READY. SET. RETIRE.

For CPO/CO Employees

ERS supports the state work force by offering competitive benefits at a reasonable cost.

ERS
Employees Retirement System of Texas

Ready, Set, Retire!

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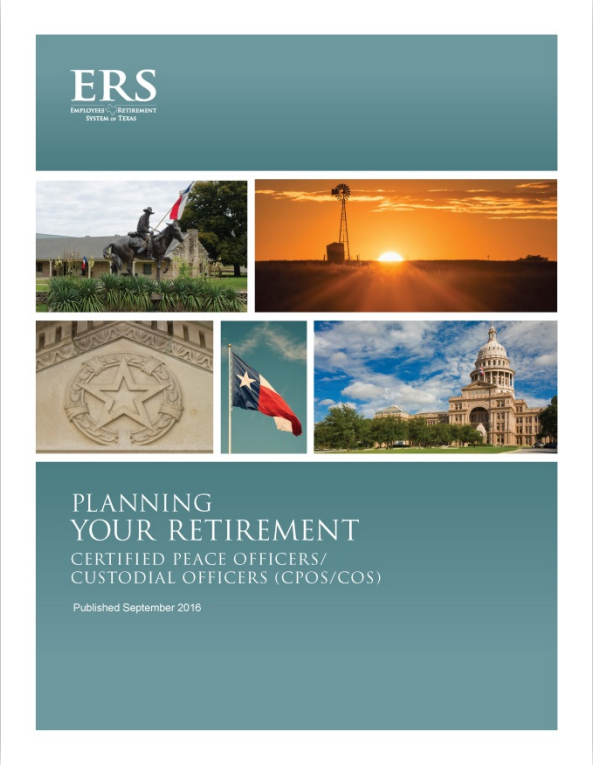
- Law Enforcement & Custodial Officer Supplemental Retirement Fund (LECOSRF)
- Your Income at Retirement
- Eligibility
- Service Credit
- Estimating Your ERS Annuity
- Three Steps to Retirement
- Retiree Benefits
- Adjusting to Life at Retirement
- Resources

This presentation applies to employees hired before September 1, 2009.

LECOS Retirement Fund

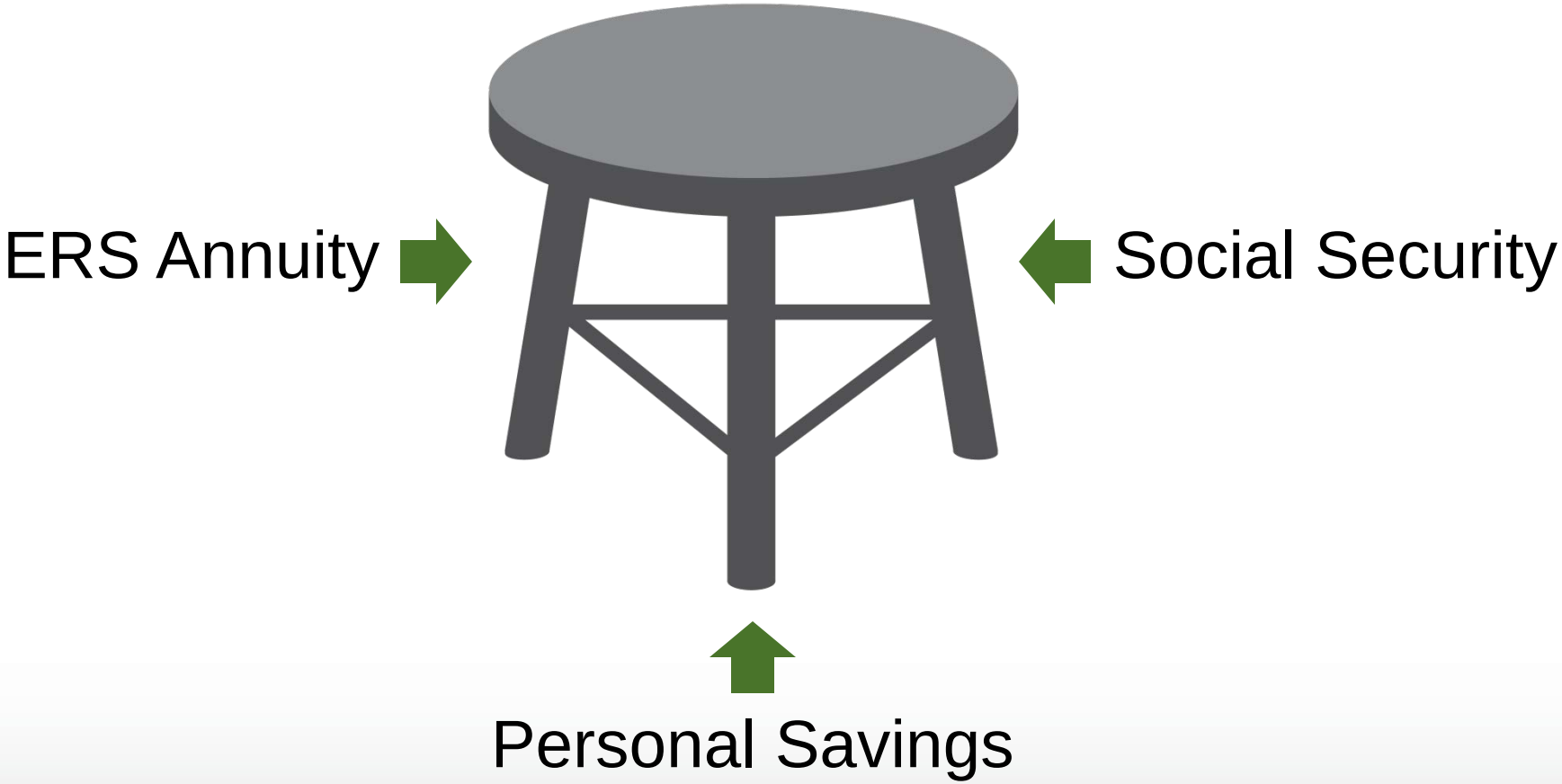
- Created to reward CPO/COs with 20 or more years of hazardous duty service
- CPO/COs contribute an extra 0.5%.
- You may be able to retire at a younger age.



YOUR INCOME AT RETIREMENT

Photo courtesy of the Texas Department of Criminal Justice

Three-legged Stool



ERS Annuity

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Lifetime payment

Average monthly annuity $1,940

60% of your salary

No cost of living adjustments (COLA)

Personal Savings

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- Texa$aver 401(k) or 457
- Individual retirement account (IRA)
- Retirement accounts from previous employers
- Personal savings account

TEXA$AVER℠
401(k) / 457 Program

Social Security

- Doesn’t reduce your ERS annuity
- Draw SSA benefit early (reduced amount) or wait to draw maximum SSA payment
- Eligibility based on the year you were born

For more info, call Social Security
(800) 772-1213

ELIGIBILITY

Retirement Groups

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GROUPS

1. Hired before September 1, 2009
2. Hired on September 1, 2009 through August 31, 2013
3. Hired on or after September 1, 2013

20 Years of CPO Service at Age 50 or Older

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Minimum age 50 + Minimum of 20 years of CPO/CO service = LECOSRF Retirement Eligibility

Retiring with 20 years of more of CPO/CO service means a 2.8% service multiplier will be used to calculate your annuity.

20 Years of CPO Service Before Age 50

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Annuity calculated with 2.8% multiplier

Permanent reduction in annuity

Ineligible for Partial Lump Sum Option

10 Years At Age 55

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10 YEARS Minimum of 10 years CPO/CO service

55+

Eligible to retire at age 55 or older

2.3%

Annuity calculate with 2.3% multiplier

LECOSRF contributions refunded to you

Leaving CPO/CO Employment Before Retiring

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Avoid reduction in annuity by waiting until age 50 to retire

No GBP benefits until retirement

No credit for unused sick and annual leave

Retiring with Insurance

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Contributing members

- No waiting period for health and optional benefits

Non-contributing members

- 60-day health coverage waiting period
- Optional benefits begin the day after the retirement date

SERVICE CREDIT

Earned Service Credit

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- Monthly service credit
- Group 1 - unused sick and annual leave
- Teacher Retirement System (TRS)
- Proportionate Retirement Program (PRP)
- Optional Retirement Program (ORP)

See page 11 – 13 of the PYR for details on earned service credit.

Purchased Service Credit

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- Withdrawn ERS service
- Military service
- Waiting period
- Additional service credit

Cost can be requested online!

See details on page 14 – 15 of the PYR booklet

You have payment options.

ERS ANNUITY

Calculating Your Annuity

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$3,000 Final average salary
(average of highest 36 months)

x .70 Percentage value of service credit
(25 years x 2.8%)

$2,100 Gross standard annuity

This calculation applies to members hired before September 1, 2009.

Standard Annuity Option

- Highest monthly lifetime payment
- No monthly survivor payment
- Remaining balance of your contributions is paid to your beneficiary
- You can have one or more beneficiaries

Survivor Options 1, 2 and 5

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- Reduced annuity
- Choose one beneficiary
- Option 1 and 5 - possible reduction for non-spouse
- Your payment changes to standard annuity if your beneficiary dies before you

BENEFICIARY RECEIVES:

Option 1	Option 2	Option 5
100%	50%	75%

Survivor Options 3 and 4

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- Reduced annuity
- Pays beneficiary only if you die in the first 5 or 10 years
- You can designate multiple beneficiaries

BENEFICIARY RECEIVES:

Option 3	Option 4
remainder of 60 monthly payments	remainder of 120 monthly payments

Partial Lump-Sum Option (PLSO)

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- One to 36 months of your standard annuity payment
- A one-time payment
- Annuity permanently reduced
- 20% tax and possible 10% penalty
- Roll over Texa$aver 401 (k) 457 Program
- Ineligible for PLSO if you retire before age 50

Deductions

- Federal income tax
- Health insurance premiums
- Tobacco User premium if applicable
- Optional coverage premiums
- No Social Security or Medicare (FICA) taxes deducted

Three Steps to Retirement

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1. **Step one** – create a retirement estimate
2. **Step two** – call ERS to request your retirement
3. **Step three** – return your retirement documents on time

Tell your agency you're retiring. ERS doesn't disclose this information.

BENEFITS AT RETIREMENT

Retiree Insurance Premium

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The state pays 100% of your health insurance premium if you had at least five years of service with an agency that participates with the GBP on or before September 1, 2014.

If not, the state contribution is based on your years of service with an agency that participates in the GBP:

100%	75%	50%
with 20 or more years	with 15 up to 20 years	with 10 up to 15 years

Coverage Options

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30-day window to elect or make changes to:

- Health + $2,500 Basic Term Life
- Dental
- Vision
- Optional Term Life – Elections 1 and 2
- $10,000 Fixed Optional Life
- Dependent Term Life - $2,500
- TexFlex – COBRA

Texa$aver 401 (k) / 457 Program participation only

Medicare and Your State Health Insurance

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HealthSelect of Texas
Medicare Advantage Plan

- Sign up for Part A and Part B when you're first eligible once you're retired
- HealthSelect Medicare Advantage and HealthSelect Medicare Rx
- Medicare Preparation seminars offered by ERS

Adjusting to life after retirement

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Retirement – many possibilities

- Wellness programs
- Volunteering
- Learn something new
- Explore, travel, visit
- Return to work

Discount Purchase Program

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Treat Yourself to Cool Deals

DISCOUNT Purchase Program
administered by BENEPLACE

Ready to Save?

- Shop online for discounted prices.
- No membership fee.
- Just shop and save!

www.DiscountProgramERS.com

Resources

Visit www.ers.texas.gov to access:

- your account
- events calendar
- publications or

Call (877) 275-4377

Monday – Friday
7:30 a.m. – 5:30 p.m. CT

Recap

- Three-legged stool
- Eligibility rules
- Service Credit
- Your Annuity Check
- Three Steps to Retirement
- Benefits at Retirement
- Adjusting to Life After Retirement
- Resources

Q
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