



**THE STATE BAR
OF CALIFORNIA**

OFFICE OF FINANCE

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M E M O R A N D U M

DATE: July 21, 2016

TO: Members, Planning and Budget Committee Members, Board of Trustees

FROM: Christine Wong, Chief Financial Officer

SUBJECT: Executive Retirement Health Benefit (OPEB) Investment Report for the Second Quarter Ended June 30, 2016

Attached is the 2016 second quarter investment report for the State Bar's Executive Retirement Health Benefit (known as OPEB) asset.

As of June 30, 2016, the market value of the OPEB assets totaled \$21.7 million. Rate of return of the entire portfolio since date of inception is 11.7%, with an unrealized gain of \$2.27 million.

The Governmental Accounting Standards Board (GASB) requires employers to prepare an actuarial valuation report and to measure the net OPEB liability on a biennial basis. The last valuation report was completed in January 2016, with measurement date of June 30, 2015. In this valuation report, the actuary determined that the annual required contributions for 2015 is approximately \$1.0 million. The Year to Date actual contribution for 2016 is \$0.50 million.

**The State Bar of California
OPEB Investment Report Summary
March 31, 2016**

<u>Asset Group</u>	<u>Original Cost</u>	<u>Market Value</u>	<u>Yield from Date of inception</u>
- CalPERS CERBT Fund Stratgy 3 Investment	\$ 19,150,401	\$ 20,803,804	8.63%
Subtotal-CalPERS CERBT Fund Investment:	<u><u>\$ 19,150,401</u></u>	<u><u>\$ 20,803,804</u></u>	
 Grand Total	 <u><u>\$ 19,150,401</u></u>	 <u><u>\$ 20,803,804</u></u>	
 Unrealized Gain/(Loss)-Securities, Bonds and Notes:			
Market Value of Portfolio		\$ 20,803,804	
Original Cost of Portfolio		19,150,401	
Unrealized Gain/(Loss):		<u><u>\$ 1,653,403</u></u>	