

So You are Going to Retire?

Guidelines for Retirement Planning

Meet with CalSTRS

Before starting the actual retirement process, you should have had several group meetings with CalSTRS to estimate your pension benefits, Defined Benefit Supplement (DBS), value, sick leave and years of service. Early in the year you intend to retire, you should make an individual appointment with a CalSTRS representative to make sure everything is in order for your retirement. The individual meetings fill quickly, so make your appointment as soon as possible in your last teaching year.

Double Checking

It may be helpful to directly call the Sacramento office (800-228-5453) to verify that your anticipated level of retirement benefits is correct. Calling may be especially important if you have any potential complications, such as divorce, bankruptcy or contributions to CalPERS.

Continuing District Health Insurance

You must meet with Risk Management at the District office to complete their forms to continue your health insurance after your retirement. Make sure you discuss your options and how your retirement will change the District Insurance for your spouse and dependent/s. This may be especially important if your spouse is older than you and you intend to continue to insure them through the District. At 65, they must register with Medicare or potentially pay a penalty.

Medicare and Social Security

Make sure you understand the effect your pension will have on any Social Security benefits. Also make sure you understand your obligation to register for Medicare at 65. In the years before you intend to retire, you should have attended at least one APLE “Navigating Medicare” workshop offered each spring. You need to consider that the District will offer to extend your coverage. You need to understand how this may affect your Medicare coverage. (It is very important that you understand how continuing insurance for yourself or your spouse after 65 will effect your Medicare coverage.) For any questions about Medicare you should contact HICAP, Health Insurance Counseling & Advocacy Program, directly at 714-560-0424.

Complete the Forms

Submit a “Letter of Resignation” to the Personnel Office. A generic example of a letter of resignation is available in the retirement section on the APLE website. If you submit a notification of early retirement,

no letter is required. The District will send you the form. Always remember, resigning from the District is separate from retiring from CalSTRS.

Once you have notified the District you intend to retire, schedule appointments with Risk Management and Payroll to complete the required forms.

Submit CalSTRS Applications

Consider retiring from CalSTRS online. It is simple and fast but the instructions may be a bit confusing. It might be easier to print a paper form online or from the CalSTRS office in Irvine. This will give you plenty of time to consider each decision you make before entering it online. One of the important decisions you will make is how to receive your Defined Benefit Supplement. Don't forget to complete the direct deposit form if that is your choice. If you want to receive your first check the month after you retire, submit your retirement two months before your retirement date. It is suggested that you send your application by certified mail, return receipt requested or that you take the paperwork directly to a Member Service Center. The end of the year is a very busy time at CalSTRS so the earlier you send in your paperwork the better. (Doing it online is immediate.)

Questions

If you have any questions about resigning from the District, contact Rick Lopez at 714-985-8406.

If you have any questions about retiring from CalSTRS you should directly contact the CalSTRS office in Orange County at (800)228-5453. APLE has limited knowledge about retirement procedures, especially if it involves unique circumstances, so it is best to directly contact the agency that is most knowledge of the situation, such as HICAP, CalSTRS or the District.

Substitute Teaching

If you are considering substituting after you retire, it is important to know CalSTRS's requirement regarding income maximums and wait time after retirement. Currently, a retiree cannot substitute teach for 180 days after the date of retirement. In addition, check with the District for their own requirements.