

TRSL & Social Security

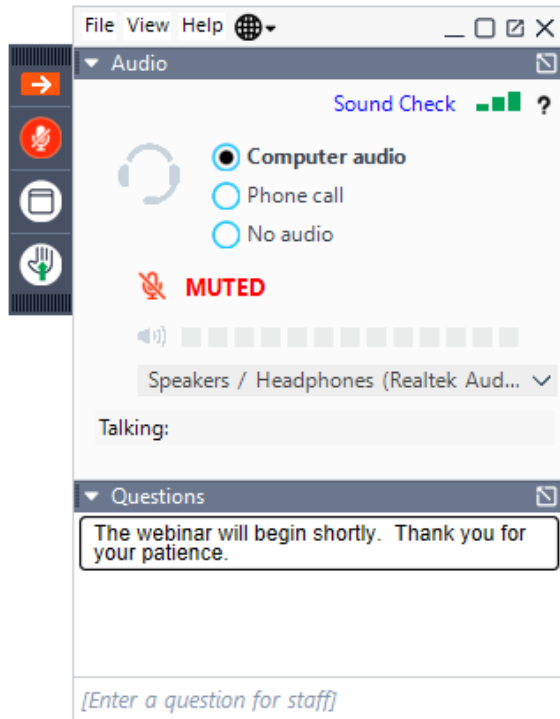
 **TRSL** Teachers' Retirement
System of Louisiana

Summer 2022

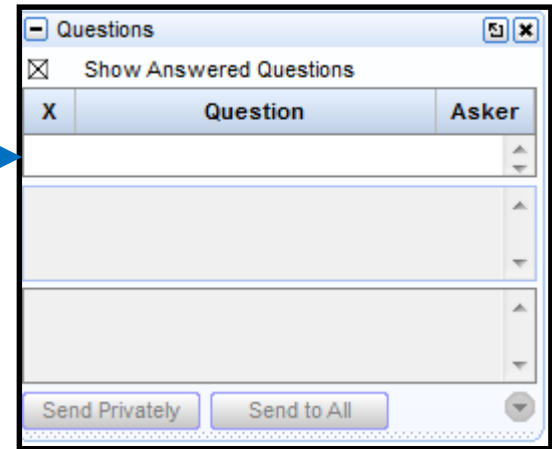
Friendly reminders

- This presentation contains general information.
- It is meant to be used as a guide during the webinar.
- All participants are muted during the webinar.
- Have a question?
 - » Type your question in the **Questions** area during the webinar. There will be question-and-answer periods during the webinar.
- Please maximize your screen size to have full use of the webinar's features.

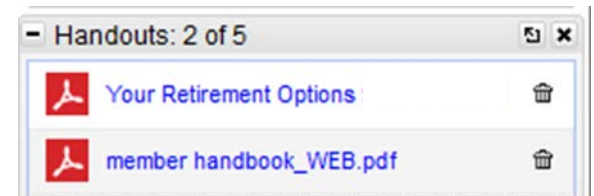
Go To Webinar features



Type your question here.



Download handout here.



Do you have specific questions for SSA or TRSL?

SSA questions: ssa.gov/agency/contact

TRSL questions: AskTRSL@trsl.org

Do you have questions?



- What will my estimated SSA benefit be?
- Do I have enough quarters to retire?
- Will I be impacted by WEP or GPO?
- When can I apply for SSA benefits and/or Medicare?

Contact your local SSA office:
ssa.gov/agency/contact

Do you have questions?



- What is my retirement date?
- When does my DROP window open?
- How much will my TRSL benefit be?
- What are my highest years of salary?
- Can I return to work after retirement?

Contact TRSL with your questions go to: [AskTRSL.org](https://www.trsl.org/ask)

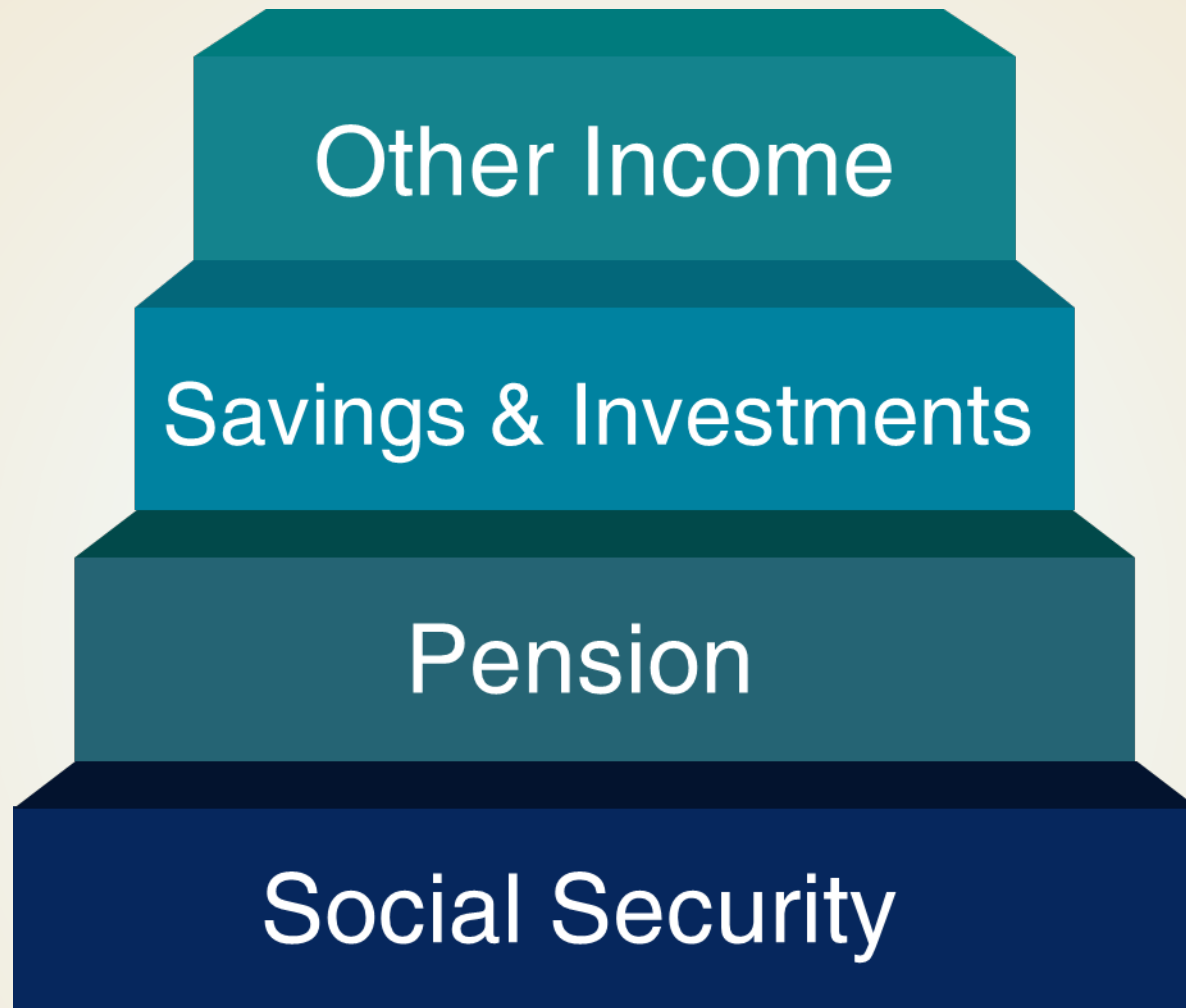


Social Security: With You Through Life's Journey...



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[SSA.gov](https://www.ssa.gov)



Qualifying for Retirement Benefits

- Earn “credits”: building blocks to determine eligibility
- Earned from work where you pay into Social Security
- Need 40 credits (10 years of work) and you must be 62 or older
- Each \$1,510.00 in earnings gives you one credit in 2022
- You can earn a maximum of 4 credits per year
- In 2022, 4 credits = \$6,040.00
- Max taxable FICA earnings 2022 = \$147,00.00 year



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Benefit Amount Is Based On Your SS Earnings

...how long and how much you paid into SS

- Wages are 1st adjusted for inflation levels over time;
- Find the monthly average of highest 35 years of SS earnings;
- The result is your “Average Indexed Monthly Earnings”;

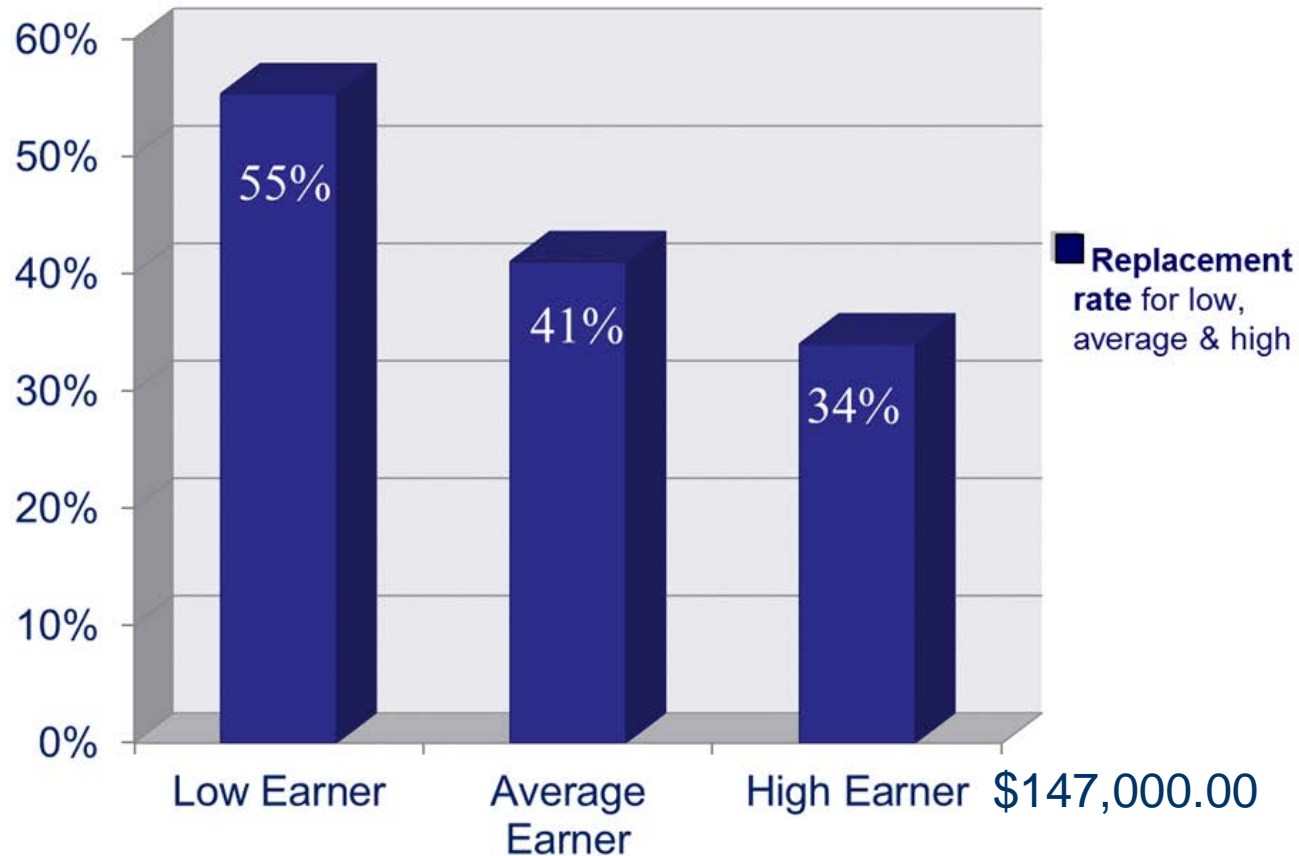
**The ‘AIME’ amount is plugged into the SSA formula.*



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SS Replaces a Portion of Your Work Income



A weighted formula is used to determine replacement rate



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| Year of Birth | Full Retirement Age | A \$1,000 retirement benefit taken at age 62 would be reduced by |
|---------------|---------------------|--|
| 1943-1954 | 66 | 25% |
| 1955 | 66 and 2 months | 25.83% |
| 1956 | 66 and 4 months | 26.67% |
| 1957 | 66 and 6 months | 27.5% |
| 1958 | 66 and 8 months | 28.33% |
| 1959 | 66 and 10 months | 29.17% |
| 1960 + | 67 | 30% |

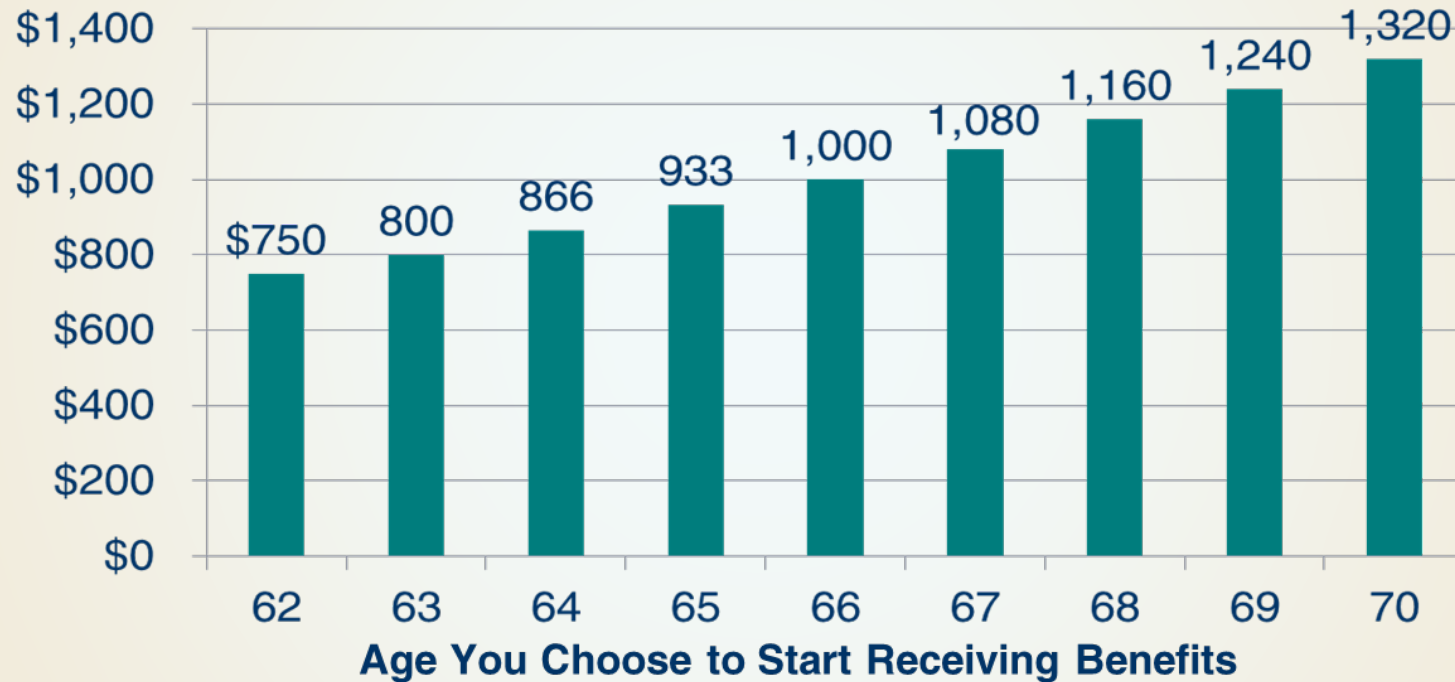


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What Is the Best Age to Start Receiving Social Security Retirement Benefits?

Monthly Benefit Amounts Differ Based on the Age You Decide to Start Receiving Benefits



Note: This example assumes a benefit of \$1,000 at a full retirement age of 66



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Working While Receiving Benefits 2022

| If you are | You can make up to | If you earn more, some benefits will be withheld |
|---|--|--|
| Under Full Retirement Age | \$19,500/yr. | \$1 for every \$2 |
| The Year Full Retirement Age is Reached | \$51,960/yr. before month of full retirement age | \$1 for every \$3 |
| Month of Full Retirement Age and Above | No Limit | No Limit |

Note: If some of your retirement benefits are withheld because of your earnings, your benefits will be increased starting at your full retirement age to take into account those months in which benefits were withheld.



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Spousal Benefits

- Benefit is 50% of worker's unreduced benefit
- Reduction for early retirement
- If spouse's own benefit is less than 50% of the worker's, the benefits are combined
- Does not reduce payment to the worker
- Benefit is unreduced if spouse is caring for a child under age 16 or disabled



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Benefits for Divorced Spouses

Note: Marriage must have lasted 10 years or longer

You may receive benefits on your ex-spouse's record (even if he or she has remarried) if:

- You are unmarried;
- You are age 62 or older;
- Your ex-spouse is entitled to Social Security retirement or disability benefits; and
- The benefit you are entitled to receive based on your own work is less than the benefit you would receive based on your ex-spouse's work;
- Divorced widows and widowers may also be eligible on an ex-spouse's record.



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Survivor Benefits

When you pass away, your surviving spouse may:

- At full retirement age, receive 100% of deceased worker's unreduced benefit; or,
- At age 60, receive 71.5% of your full benefit and increases each month you wait up to 100% if you start at full retirement age; or
- Claim survivor benefits at any age between 60 and full retirement age.



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Widows and Widowers Only

- You can get a reduced survivor benefit at age 60, then switch over to your retirement benefit (if amount is higher) at age 62 or older;
- Only widows and widowers can SWITCH benefits.



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Deemed Filing

- **If you were born on or after January 2, 1954**, and qualify for both retirement and spouse's (or divorced spouse's) benefits, you must apply for both benefits. This is called "deemed filing." If you file for one benefit, you are "deemed" to file for the other one, too, even if you don't become eligible for it until later.
- Applies at any age for people who turned age 62 after January 1, 2016.

Note: There are two exceptions.

ssa.gov/planners/retire/deemedfaq.html



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Windfall Elimination Provision (WEP)

If any part of your pension is based on work not covered by Social Security, you may be affected by the Windfall Elimination Provision.

WEP can apply if:

- You reach 62 after 1985; or
- You become disabled after 1985; and
- You first become eligible after 1985 for a monthly pension based on work where you didn't pay Social Security taxes.

ssa.gov/planners/retire/wep.html

*** SSA treats ORP and similar plans as if pension received monthly.**



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The Windfall Elimination Provision (1983)

- Before 1983, people whose primary job wasn't covered by Social Security had their Social Security benefits calculated as if they were lifetime SS low-wage workers;
- They had the advantage of receiving a higher replacement rate reserved only for lifetime low-wage workers;
- Congress passed the Windfall Elimination Provision (WEP) in 1983 to remove that advantage;
- Most common exception to WEP: 30 or more substantial years of SS earnings.

ssa.gov/planners/retire/wep.html

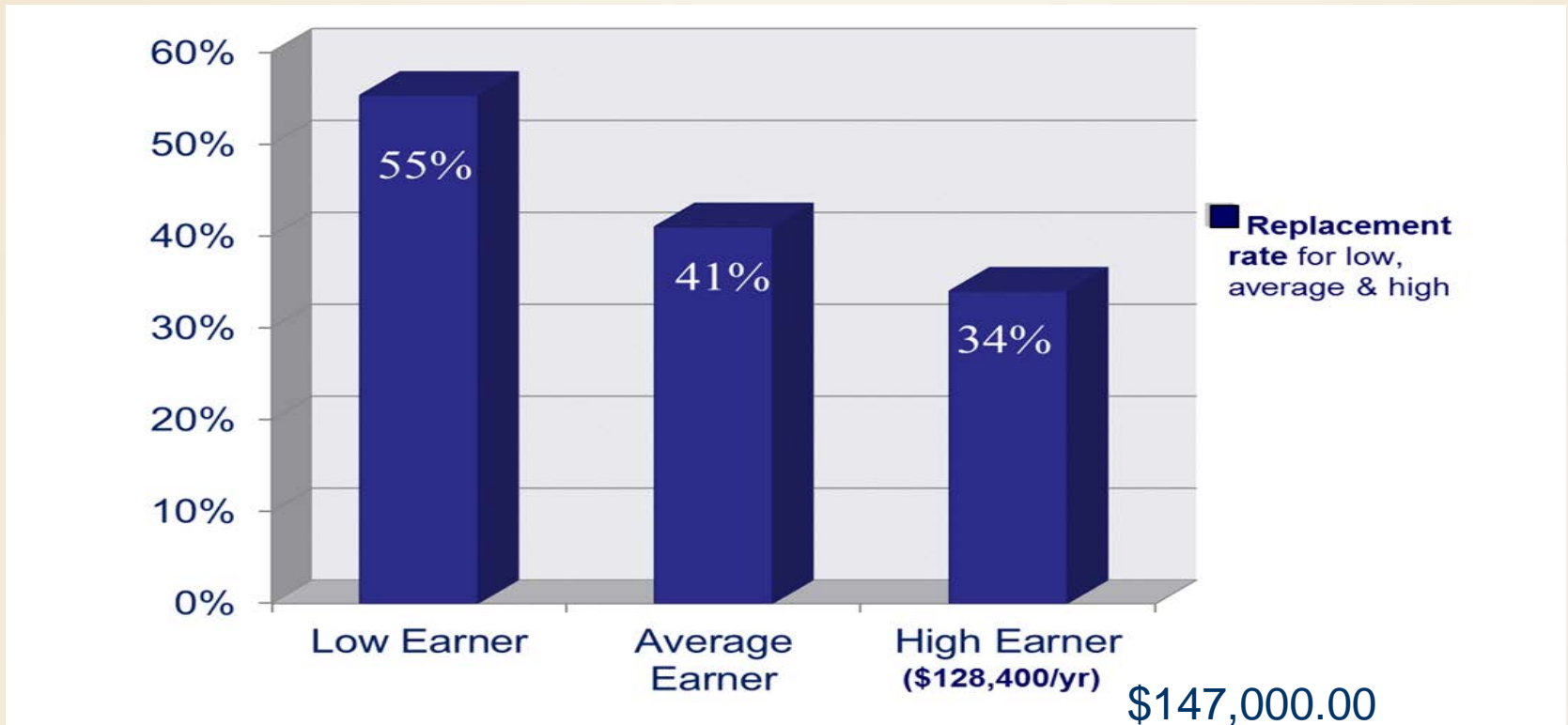


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SS Replaces a Portion of Your Work Income

A weighted formula is used to determine replacement rate



SS doesn't have the capability to know that a worker will receive a non-government pension – so the formula uses only their SS work history



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Normal Benefit Computation Example (2022)

If your average indexed monthly earnings (AIME) = \$2,500

Then your **monthly benefit would be = \$1,393**

| | | |
|---|----------------|-------------------|
| 90% of First \$1,024 ($1024 \times .90 = \921.60) | \$1,024 | = \$921.60 |
| 32% of earnings between \$1,024 and \$6,172 ($\$2,500 - \$1,024 = \$1,476 \times .32 = 472.32$) | \$1,476 | = \$472.32 |
| 15% of Earnings over \$6,172 | \$0 | \$0 |
| Total monthly benefit | \$2,500 | \$1,393.90 |



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***Person 62 in 2022**

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Percentage used in your formula depends on yrs of substantial earnings

| Years of Substantial Earnings | % of First Factor in Benefit Formula |
|-------------------------------|--------------------------------------|
| 30 or more | 90 |
| 29 | 85 |
| 28 | 80 |
| 27 | 75 |
| 26 | 70 |
| 25 | 65 |
| 24 | 60 |
| 23 | 55 |
| 22 | 50 |
| 21 | 45 |
| 20 or fewer | 40 |



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Windfall Elimination Provision

Your Social Security retirement or disability benefits can be reduced

The Windfall Elimination Provision can affect how we calculate your retirement or disability benefit. If you work for an employer who doesn't withhold Social Security taxes from your salary, any retirement or disability pension you get from that work can reduce your Social Security benefits. Such an employer may be a government agency or an employer in another country.

When your benefits can be affected

This provision can affect you if both the following are true:

- You earn a retirement or disability pension from an employer who didn't withhold Social Security taxes.
- You qualify for Social Security retirement or disability benefits from work in other jobs for which you did pay taxes.

The Windfall Elimination Provision can apply if one of the following is true:

- You reached age 62 after 1985.
- You developed a qualifying disability after 1985.

If the latter applies, you must first have become eligible for a monthly pension based on work where you didn't pay Social Security taxes after 1985. This rule applies even if you're still working.

This provision also affects Social Security benefits for people who performed federal service under the Civil Service Retirement System (CSRS) after 1956. We won't reduce your Social Security benefit amount if you only performed federal service under a system such as the Federal Employees' Retirement System (FERS). Social Security taxes are withheld for workers under FERS.

How it works

Social Security benefits are intended to replace only some of a worker's pre-retirement earnings.

We base your Social Security benefit on your average monthly earnings adjusted for average wage growth. We separate your average earnings into three amounts and multiply the amounts using three factors to compute your full Primary Insurance Amount (PIA). For example, for a worker who turns 62 in 2022, the first \$1,024 of average monthly earnings is multiplied by 90%;

earnings between \$1,024 and \$6,172 are multiplied by 32%; and the balance by 15%. The sum of the three amounts equals the PIA, which is then decreased or increased depending on whether the worker starts benefits before or after full retirement age (FRA). This formula produces the monthly payment amount.

When we apply this formula, the percentage of career average earnings paid to lower-paid workers is greater than higher-paid workers. For example, workers age 62 in 2022, with average earnings of \$3,000 per month could receive a benefit at FRA of \$1,553 (approximately 51%) of their pre-retirement earnings increased by applicable cost of living adjustments (COLAs). For a worker with average earnings of \$8,000 per month, the benefit starting at FRA could be \$2,843 (approximately 35%) plus COLAs. However, if either of these workers start benefits earlier than their FRA, we'll reduce their monthly benefit.

Why we use a different formula

Before 1983, people whose primary job wasn't covered by Social Security had their Social Security benefits calculated as if they were long-term, low-wage workers. They had the advantage of receiving a Social Security benefit representing a higher percentage of their earnings. Also they had a pension from a job for which they didn't pay Social Security taxes. Congress passed the Windfall Elimination Provision to remove that advantage.

Under the provision, we reduce the 90% factor in our formula and phase it in for workers who reached age 62 or developed a disability between 1986 and 1989. For people who reach 62 or developed a disability in 1990 or later, we reduce the 90% factor to as little as 40%.

Some exceptions

The Windfall Elimination Provision doesn't apply if:

- You're a federal worker first hired after December 31, 1983.
- You're an employee of a non-profit organization who was exempt from Social Security coverage on December 31, 1983. This does not apply if the non-profit organization waived exemption and did pay Social Security taxes, but then the waiver was terminated prior to December 31, 1983.
- Your only pension is for railroad employment.

- The only work you performed for which you didn't pay Social Security taxes was before 1957.
- You have 30 or more years of substantial earnings under Social Security.

The Windfall Elimination Provision doesn't apply to survivors benefits. We may reduce spouses, widows, or widowers benefits because of another law. For more information, read *Government Pension Offset* (Publication No. 05-10007).

Social Security years of substantial earnings

If you have 30 or more years of substantial earnings, we don't reduce the standard 90% factor in our formula. See the first table that lists substantial earnings for each year.

The second table shows the percentage used to reduce the 90% factor depending on the number of years of substantial earnings. If you have 21 to 29 years of substantial earnings, we reduce the 90% factor to between 45% and 85%. To see the maximum amount we could reduce your benefit, visit www.ssa.gov/benefits/retirement/planner/wep.html.

A guarantee

The law protects you if you get a low pension. We won't reduce your Social Security benefit by more than half of your pension for earnings after 1956 on which you didn't pay Social Security taxes.

Contacting Social Security

The most convenient way to do business with us is to visit www.ssa.gov to get information and use our online services. There are several things you can do online: apply for benefits; get useful information; find publications; and get answers to frequently asked questions.

Or, you can call us toll-free at 1-800-772-1213 or at 1-800-325-0778 (TTY) if you're deaf or hard of hearing. We can answer your call from 8 a.m. to 7 p.m., weekdays. You can also use our automated services via telephone, 24 hours a day, so you do not need to speak with a representative. **Wait times to speak to a representative are typically shorter Wednesdays through Fridays or later in the day.**

| Year | Substantial earnings | Year | Substantial earnings | Year | Substantial earnings |
|-----------|----------------------|-----------|----------------------|-----------|----------------------|
| 1955-1958 | \$900 | 1990 | \$9,525 | 2015-2016 | \$22,050 |
| 1959-1965 | \$1,050 | 1991 | \$9,900 | 2017 | \$23,625 |
| 1966-1967 | \$1,200 | 1992 | \$10,350 | 2018 | \$23,850 |
| 1968-1971 | \$1,650 | 1993 | \$10,725 | 2019 | \$24,675 |
| 1972 | \$1,950 | 1994 | \$11,250 | 2020 | \$25,575 |
| 1973 | \$2,250 | 1995 | \$11,325 | 2021 | \$26,550 |
| 1974 | \$2,700 | 1996 | \$11,625 | 2022 | \$27,300 |
| 1975 | \$3,300 | 1997 | \$12,150 | | |
| 1976 | \$3,825 | 1998 | \$12,675 | | |
| 1977 | \$4,125 | 1999 | \$13,425 | | |
| 1978 | \$4,425 | 2000 | \$14,175 | | |
| 1979 | \$4,725 | 2001 | \$14,925 | | |
| 1980 | \$5,100 | 2002 | \$15,750 | | |
| 1981 | \$5,550 | 2003 | \$16,125 | | |
| 1982 | \$6,075 | 2004 | \$16,275 | | |
| 1983 | \$6,675 | 2005 | \$16,725 | | |
| 1984 | \$7,050 | 2006 | \$17,475 | | |
| 1985 | \$7,425 | 2007 | \$18,150 | | |
| 1986 | \$7,875 | 2008 | \$18,975 | | |
| 1987 | \$8,175 | 2009-2011 | \$19,800 | | |
| 1988 | \$8,400 | 2012 | \$20,475 | | |
| 1989 | \$8,925 | 2013 | \$21,075 | | |
| | | 2014 | \$21,750 | | |

| Years of substantial earnings | Percentage |
|-------------------------------|------------|
| 30 or more | 90 percent |
| 29 | 85 percent |
| 28 | 80 percent |
| 27 | 75 percent |
| 26 | 70 percent |
| 25 | 65 percent |
| 24 | 60 percent |
| 23 | 55 percent |
| 22 | 50 percent |
| 21 | 45 percent |
| 20 or less | 40 percent |





What should I do if I get a call claiming there's a problem with my Social Security number or account?





Retirement Benefits

Social Security is part of the retirement plan for almost every American worker. It provides replacement income for qualified retirees and their families. This section of our website helps you better understand the program, the application process, and the online tools and resources available to you.

Ready To Retire?

Our online application makes it easy to apply for benefits.

[Apply Online For Retirement Benefits](#)



Learn



Apply

Manage





Retirement Benefits

Learn

Apply

Manage

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[WEP Examples](#)

[How To Use The WEP Chart](#)

[WEP Chart](#)

Windfall Elimination Provision (WEP)

If you are eligible for a pension based on work you did for a federal, state, or local government, a nonprofit organization, or in another country and you did not pay Social Security taxes, this pension can affect the amount of your Social Security benefits. We refer to this reduction as the Windfall Elimination Provision, or WEP.

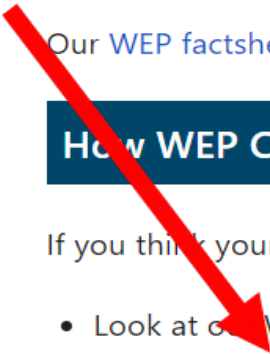
If you paid Social Security taxes on 30 years of substantial earnings, WEP does not apply to you.

Our [WEP factsheet](#) explains if WEP may affect you.

How WEP Can Affect Your Benefit

If you think your pension will affect your Social Security benefit, you can:

- Look at our [WEP chart](#) below to see how WEP affects Social Security benefits.
- Use our [WEP Online Calculator](#) or [download our Detailed Calculator](#) to get an estimate of your benefits.



The WEP Calculator

- ✓ You will need to enter all of your earnings taxed by Social Security, which are shown on your online Social Security Statement.
- ✓ You also need to enter the monthly amount of your government pension.



Government Pension Offset

- SSA determines what $2/3$ of your gov pension is;
- If that amount is more than what you may be due on your spouse's SS record, you are not eligible for a benefit on your spouse's SS record;
- If the $2/3$ is less than what you may be due on your spouse's SS record, you receive the difference





Example 1

2/3 of amount of non-covered pension will be used to reduce the Social Security widow or widower's benefit.

\$2,100 non-covered pension, $2/3 = \$1,400$

Social Security widow or widower's benefits = \$2,300

Widow or widower's benefit after GPO = \$900

Our Online GPO calculator allows you to estimate your Social Security benefit.

ssa.gov/calc-gpo



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Example 2

2/3 of amount of pension will be used to reduce the Social Security spouse's benefit.

\$2,100 non-covered pension, $2/3 = \$1,400$

Social Security spouse's benefits = \$1,150

No benefit payable by Social Security

Our Online GPO calculator allows you to estimate your Social Security benefit.

ssa.gov/calc-gpo



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WEP/GPO Comparison Chart

| WEP | GPO |
|---|---|
| <p>Applies when you have 40 credits plus a non-covered pension and you're filing for retirement or disability benefits</p> | <p>Applies when you are receiving a non-covered pension and filing for spouse's, widow's or widower's benefits</p> |
| <p>Would never reduce a benefit to zero</p> | <p>Could reduce to zero</p> |
| <p>Change in computation</p> | <p>Offset</p> |



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Taxation of Social Security Benefits



If you:

file a federal tax return as an "individual" and your *combined income** is

- between \$25,000 and \$34,000, you may have to pay income tax on up to 50 percent of your benefits.
- more than \$34,000, up to 85 percent of your benefits may be taxable.



file a joint return, and you and your spouse have a *combined income** that is

- between \$32,000 and \$44,000, you may have to pay income tax on up to 50 percent of your benefits
- more than \$44,000, up to 85 percent of your benefits may be taxable.



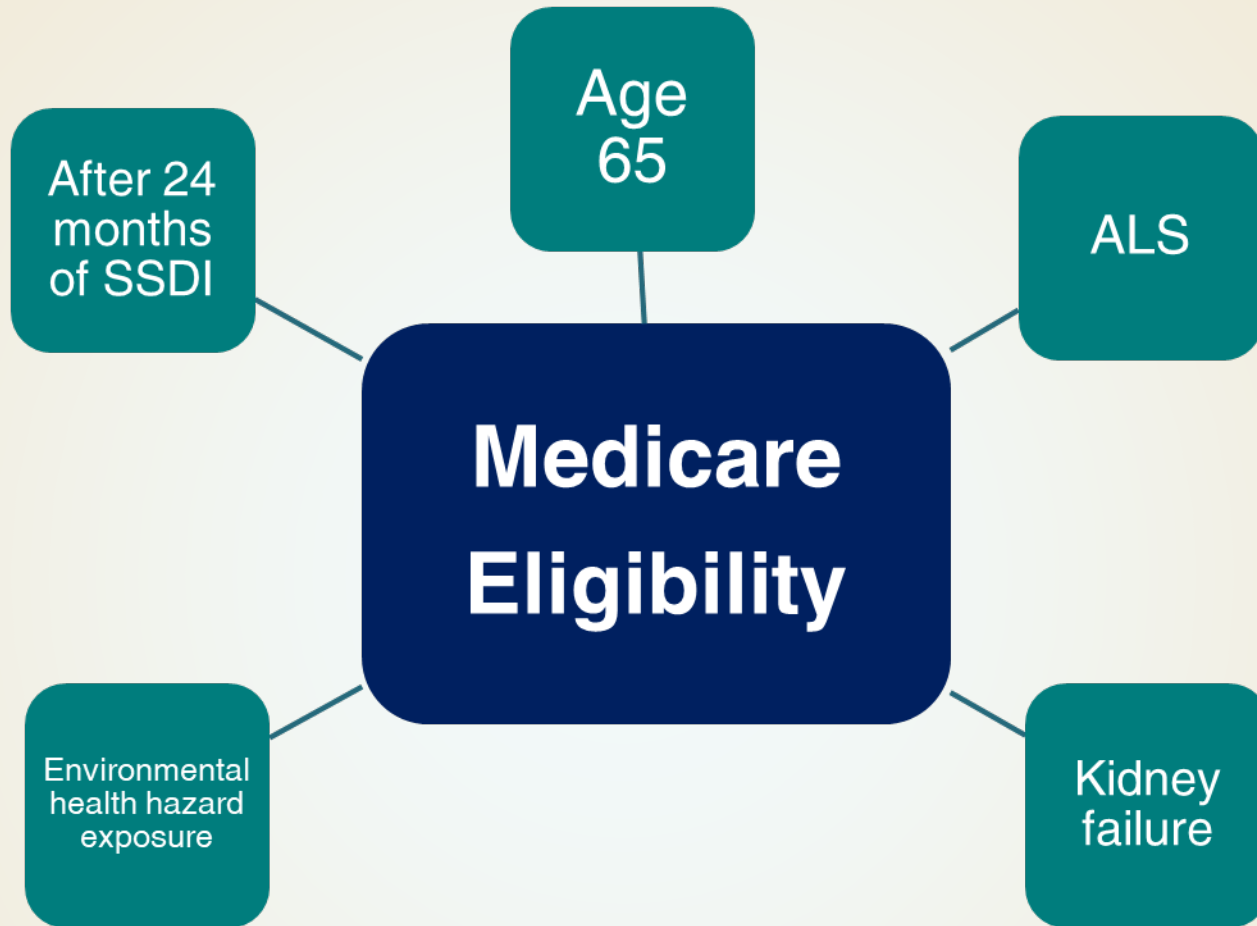
are married and file a separate tax return, you will probably pay taxes on your benefits.

Visit [IRS.gov](https://www.irs.gov) and search for Publication 554, *Tax Guide for Seniors*, and Publication 915, *Social Security And Equivalent Railroad Retirement Benefits*.



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Medicare

| Original Medicare | Medicare Advantage (aka Part C) |
|---|--|
| Part A (Hospital Insurance) Part B (Medical Insurance) | Part A (Hospital Insurance) Part B (Medical Insurance) |
| You can add: Part D (Prescription Drug Plan) | Most plans include: Part D (Prescription Drug Plan) Extra Benefits (e.g. vision, hearing, dental, and more) |
| You can also add: Supplemental insurance coverage (Medigap) | Some plans also include: Lower out-of-pocket costs |

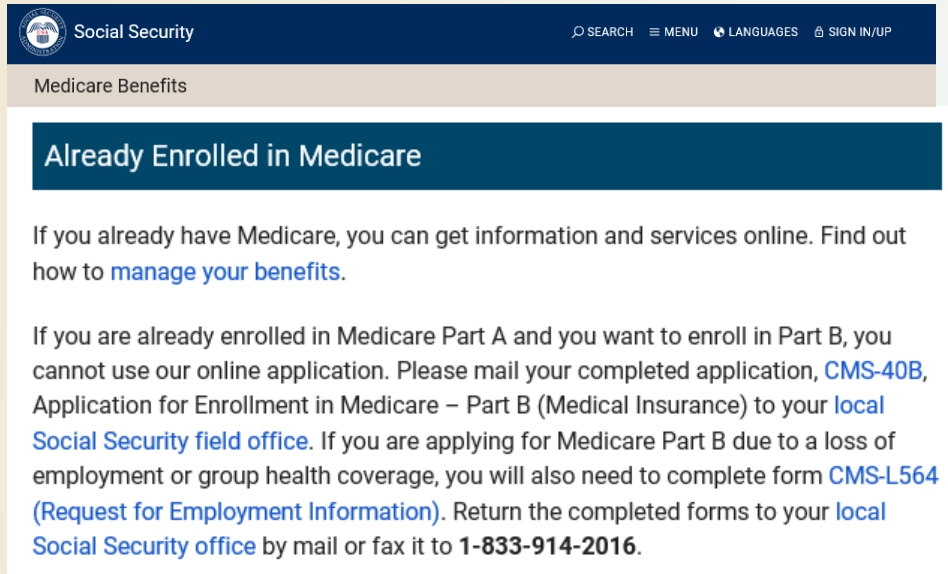
[Medicare.gov](https://www.Medicare.gov)



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Medicare Applications



The screenshot shows the Social Security Administration website. At the top, there is a dark blue header with the Social Security logo on the left and navigation links for SEARCH, MENU, LANGUAGES, and SIGN IN/UP on the right. Below the header is a light blue navigation bar with the text "Medicare Benefits". The main content area has a dark blue banner with the text "Already Enrolled in Medicare". Below the banner, there are two paragraphs of text. The first paragraph says: "If you already have Medicare, you can get information and services online. Find out how to [manage your benefits](#)." The second paragraph says: "If you are already enrolled in Medicare Part A and you want to enroll in Part B, you cannot use our online application. Please mail your completed application, [CMS-40B](#), Application for Enrollment in Medicare – Part B (Medical Insurance) to your [local Social Security field office](#). If you are applying for Medicare Part B due to a loss of employment or group health coverage, you will also need to complete form [CMS-L564 \(Request for Employment Information\)](#). Return the completed forms to your [local Social Security office](#) by mail or fax it to **1-833-914-2016**."

- If you already have Medicare Part A and wish to add Medicare Part B, complete the online application, fax completed forms CMS-40B and CMS-L564 to 1-833-914-2016, or mail them to your local Social Security office.

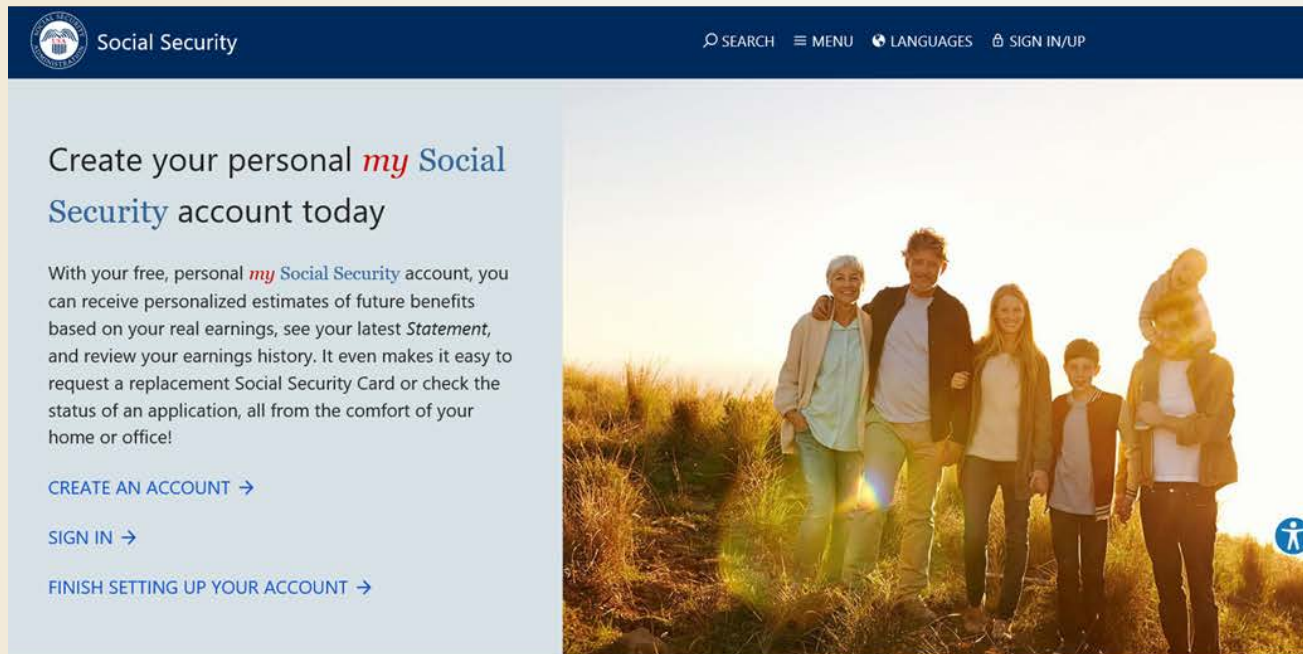
<https://www.ssa.gov/forms/>



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my Social Security



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SEARCH MENU LANGUAGES SIGN IN/UP

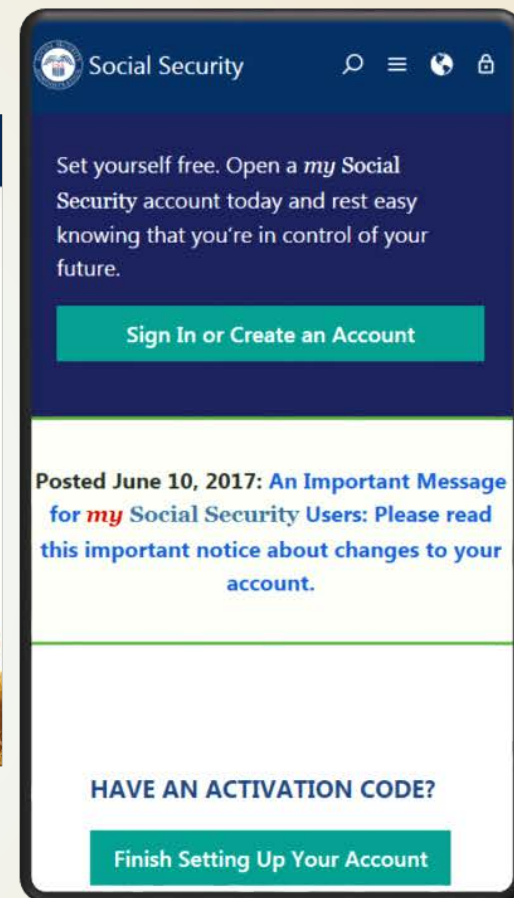

Create your personal my Social Security account today

With your free, personal my Social Security account, you can receive personalized estimates of future benefits based on your real earnings, see your latest *Statement*, and review your earnings history. It even makes it easy to request a replacement Social Security Card or check the status of an application, all from the comfort of your home or office!

[CREATE AN ACCOUNT →](#)

[SIGN IN →](#)

[FINISH SETTING UP YOUR ACCOUNT →](#)



Social Security

Set yourself free. Open a my Social Security account today and rest easy knowing that you're in control of your future.

[Sign In or Create an Account](#)

Posted June 10, 2017: An Important Message for my Social Security Users: Please read this important notice about changes to your account.

HAVE AN ACTIVATION CODE?

[Finish Setting Up Your Account](#)

ssa.gov/myaccount



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my Social Security Services

If you **do not receive benefits**, you can:

- Request a replacement Social Security card
- For gov pension recipients:
 - Check the number of credits you have;
 - Check your SS earnings history, use those amounts to use the WEP calculator;
 - **NOTE THAT THE BENEFIT ESTIMATES SHOWN ARE NOT ACCURATE FOR EMPLOYEES WHO WILL RECEIVE A GOV PENSION. THOSE ESTIMATES DO NOT TAKE INTO ACCOUNT THE WEP/GOP PROVISIONS.**



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my Social Security Services

If you **receive benefits or have Medicare**, you can:

- Request a replacement Medicare or Social Security card;
- Get a benefit verification letter
- Check your benefit and payment information;
- Change your address, phone number, direct deposit;
- Submit your advance designation of representative payee request;
- Get a replacement SSA-1099 or SSA-1042S for tax season;
- And much more!



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Recommended Publications

Go to www.socialsecurity.gov/pubs/

- Retirement Benefits
- Windfall Elimination Provision
- Government Pension Offset
- How To Apply Online For Retirement, Spouse's or Medicare Benefits
- How to Create An Online Account



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Thank You

- For questions, call us toll-free 1-800-772-1213
- www.socialsecurity.gov



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Do you have questions?



- What will my estimated SSA benefit be?
- Do I have enough quarters to retire?
- Will I be impacted by WEP or GPO?
- When can I apply for SSA benefits and/or Medicare?

Contact your local SSA office:
ssa.gov/agency/contact

Questions?



Let's pause for a quick break...

Do you have questions?



- What is my retirement date?
- When does my DROP window open?
- How much will my TRSL benefit be?
- What are my highest years of salary?
- Can I return to work after retirement?

Contact TRSL with your questions go to: AskTRSL.org

TRSL Agenda

- How your retirement is funded
- How your benefit is calculated
- Retirement eligibility
- Retirement options
- Leave credit
- Types of retirement offered
- Other TRSL benefits
- The retirement application process
- How TRSL pays your benefits

Q & A period will be provided.

How your retirement is funded

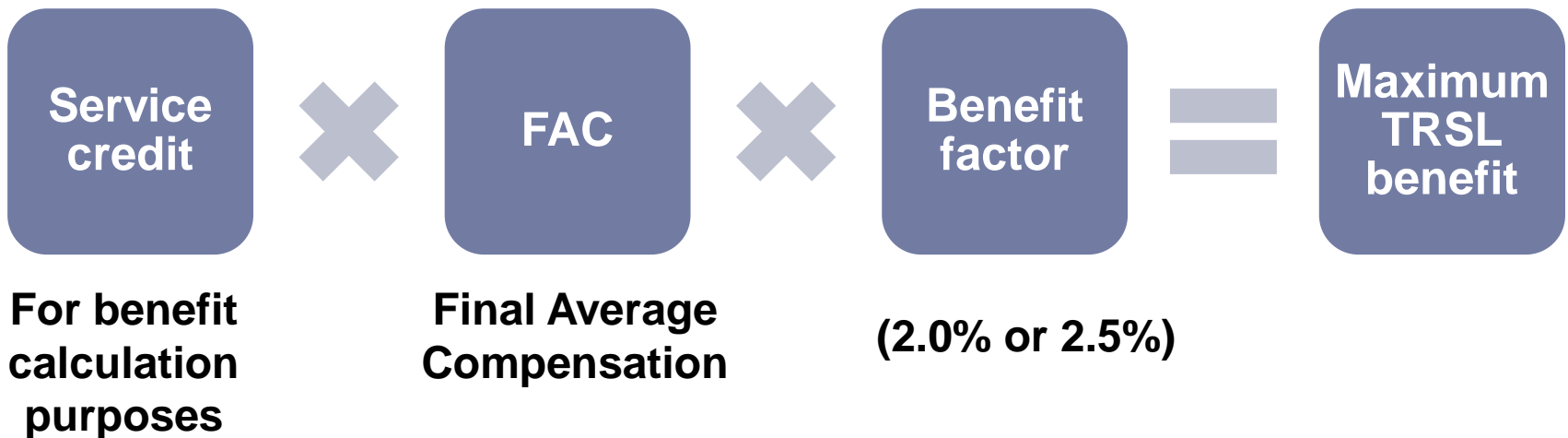
- Members pay a percentage of salary toward retirement:

| | |
|--|-------------|
| Regular Plan | 8.0% |
| Plan B (<i>also contributes to SSA</i>) | 5.0% |

- Employers also pay contributions toward your retirement; the amount is based upon plan type.
- TRSL pools and invests employee and employer contributions.
- Investment earnings fund your lifetime retirement benefits.

How your benefit is calculated

State law defines the benefit formula used to calculate the maximum TRSL benefit for which you are eligible:



When will I be eligible to retire?

The answer depends on which plan you belong to and, in some cases, when you joined one of the four state retirement systems.



Regular Plan: Retirement eligibility

| Eligibility requirements | Benefit factor |
|--|----------------|
| Regular Plan (prior to 7/1/99): | |
| <ul style="list-style-type: none">• At least age 60 with at least 5 years of service credit, or• Any age with at least 20 years of service credit | 2.0% |
| <ul style="list-style-type: none">• At least age 65 with at least 20 years of service credit, or• At least age 55 with at least 25 years of service credit, or• Any age with at least 30 years of service credit | 2.5% |

Regular Plan: Retirement eligibility

| Eligibility requirements | Benefit factor |
|--|----------------|
| Regular Plan (between 7/1/99 and 12/31/10): | |
| <ul style="list-style-type: none">• At least age 60 with at least 5 years of service credit, or• At least age 55 with at least 25 years of service credit, or• Any age with at least 20 years of service credit (actuarially reduced), or• Any age with at least 30 years of service credit | 2.5% |

Regular Plan: Retirement eligibility

| Eligibility requirements | Benefit factor |
|--|----------------|
| Regular Plan (between 1/1/11 and 6/30/15): | |
| <ul style="list-style-type: none">• At least age 60 with at least 5 years of service credit, or• Any age with at least 20 years of service credit (actuarially reduced) | 2.5% |
| Regular Plan (on or after 7/1/15): | |
| <ul style="list-style-type: none">• At least age 62 with at least 5 years of service credit, or• Any age with at least 20 years of service credit (actuarially reduced) | 2.5% |

Retirement options

When you retire, you will select one of eight different retirement options.

You will choose your option on an affidavit, which must be notarized.

The option you choose determines how much you and your beneficiary will receive in retirement benefits.

You cannot change your retirement option once you retire or enter DROP.

You can only change your beneficiary under Option 1.

Leave credit: Sick leave

- Unused sick leave cannot be used to attain eligibility for retirement.
- However, at the time of retirement, unused sick leave may be converted to service credit.
 - » This can increase your monthly retirement benefit.
 - » TRSL makes this conversion after you have retired.
- Employers pay up to 25 days of unused sick leave at the daily rate of pay, or the number of unused days at the discretion of the employer.



Leave credit: Annual leave

- Employees of Louisiana state agencies, colleges, universities, community colleges, and technical colleges may earn annual leave.
- Members who earn annual leave are usually paid up to 300 hours or 37.5 days of annual leave by their employers upon termination of employment.
- Please speak to your employer to discuss your options if you anticipate having more than 300 hours of annual leave upon retirement.

Types of retirement offered

- **SERVICE:** You stop working and begin receiving your lifetime monthly retirement benefit.
- **DROP:** You “freeze” your retirement benefit and continue to work for up to 36 months, building a retirement nest egg. You terminate employment (retire) some time after the completion of DROP participation. Upon termination of employment, you are eligible to withdraw from your DROP account plus receive your regular lifetime monthly retirement benefit.
- **ILSB:** You retire, receive a lump-sum payment of up to 36 times your monthly maximum benefit, and receive an actuarially reduced lifetime monthly retirement benefit.

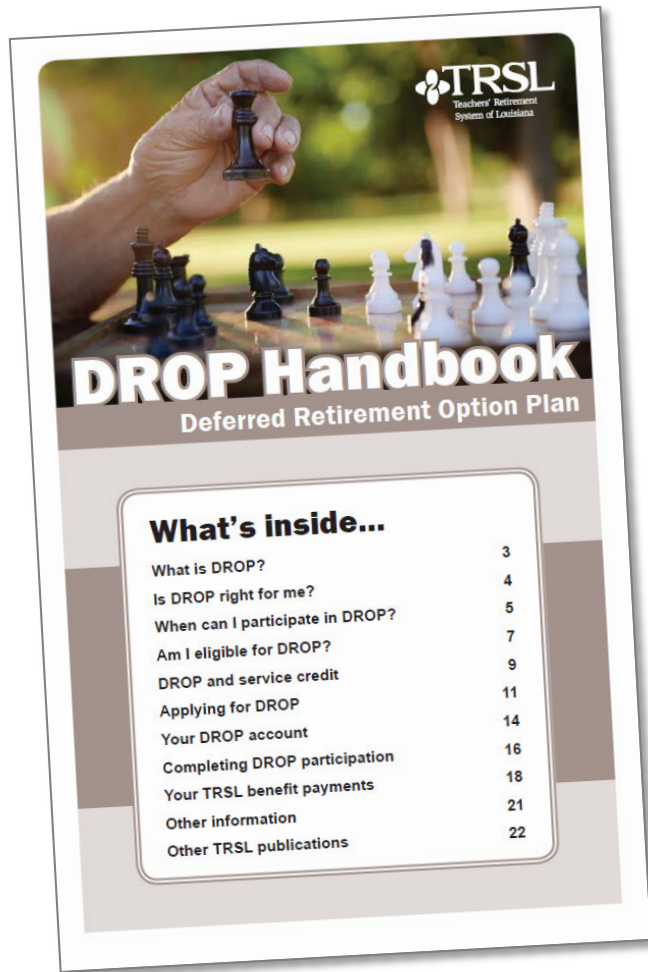
Types of retirement offered

- **DEFERRED:** Members with at least five years of service credit can terminate their positions and leave their contributions with TRSL. Once eligible, inactive members can apply for a TRSL retirement benefit based on their years of service credit.
- **DISABILITY:** If you are no longer able to perform your current job due to a disabling condition, you can apply for a TRSL disability retirement. It must be approved by the State Medical Disability Board.

Deferred Retirement Option Plan (DROP)

- DROP is an optional program that allows you to freeze your retirement benefit. Your monthly benefit is deposited each month into a special account at TRSL while you continue to work and earn a paycheck.
- You can participate in DROP for up to a maximum of three years once your DROP “window” of eligibility opens.
- You can shorten, but not extend your DROP participation time. (Minimum participation time is 1 day.)
- The “frozen” benefit is calculated based upon years of service credit and average compensation upon entering DROP.
- Your decision to participate in DROP is irrevocable.

DROP eligibility – Regular Plan



Membership *prior to* Jan. 1, 2011

Age 60 with 10 years*

Age 55 with 25 years

Any age with 30 years

**2.0% benefit factor*

Membership *between* Jan 1, 2011 & June 30, 2015

Age 60 with 5 years

Membership *on or after* July 1, 2015

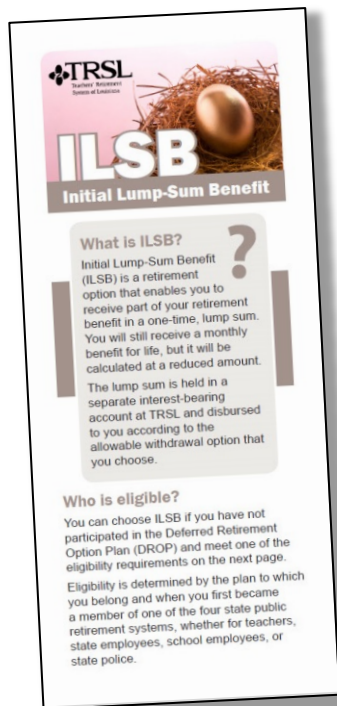
Age 62 with 5 years

While in DROP...

- You continue to work and draw a salary.
 - You continue to earn and use leave.
 - You are still eligible for raises, promotions, etc.
 - You can change jobs or employers.
 - Your DROP deposits will continue as long as there is no break in service.
- **Neither you nor your employer makes contributions to TRSL.**
 - » No service credit is earned while you are in DROP.
 - **Your salary is not reported to us while you are in DROP.**
 - » We will not know if you have received a salary increase/decrease.
 - **Your retirement benefit is “frozen.”**
 - » The retirement option you chose determines how much is deposited into your account.

Initial Lump-Sum Benefit (ILSB)

- You can retire and take a portion of your retirement benefit in a one-time, lump-sum payment.
- You will receive a reduced lifetime monthly benefit.

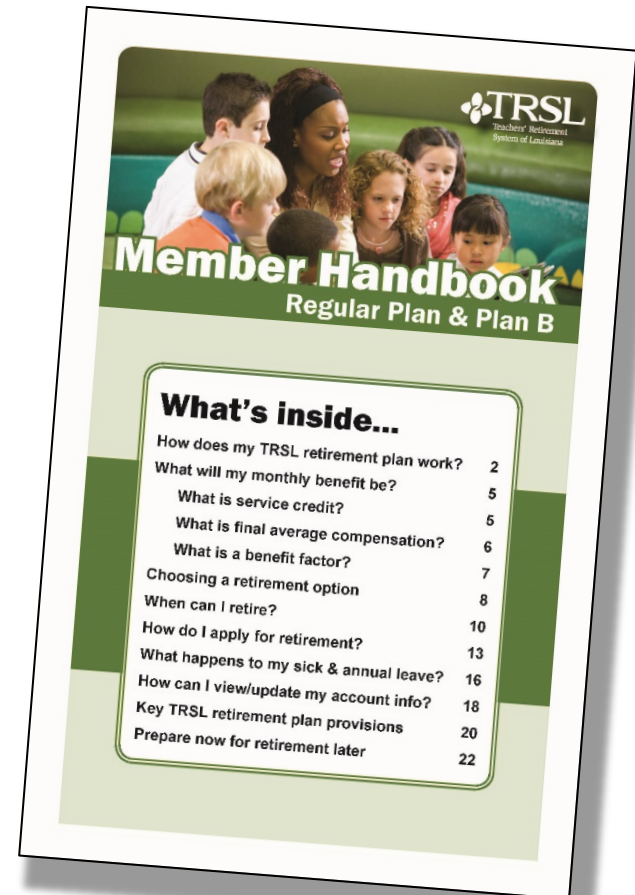


- ILSB is an alternative to DROP.
- The reduction is based on the lump-sum amount chosen and your age at time of retirement.
- The reduction is permanent.
- For more information about ILSB, please review our ILSB brochure at www.TRSL.org.

Other TRSL benefits

- Members who have five years of TRSL service credit are considered “vested.”
- Being vested means you are eligible for valuable benefits and financial protection through TRSL:
 - » Survivor benefits
 - » Deferred retirement
 - » Disability retirement*

**10 years required if hired on or after 1/11/11*



Applying for retirement



- You can submit your retirement application as early as six months before your desired date of retirement or DROP beginning date.
- You will need to complete all purchases, transfers, and/or reciprocals of service credit before the effective date of retirement or entering DROP.
- TRSL recommends you coordinate your retirement or DROP beginning date with your employer. Your employer will verify your service credit and sick leave.
- Two weeks after submission of the Form 11 to TRSL, you will receive an acknowledgment letter.

Applying for retirement

There are two ways you can apply for retirement:



Apply online through your **MEMBER ACCESS** account:
www.TRSL.org/memberaccess



Submit *Application for Service Retirement, ILSB, or DROP* (Form 11) **AND** *Direct Deposit of Benefits* (Form 15D)

NOTE: Members applying for DROP do not submit the Form 15D at time of entering DROP.

Affidavit for Estimated Retirement Benefits

- Closer to your retirement date, you will receive an Affidavit for Estimated Retirement Benefits in the mail to choose your retirement option, along with instructions.
- The affidavit must be a notarized original, have no alterations, and be mailed back to TRSL within 30 days.

**** Altered forms not accepted ** Submit completed original only ** No copies, faxes, or scans accepted ****

RETIREMENT OPTION ELECTION (Cannot be changed). COMPLETE THIS FORM IN THE PRESENCE OF A NOTARY PUBLIC.

Review the eight retirement option choices listed below. Select **ONE** option. The option you select determines your retirement benefit and is **irrevocable**. A description of each option can be found on the back of this affidavit.

| In the white space below, write your initials beside the option you select. | Retirement Option | Estimated Member Benefit | | Estimated Beneficiary Benefit (upon death of member) |
|---|--------------------|--|---|---|
| | | Monthly benefit (your lifetime benefit) | Monthly benefit (your lifetime benefit upon the death of your named beneficiary) | |
| | Maximum | | No beneficiary | No beneficiary |
| | Option 1 | | | Remaining unpaid member contributions (if any) |
| | Option 2 | | | |
| | Option 2A (pop-up) | | | (pop-up) |
| | Option 3 | | | |
| | Option 3A (pop-up) | | | (pop-up) |
| | Option 4 | | | |
| | Option 4A (pop-up) | | | |

IMPORTANT: The estimates for Option 2, 2A, 3, 3A, 4, or 4A are based on calculations relating to the person whose name appears in the beneficiary box above. If you choose Options 2 through 4A, you irrevocably designate the person named above as your beneficiary.

Marital Status: Are you married? _____ (Write "Yes" or "No" in the space to the left.)

MEMBER Signature: ►

Notary Public:
(A list of notaries can be found at www.sos.la.gov)

Sworn and subscribed before me, this _____ day of _____, 20_____.

Notary ID/Bar Roll #: _____ Notary Name (print): _____

Notary Signature: ►

How TRSL pays your benefits

- **Monthly benefits are paid on the first of the month.**
 - » Your first benefit payment will be a paper check; subsequent payments will be direct deposited.
 - » Your retirement can only be canceled if a benefit payment has not been negotiated (includes direct deposit).
- **For Service and ILSB, there is a 30-day waiting period.**
 - » This period begins on your retirement date. However, we must have your affidavit as well as your direct deposit form to determine your benefit.
- **You will receive estimated benefits as first payments.**
 - » This partial benefit will continue monthly until TRSL finalizes your benefit. (For DROP participants: The estimated benefit is your DROP deposit amount plus your after-DROP estimated benefit, if applicable.)

“What is a retroactive payment?”

A few months after retirement, you will receive a letter regarding a one-time retroactive payment once your final benefit is calculated:

- » “Retro” payments include the difference between your estimated checks and your final monthly benefit.
- » Your final benefit calculation will include any remaining sick leave that converts to service credit.



Tax liabilities



| | Subject to LA STATE income tax? | Subject to FEDERAL income tax? |
|--|---------------------------------|--------------------------------|
| Regular monthly retirement benefit | NO* | YES |
| DROP withdrawals <i>paid directly by TRSL</i> | NO* | YES |

**LA state tax exemption is not automatic. You must claim the exemption when you file your LA taxes:*

SCHEDULE E – 2021 ADJUSTMENTS TO INCOME

| | | |
|---|-----------------------------|-----|
| Louisiana State Teachers' Retirement Benefits | | |
| Taxpayer date retired: MMYYYY | Spouse date retired: MMYYYY | 03E |



Community property



The infographic features a background image of two gold wedding rings. At the top right is the TRSL logo (Teachers' Retirement System of Louisiana). The title 'Community Property & TRSL benefits' is in a blue banner. A question mark icon introduces the section 'What is community property?'. Below this, text explains that TRSL payments are community property. A list of TRSL funds is provided, followed by a note that the court system determines which are community property. A final 'ATTENTION' box states that ERISA and QDRO rules do not apply to TRSL.

What is community property?
Most payments or benefits that members receive from the Teachers' Retirement System of Louisiana (TRSL) are considered community property in Louisiana and should be accounted for in any community property settlement.

TRSL funds and payments that may be considered community property include the following:

- Regular retirement benefits
- Refunds of contributions
- Deferred Retirement Option Plan (DROP)
- Initial Lump-Sum Benefit (ILSB)
- Death benefits

The court system ultimately determines which of these funds or payments are community property.

If a TRSL member divorces or legally separates, the (ex)spouse may claim a portion of any of the above-mentioned payments and benefits that were earned during the time the member and (ex)spouse were married. This is true even if the benefits are not payable until years after the divorce.

If the question of benefits and payments is not settled in a community property proceeding, it remains pending.

ATTENTION: Those parts of the Employee Retirement Income Security Act (ERISA) and the Internal Revenue Code concerning Qualified Domestic Relations Orders (QDRO) do not apply to TRSL.

- Most payments or benefits received from TRSL are considered community property.
- The court system ultimately determines which funds or payments are considered community property.
- TRSL will not pay benefits to an ex-spouse without court documentation.

Regular retirement
benefits

Refunds

DROP or ILSB
withdrawals

Death
benefits

Things to do now

TRSL CHECKLIST

Register for Member Access

Submit important docs

Update contact info

Check beneficiary designation

Get a retirement estimate!

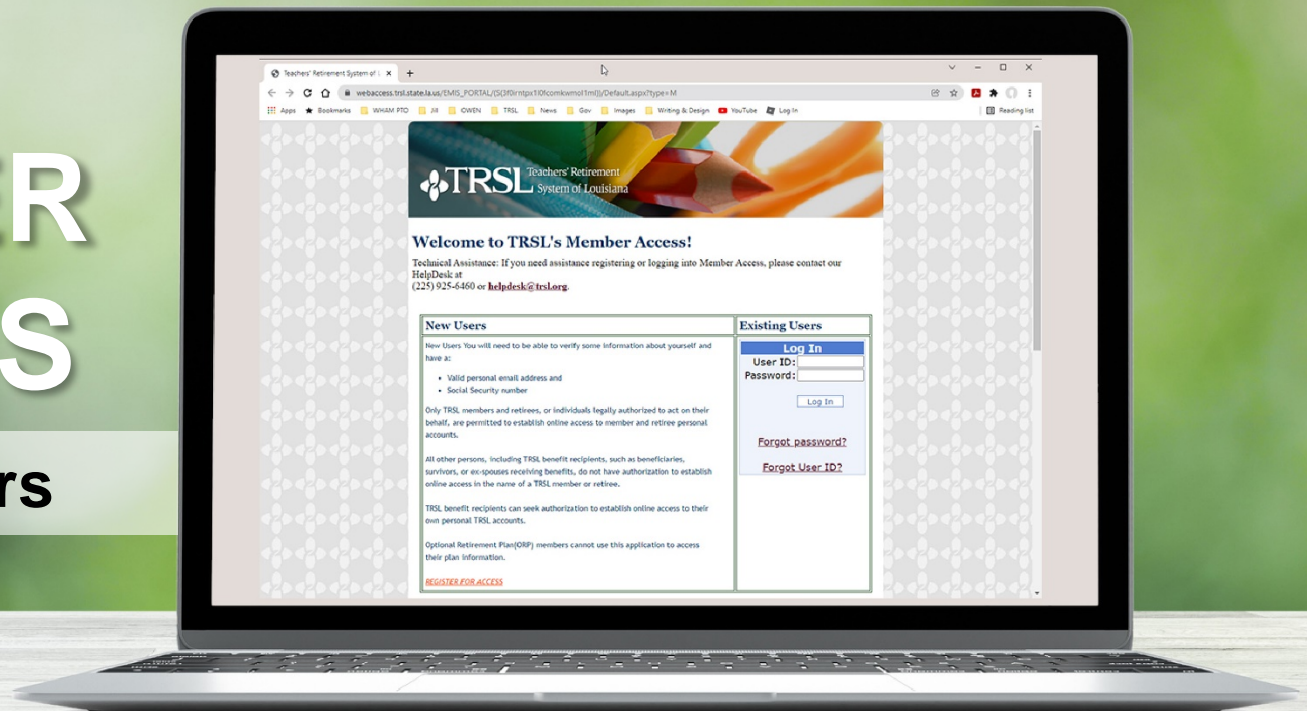
- Social Security cards (member & beneficiary)
- Birth certificates (member & beneficiary)

Divorce/separation decrees, community property settlements

- DIY via TRSL's Member Access
- Submit Form 10

MEMBER ACCESS

Active members



- Update name & mailing/email address
- Estimate future benefit with online calculators
- View annual statements
- Apply for retirement/DROP
- View DROP account
- View beneficiary(ies)
- Print income verification letter
- Request Social Security verification letter

Create a benefit estimate

Online calculators loaded with your account information



1. Log on to Member Access.
2. Under “My Estimates” drop-down menu, select “Estimate Your Retirement Benefit.”
3. Enter your desired retirement date and months of contract (9, 10, 11, 12), then click “Create Estimate!”

Register for MEMBER ACCESS @ www.TRSL.org

For technical assistance with Member Access, contact support@trsl.org.



SHED SOME LIGHT ON

Your Future with Online Member Access

MEMBER ACCESS



My TRSL

Members

Retirees

Employers

Find it online at www.TRSL.org



Questions?

If you have specific questions about your TRSL retirement, contact us for a direct reply:



AskTRSL.org

Questions about...

DROP window

Eligibility

Benefit estimate

FAC

And more!

We are here for you!



Local phone: (225) 925-6446

Toll free (outside Baton Rouge):
1-877-ASK-TRSL (1-877-275-8775)

Website: *www.TRSL.org*

Questions: *AskTRSL.org*



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