

2010

Summary Report to Members

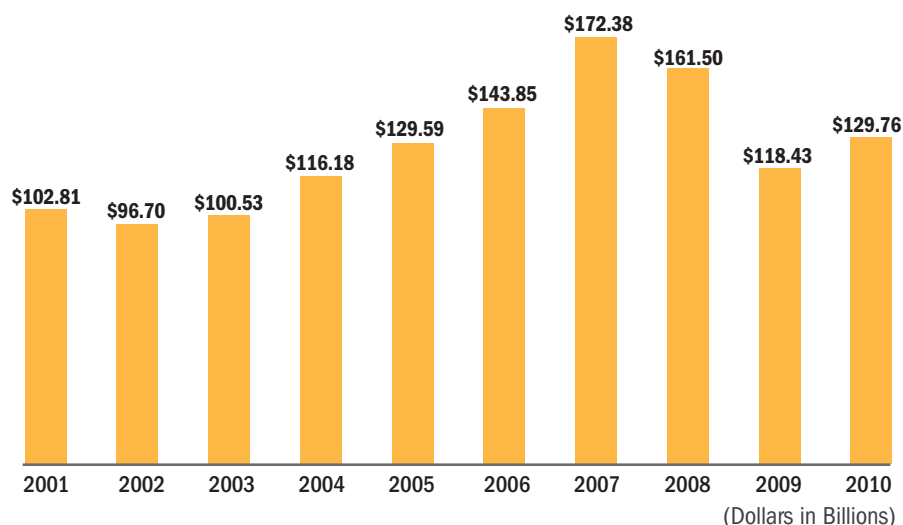
For the fiscal year ended June 30, 2010

This summary provides important details regarding your retirement fund. The historic global economic crisis resonated throughout our society during the period covered in this report, fiscal year 2009-10. At no other time in our 97-year history has CalSTRS faced a more daunting challenge, that of ensuring the long-term strength and viability of the Teachers' Retirement Fund.

► Our Mission

Securing the financial future and sustaining the trust of California's educators

Global Downturn Affects CalSTRS Assets



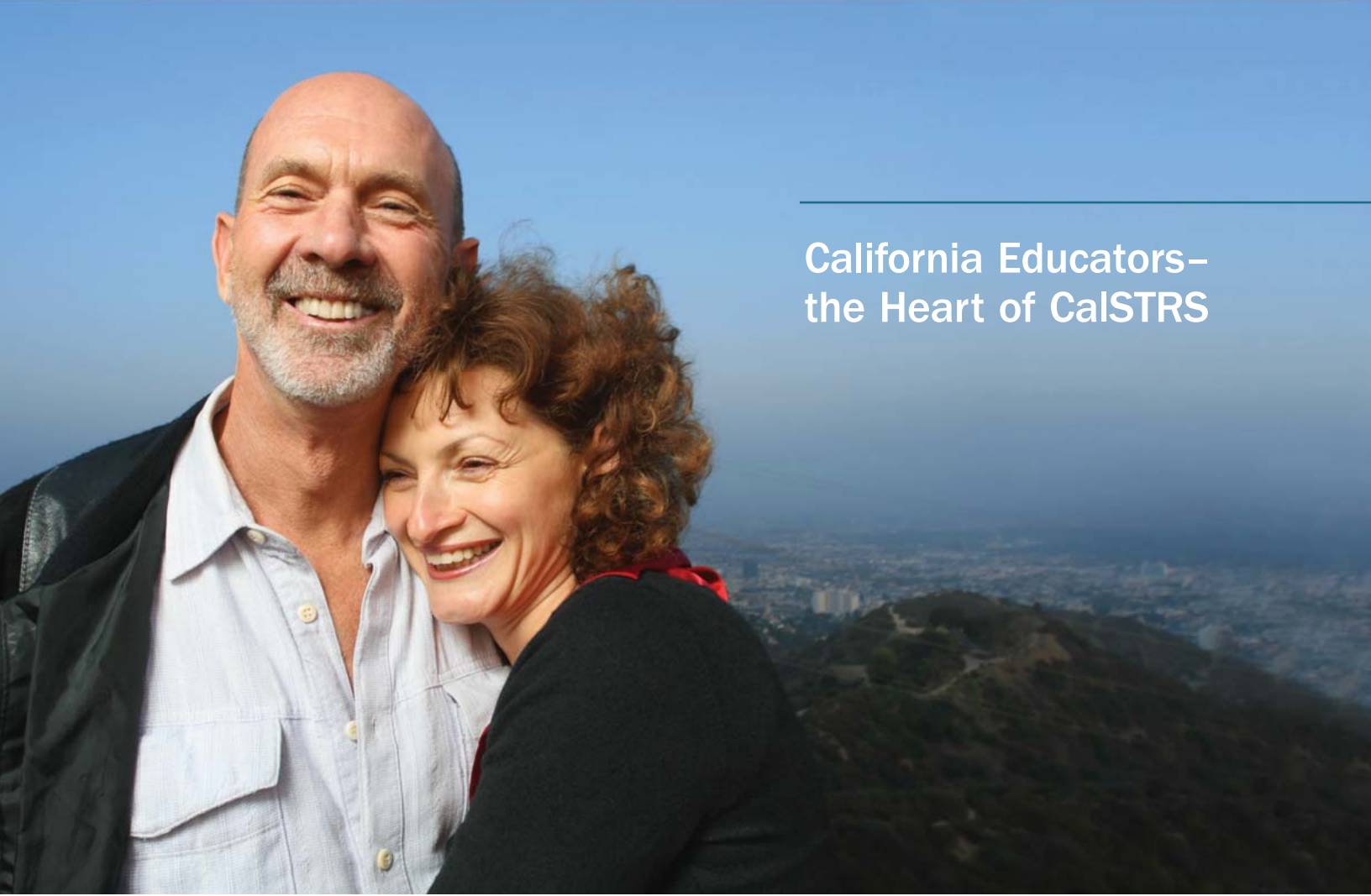
Teachers' Retirement Fund Statement of Changes in Fiduciary Net Assets

For the fiscal years ended June 30, 2010, and 2009

	2010	2009
Net Assets Held in Trust, Beginning of Year	\$118,430,073	\$161,498,193
Additions		
Contributions (member, employer, State of California, federal government)	5,839,324	6,105,257
Investment Income (loss) ¹	15,089,359	(40,357,698)
Other Income	7,691	7,528
Total Additions	20,936,374	(34,244,913)
Deductions		
Investment Expense	170,426	159,864
Benefits and Refunds	9,458,067	8,710,053
Administrative Expenses	140,273	113,154
Total Deductions	9,598,340	8,983,071
Net Increase	11,338,034	(43,068,120)
Net Assets Held in Trust, End of Year	\$129,768,107	\$118,430,073

¹ Net of securities lending cost.

(Dollars in Thousands)



California Educators— the Heart of CalSTRS

Membership Stable in 2010

Fiscal Year	2010	Percent Increase from 2009
Total Membership	852,316	0.05%
Active	441,544	-0.40%
Inactive	166,976	0.65%
Retired	213,952	0.48%
Disabled	8,581	0.24%
Survivors	21,263	0.32%

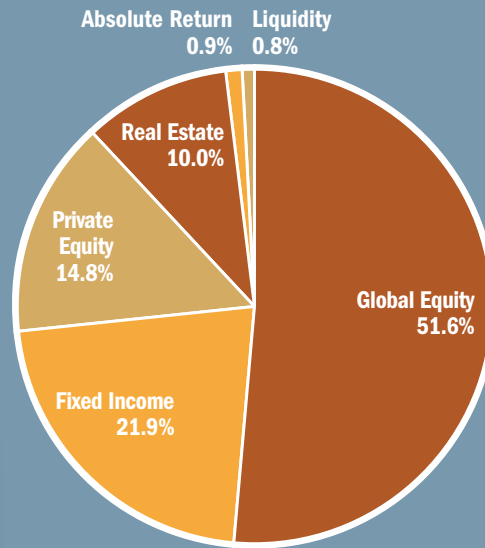
Average Active Member Age and Years of Service

Fiscal Year	2010	2009
Average Age	45.1	44.8
Average Years of Service	11.3	11.0
Average Annual Salary	\$64,156	\$64,044

The California State Teachers’ Retirement System administers retirement, disability and survivor benefits for California’s public school educators and their beneficiaries from the state’s 1,600 school districts, county offices of education, and community college districts.

Securing Your Financial Future

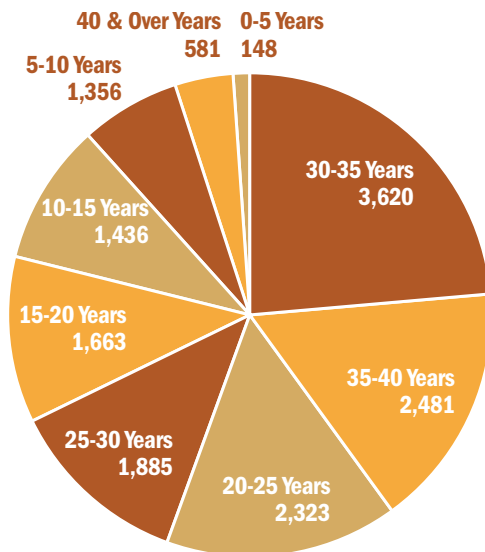
Diversification Strengthens Portfolio



Number of Retirements Increases in 2010

Fiscal Year	2010	2009
Number Retiring	15,493	12,753
Median Age	61.8	61.6
Median Years of Service	26.6	29.0
Average Member-Only Benefit	\$4,256	\$4,396

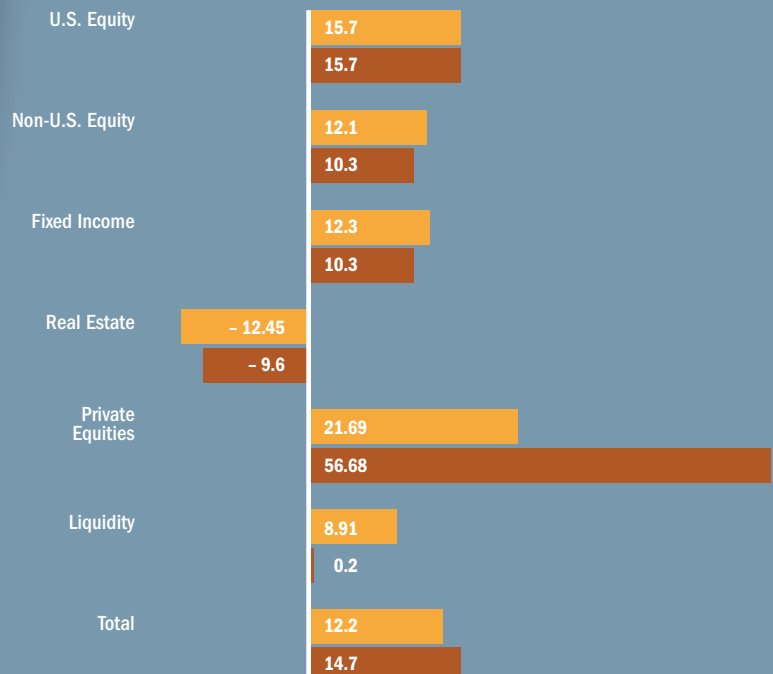
Over Half of 2010 Retirees Have 25 or More Years of Service



One-Year Returns

Calculated using a time-weighted rate of return



CalSTRS (orange) vs. Benchmarks (the goals and standards used to measure investment performance) (brown)



Securing Your Financial Future *continued*

Portfolio and Benchmarks Even Over Time

Benchmarks are goals and standards used to measure investment performance.

CalSTRS 
Benchmarks 



CalSTRS Resources



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Funding Ratio

Actuarial Value of Assets as a Percent of Accrued Liabilities, in Billions of Dollars

This chart illustrates the difference between the actuarial value of assets and the amount needed to pay benefits to current CalSTRS members. The ratio of assets to liabilities shown is determined using an asset-smoothing method that considers short-term fluctuations in asset values. Therefore, the total actuarial value of assets will differ from the market value of investments for any given year. No actuarial valuation was performed for June 30, 2002.

 Actuarial Value of Assets
 Accrued Liabilities

