>Covered payroll is based on the total annual wages from the active-duty military pay tables for the rank held by individuals in the Army and Air National Guard, which is the basis of the benefit formula.

Discount Rate	June 30, 2023	June 30, 2024
Discount rate	3.65%	3.93%
Long-term expected rate of return, net of investment expense	N/A	N/A
Bond Buyer General Obligation 20-Bond Municipal Bond Index	3.65%	3.93%

In general, the discount rate for calculating the total pension liability under GASB 67 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the National Guard benefit is funded on a pay-as-you-go basis, the depletion date is considered to be immediate. The single equivalent discount rate is equal to the municipal bond rate adopted by the FRS Actuarial Assumption Conference.

#### Other Key Actuarial Assumptions

The plan has not had a formal actuarial experience study performed.

Valuation date	July 1, 2022	July 1, 2024
Measurement date	June 30, 2023	June 30, 2024
Individual Member Salary Increase	Varies by service; separate tables for officers and enlisted	Varies by service; separate tables for officers and enlisted
Annual Increase for net Florida National Guard benefit <sup>3</sup>	2.80%	2.80%
Mortality	PUB-2010 with Projection Scale MP-2018 <sup>1</sup>	PUB-2010 with Projection Scale MP-2021 <sup>2</sup>
Actuarial cost method	Entry Age Normal	Entry Age Normal

<sup>1</sup> See July 1, 2022, Actuarial Valuation Report for details.

<sup>2</sup> See July 1, 2024, Actuarial Valuation Report for details.

<sup>3</sup> Reflects the projected effect on the net Florida National Guard benefit of a 2.4 percent inflation increase assumption for the total Florida plus federal benefit and a 2.0 percent increase assumption for the federal portion of the benefit.

Changes in Net Pension Liability	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances as of June 30, 2023	\$ 609,412,914	\$ -	\$ 609,412,914
Changes for the year:			
Service cost	14,433,879		14,433,879
Interest on total pension liability	22,482,083		22,482,083
Effect of plan changes	-		-
Effect of economic/demographic gains or losses	19,473,036		19,473,036
Effect of assumptions changes or inputs	(34,537,831)		(34,537,831)
Benefit payments	(15,941,460)	(15,941,460)	-
Employer contributions <sup>1</sup>		15,950,060	(15,950,060)
Member contributions <sup>2</sup>		-	-
Net investment income <sup>2</sup>		-	-
Administrative expenses		(8,600)	8,600
Balances as of June 30, 2024	\$ 615,322,621	\$ -	\$ 615,322,621

<sup>1</sup>Contributions are provided by annual legislative appropriation to cover expenses and benefit payments.

<sup>2</sup>This plan is funded by general revenue funding with no member contributions and no plan assets. Therefore, Member Contributions and Net Investment Income will always be \$0.

## Sensitivity Analysis

The following presents the net pension liability of the plan, calculated using the discount rate of 3.93 percent, as well as what the plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.93 percent) or one percentage point higher (4.93 percent) than the current rate.

	1% Decrease 2.93%	Current Discount Rate 3.93%	1% Increase 4.93%
Total pension liability	\$ 744,192,802	\$ 615,322,621	\$ 517,527,883
Fiduciary net position	-	-	-
Net pension liability	\$ 744,192,802	\$ 615,322,621	\$ 517,527,883

## NOTE 5 – INTERFUND BALANCES AND TRANSFERS

At June 30, 2024, amounts to be received or paid with current available resources are reported as due from or due to other funds, whereas the noncurrent portion is reported as advances from other funds. Interfund balances at June 30, 2024, consist of the following:

Due to Other Funds within Division	Due from Other Funds within Division	
	Fiduciary Funds	
	Florida Retirement System	Health Insurance Subsidy Trust Fund
<b>Fiduciary Funds</b>		
Florida Retirement System	\$ -	\$ 9,700,549
State University System Optional Retirement Program	3,185,505	-
Senior Management Service Optional Annuity Program	9,921	-
<b>Total</b>	<u>\$ 3,195,426</u>	<u>\$ 9,700,549</u>

There were no interfund transfers during the year.



## NOTE 6 – CHANGES IN LONG-TERM LIABILITIES

Changes in long-term liabilities for fiduciary and governmental activities during the fiscal year ended June 30, 2024, are as follows:

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Due Within One Year (Current)
<b>Fiduciary Activities</b>					
Pension Liability	\$ 150,411	\$ 67,657	\$ -	\$ 218,068	\$ -
Compensated Absences	1,334,307	806,179	799,832	1,340,654	431,993
Other Postemployment Benefits	10,723,252	1,722,015	51,953	12,393,314	322,401
Lease Liability	15,993,897	-	832,362	15,161,535	841,044
<b>Total Fiduciary Activities</b>	<u>\$ 28,201,867</u>	<u>\$ 2,595,851</u>	<u>\$ 1,684,147</u>	<u>\$ 29,113,571</u>	<u>\$ 1,595,438</u>
<b>Governmental Activities</b>					
Compensated Absences	\$ 169,587	\$ 53,310	\$ 45,044	\$ 177,853	\$ 37,392
Other Postemployment Benefits	346,377	71,207	-	417,584	10,863
Lease Liability	648,232	-	32,959	615,273	33,730
<b>Total Governmental Activities</b>	<u>\$ 1,164,196</u>	<u>\$ 124,517</u>	<u>\$ 78,003</u>	<u>\$ 1,210,710</u>	<u>\$ 81,985</u>

The long-term liability for fiduciary activities related to pension liability represents the State University System Optional Retirement Plan (SUSORP) Trust Fund's allocated share of the applicable state's pension liability. Changes to the trust fund's allocated share of the liability occur as a result of the state's allocation process and are non-liquidating by the trust fund itself. The liabilities related to compensated absences and leases will be liquidated by the Florida Retirement System (FRS) Trust Fund and the SUSORP Trust Fund. The allocated share of the state's Other Postemployment Benefits (OPEB) liability in the FRS Trust Fund and the SUSORP Trust Fund is also reported above. The state does not currently fund the OPEB liability; therefore, it is non-liquidating.

The long-term liabilities for governmental activities related to compensated absences and leases will be liquidated by the Police and Firefighters' Premium Tax Trust Fund, a special revenue fund. The fund's allocated share of the state's OPEB liability is also reported above. The state does not currently fund the OPEB liability; therefore, it is non-liquidating.

## NOTE 7 – RELATED PARTIES

The State Board of Administration (SBA), the FRS Investment Plan Trust Fund, and the Department of Management Services (DMS) state-administered retirement systems are considered to be related parties for the purposes of the system’s financial statements.

The defined benefit state-administered pension funds have a variety of transactions with the SBA and the FRS Investment Plan. The DMS administers the state-administered defined benefit pension plans, including collecting employer and employee contributions, remitting those contributions to SBA for investment, requesting withdrawals from SBA for benefit payments, and paying those benefit payments to members. The SBA administers the FRS Investment Plan Trust Fund, including working with DMS to collect employer and employee contributions and processing member-directed benefit amounts between the FRS Pension Plan Trust Fund and the FRS Investment Plan Trust Fund. The SBA provides investment services to the FRS Pension Plan and the Retiree Health Insurance Subsidy Pension Plan and charges an investment service charge on the net asset value at the end of each month.

In addition to the defined benefit pension plans, the DMS administers the Police and Firefighters’ Premium Tax Trust Fund, a supplemental funding of defined benefit plans for municipal police officers and firefighters who are not in the FRS. The SBA provides investment services to the Police and Firefighters’ Premium Tax Trust Fund.

Significant transactions between the SBA, the FRS Investment Plan Trust Fund and the DMS state-administered retirement systems for the fiscal year ended June 30, 2024, are as follows (in thousands):

	Florida Retirement System Pension Plan	Retiree Health Insurance Subsidy Trust Fund	Police and Firefighters’ Premium Tax Trust Fund
<u>Payables:</u>			
Due to SBA for investment service charges	\$ 10,688	\$ -	\$ -
<u>Additions:</u>			
Funds received from SBA for distributions	\$ 12,502,572	\$ 811,151	\$ 298,133
Transfers from FRS Investment Plan Trust Fund	81,756	-	-
Total Additions	<u>\$ 12,584,328</u>	<u>\$ 811,151</u>	<u>\$ 298,133</u>
<u>Deductions:</u>			
Employer/employee contributions sent to SBA	\$ 6,369,547	\$ 847,709	\$ -
Member-directed benefits sent to FRS Investment Plan Trust Fund	690,365	-	-
Unfunded Actuarial Liability (UAL) transferred from other trust funds sent to SBA	109,607	-	-
Investment service charges to the SBA	61,639	-	-
Premium taxes sent to SBA	-	-	346,503
Total Deductions	<u>\$ 7,231,158</u>	<u>\$ 847,709</u>	<u>\$ 346,503</u>

## Note 8 – OTHER POSTEMPLOYMENT BENEFITS

The Florida Department of Management Services, Division of Retirement (division) is part of the primary government of the State of Florida. The division participates in the State Employees' Group Health Insurance Plan administered by the Department of Management Services, Division of State Group Insurance (DSGI). The plan covers retired employees and is considered an 'other postemployment benefits' plan.

### Plan Description

The DSGI Other Postemployment Benefits Plan (OPEB Plan) is a multiple-employer defined benefit plan which provides healthcare benefits in accordance with Section 110.123, Florida Statutes, and the design documents are located on DSGI's website at <https://www.mybenefits.myflorida.com/myhealth/resources>. DSGI pays the medical costs incurred by participating retired employees, net of related premiums that are paid entirely by the retiree. Pursuant to provisions of Section 112.0801, Florida Statutes, the OPEB Plan allows all employees who retire and meet retirement eligibility requirements under one of the state's retirement plans to continue medical coverage as a participant in the state's group health insurance program. Retirees are required to enroll in the Federal Medicare (Medicare) program for their primary coverage as soon as they are eligible. There are 6 participating employers in the Plan, including the primary government of the state and 15 of its component units which are reported as one employer in the valuation, along with 5 other governmental entities. Although retirees pay 100 percent of the premium amount, the premium cost to the retiree is implicitly subsidized by commingling of the claims experience in a single risk pool with a single premium determination for active employees and retirees under age 65. These rates provide an implicit subsidy for retirees because retiree healthcare costs are generally greater than active employee healthcare costs. Retirees under age 65 pay the same premium amounts as applicable to active employees. Retirees over age 65 are included in the overall risk pool but pay a lesser premium amount than is applicable to active employees because the Plan is secondary payer to Medicare Parts A and B. Employees must make an election to participate in the Plan within 60 days of the effective date of retirement or the termination date to finalized Deferred Retirement Option Program participation to be eligible to continue in the Plan as a retiree. The Plan does not provide for a cost of living allowance increase.

There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The OPEB Plan operates on a pay-as-you-go basis based on the budget supported by the General Appropriations Act enacted into law each year.

### Employees Covered by Benefit Terms

Census and enrollment data received as of July 1, 2022, was used to develop results for the fiscal year ended June 30, 2024. At July 1, 2022, there were 183,991 employees covered by the OPEB Plan, as shown in the following table:

Active Members	127,265
No Coverage Active Members	22,773
Retired and Inactive Members	<u>33,953</u>
Total	<u><u>183,991</u></u>

As of July 1, 2022, there were no inactive plan members entitled to but not yet receiving benefits because the Plan did not provide a vested termination benefit.

### Benefits Provided

The OPEB Plan provides the same healthcare benefits to retirees as those provided to active employees. Spouses and dependents of eligible retirees are also eligible for medical coverage. All full-time equivalent employees of the state are eligible to receive postemployment health care benefits. Four types of health plans are offered to eligible participants:

- Standard statewide Preferred Provider Organization (PPO) Plan
- High Deductible PPO Plan
- Standard Health Maintenance Organization (HMO) Plan
- High Deductible HMO Plan

HMO coverage is available only to those retirees who live or work in the HMO's service area. The four PPO and HMO options are considered managed-care plans and have specific provider networks. Benefit provisions are described by Section 110.123, Florida Statutes, and the design documents located on DSGI's website. The Florida Legislature establishes and amends the contribution requirements, benefit terms and benefit payments of the OPEB Plan. House Bill 5009 that was passed during the 2022 Session (Chapter No 2022-160, Laws of Florida), establishes the right of any current state employee who terminates after July 1, 2022, with six years of credited service to participate in the State Group Insurance plan indefinitely after termination. The election to participate must be made within two years of termination. There is limited data regarding how many may elect this option. This change in benefits will be accounted for in future valuations of the Plan as experience is accumulated. Senate Bill 7024 was passed in the 2023 Session (Chapter No. 2023-193, Laws of Florida) lowering the retirement eligibility age and service requirements for Special Risk Class participants hired on and after July 1, 2011, to age 55 with 6 years of service or 25 years of service regardless of age. Further, the bill extends the maximum DROP participation period from 5 years to 8 years for all eligible for DROP. The bill was effective July 1, 2023, and the changes will be reflected in the July 1, 2023, valuation of the Plan. During the reporting period, the division paid \$300,886 for OPEB as the benefits came due.

## Contributions

Retirees participating in the group insurance plans offered by the State of Florida are required to contribute 100 percent of the premiums. The State of Florida implicitly subsidizes the healthcare premium rates paid by retirees by allowing them to participate in the same health plan offered to active employees. Retirees under age 65 pay the same premium amounts as applicable to the active employees. Retirees over age 65 are included in the overall risk pool but pay a lesser premium amount than is applicable to active employees because Medicare is the primary payer for those retirees.

Note that the projected post-65 employee contributions for the fully-insured HMO plan are assumed to cover the entire cost of the program.

## OPEB Liability

Actuarial valuations for the OPEB Plan are conducted biennially. The July 1, 2022, OPEB valuation is the most recent actuarial valuation and was used to develop the liabilities for the June 30, 2024, financial reporting exhibits.

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State of Florida's OPEB plan and additions to / deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

The Florida Retirement System (FRS) Trust Fund, the State University System Optional Retirement Program (SUSORP) Trust Fund and the Police and Firefighters' Premium Tax (Police and Fire) Trust Fund are allocated a share of the state's OPEB liability, deferred outflows, deferred inflows and expense based on the number of full-time equivalent positions funded by each trust fund. The division's OPEB liability is shown below:

	FRS Trust Fund	SUSORP Trust Fund	Police and Fire Trust Fund	Total
State's share of OPEB liability	\$ 5,830,054,729	\$ 5,830,054,729	\$ 5,830,054,729	
Fund's proportion	0.2095065959%	0.0030696937%	0.0071626187%	
Fund's proportionate share	\$ 12,214,349	\$ 178,965	\$ 417,584	\$ 12,810,898

The funds' proportion of the total OPEB liability and the change in proportion from the prior measurement date are shown below:

	FRS Trust Fund	SUSORP Trust Fund	Police and Fire Trust Fund
Fund's proportion at prior measurement date, June 30, 2022	0.1925972913%	0.0042387299%	0.0063580949%
Fund's proportion at measurement date, June 30, 2023	0.2095065959%	0.0030696937%	0.0071626187%
Increase / (decrease) in proportion	0.0169093046%	(0.0011690362%)	0.0008045238%

## Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2022. The service cost and interest cost components of the GASB 75 expense are based on the discount rate of 4.13 percent. The following actuarial assumptions were used:

Discount Rate	
Discount rate	4.13%
Long-term expected rate of return, net of investment expense	N/A
Bond Buyer General Obligation 20-year Municipal Bond Index	4.13%

In general, the discount rate for calculating the total OPEB liability under GASB 75 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the OPEB benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate. All future benefits were discounted using a high-quality municipal bond rate of 4.13 percent. This rate was based on the week closest to but not later than the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index. The S&P Municipal Bond 20 Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years. Eligible bonds must be rated at least AA by Standard and Poor's Ratings Services, Aa2 by Moody's or AA by Fitch. If there are multiple ratings, the lowest rating is used.

## Healthcare Cost Trend Rates

The trend rates are a key assumption used in determining the costs of the plan, and these rates have been developed in a manner consistent with actuarial industry standards. The healthcare cost trend rates used are consistent with the Report on the Financial Outlook for the Fiscal Years Ending June 30, 2022, through June 30, 2027, as presented on August 10, 2022, by the Self-Insurance Estimating Conference conducted by the Office of Economic and Demographic Research. The August 2022 report is available online at <https://edr.state.fl.us/Content/conferences/healthinsurance/archives/index.cfm>.

Trend rate assumptions vary slightly by medical plan and pre-Medicare versus post-Medicare status. For the PPO plans, age-relative cost information was used to develop preliminary age-related cost tables separately for Medicare and non-Medicare PPO members. The PPO age-related costs of members not eligible for Medicare were adjusted to take into account the expected additional cost which retired members incur compared to active members the same age. The PPO age-related costs of Medicare eligible members were adjusted to reflect the mix of services between Part D prescription drug claim costs and non-Part D prescription drug claim costs (i.e., Part A, B, and non-Medicare eligible claim costs). The Part D subsidy was not subtracted from the drug experience since it is not recognized under the GASB valuation rules. For the PPO plans, the initial rate for both pre-Medicare and post-Medicare retirees is 10.31%, reaching an ultimate rate of 4.04% for years after 2075.

For the HMO plans, age-related costs for HMO members not eligible for Medicare were developed using the same methodology used for PPO members. For the fully-insured HMO, age-related costs for Medicare eligible HMO members was not developed because the assumption was made that the HMO premium rates reflect that the Medicare-eligible members pay the entire cost of coverage. For the HMO plans, the initial rate for both pre-Medicare and post-Medicare retirees is 7.53%, reaching an ultimate rate of 4.04% for years after 2075.

## Other Key Actuarial Assumptions

The demographic assumptions that determined the total OPEB liability as of June 30, 2023, were based on certain results of an actuarial experience study of the FRS for the period July 1, 2014 - June 30, 2019.

Valuation date	July 1, 2022
Measurement date	June 30, 2023
Actuarial value of assets	N/A – no plan assets
Inflation	2.40%
Salary Increases	Varies by FRS class 4% per year prior to age 65; 3% per year between ages 65 and 75; 2% per year between ages 75 and 85; 0% per year thereafter.
Medical aging factors	
Mortality	Pub-2010 Mortality tables with fully generational improvement; Scale MP-2018 See details in valuation report
Actuarial cost method	Entry Age Normal
Marital status	80% assumed married, with male spouses 3 years older than female spouses

## Changes Since the Prior Valuation

The following changes have been made since the prior valuation:

- Disability Rates – For those in the Special Risk Class, disability rates were updated to those used in the actuarial valuation of the Florida Retirement System (FRS) conducted by Milliman as of July 1, 2022.
- DROP Election Percentage and DROP Participation Period – For law enforcement officers, the percentage of members assumed to elect to participate in the Deferred Retirement Option Program (DROP) was updated to align with rates used in the actuarial valuation of the Florida Retirement System (FRS) conducted by Milliman as of July 1, 2022. Further, law enforcement officers' maximum DROP participation period was extended from 60 months (5 years) to 96 months (8 years).
- Inflation – Inflation was lowered to match the 2.4% used in the actuarial valuation of the Florida Retirement System (FRS) conducted by Milliman as of July 1, 2022.
- Discount Rate - The discount rate was updated to utilize the mandated discount rate based on a 20-year S&P Municipal Bond Rate Index as of the measurement date, as required under GASB 75. The discount rate increased from 4.09 percent to 4.13 percent.

All other assumptions for this report are the same as the prior valuation.

## Sensitivity Analysis

*Sensitivity of the total OPEB liability to changes in the discount rate:*

The following presents the division's allocated share of the state's OPEB liability in each of the affected funds, calculated using the discount rate of 4.13 percent, as well as what the funds' OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.13 percent) or one percentage point higher (5.13 percent) than the current rate.

FRS Trust Fund			SUSORP Trust Fund		
1% Decrease 3.13%	Current Discount Rate 4.13%	1% Increase 5.13%	1% Decrease 3.13%	Current Discount Rate 4.13%	1% Increase 5.13%
\$14,497,679	\$12,214,349	\$10,382,456	\$212,420	\$178,965	\$152,124

Police and Fire Trust Fund		
1% Decrease 3.13%	Current Discount Rate 4.13%	1% Increase 5.13%
\$495,647	\$417,584	\$354,956

*Sensitivity of the total OPEB liability to changes in the healthcare cost trends:*

The following presents the division's allocated share of the state's OPEB liability in each of the affected funds, calculated using the current healthcare trend rate, as well as what the funds' OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current rates.

FRS Trust Fund			SUSORP Trust Fund		
1% Decrease	Current Healthcare Trend Rate	1% Increase	1% Decrease	Current Healthcare Trend Rate	1% Increase
\$10,111,873	\$12,214,349	\$14,928,661	\$148,159	\$178,965	\$218,735

Police and Fire Trust Fund		
1% Decrease	Current Healthcare Trend Rate	1% Increase
\$345,705	\$417,584	\$510,382

## OPEB Liabilities, OPEB Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

In accordance with GASB 75, paragraphs 157 and 158, changes in the total OPEB liability and costs incurred by the employer related to the administration of OPEB are recognized in expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in expense in the current measurement period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors – amortized over the average expected remaining service life of all employees who are provided with benefits through the OPEB plan (active and inactive employees).
- Changes of assumptions or other inputs – amortized over the average expected remaining service life of all employees who are provided with benefits through the OPEB Plan (active and inactive employees).

The average expected remaining service life of all employees provided with benefits through the OPEB Plan at June 30, 2024, was 8.0 years.

The division's proportionate share for all funds of the components of OPEB expense and deferred outflows and inflows of resources reported in the OPEB allocation schedules for the measurement date year ended June 30, 2023, are presented below:

### State Employees Group Health Insurance OPEB Plan

	Recognized in Expense Reporting Period Ended June 30, 2024	Recognition Period	Deferred Outflows of Resources	Deferred Inflows of Resources
Service cost	\$ 467,485	Current	\$ -	\$ -
Interest cost	504,046	Current	-	-
Effect of plan changes	-	Current	-	-
Effect of economic/demographic gains or losses (difference between expected and actual experience)	(253,312)	8.0 years	-	(1,059,729)
Effect of assumptions changes or inputs	(1,374,355)	8.0 years	1,159,621	(6,105,943)
Changes in proportion and differences between benefit payments and proportionate share of benefit payments	448,402	8.0 years	3,708,324	(937,573)
Benefit payments subsequent to the measurement date	(318,061)	1 year	318,061	-
Administrative expenses subsequent to the measurement date	(9,056)	1 year	9,056	-
Administrative expenses	7,372	Current	-	-
Total	<u>\$ (527,479)</u>		<u>\$ 5,195,062</u>	<u>\$ (8,103,245)</u>



Deferred outflows of resources related to benefit payments and administrative expense paid subsequent to the measurement date as shown in the table above will be recognized as a reduction of the OPEB liability in the reporting period ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB expense will be recognized as follows:

Reporting Period Ending June 30	OPEB Expense
2025	\$ (1,179,265)
2026	(884,521)
2027	(756,378)
2028	(118,238)
2029	(118,238)
Thereafter	<u>(178,656)</u>
Total	<u>\$ (3,235,296)</u>

**Additional Information**

The actuarial report for the OPEB plan may be obtained by contacting the Division of State Group Insurance at:

Department of Management Services  
 Division of State Group Insurance  
 Chief of Financial and Fiscal Management  
 P. O. Box 5450  
 Tallahassee, FL 32314-5450  
 850-921-4600 or toll free at 800-226-3734

## Note 9 – LEASES AND CAPITAL ASSETS

The Florida Department of Management Services, Division of Retirement (division), enters into leases for buildings, copiers, and equipment. Certain leases can be short-term or renewable at the option of the division, and are accounted for appropriately per GASB Statement No. 87, *Leases*. Management has determined the building and copier leases are the only leases considered material for financial reporting purposes.

As of June 30, 2024, there were no leases with variable payments not included in the measurement of the lease liability, and none of the leases contained residual value guarantees.

The division leased ten copiers, which commenced on December 1, 2020, and has a term of 48 months. In addition, the division has leased a building that contains approximately 38,000 square feet of office space with 190 parking spots. The lease commenced January 1, 2020, and has a term of 120 months with an option for renewal for an additional 120 months.

The Florida Retirement System (FRS) Trust Fund, the State University System Optional Retirement Program (SUSORP) Trust Fund, and the Police and Firefighters' Premium Tax (Police & Fire) Trust Fund are allocated a share of the building lease asset and the related accumulated amortization. The copier lease is reported in the FRS Trust Fund. Amounts for both leases as of June 30, 2024, are shown below:

FRS Trust Fund		SUSORP Trust Fund		Police and Fire Trust Fund		Total	
Lease Asset	Accumulated Amortization	Lease Asset	Accumulated Amortization	Lease Asset	Accumulated Amortization	Lease Asset	Accumulated Amortization
\$17,205,111	\$ 2,762,944	\$355,089	\$ 55,982	\$710,177	\$ 111,965	\$18,270,377	\$ 2,930,891

Amortization for the remaining lease term as of June 30, 2024, is shown below:

Year Ending June 30	FRS Trust Fund	SUSORP Trust Fund	Police and Fire Trust Fund	Total
2025	\$ 936,408	\$ 19,194	\$ 38,388	\$ 993,990
2026	926,109	19,194	38,388	983,691
2027	926,109	19,194	38,388	983,691
2028	926,109	19,194	38,388	983,691
2029	926,109	19,194	38,388	983,691
2030-2034	4,630,546	95,970	191,940	4,918,456
2035-2039	4,630,546	95,970	191,940	4,918,456
Thereafter	540,231	11,197	22,392	573,820
<b>Total</b>	<b>\$ 14,442,167</b>	<b>\$ 299,107</b>	<b>\$ 598,212</b>	<b>\$ 15,339,486</b>

For the fiscal year ended June 30, 2024, there were no outflows of resources recognized in the reporting period for variable payments or other payments, such as residual value guarantees or termination penalties, which were not previously included in the measurement of the lease liability.

Principal and interest requirements to maturity for the lease liability as of June 30, 2024, are shown below:

Year Ending June 30	FRS Trust Fund		SUSORP Trust Fund		Police and Fire Trust Fund		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 824,179	\$ 173,700	\$ 16,865	\$ 3,599	\$ 33,730	\$ 7,199	\$ 874,774	\$ 184,498
2026	832,581	163,800	17,255	3,395	34,511	6,790	884,347	173,985
2027	851,635	153,705	17,650	3,186	35,301	6,371	904,586	163,262
2028	870,848	143,380	18,049	2,972	36,097	5,943	924,994	152,295
2029	890,347	132,823	18,452	2,753	36,906	5,506	945,705	141,082
2030-2034	4,712,026	498,465	97,659	10,331	195,316	20,661	5,005,001	529,457
2035-2039	5,228,022	200,814	108,353	4,162	216,706	8,324	5,553,081	213,300
Thereafter	644,261	2,580	13,353	53	26,706	107	684,320	2,740
<b>Total</b>	<b>\$ 14,853,899</b>	<b>\$1,469,267</b>	<b>\$307,636</b>	<b>\$ 30,451</b>	<b>\$ 615,273</b>	<b>\$ 60,901</b>	<b>\$15,776,808</b>	<b>\$1,560,619</b>

For the fiscal year ended June 30, 2024, there were no commitments under leases before the commencement of the lease term, and there were no impairment losses or related changes in the lease liability.

Changes in capital assets are summarized as follows:

	FRS Trust Fund			
	Balance June 30, 2023	Increase	Decrease	Balance June 30, 2024
<b>Capital Assets, being depreciated:</b>				
Right-of-Use Lease Building	\$ 17,133,020	\$ -	\$ -	\$ 17,133,020
Right-of-Use Lease Copier	72,091	-	-	72,091
<b>Total capital assets, being depreciated</b>	<b>17,205,111</b>	<b>-</b>	<b>-</b>	<b>17,205,111</b>
<b>Less accumulated amortization for:</b>				
Right-of-Use Lease Building	1,775,043	926,109	-	2,701,152
Right-of-Use Lease Copier	41,195	20,597	-	61,792
Total amortization	1,816,238	946,706	-	2,762,944
<b>Total capital assets, being amortized, net</b>	<b>\$ 15,388,873</b>	<b>\$ (946,706)</b>	<b>\$ -</b>	<b>\$ 14,442,167</b>

	SUSORP Trust Fund			
	Balance June 30, 2023	Increase	Decrease	Balance June 30, 2024
<b>Capital Assets, being depreciated:</b>				
Right-of-Use Lease Building	\$ 355,089	\$ -	\$ -	\$ 355,089
<b>Total capital assets, being depreciated</b>	<b>355,089</b>	<b>-</b>	<b>-</b>	<b>355,089</b>
<b>Less accumulated amortization for:</b>				
Right-of-Use Lease Building	36,788	19,194	-	55,982
Total amortization	36,788	19,194	-	55,982
<b>Total capital assets, being amortized, net</b>	<b>\$ 318,301</b>	<b>\$ (19,194)</b>	<b>\$ -</b>	<b>\$ 299,107</b>

**Police and Fire  
Trust Fund**

	Balance June 30, 2023	Increase	Decrease	Balance June 30, 2024
<b>Capital Assets, being depreciated:</b>				
Right-of-Use Lease Building	\$ 710,177	\$ -	\$ -	\$ 710,177
<b>Total capital assets, being depreciated</b>	710,177	-	-	710,177
<b>Less accumulated amortization for:</b>				
Right-of-Use Lease Building	73,577	38,388	-	111,965
Total amortization	73,577	38,388	-	111,965
<b>Total capital assets, being amortized, net</b>	\$ 636,600	\$ (38,388)	\$ -	\$ 598,212

## NOTE 10 – SUBSEQUENT EVENTS

Events or transactions sometimes occur subsequent to the Statement of Fiduciary Net Position date but prior to the issuance of the financial statements and, therefore require adjustment or disclosure in the financial statements. These subsequent events are classified into two types, one (“type one” recognized events) requiring adjustment to the financial statements and the second (“type two” non-recognized events) requiring only note disclosure.

Subsequent to fiscal year end 2024, an additional \$93.6 million was committed and \$105.1 million in principal was drawn for the purpose of providing downstream loans to Real Estate Principal Investments as part of the Credit Facility Program (as described in Note 3, Plan Investments).

This subsequent event is considered a type two, non-recognized event for reporting purposes, requiring no adjustment to the financial statements. Accordingly, the Florida Retirement System Pension Trust Fund’s (FRS defined benefit fund) net position was unaffected.

## REQUIRED SUPPLEMENTARY INFORMATION

### A. Florida Retirement System (FRS) Pension Plan

Required supplementary information for the FRS Pension Plan is presented below:

#### Schedule of Changes in Net Pension Liability and Related Ratios

For the Period Ended June 30  
(in thousands)

Total Pension Liability	2024	2023	2022	2021
Service cost	\$ 3,047,443	\$ 2,770,121	\$ 2,635,672	\$ 2,648,469
Interest on total pension liability	14,931,144	14,331,551	14,012,135	13,713,166
Effect of plan changes	-	1,332,907	99,285	-
Effect of economic/demographic (gains) or losses	1,475,374	3,144,482	1,243,179	349,779
Effect of assumption changes or inputs	4,720,493	-	2,437,637	-
Benefit payments	<u>(13,008,367)</u>	<u>(12,809,300)</u>	<u>(12,629,514)</u>	<u>(11,985,107)</u>
Net change in total pension liability	11,166,088	8,769,760	7,798,395	4,726,307
Total pension liability, beginning	<u>226,204,201</u>	<u>217,434,441</u>	<u>209,636,046</u>	<u>204,909,739</u>
Total pension liability, ending (a)	<u>\$ 237,370,289</u>	<u>\$ 226,204,201</u>	<u>\$ 217,434,441</u>	<u>\$ 209,636,046</u>
<b>Fiduciary Net Position</b>				
Employer contributions	\$ 5,662,633	\$ 4,810,643	\$ 4,267,182	\$ 3,809,568
Member contributions	808,465	788,863	769,228	756,530
Investment income net of investment expenses	18,894,504	13,367,803	(14,240,179)	47,954,667
Benefit payments	(13,008,367)	(12,809,300)	(12,629,514)	(11,985,107)
Administrative expenses	<u>(29,015)</u>	<u>(27,048)</u>	<u>(22,495)</u>	<u>(21,741)</u>
Net change in plan fiduciary net position	12,328,220	6,130,961	(21,855,778)	40,513,917
Fiduciary net position, beginning	<u>186,357,366</u>	<u>180,226,405</u>	<u>202,082,183</u>	<u>161,568,265</u>
Fiduciary net position, ending (b)	<u>\$ 198,685,586</u>	<u>\$ 186,357,366</u>	<u>\$ 180,226,405</u>	<u>\$ 202,082,183</u>
Net pension liability, ending = (a) - (b)	\$ 38,684,703	\$ 39,846,835	\$ 37,208,036	\$ 7,553,863
Fiduciary net position as a % of total pension liability	83.70%	82.38%	82.89%	96.40%
Covered payroll <sup>3</sup>	\$ 44,621,000	\$ 41,958,000	\$ 38,679,800	\$ 37,590,100
Net pension liability as a % of covered payroll	86.70%	94.97%	96.20%	20.10%

The notes to required supplementary information are an integral part of these schedules.  
Columns may not foot due to rounding.

<sup>1</sup>Reflects restatement of beginning net position at July 1, 2019, due to correction for an interfund receivable.

<sup>2</sup>Reflects restatement of beginning net position at July 1, 2017, due to implementation of GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

<sup>3</sup>For June 30, 2015, and later, covered payroll shown includes the payroll for Investment Plan members and payroll on which only UAL rates are charged.

2020	2019	2018	2017	2016	2015
\$ 2,647,456	\$ 2,523,070	\$ 2,423,987	\$ 2,073,754	\$ 2,132,906	\$ 2,114,047
13,458,929	13,194,902	12,847,930	12,484,167	12,109,114	11,721,563
-	11,404	-	92,185	32,310	-
448,646	247,482	554,811	1,412,462	980,192	1,620,863
1,738,139	1,585,626	2,235,654	10,398,344	1,030,667	-
<u>(11,395,765)</u>	<u>(10,867,549)</u>	<u>(10,377,575)</u>	<u>(9,859,319)</u>	<u>(10,624,925)</u>	<u>(10,201,501)</u>
6,897,405	6,694,935	7,684,807	16,601,593	5,660,264	5,254,972
<u>198,012,334</u>	<u>191,317,399</u>	<u>183,632,592</u>	<u>167,030,999</u>	<u>161,370,735</u>	<u>156,115,763</u>
<u>\$ 204,909,739</u>	<u>\$ 198,012,334</u>	<u>\$ 191,317,399</u>	<u>\$ 183,632,592</u>	<u>\$ 167,030,999</u>	<u>\$ 161,370,735</u>
\$ 3,322,557	\$ 3,100,721	\$ 2,849,920	\$ 2,603,246	\$ 2,438,659	\$ 2,438,085
748,455	752,813	746,370	744,839	710,717	698,304
5,339,908	9,410,440	13,955,233	18,801,917	820,583	5,523,287
(11,395,765)	(10,867,549)	(10,377,575)	(9,859,319)	(10,624,925)	(10,201,500)
<u>(21,556)</u>	<u>(19,580)</u>	<u>(20,178)</u>	<u>(18,340)</u>	<u>(18,507)</u>	<u>(18,074)</u>
(2,006,402)	2,376,845	7,153,770	12,272,343	(6,673,473)	(1,559,898)
<u>163,574,667</u>	<u>161,196,881</u>	<u>154,043,111</u>	<u>141,780,921</u>	<u>148,454,394</u>	<u>150,014,292</u>
<u>\$ 161,568,265</u>	<u>\$ 163,573,726<sup>1</sup></u>	<u>\$ 161,196,881</u>	<u>\$ 154,053,263<sup>2</sup></u>	<u>\$ 141,780,921</u>	<u>\$ 148,454,394</u>
\$ 43,341,474	\$ 34,438,608	\$ 30,120,518	\$ 29,579,329	\$ 25,250,078	\$ 12,916,341
78.85%	82.61%	84.26%	83.89%	84.88%	92.00%
\$ 36,898,200	\$ 35,571,200	\$ 34,675,000	\$ 33,775,800	\$ 33,214,217	\$ 32,726,034
117.46%	96.82%	86.87%	87.58%	76.02%	39.47%

## Notes to the Schedule of Changes in Net Pension Liability and Related Ratios

The total pension liability was determined by an actuarial valuation as of the valuation date of July 1, 2024, calculated based on the discount rate and actuarial assumptions below:

Discount Rate	June 30, 2023	June 30, 2024
Discount rate	6.70%	6.70%
Long-term expected rate of return, net of investment expense	6.70%	6.70%
Bond Buyer General Obligation 20-Bond Municipal Bond Index	N/A	N/A

The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees if future experience follows assumptions and the Actuarially Determined Contribution (ADC) is contributed in full each year. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The 6.70 percent rate of return assumption used in the June 30, 2024, calculations was determined by the consulting actuary, Milliman, to be reasonable and appropriate per Actuarial Standard of Practice Number 27 (ASOP 27). For additional information regarding the depletion date projection, refer to the 2024 GASB 67 Supplement to the FRS Actuarial Valuation available from Valuations on the Publications page of the Division of Retirement's website at [www.frs.myflorida.com](http://www.frs.myflorida.com).

### Other Key Actuarial Assumptions

The actuarial assumptions that determined the total pension liability as of June 30, 2024, were based on the results of an actuarial experience study for the period July 1, 2018 - June 30, 2023.

Valuation Date	July 1, 2023	July 1, 2024
Measurement Date	June 30, 2023	June 30, 2024
Asset Valuation Method	Fair Market Value	Fair Market Value
Inflation	2.40%	2.40%
Salary increases including inflation	3.25%	3.50%
Mortality	PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2018 <sup>1</sup>	PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2021 <sup>2</sup>
Actuarial cost method	Individual Entry Age	Individual Entry Age

<sup>1</sup>See July 1, 2023, Actuarial Valuation Report for details.

<sup>2</sup>See July 1, 2024, Actuarial Valuation Report for details.



The table below shows the employer contributions for the last 10 fiscal years.

### Schedule of Employer Contributions

Fiscal Year Ending June 30	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
2015	\$ 2,438,084,925	\$ 2,438,084,925	\$ -	\$ 32,726,034,000	7.45%
2016	2,438,659,458	2,438,659,458	-	33,214,217,000	7.34%
2017	2,603,246,196	2,603,246,196	-	33,775,800,000	7.71%
2018	2,849,919,659	2,849,919,659	-	34,675,000,000	8.22%
2019	3,100,721,573	3,100,721,573	-	35,571,200,000	8.72%
2020	3,322,556,872	3,322,556,872	-	36,898,200,000	9.00%
2021	3,809,567,951	3,809,567,951	-	37,590,100,000	10.13%
2022	4,267,181,943	4,267,181,943	-	38,679,800,000	11.03%
2023	4,810,643,175	4,810,643,175	-	41,958,000,000	11.47%
2024	5,662,633,286	5,662,633,286	-	44,621,000,000	12.69%

### Notes to the Schedule of Employer Contributions

The following actuarial methods and assumptions were used in the July 1, 2024, funding valuation. Refer to the valuation report published November 26, 2024, for further details.

<b>Valuation Timing</b>	Actuarially determined contribution rates for a given plan year are calculated in the valuation conducted as of the beginning of the preceding plan year (e.g., rates for the 2025-2026 plan year are calculated in the July 1, 2024 actuarial valuation).
<b>Actuarial Cost Method</b>	Individual entry age
<b>Amortization Method</b>	
Level percent or level dollar	Level percent
Closed, open, or layered periods	Closed, layered
Amortization period at July 1, 2024	Effective July 1, 2021: New bases are amortized over 20 years Bases established prior to July 1, 2021: amortized over maximum of 20 years
2019 actuarial cost method change	Amortized over 30 years as level percentage of Tier I pay
Payroll growth rate	3.50%
<b>Asset Valuation Method</b>	
Smoothing period	5 years
Recognition method	Asymptotic
Corridor	80% - 120% of fair market value
<b>Inflation</b>	2.40%
<b>Salary Increases</b>	Varies by membership class and length of service; details in funding valuation report
<b>Investment Rate of Return<sup>1</sup></b>	6.70%
<b>Cost of Living Adjustments</b>	3% for pre-July 2011 benefit service; 0% thereafter
<b>Retirement Age</b>	Varies by tier, membership class, age and gender; details in funding valuation report
<b>Turnover</b>	Varies by membership class, length of service, age and gender; details in funding valuation report
<b>Mortality</b>	PUB-2010 base table varies by member category and gender, projected generationally with Scale MP-2021, details in funding actuarial valuation report

<sup>1</sup> The 6.70 percent return was chosen by the 2024 FRS Actuarial Assumption Conference and is the same as the investment return assumption that is used as the discount rate for determining the net pension liability.

For the fiscal year ended June 30, 2024, the annual money-weighted rate of return on the FRS pension plan investments, net of pension plan investment expense, was 10.33 percent. The table below shows the money-weighted rate of return for the last ten fiscal years.

**Money-Weighted Rate of Return**

<b>Fiscal Year Ending June 30</b>	<b>Net Money-Weighted Rate of Return</b>
2015	3.77%
2016	0.57%
2017	13.59%
2018	9.28%
2019	5.98%
2020	3.35%
2021	30.41%
2022	(7.20%)
2023	7.58%
2024	10.33%

For the calculation of the money-weighted rate of return, refer to the 2024 GASB 67 Supplement to the FRS Actuarial Valuation available from Actuarial Valuations on Publications page of the Division of Retirement’s website at [www.frs.myflorida.com](http://www.frs.myflorida.com).

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## B. Retiree Health Insurance Subsidy (HIS) Program

Required supplementary information for the HIS Program is presented below:

### Schedule of Changes in Net Pension Liability and Related Ratios

For the Period Ended June 30  
(in thousands)

Total Pension Liability	2024	2023	2022	2021
Service cost	\$ 314,152	\$ 208,289	\$ 290,825	\$ 280,659
Interest on total pension liability	601,390	391,889	275,386	278,747
Effect of plan changes	-	5,596,298	5,215	-
Effect of economic/demographic (gains) or losses	1,594	-	(54,219)	-
Effect of assumption changes or inputs	(913,546)	(225,746)	(1,585,357)	85,978
Benefit payments	<u>(808,987)</u>	<u>(534,547)</u>	<u>(524,004)</u>	<u>(514,361)</u>
Net change in total pension liability	(805,397)	5,436,183	(1,592,154)	131,023
Total pension liability, beginning	<u>16,563,149</u>	<u>11,126,966</u>	<u>12,719,121</u>	<u>12,588,098</u>
Total pension liability, ending (a)	<u>\$ 15,757,752</u>	<u>\$ 16,563,149</u>	<u>\$ 11,126,966</u>	<u>\$ 12,719,121</u>
<b>Fiduciary Net Position</b>				
Employer contributions	\$ 846,630	\$ 657,818	\$ 605,084	\$ 587,801
Member contributions	261	222	48	55
Investment income net of investment expenses	37,256	23,166	1,812	1,054
Benefit payments	(808,987)	(534,547)	(524,004)	(514,361)
Administrative expenses	<u>(201)</u>	<u>(212)</u>	<u>(189)</u>	<u>(193)</u>
Net change in plan fiduciary net position	74,959	146,447	82,751	74,356
Fiduciary net position, beginning	<u>681,815</u>	<u>535,368</u>	<u>452,618</u>	<u>378,261</u>
Fiduciary net position, ending (b)	<u>\$ 756,775</u>	<u>\$ 681,815</u>	<u>\$ 535,368</u>	<u>\$ 452,618</u>
Net pension liability, ending = (a) - (b)	\$ 15,000,977	\$ 15,881,334	\$ 10,591,597	\$ 12,266,503
Fiduciary net position as a % of total pension liability	4.80%	4.12%	4.81%	3.56%
Covered payroll	\$ 42,340,606	\$ 39,628,534	\$ 36,451,712	\$ 35,406,397
Net pension liability as a % of covered payroll	35.43%	40.08%	29.06%	34.64%

The notes to required supplementary information are an integral part of these schedules.  
Columns may not foot due to rounding.

	2020	2019	2018	2017	2016	2015
\$	265,521	\$ 232,118	\$ 258,450	\$ 304,537	\$ 256,710	\$ 217,519
	402,709	418,157	389,705	337,486	390,757	405,441
	-	-	-	-	-	-
	452,542	-	188,173	-	(30,826)	-
	481,833	516,083	(398,996)	(1,073,716)	1,352,459	607,698
	<u>(505,549)</u>	<u>(491,890)</u>	<u>(491,528)</u>	<u>(465,980)</u>	<u>(449,857)</u>	<u>(425,086)</u>
	1,097,056	674,468	(54,196)	(897,673)	1,519,243	805,572
	<u>11,491,044</u>	<u>10,816,576</u>	<u>10,870,772</u>	<u>11,768,445</u>	<u>10,249,201</u>	<u>9,443,629</u>
\$	<u>12,588,098</u>	<u>\$ 11,491,044</u>	<u>\$ 10,816,576</u>	<u>\$ 10,870,772</u>	<u>\$ 11,768,445</u>	<u>\$ 10,249,201</u>
\$	576,253	\$ 555,291	\$ 542,303	\$ 529,229	\$ 512,564	\$ 382,454
	370	195	237	-	-	-
	5,315	6,181	3,311	1,380	565	208
	(505,549)	(491,890)	(491,531)	(465,980)	(449,857)	(425,085)
	<u>(172)</u>	<u>(195)</u>	<u>(168)</u>	<u>(177)</u>	<u>(188)</u>	<u>(188)</u>
	76,217	69,582	54,152	64,452	63,084	(42,611)
	<u>302,045</u>	<u>232,463</u>	<u>178,311</u>	<u>113,859</u>	<u>50,774</u>	<u>93,385</u>
\$	<u>378,261</u>	<u>\$ 302,045</u>	<u>\$ 232,463</u>	<u>\$ 178,311</u>	<u>\$ 113,859</u>	<u>\$ 50,774</u>
\$	12,209,837	\$ 11,188,999	\$ 10,584,113	\$ 10,692,461	\$ 11,654,586	\$ 10,198,427
	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%
\$	34,715,391	\$ 33,452,626	\$ 32,670,918	\$ 31,885,633	\$ 30,875,274	\$ 30,340,449
	35.17%	33.45%	32.40%	33.53%	37.75%	33.61%

## Notes to Schedule of Changes in Net Pension Liability and Related Ratios

The total pension liability was determined by an actuarial valuation as of the valuation date of July 1, 2024, calculated based on the discount rate and actuarial assumptions below, and was then projected to the measurement date. Any significant changes during this period have been reflected as prescribed by GASB 67.

### Actuarial Methods and Assumptions

The same demographic and pay-related assumptions that were used in the Florida Retirement System Actuarial Valuation as of July 1, 2024, (“funding valuation”) were used for the HIS program, unless otherwise noted. In a given membership class and tier, the same assumptions for both Investment Plan (IP) members and for FRS Pension Plan members were used.

Discount Rate	June 30, 2023	June 30, 2024
Discount rate	3.65%	3.93%
Long-term expected rate of return, net of investment expense	N/A	N/A
Bond Buyer General Obligation 20-Bond Municipal Bond Index	3.65%	3.93%

In general, the discount rate for calculating the total pension liability under GASB 67 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The discount rate used in the 2024 valuation was updated from 3.65 percent to 3.93 percent, reflecting the change in the Bond Buyer General Obligation 20-Bond Municipal Bond Index as of June 30, 2024.

### Other Key Actuarial Assumptions

The actuarial assumptions that determined the total pension liability as of June 30, 2024, were based on the results of an actuarial experience study of the FRS for the period July 1, 2018 - June 30, 2023.

Valuation Date	July 1, 2022	July 1, 2024
Measurement Date	June 30, 2023	June 30, 2024
Inflation	2.40%	2.40%
Salary increases including inflation	3.25%	3.50%
Mortality	Generational PUB-2010 with Projection Scale MP-2018 <sup>1</sup>	Generational PUB-2010 with Projection Scale MP-2021 <sup>2</sup>
Actuarial cost method	Individual Entry Age	Individual Entry Age

<sup>1</sup>See July 1, 2022, Actuarial Valuation Report for details.

<sup>2</sup>See July 1, 2024, Actuarial Valuation Report for details.

## **Changes to the Actuarial Assumption and Methods**

All demographic assumptions and methods were reviewed as part of the 2024 Experience Study and changes were adopted by the 2024 FRS Actuarial Assumption Conference during its meetings in October 2024.

The coverage election assumptions were updated to reflect recent and anticipated future experience and were adopted by the 2024 FRS Actuarial Assumption Conference during its October 2024 meeting.

The discount rate was modified to reflect the change in the value of the municipal bond index between GASB measurement dates.

## **Program Contribution Rates**

The HIS essentially uses a pay-as-you-go funding structure. As of June 30, 2024, accumulated HIS assets constituted approximately eleven months of projected benefit payments. The ability of the current statutory contribution rate to pay full HIS benefits is sensitive to near-term demographic experience, particularly the volume and timing of retirements and the amount of payroll on which the statutory rate is charged.

### C. Florida National Guard Supplemental Retirement Benefit (National Guard) Plan

Required supplementary information for the National Guard Plan is presented below:

#### Schedule of Changes in Net Pension Liability and Related Ratios

For the Period Ended June 30

(in thousands)

Total Pension Liability	2024	2023	2022	2021
Service cost	\$ 14,434	\$ 14,546	\$ 25,943	\$ 24,859
Interest on total pension liability	22,482	21,534	26,114	25,620
Effect of plan changes	-	-	-	-
Effect of economic/demographic (gains) or losses	19,473	-	(37,487)	-
Effect of assumption changes or inputs	(34,538)	(12,645)	(588,365)	13,673
Benefit payments	(15,941)	(15,424)	(15,580)	(15,505)
Net change in total pension liability	5,910	8,012	(589,376)	48,647
Total pension liability, beginning	609,413	601,401	1,190,777	1,142,130
Total pension liability, ending (a)	<u>\$ 615,323</u>	<u>\$ 609,413</u>	<u>\$ 601,401</u>	<u>\$ 1,190,777</u>
<b>Fiduciary Net Position</b>				
Employer contributions	\$ 15,950	\$ 15,472	\$ 15,589	\$ 15,551
Member contributions	-	-	-	-
Investment income net of investment expenses	-	-	-	-
Benefit payments	(15,941)	(15,424)	(15,580)	(15,505)
Administrative expenses	(9)	(48)	(8)	(46)
Net change in plan fiduciary net position	-	-	-	-
Fiduciary net position, beginning	-	-	-	-
Fiduciary net position, ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net pension liability, ending = (a) - (b)	\$ 615,323	\$ 609,413	\$ 601,401	\$ 1,190,777
Fiduciary net position as a % of total pension liability	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$ 625,220	\$ 578,409	\$ 567,068	\$ 519,073
Net pension liability as a % of covered payroll	98.42%	105.36%	106.05%	229.40%

The notes to required supplementary information are an integral part of these schedules. Columns may not foot due to rounding.



2020	2019	2018	2017	2016	2015
\$ 13,967	\$ 11,581	\$ 9,925	\$ 12,904	\$ 9,044	\$ 7,161
28,874	28,506	21,080	19,100	19,259	19,164
-	-	-	-	-	-
24,815	-	39,056	-	27,462	-
271,102	60,964	90,990	(95,585)	118,279	46,330
(15,121)	(14,999)	(14,898)	(14,677)	(14,413)	(14,423)
323,637	86,052	146,153	(78,258)	159,631	58,232
818,493	732,441	586,288	664,547	504,915	446,683
<u>\$ 1,142,130</u>	<u>\$ 818,493</u>	<u>\$ 732,441</u>	<u>\$ 586,288</u>	<u>\$ 664,547</u>	<u>\$ 504,915</u>
\$ 15,129	\$ 15,044	\$ 14,905	\$ 14,720	\$ 14,423	\$ 14,495
-	-	-	-	-	-
-	-	-	-	-	-
(15,121)	(14,999)	(14,897)	(14,677)	(14,413)	(14,423)
(8)	(45)	(8)	(43)	(10)	(72)
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,142,130	\$ 818,493	\$ 732,441	\$ 586,288	\$ 664,547	\$ 504,915
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$ 508,895	\$ 495,379	\$ 485,666	\$ 487,100	\$ 477,549	\$ 476,278
224.43%	165.23%	150.81%	120.36%	139.16%	106.01%

## Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

The Florida National Guard Supplemental Retirement Benefit Plan is funded on a pay-as-you-go basis by an annual appropriation from General Revenue by the Legislature, rather than by employer contributions and investment earnings. Any appropriated funds not obligated for benefit payments and expenses owed at June 30 of each year revert to the General Revenue Fund.

Discount Rate	June 30, 2023	June 30, 2024
Discount rate	3.65%	3.93%
Long-term expected rate of return, net of investment expense	N/A	N/A
Bond Buyer General Obligation 20-Bond Municipal Bond Index	3.65%	3.93%

In general, the discount rate for calculating the total pension liability under GASB 67 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the National Guard benefit is funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The discount rate used was updated from 3.65 percent to 3.93 percent as of June 30, 2024 reflecting the change during the fiscal year in the Bond Buyer General Obligation 20- Bond Municipal Bond Index.

### Other Key Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of the valuation date of July 1, 2024, calculated based on the discount rate and actuarial assumptions below, and then was projected forward to the measurement date. Any significant changes during this period have been reflected as prescribed by GASB 67.

Valuation Date	July 1, 2022	July 1, 2024
Measurement date	June 30, 2023	June 30, 2024

Individual Member Salary Increase	Varies by service; separate tables for officers and enlisted <sup>1</sup>	Varies by service; separate tables for officers and enlisted <sup>2</sup>
Annual Increase for net Florida National Guard benefit <sup>3</sup>	2.80%	2.80%
Mortality	PUB-2010 with Projection Scale MP-2018 <sup>1</sup>	PUB-2010 with Projection Scale MP-2021 <sup>2</sup>
Actuarial cost method	Entry Age Normal	Entry Age Normal

<sup>1</sup> See July 1, 2022, Actuarial Valuation Report for details.

<sup>2</sup> See July 1, 2024, Actuarial Valuation Report for details.

<sup>3</sup> Reflects the projected effect on the net Florida National Guard benefit of a 2.4 percent inflation increase assumption for the total Florida plus federal benefit and a 2.0 percent increase assumption for the federal portion of the benefit.

## **Changes to the Actuarial Assumption and Methods**

The discount rate was modified to reflect the change in the value of the municipal bond index between GASB measurement dates.

The assumed federal military defined benefit for future retirees was updated from 27% of the member's salary at the highest rank attained to 28% for legacy members and from 21.6% to 22.4% of the member's salary at highest rank for BRS members based on recent observed experience specific to Florida National Guard retirees. (The Florida National Guard Supplemental Retirement Benefit valued in this valuation equals 50% of the member's salary at highest rank attained, less the amount of the member's federal military defined benefit.)

## D. Other Postemployment Benefits (OPEB) Plan

Required supplementary information for the OPEB Plan is presented below:<sup>1</sup>

### Schedule of FRS Trust Fund's Proportionate Share of the State's Total OPEB Liability

	2023	2022	2021
Proportion of the State's OPEB liability	0.2095065959%	0.1925972913%	0.1909336620%
Proportionate share of the State's OPEB liability	\$ 12,214,349	\$ 10,492,334	\$ 13,928,306
Covered-employee payroll	\$ 14,155,626	\$ 11,273,235	\$ 11,015,456
Proportionate share of the State's OPEB liability as a percentage of covered-employee payroll	86.29%	93.07%	126.44%

### Schedule of SUSORP Trust Fund's Proportionate Share of the State's Total OPEB Liability

	2023	2022	2021
Proportion of the State's OPEB liability	0.0030696937%	0.0042387299%	0.0030672074%
Proportionate share of the State's OPEB liability	\$ 178,965	\$ 230,918	\$ 223,748
Covered-employee payroll	\$ 277,680	\$ 222,713	\$ 129,448
Proportionate share of the State's OPEB liability as a percentage of covered-employee payroll	64.45%	103.68%	172.85%

### Schedule of Police and Firefighters' Trust Fund's Proportionate Share of the State's Total OPEB Liability

	2023	2022	2021
Proportion of the State's OPEB liability	0.0071626187%	0.0063580949%	0.0071568173%
Proportionate share of the State's OPEB liability	\$ 417,584	\$ 346,377	\$ 522,078
Covered-employee payroll	\$ 738,570	\$ 732,203	\$ 707,934
Proportionate share of the State's OPEB liability as a percentage of covered-employee payroll	56.54%	47.31%	73.75%

## Notes to Required Supplementary Information

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 to pay related benefits. There were no changes to benefit terms during the measurement period. Changes in assumptions reflect a change in the discount rate from 4.09 percent to 4.13 percent, an increase in the line-of-duty disability rates for the Special Risk Class, an update to DROP entry rates and an extended DROP period (from 5 years to 8 years) for law enforcement officers, and a lower inflation rate from 2.6% to 2.4%.

<sup>1</sup> These schedules will fill in to ten-year schedules as results for new fiscal years are calculated.

2020	2019	2018	2017
0.160142618%	0.1583703799%	0.1687397873%	0.1635221539%
\$ 11,452,742	\$ 14,503,062	\$ 13,161,211	\$ 13,068,952
\$ 10,262,856	\$ 9,798,551	\$ 9,842,854	\$ 9,417,561
111.59%	148.01%	133.71%	138.77%

2020	2019	2018	2017
0.0029161023%	0.0019342947%	0.0019093611%	0.001904188%
\$ 208,548	\$ 177,137	\$ 148,925	\$ 152,186
\$ 174,356	\$ 162,978	\$ 159,384	\$ 151,057
119.61%	108.69%	93.44%	100.75%

2020	2019	2018	2017
0.0077762727%	0.0058028841%	0.0076374444%	0.008568846%
\$ 556,127	\$ 531,410	\$ 595,698	\$ 684,836
\$ 678,047	\$ 659,804	\$ 677,093	\$ 672,525
82.02%	80.54%	87.98%	101.83%

## **E. Budgetary Reporting**

### **Budget Process**

Each year, the head of the Department of Management Services submits a legislative budget request to the Governor and Legislature as required by Section 216.023(1), Florida Statutes (F.S.). The Governor, as Chief Budget Officer, submits his recommended budget to each legislator at least 30 days before the annual legislative session.

Revenue estimates for trust funds not projected by the Revenue Estimating Conference, such as the Police and Firefighters' Premium Tax Trust Fund, are provided by the state agency. These estimates may be revised during the course of the Legislature's consideration and adoption of a final budget. These estimates, together with known available cash balances, are further considered by the Governor during the preparation of annual spending plans. Adjustments to the original budget's trust fund revenue estimates may be made to conform agency revenue estimates to actual and projected revenue streams.

The Legislature considers and amends the Governor's recommended budget and a final appropriations bill is then approved by the Legislature (subject to the line-item veto power of the Governor and override authority of the Legislature); this bill then becomes the General Appropriations Act. The Governor may, under certain conditions and subject to the review and objection procedures set forth in Section 216.177, F.S., establish appropriations and corresponding releases for amounts not appropriated by the Legislature to agencies. This includes appropriations for non-operating disbursements, such as the purchase of investments and the transfer of money between state funds.

The head of a department may transfer appropriations, but only to the extent of 5 percent of the original appropriation or \$250,000, whichever is greater, or within certain programs and between identical funding sources and specific appropriation categories. The Governor may approve changes of expenditure authority within any trust fund if the changes are less than \$1 million. The Legislative Budget Commission may approve trust fund changes in excess of \$1 million. At the end of the fiscal year, any balance of an operating appropriation which has not been disbursed but is expended (recorded as a payable) or contracted to be expended (recorded as a reserve for encumbrances), may be carried forward into the next fiscal year. Any appropriations not disbursed by September 30 will revert pursuant to Section 216.301(1), F.S.

The Chief Financial Officer approves disbursements in accordance with legislative authorizations. The budget is controlled at the account code level, which is defined as an appropriation category (e.g., salaries and benefits), and funded within a budget entity. The Governor and Chief Financial Officer are responsible for detecting conditions which could lead to a deficit in an agency's funds and reporting that fact to the Legislative Budget Commission. The Constitution of the State, Article VII, Section 1(d), states, "Provision shall be made by law for raising sufficient revenue to defray the expenses of the state for each fiscal period."

### **Budgetary Basis of Accounting**

The budgetary basis of accounting required by state law differs materially from the basis used to report revenues and expenditures in accordance with generally accepted accounting principles (GAAP). Appropriations are made from various funds that are prescribed by law, such as the Police and Firefighters' Premium Tax Trust Fund.

A budgetary comparison schedule for the Police and Firefighters' Premium Tax Trust Fund is presented as part of the other required supplementary information.

Budgetary basis revenues are essentially reported on a cash basis and include amounts classified by GAAP as other financing sources. Budgetary basis expenditures include disbursements, except for those for prior year carry/certified forwards, plus current year payables and encumbrances which are carried/certified forward into

the next fiscal year. They also include amounts classified by GAAP as other financing uses. State law requires prior year payables and encumbrances not carried/certified forward to be paid from the current year budget.

### **Budget to GAAP Reconciliation**

The budgetary comparison schedules for the Police and Firefighters' Premium Tax Trust Fund present comparisons of the original budget and final budget with actual revenues and expenditures on a budgetary basis. A budget to GAAP reconciliation is presented following the budgetary comparison schedules because accounting principles for budgetary basis differ significantly from those used to present financial statements in conformity with GAAP.

**Budgetary Comparison Schedules  
Major Special Revenue Fund  
For the Fiscal Year Ended June 30, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Fund Balance, July 1, 2023	\$ 371,762,802	\$ 371,762,802	\$ 371,762,802	\$ -
Reversions	40,661	40,661	40,661	-
Fund Balance, July 1, 2023	<u>371,803,463</u>	<u>371,803,463</u>	<u>371,803,463</u>	<u>-</u>
<b>REVENUES</b>				
Premium Tax	324,230,433	324,230,433	346,502,957	22,272,524
Interest	13,516,600	13,516,600	13,516,600	-
Refund	-	-	-	-
General Revenue	2	2	2	-
Total Revenues	<u>337,747,035</u>	<u>337,747,035</u>	<u>360,019,559</u>	<u>22,272,524</u>
Total Available Resources	<u>709,550,498</u>	<u>709,550,498</u>	<u>731,823,022</u>	<u>22,272,524</u>
<b>EXPENDITURES</b>				
<u>Operating Expenditures:</u>				
Salaries and Benefits	966,845	1,023,457	804,580	218,877
Expenses	57,139	57,139	57,139	-
Special Categories	244,248	244,543	244,323	220
Total Operating Expenditures	<u>1,268,232</u>	<u>1,325,139</u>	<u>1,106,042</u>	<u>219,097</u>
<u>Nonoperating Expenditures:</u>				
Transfers	26,800,000	46,800,000	44,799,675	2,000,325
Refunds	100,000	100,000	-	100,000
Distributions to Municipalities	275,908,000	275,908,000	226,643,945	49,264,055
Other	23,992,000	31,302,000	25,854,871	5,447,129
Total Nonoperating Expenditures	<u>326,800,000</u>	<u>354,110,000</u>	<u>297,298,491</u>	<u>56,811,509</u>
Total Expenditures	<u>328,068,232</u>	<u>355,435,139</u>	<u>298,404,533</u>	<u>57,030,606</u>
Fund Balance, June 30, 2024	<u>\$ 381,482,266</u>	<u>\$ 354,115,359</u>	<u>\$ 433,418,489</u>	<u>\$ 79,303,130</u>

**Budget to GAAP Reconciliation  
Major Special Revenue Fund  
For the Fiscal Year Ended June 30, 2024**

	Police and Firefighters' Premium Tax Trust Fund
Budgetary basis fund balance	\$ 433,418,489
Other GAAP basis fund balances not included in budgetary basis fund balances	-
Adjusted budgetary basis fund balances	<u>433,418,489</u>
Adjustments (basis differences):	
Net receivables (payables) not carried forward	(179,722,833)
Encumbrances	<u>129,832</u>
GAAP basis fund balances	<u>\$ 253,825,488</u>



# OTHER SUPPLEMENTARY INFORMATION



**BOK TOWER (LAKE WALES, FL)**  
**CA. 1927**

**SCHEDULE OF ADMINISTRATIVE EXPENSES**  
As of June 30, 2024

	Florida Retirement System	Retiree Health Insurance Subsidy	Florida National Guard Supplemental Retirement Benefit Plan	State University System Optional Retirement Program
<b>Personnel Services</b>				
Salaries	\$ 10,464,075	\$ 161,160	\$ -	\$ 204,669
State retirement contributions	1,484,620	-	-	25,661
Insurance contributions	2,561,181	-	-	44,699
Social security	764,243	-	-	13,802
Workers' compensation	48,814	-	-	-
Other postemployment benefits <sup>1</sup>	(477,050)	-	-	(760)
Compensated absences <sup>2</sup>	12,375	-	-	(6,028)
Pension expense <sup>3</sup>	-	-	-	50,727
<b>Subtotal</b>	<u>14,858,258</u>	<u>161,160</u>	<u>-</u>	<u>332,770</u>
<b>Professional Services</b>				
Actuarial services	677,880	16,600	8,600	-
Contractual IT services and monitoring	4,801,475	3,919	-	-
Legal services	135,613	-	-	-
Other contractual services	1,060,073	-	-	23,900
Other contractual services – data processing	823,522	-	-	-
<b>Subtotal</b>	<u>7,498,563</u>	<u>20,519</u>	<u>8,600</u>	<u>23,900</u>
<b>Communication</b>				
Postage and freight	813,436	17,817	-	-
Printing and reproduction	90,302	-	-	-
Telephone	548,617	-	-	-
Travel	21,096	-	-	559
<b>Subtotal</b>	<u>1,473,451</u>	<u>17,817</u>	<u>-</u>	<u>559</u>
<b>Other Operating Expenses</b>				
Administrative overhead assessment	3,176,978	-	-	-
Data processing licenses and supplies	244,255	-	-	-
Depreciation	145,900	-	-	-
Dues and subscriptions	19,173	-	-	2,412
Equipment leasing	32,312	-	-	-
Furniture and equipment	105,250	-	-	-
Human resources overhead assessment	145,268	1,124	-	2,876
Insurance	9,662	-	-	-
Lease amortization expense	946,706	-	-	19,194
Lease interest and fiscal charges	182,721	-	-	3,782
Materials and supplies	1,362	-	-	46
Miscellaneous	24,709	-	-	-
Office rental	60,882	-	-	-
Office supplies	52,409	-	-	-
Repairs and maintenance	450	-	-	-
Utilities	36,982	-	-	-
<b>Subtotal</b>	<u>5,185,019</u>	<u>1,124</u>	<u>-</u>	<u>28,310</u>
<b>Total Administrative Expenses</b>	<u>\$ 29,015,291</u>	<u>\$ 200,620</u>	<u>\$ 8,600</u>	<u>\$ 385,539</u>

<sup>1</sup> This represents the FRS Trust Fund's and SUSORP Trust Fund's allocated share of OPEB-related expense. Charges may be positive or negative.

<sup>2</sup> This represents the change in Compensated Absences Liability from the prior year. Charges may be positive or negative.

<sup>3</sup> This represents the SUSORP Trust Fund's allocated share of pension-related expense. Charges may be positive or negative.

# INVESTMENT SECTION



**KENNEDY SPACE CENTER (CAPE CANAVERAL, FL)  
CA. 1962**



**STATE BOARD OF ADMINISTRATION  
OF FLORIDA**

1801 HERMITAGE BOULEVARD, SUITE 100  
TALLAHASSEE, FLORIDA 32308  
(850) 488-4406

POST OFFICE BOX 13300  
32317-3300

RON DESANTIS  
GOVERNOR  
CHAIR

JIMMY PATRONIS  
CHIEF FINANCIAL OFFICER

ASHLEY MOODY  
ATTORNEY GENERAL

CHRIS SPENCER  
EXECUTIVE DIRECTOR

December 13, 2024

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

RE: Assets of the Florida Retirement System Pension Plan

The State Board of Administration of Florida (SBA) manages the assets of the Florida Retirement System (FRS). The SBA's Board of Trustees consists of Governor Ron DeSantis, Chairman, Attorney General Ashley Moody, and Chief Financial Officer Jimmy Patronis. The primary investment objectives for the FRS Pension Plan are to provide investment returns necessary to ensure timely payment of promised retirement benefits and keep plan costs at a reasonable level. The FRS Pension Plan portfolio consists of a highly diversified asset mix of investments, including government and corporate bonds, common stocks, income-producing real estate, alternative investments and short-term money market instruments. The proportions of major asset classes in the FRS Pension Plan portfolio, by quarter, are detailed below:

**FRS Pension Plan Market Value Fiscal Year 2023-2024**

	<b>9/30/2023</b>	<b>12/31/2023</b>	<b>3/31/2024</b>	<b>6/30/2024</b>
<b>Fund Market Value</b>	\$ 180.45 B	\$ 190.43 B	\$ 196.53 B	\$ 198.23 B

**Actual Quarter-End Asset Allocation for Fiscal Year 2023-2024**

<b>Asset Classes</b>	<b>9/30/2023</b>	<b>12/31/2023</b>	<b>3/31/2024</b>	<b>6/30/2024</b>
<b>Global Equity</b>	48.9%	50.3%	49.4%	48.5%
<b>Fixed Income</b>	16.4%	16.3%	19.3%	20.4%
<b>Real Estate</b>	11.9%	11.2%	9.7%	9.5%
<b>Private Equity</b>	9.7%	9.3%	9.0%	9.3%
<b>Strategic Investments</b>	11.8%	11.6%	11.2%	6.3%
<b>Active Credit<sup>1</sup></b>	0.0%	0.0%	0.0%	4.8%
<b>Cash</b>	1.2%	1.2%	1.5%	1.2%
<b>Total<sup>2</sup></b>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

<sup>1</sup> The Active Credit Asset Class was established in April 2024.

<sup>2</sup> Columns may not total due to rounding

**Annualized FRS Pension Plan Investment Performance by Fiscal Year Periods Ending June 30, 2024**

<b>FRS Pension Plan Public and Private Markets</b>	<b>10 Years 2014-2024</b>	<b>5 Years 2019-2024</b>	<b>3 Years 2021-2024</b>	<b>1 Year 2023-2024</b>
<b>Total FRS Pension Plan</b>	7.39%	8.24%	3.65%	10.52%

Detailed investment performance of the FRS Pension Plan is reported in the SBA's 2023-24 Annual Investment Report. This annual report is prepared and submitted to the Trustees and legislature before January 1, in compliance with Section 215.44(5), Florida Statutes, and includes information on the FRS Pension Plan investment assets, strategy and performance. Additionally, the SBA's performance consultant, Bank of New York Mellon, independently prepares reported performance data. You can find the Annual Investment Report on our website at [www.sbafla.com](http://www.sbafla.com).

Respectfully submitted,

Chris Spencer  
Executive Director

## Overview and Investment Objective

The State Board of Administration of Florida (SBA) is responsible for managing and investing the assets of the Florida Retirement System (FRS) Trust Fund in accordance with applicable law, policies and fiduciary standards for the benefit of the members and surviving beneficiaries of the FRS Pension Plan. The FRS Pension Plan, a defined benefit plan, comprises nearly 80 percent of total assets under SBA management. The FRS Pension Plan serves a working and retired membership base of nearly one million public employees.

The following Investment Section provides an overview of the investment activities of the FRS Trust Fund for the fiscal year ending June 30, 2024. The section should be read in conjunction with financial statements and other information provided in this Annual Comprehensive Financial Report (ACFR). For more information see the SBA's 2023-24 Annual Investment Report available from the Performance and Reports page of the SBA's website at [www.sbafla.com](http://www.sbafla.com).

The SBA follows statutory guidelines and a substantial body of internal policies and procedures in investing the FRS Pension Plan assets. It has a robust governance and control structure in place, utilizes a wide array of professional consultants and external analysts and employs a highly qualified staff of investment professionals. In keeping with the SBA's commitment to disciplined investment management services, the Investment Advisory Council provides independent oversight of the FRS Pension Fund's general objectives, policies and strategies.

The Pension Plan's long-term financial health rests on three legs: solid long-term investment performance, receipt of actuarially required annual contributions and a reasonable benefit package.

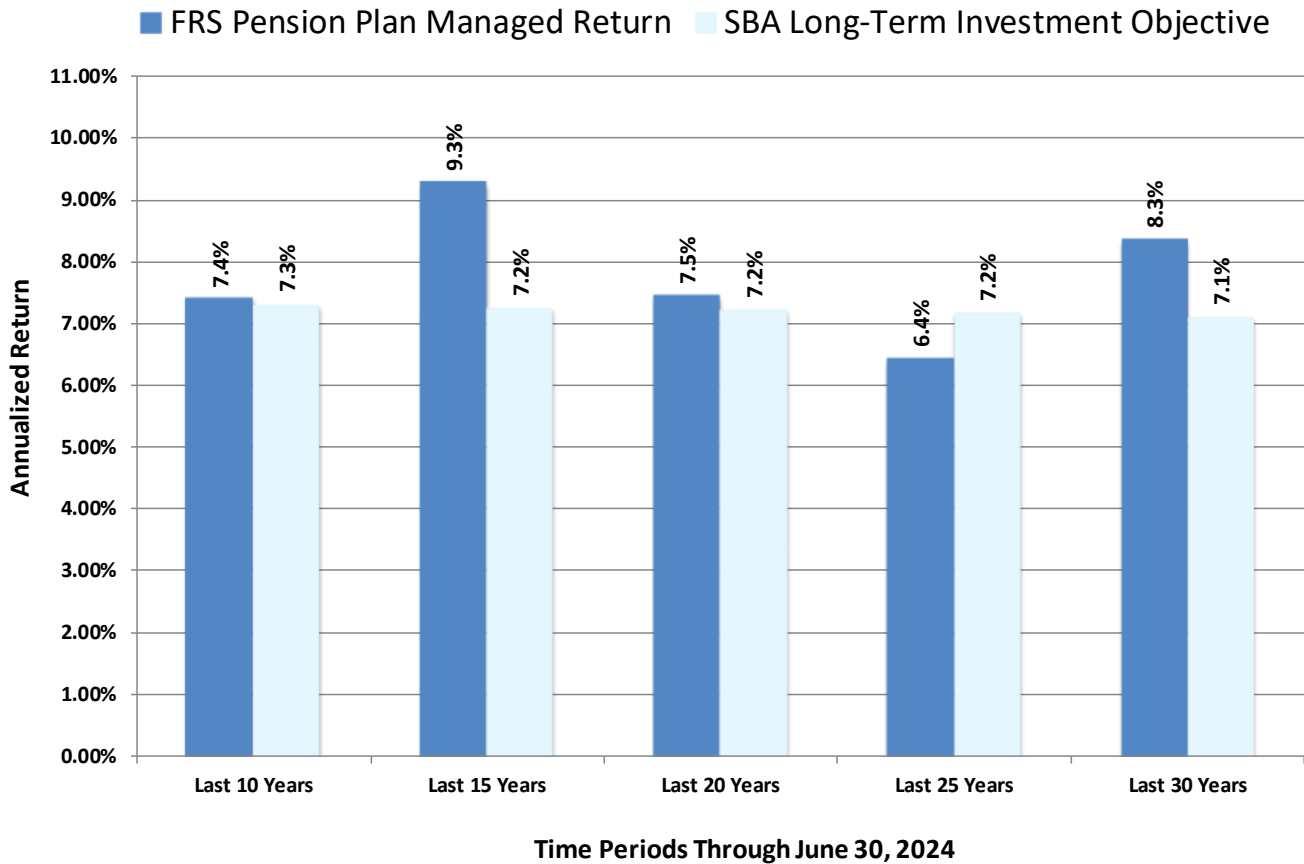
The SBA's commitment to obtaining solid long-term performance is vital to ensuring that the FRS Pension Plan continues to help participating retirees meet their financial goals and that fund assets are invested prudently. However, investment gains alone are not sufficient to maintain the fund's financial health. Approximately 60 percent+ paid to a retiree comes from investment gains, not from taxpayers or participants through contributions.

Annually determined actuarially sound rates of contribution into the fund are necessary to ensure that the investment base is large enough to meet future Pension Plan benefit obligations. Contribution rates are set by the state legislature, along with plan structure and benefit levels. The Division of Retirement in the Department of Management Services administers the Pension Plan, directs actuarial studies and makes benefit payments.

## Performance

The SBA's investment policy objective for the FRS Pension Plan portfolio is to provide investment returns sufficient for the plan to be maintained in a manner that ensures the timely payment of promised benefits to current and future participants and to keep costs at a reasonable level, given actuarially required contributions. The SBA's investment objective is to earn a compounded return of 4 percent plus the rate of inflation per annum over the long term.

The chart below compares the SBA’s actual return on Pension Plan assets to its investment objective of 4 percent real growth (inflation plus 4 percent) for the fund. This objective is derived from an asset/liability analysis of expected benefit growth, contribution levels, market performance, and a risk tolerance for the fund.

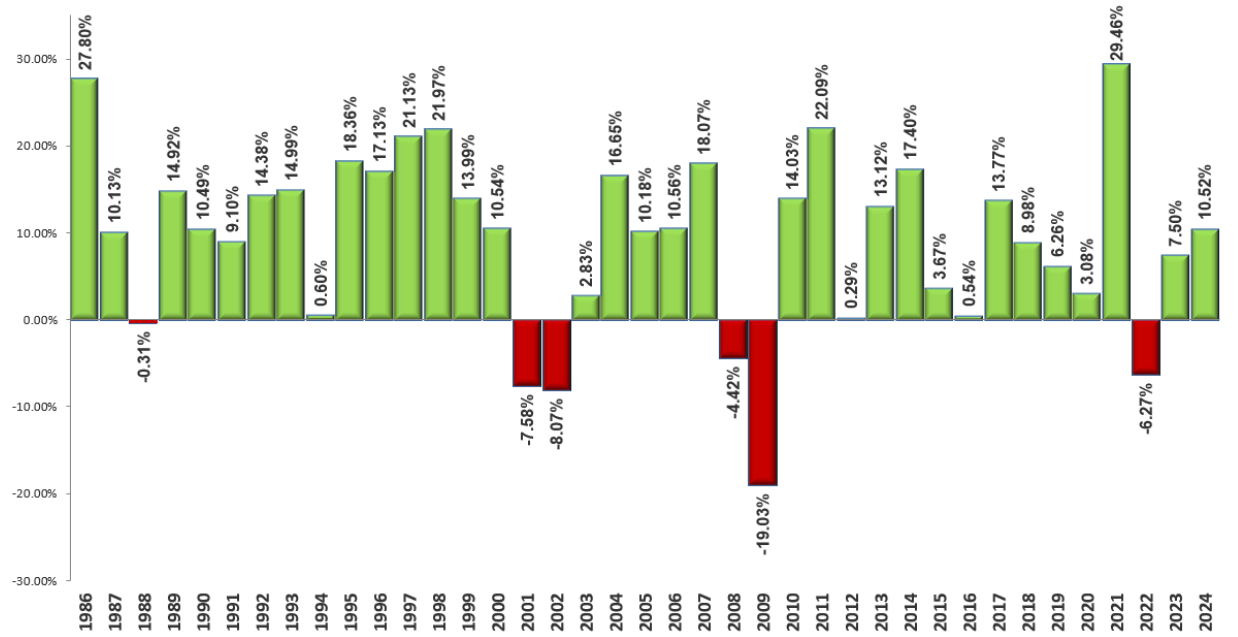


In addition to its investment objective for the Pension Plan, the SBA measures its investment performance relative to market-based benchmarks. The chart below compares actual returns to the total fund benchmark for various periods ending June 30, 2024:

	SBA Managed Return	Benchmark Return	Managed Over (Under) Benchmark
One Year	10.52%	11.09%	(0.58%)
Three Years	3.65%	3.62%	0.03%
Five Years	8.24%	7.66%	0.58%
Ten Years	7.39%	6.67%	0.72%
Fifteen Years	9.28%	8.45%	0.83%

- All returns are annualized for periods indicated through June 30, 2024.
- Benchmark is a weighted blend of individual asset class target indices as applicable; weights and benchmarks are established in the FRS Pension Plan Investment Policy Statement.

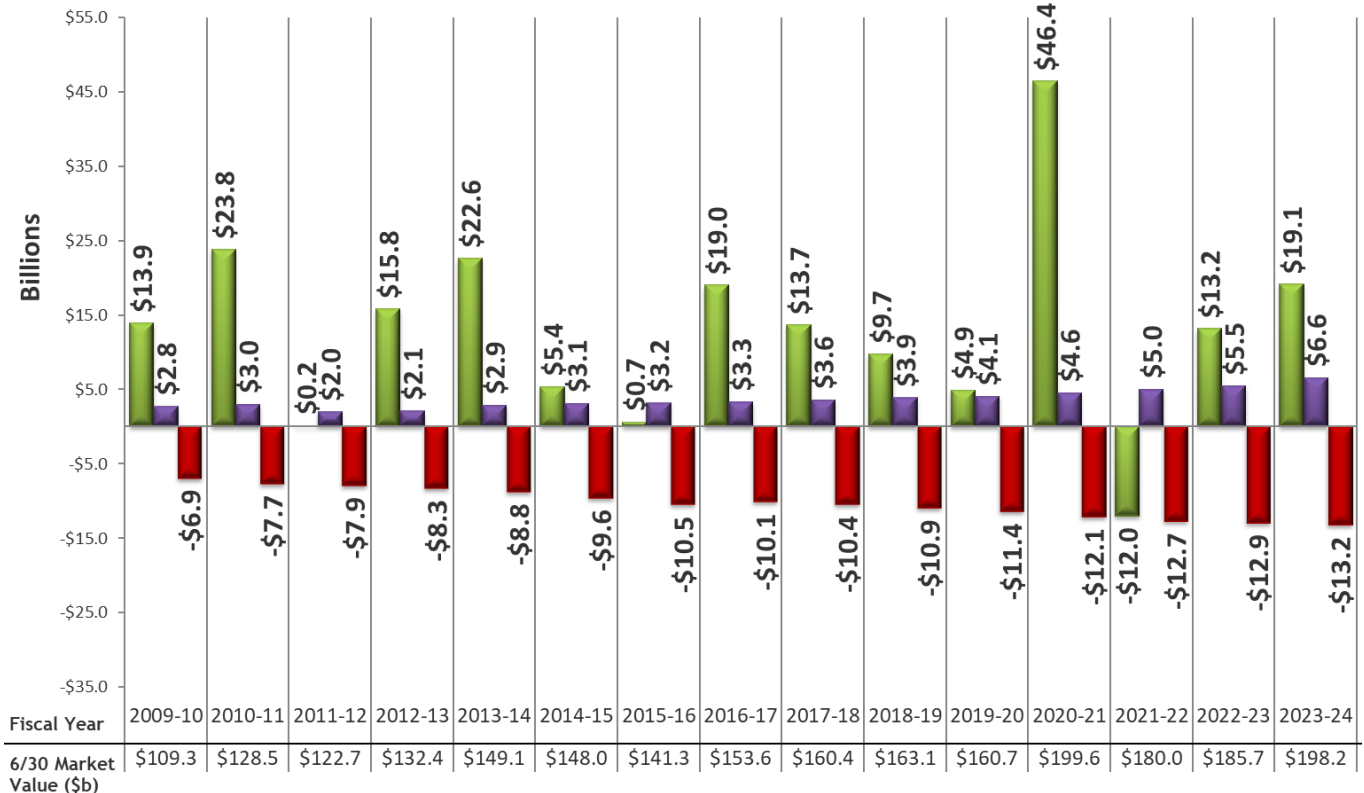
The chart below shows the historical one-year returns earned by the FRS Pension Plan.



The key drivers of growth in the FRS Pension Plan’s asset base are represented in the chart below. Over the period shown, investment returns (green bars) have generally been positive. Benefit payments (the red bars falling downward, representing outflows) have grown steadily over the period. This is typical of a mature plan. Contributions into the fund (purple bars) represent approximately 1/3 of the total cost of benefits paid to participants, the remaining 2/3 are derived from investment earnings.

FRS PENSION PLAN - ANNUAL CHANGE IN TOTAL FUND BY SOURCE

■ Investment Gain (Loss) ■ Contributions ■ Benefit Payments & Disbursements



The tables below show the external investment management fees and Net Brokerage Commissions for Fiscal Year 2023-24.

**FRS PENSION PLAN – EXTERNAL INVESTMENT MANAGEMENT FEES  
For Fiscal Year 2023-24**

Asset Class	Dollar Amount	Return Basis <sup>1</sup>
Global Equity	\$ 144,562,482	0.34%
Fixed Income	11,089,464	0.09%
Real Estate	106,787,567	0.53%
Private Equity	167,586,434	0.97%
Strategic Investments	216,772,827	1.16%
Active Credit <sup>2</sup>	30,606,875	0.33%
<b>Total</b>	<b>\$ 677,405,649</b>	<b>0.60%</b>

<sup>1</sup> Return Basis expresses external management fees as a percent of the average of the month-end net asset value of externally managed portfolios in each asset class (including month-ends from June 30, 2023, through June 30, 2024). This measure is comparable to an annual expense ratio.

<sup>2</sup> Active Credit only includes month-ends from April 30, 2024, through June 30, 2024, as it was created as a new asset class on April 1, 2024.

- Numbers may not total due to rounding.

**FRS PENSION PLAN – NET BROKERAGE COMMISSIONS  
For Fiscal Year 2023-2024**

Asset Class	Dollar Amount <sup>1</sup>
Global Equity	\$ 25,369,981
Fixed Income	770,052
Real Estate	1,096,286
Private Equity	377
<b>Total</b>	<b>\$ 27,236,696</b>

<sup>1</sup> Brokerage commission amounts for the entire fiscal year are presented in the appropriate year-end asset class. Dollar amounts reported do not include broker commission amounts paid in commingled funds.

- Numbers may not total due to rounding.



## Asset Allocation

Returns attributed to asset allocation arise from differences between asset class actual and target allocations as percentages of the Total Fund.

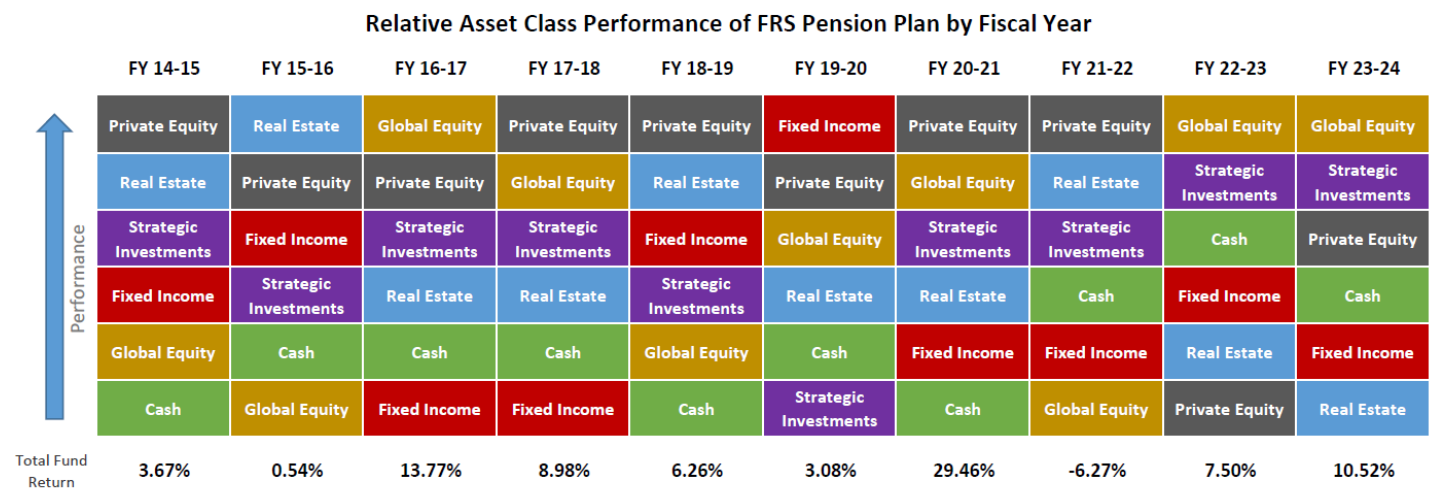
## Asset Classes

The Pension Plan portfolio is currently divided into six asset classes: Global Equity, Fixed Income, Real Estate, Private Equity, Strategic Investments, and Cash Equivalents. Asset class performance is measured against a broad market index appropriate to the asset class.

## Rebalancing

The investment strategy for the Pension Plan is to implement the policy allocation within relatively narrow bands around policy target weights. The SBA manages this strategy through asset allocation and risk-budgeting policies.

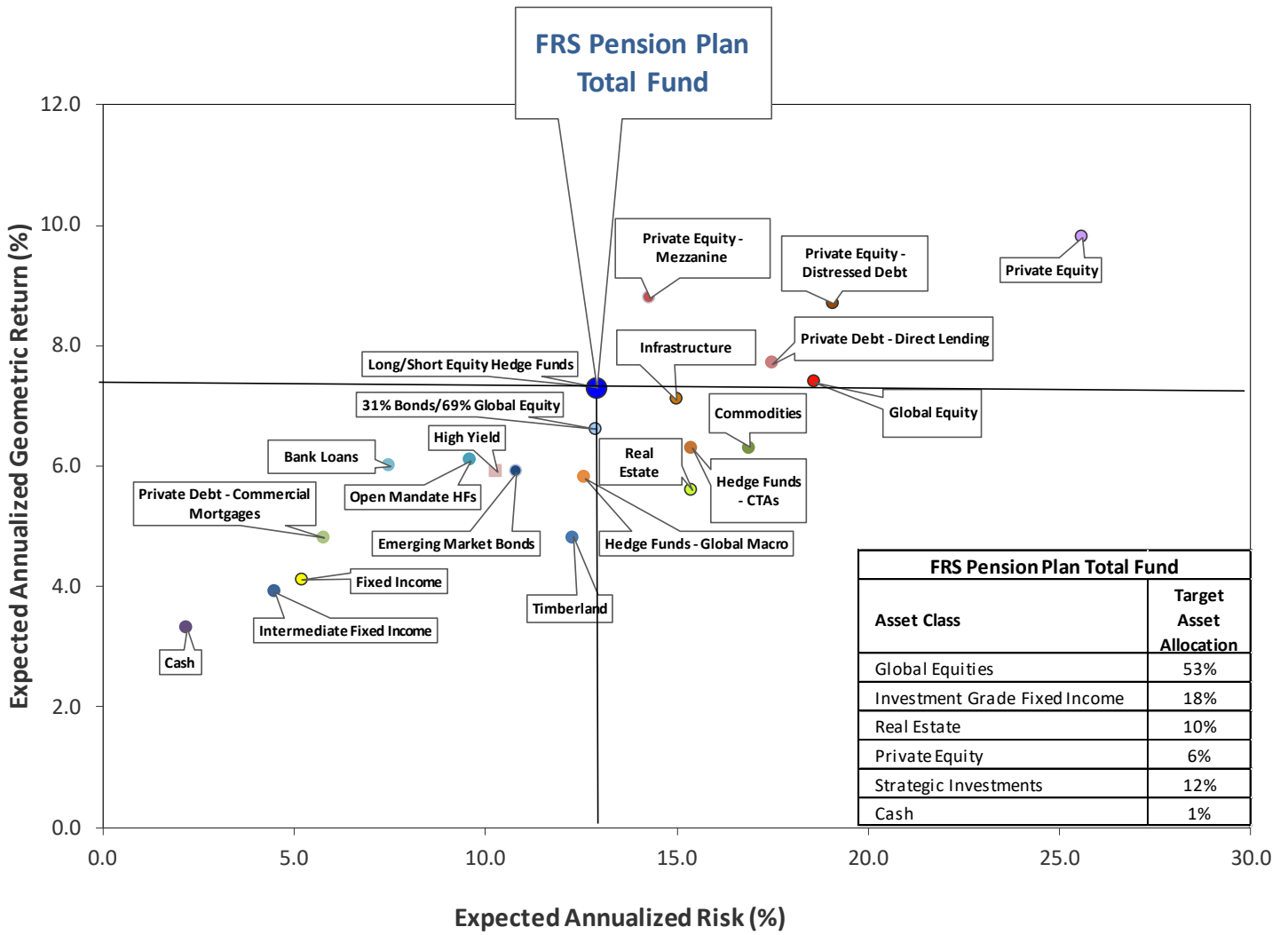
The following chart shows the related asset allocation performance of the FRS Pension Plan by fiscal year that demonstrates rebalancing to maximize investment objectives.



The SBA's exposure to various major asset types or classes is considered its asset allocation. Because asset allocation is a key driver of investment portfolio returns, it is the most fundamental way in which the SBA pursues its investment objective. Likewise, managing actual asset class exposure over time is important if the SBA is to avoid unnecessary risk. For example, if 60 percent exposure to stocks is determined to be necessary to meet a long-term return objective, exposure below that, if persistent or poorly timed, may cause the actual return to fall short of the objective. Conversely, an exposure to stocks greater than the target necessary will subject the portfolio to higher levels of volatility than necessary, which can also result in disappointing returns, particularly when equity markets are stressed.

A thoughtfully constructed portfolio will provide diversification across a sufficiently broad range of investments so that the portfolio has a high probability of meeting the investment objective, notwithstanding the wide distribution of performance often associated with individual investments. In other words, some individual investments may be poor performers during a specific time frame but, in a highly diversified portfolio, their overall impact on the portfolio will often be offset by other investments that, at the time, are better performers.

The following chart presents examples of how various asset classes and investment strategies carry different risk/return tradeoffs.



## Passive vs Active Investing

There are two primary approaches to investment management, passive and active investing. Passive managers construct their portfolios to closely approximate the performance of well-recognized market indices such as the Russell 1000 Index (large U.S. companies), Russell 3000 Index (large and small U.S. companies) or MSCI World ex-US Investable Market Index (international companies). Passive investing typically has the lowest management costs. Additional savings can be realized when these portfolios are managed internally.

Active managers select specific investments and build portfolios with the goal of beating the return of a benchmark index. Active investing, because of research and time requirements, tends to be more costly.

The SBA employs an active investment strategy where the probability of being paid for assuming the increased cost and risk of active investing is greatest. Conversely, where there is the least likelihood to outperform market indices, the SBA tends to passively invest and save management costs associated with active management. One of the SBA's historical strengths has been operating at a very low cost. The SBA's size and significant proportion of passive investments are contributors to the SBA's cost advantage.

The table below shows internal versus external management and the passive versus active management of the funds' resources as of June 30, 2024.

### FRS DEFINED BENEFIT TOTAL FUND ASSET CLASS ALLOCATION As of June 30, 2024

Asset Class	Active As % of Asset Class	Passive As % of Asset Class	Internal As % of Asset Class	External As % of Asset Class <sup>4</sup>	As % of Total Fund
Cash <sup>1</sup>	84.0%	16.0%	100.0%	-	1.2%
Fixed Income <sup>2</sup>	60.6%	39.4%	67.9%	32.1%	20.4%
Global Equity <sup>3</sup>	45.2%	54.8%	58.1%	41.9%	48.5%
Private Equity	100.0%	-	-	100.0%	9.3%
Real Estate	100.0%	-	73.1%	26.9%	9.5%
Strategic Investments	100.0%	-	0.1%	99.9%	6.3%
Active Credit	100.0%	-	-	100.0%	4.8%
<b>Total Fund</b>	<b>60.4%</b>	<b>34.8%</b>	<b>50.1%</b>	<b>45.0%</b>	<b>100.0%</b>

Asset Class	Active Market Value (in Millions)	Passive Market Value (in Millions)	Internal Market Value (in Millions)	External Market Value (in Millions) <sup>4</sup>	Total Fund Market Value (in Millions)
Cash <sup>1</sup>	\$ 1,935	\$ 369	\$ 2,304	\$ -	\$ 2,304
Fixed Income <sup>2</sup>	24,515	15,949	27,462	13,003	40,464
Global Equity <sup>3</sup>	43,442	52,643	55,860	40,225	96,085
Private Equity	18,386	-	-	18,386	18,386
Real Estate	18,837	-	13,764	5,073	18,837
Strategic Investments	12,553	-	18	12,535	12,553
Active Credit	9,599	-	-	9,599	9,599
<b>Total Fund</b>	<b>\$ 119,668</b>	<b>\$ 68,962</b>	<b>\$ 99,408</b>	<b>\$ 89,222</b>	<b>\$ 198,229</b>

<sup>1</sup> Cash: Includes Securities Lending Account, Total Fund STIPFRS NAV Adjustment Account, and the collateral accounts.

<sup>2</sup> Fixed Income: Includes STIPFRS Reserve Liquidation Account and Fixed income Liquidity Program.

<sup>3</sup> Global Equity includes Global Equity Liquidity Portfolio and the Cash Equitization Portfolio.

<sup>4</sup> The externally managed composites include the Active Core Plus account for Performance Measurement. This accounts for the portfolio's role in managing unintended interest rate risk within the aggregate Core Plus strategy.

• Numbers may not total due to rounding.

**FRS PENSION PLAN – RETURNS BY ASSET CLASS**  
**For Periods Ending June 30, 2024**

	SBA Managed Return	Benchmark Return	Managed Over (Under) Benchmark
<b>Global Equity<sup>1</sup></b>			
One Year	18.61%	18.42%	0.19%
Three Years	4.57%	4.71%	(0.14%)
Five Years	10.59%	10.38%	0.21%
Ten Years	8.63%	8.20%	0.43%
Fifteen Years	11.03%	10.40%	0.63%
<b>Fixed Income</b>			
One Year	3.83%	3.06%	0.77%
Three Years	(1.62%)	(1.92%)	0.31%
Five Years	0.54%	0.12%	0.41%
Ten Years	1.58%	1.29%	0.30%
Fifteen Years	3.19%	2.39%	0.80%
<b>Real Estate</b>			
One Year	(5.71%)	(10.49%)	4.77%
Three Years	4.15%	1.99%	2.15%
Five Years	4.50%	2.57%	1.93%
Ten Years	6.97%	5.74%	1.24%
Fifteen Years	7.86%	6.56%	1.30%
<b>Private Equity<sup>2</sup></b>			
One Year	6.75%	20.85%	(14.11%)
Three Years	8.22%	7.14%	1.08%
Five Years	18.18%	13.88%	4.30%
Ten Years	15.81%	10.34%	5.47%
Fifteen Years	12.47%	12.14%	0.33%
<b>Strategic Investments</b>			
One Year	8.10%	9.08%	(0.98%)
Three Years	6.94%	7.11%	(0.18%)
Five Years	7.45%	7.66%	(0.22%)
Ten Years	6.84%	6.05%	0.79%
Fifteen Years	9.79%	7.17%	2.62%
<b>Cash Equivalents</b>			
One Year	5.42%	5.50%	(0.08%)
Three Years	3.12%	3.11%	0.01%
Five Years	2.19%	2.20%	(0.01%)
Ten Years	1.58%	1.53%	0.05%
Fifteen Years	1.26%	1.06%	0.20%

<sup>1</sup> Global Equity became an asset class in July 2010. The historical return series prior to July 2010 was derived from the underlying Domestic, Foreign and Global Equities components.

<sup>2</sup> Per industry convention, Private Equity returns are presented on a dollar-weighted basis.

• Managed Over (Under) Benchmark may not total due to rounding.

SBA contracts with private equity partnerships require the following disclosure:

- Because of the long-term nature of investing in private equity, funds can produce low or negative returns in the early years of the partnership. In the first few years of the partnership, management fees are drawn from partner's capital, and portfolio companies are held at cost, leading to a potential understatement of ultimate value.
- Due to numerous factors, including limited valuation and reporting standards, the return information for private equity in this report may not reflect the expected return of the partnerships. The returns contained in this report are calculated by the SBA or its agent and have not been reviewed by the general partners.
- Interim returns may not be meaningful or indicative of ultimate performance during the early stages of the investment life cycle.

**FRS PENSION PLAN – CHANGE IN MARKET VALUE**  
**For Fiscal Year 2023-24**

	Market Value 6/30/23	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 6/30/24
<b>Global Equity</b>	\$ 93,947,192,194	\$ (13,893,270,926)	\$ 16,031,306,861	\$ 96,085,228,129
<b>Fixed Income</b>	29,986,911,843	9,240,209,717	1,237,296,569	40,464,418,129
<b>Real Estate</b>	20,750,828,436	(690,155,309)	(1,223,781,747)	18,836,891,381
<b>Private Equity</b>	17,489,229,214	(268,462,923)	1,165,033,934	18,385,800,226
<b>Strategic Investments<sup>1</sup></b>	21,132,759,921	(10,142,253,152)	1,562,277,719	12,552,784,488
<b>Active Credit<sup>1</sup></b>	-	9,347,599,978	251,731,704	9,599,331,682
<b>Cash/Short-Term<sup>2</sup></b>	2,402,345,156	(197,686,460)	99,677,551	2,304,336,247
<b>Total FRS Pension Plan</b>	<b>\$185,709,266,764</b>	<b>\$ (6,604,019,074)</b>	<b>\$ 19,123,542,592</b>	<b>\$198,228,790,282</b>

<sup>1</sup> Effective April 1, 2024, multiple credit-based portfolios were moved from the Strategic Investments asset class to create the new Active Credit asset class. The total value transferred was \$9,174,506,150.

<sup>2</sup> The investment gain (loss) reported for the Cash/Short-Term Securities asset class includes \$61,428,843 in SBA investment service charges and other fees paid in one cash expense account on behalf of the entire FRS Pension Plan. In addition, this asset class includes net investment gain of \$1,704,986 in the REPIMAC Borrower and Lender accounts as part of the Credit Facility Program. Excluding these amounts, the reported investment gain (loss) for the Cash/Short-Term asset class would have been \$159,401,408.

• Numbers may not total due to rounding.

Securities lending is the short-term loan of securities for a fee. With its large portfolio of assets, the Pension Plan is well suited to such a program. Mutual funds and ETFs typically have lending programs for the same reasons. The demand to borrow shares usually comes from hedge funds or short-sellers. When securities are loaned, borrowers provide collateral, such as cash or government securities, of value equal to, or greater than, the loaned securities. As shown in the table below, the program has provided significant gains over the long-term. However, fallout from the mortgage crisis resulted in losses during Fiscal Year 2009-10. In response, the program was restructured to a more conservative set of re-investment guidelines.

<b>FRS PENSION PLAN NET SECURITY LENDING REVENUE BY FISCAL YEAR</b>		
2009-10 <sup>1</sup>	\$	(134,528,845)
2010-11		43,594,622
2011-12		43,777,884
2012-13		48,168,513
2013-14		44,532,896
2014-15		38,044,668
2015-16		41,398,835
2016-17		49,210,608
2017-18		41,689,317
2018-19		31,482,495
2019-20		27,542,370
2020-21		22,169,408
2021-22 <sup>2</sup>		5,492,050
2022-23 <sup>2</sup>		17,226,735
2023-24 <sup>2</sup>		4,867,774
<b>Total</b>	<b>\$</b>	<b>324,669,330</b>

<sup>1</sup> The loss for 2009-10 resulted from a decline in value of various investments held in the securities lending portfolio. The recovery in value of these investments was not considered probable. Therefore, the underlying securities were written down resulting in a net realized loss. Net income without this loss was \$38,001,712.

<sup>2</sup> Fiscal years 2021-22, 2022-23 and 2023-24 include recognition of a realized loss on one or more of the legacy mortgaged backed investments that have been held since the 2009-2010 fiscal year. Excluding these recognized losses, net income for the fiscal years would have been \$19,810,816, \$18,446,245 and \$23,696,610, respectively.

- This table is on an accrual basis, not a cash basis, meaning distributed lending income is recorded when earned, not when received. Realized gains (losses) in investments purchased with cash collateral are included in the calculation of net security lending revenue (loss). The change in net unrealized appreciation (depreciation) in investments purchased with cash collateral is not included.

- Numbers may not total due to rounding.

The following tables show the beginning and ending market values for each individual Pension Plan portfolio, together with net contributions and transfers, and investment gain or loss. The portfolios are grouped into separate tables by asset class.

**FRS PENSION PLAN – ACTIVE CREDIT<sup>1</sup>**  
**CHANGE IN MARKET VALUE**  
**For Fiscal Year 2023-24**

Account Name	Market Value 06/30/23	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 06/30/24
<b>Private Credit</b>				
- ABRY Advanced Securities Fund, L.P. <sup>2</sup>	\$ -	\$ 136,650	\$ (39,956)	\$ 96,694
- ABRY Advanced Securities Fund II, L.P. <sup>2</sup>	-	1,756,197	(33,091)	1,723,106
- ABRY Advanced Securities Fund III, L.P. <sup>2</sup>	-	79,723,823	2,001,540	81,725,363
- ABRY Senior Equity III, L.P. <sup>2</sup>	-	286,422	(30,355)	256,068
- ABRY Senior Equity IV, L.P. <sup>2</sup>	-	5,307,690	19,627	5,327,316
- ABRY Senior Equity V, L.P. <sup>2</sup>	-	58,629,306	385,166	59,014,472
- Apollo Accord Fund V, L.P. <sup>2</sup>	-	14,973,591	1,205,311	16,178,902
- Apollo Accord Fund VI, L.P. <sup>2</sup>	-	4,999,925	222,342	5,222,268
- Appian Credit (UST) Strategies I L.P. <sup>2,4</sup>	-	1,585,607	(2,356,806)	(771,199)
- Atalaya Special Opportunities Fund VI, L.P. <sup>2</sup>	-	4,628,634	(454,730)	4,173,904
- Atalaya Special Opportunities Fund VII, L.P. <sup>2</sup>	-	77,686,522	2,051,745	79,738,267
- Atalaya Special Opportunities Fund VIII, L.P. <sup>2</sup>	-	144,560,240	3,034,931	147,595,171
- Atalaya Special Opportunities Fund IX, L.P. <sup>3</sup>	-	33,910,651	(11,455)	33,899,196
- Audax Credit Opportunities, LLC <sup>2</sup>	-	410,525,169	13,635,305	424,160,474
- Audax Mezzanine Fund IV-A, L.P. <sup>2</sup>	-	42,438,421	111,167	42,549,588
- Audax Mezzanine Fund V-A, L.P. <sup>2</sup>	-	58,950,548	928,023	59,878,571
- Bayview Opportunity Master Fund IVb, L.P. <sup>2</sup>	-	1,615,829	(15,103)	1,600,726
- Benefit Street Partners Debt Fund IV, L.P. <sup>2</sup>	-	119,362,080	3,069,145	122,431,225
- BioPharma Credit Investments V, L.P. <sup>2</sup>	-	73,224,777	2,233,783	75,458,560
- BlackRock Carbon Capital VI, L.P. <sup>2</sup>	-	22,264,586	1,003,404	23,267,990
- BlackRock US CRE Debt Fund - C7, L.P. <sup>2</sup>	-	142,370,274	4,072,726	146,443,000
- Blackstone Green Private Credit Fund III, L.P. <sup>2</sup>	-	17,901,208	13,258	17,914,466
- Blackstone Tactical Opportunities Fund-FD, L.P. <sup>2</sup>	-	192,749,101	6,333,001	199,082,102
- Blackstone Tactical Opportunities Fund II, L.P. <sup>2</sup>	-	29,956,518	325,625	30,282,143
- Blackstone Tactical Opportunities Fund-FD L.P.(Pool II) <sup>2</sup>	-	71,291,570	666,807	71,958,377
- Blantyre Special Situations Fund II, L.P. <sup>2</sup>	-	138,273,877	6,072,167	144,346,044
- Blue Torch Credit Opportunities FSBA, L.P. <sup>2</sup>	-	376,246,355	10,442,326	386,688,681
- Carlyle Mezzanine Partners II, L.P. <sup>2</sup>	-	565,000	4,595,400	5,160,400
- Castlelake III, L.P. <sup>2</sup>	-	26,624,825	413,765	27,038,590
- Castlelake IV, L.P. <sup>2</sup>	-	58,560,155	898,124	59,458,279
- Cerberus FSBA Corporate Credit Fund, L.P. <sup>2</sup>	-	168,770,486	4,636,609	173,407,095
- Cerberus FSBA Levered Loan Opportunities Fund, L.P. <sup>2</sup>	-	378,522,373	8,270,533	386,792,906
- Cerberus Institutional RE Partners III, L.P. <sup>2</sup>	-	49,477,645	(5,320,141)	44,157,504
- Cerberus Institutional RE Partners IV, L.P. <sup>2</sup>	-	156,286,911	(5,127,325)	151,159,586
- Cerberus Institutional RE Partners V, L.P. <sup>2</sup>	-	223,243,376	5,248,396	228,491,772
- Cerberus Institutional RE Partners VI, L.P. <sup>2</sup>	-	19,073,271	728,213	19,801,484
- Chambers Energy Capital III, L.P. <sup>2</sup>	-	23,392,464	1,119,243	24,511,707
- Chambers Energy Capital IV, L.P. <sup>2</sup>	-	114,688,629	6,167,298	120,855,926
- Chambers Energy Capital V, L.P. <sup>2</sup>	-	29,238,543	1,209,273	30,447,816
- CL Forgotten Coast Fund, L.P. <sup>2</sup>	-	48,726,781	671,954	49,398,735
- Coastline Fund, L.P. <sup>2</sup>	-	46,272,861	(350,937)	45,921,924
- Coastline Fund, L.P. Tranche II <sup>2</sup>	-	238,376,421	2,883,552	241,259,973
- CRC Single Investor Fund XIX, LLC <sup>2</sup>	-	178,276,900	8,141,494	186,418,394
- CRC Single Investor Fund XIX, LLC Tranche II <sup>3</sup>	-	30,000,000	-	30,000,000
- Crescent Credit Solutions VIII, L.P. <sup>2</sup>	-	101,167,008	3,791,673	104,958,681
- Crescent Mezzanine Partners VI, L.P. <sup>2</sup>	-	16,636,767	(74,304)	16,562,463
- Crescent Mezzanine Partners VII, L.P. <sup>2</sup>	-	75,664,334	3,523,077	79,187,411
- CVI Credit Value Fund II A, L.P. <sup>2</sup>	-	3,791,006	342,408	4,133,414

Account Name	Market Value 06/30/23	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 06/30/24
- CVI Credit Value Fund III A, L.P. <sup>2</sup>	-	35,742,324	1,254,863	36,997,187
- CVI Credit Value Fund IV A, L.P. <sup>2</sup>	-	94,016,248	2,060,845	96,077,093
- CVI Credit Fund A V, L.P. <sup>2</sup>	-	370,264,361	7,855,945	378,120,306
- DC Value Recovery Fund II, L.P. <sup>2</sup>	-	2,280,159	156,510	2,436,669
- DC Value Recovery Fund III, L.P. <sup>2</sup>	-	5,211,266	(167,503)	5,043,763
- DC Value Recovery Fund IV, L.P. <sup>2</sup>	-	38,115,003	(439,896)	37,675,107
- Deerfield Private Design Fund IV, L.P. <sup>2</sup>	-	134,364,686	4,984,123	139,348,809
- EFL Special Partners, L.P. <sup>2</sup>	-	57,625,489	2,612,701	60,238,190
- EIG Energy Fund XVI, L.P. <sup>2</sup>	-	48,601,872	(2,390,712)	46,211,160
- EIG Global Project Fund V, L.P. <sup>2</sup>	-	102,072,396	2,752,051	104,824,447
- Falcon Strategic Partners III, L.P. <sup>2</sup>	-	9,056,705	41,359	9,098,064
- Falcon Strategic Partners IV, L.P. <sup>2</sup>	-	48,285,667	(3,143,748)	45,141,919
- Florida Growth Fund LLC - Credit Tranche <sup>2</sup>	-	15,360,879	(1,371,126)	13,989,753
- Gallatin Point Capital Partners, L.P. <sup>2</sup>	-	91,000,621	(455)	91,000,166
- Gallatin Point Capital Partners II, L.P. <sup>2</sup>	-	115,973,508	4,306,204	120,279,712
- GOF II Feeder B, L.P. <sup>2</sup>	-	141,765,816	8,986,997	150,752,814
- GOF III Feeder B, L.P. <sup>2</sup>	-	65,383,477	3,074,821	68,458,298
- GSO Capital Opportunities Fund, L.P. <sup>2</sup>	-	4,029,517	31,319	4,060,836
- GSO Capital Opportunities Fund II, L.P. <sup>2</sup>	-	4,174,467	163,615	4,338,082
- GSO Capital Opportunities Fund III, L.P. <sup>2</sup>	-	30,317,451	1,591,594	31,909,045
- GSO Capital Solutions Fund II, L.P. <sup>2</sup>	-	10,877,045	993,169	11,870,214
- GSO Capital Solutions Fund III, L.P. <sup>2</sup>	-	44,840,797	2,572,013	47,412,810
- GSO Energy Select Opportunities Fund, L.P. <sup>2</sup>	-	5,332,781	408,863	5,741,644
- GSO Energy Select Opportunities Fund II, L.P. <sup>2</sup>	-	24,248,909	(1,941,030)	22,307,879
- H.I.G. Whitehorse FSBA, L.P. <sup>2</sup>	-	82,457,408	3,271,215	85,728,623
- Highbridge Convertible Dislocation Fd (Delaware), L.P. <sup>2</sup>	-	18,845,938	143,105	18,989,043
- Intermediate Capital Group Europe Fund VIII, SCSp <sup>2</sup>	-	90,322,157	1,020,629	91,342,786
- ISAF III (USD), L.P. <sup>2</sup>	-	43,670,046	(1,382,814)	42,287,232
- KLCP ERISA Fund E2 (US), L.P. <sup>2</sup>	-	247,608,118	7,953,073	255,561,191
- KLCP ERISA Fund E III, L.P. <sup>2</sup>	-	152,931,346	6,623,520	159,554,866
- Lake Jackson, L.P. <sup>2</sup>	-	38,668,635	6,735,222	45,403,857
- LCM Credit Opportunities Fund III(a), L.P. <sup>2</sup>	-	37,768,243	58,327	37,826,570
- LCM Credit Opportunities Fund IV, SLP <sup>2</sup>	-	118,918,949	1,877,795	120,796,743
- LCM Partners SOLO Va, SLP <sup>2</sup>	-	43,644,123	911,990	44,556,112
- MCP Private Capital Fund III SCSp <sup>2</sup>	-	79,398,576	5,226,953	84,625,530
- MCP Private Capital Fund IV SCSp <sup>2</sup>	-	155,177,050	9,048,113	164,225,163
- MCP Private Capital Fund V SCSp <sup>2</sup>	-	19,652,451	8,255	19,660,706
- MSD SBAFL Fund, L.P. <sup>2</sup>	-	102,214,239	2,491,826	104,706,065
- NovaQuest Pharma Opportunities Fund V, L.P. <sup>2</sup>	-	96,233,947	(4,506,994)	91,726,953
- Oaktree Opportunities Fund VIII, L.P. <sup>2</sup>	-	319,799	16,837	336,636
- Oaktree Opportunities Fund VIIIb, L.P. <sup>2</sup>	-	5,969,923	456,126	6,426,049
- Oaktree Opportunities Fund IX, L.P. <sup>2</sup>	-	59,280,927	1,874,278	61,155,205
- Oaktree Opportunities Fund Xb, L.P. <sup>2</sup>	-	210,371,340	3,420,972	213,792,312
- OHA Tactical Investment Fund, L.P. <sup>2</sup>	-	216,342,954	3,067,654	219,410,608
- OIC Credit Opportunities Fund IV, L.P. <sup>3</sup>	-	15,181,388	(70,807)	15,110,581
- Orion Energy Credit Opportunities Fund III, L.P. <sup>2</sup>	-	132,275,007	1,013,623	133,288,630
- Orion Mine Finance Fund I, L.P. <sup>2</sup>	-	19,872,298	8,120,135	27,992,432
- Orion Mine Finance Fund II, L.P. <sup>2</sup>	-	79,158,362	1,120,313	80,278,674
- Orion Mine Finance Co-Investment Fund II, L.P. <sup>2</sup>	-	38,849,485	918,056	39,767,541
- PAG Loan Fund IV, L.P. <sup>2</sup>	-	80,581,051	(68,343)	80,512,708
- PGIM Energy Partners (SBA) II, L.P. <sup>3</sup>	-	22,235	(22,235)	-
- Primary Wave Music IP Fund 2, L.P. <sup>2</sup>	-	114,500,602	13,244,805	127,745,407
- Primary Wave Music IP Fund 3, L.P. <sup>2</sup>	-	191,721,918	20,266,988	211,988,906
- Principal RE Debt (SBAF Mortgage Fund), LLC <sup>2</sup>	-	210,284,943	7,207,393	217,492,337
- Providence Debt Fund III, L.P. <sup>2</sup>	-	19,851,641	(868,184)	18,983,457
- Quantum Capital Solution II, L.P. <sup>3</sup>	-	38,439	(38,439)	-



Account Name	Market Value 06/30/23	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 06/30/24
- Searchlight Opportunities Fund II, L.P. <sup>2</sup>	-	92,914,139	5,080,946	97,995,085
- Silver Lake Waterman Fund III, L.P. <sup>2</sup>	-	118,009,069	883,484	118,892,553
- Sixth Street TAO Partners, L.P. <sup>2</sup>	-	98,077,616	1,503,658	99,581,274
- Special Situation Partners II, L.P. <sup>2</sup>	-	30,487,879	(1,706,061)	28,781,818
- Sprott Private Resource Lending II (US), L.P. <sup>2</sup>	-	86,707,276	3,909,757	90,617,033
- Sprott Private Resource Lending III (US), L.P. <sup>2</sup>	-	50,455,770	149,184	50,604,954
- SVB Innovation Credit Fund VIII, L.P. <sup>2</sup>	-	105,416,060	2,488,226	107,904,286
- Torchlight Debt Fund VII, L.P. <sup>2</sup>	-	173,024,717	1,640,308	174,665,025
- Torchlight Debt Fund VIII, L.P. <sup>2</sup>	-	58,732,455	1,136,990	59,869,445
- Triverton AgriFinance III, L.P. <sup>2,4</sup>	-	47,439	(350,999)	(303,560)
- Varde Fund X (C), L.P. <sup>2</sup>	-	3,462,402	(45,882)	3,416,520
- Varde Fund XI (C), L.P. <sup>2</sup>	-	28,238,599	(37,677)	28,200,922
- Varde Fund XII (C), L.P. <sup>2</sup>	-	95,137,114	2,074,097	97,211,211
- Vine Media Opportunities Fund III, L.P. <sup>2</sup>	-	23,227,523	2,608,321	25,835,844
- Vine Media Opportunities Fund IV, L.P. <sup>2</sup>	-	44,517,992	910,821	45,428,813
- VSS Structured Capital II, L.P. <sup>2</sup>	-	(170)	479,810	479,640
- Wayzata Opportunities Fund III, L.P. <sup>2</sup>	-	5,357,791	820,604	6,178,395
<b>Total Active Credit</b>	<b>\$ -</b>	<b>\$ 9,347,599,978</b>	<b>\$ 251,731,704</b>	<b>\$9,599,331,682</b>

<sup>1</sup> The Active Credit asset class was created on April 1, 2024, with \$9,174,506,150 in existing Strategic Investment accounts moving to this new asset class.

<sup>2</sup> Account moved from the Strategic Investments asset class to the Active Credit asset class on April 1, 2024.

<sup>3</sup> Account opened on or after April 1, 2024.

<sup>4</sup> Preliminary due diligence fees incurred but investment not yet purchased.

- For certain active credit accounts, market values are estimates of value which may or may not represent what would be actually realized in arm's-length sales transactions. In such cases the market values are self-reported by the external managers of these accounts and incorporate their estimate of the value of illiquid publicly traded securities and private market holdings.

- Numbers may not total due to rounding.

**FRS PENSION PLAN – FIXED INCOME  
CHANGE IN MARKET VALUE  
For Fiscal Year 2023-24**

Account Name	Market Value 6/30/23	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 6/30/24
<b>Aggregate:</b>				
- Active Core	\$ 5,920,124,965	\$ 1,780,555,701	\$ 230,021,752	\$ 7,930,702,418
- Amundi Pioneer Investments	2,103,878,896	415,000,000	118,708,399	2,637,587,295
- BlackRock Core Bond Enhanced Index	2,147,288,356	-	82,961,740	2,230,250,095
- Core Plus Overlay <sup>2</sup>	105,243,886	(107,213,347)	1,985,647	16,186
- Investment Grade AA Account	34,691,607	25,000,000	2,535,828	62,227,435
- Loomis Core Plus <sup>1</sup>	-	1,004,401,963	12,740,526	1,017,142,488
- Lord Abbett	1,452,275,595	(1,400,000,000)	68,914,612	121,190,207
- Manulife Core Plus <sup>1</sup>	-	502,200,981	14,250,701	516,451,682
- Neuberger Berman Core	2,430,077,828	1,000,000,000	113,317,074	3,543,394,902
- PGIM Core Plus	1,109,607,319	885	55,765,519	1,165,373,723
- Prudential Conservative Core <sup>3</sup>	-	(885)	885	-
- Taplin, Canida & Habacht	1,215,378,191	-	44,154,243	1,259,532,434
- Wellington Core Plus	149,791,098	352,200,981	9,755,121	511,747,201
<b>Government/Corporate:</b>				
- Fixed Income Government/Credit <sup>5</sup>	7,488,792,101	2,147,157,288	221,592,689	9,857,542,078
<b>Mortgage:</b>				
- Fixed Income MBS Passive	3,696,721,889	110,888,491	108,480,612	3,916,090,991
<b>Other:</b>				
- Fixed Income Cash Expense	-	223,062	(223,062)	-
- Fixed Income Liquidity Portfolio	2,133,040,113	(1,712,554)	44,519,323	2,175,846,882
- Fixed Income Transition <sup>4</sup>	-	-	-	-
- Fixed Income Policy Transition 2 <sup>6</sup>	-	2,257,010,831	54,550,665	2,311,561,496
- Fixed Income Policy Transition 3 <sup>1</sup>	-	1,154,509,664	53,250,952	1,207,760,616
- Fixed Income Policy Transition 4 <sup>1,4</sup>	-	-	-	-
- Fixed Income Policy Transition 5 <sup>1,4</sup>	-	-	-	-
- STIPFRS Reserve Liquidation Fund	-	(13,345)	13,345	-
<b>Total Fixed Income</b>	<b>\$29,986,911,843</b>	<b>\$ 9,240,209,717</b>	<b>\$1,237,296,569</b>	<b>\$40,464,418,129</b>

<sup>1</sup> Account opened during the fiscal year.

<sup>2</sup> Strategy ended during the fiscal year. Balances reflect residual activity.

<sup>3</sup> Strategy ended during a prior fiscal year. Balances reflect residual activity.

<sup>4</sup> Account inactive during the fiscal year.

<sup>5</sup> Account name changed from Fixed Income Gov't./Corp. Passive to Fixed Income Government/Credit.

<sup>6</sup> Account name changed from Fixed Income Transition II to Fixed Income Policy Transition 2.

• Numbers may not total due to rounding.

**FRS PENSION PLAN – GLOBAL EQUITY  
CHANGE IN MARKET VALUE  
For Fiscal Year 2023-24**

Account Name	Market Value 6/30/23	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 6/30/24
<b>Domestic Equity</b>				
- Acuitas	\$ 365,082,061	\$ (1)	\$ 20,047,151	\$ 385,129,211
- Avatar R1000 Index Fund	18,652,001,114	(2,740,431,390)	4,085,593,454	19,997,163,178
- Columbia LC Core <sup>2</sup>	1,500,605,898	(1,522,058,753)	21,452,855	-
- Columbia SC Value <sup>2</sup>	183,332,444	(175,626,294)	(7,706,150)	-
- Copeland Capital	185,750,912	-	13,496,985	199,247,897
- Delta	181,208,028	-	20,969,715	202,177,743

Account Name	Market Value 6/30/23	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 6/30/24
- Fisher Investments	160,839,680	-	15,971,947	176,811,627
- Los Angeles Capital	192,326,486	-	16,171,585	208,498,071
- Nova Portfolio	10,572,770,483	890,088,047	2,712,993,980	14,175,852,510
- PanAgora Asset Management	187,108,311	-	30,371,478	217,479,789
- Penn Capital	154,223,290	-	8,531,152	162,754,443
- Phoenix Portfolio	12,561,091,080	(2,184,337,855)	2,667,844,442	13,044,597,667
- Seneca	180,426,384	-	24,453,955	204,880,339
- Silvercrest Asset Management	200,654,799	-	973,730	201,628,528
- Smith Large Cap Core <sup>2</sup>	1,130,352,734	(1,296,489,836)	166,137,871	769
- Stephens Investment Management Group	218,887,299	-	32,019,886	250,907,185
- Vaughan Nelson Investment Management	209,435,203	-	27,061,397	236,496,600
- Wellington PPC	812,234,693	(57,407,126)	120,179,495	875,007,062
<b>Total Domestic Equity</b>	<b>47,648,330,897</b>	<b>(7,086,263,207)</b>	<b>9,976,564,928</b>	<b>50,538,632,618</b>
<b>Foreign Equity</b>				
- Aberdeen Frontier Markets <sup>3</sup>	120,424	(113,449)	(6,974)	-
- Acadian Asset Management	1,831,781,786	(415,795,236)	262,426,868	1,678,413,418
-Acadian Asset Management Inc.	822,755,646	(125,000,100)	183,734,475	881,490,021
- Alliance Bernstein	1,809,358,236	(141,332,031)	234,535,269	1,902,561,474
- Allspring Emerging Capital	187,415,168	(50,487,567)	40,329,119	177,256,720
- Allspring Emerging Large Cap	830,252,986	(50,000,000)	54,637,532	834,890,518
- Allspring International Small Cap	365,157,296	-	19,231,512	384,388,809
- AQR Capital Management Small Cap <sup>3</sup>	934,007	(82,481)	(45,348)	806,178
- AQR Capital Mgt. Emerging Markets Small Cap	262,138,511	-	70,446,578	332,585,089
- Artisan Partners	1,923,249,850	(429,500,521)	264,843,633	1,758,592,962
- Ballie Gifford Overseas Limited	1,251,504,239	(250,091,511)	117,202,274	1,118,615,001
- BlackRock China A Shares <sup>2</sup>	156,825,622	(137,500,000)	(19,227,759)	97,863
- BlackRock Emerging Markets Index Plus <sup>3</sup>	3,999	(104,729)	100,729	-
- BlackRock Global Inv. Index Plus	31,485,856	(4,414,593)	(1,559,612)	25,511,651
- BlackRock Global Inv. Small Cap Strategy	622,031,256	(25,000,000)	49,101,826	646,133,082
- BlackRock Global Inv. World Ex-US <sup>3</sup>	15,244,415	(1,201,208)	(231,603)	13,811,605
- BlackRock Global Inv. World Ex-US Alpha Tilts	2,068,108,649	(225,000,000)	249,362,465	2,092,471,115
- Clarivest International Small Cap	394,968,153	(70,000,000)	57,488,189	382,456,342
- Dimensional Fund Advisors <sup>3</sup>	863,344	(35,750)	(18,930)	808,664
- Dimensional Fund Advisors Emerging Markets <sup>3</sup>	35,014	(3,101)	(17,426)	14,488
- Eastspring Investments	725,346,344	-	38,302,992	763,649,336
- Epoch Investment Partners <sup>3</sup>	46,145	(47)	(767)	45,331
- Fidelity Institutional <sup>3</sup>	163,996	(4)	(3,405)	160,587
- First Sentier Frontier Markets <sup>3</sup>	768,278	(784,667)	18,109	1,720
- Foreign Equity Internal Active Tax Reclaim <sup>4</sup>	-	-	-	-
- Genesis Emerging Markets <sup>2</sup>	818,894,037	(824,990,546)	6,916,428	819,919
- Global Alpha	387,396,826	(30,000,000)	9,872,287	367,269,114
- GMO	1,669,599,765	-	305,454,622	1,975,054,388
- KAR Emerging Market Small Cap	192,750,162	-	30,003,997	222,754,159
- Mondrian Investment Partners Ltd.	821,896,604	(30,000,000)	70,109,700	862,006,304
- Mondrian Investment Partners Small Cap <sup>2</sup>	366,062,315	(364,299,926)	(594,698)	1,167,691
- Morgan Stanley Investment Management	2,191,737,752	(456,599,121)	126,426,187	1,861,564,817
- Ninety One North America <sup>5</sup>	779,935,852	-	131,401,823	911,337,675
- Numeric Investors	395,946,965	(62,000,000)	54,903,399	388,850,364
- Principal Global Investors - FE	373,390,725	(15,000,000)	31,240,515	389,631,240
- Robeco Institutional Asset Management	856,591,671	(116,404,775)	155,896,079	896,082,975
- Somerset Capital <sup>2</sup>	646,739,527	(633,782,362)	(12,957,165)	-
- Sophus Capital	792,777,396	(25,000,000)	114,374,241	882,151,636
- Sprucegrove Investment Management	1,922,646,298	(409,226,841)	101,816,928	1,615,236,385
- Templeton Investment Counsel LLC <sup>3</sup>	5,209,132	(46,786)	(44,190)	5,118,156
- TimesSquare Emerging Small Cap	197,444,354	(50,081,918)	26,040,146	173,402,583
- TS&W Florida Retirement System	375,868,586	(30,000,000)	48,173,889	394,042,475

Account Name	Market Value 6/30/23	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 6/30/24
- TSW International	1,784,159,954	(202,665,946)	178,794,511	1,760,288,520
- Walter, Scott & Partners, Ltd.	2,086,911,235	(278,187,705)	130,553,940	1,939,277,469
- Wellington Emerging Markets Small Cap	270,595,483	-	77,237,344	347,832,827
- William Blair	341,127,273	-	11,153,934	352,281,207
- William Blair & Company, LLC	736,475,639	-	149,000,024	885,475,663
- William Blair China A Shares <sup>2</sup>	117,555,720	(96,748,881)	(20,806,845)	(6)
- William Blair Emerging Markets Small Cap	251,820,685	(59,740,980)	52,096,062	244,175,767
<b>Total Foreign Equity</b>	<b>31,684,093,180</b>	<b>(5,611,222,782)</b>	<b>3,397,712,904</b>	<b>29,470,583,303</b>
<b>Dedicated Global Equity</b>				
- Alliance Bernstein Global <sup>2</sup>	908,306,769	(887,016,504)	(20,482,217)	808,048
- Atlas Portfolio	3,206,489,407	(403,966,337)	589,285,955	3,391,809,025
- Causeway Capital	868,525,272	-	147,700,737	1,016,226,009
- Epoch Investment Partners Global <sup>2</sup>	1,571,951,191	(1,610,819,404)	45,485,017	6,616,803
- Hexavest Inc. <sup>3</sup>	779,053	(63,153)	32,154	748,054
- Hyperion Asset Management <sup>2</sup>	164,997,904	(196,512,655)	31,516,466	1,715
- Intech Investment Management <sup>3</sup>	2,224,071	(223,484)	126,890	2,127,477
- Jennison Global	416,129,805	409,059,804	286,035,111	1,111,224,719
- Market Exposure <sup>1</sup>	-	936,001,784	113,549,589	1,049,551,373
- MFG Asset Management <sup>3</sup>	1,641,935	(636,744)	(25,848)	979,343
- MS Global Franchise <sup>1</sup>	-	761,248,163	21,442,181	782,690,344
- Schiehallion Fund	113,585,515	-	73,496,501	187,082,016
- Schroders Hybrid Energy <sup>1</sup>	-	406,532,610	(31,925,968)	374,606,642
- Schroders Investment Management	1,991,969,701	(429,366,865)	344,964,463	1,907,567,300
- Sinensis	1,661,450,546	(498,377,982)	189,439,136	1,352,511,700
- Trilogy Global Advisors <sup>3</sup>	429,947	-	(7,586)	422,361
- WCM Global	1,002,200,148	103,841,453	304,315,507	1,410,357,107
- Wellington Global	817,028,453	262,071,312	127,497,677	1,206,597,443
<b>Total Dedicated Global Equity</b>	<b>12,727,709,718</b>	<b>(1,148,228,001)</b>	<b>2,222,445,764</b>	<b>13,801,927,481</b>
<b>Other</b>				
- Cash Equitization Portfolio <sup>4</sup>	-	-	-	-
- Citigroup Global Transition	115,770	(103,121)	288	12,937
- Domestic Equity Asset Class Transition	184,472	60,390,970	50,437,910	111,013,352
- GE CITI Policy Transition <sup>1</sup>	-	29,070,044	(9,534,365)	19,535,679
- Global Equity Cash	2,651,940	3,481,886	521,114	6,654,940
- Global Equity Cash Expense	6	2,379,575	(2,344,630)	34,950
- Global Equity Liquidity Portfolio	1,883,661,586	(198,066,775)	334,355,347	2,019,950,158
- Global Equity Policy Transition Portfolio 1	-	31,358,416	45,518,525	76,876,941
- Global Equity Policy Transition Portfolio 2	-	35,494,247	4,108,675	39,602,922
- Global Equity Policy Transition Portfolio 3 <sup>4</sup>	-	-	-	-
- Global Equity Suspended Asset Account	55,677	-	(4,038)	51,639
- Global Equity Transition Account 1	388,947	(14,014,673)	13,976,935	351,208
- Pavilion Transition	-	2,452,497	(2,452,497)	-
<b>Total Other</b>	<b>1,887,058,398</b>	<b>(47,556,936)</b>	<b>434,583,265</b>	<b>2,274,084,726</b>
<b>Total Global Equity</b>	<b>\$93,947,192,194</b>	<b>\$ (13,893,270,926)</b>	<b>\$16,031,306,861</b>	<b>\$96,085,228,128</b>

<sup>1</sup> Account opened during the fiscal year.

<sup>2</sup> Strategy ended during the fiscal year. Balances reflect residual activity.

<sup>3</sup> Strategy ended in a prior fiscal year. Balances reflect residual activity.

<sup>4</sup> Account inactive during the fiscal year.

<sup>5</sup> Name changed to Ninety One North America from Investec in March 2020.

• Numbers may not total due to rounding.

**FRS PENSION PLAN – PRIVATE EQUITY  
CHANGE IN MARKET VALUE FOR FISCAL YEAR 2023-24**

Account Name	Market Value 6/30/2023	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 6/30/2024
<b>Partnerships:</b>				
- Accel-KKR Capital Partners V, L.P.	\$ 60,966,760	\$ (15,858,659)	\$ 15,292,416	\$ 60,400,517
- Accel-KKR Capital Partners VI, L.P.	26,035,993	15,873,049	-	41,909,042
- Accel-KKR Capital Partners VII, L.P.	-	1,337	(670,338)	(669,001)
- Accel-KKR Growth Capital Partners II, L.P.	16,491,811	(5,287,018)	3,398,669	14,603,462
- Advent International GPE VIII, L.P.	184,296,331	(57,217,002)	9,939,220	137,018,549
- Advent International GPE IX, L.P.	192,264,961	-	2,130,691	194,395,652
- Advent International GPE X, L.P.	31,693,374	27,393,150	7,792,900	66,879,424
- American Industrial Partners Capital Fund VI, L.P.	81,909,823	(7,094,328)	6,654,676	81,470,170
- American Industrial Partners Capital Fund VII, L.P.	86,022,788	1,919,790	10,070,428	98,013,006
- American Industrial Partners Capital Fund VIII, L.P. <sup>1</sup>	-	10,444,313	(930,704)	9,513,609
- Arbor Debt Opportunities II, L.P.	8,671,272	3,746,771	1,370,362	13,788,405
- Arbor Investments V, L.P.	45,004,669	13,679,962	59,151	58,743,782
- Arbor Investments VI, L.P. <sup>1,3</sup>	-	42,755	(42,755)	-
- Ardian LBO Fund VI, L.P.	60,786,569	3,383,424	(11,459,108)	52,710,886
- Ares Corporate Opportunities Fund III, L.P. <sup>2</sup>	997,810	2,700	(1,000,509)	1
- Ares Corporate Opportunities Fund IV, L.P.	55,774,256	(13,967,877)	(8,916,723)	32,889,655
- Ares Corporate Opportunities Fund V, L.P.	193,422,887	3,810,217	2,436,037	199,669,141
- ASF VI, L.P.	21,819,142	(171,080)	(3,361,797)	18,286,265
- ASF VII, L.P.	85,070,529	(25,164,954)	323,239	60,228,814
- ASF VIII, L.P.	131,075,726	13,275,457	2,183,259	146,534,442
- Asia Alternatives FL Investor, L.P.	230,084,859	(16,667,510)	(17,590,014)	195,827,335
- Asia Alternatives FL Investor II, LLC	330,827,140	(24,626,690)	(10,249,260)	295,951,190
- Asia Alternatives FL Investor III, LLC	123,335,737	45,990,029	8,128,135	177,453,901
- Asia Alternatives FL Investor IV, LLC <sup>1,3</sup>	-	55,315	(33,754)	21,561
- Atlas Capital Resources II, L.P.	21,533,650	(9,077,851)	2,398,102	14,853,900
- Atlas Capital Resources III, L.P.	37,088,813	(1,530,156)	4,835,214	40,393,871
- Atlas Capital Resources IV, L.P.	32,047,555	12,402,648	3,723,196	48,173,398
- AXA LBO Fund V, L.P.	10,635,693	(7,993,705)	1,372,065	4,014,053
- AXA Secondary Fund V, L.P.	275,717	-	(20,791)	254,926
- Blue Water Energy Fund I, L.P.	13,200,395	(3,562,173)	(1,524,345)	8,113,877
- Brynwood Partners IX, L.P. <sup>1</sup>	-	8,280,167	(2,130,902)	6,149,265
- Carlyle Asia Growth Partners IV, L.P.	7,030,117	(1,413,054)	281,418	5,898,481
- Carlyle Partners VI, L.P.	59,029,901	(9,894,782)	(11,092,859)	38,042,260
- Carlyle Partners VII, L.P.	112,879,262	(522,954)	6,816,915	119,173,223
- Carnelian Energy Capital II, L.P.	20,758,404	(12,092,098)	7,026,236	15,692,542
- Carnelian Energy Capital III, L.P.	81,156,027	(22,229,508)	13,023,024	71,949,543
- Carnelian Energy Capital IV, L.P.	33,196,803	4,372,636	6,110,771	43,680,210
- Carnelian Energy Capital V, L.P. <sup>1</sup>	-	8,937,658	(710,660)	8,226,998
- Charlesbank Equity Fund VII, L.P.	617,428	(149)	(87,363)	529,916
- Charlesbank Equity Fund VIII, L.P.	59,377,113	(4,843,372)	1,732,520	56,266,261
- Charlesbank Equity Fund IX, L.P.	110,101,898	(7,039,082)	22,214,760	125,277,576
- Charlesbank Equity Fund IX Overage Allocation Program	19,908,365	(3,048,923)	(3,302,093)	13,557,349
- Charlesbank Equity Fund X, L.P.	56,532,901	24,208,853	11,726,009	92,467,763
- Charlesbank Equity Overage Fund X, L.P.	8,716,582	2,196,932	3,936,640	14,850,154
- Cressey & Company Fund IV, L.P.	128,141	-	(12,296)	115,845
- Cressey & Company Fund V, L.P.	84,378,691	-	(7,384,940)	76,993,751
- Cressey & Company Fund VI, L.P.	104,603,871	-	(4,220,632)	100,383,239
- Cressey & Company Overage Fund VI, L.P.	14,041,714	-	(758,515)	13,283,199
- CVC Capital Partners VI, L.P.	70,882,402	(2,303,682)	3,271,699	71,850,419
- CVC Capital Partners VII, L.P.	151,194,915	(15,520,979)	15,854,312	151,528,248
- CVC Capital Partners VIII, L.P.	134,061,051	51,682,305	1,765,576	187,508,932
- CVC Capital Partners IX, L.P. <sup>1,3</sup>	-	130,259	(130,259)	-
- CVC European Equity Partners V, L.P.	1,850,987	-	286,178	2,137,165

Account Name	Market Value 6/30/2023	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 6/30/2024
- DCP Capital Partners II, L.P.	18,727,307	10,938,278	(9,068,482)	20,597,104
- DCPF VI Oil and Gas Coinvestment Fund, L.P.	150,576	-	(24,014)	126,561
- D&D Co-Invest, L.P. <sup>1</sup>	-	9,772,273	(51,987)	9,720,286
- Denham Commodity Partners Fund VI, L.P.	58,983,385	-	(8,298,800)	50,684,586
- Denham Oil & Gas Investment Fund, L.P.	86,513,324	2,054,522	10,611,972	99,179,818
- Denham Oil & Gas Investment Fund II, L.P.	70,123,854	4,990,645	4,178,738	79,293,237
- EnCap Energy Capital Fund VIII, L.P.	29,752,167	(995,602)	(578,551)	28,178,014
- EnCap Energy Capital Fund IX, L.P.	24,462,336	(13,503,575)	5,952,292	16,911,054
- EnCap Energy Capital Fund X, L.P.	68,621,901	(20,939,280)	12,822,096	60,504,718
- EnCap Energy Capital Fund XI, L.P.	101,580,499	(18,762,435)	24,444,249	107,262,314
- EnCap Energy Capital Fund XII, L.P. <sup>1</sup>	-	33,028,716	(297,310)	32,731,406
- EnCap Flatrock Midstream Fund III, L.P.	34,016,627	(8,704,980)	703,705	26,015,352
- EnCap Flatrock Midstream Fund IV, L.P.	40,037,619	(4,209,655)	1,696,326	37,524,290
- Energy & Minerals Group Fund III, L.P.	46,032,009	(457,707)	(1,180,652)	44,393,650
- Energy Capital Partners III, L.P.	35,631,029	(7,060,701)	14,218,313	42,788,641
- EnerVest Energy Fund XII-A, L.P.	123,664	-	38,451	162,115
- EnerVest Energy Institutional Fund XIV-A, L.P.	58,524,207	(9,216,226)	(5,846,300)	43,461,681
- Equistone Partners Europe Fund V, L.P.	40,123,980	1,658,527	(5,111,546)	36,670,961
- Equistone Partners Europe Fund VI, L.P.	67,691,216	(13,163,611)	2,623,976	57,151,581
- European Private Equity Opportunities I, L.P.	46,263,487	3,093,802	2,841,566	52,198,856
- European Private Equity Opportunities II, L.P.	37,866,716	4,438,956	8,392,986	50,698,658
- Fairview Special Opportunities Fund, L.P.	425,023,101	(24,607,914)	(41,805,351)	358,609,837
- Fairview Special Opportunities Fund II, L.P.	183,252,319	(16,983,018)	(6,862,440)	159,406,861
- Falfurrias Capital Partners IV, L.P.	92,183,930	(5,205,706)	28,218,677	115,196,900
- Falfurrias Capital Partners V, L.P.	37,048,576	27,900,000	8,358,181	73,306,757
- FH BMX Co-Invest Aggregator I, L.P. <sup>1</sup>	-	10,000,000	-	10,000,000
- First Reserve Fund XI, L.P.	45,079	-	(20,715)	24,364
- First Reserve Fund XII, L.P.	243,949	-	(112,676)	131,273
- Francisco Partners IV, L.P.	76,153,529	(2,536,351)	803,469	74,420,647
- Francisco Partners V, L.P.	109,363,591	(11,463,408)	21,562,949	119,463,132
- Francisco Partners VI, L.P.	95,572,886	(3,027,668)	16,176,708	108,721,926
- Francisco Partners VII, L.P. <sup>3</sup>	-	1,500,680	(2,051,107)	(550,427)
- Frozen Investments Collective S.C.A. <sup>1</sup>	-	9,619,650	26,100	9,645,750
- FS Equity Partners VII, L.P.	106,124,853	(7,276,376)	1,247,211	100,095,688
- FS Equity Partners VIII, L.P.	130,875,853	3,622,522	(5,303,539)	129,194,836
- FS Equity Partners IX, L.P. <sup>1,3</sup>	-	83,236	(83,236)	-
- FSBA AAM Strategic Fund I, L.P.	43,873,136	29,576,925	22,721,263	96,171,324
- FSBA AAM Strategic Fund II, L.P. <sup>1</sup>	-	41,645,157	7,702,360	49,347,517
- Grove Street Partners Buyouts LLC	12,447,034	(2,606,313)	(2,185,012)	7,655,709
- Grove Street Partners Buyouts II, LLC	118,994,075	(22,844,576)	2,272,036	98,421,535
- Grove Street Partners Ventures II, LLC	205,864,339	(25,061,487)	(19,576,507)	161,226,345
- GS Partners Ventures III, L.P.	227,664,868	(39,481,430)	(2,242,090)	185,941,347
- Hahn & Company III, L.P.	39,855,477	3,163,310	7,016,487	50,035,274
- Hahn & Company III-S, L.P.	18,901,143	(513,966)	2,961,727	21,348,904
- Hahn & Company IV, L.P. <sup>1</sup>	-	6,126,727	(3,214,935)	2,911,792
- Hahn & Company IV-S, L.P. <sup>1,3</sup>	-	-	(124,537)	(124,537)
- Hellman & Friedman Capital Partners VII, L.P.	40,757,692	(29,581,107)	6,111,062	17,287,647
- Hellman & Friedman Capital Partners VIII, L.P.	243,935,617	(24,374,389)	10,649,598	230,210,826
- Hellman & Friedman Capital Partners IX, L.P.	331,605,783	(13,020,048)	35,328,660	353,914,395
- Hellman & Friedman Capital Partners X, L.P.	182,565,006	(16,715,243)	29,267,227	195,116,990
- Hellman & Friedman Capital Partners XI, L.P. <sup>3</sup>	-	4,618	(4,618)	-
- Inflexion Buyout Fund IV, L.P.	36,463,706	(12,489,154)	1,687,187	25,661,739
- Inflexion Enterprise Fund IV, L.P.	19,477,966	(5,441,548)	4,112,792	18,149,210
- Inflexion Partnership Capital Fund I, L.P.	9,700,928	(1,209,605)	438,452	8,929,776
- Inflexion Partnership Capital Fund III, L.P. <sup>1,3</sup>	-	222,687	(473,964)	(251,277)
- Investindustrial VI, L.P.	50,744,779	3,019,723	(2,627,749)	51,136,753

Account Name	Market Value 6/30/2023	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 6/30/2024
- Investindustrial VII, L.P.	63,229,965	2,970,810	12,299,245	78,500,020
- Investindustrial VIII, L.P. <sup>1</sup>	-	2,564,974	(1,571,970)	993,004
- Juniper Capital IV, L.P.	-	8,373,030	(936,949)	7,436,081
- Juniper High Noon Partners, L.P. <sup>1</sup>	-	6,266,239	(48,057)	6,218,182
- KKR Asia Fund II, L.P.	42,935,690	(603,069)	(809,730)	41,522,891
- KKR Asia Fund III (EEA) SCSp	165,289,018	(16,515,557)	40,073,214	188,846,675
- KPS Special Situations Fund III, L.P. <sup>2</sup>	8,056	-	(8,056)	-
- KPS Special Situations Fund IV, L.P.	65,933,861	(2,054,763)	5,100,758	68,979,856
- KPS Special Situations Fund V, L.P.	155,069,246	(2,964,987)	5,638,487	157,742,746
- KPS Special Situations Fund VI, L.P. <sup>1,3</sup>	-	160,507	(160,507)	-
- KPS Special Situations Mid Cap Fund, L.P.	41,013,056	(7,859,224)	5,632,865	38,786,697
- LCP FSBA Co-Invest Account L.P.	137,810,353	(8,556,168)	11,339,865	140,594,049
- Lexington Capital Partners V, L.P.	394,838	-	(15,253)	379,585
- Lexington Capital Partners VI-B, L.P.	516,753	-	(405)	516,348
- Lexington Capital Partners VII, L.P.	22,735,265	(4,662,803)	78,970	18,151,432
- Lexington Capital Partners VIII, L.P.	148,777,862	(16,037,548)	1,230,733	133,971,047
- Lexington Capital Partners IX, L.P.	237,213,147	5,203,837	9,383,074	251,800,058
- Lexington Capital Partners X, L.P.	16,049,908	47,127,304	5,345,512	68,522,724
- Lexington Co-Investment Partners Pools III & IV, L.P.	4,360,795	-	142,164	4,502,959
- Lexington Co-Investment Partners 2005, L.P.	11,340,190	-	(4,687,257)	6,652,933
- Lexington Co-Investment Partners 2005 Pool III, L.P.	192,740,047	(8,500,734)	(19,594,031)	164,645,282
- Lexington Co-Investment Partners 2005 Pool IV, L.P.	541,856,500	(81,407,630)	44,802,406	505,251,276
- Lexington Co-Investment Partners V, L.P.	522,255,498	106,214,873	78,299,477	706,769,848
- Lexington Co-Investment Partners V-F-O, L.P.	149,581,828	13,657,254	23,619,658	186,858,740
- Lexington Co-Investment Partners VI-F, L.P.	-	11,680	(11,680)	-
- Lexington Middle Market Investors III, L.P.	47,829,943	(7,147,559)	1,340,895	42,023,279
- Liberty Partners VII	527,396	(19,409)	4,063	512,050
- Liberty Partners Group II	295	-	-	295
- LightBay Capital Partners, L.P.	57,939,008	1,419,421	381,605	59,740,034
- LightBay Capital Partners II, L.P.	5,350,490	6,308,658	(4,924,257)	6,734,891
- Livingbridge Enterprises 3, L.P.	25,669,221	2,047,910	5,468,675	33,185,806
- Livingbridge Enterprises 7, L.P.	42,496,196	2,045,366	4,161,394	48,702,957
- MBK Partners V, L.P.	72,743,569	20,789,388	(3,669,734)	89,863,223
- Montagu Private Equity Fund IV, L.P.	3,181,588	-	(751,783)	2,429,805
- Montagu V, L.P.	80,034,770	3,169,568	6,127,253	89,331,591
- Montagu VI, L.P.	40,644,190	18,113,591	(3,151,371)	55,606,410
- New Mountain Partners III, L.P.	4,781,510	-	(864,512)	3,916,998
- NIC Fund II, L.P.	8,527,217	4,804,563	61,510	13,393,290
- OES Co-Invest, L.P. <sup>1</sup>	-	9,263,333	-	9,263,333
- One Peak Growth III SCSp L.P.	6,064,779	6,302,657	(35,669)	12,331,767
- OpCapita Consumer Opportunities Fund II, L.P.	51,356,651	1,987,542	(26,232,731)	27,111,462
- OpCapita Consumer Opportunities Fund III, L.P.	(760,974)	32,720,711	19,059,415	51,019,152
- OpenView Venture Partners IV, L.P.	19,915,594	(8,371,074)	(1,112,403)	10,432,117
- OpenView Venture Partners V, L.P.	49,063,629	-	(16,718,920)	32,344,709
- OpenView Venture Partners VI, L.P.	20,262,345	747,000	(1,548,717)	19,460,628
- OpenView Venture Partners VII, L.P.	1,377,590	989,516	62,090	2,429,196
- Pantheon Global Secondary Fund IV, L.P.	6,694,971	(465,666)	(921,868)	5,307,437
- Paragon Fund IV GmbH & Co., L.P. (The)	(60,930)	276,549	(158,712)	56,908
- Peak Rock Capital II, L.P.	31,881,640	(33,200,693)	24,849,613	23,530,560
- Peak Rock Capital III, L.P.	49,299,844	10,763,291	17,321,995	77,385,130
- Peak Rock Capital Credit Fund II, L.P.	5,169,481	(82,090)	(516,505)	4,570,886
- Platinum Equity Capital Partners II, L.P.	5,391,471	(2,211,147)	186,505	3,366,829
- Platinum Equity Capital Partners III, L.P.	37,494,250	(23,280,792)	9,452,900	23,666,358
- POM V Co-Investment LLC <sup>1</sup>	-	10,000,000	-	10,000,000
- Pomona Capital VI, L.P.	1,122,606	(329,804)	(442,771)	350,031
- Post Oak Energy Partners II, L.P.	21,112,065	(4,050,000)	2,654,639	19,716,704
- Post Oak Energy Partners III, L.P.	37,401,068	(10,575,000)	3,068,629	29,894,697

Account Name	Market Value 6/30/2023	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 6/30/2024
- Post Oak Energy Partners IV, L.P.	60,458,515	5,186,614	17,954,580	83,599,709
- Project Phoenix Co-Invest Fund, L.P. <sup>1</sup>	-	33,778,242	(636,507)	33,141,735
- Project Rock Co-Invest Fund, L.P. <sup>1</sup>	-	7,057,825	4,112,596	11,170,421
- Quantum Energy Partners VIII, L.P. <sup>1</sup>	-	35,384,526	558,038	35,942,564
- Quantum Energy Partners VIII Co-Invest Fund, L.P. <sup>1</sup>	-	5,399,049	725,173	6,124,221
- RCP Advisors Fund IV, L.P. <sup>2</sup>	415,320	(374,182)	(41,139)	-
- RCP Advisors Fund V, L.P. <sup>2</sup>	188,449	(164,913)	(23,535)	-
- RCP Advisors Fund VI, L.P.	2,180,033	-	40,069	2,220,102
- RCP Advisors Fund VII, L.P.	23,844,435	(14,862,675)	(5,470,660)	3,511,101
- RCP Advisors Fund VIII, L.P.	33,326,768	(12,327,342)	(479,343)	20,520,084
- RCP Advisors Fund IX, L.P.	51,032,720	(7,589,412)	8,452,894	51,896,201
- RCP Advisors Fund X, L.P.	57,636,802	(5,021,913)	6,756,224	59,371,113
- Rise Fund, L.P. (The)	26,185,548	1,270,200	(571,942)	26,883,806
- Rise Fund II, L.P. (The)	51,644,701	3,194,785	4,939,863	59,779,349
- Routeware Coinvest Aggregator, L.P. <sup>1</sup>	-	5,048,039	1,581,336	6,629,375
- RTP J, L.P. <sup>1</sup>	-	10,578,389	(600,391)	9,977,998
- Rubicon Technology Partners, L.P.	23,172,231	975,150	11,684	24,159,065
- Rubicon Technology Partners II, L.P.	67,671,144	1,796,416	(3,222,326)	66,245,235
- Rubicon Technology Partners III, L.P.	97,119,657	3,627,638	5,254,763	106,002,057
- Rubicon Technology Partners IV, L.P.	9,956,900	22,915,021	452,261	33,324,182
- Searchlight Capital II, L.P.	55,989,672	7,547,071	(1,525,207)	62,011,536
- Searchlight Capital III, L.P.	131,068,707	11,455,168	17,984,711	160,508,586
- Searchlight Capital III CVL Co-Invest Partners II, L.P. <sup>1,3</sup>	-	59,708	(59,708)	-
- Searchlight Capital IV, L.P. <sup>1,3</sup>	-	34,930	(1,623,312)	(1,588,382)
- Silver Lake Partners IV, L.P.	158,552,004	(43,945,893)	37,007,857	151,613,968
- Silver Lake Partners V, L.P.	159,593,575	(30,771,378)	17,150,167	145,972,364
- Silver Lake Partners VI, L.P.	149,767,907	16,589,984	30,630,576	196,988,467
- Strategic Investors Fund XI, L.P. <sup>4</sup>	-	-	-	-
- Stride Consumer Fund I, L.P.	15,862,649	9,915,785	7,839,067	33,617,501
- Summa Equity Fund II AB	38,938,094	(3,116,671)	8,646,650	44,468,072
- Summa Equity Fund III, L.P.	6,565,851	5,736,425	(2,068,388)	10,233,888
- SVB Capital Partners III, L.P.	16,748,730	-	(1,467,059)	15,281,671
- SVB Capital Partners IV, L.P.	36,617,232	-	(241,380)	36,375,852
- SVB Capital Partners V, L.P.	32,270,432	1,665,000	(4,761,743)	29,173,689
- SVB Capital Partners VI, L.P.	3,032,949	250,504	(706,990)	2,576,463
- SVB SIF-Ascension, L.P.	4,530,184	5,037,500	300,791	9,868,475
- SVB Strategic Investors Fund V-A, L.P.	163,148,707	(30,861,958)	11,217,629	143,504,378
- SVB Strategic Investors Fund V-A Opportunity, L.P.	105,727,004	(5,843,817)	88,965,255	188,848,442
- SVB Strategic Investors VI-A, L.P.	303,509,542	(37,042,708)	9,233,571	275,700,405
- SVB Strategic Investors Fund VII-A, L.P.	254,591,970	(32,705,600)	7,978,941	229,865,311
- SVB Strategic Investors Fund VIII-A, L.P.	220,222,050	(11,175,226)	(2,276,429)	206,770,395
- SVB Strategic Investors Fund IX-A, L.P.	105,299,781	645,000	1,757,003	107,701,784
- SVB Strategic Investors Fund X, L.P.	53,120,881	11,355,000	6,734,111	71,209,992
- Thoma Bravo Discover Fund, L.P.	29,010,315	(1,615,394)	1,247,532	28,642,453
- Thoma Bravo Discover Fund II, L.P.	99,232,541	(13,243,444)	22,973,689	108,962,786
- Thoma Bravo Discover Fund III, L.P.	105,739,518	(2,294,720)	17,022,103	120,466,901
- Thoma Bravo Discover Fund IV, L.P.	34,321,721	23,929,628	7,897,948	66,149,297
- Thoma Bravo Fund XI, L.P.	105,539,474	(44,876,146)	19,113,698	79,777,025
- Thoma Bravo Fund XII, L.P.	157,182,365	-	30,935,357	188,117,722
- Thoma Bravo Fund XIII, L.P.	225,660,122	(36,051,014)	28,816,794	218,425,901
- Thoma Bravo Fund XIV, L.P.	196,149,709	(20,570,630)	37,318,596	212,897,675
- Thoma Bravo Fund XV, L.P.	101,390,000	5,130,069	18,608,089	125,128,158
- Thoma Bravo Special Opportunities Fund I, L.P.	14,938,162	(17,687,444)	3,066,001	316,719
- Thoma Bravo Special Opportunities Fund II, L.P.	53,581,478	-	8,168,808	61,750,286
- Tiger Iron Special Opportunities Fund, L.P.	339,963,162	(12,313,611)	(37,946,489)	289,703,062
- Tiger Iron Special Opportunities Fund II, L.P.	205,131,366	11,140,579	(11,698,658)	204,573,287



Account Name	Market Value 6/30/2023	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 6/30/2024
- Tiger Iron Special Opportunities Fund III, L.P.	15,531,073	16,813,596	(186,740)	32,157,929
- Top Tier Special Opportunities Fund, L.P. <sup>2</sup>	1,046,574	(262,445)	(784,129)	-
- TowerBrook Investors III, L.P.	489,973	-	(156,834)	333,139
- TowerBrook Investors IV, L.P.	178,186,771	(71,408,692)	(1,591,957)	105,186,122
- TowerBrook Investors V, L.P.	192,639,172	17,724,761	30,083,562	240,447,495
- TowerBrook Investors VI, L.P. <sup>3</sup>	-	-	(1,014,991)	(1,014,991)
- TowerBrook Investors VI Project Armstrong Co-Inv, L.P. <sup>1,3</sup>	-	128,610	(128,610)	-
- TPG Growth III, L.P.	67,108,910	(1,460,944)	(328,516)	65,319,450
- TPG Growth IV, L.P.	106,912,572	(6,521,480)	8,409,122	108,800,214
- TPG Growth V, L.P.	122,057,701	26,963,301	20,645,694	169,666,696
- Trident VI, L.P.	77,682,151	(29,238,393)	9,423,643	57,867,402
- Trident VII, L.P.	121,681,814	(16,260,038)	19,032,018	124,453,794
- Trident VIII, L.P.	113,734,639	(4,698,986)	16,289,436	125,325,089
- Trident IX, L.P.	30,383,446	24,823,747	8,001,136	63,208,329
- Trive Capital Fund IV, L.P.	32,036,771	26,228,753	15,145,970	73,411,494
- Trive Capital Fund V, L.P. <sup>1,3</sup>	-	128,688	(128,688)	-
- TrueBridge Blockchain I, L.P.	6,693,491	6,177,857	8,034,536	20,905,884
- TrueBridge Capital FSA, LLC	177,966,684	(12,822,282)	84,181,899	249,326,302
- TrueBridge Capital FSA III, LLC	4,562,345	7,057,451	(1,522,857)	10,096,939
- TrueBridge Capital Partners V, L.P.	197,286,129	(2,663,111)	1,851,256	196,474,274
- TrueBridge Capital Partners VI, L.P.	119,830,624	498,395	282,464	120,611,483
- TrueBridge Capital Partners VII, L.P.	19,789,649	15,600,000	3,011,674	38,401,323
- TrueBridge Capital Partners VIII (Cayman), L.P. <sup>1</sup>	-	4,554,519	(54,519)	4,500,000
- TrueBridge FSA II, L.P.	84,169,420	4,440,503	(9,406,819)	79,203,104
- TrueBridge/FLSBA Special Purpose, LLC	60,215,739	(5,294,511)	10,988,126	65,909,354
- TrueBridge/FLSBA Special Purpose II, LLC	33,896,744	(4,519,355)	90,885	29,468,274
- TrueBridge-Kauffman Fellows Endowment Fund II, L.P.	138,473,097	(19,326,287)	7,387,315	126,534,125
- TrueBridge-Kauffman Fellows Endowment Fund III, L.P.	225,545,762	(17,010,675)	(11,492,571)	197,042,517
- TrueBridge-Kauffman Fellows Endowment Fund IV, L.P.	285,561,616	(16,063,958)	9,230,200	278,727,857
- Venture Overage Fund, L.P.	58,872,350	-	(394,410)	58,477,940
- W Capital Partners III, L.P.	19,141,848	7,926,709	(7,299,679)	19,768,878
- Warburg Pincus China, L.P.	70,633,032	(2,380,000)	(7,081,573)	61,171,459
- Warburg Pincus China-Southeast Asia II, L.P.	31,081,808	4,080,000	1,943,613	37,105,421
- Warburg Pincus Private Equity IX, L.P.	29,123	-	59,005	88,128
- Warburg Pincus Private Equity X, L.P.	2,757,042	440	(21)	2,757,461
- Warburg Pincus Private Equity XI, L.P.	85,360,798	(30,635,998)	1,640,136	56,364,936
- Warburg Pincus Private Equity XII, L.P.	86,976,451	(16,660,143)	(2,574,333)	67,741,975
- Warren Equity Partners Fund IV, L.P.	15,453,300	20,468,226	3,316,210	39,237,736
- Waterland Private Equity Fund VII, C.V.	123,426,987	(2,174,727)	(9,220,089)	112,032,171
- Waterland Private Equity Fund VIII, C.V.	89,520,777	19,287,660	12,259,930	121,068,366
- Waterland Private Equity Fund IX, C.V.	-	20,343,438	(2,583,532)	17,759,906
- WindRose Health Investors V, L.P.	61,885,912	1,846,482	7,476,350	71,208,744
- WindRose Health Investors VI, L.P.	24,765,806	12,833,598	6,679,644	44,279,048
- WPEF VI Feeder Fund, L.P.	50,640,733	(26,708,979)	4,989,420	28,921,174
<b>Other:</b>				
- Private Equity Cash Expense	-	2,359,323	(2,359,323)	-
- Private Equity Transition <sup>4</sup>	-	-	-	-
<b>Total Private Equity</b>	<b>\$17,489,229,214</b>	<b>\$ (268,462,923)</b>	<b>\$ 1,165,033,934</b>	<b>\$18,385,800,226</b>

<sup>1</sup> Account opened during the fiscal year.

<sup>2</sup> Account assets sold or partnership interest sold during the fiscal year. Remaining balances reflect residual activity.

<sup>3</sup> Preliminary due diligence expenses incurred, but investment not yet purchased.

<sup>4</sup> Account inactive during the fiscal year.

- Private Equity market values are estimates of value which may or may not represent what would be actually realized in arm's-length sales transactions. The market values are self-reported by the external managers of these accounts and incorporate their estimate of the value of illiquid publicly traded securities and private market holdings.
- Numbers may not total due to rounding.

**FRS PENSION PLAN – REAL ESTATE  
CHANGE IN MARKET VALUE FOR FISCAL YEAR 2023-24**

Account Name	Market Value 06/30/23	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 06/30/24
<b>Pooled Funds:</b>				
- AEW Partners Real Estate Fund X <sup>1</sup>	\$ -	\$ 5,539	\$ (5,539)	\$ -
- AEW Senior Housing Investors III, L.P.	39,830,855	1,553,398	(3,529,471)	37,854,782
- AEW Value Investors Asia III, L.P.	60,507,239	2,934,145	(7,009,735)	56,431,649
- Alterra IOS Venture III <sup>1</sup>	-	7,871,851	(1,212,285)	6,659,565
- Bell Value Add Fund VIII	157,849	12,621,424	(1,827,984)	10,951,289
- BlackRock Europe Property Fund IV	4,367,368	(797,433)	(1,267,984)	2,301,951
- BlackRock Europe Property Fund V	45,128,089	13,907,295	(10,995,181)	48,040,203
- Blackstone Real Estate Partners Asia I, L.P.	65,894,142	(7,863,696)	1,064,662	59,095,108
- Blackstone Real Estate Partners Asia III, L.P.	12,973,334	5,395,161	(2,950,568)	15,417,926
- Blackstone Real Estate Partners Europe V, L.P.	59,655,787	5,390,536	(7,234,876)	57,811,447
- Blackstone Real Estate Partners VI, L.P.	2,911,304	(3,200,847)	440,083	150,540
- Blackstone Real Estate Partners VII, L.P.	56,140,400	4,913,533	(14,674,257)	46,379,677
- Blackstone Real Estate Partners VIII, L.P.	75,986,744	(664,492)	(5,613,640)	69,708,613
- Blackstone Real Estate Partners IX, L.P.	118,011,047	883,017	(7,863,678)	111,030,387
- Brookfield-Fairfield US Multifamily Fund II, L.P.	12,616,247	(7,935,704)	(4,020,207)	660,336
- CapMan Nordic Real Estate Fund	4,340,988	142,417	(1,110,077)	3,373,328
- CapMan Nordic Real Estate II	41,014,547	(6,282,661)	(2,170,817)	32,561,068
- CapMan Nordic Real Estate III	36,376,787	8,020,191	(6,682,746)	37,714,231
- Carlyle Property Investors, L.P.	289,782,656	(5,246,294)	(15,284,144)	269,252,217
- Carlyle Realty Partners VI, L.P.	6,917,497	(147,443)	(44,110)	6,725,944
- Carlyle Realty Partners VII, L.P.	12,066,824	582,296	(1,863,988)	10,785,132
- Carlyle Realty Partners VIII, L.P.	53,537,300	(6,129,130)	(13,866)	47,394,304
- Carlyle Realty Partners IX, L.P.	7,294,335	22,173,962	(398,555)	29,069,742
- Carlyle Realty Partners X, L.P. <sup>1</sup>	-	61,643	(61,643)	-
- CBRE Asia Value Partners V	80,824,328	(19,777,008)	(5,550,902)	55,496,418
- CBRE Asia Value Partners V Japan Co-Investment	44,358,701	2,093,029	(1,929,539)	44,522,191
- CBRE Asia Value Partners VI	15,422,951	7,308,338	(1,490,114)	21,241,175
- CBRE US Logistics Partners	193,032,003	(2,275,743)	5,368,978	196,125,238
- CIM Fund VIII, L.P.	35,156,318	(158,241)	(7,461,082)	27,536,995
- Dead Deal Expenses <sup>4</sup>	-	-	-	-
- EMI Pooled Fund Expenses Account	-	147,044	(147,044)	-
- Europa Fund IV, L.P.	15,167,920	4,438,353	(3,932,216)	15,674,057
- EQT Exeter Industrial Value Fund VI, L.P.	-	25,000,000	(1,761,990)	23,238,010
- Exeter Europe Logistics Value Fund IV	13,983,684	26,971,000	(4,622,770)	36,331,915
- Fairfield US Multifamily Value Add Fund IV, L.P.	-	-	(1,256,277)	(1,256,277)
- Heitman Global RE Partners II, L.P.	92,831,881	12,812,479	(9,825,959)	95,818,401
- Heitman Coinvest Red Arrow, L.P.	30,936,731	17,682,293	(1,091,236)	47,527,788
- Heitman Value Partners III, L.P. <sup>3</sup>	187,250	(180,407)	(6,843)	-
- Heitman Value Partners IV, L.P.	47,559,694	(2,813,558)	1,195,276	45,941,412
- Heitman Value Partners V, L.P.	34,649,890	25,598,182	(1,172,212)	59,075,859
- Heitman Value Partners VI, L.P. <sup>1</sup>	-	125,605	(125,605)	-
- Invesco Real Estate U.S. Fund VI	42,930,214	11,104,792	(6,723,756)	47,311,250
- Invesco Real Estate U.S. Fund VI Sidecar Two <sup>1</sup>	-	18,590	(18,590)	-
- Invesco Strategic Opportunities III, L.P.	20,681,993	(4,914,959)	(24,155)	15,742,879
- Invesco Strategic Opportunities III LCP Co-Invest, L.P.	23,565,230	(24,958,219)	2,093,134	700,145
- Invesco Strategic Opportunities III PRS Co-Invest, L.P.	10,351,929	10,389,260	(5,388,598)	15,352,591
- IPI Partners III <sup>1</sup>	-	56,218	(56,218)	-
- JP Morgan European Opportunistic Property Fund III	12,488,590	(1,960,355)	(4,478,847)	6,049,388
- JP Morgan European Opportunistic Property Fund IV	82,792,148	(111,937)	(25,146,861)	57,533,351
- JP Morgan European Opportunistic Property Fund V	1,274,651	17,129,611	(4,843,234)	13,561,029
- JP Morgan Special Situation Property Fund	122,580,554	(2,297,459)	(29,891,978)	90,391,116
- JP Morgan Strategic Property Fund	122,655,622	(6,202,550)	(17,759,191)	98,693,881

Account Name	Market Value 06/30/23	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 06/30/24
- Landmark Real Estate Fund VIII, L.P.	40,019,557	4,103,387	(2,437,275)	41,685,669
- Landmark Real Estate Fund IX, L.P. <sup>1</sup>	-	1,338,159	(917,285)	420,875
- Prime Property Fund, LLC	449,265,394	(17,193,950)	(17,289,897)	414,781,548
- Principal Digital Real Estate Fund, L.P.	31,648,329	20,531,492	2,822,124	55,001,944
- Principal US Property Fund	532,329,668	(7,682,459)	(45,997,747)	478,649,462
- Prologis USLF, L.P.	497,150,515	(3,445,248)	(53,306,238)	440,399,029
- Prudential PRISA	417,233,752	(12,339,104)	(49,168,752)	355,725,896
- Prudential PRISA Fund III, L.P.	259,019,621	(2,372,139)	(18,946,454)	237,701,028
- Rockpoint Real Estate Fund III, L.P.	2,184,775	-	15,086	2,199,861
- Rockpoint Real Estate Fund IV, L.P.	6,008,917	11,939	(2,507,217)	3,513,639
- Rockpoint Real Estate Fund V, L.P.	59,402,874	3,872,486	(26,553,909)	36,721,451
- Rockpoint Real Estate Fund VI, L.P.	21,225,977	3,095,449	(1,047,145)	23,274,281
- RREEF America REIT II Pooled Fund	383,356,772	(12,372,291)	(39,783,194)	331,201,288
- RREEF Core Plus Industrial Fund	418,582,978	(10,208,127)	(1,882,860)	406,491,990
- Starwood Distressed Opportunity Fund IX Global, L.P.	7,760,509	-	1,598,739	9,359,248
- Starwood Distressed Opportunity Fund XII Global, L.P.	34,284,018	45,000,000	4,879,015	84,163,033
- Starwood Global Opportunity Fund X, L.P.	31,387,767	(3,263,159)	(5,990,604)	22,134,004
- Starwood Global Opportunity Fund XI, L.P.	59,430,927	(942,539)	6,356,225	64,844,613
- Starwood Global Opportunity Fund XIII, L.P. <sup>1</sup>	-	172,166	(172,166)	-
- Tristan EPISO 3, L.P.	21,487,799	(629,974)	(4,611,211)	16,246,614
- Tristan EPISO 4, L.P.	49,494,179	-	(8,920,343)	40,573,837
- UBS Pooled Fund, L.P.	42,405,106	(2,580,850)	(4,442,710)	35,381,546
<b>Principal Investments</b>	<b>13,769,163,478</b>	<b>821,104,405</b>	<b>(826,661,280)</b>	<b>13,763,606,603</b>
<b>Real Estate Investment Trusts (REITs):</b>				
- AEW Global REIT <sup>2</sup>	411,320,725	(441,416,097)	30,235,979	140,607
- CohenSteers Global REIT <sup>2</sup>	476,480,761	(497,090,411)	20,826,666	217,015
- FloridaRetSys CNSGlobalREITRecov <sup>3</sup>	125,435	(85,357)	(2,170)	37,908
- FloridaRetSys RREEFGlobalREITRecov <sup>2</sup>	187,280,667	(194,393,136)	7,209,024	96,555
- Invesco Global REIT <sup>3</sup>	116,901	(14,623)	(1,671)	100,607
- RREEF Global REIT <sup>2</sup>	493,717,415	(527,363,385)	33,888,948	242,978
<b>Other:</b>				
- Real Estate Cash Expense	-	594,992	(594,992)	-
- Real Estate Transition Account	(2)	-	2	-
<b>Total Real Estate Investments</b>	<b>\$20,750,828,436</b>	<b>\$(690,155,309)</b>	<b>\$ (1,223,781,747)</b>	<b>\$18,836,891,381</b>

<sup>1</sup> Account opened during the fiscal year.

<sup>2</sup> Strategy ended or account closed during the current fiscal year. Balances reflect residual activity.

<sup>3</sup> Strategy ended or account closed during a prior fiscal year. Balances reflect residual activity.

<sup>4</sup> Account inactive during the fiscal year.

• For certain real estate accounts, market values are estimates of value which may or may not represent what would be actually realized in arm's-length sales transactions. In such cases the market values are self-reported by the external managers of these accounts and incorporate their estimate of the value of illiquid publicly traded securities and private market holdings.

• Numbers may not total due to rounding.

**FRS PENSION PLAN – STRATEGIC INVESTMENTS**  
**CHANGE IN MARKET VALUE FOR FISCAL YEAR 2023-24**

Account Name	Market Value 06/30/23	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 06/30/24
<b>Strategic-Investments:</b>				
- ABRY Advanced Securities Fund, L.P. <sup>4</sup>	\$ 157,455	\$ (136,319)	\$ (21,136)	\$ -
- ABRY Advanced Securities Fund II, L.P. <sup>4</sup>	2,253,242	(1,945,777)	(307,465)	-
- ABRY Advanced Securities Fund III, L.P. <sup>4</sup>	90,598,714	(100,245,195)	9,646,481	-
- ABRY Senior Equity III, L.P. <sup>4</sup>	285,787	(286,422)	635	-
- ABRY Senior Equity IV, L.P. <sup>4</sup>	9,380,069	(7,604,460)	(1,775,609)	-
- ABRY Senior Equity V, L.P. <sup>4</sup>	66,161,933	(68,270,962)	2,109,029	-
- Actis Energy 5 LP <sup>5</sup>	38,076,877	16,214,300	4,505,727	58,796,904
- Aeolus Property Catastrophe Keystone PF Fund, L.P.	146,860,107	174,586,231	41,601,119	363,047,457
- Apollo Accord Fund V, L.P. <sup>4</sup>	87,916,948	(96,345,698)	8,428,750	-
- Apollo Accord Fund VI, L.P. <sup>1,4</sup>	-	117,700	(117,700)	-
- Appian Credit (UST) Strategies I L.P. <sup>1,4</sup>	-	99,527	(99,527)	-
- AQR Managed Futures Fund II, L.P.	282,524,273	-	32,457,415	314,981,688
- AQR Style Premia Fund, L.P. <sup>2</sup>	169,051,713	(188,867,211)	19,815,498	-
- Arachne (SAC) Holdings Ltd. - Segregated Account C <sup>1</sup>	-	50,067,639	308,770	50,376,409
- Atalaya Special Opportunities Fund VI, L.P. <sup>4</sup>	7,213,564	(6,659,392)	(554,172)	-
- Atalaya Special Opportunities Fund VII, L.P. <sup>4</sup>	114,912,600	(114,277,163)	(635,437)	-
- Atalaya Special Opportunities Fund VIII, L.P. <sup>4</sup>	81,424,038	(95,771,888)	14,347,850	-
- Audax Credit Opportunities, LLC <sup>4</sup>	396,887,488	(435,314,983)	38,427,495	-
- Audax Mezzanine Fund IV-A, L.P. <sup>4</sup>	48,776,981	(48,927,914)	150,933	-
- Audax Mezzanine Fund V-A, L.P. <sup>4</sup>	45,078,629	(49,652,688)	4,574,059	-
- Bayview Opportunity Master Fund IVb, L.P. <sup>4</sup>	4,694,166	(4,842,321)	148,155	-
- Benefit Street Partners Debt Fund IV, L.P. <sup>4,5</sup>	126,593,445	(136,616,613)	10,023,168	-
- BioPharma Credit Investments V, L.P. <sup>4</sup>	80,528,440	(85,895,765)	5,367,325	-
- BlackRock Carbon Capital VI, L.P. <sup>4</sup>	43,397,793	(37,272,152)	(6,125,641)	-
- BlackRock US CRE Debt Fund - C7, L.P. <sup>4</sup>	99,122,073	(106,301,190)	7,179,117	-
- Blackstone Green Private Credit Fund III, L.P. <sup>4</sup>	-	104,078	(104,078)	-
- Blackstone Tactical Opportunities Fund II, L.P. <sup>4</sup>	33,900,096	(34,130,822)	230,726	-
- Blackstone Tactical Opportunities Fund-FD, L.P. <sup>4</sup>	181,832,384	(189,302,769)	7,470,385	-
- Blackstone Tactical Opportunities Fund-FD L.P.(Pool II) <sup>4</sup>	(500,186)	881,248	(381,062)	-
- Blantyre Special Situations Fund II, L.P. <sup>4</sup>	132,206,750	(138,273,877)	6,067,127	-
- Blue Torch Credit Opportunities FSBA, L.P. <sup>4</sup>	270,590,112	(295,469,658)	24,879,546	-
- Boston Timber Opportunities LLC	350,543,246	(32,968,035)	15,844,347	333,419,558
- Bridgewater Pure Alpha Major Markets, LLC <sup>2,5</sup>	233,509,641	(244,562,327)	11,052,686	-
- Caerus DT Fund, LLC	689,080,078	(200,028,319)	33,026,196	522,077,955
- Canyon Value Realization Fund, L.P. <sup>2</sup>	70,781,190	(72,692,437)	1,911,247	-
- Carlyle Aviation Leasing Fund LP	87,607,860	34,676,307	15,394,736	137,678,903
- Carlyle Mezzanine Partners II, L.P. <sup>4</sup>	565,000	(565,000)	-	-
- Castlelake Aviation II, L.P.	3,747,822	(5,243,958)	2,052,134	555,998
- Castlelake Aviation III Stable Yield, L.P.	112,073,348	(1,471,622)	10,722,360	121,324,086
- Castlelake III, L.P. <sup>4</sup>	32,576,458	(33,017,426)	440,968	-
- Castlelake IV, L.P. <sup>4</sup>	71,519,760	(70,696,972)	(822,788)	-
- Centerbridge Capital Partners III, L.P.	121,696,893	(8,582,045)	2,650,878	115,765,726
- Centerbridge Capital Partners IV, L.P.	262,260,701	57,880,144	41,761,750	361,902,595
- Cerberus FSBA Corporate Credit Fund, L.P. <sup>4</sup>	135,291,905	(139,213,836)	3,921,931	-
- Cerberus FSBA Levered Loan Opportunities Fund, L.P. <sup>4</sup>	340,204,841	(358,924,936)	18,720,095	-
- Cerberus Institutional RE Partners III, L.P. <sup>4</sup>	45,893,236	(50,081,715)	4,188,479	-
- Cerberus Institutional RE Partners IV, L.P. <sup>4</sup>	172,158,178	(156,286,911)	(15,871,267)	-
- Cerberus Institutional RE Partners V, L.P. <sup>4</sup>	194,854,697	(206,695,587)	11,840,890	-
- Cerberus Institutional RE Partners VI, L.P. <sup>4</sup>	14,260,350	(14,262,892)	2,542	-
- Cevian Capital II, Ltd.	352,415,194	-	73,509,328	425,924,522
- Chambers Energy Capital III, L.P. <sup>4</sup>	32,323,914	(34,228,914)	1,905,000	-
- Chambers Energy Capital IV, L.P. <sup>4</sup>	109,348,376	(117,570,136)	8,221,760	-
- Chambers Energy Capital V, L.P. <sup>1,4</sup>	-	646,436	(646,436)	-
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Account Name	Market Value 06/30/23	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 06/30/24
- CL Forgotten Coast Fund, L.P. <sup>4</sup>	-	(329,463)	329,463	-
- Coastline Fund, L.P. <sup>4</sup>	72,247,940	(76,289,007)	4,041,067	-
- Coastline Fund, L.P. Tranche II <sup>4</sup>	225,383,756	(251,984,992)	26,601,236	-
- CRC Single Investor Fund XIX, LLC <sup>4</sup>	160,844,107	(172,795,526)	11,951,419	-
- Crescent Credit Solutions VIII, L.P. <sup>4</sup>	92,187,110	(101,556,157)	9,369,047	-
- Crescent Mezzanine Partners VI, L.P. <sup>4</sup>	16,804,182	(17,984,893)	1,180,711	-
- Crescent Mezzanine Partners VII, L.P. <sup>4</sup>	85,450,634	(92,882,300)	7,431,666	-
- CVI Credit Fund A V, L.P. <sup>4</sup>	243,635,526	(265,264,361)	21,628,835	-
- CVI Credit Value Fund II A, L.P. <sup>4</sup>	5,594,943	(5,519,604)	(75,339)	-
- CVI Credit Value Fund III A, L.P. <sup>4</sup>	42,451,165	(44,317,897)	1,866,733	-
- CVI Credit Value Fund IV A, L.P. <sup>4</sup>	127,312,832	(134,234,750)	6,921,918	-
- DC Value Recovery Fund II, L.P. <sup>4</sup>	2,853,842	(3,051,565)	197,723	-
- DC Value Recovery Fund III, L.P. <sup>4</sup>	20,940,273	(19,774,458)	(1,165,815)	-
- DC Value Recovery Fund IV, L.P. <sup>4</sup>	46,317,312	(48,273,776)	1,956,464	-
- Deerfield Private Design Fund IV, L.P. <sup>4</sup>	115,254,427	(126,364,686)	11,110,259	-
- DoubleLine Opportunistic Income Fund, L.P.	299,853,907	(150,035,539)	13,196,334	163,014,701
- EFL Special Partners, L.P. <sup>4</sup>	57,668,311	(61,752,252)	4,083,941	-
- EIG Energy Fund XVI, L.P. <sup>4</sup>	57,101,469	(53,516,576)	(3,584,893)	-
- EIG Global Project Fund V, L.P. <sup>4</sup>	146,342,431	(155,836,458)	9,494,027	-
- Elan Fund LP	765,401,069	(201,229,720)	79,323,220	643,494,569
- EQMC Europe Development Capital Fund PLC	175,086,842	-	671,591	175,758,433
- Falcon Strategic Partners III, L.P. <sup>4</sup>	8,951,364	(9,095,332)	143,968	-
- Falcon Strategic Partners IV, L.P. <sup>4</sup>	63,630,661	(53,221,920)	(10,408,741)	-
- Falko Regional Aircraft Opportunities Fund II L.P.	104,384,333	(2,848,215)	2,465,667	104,001,785
- Florida Growth Fund LLC - Tranche I <sup>5</sup>	66,855,264	(20,017,764)	(4,855,436)	41,982,064
- Florida Growth Fund LLC - Credit Tranche <sup>4,5</sup>	14,022,518	(15,360,879)	1,338,361	-
- Florida Growth Fund LLC - Tranche II <sup>5</sup>	80,759,029	(14,346,127)	3,607,612	70,020,514
- Florida Growth Fund II LLC - Tranche I <sup>5</sup>	174,276,287	(56,607,754)	20,122,284	137,790,817
- Florida Growth Fund II LLC - Tranche II <sup>5</sup>	103,668,460	(2,671,743)	12,165,167	113,161,884
- Florida Sunshine State Fund, L.P.	104,824,611	4,033,057	2,143,768	111,001,436
- Florida Sunshine State Fund II, L.P.	29,509,767	79,628,686	8,949,812	118,088,264
- Gallatin Point Capital Partners, L.P. <sup>4</sup>	83,722,018	(91,892,320)	8,170,302	-
- Gallatin Point Capital Partners II, L.P. <sup>4</sup>	70,990,129	(72,380,711)	1,390,582	-
- Garda Fixed Inc. Relative Value Opp Fd (Onshore) Ltd.	448,194,188	-	45,156,287	493,350,475
- GI Partners Fund III, L.P. <sup>3</sup>	22,620	-	(22,620)	-
- GI Partners Fund IV, L.P.	118,916,525	-	17,460,219	136,376,744
- Global Infrastructure Partners II-A, L.P. <sup>5</sup>	72,848,251	(11,112,627)	10,400,317	72,135,940
- Global Infrastructure Partners III-A/B, L.P. <sup>5</sup>	154,754,877	(22,454,732)	5,749,651	138,049,795
- Global Infrastructure Partners IV A/B, L.P. <sup>5</sup>	181,111,316	15,633,432	15,494,683	212,239,430
- Global Transport Income Fund Master Partnership SCSp <sup>5</sup>	205,145,935	(18,289,877)	18,272,830	205,128,888
- GOF II Feeder B, L.P. <sup>4</sup>	180,493,916	(198,178,459)	17,684,544	-
- GOF III Feeder B, L.P. <sup>4</sup>	15,032,615	(20,459,496)	5,426,881	-
- Grain Communications Opportunity Fund II, L.P.	129,019,119	5,201,925	(6,256,198)	127,964,846
- Grain Communications Opportunity Fund III, L.P.	65,388,341	14,474,180	(3,062,921)	76,799,601
- Grain Spectrum Holdings III, L.P.	110,147,383	7,805,525	6,123,542	124,076,450
- GSO Capital Opportunities Fund, L.P. <sup>4</sup>	4,011,482	(4,029,517)	18,035	-
- GSO Capital Opportunities Fund II, L.P. <sup>4</sup>	5,449,116	(6,071,483)	622,367	-
- GSO Capital Opportunities Fund III, L.P. <sup>4</sup>	42,528,950	(43,743,759)	1,214,809	-
- GSO Capital Solutions Fund II, L.P. <sup>4</sup>	13,682,884	(13,913,166)	230,282	-
- GSO Capital Solutions Fund III, L.P. <sup>4</sup>	53,900,363	(59,686,723)	5,786,360	-
- GSO Energy Select Opportunities Fund, L.P. <sup>4</sup>	8,782,385	(9,924,093)	1,141,708	-
- GSO Energy Select Opportunities Fund II, L.P. <sup>4</sup>	44,316,795	(46,361,197)	2,044,402	-
- HBK Multi-Strategy Fund, L.P. <sup>2,5</sup>	115,215,412	(118,007,081)	2,791,669	-
- Healthcare Royalty Partners III, L.P. <sup>4</sup>	27,546,355	(26,894,259)	(652,096)	-
- H.I.G. Whitehorse FSBA, L.P. <sup>4</sup>	22,750,256	(25,603,537)	2,853,281	-
- Highbridge Convertible Dislocation Fd (Delaware), L.P. <sup>4</sup>	18,030,088	(17,412,556)	(617,532)	-

Account Name	Market Value 06/30/23	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 06/30/24
- Highbridge SPAC Opportunity Fund (Delaware), L.P. <sup>2</sup>	26,718,831	(26,140,465)	(578,340)	26
- Highbridge Tactical Credit Fund, L.P.	268,909,706	(572,116)	22,682,046	291,019,636
- Hudson Bay Fund, L.P.	270,829,757	-	19,705,575	290,535,332
- Hull Street Energy Partners II, L.P. <sup>5</sup>	85,020,568	19,708,326	26,258,848	130,987,742
- IFM Global Infrastructure (US), L.P.	747,108,828	(106,540,768)	21,552,003	662,120,063
- ILS Property & Casualty Fund II, L.P.	2,731,365	(1,791,065)	(426,288)	514,012
- Intermediate Capital Group Europe Fund VIII, SCSp <sup>4</sup>	37,354,046	(43,190,219)	5,836,173	-
- ISAF III (USD), L.P. <sup>4</sup>	42,370,695	(49,934,764)	7,564,069	-
- ISQ Growth Markets Infrastructure Fund (UST) L.P.	64,419,076	19,829,419	16,993,746	101,242,241
- ITE Rail Fund, L.P.	297,229,540	(4,817,618)	23,945,008	316,356,930
- Red Hills Rail I, L.P. (A.K.A. ITE Rail Co-Invest SMA) <sup>6</sup>	-	196,998,567	1,433	197,000,000
- Jackson Timberland Opportunities, LLC	223,447,444	(9,434,492)	14,045,600	228,058,552
- Juniperus Insurance Opportunity Fund Ltd.	238,542,680	250,000,000	56,224,731	544,767,411
- Kennedy Lewis Residential Property Income Co. LP <sup>1</sup>	-	38,912,072	43,068	38,955,139
- King Street Capital Fund, L.P.	11,046,406	(426,027)	(428,984)	10,191,395
- KLCP ERISA Fund E2 (US), L.P. <sup>4</sup>	218,948,933	(235,315,863)	16,366,930	-
- KLCP ERISA Fund E III, L.P. <sup>4</sup>	85,335,600	(92,392,177)	7,056,577	-
- KV Partners, LLC <sup>3</sup>	706,812	-	(12,471)	694,341
- Lake Jackson, L.P. <sup>4</sup>	86,549,815	(105,903,939)	19,354,124	-
- LCM Credit Opportunities Fund III(a), L.P. <sup>4</sup>	48,306,904	(50,204,921)	1,898,018	-
- LCM Credit Opportunities Fund IV, SLP <sup>4</sup>	102,071,445	(108,243,098)	6,171,653	-
- LCM Partners SOLO Va, SLP <sup>4,5</sup>	49,706,509	(52,557,711)	2,851,202	-
- Levine Leichtman Capital Partners IV, L.P.	9,471,667	-	270,923	9,742,590
- Levine Leichtman Capital Partners V, L.P.	67,719,831	(64,167,212)	4,537,686	8,090,305
- Levine Leichtman Capital Partners VI, L.P.	265,292,962	(85,219,070)	51,294,253	231,368,145
- Lexington Partners Investment Holdings L.P. <sup>5</sup>	210,447,185	(10,250,862)	15,341,263	215,537,586
- LLCP Lower Middle Market Fund III, L.P.	38,816,609	34,076,345	7,303,836	80,196,791
- Luxor Capital Partners, L.P.	115,240,000	(37,226,727)	(23,414,167)	54,599,106
- Marathon European Credit Opp Fund II, L.P. <sup>4</sup>	2,061,774	(1,904,584)	(157,190)	-
- MCP Private Capital Fund III SCSp <sup>4</sup>	93,585,259	(95,799,626)	2,214,367	-
- MCP Private Capital Fund IV SCSp <sup>4</sup>	136,020,888	(149,078,868)	13,057,980	-
- MCP Private Capital Fund V SCSp <sup>1,4</sup>	-	128,181	(128,181)	-
- Mill Road Capital III, L.P.	137,613,696	(1,941,957)	2,330,816	138,002,555
- Miravast ILS Credit Opportunities LP <sup>5</sup>	114,831,552	(43,715,618)	17,863,402	88,979,336
- Miravast ILS Credit Opportunities II LP <sup>5</sup>	42,000,395	35,342,857	6,984,049	84,327,302
- Monashee Pure Alpha SPV I, LP	177,573,382	-	9,983,936	187,557,318
- MSD SBAFL Fund, L.P. <sup>4</sup>	133,724,980	(140,802,034)	7,077,053	-
- MW Eureka (US) Fund	149,348,955	-	19,800,318	169,149,273
- NovaQuest Pharma Opportunities Fund V, L.P. <sup>4</sup>	85,164,777	(82,105,439)	(3,059,338)	-
- Oaktree Opportunities Fund VIII, L.P. <sup>4</sup>	404,677	(319,799)	(84,878)	-
- Oaktree Opportunities Fund VIIIb, L.P. <sup>4</sup>	17,248,170	(18,519,923)	1,271,753	-
- Oaktree Opportunities Fund IX, L.P. <sup>4</sup>	82,251,034	(87,429,272)	5,178,238	-
- Oaktree Opportunities Fund Xb, L.P. <sup>4</sup>	221,668,633	(230,564,450)	8,895,817	-
- OCM Opportunities Fund VIIb, L.P. <sup>4</sup>	19,428	(21,967)	2,539	-
- OHA Tactical Investment Fund, L.P. <sup>4</sup>	180,085,939	(193,342,954)	13,257,015	-
- Orion Energy Credit Opportunities Fund III, L.P. <sup>4</sup>	103,793,627	(112,815,274)	9,021,647	-
- Orion Mine Finance Co-Investment Fund II, L.P. <sup>4</sup>	51,652,586	(63,770,464)	12,117,878	-
- Orion Mine Finance Fund I, L.P. <sup>4</sup>	34,954,017	(34,926,982)	(27,035)	-
- Orion Mine Finance Fund II, L.P. <sup>4</sup>	97,391,700	(93,717,414)	(3,674,286)	-
- P2 Capital Fund, L.P.	401,123,580	-	6,609,643	407,733,223
- PAG Loan Fund IV, L.P. <sup>4</sup>	87,046,548	(80,581,051)	(6,465,497)	-
- Patria Infrastructure Fund IV, L.P.	51,795,873	22,993,371	4,870,073	79,659,317
- Primary Wave Music IP Fund 2, L.P. <sup>4</sup>	115,665,711	(119,879,686)	4,213,975	-
- Primary Wave Music IP Fund 3, L.P. <sup>4</sup>	174,886,702	(180,071,336)	5,184,634	-
- Principal RE Debt (SBAF Mortgage Fund), LLC <sup>4</sup>	111,781,934	(118,230,801)	6,448,867	-
- Providence Debt Fund III, L.P. <sup>4</sup>	30,351,902	(30,977,435)	625,533	-
- Providence Equity Global Group LLC	153,793,548	(15,810,342)	(5,815,627)	132,167,579

Account Name	Market Value 06/30/23	Net Contributions and Transfers	Investment Gain (Loss)	Market Value 06/30/24
- Rubik Holdings Ltd.	147,360,930	(49,925,285)	34,464,092	131,899,737
- SASOF III, L.P.	8,286,445	(388,821)	(2,563,431)	5,334,193
- SASOF IV, L.P.	36,315,680	-	7,535,298	43,850,978
- SASOF V, L.P.	75,535,724	13,042,379	19,541,702	108,119,805
- Sculptor Domestic Partners II, L.P.	258,409,755	-	32,238,721	290,648,476
- Searchlight Opportunities Fund II, L.P. <sup>4</sup>	82,927,032	(87,490,411)	4,563,379	-
- Serenitas Credit Gramma Fund, LLC - Series D <sup>1</sup>	-	150,109,757	5,620,932	155,730,689
- Silver Lake Waterman Fund III, L.P. <sup>4</sup>	97,542,439	(104,470,509)	6,928,070	-
- Sixth Street TAO Partners, L.P. <sup>4</sup>	113,948,394	(119,243,754)	5,295,360	-
- Special Situation Partners II, L.P. <sup>4</sup>	37,164,063	(31,884,301)	(5,279,762)	-
- Sprott Private Resource Lending (US), L.P. <sup>4</sup>	399,040	(134,864)	(264,176)	-
- Sprott Private Resource Lending II (US), L.P. <sup>4</sup>	97,588,699	(106,531,327)	8,942,628	-
- Sprott Private Resource Lending III (US), L.P. <sup>4</sup>	10,922,507	(11,174,671)	252,164	-
- Starboard Value and Opportunity S LLC <sup>5</sup>	485,611,685	-	67,123,106	552,734,791
- SVB Innovation Credit Fund VIII, L.P. <sup>4</sup>	143,872,727	(146,282,897)	2,410,170	-
- Taconic Opportunity Fund, L.P.	259,771,779	(269,037,083)	9,533,895	268,591
- TCW Crescent Mezzanine Partners V, L.P. <sup>4</sup>	803,108	(795,818)	(7,290)	-
- Tintoretto Reinsurance Partners, L.P. <sup>5</sup>	255,524,778	32,746,459	42,166,202	330,437,438
- Triverton AgriFinance III, LP <sup>1,4</sup>	-	187,572	(187,572)	-
- Torchlight Debt Fund VII, L.P. <sup>4</sup>	136,070,009	(137,606,883)	1,536,874	-
- Torchlight Debt Fund VIII, L.P. <sup>4</sup>	17,715,511	(17,482,455)	(233,056)	-
- Tricon Housing Partners US LP <sup>5</sup>	11,752,639	(615,758)	(3,486,594)	7,650,287
- Tricon Housing Partners US II A, LP <sup>5</sup>	12,520,496	(4,548,950)	110,637	8,082,183
- Trigate Property Partners II, L.P.	6,642,136	(686,873)	(221,407)	5,733,856
- Trigate Property Partners III, L.P.	36,097,612	(1,375,315)	(8,247,483)	26,474,814
- Trigate Property Partners IV, L.P.	71,103,251	18,578,879	8,527,577	98,209,707
- Varde Fund X (C), L.P. <sup>4,5</sup>	3,476,845	(3,462,402)	(14,443)	-
- Varde Fund XI (C), L.P. <sup>4,5</sup>	34,105,662	(33,287,783)	(817,879)	-
- Varde Fund XII (C), L.P. <sup>4</sup>	107,244,229	(109,210,881)	1,966,652	-
- Vine Media Opportunities Fund III, L.P. <sup>4</sup>	35,462,740	(25,628,801)	(9,833,939)	-
- Vine Media Opportunities Fund IV, L.P. <sup>4</sup>	47,609,940	(50,376,133)	2,766,193	-
- VSS Structured Capital II, L.P. <sup>4</sup>	818,837	(4,009,359)	3,190,522	-
- Wayzata Opportunities Fund III, L.P. <sup>4</sup>	19,776,756	(21,007,710)	1,230,954	-
- Yiheng Capital Partners, L.P. <sup>2</sup>	126,942,164	(129,307,495)	2,365,331	-
<b>Other:</b>				
- Strategic Investment Cash Expense	-	2,351,217	(2,351,217)	-
- Strategic Investments Transition Account	7,497,961	-	369,302	7,867,263
- Strategic Investments Transition Account II	49,500,000	(39,602,420)	2,420	9,900,000
<b>Total Strategic Investments</b>	<b>\$21,132,759,921</b>	<b>\$(10,142,253,152)</b>	<b>\$1,562,277,719</b>	<b>\$12,552,784,488</b>

<sup>1</sup> Account opened during the fiscal year.

<sup>2</sup> Account assets sold or partnership interest sold during the fiscal year. Remaining balances reflect residual activity.

<sup>3</sup> Account assets sold or partnership interest sold during a prior fiscal year. Balances and activity reflect residual activity.

<sup>4</sup> Account moved from the Strategic Investments asset class to the new Active Credit asset class on April 1, 2024. Balances moved totaled \$9,174,506,150.

<sup>5</sup> Name updated to provide more clarity. Legal name did not change.

<sup>6</sup> Red Hills Rail I, L.P. is also known as "ITE Rail Co-invest SMA".

- For certain strategic investments accounts, market values are estimates of value which may or may not represent what would be actually realized in arm's-length sales transactions. In such cases the market values are self-reported by the external managers of these accounts and incorporate their estimate of the value of illiquid publicly traded securities and private market holdings.

- Numbers may not total due to rounding.

**FRS PENSION PLAN – CASH/SHORT TERM AND MISCELLANEOUS PORTFOLIOS  
CHANGE IN MARKET VALUE FOR FISCAL YEAR 2023-24**

<b>Account Name</b>	<b>Market Value 6/30/23</b>	<b>Net Contributions and Transfers</b>	<b>Investment Gain (Loss)</b>	<b>Market Value 6/30/24</b>
Cash Expense Account <sup>1</sup>	\$ -	\$ 45,642	\$ (45,642)	\$ -
Cash Securities Lending Account <sup>2</sup>	(16,712,727)	18,176,510	(1,260,805)	202,979
Central Cash/Short-Term	1,132,617,206	(287,089,056)	94,013,041	939,541,190
Centralized Cleared IM Collateral Account	178,608,183	-	9,710,014	188,318,197
Centralized MSFTA Collateral Account	146,868,119	-	8,142,143	155,010,262
Centralized Non-Cleared Cash Collateral	24,221,196	-	1,364,673	25,585,869
FRS Cash Enhanced	731,976,875	-	36,584,489	768,561,364
FRS Cash Transition <sup>3</sup>	-	-	-	-
Non-Cleared IM Collateral <sup>3</sup>	-	-	-	-
Private Equity Cash	118,668,624	(41,537,077)	5,720,419	82,851,965
Real Estate Cash	23,007,677	(9,304,645)	1,767,442	15,470,473
REPIMAC Borrower <sup>4</sup>	-	(263,490,432)	(5,462,655)	(268,953,088)
REPIMAC Lender <sup>4</sup>	69,720	264,430,432	7,167,642	271,667,794
Strategic Investments Cash	64,255,160	59,653,323	3,347,097	127,255,580
TF STIPFRS NAV Adjustment Account <sup>5</sup>	(1,234,875)	-	58,538	(1,176,338)
Total Fund Cash Expense Account <sup>1</sup>	-	61,428,843	(61,428,843)	-
<b>Total Cash/Short-Term</b>	<b>\$ 2,402,345,156</b>	<b>\$ (197,686,460)</b>	<b>\$ 99,677,551</b>	<b>\$ 2,304,336,247</b>

<sup>1</sup> The Cash Expense Account and the Total Fund Cash Expense Account are used to pay various expenses (including SBA investment service charges and bank fees) on behalf of the Cash/Short-Term asset class or the entire FRS Pension Plan, respectively. Excluding these expenses, the reported investment gain (loss) would have been \$0 for each account.

<sup>2</sup> The Cash Securities Lending Account holds certain investments purchased in the securities lending program prior to the policy guidelines established in December 2008. These investments are generally being held to maturity. In fiscal year 2024, a realized loss of \$18,802,034 was recognized, while the overall net unrealized loss decreased by \$17,521,917. The account also earned \$19,312 in interest.

<sup>3</sup> Account was inactive during the fiscal year.

<sup>4</sup> The REPIMAC Borrower and Lender accounts were opened to implement the Credit Facility Program, which consists of one or more - special purpose entities that are wholly owned by the SBA. These special-purpose entities receive funds through secured revolving lines of credit with the purpose of providing downstream loans to real estate principal investments.

<sup>5</sup> The TF STIPFRS NAV Adjustment Account is used to record the difference between the net market value of the Short-Term Investment Pool (STIPFRS) that SBA utilizes to invest cash balances in the FRS Pension Plan and the total STIPFRS participant balances (carried at amortized cost) in all the individual portfolios that are invested in the pool. This can fluctuate and will be negative if the amortized cost of participant balances is higher than the net market value of the STIPFRS.

• Numbers may not total due to rounding.



# ACTUARIAL SECTION



**VISCAYA MUSEUM AND GARDENS (MIAMI, FL)  
CA. 1914**



1455 SW Broadway, Suite 1600  
Portland, OR 97201  
Tel 503 227 0634

1301 Fifth Ave, Suite 3800  
Seattle, WA 98101  
Tel 206 504 5695

milliman.com

December 6, 2024

Members of the Florida Legislature and of the Florida Retirement System

**Re: Actuary's Statement Regarding FRS 2024 Pension Plan Actuarial Valuation**

Dear FRS Members and Florida Legislators:

Milliman has conducted an actuarial valuation as of July 1, 2024 for the Florida Retirement System (FRS) Pension Plan. Current Governmental Accounting Standards Board (GASB) rules necessitate two sets of actuarial valuation calculations to fulfill two separate requirements:

- System funding calculations as of July 1, 2024, which assess system funded status and determine actuarially calculated contribution rates for the July 1, 2025 – June 30, 2026 plan year. The economic assumptions used in this valuation, which include an investment return assumption of 6.70%, are unchanged from those used in the prior valuation as of July 1, 2023, except for an increase in the assumption of annual system payroll growth from 3.25% to 3.50%. The demographic assumptions used in this valuation are updated from those used in the prior valuation as of July 1, 2023 as an outcome of the 2024 Experience Study. An actuarial experience study is conducted once every five years. The 2024 Experience Study recommendations and preliminary 2024 valuation results were presented by the actuary to the 2024 FRS Actuarial Assumption Conference held in October 2024.
- System GASB 67 financial reporting calculations as of June 30, 2024, which satisfy relevant accounting standards for annual financial reporting to interested parties. These calculations use economic and demographic assumptions identical to those in the July 1, 2024 system funding actuarial valuation noted on the prior bullet.

The two sets of calculations were issued as distinct valuation reports under separate cover due to the differing purposes, as noted above and as discussed later in this letter.

In my professional opinion, the assumptions and methods used in both valuations are reasonable per Actuarial Standards of Practice.

System Funding Calculations

On the smoothed Actuarial Value of Assets (AVA) basis used to determine actuarially calculated contribution rates, FRS Pension Plan funded status decreased from 81.4% as of July 1, 2023 to 80.7% as of this July 1, 2024 actuarial valuation date. The decrease in that measure was caused by actuarial assumption updates from the 2024 Experience Study. Those updates increased the Actuarial Liability by \$4.6 billion and decreased funded status on an AVA basis by 1.6%.

This work product was prepared solely for the Florida Department of Management Services for the purposes stated herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.

Actuary's Statement Regarding FRS 2024 Actuarial Valuation

On a Market Value of Assets (MVA) basis, FRS Pension Plan funded status calculated with the assumptions and methods used in the report for system funding purposes increased from 82.4% to 83.7%.

The MVA is greater than the smoothed AVA used for funded status and contribution rate calculations by approximately \$7.1 billion as of July 1, 2024. That \$7.1 billion not yet recognized market investment gain will be systematically recognized as a sequence of actuarial investment gains in the UAL via recognition in the AVA if future investment return experience meets or exceeds the 6.7% investment return assumption.

The FRS Pension Plan-only actuarially calculated employer contribution rates derived in the funding valuation are combined with FRS Investment Plan contribution rates to create proposed blended statutory 2025-2026 employer contribution rates. At a system-wide composite level, the proposed blended statutory 2025-2026 employer contribution rate increased by 0.79% of payroll compared to actual blended statutory employer contribution rates in effect for the 2024-2025 plan year as enacted in HB 151. The increase was from 15.60% of payroll to 16.39% of payroll. Please note that the 2025-2026 Blended Rate Study is issued under separate cover shortly after the publication of the July 1, 2024 actuarial valuation report for funding purposes.

The FRS Pension Plan-only actuarially calculated contribution rates in the funding valuation are determined in a manner such that they would remain level as a percentage of projected payroll in future years if actual future experience follows the valuation's assumptions until system funded status nears 100%, with the exception of a) rate changes due to the effects of the not-yet-recognized market investment losses noted above and b) a decrease in the FRS Pension Plan normal cost rate as newly enrolling Tier II Pension Plan members replace currently active Tier I Pension Plan members as they leave FRS-covered employment.

For this valuation, a long-term average annual future investment return assumption of 6.70% was selected by the 2024 FRS Actuarial Assumption Conference. That assumption matches the assumption used in the previous valuation. In my professional opinion, the 6.70% assumption constitutes a reasonable assumption for the purpose of the measurement as defined by Actuarial Standard of Practice No. 27 (ASOP 27). More details on the return assumption are shown in the 2024 FRS Actuarial Assumption Conference presentation materials.

All else being equal, the lower the selected investment return assumption, the higher the likelihood the FRS Pension Plan will meet or exceed its assumed investment return in future years. A lower assumption would result in higher short-term actuarially calculated contribution rates for employers but would also serve to lessen the magnitude of actuarially calculated contribution rate increases if actual future investment performance fails to meet or exceed the assumption. Actual future investment return experience for the FRS Pension Plan is not affected by the assumption used in the actuarial valuation.

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### System GASB Financial Reporting Calculations

GASB Statement No. 67 is the governing standard for financial reporting of governmental pension systems. Our GASB 67 calculations differ from the methodology used for system funding calculations in that GASB 67 mandates use of fair market asset values for the calculation of unfunded liability. The fair market value of assets is referred to as the Fiduciary Net Position under GASB 67. The economic and demographic assumptions used for GASB financial reporting calculations are identical to those used in the actuarial valuation for funding purposes.

As of the date of this valuation, the effect of the difference in the asset valuation methodology caused the calculated unfunded liability for financial reporting calculations (the Net Pension Liability, or NPL) to be lower than the Unfunded Actuarial Liability (UAL) determined for system funding calculations. For FRS Pension Plan GASB 67 financial reporting calculations, the NPL as of June 30, 2024 is \$38.7 billion and the funded ratio on a GASB basis is 83.7%.

### Other Comments

Actuarial assumptions are needed to estimate the future economic and demographic experience of the system. Any deviations between actual and expected future experience will result in corresponding changes in the ongoing costs of the system. The economic assumptions were developed from both external economic forecasts and information and forecasts furnished by the Florida State Board of Administration. The demographic actuarial assumptions were developed both from recent experience of the system and from standard actuarial sources. The actuarial assumptions are based on Milliman's most recent review of the system's experience, which was for the observation period from July 1, 2018 through June 30, 2023. Additional details on that review of system experience can be located in our October 2024 presentation materials to the 2024 FRS Actuarial Assumption Conference and our formal 2024 Experience Study report, which will be issued in December 2024. The actuarial assumptions used in performing the July 1, 2024 system funding valuation were approved by the 2024 FRS Actuarial Assumption Conference.

The methodology differences between the funding and GASB financial reporting calculations are identified above. The assumptions and methods used in performing the GASB calculations meet the parameters set by GASB Statement No. 67, *Financial Reporting for Pension Plans*.

The results of the reports are dependent upon future experience conforming to these assumptions. Future actuarial measurements may differ significantly from the current measurements presented in the reports due to many factors, including plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period) and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements.

In performing the valuations, we relied without audit upon the financial statements, membership data, and other cost and benefits provision information furnished by the Florida Department of Management Services, Division of Retirement. Although membership data was subjected to

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This work product was prepared solely for the Florida Department of Management Services for the purposes stated herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.

standard editing procedures and the other information was reviewed for reasonableness, Milliman does not assume responsibility for either its accuracy or its completeness.

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

The reports have been prepared exclusively for the Florida Department of Management Services, Division of Retirement for specific and limited purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. The valuations are complex, technical analyses that assume a high level of knowledge concerning the Florida Retirement System's operations, and use data provided by the Florida Department of Management Services, Division of Retirement, which Milliman has not audited.

Milliman does not intend to benefit or create a legal duty to any third-party recipient of the reports. No third-party recipient of Milliman's work product should rely upon the reports. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

The consultants who worked on this assignment are actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

The signing actuary is independent of the plan sponsors. I am not aware of any relationship that would impair the objectivity of Milliman's work.

These actuarial valuations were prepared and completed by me and those under my direct supervision, and I acknowledge responsibility for the results. In my opinion the techniques and assumptions used are reasonable. In my opinion these valuations meet the requirements and intent of Part VII, Chapter 112, Florida Statutes, and Section 14, Article X of the Florida State Constitution. Section 216.136 (10) of Florida Statutes indicates that the 2024 FRS Actuarial Assumption Conference holds the statutory authority to determine the investment return assumption for the system funding valuation. There is no benefit provision or related expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuations.

To the best of my knowledge, there were no known events that were not taken into account in the valuations. On the basis of the foregoing, I hereby certify that, to the best of my knowledge and belief, the reports are complete and accurate and have been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with Actuarial Standards of Practice, the Code of Professional Conduct and Qualification Standards for Public Statements of Actuarial Opinion of the American Academy of Actuaries.

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December 6, 2024  
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I am a member of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

Respectfully submitted,



Matt Larrabee, FSA, EA, MAAA  
Principal & Consulting Actuary

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## Actuarial Schedules

### Schedule of Non-DROP Active Member Valuation Data

Excludes FRS Investment Plan Active Members

Valuation Date	Count	Annual Payroll (Thousands)	Average Annual Pay	% Increase in Average Annual Pay
7/1/1987	453,939	\$9,353,670	\$20,606	
7/1/1989	502,773	\$11,641,588	\$23,155	6.0%
7/1/1991	544,488	\$13,648,555	\$25,067	4.0%
7/1/1993	552,562	\$14,319,063	\$25,914	1.7%
7/1/1995	586,510	\$16,035,343	\$27,340	2.7%
7/1/1997	589,765	\$17,031,601	\$28,879	2.8%
7/1/1998	600,334	\$17,788,749	\$29,631	2.6%
7/1/1999	591,897	\$18,125,277	\$30,622	3.3%
7/1/2000	595,368	\$19,352,372	\$32,505	6.1%
7/1/2001	612,340	\$20,059,509	\$32,759	0.8%
7/1/2002	611,178	\$20,614,490	\$33,729	3.0%
7/1/2003	595,164	\$20,754,640	\$34,872	3.4%
7/1/2004	597,376	\$21,572,137	\$36,111	3.6%
7/1/2005	598,063	\$22,453,486	\$37,544	4.0%
7/1/2006	599,816	\$23,513,778	\$39,202	4.4%
7/1/2007	598,438	\$24,507,679	\$40,953	4.5%
7/1/2008	589,922	\$24,998,083	\$42,375	3.5%
7/1/2009	572,591	\$24,590,947	\$42,947	1.3%
7/1/2010	556,296	\$23,763,050	\$42,717	(0.5%)
7/1/2011	533,486	\$22,974,218	\$43,064	0.8%
7/1/2012	517,287	\$22,087,385	\$42,699	(0.8%)
7/1/2013	513,823	\$22,055,656	\$42,925	0.5%
7/1/2014	511,751	\$22,384,354	\$43,741	1.9%
7/1/2015	512,909	\$22,797,335	\$44,447	1.6%
7/1/2016	514,629	\$23,258,352	\$45,194	1.7%
7/1/2017	518,622	\$24,049,285	\$46,372	2.6%
7/1/2018	516,825	\$24,442,950	\$47,294	2.0%
7/1/2019	500,111	\$24,371,774	\$48,733	3.0%
7/1/2020	477,495	\$24,539,759	\$51,393	5.5%
7/1/2021	457,249	\$24,462,645	\$53,500	4.1%
7/1/2022	442,762	\$24,772,207	\$55,949	4.6%
7/1/2023	440,134	\$26,584,406	\$60,401	8.0%
7/1/2024	426,579	\$27,207,534	\$63,781	5.6%

## Actuarial Schedules

### Schedule of Retirees and Beneficiaries on Rolls at Valuation Date

*(Total annual allowances are shown in thousands)*

<b>Rolls - At Valuation Date</b>				
<b>Valuation Date</b>	<b>Count</b>	<b>Total Annual Allowances (Thousands)</b>	<b>% Increase in Total Annual Allowances</b>	<b>Average Annual Allowance Per Person</b>
7/1/2015	375,428	\$7,733,826		\$20,600
7/1/2016	392,582	\$8,395,581	8.6%	\$21,386
7/1/2017	402,791	\$8,843,901	5.3%	\$21,957
7/1/2018	412,126	\$9,289,871	5.0%	\$22,541
7/1/2019	421,130	\$9,760,578	5.1%	\$23,177
7/1/2020	428,396	\$10,213,839	4.6%	\$23,842
7/1/2021	435,944	\$10,686,998	4.6%	\$24,515
7/1/2022	443,654	\$11,165,244	4.5%	\$25,167
7/1/2023	450,904	\$11,640,876	4.3%	\$25,817
7/1/2024	454,276	\$12,006,223	3.1%	\$26,429



# Actuarial Schedules

## Schedule of Funding Progress

Payroll Subject to Statutory UAL Cost Contributions, Excluding FRS Investment Plan Payroll

(dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AL) (b)	Unfunded AAL (UAL) (b-a)	Funded Ratio (a/b)	Covered Payroll <sup>1</sup> (c)	UAL as a % of Covered Payroll [(b-a)/c]
7/1/1993	\$31,700,296	\$45,655,929	\$13,955,633	69.4%	\$14,319,063	97.5%
7/1/1995	\$41,575,509	\$54,027,447	\$12,451,938	77.0%	\$16,035,343	77.7%
7/1/1997	\$56,220,805	\$61,610,883	\$5,390,078	91.3%	\$17,031,601	31.6%
7/1/1998	\$66,997,227	\$63,205,829	(\$3,791,398)	106.0%	\$17,788,749	(21.3%)
7/1/1999	\$77,795,313	\$68,575,249	(\$9,220,064)	113.4%	\$18,853,521	(48.9%)
7/1/2000	\$88,503,838	\$74,948,950	(\$13,554,888)	118.1%	\$20,343,765	(66.6%)
7/1/2001	\$95,517,948	\$80,993,718	(\$14,524,230)	117.9%	\$21,240,618	(68.4%)
7/1/2002	\$99,405,677	\$86,469,774	(\$12,935,903)	115.0%	\$22,080,981	(58.6%)
7/1/2003	\$101,906,724	\$89,251,331	(\$12,655,393)	114.2%	\$22,157,667	(57.1%)
7/1/2004	\$106,707,426	\$95,185,433	(\$11,521,993)	112.1%	\$23,100,231	(49.9%)
7/1/2005	\$111,539,878	\$102,529,016	(\$9,010,862)	108.8%	\$24,172,193	(37.3%)
7/1/2006	\$117,159,615	\$109,519,043	(\$7,640,572)	107.0%	\$25,314,566	(30.2%)
7/1/2007	\$125,584,704	\$117,359,375	(\$8,225,329)	107.0%	\$26,366,086	(31.2%)
7/1/2008	\$130,720,547	\$122,532,299	(\$8,188,248)	106.7%	\$26,872,418	(30.5%)
7/1/2009	\$118,764,692	\$134,204,076	\$15,439,384	88.5%	\$28,122,290	54.9%
7/1/2010	\$120,929,666	\$137,635,012	\$16,705,346	87.9%	\$27,300,543	61.2%
7/1/2011	\$126,078,053	\$144,122,816	\$18,044,763	87.5%	\$27,345,547	66.0%
7/1/2012	\$127,891,781	\$147,193,166	\$19,301,385	86.9%	\$27,023,976	71.4%
7/1/2013	\$131,680,615	\$153,302,772	\$21,622,157	85.9%	\$27,031,595	80.0%
7/1/2014	\$138,621,201	\$160,130,502	\$21,509,301	86.6%	\$27,241,239	79.0%
7/1/2015	\$143,195,531	\$165,548,928	\$22,353,397	86.5%	\$27,861,993	80.2%
7/1/2016	\$145,451,612	\$170,374,609	\$24,922,997	85.4%	\$28,169,356	88.5%
7/1/2017	\$150,593,242	\$178,579,116	\$27,985,874	84.3%	\$29,325,552	95.4%
7/1/2018	\$156,104,350	\$185,950,079	\$29,845,729	83.9%	\$30,038,965	99.4%
7/1/2019	\$161,004,533	\$191,330,896	\$30,326,363	84.1%	\$30,213,462	100.4%
7/1/2020	\$164,302,519	\$200,277,170	\$35,974,651	82.0%	\$30,577,489	117.7%
7/1/2021	\$174,898,452	\$209,636,046	\$34,737,594	83.4%	\$30,508,414	113.9%
7/1/2022	\$179,178,895	\$217,434,441	\$38,255,546	82.4%	\$31,018,424	123.3%
7/1/2023	\$184,235,157	\$226,204,201	\$41,969,044	81.4%	\$33,074,369	126.9%
7/1/2024	\$191,571,244	\$237,370,289	\$45,799,045	80.7%	\$34,212,593	133.9%

<sup>1</sup> Covered Payroll shown above reflects payroll subject to statutory UAL cost contributions, excluding the payroll of FRS Investment Plan members. This payroll metric equals that shown on the Active Member Schedule, plus the payroll of FRS members in DROP (starting in 1999), plus the payroll of other employee groups subject to only the UAL cost component of the FRS Pension Plan's contribution rate (starting in 2009 when the UAL reemerged).

# Actuarial Schedules

## Solvency Test

(dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Liability			Actuarial Value of Assets	Portion of Actuarial Liability Covered by Assets		
	Active Member Contributions	Retired Members and Beneficiaries	Other Members		(1)	(2)	(3)
	(1)	(2)	(3)		(1)	(2)	(3)
7/1/2015	\$2,304,079	\$88,519,139	\$74,725,710	\$143,195,531	100%	100%	70%
7/1/2016	\$2,775,994	\$96,445,460	\$71,153,155	\$145,451,612	100%	100%	65%
7/1/2017	\$3,237,901	\$101,665,423	\$73,675,792	\$150,593,242	100%	100%	62%
7/1/2018	\$3,666,837	\$106,808,859	\$75,474,383	\$156,104,350	100%	100%	60%
7/1/2019	\$4,059,603	\$110,810,614	\$76,460,679	\$161,004,533	100%	100%	60%
7/1/2020	\$4,443,217	\$116,598,179	\$79,235,774	\$164,302,519	100%	100%	55%
7/1/2021	\$4,773,111	\$122,991,730	\$81,871,205	\$174,898,452	100%	100%	58%
7/1/2022	\$5,035,451	\$128,290,848	\$84,108,142	\$179,178,895	100%	100%	55%
7/1/2023	\$5,361,786	\$131,975,277	\$88,867,138	\$184,235,157	100%	100%	53%
7/1/2024	\$5,620,320	\$135,469,473	\$96,280,496	\$191,571,244	100%	100%	52%

# Actuarial Schedules

## Analysis of Financial Experience

Gains and losses in Unfunded Actuarial Liability resulting from differences between assumed experience and actual experience, plan changes and assumption changes

(dollar amounts in thousands)

Florida Retirement System Pension Plan	2022-2023	2023-2024
<b>Type of Activity</b>		
Active Member Salary Increases Different than Assumed	\$3,300,588	\$1,319,448
New Active Pension Plan Members <sup>1</sup>	\$447,726	\$531,501
Retirement and DROP Entry Behavior	\$286,866	\$327,911
Inactive Mortality	\$136,256	\$12,770
Other <sup>2</sup>	(\$928,004)	(\$505,418)
<b>Liability (Gain)/Loss Experience</b>	<b>\$3,243,432</b>	<b>\$1,686,212</b>
<b>Investment (Gain)/Loss Experience</b>	<b>(\$530,551)</b>	<b>(\$1,778,586)</b>
<b>Composite (Gain) or Loss During Year from Financial Experience</b>	<b>\$2,712,881</b>	<b>(\$92,374)</b>
<b>Non-Recurring Items - Liability Increase/(Decrease)</b>		
Assumption Changes <sup>3</sup>	\$0	\$4,624,078
Plan Changes <sup>4</sup>	\$1,332,907	\$0

<sup>1</sup> Includes re-hires, transfers from the Investment Plan, and the net liability effect of class-to-class transfers of Pension Plan members.

<sup>2</sup> Reflects the combined effects of all other liability (gain)/loss sources for actuarial demographic experience compared to assumptions used in the prior valuation. This includes the effects of second election transfers to the Investment Plan and changes to census data reporting.

<sup>3</sup> Assumption changes in the 2023-2024 plan year include those adopted by the 2024 Actuarial Assumption Conference in response to the 2024 Experience Study.

<sup>4</sup> Plan changes in the 2022-2023 plan year include the effects Senate Bill 7024.

## Appendix A: Actuarial Methods, Procedures, and Assumptions

The actuarial assumptions are intended to estimate the future experience of FRS Pension Plan members, employers, and investments. Any variations in future actual experience from these assumptions will result in corresponding changes in actuarially calculated contribution rates.

### Assumption Tables

A complete listing of all the assumptions, methods, and procedures that are used in the 2024 actuarial valuation of the FRS Pension Plan is summarized on the following pages. These assumptions, methods, and procedures were approved by the 2024 FRS Actuarial Assumption Conference and are based on the 2024 Experience Study.

### Data

Except where noted, the analysis in this valuation was based on data as of June 30, 2024, as provided by the Division of Retirement, Florida Department of Management Services. The data used in this valuation consists of financial information and records of age, service and income of active members, annuitants, and other inactive members entitled to future benefits. The Division of Retirement, Florida Department of Management Services is solely responsible for the validity, accuracy, and comprehensiveness of this information; the results of our analysis can be expected to differ and may need to be revised if the underlying data supplied is incomplete or inaccurate.

### Methods and Procedures

**Actuarial cost allocation method:** The total cost of the FRS Pension Plan, over time, will be equal to the benefits paid and expenses less actual investment earnings and is not affected directly by the actuarial cost allocation method. The actuarial cost allocation method is simply a tool to allocate costs to past, current, or future years and thus primarily affects the timing of cost recognition.

The FRS Pension Plan uses Entry Age Normal (EAN), which is the most commonly used general cost method approach for state pension systems. Conceptually, EAN sets the normal cost rate level as a percent of payroll over a member's full projected working career. There are different variations of EAN, including Individual EAN, which is by far the most commonly used EAN category, and Ultimate EAN, which was the category of EAN used by the FRS Pension Plan prior to the 2019 actuarial valuation. Even each category of EAN contains different interpretations of how to calculate the key metrics. GASB Statements Nos. 67 & 68 mandate the use of a particular interpretation of Individual EAN for financial reporting purposes. GASB 67 & 68 information is provided under separate cover.

In October 2019, the FRS Actuarial Assumption Conference adopted the use of Individual EAN for system funding calculations starting with the 2019 valuation. The system now uses the same actuarial cost allocation method and interpretation for financial reporting purposes and for purposes of calculating system funding amounts.

Individual EAN sets normal cost in a manner that is representative of the tier in which the member actually participates. Members initially enrolled on or after July 1, 2011 (Tier II) have different benefit and retirement eligibility criteria than Tier I members initially enrolled prior to July 1, 2011. Cost methods do allocate benefits between past and projected future service, but do not affect the level of projected benefits; projected benefits are based on the actual tier of membership under both Ultimate EAN and Individual EAN. Compared to the Ultimate EAN method, the Individual EAN method allocates more of the cost of projected benefits to future service (via higher Normal Cost) and hence produces a lower Actuarial Liability for past service as a counterbalance.

**UAL amortization method:** The Unfunded Actuarial Liability (UAL) is amortized as a level percentage of projected payroll on which UAL Rates are charged in an effort to maintain level contribution rates as a percentage of payroll during the specified amortization period if future experience follows assumptions.

New UAL arises each year and is calculated in each new actuarial valuation. The newly arising UAL can be either positive or negative and can be due either to experience varying from assumptions or to changes in Actuarial Liability from modifications to assumptions, plan provisions, or actuarial methods. Each year's newly arising UAL is currently amortized over a closed 20-year period as a level percent of the projected payroll on which UAL rates are charged. Prior to the 2020 actuarial valuation, a closed 30-year period as a level percent of projected payroll was used for each newly arising

UAL base. For the 2020 actuarial valuation, a closed 25-year period as a level percent of projected payroll was used for each newly arising UAL base. Beginning with the 2021 actuarial valuation, except for the 2019 Method Changes established June 30, 2019, all existing bases established before July 1, 2021 were modified to have a remaining amortization period of the lesser of their current remaining amortization period and a 20-year amortization period effective with the amortization payment for the 2022-2023 fiscal year.

The decrease in UAL arising as a result of changing the actuarial cost allocation method from Ultimate EAN to Individual EAN in 2019 is amortized separately from other UAL bases. The change in UAL due to the actuarial cost allocation method change is specific to active Tier I members whose calculated normal costs are higher under Individual EAN than under Ultimate EAN. Since there is no change in the projected benefits for Tier I members, there is a corresponding decrease in Actuarial Liability. Therefore, the decrease in the UAL due to the actuarial cost allocation method change is amortized over a closed 30-year period in a manner that mirrors the projected payroll of the closed Tier I population in the FRS Pension Plan. This method was discussed and illustrated in Milliman's October 23, 2019 and October 28, 2019 presentation materials to the FRS Actuarial Assumption Conference, including quantified year-by-year detail on the amortization schedule. The schedule adopted is summarized below:

Contribution Year	Percent of Total Amortization	Contribution Year	Percent of Total Amortization
2020 - 2021	6.1%	2035 - 2036	3.3%
2021 - 2022	6.0%	2036 - 2037	3.0%
2022 - 2023	5.9%	2037 - 2038	2.8%
2023 - 2024	5.7%	2038 - 2039	2.5%
2024 - 2025	5.6%	2039 - 2040	2.2%
2025 - 2026	5.4%	2040 - 2041	2.0%
2026 - 2027	5.3%	2041 - 2042	1.7%
2027 - 2028	5.1%	2042 - 2043	1.5%
2028 - 2029	4.9%	2043 - 2044	1.3%
2029 - 2030	4.7%	2044 - 2045	1.1%
2030 - 2031	4.5%	2045 - 2046	1.0%
2031 - 2032	4.3%	2046 - 2047	0.8%
2032 - 2033	4.1%	2047 - 2048	0.7%
2033 - 2034	3.8%	2048 - 2049	0.6%
2034 - 2035	3.6%	2049 - 2050	0.5%
			100.0%

When newly arising UAL is amortized as a level percent of the projected payroll, amortization periods longer than 20 years can incur significant negative amortization, wherein the calculated UAL increases for an extended period of time prior to final payoff even if all contributions are made and all assumptions are met. This was discussed and illustrated in Milliman's October 7, 2021 presentation materials to the FRS Actuarial Assumption Conference. In October 2021, the FRS Actuarial Assumption Conference adopted a maximum 20-year amortization period for existing and future amortization bases, except for the 2019 Method Changes established June 30, 2019 which is amortized separately from other UAL bases. There are no amortization bases that incur a negative amortization.

**Asset valuation method:** This method recognizes actual investment performance different from the long-term assumption systematically. The expected Actuarial Value of Assets (AVA) is determined by crediting the rate of investment return assumed in the prior valuation to the prior year's AVA. Then, 20% of the difference between the actual Market Value of Assets (MVA) and the expected AVA is immediately recognized in the AVA. To ensure that the AVA remains reasonably close to the MVA, the asset method includes a corridor whereby the AVA must remain within 80% to 120% of MVA.

## Economic Assumptions

Assumption	
Inflation	2.40%
Payroll growth	3.50%
Investment Return	6.70%

## Demographic Assumptions

### Mortality

#### Healthy Inactive Mortality (Post-Employment)

Member Category (Non-Disabled Inactive)	PUB-2010 base table listed below, generational mortality using gender-specific MP-2021 mortality improvement projection scale
Female K-12 School Instructional Personnel	Benefits Weighted Teachers Healthy Retiree Female Table, set forward 1 year
Male K-12 School Instructional Personnel	Benefits Weighted Teachers Healthy Retiree Male Table, set forward 1 year
Female Special Risk	Benefits Weighted Safety Healthy Retiree Female Table
Male Special Risk	Benefits Weighted Safety Healthy Retiree Male Table, set forward 1 year
Female members other than Special Risk or K-12 School Instructional Personnel and all female beneficiaries	Headcount Weighted General Healthy Retiree Female Table
Male members other than Special Risk or K-12 School Instructional Personnel and all male beneficiaries	Headcount Weighted General Healthy Retiree Male Table, set back 1 year

#### Healthy Active Mortality (During Employment)

- For Special Risk members, 30% of future active member deaths are assumed to be in the line of duty.
- For all other members, 2% of future active member deaths are assumed to be in the line of duty.

Member Category (Non-Disabled Active)	PUB-2010 base table listed below, generational mortality using gender-specific MP-2021 mortality improvement projection scale
Female K-12 School Instructional Personnel	Benefits Weighted Teachers Employee Female Table, set forward 1 year
Male K-12 School Instructional Personnel	Benefits Weighted Teachers Employee Male Table, set forward 1 year
Female Special Risk	Benefits Weighted Safety Employee Female Table
Male Special Risk	Benefits Weighted Safety Employee Male Table, set forward 1 year
Female (other than Special Risk or K-12 School Instructional Personnel)	Headcount Weighted General Employee Female Table
Male (other than Special Risk or K-12 School Instructional Personnel)	Headcount Weighted General Employee Male Table, set back 1 year

## Disabled Mortality

<b>Member Category (Disabled Inactive)</b>	<b>PUB-2010 base table listed below, generational mortality using gender-specific MP-2021 mortality improvement projection scale</b>
Female Disabled Special Risk	Headcount Weighted General Disabled Retiree Female Table, set forward 1 year
Male Disabled Special Risk	Headcount Weighted General Disabled Retiree Male Table
Female Disabled (other than Special Risk)	Headcount Weighted General Disabled Retiree Female Table, set forward 4 years
Male Disabled (other than Special Risk)	Headcount Weighted General Disabled Retiree Male Table, set forward 4 years

### **Retirement for Vested Terminated Members (Tier I and Tier II)**

All current vested terminated members are assumed to begin receiving benefits on the normal retirement benefit age for the appropriate class and tier. All future members who terminate employment with a vested benefit are also assumed to commence benefit receipt at the normal retirement benefit age.

### **Optional Form of Payment**

All future retirees are assumed to elect the straight life (Option 1) form of benefit. For current retirees and members in DROP, the actual elected form is used.

### **Service Retirement and DROP**

Eligible members are assumed to either elect unreduced immediate retirement or enter DROP as shown in the following assumption tables. The rates in the tables represent the probability of retiring or entering DROP at the specified ages. All members who enter DROP in the future are assumed upon entry to remain in DROP for 48 months.

All members who have attained age 80 (age 70 for Special Risk Class or TRS) in active service are assumed to retire immediately.

**Retirement Assumptions (Tier I)  
DROP Entry**

Age	Regular K-12 School Instructional		Regular Not K-12 School Instructional		Special Risk and Special Risk Admin		Elected Officers' Subclasses		Senior Management Service Class	
	Female	Male	Female	Male	Female	Male	Unisex	Unisex	Unisex	
45	5.0%	5.0%	5.0%	5.0%	15.0%	18.0%	5.0%	5.0%	5.0%	
46	5.0%	5.0%	5.0%	5.0%	15.0%	18.0%	5.0%	5.0%	5.0%	
47	5.0%	5.0%	5.0%	5.0%	15.0%	18.0%	5.0%	5.0%	5.0%	
48	10.0%	10.0%	12.0%	5.0%	15.0%	18.0%	15.0%	15.0%	17.0%	
49	10.0%	10.0%	12.0%	10.0%	15.0%	18.0%	15.0%	15.0%	17.0%	
50	10.0%	10.0%	12.0%	10.0%	15.0%	18.0%	15.0%	15.0%	17.0%	
51	10.0%	10.0%	12.0%	10.0%	15.0%	18.0%	15.0%	15.0%	17.0%	
52	15.0%	10.0%	14.0%	10.0%	15.0%	18.0%	15.0%	15.0%	17.0%	
53	15.0%	10.0%	14.0%	10.0%	15.0%	18.0%	15.0%	15.0%	17.0%	
54	15.0%	16.0%	14.0%	10.0%	15.0%	18.0%	15.0%	15.0%	17.0%	
55	15.0%	16.0%	16.0%	14.0%	15.0%	18.0%	15.0%	15.0%	17.0%	
56	18.0%	18.0%	18.0%	18.0%	10.0%	10.0%	15.0%	15.0%	22.0%	
57	22.0%	20.0%	18.0%	18.0%	5.0%	5.0%	18.0%	18.0%	22.0%	
58	22.0%	20.0%	18.0%	18.0%	5.0%	5.0%	18.0%	18.0%	22.0%	
59	22.0%	20.0%	18.0%	18.0%	5.0%	5.0%	18.0%	18.0%	22.0%	
60	30.0%	26.0%	25.0%	22.0%	5.0%	5.0%	22.0%	22.0%	27.0%	
61	30.0%	26.0%	25.0%	22.0%	5.0%	5.0%	22.0%	22.0%	27.0%	
62	36.0%	32.0%	30.0%	26.0%	5.0%	5.0%	26.0%	26.0%	30.0%	
63	14.0%	12.0%	14.0%	12.0%	5.0%	5.0%	15.0%	15.0%	17.0%	
64	10.0%	8.0%	10.0%	8.0%	5.0%	5.0%	4.0%	4.0%	4.0%	
65	7.5%	8.0%	7.5%	8.0%	5.0%	5.0%	4.0%	4.0%	4.0%	
66	7.5%	8.0%	7.5%	8.0%	5.0%	5.0%	4.0%	4.0%	4.0%	
67	6.0%	4.0%	6.0%	4.0%	5.0%	5.0%	4.0%	4.0%	4.0%	
68	6.0%	4.0%	6.0%	4.0%	5.0%	5.0%	4.0%	4.0%	4.0%	
69	4.0%	4.0%	4.0%	4.0%	5.0%	5.0%	4.0%	4.0%	4.0%	
70-79	4.0%	4.0%	4.0%	4.0%	0.0%	0.0%	4.0%	4.0%	4.0%	
80	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	



**Retirement Assumptions (Tier I) (continued)**

**Immediate Retirement**

Age	Regular K-12 School Instructional		Regular Not K-12 School Instructional		Special Risk and Special Risk Admin		Elected Officers' Subclasses		Senior Management Service Class	
	Female	Male	Female	Male	Female	Male	Unisex	Unisex	Unisex	Unisex
45	0.0%	0.0%	0.0%	0.0%	4.0%	4.0%	0.0%	0.0%	0.0%	0.0%
46	0.0%	0.0%	0.0%	0.0%	4.0%	4.0%	0.0%	0.0%	0.0%	0.0%
47	0.0%	0.0%	0.0%	0.0%	4.0%	4.0%	0.0%	0.0%	0.0%	0.0%
48	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
49	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
50	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
51	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
52	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
53	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
54	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
55	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
56	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
57	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
58	4.5%	3.5%	5.5%	5.5%	4.0%	7.0%	3.5%	3.5%	7.0%	7.0%
59	4.5%	3.5%	5.5%	5.5%	6.0%	7.0%	3.5%	3.5%	7.0%	7.0%
60	4.5%	3.5%	5.5%	5.5%	6.0%	7.0%	3.5%	3.5%	7.0%	7.0%
61	8.5%	9.5%	5.5%	5.5%	6.0%	9.0%	3.5%	3.5%	7.0%	7.0%
62	11.5%	9.5%	5.5%	5.5%	15.0%	16.0%	3.5%	3.5%	7.0%	7.0%
63	8.5%	6.0%	5.5%	5.5%	9.0%	16.0%	3.5%	3.5%	9.5%	9.5%
64	10.5%	10.5%	5.5%	5.5%	18.0%	18.0%	3.5%	3.5%	9.5%	9.5%
65	20.0%	16.0%	12.5%	10.5%	20.0%	20.0%	3.5%	3.5%	9.5%	9.5%
66	20.0%	16.0%	12.5%	10.5%	20.0%	20.0%	3.5%	3.5%	9.5%	9.5%
67	20.0%	16.0%	12.5%	10.5%	20.0%	20.0%	10.5%	10.5%	9.5%	9.5%
68	20.0%	16.0%	12.5%	10.5%	20.0%	20.0%	10.5%	10.5%	9.5%	9.5%
69	20.0%	16.0%	12.5%	10.5%	20.0%	20.0%	10.5%	10.5%	9.5%	9.5%
70-79	20.0%	16.0%	12.5%	10.5%	100.0%	100.0%	10.5%	10.5%	9.5%	9.5%
80	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**Retirement Assumptions (Tier II)**

**DROP Entry**

Age	Regular K-12 School Instructional		Regular Not K-12 School Instructional		Special Risk and Special Risk Admin		Elected Officers' Subclasses		Senior Management Service Class	
	Female	Male	Female	Male	Female	Male	Unisex	Unisex	Unisex	
45	5.0%	5.0%	5.0%	5.0%	15.0%	18.0%	5.0%	5.0%	5.0%	
46	5.0%	5.0%	5.0%	5.0%	15.0%	18.0%	5.0%	5.0%	5.0%	
47	5.0%	5.0%	5.0%	5.0%	15.0%	18.0%	5.0%	5.0%	5.0%	
48	10.0%	10.0%	12.0%	5.0%	15.0%	18.0%	15.0%	15.0%	17.0%	
49	10.0%	10.0%	12.0%	10.0%	15.0%	18.0%	15.0%	15.0%	17.0%	
50	10.0%	10.0%	12.0%	10.0%	15.0%	18.0%	15.0%	15.0%	17.0%	
51	10.0%	10.0%	12.0%	10.0%	15.0%	18.0%	15.0%	15.0%	17.0%	
52	15.0%	10.0%	14.0%	10.0%	15.0%	18.0%	15.0%	15.0%	17.0%	
53	15.0%	10.0%	14.0%	10.0%	15.0%	18.0%	15.0%	15.0%	17.0%	
54	15.0%	16.0%	14.0%	10.0%	15.0%	18.0%	15.0%	15.0%	17.0%	
55	15.0%	16.0%	16.0%	14.0%	15.0%	18.0%	15.0%	15.0%	17.0%	
56	18.0%	18.0%	18.0%	18.0%	10.0%	10.0%	15.0%	15.0%	22.0%	
57	22.0%	20.0%	18.0%	18.0%	5.0%	5.0%	18.0%	18.0%	22.0%	
58	22.0%	20.0%	18.0%	18.0%	5.0%	5.0%	18.0%	18.0%	22.0%	
59	22.0%	20.0%	18.0%	18.0%	5.0%	5.0%	18.0%	18.0%	22.0%	
60	30.0%	26.0%	25.0%	22.0%	5.0%	5.0%	22.0%	22.0%	27.0%	
61	30.0%	26.0%	25.0%	22.0%	5.0%	5.0%	22.0%	22.0%	27.0%	
62	30.0%	26.0%	25.0%	22.0%	5.0%	5.0%	22.0%	22.0%	27.0%	
63	30.0%	26.0%	25.0%	22.0%	5.0%	5.0%	22.0%	22.0%	27.0%	
64	30.0%	26.0%	25.0%	22.0%	5.0%	5.0%	22.0%	22.0%	27.0%	
65	30.0%	26.0%	25.0%	22.0%	5.0%	5.0%	22.0%	22.0%	27.0%	
66	7.5%	8.0%	7.5%	8.0%	5.0%	5.0%	4.0%	4.0%	4.0%	
67	6.0%	4.0%	6.0%	4.0%	5.0%	5.0%	4.0%	4.0%	4.0%	
68	6.0%	4.0%	6.0%	4.0%	5.0%	5.0%	4.0%	4.0%	4.0%	
69	4.0%	4.0%	4.0%	4.0%	5.0%	5.0%	4.0%	4.0%	4.0%	
70-79	4.0%	4.0%	4.0%	4.0%	0.0%	0.0%	4.0%	4.0%	4.0%	
80	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	

**Retirement Assumptions (Tier II) (continued)**

**Immediate Retirement**

Age	Regular K-12 School Instructional		Regular Not K-12 School Instructional		Special Risk and Special Risk Admin		Elected Officers' Subclasses		Senior Management Service Class	
	Female	Male	Female	Male	Female	Male	Unisex	Unisex	Unisex	Unisex
45	0.0%	0.0%	0.0%	0.0%	4.0%	4.0%	0.0%	0.0%	0.0%	0.0%
46	0.0%	0.0%	0.0%	0.0%	4.0%	4.0%	0.0%	0.0%	0.0%	0.0%
47	0.0%	0.0%	0.0%	0.0%	4.0%	4.0%	0.0%	0.0%	0.0%	0.0%
48	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
49	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
50	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
51	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
52	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
53	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
54	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
55	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
56	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
57	4.5%	3.5%	3.5%	3.5%	4.0%	4.0%	3.5%	3.5%	4.5%	4.5%
58	4.5%	3.5%	5.5%	5.5%	4.0%	7.0%	3.5%	3.5%	7.0%	7.0%
59	4.5%	3.5%	5.5%	5.5%	6.0%	7.0%	3.5%	3.5%	7.0%	7.0%
60	4.5%	3.5%	5.5%	5.5%	6.0%	7.0%	3.5%	3.5%	7.0%	7.0%
61	8.5%	9.5%	5.5%	5.5%	6.0%	9.0%	3.5%	3.5%	7.0%	7.0%
62	8.5%	9.5%	5.5%	5.5%	15.0%	16.0%	3.5%	3.5%	7.0%	7.0%
63	8.5%	9.5%	5.5%	5.5%	9.0%	16.0%	3.5%	3.5%	7.0%	7.0%
64	8.5%	9.5%	5.5%	5.5%	18.0%	18.0%	3.5%	3.5%	7.0%	7.0%
65	8.5%	9.5%	5.5%	5.5%	20.0%	20.0%	3.5%	3.5%	7.0%	7.0%
66	20.0%	16.0%	12.5%	10.5%	20.0%	20.0%	3.5%	3.5%	9.5%	9.5%
67	20.0%	16.0%	12.5%	10.5%	20.0%	20.0%	10.5%	10.5%	9.5%	9.5%
68	20.0%	16.0%	12.5%	10.5%	20.0%	20.0%	10.5%	10.5%	9.5%	9.5%
69	20.0%	16.0%	12.5%	10.5%	20.0%	20.0%	10.5%	10.5%	9.5%	9.5%
70-79	20.0%	16.0%	12.5%	10.5%	100.0%	100.0%	10.5%	10.5%	9.5%	9.5%
80	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

### Line-of-Duty Disability Annual Rates

Age	Special Risk Class	All Other Classes
<20	0.000%	0.000%
20	0.025%	0.000%
21-46	0.025%	0.001%
47-50	0.250%	0.002%
51	0.450%	0.002%
52-63	0.450%	0.006%
64+	0.450%	0.001%

### Non-Duty Disability Annual Rates

Age	Special Risk Class	All Other Classes
<20	0.000%	0.000%
20-29	0.010%	0.000%
30-38	0.030%	0.010%
39-40	0.030%	0.020%
41-43	0.040%	0.030%
44-46	0.040%	0.040%
47-48	0.040%	0.060%
49	0.040%	0.080%
50	0.070%	0.080%
51-52	0.070%	0.110%
53-55	0.070%	0.130%
56-57	0.070%	0.170%
58-60	0.070%	0.190%
61	0.070%	0.090%
62	0.070%	0.060%
63+	0.070%	0.030%

**Withdrawal – Other Terminations of Employment Annual Rates**

Combined Years of Service	Regular Not K-12 School Instructional - Male					
	Attained Age					
	Under 25	25 to 29	30 to 34	35 to 44	45 to 54	55+
0	27.5%	23.0%	19.0%	16.5%	14.5%	17.0%
1	23.5%	19.0%	16.0%	13.5%	12.0%	13.0%
2	19.5%	15.0%	13.0%	10.5%	9.5%	9.0%
3	17.5%	12.5%	10.0%	9.0%	7.0%	7.5%
4	16.5%	11.0%	9.5%	8.0%	6.0%	6.0%
5	12.5%	10.0%	8.5%	7.0%	5.5%	5.0%
6	9.0%	9.0%	7.5%	6.0%	5.0%	4.5%
7	7.5%	7.5%	6.0%	5.5%	4.0%	4.0%
8	7.0%	7.0%	6.0%	5.5%	5.0%	5.0%
9	5.0%	5.0%	6.0%	4.5%	4.5%	4.5%
10	5.0%	5.0%	5.0%	4.5%	4.5%	4.5%
11	4.5%	4.5%	4.5%	4.5%	4.5%	4.0%
12	3.5%	3.5%	3.5%	4.0%	4.0%	4.0%
13	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
14	2.5%	2.5%	2.5%	3.0%	3.5%	3.5%
15	2.5%	2.5%	2.5%	3.0%	3.0%	3.0%
16	2.5%	2.5%	2.5%	3.0%	2.5%	2.5%
17	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
18	2.0%	2.0%	2.0%	2.0%	2.5%	2.5%
19	2.0%	2.0%	2.0%	2.0%	2.5%	2.5%
20	1.5%	1.5%	1.5%	1.5%	2.0%	2.5%
21	1.5%	1.5%	1.5%	1.5%	2.0%	2.5%
22	1.5%	1.5%	1.5%	1.5%	2.0%	2.5%
23	1.0%	1.0%	1.0%	1.0%	1.5%	2.0%
24	1.0%	1.0%	1.0%	1.0%	1.5%	2.0%
25	1.0%	1.0%	1.0%	1.0%	1.5%	2.0%
26	1.0%	1.0%	1.0%	1.0%	1.5%	2.0%
27	1.0%	1.0%	1.0%	1.0%	1.0%	2.0%
28	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
29	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
30+	1.0%	1.0%	1.0%	1.0%	1.0%	0.5%

**Withdrawal (continued)**

Combined Years of Service	Regular Not K-12 School Instructional - Female					
	Attained Age					
	Under 25	25 to 29	30 to 34	35 to 44	45 to 54	55+
0	32.5%	25.0%	22.0%	20.0%	15.5%	18.5%
1	27.0%	21.0%	18.0%	16.0%	13.0%	14.5%
2	21.5%	17.0%	14.0%	12.0%	10.5%	10.5%
3	21.5%	14.0%	12.5%	10.0%	9.0%	9.0%
4	19.5%	12.5%	11.0%	9.0%	8.0%	7.5%
5	15.0%	10.5%	9.5%	8.0%	7.0%	6.5%
6	9.5%	9.5%	8.0%	7.0%	6.0%	6.0%
7	8.0%	8.0%	7.5%	6.0%	5.5%	5.0%
8	7.5%	7.5%	7.0%	5.5%	5.0%	6.5%
9	5.5%	5.5%	6.0%	5.5%	5.0%	5.0%
10	5.5%	5.5%	5.5%	5.5%	5.0%	5.0%
11	5.0%	5.0%	5.0%	5.5%	5.0%	5.0%
12	5.0%	5.0%	5.0%	5.0%	4.5%	4.5%
13	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
14	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
15	3.5%	3.5%	3.5%	3.5%	4.0%	4.0%
16	3.5%	3.5%	3.5%	3.5%	3.5%	4.0%
17	3.0%	3.0%	3.0%	3.0%	3.0%	4.0%
18	2.5%	2.5%	2.5%	2.5%	3.0%	3.5%
19	2.5%	2.5%	2.5%	2.5%	3.0%	3.5%
20	2.0%	2.0%	2.0%	2.0%	2.5%	3.5%
21	1.5%	1.5%	1.5%	1.5%	2.0%	3.0%
22	1.5%	1.5%	1.5%	1.5%	2.0%	3.0%
23	1.5%	1.5%	1.5%	1.5%	2.0%	2.5%
24	1.5%	1.5%	1.5%	1.5%	2.0%	2.5%
25	1.5%	1.5%	1.5%	1.5%	1.5%	2.5%
26	1.5%	1.5%	1.5%	1.5%	1.5%	2.0%
27	1.0%	1.0%	1.0%	1.0%	1.0%	2.0%
28	1.0%	1.0%	1.0%	1.0%	1.0%	2.0%
29	0.5%	0.5%	0.5%	0.5%	0.5%	1.0%
30+	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%

**Withdrawal (continued)**

Combined Years of Service	Regular K-12 School Instructional - Male					
	Attained Age					
	Under 25	25 to 29	30 to 34	35 to 44	45 to 54	55+
0	23.5%	26.5%	21.0%	19.0%	19.0%	22.0%
1	18.5%	19.5%	17.5%	15.5%	14.0%	16.5%
2	13.5%	12.5%	14.0%	12.0%	9.0%	11.0%
3	12.0%	12.0%	10.5%	9.0%	8.5%	9.5%
4	9.5%	9.5%	8.5%	8.0%	6.5%	7.5%
5	8.5%	8.5%	8.5%	7.5%	5.5%	6.0%
6	7.5%	7.5%	7.0%	6.0%	5.5%	5.0%
7	6.5%	6.5%	6.0%	5.0%	4.5%	4.0%
8	5.0%	5.0%	5.0%	5.5%	4.5%	5.0%
9	5.0%	5.0%	5.0%	5.0%	4.0%	5.0%
10	4.0%	4.0%	4.0%	5.0%	4.0%	5.0%
11	3.0%	3.0%	3.0%	4.0%	4.0%	5.0%
12	3.0%	3.0%	3.0%	3.5%	3.5%	3.0%
13	3.0%	3.0%	3.0%	3.5%	3.5%	3.0%
14	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
15	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
16	2.5%	2.5%	2.5%	2.5%	2.5%	3.0%
17	2.0%	2.0%	2.0%	2.0%	2.5%	3.0%
18	2.0%	2.0%	2.0%	2.0%	2.5%	2.5%
19	2.0%	2.0%	2.0%	2.0%	2.0%	2.5%
20	2.0%	2.0%	2.0%	2.0%	2.0%	2.5%
21	2.0%	2.0%	2.0%	2.0%	1.5%	2.5%
22	1.5%	1.5%	1.5%	1.5%	1.5%	2.5%
23	1.0%	1.0%	1.0%	1.0%	1.0%	2.5%
24	1.0%	1.0%	1.0%	1.0%	1.0%	2.5%
25	1.0%	1.0%	1.0%	1.0%	1.0%	2.5%
26	1.0%	1.0%	1.0%	1.0%	1.0%	2.5%
27	1.0%	1.0%	1.0%	1.0%	1.0%	2.5%
28	1.0%	1.0%	1.0%	1.0%	1.0%	1.5%
29	0.5%	0.5%	0.5%	0.5%	0.5%	1.5%
30+	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%

**Withdrawal (continued)**

Combined Years of Service	Regular K-12 School Instructional - Female					
	Attained Age					
	Under 25	25 to 29	30 to 34	35 to 44	45 to 54	55+
0	18.0%	21.5%	20.5%	18.0%	16.0%	19.5%
1	16.0%	17.5%	16.5%	14.5%	13.0%	15.5%
2	14.0%	13.5%	12.5%	11.0%	10.0%	11.5%
3	13.5%	12.0%	11.5%	9.0%	9.0%	8.0%
4	13.0%	9.5%	10.0%	8.0%	7.0%	7.5%
5	10.5%	8.0%	8.5%	7.5%	6.5%	7.5%
6	8.0%	8.0%	8.0%	6.5%	6.0%	6.0%
7	6.0%	6.0%	7.5%	6.0%	5.0%	5.0%
8	6.0%	6.0%	6.5%	5.5%	5.0%	6.0%
9	6.0%	6.0%	5.5%	5.0%	5.0%	6.0%
10	5.0%	5.0%	5.0%	5.0%	5.0%	6.0%
11	4.5%	4.5%	4.5%	4.5%	4.5%	5.0%
12	3.5%	3.5%	3.5%	4.5%	4.5%	5.0%
13	3.5%	3.5%	3.5%	4.0%	4.0%	5.0%
14	3.5%	3.5%	3.5%	3.5%	3.5%	4.5%
15	3.5%	3.5%	3.5%	3.5%	3.5%	4.0%
16	3.0%	3.0%	3.0%	2.5%	3.0%	3.5%
17	3.0%	3.0%	3.0%	2.5%	3.0%	3.5%
18	2.5%	2.5%	2.5%	2.0%	2.5%	3.0%
19	2.0%	2.0%	2.0%	2.0%	2.5%	3.0%
20	2.0%	2.0%	2.0%	2.0%	2.5%	3.0%
21	1.5%	1.5%	1.5%	1.5%	2.0%	3.0%
22	1.5%	1.5%	1.5%	1.5%	2.0%	3.0%
23	1.5%	1.5%	1.5%	1.5%	1.5%	3.0%
24	1.0%	1.0%	1.0%	1.0%	1.5%	3.0%
25	1.0%	1.0%	1.0%	1.0%	1.0%	2.5%
26	1.0%	1.0%	1.0%	1.0%	1.0%	2.5%
27	1.0%	1.0%	1.0%	1.0%	1.0%	2.5%
28	0.5%	0.5%	0.5%	0.5%	0.5%	2.0%
29	0.5%	0.5%	0.5%	0.5%	0.5%	1.0%
30+	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%



**Withdrawal (continued)**

Combined Years of Service	Elected Officers' Class		
	Local	Leg-Atty-Cab	Judicial
0	10.0%	6.0%	1.5%
1	7.0%	6.0%	1.5%
2	4.0%	6.0%	1.5%
3	4.0%	6.0%	1.5%
4	12.0%	6.0%	1.5%
5	4.0%	6.0%	1.5%
6	4.0%	12.0%	1.5%
7	4.0%	12.0%	1.5%
8	17.0%	12.0%	1.5%
9	4.0%	12.0%	1.5%
10	4.0%	12.0%	1.5%
11	4.0%	6.0%	1.5%
12	7.0%	6.0%	1.5%
13	7.0%	6.0%	1.0%
14	7.0%	6.0%	1.0%
15	7.0%	6.0%	1.0%
16	7.0%	6.0%	1.0%
17	7.0%	6.0%	1.0%
18	7.0%	6.0%	1.0%
19	4.0%	6.0%	1.0%
20	4.0%	6.0%	1.0%
21	4.0%	6.0%	1.0%
22	4.0%	6.0%	1.0%
23	4.0%	6.0%	1.0%
24	4.0%	6.0%	1.0%
25	4.0%	6.0%	1.0%
26	4.0%	6.0%	1.0%
27	4.0%	6.0%	1.0%
28	4.0%	6.0%	1.0%
29	4.0%	6.0%	1.0%
30+	4.0%	6.0%	1.0%

**Withdrawal (continued)**

Combined Years of Service	Senior Management - Male		Senior Management - Female	
	Attained Age		Attained Age	
	Under 55	55+	Under 55	55+
0	13.0%	9.0%	12.0%	12.5%
1	13.0%	9.0%	12.0%	12.5%
2	16.5%	11.5%	12.0%	7.5%
3	18.5%	9.0%	12.0%	7.0%
4	14.0%	5.0%	14.0%	6.5%
5	11.5%	4.0%	10.0%	5.0%
6	8.0%	4.0%	8.0%	5.0%
7	6.5%	4.0%	6.5%	5.0%
8	7.0%	6.0%	6.0%	9.5%
9	5.5%	5.5%	6.0%	6.0%
10	5.5%	5.5%	6.0%	6.0%
11	5.5%	4.0%	6.0%	6.0%
12	4.5%	4.0%	6.0%	6.0%
13	4.0%	4.0%	6.0%	3.0%
14	3.5%	4.0%	4.0%	3.0%
15	3.5%	4.0%	3.0%	3.0%
16	3.5%	3.0%	3.0%	3.0%
17	3.0%	3.0%	2.5%	3.0%
18	3.0%	3.0%	2.5%	3.0%
19	3.0%	3.0%	2.5%	3.0%
20	2.0%	3.0%	2.5%	3.0%
21	2.0%	3.0%	2.5%	3.0%
22	2.0%	3.0%	2.5%	3.0%
23	2.0%	3.0%	1.5%	3.0%
24	2.0%	3.0%	1.5%	3.0%
25	2.0%	3.0%	1.5%	3.0%
26	1.0%	2.0%	1.5%	3.0%
27	1.0%	1.5%	1.5%	3.0%
28	1.0%	1.0%	1.5%	3.0%
29	1.0%	1.0%	1.0%	1.0%
30+	1.0%	1.0%	1.0%	1.0%

**Withdrawal (continued)**

Combined Years of Service	Special Risk and Special Risk Administrative- Male					
	Attained Age					
	Under 25	25 to 29	30 to 34	35 to 44	45 to 54	55+
0	14.0%	12.0%	13.0%	13.0%	15.0%	17.5%
1	11.5%	10.5%	11.0%	11.0%	10.5%	12.5%
2	9.0%	9.0%	9.0%	9.0%	6.0%	7.5%
3	7.5%	7.0%	7.0%	7.0%	5.0%	7.0%
4	5.0%	6.0%	6.0%	5.5%	5.0%	5.0%
5	4.0%	5.0%	5.0%	4.5%	4.0%	4.0%
6	4.0%	5.0%	4.5%	4.0%	3.5%	4.0%
7	4.0%	4.0%	3.5%	3.0%	3.5%	3.0%
8	5.0%	5.0%	4.0%	4.0%	4.0%	4.5%
9	5.0%	5.0%	3.5%	3.5%	4.0%	4.5%
10	3.0%	3.0%	3.0%	3.5%	3.5%	4.0%
11	3.0%	3.0%	3.0%	3.0%	3.5%	3.0%
12	2.5%	2.5%	2.5%	2.5%	3.0%	3.0%
13	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
14	1.5%	1.5%	1.5%	1.5%	2.5%	2.5%
15	1.5%	1.5%	1.5%	1.5%	2.0%	2.0%
16	1.0%	1.0%	1.0%	1.0%	2.0%	2.0%
17	1.0%	1.0%	1.0%	1.0%	2.0%	2.0%
18	1.0%	1.0%	1.0%	1.0%	1.5%	1.5%
19	1.0%	1.0%	1.0%	1.0%	1.5%	1.5%
20	1.0%	1.0%	1.0%	1.0%	1.5%	1.5%
21	1.0%	1.0%	1.0%	1.0%	1.5%	1.5%
22	0.8%	0.8%	0.8%	0.8%	1.5%	1.5%
23	0.8%	0.8%	0.8%	0.8%	1.5%	1.5%
24	0.8%	0.8%	0.8%	0.8%	1.0%	1.0%
25	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
26	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
27	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
28	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
29	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
30+	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%

**Withdrawal (continued)**

Combined Years of Service	Special Risk and Special Risk Administrative- Female					
	Attained Age					
	Under 25	25 to 29	30 to 34	35 to 44	45 to 54	55+
0	22.0%	22.0%	22.5%	18.5%	19.5%	17.0%
1	18.0%	17.5%	17.0%	14.5%	15.5%	14.0%
2	14.0%	13.0%	11.5%	10.5%	11.5%	11.0%
3	10.0%	10.0%	9.5%	10.0%	9.5%	7.5%
4	9.0%	8.5%	7.5%	6.5%	7.5%	7.5%
5	6.5%	6.5%	6.5%	6.0%	5.5%	7.5%
6	5.0%	5.0%	6.0%	5.5%	4.5%	6.0%
7	5.0%	5.0%	5.0%	4.5%	4.5%	6.0%
8	5.5%	5.5%	5.5%	5.0%	7.0%	6.0%
9	3.5%	3.5%	5.0%	5.0%	6.5%	6.0%
10	3.0%	3.0%	4.0%	5.0%	6.5%	6.0%
11	3.0%	3.0%	4.0%	4.0%	5.5%	5.5%
12	3.0%	3.0%	4.0%	4.0%	4.5%	4.5%
13	3.0%	3.0%	3.0%	3.0%	4.5%	4.5%
14	2.5%	2.5%	2.5%	3.0%	4.5%	4.5%
15	2.5%	2.5%	2.5%	2.5%	3.5%	3.5%
16	2.5%	2.5%	2.5%	2.5%	3.5%	3.5%
17	2.5%	2.5%	2.5%	2.5%	3.0%	3.0%
18	1.5%	1.5%	1.5%	1.5%	2.5%	2.5%
19	1.5%	1.5%	1.5%	1.5%	2.5%	2.5%
20	1.5%	1.5%	1.5%	1.5%	2.5%	2.5%
21	1.5%	1.5%	1.5%	1.5%	2.5%	2.5%
22	1.5%	1.5%	1.5%	1.5%	2.0%	2.0%
23	1.5%	1.5%	1.5%	1.5%	2.0%	2.0%
24	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
25	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
26	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
27	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
28	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
29	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
30+	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%

### Individual Member Salary Increase Assumptions

(Based on 2.40% inflation assumption)

Combined Years of Service	Regular	Special Risk	Special Risk Admin	ECO	ESO	Judges	Senior Management
0	6.35%	8.50%	3.40%	3.25%	3.25%	4.00%	9.30%
1	6.20%	8.00%	3.40%	3.25%	3.25%	4.00%	8.70%
2	6.05%	7.50%	3.40%	3.25%	3.25%	4.00%	8.10%
3	5.90%	7.00%	3.40%	3.25%	3.25%	4.00%	7.50%
4	5.75%	6.50%	3.40%	3.25%	3.25%	4.00%	6.90%
5	5.60%	6.50%	3.40%	3.25%	3.25%	4.00%	6.30%
6	5.45%	6.50%	3.40%	3.25%	3.25%	4.00%	5.70%
7	5.30%	6.50%	3.40%	3.25%	3.25%	4.00%	5.70%
8	5.10%	6.20%	3.40%	3.25%	3.25%	4.00%	5.55%
9	5.00%	5.90%	3.40%	3.25%	3.25%	4.00%	5.55%
10	5.00%	5.90%	3.40%	3.25%	3.25%	4.00%	5.55%
11	4.80%	5.90%	3.40%	3.25%	3.25%	4.00%	5.55%
12	4.75%	5.60%	3.40%	3.25%	3.25%	4.00%	5.15%
13	4.70%	5.60%	3.40%	3.25%	3.25%	4.00%	5.15%
14	4.65%	5.40%	3.40%	3.25%	3.25%	4.00%	5.15%
15	4.60%	5.40%	3.40%	3.25%	3.25%	4.00%	4.90%
16	4.60%	5.40%	3.40%	3.25%	3.25%	4.00%	4.90%
17	4.55%	5.20%	3.40%	3.25%	3.25%	4.00%	4.40%
18	4.45%	5.20%	3.40%	3.25%	3.25%	4.00%	4.40%
19	4.40%	5.20%	3.40%	3.25%	3.25%	4.00%	4.40%
20	4.35%	5.20%	3.40%	3.25%	3.25%	4.00%	4.40%
21	4.30%	5.20%	3.40%	3.25%	3.25%	4.00%	4.40%
22	4.30%	4.80%	3.40%	3.25%	3.25%	4.00%	4.40%
23	4.15%	4.80%	3.40%	3.25%	3.25%	4.00%	4.20%
24	4.15%	4.80%	3.40%	3.25%	3.25%	4.00%	4.20%
25	4.05%	4.80%	3.40%	3.25%	3.25%	4.00%	4.20%
26	4.00%	4.80%	3.40%	3.25%	3.25%	4.00%	4.20%
27	3.90%	4.80%	3.40%	3.25%	3.25%	4.00%	4.20%
28	3.75%	4.80%	3.40%	3.25%	3.25%	4.00%	4.20%
29	3.65%	4.80%	3.40%	3.25%	3.25%	4.00%	4.20%
30+	3.65%	4.80%	3.40%	3.25%	3.25%	4.00%	4.20%

## Unused Annual Leave Available at Retirement

Membership Class	Hours
Special Risk	270
Senior Management Service	270
Regular Class non-K-12 Instructional	160
Regular Class K-12 Instructional	0
Elected Officers	0

## Eligible Survivors

It is assumed that 80% of deceased active members will have survivors eligible for lifetime benefits upon their deaths. Survivors are assumed to be opposite sex of the deceased member and males are assumed to be three years older than their female spouses.

## Commencement of Survivor Benefits

It is assumed that survivors of deceased active members will defer commencement of benefits until the following:

Membership Class	Member Age
Special Risk	45
Other classes	55

## Military Service and Out-of-State Service Credits

Active members are assumed to have purchased the following additional years of service credit.

Type of Service Credit	Special Risk Class		All other classes	
	Men	Women	Men	Women
Military Service Credit <sup>1</sup>	0.2818	0	0.1853	0
Out-of-State Service Credit <sup>2</sup>	0	0	0.0910	0.0910

<sup>1</sup> Pre-1987 hires only; service is eligible for the COLA.

<sup>2</sup> Service for pre-July 1, 2011 enrollees is eligible for the COLA; assumption applies to both tiers.

No extra service credit was assumed for TRS participants.

## Changes to the Actuarial Assumptions and Methods

All assumptions and methods were reviewed as part of the 2024 Experience Study and changes were adopted by the 2024 FRS Actuarial Assumption Conference during its meetings in October 2024.

## **Appendix B: Summary of Plan Provisions**

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

### **Florida Retirement System (FRS)**

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

#### **Effective Date**

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

Beginning in 2002, the FRS became one system with two primary programs, the existing defined benefit FRS Pension Plan and a defined contribution plan alternative known as the FRS Investment Plan (IP). The earliest that any member could participate in the IP was July 1, 2002.

As of July 1, 2007, the Institute for Food and Agricultural Sciences Supplemental Retirement Program was consolidated under the FRS as a closed group.

(Section 121.011(2))

#### **Membership**

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

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

Members of the FRS Pension Plan when the FRS Investment Plan was created were provided an educational period about their plan choice options prior to a 90-day election period to elect between the FRS Pension Plan and the FRS Investment Plan (IP). Members newly hired after the IP became effective are provided eight months after their month of hire to file an election between the two primary programs. Members who do not make an election default into the FRS Investment Plan except for Special Risk Class members who default into the FRS Pension Plan.

After the initial active or default election to participate in the FRS Pension Plan or the FRS Investment Plan, the employee has one opportunity, at the employee's discretion before termination or retirement, to choose to move from the FRS Pension Plan to the FRS Investment Plan or vice versa, except for renewed members initially enrolled on or after July 1, 2017.

(Sections 121.051, 121.4501, 121.122)

## Classification

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

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

**Special Risk Class** – members employed as law enforcement officers, emergency medical technicians, paramedics, firefighters, firefighter trainers, fire prevention inspectors, correctional officers, correctional probation officers, certain professional health care positions within the Department of Children and Family Services and the Department of Corrections, or certain forensic positions within a law enforcement agency, or a medical examiner's office who meet the criteria set forth in the Florida Retirement System law and administrative rules.

**Special Risk Administrative Support Class** – former Special Risk Class members employed as law enforcement officers, firefighters, correctional officers, or emergency medical technicians who have transferred or been re-assigned to non-Special Risk administrative support positions within a Florida Retirement System Special Risk employing agency.

**Elected Officers' Class** – members include the Governor, Lieutenant Governor, cabinet officers, legislators, Supreme Court justices, district court of appeals judges, circuit judges, county court judges, state attorneys, public defenders, and elected county officers. Also included are city and special district officers if the employer chose to place their elected officials in this class. All such elected officers may withdraw from the Florida Retirement System, elect membership in the Senior Management Service Class or, if state officers, elect membership in the Senior Management Service Optional Annuity Program if initially enrolled before July 1, 2017.

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

**Deferred Retirement Option Program (DROP)** – allows members of the FRS Pension Plan in any of the above five classes to elect to retire when they reach normal retirement and have their FRS benefits accumulate in the FRS Trust Fund, earning interest, while the member continues to work for an FRS employer. DROP membership is for a specific and limited period.

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



## Contributions

From January 1, 1975, for the state and for school boards, and from October 1, 1975, for other agencies, through June 30, 2011, the total cost of the System was paid by the participating employers.

Beginning July 1, 2011, all FRS Pension Plan and FRS Investment Plan members, except those FRS Pension Plan members participating in DROP, are required to pay member contributions equal to 3% of compensation. TRS members already pay required employee contributions. Member contributions do not accrue interest except for TRS members.

(Sections 121.071 (2), 121.71)

The employer contribution rates enacted for the July 1, 2024 – June 30, 2025 plan year are as follows:

	Regular	Special Risk	Special Risk Administrative	Judicial	Elected Officers Class Leg-Atty-Cab	Local	Senior Management	DROP
Legislatively Enacted Blended Uniform Contribution Rates								
- Normal Cost Rate	6.73%	18.66%	11.54%	14.90%	10.70%	12.39%	8.56%	8.49%
- UAL Rate	<u>4.84</u>	<u>12.07</u>	<u>26.22</u>	<u>28.49</u>	<u>50.21</u>	<u>44.23</u>	<u>23.90</u>	<u>10.64</u>
- Total Rate	11.57%	30.73%	37.76%	43.39%	60.91%	56.62%	32.46%	19.13%

The above rates exclude the 0.06% administrative charge for Investment Plan administration and education (except DROP), and the 2.00% for the financing of the Florida Retiree Health Insurance Subsidy program.

(Sections 121.071, 121.71, 121.74)

## Compensation

“Compensation” means the monthly salary paid a member by his or her employer for work performed arising from that employment.

- (a) Compensation shall include:
1. Overtime payments paid from a salary fund.
  2. Accumulated annual leave payments.
  3. Payments in addition to the employee’s base rate of pay if all the following apply:
    - a. The payments are paid according to a formal written policy that applies to all eligible employees equally;
    - b. The policy provides that payments shall commence no later than the 11th year of employment;
    - c. The payments are paid for as long as the employee continues his or her employment; and
    - d. The payments are paid at least annually.
  4. Amounts withheld for tax sheltered annuities or deferred compensation programs, or any other type of salary reduction plan authorized under the Internal Revenue Code.
  5. Payments made in lieu of a permanent increase in the base rate of pay, whether made annually or in 12 or 26 equal payments within a 12-month period, when the member’s base pay is at the maximum of his or her pay range. When a portion of a member’s annual increase raises his or her pay range and the excess is paid as a lump sum payment, such lump sum payment shall be compensation for retirement purposes.
- (b) Compensation for a member participating in the FRS Pension Plan or the FRS Investment Plan may not include:
1. Fees paid professional persons for special or particular services or salary payments made from a faculty practice plan authorized by the Board of Governors of the State University System for eligible clinical faculty at a college in a state university that has a faculty practice plan; or
  2. Any bonuses or other payments prohibited from inclusion in the member’s average final compensation.

- (c) For all purposes under this chapter, the member's compensation or gross compensation contributed as employee-elective salary reductions or deferrals to any salary reduction, deferred compensation, or tax-sheltered annuity program authorized under the Internal Revenue Code shall be deemed to be the compensation or gross compensation which the member would receive if he or she were not participating in such program and shall be treated as compensation for retirement purposes under this chapter. Any public funds otherwise paid by an employer into an employee's salary reduction, deferred compensation, or tax-sheltered annuity program on or after July 1, 1990 (the date as of which all employers were notified in writing by the division to cease making contributions to the System Trust Fund based on such amounts), shall be considered a fringe benefit and shall not be treated as compensation for retirement purposes under this chapter. However, if an employer was notified in writing by the division to cease making such contributions as of a different date, that employer shall be subject to the requirements of said written notice.
- (d) For any person who first becomes a member on or after July 1, 1996, compensation for any plan year shall not include any amounts in excess of the Section 401(a)(17), Internal Revenue Code limitation (as amended by the Omnibus Budget Reconciliation Act of 1993), which limitation of \$150,000 effective July 1, 1996, shall be adjusted as required by federal law for qualified government plans and shall be further adjusted for changes in the cost of living in the manner provided by Section 401(a)(17)(B), Internal Revenue Code. For any person who first became a member prior to July 1, 1996, compensation for all plan years beginning on or after July 1, 1990, shall not include any amounts in excess of the compensation limitation (originally \$200,000) established by Section 401(a)(17), Internal Revenue Code prior to the Omnibus Budget Reconciliation Act of 1993, which limitation shall be adjusted for changes in the cost of living since 1989, in the manner provided by Section 401(a)(17) of the Internal Revenue Code of 1991. This limitation, which has been part of the Florida Retirement System since plan years beginning on or after July 1, 1990, shall be adjusted as required by federal law for qualified government plans.

"Annual compensation" means the total compensation paid a member during a year. A "year" is 12 continuous months.

(Section 121.021(22) and (23))

## FRS Pension Plan

### Normal Retirement Benefit

#### ***Eligibility – Members initially enrolled before July 1, 2011 (Tier I)***

- Regular Class
  1. 30 years of creditable service at any age.
  2. Age 62 and 6 or more years of creditable service.  
(Section 121.021(29)(a)(1))
- Special Risk Class<sup>1</sup>
  1. 25 years of special risk service at any age; or
  2. Age 55 and 6 or more years of special risk service; or
  3. Age 52 and 25 years of creditable service, including special risk service and up to a maximum of four years of military service credit.  
(Section 121.021(29)(b)(1))
- Special Risk Administrative Support Class  
(with six or more years of Special Risk Class service, the same requirements as apply to the Special Risk Class, otherwise same as apply to the Regular Class)  
(Sections 121.0515(8) and 121.021(29)(b)(1))
- Elected Officers' Class  
(same requirements as apply to Regular Class)  
(Section 121.021(29)(a)(1))
- Senior Management Service Class  
(same requirements as apply to Regular Class)  
(Section 121.021(29)(a)(1))

#### ***Eligibility – Members initially enrolled on and after July 1, 2011 (Tier II)***

- Regular Class
  1. 33 years of creditable service at any age.
  2. Age 65 and 8 or more years of creditable service.  
(Section 121.021(29)(a)(2))
- Special Risk Class<sup>2&3</sup>
  1. 25 years of special risk service at any age; or
  2. Age 55 and 8 or more years of special risk service; or
  3. Age 52 and 25 years of creditable service, including special risk service and up to a maximum of four years of military service credit.  
(Section 121.021(29)(b)(2))

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<sup>1</sup> When Special Risk Class members have service in any other membership class in addition to Special Risk Class, they may satisfy normal retirement benefit eligibility based on Regular Class criteria.

<sup>2</sup> Senate Bill 7024 enacted by the 2023 Legislature modified Tier II Special Risk normal retirement eligibility to what is shown above, effective July 1, 2023. Tier II Special Risk Class members who terminated employment prior to July 1, 2023 are subject to the pre-Senate Bill 7024 normal retirement eligibility provisions which required 30 years of Special Risk Service or Age 60 with 8 or more years of Special Risk Service.

<sup>3</sup> When Special Risk Class members have service in any other membership class in addition to Special Risk Class, they may satisfy normal retirement benefit eligibility based on the Regular Class criteria.

- **Special Risk Administrative Support Class**  
(with eight or more years of Special Risk Class service, the same requirements as apply to the Special Risk Class, otherwise same as apply to the Regular Class)  
(Sections 121.0515(8) and 121.021(29)(b)(2))
- **Elected Officers' Class**  
(same requirements as apply to Regular Class)  
(Section 121.021(29)(a)(2))
- **Senior Management Service Class**  
(same requirements as apply to Regular Class)  
(Section 121.021(29)(a)(2))

**Normal Form**

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

(Section 121.091(1))

**Optional Forms**

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

(Section 121.091(6))

**Dual Retirement**

In the event a member accumulates retirement benefits to commence at different normal retirement ages by virtue of having performed duties for an employer which would entitle him or her to benefits as both a Special Risk Class member and a member of another class, the amount of the benefits payable shall be computed separately with respect to each such age, and the sum of such computed amounts shall be paid. Note that this does not apply to a Special Risk Administrative Support Class member with at least 6 years of Special Risk Class Membership (8 years for members enrolled on or after July 1, 2011) when the Special Risk and Special Risk Administrative Support Classes are the only memberships held because such a member is treated as a Special Risk Class member.

(Section 121.091(2))

**Regular Benefit Amount**

The monthly FRS Pension Plan allowance is the product of:

1. Average final compensation
  - a. For members initially enrolled before July 1, 2011, the average of the highest five plan years of creditable service;
  - b. For members initially enrolled on or after July 1, 2011, the average of the highest eight plan years of creditable service;
2. Creditable service during the applicable period; and
3. The appropriate benefit percentage for periods of service.

All benefits are limited to 100% of average final compensation.

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

The appropriate benefit percentages are as follows:

- For Members initially enrolled before July 1, 2011, for Creditable Service as a Regular Class member Subsequent to November 30, 1970:

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

- For Members initially enrolled on or after July 1, 2011, for Creditable Service as a Regular Class member Subsequent to November 30, 1970:

Retirement at:	Percentage
Age 65 with 8 years of creditable service, or 33 years of creditable service	1.60%
Age 66 with 8 years of creditable service, or 34 years of creditable service	1.63%
Age 67 with 8 years of creditable service, or 35 years of creditable service	1.65%
Age 68 with 8 years of creditable service, or 36 years of creditable service	1.68%

(Section 121.091(1))

Service as a Special Risk Class member:

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

(Section 121.091(1))

- For Members initially enrolled before July 1, 2011, for Creditable Service as a Special Risk Administrative Support Class member Subsequent to November 30, 1970:

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

- For Members initially enrolled on or after July 1, 2011, for Creditable Service as a Special Risk Administrative Support Class member Subsequent to November 30, 1970:

Retirement at:	Percentage
Age 55 with 8 years of creditable special risk service or 25 years of creditable special risk service	1.60%
Age 56 with 8 years of creditable special risk service or 26 years of creditable special risk service	1.63%
Age 57 with 8 years of creditable special risk service or 27 years of creditable special risk service	1.65%
Age 58 with 8 years of creditable special risk service or 28 years of creditable special risk service	1.68%

(Section 121.0515(8) and 121.091(1))

- For Service as an Elected Officers' Class member:  
3% for each year of creditable service in such class, except 3 $\frac{1}{3}$ % for service in the judicial class. Military service credit is at the rate for Regular Class members.  
(Sections 121.052(5)(a) and (d), 121.091(1))
- For Service as a Senior Management Service Class member:  
2% for each year of creditable service in such class, after January 31, 1987.  
(Section 121.055(4)(d))

## **Early Retirement**

### ***Eligibility***

For members initially enrolled before July 1, 2011, six years of creditable service for all classes of membership.

For members initially enrolled on or after July 1, 2011, eight years of creditable service for all classes of membership.

(Section 121.021(30))

### ***Benefit Amount***

The normal retirement benefit accrued to the date of early retirement, reduced by 5/12% for each month that the early retirement date precedes the normal retirement date based upon age. The normal retirement date is as follows:

1. Special Risk Class members: Age 55
2. Members in all other Classes
  - a. Initially enrolled before July 1, 2011: Age 62
  - b. Initially enrolled on or after July 1, 2011: Age 65

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

## **Non-Duty Disability Retirement**

### ***Eligibility***

Members are eligible if totally and permanently disabled after completing at least eight years of creditable service (or after six years if disability retirement is ordered for a judge by the Supreme Court).

### ***Benefit Amount***

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

### ***Minimum Benefit Amount***

25% of average final compensation.

If the Supreme Court orders disability retirement for a judge, the minimum is two-thirds of compensation at disability. This benefit for a defined benefit plan member is not paid from the FRS Trust Fund. This benefit for an Investment Plan member is paid from the FRS Trust Fund after the member's IP account balance is transferred to the FRS Trust Fund.

(Section 121.091(4))

## **Line-of-Duty Disability**

### ***Eligibility***

Members are eligible if totally and permanently disabled during the actual performance of duty. There is no service credit requirement. This benefit for an Investment Plan member is paid from the FRS Trust Fund after the member's IP account balance is transferred to the FRS Trust Fund.

### ***Benefit Amount***

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

### ***Minimum Benefit Amount***

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

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

(Section 121.091(4))

### **Post-Retirement Death Benefits**

Based on the optional form elected.

### **Non-Duty Pre-Retirement Death Benefits**

#### ***Eligibility***

Employment is terminated by death after vested for all classes of membership.

#### ***Benefit Amount***

The normal or early retirement benefit amount for which the member would have been eligible had the member retired on his or her date of death and elected the 100% joint and survivor (Option 3) form of payment in favor of his or her beneficiary who is the surviving spouse or other eligible dependent. The monthly benefit is normally payable to the member's beneficiary for the beneficiary's lifetime. If the beneficiary is the member's non-disabled child, payment ceases upon attainment of the beneficiary's 25<sup>th</sup> birthday.

If the member is more than 10 years away from normal retirement eligibility, the reduction is 5% for each year the member would be younger than the normal retirement age at retirement. There are exceptions if within 10 years of normal retirement eligibility:

1. For members initially enrolled before July 1, 2011, who were within 10 years of normal retirement eligibility, the reduction for early retirement is applied from the earlier of age 62 (age 55 for Special Risk Class and Special Risk Administrative Support Class members) or the date on which the member would have completed 30 years of creditable service, had he or she continued employment.
2. For members initially enrolled on or after July 1, 2011, who were within 10 years of normal retirement eligibility, the reduction for early retirement is applied from the earlier of age 65 (age 55 for Special Risk Class and Special Risk Administrative Support Class members) or the date on which the member would have completed 33 years of creditable service, had he or she continued employment. The value of this benefit may not be less than the member's accumulated contributions, if any.

(Sections 121.091(3) and (7))



## **Line-of-Duty Pre-Retirement Death Benefits**

### ***Eligibility***

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

### ***Benefit Amount***

For members in all classes except the Special Risk Class, the surviving spouse will receive one-half of the member's base monthly compensation at death. If the spouse dies, or if there is no surviving spouse, the monthly benefits continue until the youngest child is 18.

For members in the Special Risk Class the surviving spouse will receive a benefit equal to 100% of the member's base monthly compensation at death. If there is no surviving spouse, the monthly benefits continue until the youngest child is age 18 and surviving child payments may be extended up to age 25 if the child is unmarried and enrolled as a full-time student.<sup>4</sup>

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

(Section 121.091(7))

## **Vesting**

### ***Eligibility***

For members initially enrolled before July 1, 2011, six years of creditable service for all classes of membership. For members initially enrolled on or after July 1, 2011, eight years of creditable service for all membership classes.

### ***Benefit Amount***

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

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

## **DROP – Deferred Retirement Option Program**

### ***Eligibility***

A member initially becomes eligible to enter DROP in the same month he or she first becomes eligible to file for unreduced immediate retirement benefits. Once eligible for unreduced immediate retirement, members have an unlimited eligibility window during which they can elect to enter the DROP. Retirement eligibility differs by tier and membership class and is reached via satisfying either service-only criteria or age-plus-service criteria.

Generally, the maximum length of DROP participation is eight years. As noted below, instructional personnel may participate in DROP for up to 24 calendar months beyond the 96-month period.

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<sup>4</sup> Effective July 1, 2016 and retroactive to the survivors of Special Risk Class members killed in the line of duty on or after July 1, 2013, the benefit increased from 50% to 100% of the member's base pay. Effective July 1, 2017 the same benefits were provided retroactively to the survivors of Special Risk Class members killed in the line of duty between July 1, 2002 and June 30, 2013.

### ***Benefit Amount***

Effective July 1, 1998, eligible members can retire without terminating their employment during DROP participation. Monthly retirement benefits will be invested in the FRS Trust Fund, earning tax-deferred interest while the member continues to work. Effective July 1, 2023 the member can continue to work for a maximum of 96 months. Effective July 1, 2023 the interest credit is 4.0% annually.<sup>5</sup> Upon completion of the maximum eight-year period, DROP participation ends and participants must terminate employment with all FRS employers. At that time, the participant will receive payment of the accumulated DROP benefits and begin receiving his FRS monthly retirement benefit (in the same amount as determined at retirement, plus annual cost-of-living increases).

Effective July 1, 2023, certain eligible personnel<sup>6</sup> can extend their participation beyond their initial 96-month period, for up to an additional 24 months. The employer must approve the request for DROP extension as well as the period of extension granted to an eligible DROP participant, if any, within the 24-month limit. Effective July 1, 2018, K-12 instructional personnel must complete their DROP at the end of the school year and K-12 school administrators whose DROP participation ends before the end of the school year may have their DROP participation extended to the end of that school year.

### ***Disabled While in DROP***

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

### ***Death While in DROP***

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

(Section 121.091 (13))

### **Return of Employee Contributions**

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

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

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

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<sup>5</sup> The interest credit for those entering the DROP prior to July 1, 2011 was 6.5% annually. For those entering the DROP on or after July 1, 2011 the interest credit was 1.3% annually through June 30, 2023. Effective July 1, 2023, the interest credit for those entering or currently in DROP was increased to 4.0% annually on a prospective basis as a result of Senate Bill 7024.

<sup>6</sup> For the purposes of this provision, "eligible personnel" includes: K-12 Instructional personnel as defined in Section 1012.01(2)(a)-(d), Administrative personnel as defined in Section 1012.01(3), and Administrative and instructional personnel as the Florida School for the Deaf and the Blind.

## **Cost-of-Living Adjustment**

Legislation enacted in 2011 eliminated post-retirement benefit increases on service credit earned on and after July 1, 2011. FRS Pension Plan members who retired before July 1, 2011 receive post-retirement benefit increases of 3% per year. Tier II members (those initially enrolled on and after July 1, 2011) will receive no post-retirement benefit increases. Tier I members (those initially enrolled before July 1, 2011) who retire after July 1, 2011 will receive individual post-retirement benefit increases equal to 3% per year multiplied by a fraction, the numerator of which is service through June 30, 2011 and the denominator of which is total service at retirement. Cost-of-Living Adjustments take effect annually on July 1. A pro-rated rate may apply in the initial year of applicability.

(Section 121.101)

## **Additional Benefit Amount**

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

### ***State and County Officers and Employees' Retirement System:***

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

### ***Teachers Retirement System:***

Plan E: 2.00%

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

## **Minimum Benefit**

### ***Eligibility***

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

### ***Benefit Amount***

An eligible benefit recipient will receive a benefit adjustment to bring the benefit to the calculated minimum benefit. Effective July 1, 2024, the minimum monthly benefit is \$38.55 multiplied by years of creditable service prior to application of the reduction factor for electing an optional form of payment. For retirements on or after July 1, 1987, creditable service for the minimum benefit calculation does not include any service earned on or after that date.

(Section 112.362)

## **Changes Since Prior Valuation**

There have been no material changes in system benefit provisions since the previous valuation.

## FRS Investment Plan (IP)

The FRS Investment Plan (IP) is a defined contribution plan offered to eligible members as an alternative to the FRS Pension Plan. The plan is qualified under sec. 401(a) of the Internal Revenue Code.

### Benefits

Under the IP, benefits accrue in individual member accounts funded by employer and employee contributions made on or after July 1, 2011, and earnings thereon. Benefits are provided through employee-directed investments offered by approved investment providers. Vested benefits are payable upon termination or death as a lump-sum distribution, direct rollover distribution, or periodic distribution. In addition to normal benefits and death benefits, the plan also provides disability coverage as described below.

(Sections 121.4501, 121.591)

### Contributions

The employer contributions deposited in each participant's IP account are based upon allocation rates established by law for each membership class. This statutorily prescribed percentage of the participant's gross compensation for the reporting month is deducted from the total amount paid by the employer on behalf of all members in the same class of membership based on the uniform contribution rate established by law. Current IP allocation rates are set forth in the following tables. The allocation rates shown in the first table below do not include the 0.06% charge for FRS Investment Plan administration and education, the separate employer contribution rates assessed to fund the IP disability program and ILOD survivor benefit program, or the contribution of 2.00% for the financing of the Florida Retiree Health Insurance Subsidy program.

The employer allocations to the IP accounts (net of 3.00% employee contributions) are based on contribution rates as follows:

Classification	2024-2025 Plan Year Rates
Regular	8.30%
Special Risk	16.00%
Special Risk Administrative Support	9.95%
Elected Officers'	
- Judicial	15.23%
- Leg/Atty/Cab	11.38%
- Local	13.34%
Senior Management Service	9.67%

(Sections 121.71, 121.72)

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

Classification	2024-2025 Plan Year Rates
Regular	0.25%
Special Risk	1.85%
Special Risk Administrative Support	0.45%
Elected Officers'	
- Judicial	0.73%
- Leg/Atty/Cab	0.41%
- Local	0.41%
Senior Management Service	0.26%

(Section 121.73)

The employer contribution rates to fund the line of duty death benefit under the IP are as follows:

Classification	2024-2025 Plan Year Rates
Regular	0.05%
Special Risk	1.26%
Special Risk Administrative Support	0.03%
Elected Officers'	
- Judicial	0.09%
- Leg/Atty/Cab	0.15%
- Local	0.20%
Senior Management Service	0.05%

(Section 121.735)

## Non-Duty Disability Retirement

### ***Eligibility***

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

### ***Benefit Amount***

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

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

## **Line-of-Duty Disability**

### ***Eligibility***

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

### ***Benefit Amount***

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

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

## **Line-of-Duty Death**

### ***Eligibility***

IP participants are eligible for in-line-of-duty death benefits if they die during the actual performance of duty while actively employed in an FRS-covered position. There is no service credit requirement for in-line-of-duty death benefits. The beneficiary of the IP member may choose either to retain the member's IP account balance or to surrender his/her account balance to the FRS Pension Plan and receive guaranteed monthly death benefits, payable for the life of the surviving spouse or, if the spouse dies or there is no spouse, until the 18<sup>th</sup> birthday of the member's youngest surviving child. Such payments may be extended until the 25<sup>th</sup> birthday of the youngest child of a Special Risk Class member if the child is unmarried and enrolled as a full-time student.

### ***Benefit Amount***

If the beneficiary of the IP participant elects to retain his/her account balance, he/she may elect to receive the normal benefit payable under the IP. If he/she elects to surrender the account balance and receive the annuity from the FRS Pension Plan, the amount of each monthly payment is calculated in the same manner as provided for line-of-duty death benefits under the FRS Pension Plan, and is subject to the same threshold benefit amounts.

(Sections 121.091(7), 121.591(1), (3) and (4))

## **Teachers' Retirement System (TRS)**

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

### **Effective Date**

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

(Section 238.02)

### **Membership**

All employees who were teachers in public schools, employees of professional non-profit teachers' associations, county superintendents, Department of Education employees and the staff of the Teachers' Retirement System, and who were employed prior to December 1, 1970, are members of the Teachers' Retirement System. The benefit and contribution provisions of the Statutes are set forth in Chapter 238 of the Florida Statutes. Certain provisions are drawn from other sections of the Florida Statutes. TRS retirees are included with the Regular Membership Class in the valuation.

## **State and County Officers and Employees' Retirement System (SCOERS)**

The benefit and contribution provisions of the Statutes are set forth in Chapter 122 of the Florida Statutes. Certain provisions are drawn from other sections of the Florida Statutes. This is a closed system that no longer includes any members in the high hazard or legislative categories. Effective with the July 1, 2013 valuation, there are no longer any actively employed members of this system. SCOERS retirees are included with the Regular Membership Class in the valuation.

### **Effective Date**

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

(Section 122.01(2))

### **Membership**

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

## **Institute of Food and Agricultural Sciences Supplemental Retirement Program (IFAS)**

The benefit and contribution provisions of the Statutes are set forth in Chapter 121 of the Florida Statutes. Certain provisions are drawn from other sections of the Florida Statutes. This is a closed system. IFAS retirees are included with the Regular Membership Class in the valuation.

### **Effective Date**

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

(Section 121.40)

### **Membership**

Employees hired on or before July 1, 1983 who:

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





1455 SW Broadway, Suite 1600  
Portland, OR 97201  
Tel 503 227 0634

1301 Fifth Ave, Suite 3800  
Seattle, WA 98101  
Tel 206 504 5695

milliman.com

December 6, 2024

Members of the Florida Legislature and of the Health Insurance Subsidy (HIS) Program

**Re: Actuary's Statement Regarding HIS Program 2024 Actuarial Valuation**

Dear Florida Legislators and HIS Program Members:

Milliman has conducted an actuarial valuation as of June 30, 2024 for the Florida Health Insurance Subsidy (HIS) program to assess program assets and liabilities as of that date. Full actuarial valuations for the HIS program are conducted every other year. In intervening years actuarial valuation results are estimated based on results of the previous year's valuation, with adjustment to reflect the passage of time and pertinent market conditions that affect valuation calculations. The most recent full actuarial valuation for HIS was as of June 30, 2024. Actuarial valuations of the HIS program serve two primary purposes:

- Compliance with standards mandated by the Governmental Accounting Standards Board (GASB) for program and participating employer financial reporting. These calculations are conducted annually in both the full and intervening year roll-forward valuations.
- Estimation of the employer program contribution rate necessary to provide complete funding of projected statutory benefits over the next five years on a pay-as-you-go basis if actual future program experience follows the demographic assumptions used in the valuation. These calculations are conducted every other year in the full actuarial valuation.

For GASB compliance, the relevant GASB standards are Statement No. 67 (for program financial reporting) and Statement No. 68 (for the financial reporting of participating employers). Under GASB 67 the unfunded liability of the program, which is referred to as the Net Pension Liability (NPL), was approximately \$15.0 billion as of June 30, 2024.

The Net Pension Liability decreased by approximately \$0.9 billion compared to the prior measurement as of June 30, 2023. The measured liability as of June 30, 2024 was estimated and based on the results of the valuation conducted as of June 30, 2024. The increase in the discount rate used to calculate the present value of projected future program benefit payments since the prior measurement along with modifications to assumptions regarding future participation levels of eligible Florida Investment Plan members were significant contributing causes to the decrease in NPL. Those assumption modifications were based on observed recent experience and set as part of the every-five-years actuarial experience study, which is conducted every five years.

The GASB standards mandate use of a market discount rate that reflects yields as of the measurement date on long-duration tax-exempt general obligation municipal bonds. In October 2024, the FRS Actuarial Assumption Conference formally re-adopted the Bond Buyer General Obligation 20-Bond Municipal Bond Index as the applicable municipal bond index. The bond index used to set the discount rate increased from 3.65% to 3.93% between measurement dates. All else being equal, the higher the discount rate used in a measurement, the lower the calculated program liability.

This work product was prepared solely for the Florida Department of Management Services for the purposes stated herein, and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.

December 6, 2024

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The current statutory program contribution rate is 2.00% of employer payroll and the program is effectively funded on a pay-as-you-go basis. The most recently conducted full valuation estimated that if actual future experience matches the valuation's assumptions, including 3.50% annual growth in employer payroll, the current statutory rate will be sufficient to provide complete pay-as-you-go funding of program benefits over the five-year period commencing June 30, 2024. The full valuation report illustrates the sensitivity of the pay-as-you-go contribution rate to actual payroll growth. As illustrated in the most recent valuation report, having benefit payments greater than projection or having actual payroll growth less than 3.50% could lead to the current statutory contribution rate of 2.00% being less than fully sufficient within the next five years.

Actuarial assumptions are needed to estimate the future economic and demographic experience of the program. Any deviations between actual and assumed future experience will result in corresponding changes in the ongoing costs of the program. The 2024 valuation of the HIS program uses the same demographic and pay-related assumptions used in the FRS valuation as of July 1, 2024. Details on the development of FRS assumptions can be found in our October 2024 presentation materials to the 2024 FRS Actuarial Assumption Conference and our formal 2024 Experience Study report, which will be issued in December 2024. The actuarial assumptions are based on Milliman's most recent review of the system's experience, which was for the observation period from July 1, 2018 through June 30, 2023.

Additionally, the HIS valuation uses coverage election assumptions specific to the HIS program, which were developed based on recent experience of the program and standard actuarial sources. The coverage election assumptions specific to Investment Plan members were updated with this valuation to better reflect recent and anticipated future experience of program participants. The actuarial assumptions used in performing the July 1, 2024 full valuation of the HIS were approved by the 2024 FRS Actuarial Assumption Conference.

We believe the assumptions used are reasonable, and that the assumptions and methods used in performing the GASB calculations meet the parameters set by GASB Statement No. 67, *Financial Reporting for Pension Plans*.

The results of the valuation report are dependent upon future experience conforming to the valuation's assumptions. Future actuarial measurements may differ significantly from the current measurements presented in the valuation report due to many factors, including: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period) and changes in program provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements.

In performing the actuarial valuation, we relied without audit upon the financial statements, membership data, and other cost and benefit provisions information furnished by the Florida Department of Management Services, Division of Retirement. Although membership data was subjected to standard editing procedures and the other information was reviewed for reasonableness, Milliman 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 Florida Department of Management Services, Division of Retirement. This

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December 6, 2024

Page 3

information includes, but is not limited to, statutory provisions, employee census, and financial information. In our examination of this data, we have found it to be reasonably consistent and comparable with data used for other purposes. Since valuation results are dependent on the integrity of the data supplied, results can be expected to differ if the underlying data is incomplete or missing. It should be noted that if any data or other information is inaccurate or incomplete, our calculations may need to be revised.

The valuation report was prepared exclusively for the Florida Department of Management Services, Division of Retirement for a specific and limited purpose. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. It is a complex, technical analysis that assumes a high level of knowledge concerning the program's operations, and uses data provided by the Florida Department of Management Services, Division of Retirement, which Milliman has not audited.

The valuation results were developed using models intended for valuations that use standard actuarial techniques.

Milliman does not intend to benefit or create a legal duty to any third-party recipient of the valuation report. No third-party recipient of Milliman's work product should rely upon the valuation report. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

The consultants who worked on this assignment are actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

The signing actuary is independent of the plan sponsors. I am not aware of any relationship that would impair the objectivity of Milliman's work.

The actuarial valuation report was prepared and completed by me and those under my direct supervision, and I acknowledge responsibility for the results. In my opinion the techniques and assumptions used are reasonable. There is no benefit provision or related expense to be provided by the program and/or paid from the program's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation report.

To the best of my knowledge, there were no known events that were not taken into account in the valuation report. On the basis of the foregoing, I hereby certify that, to the best of my knowledge and belief, the valuation report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with Actuarial Standards of Practice, the *Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States*, published by the American Academy of Actuaries. I am a member of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

Respectfully submitted,



Matt Larrabee, FSA, EA, MAAA

Principal & Consulting Actuary

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1455 SW Broadway, Suite 1600  
Portland, OR 97201  
Tel 503 227 0634

1301 Fifth Ave, Suite 3800  
Seattle, WA 98101  
Tel 206 504 5695

milliman.com

December 6, 2024

Members of the Florida Legislature and of the Florida National Guard

**Re: Actuary's Statement Regarding Florida National Guard Supplemental Retirement Benefit 2024 Actuarial Valuation**

Dear Florida Legislators and Florida National Guard Members:

Milliman has conducted an actuarial valuation as of June 30, 2024 for the Florida National Guard Supplemental Retirement Benefit program. The first full actuarial valuation for the program was conducted as of June 30, 2014, and full valuations for the program are conducted every other year. In intervening years actuarial valuation results are estimated based on results for the previous year's valuation, with adjustment to reflect pertinent market conditions that affect valuation calculations. The valuation as of June 30, 2024 was a full valuation.

The program is funded on a pay-as-you-go basis, so rather than program funding, the sole purpose of the actuarial valuation is for compliance with standards mandated by the Governmental Accounting Standards Board (GASB) for program financial reporting. For GASB compliance, the relevant GASB standards are Statement No. 67 (for program financial reporting) and Statement No. 68 (for financial reporting by the sponsoring employer). Under GASB 67 the unfunded liability of the program, which is referred to as the Net Pension Liability (NPL), was approximately \$615 million as of June 30, 2024.

The Net Pension Liability (NPL) increased by approximately \$6 million compared to the prior measurement as of June 30, 2023. The measured liability as of June 30, 2023 was estimated and based on the results of the valuation conducted as of June 30, 2022. This year-over-year increase was caused by expected increases in the NPL due to service cost and interest cost, and unexpected increase in the NPL due to higher salary increases than expected. The combined increases in NPL were mostly offset by a combined decrease in NPL due to assumption changes. The assumed retirement benefit as a percent of the member's salary at the highest rank attained was decreased based on recent observed experience. This caused a decrease in NPL of \$20.2 million. The discount rate assumption changed from 3.65% to 3.93%, causing a decrease in NPL of \$32.5 million. The mortality assumptions were updated, causing an increase in NPL of \$18.1 million.

GASB standards mandate use of a market discount rate that reflects yields as of the measurement date on long-duration tax-exempt general obligation municipal bonds. In October 2024, the FRS Actuarial Assumption Conference formally re-adopted the Bond Buyer General Obligation 20-Bond Municipal Bond Index as the applicable municipal bond index. The bond index used to set the discount rate increased from 3.65% to 3.93% between measurement dates. All else being equal, the higher the discount rate used in a measurement, the lower the calculated program liability.

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Actuarial assumptions are needed to estimate the future economic and demographic experience of the program. Any deviations between actual and expected future experience will result in corresponding changes in the ongoing costs of the program. The demographic actuarial assumptions were developed from recent turnover, retirement and promotion experience for National Guard personnel, from mortality experience for FRS Pension Plan members, and from standard actuarial sources.

We believe the assumptions used are reasonable, and that the assumptions and methods used in performing the GASB calculations meet the parameters set by GASB Statement No. 67, *Financial Reporting for Pension Plans*.

The results of the valuation report are dependent upon future experience conforming to these assumptions. Future actuarial measurements may differ significantly from the current measurements presented in the valuation report due to many factors, including: program experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period) and changes in program provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements.

In performing the valuation, we relied without audit upon the financial statements, membership data, and other cost and benefits provision information furnished by the Florida Department of Management Services, Division of Retirement. Although membership data, some of which was provided to the Division of Retirement by the Florida Department of Military Affairs, was subjected to standard editing procedures and was reviewed for reasonableness, Milliman 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 Florida Department of Management Services, Division of Retirement. This information includes, but is not limited to, statutory provisions, program membership census, and financial information. In our examination of this data, we have found it to be reasonably consistent and comparable with data used for other purposes. Since valuation results are dependent on the integrity of the data supplied, results can be expected to differ if the underlying data is incomplete or missing. It should be noted that if any data or other information is inaccurate or incomplete, our calculations may need to be revised.

The valuation report was prepared exclusively for the Florida Department of Management Services, Division of Retirement for a specific and limited purpose. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. It is a complex, technical analysis that assumes a high level of knowledge concerning the program's operations, and uses data provided by the Florida Department of Management Services, Division of Retirement, which Milliman has not audited.

The valuation results were developed using models intended for valuations that use standard actuarial techniques.

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The signing actuary is independent of the plan sponsors. I am not aware of any relationship that would impair the objectivity of Milliman's work.

The actuarial valuation was prepared and completed by me and those under my direct supervision, and I acknowledge responsibility for the results. In my opinion the techniques and assumptions used are reasonable. There is no benefit provision or related expense to be provided by the program and/or paid from the program's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation.

To the best of my knowledge, there were no known events that were not taken into account in the valuation. On the basis of the foregoing, I hereby certify that, to the best of my knowledge and belief, the valuation report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with Actuarial Standards of Practice, the *Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States*, published by the American Academy of Actuaries. I am a member of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

Respectfully submitted,



Matt Larrabee, FSA, EA, MAAA  
Principal & Consulting Actuary

# STATISTICAL SECTION



**KNOTT HOUSE MUSEUM (TALLAHASSEE, FL)  
CA. 1843**

## MEMBERSHIP AND PAYROLL

As of June 30

### TOTAL FRS MEMBERSHIP

	2023 <sup>1</sup>	2024 <sup>1</sup>	% Change
Members	646,277	659,333	2.02
Annual Payroll <sup>2</sup>	\$ 39,397,350,166	\$ 41,720,265,457	5.90
Average Annual Salary	\$ 56,250	\$ 58,538	4.07

### FRS INVESTMENT PLAN MEMBERSHIP

	2023 <sup>1</sup>	2024 <sup>1</sup>	% Change
Members	204,461	230,666	12.82
Annual Payroll <sup>2</sup>	\$ 12,829,788,244	\$ 14,463,010,797	12.73
Average Annual Salary	\$ 50,170	\$ 51,742	3.13

### FRS PENSION PLAN MEMBERSHIP

	2023 <sup>1</sup>	2024 <sup>1</sup>	% Change
Members	441,816	428,667	(2.98)
Annual Payroll <sup>2</sup>	\$ 26,567,561,922	\$ 27,257,254,660	2.60
Average Annual Salary	\$ 59,063	\$ 62,194	5.30

## ANNUITANTS AND BENEFIT PAYMENTS FOR THE FRS PENSION PLAN

As of June 30

### TOTAL ANNUITANTS

	2023 <sup>1</sup>	2024 <sup>1</sup>	% Change
Annuityants	455,601	459,428	0.84
Benefit Payments (Annualized)	\$ 11,702,730,031	\$ 12,089,101,596	3.30
Average Benefits (Annualized)	\$ 25,686	\$ 26,313	2.44

### NON-DISABLED ANNUITANTS

	2023 <sup>1</sup>	2024 <sup>1</sup>	% Change
Annuityants	441,102	445,257	0.94
Benefit Payments (Annualized)	\$ 11,435,909,811	\$ 11,819,710,278	3.36
Average Benefits (Annualized)	\$ 25,926	\$ 26,546	2.39

### DISABLED ANNUITANTS

	2023 <sup>1</sup>	2024 <sup>1</sup>	% Change
Annuityants	14,499	14,171	(2.26)
Benefit Payments (Annualized)	\$ 266,820,220	\$ 269,391,319	0.96
Average Benefits (Annualized)	\$ 18,403	\$ 19,010	3.30

## DROP PARTICIPANTS, PAYROLL, AND ACCRUED LIABILITY

As of June 30

### TOTAL DROP PARTICIPANTS

	2023	2024	% Change
DROP Participants	27,767	29,017	4.50
Annual Payroll	\$ 2,081,810,006	\$ 2,325,192,517	11.69
Average Annual Salary	\$ 74,974	\$ 80,132	6.88
DROP Accrued Liability	\$ 2,491,841,580	\$ 3,058,678,544	22.75

<sup>1</sup> Excludes DROP participants.

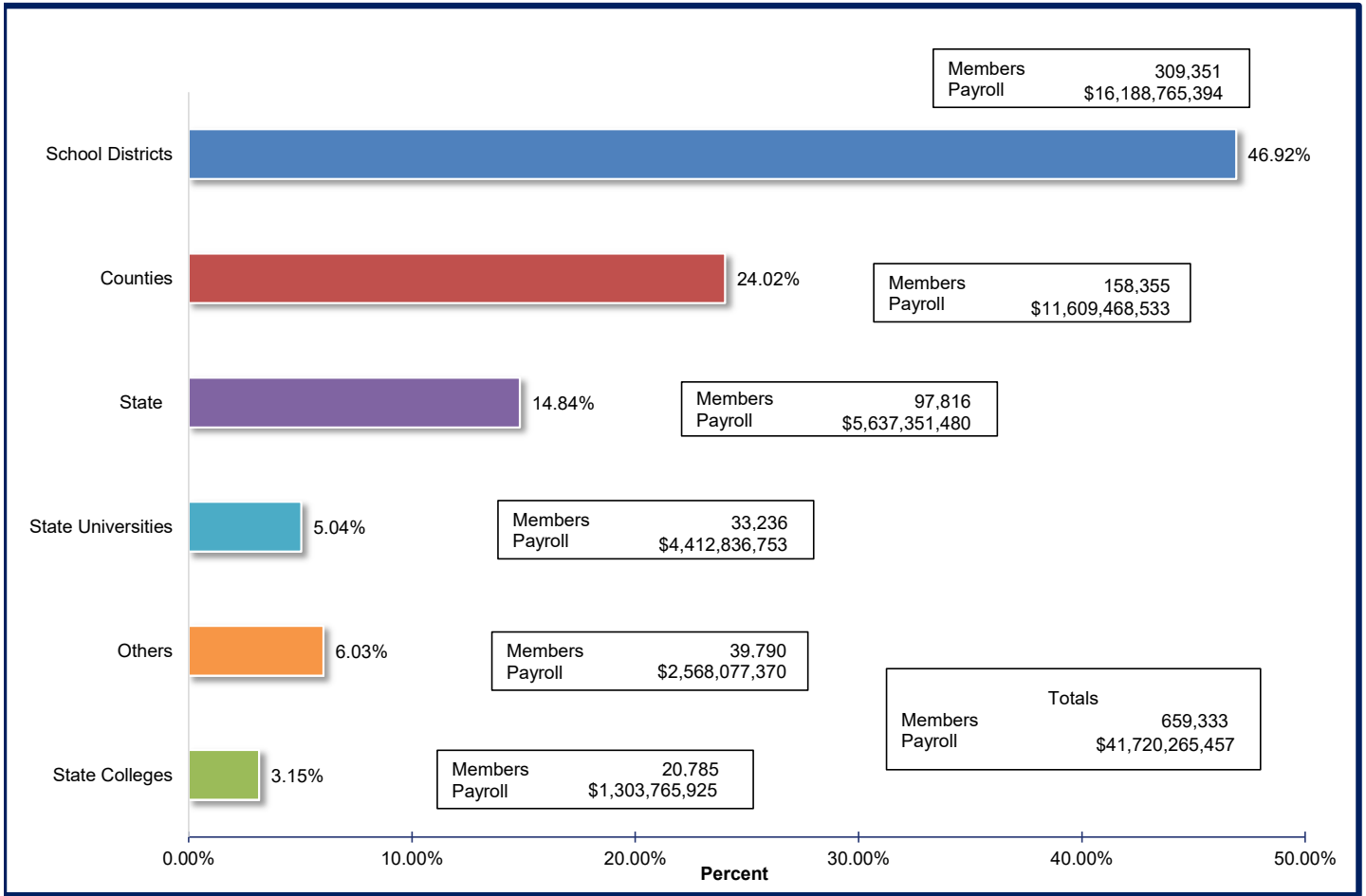
<sup>2</sup> Totals include non-member funding payroll. Non-member funding payroll includes SUSORP, SCCSORP, and SMSOAP payrolls.

• Totals may not foot due to rounding.



**SOURCE OF FRS MEMBERSHIP<sup>1</sup> AND COVERED PAYROLL<sup>2</sup>  
BY EMPLOYER GROUP<sup>3</sup> FOR FISCAL YEAR 2023-24**

% = Percent of Total Active Members



<sup>1</sup> Includes both FRS Pension Plan and Investment Plan members and excludes DROP participants.

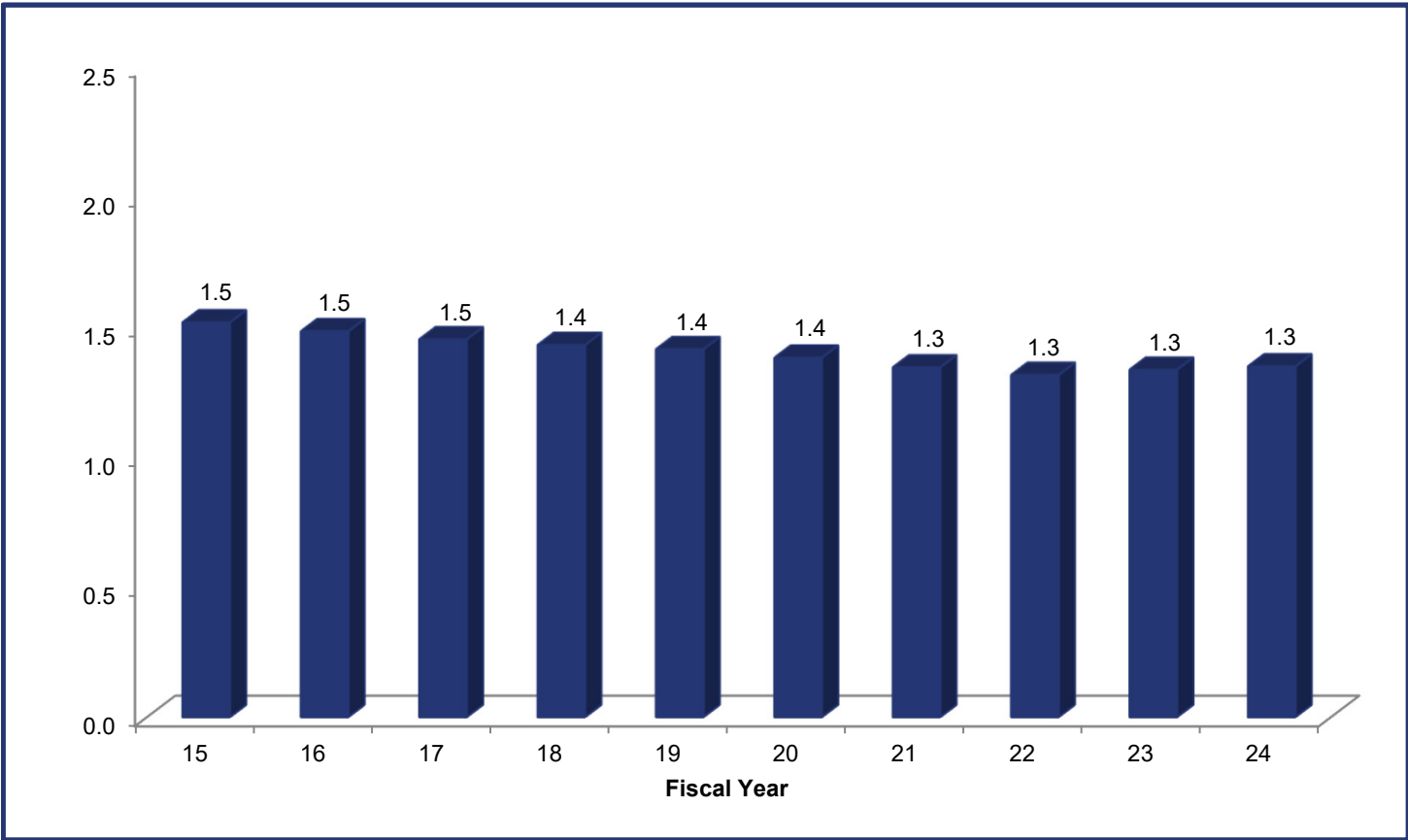
<sup>2</sup> Totals include non-member funding payroll. Non-member funding payroll includes SUSORP, SCCSORP, and SMSOAP payrolls.

<sup>3</sup> Others include Cities, Special Districts, Charter Schools, Housing Authorities, and Independent Hospitals.

• Totals may not foot due to rounding.

# RATIO OF FRS ACTIVE MEMBERS TO RETIREES<sup>1</sup>

2015-2024



<sup>1</sup> Includes DROP participants.

## ACTIVE FRS MEMBERS BY SYSTEM/CLASS<sup>1</sup>

As of June 30

System/Class	2020	2021	2022	2023	2024
FRS Regular	550,053	541,698	537,128	550,931	560,396
FRS Senior Management Service	7,771	7,875	7,610	7,714	7,819
FRS Special Risk	75,161	74,355	72,925	75,495	77,990
FRS Special Risk Adm. Sup.	107	98	104	93	102
FRS Elected Officers'	2,040	2,095	2,075	2,105	2,086
<b>Renewed Membership</b>					
Regular	7,691	7,645	7,806	8,433	9,247
Senior Management Service	209	220	210	227	248
Special Risk	1,182	1,163	1,100	1,168	1,328
Special Risk Adm. Sup.	1	1	1	1	4
Elected Officers'	113	110	109	106	110
<b>Subtotal</b>	<b>644,328</b>	<b>635,260</b>	<b>629,068</b>	<b>646,273</b>	<b>659,330</b>
TRS	8	5	4	4	3
IFAS	2	1	1	-	-
<b>Subtotal</b>	<b>10</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>3</b>
<b>Grand Total</b>	<b>644,338</b>	<b>635,266</b>	<b>629,073</b>	<b>646,277</b>	<b>659,333</b>

## ANNUAL FRS PAYROLL BY SYSTEM/CLASS<sup>1,2</sup>

As of June 30

System/Class	2020	2021	2022	2023	2024
FRS Regular	\$ 27,905,141,463	\$ 28,325,850,890	\$ 29,126,383,663	\$ 31,462,703,901	\$ 33,207,267,048
FRS Senior Management Service	772,870,192	803,329,129	824,335,420	918,163,496	992,254,317
FRS Special Risk	5,040,982,910	5,278,947,000	5,451,709,307	6,153,256,877	6,560,327,590
FRS Special Risk Adm. Sup.	5,302,775	5,408,200	5,381,322	5,805,097	6,476,898
FRS Elected Officers'	196,978,069	203,963,996	211,724,251	228,688,322	241,260,441
<b>Renewed Membership</b>					
Regular	399,720,462	412,394,739	437,565,988	504,255,812	570,128,830
Senior Management Service	23,412,748	24,059,273	24,318,099	25,892,578	30,376,243
Special Risk	64,739,131	69,947,086	104,628,642	87,464,920	100,102,925
Special Risk Adm. Sup.	13,253	42,666	42,745	99,073	201,293
Elected Officers'	8,685,376	9,351,824	9,548,193	10,511,927	11,489,536
<b>Subtotal</b>	<b>34,417,846,379</b>	<b>35,133,294,804</b>	<b>36,195,637,631</b>	<b>39,396,842,003</b>	<b>41,719,885,119</b>
TRS	810,322	521,214	470,955	427,361	380,338
IFAS	414,829	180,724	143,689	80,801	-
<b>Subtotal</b>	<b>1,225,151</b>	<b>701,938</b>	<b>614,644</b>	<b>508,163</b>	<b>380,338</b>
<b>Grand Total</b>	<b>\$ 34,419,071,531</b>	<b>\$ 35,133,996,743</b>	<b>\$ 36,196,252,275</b>	<b>\$ 39,397,350,166</b>	<b>\$ 41,720,265,457</b>
<b>Average</b>	<b>\$ 48,784</b>	<b>\$ 50,395</b>	<b>\$ 52,412</b>	<b>\$ 56,250</b>	<b>\$ 58,538</b>

## MEMBERS' REQUIRED CONTRIBUTIONS BY SYSTEM/CLASS<sup>1,2</sup>

As of June 30

System/Class	2020	2021	2022	2023	2024
FRS Regular	\$ 827,310,597	\$ 840,074,711	\$ 863,713,215	\$ 932,618,808	\$ 983,968,678
FRS Senior Management Service	22,315,205	23,130,184	23,780,431	26,519,865	28,669,362
FRS Special Risk	150,272,170	157,086,156	163,284,693	183,356,574	195,273,951
FRS Special Risk Adm. Sup.	9,603	162,246	161,439	174,153	194,308
FRS Elected Officers'	5,727,263	5,907,094	6,114,157	6,594,088	6,927,251
<b>Renewed Membership</b>					
Regular	11,900,608	12,280,015	13,027,885	15,028,569	17,016,713
Senior Management Service	668,835	701,846	720,177	759,482	898,207
Special Risk	1,941,278	2,096,091	2,186,125	2,623,915	3,001,641
Special Risk Adm. Sup.	398	1,280	1,282	2,972	6,039
Elected Officers'	260,560	280,554	286,445	315,360	344,687
<b>Subtotal</b>	<b>1,020,406,516</b>	<b>1,041,720,178</b>	<b>1,073,275,850</b>	<b>1,167,993,786</b>	<b>1,236,300,836</b>
TRS	50,645	32,576	29,435	26,714	23,771
IFAS	-	-	-	-	-
<b>Subtotal</b>	<b>50,645</b>	<b>32,576</b>	<b>29,435</b>	<b>26,714</b>	<b>23,771</b>
<b>Grand Total</b>	<b>\$ 1,020,457,161</b>	<b>\$ 1,041,752,754</b>	<b>\$ 1,073,305,285</b>	<b>\$ 1,168,020,500</b>	<b>\$ 1,236,324,607</b>

<sup>1</sup> Includes both FRS Pension Plan and Investment Plan members and excludes DROP participants.

<sup>2</sup> Totals include non-member funding payroll. Non-member funding payroll includes SUSORP, SCCSORP, and SMSOAP payrolls.

• Totals may not foot due to rounding.

## PROFILE OF ACTIVE FRS MEMBERS

As of June 30, 2024

Years of Service	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 1 Year	32,466	24,931	57,397	7,837	5,584	13,421	24,629	19,347	43,976
1 - 5	134,447	80,909	215,356	19,693	13,079	32,772	114,754	67,830	182,584
6 - 9	67,527	42,722	110,249	9,202	6,442	15,644	58,325	36,280	94,605
10 - 19	101,489	59,668	161,157	12,632	8,729	21,361	88,857	50,939	139,796
20 - 29	65,656	34,202	99,858	7,335	4,909	12,244	58,321	29,293	87,614
30 or More Years	9,821	5,495	15,316	1,432	942	2,374	8,389	4,553	12,942
<b>Total</b>	<b>411,406</b>	<b>247,927</b>	<b>659,333</b>	<b>58,131</b>	<b>39,685</b>	<b>97,816</b>	<b>353,275</b>	<b>208,242</b>	<b>561,517</b>

Age Range	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 30	52,696	37,484	90,180	10,403	7,730	18,133	42,293	29,754	72,047
30 - 39	86,301	56,875	143,176	13,619	10,022	23,641	72,682	46,853	119,535
40 - 49	108,384	58,707	167,091	13,727	8,609	22,336	94,657	50,098	144,755
50 - 59	112,413	60,290	172,703	13,933	8,658	22,591	98,480	51,632	150,112
60 - 69	46,129	29,031	75,160	5,800	4,038	9,838	40,329	24,993	65,322
70 and Over	5,483	5,540	11,023	649	628	1,277	4,834	4,912	9,746
<b>Total</b>	<b>411,406</b>	<b>247,927</b>	<b>659,333</b>	<b>58,131</b>	<b>39,685</b>	<b>97,816</b>	<b>353,275</b>	<b>208,242</b>	<b>561,517</b>

	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Average Age	45.13	44.53	44.90	43.19	42.64	42.97	45.45	44.89	45.24
Average Years of Service	10.60	10.00	10.38	9.44	9.34	9.40	10.80	10.13	10.55
Average Annual Salary	\$53,588	\$66,751	\$58,538	\$53,236	\$61,839	\$56,726	\$53,646	\$67,687	\$58,853
Percentage Entitled to a Benefit if Terminated June 30, 2024	76.9%	69.8%	74.2%	68.3%	63.6%	66.4%	78.3%	71.0%	75.6%

<sup>1</sup> Non-State Membership: School Boards, Counties, State Universities, State Colleges, Cities, Special Districts, Charter Schools, Housing Authorities, and Independent Hospitals.

## PROFILE OF ACTIVE FRS INVESTMENT PLAN MEMBERS

As of June 30, 2024

Years of Service	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 1 Year	8,109	5,591	13,700	1,828	1,077	2,905	6,281	4,514	10,795
1 - 5	91,795	45,424	137,219	12,005	6,389	18,394	79,790	39,035	118,825
6 - 9	20,185	10,887	31,072	2,595	1,821	4,416	17,590	9,066	26,656
10 - 19	21,378	11,456	32,834	2,740	1,871	4,611	18,638	9,585	28,223
20 - 29	7,584	4,803	12,387	1,093	874	1,967	6,491	3,929	10,420
30 or More Years	1,989	1,465	3,454	329	262	591	1,660	1,203	2,863
<b>Total</b>	<b>151,040</b>	<b>79,626</b>	<b>230,666</b>	<b>20,590</b>	<b>12,294</b>	<b>32,884</b>	<b>130,450</b>	<b>67,332</b>	<b>197,782</b>

Age Range	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 30	30,580	15,035	45,615	4,935	2,532	7,467	25,645	12,503	38,148
30 - 39	35,402	18,005	53,407	5,337	3,181	8,518	30,065	14,824	44,889
40 - 49	34,996	15,803	50,799	4,300	2,425	6,725	30,696	13,378	44,074
50 - 59	30,300	16,380	46,680	3,674	2,361	6,035	26,626	14,019	40,645
60 - 69	16,807	11,272	28,079	2,048	1,487	3,535	14,759	9,785	24,544
70 and Over	2,955	3,131	6,086	296	308	604	2,659	2,823	5,482
<b>Total</b>	<b>151,040</b>	<b>79,626</b>	<b>230,666</b>	<b>20,590</b>	<b>12,294</b>	<b>32,884</b>	<b>130,450</b>	<b>67,332</b>	<b>197,782</b>

	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Average Age	42.86	44.48	43.42	41.28	42.89	41.88	43.11	44.77	43.68
Average Years of Service	6.46	6.90	6.62	6.44	7.33	6.78	6.47	6.82	6.59
Average Annual Salary	\$47,976	\$58,885	\$51,742	\$51,283	\$60,119	\$54,586	\$47,454	\$58,660	\$51,269
Percentage Entitled to a Benefit if Terminated June 30, 2024	94.6%	93.0%	94.1%	91.1%	91.2%	91.2%	95.2%	93.3%	94.5%

<sup>1</sup> Non-State Membership: School Boards, Counties, State Universities, State Colleges, Cities, Special Districts, Charter Schools, Housing Authorities, and Independent Hospitals.

## PROFILE OF ACTIVE FRS PENSION PLAN MEMBERS

As of June 30, 2024

Years of Service	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 1 Year	24,357	19,340	43,697	6,009	4,507	10,516	18,348	14,833	33,181
1 - 5	42,652	35,485	78,137	7,688	6,690	14,378	34,964	28,795	63,759
6 - 9	47,342	31,835	79,177	6,607	4,621	11,228	40,735	27,214	67,949
10 - 19	80,111	48,212	128,323	9,892	6,858	16,750	70,219	41,354	111,573
20 - 29	58,072	29,399	87,471	6,242	4,035	10,277	51,830	25,364	77,194
30 or More Years	7,832	4,030	11,862	1,103	680	1,783	6,729	3,350	10,079
<b>Total</b>	<b>260,366</b>	<b>168,301</b>	<b>428,667</b>	<b>37,541</b>	<b>27,391</b>	<b>64,932</b>	<b>222,825</b>	<b>140,910</b>	<b>363,735</b>

Age Range	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 30	22,116	22,449	44,565	5,468	5,198	10,666	16,648	17,251	33,899
30 - 39	50,899	38,870	89,769	8,282	6,841	15,123	42,617	32,029	74,646
40 - 49	73,388	42,904	116,292	9,427	6,184	15,611	63,961	36,720	100,681
50 - 59	82,113	43,910	126,023	10,259	6,297	16,556	71,854	37,613	109,467
60 - 69	29,322	17,759	47,081	3,752	2,551	6,303	25,570	15,208	40,778
70 and Over	2,528	2,409	4,937	353	320	673	2,175	2,089	4,264
<b>Total</b>	<b>260,366</b>	<b>168,301</b>	<b>428,667</b>	<b>37,541</b>	<b>27,391</b>	<b>64,932</b>	<b>222,825</b>	<b>140,910</b>	<b>363,735</b>

	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Average Age	46.44	44.55	45.70	44.24	42.53	43.52	46.82	44.95	46.09
Average Years of Service	13.01	11.47	12.40	11.08	10.25	10.73	13.33	11.71	12.70
Average Annual Salary	\$56,844	\$70,472	\$62,194	\$54,307	\$62,611	\$57,810	\$57,271	\$72,000	\$62,977
Percentage Entitled to a Benefit if Terminated June 30, 2024	66.6%	58.8%	63.6%	55.7%	51.2%	53.8%	68.5%	60.3%	65.3%

<sup>1</sup> Non-State Membership: School Boards, Counties, State Universities, State Colleges, Cities, Special Districts, Charter Schools, Housing Authorities, and Independent Hospitals.

**PROFILE OF ACTIVE FRS PENSION PLAN MEMBERS  
INITIALLY ENROLLED BEFORE JULY 1, 2011**

As of June 30, 2024

Years of Service	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 1 Year	171	134	305	37	31	68	134	103	237
1 - 5	3,686	1,759	5,445	654	303	957	3,032	1,456	4,488
6 - 9	6,251	2,742	8,993	913	448	1,361	5,338	2,294	7,632
10 - 19	59,051	33,847	92,898	7,376	4,947	12,323	51,675	28,900	80,575
20 - 29	58,071	29,385	87,456	6,242	4,035	10,277	51,829	25,350	77,179
30 or More Years	7,832	4,030	11,862	1,103	680	1,783	6,729	3,350	10,079
<b>Total</b>	<b>135,062</b>	<b>71,897</b>	<b>206,959</b>	<b>16,325</b>	<b>10,444</b>	<b>26,769</b>	<b>118,737</b>	<b>61,453</b>	<b>180,190</b>

Age Range	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 30	7	1	8	1	-	1	6	1	7
30 - 39	8,932	6,033	14,965	1,065	933	1,998	7,867	5,100	12,967
40 - 49	44,351	24,869	69,220	5,185	3,404	8,589	39,166	21,465	60,631
50 - 59	59,154	28,700	87,854	7,209	4,145	11,354	51,945	24,555	76,500
60 - 69	20,737	10,748	31,485	2,576	1,720	4,296	18,161	9,028	27,189
70 and Over	1,881	1,546	3,427	289	242	531	1,592	1,304	2,896
<b>Total</b>	<b>135,062</b>	<b>71,897</b>	<b>206,959</b>	<b>16,325</b>	<b>10,444</b>	<b>26,769</b>	<b>118,737</b>	<b>61,453</b>	<b>180,190</b>

	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Average Age	51.65	51.24	51.51	51.88	51.52	51.74	51.62	51.20	51.47
Average Years of Service	19.88	19.75	19.83	19.49	19.60	19.53	19.94	19.77	19.88
Average Annual Salary	\$64,344	\$83,557	\$71,018	\$61,498	\$74,045	\$66,393	\$64,735	\$85,173	\$71,705
Percentage Entitled to a Benefit if Terminated June 30, 2024	97.1%	97.4%	97.2%	95.8%	96.8%	96.2%	97.3%	97.5%	97.4%

<sup>1</sup> Non-State Membership: School Boards, Counties, State Universities, State Colleges, Cities, Special Districts, Charter Schools, Housing Authorities, and Independent Hospitals.

**PROFILE OF ACTIVE FRS PENSION PLAN MEMBERS  
INITIALLY ENROLLED ON OR AFTER JULY 1, 2011**

As of June 30, 2024

Years of Service	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 1 Year	24,186	19,206	43,392	5,972	4,476	10,448	18,214	14,730	32,944
1 - 3	25,125	22,113	47,238	4,759	4,437	9,196	20,366	17,676	38,042
4 - 7	33,729	26,086	59,815	5,204	4,126	9,330	28,525	21,960	50,485
8 - 19	42,263	28,985	71,248	5,281	3,908	9,189	36,982	25,077	62,059
20 - 32	1	14	15	-	-	-	1	14	15
33 or More Years	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>125,304</b>	<b>96,404</b>	<b>221,708</b>	<b>21,216</b>	<b>16,947</b>	<b>38,163</b>	<b>104,088</b>	<b>79,457</b>	<b>183,545</b>

Age Range	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 30	22,109	22,448	44,557	5,467	5,198	10,665	16,642	17,250	33,892
30 - 39	41,967	32,837	74,804	7,217	5,908	13,125	34,750	26,929	61,679
40 - 49	29,037	18,035	47,072	4,242	2,780	7,022	24,795	15,255	40,050
50 - 59	22,959	15,210	38,169	3,050	2,152	5,202	19,909	13,058	32,967
60 - 69	8,585	7,011	15,596	1,176	831	2,007	7,409	6,180	13,589
70 and Over	647	863	1,510	64	78	142	583	785	1,368
<b>Total</b>	<b>125,304</b>	<b>96,404</b>	<b>221,708</b>	<b>21,216</b>	<b>16,947</b>	<b>38,163</b>	<b>104,088</b>	<b>79,457</b>	<b>183,545</b>

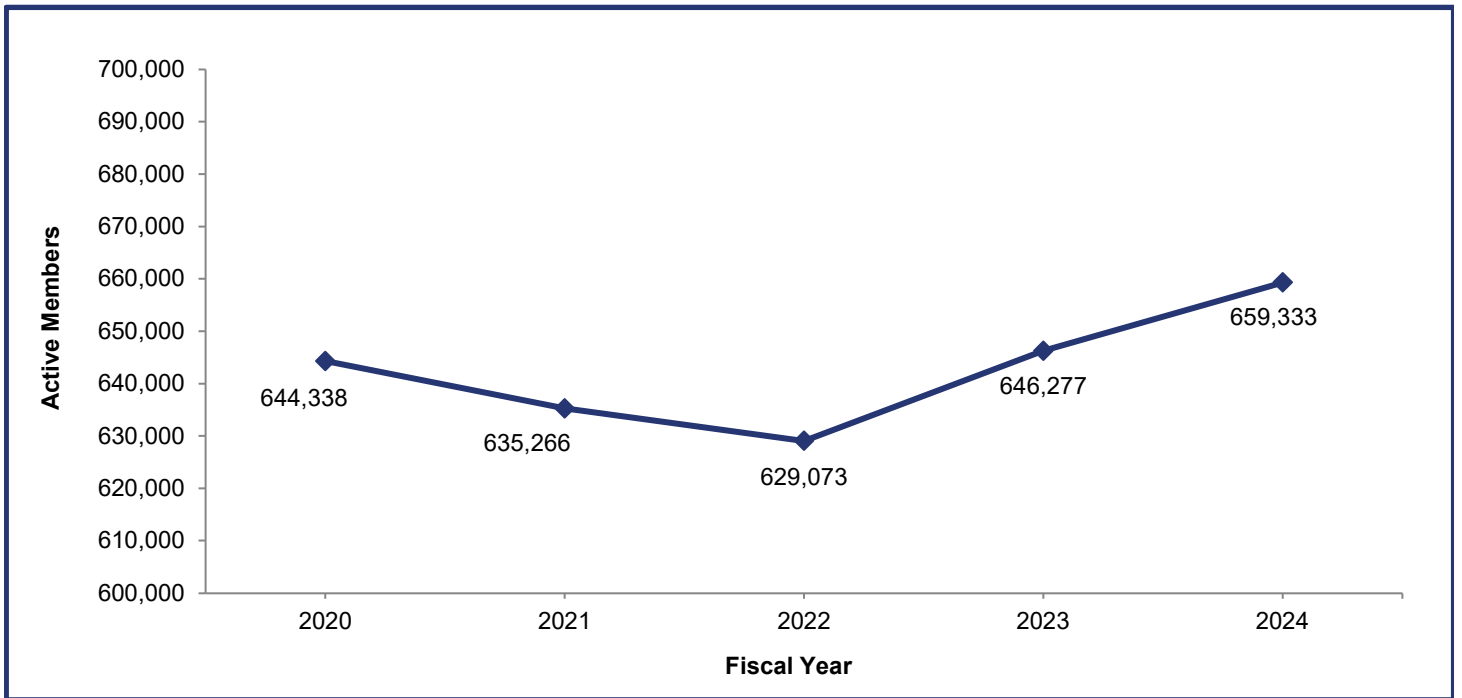
	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Average Age	40.83	39.57	40.28	38.36	36.99	37.75	41.34	40.12	40.81
Average Years of Service	5.59	5.30	5.47	4.62	4.48	4.56	5.79	5.47	5.66
Average Annual Salary	\$48,760	\$60,713	\$53,958	\$48,773	\$55,564	\$51,789	\$48,757	\$61,812	\$54,408
Percentage Entitled to a Benefit if Terminated June 30, 2024	33.7%	30.1%	32.1%	24.9%	23.1%	24.1%	35.5%	31.6%	33.8%

<sup>1</sup> Non-State Membership: School Boards, Counties, State Universities, State Colleges, Cities, Special Districts, Charter Schools, Housing Authorities, and Independent Hospitals.



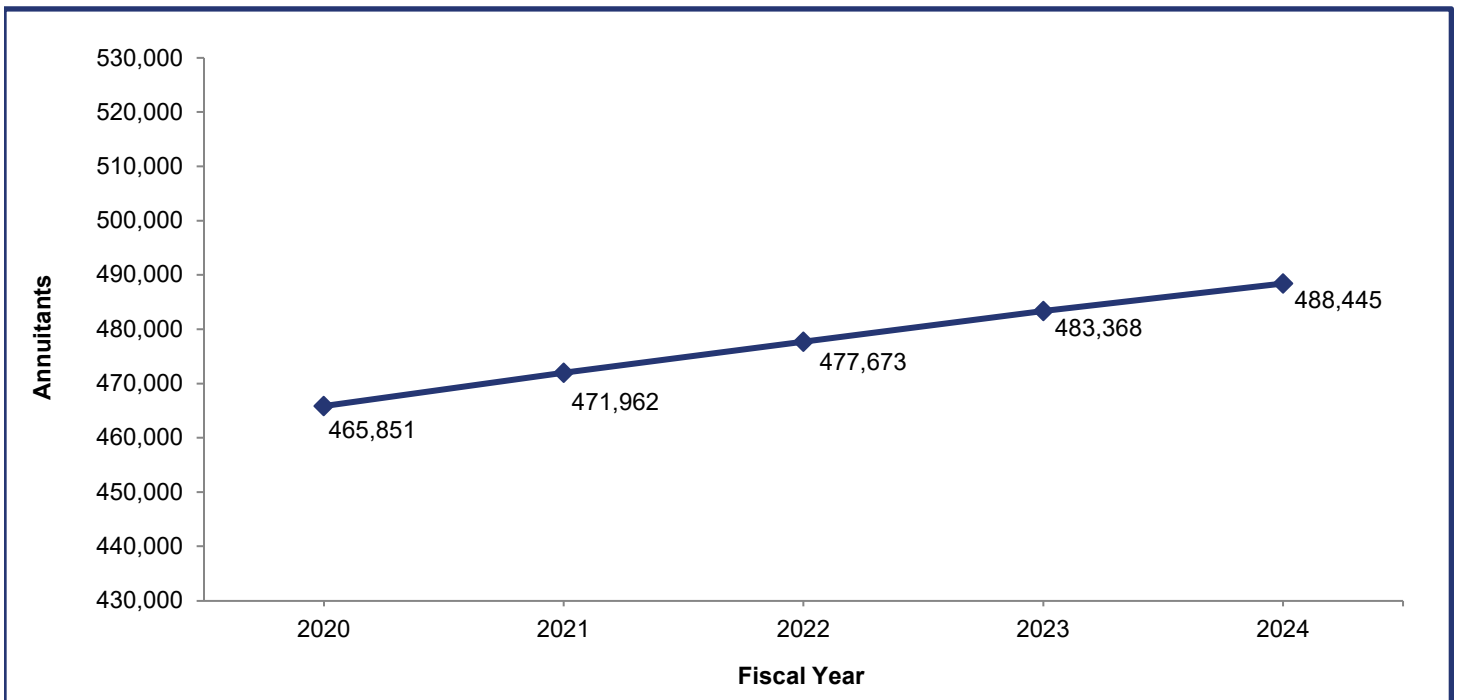
## ACTIVE FRS MEMBERS 2020-2024 <sup>1</sup>

As of June 30



## GROWTH OF FRS ANNUITANTS — ALL SYSTEMS 2020-2024 <sup>2</sup>

As of June 30



<sup>1</sup> Includes both FRS Pension Plan and Investment Plan members and excludes DROP participants.

<sup>2</sup> Includes DROP participants.

## FRS PENSION PLAN REFUNDS ISSUED BY TYPE

As of June 30

Type of Refund	2020	2021	2022	2023	2024
Separated Members	5,161	5,081	6,003	6,925	7,809
Surviving Beneficiaries	183	409	481	419	589
Other	73	53	59	51	40
<b>Total</b>	<b>5,417</b>	<b>5,543</b>	<b>6,480</b>	<b>7,395</b>	<b>8,438</b>

## FRS PENSION PLAN TOTAL REFUND PAYMENTS BY TYPE

As of June 30

Type of Refund	2020	2021	2022	2023	2024
Separated Members	\$ 17,831,645	\$ 18,937,392	\$ 25,456,839	\$ 32,525,023	\$ 37,129,817
Surviving Beneficiaries	759,778	2,246,371	2,493,663	2,570,140	3,888,983
Other	203,115	105,874	188,389	386,976	150,824
<b>Total</b>	<b>\$ 18,794,538</b>	<b>\$ 21,289,637</b>	<b>\$ 28,138,891</b>	<b>\$ 35,482,139</b>	<b>\$ 41,169,624</b>

## ACTIVE FRS PENSION PLAN DROP PARTICIPANTS BY SYSTEM/CLASS

As of June 30, 2024

System/Class	Count	Average Service	Average AFC	Average Annual Initial Benefit	Average Annual Current Benefit
FRS Regular	24,842	27.15	\$ 62,099	\$ 27,123	\$ 30,453
FRS Senior Management Service	555	29.20	117,339	58,376	66,428
FRS Special Risk	3,446	25.28	104,559	73,354	82,663
FRS Special Risk Adm. Sup.	8	26.26	55,382	34,795	39,341
FRS Elected Officers	166	26.99	141,590	90,564	101,827
<b>Total/Average</b>	<b>29,017</b>	<b>26.97</b>	<b>\$ 68,651</b>	<b>\$ 33,576</b>	<b>\$ 37,752</b>

## PROFILE OF ACTIVE FRS PENSION PLAN DROP PARTICIPANTS

As of June 30, 2024

By Monthly Benefit Range	Count	Average Service	Average AFC	Average Annual Initial Benefit	Average Annual Current Benefit
Less Than \$250	76	9.44	\$ 17,064	\$ 2,314	\$ 2,381
\$250 – \$499	586	13.78	23,407	4,563	4,778
\$500 – \$999	2,399	18.42	32,950	8,695	9,322
\$1,000 – \$1,999	7,121	24.19	46,459	16,487	18,116
\$2,000 – \$2,999	6,645	28.85	61,106	26,761	29,962
\$3,000 – \$3,999	5,191	30.56	75,045	36,788	41,509
\$4,000 – \$4,999	2,781	31.11	90,136	47,112	53,358
\$5,000 or More	4,218	28.55	123,485	79,029	89,648
<b>Total/Average</b>	<b>29,017</b>	<b>26.97</b>	<b>\$ 68,651</b>	<b>\$ 33,576</b>	<b>\$ 37,752</b>

By Option Selection <sup>1</sup>	Count	Average Service	Average AFC	Average Annual Initial Benefit	Average Annual Current Benefit
Lifetime Benefit (1)	14,786	26.80	\$ 65,874	\$ 32,951	\$ 36,997
Benefit with a Guarantee (2)	4,130	26.62	63,061	30,706	34,462
Member with a Joint Annuitant (3)	9,422	27.40	74,215	35,100	39,561
Reduced Benefit on 1st Death (4)	679	26.79	85,905	43,497	49,091
<b>Total/Average</b>	<b>29,017</b>	<b>26.97</b>	<b>\$ 68,651</b>	<b>\$ 33,576</b>	<b>\$ 37,752</b>

By Employer Group	Count	Average Service	Average AFC	Average Annual Initial Benefit	Average Annual Current Benefit
State	4,461	27.51	\$ 58,025	\$ 28,819	\$ 32,617
State Universities	937	26.81	66,630	29,268	32,857
Counties	7,119	26.12	88,551	49,775	56,134
School Boards	14,638	27.29	61,216	27,262	30,505
State Colleges	731	25.42	69,517	28,406	31,764
Others <sup>2</sup>	1,131	27.20	82,636	38,994	44,021
<b>Total/Average</b>	<b>29,017</b>	<b>26.97</b>	<b>\$ 68,651</b>	<b>\$ 33,576</b>	<b>\$ 37,752</b>

By Years of DROP Participation	Count	Average Service	Average AFC	Average Annual Initial Benefit	Average Annual Current Benefit
Less Than 1 Year	3,755	27.90	\$ 72,304	\$ 34,855	\$ 39,610
1 – 2	12,890	26.58	68,215	32,831	36,264
3 – 4	10,126	27.06	67,448	33,426	37,832
5 – 6	2,182	27.20	70,447	36,474	42,880
7 or More Years	64	29.56	71,121	33,425	40,795
<b>Total/Average</b>	<b>29,017</b>	<b>26.97</b>	<b>\$ 68,651</b>	<b>\$ 33,576</b>	<b>\$ 37,752</b>

<sup>1</sup> Option selections for existing systems have been included in the FRS options outlined even though they are different.

<sup>2</sup> Others include Cities, Special Districts, Charter Schools, Housing Authorities, and Independent Hospitals.

## PROFILE OF ACTIVE FRS PENSION PLAN DROP PARTICIPANTS

As of June 30, 2024

Years of Service	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
6 – 9	148	92	240	38	18	56	110	74	184
10 – 14	757	499	1,256	126	65	191	631	434	1,065
15 – 19	2,017	1,133	3,150	242	112	354	1,775	1,021	2,796
20 – 24	2,704	1,441	4,145	344	182	526	2,360	1,259	3,619
25 – 29	2,771	2,763	5,534	426	411	837	2,345	2,352	4,697
30 – 34	8,959	4,118	13,077	1,482	772	2,254	7,477	3,346	10,823
35 or More Years	1,115	500	1,615	184	59	243	931	441	1,372
<b>Total</b>	<b>18,471</b>	<b>10,546</b>	<b>29,017</b>	<b>2,842</b>	<b>1,619</b>	<b>4,461</b>	<b>15,629</b>	<b>8,927</b>	<b>24,556</b>

Age Range	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Less Than 50	35	131	166	7	19	26	28	112	140
50 – 54	859	1,159	2,018	107	129	236	752	1,030	1,782
55 – 59	4,361	3,016	7,377	686	443	1,129	3,675	2,573	6,248
60 – 64	8,871	4,113	12,984	1,451	685	2,136	7,420	3,428	10,848
65 – 69	4,119	1,993	6,112	579	328	907	3,540	1,665	5,205
70 – 74	191	102	293	10	14	24	181	88	269
75 – 79	31	26	57	1	1	2	30	25	55
80 and Over	4	6	10	1	–	1	3	6	9
<b>Total</b>	<b>18,471</b>	<b>10,546</b>	<b>29,017</b>	<b>2,842</b>	<b>1,619</b>	<b>4,461</b>	<b>15,629</b>	<b>8,927</b>	<b>24,556</b>

	Total Membership			State Membership			Non-State Membership <sup>1</sup>		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
Average Age	61.68	60.43	61.23	61.54	60.82	61.27	61.71	60.36	61.22
Average Years of Service	27.24	26.50	26.97	27.63	27.32	27.51	27.17	26.35	26.87
Average AFC	\$ 61,252	\$ 81,610	\$ 68,651	\$ 52,402	\$ 67,896	\$ 58,025	\$ 62,861	\$ 84,097	\$ 70,581
Average Annual Initial Benefit	\$ 28,372	\$ 42,690	\$ 33,576	\$ 24,858	\$ 35,774	\$ 28,819	\$ 29,011	\$ 43,945	\$ 34,440
Average Annual Current Benefit	\$ 31,829	\$ 48,126	\$ 37,752	\$ 28,111	\$ 40,528	\$ 32,617	\$ 32,505	\$ 49,503	\$ 38,685

<sup>1</sup> Non-State Membership: School Boards, Counties, State Universities, State Colleges, Cities, Special Districts, Charter Schools, Housing Authorities, and Independent Hospitals.

## FRS PENSION PLAN DROP ACCRUED BENEFITS AND INTEREST BY SYSTEM/CLASS

As of June 30, 2024

System/Class	Total Membership		Total
	Females	Males	
FRS Regular	\$ 1,368,320,166	\$ 672,434,284	\$ 2,040,754,450
FRS Senior Management Service	49,409,495	52,495,086	101,904,581
FRS Special Risk	143,974,244	720,567,481	864,541,726
FRS Special Risk Adm. Sup.	417,325	396,147	813,471
FRS Elected Officers	18,085,685	32,578,631	50,664,316
<b>Total</b>	<b>\$ 1,580,206,915</b>	<b>\$ 1,478,471,629</b>	<b>\$ 3,058,678,544</b>

System/Class	State Membership		Total
	Females	Males	
FRS Regular	\$ 186,337,437	\$ 88,425,501	\$ 274,762,938
FRS Senior Management Service	16,444,078	18,823,525	35,267,603
FRS Special Risk	23,122,367	64,755,416	87,877,783
FRS Special Risk Adm. Sup.	373,004	241,433	614,437
FRS Elected Officers	12,420,804	26,181,208	38,602,012
<b>Total</b>	<b>\$ 238,697,690</b>	<b>\$ 198,427,083</b>	<b>\$ 437,124,774</b>

System/Class	Non-State Membership <sup>1</sup>		Total
	Females	Males	
FRS Regular	\$ 1,181,982,728	\$ 584,008,783	\$ 1,765,991,512
FRS Senior Management Service	32,965,417	33,671,561	66,636,978
FRS Special Risk	120,851,878	655,812,065	776,663,943
FRS Special Risk Adm. Sup.	44,321	154,713	199,034
FRS Elected Officers	5,664,881	6,397,423	12,062,304
<b>Total</b>	<b>\$ 1,341,509,225</b>	<b>\$ 1,280,044,546</b>	<b>\$ 2,621,553,770</b>

<sup>1</sup> Non-State Membership: School Boards, Counties, State Universities, State Colleges, Cities, Special Districts, Charter Schools, Housing Authorities, and Independent Hospitals.

• Totals may not foot due to rounding.

## TERMINATED FRS PENSION PLAN DROP PARTICIPANTS BY SYSTEM/CLASS<sup>1</sup>

From July 1, 2023 – June 30, 2024

System/Class	Count	Average Service	Average AFC	Average Annual Initial Benefit	Average Annual Current Benefit
FRS Regular	5,566	25.64	\$ 57,440	\$ 23,574	\$ 25,268
FRS Senior Management Service	87	28.52	125,493	59,943	63,865
FRS Special Risk	570	24.82	95,069	65,932	69,861
FRS Elected Officers	13	27.79	130,982	88,591	95,309
<b>Total/Average</b>	<b>6,236</b>	<b>25.61</b>	<b>\$ 61,982</b>	<b>\$ 28,088</b>	<b>\$ 30,028</b>

## PROFILE OF TERMINATED FRS PENSION PLAN DROP PARTICIPANTS<sup>1</sup>

From July 1, 2023 – June 30, 2024

By Monthly Benefit Range	Count	Average Service	Average AFC	Average Annual Initial Benefit	Average Annual Current Benefit
Less Than \$250	25	9.99	\$ 17,933	\$ 2,471	\$ 2,521
\$250 – \$499	205	13.73	23,589	4,610	4,779
\$500 – \$999	773	18.65	33,000	8,751	9,187
\$1,000 – \$1,999	1,905	24.05	47,562	16,828	17,862
\$2,000 – \$2,999	1,562	28.42	64,347	27,889	29,806
\$3,000 – \$3,999	898	30.20	77,948	38,136	41,287
\$4,000 – \$4,999	369	30.02	94,217	49,627	53,276
\$5,000 or More	499	27.65	119,936	78,573	83,758
<b>Total/Average</b>	<b>6,236</b>	<b>25.61</b>	<b>\$ 61,982</b>	<b>\$ 28,088</b>	<b>\$ 30,028</b>

By Option Selection <sup>2</sup>	Count	Average Service	Average AFC	Average Annual Initial Benefit	Average Annual Current Benefit
Lifetime Benefit (1)	3,258	25.40	\$ 60,045	\$ 28,035	\$ 29,981
Benefit with a Guarantee (2)	877	25.42	55,763	25,359	27,141
Member with a Joint Annuitant (3)	1,968	25.98	67,207	28,999	30,973
Reduced Benefit on 1st Death (4)	133	26.36	73,150	33,914	36,257
<b>Total/Average</b>	<b>6,236</b>	<b>25.61</b>	<b>\$ 61,982</b>	<b>\$ 28,088</b>	<b>\$ 30,028</b>

By Employer Group	Count	Average Service	Average AFC	Average Annual Initial Benefit	Average Annual Current Benefit
State	835	26.01	\$ 54,527	\$ 25,248	\$ 27,020
State Universities	217	25.63	63,982	26,830	28,792
Counties	1,377	24.87	77,282	40,275	42,742
School Boards	3,363	25.92	56,196	23,652	25,398
State Colleges	187	24.12	67,277	25,472	27,354
Others <sup>3</sup>	257	25.23	74,410	33,040	35,265
<b>Total/Average</b>	<b>6,236</b>	<b>25.61</b>	<b>\$ 61,982</b>	<b>\$ 28,088</b>	<b>\$ 30,028</b>

By Gender	Count	Average Service	Average AFC	Average Annual Initial Benefit	Average Annual Current Benefit
Female	4,083	25.82	\$ 56,077	\$ 24,289	\$ 26,033
Male	2,153	25.20	73,181	35,294	37,606
<b>Total/Average</b>	<b>6,236</b>	<b>25.61</b>	<b>\$ 61,982</b>	<b>\$ 28,088</b>	<b>\$ 30,028</b>

<sup>1</sup> Terminated DROP participants are also included with the statistics of total annuitants on pages 214-221.

<sup>2</sup> Option selections for existing systems have been included in the FRS options outlined even though they are different.

<sup>3</sup> Others include Cities, Special Districts, Charter Schools, Housing Authorities, and Independent Hospitals.

## PROFILE OF TERMINATED FRS PENSION PLAN DROP PARTICIPANTS<sup>1</sup>

From July 1, 2023 – June 30, 2024

By Years of Service	Count	Average Service	Average AFC	Average Annual Initial Benefit	Average Annual Current Benefit
6 – 9	83	8.37	\$ 41,239	\$ 5,612	\$ 5,682
10 – 14	392	13.05	45,911	9,768	10,108
15 – 19	848	17.57	51,739	15,088	15,819
20 – 24	1,064	22.54	55,699	21,409	22,579
25 – 29	1,256	26.95	72,022	39,178	41,551
30 – 34	2,404	30.85	66,045	32,620	35,295
35 or More Years	189	36.90	67,358	40,549	44,154
<b>Total/Average</b>	<b>6,236</b>	<b>25.61</b>	<b>\$ 61,982</b>	<b>\$ 28,088</b>	<b>\$ 30,028</b>

By Age Range					
Less than 50	43	25.66	\$ 103,479	\$ 73,873	\$ 75,241
50 – 54	211	27.35	92,380	62,001	64,801
55 – 59	796	28.93	77,517	44,361	47,306
60 – 64	2,166	27.92	63,094	28,898	30,905
65 – 69	2,886	23.06	53,970	20,105	21,695
70 – 74	111	20.84	60,887	20,993	22,411
75 – 79	21	18.95	65,796	22,098	22,722
80 and Over	2	27.73	158,077	88,373	88,529
<b>Total/Average</b>	<b>6,236</b>	<b>25.61</b>	<b>\$ 61,982</b>	<b>\$ 28,088</b>	<b>\$ 30,028</b>

By Cause of Termination					
Deceased	71	25.43	\$ 62,166	\$ 27,690	\$ 28,870
Termination	6,165	25.61	61,980	28,093	30,042
<b>Total/Average</b>	<b>6,236</b>	<b>25.61</b>	<b>\$ 61,982</b>	<b>\$ 28,088</b>	<b>\$ 30,028</b>

Average length of participation – 2.93 years

<sup>1</sup> Terminated DROP participants are also included with the statistics of total annuitants on pages 214-221.

## TOTAL ANNUITANTS BY SYSTEM/CLASS<sup>1</sup>

As of June 30

System/Class	2020	2021	2022	2023	2024
FRS Pension Plan					
Regular	379,017	385,567	392,785	398,516	401,597
Senior Management Service	5,294	5,628	5,943	6,162	6,360
Special Risk	40,897	42,220	43,523	44,513	45,275
Special Risk Adm. Sup.	170	168	165	164	161
Elected Officers'	2,576	2,692	2,655	2,685	2,685
<b>Subtotal</b>	<u>427,954</u>	<u>436,275</u>	<u>445,071</u>	<u>452,040</u>	<u>456,078</u>
TRRS	2,869	2,663	2,468	2,308	2,152
TRRS-SB	260	238	214	193	169
SCOERS	223	199	170	154	133
Highway Patrol	15	14	14	9	5
JRS	2	2	2	2	–
IFAS	175	175	168	158	152
<b>Subtotal</b>	<u>3,544</u>	<u>3,291</u>	<u>3,036</u>	<u>2,824</u>	<u>2,611</u>
<b>Total</b>	<u><b>431,498</b></u>	<u><b>439,566</b></u>	<u><b>448,107</b></u>	<u><b>454,864</b></u>	<u><b>458,689</b></u>
<b>General Revenue</b>					
Noncontributory (s. 112.05, F.S.)	4	2	1	–	–
National Guard	745	728	727	726	728
Judicial Retirement	11	11	11	11	11
<b>Total</b>	<u>760</u>	<u>741</u>	<u>739</u>	<u>737</u>	<u>739</u>
<b>Grand Total</b>	<u><b>432,258</b></u>	<u><b>440,307</b></u>	<u><b>448,846</b></u>	<u><b>455,601</b></u>	<u><b>459,428</b></u>

## AVERAGE BENEFITS BY SYSTEM/CLASS

As of June 30

System/Class	2020	2021	2022	2023	2024
FRS Pension Plan					
Regular	\$ 20,473	\$ 20,972	\$ 21,465	\$ 21,995	\$ 22,476
Senior Management Service	52,903	53,888	55,134	56,196	57,600
Special Risk	46,369	47,879	49,381	50,994	52,401
Special Risk Adm. Sup.	41,873	43,365	44,148	44,630	45,700
Elected Officers'	58,522	60,401	61,933	63,728	65,760
TRRS	46,056	48,155	50,181	52,223	54,366
TRRS-SB	1,884	1,887	1,886	1,885	1,879
SCOERS	16,196	16,570	17,997	18,581	20,132
Highway Patrol	17,764	18,779	19,343	21,089	24,032
JRS	17,631	18,160	18,705	19,266	–
IFAS	14,609	14,997	15,347	15,670	16,087
<b>Average</b>	<u>\$ 23,715</u>	<u>\$ 24,378</u>	<u>\$ 24,894</u>	<u>\$ 25,692</u>	<u>\$ 26,318</u>
<b>General Revenue</b>					
Noncontributory (s. 112.05, F.S.)	\$ 20,571	\$ 23,696	\$ 19,641	\$ –	\$ –
National Guard	20,557	21,471	21,089	21,041	22,437
Judicial Retirement	97,173	99,794	102,488	105,257	108,103
<b>Average</b>	<u>\$ 21,666</u>	<u>\$ 22,640</u>	<u>\$ 22,299</u>	<u>\$ 22,298</u>	<u>\$ 23,712</u>
<b>Average All Annuitants</b>	<u><b>\$ 23,712</b></u>	<u><b>\$ 24,375</b></u>	<u><b>\$ 25,012</b></u>	<u><b>\$ 25,686</b></u>	<u><b>\$ 26,313</b></u>

<sup>1</sup> Total Annuitants include General Revenue and TRRS-SB annuitants and exclude DROP participants.



## TOTAL ANNUAL BENEFITS BY SYSTEM/CLASS

As of June 30

System/Class	2020	2021	2022	2023	2024
FRS Pension Plan					
Regular	\$ 7,759,693,724	\$ 8,086,200,027	\$ 8,431,219,359	\$ 8,765,226,913	\$ 9,026,315,764
Senior Management Service	280,067,481	303,282,228	327,659,694	346,281,535	366,332,841
Special Risk	1,896,349,013	2,021,441,341	2,139,187,633	2,269,898,998	2,372,451,433
Special Risk Adm. Sup.	7,118,422	7,285,259	7,284,354	7,319,293	7,357,656
Elected Officers'	150,751,499	162,598,826	164,431,365	171,110,194	176,565,274
<b>Subtotal</b>	<b>\$10,093,980,139</b>	<b>\$10,580,807,681</b>	<b>\$11,079,782,405</b>	<b>\$11,559,836,933</b>	<b>\$11,949,022,968</b>
TRS	\$ 132,133,455	\$ 128,236,137	\$ 123,846,966	\$ 120,530,272	\$ 116,994,779
TRS-SB	489,854	449,040	403,620	363,720	317,520
SCOERS	3,611,762	3,297,501	3,059,450	2,861,514	2,677,524
Highway Patrol	266,464	262,912	270,799	189,798	120,158
JRS	35,262	36,320	37,410	38,532	-
IFAS	2,556,609	2,624,412	2,578,341	2,475,907	2,445,242
<b>Subtotal</b>	<b>139,093,406</b>	<b>134,906,322</b>	<b>130,196,585</b>	<b>126,459,742</b>	<b>122,555,222</b>
<b>Total</b>	<b>\$10,233,073,545</b>	<b>\$10,715,714,003</b>	<b>\$11,209,978,991</b>	<b>\$11,686,296,675</b>	<b>\$12,071,578,190</b>
<b>General Revenue</b>					
Noncontributory (s. 112.05), F.S.	\$ 82,285	\$ 47,392	\$ 19,641	\$ -	\$ -
National Guard	15,315,335	15,630,910	15,331,708	15,275,528	16,334,268
Judicial Retirement	1,068,905	1,097,735	1,127,368	1,157,828	1,189,138
<b>Total</b>	<b>16,466,525</b>	<b>16,776,037</b>	<b>16,478,717</b>	<b>16,433,357</b>	<b>17,523,406</b>
<b>Grand Total</b>	<b>\$10,249,540,070</b>	<b>\$10,732,490,040</b>	<b>\$11,226,457,708</b>	<b>\$11,702,730,031</b>	<b>\$12,089,101,596</b>

## TOTAL DISABILITY BENEFITS BY SYSTEM/CLASS

As of June 30

System/Class	Number of Retirees		Total Annual Benefits		Average Annual Benefits	
	2023	2024	2023	2024	2023	2024
FRS Pension Plan						
Regular	12,186	11,856	\$ 189,833,483	\$ 189,701,751	\$ 15,578	\$ 16,000
Senior Management Service	45	41	1,580,433	1,478,940	35,121	36,072
Special Risk	1,571	1,568	56,526,217	58,359,020	35,981	37,219
Special Risk Adm. Sup.	2	2	60,076	61,878	30,038	30,939
Elected Officers'	7	5	381,576	214,361	54,511	42,872
FRS Investment Plan						
Regular	466	471	7,987,801	8,254,739	17,141	17,526
Senior Management Service	2	2	60,458	61,800	30,229	30,900
Special Risk	173	186	8,481,741	9,443,701	49,027	50,773
Special Risk Adm. Sup.	1	1	59,138	60,912	59,138	60,912
TRS	30	25	626,475	542,716	20,883	21,709
SCOERS	5	3	64,994	22,362	12,999	7,454
General Revenue	11	11	1,157,828	1,189,138	105,257	108,103
<b>Total/Average</b>	<b>14,499</b>	<b>14,171</b>	<b>\$ 266,820,220</b>	<b>\$ 269,391,319</b>	<b>\$ 18,403</b>	<b>\$ 19,010</b>

• Totals may not foot due to rounding.

## PROFILE OF TOTAL ANNUITANTS BY SYSTEM/CLASS<sup>1</sup>

As of June 30, 2024

System/Class	Count	Average Service	Average AFC	Average Annual Initial Benefit	Average Annual Current Benefit
FRS Pension Plan					
Regular	401,120	21.23	\$ 43,563	\$ 15,279	\$ 22,482
Senior Management Service	6,358	24.37	102,512	41,723	57,608
Special Risk	45,054	21.18	61,809	37,336	52,406
Special Risk Adm. Sup.	160	24.82	49,378	25,386	45,605
Elected Officers'	2,683	20.27	81,592	45,671	65,749
FRS Investment Plan Disability Retirees					
Regular	477	16.55	45,293	14,282	17,549
Senior Management Service	2	14.12	93,247	25,176	30,900
Special Risk	221	18.11	64,568	42,895	51,430
Special Risk Adm. Sup.	1	32.91	49,487	39,288	60,912
Elected Officers'	2	17.92	162,850	69,838	79,690
TRS	2,152	30.66	43,647	27,744	54,366
TRS-SB	169	–	–	2,408	1,879
Highway Patrol	5	24.73	15,939	14,979	24,032
SCOERS	133	26.21	18,836	10,215	20,132
IFAS	152	–	–	11,093	16,087
General Revenue	739	32.79	1,836	14,850	23,712
<b>Total/Average</b>	<b>459,428</b>	<b>21.30</b>	<b>\$ 46,300</b>	<b>\$ 18,052</b>	<b>\$ 26,313</b>

## PROFILE OF FRS ANNUITANTS<sup>2</sup>

As of June 30, 2024

By Years of Service	Count	Average Service	Average AFC	Average Annual Initial Benefit	Average Annual Current Benefit
40 or More Years	1,798	42.77	\$ 69,658	\$ 48,107	\$ 64,780
35 – 39	8,683	36.68	57,858	36,037	55,337
30 – 34	112,584	30.85	56,766	28,597	43,823
25 – 29	63,166	26.92	58,189	30,396	42,660
20 – 24	65,513	22.32	47,333	17,005	23,924
15 – 19	74,381	17.36	41,160	11,328	15,794
10 – 14	91,039	12.26	33,641	6,618	9,366
5 – 9	40,897	7.89	32,846	4,371	5,918
Less Than 5 Years	459	2.04	16,563	11,545	19,769
<b>Total/Average</b>	<b>458,520</b>	<b>21.29</b>	<b>\$ 46,389</b>	<b>\$ 18,063</b>	<b>\$ 26,327</b>

By Age Range	Count	Average Service	Average AFC	Average Annual Initial Benefit	Average Annual Current Benefit
Under 40	1,055	18.35	\$ 47,447	\$ 10,536	\$ 11,820
40 – 44	542	17.85	43,824	13,622	14,953
45 – 49	1,299	18.22	54,612	22,508	22,768
50 – 54	5,030	20.65	61,425	30,867	32,236
55 – 59	16,914	22.22	60,091	29,695	33,400
60 – 64	49,677	22.01	53,090	22,708	27,220
65 – 69	93,930	21.54	49,248	19,027	24,401
70 – 74	106,628	21.38	47,826	17,869	25,931
75 – 79	90,004	21.01	44,600	16,304	27,038
80 – 84	52,367	20.68	39,447	14,485	26,283
85 and Older	41,074	20.95	33,046	12,912	26,173
<b>Total/Average</b>	<b>458,520</b>	<b>21.29</b>	<b>\$ 46,389</b>	<b>\$ 18,063</b>	<b>\$ 26,327</b>

<sup>1</sup> Total annuitants include General Revenue and TRS-SB annuitants and exclude DROP participants.

<sup>2</sup> FRS Annuitants exclude General Revenue and TRS-SB annuitants and exclude DROP participants.

## PROFILE OF FRS ANNUITANTS<sup>1</sup>

As of June 30, 2024

By Option Selection <sup>2</sup>	Count	Average Service	Average AFC	Average Annual Initial Benefit	Average Annual Current Benefit
Lifetime Benefit (1)	261,816	20.67	\$ 44,026	\$ 17,134	\$ 25,221
Benefit with a Guarantee (2)	69,839	21.95	44,852	17,992	27,413
Member with a Joint Annuitant (3)	110,691	22.17	51,628	19,474	27,482
Reduced Benefit on First Death (4)	16,174	22.54	55,407	23,746	31,619
<b>Total/Average</b>	<b>458,520</b>	<b>21.29</b>	<b>\$ 46,389</b>	<b>\$ 18,063</b>	<b>\$ 26,327</b>

By Monthly Benefit Range					
Less Than \$250	20,857	10.07	\$ 15,863	\$ 1,842	\$ 2,080
\$250 – \$499	50,866	11.90	23,600	3,662	4,541
\$500 – \$999	86,231	15.22	32,503	6,807	8,824
\$1,000 – \$1,999	109,190	20.76	42,545	12,916	17,467
\$2,000 – \$2,999	69,758	26.03	52,378	21,060	29,650
\$3,000 – \$3,999	53,399	28.74	59,861	27,789	41,642
\$4,000 – \$4,999	29,630	29.78	67,868	34,278	53,382
\$5,000 or More	38,589	29.41	88,867	54,204	84,352
<b>Total/Average</b>	<b>458,520</b>	<b>21.29</b>	<b>\$ 46,389</b>	<b>\$ 18,063</b>	<b>\$ 26,327</b>

By Benefit Recipient					
Member Deceased	33,551	20.41	\$ 43,148	\$ 17,229	\$ 22,181
Member Living	424,969	21.36	46,645	18,129	26,654
<b>Total/Average</b>	<b>458,520</b>	<b>21.29</b>	<b>\$ 46,389</b>	<b>\$ 18,063</b>	<b>\$ 26,327</b>

By Retirement Date					
Before 12/1970	11	17.84	\$ 5,682	\$ 1,908	\$ 7,309
12/1970 – 6/2000	57,439	23.45	35,877	15,669	32,435
7/2000 – 6/2005	68,003	22.21	41,717	16,887	30,541
7/2005 – 6/2010	85,400	21.49	47,026	18,458	29,002
7/2010 – 6/2015	103,016	20.66	49,351	18,835	25,624
7/2015 – 6/2020	95,361	21.00	50,437	19,400	22,290
7/2020 – 6/2021	14,251	19.67	49,765	18,247	19,229
7/2021 – 6/2022	14,005	19.07	49,384	17,310	17,829
7/2022 – 6/2023	11,101	18.94	50,784	17,682	17,882
7/2023 – 6/2024	9,933	18.29	50,155	16,948	16,815
<b>Total/Average</b>	<b>458,520</b>	<b>21.29</b>	<b>\$ 46,389</b>	<b>\$ 18,063</b>	<b>\$ 26,327</b>

By Employer					
State	87,414	21.07	\$ 42,225	\$ 16,442	\$ 24,328
State Universities	20,893	21.97	51,090	19,097	27,921
Counties	97,061	20.37	54,990	24,148	33,439
School Boards	214,042	21.94	42,784	15,838	23,850
State Colleges	14,632	20.69	50,445	17,705	26,228
Others <sup>3</sup>	24,478	19.87	52,236	18,511	25,615
<b>Total/Average</b>	<b>458,520</b>	<b>21.29</b>	<b>\$ 46,389</b>	<b>\$ 18,063</b>	<b>\$ 26,327</b>

<sup>1</sup> FRS annuitants exclude General Revenue and TRS-SB annuitants and exclude DROP participants.

<sup>2</sup> Option selections for existing systems have been included in the FRS options outlined even though they are different.

<sup>3</sup> Others include Cities, Special Districts, Charter Schools, Housing Authorities, and Independent Hospitals.

## PROFILE OF FRS ANNUITANTS<sup>1</sup>

As of June 30, 2024

By Gender	Count	Average Service	Average AFC	Average Annual Initial Benefit	Average Annual Current Benefit
Female	299,636	21.37	\$ 42,533	\$ 16,087	\$ 23,101
Male	158,884	21.15	53,660	21,790	32,410
<b>Total/Average</b>	<b>458,520</b>	<b>21.29</b>	<b>\$ 46,389</b>	<b>\$ 18,063</b>	<b>\$ 26,327</b>

By Type of Retirement					
Line of Duty Death	701	13.34	\$ 48,671	\$ 23,366	\$ 36,607
Not Line of Duty Death	9,229	17.61	40,075	8,431	13,350
Line of Duty Disability	3,120	15.04	36,423	18,084	28,108
Not Line of Duty Disability	11,041	17.64	35,759	11,065	16,354
Early	105,537	16.81	38,423	10,589	15,512
Normal	328,892	23.03	49,568	20,955	30,457
<b>Total/Average</b>	<b>458,520</b>	<b>21.29</b>	<b>\$ 46,389</b>	<b>\$ 18,063</b>	<b>\$ 26,327</b>

By Duration of Benefit Payments to Date					
Less Than 5 years	63,316	19.31	\$ 50,038	\$ 17,825	\$ 18,516
5 – 9	101,341	21.07	50,319	19,438	22,898
10 – 14	105,334	20.94	49,547	19,175	27,048
15 – 19	78,195	21.44	45,269	17,580	28,601
20 – 24	62,779	22.35	40,902	16,631	30,850
25 – 29	34,043	24.05	38,161	17,171	34,981
30 – 34	9,287	22.65	30,632	12,998	28,801
35 – 39	3,043	22.04	23,980	10,411	25,001
40 or More Years	1,182	19.91	16,365	6,961	18,394
<b>Total/Average</b>	<b>458,520</b>	<b>21.29</b>	<b>\$ 46,389</b>	<b>\$ 18,063</b>	<b>\$ 26,327</b>

Average duration of benefit payments in years – 13.46 years

By Duration of Benefit Payments - Deaths in Current Year					
Less Than 1 year	182	19.54	\$ 52,542	\$ 14,351	\$ 14,416
1 – 2	188	20.73	46,587	15,085	15,328
3 – 4	226	21.10	53,192	20,232	21,267
5 – 9	723	20.78	46,767	16,619	17,990
10 – 14	624	20.24	52,760	20,363	23,939
15 – 19	604	20.63	50,673	21,142	26,228
20 – 24	586	22.70	47,988	24,483	32,159
25 – 29	477	25.99	46,480	29,163	40,148
30 – 34	131	24.85	37,842	24,054	34,809
35 – 39	27	23.13	30,698	17,742	28,572
40 or More Years	1	13.00	7,917	989	5,833
<b>Total/Average</b>	<b>3,769</b>	<b>21.74</b>	<b>\$ 48,758</b>	<b>\$ 21,067</b>	<b>\$ 25,851</b>

Average duration of benefit payments in years – 14.50 years

<sup>1</sup>FRS annuitants exclude General Revenue and TRS-SB annuitants and exclude DROP participants.

**FRS RETIREES AND BENEFICIARIES<sup>1</sup>  
BY AGE AT RETIREMENT**

As of June 30, 2024

By Retirement Age	Retirees	Retirees' Total Annual Benefits	Beneficiaries	Beneficiaries' Total Annual Benefits
Under 40	849	\$ 15,301,980	326	\$ 6,987,123
40 – 44	2,731	68,868,749	783	11,317,632
45 – 49	17,849	751,253,910	2,487	47,510,573
50 – 54	70,374	2,722,415,700	5,869	148,776,251
55 – 59	103,569	3,167,135,634	8,018	200,817,054
60 – 64	179,609	3,770,393,213	11,114	236,191,569
65 – 69	38,145	642,709,309	3,341	65,125,995
70 – 74	8,723	142,031,399	1,045	19,044,585
75 – 79	2,421	36,234,044	397	6,177,067
80 – 84	581	9,275,666	114	1,419,816
85 and Older	118	1,438,954	57	834,448
<b>Total</b>	<b>424,969</b>	<b>\$ 11,327,058,556</b>	<b>33,551</b>	<b>\$ 744,202,114</b>

**FRS RETIREES AND BENEFICIARIES<sup>1</sup>  
BY YEARS OF SERVICE AT RETIREMENT**

As of June 30, 2024

By Years of Service	Retirees	Retirees' Total Annual Benefits	Beneficiaries	Beneficiaries' Total Annual Benefits
Less Than 5 Years	286	\$ 5,216,129	173	\$ 3,857,682
5 – 9	37,981	223,507,839	2,916	18,502,721
10 – 14	83,308	785,448,270	7,731	67,225,181
15 – 19	68,210	1,086,015,060	6,171	88,772,339
20 – 24	60,050	1,448,060,977	5,463	119,255,246
25 – 29	58,710	2,539,181,247	4,456	155,493,602
30 – 34	107,242	4,713,572,662	5,342	220,189,073
35 – 39	7,685	427,489,445	998	52,999,499
40 or More Years	1,497	98,566,926	301	17,906,771
<b>Total</b>	<b>424,969</b>	<b>\$ 11,327,058,556</b>	<b>33,551</b>	<b>\$ 744,202,114</b>

<sup>1</sup> FRS retirees and beneficiaries exclude General Revenue and TRS-SB retirees and beneficiaries and exclude DROP participants.

• Totals may not foot due to rounding.

## TOTAL FRS ANNUITANTS BY TYPE OF RETIREMENT<sup>1</sup>

As of June 30

Type of Retirement	2020	2021	2022	2023	2024
Line of Duty Death	581	613	667	687	701
Not Line of Duty Death	9,129	9,142	9,130	9,303	9,229
Line of Duty Disability	3,327	3,247	3,201	3,153	3,120
Not Line of Duty Disability	12,175	11,881	11,647	11,336	11,041
Early	105,251	105,179	105,443	105,599	105,537
Normal	300,775	309,266	317,805	324,593	328,892
<b>Total</b>	<b>431,238</b>	<b>439,328</b>	<b>447,893</b>	<b>454,671</b>	<b>458,520</b>

## TOTAL FRS ANNUAL BENEFITS BY TYPE OF RETIREMENT

As of June 30

Type of Retirement	2020	2021	2022	2023	2024
Line of Duty Death	\$ 19,244,463	\$ 21,171,469	\$ 23,345,846	\$ 24,754,148	\$ 25,661,525
Not Line of Duty Death	111,383,970	113,463,462	116,487,172	121,021,661	123,207,414
Line of Duty Disability	79,919,929	80,611,798	82,833,578	85,243,707	87,698,136
Not Line of Duty Disability	179,118,908	179,491,440	181,158,664	180,481,934	180,568,975
Early	1,454,808,160	1,498,403,150	1,547,019,792	1,595,082,582	1,637,072,019
Normal	8,388,108,261	8,822,123,643	9,258,730,318	9,679,348,924	10,017,052,600
<b>Total</b>	<b>\$ 10,232,583,691</b>	<b>\$ 10,715,264,962</b>	<b>\$ 11,209,575,370</b>	<b>\$ 11,685,932,955</b>	<b>\$ 12,071,260,670</b>

## TOTAL FRS ANNUITANTS ADDED DURING FISCAL YEAR BY TYPE OF RETIREMENT<sup>1</sup>

As of June 30

Type of Retirement	2020	2021	2022	2023	2024
Line of Duty Death	12	33	45	17	2
Not Line of Duty Death	126	169	300	204	163
Line of Duty Disability	36	29	45	52	54
Not Line of Duty Disability	261	270	336	209	181
Early	2,528	2,628	2,748	2,602	2,585
Normal	6,589	7,994	9,091	6,652	6,948
<b>Total</b>	<b>9,552</b>	<b>11,123</b>	<b>12,565</b>	<b>9,736</b>	<b>9,933</b>

## TOTAL ANNUAL BENEFITS OF FRS ANNUITANTS ADDED DURING FISCAL YEAR BY TYPE OF RETIREMENT

As of June 30

Type of Retirement	2020	2021	2022	2023	2024
Line of Duty Death	\$ 435,209	\$ 1,288,066	\$ 1,767,697	\$ 638,558	\$ 85,368
Not Line of Duty Death	1,574,235	2,306,903	3,742,855	2,619,892	2,255,811
Line of Duty Disability	1,368,929	1,000,380	1,528,774	2,145,890	2,114,664
Not Line of Duty Disability	3,735,893	3,876,802	4,891,297	3,125,073	2,914,503
Early	28,076,626	31,664,901	34,117,231	32,663,368	32,403,492
Normal	111,290,731	137,727,014	167,849,882	123,652,756	127,250,031
<b>Total</b>	<b>\$ 146,481,623</b>	<b>\$ 177,864,066</b>	<b>\$ 213,897,736</b>	<b>\$ 164,845,537</b>	<b>\$ 167,023,868</b>

<sup>1</sup> Total annuitants exclude General Revenue and TRS-SB annuitants and exclude DROP participants.

• Totals may not foot due to rounding.

## SCHEDULE OF AVERAGE FRS BENEFITS

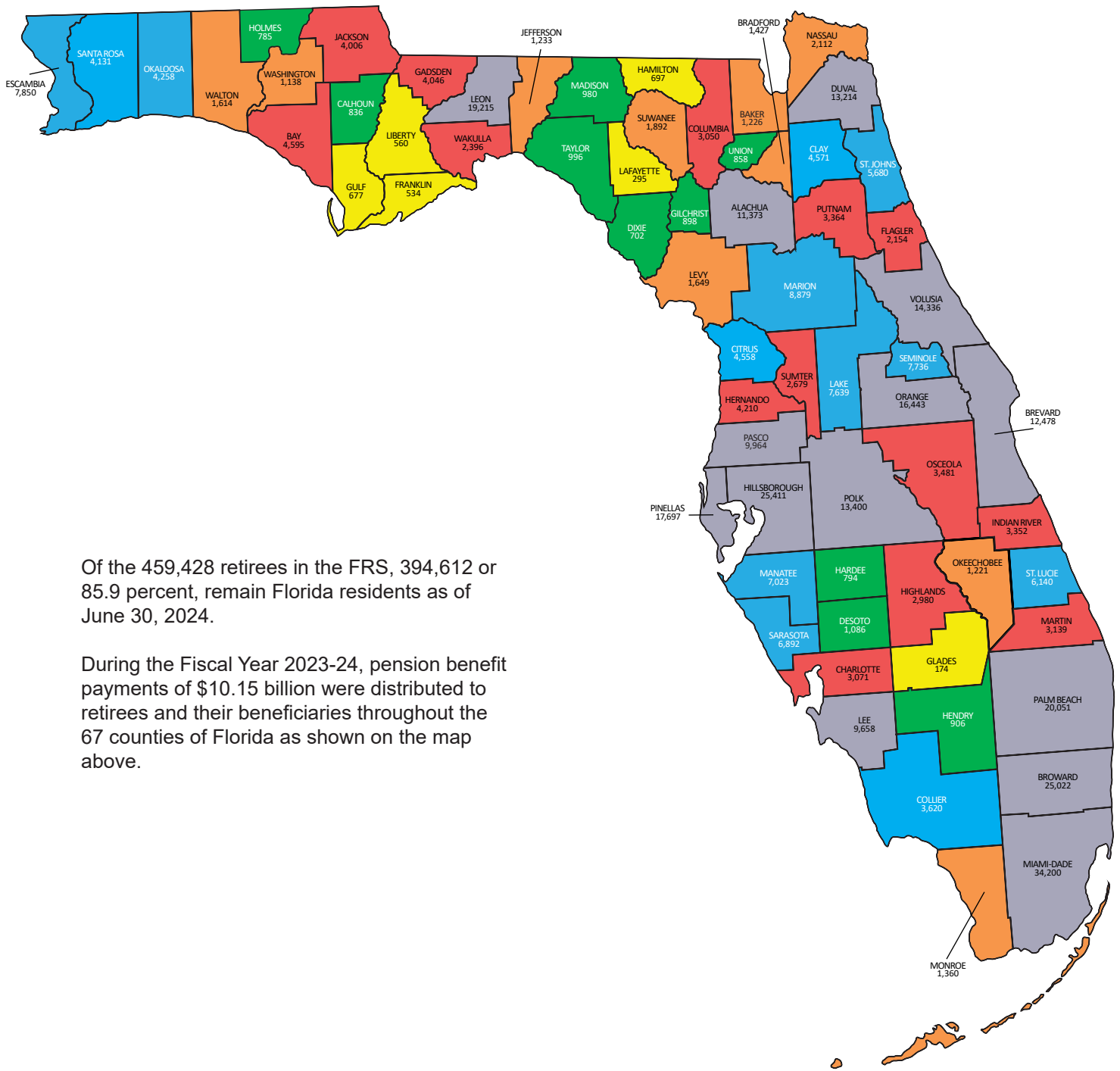
As of June 30

Fiscal Year		Years of Creditable Service								
		Less Than 5 <sup>1</sup>	5 – 9	10 – 14	15 – 19	20 – 24	25 – 29	30 – 34	35 – 39	40 or More
2024	Average Annual Benefit	\$ 19,769	\$ 5,918	\$ 9,366	\$ 15,794	\$ 23,924	\$ 42,660	\$ 43,823	\$ 55,337	\$ 64,780
	Average AFC	\$ 16,563	\$ 32,846	\$ 33,641	\$ 41,160	\$ 47,333	\$ 58,189	\$ 56,766	\$ 57,858	\$ 69,658
	Count	459	40,897	91,039	74,381	65,513	63,166	112,584	8,683	1,798
2023	Average Annual Benefit	\$ 19,113	\$ 5,796	\$ 9,148	\$ 15,428	\$ 23,385	\$ 41,606	\$ 42,862	\$ 54,630	\$ 63,639
	Average AFC	\$ 15,435	\$ 32,489	\$ 33,123	\$ 40,510	\$ 46,606	\$ 57,423	\$ 56,162	\$ 56,920	\$ 67,486
	Count	463	40,332	91,224	73,706	64,735	62,237	111,425	8,757	1,792
2022	Average Annual Benefit	\$ 18,626	\$ 5,674	\$ 8,919	\$ 15,066	\$ 22,840	\$ 40,523	\$ 41,982	\$ 53,712	\$ 62,626
	Average AFC	\$ 15,030	\$ 32,144	\$ 32,597	\$ 39,823	\$ 45,905	\$ 56,553	\$ 55,525	\$ 55,677	\$ 65,047
	Count	479	39,789	91,202	72,652	63,562	60,808	108,932	8,670	1,789
2021	Average Annual Benefit	\$ 18,148	\$ 5,573	\$ 8,697	\$ 14,688	\$ 22,324	\$ 39,532	\$ 41,129	\$ 53,045	\$ 61,924
	Average AFC	\$ 14,315	\$ 31,870	\$ 32,031	\$ 39,019	\$ 45,090	\$ 55,672	\$ 54,786	\$ 54,380	\$ 63,056
	Count	489	39,053	90,821	71,282	62,205	59,014	106,022	8,656	1,786
2020	Average Annual Benefit	\$ 17,549	\$ 5,461	\$ 8,458	\$ 14,305	\$ 21,765	\$ 38,465	\$ 40,246	\$ 52,123	\$ 60,726
	Average AFC	\$ 14,118	\$ 31,596	\$ 31,417	\$ 38,252	\$ 44,303	\$ 54,664	\$ 54,030	\$ 53,238	\$ 60,272
	Count	498	38,394	90,454	69,890	60,957	57,225	103,267	8,770	1,783
2019	Average Annual Benefit	\$ 16,820	\$ 5,341	\$ 8,244	\$ 13,930	\$ 21,231	\$ 37,322	\$ 39,326	\$ 51,025	\$ 59,415
	Average AFC	\$ 14,135	\$ 31,301	\$ 30,914	\$ 37,588	\$ 43,668	\$ 53,717	\$ 53,372	\$ 52,234	\$ 58,061
	Count	504	37,764	89,730	68,830	59,959	55,411	100,872	8,942	1,830
2018	Average Annual Benefit	\$ 16,277	\$ 5,206	\$ 8,002	\$ 13,573	\$ 20,640	\$ 36,202	\$ 38,415	\$ 49,761	\$ 58,959
	Average AFC	\$ 14,228	\$ 30,995	\$ 30,320	\$ 36,897	\$ 42,938	\$ 52,669	\$ 52,753	\$ 51,109	\$ 56,975
	Count	499	36,917	88,587	67,323	58,716	53,459	98,257	9,069	1,876
2017	Average Annual Benefit	\$ 16,128	\$ 5,083	\$ 7,783	\$ 13,222	\$ 20,079	\$ 35,082	\$ 37,495	\$ 48,661	\$ 57,845
	Average AFC	\$ 13,165	\$ 30,632	\$ 29,749	\$ 36,235	\$ 42,148	\$ 51,621	\$ 52,163	\$ 50,409	\$ 54,884
	Count	490	35,728	87,232	65,683	57,418	51,412	96,115	9,234	1,901
2016	Average Annual Benefit	\$ 14,774	\$ 4,945	\$ 7,564	\$ 12,863	\$ 19,434	\$ 33,969	\$ 36,542	\$ 47,369	\$ 56,026
	Average AFC	\$ 12,727	\$ 30,220	\$ 29,154	\$ 35,581	\$ 41,247	\$ 50,472	\$ 51,474	\$ 49,560	\$ 52,909
	Count	502	33,930	85,384	64,010	55,737	49,272	93,540	9,407	1,934
2015	Average Annual Benefit	\$ 14,218	\$ 4,823	\$ 7,343	\$ 12,488	\$ 18,811	\$ 32,547	\$ 35,681	\$ 46,398	\$ 54,628
	Average AFC	\$ 12,578	\$ 29,757	\$ 28,543	\$ 34,845	\$ 40,311	\$ 48,944	\$ 50,424	\$ 48,289	\$ 51,246
	Count	503	31,954	83,281	62,096	53,896	46,449	87,114	9,173	1,973

<sup>1</sup> Represents in-line-of-duty disability benefits with guaranteed minimum benefit levels.

# FRS RETIREES AND PENSION BENEFITS BY FLORIDA COUNTY

As of June 30, 2024



Of the 459,428 retirees in the FRS, 394,612 or 85.9 percent, remain Florida residents as of June 30, 2024.

During the Fiscal Year 2023-24, pension benefit payments of \$10.15 billion were distributed to retirees and their beneficiaries throughout the 67 counties of Florida as shown on the map above.

COLOR KEY		
\$0 - \$15 million	<span style="background-color: yellow; border: 1px solid black; display: inline-block; width: 20px; height: 15px;"></span>	\$25 - \$50 million <span style="background-color: orange; border: 1px solid black; display: inline-block; width: 20px; height: 15px;"></span>
\$15 - \$25 million	<span style="background-color: green; border: 1px solid black; display: inline-block; width: 20px; height: 15px;"></span>	\$50 - \$100 million <span style="background-color: red; border: 1px solid black; display: inline-block; width: 20px; height: 15px;"></span>
		\$100 - \$200 million <span style="background-color: blue; border: 1px solid black; display: inline-block; width: 20px; height: 15px;"></span>
		\$200 million + <span style="background-color: grey; border: 1px solid black; display: inline-block; width: 20px; height: 15px;"></span>



# FRS RETIREES BY STATE

As of June 30, 2024



# FRS RETIREES OUTSIDE THE UNITED STATES

As of June 30, 2024

Country (Count of FRS Retirees)				
Argentina (5)	Chile (3)	Guam (3)	Nicaragua (5)	Switzerland (5)
Antigua & Barbuda (2)	Colombia (20)	Honduras (1)	Norway (1)	Taiwan (4)
Armed Forces (32)	Costa Rica (7)	Hungary (4)	Panama (4)	Thailand (20)
Australia (22)	Croatia (1)	Ireland (7)	Peru (7)	Trinidad & Tobago (4)
Austria (1)	Cyprus (1)	Israel (13)	Philippines (17)	Turks & Caicos (1)
Bahamas (2)	Czech Republic (2)	Italy (8)	Poland (4)	United Kingdom (46)
Barbados (6)	Dominican Republic (3)	Jamaica (13)	Portugal (11)	Uruguay (2)
Belize (1)	Ecuador (2)	Japan (7)	Puerto Rico (301)	Venezuela (1)
Bermuda (1)	Egypt (1)	Latvia (1)	Romania (1)	Vietnam (1)
Bosnia-Herzegovina (2)	El Salvador (1)	Lebanon (1)	Saint Lucia (1)	Virgin Islands (28)
Brazil (5)	France (14)	Malta (1)	Serbia (1)	
Bulgaria (2)	Germany (30)	Mexico (6)	Slovakia (1)	
Canada (134)	Ghana (1)	Netherlands (3)	Spain (36)	
Cayman Islands (1)	Greece (6)	New Zealand (12)	Sweden (2)	

**REEMPLOYED RETIREES NOT ELIGIBLE  
FOR RENEWED MEMBERSHIP BY SYSTEM/CLASS**

As of June 30

System/Class	2020	2021	2022	2023	2024
FRS Regular	5,677	5,558	5,894	6,645	7,216
FRS Senior Management Service	144	134	144	154	167
FRS Special Risk	541	553	557	573	677
FRS Elected Officers'	123	144	137	146	152
<b>Total</b>	<b>6,485</b>	<b>6,389</b>	<b>6,732</b>	<b>7,518</b>	<b>8,212</b>

**PROFILE OF REEMPLOYED RETIREES NOT ELIGIBLE  
FOR RENEWED MEMBERSHIP**

As of June 30, 2024

By Employer Group	Count	Average Length of Employment	Average Salary
State	1,515	4.15	\$ 55,076
State Universities	227	5.00	61,231
School Boards	4,119	3.93	37,706
Counties	1,706	4.00	48,933
State Colleges	252	4.97	45,685
Others <sup>1</sup>	393	3.76	44,353
<b>Total/Average</b>	<b>8,212</b>	<b>4.04</b>	<b>\$ 44,456</b>

By Age Range	Count	Average Length of Employment	Average Salary
Under 30	–	–	\$ –
30 – 39	–	–	–
40 – 49	15	1.13	43,316
50 – 59	1,113	2.48	46,792
60 – 69	4,384	3.67	45,779
70 and Over	2,700	5.30	41,351
<b>Total/Average</b>	<b>8,212</b>	<b>4.04</b>	<b>\$ 44,456</b>

By Gender	Count	Average Length of Employment	Average Salary
Female	4,855	3.97	\$ 39,415
Male	3,357	4.13	51,746
<b>Total/Average</b>	<b>8,212</b>	<b>4.04</b>	<b>\$ 44,456</b>

<sup>1</sup> Others include Cities, Special Districts, Charter Schools, Housing Authorities, and Independent Hospitals.

# SYSTEM SUMMARY SECTION



**THE RINGLING MUSEUM (SARASOTA, FL)  
CA. 1927**

## CHRONOLOGICAL HIGHLIGHTS OF STATE-ADMINISTERED RETIREMENT AND PENSION SYSTEMS SINCE 2000

- 2000** —The Public Employee Optional Retirement Program (also referred to as the Investment Plan) was established to be implemented in 2002.
- Special risk annual retirement credit was upgraded to 3 percent 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 percent to 65 percent, effective July 1, 2000.
- The vesting requirement was reduced to six years for all FRS membership classes, beginning July 1, 2001.
- The vesting requirement for regular disability retirement was reduced to eight years, beginning July 1, 2001.
- 2001** —A one-time special 12 percent 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 Pension Plan and members of the 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 Pension Plan.
- 2003** —Participants of the State Community College Optional Retirement Program were provided a one-time opportunity to transfer to the FRS.
- 2005** —Local government service managers who withdrew from the FRS were given a one-time opportunity to transfer to the FRS between January 1, 2006, and June 30, 2006.
- 2007** —Participants of the State University System Optional Retirement Program were provided a one-time opportunity to transfer to the FRS between January 1, 2008, and December 31, 2008.
- The Institute of Food and Agricultural Sciences Supplemental Retirement Program was consolidated as a closed-retirement system under the Regular Class of the FRS, effective July 1, 2007.
- 2009** —The definition of termination was changed from one calendar month to six calendar months for Pension Plan members whose Deferred Retirement Option Program (DROP) termination dates or non-DROP retirements are effective on or after July 1, 2010.
- For Pension Plan members whose DROP termination dates or non-DROP retirements are effective on or after July 1, 2010, the reemployment limitation period was changed to six calendar months after meeting the definition of termination.
- All exceptions to employment with FRS-covered employers during the reemployment limitation period were closed to Pension Plan members whose DROP termination dates are on or after July 1, 2010, or whose non-DROP retirements are effective July 1, 2010. Investment Plan members and participants in the State University System Optional Retirement Program, Senior Management Service Optional Annuity Program, State Community College Optional Retirement Program, and withdrawn local senior managers who received a distribution in June 2010 or after no longer have exceptions to employment with FRS-covered employers during the reemployment limitation period.
- Renewed membership was closed to retirees of a state-administered retirement system initially reemployed by an FRS employer on or after July 1, 2010.
- 2010** —Continued Special Risk Class participation for employment in a non-special risk position is provided for members suffering specified in-line-of-duty injuries and who reach maximum medical improvement on or after August 1, 2008, for as long as employed by the same employer at the time of injury.

**2011** —Required 3 percent pre-tax employee contributions on compensation reported on or after July 1, 2011, for all members except those participating in the DROP or reemployed retirees who are not eligible for renewed membership.

Changed the cost-of-living adjustment formula for FRS Pension Plan retirements effective on or after August 1, 2011, to be a proportional amount of 3 percent excluding service credit earned on or after July 1, 2011.

Created different benefit structure for FRS Pension Plan members initially enrolled on or after July 1, 2011, in addition to required employee contributions that require:

- Eight-year vesting,
- Highest eight fiscal years of salary used in the calculation of average final compensation,
- Normal retirement for Special Risk Class members at age 60 and vested or a total of 30 years of service; and age 65 and vested or a total of 33 years of service for all other classes,
- Elimination of cost-of-living adjustments after retirement.

**2016** —Created enhanced survivor benefits for Special Risk Class members who are killed in the line of duty on or after July 1, 2013, for benefit payments on or after July 1, 2016, with the following stipulations:

- The benefit payable to the surviving spouse or on behalf of an eligible dependent child or children of a Pension Plan Special Risk Class member is increased from 50 percent to 100 percent of the member's base monthly salary at the time of death.
- A new benefit for the surviving spouse or on behalf of an eligible dependent child or children of an Investment Plan Special Risk Class member is created, with the benefit payable equal to 100 percent of the member's base monthly salary at the time of death. The member's Investment Plan account balance must be transferred to the Survivor Benefit Account of the FRS Trust Fund if the in-line-of-duty death benefit is approved.
- If there is no surviving spouse, the eligible child or children will receive benefits until the youngest unmarried child reaches age 18. The benefits may be extended up to age 25 if the eligible surviving child is unmarried and enrolled as a full-time student.

**2017** —Created defined contribution plan renewed membership for state-administered defined contribution plan retirees initially reemployed in a regularly established position on or after July 1, 2010, but initially enrolled in the FRS Investment Plan, the State University System Optional Retirement Program, or the State Community College System Optional Retirement Program on or after July 1, 2017. Membership in the FRS is available in all classes including the Special Risk Class for this tier of renewed membership. Pension Plan retirees remain ineligible for renewed membership.

Created in-line-of-duty (ILOD) death benefits for members of the Investment Plan in all classes except the Special Risk Class with eligibility retroactive to July 1, 2002, for benefit payments on or after July 1, 2017.

Extended retroactive eligibility for the existing in-line-of-duty death benefits for Special Risk Class members from July 1, 2013, to July 1, 2002, for eligible survivors of Pension Plan or Investment Plan members.

Changed the default membership for FRS members initially enrolled on or after January 1, 2018, from the Pension Plan to the Investment Plan for all members except those in a Special Risk Class position at the time of default and extended the initial membership election period from five calendar months to eight calendar months after the month of hire effective January 1, 2018.

Closed the Senior Management Service Optional Annuity Program to new members effective July 1, 2017. Existing members can continue to participate.

**2018** —Created an exception to reemployment restrictions to allow law enforcement officers who retired from the FRS or other state-administered retirement system to be reemployed as a school resource officer by an FRS employer during the seventh through twelfth calendar months after their retirement date or their DROP termination date without requiring them to suspend their retirement benefit.

Requires specified K-12 instructional personnel participating in the DROP who are authorized to extend their DROP participation beyond the initial 60-calendar month period to have their DROP termination date be the end of the month of the last month of the school year. Administrative personnel in grades K-12 participating in DROP who have a DROP termination date on or after July 1, 2018, may be authorized to extend their DROP participation beyond the initial 60-calendar month period if their termination date is before the end of the school year.

Removed the requirement that a law enforcement officer, firefighter, emergency medical technician, or paramedic employed by a public agency who suffers a mental or nervous injury must also have an accompanying physical injury to be eligible for workers' compensation benefits.

**2019** —Established a presumption of in-line-of-duty causation for firefighters who die or are totally and permanently disabled due to one of a specified 21 types of cancers or due to circumstances arising out of the treatment of one of these cancers. The firefighter must be employed full-time within a fire department or public safety department of an employer whose primary responsibilities are the prevention and extinguishing of fires; the protection of life and property; and the enforcement of municipal, county, and state fire prevention codes and laws pertaining to the prevention and control of fires.

**2022** —Created an exception for law enforcement officers in DROP to extend their participation for up to an additional 36-calendar months beyond their initial 60-calendar month period if the law enforcement officer enters DROP on or before June 30, 2028.

Expanded the definition of “firefighter” in section 112.1816, Florida Statutes, to include full time, Florida-certified fire investigators in the in-line-of-duty presumption for specified cancers.

Expanded the in-line-of-duty presumption for post-traumatic stress disorder (PTSD) to include correctional officers with specified criteria.

**2023** —Increased the monthly Health Insurance Subsidy payment for a retiree, beneficiary or joint annuitant from the pension plan and investment plan to \$7.50 per year of creditable service at the time of retirement. The maximum benefit is \$225 per month and the minimum benefit is adjusted to \$45 month.

Revised the definition of normal retirement date for Special Risk Class members enrolled on or after July 1, 2011. Special Risk Class normal retirement date is 25 years of service or age 55 and vested for all members in the Special Risk Class.

Revised provisions relating to the DROP as follows:

- Eligible pension plan members who are in a regular established position can elect to participate in DROP at any time following the date the member reaches their normal retirement date.
- A member may elect to participate in DROP for up to a maximum of 96 calendar months.
- DROP participants who are instructional personnel as defined in s. 1012.01(2) (a)-(d), F.S., employed by a developmental research school, district school board, or the Florida School for the Deaf and the Blind, may have their DROP participation extended beyond the 96-calendar month period for an additional 24 calendar months if the member’s extension request is received on or before June 30, 2029.
- Increased the annual DROP accrual interest rate to member accounts to 4 percent, compounded monthly, beginning July 2023.

Amended the definition of termination to specify that in addition to terminating employment, service to all FRS employers must be ceased. All terminations must be termination of employment consistent with federal regulations.

Created criteria for retirees to provide services through employer postemployment volunteer programs without causing the retiree to violate termination based on established criteria.

**2024** —Allowed eligible retirees to be reemployed with an employer who participates in the FRS to receive both compensation and retirement benefits after meeting the definition of termination. This change eliminated the statutory six-month reemployment limitation period that previously required a suspension of retirement benefits when retirees were employed with FRS employers during calendar months seven through twelve after the date of retirement.

The FRS Preservation of Benefits Plan will be closed to new members effective July 1, 2026. A new member who retires after July 1, 2026, and who has earned Pension Plan benefit larger than the member’s personalized Section 415(b) limit would not have their excess benefit paid from Preservation of Benefits.

## PARTICIPATING EMPLOYERS

As of June 30, 2024

### STATE AGENCIES –

#### EXECUTIVE BRANCH

Agency for Health Care Administration  
Agency for Persons with Disabilities  
Department of Agriculture and  
Consumer Services  
Department of Business and  
Professional Regulation  
Department of Children and Families  
Department of Citrus  
Department of Corrections  
Department of Commerce  
Department of Education  
Department of Elder Affairs  
Department of Environmental Protection  
Department of Financial Services  
Department of Health  
Department of Highway Safety and  
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  
Department of Revenue  
Department of State  
Department of Transportation  
Department of Veterans' Affairs  
Executive Office of the Governor  
Fish and Wildlife Conservation  
Commission  
Florida Commission on Offender Review  
Florida Gaming Control Commission  
Justice Administrative Commission  
State Board of Administration  
Vending Facilities Operators  
Volunteer Florida

#### LEGISLATIVE BRANCH

Auditor General  
Commission on Ethics  
The Legislature  
Public Service Commission

#### JUDICIAL BRANCH

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

### STATE UNIVERSITIES –

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

#### STATE COLLEGES –

Broward College  
Chipola College  
College of Central Florida  
Daytona State College  
Eastern Florida State College  
Florida Gateway College  
Florida SouthWestern State College  
Florida State College at Jacksonville  
Gulf Coast State College  
Hillsborough Community College  
Indian River State College  
Lake-Sumter State College  
Miami Dade College  
North Florida College  
Northwest Florida State College  
Palm Beach State College  
Pasco-Hernando State College  
Pensacola State College  
Polk State College  
Saint Johns River State College  
Saint Petersburg College  
Santa Fe College  
Seminole State College of Florida  
South Florida State College  
State College of Florida, Manatee-  
Sarasota  
Tallahassee Community College  
The College of the Florida Keys  
Valencia College

### LOCAL AGENCIES –

#### ALACHUA COUNTY

Alachua County Library District  
Board of County Commissioners  
Boulware Springs Charter School <sup>4</sup>  
Caring and Sharing Learning School  
Children's Trust of Alachua County  
City of Alachua <sup>1,4</sup>  
City of Archer <sup>4</sup>  
City of Gainesville <sup>3</sup>  
City of High Springs <sup>1,2,4</sup>  
City of Newberry <sup>2,4</sup>  
Clerk of Circuit Court  
Genesis Preparatory School of  
Gainesville, Inc.  
Micanopy Middle School, Inc.  
North Central Florida Public Charter  
School  
Property Appraiser  
School Board  
Sheriff  
SIATech Gainesville  
Supervisor of Elections  
Tax Collector

#### BAKER COUNTY

Board of County Commissioners  
City of MacClenny <sup>2,3,4</sup>  
Clerk of Circuit Court  
New River Solid Waste Association  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector  
Town of Glen St Mary <sup>3,4</sup>

<sup>1</sup> This agency participates in the FRS for its police employees.

<sup>2</sup> This agency participates in the FRS for its fire employees.

<sup>3</sup> This agency participates in the FRS for its elected officials.

<sup>4</sup> This agency participates in the FRS for its general employees.

**BAY COUNTY**

Bay Haven Charter Academy  
 Elementary School  
 Bay Haven Charter Academy Middle  
 School  
 Beach Mosquito Control District  
 Board of County Commissioners  
 Central High School  
 Chautauqua Learn and Serve Charter  
 School  
 City of Callaway <sup>2,3,4</sup>  
 City of Mexico Beach <sup>1,2,4</sup>  
 City of Parker  
 City of Springfield  
 Clerk of Circuit Court  
 North Bay Haven Charter Career  
 School  
 North Bay Haven Charter Elementary  
 School  
 North Bay Haven Charter Middle  
 School  
 Palm Bay Elementary School  
 Palm Bay Preparatory Academy  
 Panama City Port Authority  
 Property Appraiser  
 Rising Leader Academy, Inc.  
 School Board  
 Sheriff  
 Supervisor of Elections  
 Tax Collector  
 University Academy, Inc.

**BRADFORD COUNTY**

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

**BREVARD COUNTY**

Board of County Commissioners  
 City of Cocoa <sup>4</sup>  
 City of Indian Harbour Beach <sup>4</sup>  
 City of Melbourne <sup>1,3,4</sup>  
 City of Palm Bay <sup>3</sup>  
 City of West Melbourne <sup>4</sup>  
 Clerk of Circuit Court  
 Indian River Lagoon Council  
 Merritt Island Public Library Tax District  
 Property Appraiser  
 School Board  
 Sebastian Inlet District  
 Sheriff  
 Space Coast Transportation Planning  
 Organization  
 Supervisor of Elections  
 Tax Collector  
 Town of Malabar  
 Town of Melbourne Beach <sup>4</sup>

**BROWARD COUNTY**

Board of County Commissioners  
 Broward County Housing Authority  
 Broward Metropolitan Planning  
 Organization  
 Central Broward Water Control  
 District  
 Central Charter School  
 Charter School of Excellence Davie  
 1 Campus  
 Charter School of Excellence Fort  
 Lauderdale 1 Campus  
 Children's Services Council of  
 Broward  
 City of Coconut Creek  
 City of Cooper City <sup>4</sup>  
 City of Dania Beach <sup>3,4</sup>  
 City of Deerfield Beach <sup>3</sup>  
 City of Fort Lauderdale <sup>3,4</sup>  
 City of Hallandale Beach <sup>4</sup>  
 City of Hollywood <sup>3</sup>  
 City of Lighthouse Point <sup>1,4</sup>  
 City of Margate  
 City of Miramar <sup>3</sup>  
 City of North Lauderdale <sup>2</sup>  
 City of Oakland Park <sup>2,4</sup>  
 City of Pembroke Pines Charter  
 Elementary School  
 City of Pembroke Pines Charter  
 High School  
 City of Pembroke Pines Charter  
 Middle School  
 City of Pembroke Pines FSU  
 Charter School  
 City of Pompano Beach <sup>3</sup>  
 City of Weston <sup>3</sup>  
 City of West Park <sup>3,4</sup>  
 City of Wilton Manors <sup>1,3,4</sup>  
 Clerk of Circuit and County Courts  
 Hillsborough Inlet Improvement and  
 Maintenance  
 North Springs Improvement District  
 Old Plantation Water Control District  
 Plantation Acres Improvement  
 District  
 Property Appraiser  
 School Board  
 Sheriff  
 South Broward Drainage District  
 South Florida Regional Planning  
 Council  
 Supervisor of Elections  
 Tax Collector  
 Town of Hillsboro Beach <sup>1,4</sup>  
 Town of Lauderdale-by-the-Sea <sup>3,4</sup>  
 Town of Pembroke Park <sup>1,4</sup>  
 Tri-County Commuter Rail

**CALHOUN COUNTY**

Apalachee Regional Planning Council  
 Board of County Commissioners  
 City of Blountstown <sup>1,2,4</sup>  
 Clerk of Circuit Court  
 Property Appraiser  
 School Board  
 Sheriff  
 Supervisor of Elections  
 Tax Collector  
 Town of Altha <sup>1,4</sup>

**CHARLOTTE COUNTY**

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

**CITRUS COUNTY**

Board of County Commissioners  
 Citrus County Mosquito Control  
 District  
 Citrus MYcroSchool of Integrated  
 Academics and Technologies  
 City of Crystal River  
 City of Inverness <sup>2,3,4</sup>  
 Clerk of Circuit Court  
 Homosassa Special Water District  
 Property Appraiser  
 School Board  
 Sheriff  
 Supervisor of Elections  
 Tax Collector

**CLAY COUNTY**

Board of County Commissioners  
 City of Green Cove Springs <sup>3,4</sup>  
 Clerk of Circuit Court  
 First Coast Workforce Consortium  
 Property Appraiser  
 School Board  
 Sheriff  
 Supervisor of Elections  
 Tax Collector

<sup>1</sup> This agency participates in the FRS for its police employees.<sup>2</sup> This agency participates in the FRS for its fire employees.<sup>3</sup> This agency participates in the FRS for its elected officials.<sup>4</sup> This agency participates in the FRS for its general employees.



**COLLIER COUNTY**

Board of County Commissioners  
Clerk of Circuit Court  
Collier County Soil and Water Conservation District  
Collier Mosquito Control District  
Greater Naples Fire Rescue District  
Immokalee Fire Control District  
Marco Island Academy  
Marco Island Charter Middle School  
North Collier Fire Rescue District  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector

**COLUMBIA COUNTY**

Board of County Commissioners  
City of Lake City <sup>3,4</sup>  
Clerk of Circuit Court  
Lake Shore Hospital Authority  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector

**DADE COUNTY**

See Miami-Dade County

**DE SOTO COUNTY**

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

**DIXIE COUNTY**

Board of County Commissioners  
Clerk of Circuit Court  
Kinder Cub School, Inc.  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Suwannee Water and Sewer District  
Tax Collector  
Three Rivers Regional Library System  
Town of Cross City

**DUVAL COUNTY**

Biscayne MycroSchool  
Duval MYcroSchool of Integrated Academics and Technologies  
Jacksonville Aviation Authority  
Jacksonville Seaport Authority  
Jacksonville Transportation Authority  
Lone Star MycroSchool  
Northeast Florida Regional Planning Council

North Florida Transportation Planning Organization  
River City Science Academy  
River City Science Academy Elementary  
River City Science Academy Innovation  
River City Science Academy Intracoastal  
River City Science Academy at Mandarin  
River City Science Academy Southeast  
School Board  
SIATech Jacksonville

**ESCAMBIA COUNTY**

Board of County Commissioners  
Byrenville Elementary School, Inc.  
Clerk of Circuit and County Courts  
City of Pensacola <sup>1,3,4</sup>  
Emerald Coast Utility Authority  
Pensacola Beach Elementary Charter School inc.  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector  
West Florida Regional Planning Council

**FLAGLER COUNTY**

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

**FRANKLIN COUNTY**

Apalachicola Housing Authority  
Board of County Commissioners  
City of Apalachicola <sup>1,4</sup>  
City of Carrabelle <sup>1,3,4</sup>  
Clerk of Circuit Court  
Eastpoint Water and Sewer District  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector

**GADSDEN COUNTY**

Board of County Commissioners  
City of Chattahoochee <sup>1,3,4</sup>  
City of Gretna  
City of Midway <sup>1,3,4</sup>

Clerk of Circuit Court  
Northwest Florida Water Management District  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector  
Town of Greensboro <sup>1,4</sup>  
Town of Havana <sup>1,4</sup>

**GILCHRIST COUNTY**

Board of County Commissioners  
City of Trenton <sup>1,3,4</sup>  
Clerk of Circuit Court  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector

**GLADES COUNTY**

Board of County Commissioners  
City of Moore Haven <sup>4</sup>  
Clerk of Circuit Court  
Moore Haven Mosquito Control District  
Pemayetv Emahakv, Inc.  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector

**GULF COUNTY**

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

**HAMILTON COUNTY**

Board of County Commissioners  
City of Jasper  
Clerk of Circuit Court  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector  
Town of Jennings <sup>1,2,4</sup>

<sup>1</sup> This agency participates in the FRS for its police employees.

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<sup>3</sup> This agency participates in the FRS for its elected officials.

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**HARDEE COUNTY**

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

**HENDRY COUNTY**

Barron Water Control District  
Board of County Commissioners  
Central County Water Control District  
City of Clewiston <sup>1</sup>  
City of La Belle <sup>3,4</sup>  
Clerk of Circuit Court  
Hendry Soil and Water Conservation District  
Port La Belle Community Development District  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector

**HERNANDO COUNTY**

Board of County Commissioners  
City of Brooksville <sup>3,4</sup>  
Clerk of Circuit Court  
Hernando County Housing Authority  
Property Appraiser  
School Board  
Sheriff  
Southwest Florida Water Management District  
Supervisor of Elections  
Tax Collector

**HIGHLANDS COUNTY**

Board of County Commissioners  
City of Avon Park <sup>3,4</sup>  
City of Sebring <sup>1,2,4</sup>  
Clerk of Circuit Court  
Highlands Soil and Water Conservation District  
Property Appraiser  
School Board  
Sebring Airport Authority  
Sheriff  
Supervisor of Elections  
Tax Collector  
Town of Lake Placid <sup>1,3,4</sup>

**HILLSBOROUGH COUNTY**

Board of County Commissioners  
Children's Board of Hillsborough County  
Clerk of Circuit Court  
Hillsborough Area Regional Transit  
Hillsborough County Aviation Authority

Hillsborough County Civil Service Board  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tampa Bay Estuary Program  
Tampa-Hillsborough County Expressway Authority  
Tampa Port Authority  
Tampa Sports Authority  
Tax Collector

**HOLMES COUNTY**

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

**INDIAN RIVER COUNTY**

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

**JACKSON COUNTY**

Board of County Commissioners  
City of Graceville <sup>1,4</sup>  
City of Marianna <sup>4</sup>  
Clerk of Circuit Court  
Jackson Soil and Water Conservation District  
Northwest Florida Regional Housing Authority  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector  
Town of Alford <sup>4</sup>  
Town of Grand Ridge <sup>4</sup>  
Town of Sneads <sup>1,4</sup>

**JEFFERSON COUNTY**

Board of County Commissioners  
City of Monticello <sup>4</sup>  
Clerk of Circuit Court  
Property Appraiser  
School Board  
Sheriff

Supervisor of Elections  
Tax Collector

**LAFAYETTE COUNTY**

Board of County Commissioners  
Clerk of Circuit Court  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector  
Town of Mayo <sup>3,4</sup>

**LAKE COUNTY**

Board of County Commissioners  
City of Fruitland Park <sup>1,4</sup>  
City of Groveland <sup>1,2</sup>  
City of Minneola <sup>2,4</sup>  
City of Tavares <sup>1, 2,4</sup>  
City of Umatilla <sup>4</sup>  
Clerk of Circuit Court  
Lake County Water Authority  
Mascotte Charter School, Inc.  
Minneola Charter Schools, Inc<sup>4</sup>  
Property Appraiser  
School Board  
Sheriff  
Spring Creek Charter School  
Supervisor of Elections  
Tax Collector  
Town of Astatula  
Town of Montverde <sup>4</sup>

<sup>1</sup> This agency participates in the FRS for its police employees.

<sup>2</sup> This agency participates in the FRS for its fire employees.

<sup>3</sup> This agency participates in the FRS for its elected officials.

<sup>4</sup> This agency participates in the FRS for its general employees.

**LEE COUNTY**

Alva Fire and Rescue Service District  
Bayshore Fire Protection and Rescue Service District  
Board of County Commissioners  
Bonita Springs Fire and Rescue  
Cape Coral Charter School Authority  
Captiva Fire Control District  
City of Bonita Springs  
Clerk of Circuit Court  
Fort Myers Beach Fire Control District  
Fort Myers Beach Library District  
Fort Myers Beach Mosquito Control  
Fort Myers Shores Fire Department Hyacinth Control District  
Iona McGregor Fire Protection and Rescue Service  
Lee County Metropolitan Planning Organization  
Lee County Mosquito Control District  
Lehigh Acres Fire Control and Rescue District  
Lehigh Acres Municipal Services Improvement District  
Matlacha-Pine Fire District  
North Fort Myers Fire Control District  
Property Appraiser  
Public Risk Management of Florida  
San Carlos Fire Protection and Rescue District  
Sanibel Fire Control District  
School Board  
Sheriff  
South Trail Fire & Rescue Service District  
Southwest Florida Regional Planning Council  
Supervisor of Elections  
Tax Collector  
Tice Fire and Rescue District

**LEON COUNTY**

Board of County Commissioners  
Children's Services Council of Leon County<sup>4</sup>  
Clerk of Circuit Court  
Florida Clerk of Court Operations Corporation  
Property Appraiser  
The School of Arts and Sciences Foundation, Inc.  
School Board  
Sheriff  
Stars Education Services, Inc.  
Supervisor of Elections  
Tallahassee Housing Authority  
Tax Collector

**LEVY COUNTY**

Board of County Commissioners  
City of Cedar Key<sup>1,2</sup>  
City of Chiefland

City of Fanning Springs  
City of Williston<sup>2</sup>  
Clerk of Circuit Court  
Nature Coast Middle School  
North Central Florida Regional Housing Authority  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector  
Town of Inglis<sup>1,4</sup>  
Town of Yankeetown<sup>4</sup>  
Whispering Winds Charter School

**LIBERTY COUNTY**

Board of County Commissioners  
City of Bristol<sup>4</sup>  
Clerk of Circuit Court  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector

**MADISON COUNTY**

Aucilla Area Solid Waste Administration  
Board of County Commissioners  
Clerk of Circuit Court  
James Madison Preparatory High School  
Madison Creative Arts Academy, Inc.  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector  
Town of Greenville<sup>4</sup>

**MANATEE COUNTY**

Board of County Commissioners  
Braden River Fire Control and Rescue  
Cedar Hammock Fire Control District  
City of Anna Maria  
City of Bradenton<sup>3,4</sup>  
City of Holmes Beach<sup>4</sup>  
Clerk of Circuit Court  
Lincoln Memorial Academy  
Manatee County Housing Authority  
Manatee County Mosquito Control District  
Palmetto Charter School, Inc.  
Parrish Fire Control District  
Peace River/Manasota Regional Water Supply Authority  
Property Appraiser  
School Board  
Sheriff

Supervisor of Elections  
Tax Collector  
Town of Longboat Key<sup>2</sup>  
William Monroe Rowlett Academy for the Arts and Communication  
William Monroe Rowlett Middle Academy

**MARION COUNTY**

Board of County Commissioners  
Clerk of Circuit Court  
Francis Marion Military Academy  
Marion Charter School  
Property Appraiser  
Rainbow Lakes Municipal Service  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector

**MARTIN COUNTY**

Board of County Commissioners  
City of Stuart  
Clerk of Circuit Court  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector  
Village of Indiantown<sup>3,4</sup>

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<sup>3</sup> This agency participates in the FRS for its elected officials.  
<sup>4</sup> This agency participates in the FRS for its general employees.

**MIAMI - DADE COUNTY**

Bal Harbour Village <sup>1</sup>  
 The Children's Trust  
 City of Coral Gables <sup>3</sup>  
 City of Doral <sup>1</sup>  
 City of Florida City <sup>1,4</sup>  
 City of Miami Gardens <sup>1,3,4</sup>  
 City of North Bay Village <sup>1,4</sup>  
 City of North Miami <sup>1,3,4</sup>  
 City of North Miami Beach <sup>3</sup>  
 City of Opa-Locka <sup>1,4</sup>  
 City of Sunny Isles Beach  
 City of Sweetwater<sup>1,3</sup>  
 City of West Miami <sup>1,4</sup>  
 Clerk of Circuit Court  
 Coral Reef Montessori Charter School  
 Dade County Industrial Development Authority  
 Miami Beach Housing Authority  
 Miami-Dade County  
 Miami-Dade County Expressway Authority  
 Property Appraiser  
 School Board  
 Sheriff  
 Supervisor of Elections  
 Tax Collector  
 Town of Cutler Bay  
 Town of Miami Lakes <sup>1,3,4</sup>  
 Village of Biscayne Park <sup>1,4</sup>  
 Village of El Portal <sup>1,4</sup>  
 Village of Pinecrest <sup>1</sup>

**MONROE COUNTY**

Board of County Commissioners  
 City of Key Colony Beach <sup>1,4</sup>  
 City of Marathon <sup>3</sup>  
 Clerk of Circuit Court  
 Florida Keys Aqueduct Authority  
 Florida Keys Mosquito Control District  
 Islamorada, Village of Islands  
 Property Appraiser  
 School Board  
 Sheriff  
 Supervisor of Elections  
 Tax Collector

**NASSAU COUNTY**

Amelia Island Mosquito Control  
 Board of County Commissioners  
 City of Fernandina Beach <sup>3</sup>  
 Clerk of Circuit Court  
 Property Appraiser  
 School Board  
 Sheriff  
 Supervisor of Elections  
 Tax Collector  
 Town of Callahan <sup>3,4</sup>  
 Town of Hilliard <sup>3,4</sup>

**OKALOOSA COUNTY**

Board of County Commissioners  
 City of Niceville <sup>1,2,4</sup>  
 Clerk of Circuit Court  
 Liza Jackson Preparatory School  
 Property Appraiser  
 School Board  
 Sheriff  
 Supervisor of Elections  
 Tax Collector

**OKEECHOBEE COUNTY**

Board of County Commissioners  
 Clerk of Circuit Court  
 Coquina Water Control District  
 Okeechobee Soil and Water Conservation District  
 Property Appraiser  
 School Board  
 Sheriff  
 Supervisor of Elections  
 Tax Collector

**ORANGE COUNTY**

Board of County Commissioners  
 Central Florida Expressway Authority  
 Central Florida Tourism Oversight District  
 City of Edgewood  
 Clerk of Circuit Court  
 Florida Virtual High School  
 Greater Orlando Aviation Authority <sup>2</sup>  
 Lake Apopka Natural Gas District  
 Nap Ford Community School  
 Office of the Comptroller  
 Orange Co School Board  
 Orlando Science Elementary School  
 Orlando Science Middle/High School  
 Property Appraiser  
 Sheriff  
 Supervisor of Elections  
 Tax Collector

**OSCEOLA COUNTY**

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

**PALM BEACH COUNTY**

Board of County Commissioners  
 City of Atlantis <sup>1,4</sup>  
 City of Boca Raton <sup>3</sup>  
 City of Boynton Beach <sup>3</sup>  
 City of Palm Beach Gardens <sup>3,4</sup>  
 City of Riviera Beach  
 City of South Bay <sup>3</sup>  
 Clerk of Circuit Court  
 Florida Inland Navigation District  
 Pictures and Television  
 Gulf Stream Goodwill Academies, Inc.  
 Indian Trail Improvement District  
 Inlet Grove Community High School, Inc.  
 Lake Worth Drainage District  
 Loxahatchee Groves Water Control District  
 Palm Beach County Solid Waste Authority  
 Palm Beach Metropolitan Planning Organization  
 Palm Beach Soil and Water Conservation  
 Palm Beach Workforce Development Consortium  
 Port of Palm Beach  
 Property Appraiser  
 School Board  
 Shawano Drainage District  
 Sheriff  
 South Florida Conservancy  
 South Florida Water Management District  
 South Tech Charter Academy, Inc.  
 Students in the Arts TV GSTAR TV  
 Supervisor of Elections  
 Tax Collector  
 Town of Haverhill <sup>4</sup>  
 Town of Highland Beach <sup>1,3,4</sup>  
 Town of Juno Beach <sup>1,4</sup>  
 Town of Jupiter <sup>3,4</sup>  
 Town of Loxahatchee Groves <sup>4</sup>  
 Town of Mangonia Park <sup>4</sup>  
 Town of Ocean Ridge <sup>1,3,4</sup>  
 Town of Palm Beach Shores <sup>1,2,4</sup>  
 Town of South Palm Beach <sup>1,4</sup>  
 Village of Palm Springs <sup>1,3,4</sup>  
 Village of Royal Palm Beach <sup>3,4</sup>  
 Village of Wellington <sup>3,4</sup>  
 Western Academy Charter School

<sup>1</sup> This agency participates in the FRS for its police employees.<sup>2</sup> This agency participates in the FRS for its fire employees.<sup>3</sup> This agency participates in the FRS for its elected officials.<sup>4</sup> This agency participates in the FRS for its general employees.

**PASCO COUNTY**

Board of County Commissioners  
 City of New Port Richey <sup>4</sup>  
 City of Port Richey  
 City of San Antonio <sup>4</sup>  
 City of Zephyrhills <sup>1,2,4</sup>  
 Clerk of Circuit Court  
 Learning Lodge Academy, Inc.  
 Pasco County Mosquito Control District  
 Property Appraiser  
 School Board  
 Sheriff  
 Supervisor of Elections  
 Tax Collector

**PINELLAS COUNTY**

Board of County Commissioners  
 City of Madeira Beach <sup>2,4</sup>  
 City of Oldsmar <sup>2</sup>  
 City of Saint Pete Beach <sup>2</sup>  
 City of Seminole <sup>3,4</sup>  
 City of South Pasadena <sup>4</sup>  
 City of Treasure Island <sup>1,2</sup>  
 Clerk of Court  
 Juvenile Welfare Board  
 Lealman Special Fire Control District  
 Palm Harbor Special Fire Control District  
 Pinellas County Planning Council  
 Pinellas Housing Authority  
 Pinellas MYcroSchool of Integrated Academics and Technologies  
 Pinellas Park Water Management District  
 Pinellas Suncoast Fire and Rescue District  
 Pinellas-Suncoast Transit Authority  
 Property Appraiser  
 School Board  
 Sheriff  
 Supervisor of Elections  
 Tampa Bay Regional Planning Council  
 Tampa Bay Water  
 Tax Collector  
 Town of Indian Shores <sup>3</sup>  
 Town of Kenneth City <sup>1</sup>  
 Town of North Redington Beach <sup>4</sup>  
 Town of Redington Shores <sup>3,4</sup>

**POLK COUNTY**

Berkley Accelerated Middle School  
 Berkley Charter School  
 Board of County Commissioners  
 Clerk of Circuit Court  
 Compass Charter Middle School  
 Dale R. Fair Babson Park Elementary School  
 Discovery Academy of Lake Alfred  
 Edward W. Bok Academy, Inc.  
 Edward W. Bok Academy North  
 Hillcrest Elementary School

Janie Howard Wilson Elementary School  
 Lakeland Area Mass Transit District  
 Lake Wales Charter School, Inc.  
 Lake Wales Senior High School  
 Language and Literacy Academy of Learning, Inc.  
 McKeel Academy of Technology  
 New Beginnings High School, Inc.  
 Polk Avenue Elementary School  
 Property Appraiser  
 Ridgeview Global Studies Academy  
 School Board  
 Sheriff  
 Supervisor of Elections  
 Tax Collector  
 Town of Polk City <sup>4</sup>  
 Victory Ridge Academy  
 Village of Highland Park <sup>4</sup>

**PUTNAM COUNTY**

Board of County Commissioners  
 Clerk of Circuit Court  
 Property Appraiser  
 Putnam Academy of Arts and Sciences  
 Putnam Edge High School  
 Saint Johns River Water Management District  
 School Board  
 Sheriff  
 Supervisor of Elections  
 Tax Collector

**SAINT JOHNS COUNTY**

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

**SAINT LUCIE COUNTY**

Board of County Commissioners  
 Children's Service Council of Saint Lucie  
 City of Port Saint Lucie <sup>3</sup>  
 Clerk of Circuit Court  
 Property Appraiser  
 School Board  
 Sheriff  
 Supervisor of Elections  
 Tax Collector

**SANTA ROSA COUNTY**

Avalon Fire Rescue District  
 Board of County Commissioners  
 Clerk of Circuit Court

Property Appraiser  
 School Board  
 Sheriff  
 Supervisor of Elections  
 Tax Collector  
 Town of Jay <sup>3,4</sup>

**SARASOTA COUNTY**

Board of County Commissioners  
 City of North Port <sup>3,4</sup>  
 City of Sarasota <sup>3,4</sup>  
 City of Venice  
 Clerk of Circuit Court  
 Englewood Area Fire Control District  
 Englewood Water District  
 Florida PACE Funding Agency  
 Property Appraiser  
 Sarasota Bay Estuary Program  
 Sarasota-Manatee Metropolitan Planning Organization  
 Sarasota Military Academy  
 Sarasota Military Academy Prep  
 Sarasota Suncoast Academy  
 School Board  
 Sheriff  
 Student Leadership Academy of Venice, Inc.  
 Supervisor of Elections  
 Tax Collector  
 West Coast Inland Navigation District

**SEMINOLE COUNTY**

Board of County Commissioners  
 City of Sanford  
 Clerk of Circuit Court  
 Property Appraiser  
 School Board  
 Seminole Science Charter School  
 Sheriff  
 Supervisor of Elections  
 Tax Collector

**SUMTER COUNTY**

Board of County Commissioners  
 City of Bushnell <sup>1,3,4</sup>  
 City of Center Hill <sup>1,4</sup>  
 City of Coleman <sup>1,3,4</sup>  
 City of Webster <sup>1,3,4</sup>  
 City of Wildwood  
 Clerk of Circuit Court  
 Property Appraiser  
 School Board  
 Sheriff  
 Supervisor of Elections  
 Tax Collector

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**SUWANNEE COUNTY**

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

**TAYLOR COUNTY**

Big Bend Water Authority  
Board of County Commissioners  
City of Perry <sup>3,4</sup>  
Clerk of Circuit Court  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector  
Taylor Coastal Water and Sewer District  
Taylor County Development Authority

**UNION COUNTY**

Board of County Commissioners  
City of Lake Butler <sup>3,4</sup>  
Clerk of Circuit Court  
New River Library Cooperative  
PAL Public Library Cooperative  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector  
Union County Housing Authority

**VOLUSIA COUNTY**

Board of County Commissioners  
City of Daytona Beach <sup>3,4</sup>  
City of Daytona Beach Shores <sup>1,2,4</sup>  
City of Deltona <sup>4</sup>  
City of Holly Hill <sup>4</sup>  
City of Lake Helen  
City of New Smyrna Beach <sup>3</sup>  
City of Oak Hill <sup>1,4</sup>  
City of Orange City  
City of South Daytona <sup>1,2,4</sup>  
Clerk of Circuit Court  
Property Appraiser  
River to Sea Transportation Planning Organization  
School Board  
Sheriff  
Southeast Volusia Hospital District  
Supervisor of Elections  
Tax Collector  
Town of Pierson <sup>4</sup>  
Town of Ponce Inlet <sup>1,2,4</sup>  
Volusia County Law Library

**WAKULLA COUNTY**

Board of County Commissioners  
City of Sopchoppy <sup>4</sup>  
Clerk of Circuit Court  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector  
Wilderness Coast Libraries

**WALTON COUNTY**

Board of County Commissioners  
City of DeFuniak Springs  
City of Freeport <sup>2,3,4</sup>  
Clerk of Circuit Court  
Property Appraiser  
School Board  
Seaside Neighborhood Charter School  
Sheriff  
South Walton Mosquito Control District  
Supervisor of Elections  
Tax Collector  
Walton Academy

**WASHINGTON COUNTY**

Board of County Commissioners  
City of Chipley  
City of Vernon <sup>3,4</sup>  
Clerk of Circuit Court  
Property Appraiser  
School Board  
Sheriff  
Supervisor of Elections  
Tax Collector  
Town of Wausau <sup>3,4</sup>

**SUMMARY**

State Agencies	45
State Universities	12
State Colleges	28
County Agencies	397
School Boards	67
Cities	184
Independent Hospitals	2
Special Districts	152
Charter Schools	96
Housing Authorities	<u>12</u>
Total	995

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<sup>3</sup> This agency participates in the FRS for its elected officials.

<sup>4</sup> This agency participates in the FRS for its general employees.

Non-Participating Employers

The following list of 30 employers report existing FRS members only; new employees are not eligible to participate in the FRS.

Bay County – City of Panama City  
Bay County – Panama City Port Authority  
Brevard County – Canaveral Port Authority  
*Broward County – City of Lauderdale Lakes*  
*Broward County – North Broward Hospital District*  
Citrus County – Citrus County Hospital Board  
DeSoto County – Joshua Water Control District  
Flagler County – City of Palm Coast  
Hendry County – Hendry County Hospital Authority  
Hillsborough County – City of Temple Terrace  
Jackson County – Jackson Hospital  
*Lake County – City of Eustis*  
Lake County – Lake Soil and Water Conservation District  
*Leon County – City of Tallahassee*  
Miami-Dade County – Public Health Trust Jackson Memorial  
Okaloosa County – City of Valparaiso  
*Okaloosa County – Okaloosa County Gas District*  
Orange County – City of Maitland  
*Palm Beach County – City of Greenacres*  
*Palm Beach County – City of Pahokee*  
Palm Beach County – South Indian River Water Control District  
*Pasco County – City of Dade City*  
*Pinellas County – City of Dunedin*  
*Pinellas County – City of Indian Rocks Beach*  
*Pinellas County – City of Safety Harbor*  
Saint Lucie County – North Saint Lucie River Water Management District  
*Seminole County – City of Altamonte Springs*  
*Seminole County – City of Casselberry*  
*Seminole County – City of Longwood*  
*Volusia County – New Smyrna Beach Utilities Commission*

## POLICE AND FIREFIGHTERS' PREMIUM TAX TRUST FUND

The Division of Retirement's (division) Municipal Police Officers' and Firefighters' Retirement Trust Funds' Office is responsible for the administrative oversight and monitoring of local police and fire pension funds in the State of Florida that participate under Chapters 175 and 185, Florida Statutes (F.S.).

For participating plans, the statutes require defined benefit plans for police officers and firefighters and establish the minimum benefits and standards that must be provided. There are two types of plans that operate under these statutes:

- **Chapter Plans** – plans that incorporate by reference the provisions of the chapter to meet the minimum benefits and standards of the Florida Statutes.
- **Local Law Plans** – plans that are created by a special act, local ordinance, or fire district resolution to set forth all the plan provisions. Local Law plans must meet all chapter minimums but may adopt benefits in excess of the chapter provisions.

For both types of plans, the respective boards of trustees, created at the local level, are responsible for the day-to-day operational control of the individual trust funds and are subject to regulatory oversight by the division.

Participating cities and special fire control districts are eligible to receive annual distributions of state insurance 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 percent of all property insurance written within the city limits or special fire district boundaries of the participating plan. Chapter 185 collects a 0.85 percent tax on all casualty insurance premiums written within the city limits of the participating plan. The Department of Revenue collects these amounts from the state's property and casualty insurers as reported on the DR-908 tax form and transfers them to the Police 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 demonstrated compliance with all applicable statutory requirements.

Additional sources of funding for these plans are provided by employee contributions, employer contributions, investment returns and other revenue sources. The city or special fire district sponsoring the pension plan is required to meet any contribution funding deficiency shown by the plan's actuarial valuation.

The Division of Retirement also monitors all local government sponsored pension plans for compliance with Part VII of Chapter 112, F.S. This monitoring ensures that all locally sponsored defined benefit pension plans are being funded on an actuarially sound basis and receive timely actuarial services which meet specified standards in their preparation. This review function covers general employee and other employee group plans, in addition to the police and fire plans monitored under Chapters 175 and 185, F.S. The division also provides a local government annual report to the Florida Legislature which details the division's activities, findings and recommendations concerning all local government sponsored retirement systems.





Sherrill F. Norman, CPA  
Auditor General

# AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74  
111 West Madison Street  
Tallahassee, Florida 32399-1450



Phone: (850) 412-2722  
Fax: (850) 488-6975

The President of the Senate, the Speaker of the  
House of Representatives, and the  
Legislative Auditing Committee

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, governmental fund, and fiduciary funds of the Florida Retirement System Pension Plan and Other State-Administered Systems (System) administered by the Florida Department of Management Services (Department), as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the System's basic financial statements, and have issued our report thereon dated December 13, 2024, included under the heading **INDEPENDENT AUDITOR'S REPORT**. Our report includes a reference to other auditors who audited the Florida Retirement System Trust Fund maintained by the State Board of Administration to account for assets and investment income (loss) of the Florida Retirement System Defined Benefit Pension Plan, as described in our report on the System's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

### Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the System's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, we do not express an opinion on the effectiveness of the System's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a

material misstatement of the System's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying **FINDING AND RECOMMENDATION** as Finding No. 2024-001, that we consider to be a significant deficiency.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the System's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, administrative rules, regulations, and contracts, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Department's Response to Finding**

*Government Auditing Standards* require the auditor to perform limited procedures on the Department's response to the finding identified in our audit described in the accompanying **FINDING AND RECOMMENDATION**. The Department's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the System's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



Sherrill F. Norman, CPA  
Tallahassee, Florida  
December 13, 2024  
Audit Report No. 2025-072



4050 Esplanade Way  
Tallahassee, FL 32399-0950

**Ron DeSantis, Governor**  
Pedro Allende, Secretary

December 12, 2024

**Via Electronic Mail**

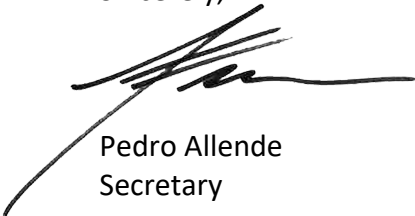
Ms. Sherrill F. Norman, CPA  
Auditor General  
Suite G74 Claude Pepper Building  
111 West Madison Street  
Tallahassee, Florida 32399-1450

Dear Ms. Norman:

Pursuant to subsection 11.45(4)(d), Florida Statutes, enclosed is our response to your preliminary and tentative audit finding related to your audit of the basic financial statements of the Florida Retirement System Pension Plan and Other State-Administered Systems administered by the Florida Department of Management Services for fiscal year ended June 30, 2024.

If further information is needed concerning our response, please contact Interim Inspector General Steven Meredith at (850) 488-5285.

Sincerely,

A handwritten signature in black ink, appearing to read "Pedro Allende", with a long horizontal stroke extending to the right.

Pedro Allende  
Secretary

PA/tam

Enclosure

cc: Kathy Gould, Director, Division of Retirement  
Steven Meredith, Interim Inspector General

## SIGNIFICANT DEFICIENCY

### BENEFIT PAYMENTS

<b>Finding Number</b>	<b>2024-001</b>
<b>Opinion Units</b>	Florida Retirement System Pension Plan, Retiree Health Insurance Subsidy Program, Florida National Guard Supplemental Retirement Benefit Plan (Defined Benefit Plans)
<b>Financial Statements</b>	Benefit payments, Benefit payments – general revenue funded, Fiduciary net position
<b>Account Titles</b>	
<b>SW Fund Numbers</b>	737201, 737204, 737206
<b>State Entity</b>	<b>Florida Department of Management Services (FDMS)</b>
<b>OLO-GF-SF-FIDs</b>	720000-73-2-309001, 720000-73-2-583001, 73-8-000224
<b>GL Codes</b>	77900, 53900
<b>Adjustment Amount</b>	N/A
<b>Statistically Valid Sample</b>	N/A
<b>Finding</b>	Certain FDMS controls over the maintenance of Defined Benefit Plans member benefit information and retirement benefit payments need improvement.
<b>Criteria</b>	Section 215.86(5), Florida Statutes, requires State agencies to establish and maintain management systems and internal controls designed to: prevent and detect fraud, waste, and abuse; promote and encourage compliance with applicable laws, rules, contracts, and grant agreements; support economical and efficient operations; ensure reliability of financial records and reports; and safeguard assets.
<b>Condition</b>	The FDMS, Division of Retirement (Division), uses the Integrated Retirement Information System (IRIS) to, among other things, maintain Defined Benefit Plans member information and to calculate retirement benefits. Our audit disclosed that certain FDMS controls over the maintenance of Defined Benefit Plans member benefit information and retirement benefit payments need improvement. We are not disclosing the specific details of the issues in this report to avoid the possibility of compromising Defined Benefit Plans member benefits or benefit information. However, we have notified appropriate FDMS management of the specific issues.
<b>Cause</b>	We are not disclosing the specific details of the issues in this report to avoid the possibility of compromising Defined Benefit Plans member benefits or benefit information.
<b>Effect</b>	The establishment of appropriately designed controls over the maintenance of Defined Benefit Plans member benefit information and payments would decrease the risk of inappropriate activity.
<b>Recommendation</b>	We recommend that the FDMS establish appropriate controls over the maintenance of Defined Benefit Plans member benefit information and retirement benefit payments.
<b>State Entity Response</b>	In September 2024, FDMS implemented additional procedures to review and evaluate controls over the maintenance of Defined Benefit Plans member benefit information and retirement benefit payments. FDMS is reviewing additional processes to strengthen controls over defined benefit payments.
<b>Estimated Corrective Action Date</b>	January 31, 2025
<b>Entity Contact and Telephone Number</b>	Ben Hensarling 850-778-4691