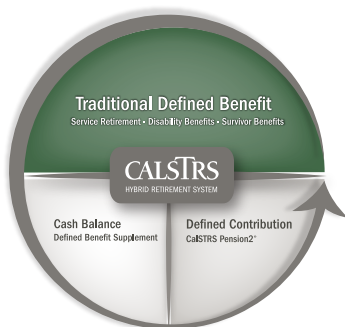


# My Retirement System

Date \_\_\_\_\_

## Section one About CalSTRS

- \* CalSTRS membership is mandatory for full-time employees. If I'm a part-time educator, I can choose to join CalSTRS or another program offered by my employer.
- \* CalSTRS is a hybrid system that offers defined benefit, cash balance and defined contribution plans.



### Action items

- Explore **CalSTRS.com** to learn more about your membership and benefits and read the *Welcome to CalSTRS* booklet at **CalSTRS.com/publications**.
- Register for *myCalSTRS* and update your contact information and communication preferences at **myCalSTRS.com**.
- Review your *Retirement Progress Report* each September and contact your employer immediately if there are any discrepancies.

## Section two Contributions and service

- \* I'm a CalSTRS 2% at \_\_\_\_\_ member. My benefit structure determines my contribution rate and how my retirement benefit is calculated. My benefit structure is included in my *Retirement Progress Report*.
- \* I earn service credit based on the percentage of the full-time contract I work. Contributions for service in excess of one year are credited to my Defined Benefit Supplement account.

### Action items

- View your account balances on *myCalSTRS* and consider working extra-pay assignments to increase your Defined Benefit Supplement account balance.
- Watch the *Defined Benefit Supplement* video series at **CalSTRS.com/videos**.

## Section three Social Security rules

- \* The Windfall Elimination Provision can reduce but will not eliminate my earned Social Security benefit.
- \* The Government Pension Offset reduces and can eliminate my spousal or widow/widower Social Security benefit.

### Action items

- Consider investing 6.2% of your income that would have been contributed to Social Security to a supplemental savings account, such as CalSTRS Pension2®.
- Learn more about these two federal rules on the Social Security Administrator website at **ssa.gov**.

## Section four Retirement benefits

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- \* CalSTRS provides retirement, disability and survivor benefits. CalSTRS does not provide health benefits.
- \* The earliest I can retire is age 55 with five years of service credit—or fewer, if I retire under the special circumstances of concurrent retirement.
- \* My service retirement benefit is a lifetime benefit based on a formula that provides a fixed percentage of my final compensation based on my age at retirement and my years of service credit:

$$\text{service credit} \times \text{age factor} \times \text{final compensation} = \text{monthly retirement benefit}$$

### Action items

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- Check with your employer about health benefit coverage in retirement.
- See the *CalSTRS Member Handbook* at [CalSTRS.com/publications](https://www.calstrs.com/publications) to learn more about your benefits and how your retirement benefit is calculated.
- Review the *Understanding the Formula* fact sheet and video at [CalSTRS.com](https://www.calstrs.com).
- Estimate your benefit using the *Retirement Benefits Calculator* at [CalSTRS.com/calculators](https://www.calstrs.com/calculators).

## Section five Supplemental savings and CalSTRS Pension2

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- \* On average, a CalSTRS monthly retirement benefit replaces approximately 50% of a career educator's working salary. I'll need to rely on my savings and investments to fill any gap between my benefit and my retirement income goal.
- \* CalSTRS Pension2, a voluntary defined contribution plan, provides additional income in retirement. It offers 403(b), 457(b), Roth 403(b) and Roth 457(b) accounts with low fees and a variety of investment options.

### Action items

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- Estimate your expenses in retirement and research supplemental savings plans and other income sources.
- Visit [Pension2.com](https://www.pension2.com) or call 888-394-2060 for more information.
- Research supplemental savings plans offered by your employer at [403bCompare.com](https://www.403bcompare.com).

## Section six Learn more

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- \* I can make the most of my CalSTRS membership by attending other *My Retirement* series presentations:
  - \* *My Retirement Benefits*: understand my benefits and calculations.
  - \* *My Retirement Decisions*: understand my retirement elections and timelines.
- \* I can attend the CalSTRS three-part Financial Awareness series for an in-depth look at financial planning:
  - \* *Save for Your Future*: budgeting basics, savings and investing, credit and debit.
  - \* *Plan for Your Future*: retirement lifestyle, expenses, income and obstacles.
  - \* *Protect Your Future*: retirement distributions, maximizing and protecting income.

### Action items

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- Register for webinars at [CalSTRS.com/webinars](https://www.calstrs.com/webinars) or call 800-228-5453, option 3.
- Visit [CalSTRS.com/financial-awareness](https://www.calstrs.com/financial-awareness) for more information.
- Send an online message using *myCalSTRS* or call 800-228-5453 if you have questions.