

ENTERPRISE RISK MEASURES DASHBOARD

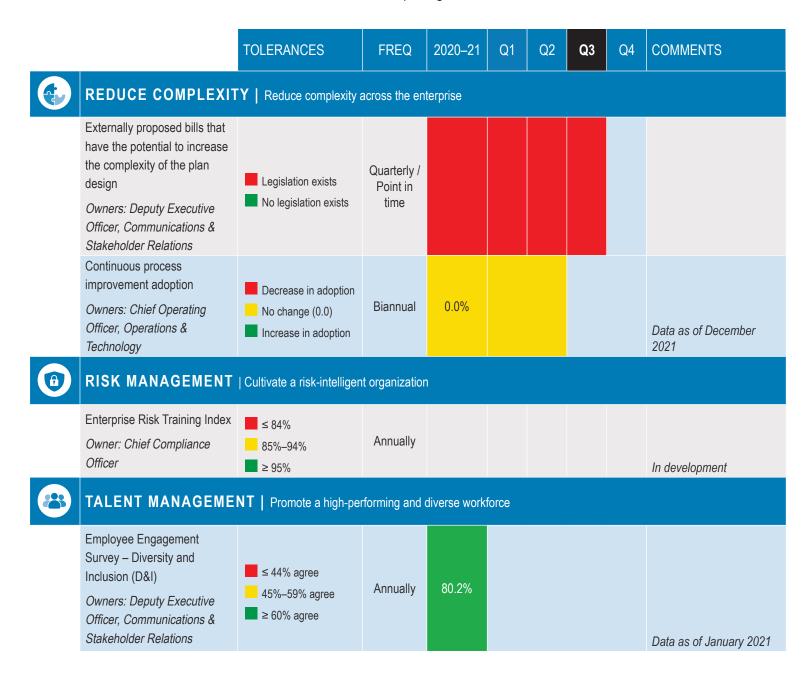
FY 2021–22 3rd Quarter Reporting

		TOLERANCES	FREQ	2020–21	Q1	Q2	Q3	Q4	COMMENTS	
FUND :	FUND SUSTAINABILITY Strengthen the long-term sustainability of the pension fund									
levels belo	of PERF funding ow 50% hief Actuary	> 20% 10%–20% < 10%	Annually	10%-20%					Each plan has a unique probability of falling belov 50%. Most plans fall between 10% and 20%.	
status imp	nt return: Funded act hief Actuary	< 6% 6%–7% > 7%	Annually	21.3%					Status based on actual returns reported July 2021.	
impact	contribution rate	Projected vs. Actual > 2%	Annually	Misc. < 1%					Results represent the variance between projected and actual annual contribution rates	
Owner: Ci	hief Actuary	1%–2% < 1%		Safety < 1%					Most plans are expected to have a rate change of less than 1% of payroll.	
нівн-с	HIGH-QUALITY AFFORDABLE HEALTH CARE Improve health care quality, access & affordability									
agencies	f contracting retained hief Health Director	≤ 97.9% 98%–98.9% ≥ 99%	Annually	99.7%		99.	.6%			
Lives (TC	n Total Covered _s) hief Health Director	≤ 5,999 TCLs6,000–8,999 TCLs≥ 9,000 TCLs	Annually	16,597		12,	463			
impacts C	n that negatively alPERS hief Health Director	Legislation exists No legislation exists	Quarterly							
Actuarial F	Health Care Fund Reserve hief Health Director	<90% / >110% Actuarial Reserve 90%–110% Actuarial Reserve	Annually	99%					Data as of December 2021	
REDUC	REDUCE COMPLEXITY Reduce complexity across the enterprise									
would red Owners: L Officer, Co	legislation that uce plan designs Deputy Executive ommunications & ler Relations	No Legislation exists Legislation exists	Quarterly / Point in time						No proposed legislation exists as of March 2022	



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ENTERPRISE RISK MEASURE DETAIL

FY 2021–22 3rd Quarter Reporting

HIGH-QUALITY AFFORDABLE HEALTH CARE | Improve health care quality, access & affordabilty

Legislation that negatively impacts CalPERS									
CURRENT STATUS — FY 2021–22	PERFORMANCE								
Legislation exists									
■ Legislation exists ■ No legislation exists									
ROOT CAUSE / SUCCESS	NEXT STEPS								
Bill Number	Action Items	Owner	Targeted Completion Date						
SB 510 The California legislature passed, and Governor Newsom signed, SB 510 in 2021 which provides that COVID-19 testing and treatment will be	Coordinate with DMHC to ensure costs are reasonable.	HPRA	6/30/2022						
without cost-sharing including employer ongoing/ surveillance testing. Covering the cost of testing is a good public health policy and ultimately in our member's best interest although the employer testing portion of costs being shifted to health plans could impact affordability. CalPERS is working with the Department of Managed Health Care (DMHC) to ensure that costs are reasonable.	Monitor costs passed to health plans.	HPRA	12/31/2022						

ENTERPRISE RISK MEASURE DETAIL

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REDUCE COMPLEXITY | Reduce complexity across the enterprise

Externally proposed bills that have the potential to increase the complexity of the plan design								
CURRENT STATUS — FY 2021–22	PERFORMANCE							
Legislation exists								
■ Legislation exists ■ No legislation exists								
ROOT CAUSE / SUCCESS	NEXT STEPS							
Bill Number	Action Items	Owner	Targeted Completion Date					
Requires CalPERS to provide a separate trust fund for requesting school employers and cities that does not include specified investments related to the Government of Turkey. Significant administrative complexity to establish a separate trust.	SB 457–Monitor. Board adopted an Oppose position, so will advocate opposition.	Multiple program areas	6/30/2022					
SB 1173 Requires CalPERS to divest from fossil fuel companies, as defined. Administrative complexity to identify and track fossil fuel companies, and investment portfolio impacted by divestment. CalPERS believes engagement as a shareholder is the best strategy to maintain our voice. Divestment reduces diversification within our portfolio.	SB 1173–Monitor and potentially bring to the Board for a position.	INVO	9/30/2022					
SB 1328 Requires CalPERS to divest from any company with operations in Russia or Belarus. Signficant administrative complexity to identify and track such companies, and investment portfolio impacted by divestment. Selling illiquid assets during a crisis can magnify losses.	SB 1328–Monitor and potentially bring to the Board for a position.	INVO	9/30/2022					