



## **AGENDA**

### **RETIREMENT BOARD MEETING**

REGULAR MEETING  
May 6, 2026  
9:00 a.m.

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

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 April 1, 2026 meeting.
  - II. Approve the following routine items:
    - a. Certifications of membership.
    - b. Service and disability allowances.
    - c. Death benefits.
    - d. Investment liquidity report.
  - III. Accept the following routine items:
    - a. Disability applications and authorize subpoenas as required.
    - b. Investment asset allocation report.
  - IV. Consider and take possible action to amend CCCERA's policy on Internal Revenue Code Compliance.
  - V. Consider and take possible action to amend CCCERA's policy on Internal Revenue Code Section 415 Compliance.
- 3.B Consider and take possible action on Consent Items previously removed, if any. (Action Item)

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.

**REGULAR AGENDA ITEMS**

- 4. Presentation from PARS (Public Agency Retirement Services) regarding the I.R.C. Section 115 Trust for Other Post-Employment Benefits for CCCERA Employees. (Presentation Item)
- 5. Presentation from Meketa on capital market assumptions. (Presentation Item)
- 6. Consider and take possible action to update CCCERA’s panel of investment legal counsel. (Action Item)
- 7. Consider authorizing the attendance of Board: (Action Item)
  - a. SACRS/UC Berkeley Program, July 19-22, 2026, Berkeley, CA.
  - b. CALAPRS Principles of Pension Governance, August 24-27, 2026, Santa Barbara, CA.
  - c. Value Edge Advisors 2026 Public Funds Forum, September 8-10, 2026, Laguna Beach, CA.
  - d. iDAC 5<sup>th</sup> Annual Global Summit on Talent Maximization, September 22-24, 2026, Newport Beach, CA.
- 8. Reports. (Presentation item)
  - a. Trustee reports on meetings, seminars and conferences.
  - b. Staff reports

**CLOSED SESSION**

- 9. The Board will go into closed session pursuant to Govt. Code Section 54957 to consider recommendations from the medical advisor and/or staff regarding the following disability retirement applications:

<u>Member</u>	<u>Type Sought</u>	<u>Recommendation</u>
a. Aaron All	Service Connected	Service Connected
b. Jeffrey Davis	Service Connected	Service Connected

- 10. The Board will continue in closed session pursuant to Govt. Code Section 54956.9(d)(1) to confer with legal counsel regarding pending litigation: *CCCERA v. Ryce and Huffman, Clark County Superior Court, Case No. A-25-930479-C*
- 11. The Board will continue in closed session pursuant to Govt. Code Section 54956.9(d)(2) to confer with legal counsel regarding anticipated litigation (one case).

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.

***OPEN SESSION***

12. The next meeting is currently scheduled for May 20, 2026 at 9:00 a.m.  
Adjourn



**RETIREMENT BOARD MEETING MINUTES**

REGULAR MEETING  
April 1, 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, Louie Kroll, David MacDonald, Dan Mierzwa, John Phillips, Mike Sloan, and Samson Wong

Absent: Jay Kwon

Staff: Christina Dunn, Chief Executive Officer; Karen Levy, General Counsel; and Ryan Luis, Retirement Services Manager

Outside Professional Support:  
None

Representing:

**1. Pledge of Allegiance**

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

**2. Accept comments from the Public**

No member of the public offered comment.

**3A. Consent Items:**

It was **M/S/C** to approve all consent items. (Yes: Andersen, Chebotarev, Gordon, Holcombe, Kroll, MacDonald, Mierzwa, Phillips, and Wong)

**3B. Consider and take possible action on Consent Items if previously removed, if any**

No action taken on this item.

**4. Presentation of Annual Disability Retirement Report**

Elise Diliberto and Luis shared a presentation of the Annual Disability Retirement report.

5. **Consider and take possible action to waive the 180 day waiting period for Son Lu, former Information Technology Manager and find that the appointment of retiree Mr. Lu is necessary to fill a critically needed position and approve the hiring of Mr. Lu as a temporary Information Technology Manager for the period of April 1, 2026 through July 1, 2026**

It was **M/S/C** to waive the 180-day waiting period for Son Lu, former Information Technology Manager and find that the appointment of retiree Mr. Lu is necessary to fill a critically needed position and approve the hiring of Mr. Lu as a temporary Information Technology Manager for the period of April 1, 2026 through July 1, 2026.

(Yes: Andersen, Chebotarev, Gordon, Holcombe, Kroll, MacDonald, Mierzwa, Phillips, and Wong)

6. **Consider and take possible action on SACRS Board of Directors Election**

It was **M/S/C** to nominate the SACRS Nominating Committee's recommended slate for the upcoming SACRS Board of Directors elections and direct our voting member to vote as such. (Yes: Andersen, Chebotarev, Gordon, Holcombe, Kroll, MacDonald, Mierzwa, Phillips, and Wong)

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

- a. It was **M/S/C** to approve all Board members to attend CALAPRS Trustees Round Table May 29, 2026, Virtual. (Yes: Andersen, Chebotarev, Gordon, Holcombe, Kroll, MacDonald, Mierzwa, Phillips, and Wong)

8. **Reports**

- a. Trustee reports on meetings, seminars, and conferences – Gordon and MacDonald reported on the NASP Conference, March 19, 2026, stating it was good to interact with other trustees from different systems.
- b. Staff reports – Dunn stated the total retirement applications for March 2026 was 142. She also noted that a survey about CCCERA was sent to active members on March 31, 2026.

Levy provided a legislative update.

**CLOSED SESSION**

The Board moved into closed session pursuant to Govt. Code Section 54957 to consider recommendations from the medical advisor and/or staff regarding disability retirement applications.

The Board moved into open session and reported the following:

**9. Disability Applications:**

It was **M/S/C** to accept the Medical Advisor's recommendation and grant the following disability benefits:

- a. Dennis Jerge – Service Connected (Yes: Andersen, Chebotarev, Gordon, Holcombe, Kroll, MacDonald, Mierzwa, Phillips, and Wong)
- b. Jaspreet Singh – Service Connected (Yes: Andersen, Chebotarev, Finley, Gordon, Holcombe, Kroll, MacDonald, Mierzwa, and Phillips)
- c. Jack Thomson – Service Connected (Yes: Chebotarev, Finley, Holcombe, Kroll, MacDonald, Mierzwa, and Phillips. No: Andersen and Gordon)

**10.** The next meeting is currently scheduled for May 6, 2026, at 9:00 a.m.

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

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Scott W. Gordon, Chairperson

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Jerry R. Holcombe, Secretary

**CERTIFICATION OF MEMBERSHIPS**

<u>Name</u>	<u>Tier</u>	<u>Membership Date</u>	<u>Employer</u>
Aguilar, Kenia	P5.2	03/01/26	Contra Costa County
Ajibola, Olubusola	P5.2	03/01/26	Contra Costa County
Alexander, Drew	S/D	03/01/26	San Ramon Valley Fire Protection District
Araujo, Zasharah	P5.2	03/01/26	Contra Costa County
Ashtiani, Shadi	P5.2	03/01/26	Contra Costa County
Avalos, Ana	P5.2	03/01/26	Contra Costa County
Bahmani, Amir Nader	P5.2	03/01/26	Contra Costa County
Barajas, Meghan	P5.2	03/01/26	Contra Costa County
Barsoumian, Hrag	S/E	03/01/26	Contra Costa County
Bhatti, Ravneet	P5.2	03/01/26	Contra Costa County
Boone, James	P5.2	03/01/26	Contra Costa County
Brajkovic, Susan	P5.2	03/01/26	Contra Costa County
Brownlee, Garrett	S/D	03/01/26	San Ramon Valley Fire Protection District
Brust, Michael	P5.2	03/01/26	Contra Costa County
Calunsag, Lannie	S/E	03/01/26	Contra Costa County
Cameron, Kirsten	P5.2	03/01/26	Contra Costa County
Carey, Daniel	P5.2	03/01/26	Contra Costa County
Carter, Anna	P5.2	03/01/26	Contra Costa County
Castillo Jimenez, Rolando	P5.2	03/01/26	Contra Costa County
Castro, Benedict	P5.2	03/01/26	Contra Costa County
Chao, Kai	P5.2	03/01/26	Contra Costa County
Chau, Quan	P5.2	03/01/26	Contra Costa County
Chung, Peter	P5.2	03/01/26	Contra Costa County
Cortes Rodriguez, Lucero	P5.2	03/01/26	Contra Costa County
Dahu, Nader	P5.2	03/01/26	Contra Costa County
Davis, Finley	P5.2	03/01/26	Contra Costa County
Del Solar, Luciana	P5.2	03/01/26	Contra Costa County
Delaney, Walburga	P5.2	03/01/26	Contra Costa County
Dennard, Edriana	P5.2	03/01/26	Contra Costa County
Derr, Michael	P5.2	03/01/26	Contra Costa County
Dodson, William	P5.2	03/01/26	Contra Costa County
Donlin, Timothy	P5.2	03/01/26	Contra Costa County
Doty, Serena	P5.2	03/01/26	Contra Costa County
Duggan, Joseph	S/D	03/01/26	San Ramon Valley Fire Protection District

**Key:**

<b>I = Tier I</b>	<b>P4.2 = PEPR Tier 4 (2% COLA)</b>	<b>S/A = Safety Tier A</b>
<b>II = Tier II</b>	<b>P4.3 = PEPR Tier 4 (3% COLA)</b>	<b>S/C = Safety Tier C</b>
<b>III = Tier III</b>	<b>P5.2 = PEPR Tier 5 (2% COLA)</b>	<b>S/D = Safety Tier D</b>
	<b>P5.3 = PEPR Tier 5 (3% COLA)</b>	<b>S/E = Safety Tier E</b>

## CERTIFICATION OF MEMBERSHIPS

<u>Name</u>	<u>Tier</u>	<u>Membership Date</u>	<u>Employer</u>
Emmanuel, Jean	P5.2	03/01/26	Contra Costa County
Espinoza, Linda	P5.2	03/01/26	Contra Costa County
Feather, Ian	P5.2	03/01/26	Contra Costa County
Grygo, Bianca	P5.2	03/01/26	Contra Costa County
Hassan, Haniya	P5.2	03/01/26	Contra Costa County
Hopwood, Jessica	P5.2	03/01/26	Contra Costa County
Hurtado, Jose	P5.2	03/01/26	Contra Costa County
Jefferson, Ebone	P5.2	03/01/26	Contra Costa County
Jensen, Karin	P5.2	03/01/26	Contra Costa County
Jue, Kenan	P4.3	03/01/26	Contra Costa County Housing Authority
Jumangit, Maria Margarita	P5.2	03/01/26	Contra Costa County
Justus, Alexx	P5.2	03/01/26	Contra Costa County
Koeplin, Diana	P5.2	03/01/26	Contra Costa County
Lakha, Sonya	P5.2	03/01/26	Contra Costa County
Larson, Kambria	P5.2	03/01/26	Contra Costa County
Licata, Gabrielle	P5.2	03/01/26	Contra Costa County
Linden, Justin	P4.2	03/01/26	Contra Costa County Fire Protection District
Ma, Jesse	P5.2	03/01/26	Contra Costa County
Machado, Ruben	P5.2	03/01/26	Contra Costa County
Mack, Sonja	P5.2	03/01/26	Contra Costa County
Manuel, Vincent	I	03/01/26	Contra Costa County
Martinez, Mary	P5.2	03/01/26	Contra Costa County
Martorano, Gabriella	P5.2	03/01/26	Contra Costa County
Maxwell, Jordan	III	03/01/26	Contra Costa County Superior Court
Mazariegos De Leon, Claritza	P5.2	03/01/26	Contra Costa County
Mcclure, Prisca	P5.2	03/01/26	Contra Costa County
McCree, Claudia	III	03/01/26	Contra Costa County
Medrano-Santos, Jose	P5.2	03/01/26	Contra Costa County
Mello, Alexander	P5.2	03/01/26	Contra Costa County
Miguel Jr., Dante Angel	P5.2	03/01/26	Contra Costa County
Momoh, Sani	P5.2	03/01/26	Contra Costa County
Montes, Carlos	P5.2	03/01/26	Contra Costa County
Moreno, Rodrigo	P5.2	03/01/26	Contra Costa County

**Key:**

<b>I = Tier I</b>	<b>P4.2 = PEPR Tier 4 (2% COLA)</b>	<b>S/A = Safety Tier A</b>
<b>II = Tier II</b>	<b>P4.3 = PEPR Tier 4 (3% COLA)</b>	<b>S/C = Safety Tier C</b>
<b>III = Tier III</b>	<b>P5.2 = PEPR Tier 5 (2% COLA)</b>	<b>S/D = Safety Tier D</b>
	<b>P5.3 = PEPR Tier 5 (3% COLA)</b>	<b>S/E = Safety Tier E</b>

## CERTIFICATION OF MEMBERSHIPS

<u>Name</u>	<u>Tier</u>	<u>Membership Date</u>	<u>Employer</u>
Naranjo, Angelica	P5.2	03/01/26	Contra Costa County
Nazifi, Mandana	P5.2	03/01/26	Contra Costa County
Nunez, Taylor	P5.2	03/01/26	Contra Costa County
Nurse Sterling, Jabari	P5.2	03/01/26	Contra Costa County
Nwadike, Jovita	P5.2	03/01/26	Contra Costa County
Ochoa Elias, Emily	P5.2	03/01/26	Contra Costa County
Ojeda, Justine	P5.2	03/01/26	Contra Costa County
Palermo, Isabella	P5.2	03/01/26	Contra Costa County
Perez, Jocelyn	P5.2	03/01/26	Contra Costa County
Pittman-Scurini, Isaiah	P5.2	03/01/26	Contra Costa County
Pytlak, Veronica	S/E	03/01/26	Contra Costa County
Ramos, Maria	P5.2	03/01/26	Contra Costa County
Reed, Emily	P5.2	03/01/26	Contra Costa County
Renwick, Dylan	P5.2	03/01/26	Contra Costa County
Reynosa, Maximillian	S/D	03/01/26	Contra Costa County Fire Protection District
Rotaru, Simona	P5.2	03/01/26	Contra Costa County
Ruff, Cooper	P4.2	03/01/26	Contra Costa County Fire Protection District
Scott, Alyssa Faith	P5.2	03/01/26	Contra Costa County
Scudder, Amanda	P5.2	03/01/26	Contra Costa County
Shih, Peter	III	03/01/26	Contra Costa County
Sidhu, Manpreet	P5.2	03/01/26	Contra Costa County
Simpson, Ashley	P5.2	03/01/26	Contra Costa County
Sosa, Elisa	S/E	03/01/26	Contra Costa County
Tamayo, Joy Jerusha	P5.2	03/01/26	Contra Costa County
Tecson, Ronnie Arianna	P5.2	03/01/26	Contra Costa County
Thangamuthu, Priyanka	P5.2	03/01/26	Contra Costa County
Tosoc, Chiara Mae	P5.2	03/01/26	Contra Costa County
Vega, Brianna	S/E	03/01/26	Contra Costa County
Watson, Tracy	P5.2	03/01/26	Contra Costa County
Williams, Kori	P5.2	03/01/26	Contra Costa County
Zhong, Joyce	P5.2	03/01/26	Contra Costa County

**Key:**

<b>I = Tier I</b>	<b>P4.2 = PEPR Tier 4 (2% COLA)</b>	<b>S/A = Safety Tier A</b>
<b>II = Tier II</b>	<b>P4.3 = PEPR Tier 4 (3% COLA)</b>	<b>S/C = Safety Tier C</b>
<b>III = Tier III</b>	<b>P5.2 = PEPR Tier 5 (2% COLA)</b>	<b>S/D = Safety Tier D</b>
	<b>P5.3 = PEPR Tier 5 (3% COLA)</b>	<b>S/E = Safety Tier E</b>

## TIER CHANGES

<u>Name</u>	<u>Old Tier</u>	<u>New Tier</u>	<u>Effective Date</u>	<u>Employer</u>	<u>Reason for Change</u>
Bodin, Jason	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier
Butcher, Jason	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier
Carter, Desirie	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier
Cevallos, Erick	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier
Contreras, Gissel	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier
Crawford, Lucas	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier
Gilfoy, Dylan	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier
Gragg, Logan	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier
Greene, Brett	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier
Hodgers, John	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier
Lauritson, Cody	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier
Lavassani, Kian	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier
Molina Moreno, Marcos	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier
Nguyen, Minh	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier
Russell, Timothy	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier
Winston, Tyler	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier
Zelaya, Jhojan	P5.2	S/E	03/01/26	Contra Costa County	Promotion to Safety Tier

**Key:**

<b>I = Tier I</b>	<b>P4.2 = PEPR A Tier 4 (2% COLA)</b>	<b>S/A = Safety Tier A</b>
<b>II = Tier II</b>	<b>P4.3 = PEPR A Tier 4 (3% COLA)</b>	<b>S/C = Safety Tier C</b>
<b>III = Tier III</b>	<b>P5.2 = PEPR A Tier 5 (2% COLA)</b>	<b>S/D = Safety Tier D</b>
	<b>P5.3 = PEPR A Tier 5 (3% COLA)</b>	<b>S/E = Safety Tier E</b>

## **SERVICE & DISABILITY RETIREMENT ALLOWANCES**

<u>Name</u>	<u>Effective Date</u>	<u>Option Type</u>	<u>Tier</u>	<u>Selected</u>
Alvarez, Martha	12/17/25	SR	III	Unmodified
Braggs, Kerry	02/13/26	SR	III	Unmodified
Byrd, Dialo K	01/23/26	SR	Safety A	Unmodified
Caoile, Karen	01/22/26	SR	III	Option 1
Castro, Lydia L	01/03/26	SR	III	Unmodified
Coleman, Willie B	01/31/26	SR	II and III	Unmodified
Faria, Gary	01/30/26	SR	III	Unmodified
Flores, Judy M	01/02/26	SR	III	Unmodified
Gelhaus, Robert	01/31/26	SR	Safety A	Unmodified
Gipp, Laura E	01/02/26	SR	II and III	Unmodified
Harrington, Nancy J	01/31/26	SR	II and III	Unmodified
Helmick, Brian J	01/23/26	SR	Safety A	Unmodified
Huang, Charles Y	01/13/26	SR	III	Unmodified
Ingrassia, Jason	01/30/26	SR	Safety A	Unmodified
Jordan, Milton E	01/14/26	SR	III	Unmodified
Leonard-Gonzalez, Ida	01/27/26	SR	III	Unmodified
Liang, So W	12/06/25	SR	III	Unmodified
Lucey, Georgia S	01/07/26	SR	PEPRA 5.3	Unmodified
MacFarland, Melason R	01/15/26	SR	III	Unmodified
Mc Cardle, Garth W	01/24/26	SR	PEPRA 5.2	Unmodified
Mc Collum, Jean	12/22/25	SR	II	Unmodified
Memnon, Valerie	02/03/26	SR	II and III	Unmodified
Michel, Jennifer	12/22/25	SR	III	Option 2
Normandin, James P	01/31/26	SR	Safety A	Unmodified
Radeva, Reni K	01/31/26	SR	III	Unmodified
Rodriguez, Kathleen W	02/13/26	SR	I	Unmodified
Sabino-Rojas, Jessie	01/10/26	SR	II and III	Unmodified
Scheider, Holly R	12/05/25	SR	II and III	Unmodified
Scroggins, Sandra	02/02/26	SR	III	Unmodified
Suniga, Irma L	01/20/26	SR	II and III	Unmodified
Wagner, Debra	02/25/26	SR	PEPRA 5.2	Unmodified

### Option Type

NSP = Non-Specified  
 SCD = Service Connected Disability  
 SR = Service Retirement  
 NSCD = Non-Service Connected Disability  
 \* = County Advance Selected w/option

### Tier

I = Tier I  
 II = Tier II  
 III = Tier III  
 S/A = Safety Tier A  
 S/C = safety Tier C  
 Pepra 4.2 = Pepra Tier 4 (2% COLA)  
 Pepra 4.3 = Pepra Tier 4 (3% COLA)  
 Pepra 5.2 = Pepra Tier 5 (2% COLA)  
 Pepra 5.3 = Pepra Tier 5 (3% COLA)  
 S/D = Pepra Safety Tier D  
 S/E = Pepra Safety Tier E

**DEATHS**

<u>Name</u>	<u>Date of Death</u>	<u>Employer as of Date of Death</u>
Gonzales, Raymond	02/04/26	Contra Costa County
Walton, Robert	11/07/25	Contra Costa County
Soychak, Richard	11/28/25	Central Contra Costa Sanitary District



Meeting Date  
**05/06/2026**  
Agenda Item  
**#3.A-IId.**

**Contra Costa County Employees' Retirement Association  
Liquidity Report – March 2026**

**March 2026 Performance**

	<b>Cash Flow</b>	<b>Coverage Ratio</b>
Benefit Cash Flow Projected by Model	\$57,500,000	
Liquidity Sub-Portfolio Cash Flow	\$57,500,000	<b>100%</b>
Actual Benefits Paid	\$57,441,756	<b>100.1%</b>
<i>Next Month's Projected Benefit Payment</i>	<i>\$57,500,000</i>	

**Monthly Manager Positioning – March 2026**

	<b>Beginning Market Value</b>	<b>Liquidity Program Cash Flow</b>	<b>Market Value Change/Other Activity</b>	<b>Ending Market Value</b>
DFA	\$479,564,114	(\$13,250,000)	(\$959,659)	\$465,354,455
Insight	\$777,040,053	(\$21,250,000)	(\$2,188,763)	\$753,601,290
Sit	\$780,335,063	(\$23,000,000)	(\$6,231,049)	\$751,104,013
<b>Liquidity</b>	<b>\$2,036,939,230</b>	<b>(\$57,500,000)</b>	<b>(\$9,379,472)</b>	<b>\$1,970,059,758</b>
Cash	\$213,400,136	\$58,244	\$126,278,927	\$339,737,307
<b>Liquidity + Cash</b>	<b>\$2,250,339,366</b>	<b>(\$57,441,756)</b>	<b>\$116,899,455</b>	<b>\$2,309,797,065</b>

**Functional Roles**

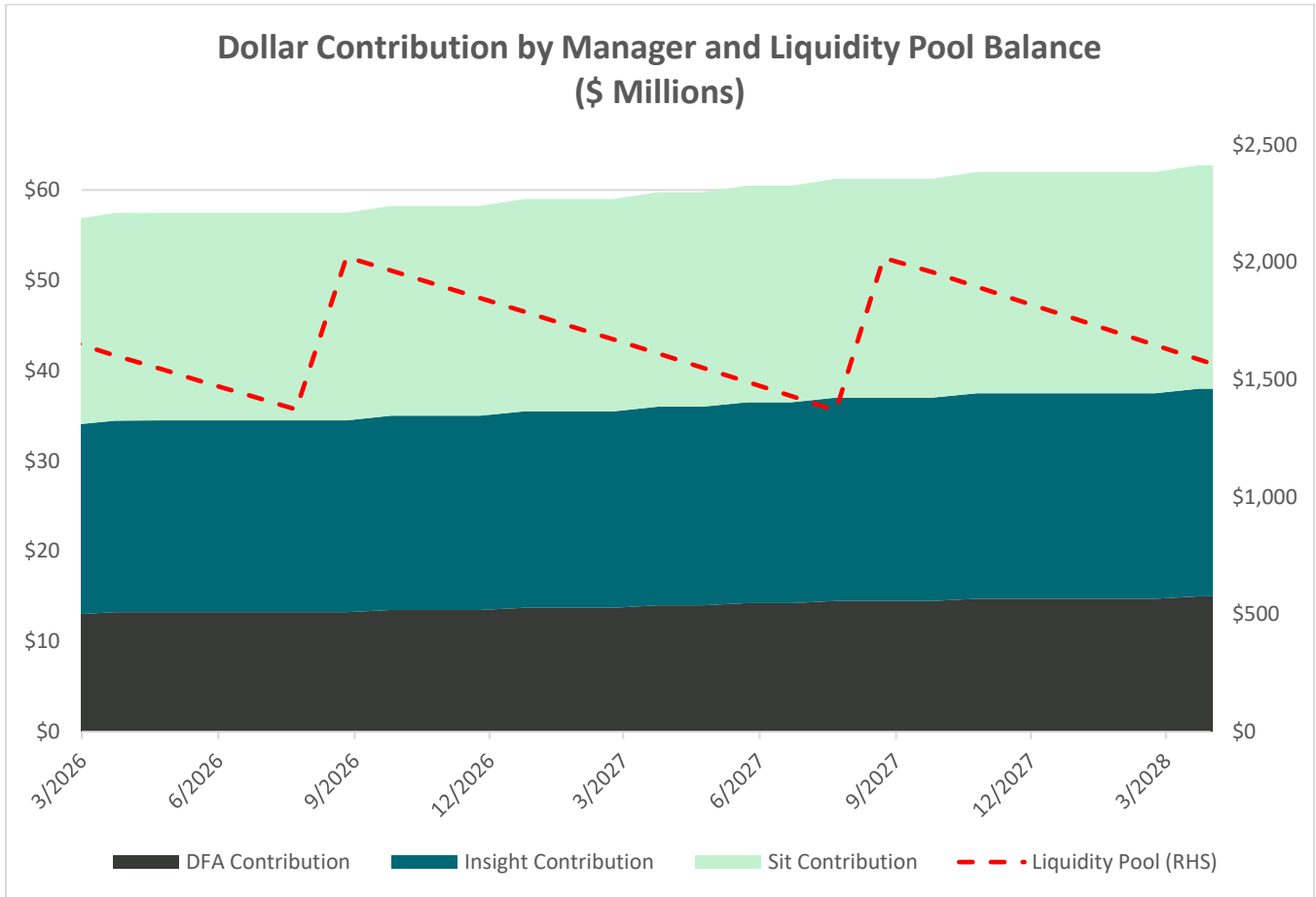
<b>Manager</b>	<b>Portfolio Characteristics</b>	<b>Liquidity Contribution</b>
DFA	High quality, short duration portfolio of liquid government, corporate and securitized bonds.	Pays out a pre-determined monthly amount.
Insight	Buy and maintain (limited trading) portfolio of high quality, short duration, corporate bonds and asset-backed securities.	Cash flow matching portfolio designed to meet monthly obligation without forced selling.
Sit	High quality portfolio of small balance, government guaranteed mortgages with relatively higher coupons.	Pays out a pre-determined monthly amount.
Cash	STIF account at custodial bank.	Buffer in the event of any Liquidity shortfall/excess.

**Notes**

For the month, the actuarial cash flow model overestimated actual benefits paid by approximately \$58,000; over the trailing 12-month period, actual benefits paid were \$6,500,000 above the actuarial cash flow model.

**Cash Flow Structure**

The chart below shows the sources of cash flow for the next two years of CCCERA’s projected benefit payments in addition to the fluctuating balance of the overall liquidity program (right hand scale) which is “topped up” each July.



**DISABILITY RETIREMENT APPLICATIONS**

The Board's Hearing Officer is hereby authorized to issue subpoenas in the following cases involving disability applications:

<u>Name</u>	<u>Number</u>	<u>Filed</u>	<u>Type</u>
Craig, Brian	210364	03/23/26	SCD

**Option Type**

NSP = Non-Specified  
 SCD = Service Connected Disability  
 SR = Service Retirement  
 NSCD = Non-Service Connected Disability  
 \* = County Advance Selected w/option

**Tier**

I = Tier I  
 II = Tier II  
 III = Tier III  
 S/A = Safety Tier A  
 S/C = safety Tier C  
 Pepra 4.2 = Pepra Tier 4 (2% COLA)  
 Pepra 4.3 = Pepra Tier 4 (3% COLA)  
 Pepra 5.2 = Pepra Tier 5 (2% COLA)  
 Pepra 5.3 = Pepra Tier 5 (3% COLA)  
 S/D = Pepra Safety Tier D  
 S/E = Pepra Safety Tier E

Contra Costa County Employees' Retirement Association  
Asset Allocation as of March 31, 2026

	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	465,354,455	3.6%	4.0%	-0.4%		
Insight	753,601,290	5.8%	6.5%	-0.7%		
Sit	751,104,013	5.8%	6.5%	-0.7%		
<b>Total Liquidity</b>	<b>1,970,059,758</b>	<b>15.1%</b>	<b>17.0%</b>	<b>-1.9%</b>	<b>14.0%</b>	<b>1.1%</b>
		<b>Range</b>				
		<b>10-20%</b>				
<b>Growth</b>						
<b>Domestic Equity</b>						
Boston Partners	430,876,676	3.3%	3.0%	0.3%		
BlackRock Russell 1000	1,232,017,544	9.5%	10.0%	-0.5%		
Emerald Advisers	195,313,549	1.5%	1.5%	0.0%		
BlackRock Russell 2000 Value	202,074,065	1.6%	1.5%	0.1%		
<b>Total Domestic Equity</b>	<b>2,060,281,835</b>	<b>15.8%</b>	<b>16.0%</b>	<b>-0.2%</b>		
<b>Global &amp; International Equity</b>						
Pyrford (Columbia)	484,340,801	3.7%	3.5%	0.2%		
William Blair	458,510,159	3.5%	3.5%	0.0%		
First Eagle	767,378,858	5.9%	5.5%	0.4%		
Artisan Global Opportunities	661,075,413	5.1%	5.5%	-0.4%		
PIMCO/RAE Emerging Markets	304,542,471	2.3%	2.0%	0.3%		
TT Emerging Markets	305,735,166	2.3%	2.0%	0.3%		
<b>Total Global &amp; International Equity</b>	<b>2,981,582,867</b>	<b>22.9%</b>	<b>22.0%</b>	<b>0.9%</b>		
<b>Private Equity</b>						
Real Assets/Infrastructure	1,319,299,737	10.1%	10.0%	0.1%		
	236,000,755	1.8%	2.0%	-0.2%		
<b>Total Equity</b>	<b>6,597,165,194</b>	<b>50.7%</b>	<b>50.0%</b>	<b>0.7%</b>		
		<b>40-60%</b>				
<b>Private Credit</b>						
Multi-Asset Credit	1,160,193,711	8.9%	9.0%	-0.1%		
HPS	129,868,858	1.0%	4.0%	0.0%		
KKR	131,751,401	1.0%				
GoldenTree	133,753,774	1.0%				
Oak Hill Advisors	130,660,798	1.0%				
<b>Total Credit</b>	<b>1,686,228,542</b>	<b>13.0%</b>	<b>13.0%</b>	<b>-0.0%</b>		
		<b>8-16%</b>				
<b>Real Estate</b>						
Real Estate - Value Add	357,260,901	2.7%	2.3%	0.4%		
Real Estate - Opportunistic & Distressed	321,177,677	2.5%	2.7%	-0.2%		
Real Estate - REIT			2.0%	-0.1%		
Adelante	117,062,078	0.9%				
Invesco	127,742,754	1.0%				
Real Estate Debt			1.0%	0.1%		
Barings	68,804,192	0.5%				
Rialto	80,122,810	0.6%				
Real Estate Global	47,257,926	0.4%				
<b>Total Real Estate</b>	<b>1,119,428,338</b>	<b>8.6%</b>	<b>8.0%</b>	<b>0.6%</b>		
		<b>5-10%</b>				
<b>Total Growth Assets</b>	<b>9,402,822,073</b>	<b>72.3%</b>	<b>71.0%</b>	<b>1.3%</b>	<b>73.0%</b>	<b>-0.7%</b>
		<b>Range</b>				
		<b>60-80%</b>				
<b>Risk Diversifying</b>						
AFL-CIO	252,983,765	1.9%	2.0%	-0.1%		
DFA Intermediate Treasury	177,713,785	1.4%	1.5%	-0.1%		
BH-DG Systematic	283,251,078	2.2%	2.0%	0.2%		
Sit LLCAR	486,762,463	3.7%	3.5%	0.2%		
<b>Total Risk Diversifying</b>	<b>1,200,711,091</b>	<b>9.2%</b>	<b>9.0%</b>	<b>0.2%</b>	<b>10.0%</b>	<b>-0.8%</b>
		<b>Range</b>				
		<b>0% - 12%</b>				
<b>Cash and Overlay</b>						
Overlay (Parametric)	100,003,171	0.8%		0.8%		
Cash	339,737,307	2.6%	3.0%	-0.4%		
<b>Total Cash and Overlay</b>	<b>439,740,478</b>	<b>3.4%</b>	<b>3.0%</b>	<b>0.4%</b>	<b>3.0%</b>	<b>0.4%</b>
		<b>0-6%</b>				
<b>Total Fund</b>	<b>13,013,333,400</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>	

\*Current targets and ranges reflect asset allocation targets accepted by the Board on February 4, 2026 (BOR Resolution 2026-2).

**Private Market Investments**  
**As of March 31, 2026**

<b>REAL ESTATE - Value Add</b>	<b>Inception Date</b>	<b>Target Termination</b>	<b># of Extension</b>	<b>Discretion by GP/LP</b>	<b>New Target Termination</b>	<b>Funding Commitment</b>	<b>Market Value</b>	<b>% of Total Asset</b>	<b>Outstanding Commitment</b>
Blackstone Strategic Partners Real Estate VIII	11/18/22	11/18/32				80,000,000	57,157,962	0.44%	28,681,428
Covenant Apartment Fund XII	11/21/25	11/21/35				60,000,000	14,616,983	0.11%	44,700,000
EQT Exeter Industrial Value Fund VI	06/02/23	06/02/31				60,000,000	37,281,161	0.29%	24,000,000
Invesco IREF IV	12/01/14	12/01/21				35,000,000	86,163	0.00%	3,416,217
Invesco IREF V	09/11/18	09/11/25				75,000,000	50,059,968	0.38%	6,581,100
Invesco IREF VI	09/21/21	09/22/29				100,000,000	56,845,366	0.44%	34,048,924
Jadian Real Estate Fund II, LP	08/29/24	08/29/34				60,000,000	15,411,858	0.12%	46,263,830
Long Wharf FREG III	03/30/07	12/31/17				75,000,000	0	0.00%	0
Long Wharf FREG IV	08/14/13	09/30/21				25,000,000	0	0.00%	0
Long Wharf FREG V	10/31/16	09/30/24				50,000,000	10,072,575	0.08%	0
Long Wharf LREP VI	02/05/20	02/05/28				50,000,000	26,658,962	0.20%	361,552
Long Wharf LREP VII	05/15/23	03/31/32				50,000,000	30,756,634	0.24%	13,830,869
LaSalle Income & Growth Fund VI	01/31/12	01/31/19				75,000,000	8,418,373	0.06%	3,946,000
LaSalle Income & Growth Fund VII	10/31/16	09/30/24				75,000,000	15,937,014	0.12%	87,245
Stockbridge Value Fund V	04/19/24	04/19/34				60,000,000	33,957,882	0.26%	25,497,885
						<b>1,100,000,000</b>	<b>357,260,901</b>	<b>2.75%</b>	<b>231,415,048</b>
<b>Outstanding Commitments</b>							<b>231,415,048</b>		
<b>Total</b>							<b>588,675,949</b>		

<b>REAL ESTATE -Opportunistic &amp; Distressed</b>	<b>Inception Date</b>	<b>Target Termination</b>	<b># of Extension</b>	<b>Discretion by GP/LP</b>	<b>New Target Termination</b>	<b>Funding Commitment</b>	<b>Market Value</b>	<b>% of Total Asset</b>	<b>Outstanding Commitment</b>
ARES US REAL ESTATE OPPORTUNITY FUND IV,L.P.	11/06/23	11/06/33				60,000,000	17,388,768	0.13%	24,513,367
Blackstone BREP X	06/30/22	06/30/32				100,000,000	46,427,814	0.36%	57,929,637
Cross Lake Real Estate Fund IV	04/11/23	04/11/33				60,000,000	15,478,545	0.12%	42,756,455
DLJ Real Estate Capital Partners, L.P. III	06/30/05	06/30/14	in full liq.			75,000,000	5,159,017	0.04%	4,031,338
DLJ Real Estate Capital Partners, L.P. IV	12/31/07	09/30/18				100,000,000	15,453,305	0.12%	0
DLJ Real Estate Capital Partners, L.P. V	07/31/13	12/31/22				75,000,000	4,526,106	0.03%	535,678
DLJ Real Estate Capital Partners, L.P. VI	02/28/19	01/31/29				50,000,000	11,076,360	0.09%	4,421,590
Hines Rialto Credit Partners	11/07/25	11/07/35				100,000,000	35,914,853	0.28%	64,085,147
KSL Capital VI	10/24/23	10/24/33				50,000,000	13,687,671	0.11%	33,181,549
Oaktree Real Estate Opportunities Fund V	02/01/11	02/01/21				50,000,000	50,319	0.00%	25,750,000
Oaktree Real Estate Opportunities Fund VI	09/30/13	09/30/20				80,000,000	10,553,164	0.08%	18,400,000
Oaktree Real Estate Opportunities Fund VII	02/28/15	02/28/23				65,000,000	32,035,381	0.25%	16,120,000
PCCP Equity IX	04/11/22	04/01/30				75,000,000	71,724,117	0.55%	6,178,989
Sculptor Real Estate Fund V LP	03/26/25	03/26/35				75,000,000	2,744,899	0.02%	70,302,718
Siguler Guff Distressed Real Estate Opp. Fund	07/30/11	07/30/22				75,000,000	4,170,834	0.03%	5,625,000
Siguler Guff Distressed Real Estate Opp. Fund II	08/31/13	08/31/25				70,000,000	0	0.00%	8,015,000
Siguler Guff Distressed Real Estate Opp. II Co-Inv	01/31/16	10/31/25				25,000,000	6,221,250	0.05%	3,722,138
Paulson Real Estate Fund II	11/10/13	11/10/20				20,000,000	12,242,824	0.09%	654,377
Angelo Gordon Realty Fund VIII	12/31/11	12/31/18				80,000,000	4,749,571	0.04%	12,334,302
Angelo Gordon Realty Fund IX	10/10/14	10/10/22				65,000,000	11,572,879	0.09%	7,572,500
						<b>1,350,000,000</b>	<b>321,177,677</b>	<b>2.47%</b>	<b>406,129,785</b>
<b>Outstanding Commitments</b>							<b>406,129,785</b>		
<b>Total</b>							<b>727,307,462</b>		

<b>PRIVATE CREDIT</b>	<b>Inception Date</b>	<b>Target Termination</b>	<b># of Extension</b>	<b>Discretion by GP/LP</b>	<b>New Target Termination</b>	<b>Funding Commitment</b>	<b>Market Value</b>	<b>% of Total Asset</b>	<b>Outstanding Commitment</b>
Torchlight Debt Opportunity Fund IV	08/01/12	08/30/20				60,000,000	0	0.00%	0
Torchlight Debt Opportunity Fund V	12/31/14	09/17/22				75,000,000	3,803,762	0.03%	15,000,000
Angelo Gordon Energy Credit Opportunities	09/10/15	09/10/20				16,500,000	377,489	0.00%	2,319,783
CCCERA StepStone	12/01/17	11/30/27				1,720,000,000	1,156,012,460	8.88%	812,596,771
						<b>2,074,500,000</b>	<b>1,160,193,711</b>	<b>8.92%</b>	<b>829,916,554</b>
<b>Outstanding Commitments</b>							<b>829,916,554</b>		

Private Market Investments  
As of March 31, 2026

Total

1,990,110,264

**Private Market Investments**  
**As of March 31, 2026**

<b>PRIVATE EQUITY</b>	<b>Inception Date</b>	<b>Target Termination</b>	<b># of Extension</b>	<b>Discretion by GP/LP</b>	<b>New Target Termination</b>	<b>Funding Commitment</b>	<b>Market Value</b>	<b>% of Total Asset</b>	<b>Outstanding Commitment</b>
Adams Street Partners	12/22/95	12/22/25				269,565,614	74,229,985	0.57%	14,589,755
Adams Street Secondary II	12/31/08	12/31/20				30,000,000	2,284,584	0.02%	1,635,000
Adams Street Secondary V	10/31/12	10/31/22				40,000,000	5,256,368	0.04%	9,154,125
Adams Street Venture Innovation Fund	03/09/16	03/09/28				75,000,000	149,316,067	1.15%	3,845,438
AE Industrial Partners Fund II	05/18/18	05/18/28				35,000,000	41,158,529	0.32%	5,934,894
AH 2026 Fund	01/05/26	01/05/36				100,000,000	0	0.00%	100,000,000
Altaris Health Partners VI	07/28/23	07/28/33				50,000,000	0	0.00%	50,000,000
Arbor Investments VI	07/01/24	07/01/34				50,000,000	29,920,753	0.23%	18,718,486
Arcline Capital Partners IV	06/28/25	06/28/35				50,000,000	10,339,478	0.08%	50,000,000
Arlington Capital Partners VII	06/23/25	06/23/35				50,000,000	2,496,087	0.02%	50,000,000
Bay Area Equity Fund	06/14/04	12/31/14	2nd 2 YR	LP	12/31/2017	10,000,000	0	0.00%	0
Bay Area Equity Fund II	2/29/09	12/31/19				10,000,000	36,683,556	0.28%	0
BlackFin Financial Services Fund IV	06/24/24	06/24/34				57,386,063	10,110,075	0.08%	47,452,660
Bregal Sagemount V	12/16/25	12/16/35				50,000,000	0	0.00%	50,000,000
Carpenter Community BancFund	10/31/09	10/31/19				30,000,000	0	0.00%	0
Dragoneer Opportunities Fund VII	09/22/25	09/22/35				50,000,000	10,547,512	0.08%	43,629,076
EPIC Fund III	06/25/24	06/25/34				57,407,923	15,916,885	0.12%	41,734,270
EQT X	11/17/22	11/17/32				100,000,000	52,519,571	0.40%	50,999,094
Genstar Capital Partners IX	02/18/19	02/18/29				50,000,000	63,115,097	0.49%	3,408,003
Genstar Capital Partners X	04/01/21	04/01/31				42,500,000	45,123,542	0.35%	3,554,075
Genstar Capital Partners XI	04/26/23	04/26/33				75,000,000	12,445,319	0.10%	64,687,617
GTCR XIII	10/27/20	12/31/36				50,000,000	41,450,829	0.32%	9,642,247
GTCR XIV	01/12/23	01/12/33				100,000,000	25,843,581	0.20%	72,941,454
Hellman & Friedman Capital Partners X	05/10/21	05/10/31				75,000,000	83,360,836	0.64%	6,654,543
Hellman & Friedman Capital Partners XI	12/16/22	12/16/32				100,000,000	0	0.00%	100,000,000
L Squared Capital Partners V	04/16/26	04/16/36				50,000,000	0	0.00%	50,000,000
Leonard Green - Green Equity Investors IX	03/01/22	02/28/32				60,000,000	46,886,128	0.36%	20,578,807
Leonard Green - Jade Equity Investors II	03/01/22	02/28/32				15,000,000	6,531,959	0.05%	9,739,047
Oaktree Private Investment Fund 2009	02/28/10	12/15/19				40,000,000	253,533	0.00%	6,308,961
Ocean Avenue Fund II	05/07/14	05/07/24				30,000,000	7,400,261	0.06%	6,705,719
Ocean Avenue Fund III	12/09/15	12/09/25				50,000,000	34,676,394	0.27%	10,554,527
OceanSound Partners Fund III	11/07/25	11/07/35				50,000,000	0	0.00%	50,000,000
Paladin III	08/15/08	08/15/18				25,000,000	4,071,838	0.03%	387,482
Pathway	11/09/98	05/31/21				125,000,000	975,478	0.01%	10,296,855
Pathway 2008	12/26/08	12/26/23				30,000,000	6,730,872	0.05%	2,525,426
Pathway 6	05/24/11	05/24/26				40,000,000	14,450,327	0.11%	3,092,191
Pathway 7	02/07/13	02/07/23				70,000,000	34,473,154	0.26%	5,411,015
Pathway 8	11/23/15	11/23/25				50,000,000	47,637,341	0.37%	2,856,359
Siguler Guff CCCERA Opportunities	06/03/14	05/31/25				200,000,000	50,757,563	0.39%	26,497,500
Siguler Guff Secondary Opportunities	12/31/16	12/31/26				50,000,000	0	0.00%	0
Siris Partners IV	05/18/18	05/18/28				35,000,000	37,055,968	0.28%	4,200,479
Symphony Technology Group VII	12/21/22	12/21/32				50,000,000	14,036,245	0.11%	34,048,739
TA XIV	05/27/21	05/27/31				50,000,000	47,925,968	0.37%	8,625,000
TA XV	03/30/23	03/31/33				90,000,000	26,946,107	0.21%	61,200,000
TPG Healthcare Partners, L.P.	06/27/19	06/27/29				24,000,000	25,855,982	0.20%	2,614,187
TPG Healthcare Partners II	06/30/22	06/30/32				60,000,000	38,274,669	0.29%	28,995,208
TPG Healthcare Partners III	11/26/25	11/26/35				75,000,000	0	0.00%	75,000,000
TPG Partners IX	06/30/22	06/30/32				65,000,000	59,246,486	0.46%	17,533,816
TPG Partners X	11/24/25	11/24/35				75,000,000	1,808,188	0.01%	75,000,000
Trident VIII, L.P.	05/24/19	05/24/29				40,000,000	44,919,638	0.35%	4,425,725
Trident IX, L.P.	09/17/21	09/17/31				50,000,000	55,840,986	0.43%	10,021,591
Trident X, L.P.	1/7/2025	1/7/2035				75,000,000	0	0.00%	75,000,000
Triton Fund VI	1/8/2026	1/8/2036				57,869,098	425,998	0.00%	53,832,322

**Private Market Investments**  
**As of March 31, 2026**

Truelink Capital II	1/26/2026	1/26/2036			50,000,000	0	0.00%	50,000,000
<b>Total: Private Equity</b>					<b>3,333,728,698</b>	<b>1,319,299,737</b>	<b>10.14%</b>	<b>1,504,031,695</b>

**Real Assets/Infrastructure**

	Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment
Aether III & III Surplus	11/30/13	11/30/20				75,000,000	41,623,805	0.32%	941,433
Aether IV	01/01/16	01/01/28				50,000,000	41,931,689	0.32%	4,977,547
Altor ACT I	06/14/24	06/14/34				68,766,132	14,147,695	0.11%	63,434,489
Ares EIF V	09/09/15	11/19/25				50,000,000	26,943,575	0.21%	3,888,697
Cloud Capital Fund II	06/28/25	06/28/35				45,000,000	17,083,648	0.13%	45,000,000
Commonfund Capital Natural Resources IX	06/30/13	06/30/20				50,000,000	22,706,819	0.17%	1,750,007
EIF USPF II	06/15/05	06/15/15	3rd 1 YR	LP	06/15/18	50,000,000	32,638	0.00%	0
EIF USPF III	02/28/07	02/28/17	1st 1 YR	LP	02/28/18	65,000,000	180,284	0.00%	0
EIF USPF IV	06/28/10	06/28/20				50,000,000	1,064,688	0.01%	4
EQT Infrastructure	11/15/23	11/15/35				125,000,000	56,543,225	0.43%	68,709,789
Tallvine Fund I	07/29/25	07/29/35				75,000,000	13,279,460	0.10%	75,000,000
Wastewater Opportunity Fund	12/31/15	11/30/22				25,000,000	463,229	0.00%	521,541
<b>Total: Real Assets/Infrastructure</b>						<b>728,766,132</b>	<b>236,000,755</b>	<b>1.81%</b>	<b>264,223,507</b>
<b>Total: Private Equity and Real Assets/Infrastructure</b>						<b>4,062,494,830</b>	<b>1,555,300,492</b>	<b>11.95%</b>	<b>1,768,255,202</b>

**Outstanding Commitments**

**Total**

**1,768,255,202**

**3,323,555,694**

Market value equals the most recent reported net asset value, plus capital calls after net asset value date, less distributions after net asset value date.  
The Target Termination column is the beginning of liquidation of the fund, however, some funds may be extended for an additional two or three years.



Meeting Date  
**05/06/2026**  
Agenda Item  
**#3.A-IV**

## MEMORANDUM

Date: May 6, 2026  
To: CCCERA Board of Retirement  
From: Christina Dunn, Chief Executive Officer  
Subject: Consider and take possible action to amend the CCCERA Policy on Internal Revenue Code Compliance.

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### Summary

The CCCERA Policy on Internal Review Code Compliance was last amended by the Board on August 9, 2023. The Policy states it should be reviewed at least every 3 years. In order to align the Policy with the SECURE 2.0 Act and to reflect the current operational process, tax counsel identified updates to the required minimum distributions section of the Policy.

Attached is a redlined version of the Policy with the recommended changes and a clean version of the Policy.

### Recommendation

Consider and take possible action to amend the CCCERA Policy on Internal Revenue Code Compliance.

**CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**POLICY ON INTERNAL REVENUE CODE COMPLIANCE**

**1. Purpose of this Policy**

- A. CCCERA is established as a qualified defined benefit plan under the County Employees Retirement Law of 1937, California Government Code sections 31450, *et seq.*, as amended from time to time ("CERL"), sections 401(a) and 414(d) of the Internal Revenue Code, such other provisions of the Internal Revenue Code as applicable, and applicable Treasury regulations and other guidance.
- B. The Retirement Board is authorized by law to adopt regulations and policies which are appropriate or necessary to maintain the qualified status of the plan.

**2. Definitions**

- A. All references to the Internal Revenue Code or IRC mean the Internal Revenue Code of 1986, as amended.
- B. The plan year is the calendar year.

**3. Reversions of Employer Contributions (California Constitution, Article 16, Section 17(a); CERL Sections 31588.2 and 31595; IRC Section 401(a)(2))**

The trust fund must not revert, and no contributions shall be permitted to be returned, to the employers prior to the satisfaction of all liabilities with respect to their employees and their beneficiaries under the trust.

**4. Vesting (IRC Sections 401(a)(7); California Constitution, Article 16, Section 17(a); CERL Sections 31451, 31485.19, and 31485.22)**

- A. A member shall be 100% vested in his or her service retirement benefit upon attaining eligibility for a service retirement benefit.
- B. A plan member shall be 100% vested in his or her accumulated contributions at all times.
- C. In the event of a full or partial termination of, or a complete discontinuance of employer contributions to, the Plan, the accrued benefits of the affected members under the Plan shall be 100% vested and nonforfeitable to the extent funded and to the extent required by federal law.

5. **Required Minimum Distributions (IRC Section 401(a)(9); CERL Sections 31485.14 and 31706)**

CCCERA will pay all benefits in accordance with a good faith interpretation of the requirements of IRC Section 401(a)(9), as applicable to a governmental plan within the meaning of IRC Section 414(d). CCCERA is subject to the following provisions:

- A. Distribution of a member's benefit must begin by the required beginning date, which is the later of the April 1 following the calendar year in which the member attains the applicable age or April 1 of the year following the calendar year in which the member terminates. For members attaining age 70 ½ on or prior to December 31, 2019, the applicable age is 70 ½. For members attaining age 72 before January 1, 2023, the applicable age is 72. For members attaining age 72 after December 31, 2022 and before January 1, 2033, the applicable age is 73. For members attaining age 73 after January 1, 2033, the applicable age is as defined in Code Section 401(a)(9)(C)(v) and in compliance with applicable federal regulations.
- B. The member's entire interest must be distributed over the member's life or the lives of the member and a designated beneficiary, or over a period not extending beyond the life expectancy of the member or of the member and a designated beneficiary.
- C. If a member dies after the required distribution of benefits has begun, the remaining portion of the member's interest must be distributed at least as rapidly as under the method of distribution before the member's death. That is, a permissible joint and survivor annuity (one that satisfies E below) may be paid over the life or life expectancy of the beneficiary.
- D. If a member dies before required distribution of the member's benefits has begun:
  - (i) the member's entire interest must be either:
    - (a) distributed (in accordance with federal regulations) over the life or life expectancy of the designated beneficiary, with the distributions beginning no later than December 31 of the calendar year following the calendar year of the member's death, or
    - (b) distributed by December 31 of the calendar year containing the fifth anniversary of the participant's death.
  - (ii) Effective January 1, 2024, if the member's designated beneficiary is the surviving spouse, and the spouse elects the treatment in this paragraph, then:
    - (a) The Treasury Regulations with respect to Code Section 401(a)(9)(B)(iii)(II) (regarding the life and life expectancy of a beneficiary)

shall treat the surviving spouse as if the surviving spouse were the employee for purposes of calculating the required minimum distribution;

(b) The date on which distributions are required to begin to the surviving spouse under Code Section 401(a)(9)(B)(~~iii~~)(~~iii~~iv)(I) shall ~~not be~~ the later of (i) December 31 of the calendar year after the calendar year of the member's death; or (ii) December 31 of the year the member would have attained the applicable age earlier than the date on which the employee would have attained age 72 or the otherwise applicable age; and

(c) If the surviving spouse dies before the distributions to such spouse begin, this subparagraph (D)(ii) shall be applied as if the surviving spouse were the employee.

- E. The amount of an annuity paid to a member's beneficiary may not exceed the maximum determined under the incidental death benefit requirement of IRC Section 401(a)(9)(G), and the minimum distribution incidental benefit rule under Treasury Regulation Section 1.401(a)(9)-6, Q&A-2.
- F. The death and disability benefits provided by CCCERA are limited by the incidental benefit rule set forth in IRC Section 401(a)(9)(G) and Treasury Regulation Section 1.401-1(b)(1)(i) or any successor regulation thereto. As a result, the total death or disability benefits payable may not exceed 25% of the cost for all of the members' benefits received from the retirement system.
- G. Notwithstanding the other provisions of this Policy or the provisions of the Treasury Regulations, benefit options in place in 2002 may continue so long as the option satisfies IRC Section 401(a)(9) based on a reasonable and good faith interpretation of that section.

**6. Limitation on Compensation (IRC Section 401(a)(17); CERL Section 31671; BOR Regulations VI)**

- A. Effective with respect to plan years beginning on and after July 1, 2002, the annual compensation of a plan member shall not exceed the applicable limit established by IRC Section 401(a)(17) as of the first day of the limitation year, as adjusted for cost of living increases in accordance with IRC Section 401(a)(17)(B)). Annual compensation means compensation during the plan year or such other consecutive 12-month period over which compensation is otherwise determined under the plan (the determination period). If the determination period consists of fewer than 12 months, the annual compensation limit is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is 12. If the compensation for any prior determination period is taken into account in determining a plan member's contributions or benefits for the current plan year, the compensation for such prior

determination period is subject to the applicable annual compensation limit in effect for that prior period.

- B. "Grandfather" Clause. As used in this section, the term "eligible member" means a person who first became a member of CCCERA prior to the plan year beginning after December 31, 1995 (January 1, 1996). Pursuant to section 13212(d)(3)(A) of OBRA '93, and the regulations issued under that section, "eligible members" are not subject to the limits of IRC Section 401(a)(17). The limits referenced in subsection (A) above applies only to years beginning after December 31, 1995, and only to individuals who first become plan members in plan years beginning on and after January 1, 1996.

7. **Eligible Rollover Distributions (IRC Section 401(a)(31); CERL Sections 31485.15 and 31564)**

For purposes of compliance with IRC Section 401(a)(31), this section applies notwithstanding any contrary provision or retirement law that would otherwise limit a distributee's election to make a rollover. A distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

- A. "Eligible rollover distribution" means any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or the life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under IRC Section 401(a)(9); and the portion of any distribution that is not includible in gross income. Effective January 1, 2002, a portion of a distribution will not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions that are not includible in gross income. However, such portion may be transferred only (i) to an individual retirement account or annuity described in IRC Section 408(a) or (b) or to a qualified defined contribution plan described in IRC Section 401(a), that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; (ii) on or after January 1, 2007, to a qualified defined benefit plan described in IRC Section 401(a) or to an annuity contract described in IRC Section 403(b), that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; or (iii) on or after January 1, 2008, to a Roth IRA described in IRC Section 408A. Effective January 1, 2002, the definition of eligible rollover distribution also includes a distribution to a surviving spouse, or to a spouse or former spouse who is an alternate payee under a qualified domestic relations order, as defined in IRC Section 414(p).

- B. "Eligible retirement plan" means any of the following that accepts the distributee's eligible rollover distribution:
- (i) an individual retirement account ("IRA") described in IRC Section 408(a),
  - (ii) an individual retirement annuity ("IRA") described in IRC Section 408(b),
  - (iii) an annuity plan ("annuity contract") described in IRC Section 403(a),
  - (iv) a qualified trust (such as CCCERA) described in IRC Section 401(a),
  - (v) effective January 1, 2002, an annuity contract ("403(b) plan") described in IRC Section 403(b),
  - (vi) effective January 1, 2002, a plan eligible under IRC Section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or a political subdivision of a state that agrees to separately account for amounts transferred into that plan from CCCERA, or
  - (vii) effective January 1, 2008, a Roth IRA described in IRC Section 408A.
  - (viii) effective December 19, 2015, a SIMPLE IRA that meets the 2-year requirements in IRC Section 408(p)
- C. "Distributee" means an active member or former active member. It also includes the member's or former member's surviving spouse and the member's or former member's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in IRC Section 414(p). Effective January 1, 2007, a distributee further includes a nonspouse beneficiary who is a designated beneficiary as defined by IRC Section 401(a)(9)(E). However, a nonspouse beneficiary may rollover the distribution only to an individual retirement account or individual retirement annuity established for the purpose of receiving the distribution, and the account or annuity will be treated as an "inherited" individual retirement account or annuity.
- D. "Direct rollover" means a payment by the plan to the eligible retirement plan specified by the distributee.

**8. HEART Act (IRC Section 401(a)(37); CERL Section 31485.17)**

- A. Effective with respect to deaths occurring on or after January 1, 2007, while a member is performing qualified military service (as defined in chapter 43 of title 38, United States Code), to the extent required by IRC Section 401(a)(37), survivors of a member in a State or local retirement or pension system, are entitled to any additional benefits that the system would provide if the member had resumed employment and then died, such as accelerated vesting or survivor benefits that are contingent on the member's

death while employed. In any event, a deceased member's period of qualified military service must be counted for vesting purposes.

- B. Effective with respect to deaths or disabilities [or both] occurring on or after January 1, 2007, while a member is performing qualified military service (as defined in chapter 43 of title 38, United States Code), to the extent permitted by IRC Section 414(u)(8), for benefit accrual purposes, and in the case of death, for vesting purposes, the member will be treated as having returned to employment on the day before the death or disability and then terminated on the date of death or disability. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.
- C. Beginning January 1, 2009, to the extent required by IRC Sections 3401(h) and 414(u)(2), an individual receiving differential wage payments (while the individual is performing qualified military service, as defined in chapter 43 of title 38, United States Code) from an employer shall be treated as employed by that employer and the differential wage payment shall be treated as compensation for purposes of applying the limits on annual additions under IRC Section 415(c). This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

9. **Reemployed Veteran (IRC Section 414(u); CERL Sections 31649, 31649.1 and 31649.5)**

Effective December 12, 1994, notwithstanding any other provision of CERL, the Board Regulations or this Policy, contributions, benefits and service credit with respect to qualified military service are governed by IRC Section 414(u) and the Uniformed Services Employment and Reemployment Rights Act of 1994, including requiring the employer to make, on behalf of returning service members, any plan contributions that the employer would have made if the service member had not been absent as a result of military service, the reemployed service member shall also be entitled to accrued benefits that are contingent on the making of, or derived from, employee contributions or elective deferrals that were missed during the qualified employee's military service if such missed contributions are paid to the fund, and the reemployed service member's period of qualified military service shall be included for purposes of vesting.

10. **Qualified Domestic Relations Orders (IRC Section 414(p); CERL Article 8.4)**

If benefits are payable under CERL Article 8.4 pursuant to a qualified domestic relations order that meets the requirements of a domestic relations order as defined in IRC Section 414(p), then the applicable federal income tax provisions of IRC Section 414(p) will apply.

**11. Adjustment of Employer Contributions for Replacement Benefit Program (IRC Section 415(m); CERL Sections 31899.4 and 31899.5)**

The adjustment in employer contributions required by CERL Section 31899.4 to the extent the employer pays benefits through the replacement benefit program shall be accomplished in the following manner:

- A. For an employer contributing on a monthly basis, the contribution amount the employer is required to pay to CCCERA in any month shall be reduced by the amount the employer pays from the replacement benefit program in that month; and
- B. For an employer contributing on an annual basis, any make-up payment due from the employer at the end of the year or, if insufficient, the amount of contributions due from the employer for the next year, shall be reduced by the amount the employer paid from the replacement benefit program during that year.

Under no circumstances shall any amounts be transferred from CCCERA to the replacement benefit program.

**12. Prohibited Transactions (IRC Section 503(b))**

Effective as of July 1, 1989, the Board may not engage in a transaction prohibited by IRC Section 503(b). For example, prohibited transactions include the following transactions with certain related parties such as a plan sponsor: a loan without adequate interest or security, the payment of excessive compensation, the purchase of securities or property for more than adequate consideration, or the sale of securities or property for less than adequate consideration.

**13. Distribution General Requirements (IRC 401(a)(36); CERL Section 31485.20; IRC Section 402(d)(4)(A)(iii); CERL Section 31485.21)**

Effective January 1, 2015, members may only receive distributions from the plan in compliance with permitted distributions (*e.g.*, the earlier of death, disability, separation from service, attainment of normal retirement age) rules under (IRC Section 401(a) and Treasury Regulation Section 1.401(b)(1)(i)).

**14. Review**

This policy shall be reviewed by the Board at least every three (3) years and may be amended at any time.

**15. History**

This policy was adopted on: December 8, 2010

Amended: July 11, 2018, February 12, 2020, August 9, 2023, May 6, 2026

# CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## POLICY ON INTERNAL REVENUE CODE COMPLIANCE

### 1. Purpose of this Policy

- A. CCCERA is established as a qualified defined benefit plan under the County Employees Retirement Law of 1937, California Government Code sections 31450, *et seq.*, as amended from time to time ("CERL"), sections 401(a) and 414(d) of the Internal Revenue Code, such other provisions of the Internal Revenue Code as applicable, and applicable Treasury regulations and other guidance.
- B. The Retirement Board is authorized by law to adopt regulations and policies which are appropriate or necessary to maintain the qualified status of the plan.

### 2. Definitions

- A. All references to the Internal Revenue Code or IRC mean the Internal Revenue Code of 1986, as amended.
- B. The plan year is the calendar year.

### 3. Reversions of Employer Contributions (California Constitution, Article 16, Section 17(a); CERL Sections 31588.2 and 31595; IRC Section 401(a)(2))

The trust fund must not revert, and no contributions shall be permitted to be returned, to the employers prior to the satisfaction of all liabilities with respect to their employees and their beneficiaries under the trust.

### 4. Vesting (IRC Sections 401(a)(7); California Constitution, Article 16, Section 17(a); CERL Sections 31451, 31485.19, and 31485.22)

- A. A member shall be 100% vested in his or her service retirement benefit upon attaining eligibility for a service retirement benefit.
- B. A plan member shall be 100% vested in his or her accumulated contributions at all times.
- C. In the event of a full or partial termination of, or a complete discontinuance of employer contributions to, the Plan, the accrued benefits of the affected members under the Plan shall be 100% vested and nonforfeitable to the extent funded and to the extent required by federal law.

**5. Required Minimum Distributions (IRC Section 401(a)(9); CERL Sections 31485.14 and 31706)**

CCCERA will pay all benefits in accordance with a good faith interpretation of the requirements of IRC Section 401(a)(9), as applicable to a governmental plan within the meaning of IRC Section 414(d). CCCERA is subject to the following provisions:

- A. Distribution of a member's benefit must begin by the required beginning date, which is the later of the April 1 following the calendar year in which the member attains the applicable age or April 1 of the year following the calendar year in which the member terminates. For members attaining age 70 ½ on or prior to December 31, 2019, the applicable age is 70 ½. For members attaining age 72 before January 1, 2023, the applicable age is 72. For members attaining age 72 after December 31, 2022 and before January 1, 2033, the applicable age is 73. For members attaining age 73 after January 1, 2033, the applicable age is as defined in Code Section 401(a)(9)(C)(v) and in compliance with applicable federal regulations.
- B. The member's entire interest must be distributed over the member's life or the lives of the member and a designated beneficiary, or over a period not extending beyond the life expectancy of the member or of the member and a designated beneficiary.
- C. If a member dies after the required distribution of benefits has begun, the remaining portion of the member's interest must be distributed at least as rapidly as under the method of distribution before the member's death. That is, a permissible joint and survivor annuity (one that satisfies E below) may be paid over the life or life expectancy of the beneficiary.
- D. If a member dies before required distribution of the member's benefits has begun:
  - (i) the member's entire interest must be either:
    - (a) distributed (in accordance with federal regulations) over the life or life expectancy of the designated beneficiary, with the distributions beginning no later than December 31 of the calendar year following the calendar year of the member's death, or
    - (b) distributed by December 31 of the calendar year containing the fifth anniversary of the participant's death.
  - (ii) Effective January 1, 2024, if the member's designated beneficiary is the surviving spouse, and the spouse elects the treatment in this paragraph, then:
    - (a) The Treasury Regulations with respect to Code Section 401(a)(9)(B)(iii)(II) (regarding the life and life expectancy of a beneficiary)

shall treat the surviving spouse as if the surviving spouse were the employee for purposes of calculating the required minimum distribution;

(b) The date on which distributions are required to begin to the surviving spouse under Code Section 401(a)(9)(B)(iv)(I) shall be the later of (i) December 31 of the calendar year after the calendar year of the member's death; or (ii) December 31 of the year the member would have attained the applicable age; and

(c) If the surviving spouse dies before the distributions to such spouse begin, this subparagraph (D)(ii) shall be applied as if the surviving spouse were the employee.

- E. The amount of an annuity paid to a member's beneficiary may not exceed the maximum determined under the incidental death benefit requirement of IRC Section 401(a)(9)(G), and the minimum distribution incidental benefit rule under Treasury Regulation Section 1.401(a)(9)-6, Q&A-2.
- F. The death and disability benefits provided by CCCERA are limited by the incidental benefit rule set forth in IRC Section 401(a)(9)(G) and Treasury Regulation Section 1.401-1(b)(1)(i) or any successor regulation thereto. As a result, the total death or disability benefits payable may not exceed 25% of the cost for all of the members' benefits received from the retirement system.
- G. Notwithstanding the other provisions of this Policy or the provisions of the Treasury Regulations, benefit options in place in 2002 may continue so long as the option satisfies IRC Section 401(a)(9) based on a reasonable and good faith interpretation of that section.

**6. Limitation on Compensation (IRC Section 401(a)(17); CERL Section 31671; BOR Regulations VI)**

- A. Effective with respect to plan years beginning on and after July 1, 2002, the annual compensation of a plan member shall not exceed the applicable limit established by IRC Section 401(a)(17) as of the first day of the limitation year, as adjusted for cost of living increases in accordance with IRC Section 401(a)(17)(B)). Annual compensation means compensation during the plan year or such other consecutive 12-month period over which compensation is otherwise determined under the plan (the determination period). If the determination period consists of fewer than 12 months, the annual compensation limit is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is 12. If the compensation for any prior determination period is taken into account in determining a plan member's contributions or benefits for the current plan year, the compensation for such prior

determination period is subject to the applicable annual compensation limit in effect for that prior period.

- B. "Grandfather" Clause. As used in this section, the term "eligible member" means a person who first became a member of CCCERA prior to the plan year beginning after December 31, 1995 (January 1, 1996). Pursuant to section 13212(d)(3)(A) of OBRA '93, and the regulations issued under that section, "eligible members" are not subject to the limits of IRC Section 401(a)(17). The limits referenced in subsection (A) above applies only to years beginning after December 31, 1995, and only to individuals who first become plan members in plan years beginning on and after January 1, 1996.

7. **Eligible Rollover Distributions (IRC Section 401(a)(31); CERL Sections 31485.15 and 31564)**

For purposes of compliance with IRC Section 401(a)(31), this section applies notwithstanding any contrary provision or retirement law that would otherwise limit a distributee's election to make a rollover. A distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

- A. "Eligible rollover distribution" means any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or the life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under IRC Section 401(a)(9); and the portion of any distribution that is not includible in gross income. Effective January 1, 2002, a portion of a distribution will not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions that are not includible in gross income. However, such portion may be transferred only (i) to an individual retirement account or annuity described in IRC Section 408(a) or (b) or to a qualified defined contribution plan described in IRC Section 401(a), that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; (ii) on or after January 1, 2007, to a qualified defined benefit plan described in IRC Section 401(a) or to an annuity contract described in IRC Section 403(b), that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; or (iii) on or after January 1, 2008, to a Roth IRA described in IRC Section 408A. Effective January 1, 2002, the definition of eligible rollover distribution also includes a distribution to a surviving spouse, or to a spouse or former spouse who is an alternate payee under a qualified domestic relations order, as defined in IRC Section 414(p).

- B. "Eligible retirement plan" means any of the following that accepts the distributee's eligible rollover distribution:
- (i) an individual retirement account ("IRA") described in IRC Section 408(a),
  - (ii) an individual retirement annuity ("IRA") described in IRC Section 408(b),
  - (iii) an annuity plan ("annuity contract") described in IRC Section 403(a),
  - (iv) a qualified trust (such as CCCERA) described in IRC Section 401(a),
  - (v) effective January 1, 2002, an annuity contract ("403(b) plan") described in IRC Section 403(b),
  - (vi) effective January 1, 2002, a plan eligible under IRC Section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or a political subdivision of a state that agrees to separately account for amounts transferred into that plan from CCCERA, or
  - (vii) effective January 1, 2008, a Roth IRA described in IRC Section 408A.
  - (viii) effective December 19, 2015, a SIMPLE IRA that meets the 2-year requirements in IRC Section 408(p)
- C. "Distributee" means an active member or former active member. It also includes the member's or former member's surviving spouse and the member's or former member's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in IRC Section 414(p). Effective January 1, 2007, a distributee further includes a nonspouse beneficiary who is a designated beneficiary as defined by IRC Section 401(a)(9)(E). However, a nonspouse beneficiary may rollover the distribution only to an individual retirement account or individual retirement annuity established for the purpose of receiving the distribution, and the account or annuity will be treated as an "inherited" individual retirement account or annuity.
- D. "Direct rollover" means a payment by the plan to the eligible retirement plan specified by the distributee.

**8. HEART Act (IRC Section 401(a)(37); CERL Section 31485.17)**

- A. Effective with respect to deaths occurring on or after January 1, 2007, while a member is performing qualified military service (as defined in chapter 43 of title 38, United States Code), to the extent required by IRC Section 401(a)(37), survivors of a member in a State or local retirement or pension system, are entitled to any additional benefits that the system would provide if the member had resumed employment and then died, such as accelerated vesting or survivor benefits that are contingent on the member's

death while employed. In any event, a deceased member's period of qualified military service must be counted for vesting purposes.

- B. Effective with respect to deaths or disabilities [or both] occurring on or after January 1, 2007, while a member is performing qualified military service (as defined in chapter 43 of title 38, United States Code), to the extent permitted by IRC Section 414(u)(8), for benefit accrual purposes, and in the case of death, for vesting purposes, the member will be treated as having returned to employment on the day before the death or disability and then terminated on the date of death or disability. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.
- C. Beginning January 1, 2009, to the extent required by IRC Sections 3401(h) and 414(u)(2), an individual receiving differential wage payments (while the individual is performing qualified military service, as defined in chapter 43 of title 38, United States Code) from an employer shall be treated as employed by that employer and the differential wage payment shall be treated as compensation for purposes of applying the limits on annual additions under IRC Section 415(c). This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

9. **Reemployed Veteran (IRC Section 414(u); CERL Sections 31649, 31649.1 and 31649.5)**

Effective December 12, 1994, notwithstanding any other provision of CERL, the Board Regulations or this Policy, contributions, benefits and service credit with respect to qualified military service are governed by IRC Section 414(u) and the Uniformed Services Employment and Reemployment Rights Act of 1994, including requiring the employer to make, on behalf of returning service members, any plan contributions that the employer would have made if the service member had not been absent as a result of military service, the reemployed service member shall also be entitled to accrued benefits that are contingent on the making of, or derived from, employee contributions or elective deferrals that were missed during the qualified employee's military service if such missed contributions are paid to the fund, and the reemployed service member's period of qualified military service shall be included for purposes of vesting.

10. **Qualified Domestic Relations Orders (IRC Section 414(p); CERL Article 8.4)**

If benefits are payable under CERL Article 8.4 pursuant to a qualified domestic relations order that meets the requirements of a domestic relations order as defined in IRC Section 414(p), then the applicable federal income tax provisions of IRC Section 414(p) will apply.

**11. Adjustment of Employer Contributions for Replacement Benefit Program (IRC Section 415(m); CERL Sections 31899.4 and 31899.5)**

The adjustment in employer contributions required by CERL Section 31899.4 to the extent the employer pays benefits through the replacement benefit program shall be accomplished in the following manner:

- A. For an employer contributing on a monthly basis, the contribution amount the employer is required to pay to CCCERA in any month shall be reduced by the amount the employer pays from the replacement benefit program in that month; and
- B. For an employer contributing on an annual basis, any make-up payment due from the employer at the end of the year or, if insufficient, the amount of contributions due from the employer for the next year, shall be reduced by the amount the employer paid from the replacement benefit program during that year.

Under no circumstances shall any amounts be transferred from CCCERA to the replacement benefit program.

**12. Prohibited Transactions (IRC Section 503(b))**

Effective as of July 1, 1989, the Board may not engage in a transaction prohibited by IRC Section 503(b). For example, prohibited transactions include the following transactions with certain related parties such as a plan sponsor: a loan without adequate interest or security, the payment of excessive compensation, the purchase of securities or property for more than adequate consideration, or the sale of securities or property for less than adequate consideration.

**13. Distribution General Requirements (IRC 401(a)(36); CERL Section 31485.20; IRC Section 402(d)(4)(A)(iii); CERL Section 31485.21)**

Effective January 1, 2015, members may only receive distributions from the plan in compliance with permitted distributions (*e.g.*, the earlier of death, disability, separation from service, attainment of normal retirement age) rules under (IRC Section 401(a) and Treasury Regulation Section 1.401(b)(1)(i)).

**14. Review**

This policy shall be reviewed by the Board at least every three (3) years and may be amended at any time.

**15. History**

This policy was adopted on: December 8, 2010

Amended: July 11, 2018, February 12, 2020, August 9, 2023, May 6, 2026



Meeting Date  
**05/06/2026**  
Agenda Item  
**#3.A-V**

## MEMORANDUM

Date: May 6, 2026  
To: CCCERA Board of Retirement  
From: Christina Dunn, Chief Executive Officer  
Subject: Consider and take possible action to amend the CCCERA Policy on Internal Revenue Code Section 415 Compliance.

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### Summary

The CCCERA Policy on Internal Review Code Section 415 Compliance was last amended by the Board on August 9, 2023. The Policy states it should be reviewed at least every 3 years. Tax counsel has recommended a minor update to remove wording in order to align the Policy with IRC Section 415.

Attached is a redlined version of the Policy with the recommended changes and a clean version of the Policy.

### Recommendation

Consider and take possible action to amend the CCCERA Policy on Internal Revenue Code Section 415 Compliance.

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

**POLICY ON INTERNAL REVENUE CODE SECTION 415 COMPLIANCE**

**1. Purpose of this Policy**

- A. CCCERA is established as a qualified defined benefit plan under the County Employees Retirement Law of 1937, California Government Code sections 31450, *et seq.*, as amended from time to time ("CERL"), sections 401(a) and 414(d) of the Internal Revenue Code, such other provisions of the Internal Revenue Code as applicable, and applicable Treasury regulations and other guidance.
- B. The Retirement Board is authorized to adopt regulations and policies which are appropriate or necessary to maintain the qualified status of the plan.

**2. Definitions**

- A. All references to the Internal Revenue Code or IRC mean the Internal Revenue Code of 1986, as amended.
- B. The plan year is the calendar year.
- C. For IRC section 415 testing purposes, the limitation year is the calendar year.

**3. Limitations on Contributions and Benefits (IRC Section 415; CERL Sections 31538 and 31899 et seq.)**

- A. As provided in CERL Chapter 3.9, Section 31899 et seq., benefits paid from the plan shall be limited to such extent as may be necessary to conform to the requirements of IRC Section 415 for a qualified pension plan. Notwithstanding any other law, the limitation with respect to a person who first became a member under the plan prior to January 1, 1990 shall not be less than the accrued benefit of the member under the plan (determined without regard to any amendment of this plan adopted after October 14, 1987).
- B. *Basic 415(b) Limitation.*
  - (i) On and after January 1, 1995, a member may not receive an annual benefit that exceeds the dollar amount specified in IRC Section 415(b)(1)(A), subject to the applicable adjustments in IRC Section 415(b) and subject to any additional limits that may be specified in CERL and this Policy, and subject to the grandfather provisions of CERL Section 31899. In no event shall such member's benefit payable under the plan in any limitation year be greater than the limit applicable at the annuity starting date, as increased in subsequent years pursuant to IRC Section 415(d) and the regulations thereunder.
  - (ii) For purposes of IRC Section 415(b), the "annual benefit" means a benefit payable annually in the form of a straight life annuity (with no ancillary

benefits) without regard to the benefit attributable to after-tax employee contributions (except pursuant to IRC Section 415(n)) and to rollover contributions (as defined in IRC Section 415(b)(2)(A)). The "benefit attributable" shall be determined in accordance with Treasury Regulations.

C. *Adjustments to Basic 415(b) Limitation for Form of Benefit*

If the benefit under the plan is other than the form specified in subsection (B)(ii), then the benefit shall be adjusted so that it is the equivalent of the annual benefit, using factors prescribed in Treasury Regulations.

- (i) If the form of benefit without regard to the automatic benefit increase feature is not a straight life annuity or a qualified joint and survivor (spousal) annuity<sup>1</sup>, then the preceding sentence is applied by either reducing the IRC Section 415(b) limit applicable at the annuity starting date or adjusting the form of benefit to an actuarially equivalent amount [determined using the assumptions specified in Treasury Regulation IRC Section 1.415(b)-1(c)(2)(ii)] that takes into account the additional benefits under the form of benefit as follows:
- (ii) For a benefit paid in a form to which IRC Section 417(e)(3) (annuity, not lump sum, benefit) does not apply, the actuarially equivalent straight life annuity benefit that is the greater of:
  - (a) The annual amount of the straight life annuity (if any) payable to the member under the plan commencing at the same annuity starting date as the form of benefit to the member, or
  - (b) The annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the member, computed using a 5% interest assumption (or the applicable statutory interest assumption) and, for plan years after December 31, 2008, the applicable mortality tables described in IRC Section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service ("IRS") guidance implementing IRC Section 417(e)(3)(B)); or
- (iii) For a benefit paid in a form to which IRC Section 417(e)(3) (lump sums) applies, the actuarially equivalent straight life annuity benefit that is the greatest of:

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<sup>1</sup> A qualified joint and survivor annuity ("QJSA") means a 50% - 100% joint and survivor annuity with a spouse (same sex or opposite sex) as a designated beneficiary. No adjustment is required for the actuarial value of a QJSA that is fully or partially subsidized. See Treas. Reg. Section 1.415(b)-1(c)(4). If the survivor is a non-spouse beneficiary or domestic partner (thus, it is not a QJSA) then the entire benefit must be converted into a single-life annuity and tested under IRC Code Section 415(b).

- (a) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in the plan;
  - (b) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using a 5.5 percent interest assumption (or the applicable statutory interest assumption) and, for plan years after December 31, 2008, the applicable mortality tables described in IRC Section 417(e)(3)(B) (Notice 2008-85 or any subsequent IRS guidance implementing IRC Section 417(e)(3)(B)); or
  - (c) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable (computed using the applicable interest rate for the distribution under Treasury Regulation IRC Section 1.417(e)-1(d)(3) (using the rate in effect for the month prior to retirement) and, for plan years after December 31, 2008, the applicable mortality tables described in IRC Section 417(e)(3)(B) (Notice 2008-85 or any subsequent IRS guidance implementing IRC Section 417(e)(3)(B)), divided by 1.05.
- (iv) In lieu of converting the optional form of benefit into a single-life annuity, the actuary may adjust the 415(b) limit at the annuity starting date in accordance with the above subsections (ii) and (iii).
- ~~(v) In the event that a qualified joint and survivor (spousal) annuity includes temporary benefits payable to minor children, no adjustment under 415(b) is required because the benefit remains a qualified joint and survivor annuity.~~

*D. Benefits Not Taken into Account for 415(b) Limitation.*

For purposes of this section, the following benefits shall not be taken into account in applying these limits:

- (i) Any ancillary benefit (usually temporary, not annual or monthly) which is not directly related to retirement income benefits (e.g. burial benefits would be ancillary);
- (ii) That portion of any joint and survivor annuity that constitutes a qualified joint and survivor annuity;
- (iii) Any other benefit not required under IRC Section 415(b)(2) and Treasury Regulations thereunder to be taken into account for purposes of the limitation of IRC Section 415(b)(1).

*E. Other Adjustments in 415(b) Limitation.*

- (i) In the event the member's retirement benefits become payable before age 62, the limit prescribed by this section shall be reduced in accordance with Treasury Regulations pursuant to the provisions of IRC Section 415(b), so that such limit (as so reduced) equals an annual straight life benefit (when such retirement income benefit begins) which is equivalent to a one hundred sixty thousand dollar (\$160,000) (as adjusted) annual benefit beginning at age 62.

The reduction in the limit shall be based on the following set of assumptions, whichever produces the lower limit:

- (a) the interest rate and mortality table or tabular factor specified in the plan for commencement prior to the age of 62, or
  - (b) 5% and for plan years after December 31, 2008, the applicable mortality tables described in IRC section 417(e)(3)(B) (Notice 2008-85 or any subsequent IRS guidance implementing IRC Section 417(e)(3)(B)).
- (ii) In the event the member's benefit is based on at least 15 years of service as a full-time employee of any police (sheriff's) or fire department or on 15 years of military service, the adjustments provided for in (i) above shall not apply. There is no age reduction for any employee of a police or fire department, regardless of whether that person otherwise qualifies as a public safety officer, but there is an age reduction for Safety Members who are not employed by a police or fire department. The application of this rule depends on whether the employer is a police department or fire department of the county, rather than on the job classification of the individual member. It is necessary that the employer (or at least the appropriate division of that employer) function as a police or fire department. The requirement of 15 years of service can be satisfied with a combination of police/fire services and military service.
  - (iii) The reductions provided for in (i) above shall not be applicable to pre-retirement disability benefits or pre-retirement death benefits.

F. *Less than 10 Years of Participation Adjustment for 415(b) Limitations.*

The maximum retirement benefits payable to any member who has completed less than 10 years of participation shall be the amount determined under subsection (B) multiplied by a fraction, the numerator of which is the number of the member's years of participation and the denominator of which is 10. The service reduction provided by this subsection cannot reduce the maximum benefit below 10 percent. The reduction provided for in this subsection shall not be applicable to pre-retirement disability benefits or pre-retirement death benefits.

G. *Ten Thousand Dollar (\$10,000) Limit.*

Notwithstanding the foregoing, the retirement benefit payable with respect to a member shall be deemed not to exceed the 415 limit if the benefits payable, with

respect to such member under this plan and under all other qualified defined benefit pension plans to which the member's employer contributes, do not exceed ten thousand dollars (\$10,000) for the applicable limitation year and for any prior limitation year and the employer has not any time maintained a qualified defined contribution plan in which the member participated.

H. *Effect of COLA and Lump Sum Component on 415(b) Testing.*

Effective on and after January 1, 2009, for purposes of applying the limits under IRC Section 415(b) (the "Limit") to a member with no lump sum benefit, a member's annual benefit, including any cost of living increases under CERL Article 16.5, shall be tested under the then applicable benefit Limit including any adjustment to the IRC Section 415(b)(1)(A) dollar limit under IRC Section 415(d), and the regulations thereunder.

On and after January 1, 2009, with respect to a member who receives a portion of the member's annual benefit in a lump sum, a member's applicable Limit will be applied taking into consideration cost of living increases as required by IRC Section 415(b) and applicable Treasury Regulations.

I. *IRC Section 415(c) limitations on contributions and other additions.*

415(c) limitations on contributions will only apply to CCCERA if the member has after-tax member contributions or service purchase after-tax amounts or other annual additions. All such annual additions, with respect to a member, may not exceed the lesser of \$40,000 (as adjusted pursuant to IRC Section 415(d)) or 100% of the member's compensation.

- (i) Annual additions are defined to mean the sum (for any year) of employer contributions to a defined contribution plan, member contributions, and forfeitures credited to a member's individual account. Member contributions are determined without regard to rollover contributions and to picked-up employee contributions that are paid to a defined benefit plan.
- (ii) For purposes of applying IRC Section 415(c) and for no other purpose, the definition of compensation where applicable will be compensation actually paid or made available during a limitation year, except as noted below and as permitted by Treasury Regulation IRC Section 1.415(c)-2, or successor regulation; provided, however, that member contributions picked up under IRC Section 414(h) shall not be treated as compensation.
- (iii) This section applies solely for purposes of IRC Section 415 testing. Compensation will be defined as wages within the meaning of IRC Section 3401(a) and all other payments of compensation to an employee by an employer for which the employer is required to furnish the employee a written statement under IRC Sections 6041(d), 6051(a)(3) and 6052 and will be determined without regard to any rules under IRC Section 3401(a) that limit

the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in IRC Section 3401(a)(2)).

- (a) However, for limitation years beginning after December 31, 1997, compensation will also include amounts that would otherwise be included in compensation but for an election under IRC Sections 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b). For limitation years beginning after December 31, 2000, compensation shall also include any elective amounts that are not includible in the gross income of the member by reason of IRC Section 132(f)(4).
- (b) For limitation years beginning on and after January 1, 2009, compensation for the limitation year shall also include compensation paid by the later of 2<sup>1</sup>/<sub>2</sub> months after a member's severance from employment or the end of the limitation year that includes the date of the member's severance from employment if:
  - (I) the payment is regular compensation for services during the member's regular working hours, or compensation for services outside the member's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments, and, absent a severance from employment, the payments would have been paid to the member while the member continued in employment with the employer; or
  - (II) the payment is for unused accrued bona fide sick, vacation or other leave that the member would have been able to use if employment had continued; or
  - (III) payments pursuant to a nonqualified unfunded deferred compensation plan, but only if the payments would have been paid to the member at the same time if the member had continued employment with the employer and only to the extent that the payment is includible in the member's gross income.
- (iv) Any payments not described in paragraph (iii)(b) above are not considered compensation if paid after severance from employment, even if they are paid within 2<sup>1</sup>/<sub>2</sub> months following severance from employment, except for payments to the individual who does not currently perform services for the employer by reason of qualified military service (within the meaning of IRC Section 414(u)(1)) to the extent these payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the employer rather than entering qualified military service.

- (v) An employee who is in qualified military service (within the meaning of IRC Section 414(u)(1)) shall be treated as receiving compensation from the employer during such period of qualified military service equal to (i) the compensation the employee would have received during such period if the employee were not in qualified military service, determined based on the rate of pay the employee would have received from the employer but for the absence during the period of qualified military service, or (ii) if the compensation the employee would have received during such period was not reasonably certain, the employee's average compensation from the employer during the twelve month period immediately preceding the qualified military service (or, if shorter, the period of employment immediately preceding the qualified military service).
- (vi) Back pay, within the meaning of Treasury Regulation IRC Section 1.415(c)-2(g)(8), shall be treated as compensation for the limitation year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under this definition.
- (vii) For limitation years beginning on or after January 1, 2009, a member's compensation for purposes of this section shall not exceed the annual limit under IRC Section 401(a)(17).

J. *Service Purchases under IRC Section 415(n).*

- (i) Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, if a member makes one or more contributions to purchase permissive service credit under the plan, then the requirements of IRC Section 415(n) will be treated as met only if:
  - (a) the requirements of IRC Section 415(b) are met (without regard to the age reduction under IRC Section 415(b)(2)(C)), determined by treating the accrued benefit derived from all such contributions as an annual benefit for purposes of IRC Section 415(b), or
  - (b) the requirements of IRC Section 415(c) are met, (without regard to the pay limit under IRC Section 415(c)(1)(B)) determined by treating all such contributions as annual additions for purposes of IRC Section 415(c).
- (ii) For purposes of this subsection the term "permissive service credit" means service credit—
  - (a) recognized by the plan for purposes of calculating a member's benefit under the plan,
  - (b) which such member has not received under the plan, and

- (c) which such member may receive only by making a voluntary additional contribution, in an amount determined under the plan, which does not exceed the amount necessary to fund the benefit attributable to such service credit.
- (iii) The plan does not allow for the purchase of "nonqualified service credit."
- (iv) For purposes of subparagraph (iii), effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, the term "nonqualified service credit" means permissive service credit other than that allowed with respect to—
  - (a) service (including parental, medical, sabbatical, and similar leave) as an employee of the Government of the United States, any State or political subdivision thereof, or any agency or instrumentality of any of the foregoing (other than military service or service for credit which was obtained as a result of a repayment described in IRC Section 415(k)(3)),
  - (b) service (including parental, medical, sabbatical, and similar leave) as an employee (other than as an employee described in clause (a)) of an education organization described in IRC Section 170(b)(1)(A)(ii) which is a public, private, or sectarian school which provides elementary or secondary education (through grade 12), or a comparable level of education, as determined under the applicable law of the jurisdiction in which the service was performed,
  - (c) service as an employee of an association of employees who are described in clause (a), or
  - (d) military service (other than qualified military service under IRC Section 414(u)) recognized by the plan.

In the case of service described in clause (a), (b), or (c), such service will be nonqualified service if recognition of such service would cause a member to receive a retirement benefit for the same service under more than one plan.

- (v) In the case of a trustee-to-trustee transfer after December 31, 2001, to which IRC Section 403(b)(13)(A) or 457(e)(17)(A) applies (without regard to whether the transfer is made between plans maintained by the same employer)—
  - (a) the limitations on nonqualified service credit under IRC Section 415(n)(3)(B) will not apply in determining whether the transfer is for the purchase of permissive service credit, and
  - (b) the distribution rules applicable under federal law to the plan will apply to such amounts and any benefits attributable to such amounts.

- (vi) For an eligible member, the IRC Section 415(c)(1) limitation shall not be applied to reduce the amount of permissive service credit which may be purchased to an amount less than the amount which was allowed to be purchased under the terms of a Plan as in effect on August 5, 1997. For purposes of this paragraph an eligible member is an individual who first became a member in the plan before January 1, 1998.
- (vii) Any repayment of contributions (including interest) shall not be taken into account for IRC Section 415 purposes. So long as the amount repaid does not exceed the amount refunded, plus interest, IRC Section 415(c) will not apply to the repayment. However, the restored benefit is to be treated for testing purposes as the original benefit would have been treated. (See also Section L below).
- (viii) In situations involving redeposit by the member of funds assigned to an alternate payee due to a domestic relations order, a member may make payments with post-tax dollars or complete a trustee-to-trustee transfer of 457 plan contributions to accomplish the redeposit. The benefit attributable to such amounts redeposited is not included in the benefit which is tested against the 415(b) limitation (provided that if post-tax dollars are used, the post-tax dollars satisfy the modified 415(c) limit described in paragraph (i)(b) above). The required method for allocating a portion of after-tax employee contributions, for purposes of excluding this amount from the annual benefit to be tested, is established in Reg. Section 1.411(c)-1(c). The method requires calculation of the after-tax employee contributions, plus interest, at rates specified by the regulations.

*K. Modification of Contributions for 415(c) and 415(n) Purposes.*

Notwithstanding any other provision of law to the contrary, CCCERA may modify a request by a member to make a contribution to the plan if the amount of the contribution would exceed the limits provided in IRC Section 415 by using the following methods:

- (i) If the law requires a lump sum payment for the purchase of service credit, CCCERA may establish a periodic payment plan for the member to avoid a contribution in excess of the limits under IRC Section 415(c) or 415(n).
- (ii) If payment pursuant to subparagraph (i) will not avoid a contribution in excess of the limits imposed by IRC Section 415(c) or 415(n), CCCERA may either reduce the member's contribution to an amount within the limits of those sections or refuse the member's contribution.

*L. Repayments of Cashouts.*

Any repayment of contributions (including interest thereon) to the plan with respect to an amount previously refunded upon a forfeiture of service credit under

the plan or another governmental plan maintained by CCCERA shall not be taken into account for purposes of IRC Section 415, in accordance with applicable Treasury Regulations.

For example, if a member takes a refund and later returns to CCCERA membership, the member may redeposit the contributions to re-establish service credit. The member's service credit is restored and the 415 limit is applied as if the member had never left.

M. *Aggregation of Limits.*

(i) Participation in Other Qualified Plans

- (a) The 415(b) limit with respect to any member who at any time has been a member in any other defined benefit plan as defined in IRC Section 414(j) maintained by the member's employer in this plan shall apply as if the total benefits payable under all such defined benefit plans in which the member has been a member were payable from one (1) plan.
- (b) The 415(c) limit with respect to any member who at any time has been a member in any other defined contribution plan as defined in IRC Section 414(i) maintained by the member's employer in this plan shall apply as if the total annual additions under all such defined contribution plans in which the member has been a member were payable from one (1) plan.
- (c) All defined benefit plans of the same employer must be aggregated for testing purposes and all defined contribution plans of the same employer must be aggregated. However, defined benefit and defined contribution plans are not combined for testing purposes. Thus, for example, if an employee, over the course of his or her career, is employed by Contra Costa County in different positions that are covered under both the CCCERA defined benefit plan and the Contra Costa County Deferred Compensation Plan, the benefit under both plans is not aggregated for purposes of IRC Section 415.

(ii) Alternate Payees/QDROs

- (a) Benefits paid to alternate payees of members pursuant to a QDRO must be treated as if the benefit were paid to the participant for purposes of applying the IRC Section 415 limits.
- (b) If the alternate payee is a former spouse and if the QDRO provides that the former spouse is to be treated as a spouse, then the value of the alternate payee's spousal benefit can, in effect, be disregarded for purposes of the 415(b) limits, under the normal rule that any portion of a QJSA need not be taken into account for 415(b) testing.

N. *Reduction of Benefits Priority.*

Reduction of benefits and/or contributions to all plans, where required, shall be accomplished by first reducing the member's benefit under any defined benefit plans in which the member participated, such reduction to be made first with respect to the plan in which the member most recently accrued benefits and thereafter in such priority as shall be determined by the plan and the plan administrator of such other plans, and next, by reducing or allocating excess forfeitures for defined contribution plans in which the member participated, such reduction to be made first with respect to the plan in which the member most recently accrued benefits and thereafter in such priority as shall be established by the plan and the plan administrator for such other plans provided, however, that necessary reductions may be made in a different manner and priority pursuant to the agreement of the plan and the plan administrator of all other plans covering such member.

4. **Review**

This policy shall be reviewed by the Board at least every three (3) years and may be amended at any time.

5. **History**

This policy was adopted on: 12/8/2010

Amended: 1/9/2013, 7/11/2018, 9/8/2021, 8/9/2023, 5/6/2026

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

**POLICY ON INTERNAL REVENUE CODE SECTION 415 COMPLIANCE**

**1. Purpose of this Policy**

- A. CCCERA is established as a qualified defined benefit plan under the County Employees Retirement Law of 1937, California Government Code sections 31450, *et seq.*, as amended from time to time ("CERL"), sections 401(a) and 414(d) of the Internal Revenue Code, such other provisions of the Internal Revenue Code as applicable, and applicable Treasury regulations and other guidance.
- B. The Retirement Board is authorized to adopt regulations and policies which are appropriate or necessary to maintain the qualified status of the plan.

**2. Definitions**

- A. All references to the Internal Revenue Code or IRC mean the Internal Revenue Code of 1986, as amended.
- B. The plan year is the calendar year.
- C. For IRC section 415 testing purposes, the limitation year is the calendar year.

**3. Limitations on Contributions and Benefits (IRC Section 415; CERL Sections 31538 and 31899 et seq.)**

- A. As provided in CERL Chapter 3.9, Section 31899 et seq., benefits paid from the plan shall be limited to such extent as may be necessary to conform to the requirements of IRC Section 415 for a qualified pension plan. Notwithstanding any other law, the limitation with respect to a person who first became a member under the plan prior to January 1, 1990 shall not be less than the accrued benefit of the member under the plan (determined without regard to any amendment of this plan adopted after October 14, 1987).
- B. *Basic 415(b) Limitation.*
  - (i) On and after January 1, 1995, a member may not receive an annual benefit that exceeds the dollar amount specified in IRC Section 415(b)(1)(A), subject to the applicable adjustments in IRC Section 415(b) and subject to any additional limits that may be specified in CERL and this Policy, and subject to the grandfather provisions of CERL Section 31899. In no event shall such member's benefit payable under the plan in any limitation year be greater than the limit applicable at the annuity starting date, as increased in subsequent years pursuant to IRC Section 415(d) and the regulations thereunder.
  - (ii) For purposes of IRC Section 415(b), the "annual benefit" means a benefit payable annually in the form of a straight life annuity (with no ancillary

benefits) without regard to the benefit attributable to after-tax employee contributions (except pursuant to IRC Section 415(n)) and to rollover contributions (as defined in IRC Section 415(b)(2)(A)). The "benefit attributable" shall be determined in accordance with Treasury Regulations.

C. *Adjustments to Basic 415(b) Limitation for Form of Benefit*

If the benefit under the plan is other than the form specified in subsection (B)(ii), then the benefit shall be adjusted so that it is the equivalent of the annual benefit, using factors prescribed in Treasury Regulations.

- (i) If the form of benefit without regard to the automatic benefit increase feature is not a straight life annuity or a qualified joint and survivor (spousal) annuity<sup>1</sup>, then the preceding sentence is applied by either reducing the IRC Section 415(b) limit applicable at the annuity starting date or adjusting the form of benefit to an actuarially equivalent amount [determined using the assumptions specified in Treasury Regulation IRC Section 1.415(b)-1(c)(2)(ii)] that takes into account the additional benefits under the form of benefit as follows:
- (ii) For a benefit paid in a form to which IRC Section 417(e)(3) (annuity, not lump sum, benefit) does not apply, the actuarially equivalent straight life annuity benefit that is the greater of:
  - (a) The annual amount of the straight life annuity (if any) payable to the member under the plan commencing at the same annuity starting date as the form of benefit to the member, or
  - (b) The annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the member, computed using a 5% interest assumption (or the applicable statutory interest assumption) and, for plan years after December 31, 2008, the applicable mortality tables described in IRC Section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service ("IRS") guidance implementing IRC Section 417(e)(3)(B)); or
- (iii) For a benefit paid in a form to which IRC Section 417(e)(3) (lump sums) applies, the actuarially equivalent straight life annuity benefit that is the greatest of:

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<sup>1</sup> A qualified joint and survivor annuity ("QJSA") means a 50% - 100% joint and survivor annuity with a spouse (same sex or opposite sex) as a designated beneficiary. No adjustment is required for the actuarial value of a QJSA that is fully or partially subsidized. See Treas. Reg. Section 1.415(b)-1(c)(4). If the survivor is a non-spouse beneficiary or domestic partner (thus, it is not a QJSA) then the entire benefit must be converted into a single-life annuity and tested under IRC Code Section 415(b).

- (a) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in the plan;
  - (b) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using a 5.5 percent interest assumption (or the applicable statutory interest assumption) and, for plan years after December 31, 2008, the applicable mortality tables described in IRC Section 417(e)(3)(B) (Notice 2008-85 or any subsequent IRS guidance implementing IRC Section 417(e)(3)(B)); or
  - (c) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable (computed using the applicable interest rate for the distribution under Treasury Regulation IRC Section 1.417(e)-1(d)(3) (using the rate in effect for the month prior to retirement) and, for plan years after December 31, 2008, the applicable mortality tables described in IRC Section 417(e)(3)(B) (Notice 2008-85 or any subsequent IRS guidance implementing IRC Section 417(e)(3)(B)), divided by 1.05.
- (iv) In lieu of converting the optional form of benefit into a single-life annuity, the actuary may adjust the 415(b) limit at the annuity starting date in accordance with the above subsections (ii) and (iii).

*D. Benefits Not Taken into Account for 415(b) Limitation.*

For purposes of this section, the following benefits shall not be taken into account in applying these limits:

- (i) Any ancillary benefit (usually temporary, not annual or monthly) which is not directly related to retirement income benefits (e.g. burial benefits would be ancillary);
- (ii) That portion of any joint and survivor annuity that constitutes a qualified joint and survivor annuity;
- (iii) Any other benefit not required under IRC Section 415(b)(2) and Treasury Regulations thereunder to be taken into account for purposes of the limitation of IRC Section 415(b)(1).

*E. Other Adjustments in 415(b) Limitation.*

- (i) In the event the member's retirement benefits become payable before age 62, the limit prescribed by this section shall be reduced in accordance with Treasury Regulations pursuant to the provisions of IRC Section 415(b), so that

such limit (as so reduced) equals an annual straight life benefit (when such retirement income benefit begins) which is equivalent to a one hundred sixty thousand dollar (\$160,000) (as adjusted) annual benefit beginning at age 62.

The reduction in the limit shall be based on the following set of assumptions, whichever produces the lower limit:

- (a) the interest rate and mortality table or tabular factor specified in the plan for commencement prior to the age of 62, or
  - (b) 5% and for plan years after December 31, 2008, the applicable mortality tables described in IRC section 417(e)(3)(B) (Notice 2008-85 or any subsequent IRS guidance implementing IRC Section 417(e)(3)(B)).
- (ii) In the event the member's benefit is based on at least 15 years of service as a full-time employee of any police (sheriff's) or fire department or on 15 years of military service, the adjustments provided for in (i) above shall not apply. There is no age reduction for any employee of a police or fire department, regardless of whether that person otherwise qualifies as a public safety officer, but there is an age reduction for Safety Members who are not employed by a police or fire department. The application of this rule depends on whether the employer is a police department or fire department of the county, rather than on the job classification of the individual member. It is necessary that the employer (or at least the appropriate division of that employer) function as a police or fire department. The requirement of 15 years of service can be satisfied with a combination of police/fire services and military service.
- (iii) The reductions provided for in (i) above shall not be applicable to pre-retirement disability benefits or pre-retirement death benefits.

F. *Less than 10 Years of Participation Adjustment for 415(b) Limitations.*

The maximum retirement benefits payable to any member who has completed less than 10 years of participation shall be the amount determined under subsection (B) multiplied by a fraction, the numerator of which is the number of the member's years of participation and the denominator of which is 10. The service reduction provided by this subsection cannot reduce the maximum benefit below 10 percent. The reduction provided for in this subsection shall not be applicable to pre-retirement disability benefits or pre-retirement death benefits.

G. *Ten Thousand Dollar (\$10,000) Limit.*

Notwithstanding the foregoing, the retirement benefit payable with respect to a member shall be deemed not to exceed the 415 limit if the benefits payable, with respect to such member under this plan and under all other qualified defined benefit pension plans to which the member's employer contributes, do not exceed ten thousand dollars (\$10,000) for the applicable limitation year and for any prior

limitation year and the employer has not any time maintained a qualified defined contribution plan in which the member participated.

H. *Effect of COLA and Lump Sum Component on 415(b) Testing.*

Effective on and after January 1, 2009, for purposes of applying the limits under IRC Section 415(b) (the "Limit") to a member with no lump sum benefit, a member's annual benefit, including any cost of living increases under CERL Article 16.5, shall be tested under the then applicable benefit Limit including any adjustment to the IRC Section 415(b)(1)(A) dollar limit under IRC Section 415(d), and the regulations thereunder.

On and after January 1, 2009, with respect to a member who receives a portion of the member's annual benefit in a lump sum, a member's applicable Limit will be applied taking into consideration cost of living increases as required by IRC Section 415(b) and applicable Treasury Regulations.

I. *IRC Section 415(c) limitations on contributions and other additions.*

415(c) limitations on contributions will only apply to CCCERA if the member has after-tax member contributions or service purchase after-tax amounts or other annual additions. All such annual additions, with respect to a member, may not exceed the lesser of \$40,000 (as adjusted pursuant to IRC Section 415(d)) or 100% of the member's compensation.

- (i) Annual additions are defined to mean the sum (for any year) of employer contributions to a defined contribution plan, member contributions, and forfeitures credited to a member's individual account. Member contributions are determined without regard to rollover contributions and to picked-up employee contributions that are paid to a defined benefit plan.
- (ii) For purposes of applying IRC Section 415(c) and for no other purpose, the definition of compensation where applicable will be compensation actually paid or made available during a limitation year, except as noted below and as permitted by Treasury Regulation IRC Section 1.415(c)-2, or successor regulation; provided, however, that member contributions picked up under IRC Section 414(h) shall not be treated as compensation.
- (iii) This section applies solely for purposes of IRC Section 415 testing. Compensation will be defined as wages within the meaning of IRC Section 3401(a) and all other payments of compensation to an employee by an employer for which the employer is required to furnish the employee a written statement under IRC Sections 6041(d), 6051(a)(3) and 6052 and will be determined without regard to any rules under IRC Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in IRC Section 3401(a)(2)).

- (a) However, for limitation years beginning after December 31, 1997, compensation will also include amounts that would otherwise be included in compensation but for an election under IRC Sections 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b). For limitation years beginning after December 31, 2000, compensation shall also include any elective amounts that are not includible in the gross income of the member by reason of IRC Section 132(f)(4).
- (b) For limitation years beginning on and after January 1, 2009, compensation for the limitation year shall also include compensation paid by the later of 2<sup>1</sup>/<sub>2</sub> months after a member's severance from employment or the end of the limitation year that includes the date of the member's severance from employment if:
  - (I) the payment is regular compensation for services during the member's regular working hours, or compensation for services outside the member's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments, and, absent a severance from employment, the payments would have been paid to the member while the member continued in employment with the employer; or
  - (II) the payment is for unused accrued bona fide sick, vacation or other leave that the member would have been able to use if employment had continued; or
  - (III) payments pursuant to a nonqualified unfunded deferred compensation plan, but only if the payments would have been paid to the member at the same time if the member had continued employment with the employer and only to the extent that the payment is includible in the member's gross income.
- (iv) Any payments not described in paragraph (iii)(b) above are not considered compensation if paid after severance from employment, even if they are paid within 2<sup>1</sup>/<sub>2</sub> months following severance from employment, except for payments to the individual who does not currently perform services for the employer by reason of qualified military service (within the meaning of IRC Section 414(u)(1)) to the extent these payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the employer rather than entering qualified military service.
- (v) An employee who is in qualified military service (within the meaning of IRC Section 414(u)(1)) shall be treated as receiving compensation from the employer during such period of qualified military service equal to (i) the

compensation the employee would have received during such period if the employee were not in qualified military service, determined based on the rate of pay the employee would have received from the employer but for the absence during the period of qualified military service, or (ii) if the compensation the employee would have received during such period was not reasonably certain, the employee's average compensation from the employer during the twelve month period immediately preceding the qualified military service (or, if shorter, the period of employment immediately preceding the qualified military service).

- (vi) Back pay, within the meaning of Treasury Regulation IRC Section 1.415(c)-2(g)(8), shall be treated as compensation for the limitation year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under this definition.
- (vii) For limitation years beginning on or after January 1, 2009, a member's compensation for purposes of this section shall not exceed the annual limit under IRC Section 401(a)(17).

J. *Service Purchases under IRC Section 415(n).*

- (i) Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, if a member makes one or more contributions to purchase permissive service credit under the plan, then the requirements of IRC Section 415(n) will be treated as met only if:
  - (a) the requirements of IRC Section 415(b) are met (without regard to the age reduction under IRC Section 415(b)(2)(C)), determined by treating the accrued benefit derived from all such contributions as an annual benefit for purposes of IRC Section 415(b), or
  - (b) the requirements of IRC Section 415(c) are met, (without regard to the pay limit under IRC Section 415(c)(1)(B)) determined by treating all such contributions as annual additions for purposes of IRC Section 415(c).
- (ii) For purposes of this subsection the term "permissive service credit" means service credit—
  - (a) recognized by the plan for purposes of calculating a member's benefit under the plan,
  - (b) which such member has not received under the plan, and
  - (c) which such member may receive only by making a voluntary additional contribution, in an amount determined under the plan, which does not

exceed the amount necessary to fund the benefit attributable to such service credit.

- (iii) The plan does not allow for the purchase of "nonqualified service credit."
- (iv) For purposes of subparagraph (iii), effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, the term "nonqualified service credit" means permissive service credit other than that allowed with respect to—
  - (a) service (including parental, medical, sabbatical, and similar leave) as an employee of the Government of the United States, any State or political subdivision thereof, or any agency or instrumentality of any of the foregoing (other than military service or service for credit which was obtained as a result of a repayment described in IRC Section 415(k)(3)),
  - (b) service (including parental, medical, sabbatical, and similar leave) as an employee (other than as an employee described in clause (a)) of an education organization described in IRC Section 170(b)(1)(A)(ii) which is a public, private, or sectarian school which provides elementary or secondary education (through grade 12), or a comparable level of education, as determined under the applicable law of the jurisdiction in which the service was performed,
  - (c) service as an employee of an association of employees who are described in clause (a), or
  - (d) military service (other than qualified military service under IRC Section 414(u)) recognized by the plan.

In the case of service described in clause (a), (b), or (c), such service will be nonqualified service if recognition of such service would cause a member to receive a retirement benefit for the same service under more than one plan.

- (v) In the case of a trustee-to-trustee transfer after December 31, 2001, to which IRC Section 403(b)(13)(A) or 457(e)(17)(A) applies (without regard to whether the transfer is made between plans maintained by the same employer)—
  - (a) the limitations on nonqualified service credit under IRC Section 415(n)(3)(B) will not apply in determining whether the transfer is for the purchase of permissive service credit, and
  - (b) the distribution rules applicable under federal law to the plan will apply to such amounts and any benefits attributable to such amounts.

- (vi) For an eligible member, the IRC Section 415(c)(1) limitation shall not be applied to reduce the amount of permissive service credit which may be purchased to an amount less than the amount which was allowed to be purchased under the terms of a Plan as in effect on August 5, 1997. For purposes of this paragraph an eligible member is an individual who first became a member in the plan before January 1, 1998.
- (vii) Any repayment of contributions (including interest) shall not be taken into account for IRC Section 415 purposes. So long as the amount repaid does not exceed the amount refunded, plus interest, IRC Section 415(c) will not apply to the repayment. However, the restored benefit is to be treated for testing purposes as the original benefit would have been treated. (See also Section L below).
- (viii) In situations involving redeposit by the member of funds assigned to an alternate payee due to a domestic relations order, a member may make payments with post-tax dollars or complete a trustee-to-trustee transfer of 457 plan contributions to accomplish the redeposit. The benefit attributable to such amounts redeposited is not included in the benefit which is tested against the 415(b) limitation (provided that if post-tax dollars are used, the post-tax dollars satisfy the modified 415(c) limit described in paragraph (i)(b) above). The required method for allocating a portion of after-tax employee contributions, for purposes of excluding this amount from the annual benefit to be tested, is established in Reg. Section 1.411(c)-1(c). The method requires calculation of the after-tax employee contributions, plus interest, at rates specified by the regulations.

*K. Modification of Contributions for 415(c) and 415(n) Purposes.*

Notwithstanding any other provision of law to the contrary, CCCERA may modify a request by a member to make a contribution to the plan if the amount of the contribution would exceed the limits provided in IRC Section 415 by using the following methods:

- (i) If the law requires a lump sum payment for the purchase of service credit, CCCERA may establish a periodic payment plan for the member to avoid a contribution in excess of the limits under IRC Section 415(c) or 415(n).
- (ii) If payment pursuant to subparagraph (i) will not avoid a contribution in excess of the limits imposed by IRC Section 415(c) or 415(n), CCCERA may either reduce the member's contribution to an amount within the limits of those sections or refuse the member's contribution.

*L. Repayments of Cashouts.*

Any repayment of contributions (including interest thereon) to the plan with respect to an amount previously refunded upon a forfeiture of service credit under

the plan or another governmental plan maintained by CCCERA shall not be taken into account for purposes of IRC Section 415, in accordance with applicable Treasury Regulations.

For example, if a member takes a refund and later returns to CCCERA membership, the member may redeposit the contributions to re-establish service credit. The member's service credit is restored and the 415 limit is applied as if the member had never left.

M. *Aggregation of Limits.*

(i) Participation in Other Qualified Plans

- (a) The 415(b) limit with respect to any member who at any time has been a member in any other defined benefit plan as defined in IRC Section 414(j) maintained by the member's employer in this plan shall apply as if the total benefits payable under all such defined benefit plans in which the member has been a member were payable from one (1) plan.
- (b) The 415(c) limit with respect to any member who at any time has been a member in any other defined contribution plan as defined in IRC Section 414(i) maintained by the member's employer in this plan shall apply as if the total annual additions under all such defined contribution plans in which the member has been a member were payable from one (1) plan.
- (c) All defined benefit plans of the same employer must be aggregated for testing purposes and all defined contribution plans of the same employer must be aggregated. However, defined benefit and defined contribution plans are not combined for testing purposes. Thus, for example, if an employee, over the course of his or her career, is employed by Contra Costa County in different positions that are covered under both the CCCERA defined benefit plan and the Contra Costa County Deferred Compensation Plan, the benefit under both plans is not aggregated for purposes of IRC Section 415.

(ii) Alternate Payees/QDROs

- (a) Benefits paid to alternate payees of members pursuant to a QDRO must be treated as if the benefit were paid to the participant for purposes of applying the IRC Section 415 limits.
- (b) If the alternate payee is a former spouse and if the QDRO provides that the former spouse is to be treated as a spouse, then the value of the alternate payee's spousal benefit can, in effect, be disregarded for purposes of the 415(b) limits, under the normal rule that any portion of a QJSA need not be taken into account for 415(b) testing.

N. *Reduction of Benefits Priority.*

Reduction of benefits and/or contributions to all plans, where required, shall be accomplished by first reducing the member's benefit under any defined benefit plans in which the member participated, such reduction to be made first with respect to the plan in which the member most recently accrued benefits and thereafter in such priority as shall be determined by the plan and the plan administrator of such other plans, and next, by reducing or allocating excess forfeitures for defined contribution plans in which the member participated, such reduction to be made first with respect to the plan in which the member most recently accrued benefits and thereafter in such priority as shall be established by the plan and the plan administrator for such other plans provided, however, that necessary reductions may be made in a different manner and priority pursuant to the agreement of the plan and the plan administrator of all other plans covering such member.

4. **Review**

This policy shall be reviewed by the Board at least every three (3) years and may be amended at any time.

5. **History**

This policy was adopted on: 12/8/2010

Amended: 1/9/2013, 7/11/2018, 9/8/2021, 8/9/2023, 5/6/2026



# CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

OPEB Prefunding Program Client Review  
May 6, 2026

# CONTACTS

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andrew.brown1@pfmam.com

**Angela Tang**  
**Supervisor, Client Services**  
(800) 540-6369 x159  
atang@pars.org

*PFM Asset Management is a division of U.S. Bancorp Asset Management, Inc. See additional disclosures at the end of this presentation*

# PARS TRUST TEAM

As of December 31, 2025

## Trust Administrator & Consultant\*



- Serves as record-keeper, consultant, and central point of contact
- Sub-trust accounting
- Coordinates all agency services
- Monitors plan compliance (IRS/GASB/State Government Code)
- Processes contributions/disbursements
- Hands-on, dedicated support teams

<b>40+</b> Years of Experience (1984-2026)	<b>2,300+</b> Plans under Administration	<b>1,100+</b> Public Agency Clients	<b>550+</b> 115 Trust Clients	<b>750K+</b> Plan Participants	<b>\$11.2 B+</b> Assets under Administration
--	--	---	----------------------------------	-----------------------------------	--

\* See important information regarding PARS in the Disclaimer page at the end of the presentation.

## Trustee



- 5th largest commercial bank and one of the nation's largest trustees for Section 115 trusts
- Safeguard plan assets
- Oversight protection as plan fiduciary
- Custodian of assets

<b>163</b> Years of Experience (1863-2026)	<b>\$11.0T</b> Assets under Administration
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## Investment Manager



- A division of U.S. Bancorp Asset Management, Inc.
- Fixed income and multi asset portfolios
- Strategic Blend and Index platform options
- Customized portfolios (with minimum asset level)

<b>41</b> Years of Investment Experience (As of 12/31/2025)	<b>\$254.9B*</b> Assets under Management & Advisement
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\*Please see disclosures at the end of this presentation

# SUMMARY OF AGENCY'S OPEB PLAN

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<b>Plan Type:</b>	IRC Section 115 Irrevocable Exclusive Benefit Trust
<b>Trustee Approach:</b>	Discretionary
<b>Plan Effective Date:</b>	December 1, 2018
<b>Plan Administrator:</b>	Christina Dunn, Chief Executive Officer
<b>Current Investment Strategy:</b>	Custom Strategy; Individual Account
<b>Eligibility:</b>	Employees of CCCERA that retire after December 31, 2014

## FROM INCEPTION TO DECEMBER 31, 2025:

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<b>Initial Contribution:</b>	December 2018: \$2,542,476
<b>Additional Contributions:</b>	\$2,639,300
<b>Total Contributions:</b>	\$5,181,776
<b>Disbursements:</b>	(\$1,185,175)
<b>Total Investment Earnings:</b>	\$2,607,187
<b>Expenses/Fees*:</b>	(\$191,579)
<b>Account Balance:</b>	\$6,412,209

\* Only pertaining to PARS and PFMAM/US Bank fees.



# SUMMARY OF AGENCY'S OPEB PLAN

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FOR PERIOD JANUARY 1, 2025 - DECEMBER 31, 2025:

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<b>Contributions:</b>	\$581,000
<b>Disbursements:</b>	(\$570,471)
<b>Investment Earnings:</b>	\$930,872
<b>Expenses/Fees*:</b>	(\$33,918)
<b>Account Balance:</b>	\$6,412,209

*\* Only pertaining to PARS and PFMAM/US Bank fees.*

# OPEB ACTUARIAL RESULTS

- The most recent actuarial report was prepared by Milliman on a “roll-forward” basis dated April 17, 2026 and has a measurement date as of December 31, 2025. As this is a “roll-forward” valuation, the same census and demographic assumptions used in the last full valuation report (measurement date as of December 31, 2024) apply to this “roll-forward” valuation. In the table below, we have summarized the demographic results.

Demographic Study	Actuarial Measurement Date: December 31, 2024	Actuarial Measurement Date: December 31, 2025
Valuation Type	Full Valuation	Roll-Forward Valuation
Actives	66	66
Retirees	16	16
Total	82	82
Average Active Age	46.59	46.59
Average Active Service	7.77	7.77

# OPEB ACTUARIAL RESULTS

	Actuarial Measurement Date: December 31, 2024 Discount Rate: 6.50%	Actuarial Measurement Date: December 31, 2025 Discount Rate: 6.50%
<b>Valuation Type</b>	Full Valuation	Roll-Forward Valuation
<b>Total OPEB Liability (TOL)</b> <i>Actuarial Accrued Liability (AAL)</i>	\$6,272,000	\$6,466,000
<b>Plan Fiduciary Net Position</b> <i>Actuarial Value of Assets</i>	\$5,406,000	\$6,412,000
<b>Net OPEB Liability (NOL)</b> <i>Unfunded Actuarial Accrued Liability (UAAL)</i>	\$866,000	\$54,000
<b>Funded Ratio (%)</b>	86.2%	99.2%
<b>Actuarially Determined Contribution (ADC)</b> <i>Annual Required Contribution (ARC)</i>	\$413,000 <i>for 2023-2024</i>	\$170,000 <i>for 2024-2025</i>
<b>Annual Benefit Payments</b> <b>(Pay-as-you-Go)</b>	\$338,000 <i>for 2023-2024</i>	\$368,000 <i>for 2024-2025</i>



# PARS/CCCERA 115

## Investment Performance Review For the Quarter Ended December 31, 2025

Client Management Team

Andrew Brown, CFA, Sr. Investment Strategist/Portfolio Manager

PFM Asset Management  
A division of U.S. Bancorp Asset Management, Inc.

1 California Street  
Suite 1000  
San Francisco, CA 94111

1735 Market Street  
43rd Floor  
Philadelphia, PA 19103

# About PFM Asset Management\*

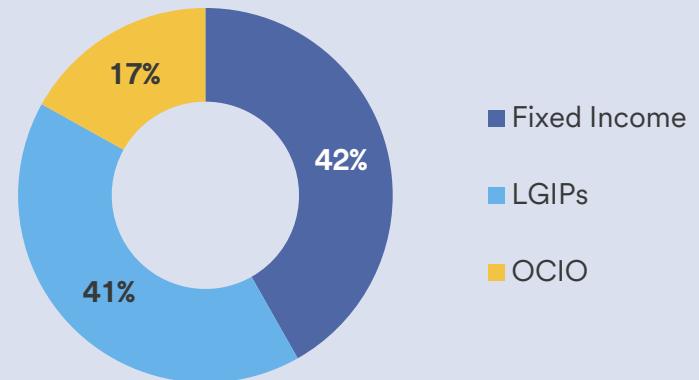
## Our Investment Solutions

- **Outsourced Chief Investment Officer (OCIO):** Multi-asset class portfolios for institutional investors
- **Fixed Income:** High-quality, short- and intermediate-term portfolios for operating funds, reserves, working capital, self-insurance funds and bond proceeds
- **Local Government Investment Pools (LGIPs):** services for programs with options ranging from fully liquid cash management to a fixed-rate, fixed-term investment
- **Specialized Solutions:** Arbitrage rebate, escrow restructuring, bond proceeds investments, structured investments

40+ years of experience in the public sector\*\*

\$177.2b in public sector assets under management\*\*

## Assets by Investment Solution<sup>1</sup>



<sup>1</sup>Illustrates public sector assets under management by investment solution as of December 31, 2025. Total may not add up to 100% due to rounding.

\*A division of U.S. Bancorp Asset Management, Inc.

\*\*As of December 31, 2025. Public sector includes government, pool, and TERM. Total assets under management for U.S. Bancorp Asset Management, Inc. were \$416.4 billion.

# Financial Markets & Investment Strategy Review

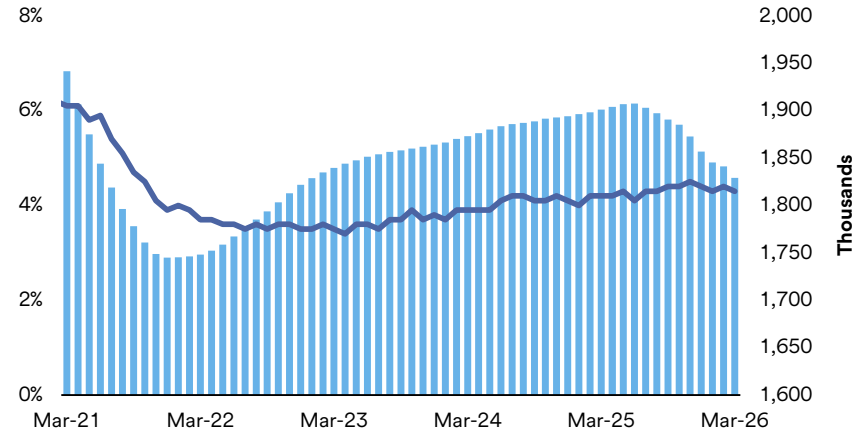
Index or Average Name	QTD	YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>DOMESTIC EQUITY</b>							
S&P 500 (TR)	-4.33%	-4.33%	17.80%	18.30%	12.06%	14.43%	14.15%
Russell 3000	-3.96%	-3.96%	18.09%	17.84%	10.86%	13.80%	13.71%
Russell 1000 Growth	-9.78%	-9.78%	18.81%	21.16%	12.75%	16.95%	16.82%
Russell 1000	-4.18%	-4.18%	17.74%	18.12%	11.33%	14.15%	13.96%
Russell 1000 Value	2.10%	2.10%	15.87%	14.29%	9.42%	10.63%	10.57%
Russell Midcap	1.29%	1.29%	15.98%	13.32%	7.26%	10.51%	10.90%
Russell Midcap Growth	-6.35%	-6.35%	9.56%	12.73%	5.37%	10.27%	11.68%
Russell Midcap Value	3.68%	3.68%	17.62%	13.13%	7.94%	9.86%	9.75%
Russell 2000 Growth	-2.81%	-2.81%	23.58%	12.25%	1.62%	7.67%	9.78%
Russell 2000	0.89%	0.89%	25.72%	13.03%	3.77%	8.60%	9.88%
Russell 2000 Value	4.96%	4.96%	28.09%	13.78%	5.79%	9.07%	9.60%
<b>INTERNATIONAL EQUITY</b>							
MSCI EAFE	-1.24%	-1.24%	21.27%	13.60%	7.91%	8.85%	8.37%
MSCI AC World	-3.20%	-3.20%	20.01%	16.56%	9.48%	11.61%	11.33%
MSCI AC World ex USA	-0.71%	-0.71%	24.91%	14.48%	7.01%	8.50%	8.37%
MSCI AC World ex USA Small Cap	-0.48%	-0.48%	27.82%	13.66%	5.66%	8.43%	8.00%
MSCI EM (Emerging Markets)	-0.17%	-0.17%	29.55%	14.82%	3.69%	6.58%	7.79%
<b>LISTED REAL ASSETS</b>							
FTSE Nareit/Equity REITs - INV	4.80%	4.80%	6.84%	9.09%	5.81%	5.34%	5.57%
MSCI U.S. REIT INDEX	4.84%	4.84%	6.79%	9.12%	5.80%	5.37%	5.56%
MSCI World Core Infrastructure	7.82%	7.82%	16.11%	10.94%	7.17%	7.03%	8.41%
<b>FIXED INCOME</b>							
Bloomberg U.S. Aggregate	-0.05%	-0.05%	4.35%	3.63%	0.31%	1.56%	1.70%
Bloomberg U.S. Government/Credit	-0.20%	-0.20%	3.86%	3.41%	0.24%	1.65%	1.79%
Bloomberg U.S. Intermediate Government/Credit	-0.02%	-0.02%	4.41%	4.24%	1.33%	2.20%	2.04%
Bloomberg U.S. Treasury (1-3 Y)	0.27%	0.27%	3.77%	4.04%	1.82%	2.11%	1.77%
ICE BofA U.S. High Yield	-0.55%	-0.55%	6.90%	8.49%	4.19%	4.94%	6.05%
Bloomberg Global Aggregate	-1.07%	-1.07%	4.26%	2.59%	-1.46%	0.19%	0.58%
<b>CASH EQUIVALENT</b>							
Bloomberg 3 Month T-Bill	0.87%	0.87%	4.05%	4.80%	3.40%	2.76%	2.29%

Source: Investment Metrics. Returns are expressed as percentages. Please refer to the last page of this document for important disclosures relating to this material.

**THE ECONOMY**

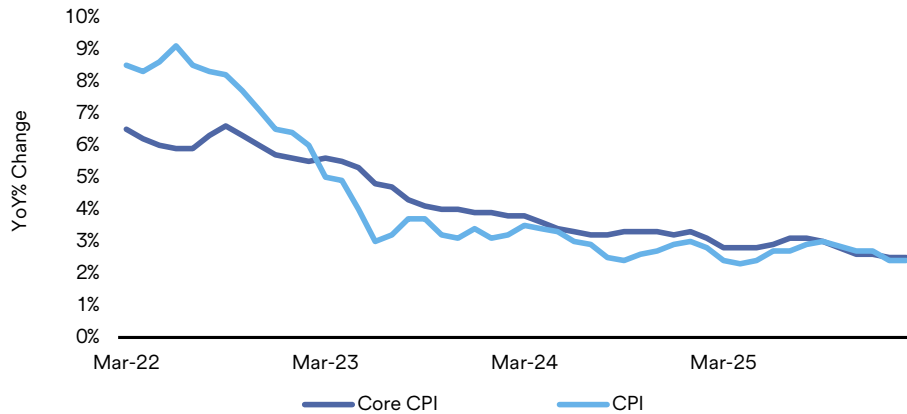
- U.S. real gross domestic product (GDP) grew at a seasonally adjusted annualized rate of 0.7% in the fourth quarter. This modest growth rate largely reflects the temporary effects of the government shutdown in October-November 2025 rather than a material deterioration in underlying private demand, and consumers continue to support growth. Real final sales to private domestic purchasers (the sum of consumer spending and gross private fixed investment) increased 1.9% during the quarter.
- The U.S. labor market saw an uneven start to the year, with 178k jobs added in March following a sharp drop in February and a moderate gain in January. The overall unemployment rate remained relatively stable, edging down to 4.3%, though part of the decline reflects workers leaving the workforce rather than an acceleration in hiring. Initial jobless claims ended the quarter at 202k (week ending March 28), near a two-year low, with continuing claims declining to approximately 1.8 million. Overall, there has been no meaningful increase in layoffs, consistent with a “low-hire, low-fire” environment.
- Inflation moderated in the first two months of the quarter. Headline inflation (CPI) increased 2.4% year-over-year (YoY) in February, the lowest level since May 2025. This moderating trend may encounter near-term pressure, as markets are pricing higher March inflation readings amid rising energy prices related to the conflict in the Middle East.

**U.S. Unemployment and Monthly Average Continued Claims**



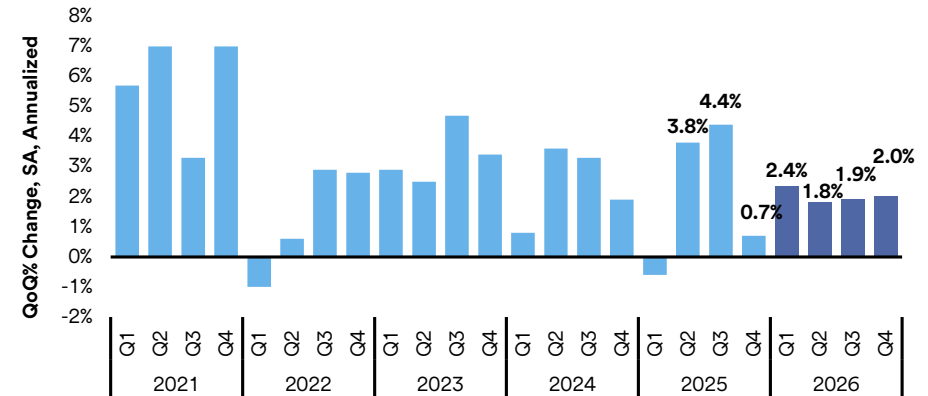
Source: Bloomberg.

**U.S. Inflation Rate**  
Seasonally Adjusted (SA)



Source: Bureau of Labor Statistics.

**U.S. GDP Growth**

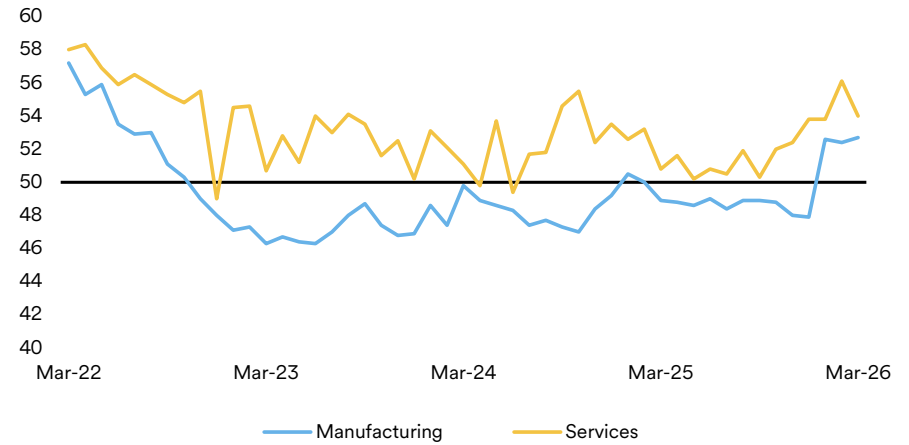


Source: Bloomberg. Light blue bars indicate actual numbers; dark blue bars indicate forecasted estimates.

**WHAT WE'RE WATCHING**

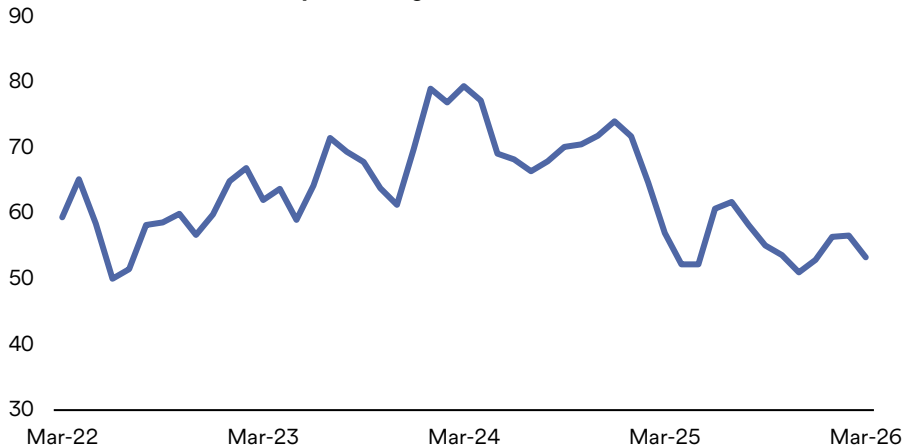
- The Federal Reserve (Fed) held rates steady in the first quarter amid persistent inflation pressures and muted net job creation. Looking ahead, the 2026 dot plot reflects expectations for one rate cut, though the outlook has become more uncertain, as geopolitical developments add complexity to the inflation path. Outside the U.S., the European Central Bank (ECB) and Bank of England (BOE) also held rates steady during the quarter, while markets continue to assess the likelihood of additional policy action in the months ahead.
- U.S. consumer sentiment, as measured by the University of Michigan Survey of Consumers, increased in the first two months of the quarter before retreating toward December levels, as higher gasoline prices and financial market volatility weighed on households' outlook.
- The first quarter was marked by an escalation of geopolitical conflict involving Iran, which remains an important risk factor for the global economy. Rising energy and commodity prices have increased uncertainty around the duration and magnitude of inflationary pressures. If disruptions to energy and commodity supply chains persist or intensify, risks to global growth could increase, including a higher probability of recession in energy-importing regions.

**U.S. ISM Manufacturing & Services PMI**



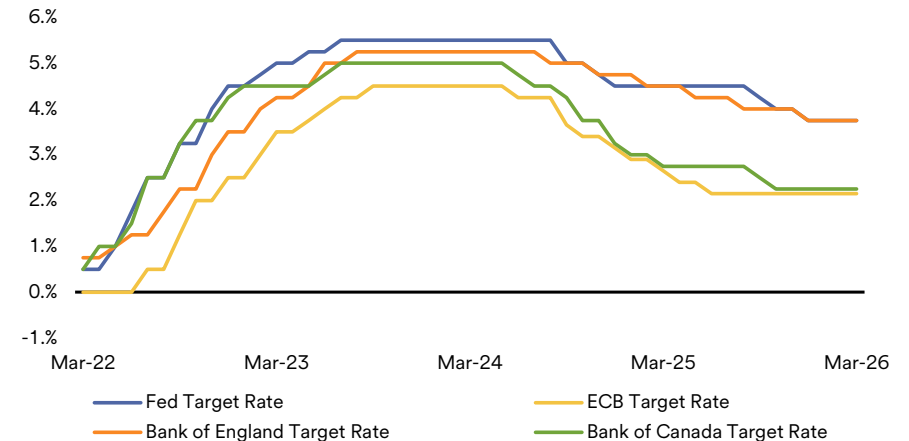
Source: Bloomberg.

**University of Michigan Consumer Sentiment**



Source: Bloomberg.

**Global Central Bank Rates**

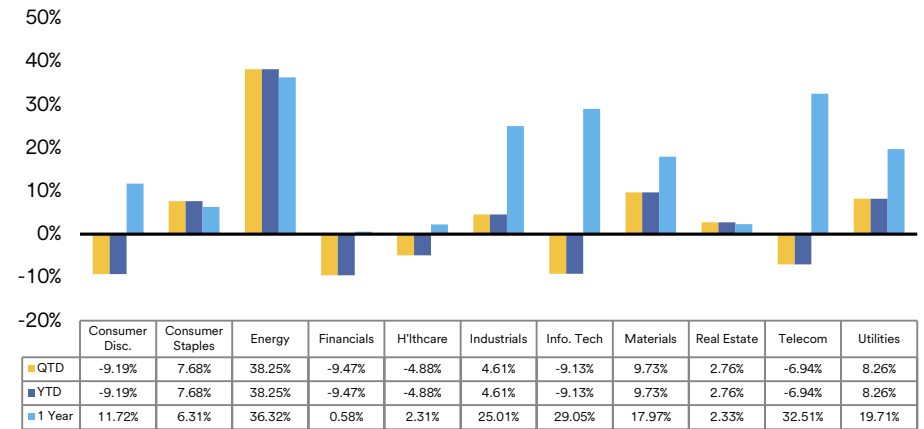


Source: Bloomberg.

**DOMESTIC EQUITY**

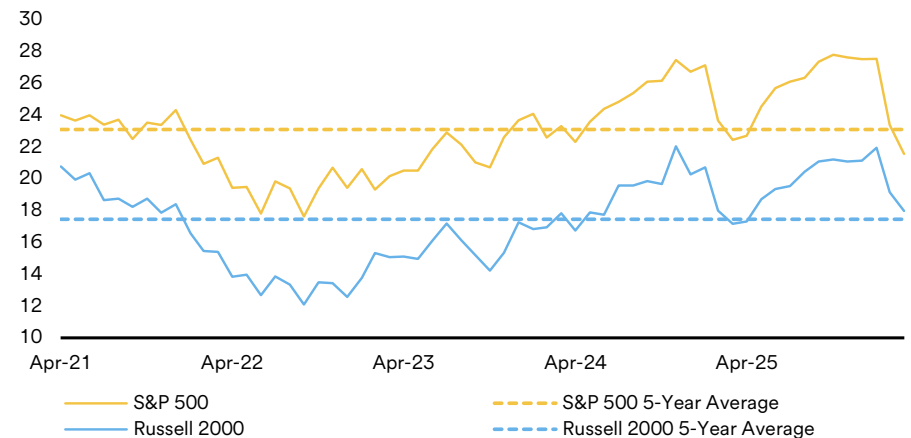
- Domestic equity markets, as represented by the S&P 500 Index (S&P) and the Russell 3000 Index, declined in the first quarter, returning -4.3% and -4.0%, respectively. This marked the weakest quarterly performance since 2022, as the geopolitical conflict involving Iran and continued volatility related to artificial intelligence exposure weighed on returns. Following the escalation of the conflict in late February, both indices declined -5.0% during the month of March.
- Within the S&P 500, performance varied widely across sectors, with six of the 11 posting positive returns for the quarter. Energy was the strongest performing sector, returning 38.2%, as supply disruptions contributed to higher prices. Materials (9.7%) and Utilities (8.3%) also posted solid gains. Consumer Discretionary declined -9.2%, while Financials lagged all sectors, posting a return of -9.5%.
- Large-cap stocks, as represented by the Russell 1000 Index, returned -4.2% during the quarter, as the “Magnificent Seven” experienced double-digit declines (-12.0%). Mid- and small-cap stocks outperformed large caps, with the Russell Midcap and Russell 2000 indices, returning 1.3% and 0.9%, respectively. Value stocks outperformed growth stocks across all capitalizations.
- According to FactSet Earnings Insight as of April 2, 2026, analysts project earnings growth of 13.2% for the first quarter of 2026, up from an initial estimate of 12.8% in December. If realized, this would represent the sixth consecutive quarter of double-digit, YoY earnings growth. Revenue is also expected to grow, with YoY revenue growth currently estimated at 9.7%, the highest rate since 2022. For calendar year 2026, analysts project earnings growth of 17.4%.
- At quarter end, the S&P 500’s 12-month adjusted positive forward price-to-earnings (P/E) ratio (includes only positive earnings results for consistency) stood at 21.6 — below its five-year average of 23.1 — as equity prices declined in March while earnings expectations remained elevated. The Russell 2000 Index, which represents small-cap stocks, posted an adjusted positive forward P/E ratio of 18.0, slightly above its five-year average of 17.5.

**S&P 500 Index Performance by Sector**  
Periods Ended March 31, 2026



Source: Bloomberg.

**P/E Ratios of Major Stock Indices\***



Source: Bloomberg.

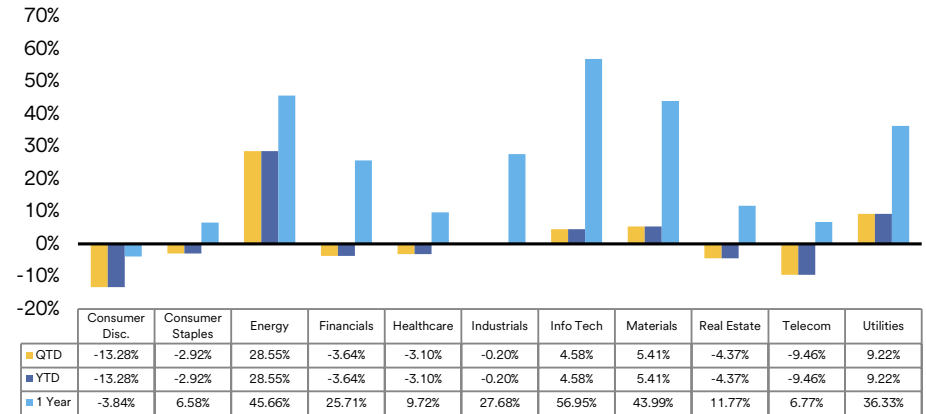
\*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

**INTERNATIONAL EQUITY**

- Markets outside of the United States, as measured by the MSCI ACWI ex-U.S. Index, also saw the impacts of the conflict in the Middle East, with posted a return of -0.7% for the first quarter, as sharp declines in March offset gains recorded earlier in the year. During March alone, the index returned -10.8%.
- Four of the 11 sectors posted positive returns for the quarter. As in the U.S., Energy (28.5%), Utilities (9.2%) and Materials (5.4%) led performance. The weakest sectors were Real Estate (-4.4%), Communication Services (-9.5%), and Consumer Discretionary (-13.3%).
- Developed ex-U.S. markets, as represented by the MSCI EAFE Index, and emerging markets (EM), as represented by the MSCI Emerging Markets Index, returned -1.2% and -0.2%.
- Among the five largest-weighted countries in the MSCI EAFE Index, the MSCI United Kingdom (2.0%) and MSCI Japan (1.4%), indices outperformed the broader index, while MSCI Switzerland (-4.2%), MSCI France (-5.4%), and MSCI Germany (-8.5%) indices underperformed.
- Within EM, MSCI Korea (16.5%), MSCI Taiwan (9.1%), and MSCI Brazil (19.1%) outperformed the MSCI Emerging Markets index, while MSCI China (-8.9%) and MSCI India (-18.1%) underperformed with notable negative returns. While Korea and Taiwan's posted positive quarterly returns, this is due to extremely strong gains earlier in the quarter which offset pronounced losses in March (-25.5% and -13.0%, respectively)
- Value stocks outperformed growth stocks for the quarter as represented by the broad benchmarks. The MSCI AC World ex-USA Growth Index returned -3.6%, while the MSCI AC World ex-USA Value Index returned 2.1%. Within EM, value stocks (MSCI EM Value) returned 0.7% versus -1.7% for growth. Small-cap stocks, as represented by the MSCI ACWI ex-U.S. Small Cap Index, declined -0.5%.
- Equity valuations increased across both emerging and developed markets and now sit modestly above long-term averages. At quarter end, the MSCI EAFE's adjusted positive forward P/E ratio stood at 15.9, above its five-year average of 15.3. The MSCI Emerging Markets Index ended the quarter at an adjusted positive forward P/E ratio of 11.7, below its five-year average of 13.0.

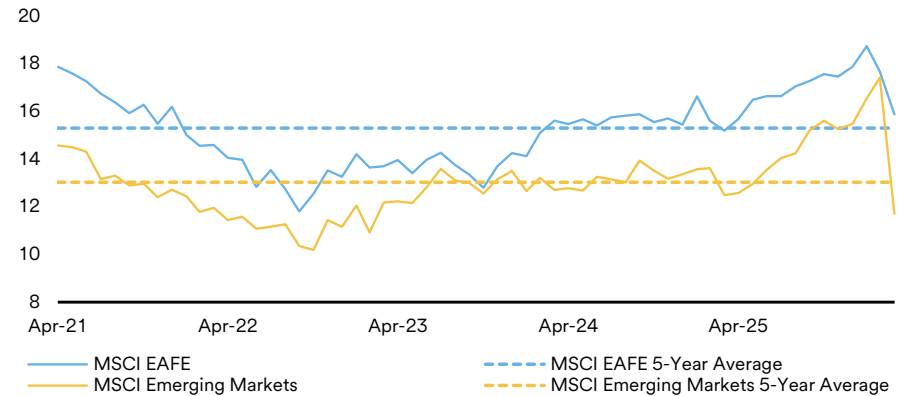
**MSCI ACWI ex-U.S. Sectors**

Periods Ended March 31, 2026



Source: Bloomberg.

**P/E Ratios of MSCI Equity Indices\***



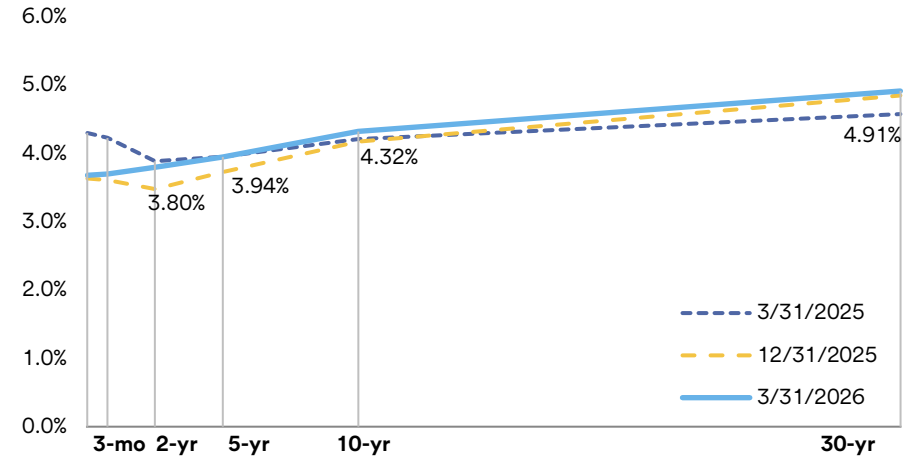
Source: Bloomberg.

\*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

**FIXED INCOME**

- The U.S. bond market, as represented by the Bloomberg U.S. Aggregate Index, returned -0.1% in the first quarter of 2026. Performance was weighed down by declines in March (-1.8%), as bonds failed to provide diversification benefits during the sell-off amid near-term inflation concerns. Interest-rate volatility increased over the quarter, with the ICE BofA Move Index rising to a nine-month high, reflecting uncertainty surrounding the duration of the geopolitical conflict involving Iran.
- The Bloomberg U.S. Treasury Index also finished the quarter little changed, declining -4 basis points (bps). While the Fed held rates steady, Treasury yields moved higher as investors reassessed the expected timing and pace of future rate cuts. The 30-year Treasury yield rose 7 bps to 4.9%, while the 2-year Treasury rose 32 bps to 3.8%.
- Corporate credit generated negative returns across the quality spectrum. The Bloomberg U.S. Corporate Investment Grade Index declined -0.5%, while the ICE BofA High Yield Index returned -0.6%. Credit spreads widened for both investment-grade and high-yield corporates and now sit above their respective 10-year averages. Despite near-term pressure, corporate fundamentals remain supported by elevated profit margins, ongoing share repurchases, and continued merger and acquisitions activity. AI-related corporate debt issuance across corporate bonds and bank loans space has drawn increased investor attention during the quarter, reflecting continuing financing demand among technology-oriented issuers.

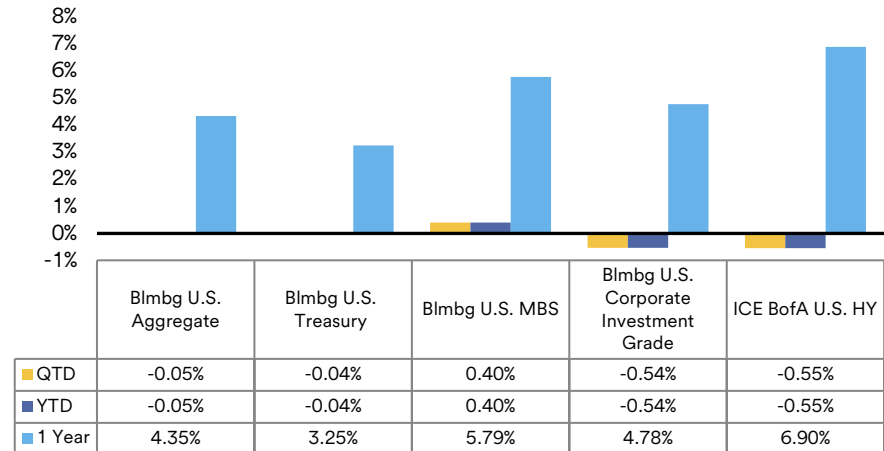
**U.S. Treasury Yield Curve**



Source: Bloomberg.

**Returns for Fixed-Income Segments**

Periods Ended March 31, 2026

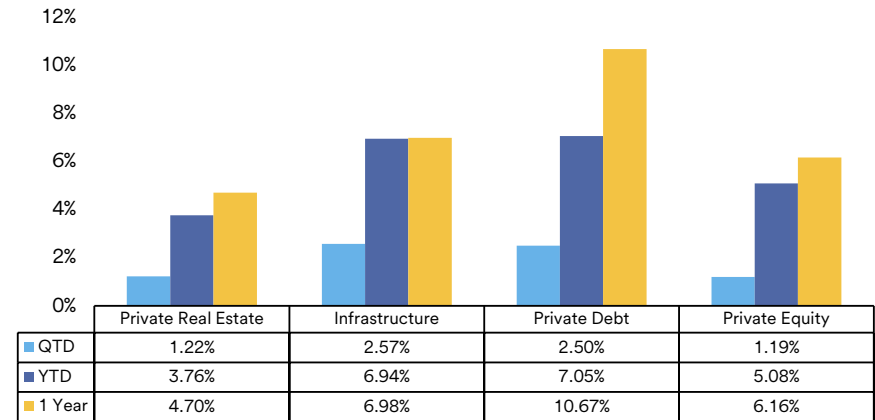


Source: Bloomberg.

**ALTERNATIVES**

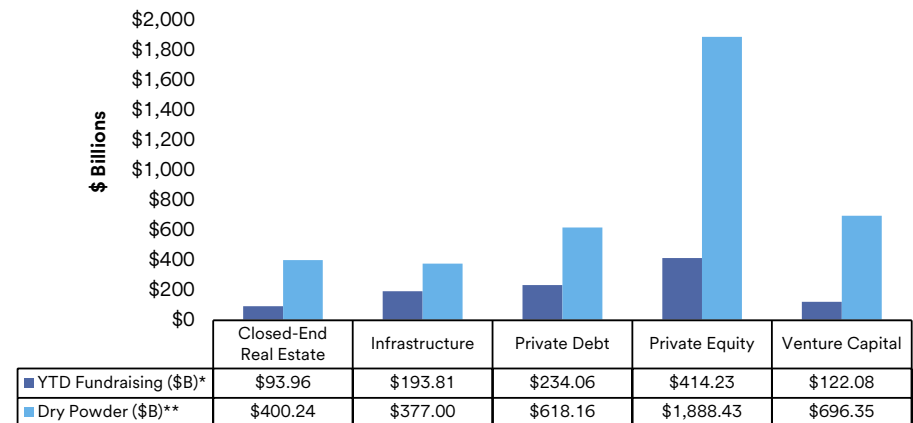
- Real estate investment trusts (REITs), as measured by the MSCI U.S. REITs Index, returned 4.8% in the first quarter of 2026. Private real estate, as measured by the NCREIF Property Index, gained 1.2% in the third quarter of 2025, marking the fourth consecutive quarter of positive total returns, driven primarily by income, with modest property appreciation also contributing. Senior Housing was the strongest-performing property type, returning 2.9%, while Office posted a modest gain of 0.9%.
- Listed infrastructure, as represented by the MSCI World Core Infrastructure Index, returned 7.8% in the first quarter of 2026. According to PitchBook, private infrastructure funds posted returns of 2.6% in the third quarter of 2025, generating an annualized return of 10.9% over the five years ended Q3 2025. By the end of the fourth quarter of 2025, 60 private infrastructure funds had raised \$193.8 billion, with the majority of the capital flowing to larger-scale strategies focused on long-term demand themes, including artificial intelligence.
- By the end of 2025, 200 private debt funds had raised \$234.1 billion, with capital increasingly concentrated among fewer, larger funds. Private debt dry powder remained elevated at \$618.2 billion as of June 30, 2025. According to Cliffwater, while performance remains positive, returns have moderated, with private debt funds posting a return of 2.5% in the third quarter of 2025. The asset class has generated an annualized return of 10.5% over the past five years.
- Private equity fundraising slowed further in 2025, with 578 private equity funds having raised \$414.2 billion, marking the weakest annual fundraising environment since 2020. Despite this slowdown, global private equity dry powder — which accounts for the bulk of private capital dry powder — remains elevated at \$1.9 trillion as of June 30, 2025. Lower borrowing costs could support exit activity and fundraising in 2026, although sustained geopolitical uncertainty poses an ongoing risk. According to PitchBook, private equity funds returned 1.2% in the third quarter of 2025 and have generated an annualized return of 14.2% for the five years.

**Returns for Private Capital Assets**








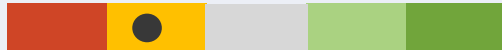



Source: NCREIF, PitchBook, Cliffwater.  
As of September 30, 2025, the most recent period for which all index data is available.

**Private Capital Fundraising & Dry Powder**



Sources: Pitchbook.  
\* Total capital raised in 2025 as of December 31, 2025 - most recent period for which ALL fundraising data is available.  
\*\* Cumulative dry powder as of June 30, 2025 except Infrastructure dry powder which is as of March 31, 2025.

**Factors to Consider Over the Next 6-12 Months**

<p><b>Monetary Policy (Global):</b></p>  <ul style="list-style-type: none"> <li>• The Fed held rates steady in Q1 amid persistent inflation pressures and limited net job creation.</li> <li>• The “dot plot” projects 25 bps of rate cuts in both 2026 and 2027; however, this is predicated on inflation progress.</li> <li>• Global central banks remained on pause in Q1, but recent inflation pressures may necessitate hikes.</li> </ul>	<p><b>Economic Growth (Global):</b></p>  <ul style="list-style-type: none"> <li>• Stable consumer and business spending support growth, offsetting the weakness seen from the U.S. government shutdown in Q4 GDP.</li> <li>• Risks to global growth prospects have increased amid the escalating conflict due to higher energy prices, supply-chain disruptions, and increased uncertainty.</li> </ul>	<p><b>Inflation (U.S.):</b></p>  <ul style="list-style-type: none"> <li>• The inflation outlook depends on the duration of the Middle East conflict and degree to which higher energy and commodity costs raise core goods and services prices.</li> <li>• Near-term inflation expectations have increased due to the higher energy prices while long-run expectations remain anchored.</li> </ul>
<p><b>Financial Conditions (U.S.):</b></p>  <ul style="list-style-type: none"> <li>• The conflict in the Middle East has tightened financial conditions. The duration of the conflict and its impact on the economy will be a key driver of corporate fundamentals.</li> <li>• Geopolitical conflict, higher energy prices, and the evolution of the economy are key risks to watch. At this time, we view volatility in private credit as contained and not a systemic risk.</li> </ul>	<p><b>Consumer Spending (U.S.):</b></p>  <ul style="list-style-type: none"> <li>• Wage growth continues to exceed inflation, but this gap has narrowed. Energy shocks may compress real incomes and reduce discretionary spending.</li> <li>• Lower-income cohorts remained more exposed to higher energy prices as a larger share of household budgets are allocated to essentials.</li> <li>• Higher-income cohorts benefit from strong equity markets and home prices.</li> </ul>	<p><b>Labor Markets (U.S.):</b></p>  <ul style="list-style-type: none"> <li>• Labor market conditions continued to cool with net new job creation close to zero.</li> <li>• The Fed has framed the combination of limited job growth and a stable unemployment rate as an uncomfortable balance.</li> <li>• Initial jobless claims and layoff rates remain low, consistent with a continued “low-hire/low-fire” environment.</li> </ul>
<p><b>Corporate Fundamentals:</b></p>  <ul style="list-style-type: none"> <li>• Earnings growth expectations are positive across global equities with double digit growth expected across U.S. and international equity benchmarks.</li> <li>• In the U.S., M&amp;A and capital spending pickup, tax changes and rate cuts are positives while any energy and commodity related cost pressure impact needs to be monitored.</li> </ul>	<p><b>Valuations:</b></p>  <ul style="list-style-type: none"> <li>• Recent sell-off has led to improvement in valuations across U.S. equities and credit markets.</li> <li>• Resilient growth, strong earnings growth and profit margins are supportive of the current valuations.</li> <li>• Any prolonged disruption to energy or elevated geopolitical uncertainty warrant caution.</li> </ul>	<p><b>Political/Policy Risks:</b></p>  <ul style="list-style-type: none"> <li>• Conflict with Iran and the ongoing geopolitical uncertainty are impacting risk assets negatively. We expect geopolitical uncertainty to remain elevated in the near-term.</li> <li>• Tariff-related uncertainty and upcoming mid-term elections in the U.S. also warrant attention.</li> </ul>

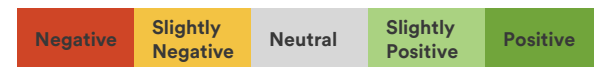


Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg. The views expressed within this material constitute the perspective and judgment of PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc., at the time of distribution (March 31, 2026) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, we cannot guarantee its accuracy, completeness, or suitability.

**Investment Strategy Overview**

Asset Class	Our Q2 2026 Investment Outlook	Comments
<b>U.S. Equities</b>		<ul style="list-style-type: none"> <li>The duration of U.S.-Iran conflict and its impact on energy supply will impact inflation and growth, rates, and market returns near-term but we expect impact to be more muted in the U.S.</li> <li>Underlying fundamentals still supportive of positive equity returns, with economic growth still intact and corporate earnings expected to grow at a high double-digit pace.</li> <li>Resilient economic growth, ongoing consumer strength, expected rate cuts, equity market broadening and strong earnings growth led us to modestly overweight domestic small caps in Q1, prior to the U.S.-Iran conflict. The recent pullback has improved attractiveness of valuations relative to historical averages. We maintain the overweight despite elevated uncertainty.</li> </ul>
Large-Caps		
Small-Caps		
<b>Non-U.S. Equities</b>		<ul style="list-style-type: none"> <li>International equities are at a higher risk of pullback if energy prices remain elevated. Major central banks outside the U.S. are now expected to hike two to three times this year as near-term inflation pressures rise, reversing earlier expectations for rate cuts.</li> <li>Energy-importing developed and emerging market economies are more vulnerable to higher energy prices, leading us to remain neutral. Tariff-related uncertainty also remains a headwind as alternative tariff mechanisms are considered.</li> </ul>
Developed Markets		
Emerging Markets		
<b>Fixed Income</b>		<ul style="list-style-type: none"> <li>The Fed held rates steady at its March meeting, while the conflict-driven inflation outlook has increased uncertainty around rate cuts. Our base case is that Fed's next move is a cut rather than a hike.</li> <li>We continue to monitor increased volatility across fixed income yields. Absolute yield levels look attractive. Credit spreads have widened slightly. Strong profit margins, continued issuance, continued buybacks and ongoing M&amp;A activity points to healthy corporate sentiment.</li> <li>We remain neutral across duration and credit sectors.</li> </ul>
Core Bonds		
Investment-Grade Credit		
High-Yield Credit		
<b>Diversifying Assets</b>		<ul style="list-style-type: none"> <li>Listed REITs and listed global infrastructure outperformed domestic and global equities respectively during the March pullback, highlighting their diversification benefits.</li> <li>In addition to diversified sources of return, improving AI sentiment continues to support data center and utilities buildout as a tailwind for listed real assets.</li> </ul>
Listed Real Estate		
Listed Global Infrastructure		

● Current outlook    ○ Outlook one quarter ago



The view expressed within this material constitute the perspective and judgment of PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc., at the time of distribution (March 31, 2026) and are subject to change.

## SOURCES

Factset

<https://www.bea.gov/sites/default/files/2024-12/gdp3q24-3rd-fax.pdf>

<https://www.bls.gov/news.release/pdf/empisit.pdf>

<https://www.bls.gov/news.release/pdf/cpi.pdf>

<http://www.sca.isr.umich.edu/>

NCREIF

PitchBook

Cliffwater

## DISCLOSURES

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# Plan Performance Summary

Asset Allocation & Performance

	Allocation		Performance(%)								
	Market Value (\$)	%	1 Quarter	2025	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
<b>Total Portfolio</b>	<b>6,412,209</b>	<b>100.00</b>	<b>2.44</b>	<b>17.23</b>	<b>17.23</b>	<b>12.98</b>	<b>6.20</b>	<b>N/A</b>	<b>N/A</b>	<b>8.15</b>	<b>02/01/2019</b>
<i>Blended Benchmark</i>			<i>2.58</i>	<i>17.34</i>	<i>17.34</i>	<i>13.11</i>	<i>6.19</i>	<i>N/A</i>	<i>N/A</i>	<i>7.84</i>	
<b>Domestic Equity</b>	<b>1,598,704</b>	<b>24.93</b>	<b>2.48</b>	<b>16.02</b>	<b>16.02</b>	<b>21.05</b>	<b>13.15</b>	<b>N/A</b>	<b>N/A</b>	<b>14.87</b>	<b>02/01/2019</b>
<i>Russell 3000 Index</i>			<i>2.40</i>	<i>17.15</i>	<i>17.15</i>	<i>22.25</i>	<i>13.15</i>	<i>16.64</i>	<i>14.29</i>	<i>15.48</i>	
iShares Core S&P 500 ETF	1,284,263	20.03	2.65	17.85	17.85	22.97	14.39	17.26	14.78	21.33	02/01/2024
<i>S&amp;P 500</i>			<i>2.66</i>	<i>17.88</i>	<i>17.88</i>	<i>23.01</i>	<i>14.42</i>	<i>17.29</i>	<i>14.82</i>	<i>21.37</i>	
Vanguard Small-Cap ETF	314,441	4.90	1.82	8.83	8.83	13.69	7.35	11.64	10.43	13.59	02/01/2024
<i>Russell 2000 Index</i>			<i>2.19</i>	<i>12.81</i>	<i>12.81</i>	<i>13.73</i>	<i>6.09</i>	<i>10.60</i>	<i>9.62</i>	<i>15.09</i>	
<b>International Equity</b>	<b>2,051,100</b>	<b>31.99</b>	<b>4.06</b>	<b>31.85</b>	<b>31.85</b>	<b>16.86</b>	<b>7.35</b>	<b>N/A</b>	<b>N/A</b>	<b>8.92</b>	<b>02/01/2019</b>
<i>MSCI AC World ex USA (Net)</i>			<i>5.05</i>	<i>32.39</i>	<i>32.39</i>	<i>17.33</i>	<i>7.91</i>	<i>10.15</i>	<i>8.41</i>	<i>9.12</i>	
Vanguard FTSE Developed Markets ETF	1,279,698	19.96	5.72	35.15	35.15	17.94	9.14	11.07	8.74	19.65	02/01/2024
<i>MSCI EAFE Index</i>			<i>4.91</i>	<i>31.89</i>	<i>31.89</i>	<i>17.82</i>	<i>9.47</i>	<i>11.09</i>	<i>8.72</i>	<i>17.77</i>	
Vanguard FTSE Emerging Markets ETF	771,402	12.03	1.37	24.83	24.83	14.83	4.69	8.29	8.16	20.80	02/01/2024
<i>MSCI EM (net)</i>			<i>4.73</i>	<i>33.57</i>	<i>33.57</i>	<i>16.40</i>	<i>4.20</i>	<i>8.06</i>	<i>8.42</i>	<i>23.81</i>	
<b>Other Growth</b>	<b>317,539</b>	<b>4.95</b>	<b>-0.13</b>	<b>12.57</b>	<b>12.57</b>	<b>8.68</b>	<b>5.86</b>	<b>N/A</b>	<b>N/A</b>	<b>3.82</b>	<b>01/01/2020</b>
Vanguard Real Estate ETF	157,512	2.46	-2.41	3.18	3.18	6.56	4.62	6.36	5.13	7.03	02/01/2024
<i>MSCI US REIT Index</i>			<i>-1.69</i>	<i>2.95</i>	<i>2.95</i>	<i>8.39</i>	<i>6.58</i>	<i>6.94</i>	<i>5.71</i>	<i>8.44</i>	
iShares Global Infrastructure ETF	160,027	2.50	2.12	21.86	21.86	13.94	10.26	9.80	8.68	18.08	06/01/2024
<i>S&amp;P Global Infrastructure (Net)</i>			<i>2.20</i>	<i>21.54</i>	<i>21.54</i>	<i>13.61</i>	<i>10.02</i>	<i>9.57</i>	<i>8.47</i>	<i>17.96</i>	
<i>MSCI World Core Infrastructure Index (Net)</i>			<i>0.32</i>	<i>15.85</i>	<i>15.85</i>	<i>8.41</i>	<i>6.56</i>	<i>8.11</i>	<i>8.32</i>	<i>13.15</i>	
<b>Fixed Income</b>	<b>2,404,285</b>	<b>37.50</b>	<b>1.10</b>	<b>7.06</b>	<b>7.06</b>	<b>5.05</b>	<b>0.43</b>	<b>N/A</b>	<b>N/A</b>	<b>2.17</b>	<b>02/01/2019</b>
<i>Blmbg. U.S. Aggregate</i>			<i>1.10</i>	<i>7.30</i>	<i>7.30</i>	<i>4.66</i>	<i>-0.36</i>	<i>1.99</i>	<i>2.01</i>	<i>1.86</i>	
Vanguard Short-Term Bond ETF	700,227	10.92	1.15	6.05	6.05	4.90	1.54	2.46	2.12	4.92	02/01/2024
<i>ICE BofA 1-3 Yr. Gov/Corp</i>			<i>1.14</i>	<i>5.32</i>	<i>5.32</i>	<i>4.79</i>	<i>1.97</i>	<i>2.47</i>	<i>2.10</i>	<i>4.87</i>	
iShares Core US Aggregate Bond ETF	481,921	7.52	1.00	7.19	7.19	4.69	-0.38	1.96	1.97	7.16	05/01/2024
<i>Blmbg. U.S. Aggregate</i>			<i>1.10</i>	<i>7.30</i>	<i>7.30</i>	<i>4.66</i>	<i>-0.36</i>	<i>1.99</i>	<i>2.01</i>	<i>7.22</i>	
Dodge & Cox Income	458,334	7.15	1.28	8.32	8.32	6.06	1.05	3.42	3.35	5.52	02/01/2024
PGIM Total Return Bond R6	454,416	7.09	1.14	7.79	7.79	6.17	0.15	2.76	3.01	5.49	02/01/2024
iShares US Treasury Bond ETF	309,387	4.82	0.76	6.15	6.15	3.66	-1.07	1.26	1.27	3.60	02/01/2024
<i>Blmbg. U.S. Aggregate</i>			<i>1.10</i>	<i>7.30</i>	<i>7.30</i>	<i>4.66</i>	<i>-0.36</i>	<i>1.99</i>	<i>2.01</i>	<i>4.57</i>	
<i>Blmbg. U.S. Treasury: Intermediate</i>			<i>1.15</i>	<i>6.51</i>	<i>6.51</i>	<i>4.39</i>	<i>0.61</i>	<i>1.99</i>	<i>1.75</i>	<i>4.52</i>	
<b>Cash Equivalent</b>	<b>40,582</b>	<b>0.63</b>	<b>0.98</b>	<b>4.23</b>	<b>4.23</b>	<b>4.65</b>	<b>3.07</b>	<b>N/A</b>	<b>N/A</b>	<b>2.54</b>	<b>02/01/2019</b>
<i>ICE BofA 3 Month U.S. T-Bill</i>			<i>0.97</i>	<i>4.18</i>	<i>4.18</i>	<i>4.81</i>	<i>3.17</i>	<i>2.68</i>	<i>2.18</i>	<i>2.68</i>	
First American Government Obligation - X	40,582	0.63	0.98	4.23	4.23	4.81	3.18	2.62	N/A	4.68	02/01/2024
<i>ICE BofA 3 Month U.S. T-Bill</i>			<i>0.97</i>	<i>4.18</i>	<i>4.18</i>	<i>4.81</i>	<i>3.17</i>	<i>2.68</i>	<i>2.18</i>	<i>4.69</i>	

Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and for periods over one year are annualized. Asset class level returns may vary from individual underlying manager returns due to cash flows. Total Portfolio returns prior to 1/1/2024 were provided by previous Advisor and believed to be accurate and reliable. Returns for January 2024 were calculated by the legacy performance system of previous Advisor and believed to be accurate and reliable.

## Calendar Year Comparative Performance

	Performance(%)				
	2024	2023	2022	2021	2020
<b>Total Portfolio</b>	<b>8.90</b>	<b>12.96</b>	<b>-14.53</b>	<b>9.61</b>	<b>13.54</b>
<i>Blended Benchmark</i>	8.69	13.46	-13.91	8.40	11.78
<b>Domestic Equity</b>	<b>22.78</b>	<b>24.52</b>	<b>-16.72</b>	<b>25.56</b>	<b>17.08</b>
<i>Russell 3000 Index</i>	23.81	25.96	-19.21	25.66	20.89
iShares Core S&P 500 ETF	24.98	26.26	-18.13	28.66	18.37
<i>S&amp;P 500</i>	25.02	26.29	-18.11	28.71	18.40
Vanguard Small-Cap ETF	14.23	18.21	-17.60	17.72	19.08
<i>Russell 2000 Index</i>	11.54	16.93	-20.44	14.82	19.96
<b>International Equity</b>	<b>6.14</b>	<b>14.03</b>	<b>-16.55</b>	<b>7.06</b>	<b>12.62</b>
<i>MSCI AC World ex USA (Net)</i>	5.53	15.62	-16.00	7.82	10.65
Vanguard FTSE Developed Markets ETF	3.07	17.77	-15.35	11.49	10.29
<i>MSCI EAFE Index</i>	4.35	18.85	-14.01	11.78	8.28
Vanguard FTSE Emerging Markets ETF	11.01	9.27	-17.72	0.96	15.32
<i>MSCI EM (net)</i>	7.50	9.83	-20.09	-2.54	18.31
<b>Other Growth</b>	<b>4.84</b>	<b>8.78</b>	<b>-26.52</b>	<b>40.92</b>	<b>-5.83</b>
Vanguard Real Estate ETF	4.92	11.75	-26.20	40.38	-4.72
<i>MSCI US REIT Index</i>	8.75	13.74	-24.51	43.06	-7.57
iShares Global Infrastructure ETF	14.34	6.16	-0.95	11.21	-6.28
<i>S&amp;P Global Infrastructure (Net)</i>	14.05	5.78	-0.99	11.04	-6.49
<i>MSCI World Core Infrastructure Index (Net)</i>	5.73	4.01	-7.93	17.13	-0.80
<b>Fixed Income</b>	<b>2.06</b>	<b>6.11</b>	<b>-10.89</b>	<b>-1.12</b>	<b>7.14</b>
<i>Blmbg. U.S. Aggregate</i>	1.25	5.53	-13.01	-1.55	7.51
Vanguard Short-Term Bond ETF	3.75	4.91	-5.55	-1.00	4.67
<i>ICE BofA 1-3 Yr. Gov/Corp</i>	4.44	4.62	-3.79	-0.41	3.35
iShares Core US Aggregate Bond ETF	1.37	5.59	-13.06	-1.67	7.42
Dodge & Cox Income	2.26	7.70	-10.86	-0.91	9.45
PGIM Total Return Bond R6	3.03	7.78	-14.86	-1.15	8.10
iShares US Treasury Bond ETF	0.68	4.21	-12.69	-2.54	7.92
<i>Blmbg. U.S. Aggregate</i>	1.25	5.53	-13.01	-1.55	7.51
<i>Blmbg. U.S. Treasury: Intermediate</i>	2.42	4.28	-7.77	-1.72	5.77
<b>Cash Equivalent</b>	<b>4.73</b>	<b>4.99</b>	<b>1.48</b>	<b>0.02</b>	<b>0.36</b>
<i>ICE BofA 3 Month U.S. T-Bill</i>	5.25	5.02	1.46	0.05	0.67
First American Government Obligation - X	5.19	5.02	1.52	0.03	0.40
<i>ICE BofA 3 Month U.S. T-Bill</i>	5.25	5.02	1.46	0.05	0.67

Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and for periods over one year are annualized. Asset class level returns may vary from individual underlying manager returns due to cash flows. Total Portfolio returns prior to 1/1/2024 were provided by previous Advisor and believed to be accurate and reliable. Returns for January 2024 were calculated by the legacy performance system of previous Advisor and believed to be accurate and reliable.

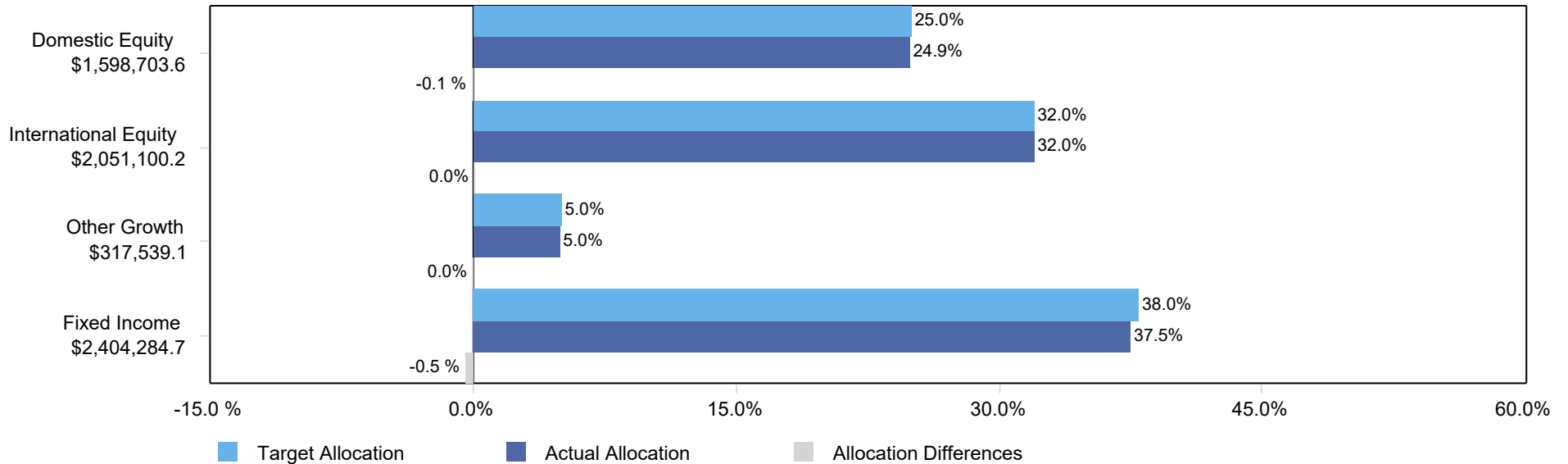
Account Reconciliation

QTR				
	Market Value As of 10/01/2025	Net Flows	Return On Investment	Market Value As of 12/31/2025
Total Portfolio	6,162,226	100,376	149,608	6,412,209

YTD				
	Market Value As of 01/01/2025	Net Flows	Return On Investment	Market Value As of 12/31/2025
Total Portfolio	5,504,727	(23,389)	930,872	6,412,209

Asset Allocation Compliance - Total Portfolio

	Asset Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Differences (%)
<b>Total Portfolio</b>	<b>100.0</b>	<b>100.0</b>	<b>N/A</b>	<b>N/A</b>	<b>0.0</b>
Domestic Equity	24.9	25.0	17.0	35.0	-0.1
International Equity	32.0	32.0	22.0	45.0	0.0
Other Growth	5.0	5.0	0.0	12.0	0.0
Fixed Income	37.5	38.0	15.0	65.0	-0.5



Historical Hybrid Composition - Blended Benchmark

Allocation Mandate	Weight (%)
<b>Sep-2025</b>	
S&P 500	20.0
MSCI EAFE (net)	20.0
MSCI EM (net)	12.0
Blmbg. U.S. Aggregate	18.0
ICE BofA 1-3 Yr. Gov/Corp	15.0
Blmbg. U.S. Treasury: Intermediate	5.0
Russell 2000 Index	5.0
50% MSCI US REIT / 50% MSCI World Core Infrastructure (net)	5.0
<b>Feb-2019</b>	
S&P 500	20.0
MSCI EAFE (net)	20.0
MSCI EM (net)	15.0
Blmbg. U.S. Aggregate	15.0
ICE BofA 1-3 Yr. Gov/Corp	15.0
Blmbg. U.S. Treasury: Intermediate	8.0
Russell 2000 Index	5.0
Wilshire US REIT Index	2.0

## **Appendix - Net of fees performance**

Comparative Performance - Net of Fees

	1 Quarter	1 Year	3 Years	5 Years	7 Years	Since Inception	Inception Date	2024	2023	2022	2021	2020
<b>Total Portfolio</b>	<b>2.33</b>	<b>16.83</b>	<b>12.61</b>	<b>5.85</b>	<b>N/A</b>	<b>7.79</b>	<b>02/01/2019</b>	<b>8.58</b>	<b>12.57</b>	<b>-14.82</b>	<b>9.24</b>	<b>13.15</b>
<i>Blended Benchmark</i>	<i>2.58</i>	<i>17.34</i>	<i>13.11</i>	<i>6.19</i>	<i>N/A</i>	<i>7.84</i>		<i>8.69</i>	<i>13.46</i>	<i>-13.91</i>	<i>8.40</i>	<i>11.78</i>

DISCLOSURE: Net of Fees: Represents all assets included in the calculation of the portfolio -- after the deduction of trust and asset management fees. Please refer to the applicable account fee schedule for additional information. This information is made available by U.S. Bank and is included at the request of the client. PFM Asset Management is a separate entity and is not responsible for and does not validate the accuracy of this information.

Returns are expressed as percentages.

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## Contra Costa County Employees' Retirement Association

May 6, 2026

2026 Capital Market Assumptions

## Agenda

1. Introduction
2. Market Review
3. CCCERA Details

# Introduction

## Executive Summary

- We update our capital markets assumptions each year in January.
  - Changes are driven by many factors, including interest rates, credit spreads, cap rates, and equity prices.
- 2025 was a strong year for most asset classes across the globe. When asset classes experience single year returns well above expectations, forward-looking returns naturally decline.
  - Meketa's overall CMAs are lower in 2026 than they were in 2025, with the exception of a few asset classes.
- The return assumption decreased for ~80% of the asset classes over the 10-year horizon, and it decreased for nearly 90% of the asset classes over the 20-year horizon.
- Our 10-year CMAs continue to be lower than our 20-year CMAs for the vast majority of asset classes, partly due to a higher assumed "risk-free" rate in the future.
  - Our lower return assumptions over the 10-year horizon implies that many investors might be well served by moderating their return expectations for the next ten years.

## Setting Capital Market Assumptions (“CMAs”)

- CMAs are the inputs needed to calculate a portfolio's expected return, volatility, and relationships (i.e., correlations) to the broader markets.
  - CMAs are also used in mean-variance optimization, simulation-based optimization, asset-liability modeling, and every other technique for finding “optimal” portfolios.
- Consultants (including Meketa) generally set them once per year.
  - Our results are published in January based on December 31 data.
- This involves setting long-term expectations for a variety of asset class/strategy attributes:
  - Returns
  - Standard Deviations
  - Correlations
- Our process relies on both quantitative and qualitative methodologies.

# Market Review

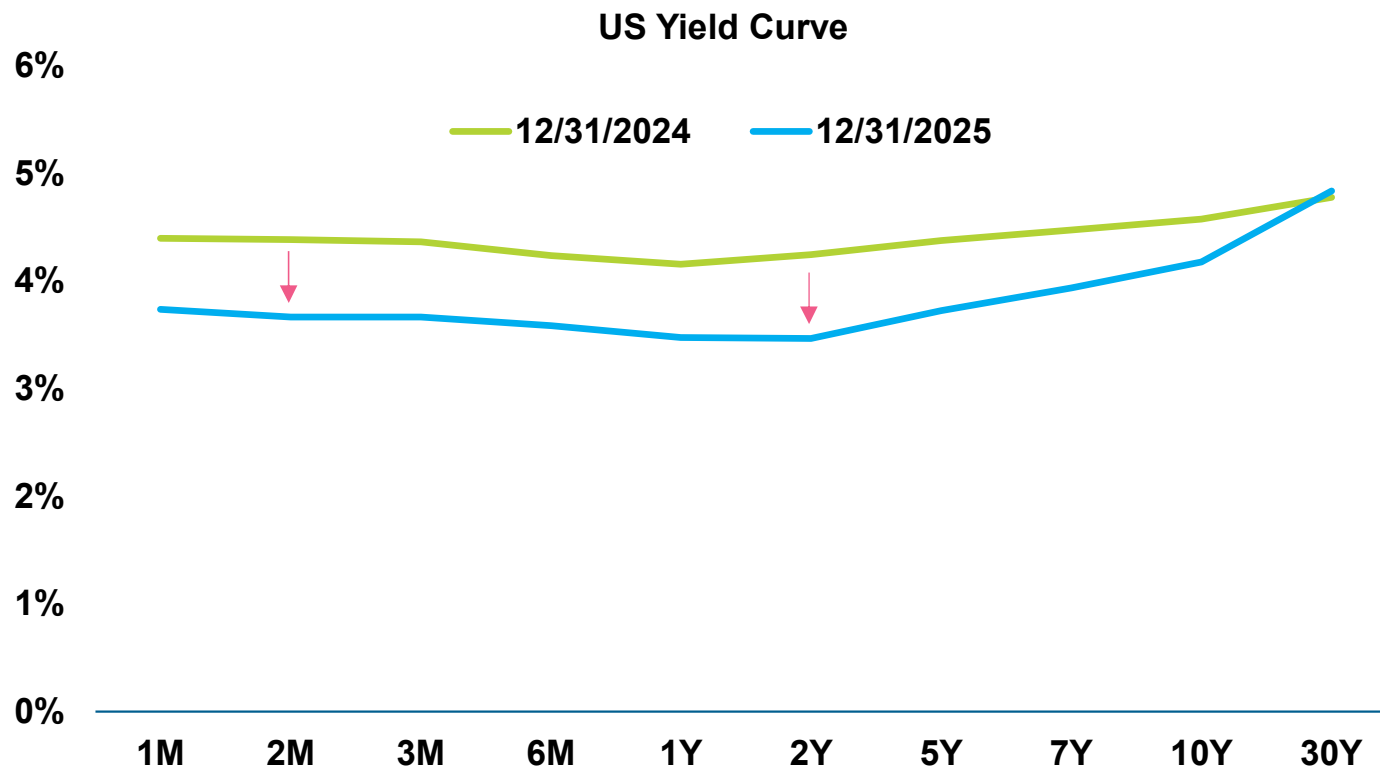
## Generic Asset Classes – Expected Return and Changes from 2025

Asset Class	2026 10-year Expected Return (%)	Δ From 2025 (%)
Cash Equivalents	2.8	0.0
Investment Grade Bonds	4.2	-0.7
Long-term Government Bonds	4.5	-0.5
TIPS	3.8	-0.5
High Yield Bonds	5.4	-0.9
Bank Loans	5.6	-0.7
Emerging Market Debt	5.7	-0.6
Private Debt	7.8	-0.9
US Equity	6.3	-0.1
Developed Non-US Equity	6.2	-1.0
Emerging Non-US Equity	6.2	-0.9
Global Equity	6.3	-0.3
Private Equity	9.0	-0.8
Real Estate	7.1	+0.2
Infrastructure	7.4	+0.2
Commodities	5.0	-0.5
Hedge Funds	3.8	-0.4
Inflation	2.3	0.0

- 2026 expected returns declined for nearly all asset classes.
- Very few asset classes currently offer an expected return above 7% on a standalone basis, making it challenging to achieve a Total Portfolio expected return at the median public pension actuarial discount rate (~6.9%).

## Falling Interest Rates

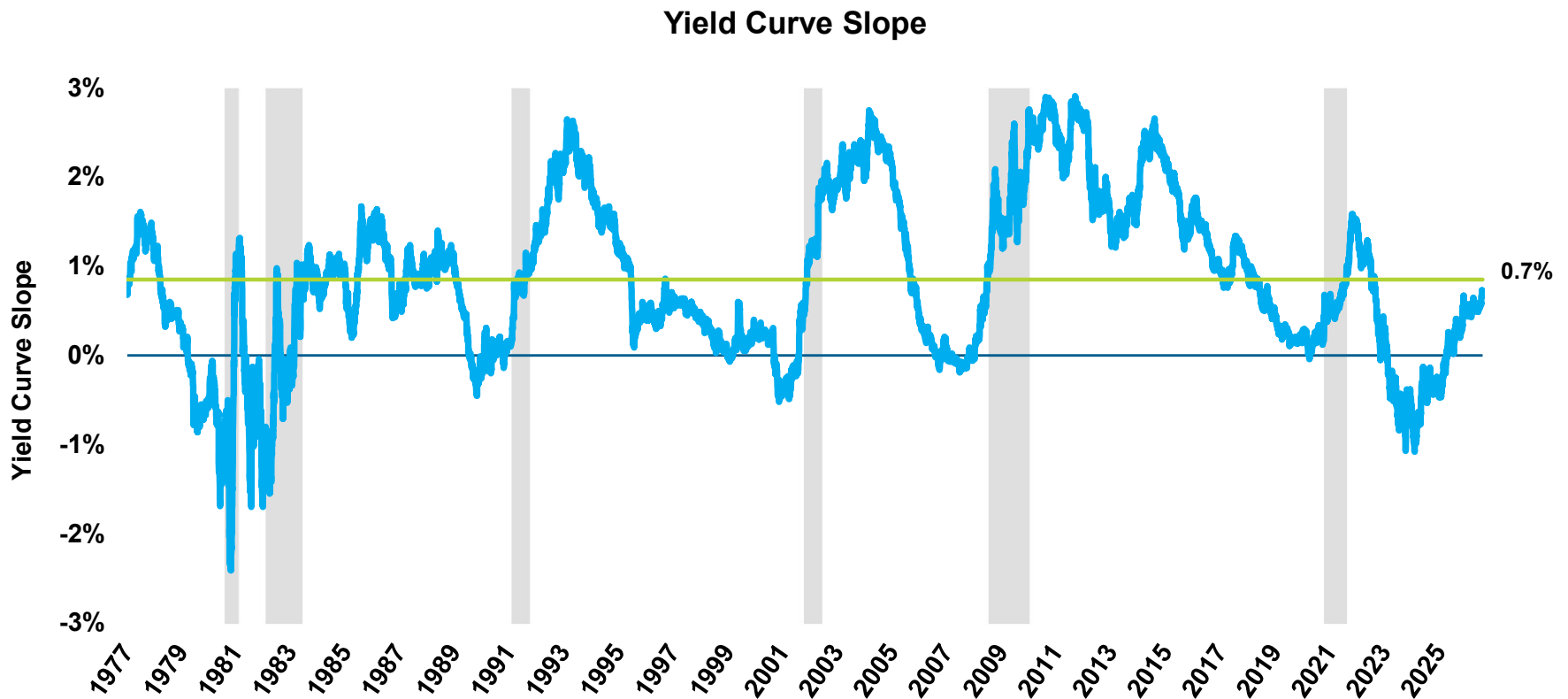
- The short and intermediate portions of the yield curve moved down, driven by multiple Fed rate cuts.
- The result was a shift away from the slightly “U”-shaped curve to a somewhat more traditional shape (i.e., upward sloping, at least beyond two years).



Source: Bloomberg. Data is as of December 31, 2025.

## Normalizing Yield Curve

- The yield curve began the year with a positive 2-10 spread but the curve was inverted in some other sections.
- The 2-10 spread moved closer to its long-term average during the year.

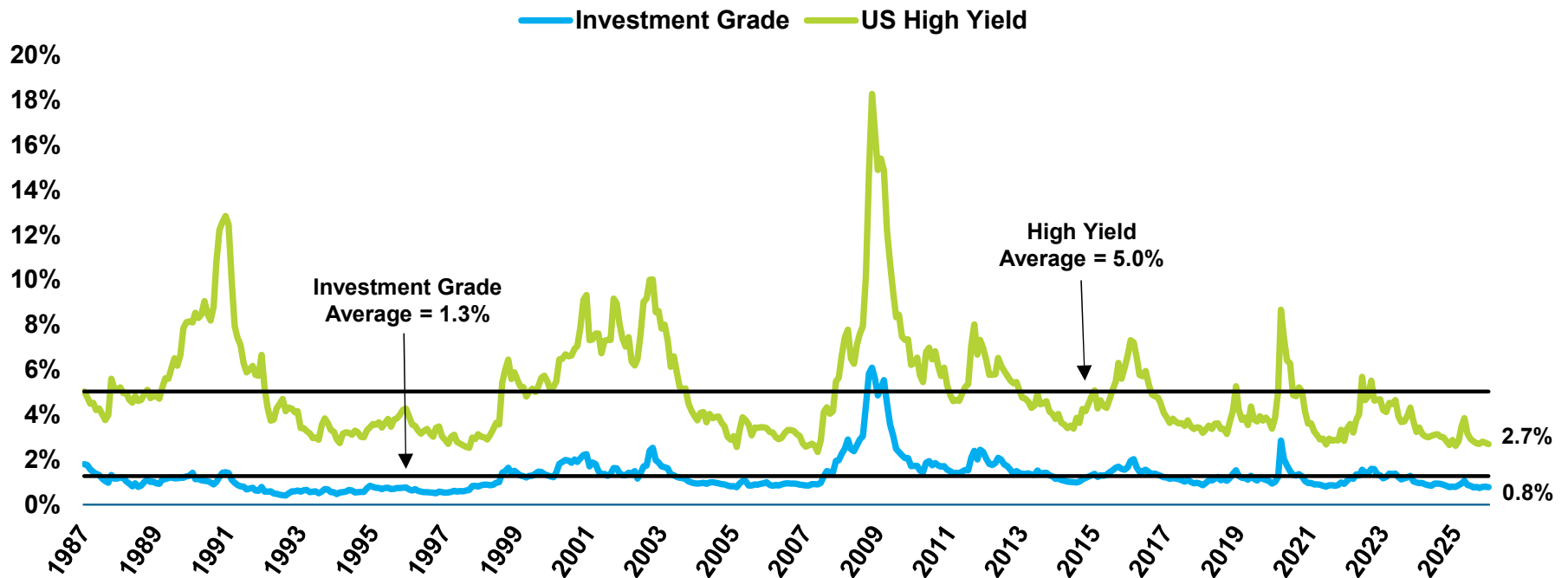


Source: FRED. Yield curve slope is calculated as the difference between the 10-Year US Treasury Yield and 2-Year US Treasury Yield. Data is as of December 31, 2025.

## Slightly Narrower Credit Spreads

- Credit spreads tightened slightly in 2025, moving further below their long-term averages.
- The spread for high yield bonds declined from 287 basis points to 266 basis points, while the spread for investment grade corporates declined from 80 basis points to 78 basis points.

### US Investment Grade and High Yield Credit Spreads



Source: Bloomberg. High Yield is proxied by the Bloomberg High Yield Index and Investment Grade Corporates are proxied by the Bloomberg US Corporate Investment Grade Index. Spread is calculated as the difference between the Yield to Worst of the respective index and the 10-Year US Treasury yield. Data is as of December 31, 2025.

### Lower Yields

- Short-term interest rates declined as the Fed cut its target rate, and the yield on the 10-year Treasury decreased.
- Tighter credit spreads amplified the yield reduction in credit markets.

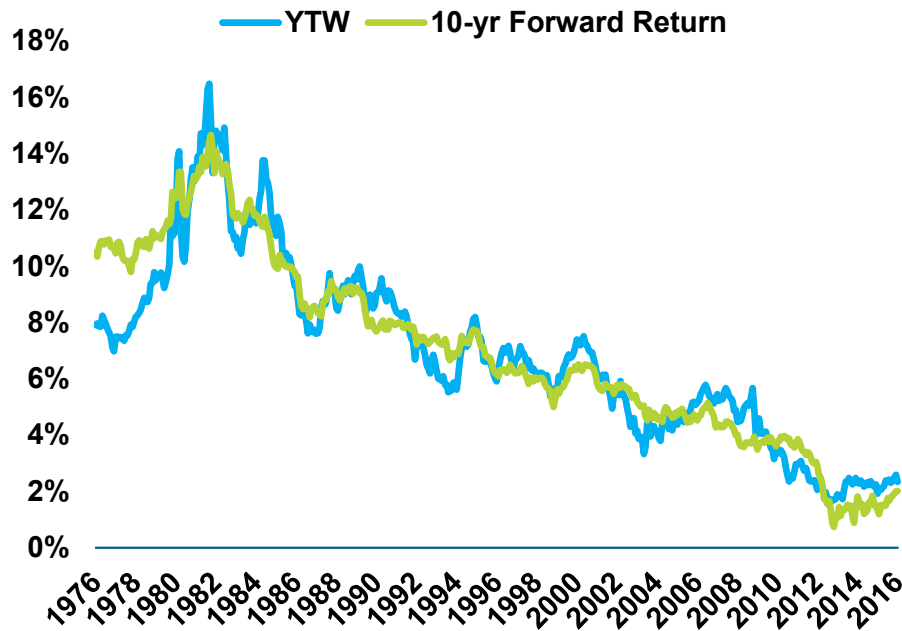
Index	Yield to Worst 12/31/25 (%)	Yield to Worst 12/31/24 (%)
Fed Funds Effective Rate	3.50 – 3.75	4.25 – 4.50
10-year Treasury	4.18	4.58
Bloomberg Aggregate	4.32	4.91
Bloomberg Corporate	4.81	5.33
Bloomberg Securitized	4.61	5.25
Bloomberg Global Aggregate	3.52	3.68
Bloomberg US Corporate High Yield	6.53	7.49

Source: Bloomberg. Data is as of December 31, 2024 and December 31, 2025.

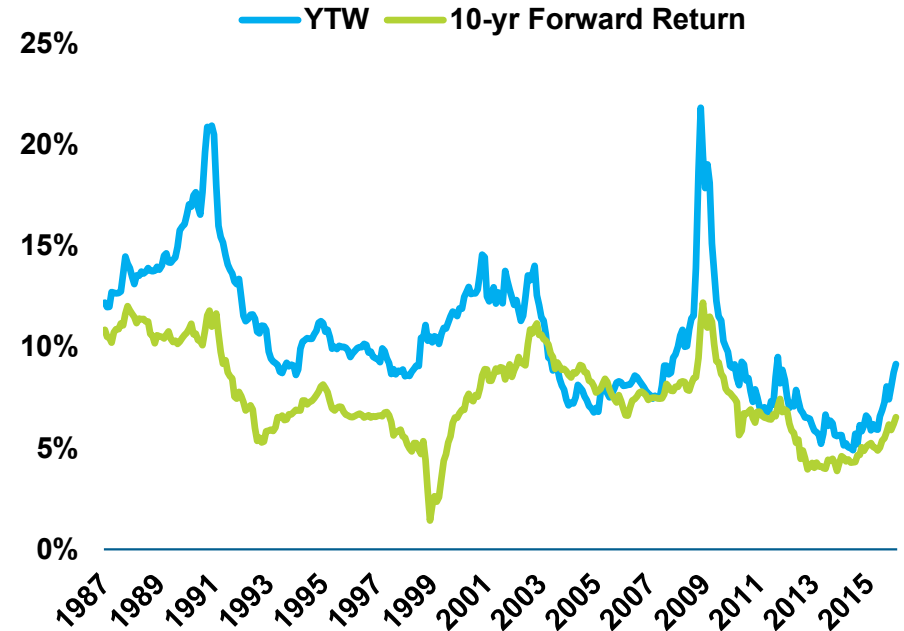
## Yields Drive Future Returns

→ Changes in interest rates matter because yields have proven a very good predictor of future returns for bonds,<sup>1</sup> at least over a 10-year horizon.

YTW and Returns for Investment Grade Bonds



YTW and Returns for High Yield Bonds

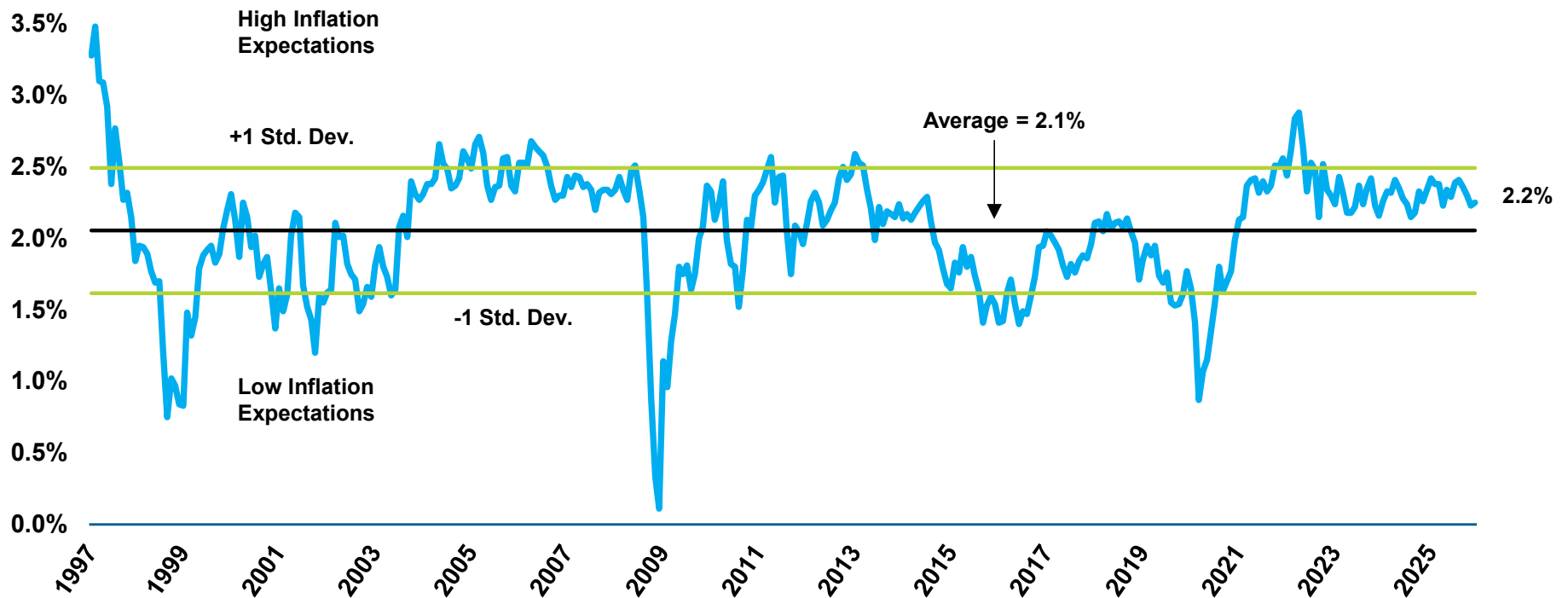


<sup>1</sup> When predicting returns for bonds, default risk should also be taken into account. For example, defaults are why the return for high yield bonds have generally been below the starting yield.  
Source: Bloomberg Aggregate and Bloomberg High Yield indices. Data is as of December 31, 2025.

## Similar Inflation Expectations

- Despite many inflation-related headlines during the year, the market's expectations for inflation were little changed at the end of 2025.
- The 10-year breakeven inflation rate decreased slightly, from 2.3% to 2.2%.

### Ten-Year Breakeven Inflation

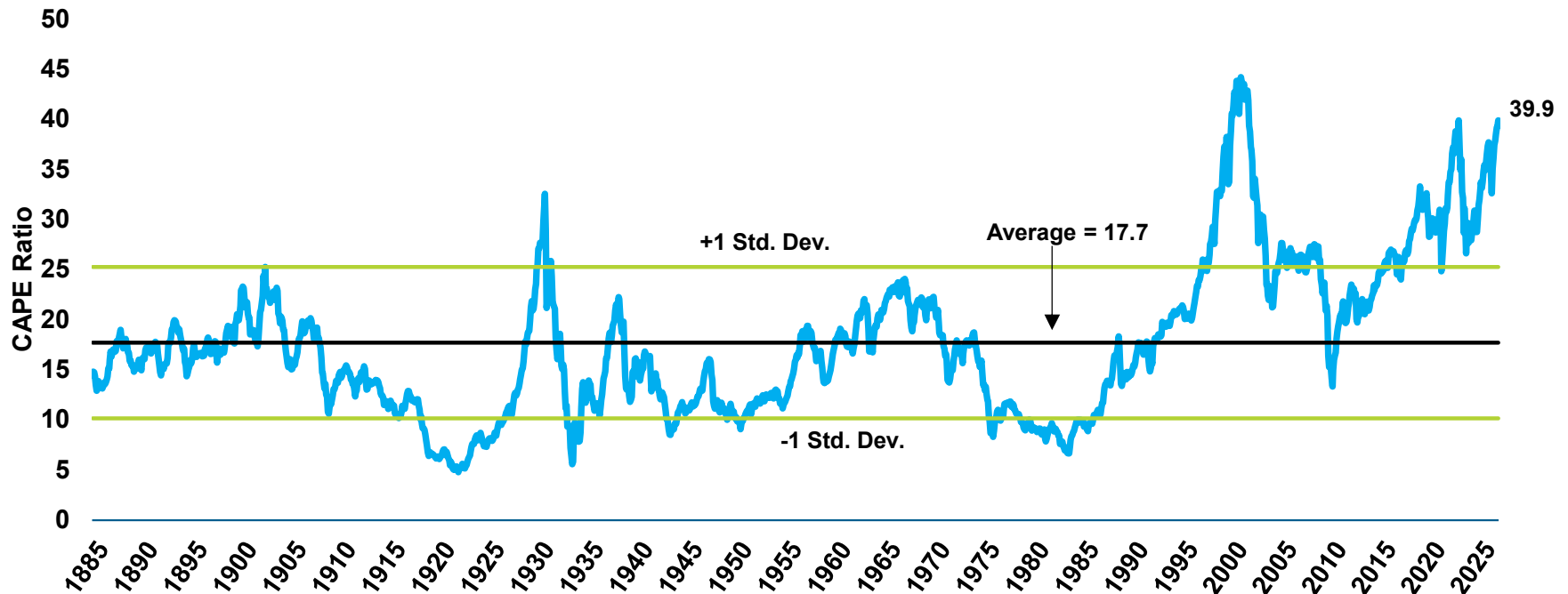


Source: US Treasury and Federal Reserve. Inflation is measured by the Consumer Price Index (CPI-U NSA). Data is as of December 31, 2025.

## Surprisingly Little Change in US Equity Valuations

- US stocks had another good year, with the S&P 500 index gaining 17.9%.
- Valuations are higher than one year ago, with the CAPE moving from 38 to 39.9.
- Still, valuations remain elevated relative to their long-term history.

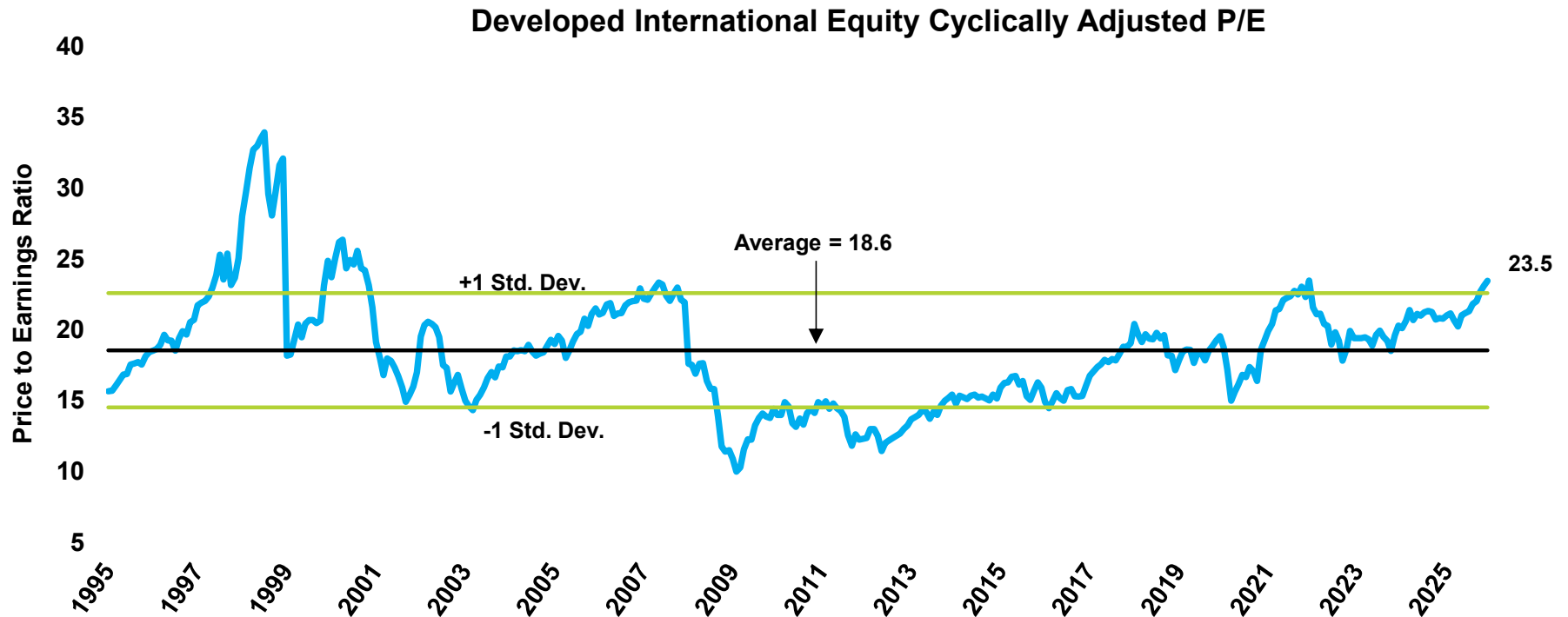
US Equity Cyclically Adjusted Price/Earnings



Source: Robert Shiller, Yale University, and Meketa Investment Group. Data is as of December 31, 2025 for the S&P 500 Index.

## Higher Non-US Developed Equity Valuations

- EAFE equities had a great year, posting a 31.2% gain for USD investors.
  - A currency tailwind aided these gains, as EAFE posted a 20.6% return in local currency terms.
- The gains also reflected higher valuations, with the price-earnings ratio going from 21 to 23.5.
  - EAFE valuations are now above their historical average.

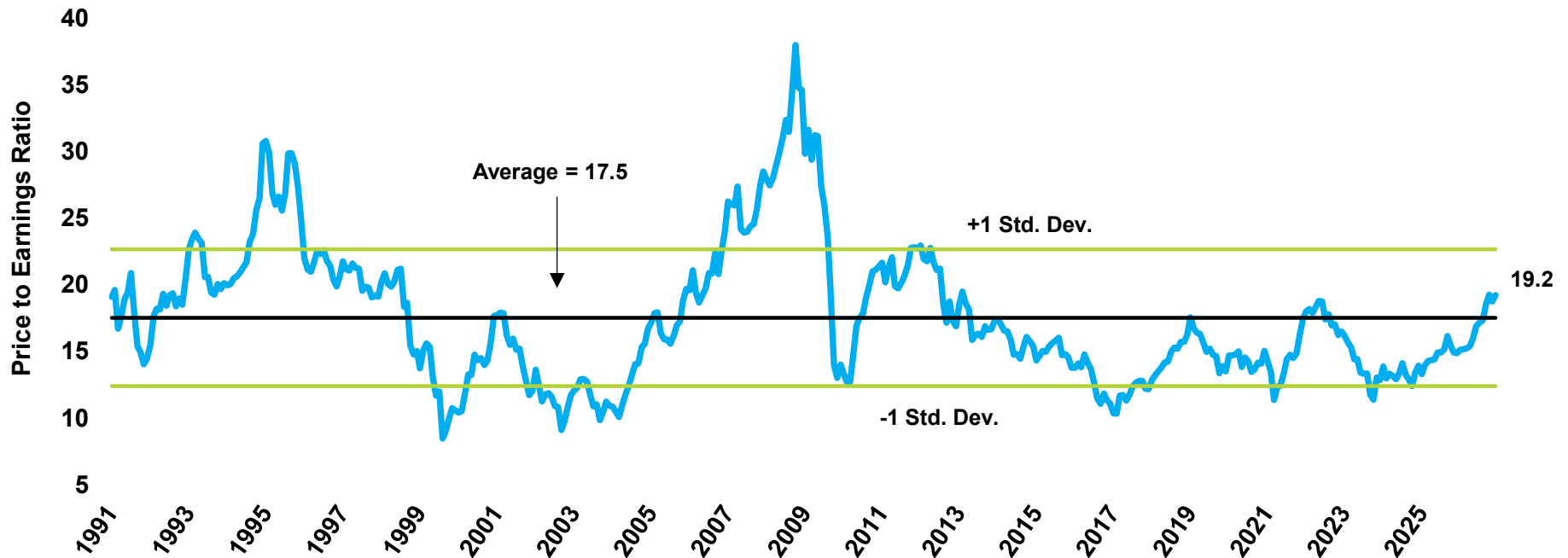


Source: MSCI and Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of December 31, 2025.

## Higher Prices in Emerging Market Equities

- Emerging market equities had a great year, gaining 33.5% for USD investors.
- These gains were driven largely by higher valuations, with the price-earnings ratio going from 14.8 to 19.2.
- As a result, EM equity valuations have also moved above their long-term average, with the EM ex-China index continuing to trade at higher valuations than the China index.

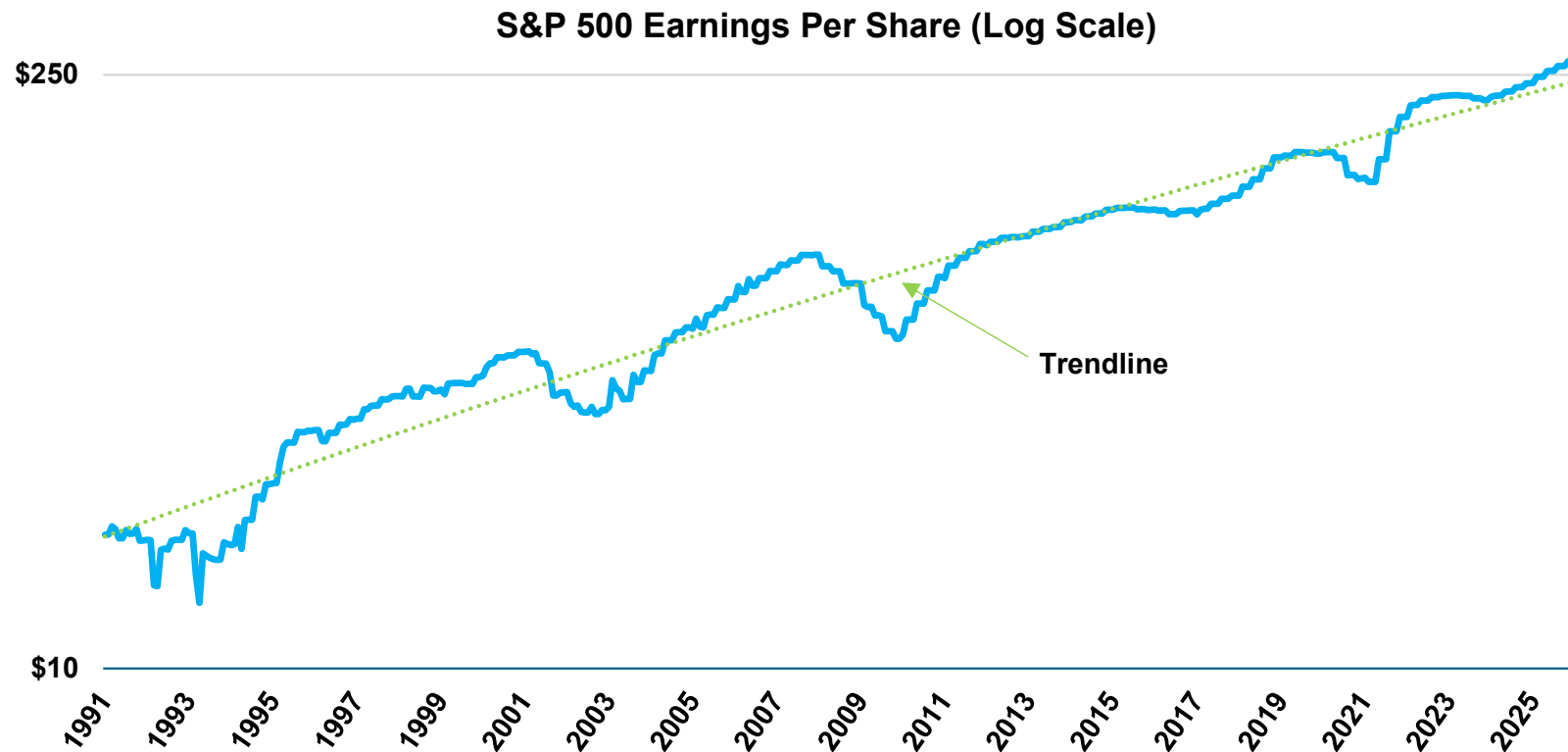
Emerging Market Equity Cyclically Adjusted P/E



Source: MSCI and Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of December 31, 2025.

## Strong US Earnings Growth

- S&P 500 earnings (EPS) had a good year, growing by 13%.
- At year-end, estimates were that EPS had hit a new peak.

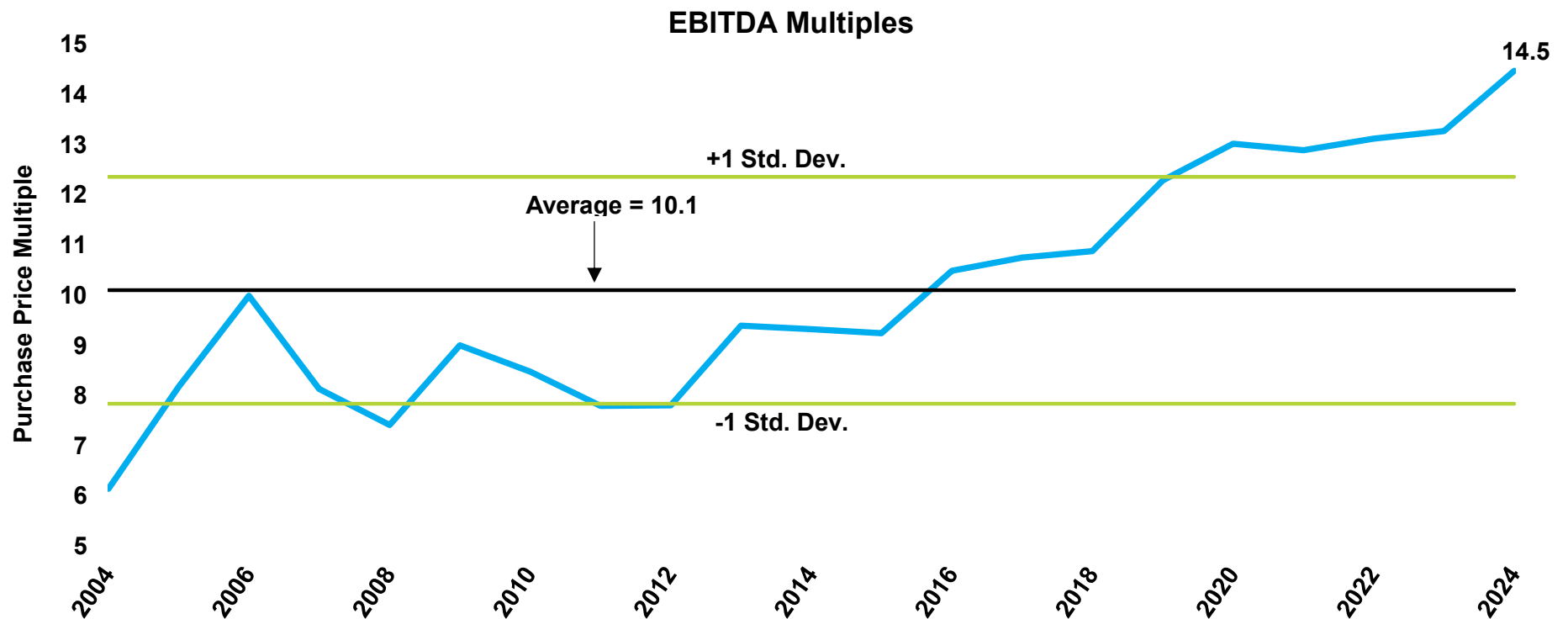


Source: S&P 500 Index data from Bloomberg. Represents trailing 12-month "as reported" earnings per share. Data is as of December 31, 2025.

## Private Equity Prices Rebounding

→ EBITDA multiples for buyouts have risen substantially over the past ten years.

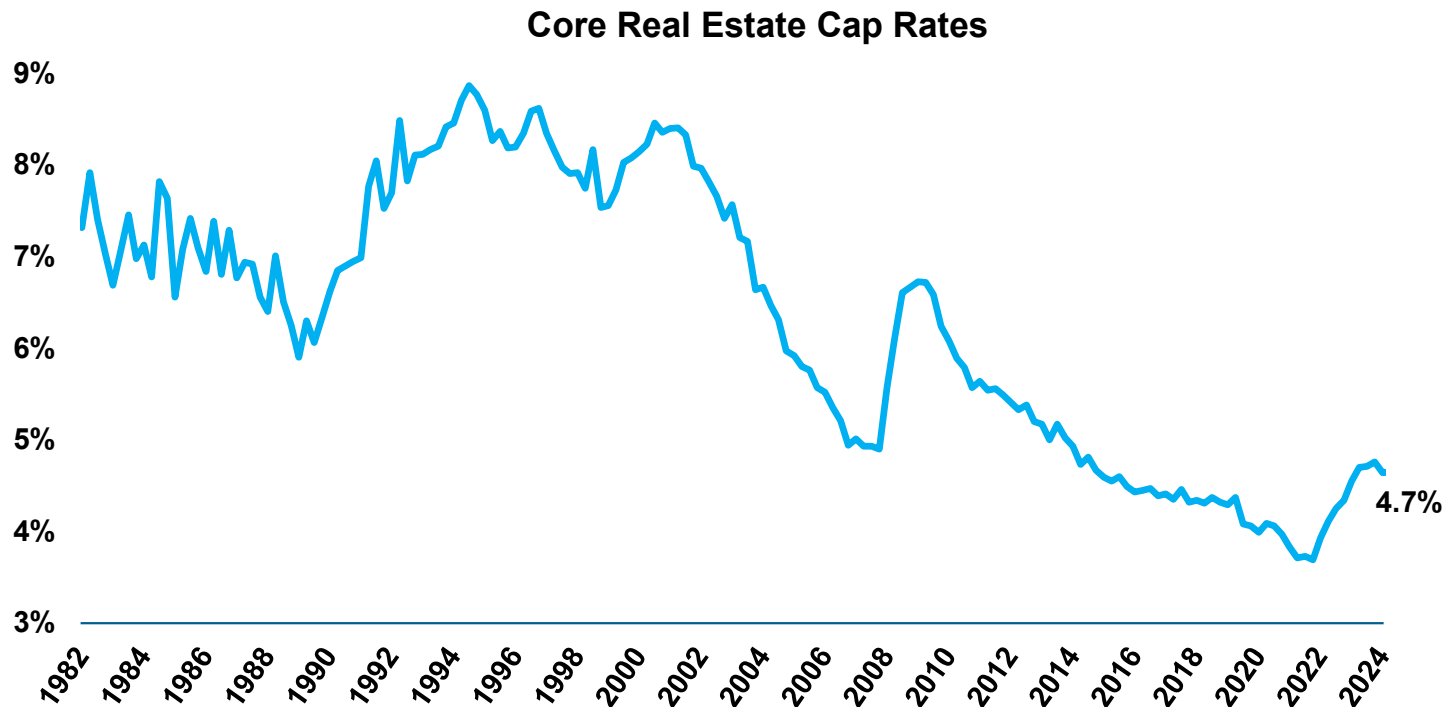
- Preliminary data for 2025 show a slight downtick in multiples, but that is based on a very small fraction of the anticipated number of deals (~15% of the number of deals from 2024).



Source: Preqin Median EBITDA Multiples Paid in All LBOs. Data pulled as of 1/8/2025.

## Real Estate Valuations Solidifying

- Cap rates appeared to level off in 2025.
  - This is likely welcomed by investors who have seen cap rates rise (and prices fall) for several years.
- Still, cap rates remain below the trough experienced during the Global Financial Crisis (“the GFC”).



Source: NCREIF NPI value-weighted cap rates. As of September 30, 2025.

## Slightly Lower Projected Rates in the Future

- As interest rates have declined, so have the market's predictions for future interest rates.
  - The market is forecasting that the 10-year Treasury yield in ten years will be 5.30%, versus a prediction of 5.42% twelve months ago.
- Lower future interest rates for “risk-free” assets implies lower expected returns for any forecasting model that includes a risk premium approach.

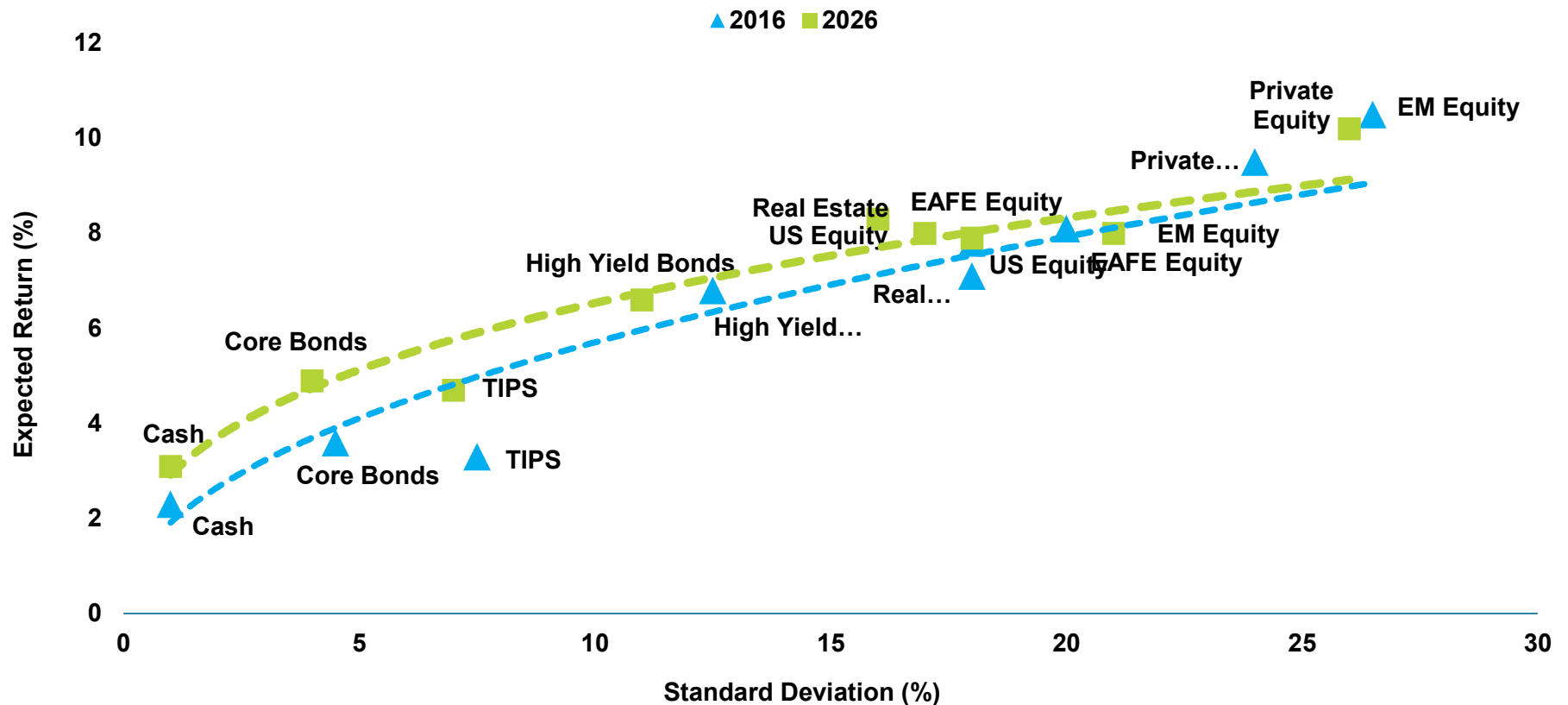
Market Projection for the 10-Year Treasury Yield in Ten Years



Source: FRED. Represents the Fitted Instantaneous Forward Rate 10 Years Hence, as of December 31, 2025.

## The Big Picture: Higher Return for Similar Risk<sup>1</sup>

- The relationship between long-term return expectations and the level of risk accepted is not static.
- The higher interest rates compared to a decade ago mean that many investors have greater flexibility in how they structure a portfolio to achieve their target returns.



<sup>1</sup> Expected return and standard deviation are based upon Meketa Investment Group's 2016 and 2026 20-year capital market expectations.

### Return and Risk Data

Asset Class	10-year Expected Return (%)	20-year Expected Return (%)	Standard Deviation (%)	Years 11-20 Risk Premium <sup>1</sup> (%)
Cash Equivalents	2.8	3.1	1.0	-2.0
Investment Grade Bonds	4.2	4.9	4.0	0.4
Long-term Government Bonds	4.5	5.1	12.0	0.5
TIPS	3.8	4.7	7.0	0.4
High Yield Bonds	5.4	6.6	11.0	2.5
Bank Loans	5.6	6.4	10.0	2.0
Emerging Market Debt	5.7	6.4	11.0	1.8
Private Debt	7.8	8.2	15.0	3.3
US Equity	6.3	8.0	17.0	4.5
Developed Non-US Equity	6.2	7.9	18.0	4.4
Emerging Non-US Equity	6.2	8.0	21.0	4.5
Global Equity	6.3	8.0	17.0	4.5
Private Equity	9.0	10.2	26.0	6.3
Real Estate	7.1	8.3	16.0	4.3
Infrastructure	7.5	9.0	19.0	5.2
Commodities	5.0	5.4	17.0	0.5
Hedge Funds	3.8	5.7	7.0	2.3
Inflation	2.3	2.7	NA	NA

<sup>1</sup> Risk premia are calculated relative to the market's projection for the yield on the 10-year Treasury in ten years.

Correlation Data

	Inv. Grade Bonds	Long-Term Gov't Bonds	TIPS	High Yield Bonds	US Equity	Dev. Non-US Equity	Em. Market Equity	Private Equity	Real Estate	Commod.	Infra.	Hedge Funds
Investment Grade Bonds	1.00											
Long-Term Government Bonds	0.86	1.00										
TIPS	0.77	0.61	1.00									
High Yield Bonds	0.35	-0.03	0.48	1.00								
US Equity	0.24	-0.07	0.31	0.76	1.00							
Developed Non-US Equity	0.29	-0.06	0.35	0.77	0.86	1.00						
Emerging Market Equity	0.27	-0.05	0.36	0.73	0.74	0.85	1.00					
Private Equity	0.00	-0.10	0.03	0.66	0.90	0.83	0.79	1.00				
Real Estate	0.26	0.07	0.17	0.56	0.53	0.49	0.42	0.48	1.00			
Commodities	0.01	-0.23	0.29	0.49	0.46	0.55	0.59	0.23	0.15	1.00		
Infrastructure	0.31	0.14	0.32	0.65	0.64	0.68	0.59	0.51	0.61	0.41	1.00	
Hedge Funds	0.16	-0.16	0.31	0.79	0.81	0.82	0.80	0.53	0.47	0.64	0.61	1.00

## **CCCERA Details**

### CCCERA 2026 Capital Market Assumptions (10-year Horizon)

Composite/Asset Class	Policy Allocation (%)	2025 CMAs	2026 CMAs	Difference
		Geometric Expected Return (10 Yr) (%)	Geometric Expected Return (10 Yr) (%)	
<b>Growth</b>				
US Large Cap	9.0	6.4	6.3	-0.1
US Small Cap	2.0	7.9	7.2	-0.7
Developed Market Equity (non-US)	5.0	7.2	6.2	-1.0
Emerging Market Equity	2.0	7.1	6.2	-0.9
Global Equity	10.0	6.7	6.3	-0.4
Private Equity	15.0	9.8	9.0	-0.8
Infrastructure (Private)	3.0	7.2	7.5	+0.3
Private Debt	13.0	8.7	7.8	-0.9
Real Estate Debt (High Yield)	3.0	9.8	8.5	-1.3
Value-Added Real Estate	3.0	8.4	8.7	+0.3
Opportunistic Real Estate	4.0	9.5	9.8	+0.3
Multi-Sector Credit	4.0	6.3	5.5	-0.8
<b>Diversifying</b>				
US Treasury	3.5	4.5	3.8	-0.7
Hedge Fund	6.5	4.0	4.0	0.0
<b>Liquidity</b>				
Short-term Investment Grade Bonds	14.0	4.2	3.7	-0.5
Cash Equivalents	3.0	2.8	2.8	0.0
<b>Total Fund</b>		<b>7.5</b>	<b>7.0</b>	<b>-0.5</b>

→ With the exception of Real Estate and Infrastructure, expected returns declined for most of CCCERA's classes with Meketa's 10-year 2026 CMAs.

<sup>1</sup> US Treasury is represented by a 3.0% target to Intermediate Government Bonds and a 0.5% target to Long-term Government Bonds.

<sup>2</sup> Hedge Fund is represented by 3.25% target to Trend Following strategies and a 3.25% target to diversifying hedge fund strategies, such as Alt Risk Premia and Global Macro.

### CCCERA 2026 Capital Market Assumptions (20-year Horizon)

Composite/Asset Class	Policy Allocation (%)	2025 CMAs	2026 CMAs	Difference
		Geometric Expected Return (10 Yr) (%)	Geometric Expected Return (10 Yr) (%)	
<b>Growth</b>				
US Large Cap	9.0	8.4	8.0	-0.4
US Small Cap	2.0	9.2	8.6	-0.6
Developed Market Equity (non-US)	5.0	8.7	7.9	-0.8
Emerging Market Equity	2.0	8.7	8.0	-0.7
Global Equity	10.0	8.5	8.0	-0.5
Private Equity	15.0	11.2	10.2	-1.0
Infrastructure (Private)	3.0	9.2	9.0	-0.2
Private Debt	13.0	9.1	8.2	-0.9
Real Estate Debt (High Yield)	3.0	9.8	8.9	-0.9
Value-Added Real Estate	3.0	9.6	9.5	-0.1
Opportunistic Real Estate	4.0	10.9	10.8	-0.1
Multi-Sector Credit	4.0	7.0	6.5	-0.5
<b>Diversifying</b>				
US Treasury	3.5	4.7	4.4	-0.3
Hedge Fund	6.5	5.4	5.3	-0.1
<b>Liquidity</b>				
Short-term Investment Grade Bonds	14.0	4.3	3.7	-0.6
Cash Equivalents	3.0	3.1	2.8	-0.3
<b>Total Fund Return</b>		<b>8.6</b>	<b>8.1</b>	<b>-0.5</b>
<b>Total Fund Std. Dev</b>		<b>11.8</b>	<b>12.0</b>	

→ Every asset class returns declined for most of CCCERA's classes with Meketa's 20-year 2026 CMAs.

<sup>1</sup> US Treasury is represented by a 3.0% target to Intermediate Government Bonds and a 0.5% target to Long-term Government Bonds.

<sup>2</sup> Hedge Fund is represented by 3.25% target to Trend Following strategies and a 3.25% target to diversifying hedge fund strategies, such as Alt Risk Premia and Global Macro.

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**MEMORANDUM**

Date: May 6, 2026

To: CCCERA Board of Retirement

From: Timothy Price, Chief Investment Officer

Subject: Recommendation to update investment legal counsel panel

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***Overview***

In 2017, CCCERA established a panel of legal firms to use when negotiating contracts and agreements with outside investment firms. The panel initially consisted of DLA Piper (a practice group formerly with Jackson Walker), Foley & Lardner, K&L Gates and Reed Smith. In December of 2025, the Board authorized issuing an RFP for these services to refresh and expand the pool. CCCERA issued the RFP in January 2026 and received responses from twelve firms.

Based on the review of RFP responses received, staff recommends updating the panel to include the following firms:

1. DLA Piper LLP
2. Foster Garvey P.C.
3. K&L Gates LLP
4. Nossaman LLP
5. Reinhart Borerer Van Deuren s.c.

***Recommendation***

Update CCCERA's panel of investment legal counsel to include: DLA Piper, Foster Garvey, K&L Gates, Nossaman and Reinhart, and enter into or update legal services agreements as necessary for the engagements.

**Search Process**

CCCERA received twelve responses from law firms to the request for proposal. The responses were reviewed by a staff committee consisting of Chief Executive Officer Christina Dunn, General Counsel Karen Levy and Chief Investment Officer Timothy Price. After an initial review, the committee agreed to focus further research on the seven most qualified and aligned firms. We interviewed each firm and narrowed the list to the five firms being recommended today. Extensive reference checks were conducted for each firm. The committee is confident that each of the recommended firms has the organizational strength and institutional knowledge required to assist CCCERA with negotiating with outside investment managers well into the future.

**Firm Overviews**

**DLA Piper** is a large full service global law firm with over 4,900 lawyers in more than 90 global offices. The firm represents investors in over 2,000 transactions per year. We would continue to work most directly with the Austin, TX based team led by David Parrish and Nicole Brenning who are both Partners in the firm. In addition to their work with CCCERA, the firm represents CALPERS, CALSTRS, and LACERA among many others. Partner hourly rates start at \$1,220.

**Foster Garvey** is primarily a West Coast law firm with six offices nationwide and 256 employees. We would work primarily with the Seattle team led by Bob Perez and Rafael Stone who co-chair the firm's Investment Management practice. The firm represents CALPERS, LACERA, OCERS, SCERS and SFERS, among many others. Partner hourly rates start at \$825.

**K&L Gates** is a large full service global law firm with over 2,000 attorneys. The firm has a dedicated Asset Management and Investment Funds (AMIF) practice comprised of over 140 attorneys with which we would work most closely. Our primary contacts would be Andrew Feucht and Won-Han Cheng, both based in the Seattle office. The firm represents CALPERS and SFERS among their extensive list of public fund clients. Senior Partner hourly rates start at \$1,295.

**Nossaman** is a mid-sized full service national law firm with 168 attorneys and policy advisors across twelve US offices. The firm has a dedicated Pensions, Benefits and Investments (PB&I) group that is co-chaired by Ashley Dunning and Yuliya Oryol. Yuliya is based in San Francisco and would serve as our primary contact for investment matters. California clients include ACERA, CALPERS, LACERA, OCERS and SCERS among many others. Partner hourly rates start at \$755.

**Reinhart** is a mid-sized full service national law firm headquartered in Milwaukee, WI with 200 attorneys across nine offices in the Midwest and West. The firm has a dedicated Reinhart Institutional Investor Services (RIIS) group consisting of nine attorneys, primarily located in Madison and Milwaukee, focused on investment matters. Jussi Snellman would be our primary contact. This group advises over 50 institutional investors globally, including several California public funds. Shareholder hourly rates start at \$425.

# SACRS UC BERKELEY PROGRAM

## Exceptional Education Opportunity

**SACRS PUBLIC PENSION INVESTMENT MANAGEMENT PROGRAM**

**MODERN INVESTMENT THEORY & PRACTICE**  
for Retirement Systems

**JULY 19-22, 2026**

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Presented by the world-renowned faculty of UC Berkeley's Haas School of Business, Modern Investment Theory & Practice for Retirement Systems course offering SACRS' members in-depth knowledge on today's successful investment models and strategies. You'll learn how to practically integrate these methods immediately into your own plan administration, advancing your skills and elevating the collective expertise of SACRS' membership. Completion of the course earns you a certificate of achievement from UC Berkeley.

### PROGRAM DETAILS

Included in the registration fee; attendees will receive 24 hours of continuing education and a UC Berkeley certificate of completion. Hotel room reservations are open to registered attendees and are based on a rooming list. Registration fees do not include hotel accommodations. The host hotel is the **Claremont Club & Spa, A Fairmont Hotel**, in Berkeley, CA. Sessions begin at 9 am Sunday, July 19, attendees should consider arriving on Saturday, July 18.

The agenda is under development, you can review the 2025 agenda here:  
<https://sacrs.org/Events/SACRS-UC-Berkeley-Program>

Courses will not be identical but similar in content and format.

**Course Dates** - July 19-22, 2026

**Host Hotel** - Claremont Club & Spa, A Fairmont Hotel | 41 Tunnel Road | Berkeley **Course**

**Classroom** - Haas School of Business, University of California Berkeley |  
2220 Piedmont Ave. | Berkeley



# Principles of Pension Governance

## *A Course for Trustees*

Monday-Thursday, August 24-27, 2026

Santa Barbara Inn • Santa Barbara, CA

### CALAPRS' Mission

*"CALAPRS sponsors educational forums for sharing information and exchanging ideas among Trustees and staff to enhance their ability to administer public pension benefits and manage investments consistent with their fiduciary duty."*

### About The Course

Public Pension Fund Trustees bear a heavy fiduciary burden. On a cumulative basis, California's Constitution holds our members' **350** Trustees accountable for the stewardship of more than **\$450** Billion in retirement fund assets. **40** California public pension systems belong to CALAPRS. Trustees are invited to participate in this training program that focuses on the practical aspects of Trustee duties. This program is taught in a small group format and is presented exclusively for our member retirement systems.

For over 30 years, CALAPRS has continued to offer high-caliber coursework with carefully selected faculty. The Board of Directors is pleased to launch a renewed and refreshed version of the program in 2026.

### Who Should Attend?

Attendance by Trustees is recommended within the first year after assuming office. Experienced Trustees are also welcome to use the program as a comprehensive refresher course.

# CALAPRS Principles of Pension Governance 2026

## Why Attend?

- To gain insight into public pension policy issues
- To discuss alternative solutions to common problems
- To understand the complexities involved in administering public pension plans
- To appreciate the differences and similarities among California public pension plans
- To network with other Trustees and pension professionals
- To increase familiarity with pension terminology and concepts
- To receive the AB1234 Ethics Training required for new Trustees

## Learning Objectives

Each participant must attend the full 3 days of intensive training Tuesday-Thursday, with an option to attend the Ethics training on Monday afternoon. Sessions combine team teaching, case studies and mock board problem solving. All course materials are based on actual California public pension fund law, policies, practices and problems.

By attending this program, participants will:

- **Gain a foundational understanding of defined benefit pension plans**, including their purpose, structure, and how they differ from defined contribution plans.
- **Learn about the fiduciary responsibilities of retirement board trustees**, including the core duties owed to plan members and beneficiaries.
- **Develop a working knowledge of the legal and regulatory framework governing California public pension systems**, including key statutes and oversight considerations.
- **Recognize key governance and compliance requirements** affecting trustees, including open meeting laws, conflicts of interest, and ethics requirements.
- **Understand the components of pension benefit plans**, including membership types, service credit, retirement formulas, and plan tiers.
- **Develop a better understanding of disability retirement benefits and the investigative process** boards use to evaluate disability applications.
- **Strengthen their understanding of actuarial valuations and pension funding concepts**, including how contribution rates and unfunded liabilities are determined.
- **Be able to more effectively participate in investment governance**, by learning more about asset allocation, diversification, and working with investment professionals.
- **Understand the general process for selecting and monitoring investment managers**, including due diligence and performance oversight.
- **Explore governance practices that support effective retirement boards**, including policy-focused decision-making, delegation, and collaboration with staff and advisors.

# CALAPRS Principles of Pension Governance 2026

## Faculty

The Course will be taught by carefully selected public pension practitioners with real-world experience and expertise, including Trustees, Consultants, Actuaries, Investment Managers, Attorneys & Administrators.

## Certificate of Completion

Participants who successfully complete the full course will receive a Certificate of Completion. Trustees must attend all sessions to receive a completion certificate. The 2-hour AB1234 Ethics in Public Service is optional and will provide a separate certificate to participants.

## The Curriculum Committee

*Principles of Pension Governance* is managed by CALAPRS' Curriculum Committee appointed by the CALAPRS Board of Directors. Committee members are:

Chair: Greg Levin, CEO, Santa Barbara County Employees' Retirement Association

Katie Girardi, Executive Director, San Luis Obispo County Pension Trust

Dave Nelsen, CEO, Alameda County Employees' Retirement System

## Registration & Tuition

All registrations must be received no later than **June 15, 2026**. Tuition of \$3,000 (includes lodging, meals and materials) must be paid in advance of the program. Space is limited and will be on a first-come, first-served basis.

## Lodging

Both the program and lodging will be located at the host hotel: Santa Barbara Inn, 901 E Cabrillo Blvd, Santa Barbara, CA 93103. Lodging will be provided for the nights of August 24 25 and 26 and will be arranged by CALAPRS as part of the course for all participants. All meals listed in the agenda will be provided. Please note that participants are on their own for dinner the evening of August 24.



# CALAPRS Principles of Pension Governance 2026

## Program Schedule

### Monday, August 24 – Travel Day & Ethics Certificate

- 3:00 PM (Optional) **Ethics Training for Public Fund Trustees**  
*Meets requirement of AB 1234. Certificate will be provided.*
- 5:00 PM **Welcome Reception**

### Tuesday, August 25 – “The Retirement Plan and its Function”

- 7:30 AM Breakfast
- 8:30 AM **Introduction to Defined Benefit Pension Plans**
- 9:15 AM **Fiduciary Duty Explained**
- 10:15 AM **Overview of the Legal Framework Governing Defined Benefit Plans in California**
- 10:45 AM **Practical Laws that Trustees Need to Know**
- 11:30 AM **Telling Stories: When Things Go Bad**
- 12:00 PM Lunch
- 1:00 PM **Understand the Basic Benefit Structure**
- 1:45 PM **In-Class Exercise: Learning about Your System**
- 2:30 PM **Disability Retirement Benefit Overview**
- 3:45 PM **In Class Group Exercise: Disability Analyst for a Day**
- 4:15 PM Afternoon Retreat
- 6:30 PM Reception & Dinner

### Wednesday, August 26 – “Actuarial & Investments 101”

- 7:30 AM Breakfast
- 8:30 AM **Understanding Actuarial Valuations**
- 10:00 AM **Setting Actuarial Assumptions**
- 11:00 AM **Understanding Plan Risk**
- 12:00 PM Lunch
- 1:00 PM **The Board as an Asset Allocator**
- 2:30 PM **Basic Portfolio Modeling**
- 3:45 PM **Group Exercise: Investments Case Study**
- 4:30 PM Afternoon Retreat
- 6:30 PM Reception & Dinner

### Thursday, August 27 – “Investments & Governance”

- 7:30 AM Breakfast
- 8:30 AM **Understanding the Manager Selection Process**
- 9:30 AM **Investment Vehicle Types**
- 10:15 AM **Ongoing Due Diligence and Monitoring**
- 11:00 AM **A Day in the Life of Investment Staff**
- 12:00 PM Lunch
- 1:00 PM **Participating on a Policy Focused Board**
- 1:45 PM **Board and Staff Roles**
- 2:15 PM **Habits of an Effective Trustee**
- 3:00 PM **Key Takeaways Review**
- 4:00 PM Adjourn



# 2026 PUBLIC FUNDS FORUM

Montage  
Laguna Beach, California  
September 8-10, 2026

Meeting Date  
**05/06/2026**  
Agenda Item  
**#7c.**

## 2026 Public Funds Forum Sessions Agenda

Tuesday, September 8, 2026

6:00 pm – 6:15 pm:

**Welcome and Opening Remarks**

Speaker: Richard A. Bennett



**Richard A. Bennett**

President & Chief Executive Officer  
ValueEdge Advisors LLC

*[Click here for complete biography](#)*

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6:15 pm – 7:15 pm:

**Session 1: Keynote**

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Wednesday, September 9, 2026

8:00 am – 9:00 am:

**Session 2: The Global Reset: Shifting Sands of International Alliances**

With the upheaval of the post-war international order underway, new political and economic alliances are emerging. U.S. assertions in the Americas. Canada's new alliance of the "middle powers." Resurgence of Japan. What are the implications for the global investor?

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9:00 am – 10:00 am:

**Session 3: American Schism: Scenario Planning for Pension Funds**

Dramatic regulatory changes, political volatility, and the consolidation of authority is creating new rules and evolving risks for domestic investors, as well as energetic pushback. What is the outlook near-term for the capital markets? What alternative scenarios are presented by the midterm elections?

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10:00 am – 10:15 am:

**Networking Break**

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10:15 am – 11:15 am:

**Session 4: The Next Frontier: System-Level Investing**

To maximize returns while minimizing risk, investors need to consider the interplay and interdependencies between their investments, the real economy, and the complex challenges of our environmental, social, and financial systems. System-level investing does just that. How can your pension fund benefit from this new approach?



# 2026 PUBLIC FUNDS FORUM

Montage  
Laguna Beach, California  
September 8-10, 2026

**11:15 am – 12:00 pm:**

**Session 5: Developments in Securities Litigation**

Veteran securities lawyers review emerging trends in protecting fund value through litigation. What your fund should know.

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**12:00 pm – 1:00 pm:**

**Lunch**

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**1:00 pm – 2:00 pm:**

**Session 6: Keynote**

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**2:00 pm – 3:00 pm:**

**Session 7: Minding the Managers: Active Ownership Strategies Beyond Voting**

How to participate and communicate as owners in the capital markets. How to work with and through asset managers and when to engage directly with portfolio companies.

---

**3:00 pm – 4:00 pm:**

**Session 8: In-Depth Breakout Sessions**

- 1: **General Counsel Roundtable** – The evolving role of the pension plan's legal office.
  - 2: **The Art of the Chair** – Seasoned pension chairs share insights on effective governance.
  - 3: **Upsides and Downsides in Private Equity**
-



# 2026 PUBLIC FUNDS FORUM

Montage  
Laguna Beach, California  
September 8-10, 2026

## Thursday, September 10, 2026

**8:00 am – 9:00 am:**

**Session 9: Best Practices in Fund Governance**

Experienced pension leaders share experience in fund management and oversight, including board-executive relations, asset allocation strategies, benefit administration, and legal practices.

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**9:00 am – 9:45 am:**

**Session 10: AI for Investors**

AI's impact across all sectors has led to extraordinary gains, but volatility is increasing as realities settle in. With AI in the driver's seat for much of the market, what are the risk and return scenarios?

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**9:45 am – 10:00 am:**

**Networking Break**

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**10:00 am – 11:00 am:**

**Session 11: Treasurers' Roundtable: Tips and Takeaways**

State Treasurers reflect on topics and key takeaways from the Forum.

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**11:00 am – 12:00 pm:**

**Session 12: Keynote**

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**12:00 pm – 12:10 pm:**

**Closing Remarks**

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**12:30 pm – 5:30 pm:**

**Networking Activities:** Extreme Chef Cook-Off, Whale Watching, Hiking, Electric Bikes

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# 2026 PUBLIC FUNDS FORUM

Montage  
Laguna Beach, California  
September 8-10, 2026

## Payment Method

The registration fee for the Forum is \$1070. The guest fee is \$585.

- Credit Card    Waiver Request\*

**Networking Activity** (please select one of the following):

- Extreme Chef Cook-Off    Whale Watching    Hiking  
 Electric Bikes    None

(An additional fee of \$120 is required to participate in Extreme Chef Cook-Off.

An additional fee of \$80 is required to participate in Whale Watching or Hiking. An additional fee of \$115 is required to participate in Electric Bikes.)

## Hotel Accommodations

A discounted block of rooms has been reserved at the Montage Laguna Beach for \$429 per night (not including applicable fees and taxes). Please [CLICK HERE](#) or contact a Forum representative at (310) 476-8108 and reference "Public Funds Forum" to reserve your room.

\* Upon request and as legally permissible, the registration fee may be waived subject to applicable gift and gratuity limitations. Public officials in certain jurisdictions may accept all or part of Forum benefits free of charge. Public officials are encouraged to contact their ethics officials with questions.

The registration fee includes admission to the conference sessions, educational materials, the Southern California Riviera and California Golden Age dinners, and other meals and refreshments that are integral to the Forum agenda.

For questions regarding the Forum, please contact us at (310) 476-8108 or [info@veaglobalevents.com](mailto:info@veaglobalevents.com).

## Continuing Education

CLE and CPE accreditations are available for attendance at the conference. Please indicate the accreditations, if any, being sought:

- CLE    CPE    None



## AGENDA

The iDAC Global Summit on Talent Maximization convenes senior leaders across investments, banking, consulting, and financial services for a dynamic exchange of ideas, strategies, and action.

This year’s theme, “**E Pluribus Unum (Out of Many, One)**,” reflects a defining moment for the industry—one that calls for more than alignment in vision. It calls for **collective action**.

Building on the momentum of the past year—from the success of the **Manager Showcase** to the impact of the **Talent Collaborative Working Group** and mentorship initiatives—the Summit is where ideas turn into execution. iDAC serves as a catalyst, but meaningful progress depends on the strength and participation of all of you! **This is a moment to engage, contribute, and move forward—together.**

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### Tuesday, September 22, 2026

#### *Arrival + Welcome Reception*

- 3rd Annual iDAC Foundation Charity Golf Tournament
- Evening Welcome Reception

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### Wednesday, September 23, 2026 — Day 1

#### *Setting the Stage: Vision, Progress, and Shared Responsibility*

##### **Morning | The State of Talent Maximization**

- Inspiring keynote to open the Summit
- iDAC mission in action: where is this industry today and where we are going

##### **Midday | Celebrating Impact (Timmy Awards — Part I)**



- Recognition of leaders and organizations driving meaningful progress

#### **Afternoon | From Insight to Application**

- Case studies highlighting real-world approaches and outcomes
- Cohort breakouts designed for deeper discussion and connection
- Opportunities to share strategies, challenges, and solutions across the ecosystem

#### **Evening | Timmy Awards Gala (Part II)**

- Awards Dinner Gala celebrating excellence and leadership across the industry
- An evening dedicated to recognizing those turning intention into impact

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## **Thursday, September 24, 2026 — Day 2**

### ***From Momentum to Movement: Action, Access, and Opportunity***

#### **Morning | Direct Action Opportunities**

- Spotlight on the iDAC Foundation’s work and growing impact
- Updates on the **Talent Collaborative Working Group** and **Fellowship Program**
- Practical ways to engage, mentor, and contribute to the talent pipeline

#### **Afternoon | Scaling Impact Across the Ecosystem**

- Industry force multipliers: how firms, consultants, and partners accelerate change
- **iDAC Annual Meeting**
  - Introduction of new board members
  - Key initiatives and future programming
- Return of the **Manager Showcase** connecting LPs, consultants, and managers

#### **Evening | Connection & Collaboration**

- Manager-hosted dinners and informal networking across the ecosystem



## Timmy Awards — Celebrating Leadership in Action

The Timmy Awards recognize individuals and organizations who are making a measurable impact in expanding access and opportunity across the investment ecosystem.

### 2025 Honorees Include:

- Christopher Williams and Janice Savin Williams, Co-Founder of Siebert Williams Shank
- Martin Nesbitt, Co-CEO of The Vistria Group
- Raymond McGuire, President of Lazard Asset Management
- Delta Air Lines
- Angela Outlaw-Matheny
- Raymone Jackson, President of T. Rowe Price Foundation

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## What to Expect

- Candid, forward-looking conversations
- Real examples of progress and execution
- Curated opportunities for connection across the ecosystem

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## Why Attend

The iDAC Global Summit is not just a forum for discussion—it is a platform for **participation**. Progress depends on the collective engagement of this community—LPs, managers, consultants, and industry partners—working together to shape what comes next.

**Out of many, one. Moving forward, together.**

A more detailed agenda will be provided soon.

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
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12	13	14	15	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/I	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	4	5	6
7	8	9	10	11	12	13
14	15	16	B/A/I	18	H	20
21	22	23	24	25	26	27
28	29	30				

19 - Juneteenth

JULY						
Su	Mo	Tu	We	Th	Fr	Sa
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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
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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
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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
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18	19	20	B	22	23	24
25	26	27	28	29	30	31

NOVEMBER						
Su	Mo	Tu	We	Th	Fr	Sa
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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