



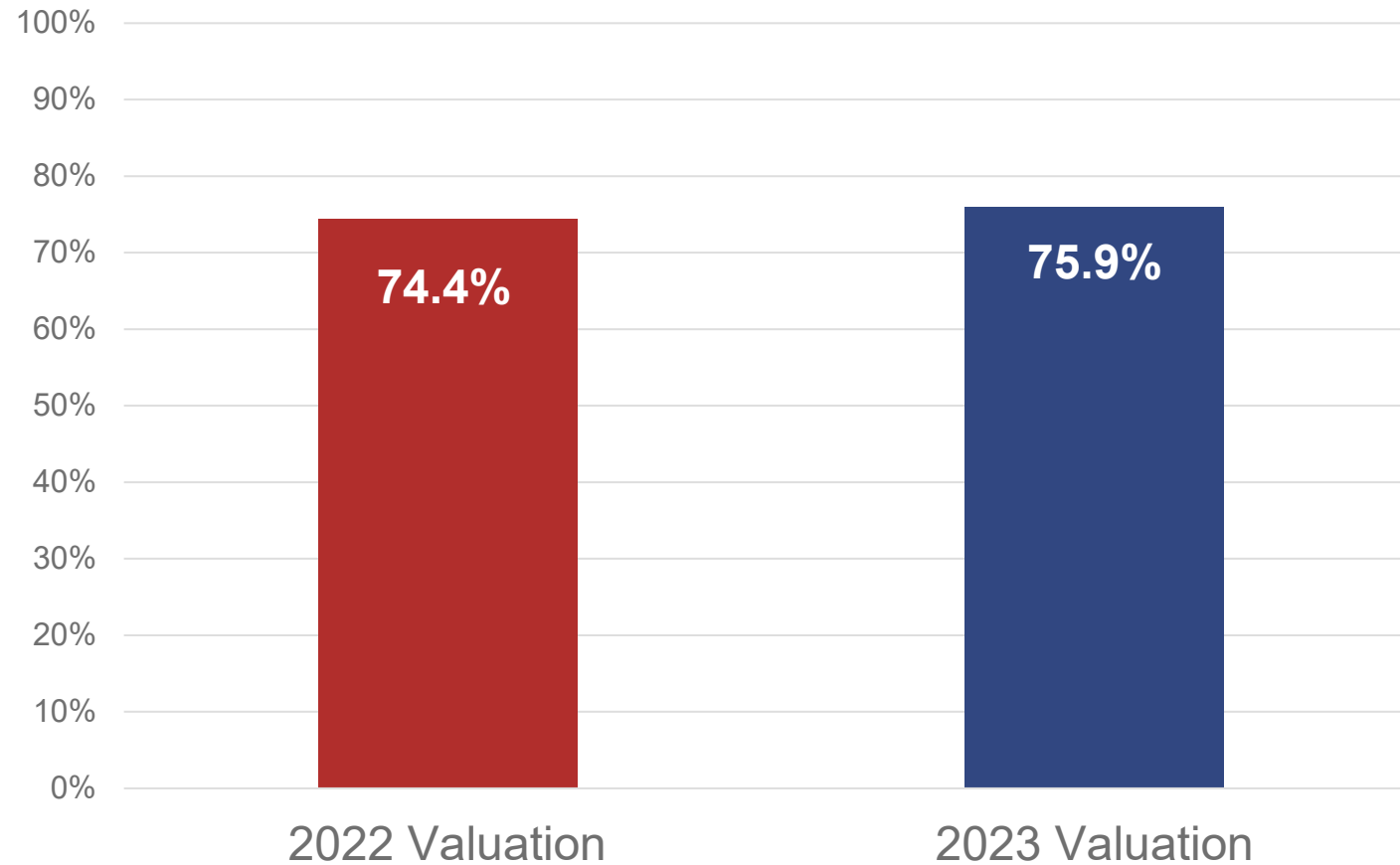
CALSTRS

Actuarial Valuation of the Defined Benefit Program as of June 30, 2023

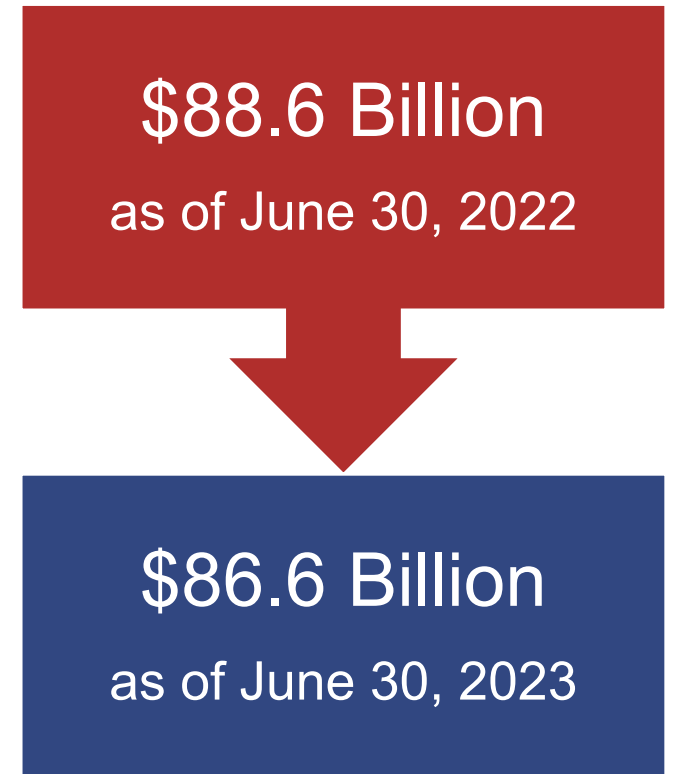
May 2024 Board Meeting

Continued improvements in funding levels

Funded Status

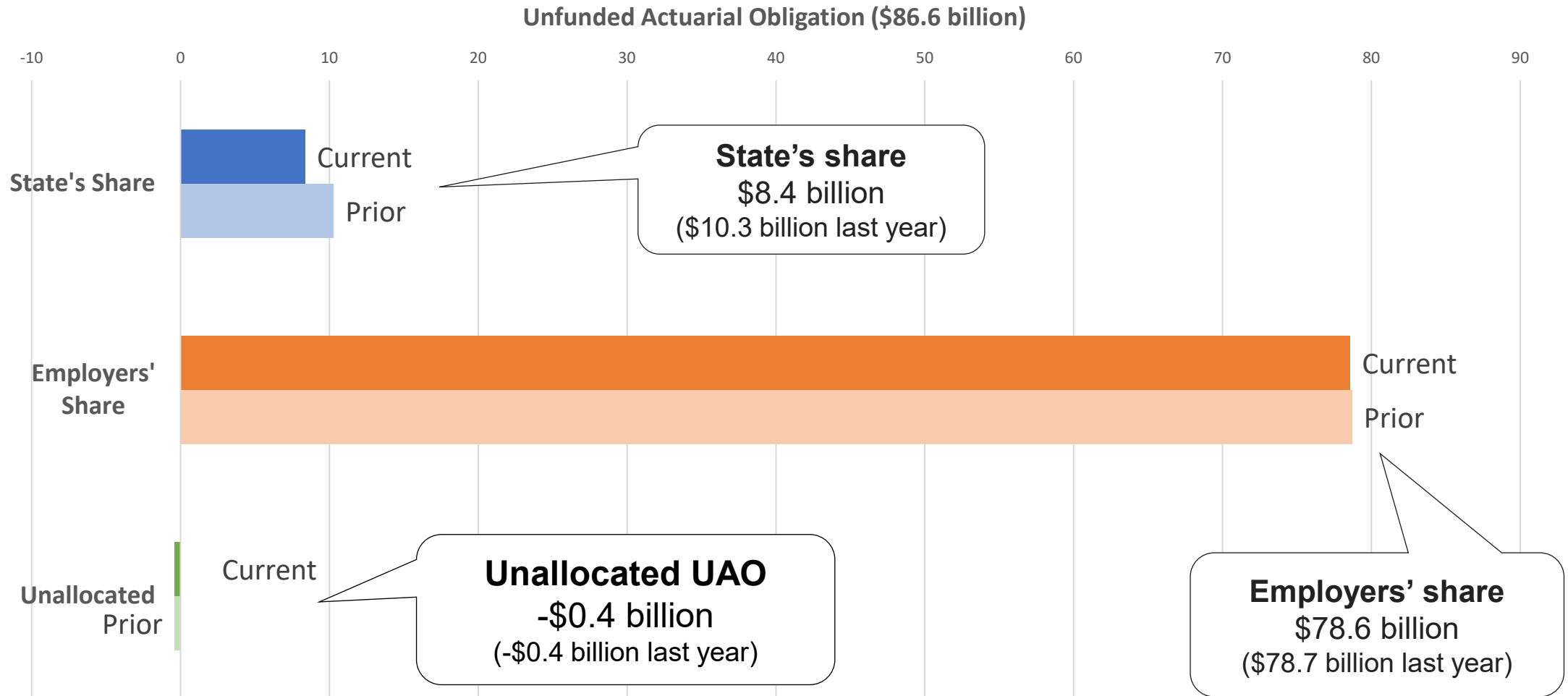


Unfunded Actuarial Obligation



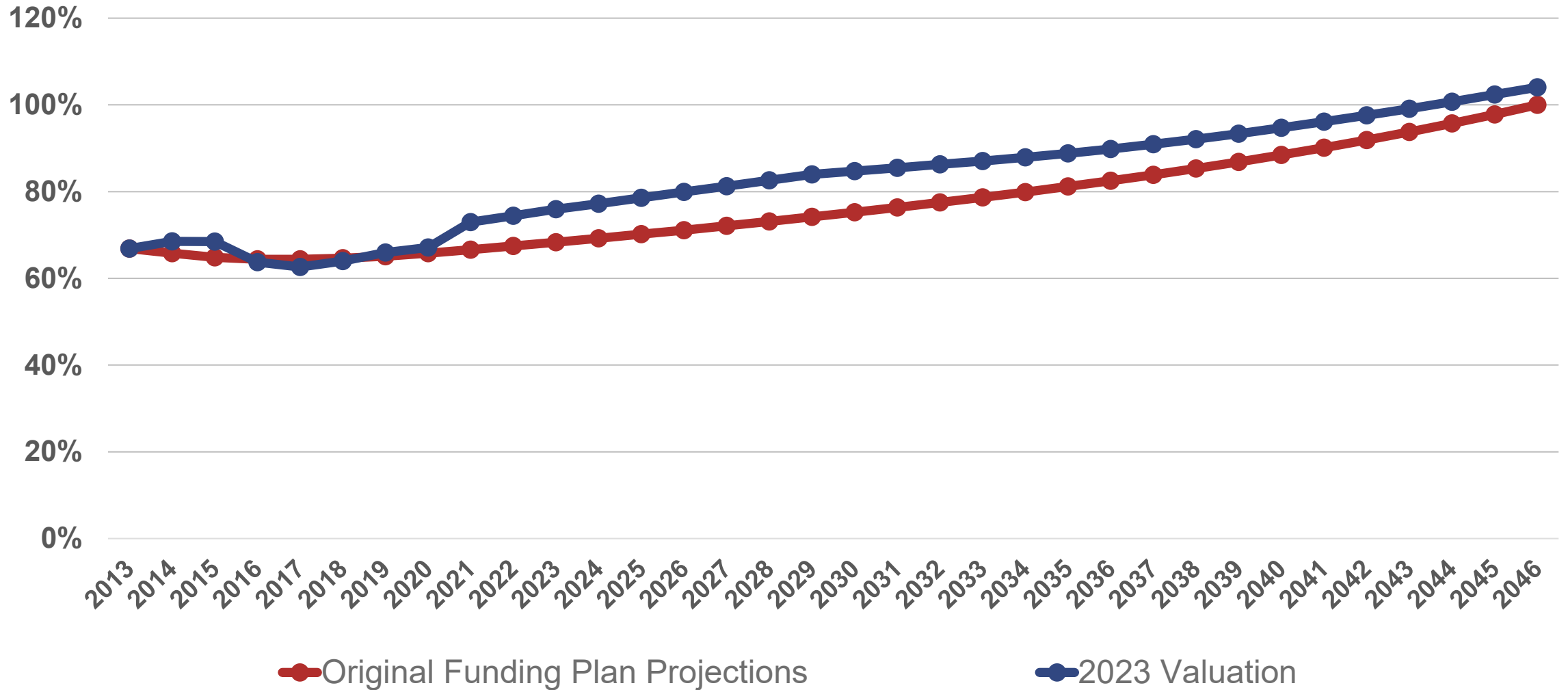
Breakdown of the Unfunded Actuarial Obligation

(Based on the June 30, 2023 Actuarial Valuation of the DB Program)



Projected funded status

(Assumes 7% investment return each year into the future and 3.25% payroll growth)



Are contribution rate increases needed?

	Current contribution rate (Defined Benefit Program only)	Rate increase needed for FY 2024-25?	Year share is projected to be eliminated if rate remains unchanged
State	8.328%	No	2028
Employers	19.10%	No	2044

* The state also contributes 2.5% of payroll to SBMA, CalSTRS inflation protection program.

Five-year check point with the California Legislature

- Second report on the progress of funding plan is due June 30, 2024
 - Report will be posted online once completed

Recommendation for board adoption

	Effective July 1, 2024
State Supplemental Contribution Rate	6.311%
Employer Supplemental Contribution Rate	10.850%
Normal Cost for 2% at 62 Members	18.393%

Questions?