



READY. SET. RETIRE.

For CPO/CO Employees

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

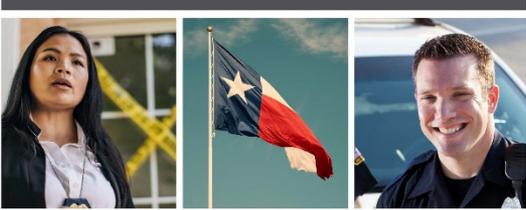
ERS[®]
EMPLOYEES  RETIREMENT
SYSTEM OF TEXAS

Ready, Set, Retire!

- 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
- Resources

LECOS Retirement Fund

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



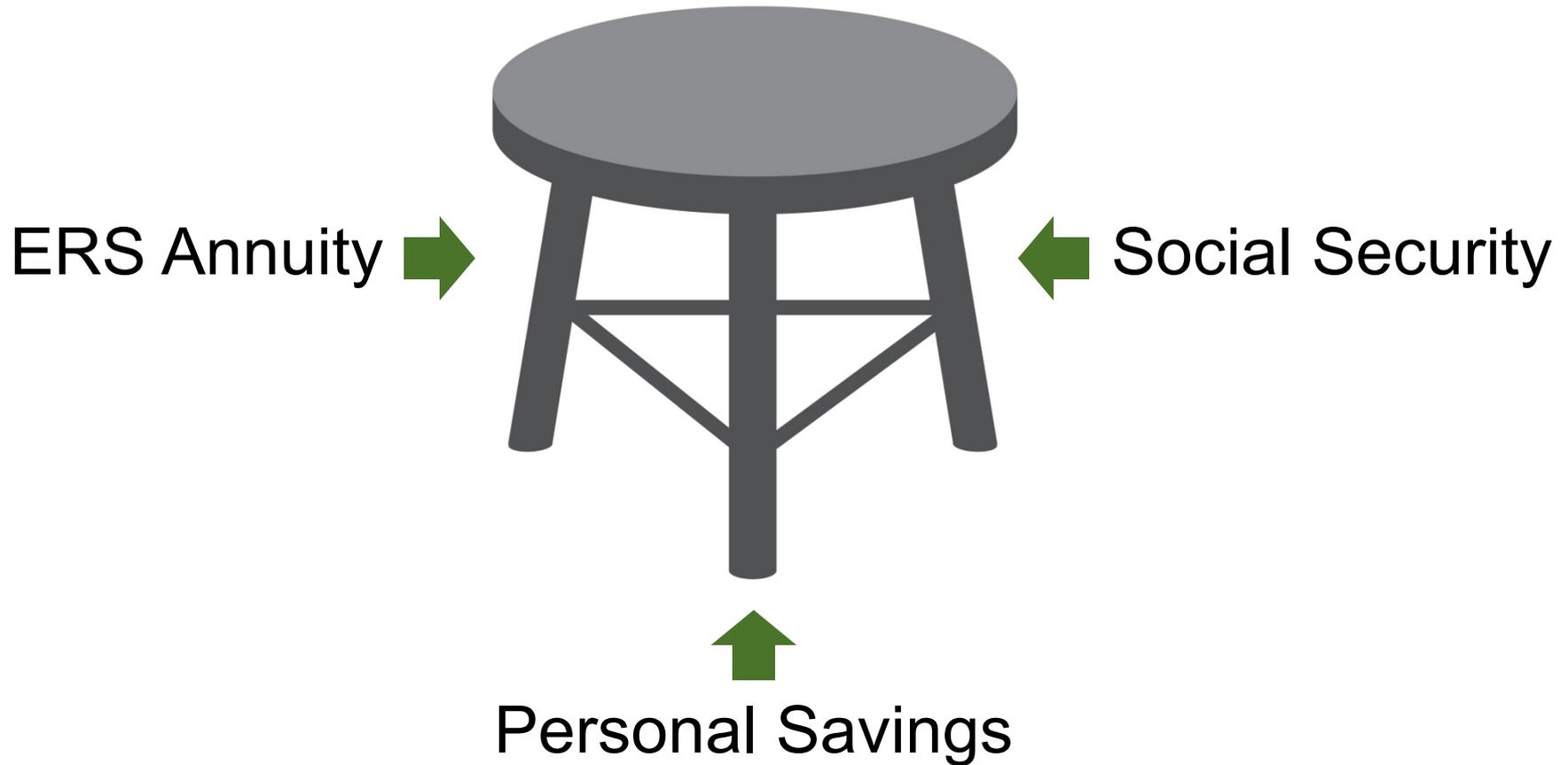
Planning Your Retirement
Certified Peace Officers/Custodial Officers (CPOs/COs)
Groups 1, 2 and 3 (employees starting before Sept. 1, 2022)

ERS[®]
EMPLOYEES' RETIREMENT
SYSTEM OF TEXAS

YOUR INCOME AT RETIREMENT



Three-legged Stool



ERS Annuity



Lifetime
payment



Average
monthly annuity
\$1,940



No regular
cost-of-living
adjustments
(COLAs)

Personal Savings

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

TEXA\$AVERSM
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

GROUP 1

Hired before September 1, 2009

GROUP 2

Hired September 1, 2009 through
August 31, 2013

GROUP 3

Hired September 1, 2013 through
August 31, 2022

GROUP 4

Hired September 1, 2022 or after

Fewer than 20 years of CPO service



	Group 1	Group 2	Group 3
	Hired before Sept. 1, 2009	Hired Sept. 1, 2009 through Aug. 31, 2013	Hired Sept. 1, 2013 through Aug. 31, 2022
Service Multiplier	2.3% (LECOS contributions refunded to you)		
Minimum age with no GBP benefits	Age 60 with at least 5 years of service credit	Not applicable	
Minimum age with GBP benefits	Age 55 with at least 10 years of service credit		
Permanent annuity reduction	No reduction	5% for every year under age 60 (25% cap)	5% for every year under age 62 (no cap)
<u>Less than 20 years</u> of CPO/CO Service Credit-Does not qualify for the LECOS higher multiplier (2.8%)			

*Health and other insurance benefits for employees and retirees are subject to change based on available state funding. The Texas Legislature determines the level of funding for such benefits and has no continuing obligation to provide those benefits beyond each fiscal year.

20 or more years of CPO Service



	Group 1	Group 2	Group 3
	Hired before Sept. 1, 2009	Hired Sept. 1, 2009 through Aug. 31, 2013	Hired Sept. 1, 2013 through Aug. 31, 2022
Service Multiplier	2.8%		
Minimum retirement age with GBP benefits	Any age with 20 or more years of service		
Permanent annuity reduction	Actuarial factor if retire before age 50 (unless Rule of 80 is met)	5% for every year under age 55 (25% cap)	5% for every year under age 57 (no cap)

20 or more years of CPO/CO service credit- Qualifies for the LECOS higher multiplier

*Health and other insurance benefits for employees and retirees are subject to change based on available state funding. The Texas Legislature determines the level of funding for such benefits and has no continuing obligation to provide those benefits beyond each fiscal year.

Leaving CPO/CO Employment Before Retiring

- Avoid reduction in annuity by waiting until retirement age
- No GBP benefits until retirement
- No credit for unused sick and annual leave
- 60-day waiting period for health insurance

SERVICE CREDIT



Earned Service Credit

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

See pages 6-9 of the PYR booklet for details on earned service credit.

Purchased Service Credit

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

You have payment options.



See details on pages 8-9 of the PYR booklet.

ERS ANNUITY



Calculating Your Annuity: **GROUP 1**

\$3,000

*Highest average salary
(average of highest 36 months)*

X .70

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

\$2,100

Gross standard annuity



Calculating Your Annuity: **GROUP 2**

Without a reduction:

- **Highest Average Salary:**
\$4,000 (highest 48 months)
- **Percentage value of service credit:**
70% (25 years x 2.8%)
- **Standard Annuity:**
\$2,800

With a reduction:

- **Highest Average Salary:**
\$4,000 (highest 48 months)
- **Percentage value of service credit:** 70% (25 years x 2.8%)
- **Standard Annuity:** \$2,800
- **Age reduction:** 75%
(Age 50 = 25% reduction)
- **Reduced Annuity:**
\$2,100



Calculating Your Annuity: **GROUP 3**

Without a reduction:

- **Highest Average Salary:**
\$5,000 (highest 60 months)
- **Percentage value of service credit:**
70% (25 years x 2.8%)
- **Standard Annuity:**
\$3,500

With a reduction:

- **Highest Average Salary:**
\$5,000 (highest 60 months)
- **Percentage value of service credit:** 70% (25 years x 2.8%)
- **Standard Annuity:** \$3,500
- **Age reduction:** 70%
(Age 51 = 30% reduction)
- **Reduced Annuity:**
\$2,450



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

- 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
100%

Option 2
50%

Option 5
75%

Survivor Options 3 and 4

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

Beneficiary receives:

Option 3

remainder of
60 monthly payments

Option 4

remainder of
120 monthly payments

Partial Lump-Sum Option (PLSO)

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



Three Steps to Retirement

- ① Create a retirement estimate.
- ② Call ERS to request your retirement.
- ③ Return your retirement documents on time.

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

.....

BENEFITS AT RETIREMENT

.....



Retiring with Insurance

Contributing members

- No waiting period for health and optional benefits

Non-contributing members

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

Retiree Insurance Premiums

Currently, if you're eligible for retiree health insurance, the state pays at least part of your premium. How much the state pays depends on:

- When you started working
- How long you worked
- If you retired from full- or part-time employment

State Premium Contributions for Retirees from Full-time Employment

100% 5 or more years of GBP participation on Sept. 1, 2014
or
20 years of eligible service credit

75% 15 years to 19 years 11 months of eligible service credit

50% 10 years to 14 years 11 months of eligible service credit

Coverage Options

Active Benefits	Retiree benefits
Health + \$5,000 basic term life + prescription benefits	Health + \$2,500 basic term life + prescription benefits
Dental	
Vision	
Optional Term Life: Elections 1 – 4	Optional Term Life: Elections 1-2; \$10,000 Fixed Optional Life
Dependent Term Life - \$5,000	Dependent Term Life - \$2,500
TexFlex – HCRA, DCRA, LFSA	TexFlex - COBRA
Disability benefits (short-term and long-term)	N/A
Accidental Death and Dismemberment (AD&D)	

30-day window to elect or make changes to any benefit that you cannot take into retirement.

Medicare and Your State Health Insurance

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

HealthSelectSM
Medicare Advantage Plan

HealthSelectTM of Texas
Medicare 

Discount Purchase Program

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!

<https://ers.savings.beneplace.com/>

Resources

Visit **www.ers.texas.gov** to access:
your account | events calendar
publications | subscriptions

or

Call (877) 275-4377

Monday – Friday | 8 a.m. – 5 p.m. CT





THANK YOU!