

2017-22 Strategic Plan | Strategic Measure Summary (As of 9/30/18)

VISION: A respected partner, providing a sustainable retirement system and health care program for those who serve California

MISSION: Deliver retirement and health care benefits to members and their beneficiaries

CORE VALUES: Quality, Respect, Accountability, Integrity, Openness, Balance



FUND SUSTAINABILITY

Strengthen the long-term sustainability of the pension fund

| | |
|------------------------------|---|
| Objective | Fund the System through an integrated view of pension assets and liabilities |
| Measure | Projected Funded Status |
| Associated Initiative | Alignment of asset liability management; Redesign and enhance the actuarial valuation system; Actuarial valuation system – advanced analytics |

Measure Description:

Monitoring the actual vs. projected Funded Status of the PERF to determine if CalPERS' goal of 100% funding is on track.

Annually, the Actuarial Office provides the Funded Status as of the previous fiscal year and the projected Funded Status as of the current fiscal year.

The inputs for this metric are influenced by five main factors:

- Payment of unfunded liabilities
- Actual vs. expected investment returns
- Change in actuarial methods and assumptions
- Benefit changes
- Actuarial experience

Annually, the Actuarial Office produces valuation reports for the State, Schools and Public Agency employers to determine minimum employer contribution requirements and the Funded Status of each plan. Because Funded Status changes slowly over time, it is important to monitor performance trends to indicate if long-term funding goals are on track.

Baseline:

PERF: 70.9% (as of June 30, 2018)

Funded Status for the 3 major components of PERF:

- State: 70.8%
- Schools: 69.9%
- Public Agencies: 71.5%

Baseline for the PERF will be established annually in August using annual actuarial valuation reports.

Measure Owner: Michael Cohen

Refresh Frequency: Annually, August

Reporting Range: Investment returns through the most recent fiscal year end are combined with actuarial valuation results to update the measures.

Thresholds:

- Not more than 1.0% below projected funded status
- ▲ 1.0% - 3.0% below projected funded status
- More than 3.0% below projected funded status

Status (Numeric) for current reporting period:
N/A

Current Status:
Pending Refresh

Status Legend



On-Target



At-Risk



Off-Target



Pending Refresh



Data Not Available



Measure Under Development

Target:

Meet or exceed the projected funded status for the PERF of 70.9% as of June 30, 2019, based on actuarial valuation reports.

Measure Status (Narrative):

This measure was reported early in quarter 4 for FY 2017-18.

Performance data will be available in August 2019.

