



Links

TRSL's member bulletin

The link
to your
financial future

2009 LEGISLATIVE SESSION

Several bills directly impact members

The 2009 Regular Session of the Louisiana Legislature ran from April 27 through June 25, 2009. Lawmakers passed several bills that affect TRSL and its members. Here's a summary of the legislation.

ACT 497: Re-amortization of payment schedule

This law restructures the payment schedule for the System's \$6.9 billion unfunded accrued liability (UAL). The UAL is the debt of the System, the bulk of which existed prior to June 30, 1988, because of underfunding.

Under the existing payment schedules, final payments to the debt top \$1 billion. Act 497 revises the schedules to make the payments more manageable, and protect the financial soundness of the System.

The new law requires that the first \$200 million of any investment earnings above the System's target investment return of 8.25 percent go toward paying down the debt. Any additional excess earnings will be applied as follows: 50 percent to the employee experience account, which funds retiree permanent

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Hattaway elected as school food service employee representative



Kathy M. Hattaway of Baton Rouge was elected without opposition to represent school food service employees on the TRSL Board

of Trustees. The Board received and approved results for the 2009 Board elections at its July meeting.

Hattaway is the supervisor of the Child Nutrition Program at the Central Community School System in East Baton Rouge Parish and has worked in school food service for 24 years. As the trustee-elect, she will begin her four-year term in January 2010. She will replace current school food service representative, Bonnie H. Brooks whose four-year term ends December 31, 2009.

"I look forward to working with other members of the Board to ensure that the retirement system remains strong and financially sound," said Hattaway who has held office with the School Nutrition Association of Louisiana in the past.

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Close to retirement or entering DROP? *Take advantage of individual phone counseling!*

Did you know that TRSL offers individual retirement counseling sessions to members who are within two years of retirement or entering DROP? These sessions are conducted over the phone on designated Saturdays. All you need to do is call us to set up an appointment. A TRSL counselor will call you at home on the appointed date and time to answer your retirement questions for a 30-minute period.

Upcoming Saturday phone counseling dates in 2009 are October 10, November 11, and December 12. In 2010, the dates are January 9, February 6, and March 6.

Scheduling for these sessions is done through phone requests on a first-come, first-served basis. Sessions always book quickly, so call 225-922-2822 today to reserve your appointment on the date of your choice.

Remember that TRSL offers many other workshops and counseling opportunities throughout the year, and you can find out more about them on our website at www.trsl.org. New workshops and webinars are being scheduled all the time, and we'd love to see you at one!

www.trsl.org

Annual member statements include retirement estimates for many!

Annual member statements were mailed in August. If you have at least five years of service credit and haven't entered DROP, your annual statement will include the following information based on the current fiscal year:

- **Projected years of service**
- **Projected retirement benefits**
- **Projected date of retirement**

Study: TRSL receives high marks for efficiency and service

Once again, TRSL proved to be both efficient and cost effective in a study of public pension systems.

The study found that TRSL's actual administrative cost per active member and annuitant was much lower than the average cost for similarly sized pension systems. TRSL's cost was \$82 per active member and annuitant while the peer average was \$106.

Results showed the System received above-average ratings in key member services such as providing fast and accurate information to members who phone in; offering members secure, on-line access to their account information;

and providing estimates on retirement eligibility dates and benefits in our newly redesigned member statements.

Sixty-eight leading global pension systems participated in the benchmarking study which compares cost and performance among systems comparable in membership and size. The study was conducted by CEM Benchmarking, Inc.

TRSL uses results from the report to help us measure our performance and improve customer service and efficiency. We are proud of our accomplishments, but continue to look for more ways to provide you with accurate, timely, and courteous service.

Hattaway elected as school food service employee representative

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Retiree representative Anne H. Baker of Baton Rouge, who currently serves as chairperson of the TRSL Board, won re-election to her seat.

The TRSL Board meets monthly to monitor investment performance, and review investment manager portfolios and System operations. The Board's sole purpose is to safeguard and manage the assets TRSL holds in trust to provide retirement income for System members.



We'd love to hear from you!

Send us your comments, questions, and story suggestions to web.master@trsl.org.

"TRSL Now Showing" adds even more new movies to the web!

In the last issue of *Links*, we told you they were coming, and now they're here. TRSL is pleased to announce the addition of two more presentations to our online multimedia series, "TRSL Now Showing." The newest presentations focus on Social Security reductions and purchases and transfers of service credit.

Social Security Offsets provides helpful information on understanding the Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP), two important Social Security reductions that can affect retirement benefits. *Purchases and Transfers of Service Credit* explains how members can increase the service credit used to calculate their retirement benefits.

We created "TRSL Now Showing" to give you another resource to learn more about your membership and retirement benefits. And it's available all the time through our website, www.trsl.org. If you haven't visited the "TRSL Now Showing" page, now is a great time to check out the new presentations along with the entire online series. You can view presentations on the following topics:

- **New Members**
- **Mid-Career Members**
- **Members Nearing Retirement**
- **Entering DROP**
- **Ending DROP**



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benefit increases; and 50 percent used to reduce the employer contribution rate over the next 30 years. Act 497 also amends eligibility requirements for future retiree benefit increases.

ACT 270: Annual COLA Option (ACO)

TRSL members can now choose a new retirement option that provides a self-funded, guaranteed annual 2.5-percent COLA by accepting an actuarially-reduced retirement benefit.

This is how it works: Upon retiring, the member receives an actuarially-reduced retirement benefit each month. The 2.5-percent increase would be applied to the monthly benefit on the retiree's anniversary date after his or her 55th birthday. The anniversary date is either the retiree's date of retirement or the date he or she began DROP participation. In the case of disability retirees, the anniversary date is the date when they met eligibility requirements for regular service retirement.

The ACO election is irrevocable and permanent.

For further information about the ACO, please contact TRSL at 225-925-6446 or toll free (outside the Baton Rouge area) at 1-877-ASK-TRSL (1-877-275-8775). Or e-mail us at web.master@trsl.org.

ACT 301: Options available for furloughed members

TRSL members employed at a public college or university or by the governing or management boards of a public college or university may now continue accumulating service credit during a furlough. This law applies to active members of TRSL's Regular Plan and the Optional Retirement Plan (ORP) who have been involuntarily furloughed without pay or who voluntarily participate in a furlough plan that has been implemented as a result of budget reductions.

As a furloughed member, you can accrue service credit by paying your share of contributions. Your employer will remit contributions to TRSL that would otherwise be required. Contributions remitted to TRSL for furloughed time will be based upon what your earned compensation would have been if not for the furlough. Service credit of furloughed time is limited to 30 days in any fiscal year. (See chart to right.)

Members whose employers have furloughed or will be furloughing staff should receive from their employer the TRSL furlough election form, *Option to Continue Contributions during Time of Furlough without Pay* (Form FBR). Form FBR is also available at www.trsl.org.

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ACT 301: Understanding your employee contributions during a time of furlough

A member, whose monthly salary is \$3,000, is furloughed two days in the month. The actual pay received is \$2,700.

If a member elects to contribute during a furlough:

The member would be responsible for paying the 8-percent employee contribution on the full-time salary of \$3,000.

So \$240 would be deducted from his or her monthly paycheck.

Full-time Salary	Actual Salary	Contributions based on full-time salary
\$3,000	\$2,700	\$240

If a member elects NOT to contribute during a furlough:

The member would be responsible for paying the 8-percent employee contribution on the actual salary of \$2,700.

So \$216 would be deducted from his or her monthly paycheck.

Full-time Salary	Actual Salary	Contributions based on actual salary
\$3,000	\$2,700	\$216

**We are here
to help you!
Contact us:**

Physical address:

8401 United Plaza Blvd, Suite 300
Baton Rouge, LA 70809-7017

Mailing address:

PO Box 94123
Baton Rouge, LA 70804-9123

Website: www.trsl.org

Telephone: 225-925-6446

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

Fax: 225-925-6366

TDD: 225-925-3653

E-mail: web.master@trsl.org

2009 LEGISLATIVE SESSION (continued from page 3)

Submit a completed Form FBR to your employer designating whether you wish to contribute/not contribute on furloughed time. Keep in mind, whatever option you select remains in place for the entire fiscal year and cannot be changed.

Upon receipt of the completed form from your employer, TRSL will send you a letter indicating your selection. Please inform your employer if information in the letter is incorrect.

If you have questions, please contact Venetia Pitts at 225-925-6462 or at venetia.pitts@trsl.org.

ACT 412: TRSL membership for J-1 visa holders

Effective August 15, 2009, all eligible J-1 visa holders teaching in Louisiana public schools through a J-1 exchange visitor program and who meet the definition of a "teacher" as defined in R.S. 11:701 are now required to become TRSL members.

To determine if you fall into this category, please contact your employer. Note that once you are a member of TRSL, you will begin contributing eight percent of your salary to the System for your retirement.

TRSL welcomes these new members to our family! For information about TRSL, refer to our handbook, "Your New TRSL Membership" which is available on the publications page of our website at www.trsl.org.

ACT 144: Minimum benefit increases

A retirement benefit increase of up to \$300 per month will be given to retir-

Teachers' Retirement System of Louisiana
P.O. Box 94123
Baton Rouge, LA 70804-9123

Presorted Standard
U.S. Postage
PAID
Baton Rouge, LA
Permit No. 1716

ees, beneficiaries, and survivors with at least 30 years of service credit, who have been retired for at least 15 years, are at least age 60, and are receiving a retirement benefit of less than \$1,200 per month. (DROP retirees are not eligible for the provisions of this act.)

HCSR 1: Portable defined contribution plans

This resolution requests that the House and Senate retirement committees study the issue of establishing portable defined contribution state retirement plans for new hires, instead of the current defined benefit plans.

HR 82: Louisiana broker-dealers

This resolution requests that the House

retirement and commerce committees meet jointly to study and make recommendations regarding the cost for Louisiana retirement systems to do business with Louisiana broker-dealers.

Additional information relating to any of this legislation is available at www.legis.state.la.us.

If you have questions regarding how this legislation affects you or TRSL, e-mail us at web.master@trsl.org.

TRSL terms definitions you can use

Defined Benefit Plan — provides a lifetime retirement benefit based on years of service, final average compensation, and a benefit factor (2.5 percent for most TRSL members). Defined benefits are guaranteed by the State of Louisiana; they are not tied to market conditions or the value of assets in the TRSL trust fund.

This public document was published at a cost of \$5,014.71. Ninety-two thousand, three hundred copies of this document were published by the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, to inform TRSL members of news, laws, and policies that affect them. Printing of this material was purchased in accordance with the provisions of Title 43 of the Louisiana Revised Statutes.