



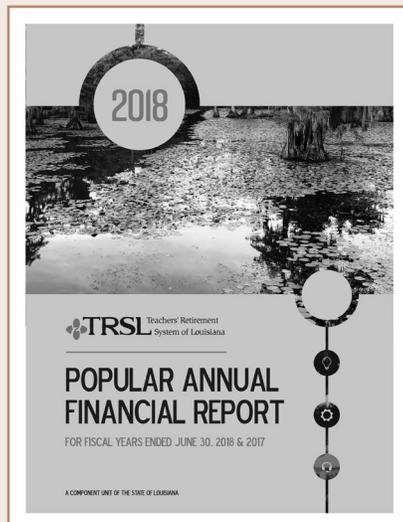
# Retirees

December 2018 • Vol 27, No 2

## 2018 annual report now available

The *Popular Annual Financial Report (PAFR)* for Fiscal Year 2017-18 is now available at [www.TRSL.org](http://www.TRSL.org).

The PAFR is a condensed version of the *Comprehensive Annual Financial Report (CAFR)* and provides an overview of TRSL's operations, financial position, investment performance, and demographic makeup.



[www.TRSL.org](http://www.TRSL.org)



## FY 2018 VALUATION REPORT: TRSL adds \$1.1 billion in assets, DROP interest announced

The latest actuarial valuation report for the Teachers' Retirement System of Louisiana (TRSL) held positive news about the pension plan that provides retirement benefits and services for more than 195,000 members. According to the report, the System's assets and funded status both increased over last fiscal year.

TRSL's valuation assets increased by \$1.1 billion over the previous fiscal year, bringing them to an **all-time high of \$20.3 billion**. The System's funded status, a metric commonly used to gauge a pension plan's financial position, has been steadily climbing since the 2008 market downturn, and now stands at 65.8%—an increase of 1.3 percentage points over last fiscal year. Also, the unfunded accrued liability (UAL), which is debt owed by the state to TRSL, held steady at \$10.5 billion.

"This year's valuation recognized several assumption changes to the plan, including adjustments to mortality rates; but our investment performance and the state's required annual payments to the debt kept the UAL flat," said TRSL Director Dana L. Vicknair. "If not for those assumption changes, the UAL would have decreased by almost \$700 million, resulting in a balance of less than \$10 billion."

The System's actuarial rate of return for FY 2018 was 9.48%, exceeding its assumed rate of 7.70%. Over the longer term, TRSL's 30-year average actuarial rate of return is 8.26%.

**DROP interest:** Fiscal Year 2018 interest for DROP accounts belonging to members who were eligible to participate in the program prior to January 1, 2004, is 8.98%. DROP accounts for members who were eligible to participate on or after January 1, 2004, earn interest at the liquid asset money market rate of return, which averaged 0.9538% in FY 2018.

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# FAQs

## All about your TRSL benefit payments

### “When will I get my TRSL benefit each month?”

**Regular retirement benefit payments** are made available for deposit in your checking or savings account on the first\* day of the month.

**DROP/ILSB payments** are made available for deposit on the 15th\* of each month.

\*If the payment date ever falls on a weekend or holiday (non-banking days for the Federal Reserve Bank), the direct deposit will be made available for your financial institution to post to your account on the next business day. For specific information regarding the posting of your payment(s), please contact your financial institution.

*EXAMPLE: In September 2018, the first business day of the month was Tuesday, September 4 because the first of the month fell on the weekend and Monday, September 3 was Labor Day, a federal holiday.*

### “Can my insurance be deducted from my TRSL benefit?”

Yes, as a service to our retired members, TRSL offers health and life

insurance premium deductions from your monthly retirement benefit for approved employers/vendors.

The payroll deductions TRSL does make are processed only when the employer/insurance provider has given TRSL the necessary premium information at a retiree’s request. TRSL will process deductions for the following:

- Retiree health and life insurance through your former employer
- LSU AD&D
- Office of Group Benefits (OGB) health and life insurance
- Voluntary payroll deductions
  - » Calcasieu Teachers & FCU
  - » La Capitol Federal Credit Union
  - » Guaranty Income Life
  - » Q-DENT
  - » DINA
  - » Central United Life Insurance
  - » Caddo Parish Teachers Federal Credit Union

Although TRSL can process your insurance payment, you should contact your former employer, insurance carrier, or the state Office

of Group Benefits (OGB) for the quickest and most accurate answers about the following:

- Insurance coverage
- Insurance benefits
- Insurance premiums
- Changes in insurance deductions

### “How can I see my benefit payment stubs?”

You can view your regular monthly pay stubs and DROP/ILSB account statements through TRSL’s Member Access.

- Visit [www.TRSL.org](http://www.TRSL.org) to register.
- If you need assistance, please contact our HelpDesk at (225) 925-6460 or [helpdesk@trsl.org](mailto:helpdesk@trsl.org).

### “I am a member of the Louisiana Retired Teachers Association (LRTA). Can my annual LRTA dues be deducted from my benefit payment?”

Yes, TRSL can deduct your LRTA dues from your retirement benefits at your request. TRSL will deduct these dues annually on April 1. Members of LRTA will receive a benefit payment (check) stub in the mail from TRSL, indicating a change in their benefit amount from

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## Look for your 1099-R in the mail soon

Tax time is just around the corner, and TRSL will soon mail your 1099-R to you at the address we have on file.

- If you need to update your address, please submit a *Retiree Change of Address Authorization* (Form 15C), available at [www.TRSL.org](http://www.TRSL.org).
- If you have not received your 1099-R in the mail by Feb. 15, please contact TRSL.

After Jan. 31, you will also be able to view and print your 1099-R through TRSL's online Member Access. Once logged in, just select "Print Form 1099-R" from the "My Account" drop-down menu.

Box 5 of the 1099-R form can sometimes raise questions for people. Here's what you need to know as you're preparing your tax return:

- **If you have an amount in Box 5**, this number is the tax-free amount of retirement benefit that you received during the calendar year. Although the box says "Employee contributions/Designated Roth contributions or insurance premiums," it is not the amount of your insurance premium. The amount in Box 5 is the difference between the Gross distribution (Box 1) and the Taxable amount (Box 2a). The tax-free amount includes a portion of the retirement contributions you paid before July 1, 1988. You have already paid taxes on the amount in Box 5; you don't have to pay them again.
- **If you don't have an amount in Box 5**, you no longer have any tax-free contributions. Some retirees receiving a disability benefit won't have an amount in Box 5 because they aren't eligible to recover their tax-free contributions until they would normally be able to retire.

www.irs.gov/efm/1099-R  CORRECTED (if checked) OMB No. 1545-0119 **2018**

**Form 1099-R** Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.

1 Gross distribution \$  
2a Taxable amount \$  
2b Taxable amount not determined Total distribution \$ FATCA filing requirement

PAYER'S name, street address, city or town, state or province, country, and ZIP or foreign postal code  
PAYER'S federal identification number S identification number

3 Capital gain (included in box 2a) \$ 4 Federal income tax withheld \$ 5 Employee contributions / Designated Roth contributions or insurance premiums \$  
6 Net unrealized appreciation in employer's securities \$ 7 Distribution code(s) IRA/ SEP/ SIMPLE % 8 Other \$

9a Your percentage of total distribution % 9b Total employee contributions \$

RECIPIENT'S name, street address (including apt. no.), city or town, state or province, country, and ZIP or foreign postal code

Account number (see instructions) 11 1st year of deag. Roth contrib. 10 Amount allocable to IRR within 5 years \$  
12 State tax withheld \$ 13 State/Payer's state no. 14 State distribution \$  
15 Local tax withheld \$ 16 Name of locality 17 Local distribution \$

**Copy C For Recipient's Records** Department of the Treasury Internal Revenue Service  
This information is being furnished to the Internal Revenue Service. (keep for your records)

## FAQs: All about your benefit payments continued from previous page

the previous month. To cancel your LRTA membership and payment of your dues, contact the LRTA office:

### LRTA CONTACT INFO:

<b>Address</b>	9412 Common St., Suite 5 Baton Rouge, LA 70809
<b>Phone</b>	225-927-8837
<b>Toll-free</b>	1-888-531-1992
<b>Web</b>	<a href="http://www.LRTA.net">www.LRTA.net</a>

### "Does TRSL mail out check stubs?"

TRSL mails benefit check stubs in December and when one of the following occurs:

- When direct deposit requests are established, and/or
- When the net benefit amount changes

Monthly check stubs can always be viewed or printed through Member Access at [www.TRSL.org](http://www.TRSL.org). Contact [helpdesk@trsl.org](mailto:helpdesk@trsl.org) for log-in assistance.

## CONTACT US:

### Physical address:

8401 United Plaza Blvd, Ste 300  
Baton Rouge, LA 70809-7017

### Mailing address:

PO Box 94123  
Baton Rouge, LA 70804-9123

**Telephone:** 225-925-6446

**Toll free  
(outside Baton Rouge area):**

1-877-ASK-TRSL  
(1-877-275-8775)

### TTY/TDD users:

1-800-846-5277

**Fax:** 225-925-4779

**Email:** [web.master@trsl.org](mailto:web.master@trsl.org)

**Website:** [www.TRSL.org](http://www.TRSL.org)

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## TRSL adds \$1.1 billion in assets, DROP interest announced continued from front

The actuarial valuation report, which includes the recommended 8.98% DROP interest rate, must now be approved by the Public Retirement Systems' Actuarial Committee (PRSAC).

*NOTE: The actuarial valuation report is available at [www.TRSL.org](http://www.TRSL.org). Data in the actuarial valuation report is calculated by recognizing the System's investment gains and losses over a five-year period to project funding requirements. Therefore, actuarial data, which includes investment returns and asset value, is not the same as market data which can vary on a daily basis.*

### TRSL at a glance (as of June 30, 2018)

Valuation assets (market value)	\$20.3 billion
TRSL actuarial rate	9.48%
30-year average actuarial rate	8.26%
Funded ratio	65.8%
<b>DROP interest rates</b>	
Members eligible to participate before January 1, 2004	8.98%
Members eligible to participate on or after January 1, 2004	0.9538%