

2015-16 Basic Financial Statements

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Financial Office

2015-16 Financial Highlights

PERF

- Total net assets \$298.7 billion
 - Net assets of PERF decreased \$4.1 billion
- Annual money weighted rate of return: 0.5%
- Strong real estate and fixed income returns

2015-16 Financial Highlights (continued)

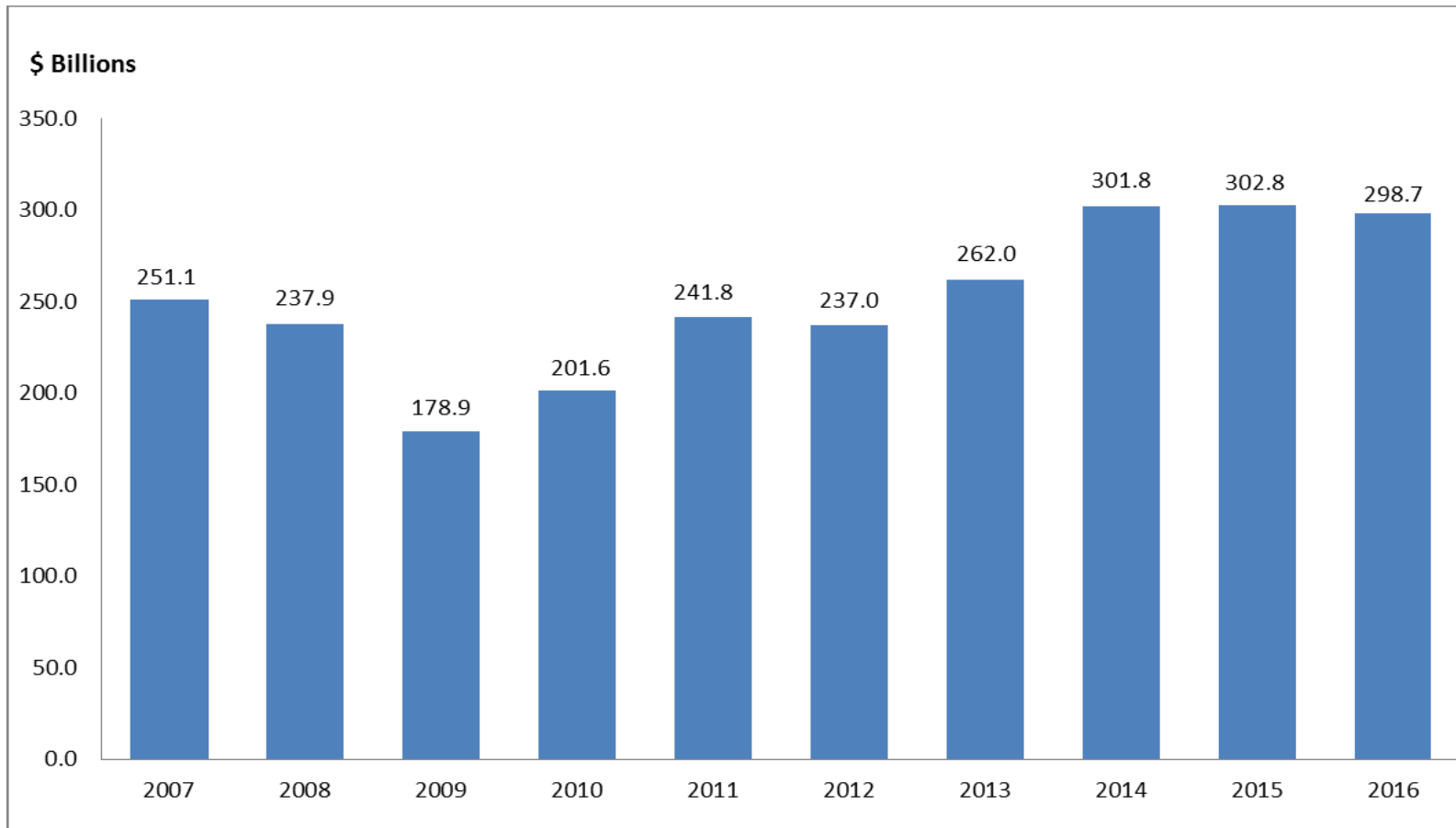
GASB Statement No. 72

- Requires investments be categorized under a fair value hierarchy
- Internal investment pools were previously reported at net asset value, and are now recorded at the individual investment holding level in the Basic Financial Statements

GASB Statement No. 74

- Early implementation
- Modifies financial reporting requirements and note disclosures related to OPEB plans

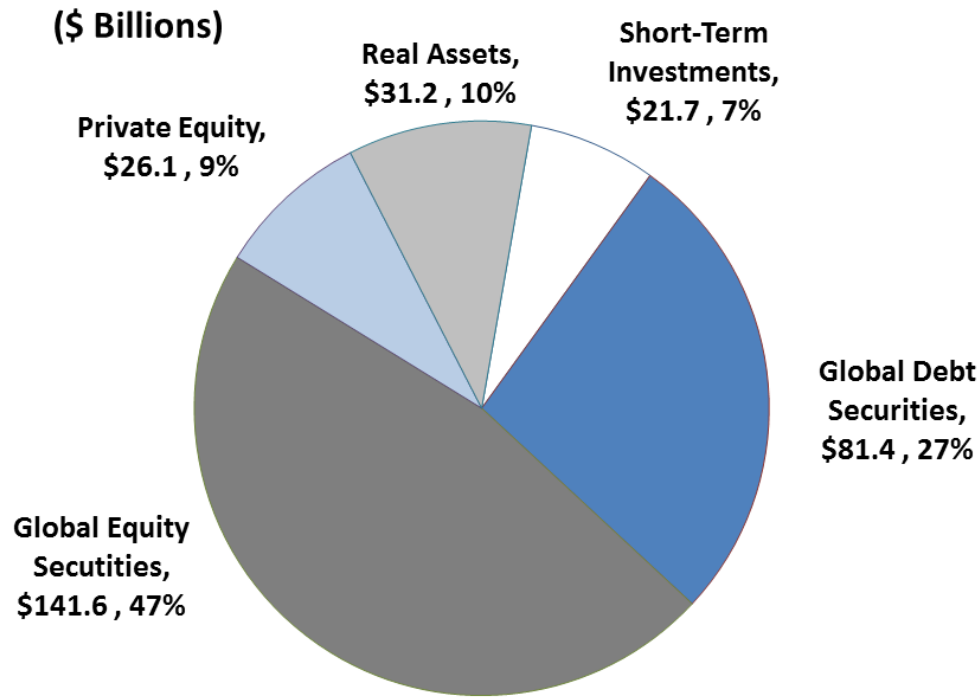
PERF Net Position



PERF Changes in Net Position

(\$ Millions)	For the Year ended June 30, 2016
Net Position, beginning of year	<u>\$302,765</u>
Investment and Net Securities Lending Income	2,366
Contributions and Other Income	14,921
Retirement, Death, Survivor Benefits & Refunds	(20,333)
Administrative and Investment Expenses	<u>(1,015)</u>
Total Decrease	<u>(4,061)</u>
Net Position, end of year	<u>\$298,704</u>

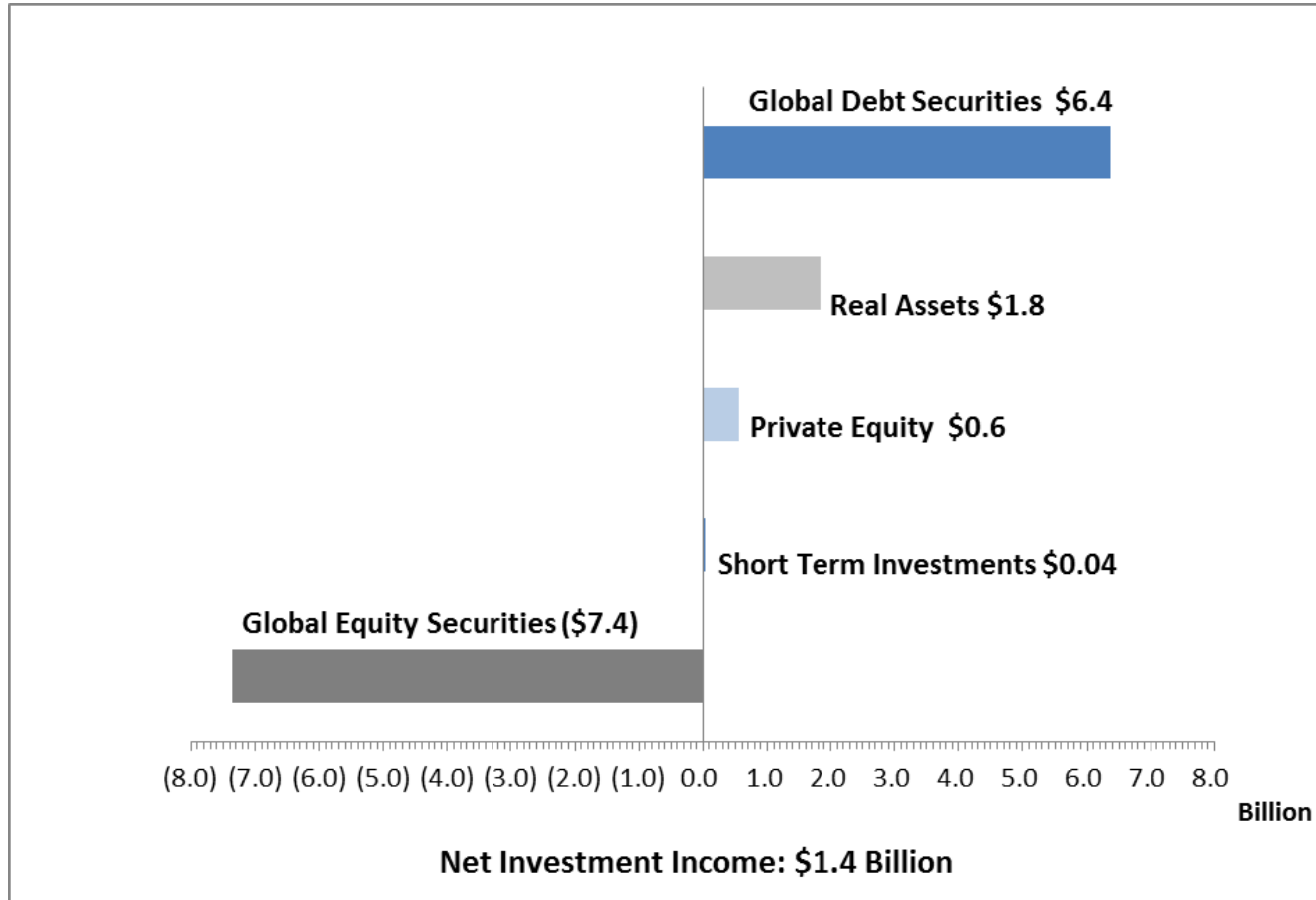
PERF Investment Assets



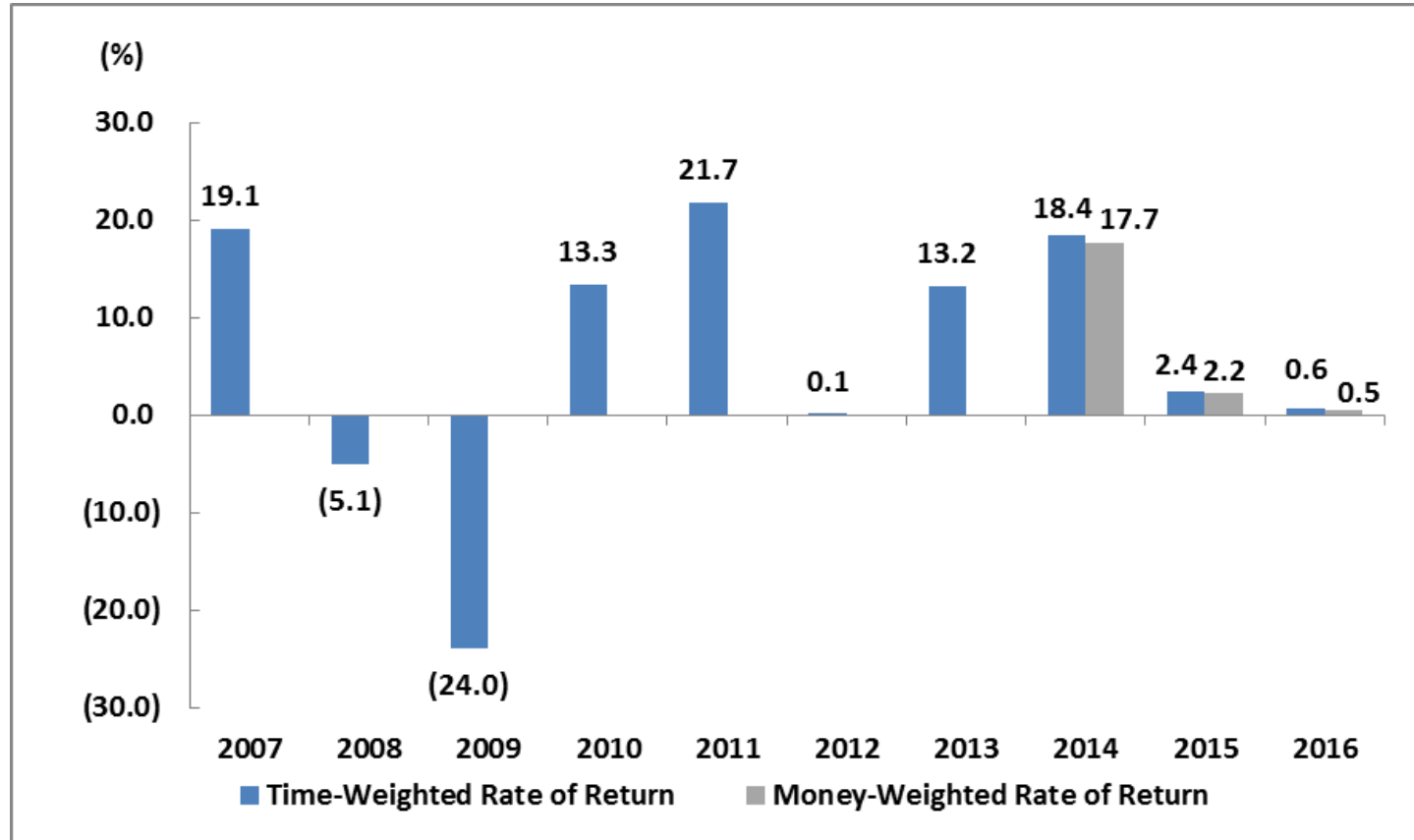
***Investment Portfolio Total: \$302.0**

Excludes Cash and Cash Equivalents, Capital Assets, and Security Lending Collateral

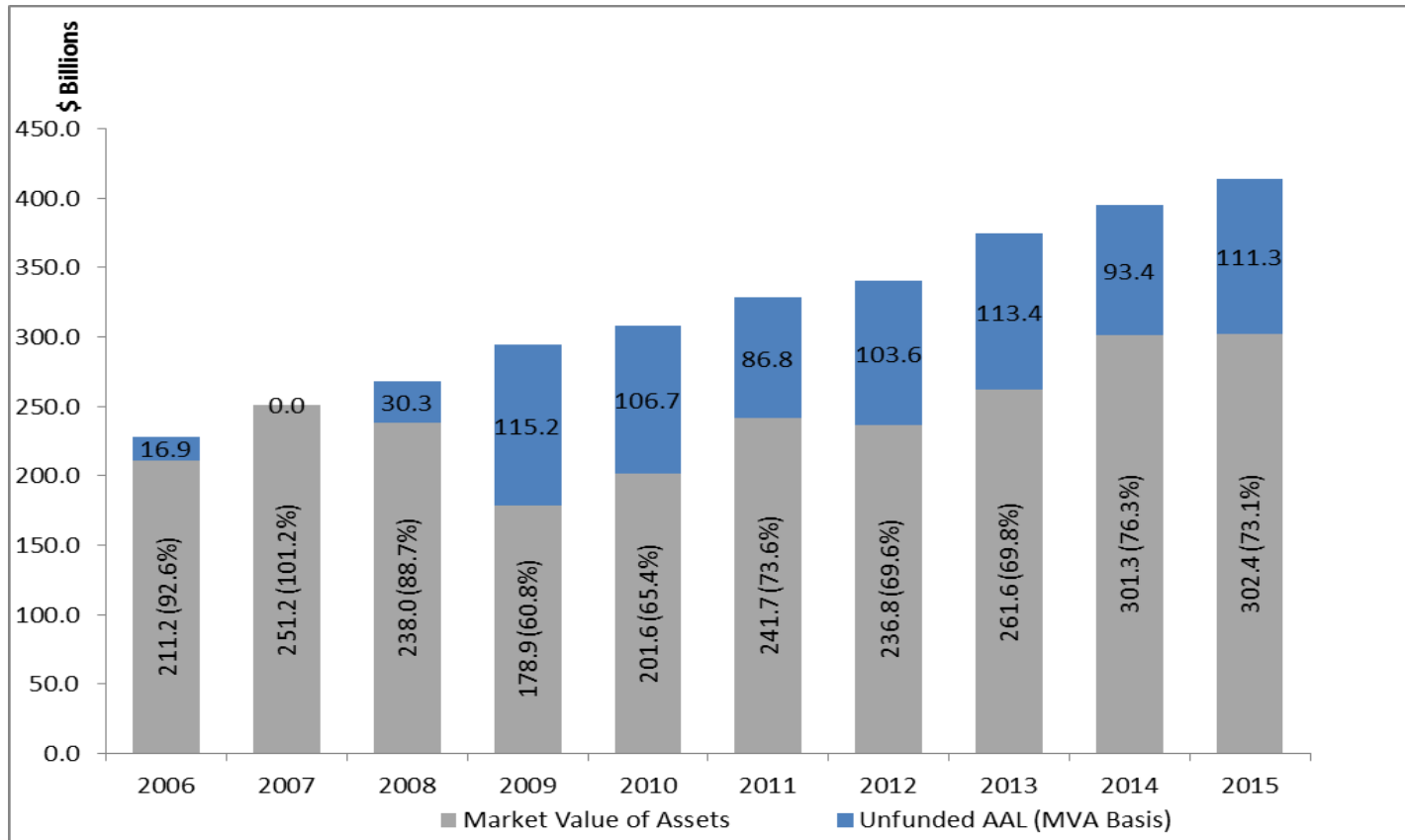
PERF Sources of Investment Income



PERF Annual Rates of Return

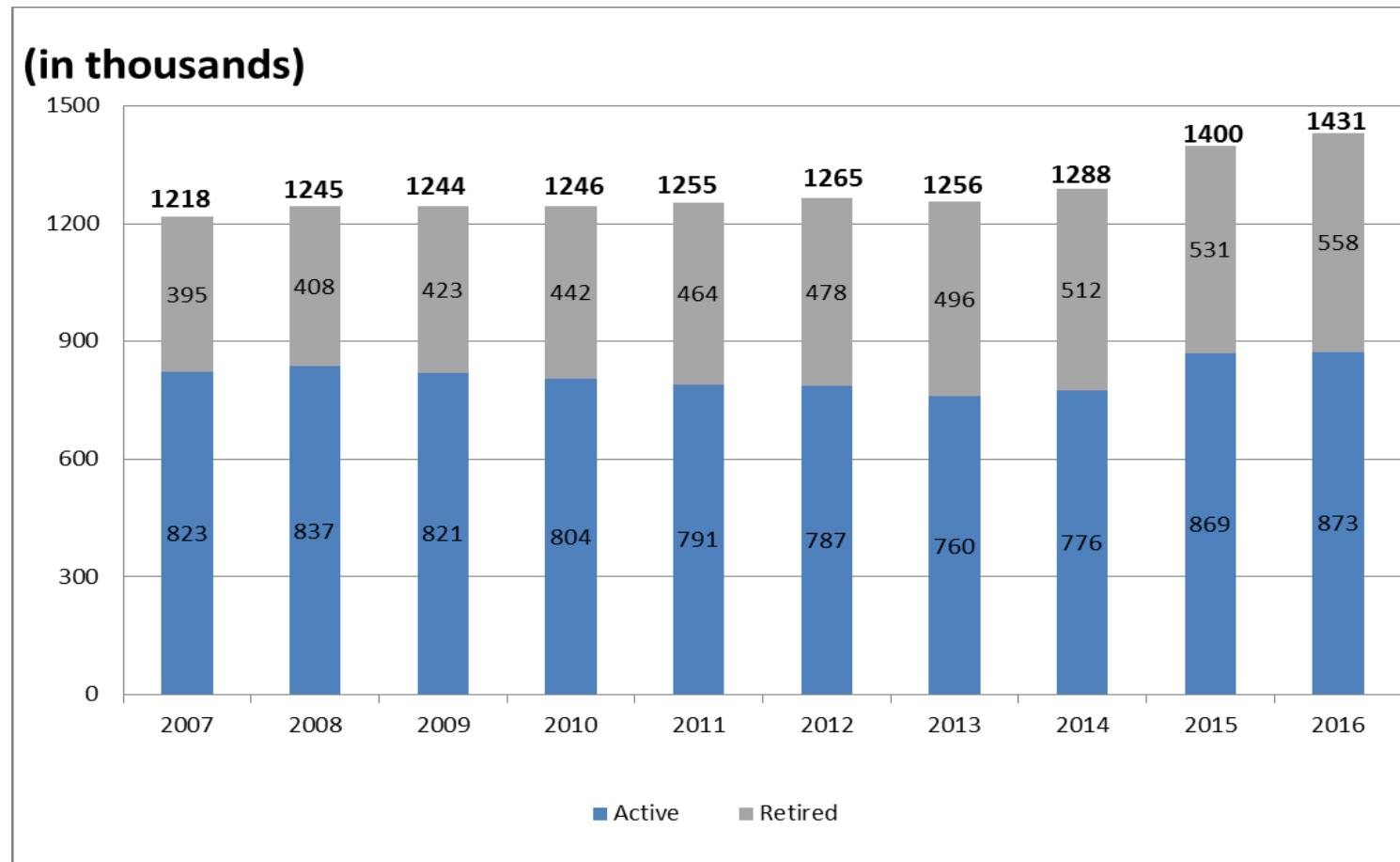


PERF Unfunded Liability & Funded Ratio (Market Value of Assets Basis)

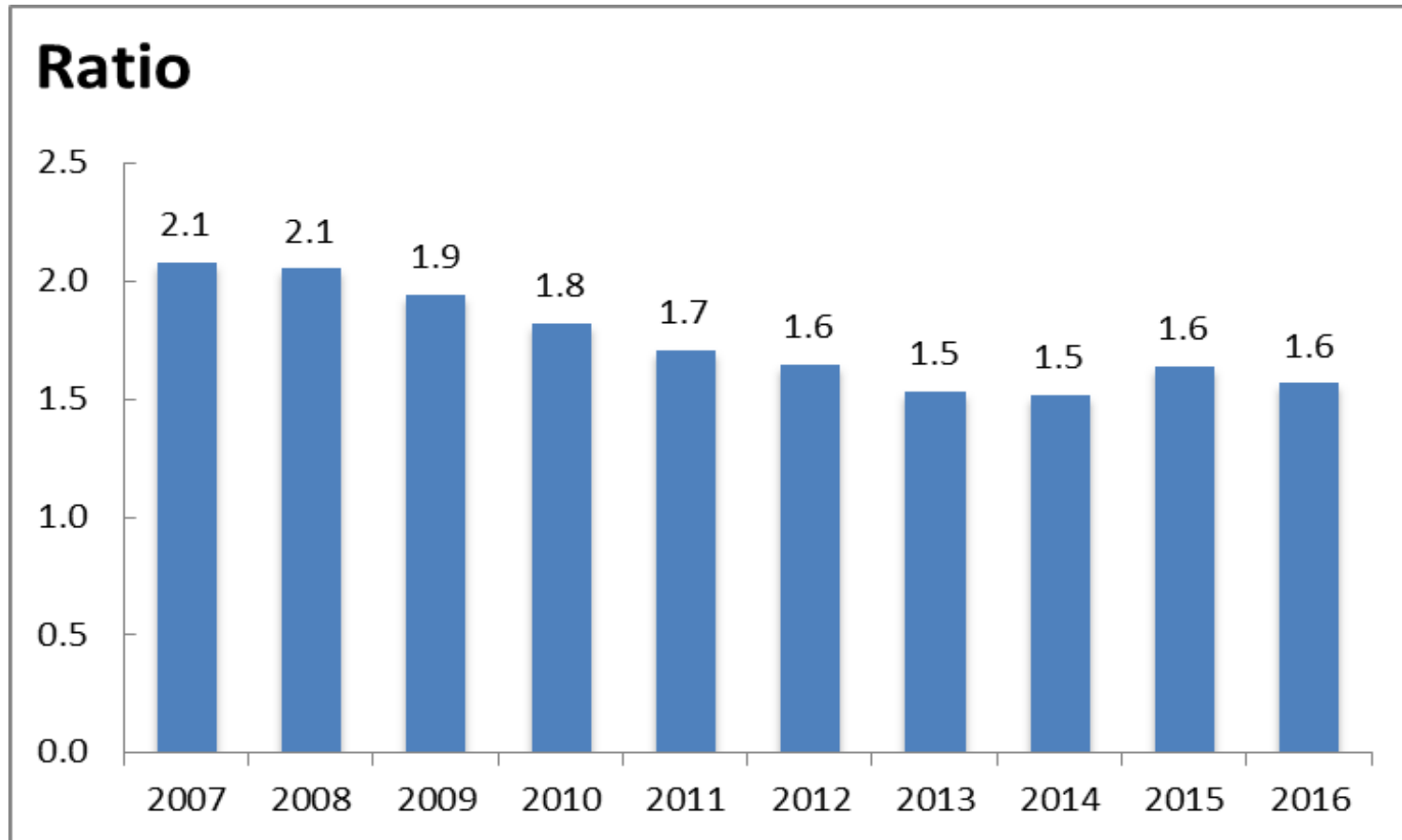


Program Information

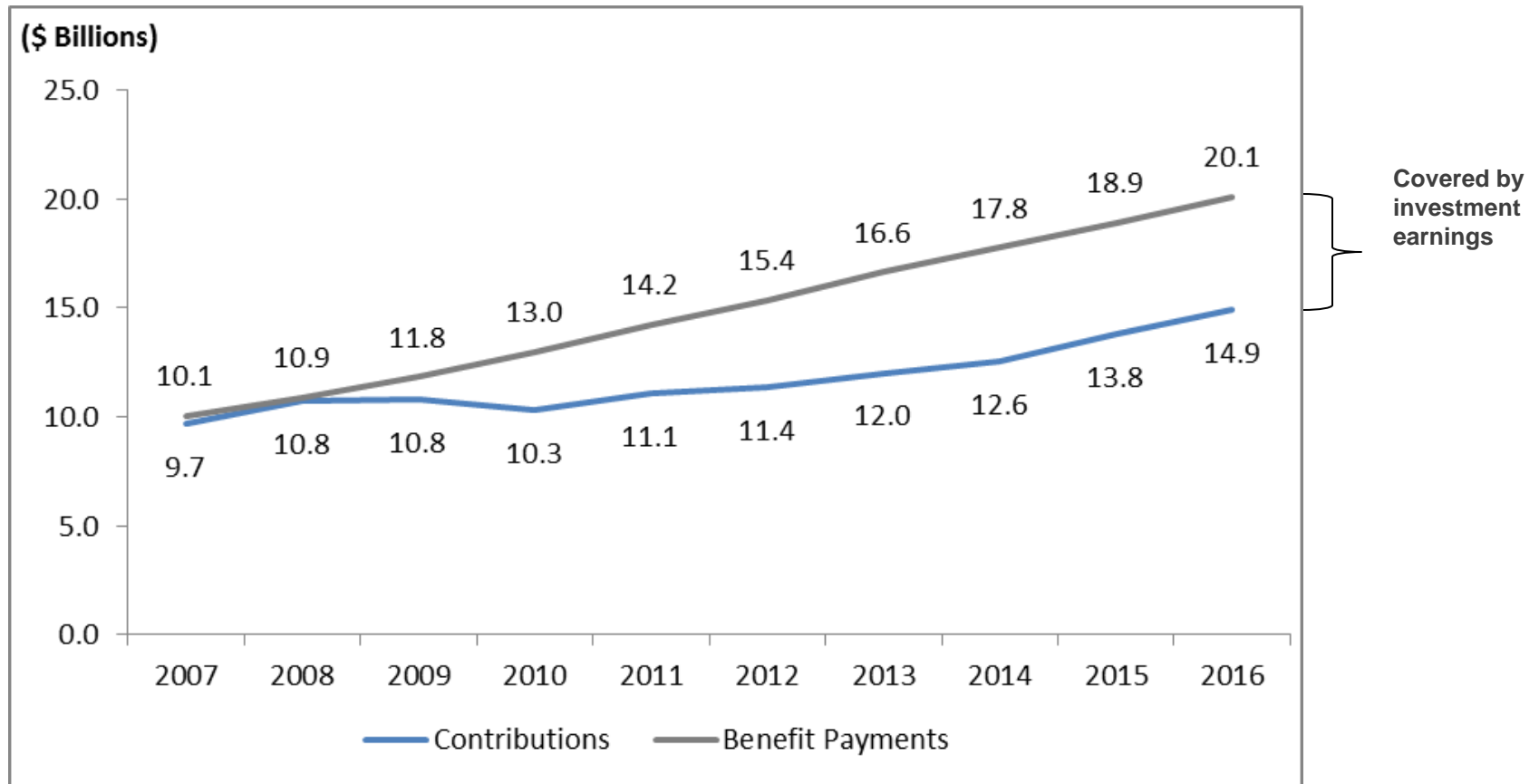
PERF Number of Active and Retired Members



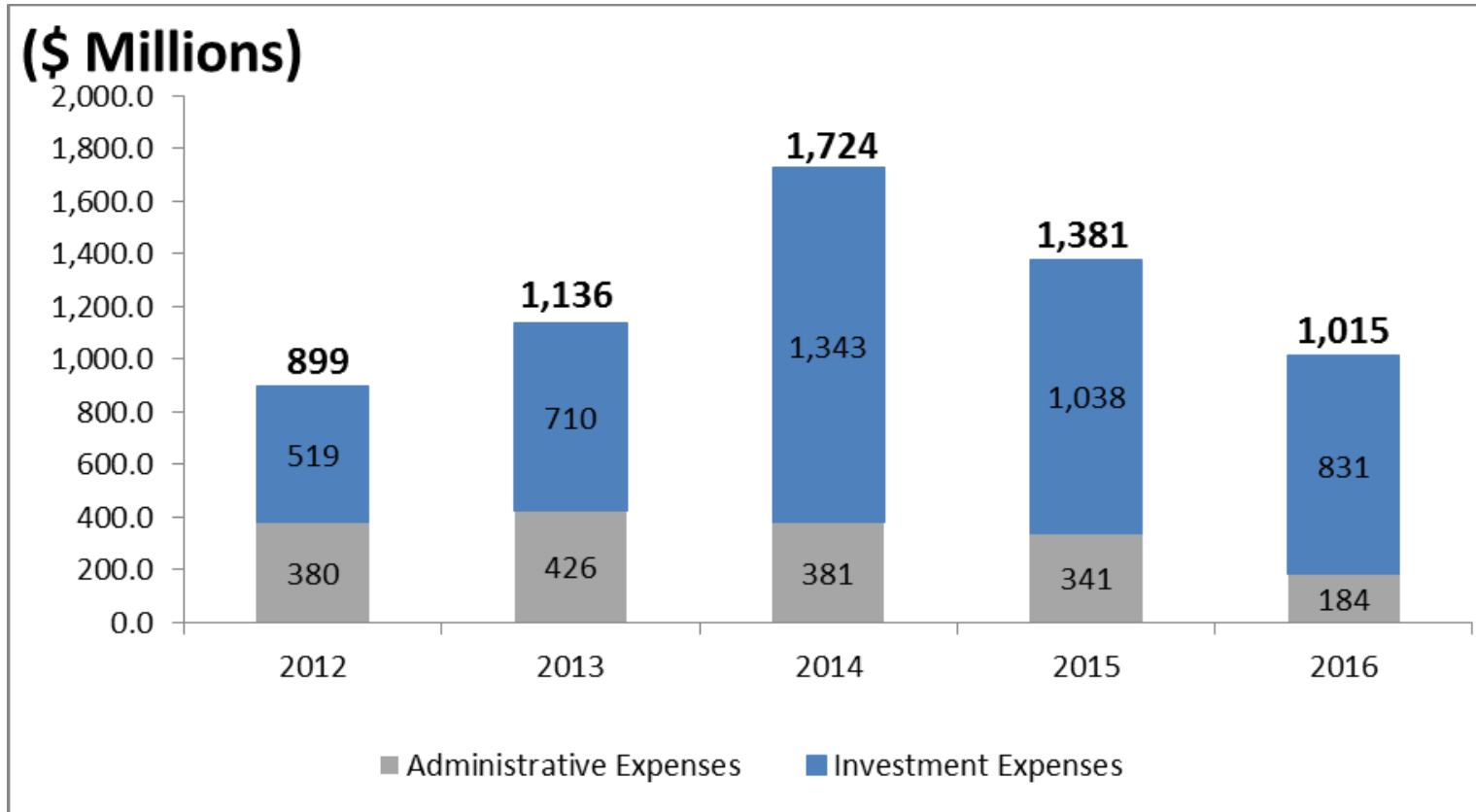
PERF Ratio of Active to Retired Members



PERF Benefit Payments & Contribution Income



PERF Investment and Administrative Cost



*Starting Fiscal Year 2013-14, investment salaries are being reclassified from administrative expenses to investment expenses.

Next Steps/Looking Forward

- Board approval of the Basic Financial Statements
- Finalization of CAFR (Comprehensive Annual Financial Report)
- No significant GASB changes impacting CalPERS for next year