



TRSL's Nest Eggs: DROP & ILSB

February 12, 2026

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

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

Agenda

- DROP definition
 - DROP window and eligibility requirements
 - In and after DROP
 - Questions to ponder on DROP
- ILSB definition
 - ILSB examples and eligibility requirements
 - Questions to ponder on ILSB
- ILSB vs. DROP
- Things to do now

Deferred Retirement Option Plan (DROP)

- DROP is an optional program that allows you to freeze your monthly retirement benefit check while you continue to work and earn a paycheck.
- During DROP your monthly benefit is deposited each month into a special account.
 - » **Minimum participation time:** 1 day
 - » **Maximum participation time:** 36 months (3 years)

Deferred Retirement Option Plan (DROP)

- 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.
- Members can end DROP participation and terminate employment (retire) at any time.
- You can apply up to 6 months before your DROP window opens with TRSL’s Form 11.

“What is the DROP window?”

The DROP window refers to the 3-year period of time you can participate in DROP, *starting from your first day of eligibility.*

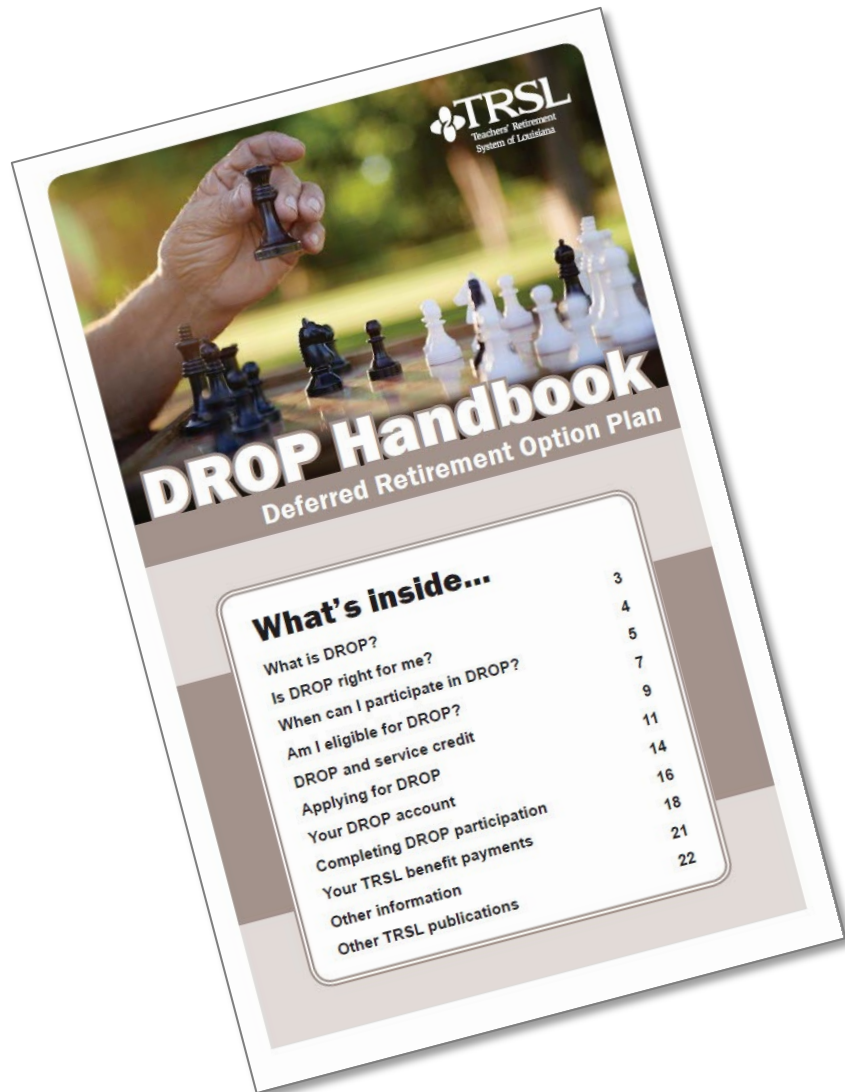
Your window opens when you are FIRST eligible.

This period is your **ONE-TIME** opportunity to participate in DROP during your career.



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

DROP 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*

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

DROP window examples

Regular Plan (prior to January 1, 2011)

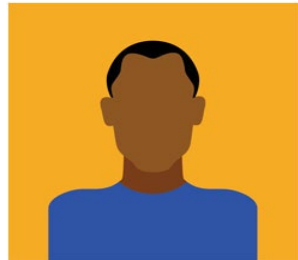
JUDY



**Age 58 at
25 years**

Window opened at 25 years because she was already 55.

BRUCE



**Age 55 at
29 years**

Window opened at age 55 because he had at least 25 years.

TASHA



**Age 60 at
19 years**

Window opened at age 60 because she had at least 10 years.

SAM



**Age 63 at
25 years**

Window opened at age 60, but he waited too long.

No longer eligible

ANA



**Age 57 at
30 years**

Window opened at age 55, but she waited too long.

Only one year left

While in DROP, what is the same?

- 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.



While in DROP, what is different?

- **Neither you nor your employer makes 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 have received a salary increase/decrease.
- **Your retirement benefit is “frozen.”**
 - » The retirement option you chose determines how much is deposited into your account.
 - » If you don't work after DROP participation and retire, this will be your base monthly retirement benefit.

Your options after DROP participation



TERMINATE EMPLOYMENT (RETIRE):

- Start receiving monthly benefits
- Begin DROP account withdrawals

OR



CONTINUE TO WORK:

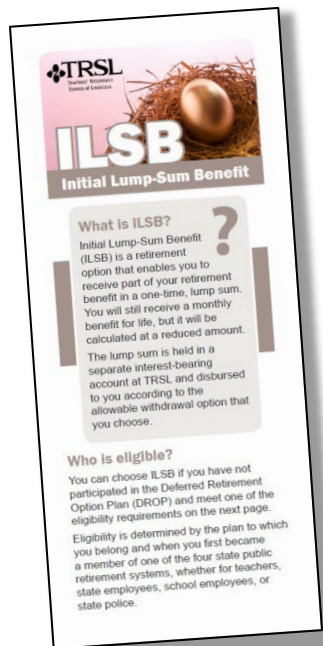
- DROP deposits will end
- Resume contributions to TRSL
- Earn supplemental benefit
(added to your retirement benefit)

Is DROP right for you?

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

- ILSB is an alternative to DROP.
- You can retire and take a portion of your retirement benefit in a one-time, lump-sum payment.



- You will receive a permanently reduced monthly benefit.
- The reduction is based on the lump-sum amount chosen and your age at time of retirement.

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% of 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% of Maximum lump sum \$48,600

Maximum reduced monthly benefit \$2,350/month



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?**
Both your age at the time of retirement and the amount of the lump sum you choose are determining factors.

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. |

Summary

- DROP is an optional program, which lets you to build a retirement nest egg while you continue to work.
- There is a window for DROP—this is the one and only time frame you have to participate, and is unique to each member.
- 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!

- **PHOTOCOPIES Accepted:**
 - » Social Security cards (*member & beneficiary*)
 - » Birth certificates (*member & beneficiary*)
 - » Marriage license (*current spouse*)
 - » Death certificate (*previous spouse*)
- **CERTIFIED COPIES Needed:**
 - » Divorce/separation decrees
 - » Community property settlements

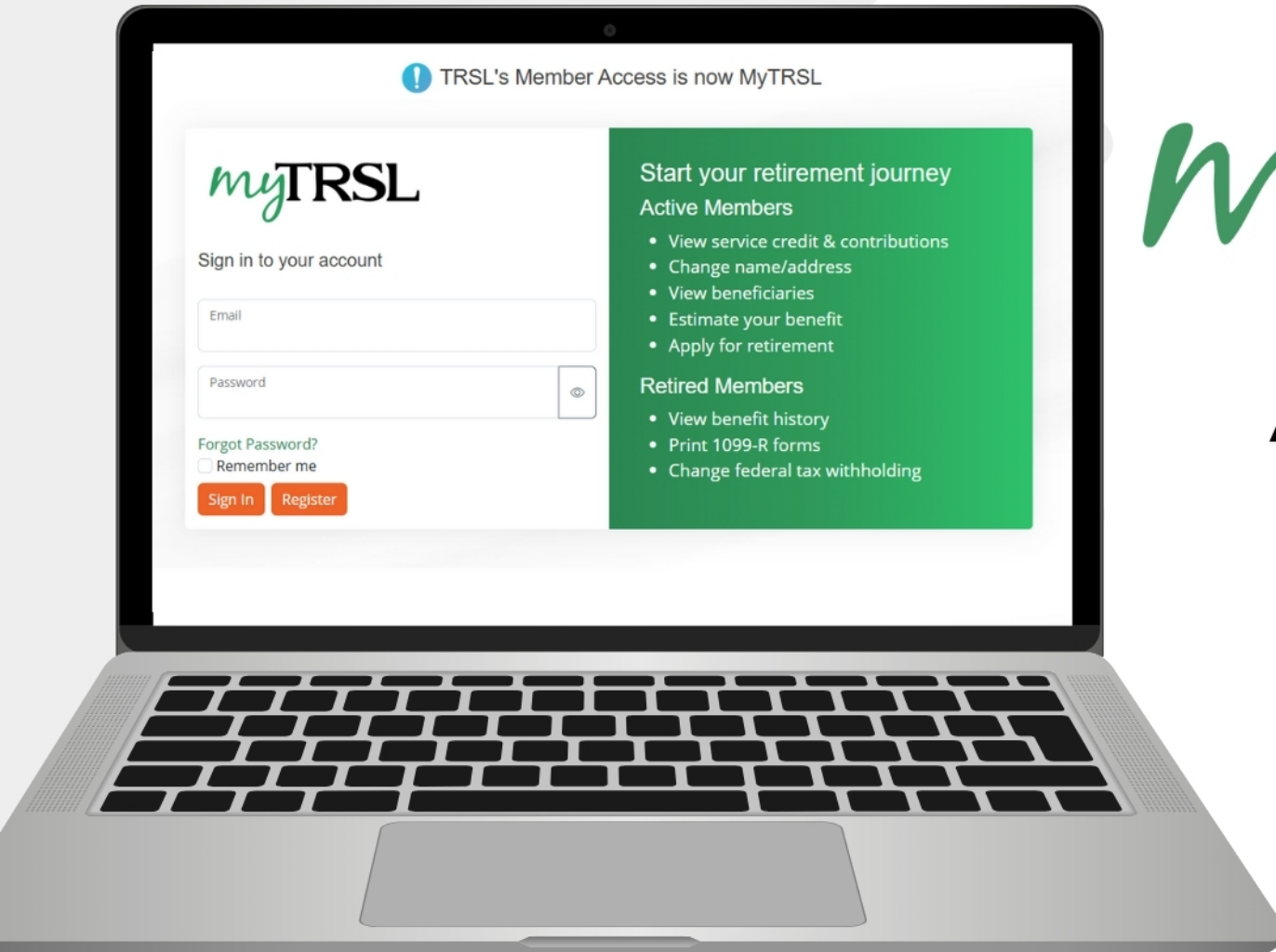
- TRSL's Member Access
- Submit Form 10

**MEMBER ACCESS
IS CHANGING TO**

myTRSL.ORG

**A redesigned member portal
with *YOU* in mind!**

- Update personal information,
- Calculate future retirement estimates,
- View account information,
- Apply for retirement/DROP, and
- MORE simple, self-service functions.



Smarter features, fresh design, secure access.

- Home
- My Account
- My Self Service
- My Estimates
- My Retirement
- Help

Hi, JANE!
Welcome back!

DOE JANE A
111 ABC LN
NAPOLEONVILLE, LA, 70390-8616

[Update Personal Information](#)

TRSL Summary

Service Credit: 24.50* *Benefit Computation* 24.50* *Eligibility*

Total Member Contributions: \$131,955
As of 6/30/2025

Retirement Benefit Beneficiaries: [Update](#)
DOE SPOUSE (SPOUSE)

***NOTE:** TRSL uses service credit for two purposes:
(1) to determine when you are eligible to retire, and
(2) to calculate your retirement benefit.

JANE, you're on your way! Map Your Road to Retirement

Projected Retirement Eligibility and Benefit Estimate [View Details](#)

| Scenario | Fiscal Year of Eligibility | Age | Maximum Monthly Benefit Amount |
|-------------------------------------|----------------------------|-----|--------------------------------|
| Early Retirement | Currently Eligible | 49 | \$3,172.00 |
| Regular Retirement/DROP Eligibility | 2030 - 2031 | 54 | \$6,056.00 |

These estimates are based on information as reported by your employer(s) as of 6/30/2025 and assume continuous TRSL-covered, full-time employment.

Quick Links



Get a Benefit Estimate



View Member Statement



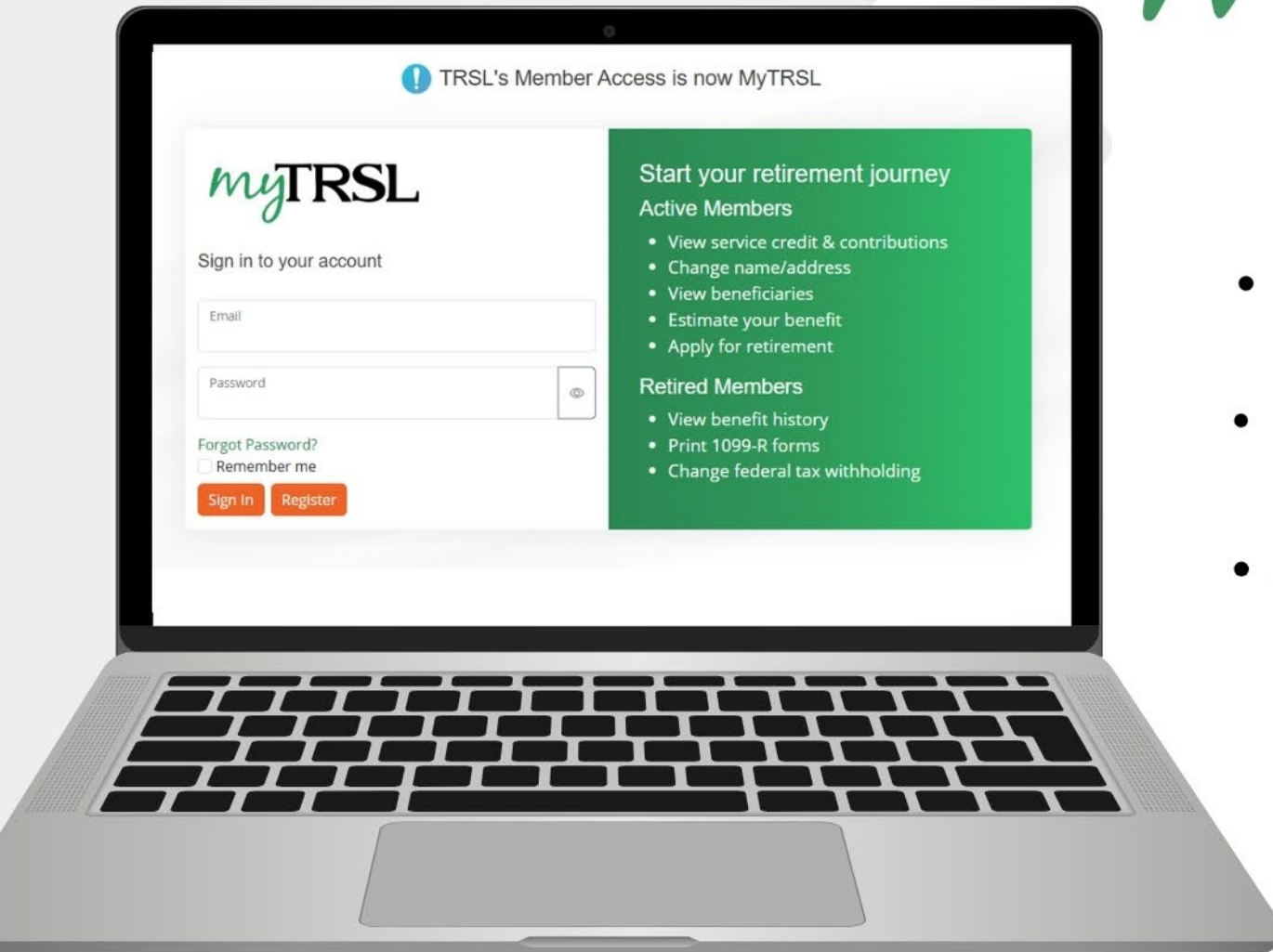
Apply for Retirement



Ask a Question

Your secure, lifetime benefit

myTRSL.ORG



A few things to note:

- Your Member Access login and password won't work with *myTRSL*.
- For your security, you must register for the new portal.
- **After July 1**, you'll no longer be able to log into Member Access.

Save the date

myTRSL
registration
opens
JUNE 1

Smarter features, fresh design, secure access.



SHED SOME LIGHT ON

Your Future with Online Member Access

MEMBER ACCESS

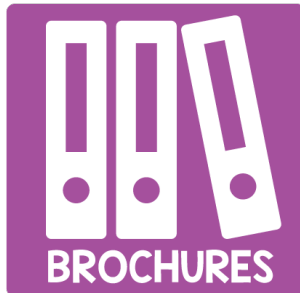


My TRSL

Members

Retirees

Employers



*Find it online
at www.TRSL.org*



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*

Questions: *AskTRSL.org*



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