

# My Retirement System

In preparation for the webinar:

- ✓ We ask that you either:
  - Print the materials beforehand.
  - Have the materials open on another computer or device, as we will be presenting a PowerPoint.
  
- ✓ Handouts for this session are available at:  
[www.calstrs.com/webinars](http://www.calstrs.com/webinars)
  
- ✓ When you leave, or the host ends this webinar, you will be asked to participate in a survey. We would greatly appreciate your time to provide feedback.
  
- ✓ This event will have subtitles. You can turn the subtitles on and off by clicking on **Live Transcript** and selecting **Show Subtitles/Hide Subtitles**.



# My Retirement System

# Trust CALSTRS, not impersonators.

CalSTRS authorized representatives:

- Have an email address ending in @CalSTRS.com.
- Can provide a CalSTRS ID badge or business card.
- Do not provide refreshments at offsite events.
- Will never meet at your home.
- Do not sell insurance products.



# Trust CALSTRS, not impersonators.

CalSTRS authorized representatives:

- Have access to your CalSTRS or Pension2<sup>®</sup> account information.

Some Voya Financial representatives work exclusively with Pension2<sup>®</sup>. Their names and photos are listed at [CalSTRS.com/Trust-CalSTRS](https://www.calstrs.com/Trust-CalSTRS).

To verify a CalSTRS representative, contact us at 888-394-2060 or [RepCheck@CalSTRS.com](mailto:RepCheck@CalSTRS.com)



# Today's Objectives

- Understand the CalSTRS hybrid system
- Know what benefits CalSTRS offers
- Realize the importance of supplemental savings
- Take advantage of available resources



# **Section 1: About CalSTRS**



## **Our Mission:**

*Securing the financial future and sustaining the trust of California's educators*

## **Our Vision:**

*Your Reward – a secure retirement*

*Our Reward – getting you there*

# CalSTRS Membership

## Section 1

Full-Time Employee

The diagram features two large grey arrows pointing to the right. The top arrow is associated with the 'Full-Time Employee' box, and the bottom arrow is associated with the 'Part-Time Employee' box. The boxes for 'Mandatory CalSTRS Membership' and 'Choose Another Program' are stacked vertically, while the 'Choose CalSTRS' box is positioned between them.

Mandatory  
CalSTRS  
Membership

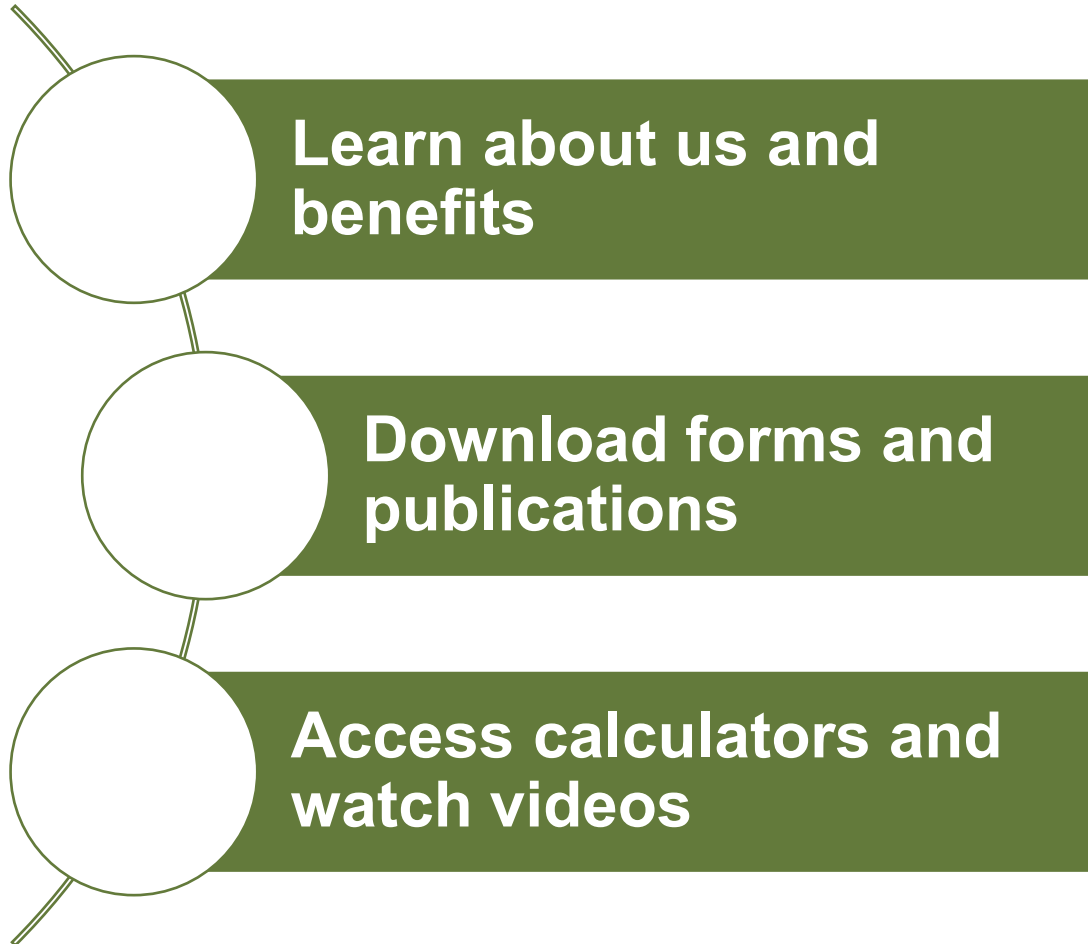
Choose  
CalSTRS

Choose  
Another  
Program

Part-Time  
Employee

- Learn more about membership and programs in the *Member Handbook*.





Explore  
CalSTRS.com



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### UPDATES

All CalSTRS offices remain closed until further notice — We are available for member inquiries or questions by telephone or secure online messaging



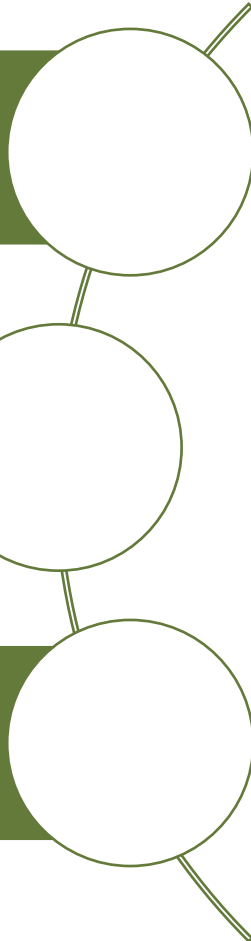
## How will you spend your future?

- Register and update your communication preferences at [myCalSTRS.com](https://myCalSTRS.com).

**View and update  
account information**

**Submit forms and  
messages**

***Access Retirement  
Progress Report***



# Retirement Progress Report

## Section 1



**Membership and Benefit Information**

**Service Credit and Account Balances**

**Employer Reporting**

- Review your report each fall and contact your employer about any discrepancies.

# What type of retirement plan is CalSTRS?

## Defined Benefit

- Guaranteed benefit based on a formula, not on contributions.

## Cash Balance

- Guaranteed benefit based on contributions and credits.

## Defined Contribution

- Benefit based on account balance after any investment gains or losses.

# CalSTRS Hybrid System

## Section 1



### Membership includes:

- Defined Benefit Program
- Defined Benefit Supplement Program

### Voluntary:

- CalSTRS Pension2



## **Section 2: Contributions and Service**

# Two Benefit Structures

## CalSTRS 2% at 60

- First hired before January 1, 2013

## CalSTRS 2% at 62

- First hired on or after January 1, 2013

- Find your benefit structure on your *Retirement Progress Report* or your *myCalSTRS* account.



# Contributions

## Section 2

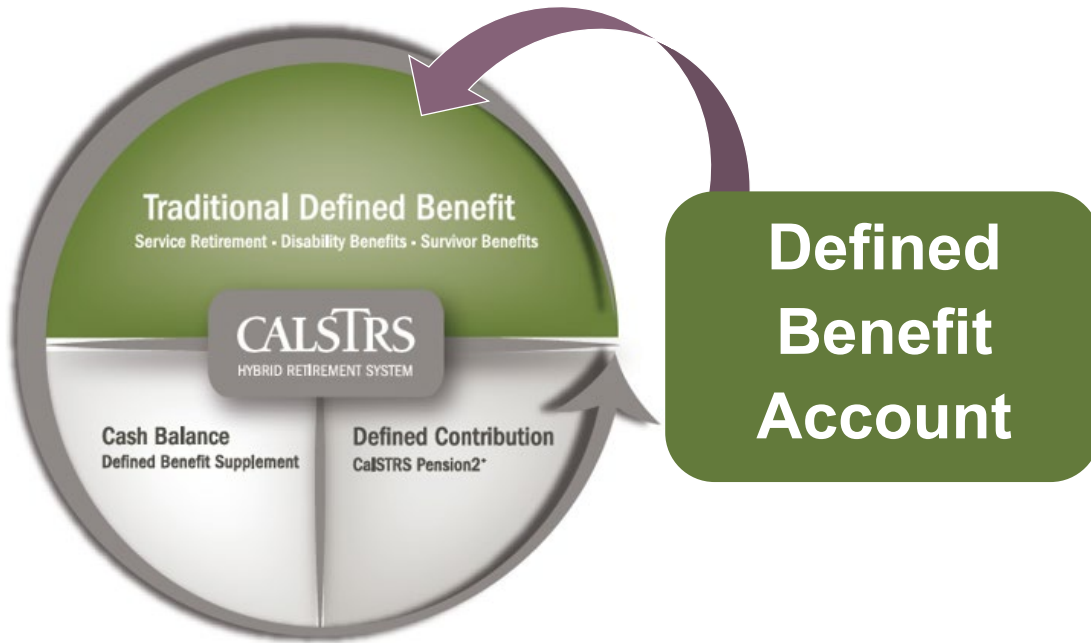


Member

The diagram consists of a large grey arrow pointing from left to right. Inside the arrow, on the left side, is a dark green rounded rectangle containing the word 'Member'. On the right side of the arrow is another dark green rounded rectangle containing the text 'Defined Benefit Account'.

Defined  
Benefit  
Account

# Contributions



# Contributions

## Section 2

```
graph LR; Member[Member] --> DBA[Defined Benefit Account]; Employer[Employer and State] --> TRF[Teachers' Retirement Fund];
```

**Member**

**Defined  
Benefit  
Account**

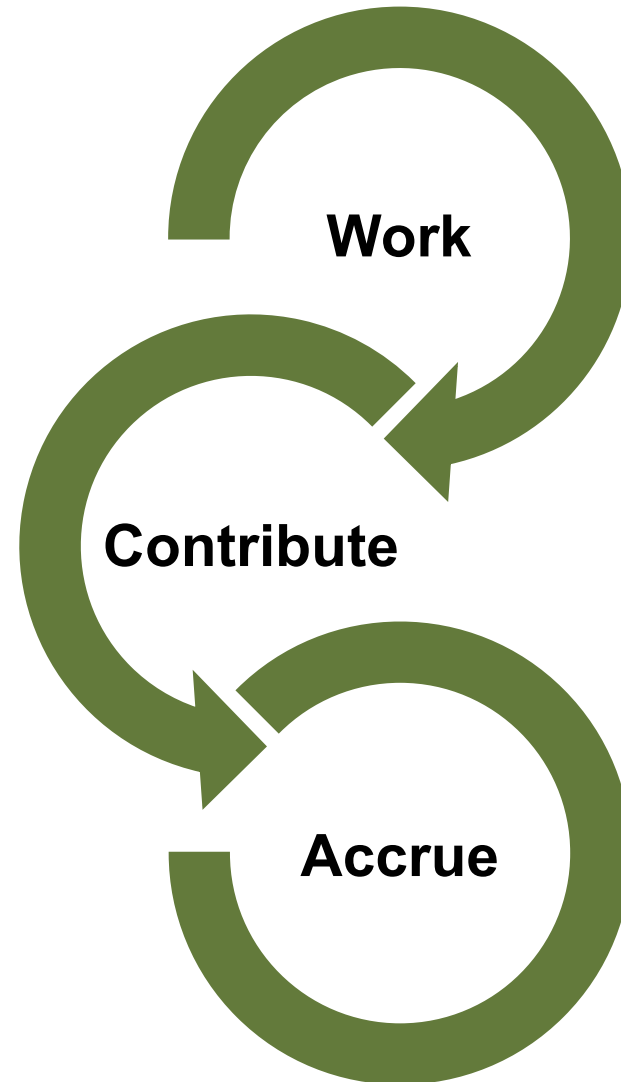


View your Defined Benefit account balance on *myCalSTRS*.

**Employer  
and State**

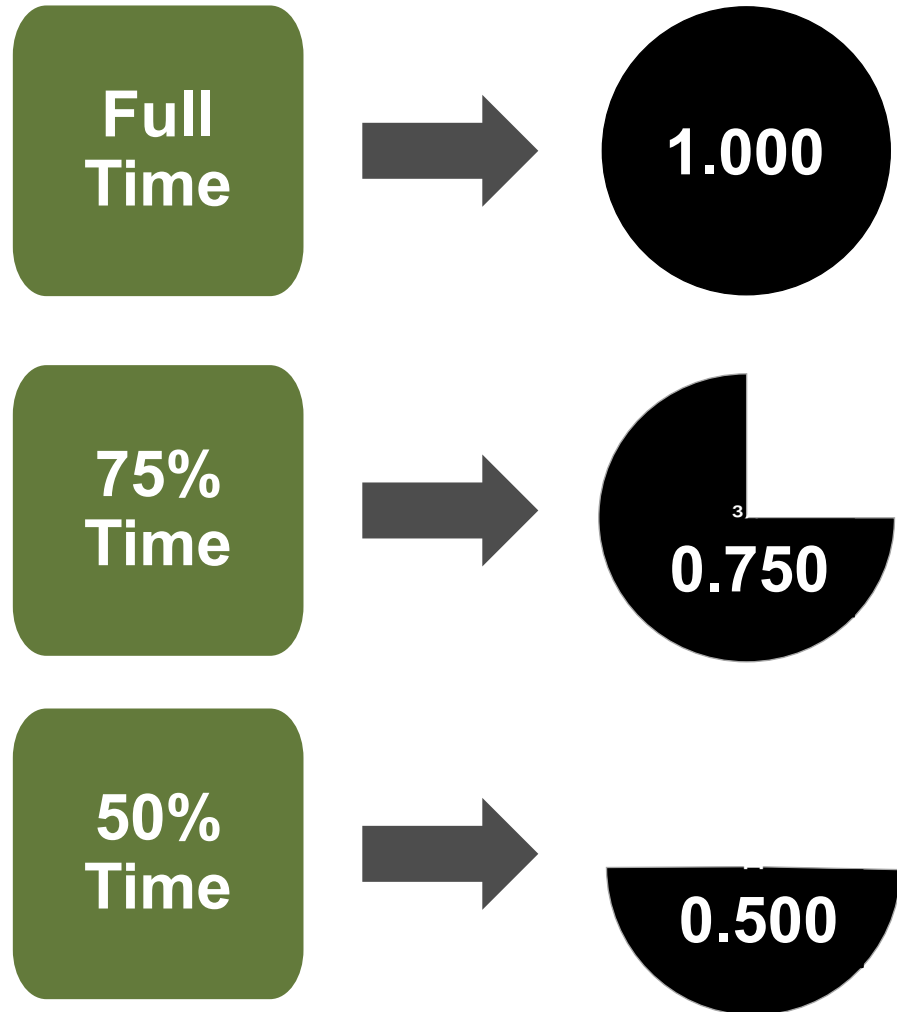
**Teachers'  
Retirement  
Fund**

- ☑ Track your service credit balance each year on your *Retirement Progress Report*.



# Service Credit

- ☑ Track your service credit balance each year on your *Retirement Progress Report*.



# Extra-Pay Assignments

## Section 2

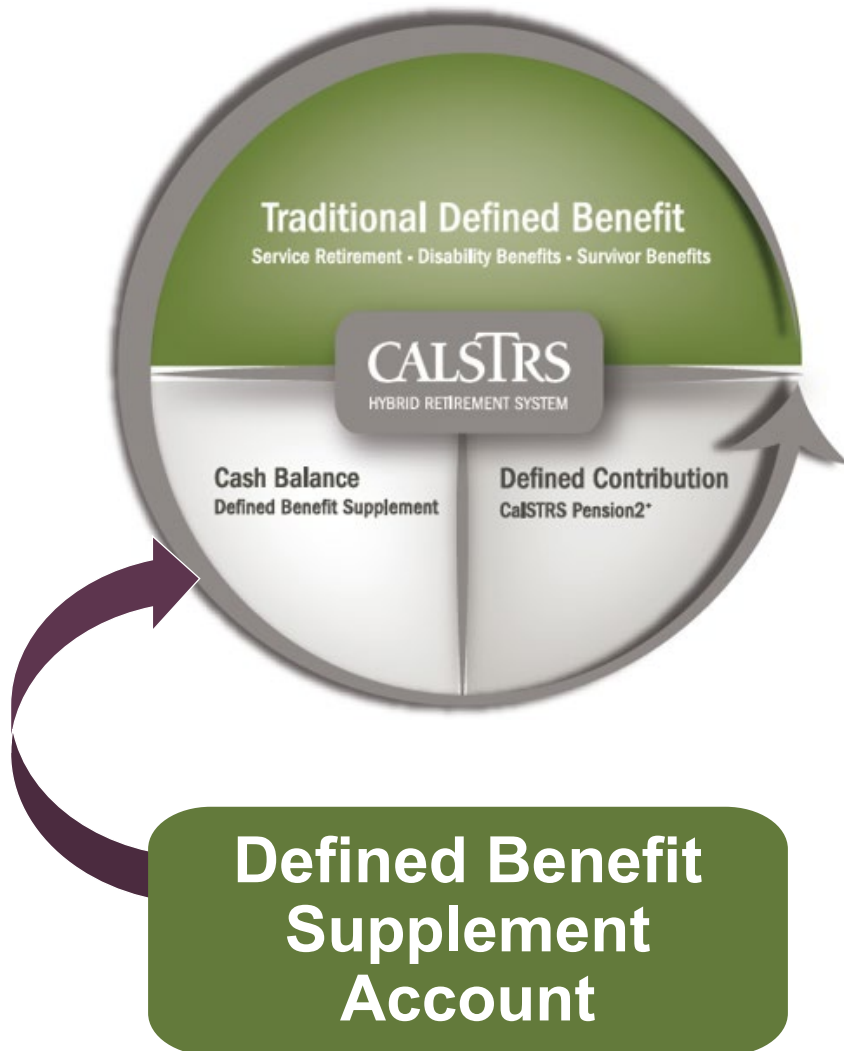
**8% Member\*  
Contribution**

**8% Employer  
Contribution**

**Defined Benefit  
Supplement  
Account**

\*9% for 2% at 62 members

# Extra-Pay Assignments



- View your Defined Benefit Supplement account balance on *myCalSTRS*.
- Watch the *Defined Benefit Supplement* video series on [CalSTRS.com/videos](http://CalSTRS.com/videos).



## **Section 3: Social Security Rules**



# Two Social Security Rules

## Windfall Elimination Provision

- May reduce but cannot eliminate your earned Social Security benefit
- Contact the Social Security Administration for more information.

## Government Pension Offset

- Reduces and may eliminate your spousal or widow/widower Social Security benefit



## **Section 4: Retirement Benefits**

# Service Retirement Eligibility

## Section 4

### Minimum Requirements

- Age 55 with five years of service credit

### Early Retirement

- Age 50 with 30 years of service credit (CalSTRS 2% at 60 only)



See the *Member Handbook* for more information.

### Concurrent Retirement

- Age 55 with fewer than five years of service credit if retiring for service concurrently from certain other retirement systems

# Your Retirement Formula

## Section 4

- ✓ Review the *Understanding the Formula* fact sheet and video.

**Service Credit**

- Time worked and contributed

**Age Factor**

- Percentage based on age at retirement

**Final Compensation**

- Highest average annual compensation earnable for 36 consecutive months

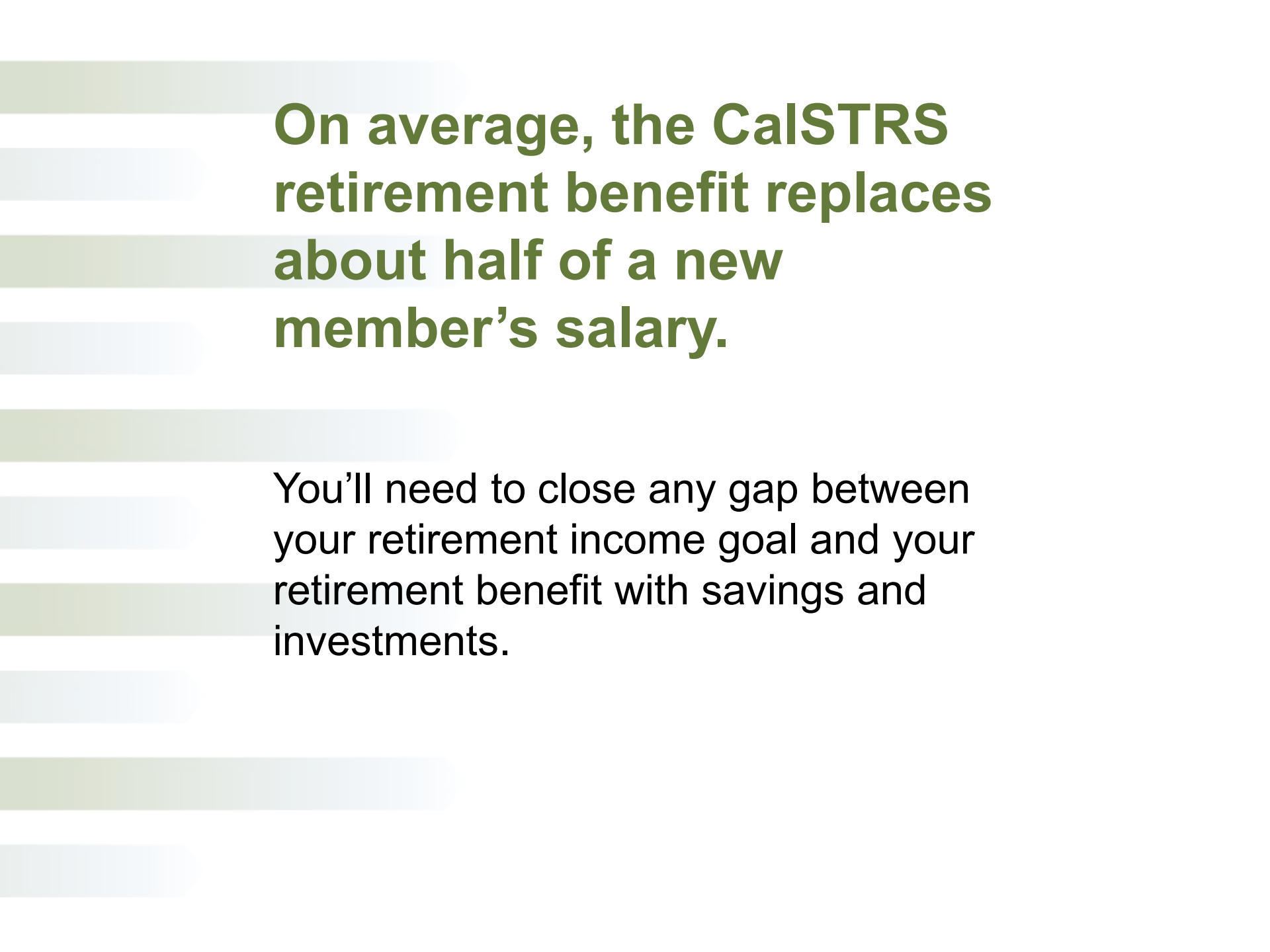
- ✓ Use the *Retirement Benefits Calculator* on [CalSTRS.com](http://CalSTRS.com).

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**Monthly Retirement Benefit**



## **Section 5: Supplemental Savings**



**On average, the CalSTRS retirement benefit replaces about half of a new member's salary.**

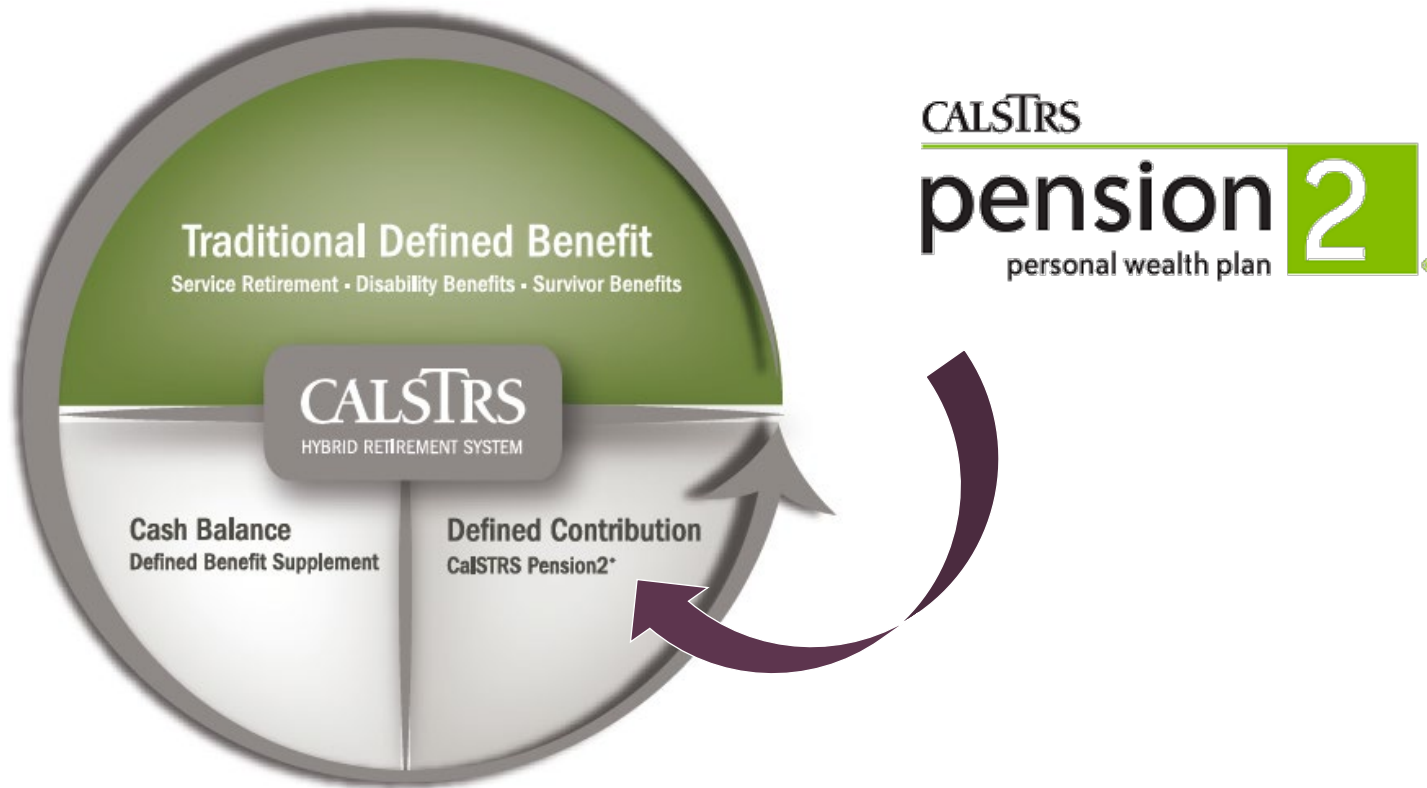
You'll need to close any gap between your retirement income goal and your retirement benefit with savings and investments.

# Will your benefit be enough?

## Section 4

- Estimate your expenses in retirement.
- Research supplemental savings plans and other income sources.
- Build your DBS account.

# Supplemental Savings





# Supplemental Savings

## Section 5

403(b)

457(b)

Roth 403(b)

Roth 457(b)



- Visit [Pension2.com](https://Pension2.com) for more information, videos and the “what if” and “why wait” savings calculators.
- Check out your employer’s plans at [403bCompare.com](https://403bCompare.com).



Visit [Pension2.com](https://www.pension2.com) or call **888-394-2060** for more information.

- Tax-deferred retirement savings
- Low and transparent costs
- No commissions, load fees or surrender charges
- Flexible investment options



## **Section 6: Learn More**

# Financial Awareness Webinars

## Section 6

### Save for Your Future

- Budgeting basics, savings and investing, credit and debt

### Plan for Your Future

- Retirement lifestyle, expenses, income and obstacles

### Protect Your Future

- Retirement distributions, maximizing and protecting your income

- View schedule and register at [CalSTRS.com/webinars](http://CalSTRS.com/webinars).

# My Retirement Webinars

## My Retirement Benefits

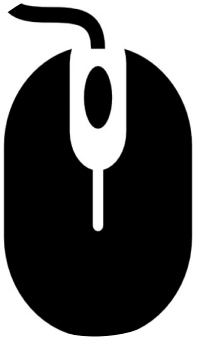
- Understand your benefits and the importance of supplemental savings

- View schedule and register at [CalSTRS.com/webinars](https://CalSTRS.com/webinars).

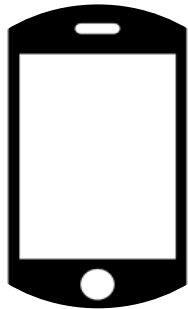
## My Retirement Decisions

- Understand your retirement options and timelines

# Questions?



**CalSTRS.com**  
*myCalSTRS*



**800-228-5453**  
**Monday – Friday**  
**8 a.m. to 5 p.m.**



Call us or send an online message using your *myCalSTRS* account



**Thank You For Attending**