



CALSTRS®

LEARN AND DISCOVER

THE BENEFIT OF A LIFETIME

Newly Retired



Dear CalSTRS member,

Congratulations on your retirement! As CalSTRS' chief executive officer, I want to thank you for your dedicated career. Education is a challenging and rewarding profession, and I wish the best for your next phase of life.

Take a few minutes to look through this *Learn and Discover: Newly Retired* publication. You'll find valuable information about working after retirement, inflation protection, the importance of signing up for Medicare on time, federal Social Security rules, benefit pay dates and how to keep your contact information current.

It's my honor to lead CalSTRS as we fulfill our mission of securing the financial future and sustaining the trust of California's educators. Our priority is to provide exceptional service to our members. Your reward is a secure retirement. Our reward is getting you there.

Sincerely,



Cassandra Lichnock  
Chief Executive Officer

## THE BENEFIT OF A LIFETIME

Your CalSTRS defined benefit pension may be your greatest asset. Look through this booklet now to learn more.

## Pay dates

Your 2024 CalSTRS benefit payment dates are below. Payments are made in arrears, so the payment you receive each month is for the prior month's benefit. Check your CalSTRS *Retired Educator* newsletter or [CalSTRS.com/paydates](https://www.calstrs.com/paydates) for 2025 pay dates.

Benefit month and year	Southern California* and out of state mailing date	Northern California** mailing date	Direct deposit date
September 2024	9/27/2024	9/27/2024	10/1/2024
October 2024	10/29/2024	10/29/2024	11/1/2024
November 2024	11/25/2024	11/25/2024	11/27/2024
December 2024	12/27/2024	12/27/2024	1/2/2025

\*ZIP codes beginning with 900-930 \*\*ZIP codes beginning with 931-961

### What if your payment hasn't arrived?

#### Direct deposit

If you have direct deposit, your financial institution has until the close of the direct deposit date to place the funds in your account. Contact your financial institution to find out what time it places your funds into your account. You can find your monthly statement online at [myCalSTRS.com](https://mycalstrs.com).

#### Paper checks

If your benefit payment is mailed to you and you have not received it by the fifth business day of the month, contact us at **800-228-5453**.

#### Sign up for direct deposit

Direct deposit gives you the quickest access to your benefit payment. Complete the *Direct Deposit Authorization* form online and submit it to us in one easy step at [CalSTRS.com/fillable-member-forms](https://www.calstrs.com/fillable-member-forms). You can also sign up through your *myCalSTRS* account. Your first payment will be deposited into your account 60 to 90 days after we receive your authorization.

# 9 things to do now that you're retired

- Open this *Learn and Discover: Newly Retired* booklet
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- Enjoy your retirement!

You've helped students build their futures— now it's time to enjoy your well-deserved retirement!

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CalSTRS is governed by the Teachers' Retirement Law, available at [CalSTRS.com](http://CalSTRS.com), and other governing laws. If there is a conflict between the law and this booklet, the law prevails. We make reasonable effort to provide accurate information in our publications, but such information is not meant to replace the law or provide legal or financial advice. To stay informed, consult a variety of sources, including [CalSTRS.com](http://CalSTRS.com), the California State Legislative Counsel website at [leginfo.legislature.ca.gov](http://leginfo.legislature.ca.gov), your union and elected legislative representatives. We can provide you with information on your benefit choices, but we do not provide legal, financial, tax or other advice. For such advice, consider consulting a professional in the relevant field.

# CalSTRS is here for you

The California State Teachers' Retirement System is your retirement plan. For more than 100 years, we have prudently managed the defined benefit pension funds of California's public school educators. Now that you're retired, you're receiving a monthly benefit that will continue for your lifetime.

## Why are we sending you this publication?

Our *Learn and Discover* publication series provides relevant information at key stages of your career—early career, midcareer, near retirement and newly retired. This booklet explains your CalSTRS benefits and issues important to California's retired educators, such as Social Security offsets, rules about working after retirement and other policies that could affect your financial future.

Understanding the value and security of the CalSTRS defined benefit pension you've earned is important. Our webpage devoted to retirees provides even more information, including a frequently asked questions section and a link to our *Retired Educator* newsletter. Learn more at [CalSTRS.com/retirees](https://CalSTRS.com/retirees).

This publication is also available online at [CalSTRS.com/publications](https://CalSTRS.com/publications). If you have questions, call us at 800-228-5453. We have member service centers located across California. Visit [CalSTRS.com/local-offices](https://CalSTRS.com/local-offices) to find the office near you.

# myCALSTRS

**myCalSTRS is an  
important resource for  
you—even in retirement.**

With *myCalSTRS*, you can:

- Sign up for direct deposit or update your direct deposit information.
- View and print benefit payment statements.
- Keep your email and mailing addresses current.
- Track your deductions and annual benefit adjustments.
- Access your 1099-R form.
- Obtain a benefit verification letter when applying for a Social Security benefit or loan.
- Keep your beneficiary designation up to date.
- Update your tax withholding preferences.
- Ask questions and receive prompt, secure answers.

**Access and manage your account  
at [myCalSTRS.com](https://myCalSTRS.com).**





## The benefit of a lifetime

Our relationship with you began when you started your teaching career and will continue through your retirement years. Because of this, our primary goal is to ensure a financially sound retirement system that will serve you for the rest of your life.

If you're like many CalSTRS members, your career in education may have spanned two to three decades. Even so, we often have a 60- to 70-year relationship with you due to the growing lifespan of our members—CalSTRS members tend to live longer than the average U.S. population. We're committed to maintaining a sustainable organization to ensure we provide benefits throughout those years.

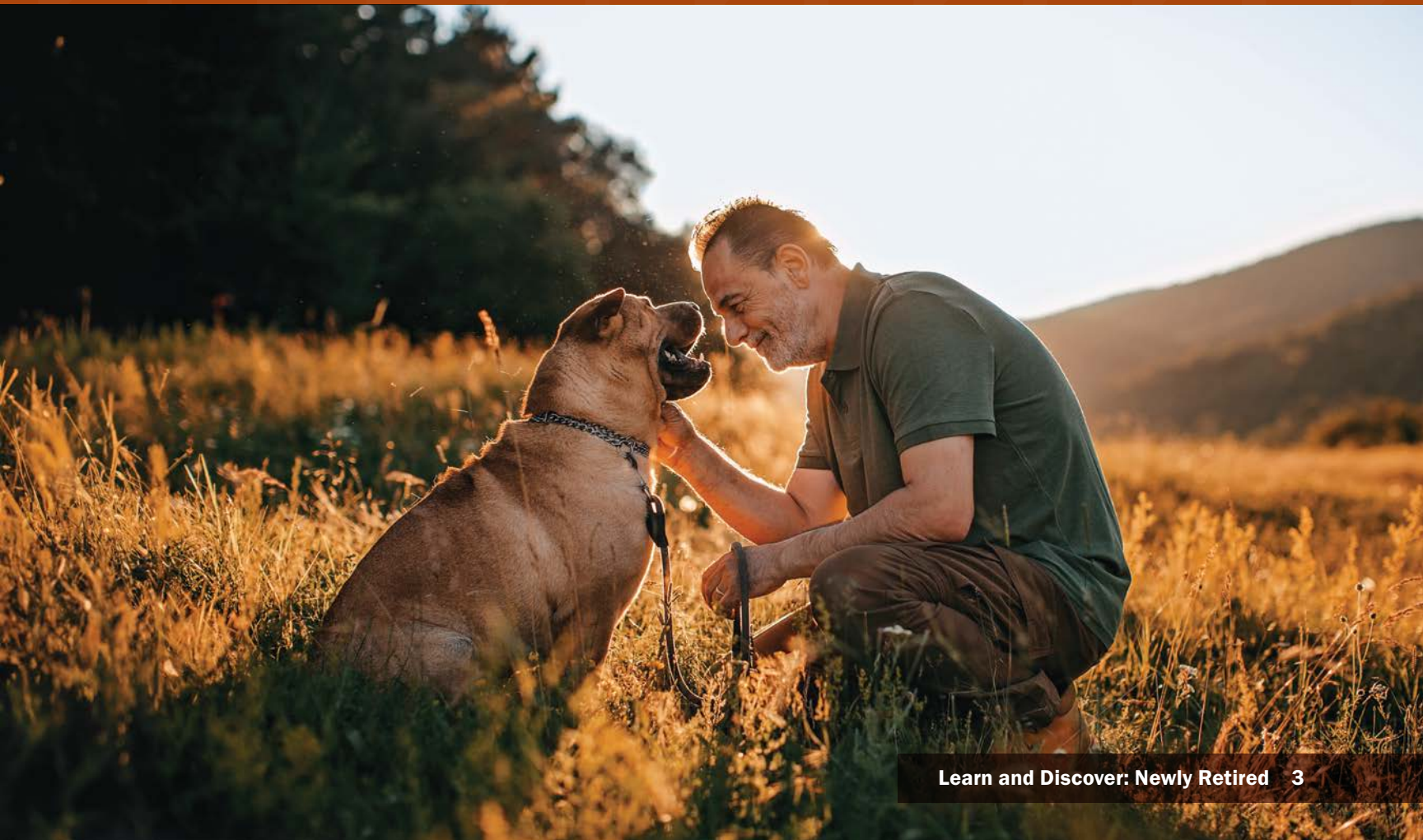
Life expectancy for CalSTRS members who retire at age 62

**WOMEN**  
**90**

**MEN**  
**88**

Retired CalSTRS members over 100 years old

**400+**





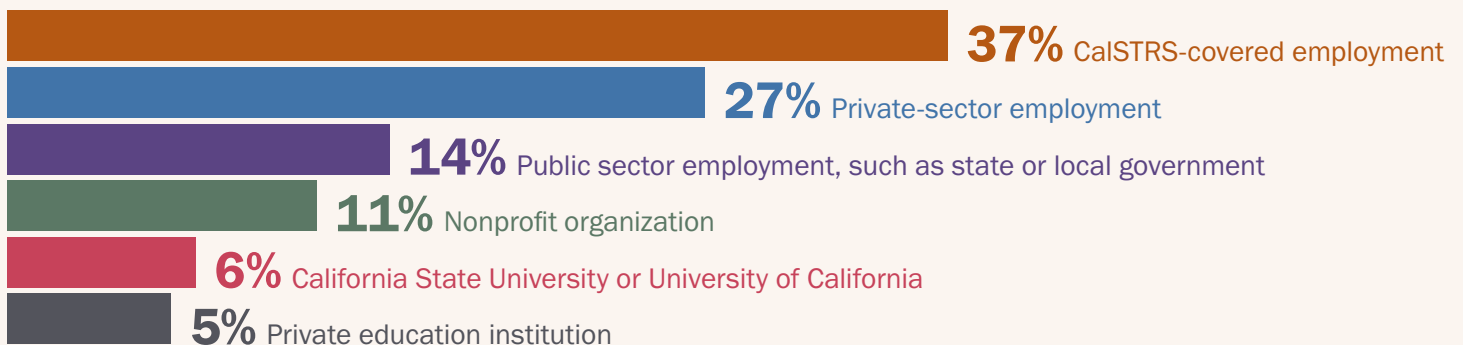
## How are you spending your retirement?

Although retirement has many meanings, it's often considered an active phase of life that includes continued work as well as time for leisure activities, such as traveling, pursuing hobbies, spending time with family and friends, and volunteering. Your idea of retirement may have even changed over your lifetime.

### Many educators continue to work in retirement

We periodically survey our members to assess their overall financial standing and future needs. Our 2024 Annual Member Survey found that 15% of our retired member survey respondents work for pay. These members work primarily to stay mentally active, to pay for necessary living expenses, and to earn extra travel and entertainment income.

Of the 15% of retired member survey respondents who stated they're working in retirement, 37% work in CalSTRS-covered employment and 27% work in private-sector employment, including self-employment.



Source: 2024 CalSTRS Annual Member Survey





# Working after retirement

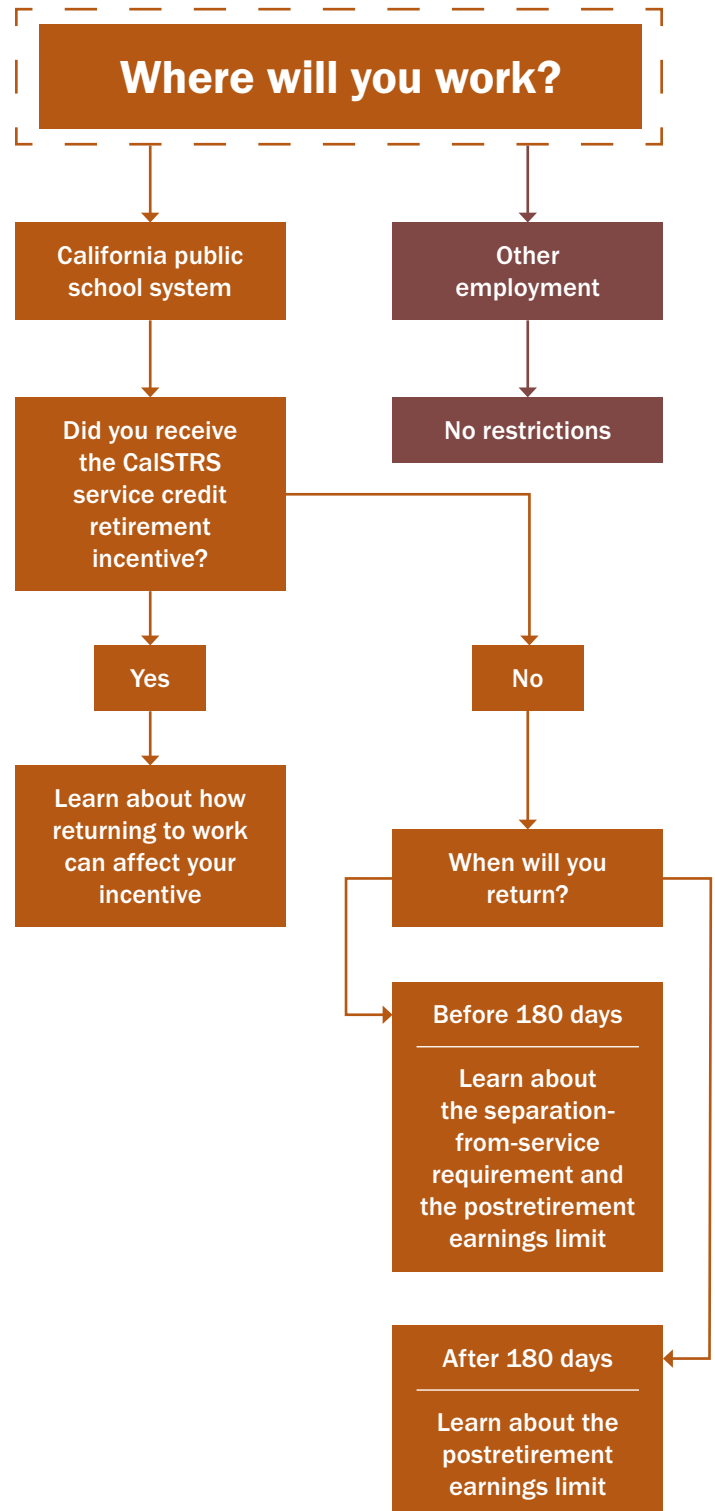
If you're thinking about a second career or returning to work in education, you can continue to receive your full CalSTRS retirement benefit if you take a job outside the California public school system. If you decide to accept a position within the California public school system, review the important limitations on pages 5–7.

## Where will you work?

As a retired CalSTRS member, you can work in any job outside the California public school system with no restrictions on your earnings. This includes working for private schools, state colleges and universities, public schools outside of California, and other private or public sector jobs outside of CalSTRS-covered employment.

If you return to employment within the California public school system, you cannot:

- Work in a classified position except, under certain circumstances, as a teacher's aide.
- Earn more than the annual postretirement earnings limit without affecting your CalSTRS retirement benefit.
- Earn any pay without affecting your retirement benefit if you return to work before the 180-calendar-day separation-from-service requirement is met.
- Keep the additional service credit you received under the CalSTRS Retirement Incentive Program if you return to work within five years of retirement with the employer that offered the incentive as an employee, independent contractor or an employee of a third party.



## When will you return to work?

If you perform retired member activities in the California public school system during the first 180 calendar days following your most recent retirement date, you're subject to the separation-from-service requirement. This means your retirement benefit will be reduced dollar for dollar by any compensation you earn during that time—including employer contributions to tax-sheltered annuities and other tax-favored products—up to your benefit amount payable during those 180 days.

**Retired member activities include employment in the California public school system as an employee, an independent contractor or an employee of a third party—including substitute teaching.**

There are no exemptions from the separation-from-service requirement if you're under normal retirement age or you received a retirement incentive. There is a narrow exemption if you meet all these requirements:

- You have reached normal retirement age.
- Your appointment is necessary to fill a critically needed position.
- You did not receive a financial incentive to retire.
- Your retirement was not the cause of the need to acquire your services.
- Your school district did not have reduction-in-force layoffs within the prior 18 months.

Your employer must submit documentation substantiating your eligibility for this exemption to us and must provide copies of that documentation to the union representing school district employees. We are unable to process exemption requests for active members. Within 30 calendar days after we receive all the required documents, we'll review the required documents, and if the exemption is approved, we'll let you and your employer know. Your employer must submit the documentation well before your expected start date to allow time for us to confirm whether you're approved for an exemption before you start working.

## How much will you earn when you return to work?

You're subject to the annual postretirement earnings limit if you return to work and perform retired member activities in the California public school system as an employee, an independent contractor or an employee of a third party—including substitute teaching.

For the 2024–25 school year, the postretirement earnings limit is \$74,733. If you earn more than the limit, including employer contributions to tax-sheltered annuities and other tax-favored products, your monthly retirement benefit will be reduced by the excess amount, up to the amount of your total annual benefit.

For example, a teacher who performed retired member activities and earned \$76,733 exceeded the annual earnings limit of \$74,733 by \$2,000. We will withhold their monthly retirement benefits until we recover \$2,000.

**You're subject to the annual postretirement earnings limit during and after the 180-calendar day separation-from-service requirement.**

Your employer will report your earnings as a retired member to us, and because you're working after retirement, you do not pay contributions or earn service credit. Due to delays in employer reporting, we may not be aware that you've exceeded the annual postretirement earnings limit until after it occurred. Be sure to keep track of your gross earnings so you do not exceed the limit.

➤ See the *Working After Retirement* fact sheet at [CalSTRS.com/publications](https://www.calstrs.com/publications) to learn more.

## Did you retire under the CalSTRS Retirement Incentive Program?

If you retired under the CalSTRS Retirement Incentive Program and return within five years to any job, including as a substitute teacher or instructional aide, as an employee, independent contractor or as an employee of a third party with the employer that granted the incentive, you'll lose the ongoing increase in your benefit from the incentive.



## Stay active through volunteering

Research suggests that positive, long-term mental health outcomes can be achieved when people age 65 and older remain engaged in the workforce, either paid or as a volunteer.

If you decide to volunteer, be aware that an employment arrangement that involves volunteering in a position creditable to CalSTRS may be subject to the annual postretirement earnings limitation.



## What if you want to reinstate from retirement?

You may want to return to work in a California public school again without being subject to earnings limitations. You can terminate your retirement by submitting the *Reinstatement After Retirement* form, available at [CalSTRS.com/forms](https://www.calstrs.com/forms). If you have earned postretirement compensation in excess of the annual limit, or within the required separation-from-service period before reinstatement, you'll still be subject to these limitations. Your reinstatement date can be any date during the month in which we receive your signed *Reinstatement After Retirement* form. For example, if you want your retirement to end July 15, 2025, we must receive your form no later than July 31, 2025.

If you reinstate, you'll pay contributions to CalSTRS for the compensation you earn, and you'll accrue service credit.

- **Be sure to meet with a CalSTRS benefits specialist to learn how reinstating will affect your future retirement benefit before you decide to terminate your retirement and return to active membership.**

## How reinstatement can affect your benefit

If you reretire within one year of reinstating, you cannot change your retirement option or beneficiaries. If you reretire after one year following your reinstatement, you may change or cancel your option election before or at retirement, but your benefit will be subject to an assessment—which may reduce your benefit for your lifetime. Once you're retired, you may make a postretirement option change only under limited circumstances.

If you retired under the CalSTRS Retirement Incentive Program, your retirement incentive will not be included in the calculation of your future retirement benefit.

Also, be sure to check with your employer to see if your health care coverage will be affected.

**When you reretire, you'll be subject to the separation-from-service requirement and the annual postretirement earnings limit again.**



## Protecting against inflation during retirement

Since retired CalSTRS members tend to live longer than the average U.S. population, you'll likely need to plan for many years in retirement. Your CalSTRS benefit has some built-in protection against inflation, but it's important to leverage your assets and income to ensure your quality of living is as high in the future as it is today.

### Annual benefit adjustment

You'll receive an automatic benefit increase equal to 2% of your initial benefit beginning September 1 after the first anniversary of your retirement. Your retirement date must be before September 1 to receive the annual benefit adjustment on September 1 of the next year.

The amount of your adjustment will appear in your October 1 payment. Adjustments are not compounded or tied to changes in the cost of living.

### Purchasing power protection

If inflation erodes the purchasing power of your retirement benefit, you may be eligible to receive an additional quarterly payment in the future. Purchasing power is a measurement of how your retirement benefit is keeping pace with inflation. For example, if your benefit stays the same but prices double, your purchasing power is only 50% of what it originally was.

Currently, we provide supplemental benefit payments to members whose purchasing power has dropped below 85%.

- Read the CalSTRS *Retired Educator* newsletter and other communications you receive from us to stay up to date on the availability and protection level of this important benefit during your retirement.

# 71%

Retired survey respondents who are confident they'll be able to meet their financial needs in retirement.

Source:  
2024 CalSTRS Annual Member Survey

## Protect your future

Learn how to mitigate common financial obstacles, such as inflation, rising health care costs and fraud, in our *Protect Your Future* webinar.

- Find a date that works for you and register today at [CalSTRS.com/webinars](https://CalSTRS.com/webinars).



# Health and Medicare considerations

**Retirement comes with important decisions for your health and wellness. Be sure to consider your health coverage needs as an essential part of your financial future.**

## Health insurance premium deductions

We do not provide health or dental insurance coverage for members. Your health insurance premiums may be partially or fully paid by your school district after retirement, depending on your collective bargaining agreement. If your school district does not support health benefits during retirement, state law requires they offer retiring CalSTRS members the option to continue their medical and dental insurance at their own cost. Benefits vary among school districts.

- **To verify coverage information, change premium amounts or cancel your coverage, contact your insurance carrier or employer.**

**More than 400 retired CalSTRS members are at least 100 years old. With people having the potential to live longer, this gift of longevity requires taking good care of ourselves.**

**Engaging in health-related activities on a consistent basis is important. Aim to:**

- **Exercise regularly.**
- **Eat healthy meals.**
- **Get plenty of rest.**
- **Maintain a positive outlook.**
- **Manage stress.**
- **Get routine physicals and recommended health screenings.**
- **Consider long-term health when making lifestyle decisions.**

## Medicare

Medicare is the federal health insurance program for people age 65 or older. Medicare helps with the cost of health care, but it does not cover all medical expenses or the cost of most long-term care.

Depending on your situation, you may be automatically enrolled in Medicare or you may need to apply. There are only certain times you can enroll in Medicare, the first being the Initial Enrollment Period, which usually:

- Begins three months before you turn 65.
- Includes the month you turn 65.
- Ends three months after you turn 65.

## Health care and insurance resources

To find out if you need to apply for Medicare and what happens if you do not enroll when you're eligible, or if you have other health coverage questions, contact:

**Social Security** (for Medicare eligibility information)  
800-772-1213  
[ssa.gov](http://ssa.gov)

**Medicare**  
800-633-4227  
[medicare.gov](http://medicare.gov)

**Covered California**  
800-300-1506  
[coveredca.com](http://coveredca.com)

**California Health Advocates, HICAP**  
800-434-0222  
[cahealthadvocates.org/HICAP](http://cahealthadvocates.org/HICAP)





## Worry less. Get your money on time.

Sign up for direct deposit and get your benefit payment faster, without going to the bank.

When you sign up for direct deposit, your money gets securely deposited into your checking or savings account every payday. Complete the *Direct Deposit Authorization* form online at [CalSTRS.com/fillable-member-forms](https://www.calstrs.com/fillable-member-forms) in one easy step. You can also sign up through your *myCalSTRS* account at [myCalSTRS.com](https://www.calstrs.com/myCalSTRS.com). Your first payment will be deposited into your account 60 to 90 days after we receive the authorization. To learn more, go to [CalSTRS.com/directdeposit](https://www.calstrs.com/directdeposit).





## Get the facts on Social Security

As a California public school educator, you did not contribute to Social Security, so you will not receive a Social Security benefit for your CalSTRS-covered employment.

If you or your spouse paid into Social Security through non-CalSTRS-covered employment, two federal rules, the Government Pension Offset and the Windfall Elimination Provision, may be used in the calculation of your Social Security benefit. Social Security is a federal program, and neither CalSTRS nor the State of California has control over eligibility requirements or benefit calculations.

These rules affect only your Social Security benefit. Your CalSTRS retirement benefit will not change.

### Government Pension Offset

The Government Pension Offset affects the Social Security benefit you receive as a spouse, widow or widower by:

- Potentially reducing or eliminating any spouse's, widow's or widower's Social Security benefit you may receive.
- Offsetting your Social Security benefit by two-thirds of the amount of your CalSTRS retirement benefit, possibly eliminating it.

#### Example

Assume your expected widow's or widower's Social Security benefit is \$1,500 and your CalSTRS retirement benefit is \$4,500.

Since two-thirds of \$4,500 is \$3,000, which is more than your \$1,500 Social Security benefit, you would not get a Social Security benefit.

Consult with a financial professional and refine your financial strategy as your retirement progresses.

**Approximately 29% of retired survey respondents indicate they are unsure if they're affected by the Government Pension Offset or the Windfall Elimination Provision.**

Source:  
2024 CalSTRS Annual Member Survey

### Windfall Elimination Provision

The Windfall Elimination Provision affects your Social Security benefit that is based on your earnings from other employment. The provision:

- May reduce your Social Security benefit that is based on your earnings from other employment.
  - States the reduction to your Social Security benefit cannot be more than half of your monthly CalSTRS benefit.
  - Does not apply if you have 30 or more years of Social Security substantial earnings.
- > Find details, including calculators, to help you determine if these federal rules might affect you at [ssa.gov/gpo-wep](https://ssa.gov/gpo-wep).
  - > See the *Social Security, CalSTRS and You* fact sheet at [CalSTRS.com/publications](https://CalSTRS.com/publications).
  - > View the *Introduction to Social Security* video at [CalSTRS.com/videos](https://CalSTRS.com/videos).

## Power of attorney: Protect yourself and your loved ones

If you want a loved one to act on your behalf in the event you become incapacitated, a durable power of attorney is a legal document that grants power to someone else to make decisions for you during your lifetime. We do not provide power of attorney forms, but an attorney can draft one, or you can purchase a fillable form for the state or country where you live in. Let us know if you no longer manage your financial affairs and have given someone the legal authority to make decisions or inquiries related to your CalSTRS account and benefits during your lifetime.

We cannot provide legal advice or assistance in the preparation of a durable power of attorney, but you can call us at **800-228-5453** if you have general questions related to a power of attorney or how to submit such a document.

## Reporting the death of a member or beneficiary

When a member, benefit recipient, option beneficiary or designated recipient dies, notify us as soon as possible by submitting a *Notification of Death* form online or calling **800-228-5453**. You'll need to provide the person's:

- Full name.
- CalSTRS Client ID or Social Security number.
- Date of birth.
- Date of death.
- Copy of death certificate (via upload or mail).

➤ Find more information at **CalSTRS.com/reporting-a-death**.

# Did you know?

You can view and print your 1099-R through your *myCalSTRS* account. Sign up today at **myCalSTRS.com** and securely access your CalSTRS account information 24/7.

## Name or update your one-time death benefit recipient

You can name or update your one-time death benefit recipient at any time during retirement with no financial penalty. Use your *myCalSTRS* account or the *Recipient Designation* form available at **CalSTRS.com/forms**.

If you reinstate from retirement and return to employment in a CalSTRS-covered position, you must earn at least one year of service credit before the one-time death benefit is available to you again.

Your one-time death benefit recipient can be a person, trust, charity, estate, parochial institution, corporation or public entity.



# Stay informed

Read our *Retired Educator* newsletter for retirees and beneficiaries. You'll stay informed on benefits, services, legislation, investments and Teachers' Retirement Board updates.



Go paperless. Sign up on *myCalSTRS* to receive your newsletter electronically to help us conserve natural resources and reduce costs.

**RETIREMENT**  
**Educator**  
SUMMER 2024  
CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM

**INSIDE**

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**ALSO INSIDE**

**Remaining pay dates for 2024**

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**CALSTRS**  
HOW WILL YOU SPEND YOUR FUTURE?

**Teacher Talk: Spotlight on California's educators**  
Her friends knew she would become a teacher before she did

Janet Sitts and her husband in Norway.

**Janet Sitts**  
Retired elementary teacher  
Davis Joint Unified School District  
Retired 2014

Janet Sitts wore many hats before fulfilling her dream of becoming a teacher. Her eye for art started an early career path in print and design for University of California, Davis. Her path shifted when she went to the Bay Area as an interior designer. From there, it was motherhood and a desire to start teaching. "When my youngest daughter started school, I realized I wanted to do something more and became a teacher's aide to follow my kids' schedules."

Sitts spent four years as a teacher's aide for kindergarten through second grades at Valley Oak Elementary in Davis, and that was when the spark ignited to pursue her teaching credential. "My friends used to tell me that I would be teaching any day, and they were right. I like kids! I was spending a lot of time with them as an aide, and we bonded quickly. I wanted to be an important influence in their lives."

Before getting her credential, she introduced another skill to students at Valley Oak and spent time teaching computer classes before the technology became commonplace. "Back when a floppy disk was really a floppy disk." Teaching computer skills gave Sitts a chance to feel what designing a curriculum was like, giving her another reason to start teaching full time.

Sitts left Valley Oak when it turned into a high school and continued teaching third grade at Korematsu Elementary in Davis. In 2014, Sitts retired after 20 years of teaching.

**What was your favorite subject to teach your students?**

"I enjoyed reading, social science and math the most. PE was my least favorite, but I was lucky that other teachers would team up with me and swap their computer classes for my PE classes."

Continued on page 5

SEMIANNUAL NEWSLETTER FOR CALSTRS BENEFIT RECIPIENTS

# Stay connected

## Keep your email address current

Be sure we have your personal email address rather than your prior work email address on file, so we'll be able to reach you in retirement.

## Confirmation for address and direct deposit updates

We'll send you a letter and an email confirming any updates or changes you make to your mailing address, bank account or direct deposit information. If you receive a confirmation letter or email and did not make a change, contact us immediately.

## Moved or planning a move soon?

There are three ways to update your contact information with CalSTRS:



Log in to your *myCalSTRS* account at **myCalSTRS.com**. From the homepage, select *Update Your Profile*, then follow the instructions.



Complete the online *Address Change Request* form at **CalSTRS.com/fillable-member-forms** and mail it to us.



Call us at **800-228-5453** to update your contact information.

# Your CalSTRS account security is important

Safeguarding your account information is among our highest priorities.

## We protect your CalSTRS account information by:

- Using your Client ID for identification verification when possible.
- Generally calling or emailing you only in response to receiving an inquiry from you.
  - » We may also call you if we suspect fraudulent activity on your account or if a natural disaster hinders delivery of your benefit check.
  - » We may occasionally email you about important CalSTRS news or webinars.
- Never requesting confidential or personal information through email.
- Asking you security questions when you call to speak with a CalSTRS representative.
- Requiring your permission for someone else to speak with us about your account.
- Recording all telephone conversations on our 800 line to ensure accuracy of the information we provide.

## You can protect your CalSTRS account information by:

- Never sharing your passwords with anyone.
- Changing your passwords immediately if you know or suspect they have been compromised.
- Periodically checking your email for messages from us regarding changes to your account.



If you receive a suspicious email that looks like it came from CalSTRS requesting confidential or personal information, do not click on any links. Call us immediately at **800-228-5453**.

Be aware of scams that target seniors, such as Medicare and health insurance fraud, telemarketing fraud, investment fraud, refinancing scams, and fraudulent email messages and telephone calls that ask for your Social Security number or account or credit card information. To learn more, sign up for a CalSTRS financial awareness webinar. Register at **CalSTRS.com/webinars**.

# Retired educator organizations

These organizations are resources for you in retirement. We provide this information as a courtesy, not as an endorsement.

## **Association of California School Administrators**

1029 J Street, Suite 500  
Sacramento, CA 95814

800-608-2272  
acsa.org

## **Faculty Association of California Community Colleges**

1823 11th Street  
Sacramento, CA 95811

916-447-8555  
facc.org

## **California Federation of Teachers**

Administrative Office

2550 North Hollywood Way, Suite 400  
Burbank, CA 91505

818-843-8226  
cft.org

## **United Educators of San Francisco—Retired Division**

2310 Mason Street  
San Francisco, CA 94133

415-956-8373  
uesf.org

## **California Retired Teachers Association**

1750 Howe Avenue, Suite 630  
Sacramento, CA 95825

916-923-2200  
calrta.org

## **United Teachers Los Angeles—Retired**

3303 Wilshire Boulevard, 10th Floor  
Los Angeles, CA 90010

213-487-5560  
utla.net

## **California Teachers Association/ National Education Association—Retired**

1705 Murchison Drive  
Burlingame, CA 94010

650-697-1400  
cta.org/retired

## **Dues deductions**

Some of these associations allow you to deduct your dues payments from your CalSTRS retirement payments. Contact the association to start the process. After we receive the appropriate paperwork from the association, we'll set up a deduction. If you'd like to cancel a deduction, contact the association directly.



# Create a spending plan

Taking the time to create a realistic spending plan can give you a sense of certainty. As you create your spending plan, consider both guaranteed and nonguaranteed income sources.

## Your retirement income worksheet

Guaranteed income	
<b>Defined benefit pension</b>	
My CalSTRS defined benefit	\$
Other benefit	\$
<b>CalSTRS Defined Benefit Supplement</b>	
My monthly annuity payment	\$
<b>Social Security</b>	
My benefit from other work	\$
Other benefit	\$
<b>Veteran's benefit</b>	
My benefit	\$
Other benefit	\$
<b>Annuities</b>	
My annuity income	\$
Other annuity income	\$
<b>Other guaranteed income</b>	
Other income	\$
<b>Total guaranteed monthly income</b>	<b>\$</b>
Nonguaranteed income	
<b>403(b), 457(b), 401(k), IRA</b>	
Monthly distributions	\$
<b>Roth 403(b), Roth 457(b), Roth 401(k), Roth IRA</b>	
Monthly distributions	\$
<b>Brokerage and savings accounts</b>	
Monthly distributions	\$
<b>Full-time and part-time work</b>	
Income	\$
<b>Income outside of work</b>	
Real estate rental income	\$
Nonguaranteed annuity income	\$
Other	\$
<b>Total nonguaranteed monthly income</b>	<b>\$</b>
<b>Total monthly income</b>	<b>\$</b>

### Guaranteed income considerations

- Do these income sources adjust with inflation?
- What are the tax considerations of these income sources?
- What happens to these income sources if I or my significant other dies?

### Nonguaranteed income considerations

- Do I have a strategy for taking distributions from each account?
- Have I looked into converting these accounts to guaranteed income, if needed?
- Do the IRS required minimum distribution rules affect these accounts?
- What are the tax considerations of these income sources?

## Your monthly expenses

When considering your expenses, determine which are fixed and which are variable. Your fixed expenses include your mortgage or rental payment, health insurance, groceries and other consistent payments you make. These are easier to determine than variable expenses. Variable expenses can be new hobbies, redecorating or perhaps taking your grandchildren to soccer games.

Expense	Fixed or variable	Monthly cost
Automobile and transportation (loan payment, gas, insurance, maintenance)		\$
Charitable donations or gifts		\$
Clothing		\$
Credit cards		\$
Dependent care		\$
Education		\$
Entertainment		\$
Food (groceries, eating out)		\$
Health care and Medicare		\$
Home maintenance		\$
Homeowner's insurance		\$
Internet, phone, streaming services, cable TV		\$
Life insurance		\$
Long-term care		\$
Mortgage/rent (excluding property taxes and insurance)		\$
Personal care		\$
Property taxes		\$
Spousal or child support		\$
Travel		\$
Utilities (gas, electric, water, sewage, trash)		\$
Other		\$
<b>Total monthly expenses</b>		<b>\$</b>

Use this formula to calculate the difference between your total monthly income and expenses:

$$\begin{array}{ccc}
 \text{Total monthly income} & - & \text{Total monthly expenses} = \text{Difference}
 \end{array}$$

Connect with us on social media



CalSTRS is mobile friendly

It's a great way to know what's happening with CalSTRS and connect with other educators.



## Understand the federal required minimum distribution

The federal **Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act)** and the **SECURE 2.0 Act of 2022** raised the minimum distribution age for qualified retirement plans, such as CalSTRS.

Birthdate	Required minimum distribution age
June 30, 1949 and prior	70.5
July 1, 1949–December 31, 1950	72
January 1, 1951 and later	73

For tax-deferred retirement accounts such as 403(b)s and 401(k)s, there is no limit to the amount you can withdraw, but you must withdraw the required minimum amount, whether you need the money or not. Consult a tax professional to learn more.

### Tips for required minimum distribution planning

- **Strategize**—Plan to withdraw enough to meet your needs, but not so much that you'll deplete your accounts too soon.
- **Consolidate**—Consider combining multiple accounts into one to simplify the required minimum distribution process.
- **Reinvest**—If you do not need the income to help cover your immediate retirement expenses, consider reinvesting the distribution into a different account, perhaps to cover unexpected medical expenses.

## Strategies to fill the gap between your retirement income and expenses

If you're concerned your retirement income will fall short of your expenses, there are several options you can consider to maximize your retirement income:

- **Work in retirement**  
Consider the separation-from-service requirement and the annual postretirement earnings limit before accepting a new position within the California public school system.
- **Create a Social Security strategy**  
Find out how you can time your Social Security collection to best work for your specific circumstances.
- **Make a spending plan**  
Track income and expenses to avoid overspending.
- **Create a withdrawal strategy**  
Determine whether you can allocate some funds into lower-risk accounts for withdrawal in the next few years.



## Now is the perfect time to combine your retirement accounts

If you have an investment account such as a 403(b), IRA or 401(k), you may be able to roll these funds into a CalSTRS Pension2 voluntary supplemental savings plan.

Combining multiple accounts into a single account has several advantages:

- You'll likely pay lower costs. Most accounts charge fees and expenses. With only one account, there are fewer fees to pay.
- Your portfolio will be easier to manage.
- Your family members or a financial advisor will find it easier to manage your finances when you no longer can.
- Once you're subject to federal minimum distribution rules, you'll be less likely to miss taking a distribution and, therefore, paying a penalty.

Be sure to consider your personal situation and whether you want to keep your assets where they are, withdraw your assets (any taxes are generally due upon withdrawal and applicable tax penalties may apply), or roll over your eligible accounts into Pension2.

Learn more at [Pension2.com](https://Pension2.com).

**It's your future. Choose Pension2™.**

**403bCompare**™

403(b)Compare helps you easily compare the fees, services and performance of your current 403(b) plan to that of hundreds of other available 403(b) plans.

To compare the 403(b) plan providers available to you, visit [403bCompare.com](https://403bCompare.com).





# Organize your important documents

Complete this worksheet and provide copies to those responsible for handling your estate.

Your important documents	Where you keep them
CalSTRS benefits information, including your <i>Recipient Designation</i> form	
Financial records	
Insurance documents	
Marriage or registration of domestic partnership certificates, divorce decrees, birth certificates and adoption papers	
Tax returns	
Trust documents	
Other	
<b>Safe deposit box</b>	
Location	
Key location	
Those with access	

Those to notify in the event of your death	Website or email address	Phone
CalSTRS	CalSTRS.com	800-228-5453
Social Security Administration	ssa.gov	800-772-1213
U.S. Department of Veterans Affairs	va.gov	800-827-1000
<b>Those familiar with your affairs</b>		
Attorney or trustee:		
Physician:		
Financial adviser:		
Spiritual adviser:		
Other:		
Other:		
<b>Organizations and associations you belong to</b>		

## Which CalSTRS career stage are you in?



### CalSTRS resources



#### WEB

[CalSTRS.com](https://www.calstrs.com)

[myCalSTRS.com](https://www.mycalstrs.com)

[403bCompare.com](https://www.403bcompare.com)

[Pension2.com](https://www.pension2.com)

#### STAY CONNECTED



#### CALL

800-228-5453

Calls from within the U.S.

916-414-1099

Calls from outside the U.S.

888-394-2060

CalSTRS Pension2®  
Personal wealth plan

844-896-9120

CalSTRS Compliance and Ethics Hotline  
[CalSTRShotline.ethicspoint.com](https://www.calstrshotline.ethicspoint.com)



#### WRITE

##### Postal mail

P.O. Box 15275  
Sacramento, CA  
95851-0275

**Overnight delivery to  
CalSTRS Headquarters**  
100 Waterfront Place  
West Sacramento, CA  
95605



#### VISIT

Find your nearest  
CalSTRS office at  
[CalSTRS.com/local-offices](https://www.calstrs.com/local-offices).

Call ahead to find out the  
hours and services of  
your local office.



#### FAX

916-414-5040

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HOW WILL YOU SPEND YOUR FUTURE?

California State Teachers' Retirement System  
COM 1766 (rev 9/24)