



Your Employee is Retiring and Asks You About Their TMRS Benefit... Now What?

Presented by

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First, Are They Eligible To Receive a TMRS Benefit?

- To be eligible to receive a lifetime TMRS retirement benefit, your employee must:
 - Be at least 60 years old and have at least five years of TMRS service credit (some cities may require 10 years of service)
- OR
- Have at least 20 years of TMRS service credit, regardless of their age (some cities may require 25 years of service)

Have They Run Retirement Estimates?

- Employees can compare various retirement dates and benefit options
 - They can run their retirement estimates on MyTMRS
 - OR
 - You can run estimates with them using the City Portal
- Make sure to run estimates for:
 - Desired retirement dates
 - The employee's next birthday
 - January of next year

What Are Their Retirement Benefit Options?

- Retiree Life Only (no survivor benefits)
- Retiree Life and Survivor (50%, 75%, 100%)
- Retiree Life and Guaranteed Term (5, 10, 15 years)

Can They Receive A Lump Sum?

- They can select one of three lump-sum amounts, referred to as a Partial Lump Sum Distribution (PLSD)
- Calculated using the Retiree Life Only monthly benefit amount multiplied by 12, 24, or 36
- The PLSD will reduce the monthly retirement benefit

What Do Estimates Include?

Estimated Monthly Payment Amounts				
Retirement Options	Partial Lump Sum Payment Options			
	None \$0	12 months \$30,260.52	24 months \$60,521.04	36 months \$87,163.70
Retiree Life Only	2,521.71	2,316.16	2,110.60	1,929.63
100% Survivor	1,835.10	1,685.52	1,535.93	1,404.23
75% Survivor	1,971.09	1,810.42	1,649.75	1,508.29
50% Survivor	2,128.59	1,955.09	1,781.58	1,628.81
5-yr Guaranteed	2,506.11	2,301.83	2,097.55	1,917.69
10-yr Guaranteed	2,430.00	2,231.92	2,033.85	1,859.45
15-yr Guaranteed	2,319.93	2,130.83	1,941.72	1,775.23

How Does TMRS Calculate The Retirement Benefit?

- The employee's cash balance is spread over their (and their beneficiary's, if applicable) estimated life expectancy to determine the monthly benefit payment
- Cash balance includes:
 - The employee's contributions
 - 5% annual interest
 - The city's matching contributions
 - Updated Service Credits, if any

How Do They Apply For a TMRS Retirement Benefit?

- They complete the Retirement Packet available on tmrs.com
- The packet can be mailed, faxed or uploaded to the City Portal
- TMRS must receive the packet before their retirement date

Where Can They Find The Retirement Packet?



The screenshot shows the TMRS website interface. At the top left is the TMRS logo. To the right is a search bar labeled 'Search TMRS' with a microphone icon. Below the search bar are two red buttons: 'MyTMRS Go' and 'City Portal Go'. A dark blue navigation bar contains the following links: Home, For Members, For Retirees, For Cities, Investments, About, and Contact TMRS. On the left side, there is a 'Forms' menu with the following items: 'How to Retire' (circled in red and pointed to by a red arrow), 'Designate Your Beneficiary', and 'Career Opportunities'. Below the menu is a blue box for the 'TMRS Mobile App' with the text: 'The App provides TMRS Members with access to their MyTMRS account wherever they go.' and icons for the App Store and Google Play. The main content area features three articles: 1. 'Welcome City of Snook!' with a photo of a sign and text: 'TMRS is excited to welcome the City of Snook starting July 1. Located southwest of College Station, Snook is home to Chilifest, an annual two-day chili cookoff and concert that attracts more than 50,000 people each year.' 2. 'TMRS' 2021 Annual Comprehensive Financial Report is now available' with a photo of the report cover and text: 'TMRS' Annual Comprehensive Financial Report for the year ended December 31, 2021 (Report) is now available. The Report includes TMRS' audited financial statements, a summary of 2021 investment activity, and actuarial and statistical information about the System.' 3. 'TMRS Announces 2021 Investment Returns and Achieves Compliance with the Global Investment Performance Standards (GIPS®) for 2021' with text: 'At TMRS' June 23 Board of Trustees meeting, Chief Investment Officer David Hunter announced the Trust

When Will They Receive Their Monthly Benefit?

- Retirement benefits begin the month after their TMRS retirement date
- Payments are always made on the last business day of the month

Will Their Benefit Increase After Retirement?

- If your city provides a Cost of Living Adjustment (COLA), they may receive an increase in their monthly benefit
- COLA based on the Consumer Price Index (30%, 50%, or 70%)
- Must be retired for one year to be eligible

What If They Want to Return to Work After They Retire?

- If they return to work for a **different** city at any time, they will continue to receive their TMRS monthly benefit payments
- If they return to work for the **same** city, their TMRS monthly benefit payments may be affected
 - **More than 12 months after their TMRS retirement date** - they will continue to receive their TMRS monthly benefit payments
 - **Within 12 months of their TMRS retirement date** - they will forfeit their monthly benefit payments for as long as they work



Have Questions? Please Contact:

TMRS Member Education Center

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800-924-8677