



# Welcome to the CTRS!

## What is the Teachers' Retirement System (TRS)?

The State of Connecticut established the Teachers' Retirement benefit fund which has been managing and maintaining Teachers' pensions for over 100 years. Active teachers contribute to a pension and health fund that provides financial peace of mind in retirement.



## Being part of a Contributory Defined Benefit Plan

Benefits are based on a formula in combination with your age, credited service, and the average of your highest 3 years of paid salaries. At retirement these are used to calculate your retirement benefit. Dependent on your years of services you will be eligible for one of the following types of retirement plans:

*Plan N* – Also known as the Partial Refund option this plan provides you with the largest benefit for your lifetime.

*Plan C* – Also known as the Period Certain and Continuous option you agree to take a reduced benefit during your lifetime, and should you pass within the guaranteed period you chose your beneficiary will continue to receive a benefit until the end of the selected period.

*Plan D* – Also known as the Co-Participant option you agree to take a reduced benefit during your lifetime, and upon your death your Co-Participant will receive a selected portion of your monthly benefit for the remainder of their lifetime.

## Your Contributions

You will contribute 8.25% of your annual salary into the retirement fund. Of that, 7% goes to your membership account, also known as your pension. The remaining 1.25% goes to the Health Insurance Fund. You will receive an Annual Statement of Benefits every year which will reflect the activity that occurred on your account during the previous year.

## Earning Service Credit

You earn one month of credited service for each school month worked from September to June. A full year of service is 10 months, and you cannot receive more than 10 months of credit in any school year. In order to receive credit, you must be employed on the first working day of the month in a CTRS eligible position and have the mandatory contributions deducted from the salary that you were paid

## Purchasing Service Credit

There are numerous types of service credit that may be purchased to increase your retirement benefit. Some are treated the same as actual Connecticut public school teaching service and some are considered as non-Connecticut. A list of Purchasable Service Credit is available on our website. Note: The cost is often less expensive when the service is purchased earlier in your career.



# Important Information

## Annual Statements

You will receive a Member Annual Statement every year which will reflect the activity through June 30th of the prior school year. This serves as a history of pensionable salary, contributions, and employment credits for each academic year. Any adjustments or purchases of service credit that occur after the June 30<sup>th</sup> statement date will appear on the following year's statement. Upon receipt of your Member Annual Statement, we recommend that you review it carefully to ensure that your account accurately reflects your demographic information, pensionable salary, full-time equivalency, credited service, mandatory contributions, and beneficiaries.

## Voluntary Payments

As an active member of the Connecticut Teachers' Retirement System, you may elect to contribute to a Voluntary Account via Payroll Deductions on an "after-tax basis" only, subject to IRS section 415 limits. All voluntary contributions deducted from payroll before the 30th of June will be first credited or charged with the investment rate of return on the 30th of June of the following year.

## Survivorship Benefits

If you die while in active service, TRS provides benefits to your statutory survivors. A statutory survivor is defined as a spouse and/or a minor child under the age of 18. Connecticut statutes require that monthly survivorship benefits be paid to your statutory survivors before any balance of your account is paid to your designated beneficiary.

## Disability Benefits

You are eligible to receive a disability benefit if you are an active member and cannot perform the duties of your assigned position due to a physical or mental impairment and have at least 5 years of credited TRS service and are not yet eligible to receive a retirement benefit. Disability benefits will be calculated at 2% of your final salary base (average of highest three paid salaries) times the years of full-time credited service, subject to a maximum benefit of 50% of final average salary, and minimum benefit of 15% of final average salary (for 7.5 or fewer years of service). Additional Service Credit purchased within five years of the effective date of disability is excluded.

## Leaving the System

Should you terminate your employment with a qualified school system before completing 10 years of credited service you will become an inactive member with TRS. As an inactive member you are not required to withdraw your funds immediately. Your account will continue to accrue interest for up to 10 years. It is important to keep the TRS updated with contact information if you choose not to withdraw your funds, so you do not miss any important updates or required minimum distributions.