

TRS Pre-Retirement Workshop



Start Thinking About Retirement



TRS Workshop Overview

1 Retirement
Plan Options



2 Creditable
Service



3 Beneficiaries



Benefits Of Membership



YOU deserve a great retirement benefit!

Your benefit is NOT tied to market performance.

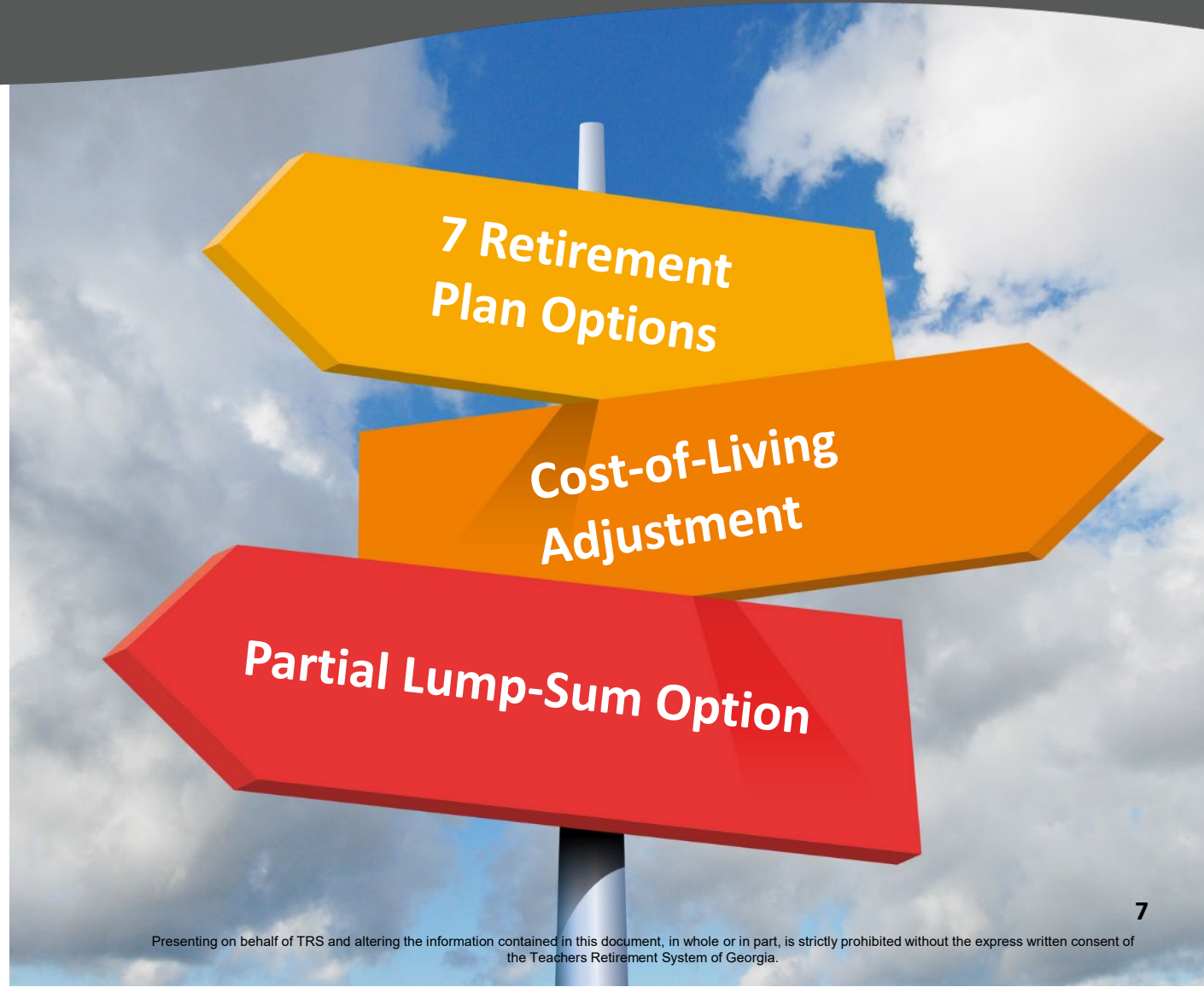
Your benefit is guaranteed for life...

And based on the TRS formula!



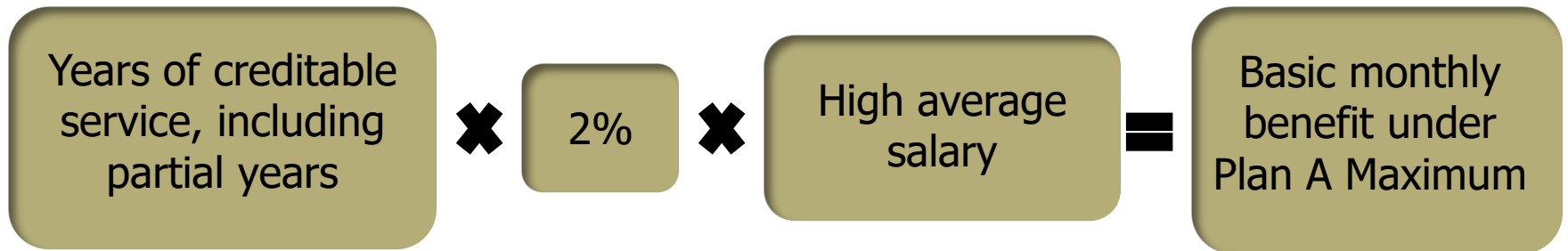


TRS Retirement Plans





Retirement Benefit Formula



Subject to applicable taxes and applicable deductions, such as SHBP coverage.

Eligibility For Normal Retirement

- **Service retirement**

- 30 years of creditable service regardless of age.
- 10 years of creditable service and age 60.

- **Disability retirement**

- 10 years of creditable service and cannot perform job.





Eligibility For Early Retirement

- **For members who:**
 - Have at least 25 years of service, but less than 30.
 - Are under age 60.
 - Have an active account.
- **Monetary penalties apply based on your age or length of service.**
- **Not eligible for COLAs until member would have reached a normal retirement.**

TRS Retirement Plans

**NO monthly benefit to
beneficiary at death.**



- **Plan A Maximum**
- **Plan B Option 1**



**Monthly benefit to
beneficiary at death.**



- **Option 2**
- **Option 2 Pop-Up**
- **Option 3**
- **Option 3 Pop-Up**
- **Option 4**



Employee and Employer Contributions & Interest





TRS Plan A Maximum & Plan B Option 1

Plan A Maximum



Maximum
monthly benefit
available to
retiree for life



Deplete
C&I
account
in 2 yrs



Any remaining
funds paid to
beneficiary in
one lump-sum

Plan B Option 1



Reduced
monthly benefit
to retiree for life



Deplete
C&I
account in
10-14 yrs



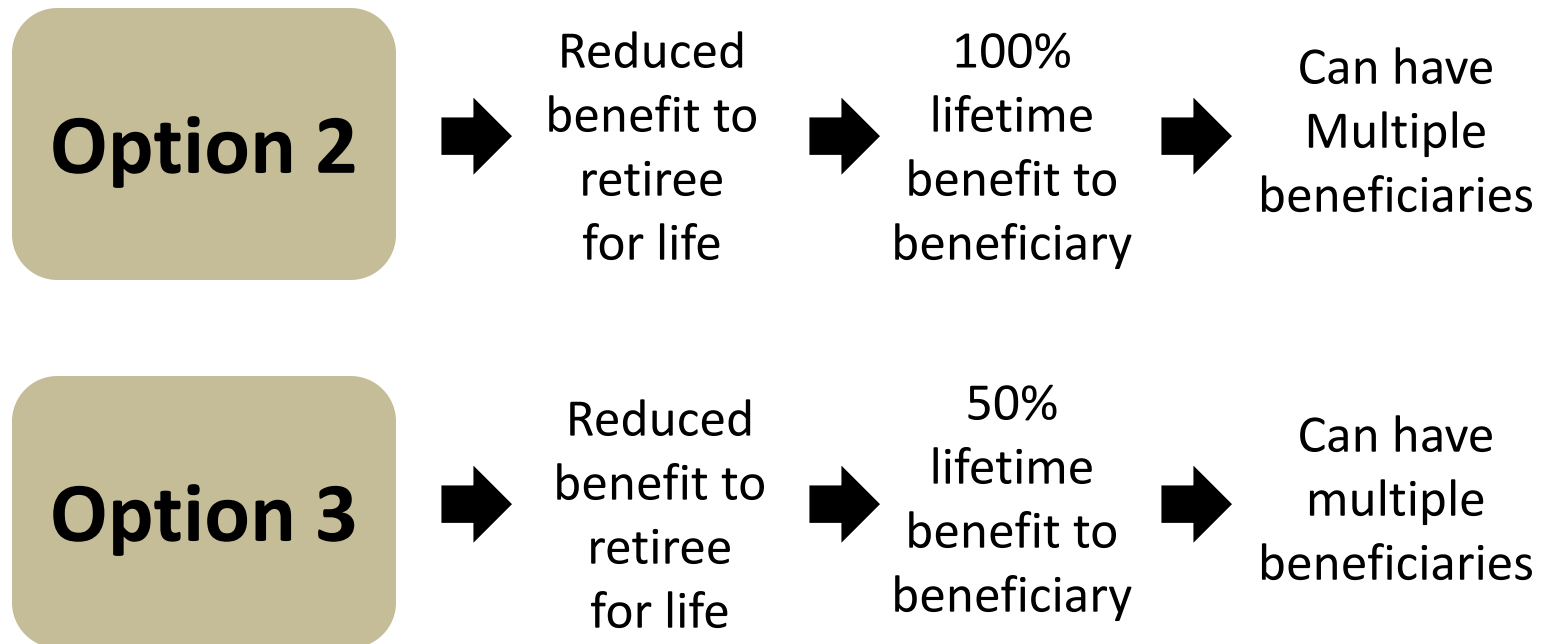
Any remaining
funds paid to
beneficiary in
one lump-sum

Surviving spouse and dependent SHBP coverage is lost upon remarriage.

Benefit Reductions



Plan B Options 2 & 3

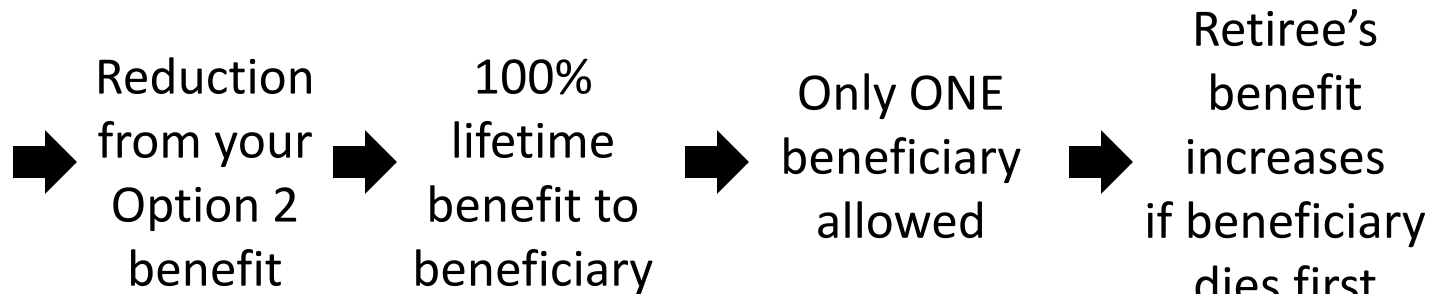


Reduction based on member's and beneficiary's ages.

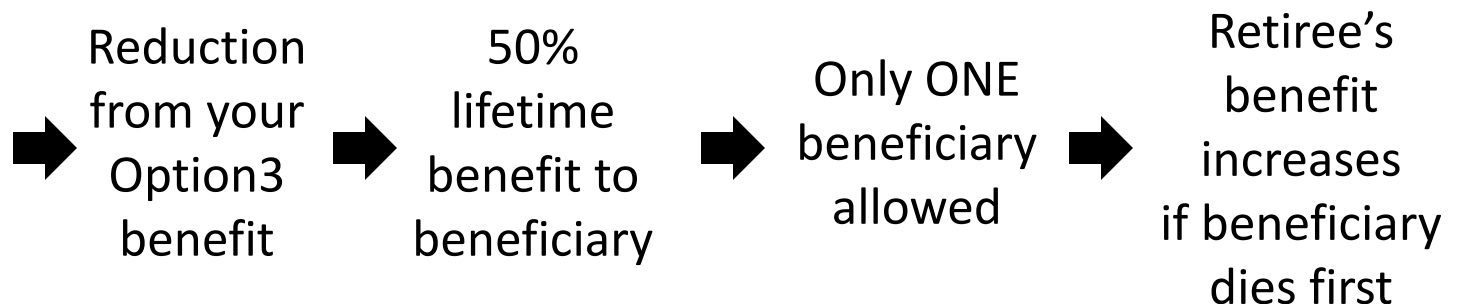


Plan B Options 2 & 3 Pop-Up

Option 2 Pop Up



Option 3 Pop Up



Plan B Option 4



**Option 4
You Decide!**



OR



- **Amount of benefit reduction based on beneficiary's age and amount elected.**
- **Minimal benefit would avoid loss of SHBP coverage for surviving spouse that remarries.**

Which Option Might You Choose?



- 1. Mary has no dependents and no one depends on her income.**
- 2. Sue has a spouse that has no savings and will not receive a pension or Social Security benefits and who has lousy Lotto luck.**
- 3. Tom has a spouse who will be receiving a pension and Social Security, but the amount is \$500 per month short of meeting her income replacement needs if Tom dies first.**

PLOP Partial Lump-Sum Option Plan



- **Under a normal service retirement, elect from 1 to 36 months of Maximum benefit in a lump-sum.**
- **Monthly benefit is permanently reduced based on the PLOP amount, your age, and the option elected.**
- **PLOP can be a direct payment to you, taxes apply.**
- **PLOP can be rolled over in whole or in part to another qualified retirement plan to defer taxes.**

COLA Cost-of-Living Adjustments



- **1.5% COLAs may be awarded every January and July.**
- **COLAs are tied to your “base” Consumer Price Index (CPI) and the “current” CPI.**
- **First COLA in 7 to 12 months.**
 - Retire January 1 to June 1 and receive first COLA the following January.
 - Retire July 1 to December 1 and receive first COLA the following July.

Example

Basic Benefit Calculation Example:

- Date of Retirement = 6/01/2025
- High Average Salary = \$5,833.33
(occurs from 6/2023 through 5/2025)
- Member's years of creditable TRS service = 30.00





Your Benefit Estimate

Scenario 1 Service Retirement Estimate

Retiring on 06/01/2025 with 30.000 year(s) of service, including 1.333 year(s) of estimated unused sick leave.

Estimate Information

Retirement Date:	06/01/2025	Age at Retirement:	59
Average Salary From Date:	6/2023	Average Salary To Date:	5/2025
Average Salary:	\$ 5,833.33	Annual Increase:	0.00
PLOP Minimum:	4,000.00	PLOP Maximum:	126,000.00
Current Service:	25.667	Anticipated Sick Leave Service:	1.333
Anticipated Membership:	3.000	Anticipated Other Service:	0.000
Anticipated Total Service at Retirement:	30.000		

Additional Service	Service Credit	Beneficiary Name	Distribution
Sick Leave	1.333	PRIMARY BENEFICIARY	100.00 %



Your Benefit Estimate

Gross Monthly Benefit Information for Member and Beneficiary(ies)

Gross Monthly Benefit:	Plan A	Plan B	Plan B	Plan B	Plan B	Plan B	Plan B
Paid to:	Max Plan	Option 1	Option 2	Option 2 Pop Up	Option 3	Option 3 Pop Up	Option 4
MEMBER	\$ 3500.00	\$ 3490.68	\$ 3273.90	\$ 3250.45	\$ 3383.10	\$ 3370.50	\$ 3465.35
PLOP Reduction per \$1000	\$ 6.57	\$ 6.56	\$ 6.15	\$ 6.10	\$ 6.35	\$ 6.33	\$ 6.51
PRIMARY BENEFICIARY	\$ 0.00	\$ 0.00	\$ 3273.90	\$ 3250.45	\$ 1691.55	\$ 1685.25	\$ 500.00
			100%		50%		

Estimated benefit amounts are gross amounts. Your net benefit will vary based on taxes and other deductions.

This estimate is subject to audit and adjustment. If any information used to prepare this estimate changes, the amounts described above will also change.

Please visit our website at www.trsga.com or contact our office for additional information.



Our Recommendations

- ☑ **Start thinking about what option is best for you and your family.**
- ☑ **Go to www.TRSGA.com and generate your own benefit estimate. *It's easy!***
- ☑ **Ask TRS for a benefit estimate when you are within 5 years of your retirement date.**
- ☑ **Schedule a one-on-one counseling session, within 2 years of retirement, in our Atlanta office or via our website in your county/school system.**



TRS Creditable Service

- ✓ **Membership**
- ✓ **Unused Sick Leave**
- ✓ **Purchased Service**



TRS Membership Service

- **For half-time or greater service as an active TRS member in Georgia.**
- **Awarded in 1-month increments based on fiscal year.**





Unused Sick Leave

- **Each of your TRS-covered employers must certify sick leave.**
- **Maximum annual accumulation is 1¼ days of sick leave per month of actual service:**
 - 10-month contracts = 12.50 days/yr maximum.
 - 11-month contracts = 13.75 days/yr maximum.
 - 12-month contracts = 15.00 days/yr maximum.
- **Credit is awarded retroactively after retirement.**

Missing Sick Leave Records

- **TRS estimates sick leave credit if employer records are missing.**
- **Estimated days are based on available sick leave records provided by employer(s).**
- **Estimated days are added to recorded days for a total.**



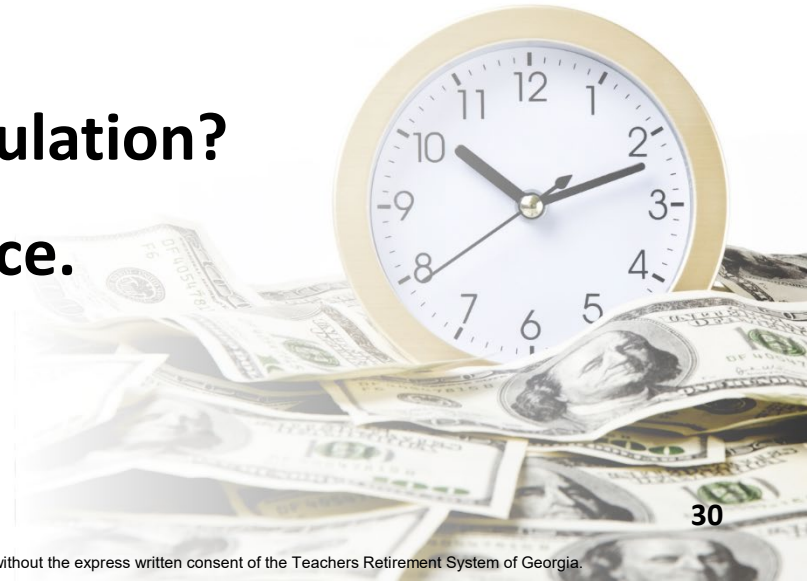


How Many Days of Unused Sick Leave Do You Have?

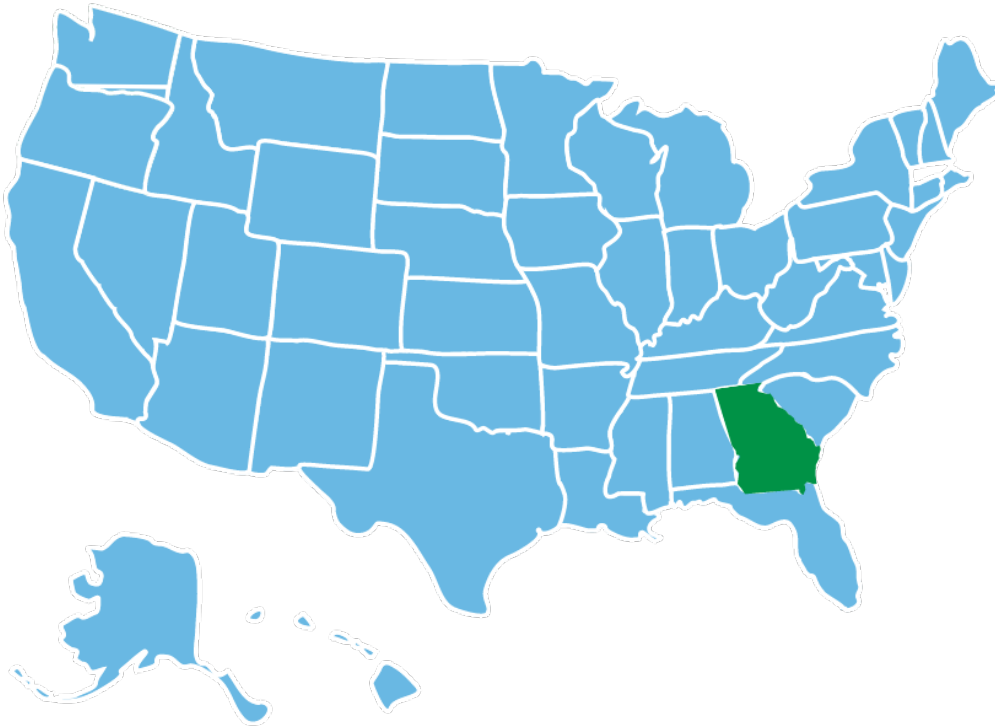
Days of Unused Sick Leave	Months of Creditable Service	Days of Unused Sick Leave	Months of Creditable Service
0 – 59	None	210 – 229	11
60 – 69	3	230 – 249	12
70 – 89	4	250 – 269	13
90 – 109	5	270 – 289	14
110 – 129	6	290 – 309	15
130 – 149	7	310 – 329	16
150 – 169	8	330 – 349	17
170 – 189	9	350 – 369	18
190 – 209	10	1) No maximum placed on creditable service 2) Credit based on 9-month yr for all contracts	

TRS Service Purchases

- **Remember that certain work from your past could be purchased and converted to TRS creditable service.**
- **Think hard! What is your employment history?**
- **Do you already have a cost calculation?**
- **No obligation to purchase service.**



TRS Service Purchases



- **TRS Withdrawn Service**
- **Out-of-State Service**
- **Other**

TRS Service Purchases

○ To Buy or Not to Buy...

- To retire earlier.
- To avoid an early retirement penalty.
- To increase your retirement benefit.
- Purchase price increases each month.





Our Recommendations

- Send sick leave certification forms to former employers.**
- Review your work history.**
- Compare your work history to service that you are eligible to purchase.**
- Get an updated cost calculation.**
- Evaluate making a purchase, if eligible.**
- Don't end up delaying your retirement by waiting too long to start the paperwork!**

TRS Beneficiary Issues

- ✓ **Primary vs. Secondary**
- ✓ **Death in Active Service**
- ✓ **Death & Divorce in Retirement**
- ✓ **Recommendations**



TRS Primary vs. Secondary

- **Primary beneficiaries**
 - Only primary beneficiaries can receive a monthly benefit, with one very limited exception.

- **Secondary beneficiaries**
 - If all primary beneficiaries die before your C&I account is empty, your secondary beneficiary receives the remaining funds.



Death In Active Service

Not Vested

Under 10 Years of
Creditable Service



- **Primary beneficiary receives your C&I account in a lump-sum.**

Vested

10+ Years of
Creditable Service



- **Primary has choice:**
 - Option 2
 - Your C&I account
- **If no surviving primary beneficiary, secondary makes choice.**



Death & Divorce in Retirement

- **If you select Option 2 through 4 and have only *one* primary beneficiary:**
 - If your beneficiary dies before you, you can change beneficiary and/or plan, but not to the Maximum Plan, unless you elected a pop-up plan.
 - If your spouse is the beneficiary and divorce occurs, you can change beneficiary and/or plan.
 - If you select a new beneficiary or a new option (2 to 4), your benefit will be recalculated.

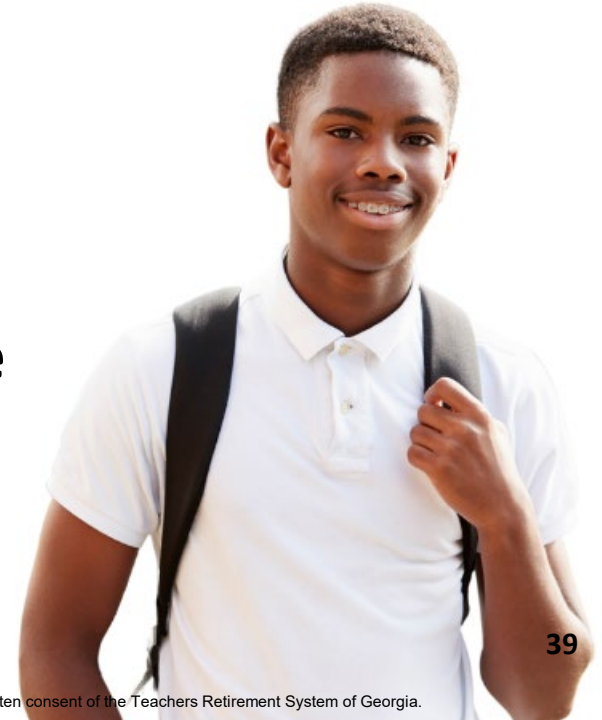


Death & Divorce in Retirement

- **If you select Option 2 through 4 and have *multiple* primary beneficiaries:**
 - If any beneficiary dies before you...
 - You **cannot** change plans or remaining beneficiaries.
 - Benefit percentages are **not** adjusted for your remaining beneficiaries.
 - If you divorce...
 - You may remove divorced spouse as beneficiary.
 - You may reallocate benefit to remaining beneficiaries.
 - Your benefit will be recalculated.

Other Beneficiary Facts

- **Beneficiaries are based solely on the beneficiary information on file at TRS upon your death.**
- **It is ok to designate minor children.**
- **If you retire and die within 30 days, your current beneficiary may choose your C&I account or Option 2.**



Our Recommendations

Review your current beneficiaries.

- Are they correct and up-to-date?
- Are your distribution percentages at the levels you want?
- Are your primary and secondary beneficiaries different?
- Is your current beneficiary an estate?

Make desired change in your online TRS Account.



Wrap-Up and Steps to Consider Today!

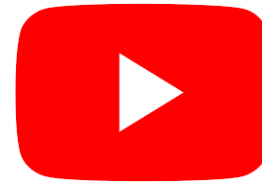


- **Visit www.TRSGA.com.**
- **Log in to your account**
 - **Schedule a one-on-one counseling session**
 - **Update your beneficiaries**
- **Consider hiring a licensed financial planner for individual advice.**
- **Your payments are direct deposited monthly.**
- **How did we do? Please complete the evaluation.**



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Episode Topics Include:

- Working in Retirement
- How do I Apply for Retirement?
- The Retirement Application Process
- Advice for Members & Retirees
- Retiring Early

