



CALSTRS

Overview of CalSTRS' Financial Statements and the Proposed 2025-26 Operating Budget



Overview of 2023-24 financial statements

Key highlights

- Unmodified Opinion
- No noted deficiencies or management letter items
- No new accounting standards implemented

Summary of the State Teachers' Retirement Plan

Comparison of 2022-23 and 2023-24

- STRP net position was \$341.0 billion as of June 30, 2024
- Increase of approximately \$24.1 billion from June 30, 2023

(dollars in billions)

Statement category	STRP balance as of 6/30/2024	STRP balance as of 6/30/2023	Amount Change	Percent Change
Investment assets	\$378.4	\$346.0	\$32.4	9%
Net investment income	\$26.2	\$19.7	\$6.5	33%
Member, employer and state contributions	\$17.3	\$15.8	\$1.5	9%
Benefit payments (excluding refunds)	\$19.0	\$18.2	\$0.8	4%
Net pension liability	\$67.2	\$76.2	(\$9.0)	(11.8%)

Proposed 2025–26 Operating Budget

Operating budget summary

(dollars in millions)

Budget category	Revised 2024–25	Proposed 2025–26	Amount change	Percent change
Total operating budget	\$608.5	\$421.1	(\$187.4)	(31%)
Authorized positions	1,401	1,431	30	2%

Operating Budget: \$421.1 million

- (\$187.4) million, or a 31% net decrease compared to 2024–25

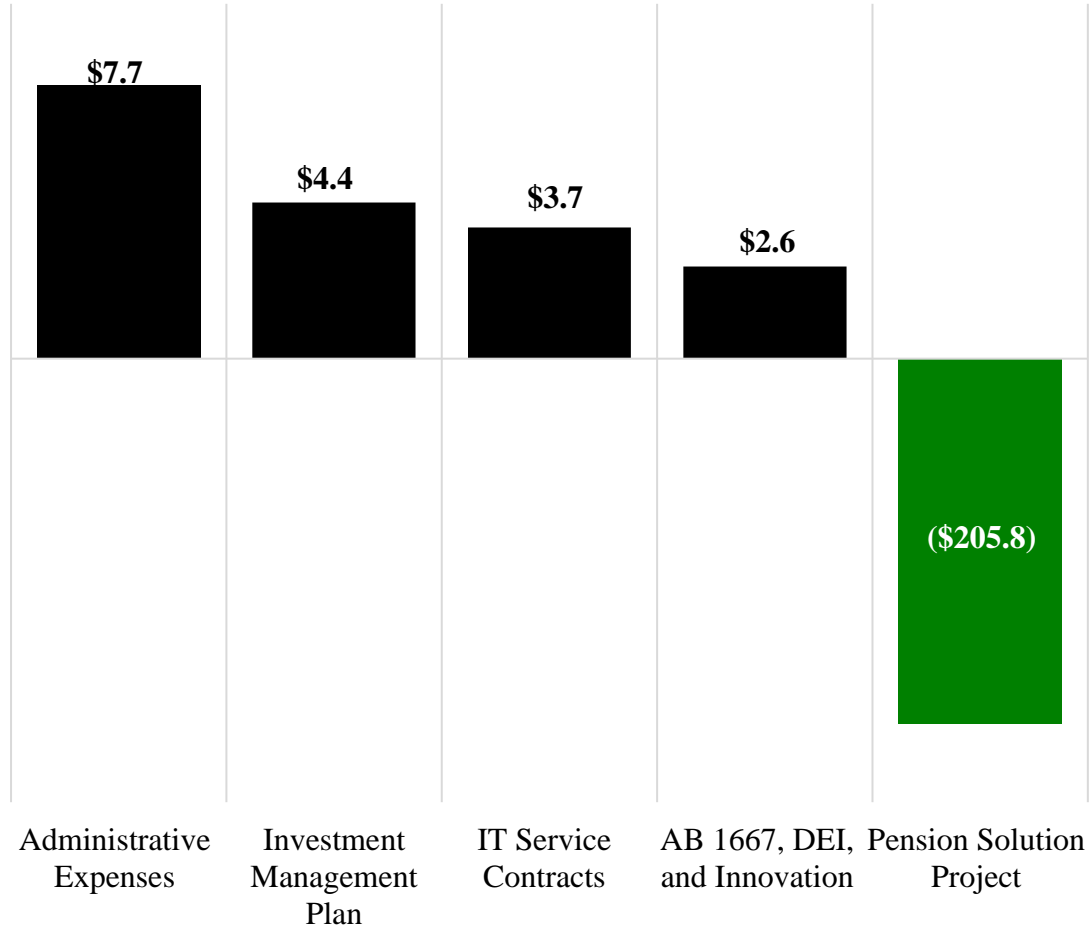
Authorized positions: 1,431

- 30 new positions, or 2% compared to 2024–25
 - 15 positions requested as part of the 2025–26 Operating Budget
 - 15 positions previously approved for the Investment Management Plan

Proposed 2025–26 operating budget

Key operating budget changes

Total net decrease: (\$187.4) million



Administrative expenses – \$7.7 million

- Employee compensation
- Pro rata assessment

Investment management plan – \$4.4 million, 15 positions

- The fifth year of implementation to support the Collaborative Model

IT service contracts – \$3.7 million

- Security software
- SAP managed services
- Software M&O costs

AB 1667, DEI, and innovation – \$2.6 million, 15 positions

- 10 positions for AB 1667
- Three positions to support DEI
- Two positions to support Innovation

Pension Solution project – (\$205.8) million

- (\$205.8) million reversal of one-time funding approved for fiscal year 2024–25



Questions?