RESOLUTION
OF THE
TEACHERS' RETIREMENT BOARD

SUBJECT: Proposed 2027–28 Operating Budget Resolution

RESOLUTION NO. XX-XX

WHEREAS, Article XVI, Section 17 of the California Constitution gives the Teachers' Retirement Board plenary authority over the administration of the California State Teachers' Retirement System; and,

WHEREAS, *Appendix III.1 of the Teachers' Retirement Board Governance Manual* requires that the Operating Budget for CalSTRS be approved by the board; and,

WHEREAS, CalSTRS staff has proposed and recommends the fiscal year 2027–28 Operating Budget of $547.2 million, including 1,655 authorized positions, to be allocated to the Teachers' Retirement Fund, Teachers' Deferred Compensation Fund, and Teachers' Health Benefits Fund as $542.6 million, $3.6 million, and $1.0 million, including 1,639, 14, and two authorized positions, respectively; and,

WHEREAS, the annual Budget Act allows the board to authorize the availability of savings in the Teachers' Retirement Fund Support Appropriation for expenditure for two years after the fiscal year 2027–28 appropriation, of up to 3%, or $14.4 million of that appropriation upon board approval; and,

WHEREAS, CalSTRS staff requests the board's authorization, without further board action, to revise the 2027–28 Operating Budget for revisions required by the Administration or changes in state laws or regulations, and staff will inform the board of any such revisions; and,

WHEREAS, CalSTRS staff has proposed and recommends extension of the encumbrance and liquidation periods for the existing Pension Solution Project budget appropriations, from June 30, 2027, and June 30, 2029, to June 30, 2029, and June 30, 2031, respectively; and,

WHEREAS, CalSTRS staff requests authorization to adjust the timing of position and budget resource deployment under the two-year investment management plan, subject to further board approval; and,

WHEREAS, the board has reviewed and considered the written and oral presentations provided by staff in September 2026, in support of the recommendation that the fiscal year 2027–28 Operating Budget be approved; therefore, be it,

RESOLVED, by the Teachers' Retirement Board as follows:

1. The board hereby finds and declares that the foregoing recitals are true and correct.

2. The board hereby approves the fiscal year 2027–28 Operating Budget of $547.2 million, including 1,655 authorized positions, to be allocated to the Teachers' Retirement Fund, Teachers' Deferred Compensation Fund, and Teachers' Health Benefits Fund as $542.6 million, $3.6 million, and $1.0 million, including 1,639, 14, and two authorized positions, respectively; and be it further,

3. The board hereby authorizes the availability of savings in the Teachers' Retirement Fund Support Appropriation for expenditure for two years after the fiscal year 2027–28 appropriation of up to 3%, or $14.4 million of that appropriation upon board approval; and be it further,

4. The board hereby authorizes staff, without further board action, to revise the 2027–28 Operating Budget for revisions required by the Administration or changes in state laws or regulations, and staff will inform the board of any such revisions; and be it further,

5. The board hereby authorizes the extension of the encumbrance and liquidation periods of the existing Pension Solution Project budget appropriations, from June 30, 2027, and June 30, 2029, to June 30, 2029, and June 30, 2031, respectively; and be it further,

6. The board hereby authorizes CalSTRS staff to adjust the timing of position and budget resource deployment under the two-year investment management plan, subject to further board approval.

Adopted by:
Teachers' Retirement Board
on November 5, 2026

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Cassandra Lichnock
Chief Executive Officer

Reviewed by:

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Brian J. Bartow
General Counsel