

Who Pays for Pensions?



Learn how public employee pensions are funded.

In the fiscal year ended June 2018, CalPERS paid out nearly \$23 billion in pension benefits.

The CalPERS Pension Buck illustrates the sources of income that fund your employees' pensions. Based on data over the past 20 years ending June 30, 2018, every dollar CalPERS pays in pensions consists of:

- 59 cents from investment earnings
- 28 cents from employer contributions
- 13 cents from employee contributions

In other words, 72 cents out of every public employee pension dollar is funded by our investment earnings and member contributions.

CalPERS also invests in California. Of our roughly \$323.7 billion portfolio in June 2017, we invested \$30 billion in California-based companies and projects, generating a ripple effect of economic activity across the state.



72 cents out of every public employee pension dollar is funded by our investment earnings and member contributions

According to the *CalPERS for California* 2017 report, our investments in California support:

- More than 266,200 jobs in private markets
- Generation of \$26.2 billion in total economic activity across the state

- Local jobs, infrastructure for communities, and commerce
- Business expansion and related economic activity. ▲