



# PLANNING for your retirement

Summer 2023



# Friendly reminders

- This presentation contains general information to be used as a guide during the webinar. All participants are muted.
- Have a question?
  - » Type your question in the **Questions** box during the webinar. We will answer questions during the webinar and in the **Questions** box.
- This webinar will be recorded. Our recordings & PDFs are available at [www.trsl.org/members/webinars](http://www.trsl.org/members/webinars)

If you have any specific questions about your retirement (such as DROP window, retirement eligibility, etc.), please contact us at [AskTRSL.org](http://AskTRSL.org) so we can look up your account and assist you directly.

# What do you want to learn today?



1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

# Agenda

- Types of TRSL retirement plans
- How your retirement is funded
- Purchases and transfers of service credit
- How your benefit is calculated
- Retirement eligibility
- Retirement options
- Leave credit

*Break and Q & A periods will be provided.*

# About TRSL



- Established in 1936
- Public trust fund
- Defined benefit plan
- Largest public retirement system in Louisiana
- Benefits guaranteed by the state constitution

# TRSL retirement plans

## Regular Plan

Most TRSL members,  
including teachers,  
administrators, support  
staff, and university  
personnel, etc.

## Plan B

School food  
service employees  
in 20 parishes

# How your retirement is funded

- Members pay a percentage of salary toward retirement:

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

- 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.

# Purchases & transfers of service credit

- Service credit can be purchased for eligible periods of service for which you do not already have TRSL service credit.

**Refunded  
service credit**

**Military  
service**

**Actuarial  
purchases**

**Actuarial  
transfers**

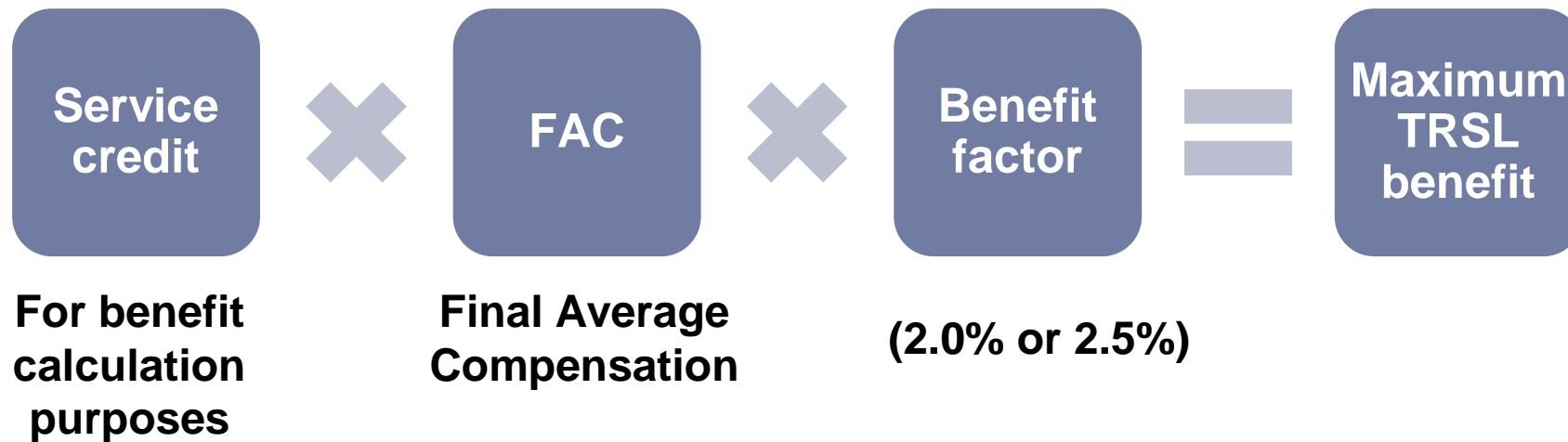
**Reciprocal  
recognition of  
service credit**

*NOTE: Any purchases, transfers, or reciprocals must be completed before the effective date of your retirement or DROP participation.*



# How your benefit is calculated

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



# How you earn service credit

- Service credit is based on the amount of time you work and contribute to TRSL.
- You cannot earn more than 1.00 year of service credit in a 12-month period (July 1 - June 30).
- It is rounded to the closest one-tenth of a year (not to exceed 100% of a year) only at the time of retirement or entering DROP.

# Final Average Compensation (FAC)

Membership in state retirement system <u>prior to</u> January 1, 2011	Membership in state retirement system <u>on or after</u> January 1, 2011
Based on <b><u>3 highest</u></b> consecutive years of salary	Based on <b><u>5 highest</u></b> consecutive years of salary
State law places a <b><u>10% cap</u></b> on salary increases in each of the <b><u>3 years</u></b> used to determine the average compensation.	State law places a <b><u>15% cap</u></b> on salary increases in each of the <b><u>5 years</u></b> used to determine the average compensation.

*NOTE: Salary cap does not apply to increases given by legislative acts (state raises) or city/parish/college/university system-wide increases. There is also a 25% limit on salary increases for the 12 months during which a classroom teacher changes employment to that of a classroom teacher in another parish.*

# FAC: Example in Member Access

Seq	Eff Date	Source	Contribution Amount	Service Credit for Benefit Computation Amount	Service Type	Actual Earnings	Full Time Earnings	Transaction Type	Service Credit for Eligibility
012	<u>6/30/2014</u>	ST. TAMMANY BD	4,086.52	1.00	REGULAR	51,080.70	51,080.70	SALARY POSTING	1.00
013	<u>6/30/2015</u>	ST. TAMMANY BD	4,039.60	1.00	REGULAR	50,494.20	50,494.20	SALARY POSTING	1.00
014	<u>6/30/2016</u>	ST. TAMMANY BD	4,101.60	1.00	REGULAR	51,269.20	51,269.20	SALARY POSTING	1.00
015	<u>6/30/2017</u>	ST. TAMMANY BD	4,181.52	1.00	REGULAR	52,269.12	52,269.12	SALARY POSTING	1.00
016	<u>6/30/2018</u>	ST. TAMMANY BD	4,199.92	1.00	REGULAR	52,500.08	52,500.08	SALARY POSTING	1.00

- The FAC is the average of your highest years of salary consecutively earned.
- TRSL looks at your entire salary history.

# FAC: Example in Member Access

**DROP ELIGIBILITY:** The first time you reach one of the following:  
**25 Years Age 55, 10 Years Age 60, 30 Years Any Age**

*This area may include employment dates for time periods where service credit was refunded.  
Refunded years that have not been restored are not included in your total service credit.*

## Employment History

Employer ID	Employer Name	Plan Name	Start Date	End Date
0052	ST. TAMMANY BD	Regular Plan	08/17/1990	01/15/1993
0052	ST. TAMMANY BD	Regular Plan	10/13/2006	05/24/2018

## TRSL Regular Plan Information

*Service credit earned cannot exceed 1.00 year in a fiscal year.*

Unaudited Service Credit		Member Contributions Summary							
Prior years' service credit for benefit computation:	11.82	Beginning balance as of 06/30/2019:	46,134.77						
Purchases/Transfers/Refunds:	0.00	No Current FY Contributions	0.00						
Prior years' service credit for benefit computation corrections:	0.00	Purchases/Transfers/Refunds:	0.00						
Total unaudited service credit for benefit computation*:	11.82	Prior Year Contributions Corrections:	0.00						
		Estimated balance as of 9/10/2019:	46,134.77						
Total unaudited service credit for benefit computation as of 06/30/2019*		Total unaudited service credit for eligibility purposes as of 06/30/2019*:	11.82						
<table><tr><th>Service Type</th><th>Amount</th></tr><tr><td>Regular</td><td>11.82</td></tr><tr><td>Total</td><td>11.82</td></tr></table>		Service Type	Amount	Regular	11.82	Total	11.82	Monthly Average Compensation: \$4,334.40	
Service Type	Amount								
Regular	11.82								
Total	11.82								

\*If these figures are different, your employer has certified that you have some part-time employment. Any discrepancies in salaries, service credit, or contributions should be addressed with your employer. All amounts are subject to audit and change.

# Benefit factors

The benefit factor used to calculate your retirement benefit is based on TRSL plan membership and date of enrollment.

TRSL Plan Type	Benefit Factor
<b>Regular Plan</b> ( <i>TRSL membership <u>prior to</u> 7/1/99</i> )	2.0% or 2.5%
<b>Regular Plan</b> ( <i>TRSL membership <u>on or after</u> 7/1/99</i> )	2.5%
<b>Plan B</b>	2.0%

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



# Regular Plan: Retirement eligibility

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

# Regular Plan: Retirement eligibility

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

# Questions?



**If you have any specific questions about your retirement (such as DROP window, retirement eligibility, etc.), please contact us at [AskTRSL.org](https://www.AskTRSL.org) so we can look up your account and assist you directly.**

# 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.

# Retirement options

Retirement Option	Member Benefit	Beneficiary Benefit
<b>Maximum Option</b>	Member receives largest monthly benefit possible (maximum benefit).	None

**Maximum Option conditions:** All monthly benefits cease at member's death. Only the amount of member contributions that has not been paid out in monthly benefits or in DROP deposits and interest is due to the member's estate.

# Retirement options

Retirement Option	Member Benefit	Beneficiary Benefit
<b>Option 1</b>	Member receives a monthly benefit slightly less than Maximum Option. Age at retirement is one of the factors upon which the reduction is based.	More than one beneficiary can be designated, and can be changed at any time by member/retiree.
<b><u>Option 1 conditions:</u></b> Beneficiary receives remaining balance of member's contributions (if any) in one lump-sum payment. Cannot be selected for ILSB.		

# Retirement options

Retirement Option	Member Benefit	Beneficiary Benefit
<b>Option 2</b>	Member receives an actuarially reduced monthly benefit.	Beneficiary receives same lifetime benefit member received.
<b>Option 3</b>	Member receives a monthly benefit greater than Option 2 or 2A benefit.	Beneficiary receives lifetime benefit equal to $\frac{1}{2}$ of benefit amount member received.
<b>Option 4</b>	Member receives a reduced monthly benefit based upon amount member designates for beneficiary.	Beneficiary receives lifetime benefit designated by member, not to exceed Option 2 benefit amount.

# Retirement options

Retirement Option	Member Benefit	Beneficiary Benefit
<b>Option 2A (Pop Up)</b>	Member receives a monthly benefit slightly less than Option 2.	Beneficiary receives same lifetime benefit member received.
<b>Option 3A (Pop Up)</b>	Member receives a monthly benefit greater than Option 2 or 2A benefit but less than Option 3 benefit.	Beneficiary receives lifetime benefit equal to ½ of benefit amount member received.
<b>Option 4A (Pop Up)</b>	Member receives a reduced monthly benefit based upon amount member designates for beneficiary.	Beneficiary receives lifetime benefit designated by member, but not to exceed Option 2 benefit amount.



# Retirement options

Retirement Option	Member Benefit	Beneficiary Benefit
<b>Maximum Option</b>	Member receives largest monthly benefit possible (maximum benefit).	None

**Maximum Option conditions:** All monthly benefits cease at member's death. Only the amount of member contributions that has not been paid out in monthly benefits or in DROP deposits and interest is due to the member's estate.

# 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.

# Questions?



**If you have any specific questions about your retirement (such as DROP window, retirement eligibility, etc.), please contact us at [AskTRSL.org](https://www.AskTRSL.org) so we can look up your account and assist you directly.**

# Agenda

- Types of retirement offered
- Deferred Retirement Option Plan (DROP)
- Initial Lump-Sum Benefit (ILSB)
- Other TRSL benefits

# 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 monthly retirement benefit check while you continue to work and earn a paycheck.
- During DROP your monthly benefit is deposited each month into a special account.
  - » **Minimum participation time:** 1 day
  - » **Maximum participation time:** 36 months (3 years)



# Deferred Retirement Option Plan (DROP)

- 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.
- You can apply up to 6 months before your DROP window opens with TRSL’s Form 11.
- Members can end DROP participation and terminate employment (retire) at any time.

# “What is the DROP window?”

The DROP window refers to the 3-year period of time you can participate in DROP, starting from your first day of eligibility.

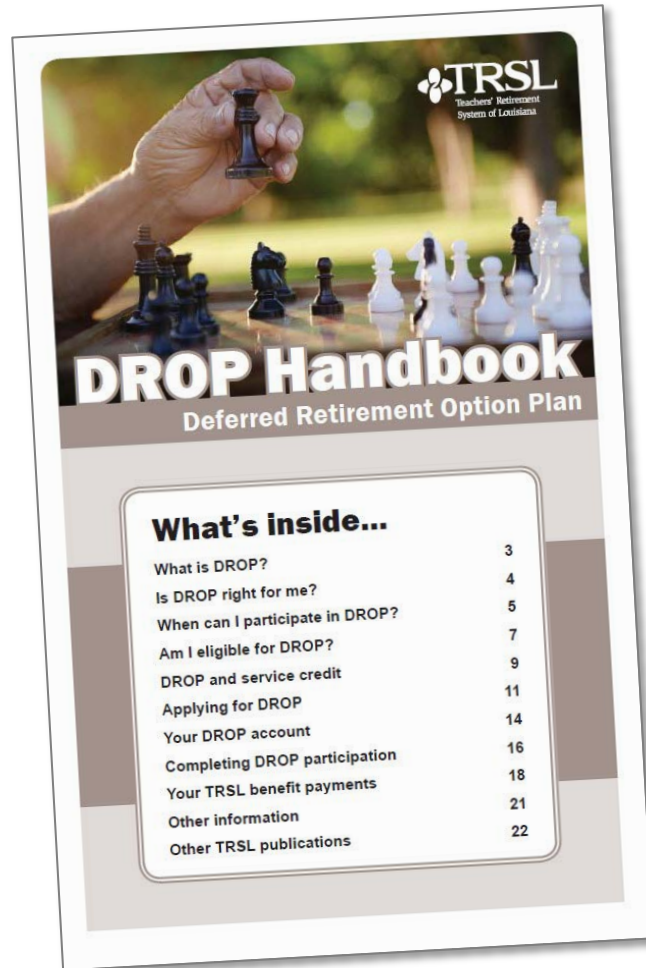
Your window opens when you are **FIRST** eligible.

This period is your **ONE-TIME** opportunity to participate in DROP during your career.



It is important to find out the **EXACT DATE** you first become eligible for DROP.

# 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, what is the same?

- 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.



# While in DROP, what is different?

- **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.

# DROP deposit example

This member's monthly retirement benefit is calculated to be \$2,356.  
This is also the amount that will be deposited into the DROP account each month (maximum option).

Length of time in DROP	Amount
12 months in DROP	<b>\$28,272</b>
24 months in DROP	<b>\$56,544</b>
36 months in DROP	<b>\$84,816</b>

# Your options after DROP participation



## **TERMINATE EMPLOYMENT (RETIRE):**

- Start receiving monthly benefits
- Begin DROP account withdrawals

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***OR***

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## **CONTINUE TO WORK:**

- DROP deposits will end
- Resume contributions to TRSL
- Earn supplemental benefit (added to your retirement benefit)

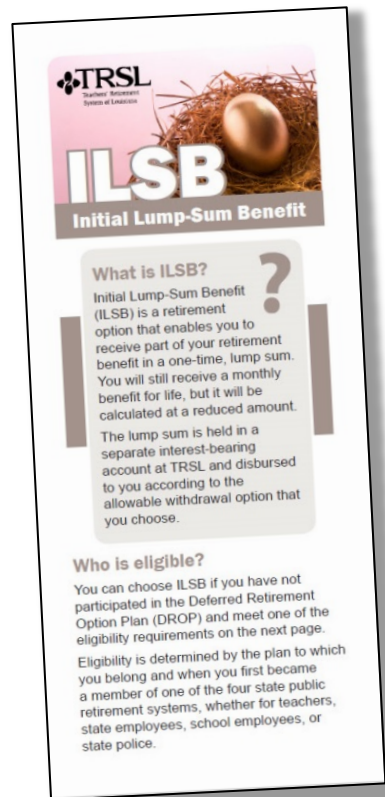
# Is DROP right for you?

- **Will my benefit be calculated at 2.0% or 2.5%?**
  - » DROP at age 60 with 10 years is calculated at 2.0%. (under Regular Plan)
  - » Regular service retirement at age 65 with 20 years is calculated at 2.5%.
- **What if I receive a significant salary increase (or change in position) while I'm in DROP?**
  - » Any salary increase you receive while you are in DROP will not be added to your FAC.
- **How long do I plan to work after my DROP participation ends?**
  - » If you work for many years after DROP, it could result in a lower benefit than if you had not participated in DROP.



# 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.

# ILSB 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 if enrolled prior to 7/1/1999*

## 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

# ILSB example – Max lump sum

Age	Reduction	Age	Reduction
35	\$ 6.28	58	\$ 7.38
36	\$ 6.30	59	\$ 7.48
37	\$ 6.32	60	\$ 7.59
38	\$ 6.34	61	\$ 7.71
39	\$ 6.37	62	\$ 7.83
40	\$ 6.39	63	\$ 7.97
41	\$ 6.42	64	\$ 8.11
42	\$ 6.45	65	\$ 8.26
43	\$ 6.48	66	\$ 8.42
44	\$ 6.51	67	\$ 8.60
45	\$ 6.55	68	\$ 8.78
46	\$ 6.59	69	\$ 8.98
47	\$ 6.63	70	\$ 9.20
48	\$ 6.67	71	\$ 9.43
49	\$ 6.72	72	\$ 9.68
50	\$ 6.78	73	\$ 9.96
51	\$ 6.83	74	\$ 10.26
52	\$ 6.90	75	\$ 10.58
53	\$ 6.96	76	\$ 10.94
54	\$ 7.04	77	\$ 11.34
55	\$ 7.11	78	\$ 11.76
56	\$ 7.20	79	\$ 12.23
57	\$ 7.29	80	\$ 12.74

**EXAMPLE:** 57-year-old retiree with a 58-year-old beneficiary

<b>Maximum option</b>	\$2,700/month
<b>Cost per \$1,000</b>	\$7.29
<b>Maximum lump sum</b>	\$97,200
<b>Maximum reduced monthly benefit</b>	\$1,992/month

# ILSB example – 50% max lump sum

Age	Reduction	Age	Reduction
35	\$ 6.28	58	\$ 7.38
36	\$ 6.30	59	\$ 7.48
37	\$ 6.32	60	\$ 7.59
38	\$ 6.34	61	\$ 7.71
39	\$ 6.37	62	\$ 7.83
40	\$ 6.39	63	\$ 7.97
41	\$ 6.42	64	\$ 8.11
42	\$ 6.45	65	\$ 8.26
43	\$ 6.48	66	\$ 8.42
44	\$ 6.51	67	\$ 8.60
45	\$ 6.55	68	\$ 8.78
46	\$ 6.59	69	\$ 8.98
47	\$ 6.63	70	\$ 9.20
48	\$ 6.67	71	\$ 9.43
49	\$ 6.72	72	\$ 9.68
50	\$ 6.78	73	\$ 9.96
51	\$ 6.83	74	\$ 10.26
52	\$ 6.90	75	\$ 10.58
53	\$ 6.96	76	\$ 10.94
54	\$ 7.04	77	\$ 11.34
55	\$ 7.11	78	\$ 11.76
56	\$ 7.20	79	\$ 12.23
57	\$ 7.29	80	\$ 12.74

**EXAMPLE:** 57-year-old retiree with a 58-year-old beneficiary

**Maximum option**

\$2,700/month

**Cost per \$1,000**

\$7.29

**50% Maximum lump sum**

\$48,600

**Maximum reduced  
monthly benefit**

\$2,350/month

# ILSB questions to ponder:

- **Do I need a lump sum amount to use in retirement?**

By taking a lump sum up front, you will reduce your regular monthly benefit.

- **Is the reduction in benefits permanent?**

Yes, the reduction applied to monthly benefits is permanent.

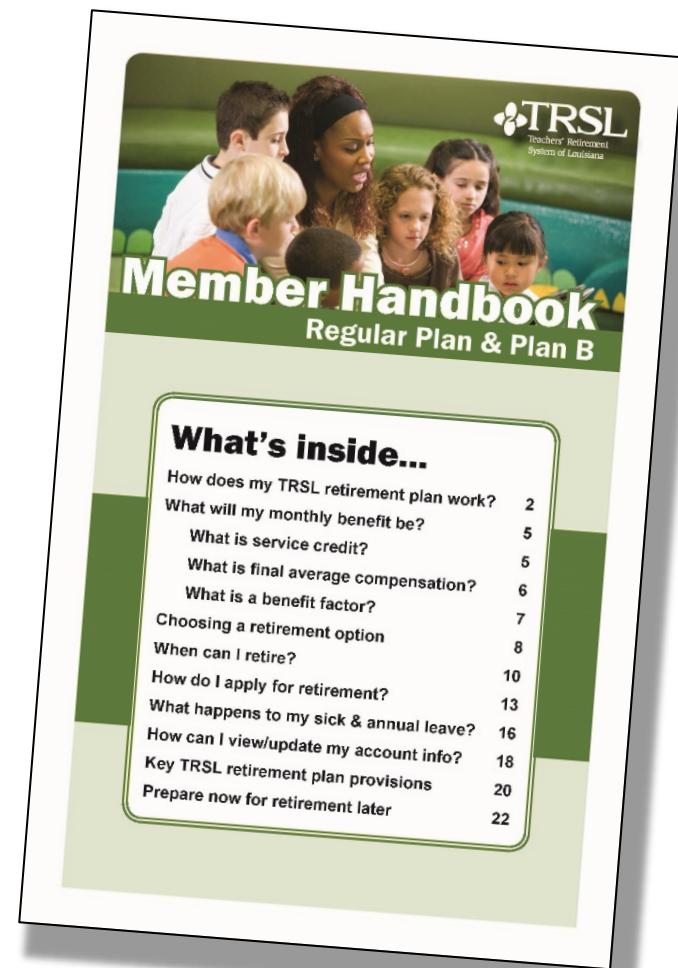
- **What factors determine the reduction?**

Your age at the time of retirement and the amount of the lump sum you choose are both determining factors.

# 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*



# Questions?



***Let's pause for a quick break...***

# Agenda

- The retirement application process
- How TRSL pays your benefits
- Tax liabilities
- Community property
- Returning to work after retirement
- TRSL and Social Security
- Things to do now



# 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.

# Applying for retirement

**There are two ways you can apply for retirement:**



Apply online through your  
**MEMBER ACCESS** account:  
[www.TRSL.org/memberaccess](http://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.*

# Apply through Member Access

Select “Apply for Retirement” from the “My Retirement” drop-down menu.



*NOTE: Two weeks after submission of the Form 11 to TRSL, you will receive an acknowledgment letter in the mail.*

# Apply through *Member Access*

Application for Service Retirement, ILSB, or DROP	
Applications may be canceled before cashing any benefit check, including estimated benefit payments and direct deposits. Your application may be submitted within six months before your effective retirement/DROP date. It is your responsibility to submit your application before your selected retirement/DROP date.	
<b>Your retirement information (Must be completed)</b>	
Select one: <input type="radio"/> Service – 06-11A <input type="radio"/> ILSB – 06-11A5 <input type="radio"/> DROP – 06-11F	Date of retirement/DROP begin date <input type="text"/> (mm/dd/yyyy)
Annual COLA Option (ACO) allows a retiring member to receive a guaranteed annual 2.5% cost-of-living adjustment (COLA) by accepting an actuarially REDUCED retirement benefit. Check the box below only if you are considering ACO. <input type="checkbox"/> Yes, I wish to receive an estimate of REDUCED benefits based on the self-funded Annual COLA Option (ACO).	
<b>Your member information (All fields must be completed)</b>	
Name: Last, first, MI, suffix (Jr., III, etc.) <input type="text"/>	Your Social Security number <input type="text"/>
Street address/P.O. Box <input type="text"/>	Your date of birth <input type="text"/>
City <input type="text"/>	Name of Employer <input type="text"/>
State LA-LOUISIANA	Zip <input type="text"/>
Home/cell telephone* <input type="text"/>	Work telephone* <input type="text"/>
*include area code Months of contract <input type="radio"/> 9 <input type="radio"/> 10 <input type="radio"/> 11 <input type="radio"/> 12	Job title <input type="text"/>

*Information for you and your spouse will automatically load from your account, but you will be able to make changes, if necessary.*

# Submit online application

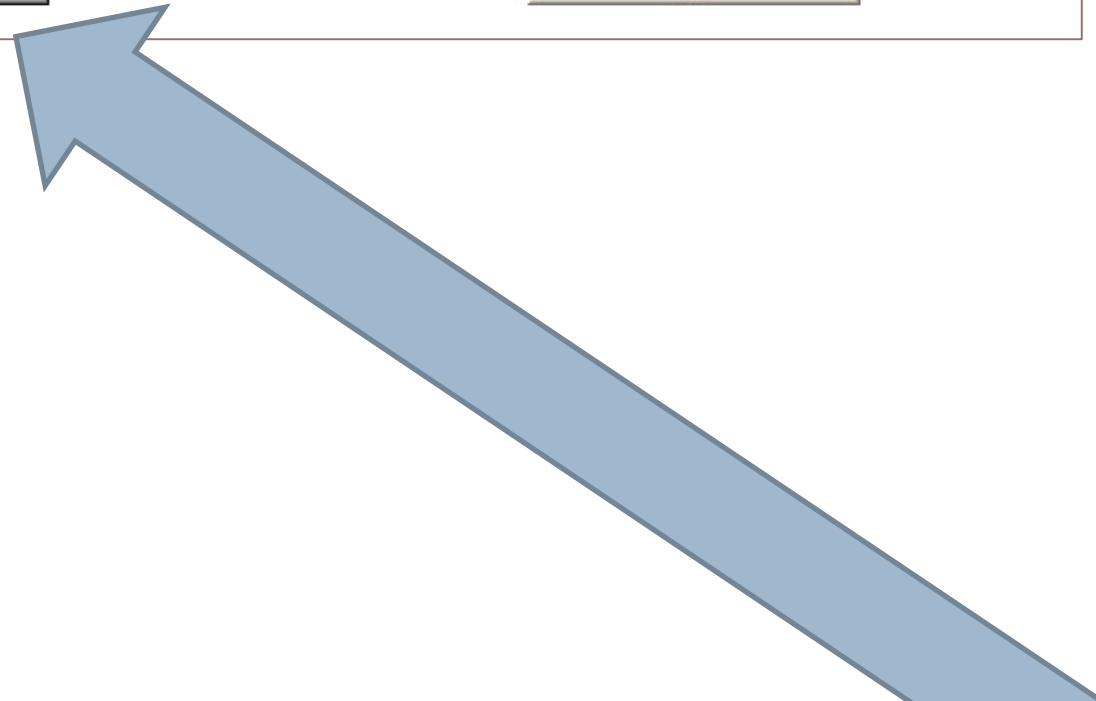
## *Electronic Signature*

I hereby make application for retirement in accordance with Louisiana laws. I understand that I should receive an acknowledgment letter by mail approximately two weeks after the date TRSL receives my application. If I do not receive an acknowledgment letter, I will contact TRSL.

☐ I understand that by submitting my application online that I agree to conduct this transaction by electronic means and that I am signing my retirement application.

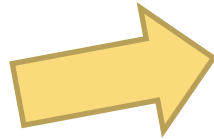
**Submit Application**

**Print Application**



# 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)	
<b>Make selection here.</b> (Do not initial more than one box.)	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](http://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).
    - Members entering DROP are unable to cancel DROP participation once your date passes and the affidavit is on file.
- **For Service and ILSB, there is a 30-day waiting period.**
  - » This period begins on your retirement date. However, TRSL must have your properly executed estimated affidavit and your completed direct deposit form in order to determine your benefit.
- **You will receive estimated benefits as first payments.**
  - » This will continue monthly until TRSL finalizes your benefit.
    - Includes after-DROP supplement, for those working after DROP.

# “What is a retroactive payment?”

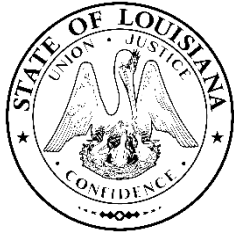
**A few months after retirement, you will receive a letter regarding a one-time retroactive payment once your final benefit is calculated:**

- » **“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



**IRS**

**Subject to  
LA STATE  
income tax?**

**Subject to  
FEDERAL  
income tax?**

**Regular monthly  
retirement benefit**

**NO\***

**YES**

**DROP withdrawals  
*paid directly by TRSL***

**NO\***

**YES**

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

## **SCHEDULE E – 2022 ADJUSTMENTS TO INCOME**

Louisiana State Teachers' Retirement Benefits	
Taxpayer date retired: MM/YY/YY	Spouse date retired: MM/YY/YY
03E	



# Community property



The infographic features a light blue background with a gold wedding ring at the top left. The TRSL logo is in the top right. The title 'Community Property & TRSL benefits' is in a blue banner. A large question mark icon introduces the 'What is community property?' section. Below this, two columns of text explain TRSL funds and community property. A blue box at the bottom contains an 'ATTENTION' warning about ERISA and QDRO.

**TRSL**  
Teachers' Retirement System of Louisiana

## Community Property & TRSL benefits

### 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

---

# Returning to Work After Retirement

**RTW laws  
DO apply.**

Louisiana public education (K-12, higher ed), participating charter schools, **participating state agencies**, contract or corporate contract:

These positions **are eligible** for TRSL membership.

**RTW laws  
DO NOT  
apply.**

Out-of-state public or private education (K-12, higher ed), in-state private schools, non-participating charter schools, private sector employment, K-12 custodial/maintenance positions or bus drivers, higher ed classified positions, and civil service jobs that report to another retirement system:

These positions **are not eligible** for TRSL membership.

***If you are unsure if a particular employer reports to TRSL,  
please reach out to their Human Resources office.***

# Questions?

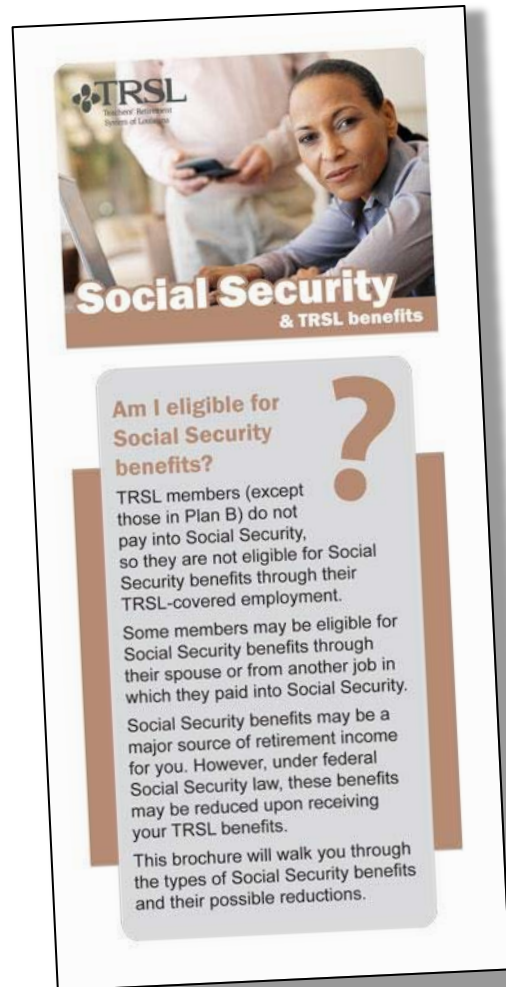


**If you have any specific questions about your retirement (such as DROP window, retirement eligibility, etc.), please contact us at [AskTRSL.org](https://www.AskTRSL.org) so we can look up your account and assist you directly.**

# TRSL and Social Security


- Louisiana does not pay into Social Security for the majority of its public employees.
- However, you may still be eligible for Social Security through other employment or through your spouse's employment.
- The type of Social Security benefit you are eligible for determines which offset provision applies to you.
- Your TRSL benefit **is not reduced**.

# Social Security benefits



- **Spouse's or widow(er)'s benefit:**  
Paid to spouses or surviving spouses of Social Security pensioners if those spouses did not work long enough under Social Security to have earned their own benefit, or the spouse's earned benefit is less than the pensioner's benefit.
- **Earned benefit:**  
Paid to people who worked at jobs where they paid Social Security taxes long enough to earn a Social Security benefit.

# Offset provisions



## Government Pension Offset

A law that affects spouses and widows or widowers

If you receive a retirement or disability pension from a federal, state, or local government based on your own work for which you didn't pay Social Security taxes, we may reduce your Social Security spouses or widows or widowers benefits. This fact sheet provides answers to questions you may have about the reduction.




### How much will my Social Security benefits be reduced?

We'll reduce your Social Security benefits by two-thirds of your government pension. In other words, if you get a monthly civil service pension of \$600, two-thirds of that, or \$400, must be deducted from your Social Security benefits. For example, if you're eligible for a \$500 spouses, widows, or widowers benefit from Social Security, you'll get \$100 a month from Social Security (\$500 - \$400 = \$100). If two-thirds of your government pension is more than your Social Security benefit, your benefit could be reduced to zero.


If you take your government pension annuity in a lump sum, Social Security will calculate the reduction as if you chose to get monthly benefit payments from your government work.

### Why will my Social Security benefits be reduced?

Benefits we pay to spouses, widows, and widowers are "dependent" benefits. Set up in the 1930s, these benefits were to compensate spouses who stayed home to raise a family and were financially dependent on the working spouse. It's now common for both spouses to work, each earning their own Social Security retirement benefit. The law requires a person's spouse, widow, or widower benefit to be offset by the dollar amount of their own retirement benefit.

SocialSecurity.gov |   

## • Government Pension Offset (GPO) – 1982



## Windfall Elimination Provision

2018

### 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, such as a government agency or an employer in another country, any retirement or disability pension you get from that work can reduce your Social Security benefits.

### When your benefits can be affected

This provision can affect you when you claim a retirement or disability pension from an employer who didn't withhold Social Security taxes and 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:

- You reached 62 after 1985; or
- You became disabled after 1985; and
- You first became 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 amounts 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 2018, the first \$896 of average monthly earnings is multiplied by 90 percent, earnings between \$896 and \$5,397 by 32 percent, and the balance by 15 percent. 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 2018, with average earnings of \$3,000 per month could receive a benefit of FRA of \$1,479 (49 percent) 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 \$2,636 (32 percent) plus COLAs. However, if either of these workers start benefits earlier, 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, plus 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 percent factor in our formula and phase it in for workers who reached age 62 or became disabled between 1986 and 1989. For people who reach 62 or become disabled in 1990 or later, we reduce the 90 percent factor to as little as 40 percent.

### Some exceptions

The Windfall Elimination Provision doesn't apply if:

- You're a federal worker first hired after December 31, 1983;
- You were employed on December 31, 1983, by a nonprofit organization that didn't withhold Social Security taxes from your pay at first, but then began withholding Social Security taxes;
- Your only pension is for railroad employment;
- The only work you performed for which you didn't pay Social Security taxes was before 1957; or
- You have 30 or more years of substantial earnings under Social Security.

SocialSecurity.gov |   

(over)  
Windfall Elimination Provision

## • Windfall Elimination Provision (WEP) – 1985



# Social Security offsets

## Government Pension Offset (GPO)


- Reduces spousal SS benefit by two-thirds of your TRSL benefit
- Requires that a person's benefit as a spouse or widow(er) be offset dollar for dollar by the amount of his/her own retirement benefit
- Could completely eliminate SS spousal benefit

## Windfall Elimination Provision (WEP)

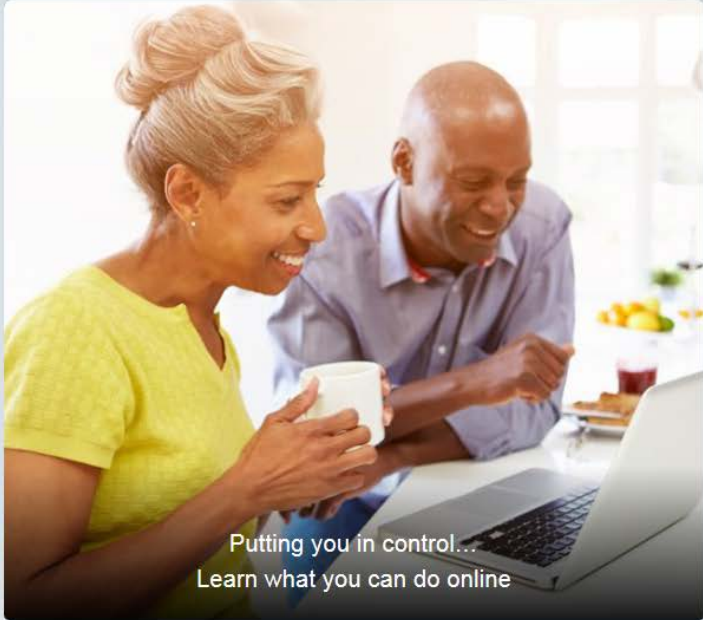
- Reduces your own SS benefit if you receive a TRSL benefit
- Uses a modified formula to reduce SS benefit, based on average monthly earnings adjusted for inflation
- Does not completely eliminate SS benefit




# SSA homepage: [www.ssa.gov](http://www.ssa.gov)

 Social Security


SEARCH MENU LANGUAGES SIGN IN/UP




Putting you in control...  
Learn what you can do online




Retirement




Disability



Medicare




Change of Address




**my** Social Security

Check out your *Social Security Statement*, change your address & manage your benefits online today.




Social Security Number

Your Social Security number remains your first and continuous link with Social Security.



Retirement Estimator

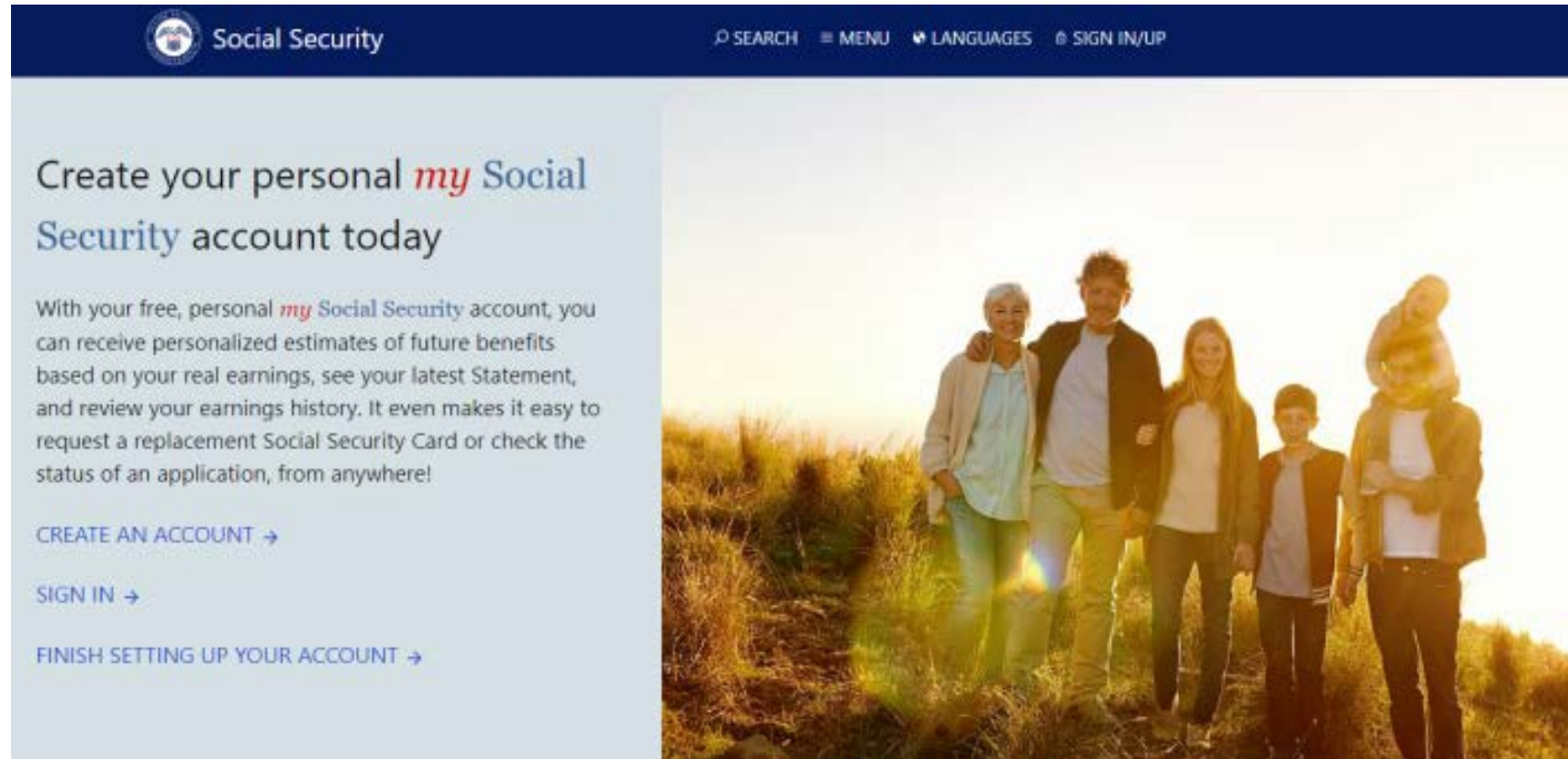
Calculate your benefits based on your actual Social Security earnings record.



FAQs

Get answers to frequently asked questions about Social Security.

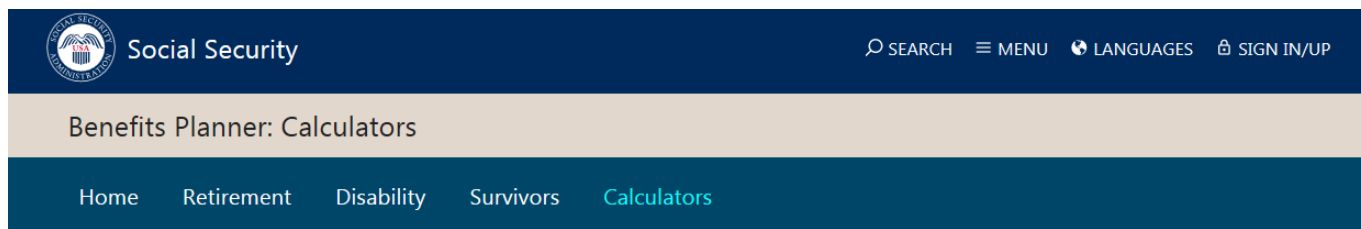
# Create a “my Social Security” account



Check your SS status ~ Request a replacement card  
View your SS statement ~ Change your address

[www.SSA.gov/myaccount](http://www.SSA.gov/myaccount)

# Social Security calculators



The best way to start planning for your future is by [creating a my Social Security account](#) online. With [my Social Security](#), you can verify your earnings, get your *Social Security Statement*, and much more – all from the comfort of your home or office.


We have a variety of calculators to help you plan for the future and for what you may need now.

<b>Retirement Age Calculator</b> Find your full retirement age and learn how your monthly benefits may be reduced if you retire before your full retirement age.	<b>Retirement Estimator</b> Estimate monthly benefits based on your Social Security earnings record.	<b>Windfall Elimination Provision (WEP) Calculator</b> Estimate if you are eligible for a pension based on work that was not covered by Social Security.
<b>GPO Calculator</b> Estimate of spouse benefits for yourself if you receive a pension from a government job in which you did not pay Social Security taxes. Your benefit may be offset by the Government Pension Offset (GPO).	<b>Detailed Calculator</b> Get the most precise estimate of your retirement, disability, and survivors benefits. The estimate includes WEP reduction. Must be downloaded and installed on your computer.	
<b>Early or Late Retirement Calculator</b> Compute the effect on your benefit amount if you file for early or delayed retirement benefits.	<b>Earnings Test Calculator</b> Learn how your earnings may affect your benefit payments if you are currently working and are eligible for retirement or survivors benefits this year.	

GPO  
calculator

WEP  
calculator

# Social Security office locator



**Social Security**  
The Official Website of the U.S. Social Security Administration

## Social Security Office Locator

Find the Office for this ZIP Code.

ZIP:

[Zip Code Look Up](#)  
[Services Outside the United States](#)

Using our online services, you can:

- Apply for most types of benefits
- Estimate your future benefits
- Do so much more

To learn more, visit [What You Can Do Online](#).

Phone Number

**Toll-Free:** 1-800-772-1213

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***Bring your TRSL estimate with you to your SSA appointment for more information regarding how your SS benefit may be affected by GPO or WEP once you receive a TRSL benefit upon retirement.***

# Questions to ask Social Security

- At what age can I receive my full SS benefit, and how much will it be?
- What is the earliest age I can receive SS benefits, and will this amount be reduced?
- Are there earnings limits if I collect SS while I am still working and paying into TRSL?
- Do I qualify for an exception to GPO or WEP?
- If GPO or WEP does apply to me, how much will my SS benefit be?

# Summary: TRSL & Social Security

- YES, it's possible to draw both TRSL and Social Security in retirement.
- If you receive a retirement benefit from TRSL and you are also eligible for Social Security benefits, your Social Security benefit may be reduced according to federal regulations.
- **TRSL benefits are not reduced.**

# SSA Contact Info

- For detailed information about your Social Security benefit, please contact the Social Security Administration.
  - **Website:** [www.ssa.gov](http://www.ssa.gov)
  - **Toll-free:** 1-800-772-1213
  - Contact your nearest SS office



# Questions?



**If you have any specific questions about your retirement (such as DROP window, retirement eligibility, etc.), please contact us at [AskTRSL.org](https://www.AskTRSL.org) so we can look up your account and assist you directly.**



# What did you learn today?



1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

# Things to do now

## TRSL CHECKLIST

☒ Register for Member Access

☐ Submit important docs

☐ Update contact info

☒ Check beneficiary designation

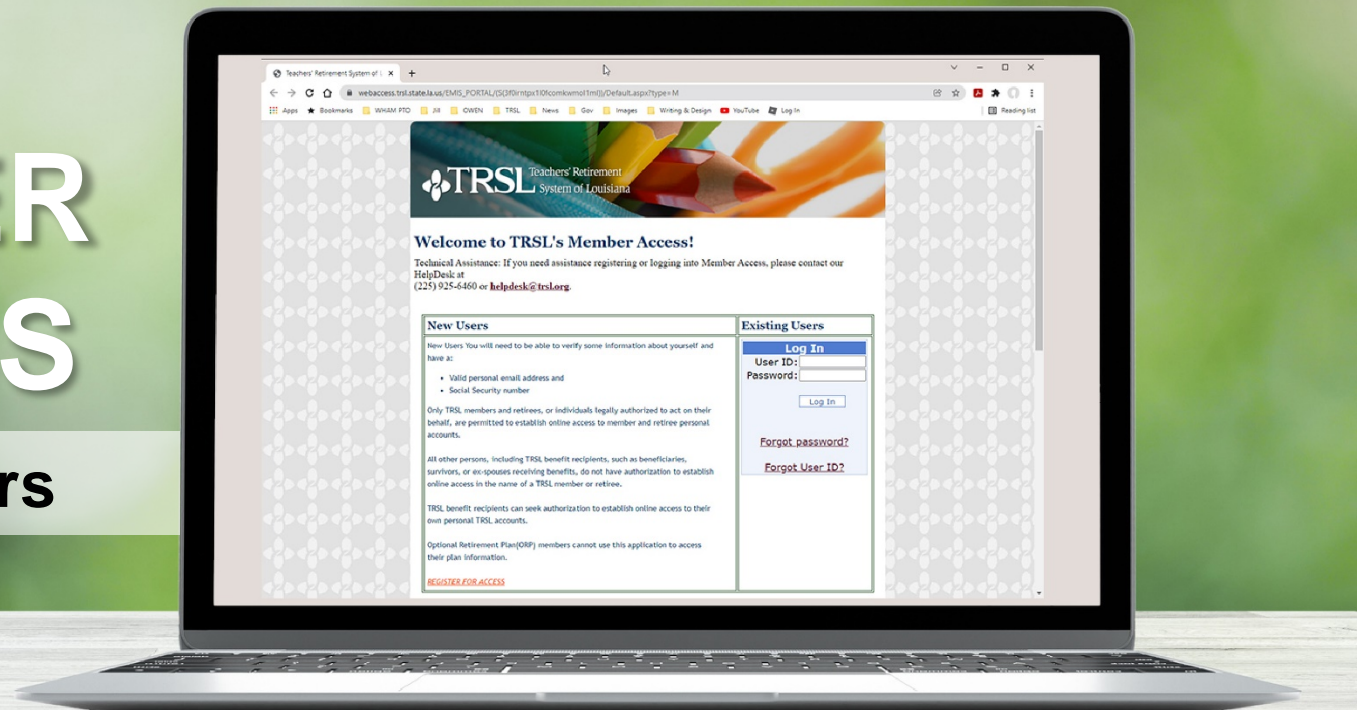
☐ Get a retirement estimate!

- Social Security cards (*member & beneficiary*)
- Birth certificates (*member & beneficiary*)
- Divorce/separation decrees, community property settlements

- 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 the “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](http://www.TRSL.org)**

For technical assistance with Member Access, contact [support@trsl.org](mailto:support@trsl.org).



SHED SOME LIGHT ON

***Your Future with  
Online Member Access***

MEMBER ACCESS



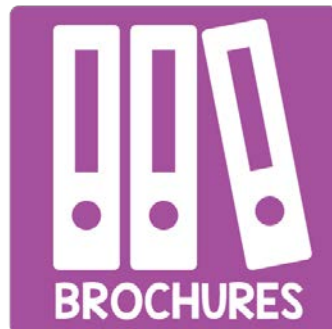
My TRSL

Members

Retirees

Employers

***Find it online at [www.TRSL.org](http://www.TRSL.org)***



# Questions?

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



**AskTRSL.org**

## Questions about...

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DROP window

Eligibility

Benefit estimate

FAC

And more!

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# 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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