



Finance and Administration Committee

Agenda Item 4c

April 13, 2026

Item Name: Semi-Annual Financial Report, Public Employees' Retirement Fund

Program: Financial Office

Item Type: Information Consent

Executive Summary

This item represents the CalPERS Fiscal Mid-Year 2025-26 Financial Report to the committee. As of December 31, 2025, the net position of the CalPERS Public Employees' Retirement Fund (PERF) increased by 14.6% since December 31, 2024, primarily due to a positive market experience.

Strategic Plan

This agenda item supports efforts to strengthen the long-term sustainability of the pension fund.

Background

This agenda item is being presented to the committee to provide mid-year updates and report on any issues related to CalPERS financial reporting.

Analysis

As of December 31, 2025, the net position of the PERF was \$601.4 billion, representing an increase of \$76.7 billion since December 31, 2024. This 14.6% increase was primarily due to investment gains resulting from positive performance in the market. More specifically, the increase was attributable to unrealized and realized gains in public and private equity.

Contributions as of December 31, 2025, were \$19.4 billion, compared to \$16.8 billion as of December 31, 2024. The year-over-year increase of 15.5% was primarily due to an increase in active members as well as employer contribution rates. Employer contribution rates per the Budget Act changed between -0.6% and 20.29% for State plans. On average, actuarially required employer contribution rates increased 1.7% for public agency miscellaneous plans and 2.7% for public agency safety plans. Additionally, there was a \$1.3 billion increase in unfunded liability payments in the first half of FY 2025-26.

Benefit payments as of December 31, 2025, were \$18.0 billion, compared to \$17.1 billion as of December 31, 2024. The increase of 5.6% was primarily due to the increase in the number of retirees and beneficiaries.

Total income, excluding contributions, was over \$38.3 billion as of December 31, 2025, compared to nearly \$19.6 billion as of December 31, 2024. Although both years experienced positive returns due to an overall positive market experience there was a more favorable half-year return in Fiscal Year 2025-26. Total expenditures, excluding benefit payments, were approximately \$403 million as of December 31, 2025, compared to approximately \$362 million as of December 31, 2024, due to an increase in refunds of contributions to members.

Budget and Fiscal Impacts

This item is provided to the committee for informational purposes and has no additional direct impact on the CalPERS budget.

Benefits and Risks

There are no known risks associated with this item.

Attachments

Attachment 1 – Semi-Annual Financial Report (PERF)

Michele Nix
Chief Financial Officer