

FY 2014 Employee & Employer Contribution Rates

In its annual meeting held May 16, 2012, the Board of Trustees adopted the employee and employer contribution rates for FY 2013-14. Effective July 1, 2013, the contribution rates will be:

- Employee Rate: 6.00%
- Employer Rate: 12.28% ⌘

2013 Annual Benefit and Earnable Compensation Limits

Effective January 1, 2013, the limitation on the annual benefit under a defined benefit plan is \$205,000. This limitation is based on a calendar/tax year and not the TRS plan year.

Effective July 1, 2013, for TRS members whose current date of membership is on or after July 1, 1996, the maximum earnable compensation for which TRS contributions can be reported or which will be used to calculate a retirement benefit is \$255,000. This limitation is based on TRS' plan year (July 1, 2013 - June 30, 2014) and not a calendar year. ⌘



Reaching Out

from

Jeffrey L. Ezell, Executive Director

At TRS, we realize that an informed customer is a happy and successful customer. That is why we work hard to provide everyone with various means of communication—from our website and our call center, to our in-house counseling services and our outreach program. Our goal is to provide you with valuable information, when and where you need it.

As you may have noticed, we redesigned our website to make information, the latest news, forms, and documents easier to locate. The new design is also “smart phone friendly” now so you can access TRS information on the go.

Our call center representatives are very knowledgeable and can help you with most requests. In fact, 99% of all questions, requests and concerns coming in to the call center are answered, fulfilled, and handled without ever having to be transferred to another division. These representatives also handle all online chat inquiries—another way to quickly get your questions answered.

We offer counseling and pre-retirement seminars in our Atlanta office. The seminar dates and times are available on our website under the Events link at the top of the page. Our retirement counselors are available during the week to provide benefit information and estimates. We recommend that you call our office well in advance of your desired date because appointments fill quickly. You may also complete your retirement application online in our retirement center, which is fully equipped with computers and staff on hand should you need assistance.

And, if you don't want to come to us, we'll come to you! Our outreach staff travels the State delivering pre-retirement, mid-career, new member, and post-retirement seminars. We conduct one-on-one retirement counseling sessions as well for members within 2 years of retirement. We also offer 1-day and 1/2-day seminars throughout the year that include speakers from TRS, estate planning, Social Security, and the State health plan. If you would like TRS to visit your area, please ask your employer to contact Mike Zarem at 404-425-6616. We are always happy to try and accommodate your requests.

Also, if there is something you feel we don't offer but should, or something we could improve upon, please let us know. Your feedback is important and our goal is to provide you with valuable information in the most effective and efficient ways possible. ⌘

Summer 2013

Retirement Application Deadlines

Due to the high volume of new retirements in the spring, submitting applications online and early will help ensure new retirees receive their first benefit check in the month they retire. Please keep the following dates in mind as we advance towards summer:

- June 1st retirees must complete and submit applications and paperwork to TRS by March 31, 2013 if they would like to receive their first benefit check in June.
- July 1st retirees must complete and submit applications and paperwork to TRS by April 30, 2013 if they would like to receive their first benefit check in July.

Applications received after these dates will be processed on a first-come, first-served basis. We do our best to accommodate everyone, but applications/forms received in our office by the deadlines listed ensure a timely retirement benefit payment. The retirement application is not complete until all of the following forms have been received by TRS:

- Application for Service Retirement
- Identification for members and beneficiaries
- State and Federal Tax Withholding forms
- Affidavit of Residency*
- Retirement Certification Report (TRS-8) completed by your employer

If members have any service credit for which they are eligible to purchase, it must be purchased PRIOR TO RETIREMENT.

* Federal and State statutes require verification of lawful presence in the United States when applying for public retirement benefits. Therefore, TRS must require that every member applying for either service or disability retirement complete a **notarized** Affidavit of Residency form. ☞



Legislation

The 2013 Georgia General Assembly convened on January 14, 2013, and is the first year of the two-year biennium session. Retirement legislation introduced, but not acted on, during previous sessions is no longer valid.

Retirement legislation that has a fiscal impact can only be introduced during the 1st year of a two-year session and can only be acted on during the 2nd year. Therefore, the earliest date that a fiscal piece of legislation introduced during the 2013 session can become effective is July 1, 2014.

There are six bills pending currently that have an impact on TRS.

HB 232 allows the Board of Regents to set the employee contribution rate for members of the Regents Retirement Plan. Currently, the TRS Board of Trustees determines this rate. (non-fiscal bill)

HB 345 streamlines the definition of “teacher” in TRS law. The bill clarifies and consolidates the definitions of “teacher” and repeals obsolete provisions. This bill does not change the definition of “teacher” and does not affect eligibility for membership in the System. This bill is simply a clean-up bill. (non-fiscal bill)

HB 386 makes stylistic changes to the definition of “annuity savings.” (non-fiscal bill)

HB 489 allows a retiree who elected a survivorship and named his or her spouse or former spouse as beneficiary to revoke the survivorship option if the spouse remarries. The retiree would be allowed to elect a new plan

ONLINE RETIREMENT APPLICATION PROCESS

In an effort to make applying for retirement easier and more efficient, members have the ability to apply for retirement online. Over 9,500 of our retiring members have applied online. Doing so is easy!

All you have to do is log into your account and click “Apply for Retirement.” You will then be prompted to provide information specific to your retirement. When the process is complete, a summary sheet is provided for your records. There are links to other forms not covered in the online process, as well as “Tips” to help make the process as easy and user-friendly as possible. So you are prepared, please note the following items needed to complete the retirement application process.



Items and Information Needed to Complete Your Application:

-  **Your Information:** name, address, daytime phone number, SSN, date/of/birth, copy of official ID (driver’s license, passport, birth certificate, immigration papers, or a state issued ID).
-  **Your Primary and Secondary Beneficiary’s Information** (you must choose at least one of each): name, address, SSN, date/of/birth, copy of official ID (see list above).
-  **Direct Deposit Information:** checking or savings account and routing numbers.
-  **Benefit Estimate:** you may use this as a reference to help you choose your monthly retirement benefit option and your PLOP payment (if applicable).
-  **PLOP Rollover** (if applicable): name, address, and phone number for rollover institution, type of rollover plan, and your rollover account number.
-  **Tax Withholding Amounts:** federal and state for monthly benefit payment, and PLOP if taking a lump-sum cash distribution.
-  **Your Alien Number Issued by the Department of Homeland Security or Other Federal Immigration Agency** (if applicable)

If you are unable to complete and submit your application, you may log back into your account and continue at a later date. Please note that your online application will only remain active for 45 days. After 45 days, your application is void and you must begin the process again. Once the application is completed, the member must print and sign a summary sheet and send to TRS. ☘

Board News

We are pleased to welcome our new Trustees and happy to announce that we now have a full, 10-member Board. Ms. Amy R. Nimmer and Dr. William G. Sloan were appointed by Governor Deal. We are excited to have them as a part of the team.



Ms. Amy R. Nimmer

Ms. Nimmer is currently employed by the Pierce County Board of Education. She has been a math teacher at Pierce County Middle School for nine years and is currently the head competition cheer coach for Pierce County High School.

Ms. Nimmer earned her bachelor's degree from Armstrong Atlantic State University and an educational specialist degree from Valdosta State University. Ms. Nimmer is a member of the Leadership Georgia Class of 2012 and attends Emmanuel Baptist Church. She and her husband, Chad, have three children. They reside in Blackshear.



Dr. William G. Sloan, Jr.

Dr. Sloan has been the Executive Director of the Georgia Retired Educators Association since 2005. He retired in 2005 after serving as principal of East Hall High School for more than 17 years. He was also a principal at Lyman Hall Elementary and Chestnut Mt. Elementary Schools. Dr. Sloan began his career as a teacher and a football and baseball coach at South Hall High School.

Dr. Sloan was named the State High School Principal of the Year in 2004 by the Georgia Association of Secondary School Principals. He has previously served on the Professional Association of Georgia Educators Board of Directors and the Georgia Association of Secondary School Principals Board of Directors.

Dr. Sloan holds an undergraduate degree from Georgia Southern College, M.Ed. Edu. Administration and Ed. S. Edu. Administration degrees from the University of Georgia, and a doctorate in Educational Administration from Nova Southeastern University. He and his wife, Janice, have two children and two grandchildren. They reside in Gainesville. ☞

Pre-Retirement Seminars at the TRS Office

TRS will be hosting pre-retirement seminars in our Atlanta office on Wednesday, April 10th, and Thursday, April 11th. We are also hosting seminars on Wednesday, June 12th and Thursday, June 13th. Please encourage your retiring employees to attend. Members may register online via their TRS accounts at www.trsga.com. ☞

Allowable Sick Leave Usage & Attendance Incentive Programs

If your employer offers an attendance incentive program, please be aware that it may impact your ability to apply unused sick leave days toward retirement, and therefore could impact your lifetime monthly benefit. Payments based on any attendance incentive program that are not based on any variable number of sick leave days are allowable and the number of unused sick leave days reported to TRS would not be affected.

Acceptable Sick Leave Usage

Example 1: Employer pays \$200 at the end of the school year if five (5) days or less are used. This is a general attendance policy and is not based on a variable number of unused sick leave days used.

Example 2: Member has 188 days of unused sick leave credit. Member will need 170 days to reach 30 years of service for retirement purposes. The employer wants to pay member for 18 days of unused leave. Member may be paid for 18 days and retain 170 days for TRS retirement credit.

Example 3: Member works for a system that awards more than 1.25 days a month in sick leave credit. TRS will take the total amount of unused sick leave reported and apply a reduction based on the 1.25 day limit. For any excess days over the 1.25 day formula that TRS will not award credit, member can receive payment for those days without any effect on TRS retirement credit.

Example 4: Member works for a system that only allows a member to accrue a maximum of 45 days of unused sick leave credit. Anything in excess of 45 days will be forfeited by the member for system purposes. This does not affect the member's ability to use those days for TRS retirement credit. At retirement, any forfeited days based on a system's accrual limits will be counted for retirement credit; however, the 1.25 day rule still applies.

Attendance Incentive Programs

A number of employers offer their employees monetary incentives to encourage good attendance. Some employ-



ers offer this incentive or bonus at the end of each school year and/or at the time the employee retires.

Payments based on any attendance incentive program offered through your school system that are not based on any variable number of sick leave days are allowable and the number of unused sick leave days reported to TRS would not be affected.

Programs that offer variable payment amounts based on number of sick days, WILL reduce the number of sick leave days you report to TRS.

Example 1: Employer offers \$200 at the end of the school year if no sick days were used; \$150 if one sick day was used, \$100 if two sick days were used, and no payment if 3 or more sick days were used. If any payment is made using this type of program, then all unused sick leave days remaining for that year of employment cannot be reported to TRS for sick leave credit at retirement.

Example 2: Employer offers \$20 per day for every day of unused sick leave. For every \$20 paid, the system would have to reduce the unused sick days by one day and report the balance to TRS. ☹



Legislation *continued*

of retirement. The modified retirement plan election would be an allowance of equal actuarial value. (fiscal bill)

HB 516 would allow a former TRS member who made an irrevocable election to join the Regents Optional Retirement Plan (ORP) to revoke the election and rejoin the TRS. The individual would also be allowed to establish the previous ORP service by paying any amount they choose; however, TRS will only grant service credit based on the amount funded by the member's payment without creating any actuarial accrued unfunded liability to TRS. The member will not be granted service credit in excess of the actual years of ORP service. The payment must be made no later than December 31, 2014, for any person in employment on July 1, 2014. For an individual who becomes employed after July 1, 2014, the payment must be made any time during their sixth year of eligible university system employment. (fiscal bill)

SB 143 clarifies the duties of the Board of Trustees are in addition, and not limited, to their common law duties. (non-fiscal bill)

For the latest legislation information, please check our website. ☞

Working in Retirement

Know the Rules

If you are considering working in any position while collecting a TRS benefit, please be aware of the following provisions in Georgia law that apply to TRS retirees working in retirement.

1. **You cannot enter in to an employment agreement with any employer prior to your last day of employment. This includes both verbal and written agreements.**

§ 47-3-101. Each employer shall certify to the board of trustees the date on which the employee's employment is or will be severed and that no agreement exists to allow the employee to return to service, including service as or for an independent contractor.

For example, if an employer offers you a one-time incentive payment in return for your retirement, that is acceptable. Please remember that this payment will not be reported as earnable compensation that counts toward your final average salary. You may not, however, accept an incentive that involves any type of future full-time, part-time (49%), or contractual employment (i.e. if you retire in June, you will receive 5% increase in base salary and part-time employment for 1 year). There can be no agreement of hiring you until you are no longer employed by your system.

2. **Your employer must gain approval from TRS prior to hiring you.**

Employers must complete an online application and TRS must approve the application prior to your being hired. Independent contractors must mail a copy of their contract to TRS.

3. **Employers must complete the online employment verification application for each retiree each fiscal year (July 1).**

Failure to comply with Georgia law can affect your retirement date and will also result in your benefit payment being suspended pending receipt of the required information. Additionally, either the reporting employer or the retiree (you) will be required to repay TRS for all monthly benefit payments wrongfully paid. ☞