

ASK YOURSELF:

Do I know how a LASERS benefit is calculated?

Do I contribute to the Louisiana Deferred Compensation Plan?

Do I understand how a cost-of-living adjustment (COLA) works once I'm retired?

Do I know how my unused annual and sick leave can benefit my retirement?

These are all questions that MINT is designed to answer.

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MINT is designed to educate early-career members on the basics of the System and guide them in the direction to securing a financial future.

LASERS does not offer financial, legal, or tax advice.



A campaign by
LASERS
Louisiana State Employees'
Retirement System

Millennial Mindset

“Retirement is for my parents.”

“I have other big things I need to save for.”

“I just started my job. I can’t afford it now.”

“I might receive an inheritance in a few years.”

“There’s time for me to save down the road.”

“I’ll start a separate account when the market improves.”

The Reality

Your LASERS retirement is a defined benefit plan, which means that your contributions to LASERS help to fund a benefit that is guaranteed to you monthly once you retire. Although LASERS is a guaranteed retirement benefit, the average retiree’s benefits are hardly lucrative.

The average regular state retiree’s annual benefit is \$25,392.

The Goal

To inform early-career LASERS members about the basics of the System and educate you on opportunities you can take advantage of now to supplement your retirement benefit.

Reap the benefits at retirement age!

THE DEFERRED COMPENSATION PLAN (The 457 Plan)

As a public employee of the State of Louisiana, you can choose to participate in the Louisiana Public Employees Deferred Compensation Plan (DCP), administered by Empower Retirement.

This plan allows you to supplement your LASERS retirement by saving and investing pretax dollars through a voluntary salary contribution.

BENEFITS OF PARTICIPATING:

- Save on taxes
- Automatic deposits from payroll
- Change investment allocation any time
- Participate as long as you like
- Investment options and assistance
- Loans are available (contact Empower Retirement for details)

Earn Save Invest

THE 401 ON THE 529 PLAN

Learn how to save for your child's college tuition and expenses through the Louisiana 529 Saving Plan.

WHAT IS A 529 PLAN?

It is an education savings plan operated by a state designed to help families set aside funds for future college costs. It is named after Section 529 of the Internal Revenue Code.

Louisiana's 529 Plan is referred to as the START Saving Plan.

\$174,000 The estimated cost a parent will pay for their child's undergraduate degree and college expenses at a Louisiana public university by the year 2029.

\$464,000 The estimated cost a parent will pay for their child's undergraduate degree at a private, out-of-state university by the year 2029.

Sources: www.startsaving.la.gov www.savingforcollege.com

HOW MUCH WILL IT COST WHEN MY CHILD REACHES COLLEGE AGE?

THE BENEFITS OF UNUSED ANNUAL & SICK LEAVE

How It Affects Your Retirement

As a state employee, you earn annual and sick leave based upon your length of service. You should take the time of retirement, unused leave can put you in a better position financially.

Consider BUILDING UP YOUR LEAVE over the course of YOUR CAREER.

YOU HAVE TWO OPTIONS:

- Convert the leave to additional service credit
- Receive a one-time, lump sum payment

DAYS OF UNUSED LEAVE	CREDIT
1 - 26	.10
27 - 52	.20
53 - 78	.30
79 - 104	.40
105 - 130	.50
131 - 156	.60
157 - 208	.70
183 - 208	.80
209 - 234	.90
235 - 260	One Year

Converting Leave to Credit:

Let's say you decide to retire at the end of 25 years of service (2025). You have 100 days of unused leave which converts to 1.00 year of additional service credit.

Unused Leave	Service Credit	Final Retirement Benefit
\$10,000.00	1.00	\$10,000.00
\$10,000.00	1.00	\$11,000.00
\$10,000.00	1.00	\$12,000.00

Lump-Sum Payment of Leave Balance:

Amount paid will be an increase rate. Calculated by multiplying the additional service credit by the actuarial interest factor for your age at the time of retirement. The actuarial interest factor is based on life expectancy.

You converted your 100 days of unused leave to additional credit. If you decide to take a lump-sum payment for your unused leave, the payments would be calculated as:

Unused Leave	Service Credit	Final Retirement Benefit
\$10,000.00	1.00	\$10,000.00
\$10,000.00	1.00	\$11,000.00
\$10,000.00	1.00	\$12,000.00

Use the resources listed at the bottom of each image.

Find these topics and more at: lasersonline.org/actives/millennials-investing

HOW DO I INVEST IN MY FUTURE?

step one

LASERS WILL

Create and distribute infographics (a visual summary of a topic). It is designed to make you aware of its significant benefits and how you can learn more by using the resources provided.

step two

YOU TAKE ACTION!

- Pin them to your financial boards on Pinterest.
- Bookmark them.
- Save them to your computer or phone's photo library.
- Refer to them when you sit down to focus on your finances.

It's never too early to plan for retirement!