



RETIRED Educator

SUMMER 2025

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM

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Teacher Talk: Spotlight on California's educators

From New Jersey to California, and now online, musician still loves teaching after retirement



Bill Dempsey
 Retired elementary teacher
 Heninger Elementary School, Santa Ana
 Retired 2016

Bill Dempsey has been a musician in one form or another since childhood. As a teacher, performer and history buff, he's woven his skills and interests into almost every aspect of his life—and he still teaches today.

“Teachers never retire. When the COVID-19 pandemic hit, I was contacted by a group of women in South Carolina who'd seen one of my videos and wanted me to teach them ukulele via Zoom. That was more than four years ago, and we're still

going strong. Also, I've worked as a professional musician since I was in junior high, and I still do a variety of gigs. Almost every teacher I've ever known has a side job, a second job—call it what you will.”

Dempsey's teaching career began in 1973 in New Jersey, where he grew up. A dream of surfing led him to move to California in 1988.

“Since I was a kid, I've read surfing and car magazines. Everything in them was centered in Southern California. So, one year I saved up my money, packed up my van and left in January in between blizzards. When I came here, I knew no one, and the first year and a half, I lived in a youth hostel in Huntington Beach. During that time, I found a teaching job at the Ocean Institute.”

That forced Dempsey to get creative by including music in his lessons. “I really loved teaching living history at the Ocean Institute, and to incorporate music, we sang traditional sea chanties. There was enough flexibility in the program to combine the two. And in the outdoor science program, we would get a few hundred kids to do sing-alongs on science subjects.”

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Want to work after retirement? Know the rules

Many CalSTRS retirees return to work after retiring. If you've retired from CalSTRS and want to return to work in the California prekindergarten through community college public school system, whether as an employee, independent contractor or through a third party, a separation-from-service requirement and an annual earnings limit apply to you.

Separation-from-service requirement

You must wait a minimum of 180 calendar days after your most recent retirement date to return to work. If you work during those first 180 calendar days, your monthly Defined Benefit Program and Defined Benefit Supplement Program payments will be reduced, dollar for dollar, by the amount you earn—including any employer contributions to tax-sheltered annuities or similar products. The reduction can be up to the full amount of your benefit for that period.

There is a narrow exemption from the 180-calendar day requirement. Also, Senate Bill 765 (implemented July 1, 2024, and ending on June 30, 2026) adjusts the requirements for employers to apply for this exemption but does not eliminate the separation-from-service requirement.

Annual postretirement earnings limit

You must not earn more than the annual postretirement earnings limit, which is \$80,245 for fiscal year 2025–26. If you do, we'll collect back the excess earnings from your retirement benefit, up to the benefit payable during that period.

Be aware that volunteering in a position that would otherwise be creditable to CalSTRS may be in violation of the postretirement earnings limitations.

If you return to work outside the California public school system, such as in private industry, private schools, public schools outside of California, and the University of California or California State University system, the separation-from-service requirement and the postretirement earnings limit do not apply to you.

Make sure you understand the working after retirement rules, including any exemptions for which you may qualify. Find more information at CalSTRS.com/working-after-retirement.

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Statements in this publication are general, and the Teachers' Retirement Law is complex and specific. Nothing contained in this publication should be construed as legal advice.

If a conflict arises between information contained in this publication and the law, the law prevails.

CalSTRS *Retired Educator* is published twice a year for retired members and benefit recipients of the California State Teachers' Retirement System. Send your comments or suggestions to:

Editor, Communications
CalSTRS
P.O. Box 15275
MS 34
Sacramento, CA 95851

Remaining pay dates for 2025

The tables below show the pay dates for CalSTRS benefit payments in 2025. Payments are made in arrears, so the payment you receive each month is for the prior month's benefit. See [CalSTRS.com/paydates](https://www.calstrs.com/paydates) to view or download the 2025 pay dates calendar.

Benefit month	Check mailing date	Direct deposit date
September 2025	9/26/25	10/1/25
October 2025	10/29/25	10/31/25
November 2025	11/25/25	12/1/25
December 2025	12/29/25	1/2/26

2025 Supplemental Benefit payment dates

Supplemental benefit payments are made to members and beneficiaries whose current benefit is worth less than a specified percentage of the original benefit when adjusted for increases in the California Consumer Price Index. The percentage is currently set at 85%.

Benefit month	Check mailing date	Direct deposit date
September 2025	9/26/25	10/1/25
December 2025	12/29/25	1/2/26

What if your payment hasn't arrived yet?

Direct deposit

If you have direct deposit, you can find your statements online at [myCalSTRS](https://mycalstrs.com). 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.

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**.



Navigating your retirement is about to get easier

An improved *myCalSTRS* is coming this fall with a fresh and easy-to-navigate site, enhanced features, added self-service tools and more. These upgrades will make it simpler for you to keep your retirement on track.

On the new *myCalSTRS* site you can:

- Log in securely with two-step authentication.
- Sign up for and manage direct deposit.
- Obtain Verification of Benefits letters to apply for a Social Security benefit or a loan.
- Change or add beneficiaries online.
- Download and print 1099-R forms.
- Access CalSTRS-generated documents and upload your documents.
- Save messages, attach and send documents with secure messaging.
- View CalSTRS Pension2[®] account balances.



For more information on the improved *myCalSTRS* launch, visit CalSTRS.com/mycalstrs and follow us on social media.

From September 9 to September 23, *myCalSTRS* will be offline as we complete the upgrades. Some self-service features will be temporarily unavailable during this transition. We appreciate your patience.

Teacher Talk: Spotlight on California's educators

What made you pursue a teaching career in music instead of history?

"I always wanted to be a musician. I love that you can get paid for teaching, playing music, and people applaud! What other kind of job can do that for you?"

Beyond applause, Dempsey found value in being part of a community. "I taught for more than 20 years in the Santa Ana Unified School District, and being around like-minded people was important to me. In my experience, most teachers like each other. I would go to the teachers' lounge at Monroe Elementary to eat my lunch and have my coffee break to get to know others. I taught there for 16 years. The teachers were supportive and positive."

Dempsey found inspiration in helping students gain skills they could move through life with and knowing that while at school, they were cared for. "Sometimes, coming to school is the only time that day students can get food and it chokes me up, thinking about it. Mostly, I taught third grade through fifth grade students. I knew when these kids finished their education and wanted to pursue music, they had the basic foundations and knew how to read music."

How did music become important to you?

In fourth grade, Dempsey wanted to play the trumpet, but all the instruments were being used by other students, so he was given a trombone instead. This was challenging because his arms weren't quite long enough to play the big instrument. "There are seven positions for the trombone, and I was a shorter kid,

so I could only reach four when I started. My parents were always supportive, and they got me private lessons in the eighth grade. Later, my mom told me they couldn't see me, but they noticed my slide wasn't in synch with the other trombone players."

How is retirement going? What is your favorite thing to do now that you have extra time?

"One of my goals was to do more traveling. I've been to six continents! I enjoy researching for trips, and I read everything I can get my hands on—the history, what I want to eat and what I want to do. I'm a visual learner and study the maps, so I always know where we're going. I have two trips coming up this year.

"Also, I have a new grandson, so I have been helping with childcare for him. There is nothing more special than seeing him grow and change."

What's one fun thing about you?

"I started playing music when I was nine years old, and I've never stopped. I started surfing when I was 14, and I've never stopped. I'm 73."

What are you enjoying most about retirement?

"My wife Teri and I travel a lot. We've been to Hawaii more times than I can count—Jamaica, Puerto Rico, Caribbean cruises, and many places in the states, especially when visiting family. We're currently planning a trip to Costa Rica early next year."

Tell your story!

How are you spending your retirement? Go to [CalSTRS.com/teacher-profile-form](https://www.calstrs.com/teacher-profile-form) and fill out our online form to be considered for a future profile.

Check out more stories about California educators at [CalSTRS.com/teacher-profiles](https://www.calstrs.com/teacher-profiles).



Power of attorney: Protect your loved ones and yourself

If you want a loved one or other third party to act on your behalf in the event you become incapacitated, a durable power of attorney is a legal document that grants broad power to someone else (an “agent”) to make decisions for you. A legal representative can draft a durable power of attorney, or you can purchase a commercially available fill-in-the-blank form. We do not provide this form.

If you want to appoint someone to make decisions for you specifically related to your CalSTRS benefits, you may want to create a limited power of attorney. A limited power of attorney is a legal document that grants narrower decision-making power to an agent. You can fill out and submit our

Limited Power of Attorney form by downloading it at [CalSTRS.com/forms](https://www.calstrs.com/forms). You can also request a copy by calling us at 800-228-5453.

We cannot provide you with legal advice or assistance.

The agent you appoint does not have the right to use your *myCalSTRS* account or set up access to it under their name. Your agent is only authorized to submit paper forms. It can take 30 days or longer for us to verify the information once we receive it.

CalSTRS earns 8.5% net return, exceeds benchmark in fiscal year 2024–25

CalSTRS earned an 8.5% net return on investments for the 2024–25 fiscal year, ending with the total fund value at \$367.7 billion as of June 30, 2025. The 2024–25 return keeps CalSTRS on track, as the 5-, 10-, 20- and 30-year returns—including the 9.4% 5-year return—all surpass the actuarial assumption of 7.0% despite inflation, rising interest rates and geopolitical uncertainty.

“This return reflects our hard work and innovative approach to protecting the future of more than 1 million California public educators and beneficiaries who rely on us to help secure their financial future,” said Chief Executive Officer Cassandra Lichnock. “This strong return marks another step as we continue our steady progress toward achieving full funding.”

CalSTRS is ahead of schedule to reach full funding by 2046. This is the seventh consecutive year the funded status—the ratio of CalSTRS’ assets to its total liabilities—has increased. The next actuarial valuation will be released in May 2026.

➔ Learn more at [CalSTRS.com/news-releases](https://www.calstrs.com/news-releases).

Total fund value as of June 30, 2025

\$367.7 billion



Funded status rises again— contribution rates remain the same

The funded status of the CalSTRS Defined Benefit Program rose to 76.7% as of June 30, 2024, according to the most recent actuarial valuation, which is an annual assessment of the Teachers' Retirement Fund's assets and liabilities. Funded status is the ratio of CalSTRS assets compared to total financial liabilities.



Member contribution rates to the Teachers' Retirement Fund remain the same.

This actuarial valuation was presented at the May board meeting. See the full valuation reports for the CalSTRS Defined Benefit, Defined Benefit Supplement and Cash Balance Benefit programs at [CalSTRS.com/actuarial-valuations](https://www.calstrs.com/actuarial-valuations).

Valuation assessments help the Teachers' Retirement Board, which administers CalSTRS, determine whether adjustments to contribution rates for employers and the state are needed to keep the CalSTRS Defined Benefit Program on track.

The Defined Benefit Program is a traditional defined benefit plan that provides retirement, survivor and disability benefits to CalSTRS members. Unlike a defined contribution plan, such as a 401(k) or 403(b), a defined benefit plan guarantees a pension payment that members will receive throughout their retirement.

This is the seventh consecutive year the funded status has increased, growing more than 14% (from 62.6% to 76.7%) since 2017. Because of this success, state and employer contribution rates to the Teachers' Retirement Fund remain at their current levels. Keeping these contribution rates at current levels maintains stability, improves funding levels and reduces risk in the event of future adverse investment outcomes.

Contribution rates for July 1, 2025–June 30, 2026

CalSTRS 2% at 60 members

10.250%

Employer

19.1%

CalSTRS 2% at 62 members

10.205%

State

10.828%



Now is the perfect time to combine your retirement accounts

Do you have other retirement savings accounts? Roll over money currently held in other qualified retirement plans to CalSTRS Pension2, and you'll be able to manage your retirement savings in one place and benefit from some great features. What's more, you may be able to save on costs.

CalSTRS' voluntary supplemental savings plan offers 403(b), 457(b), Roth 403(b) and Roth 457(b) plans with low costs and flexible investments.

To get a no-cost, no-obligation comparison of the costs you may pay elsewhere and with Pension2, call 888-394-2060.

 **Learn more at Pension2.com.**

It's your future. Choose Pension2™.

Is your 403(b) still working for you in retirement?

If you have money in a 403(b) account, you can compare your account to other 403(b) plans your district offers. Visit 403bCompare.com where you can:

- Filter hundreds of 403(b) products to quickly compare costs, features, performance and services side by side.
- Create your own 403bCompare account for an easy and secure way to save comparison information.
- Access an array of retirement planning tools, such as videos, calculators and more.

Explore your options at 403bCompare.com

It's easy to use, and you can compare up to three products side by side at one time.



Subscribe to the CalSTRS Pension Sense blog

Get helpful information about CalSTRS customer service offerings, legislation that impacts educators and more by subscribing to our *Pension Sense* blog.

Learn more at CalSTRS.com/pension-sense.

One-time death benefit amounts increase

The Teachers' Retirement Board approved an increase to the one-time death benefit, effective July 1, 2025. The one-time death benefit is \$7,288 (up from \$7,093) if a member dies before retirement under Coverage A and \$29,152 (up from \$28,372) if under Coverage B. If a member dies after retirement, the one-time death benefit is \$7,288 under both Coverage A and Coverage B (up from \$7,093).

This lump-sum death benefit is a one-time payment made to a beneficiary upon the death of a CalSTRS Defined Benefit Program member, under conditions specified in statute. Go to CalSTRS.com/survivor-benefits for more details.

This marks the fourth increase in the past six years and the second under a policy approved by the board in 2024. The board considers a death benefit increase only if the Defined Benefit Program is on or ahead of schedule to reach full funding by 2046. Increases are tied to inflation in California from the previous calendar year and capped at the long-term assumed

inflation rate of 2.75%. California inflation in 2024 was 2.96%. When inflation exceeds 2.75%, the excess inflation is made available for future increases.

You can name or update your one-time death benefit recipient at any time during retirement with no financial penalty. You may name one or more recipients for the one-time death benefit—a person, trust, charity, estate, parochial institution, corporation or public entity.

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.

To learn more about your member benefits, see the *Member Handbook* at CalSTRS.com/publications.

Are you newly retired? Did you have unused sick leave?

If you've recently retired, check your award letter to make sure your sick leave was added to your calculation. If not, contact your employer right away to confirm it was submitted to us.





Spend more time doing what you love

**Still standing in line every month to deposit your check?
Sign up for direct deposit and get your money faster.**

When you sign up for direct deposit, your money gets securely deposited into your checking or savings account every payday. Your first payment will be deposited into your account within one to two pay periods after we receive the authorization. You'll find your direct deposit statements online at **myCalSTRS.com**.

▶ Learn more at **CalSTRS.com/directdeposit**.

BOARD NEWS

Teachers' Retirement Board reelects Denise Bradford chair, Karen Yamamoto vice chair

At the May Teachers' Retirement Board meeting, the trustees of the California State Teachers' Retirement System reelected Denise Bradford as chair and Karen Yamamoto as vice chair.

The 12-member board nominates and elects its chair and vice chair annually. The chair and vice chair provide board leadership, direction and policy development for CalSTRS, the largest educator-only pension fund in the world.

Bradford began her first term as chair last fiscal year and served on the Audits and Risk Management, Board Governance, and Investment committees.

An elementary school teacher with the Saddleback Valley Unified School District in Southern California, Bradford was first elected to the board in 2019. She has served as the president of the Saddleback Valley Educators Association and chair of the California Teachers Association Retirement Committee. Bradford also serves on the CTA Board of Directors.

Yamamoto was vice chair in 2024–25 and served on the Appeals, Board Governance, and Investment committees.

Yamamoto, who joined the board in 2017, is a retired elementary school teacher from Sacramento. Yamamoto taught second grade for 15 years in West Sacramento before retiring in 2007. She was a member of the California Department of Education's Curriculum Development and Supplemental Materials Commission from 1999–2003, acting as chair in 2003. Yamamoto also served as a legislative assistant to several assembly members in the California Legislature from 1978–1991.

Board Highlights newsletter available online

We post an easy-to-read, online summary after each Teachers' Retirement Board meeting at [CalSTRS.com/board-highlights](https://www.calstrs.com/board-highlights). While you're there, be sure to subscribe to the *Board Highlights* newsletter that we send out via email after each board meeting.



You can find the Teachers' Retirement Board meeting video archive at [CalSTRS.com/board-meeting-video-archive](https://www.calstrs.com/board-meeting-video-archive).

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> myCalSTRS.com



Complete the *Address Change Request* form, sign, date and mail it to us.

> CalSTRS.com/forms

> For your security, when you update your mailing or email address, we'll send you a letter and an email confirming the update.