

# CERBT Account Update Summary

Town of Los Gatos

as of September 30, 2021

## OPEB Valuation Report Summary

OPEB Actuarial Valuation Report by Bartel Associates, LLC	
Valuation Date	6/30/2019
Total OPEB Liability (TOL)	\$27,017,000
Valuation Assets	\$18,341,000
Net OPEB Liability (NOL)	\$8,676,000
Funded Status	68%
Actuarially Determined Contribution (ADC)	\$1,860,000
CERBT Asset Allocation Strategy	Strategy 1
Discount Rate	6.75%

## CERBT Account Summary

As of September 30, 2021	Strategy 1
Initial contribution (06/29/2009)	\$400,000
Additional contributions	\$14,751,000
Disbursements	\$0
CERBT expenses	(\$107,277)
Investment earnings	\$11,078,080
Total assets	\$26,121,803
Annualized net rate of return (06/29/2009-09/30/2021 = 12.25 years)	9.5%

## 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	\$400,000	\$0	(\$28)	(\$2)	\$399,971
2009-10	\$550,000	\$0	\$60,907	(\$462)	\$1,010,445
2010-11	\$0	\$0	\$312,877	(\$1,958)	\$1,260,919
2011-12	\$1,910,000	\$0	\$416,755	(\$4,373)	\$3,272,382
2012-13	\$1,200,000	\$0	\$815,342	(\$9,740)	\$4,865,602
2013-14	\$1,300,000	\$0	\$1,717,930	(\$17,124)	\$7,060,806
2014-15	\$1,300,000	\$0	\$1,709,948	(\$24,242)	\$8,345,705
2015-16	\$1,500,000	\$0	\$1,828,698	(\$31,133)	\$9,957,565
2016-17	\$2,600,000	\$0	\$2,881,199	(\$39,994)	\$13,601,205
2017-18	\$1,600,000	\$0	\$3,968,811	(\$52,247)	\$16,276,565
2018-19	\$1,100,000	\$0	\$4,985,901	(\$66,129)	\$18,379,772
2019-20	\$1,100,000	\$0	\$5,646,311	(\$81,960)	\$20,124,351
2020-21	\$591,000	\$0	\$11,185,105	(\$101,574)	\$26,234,531
as of 9/30/2021	\$0	\$0	\$11,078,080	(\$107,277)	\$26,121,803

# CERBT/CEPPT Investment Returns Outperform Benchmarks

Periods ended August 31, 2021

Fund	Assets	1 Month	3 Months	FYTD	1 Year	3 Years	5 Years	10 Years	ITD
CERBT Strategy 1 (Inception June 1, 2007)	\$13,514,349,182	1.44%	4.23%	2.75%	21.39%	12.06%	10.79%	9.33%	6.41%
Benchmark		1.42%	4.16%	2.72%	21.18%	11.77%	10.43%	9.01%	5.99%
CERBT Strategy 2 (Inception October 1, 2011)	\$1,888,078,451	0.90%	4.11%	2.48%	15.73%	10.77%	9.01%	-	8.56%
Benchmark		0.89%	4.05%	2.46%	15.53%	10.56%	8.68%	-	8.27%
CERBT Strategy 3 (Inception January 1, 2012)	\$835,538,812	0.39%	3.92%	2.30%	11.28%	9.37%	7.26%	-	6.73%
Benchmark		0.39%	3.89%	2.29%	11.14%	9.19%	6.98%	-	6.42%
<b>CERBT Total</b>	<b>\$16,237,966,445</b>								
CEPPT Strategy 1 (Inception October 1, 2019)	\$42,198,265	0.98%	3.21%	2.17%	14.49%	-	-	-	12.26%
Benchmark		0.99%	3.10%	2.17%	14.30%	-	-	-	12.28%
CEPPT Strategy 2 (Inception January 1, 2020)	\$19,957,503	0.30%	2.44%	1.64%	6.85%	-	-	-	7.48%
Benchmark		0.30%	2.42%	1.63%	6.62%	-	-	-	7.32%
<b>CEPPT Total</b>	<b>\$62,155,768</b>								

## CERBT Expected Rates of Return & Risk

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

## 598 Prefunding Program Employers

587 CERBT and 47 CEPPT

- State of California
- 153 Cities or Towns
- 10 Counties
- 77 School Employers
- 31 Courts
- 326 Special Districts and other Public Agencies
  - (99 Water, 35 Sanitation, 33 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

FNP Fiscal Year	Availability
<a href="#">2015-16</a>	Available at <a href="https://www.calpers.ca.gov/cerbt">https://www.calpers.ca.gov/cerbt</a>
<a href="#">2016-17</a>	
<a href="#">2017-18</a>	
<a href="#">2018-19</a>	
<a href="#">2019-20</a>	
2020-21	February 2022

## Questions? Where to Get Trust Fund Information?

Name	Title	E-mail	Desk	Mobile
Matt Goss	Outreach & Support Program Manager	<a href="mailto:Matthew.Goss@calpers.ca.gov">Matthew.Goss@calpers.ca.gov</a>	(916) 795-9071	(916) 382-6487
Karen Lookingbill	Outreach & Support Manager	<a href="mailto:Karen.Lookingbill@calpers.ca.gov">Karen.Lookingbill@calpers.ca.gov</a>	(916) 795-1387	(916) 501-2219
Jasper Jacobs	Outreach & Support Analyst	<a href="mailto:Jasper.Jacobs@calpers.ca.gov">Jasper.Jacobs@calpers.ca.gov</a>	(916) 795-0432	(916) 717-3886
Jean MacDonald	Outreach & Support Analyst	<a href="mailto:Jean.MacDonald@calpers.ca.gov">Jean.MacDonald@calpers.ca.gov</a>	(916) 795-0675	(916) 291-1325
Colleen Cain-Herrback	Administration & Reporting Program Manager	<a href="mailto:Colleen.Cain-Herrback@calpers.ca.gov">Colleen.Cain-Herrback@calpers.ca.gov</a>	(916) 795-2474	(916) 505-2506
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	



**Town of Los Gatos**

CERBT Strategy 1

Entity #: SKB0-4589482285

Quarter Ended September 30, 2021



**Market Value Summary:**

	QTD Current Period	Fiscal Year to Date
Beginning Balance	\$26,234,530.84	\$26,234,530.84
Contribution	0.00	0.00
Disbursement	0.00	0.00
Transfer In	0.00	0.00
Transfer Out	0.00	0.00
Investment Earnings	(107,025.01)	(107,025.01)
Administrative Expenses	(3,294.42)	(3,294.42)
Investment Expense	(2,408.74)	(2,408.74)
Other	0.00	0.00
<b>Ending Balance</b>	<b>\$26,121,802.67</b>	<b>\$26,121,802.67</b>
FY End Contrib per GASB 74 Para 22	0.00	0.00
FY End Disbursement Accrual	0.00	0.00
<b>Grand Total</b>	<b>\$26,121,802.67</b>	<b>\$26,121,802.67</b>

**Unit Value Summary:**

	QTD Current Period	Fiscal Year to Date
Beginning Units	1,180,781.789	1,180,781.789
Unit Purchases from Contributions	0.000	0.000
Unit Sales for Withdrawals	0.000	0.000
Unit Transfer In	0.000	0.000
Unit Transfer Out	0.000	0.000
<b>Ending Units</b>	<b>1,180,781.789</b>	<b>1,180,781.789</b>
Period Beginning Unit Value	22.217933	22.217933
Period Ending Unit Value	22.122464	22.122464

Please note the Grand Total is your actual fund account balance at the end of the period, including all contributions per GASB 74 paragraph 22 and accrued disbursements. Please review your statement promptly. All information contained in your statement will be considered true and accurate unless you contact us within 30 days of receipt of this statement. If you have questions about the validity of this information, please contact CERBT-U@calpers.ca.gov.

Statement of Transaction Detail for the Quarter Ending 09/30/2021

Town of Los Gatos

Entity #: SKB0-4589482285



Date	Description	Amount	Unit Value	Units	Check/Wire	Notes
------	-------------	--------	------------	-------	------------	-------

Client Contact:  
CERBT4U@CalPERS.ca.gov