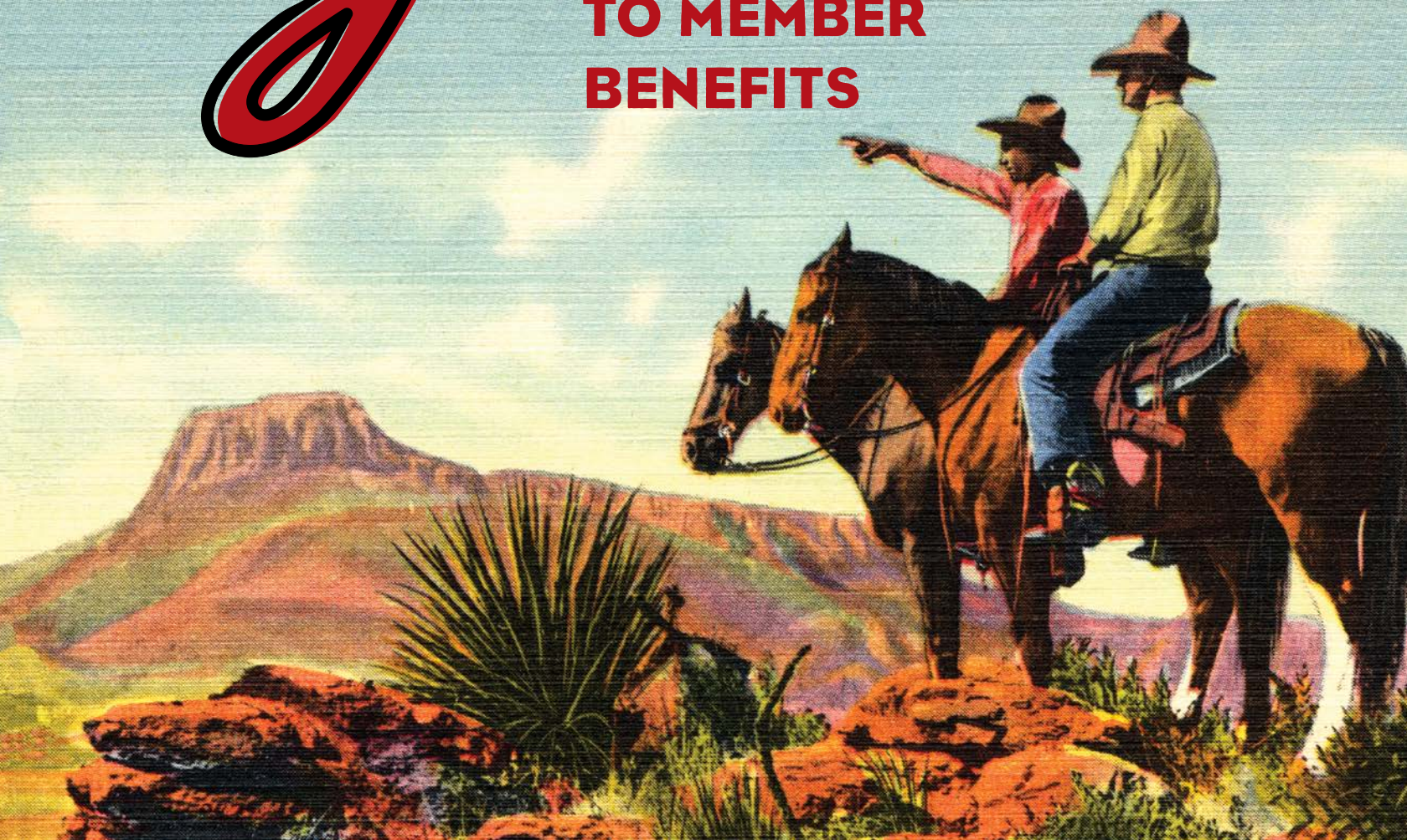


TCDRS

Guide

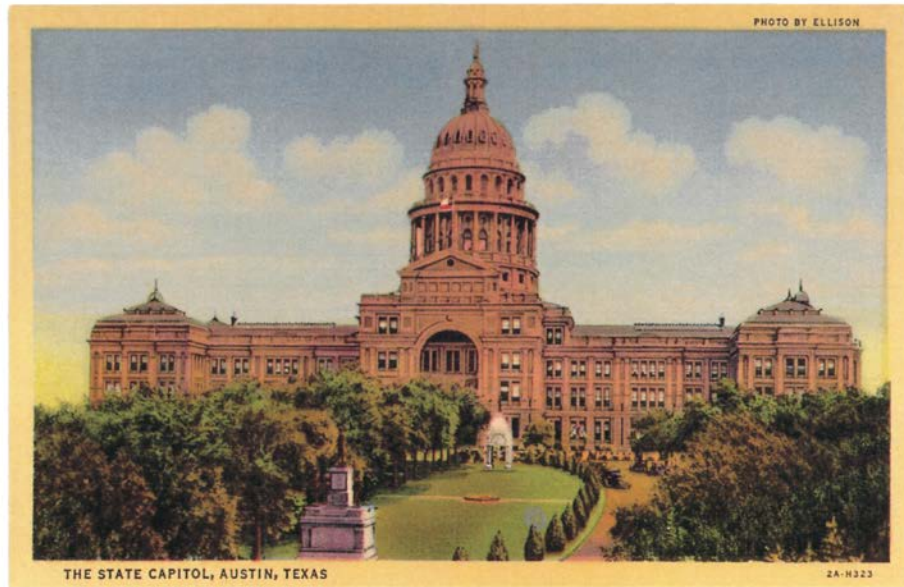
**TO MEMBER
BENEFITS**





Welcome to the Texas County & District Retirement System (TCDRS for short). This guide, used with your enclosed Personal Plan Summary, will help you learn more about your TCDRS benefit. We want to make sure you understand who we are and how your retirement plan works. Your Personal Plan Summary (located in the back pocket of this guide) shows you the specific features of your employer's TCDRS plan. If you have any questions, please call TCDRS Member Services at 800-823-7782. We'll be happy to help you. 🇺🇸

NOTE: Because the laws and regulations that govern your benefits are subject to legislative changes, this guide can only represent what was current at the time of publication. Current laws will always be followed and take precedence over the material in this guide. For clarification of anything summarized in this guide, please contact TCDRS.



In 1879 the Texas Legislature set aside 3 million acres of land to pay contractors for a new Capitol building. That payment became the XIT Ranch in the Texas Panhandle, one of the most historically significant and largest ranches anywhere. The State Capitol building itself covers a more modest 8.5 acres of floor space.

WHO WE ARE AND HOW THE PLAN WORKS

In 1967 the Texas Legislature created TCDRS to provide the state’s county and district employees with retirement, disability and survivor benefits. From modest beginnings, we’ve grown into a multibillion-dollar plan that includes more than 655 participating counties and districts, providing benefits to more than 247,000 Texans. TCDRS is nationally recognized for integrity, consistent investment performance and outstanding customer service. We are governed by a board of trustees comprised of nine system members or retirees appointed by the governor.

Each county and district in TCDRS has its own individual retirement plan. Your employer decides the level of benefits. The money that funds your plan comes from employee deposits, employer contributions and

earnings from investments. Your participation in the retirement plan is mandatory unless you are a temporary employee. Your employer can answer questions about your participation.

Changes to Benefits Your employer chooses your benefits. Every year your employer reviews your retirement plan and makes changes, if needed. It decides:

- ★ What percentage of your paycheck goes into your account
- ★ How much your employer will match when you retire
- ★ What you must do to be eligible for retirement

Your Deposits Every time you get a paycheck, a certain percentage of your money goes into your TCDRS account. Your employer decides how much. Your money earns interest at a rate of 7%. (That rate can only be changed by the Texas Legislature.)

The money you deposit into your account is not taxed until you withdraw it or choose a retirement benefit. (If your employer participates in Social Security, the money you deposit in TCDRS is subject to Social Security withholding.)

How Your Money Grows Your account earns an annual interest credit of 7%. TCDRS credits this interest to your account each


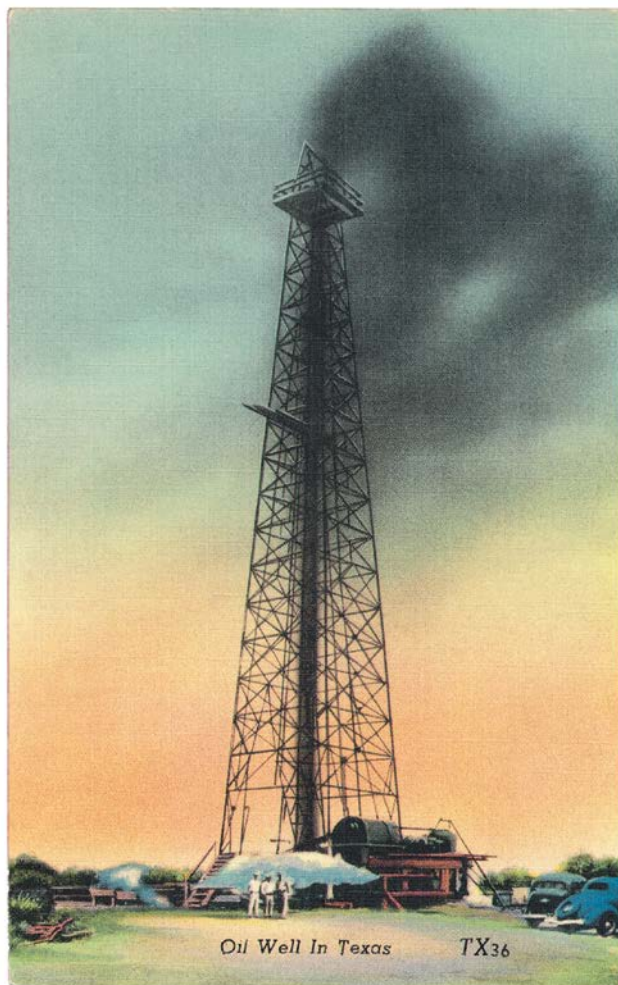
December 31, based on your account balance as of January 1. (See Chart 1.) Over time, the value of your account can increase a great deal because of compounding — that is, paying interest on interest. (See Chart 2 on page 5.) Every year you’ll get a statement from TCDRS that shows all your deposits for the year as well as how much interest you received. You can also view your current balance online at www.tcdrs.org. 

Chart 1: How Your Account Earns Interest

YEAR	BEGINNING BALANCE	DEPOSITS	7% INTEREST ON DEC. 31	ENDING BALANCE
Year 1	\$0.00	\$2,000.00	\$0.00	\$2,000.00
Year 2	\$2,000.00	\$2,000.00	\$140.00	\$4,140.00
Year 3	\$4,140.00	\$2,000.00	\$289.80	\$6,429.80



Oil. For some it's as synonymous with Texas as cowboy boots or the Dallas Cowboys. Texas entered the oil era when the Spindletop well near Beaumont blew on January 10, 1901. At that point the petroleum industry began to make its big impression on the Texas economy.

One of the great things about your retirement plan is that the ups and downs of the investment market don’t affect your account. Whether the market does well or does poorly, your account still gets the 7% compound interest credit.

TCDRS pools the money from both employee and employer accounts and invests it to help your employer fund your retirement plan. Learn more about TCDRS investments at www.tcdrs.org.

Chart 2: Simple Interest vs. Compound Interest

Simple Interest: You earn interest only on your principal.

YEAR	BEGINNING BALANCE	INTEREST (7% OF \$1,000)	ENDING BALANCE
1	\$1,000.00	\$0.00	\$1,000.00
2	\$1,000.00	\$70.00	\$1,070.00
3	\$1,070.00	\$70.00	\$1,140.00
4	\$1,140.00	\$70.00	\$1,210.00
5	\$1,210.00	\$70.00	\$1,280.00
6	\$1,280.00	\$70.00	\$1,350.00
7	\$1,350.00	\$70.00	\$1,420.00
8	\$1,420.00	\$70.00	\$1,490.00
9	\$1,490.00	\$70.00	\$1,560.00
10	\$1,560.00	\$70.00	\$1,630.00

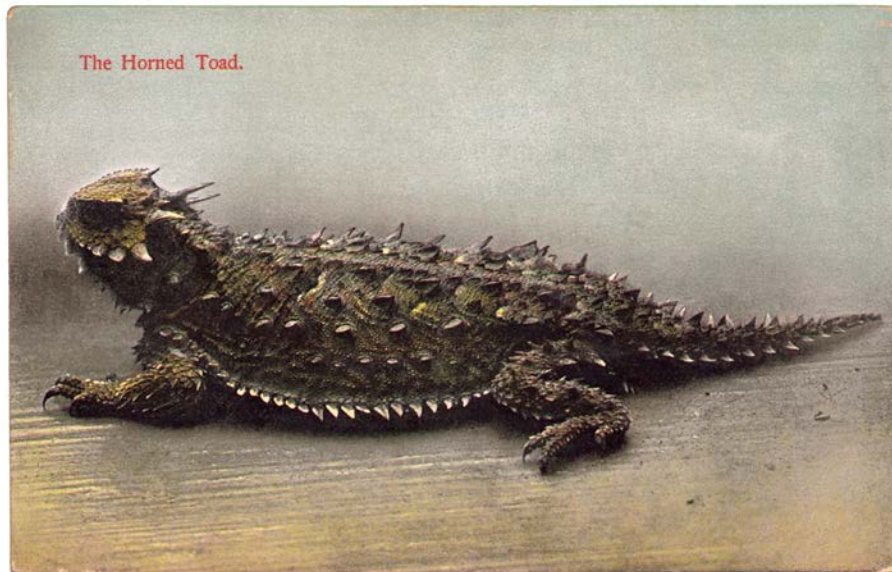
Compound Interest: You earn interest on interest (principal and past interest)

YEAR	BEGINNING BALANCE	INTEREST (7% OF BEGINNING BALANCE)	ENDING BALANCE
1	\$1,000.00	\$0.00	\$1,000.00
2	\$1,000.00	\$70.00	\$1,070.00
3	\$1,070.00	\$74.90	\$1,144.90
4	\$1,144.90	\$80.14	\$1,225.04
5	\$1,225.04	\$85.75	\$1,310.80
6	\$1,310.80	\$91.76	\$1,402.55
7	\$1,402.55	\$98.18	\$1,500.73
8	\$1,500.73	\$105.05	\$1,605.78
9	\$1,605.78	\$112.40	\$1,718.19
10	\$1,718.19	\$120.27	\$1,838.46

Note: Compound interest is how your money earns interest with TCDRS. The above chart illustrates the difference between simple interest and compound interest for a sample account. Annual interest is applied to your TCDRS account based on its beginning-of-year balance. The first year, your beginning balance is zero.

A Few Rules

- ★ Your employer decides how much will be withheld from your paycheck and deposited into your TCDRS account. Beyond that, you may not make additional deposits into your account.
- ★ You cannot withdraw money from your account while you are still working for your current employer. (See the “If You Leave Your Job” section on page 11.)
- ★ You may not borrow money or get loans from your account. 🇹🇼




Commonly referred to as the “horny toad”, the Texas horned lizard was named the State Reptile by the Legislature in 1993. Although the species has been listed as threatened in recent years, many Texans remember playing with horny toads as youngsters. To protect themselves from kids and other predators, horned lizards puff up to appear bigger, or shoot blood out of their eyes.

SELECTING A BENEFICIARY

You should always have a beneficiary on file with TCDRS. That way any benefits you may have earned will be paid to the person you choose. If you pass away while you have an account and before you retire, we will pay your money (deposits and interest) to a beneficiary as a one-time payment or as a monthly benefit with employer matching dollars. Whether or not your beneficiary is eligible to choose a monthly benefit depends on how much service time you earned. (See “Survivor Benefits” on page 13 for more information.)

Without a valid beneficiary on file, we will use the rules set out by state law to decide who receives your money. This can potentially result in the loss or delay of benefits for your loved ones, and even possible legal disputes and expenses for your survivors. Check your beneficiary designations every year or after a life-changing event such as marriage, divorce, birth of a child or a death in the family.


Your beneficiaries are listed on your annual statement, which can be viewed at any time when you sign in to www.tcdrs.org. Once signed in, you can also update your beneficiaries. For more information on selecting a beneficiary see our *Naming a Beneficiary* brochure. If you need more information, please visit www.tcdrs.org or contact a TCDRS Member Services Representative at 800-823-7782. 

SERVICE TIME AND WHAT IT MEANS TO YOU

The amount of service time you earn is very important. How much service time you have determines if you are vested, if you are eligible for retirement and if your beneficiary will get a survivor benefit. There are two basic types of service time: current service time and prior service time. Although more service time can make you eligible for a benefit sooner, it may not increase the amount of the benefit you will receive.

Current Service Time You generally earn one month of current service time for each month you make a deposit. You may earn a month of service time for a partial month of service, so long as a deposit is made for you for that month. You will only earn one month of current service time for each month worked, no matter how many paychecks you get each month.

Prior Service Time This is service time you get for the time you worked for your organization before it joined TCDRS. If you have questions about prior service time, call TCDRS Member Services.

You can view your months of service time when you sign in to your account at www.tcdrs.org. 



You can ride an elevator to the top of the San Jacinto Monument, which, at 570 feet, is the world's tallest monument tower. Built in the late 1930s, the monument and surrounding state historical park mark the site where, on April 21, 1836, General Sam Houston's army took just 18 minutes to defeat Santa Anna's troops, and decisively claimed Texas' independence from Mexico.

OTHER WAYS TO GET SERVICE TIME

With TCDRS you have many ways to increase your service time. One of the following options may apply to you.

Proportionate Retirement Program Have you ever worked for the state, a school district or a city? Then you may be able to use service time from that organization's retirement system for TCDRS benefits — and vice versa. The Proportionate Retirement Program lets you use service time from any of the systems listed below to qualify for retirement benefits (but not disability or survivor benefits). Those systems are:


- ★ Texas Municipal Retirement System (TMRS)
- ★ Employees Retirement System of Texas (ERS)
- ★ Judicial Retirement System of Texas (JRS)
- ★ Teacher Retirement System of Texas (TRS)
- ★ City of Austin Employees Retirement System (COAERS)

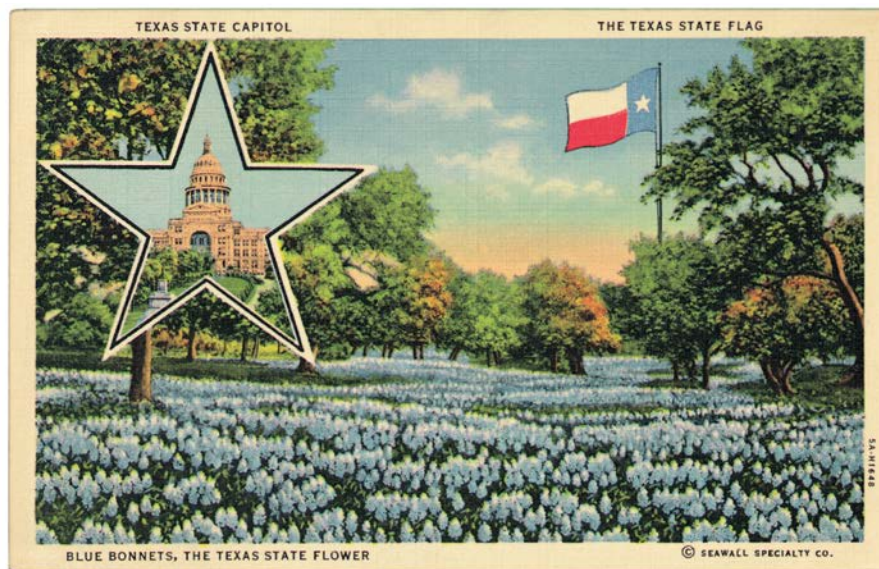
For more information, please see our *Proportionate Retirement Program* brochure.

Service Earned in Other TCDRS Plans If you've worked for more than one employer that participates in TCDRS, then you may be able to use that service time to qualify for benefits. For more information, see our *Managing Multiple TCDRS Accounts* brochure.

Military Service Time You may be able to get service time for your service in the U.S. Armed Forces before you became a TCDRS member. Once you meet your employer's vesting requirements you may be eligible to count up to 60 months (or five years) of your military service time toward retirement eligibility. For more information on whether you qualify for this free addition to your service time, see our *Military Service Time* brochure.

Military Service Interrupting Employment (USERRA) You can get current service time for any time you have to leave your employer to perform military duty. After you return you must apply for re-employment within 90 days. For more information on your rights under USERRA, please see our *USERRA and Your Military Service* brochure.

For additional information on these and other TCDRS programs, please visit www.tcdrs.org or contact TCDRS Member Services at 800-823-7782. 



*Every spring, parents head to the Texas countryside with their children and cameras, scout the prettiest patch of bluebonnets and set their kids, in their Sunday best, down in the middle of a field filled with *Lupinus Texensis*. When you embark on this rite of spring, take note of another one of Texas' roadside residents — the fire ant.*

IF YOU LEAVE YOUR JOB

You don't have to withdraw your TCDRS account just because you're leaving your job. In fact, there are good reasons to leave your account open:

- ★ Your account continues to grow at 7% compound interest.
- ★ Once you're eligible to retire, you can choose to receive a lifetime monthly benefit.
- ★ If you've completed four years of service, you remain eligible for a Survivor Benefit.

You have three options when leaving your TCDRS-covered employer.

Option 1: Keep your money in TCDRS

To keep your money in your account, all you have to do is keep your account information up to date with us. We need your current address and your current beneficiary information.

Option 2: Roll over your account

You can avoid paying taxes or penalties by rolling your money over into another tax-deferred retirement account. These accounts include traditional IRAs or your new employer's retirement plan (if it allows rollovers). However, you

lose employer matching with any rollover and you forfeit your lifetime benefit.

Option 3: Withdraw your account

If you choose to withdraw your money, you may want to check with a tax professional or the IRS first. Your withdrawal will be subject to a minimum 20% withholding for taxes, you may face a 10% withdrawal penalty at tax time and your withdrawal could significantly affect your income taxes. Plus, you'll lose employer matching with any withdrawal.

Learn more about your options To learn more about your options when changing jobs please see our *Leaving Your County or District Job* brochure. For additional information, please go to www.tcdrs.org, or call TCDRS Member Services at 800-823-7782. 🇺🇸

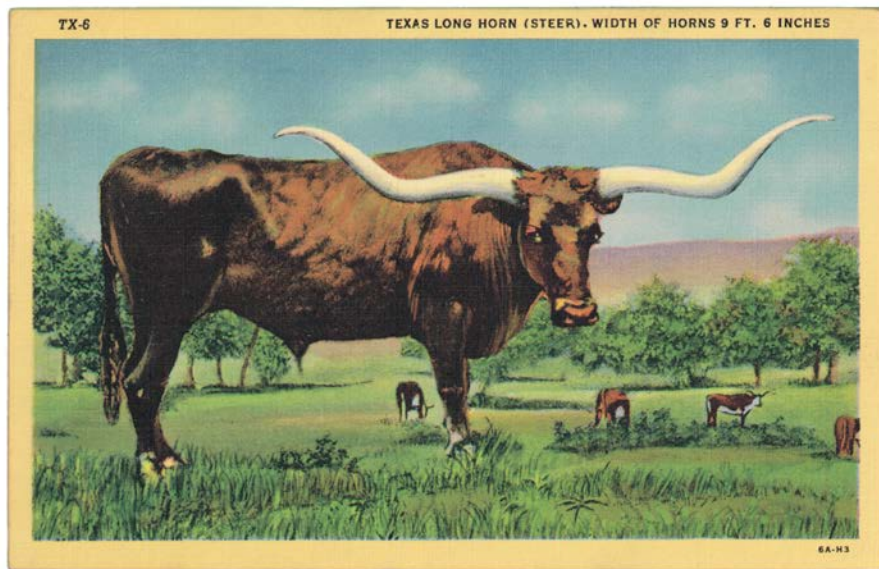
RETIREMENT: WHEN YOU ARE ELIGIBLE FOR BENEFITS

Your road to retirement will lead you to what you've been working for all this time. Whether you plan on seeing the Grand Canyon or look forward to tending your garden, retirement is when all your saving and planning start to pay off.

Two factors determine if you are eligible to retire: your age and the number of years and months of service time you have earned. Your employer chooses the retirement eligibility requirements for your plan. See your enclosed Personal Plan Summary in the pocket at the back of this guide for the specifics of your employer's TCDRS plan.

Once you have met one of your employer's eligibility requirements, you are eligible to retire; you do not have to meet all the requirements. When you sign in to www.tcdrs.org you can see exactly where you are on the road to retirement, including when you are eligible to retire.

Vesting You are vested when you have enough service time to retire once you reach a certain age. Your employer decides the amount of service time and the retirement age for your plan. Once you are vested, you may leave your job and still keep your right to future retirement benefits. Your personal account will continue to earn interest each year as long as it remains open. As soon as you meet the age requirement, you can retire whenever you wish. 🇺🇸



Five million Texas longhorns roamed the Texas range at the close of the Civil War. In 1865 cattle drivers drove 260,000 head of cattle up the Shawnee Trail toward Kansas and Missouri, many of them longhorns, favored for their long legs, hard hoofs and uncanny ability to gain weight while being driven to market.

RETIREMENT: WHAT YOU GET

Once you are eligible for retirement, you can apply for a monthly benefit that you will receive for the rest of your life. This is a fixed monthly benefit, which means you will get the same amount every month for the rest of your life.

How much you get each month depends on how much money is in your account and your employer's matching rate. (See your Personal Plan Summary for your employer's matching rate.)

TCDRS also has many benefit options for you to choose from. Some provide monthly payments for you and then your beneficiary over your lifetimes. Others guarantee a payment for a certain period. Benefits that provide for your dependents after your death pay less monthly than a benefit that just pays you for your lifetime.

Amount of Retirement Benefit Every year TCDRS gives you an estimate of your future monthly benefit. This estimate is included on your annual statement. You can also run additional estimates using different benefit options when you sign in to www.tcdrs.org or call TCDRS Member Services.

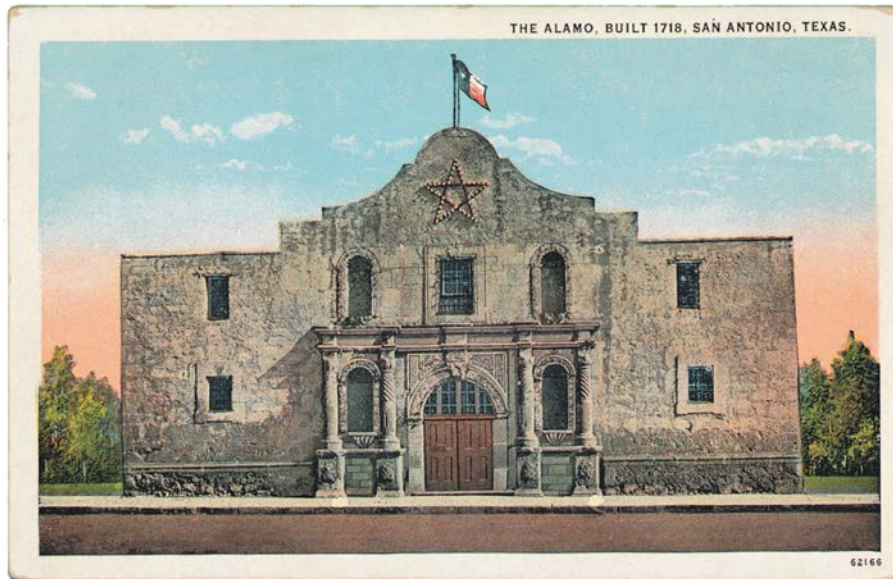
Applying for Retirement If you are interested in retiring, please contact TCDRS and ask for a retirement packet. You should begin your planning well in advance of your actual retirement date. We suggest you get a retirement packet at least a few months before you plan to retire. There's no such thing as being too prepared when it comes to retirement planning.

Survivor Benefits Your beneficiary(ies) will be eligible for the Survivor Benefit if you pass away before you retire and if you have earned at least four years of service time.

If you qualify for the Survivor Benefit at the time of your death, then your beneficiary could choose to receive a monthly benefit from your account. Any benefit payment would include your employer's matching dollars.

If you are not eligible for this benefit, we will pay your account balance, including deposits and interest, to your beneficiary(ies). (See also "Selecting a Beneficiary" on page 7.)

Disability Benefits If you become disabled, you may be eligible for a disability retirement benefit depending on how much service time you have earned. This option allows you to take a monthly benefit with employer matching dollars before you reach retirement age. (See your Personal Plan Summary for your employer's requirements.) If you do not have enough service time, you may still apply for a disability retirement benefit if the disability is job related. For more information on this benefit, visit www.tcdrs.org or call TCDRS Member Services. 📍



Who could forget the Alamo? Texas school children have been drilled with its history for decades, and Hollywood has attempted to bring the story to the big screen on several occasions. But to truly appreciate what happened there in 1836, and how it still affects Texans today, you have to make the pilgrimage to San Antonio and see it for yourself.

RESOURCES

TCDRS.org When you register online you can easily manage your account information, update your beneficiaries, run estimates, set your communications preferences and watch your money grow. Simply go to www.tcdrs.org and click “Register Now”. It takes only a few minutes to follow the steps to create your user ID and password.

Horizons *Horizons* is our member newsletter, and it comes out three times a year. In it you’ll find helpful information on planning for retirement as well as the latest news about your benefit. Current and back issues of *Horizons* are available at www.tcdrs.org.

Brochures You can get brochures on various topics at www.tcdrs.org or by calling TCDRS Member Services.

Forms Forms to apply for benefits or to change your account information are available at www.tcdrs.org or by calling TCDRS Member Services.

Annual Statement of Deposits You should receive your annual statement each spring. Your statement will include your account balance, your earliest retirement date and estimates of your retirement benefits. Your annual statement is always available when you sign in to your account at www.tcdrs.org.

Social Media Follow us on Facebook, YouTube and Twitter. 

Again, welcome to TCDRS. If you need any more information about your retirement benefits, please don’t hesitate to get in touch with us. We want to help make your journey to retirement as easy as possible. We’re always happy to answer any questions you may have. See you down the road . . .



Agriculture contributes more than \$100 billion annually to the state's economy. Texas farmers produce dozens of different crops, from apples to zucchinis, taking advantage of the fertile soils and long growing seasons the state offers.

CONTACT US

TCDRS is always here for you, whether you have a general question about how the plan works or want specific information about your benefit.

Toll free..... 800-823-7782
Austin area(512) 328-8889
Fax(512) 328-8887
Emailmemberservices@tcdrs.org

Our Member Services Representatives can assist you from 7:30 a.m. to 6 p.m., CST, Monday through Friday, excluding holidays. Spanish-speaking representatives are available.

To access our website, visit www.tcdrs.org.
You can also follow us on Facebook, YouTube and Twitter.



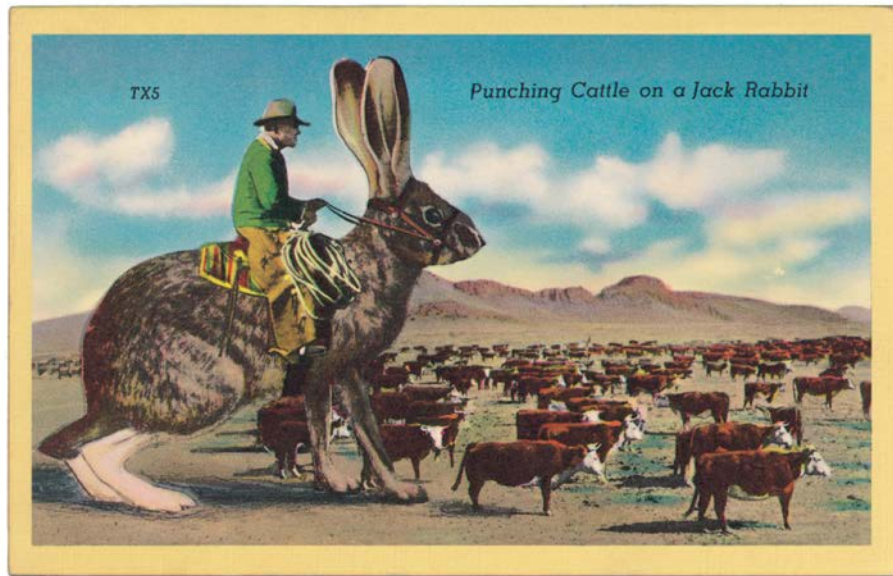
Mail and Deliveries

All regular mail should be sent to:

TCDRS
P.O. Box 2034
Austin, TX 78768-2034

Materials delivered via overnight or second-day services (UPS, FedEx, etc.) should be addressed to:

TCDRS
Barton Oaks Plaza IV
901 S. MoPac Expwy., Ste. 500
Austin, TX 78746-5789




The black-tailed jackrabbit is quite at home in the hot deserts and prairies of Texas. This critter gets its water from moisture-retaining plants like cactus, and can run up to 50 miles an hour and leap as high as 5 feet when being pursued by a hungry coyote. That jackrabbits were actually used by cowboys to round up cattle, however, may be just another Texas tall tale.

YOUR RIGHTS AS A TCDRS MEMBER

Service Time, Enrollment and Deposits Talk to your employer about any issues you may have about your enrollment or your deposits.

Requesting a Hearing If you make a benefits claim and disagree with TCDRS' action or ruling on it, you can ask for an administrative hearing. Make your hearing request in writing to the TCDRS director. The State Office of Administrative Hearings will conduct the hearing in Austin. We suggest you talk to an attorney before you request a hearing. We also suggest you have professional representation at the hearing.

Confidentiality We will only release your personal information to people who are authorized to request it. State law does not require us to tell you if we release information from your records to authorized individuals in allowable cases. TCDRS is not responsible for any personal information it releases to authorized parties. 





P.O. Box 2034
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