

# The California Employers' Pension Prefunding Trust

## Prefund future pension costs with a CalPERS trust fund

The CEPPT is designed to give public agencies who offer defined benefit pensions the opportunity to save money by investing now for their future pension contributions.

### How can you use the CEPPT?

- Prefund normal cost contributions and unfunded liability payments
- Make additional discretionary payments
- As a contingency fund for future volatility

### Advantages

- The CEPPT is designed to save you money and stabilize your budget by offering:
  - CalPERS investment management
  - Low total participation costs
  - Efficient and effective customer outreach and support
  - Simple and streamlined account transactions

### Participation Costs

The CEPPT is a self-funded, not-for-profit program where participating employers pay for the total cost of trust operation. The CEPPT has an all-inclusive fee rate of 25 basis points (0.25 percent) of employer account assets under management. There are no other fees. All employers pay the same fee rate, which may be higher or lower in the future.

### Contact Us

For more information, visit us online at [www.calpers.ca.gov/ceppt](http://www.calpers.ca.gov/ceppt), call a CEPPT program representative at (916) 795-9071, or email [CEPPT4U@calpers.ca.gov](mailto:CEPPT4U@calpers.ca.gov).

### Portfolio Options

The CEPPT offers two broadly diversified, risk-efficient, and cost-effective investment options. You may choose one or both investment options based on your investment time horizon. You control the funding decisions as contributions and disbursements are voluntary.

CEPPT Portfolios	Strategy 1	Strategy 2
Expected Net Rate of Return	5.00%	4.00%
Standard Deviation	8.2%	5.2%

Asset Classification	Benchmark	Strategy 1	Strategy 2
Global Equity	MSCI ACWI IMI (Net)	4.0% ±5%	14% ±5%
Fixed Income	Bloomberg Barclays U.S. Aggregate Bond Index	4.7% ±5%	7.3% ±5%
Global Real Estate (REITS)	FTSE EPRA/NAREIT Developed Liquid (Net)	8% ±5%	8% ±5%
Treasury Inflation Protected Securities (TIPS)	Bloomberg Barclays US TIPS Index (Series L)	5% ±3%	5% ±3%
Liquidity	91-Day Treasury Bill	0% ±2%	0% ±2%

The CEPPT is an employer pension contribution prefunding trust fund administered by CalPERS that was established by Senate Bill 1413 and formed under Section 115 of the Internal Revenue Code.

