



How your plan works

- ★ 7% is deposited into your account and earns 7% annually.
- ★ Benefit your employer provides is based on your final account balance and employer matching. Current employer matching is 200%.
- ★ You receive a lifetime monthly benefit when you become eligible and choose to retire.

Naming a beneficiary

- ★ You can designate/update beneficiaries by signing in to www.TCDRS.org.
- ★ If no beneficiary on file, we will pay benefit to spouse (if married) or estate.
- ★ A Will has no effect on how we pay out your TCDRS benefit.

Survivor Benefit

- ★ With four or more years of TCDRS service, your beneficiary is eligible for the Survivor Benefit should you pass away before retirement.
- ★ Your beneficiary has two payment options:
 - Lifetime monthly benefit (employer matching included)
 - Withdrawal of account balance (no employer matching, tax penalty)
- ★ You can remove the withdrawal option for your beneficiary.

Leaving employment

- ★ **Option 1: Keep money with TCDRS**
Account continues to earn 7% interest each year.
- ★ **Option 2: Rollover**
Avoid paying tax penalties. Lose employer matching and lifetime benefit.
- ★ **Option 3: Withdraw**
Significant tax consequences and possible penalty. Lose employer matching and lifetime benefit.

Vesting: 10 years of service

- ★ Once vested, you have a right to a lifetime monthly benefit that will include employer matching when you reach retirement eligibility.
- ★ Even if you leave your job, you can choose to get a lifetime monthly benefit when you become eligible to retire as long as you haven't taken your money out of your account.

Retirement eligibility

Age		Service
Age 60	and	10 Years
Age	plus	Years* = 80
Any Age	and	30 Years

* Must be vested

Other ways to earn service time

- ★ Multiple TCDRS accounts
- ★ Proportionate Retirement Program
 - ERS (State of Texas)
 - JRS (Courts)
 - TRS (Schools)
 - TMRS (Select Cities)
 - COA (City of Austin)
- ★ Military or USERRA

Benefit payment options

- ★ 7 options to choose from at retirement
- ★ All options provide a lifetime monthly benefit to the retiree
- ★ Difference in monthly amounts reflects possible payments to a beneficiary
- ★ Consider if someone will be dependent on your retirement income

Single Life

- ★ Highest monthly amount; all payments stop when retiree passes away
- ★ Select multiple beneficiaries, change if needed

Guaranteed Term

- ★ Select 10-Year or 15-Year Guaranteed Term
- ★ Retiree receives lifetime monthly benefit
- ★ Term begins on retirement date
- ★ If retiree passes away before the end of the term, beneficiary receives benefit for remainder of term
- ★ Select multiple beneficiaries, change if needed

Dual Life

- ★ Select 50%, 75% or 100% of payment amount to continue for beneficiary's lifetime
- ★ Variation: 100% with pop-up option
 - If beneficiary passes away before retiree, the monthly payment amount “pops up” to the Single Life monthly payment amount.
- ★ Only select one beneficiary, no changes

Applying for retirement

★ Selecting a date

- Retirement effective last day of any month
- Interest is pro-rated

★ Receiving payment

- Direct deposit last business day of following month
- Subject to income taxes

★ Specify federal withholding

- Follow IRS tax tables
- No income taxes withheld

★ Forms available at www.TCDRS.org or call TCDRS Member Services for a packet.

Rules against return to work

- ★ Apply to returning to work for same employer
- ★ No prior agreement to be rehired
- ★ One calendar month break in service
- ★ Non-compliance results in suspension of benefit plus repayment
- ★ State and federal law requires signatures upon retiring certifying awareness and compliance

Register online at www.TCDRS.org

- ★ Estimate your retirement benefit
- ★ Update your beneficiaries and contact information
- ★ Track your progress on the road to retirement

Notes
