

# Kentucky Teachers' Retirement System

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*Executive Secretary*

Office Hours 8:00 to 5:00

Recognizing the  
Value of Your  
Sick Days



Based on Statutory  
Regulations as of  
Fall 2013

# Recognize the Value of Your Sick Leave



**Win/Win  
Situation!!**

**Your Sick Leave payment is paid to you by  
your employer....AND is added to your  
Final Average Salary!!**

# *Recognize the Value of Your Sick Leave*

## *How is Sick Leave Calculated?*

**Daily Rate x percentage paid x  
# of Unused Sick Days = Sick Leave  
Payment**

### **\*EXAMPLE\***

$$\$55,000/187 = \$ 294.12$$

$$\$294.12 \times .30 = \$ 88.24$$

***175 Sick Days at the Time of Retirement =  
\$15,442.00***

\$15,422.00 is added to your last year of salary when KTRS calculates your retirement annuity.

Last year contract salary	\$55,000
Sick leave payment	\$15,422.00
<b>Total last year salary</b>	<b>\$70,422.00</b>

*AND your Board of Education  
pays you \$15,422.00  
at the time of your retirement!  
(less KTRS contribution & taxes)*

# Example 1:

## *Recognizing the Value of Your Sick Leave Days*

Lindsey, Morgan and Kelly plan to retire July 1, 2014. They all began teaching August 1, 1986. They all have the same rank, experience, and pay. Age for each on July 1, 2014 is 53 years.

	<b>Lindsey</b>	<b>Morgan</b>	<b>Kelly</b>
<b>Sick Days</b>	0	135	216
<b>Sick Leave Payment</b>	0.00	\$9,926.55	\$15,882.48
<b>Average Salary</b>	\$53,500.00	\$55,485.31	\$56,676.50
<b>Total Multiplier</b>	0.675	0.675	0.675
<b>Annual Retirement Salary</b>	\$36,112.50	\$37,452.58	\$38,256.64
<b>Monthly Annuity</b>	\$3,009.38	\$3,121.05	\$3,188.05
<b>Effect on monthly annuity due to sick leave</b>	<b>\$0.00</b>	<b>\$111.67</b>	<b>\$178.67</b>

This calculation was based on the average of the **five highest salaries**

## Example 2:

### *Recognizing the Value of Your Sick Leave Days*

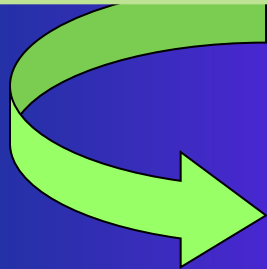
Lindsey, Morgan and Kelly plan to retire July 1, 2016. They all began teaching August 1, 1984. They all have the same rank, experience, and pay. Age for each on July 1, 2014 is 55 years.

	<b>Lindsey</b>	<b>Morgan</b>	<b>Kelly</b>
<b>Sick Days</b>	15	150	231
<b>Sick Leave Payment</b>	1,113.00	\$11,130.00	\$17,140.20
<b>Average Salary</b>	\$55,537.67	\$58,876.67	\$60,800.07
<b>Total Multiplier</b>	0.725	0.725	0.725
<b>Annual Retirement Salary</b>	\$40,264.81	\$42,685.59	\$44,138.85
<b>Monthly Annuity</b>	\$3,355.40	\$3,557.13	\$3,678.17
<b>Effect on monthly annuity due to sick leave</b>	<b>\$22.41</b>	<b>\$224.14</b>	<b>\$345.18</b>

This calculation was based on the average of the **three highest salaries**

# Recognize the Value of Your Sick Days

**How a Retirement Pension can Grow**



	Age 55+	
Retirement Date	July 2019	July 2019
Service Credit	32	32
Multiplier	0.81	0.81
Sick Leave Days	0	175 \$17,381.00 Adds \$392/mo
Average Salary	\$ 60,704	\$66,498
Option I	\$ 4,097	\$4,489
Percent of Last Salary	79%	87%

Financial planners recommend retirement income of 80% to 100% of your final salary.



Teachers' Retirement System  
of the State of Kentucky

*Our Members  
Come First!*

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[www.ktrs.ky.gov](http://www.ktrs.ky.gov)

*Protecting & Preserving Teachers' Retirement Benefits*