

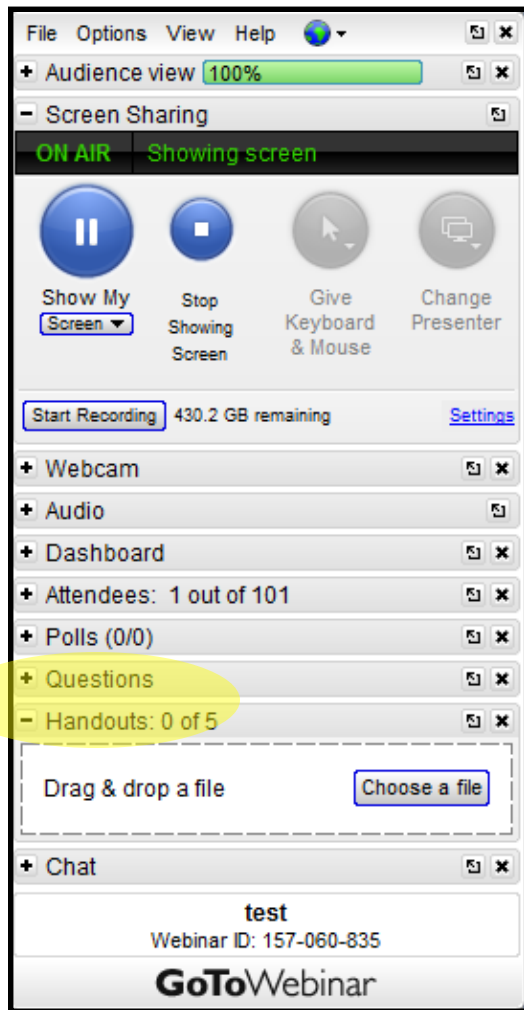


Understanding ILSB

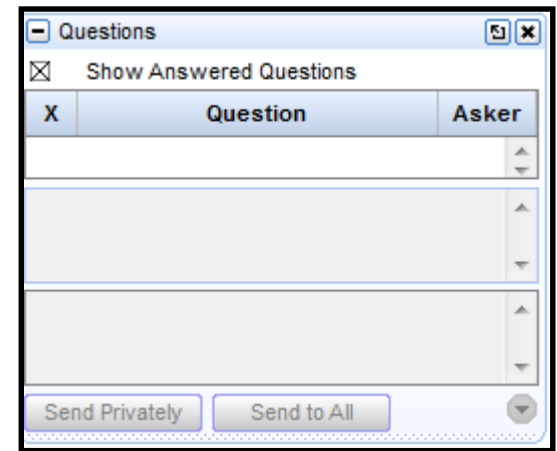
Friendly reminders

- 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. The moderator will see it and respond.
- There will be a question-and-answer period at the end of the webinar.
- Please maximize your screen size to have full use of the webinar's features.

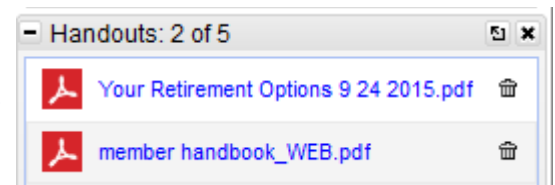
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Type your question here.



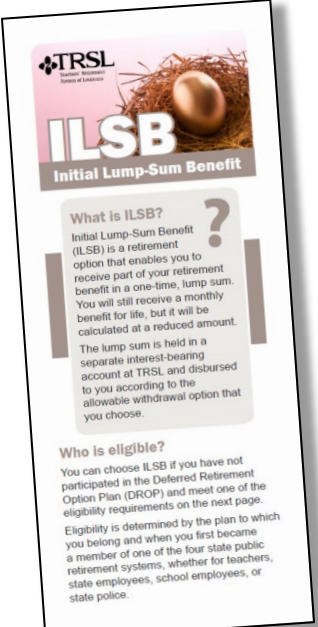
Download handouts from today's webinar here.



Agenda

- ILSB definition
- Eligibility requirements
- ILSB examples
- ILSB vs. DROP
- Questions to ponder
- Applying for retirement
- How TRSL pays your benefits
- Things to do now

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.
- 
- The image shows a brochure titled "ILSB Initial Lump-Sum Benefit" from TRSL. It features a picture of a gold egg in a nest. The text on the brochure includes:
- 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.
- 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.

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 eligibility - Plan B

Membership* *prior to June 30, 2015*

Age 60 with 10 years

Age 55 with 30 years

Membership* *on or after July 1, 2015*

Age 62 with 5 years

**2.0% benefit factor if enrolled prior to 7/1/1999*

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

Maximum option	\$2,700/month
Cost per \$1,000	\$7.29
Maximum lump sum	\$97,200
Maximum reduced monthly benefit	\$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
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50	\$ 6.78	73	\$ 9.96
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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 vs. DROP

ILSB

You can take a lump sum of up to 36 months of the Maximum Option retirement benefit.

There is no participation window.

At the time you choose ILSB, you retire.

You pay for your nest egg by taking a reduced benefit for life.

Your regular monthly retirement benefit is reduced.

Participation is an irrevocable decision.

DROP

You can participate in DROP for up to 36 months.

There is a limited participation window.

At the time you choose DROP, you continue working.

You pay for your nest egg by working during DROP participation.

Your regular monthly retirement benefit is frozen, not reduced.

Participation is an irrevocable decision.

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.

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.

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 acknowledgement letter.

Applying through *Member Access*

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



Applying 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.	
Your retirement information (Must be completed)	
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).	
Your member information (All fields must be completed)	
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"/> - <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.

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 estimated 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.



Things to do now

- Register for **Member Access**.
- Submit copies of important documents:
 - » Social security cards (member and beneficiary)
 - » Birth certificates (member and beneficiary)
 - » Legal documents (including divorce decrees, judgment of separation, and/or community property settlements)
- Update address & beneficiary/ies.
- Get a retirement estimate:
 - » Use Member Access or
 - » Submit Form 10



Summary

- ILSB lets members retire and take a portion of their retirement benefit in a one-time, lump-sum payment.
- ILSB does not take away your lifetime monthly benefit; it does reduce it.
- Unlike DROP, there is no window for ILSB; you can retire at any time once you reach eligibility. However, you can not have participated in DROP.



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!

Create a benefit estimate

Online calculators loaded with your account information



1. Log on to Member Access.
2. Under “My Retirement” drop-down menu, select “Estimate Your Retirement Benefit.”
3. Enter your desired retirement date and click “Create Estimate!”

Register for MEMBER ACCESS @ www.TRSL.org

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

Share this:   



LINKS

MEMBER NEWSLETTER

TRSL

April 2015

Summer workshops: We're ready! Are you?

We've scheduled our "Planning for Your Retirement" workshops for the summer. And we'll be coming to a city near you.

If you are within five years of retirement or DROP eligibility, then this workshop is perfect for you! We'll discuss the benefits of your TRSL membership, go over the retirement process, and answer all your retirement questions, such as:

- How is my benefit calculated?
- Can I name both of my children as beneficiaries?
- Should I go into DROP?
- What happens to my sick leave?
- Will I get Social Security?

Remember... it's never too early to start your retirement planning. Check out our workshop [schedule](#) and [register](#). We look forward to seeing you there!



HOME ABOUT TRSL INVESTMENTS

Change Text Size: **AAA** My TRSL


Forms by Subject

Address or name changes

[Active Member Change of Address Authorization](#) (Form 2AC)
[Active Member Name Change Request](#) (Form 2NC)
[Retiree Change of Address Authorization](#) (Form 15C) - Survivors, beneficiaries, and alternate payees
[TRSL Member Change of Address Authorization](#) (Form 16AG)

[Direct Deposit of DROP or ILSB Account Withdrawals](#) (Form 11R) - Use 15D for regular benefits
[Direct Deposit of Benefits](#) (Form 15D) - Use 11R for DROP or ILSB account withdrawals
[Addendum to Direct Deposit of Benefits - Nonspousal Joint Signer\(s\)](#) (Form 15JS)

www.TRSL.org



Teachers' Retirement System of Louisiana

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OUR VISION:
Retirement Security in a Changing World

<>

[My TRSL](#) [Members](#) [Retirees](#) [Employers](#)

Find it online...

- Forms
- Brochures
- Newsletters
- & More!

Questions?



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

Email: web.master@trsl.org



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