

Doing Retirement Right

Amy Bishop
TCDRS Executive Director



TCDRS By the Numbers



Nearly
870
participating
employers



Nearly
380,000
members & retirees



94%
funded



\$46B
in assets

As of Dec. 31, 2023

Set Up for Success

- Created in 1967 by the Texas Legislature
- Managed independently by a nine-member board of trustees
- Operating costs average 0.18% of assets
- Receive no funding from the State of Texas



Unique Features That Make TCDRS Financially Strong



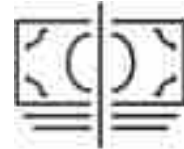
Savings-Based Benefits



Members save for their own retirement, automatically.



Savings grow at an annual, compounded rate of 7% interest, set by statute.



Final account balance matched at retirement. Converted to a lifetime benefit.

System-Wide Average Retiree Profile



Age

61



Years of Service

18



Annual Benefit ¹

\$27,816



As of Dec. 31, 2023

¹Includes cost-of-living adjustments adopted by employers.



TCDRS Benefits Texas



- In 2023, paid out **\$2.3 billion** in benefits
- **96%** paid to Texas residents
- Benefit payments supported **\$3.3 billion** in additional economic activity



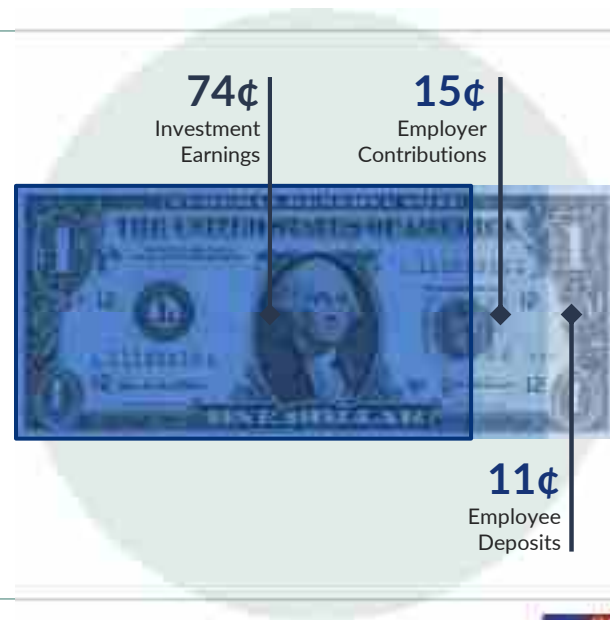
Responsibly Funding Benefits



Doing Retirement Right



Investment Income Funds Benefits



TCDRS' Investment Strategy Maximize Returns



Diversified Portfolio Reduces Risk

Target Asset Allocation



Investment Returns

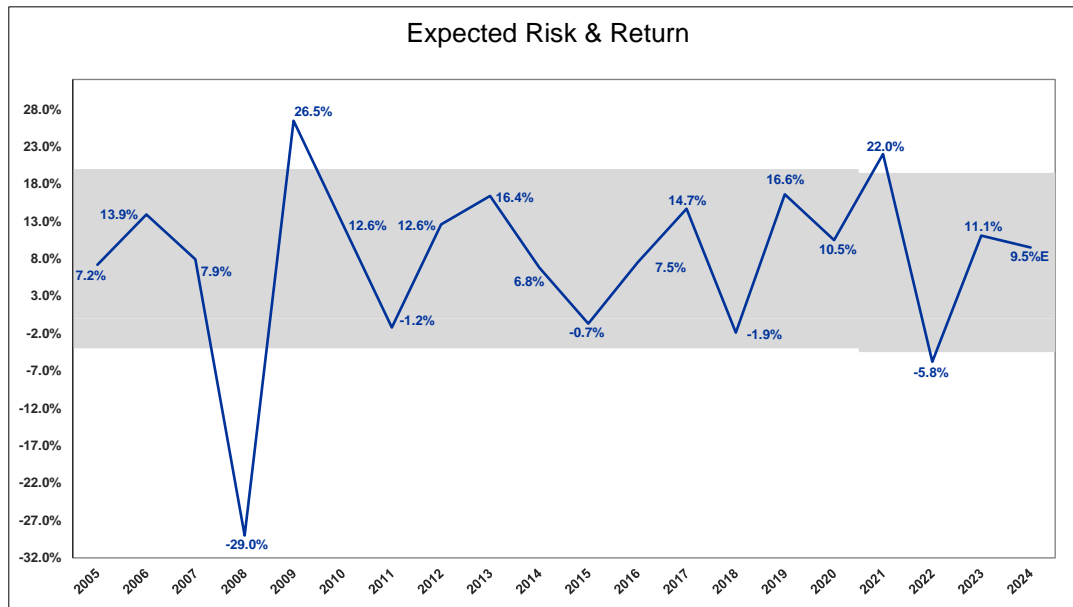
(Net of All Fees)

As of Dec. 31, 2023

Annualized Returns	5 Year	10 Year	20 Year	30 Year
Total Fund	10.5%	7.8%	7.3%	7.6%
Benchmark	9.2%	6.6%	6.5%	6.5%

Investment Returns 2005–2024

(Net of All Fees)



Responsible Plan Funding



- Employers' contributions are **calculated annually**
- **Must pay 100%** of required contributions
- 2024 weighted-average required employer contribution rate was 12.46%. Unweighted average was 9.81%
- Board has a conservative funding policy.





Flexibility and Local Control

- Employers **choose benefit levels** based on their local needs and budgets
- Employers may increase or reduce benefits annually by adjusting:
 - Employee deposit rate; and/or
 - Employer matching



Other Tools to Stabilize Rates



- TCDRS maintains a **reserves fund** that may be used to offset adverse experience.
- Employers have options to **make additional contributions**:
 - Over one-third of employers pay an elected rate and/or make additional contributions



Stay Informed Stay Involved

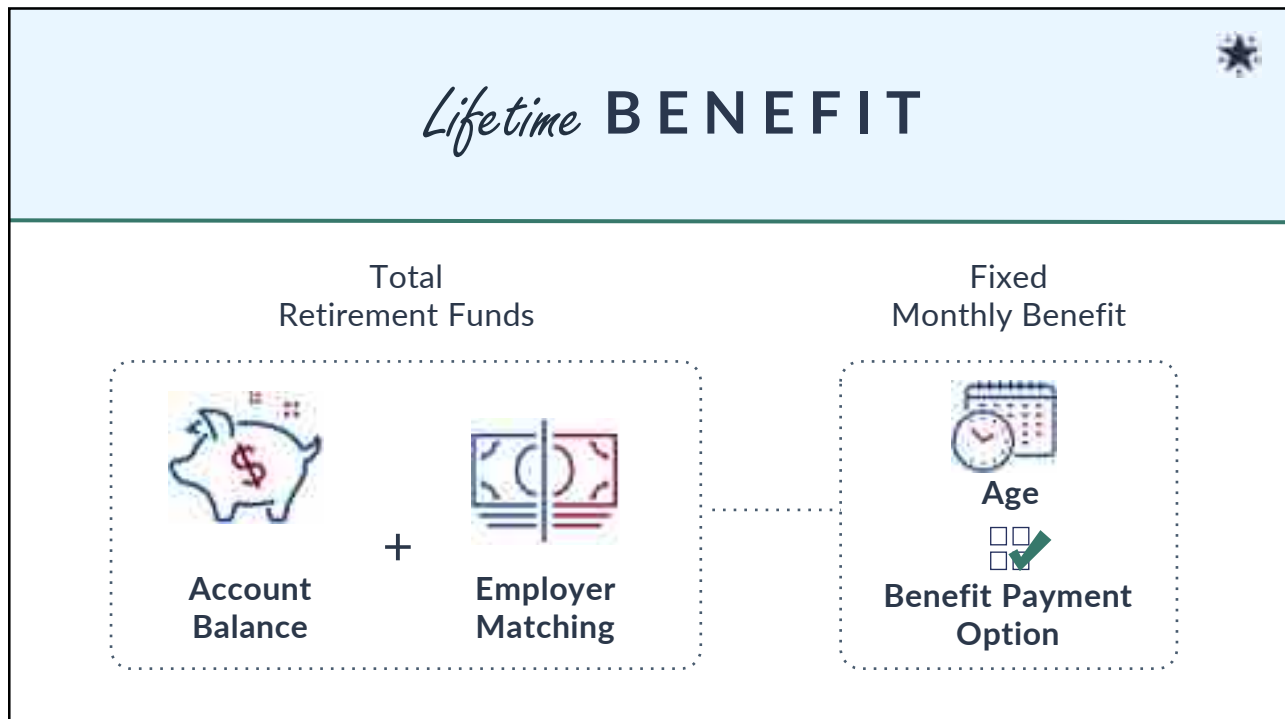
- Get to know your Employer Services Representative
- Keep an eye out for TCDRS-hosted educational events
- Join us in Austin, Texas for the **2025 TCDRS Annual Conference** for employers **July 17 – 18, 2025.**



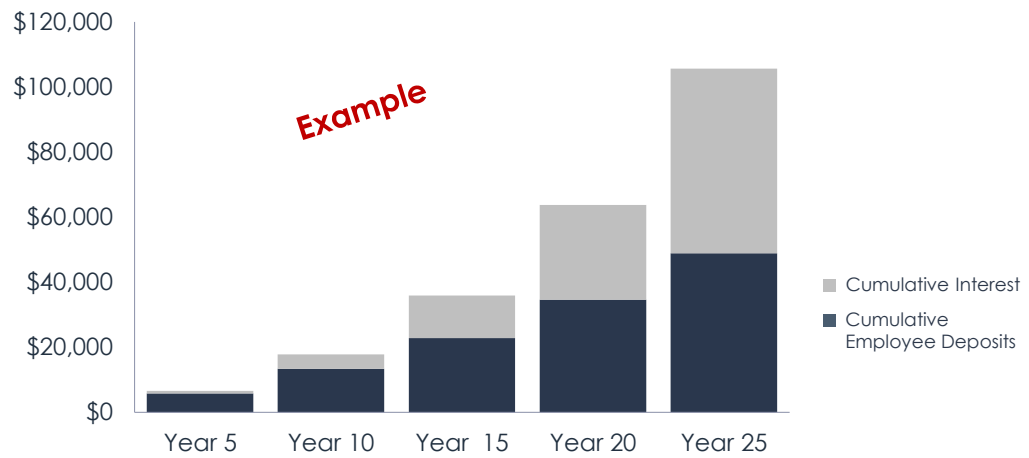
Destination RETIREMENT


Steve Reitz
TCDRS Member Services
Field Representative





Compound INTEREST PAYS OFF





Naming a
BENEFICIARY

You can name:

- One or multiple beneficiaries, as well as alternates
- Minor children, along with a custodian
- Your estate
- Charity or other organization

If no beneficiary, TCDRS will pay benefit to spouse (if married) or estate.

Update your beneficiaries at [TCDRS.org](https://www.tcdrs.org)!



How to Get SERVICE TIME



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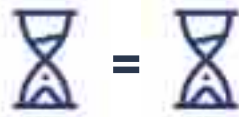
One TCDRS deposit

One month of
TCDRS service time

OTHER WAYS *to* EARN SERVICE TIME



MULTIPLE
TCDRS ACCOUNTS



PROPORTIONATE
RETIREMENT PROGRAM

ERS, JRS, TRS, TMRS, COA



MILITARY SERVICE
TIME OR USERRA



Your MILESTONES

SURVIVOR BENEFIT

Earned after **4 years** of TCDRS service

Beneficiaries have one of two options:



Lifetime Monthly
Benefit
(Employer Matching Included)



Withdrawal of
Account Balance
(No Employer Matching)



VESTING

Vested after **5, 8 or 10 years** of service.

This means you've earned the right to a lifetime benefit when you're eligible and choose to retire.

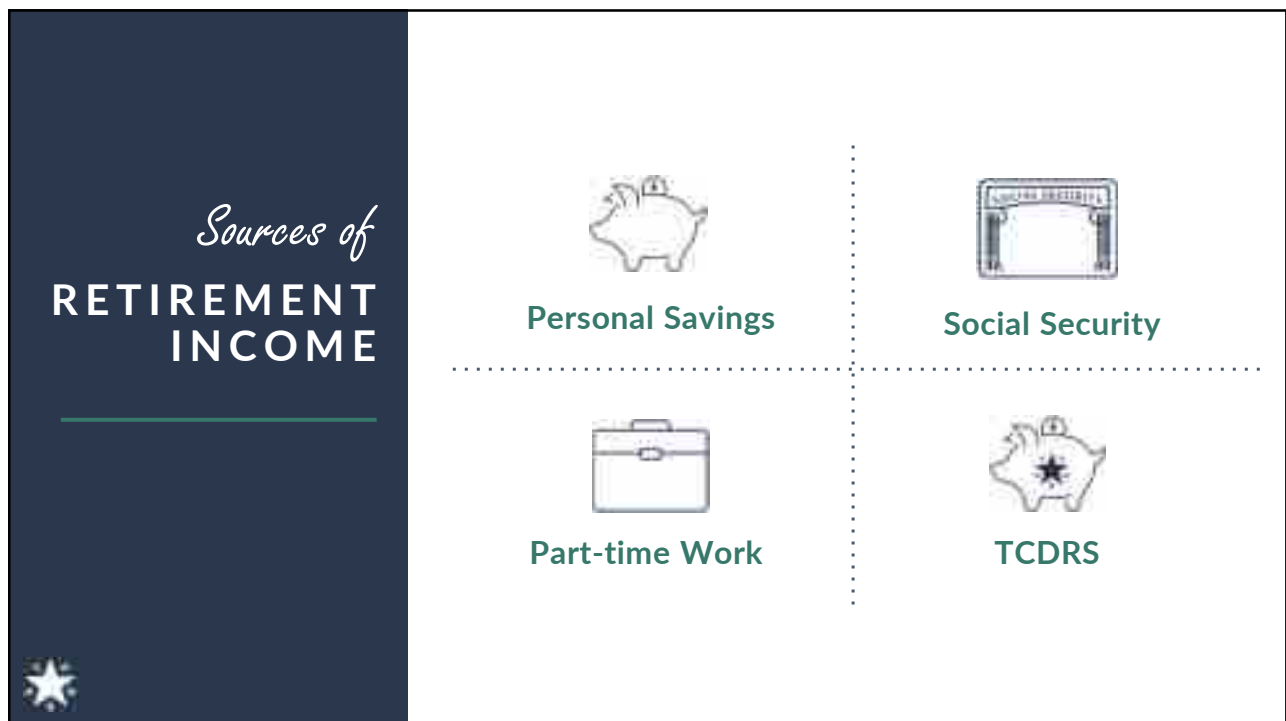
RETIREMENT ELIGIBILITY

Age		Service
Age 60	<i>and</i>	5, 8, 10 years
Age	<i>plus</i>	Years of service = 75 or 80*
Any age	<i>and</i>	20 or 30 years

** Employee must be vested*



<i>Leaving</i> EMPLOYMENT 		
		
Keep money with TCDRS	Rollover	Withdraw
<ul style="list-style-type: none"> + 7% interest + Lifetime benefit possible 	<ul style="list-style-type: none"> – Forfeit Lifetime Benefit & Employer Matching + Avoid paying taxes 	<ul style="list-style-type: none"> – Forfeit Lifetime Benefit & Employer Matching – Pay significant taxes



Benefit Payment **OPTIONS**




7 options

**All provide a
lifetime benefit**

**Difference reflects
possible payments
to beneficiary**

**Consider your financial
needs as well as your
loved ones**

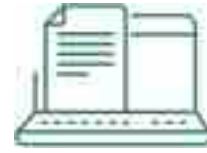


Resources at Your Fingertips

- Benefit Payment Estimator**
See all seven benefit payment options together on one screen for easy comparison, and it's mobile friendly!
- 1:1 Online Counseling**
Schedule a free, 30-minute session with one of our Member Services Representatives to get personalized estimates and review your benefit payment options.
- Online Library**
Visit [TCDRS.org/library](https://www.tcdrs.org/library) and browse our selection of pre-retirement digital brochures, videos and articles to help you retire with confidence!

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HOW TO SUBMIT YOUR *Retirement Application*



Apply for retirement online
www.TCDRS.org



Call TCDRS Member Services
800-823-7782

Return TO WORK

There must be:

- No prior agreement to be rehired
- **AND** a one-calendar-month break in service.

Non-compliance results in
suspension of benefits plus repayment of
TCDRS money.



Connect with us!

VISIT US TCDRS.ORG

CALL US 800-823-7782

FOLLOW US



Any
QUESTIONS?

