



Understanding ILSB

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 & Answers box during the webinar. We will answer questions during the webinar and in the Questions & Answers box.
- This webinar will be recorded. Our recordings & PDFs are available at www.trsl.org/members/webinars

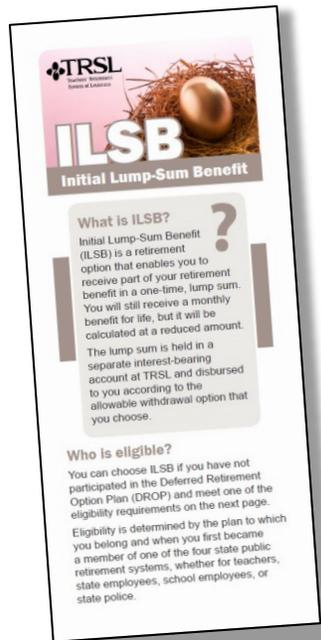
If you have any specific questions about your retirement (DROP window, retirement eligibility, FAC questions, etc.) please contact us at AskTRSL.org so we can look up your account and assist you directly.

Agenda

- ILSB definition
- Eligibility requirements
- ILSB examples
- ILSB vs. DROP
- Questions to ponder
- 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.



- 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

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
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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	DROP
You can take a lump sum of up to 36 months of the Maximum Option retirement benefit.	You can participate in DROP for up to 36 months.
There is no participation window.	There is a limited participation window.
At the time you choose ILSB, you retire.	At the time you choose DROP, you continue working.
You pay for your nest egg by taking a reduced benefit for life.	You pay for your nest egg by working during DROP participation.
Your regular monthly retirement benefit is reduced.	Your regular monthly retirement benefit is frozen, not reduced.
Participation is an irrevocable decision.	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.

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 also participate in DROP.



Things to do now

TRSL CHECKLIST

Register for Member Access

Submit important docs

Update contact info

Check beneficiary designation

Get a retirement estimate!

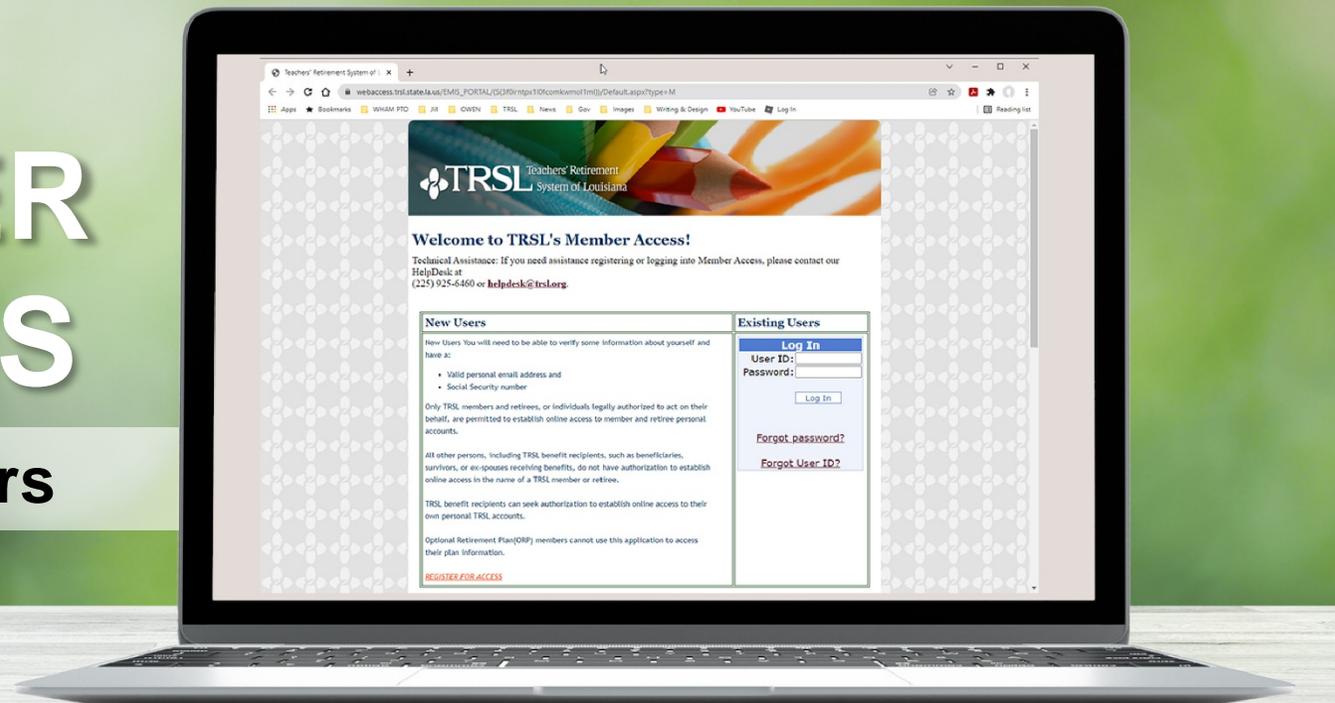
- Social Security cards (member & beneficiary)
- Birth certificates (member & beneficiary)

Divorce/separation decrees, community property settlements

- DIY via 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 “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

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



SHED SOME LIGHT ON
*Your Future with
Online Member Access*

MEMBER ACCESS



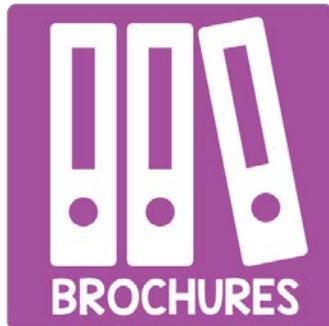
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Find it online at www.TRSL.org



We are here for you!



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