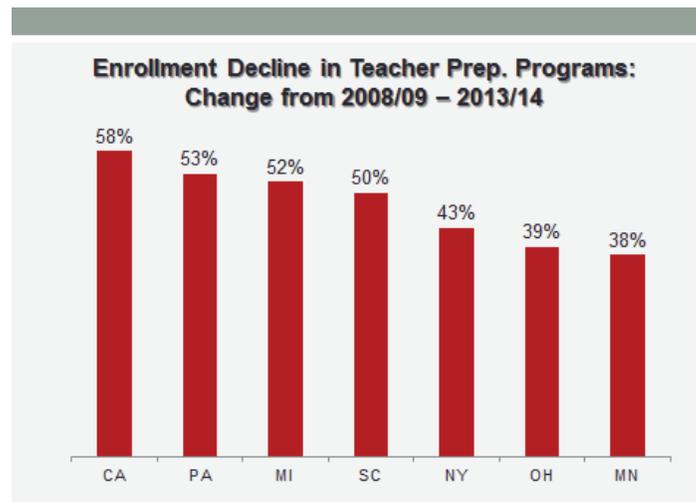


NEW EDUCATORS: THREE THINGS YOU NEED TO KNOW NOW ABOUT RETIREMENT!

Retirement may not seem like an immediate concern as you start your career. However, for most career educators, their retirement benefit is the largest financial asset they will ever own. Fortunately, **most educators hired today are covered by pensions**, which provide you with a modest lifetime income once you retire. Pensions can assure your spouse has income for life, too. Our plans typically utilize a formula, such as: 2% X Years of Service X Final Average Pay. Here are three things to know about your pension:

- 1. Pensions provide excellent retirement security.** A traditional pension plan provides retired workers with a steady income stream that is guaranteed for life—unlike 401k plans, which offer no guaranteed benefits and are leaving far too many Americans facing a retirement crisis.
- 2. Pensions are good for kids and schools, too.** Keeping experienced educators in the classroom improves instruction and creates stable environments for kids. Since pensions help retain workers, they make perfect sense for public education. For instance, a study of public schools in California found that “A large majority of teachers who survive the first few years of teaching, stay until at least early retirement age.”
- 3. Teachers prefer pensions!** Some states provide educators a choice between pensions and 401k-style programs. Once they read over the details, educators choose pensions!



Source: <https://tettle2ed.gov/Public/Home.aspx> (You can pull data for your state.)

Pensions are a great asset—making education careers more attractive to prospective educators, as well as keeping great teachers in the classroom. This is especially important today, with so many states facing a teacher shortage.

Pensions remain the best option for achieving the Three R's of Teacher Retirement: Recruitment, Retention, and Retirement! **Ask your Association representative to tell you about the retirement benefits available to you.**

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