

Supplemental Income Plans

Annual Report
Finance & Administration Committee
September 17, 2019

Supplemental Income Plans (SIP) Overview

Plan/Program	Purpose	Assets (as of 6/30/19)	Number of Participants (as of 6/30/19)	Number of Employers (as of 6/30/19)	Growth Trend
457 Plan	Tax deferred employee savings	\$1.63 billion	30,733	819	↑
Supplemental Contributions Plan (SCP)	After-tax employee savings	\$108 million	6,497	1	↓

- Implemented Roth option to the 457 Plan effective 3/1/2019.

CalPERS 457 Plan Update

- Enrollments & Contributions
 - 2,343 new participants enrollments
 - \$106.3 MM in annual contributions
 - \$12.6 MM roll-overs in from other providers

- Participant Education
 - 6,172 individual participant account reviews
 - 1,107 Scheduled Agency On-Site's
 - 480 group education presentations
 - 4 Quarterly webinars

CalPERS 457 Plan Update

- Agency Retention
 - 311 pro-active retention outreach calls
 - 76 in-person agency level plan reviews
 - Plan overview
 - Benefits of CalPERS
 - Participant demographics
 - Employer resources
 - Field services
 - Fund performance review
- Business Development
 - 17 new agency adoptions
 - 81 new Roth provisions (Since inception date 3/1/2019)
 - 818 contracting agencies

Current Due Diligence Projects

- Third Party Administrator
 - Request For Proposal (RFP) completed in June 2019
 - Notice of Intent to Award (Voya Financial)
 - Currently in contract negotiation
 - Effective date of new contract is February 1, 2020
- Participant Fee Analysis FY 2019/2020
 - 457 Plan
 - Supplemental Contributions Plan (SCP)

Investment Performance

Core Funds – Fiscal Year 2018/19

Fund	Gross Return	Benchmark	Net Return 457	Net Return SCP
US Equity	9.05%	8.98%	8.60%	8.72%
International Equity	0.68%	0.26%	0.22%	0.33%
Real Assets	2.05%	2.03%	1.49%	1.59%
Intermediate Bond	7.96%	7.87%	7.53%	7.63%
Short-Term Bond	4.28%	4.27%	3.82%	3.92%
Short-Term Cash	2.69%	2.31%	2.30%	2.40%

Investment Performance

Target Retirement Date Funds – Fiscal Year 2018/19

Fund	Gross Return	Benchmark	Net Return 457	Net Return SCP
Income	6.49%	6.36%	6.07%	6.16%
2015	6.09%	5.96%	5.67%	5.77%
2020	5.47%	5.32%	5.04%	5.14%
2025	5.18%	5.00%	4.74%	4.84%
2030	4.54%	4.36%	4.10%	4.20%
2035	4.06%	3.86%	3.61%	3.72%
2040	4.01%	3.80%	3.56%	3.67%
2045	4.35%	4.14%	3.90%	4.01%
2050	4.36%	4.14%	3.90%	4.01%
2055	4.35%	4.14%	3.89%	4.00%