

# California Employers' Retiree Benefit Trust Update

Annual Report

Finance & Administration Committee

September 19, 2017

# California Employers' Retiree Benefit Trust (CERBT) Overview

- The CERBT Fund is an Internal Revenue Code (IRC) Section 115 trust fund dedicated to prefunding Other Post Employment Benefits (OPEB) for all eligible California public agencies.

# CERBT customer retention

Three communication channels

Employer Rank by AUM	In-Person	1:1 Teleconference	E-mail	Total Completed
1-40	41	0	2	<b>43</b>
41-125	56	16	15	<b>87</b>
126-250	34	61	33	<b>128</b>
>250	27	18	217	<b>262</b>
Total	<b>158</b>	<b>95</b>	<b>267</b>	<b>520</b>

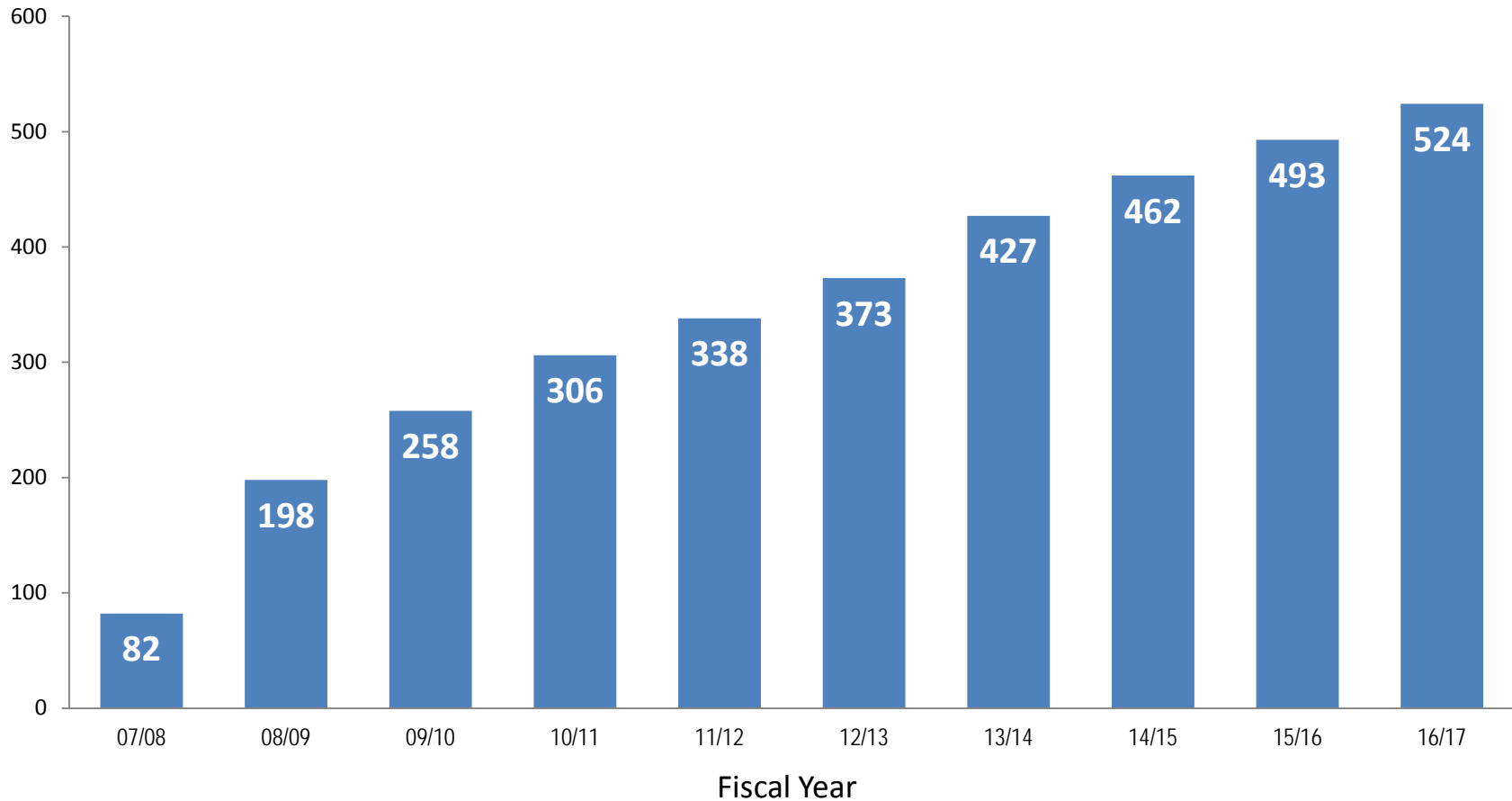
FY 2016-17

# CERBT workshop attendance

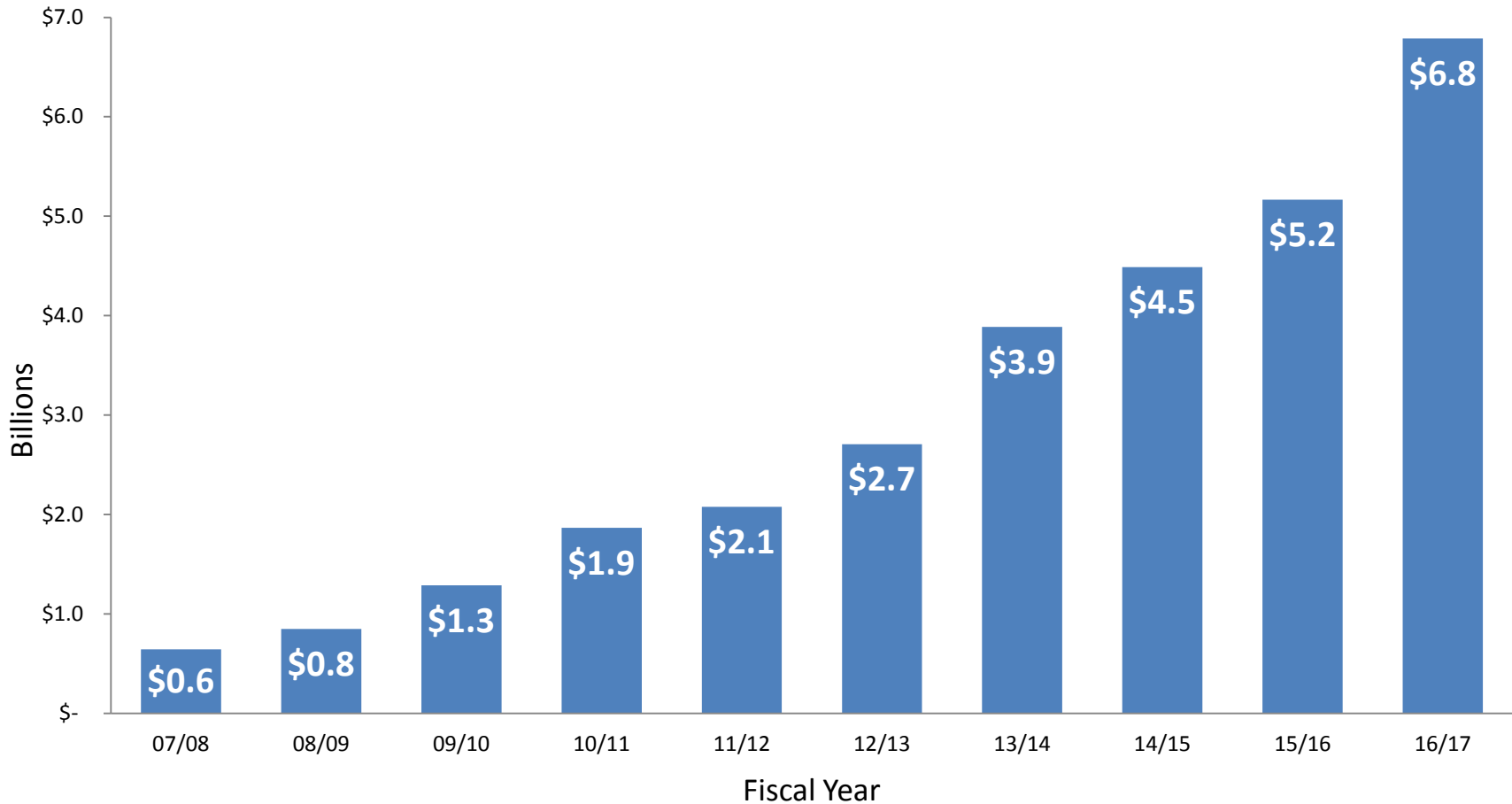
Workshop Location	Employers Attended	Individuals Attended
Fresno Regional Office	8	10
Glendale Regional Office	15	19
Orange Regional Office	18	26
Sacramento Headquarters	22	35
San Bernardino Regional Office	22	32
San Diego Regional Office	14	22
San Jose Regional Office	26	33
City of Thousand Oaks	7	10
Town of Truckee	8	12
Walnut Creek Regional Office	28	38
<b>Totals</b>	<b>168</b>	<b>237</b>

FY 2016-17

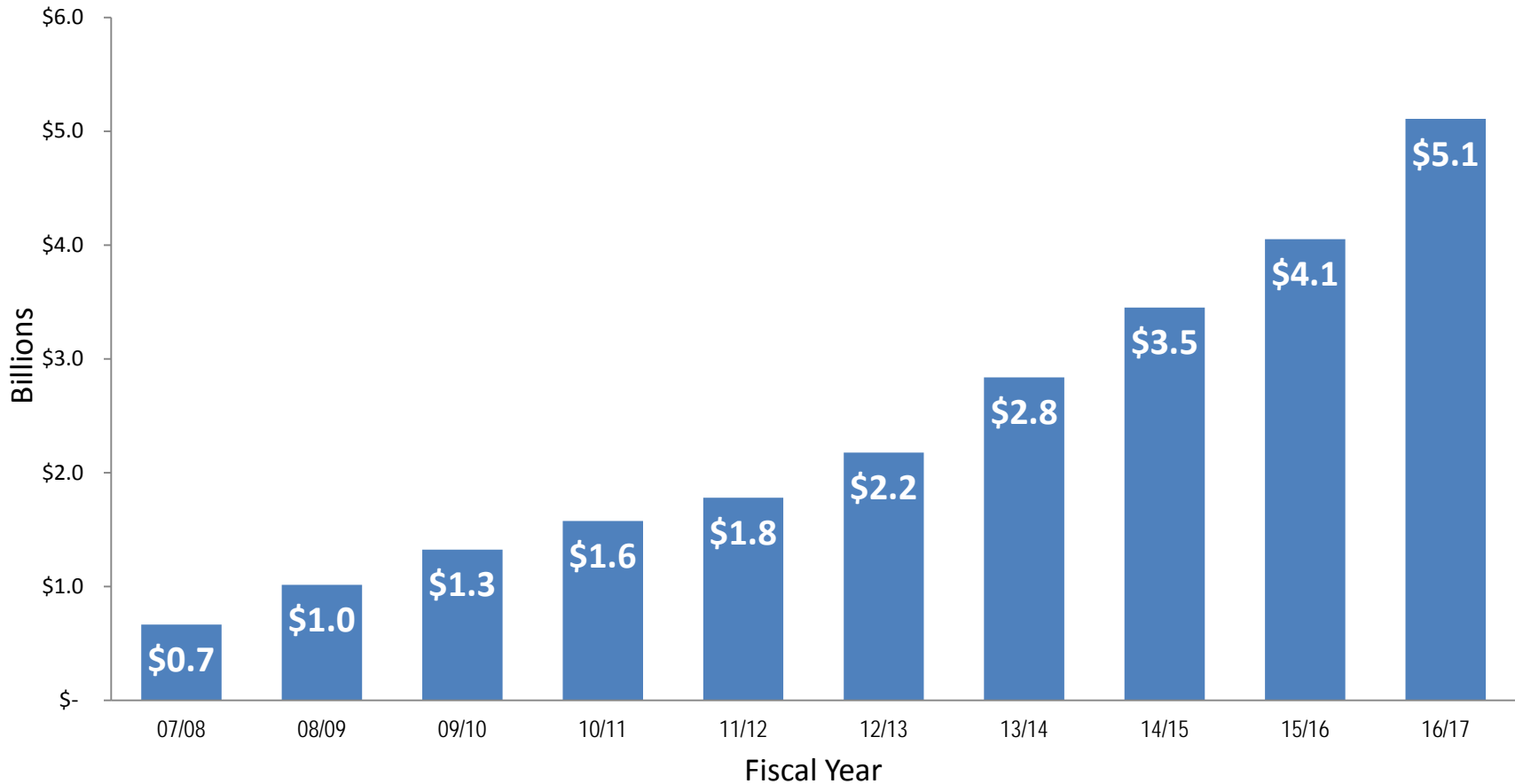
# CERBT cumulative contracted employer growth



# CERBT cumulative assets under management



# CERBT employer cumulative net contributions



# CERBT investment performance

Fund	Assets*	1 Year	3 Years**	5 Years**
Strategy 1 (Inception date 6/1/07)	\$5,655,309,379.77	10.52%	3.64%	8.02%
Benchmark		9.87%	3.23%	7.72%
Strategy 2 (Inception date 10/1/11)	\$880,296,150.70	7.18%	3.15%	6.61%
Benchmark		6.52%	2.80%	6.31%
Strategy 3 (Inception date 1/1/12)	\$260,575,304.09	4.07%	2.66%	5.08%
Benchmark		3.48%	2.31%	4.72%

\*Assets do not reflect accruals

\*\*Returns for periods greater than one year are annualized

Performance provided is net all expenses

As of 6/30/2017



## Pension stabilization trust market place impact on CERBT

	Public Agency Retirement Services (PARS)	Public Financial Management (PFM)	Keenan & Associates	Total
Confirmed agencies contracted for pension stabilization	88	3	1	92
Confirmed agencies contracted for pension stabilization & with CERBT	21	1	0	22
Confirmed agencies contracted for pension stabilization & interested in CERBT	61	1	0	62
Confirmed agencies contracted for pension stabilization that chose PARS over CERBT for OPEB	6	0	0	6