

A Brief Retirement Review

There are four critical points in planning

30 Years of service	Age 57	Age 62	Age 70 ½
Eligible to retire	If you have 30 years of service, you will lose 1 month of DROP for each month you don't enroll	Eligible to retire and/or enter DROP if you are vested with a minimum of 6 years of service You will lose 1 month of DROP if you don't enroll	You must begin to withdrawn tax-sheltered funds at a rate defined by the federal government

First – Make sure your beneficiary designation is correct. You should have a Living Will and a Health Surrogate.

Second- Chose between Defined Benefit or Defined Contribution

The State of Florida has two retirement plans

DEFINED BENEFIT	DEFINED CONTRIBUTION
Vested after six (6) years	Vested after one (1) year
Not able to transfer fund if you leave prior to normal retirement qualification	Money is portable as you move to different employers
Eligible for DROP	NOT ELIGIBLE FOR DROP
When you enter DROP, you have officially retired	Employee may move funds within a variety of financial instruments
	Employee account functions much like a private investment fund

Third – Chose an Option

Option One	Maximum Benefit Payment ends with employee's death
Option Two	Minimum reduction of Benefit Payment is guaranteed for ten (10) years to employee or beneficiary or until employee's death
Option Three	Reduced Benefit depending on spouse's age Payment will continue until both employee and spouse's deaths
Option Four	Reduced Benefit depending on spouse's age Payment will be reduced by approximately one-third (1/3) upon either the employee or spouse's death and ends when both have died

Fourth – BENCOR and Insurance

Upon reaching normal retirement or entering DROP sick leave (unlimited) and vacation leave (60 days) will be paid into BENCOR. The benefit is that you will never pay FICA (Social Security) on this money. Once the money is deposited (usually takes about 60 days) you may either move it to another qualified tax-sheltered plan or leave it with BENCOR,

You will pay for your insurance when you terminate from the SBBC. The projected January 2010, cost for Vista HMO Enhanced, Dental and Vision is \$526.35 per month. You must pay dental and vision separately. Florida provides a benefit of \$5.00 per year of service up to 30 years for the purchase of insurance. This money is added to your retirement payment.

Fifth – Take Time to Make Decision

Start planning six months before you enter DROP or separate from the SBBC. At least 30 days, probably 60 days, before you actually leave the SBBC make a retirement appointment at Benefits. (754) 321-3100.

Florida Retirement System Office is in Tallahassee: 1317 Winewood Boulevard, Building 8.
Phone: 850) 488-6491. The website is www.rol.frs.state.fl.us