



Finance and Administration Committee

Agenda Item 5f

September 15, 2020

Item Name: Prefunding Programs Annual Status Report

Program: Prefunding Programs

Item Type: Information Consent

Executive Summary

This agenda item provides updates on the following prefunding programs:

- The California Employers’ Retiree Benefit Trust (CERBT) program that provides prefunding services to participating employers for Other Post-Employment Benefits (OPEB).
- The California Employers Prefunding Programs Trust (CEPPT) program that provides prefunding services to participating employers for pension benefits. This program began operations in July 2019.
- The Supplemental Income Plans (SIP) Program that oversees two deferred compensation plans comprised of the California Public Employees’ Retirement System (CalPERS) 457 Plan and the Supplemental Contributions Plan (SCP).

The table below shows the programs assets by fiscal year. Assets under management increase by 19% for CERBT and 6% for SIP programs.

Fiscal Year (FY)	CERBT	CEPPT	SIP
FY 2018/19	\$9.8 billion	N/A	\$1.78 billion
FY 2019/20	\$11.7 billion	\$11 million	\$1.88 billion

Strategic Plan

This agenda item supports the California Public Employees’ Retirement System (CalPERS) Strategic Plan Goal A of improving long-term pension and health benefit sustainability.

Background

The report provides the FY 2019-20 annual status program updates for the CERBT, CEPPT and SIP prefunding programs. This year, the annual program updates were streamlined and consolidated into one prefunding program report. The report provides information updates by program on the strategies, improvements, population and investments.

Analysis

The report provides program updates, operational improvements, retention efforts, enrollment statistics and contributions. An update on the investment performance for the asset classes are also included in this annual report.

Budget and Fiscal Impacts

Not Applicable

Benefits and Risks

Not Applicable

Attachments

Attachment 1 – Prefunding Programs Annual Status Report PowerPoint
Attachment 2 – Prefunding Programs Annual Status Report

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Pension Contract and Prefunding Programs

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