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Risk & Insurance | Employee Benefits | Retirement & Private Wealth

Retirement Planning Strategies for Educators

Presented by HUB Investment Partners



TeleWealth Virtual Appointments

FULL NAME HERE

Retirement Plan Specialist

Phone: 512-600-5387

sherry.echart@hubinternational.com

Schedule a Virtual Meeting:

www.tcgservices.com/telewealth



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Investments and Financial Planning



**“I retire on Friday and I haven’t saved a dime.
Here’s your chance to become a legend!”**

CLIENT-CENTERED SOLUTIONS

Retirement Guidance

- Help clients plan for a financially secure retirement through voluntary 457(b) and 403(b) plans.
- Review/compare investment performance and fees.



Estate Planning

- Helping clients plan for the transfer of their wealth and assets to their heirs or beneficiaries.
- Minimizing tax liabilities and ensuring that client wishes are carried out.



Financial Planning

- Work to achieve client financial goals beyond retirement.
- Helping clients build and manage diversified investment portfolios.



Tax Planning

- Consider after-tax benefits of wealth transfer strategies.
- Evaluate tax efficient opportunities involving investments, trusts, credit, and structures.



Financial Education

- Providing comprehensive financial guidance to help clients achieve their long-term financial goals.
- Budgeting, debt management, and savings.



Insurance Planning

- Evaluating clients' insurance needs.
- Provide recommendations for coverage, including life, health, disability, and long-term care insurance



Today's Topic

- 1** TRS Pension Basics

- 2** Understanding the Retirement Income Gap Retirement

- 3** Savings Plans Available to You Investment Basics

- 4** Social Security Provisions How To Get Started



RAMS: A National Cooperative

The Retirement Asset Management Services (RAMS) program is a national cooperative established in 2001 by Education Service Center Region 10 in Dallas, TX

- HUB Investment Partners was selected to manage the RAMS program
- Plan Investments are overseen by an investment advisory committee made up of Executive Directors, Superintendents and Chief Financial Officers—ensuring the interests of government employees remain top priority

RAMS Services

- 457(b) Retirement Plan
- 403(b) Administration
- 401(a) TERRP (Teacher Employee Recruitment & Retention Plan)
- FICA Alternative Plan Administration
- FinPath Financial Wellness



HUB Investment Partners

- Full-service investment advisory firm
- Provides fiduciary protection over plan investments
- Fee-only provider
- Acts as the Investment Advisor for the ESC Region 10 Cooperative to support the Investment Advisory Committee (composed of Superintendents & Chief Financial Officers)
- Registered with the Securities and Exchange Commission (SEC)

Advisory Services

- Plan Education Fiduciary oversight
- Investment plan design
- Investment committee formation and support
- Wealth Management & Family Office Services

TCG Administrators

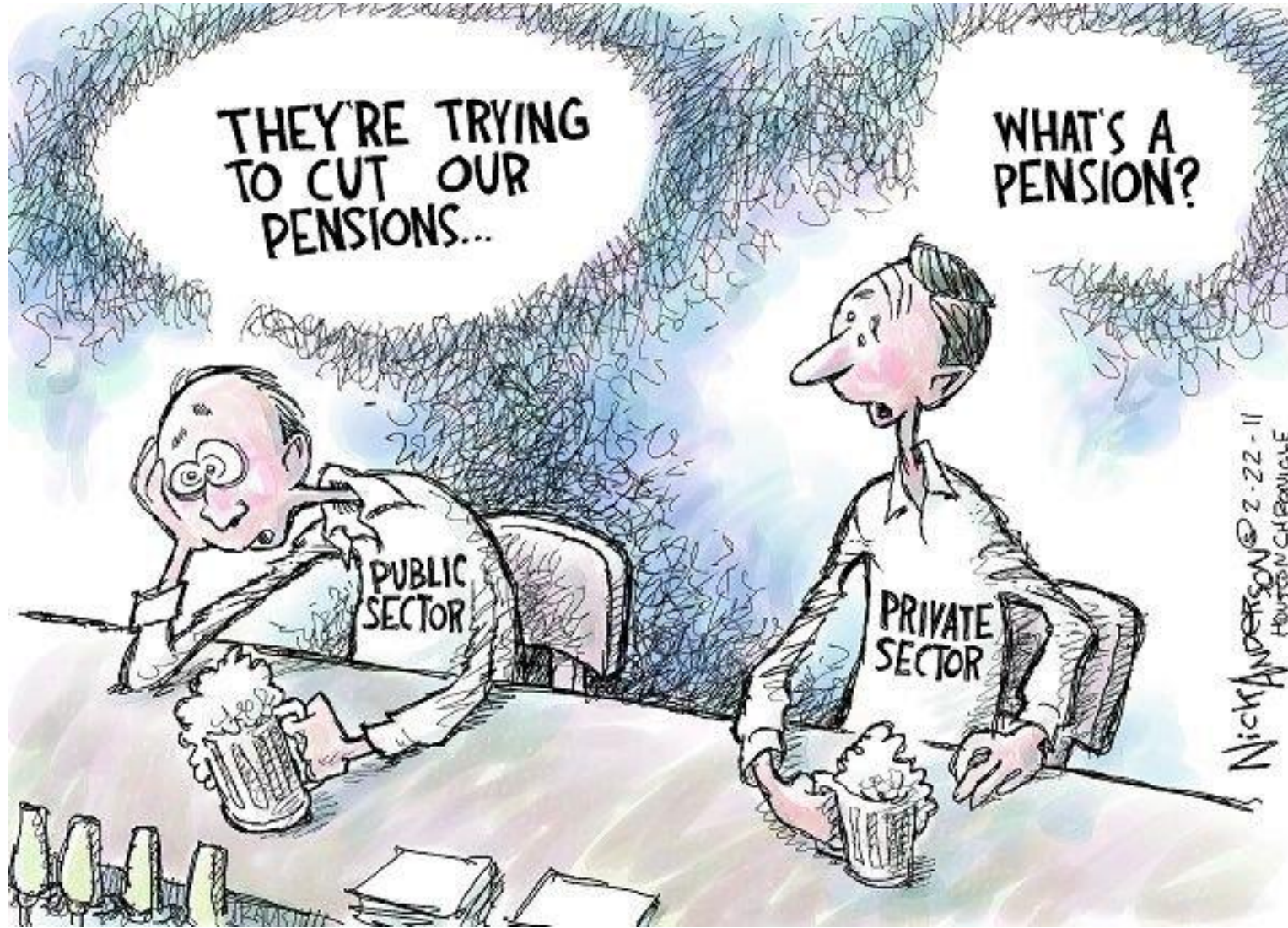
a HUB International company

- Third-Party Administration Services for the Region 10 RAMS program
- One of the nation's largest retirement plan administrators
- Focused on K12/Public Service Employees
- Nationwide presence

Administration Services

- Handles sending salary deferrals to vendor of choice
- Handles salary elections and contributions
- Responsible for processing loans and distributions daily
- Handles all paperwork and compliance for plans

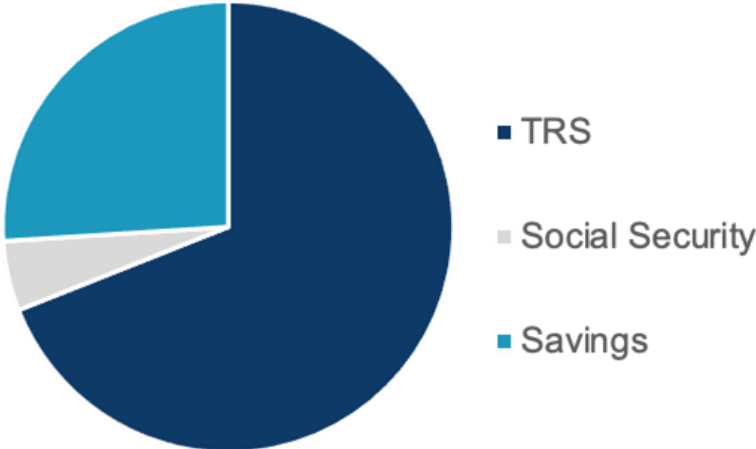
The Retirement Income Gap



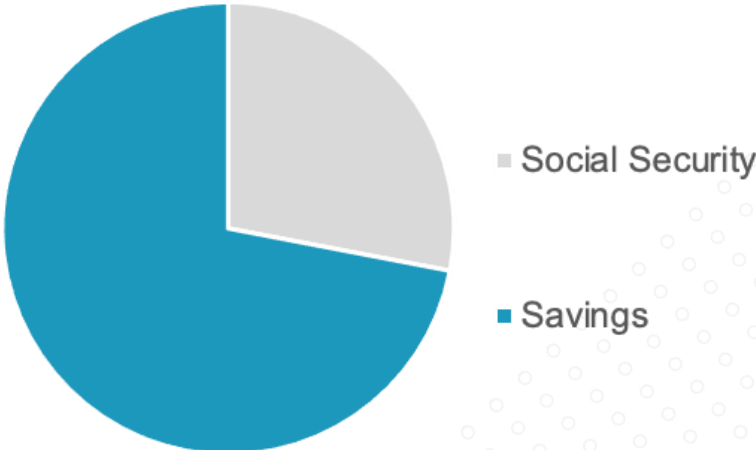
TRS vs. Corporate Retirement

Income in retirement is very different for educators than it is for their spouses and neighbors outside of education.

Educators



Neighbors



Texas Teacher Retirement System

- TRS administers a pension trust fund that has been serving the needs of Texas public education employees for over 80 years.
- You become a TRS member on the first day of eligible employment
- TRS is a Defined Benefit Plan

Additionally, you also contribute 0.65% of your salary and the District contributes 0.75% of your salary towards TRS–Care, the retiree group health benefits program.

Effective	State Contribution Rate	Active Member Contribution Rates
September 1, 2019	7.5%	7.7%
September 1, 2020	7.5%	7.7%
September 1, 2021	7.75%	8.0%
September 1, 2022	8.0%	8.0%
September 1, 2023	8.25%	8.25%
September 1, 2024	8.25%	8.25%

TRS Financial Awareness Series

- TRS has begun an initiative focused on Financial Awareness for educators
- Topics include
 - What you have**
 - Your TRS defined benefit plan
 - What you need**
 - To save more
 - How to get it**
 - By saving smart

WATCH AT: WWW.YOUTUBE.COM/TRSOFTEXAS





TRS Service Credit

The school year begins on September 1 each year for all TRS members. This means that TRS service and compensation credit for all members is determined based on the following dates:

**September 1
Through
August 31**

Regardless of the dates of the individuals contract work agreement, or employers' calendar.

TRS Computation Year



A minimum of 90 days.



**The full fall semester
in the last year before
you retire.**



**TRS compensation is
computed on the same
basis**

Exception for 7/1 12-month
employee in last year of
employment – look back to 7/1 of
previous year

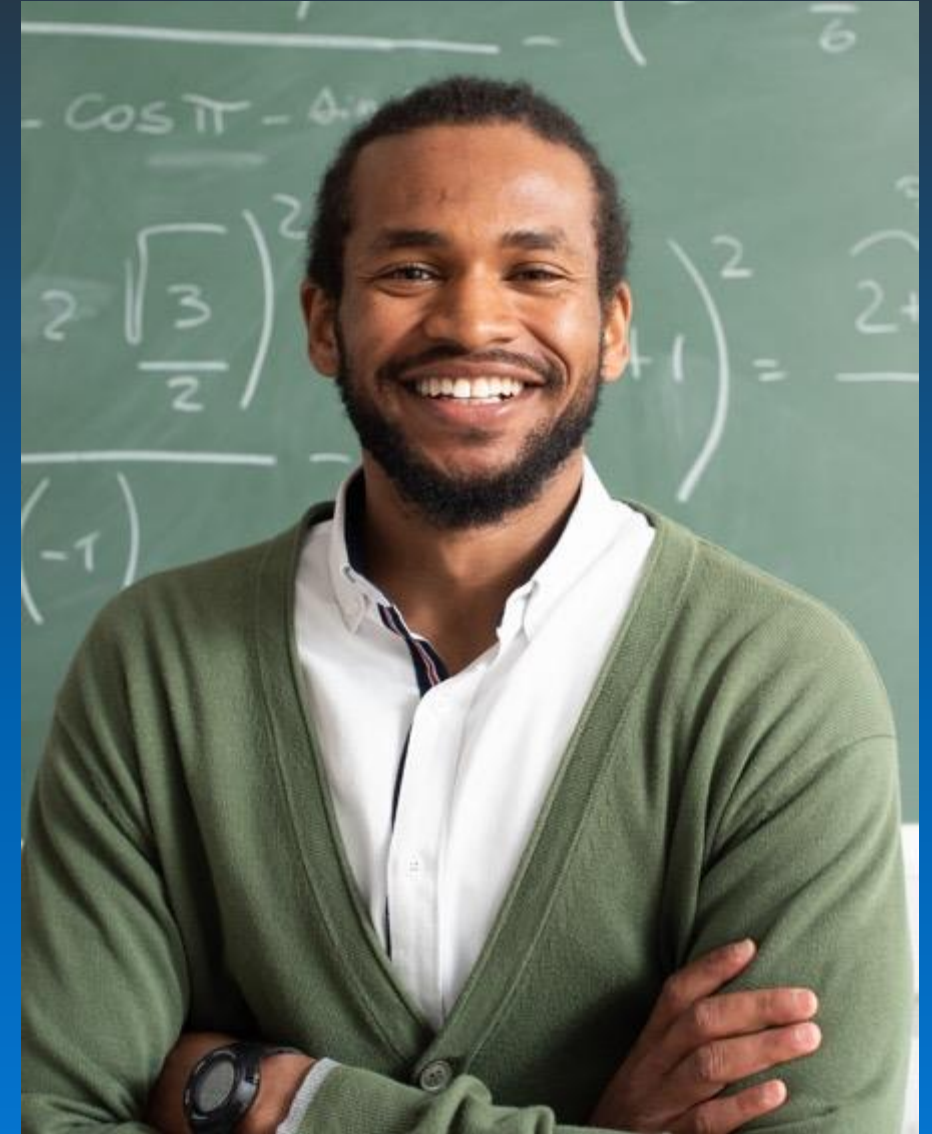
Grandfathered or Non-Grandfathered

Individuals who were members and met one of the following conditions by August 31, 2005 are considered Grandfathered:

- At least age 50
- At least 25 years of service; or
- Met the rule of 70

Grandfathered : 3 years average

Non-Grandfathered : 5 years average

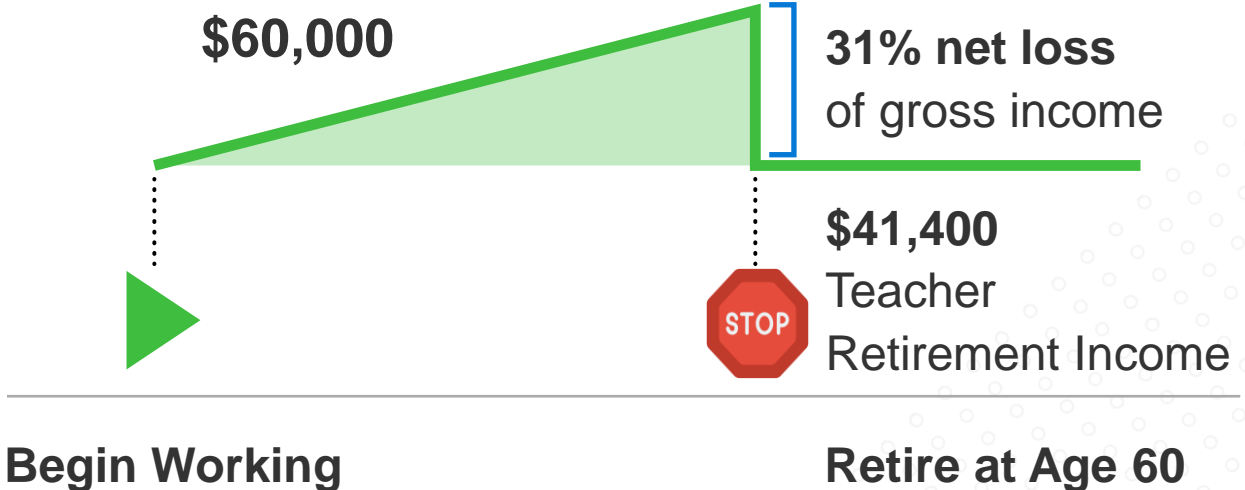


TRS Retirement Formula



Example

Years of Service	30
State Multiplier	69%
Average Income	\$60,000
<hr/>	
Maximum Benefit	\$41,400



Ways to Maximize Your TRS

Increase salary
(easier said than done)

Increase years of service credits

- Work longer
- Purchase service credits

Types of services credits

- Withdrawn, out-of-state, military, unreported or substitute, etc.
- Cost varies depending on type of service
- Contact TRS for cost estimate



What is My Tier?

Changes to the retirement plan over the years have resulted in several distinct membership categories, each with its own retirement eligibility requirements and early-age reductions.

TRS Tier 1 & 2

- Current membership began PRIOR to September 1, 2007, and
- Had at least five years of service on August 31, 2014

Retirement Criteria:

- Rule of 80 and at least 5 years of service, or
- Age 65 with at least 5 years of service

TRS Tier 3 & 4

- Current membership began BETWEEN September 1, 2007 and August 31, 2014
- Had at least five years of service on August 31, 2014

Retirement Criteria:

- At least age 60, meet the Rule of 80, and at least 5 years of service, or
- Age 65 with at least 5 years of service

TRS Tier 5 & 6

- Current membership began On or After September 1, 2014, or
- Did not have at least five years of service on August 31, 2014

Retirement Criteria:

- At least age 62, meet the Rule of 80, and at least 5 years of service, or
- Age 65 with at least 5 years of service

Rule of 80!

- The Rule of 80 is the qualifier, not the percentage
- To be eligible for Normal-Age service retirement, you must meet one of the conditions within your tier
- The same is true for Early-Age Retirement Eligibility

$$\text{Age} + \text{Yrs. Of Service} = 80$$

TRS Vesting

When Can I Retire From TRS?

IF YOU BECOME A TRS MEMBER...	YOU MUST MEET:
BEFORE September 1, 2007 AND had 5 Years of Service before August 31, 2014	Rule of 80 or be age 65 with 5 years of service
AFTER September 1, 2007 AND had 5 Years of Service before August 31, 2014	Minimum age 60 to retire and receive unreduced benefits or be age 65 with 5 years of service
AFTER August 31, 2014 OR you didn't have 5 years by August 31, 2014	Minimum age 62 to retire and receive unreduced benefits or be age 65 with 5 years of service

TRS Annuity Options

Standard Annuity | Maximum benefit for retiree’s life only

OPTION 1	100% JOINT SURVIVOR	Reduced annuity, payable for retiree’s life with continuous payments for beneficiary’s life. If beneficiary pre-deceases, retiree’s annuity is increased to standard annuity amount
OPTION 2	50% JOINT SURVIVOR	Reductions range from 4-8% based on same age beneficiary
OPTION 3	60 MONTH PERIOD CERTAIN	Reduced annuity, payable for retiree’s life with annuity payments guaranteed for a minimum of 60 months. If retiree dies before 60th payment, beneficiary will receive the remaining payments. Typically 1- 2% reduction from Standard Annuity
OPTION 4	120 MONTH PERIOD CERTAIN	Typically 1-4% reduction from Standard Annuity
OPTION 5	75% JOINT SURVIVOR	Reductions range from 6-12% based on same age beneficiary

Early-age Service Retirement

ESTIMATE OF STANDARD ANNUITY

TRS uses the following formula to calculate a normal-age retirement monthly standard annuity.

Years of Service Credit X 2.3% = Total %	$8 \times 2.3\% = 18.4\%$
Total % X Average Salary = Annual Annuity	$18.400\% \times \$54,569 = \$10,040.70$
Annual Annuity / 12 = Monthly Annuity	$\$10,040.70 / 12 = \836.72 per month

Based on your current years of service credit and without rendering any additional service, you are entitled to apply for Early-age service retirement benefits effective 1-/31/2041. You may be eligible for an earlier retirement date; however, TRS does not project service credit on the member statement. Your eligibility for retirement assumes that you do not terminate your membership in TRS by requesting a refund of your account.

This statement is only intended to provide a general idea of what your standard retirement benefit could be. At retirement, in lieu of a standard annuity, you have five options for annuity payments. If you wish to obtain an estimate of what your retirement benefit could be if you choose an optional annuity other than a standard annuity at retirement, an online retirement estimate calculator is available through MyTRS on the TRS website.

Early-age Service Retirement

Will my TRS pension be enough?

There are three pillars used to describe your retirement savings. A secure retirement would depend on two (or in some cases three) of those pillars -- your TRS pension, your personal savings, and social security. However, approximately 96% of public school employees do not pay into the social security system. This increases the importance of your personal savings.

PENSION: TRS RETIREMENT

Your monthly TRS contributions, as well as contributions from the state and your employer, help fund your future TRS retirement.

Upon retirement, you would receive a monthly annuity for life. Your estimated monthly standard annuity amount is \$836.72. There are no automatic increases to your annuity once you have retired.

PERSONAL SAVINGS & OTHER ASSETS

Your personal savings and other assets may supplement your TRS pension at retirement.

Contact your financial planner to discuss personal savings options that may be available to you.

457(b) or 403(b) helps

SOCIAL SECURITY (IF APPLICABLE)

If you are currently contributing or have contributed in the past, you may receive a social security benefit. To determine if you are eligible for social security and estimate potential benefits, contact the Social Security Administration.

Two federal social security provisions could impact your social security benefits — the Government Pension Offset and the Windfall Elimination Provision.

HUB can help explain WEP & GPO

Partial Lump Sum

Possible Reasons to Do

- Poor Health
- Estate and Critical Need for Heirs (e.g., disabled child)
- Other Estate Needs — Guarantees money to heirs instead of reversion to retirement system at death
- No Savings Going into Retirement

Reasons Not to Do

- You will not be able to invest the money and beat the Retirement System
 - Pay Actuarial Cost for funds; Usually have to earn minimum Net 11.00% if try to match State — Can you do this with no risk??
- You have not planned for inflation and budget in retirement so your income runs short later
- You will be tempted (and give in) to spend the money you planned to save

Note Partial Lump Sum (PLSO) Eligibility

- Year Average - Rule of 90
- 3 Year Average - Rule of 80

Other Items

QDROs

- Must be approved by TRS
- Should run by TRS before finalized
- TRS Rule that can change the QDRO
 - Texas Government Code Sec. 804.005
 - Designed to provide retirement income for spouse once member can retire
 - Can significantly reduce growth in member's future TRS benefit increases

Check Your TRS Statement!

- Unreported service credit can only be corrected if pointed out to TRS within 5 years
- Correction of Compensation and/or Service Records
 - No correcting information will be accepted by TRS after the member has retired and received the first annuity check

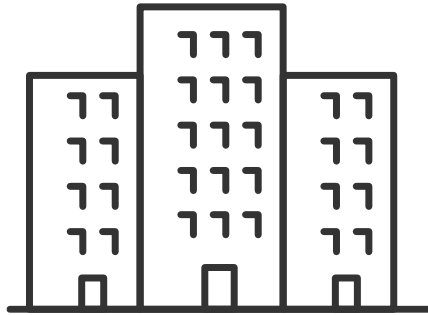
About Roth Savings



Roth is a distinctive retirement program and refers to the tax treatment of employee's contributions, growth, and distributions

- Common perception is that it's an IRA only
 - Can be used for 403(b), 457(b), 401(k)
- Not eligible in all plans, must check specific plan and employer availability
- See your plan description here: www.ramsretirement.com/documents

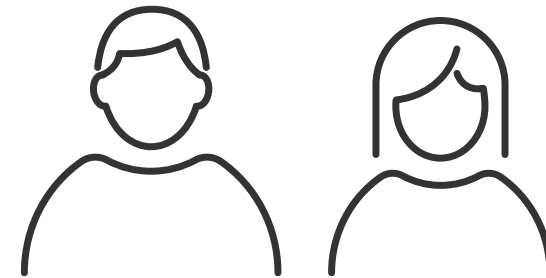
Additional Options for Educator Retirement Savings



EMPLOYER-SPONSORED PLAN TYPES

457(b) Savings Plan

403(b) Savings Plan



INDIVIDUAL PLAN TYPES

Traditional IRA

Roth IRA

Your District's Retirement Savings Plans



403(b)

Retirement Plan

What is a 403(b) Savings Plan?

- A 403(b) is a voluntary retirement savings plan designed for employees of state and local governments
- You can make contributions directly from your paycheck to a retirement account
- Contributing to a 403(b) savings plan can help bring financial stability for life upon retirement
- Note: Early withdrawals from a 403(b) account are subject to a 10% penalty unless a qualified exception is met



403(b) Plan Investments

- Investments in the plan are managed by a provider of your choosing
- If you elect to contribute to a 403(b) plan, you should do your research and pick a vendor that matches your investment goals
- Pay attention to fees, expense ratios, and the investment lineup
- Plan administration services are provided by HUB, helping you with account distributions, transfers, loans, and rollovers



403(b) Vendor Examples



403(b) Plan Administration

TCG Administrators works with the RAMS program to provide administration services, including:

- Enrolling in a new account (remember you must enroll with a vendor first)
- Electing/changing your salary contribution amounts or vendor
- Directing your salary contributions to the 403(b) vendor of your choice
- Reviewing and approving loans/distributions daily
- Full IRS compliance of account transactions and plan document



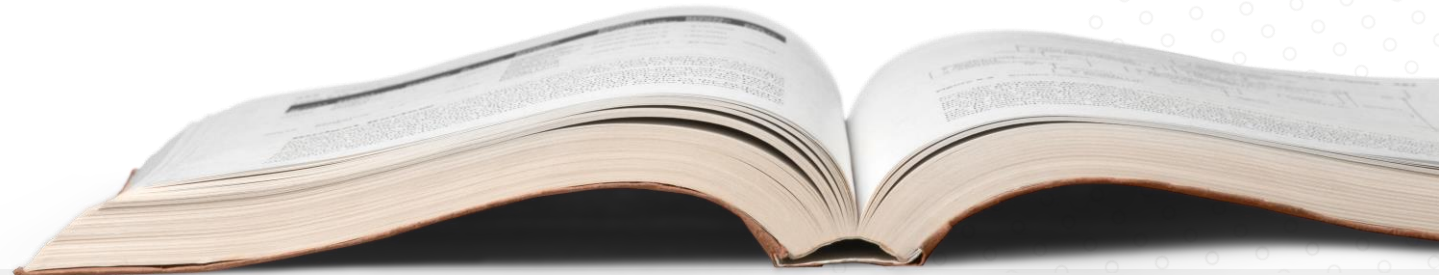
How to Get Started

First, you must research and select a from a list of investment vendors and open an account.

VIEW APPROVED VENDORS HERE: www.ramsretirement.com/documents

Next, decide how much you want to contribute and create an account with TCG Administrators.

CREATE YOUR ACCOUNT HERE: www.ramsretirement.com/enroll



A man and a woman are shown in a circular frame, looking at a document together. The man is on the left, wearing a dark shirt, and the woman is on the right, wearing a light-colored shirt. They appear to be in a professional or advisory setting. The background is a dark blue with a subtle pattern of small white circles.

457(b)

Retirement Plan

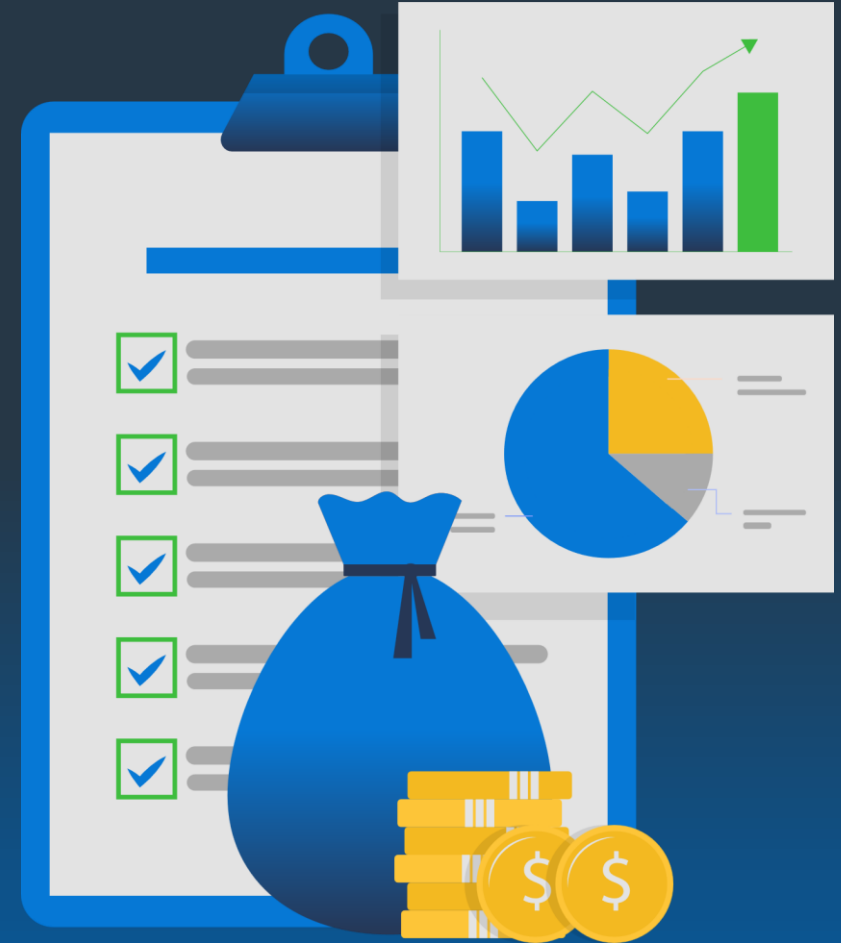
What is a 457(b) Savings Plan?

- A 457(b) is a voluntary retirement savings plan designed for employees of state and local governments, as well as many tax-exempt organizations
- While you may qualify for a government pension, payments may not be enough to replace your pre-retirement income
- Contributing to a 457(b) plan can help you enjoy tax benefits, reduce your retirement income gap, and get on track for living a comfortable life after retirement



Benefits of Contributing

- ✓ Avoid a gap in your income during retirement
- ✓ Take advantage of tax benefits
Improve your financial wellbeing
Automatic payroll deductions
- ✓ Decrease your dependency on pension plans
- ✓ Save up to \$23,500 (or \$31,000 if age 50+, and \$34,750 if ages 60-63) in 2025



RAMS 457(b) Plan Highlights

Start contributing with as little
as \$25 per paycheck!

- Plan is overseen by Superintendents and Chief Financial Officers, ensuring the needs of public employees are addressed
- Fiduciary oversight by HUB Investment Partners
- No 10% early withdrawal tax (regular income tax still applies)
- Access to financial education
 - Retirement Plan Specialist available to help you enroll
 - Free access to FinPath Wellness - financial education platform
- Tax and estate planning services included with your plan

RAMS 457(b) Account Holder Perks

INCLUDED AT NO COST TO YOU

FinPath Financial Wellness

FinPath is a financial wellness program designed to help you build better financial habits and help your dollars can go farther.

Here's what you get:

- Unlimited 1:1 confidential financial coaching
- Financial health tools to help you budget, reduce debt, plan for emergencies, explore student loan forgiveness, and more!
- FinPath University financial education workshops and courses
- Monthly giveaways, including a \$1,000 sweepstakes

Estate Planning

Spending a bit of time creating an estate plan can help you prepare for the expected and unexpected.

Redeem a complimentary will[‡] (valued at \$259) to help you secure your legacy and your loved ones.

Tax Preparation

We can help you take the stress away from your tax bill. Our team can assist with filing your W-2 tax returns at no cost to you and or a \$250 credit towards complex preparation services.[‡]

*Registration is required to use FinPath. †Services may be offered through third-party vendors. **TeleWealth virtual meetings provided by HUB Investment Partners LLC, a HUB International company. ‡Tax and estate services may be provided through third party vendors.

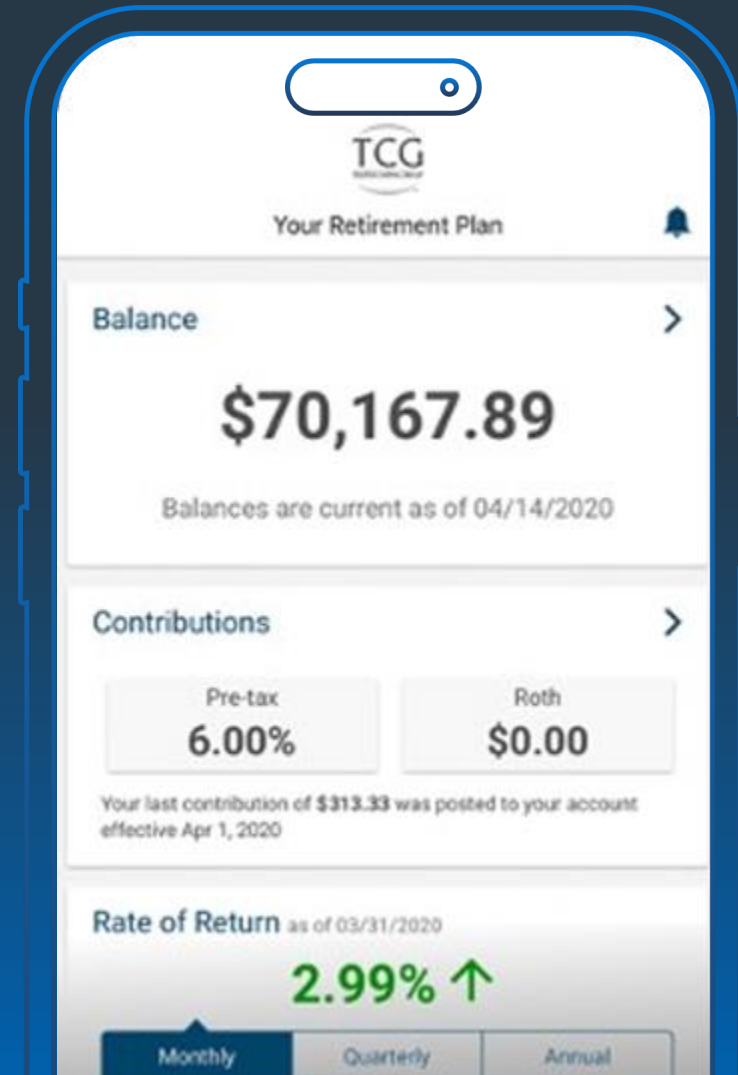
RAMS 457(b) Plan Investments

Target Date Funds

- 6 Model Portfolios
- Preservation
- Conservative
- Moderately
- Conservative
- Signature Portfolio
- Growth
- Aggressive Growth

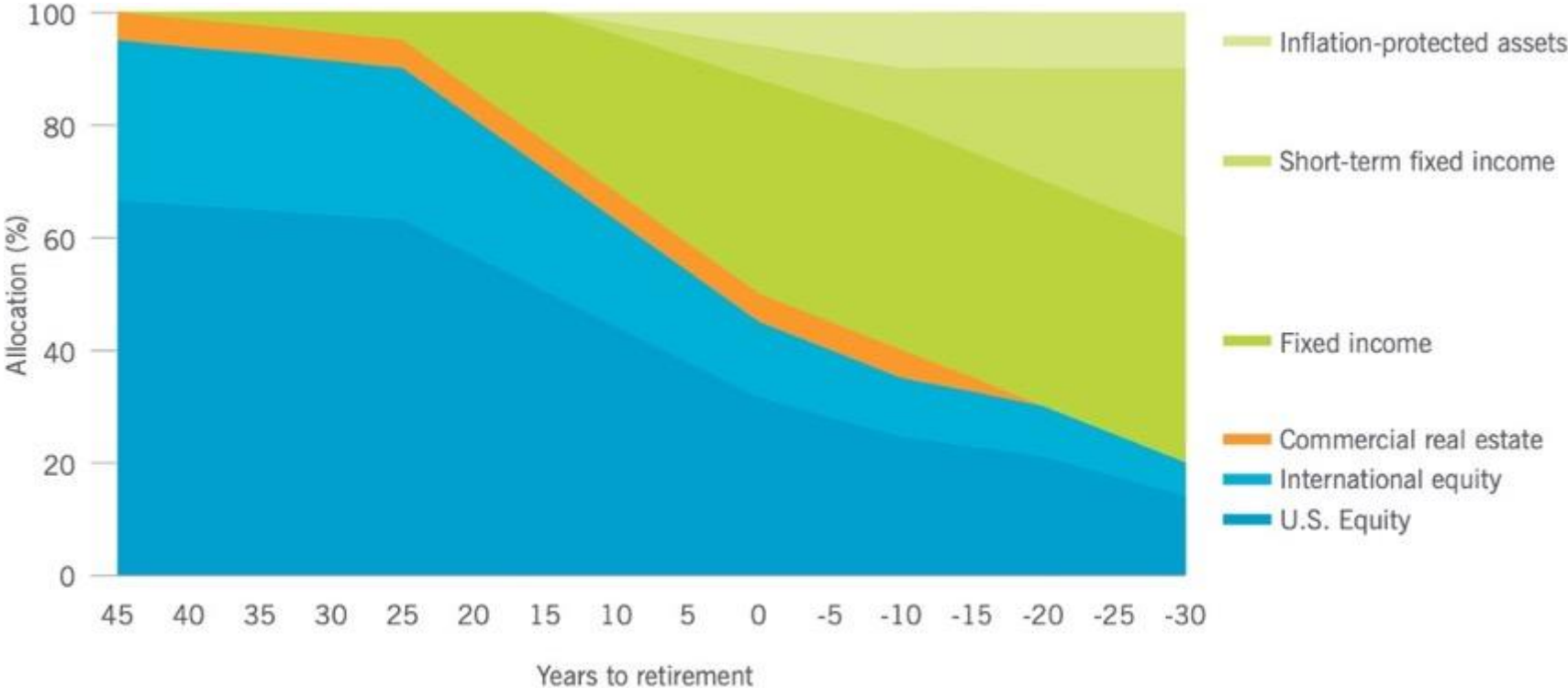
15+ Mutual Funds: Choose own allocation

- High Quality, No-Load and Load-Waived
- Low Cost Funds



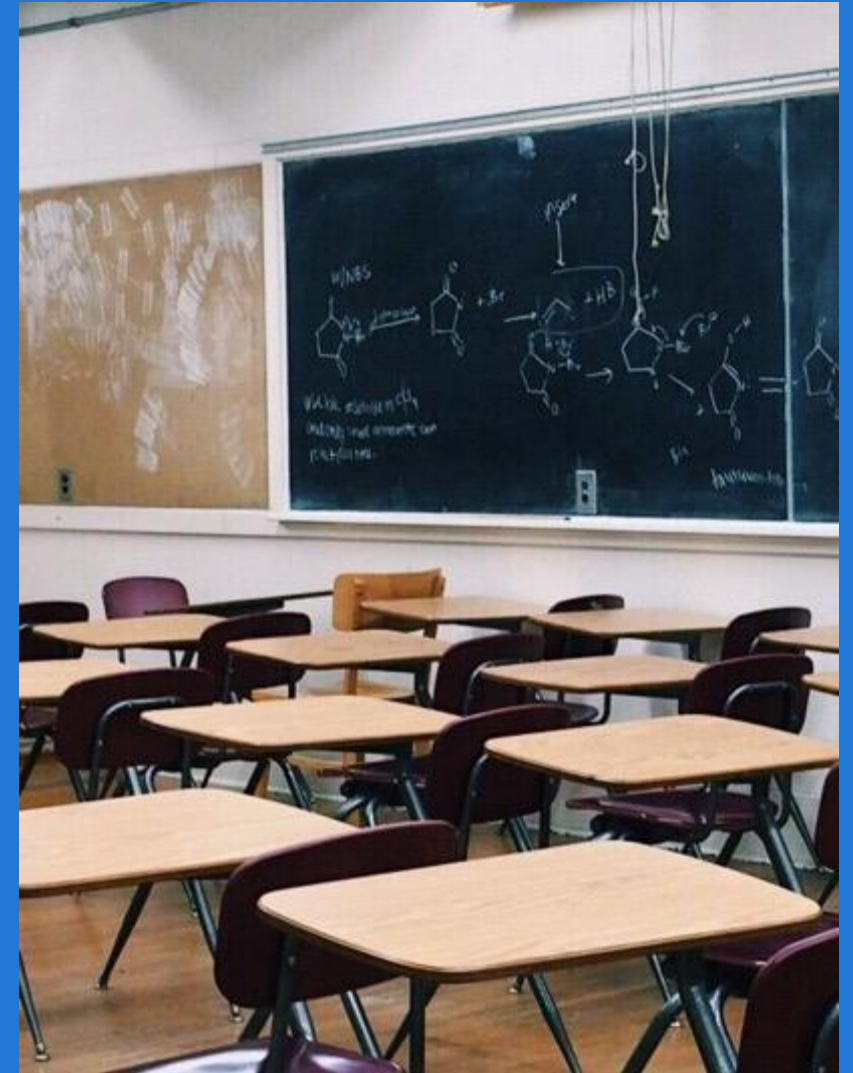
Target Date Funds

TIAA-CREFF Lifecycle Funds glidepath:
Allocations become more conservative over time



RAMS Investment Advisory Committee (IAC)

- Meets every quarter to review investments and all matters of the plan
- Made up of Superintendents and CFOs from participating districts
- HUB Investment Partners does research for and gives suggestions to the IAC
- **Underperforming funds are put on “Watch List”**
- The IAC has authority to replace underperforming investments

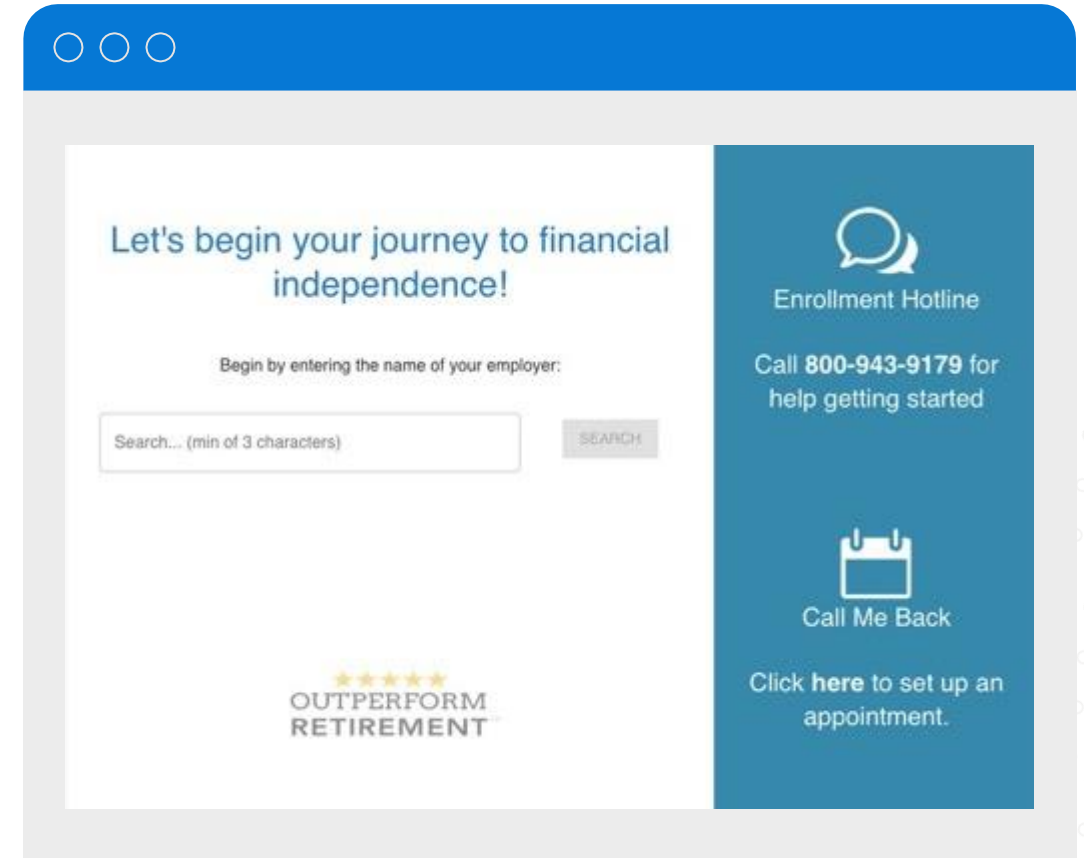


How to get started

Saving with a 457(b) is easy!

- 1** Get started at www.ramsretirement.com/enroll
- 2** Type in your Employer and click Register by the 457(b) Plan
- 3** Select your contribution amount and designate a beneficiary

And that's it! Saving is as easy as 1, 2, 3!



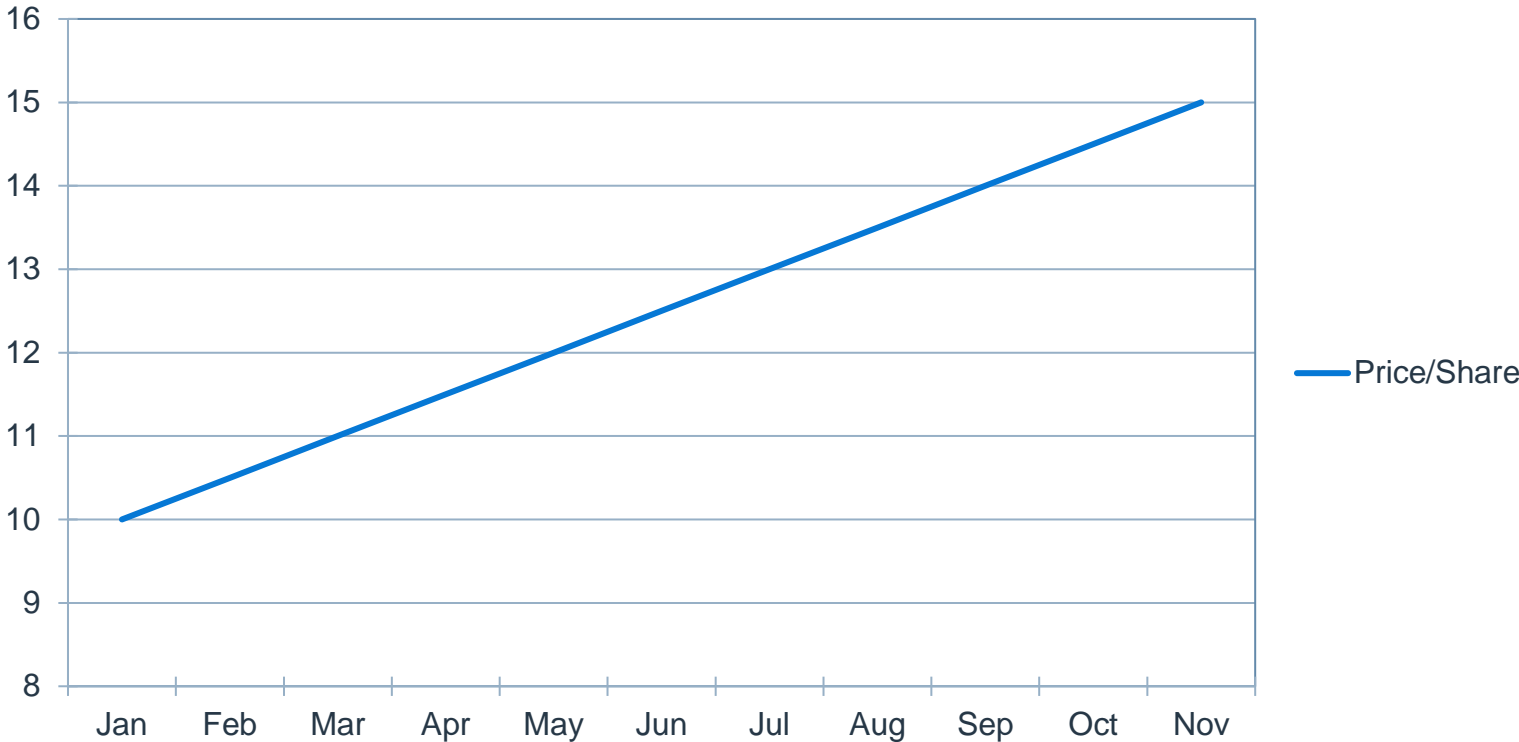
Comparison of 403(b) & 457(b)

Feature	403(b)	457(b)
Individual vs Group Plan	Most have higher fees, pay commissions/ sales loads. Limited number of no commission options	Low fees relative to most 403(b) plans; no commissions; full disclosure of fees
Penalty to withdraw funds (+ income tax)	10% unless qualified exception is met	None
Investment Options	Fixed / Variable interest annuities or Mutual Fund / Custodial accounts	Target Date Funds, Risk-Based Portfolios, or Self-directed Mutual Funds
Access to Funds	Termination of employment, Death, Disability, Retirement, Age 59½ (even if still employed), Hardship or Loan	Termination of employment, Death, Disability, Retirement, Age 59½ (even if still employed), Unforeseen Emergency, Loans
Investment Committee/ Advisor Oversight	No	Yes, overseen by school district superintendents and chief financial officers
Contribution Limits (can contribute to both plan types)	2025: \$23,500; \$31,000 age 50+; \$34,750 ages 60-63	2025: \$23,500; \$31,000 age 50+; \$34,750 ages 60-63

Investment Basics & What to Look For

Market Movement – Good or Bad?

Price/Share

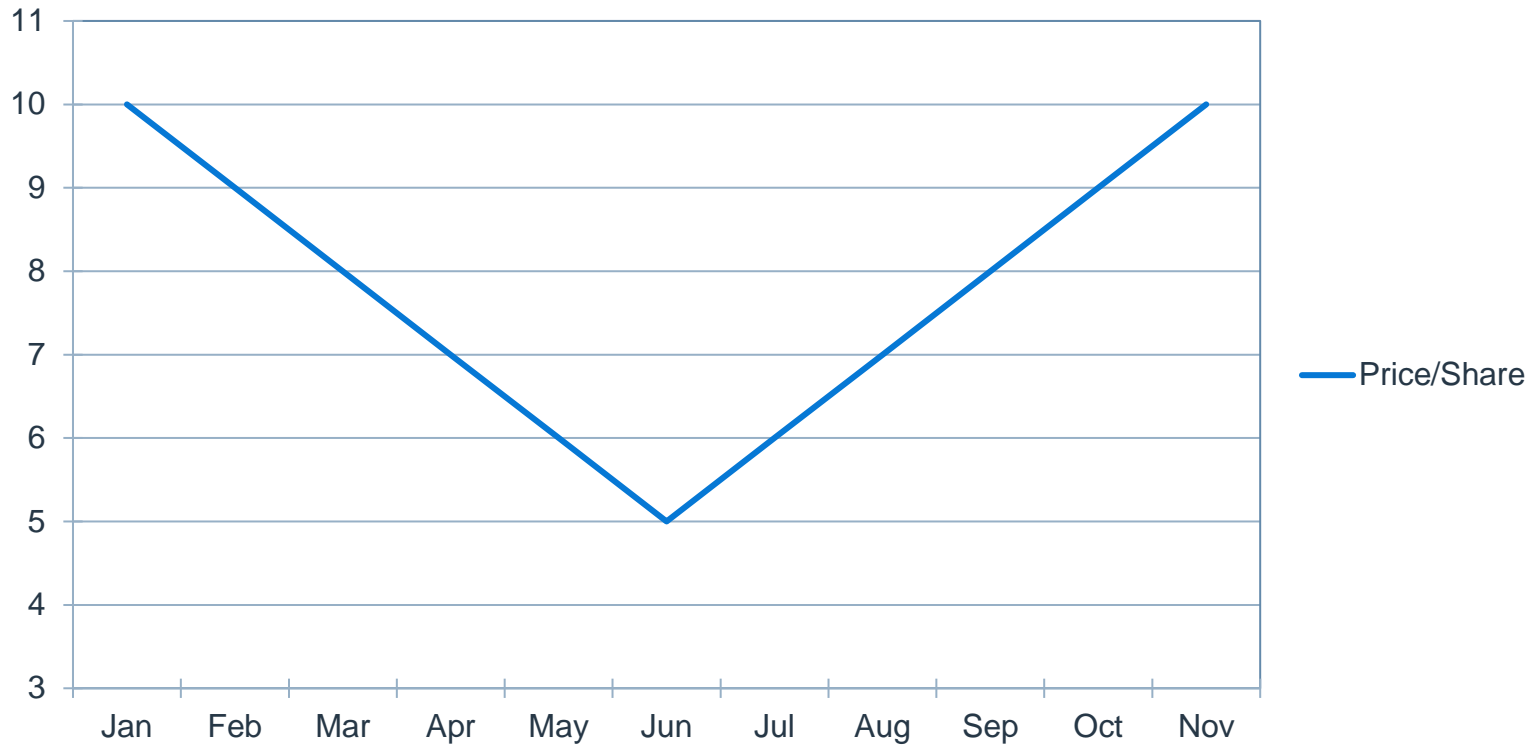


Investing \$200/mo		
Month	\$/Share	# Shares
Jan	10	20.0
Feb	10.5	19.05
Mar	11	18.18
Apr	11.5	17.39
May	12	16.67
Jun	12.5	16.0
Jul	13	15.38
Aug	13.5	14.81
Sep	14	14.29
Oct	14.5	13.79
Nov	15	13.33

Total Shares Owned 178.90 / Total Account Value \$2,683.48

Market Movement – Good or Bad?

Price/Share



Investing \$200/mo

Month	\$/Share	# Shares
Jan	10	20.0
Feb	9	22.22
Mar	8	25.00
Apr	7	28.57
May	6	33.33
Jun	5	40.00
Jul	6	33.33
Aug	7	28.57
Sep	8	25.00
Oct	9	22.22
Nov	10	20.00

Total Shares Owned 298.25 / Total Account Value \$2,982.54
11.14% Increase in Account Value

Watch Out For:

- Life Insurance as an Investment
- Pension Maximization
- Take Lump Sum, Invest, and Beat the State Retirement System
- Excessive hidden fees



Partial Lump Sum

Possible Reasons to Do

- Poor Health
- Estate and Critical Need for Heirs (e.g., disabled child)
- Other Estate Needs — Guarantees money to heirs instead of reversion to retirement system at death
- No Savings Going into Retirement

Reasons Not to Do

- You will not be able to invest the money and beat the Retirement System
 - Pay Actuarial Cost for funds; Usually have to earn minimum Net 11.00% if try to match State — Can you do this with no risk??
- You have not planned for inflation and budget in retirement so your income runs short later
- You will be tempted (and give in) to spend the money you planned to save

Excessive Fees

12b-1 Fee

Generally allows distributors to compensate broker/dealers and representatives for selling their funds. It also can be a charge to cover marketing and distribution costs of the investment.

Withdrawal Charge (a.k.a. Surrender Charge)

A fee charged by some annuities and funds when an investor takes money out of his or her account.

Mortality and Expense Fee (M&E)

This applies to some types of annuities and covers insurance related costs.

Transfer Fee

This is an amount charged by a fund to transfer either within the fund family or to another company.

Excessive Fees

Expense Deductions

Charges for investment management, administration and distribution services.

Management Fee

Also called the investment advisory fee, this represents the company's cost for managing the money in the fund.

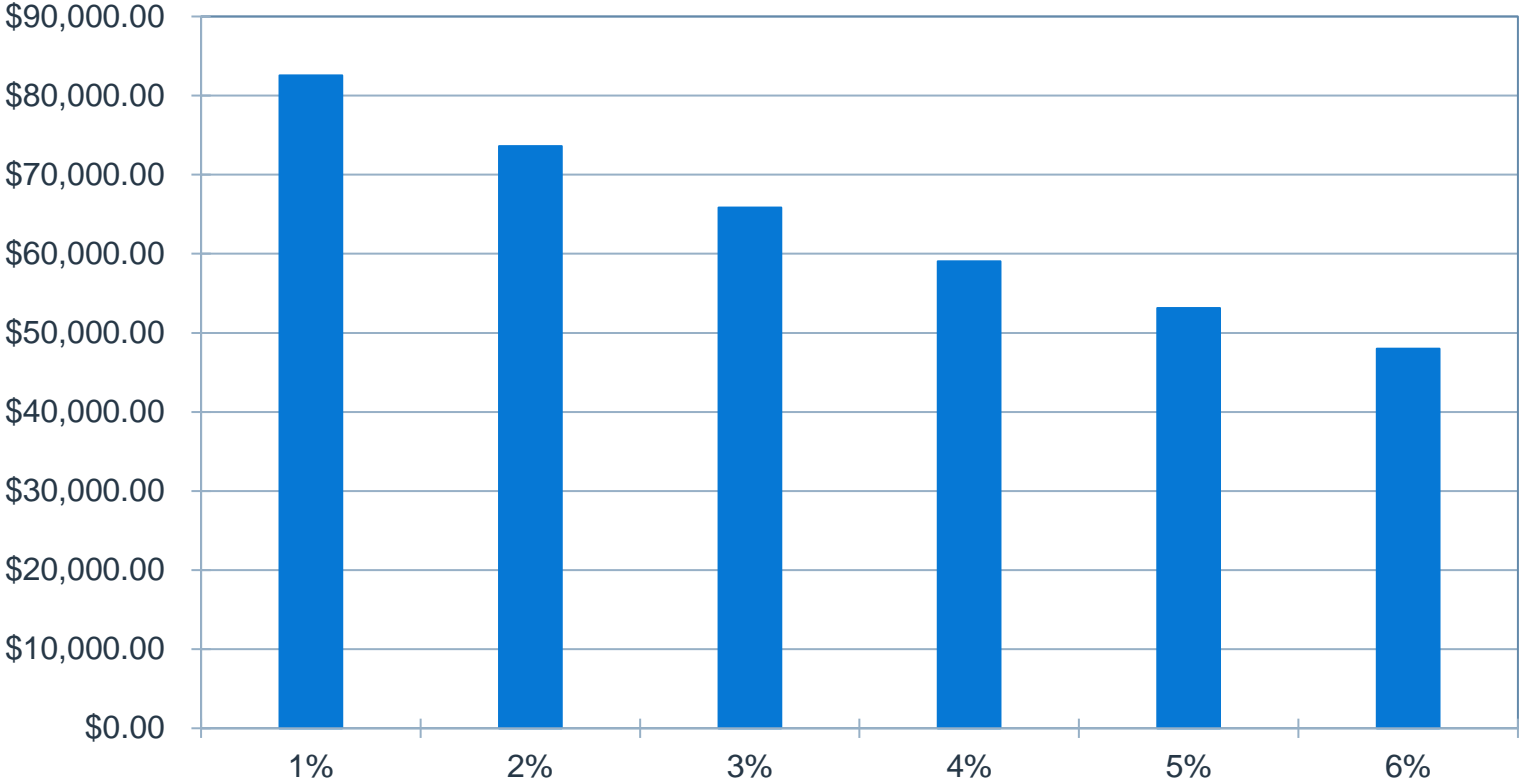
Wrap Account Fee

Charged by some types of funds for fund management, this is an annual percentage of the investor's assets in the account.

Custodial Fee

The charge for safekeeping or physically holding the securities in the fund.

The Fee Effect



Annual Fee	Balance
1%	\$82,549.26
2%	\$73,599.44
3%	\$65,824.55
4%	\$59,057.63
5%	\$53,156.51
6%	\$48,000.00

Balance based on 6% earning net of fees with \$200 monthly contributions for 20 years at the beginning of the month. Actual rate of return is not guaranteed, for illustrations purposes only.

How Social Security Retirement Works

Eligibility for Social Security Benefits



Minimum age to claim Social Security benefits is **62 years old**.



You must work and pay Social Security taxes for at least **10 years** (earning **40 Social Security credits**).



The **highest 35 years of earnings** are used to calculate your benefit amount. Years without earnings are counted as \$0, which lowers your average.

Eligibility for a Social Security Benefit

○ Your Own Benefit

- Service Credits under Social Security (SS)
 - An individual is eligible for up to four credits *per year*.
 - For 2025, you receive four credits if you earned \$7,240.
 - Each credit is based on \$1,810 of earnings.
 - You must have a total of 40 credits to qualify for a benefit

○ Spousal Benefit

- Individuals are eligible to receive a benefit in an amount equal to approximately 50% of their spouse's benefit.
- A former spouse is eligible if married at least 10 years.
 - There are rules that apply if you remarry – you will need to check these for your personal situation.

○ *You receive the larger of the two; not both.*

When Can I Claim a Benefit?

Many factors go in to selecting when to claim a Social Security benefit; such as if you are still working, current health, life expectancy, income needs, and other issues.

Before FRA

- The earliest you can claim a Social Security benefit is age 62 and that is the lowest \$\$\$ amount you can receive.
- If you claim at 62, the benefit will be reduced by 30%. This early retirement reduction is based on how many months you claim your benefit before FRA.
- If you take SS before FRA and work (have earned income) then an earnings test is applied that may **reduce** your benefit.

Full-Retirement Age (FRA)

- Full-Retirement Age is based on your birth year:
 - 1957 or earlier: 66
 - 1958: 66 and 8 months
 - 1959: 66 and 10 months
 - 1960 or later: 67
- At FRA, you receive 100% of your benefit

Up to 70

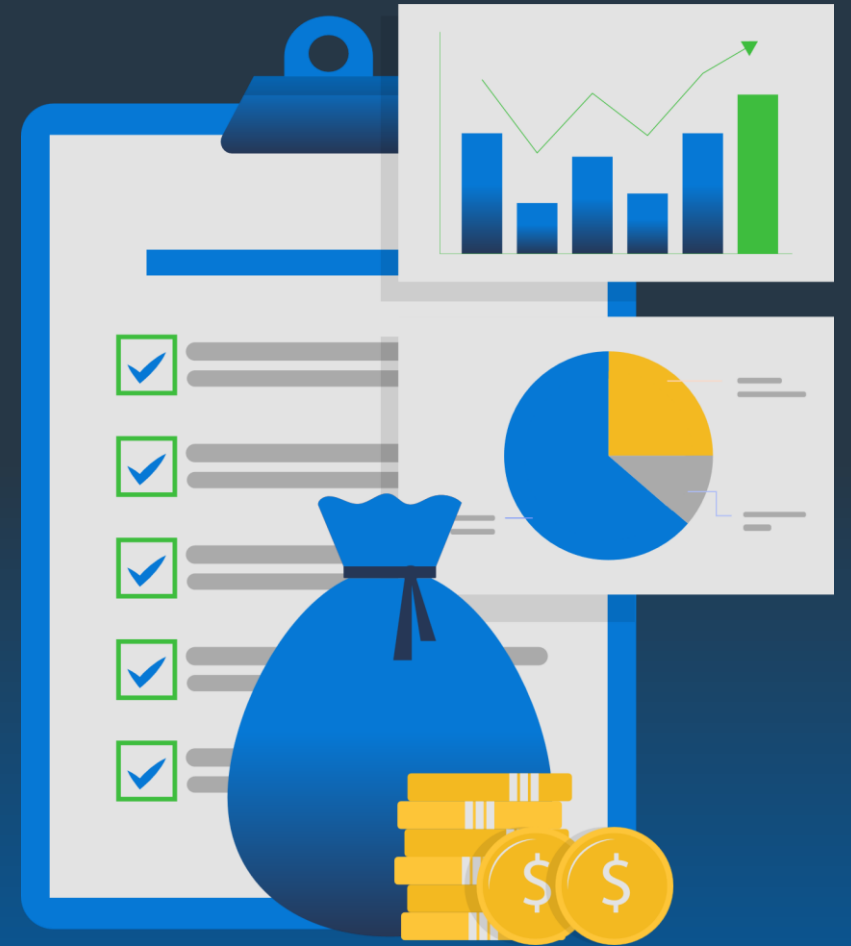
- Every year you delay taking a benefit, you earn a “delayed retirement” credit of 8% until age 70.
- Waiting until age 70 means a benefit 24% above your FRA amount.
- There is no increase to your benefit after age 70.

Example of Effect of Retirement Age on SS Benefit

- What is the difference in **Full Retirement Age (FRA)** SS and other ages?
 - **Age 62** – Using SS Quick Calculator, current earnings of \$70,000
 - Income: **\$1,375 monthly** | **\$16,500 annually**
 - **Age 67 (FRA)** – Income: **\$2,104 monthly** | **\$25,248 annually** (53% increase)
 - **Age 70 (Max age)** – Income: **\$2,686 monthly** | **\$32,232 annually**
 - 27.66% increase and **95.35% increase over age 62**

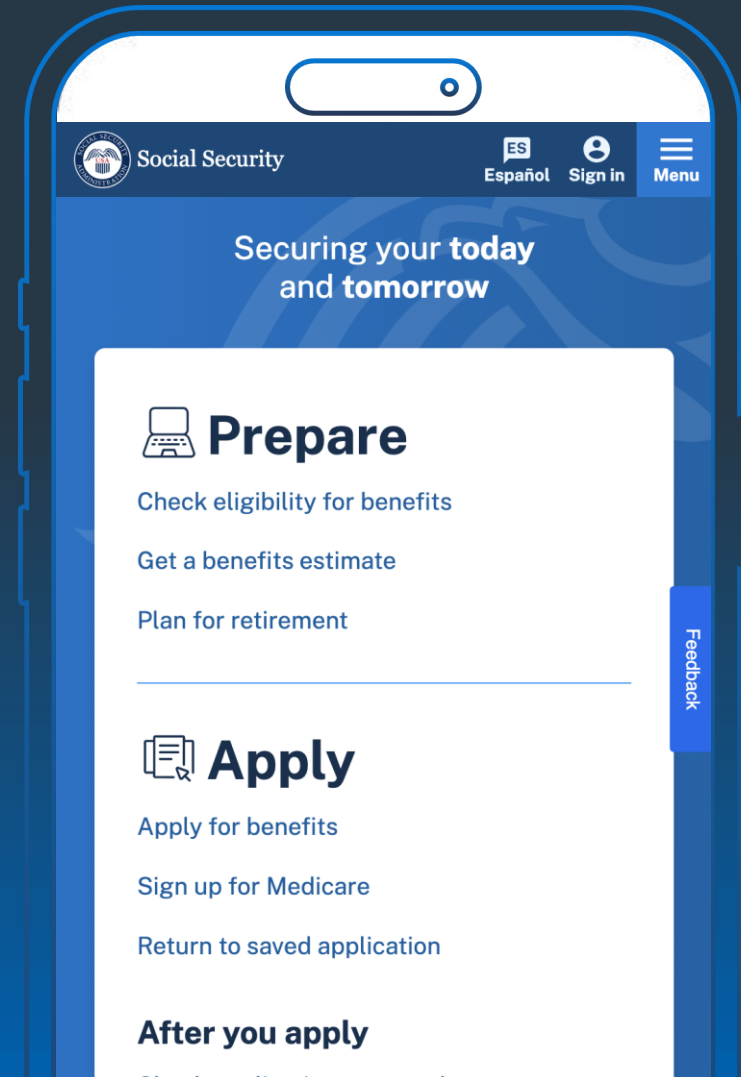
Additional Considerations

- Very Important Caveat
 - If you begin collecting Social Security benefits before your FRA, an earnings test will apply if you are still working which will reduce your benefit.
 - For 2025, if you are younger than full retirement age during all of 2025, SS will deduct \$1 from your SS benefits for each \$2 you earn above \$23,400.
- Cost of Living Adjustment (COLA)
 - Unlike TRS, Social Security has an automatic inflation-based COLA calculated annually.




See your own Potential Benefit

- Go to www.SSA.gov
- Click **Sign In** (right side of blue tool bar)
 - Sign in if you have an account or
 - Create an Account
- Follow the prompts and instructions and you will get to **my** Social Security
- Use the information and tools to learn about your own situation.



Sample Social Security Statement



Your Social Security Statement

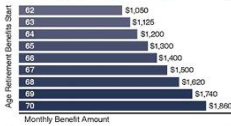
WANDA WORKER
October 2, 2021

Retirement Benefits

You have earned enough credits to qualify for retirement benefits. To qualify for benefits, you earn "credits" through your work — up to four each year. Your full retirement age is 67, based on your date of birth: April 10, 1960. As shown in the chart, you can start your benefits at any time between ages 62 and 70. For each month you wait to start your benefits, your monthly benefit will be higher—for the rest of your life.

These personalized estimates are based on your earnings to date and assume you continue to earn \$50,653 per year until you start your benefits. To learn more about retirement benefits, visit [ssa.gov/benefits/retirement/learn.html](https://www.ssa.gov/benefits/retirement/learn.html).

Personalized Monthly Retirement Benefit Estimates (Depending on the Age You Start)



Disability Benefits

You have earned enough credits to qualify for disability benefits. If you became disabled right now, your monthly payment would be about \$1,656 a month.

Survivors Benefits

You have earned enough credits for your eligible family members to receive survivors benefits. If you die this year, members of your family who may qualify for monthly benefits include:

- Minor child: \$2,129
- Spouse, if caring for a disabled child or child younger than age 16: \$2,129
- Spouse, if benefits start at full retirement age: \$2,838
- Total family benefits cannot be more than: \$4,968

Your spouse or minor child may be eligible for an additional one-time death benefit of \$255.

Medicare

You have enough credits to qualify for Medicare at age 65. Medicare is the federal health insurance program for:

- people age 65 and older,
- under 65 with certain disabilities, and
- people of any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant).

Even if you do not retire at age 65, you may need to sign up for Medicare within 3 months of your 65th birthday to avoid a lifetime late enrollment penalty. Special rules may apply if you are covered by certain group health plans through work.

For more information about Medicare, visit [medicare.gov](https://www.medicare.gov) or [ssa.gov/medicare](https://www.ssa.gov/medicare) or call 1-800-MEDICARE (1-800-633-4227) (TTY: 1-877-486-2048).

Earnings Record

View your earnings history below to ensure it is correct. This is important because we base future benefits on our record of your earnings. There is a limit to the amount of earnings you pay Social Security taxes on each year. Earnings above that do not appear on your earnings record. We combined your earlier years of earnings, but do not view them online with my Social Security. To find an error view your full earnings record and call 1-800-772-1213.

Year	Earnings Taxed for Social Security	Earnings Taxed for Medicare (began 1966)
1950	\$ 19,989	\$
1965	46,482	
1970	18,236	18,236
1980	20,000	20,000
1990	41,250	41,250
2000	257,712	257,712
01	34,915	34,915
02	35,591	35,591
03	36,717	36,717
04	38,686	38,686
05	40,325	40,325
06	42,315	42,315
07	44,346	44,346
08	45,437	45,437
09	44,784	44,784
10	45,847	45,847
11	47,146	47,146
12	48,349	48,349
13	48,606	48,606
14	49,860	49,860
15	50,850	50,850
16	50,158	50,158
17	50,440	50,440
18	50,653	50,653
19	Not yet recorded	

Earnings Not Covered by Social Security

You may also have earnings from work not covered by Social Security. This work may have been for federal, state, or local government or in a foreign country.

If you participate in a retirement plan or receive a pension based on work for which you did not pay Social Security tax, it could lower your benefits. To find out more, visit [ssa.gov/ops/osp](https://www.ssa.gov/ops/osp).

Important Things to Know about Your Social Security Benefits

- Social Security benefits are not intended to be your only source of retirement income. You may need other savings, investments, pensions, or retirement accounts to make sure you have enough money when you retire.
- You need at least 10 years of work (40 credits) to qualify for retirement benefits. Your benefit amount is based on your highest 35 years of earnings, years without work count as 0 and may reduce your benefit amount.
- We use cost of living adjustments so your benefits will keep up with inflation.
- The age you claim benefits will affect the benefit amount for your surviving spouse.
- If you get retirement or disability benefits, your spouse and children also may qualify for benefits.
- If you are divorced and were married for 10 years, you may be able to claim benefits on your ex-spouse's record. If your divorced spouse receives benefits on your record, that does not affect your or your current spouse's benefit amounts.
- When you apply for either retirement or spousal benefits, you may be required to apply for the other benefit as well.
- For more information about benefits for you and your family, visit [ssa.gov/benefits/retirement/learn.html](https://www.ssa.gov/benefits/retirement/learn.html).
- When you are ready to apply, visit us at [ssa.gov/benefits/retirement/apply.html](https://www.ssa.gov/benefits/retirement/apply.html).
- The Statement is updated annually. It is available upon request, either online or by mail.

Taxes Paid

Total estimated Social Security and Medicare taxes paid over your working career based on your Earnings Record:

Social Security taxes	You paid: \$34,283	Employer(s): \$36,003
Medicare taxes	You paid: \$19,396	Employer(s): \$19,396

SSA.gov | Follow us on social media [ssa.gov/socialmedia](https://www.ssa.gov/socialmedia)

Form SSA-7005-SM-OL (05.21)

View your earnings at <https://www.ssa.gov/myaccount/>.

Calculate other scenarios

- The Social Security Administration also provides some tools that allow for planning and projecting.
- One of the best tools for doing quick “what if” scenarios is the SS Quick Calculator:
<https://www.ssa.gov/OACT/quickcalc/>





Retirement

Your estimated monthly benefit amount, beginning at age 62 and 1 month in 2025, is **\$1,375.00**. For your estimate, we assumed no future increases in prices or earnings.

We have calculated your benefits by making certain assumptions about your past earnings. Please look at these earnings to see if they appear reasonable to you. You can change them and see the effect on your benefit estimates!

[See the earnings we used](#)

Social Security benefits are the foundation on which to build a financially secure retirement. Savings and pensions also are key components of your retirement plan.

Information you submitted

Date of birth: 2/1/1963
Current earnings: \$70,000.00
Benefit in year-2025 dollars
Retirement month: 2/2025

Disability/Survivor

For disability and survivors estimates, we assumed that you became disabled or died **today**. We did not use future earnings in calculating those estimates.

Disability	Monthly benefit amount
You	\$1,953.00

Your spouse and children may also qualify for benefits.

Survivors	Monthly benefit amount
Your child	\$1,464.00
Your spouse caring for your child	\$1,464.00
Your spouse at normal retirement age	\$1,953.00
Family maximum	\$3,400.40

Other SS Benefits

There are other Social Security Benefits that you should become familiar with. All are explained on the SSA.gov website.

**Dependent
Benefits**

**Disability
Benefits**

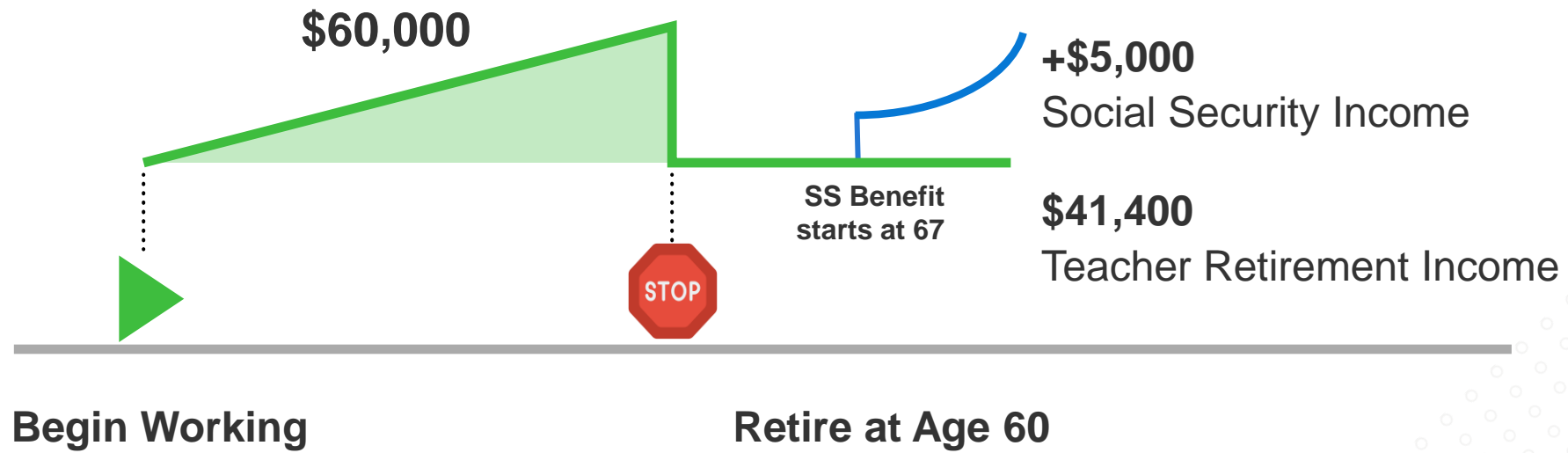
**Survivor
Benefits**

Social Security and the Income Gap

Social Security supplements your TRS pension; it does not replace it.

- If you have attended a TCG Retirement Planning Seminar you should remember this graphic showing the income gap from your TRS pension.
- A Social Security benefit will be a supplement to your income filling part of the gap. It would not replace your TRS pension.

Example:



4 Easy Action Items

- 1 Write down your goals & know the cost**
 - Retirement Income
 - **Other:** Travel, second homes, children/grandchildren gifts, etc.

- 2 Know your projected retirement income**
 - MyTRS – www.trs.texas.gov
 - Social Security – www.ssa.gov

- 3 Identify cash flow issues**
 - Develop a budget
 - Public Service Loan Forgiveness

- 4 Address your current savings strategy**
 - 403(b) / 457(b) accounts
 - Investment allocation



Can we answer any questions?

Get 1:1 help at:

www.tcgservices.com/telewealth



Scan QR code

Contact Us



512-600-5204
Advisor Hotline



advisors@tcgservices.com



hubinvestmentpartners.com

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