



The Defined Benefit Plan is one of three STRS Ohio retirement plan options available to new members of the system making their retirement plan selection.

DEFINED BENEFIT PLAN

Key Plan Features



- ✓ **Retirement benefit** based on age, years of service and final average salary (FAS)
- ✓ **Survivor and disability** benefits
- ✓ Access to **health care** coverage*
- ✓ **Purchase service credit** (if eligible)
- ✓ Decision is **permanent**

*Effective Aug. 1, 2023, new retirees need 20 years of service for eligibility. Coverage under the STRS Ohio Health Care Program is not guaranteed.

2

Under the Defined Benefit Plan your retirement income is based on age, years of service and final average salary — the average of your five highest years of Ohio public earnings.

Upon meeting eligibility criteria, survivor and disability benefits are offered during your career and, currently, access to health care coverage is offered in retirement.

Purchasing service credit can increase the amount of your retirement benefit or may enable you to retire sooner. You can purchase service credit for certain types of employment if you are eligible.

If you select the Defined Benefit Plan, your decision is permanent and you cannot change retirement plans in your fifth year of service — as you can if you select one of the other two STRS Ohio plans.

DEFINED BENEFIT PLAN

STRS Ohio Contributions



- **Your contribution — 14%**
- **Employer contribution — 14%**



Under the Defined Benefit Plan, you and your employer each contribute 14% of your annual salary to STRS Ohio.

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Retirement Benefit Eligibility



Retirement Dates	Unreduced Benefit (Minimum Age and Years of Service)	Reduced Benefit (Minimum Age and Years of Service)
8/1/2023–7/1/2028	Any age and 34 yrs.; or age 65 and 5 yrs.	Any age and 30 yrs.; or age 60 and 5 yrs.
On or after 8/1/2028	Any age and 35 yrs.; or age 65 and 5 yrs.	Any age and 30 yrs.; or age 60 and 5 yrs.

Defined Benefit Plan participants can retire with an *unreduced* benefit at age 65 with five years of service or at any age with 34 years of service. The required service credit increases to 35 years of service on August 1, 2028.

Those who meet the eligibility criteria also have the option of retiring with a benefit at any age with 30 years of service or at age 60 with five years of service.

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Retirement Benefit Calculation



Your retirement income is based on a formula:

Years of service x 2.2%	X	Final average salary	=	Annual Benefit
34 x 2.2 = 74.8%	X	\$80,000	=	\$59,840 annually

5

Under this plan, you would receive 2.2% of your five-year final average salary for each year of service credit. For example, with 34 years of service credit, you would receive 74.8% of your final average salary.

For an individual with an FAS of \$80,000, this would result in a retirement benefit amount of \$59,840 annually.

DEFINED BENEFIT PLAN

Leaving an STRS Ohio-Covered Position



Three options

1. Keep account with **STRS Ohio**
2. **Roll over** funds
 - Individual retirement account, eligible employer plan or another qualified plan
3. **Withdraw** the account*

*Early withdrawal tax penalties may apply.

6

If you leave Ohio public employment before retirement eligibility, you can leave your Defined Benefit Plan account with STRS Ohio to qualify for future benefits. You can also roll over the funds to an individual retirement account, an eligible employer plan or another qualified plan. Or, you can withdraw the account. If you choose to do so, it will be subject to tax withholding.

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Account Withdrawal Value



Account withdrawal value*

- **Member contributions** plus interest based on years of qualifying service
- **After five years** of qualifying service: interest plus 50% matching funds

*Early withdrawal tax penalties may apply.

7

Your account's value would consist of your member contributions plus interest based on your years of service. After five years of qualifying service credit, you would receive your member contributions plus interest and 50% matching funds on that total.

DEFINED BENEFIT PLAN

Key Characteristics and Considerations



- ✓ **Least account management** by you
- ✓ You are **not responsible for making investment decisions**
- ✓ **Retirement benefit payment determined by formula**
- ✓ Monthly benefits are **paid for your lifetime**

8

Here are a few Defined Benefit Plan characteristics to keep in mind.

- This plan would require minimal account management by you.
- You are not responsible for making investment decisions.
- Your benefit payment at retirement is determined by a formula set by statute based on age, salary and service credit.
- Your monthly retirement benefit payment is paid for your lifetime.

Plan Selection Resources



- **STRS Ohio website: New Member section**
- **Group Benefits Counseling — New Member Overview**
- **888-227-7877 (toll-free)**

CHOICES

9

The STRS Ohio website includes a New Member section where you will find plan descriptions and frequently asked questions.

We offer a Group Benefits Counseling — New Member Overview opportunity. This small group session led by an STRS Ohio benefits counselor includes a review of the retirement plan options and important considerations when making your plan selection. Registration can be completed using your Online Personal Account.

You can also contact us toll-free at 888-227-7877.