

RIVERSIDE COMMUNITY COLLEGE DISTRICT
OTHER POST-EMPLOYMENT BENEFITS
IRREVOCABLE TRUST

Asset Allocation Committee

Monday, March 22, 2021 – 1:00 p.m. to 3:00 p.m.

Via Zoom

AGENDA

- I. Welcome and Call to Order
- II. Meeting Notes for September 21, 2020
 - A. OPEB Irrevocable Trust Activity for the Period Ended December 31, 2020
and February 28, 2021
 - B. Market Value Summary and Transaction Detail for the Quarter Ended
December 31, 2020
 - C. Investment Strategy Reports for the Month Ended January 31, 2021
- III. Next Meeting
 - A. TBD

**OTHER POST-EMPLOYMENT BENEFITS
IRREVOCABLE TRUST
ASSET ALLOCATION COMMITTEE
September 21, 2020**

Agenda & Meeting Notes

Attendees: Aaron S. Brown, Amber Casolari, Michael Collins, Elena Santa Cruz, Dwight Tate, John Geraghty (Guest), and Misty Griffin (Guest)

HANDOUTS:

- Meeting Notes for March 9, 2020
- OPEB Irrevocable Trust Activity for the Period Ended June 30, 2020 and August 31, 2020
- Market Value Summary and Transaction Detail for the Quarter Ended June 30, 2020
- Investment Strategy Reports for the Month Ended July 31, 2020

AGENDA:

- ❖ Review Activity and Report Handouts

NOTES:

1. Meeting was conducted by Zoom.
2. Meeting notes for March 9, 2020 were reviewed. Motion by Tate, Second by Casolari. No changes or corrections.
3. Brown welcomed the meeting attendees.
4. Collins asked for some quick background information regarding the OPEB Trust. Brown provided the background, indicating that the Governmental Accounting Standards Board (GASB) requires estimating the liability for other post-employment benefits such as health and booking the liability. Each year, the district undergoes an actuarial valuation to determine the size of the future retiree health liability for financial statement disclosure purposes. A minimum of \$250,000 per year, based on charging a rate per each dollar of payroll paid, is placed into an irrevocable trust maintained by CalPERS. This amount is to pay for future retiree health benefits. In addition, an amount is funded into the OPEB each year to pay for current retirees health insurance costs (pay-as-you-go). This same amount, or less if actual costs are less, is then withdrawn at the end of each fiscal year to reimburse the district for retiree health insurance. Collins asked how much the actuarial liability is. Brown responded that he didn't know the amount offhand but estimated between \$40 and \$50 million. Brown indicated that he would forward that information to the Committee. Collins also asked if there were different tiers of retirees and clarified that he was referring to retirees who are

covered for their lifetime vs. retirees covered until age 65. Brown indicated that he believed there was only one retiree dependent still receiving lifetime coverage. Brown turned it over to Geraghty to go over the financial activity of the trust.

5. Geraghty briefly described how the trust worked and the financial activity. He then turned it over to Griffin to go over the financial activity for June 30, 2020 and for August 31, 2020.
6. Griffin described the contributions for pay-as-you-go and for future retirees, investment earnings, trust expenses, fund balance, and that the OPEB Trust statements agreed to the financial activity reports. There were no questions.
7. Brown reviewed the CERBT Investment Strategy reports from CalPERS as of June 30, 2020, comparing Strategy 2 results to Strategies 1 & 3. Brown noted the annual return was reasonable in comparison. Brown asked the Committee if they wanted to recommend a change of strategy. All indicated that they should “stay the course” and not make any changes.
8. Next meeting date was set for Monday, March 22, 2021 at 1pm.

Riverside Community College District
OPEB Irrevocable Trust Activity - CalPERS CERBT
For the Period Ended December 31, 2020

Revenues

Contributions

Pay-As-You-Go \$ 3,100,644

Future Retirees 157,833

Investment Earnings 556,154

Total Revenues \$ 3,814,631

Expenditures

CERBT Administrative Expense 1,264

Investment Expense 924

Distributions for Retiree Health Insurance -

Total Expenditures 2,188

Revenues Over (Under) Expenditures \$ 3,812,443

Beginning Fund Balance 2,234,270

Ending Fund Balance 6,046,713

Riverside Community College District
OPEB Irrevocable Trust Activity - CalPERS CERBT
For the Period Ended February 28, 2021

Revenues

Contributions

Pay-As-You-Go	\$	3,100,644	
Future Retirees		213,317	
Investment Earnings		550,768	
Total Revenues			<u>\$ 3,864,730</u>

Expenditures

CERBT Administrative Expense		1,748	
Investment Expense		1,278	
Distributions for Retiree Health Insurance		-	
Total Expenditures			<u>3,027</u>

Revenues Over (Under) Expenditures \$ 3,861,703

Beginning Fund Balance 2,234,270

Ending Fund Balance 6,095,973

Riverside Community College District

CERBT Strategy 2

Entity #: SKB7-1832356320-001

Quarter Ended December 31, 2020

**Market Value Summary:**

	QTD Current Period	Fiscal Year to Date
Beginning Balance	\$5,511,482.74	\$2,234,270.48
Contribution	78,095.49	3,258,477.09
Disbursement	0.00	0.00
Transfer In	0.00	0.00
Transfer Out	0.00	0.00
Investment Earnings	458,363.80	556,153.55
Administrative Expenses	(709.80)	(1,263.80)
Investment Expense	(519.00)	(924.09)
Other	0.00	0.00
Ending Balance	\$6,046,713.23	\$6,046,713.23
FY End Contrib per GASB 74 Para 22	0.00	0.00
FY End Disbursement Accrual	0.00	0.00
Grand Total	\$6,046,713.23	\$6,046,713.23

Unit Value Summary:

	QTD Current Period	Fiscal Year to Date
Beginning Units	292,139.322	123,337.149
Unit Purchases from Contributions	3,978.325	172,780.498
Unit Sales for Withdrawals	0.000	0.000
Unit Transfer In	0.000	0.000
Unit Transfer Out	0.000	0.000
Ending Units	296,117.647	296,117.647
Period Beginning Unit Value	18.865939	18.115145
Period Ending Unit Value	20.419969	20.419969

Please note the Grand Total is your actual fund account balance at the end of the period, including all contributions per GASB 74 paragraph 22 and accrued disbursements. Please review your statement promptly. All information contained in your statement will be considered true and accurate unless you contact us within 30 days of receipt of this statement. If you have questions about the validity of this information, please contact CERBT4U@calpers.ca.gov.

Statement of Transaction Detail for the Quarter Ending 12/31/2020

Riverside Community College District

Entity #: SKB7-1832356320-001



Date	Description	Amount	Unit Value	Units	Check/Wire	Notes
10/19/2020	Contribution	\$24,067.75	\$19.076174	1,261.665	WIRE 2020101900637 760	
11/16/2020	Contribution	\$26,911.49	\$19.703576	1,365.818	WIRE 2020111600640 670	
12/04/2020	Contribution	\$27,116.25	\$20.073587	1,350.842	WIRE 2020120400412 143	

Client Contact:
CERBT4U@CalPERS.ca.gov

CERBT Strategy 1

January 31, 2021



Objective

The CERBT Strategy 1 portfolio seeks to provide capital appreciation and income consistent with its strategic asset allocation. There is no guarantee that the portfolio will achieve its investment objective.

Strategy

The CERBT Strategy 1 portfolio is invested in various asset classes. CalPERS periodically adjusts the composition of the portfolio in order to match the target allocations. Generally, equities are intended to help build the value of the employer's portfolio over the long term while bonds are intended to help provide income and stability of principal. Also, strategies invested in a higher percentage of equities seek higher investment returns (but assume more risk) compared with strategies invested in a higher percentage of bonds.

Compared with CERBT Strategy 2 and Strategy 3, this portfolio has a higher allocation to equities than bonds and other assets. Historically, equities have displayed greater price volatility and, therefore, this portfolio may experience greater fluctuation of value. Employers that seek higher investment returns, and are able to accept greater risk and tolerate more fluctuation in returns, may wish to consider this portfolio.

CalPERS Board may change the list of approved asset classes in composition as well as targeted allocation percentages and ranges at any time.

Assets Under Management

As of the specified reporting month-end:

CERBT Strategy 1	Annual Operating Ratio
\$11,602,219,426	0.10%

Composition

Asset Class Allocations and Benchmarks

The CERBT Strategy 1 portfolio consists of the following asset classes and corresponding benchmarks:

Asset Class	Target Allocation ¹	Target Range	Benchmark
Global Equity	59%	± 5%	MSCI All Country World Index IMI (net)
Fixed Income	25%	± 5%	Bloomberg Barclays Long Liability Index
Treasury Inflation-Protected Securities ("TIPS")	5%	± 3%	Bloomberg Barclays US TIPS Index, Series L
Real Estate Investment Trusts ("REITs")	8%	± 5%	FTSE EPRA/NAREIT Developed Index (net)
Commodities	3%	± 3%	S&P GSCI Total Return Index
Cash	-	+ 2%	91 Day Treasury Bill

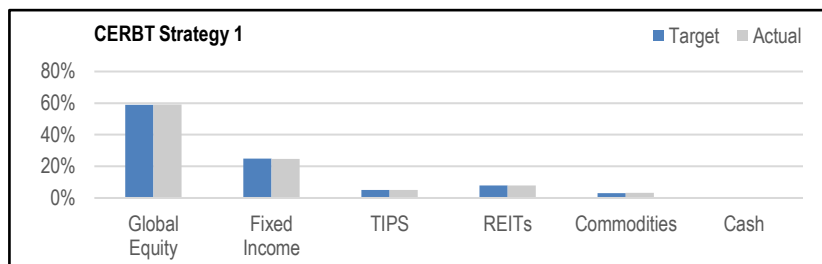
¹ Allocations were approved by the Board at the May 2018 Investment Committee meeting.

Portfolio Benchmark

The CERBT Strategy 1 benchmark is a composite of underlying asset class market indices, each assigned the target weight for the asset class it represents.

Target vs. Actual Asset Class Allocations¹

The following chart shows policy target allocations compared with actual asset allocations as of the specified reporting month-end. CalPERS may temporarily deviate from the target allocation to a particular asset class based on market, economic, or other considerations.



¹ Cash allocation may be higher when contributions are made to the fund/strategy on the last day of the month. These contributions are generally invested based on the target allocation within 2 business days.

CERBT Strategy 1 Performance as of January 31, 2021

	1 Month	3 Months	Fiscal YTD	1 Year	3 Years*	5 Years*	10 Years*	Since Inception* (June 1, 2007)
Gross Return ^{1,3}	-0.41%	12.75%	16.65%	13.03%	7.60%	10.74%	7.82%	5.79%
Net Return ^{2,3}	-0.42%	12.72%	16.59%	12.93%	7.51%	10.65%	7.71%	5.72%
Benchmark Returns	-0.42%	12.69%	16.52%	12.58%	7.31%	10.30%	7.54%	5.36%
Standard Deviation ⁴	-	-	-	-	13.05%	10.58%	10.09%	12.90%

Performance quoted represents past performance, which is no guarantee of future results that may be achieved by the fund.

* Returns for periods greater than one year are annualized.

¹ Gross performance figures are provided net of SSGA operating expenses.

² Net Performance figures deduct all expenses to the fund, including investment management, administrative and recordkeeping fees.

³ See the Expense section of this document.

⁴ Standard Deviation is based on gross returns.

CERBT Strategy 1



January 31, 2021

General Information

Information Accessibility

The CERBT Strategy 1 portfolio consists of assets managed internally by CalPERS and/or by external advisors. Since it is not a mutual fund, a prospectus is not available and daily holdings are not published. CalPERS provides a quarterly statement of the employer's account and other information about the CERBT. For total market value, detailed asset allocation, investment policy and current performance information, please visit our website at: www.calpers.ca.gov.

Portfolio Manager Information

The CalPERS Board, through its Investment Committee, directs the CERBT investment strategy based on policies approved by the Board of Administration. State Street Global Advisors (SSGA) manages all underlying investments for CERBT, which includes: Global Equity, Fixed Income, Real Estate Investment Trusts, Treasury Inflation-Protected Securities, and Commodities.¹

Custodian and Record Keeper

State Street Bank serves as custodian for the CERBT. Northeast Retirement Services serves as recordkeeper.

Expenses

CERBT is a self-funded trust in which participating employers pay for all administrative and investment expenses. Expenses reduce the gross investment return by the fee amount. The larger the expenses, the greater the reduction of investment return. Currently, CERBT expenses are 0.10% which consist of administrative expenses borne by CalPERS to administer and oversee the Trust assets, investment management and administrative fees paid to SSGA to manage all asset classes, and recordkeeping fees paid to Northeast Retirement Services to administer individual employer accounts. The expenses described herein are reflected in the net asset value per unit. The expense ratio is subject to change at any time and without prior notification due to factors such as changes to average fund assets or market conditions. CalPERS reviews the operating expenses annually and changes may be made as appropriate. Even if the portfolio loses money during a period, the expenses will still be charged.

What Employers Own

Each employer invested in CERBT Strategy 1 owns units of this portfolio, which invests in pooled asset classes managed by CalPERS and/or external advisors. Employers do not have direct ownership of the securities in the portfolio.

Price

The value of the portfolio changes daily based upon the market value of the underlying securities. Just as prices of individual securities fluctuate, the portfolio's value also changes with market conditions.

Principal Risks of the Portfolio

The CalPERS CERBT Fund provides California government employers with a trust through which they may prefund retiree medical costs and other post-employment benefits (OPEB). CERBT is not, however, a defined benefit plan. There is no guarantee that the portfolio will achieve its investment objectives or provide sufficient funding to meet employer obligations. Further, CalPERS will not make up the difference between an employer's CERBT assets and the actual cost of OPEB provided to an employer's plan members.

An investment in the portfolio is not a bank deposit, nor is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC), CalPERS, the State of California or any other government agency.

There are risks associated with investing, including possible loss of principal. The portfolio's risk depends in part on the portfolio's asset class allocations and the selection, weighting and risks of the underlying investments. For more information about investment risks, please see the document entitled "CERBT Principal Investment Risks" located at www.calpers.ca.gov.

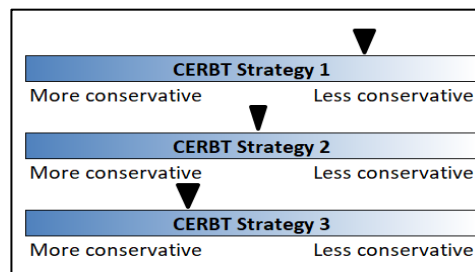
Fund Performance

Performance data shown on page 1 represents past performance and is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that an employer's units, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than historical performance data shown. For current performance information, please visit www.calpers.ca.gov and follow the links to California Employers' Retiree Benefit Trust.

CERBT Strategy Risk Levels

CalPERS offers employers the choice of one of three investment strategies. Projected risk levels among strategies vary, depending upon the target asset class allocations. Generally, equities carry more risk than fixed income securities.

Asset Class Target Allocations ¹	Strategy 1	Strategy 2	Strategy 3
Global Equity	59%	40%	22%
Fixed Income	25%	43%	49%
Treasury Inflation-Protected Securities	5%	5%	16%
Real Estate Investment Trusts	8%	8%	8%
Commodities	3%	4%	5%



¹ Since June 2018 SSGA has passively managed all CERBT asset classes. Previously Fixed Income, TIPS and Commodity asset classes were managed internally by CalPERS.

CERBT Strategy 2

January 31, 2021



Objective

The CERBT Strategy 2 portfolio seeks to provide capital appreciation and income consistent with its strategic asset allocation. There is no guarantee that the portfolio will achieve its investment objective.

Strategy

The CERBT Strategy 2 portfolio is invested in various asset classes. CalPERS periodically adjusts the composition of the portfolio in order to match the target allocations. Generally, equities are intended to help build the value of the employer's portfolio over the long term while bonds are intended to help provide income and stability of principal. Also, strategies invested in a higher percentage of equities seek higher investment returns (but assume more risk) compared with strategies invested in a higher percentage of bonds.

Compared with CERBT Strategy 1 and Strategy 3, this portfolio has a moderate allocation to equities, bonds and other assets. Historically, equities have displayed greater price volatility and, therefore, this portfolio may experience comparatively less fluctuation of value compared to CERBT Strategy 1 but more fluctuation of value compared to CERBT Strategy 3. Employers that seek a moderate approach to investing may wish to consider this portfolio.

CalPERS Board may change the list of approved asset classes in composition as well as targeted allocation percentages and ranges at any time.

Assets Under Management

As of the specified reporting month-end:

CERBT Strategy 2	Annual Operating Ratio
\$1,665,948,943	0.10%

Composition

Asset Class Allocations and Benchmarks

The CERBT Strategy 2 portfolio consists of the following asset classes and corresponding benchmarks:

Asset Class	Target Allocation ¹	Target Range	Benchmark
Global Equity	40%	± 5%	MSCI All Country World Index IMI (net)
Fixed Income	43%	± 5%	Bloomberg Barclays Long Liability Index
Treasury Inflation-Protected Securities ("TIPS")	5%	± 3%	Bloomberg Barclays US TIPS Index, Series L
Real Estate Investment Trusts ("REITs")	8%	± 5%	FTSE EPRA/NAREIT Developed Index (net)
Commodities	4%	± 3%	S&P GSCI Total Return Index
Cash	-	+ 2%	91 Day Treasury Bill

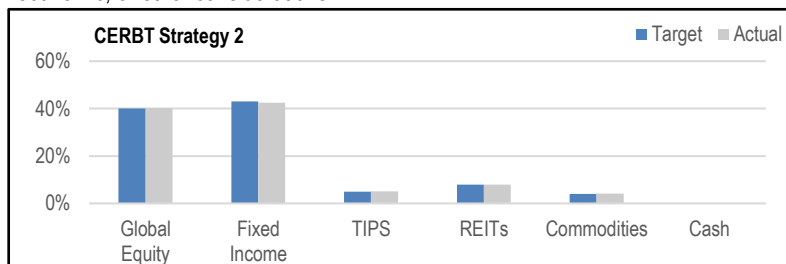
¹ Allocations were approved by the Board at the May 2018 Investment Committee meeting.

Portfolio Benchmark

The CERBT Strategy 2 benchmark is a composite of underlying asset class market indices, each assigned the target weight for the asset class it represents.

Target vs. Actual Asset Class Allocations¹

The following chart shows policy target allocations compared with actual asset allocations as of the specified reporting month-end. CalPERS may temporarily deviate from the target allocation to a particular asset class based on market, economic, or other considerations.



¹ Cash allocation may be higher when contributions are made to the fund/strategy on the last day of the month. These contributions are generally invested based on the target allocation within 2 business days.

CERBT Strategy 2 Performance as of January 31, 2021

	1 Month	3 Months	Fiscal YTD	1 Year	3 Years*	5 Years*	10 Years*	Since Inception* (October 1, 2011)
Gross Return ^{1,3}	-0.62%	9.51%	12.07%	10.85%	7.41%	9.34%	-	8.06%
Net Return ^{2,3}	-0.63%	9.49%	12.01%	10.76%	7.32%	9.24%	-	7.95%
Benchmark Returns	-0.64%	9.45%	11.94%	10.52%	7.18%	8.91%	-	7.76%
Standard Deviation ⁴	-	-	-	-	10.06%	8.24%	-	7.86%

Performance quoted represents past performance, which is no guarantee of future results that may be achieved by the fund.

* Returns for periods greater than one year are annualized.

¹ Gross performance figures are provided net of SSGA operating expenses.

² Net Performance figures deduct all expenses to the fund, including investment management, administrative and recordkeeping fees.

³ See the Expense section of this document.

⁴ Standard Deviation is based on gross returns.

CERBT Strategy 2

January 31, 2021



General Information

Information Accessibility

The CERBT Strategy 2 portfolio consists of assets managed internally by CalPERS and/or by external advisors. Since it is not a mutual fund, a prospectus is not available and daily holdings are not published. CalPERS provides a quarterly statement of the employer's account and other information about the CERBT. For total market value, detailed asset allocation, investment policy and current performance information, please visit our website at: www.calpers.ca.gov.

Portfolio Manager Information

The CalPERS Board, through its Investment Committee, directs the CERBT investment strategy based on policies approved by the Board of Administration. State Street Global Advisors (SSGA) manages all underlying investments for CERBT, which includes: Global Equity, Fixed Income, Real Estate Investment Trusts, Treasury Inflation-Protected Securities, and Commodities.¹

Custodian and Record Keeper

State Street Bank serves as custodian for the CERBT. Northeast Retirement Services serves as recordkeeper.

Expenses

CERBT is a self-funded trust in which participating employers pay for all administrative and investment expenses. Expenses reduce the gross investment return by the fee amount. The larger the expenses, the greater the reduction of investment return. Currently, CERBT expenses are 0.10% which consist of administrative expenses borne by CalPERS to administer and oversee the Trust assets, investment management and administrative fees paid to SSGA to manage all asset classes, and recordkeeping fees paid to Northeast Retirement Services to administer individual employer accounts. The expenses described herein are reflected in the net asset value per unit. The expense ratio is subject to change at any time and without prior notification due to factors such as changes to average fund assets or market conditions. CalPERS reviews the operating expenses annually and changes may be made as appropriate. Even if the portfolio loses money during a period, the expenses will still be charged.

What Employers Own

Each employer invested in CERBT Strategy 2 owns units of this portfolio, which invests in pooled asset classes managed by CalPERS and/or external advisors. Employers do not have direct ownership of the securities in the portfolio.

Price

The value of the portfolio changes daily based upon the market value of the underlying securities. Just as prices of individual securities fluctuate, the portfolio's value also changes with market conditions.

Principal Risks of the Portfolio

The CalPERS CERBT Fund provides California government employers with a trust through which they may prefund retiree medical costs and other post-employment benefits (OPEB). CERBT is not, however, a defined benefit plan. There is no guarantee that the portfolio will achieve its investment objectives or provide sufficient funding to meet employer obligations. Further, CalPERS will not make up the difference between an employer's CERBT assets and the actual cost of OPEB provided to an employer's plan members.

An investment in the portfolio is not a bank deposit, nor is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC), CalPERS, the State of California or any other government agency.

There are risks associated with investing, including possible loss of principal. The portfolio's risk depends in part on the portfolio's asset class allocations and the selection, weighting and risks of the underlying investments. For more information about investment risks, please see the document entitled "CERBT Principal Investment Risks" located at www.calpers.ca.gov.

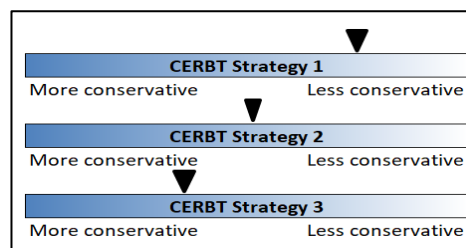
Fund Performance

Performance data shown on page 1 represents past performance and is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that an employer's units, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than historical performance data shown. For current performance information, please visit www.calpers.ca.gov and follow the links to California Employers' Retiree Benefit Trust.

CERBT Strategy Risk Levels

CalPERS offers employers the choice of one of three investment strategies. Projected risk levels among strategies vary, depending upon the target asset class allocations. Generally, equities carry more risk than fixed income securities.

Asset Class Target Allocations ¹	Strategy 1	Strategy 2	Strategy 3
Global Equity	59%	40%	22%
Fixed Income	25%	43%	49%
Treasury Inflation-Protected Securities	5%	5%	16%
Real Estate Investment Trusts	8%	8%	8%
Commodities	3%	4%	5%



¹ Since June 2018 SSGA has passively managed all CERBT asset classes. Previously Fixed Income, TIPS and Commodity asset classes were managed internally by CalPERS.

CERBT Strategy 3

January 31, 2021



Objective

The CERBT Strategy 3 portfolio seeks to provide capital appreciation and income consistent with its strategic asset allocation. There is no guarantee that the portfolio will achieve its investment objective.

Strategy

The CERBT Strategy 3 portfolio is invested in various asset classes. CalPERS periodically adjusts the composition of the portfolio in order to match the target allocations. Generally, equities are intended to help build the value of the employer's portfolio over the long term while bonds are intended to help provide income and stability of principal. Also, strategies invested in a higher percentage of equities seek higher investment returns (but assume more risk) compared with strategies invested in a higher percentage of bonds.

Compared with CERBT Strategy 1 and Strategy 2 this portfolio has a lower allocation to equities than bonds and other assets. Historically, funds with a lower percentage of equities have displayed less price volatility and, therefore, this portfolio may experience comparatively less fluctuation of value. Employers that seek greater stability of value, in exchange for possible lower investment returns, may wish to consider this portfolio.

CalPERS Board may change the list of approved asset classes in composition as well as targeted allocation percentages and ranges at any time.

Assets Under Management

As of the specified reporting month-end:

CERBT Strategy 3	Annual Operating Ratio
\$798,528,533	0.10%

Composition

Asset Class Allocations and Benchmarks

The CERBT Strategy 3 portfolio consists of the following asset classes and corresponding benchmarks:

Asset Class	Target Allocation ¹	Target Range	Benchmark
Global Equity	22%	± 5%	MSCI All Country World Index IMI (net)
Fixed Income	49%	± 5%	Bloomberg Barclays Long Liability Index
Treasury Inflation-Protected Securities ("TIPS")	16%	± 3%	Bloomberg Barclays US TIPS Index, Series L
Real Estate Investment Trusts ("REITs")	8%	± 5%	FTSE EPRA/NAREIT Developed Index (net)
Commodities	5%	± 3%	S&P GSCI Total Return Index
Cash	-	+ 2%	91 Day Treasury Bill

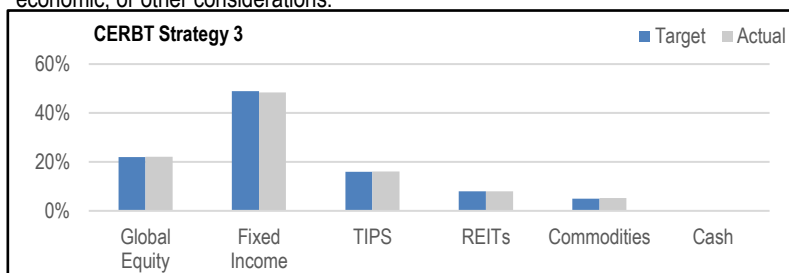
¹ Allocations were approved by the Board at the May 2018 Investment Committee meeting.

Portfolio Benchmark

The CERBT Strategy 3 benchmark is a composite of underlying asset class market indices, each assigned the target weight for the asset class it represents.

Target vs. Actual Asset Class Allocations¹

The following chart shows policy target allocations compared with actual asset allocations as of the specified reporting month-end. CalPERS may temporarily deviate from the target allocation to a particular asset class based on market, economic, or other considerations.



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CERBT Strategy 3 Performance as of January 31, 2021

	1 Month	3 Months	Fiscal YTD	1 Year	3 Years*	5 Years*	10 Years*	Since Inception* (January 1, 2012)
Gross Return ^{1,3}	-0.61%	6.78%	8.42%	8.75%	6.93%	7.76%	-	6.36%
Net Return ^{2,3}	-0.62%	6.76%	8.36%	8.66%	6.84%	7.67%	-	6.25%
Benchmark Returns	-0.63%	6.73%	8.32%	8.48%	6.74%	7.40%	-	6.04%
Standard Deviation ⁴	-	-	-	-	7.58%	6.34%	-	5.95%

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² Net Performance figures deduct all expenses to the fund, including investment management, administrative and recordkeeping fees.

³ See the Expense section of this document.

⁴ Standard Deviation is based on gross returns.

CERBT Strategy 3

January 31, 2021



General Information

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Expenses

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Price

The value of the portfolio changes daily based upon the market value of the underlying securities. Just as prices of individual securities fluctuate, the portfolio's value also changes with market conditions.

Principal Risks of the Portfolio

The CalPERS CERBT Fund provides California government employers with a trust through which they may prefund retiree medical costs and other post-employment benefits (OPEB). CERBT is not, however, a defined benefit plan. There is no guarantee that the portfolio will achieve its investment objectives or provide sufficient funding to meet employer obligations. Further, CalPERS will not make up the difference between an employer's CERBT assets and the actual cost of OPEB provided to an employer's plan members.

An investment in the portfolio is not a bank deposit, nor is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC), CalPERS, the State of California or any other government agency.

There are risks associated with investing, including possible loss of principal. The portfolio's risk depends in part on the portfolio's asset class allocations and the selection, weighting and risks of the underlying investments. For more information about investment risks, please see the document entitled "CERBT Principal Investment Risks" located at www.calpers.ca.gov.

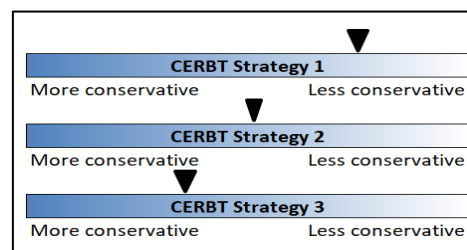
Fund Performance

Performance data shown on page 1 represents past performance and is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that an employer's units, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than historical performance data shown. For current performance information, please visit www.calpers.ca.gov and follow the links to California Employers' Retiree Benefit Trust.

CERBT Strategy Risk Levels

CalPERS offers employers the choice of one of three investment strategies. Projected risk levels among strategies vary, depending upon the target asset class allocations. Generally, equities carry more risk than fixed income securities.

Asset Class Target Allocations ¹	Strategy 1	Strategy 2	Strategy 3
Global Equity	59%	40%	22%
Fixed Income	25%	43%	49%
Treasury Inflation-Protected Securities	5%	5%	16%
Real Estate Investment Trusts	8%	8%	8%
Commodities	3%	4%	5%



¹ Since June 2018 SSGA has passively managed all CERBT asset classes. Previously Fixed Income, TIPS and Commodity asset classes were managed internally by CalPERS.