

As your 457(b) Plan Administrator, we would like to make you aware of your eligibility to participate in your employer's 457(b) retirement plan. The 457(b) plan is a voluntary plan that allows you to defer a portion of your paycheck to a savings account to use when you choose to retire.

This is a great benefit offered by your employer to help you bridge your retirement income gap and lower your taxes. Under federal tax law, you do not have to pay income taxes on your contributions or account earnings until you take the money out of the plan.

## Important Points About the 457(b) Plan

The plan is overseen by school superintendents & chief financial officers, together with TCG Advisors.

There is no 10% early distribution penalty tax (standard taxes still apply).

There are no surrender charges or hidden fees.

You may start, stop or change your payroll deduction contribution to Specialized Retirement to maintain their

## Have Teacher Retirement

Your pension may not replace all of your income in retirement. The average retiree receives 60-65 percent of their income at retirement.

For example, if your current salary is \$5,000 per month and your retirement benefit equals 65 percent of your current salary, you will receive \$3,250 each month. However, TRS research indicates that retirees must receive 90-95 percent of their income in retirement to maintain their current standard of living. In the above example the member has a shortfall of \$1,750 per month.