THE BENEFIT OF A LIFETIME
YOUR NEWLY RETIRED MEMBER KIT
Newly Retired 2019
THE BENEFIT OF A LIFETIME
Dear CalSTRS member,

Now that you're retired, CalSTRS is committed to guiding you through all you'll need to know about your retirement benefit. Take a few minutes to look through your Newly Retired Member Kit now. 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.

We’re thankful you dedicated your career to education. Your reward is a secure retirement. Our reward is getting you there.

Sincerely,

Jack Ehnes
Chief Executive Officer

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**2019 Pay Dates**

**Monthly Benefit Payment Dates**

Your CalSTRS benefit payment dates for 2019 are below. Payments are made in arrears, so the payment you receive each month is for the prior month’s benefit. The State Controller’s Office issues the payments and determines the check mailing and direct deposit dates. Check your Retired Educator newsletter for future dates.

<table>
<thead>
<tr>
<th>Benefit Month</th>
<th>Southern California* and Out of State</th>
<th>Northern California**</th>
<th>Direct Deposit Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 2019</td>
<td>10/29/2019</td>
<td>10/30/2019</td>
<td>11/01/2019</td>
</tr>
<tr>
<td>December 2019</td>
<td>12/27/2019</td>
<td>12/30/2019</td>
<td>01/02/2020</td>
</tr>
</tbody>
</table>

*ZIP Codes beginning with 900–930
**ZIP Codes beginning with 931–961

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**What If Your Payment Hasn’t Arrived Yet?**

**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.

**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.

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**Sign Up for Direct Deposit**

Direct deposit gives you the quickest access to your benefit payment. Sign up through your myCalSTRS account or complete the Direct Deposit Authorization form, available at CalSTRS.com/forms. Your first payment will be deposited into your account within 60 to 90 days after we receive your authorization.
Things to do now that you’re retired

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

THE BENEFIT OF A LIFETIME
Your CalSTRS defined benefit pension may be your greatest asset. Look through this booklet now to learn more.

Open your Newly Retired Member Kit

Find out how myCalSTRS can help you

Get information about working in retirement

Prepare for the effect of inflation on your benefit

Learn about health care coverage

Get the facts on Social Security

Understand how the federal required minimum distribution may affect you

Organize your important documents

Enjoy your retirement!

CalSTRS is governed by the Teachers’ Retirement Law, available at CalSTRS.com, and other governing laws. If there is a conflict between the law and this booklet, the law prevails. CalSTRS makes reasonable effort to provide accurate information in its 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, the California State Legislative Counsel website at leginfo.legislature.ca.gov, your union and elected legislative representatives. CalSTRS can provide you with information on your benefit choices but does not provide any legal, tax or other advice. For such advice, consider consulting a professional in the relevant field.
Are You Registered?

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

With myCalSTRS, you can:

1. Sign up for direct deposit or update your direct deposit information.
2. Access your 1099-R form.
3. Track your deductions and annual benefit adjustments.
4. Obtain a Verification of Benefits letter when applying for a Social Security benefit or loan.
5. Update your tax withholding preferences.
6. Keep your and your beneficiary’s mailing and email addresses current.
7. Ask questions and receive prompt, secure answers.

Need help registering?
View the self-paced, interactive online registration guide at myCalSTRS.com. You’ll find help with resetting your password at CalSTRS.com/myCalSTRS-help-videos.

Connect With Us on Social Media

Engage with us on your favorite social media. It’s a great way to keep up on the latest CalSTRS news, share ideas and connect with other educators.

CalSTRS.com/stay-connected
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 to our members and their beneficiaries throughout those years.

“As long as there are teachers in the state of California, CalSTRS is going to be an investor. We’ve been here in the past, we are here today, and we will continue to be here tomorrow.”

— Chief Investment Officer Christopher J. Ailman

CalSTRS Retired Members Who Are Over 100 Years Old
As of June 30, 2018

- 323 females
- 52 males
- 107 average years of service credit
- 7,162 total years of service credit
- 22.2 average years of service credit
- 50 Average life expectancy in 1900
- 79 Today’s average life expectancy

Average life expectancy in 1900
Today’s average life expectancy
Educators Remain Active After Retirement

We periodically survey our members to assess your overall financial standing and future needs. In 2017, the CalSTRS Retirement Readiness Assessment found that about one in five retired members, or 22%, work for pay. Our members work in order to pay necessary living expenses; earn extra income for travel or entertainment; and stay mentally, socially or physically active.

51%
CalSTRS retired members who regularly schedule volunteer work

Additionally, half of our retired members enjoy ongoing or regularly scheduled volunteer work. Research suggests that positive, long-term mental health outcomes can be achieved when the population aged 65 and older remains engaged in the workforce, either paid or as a volunteer.
Working After Retirement

Thinking about a second career, or contemplating a return 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, be sure to consider these important limitations.

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 public sector jobs outside of CalSTRS-covered employment.

If you return to employment in 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.

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 of these requirements:

- You’re over normal retirement age.
- Your appointment is necessary to fill a critically needed position.
- The governing body of your employer, such as a school board, approves your appointment by resolution at a public meeting.
- You did not receive a financial incentive to retire.
- Your retirement was not the cause of the need to acquire your services.

Your employer must submit documentation substantiating your eligibility for this exemption, and we must receive the exemption request and required documentation before you begin 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 2019–20 school year, the postretirement earnings limit is $46,451. 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 $50,000 exceeded the annual earnings limit of $46,451 by $3,549. We will withhold their monthly retirement benefits until we recover $3,549.

Your employer will report your earnings as a retired member to CalSTRS. Due to delays in employer reporting, we may not be aware that you’ve exceeded the postretirement earnings limit until after it has occurred. Therefore, it’s important for you to keep track of your gross earnings so you do not exceed the limit.

**Exclusion From the Earnings Limit for Certain Third-Party Employers**

You may be excluded from the postretirement earnings limit and other postretirement employment requirements if both of the following apply:

- You return to work for a third-party employer that does not participate in a California public pension system.
- The activities performed are not normally performed by employees of a CalSTRS employer, and the activities are performed for 24 months or less.

**Did You Retire Under a CalSTRS Retirement Incentive Program?**

If you retired under a retirement incentive program and begin working in any job, including substitute teaching, within five years of retirement with the employer that offered the incentive, you will lose the ongoing increase in your benefit from the incentive.
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. 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, 2020, we must receive your form no later than July 31, 2020.

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

How Reinstatement Can Affect Your Benefit

If you re-retire within one year of reinstating, you cannot change your retirement option or beneficiaries. If you re-retire after 12 months 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.

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. Also, check with your employer to see if your health care coverage will be affected. For more information, see the Member Handbook at CalSTRS.com/publications.

When you re-retire, you’ll be subject to the separation-from-service requirement and the postretirement earnings limit again.

You can find the Reinstatement After Retirement form at CalSTRS.com/forms.
Protecting Against Inflation During Retirement

Since retired CalSTRS members tend to live longer than the average population, you’ll likely need to plan for many years in retirement. You may be spending less on expenses such as gas, food and clothing now that you’re retired. You may also now own your home, or perhaps you’re no longer paying education expenses for your children. These cost savings will help you make the most of your retirement income and protect against inflation.

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, CalSTRS provides 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.

In 2017, 76% of retired CalSTRS members reported they maintain a standard of living in retirement that is the same as, or higher than, their standard of living immediately prior to retirement.

Standard of Living in Retirement vs. Prior to Retirement

<table>
<thead>
<tr>
<th>Standard of Living in Retirement</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher/much higher</td>
<td>11%</td>
</tr>
<tr>
<td>Same standard of living</td>
<td>65%</td>
</tr>
<tr>
<td>Lower/much lower</td>
<td>24%</td>
</tr>
</tbody>
</table>

Source: CalSTRS 2017 Retirement Readiness Assessment

In 2017, 63% of retired CalSTRS members rate their retirement income as being mostly or completely sufficient to ensure their retirement security.

Sufficiency of Retirement Income

<table>
<thead>
<tr>
<th>Sufficiency Level</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Completely sufficient</td>
<td>20%</td>
</tr>
<tr>
<td>Mostly sufficient</td>
<td>43%</td>
</tr>
<tr>
<td>Somewhat sufficient</td>
<td>27%</td>
</tr>
<tr>
<td>Not at all sufficient</td>
<td>10%</td>
</tr>
</tbody>
</table>

Source: CalSTRS 2017 Retirement Readiness Assessment
Health Insurance and Medicare Basics

Health Insurance Premium Deductions

CalSTRS does 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 district does not support benefits during retirement, state law requires that school districts offer retiring CalSTRS members the option to continue their medical and dental insurance at their own cost. Benefits vary among districts. Contact your employer to learn more.

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

Medicare

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

Depending on your situation, you may automatically be enrolled in Medicare or you may need to apply. There are only certain times that 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 don’t 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

Medicare
800-633-4227
medicare.gov

Covered California
800-300-1506
coveredca.com

California Health Advocates, HICAP
800-434-0222
calhealthadvocates.org/HICAP

In 2017, 25% of retired CalSTRS members reported Medicare was their only source of health insurance. For those who do not rely on Medicare as their only source of health insurance, 70% report their premiums are not difficult or only slightly difficult to afford.

Difficulty Affording Health Insurance Premiums in Retirement

Not at all/ slightly difficult, 70%

Moderately difficult, 20%

Difficult/ very difficult, 10%

Source: CalSTRS 2017 Retirement Readiness Assessment
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.

Your one-time death benefit recipient can be 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.

Moved or Planning a Move Soon?

Three ways to update your contact information:

1. myCalSTRS makes it easy. From the homepage, select Update Your Profile, then follow the instructions.
   - myCalSTRS.com

2. Complete the Address Change Request form, sign, date and mail it to us.
   - CalSTRS.com/forms

3. Call us at 800-228-5453. To use this option, you must have a valid email address. Best times to call are Wednesday, Thursday or Friday 7–10 a.m. or 4–6 p.m.

Confirmation for Address and Direct Deposit Updates

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

Affects the Social Security benefit you receive as a spouse, widow or widower.

- May reduce or eliminate any spouses, widows or widowers Social Security benefit that you may receive.
- Will offset your Social Security benefit by two-thirds of the amount of your CalSTRS retirement benefit.

Assume your expected widows or widowers 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.

Windfall Elimination Provision

Affects your Social Security benefit that is based on your earnings from other employment.

- May reduce your Social Security benefit that is based on your earnings from other employment.
- The reduction to your Social Security 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.

See the Social Security, CalSTRS and You fact sheet at CalSTRS.com.

View the Introduction to Social Security video at CalSTRS.com/videos.

Consult with a financial professional and refine your financial strategy as your retirement progresses.
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. CalSTRS does not provide power of attorney forms, but an attorney can draft one or you can purchase a fillable form. 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.

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

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.

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

Find more information on CalSTRS.com by clicking the I would like to... drop-down menu at the top of the page and choosing the Report a Death link.

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.
The last thing you need to worry about during a disaster is if your money will get to you on time.

Still receiving benefit checks by mail?

Sign up for direct deposit for the quickest access to your benefit payment.

We hope it never happens to you, but if a natural disaster strikes and the postal service is unable to deliver your mail, you may not get your benefit check on time. Direct deposit gives you the quickest access to your benefit payment—your money is automatically deposited in your bank account every month whether or not the mail service is operating.

Sign up today using your myCalSTRS account or download the Direct Deposit Authorization form at CalSTRS.com/forms. Your first payment will be deposited into your account within one to two pay periods after we receive the authorization.

To learn more, go to CalSTRS.com/directdeposit.
Keeping Your CalSTRS Account Secure

We have strict policies and procedures in place to help ensure your personal information remains private and secure.

- We will call or email you only in response to receiving a call on our 800 line or written correspondence from you, or a secure email message from you through your myCalSTRS account or CalSTRS.com/contactus. We do send out email messages periodically to members with general information such as CalSTRS workshop opportunities in your area or relevant news about CalSTRS, but we will never request confidential or personal information. If you receive a suspicious email that looks like it came from CalSTRS requesting confidential or personal information, do not click on any links within the message. Call us immediately at 800-228-5453.

Exceptions: You may receive a phone call from us if we suspect fraudulent activity on your account. In addition, if a natural disaster hinders postal delivery of your benefit check, we may call you with instructions on alternative methods of receiving your payment.

- We use your Client ID (or your Social Security number if you don’t know your Client ID) for identification verification. Your Client ID is a randomly generated number.

- We record all telephone conversations on our 800 line. This is primarily for internal use to ensure the accuracy of the information we provide.

- When you call to speak with a CalSTRS representative, we will ask a few security questions to ensure we are speaking with you. If you authorize someone else to speak with us about your account, we need your permission. We will ask you to confirm and authorize over the phone that the person has your permission to speak to us on your behalf.

Be sure to protect your myCalSTRS password

- Do not share your password with anyone for any reason.
- Change your password immediately if you know or suspect it has been compromised.

Forgot your password? Go to myCalSTRS.com and select the Forgot Your Username or Password? link. Check out CalSTRS.com/myCalSTRS-help for easy instructions on resetting your myCalSTRS password.
Retired Educator Organizations

These organizations are resources for you in retirement. Contact information is provided as a courtesy and not as an endorsement.

**Association of California School Administrators**
1029 J Street, Suite 500
Sacramento, CA 95814
800-608-2272
acs.org

**California Federation of Teachers**
Administrative Office
2550 North Hollywood Way, Suite 400
Burbank, CA 91505
818-843-8226
cft.org

**California Retired Teachers Association**
1750 Howe Avenue, Suite 630
Sacramento, CA 95825
916-923-2200
calrta.org

**California Teachers Association/National Education Association—Retired**
P.O. Box 921
Burlingame, CA 94011-0921
650-697-1400
cta.org/retired

**Faculty Association of California Community Colleges**
1823 11th Street
Sacramento, CA 95811
916-447-8555
faccc.org

**United Educators of San Francisco—Retired Division**
2310 Mason Street
San Francisco, CA 94133
415-956-8373
uesf.org

**United Teachers Los Angeles—Retired**
3303 Wilshire Boulevard, 10th Floor
Los Angeles, CA 90010
213-487-5560
800-556-8852
utla.net

Dues Deductions

You can elect to have your dues payments to some of these associations deducted from your CalSTRS retirement payments. Contact the association to start the process. After we receive the appropriate paperwork from the association, we will set up a deduction. 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

<table>
<thead>
<tr>
<th>Income Source</th>
<th>My benefit</th>
<th>Other benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined Benefit Pension</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Defined Benefit Supplement Payment</td>
<td>My monthly annuity</td>
<td>$</td>
</tr>
<tr>
<td>Social Security</td>
<td>My benefit from other work</td>
<td>$</td>
</tr>
<tr>
<td>Veteran’s Benefit</td>
<td>My benefit</td>
<td>$</td>
</tr>
<tr>
<td>Annuities</td>
<td>My annuity income</td>
<td>$</td>
</tr>
<tr>
<td>Other Guaranteed Income</td>
<td>Other annuity income</td>
<td>$</td>
</tr>
</tbody>
</table>

| Total Guaranteed Monthly Income              | $          |

Guaranteed Income Checklist

- 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

<table>
<thead>
<tr>
<th>Income Source</th>
<th>Monthly distributions</th>
</tr>
</thead>
<tbody>
<tr>
<td>403(b), 457(b), 401(k), IRA</td>
<td>$</td>
</tr>
<tr>
<td>Roth 403(b), Roth 457(b), Roth 401(k), Roth IRA</td>
<td>$</td>
</tr>
<tr>
<td>Brokerage/Savings Accounts</td>
<td>Monthly distributions</td>
</tr>
<tr>
<td>Work/Part-Time Work</td>
<td>Income</td>
</tr>
<tr>
<td>Income Outside of Work</td>
<td>Real estate rental income</td>
</tr>
<tr>
<td></td>
<td>Nonguaranteed annuity income</td>
</tr>
<tr>
<td></td>
<td>Other</td>
</tr>
</tbody>
</table>

| Total Nonguaranteed Monthly Income           | $          |

Nonguaranteed Income Checklist

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

TOTAL MONTHLY INCOME $
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 the variable expenses. Variable expenses can be taking up new hobbies, traveling or perhaps taking your grandchildren to soccer games.

<table>
<thead>
<tr>
<th>Expense</th>
<th>Fixed or Variable</th>
<th>Monthly Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgage/rent (excluding property taxes and insurance)</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Property taxes</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Homeowner's insurance</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Utilities (gas, electric, water, sewage, trash)</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>TV, internet, phone</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Home maintenance</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Automobile and transportation (loan payment, gas, insurance, maintenance)</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Food (groceries, eating out)</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Clothing</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Personal care</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Dependent care</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Healthcare and Medicare</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Credit cards</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Entertainment</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Travel</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Charitable donations or gifts</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Life insurance</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Long-term care</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Spousal support</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Education</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
<tr>
<td>Other</td>
<td>Fixed or Variable</td>
<td>$</td>
</tr>
</tbody>
</table>

**TOTAL MONTHLY EXPENSES** $ 

TOTAL MONTHLY INCOME $ − TOTAL MONTHLY EXPENSES $ = DIFFERENCE $
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 for maximizing your retirement income:

• **Work in retirement**
  Consider the separation-from-service requirement and the postretirement annual 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 in order 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.

• **Restructure your investments**
  You may want to allocate some funds into more aggressive accounts that you won’t want to withdraw for many years.

Understand the Federal Required Minimum Distribution

Tax-deferred retirement accounts such as 403(b)s and 401(k)s are a way to accumulate money for retirement by not initially paying taxes on contributions you make. But when you withdraw from these accounts, the amount you receive is subject to federal income tax. Federal tax law requires you to begin taking minimum, annual withdrawals from your tax-deferred retirement accounts no later than April 1 of the calendar year following the year you reach age 70½, if you’re no longer working. For example, if your birthday is October 5, you would turn 70½ on April 5, so you would have until April 1 of the following year to take the required minimum distribution.

For the required minimum distribution, there is no limit to the amount you can withdraw, but you must withdraw a required minimum amount, whether you need the money or not.

Tips for Required Minimum Distribution Planning

• **Make a plan**
  Create a 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.
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.

You may benefit by consolidating your other retirement accounts into Pension2. For a no-charge cost comparison, call 888-394-2060 or visit 403bCompare.com.

If you have an investment account such as a 403(b), IRA or 401(k), you can 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. Pension2 has low and transparent costs—plus no commissions, no load fees and no surrender charges.

• Your portfolio will be easier to manage, and you’ll be less likely to forget to update your contact and beneficiary information because you’ll need to update fewer accounts.

• Your family members or a financial advisor will find it easier to manage your finances when you no longer can.

• When you reach age 70½, you’re subject to federal required minimum distribution rules. If you consolidate your accounts, you’re less likely to miss taking a distribution and, therefore, having to pay 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.
## Organize Your Important Documents

Complete this worksheet, make a copy and provide it to those responsible for handling your estate.

<table>
<thead>
<tr>
<th>Your Important Documents</th>
<th>Where You Keep Them</th>
</tr>
</thead>
<tbody>
<tr>
<td>CalSTRS benefits information, including your <em>Recipient Designation</em> form</td>
<td></td>
</tr>
<tr>
<td>Trust documents</td>
<td></td>
</tr>
<tr>
<td>Marriage or registration of domestic partnership certificates, divorce decrees, birth certificates and adoption papers</td>
<td></td>
</tr>
<tr>
<td>Tax returns</td>
<td></td>
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<tr>
<td>Insurance documents</td>
<td></td>
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<tr>
<td>Financial records</td>
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</tr>
<tr>
<td>Other</td>
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<tr>
<td><strong>Safe Deposit Box</strong></td>
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<tr>
<td>Location</td>
<td></td>
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<tr>
<td>Key location</td>
<td></td>
</tr>
<tr>
<td>Those with access</td>
<td></td>
</tr>
</tbody>
</table>

### Those to Notify in the Event of Your Death

<table>
<thead>
<tr>
<th></th>
<th>Website or Email Address</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>CalSTRS</td>
<td>CalSTRS.com</td>
<td>800-228-5453</td>
</tr>
<tr>
<td>Social Security Administration</td>
<td>SSA.gov</td>
<td>800-772-1213</td>
</tr>
<tr>
<td>U.S. Department of Veterans Affairs</td>
<td>VA.gov</td>
<td>800-827-1000</td>
</tr>
</tbody>
</table>

### Those Familiar With Your Affairs

- Attorney/trustee:
- Physician:
- Financial adviser:
- Spiritual adviser:
- Other:

### Organizations and Associations You Belong To

<p>| |</p>
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## CalSTRS Benefits Planning Offices

### Member Service Centers

<table>
<thead>
<tr>
<th>Location</th>
<th>Telephone Number</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresno</td>
<td>800-228-5453 ext. 3</td>
<td>M-F 8-5</td>
</tr>
<tr>
<td>Riverside</td>
<td></td>
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<tr>
<td>West Sacramento</td>
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<tr>
<td>Glendale</td>
<td>800-228-5453 ext. 3</td>
<td>M-F 8-5</td>
</tr>
<tr>
<td>San Diego</td>
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<td></td>
</tr>
<tr>
<td>Irvine</td>
<td>800-228-5453 ext. 3</td>
<td>M-F 8-5</td>
</tr>
<tr>
<td>Santa Clara</td>
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### Satellite Offices*

<table>
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<tr>
<th>Location</th>
<th>Telephone Number</th>
<th>Location</th>
<th>Telephone Number</th>
<th>Hours</th>
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</thead>
<tbody>
<tr>
<td>Bakersfield</td>
<td>800-228-5453 ext. 3</td>
<td>Eureka</td>
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<td>Los Alamitos</td>
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<td>Pleasant Hill</td>
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<td></td>
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<td>Santa Barbara</td>
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</tbody>
</table>

* Hours and services vary at satellite offices, so please call ahead of time or visit CalSTRS.com/localoffices for more information.

## CalSTRS Resources

### WEB
- CalSTRS.com
- Click Contact Us to email myCalSTRS.com
- 403bCompare.com
- Pension2.com

### CALL
- 800-228-5453
  - 7 a.m. to 6 p.m., Monday through Friday
  - 916-414-1099
  - Calls from outside the U.S.
  - 888-394-2060
    - CalSTRS Pension2®
    - Personal Wealth Plan
  - 855-844-2468 (toll free)
    - Pension Abuse Reporting Hotline

### WRITE
- CalSTRS
  - P.O. Box 15275
  - Sacramento, CA 95851-0275

### VISIT
- Member Services
  - 100 Waterfront Place
  - West Sacramento, CA 95605
  - Find your nearest CalSTRS office at CalSTRS.com/localoffices

### FAX
- 916-414-5040
- Member Services
  - 100 Waterfront Place
  - West Sacramento, CA 95605