

Review of Lump Sum Death Benefit

May 2026 Board Meeting

CALSTRS[®]

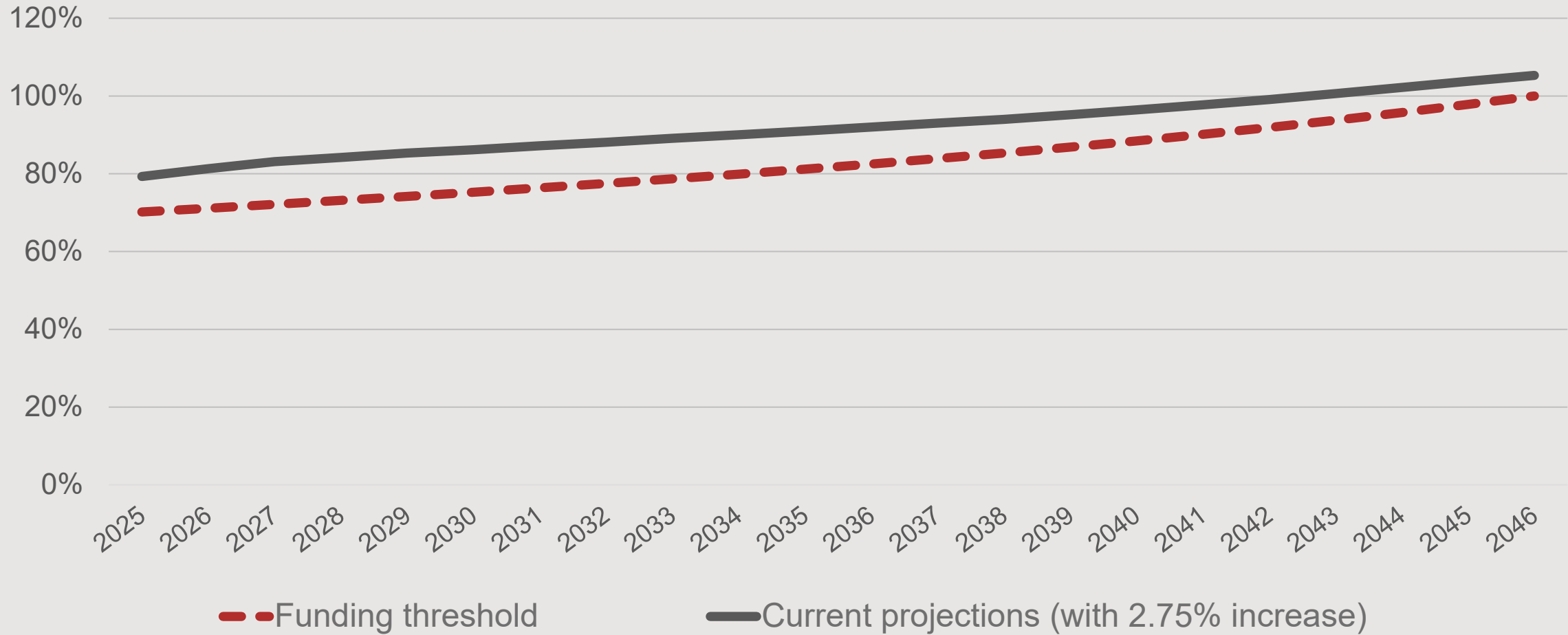


Rate of increase for fiscal year 2026-27

| | |
|--|--------------|
| 1- Inflation in California in 2025 | 3.21% |
| 2- Available catch-up for 2026-27 | 0.94% |
| 3- Long-term inflation assumption | 2.75% |
| 4- Rate of increase for 2026-27 (lesser of 1+2 and 3) | 2.75% |
| 5- Catch-up for future years | 1.40% |

Projected funded status versus funding threshold

(reflecting a 2.75% increase in the lump sum death benefit)



Lump sum death benefit recommended increase

Board is being asked to adopt a 2.75% increase.

| | Current benefit amounts | Recommended lump sum death benefit amounts (effective July 1, 2026) | Increase |
|---|--------------------------------|--|-----------------|
| Active Coverage A and retired member | \$7,288 | \$7,488 | \$200 |
| Active Coverage B | \$29,152 | \$29,952 | \$800 |

Questions?

