



Budget Update

April 20, 2017

Budget Update

- **Updates:**
 - **Residency Checks**
 - **Round 1 – 2017-18 K Placement**
 - **2017-18 Budget Development**
 - **Basic Aid**
 - **Multiyear Projections**

Budget Update

- **Expected Governor's May Revise**
 - **Revenues Cash below January Forecast**
 - **March Revenues Beat Forecast**
 - **Personal Income Tax**
 - **State and Sales Use Tax**
 - **Corporate Income Tax**

- **Pension Contributions**

Budget Update

PERS Employer Contributions reflecting 7.0% Discount Rate (December 2016)			
	Fiscal Year	From June 30, 2015 Annual Valuation Report with <u>7.5%</u> Discount Rate	Reflects Discount Rate Changes
	2016-17	13.888%	13.888%
	2017-18	15.80%	15.80%
	2018-19	17.70%	18.70%
	2019-20	19.70%	21.60%
	2020-21	21.10%	24.90%
	2021-22	21.50%	26.40%
	2022-23	N/A	27.40%
	2023-24	N/A	28.20%

Budget Update

STRS Employer Contributions reflecting 7.0% Discount Rate (February 2017)			
		Projected STRS Employer Contribution Rates (AB 1469, Stats. of 2014)	Projected STRS Employer Contribution rates (CalSTRS Bd. February 2017)
	Fiscal Year		
	2014-15	8.88%	8.88%
	2015-16	10.73%	10.73%
	2016-17	12.58%	12.58%
	2017-18	14.43%	14.43%
	2018-19	16.28%	16.28%
	2019-20	18.13%	18.13%
	2020-21	19.10%	19.10%
	2021-22	19.10%	20.10%
	2022-23	19.10%	20.10%
	2023-24	19.10%	20.10%

Ratio of Workers to Beneficiaries



Source: Department of Finance (January, 2017)

Historic Investment Rates of Return: CalPERS and CalSTRS