

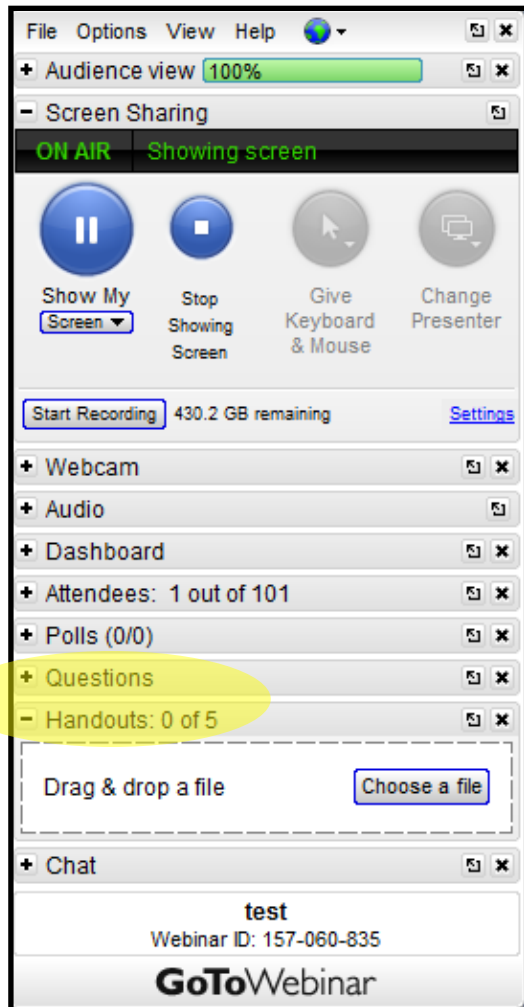


Mid Career Webinar Series, Pt. 2

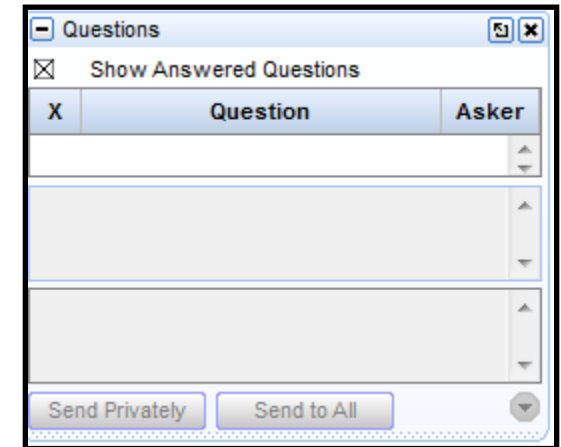
Friendly reminders

- 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. The moderator will see it and respond.
 - » There will be a Q&A period at the end of the webinar.
- Please maximize your screen size to have full use of the webinar’s features.

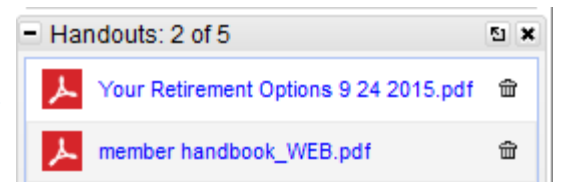
Go To Webinar features



Type your question here.



Download handouts from today's webinar here.



Mid Career Series – Part 1

The following topics were discussed yesterday:

- Types of TRSL retirement plans
- How your retirement is funded
- How your benefit is calculated
- TRSL member retirement eligibility
- Member Access
- TRSL website overview

*Recording will be available online at www.TRSL.org.

Today's agenda

- Purchases & transfers of service credit
- Leave credit
- Types of retirement offered
- Survivor benefits
- Community property
- TRSL & Social Security

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.

Purchases & transfers of service credit

- For purchases, members will need to submit a nonrefundable calculation fee that should accompany the application.
 - » Calculation fee not required for purchases of refunded service credit and USERRA service credit.
- TRSL's actuary calculates the liability of TRSL having to pay out a benefit sooner than expected. In general, the closer you are to retirement eligibility, the cost to purchase will be greater.

Refunded service credit

- Withdrawn TRSL contributions (all or a portion) can be restored.
- There is no actuarial fee (cost calculated by TRSL staff)
- Cost to restore = amount withdrawn + interest (annual rate of 7.50%*, compounded daily) *as of 7/1/17

		Teachers' Retirement System of Louisiana 8401 United Plaza Boulevard • Baton Rouge, LA 70809-7017 P.O. Box 94123 • Baton Rouge, LA 70804-9123 Telephone: (225) 925-6446 • Fax: (225) 922-2522 www.trsl.org		Form 9D (08/02) 03-9D	
Application for Purchase of Refunded Service					
<small>Print in ink or type all entries except signatures. Application should be received by the Teachers' Retirement System of Louisiana (TRSL) at least six months in advance of applying for retirement or DROP. Complete this form in its entirety to allow a thorough microfilm search for refunded records to be made. The time frame for which service is to be purchased must be provided so that the employer can certify employment. TRSL will request certification from each employer.</small>					
<small>DO NOT use this form if you are now a member of another Louisiana public retirement system. Use Form 8BR or 8BT.</small>					
<small>Incomplete forms are not acceptable for evaluation by TRSL and will be returned directly to the applicant.</small>					
Member information					
Name: Last, first, MI, suffix (Jr., III, etc.)			Social Security number		
Street / P.O. Box					
City, state, zip			Date of birth		
Daytime telephone	Evening telephone	E-mail address	mm-dd-yyyy		
()	()				

PLEASE NOTE:
If you plan to purchase service credit, it must be certified by your employer before you retire.

Eligible actuarial purchases

Legal leaves of absence	Sabbatical leave
Substitute teaching service	Involuntary furlough
Local/state public employment	Out-of-state public school service
Nonpublic/private school service (in-state only)	Non-TRSL participating charter school service
Military service (non USERRA)	U.S. dependent school teaching service

Must include salary at the time of employment for an actuarial purchase estimate and it also must first be certified by your employer.

These purchases require a non-refundable fee of \$150 payable to TRSL (actuarial cost)

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.
- School boards 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 receive credit for unused annual leave at no cost, with certain restrictions.
- 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.
- The number of days for which a member is paid is deducted from the number of days certified as unused by the employer.
- Members who were first eligible to retire after June 30, 1990, can convert unused annual leave earned after that date to service credit by purchasing the leave at actuarial cost.

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

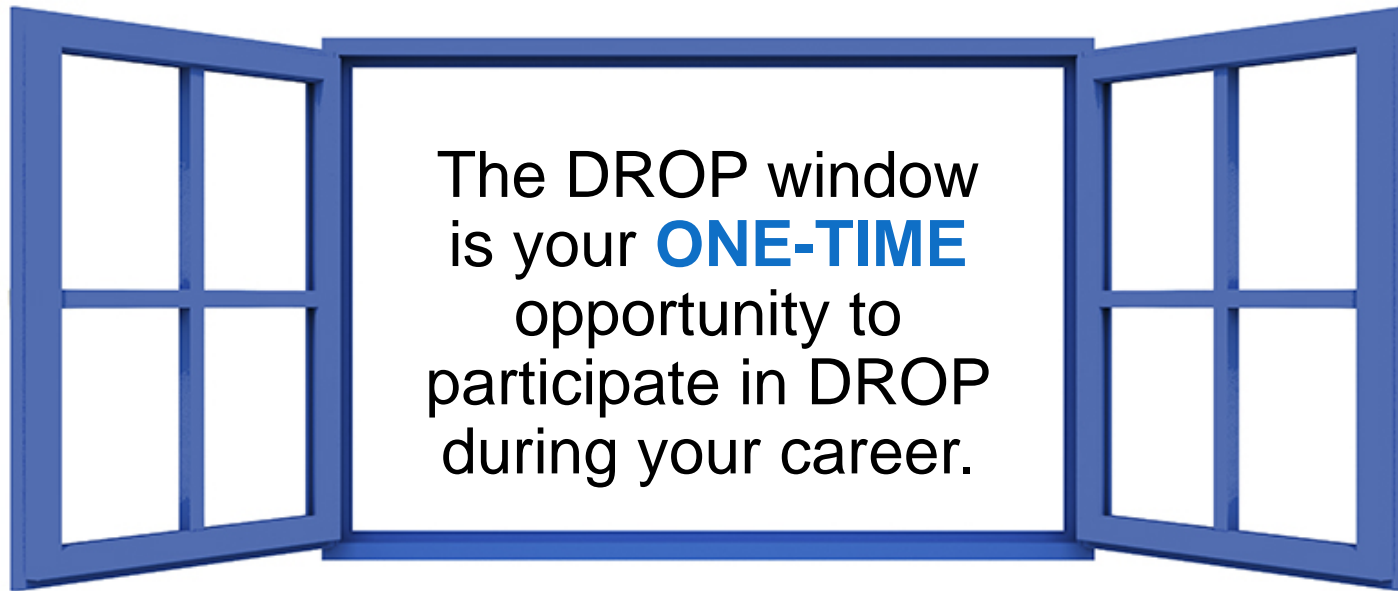
- **DEFERRED:** Members with at least five years of service credit may terminate their positions and leave their contributions with TRSL. Once eligible, inactive members can apply for a TRSL retirement benefit based on their years of service credit.
- **DISABILITY:** If you are no longer able to perform 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.

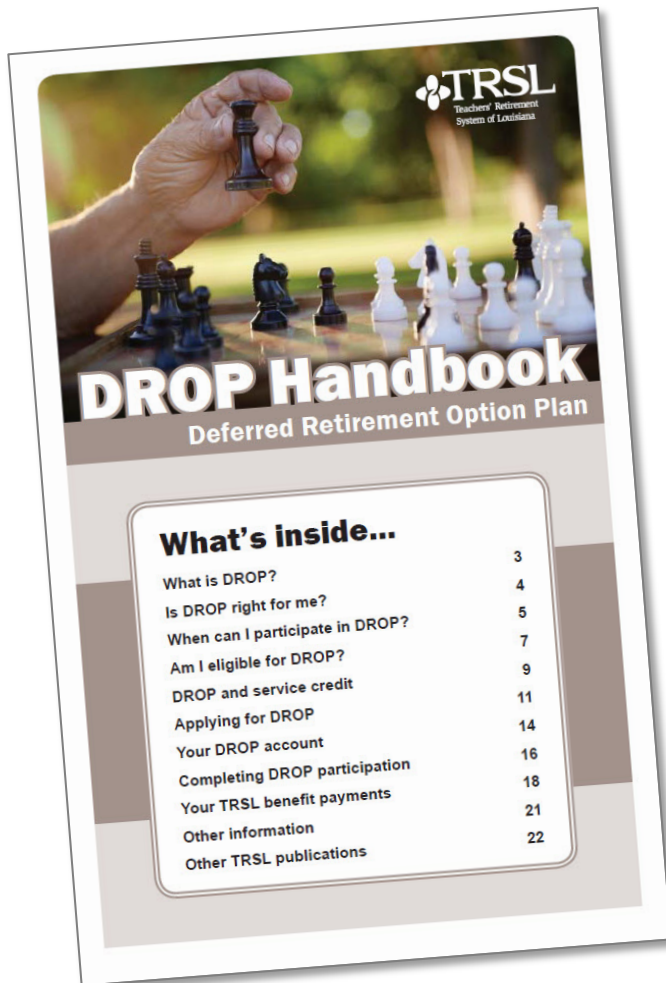
“What is the DROP window?”

The DROP window refers to the 3-year period (plus a 60-day grace period) of time you can participate in DROP, starting from your first day of eligibility.



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

“When am I eligible for DROP?”



Regular Plan & Plan A (prior to Jan. 1, 2011)

Age 60 with 10 years*

Age 55 with 25 years

Any age with 30 years

***2.0% benefit factor**

Plan B* (prior to Jan. 1, 2011)

Age 60 with 10 years

Age 55 with 10 years

***2.0% benefit factor**

“When am I eligible for DROP?”

Regular Plan & Plan A

(between Jan 1, 2011
& June 30, 2015)

Age 60 with 5 years

Plan B

(between Jan 1, 2011
& June 30, 2015)

Age 60 with 10 years

Age 55 with 30 years

All Plans (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 make 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 receive a salary increase/decrease.
 - **Your retirement benefit is “frozen.”**
 - » The retirement option you chose determines how much is deposited into your account.

Is DROP right for you?

- Will my benefit be calculated at 2.0% or 2.5%?
 - » Regular service retirement at age 65 with 20 years is calculated at 2.5%.
 - » DROP at age 60 with 10 years is calculated at 2.0%.
(under Regular Plan)
- What if I receive a salary increase 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)



TRSL
Teacher Retirement
Systems of Louisiana

ILSB
Initial Lump-Sum Benefit

What is ILSB?

Initial Lump-Sum Benefit (ILSB) is a retirement option that enables you to receive part of your retirement benefit in a one-time, lump sum. You will still receive a monthly benefit for life, but it will be calculated at a reduced amount.

The lump sum is held in a separate interest-bearing account at TRSL and disbursed to you according to the allowable withdrawal option that you choose.

Who is eligible?

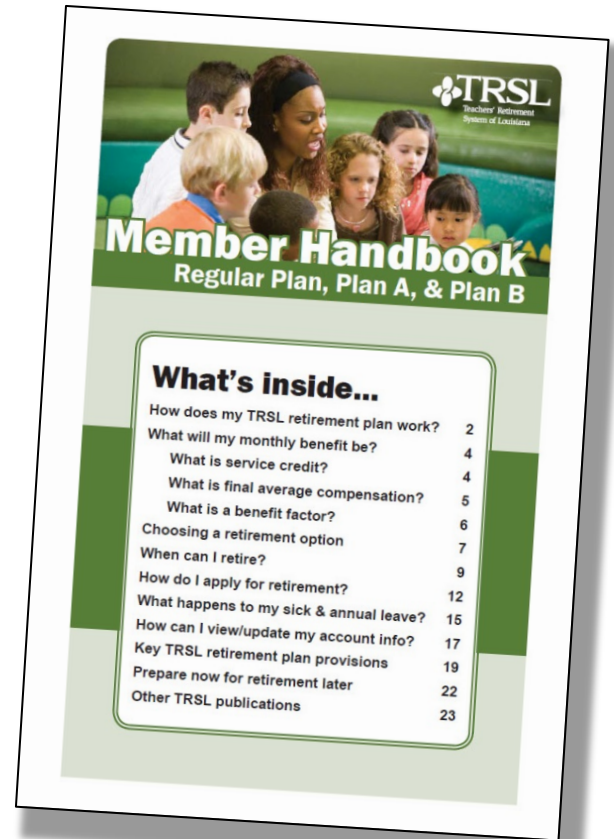
You can choose ILSB if you have not participated in the Deferred Retirement Option Plan (DROP) and meet one of the eligibility requirements on the next page.

Eligibility is determined by the plan to which you belong and when you first became a member of one of the four state public retirement systems, whether for teachers, state employees, school employees, or state police.

- 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.

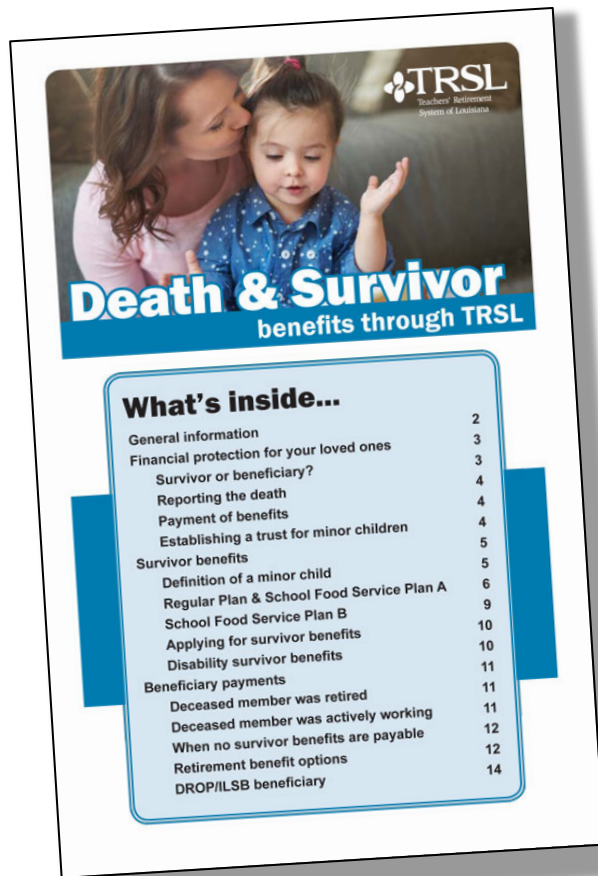
Other TRSL benefits

- 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

Survivor benefits



- If you die during active service, survivor benefits (based on the amount of service credit) may be payable to your spouse and/or minor children.
- If you are not vested, no survivor benefits are payable; however, your accumulated member contributions will be paid in a lump sum to your named beneficiary or succession.

Deferred retirement

- Members who leave TRSL-eligible job positions can apply for and draw a lifetime retirement benefit if they leave their contributions in the system and meet retirement eligibility requirements:
 - » At least 5 years of service credit
 - » Age 60 or 62 (determined by when member first joined state retirement system)

Disability retirement

- You are no longer able to perform current job duties.
- You must submit required forms, medical records, and treatment history documents to TRSL.
- State Medical Disability Board certifies disability.
- Service earned while on workers' compensation may be used (depends on hire date).
- A member may need 10 years of service credit to be eligible, excluding years on workers' compensation (depends on hire date).
- Annual certifications may be required.

Community property



Most payments or benefits received from TRSL are considered community property:

- » Regular retirement benefits
- » Refunds or contributions
- » DROP or ILSP withdrawals
- » Death benefits

- 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.

TRSL & 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 who did not work long enough to earn their own SS benefit or whose earned benefit is less than the pensioner's benefit
- **Earned benefit:**
Paid to individuals who worked at other jobs, paying SS taxes long enough to earn a SS benefit

Social Security offsets

Government Pension Offset (GPO)

- Social Security benefits are reduced by two-thirds of your government pension (TRSL benefit).
- The law requires that a person's benefit as a spouse or widow/widower be offset dollar for dollar by the amount of his/her own retirement benefit.

Windfall Elimination Provision (WEP)

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

TRSL & Social Security

- YES, it's possible to draw both TRSL and Social Security in retirement.
- Federal provisions reduce the benefits provided by the Social Security Administration.
- TRSL benefits are not reduced.
- For detailed information about your Social Security benefit, please contact the Social Security Administration.
 - » Website: www.ssa.gov
 - » Toll-free: 1-800-772-1213 (Mon - Fri, 7 am - 7 pm)
 - » Visit your nearest SS office

Summary

- TRSL is a defined benefit plan, which guarantees a benefit based on a formula, not your contributions.
- If you have any purchases or transfers of service credit, this could increase your retirement benefit. You would want to consider this earlier in your career than later.
- If you are interested in participating in DROP, find out the EXACT DATE you first become eligible for DROP so you do not miss your "DROP window."
- Since Louisiana does not pay into SS for the majority of its public employees, your SS benefit may be reduced upon your TRSL retirement. Your TRSL benefit will not be reduced.

Online access to your TRSL account

Member Access is a secure website where you have all the tools you need to plan for retirement:



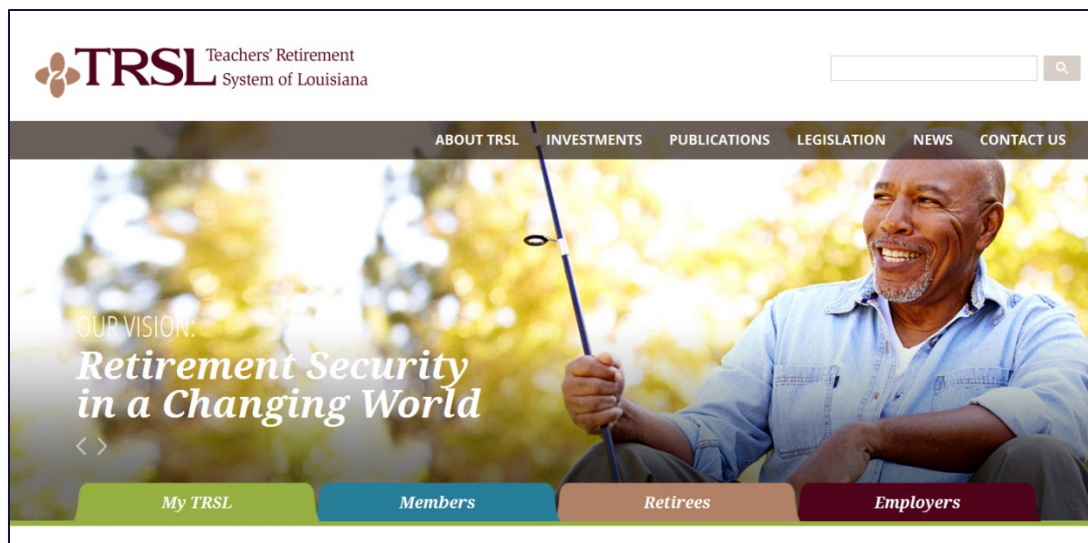
- View service credit, contributions and beneficiary designations
- Create a benefit estimate
- Update your name or address
- Apply for retirement

Create your account today!

Get in the driver's seat!

- Check out our “Roadmap to Retirement” series of infographics at www.TRSL.org.
- Take a spin & learn some useful information about basic financial matters, retirement planning, and your TRSL membership.



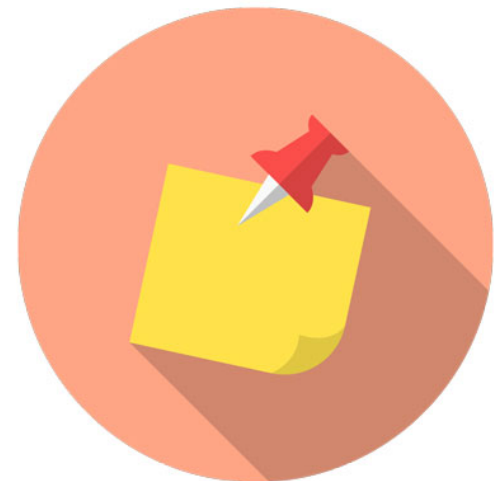


Find it online...

- Forms
- Brochures
- Newsletters
- & more!

Things to do now...

- Register for Member Access.
- Submit copies of important documents:
 - » Social security cards (member and beneficiary/ies)
 - » Birth certificates (member and beneficiary)
 - » Legal documents (including divorce decrees, judgment of separation, and/or community property settlements)
- Update address.
- Update beneficiary/ies.



Questions?



We are here for you!



Local phone: (225) 925-6446

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

www.TRSL.org • web.master@trsl.org



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