



COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

CalSTRS Adopts 2024-25 Employer Contribution Rate

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Yesterday, May 2, 2024, the California State Teachers Retirement System (CalSTRS) Board (Board) was presented with its staff recommendation for the employer contribution rate for 2024-25 based on its June 30, 2023, actuarial valuation report. The 2024-25 employer contribution rate was adopted to maintain the employer contribution rate of 19.10%.

Employer Contribution Rate	Fiscal Year (FY) 2023-24	FY 2024-25
Base	8.25%	8.25%
Supplemental Rate	10.85%	10.85%
Total Employer Contribution Rate	19.10%	19.10%

Staff acknowledged that because CalSTRS is ahead of pace in meeting the target obligation, instead of lowering the employer contribution rate, they opted to keep the employer rate at the existing rate of 19.10% to continue to maintain the stability in the employer contribution rate going forward; thus, reducing the likelihood of the Board to raise the employer contribution rate in the future.

The CalSTRS contribution rate for members subject to Public Employees' Pension Reform Act (PEPRA) will remain at 10.205% and the contribution rate for CalSTRS members not subject to PEPRA is set by statute and is currently 10.250% of salary. As of June 30, 2023, 2% at 62 members represented 39% of the total number of active members.

Member's Contribution Rate	June 30, 2022 Valuation (Rate for FY 2023-24)	June 30, 2023 Valuation (Rate for FY 2024-25)
2% at 60 Members	10.250%	10.250%
2% at 62 Members	10.205%	10.205%

School Services of California Inc. (SSC) will include this information in the May Revision edition of the SSC Financial Projection Dashboard.