



CalPERS Supplemental Income 457 Plan

Your New City of San Diego CalPERS Supplemental Income 457 Plan



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 - Any fund performance illustrated in this presentation details historic returns and does not guarantee future investment returns of the funds reviewed. The results you experience may be more or less depending on actual returns.
- CalPERS is not a member of the Voya family of companies.

Your 457 Employee Savings Plan

Exciting changes are coming to your employee savings plan

- The City of San Diego has offered a voluntary 457 Plan since November 29, 1973 to help our employees save money for retirement. The City's current third-party administrator agreement with Valic Retirement Services Company for services to the 457 Plan expires on July 31, 2018. After an extensive review of available options, the City has identified CalPERS as the ideal successor to help meet your retirement savings needs.
- We are teaming up with CalPERS to bring you the CalPERS Supplemental Income 457 Plan to the City of San Diego's employees. San Diego is pleased to adopt the CalPERS Plan, joining nearly 800 fellow California government employers. Since 1995, CalPERS has provided public agency and school employers and employees this deferred compensation plan as a low cost, convenient way to save for retirement through payroll deduction.

Why did the City select the CalPERS 457?

With CalPERS, the City is able to partner with an organization that has the following:

- Resources and flexibility to adapt to changing legislation.
- Establishes *Best Practices* with strong quality controls.
- Extensive savings investment experience on a large scale.
- Focuses on fee transparency.
- Does not engage in revenue sharing or administrative expense reimbursement.
- Provides wide ranging portfolio options, including a self-managed account option.
- Provides strong educational support and sophisticated communications technology.

More about CalPERS

- Not-for-profit public entity
- Over 20 years serving CA public agencies and school employers
- Nearly 800 CA government employers participating in the CalPERS 457 Plan
- Competitively priced
- Quality investments managed by CalPERS staff and professional managers under contract to CalPERS
- Target Retirement Date Funds specifically designed for public employees

Your 457 Employee Savings Plan

Beginning the week of July 30, you'll see planning for your future in a whole new way with these exciting new features:

- See if you're on track to meeting your retirement income goals with myOrangeMoney®
- Take control of your financial future using an online budgeting and planning tool
- Help from experienced retirement educators to define retirement goals and integrate them with existing defined benefit planning
- On-the-go access to your plan account 24/7 with the Voya Retire mobile app

What is Deferred Compensation?

- Voluntary retirement savings plan
- Pre-tax deduction from your pay
- Your current taxable income is reduced by the amount you save
- Contributions and earnings grow tax-deferred until you start to take withdrawals
- Distributions are taxed as ordinary income

Deferral Limits for 2018

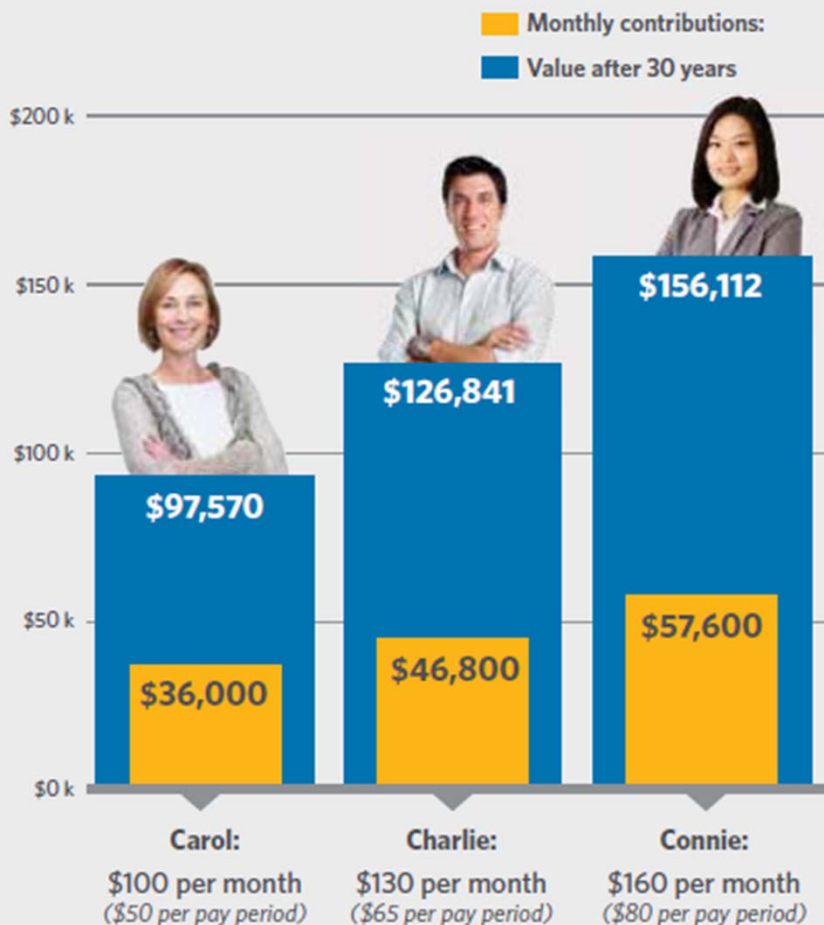
- Normal Contribution Limit:
\$18,500
- Age 50 Catch-Up Limit:
\$24,500 = \$6,000 + \$18,500
- Three Year Catch-Up Contribution Limit:
\$37,000 = \$18,500 + \$18,500

Money taken from the plan will be taxed as ordinary income in the year the money is distributed.

Pay Yourself First

Pay yourself first with Plan contributions.

This chart demonstrates the potential added value of contributing more money over time.



- Small increases in your contribution amount can make a big difference over time.
- You can change your contribution amount at any time.

This hypothetical example assumes bimonthly employee contributions and a 6% average annual return. Any fees, expenses or charges that may be associated with the Plan are not considered in this illustration. Plans having these charges would reflect lower net returns. Hypothetical assumptions are not guaranteed. Systematic investing does not ensure a profit nor guarantee against a loss in declining markets. You should consider your financial ability to consistently invest in up as well as down markets.

Distributions

- Must permanently separate from service
- **NO** early withdrawal penalties
 - Taxed as ordinary income when you received it
 - No 10% premature distribution penalty prior to reaching age 59½
- Distributions are portable and flexible
 - Lump sum, installment, rollover to other plan
 - Start, stop, increase, decrease
 - Keep it in the plan

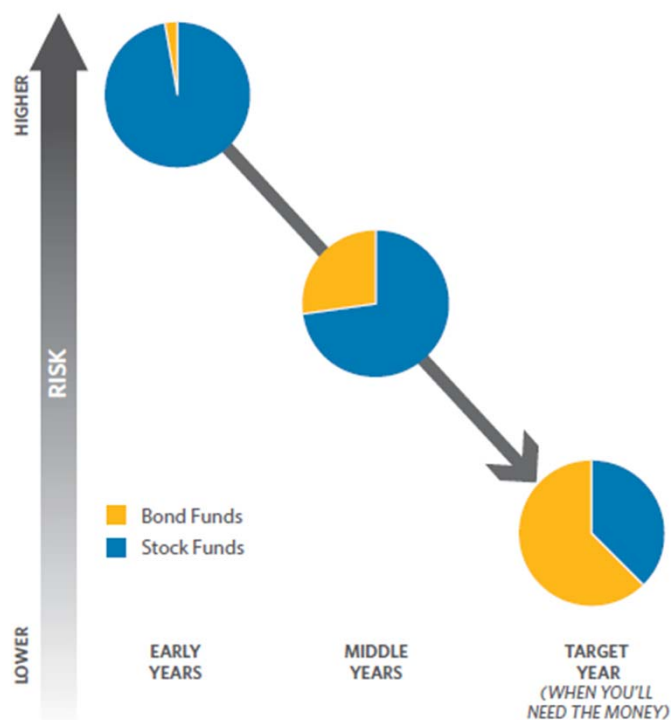
CalPERS Target Date Funds

- Professionally managed, diversified portfolio
- Asset mix automatically adjusts over time
- Mix shifts from greater concentration of higher-risk to lower-risk investments over time
- No active management of your allocation needed
- The target date is the year closest to when you expect to begin withdrawing money from your Plan account

Help-Me-Do-It

Target Retirement Date Funds — A diversified portfolio in a single fund.

Funds that Evolve Over Time



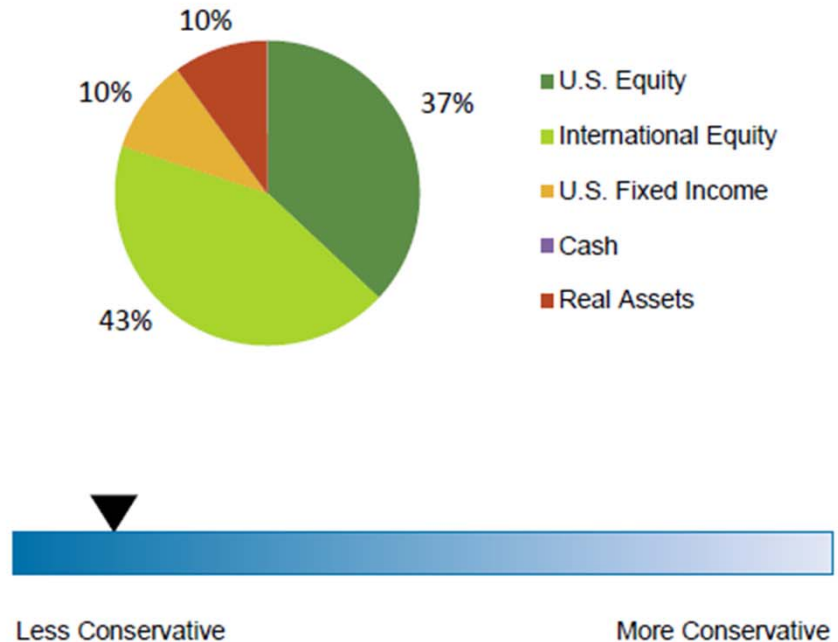
Prior to making any investment decisions you should carefully review all fund information. This presentation is for general education purposes only and does not, "nor is it intended to constitute legal, tax, investment or financial advice." To the extent that you need any such advice you are encouraged to speak with your legal, tax or investment advisor.

CalPERS Target Retirement 2050 Fund

Designed for an investor who intends to retire within a couple years of 2050, this Fund has a higher percentage of equity investments with the potential for long-term capital growth.

The Fund gradually becomes more conservative over time with its most conservative target allocation occurring in the target year 2050 (50% fixed income, 30% cash, and 20% equity).

Current 2050 Fund Target Allocations



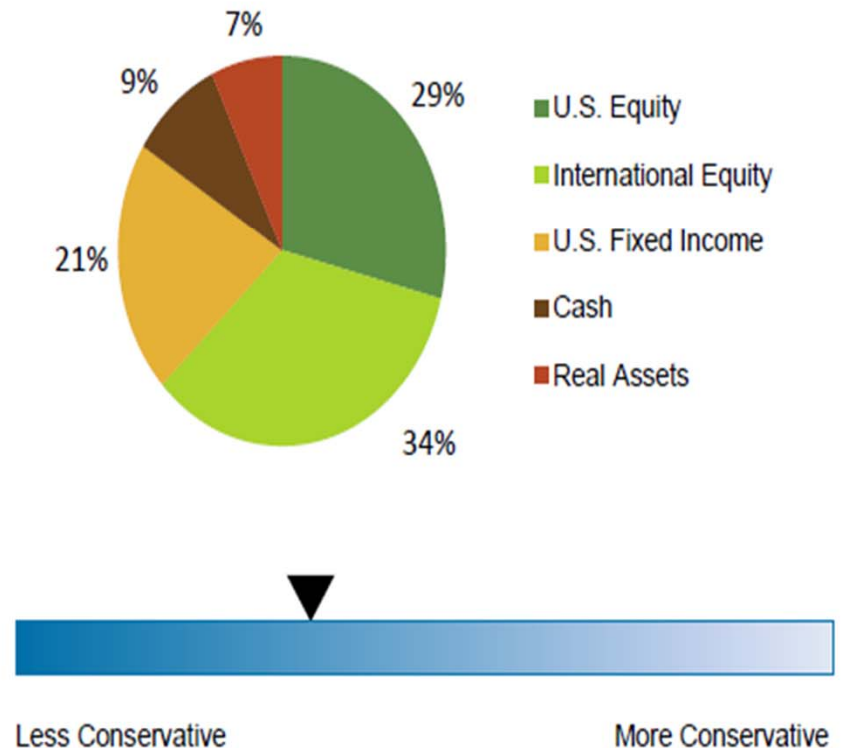
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CalPERS Target Retirement 2035 Fund

Designed for an investor who intends to retire within a couple years of 2035, approximately two-thirds of this Fund's assets are invested in equity (domestic and international) having the potential for long-term capital growth. The remaining third is comprised of fixed income, cash and real assets designed to preserve principal, provide liquidity, hedge against inflation and generate income.

The Fund gradually becomes more conservative over time with its most conservative target allocation occurring in the target year 2035 (50% fixed income, 30% cash, and 20% equity).

Current 2035 Fund Target Allocations

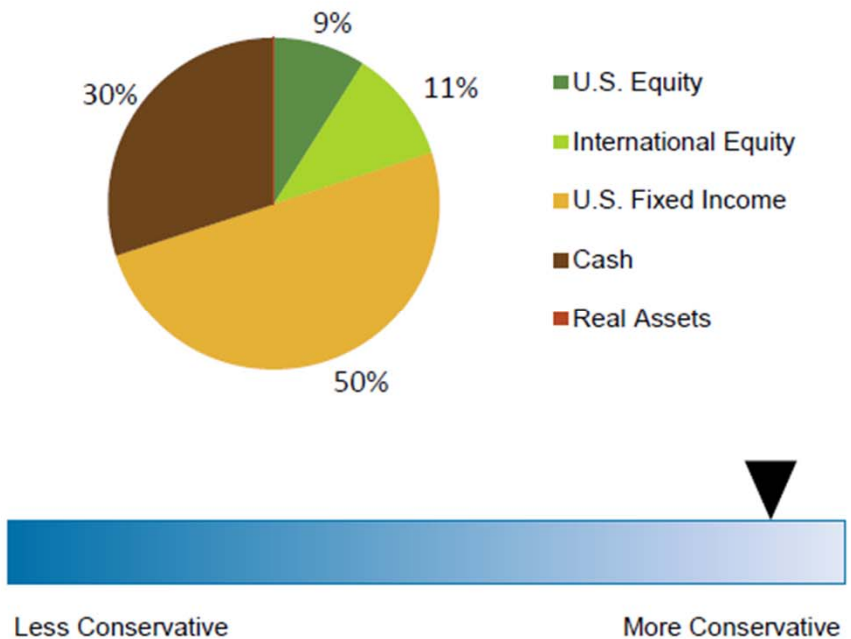


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CalPERS Target Retirement Income Fund

Designed for an investor who has retired or has a very low risk tolerance. It is made up of primarily cash (or cash equivalents) and fixed income securities, with a smaller percentage of domestic and international equity for additional growth potential.

Current Income Fund Target Allocations



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Investment Allocation Window

- **July 2 – July 26**
- Register your account at **calpers.voya.com**
- No action required
- Account balance and future contributions will be invested in the Target Retirement Date Fund based on your birthdate unless you designate another investment option(s)

If your birthdate is....	Your CalPERS Target Retirement Date Fund is...
On or before 1952	CalPERS Target Retirement Income Fund
On or between 1953 - 1957	CalPERS Target Retirement 2015 Fund
On or between 1958 and 1962	CalPERS Target Retirement 2020 Fund
On or between 1963 and 1967	CalPERS Target Retirement 2025 Fund
On or between 1968 and 1972	CalPERS Target Retirement 2030 Fund
On or between 1973 and 1977	CalPERS Target Retirement 2035 Fund
On or between 1978 and 1982	CalPERS Target Retirement 2040 Fund
On or between 1983 and 1987	CalPERS Target Retirement 2045 Fund
On or between 1988 and 1992	CalPERS Target Retirement 2050 Fund
On or after 1993	CalPERS Target Retirement 2055 Fund

Do-It-Yourself

Core Funds

Index Fund	Asset Class
SSgA U.S. Government Short Term Investment Fund	Cash Equivalent
SSgA Real Asset Fund	Inflation Protection
SSgA U.S. Short-Term Government/ Credit Bond Index Fund	Bond
SSgA U.S. Bond Index Fund	Bond
SSgA Russell All Cap Index Fund	U.S. Stocks
SSgA Global All Cap Equity ex U.S. Index Fund	Global Stocks

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Do-It-Yourself

Self-Managed Account - Schwab

What is the Self-Managed Account (SMA)?

- Brokerage Option
- Schwab Personal Choice Retirement Account[®] (PCRA).
- Increased flexibility in choosing your own investments
- Access to thousands of different mutual funds from hundreds of fund families
- At an additional cost

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Key Dates during the Transition *(Blackout Period)*

The transfer of Plan records to CalPERS through Voya will happen automatically. ***You don't have to take any action.*** Please be aware of the key dates below.

Key Dates	What's happening?
Week of June 2, 2018	Education sessions begin
July 2 - July 26, 2018	Allocation window open at calpers.voya.com <ul style="list-style-type: none">• Opportunity to designate allocations for current account balance and future contributions to CalPERS• No action needed• Automatically invested in a CalPERS Target Retirement Date Fund based on date of birth if no action is taken
1:00 p.m. PT July 12, 2018	Last day to: <ul style="list-style-type: none">• Request a withdrawal from Valic• Request a distribution/rollover from Valic• Submit paperwork through the existing Valic website, call center, or mailing address
1:00 p.m. PT July 19, 2018	Last day to do the following until the transition period is complete: <ul style="list-style-type: none">• Enroll in the Plan• Change your future contribution rate• Make an investment change for future contributions• Transfer existing balances to other funds

Key Dates during the Transition *(Blackout Period)*

Key Dates	What's happening?
July 26, 2018	Last day to make inquiries about your Plan through the existing Valic website and call center: <ul style="list-style-type: none">• This includes transaction history and access for you to view and print your most recent quarterly statements
1:00 p.m. PT July 26, 2018	Transition begins; account access restricted: <ul style="list-style-type: none">• Account records are transferred to Voya• Accounts remain invested and continue to receive any earnings during this time
Week of July 30, 2018	Transition ends; <ul style="list-style-type: none">• Full account access restored• Website: calpers.voya.com• Phone Number: 800-260-0659

Make a date to talk with a local Voya Representative

- Personal Appointments available: **cityofsandiego457.timetap.com**
- Call toll-free at **888-713-8244**

Individual appointments are available before and after the transition to CalPERS is completed.

We are here to help!

- Easy account access, 24/7 at **calpers.voya.com**
- Call **800-260-0659**
 - Press 2 for a Participant Service Representative
 - Monday – Friday 6:00 a.m. to 5:00 p.m. PT
 - Press 3 to schedule a meeting with a local Voya Representative
- Schedule a phone review at **CityofSanDiego457.timetap.com**

myOrangeMoney®

- Stay on track for retirement
- Interactive, educational online experience
- See the income you'll likely need each month
- See the progress you've already made towards the goal
- Available at **calpers.voya.com**
- Download the **Voya Retire** mobile app (keyword: retire)

