



Office of the State Comptroller  
Retirement Services Division

**Office of the State Comptroller**

**Retirement Services Division**





# General Outline

- Pension Eligibility Requirements
- Retirement Eligibility Status
- Benefit Components
- Survivor Benefits
- Retirement Process and Re-employment



# Pension Eligibility Requirements

- **Age and Service Requirements**
- **Vested Rights vs. Direct Retirement**
- **5-163(c) Retirement**



# Pension Eligibility Requirements

- **Age and Service Requirements**
- **Vested Rights vs. Direct Retirement**
- **5-163(c) Retirement**



# Minimum Eligibility Requirements

<u>TIER</u>	<u>AGE</u>	<u>SERVICE</u>
I	55	10 Actual
II / IIA	55	10 Vesting
II / IIA	62 *	5 Actual
III	58	10 Vesting
IV	58	10 Vesting

\* Age 62 if direct transition. Age 65 if vested.



# Pension Eligibility Requirements

- **Age and Service Requirements**
- **Vested Rights vs. Direct Retirement**
- **5-163(c) Retirement**



# Vesting vs. Direct Retirement

## Vested Rights:

- Service requirement met
- Age requirement not met.

## Direct Retirement:

- Age & Service requirements have been met.



# Pension Eligibility Requirements

- **Age and Service Requirements**
- **Vested Rights vs. Direct Retirement**
- **5-163(c) Retirement**





## **5-163(c) Retirement**

- **Layoff, lack of reappointment or abolition of position**
- **Minimum of 25 years of service**
- **No minimum age requirement**
- **Monetary benefit permanently reduced for receiving benefits prior to Normal Ret. Age.**



# Eligibility Status – What To Do If:

- **Ineligible for Pension**
- **Vested for Future Benefits**
- **Eligible for Immediate Monetary Benefits**



# Eligibility Status – What To Do If:

- **Ineligible for Pension**
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# Ineligible for Pension

- **Refund of any contributions and interest**
- **Future state employment impact**



# Eligibility Status – What To Do If:

- **Ineligible for Pension**
- **Vested for Future Benefits**
- **Eligible for Immediate Monetary Benefits**



# Vested for Future Benefits

- **Vested Rights Retirement Application**
- **Retirement Division actions**
- **Notify retirement of any address changes**
- **Ineligible for a refund of retirement contributions (limited exception for Tier I)**



# Eligibility Status – What To Do If:

- **Ineligible for Pension**
- **Vested for Future Benefits**
- **Eligible for Immediate Monetary Benefits**



# Benefit Components

- **Age**
- **Service**
- **Salary**





# Benefit Components

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# Minimum Eligibility Requirements

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**Rules above for monetary benefit only. Eligibility for retiree health may have additional requirements.**



# Benefit Components

- Age
- Service
- Salary



# Service Credit

## Includes:

- All **Paid** State Employment not Succeeded by a Permanent Break
- Furlough days / Voluntary Leave Taken 6/9/94 Forward
- Vacation Balance
- Qualifying Workers' Compensation

## Plus:

- Purchased/Additional Service



# Service Credit (continued)

## Excludes:

- Non-Qualifying Leaves Without Pay
- Certain types of Workers Compensation (specific indemnity payments)



# Benefit Components

- Age
- Service
- **Salary**



# Average Salary

- Any 3 periods of 12 consecutive months of highest earnings (Tier I, II, IIA); OR
  - Any 5 periods of 12 consecutive months of highest earnings (Tier III)
- Not necessarily last 3 (or 5) years; not necessarily consecutive or calendar years.
- Different calculation for Tier IV members



# Average Salary

- May be subject to 130% cap:
  - Possible reasons -
    - Large promotion
    - Dual employment
    - Overtime not included in cap measurement
- May be subject to 150% Cap (2011 SEBAC agreement)
  - Possible reasons -
    - Same as above but overtime included in measurement
- IRS compensation limitation





# Survivor Benefits

- Option D – Straight Life Annuity
- Option A – 50% Spouse
- Option B – 50% or 100% Survivor
- Option C – 10 Year or 20 Year Period Certain



# Survivor Benefits

- Irrevocable decision
- Lifetime benefit to retiree
- Election considerations



# Survivor Benefits

- **Option D – Straight Life Annuity**
- Option A – 50% Spouse
- Option B – 50% or 100% Survivor
- Option C – 10 Year or 20 Year Period Certain



# Survivor Benefits

- Option D – Straight Life Annuity
- **Option A – 50% Spouse**
- Option B – 50% or 100% Survivor
- Option C – 10 Year or 20 Year Period Certain



# Survivor Benefits

- Option D – Straight Life Annuity
- Option A – 50% Spouse
- **Option B – 50% or 100% Survivor**
- Option C – 10 Year or 20 Year Period Certain



# Survivor Benefits

- Option D – Straight Life Annuity
- Option A – 50% Spouse
- Option B – 50% or 100% Survivor
- **Option C - 10 or 20 Yr Period Certain**



# Retirement Process

- **Required forms**
- How retirement benefits are paid
- Audit process



# Retirement Process

- Required forms
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# Retirement Process

- Required forms
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# Re-employment after Retirement

## Connecticut State Agency

- Temporary Employee / 120 day limit
- Permanent Employment – Retirement ends

## Not State employment

- No Limitation



# Sources of Information

- **State Comptroller's Website:** [www.osc.ct.gov](http://www.osc.ct.gov)
  - Retirement Counseling Workshops
  - Benefit Estimators
  - Summary Plan Descriptions
  - Retiree Health Insurance Planner
- **Social Security Administration:** [www.ssa.gov](http://www.ssa.gov)
- **Connecticut Department of Revenue Services:** [www.ct.gov/drs](http://www.ct.gov/drs)
- **Internal Revenue Service:** [www.irs.gov](http://www.irs.gov)
- **Prudential Deferred Compensation:** [www.CTdcp.com](http://www.CTdcp.com)

# **Office of the State Comptroller**

**NEXT UP:**

**Healthcare & Other Benefits**

**Office of the State Comptroller  
Healthcare Policy & Benefit Services Division**

**Attorney Peggy Haering**