



**STATE OF CONNECTICUT
TEACHERS' RETIREMENT BOARD
21 GRAND STREET
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www.state.ct.us/trb

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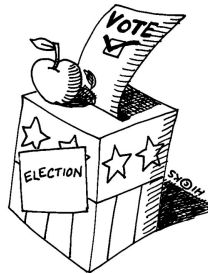
BOARD MEMBERS

Clare H. Barnett, Chairperson
Hon. Theodore Sergi
Hon. Patricia Wilson-Coker
Marion S. Jewell
Mary Nicholas
Martin L. Rudnick
Rosalyn B. Schoonmaker
Eugene Cimiano
Deborah Freedman
Martin M. Lilienthal
Elaine T. Lowengard
Augustine M. Masiello

William J. Sudol, Administrator

Board Election Results

The Connecticut Teachers' Retirement System is governed by Chapter 167a of the Connecticut General Statutes as amended through the 2000 session of the State Legislature. The System is administered by the Teachers' Retirement Board, located in Hartford. The Board is made up of twelve members: three active teacher members, two retired teacher members, the Commissioner of the Department of Social Services, the Commissioner of the State Board of Education, and five public members appointed by the Governor. All Board members serve without pay but are reimbursed for necessary expenses.



An election was held this spring for two (2) active member seats on the Connecticut Teachers' Retirement Board. The candidates were: Carol Bryan, a New Haven Teacher, incumbent Mary Nicholas, a Vernon teacher, and Robert E. Scalzo, a Danbury teacher. The two winning candidates will serve on the board for a four year term beginning July 1, 2001.

The final vote count was as follows:

Robert E. Scalzo 11,942 Mary Nicholas 11,622 Carol Bryan 8,091

The results of the election will be formally announced at the Board's June 2001 meeting. ♦

Are You Retiring This Year?

If you are planning to retire on July 1, 2001, you must file your complete Application for Retirement Benefits no later than June 30, 2001. All additional service credit must be documented on the required forms prior to your effective date of retirement in order to be purchasable. Benefits are not retroactive if you file late. This means that if you file in the month of July, your benefits will become effective August 1, 2001 and will not be retroactive.

July 1, 2001 retiree pension payments representing the months of July and August are scheduled to be issued no earlier than the *end of August*. You should plan carefully to have funds on hand to cover your expenses until your first benefit payment(s) arrive. Pension payments are issued at the *end* of each month thereafter. All new retirees are required to have their payments electronically deposited into their bank account. All changes to address or bank information must be received by this office *in writing* by the 1st of the month for such change to become effective at the end of the month. ♦

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- Summer Services
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NEW!

Effective March 1, 2001, the agency toll-free number 1-800-504-1102 is available to out of state callers.

2000 - 2001 Legislative Proposals



The 2000-2001 Legislative Session is underway. The following bills were submitted for consideration this session. **Please be advised that these bills are merely proposals and have NOT been enacted into law by the General Assembly.** Bills may be amended and/or may not pass. If the legislature does not take favorable action on a bill prior to adjournment on June 6, 2001, such bill is effectively "dead" but may be resubmitted for consideration during the next legislative session. You may track the status of specific proposals by bill number by linking to the Connecticut General Assembly website which is located at www.cga.state.ct.us/default.htm.

CTRB Sponsored Bills:

Proposed Senate Bill 1351 An Act Concerning Cost of Living Adjustments To Persons Receiving Benefits From The Teachers' Retirement System And The Payment of Health Insurance Subsidies To Local School Districts.

Section 1 of this proposal would provide for a graduated cost of living increase of one percent (1%) per year for each year the retirees' retirement date preceded January 1, 1990.

Section 2 of this proposal would provide for an annual cost of living adjustment to the health insurance subsidy benefit payable to the boards of education on behalf of non-Medicare retired members and their spouses enrolled in local school district health plans. The subsidy would be adjusted based on cost of living changes for the

cost of health care benefits as measured by the National Consumer Price Index For Urban Wage Earners and Clerical Workers (CPI-W) for Medical Care.

Proposed House Bill 6933 An Act Concerning The Purchase Of Additional Credited Service In the Teacher's Retirement System, The Excess Earnings Account And The Early Retirement Incentive Program.

Section 1 of this proposal would allow teachers the opportunity to purchase additional credited service at any time during their active teaching career rather than at the time of their retirement as is required under current law. This bill would direct the Board's actuary to develop a formula that would take into account the age of the member at the time of purchase and the projected earnings to normal retirement. This method would continue to maintain the current cost sharing philosophy that both the member and state equally share the actuarial cost increase derived from the purchase of service.

Section 2 of this proposal would change the name of the Excess Earnings Account to the Cost of Living Adjustment Reserve Account to more accurately describe its purposes and to dispel any concepts that this account is for other non-intended purposes other than to pay cost of living benefits for post 1992 retirees.

Section 3 of this proposal would allow the Board to build in the cost of any delinquent or late interest assessments that remained outstanding by a board of education into the cost of any

newly adopted Early Retirement Program commonly known as an "Ohio Plan".

The Board is on record as being fully supportive of:

Senate Resolution No 18 that would provide for a Constitutional amendment that will insure that Connecticut teachers' benefits are contractual in nature and cannot be diminished or impaired. This amendment would obligate the State to appropriate the contributions necessary to fund the System's annual contributions to the System on an actuarial reserve basis as required by law and to preclude the diversion of retirement funds for other than their intended purposes.

Proposed Senate Bill 740 An Act Concerning The Transfer of Surplus Funds To The Teachers' Retirement Fund.

Proposed Senate Bills 58, 179, 967 and House Bill 6492, all of which would require that the State fully fund the required contributions as is required by law.

Proposed Senate Bill No 9 An Act Eliminating The Financial Penalty For Teachers Who Retire With Thirty-Four Or More Years Or Thirty -Three Or More Years of Service.

Proposed Senate Bill 972 An Act Concerning A Cost of Living Allowance For Persons Receiving Survivor's Benefits From The Teachers' Retirement System. This bill would grant surviving spouses and minor children of deceased active teachers, annual cost of living adjustments in the same manner as retired teachers. ♦



Disability Benefits

If you become disabled while actively teaching, you may be eligible to receive a monthly disability allowance.

In order to qualify for a disability allowance, you must:

- Be certified as disabled by the CTRB Medical Review Committee. This panel of qualified physicians will review the information submitted by your personal physician(s).
- Have five years of credited service in the public schools of Connecticut, unless the disability was as a result of a sickness or injury which occurred while performing your duties as a teacher.

For the first 24 months "Disabled" means that you are unable to perform your duties as a teacher because of a physical or mental impairment which is expected to be of long duration or result in death. After 24 months, "Disabled" means that you are unable to perform any substantial work activity.

For each year of full-time credited service, the benefit would be calculated at two (2%) percent of your salary base. The minimum benefit percentage is 15% and the maximum is 50%.

Service credit will accrue to a maximum of 30 years while receiving a disability allowance. Upon the attainment of age 60 (minimum 20 years CT), the disability allowance will be converted to a normal retirement benefit at which time you will be required to select a payment plan.

Your 1% and/or voluntary account balances are distributed in your choice of a lump sum or extra monthly annuity when your disability allowance commences. If you have documented additional credited service, such service may be purchased by making a personal payment at the time that your benefit is converted to a regular retirement allowance.

The disability allowance is subject to possible offsets against outside earned income, Workers Compensation and/or Social Security.

Example

Member age 52 with 18 years of full-time credited service becomes disabled. The benefit calculation would be as follows:

18 years X 2% = 36% of salary base for the disability allowance

Assuming the member continues to be disabled until age 60, the converted benefit would be as follows:

18 years plus 8 years disability accrual service = 26 years

26 years X 2% = 52% of salary base for the converted benefit

The converted benefit includes any cost of living adjustments accrued while on disability. ♦

For additional information on this topic, obtain a Disability Application from this office or you may download it from our website @ www.state.ct.us/trb.

Summer Services

The summer months are particularly trying and difficult for CTRB staff members who will be attempting to update and reconcile each member's retirement account with proper credited service, salary and contribution data that has been reported by each local school district for the prior school year.

In addition, we anticipate that more than 1,200 members of the system will retire on July 1st and expect to begin receiving their initial benefit payments at the end of August. Beginning in June, through mid-August, CTRB staff must focus and dedicate their entire effort and energy to process and initiate benefits to those members who are retiring as well as to continue to process and maintain the payroll for the 21,000 members currently receiving retirement benefits.

Faced with a large volume of retirees, a small staff and a tight time frame, other services during this period may be limited or curtailed. For obvious reasons, CTRB staff will not be able to provide you with benefit estimates or counseling services during this period of time. In addition, you may also experience a delay in receiving responses to your written communications or requests for information as well as limited telephone access.

We hope that you will better understand the reasons that these services will be affected and appreciate your cooperation and patience during this period of time. ♦

Frequently Asked Questions



Is the Connecticut Teachers' Retirement System a Defined Benefit Plan or a Defined Contribution Plan?

CTRS is considered a Contributory Defined Benefit Plan. This means that your retirement benefits are based on a formula (age, years of service and average salary). Simply speaking, your account balances have no bearing in determining your monthly retirement benefits. This is different from a Defined Contribution Plan (e.g. Tax Sheltered Annuity, Deferred Compensation, Profit Sharing Plan) which determines your benefits based upon your total account balances.

How do I initiate an Active Teacher Voluntary Account with CTRB?

You may elect to contribute to a voluntary account either by payroll deductions or by lump sum payment. To initiate monthly voluntary payroll deductions, complete the **Authorization for Voluntary Deductions Form** (Form TRB 81) and submit to your employer. To deposit a lump sum voluntary payment, complete the **Lump Sum Voluntary Payment Form** and submit with your personal check directly to CTRB at the PO Box listed on the form. Voluntary contributions are made on an "after-tax" basis only. Interest accrues on this account in the same manner as your regular account. All voluntary contributions received on or before the thirtieth of June will be first credited with interest on the thirtieth of June of the following year. Interest rates vary from year to year. For additional information on this topic, you should obtain the **Voluntary Account Information Bulletin** from this office.

How should I notify CTRB of my new home mailing address?

Simply notify your **employer**. It will be your employer's responsibility to notify this office of the change via their next monthly transmittal report to CTRB.

How do I update my beneficiary with CTRB?

Obtain an **Active Teacher Beneficiary Form** from this office or from our website @ www.state.ct.us/trb. This completed form should be returned directly to CTRB for processing.

I will no longer be teaching in the State of Connecticut. When should I begin collecting my retirement benefit?

We recommend that you begin collecting your retirement benefit as soon as you are eligible to receive your benefit. There are occasions where a terminal leave of absence may be advisable. For additional information on this topic, you should obtain the **Deferring the Payment of Benefits/Terminal Leave Bulletin** from this office.

What happens to my benefits if I divorce?

A court may order that your former spouse receives a portion of your retirement benefits. This can only be accomplished if a copy of the court order or judgement is filed and approved by the Teachers' Retirement Board. Such an order is commonly known as a Domestic Relations Order (DRO) and the former spouse is referred to as an Alternate Payee. For further information, you should obtain the **Divorce and CTRB Benefit Bulletin** and a **Domestic Relations Order Sample** from this office. ♦

Help is Available on the Internet

Do you have questions on your Connecticut Teachers' Retirement Membership? Are you contemplating retirement or just planning for your future? Do you need to know the types of purchasable credit available in this system? Do you require forms, applications or bulletins from this office? Does your schedule make it difficult for you to reach us during regular business hours? **Visit us on the World Wide Web @ www.state.ct.us/trb.**

Applications/Forms	Service Credit Documentation	Information/Bulletins	Information/Bulletins
Retirement Application	Outside State Service	Pension & Add. Credit Worksheet	Post Retirement Employment
Disability Application	Substitute Service	1% Supplemental and Voluntary	Divorce/Your CTRB Benefit
Withdrawal of Funds Application	Previous Leave of Absence	Prior CT Teaching Service	Social Security Information
Voluntary Deductions Authorization	State of CT Employment	Leave of Absence Information	Taxability of Retirement
Lump Sum Voluntary Payment Form	Elected Official Service	Survivorship Death Benefits	Qualifying Service
Address/Name Change Form	Military Dependents School	Withdrawing Your Deposits	Voluntary Account Info
Change of Beneficiary Form	Federal Teacher Corp Service	Cost of Living Adjustments	Deferring Benefits
Current Leave of Absence Form	Part Time/Hourly Service	Health Insurance	Benefit Estimator (NEW)