

# CERBT Account Update Summary

Santa Monica Community College District

as of June 30, 2022

## OPEB Valuation Report Summary

OPEB Actuarial Valuation Report by Total Compensation Systems, Inc.	
Valuation Date	6/30/2021
Measurement Date	6/30/2021
Total OPEB Liability (TOL)	\$197,564,001
Valuation Assets	\$9,905,345
Net OPEB Liability (NOL)	\$187,658,656
Funded Status	5%
Actuarially Determined Contribution (ADC)	\$0
CERBT Asset Allocation Strategy	Strategy 1
Discount Rate	2.72%

## CERBT Account Summary

As of June 30, 2022	Strategy 1
Initial contribution (06/26/2009)	\$1,496,996
Additional contributions	\$3,000,000
Disbursements	\$0
CERBT expenses	(\$61,234)
Investment earnings	\$4,141,749
Total assets	\$8,577,511
Annualized net rate of return (06/26/2009-06/30/2022 = 13.01 years)	7.34%

## Cash Flow Summary by Fiscal Year

Fiscal Year	Contributions	Disbursements	Cumulative Investment Gains (Losses)	Cumulative Fees	Cumulative Ending Assets
2006-07	\$0	\$0	\$0	\$0	\$0
2007-08	\$0	\$0	\$0	\$0	\$0
2008-09	\$1,496,996	\$0	(\$259)	(\$16)	\$1,496,721
2009-10	\$0	\$0	\$235,669	(\$1,708)	\$1,730,957
2010-11	\$0	\$0	\$667,309	(\$4,271)	\$2,160,034
2011-12	\$0	\$0	\$670,512	(\$6,776)	\$2,160,732
2012-13	\$0	\$0	\$924,959	(\$10,307)	\$2,411,648
2013-14	\$500,000	\$0	\$1,398,281	(\$14,125)	\$3,381,152
2014-15	\$1,000,000	\$0	\$1,366,208	(\$17,695)	\$4,345,509
2015-16	\$1,500,000	\$0	\$1,460,916	(\$21,637)	\$5,936,276
2016-17	\$0	\$0	\$2,090,415	(\$26,915)	\$6,560,495
2017-18	\$0	\$0	\$2,615,021	(\$32,825)	\$7,079,192
2018-19	\$0	\$0	\$3,055,085	(\$38,858)	\$7,513,223
2019-20	\$0	\$0	\$3,323,627	(\$45,324)	\$7,775,299
2020-21	\$0	\$0	\$5,463,811	(\$52,899)	\$9,907,907
as of 6/30/2022	\$4,496,996	\$0	\$4,141,749	(\$61,234)	\$8,577,511

# CERBT/CEPPT Investment Returns Outperform Benchmarks

Periods ended June 30, 2022

Fund	Assets	1 Month	3 Months	FYTD	1 Year	3 Years	5 Years	10 Years	ITD
CERBT Strategy 1 (Inception June 1, 2007)	\$12,805,762,723	-6.65%	-12.97%	-13.35%	-13.35%	4.60%	5.60%	6.86%	4.86%
Benchmark		-6.71%	-13.07%	-13.55%	-13.55%	4.32%	5.32%	6.51%	4.45%
CERBT Strategy 2 (Inception October 1, 2011)	\$1,750,235,674	-5.53%	-11.49%	-12.54%	-12.54%	3.35%	4.66%	5.69%	6.29%
Benchmark		-5.57%	-11.54%	-12.66%	-12.66%	3.15%	4.43%	5.37%	6.02%
CERBT Strategy 3 (Inception January 1, 2012)	\$747,065,965	-4.56%	-9.82%	-10.72%	-10.72%	2.56%	3.91%	4.55%	4.81%
Benchmark		-4.59%	-9.84%	-10.77%	-10.77%	2.41%	3.73%	4.22%	4.53%
<b>CERBT Total</b>	<b>\$15,303,064,362</b>								
CEPPT Strategy 1 (Inception October 1, 2019)	\$58,090,430	-4.86%	-10.08%	-12.41%	-12.41%	-	-	-	2.49%
Benchmark		-4.95%	-10.24%	-12.62%	-12.62%	-	-	-	2.41%
CEPPT Strategy 2 (Inception January 1, 2020)	\$25,825,663	-3.12%	-7.30%	-10.94%	-10.94%	-	-	-	-0.48%
Benchmark		-3.14%	-7.34%	-11.02%	-11.02%	-	-	-	-0.62%
<b>CEPPT Total</b>	<b>\$83,916,093</b>								

## CERBT Portfolios

Portfolios	CERBT Strategy 1	CERBT Strategy 2	CERBT Strategy 3
Expected Return	7.59%	7.01%	6.22%
Risk	11.83%	9.24%	7.28%

## CERBT Portfolio Details

Asset Classification	Benchmark	CERBT Strategy 1	CERBT Strategy 2	CERBT Strategy 3
Global Equity	MSCI All Country World Index	59% ±5%	40% ±5%	22% ±5%
Fixed Income	Barclays Capital Long Liability Index (CERBT)	25% ±5%	43% ±5%	49% ±5%
Global Real Estate (REITs)	FTSE EPRA/NAREIT Developed Liquid Index	8% ±5%	8% ±5%	8% ±5%
Treasury Inflation Protected Securities (TIPS)	Barclays Capital Global Real: US TIPS Index	5% ±3%	5% ±3%	16% ±3%
Commodities	S&P GSCI Total Return Index	3% ±3%	4% ±3%	5% ±3%
Cash	3-Month Treasury Bill	0% +2%	0% +2%	0% +2%

## Total Participation Cost Fee Rate

- Total all-inclusive cost of participation
  - Combines administrative, custodial, and investment fees
  - Separate trust funds
  - Self-funded, fee rate may change in the future
  - Fee is applied daily to assets under management
    - 10 basis points - CERBT
    - 25 basis points - CEPPT

## CEPPT/CERBT Consistently Low Fee Rate History

Fiscal Year	CERBT	CEPPT
2007-2008	2.00 basis points	-
2008-2009	6.00 basis points	-
2009-2010	9.00 basis points	-
2010-2011	12.00 basis points	-
2011-2012	12.00 basis points	-
2012-2013	15.00 basis points	-
2013-2014	14.00 basis points	-
2014-2015	10.00 basis points	-
2015-2016	10.00 basis points	-
2016-2017	10.00 basis points	-
2017-2018	10.00 basis points	-
2018-2019	10.00 basis points	-
2019-2020	10.00 basis points	25.00 basis points
2020-2021	10.00 basis points	25.00 basis points
2021-2022	10.00 basis points	25.00 basis points
<b>2022-2023</b>	<b>10.00 basis points</b>	<b>25.00 basis points</b>

# 618 Prefunding Program Employers

598 CERBT and 72 CEPPT

- State of California
- 157 Cities or Towns
- 10 Counties
- 81 School Employers
- 32 Courts
- 337 Special Districts and other Public Agencies
  - (101 Water, 37 Sanitation, 34 Fire, 25 Transportation)

## Financial Reporting

- CERBT is the Plan
  - Provides audited and compliant GASB 74 report in a Schedule of Changes in Fiduciary Net Position (FNP)
  - Published in February each year

CERBT FNP Fiscal Year	Availability
<a href="#">2018-19</a>	Available at <a href="https://www.calpers.ca.gov/cerbt">https://www.calpers.ca.gov/cerbt</a>
<a href="#">2019-20</a>	
<a href="#">2020-21</a>	
2021-22	February 2023

## Questions? Where to Get Trust Fund Information?

Name	Title	E-mail	Desk	Mobile
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Robert Sharp	Assistant Division Chief	<a href="mailto:Robert.Sharp@calpers.ca.gov">Robert.Sharp@calpers.ca.gov</a>	(916) 795-3878	(916) 397-0756

Program E-mail Addresses	Prefunding Programs Webpages
<a href="mailto:CERBT4U@calpers.ca.gov">CERBT4U@calpers.ca.gov</a> – Questions & Document Submittal	<a href="http://www.calpers.ca.gov/CERBT">www.calpers.ca.gov/CERBT</a>
<a href="mailto:CEPPT4U@calpers.ca.gov">CEPPT4U@calpers.ca.gov</a> – Questions & Document Submittal	<a href="http://www.calpers.ca.gov/CEPPT">www.calpers.ca.gov/CEPPT</a>
<a href="mailto:CERBTACCOUNT@calpers.ca.gov">CERBTACCOUNT@calpers.ca.gov</a> – Online Record Keeping System	