Teacher Talk: Spotlight on California’s Educators

Teacher Shares Love of Acting, Sense of Humor

Autumn Browne lives for drama. Her career has spanned television, journalism, comedy, modeling and acting. But for more than two decades, she has been a teacher at Brookhurst Junior High School in Anaheim.

Teaching was not a first career choice for Browne, a 23-year CalSTRS member. “I really wanted to have a full-time job, and being a journalist meant I could work anywhere in the world and still be on camera.”

Life as a drama teacher

Browne doesn’t teach in a typical classroom. Instead, she uses a large room with a stage so her students can put on productions several times a year. “Using the stage as a classroom makes it familiar to kids, so it won’t be as intimidating to get up there in front of an audience.”

One former student recently dropped by her classroom as a surprise—Justice Smith, the star of the new movie Pokémon: Detective Pikachu. He also had a major role in Jurassic World: Fallen Kingdom and played the lead role in The Get Down, a musical television series set in the ‘70s.

“The kids were in awe. I have a little shrine of him,” Browne said. Smith told her students that his first acting job was in her classroom and that he first decided to become an actor when Browne cast him in a Christmas play.

Life as an actor

Browne first worked at a Long Beach television station. “I was a big celebrity at the Jack in the Box,” she joked. After a couple of years, she moved to Hollywood and took acting lessons.

continued on page 3
CalSTRS Releases 2017–18 Sustainability Report

We are pleased to release our fifth annual sustainability report. At CalSTRS, sustainability signifies the actions we take to ensure we are here in perpetuity, securing the financial future and sustaining the trust of California’s educators.

Our sustainability report was prepared in accordance with the Global Reporting Initiative Standards reporting guidelines—a reporting framework that incorporates stakeholder engagement and feedback into prioritization of report content and organizational performance.

We sought input from our stakeholders using internal and external surveys to define the report’s material issues as they relate to the organization’s sustainability efforts throughout the year. We received almost 600 responses from our executives, members, employees and business partners. Information in this report includes:

Path to Full Funding: Full funding is the most financially prudent way to provide benefits to past, present and future California educators. Read how Assembly Bill 1469 (Bonta) created a specific plan to fully fund the CalSTRS Defined Benefit Program and learn about our currently projected funding levels and risks.

Retirement Preparedness: Engagement and outreach efforts are important to increase members’ understanding of the necessary steps to achieve financial security in retirement. Find out how understanding life expectancy and targeted education for members at three key career stages helps our members prepare for retirement.

Cybersecurity: CalSTRS places a high priority on cybersecurity and has strict policies and procedures in place to protect member data. Learn about actions our Information Security Office takes to protect sensitive member information.

Ethics and Compliance: We adhere to high standards of ethical business practices. Read about the role of Ethics and Compliance throughout the organization, including training and policy acknowledgement.

Sustainable Investing: CalSTRS has well-established, thoroughly vetted investment strategies grounded in the board’s investment beliefs. Discover how our set of investment beliefs provide overarching guidance on CalSTRS’ investment decisions across its portfolio asset classes.

The full 2017–18 report, plus short videos featuring a variety of stakeholder perspectives on our sustainability practices, can be viewed at CalSTRS.com/sustainability-reports.
Teacher Talk: Spotlight on California’s Educators

“Using the stage as a classroom makes it familiar to kids, so it won’t be as intimidating to get up there in front of an audience.”

Browne was featured in many national commercials and had roles in “episodic TV and forgettable movies.” She even tried her hand at stand-up comedy.

“The very first time I went to do stand-up, it was 1 a.m. One person was there, and he was waiting to go on after me.”

Browne worked her way up to bigger gigs and became a regular with an improv group, The Comedy Store Players. “I was enjoying my life but it was not steady work. I started working as a tour guide, taking people on national park tours.”

Browne also gave celebrity tours and had an unofficial business as secretary to the stars. Regular clients included Joan Rivers and Eva Gabor.

Rivers gave Browne old comedy material from when she first started her career in the 1950s. “A lot of it was dated, but I cobbled together a routine. As I got my confidence up, more of my stuff went in and hers went out, like being single, living in Hollywood and being a redhead.”

Becoming an educator

One of Browne’s previous jobs involved setting up seminars for teachers, which is how she met her first husband, who suggested she become a teacher. “I told him, ‘You’ve got to be kidding me. I don’t want to go back to school. And I don’t want to be a teacher.’”

She went back to school and did student teaching. “I was right—I didn’t like teaching. But then I got divorced and I realized I needed a job. I started subbing, thinking I would just do this until I could figure out what to do.”

After some subbing, she landed a full-time English and drama position, and eventually she was able to teach just drama.

“I’ve heard high school teachers say nobody wants to teach middle school, but my student teaching was in high school. When I got to seventh and eighth grade, I started enjoying myself,” Browne said.

Plans for retirement?

“I thought this might be my last year, but I’m not ready to leave. We’ll see about next year. Do I still love doing what I’m doing? Yes,” Browne said.

Not wanting to leave teaching behind, Browne hopes she can teach at the college level. “They’re going to need someone to teach the new drama teaching credential. I would like to teach an improv or acting class, where I’m only working a few hours a week.”

Teacher Talk is a series of profiles on California teachers and other educators featured on our website. For the full-length version of this story, visit CalSTRS.com/teacher-talk-profiles.
Are You Within Six Months of Retiring? Submit Your Application Online for Faster Processing

You can fill out and submit your Service Retirement Application through your myCalSTRS account. It’s easy and secure, and will expedite the processing time for a faster turnaround. You’ll also receive your award letter sooner. Log in to your myCalSTRS account and click Complete & Submit Forms, then click Apply for Service Retirement for step-by-step guidance that will help you complete the application accurately. You’ll receive an email confirmation when we receive your application.

Learn more about the service retirement application process at CalSTRS.com/service-retirement-application-process.

▶ Don’t have a myCalSTRS account?
Go to myCalSTRS.com and sign up for immediate access to your accounts.

Creditable Compensation Cap Increased

If you are a CalSTRS 2% at 62 member (members first hired to perform service that could be credited to the Defined Benefit Program on or after January 1, 2013), there is a legal limit on the amount of creditable compensation that may be counted toward your CalSTRS retirement benefit. For 2018–19, the compensation cap is $146,230. The cap for 2019–20 is $148,423 effective July 1, 2019. You and your employer do not pay contributions on any compensation you receive above the cap.

The California Teachers Study: Cancer Research Update

Since 1995, many female CalSTRS members have contributed to research on breast and other cancers through participation in the California Teachers Study. With 133,000 participants, nearly 500,000 surveys have been submitted to help the fight against cancer. The California Teachers Study continues its growth and contributions to women’s health research with more than 190 scientific publications to date.

The California Teachers Study mailed its sixth survey in November 2018. If you’re a participant in the study, it’s not too late to return your completed survey! If you have not received your survey, please visit CalTeachersStudy.org/contact-us to provide your updated address.
Check Your Email Inbox: Our First Demographic Survey Released

Your participation will help us better understand our members’ needs

If you have a valid email address on file with us, you should have recently received an email with a link to CalSTRS’ first Demographic Study Survey. This email-only survey includes questions about various demographic categories such as gender and ethnicity, as well as questions about finances, education and retirement preparedness. Our goal is to determine factors that contribute to retirement security. Your participation will help us anticipate our members’ needs and aid in customizing our products and services.

CalSTRS takes the security of information you share with us seriously. Information you submit is confidential and no personally identifiable information will be shared.

The Demographic Study Survey was emailed to members with a valid email address on file.

Members and Beneficiaries Can Search for CalSTRS Unclaimed Property

CalSTRS unclaimed property is any asset that belongs to our members or beneficiaries that, for various reasons, we are unable to disburse. These funds include uncashed and returned checks, unclaimed survivor benefits or dormant accounts for inactive members who have exceeded the IRS age limit requiring distribution of retirement benefits.

If a member’s name is on our unclaimed property list, it is only because we have exhausted every available avenue to locate them, or we have not received the legal documents needed to authorize a disbursement of benefits such as a refund application or a death certificate.

While most state agencies are required to use the State Controller’s Office for their unclaimed property, CalSTRS is not. As a fiduciary, it is our duty to make decisions in the best interests of our members, and that includes maximizing investment returns for our portfolio. Unclaimed assets are invested and produce returns until a valid claim is made.

Learn more at CalSTRS.com/unclaimed-property.

Retiring Soon? Your Benefit May be Adjusted After Award Letter

When you retire, we will calculate your benefit payment based on the information we have on file at the time. For some members, the amount they initially receive is lower than they expected. This is often because their employer has not yet reported all the member’s compensation and service to CalSTRS.

As we receive reporting from your employer, we will recalculate your benefit and send you a revised award letter if your benefit is adjusted. We will also issue a retroactive payment for the difference.

There could be changes in your monthly payment for several months beyond your retirement date as we receive and process additional information from your last employer.

For more information, see Your Retirement Guide at CalSTRS.com/publications.
Do You Have a myCalSTRS Account Yet?

Register now to access your information online, any time

myCalSTRS is your secure online resource for managing your personal information and CalSTRS accounts. Once you complete the easy registration process at myCalSTRS.com, your myCalSTRS account will be active and you can:

1. Update your one-time death benefit recipient information.
2. Update your contact information.
3. View your annual Retirement Progress Report and other information reported by your employer.
4. Complete and submit forms online.
5. View your account balances and more!
6. Link to your CalSTRS Pension account if you have one.

Sign up at myCalSTRS.com today to gain instant 24/7 access to your accounts.

Don’t Forget: Transfer Any Unused Sick Leave to Your Current Employer

At service retirement, CalSTRS will convert your unused sick leave to additional service credit. However, we can only accept unused sick leave from employers you worked for during the last school year in which you earned creditable compensation. Whenever you change employers, work with your previous employer to arrange the transfer of unused sick leave to your new employer. And remember—if you cash out your accumulated sick leave, it’s not creditable to CalSTRS.

See the Member Handbook at CalSTRS.com/publications for more information.
State Teachers’ Retirement Plan
Statement of Changes in Fiduciary Net Position
(Dollars in Thousands)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Additions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$11,159,579</td>
<td>$10,092,348</td>
</tr>
<tr>
<td>Investment Income</td>
<td>19,364,771</td>
<td>25,564,164</td>
</tr>
<tr>
<td>Investment Expense</td>
<td>(691,234)</td>
<td>(398,984)</td>
</tr>
<tr>
<td>Other Income</td>
<td>105,144</td>
<td>72,005</td>
</tr>
<tr>
<td><strong>Total Additions</strong></td>
<td>$29,938,260</td>
<td>$35,329,533</td>
</tr>
<tr>
<td><strong>Deductions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benefits and Refunds</td>
<td>$14,536,696</td>
<td>$13,902,544</td>
</tr>
<tr>
<td>Administrative Expenses</td>
<td>216,083</td>
<td>182,367</td>
</tr>
<tr>
<td>Borrowing Costs</td>
<td>94,249</td>
<td>57,958</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>1,678</td>
<td>10,251</td>
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<tr>
<td><strong>Total Deductions</strong></td>
<td>$14,848,706</td>
<td>$14,153,120</td>
</tr>
<tr>
<td><strong>Increase in Net Position</strong></td>
<td>$15,089,554</td>
<td>$21,176,413</td>
</tr>
<tr>
<td><strong>Net Position Restricted for Pensions/Other Postemployment Benefits</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of the Year-As Previously Reported</td>
<td>$210,289,900</td>
<td>$189,113,487</td>
</tr>
<tr>
<td>Adjustment for Application of GASB 75</td>
<td>(510,819)</td>
<td>–</td>
</tr>
<tr>
<td>Beginning of the Year-As Adjusted</td>
<td>209,779,081</td>
<td>189,113,487</td>
</tr>
<tr>
<td><strong>End of the Year</strong></td>
<td>$224,868,635</td>
<td>$210,289,900</td>
</tr>
</tbody>
</table>

### Defined Benefit Program Funding Ratio

The June 30, 2017, funding valuation showed an increase of $10.5 billion in the unfunded actuarial obligation of the DB Program to a total of $107.3 billion and a decrease in the funding ratio from 63.7 percent to 62.6 percent. This decrease is attributable to the adoption of new actuarial assumptions by the board in February 2017, which reduced the investment return assumption and increased expected life spans of CalSTRS members. Although the system may experience declines in its funded status in the short term, an upswing is projected under the funding plan as contributions increase, with a steady progress toward full funding by 2046.
Your reward—a secure retirement. Our reward—getting you there.

## Defined Benefit Program

### Membership

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active Members</td>
<td>449,595</td>
<td>445,935</td>
</tr>
<tr>
<td>Inactive Members</td>
<td>198,058</td>
<td>192,601</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>647,653</strong></td>
<td><strong>638,536</strong></td>
</tr>
<tr>
<td>Service Retirement Benefits</td>
<td>264,780</td>
<td>258,550</td>
</tr>
<tr>
<td>Disability Benefits</td>
<td>10,089</td>
<td>10,023</td>
</tr>
<tr>
<td>Survivor Benefits</td>
<td>26,990</td>
<td>26,301</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>301,859</strong></td>
<td><strong>294,874</strong></td>
</tr>
<tr>
<td>Total Members and Beneficiaries</td>
<td>949,512</td>
<td>933,410</td>
</tr>
</tbody>
</table>

### Members Retiring

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number Retiring</td>
<td>12,778</td>
<td>12,247</td>
</tr>
<tr>
<td>Average Age</td>
<td>63.3</td>
<td>63.3</td>
</tr>
<tr>
<td>Average Years of Service</td>
<td>24.264</td>
<td>24.608</td>
</tr>
<tr>
<td>Average Annual Final Compensation</td>
<td>$92,748</td>
<td>$90,324</td>
</tr>
<tr>
<td>Average Annual Member-Only Benefit</td>
<td>$54,144</td>
<td>$53,700</td>
</tr>
</tbody>
</table>

### Years of Service at Retirement

As of June 30, 2018

- 0−5 Years: 5.0%
- 5−10 Years: 6.9%
- 10−15 Years: 14.5%
- 15−20 Years: 18.5%
- 20−25 Years: 18.5%
- 25−30 Years: 18.5%
- 30−35 Years: 19.8%
- 35−40 Years: 9.9%
- 40+ Years: 1.9%

Average Active Member Age and Years of Service

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Age</td>
<td>45.2</td>
<td>45.3</td>
</tr>
<tr>
<td>Average Years of Service</td>
<td>12.1</td>
<td>12.1</td>
</tr>
<tr>
<td>Average Annual Salary</td>
<td>$75,604</td>
<td>$74,346</td>
</tr>
</tbody>
</table>
Securing Your Financial Future

The board adopts long-term strategic allocation targets to be implemented over several years. The following charts provide the distribution of State Teachers’ Retirement Plan investments based on portfolio allocation, management structures, and market value of investments. The presentation of investment values and related returns in this section are presented using common investment industry practices that reflect the way in which CalSTRS manages its investment portfolio. The presentation based on investment industry practices provides timely information that is easily compared to benchmarks and peer results. Within the Financial Section of the Comprehensive Annual Financial Report, the same information is reported in accordance with U.S. Generally Accepted Accounting Principles.

Market Value of Investments
Fiscal Years Ended June 30

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$118,875</td>
</tr>
<tr>
<td>2010</td>
<td>$129,961</td>
</tr>
<tr>
<td>2011</td>
<td>$155,513</td>
</tr>
<tr>
<td>2012</td>
<td>$150,611</td>
</tr>
<tr>
<td>2013</td>
<td>$165,820</td>
</tr>
<tr>
<td>2014</td>
<td>$189,080</td>
</tr>
<tr>
<td>2015</td>
<td>$191,409</td>
</tr>
<tr>
<td>2016</td>
<td>$188,651</td>
</tr>
<tr>
<td>2017</td>
<td>$208,700</td>
</tr>
<tr>
<td>2018</td>
<td>$223,829</td>
</tr>
</tbody>
</table>

Asset Allocation
Total Investment Portfolio of $223.8 billion
As of June 30, 2018

- Global Equity: 53.7%
- Fixed Income: 12.3%
- Real Estate: 12.8%
- Inflation Sensitive: 1.9%
- Risk Mitigating Strategies: 8.9%
- Innovative Strategies: 0.2%
- Private Equity: 8.2%
- Cash: 1.4%
- Strategic Overlay: 0.6%
Securing Your Financial Future

The following charts show CalSTRS returns versus custom benchmarks as of June 30, 2018. Benchmarks are goals and standards used to measure investment performance.

**Time-Weighted Returns**

As of June 30, 2018

![Time-Weighted Returns Chart]

**One-Year Time-Weighted Returns by Portfolio Types**

As of June 30, 2018

![One-Year Time-Weighted Returns Chart]

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**CalSTRS Resources**

**WEB**
- CalSTRS.com
- Click Contact Us to email myCalSTRS.com
- 403bCompare.com
- Pension2.com

**CALL**
- 800-228-5453
- 7 a.m. to 6 p.m. Monday through Friday
- 916-414-1099
- Calls from outside the U.S.
- 888-394-2060
- CalSTRS Pension2®
- Personal Wealth Plan
- 855-844-2468 (toll free)
- Pension Abuse Reporting Hotline

**WRITE**
- CalSTRS
- P.O. Box 15275
- Sacramento, CA 95851-0275

**VISIT**
- Member Services
- 100 Waterfront Place
- West Sacramento, CA 95605

**FAX**
- 916-414-5040
- 916-414-1099 (toll free)

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*Policy weighted blend of asset class benchmarks.*
CalSTRS Board Trustees Certified for Four-Year Term

Three member representatives have been certified to the Teachers’ Retirement Board. Each will serve a four-year term beginning January 1, 2020.

The three candidates—two representing pre-kindergarten to 12th grade educators and one representing community college educators—were not opposed and were certified elected by CalSTRS Chief Executive Officer Jack Ehnes.

Previous chair Dana Dillon, an intermediate school teacher from Weed who has been on the board since 2004, did not seek re-election and will retire from the board when her term expires on December 31. Replacing Dillon is:

**Denise Bradford**, an elementary school teacher in the Saddleback Valley Unified School District. She is a new-educator mentor and curriculum leader and has served as chair of the California Teachers Association’s Retirement Committee since 2015. She is also president of the Saddleback Valley Educators Association. Her election has been certified for the pre-kindergarten to 12th grade (non-administrator) seat.

The two incumbents are:

**Harry M. Kelley**, a high school teacher with the Santa Monica-Malibu Unified School District. He was first elected to the board in 2007 and served as vice chair from 2010 to 2014. In 2011, he was elected for a second term. Keiley served as board chair from 2014 to 2016 and has served as chair of the Investment Committee since 2016. He has served as the president of the Santa Monica-Malibu Classroom Teachers Association. His re-election has been certified for the pre-kindergarten to 12th grade (inclusive) seat.

**Sharon Hendricks**, a communications studies professor with the Los Angeles Community College District. She was first elected to the board in 2011. Hendricks served as vice chair from 2014 to 2019. She also serves as treasurer of the American Federation of Teachers, Local 1521 chapter at the Los Angeles College Faculty Guild. Hendricks is active in the Community College Council of the California Federation of Teachers. Hendricks’ re-election has been certified for the community college seat.

Board Elects Chair, Vice Chair

During the May board meeting, Sharon Hendricks was elected as board chair and Harry Keiley as vice chair for the 2019–20 term. The board nominates and elects its chair and vice chair annually and newly elected officers assume their posts immediately. Visit [CalSTRS.com/news-releases](http://CalSTRS.com/news-releases) for more information.
New Constitutional Officers Join CalSTRS Board

The Teachers’ Retirement Board is a 12-member body comprised of elected members, governor appointees and statewide constitutional officers who serve “ex officio” (by virtue of their office). Californians elected a new Treasurer and Superintendent of Public Instruction last fall and both now serve as CalSTRS’ newest board members.

Fiona Ma
State Treasurer

Fiona Ma is California’s 34th State Treasurer. She is the first woman of color and the first woman Certified Public Accountant elected to the position. As California’s head banker, she manages $92 billion in financial assets. Prior to becoming Treasurer, Ma was an elected member of the California Board of Equalization and a member of the State Assembly. She sits on the following committees: Audits and Risk Management, Benefits and Services, Board Governance, and Investment.

Tony Thurmond
State Superintendent of Public Instruction

Superintendent of Public Instruction Tony Thurmond is an educator and social worker who has served more than 10 years in elected office, including on the Richmond City Council, West Contra Costa Unified School Board and in the California State Assembly. Thurmond has 12 years of direct experience in education teaching life skills classes, after-school programs and career training. He sits on the following committees: Audits and Risk Management, Benefits and Services, and Investment.

Other ex officio members include State Controller Betty Yee, who was elected to a second term, and Director of Finance Keely Bosler, who was reappointed by Governor Gavin Newsom.

Governor Appoints Public Representative to Board

In April, Gov. Gavin Newsom appointed William Prezant to the board. Prezant serves as one of three public representatives appointed by the Governor and is subject to Senate confirmation. Visit CalSTRS.com/news-releases for more information.
Need Help Choosing a 403(b) Plan?

A 403(b) supplemental retirement savings plan is one way to set aside additional money for retirement. If you want to roll over funds or start a 403(b) account, visit 403bCompare.com to explore your options and easily compare between hundreds of plans.

Importance of Family to the Retirement Experience of Older Seniors

Late last year, the Investments & Wealth Institute published an article that dives into research from the Society of Actuaries on adults age 85 and older, as well as adult children who have parents 85 and older. The research provides some interesting insight into the retirement experience of older seniors and the relevance of family to aging, including:

- An adult child providing caregiving for an aging parent loses an estimated lifetime average of more than $300,000 in wages, retirement benefits and Social Security benefits.

- The number of family caregivers will decrease as demographics change. In 2010, there were just over seven potential family caregivers for every person age 80 and older. That figure is projected to drop to four by 2030 and three by 2050.

- 75 percent of women 85 and older are widowed, as opposed to 38 percent of men.

- 23 percent of boomers eventually will be self-reliant, without family caregivers.

To learn more, read Realities of Retirement: Family is Very Important at http://bit.ly/2YngQfG.

CalSTRS Pension2® 403(b) and 457(b) plans give you a smart way to build personal savings that complement your CalSTRS retirement benefit.

- You control how you save and invest.
- Your costs are lower, with no commissions.
- You choose funds to match your investing style.
- Your account can potentially grow tax-deferred with taxes generally not due until money is withdrawn.

Have funds in your CalSTRS Defined Benefit Supplement account? Roll them over to Pension2 when you retire.

Learn more at Pension2.com.

It’s your future. Choose Pension2™.
Why Full Funding Matters

CalSTRS Report Dispels 80 Percent Funding Myth

By Jack Ehnes, CalSTRS CEO

You may have seen the concept of 80 percent funding as a benchmark for a “healthy” pension system cited in the media. Yet, as explained in a CalSTRS report—the 80% Pension Funding Standard Myth—a system’s funded status is simply a snapshot in time. And it’s not that snapshot that denotes the health of a system; rather, it’s the funding trajectory over time.

In 2009, CalSTRS was nearly 80 percent funded. However, our actuaries predicted funds would ultimately be depleted without additional income. We are now on a path to reach full funding by 2046, thanks to legislative changes in the contribution rates of members, employers and the state.

Actuarial professionals agree full funding is the best option for a retirement system. In 2014, the American Academy of Actuaries published a report calling “80 percent funding” a myth and advocated for all plans to aim for a 100-percent funding target. Setting a funding target of less than 100 percent may seem appealing because it would result in lower contributions in the short term, but in reality, it simply pushes costs into the future, swelling the size of the unfunded liability and making it more expensive to keep a fund solvent in the long term.

As a CalSTRS member, you have a constitutionally vested right to your promised benefit. Recessions and market corrections are inevitable, and a higher funding level provides more assurance that the CalSTRS Investment Portfolio will be able to weather difficult market conditions when they occur and continue to fund member benefits over the long term.

View the 80% Pension Funding Standard Myth report at CalSTRS.com/PensionFundingStandardMyth.
CalSTRS, CIO Christopher J. Ailman Receive Top Honors in CIO Magazine

CalSTRS and CalSTRS Chief Investment Officer Christopher J. Ailman received several top honors from Chief Investment Officer magazine for 2018.

Ailman received the No. 1 ranking in CIO magazine’s 2018 Chief Investment Officer Power 100. The list ranks and profiles the 100 most influential and powerful asset owners in the world. This marks Ailman’s second consecutive top ranking in the list’s seven-year tenure. It is also the fourth time in the last six years that CalSTRS has appeared among the top five funds.

“The resolute devotion Chris shows to his team and to ensuring our members’ financial security in retirement has led us through market downturns and the challenges of the Great Recession,” said CalSTRS Chief Executive Officer Jack Ehnes. “Through it all, he has expertly positioned the portfolio to take full advantage of the good times while also emerging from the bad.”

The magazine also recognized CalSTRS as the most innovative large public plan of the year in its ninth annual Industry Innovation Awards. In addition, Ailman was recognized as the magazine’s 2018 CIO of the Year—the second such honor in the past nine years. CalSTRS’ recognition in the Public Defined Benefit Plan Above $100 Billion category this year is the third such accolade over the past nine years.

CalSTRS Receives Inaugural Global Stewardship Award

CalSTRS has received the International Corporate Governance Network’s inaugural Global Stewardship Disclosure Award for Asset Owners. ICGN introduced the award to celebrate individuals and organizations that excel in stewardship practices and disclosures.

The award, presented in December, recognizes CalSTRS’ work and advocacy in advancing the evidence-based link between stewardship and the creation of sustainable and responsible value that benefits companies, investors and society as a whole.

The award also acknowledges the work of the CalSTRS Corporate Governance team as a founding member of the Investor Stewardship Group. The ISG launched its framework for U.S. stewardship and governance in January 2017, and it comprises two sets of principles: stewardship for institutional investors and corporate governance for U.S.-listed companies.

CalSTRS Selected as a Best Place to Work in Money Management

Pensions & Investments magazine, a global news source for money management, has named CalSTRS a Best Place to Work in Money Management for 2018. This award was created to recognize the best employers in the money management industry. The honor is the fourth CalSTRS has garnered.
Moved or Planning a Move Soon?

Three ways to update your contact information:

- **myCalSTRS** makes it easy. From the home page, select *Update Your Profile*, then follow the instructions.
  - myCalSTRS.com

- Complete the *Address Change Request* form, sign, date and mail it to us.
  - CalSTRS.com/forms

- Call us at **800-228-5453**. To use this option, you must have a valid email address. Best times to call are Wednesday, Thursday or Friday 7 a.m.–10 a.m. or 4 p.m.–6 p.m.
  - For your security, when you update your mailing or email address, we will send you a letter and an email confirming the update.