INTRODUCTION

The 2017 CalSTRS Retirement Readiness Assessment is the fifth iteration of an initiative that began in 2008 to evaluate the overall financial status of CalSTRS members. CalSTRS commissioned Thomas/Ferrous, Inc., who partnered with Q&A Research, Inc., to conduct the survey and analyze the results. The 2015 Assessment was presented in September 2015; the 2013 Assessment was presented in November 2013; the 2011 Assessment was presented in September 2011; and the 2008 Assessment was presented in April 2008.

METHODOLOGY

The 2017 Assessment was conducted between May 2017 and June 2017. A stratified random sample of active and retired CalSTRS members received an email invitation to a web-based survey. Respondents had approximately three weeks to respond. Responses were received from 2,951 active members and 2,085 retired members. Response rates for 2017 and 2015 can be found in Appendix I.

To obtain a representative snapshot of the CalSTRS member population, age deciles among active members and service years among retired members were targeted to ensure all segments of the membership were surveyed. Response data was weighted to ensure the results accurately represent the CalSTRS member population.

Statistical testing was conducted at a 95 percent confidence level. This resulted in a 1.8 percent margin of error for active members and a 2.1 percent margin of error for retired members.
DETAILED FINDINGS

Employment

For the majority of active members, CalSTRS-covered employment is the primary source of income. Specifically, 82 percent of active members have no other employment outside of their role as a classroom educator or school administrator. This figure is a decrease from the high of 85 percent in 2013. Findings are shown in Figure 1 below.

FIGURE 1

Of the 18 percent who work in addition to their CalSTRS-covered employment, the most common type of work is other private-sector employment, such as self-employment or non-education-related employment. Part-time community college educators are the likeliest segment of active members to have additional work. For the majority (72 percent) of all active members who work outside of CalSTRS-covered employment, the income they earn from this work constitutes less than 25 percent of their total income.

Given the tendency for active members to rely on CalSTRS-covered employment as their primary source of income, it is evident that CalSTRS has a significant presence in shaping their retirement during their working years.
With regard to beginning a career in education, the majority of active members entered the field of education as their first career choice, while smaller percentages entered the field as a second career or under other circumstances. These findings are shown in Figure 2 below.

**FIGURE 2**

![Circumstances Entered Education as a Career (Active)](image)

The 67 percent of active members who entered education as their first career choice decreased from 71 percent in 2015, while the 22 percent who entered education to pursue a second career increased from 18 percent in 2015.

**Target Age for Retirement**

Seventy percent of active members in 2017 have a target age for retirement. This finding is similar to 2015, 2013 and 2011, but an increase over the 57 percent in 2008. The mean target retirement age of 61 is similar to prior years.

Research from a variety of disciplines—business, psychology, physical fitness—suggests that setting a goal is an important step toward success in any endeavor. Thus, it is noteworthy that the majority of active members have a target age for retirement.

Figure 3 below shows the mean and median target ages for retirement, while Figure 4 shows the percentage of active members without a target retirement age.

**FIGURE 3**

<table>
<thead>
<tr>
<th>Mean and Median Target Retirement Age (Active)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Mean</td>
</tr>
<tr>
<td>Median</td>
</tr>
</tbody>
</table>
Reasons for Retirement Age Targets

Thirty-seven percent of active members in 2017 chose their target retirement age primarily because it is the age they expect to be financially prepared. This percentage is similar to previous years, and it is the most common response selected since 2008. Figure 5 below shows the percentages of active members who chose this response in prior years.

Retired members in 2017 also cite financial preparedness as the primary reason for their retirement age, with 27 percent providing this response. This is similar to 2015, but an increase over 2013 and 2011—the high was 38 percent in 2008. Figure 6 below shows the percentages of retired members who chose this response in prior years.
FIGURE 6
Primary Reason for Retirement Age (Retired)

<table>
<thead>
<tr>
<th></th>
<th>2008 (n = 597)</th>
<th>2011 (n = 2,121)</th>
<th>2013 (n = 2,837)</th>
<th>2015 (n = 3,712)</th>
<th>2017 (n = 2,081)</th>
</tr>
</thead>
<tbody>
<tr>
<td>It was the age at which I was financially prepared.</td>
<td>38%</td>
<td>25%</td>
<td>24%</td>
<td>27%</td>
<td>27%</td>
</tr>
</tbody>
</table>

Actions Taken to Plan for Retirement

Eighty-two percent of active members have begun to plan for retirement, as shown in Figure 7 below.

FIGURE 7
Begun to Plan for Retirement (Active)

Among active members who have begun to plan for retirement, visiting myCalSTRS is the most common (60 percent) retirement planning action. This is an increase over the 55 percent in 2015 and 33 percent in 2013. Similarly, an increase was seen in active members who visited CalSTRS.com and Pension2.com. This suggests efforts to increase active member traffic to CalSTRS websites have been effective. Figure 8 below shows the use of CalSTRS websites for the active members who have begun to plan for retirement.

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1 Visiting myCalSTRS and Pension2 as retirement planning actions was not asked prior to 2013.
While the top three retirement planning actions reported by retired members are speaking to a CalSTRS benefits specialist (79 percent), reading CalSTRS materials (59 percent) and attending a CalSTRS retirement workshop (53 percent), use of CalSTRS websites shows an increase. Figure 9 below shows retired member use of CalSTRS websites when they planned for retirement.
Figure 10 below compares retirement planning actions for active and retired members.

**FIGURE 10**

**Actions Taken to Plan for Retirement**
(Active vs. Retired)

- **Active (n = 2,426)**
  - Visited myCalSTRS: 60%
  - Visited CalSTRS.com: 35%
  - Read CalSTRS materials: 57%
  - Consulted with family or friends: 47%
  - Conducted independent research: 52%
  - Attended CalSTRS retirement workshop: 36%
  - Spoke with CalSTRS benefits specialist: 35%
  - Visited Pension2.com: 5%

- **Retired (n = 2,080)**
  - Visited myCalSTRS: 79%
  - Visited CalSTRS.com: 47%
  - Read CalSTRS materials: 52%
  - Consulted with family or friends: 31%
  - Conducted independent research: 28%
  - Attended CalSTRS retirement workshop: 21%
  - Spoke with CalSTRS benefits specialist: 18%
  - Visited Pension2.com: 12%
  - Visited Pension2.com: 3%
Retirement Expectations

Figure 11 below shows that the CalSTRS retirement benefit met the expectations of 64 percent of retired members, while the benefit exceeded or greatly exceeded expectations for 17 percent of retired members. These results are similar to 2015.2

When prompted to further clarify the reasons for unmet expectations, the top response for retired members was *It did not replace enough of the income I earned while working* (50 percent). Other reasons included: *It was less than I hoped it would be* (47 percent); *The benefit did not keep pace with the cost of living* (37 percent); and *Expenses in retirement were greater than expected* (23 percent).

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2 The response choices for this question were expanded in 2015, meaning results are not directly comparable to prior years. However, expectations were either met or exceeded for 88 percent of retired members in 2013.
As shown in Figure 12 below, the majority of retired members (76 percent) maintain a standard of living in retirement that is the same as or higher than their standard of living immediately prior to retirement.\(^3\)

**FIGURE 12**

<table>
<thead>
<tr>
<th>Standard of Living in Retirement vs. Prior to Retirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013 (n = 2,971)</td>
</tr>
<tr>
<td>Lower / Much Lower (1 or 2 rating)</td>
</tr>
<tr>
<td>24%</td>
</tr>
<tr>
<td>23%</td>
</tr>
<tr>
<td>24%</td>
</tr>
<tr>
<td>10%</td>
</tr>
</tbody>
</table>

**Retirement Income Sufficiency**

Retired members were asked to rate how sufficiently their retirement income ensures their retirement security. As shown in Figure 13 below, a majority (63 percent) rate their income as being mostly or completely sufficient. The 20 percent who rate their retirement income as *Completely Sufficient* increased from 18 percent in 2015.\(^4\)

**FIGURE 13**

<table>
<thead>
<tr>
<th>Sufficiency of Retirement Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015 (n = 3,670)</td>
</tr>
<tr>
<td>Not at all sufficient</td>
</tr>
<tr>
<td>11%</td>
</tr>
<tr>
<td>10%</td>
</tr>
</tbody>
</table>

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\(^3\) Standard of living was not asked prior to 2013.

\(^4\) Retirement income sufficiency was not asked prior to 2015.
Concerns About Retirement

The ability to afford medical expenses in retirement remains a top concern for active members. While there is no change in their level of concern around medical expenses since 2015, active members’ concern about the financial viability of Social Security increased and returned to the 2013 level. Figure 14 below shows retirement concerns for active members.

**FIGURE 14**

<table>
<thead>
<tr>
<th>Financial Concerns Regarding Retirement (6 or 7 rating) (Active)</th>
<th>2013 (n = 2,962)</th>
<th>2015 (n = 2,830)</th>
<th>2017 (n = 2,951)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afford medical expenses</td>
<td>74%</td>
<td>68%</td>
<td>67%</td>
</tr>
<tr>
<td>CalSTRS will have sufficient funds</td>
<td>65%</td>
<td>59%</td>
<td>59%</td>
</tr>
<tr>
<td>Maintain standard of living</td>
<td>66%</td>
<td>59%</td>
<td>55%</td>
</tr>
<tr>
<td>Social Security will have sufficient funds</td>
<td>42%</td>
<td>35%</td>
<td>42%</td>
</tr>
</tbody>
</table>

Saving for Retirement

The mean and median ages that active members began contributing to a voluntary retirement savings plan have decreased since 2008. These are shown in Figure 15 below.

**FIGURE 15**

<table>
<thead>
<tr>
<th>Age Began Contributions to Voluntary Retirement Savings Plan (Active)</th>
<th>2008</th>
<th>2011</th>
<th>2013</th>
<th>2015</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>31.3</td>
<td>31.3</td>
<td>31.2</td>
<td>30.9</td>
<td>30.6</td>
</tr>
<tr>
<td>Median</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>28</td>
</tr>
</tbody>
</table>
Accumulated Supplemental Retirement Savings

Active members with a voluntary retirement savings plan have a mean balance of $174,000 in 2017. The median balance is $78,000.

Figure 16a through Figure 16d below show the distribution of household supplemental retirement savings reported by active members (and subsets of active members). For each of these figures, the savings balances are sorted by $25,000 increments and counted. These counts are represented by the vertical, solid-colored bars. For example, in Figure 16a, about 350 respondents—the tallest bar—report having up to $25,000 in supplemental retirement savings.

FIGURE 16a

Household Retirement Savings
(Active)

$0 $50,000 $100,000 $150,000 $200,000 $250,000 $300,000 $350,000 $400,000 $450,000 $500,000 $550,000 $600,000 $650,000 $700,000 $750,000

Number of Survey Respondents

Median, $78,000
Mean, $174,000

Household Retirement Savings
(n = 1,417)

5 The retirement savings question was changed in 2017. Respondents were asked to indicate the specific dollar amount of their savings, rather than pick the range that included the amount of their savings. Based on the previous structure of the question, the mean savings balance in 2015 was $118,000.
FIGURE 16b

Household Retirement Savings - preK-12 (Active)

Median, $77,000
Mean, $158,000

FIGURE 16c

Household Retirement Savings - Community College (Active)

Median, $103,000
Mean, $193,000

Number of Survey Respondents
Research from the Federal Reserve Board reports the mean balance of voluntary retirement savings plans for the general population rose 10 percent to $228,900 in 2016, while the median balance remained unchanged at $60,000. For many in the general population, voluntary savings may be their only retirement savings; while for CalSTRS members, the voluntary savings serves as a supplement to their defined benefit.

For active members, the mean annual contribution to an employer-sponsored retirement savings plan is $6,400 in 2017 and is similar to previous years. The median annual contribution is $4,400.

Active members who do not have an IRA or Roth IRA increased to 61 percent in 2017—up from the previous high of 42 percent in 2015. However, active members who have an IRA or Roth IRA increased their mean annual contribution to $2,800 from a low of $1,400 in 2015. The median annual contribution is $2,000.

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For retired members, reported household retirement savings at retirement—in 2017 dollars—is $428,200. The median balance is $268,300. The mean savings is approximately four times the mean annual final compensation for these members—Figure 18 below—and the median savings is approximately three times the median annual final compensation. Moreover, the mean savings is about seven times their mean annual CalSTRS benefit—Figure 19 below—while the median savings is about five times their median annual benefit.

FIGURE 17

Household Retirement Savings at Retirement (Retired)

Median, $268,300  Mean, $428,200

Number of Survey Respondents

Retirement Savings (2017 dollars)

(n = 1,074)
*Based on retired members who reported a household retirement savings balance.

**FIGURE 18**

**Annual Final Compensation**
(Retired)

![Bar chart showing final compensation distribution with median and mean values.]

*Median, $90,600  Mean, $101,500*

**FIGURE 19**

**Annual CalSTRS Benefit**
(Retired)

![Bar chart showing annual CalSTRS benefit distribution with median and mean values.]

*Median, $53,100  Mean, $58,700*
Obstacles to Saving for Retirement

Active members in 2017 cite mortgage payments as the top obstacle to saving for retirement. Student loan debt payments continue to rise as an impediment to saving for retirement in 2017 and ranks as the third highest obstacle.\(^7\)

Figure 20 below shows obstacles preventing active members from saving for retirement.

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\(^7\) Obstacles to saving for retirement was not asked prior to 2013.
Among retired members, obstacles to saving for retirement were the same or decreased from previous years, with the exception of student loan debt payment, which was similar to 2015 but an increase over 2013.

Figure 21 below shows obstacles that prevented retired members from saving for retirement.

**FIGURE 21**

![Bar chart showing obstacles to savings for retirement](chart)

<table>
<thead>
<tr>
<th>Obstacle</th>
<th>2013 (n = 2,847)</th>
<th>2015 (n = 3,578)</th>
<th>2017 (n = 2,040)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Making mortgage payments</td>
<td>35%</td>
<td>34%</td>
<td>40%</td>
</tr>
<tr>
<td>Paying for college for child</td>
<td>27%</td>
<td>27%</td>
<td>26%</td>
</tr>
<tr>
<td>Medical and health care expenses</td>
<td>26%</td>
<td>25%</td>
<td>26%</td>
</tr>
<tr>
<td>Providing for dependent child</td>
<td>20%</td>
<td>19%</td>
<td>19%</td>
</tr>
<tr>
<td>Paying off consumer debt</td>
<td>23%</td>
<td>22%</td>
<td>19%</td>
</tr>
<tr>
<td>Providing for dependent adult</td>
<td>19%</td>
<td>19%</td>
<td>19%</td>
</tr>
<tr>
<td>Paying off student loans</td>
<td>11%</td>
<td>11%</td>
<td>11%</td>
</tr>
</tbody>
</table>

**Social Security Benefits**

Thirty-five percent of active members in 2017 anticipate earning enough credits (10 or more years) from non-CalSTRS employment to qualify for a Social Security benefit, which is an increase from the 31 percent in 2015, but consistent with prior years. However, 63 percent of retired members in 2017 actually receive a Social Security benefit. This percentage of Social Security recipients has been consistent for all previous years. The mean Social Security benefit among retired members is $520 per month, which is an increase over the $495 per month in 2015. The median Social Security benefit is $402 per month, also an increase from the $368 per month in 2015.
Social Security Offsets

Half (50 percent) of active members in 2017 do not know if the Windfall Elimination Provision will affect their Social Security benefits. This percentage is similar to 2015, but a decrease from the high of 56 percent in 2013.\(^8\) Thirty percent expect to be affected by the WEP and 20 percent do not expect to be affected.

Active members in 2017 who are unaware if the Government Pension Offset will affect their spousal Social Security benefits decreased to 41 percent from 48 percent in 2015. Nineteen percent expect to be affected by the GPO and 20 percent do not expect to be affected.

Figure 22a and Figure 22b below show active members’ awareness of the Social Security offsets.

\(^8\) The *I do not know* option was not offered in 2008.
Among retired members, 29 percent in 2017 do not know if their Social Security benefit will be reduced because of the WEP. This is similar to 2015, but a decrease from 2013 and 2011.\(^9\) Twenty-eight percent expect to be affected by the WEP and 28 percent do not expect to be affected.

Further, 27 percent of retired members in 2017 report they do not know if their Social Security benefit will be reduced by the Government Pension Offset. This is a decrease from previous years. Twenty-eight percent expect to be affected by the GPO and 30 percent do not expect to be affected.

Figure 23a and Figure 23b below show retired members’ awareness of the Social Security offsets.

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**FIGURE 23a**

**Awareness of Social Security Offsets - WEP (Retired)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Yes—I will be affected</th>
<th>No—I will not be affected</th>
<th>I do not know if it will affect me</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011 (n = 1,261)</td>
<td>31%</td>
<td>26%</td>
<td>28%</td>
</tr>
<tr>
<td>2013 (n = 2,601)</td>
<td>22%</td>
<td>26%</td>
<td>28%</td>
</tr>
<tr>
<td>2015 (n = 3,438)</td>
<td>33%</td>
<td>32%</td>
<td>30%</td>
</tr>
<tr>
<td>2017 (n = 1,977)</td>
<td>30%</td>
<td>28%</td>
<td>29%</td>
</tr>
</tbody>
</table>

**FIGURE 23b**

**Awareness of Social Security Offsets - GPO (Retired)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Yes—I will be affected</th>
<th>No—I will not be affected</th>
<th>I do not know if it will affect me</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011 (n = 1,176)</td>
<td>31%</td>
<td>27%</td>
<td>26%</td>
</tr>
<tr>
<td>2013 (n = 1,804)</td>
<td>36%</td>
<td>29%</td>
<td>30%</td>
</tr>
<tr>
<td>2015 (n = 3,191)</td>
<td>33%</td>
<td>29%</td>
<td>30%</td>
</tr>
<tr>
<td>2017 (n = 1,938)</td>
<td>33%</td>
<td>29%</td>
<td>27%</td>
</tr>
</tbody>
</table>

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\(^9\) The *I do not know* option was not offered in 2008.
CalSTRS does not control the Social Security offsets or which members are affected by them. However, efforts to increase member awareness of these offsets have had some impact, evidenced by the decreasing percentage who report *I do not know*.

**Health Insurance in Retirement**

Twenty-five percent of retired members report they rely on Medicare as their only source of health insurance in 2017. This is an increase over the 21 percent in 2015, but consistent with 2013.\(^{10}\)

For retired members who do not rely on Medicare as their only source of health insurance, the majority (70 percent) report their premiums are not difficult or only slightly difficult to afford, as shown in Figure 24 below. This is an increase over the 67 percent in 2015.\(^{11}\)

**FIGURE 24**

<table>
<thead>
<tr>
<th>Difficulty Affording Health Insurance Premiums (Retired)</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="chart.png" alt="Bar chart showing percentage of retired members reporting difficulty affording health insurance premiums" /></td>
</tr>
</tbody>
</table>

**Working During Retirement**

Twenty-two percent of retired members work for pay in 2017. This is similar to 2015. Of those who work, CalSTRS-covered employment (34 percent) and other private sector employment (26 percent) are the most common types of paid work. Additionally, 51 percent of retired members participate in ongoing or regularly scheduled volunteer work. Their mean volunteer time is nine hours per week and their median volunteer time is six hours per week.

The main reason retired members continue to work in retirement is to earn income for other necessary living expenses (24 percent). Twenty-two percent work for extra income for travel or

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\(^{10}\) Reliance on Medicare as the sole source of health insurance was not asked prior to 2013.  
\(^{11}\) Difficulty affording health insurance premiums was not asked prior to 2015.
entertainment, which is similar to 2015. New reasons for continuing to work in retirement were added in 2017, with retired members answering as follows: To stay mentally active (17 percent); To maintain social connections (5 percent); To stay physically active (3 percent).

**Home Ownership**

The majority of active members in 2017 (72 percent) own their home. This is a decrease from prior years (75 percent in 2015, 80 percent in 2013, 83 percent in 2011, 86 percent in 2008). The most common reason active members do not own their home is because they cannot afford a home in their area (51 percent), which is also the most common reason cited in prior years.

The majority of retired members in 2017 (90 percent) also own their home. This is similar to 2015, but a decrease from the high of 93 percent in prior years. The two most common reasons retired members do not own their home are because they cannot afford a home in their area (29 percent) or they prefer to rent (19 percent).

Homeownership as of 2016 was 63.4 percent in the U.S. and 53.8 percent in California.\(^{12}\) This suggests homeownership amongst CalSTRS members remains high relative to U.S. and California levels.

**Mortgage Debt**

The mean mortgage balance for active members is $295,600 in 2017, which is an increase over the $258,900 in 2015 and $248,700 in 2013. The median balance is $278,000.\(^{13}\) The mean monthly rent or mortgage payment is $1,970 and the median payment is $1,800.

The mean mortgage balance for retired members is $215,300 in 2017, which is similar to 2015, but an increase over the $198,800 in 2013. The median balance is $185,000.\(^{14}\) The mean monthly rent or mortgage payment is $1,470 and the median payment is $1,200.

Experian estimates the mean mortgage debt balance in California to be $336,300.\(^{15}\) It is notable that the mean mortgage balance for active and retired members is below this estimate.

**Student Loan Debt**

Sixty-three percent of active members do not have any student loan debt. This is a decrease from the 66 percent in 2015 and 71 percent in 2013.\(^{16}\)

Among the remaining 37 percent who do have student loan debt, the mean balance is $46,900 in 2017.\(^{17}\) The median balance is $30,000.

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\(^{12}\) See U.S Census data (Table 14, Table 15): [https://www.census.gov/housing/hvs/data/ann16ind.html](https://www.census.gov/housing/hvs/data/ann16ind.html)

\(^{13}\) Mortgage debt for active members was not asked prior to 2013.

\(^{14}\) Mortgage debt for retired members was not asked prior to 2013.


\(^{16}\) Student loan debt was not asked prior to 2013.
As of 2016, the mean student loan debt in California was $22,700, with the proportion of debt at 53 percent. While the proportion of active member with student loan debt is much lower than the California mean, those with debt have a much higher mean balance.

Figure 25 below shows student loan debt balances for active members.

![Figure 25: Student Loan Debt Balance (Active)]

Debt Other than Mortgage or Student Loans

Thirty-six percent of active members in 2017 do not have debt other than a mortgage or student loans. This is an increase over the 31 percent in 2015 and 2013. Among those active members who do have other debt, their mean balance is $22,800. The median balance is $15,000.

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17 The student loan debt question was changed in 2017. Respondents were asked to indicate the specific dollar amount of their debt, rather than pick the range that included the amount of their debt. Based on the previous structure of the question, the mean student loan debt balance in 2015 was $28,600.

18 See the Institute for College Access & Success Project on Student Debt: http://ticas.org/posd/home. The U.S. Department of Education produces an average every four years from a nationally representative study (the National Postsecondary Student Aid Study). Data not released until early 2018: https://nces.ed.gov/surveys/npsas/index.asp.

19 Other debt for active members was not asked prior to 2013.

20 The other debt question for active members was changed in 2017. Respondents were asked to indicate the specific dollar amount of their debt, rather than pick the range that included the amount of their debt. Based on the previous structure of the question, the mean other debt balance for active members in 2015 was $19,300.
Fifty-three percent of retired members in 2017 do not have debt other than a mortgage or student loans. This is an increase over the 37 percent in 2015 and 47 percent in 2013. Among those retired members who do have other debt, their mean balance in 2017 is $19,400. The median balance is $10,000.

**Borrowing Retirement Funds**

Retirement plan leakage such as loans, withdrawals or post-termination cash-outs can diminish plan savings. Twelve percent of active members in 2017 have borrowed funds from a voluntary retirement savings plan while working in CalSTRS-covered employment, which is the lowest percent reported among all previous years (17 percent in 2015; 15 percent in 2013 and 2011).

While 51 percent of those who have taken a loan do not currently have a balance, the mean balance for those with an outstanding loan in 2017 is $16,400. The median retirement plan loan balance is $10,000.

**Household Income**

The mean annual household income for active members is $120,200. The median household income is $105,000. The mean annual household income for retired members is $92,900. The median household income is $80,000.

According to the U.S. Census Bureau, the median household income in California from 2012–2016 was $63,800.

**CONCLUSION**

The 2017 Retirement Readiness Assessment added another year of valuable data to the study of the financial standing of CalSTRS members. In general, use of CalSTRS websites to plan for retirement increased. Student loan debt has increased and continues to rise as an obstacle to saving for retirement. CalSTRS should continue to encourage members to save in vehicles like Pension2 and increase their awareness of the Social Security offsets.

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21 Other debt for retired members was not asked prior to 2013.
22 The other debt question for retired members was changed in 2017. Respondents were asked to indicate the specific dollar amount of their debt, rather than pick the range that included the amount of their debt. Based on the previous structure of the question, the mean other debt balance for retired members in 2015 was $16,800.
23 Borrowing from voluntary retirement accounts was not asked in 2008.
24 The retirement plan loan balance question was changed in 2017. Respondents were asked to indicate the specific dollar amount of their loan balance, rather than pick the range that included the amount of their balance. Based on the previous structure of the question, the mean loan balance in 2015 was $7,300.
25 The household income for active members was changed in 2017. Respondents were asked to indicate the specific dollar amount of their income, rather than pick the range that included the amount of their income. Based on the previous structure of the question, the mean household income for active members in 2015 was $111,200.
26 The household income question for retired members was changed in 2017. Respondents were asked to indicate the specific dollar amount of their income, rather than pick the range that included the amount of their income. Based on the previous structure of the question, the mean household income for retired members in 2015 was $96,500.
27 See U.S. Census data: [https://www.census.gov/quickfacts/CA](https://www.census.gov/quickfacts/CA)
### 2017 Response Rates

<table>
<thead>
<tr>
<th>Segment</th>
<th>Surveys Sent</th>
<th>Surveys Completed</th>
<th>Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active under 30</td>
<td>8,023</td>
<td>264</td>
<td>3.3%</td>
</tr>
<tr>
<td>Active 30 to 39</td>
<td>48,500</td>
<td>614</td>
<td>1.3%</td>
</tr>
<tr>
<td>Active 40 to 49</td>
<td>56,000</td>
<td>698</td>
<td>1.2%</td>
</tr>
<tr>
<td>Active 50 to 59</td>
<td>23,500</td>
<td>678</td>
<td>2.9%</td>
</tr>
<tr>
<td>Active 60+</td>
<td>19,608</td>
<td>697</td>
<td>3.6%</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>155,631</strong></td>
<td><strong>2,951</strong></td>
<td><strong>1.9%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Segment</th>
<th>Surveys Sent</th>
<th>Surveys Completed</th>
<th>Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retired &lt;15 years of service</td>
<td>12,000</td>
<td>456</td>
<td>3.8%</td>
</tr>
<tr>
<td>Retired 15 to 24 years of service</td>
<td>11,500</td>
<td>511</td>
<td>4.4%</td>
</tr>
<tr>
<td>Retired 25 to 34 years of service</td>
<td>9,025</td>
<td>566</td>
<td>6.3%</td>
</tr>
<tr>
<td>Retired 35+ years of service</td>
<td>8,500</td>
<td>552</td>
<td>6.5%</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>41,025</strong></td>
<td><strong>2,085</strong></td>
<td><strong>5.1%</strong></td>
</tr>
</tbody>
</table>

**Overall** | **196,656** | **5,036** | **2.6%**

### 2015 Response Rates

<table>
<thead>
<tr>
<th>Segment</th>
<th>Surveys Sent</th>
<th>Surveys Completed</th>
<th>Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active under 30</td>
<td>3913</td>
<td>168</td>
<td>4.3%</td>
</tr>
<tr>
<td>Active 30 to 39</td>
<td>11047</td>
<td>333</td>
<td>3.0%</td>
</tr>
<tr>
<td>Active 40 to 49</td>
<td>8466</td>
<td>337</td>
<td>4.0%</td>
</tr>
<tr>
<td>Active 50 to 59</td>
<td>7869</td>
<td>722</td>
<td>9.2%</td>
</tr>
<tr>
<td>Active 60+</td>
<td>7926</td>
<td>1000</td>
<td>12.6%</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>39,221</strong></td>
<td><strong>2,560</strong></td>
<td><strong>6.5%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Segment</th>
<th>Surveys Sent</th>
<th>Surveys Completed</th>
<th>Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retired &lt;15 years of service</td>
<td>7291</td>
<td>777</td>
<td>10.7%</td>
</tr>
<tr>
<td>Retired 15 to 24 years of service</td>
<td>7011</td>
<td>892</td>
<td>12.7%</td>
</tr>
<tr>
<td>Retired 25 to 34 years of service</td>
<td>6648</td>
<td>947</td>
<td>14.2%</td>
</tr>
<tr>
<td>Retired 35+ years of service</td>
<td>6348</td>
<td>1108</td>
<td>17.5%</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>27,298</strong></td>
<td><strong>3,724</strong></td>
<td><strong>13.6%</strong></td>
</tr>
</tbody>
</table>

**Overall** | **35,224** | **6,284** | **17.8%**