



Contra Costa County Office of Education

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Karen Sakata, Superintendent of Schools

Business and Administrative Services

May 10, 2017

TO: District Business Officials
District Payroll
Contra Costa County School Districts

FROM: Felicia Hill
Manager, District Payroll Services

SUBJECT: CalSTRS Circulars and Directives – April 2017

The following is a summary of the most recent CalSTRS Employer Directives and Circulars. The full directive and circulars are attached for reference.

1) CalSTRS Employer Information Circular, Volume 33; Issue 4 – Fiscal Year 2017-18 Creditable Compensation Limit for Defined Benefit CalSTRS 2% at 62 Members and Cash Balance Participants subject to PEPRA.

Compensation Limit applies to compensation creditable to the Defined Benefit (DB), Defined Benefit Supplement (DBS) and Cash Balance (CB) Benefit programs.

The compensation limit for CalSTRS 2% at 62 DB members and CB participants subject to PEPRA effective July 1, 2017, through June 30, 2018, is \$143,082.

If an employee's compensation exceeds the limit, employer should contact CalSTRS Member Account Services representative for reporting instructions. Employer and member contributions to the DB, DBS and CB Benefit programs should not be taken on the excess amount.

2) School Services of CA Fiscal Report, Volume 37 – CalSTRS Postretirement Earnings Limitation for 2017-18

The postretirement earnings limitation, which is half of the median final compensation of the members who retired during the last fiscal year, is \$43,755 (up from 41,732 for the current year).

The limitation applies if the retiree is working as an employee of a CalSTRS employer, an employee of a third party, or an independent contractor.