

Board of Trustees Agenda Item

Board Meeting Date: 6/6/11

Title of Item: Transfer of 2010/11 OPEB Obligation to CERBT

Background and Analysis:

Governmental Accounting Standards Board (GASB) Statement number 45 requires the district to treat Other Post Employment Benefits (OPEB) on an accrual basis, rather than on a pay-as-you-go basis. As a result, the district has contracted with the CalPERS California Employers' Retiree Benefit Trust (CERBT), an irrevocable trust, to fund the district's actuarial accrued liability.

The district's actuarial accrued liability as of June 30, 2010 was \$106,692,763. As of June 30, 2010, the District has transferred \$4,661,801 to the irrevocable trust. The fair market value of the funds held with the CERBT as of March 31, 2011 is \$5,825,921.

The Adopted Budget for 2010-11 included a contribution of \$400,000 to fully fund the Annual Required Contribution (ARC) for this fiscal year. Staff will, prior to June 30, 2011; make this transfer as reflected in the 2010-11 Adopted Budget.

Recommendation: Information Only

Submitted by:	Kevin McElroy
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Is backup provided?	No