

December 2019



RETIREES

Teachers' Retirement System of Louisiana

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FY 2019 VALUATION REPORT: TRSL assets reach all-time high

In October, the TRSL Board of Trustees received the retirement system's annual valuation report for Fiscal Year 2019.



TRSL again set an all-time high for its valuation assets, reaching \$21.2 billion.

The annual valuation report includes current and historical financial and demographic information used to determine the funding necessary to pay the retirement benefits of current and future retirees. Information in the report, including projected DROP interest rates, will become official once it is approved by the Public Retirement Systems' Actuarial Committee (PRSAC).

Take a look at some of this year's highlights, or you can view the entire report at www.TRSL.org.

TRSL at a glance (as of June 30, 2019)

Valuation assets (market value)	\$21.2 billion
TRSL actuarial rate	7.48%
30-year average actuarial rate	8.20%
Funded ratio	67.1%

DROP interest rates

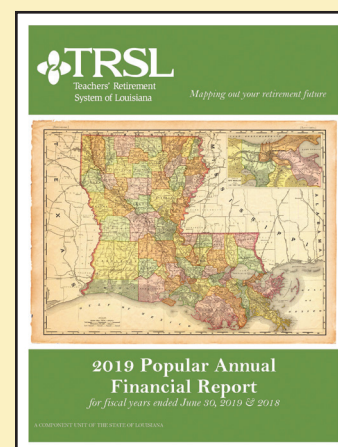
Members eligible to participate <i>before</i> 1/1/04	6.98%
Members eligible to participate <i>on or after</i> 1/1/04	1.8940%

www.TRSL.org

Spend some time with our 2019 annual report

The Fiscal Year 2018-19 *Popular Annual Financial Report* (PAFR) is now available online at 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 for the fiscal year ended June 30, 2019.





Providing retirement income to La. educators since 1936

TRSL is the state's largest public retirement system and has served Louisiana educators for more than 80 years. Generations of members and their families have taken comfort in knowing that they have a reliable source of monthly income with TRSL.

As a TRSL retiree, you're one of almost 80,000 individuals who receive a TRSL pension that comes every month, giving you and other retirees buying power in your communities—even in uncertain economic times.

And, most TRSL retirees still live in Louisiana, so retirement benefits are

an important economic engine for our state. In Fiscal Year 2019, TRSL paid out \$2.2 billion in benefits. Approximately \$1.9 billion (90%) went to retirees and beneficiaries living in Louisiana where they buy local goods and services.

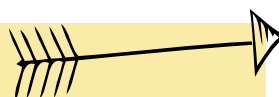
Benefits worth protecting

TRSL is an important part of your financial picture. That's one reason why your lifetime TRSL retirement benefit is guaranteed by the Louisiana Constitution. And at TRSL, we're committed to protecting TRSL pensions for you and Louisiana educators well into the future.

We're ready to partner with you to **LEARN MORE** and **DO MORE** with your TRSL membership.

DID YOU KNOW...

- Every parish in Louisiana benefits from TRSL pensions.
- According to the latest data, TRSL benefit recipients generated approximately \$419 million in tax revenues for federal, state, and local governments.
- Stable pensions promote self-sufficiency instead of dependence on government assistance programs.



VISIT	www.TRSL.org for more information about your retirement system
LOG IN TO MEMBER ACCESS	to view your account information, including monthly pay stubs and your annual Form 1099-R
STAY INFORMED	about legislation impacting TRSL and return-to-work laws
SIGN UP	for eNews for updates via email
KNOW	your representatives on the TRSL Board of Trustees
ASK US	1-877-ASK-TRSL or web.master@trsl.org

New online IRS tool makes it easier to check your tax withholding

The IRS has released its new *Tax Withholding Estimator* that makes it easier for retirees to pay the correct amount of federal tax. This online tool helps you calculate the amount of income withholding tax necessary to either receive a refund or owe no taxes for 2019.



Also, for those with pension income, the new *Estimator* features provide more accurate estimates of withholding, and automatically calculate any taxable Social Security benefits.



To access the *Estimator*, scan this QR code or visit www.irs.gov.

Find out if you should update your federal withholding (Form W-4P)

The IRS highly recommends that everyone use the *Tax Withholding Estimator* to perform a quick retirement benefit “checkup,” especially since changes to the tax law were made for 2018 and beyond. The *Estimator* will help you:

- Protect against having too little tax withheld and facing an unexpected tax bill or penalty at tax time next year
- Determine if you need to adjust your withholding to have less tax withheld up front and receive more in your retirement benefit (The average refund tops \$2,800.)

How to update your tax withholding with TRSL:

You can use the results from the *Estimator* to adjust your income tax withholding. There are two ways to update your tax withholding:

- Log into your TRSL Member Access account, click on the “My Self Service” drop-down menu, then select “Change Your Federal Income Tax Withholding.”
- Complete and submit to TRSL a new Form W-4P, *Withholding Certificate for Pension or Annuity Payments*.



Tips for using the Estimator:

The *Estimator* will ask you to estimate values of your 2019 income, the number of children you will claim for the Child Tax Credit and Earned Income Tax Credit, and other items that will affect your 2019 taxes.

Gather your most recent pay stubs, and have your most recent income tax return handy. A copy of your completed Form 1040 will help you estimate your 2019 income and other information, and speed the process.

Keep in mind that the *Estimator's* results will only be as accurate as the information you provide. If your circumstances change during the year, come back to this *Estimator* to make sure that your withholding is still correct.

The *Tax Withholding Estimator* does not ask you to provide sensitive personally identifiable information like your name, Social Security number, address or bank account numbers. The IRS does not save or record the information you enter on the *Estimator*.



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Keep an eye out for your Form 1099-R

Tax season is approaching, and TRSL will mail your Form 1099-R by the end of January to the address we have on file for you. If you need to update your address, please submit a *Retiree Change of Address Authorization* (Form 15C).

If you have not received your Form 1099-R by Feb. 15, please contact TRSL. You will be able to view and print your Form 1099-R online through Member Access after Jan. 31. Just log in and select "Print Form 1099-R" from the "My Account" drop-down menu.

What you need to know about Box 5

- If you have an amount in Box 5**, this number is the tax-free amount of retirement benefits that you received during the year. The box says "Employee contributions/Designated Roth contributions or insurance premiums," **but 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/form1099 ☐ CORRECTED (if checked) OMB No. 1545-011 **2019**

Form 1099-R

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 RECIPIENT'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 design. Roth contrib. \$ 10 Amount allocable to IRAs 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 \$

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