



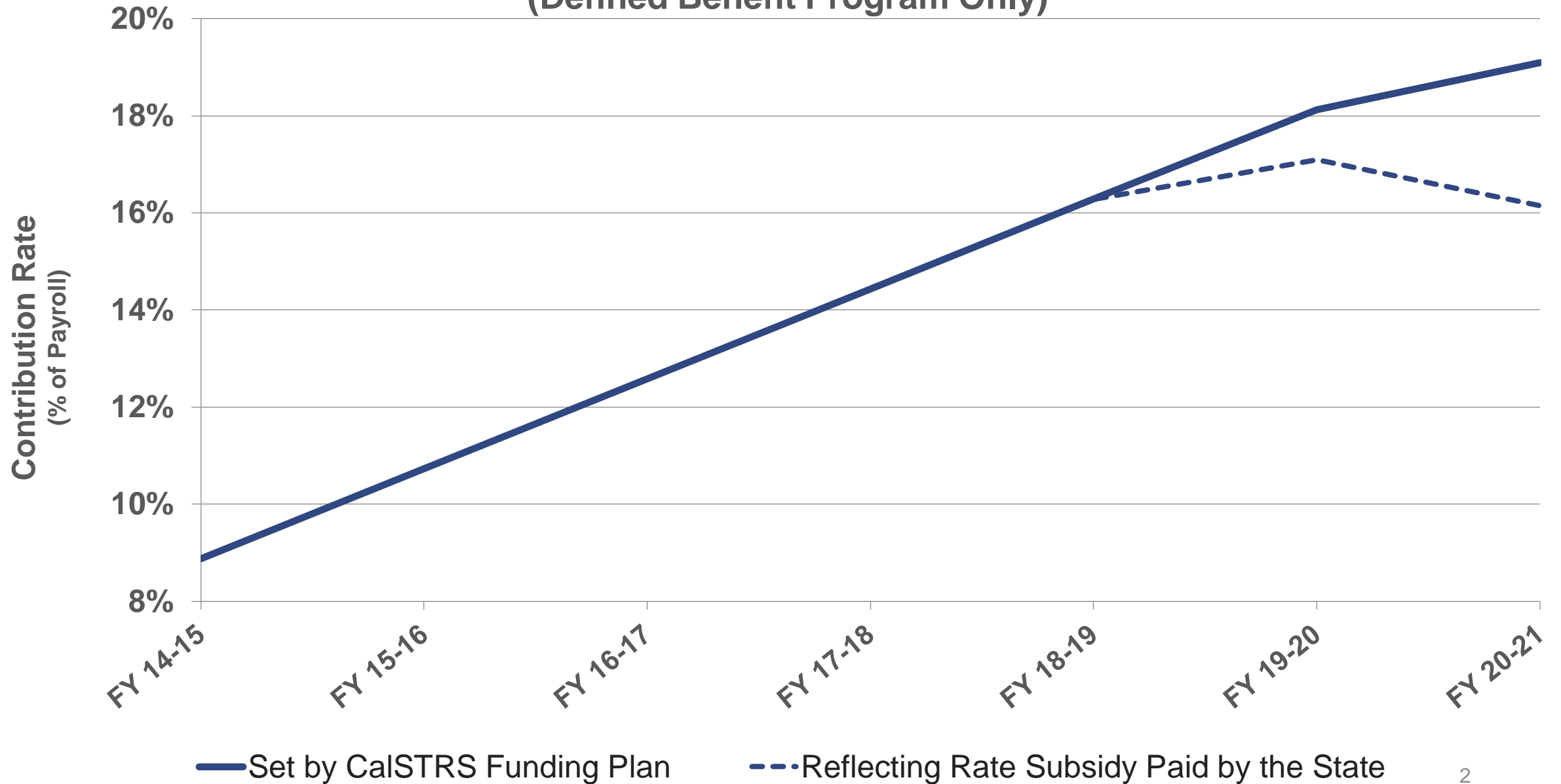
Employer Contribution Rate for Fiscal Year 2021-22

David Lamoureux, CalSTRS



Past Employer Contribution Rates

(Defined Benefit Program Only)



Employer Contribution Rate for FY 2020-21

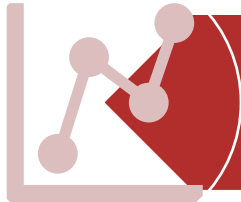
Total Employer Contribution Rate (Set in Statute by CalSTRS Funding Plan)	19.10%
Rate Subsidy (Paid by the State)	<u>(2.95%)</u>
Net Employer Contribution Rate	16.15%

Starting point for setting the employer contribution rate for FY 2021-22

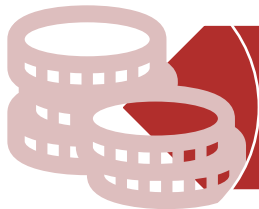
Employer Contribution Rate for FY 2021-22



Set by the board

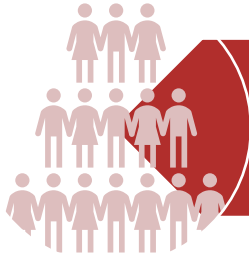


Maximum adjustment of 1% of payroll

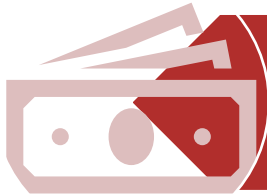


Rate subsidy of 2.18% for FY 2021-22

Recent Events to Consider



Increase in Retirements



Flat/Declining Teacher Payroll



Year-to-Date Investment Return

Employer Contribution Rate for FY 2021-22

	Option 1	Option 2	Option 3
Total Employer Contribution Rate	18.1%	18.6%	19.1%
Rate Subsidy (Paid by the State)	(2.18%)	(2.18%)	(2.18%)
Net Employer Contribution Rate	15.92%	16.42%	16.92%

↑
Staff's
Recommendation

CALSTRS

Questions?

