

CERBT Account Update Summary

Santa Monica-Malibu Unified School District

as of September 30, 2023

OPEB Valuation Report Summary

| OPEB Actuarial Valuation Report by Demsey, Filliger, and Associates | |
|---|--------------|
| Valuation Date | 7/1/2021 |
| Measurement Date | 7/1/2021 |
| Total OPEB Liability (TOL) | \$64,504,274 |
| Valuation Assets | \$7,739,924 |
| Net OPEB Liability (NOL) | \$56,764,350 |
| Funded Status | 12% |
| Actuarially Determined Contribution (ADC) | -- |
| CERBT Asset Allocation Strategy | Strategy 1 |
| Discount Rate | 2.52% |

CERBT Account Summary

| As of September 30, 2023 | Strategy 1 |
|--|-------------|
| Initial contribution (06/23/2016) | \$1,500,000 |
| Additional contributions | \$3,500,000 |
| Disbursements | \$0 |
| CERBT expenses | (\$35,511) |
| Investment earnings | \$1,884,299 |
| Total assets | \$6,848,788 |
| Annualized net rate of return (06/23/2016-09/30/2023 = 7.27 years) | 5.01% |

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 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2009-10 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2010-11 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2011-12 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2012-13 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2013-14 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2014-15 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2015-16 | \$1,500,000 | \$0 | (\$8,990) | (\$24) | \$1,490,986 |
| 2016-17 | \$2,500,000 | \$0 | \$224,277 | (\$1,830) | \$4,222,447 |
| 2017-18 | \$1,000,000 | \$0 | \$536,176 | (\$6,006) | \$5,530,170 |
| 2018-19 | \$0 | \$0 | \$879,948 | (\$10,719) | \$5,869,229 |
| 2019-20 | \$0 | \$0 | \$1,089,729 | (\$15,770) | \$6,073,959 |
| 2020-21 | \$0 | \$0 | \$2,761,612 | (\$21,688) | \$7,739,924 |
| 2021-22 | \$0 | \$0 | \$1,728,836 | (\$28,199) | \$6,700,637 |
| 2022-23 | \$0 | \$0 | \$2,161,672 | (\$33,991) | \$7,127,681 |
| as of 9/30/2023 | \$0 | \$0 | \$1,884,299 | (\$35,511) | \$6,848,788 |

CERBT/CEPPT Investment Returns Outperform Benchmarks

Periods ended August 31, 2023

| Fund | Assets | 1 Month | 3 Months | FYTD | 1 Year | 3 Years | 5 Years | 10 Years | ITD |
|---|-------------------------|---------|----------|--------|--------|---------|---------|----------|-------|
| CERBT Strategy 1 (Inception June 1, 2007) | \$15,284,492,297 | -2.43% | 3.97% | 0.33% | 4.78% | 3.02% | 4.86% | 6.21% | 4.93% |
| Benchmark | | -2.45% | 3.90% | 0.30% | 4.59% | 2.82% | 4.61% | 5.86% | 4.53% |
| CERBT Strategy 2 (Inception October 1, 2011) | \$1,845,156,567 | -2.18% | 2.45% | -0.20% | 2.21% | 0.70% | 3.70% | 5.04% | 5.96% |
| Benchmark | | -2.19% | 2.41% | -0.21% | 2.07% | 0.56% | 3.53% | 4.74% | 5.69% |
| CERBT Strategy 3 (Inception January 1, 2012) | \$777,279,443 | -1.96% | 1.36% | -0.53% | 0.39% | -0.62% | 2.90% | 4.10% | 4.42% |
| Benchmark | | -1.96% | 1.32% | -0.55% | 0.28% | -0.71% | 2.77% | 3.81% | 4.15% |
| CERBT Total | \$17,906,928,307 | | | | | | | | |
| CEPPT Strategy 1 (Inception October 1, 2019) | \$128,316,243 | -1.83% | 2.47% | 0.04% | 3.99% | 1.10% | - | - | 3.09% |
| Benchmark | | -1.88% | 2.41% | 0.00% | 3.74% | 0.89% | - | - | 2.98% |
| CEPPT Strategy 2 (Inception January 1, 2020) | \$45,226,251 | -1.36% | 0.99% | -0.25% | 1.87% | -1.47% | - | - | 0.26% |
| Benchmark | | -1.39% | 0.95% | -0.30% | 1.80% | -1.59% | - | - | 0.14% |
| CEPPT Total | \$173,542,494 | | | | | | | | |

CERBT Portfolios

| 2022 Capital Market Assumptions | CERBT Strategy 1 | CERBT Strategy 2 | CERBT Strategy 3 |
|---------------------------------|------------------|------------------|------------------|
| Expected Return | 6.0% | 5.5% | 5.0% |
| Risk | 12.1% | 9.9% | 8.4% |

CERBT Portfolio Details

| Asset Classification | Benchmark | CERBT Strategy 1 | CERBT Strategy 2 | CERBT Strategy 3 |
|--|--|------------------|------------------|------------------|
| Global Equity | MSCI All Country World Index IMI (Net) | 49% ±5% | 34% ±5% | 23% ±5% |
| Fixed Income | Bloomberg Long Liability Index | 23% ±5% | 41% ±5% | 51% ±5% |
| Global Real Estate (REITs) | FTSE EPRA/NAREIT Developed Index (Net) | 20% ±5% | 17% ±5% | 14% ±5% |
| Treasury Inflation Protected Securities (TIPS) | Bloomberg US TIPS Index, Series L | 5% ±3% | 5% ±3% | 9% ±3% |
| Commodities | S&P GSCI Total Return Index | 3% ±3% | 3% ±3% | 3% ±3% |
| Cash | 91-Day 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 | - |
| 2010-2012 | 12.00 basis points | - |
| 2012-2013 | 15.00 basis points | - |
| 2013-2014 | 14.00 basis points | - |
| 2014-2019 | 10.00 basis points | - |
| 2019-2023 | 10.00 basis points | 25.00 basis points |

632 Prefunding Program Employers

605 CERBT and 92 CEPPT

- State of California
- 160 Cities or Towns
- 10 Counties
- 83 School Employers
- 32 Courts
- 345 Special Districts and other Public Agencies
 - (106 Water, 36 Sanitation, 34 Fire, 26 Transportation)

Financial Reporting

- CERBT is the Plan
 - Provides audited and compliant GASB 75 report in a Schedule of Changes in Fiduciary Net Position (FNP)
 - Published in February each year

| CERBT FNP Fiscal Year | Availability |
|--------------------------------|--|
| <u>2019-20</u> | Available at <u>https://www.calpers.ca.gov/cerbt</u> |
| <u>2020-21</u> | |
| <u>2021-22</u> | |
| 2022-23 | February 2024 |

Questions? Where to Get Trust Fund Information?

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| Program E-mail Addresses | Prefunding Programs Webpages |
|---|--|
| CEPPT4U@calpers.ca.gov – Questions & Document Submittal | www.calpers.ca.gov/CEPPT |
| CERBT4U@calpers.ca.gov – Questions & Document Submittal | www.calpers.ca.gov/CERBT |
| CERBTACCOUNT@calpers.ca.gov – Online Record Keeping System | www.your-fundaccount.com/calpers |