



# Financial statement review

Fiscal year ended June 30, 2023



# Financial reporting process overview





- Year-round process
- Organization-wide effort to ensure accurate data
- Evaluation of new guidance, changes in legislation and new transactions
- Financial reports:
  - Third Quarter financial statements
  - Basic financial statements
  - SCO required financial statements
  - Annual comprehensive financial report
  - Popular annual financial report

# Financial statement overview

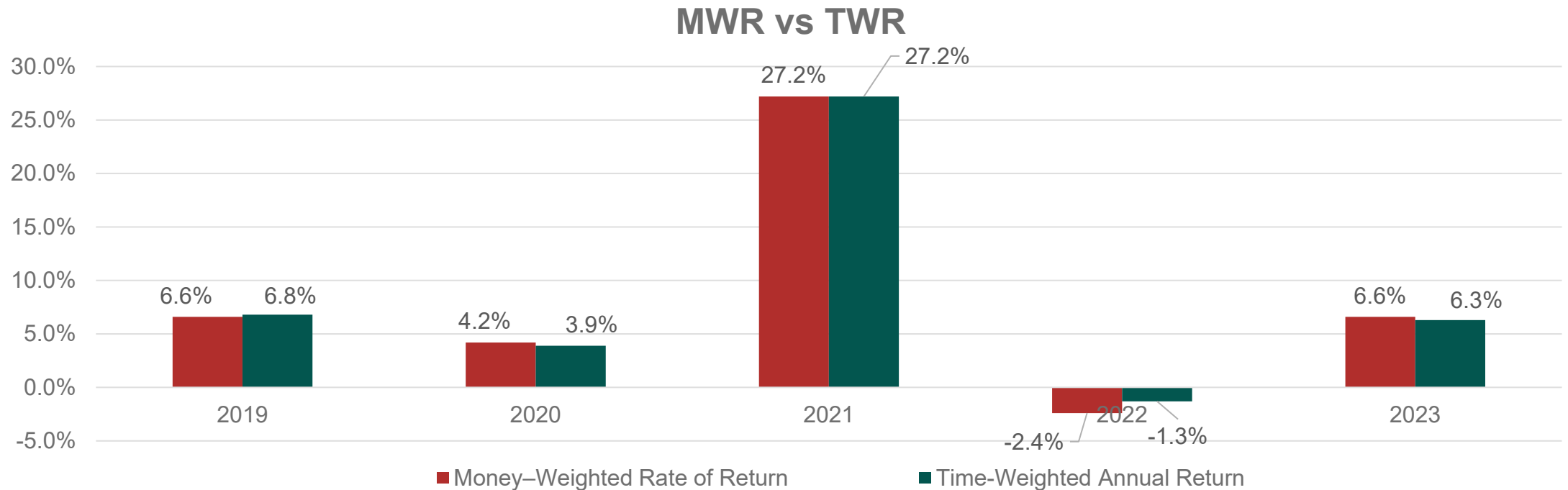
- Management discussion and analysis
- Basic financial statements
- Required supplementary information
- Other supplementary information

# Financial highlights of the State Teachers' Retirement plan

- Net position of the STRP as of June 30, 2023 was \$316.9 billion
- Net position increased \$16.8 billion

<i>Dollars in billions</i>	Balance as of 6/30/2023	Balance as of 6/30/2022		\$ Change	% Change
<b>Investment assets</b>	\$ 346.0	\$ 329.9		\$ 16.1	5%
<b>Benefits in process of payment</b>	\$ 0.4	\$ 1.8		\$ (1.4)	-78%
<b>Member, employer and state contributions</b>	\$ 15.8	\$ 14.9		\$ 0.9	6%
<b>Benefit payments</b>	\$ 18.2	\$ 17.4		\$ 0.8	5%

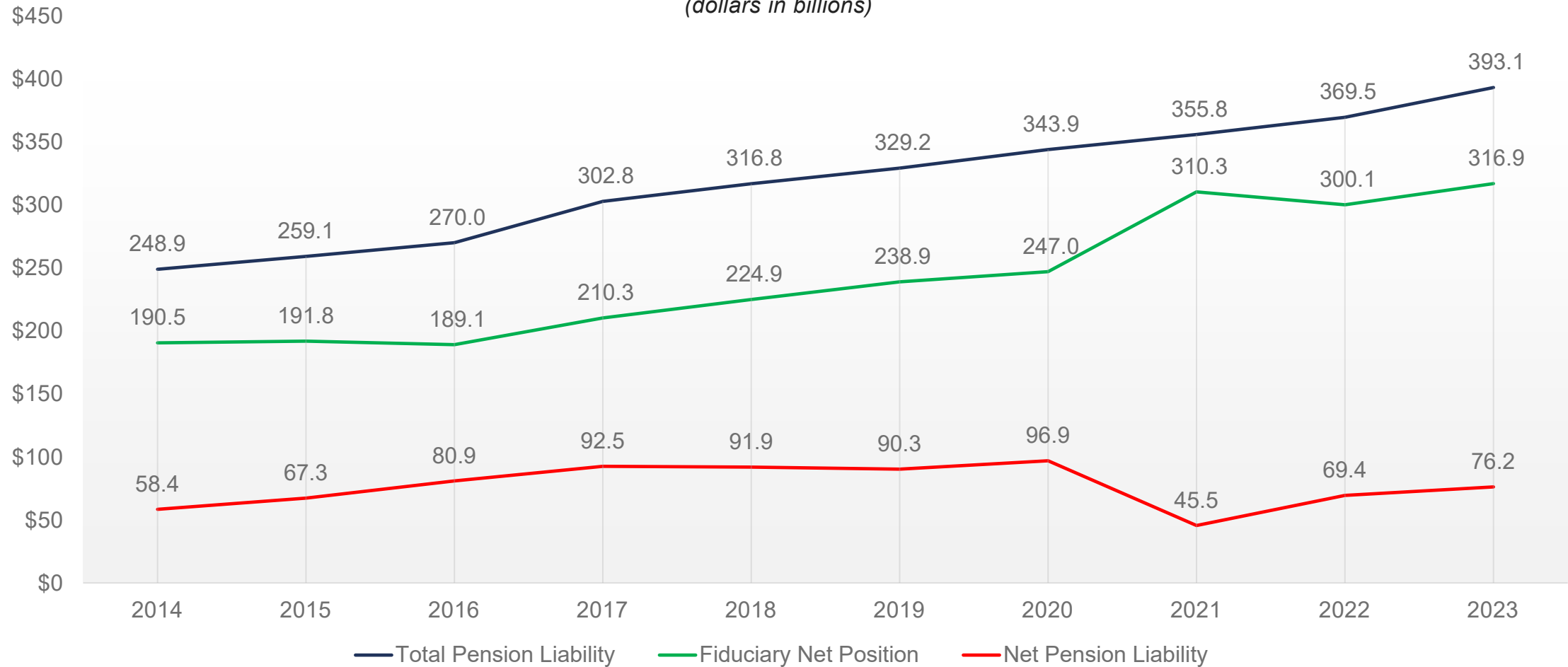
# Money-weighted rate of return – STRP



- For the fiscal year ended June 30, 2023, the money-weighted rate of return on STRP investments, net of pension plan investment expenses, was 6.6%
- Based on financial statement results
- Considers the impact of cash flows into and out of the portfolio

# Net pension liability of employers and the state - STRP

STRP Net Pension Liability  
*(dollars in billions)*



# Accounting standards updates

Accounting standard	Summary	Effective date
GASB Statement No. 100, <i>Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62</i>	Provides guidance for changes in the financial reporting entity, accounting principles, and estimates used to prepare financial information	Fiscal year ending June 30, 2024
GASB Statement No. 101, <i>Compensated Absences</i>	Establishes standards of accounting and financial reporting for compensated absences	Fiscal year ending June 30, 2025

# Questions?