

Prefunding Programs Annual Status Report

Melody Benavides

Pension Contracts and Prefunding Programs Division

The Prefunding Programs Annual Status Report provides information on program demographics, investments, and strategies for:

- California Employers' Retiree Benefit Trust (CERBT)
- California Employers' Pension Prefunding Trust (CEPPT)
- Supplemental Income Plans (SIP)

Program Overviews for Fiscal Year 2024-25

CERBT	CEPPT	SIP
Assets Under Management: \$25.2B	Assets Under Management: \$312.6M	Assets Under Management: \$2.97B
Employers: 603	Employers: 102	Employers: 862
Plan Members: 836,077		Plan Members: 42,993

CERBT and CEPPT Program Updates

- Added 4 new CERBT employers.
- Added 8 new CEPPT employers.
- Completed 11 workshops.
- Made 2,255 new prospective education employer calls.
- Met with 237 employers to perform annual reviews.

SIP Program Updates

- Added 20 new employers.
- Enrolled 3,265 new participants in the 457 plan.
- Conducted 418 participant group education presentations and 58 participant webinars.
- Conducted 9,729 individual participant 457 plan reviews.
- Conducted 47 agency plan reviews and distributed year-end statements to all contracting agencies.

Enhancements to the CalPERS 457 Plan

Celebrating Innovation and Growth

1. National Association of Government Defined Contribution Administrators (NAGDCA) Leadership Award Recognition.
2. Reduced fees and introduced a recordkeeping fee cap.
3. Expanded self-directed brokerage account options.
4. SECURE 2.0 Act optional provisions adopted.

Award Recognition

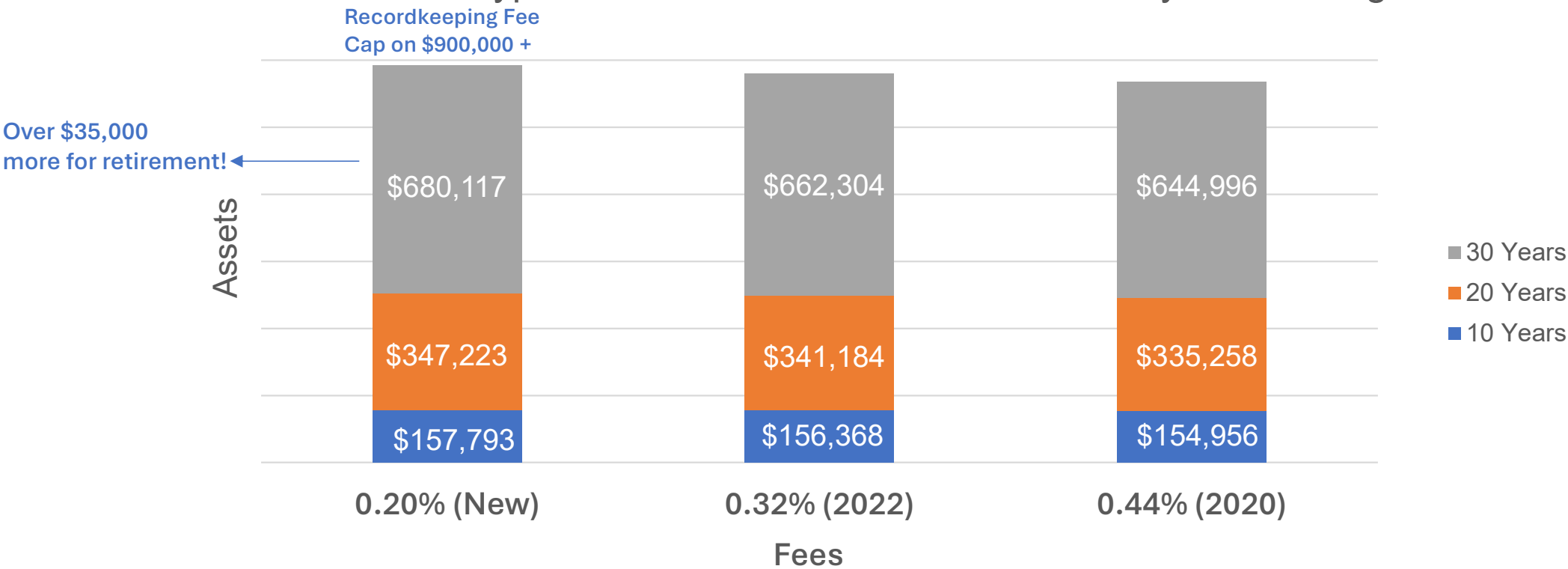
2025 NAGDCA Leadership Award Winner

- Honored for Plan Designed & Administration
 - Online enrollment capabilities
- Reflects our commitment to modernizing retirement planning and supporting participants.
- [Learn more about 2025 NAGDCA Award Winners](#)



Reducing Fees and Introducing a Recordkeeping Fee Cap

A Hypothetical Illustration of Cost Efficiency in Investing



Assumptions: CalPERS 457 Plan with a starting balance of \$50,000 contributing \$200 bi-weekly (26 pay periods per year) into a Target Retirement Date Fund with a cost 0.44%, 0.32%, and 0.20%, each earning 6% annually. These are hypothetical illustrations for demonstration purposes only. They are not guaranteed and not intended to (1) serve as financial advice or as a primary basis for investment decisions and (2) imply the performance of any specific security.

Expanded Self-Directed Brokerage Accounts

More Investment Flexibility

- Participants now have access to a wider range of investment choices.
- New Investments Includes: Stocks, ETFs, and Bonds.
- Educational resources available to support self-directed investors.

SECURE 2.0 Act Optional Provisions

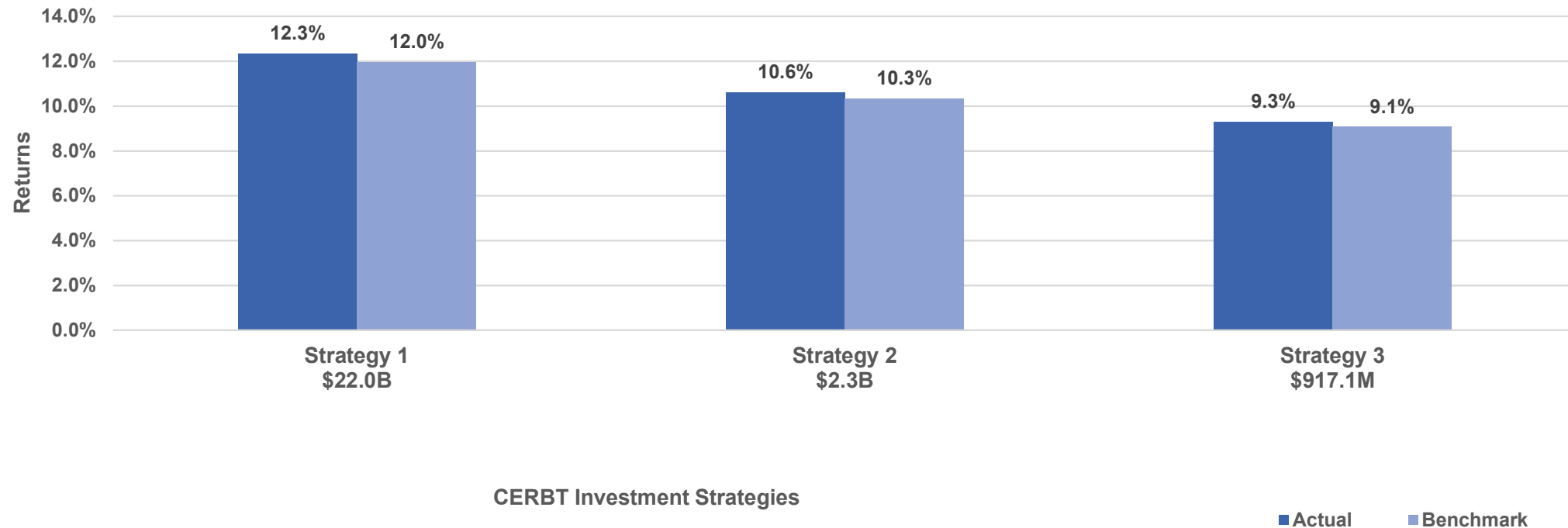
Adopting Key Enhancements from the SECURE 2.0 Act

We've adopted several **optional provisions** designed to support participants retirement goals:

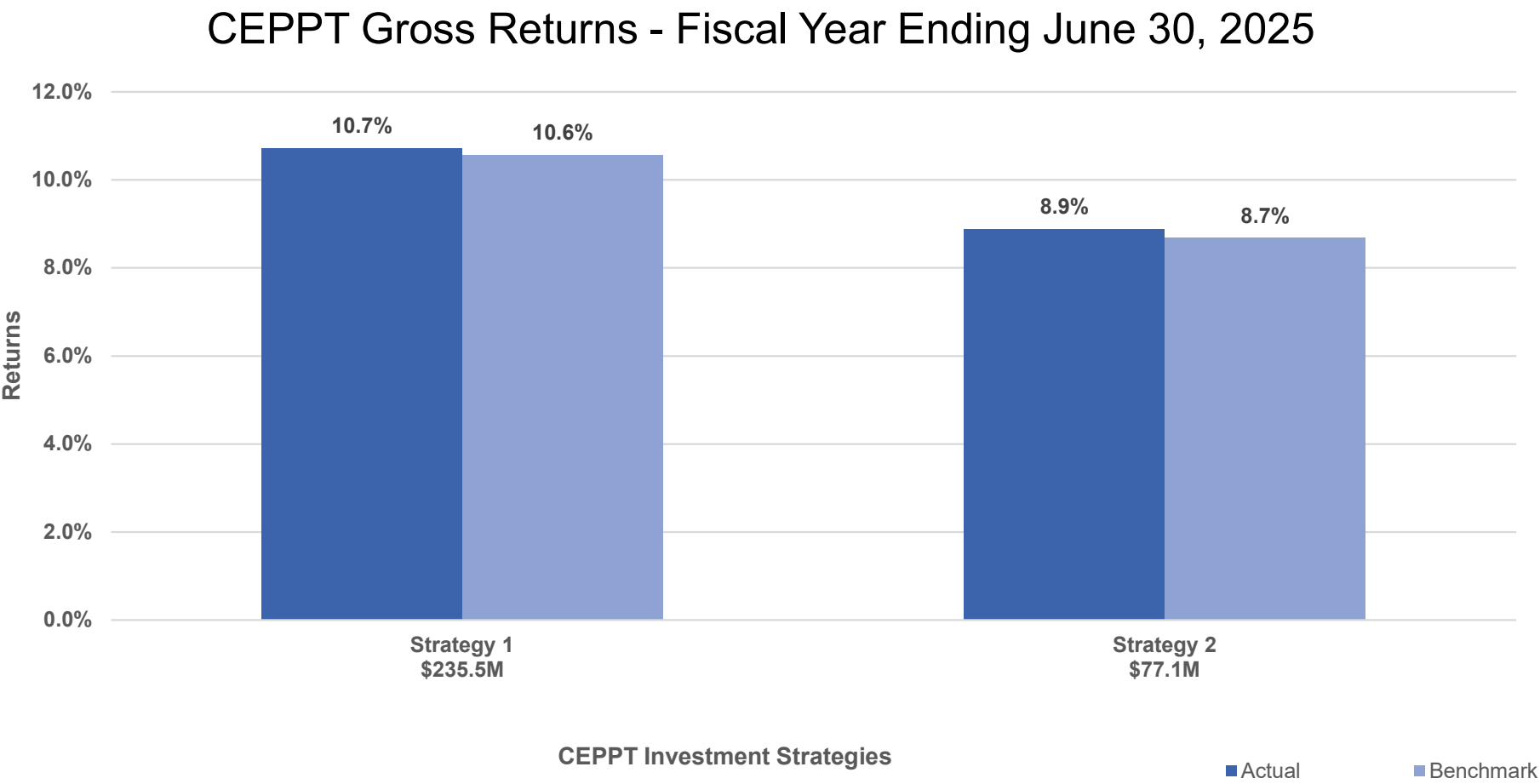
- ✓ Higher Catch-Up Contributions – **Increased limits for those age 60–63.**
- ✓ In-Service Distribution for Qualified Birth and Adoption.
- ✓ Qualified Disaster Distributions and Loans.
- ✓ Withdrawal for Emergency Personal Expenses.
- ✓ Penalty-free withdrawal for domestic abuse cases.

CERBT Investment Performance

CERBT Gross Returns - Fiscal Year Ending June 30, 2025



CEPPT Investment Performance



SIP Investment Performance

SIP Target Date Fund Line Up and Performance for Fiscal Year Ending June 30, 2025			
Fund	Assets (mil)	Gross Return	Benchmark
Income	\$194.3	9.6%	9.5%
2020	\$174.7	10.2%	10.1%
2025	\$245.1	11.6%	11.5%
2030	\$306.6	12.8%	12.7%
2035	\$231.4	14.0%	13.9%
2040	\$219.4	15.4%	15.3%
2045	\$143.3	16.1%	16.0%
2050	\$92.4	16.1%	16.0%
2055	\$39.2	16.1%	16.0%
2060	\$16.1	16.1%	16.0%
2065	\$6.7	16.1%	16.0%

SIP Investment Performance

SIP Core Fund Line Up and Performance for Fiscal Year Ending June 30, 2025			
Fund	Assets (mil)	Gross Return	Benchmark
US Equity Index Fund	\$881.3	15.3%	15.3%
International Equity Index Fund	\$91.0	18.1%	17.8%
Real Assets Fund	\$19.6	11.3%	11.1%
Intermediate-Term Bond Index Fund	\$54.4	6.1%	6.1%
Short-Term Bond Index Fund	\$41.8	6.0%	5.9%
Short-Term Investment Fund	\$120.7	4.9%	4.7%