



## **AGENDA**

### **RETIREMENT BOARD MEETING**

REGULAR MEETING  
February 18, 2026  
9:00 a.m.

Board Conference Room  
1200 Concord Avenue, Suite 350  
Concord, California

#### NOTICE OF TELECONFERENCE MEETING:

ONE OR MORE MEMBERS OF THE BOARD OF RETIREMENT FOR THE CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION MAY PARTICIPATE IN THE BOARD MEETING, SCHEDULED FOR FEBRUARY 18, 2026, VIA TELECONFERENCE AT THE LOCATIONS LISTED BELOW, WHICH ARE OPEN TO THE PUBLIC.

#### TELECONFERENCE LOCATIONS:

1109 Jonagold Way  
Brentwood, CA 94513

1516 Kamole Street  
Honolulu, HI 96821

THE LOCATIONS LISTED ABOVE ARE ACCESSIBLE TO THE PUBLIC, INCLUDING THOSE WITH DISABILITIES.

#### THE RETIREMENT BOARD MAY DISCUSS AND TAKE ACTION ON THE FOLLOWING:

1. Pledge of Allegiance.
2. Public Comment (3 minutes/speaker).

#### ***CONSENT ITEMS***

- 3.A All Consent Items are to be approved by one action unless a Board Member requests separate action on a specific item. (Action Item)
  - I. Approve minutes from the January 21, 2026 meeting.
  - II. Receive the annual statement of compliance with Board investment resolutions.

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.

- 3.B Consider and take possible action on Consent Items previously removed, if any.  
(Action Item)

**REGULAR AGENDA ITEMS**

4. Presentation from Segal Consulting on actuarial funding and contribution volatility management. (Presentation Item)
5. Consider and take possible action to amend the CCCERA Actuarial Funding Policy as recommended by Segal Consulting. (Action Item)
6. Consider and take possible action to adjust the amortization period for the new and pre-existing unfunded obligation for the employers that previously withdrew from CCCERA as recommended by Segal Consulting. (Action Item)
7. Consider authorizing the attendance of Board: (Action Item)
- a. Siguler Guff & Company 2026 Annual Conference, April 29-30, 2026, New York, NY.
8. Reports. (Presentation item)
- a. Trustee reports on meetings, seminars and conferences.
  - b. Staff reports

**CLOSED SESSION**

9. CONFERENCE WITH LABOR NEGOTIATOR  
(Government Code Section 54957.6)

Agency designated representative: Lisa Charbonneau, CCCERA's Chief Labor Negotiator

Unrepresented Employee: Chief Executive Officer

**OPEN SESSION**

10. The next meeting is currently scheduled for March 4, 2026 at 9:00 a.m.

Adjourn

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.



**RETIREMENT BOARD MEETING MINUTES**

REGULAR MEETING  
January 21, 2026  
9:00 a.m.

Board Conference Room  
1200 Concord Avenue, Suite 350  
Concord, California

Present: Candace Andersen, Dennis Chebotarev, Donald Finley, Scott Gordon, Jerry Holcombe, Louis Kroll, David MacDonald, John Phillips, Samson Wong, and Belinda Zhu (for Dan Mierzwa).

Absent: Jay Kwon, Dan Mierzwa, and Mike Sloan

Staff: Christina Dunn, Chief Executive Officer; Karen Levy, General Counsel; and Tim Price, Chief Investment Officer

Outside Professional Support:  
Colin Bebee  
Alex Khorsandian

Representing:  
Meketa  
Meketa

**1. Pledge of Allegiance**

The Board, staff and audience joined in the *Pledge of Allegiance*.

Kroll was present for subsequent discussion and voting.

**2. Accept comments from the public**

No member of the public offered comment.

**3. Consider and take possible action to adopt Board of Retirement Resolution 2026-1 to increase the salary ranges by 5% for all unrepresented classifications effective April 1, 2026, with the exception of the Chief Executive Officer**

It was **M/S/C** to adopt Board of Retirement Resolution 2026-1 to increase the salary ranges by 5% for all unrepresented classifications effective April 1, 2026, with the exception of the Chief Executive Officer. (Yes: Andersen, Chebotarev, Gordon, Holcombe, Kroll, MacDonald, Phillips, Wong, and Zhu)

**4. Appointment of ad hoc advisory legislative committee**

The Board Chairperson appointed four members – Gordon (Chair), Kroll (Vice Chair), Andersen, and Sloan, to the ad hoc committee for review and recommendations to the Retirement Board on Legislative matters.

**5. Consider taking a position on legislation regarding Retirement Board member compensation adjustment**

It was **M/S/C** to support the legislation regarding the Retirement Board member compensation adjustment. (Yes: Andersen, Chebotarev, Gordon, Holcombe, Kroll, MacDonald, Phillips, Wong, and Zhu)

**6. Presentation from Meketa regarding results of the risk tolerance survey**

Bebee and Khorsandian gave a presentation on the results of the risk tolerance survey.

**7. Consider authorizing the attendance of Board:**

- a. It was **M/S/C** to authorize the attendance of two Board members at the 2026 Day of Private Equity Education, NASP, March 19, 2026, Santa Monica, CA. (Yes: Andersen, Chebotarev, Gordon, Holcombe, Kroll, MacDonald, Phillips, Wong, and Zhu)
- b. There was no action taken on this item. Pension Bridge, The Annual, April 20-22, 2026, Los Angeles, CA.
- c. There was no action taken on this item. DFA Annual Institutional Symposium, April 21-23, 2026, Austin, TX.
- d. There was no action taken on this item. IFEBP Investments Institute, April 22-23, 2026, Austin, TX.

**8. Reports**

- a. Trustee reports on meetings, seminars, and conferences – None
- b. Staff reports – Dunn reported 1099Rs from the new pension administration software system will be mailed by the end of the month and there will be a member portal demonstration at an upcoming Board meeting.

Price reported on last quarter's investment activities.

The next meeting is currently scheduled for February 4, 2026, at 9:00 a.m.

It was **M/S/C** to adjourn the meeting. (Yes: Andersen, Chebotarev, Gordon, Holcombe, Kroll, MacDonald, Phillips, Wong, and Zhu)

---

Scott W. Gordon, Chairperson

---

Jerry R. Holcombe, Secretary



## MEMORANDUM

Date: February 18, 2026  
To: CCCERA Board of Retirement  
From: Timothy Price, Chief Investment Officer  
Subject: Annual Statement of Compliance with Board Resolutions

---

### Overview

As part of the CCCERA investment procedures, staff is required to report annually on compliance with all Board Resolutions in effect for the prior year. These Board Resolutions can encompass a variety of topics, but in 2025 were limited to asset allocation targets and ranges related to the phased implementation of the new asset allocation program.

The Board adopted two investment-related resolutions over the course of 2025 and one resolution from 2024 remained in effect at the beginning of 2025. These resolutions are noted below and included with the memo as Appendix 1.

RESOLUTION	CONTENT	DATE ADOPTED
<b>2024-4</b>	Asset Allocation Targets and Ranges	8/28/24
<b>2025-4</b>	Asset Allocation Targets and Ranges	4/16/25
<b>2025-5</b>	Asset Allocation Targets and Ranges	7/9/25

### Compliance

CCCERA Investment staff provided a monthly report to the Board as part of the consent items showing month-end allocation for each sub-portfolio and investment manager. All allocations remained near their targets over the course of the year and the three sub-portfolios (liquidity, growth and diversifying) remained within their mandated ranges at all times. These reports are included with this memo as Appendix 2.

**Asset Allocation Summary: Calendar Year 2025**

	Liquidity		Growth		Diversifying		Cash & Overlay
	Allocation	Range	Allocation	Range	Allocation	Range	Allocation
January	14.0%	10-20%	71.6%	60-80%	8.1%	0-12%	6.0%
February	13.9	10-20	72.1	60-80	8.3	0-12	5.8
March	13.7	10-20	72.0	60-80	8.4	0-12	5.8
April	13.3	10-20	72.4	60-80	8.3	0-12	6.1
May	12.6	10-20	73.3	60-80	8.0	0-12	6.4
June	11.9	10-20	73.8	60-80	8.0	0-12	6.6
July	14.4	10-20	70.7	60-80	8.5	0-12	6.4
August	15.6	10-20	70.7	60-80	8.5	0-12	5.1
September	15.1	10-20	71.0	60-80	8.5	0-12	5.4
October	14.6	10-20	71.7	60-80	8.5	0-12	5.1
November	14.2	10-20	72.4	60-80	8.8	0-12	4.6
December	14.7	10-20	73.4	60-80	8.9	0-12	3.0

**Asset Class Allocation Summary: Calendar Year 2025**

	Total Equity		Total Credit		Total Real Estate		Cash	
	Allocation	Range	Allocation	Range	Allocation	Range	Allocation	Range
January	53.5	40-60	11.2	8-16	6.9	5-10	4.9	0-6
February	53.8	40-60	11.1	8-16	7.2	5-10	4.6	0-6
March	52.8	40-60	11.2	8-16	7.9	5-10	4.8	0-6
April	53.3	40-60	11.2	8-16	7.8	5-10	5.0	0-6
May	54.4	40-60	11.2	8-16	7.7	5-10	5.1	0-6
June	55.1	40-60	10.7	8-16	7.5	5-10	5.2	0-6
July	53.0	40-60	10.4	8-16	7.3	5-10	5.0	0-6
August	51.1	40-60	12.3	8-16	7.4	5-10	3.7	0-6
September	51.4	40-60	12.2	8-16	7.3	5-10	3.9	0-6
October	52.1	40-60	12.4	8-16	7.3	5-10	3.6	0-6
November	52.0	40-60	12.8	8-16	7.6	5-10	3.1	0-6
December	52.7	40-60	12.9	8-16	7.8	5-10	1.5	0-6

# *Appendix 1*

**RESOLUTION OF THE BOARD OF RETIREMENT  
CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**INVESTMENT ASSET ALLOCATION TARGETS AND RANGES**

WHEREAS, Article XVI, §17 of the Constitution of the State of California vests the Board of Retirement (Board) with "plenary authority and fiduciary responsibility for the investment of moneys and the administration of the system"; and

WHEREAS, the Board has exclusive control of the investment of CCCERA and may, in its discretion and subject to applicable law, invest, or delegate the authority to invest, the assets of the fund through the purchase, holding or sale or any form or type of investment, financial instrument, or financial transaction when prudent in the informed decision of the board, pursuant to the County Employees Retirement Law of 1937 (CERL), Government Code Section 31595; and

WHEREAS, the Board has adopted an Investment Policy Statement ("IPS"), pursuant to which the Board is to periodically set, review and revise its asset allocation targets.

NOW, THEREFORE BE IT RESOLVED that it shall be the policy of CCCERA to invest assets in the following manner:

**Asset Allocation**

Section 6.B of the Investment Policy Statement ("IPS"), adopted March 24, 2021, provides that "annually the Board shall review the relative size and composition of [the] sub-portfolios and revise them as necessary through Investment Resolutions." During this annual review, the CIO will recommend the targets, weightings, and the rationale for any deviation to an under-weight or over-weight across the asset allocation. The Board will consider and take action to adopt or revise asset allocation targets. Under the direction of the Board of Retirement, investment staff will administer the asset allocation per the Board's action.

As of 2024-4 the long-term asset allocation targets determined by the Board are as follows:

	Long Term	Current Target
Growth:	73%	70%
Diversifying:	10%	8%
Liquidity:	14%	17%
Cash:	3%	5%

Over the course of the following 12 months, the Liquidity sub-portfolio will be used to pay benefits and expenses. As a result, and aside from market fluctuations, the funds in the

Liquidity sub-portfolio will decline from the targeted allocation and, therefore, the relative allocations to the Growth and Diversifying sub-portfolios will increase proportionately.

### Current Targets

<u>Sub-Portfolio Strategy</u>	<u>Benchmark</u>	<u>Current Target</u>	<u>Range</u>
<b>Growth</b>		<b>70.0%</b>	<b>60-80%</b>
BlackRock Index Fund	Russell 1000	10.0%	
Boston Partners	Russell 1000 Value	3.0%	
Emerald	Russell 2000 Growth	1.5%	
Ceredex	Russell 2000 Value	1.5%	
Pyrford	MSCI ACWI ex-US Value	3.5%	
William Blair	MSCI ACWI ex-US Growth	3.5%	
Artisan	MSCI ACWI Growth	5.5%	
First Eagle	MSCI ACWI Value	5.5%	
TT Emerging Markets	MSCI Emerging Markets	2.0%	
PIMCO/RAE Emerging Markets	MSCI Emerging Markets Value	2.0%	
Private Equity	Private Equity Composite	10.0%	
Infrastructure	Infrastructure Composite	2.0%	
<b>Total Equity</b>		<b>50.0%</b>	<b>40-60%</b>
Voya	ICE BofA High Yield Master II	3.0%	
Private Credit	Private Credit Composite	10.0%	
<b>Total Credit</b>		<b>13.0%</b>	<b>8-16%</b>
Adelante REIT	Wilshire REIT	1.0%	
INVESCO REIT	Wilshire REIT	1.0%	
Private Real Estate	Private RE Composite	5.0%	
<b>Total Real Estate</b>		<b>7.0%</b>	<b>5-10%</b>
<b>Liquidity</b>		<b>17.0%</b>	<b>10-20%</b>
Insight	Bloomberg 1-3 Yr Gov/Credit	6.5%	
DFA	ICE BofA 1-5 US Corp/Gov	4.0%	
Sit	Bloomberg 1-3 Yr Gov	6.5%	
<b>Risk Diversifying</b>		<b>8.0%</b>	<b>0-12%</b>
AFL-CIO HIT	Bloomberg US Aggregate	2.5%	
BH-DG Systematic Trend	SG CTA Index	2.0%	
Sit LLCAR	Bloomberg US Aggregate + 1%	3.5%	
Cash	3-month T-Bill	5.0%	0-6%
<b>Total</b>		<b>100.0%</b>	

THIS RESOLUTION WAS ADOPTED BY THE AFFIRMATIVE VOTE OF THE BOARD OF RETIREMENT OF THE CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION THIS 28<sup>th</sup> DAY OF AUGUST, 2024.

AYES: Andersen, Chebotarev, Gordon, Holcombe, MacDonald, Mierzwa, Phillips, Finley and Sloan

NOES: None

ABSTAIN: None

ABSENT: Kroll, Wong



---

Scott W. Gordon  
Chairperson of the Board of Retirement

Attest:



---

Jerry R. Holcombe  
Secretary of the Board of Retirement

**RESOLUTION OF THE BOARD OF RETIREMENT  
CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**INVESTMENT ASSET ALLOCATION TARGETS AND RANGES**

WHEREAS, Article XVI, §17 of the Constitution of the State of California vests the Board of Retirement (Board) with "plenary authority and fiduciary responsibility for the investment of moneys and the administration of the system"; and

WHEREAS, the Board has exclusive control of the investment of CCCERA and may, in its discretion and subject to applicable law, invest, or delegate the authority to invest, the assets of the fund through the purchase, holding or sale or any form or type of investment, financial instrument, or financial transaction when prudent in the informed decision of the board, pursuant to the County Employees Retirement Law of 1937 (CERL), Government Code Section 31595; and

WHEREAS, the Board has adopted an Investment Policy Statement ("IPS"), pursuant to which the Board is to periodically set, review and revise its asset allocation targets.

NOW, THEREFORE BE IT RESOLVED that it shall be the policy of CCCERA to invest assets in the following manner:

**Asset Allocation**

Section 6.B of the Investment Policy Statement ("IPS"), adopted March 24, 2021, provides that "annually the Board shall review the relative size and composition of [the] sub-portfolios and revise them as necessary through Investment Resolutions." During this annual review, the CIO will recommend the targets, weightings, and the rationale for any deviation to an under-weight or over-weight across the asset allocation. The Board will consider and take action to adopt or revise asset allocation targets. Under the direction of the Board of Retirement, investment staff will administer the asset allocation per the Board's action.

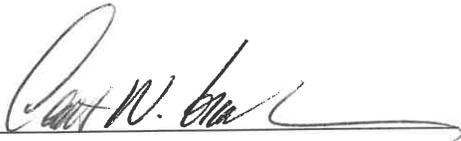
Upon adoption of this resolution the long-term and current asset allocation targets determined by the Board are as follows:

	Long Term	Current Target
Growth:	73%	71%
Diversifying:	10%	8%
Liquidity:	14%	17%
Cash:	3%	4%

<b>Current Targets</b>			
<b><u>Sub-Portfolio Strategy</u></b>	<b><u>Benchmark</u></b>	<b><u>Current Target</u></b>	<b><u>Range</u></b>
<b>Growth</b>		<b>71.0%</b>	<b>60-80%</b>
BlackRock Index Fund	Russell 1000	10.0%	
Boston Partners	Russell 1000 Value	3.0%	
Emerald	Russell 2000 Growth	1.5%	
Ceredex	Russell 2000 Value	1.5%	
Pyrford	MSCI ACWI ex-US Value	3.5%	
William Blair	MSCI ACWI ex-US Growth	3.5%	
Artisan	MSCI ACWI Growth	5.5%	
First Eagle	MSCI ACWI Value	5.5%	
TT Emerging Markets	MSCI Emerging Markets	2.0%	
PIMCO/RAE Emerging Markets	MSCI Emerging Markets Value	2.0%	
Private Equity	Private Equity Composite	10.0%	
Infrastructure	Infrastructure Composite	2.0%	
<b>Total Equity</b>		<b>50.0%</b>	<b>40-60%</b>
Voya	ICE BofA High Yield Master II	3.0%	
Private Credit	Private Credit Composite	10.0%	
<b>Total Credit</b>		<b>13.0%</b>	<b>8-16%</b>
Adelante REIT	Wilshire REIT	1.0%	
INVESCO REIT	Wilshire REIT	1.0%	
Private Real Estate	Private RE Composite	5.0%	
Rialto Credit Opportunities Fund	Bloomberg CMBS Investment Grade	1.0%	
<b>Total Real Estate</b>		<b>8.0%</b>	<b>5-10%</b>
<b>Liquidity</b>		<b>17.0%</b>	<b>10-20%</b>
Insight	Bloomberg 1-3 Yr Gov/Credit	6.5%	
DFA	ICE BofA 1-5 US Corp/Gov	4.0%	
Sit	Bloomberg 1-3 Yr Gov	6.5%	
<b>Risk Diversifying</b>		<b>8.0%</b>	<b>0-12%</b>
AFL-CIO HIT	Bloomberg US Aggregate	2.5%	
BH-DG Systematic Trend	SG CTA Index	2.0%	
Sit LLCAR	Bloomberg US Aggregate + 1%	3.5%	
Cash	3-month T-Bill	4.0%	0-6%
<b>Total</b>		<b>100.0%</b>	

THIS RESOLUTION WAS ADOPTED BY THE AFFIRMATIVE VOTE OF THE BOARD OF RETIREMENT OF THE CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION THIS SIXTEENTH DAY OF APRIL, 2025.

AYES: Andersen, Chebotarev, Gordon, Holcombe, Mierzwa, Phillips and Finley  
NOES: NONE  
ABSTAIN: NONE  
ABSENT: Kroll, MacDonald, Wong and Sloan

  
\_\_\_\_\_  
Scott W. Gordon  
Chairperson of the Board of Retirement

Attest:   
\_\_\_\_\_  
Jerry R. Holcombe  
Secretary of the Board of Retirement

**RESOLUTION OF THE BOARD OF RETIREMENT  
CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**INVESTMENT ASSET ALLOCATION TARGETS AND RANGES**

WHEREAS, Article XVI, §17 of the Constitution of the State of California vests the Board of Retirement (Board) with "plenary authority and fiduciary responsibility for the investment of moneys and the administration of the system"; and

WHEREAS, the Board has exclusive control of the investment of CCCERA and may, in its discretion and subject to applicable law, invest, or delegate the authority to invest, the assets of the fund through the purchase, holding or sale or any form or type of investment, financial instrument, or financial transaction when prudent in the informed decision of the board, pursuant to the County Employees Retirement Law of 1937 (CERL), Government Code Section 31595; and

WHEREAS, the Board has adopted an Investment Policy Statement ("IPS"), pursuant to which the Board is to periodically set, review and revise its asset allocation targets.

NOW, THEREFORE BE IT RESOLVED that it shall be the policy of CCCERA to invest assets in the following manner:

**Asset Allocation**

Section 6.B of the Investment Policy Statement ("IPS"), adopted March 24, 2021, provides that "annually the Board shall review the relative size and composition of [the] sub-portfolios and revise them as necessary through Investment Resolutions." During this annual review, the CIO will recommend the targets, weightings, and the rationale for any deviation to an under-weight or over-weight across the asset allocation. The Board will consider and take action to adopt or revise asset allocation targets. Under the direction of the Board of Retirement, investment staff will administer the asset allocation per the Board's action.

Upon adoption of this resolution the long-term and current asset allocation targets determined by the Board are as follows:

	Long Term	Current Target
Growth:	73%	71%
Diversifying:	10%	9%
Liquidity:	14%	17%
Cash:	3%	3%

**Current Targets**

<b><u>Sub-Portfolio Strategy</u></b>	<b><u>Benchmark</u></b>	<b><u>Target</u></b>	<b><u>Range</u></b>
<b>Growth</b>		<b>71.0%</b>	<b>60-80%</b>
BlackRock Index Fund	Russell 1000	10.0%	
Boston Partners	Russell 1000 Value	3.0%	
Emerald	Russell 2000 Growth	1.5%	
Ceredex	Russell 2000 Value	1.5%	
Pyrford	MSCI ACWI ex-US Value	3.5%	
William Blair	MSCI ACWI ex-US Growth	3.5%	
Artisan	MSCI ACWI Growth	5.5%	
First Eagle	MSCI ACWI Value	5.5%	
TT Emerging Markets	MSCI Emerging Markets	2.0%	
PIMCO/RAE Emerging Markets	MSCI Emerging Markets Value	2.0%	
Private Equity	Private Equity Composite	10.0%	
Infrastructure	Infrastructure Composite	2.0%	
<b>Total Equity</b>		<b>50.0%</b>	<b>40-60%</b>
Voya	ICE BofA High Yield Master II	1.0%	
Multi-asset Credit	50% MSTA Leveraged Loans/50% Bloomberg US Corporate High Yield	2.0%	
Private Credit	Private Credit Composite	10.0%	
<b>Total Credit</b>		<b>13.0%</b>	<b>8-16%</b>
Adelante REIT	Wilshire REIT	1.0%	
INVESCO REIT	Wilshire REIT	1.0%	
Private Real Estate	Private RE Composite	5.0%	
Rialto Credit	Bloomberg CMBS Investment Grade	1.0%	
Opportunities Fund			
<b>Total Real Estate</b>		<b>8.0%</b>	<b>5-10%</b>
<b>Liquidity</b>		<b>17.0%</b>	<b>10-20%</b>
Insight	Bloomberg 1-3 Year Gov/Credit	6.5%	
DFA	ICE BofA 1-5 US Corp/Gov	4.0%	
Sit	Bloomberg 1-3 Year Gov	6.5%	
<b>Risk Diversifying</b>		<b>9.0%</b>	<b>0-12%</b>
AFL-CIO HIT	Bloomberg US Aggregate	2.7%	
DFA Treasury Strategy	50% Bloomberg US Treasury Intermediate/ 50% Bloomberg US TIPS 1-10 Year	0.8%	
BH-DG Systematic Trend	SG CTA Index	2.0%	
Sit LLCAR	Bloomberg US Aggregate + 1%	3.5%	
Cash	3-month T-Bill	3.0%	0-6%
<b>Total</b>		<b>100%</b>	

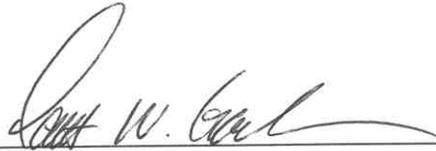
THIS RESOLUTION WAS ADOPTED BY THE AFFIRMATIVE VOTE OF THE BOARD OF RETIREMENT OF THE CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION THIS 9TH DAY OF JULY, 2025.

AYES: Chebotarev, Gordon, Holcombe, Kroll, MacDonald, Phillips, Wong, and Kwon

NOES: None

ABSTAIN: None

ABSENT: Andersen, Mierzwa



---

Scott W. Gordon

Chairperson of the Board of Retirement

Attest:



---

Jerry R. Holcombe

Secretary of the Board of Retirement

# *Appendix 2*

**Contra Costa County Employees' Retirement Association**  
**Asset Allocation as of January 31, 2025**

	Market Value	Percentage of Total Fund	Current Target* Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
<b>Liquidity</b>						
Dimensional Fund Advisors	383,867,351	3.2%	4.0%	-0.8%		
Insight	633,056,990	5.3%	6.5%	-1.2%		
Sit	661,369,763	5.5%	6.5%	-1.0%		
<b>Total Liquidity</b>	<b>1,678,294,105</b>	<b>14.0%</b>	<b>17.0%</b>	<b>-3.0%</b>	<b>14.0%</b>	<b>0.0%</b>
		<b>Range</b>				
			<b>10-20%</b>			
<b>Growth</b>						
Domestic Equity						
Boston Partners	473,336,225	4.0%	3.0%	1.0%		
BlackRock Index Fund	1,334,812,597	11.2%	10.0%	1.2%		
Emerald Advisers	253,467,450	2.1%	1.5%	0.6%		
Ceredex	218,617,155	1.8%	1.5%	0.3%		
<b>Total Domestic Equity</b>	<b>2,280,233,427</b>	<b>19.1%</b>	<b>16.0%</b>	<b>3.1%</b>	<b>11.0%</b>	<b>8.1%</b>
Global & International Equity						
Pyrford (Columbia)	446,733,007	3.7%	3.5%	0.2%		
William Blair	437,525,616	3.7%	3.5%	0.2%		
First Eagle	662,621,818	5.5%	5.5%	0.0%		
Artisan Global Opportunities	683,848,213	5.7%	5.5%	0.2%		
PIMCO/RAE Emerging Markets	244,434,551	2.0%	2.0%	0.0%		
TT Emerging Markets	259,959,012	2.2%	2.0%	0.2%		
<b>Total Global &amp; International Equity</b>	<b>2,735,122,216</b>	<b>22.9%</b>	<b>22.0%</b>	<b>0.9%</b>	<b>17.0%</b>	<b>5.9%</b>
Private Equity	1,162,449,779	9.7%	10.0%	1.5%	15.0%	-5.3%
Real Assets/Infrastructure	217,084,825	1.8%	2.0%	3.0%	3.0%	-1.2%
<b>Total Equity</b>		<b>53.5%</b>	<b>50.0%</b>	<b>3.5%</b>		
<b>Total Equity Range</b>		<b>40-60%</b>				
Private Credit	1,180,217,093	9.9%	10.0%	-0.1%	13.0%	-3.1%
High Yield	170,339,599	1.4%	3.0%	-1.6%	0.0%	1.4%
<b>Total Credit</b>		<b>11.2%</b>	<b>13.0%</b>	<b>-1.8%</b>		
<b>Total Credit Range</b>		<b>8-16%</b>				
Real Estate - Value Add	281,892,319	2.4%	2.3%	0.1%	3.0%	-0.6%
Real Estate - Opportunistic & Distressed	312,556,891	2.6%	2.7%	-0.1%	4.0%	-1.4%
Real Estate - REIT			2.0%	-0.1%	0.0%	1.9%
Adelante	108,838,512	0.9%				
Invesco	122,585,616	1.0%				
Real Estate Debt					3.0%	
<b>Total Real Estate</b>		<b>6.9%</b>	<b>7.0%</b>	<b>-0.1%</b>		
<b>Total Real Estate Range</b>		<b>5-10%</b>				
Multi-Asset Credit		0.0%		0.0%	4.0%	-4.0%
Risk Parity			0.0%	0.1%	0.0%	0.1%
PanAgora	8,894,820	0.1%				
<b>Total Other Growth Assets (P.E. thru R.P.)</b>	<b>3,564,859,454</b>	<b>29.8%</b>	<b>32.0%</b>	<b>-2.2%</b>	<b>45.0%</b>	<b>-15.2%</b>
<b>Total Growth Assets</b>	<b>8,580,215,096</b>	<b>71.6%</b>	<b>70.0%</b>	<b>1.8%</b>	<b>73.0%</b>	<b>-1.4%</b>
		<b>Range</b>				
			<b>60-80%</b>			
<b>Risk Diversifying</b>						
AFL-CIO	270,935,433	2.3%	2.5%	-0.2%	2.5%	-0.2%
BH-DG Systematic	229,071,753	1.9%	2.0%		2.5%	
Sit LLCAR	469,576,068	3.9%	3.5%	0.4%	2.0%	1.9%
<b>Total Risk Diversifying</b>	<b>969,583,255</b>	<b>8.1%</b>	<b>8.0%</b>	<b>0.1%</b>	<b>10.0%</b>	<b>-1.9%</b>
		<b>Range</b>				
			<b>0% - 12%</b>			
<b>Cash and Overlay</b>						
Overlay (Parametric)	141,859,134	1.2%		1.2%		
Cash	580,676,538	4.9%	5.0%	-0.1%		
<b>Total Cash and Overlay</b>	<b>722,535,672</b>	<b>6.0%</b>	<b>5.0%</b>	<b>1.0%</b>	<b>3.0%</b>	<b>3.0%</b>
<b>Total Cash Range</b>		<b>0-6%</b>				
<b>Total Fund</b>	<b>11,950,628,127</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>	

\*Current targets and ranges reflect asset allocation targets accepted by the Board on August 28, 2024 (BOR Resolution 2024-4).

**Contra Costa County Employees' Retirement Association**  
**Asset Allocation as of February 28, 2025**

	Market Value	Percentage of Total Fund	Current Target* Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
<b>Liquidity</b>						
Dimensional Fund Advisors	373,556,536	3.2%	4.0%	-0.8%		
Insight	616,373,018	5.2%	6.5%	-1.3%		
Sit	649,016,062	5.5%	6.5%	-1.0%		
<b>Total Liquidity</b>	<b>1,638,945,616</b>	<b>13.9%</b>	<b>17.0%</b>	<b>-3.1%</b>	<b>14.0%</b>	<b>-0.1%</b>
		<b>Range</b>				
		<b>10-20%</b>				
<b>Growth</b>						
Domestic Equity						
Boston Partners	468,331,404	4.0%	3.0%	1.0%		
BlackRock Index Fund	1,311,435,441	11.1%	10.0%	1.1%		
Emerald Advisers	235,502,159	2.0%	1.5%	0.5%		
Ceredex	211,824,490	1.8%	1.5%	0.3%		
<b>Total Domestic Equity</b>	<b>2,227,093,494</b>	<b>18.8%</b>	<b>16.0%</b>	<b>2.8%</b>	<b>11.0%</b>	<b>7.8%</b>
Global & International Equity						
Pyrford (Columbia)	455,016,142	3.8%	3.5%	0.3%		
William Blair	431,607,785	3.7%	3.5%	0.2%		
First Eagle	669,439,334	5.7%	5.5%	0.2%		
Artisan Global Opportunities	660,070,244	5.6%	5.5%	0.1%		
PIMCO/RAE Emerging Markets	243,089,591	2.1%	2.0%	0.1%		
TT Emerging Markets	257,866,578	2.2%	2.0%	0.2%		
<b>Total Global &amp; International Equity</b>	<b>2,717,089,673</b>	<b>23.0%</b>	<b>22.0%</b>	<b>1.0%</b>	<b>17.0%</b>	<b>6.0%</b>
Private Equity	1,195,965,939	10.1%	10.0%	1.9%	15.0%	-4.9%
Real Assets/Infrastructure	215,675,411	1.8%	2.0%	-0.2%	3.0%	-1.2%
<b>Total Equity</b>		<b>53.8%</b>	<b>50.0%</b>	<b>3.8%</b>		
<b>Total Equity Range</b>		<b>40-60%</b>				
Private Credit	1,133,243,175	9.6%	10.0%	-0.4%	13.0%	-3.4%
High Yield	171,463,177	1.5%	3.0%	-1.5%	0.0%	1.5%
<b>Total Credit</b>		<b>11.2%</b>	<b>13.0%</b>	<b>-1.8%</b>		
<b>Total Credit Range</b>		<b>8-16%</b>				
Real Estate - Value Add	282,929,700	2.4%	2.3%	0.1%	3.0%	-0.6%
Real Estate - Opportunistic & Distressed	326,784,795	2.8%	2.7%	0.1%	4.0%	-1.2%
Real Estate - REIT			2.0%	0.0%	0.0%	2.0%
Adelante	112,789,487	1.0%				
Invesco	126,400,017	1.1%				
Real Estate Debt					3.0%	
<b>Total Real Estate</b>		<b>7.2%</b>	<b>7.0%</b>	<b>0.2%</b>		
<b>Total Real Estate Range</b>		<b>5-10%</b>				
Multi-Asset Credit		0.0%		0.0%	4.0%	-4.0%
Risk Parity			0.0%	0.1%	0.0%	0.1%
PanAgora	8,894,820	0.1%				
<b>Total Other Growth Assets (P.E. thru R.P.)</b>	<b>3,574,146,521</b>	<b>30.2%</b>	<b>32.0%</b>	<b>-1.8%</b>	<b>45.0%</b>	<b>-14.8%</b>
<b>Total Growth Assets</b>	<b>8,518,329,688</b>	<b>72.1%</b>	<b>70.0%</b>	<b>2.0%</b>	<b>73.0%</b>	<b>-0.9%</b>
		<b>Range</b>				
		<b>60-80%</b>				
<b>Risk Diversifying</b>						
AFL-CIO	275,765,654	2.3%	2.5%	-0.2%	2.5%	-0.2%
BH-DG Systematic	225,334,038	1.9%	2.0%	-0.1%	2.5%	-0.6%
Sit LLCAR	476,539,415	4.0%	3.5%	0.5%	2.0%	2.0%
<b>Total Risk Diversifying</b>	<b>977,639,107</b>	<b>8.3%</b>	<b>8.0%</b>	<b>0.3%</b>	<b>10.0%</b>	<b>-1.7%</b>
		<b>Range</b>				
		<b>0% - 12%</b>				
<b>Cash and Overlay</b>						
Overlay (Parametric)	141,446,894	1.2%		1.2%		
Cash	547,365,434	4.6%	5.0%	-0.4%		
<b>Total Cash and Overlay</b>	<b>688,812,328</b>	<b>5.8%</b>	<b>5.0%</b>	<b>0.8%</b>	<b>3.0%</b>	<b>2.8%</b>
<b>Total Cash Range</b>		<b>0-6%</b>				
<b>Total Fund</b>	<b>11,823,726,739</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>	

\*Current targets and ranges reflect asset allocation targets accepted by the Board on August 28, 2024 (BOR Resolution 2024-4).

**Contra Costa County Employees' Retirement Association**  
**Asset Allocation as of March 31, 2025**

	Market Value	Percentage of Total Fund	Current Target* Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
<b>Liquidity</b>						
Dimensional Fund Advisors	362,961,532	3.1%	4.0%	-0.9%		
Insight	598,544,209	5.2%	6.5%	-1.3%		
Sit	629,810,568	5.4%	6.5%	-1.1%		
<b>Total Liquidity</b>	<b>1,591,316,309</b>	<b>13.7%</b>	<b>17.0%</b>	<b>-3.3%</b>	<b>14.0%</b>	<b>-0.3%</b>
		<b>Range</b>				
		<b>10-20%</b>				
<b>Growth</b>						
Domestic Equity						
Boston Partners	450,555,899	3.9%	3.0%	0.9%		
BlackRock Index Fund	1,235,567,496	10.7%	10.0%	0.7%		
Emerald Advisers	215,061,549	1.9%	1.5%	0.4%		
Ceredex	198,526,762	1.7%	1.5%	0.2%		
<b>Total Domestic Equity</b>	<b>2,099,711,706</b>	<b>18.1%</b>	<b>16.0%</b>	<b>2.1%</b>	<b>11.0%</b>	<b>7.1%</b>
Global & International Equity						
Pyrford (Columbia)	462,501,955	4.0%	3.5%	0.5%		
William Blair	420,349,192	3.6%	3.5%	0.1%		
First Eagle	676,590,213	5.8%	5.5%	0.3%		
Artisan Global Opportunities	621,624,047	5.4%	5.5%	-0.1%		
PIMCO/RAE Emerging Markets	251,540,149	2.2%	2.0%	0.2%		
TT Emerging Markets	247,943,055	2.1%	2.0%	0.1%		
<b>Total Global &amp; International Equity</b>	<b>2,680,548,611</b>	<b>23.1%</b>	<b>22.0%</b>	<b>1.1%</b>	<b>17.0%</b>	<b>6.1%</b>
Private Equity						
Real Assets/Infrastructure	1,194,838,952	10.3%	10.0%	1.6%	15.0%	-4.7%
	153,038,878	1.3%	2.0%		3.0%	-1.7%
<b>Total Equity</b>		<b>52.8%</b>	<b>50.0%</b>	<b>2.8%</b>		
<b>Total Equity Range</b>		<b>40-60%</b>				
Private Credit						
High Yield	1,137,435,328	9.8%	10.0%	-0.2%	13.0%	-3.2%
	169,841,916	1.5%	3.0%	-1.5%	0.0%	1.5%
<b>Total Credit</b>		<b>11.2%</b>	<b>13.0%</b>	<b>-1.8%</b>		
<b>Total Credit Range</b>		<b>8-16%</b>				
Real Estate - Value Add						
Real Estate - Opportunistic & Distressed	296,726,809	2.6%	2.3%	0.3%	3.0%	-0.4%
Real Estate - REIT	311,425,410	2.7%	2.7%	-0.0%	4.0%	-1.3%
Adelante	108,853,081	0.9%	2.0%	0.0%	0.0%	2.0%
Invesco	124,394,142	1.1%				
Real Estate Debt	75,000,000	0.6%		0.6%	3.0%	-2.4%
<b>Total Real Estate</b>		<b>7.9%</b>	<b>7.0%</b>	<b>0.9%</b>		
<b>Total Real Estate Range</b>		<b>5-10%</b>				
Multi-Asset Credit						
Risk Parity		0.0%	0.0%	0.0%	4.0%	-4.0%
PanAgora	8,894,820	0.1%		0.1%	0.0%	0.1%
<b>Total Other Growth Assets (P.E. thru R.P.)</b>	<b>3,580,449,335</b>	<b>30.2%</b>	<b>32.0%</b>	<b>-1.8%</b>	<b>45.0%</b>	<b>-14.8%</b>
<b>Total Growth Assets</b>	<b>8,360,709,652</b>	<b>72.0%</b>	<b>70.0%</b>	<b>1.5%</b>	<b>73.0%</b>	<b>-1.0%</b>
		<b>Range</b>				
		<b>60-80%</b>				
<b>Risk Diversifying</b>						
AFL-CIO	274,913,248	2.4%	2.5%	-0.1%	2.5%	-0.1%
BH-DG Systematic	217,229,978	1.9%	2.0%		2.5%	
Sit LLCAR	476,427,195	4.1%	3.5%	0.6%	2.0%	2.1%
<b>Total Risk Diversifying</b>	<b>968,570,421</b>	<b>8.4%</b>	<b>8.0%</b>	<b>0.4%</b>	<b>10.0%</b>	<b>-1.6%</b>
		<b>Range</b>				
		<b>0% - 12%</b>				
<b>Cash and Overlay</b>						
Overlay (Parametric)	124,392,485	1.1%		1.1%		
Cash	550,929,673	4.8%	5.0%	-0.2%		
<b>Total Cash and Overlay</b>	<b>675,322,158</b>	<b>5.8%</b>	<b>5.0%</b>	<b>0.8%</b>	<b>3.0%</b>	<b>2.8%</b>
<b>Total Cash Range</b>		<b>0-6%</b>				
<b>Total Fund</b>	<b>11,595,918,541</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>	

\*Current targets and ranges reflect asset allocation targets accepted by the Board on August 28, 2024 (BOR Resolution 2024-4).

**Contra Costa County Employees' Retirement Association**  
**Asset Allocation as of April 30, 2025**

	Market Value	Percentage of Total Fund	Current Target* Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
<b>Liquidity</b>						
Dimensional Fund Advisors	352,299,919	3.0%	4.0%	-1.0%		
Insight	581,244,659	5.0%	6.5%	-1.5%		
Sit	612,569,434	5.3%	6.5%	-1.2%		
<b>Total Liquidity</b>	<b>1,546,114,011</b>	<b>13.3%</b>	<b>17.0%</b>	<b>-3.7%</b>	<b>14.0%</b>	<b>-0.7%</b>
		<b>Range</b>				
			<b>10-20%</b>			
<b>Growth</b>						
Domestic Equity						
Boston Partners	441,595,304	3.8%	3.0%	0.8%		
BlackRock Index Fund	1,228,194,427	10.5%	10.0%	0.5%		
Emerald Advisers	213,890,596	1.8%	1.5%	0.3%		
Ceredex	186,730,887	1.6%	1.5%	0.1%		
<b>Total Domestic Equity</b>	<b>2,070,411,213</b>	<b>17.8%</b>	<b>16.0%</b>	<b>1.8%</b>	<b>11.0%</b>	<b>6.8%</b>
Global & International Equity						
Pyrford (Columbia)	480,593,996	4.1%	3.5%	0.6%		
William Blair	438,795,165	3.8%	3.5%	0.3%		
First Eagle	682,801,327	5.9%	5.5%	0.4%		
Artisan Global Opportunities	635,365,860	5.5%	5.5%	-0.0%		
PIMCO/RAE Emerging Markets	249,873,853	2.1%	2.0%	0.1%		
TT Emerging Markets	248,564,570	2.1%	2.0%	0.1%		
<b>Total Global &amp; International Equity</b>	<b>2,735,994,770</b>	<b>23.5%</b>	<b>22.0%</b>	<b>1.5%</b>	<b>17.0%</b>	<b>6.5%</b>
Private Equity	1,210,800,123	10.4%	10.0%	2.1%	15.0%	-4.6%
Real Assets/Infrastructure	199,032,024	1.7%	2.0%		3.0%	-1.3%
<b>Total Equity</b>		<b>53.3%</b>	<b>50.0%</b>	<b>3.3%</b>		
<b>Total Equity Range</b>		<b>40-60%</b>				
Private Credit	1,133,244,435	9.7%	10.0%	-0.3%	13.0%	-3.3%
High Yield	170,234,084	1.5%	3.0%	-1.5%	0.0%	1.5%
<b>Total Credit</b>		<b>11.2%</b>	<b>13.0%</b>	<b>-1.8%</b>		
<b>Total Credit Range</b>		<b>8-16%</b>				
Real Estate - Value Add	302,631,072	2.6%	2.3%	0.3%	3.0%	-0.4%
Real Estate - Opportunistic & Distressed	308,651,148	2.6%	2.7%	-0.1%	4.0%	-1.4%
Real Estate - REIT			2.0%	-0.0%	0.0%	2.0%
Adelante	106,968,344	0.9%				
Invesco	121,164,613	1.0%				
Real Estate Debt	74,795,719	0.6%		0.6%	3.0%	-2.4%
<b>Total Real Estate</b>		<b>7.8%</b>	<b>7.0%</b>	<b>0.8%</b>		
<b>Total Real Estate Range</b>		<b>5-10%</b>				
Multi-Asset Credit		0.0%		0.0%	4.0%	-4.0%
Total Other Growth Assets (P.E. thru R.P.)	3,627,521,561	30.5%	32.0%	-1.5%	45.0%	-14.5%
<b>Total Growth Assets</b>	<b>8,433,927,545</b>	<b>72.4%</b>	<b>70.0%</b>	<b>1.7%</b>	<b>73.0%</b>	<b>-0.6%</b>
		<b>Range</b>				
			<b>60-80%</b>			
<b>Risk Diversifying</b>						
AFL-CIO	275,197,993	2.4%	2.5%	-0.1%	2.5%	-0.1%
BH-DG Systematic	207,862,079	1.8%	2.0%		2.5%	
Sit LLCAR	480,493,660	4.1%	3.5%	0.6%	2.0%	2.1%
<b>Total Risk Diversifying</b>	<b>963,553,731</b>	<b>8.3%</b>	<b>8.0%</b>	<b>0.3%</b>	<b>10.0%</b>	<b>-1.7%</b>
		<b>Range</b>				
			<b>0% - 12%</b>			
<b>Cash and Overlay</b>						
Overlay (Parametric)	125,530,085	1.1%		1.1%		
Cash	585,015,002	5.0%	5.0%	0.0%		
<b>Total Cash and Overlay</b>	<b>710,545,087</b>	<b>6.1%</b>	<b>5.0%</b>	<b>1.1%</b>	<b>3.0%</b>	<b>3.1%</b>
<b>Total Cash Range</b>		<b>0-6%</b>				
<b>Total Fund</b>	<b>11,654,140,375</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>	

\*Current targets and ranges reflect asset allocation targets accepted by the Board on August 28, 2024 (BOR Resolution 2024-4).

**Contra Costa County Employees' Retirement Association**  
**Asset Allocation as of May 31, 2025**

	Market Value	Percentage of Total Fund	Current Target* Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
<b>Liquidity</b>						
Dimensional Fund Advisors	341,816,811	2.9%	4.0%	-1.1%		
Insight	562,206,907	4.7%	6.5%	-1.8%		
Sit	588,847,030	5.0%	6.5%	-1.5%		
<b>Total Liquidity</b>	<b>1,492,870,748</b>	<b>12.6%</b>	<b>17.0%</b>	<b>-4.4%</b>	<b>14.0%</b>	<b>-1.4%</b>
		<b>Range</b>				
			<b>10-20%</b>			
<b>Growth</b>						
Domestic Equity						
Boston Partners	461,047,915	3.9%	3.0%	0.9%		
BlackRock Index Fund	1,306,620,668	11.0%	10.0%	1.0%		
Emerald Advisers	235,433,389	2.0%	1.5%	0.5%		
Ceredex	195,152,664	1.6%	1.5%	0.1%		
<b>Total Domestic Equity</b>	<b>2,198,254,635</b>	<b>18.5%</b>	<b>16.0%</b>	<b>2.5%</b>	<b>11.0%</b>	<b>7.5%</b>
Global & International Equity						
Pyrford (Columbia)	495,401,390	4.2%	3.5%	0.7%		
William Blair	463,900,501	3.9%	3.5%	0.4%		
First Eagle	704,169,004	5.9%	5.5%	0.4%		
Artisan Global Opportunities	663,930,304	5.6%	5.5%	0.1%		
PIMCO/RAE Emerging Markets	263,377,435	2.2%	2.0%	0.2%		
TT Emerging Markets	261,057,021	2.2%	2.0%	0.2%		
<b>Total Global &amp; International Equity</b>	<b>2,851,835,655</b>	<b>24.1%</b>	<b>22.0%</b>	<b>2.1%</b>	<b>17.0%</b>	<b>7.1%</b>
Private Equity	1,208,416,027	10.2%	10.0%	1.8%	15.0%	-4.8%
Real Assets/Infrastructure	189,439,103	1.6%	2.0%	-0.4%	3.0%	-1.4%
<b>Total Equity</b>		<b>54.4%</b>	<b>50.0%</b>	<b>4.4%</b>		
<b>Total Equity Range</b>		<b>40-60%</b>				
Private Credit	1,117,120,931	9.4%	10.0%	-0.6%	13.0%	-3.6%
High Yield	172,474,452	1.5%	3.0%	-1.5%	0.0%	1.5%
<b>Total Credit</b>		<b>11.2%</b>	<b>13.0%</b>	<b>-1.8%</b>		
<b>Total Credit Range</b>		<b>8-16%</b>				
Real Estate - Value Add	301,348,713	2.5%	2.3%	0.2%	3.0%	-0.5%
Real Estate - Opportunistic & Distressed	307,135,284	2.6%	2.7%	-0.1%	4.0%	-1.4%
Real Estate - REIT			2.0%	-0.0%	0.0%	2.0%
Adelante	108,963,324	0.9%				
Invesco	122,429,243	1.0%				
Real Estate Debt	75,040,739	0.6%		0.6%	3.0%	-2.4%
<b>Total Real Estate</b>		<b>7.7%</b>	<b>7.0%</b>	<b>0.7%</b>		
<b>Total Real Estate Range</b>		<b>5-10%</b>				
Multi-Asset Credit		0.0%		0.0%	4.0%	-4.0%
Total Other Growth Assets (P.E. thru R.P.)	3,602,367,818	29.8%	32.0%	-2.2%	45.0%	-15.2%
<b>Total Growth Assets</b>	<b>8,652,458,108</b>	<b>73.3%</b>	<b>70.0%</b>	<b>2.4%</b>	<b>73.0%</b>	<b>0.3%</b>
		<b>Range</b>				
			<b>60-80%</b>			
<b>Risk Diversifying</b>						
AFL-CIO	271,774,816	2.3%	2.5%	-0.2%	2.5%	-0.2%
BH-DG Systematic	200,130,994	1.7%	2.0%	-0.3%	2.5%	
Sit LLCAR	481,972,695	4.1%	3.5%	0.6%	2.0%	2.1%
<b>Total Risk Diversifying</b>	<b>953,878,505</b>	<b>8.0%</b>	<b>8.0%</b>	<b>0.0%</b>	<b>10.0%</b>	<b>-2.0%</b>
		<b>Range</b>				
			<b>0% - 12%</b>			
<b>Cash and Overlay</b>						
Overlay (Parametric)	146,583,700	1.2%		1.2%		
Cash	608,820,602	5.1%	5.0%	0.1%		
<b>Total Cash and Overlay</b>	<b>755,404,302</b>	<b>6.4%</b>	<b>5.0%</b>	<b>1.4%</b>	<b>3.0%</b>	<b>3.4%</b>
<b>Total Cash Range</b>		<b>0-6%</b>				
<b>Total Fund</b>	<b>11,854,611,663</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>	

\*Current targets and ranges reflect asset allocation targets accepted by the Board on August 28, 2024 (BOR Resolution 2024-4).

**Contra Costa County Employees' Retirement Association**  
**Asset Allocation as of June 30, 2025**

	Market Value	Percentage of Total Fund	Current Target* Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
<b>Liquidity</b>						
Dimensional Fund Advisors	331,456,680	2.7%	4.0%	-1.3%		
Insight	544,905,567	4.5%	6.5%	-2.0%		
Sit	573,306,847	4.7%	6.5%	-1.8%		
<b>Total Liquidity</b>	<b>1,449,669,094</b>	<b>11.9%</b>	<b>17.0%</b>	<b>-5.1%</b>	<b>14.0%</b>	<b>-2.1%</b>
		<b>Range</b>				
			<b>10-20%</b>			
<b>Growth</b>						
Domestic Equity						
Boston Partners	481,218,504	4.0%	3.0%	1.0%		
BlackRock Index Fund	1,372,761,131	11.3%	10.0%	1.3%		
Emerald Advisers	259,535,289	2.1%	1.5%	0.6%		
Ceredex	203,136,060	1.7%	1.5%	0.2%		
<b>Total Domestic Equity</b>	<b>2,316,650,984</b>	<b>19.1%</b>	<b>16.0%</b>	<b>3.1%</b>	<b>11.0%</b>	<b>8.1%</b>
Global & International Equity						
Pyrford (Columbia)	504,020,936	4.2%	3.5%	0.7%		
William Blair	478,471,464	3.9%	3.5%	0.4%		
First Eagle	727,191,999	6.0%	5.5%	0.5%		
Artisan Global Opportunities	693,421,161	5.7%	5.5%	0.2%		
PIMCO/RAE Emerging Markets	277,463,370	2.3%	2.0%	0.3%		
TT Emerging Markets	280,178,967	2.3%	2.0%	0.3%		
<b>Total Global &amp; International Equity</b>	<b>2,960,747,897</b>	<b>24.4%</b>	<b>22.0%</b>	<b>2.4%</b>	<b>17.0%</b>	<b>7.4%</b>
Private Equity						
Real Assets/Infrastructure	1,218,269,037	10.0%	10.0%	1.6%	15.0%	-5.0%
	193,512,743	1.6%	2.0%		3.0%	-1.4%
<b>Total Equity</b>		<b>55.1%</b>	<b>50.0%</b>	<b>5.1%</b>		
<b>Total Equity Range</b>		<b>40-60%</b>				
Private Credit						
High Yield	1,134,323,332	9.3%	10.0%	-0.7%	13.0%	-3.7%
	175,943,107	1.4%	3.0%	-1.6%	0.0%	1.4%
<b>Total Credit</b>		<b>11.2%</b>	<b>13.0%</b>	<b>-1.8%</b>		
<b>Total Credit Range</b>		<b>8-16%</b>				
Real Estate - Value Add						
Real Estate - Opportunistic & Distressed	305,979,862	2.5%	2.3%	0.2%	3.0%	-0.5%
Real Estate - REIT	303,766,143	2.5%	2.7%	-0.2%	4.0%	-1.5%
Adelante	107,974,371	0.9%	2.0%	-0.1%	0.0%	1.9%
Invesco	122,294,945	1.0%				
Real Estate Debt	75,765,610	0.6%		0.6%	3.0%	-2.4%
<b>Total Real Estate</b>		<b>7.5%</b>	<b>7.0%</b>	<b>0.5%</b>		
<b>Total Real Estate Range</b>		<b>5-10%</b>				
Multi-Asset Credit						
Total Other Growth Assets (P.E. thru R.P.)	3,637,829,151	30.0%	32.0%	-2.0%	45.0%	-15.0%
<b>Total Growth Assets</b>	<b>8,915,228,032</b>	<b>73.8%</b>	<b>70.0%</b>	<b>3.4%</b>	<b>73.0%</b>	<b>0.8%</b>
		<b>Range</b>				
			<b>60-80%</b>			
<b>Risk Diversifying</b>						
AFL-CIO	274,572,152	2.3%	2.5%	-0.2%	2.5%	-0.2%
BH-DG Systematic	211,483,700	1.7%	2.0%	-0.3%	2.5%	
Sit LLCAR	487,634,444	4.0%	3.5%	0.5%	2.0%	2.0%
<b>Total Risk Diversifying</b>	<b>973,690,296</b>	<b>8.0%</b>	<b>8.0%</b>	<b>0.0%</b>	<b>10.0%</b>	<b>-2.0%</b>
		<b>Range</b>				
			<b>0% - 12%</b>			
<b>Cash and Overlay</b>						
Overlay (Parametric)	168,850,971	1.4%		1.4%		
Cash	636,919,298	5.2%	5.0%	0.2%		
<b>Total Cash and Overlay</b>	<b>805,770,269</b>	<b>6.6%</b>	<b>5.0%</b>	<b>1.6%</b>	<b>3.0%</b>	<b>3.6%</b>
<b>Total Cash Range</b>		<b>0-6%</b>				
<b>Total Fund</b>	<b>12,144,357,691</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>	

\*Current targets and ranges reflect asset allocation targets accepted by the Board on May 1, 2025 (BOR Resolution 2025-4).

**Contra Costa County Employees' Retirement Association**  
**Asset Allocation as of July 31, 2025**

	Market Value	Percentage of Total Fund	Current Target* Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
<b>Liquidity</b>						
Dimensional Fund Advisors	480,479,554	3.8%	4.0%	-0.2%		
Insight	773,392,068	6.2%	6.5%	-0.3%		
Sit	550,531,431	4.4%	6.5%	-2.1%		
<b>Total Liquidity</b>	<b>1,804,403,053</b>	<b>14.4%</b>	<b>17.0%</b>	<b>-2.6%</b>	<b>14.0%</b>	<b>0.4%</b>
		<b>Range</b>				
		<b>10-20%</b>				
<b>Growth</b>						
Domestic Equity						
Boston Partners	486,981,286	3.9%	3.0%	0.9%		
BlackRock Index Fund	1,303,631,205	10.4%	10.0%	0.4%		
Emerald Advisers	269,690,851	2.1%	1.5%	0.6%		
Ceredex	195,633,954	1.6%	1.5%	0.1%		
<b>Total Domestic Equity</b>	<b>2,255,937,297</b>	<b>18.0%</b>	<b>16.0%</b>	<b>2.0%</b>	<b>11.0%</b>	<b>7.0%</b>
Global & International Equity						
Pyrford (Columbia)	500,034,330	4.0%	3.5%	0.5%		
William Blair	468,567,537	3.7%	3.5%	0.2%		
First Eagle	726,642,942	5.8%	5.5%	0.3%		
Artisan Global Opportunities	704,538,134	5.6%	5.5%	0.1%		
PIMCO/RAE Emerging Markets	279,801,770	2.2%	2.0%	0.2%		
TT Emerging Markets	285,151,087	2.3%	2.0%	0.3%		
<b>Total Global &amp; International Equity</b>	<b>2,964,735,800</b>	<b>23.6%</b>	<b>22.0%</b>	<b>1.6%</b>	<b>17.0%</b>	<b>6.6%</b>
Private Equity						
Real Assets/Infrastructure	1,240,226,872	9.9%	10.0%	1.4%	15.0%	-5.1%
	191,199,792	1.5%	2.0%		3.0%	-1.5%
<b>Total Equity</b>		<b>53.0%</b>	<b>50.0%</b>	<b>3.0%</b>		
<b>Total Equity Range</b>		<b>40-60%</b>				
Private Credit						
Multi-Asset Credit	1,129,056,281	9.0%	10.0%	-1.0%	13.0%	-4.0%
High Yield	176,171,671	0.0%	2.0%	-2.0%	4.0%	-4.0%
		1.4%	1.0%	0.4%	0.0%	1.4%
<b>Total Credit</b>		<b>10.4%</b>	<b>13.0%</b>	<b>-2.6%</b>		
<b>Total Credit Range</b>		<b>8-16%</b>				
Real Estate - Value Add						
Real Estate - Opportunistic & Distressed	306,994,843	2.4%	2.3%	0.1%	3.0%	-0.6%
Real Estate - REIT	304,594,729	2.4%	2.7%	-0.3%	4.0%	-1.6%
Adelante	106,746,320		2.0%	-0.2%	0.0%	1.8%
Invesco	121,043,487	0.9%				
Real Estate Debt	121,043,487	1.0%	1.0%	-0.4%	3.0%	-2.4%
	76,780,471	0.6%				
<b>Total Real Estate</b>		<b>7.3%</b>	<b>8.0%</b>	<b>-0.7%</b>		
<b>Total Real Estate Range</b>		<b>5-10%</b>				
Total Other Growth Assets (P.E. thru R.P.)	3,652,814,466	29.1%	32.0%	-2.9%	45.0%	-15.9%
<b>Total Growth Assets</b>	<b>8,873,487,562</b>	<b>70.7%</b>	<b>71.0%</b>	<b>0.7%</b>	<b>73.0%</b>	<b>-2.3%</b>
		<b>Range</b>				
		<b>60-80%</b>				
<b>Risk Diversifying</b>						
AFL-CIO	272,881,107	2.2%	2.7%	-0.5%	2.5%	-0.3%
BH-DG Systematic	204,968,207	1.6%	2.0%	-0.4%	2.5%	
DFA Intermediate Treasury	100,156,004	0.8%	0.8%	-0.0%	2.5%	
Sit LLCAR	488,207,276	3.9%	3.5%	0.4%	2.0%	1.9%
<b>Total Risk Diversifying</b>	<b>1,066,212,595</b>	<b>8.5%</b>	<b>9.0%</b>	<b>-0.5%</b>	<b>10.0%</b>	<b>-1.5%</b>
		<b>Range</b>				
		<b>0% - 12%</b>				
<b>Cash and Overlay</b>						
Overlay (Parametric)	173,805,542	1.4%		1.4%		
Cash	632,028,991	5.0%	3.0%	2.0%		
<b>Total Cash and Overlay</b>	<b>805,834,533</b>	<b>6.4%</b>	<b>3.0%</b>	<b>3.4%</b>	<b>3.0%</b>	<b>3.4%</b>
<b>Total Cash Range</b>		<b>0-6%</b>				
<b>Total Fund</b>	<b>12,549,937,743</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>	

\*Current targets and ranges reflect asset allocation targets accepted by the Board on May 1, 2025 (BOR Resolution 2025-4).

**Contra Costa County Employees' Retirement Association**  
**Asset Allocation as of August 31, 2025**

	Market Value	Percentage of Total Fund	Current Target* Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
<b>Liquidity</b>						
Dimensional Fund Advisors	470,514,124	3.7%	4.0%	-0.3%		
Insight	758,967,023	5.9%	6.5%	-0.6%		
Sit	767,041,580	6.0%	6.5%	-0.5%		
<b>Total Liquidity</b>	<b>1,996,522,726</b>	<b>15.6%</b>	<b>17.0%</b>	<b>-1.4%</b>	<b>14.0%</b>	<b>1.6%</b>
		<b>Range</b>				
			<b>10-20%</b>			
<b>Growth</b>						
Domestic Equity						
Boston Partners	399,212,440	3.1%	3.0%	0.1%		
BlackRock Index Fund	1,331,047,936	10.4%	10.0%	0.4%		
Emerald Advisers	212,365,375	1.7%	1.5%	0.2%		
Ceredex	206,429,047	1.6%	1.5%	0.1%		
<b>Total Domestic Equity</b>	<b>2,149,054,799</b>	<b>16.8%</b>	<b>16.0%</b>	<b>0.8%</b>	<b>11.0%</b>	<b>5.8%</b>
Global & International Equity						
Pyrford (Columbia)	457,510,292	3.6%	3.5%	0.1%		
William Blair	445,073,296	3.5%	3.5%	-0.0%		
First Eagle	726,538,372	5.7%	5.5%	0.2%		
Artisan Global Opportunities	689,420,071	5.4%	5.5%	-0.1%		
PIMCO/RAE Emerging Markets	279,801,770	2.2%	2.0%	0.2%		
TT Emerging Markets	294,680,983	2.3%	2.0%	0.3%		
<b>Total Global &amp; International Equity</b>	<b>2,893,024,784</b>	<b>22.7%</b>	<b>22.0%</b>	<b>0.7%</b>	<b>17.0%</b>	<b>5.7%</b>
Private Equity	1,274,683,552	10.0%	10.0%	-0.0%	15.0%	-5.0%
Real Assets/Infrastructure	198,710,852	1.6%	2.0%	-0.4%	3.0%	-1.4%
<b>Total Equity</b>		<b>51.1%</b>	<b>50.0%</b>	<b>1.1%</b>		
<b>Total Equity Range</b>		<b>40-60%</b>				
Private Credit	1,141,708,558	8.9%	10.0%	-1.1%	13.0%	-4.1%
Multi-Asset Credit	300,000,000	2.4%	2.0%	0.4%	4.0%	-1.6%
High Yield	128,036,643	1.0%	1.0%	0.0%	0.0%	1.0%
<b>Total Credit</b>		<b>12.3%</b>	<b>13.0%</b>	<b>-0.7%</b>		
<b>Total Credit Range</b>		<b>8-16%</b>				
Real Estate - Value Add	320,275,867	2.5%	2.3%	0.2%	3.0%	-0.5%
Real Estate - Opportunistic & Distressed	307,033,165	2.4%	2.7%	-0.3%	4.0%	-1.6%
Real Estate - REIT			2.0%	-0.2%	0.0%	1.8%
Adelante	110,680,363	0.9%				
Invesco	124,985,088	1.0%				
Real Estate Debt	77,236,395	0.6%	1.0%	-0.4%	3.0%	-2.4%
<b>Total Real Estate</b>	<b>940,210,878</b>	<b>7.4%</b>	<b>8.0%</b>	<b>-0.6%</b>		
<b>Total Real Estate Range</b>		<b>5-10%</b>				
Total Other Growth Assets (P.E. thru R.P.)	3,983,350,482	33.6%	33.0%	0.6%	45.0%	-11.4%
<b>Total Growth Assets</b>	<b>9,025,430,065</b>	<b>70.7%</b>	<b>71.0%</b>	<b>-0.3%</b>	<b>73.0%</b>	<b>-2.3%</b>
		<b>Range</b>				
			<b>60-80%</b>			
<b>Risk Diversifying</b>						
AFL-CIO	275,932,874	2.2%	2.7%	-0.5%	2.5%	-0.3%
DFA Intermediate Treasury	101,753,559	0.8%	0.8%	-0.0%	2.5%	
BH-DG Systematic	210,563,288	1.7%	2.0%	-0.3%	2.5%	
Sit LLCAR	494,400,310	3.9%	3.5%	0.4%	2.0%	1.9%
<b>Total Risk Diversifying</b>	<b>1,082,650,032</b>	<b>8.5%</b>	<b>9.0%</b>	<b>-0.5%</b>	<b>10.0%</b>	<b>-1.5%</b>
		<b>Range</b>				
			<b>0% - 12%</b>			
<b>Cash and Overlay</b>						
Overlay (Parametric)	187,173,255	1.5%		1.5%		
Cash	466,533,221	3.7%	3.0%	0.7%		
<b>Total Cash and Overlay</b>	<b>653,706,476</b>	<b>5.1%</b>	<b>3.0%</b>	<b>2.1%</b>	<b>3.0%</b>	<b>2.1%</b>
<b>Total Cash Range</b>		<b>0-6%</b>				
<b>Total Fund</b>	<b>12,758,309,298</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>	

\*Current targets and ranges reflect asset allocation targets accepted by the Board on May 1, 2025 (BOR Resolution 2025-4).

**Contra Costa County Employees' Retirement Association  
Asset Allocation as of September 30, 2025**

	Market Value	Percentage of Total Fund	Current Target* Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
<b>Liquidity</b>						
Dimensional Fund Advisors	459,855,046	3.6%	4.0%	-0.4%		
Insight	741,474,288	5.7%	6.5%	-0.8%		
Sit	747,827,881	5.8%	6.5%	-0.7%		
<b>Total Liquidity</b>	<b>1,949,157,214</b>	<b>15.1%</b>	<b>17.0%</b>	<b>-1.9%</b>	<b>14.0%</b>	<b>1.1%</b>
		<b>Range 10-20%</b>				
<b>Growth</b>						
Domestic Equity						
Boston Partners	411,627,730	3.2%	3.0%	0.2%		
BlackRock Index Fund	1,377,207,391	10.6%	10.0%	0.6%		
Emerald Advisers	227,605,340	1.8%	1.5%	0.3%		
Ceredex	204,629,618	1.6%	1.5%	0.1%		
<b>Total Domestic Equity</b>	<b>2,221,070,079</b>	<b>17.2%</b>	<b>16.0%</b>	<b>1.2%</b>	<b>11.0%</b>	<b>6.2%</b>
Global & International Equity						
Pyrford (Columbia)	459,710,813	3.6%	3.5%	0.1%		
William Blair	459,470,224	3.6%	3.5%	0.1%		
First Eagle	761,295,688	5.9%	5.5%	0.4%		
Artisan Global Opportunities	704,567,216	5.4%	5.5%	-0.1%		
PIMCO/RAE Emerging Markets	264,795,460	2.0%	2.0%	0.0%		
TT Emerging Markets	291,655,227	2.3%	2.0%	0.3%		
<b>Total Global &amp; International Equity</b>	<b>2,941,494,629</b>	<b>22.7%</b>	<b>22.0%</b>	<b>0.7%</b>	<b>17.0%</b>	<b>5.7%</b>
Private Equity	1,276,367,763	9.9%	10.0%	-0.1%	15.0%	-5.1%
Real Assets/Infrastructure	214,162,705	1.7%	2.0%	-0.3%	3.0%	-1.3%
<b>Total Equity</b>		<b>51.4%</b>	<b>50.0%</b>	<b>1.4%</b>		
<b>Total Equity Range</b>		<b>40-60%</b>				
Private Credit	1,149,479,831	8.9%	10.0%	-1.1%	13.0%	-4.1%
Multi-Asset Credit			2.0%	0.3%	4.0%	-1.7%
KKR	101,678,425	0.8%				
GoldenTree	100,565,413	0.8%				
Oak Hill Advisors	100,465,601	0.8%				
High Yield	128,916,913	1.0%	1.0%	-0.0%	0.0%	1.0%
<b>Total Credit</b>		<b>12.2%</b>	<b>13.0%</b>	<b>-0.8%</b>		
<b>Total Credit Range</b>		<b>8-16%</b>				
Real Estate - Value Add	325,088,561	2.5%	2.3%	0.2%	3.0%	-0.5%
Real Estate - Opportunistic & Distressed	307,117,292	2.4%	2.7%	-0.3%	4.0%	-1.6%
Real Estate - REIT			2.0%	-0.2%	0.0%	1.8%
Adelante	112,077,702	0.9%				
Invesco	125,567,840	1.0%				
Real Estate Debt			1.0%	-0.4%	3.0%	-2.4%
Rialto	78,133,667	0.6%				
<b>Total Real Estate</b>	<b>947,985,062</b>	<b>7.3%</b>	<b>8.0%</b>	<b>-0.7%</b>		
<b>Total Real Estate Range</b>		<b>5-10%</b>				
Total Other Growth Assets (P.E. thru R.P.)	4,019,621,713	31.1%	33.0%	-1.9%	45.0%	-13.9%
<b>Total Growth Assets</b>	<b>9,182,186,421</b>	<b>71.0%</b>	<b>71.0%</b>	<b>-0.0%</b>	<b>73.0%</b>	<b>-2.0%</b>
		<b>Range 60-80%</b>				
<b>Risk Diversifying</b>						
AFL-CIO	278,037,728	2.1%	2.7%	-0.6%	2.5%	-0.4%
DFA Intermediate Treasury	102,058,281	0.8%	0.8%	-0.0%	2.5%	
BH-DG Systematic	223,148,483	1.7%	2.0%	-0.3%	2.5%	
Sit LLCAR	499,573,031	3.9%	3.5%	0.4%	2.0%	1.9%
<b>Total Risk Diversifying</b>	<b>1,102,817,524</b>	<b>8.5%</b>	<b>9.0%</b>	<b>-0.5%</b>	<b>10.0%</b>	<b>-1.5%</b>
		<b>Range 0% - 12%</b>				
<b>Cash and Overlay</b>						
Overlay (Parametric)	195,571,148	1.5%		1.5%		
Cash	503,961,568	3.9%	3.0%	0.9%		
<b>Total Cash and Overlay</b>	<b>699,532,716</b>	<b>5.4%</b>	<b>3.0%</b>	<b>2.4%</b>	<b>3.0%</b>	<b>2.4%</b>
<b>Total Cash Range</b>		<b>0-6%</b>				
<b>Total Fund</b>	<b>12,933,693,875</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>	

\*Current targets and ranges reflect asset allocation targets accepted by the Board on May 1, 2025 (BOR Resolution 2025-4).

**Contra Costa County Employees' Retirement Association**  
**Asset Allocation as of October 31, 2025**

	Market Value	Percentage of Total Fund	Current Target* Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
<b>Liquidity</b>						
Dimensional Fund Advisors	449,106,439	3.4%	4.0%	-0.6%		
Insight	723,488,294	5.5%	6.5%	-1.0%		
Sit	728,942,399	5.6%	6.5%	-0.9%		
<b>Total Liquidity</b>	<b>1,901,537,133</b>	<b>14.6%</b>	<b>17.0%</b>	<b>-2.4%</b>	<b>14.0%</b>	<b>0.6%</b>
		<b>Range</b>				
			<b>10-20%</b>			
<b>Growth</b>						
Domestic Equity						
Boston Partners	411,381,200	3.2%	3.0%	0.2%		
BlackRock Index Fund	1,406,921,806	10.8%	10.0%	0.8%		
Emerald Advisers	240,818,611	1.8%	1.5%	0.3%		
Ceredex	205,530,593	1.6%	1.5%	0.1%		
<b>Total Domestic Equity</b>	<b>2,264,652,209</b>	<b>17.4%</b>	<b>16.0%</b>	<b>1.4%</b>		
Global & International Equity						
Pyrford (Columbia)	460,934,620	3.5%	3.5%	0.0%		
William Blair	467,509,927	3.6%	3.5%	0.1%		
First Eagle	766,401,123	5.9%	5.5%	0.4%		
Artisan Global Opportunities	724,213,514	5.6%	5.5%	0.1%		
PIMCO/RAE Emerging Markets	271,285,797	2.1%	2.0%	0.1%		
TT Emerging Markets	319,032,861	2.4%	2.0%	0.4%		
<b>Total Global &amp; International Equity</b>	<b>3,009,377,841</b>	<b>23.1%</b>	<b>22.0%</b>	<b>1.1%</b>		
Private Equity	1,302,047,150	10.0%	10.0%	-0.0%		
Real Assets/Infrastructure	216,672,367	1.7%	2.0%	-0.3%		
<b>Total Equity</b>		<b>52.1%</b>	<b>50.0%</b>	<b>2.1%</b>		
<b>Total Equity Range</b>		<b>40-60%</b>				
Private Credit	1,128,626,850	8.7%	10.0%	-1.3%		
Multi-Asset Credit			2.0%	0.7%		
HPS	49,750,000	0.4%				
KKR	101,678,425	0.8%				
GoldenTree	101,627,980	0.8%				
Oak Hill Advisors	100,465,601	0.8%				
High Yield	129,157,473	1.0%	1.0%	-0.0%		
<b>Total Credit</b>		<b>12.4%</b>	<b>13.0%</b>	<b>-0.6%</b>		
<b>Total Credit Range</b>		<b>8-16%</b>				
Real Estate - Value Add	327,403,929	2.5%	2.3%	0.2%		
Real Estate - Opportunistic & Distressed	305,804,616	2.3%	2.7%	-0.4%		
Real Estate - REIT			2.0%	-0.2%		
Adelante	111,226,964	0.9%				
Invesco	123,009,148	0.9%				
Real Estate Debt			1.0%	-0.4%		
Rialto	78,543,814	0.6%				
<b>Total Real Estate</b>	<b>945,988,471</b>	<b>7.3%</b>	<b>8.0%</b>	<b>-0.7%</b>		
<b>Total Real Estate Range</b>		<b>5-10%</b>				
<b>Total Growth Assets</b>	<b>9,350,044,367</b>	<b>71.7%</b>	<b>71.0%</b>	<b>0.7%</b>	<b>73.0%</b>	<b>-1.3%</b>
		<b>Range</b>				
			<b>60-80%</b>			
<b>Risk Diversifying</b>						
AFL-CIO	279,199,270	2.1%	2.7%	-0.6%		
DFA Intermediate Treasury	102,482,564	0.8%	0.8%	-0.0%		
BH-DG Systematic	230,757,357	1.8%	2.0%	-0.2%		
Sit LLCAR	502,101,600	3.9%	3.5%	0.4%		
<b>Total Risk Diversifying</b>	<b>1,114,540,791</b>	<b>8.5%</b>	<b>9.0%</b>	<b>-0.5%</b>	<b>10.0%</b>	<b>-1.5%</b>
		<b>Range</b>				
			<b>0% - 12%</b>			
<b>Cash and Overlay</b>						
Overlay (Parametric)	200,211,206	1.5%		1.5%		
Cash	469,592,540	3.6%	3.0%	0.6%		
<b>Total Cash and Overlay</b>	<b>669,803,746</b>	<b>5.1%</b>	<b>3.0%</b>	<b>2.1%</b>	<b>3.0%</b>	<b>2.1%</b>
<b>Total Cash Range</b>		<b>0-6%</b>				
<b>Total Fund</b>	<b>13,035,926,036</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>	

\*Current targets and ranges reflect asset allocation targets accepted by the Board on July 9, 2025 (BOR Resolution 2025-5).

**Contra Costa County Employees' Retirement Association  
Asset Allocation as of November 30, 2025**

	Market Value	Percentage of Total Fund	Current Target* Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
<b>Liquidity</b>						
Dimensional Fund Advisors	438,298,661	3.4%	4.0%	-0.6%		
Insight	706,115,928	5.4%	6.5%	-1.1%		
Sit	712,225,324	5.4%	6.5%	-1.1%		
<b>Total Liquidity</b>	<b>1,856,639,913</b>	<b>14.2%</b>	<b>17.0%</b>	<b>-2.8%</b>	<b>14.0%</b>	<b>0.2%</b>
		<b>Range 10-20%</b>				
<b>Growth</b>						
Domestic Equity						
Boston Partners	418,890,002	3.2%	3.0%	0.2%		
BlackRock Index Fund	1,410,363,349	10.8%	10.0%	0.8%		
Emerald Advisers	246,560,886	1.9%	1.5%	0.4%		
Ceredex	209,266,396	1.6%	1.5%	0.1%		
<b>Total Domestic Equity</b>	<b>2,285,080,633</b>	<b>17.5%</b>	<b>16.0%</b>	<b>1.5%</b>		
Global & International Equity						
Pyrford (Columbia)	466,794,907	3.6%	3.5%	0.1%		
William Blair	457,758,040	3.5%	3.5%	0.0%		
First Eagle	787,085,943	6.0%	5.5%	0.5%		
Artisan Global Opportunities	703,967,329	5.4%	5.5%	-0.1%		
PIMCO/RAE Emerging Markets	276,018,044	2.1%	2.0%	0.1%		
TT Emerging Markets	318,350,316	2.4%	2.0%	0.4%		
<b>Total Global &amp; International Equity</b>	<b>3,009,974,579</b>	<b>23.0%</b>	<b>22.0%</b>	<b>1.0%</b>		
Private Equity	1,285,060,483	9.8%	10.0%	-0.2%		
Real Assets/Infrastructure	224,438,894	1.7%	2.0%	-0.3%		
<b>Total Equity</b>		<b>52.0%</b>	<b>50.0%</b>	<b>2.0%</b>		
<b>Total Equity Range</b>		<b>40-60%</b>				
Private Credit	1,143,049,944	8.7%	10.0%	-1.3%		
Multi-Asset Credit			2.0%	1.1%		
HPS	100,000,000	0.8%				
KKR	101,678,425	0.8%				
GoldenTree	102,013,506	0.8%				
Oak Hill Advisors	100,868,167	0.8%				
High Yield	130,215,691	1.0%	1.0%	-0.0%		
<b>Total Credit</b>		<b>12.8%</b>	<b>13.0%</b>	<b>-0.2%</b>		
<b>Total Credit Range</b>		<b>8-16%</b>				
Real Estate - Value Add	329,255,859	2.5%	2.3%	0.2%		
Real Estate - Opportunistic & Distressed	339,786,032	2.6%	2.7%	-0.1%		
Real Estate - REIT			2.0%	-0.2%		
Adelante	113,778,549	0.9%				
Invesco	125,858,276	1.0%				
Real Estate Debt			1.0%	-0.4%		
Rialto	78,751,625	0.6%				
<b>Total Real Estate</b>	<b>987,430,340</b>	<b>7.6%</b>	<b>8.0%</b>	<b>-0.4%</b>		
<b>Total Real Estate Range</b>		<b>5-10%</b>				
<b>Total Growth Assets</b>	<b>9,469,810,664</b>	<b>72.4%</b>	<b>71.0%</b>	<b>1.4%</b>	<b>73.0%</b>	<b>-0.6%</b>
		<b>Range 60-80%</b>				
<b>Risk Diversifying</b>						
AFL-CIO	280,313,838	2.1%	2.7%	-0.6%		
DFA Intermediate Treasury	128,280,478	1.0%	0.8%	0.2%		
BH-DG Systematic	232,323,925	1.8%	2.0%	-0.2%		
Sit LLCAR	505,426,350	3.9%	3.5%	0.4%		
<b>Total Risk Diversifying</b>	<b>1,146,344,591</b>	<b>8.8%</b>	<b>9.0%</b>	<b>-0.2%</b>	<b>10.0%</b>	<b>-1.2%</b>
		<b>Range 0% - 12%</b>				
<b>Cash and Overlay</b>						
Overlay (Parametric)	199,960,028	1.5%		1.5%		
Cash	404,819,985	3.1%	3.0%	0.1%		
<b>Total Cash and Overlay</b>	<b>604,780,012</b>	<b>4.6%</b>	<b>3.0%</b>	<b>1.6%</b>	<b>3.0%</b>	<b>1.6%</b>
<b>Total Cash Range</b>		<b>0-6%</b>				
<b>Total Fund</b>	<b>13,077,575,180</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>	

\*Current targets and ranges reflect asset allocation targets accepted by the Board on July 9, 2025 (BOR Resolution 2025-5).

**Contra Costa County Employees' Retirement Association  
Asset Allocation as of December 31, 2025**

	Market Value	Percentage of Total Fund	Current Target* Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
<b>Liquidity</b>						
Dimensional Fund Advisors	427,125,760	3.3%	4.0%	-0.7%		
Insight	738,146,427	5.7%	6.5%	-0.8%		
Sit	742,001,128	5.7%	6.5%	-0.8%		
<b>Total Liquidity</b>	<b>1,907,273,315</b>	<b>14.7%</b>	<b>17.0%</b>	<b>-2.3%</b>	<b>14.0%</b>	<b>0.7%</b>
		<b>Range 10-20%</b>				
<b>Growth</b>						
Domestic Equity						
Boston Partners	422,519,215	3.3%	3.0%	0.3%		
BlackRock Index Fund	1,410,443,253	10.9%	10.0%	0.9%		
Emerald Advisers	242,502,887	1.9%	1.5%	0.4%		
Ceredex	209,681,679	1.6%	1.5%	0.1%		
<b>Total Domestic Equity</b>	<b>2,285,147,034</b>	<b>17.6%</b>	<b>16.0%</b>	<b>1.6%</b>		
Global & International Equity						
Pyrford (Columbia)	474,911,661	3.7%	3.5%	0.2%		
William Blair	468,927,744	3.6%	3.5%	0.1%		
First Eagle	804,652,880	6.2%	5.5%	0.7%		
Artisan Global Opportunities	692,419,506	5.3%	5.5%	-0.2%		
PIMCO/RAE Emerging Markets	281,639,658	2.2%	2.0%	0.2%		
TT Emerging Markets	337,139,260	2.6%	2.0%	0.6%		
<b>Total Global &amp; International Equity</b>	<b>3,059,690,709</b>	<b>23.6%</b>	<b>22.0%</b>	<b>1.6%</b>		
Private Equity	1,289,104,540	9.9%	10.0%	-0.1%		
Real Assets/Infrastructure	216,476,149	1.7%	2.0%	-0.3%		
<b>Total Equity</b>	<b>6,850,418,431</b>	<b>52.7%</b>	<b>50.0%</b>	<b>2.7%</b>		
		<b>40-60%</b>				
Private Credit	1,138,483,782	8.8%	10.0%	-1.2%		
Multi-Asset Credit			2.0%	1.1%		
HPS	100,281,619	0.8%				
KKR	101,741,307	0.8%				
GoldenTree	102,530,625	0.8%				
Oak Hill Advisors	102,192,257	0.8%				
High Yield	131,128,919	1.0%	1.0%	0.0%		
<b>Total Credit</b>	<b>1,676,358,510</b>	<b>12.9%</b>	<b>13.0%</b>	<b>-0.1%</b>		
		<b>8-16%</b>				
Real Estate - Value Add	360,708,553	2.8%	2.3%	0.5%		
Real Estate - Opportunistic & Distressed	338,674,511	2.6%	2.7%	-0.1%		
Real Estate - REIT			2.0%	-0.2%		
Adelante	111,095,373	0.9%				
Invesco	123,142,517	0.9%				
Real Estate Debt			1.0%	-0.4%		
Rialto	79,322,836	0.6%				
<b>Total Real Estate</b>	<b>1,012,943,791</b>	<b>7.8%</b>	<b>8.0%</b>	<b>-0.2%</b>		
		<b>5-10%</b>				
<b>Total Growth Assets</b>	<b>9,539,720,732</b>	<b>73.4%</b>	<b>71.0%</b>	<b>2.4%</b>	<b>73.0%</b>	<b>0.4%</b>
		<b>Range 60-80%</b>				
<b>Risk Diversifying</b>						
AFL-CIO	278,312,027	2.1%	2.7%	-0.6%		
DFA Intermediate Treasury	127,792,259	1.0%	0.8%	0.2%		
BH-DG Systematic	240,432,636	1.9%	2.0%	-0.1%		
Sit LLCAR	505,954,480	3.9%	3.5%	0.4%		
<b>Total Risk Diversifying</b>	<b>1,152,491,402</b>	<b>8.9%</b>	<b>9.0%</b>	<b>-0.1%</b>	<b>10.0%</b>	<b>-1.1%</b>
		<b>Range 0% - 12%</b>				
<b>Cash and Overlay</b>						
Overlay (Parametric)	200,195,586	1.5%		1.5%		
Cash	189,900,406	1.5%	3.0%	-1.5%		
<b>Total Cash and Overlay</b>	<b>390,095,992</b>	<b>3.0%</b>	<b>3.0%</b>	<b>0.0%</b>	<b>3.0%</b>	<b>0.0%</b>
		<b>0-6%</b>				
<b>Total Fund</b>	<b>12,989,581,441</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>	

\*Current targets and ranges reflect asset allocation targets accepted by the Board on July 9, 2025 (BOR Resolution 2025-5).

*Meeting Date*  
**02/18/2026**  
*Agenda Item*  
**#4**

Contra Costa County Employees' Retirement Association

# Funding and Contribution Volatility Management

February 18, 2026 / Todd Tauzer / Eva Yum

# REVIEW – Funding Policies

*Collectively determine required contributions*

## **Actuarial cost (funding) method**

- Allocates cost of projected benefits to years of service, past and future

## **Asset smoothing method**

- Determines a market-related asset value for setting current year contribution requirements

## **Amortization method**

- Sets pattern and duration of payments to fund any difference between liabilities and assets



# CCCERA Funding Policies

*Collectively determine required contributions*

## **Actuarial cost (funding) method**

- Entry Age – also used by almost all other public pension plans

## **Asset smoothing method**

- Returns above or below earnings assumption recognized semi-annually over a 5-year period

## **Amortization method**

- Systematically pays off unfunded liability over 18-year layered periods (level pay)
- Surplus in excess of 20% is amortized over 30 years

# Surplus Management

## *Considerations to enhance CCCERA's Funding Policy*

### **Best practices**

- Establish contribution volatility management methodology within the Funding Policy
- Mitigate future contribution rate volatility
  - Avoid large drops followed by increases, where possible
- Prepare the plan to be stable in a strong funding position

### **Resources published recently**

- GFOA's [Core Elements of a funding policy](#)
  - Includes specific considerations for a Surplus Management Funding Policy
- American Academy of Actuaries' [Surplus Considerations for Public Plans](#)

# Surplus Management

## *Important concepts*

### **Why consider this now?**

- Allows for stakeholder education without politics
- Proactively building it into policy sets aside most “agency risk”
- Can avoid the mistakes from the turn of the century

### **Considerations in prudent risk mitigation**

- Careful examination of assumptions and the inherent risk levels
- Possible glide path from current rate to the normal cost
- Possible threshold before amortizing surplus to reduce rate below the normal cost
- Long amortizations of surplus

# CCCERA's Surplus Management

*Already part way there*

## **CCCERA already:**

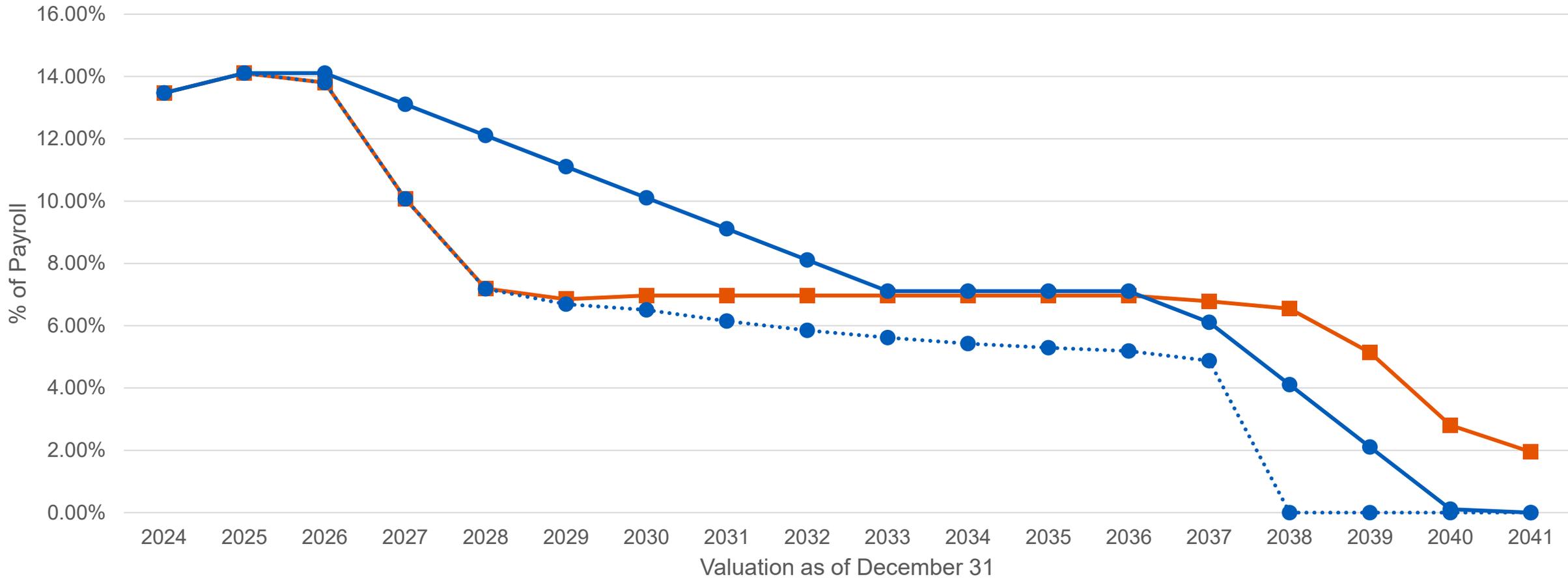
- Uses a buffer of 120% before amortizing any surplus as a credit (from PEPRA)
- Any surplus that can be amortized is done over a long “open” 30-year amortization

## **However, when approaching surplus, plan is exposed to volatility**

- When the UAAL rate is eliminated, contribution rates could drop significantly
  - **Investment allocations** could be significantly affected by large drop in cash flows
  - Any following losses could immediately put the plan back in unfunded territory
- It may be desirable to reduce the UAAL rate gradually over time
  - Creating a buffer against future losses and stabilizing contribution rates
  - Allowing time for an **evolving strategic asset allocation** given changing plan characteristics

# Contribution Management Example - CCCERA

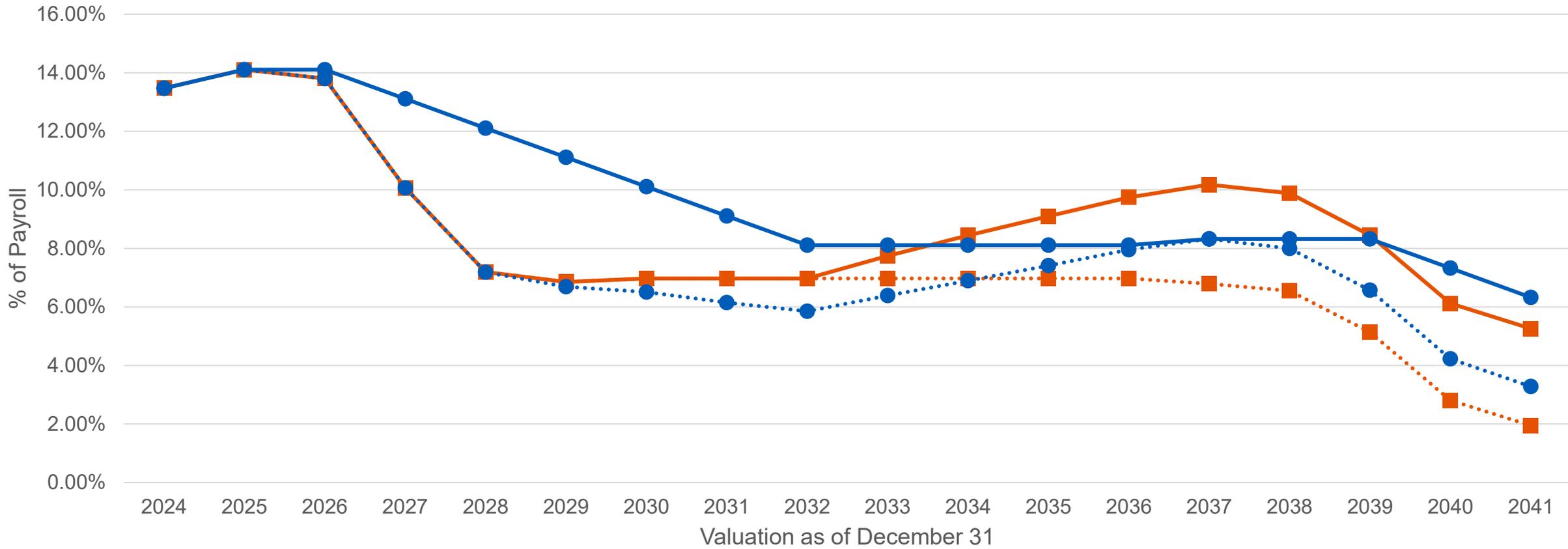
*Utilizing a "glide path" to phase out UAAL rate*



—■— Baseline      —●— Downward Corridor with Limits      ····· Underlying UAAL Rate for Downward Corridor with Limits

# Contribution Management Example - CCCERA

*One year of asset shock in 2033 and utilizing a "glide path"*



- Baseline
- Downward Corridor with Limits & Market Loss
- Market Loss Baseline
- ... Underlying UAAL Rate for Downward Corridor with Limits & Market Loss

# Contribution Volatility Management

*Illustrative example only*

## UAAL contribution rate smoothing techniques for **General Cost Groups**

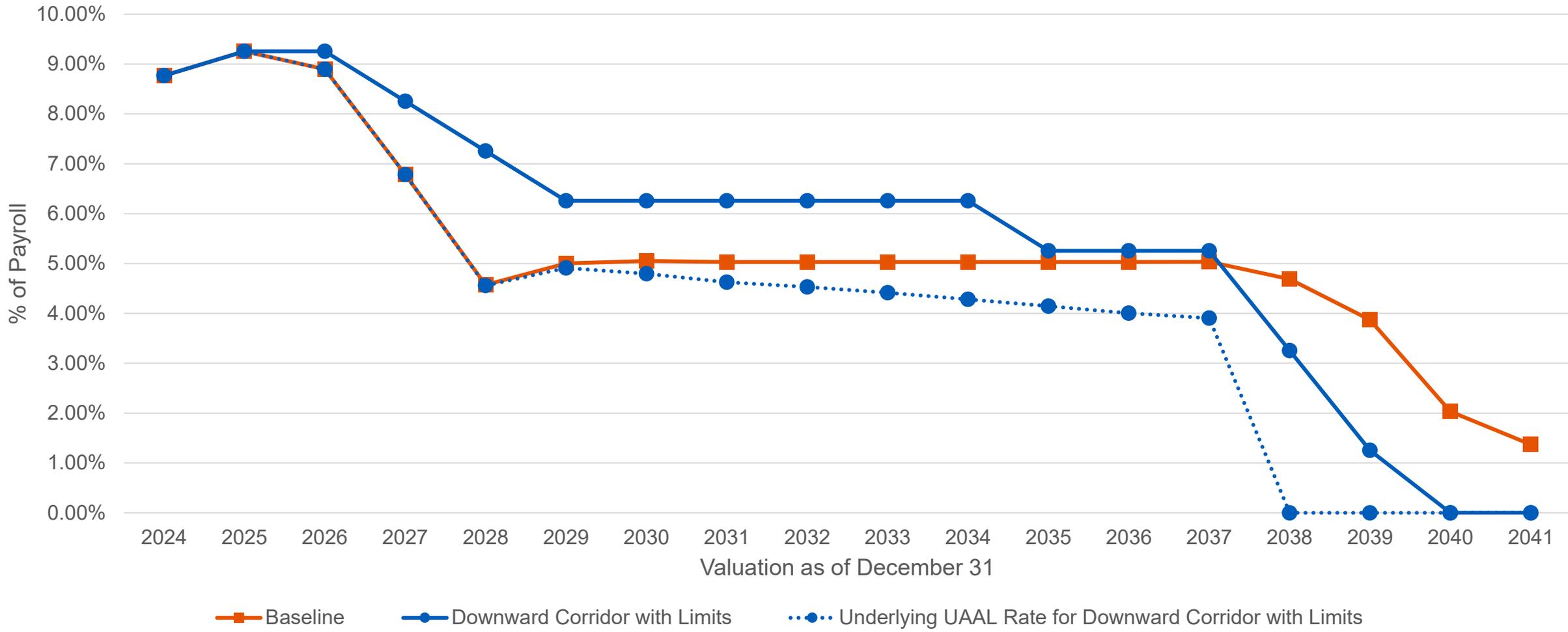
1. Maintaining the UAAL contribution rate from the prior year when the decrease in the newly calculated UAAL contribution rate is less than 2% of payroll
2. Limit the total decrease in a given year to 1% of payroll (2% of payroll once in surplus)

This glide path would strengthen plan funding position, mitigate large movements in contribution rates, and allow for measured, predictable employer contribution rate reductions over time.

The above illustrative example is shown graphically on the following slides.

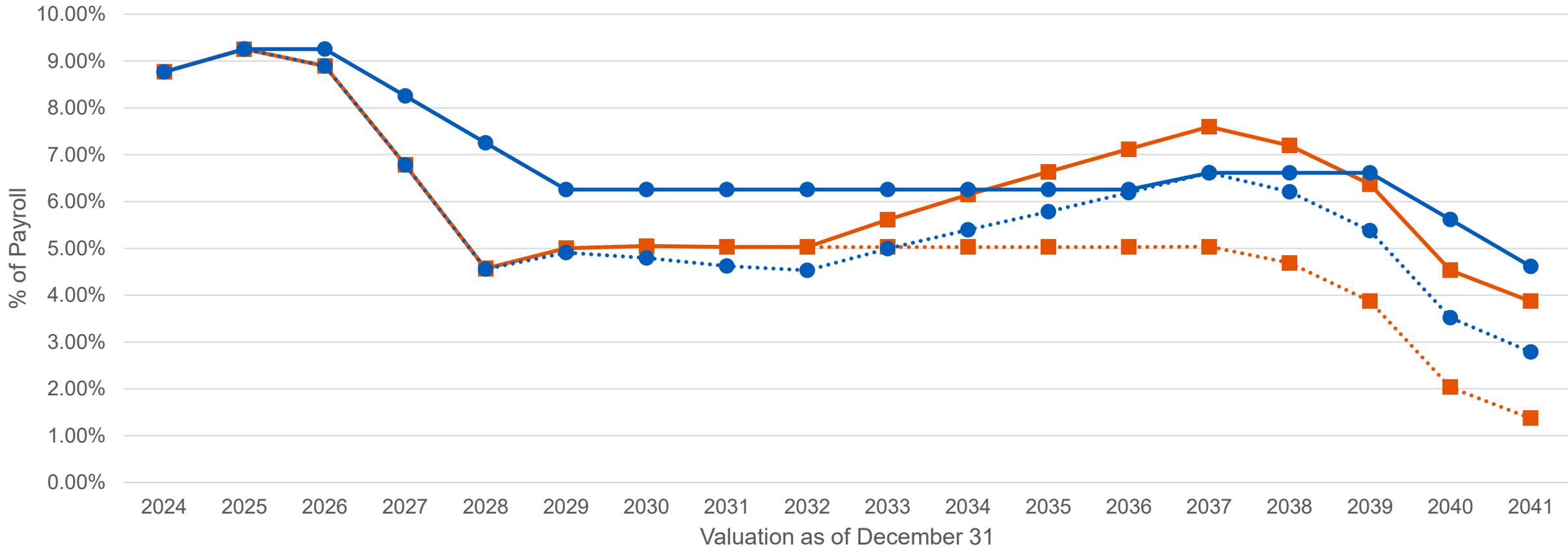
# Contribution Management Example – General CG

*Utilizing a “glide path” to phase out UAAL rate*



# Contribution Management Example – General CG

*One year of asset shock in 2033 and utilizing a “glide path”*



- Baseline
- Downward Corridor with Limits & Market Loss
- Market Loss Baseline
- Underlying UAAL Rate for Downward Corridor with Limits & Market Loss

# Contribution Volatility Management

*Illustrative example only*

## UAAL contribution rate smoothing techniques for **Safety Cost Groups**

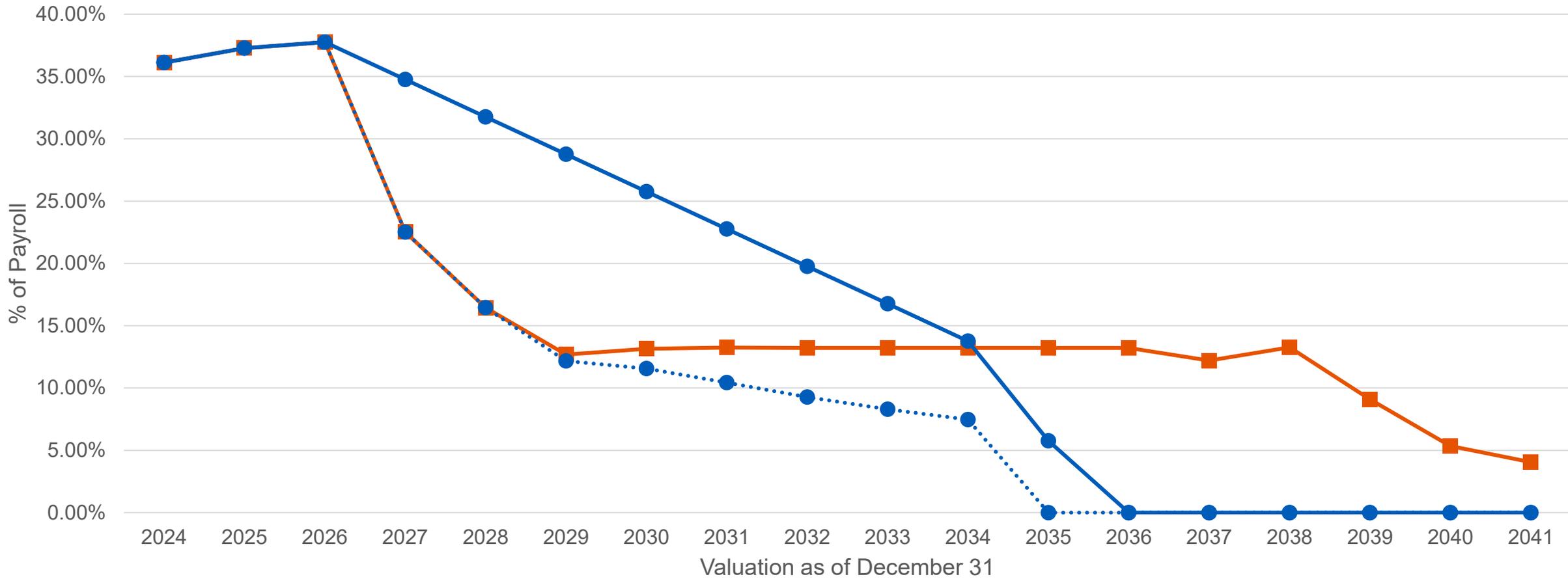
1. Maintaining the UAAL contribution rate from the prior year when the decrease in the newly calculated UAAL contribution rate is less than 3% of payroll
2. Limit the total decrease in a given year to 3% of payroll (8% of payroll once in surplus)

This glide path would strengthen plan funding position, mitigate large movements in contribution rates, and allow for measured, predictable employer contribution rate reductions over time.

The above illustrative example is shown graphically on the following slides.

# Contribution Management Example – Safety CG

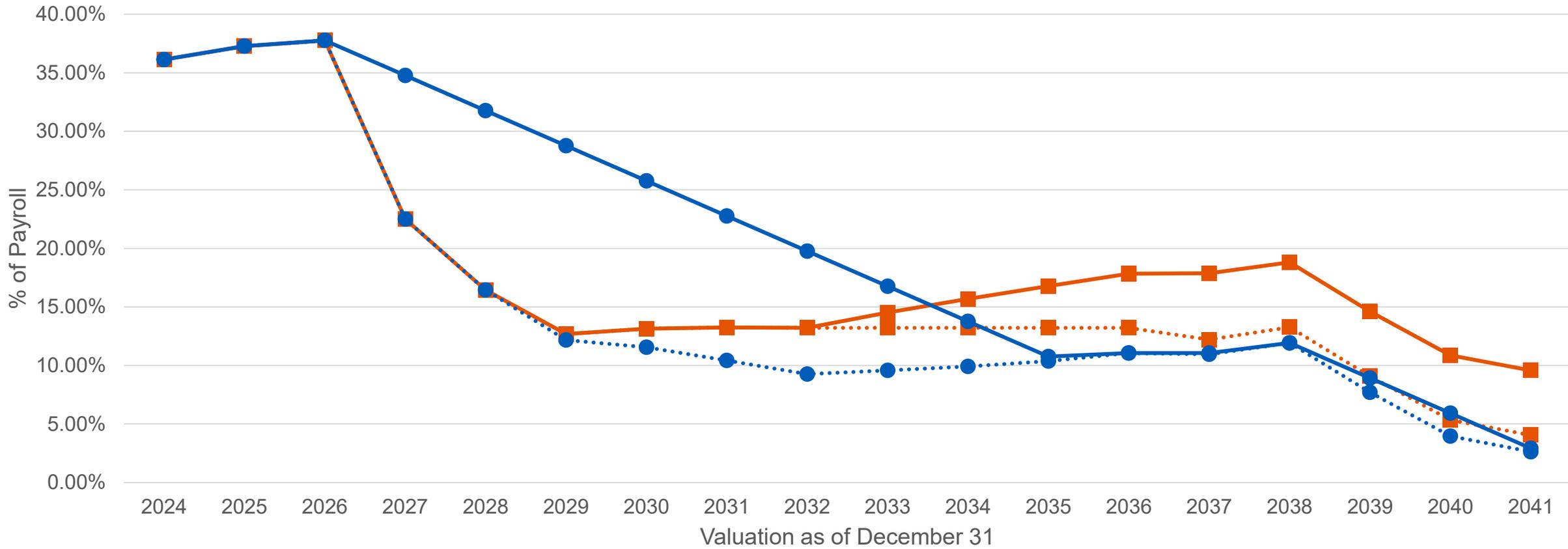
*Utilizing a “glide path” to phase out UAAL rate*



—■— Baseline      —●— Downward Corridor with Limits      ····· Underlying UAAL Rate for Downward Corridor with Limits

# Contribution Management Example – Safety CG

*One year of asset shock in 2033 and utilizing a “glide path”*



- Baseline
- Market Loss Baseline
- Downward Corridor with Limits & Market Loss
- Underlying UAAL Rate for Downward Corridor with Limits & Market Loss

# In Conclusion

*CCCERA should consider ways to improve contribution volatility*

## **Proactively prepare for rate decreases and surplus**

- Build a contribution volatility management method, which includes surplus management, into your Funding Policy
  - Doing this before surplus helps support an objective process
  - This contribution strategy is effective at mitigating potential contribution “bounce backs” and strengthening funded position while still providing gradual, dependable employer rate relief
- CCCERA’s Funding Policy should be amended to include the contribution volatility management methods

# Segal's Recommendation

## *Funding Policy adjustment for contribution management*

### **For General Cost Groups, when the UAAL rate decreases**

- If the calculated decrease is less than 2%, keep last year's rate
- If the calculated decrease is 2% or more, decrease the rate by 1%
- If the cost group is fully funded, decrease the rate by 2% (until it hits 0%)

### **For Safety Cost Groups, when the UAAL rate decreases**

- If the calculated decrease is less than 3%, keep last year's rate
- If the calculated decrease is 3% or more, decrease the rate by 3%
- If the cost group is fully funded, decrease the rate by 8% (until it hits 0%)

# Thank You

**Todd Tauzer, FSA, MAAA, FCA, CERA**  
Senior Vice President and Actuary  
National Public Sector Retirement Practice Leader  
ttauzer@segalco.com

**Eva Yum, FSA, MAAA, EA**  
Vice President and Actuary  
eyum@segalco.com



## Disclaimer

This document has been prepared for the exclusive use and benefit of the client, based upon information provided by you and your other service providers or otherwise made available to Segal at the time this document was created. Segal makes no representation or warranty as to the accuracy of any forward-looking statements and does not guarantee any particular outcome or result. This presentation should only be copied, reproduced, or shared with other parties in its entirety as necessary for the proper administration of the Plan. This document does not constitute legal, tax or investment advice or create or imply a fiduciary relationship. You are encouraged to discuss any issues raised with your legal, tax and other advisors before taking, or refraining from taking, any action.



## MEMORANDUM

Date: February 18, 2026  
To: CCCERA Board of Retirement  
From: Christina Dunn, Chief Executive Officer  
Subject: Consider and take possible action to amend the CCCERA Actuarial Funding Policy as recommended by Segal Consulting

---

### Background

The CCCERA Actuarial Funding Policy currently includes three methods for determining required contributions, Actuarial Cost method, Asset Smoothing method and the Amortization method. Segal Consulting has reviewed projected contributions based on these three methods and has recommended the addition of a fourth method to assist with contribution volatility management.

In order to implement this method effective with the December 31, 2025 valuation, Segal Consulting is recommending an update to the CCCERA Actuarial Funding Policy outlining the specifics of a contribution volatility management method. The updates to the policy reflect the recommendations outlined in Segal Consulting's presentation on Funding and Contribution Volatility Management presented to the Board on February 18, 2026.

Enclosed, for the Board's consideration, is the amended Actuarial Funding policy and a redlined version which reflects the recommended updates.

### Recommendation

Consider and take possible action to amend the CCCERA Actuarial Funding Policy as recommended by Segal Consulting.

# CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## ACTUARIAL FUNDING POLICY

### INTRODUCTION:

The purpose of this Actuarial Funding Policy is to record the funding objectives and policies set by the Board of Retirement (Board) for the Contra Costa County Employees' Retirement Association (CCCERA). The Board establishes this Actuarial Funding Policy to help ensure the systematic funding of future benefit payments for members of CCCERA. In addition, this document records certain guidelines established by the Board to assist in administering CCCERA in a consistent and efficient manner.

This Actuarial Funding Policy supersedes any previous Actuarial Funding Policies. It is a working document and may be modified as the Board deems necessary.

### GOALS OF ACTUARIAL FUNDING POLICY:

1. To determine future contributions that, together with current plan assets, are expected to be sufficient to provide for all benefits provided by CCCERA;
2. To seek reasonable and equitable allocation of the cost of benefits over time including the goal that annual contributions should, to the extent reasonably possible, maintain a close relationship to both the expected cost of each year of service and to variations around that expected cost;
3. To manage and control future contribution volatility to the extent reasonably possible, consistent with other policy goals; and,
4. To support the general public policy goals of accountability and transparency by being clear as to both intent and effect, allowing for an assessment of whether, how and when the plan sponsors will meet the funding requirements of the plan.

### FUNDING REQUIREMENT AND POLICY COMPONENTS:

CCCERA's annual funding requirement is generally comprised of a payment of the Normal Cost and a payment on the Unfunded Actuarial Accrued Liability (UAAL). The Normal Cost and the amount of payment on UAAL are determined by the following ~~three~~four components of this funding policy:

- I. Actuarial Cost Method: Allocates the total present value of future benefits to each year (Normal Cost), including all past years (Actuarial Accrued Liability or AAL);
- II. Asset Smoothing Method: Spreads the recognition of investment gains or losses over a period of time for the purposes of determining the Actuarial Value of Assets used in the actuarial valuation process. This reduces the effect of short-term market volatility while still tracking the overall movement of the market value of plan assets; ~~and,~~

III. Amortization ~~Policy~~Methods: Determines the length of time and the structure of the increase or decrease in contributions required to systemically (1) fund any Unfunded Actuarial Accrued Liability or UAAL, or (2) recognize any surplus, i.e., any assets in excess of the AAL; and,

III.IV. Stabilization of Employer Contribution Rates and Surplus Management Methods:  
Implements a glide path that provides the structure for a stable change in UAAL contribution rates to mitigate contribution volatility and maintain a strong funded position for the plan.

### **I. Actuarial Cost Method:**

The Entry Age method shall be applied to the projected benefits in determining the Normal Cost and the AAL. The Normal Cost shall be determined as a level percent of payroll on an individual basis for each active member.

### **II. Asset Smoothing Method:**

The investment gains or losses of each valuation period, as a result of comparing the actual market return to the expected market return, shall be recognized in level amounts over 5 years in calculating the Actuarial Value of Assets.

This policy anticipates that future circumstances may warrant adjustments to change the pattern of the recognition of the net deferred investment gains or losses after a period of significant market change followed by a period of market correction, upon receiving an analysis from CCCERA's actuary. Such adjustments would be appropriate when the net deferred investment gains or losses are relatively small (i.e., the actuarial and market values are very close together), but the recognition of that net deferred amount is markedly non-level. Any such adjustment would be made subject to the following conditions:

- The net deferred investment gains or losses are unchanged as of the date of the adjustment; and,
- The period over which the net deferred investment gains and losses are fully recognized is unchanged as of the date of the adjustment.

### **III. Amortization ~~Policy~~Methods:**

- The UAAL (i.e., the difference between the AAL and the Valuation Value of Assets) as of December 31, 2012 shall continue to be amortized over separate amortization layers based on the valuations during which each separate layer was previously established.
- Any new UAAL as a result of actuarial gains or losses identified in the annual valuation as of December 31 will be amortized over a period of 18 years.
- Any new UAAL as a result of change in actuarial assumptions or methods will be amortized over a period of 18 years.

- Unless the Board adopts an alternative amortization period after receiving an actuarial analysis<sup>1</sup>:
  - a. with the exception noted in b., below, the increase in UAAL as a result of any plan amendments will be amortized over a period of 10 years;
  - b. the entire increase in UAAL resulting from a temporary retirement incentive will be funded in full upon adoption of the incentive. If the increase in UAAL is due to the impact of benefits resulting from additional service permitted in Section 31641.04 of the 1937 CERL (Golden Handshake), the entire increase in UAAL will be funded in full upon adoption of the Golden Handshake.
- UAAL shall be amortized over “closed” amortization periods so that the amortization period for each layer decreases by one year with each actuarial valuation.
- UAAL shall be amortized as a level percentage of payroll so that the amortization amount in each year during the amortization period shall be expected to be a level percentage of covered payroll, taking into consideration the current assumption for general payroll increase.
- If an overfunding or “surplus” exists (i.e., the Valuation Value of Assets exceeds the AAL, so that the total of all UAAL amortization layers become negative), any prior UAAL amortization layers will be considered fully amortized, and any subsequent UAAL will be amortized as the first of a new series of amortization layers, using the above amortization periods.

If the surplus exceeds 20% of the AAL per Section 7522.52 of the Government Code, then the amount of such surplus in excess of 20% of the AAL (and any subsequent surpluses in excess of that amount) will be amortized over an “open” amortization period of 30 years, but only if the other conditions of Section 7522.52 have also been met. If those conditions are not met, then the surplus will not be amortized and the full Normal Cost will be contributed.

- These amortization policy components will generally apply separately to each of CCCERA’s UAAL cost groups with the exception that the conditions of Section 7522.52 apply to the total plan.

#### **IV. Stabilization of Employer Contribution Rates and Surplus Management Methods:**

Effective with the December 31, 2025 actuarial valuation, within the calculation of the actuarially determined contribution, a glide path shall be utilized when there is a UAAL contribution rate decrease calculated compared to the prior year’s actuarial valuation. The glide

---

<sup>1</sup> In particular, the Board may incorporate into the amortization period demographic matching specific to the plan amendment. This could entail using the remaining active future service for plan changes that affect actives. For plan changes that affect retirees, this could entail using the remaining life expectancy for retirees or the period over which the increased cash flow to retirees is expected to be paid.

path strategy shall be applied separately to each UAAL Cost Group,<sup>2</sup> with distinct approaches for General Cost Groups and Safety Cost Groups, respectively.

- If, in a given year, the calculated UAAL contribution rate is lower than the prior year's actual UAAL contribution rate by less than 2% of payroll for a General UAAL Cost Group or less than 3% of payroll for a Safety UAAL Cost Group, maintain the prior year's actual UAAL contribution rate.
- If the calculated UAAL contribution rate is lower than the prior year's actual UAAL contribution rate by 2% of payroll or more for a General UAAL Cost Group or 3% of payroll or more for a Safety UAAL Cost Group, only decrease the actual UAAL contribution rate by 1% of payroll for the General Cost Group or 3% of payroll for the Safety Cost Group from the prior year's actual UAAL contribution rate.
- If the ratio of the Valuation Value of Assets to the AAL for a UAAL Cost Group is at least 100%, decrease the UAAL contribution rate by up to 2% of payroll for a General Cost Group or up to 8% of payroll for a Safety Cost Group (complying with the restrictions of PEPPRA) from the prior year's UAAL contribution rate. If in a subsequent year the ratio of the Valuation Value of Assets to the AAL for a UAAL Cost Group falls below 100%, the UAAL contribution rate would be set equal to the greater of the contribution rate determined using the above steps in this section, or the calculated UAAL contribution rate required to amortize the UAAL in that valuation.

Any additional contributions as a result of the above glide path will be amortized as an actuarial gain in the subsequent actuarial valuation.

#### **OTHER POLICY CONSIDERATIONS:**

Adjustment for 18-Month Delay in Rate Implementation

---

<sup>2</sup> As noted in the Cost Sharing Arrangement section of this policy, the UAAL costs are pooled between Cost Groups 1 and 2, and Cost Groups 7 and 9, respectively.

In order to allow employers to more accurately budget for pension contributions and other practical considerations, the contribution rates determined in each valuation (as of December 31) will apply to the 12-month period beginning 18 months after the valuation date. Any shortfall or excess contributions as a result of the implementation lag will be amortized as part of CCCERA's UAAL in the following valuation.

#### Implementation of Contribution Rate Change Due to Plan Amendment

Any change in contribution rate requirement that results from a plan amendment is generally implemented on the effective date of the plan amendment or as soon as administratively feasible.

#### Cost Sharing Arrangements

Starting with the December 31, 2009 Actuarial Valuation, the Board took action to depool CCCERA's assets, liabilities and Normal Cost by employer when determining employer contribution rates. The Board action included a review of experience back to December 31, 2002. This did not involve recalculation of any employer rates prior to December 31, 2009. However, it did involve establishing the depooled assets so as to reflect the separate experience of the employers in each individual cost group from December 31, 2002 through December 31, 2009. In addition, the Board took action to discontinue certain cost sharing adjustments for both member and employer contribution rates for General Tier 1 and Safety Tier A.

Even under the depooling structure, there are a few remaining cost sharing arrangements. Here is a summary of the ongoing cost sharing arrangements:

- Smaller employers (less than 50 active members) are pooled with the applicable County tier.

From the December 31, 2009 through the December 31, 2018 valuations, safety members from the East Contra Costa Fire Protection District were pooled with safety members of the Contra Costa County Fire Protection District. Starting with the December 31, 2019 valuation, the safety members of the East Contra Costa Fire Protection District were depooled from safety members of the Contra Costa County Fire Protection District, based on the AAL method. Starting with the December 31, 2021 valuation, members of East Contra Costa Fire Protection District were combined with members of Contra Costa County Fire Protection District as a result of the annexation of East Contra Costa Fire Protection District into the Contra Costa County Fire Protection District.

- Due to a statutory requirement, the Superior Court is pooled with the County regardless of how many members the Court has.

- UAAL costs are pooled between Cost Group 1 and Cost Group 2 which represent General County and Small Districts for Tiers 1 and 3. UAAL costs are also pooled for Cost Groups 7 and 9 which are Safety County Tiers A and C.

This was done because Cost Group 1 and Cost Group 7 had active members but were generally closed to new members.<sup>32</sup> If the UAAL for these two cost groups is not pooled with another cost group that is open to new active members then the UAAL rate for these generally closed cost groups would increase substantially in future years. This is due to the fact that the UAAL for CCCERA is amortized as a level percent of payroll and the payroll growth for the generally closed cost group would be less than the payroll growth assumption. This will help stabilize the employer contribution rates for the mostly closed Cost Group 1 and Cost Group 7. Normal Cost rates for those cost groups are not pooled.

For Cost Groups 7 and 9, there are some substantial differences between the Safety Tier A Enhanced and Safety Tier C Enhanced benefits, such as the period over which final average salaries are determined and the COLA. However, because the County is the only employer in these two cost groups, they will be the only employer affected by this particular pooling of these UAAL rates.

### Employer/Member Cost Sharing

#### The Cost Impact of Leave Cashouts

CCCERA's Basic and COLA member rates for members with membership dates before January 1, 2013 are increased to anticipate leave cashouts in the final year of employment using the same leave cashout assumptions adopted by the Board for the actuarial valuation for projecting benefit payments.

#### The Cost Impact of Service from Unused Sick Leave Conversion

Pursuant to Government Code Section 31641.01, for members with membership dates before January 1, 2013, the cost of this benefit will be charged only to employers and will not affect member contribution rates.

Employer/Member cost sharing arrangements are subject to modification under Government Code Section 31631.5, and any such modifications would be incorporated into the determination of the employer and member contribution rates.

#### Additional Employer UAAL Payments

Absent any specific action by the Board, any additional employer payments towards the UAAL (including those from Pension Obligation Bonds (POBs)) will be accepted by CCCERA in exchange for a corresponding reduction in the employer's UAAL contribution rate over period(s)

---

<sup>3</sup> That changed when the two Cost Groups became open again with the implementation of new Tiers 4 and D by the employers in Cost Groups 1 and 7, respectively, following the passage of California Public Employees' Pension Reform Act of 2013.

and in a manner consistent with that employer's outstanding UAAL amortization layers and payments.

The outstanding balance of the additional UAAL payment is tracked separately in a manner consistent with the procedure used to track the UAAL amortization layers. It will be credited with earnings at CCCERA's investment return assumption in effect at each valuation date and reduced by the dollar amount of the annual reduction in the employer's UAAL contributions due to the prepayment.

Unless otherwise directed by the Board, the dollar amount of the annual reduction in the employer's UAAL contributions due to the additional UAAL payment will be based on amortizing (as a level percentage of payroll) the outstanding balance of the additional UAAL payment amount over the same period as used for actuarial gains and losses, using CCCERA's investment return and payroll growth assumptions in effect at each valuation date.

The reduction in the UAAL contribution rate will then equal the dollar amount of reduction in the employer's UAAL contributions divided by the employer's expected payroll for the year following the valuation date. If requested by the employer and directed by the Board, the rate reductions will apply starting on July 1 following receipt of the payment and the additional UAAL payment amount will be discounted back to the December 31 valuation date for which the contribution rates from that valuation become effective on that July 1, at CCCERA's investment return assumption in effect at that valuation date. Absent such direction the rate reductions will apply on the July 1 that is 18 months after the December 31 valuation date following receipt of the payment. The additional UAAL payment amount will be credited with earnings semiannually on June 30<sup>th</sup> and December 31<sup>st</sup> if such amount has been on deposit for six months immediately prior to that date in accordance with the Board's Interest Crediting and Excess Earnings Policy.

The separate tracking of the outstanding balance applies only to employers that are in a cost group with more than one employer. For employers that are in their own cost group, the additional UAAL payment amount is directly added to the assets of their cost group. Separate tracking of the outstanding balance of the additional UAAL payment is not needed in this situation as the additional UAAL payment will automatically reduce the employer's UAAL contributions.

#### Employers with Declining Covered Payrolls

Refer to the Declining Employer Payroll Actuarial Funding Policy for more information.

### **POLICY REVIEW**

The Board of Retirement will review this Policy at least every three (3) years to ensure that it remains relevant and appropriate.

### **HISTORY**

Adopted: 2/26/2014

Amended: 8/13/2014, 5/22/2019, 10/14/2020, 09/13/2023, 02/18/2026

## GLOSSARY OF FUNDING POLICY TERMS:

- **Present Value of Benefits (PVB) or total cost:** the “value” at a particular point in time of all projected future benefit payments for current plan members. The “future benefit payments” and the “value” of those payments are determined using actuarial assumptions as to future events. Examples of these assumptions are estimates of retirement patterns, salary increases, investment returns, etc. Another way to think of the PVB is that if the plan has assets equal to the PVB and all actuarial assumptions are met, then no future contributions would be needed to provide all future service benefits for all members, including future service and salary increases for active members.
- **Actuarial Cost Method:** allocates a portion of the total cost (PVB) to each year of service, both past service and future service.
- **Normal Cost (NC):** the cost allocated under the Actuarial Cost Method to each year of active member service.
- **Entry Age Actuarial Cost Method:** A funding method that calculates the Normal Cost as a level percentage of pay over the expected working lifetime of the plan’s members.
- **Actuarial Accrued Liability (AAL):** the value at a particular point in time of all past Normal Costs. This is the amount of assets the plan would have today if the current plan provisions, actuarial assumptions and participant data had always been in effect, contributions equal to the Normal Cost had been made and all actuarial assumptions came true. Note that for inactive members the AAL equals the entire PVB.
- **Market Value of Assets:** the fair value of assets of the plan as reported in the plan’s audited financial statements.
- **Actuarial Value of Assets (AVA) or smoothed value:** a market-related value of the plan assets for determining contribution requirements. The AVA tracks the market value of assets over time, smoothes out short term fluctuations in market values and produces a smoother pattern of UAALs and contributions than would result from using market value.
- **Valuation Value of Assets (VVA):** the value of assets used in the actuarial valuation to determine contribution rate requirements. It is equal to the Actuarial Value of Assets reduced by the value of any non-valuation reserves.
- **Unfunded Actuarial Accrued Liability (UAAL):** the positive difference, if any, between the AAL and the VVA.
- **Surplus:** the positive difference, if any, between the VVA and the AAL.
- **Actuarial Value Funded Ratio:** the ratio of the VVA to the AAL.
- **Market Value Funded Ratio:** the ratio of the MVA to the AAL.

- **Actuarial Gains and Losses:** changes in UAAL or surplus due to actual experience different from what is assumed in the actuarial valuation. For example, if during a given year the assets earn more than the investment return assumption, the amount of earnings above the assumption will cause an unexpected reduction in UAAL, or “actuarial gain” as of the next valuation. These include contribution gains and losses that result from actual contributions made being greater or less than the level determined under the policy.
- **Valuation Date:** December 31 of every year.

# CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## ACTUARIAL FUNDING POLICY

### INTRODUCTION:

The purpose of this Actuarial Funding Policy is to record the funding objectives and policies set by the Board of Retirement (Board) for the Contra Costa County Employees' Retirement Association (CCCERA). The Board establishes this Actuarial Funding Policy to help ensure the systematic funding of future benefit payments for members of CCCERA. In addition, this document records certain guidelines established by the Board to assist in administering CCCERA in a consistent and efficient manner.

This Actuarial Funding Policy supersedes any previous Actuarial Funding Policies. It is a working document and may be modified as the Board deems necessary.

### GOALS OF ACTUARIAL FUNDING POLICY:

1. To determine future contributions that, together with current plan assets, are expected to be sufficient to provide for all benefits provided by CCCERA;
2. To seek reasonable and equitable allocation of the cost of benefits over time including the goal that annual contributions should, to the extent reasonably possible, maintain a close relationship to both the expected cost of each year of service and to variations around that expected cost;
3. To manage and control future contribution volatility to the extent reasonably possible, consistent with other policy goals; and,
4. To support the general public policy goals of accountability and transparency by being clear as to both intent and effect, allowing for an assessment of whether, how and when the plan sponsors will meet the funding requirements of the plan.

### FUNDING REQUIREMENT AND POLICY COMPONENTS:

CCCERA's annual funding requirement is generally comprised of a payment of the Normal Cost and a payment on the Unfunded Actuarial Accrued Liability (UAAL). The Normal Cost and the amount of payment on UAAL are determined by the following four components of this funding policy:

- I. Actuarial Cost Method: Allocates the total present value of future benefits to each year (Normal Cost), including all past years (Actuarial Accrued Liability or AAL);
- II. Asset Smoothing Method: Spreads the recognition of investment gains or losses over a period of time for the purposes of determining the Actuarial Value of Assets used in the actuarial valuation process. This reduces the effect of short-term market volatility while still tracking the overall movement of the market value of plan assets;

III. Amortization Methods: Determines the length of time and the structure of the increase or decrease in contributions required to systemically (1) fund any Unfunded Actuarial Accrued Liability or UAAL, or (2) recognize any surplus, i.e., any assets in excess of the AAL; and,

IV. Stabilization of Employer Contribution Rates and Surplus Management Methods: Implements a glide path that provides the structure for a stable change in UAAL contribution rates to mitigate contribution volatility and maintain a strong funded position for the plan.

#### **I. Actuarial Cost Method:**

The Entry Age method shall be applied to the projected benefits in determining the Normal Cost and the AAL. The Normal Cost shall be determined as a level percent of payroll on an individual basis for each active member.

#### **II. Asset Smoothing Method:**

The investment gains or losses of each valuation period, as a result of comparing the actual market return to the expected market return, shall be recognized in level amounts over 5 years in calculating the Actuarial Value of Assets.

This policy anticipates that future circumstances may warrant adjustments to change the pattern of the recognition of the net deferred investment gains or losses after a period of significant market change followed by a period of market correction, upon receiving an analysis from CCCERA's actuary. Such adjustments would be appropriate when the net deferred investment gains or losses are relatively small (i.e., the actuarial and market values are very close together), but the recognition of that net deferred amount is markedly non-level. Any such adjustment would be made subject to the following conditions:

- The net deferred investment gains or losses are unchanged as of the date of the adjustment; and,
- The period over which the net deferred investment gains and losses are fully recognized is unchanged as of the date of the adjustment.

#### **III. Amortization Methods:**

- The UAAL (i.e., the difference between the AAL and the Valuation Value of Assets) as of December 31, 2012 shall continue to be amortized over separate amortization layers based on the valuations during which each separate layer was previously established.
- Any new UAAL as a result of actuarial gains or losses identified in the annual valuation as of December 31 will be amortized over a period of 18 years.
- Any new UAAL as a result of change in actuarial assumptions or methods will be amortized over a period of 18 years.

- Unless the Board adopts an alternative amortization period after receiving an actuarial analysis<sup>1</sup>:
  - a. with the exception noted in b., below, the increase in UAAL as a result of any plan amendments will be amortized over a period of 10 years;
  - b. the entire increase in UAAL resulting from a temporary retirement incentive will be funded in full upon adoption of the incentive. If the increase in UAAL is due to the impact of benefits resulting from additional service permitted in Section 31641.04 of the 1937 CERL (Golden Handshake), the entire increase in UAAL will be funded in full upon adoption of the Golden Handshake.
- UAAL shall be amortized over “closed” amortization periods so that the amortization period for each layer decreases by one year with each actuarial valuation.
- UAAL shall be amortized as a level percentage of payroll so that the amortization amount in each year during the amortization period shall be expected to be a level percentage of covered payroll, taking into consideration the current assumption for general payroll increase.
- If an overfunding or “surplus” exists (i.e., the Valuation Value of Assets exceeds the AAL, so that the total of all UAAL amortization layers become negative), any prior UAAL amortization layers will be considered fully amortized, and any subsequent UAAL will be amortized as the first of a new series of amortization layers, using the above amortization periods.

If the surplus exceeds 20% of the AAL per Section 7522.52 of the Government Code, then the amount of such surplus in excess of 20% of the AAL (and any subsequent surpluses in excess of that amount) will be amortized over an “open” amortization period of 30 years, but only if the other conditions of Section 7522.52 have also been met. If those conditions are not met, then the surplus will not be amortized and the full Normal Cost will be contributed.

- These amortization policy components will generally apply separately to each of CCCERA’s UAAL cost groups with the exception that the conditions of Section 7522.52 apply to the total plan.

#### **IV. Stabilization of Employer Contribution Rates and Surplus Management Methods:**

Effective with the December 31, 2025 actuarial valuation, within the calculation of the actuarially determined contribution, a glide path shall be utilized when there is a UAAL contribution rate decrease calculated compared to the prior year’s actuarial valuation. The glide path strategy shall be applied separately to each UAAL Cost Group,<sup>2</sup> with distinct approaches for General Cost Groups and Safety

---

<sup>1</sup> In particular, the Board may incorporate into the amortization period demographic matching specific to the plan amendment. This could entail using the remaining active future service for plan changes that affect actives. For plan changes that affect retirees, this could entail using the remaining life expectancy for retirees or the period over which the increased cash flow to retirees is expected to be paid.

<sup>2</sup> As noted in the Cost Sharing Arrangement section of this policy, the UAAL costs are pooled between Cost Groups 1 and 2, and Cost Groups 7 and 9, respectively.

Cost Groups, respectively.

- If, in a given year, the calculated UAAL contribution rate is lower than the prior year's actual UAAL contribution rate by less than 2% of payroll for a General UAAL Cost Group or less than 3% of payroll for a Safety UAAL Cost Group, maintain the prior year's actual UAAL contribution rate.
- If the calculated UAAL contribution rate is lower than the prior year's actual UAAL contribution rate by 2% of payroll or more for a General UAAL Cost Group or 3% of payroll or more for a Safety UAAL Cost Group, only decrease the actual UAAL contribution rate by 1% of payroll for the General Cost Group or 3% of payroll for the Safety Cost Group from the prior year's actual UAAL contribution rate.
- If the ratio of the Valuation Value of Assets to the AAL for a UAAL Cost Group is at least 100%, decrease the UAAL contribution rate by up to 2% of payroll for a General Cost Group or up to 8% of payroll for a Safety Cost Group (complying with the restrictions of PEPRA) from the prior year's UAAL contribution rate. If in a subsequent year the ratio of the Valuation Value of Assets to the AAL for a UAAL Cost Group falls below 100%, the UAAL contribution rate would be set equal to the greater of the contribution rate determined using the above steps in this section, or the calculated UAAL contribution rate required to amortize the UAAL in that valuation.

Any additional contributions as a result of the above glide path will be amortized as an actuarial gain in the subsequent actuarial valuation.

## **OTHER POLICY CONSIDERATIONS:**

### Adjustment for 18-Month Delay in Rate Implementation

In order to allow employers to more accurately budget for pension contributions and other practical considerations, the contribution rates determined in each valuation (as of December 31) will apply to the 12-month period beginning 18 months after the valuation date. Any shortfall or excess contributions as a result of the implementation lag will be amortized as part of CCCERA's UAAL in the following valuation.

### Implementation of Contribution Rate Change Due to Plan Amendment

Any change in contribution rate requirement that results from a plan amendment is generally implemented on the effective date of the plan amendment or as soon as administratively feasible.

### Cost Sharing Arrangements

Starting with the December 31, 2009 Actuarial Valuation, the Board took action to depool CCCERA's assets, liabilities and Normal Cost by employer when determining employer contribution rates. The Board action included a review of experience back to December 31, 2002. This did not involve recalculation of any employer rates prior to December 31, 2009. However, it did involve establishing the depooled assets so as to reflect the separate experience of the employers in each individual cost group from December 31, 2002 through December 31, 2009. In addition, the Board took action to discontinue certain cost sharing adjustments for both member and employer contribution rates for General Tier 1 and Safety Tier A.

Even under the depooling structure, there are a few remaining cost sharing arrangements. Here is a summary of the ongoing cost sharing arrangements:

- Smaller employers (less than 50 active members) are pooled with the applicable County tier.

From the December 31, 2009 through the December 31, 2018 valuations, safety members from the East Contra Costa Fire Protection District were pooled with safety members of the Contra Costa County Fire Protection District. Starting with the December 31, 2019 valuation, the safety members of the East Contra Costa Fire Protection District were depooled from safety members of the Contra Costa County Fire Protection District, based on the AAL method. Starting with the December 31, 2021 valuation, members of East Contra Costa Fire Protection District were combined with members of Contra Costa County Fire Protection District as a result of the annexation of East Contra Costa Fire Protection District into the Contra Costa County Fire Protection District.

- Due to a statutory requirement, the Superior Court is pooled with the County regardless of how many members the Court has.
- UAAL costs are pooled between Cost Group 1 and Cost Group 2 which represent General County and Small Districts for Tiers 1 and 3. UAAL costs are also pooled for Cost Groups 7 and 9 which are Safety County Tiers A and C.

This was done because Cost Group 1 and Cost Group 7 had active members but were generally closed to new members.<sup>32</sup> If the UAAL for these two cost groups is not pooled with another cost group that is open to new active members then the UAAL rate for these generally closed cost groups would increase substantially in future years. This is due to the fact that the UAAL for CCCERA is amortized as a level percent of payroll and the payroll growth for the generally closed cost group would be less than the payroll growth assumption. This will help stabilize the employer contribution rates for the mostly closed Cost Group 1 and Cost Group 7. Normal Cost rates for those cost groups are not pooled.

For Cost Groups 7 and 9, there are some substantial differences between the Safety Tier A Enhanced and Safety Tier C Enhanced benefits, such as the period over which final average salaries are determined and the COLA. However, because the County is the only employer in these two cost groups, they will be the only employer affected by this particular pooling of these UAAL rates.

## Employer/Member Cost Sharing

### The Cost Impact of Leave Cashouts

CCCERA's Basic and COLA member rates for members with membership dates before

---

<sup>3</sup> That changed when the two Cost Groups became open again with the implementation of new Tiers 4 and D by the employers in Cost Groups 1 and 7, respectively, following the passage of California Public Employees' Pension Reform Act of 2013.

January 1, 2013 are increased to anticipate leave cashouts in the final year of employment using the same leave cashout assumptions adopted by the Board for the actuarial valuation for projecting benefit payments.

#### The Cost Impact of Service from Unused Sick Leave Conversion

Pursuant to Government Code Section 31641.01, for members with membership dates before January 1, 2013, the cost of this benefit will be charged only to employers and will not affect member contribution rates.

Employer/Member cost sharing arrangements are subject to modification under Government Code Section 31631.5, and any such modifications would be incorporated into the determination of the employer and member contribution rates.

#### Additional Employer UAAL Payments

Absent any specific action by the Board, any additional employer payments towards the UAAL (including those from Pension Obligation Bonds (POBs)) will be accepted by CCCERA in exchange for a corresponding reduction in the employer's UAAL contribution rate over period(s)

---

and in a manner consistent with that employer's outstanding UAAL amortization layers and payments.

The outstanding balance of the additional UAAL payment is tracked separately in a manner consistent with the procedure used to track the UAAL amortization layers. It will be credited with earnings at CCCERA's investment return assumption in effect at each valuation date and reduced by the dollar amount of the annual reduction in the employer's UAAL contributions due to the prepayment.

Unless otherwise directed by the Board, the dollar amount of the annual reduction in the employer's UAAL contributions due to the additional UAAL payment will be based on amortizing (as a level percentage of payroll) the outstanding balance of the additional UAAL payment amount over the same period as used for actuarial gains and losses, using CCCERA's investment return and payroll growth assumptions in effect at each valuation date.

The reduction in the UAAL contribution rate will then equal the dollar amount of reduction in the employer's UAAL contributions divided by the employer's expected payroll for the year following the valuation date. If requested by the employer and directed by the Board, the rate reductions will apply starting on July 1 following receipt of the payment and the additional UAAL payment amount will be discounted back to the December 31 valuation date for which the contribution rates from that valuation become effective on that July 1, at CCCERA's investment return assumption in effect at that valuation date. Absent such direction the rate reductions will apply on the July 1 that is 18 months after the December 31 valuation date following receipt of the payment. The additional UAAL payment amount will be credited with earnings semiannually on June 30<sup>th</sup> and December 31<sup>st</sup> if such amount has been on deposit for six months immediately prior to that date in accordance with the Board's Interest Crediting and Excess Earnings Policy.

The separate tracking of the outstanding balance applies only to employers that are in a cost group with more than one employer. For employers that are in their own cost group, the additional UAAL payment amount is directly added to the assets of their cost group. Separate tracking of the outstanding balance of the additional UAAL payment is not needed in this situation as the additional UAAL payment will automatically reduce the employer's UAAL contributions.

#### Employers with Declining Covered Payrolls

Refer to the Declining Employer Payroll Actuarial Funding Policy for more information.

#### **POLICY REVIEW**

The Board of Retirement will review this Policy at least every three (3) years to ensure that it remains relevant and appropriate.

#### **HISTORY**

Adopted: 2/26/2014

Amended: 8/13/2014, 5/22/2019, 10/14/2020, 09/13/2023, 02/18/2026

## GLOSSARY OF FUNDING POLICY TERMS:

- **Present Value of Benefits (PVB) or total cost:** the “value” at a particular point in time of all projected future benefit payments for current plan members. The “future benefit payments” and the “value” of those payments are determined using actuarial assumptions as to future events. Examples of these assumptions are estimates of retirement patterns, salary increases, investment returns, etc. Another way to think of the PVB is that if the plan has assets equal to the PVB and all actuarial assumptions are met, then no future contributions would be needed to provide all future service benefits for all members, including future service and salary increases for active members.
- **Actuarial Cost Method:** allocates a portion of the total cost (PVB) to each year of service, both past service and future service.
- **Normal Cost (NC):** the cost allocated under the Actuarial Cost Method to each year of active member service.
- **Entry Age Actuarial Cost Method:** A funding method that calculates the Normal Cost as a level percentage of pay over the expected working lifetime of the plan’s members.
- **Actuarial Accrued Liability (AAL):** the value at a particular point in time of all past Normal Costs. This is the amount of assets the plan would have today if the current plan provisions, actuarial assumptions and participant data had always been in effect, contributions equal to the Normal Cost had been made and all actuarial assumptions came true. Note that for inactive members the AAL equals the entire PVB.
- **Market Value of Assets:** the fair value of assets of the plan as reported in the plan’s audited financial statements.
- **Actuarial Value of Assets (AVA) or smoothed value:** a market-related value of the plan assets for determining contribution requirements. The AVA tracks the market value of assets over time, smoothes out short term fluctuations in market values and produces a smoother pattern of UAALs and contributions than would result from using market value.
- **Valuation Value of Assets (VVA):** the value of assets used in the actuarial valuation to determine contribution rate requirements. It is equal to the Actuarial Value of Assets reduced by the value of any non-valuation reserves.
- **Unfunded Actuarial Accrued Liability (UAAL):** the positive difference, if any, between the AAL and the VVA.
- **Surplus:** the positive difference, if any, between the VVA and the AAL.
- **Actuarial Value Funded Ratio:** the ratio of the VVA to the AAL.
- **Market Value Funded Ratio:** the ratio of the MVA to the AAL.

- **Actuarial Gains and Losses:** changes in UAAL or surplus due to actual experience different from what is assumed in the actuarial valuation. For example, if during a given year the assets earn more than the investment return assumption, the amount of earnings above the assumption will cause an unexpected reduction in UAAL, or “actuarial gain” as of the next valuation. These include contribution gains and losses that result from actual contributions made being greater or less than the level determined under the policy.
- **Valuation Date:** December 31 of every year.



## MEMORANDUM

Date: February 18, 2026  
To: CCCERA Board of Retirement  
From: Christina Dunn, Chief Executive Officer  
Subject: Consider and take possible action to adjust the amortization period for the new and pre-existing unfunded obligation for the employers that previously withdrew from CCCERA

---

### Background

Diablo Water District, Delta Diablo Sanitation and the City of Pittsburg participated in CCCERA up until September 30, 2005, June 30, 2004 and July 1, 2001, respectively. Upon their withdrawal from CCCERA, Termination Agreements were established between CCCERA and the withdrawing employer.

Outlined in the Termination Agreements was CCCERA's obligation to provide future benefits to the employer's retirees and vested terminated members and the obligation for the employer to continue to provide assets to pay those benefits. In order to determine the amount of additional contributions the employer would need to provide CCCERA, the Termination Agreement required CCCERA to value the employer's unfunded obligation every three years after CCCERA's triennial experience study and update the annual amount the employer would need to provide to CCCERA. The current practice is to have the total (new and pre-existing) unfunded obligation be paid off over a new 15-year amortization period.

When Segal Consulting completed the 2024 triennial update it was noted that one of the employers, Diablo Water District, would experience a shortfall of assets in 2030 even if all actuarial assumptions were realized in the future. The Termination Agreement outlines that upon projecting insufficient funds the Board could exercise its discretion to accelerate the payment of contributions.

The Termination Agreements also provide the CCCERA Board with the authority to adjust the payment schedule and amortization periods. By adjusting the amortization period prior to experiencing an asset shortfall, it allows the employers to budget appropriately, and avoid a shortfall of assets to CCCERA.

In order to avoid the asset shortfall, Segal Consulting has recommended that only the new unfunded obligations identified in the 2024 triennial update be amortized over the 15-year amortization period outlined in the Termination Agreement and that the outstanding balance of the previously identified (or pre-existing) unfunded obligation be amortized under the restart amortization period from 2021, which has 12 years remaining.

In light of the results of the 2024 study, staff are recommending that the same amortization methodology be applied to the other two withdrawn employers. Staff have notified the withdrawn employers of these recommendations, and the employers are in concurrence.

**Recommendation**

Consider and take possible action to accept Segal Consulting's recommendation to amortize the new unfunded obligation identified in the studies from 2024 over a new 15-year amortization period and to continue to amortize the outstanding balance of the pre-existing unfunded obligation from the last withdrawal liability studies from 2021 over the remaining 12 years, for the employers that previously withdrew from CCCERA.

**Via Email**

February 9, 2026

Ms. Christina Dunn  
Chief Executive Officer  
Contra Costa County Employees' Retirement Association  
1200 Concord Avenue, Suite 300  
Concord, CA 94520

**Re: Contra Costa County Employees' Retirement Association (CCCERA)  
Update of Withdrawal Liability as of December 31, 2024 — Delta Diablo Sanitation  
District**

Dear Christina:

We have updated the Delta Diablo Sanitation District's (the District) withdrawal liability study to December 31, 2024 in accordance with Section 4(b) of the June 30, 2004 Termination Agreement. In the prior studies, to update the withdrawal liability for the District when the District has an unfunded obligation,<sup>1</sup> the entire<sup>2</sup> unfunded obligation has been amortized and scheduled to be paid off over 15 years. As automatically resetting the amortization period to 15 years for the entire unfunded obligation at each triennial withdrawal liability update might result in the unfunded obligation never being fully paid off, we recommend that the Board exercise its discretion as reserved under the Employer Termination Policy to continue to amortize any outstanding balance (if any) from the last withdrawal liability study as of December 31, 2021 over the remaining 12 years as of December 31, 2024 and only to amortize the new unfunded obligation identified below in this study using a new 15-year amortization period.

Because the District has changed from a surplus position as determined in the last withdrawal liability study to an unfunded position as determined in this study, the entire unfunded obligation as of December 31, 2024 is amortized over a new 15-year period. In the next withdrawal liability update as of December 31, 2027, the outstanding balance from this withdrawal liability study will continue to be amortized over the remaining 12 years as of December 31, 2027 and any new unfunded obligation identified in the 2027 update will be amortized over a new 15-year period.

## Summary of results

According to our analysis, the District has an unfunded obligation of \$803,322 on a market value basis as of December 31, 2024. This translates into a funded ratio of 92.93%.<sup>3</sup> Since the funded

<sup>1</sup> The last time the District has an unfunded obligation was as of December 31, 2018.

<sup>2</sup> This includes any outstanding balance of the unfunded obligation that has not been paid off from the last withdrawal liability study plus any new unfunded obligation that has emerged from the current withdrawal liability study.

<sup>3</sup> The funded ratio for Delta Diablo Sanitation District was 85.5% as of December 31, 2015, 81.4% as of December 31, 2018 and 103.5% as of December 31, 2021.

ratio is below 95%, the unfunded obligation is to be amortized and paid off as a level dollar amount. Under the recommended amortization methodology (i.e., only the new unfunded obligation identified in the current withdrawal liability study as of December 31, 2024 valuation will be amortized over a 15-year period and the unfunded obligation identified in the last withdrawal liability study as of December 31, 2021 valuation, if any, will continue to be paid off based on the 15-year amortization schedule established as of December 31, 2021),<sup>4</sup> the payment amount is \$86,813 annually, assuming payment at the end of each calendar year commencing December 31, 2025. Discussion regarding the proposed change in amortization method is provided in the later part of this letter. All these calculations are based on an interest rate of 6.75% and other assumptions used in the December 31, 2024 valuation.

## Background

The Delta Diablo Sanitation District was a contracting employer with the Contra Costa County Employees' Retirement Association (CCCERA) before it terminated on June 30, 2004 to provide CalPERS retirement benefits for its then-current and future employees. CCCERA retained the obligation to provide future benefits to the District's retirees and vested terminated members as of the termination date.

For purposes of determining its funding obligation, the District chose the "Second Alternative Approach" in the "Contra Costa County Employees' Retirement Association Extension of Termination Policy to Reflect Market Valuation of Assets and Continued Reassessment of Benefit Liability." This resulted in setting aside an amount of assets which equaled to the termination liability of \$11,687,247 as of June 30, 2004. This amount of assets was set aside in a bookkeeping account to provide future benefits for the District's retirees and vested terminated members. The balance of the District's allocated assets were transferred to CalPERS.

Section 4(b) of the Termination Agreement requires an update of the District's funding obligation every three years after CCCERA's triennial experience studies are completed. If the ratio of the balance of the District's bookkeeping account to its updated termination liability is below 95% or exceeds 105%, then the resulting total unfunded obligation or surplus will be amortized as a level dollar amount over 15 years.

The above calculation will continue until the Final Settlement Date determined "as of the Remeasurement Date following the year when the remaining termination liability is below 20% of its value on the Initial Settlement".

## Proposed change in amortization methodology

As stated above, under the current Policy, the total unfunded obligation will generally be amortized as a level dollar amount over a 15-year period unless the Board exercises its

<sup>4</sup> Because the funded ratio of 103.5% as of December 31, 2021 was less than the 105% threshold, no assets were transferred from CCCERA to CalPERS under the Termination Agreement.

discretion to accelerate payment of contributions to ensure adequate funding of the District's unfunded obligation.

We believe the current practice of setting the amortization period to 15 years for any new actuarial losses or assumption and method changes is reasonable and appropriate. However, resetting the amortization period for any pre-existing unfunded obligation has the drawback that the periodic payment towards the withdrawal liability would be reduced even if there were no actuarial gains/losses, assumption changes or method changes.

Over the next 15 years, the District is expected to have enough assets to make all the projected benefits from 2025 to 2039. However, if we continue the current practice of automatically resetting the amortization period for the entire withdrawal liability to a new 15-year period, the current unfunded obligation might never be fully amortized as the amortization period is reset to 15 years at each triennial withdrawal liability update. Therefore, we recommend that a 15-year amortization period be applied only to new unfunded obligation since the last withdrawal liability update from three years ago. The employer may also find it attractive to continue to use the original 15-year period to pay off the outstanding balance of the unfunded obligation as of December 31, 2024 because they will pay less interest (currently at 6.75% per annum) on the outstanding balance of their withdrawal liability using the original amortization period (with 12 years left in the next withdrawal liability update as of December 31, 2027).

## Update analysis and results

The detailed update results are provided in Attachment A to this letter. The update is a two-step process.

As a first step, the District's bookkeeping account was updated to December 31, 2024 in our letter dated August 5, 2025. The resulting bookkeeping account was \$10,559,887.

The second step was to determine the December 31, 2024 termination liability as the present value of future benefit payments to the District's retirees and vested terminated members on that date. That amount was \$11,363,209. We calculated this present value using actuarial assumptions adopted by the Board for the December 31, 2024 actuarial valuation, including the 6.75% investment earnings assumption.

Based on this process, the District has an unfunded obligation of \$803,322 on a market value basis as of December 31, 2024. This compares to a surplus of \$444,150 on a market value basis as of December 31, 2021. The increase in the unfunded obligation was mainly due to investment loss on a market value basis,<sup>5</sup> offset somewhat by liability gain due to greater mortality than expected and the changes in assumption that have the effect of decreasing the unfunded obligation. This translates into a funded ratio of 92.93%.

<sup>5</sup> The bookkeeping account crediting rates (based on market return) were -11.3%, 8.7% and 8.6% for calendar year 2022, 2023 and 2024, respectively. This resulted in an investment loss of about \$2.2 million when compared to the investment return assumption of 6.75%.

Since the funded ratio is below 95%, the unfunded obligation is amortized as a level dollar amount. Using the proposed amortization method, we have determined the annual payment amount of \$86,813 as follows:

### Amortization of Unfunded Obligation

Base Date	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Contribution
December 31, 2024	\$803,322	15	\$803,322	15	\$86,813 <sup>6</sup>
<b>Total</b>			<b>\$803,322</b>		<b>\$86,813</b>

Based on our discussions, we understand that the updated withdrawal liability and our proposed amortization methodology included in this letter would be used by CCCERA in consulting with the District on their required contributions starting December 31, 2025.

If all actuarial assumptions were realized over the following three years, the outstanding unfunded obligation is expected to decrease to about \$699,000 at the next triennial withdrawal liability update as of December 31, 2027. If the annual payment of \$86,813 would continue for the remaining 12 years, the unfunded obligation would be fully paid off at the end of that 12-year period. However, if we were to continue to automatically restarting the amortization period to a new 15-year period based on the current method, the amortization payment would be recalculated to \$75,518 as of the December 31, 2027 update. With this reduced payment amount and the automatic restarting of the amortization period, the unfunded obligation is not projected to be paid off.

We have included a schedule that projects the cash flow for the District under the recommended amortization methodology as provided in Attachment B that illustrates how the unfunded obligation determined as of December 31, 2024 be paid off over the next 15 years.

Under the second alternative approach using market valuation and continued reassessment of benefit liability that was chosen by the District at termination date with CCCERA, the District's termination liability is re-measured periodically until the termination liability is below 20% of its value on the Initial Settlement Date. If all actuarial assumptions were realized, it is expected that the termination liability would be below 20% of its initial value around 2052<sup>7</sup>. As of the Final Settlement Date, a final redetermination will be made of the "final" termination liability for the District, based on U.S. Treasury Spot Rates instead of CCCERA's long term investment return assumption of 6.75%.<sup>8</sup>

<sup>6</sup> The annual payment is calculated assuming first payment is made on December 31, 2025. Upon confirmation with CCCERA, we understand that this amount was made on or before December 31, 2025

<sup>7</sup> It should be noted that relative to the original timeframe the remaining liability would be expected to fall below 20% of the termination liability determined as of the initial Settlement Date, the above date is about 27 years later than the original estimate. This change is caused by increases in withdrawal liability measured using lower interest rate and updated mortality tables that anticipate longer life expectancies as compared to those used in the original determination.

<sup>8</sup> While the actual U.S. Treasury Spot Rates to be used is not yet known, we have estimated that the liability would increase by about 5% for each 1% reduction in interest rate.

## Valuation assumptions and basis

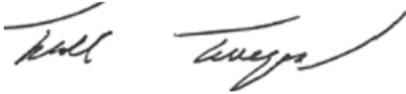
Unless otherwise noted, all of the above calculations are based on the December 31, 2024 actuarial valuation results including the participant data and actuarial assumptions on which that valuation was based.

It is also important to note that the cashflow illustrations are based on plan assets as of December 31, 2024. The District's funded status does not reflect short-term fluctuations of the market, but rather is based on the market values on the last day of the Plan Year. While it is impossible to determine actual market conditions and other demographic experience of the Plan in future valuations, Segal is available to prepare other projections of selected potential outcome scenarios upon request.

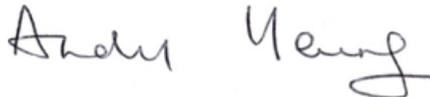
The actuarial calculations contained in this letter were performed under the supervision of Eva Yum, FSA, MAAA, Enrolled Actuary. We are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions herein.

If you have any questions, please do not hesitate to give us a call.

Sincerely,



Todd Tauzer, FSA, MAAA, FCA, CERA  
Senior Vice President and Actuary



Andy Yeung, ASA, MAAA, FCA, EA  
Vice President and Actuary



Eva Yum, FSA, MAAA, EA  
Vice President and Actuary

BTS/jl

cc: Henry Gudino

**Disclaimer**

This document has been prepared for the exclusive use and benefit of the client, based upon information provided by you and your other service providers or otherwise made available to Segal at the time this document was created. Segal makes no representation or warranty as to the accuracy of any forward-looking statements and does not guarantee any particular outcome or result. This document should only be copied, reproduced, or shared with other parties in its entirety as necessary for the proper administration of the Plan. This document does not constitute legal, tax or investment advice or create or imply a fiduciary relationship. You are encouraged to discuss any issues raised with your legal, tax and other advisors before taking, or refraining from taking, any action.

## December 31, 2024 Update of Delta Diablo Sanitation District Termination Obligation

Item	Amount
1. December 31, 2024 allocated assets	\$10,559,887
2. Present value of future benefits as of December 31, 2024	\$11,363,209
3. Unfunded obligation as of December 31, 2024 (Item 2 – Item 1)	\$803,322
4. Funded ratio as of December 31, 2024 (Item 1 ÷ Item 2)	92.93%
5. Annual (end of calendar year) payment required to amortize unfunded obligation over 15 years	\$86,813

## Projected Cash Flow **After** Reflecting **Layered** Amortization Payment Recommended in the December 31, 2024 Withdrawal Liability Update

Calendar Year	Beginning of Year Assets (a)	Contribution for Unfunded Obligation as Determined in 12/31/2021 Update (b)	Contribution for New Unfunded Obligation as Determined in 12/31/2024 Update (c)	Projected Benefit Payments (d)	Interest Crediting based on Investment Return Assumption (e)	End of Year Assets (a) + (b) + (c) - (d) + (e)
2025	\$10,559,887	\$0 <sup>9</sup>	\$86,813 <sup>10</sup>	\$948,926	\$681,289	\$10,379,063
2026	10,379,063	0	86,813	956,034	668,847	10,178,689
2027	10,178,689	0	86,813	970,908	654,828	9,949,423
2028	9,949,423	0	86,813	973,673	639,261	9,701,824
2029	9,701,824	0	86,813	973,702	622,547	9,437,482
2030	9,437,482	0	86,813	970,837	604,799	9,158,257
2031	9,158,257	0	86,813	964,945	586,147	8,866,272
2032	8,866,272	0	86,813	955,914	566,738	8,563,910
2033	8,563,910	0	86,813	943,663	546,735	8,253,795
2034	8,253,795	0	86,813	928,021	526,322	7,938,909
2035	7,938,909	0	86,813	908,994	505,699	7,622,426
2036	7,622,426	0	86,813	925,597	483,785	7,267,427
2037	7,267,427	0	86,813	898,850	460,710	6,916,101
2038	6,916,101	0	86,813	868,892	437,991	6,572,012
2039	6,572,012	0	86,813	835,758	415,865	6,238,931 <sup>11</sup>

Note: Following prior practice, the first amortization payment of \$86,813 for the unfunded obligation determined in the December 31, 2024 update is assumed to be made on December 31, 2025 (as shown in column (c) for 2025).

<sup>9</sup> Because the funded ratio of 103.5% as of December 31, 2021 was less than the 105% threshold, no assets were transferred from CCCERA to CalPERS under the Termination Agreement.

<sup>10</sup> This is the payment amount determined as of December 31, 2024, based on the entire unfunded obligation of \$803,322 identified in the December 31, 2024 withdrawal liability update, assuming first payment is made on December 31, 2025.

<sup>11</sup> The present value of future benefits would be expected to be equal to \$6,238,931 as of December 31, 2039.

**Via Email**

January 16, 2026

Ms. Christina Dunn  
Chief Executive Officer  
Contra Costa County Employees' Retirement Association  
1200 Concord Avenue, Suite 300  
Concord, CA 94520

**Re: Contra Costa County Employees' Retirement Association (CCCERA)  
Update of Withdrawal Liability as of December 31, 2024 — Diablo Water District**

Dear Christina:

We have updated the Diablo Water District's (the District) withdrawal liability study to December 31, 2024 in accordance with Section 5(b) of the September 30, 2005 Termination Agreement. In the prior studies, to update the withdrawal liability for the District, the entire<sup>1</sup> unfunded obligation has been amortized and scheduled to be paid off over 15 years. As resetting the amortization period to 15 years for the entire unfunded obligation is expected to result in asset shortfall for the District by around 2030, we recommend that the Board exercise its discretion as reserved under the Employer Termination Policy to continue to amortize the outstanding balance from the last withdrawal liability study as of December 31, 2021 over the remaining 12 years as of December 31, 2024 and only to amortize the new unfunded obligation identified below in this study using a new 15-year amortization period.

## Summary of results

According to our analysis, the District has an unfunded obligation of \$1,035,964 on a market value basis as of December 31, 2024. This translates into a funded ratio of 40.44%.<sup>2</sup> Since the funded ratio remains below 95%, the unfunded obligation is to be amortized and paid off as a level dollar amount. Under the recommended amortization methodology (i.e., only the new unfunded obligation identified in the current withdrawal liability study as of December 31, 2024 valuation will be amortized over a 15-year period and the unfunded obligation identified in the last withdrawal liability study as of December 31, 2021 valuation will continue to be paid off based on the 15-year amortization schedule established as of December 31, 2021),<sup>3</sup> the payment amount is \$124,543 annually, assuming payment at the end of each calendar year

<sup>1</sup> This includes the outstanding balance of the unfunded obligation that has not been paid off from the last withdrawal liability study plus any new unfunded obligation that has emerged from the current withdrawal liability study.

<sup>2</sup> The funded ratio for Diablo Water District was 72% as of December 31, 2015, 60% as of December 31, 2018 and 61% as of December 31, 2021. The decrease in funded ratio for the last 3 years from 61% to 40.44% was mainly due to an investment loss on a market value basis, a liability loss due to retirees living longer than expected, offset somewhat by contributions made by the District to reduce the unfunded obligation and changes in assumptions that had the effect of decreasing the liability.

<sup>3</sup> There are 12 years left in the amortization schedule as of December 31, 2024.

commencing December 31, 2025. Discussion regarding the proposed change in amortization method is provided in the later part of this letter. All these calculations are based on an interest rate of 6.75% and other assumptions used in the December 31, 2024 valuation.

## Background

The Diablo Water District was a contracting employer with the Contra Costa County Employees' Retirement Association (CCCERA) before it terminated on September 30, 2005 to provide CalPERS retirement benefits for its then-current and future employees. CCCERA retained the obligation to provide future benefits to the District's retirees and vested terminated members as of the termination date.

For purposes of determining its funding obligation, the District chose the "Second Alternative Approach" in the "Contra Costa County Employees' Retirement Association Extension of Termination Policy to Reflect Market Valuation of Assets and Continued Reassessment of Benefit Liability." This resulted in setting aside an amount of assets which equaled to the termination liability of \$3,985,036 as of September 30, 2005. This amount of assets was set aside in a bookkeeping account to provide future benefits for the District's retirees and vested terminated members. The balance of the District's allocated assets were transferred to CalPERS.

Section 5(b) of the Termination Agreement requires an update of the District's funding obligation every three years after CCCERA's triennial experience studies are completed. If the ratio of the balance of the District's bookkeeping account to its updated termination liability is below 95% or exceeds 105%, then the resulting total unfunded obligation or surplus will be amortized as a level dollar amount over 15 years.

The above calculation will continue until the Final Settlement Date determined "as of the Remeasurement Date following the year when the remaining termination liability is below 20% of its value on the Initial Settlement".

## Proposed change in amortization methodology

As stated above, under the current Policy, if a terminating employer's assets is below 95% of the employer's liability, the total unfunded obligation will generally be amortized as a level dollar amount over a 15-year period unless the Board exercises its discretion to accelerate payment of contributions due to insufficient funds projected to pay benefits.

We believe the current practice of setting the amortization period to 15 years for any new actuarial losses or assumption and method changes is reasonable and appropriate. However, resetting the amortization period for any pre-existing unfunded obligation has the drawback that the periodic payment towards the withdrawal liability would be reduced even if there were no actuarial gains/losses, assumption changes or method changes.

Moreover, the District is expected to run out of assets by around 2030<sup>4</sup> if we continue the practice of resetting the amortization period for the entire withdrawal liability over a new 15-year period. To avoid the asset shortfall, we recommend that a 15-year amortization period be applied only to new unfunded obligation since the last withdrawal liability update from three years ago. The employer may also find it attractive to continue to use the original 15-year period to pay off the outstanding balance of the unfunded obligation as of December 31, 2021 because they will pay less interest (currently at 6.75% per annum) on the outstanding balance of their withdrawal liability using the original amortization period with 12 years left as of December 31, 2024.

## Update analysis and results

The detailed update results are provided in Attachment A to this letter. The update is a two-step process.

As a first step, the District's bookkeeping account was updated to December 31, 2024 as provided in our letter dated August 5, 2025. The resulting bookkeeping account was \$703,447.

The second step was to determine the December 31, 2024 termination liability as the present value of future benefit payments to the District's retirees and vested terminated members on that date. That amount was \$1,739,411. We calculated this present value using actuarial assumptions adopted by the Board for the December 31, 2024 actuarial valuation, including the 6.75% investment earnings assumption.

Based on this process, the District has an unfunded obligation of \$1,035,964 on a market value basis as of December 31, 2024. This compares to an unfunded obligation of \$895,396 on a market value basis as of December 31, 2021. The increase in the unfunded obligation was mainly due to investment loss on a market value basis,<sup>5</sup> liability loss due to retirees living longer than expected, offset somewhat by contribution made by the District to reduce the unfunded obligation and the changes in assumption that have the effect of decreasing the unfunded obligation. This translates into a funded ratio of 40.44%.

Since the funded ratio remains below 95%, the unfunded obligation is amortized as a level dollar amount. Using the proposed amortization method, we have determined the annual payment amount of \$124,543<sup>6</sup> as follows:

<sup>4</sup> In the December 31, 2021 withdrawal liability update, the District was expected to have an asset shortfall by around 2032.

<sup>5</sup> The bookkeeping account crediting rates (based on market return) were -11.3%, 8.7% and 8.6% for calendar year 2022, 2023 and 2024, respectively. This resulted in an investment loss of about \$226,000 when compared to the investment return assumption of 6.75%.

<sup>6</sup> We note that the amortization payment using the current method of restarting the amortization period is \$111,954.

## Amortization of Unfunded Obligation

Base Date	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Contribution
December 31, 2021	\$895,396	15	\$778,904	12	\$96,763 <sup>7</sup>
December 31, 2024	257,060	15	257,060	15	27,780 <sup>8</sup>
<b>Total</b>			<b>\$1,035,964</b>		<b>\$124,543</b>

Based on our discussions, we understand that the updated withdrawal liability and our proposed amortization methodology included in this letter would be used by CCCERA in consulting with the District on their required contributions starting December 31, 2025.

As additional time may be needed for the District to make the contribution associated with the new amortization layer established as of December 31, 2024, the contribution amount (adjusted with interest from December 31, 2024 to July 2026) has been included in footnote 8 assuming payment will be made on July 1, 2026.

We have included a cash flow projection in Attachment B based on the current amortization methodology of resetting the amortization period to 15 years for the entire unfunded obligation. Under this methodology, the District is projected to run out of assets during 2030. A schedule that projects the cash flow for the District under the recommended amortization methodology is provided in Attachment C.

Under the second alternative approach using market valuation and continued reassessment of benefit liability that was chosen by the District's at termination date with CCCERA, the District's termination liability is re-measured periodically until the termination liability is below 20% of its value on the Initial Settlement Date. If all actuarial assumptions were realized, it is expected that the termination liability would be below 20% of its initial value around 2030. As of the Final Settlement Date, a final redetermination will be made of the "final" termination liability for the District, based on U.S. Treasury Spot Rates instead of CCCERA's long term investment return assumption of 6.75%.<sup>9</sup>

## Valuation assumptions and basis

Unless otherwise noted, all of the above calculations are based on the December 31, 2024 actuarial valuation results including the participant data and actuarial assumptions on which that valuation was based.

<sup>7</sup> This is the payment amount determined as of December 31, 2021, based on unfunded obligation of \$895,396 as of December 31, 2021.

<sup>8</sup> The annual payment is calculated assuming first payment is made on December 31, 2025. Interest will be added to this payment amount if they will be made after December 31, 2025. For example, an interest of \$938 would be added to \$27,780 for a total amount of \$28,718 if the annual payment of \$27,780 would be made on July 1, 2026 instead.

<sup>9</sup> While the actual U.S. Treasury Spot Rates to be used is not yet known, we have estimated that the liability would increase by about 5% for each 1% reduction in interest rate.

It is also important to note that the cashflow illustrations are based on plan assets as of December 31, 2024. The District's funded status does not reflect short-term fluctuations of the market, but rather is based on the market values on the last day of the Plan Year. While it is impossible to determine actual market conditions and other demographic experience of the Plan in future valuations, Segal is available to prepare other projections of selected potential outcome scenarios upon request.

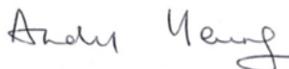
The actuarial calculations contained in this letter were performed under the supervision of Eva Yum, FSA, MAAA, Enrolled Actuary. We are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions herein.

If you have any questions, please do not hesitate to give us a call.

Sincerely,



Todd Tauzer, FSA, MAAA, FCA, CERA  
Senior Vice President and Actuary



Andy Yeung, ASA, MAAA, FCA, EA  
Vice President and Actuary



Eva Yum, FSA, MAAA, EA  
Vice President and Actuary

BTS/elf  
Enclosures

cc: Henry Gudino

**Disclaimer**

This document has been prepared for the exclusive use and benefit of the client, based upon information provided by you and your other service providers or otherwise made available to Segal at the time this document was created. Segal makes no representation or warranty as to the accuracy of any forward-looking statements and does not guarantee any particular outcome or result. This document should only be copied, reproduced, or shared with other parties in its entirety as necessary for the proper administration of the Plan. This document does not constitute legal, tax or investment advice or create or imply a fiduciary relationship. You are encouraged to discuss any issues raised with your legal, tax and other advisors before taking, or refraining from taking, any action.

## December 31, 2024 Update of Diablo Water District Termination Obligation

Item	Amount
1. December 31, 2024 allocated assets	\$703,447
2. Present value of future benefits as of December 31, 2024	\$1,739,411
3. Unfunded obligation as of December 31, 2024 (Item 2 – Item 1)	\$1,035,964
4. Funded ratio as of December 31, 2024 (Item 1 ÷ Item 2)	40.44%
5. Annual (end of calendar year) payment required to amortize unfunded obligation over layered 15 years	\$124,543

Projected Cash Flow **Before** Reflecting **Layered** Amortization Payment  
December 31, 2024 Withdrawal Liability Update - Current Amortization  
Methodology

Calendar Year	Beginning of Year Assets (a)	Contribution for Unfunded Obligation as Determined in 12/31/2024 Update (b)	Projected Benefit Payments (c)	Interest Crediting based on Investment Return Assumption (d)	End of Year Assets (a) + (b) - (c) + (d)
2025	\$703,447	\$111,954 <sup>10</sup>	\$323,162	\$36,754	\$528,993
2026	528,993	111,954	287,451	26,164	379,660
2027	379,660	111,954	260,064	16,993	248,543
2028	248,543	111,954 <sup>11</sup>	232,269	9,066	137,293
2029	137,293	111,954	204,676	2,472	47,043
2030	47,043	111,954	177,911	(2,731)	(21,645)
2031	(21,645)	111,954	152,580	(6,527)	(68,798)
2032	(68,798)	111,954	129,202	(8,933)	(94,979)
2033	(94,979)	111,954	108,171	(10,002)	(101,199)
2034	(101,199)	111,954	89,719	(9,809)	(88,773)
2035	(88,773)	111,954	73,919	(8,446)	(59,185)
2036	(59,185)	111,954	60,593	(6,007)	(13,830)
2037	(13,830)	111,954	49,685	(2,583)	45,855
2038	45,855	111,954	40,961	1,735	118,583
2039	118,583	111,954	34,111	6,872	203,298
2040	203,298	0	28,817	12,766	187,247

Note: A shortfall in assets is projected during calendar years 2030 through 2036. Additional contributions may be required to offset the temporary shortfall, even though assets are projected to reach \$203,298 at the end of 2039 when the amortization of the unfunded obligation is fully paid under the current amortization methodology.

<sup>10</sup> This is the payment amount determined as of December 31, 2024, based on amortizing the entire unfunded obligation of \$1,035,964 identified in the December 31, 2024 withdrawal liability update over 15 years, payable at the end of the year starting at December 31, 2025.

<sup>11</sup> Using a simplifying assumption, we have not recalculated the contribution amount in future updates (next update scheduled for the December 31, 2027 valuation) that would result in resetting the amortization period to 15 years.

## Projected Cash Flow **After Reflecting Layered** Amortization Payment Recommended in the December 31, 2024 Withdrawal Liability Update

Calendar Year	Beginning of Year Assets (a)	Contribution for Unfunded Obligation as Determined in 12/31/2021 Update (b)	Contribution for New Unfunded Obligation as Determined in 12/31/2024 Update (c)	Projected Benefit Payments (d)	Interest Crediting based on Investment Return Assumption (e)	End of Year Assets (a) + (b) + (c) - (d) + (e)
2025	\$703,447	\$96,763 <sup>12</sup>	\$27,780 <sup>13</sup>	\$323,162	\$36,754	\$541,582
2026	541,582	96,763	27,780	287,451	27,014	405,687
2027	405,687	96,763	27,780	260,064	18,750	288,916
2028	288,916	96,763	27,780	232,269	11,791	192,981
2029	192,981	96,763	27,780	204,676	6,231	119,079
2030	119,079	96,763	27,780	177,911	2,131	67,842
2031	67,842	96,763	27,780	152,580	(486)	39,319
2032	39,319	96,763	27,780	129,202	(1,635)	33,024
2033	33,024	96,763	27,780	108,171	(1,362)	48,034
2034	48,034	96,763	27,780	89,719	264	83,122
2035	83,122	96,763	27,780	73,919	3,157	136,902
2036	136,902	96,763	27,780	60,593	7,229	208,082
2037	208,082	0	27,780	49,685	12,396	198,572
2038	198,572	0	27,780	40,961	12,044	197,435
2039	197,435	0	27,780	34,111	12,194	203,298
2040	203,298	0	0	28,817	12,766	187,247

Note 1: For purposes of this illustration, the first amortization payment of \$27,780 for the new unfunded obligation determined in the December 31, 2024 update is assumed to be made on December 31, 2025 (as shown in column (c) for 2025). In practice, the first payment would be made in calendar year 2026 instead of calendar year 2025.

Therefore, the calendar year 2026 payments would include: (1) a delayed payment from 2025 of \$28,718 to be paid on around July 1, 2026 (i.e. \$27,780 for 2025 adjusted with interest of \$938 from December 31, 2025 to July 2026) and (2) a regular payment of \$124,543 (\$96,763 as shown in column (b) plus \$27,780 as shown in column (c)) to be paid on December 31, 2026.

Note 2: A shortfall in assets is projected during calendar years 2031 to 2033 as the contributions are expected to be made at the end of the year. However, after the expected contributions are made, no shortfall is expected as of each year-end.

<sup>12</sup> This is the payment amount determined as of December 31, 2021, based on unfunded obligation of \$895,396 as of December 31, 2021.

<sup>13</sup> This is the payment amount determined as of December 31, 2024, based on the new unfunded obligation of \$257,060 identified in the December 31, 2024 withdrawal liability update.

**Via Email**

February 9, 2026

Ms. Christina Dunn  
Chief Executive Officer  
Contra Costa County Employees' Retirement Association  
1200 Concord Avenue, Suite 300  
Concord, CA 94520

**Re: Contra Costa County Employees' Retirement Association (CCCERA)  
Update of Withdrawal Liability as of December 31, 2024 — City of Pittsburg**

Dear Christina:

We have updated the City of Pittsburg's (the City) withdrawal liability study to December 31, 2024 in accordance with Section 4(b) of the July 1, 2001 Termination Agreement and the subsequent First Amendment to Agreement adopted in July 2012. In the prior studies, to update the withdrawal liability for the City, the entire<sup>1</sup> unfunded obligation has been amortized and scheduled to be paid off over 15 years. As automatically resetting the amortization period to 15 years for the entire unfunded obligation at each triennial withdrawal liability update might result in the unfunded obligation never being fully paid off, we recommend that the Board exercise its discretion as reserved under the Employer Termination Policy to continue to amortize the outstanding balance from the last withdrawal liability study as of December 31, 2021 over the remaining 12 years as of December 31, 2024 and only to amortize the new unfunded obligation identified below in this study using a new 15-year amortization period.

## Summary of results

According to our analysis, the City has an unfunded obligation of \$6,016,375 on a Valuation Value of Assets basis as of December 31, 2024. This translates into a funded ratio of 85.91%.<sup>2</sup> The unfunded obligation is to be amortized and paid off as a level dollar amount. Under the recommended amortization methodology (i.e., only the new unfunded obligation identified in the current withdrawal liability study as of December 31, 2024 valuation will be amortized over a 15-year period and the unfunded obligation identified in the last withdrawal liability study as of December 31, 2021 valuation will continue to be paid off based on the 15-year amortization schedule established as of December 31, 2021),<sup>3</sup> the payment amount is \$764,274 annually, assuming payment at the end of each fiscal year commencing June 30, 2026. Discussion

<sup>1</sup> This includes the outstanding balance of the unfunded obligation that has not been paid off from the last withdrawal liability study plus any new unfunded obligation that has emerged from the current withdrawal liability study.

<sup>2</sup> The funded ratio for City of Pittsburg was 86.0% as of December 31, 2015, 87.8% as of December 31, 2018 and 86.4% as of December 31, 2021.

<sup>3</sup> There are 12 years left in the amortization schedule as of December 31, 2024.

regarding the proposed change in amortization method is provided in the later part of this letter. All these calculations are based on an interest rate of 6.75% and other assumptions used in the December 31, 2024 valuation.

## Background

The City of Pittsburg was a contracting employer with the Contra Costa County Employees' Retirement Association (CCCERA) before it terminated on July 1, 2001 to provide CalPERS retirement benefits for its then-current and future employees. CCCERA retained the obligation to provide future benefits to the City's retirees and vested terminated members as of the termination date.

For purposes of determining its funding obligation, the City chose the "Second Alternative Approach" in the "Contra Costa County Employees' Retirement Association Extension of Termination Policy to Reflect Market Valuation of Assets and Continued Reassessment of Benefit Liability." This resulted in setting aside an amount of assets which equaled to the termination liability of \$31,464,761 as of June 30, 2001. This amount of assets was set aside in a bookkeeping account to provide future benefits for the City's retirees and vested terminated members. The balance of the City's allocated assets were transferred to CalPERS.

Section 4(a) of the Termination Agreement requires an update of the City's bookkeeping account as of December 31 of each year on a market value of assets basis. Section 4(b) of the Termination Agreement requires an update of the City's funding obligation every three years after CCCERA's triennial experience studies are completed.

The Termination Agreement between the City and CCCERA was amended in 2012, which resulted in a modification to the way the City's funding obligation is determined commencing with the December 31, 2012 Actuarial Valuation to use the City's smoothed Valuation Value of Assets. Under the amended Termination Agreement, if there is a difference between the City's Valuation Value of Assets and the termination liability, as determined by CCCERA's independent actuary, then the difference will be amortized as a level dollar amount over a 15-year period, commencing 18 months after the date of the most recently completed actuarial valuation. The amended Termination Agreement also provides that the bookkeeping account balance as maintained by CCCERA is referred to as the allocated "Market Value of Assets".

The above calculation will continue until the Final Settlement Date determined "as of the Remeasurement Date following the year when the remaining termination liability is below 20% of its value on the Initial Settlement".

## Proposed change in amortization methodology

As stated above, under the current Policy, the total unfunded obligation will generally be amortized as a level dollar amount over a 15-year period unless the Board exercises its discretion to accelerate payment of contributions to ensure adequate funding of the City's unfunded obligation.

We believe the current practice of setting the amortization period to 15 years for any new actuarial losses or assumption and method changes is reasonable and appropriate. However, resetting the amortization period for any pre-existing unfunded obligation has the drawback that the periodic payment towards the withdrawal liability would be reduced even if there were no actuarial gains/losses, assumption changes or method changes.

Over the next 15 years, the City is expected to have enough assets to make all the projected benefits from 2025 to 2040. However, if we continue the current practice of automatically resetting the amortization period for the entire withdrawal liability to a new 15-year period, the current unfunded obligation might never be fully amortized as the amortization period is reset to 15 years at each triennial withdrawal liability update. Therefore, we recommend that a 15-year amortization period be applied only to new unfunded obligation since the last withdrawal liability update from three years ago. The employer may also find it attractive to continue to use the original 15-year period to pay off the outstanding balance of the unfunded obligation as of December 31, 2021 because they will pay less interest (currently at 6.75% per annum) on the outstanding balance of their withdrawal liability using the original amortization period with 12 years left as of December 31, 2024.

## Update analysis and results

The detailed update results are provided in Attachment A to this letter. The update is a three-step process.

As a first step, the City's bookkeeping account was updated to December 31, 2024 as provided in our letter dated August 5, 2025. The resulting bookkeeping account was \$36,079,680.

The second step was to determine the December 31, 2024 Valuation Value of Assets for the City. Starting with the December 31, 2016 valuation, the assets associated with the terminated employers were transferred to their own Terminated Employers Cost Group. The Valuation Value of Assets for this cost group is determined using the same methodology as for all cost groups and is shown on page 185 of the December 31, 2024 Actuarial Valuation Report.

The City's Valuation Value of Assets is calculated by multiplying the Terminated Employers Cost Group's Valuation Value of Assets of \$48,136,716 by the ratios of the bookkeeping accounts for the City to the total for all withdrawn employers (\$36,079,680 divided by \$47,343,014 or 76.21%.) The resulting Valuation Value of Assets for the City was \$36,684,553.

The third step was to determine the December 31, 2024 termination liability as the present value of future benefit payments to the City's retirees and vested terminated members on that date. That amount was \$42,700,928. We calculated this present value using actuarial assumptions adopted by the Board for the December 31, 2024 actuarial valuation, including the 6.75% investment earnings assumption.

Based on this process, the City has an unfunded obligation of \$6,016,375 on a Valuation Value of Assets basis as of December 31, 2024. This compares to an unfunded obligation of \$6,368,753 on a Valuation Value of Assets basis as of December 31, 2021. There were

decreases in the unfunded obligation due to contributions made by the City to reduce the December 31, 2021 unfunded obligation, changes in assumptions that had the effect of decreasing the liability and a liability gain due to greater mortality than expected. However, those decreases were offset by an investment loss on a valuation value basis.<sup>4</sup> This translates into a funded ratio of 85.91%.

The unfunded obligation is amortized as a level dollar amount. Using the proposed amortization method, we have determined the annual payment amount of \$764,274<sup>5</sup> as follows:

### Amortization of Unfunded Obligation

Base Date	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Contribution
December 31, 2021	\$6,368,863	15	\$5,540,168	12	\$711,103 <sup>6</sup>
December 31, 2024	476,207	15	476,207	15	53,171 <sup>7</sup>
<b>Total</b>			<b>\$6,016,375</b>		<b>\$764,274</b>

Based on our discussions, we understand that the updated withdrawal liability and our proposed amortization methodology included in this letter would be used by CCCERA in consulting with the City on their required contributions starting June 30, 2026.

As shown in footnote 5, if we were to continue to automatically restarting the amortization period, the entire unfunded obligation of \$6,016,375 as of December 31, 2024 would be amortized over 15 years, resulting in an annual amortization payment of \$671,758. If all actuarial assumptions were realized over the following three years, the outstanding unfunded obligation is expected to decrease to about \$5.2 million at the next triennial withdrawal liability update as of December 31, 2027. If the annual payment of \$671,758 would continue for the remaining 12 years, the unfunded obligation would be fully paid off at the end of that 12-year period. However, based on the current method whereby the outstanding unfunded obligation is automatically re-amortized over a new 15-year period at each triennial withdrawal liability update, the amortization payment would be recalculated to \$584,362 as of the December 31, 2027 update. With this reduced payment amount and the automatic restarting of the amortization period, the unfunded obligation is not projected to be paid off.

We have included a schedule that projects the cash flow for the City under the recommended amortization methodology as provided in Attachment B that illustrates how the unfunded obligation determined as of December 31, 2024 be paid off over the next 15 years.

<sup>4</sup> The City's withdrawal liability update is on a valuation value of assets basis. The valuation value rates of return for CCCERA were 5.3%, 5.3% and 5.4% for calendar year 2022, 2023 and 2024, respectively. This resulted in an investment loss of about \$1,988,000 when compared to the investment return assumption of 6.75%.

<sup>5</sup> We note that the amortization payment using the current method of restarting the amortization period is \$671,758.

<sup>6</sup> This is the payment amount determined as of December 31, 2021, based on unfunded obligation of \$6,368,753 as of December 31, 2021.

<sup>7</sup> This is the payment amount determined as of December 31, 2024, based on the new unfunded obligation of \$476,207 identified in the December 31, 2024 withdrawal liability update, assuming first payment is made on June 30, 2026.

Under the second alternative approach using market valuation and continued reassessment of benefit liability that was chosen by the City at termination date with CCCERA, the City's termination liability is re-measured periodically until the termination liability is below 20% of its value on the Initial Settlement Date. If all actuarial assumptions were realized, it is expected that the termination liability would be below 20% of its initial value around 2058.<sup>8</sup> As of the Final Settlement Date, a final redetermination will be made of the "final" termination liability for the City, based on U.S. Treasury Spot Rates instead of CCCERA's long term investment return assumption of 6.75%.<sup>9</sup>

## Valuation assumptions and basis

Unless otherwise noted, all of the above calculations are based on the December 31, 2024 actuarial valuation results including the participant data and actuarial assumptions on which that valuation was based.

It is also important to note that the cashflow illustrations are based on plan assets as of December 31, 2024. The City's funded status does not reflect short-term fluctuations of the market, but rather is based on the market values on the last day of the Plan Year. While it is impossible to determine actual market conditions and other demographic experience of the Plan in future valuations, Segal is available to prepare other projections of selected potential outcome scenarios upon request.

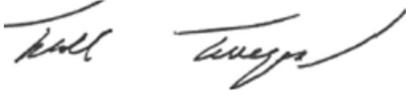
The actuarial calculations contained in this letter were performed under the supervision of Eva Yum, FSA, MAAA, Enrolled Actuary. We are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions herein.

<sup>8</sup> We would expect the above date to be later than the original timeframe the remaining liability would be expected to fall below 20% of the termination liability as determined by the prior actuary as of the initial Settlement Date. This change is caused by increase in withdrawal liability measured using lower interest rate and updated mortality tables that anticipate longer life expectancies as compared to those used in the original determination.

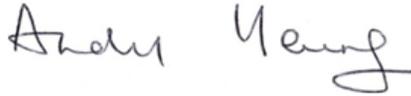
<sup>9</sup> While the actual U.S. Treasury Spot Rates to be used is not yet known, we have estimated that the liability would increase by about 5% for each 1% reduction in interest rate.

If you have any questions, please do not hesitate to give us a call.

Sincerely,



Todd Tauzer, FSA, MAAA, FCA, CERA  
Senior Vice President and Actuary



Andy Yeung, ASA, MAAA, FCA, EA  
Vice President and Actuary



Eva Yum, FSA, MAAA, EA  
Vice President and Actuary

BTS/jl

cc: Henry Gudino

**Disclaimer**

This document has been prepared for the exclusive use and benefit of the client, based upon information provided by you and your other service providers or otherwise made available to Segal at the time this document was created. Segal makes no representation or warranty as to the accuracy of any forward-looking statements and does not guarantee any particular outcome or result. This document should only be copied, reproduced, or shared with other parties in its entirety as necessary for the proper administration of the Plan. This document does not constitute legal, tax or investment advice or create or imply a fiduciary relationship. You are encouraged to discuss any issues raised with your legal, tax and other advisors before taking, or refraining from taking, any action.

## December 31, 2024 Update of City of Pittsburg Termination Obligation

	<b>Item</b>	<b>Amount</b>
1.	December 31, 2024 Valuation Value of Assets for withdrawn employers cost group	\$48,136,716
2.	December 31, 2024 Allocated Market Value of assets for the City	\$36,079,680
3.	December 31, 2024 Market Value of Assets for all withdrawn employers	\$47,343,014
4.	December 31, 2024 Allocated Valuation Value of Assets for the City (Item 1 × (Item 2 ÷ Item 3))	\$36,684,553
5.	Present value of future benefits as of December 31, 2024	\$42,700,928
6.	Unfunded obligation as of December 31, 2024 (Item 5 – Item 4)	\$6,016,375
7.	Funded ratio as of December 31, 2024 (Item 4 ÷ Item 5)	85.91%
8.	Annual (middle of calendar year) payment required to amortize unfunded obligation over layered 15 years	\$764,274

## Projected Cash Flow **After** Reflecting **Layered** Amortization Payment Recommended in the December 31, 2024 Withdrawal Liability Update

Calendar Year	Beginning of Year Assets (a)	Contribution for Unfunded Obligation as Determined in 12/31/2021 Update (b)	Contribution for New Unfunded Obligation as Determined in 12/31/2024 Update (c)	Projected Benefit Payments (d)	Interest Crediting based on Investment Return Assumption (e)	End of Year Assets (a) + (b) + (c) - (d) + (e)
2025	\$36,079,680	\$711,103 <sup>10</sup>	\$0	\$3,860,808	\$2,330,812	\$35,260,787
2026	35,260,787	711,103	53,171 <sup>11</sup>	3,790,499	2,279,636	34,514,197
2027	34,514,197	711,103	53,171	3,746,276	2,230,709	33,762,905
2028	33,762,905	711,103	53,171	3,692,131	2,181,794	33,016,842
2029	33,016,842	711,103	53,171	3,635,627	2,133,311	32,278,800
2030	32,278,800	711,103	53,171	3,581,108	2,085,303	31,547,269
2031	31,547,269	711,103	53,171	3,520,178	2,037,948	30,829,313
2032	30,829,313	711,103	53,171	3,456,509	1,991,599	30,128,677
2033	30,128,677	711,103	53,171	3,389,508	1,946,531	29,449,974
2034	29,449,974	711,103	53,171	3,318,399	1,903,079	28,798,928
2035	28,798,928	711,103	53,171	3,244,940	1,861,572	28,179,835
2036	28,179,835	711,103	53,171	3,159,565	1,822,618	27,607,161
2037	27,607,161	711,103	53,171	3,068,243	1,786,994	27,090,187
2038	27,090,187	0	53,171	2,980,861	1,731,391	25,893,888
2039	25,893,888	0	53,171	2,882,333	1,653,912	24,718,638
2040	24,718,638	0	53,171	2,781,096	1,577,944	23,568,657 <sup>12</sup>

Note: Following prior practice, the first amortization payment of \$53,171 for the new unfunded obligation determined in the December 31, 2024 update is assumed to be made on June 30, 2026 (as shown in column (c) for 2026).

Therefore, the calendar year 2026 payments would be \$764,274 (\$711,103 as shown in column (b) plus \$53,171 as shown in column (c)) to be paid on June 30, 2026.

<sup>10</sup> This is the payment amount determined as of December 31, 2021, based on unfunded obligation of \$6,368,753 as of December 31, 2021.

<sup>11</sup> This is the payment amount determined as of December 31, 2024, based on the new unfunded obligation of \$476,207 identified in the December 31, 2024 withdrawal liability update, assuming first payment is made on June 30, 2026.

<sup>12</sup> The present value of future benefits would be expected to be equal to \$23,568,657 as of December 31, 2040.

# SIGULER GUFF

Meeting Date

02/18/2026

Agenda Item

#7a.



## SAVE THE DATE

### Siguler Guff & Company 2026 Annual Conference

#### Rainbow Room

30 Rockefeller Plaza

New York, NY 10112

#### Wednesday, April 29

##### Advisory Board Meetings

Event details will be shared with Advisory Board Members in the coming weeks.

##### Cocktail Reception

##### Seated Investor Dinner with Keynote Speaker

#### Thursday, April 30

##### Breakfast Buffet

##### Morning Presentations

##### Lunch Buffet with Keynote Speaker

##### Afternoon Presentations

Siguler Guff is pleased to offer a virtual livestream and recordings  
for those who cannot join in person.

---

Our official invitation, agenda, and event details will follow in the coming weeks. For questions, please contact [conference@sigulerguff.com](mailto:conference@sigulerguff.com).

---

Hotel rooms have been reserved at **The Iroquois Hotel**.

To secure the discounted rate, we encourage you to book by **Monday, April 6, 2026**.

# BOARD MEETINGS 2026

Meeting Date  
02/18/2026  
Agenda Item  
#10

JANUARY						
Su	Mo	Tu	We	Th	Fr	Sa
				H	2	3
4	5	6	B	8	9	10
11	12	13	14	15	16	17
18	H	20	B/A	22	23	24
25	26	27	28	29	30	31

1 - New Year's Day  
19 - Martin Luther King Jr. Day

FEBRUARY						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	B	5	6	7
8	9	10	11	12	13	14
15	H	17	B/I	19	20	21
22	23	24	25	26	27	28

16 - Presidents' Day

MARCH						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	B/I	5	6	7
C	C	C	C	12	13	14
15	16	17	B	19	20	21
22	23	24	25	26	27	28
29	30	31				

APRIL						
Su	Mo	Tu	We	Th	Fr	Sa
			B	2	3	4
5	6	7	8	9	10	11
12	13	14	B	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

MAY						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	B	7	8	9
10	11	S	S	S	S	16
17	18	19	B/I	21	22	23
24	H	26	27	28	29	30
31						

25 - Memorial Day

JUNE						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	B/A	4	5	6
7	8	9	10	11	12	13
14	15	16	B	18	H	20
21	22	23	24	25	26	27
28	29	30				

19 - Juneteenth

JULY						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	H	4
5	6	7	8	9	10	11
12	13	14	B/I	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

3 - Independence Day Observed

AUGUST						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	B/A	6	7	8
9	10	11	12	13	14	15
16	17	18	B/I	20	21	22
23	24	25	26	27	28	29
30	31					

7 - Labor Day

SEPTEMBER						
Su	Mo	Tu	We	Th	Fr	Sa
		1	B	3	4	5
6	H	8	9	10	11	12
13	14	15	B	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

OCTOBER						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	B	8	9	10
11	12	13	14	15	16	17
18	19	20	B	22	23	24
25	26	27	28	29	30	31

NOVEMBER						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	B/A	5	6	7
8	9	S	S	S	S	14
15	16	17	B/I	19	20	21
22	23	24	25	H	H	28
29	30					

11 - Veterans Day  
26 and 27 - Thanksgiving

DECEMBER						
Su	Mo	Tu	We	Th	Fr	Sa
		1	B	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	H	26
27	28	29	30	31		

25 - Christmas Day

**B** Board Meeting  
**B/A** Board and Audit Committee  
**B/I** Board and Investment Committee  
**B/A/I** Board, Audit and Investment Committee

**S** SACRS

**C** CALAPRS - General Assembly