

Your TMRS® Retirement Benefit For New Members

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What Is TMRS?

The Texas Municipal Retirement System (or TMRS) is a plan chosen by your city to provide secure retirement benefits to its employees. Once you are eligible to retire, the TMRS plan can pay a monthly benefit for your lifetime (a “pension”). Your TMRS benefit is in addition to any other programs your city may offer (such as Social Security or a 457 plan), and your personal savings.

How Does My TMRS Membership Work?

As long as you are employed in a position that normally requires at least 1,000 hours per year at a TMRS city, you are required to be a member of TMRS and contribute a percentage of your salary toward your future retirement. The monthly deposit you make is matched by your city. You receive your benefits (your deposits plus the city’s matching plus investment earnings on the account and other credits that your city may provide) when you retire. At retirement, these combined funds give you a **monthly benefit payable for the rest of your life.**

You receive a month of service credit for each month a deposit is received by TMRS (for details about types of service credit, see the website or *Member Benefits Guide*). Member deposits are tax-deferred, which means they are not subject to taxation until they are paid back to you, either in the form of a refund or a retirement annuity.

Where Does the Money for my Pension Come From?

To finance a lifetime monthly benefit, your pretax monthly payroll deductions are the first ingredient. Your deposits earn compounded annual interest (at a minimum of 5%). Over the course of your career, your city also makes contributions toward its matching funds. But, for most TMRS retirees, the majority of your retirement benefit is funded by earnings on TMRS investments that are pooled and professionally managed. Information regarding TMRS investments can be found on the TMRS website.

The long-term funding of your retirement benefit



Approximate proportions for illustrative purposes only

- Member Deposits**
A set percentage of your earnings each month (5, 6, or 7% of your salary).
- City Matching Funds**
A matching amount (1:1, 1.5:1, or 2:1) that the city contributes to your account at the time you retire.
- Investment Earnings**
TMRS assets are centrally, professionally invested. Investment earnings provide the majority of the total benefit.

How Do I Track my TMRS Account?

MyTMRS® is an online portal that provides 24-hour access to your TMRS account. All TMRS members should sign up for a MyTMRS account as soon as possible after TMRS receives your first deposit. Visit www.tmr.com and select the MyTMRS button to register. You will need a valid email address. Please use a non-work email address (one that only you have access to) so that TMRS can stay in touch even if you retire or leave the city.

Besides checking your TMRS account balance, service credits, and other features, you can run retirement estimates online using MyTMRS. In most cases, you can enter any future eligible retirement date and see the estimated monthly benefit amounts across the different retirement options that can be available to you when you retire.

To help protect against fraud, TMRS uses “dual factor authentication” for your MyTMRS account. This means that after signing in and verifying your contact information, you’ll be prompted to request an email, text, or phone call from TMRS that contains a separate security code. Keeping your account contact information current is important.



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If you have questions about registering for MyTMRS or problems logging in, call TMRS during normal business hours (800.924.8677).

Why Do I Need to Designate a Beneficiary?

A beneficiary is the person you designate to receive a TMRS benefit in the event of your death. You need to designate a beneficiary when you become a TMRS member, and you should always check your beneficiary designation if you have a life change (death, marriage, having a child, divorce) and make a new beneficiary election if needed. TMRS will also ask you to name a beneficiary when you vest.*

In many cases, you can designate or change your beneficiary in MyTMRS. Beneficiary choices that require spousal consent (if you are vested, married, and naming a beneficiary other than your spouse) still require a paper form and a signature. MyTMRS will alert you if spousal consent (your spouse's notarized signature) is necessary and will direct you to the correct form.

* **Vesting** means you have established enough service credit to have the right to receive a TMRS benefit under your city's plan.

How Do I Know Which TMRS Plan Features my City Offers?

Your city decides which provisions within the TMRS menu of options it wants to provide for its employees. To view your city's choices, go to www.tmr.com | Members | My City Plan and enter your city's name.

Each TMRS city chooses from this list of available options:

- Employee deposit rate: 5%, 6%, or 7% of your salary
- City match: 1 to 1 (100%), 1.5 to 1 (150%), or 2 to 1 (200%)
- Vesting* requirement: 5 or 10 years
- Retirement eligibility: Vested at age 60, or 20 or 25 years of service at any age.
- Updated Service Credit (Y or N, and adhoc or repeating and %)
- COLA increases for retirees (Y or N, and adhoc or repeating and %)
- Military Service Credit
- Restricted Prior Service Credit
- Supplemental Death Benefit (Y or N, for Active or Retirees)

FAQs about the TMRS Benefit

Q. Can I borrow from my TMRS account?

A. Under Texas law and Internal Revenue Service regulations, you may not withdraw any part of your money unless you stop working for all TMRS cities and cease to be a contributing member. Also, you may not use your account as collateral for a loan or borrow from it.

Q. What happens if I leave the city?

A. Your TMRS benefit is portable across participating cities. Once you are vested, you may keep your membership in TMRS as long as you leave your deposits and interest in TMRS. If you're not vested, you may leave your account intact and continue to earn interest for up to five years. After five years, if you do not go to work for another TMRS city, or do not participate in a qualifying Texas proportionate retirement program (see box below), you must refund your account.

If you choose to refund your account, you will **not** receive your city's matching contributions or other credits you may have been granted. A refund will only include your member deposits and interest.

Resources for New TMRS Members

Available through the TMRS website or by request

- TMRS Website | Members page
- MyTMRS
- TMRS Facebook page
- TMRS Member Benefits Guide (also in Spanish)
- TMRS FACTS (also in Spanish)
- Member Annual Statement
- *INSIGHT* Newsletter and E-Newsletter
- Video Training Library | Welcome to TMRS and Designating your Beneficiary

TMRS representatives regularly visit cities across Texas to meet with employees. Check with your City Correspondent or see the TMRS website for meeting announcements.

Statewide Proportionate Retirement Systems

- TMRS
- Teacher Retirement System of Texas
- Employees Retirement System of Texas
- Judicial Retirement System of Texas (Plan 1 or 2)
- Texas County & District Retirement System
- City of Austin Employees Retirement System

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