



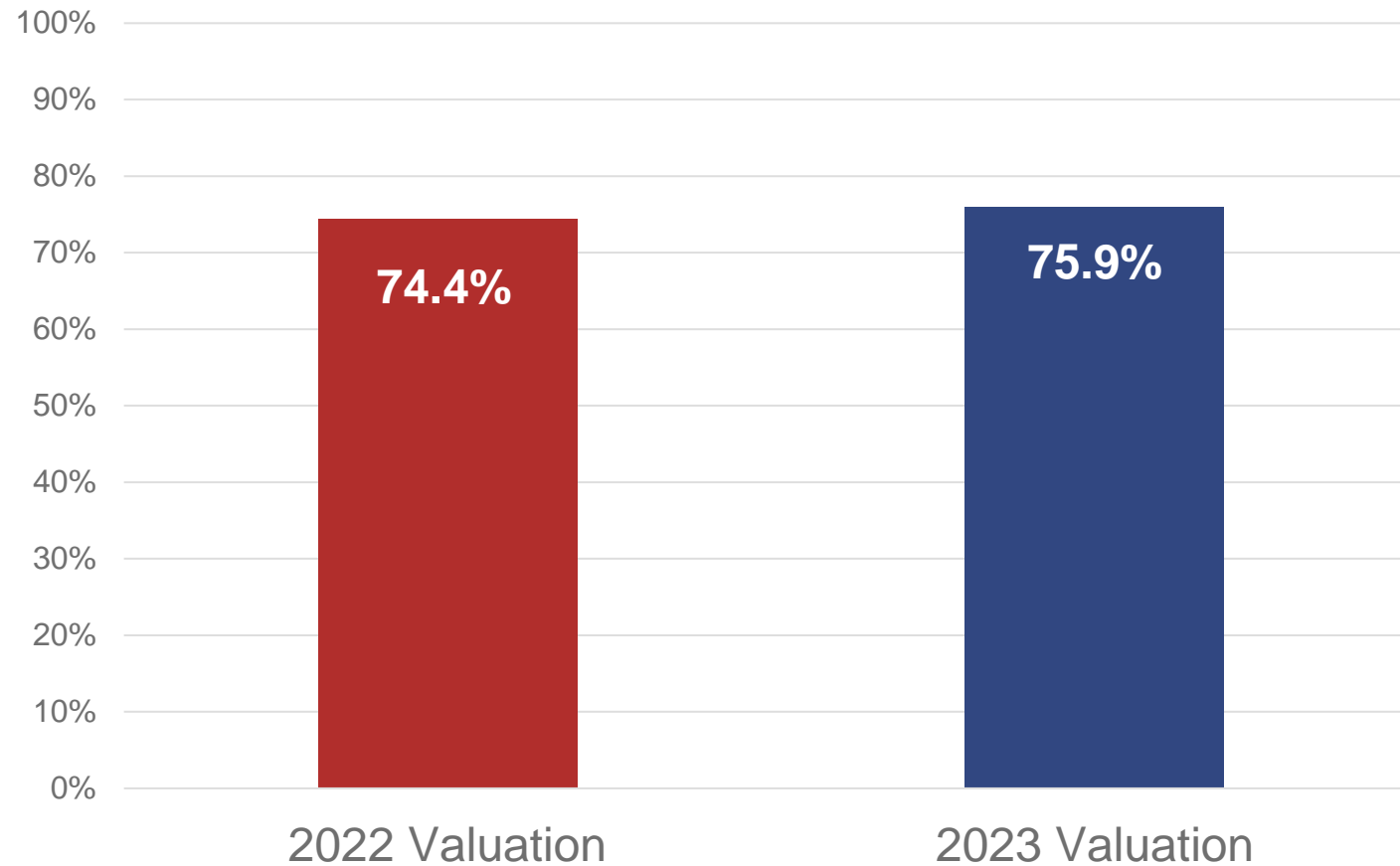
CALSTRS

Actuarial Valuations and Lump Sum Death Benefit

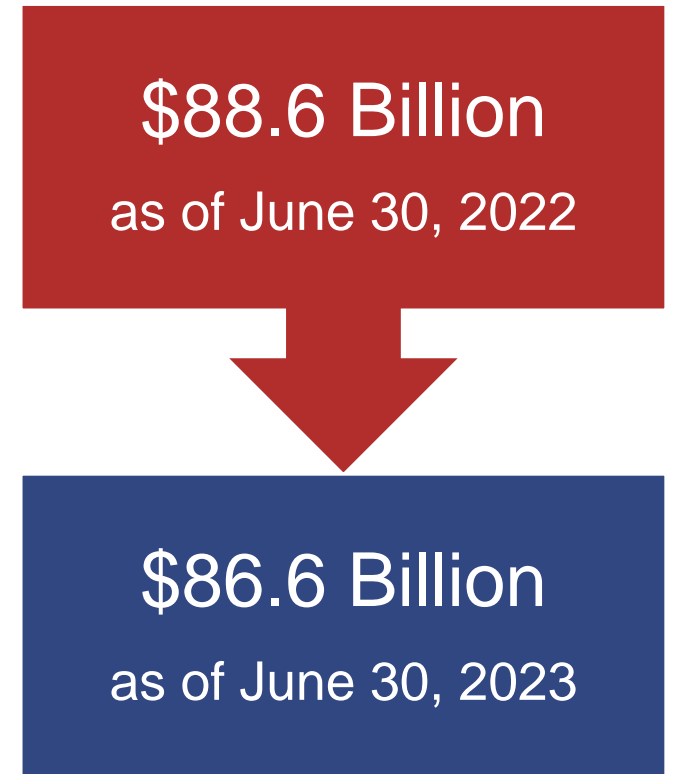
May 2024 Board Meeting

Continued improvements in funding levels

Funded Status

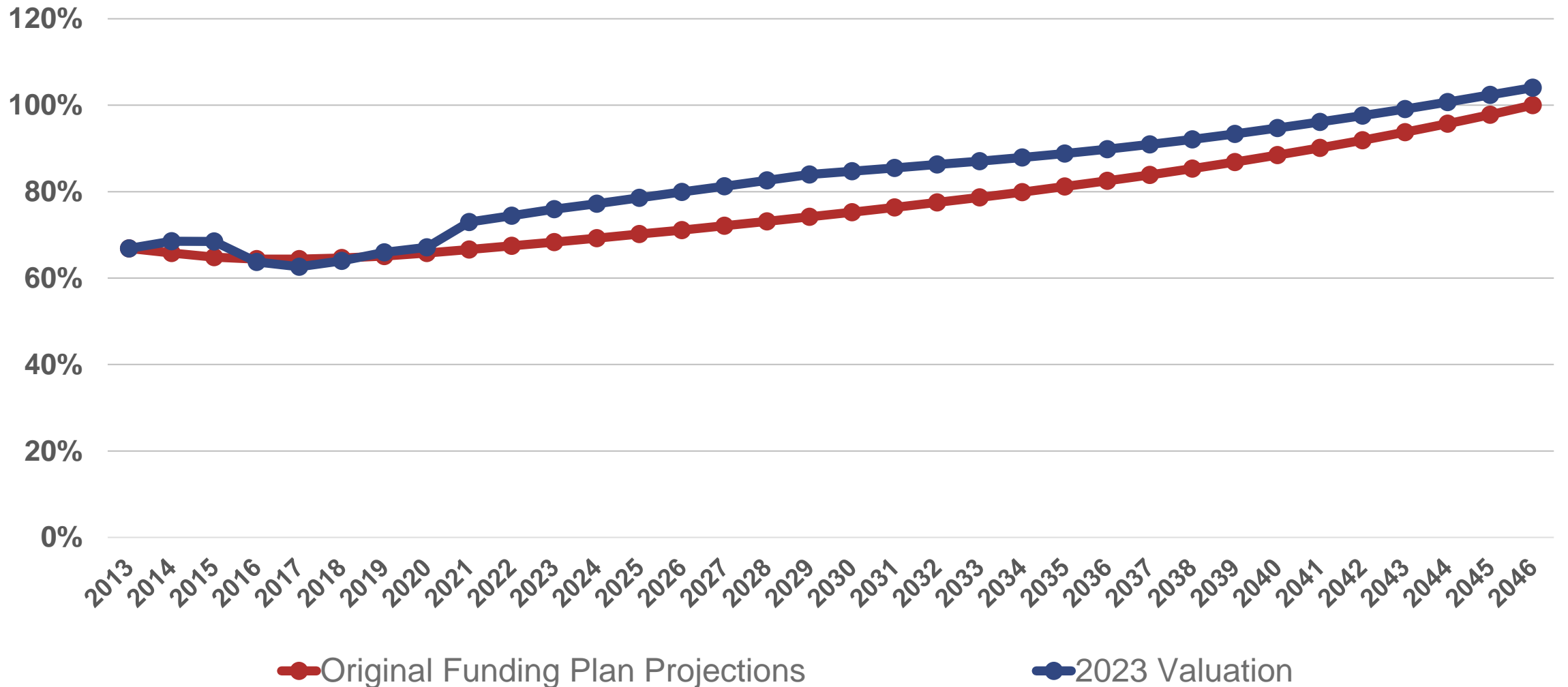


Unfunded Actuarial Obligation



Projected funded status

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



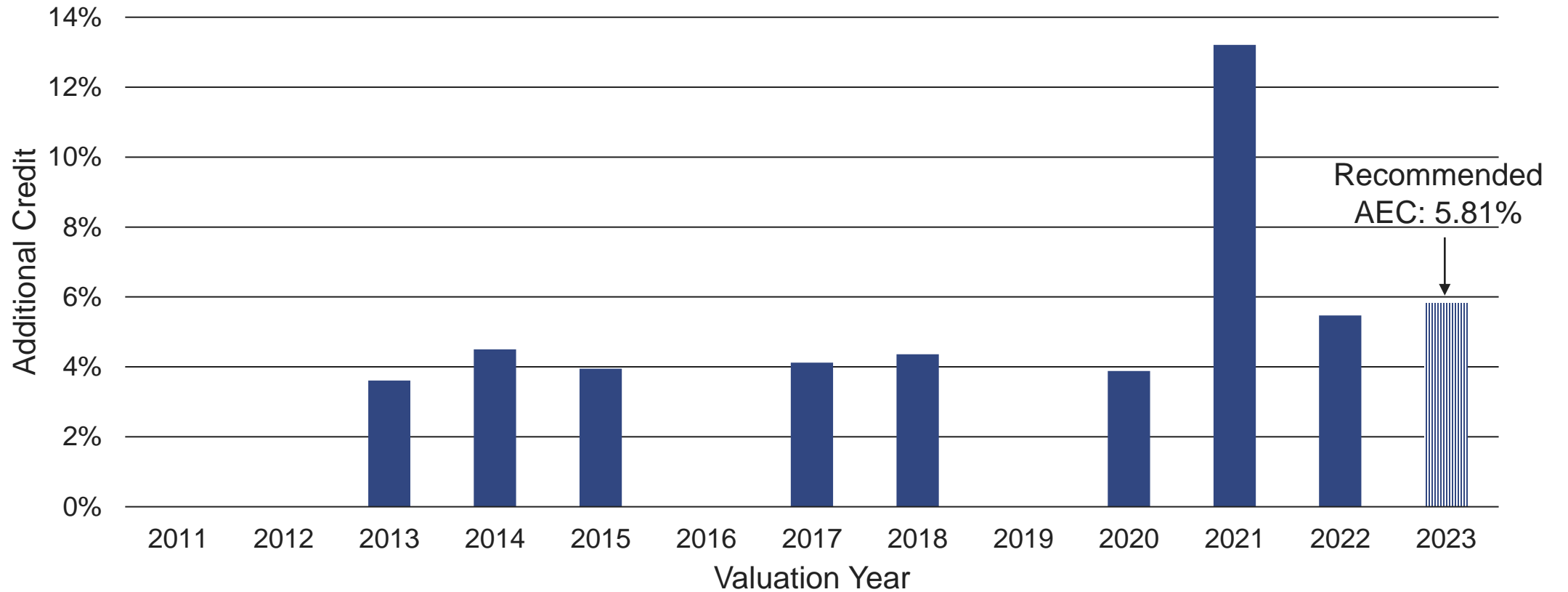
Are contribution rate increases needed?

	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.

Defined Benefit Supplement Program

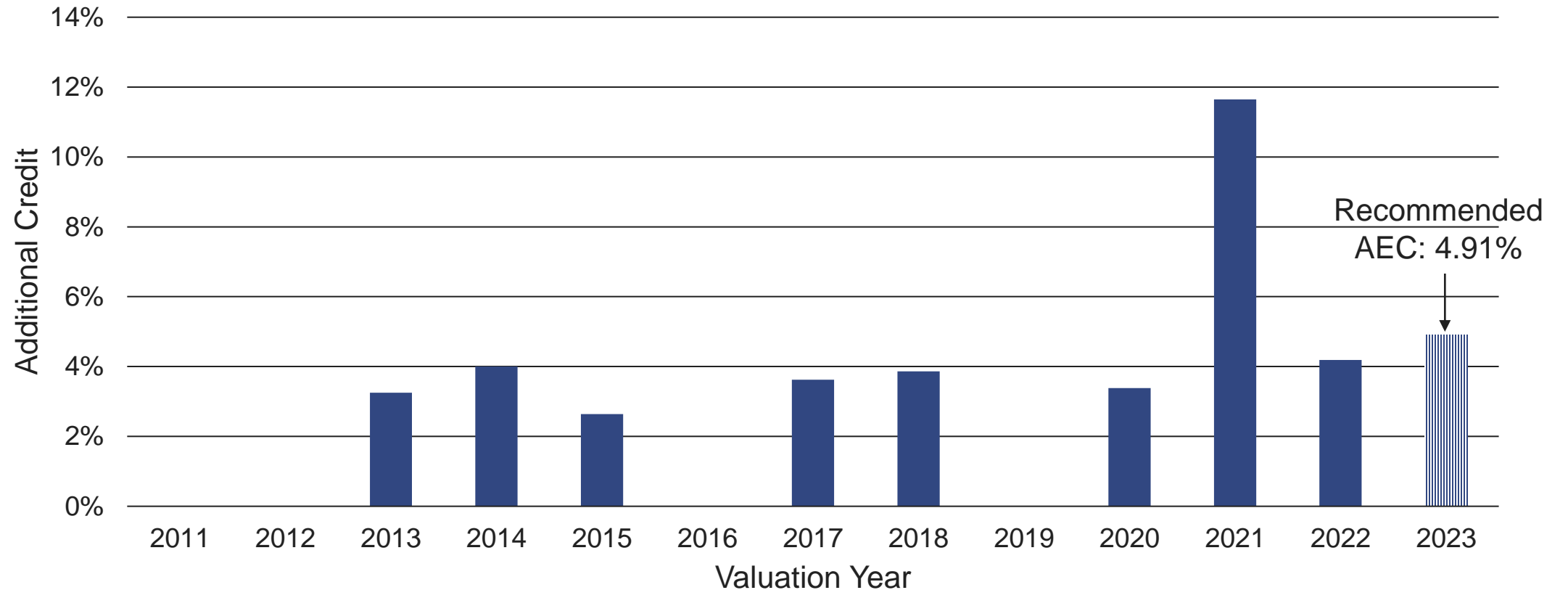
Historical and recommended additional earnings credit (AEC)



Revised funded ratio will be 123.5% if recommended AEC is granted and surplus will be reduced to \$3.46 billion.

Cash Balance Benefit Program

Historical and recommended additional earnings credit (AEC)

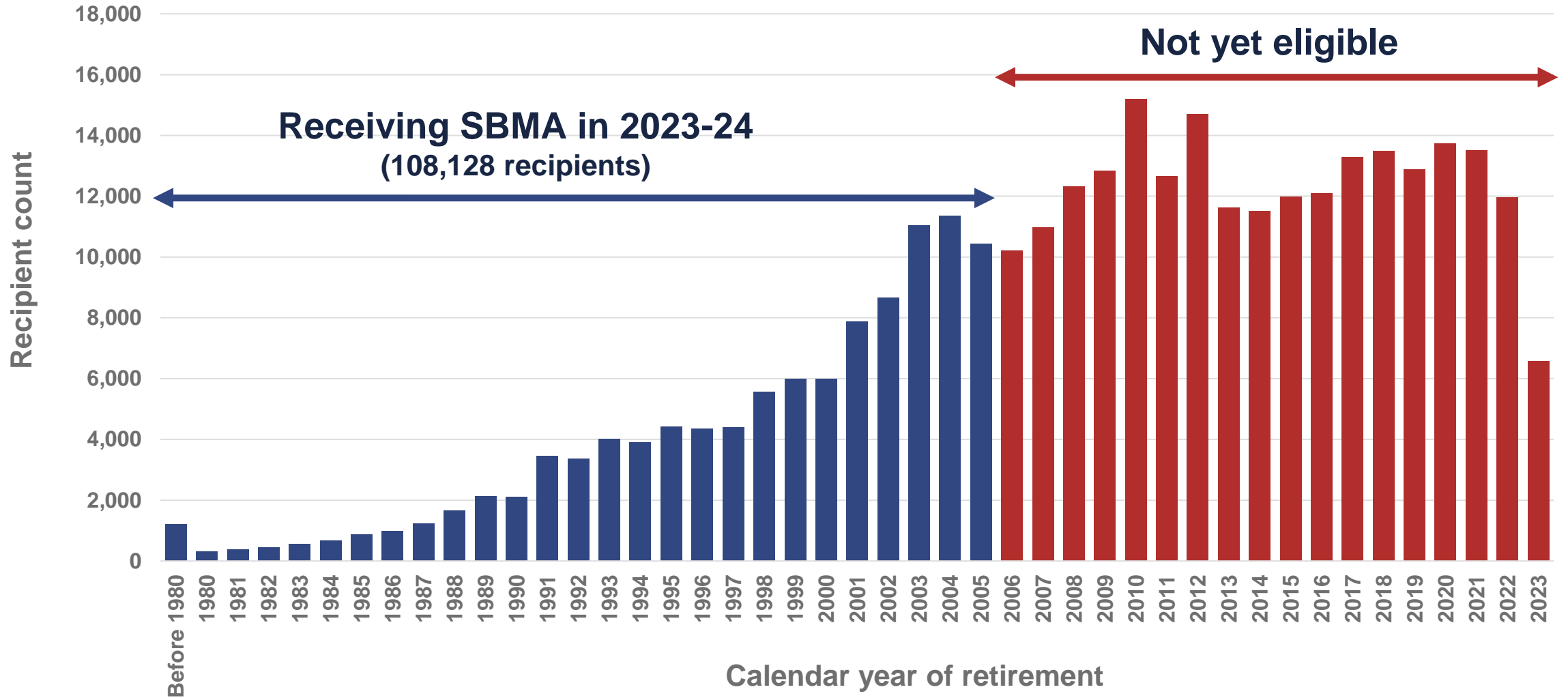


Revised funded ratio will be 112.8% if recommended AEC is granted and surplus will be reduced to \$54.3 million.

Lump sum death benefit recommended increase

	Current benefit amounts	Recommended lump sum death benefit amounts (effective July 1, 2024)	Increase
Active Coverage A and Retired Member	\$6,903	\$7,093	\$190
Active Coverage B	\$27,612	\$28,372	\$760

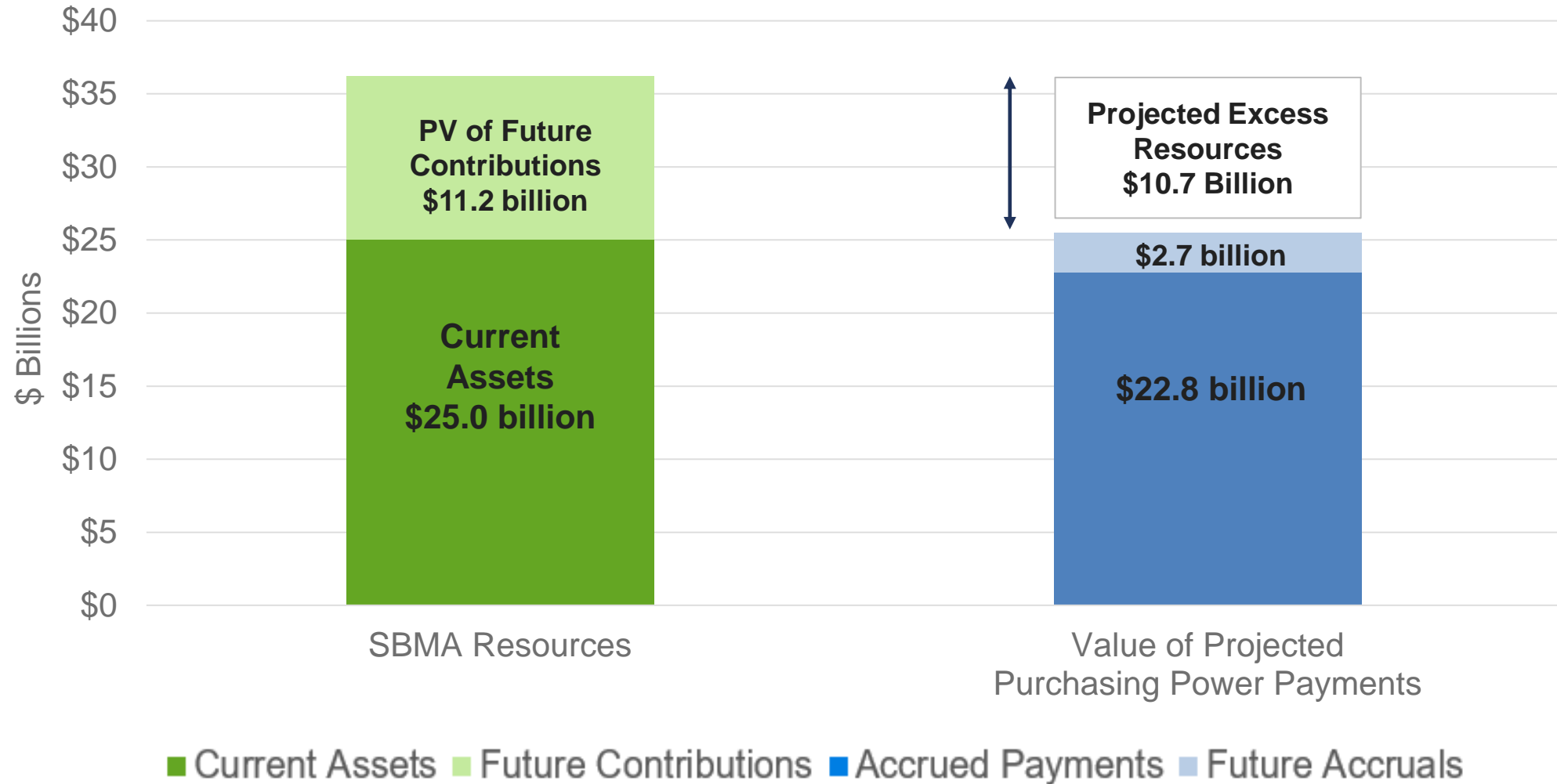
2023-24 SBMA recipients



Comparison of SBMA resources to future payments

85% purchasing power and 2.75% inflation

(Current members only)



Questions?