

California State Teachers' Retirement System
Estimated Impact of Adopted Actuarial Assumptions (Economic and Demographic)
 (Subject to Change Upon the Completion of the 2016 Actuarial Valuation)

Employers

Fiscal Year	Impacted by Assumption Change (Yes/No)	Employer Contribution Rate		
		Current Contribution Rate Schedule Set by Funding Plan - AB 1469	Adopted Assumptions (Demographic & Economic) (w/ 7.25% INVESTMENT RETURN ASSUMPTION)	Adopted Assumptions (Demographic & Economic) (w/ 7.00% INVESTMENT RETURN ASSUMPTION)
2016-2017	No	12.580%	No Change	N/A
2017-2018	No	14.430%	N/A	No Change
2018-2019	No	16.280%	N/A	No Change
2019-2020	No	18.130%	N/A	No Change
2020-2021	No	19.100%	N/A	No Change
2021-2022	Yes	19.100%	N/A	approximately 19.5%

Notes: Employer contribution rates will not be impacted by the adopted assumptions until FY 21-22.
 CalSTRS Teachers' Retirement Board cannot adjust the employer contribution rate by more than 1% of payroll in any given year.
 By statute, the employer contribution rate cannot exceed 20.25% of payroll.

2% at Age 62 Public Employees' Pension Reform Act (PEPRA) Members

Fiscal Year	Impacted by Assumption Change (Yes/No)	Member Contribution Rate		
		Current Contribution Rate Schedule Set by Funding Plan - AB 1469	Adopted Assumptions (Demographic & Economic) (w/ 7.25% INVESTMENT RETURN ASSUMPTION)	Adopted Assumptions (Demographic & Economic) (w/ 7.00% INVESTMENT RETURN ASSUMPTION)
2016-2017	No	9.205%	N/A	N/A
2017-2018	Yes	9.205%	9.705%	N/A
2018-2019	No	9.205%	N/A	10.205%
2019-2020	No	9.205%	N/A	10.205%
2020-2021	No	9.205%	N/A	10.205%
2021-2022	No	9.205%	N/A	10.205%

Note: Generally, members first hired on or after January 1, 2013 are subject to the provisions of PEPRA and the 2% at 62 benefit formula.
 It is estimated that 80,000 members will be impacted by the increase in the member rate on July 1, 2017.

2% at Age 60 Members

Fiscal Year	Impacted by Assumption Change (Yes/No)	Member Contribution Rate		
		Current Contribution Rate Schedule Set by Funding Plan - AB 1469	Adopted Assumptions (Demographic & Economic) (w/ 7.25% INVESTMENT RETURN ASSUMPTION)	Adopted Assumptions (Demographic & Economic) (w/ 7.00% INVESTMENT RETURN ASSUMPTION)
2016-2017	No	10.250%	No Change	No Change
2017-2018	No	10.250%	No Change	No Change
2018-2019	No	10.250%	No Change	No Change
2019-2020	No	10.250%	No Change	No Change
2020-2021	No	10.250%	No Change	No Change
2021-2022	No	10.250%	No Change	No Change

Note: The contribution rate is set by statute. It will not be impacted by the adopted assumptions.

State

Fiscal Year	Impacted by Assumption Change (Yes/No)	State Contribution Rate		
		Current Contribution Rate Schedule Set by Funding Plan - AB 1469	Adopted Assumptions (Demographic & Economic) (w/ 7.25% INVESTMENT RETURN ASSUMPTION)	Adopted Assumptions (Demographic & Economic) (w/ 7.00% INVESTMENT RETURN ASSUMPTION)
2016-2017	No	8.828%	No Change	N/A
2017-2018	Yes	8.828%	9.328%	N/A
2018-2019	Yes	8.828%	N/A	9.828%
2019-2020	Yes	8.828%	N/A	10.328%
2020-2021	Yes	8.828%	N/A	10.828%
2021-2022	Yes	8.828%	N/A	11.328%

Note: The state of California has already included an additional \$153 million in the 2017-18 budget in anticipation of an increase in the contribution rate.
 By statute, the CalSTRS Teachers' Retirement Board cannot adjust the state contribution rate by more than 0.5% of payroll in any given year.