

Audit and Finance Agenda Item

Board Meeting Date: 5/31/12

Title of Item: Transfer of 2011/12 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, 2011 was \$106,692,763. As of June 30, 2011, the District has transferred \$5,061,801 to the irrevocable trust. The fair market value of the funds held with the CERBT as of March 31, 2012 was \$6,471,468.

The Adopted Budget for 2011-12 included a contribution of \$250,000 to fully fund the Annual Required Contribution (ARC) for this fiscal year. Staff will make this transfer of \$250,000 to CERBT prior to June 30 2012, as reflected in the 2011-12 Adopted Budget.

Recommendation: (specify if information only)

Information only.

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Is backup provided?	No