

INTRODUCTION

Retirement Benefits at KCTCS

Employees in the KCTCS personnel system may elect to participate in one of three retirement systems. Within the first 30 days of employment it is mandatory for a new employee to make a retirement election into one of the following:

1.) Defined Benefit Plans

- Kentucky Teachers Retirement System (KTRS)
 - Position dependent for enrollment
- Kentucky Employees Retirement System (KERS)

2009 CONTRIBUTION RATES

Retirement System	Employee Contribution	Employer Contribution
<i>Participants Prior to 7/1/2008</i>		
KTRS - <i>optional (pay social security)</i>	6.16%	13.84%
KTRS- <i>mandatory (no social security)</i>	9.855%	13.105%
<i>New Participants Hired on or After July 1, 2008</i>		
KTRS - <i>optional (pay social security)</i>	7.16%	14.84%
<i>Participants Prior to 9/1/2008</i>		
KERS-non-hazardous	5.0%	10.01%
KERS-hazardous	8.0%	24.35%
<i>New Participants Hired on or After September 1, 2008</i>		
KERS-non-hazardous	6.0%*	10.01%
KERS-hazardous	9.0%*	24.35%

**1% allocated to KRS insurance funding, not returnable to employee*

- These retirement systems are governed by Kentucky statute. Aside from the retirement benefits themselves, Long Term Disability benefits and Retiree Health Care are offered to participants.
- Vesting after 5 years of service.

Details on regulations, policies and benefits are available at the respective retirement system by accessing or contacting:

Kentucky Teachers Retirement System 479 Versailles Rd. Frankfort, KY 40601-3800 (800) 618-1687 www.ktrs.ky.gov	Kentucky Retirement Systems Perimeter Park West 1260 Louisville Rd. Frankfort, KY 40601-6124 (800) 928-4646 www.kyret.com
--	---

2.) Defined Contribution Plans

403(b) plans offered by 4 carriers:

- Employees contribute **5%** base salary
- KCTCS contributes **10%** base salary
- Immediate vesting

Carriers:

ING	800-262-3862	www.ing-usa.com/
TIAA-Cref	800-842-2888	www.tiaa-cref.org
American Century	800-345-3533	www.americancentury.com/index.jsp
Fidelity	800-343-0860	https://www.fidelity.com/frameless_pr_A.shtml

Also available for voluntary contributions are:

Supplemental Retirement Plans

- 403(b) supplemental and 457 plans through current carriers
- 401(k) plans and 457 plans available through the Kentucky Deferred Compensation Authority
 - (800) 793-4401
 - www.kentuckydcp.com/
- Annual contribution limits are established by the IRS

For 2009

Normal Limit	Catch-Up Limit*	Total Amount Allowed
\$ 16,500	\$5,500	\$22,000

**Catch-up amount is allowed to employees 50 years and older*

Roth 403(b) Plans

- Available from all carriers
- Roth 401(k) plans available from the Kentucky Deferred compensation authority
- Subject to same IRS contribution limits as pre-tax contributions

This handbook may offer information on the retirement process common to all systems, but it is specific to KCTCS employees retiring under the 403(b) retirement system.