

**A personal report for:** Defined Benefit Member

Client ID: 1234567890

Birth Year: 2009

Your *Retirement Progress Report* provides an overview of your CalSTRS benefits. Take the time to review your account information and become more familiar with CalSTRS benefits and services. As you progress through your career, continue increasing your knowledge of CalSTRS retirement benefits and how you can improve your financial security in retirement.

Learn more about CalSTRS benefits and services in the *CalSTRS Member Handbook*, available at [CalSTRS.com/publications](http://CalSTRS.com/publications) or by calling 800-228-5453.

**Basics of Your Retirement Benefit**

Your retirement benefit under the Defined Benefit Program does not depend on your account total or how well CalSTRS investments perform. Your retirement benefit will be calculated using a formula:

**Service Credit x Age Factor x Final Compensation = Your Retirement Benefit**

To be eligible for a CalSTRS retirement benefit, you must be at least:

- Age 50 with 30 or more years of service credit
- Age 55 with five or more years of service credit

**Service credit** is the time, in years and partial years, that you earned creditable compensation for CalSTRS-covered service.

SERVICE CREDIT ACTIVITY	SERVICE CREDIT
DB Beginning Balance as of July 1, 2008	10.818
DB Ending Balance as of June 30, 2009	10.818

**Defined Benefit Account Activity** - Interest for fiscal year 2008-09 was credited at 4 percent, compounded daily. Think carefully about taking a refund of your account contributions or receiving a monthly retirement benefit when you become eligible.

DEFINED BENEFIT ACCOUNT ACTIVITY	MEMBER		INTEREST (\$)	TOTAL (\$)
	TAXED	TAX DEFERRED		
DB Beginning Balance as of July 1, 2008	1,449.62	25,009.50	22,889.21	49,348.33
Interest Credited for 2008-2009			1,973.93	1,973.93
DB Ending Balance Accrued as of June 30, 2009	1,449.62	25,009.50	24,863.14	51,322.26

## Defined Benefit Retirement Estimates

We calculate your estimates using your account information as of June 30, 2009, and that:

- You are age 45 or older.
- You will have at least five years of service credit at Age X and Age Y listed below.

We assume that in each future year you will earn the same service credit as last year. We then use your account information for each part below to calculate your estimates. Age X is when we project you will be first eligible to retire. Age Y is a later age.

MONTHLY MEMBER-ONLY BENEFIT ESTIMATES	AGE X	AGE Y
	61	62
Projected retirement date	06/30/2010	06/30/2011
Service credit as of 06/30/2009	10.818	10.818
Service credit to projected retirement date +	0.000	0.000
Total service credit =	10.818	10.818
Age factor x	0.02167	0.02300
Final compensation* x	\$3,587.51	\$3,587.51
Monthly Member-Only Benefit =	\$841.01	\$892.62
Longevity bonus +	N/A	N/A
Total Monthly Member-Only Benefit =	\$841.01	\$892.62

\*Your final compensation is equal to the highest average annual earnable compensation for three consecutive years, or 12 consecutive months if you have earned 25 years of service credit.

## Electing a Retirement Option

Our records show you have not elected a retirement option because either you have not submitted your option election or you are not yet eligible to retire.

By electing an option, you will provide a monthly benefit to one or more beneficiaries upon your death. However, your monthly benefit will be reduced by a percentage, called an option factor, based on which option you elect and the age of you and your beneficiary at the time of election.

Consider speaking with a benefits counselor before making this important decision.

MONTHLY REDUCED BENEFIT ESTIMATES	AGE X	AGE Y
	61	62
Option beneficiary name	NO OPTION BENEFICIARY NAMED	
Option beneficiary birth date		
Option as of 06/30/2009		
Monthly Member-Only Benefit	\$841.01	\$892.62
Cancellation reduction -	N/A	N/A
Estimated monthly benefit =	\$841.01	\$892.62

Below is information about your **One-Time Death Benefit Recipient**. You can select one or more recipients who may receive this benefit once eligibility requirements are met. We cannot print the name of a trust or estate.

You have COVERAGE A, which may provide a one-time death benefit to your named death benefit recipient(s). This year the payment is \$6,163.

Your primary recipient for your one-time death benefit is:  
Beneficiary

### Special Messages

You are eligible to elect a pre-retirement option. For more information, please contact us.

## Defined Benefit Supplement Program

Your **Defined Benefit Supplement** account can provide additional retirement income. Your DBS account consists of up to three sources. Interest for fiscal year 2008-09 was credited at 5 percent, compounded daily. Go to [CalSTRS.com/members](http://CalSTRS.com/members) for more on the DBS Program.

DBS ACCOUNT ACTIVITY	CONTRIBUTIONS AND CREDITS			INTEREST (\$)	TOTAL (\$)
	MEMBER		EMPLOYER		
	TAXED	TAX DEFERRED	TAX DEFERRED		
DBS Beginning Balance as of July 1, 2008	0.00	2,696.84	0.00	792.20	3,489.04
Interest Credited for 2008-2009				175.77	175.77
Additional Earnings Credit for 2005-2006		74.39		7.56	81.95
Additional Earnings Credit for 2006-2007		149.19		7.21	156.40
DBS Ending Balance Accrued as of June 30, 2009	0.00	2,920.42	0.00	982.74	3,903.16

For your **Defined Benefit Supplement** estimates, we use your DBS account information as of June 30, 2009.

DBS ACCOUNT ESTIMATES	AGE X	AGE Y
Projected retirement date	61	62
Balance as of 06/30/2009 +	06/30/2010	06/30/2011
Projected Additional Contributions and Interest =	\$3,903.16	\$3,903.16
Total Projected DBS balance	\$195.15	\$400.07
	\$4,098.31	\$4,303.23

DBS ANNUITY ESTIMATES	AGE X	AGE Y
Member-Only Annuity	61	62
Period Certain Annuity 3 years	\$32.00	\$34.02
5 years	\$127.08	\$133.43
10 years	\$82.02	\$86.12
	\$48.80	\$51.24

Due to provisions enacted by legislation, beginning January 1, 2011, your entire 8 percent contribution will be credited to your Defined Benefit account and you will no longer contribute 2 percent of your compensation to your DBS account. Contributions from excess service over one full school year and interest on your account will continue to be credited to your DBS account.

$$[ \text{service credit} \times \text{age factor} \times \text{final compensation} = \text{your retirement benefit} ]$$

# Retirement Checklist

## Less than one year of service credit

- Begin saving in a tax-deferred account such as the CalSTRS Pension2 personal wealth plan.
- Submit your *One-Time Death Benefit Recipient* form.

## One to five years of service credit

You are now eligible for the CalSTRS one-time death benefit and monthly survivor benefit if you should die while an active member.

- Check your annual statement of accounts in your *Retirement Progress Report* every year for the accuracy of your service credit.
- Start a file to save your *Retirement Progress Reports* and other CalSTRS forms.
- Attend a Demystifying CalSTRS Workshop.

## Five years of service credit

You are now vested and eligible to receive a lifetime monthly retirement benefit when you retire. You can now retire if you are age 55 or older.

- Attend a CalSTRS Fundamentals Workshop.
- Use the online Retirement Benefit Calculator at CalSTRS.com to estimate your retirement benefit.
- Consider increasing your contributions to your tax-deferred 403(b) or other supplemental savings plan.
- Develop a financial plan for retirement.
- Continue to check your annual statements in your *Retirement Progress Report* for accuracy and file them with other important CalSTRS information.

## Ten years of service credit

It's time to plan the financial details for transitioning from your career into retirement.

- Attend a CalSTRS Fundamentals Workshop if you have not already done so.
- Meet with a CalSTRS benefits counselor or schedule a telephone appointment.
- Review your one-time death benefit recipient designation and your service credit shown on your *Retirement Progress Report*.
- Update your financial plan.
- Increase your tax-deferred savings.

## Between ages 50 and 55 with at least 30 years of service credit OR at least age 55 with at least five years of service credit

You are eligible to retire.

- Attend a CalSTRS Retirement Checkup Workshop and a Retirement Income Management Workshop.
- Get an estimate of your retirement benefit from a CalSTRS benefits counselor.
- Submit the *Pre-Retirement Election of an Option* form to provide a lifetime monthly benefit to someone if you die before retirement, if you would like to do so.
- Review your *One-Time Death Benefit Recipient* form and update, if necessary.

# Additional Information

## Additional Earnings Credit

The Teachers' Retirement Board declared an increase to members' Defined Benefit Supplement (DBS) accounts for plan years ending June 30, 2006, and June 30, 2007. Active and inactive members may be eligible for one or both of the credits. You can view your additional earnings credits in the DBS Account table in this report.

We calculated the credits based on:

- 2.49% of your DBS account balance on June 30, 2006, plus interest.
- 4.41% of your DBS account balance on June 30, 2007, plus interest.

The Teachers' Retirement Board approved the credits on June 7, 2007, and June 5, 2008. Go to [CalSTRS.com/members](http://CalSTRS.com/members) for more information.

## Your Account Contributions

You have a choice of what you can do with your account contributions and interest as an inactive member. You can:

- 1) Receive a monthly retirement benefit when you become eligible to retire from CalSTRS. You can retire from CalSTRS at age 55 with at least 5 years of service credit or at age 50 with at least 30 years of service credit.

OR

- 2) Take a refund. However, you will not receive a monthly retirement benefit when you become eligible.

If you decide to take a refund, you lose all service credit associated with your account contributions. You can buy back that service credit if you later return to a CalSTRS position, but since we charge interest, the cost will increase over time.

## Benefits Counseling

Benefits counselors provide assistance and guidance on CalSTRS benefits by appointment at a local office or over the telephone. Go to [CalSTRS.com/counseling](http://CalSTRS.com/counseling) for a listing of benefits counseling offices statewide and information on telephone counseling appointments. Priority is given to members closer to retirement.

Counseling offices now accept your CalSTRS forms. The date when you submit your form to the counseling office will be considered the receipt date.

## Check Your Contributions and Earnings

You can now view and check your annual contributions and earnings by employer by logging into *myCalSTRS* at [CalSTRS.com](http://CalSTRS.com). By reviewing your reported earnings and contributions, you can help ensure the accuracy of your future CalSTRS benefits.

## Longevity Bonus to End

If you have at least 30 years of service credit by December 31, 2010, you may be eligible for a longevity bonus which adds a set dollar amount to your monthly retirement benefit. If you are retiring with a beneficiary option, your bonus will be reduced.

Eligibility for the longevity bonus will end December 31, 2010. You do not have to retire before January 1, 2011, to qualify for the longevity bonus, but you must have earned at least 30 years of service credit before this date.

Defined Benefit Member  
9876 Retirement Lane  
Happy, CA 98765-1950

## Confidential Information

DN2 2009  
DN2

Photo: Kent Lacin

## CalSTRS Resources

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### WEB SITES

[www.CalSTRS.com](http://www.CalSTRS.com)  
Click *Contact Us* to e-mail

[www.403bCompare.com](http://www.403bCompare.com)

[www.CalSTRS.com/pension2](http://www.CalSTRS.com/pension2)



### CALL

800-228-5453  
7 a.m. to 6 p.m.  
Monday through Friday

866-384-4457  
Home Loan Program

888-394-2060  
CalSTRS Pension2®  
Personal Wealth Plan



### WRITE

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



### VISIT

Member Services  
100 Waterfront Place  
West Sacramento, CA  
95605



### FAX

916-414-5040

CalSTRS West Sacramento Headquarters may experience closures through June 30, 2010, due to ordered employee furloughs.

Please call to confirm business hours.

Please carefully review all personal and account data. Contact CalSTRS to correct an error or report a discrepancy.