

MONTEREY PENINSULA REGIONAL PARK DISTRICT  
STAFF REPORT

**BOARD MEETING:** August 5, 2020  
**SUBJECT:** CalPERS Pension and CERBT Update  
**PRESENTER:** Kelly McCullough, Finance Manager  
**REPORT:** CalPERS Pension

CalPERS recently reported that their preliminary net return on investments for the 2019-2020 fiscal year was 4.7%.

Based on this return, CalPERS reports that the overall funded status of the retirement fund is 70% (based on a 7% discount rate). The fund has total assets of approximately \$389 billion.

This return will cause participating districts' contributions to rise with the effects being felt by local public agencies in the 2022-2023 fiscal year.

Our current FY2020-21 contribution rate is 23.202% for Classic employees and 7.847% for PEPRA employees. For the FY2021-22 rates were projected to be 23.2% and 7.8% respectively.

Staff will provide an update on FY2022-23 rates when CalPERS releases the next valuation early this fall.

California Employer's Retirement Benefit Trust (CERBT)

The District's CERBT Trust funds, which may be used to pay for retiree health benefits only, have continued to recover the early COVID-19 economy losses. As of the writing of this report (7/16/20) the balance was \$2,723,728.

The District's most recent actuarial valuation determined an Actuarial Present Value of Projected Benefit Payments (APVPBP) for all current and former employees, as of June 30, 2019, to be \$3,030,308. This is the amount the District would theoretically need to set aside at this time to fully fund all those future benefits.

This is a difference of only \$306,580 from being fully funded. An accomplishment that only 97 of the 572 agencies participating in the CERBT have been able to achieve.

While this is very promising news, hold onto your seats, as there is quite likely more turbulence ahead.

**FISCAL IMPACT:** Not Applicable – Informational Only

**FUNDING BALANCE:** Not Applicable – Informational Only

**RECOMMENDATION:** No action is necessary. This report is informational only.