AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING	Board Conference Room
June 25, 2025	1200 Concord Avenue, Suite 350
9:00 a.m.	Concord, California

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

1. Pledge of Allegiance.

2. Public Comment (3 minutes/speaker).

3. Approve minutes from the May 21, 2025 meeting.

DISCUSSION ITEMS

4. Presentation from Brown Armstrong on the audit of the December 31, 2024 Annual Comprehensive Financial Report. (Presentation Item)

5 Presentation of investment annual funding plan. (Presentation Item)

6. Report from Audit Committee Chair on June 4, 2025 meeting.

7. Reports. (Presentation item)
   a. Trustee reports on meetings, seminars and conferences.
   b. Staff reports

The next meeting is currently scheduled for July 9, 2025 at 9:00 a.m.

Adjourn

Meeting Date
06/25/2025
Agenda Item
#3

CCCERA
Contra Costa County Employees' Retirement Association

RETIREMENT BOARD MEETING MINUTES

REGULAR MEETING May 21, 2025 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, Jay Kwon, David MacDonald, Dan Mierzwa, John Phillips, Mike Sloan, and Samson Wong

Absent: None

Staff: Christina Dunn, Chief Executive Officer; Erica Grant, Human Resources Manager; Karen Levy, General Counsel; and Tim Price, Chief Investment Officer

Outside Professional Support:	Representing:
Danny Sullivan	Verus
Scott Whalen	Verus

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.

Phillips and Wong were present for subsequent discussion and voting.

3. **Review of total portfolio performance for period ending March 31, 2025**
   a. Sullivan and Whalen presented a review of total portfolio performance for period ending March 31, 2025.

   b. Price presented a review of total portfolio performance for period ending March 31, 2025.

4. <u>**Report from Investment Committee Chair on May 7, 2025 meeting**</u>
MacDonald reported on the May 7, 2025 Investment Committee meeting.

It was the consensus of the Board to move to Closed Session.

CLOSED SESSION

The Board moved into open session and reported the following:

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

Agency designated representative:
Lisa Charbonneau, CCCERA's Chief Negotiator
Unrepresented Employee: Chief Executive Officer

There was no reportable action related to Govt. Code Section 54957.6.

7. The Board continued in closed session pursuant to Govt. Code Section 54956.9(1) to confer with legal counsel regarding pending litigation:

a. *CCCERA, et al. v. Valeant Pharms. Int'l, Inc., et al., United States District Court, New Jersey* (3:17-cv-12088)

There was no reportable action related to Govt. Code Section 54956.9(1).

8. Consider and take possible action to:

a. Approve one of the Board Resolutions 2025-2 setting the compensation of the Chief Executive Officer effective May 1, 2025.

   It was **M/S/C** to approve Board Resolution 2025-2 (additive) setting the compensation of the Chief Executive Officer effective May 1, 2025. (Yes: Andersen, Chebotarev, Gordon, Holcombe, Kroll, MacDonald, Mierzwa, Phillips, and Wong)

b. Approve the Unrepresented Employees Resolution 2025-3, which contains the updated CEO salary that corresponds with the Board Resolution 2025-2 approved in item a.

   It was **M/S/C** to approve the Unrepresented Employees Resolution 2025-3, which contains the updated CEO salary that corresponds with the Board Resolution 2025-2 approved in item a. (Yes: Andersen, Chebotarev, Gordon, Holcombe, Kroll, MacDonald, Mierzwa, Phillips, and Wong)

It was the consensus of the Board to move to Item 5.

5. Reports

a. Trustee reports on meetings, seminars, and conferences – Kroll and Sloan reported out on the SACRS Spring Conference, Rancho Mirage, CA, May 13-16, 2025. MacDonald reported out on the IFEBP Legislative Update, Washington, DC., May 19-20, 2025. Holcombe acknowledged MacDonald on his success with his term as SACRS president.

Andersen was no longer present for subsequent discussion and voting.

b. Staff reports – Dunn reported the go-live date for Sagitec is scheduled for June 27, 2025. She went on to report that all complete March retirements have been put on payroll within 41 days. She thanked the Retirement Services staff for an amazing job and all their hard work.

The next meeting is currently scheduled for June 4, 2025 at 9:00 a.m.

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

____
Scott W. Gordon, Chairperson

____
Jerry R. Holcombe, Secretary

Meeting Date
06/25/2025
Agenda Item
#4

Contra Costa County Employees' Retirement Association
Board of Retirement Presentation
of the December 31, 2024 Audit Results
By: Brooke Baird, CPA
Brown Armstrong Accountancy Corporation
Date: June 25, 2025

1. Audit Committee Correspondence
   a. Purpose of the Audit
   b. The Audit Process
   c. Significant Audit Areas/Scope of Audit Work
   d. Audit Reports
2. Audit Reports
   a. Independent Auditor's Report (opinion) on Financial Statements – unmodified ("clean") opinion
   b. Report to the Board of Retirement and Audit Committee
      i. Required Communication to the Board of Retirement and Audit Committee in Accordance with Professional Standards (SAS 114)
      ii. Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
      iii. Agreed Upon Conditions Report Designed to Increase Efficiency, Internal Controls and/or Financial Reporting
3. Thank Staff
4. Questions and/or Comments?

BROWN ARMSTRONG
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661-324-4971

Meeting Date
06/25/2025
Agenda Item
#4

INDEPENDENT AUDITOR'S REPORT

To the Board of Retirement and Audit Committee of
Contra Costa County Employees' Retirement Association
Concord, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Pension Plan and Other Post-Employment Benefits Trust Statement of Fiduciary Net Position of the Contra County Employees' Retirement Association (CCCERA), a component unit of the County of Contra Costa, California, as of December 31, 2024, and the related Pension Plan and Other Post-Employment Benefits Trust Statement of Changes in Fiduciary Net Position for the year then ended, and the related notes to the financial statements, which collectively comprise CCCERA's basic financial statements as listed in the table of contents.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Pension Plan and Other Post-Employment Benefits Trust of CCCERA as of December 31, 2024, and the changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of CCCERA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CCCERA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CCCERA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CCCERA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) and required supplementary information (RSI), as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the MD&A and RSI in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise CCCERA's basic financial statements. The other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information, as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory, investment, actuarial, and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Summarized Comparative Information

We have previously audited CCCERA's December 31, 2023, financial statements, and our report dated June 12, 2024, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 4, 2025, on our consideration of CCCERA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of CCCERA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CCCERA's internal control over financial reporting and compliance.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
June 4, 2025

Meeting Date
06/25/2025
Agenda Item
#4

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

REPORT TO THE BOARD OF RETIREMENT AND AUDIT COMMITTEE

FOR THE YEAR ENDED DECEMBER 31, 2024

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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REQUIRED COMMUNICATION TO THE BOARD OF RETIREMENT AND AUDIT COMMITTEE IN ACCORDANCE WITH PROFESSIONAL STANDARDS

To the Board of Retirement and Audit Committee of
Contra Costa County Employees' Retirement Association
Concord, California

We have audited the financial statements of Contra Costa County Employees' Retirement Association (CCCERA), a component unit of the County of Contra Costa, California, as of and for the year ended December 31, 2024, and have issued our report dated June 4, 2025. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated December 5, 2024, and in our scope of services dated February 5, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices
Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by CCCERA are described in Note 2, Summary of Significant Accounting Policies, to the financial statements. In 2024 CCCERA implemented Governmental Accounting Standards Board (GASB) Statement 101, *Compensated Absences*. We noted no transactions entered into by CCCERA during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting CCCERA's financial statements were:

- Management's estimates of the fair value of investments which are derived by various methods as explained in the notes to the financial statements. We evaluated the methods, assumptions, and data used to develop the estimates of the fair value of investments in determining that they are reasonable in relation to the financial statements taken as a whole.

- The recommended rates for employer contributions and net pension and net other post-employment benefits (OPEB) liabilities are based on the actuarial valuations including actuarially-presumed interest rate and assumptions which involve estimates of the value of reported amounts and probabilities about the occurrence of future events far into the future. We evaluated the methods, assumptions, and data used to develop the employer contribution amounts and net pension and net OPEB liabilities in determining that they are reasonable in relation to the financial statements taken as a whole.

BAKERSFIELD
4200 Truxtun Avenue, Suite 300
Bakersfield, CA 93309
661-324-4971

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10 River Park Place East, Suite 208
Fresno, CA 93720
559-476-3592

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2423 West March Lane, Suite 202
Stockton, CA 95207
209-451-4833

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- The disclosures for deposits and investments in Note 2 – Summary of Significant Accounting Policies, Note 3 – Deposits and Investment Risk Disclosures, and Note 4 – Fair Value Measurements, respectively, were derived from CCCERA's investment policy. The estimated fair value of investments was derived by various methods as detailed in the notes to the financial statements.

- Additionally, the disclosures related to the net pension and net OPEB liabilities and actuarial methods and assumptions in Note 6 – Net Pension Liability and Note 7 – Other Post-Employment Benefits (OPEB) Liability/(Asset) and Section 115 Trust were derived from actuarial valuations, which involved estimates of the value of report amounts and probabilities about the occurrence of future events.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit
We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements
Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no such misstatements noted as a result of our audit procedures.

Disagreements with Management
For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations
We have requested certain representations from management that are included in the management representation letter dated June 4, 2025.

Management Consultations with Other Independent Accountants
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to CCCERA's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as CCCERA's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters
We applied certain limited procedures to the Management's Discussion and Analysis, Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios, Schedule of Employer Contributions, Schedule of Investment Returns, and Notes to the Required Supplementary Information (RSI), which are RSI that supplements the basic financial statements. Our procedures consisted of inquires of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Schedule of Administrative Expenses, Schedule of Investment Expenses, and Schedule of Payments to Consultants, which accompany the financial statements but are not RSI. With respect to the other supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the methods of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the other supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory, investment, actuarial, and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Board of Retirement, Audit Committee, and management of CCCERA and is not intended to be, and should not be, used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
June 4, 2025

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Retirement and Audit Committee of
Contra Costa County Employees' Retirement Association
Concord, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Contra Costa County Employees' Retirement Association (CCCERA), a component unit of the County of Contra Costa, California, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise CCCERA's basic financial statements, and have issued our report thereon dated June 4, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered CCCERA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CCCERA's internal control. Accordingly, we do not express an opinion on the effectiveness of CCCERA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of CCCERA's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether CCCERA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

BAKERSFIELD
4200 Truxtun Avenue, Suite 300
Bakersfield, CA 93309
661-324-4971

FRESNO
10 River Park Place East, Suite 208
Fresno, CA 93720
559-476-3592

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2423 West March Lane, Suite 202
Stockton, CA 95207
209-451-4833

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of CCCERA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CCCERA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
June 4, 2025

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AGREED UPON CONDITIONS REPORT DESIGNED TO INCREASE EFFICIENCY, INTERNAL CONTROLS, AND/OR FINANCIAL REPORTING

To the Board of Retirement and Audit Committee of
Contra Costa County Employees' Retirement Association
Concord, California

In planning and performing our audit of the financial statements of CCCERA, we considered its internal control structure over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CCCERA's internal control. Accordingly, we do not express an opinion on the effectiveness of CCCERA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the CCCERA's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we considered to be material weaknesses. However, material weaknesses may exist that have not been identified.

During our audit, we became aware of certain matters, listed as Agreed Upon Conditions that are opportunities for strengthening internal controls and operating efficiencies. The recommendations that are listed in this report summarize the conditions and suggestions regarding these matters.

We will review the status of these matters during our next audit engagement. We have already discussed these matters and suggestions with various personnel, and we will be pleased to discuss these in further detail at your convenience, to perform any additional study on the matters, or to assist you with implementation of the recommendations.

This communication is intended solely for the information and use of the Board of Retirement, Audit Committee, and management of CCCERA and is not intended to be, and should not be, used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
June 4, 2025

BAKERSFIELD
4200 Truxtun Avenue, Suite 300
Bakersfield, CA 93309
661-324-4971

FRESNO
10 River Park Place East, Suite 208
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559-476-3592

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CURRENT YEAR AGREED UPON CONDITIONS AND RECOMMENDATIONS

Agreed Upon Condition 1 – Incorrect Contribution Data in Participant Accounts

During our review of retired participant accounts, we observed that, in one instance out of the forty samples tested, the cost-of-living adjustment (COLA) was not accurately calculated in accordance with the participant's retirement date.

Recommendation

We recommend implementing additional review procedures to ensure that COLA calculations are consistently applied based on each participant's retirement date. This may include periodic audits, enhanced training for staff responsible for benefit calculations, and the use of automated system checks to identify discrepancies promptly.

Management Response

Management agrees with the recommendation and has implemented additional review procedures regarding the initial COLA calculations. Management has corrected the one retired participant identified and reviewed all retired participants. Additionally, the COLA functionality is being tested and reviewed with the new pension system vendor to ensure the automated processing of COLAs is accurate.

Meeting Date
06/25/2025
Agenda Item
#4

BUILDING TRUSTED SYSTEMS

Prudent Strategy for a Connected Future

CELEBRATING 80 YEARS

CCCERA

Contra Costa County Employees' Retirement Association

A Pension Trust Fund and Component Unit Serving the County of Contra Costa California and Participating Employers

CONCORD, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2024

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BUILDING TRUSTED SYSTEMS

Prudent Strategy for a Connected Future

Annual Comprehensive Financial Report
for the Year Ended December 31, 2024

Issued by:
Christina Dunn
Chief Executive Officer

Henry J. Gudino, CPA
Accounting Manager

Contra Costa County Employees' Retirement Association
1200 Concord Avenue, Suite 300
Concord, California 94520
www.cccera.gov

CCCERA
Contra Costa County Employees' Retirement Association

A Pension Trust Fund and Component Unit Serving the
County of Contra Costa California and Participating Employers

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Annual Comprehensive Financial Report for the Year Ended December 31, 2024

INVESTMENT SECTION 69

ACTUARIAL SECTION 83

STATISTICAL SECTION 107

CCCERA's mission is to effectively and accurately administer pension benefits earned by our members and to be prudent stewards of plan assets.


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CALIFORNIA
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CULTURE

INTRODUCTORY 7

Letter of Transmittal

Chief Executive Officer

CHRISTINA DUNN

June 4, 2025

Board of Retirement
Contra Costa County Employees' Retirement Association
1200 Concord Avenue, Suite 300
Concord, CA 94520-5728

Dear Board Members and Plan Participants:

As Chief Executive Officer, along with the Contra Costa County Employees' Retirement Association (CCCERA) team, I am honored to present CCCERA's *Annual Comprehensive Financial Report (ACFR) for the Year Ended December 31, 2024*, on the eve of it's 80th anniversary year of operation. This report is created annually and presents a detailed overview of CCCERA's financial, investment, and actuarial-related results for the year.

CCCERA is a public employee retirement system that was established by the County of Contra Costa (the County) on July 1, 1945, and is administered by the Board of Retirement (Board). CCCERA provides service retirement, disability, death, and survivor benefits for over 25,000 members employed by the County and 15 other participating agencies. CCCERA is an independent government entity, separate from Contra Costa County.

CCCERA is governed by the California Constitution, the County Employees Retirement Law of 1937 (CERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures, and policies adopted by CCCERA's Board of Retirement. The Contra Costa County Board of Supervisors may also adopt resolutions, as permitted by CERL, which may affect benefits of CCCERA members.

The twelve-member Board of Retirement is responsible for the general management of CCCERA. Of the twelve members, three are alternates, one for the appointed members, one for safety, and one for retirees. Five board members are appointed by the Contra Costa County Board of Supervisors, one as an alternate. Four board members, including the safety alternate, are elected by CCCERA's active membership. Two board members are elected by the retirees, one as an alternate. The County Treasurer serves as an ex-officio member. Board members, with the exception of the County Treasurer, serve three-year terms in office, with no term limits.

PARTICIPATING AGENCIES

Currently, CCCERA has 16 participating agencies which include:

- County of Contra Costa
- Bethel Island Municipal Improvement District
- Byron-Brentwood-Knightsen Union Cemetery District
- Central Contra Costa Sanitary District
- Contra Costa County Employees' Retirement Association
- Contra Costa County Fire Protection District
- Contra Costa Mosquito and Vector Control District
- First 5 – Contra Costa Children & Families Commission
- Housing Authority of the County of Contra Costa
- In-Home Supportive Services Public Authority (IHSS)
- Local Agency Formation Commission (LAFCO)
- Moraga-Orinda Fire Protection District
- Rodeo-Hercules Fire Protection District
- Rodeo Sanitary District
- San Ramon Valley Fire Protection District
- Superior Court of California, County of Contra Costa

REPORT CONTENTS

CCCERA's management is responsible for both the accuracy of the data and the completeness and fairness of the presentation of financial information within this ACFR, including all disclosures. The ACFR is divided into five sections:

The **Introductory** section includes a description of CCCERA's management and organizational structure, a letter of transmittal, a listing of the members of the Board, and a listing of professional consultants.

The **Financial** section presents the financial condition and funding status of CCCERA. This section contains the opinion of the independent certified public accountants, Brown Armstrong Accountancy Corporation, Management's Discussion and Analysis of CCCERA's financial activities, the financial statements, and the related supplementary financial information.

The **Investment** section provides an overview of CCCERA's investment program. This section contains reports on investment activity, investment policies, investment results, and various investment schedules, charts, and graphs.

The **Actuarial** section communicates CCCERA's funding status and presents other actuarial related information including Other Post-Employment Benefits (OPEB). This section contains the certification of the consulting actuary, Segal Consulting, actuarial statistics, and general plan provisions.

The **Statistical** section presents information on CCCERA's operations on a multi-year basis.

FINANCIAL INFORMATION

This report has been prepared in accordance with generally accepted accounting principles (GAAP) in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB). GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. CCCERA's MD&A can be found immediately following the independent auditor's report.

CCCERA management is responsible for establishing and maintaining an internal control structure designed to ensure CCCERA's assets are protected from loss, theft, or misuse. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. Reasonable assurance recognizes the cost of a control relative to the benefits likely to be derived and that these judgments by management are based on estimates. Responsibility for the accuracy, completeness, fair representation of information and all disclosures rests with CCCERA's management. The accounting firm of Brown Armstrong Accountancy Corporation, a certified public accounting firm, provides financial statement independent audit services to CCCERA. The financial audit provides reasonable assurance that CCCERA's financial statements are presented in conformity with GAAP and are free from material misstatement.

ACTUARIAL FUNDING STATUS

CCCERA contracts with an independent actuarial consulting firm, Segal Consulting, to act as the pension plan's actuary and conduct annual actuarial valuations, which are presented to the Board annually. On a triennial basis, the actuary also conducts an experience study of the members of CCCERA and makes recommendations to the Board on all economic and non-economic assumptions. The most recent triennial experience study is for the three-year period ended December 31, 2023, which will be used in the preparation of the December 31, 2024 valuation report anticipated to be completed by August 2025.

CCCERA's funding objective is to meet long-term defined benefit obligations through contributions and investment income. Funds are derived from the excess of additions, which include contributions and investment earnings, over deductions, which are comprised of benefits and administrative expenses. Funds are accumulated to meet future benefit obligations to retirees and beneficiaries.

Segal Consulting's most recent actuarial valuation as of December 31, 2023, determined the actuarial accrued liability funding ratio to be 91.0%, a decrease of 0.2% over the prior year, using approved assumptions. This ratio compares the valuation value of assets of the pension plan to the actuarial accrued liabilities of the pension plan. For a more in-depth review of the funding of the pension plan, please refer to the actuarial section of this report on page 83.

For fiscal years ending December 31, 2024, and 2023, CCCERA, as an employer for its staff, contracted with Milliman Inc. to prepare a biennial full and roll-forward actuarial valuation of Other Post-Employment Benefits (OPEB) liabilities in accordance with GASB Statement Nos. 74 and 75, including the creation in 2018 of an IRS Section 115 Trust for prefunding purposes. More information about OPEB liabilities and funding of the trust may be found in *Note 7, Other Post-Employment Benefits (OPEB) Liability and Section 115 Trust* and in the actuarial section of this report.

INVESTMENTS

The Board maintains exclusive control of all retirement system investments and is responsible for establishing investment objectives, strategies, and policies. The California Constitution and Government Code Sections 31594 and 31595 authorize the Board to invest in any investment deemed prudent in the Board's opinion.

The Board has adopted an Investment Policy Statement, which provides the framework for the management of CCCERA's investments. This policy establishes CCCERA's investment objectives and defines the principal duties of the Board, custodian bank, and investment managers. The asset allocation is an integral part of the Investment Policy Statement and is designed to provide an optimum mix of asset classes with return expectations that reflect expected liabilities. Within the Investment Section of this report, a summary of the asset allocation can be found on page 73, along with schedules of investment management fees and brokerage commissions on pages page 78 and 79.

On a fair value basis, the total net position-restricted for benefits increased from $10.8 billion at December 31, 2023, to $11.6 billion at December 31, 2024. For the year ended December 31, 2024, CCCERA's investment portfolio returned 8.3%, net of investment management fees, reflecting market conditions throughout the year. CCCERA's annualized rate of return was 1.8% over the last three years, 5.6% over the last five years, and 6.2% over the last 10 years, net of investment expenses.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

2025–2028 Strategic Plan

The strategic plan for 2025–2028 was launched in October 2024 and defines the direction of the organization and unifies stakeholders in CCCERA's mission to effectively and accurately administer pension benefits earned by our members and to be prudent stewards of plan assets.

The strategic plan was developed through an extensive and inclusive process of review, surveying, discussion, and collaboration among CCCERA's Trustees, members, staff, and participating employers and resulted in an organizational Vision Statement and five strategic themes.

Vision Statement: Our vision is to remain a trusted retirement partner by providing high-quality service to our members, their beneficiaries, and our participating employers, while being the model for pension fund excellence.

Themes

- ***Member and Employer Service***—Increase communication, training, and information access to members and employers.
- ***Investments***—Review and adjust the asset allocation annually based on the funding level, the plan maturity, the historical market conditions, and the risk tolerance of all stakeholders.
- ***Technology***—Implement the new secure pension software system, as well as automated workflows, and portals with strong cyber security.
- ***Governance***—Maintain a strong governance framework with prudent oversight, appropriate delegation, monitoring, transparency and accountability.
- Attract and retain highly qualified employees who strive to make an impact in their community through CCCERA's mission and vision.

Pension Administration System Project

CCCERA strives to provide excellent customer service, operate the pension plan in an efficient and cost-effective manner, and to maintain member data safely and accurately. To accomplish these principles, a contract for a pension administration system that is capable of workflow solutions and member and employer-facing web portals was awarded to Sagitec Solutions LLP in April 2021. During 2022, thorough and lengthy design sessions were conducted with staff members to discuss and design the new pension administration system to operate efficiently and provide the excellent customer service CCCERA strives for. Members and participating employers received information related to the upcoming system and the pilot employers began testing contribution reporting designs. Testing of the newly designed functionality by CCCERA staff members began in April 2023 and continued through 2025.

Investment Portfolio Management

As an integral part of the investment policy, CCCERA has an internally developed portfolio construction methodology, known as the Functionally Focused Portfolio (FFP), to assign portfolio allocations according to strategic priorities as defined by the Board. The FFP was approved by the Board in 2016 and was rolled out in phases over approximately three years. The FFP consists of three sub-portfolios, Liquidity, Growth, and Risk Diversifying, and is designed to first accomplish CCCERA's primary function, paying for 2–3 years of pension benefits. CCCERA then allocates the bulk of the assets into a globally diversified growth sub-portfolio of stocks, real estate, and alternative asset strategies and the remaining into risk diversified investments.

Streamlined Retirement Application and Calculation Process

CCCERA redesigned its retirement application and calculation process to reduce the time that new retirees wait to receive their first benefit payment. With the new process, CCCERA commits that retirees who submit completed retirement applications and documentation, will receive their first benefit payment within 75 days of their last employer paycheck. In 2024 the average processing time for a retiree to receive their first benefit payment was approximately 43 days after their last employer paycheck.

Internal Audit Function

CCCERA enhanced its internal audit function through hiring a full time Internal Auditor, establishing an Internal Audit Charter, developing internal and employer audit plans, and conducting a comprehensive risk assessment. Risk considerations include, but are not limited to, maintaining accurate and reliable financial records, protecting member privacy, preventing fraud, safeguarding pension assets, and ensuring accurate employer reporting. Internal Audit enhances CCCERA's overall transparency and accountability to accomplish our mission to protect member assets.

Service Accomplishments

CCCERA continues to fulfill its mission to administer pension benefits earned by our members and to be prudent stewards of plan assets. It is imperative that CCCERA continue to conduct essential operations. To that end, here is an update regarding how some of the primary functions performed in 2024:

- Approximately 7,000 payees located in Contra Costa County and nearby communities were paid almost $30 million each month through member earned benefit payments.
- CCCERA processed monthly retirement payrolls equaling approximately $50 million to 11,000 payees throughout the world.
- Member Communication: CCCERA responded to over 16,000 phone calls, over 2,400 email inquiries, sent over 4,200 member letters, and distributed over 70,000 newsletters during the year.
- Conducted 22 member presentations with over 1,200 attendees educating members on CCCERA pension benefits including the retirement application process, enrolling in CCCERA, completing retirement service purchases, and establishing reciprocal benefits.
- Enrolled over 1,300 members into the CCCERA retirement benefits plan.
- Migrated CCCERA's online and email presence from .org to .gov to indicate that CCCERA is a trusted government agency.
- Conducted CCCERA's inaugural comprehensive employer workshop on-site for over 50 participating employer representatives.
- Employer Payroll Information: Participating employers submit demographic and payroll information via a secure web portal. For 2024 CCCERA processed over 100,000 member record updates including over $500 million in retirement contribution payments.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to CCCERA for its Annual Comprehensive Financial Report for the year ended December 31, 2023. This was the 24th consecutive year that CCCERA has received this award. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, the contents of which meet or exceed program standards. The Annual Comprehensive Financial Report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement program requirements, and it is being submitted to the GFOA to determine its eligibility for another certificate.

CCCERA is a recipient also of the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) for the year ended December 31, 2023. This marks the 15th consecutive year to receive this honor.

CCCERA was awarded the Public Pension Coordinating Council's (PPCC) Public Pension Standards Award in 2024. The Public Pension Standards are intended to reflect minimum expectations for public retirement system management and administration, and to serve as a benchmark by which all defined benefit public plans should be measured.

Acknowledgements

The compilation of this report would not be possible without the skill, effort, and dedication of the entire CCCERA team. We would like to express our gratitude to the CCCERA Board of Retirement and staff, as well as our professional service partners, who work each day to ensure our members are provided with the highest level of service. This report is intended to provide complete and reliable information as the basis for making management decisions, as a means of determining compliance with legal provisions, and as a means of determining responsible stewardship of the funds of CCCERA.

Thank you to our participating agencies and members for placing your trust in CCCERA.

Respectfully submitted,

Christina Dunn
Chief Executive Officer

Henry Gudino, CPA
Accounting Manager

Retirement Board

(As of December 31, 2024)

Chairperson

SCOTT W. GORDON

Term Expires June 30, 2025
Appointed by Board of Supervisors

Vice-Chairperson

DAVID J. MACDONALD

Term Expires June 30, 2025
Elected by General Members

Secretary

JERRY R. HOLCOMBE

Term Expires June 30, 2026
Appointed by Board of Supervisors

County Treasurer

DAN MIERZWA

Ex Officio by Statute

CANDACE ANDERSEN

Term Expires June 30, 2026
Appointed by Board of Supervisors

JOHN B. PHILLIPS

Term Expires June 30, 2026
Appointed by Board of Supervisors

JAY KWON

Term Expires June 30, 2026
Appointed by Board of Supervisors

LOUIE KROLL

Term Expires June 30, 2025
Elected by Retirees

MIKE SLOAN

Term Expires June 30, 2025
Elected by Retirees

DONNIE FINLEY

Term Expires June 30, 2026
Elected by Safety Members

SAMSON WONG

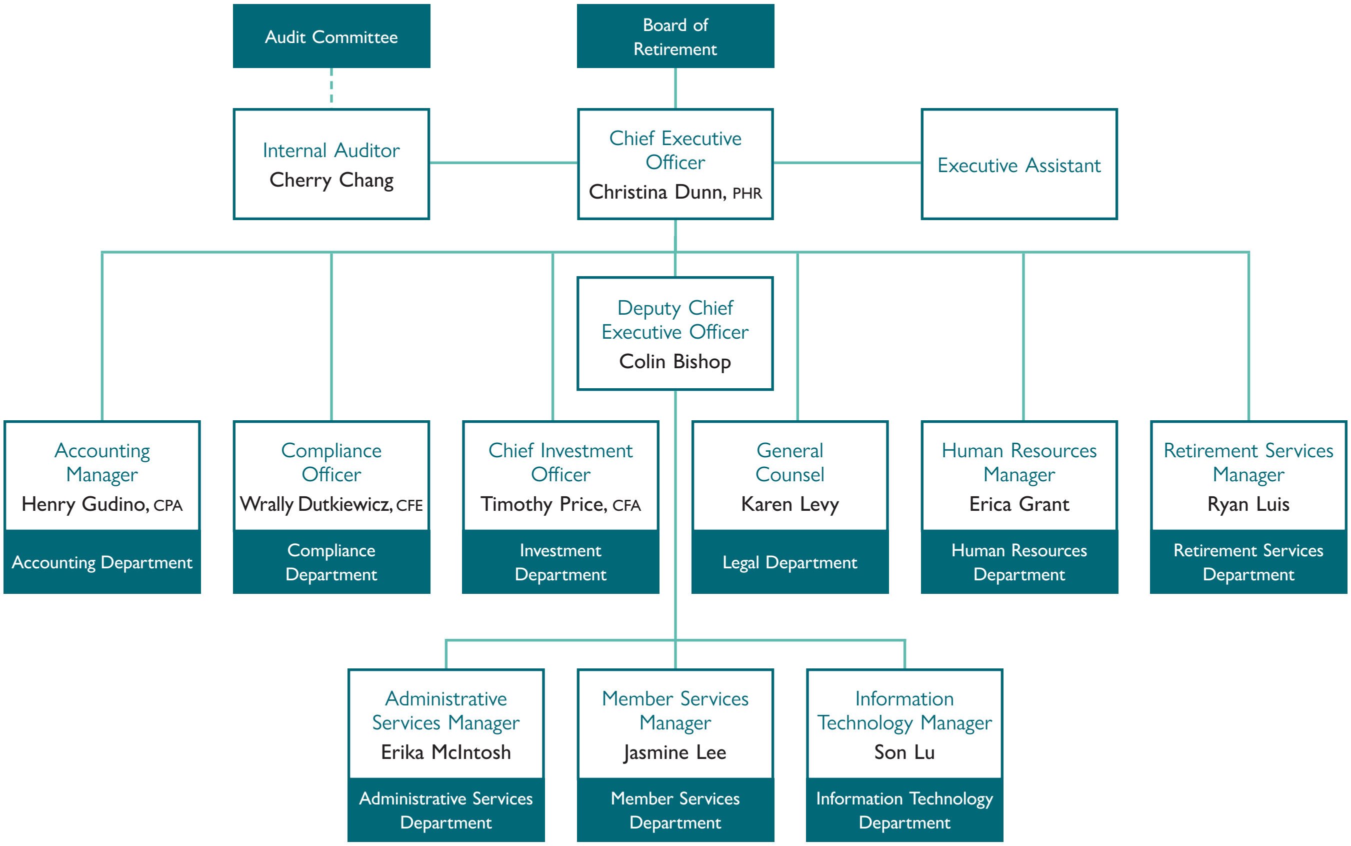
Term Expires June 30, 2026
Elected by Safety Members

DENNIS CHEBOTAREV

Term Expires June 30, 2026
Elected by General Members

Administrative Organization Chart

(As of December 31, 2024)



Professional Consultants

(As of December 31, 2024)

Actuarial Services
Segal Consulting
Milliman Inc.

Independent Auditor
Brown Armstrong Accountancy Corporation

Fiduciary & Investment Counsel
Reed Smith, LLP
Nossaman, LLP
DLA Piper, LLP
Foley & Lardner, LLP

General & Tax Counsel
Ice Miller, LLP

Disability Counsel
Law Offices of Vivian Shultz

Labor Relations Counsel
Aleshire & Wynder, LLP

Investment Consultants
Verus Investments
Stepstone Investments

Master Custodian
The Northern Trust Company

Fiscal Agent
Mechanics Bank

Pension Administration
Segal Consulting
ICON Integration and Design
Sagitec Solutions
CPAS

Note: Please refer to the Investment Section of this report for a list of *Investment Managers* located on page 76 and *Schedules of Investment Management Fees* and *Brokerage Commissions* located on pages 78 and 79. In addition, refer to *Other Supplementary Information* in this report for a *Schedule of Payments to Consultants* on page 67.

GFOA Certificate of Achievement Award

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Contra Costa County
Employees' Retirement Association
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morrill

Executive Director/CEO

PPCC Public Pension Standards Award

Public Pension Coordinating Council

Public Pension Standards Award
For Funding and Administration
_2024_

Presented to

Contra Costa County Employees' Retirement Association

In recognition of meeting professional standards for
plan funding and administration as
set forth in the Public Pension Standards.

Presented by the Public Pension Coordinating Council, a confederation of

National Association of State Retirement Administrators (NASRA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)

Alan H. Winkle
Program Administrator


FINANCIAL 19

Independent Auditor's Report

BROWN ARMSTRONG
CERTIFIED PUBLIC ACCOUNTANTS

www.ba.cpa
661-324-4971

INDEPENDENT AUDITOR'S REPORT

To the Board of Retirement and Audit Committee of
Contra Costa County Employees' Retirement Association
Concord, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Pension Plan and Other Post-Employment Benefits Trust Statement of Fiduciary Net Position of the Contra County Employees' Retirement Association (CCCERA), a component unit of the County of Contra Costa, California, as of December 31, 2024, and the related Pension Plan and Other Post-Employment Benefits Trust Statement of Changes in Fiduciary Net Position for the year then ended, and the related notes to the financial statements, which collectively comprise CCCERA's basic financial statements as listed in the table of contents.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Pension Plan and Other Post-Employment Benefits Trust of CCCERA as of December 31, 2024, and the changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of CCCERA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CCCERA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

BAKERSFIELD
4200 Truxtun Avenue, Suite 300
Bakersfield, CA 93309
661-324-4971

FRESNO
10 River Park Place East, Suite 208
Fresno, CA 93720
559-476-3592

STOCKTON
2423 West March Lane, Suite 202
Stockton, CA 95207
209-451-4833

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CCCERA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CCCERA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) and required supplementary information (RSI), as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the MD&A and RSI in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise CCCERA's basic financial statements. The other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information, as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory, investment, actuarial, and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Summarized Comparative Information

We have previously audited CCCERA's December 31, 2023, financial statements, and our report dated June 12, 2024, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 4, 2025, on our consideration of CCCERA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of CCCERA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CCCERA's internal control over financial reporting and compliance.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
June 4, 2025

Management's Discussion and Analysis

December 31, 2024, and 2023

As management of the Contra Costa County Employees' Retirement Association (CCCERA), we offer readers of CCCERA's financial statements this discussion and analysis (MD&A) of the financial position and results of operation for the years ended December 31, 2024, and 2023. The information presented here, in conjunction with the *Notes to the Financial Statements* beginning on page 34, provide a clear picture of CCCERA's overall financial status and activities.

Financial Highlights—Pension Plan

- The Net Position—Restricted for Benefits, as reported in the *Statement of Fiduciary Net Position*, totaled $11.6 billion and $10.8 billion at the close of December 31, 2024, and 2023, respectively. All of the net position is available to meet CCCERA's ongoing obligations to plan participants and their beneficiaries.
- CCCERA's total Net Position—Restricted for Benefits increased by $811.6 million, or 7.5%, and increased $755.2 million, or 7.5%, as of December 31, 2024, and 2023, respectively. Although there were increases in both plan member and employer contributions in both years, the majority increase in 2024 over 2023 is primarily due to positive investment earnings in 2024.
- Total Additions, as reflected in the *Statement of Changes in Fiduciary Net Position*, for the years ended December 31, 2024, and 2023 was $1,468.0 million and $1,389.0 million, respectively. This includes employer and plan member contributions of $530.1 million, investment income of $936.9 million, and net securities lending income of $1.0 million for 2024, along with employer and plan member contributions of $505.2 million, investment income of $882.6 million, and net securities lending income of $1.2 million for 2023. The 5.7% increase in additions to net position over the prior year is attributed to net investment earnings for the year.
- Total Deductions, as reflected in the *Statement of Changes in Fiduciary Net Position*, totaled $656.4 million for the year ended December 31, 2024, an increase of $22.6 million over the previous year ended December 31, 2023, or approximately 3.6%, are mainly attributed to the increase in retiree payroll. Benefits paid to retirees and beneficiaries increased from $594.5 million in 2023 to $620.9 million in 2024, or approximately 4.4%. This increase can be attributed to an increase in new retirees added to the plan and an annual cost-of-living (COLA) increase.
- CCCERA's funding objective is to meet long-term benefit obligations through contributions and investment income. As of December 31, 2023, the date of CCCERA's latest available actuarial pension plan valuation prepared by Segal Consulting, the funded status for CCCERA

(the ratio of the valuation value of assets to the actuarial liabilities) was 91.0%, compared to 91.2% in the previous year. The decrease in the funding ratio is due to investment earnings less than expected as well as salary increases and COLA increases in excess of the assumed rate.

- The total investment portfolio finished 2024 with a positive return, net of investment management fees, of 8.3% as compared to a positive return, net of investment management fees of 9.0% in 2023.
- Based on the Governmental Accounting Standards Board (GASB) Statement No. 67, CCCERA has a net pension liability of $1.30 billion and $1.60 billion as of December 31, 2024, and 2023, respectively. The plan fiduciary net position as a percentage of the total pension liability is 90.0% and 87.1% as of December 31, 2024, and 2023, respectively. The net pension liability as a percentage of covered payroll is 108.3% and 145.8% as of December 31, 2024, and 2023, respectively. Refer to *Note 6, Net Pension Liability* on page 46, and *Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios* in the *Required Supplementary Information* section on page 60 for more information.

Other Post-Employment Benefits (OPEB) Trust

- The OPEB Trust Net Position—Restricted for Benefits, as reported in the *Statement of Fiduciary Position* and in the *Statement of Changes in Fiduciary Net Position*, was implemented in 2018 as a result of GASB Statement Nos. 74 and 75 reporting requirements. The OPEB Trust net position of $5.4 million as of December 31, 2024, represents accumulated employer contributions and investments, net of OPEB Trust benefit related expenses, which are separate from CCCERA's pension plan.
- The total OPEB liability, as calculated by CCCERA's OPEB Trust actuary Milliman Inc., was $6.3 million as of the December 31, 2024, biennial full valuation report. The OPEB Trust net position of $5.4 million offsets the total OPEB liability resulting in a net OPEB liability of $0.9 million which is reported as part of CCCERA's pension plan other liabilities. Refer to *Note 7, Other Post-Employment Benefits (OPEB) Liability/(Asset) and Section 115 Trust* on page 48 for more information.

Overview of the Financial Statements

This Management's Discussion and Analysis is intended to serve as an introduction to CCCERA's financial statements, which are comprised of these components:

1. *Statement of Fiduciary Net Position*
2. *Statement of Changes in Fiduciary Net Position*
3. *Notes to the Financial Statements*
4. *Required Supplementary Information and related Notes*
5. *Other Supplementary Information*

Please note, however, that this report also contains clarifying information to supplement the basic financial statements listed above.

The implementation of GASB 67 in 2014 increased the number of schedules in the *Required Supplementary Information* section. These new schedules provide a spectrum of financial information, including a pension liability measurement and changes to the liability, historical contributions, money-weighted investment return and additional actuarial related disclosures.

In 2018, CCCERA implemented GASB 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, and GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

GASB 74 revises existing guidance for OPEB plans and benefits provided to employees subsequent to their retirement. GASB 74 addresses the financial report of defined benefit OPEB plans administered through trusts that meet specified criteria. The rule requires a statement of fiduciary net position, as well as a statement of changes in fiduciary net position.

GASB 75 requires plan sponsors to report a liability on the face of the financial statements for the OPEB that they provide. In addition, plan sponsors that are responsible only for OPEB liabilities related to their own employees and that provide OPEB through a defined benefit OPEB plan administered through a trust that meets specified criteria will report a net OPEB liability, the difference between the total OPEB liability and assets accumulated and held in trust restricted to making benefit payments.

Similar to GASB 67, the implementation of GASB 74 and GASB 75 also requires additional note disclosures and required supplementary information related to the measurement of the OPEB liabilities for which assets have been accumulated, changes in the liability, contributions, investment return and additional actuarial related disclosures.

The Statement of Fiduciary Net Position is a snapshot of account balances at year-end. It discloses the assets and deferred outflows of resources available for future payments to retirees and their beneficiaries and any current liabilities and deferred inflows of resources that are owed as of year-end. The net position, which is the assets and deferred outflows of resources less liabilities and deferred inflows of resources, reflects the funds available for future use. CCCERA established an irrevocable Other Post-Employment Benefit Trust in 2018. The purpose of this fund is for CCCERA, as an employer, to set aside assets to offset the OPEB retiree health care liability. The OPEB Trust is presented separately in the OPEB Trust's column on the *Statement of Fiduciary Net Position*.

The Statement of Changes in Fiduciary Net Position provides a view of all the activities that occurred during the fiscal year and shows the impact of those activities as additions to and deductions from the pension plan and the OPEB Trust.

Both financial statements and the required disclosures are in compliance with the accounting principles and reporting guidelines as set forth by GASB, using the accrual basis of accounting. CCCERA complies with all material requirements of these principles and guidelines.

The *Statement of Fiduciary Net Position* and the *Statement of Changes in Fiduciary Net Position* report information about CCCERA's activities. These statements include all assets and liabilities, deferred inflows, and deferred outflows, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are recognized when they are earned and incurred, regardless of when cash is received or paid. All investment purchases and sales are reported as of the trade date, not the settlement date. Investments are reported at current fair value. Both realized and unrealized investment gains and losses are recognized. Each component of capital assets is depreciated over its useful life.

These two statements report CCCERA's net position-restricted for benefits and is one way to measure the pension plan's financial position. Over time, increases and decreases in CCCERA's net position are indicators of whether its financial position is improving or deteriorating. Other factors, such as market conditions, should be considered in measuring CCCERA's overall financial position. The increase in CCCERA's fiduciary net position for the year ended December 31, 2024, was 7.5%. This increase is due primarily to positive investment returns generated, combined with greater employer and member contributions received. CCCERA's total portfolio return was 8.3%, net of investment manager fees, for the year ending December 31, 2024. CCCERA's *Statement of Fiduciary Net Position* and *Statement of Changes in Fiduciary Net Position* appear on pages 32–33.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes provide detailed discussion of key policies, programs, and activities that occurred during the year. Asset allocation, the long-term expected rate of return, discount rate, key actuarial assumptions, and the *Schedule of Net Pension Liability* based on GASB 67, and for OPEB based on GASB 74, are also included in this section. *Notes to the Financial Statements* appear on pages 34–59.

Required Supplementary Information follows the notes and includes several additional GASB 67 schedules. The *Net Pension Liability* in the notes section, together with the *Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios*, provides an up-to-date financial indication of the extent to which the total pension liability is covered by the fiduciary net position of the pension plan. This information will improve the financial statements users' ability to compare the total pension liability for similar types of pension plans. Please note that liabilities on these schedules are calculated solely for financial reporting purposes and are not intended to provide information about the funding of CCCERA's benefits.

Another schedule, the *Schedule of Employer Contributions*, helps the reader determine if plan sponsors are meeting the actuarially determined contributions over a period of time.

The *Schedule of Investment Returns* includes a money-weighted return performance calculation which is net of investment expenses. These schedules, as well as *Notes to the Required Supplementary Information*, appear on pages 60–64.

The *Schedule of Funding Progress* for funding purposes is presented in the Actuarial section on page 87.

Other Supplementary Information includes the *Schedule of Administrative Expenses*, *Schedule of Investment Expenses*, and *Schedule of Payments to Consultants*. It appears on pages 65–67.

Pension Plan Financial Analysis

As of December 31, 2024, CCCERA has $11.6 billion in net position-restricted for benefits, which means that assets and deferred outflows of resources totaling $12.2 billion exceeded liabilities and deferred inflows of resources totaling $0.6 billion. As of December 31, 2023, CCCERA's net position-restricted for benefits totaled $10.8 billion. The net position-restricted for benefits is available to meet CCCERA's ongoing obligation to plan participants and their beneficiaries.

As of December 31, 2024, the net position-restricted for benefits increased by 7.5% over 2023, primarily due to an increase in the fair value of investments combined with increases in plan member and employer contributions. Current assets and current liabilities also changed by offsetting amounts due to recording of securities lending cash collateral.

Despite market volatility domestically and abroad, coupled with sharply higher interest rate environments, and competitive retirement benefits, CCCERA remains in a good financial position to meet its obligations to plan participants and beneficiaries.

Capital Assets—Capital assets with an initial cost of more than $10,000 and an estimated useful life in excess of three years may be capitalized and depreciated/amortized. Depreciation and amortization is calculated using the straight-line method over the estimated useful lives of the assets. CCCERA's capital assets, net of accumulated depreciation and amortization, increased from $5.2 million as of December 31, 2023, to $6.5 million as of December 31, 2024. The investment in capital assets includes servers, equipment, furniture, leasehold improvements, including intangible assets under development for a pension administration system. The overall increase in CCCERA's capital assets from 2023 to 2024 was 25.1% primarily due to development-in-progress costs for a new pension administration system anticipated to implement in late fiscal year 2025, offset by normal depreciation and amortization of capitalized assets over remaining useful life.

CCCERA follows Government Code Section 31580.3, which allows expensing of software, hardware, and technology support services used in the administration of the existing pension retirement system including project oversight consulting for the new pension administration system. During 2024 and 2023, CCCERA expensed $1.56 million and $1.57 million of software, hardware,

Pension Plan Fiduciary Net Position Restricted for Benefits

As of December 31, 2024, and 2023
(Dollars in Thousands)

	2024	2023	Amount Increase/(Decrease)	Percent Increase/(Decrease)
Assets				
Current and Other Assets	$1,248,337	$779,987	$468,350	60.0%
Investments at Fair Value	10,935,210	10,519,893	415,317	3.9%
Capital Assets	6,497	5,195	1,302	25.1%
Total Assets	12,190,044	11,305,075	884,969	7.8%
Deferred Outflows of Resources—OPEB	1,568	363	1,205	332.0%
Liabilities				
Current Liabilities	569,741	495,027	74,714	15.1%
Total Liabilities	569,741	495,027	74,714	15.1%
Deferred Inflows of Resources—OPEB	1,445	1,553	100	9.2%
Net Position—Restricted for Benefits	**$11,620,426**	**$10,808,858**	**$811,568**	**7.5%**

and computer technology project consulting services, respectively.

CCCERA has annual pension plan funding valuations completed by its independent actuary, Segal Consulting. The purpose of the funding valuation is to determine the future contributions by the members and employers needed to provide for the prescribed benefits. The funding valuation takes into account CCCERA's policy to smooth the impact of market volatility by spreading each year's investment gains or losses over five years. Despite variations in the stock market, CCCERA's management and actuary concur that CCCERA remains in a financial position that will enable the plan to meet its obligations to participants and beneficiaries. CCCERA remains focused on the long-term performance of the fund, dependent on a strong and successful investment program, risk management, and strategic planning. CCCERA's latest funding Actuarial Valuation is as of December 31, 2023, and the funding Actuarial Valuation as of December 31, 2024, is in-progress anticipated for completion by August 2025.

Reserves—Pension plans establish reserves for various anticipated liabilities. CCCERA's reserves have been established to account for the accumulation of employer and employee contributions, the amounts available to meet the obligation of retired members as well as other items. A complete listing of CCCERA's reserves and corresponding balances for December 31, 2024, are presented in *Note 10, Reserves and Designations.*

CCCERA Pension Plan Activities

Additions to Fiduciary Net Position—The primary sources of funding for CCCERA member benefits are employer contributions, plan member contributions, and net investment income. Total additions to the pension plan fiduciary net position for the years ended December 31, 2024, and 2023, were $1,468.0 million and $1,389.0 million, respectively. The increase in the current year is primarily due to positive investment gains earned similar to previous year. The net investment income, before securities lending, for the years ended December 31, 2024, and 2023 totaled $936.9 million and $882.5 million,

Pension Plan Changes in Fiduciary Net Position Restricted for Benefits

As of December 31, 2024, and 2023
(Dollars in Thousands)

	2024	2023	Amount Increase/(Decrease)	Percent Increase/(Decrease)
Additions				
Employer Contributions	$383,818	$373,148	$10,670	2.9%
Plan Member Contributions	146,315	132,104	14,211	10.8%
Net Investment Income	936,858	882,547	54,311	6.2%
Net Securities Lending Income	981	1,169	(188)	(16.1%)
Total Additions	**1,467,972**	**1,388,968**	**79,004**	**5.7%**
Deductions				
Pension Benefits	620,871	594,474	26,397	4.4%
Contribution Prepayment Discount	10,788	15,466	(4,678)	(30.2%)
Administrative	13,996	12,840	1,156	9.0%
Refunds	9,472	10,063	(591)	(5.9%)
Other Expenses	1,277	936	341	36.4%
Total Deductions	**656,404**	**633,779**	**22,625**	**3.6%**
Increase in Net Position	**$811,568**	**$755,189**	**$56,379**	**7.5%**
Net Position—Restricted for Benefits				
Beginning of Year	**10,808,858**	**10,053,669**	**755,189**	**7.5%**
End of Year	**$11,620,426**	**$10,808,858**	**$811,568**	**7.5%**

respectively. The investment section of this report reviews the results of investment activity for the year ended December 31, 2024. Employer Contributions were $383.8 million as of December 31, 2024, an increase of $10.7 million, or 2.9%, over 2023. Plan Member Contributions were $146.3 million as of December 31, 2024, an increase of $14.2 million, or 10.8%, from prior year. The increases were due to higher contribution rates over the prior year.

Deductions From Fiduciary Net Position—CCCERA was created to provide lifetime retirement annuities, survivor benefits, and permanent disability benefits to qualified members and their beneficiaries. The cost of such programs includes recurring benefit payments as designated by the plan, refund of contributions to terminated employees, and the cost of administering the system. Total deductions from the pension plan fiduciary net position for the years ended December 31, 2024, and 2023, were $656.4 million and $633.8 million, respectively. Retirement allowances, survivor benefits, and permanent disability benefits were $620.9 million as of December 31, 2024, an increase of $26.4 million, or 4.4%, over 2023. The growth in benefit payments was due to the combined effects of the following: (1) the net increase in the number of retirees and beneficiaries for the year and (2) the increase in the average retirement allowance such as COLA, of those who were added to the retirement payroll.

Administrative expense was $14.0 million for 2024. Administrative expense covers the basic costs of operating the retirement system, including information technology systems. Operating costs include personnel, professional services, insurance, building lease, office supplies and materials, software, hardware, depreciation and amortization, and miscellaneous expenses. The system's administrative expenses increased by $1.2 million, or 9% in 2023. The increase was mainly due to expected annual staff wage increases combined with project oversight consulting services for the new pension administration system, along with increased expense for investment data services.

Member refunds were $9.5 million in 2024, a decrease of $0.6 million, or –5.9% lower than 2023. Member refunds were lower in the current year due to a decrease in the number of terminated members requesting withdrawals.

Other expenses increased by $0.3 million over last year, or 36.4%, to $1.3 million in 2024. The primary reason for the increase was more legal fees during the year.

The Board of Retirement approves the annual budget for CCCERA. The California Government Code Section 31580.2(a) limits the annual administrative expense to not exceed the greater of either of the following: (1) twenty-one hundredths of one percent (0.21%) of the accrued actuarial liability of the retirement system; or (2) two million dollars ($2,000,000), as adjusted annually by the amount of the annual cost-of-living adjustment computed in accordance with Article 16.5. CCCERA has consistently met its administrative expense budget for the current year and prior years.

Deductions of $656.4 million combined with additions of $1,468.0 million resulted in an increase of $811.6 million in fiduciary net position for the year ended December 31, 2024.

Change In Fiduciary Net Position—The change in fiduciary net position consists of total additions reduced by total deductions. The change in fiduciary net position, as compared to the prior year, increased by $56.4 million for the year ended December 31, 2024. This increase is due to the change of investment gains in 2024 is more when compared to the previous year's investment gains.

Pension Plan Statutory Limitation for Administrative Expense

As of December 31, 2024, and 2023
(Dollars in Thousands)

		2024	2023
Actuarial Accrued Liability (AAL)	a	$12,438,710	$11,912,229
Statutory Limit for Administrative Expenses (AAL × 0.21%)		26,121	25,016
Actual Administrative Expenses Subject to Statutory Limit	b	13,996	12,840
Excess Statutory Limit Over Actual Administrative Expense		**$12,125**	**$12,176**
Actual Administrative Expenses as a Percentage of AAL	b/a	**0.11%**	**0.11%**

Net Pension Liability—CCCERA is subject to the provisions of GASB 67, *Financial Reporting for Pension Plans*, beginning with the year ended December 31, 2014, and CCCERA's participating employers are subject to the provisions of GASB 68, *Accounting and Financial Reporting for Pensions*, beginning with the fiscal year ended June 30, 2015. These standards require governments to recognize their long-term obligation for pension benefits as a liability on their balance sheets, to recognize their annual pension expense as a comprehensive measurement of the annual cost of pension benefits, and expands note disclosures and Required Supplementary Information for pension plans and their participating employers.

Pursuant to GASB 67, the funded status and unfunded actuarial accrued liability (UAAL) of the plan are no longer presented in the notes or required supplementary information. The UAAL was determined by subtracting the excess of the actuarial accrued liability (discounted at the plan's assumed rate of return) from the actuarial value of assets (determined by smoothing values over a certain number of years to reduce volatility) and represented the costs allocated to date for current plan members that are not covered by the actuarial value of assets. The UAAL has now been replaced by the net pension liability, which represents the excess of the total pension liability (using an entry age cost method, discounted at a discount rate that reflects the expected return on assets) over fiduciary net position (valued at fair value). Net pension liability is similar to UAAL but uses market assets, not smoothed assets. This is a conceptual shift by the GASB in the measurement of pension liabilities to provide a consistent, standardized methodology that allows comparability of data and increased transparency of the pension liability across all plans. CCCERA has complied with GASB 67 for the years ended December 31, 2024, and December 31, 2023.

Based on Segal Consulting's GASB 67 Actuarial Valuation as of December 31, 2024, the net pension liability of participating employers on a market basis is $1.30 billion as of December 31, 2024, and $1.60 billion as of December 31, 2023. The decrease in net pension liability is primarily a result of a favorable return on the fair value of assets (about 8.6%) during fiscal year 2024 that was greater than the assumed investment return of 6.75%. Refer to *Note 6, Net Pension Liability*, and the *Required Supplementary Information* section of this report for further information.

Changes in Net Pension Liability

As of December 31, 2024, and 2023
(Dollars in Thousands)

	2024 (a)	2023 (b)	Amount Increase/(Decrease) (c) = (a)−(b)	Percent Increase/(Decrease) (c) ⁄ (b)
Total Pension Liability	$12,908,756	$12,403,942	$504,814	4.1%
Less Plan Fiduciary Net Position	11,620,426	10,808,858	811,568	7.5%
Net Pension Liability	**$1,288,330**	**$1,595,084**	**$(306,754)**	**(19.2%)**

Total Pension Liability as calculated by Segal Consulting GASB 67 actuarial valuation as of December 31, 2024

OPEB Trust Financial Analysis

Additions and Deductions to OPEB Trust Fiduciary Net Position—The only source of funding for the OPEB Trust is from CCCERA as a separate employer to its staff, and investment income, net of fees, earned on the OPEB Trust itself. CCCERA as an employer has adopted a policy to fully fund the Actuarial Determined Contribution (ADC) which was $168 thousand in 2024 and $158 thousand in 2023. Investment income generated gains of $420 thousand in 2024 and $549 thousand in 2023. Deductions to the OPEB Trust are for retiree health benefits to employees who retired from CCCERA after January 1, 2015. Deductions increased to $261 thousand in 2024 from $208 thousand in 2023 due to more retirees during the year.

OPEB Trust Net Liability—GASB 74 and 75 require CCCERA to report the total OPEB liability of $6.3 million and net OPEB liability of $0.9 million as of December 31, 2024, from an actuarial valuation dated within 24 months of the OPEB Trust fiscal year-end. GASB 74 and 75 also require the OPEB fiduciary net position to be presented as a percentage of the total OPEB liability which is 86.2% as of December 31, 2024.

OPEB Trust Fiduciary Net Position—Restricted for Benefits

As of December 31, 2024, and 2023
(Dollars in Thousands)

	2024	2023	Amount Increase/(Decrease)	Percent Increase/(Decrease)
Assets				
Current and Other Assets	$271	$21	$250	1,190.5%
Investments at Fair Value	5,402	5,058	344	6.8%
Total Assets	**5,673**	**5,079**	**594**	**11.7%**
Liabilities				
Total Liabilities	**267**	**-**	**267**	**-**
Net Position—Restricted for Benefits	**$5,406**	**$5,079**	**$327**	**6.4%**

OPEB Trust Changes in Fiduciary Net Position—Restricted for Benefits

As of December 31, 2024, and 2023
(Dollars in Thousands)

	2024	2023	Amount Increase/(Decrease)	Percent Increase/(Decrease)
Additions				
Employer Contributions	$168	$158	$10	6.3%
Net Investment Income (Loss)	420	549	(129)	23.5%
Total Additions	**588**	**707**	**(119)**	**16.8%**
Deductions				
Administrative Benefits	261	208	53	25.5%
Total Deductions	**261**	**208**	**53**	**25.5%**
Increase (Decrease) in Net Position	**$327**	**$499**	**($172)**	**34.5%**
Net Position—Restricted for Benefits				
Beginning of Year	**5,079**	**4,580**	**499**	**10.9%**
End of Year	**$5,406**	**$5,079**	**$327**	**6.4%**

Changes in Net OPEB Liability/(Asset)

As of December 31, 2024, and 2023
(Dollars in Thousands)

	2024 (a)	2023 (b)	Amount Increase/(Decrease) (c) = (a)−(b)	Percent Increase/(Decrease) (c) / (b)
Total OPEB Liability	$6,272	$4,700	$1,572	33.4%
Less OPEB Trust Fiduciary Net Position	5,406	5,079	327	6.4%
Net OPEB Liability/(Asset)	**$866**	**$(379)**	**$1,245**	**328.5%**

Total OPEB Liability as calculated by Milliman Inc. GASB 74 actuarial valuation as of December 31, 2024

The OPEB liability, which is the responsibility of CCCERA as an employer, is calculated separately from the pension plan liabilities and is presented solely for financial statement purposes. More information is found in *Note 7, Other Post-Employment Benefits (OPEB) Liability/(Asset) and Section 115 Trust.*

Pension Reform

The California Public Employees' Pension Reform Act of 2013 (PEPRA) was signed by the Governor's Office to become effective January 1, 2013. While it was one of the largest pieces of pension reform legislation for CERL plans, it had minimal impact on current and retired CCCERA members hired prior to January 1, 2013. Most changes and provisions affected new public employees hired on or after January 1, 2013. Some new provisions that did impact current or retired CCCERA members were changes in what can be included in compensation for retirement purposes, new restrictions on the ability of a retiree to return to work with a CCCERA employer without reinstatement as an active member unless certain conditions are met, and elimination of employers' ability to adopt an enhanced benefit formula and apply it to past service. In addition, for new public employees, the legislation reduces benefit formulas, limits pensionable income, expands the final compensation period from one year to three years, and requires the new employee to pay a larger share of normal costs.

Overall Analysis

For the year ended December 31, 2024, CCCERA's financial position and results from operations have experienced an increase over the prior year. For 2024, CCCERA's net position increased to $11.6 billion from $10.8 billion in 2023. The overall increase in net position for December 31, 2024, is primarily attributable to positive appreciation in the fair value of the plan's broadly diversified portfolio. Despite fluctuations in the financial markets, CCCERA remains in a sound financial position to meet its obligations to plan participants and beneficiaries. The current financial position results from a continued strong and successful investment program, risk management and strategic planning meeting expectations. As a long-term investor, CCCERA can take advantage of price volatility along with a diversified exposure to domestic, global and international equities, fixed income investments, real estate, private equity, private credit, and liquidity programs. The plan has recovered well from the pandemic market downturn as well as weathered general market downturns during 2024, and CCCERA is well positioned with value-focused assets to face market fluctuations.

CCCERA's Fiduciary Responsibilities

CCCERA's Board of Retirement and management are fiduciaries of the pension trust fund. Under the California Constitution and other applicable law, the assets can only be used for the exclusive benefit of plan participants and their beneficiaries and to defray the administrative and investment expenses of the plan.

Requests for Information

The Annual Comprehensive Financial Report is designed to provide the Board of Retirement, our membership, taxpayers, investment managers, and interested parties with a general overview of CCCERA's finances and to show accountability for the funds it administers.

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Contra Costa County Employees' Retirement Association
Attn: Accounting Department
1200 Concord Avenue, Suite 300
Concord, CA 94520-5728

www.cccera.gov
Telephone: (925) 521-3960
Facsimile: (925) 521-3969

Respectfully submitted,

Henry J. Gudino, CPA
Accounting Manager

June 4, 2025

Basic Financial Statements

Statement of Fiduciary Net Position

As of December 31, 2024 (with Comparative Totals) (Dollars in Thousands)

	2024		2023	
	Pension Plan	OPEB Trust	Pension Plan	OPEB Trust
Assets				
Cash & Cash Equivalents				
Cash Equivalents	$878,658	$103	$504,490	$21
Cash Collateral—Securities Lending	292,741	-	229,840	
Total Cash & Cash Equivalents	1,171,399	103	734,330	21
Receivables				
Contributions	14,060	168	12,769	
Investment Trades	37,238		7,192	
Investment Income	24,677		23,756	
Installment Contract (See *Note 11*)	-		1,346	
Other	315		9	
Total Receivables	76,290	168	45,072	-
Investments at Fair Value				
Equities	5,165,209	3,356	5,340,364	3,122
Fixed Income	2,504,561	2,046	2,165,939	1,936
Real Assets	74,265		62,754	
Real Estate	597,602		516,926	
Alternative Investments	2,593,573		2,433,910	
Total Investments at Fair Value	10,935,210	5,402	10,519,893	5,058
Prepaid Expenses/Deposits	648		585	
Capital assets, net of accumulated depreciation/ amortization of $2,367 and $2,211 respectively	6,497		5,195	
Total Assets	12,190,044	5,673	11,305,075	5,079
Deferred Outflows of Resources				
Total Deferred OPEB Outflows	1,568	-	363	-
Liabilities				
Investment Trades	38,533		12,630	
Securities Lending Collateral	292,741		229,840	
Employer Contributions Unearned	171,629		192,889	
Retirement Allowance Payable	51,549		49,306	
Accounts Payable	14,255		10,741	
Other Liabilities	1,034	267	(379)	
Total Liabilities	569,741	267	495,027	-
Deferred Inflows of Resources				
Total Deferred OPEB Inflows	1,445	-	1,553	-
Net Position—Restricted for Benefits	$11,620,426	$5,406	$10,808,858	$5,079

See accompanying *Notes to the Financial Statements.*

Statement of Changes in Fiduciary Net Position

For the Year Ended December 31, 2024 (with Comparative Totals) (Dollars in Thousands)

	2024		2023	
	Pension Plan	OPEB Trust	Pension Plan	OPEB Trust
Additions				
Contributions				
Employer Contributions	$383,818	$168	$373,148	$158
Plan Member Contributions	146,315	-	132,104	
Total Contributions	530,133	168	505,252	158
Investment Income				
Net Appreciation in Fair Value of Investments	794,105	296	857,869	443
Net Appreciation in Fair Value of Real Estate	(31,436)		(130,602)	
Interest	143,198	3	111,639	1
Dividends	61,927	158	64,222	148
Real Estate Income, Net	2,588		3,315	
Alternative Income	26,168		29,736	
Investment Expense	(60,806)	(37)	(54,677)	(43)
Other Income	1,114		1,045	
Net Investment Income, Before Securities Lending	936,858	420	882,547	549
Securities Lending Income (Expense)				
Earnings	1,226		1,462	
Fees	(245)		(293)	
Net Securities Lending Income	981	-	1,169	-
Net Investment Income	937,839	420	883,716	549
Total Additions	1,467,972	588	1,388,968	707
Deductions				
Benefits Paid	620,871		594,474	
Contribution Prepayment Discount	10,788		15,466	
Administrative	13,996	261	12,840	208
Refunds of Contributions	9,472		10,063	
Other	1,277		936	
Total Deductions	656,404	261	633,779	208
Net Increase in Net Position	811,568	327	755,189	499
Net Position—Restricted for Benefits				
Beginning of Year	10,808,858	5,079	10,053,669	4,580
End of Year	**$11,620,426**	**$5,406**	**$10,808,858**	**$5,079**

See accompanying *Notes to the Financial Statements.*

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

Note 1. Plan Description

The Contra Costa County Employees' Retirement Association (CCCERA) is governed by the Board of Retirement (Board) under the County Employees Retirement Law of 1937 (CERL) and the California Public Employees' Pension Reform Act of 2013 (PEPRA). Members should refer to CERL and PEPRA for more complete information.

General

CCCERA is a contributory defined benefit pension plan initially organized under the provisions of CERL on July 1, 1945. It provides benefits upon retirement, death or disability of members. CCCERA operates as a cost-sharing, multiple employer defined benefit pension plan that covers employees of the County of Contra Costa (the County) and 15 other participating employers.

Because of its close financial relationship with the County (the primary plan sponsor), CCCERA is classified as a blended component unit of the County and reported as a pension trust fund in the County's financial statements.

CCCERA's membership as of December 31, 2024, and 2023, is presented below.

CCCERA Membership

As of December 31, 2024, and 2023

	2024[1]	2023	Amount Increase/ (Decrease)	Percent Increase/ (Decrease)
Active Members	10,925	10,349	576	5.6%
Retired Members or Beneficiaries	10,919	10,805	114	1.1%
Terminated Members Entitled to, But Not Yet Receiving, Benefits[2]	4,180	4,109	71	1.7%
Total Membership	**26,024**	**25,263**	**761**	**3.0%**

1 2024 membership counts and categories are preliminary and will be finalized upon completion of the Actuarial Valuation as of December 31, 2024, anticipated in August 2024.

2 Includes members who terminate with less than five years of service and leave accumulated contributions on deposit.

CCCERA, as an independent governmental entity with its own governing Board, is separate and distinct from the County of Contra Costa. Costs of administering the plan are financed through contributions and investment earnings. With California legislation (SB 673) signed January 1, 2015, and made part of CERL, CCCERA became an independent public agency and employer for its entire staff, subject to terms and conditions approved by the Board.

Benefit Provisions

The plan is currently divided into thirteen benefit levels in accordance with CERL and PEPRA. These levels are known as General Tier 1 (Enhanced and Non-Enhanced); General Tier 2, General Tier 3 Enhanced, General Tier 4 (2% and 3% maximum Cost-of-Living Adjustments (COLAs)), General Tier 5 (2%, 3%, and 4% maximum COLAs), Safety Tier A (Enhanced and Non-Enhanced), Safety Tier C Enhanced, Safety Tier D, and Safety Tier E.

General Tier 1 includes members not mandated to be in General Tier 2 or General Tier 3 and reciprocal members who were eligible for General Tier 1 membership.

On October 1, 2002, the Contra Costa County Board of Supervisors adopted Resolution No. 2002/608, which provides enhanced benefit changes commonly known as 3% at 50 for Safety members and 2% at 55 for General members, effective on July 1, 2002, and January 1, 2003, respectively. Each Special District that is a participant of CCCERA, and whose staff are not County employees covered by Resolution No. 2002/608, may elect to participate in the enhanced benefits. Nine (9) General member agencies and four (4) Safety member agencies have adopted enhanced benefits for their employees. Under PEPRA, which became effective January 1, 2013, districts that did not adopt enhanced benefits are no longer allowed to do so.

Legislation was signed by the Governor in 2002 which allowed the

County, effective October 1, 2002, to provide General Tier 3 to all new employees, to move those previously in General Tier 2 to General Tier 3 as of that date, and to apply all future service as General Tier 3.

Members who moved to General Tier 3 continue to have General Tier 2 benefits for service prior to that date unless the service is converted to General Tier 3. As of December 31, 2006, there are no members currently contributing towards a General Tier 2 account.

Safety Tiers include members in active law enforcement, active fire suppression work, or certain other "Safety" classifications as defined in sections of CERL made operative by the Board of Supervisors.

Effective January 1, 2007, the County and the Deputy Sheriffs' Association agreed to adopt a new Safety Tier C Enhanced for sworn employees hired by the County after December 31, 2006. A Deputy Sheriff hired on or after January 1, 2007, through November 30, 2012, entered membership into Safety Tier C Enhanced.

Effective January 1, 2012, members employed by the County and within certain bargaining units are responsible for the payment of 100% of the employees' basic retirement benefit contributions, determined annually by the Board. See *Note 9, Contributions*, for further description.

California Public Employees' Pension Reform Act (PEPRA)

In September 2012, the California Public Employees' Pension Reform Act of 2013 (PEPRA) was signed into law by the Governor of California, establishing new retirement tiers for General and Safety members entering CCCERA membership on or after January 1, 2013. These Tiers were titled General Tier 4, General Tier 5, Safety Tier D, and Safety Tier E. The benefit formula for General Tiers is 2.5% at age 67 and the benefit formula for Safety Tiers is 2.7% at age 57. Benefits under the new PEPRA tiers are based on a three-year final average salary period. Additionally, PEPRA limits the amount of compensation CCCERA can use to calculate a retirement benefit. The PEPRA annual compensation limits are adjusted each year based on changes in the Consumer Price Index.

Beginning in November 2012, the County adopted PEPRA retirement benefits that are subject to a maximum annual COLA of 2%. As a result, CCCERA created a second General Tier 5 and second General Tier 4.

Benefits are administered by the Board under the provisions of CERL and PEPRA. Service retirements are based on age, length of service, and final compensation. Members may withdraw contributions plus interest credited or leave them on deposit for a deferred retirement when they terminate or transfer to a reciprocal retirement system.

Pertinent provisions for each section follow:

General—Tier 1

Members may elect service retirement at age 70 regardless of service, at age 50 with ten years of service, or with 30 years of service regardless of age. Disability retirements may be granted as service connected with no minimum service credit required or non-service connected with five years of service credit required. The retirement benefit is based on Government Code Section 31676.11 for the Non-Enhanced tier and Section 31676.16 for the Enhanced tier. The final compensation is based on a one-year average.

General—Tier 2

Members may elect service retirement at age 70 regardless of service, at age 50 with ten years of service, or with 30 years of service regardless of age. The retirement benefit is based on Government Code Section 31752. The final compensation is based on a three-year average.

General—Tier 3

Members may elect service retirement at age 70 regardless of service, at age 50 with ten years of service, or with 30 years of service regardless of age. Disability retirements may be granted as service connected with no minimum service credit or non-service connected with ten years of service credit required. The retirement benefit is based on Government Code Section 31676.16. The final compensation is based on a one-year average.

General—Tier 4

Members may elect service retirement at age 70 regardless of service, or at age 52 with five years of service. Disability retirements may be granted as service connected with no minimum service credit or non-service connected with five years of service credit required.

The retirement benefit is based on Government Code Section 7522.20. The final compensation is based on a three-year average.

General—Tier 5

Members may elect service retirement at age 70 regardless of service, or at age 52 with five years of service. Disability retirements may be granted as service connected with no minimum service credit or non-service connected with ten years of service credit required. The retirement benefit is based on Government Code Section 7522.20. The final compensation is based on a three-year average.

Safety—Tier A and Tier C

Members may elect service retirement at age 70 regardless of service, or at age 50 with ten years of service, or with 20 years of service regardless of age. Disability retirements may be granted as service connected with no minimum service credit required or non-service connected with five years of service credit required. The retirement benefit is based on Government Code Section 31664 for the Non-Enhanced tier and Section 31664.1 for the Enhanced tier. The final compensation is based on a one-year average for Safety Tier A and a three-year average for Safety Tier C. Safety Tier A has a maximum 3% COLA and Safety Tier C has a maximum 2% COLA.

Safety—Tier D and Tier E

Members may elect service retirement at age 70 regardless of service, or at 50 with five years of service. Disability retirements may be granted as service connected with no minimum service credit required or non-service connected with five years of service credit required. The retirement benefit is based on Government Code Section 7522.25(d). The final compensation is based on a three-year average. Safety Tiers D and E differ only in the COLA provision.

Additional information regarding CCCERA's benefits is included in the *Benefit Handbook*, available at www.cccera.gov.

Cost-of-Living Adjustments (COLA)

The CERL authorizes the Board to grant annual automatic and ad hoc cost-of-living increases to all eligible retired members. Article 16.5 requires the Board to apply a COLA effective April 1st of each year. This adjustment is based on the change in the San Francisco-Oakland-San Jose area Consumer Price Index and is limited based on Tier.

For General Tier 4 depending on Memoranda of Understanding (MOU), General Tier 5 depending on MOU, Safety Tier C, and Safety Tier E, there is a maximum of a two percent COLA. General Tier 1, General Tier 3, General Tier 4 depending on MOU, General Tier 5 depending on MOU, Safety Tier A, and Safety Tier D have a maximum of three percent COLA. Members granted a disability retirement in General Tier 2, General Tier 3, and General Tier 5 have a maximum of a four percent COLA.

Government Code Section 31874.3 allows the granting of a supplemental cost-of-living benefit, on a prefunded basis, to eligible retirees whose unused Consumer Price Index increase accumulations equal or exceed 20 percent. This supplemental increase is a permanent part of the retirees' monthly benefit and is known as "New Dollar Power."

Terminations

A member may elect to leave accumulated contributions on deposit in the retirement fund regardless of years of service and be granted a deferred status which is subject to the same age, service, and disability requirements that apply to other members for service or disability retirement.

Other Post-Employment Benefits (OPEB) Trust

On January 1, 2015, CCCERA became an independent employer. As a single-employer defined benefit plan, CCCERA is responsible for the cost of retiree health benefits for CCCERA employees who retire on or after January 1, 2015. CCCERA contracts with California Public Employees' Retirement System (CalPERS) and Delta Dental, as health and dental insurance providers for those retired employees. For the retiree health benefits provided to employees that retire from CCCERA on or after January 1, 2015, Milliman Inc. (Milliman), CCCERA's OPEB actuary, prepares an actuarial valuation report of OPEB liability for those benefits in accordance with GASB 74 and 75 to determine the liability, annual required contribution, and other required financial disclosures.

Staff employees who retire directly from CCCERA may receive certain retiree benefits if they meet certain eligibility requirements. CCCERA will contribute an amount toward the cost of retiree health benefits for staff retirees consistent with the bargaining agreements between CCCERA and its bargaining units.

As to the cost of retiree health benefits for County employees who worked at CCCERA and retired prior to January 1, 2015, before CCCERA became an independent employer, those liabilities are included with the County's OPEB Trust for funding purposes. CCCERA currently provides payments to the County for these pre-January 1, 2015, retirees and expenses the payments on a "pay-as-you-go" basis.

CCCERA's membership in the OPEB Trust single-employer defined benefit plan per the biennial full valuation as of December 31, 2024, and 2022, is presented below:

CCCERA OPEB Plan Membership

As of December 31, 2024, and 2022 Biennial Valuation

	2024	2022	Amount Increase/ (Decrease)	Percent Increase/ (Decrease)
Active Members	66	60	6	10.0%
Retired Members or Beneficiaries	16	7	9	128.6%
Total OPEB Plan Membership	82	67	15	22.4%

Note 2. Summary of Significant Accounting Policies

Basis of Accounting

CCCERA follows the accounting principles and reporting guidelines set forth by GASB. The financial statements are prepared using the accrual basis of accounting in accordance with GAAP in the United States of America, under which revenues are recognized when earned and deductions are recorded when the liability is incurred. Plan member and employer contributions are recognized in the period in which the contributions are due, pursuant to formal commitments, as well as statutory or contractual requirements. Investment income is recognized as revenue when earned. Retirement benefits and refunds of prior contributions are recognized when due and payable in accordance with the terms of the plan. Other expenses are recognized when the corresponding liabilities are incurred. All investment purchases and sales are recorded on the trade date. The net appreciation and/or depreciation in fair value of investments held by CCCERA is recorded as an increase or decrease to investment income based on the valuation of investments on a quarterly basis.

Blended Component Unit

CCCERA was established to provide retirement benefits to employees of the County and 15 other participating employers. CCCERA provides many of its services for the benefit of the County and is reported as a Pension Trust Fund in the County's Annual Comprehensive Financial Report (ACFR). CCCERA's fiscal year is as of December 31 and reported in the County's ACFR as of their fiscal year ending June 30.

Cash and Cash Equivalents

Cash and cash equivalents include deposits in the plan's custodian bank, The Northern Trust Company, the plan's local retail bank, Mechanics Bank, investment managers, and County of Contra Costa Treasurer's commingled cash pool. Cash equivalents are highly liquid investments with maturities of three months or less when purchased. Short-term investments with the custodian bank include foreign currencies, cash held in short-term investment funds and other short-term, highly liquid investments. Short-term investments considered cash equivalents are recorded at cost, which approximates fair value. OPEB Trust cash and cash equivalents are held with U.S. Bank.

Methods Used to Value Investments

Investments are carried at fair value. Fair values for investments are derived by various methods, as indicated in the following chart:

Investment Fair Value Sources

Investments	Sources
Publicly Traded Securities, such as equities and fixed income. Fixed income include obligations of the U.S. Treasury, U.S. agencies, non-U.S. governments, and both U.S. and non-U.S. corporations. Also included are mortgage backed securities and asset backed securities.	Valuations are provided by CCCERA's custodian bank Northern Trust, based on end-of-day prices from external pricing vendors, Non-U.S. securities reflect currency exchange rates in effect at December 31, 2024, and 2023.
Private Real Estate	Fair value as provided by real estate fund managers, based on review of cash flow, exit capitalization rates, and market trends; fund managers commonly subject each property to independent third-party appraisal annually. Investments under development are carried at cumulative cost until developed.
Alternatives (Private Equity and Private Credit)	Fair value provided by investment managers as follows: Private investments—valued by the General Partner giving consideration to financial condition and operating results of the portfolio companies, nature of investment, marketability, and other factors deemed relevant. Public investments—valued based on quoted market prices, less a discount, if appropriate, for restricted securities.
Public Market Equity and Fixed Income Investments Held in Institutional Commingled Fund/Partnership	Fair value is typically provided by third-party fund administrator, who performs this service for the fund manager.

Investment Asset Allocation Policy

The allocation of investment assets within CCCERA's portfolio is approved by the Board as outlined in the investment policy. The asset allocation is an integral part of the Investment Policy and is designed to provide an optimum mix of asset classes with return expectations that reflect expected liabilities. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the plan. In September 2016, the Board adopted a revised Investment Policy Statement, referred to as Functionally Focused Portfolio (FFP), that implemented long-term asset allocation targets in phases over a three year roll out period.

The FFP consists of three sub-portfolios, Liquidity, Growth, and Risk Diversifying, and is designed to accomplish CCCERA's primary function, paying for two to three years of pension benefits. CCCERA will continue to allocate the bulk of the remaining assets into a globally diversified growth sub-portfolio of stocks, real estate, and alternative asset strategies and the remaining into risk diversified investments.

The Board conducted a review of the strategic asset allocation in late 2024. The FFP structure was maintained, but the underlying strategies within the Growth and Risk Diversifying sub-portfolios was shifted. The most notable allocation changes were the elimination of risk parity strategies and the introduction of multi-asset credit, real estate debt and the introduction of a U.S. Treasury allocation. As of December 31, 2024, the long-term asset allocation targets determined by the Board are as follows:

- Liquidity 14%
- Growth 73%
- Risk Diversifying 10%
- Cash and Overlay 3%

Long-Term Asset Allocation Policy

As of December 31, 2024

Asset Class	Target Allocation
Liquidity	14%
Growth	
Domestic Equity	11%
Global & International Equity	17%
Private Equity	15%
Real Assets/ Infrastructure	3%
Private Credit	13%
Real Estate – Value Add	3%
Real Estate – Opportunistic & Distressed	4%
Real Estate – Debt	3%
Risk Parity	4%
Total Growth	**73%**
Risk Diversifying	10%
Cash and Overlay	3%
Total	**100%**

Receivables

Receivables consist primarily of interest, dividends, installment contracts, investments in transition (i.e., traded not settled) and contributions owed by plan sponsor employers as of December 31, 2024, and 2023.

Capital Assets

Capital assets, consisting of computer hardware, software, leasehold improvements, furniture and office equipment, are presented at historical cost, less accumulated depreciation and amortization. Capital assets with an initial cost of more than $10,000 and an estimated useful life in excess of three years are capitalized and depreciated or amortized. Depreciation or amortization is calculated using the straight-line method, with estimated lives ranging from three years for software, five years for hardware and office equipment, and ten years for leasehold improvements and pension administration system assets.

Income Taxes

The Internal Revenue Service has ruled that plans such as CCCERA qualify under Section 401(a) of the Internal Revenue Code and are not subject to tax under present tax laws. In December 2014, CCCERA received a favorable letter of determination from the Internal Revenue Service (IRS). Accordingly, no provision for income taxes has been made in the accompanying basic financial statements, as the plan is exempt from federal and state income taxes under provisions of the Internal Revenue Code, Section 401, and California Revenue and Taxation Code, Section 23701, respectively.

Use of Estimates

The preparation of CCCERA's financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes to the financial statements. Actual results could differ from those estimates.

Reclassifications

Comparative data for the prior year have been presented in the selected sections of the accompanying *Statement of Fiduciary Net Position* and *Statement of Changes in Fiduciary Net Position*. Also, certain accounts presented in the prior year's data may have been reclassified to be consistent with the current year's presentation.

Implementation of New GASB Pronouncements

The GASB issued Statement No. 101, *Compensated Absences*, which became effective for financial statements for fiscal year ending 2024, and requires a government agency to measure and recognize the liability of compensated absences, such as vacation leave, overtime in lieu of time off, etc., that CCCERA would be required to pay out to an employee upon separation if the leave is unused. CCCERA had already accounted for the provisions of GASB 101 in its financial statements since 2008.

CCCERA also evaluated the effects of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA), which became effective for fiscal year ending 2023. This statement required a government agency to measure and record the cost of SBITA's as a capital lease. CCCERA has reviewed and determined this statement does not apply in 2024.

Note 3.
Deposits and Investment Risk Disclosures

Investment Stewardship

Except as otherwise expressly restricted by the California Constitution and by law, the Board may, at its discretion, invest, or delegate CCCERA to invest the assets of CCCERA through the purchase, holding, or sale of any form or type of instrument, or financial transaction when prudent in the informed opinion of the Board. In addition, the Board has established an investment policy, which places limits on the compositional mix of cash, fixed income and equity securities, real assets, alternative investments, and real estate investments. CCCERA currently employs external investment managers to manage its assets subject to the guidelines of the investment policy.

Investment Risk

Investments are subject to certain types of risks, including interest rate risk, credit risk (including custodial credit risk and concentrations of credit risk), and foreign currency risk. The Board recognizes that the assumption of investment risk is necessary to meet the plan's objectives. The goal in managing investment risk is to ensure that an acceptable level of risk is being taken at the total plan portfolio level. CCCERA has no formal policy relating to investment risks. The following describes those risks.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The fair value of fixed maturity investments fluctuates in response to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in fair value of those investments. The fair value of interest sensitive instruments may also be affected by the creditworthiness of the issuer, prepayment options, relative values of alternative investments, and other general market conditions. Certain fixed maturity investments may have call provisions that could result in shorter maturity periods.

Holdings of Fixed Income Futures are allowed, on an unleveraged basis, such that the market notional value of long contracts shall be covered by cash, cash receivables, or cash equivalents with one year or less in duration.

The table below is a list of fixed income and short-term investments and the related maturity schedule for CCCERA as of December 31, 2024:

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a financial institution's failure, CCCERA would not be able to recover its deposits. Deposits are exposed to custodial credit risk if they are not insured or not collateralized. Under the California Government Code, a financial institution is required to secure deposits in excess of $250,000 made by state or local governmental units by pledging securities held in the form of an undivided collateral pool. The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure governmental deposits by pledging first deed mortgage notes having a value of 150% of the secured public deposits. Such collateral is held by the pledging financial institution's trust department or agent in CCCERA's name.

At year-end, the carrying amount of CCCERA's cash deposits in non-interest bearing accounts was

Investment Maturities (in Years)

As of December 31, 2024
(Dollars in Thousands)

Investment Type	Less than 1 Year	1–5 Years	6–10 Years	More than 10 Years	Maturity Not Determined	Fair Value
Asset-Backed Securities	$ -	$86,591	$9,994	$ -	$ -	$96,585
Commercial Mortgage-Backed	-	-	-	9,074	-	9,074
Commercial Paper	37,243	-	-	-	-	37,243
Corporate Bonds	315,002	517,233	63,726	-	845,298	1,741,259
Funds—Corporate Bond	-	-	-	-	284,995	284,995
Funds—Corporate Convertible Bond	-	-	-	-	5,141	5,141
Funds—Fixed Income ETF	-	-	-	-	1,326	1,326
Funds—Government Agencies	-	-	-	-	4,370	4,370
Funds—Municipal/Provincial Bond	-	-	-	-	27,668	27,668
Funds—Other Fixed Income	-	-	-	-	4,067	4,067
Funds—Short-Term Investment	-	-	-	-	785,446	785,446
Government Agencies	6,454	38,749	-	-	-	45,203
Government Bonds	43,638	56,278	-	8,963	-	108,879
Government Mortgage-Backed Securities	17	6,886	28,759	611,831	-	647,493
Government Issued Commercial Mortgage-Backed	7,155	-	-	736	-	7,891
Municipal/Provincial Bonds	14,975	55,560	23,811	215,860	-	310,206
Non-Government Backed CMO's	-	706	723	54,273	-	55,702
Short-Term Bills and Notes	2,471	-	-	-	-	2,471
TOTALS:	**$426,955**	**$762,003**	**$127,013**	**$900,737**	**$1,958,311**	**$4,175,019**

$57,336,728 (which are included in cash equivalents) and the bank balance was $57,615,055. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit. Effective January 1, 2013, funds deposited in a non-interest bearing account no longer receive unlimited deposit insurance coverage by the Federal Deposit Insurance Corporation (FDIC). Non-interest bearing bank account balances in excess of the FDIC insurance coverage of $250,000 are collateralized with qualifying securities held in pooled pledged custodial accounts earmarked as collateral against public fund deposits.

CCCERA's investment securities are not exposed to custodial credit risk because all securities held by CCCERA's custodial bank are in CCCERA's name. CCCERA has no general policy on custodial credit risk for deposits.

Money-Weighted Rate of Return

For the years ended December 31, 2024, and 2023, the annual money-weighted rate of return on the assets of the plan, net of investment expense, was 8.56% and 8.70%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the timing of cash flows and the changing amounts actually invested.

At the April 13, 2023, Board meeting, the Board adopted an investment return assumption for financial reporting purposes that is net of investment expenses and not net of administrative expenses equal to 6.75% per year. This rate was used in the preparation of the December 31, 2023, actuarial valuation report.

Investment Concentrations

The Board's investment policies and guidelines permit investments in numerous specified asset classes to take advantage of professional investment management advice and a well-diversified portfolio. At December 31, 2024, CCCERA has no individual securities that represent five percent (5%) or more of the plan's fiduciary net position. Investments issued or explicitly guaranteed by the U.S. government and pooled investments are excluded from this requirement. However, there are five portfolio positions that exceed the 5% threshold, but each of these positions represents a diversified portfolio. As of December 31, 2024, the portfolios that exceed 5% of the plan's fiduciary net position are:

- Insight Short-Duration Fixed Income 5.4%
- SIT Short-Duration Fixed Income 5.7%
- Blackrock Index Fund 11.1%
- Stepstone CC Opportunities 10.2%
- Artisan Global Opportunities 5.6%

As of December 31, 2023, CCCERA held positions in Insight Short-Duration Fixed Income, SIT Short-Duration Fixed Income, Blackrock Index, Stepstone CC Opportunities, and Artisan Global Opportunities that represented more than 5% of the plan's fiduciary net position.

Credit Risk

Credit risk is the risk that an issuer, or other counterparty to an investment, will not fulfill its obligations. CCCERA's general investment policy is to apply the prudent-person rule. Investments are made as a prudent person would be expected to act, with discretion and for the exclusive purposes of providing benefits, minimizing contributions, and defraying reasonable expenses of administering the plan. Investments should be diversified so as to minimize the risk of loss and to maximize the rate of return unless, under the circumstances, it is clearly prudent not to do so.

Nationally recognized statistical rating organizations provide ratings of debt securities' quality based on a variety of factors. For example, the financial condition of the issuer provides investors with some idea of the issuer's ability to meet its obligations. Fixed-maturity investments may consist of rated or non-rated securities. Ratings can range from AAA (highest quality) to D (default). An investment grade is a rating that indicates that a bond has a relatively low risk of default. Debt securities with ratings of BBB or higher are considered investment grade issues, and debt securities with ratings of BB or lower are non-investment grade issues. Debt securities in the non-investment grade category are more speculative and are often referred to as "high-yield." This is due to the fact that lower rated debt securities generally carry a higher interest rate to compensate the buyer for taking on additional risk.

The following is a table of the credit risk ratings of CCCERA's fixed income and short-term investments as of December 31, 2024, as rated by Standard & Poor's (S&P):

Credit Risk Ratings

As of December 31, 2024
(Dollars in Thousands)

Quality Ratings	Fair Value
AAA	$113,608
AA+	142,694
AA	31,756
AA-	75,076
A+	62,707
A	94,287
A-	206,013
BBB+	143,322
BBB	147,780
BBB-	27,821
BB+	15,951
BB	32,836
BB-	38,008
B+	31,701
B	24,391
B-	9,195
CCC+	2,415
CCC	1,998
Not Rated	2,202,991
Guaranteed	770,469
Total Securities Subject to Credit Risk	**$4,175,019**

Investment Type	Quality Rating Range
Asset-Backed Securities*	AAA
Convertible Bonds	Not Rated
CMBS*	Not Rated
CMO*	AAA to D
Corporate Bonds*	AAA to CCC-
Municipals	AAA to BBB+
Private Placements	AAA to BBB+
Real Estate Investment Trust*	A- to B+
Short-Term	AA to A+
U.S. & Foreign Agencies*	AAA to CCC+
Mutual Funds	Not Rated

* Investment type contained one or more investments that were not rated.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates may adversely affect the fair value of an investment. CCCERA has no formal policy related to foreign currency risk. CCCERA's external investment managers may invest in international securities and must follow CCCERA's investment guidelines pertaining to these types of investments.

CCCERA's exposure to foreign currency risk in U.S. dollars as of December 31, 2024, is as follows:

Foreign Currency Risk

As of December 31, 2024
(Dollars in Thousands)

Currency	Venture Capital and Partnerships	Equity	Total
Brazilian Real	$ -	$2,429	$2,429
British Pound Sterling	-	36,261	36,261
Canadian Dollar	-	15,330	15,330
Euro Currency	7,513	51,860	59,373
Hong Kong Dollar	-	7,664	7,664
Japanese Yen	-	39,690	39,690
Mexican Peso	-	432	432
Norwegian Krone	-	1,509	1,509
Republic of Korea Won	-	17,278	17,278
Swedish Krona	-	5,989	5,989
Swiss Franc	-	18,853	18,853
Thailand Baht	-	2,035	2,035
Total Securities Subject to Foreign Currency Risk	**$7,513**	**$199,330**	**$206,843**

Note 4. Fair Value Measurements

CCCERA implemented GASB 72, *Fair Value Measurements and Application*, in the year ending December 31, 2016. GASB 72 was issued to address accounting and financial reporting issues related to fair value measurements and disclosures. The Plan's investments, including investments held in the OPEB Trust, are measured and reported within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value and gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- ***Level 1*** inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- ***Level 2*** inputs are inputs other than quoted prices included in Level 1 that are observable for an asset or liability, either directly or indirectly. Inputs to the valuation include: 1) quoted prices for similar assets or liabilities in active markets; 2) quoted prices for identical or similar assets or liabilities in markets that are not active; 3) Inputs other than quoted prices that are observable for the asset or liability; and 4) market-corroborated inputs.
- ***Level 3*** inputs are unobservable inputs for an asset or liability where there are little market activities. The inputs into the determination of fair value are based upon the best information in the circumstances and may require management judgment or estimation.

Schedule of Investments by Fair Value Hierarchy

Equity securities, real estate investment trusts, and commodities exchange traded funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

The exchange traded Options Contracts classified in Level 1 of the fair value hierarchy are valued using a daily settlement when available or as a daily mark-to-market.

Fixed income and equity securities classified in Levels 1 or 2 of the fair value hierarchy are valued using a matrix pricing technique based on the availability of the market price, the pricing source and type, and the country of incorporation of the securities. The hierarchy levels are determined based on the level of corroborative information obtained from other market sources to assert that the prices provided represent observable data.

Equity mutual funds classified in Level 2 of the fair value hierarchy are valued based on the availability of market price of the underlying assets and using either a discounted cash flow or Comparable Company Analysis with internal assumptions.

Fixed income securities classified in Level 3 relate to unlisted securities with little to no market activity and based on best information available.

Certain investments which do not have a readily determinable fair value have been valued at Net Asset Value (NAV) per share (or its equivalent) provided that the NAV is calculated and used as a practical expedient to estimate fair value in accordance with GAAP requirements. These investments are not categorized within the fair value hierarchy but disclosed in the Schedule of Investments Measured at the NAV.

CCCERA has the following recurring fair value measurements as of December 31, 2024, (in thousands) on the next page.

Pension Plan—Schedule of Investments by Fair Value Hierarchy

As of December 31, 2024
(Dollars in Thousands)

		Fair Value Measurements Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Equities				
Domestic Equity	$889,168	$889,168	$ -	$ -
Global & International Equity	498,687	498,687	-	-
Real Estate – REIT	227,875	227,875	-	-
High Yield	37	37	-	-
Risk Diversifying	26,514	26,514	-	-
Total Equity Securities	**1,642,281**	**1,642,281**	**-**	**-**
Fixed Income				
Liquidity Program	1,647,268	-	1,647,268	-
High Yield	159,289	-	159,289	-
Risk Diversifying	428,619	58,182	370,437	-
Total Fixed Income Securities	**2,235,176**	**58,182**	**2,176,994**	**-**
Real Assets				
Global & International Equity	74,239	74,239	-	-
Total Real Asset Securities	**74,239**	**74,239**	**-**	**-**
Alternatives				
Risk Parity	8,895	-	8,895	-
Cash Overlay	4,762	-	4,762	-
Total Alternative Securities	**13,657**	**-**	**13,657**	**-**
Total Investments by Fair Value Level	**$3,965,353**	**$1,774,702**	**$2,190,601**	**$ -**
Investments Measured at the Net Asset Value (NAV)				
Public Market Commingled Funds	3,792,340			
Real Estate				
Value Added, Opportunistic & Distressed Funds	597,601			
Alternatives				
Private Equity & Private Credit Funds	2,575,229			
Total Investments Measured at the NAV	**6,965,170**			
Total Investments Measured at Fair Value	**$10,930,523**			
Investment Derivative Instruments				
Options Contracts	$4,687	$4,687	-	-
Total Investment Derivative Instruments	**$4,687**	**$4,687**	**$ -**	**$ -**

Investments Measured at the Net Asset Value (NAV)

As of December 31, 2024
(Dollars in Thousands)

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Public Market Commingled Funds[1]	$3,792,340	$ -	1–90 days	1–30 days
Real Estate: Value Added, Opportunistic & Distressed Funds[2]	597,601	593,320	N/A	N/A
Alternatives: Private Equity & Private Credit Funds[3]	2,575,229	1,411,292	N/A	N/A
Total Investments Measured at the NAV	**$6,965,170**	**$2,004,612**		

1 ***Public Market Commingled Funds:*** This investment type consists of nine public market commingled funds that primarily invest in publicly traded equities and fixed income securities. The fair value of these investments has been determined using a practical expedient based on the investments' NAV per share (or its equivalent). These investments typically have monthly liquidity with ten day notice.

2 ***Value Added, Opportunistic & Distressed Funds:*** This investment type consists of thirty real estate funds that invest primarily in commercial real estate. The fair value of these investments has been determined using a practical expedient based on the investments' NAV. All of the funds are in closed-end fund vehicles and are not redeemable. It is expected that these investments will be held for the entire lives of the funds and will not be sold in the secondary market. These funds typically have a ten-year lock up period and distributions from each fund will be received as underlying assets are liquidated by the fund managers.

3 ***Private Equity & Private Credit Funds:*** This investment type consists of fifty-two private equity and five private credit funds. The private equity funds invest primarily in other private equity funds, privately held U.S. companies, and privately held non-U.S. companies. The private credit funds invest primarily in other private credit funds, commercial real estate debt and other specialty/opportunistic debt instruments. The fair value of these investments has been determined using a practical expedient based on the investments' NAV. It is expected that the Private Equity and Private Credit investments will be held for the entire lives of the funds and will not be sold in the secondary market. These funds typically have a ten-year lock up period and distributions from each fund will be received as the underlying assets are liquidated by the fund managers.

OPEB Trust—Total Investments Measured at the Net Asset Value (NAV)

As of December 31, 2024
(Dollars in Thousands)

	Fair Value	Redemption Frequency	Redemption Notice Period
Equity Mutual Funds[4]	$3,356	1–90 days	1–30 days
Fixed Income Mutual Funds[4]	2,046	1–90 days	1–30 days
Total Investments Measured at the NAV	5,402		
Total Investments Measured at Fair Value	**$5,402**		

The OPEB Trust has the above recurring fair value measurements as of December 31, 2024 (in thousands). OPEB Trust assets are administered by Public Agency Retirement Services (PARS) with US Bank as trustee custodian, and PFM Asset Management as investment manager. OPEB Trust investments are invested in a diversified portfolio of passively managed equity and fixed income exchange traded mutual funds. The investments are measured at NAV.

Note 5. Securities Lending Transactions

The Investment Policy, adopted by the Board, permits the use of a securities lending program with its principal custodian bank. Securities lending is an investment management activity that mirrors the fundamentals of a loan transaction. Securities are loaned to brokers and dealers (borrower), and in turn CCCERA receives cash as collateral and invests the collateral with the goal of earning a higher yield than the interest rate paid to the borrower. Earnings generated above and beyond the interest paid to the borrower represent the net income to CCCERA from the transaction. The custodian bank provides loss indemnification to CCCERA if the borrower fails to return the securities.

The custodian bank manages the securities lending program and receives cash and/or securities as collateral. Cash collateral is invested in a short-term investment pool. Non-cash collateral securities cannot be pledged or sold by CCCERA unless the borrower defaults. The collateral is marked-to-market daily, and if the market value of the securities rises, CCCERA receives additional collateral.

Securities on loan must be collateralized at 102 percent and 105 percent of the fair value of domestic securities and international equity securities, respectively, plus accrued interest (in the case of debt securities).

There are no restrictions on the amount of securities that can be loaned at one time. CCCERA has the right to terminate any loan in whole or in part by providing the custodian bank with written notice (referred to as "Recall Notice"). Because the loans are terminable at will, the term to maturity of the security loans is generally not matched with the term to maturity of the cash collateral. At year-end, CCCERA had no credit risk exposure to borrowers, because the amount of collateral received exceeded the fair value of securities on loan. As of December 31, 2024, there were no violations of legal or contractual provisions. CCCERA had no losses on securities lending transactions resulting from the default of a borrower for the years ended December 31, 2024, and 2023.

The fair value of investments on loan at December 31, 2024, is $378.5 million which was collateralized by cash and securities in the amount of $387.3 million. The fair value of the cash collateral in the amount of $292.7 million has been reported both as an asset and liability in the accompanying *Statement of Fiduciary Net Position*.

Securities Lending

Securities on Loan as of December 31, 2024
(Dollars in Thousands)

	Fair Value of Securities on Loan	Cash Collateral	Non-Cash Collateral
Non-U.S. Securities			
Global Corporate Fixed	$254	$260	$ -
Global Equities	9,265	2,740	7,220
Total Non-U.S. Securities	9,519	3,000	7,220
U.S. Securities			
U.S. Agencies	1,585	1,616	-
U.S. Corporate Fixed	86,153	80,198	7,650
U.S. Equities	224,990	187,759	42,182
U.S. Government Fixed	56,256	20,168	37,530
Total U.S. Securities	368,984	289,741	87,362
Total	**$378,503**	**$292,741**	**$94,582**

Note 6. Net Pension Liability

GASB 67 requires public pension plans to provide a net pension liability. The net pension liability is measured as the total pension liability less the amount of the pension plan's fiduciary net position. The net pension liability is an accounting measurement for financial statement reporting purposes.

The net pension liability was measured as of December 31, 2024, and December 31, 2023. The pension plan's fiduciary net position (plan assets) was valued as of the measurement dates and the total pension liability was determined based upon rolling forward the total pension liability from actuarial valuations as of December 31, 2023, and December 31, 2022, respectively. The components of CCCERA's net pension liability as of December 31, 2024, and 2023, are as follows:

Net Pension Liability

As of December 31, 2024, and 2023
(Dollars in Thousands)

	2024	2023
Total Pension Liability (a)	$12,908,756	$12,403,942
Plan Fiduciary Net Position (b)	11,620,426	10,808,858
Net Pension Liability (a–b)	**$1,288,330**	**$1,595,084**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (b/a)	90.0%	87.1%

Actuarial Assumptions

In preparing an actuarial valuation, the actuary employs generally accepted actuarial methods and assumptions to evaluate the plan's assets, liabilities, and future contributions requirements. The actuary utilizes member data and financial information provided by the plan with economic and demographic assumptions made about the future to estimate the plan's financial status as of a specified point in time. Examples of estimates include assumptions about future employment, mortality, future investment returns, future salary increases, expected retirements and other relevant factors. Actuarially determined amounts are subject to continual review or modification. The Board reviews the economic and demographic assumptions of the plan every three years.

The actuarial assumptions used to determine the total pension liability as of December 31, 2024, were based on the results of an experience study for the three year period from January 1, 2021, through December 31, 2023, approved by the Board on May 7, 2025. The total pension liability as of December 31, 2024, that was measured by an actuarial valuation as of December 31, 2023, was re-valued as of December 31, 2023, (before roll forward) using the latest actuarial assumptions resulting from the 2021–2023 experience study. This revalued total pension liability was then rolled forward to December 31, 2024, to determine the final total pension liability as of December 31, 2024. The Board also approved the 2021–2023 experience study actuarial assumptions to be used in the preparation of the actuarial valuation as of December 31, 2024, which is anticipated to be completed by August 2025.

The key methods and assumptions used to determine final total pension liability are presented below. For key methods and assumptions used in the latest actuarial valuation, see page 88 in the Actuarial section.

Key Methods and Assumptions Used in Total Pension Liability

Valuation Date	December 31, 2024
Actuarial Experience Study	3 Year Period Ending December 31, 2023
Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method	Level Percent of payroll
Investment Rate of Return	6.75%, net of pension plan investment expenses, including inflation.
Inflation Rate	2.50%
Administrative Expenses	1.18% of payroll allocated between the employer and member based on the components of the Normal Cost rates for the employer and member for December 31, 2024, valuation.
Salary Increases	General Legacy: 3.55% to 14.00% General PEPRA: 3.55% to 12.00% Safety Legacy: 4.10% to 15.00% Safety PEPRA: 4.10% to 13.00% varying by service and include inflation and "across-the-board" salary increase.
Cost-of-Living Adjustments	2.75% for Tiers with 3% or 4% maximum COLA. 2.00% for Tiers with 2% maximum COLA.
Other Assumptions	Same as those used in anaysis of actuarial experience during the period January 1, 2021, through December 31, 2023.

Long-Term Expected Real Rate of Return

The long-term expected rate of return on plan investments was determined in 2024 using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. This information is combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation, and subtracting expected investment expenses and a risk margin. The Board approved target allocations and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption for each major asset class, which are summarized in the table below.

Long-Term Expected Real Rate of Return

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
U.S. Large-Cap Equity	9.00%	5.59%
U.S. Small-Cap Equity	2.00%	6.45%
International Developed Equity	5.00%	6.23%
Global Equity	10.00%	6.35%
Emerging Market Equity	2.00%	7.89%
Short-Term Gov't/Credit	14.00%	1.84%
U.S. Treasury	3.50%	1.80%
Cash	3.00%	0.98%
Private Equity	15.00%	9.31%
Private Credit	13.00%	6.47%
Real Estate – Debt	3.00%	5.00%
Real Estate – Value-add	3.00%	7.90%
Real Estate – Opportunistic	4.00%	9.70%
Intrastructure	3.00%	7.20%
Hedge Funds	6.50%	3.50%
Multi-Sector Credit	4.00%	4.50%
Total	**100.00%**	**5.72%**

Discount Rate

The discount rate used to measure the total pension liability as of December 31, 2024, and December 31, 2023, was 6.75%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only plan member and employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members.

Therefore, the long-term expected rate of return on pension plan investments of 6.75% was applied to all periods of projected benefit payments to determine the total pension liability as of December 31, 2024, and December 31, 2023.

The following table presents the net pension liability of participating employers calculated using the discount rate of 6.75% as of December 31, 2024, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate.

Sensitivity of Net Pension Liability to Changes in the Discount Rate

As of December 31, 2024
(Dollars in Thousands)

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	$3,016,055	$1,288,330	($127,288)

Note 7.
Other Post-Employment Benefits (OPEB) Liability/(Asset) and Section 115 Trust

GASB 74 and GASB 75 require CCCERA to report the total OPEB liability and net OPEB liability as calculated by its actuary, Milliman, Inc. GASB 74 and GASB 75 allows a biennial actuarial valuation referred to as a full valuation, and a roll-forward valuation for the subsequent (in between) fiscal years using the same census and demographic assumptions as of the last previous full valuation. A roll-forward valuation as of December 31, 2023, was adopted by the Board in March 2024 and a full valuation as of December 31, 2024, was adopted in April 2025.

For the current year, the OPEB fiduciary net position as a percentage of the total OPEB liability was 86.2% as of December 31, 2024. The total OPEB liability, which is the responsibility of CCCERA as a single-employer defined benefit plan, is calculated apart from the pension plan liabilities and is presented solely for financial statement purposes.

In the 2018 year of inception, the Board adopted the OPEB actuarial valuation by Milliman and authorized the Chief Executive Officer (CEO) to establish an Irrevocable Trust agreement per IRS Code section 115 for the purpose of prefunding OPEB obligations. The Board authorized the CEO to execute a contract with Public Agency Retirement Services (PARS) for OPEB Trust fund management services, and appointed the CEO as CCCERA plan administrator whose authority includes selection of an appropriate investment option offered by PARS.

In 2019, the Board adopted a funding policy to contribute to the OPEB Trust equal to the actuarial determined contribution (ADC) each year and changed the amortization period of the net OPEB liability from 30 years to ten years. For the current year's valuation, the ADC is defined as the annual service cost, plus an amount to amortize the net OPEB liability over ten years beginning 2018 (year of inception) on a level dollar basis, plus interest to account for the timing of contributions during the year.

Net OPEB Liability and Changes to Net OPEB Liability

The net OPEB liability is measured as the total OPEB liability less the amount of the OPEB Trust fiduciary net position. The net OPEB liability and schedule of changes in net OPEB liability and related ratios displays the components in conformity with GASB 74 and 75 for financial statement reporting purposes as of December 31, 2024, as follows:

Total OPEB Liability and Schedule of Changes in Net OPEB Liability and Related Ratios

As of December 31, 2024, and 2023

(Dollars in Thousands)

	2024	2023
Total OPEB Liability		
Service Cost	$163	$158
Interest	306	295
Changes in Benefit Terms	63	-
Differences between actual and expected experience with regard to economic or demographic factors	1,547	-
Changes of Assumptions	(169)	-
Benefit Payments	(338)	(259)
Net Change in Total OPEB Liability	**1,572**	**194**
Total OPEB Liability—Beginning	**4,700**	**4,506**
Total OPEB Liability—Ending (a)	**$6,272**	**$4,700**
OPEB Trust Fiduciary Net Position		
Contributions from Employer	$168	$158
Net Investment Income	420	549
Administrative Expenses	(261)	(208)
Net Change in OPEB Trust Fiduciary Net Position	**327**	**499**
OPEB Trust Fiduciary Net Position—Beginning	5,079	4,580
OPEB Trust Fiduciary Net Position—Ending (b)	**$5,406**	**$5,079**
Net OPEB Liability/(Asset) (a)−(b) = (c)	**$866**	**($379)**
OPEB Trust Fiduciary Net Position as a Percentage of the Total OPEB Liability (b)/(a)	86.2%	108.1%
Covered Employer Payroll (d)	$8,325	$7,239
Net OPEB Liability/(Asset) as a Percentage of Covered Payroll (c)/(d)	10.4%	–5.2%

Schedule of Employer Contributions

For Years Ended December 31, 2018, through 2024
(Dollars in Thousands)

Fiscal Year	Actuarially Determined Contributions (a)	Contributions in Relation to the Actuarially Determined Contributions (b)	Contribution Deficiency/(Excess) (b)−(a)	Employer-Covered Payroll[1] (c)	Contributions as a Percentage of Covered Payroll (b) ⁄ (c)
2018	$536	$2,542	N/A	$4,997	50.9%
2019	536	828	N/A	5,385	15.4%
2020	268	536	N/A	5,910	9.1%
2021	257	268	N/A	6,329	4.2%
2022	158	268	N/A	6,155	4.4%
2023	168	158	N/A	7,239	2.2%
2024	168	168	N/A	8,325	2.0%

1 Employer-Covered payroll is informational only since contributions are 100% funded by employer.

Deferred (Inflows)/Outflows of Resources

Investment (gains)/losses are recognized in OPEB expense over a period of five years. Economic/demographic (gains)/losses and assumption changes or inputs are recognized over the average remaining service life for all active and inactive members.

OPEB Schedule of Deferred (Inflows)/Outflows of Resources

As of December 31, 2024
(Dollars in Thousands)

Asset Class	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	$(1,042)	$1,373
Changes of assumptions	(403)	-
Net difference between projected and actual earnings	-	195
Total	**$(1,445)**	**$1,568**

Fiscal Year Ending December 31	Recognized Deferred (Inflows) and Outflows of Resources
2025	$29
2026	50
2027	(175)
2028	(83)
2029	(4)
Thereafter	306

Contributions

As a single-employer defined benefit plan, CCCERA has adopted a policy to fully fund the ADC to the OPEB Trust each year as employer contributions which are not based on covered payroll to employees.

Key Methods and Assumptions Used In Actuarial Valuation of Total OPEB Liability

Valuation Date	January 1, 2024
Measurement Date	December 31, 2024
Valuation Type	Full
Actuarial Cost Method	Entry Age Normal Cost
Amortization Method	Level dollar basis
Amortization Period	Ten years (Four years remaining as of December 31, 2024)
Asset Valuation Method	Fair value of assets
Investment Rate of Return	6.50%
Investment Rate	2.30%
Assumed Salary Increases	3.53% to 14.34% varying by years of service
Other Assumptions	Consistent with those used in the December 31, 2023, actual valuation for CCCERA pension plan

Investment Rate of Return

The assumed investment rate of return used was 6.50%, net of expenses. This is based on the investment policy set by CCCERA for the OPEB Trust managed by PARS, annual funding equal to the ADC, and assumes a 2.30% long-term inflation. The actual total portfolio performance rate of return, net of investment expenses, since inception date of the OPEB Trust in 2018 is shown in the following table.

Schedule of Investment Returns

For Years Ended December 31, 2018, through 2024
(Dollars in Thousands)

	Total Portfolio Performance Returns, Net of Investment Expenses
2018	0.01%
2019	15.38%
2020	13.12%
2021	9.27%
2022	–14.82%
2023	12.50%
2024	8.65%

Discount Rate

Under GASB 74 and 75, the discount rate should be the single rate that reflects the long-term rate of return on OPEB plan investments that are expected to be used to finance the payment of benefits. To the extent that OPEB plan assets, along with expected future investment returns and expected future contributions are sufficient to finance all OPEB benefits, the discount rate should be based on the assumed investment on assets. CCCERA's current policy is to fund the Actuarial Determined Contribution each year. Based on CCCERA's funding policy, plan assets are projected to be sufficient to fund OPEB liabilities. Therefore, a discount rate of 6.50% and a 2.30% rate of long-term inflation was assumed. Based on the OPEB Trust portfolio's target allocation table below, the expected annual return of Trust assets over the next 30 years is expected to be 6.47%.

OPEB Trust Long-Term Expected Real Rate of Return

Asset Class	Expected Nominal Return	Current Asset Allocation
Cash	2.48%	1.0%
Core Fixed Income	4.06%	18.0%
Short-Term Fixed Income	3.20%	10.0%
U.S. Treasuries	2.96%	5.0%
Domestic Equity Large Cap	6.29%	23.0%
Domestic Equity Small Cap	7.02%	7.0%
International Developed Equity	7.38%	21.0%
International Emerging Market Equity	8.18%	12.0%
Real Estate	6.31%	3.0%
Total		**100%**
Expected annual return of Trust assets over next 30 years	6.47%	

Demographic Assumptions

A summary of the assumed rates for mortality, retirement, disability, and withdrawal, which are consistent with assumptions used in the December 31, 2023, CCCERA actuarial valuation is included in the *OPEB Key Methods and Assumptions* table in the Actuarial Section of this report on page 104.

Sensitivity of Net OPEB Liabilities

GASB 74 and 75 requires disclosure of the sensitivity of the Net OPEB Liability (NOL) to changes in the discount rate and health care cost trend rates. The liabilities shown below are based as of December 31, 2024. The following tables show what CCCERA's Net OPEB Liability would be if it were calculated using a rate that is one percentage point lower or one percentage point higher than the current discount rate and the current healthcare cost trend rate.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

As of December 31, 2024
(Dollars in Thousands)

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net OPEB Liability	$1,548	$866	$295

Sensitivity of Net OPEB Liability to Changes in the Healthcare Costs Trend Rate

As of December 31, 2024
(Dollars in Thousands)

	1% Decrease	Current Trend Rate	1% Increase
Net OPEB Liability	$195	$866	$1,670

Note 8. Derivative Financial Instruments

A derivative is a security with a price that is dependent upon or derived from one or more underlying assets. As of December 31, 2024, the derivative instruments held by CCCERA are considered investments and not hedges for accounting purposes. The term hedging, as it is used elsewhere in the notes to these financial statements, denotes an economic activity and not an accounting method. The gains and losses from this activity are recognized as incurred in the *Statement of Changes in Fiduciary Net Position*.

CCCERA currently employs external investment managers to manage its assets as permitted by the California Government Code and CCCERA's investment policy and specific managers hold investments in swaps, options, futures, forward settlement contracts, and warrants and enter into forward foreign currency exchange security contracts within fixed income financial instruments. The fair value of options, futures, and warrants is determined based upon quoted market prices. The fair value of derivative investments that are not exchange traded, such as swaps, and TBAs (To Be Announced) is determined by an external pricing service using various proprietary methods, based upon the type of derivative instrument. Futures contracts are marked to market at the end of each trading day, and the settlement of gains or losses occur on the following business day through variation margins. The fair value of international currency forwards represents the unrealized gain or loss on the related contracts, which is calculated as the difference between the specified contract exchange rate and the exchange rate at the end of the reporting period.

Forward foreign currency exchange contracts are used primarily to hedge against changes in exchange rates related to foreign securities. Due to the level of risk associated with certain derivative investment securities, it is conceivable that changes in the values of investment securities will occur in the near term, and such changes could affect the amounts reported in the financial statements.

CCCERA could be exposed to risk if the counterparties to contracts are unable to meet the terms of the contracts. CCCERA's investment managers seek to control this risk through counterparty credit evaluations and approvals, counterparty credit limits, and exposure monitoring procedures. CCCERA anticipates that the counterparties will be able to satisfy their obligations under the contracts. The table below is a summary of derivative instruments as of December 31, 2024, with the net appreciation/(depreciation) that has occurred during the year.

Valuation methods are more fully described in *Note 2, Summary of Significant Accounting Policies*, to the basic financial statements. CCCERA's derivative instruments that are not exchange traded, including any swaps, are valued using methods employed for debt securities. CCCERA's investment policy does not require collateral to be held for derivative investments.

Investment Derivatives

As of December 31, 2024
(Dollars in Thousands)

Investment Derivatives by Type	Net Appreciation/ (Depreciation) in Fair Value	Classifications	Fair Value	Notional Amount
Foreign Exchange Contracts—Forwards	$2,034	Forwards	$1,247	$ -
Foreign Exchange Contracts—Futures	(162)	Futures	-	2,789
Interest Rate Contracts—Futures	(5,813)	Futures	-	224,731
Equity Contracts—Futures	5,156	Futures	-	350,381
Equity Contracts—Options	(1,554)	Options	-	-
Interest Rate Contracts—Options	1	Options	-	-
Equity Contracts—Rights/Warrants	21	Rights/Warrants	-	-
Credit Contracts—Swaps	248	Swaps	4,687	-
TOTAL	**$(69)**		**$5,934**	

Futures contracts are instruments that derive their value from underlying indices or reference rates and are marked to market daily. Settlement of gains or losses occur the following business day. As a result, those instruments and other similar instruments do not have a fair value at December 31, 2024, or any other trading day. Daily settlement of gains and losses enhances internal controls as it limits counterparty credit risk. Futures variation margin accounts are also settled daily and recognized in the financial statements under net appreciation/(depreciation) in fair value as they are incurred.

Foreign currency contracts are obligations to buy or sell a currency at a contractual exchange rate and quantity on a specific date in the future. The fair value of the foreign currency forwards is the unrealized gain or loss calculated as the difference between the contractual exchange rate and the closing exchange rate as of December 31, 2024.

Counterparty Credit Risk

Credit risk of cash securities containing derivative features is based upon the creditworthiness of the issuers of such securities. It includes the risk that counterparties to contracts will not perform and/or the public exchange will not meet its obligation to assume the counterparty risk. Exchange traded derivatives are generally considered to be of lower credit risk than over-the-counter derivatives due to the exchange's margin requirements.

The following Credit Risk Analysis table discloses the counterparty credit ratings of CCCERA's derivative investments as of December 31, 2024:

Credit Risk Analysis

As of December 31, 2024
(Dollars in Thousands)

	S&P Credit Rating		
Derivative Type	**Not Available or Not Rated**	**Exchange Traded**	**Total Fair Value**
Assets			
Credit Contracts—Swaps	$ -	$4,687	$4,687
Foreign Exchange Contracts—Forwards	1,292	-	1,292
Liabilities			
Foreign Exchange Contracts Forwards	(45)	-	(45)
TOTAL	**$1,247**	**$4,687**	**$5,934**

Custodial Credit Risk

The custodial credit risk for exchange traded derivative instruments is made in accordance with custodial credit risk disclosure requirements outlined in GAAP. As of December 31, 2024, all of CCCERA's investments are held in CCCERA's name and are not subject to custodial credit risk.

Interest Rate Risk-Derivatives

CCCERA's investment in interest rate contracts are highly sensitive to changes in interest rates. CCCERA measures interest rate risk using duration with varying maturities of less than three months to more than ten years. The investment maturity of $4.7 million of investments in derivatives is one to five years, the investment maturity of $0.1 million of investments in derivatives is three to six months, and the investment maturity of $1.1 million of investments in derivatives is three months or less.

Foreign Currency Risk-Derivatives

CCCERA is exposed to foreign currency risk on its various investments denominated in foreign currencies. Currency forward contracts are derivatives and generally serve to hedge or offset the impact of foreign currency exchange rate fluctuations. CCCERA does not have a formal policy on foreign currency risk.

Note 9. Contributions

Participating employers and active plan members are required to contribute a percentage of covered salary to the plan. This requirement is pursuant to Government Code Sections 31453.5, 31454 and 7522.52, for participating employers, and Government Code Sections 31621.6, 31639.25 and 7522.30 for active plan members. The contribution requirements are established and may be amended by the Board pursuant to Article 1 of CERL, which is consistent with the plan's actuarial funding policy. The contribution rates are adopted yearly, based on an annual actuarial valuation, conducted by an independent actuary, that considers the mortality, service (including age at entry into the plan, if applicable, and tier), and compensation experience of the members and beneficiaries, and also includes an evaluation of the plan's assets and liabilities. Participating employers may pay a portion of the active plan members' contributions through negotiations and bargaining agreements subject to restrictions in CERL and PEPRA.

Employers are required to contribute at an actuarially determined rate calculated on the alternate funding method permitted by Government Code Section 31453.5. Pursuant to provisions of CERL, the Retirement Board recommends annual contribution rates for approval by the Board of Supervisors. These contribution rates are determined in accordance with the plan's actuarial funding policy, which has the following goals:

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

The "Entry Age" method is used to determine the normal cost and the Actuarial Accrued Liability (AAL). Under this method, the employer contribution rate provides for current cost (normal cost) plus a level percentage of payroll to amortize the Unfunded Actuarial Accrued Liability (UAAL). Normal cost under the Entry Age method is the annual contribution rate that, if paid annually from a member's first year of membership through the year of retirement, would accumulate to the amount necessary to fully fund the member's retirement benefit if all underlying assumptions are met. The UAAL is the difference between the Actuarial Accrued Liability and the Actuarial Value of Assets.

The rates for Legacy members (those subject to a benefit formula in CERL) are set to provide a retirement benefit equal to a fractional portion of the highest year(s) salary, based on membership and tier. The rates for PEPRA members (new members on or after January 1, 2013) are equal to one-half the normal cost of their defined benefit plan.

The recommended average member contribution rate for CCCERA members is 12.13% of annual covered salary, based on the most recent valuation. Certain Safety members contribute an additional percent of base pay towards the employer's increase in cost of the enhanced (3% at 50) safety benefit. Certain Safety members at Moraga-Orinda Fire Protection District contribute 7% of base pay pursuant to a Memorandum of Understanding. Certain San Ramon Valley Fire Protection District Safety members contribute 8% of base pay. Member contributions are refundable upon termination of employment.

As of December 31, 2024, the County of Contra Costa and six other CCCERA participating employers subsidize some portion of the employee basic retirement contribution for at least some employees.

During the year ended December 31, 2024, contributions totaled approximately $530.1 million which included $383.8 million in employer contributions and $146.3 million in plan member contributions. The contribution figures also include plan member and employer purchase, redeposit, and conversion amounts.

Government Code Section 31582(b) allows the Board of Supervisors to authorize the County auditor to make an advance payment of all or part of the County's estimated annual contribution to the retirement fund, provided that the payment is made no later than 30 days after the beginning of the County's fiscal year. If the advance is only a partial payment of the County's estimated annual contribution, remaining transfers will be done monthly or at the end of each pay period until the total amount required for the year is contributed.

Government Code Section 31582(b) was amended in July 17, 2017, with Senate Bill 671 approved by the Governor, to also allow the Board of Supervisors to authorize the County auditor to make a second advance payment for an additional year or partial year of contributions, provided that the payment is made no later than 30 days after the beginning of the County's fiscal year.

Government Code Section 31585(c) allows governing bodies of employer districts authorization for the same appropriations and transfers for all, part, or second additional annual advance payments. The County of Contra Costa and nine other participating employer districts "prepay" or make advance payments of all of the employer's estimated annual contributions discounted by the assumed interest rate in effect on July 1. At the end of the fiscal year, a "true-up" is completed and employers are either billed for an underpayment or apply their overpayment towards the following year contributions.

Ten-year historical trend information, designed to provide information about CCCERA's progress in accumulating sufficient assets to pay benefits when due, is presented in the Actuarial Section of this report on page 87.

Methods and Assumptions Used to Establish Actuarially Determined Contribution Rates

Actuarial Funding Policy	
Valuation Date	Actuarially determined contribution rates are calculated as of December 31, two and a half years prior to the end of the fiscal year in which contributions are reported.
Actuarial Cost Method	Entry Age Actuarial Cost Method. Entry Age is the age on the valuation date minus the lesser of years of employment or benefit service. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are based on costs allocated as a level percentage of compensation, as if the current benefit formula for each individual has always been in effect.
Amortization Policy	The UAAL (i.e., the difference between the AAL and the Valuation Value of Assets) as of December 31, 2014, will continue to be amortized over separate amortization layers based on the valuations during which each separate layer was previously established. • Any new UAAL as a result of actuarial gains or losses identified in the annual valuation as of December 31 will be amortized over a period of 18 years. • Any new UAAL as a result of change in actuarial assumptions or methods will be amortized over a period of 18 years. Unless the Board adopts an alternative amortization period after receiving an actuarial analysis: The increase in UAAL due to plan amendments (with the exception of a change due to temporary retirement incentives) will be amortized over a period of ten years. The entire increase in UAAL resulting from a temporary retirement incentive will be funded in full upon adoption of the incentive.
Actuarial Value of Assets	Fair value of assets less unrecognized returns in each of the last nine semi-annual accounting periods. Unrecognized returns are equal to the difference between the actual market return and the expected return on the fair value, and are recognized semi-annually over a five-year period.
Valuation Value of Assets	The Actuarial Value of Assets reduced by the value of non-valuation reserves and designations.
Actuarial Assumptions	
Investment Rate of Return	6.75%, net of pension plan investment expenses
Administrative Expenses for December 31, 2023, Valuation	1.17% of payroll allocated to both the employer and plan member based on normal cost (before expenses) for the employer and plan member.
Payroll Growth	Inflation of 2.50% per year plus "across the board" real salary increases of 0.50% per year, used to amortize the Unfunded Actuarial Accrued Liability as a level percentage of payroll.
Inflation Rate	Increases of 2.50% per year.
Cost-of-Living Adjustments (COLA)	Increases of 2.75% per year. Benefits for General Tier 1, Tier 3 (non-disability), Tier 4 and Tier 5 (non-disability) and Safety Tier A and Tier D are subject to a 3.00% maximum COLA increase due to CPI per year (valued as a 2.75% increase). Benefits for General Tier 2, Tier 3 (disability) and Tier 5 (disability) are subject to a 4.00% maximum change per year (valued as a 2.75% increase). Benefits for General Tier 4 and Tier 5 members covered under certain memoranda of understanding and Safety Tier C and Tier E are subject to a 2.00% maximum change per year (valued as a 2.00% increase). For members that have COLA banks, they are reflected in projected future COLAs. The actual COLA granted by CCCERA on April 1, 2024, has been reflected for non-active members in the December 31, 2023, valuation.
Other Assumptions	Same as those used in the December 31, 2023, funding actuarial valuation.

CERL requires an actuarial valuation be performed at least every three years for the purpose of measuring the plan's funding progress and setting contribution rates. CCCERA exceeds this requirement by engaging an independent actuarial consulting firm to perform an actuarial valuation for the pension plan annually. The purpose of the valuation is to evaluate the assets and liabilities of the plan and determine necessary changes in employer and plan member contribution rates. The actuarial assumptions and methods have been selected in order to help ensure the systematic funding of future benefit payments for CCCERA members, and to maintain equity among generations of participants and taxpayers.

Actuarial standards guide the frequency to which an experience study is performed. CCCERA engages an independent actuarial consulting firm to perform the experience study at least every three years. The economic and demographic assumptions are reviewed and updated as required each time an experience study is performed. If assumptions are modified as a result of the experience study, employer and plan member contribution requirements are adjusted to take into account the change in the projected experience of the plan.

The actuarial assumptions used to determine the latest actuarial valuation as of December 31, 2023, are based on the results of the three-year actuarial experience study for the three-year period January 1, 2018, through December 31, 2020, which was adopted by CCCERA's Board on April 13, 2022.

The latest actuarial valuation as of December 31, 2023, discloses the actuarial value of assets at $11.3 billion with an actuarial accrued liability of $12.4 billion for a funded ratio of 91.0%. The UAAL is $1.1 billion, which is 96.5% of the $1.2 billion projected covered payroll. A schedule of CCCERA's funding progress may be found in the Actuarial Section on page 87. The schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time. Additional information regarding the actuarial policies, methods and assumptions used as of the latest actuarial valuation of plan assets and liabilities is shown on the previous page.

OPEB Contributions

On January 23, 2019, the Board adopted a funding policy for CCCERA, as a single-employer defined benefit plan, to contribute to the OPEB Trust equal to the actuarially determined contribution (ADC) each year. The latest OPEB valuation as of December 31, 2024, defined the ADC as the annual service cost, plus an amount to amortize the net OPEB liability over ten years from 2018 year of inception, on a level dollar basis, plus interest to account for the timing of contributions during the year. The table below details the ADC used as of December 31, 2024:

OPEB Actuarially Determined Contribution (ADC)

As of December 31, 2024 For Fiscal Year 2025
(Dollars in Thousands)

	2024
Service Cost as of January 1, 2024	$151
Amortization of Net OPEB Liability as of December 31, 2024	237
Interest to January 1, 2025	25
ADC as of January 1, 2025	**$413**

Note 10. Reserves and Designations

All employer and plan member contributions are allocated to various reserve accounts based on the recommendation of the plan's actuary, as approved by the Board and, where applicable, as required by CERL. CCCERA currently does not set aside a separate reserve for purposes of benefit increases or reduced employer contributions. Reserves are established from employer and plan member contributions and the accumulations of investment income after satisfying investment and administrative expenses. The reserves do not represent the present value of assets needed, as determined by actuarial valuation, to satisfy retirements and other benefits as they become due. Following are brief explanations of the major classes of reserves and designations used by CCCERA:

Member Deposits Reserve represents the balance of members' accumulated contributions. Additions include member contributions and credited interest; deductions include refunds of member contributions and transfers to Retired Member Reserve upon retirement.

Employer Advance Reserve represents the balance of employer contributions for future retirement payments to current active members. Additions include contributions from the employer and related earnings; deductions include transfers to Retired Member Reserve, lump sum death benefits, and supplemental disability payments under legislated rehabilitation programs.

Retired Member Reserve represents transfers of accumulated contributions of members who have retired, employer contributions needed to fund retired member benefits as determined by the actuary, and credited interest less payments to retired members.

Contra Tracking Account represents the amount of interest credited to the reserve accounts that has not been paid for out of current or excess earnings. A balance in this account is the result of applying the full interest crediting policy of the Board and will be reduced to zero before replenishing the Contingency Reserve or allocated earnings to any discretionary uses.

Post Retirement Death Benefit Reserve represents the balance of transfers from excess earnings and related earnings, less lump sum death benefit payments to the beneficiaries of retirees.

Reserves and Designated Fiduciary Net Position

As of December 31, 2024, and 2023
(Dollars in Thousands)

	2024		2023	
	Pension Plan	OPEB Trust	Pension Plan	OPEB Trust
Valuation Reserves				
Member Deposits Reserve				
Basic	$1,233,090	$ -	$1,144,000	$ -
Cost-of-Living	588,240	-	559,479	-
Member Deposits—Contra Tracking Account	(364,017)	-	(326,524)	-
Employer Advance Reserve				
Basic	3,642,562	-	3,523,102	-
Cost-of-Living	1,318,791	-	1,765,729	-
Employer Advance—Contra Tracking Account	(1,434,761)	-	(1,337,067)	-
Retired Member Reserve				
Basic	4,587,187	-	4,266,600	-
Cost-of-Living	3,892,207	-	3,159,993	-
Retired Member Cost-of-Living Supplement	(3,197)	-	(2,335)	-
Retired Member—Contra Tracking Account	(1,638,439)	-	(1,423,476)	-
Total Valuation Reserves	**11,821,663**	**-**	**11,329,501**	**-**
Supplemental Reserves				
Post Retirement Death Benefit Reserve	17,537	-	17,349	-
Post Retirement Death—Contra Tracking Account	(6,421)	-	(6,025)	-
Other Reserves/Designations				
Contingency Reserve (one percent)	-	-	-	-
Total Allocated Reserves/Designations	**11,832,779**	**-**	**11,340,825**	**-**
Total Deferred Return	**(212,353)**	**-**	**(531,967)**	**-**
OPEB Trust	-	**5,406**	-	**5,079**
Net Position—Restricted for Pensions	**$11,620,426**	**$5,406**	**$10,808,858**	**$5,079**

Contingency Reserve represents reserves accumulated for future earnings deficiencies, investment losses and other contingencies. Additions include investment income and other revenues. Deductions include investment expenses, administrative expenses, interest allocated to other reserves, funding of Supplemental COLA, and transfers of excess earnings to other Reserves and other Designations. The Contingency Reserve is used to satisfy the California Government Code requirement that CCCERA reserve one percent of its assets against deficiencies in interest earnings in other years, losses on investments, and other contingencies. As of December 31, 2003, the Contingency Reserve was completely used to pay interest to the reserve accounts. This account will be replenished in subsequent periods when there are sufficient earnings according to the interest crediting policy for CCCERA.

Total Deferred Return represents the unrecognized return after smoothing of investment gains and losses based on a five-year smoothing method. This method smooths only the semi-annual deviation of total market return (net of expenses) from the actuarial assumption, currently 6.75 percent per annum.

Reserves and designated fiduciary net position as of December 31, 2024, and 2023, are shown on the previous page.

Note 11.
Paulson Lawsuit Settlement

During the year ended December 31, 1999, CCCERA settled its litigation, entitled *Vernon D. Paulson, et al. vs. Board of Retirement of the Contra Costa County Employees' Retirement Association, et a*l. The lawsuit was brought on behalf of a class of retired members of CCCERA regarding the inclusions and the exclusions from "final" compensation that are used in calculating members' retirement benefits. A settlement agreement was entered into with all parties and each employer invoiced for their share of the $34.2 million additional liability plus interest up to the date of the payment. All employers except the County of Contra Costa have paid off their liability. The County of Contra Costa chose to pay its share of the liability due over 19.5 years and entered into an agreement with CCCERA. The County made the last and final payment on this agreement on February 1, 2024.

As of December 31, 2024, there are no receivables due from the County in connection with this agreement.

Note 12.
Litigation, Commitments, and Contingencies

CCCERA is subject to legal proceedings and claims arising in the ordinary course of its operations. During 2024, a CCCERA retiree member, Glen Stewart, filed two lawsuits against CCCERA. One lawsuit is a Petition for a Writ of Mandate proceeding, whereby the Petitioner seeks the inclusion of on-call pay the member received while working for Contra Costa County as compensation for retirement purposes. The second lawsuit, from same member, the Plaintiff challenges the timing of CCCERA's payment of benefit, contending that CCCERA should have begun payments despite the failure of the Plaintiff to complete the retirement application by selecting his final retirement option.

CCCERA's management and legal counsel estimate that the ultimate outcome of such litigation will not have a material effect on CCCERA's financial statements.

As of December 31, 2024, CCCERA was committed to funding future investments in real estate of $593.3 million, private credit of $286.5 million, private equity of $958.9 million, and $165.8 million of real asset investments.

Note 13.
Administrative Expenses

The Board of Retirement annually adopts at the end of the preceding fiscal year, the current year operating budget for the administration of CCCERA. The administrative expenses are charged against the earnings of the Plan.

California Government Code Section 31580.2(a) states that the annual budget for administrative expenses of a CERL retirement system may not exceed the greater of either of the following:

1. Twenty-one hundredths of one percent (0.21 percent) of the actuarial accrued liability (AAL) of the retirement system or,
2. $2,000,000 as adjusted annually by the amount of the annual cost-of-living adjustment computed in

accordance with Article 16.5 (commencing with Section 31870).

CCCERA has adopted the provisions of CERL which allows CCCERA to exclude actuarial, investment, legal, and disaster recovery costs from administrative expenses subject to the budget limits described above. Therefore, actuarial and investment costs are offset against investment income, and legal and disaster recovery costs are all reported on the *Statement of Changes in Fiduciary Net Position* as other expense.

The Board approved the administrative budget for fiscal year 2024 in November 2023, which was prepared based upon the twenty-one hundredths of one percent (0.21 percent) of the AAL of CCCERA..

The following budget-to-actual analysis of administrative expenses as of December 31, 2024, and December 31, 2023, is based upon the budgets as approved by the CCCERA Board in comparison to actual administrative expenses:

Note 14. Subsequent Events

In compliance with governmental accounting standards generally accepted in the United States of America, management has evaluated subsequent events through June 4, 2025, which is the date the financial statements were available to be issued. The purpose of the evaluation is to determine if these events are required to be disclosed in these financial statements.

CCCERA did not have any other events requiring recording or disclosure in the financial statements for the year ended December 31, 2024.

Budget-to-Actual Analysis of Pension Plan Administrative Expense

As of December 31, 2024, and 2023

(Dollars in Thousands)

	2024	2023
Basis for Budget Limitation, Actuarial Accrued Liability (AAL)[1]	$12,438,710	$11,912,229
Maximum Allowable for Administrative Expenses (AAL × 0.21%)	26,121	25,016
Approved Administrative Budget	$14,555	$14,304
Actual Administrative Expenses	(13,996)	(12,840)
Actual Expenses (over) under Administrative Budget	**$559**	**$1,464**
Actual Administrative Expenses	$13,996	$12,840
Actuarial Accrued Liability (AAL)	12,438,710	11,912,229
Actual Administrative Expenses as a Percentage of AAL	**0.11%**	**0.11%**
Statutory Limit Allowable For Administrative Expenses per CERL		0.21%

1 The most recent AAL, as determined by CCCERA's actuary in each year's valuation, is used to calculate the statutory limit for administrative expenses. For example, the AAL as of December 31, 2023, valuation approved by the Board of Retirement in August 2024, was used to establish the statutory limit allowable for budgeted administrative expenses for the year ended December 31, 2024.

Required Supplementary Information

The schedule of changes in net pension liability/(asset) and related ratios displays the components of the total pension liability and plan fiduciary net position for the pension plan, calculated in conformity with the requirements of GASB 67. Covered payroll represents payroll on which contributions to the pension plan are based.

Schedule of Changes in the Net Pension Liability/(Asset) and Related Ratios

For the Years Ended December 31, 2015, through 2024
(Dollars in Thousands)

	2024	2023	2022	2021	2020
Total Pension Liability					
Service Cost	$292,498	$275,825	$262,621	$251,753	$238,569
Interest	835,736	791,479	754,962	735,972	707,427
Differences between expected and actual experience	55,618	189,108	101,291	6,602	(10,633)
Changes of assumptions or other inputs	(48,695)	-	-	223,911	(17,638)
Benefit payments, including refunds of member contributions	(630,343)	(604,537)	(577,619)	(539,112)	(507,135)
Net Change in Total Pension Liability	**504,814**	**651,875**	**541,255**	**679,126**	**410,590**
Total Pension Liability—Beginning	12,403,942	11,752,067	11,210,812	10,531,688	10,121,098
Total Pension Liability—Ending (a)	**$12,908,756**	**$12,403,942**	**$11,752,067**	**$11,210,814**	**$10,531,688**
Plan Fiduciary Net Position					
Contributions—Employer[1]	$383,818	$373,148	$352,384	$410,760	$336,357
Contributions—Plan Members[1]	146,314	132,104	122,304	117,017	113,494
Net investment income (loss), including prepayment discount	927,052	868,251	(1,281,908)	1,407,344	882,394
Benefit payments, including refunds of member contributions	(630,343)	(604,538)	(577,619)	(539,113)	(507,135)
Administrative Expense	(13,996)	(12,840)	(11,538)	(11,237)	(10,750)
Other Expenses	(1,277)	(936)	(3,720)	(1,243)	(1,135)
Net Change in Plan Fiduciary Net Position	811,568	755,189	(1,400,097)	1,383,528	813,225
Plan Fiduciary Net Position—Beginning	10,808,858	10,053,669	11,453,766	10,070,238	9,257,013
Plan Fiduciary Net Position—Ending (b)	**11,620,426**	**$10,808,858**	**$10,053,669**	**$11,453,766**	**$10,070,238**
Net Pension Liability/(Asset) (a)−(b) = (c)	**$1,288,330**	**$1,595,084**	**$1,698,398**	**$(242,952)**	**$461,450**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (b)/(a)	90.0%	87.1%	85.5%	102.2%	95.6%
Covered Payroll (d)	$1,189,384	$1,093,973	$1,023,663	$976,332	$943,422
Net Pension Liability/(Asset) as a Percentage of Covered Payroll (c)/(d)	108.3%	145.8%	165.9%	−24.9%	48.9%

1 In accordance with GASB Statement No. 82, starting with the year ended December 31, 2016, employer-paid member contributions (employer subvention) are classified as plan member contributions. Vice versa, plan member-paid employer contributions (reverse subvention) are classified as employer contributions.

(continues)

Schedule of Changes in the Net Pension Liability/(Asset) and Related Ratios *(continued)*

For the Years Ended December 31, 2015, through 2024
(Dollars in Thousands)

	2019	2018	2017	2016	2015
Total Pension Liability					
Service Cost	$231,469	$229,098	$212,257	$202,697	$192,923
Interest	678,035	647,734	616,273	591,972	582,343
Differences between expected and actual experience	119,869	52,853	(29,192)	(19,957)	(62,118)
Changes of assumptions or other inputs	-	(92,419)	-	-	72,186
Benefit payments, including refunds of member contributions	(486,305)	(461,254)	(436,295)	(419,446)	(406,236)
Net Change in Total Pension Liability	543,068	376,012	363,043	355,266	379,098
Total Pension Liability—Beginning	9,578,030	9,202,018	8,838,975	8,483,709	8,104,611
Total Pension Liability—Ending (a)	$10,121,098	$9,578,030	$9,202,018	$8,838,975	$8,483,709
Plan Fiduciary Net Position					
Contributions—Employer[1]	$327,983	$325,117	$314,836	$307,909	$323,720
Contributions—Plan Members[1]	108,488	103,541	96,467	88,788	85,360
Net investment income (loss), including prepayment discount	1,168,171	(195,031)	987,416	493,874	73,611
Benefit payments, including refunds of member contributions	(486,305)	(461,254)	(436,295)	(419,446)	(406,236)
Administrative Expense	(10,200)	(9,337)	(9,146)	(8,486)	(8,115)
Other Expenses	(1,110)	(3,631)	(1,217)	(701)	(668)
Net Change in Plan Fiduciary Net Position	1,107,027	(240,595)	952,061	461,938	67,672
Plan Fiduciary Net Position—Beginning	8,149,986	8,390,581	7,438,520	6,976,582	6,908,910
Plan Fiduciary Net Position—Ending (b)	$9,257,013	$8,149,986	$8,390,581	$7,438,520	$6,976,582
Net Pension Liability/(Asset) (a)−(b) = (c)	$864,085	$1,428,044	$811,437	$1,400,455	$1,507,127
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (b)/(a)	91.5%	85.1%	91.2%	84.2%	82.2%
Covered Payroll (d)	$892,379	$850,929	$809,960	$755,139	$709,819
Net Pension Liability/(Asset) as a Percentage of Covered Payroll (c)/(d)	96.8%	167.8%	100.2%	185.5%	212.3%

1 In accordance with GASB Statement No. 82, starting with the year ended December 31, 2016, employer-paid member contributions (employer subvention) are classified as plan member contributions. Vice versa, plan member-paid employer contributions (reverse subvention) are classified as employer contributions.

Schedule of Employer Contributions

For Years Ended December 31, 2015, through 2024
(Dollars in Thousands)

	Actuarially Determined Contributions (a)	Contributions in Relation to the Actuarially Determined Contributions (b)[1]	Contribution Deficiency/(Excess) (b)−(a)	Covered Payroll[2] (c)	Contributions as a Percentage of Covered Payroll (b) ⁄ (c)
2015	$321,220	$321,220 [3]	-	$709,819	45.25%
2016	307,909	307,909	-	755,139	40.78%
2017	314,512	314,512 [4]	-	809,960	38.83%
2018	324,863	324,863 [5]	-	850,929	38.18%
2019	326,717	326,717 [6]	-	892,379	36.61%
2020	336,067	336,067 [7]	-	943,422	35.62%
2021	339,703	339,703 [8]	-	976,332	34.79%
2022	348,760	348,760 [9]	-	1,023,663	34.07%
2023	372,770	372,770 [10]	-	1,093,973	34.07%
2024	383,818	383,818	-	1,189,384	32.27%

1 Starting with the year ended December 31, 2016, includes "member subvention of employer contributions" and excludes "employer subvention of member contributions". Prior to that year, the contributions excluded "member subvention of employer contributions" and included "employer subvention of member contributions".

2 Covered payroll represents payroll on which contributions to the pension plan are based.

3 Excludes additional contributions towards UAAL of $2,500,000.

4 Excludes additional contributions towards UAAL of $324,000.

5 Excludes additional contributions towards UAAL of $254,000.

6 Excludes additional contributions towards UAAL of $1,266,000.

7 Excludes additional contributions towards UAAL of $290,000.

8 Excludes additional contributions towards UAAL of $71,056,669.

9 Excludes additional contributions towards UAAL of $3,623,437.

10 Excludes additional contributions towards UAAL of $378,015.

Schedule of Investment Returns

For Years Ended December 31, 2015, through 2024

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the timing of cash flows and the changing amounts actually invested.

	Annual Money-Weighted Rate of Return, Net of Investment Expense
2015	1.19%
2016	7.10%
2017	13.23%
2018	−2.18%
2019	14.26%
2020	9.50%
2021	13.90%
2022	−11.02%
2023	8.70%
2024	8.56%

Notes to the Required Supplementary Information

Note 1.
Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios

The total pension liability contained in this schedule was provided by the plan's actuary, Segal Consulting. The net pension liability/(asset) is measured as the total pension liability less the amount of the fiduciary net position of the plan.

Note 2.
Schedule of Employer Contributions

The required employer contributions and percent of those contributions actually made are presented in this schedule. Actuarial assumptions used for this schedule are presented in the following table.

Additional Actuarial Information for 2024

	Methods and Assumptions Used to Establish Actuarially Determined Contribution Rates
Valuation Date	Actuarially determined contribution rates are calculated as of December 31, two and a half years prior to the end of the fiscal year in which contributions are reported.
Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method	Level Percent of Payroll
Remaining Amortization Period	Remaining balance of December 31, 2007, UAAL is amortized over a fixed (decreasing or closed) period with two years remaining as of December 31, 2020, and one year remaining as of December 31, 2021. Any changes in UAAL after December 31, 2007, will be separately amortized over a fixed 18-year period effective with that valuation. Effective December 31, 2013, any changes in UAAL due to plan amendments (with the exception of a change due to retirement incentives) will be amortized over a ten-year fixed period effective with that valuation. The entire increase in UAAL resulting from a temporary retirement incentive will be funded in full upon adoption of the incentive.
Asset Valuation Method	Fair value of assets less unrecognized returns in each of the last nine semi-annual accounting periods. Unrecognized return is equal to the difference between the actual market return and the expected return on the valuation value of assets, and is recognized semi-annually over a five-year period. The valuation value of assets is the actuarial value of assets reduced by the value of the non-valuation reserves and designations.

	Actuarial Assumptions	
Valuation Date[1]	December 31, 2022, Valuation Date	December 31, 2021, Valuation Date
Investment Rate of Return	6.75%, net of pension plan investment expenses, including inflation	6.75%, net of pension plan investment expenses, including inflation
Inflation Rate	2.50%	2.50%
Administrative Expenses	1.13% of payroll allocated between the employer and member based on the components of the Normal Cost rates for the employer and member.	1.15% of payroll allocated to both the employer and member based on the components of the Normal Cost rates for the employer and member
Real Across-the-Board Salary Increases	0.50%	0.50%
Projected Salary Increases[2]	General 3.50% to 14.00% Safety 4.00% to 15.00%	General 3.50% to 14.00% Safety 4.00% to 15.00%
Cost-of-Living Adjustments (COLA)	2.75% for Tiers with 3% or 4% maximum COLA. 2.00% for Tiers with 2% maximum COLA.	2.75% for Tiers with 3% or 4% maximum COLA. 2.00% for Tiers with 2% maximum COLA.
Other Assumptions	Same as those that will be used in the December 31, 2022, funding actuarial valuation.	Same as those that will be used in the December 31, 2021, funding actuarial valuation.

1 Actuarially determined contribution rates for the first six months of calendar year 2024 (or the second half of fiscal year 2023–2024) are calculated based on the December 31, 2021, valuation. Actuarially determined contribution rates for the last six months of calendar year 2024 (or the first half of fiscal year 2024–2025), are calculated based on the December 31, 2022, valuation.

2 For December 31, 2022, and December 31, 2021, valuation dates, includes inflation of 2.75% plus real across-the-board salary increases of 0.50% plus merit and promotion increases that vary by service.

The information presented in the required supplementary schedules was determined from the GASB 67 actuarial valuation as of December 31, 2024, provided by the plan's actuary. The GASB 67 actuarial valuation, which is separate from the actuarial funding valuation, contains information necessary for CCCERA to properly report pension plan results in the ACFR. Additional information relating to the actuarial funding valuation as of December 31, 2023, is in the Actuarial Section.

CCCERA implemented GASB Statement No. 82, *Pension Issues, an Amendment of GASB Statements No. 67, No. 68, and No. 73*, during the fiscal year ended December 31, 2017. GASB 82 was issued to address the definition of payroll-related measures such as using covered payroll instead of covered-employee payroll; the selection of assumptions used to determine total pension liability and related measures; and classification of payments made by employers to satisfy employee contribution requirements.

Other Supplementary Information

Schedule of Administrative Expenses

For the Years Ended December 31, 2024, and 2023 (with Comparative Totals)
(Dollars in Thousands)

	2024		2023	
	Pension Plan	OPEB Trust	Pension Plan	OPEB Trust
Personnel Services				
Salaries and Wages	$6,772	$ -	$6,034	$ -
Employee Benefits and Retirement	4,114	261	3,820	208
Total Personnel Services	**10,886**	**261**	**9,854**	**208**
Operational Expenses				
Professional Services				
Audit Services	53	-	52	-
Actuary—Benefit Statements	86	-	81	-
Disability Hearing/Medical Reviews	125	-	36	-
Other Professional Services	43	-	73	-
Total Professional Services	**307**	**-**	**242**	**-**
Office Expenses				
Office Lease	573	-	541	-
Telephone & Internet Services	104	-	103	-
Equipment Lease & Maintenance	14	-	18	-
Furniture & Equipment	2	-	-	-
Office Supplies & Maintenance	71	-	70	-
Printing & Postage	252	-	207	-
Training & Education	150	-	96	-
Travel & Transportation	113	-	82	-
Insurance	364	-	340	-
Total Office Expenses	**1,643**	**-**	**1,457**	**-**
Information Technology (IT) Systems				
Support Service & Software Contracts	410	-	481	-
Hardware & Equipment Maintenance	22	-	48	-
Project Consulting	590	-	564	-
Total IT Systems	**1,022**	**-**	**1,093**	**-**
Assets Depreciation/Amortization	138	-	194	-
Total Administrative Expenses	**$13,996**	**$261**	**$12,840**	**$208**

Schedule of Investment Expenses

For the Years Ended December 31, 2024, and 2023 (with Comparative Totals)
(Dollars in Thousands)

	2024		2023	
	Pension Plan	OPEB Trust	Pension Plan	OPEB Trust
Investment Management Fees				
Equities Managers				
Domestic Equity	$4,710	$ -	$4,238	$ -
Global & International Equity	9,238	-	8,798	-
Real Estate – REIT	573	-	503	-
Risk Parity	476	-	1,208	-
Risk Diversifying	1,496	-	1,360	-
Mutual Funds – Equity	-	20	-	18
Total Equities Managers	16,493	20	16,107	18
Fixed Income Managers				
Liquidity Program	1,757	-	1,595	-
Held in Equity Portfolios	-	-	31	-
High Yield	671	-	619	-
Risk Diversifying	2,065	-	962	-
Public Market Commingled Funds	-	11	724	11
Total Fixed Income Managers	4,493	11	3,931	11
Real Asset Managers				
Global & International Equity	600	-	499	-
Total Real Asset Managers	600	-	499	-
Real Estate Managers				
Risk Diversifying	-	-	12	-
Value Added, Opportunistic & Distressed Funds	12,720	-	10,177	-
Total Real Estate Managers	12,720	-	10,189	-
Alternative Investment Managers				
Risk Parity	440	-	-	-
Private Equity & Private Credit Funds	20,941	-	19,279	-
Total Alternative Investment Managers	21,381			
Total Investment Management Fees	55,687	31	50,005	29
Investment Consulting Fees				
Consulting Services	1,054	-	1,031	-
Legal Services	174	-	170	-
Actuarial Services	344	6	232	14
Total Investment Consulting Fees	1,572	6	1,433	14
Master Custodian & Fiscal Agent Services	554	-	549	-
Other Investment Related Expenses	2,993	-	2,690	-
Total Investment Expenses	**$60,806**	**$37**	**$54,677**	**$43**

Schedule of Payments to Consultants

For the Years Ended December 31, 2024, and 2023 (with Comparative Totals)
(Dollars in Thousands)

	2024		2023	
Type of Service	**Pension Plan**	**OPEB Trust**	**Pension Plan**	**OPEB Trust**
Actuarial Services & Consulting	$344	$6	$232	$14
Benefit Statement Services	86	-	81	-
Information Technology Consulting	590	-	564	-
Audit & Pension System Services	53	-	52	-
Other Professional Services	43	-	73	-
Legal Services				
Outside Legal—General, Fiduciary & Tax	336	-	76	-
Investments	174	-	170	-
Disabilities	19	-	11	-
Other Legal Services	5	-	70	-
Total Legal Services	534	-	327	-
Investment Consultant Services	1,020	31	999	29
Investment Custodian & Fiscal Agent Fees	554	-	549	-
Proxy Guideline Voting Agent Service	34	-	33	-
Total Payments to Consultants	**$3,258**	**$37**	**$2,910**	**$43**

INVESTMENT 69

Chief Investment Officer's Report

May 9, 2025

Trustees, Board of Retirement
Contra Costa County Employees' Retirement Association
Re: Chief Investment Officer Review of 2024 Investment Activity

Members of the Board:

Risk markets, and in particular the U.S. equity market, continued to rally in 2024. As was the case in 2023, this was led by U.S. mega-cap tech stocks, but most markets saw a positive results for the year. Interest rates remained steady across most developed markets and some traders have priced in one or more rate cuts over the course of 2025, although there is a wide range of opinions on this matter as inflation remains somewhat elevated above the Federal Reserve's target of 2%.

Given this background, the equity markets continued to perform well in 2024. The Russell 3000 Index of domestic stocks returned 23.8% for the year while the MSCI ACWI Index of global stocks returned 17.5%. Emerging market securities had a more muted return of 7.5%. The Bloomberg Aggregate Bond Index returned 1.3% while the 1–3 Year Government/Credit Index returned 4.4%. Real estate continued to struggle under the dual headwinds of higher rates and a halting recovery in office utilization. The NCREIF Property Index returned 0.4%. All return figures in this review are presented net of fees and time-weighted, and are calculated by CCCERA's investment consultant, Verus Investments.

Total Fund Performance

CCCERA's Total Fund returned 8.3% (net of investment management fees) for the year ending December 31, 2024. This return was above the policy index return of 7.8%. Relative to the peer universe, CCCERA ranked in the 67th percentile of public funds. Over the past 10 years ending December 31, 2024, CCCERA has returned 6.5% and ranked in the 77th percentile.

Importantly, CCCERA has achieved these returns while assuming a lower risk posture than our peers, resulting in superior risk-adjusted returns as measured by our Sharpe ratio. Over the trailing ten years ending December 31, 2024, the fund achieved a Sharpe Ratio of 0.7, ranking in the 32nd percentile of public funds.

Strategic Review of Asset Allocation and Portfolio Construction

CCCERA's primary function is to deliver timely and accurate pension benefits to members. Pension benefits represent the total of employer and plan member contributions, and market returns on the investment of those contributions over time. Pension fund trustees have a fiduciary responsibility to carefully invest plan assets to generate market returns while being mindful of the safety of the hard-earned contributions. Pension funds typically accomplish that balance between investment returns and safety by allocating plan assets among several different types of investments, each with its own prospects for growth and safety.

Most pension funds, including CCCERA, have historically attempted to strike the right balance by allocating plan investments into three broad areas:

1. Bonds issued by governments and corporations, intended to provide income and reduce overall portfolio volatility
2. Equities (stocks) intended to provide long-term growth
3. Diversified alternative investments including real estate and private equity

In 2016, the CCCERA Board of Trustees approved a significant change to CCCERA's investment allocation. The new allocation was dubbed a Functionally Focused Portfolio (FFP). The strategic asset allocation was reviewed in 2024 and the Board opted to maintain the broad risk exposures, but make some allocation changes within our Growth allocation to shift from equities to fixed income.

The Board believes that in addition to focusing more investable resources into short-term instruments intended to achieve the plan's primary function of paying near-term pension benefits, the new Functionally Focused Portfolio allocation strategy will reduce the inherently higher volatility of the returns generated by our historical allocation. The Trustees recognize that by reducing the volatility of investment returns, some higher returns may not necessarily be achieved during the up markets. Conversely, CCCERA returns will be less likely to be as negatively impacted during the inevitable down years. The Board realizes that with this strategy, CCCERA may not necessarily capture all the market highs, nor have to endure all the market lows either. This pattern was observed in 2023 when the fund lagged somewhat as risk markets, particular the U.S. equity market, saw a remarkably strong performance..

Asset Allocation

As of December 31, 2024, CCCERA's fair value of investment assets including cash and cash equivalents was $11.8 billion, an increase of approximately $0.8 billion from the December 31, 2023, fair value of $11.0 billion. This was the result of investment gains of $902 million and net cash flow of –$154 million. All asset classes as of December 31, 2024, were within their respective target allocations.

Sincerely,

Timothy Price, CFA
Chief Investment Officer

General Information

CCCERA's funding objective is to meet long-term benefit obligations through contributions and investment income. This is accomplished by the implementation of a carefully planned and executed long-term investment program.

The California Constitution and Government Code Sections 31594 and 31595 authorize the Board of Retirement (Board) to invest in any investment deemed prudent in the Board's opinion. Investment decisions are to be made in the sole interest and for the exclusive purpose of providing benefits, minimizing employer contributions, and defraying reasonable expenses for administering the system. Investments are to be diversified to minimize the risk of loss and to maximize the rate of return, unless under the circumstances it is clearly prudent to not do so. The Board has adopted an Investment Policy, which provides the framework for the management of CCCERA's investments. This policy establishes CCCERA's investment policies and objectives and defines the principal duties of the Board and staff, the Custodian bank and investment managers. For the year ended December 31, 2024, the total fund returned 8.3% net of fees; more than the policy index return of 7.8%.

Summary of Proxy Voting Guidelines and Procedures

Voting of proxy ballots shall be in accordance with CCCERA's Proxy Voting Guidelines. CCCERA utilizes the services of Institutional Shareholder Services to research and vote CCCERA's U.S. proxy ballots in order to protect and enhance returns.

Asset Allocation

The asset allocation is an integral part of the Investment Policy. When a new asset class is implemented or a current asset class is expanded, the plan's policy is modified to reflect the change or revision. The Board implements the asset allocation plan by hiring investment managers to invest assets on CCCERA's behalf, subject to specific guidelines incorporated into each firm's contract.

The Board adopted an Investment Policy Statement in September 2016, and updated in May 2021, in which the Board is to periodically set, review, and revise its asset allocation targets. In July 2024, the long-term asset allocation targets were determined by the Board to be as follows:

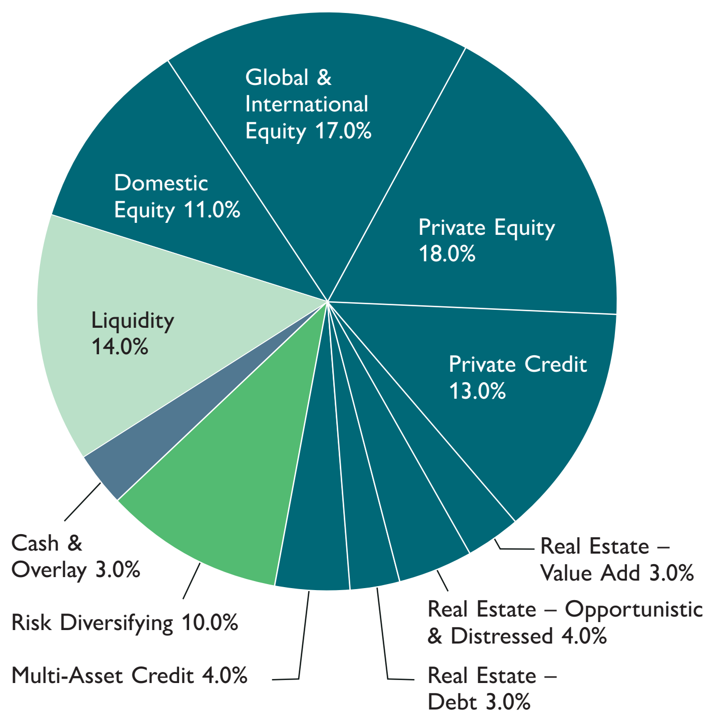
	Long-Term	Current Target
Liquidity	14.0%	17.0%
Growth	73.0%	70.0%
Risk Diversifying	10.0%	8.0%
Cash and Overlay	3.0%	5.0%

The Board conducted a review of the strategic asset allocation in 2024. The FFP structure was maintained, but the underly strategies within the Growth and Risk Diversifying sub-portfolios was shifted. The most notable allocation changes were the elimination of risk parity strategies and the introduction of multi-asset credit, real estate debt and the introduction of a U.S. Treasury allocation.

CCCERA's Chief Investment Officer and the outside investment consultant (Verus) assist the Board with the design and implementation of the new asset allocation as depicted in the following charts:

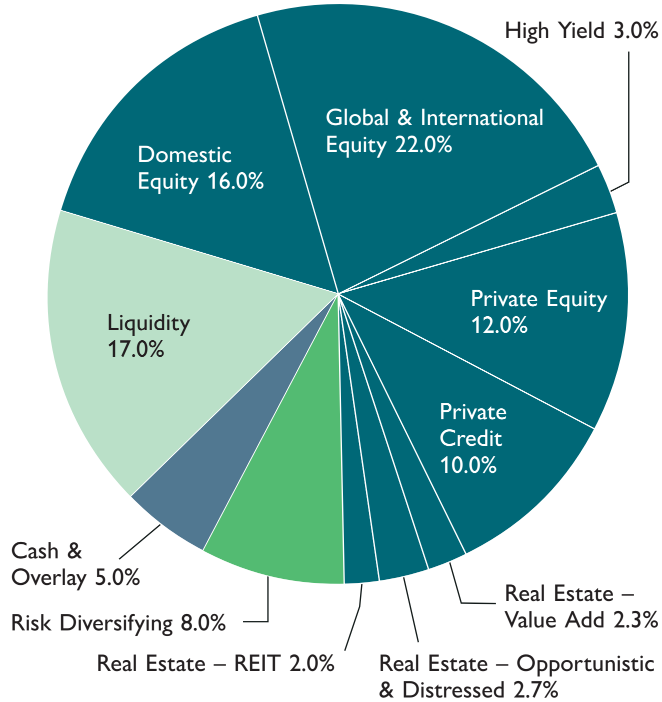
Percentage of Total Fund

Asset Class	Actual % Allocation
Liquidity	14.0%
Growth	
Domestic Equity	11.0%
Global & International Equity	17.0%
Private Equity	18.0%
Private Credit	13.0%
Real Estate – Value Add	3.0%
Real Estate – Opportunistic & Distressed	4.0%
Real Estate – Debt	3.0%
Multi-Asset Credit	4.0%
Total Growth	73.0%
Risk Diversifying	10.0%
Cash & Overlay	3.0%
Total	**100.0%**



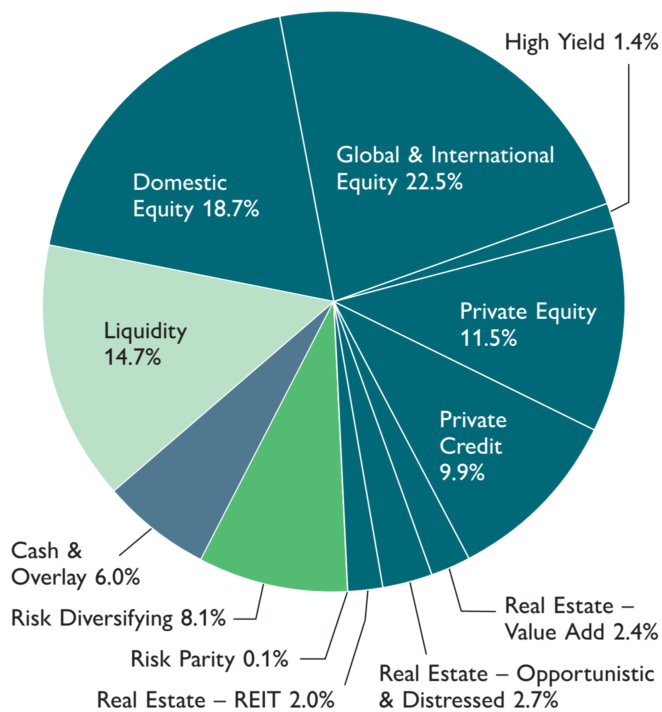
Current

Asset Class	Actual % Allocation
Liquidity	17.0%
Growth	
Domestic Equity	16.0%
Global & International Equity	22.0%
High Yield	3.0%
Private Equity	12.0%
Private Credit	10.0%
Real Estate – Value Add	2.3%
Real Estate – Opportunistic & Distressed	2.7%
Real Estate – REIT	2.0%
Total Growth	70.0%
Risk Diversifying	8.0%
Cash & Overlay	5.0%
Total	**100.0%**



Long-Term

Asset Class	Actual % Allocation
Liquidity	14.7%
Growth	
Domestic Equity	18.7%
Global & International Equity	22.5%
High Yield	1.4%
Private Equity	11.5%
Private Credit	9.9%
Real Estate – Value Add	2.4%
Real Estate – Opportunistic & Distressed	2.7%
Real Estate – REIT	2.0%
Risk Parity	0.1%
Total Growth	71.2%
Risk Diversifying	8.1%
Cash & Overlay	6.0%
Total	**100.0%**



Investment Results Based on Fair Value*

As of December 31, 2024

	Annualized (Net of Fees)			
	Current Year	3 Year	5 Year	10 Year
Liquidity	5.0%	2.2%	1.9%	-
Benchmark: Bloomberg US Govt/Credit 1–3 Yr. TR	4.4%	1.7%	1.6%	-
Total Domestic Equity	20.5%	6.0%	11.8%	10.9%
Benchmark: Russell 3000	23.8%	8.0%	13.9%	12.5%
Total Global Equity	13.9%	2.7%	8.8%	9.1%
Benchmark: MSCI AC World Index	17.5%	5.4%	10.1%	9.2%
Total International Equity	6.8%	0.0%	4.4%	4.9%
Benchmark: MSCI ACWI ex-USA Gross	6.1%	1.3%	4.6%	5.3%
Benchmark: MSCI EAFE Gross	4.3%	2.2%	5.2%	5.7%
Total High Yield	6.5%	2.0%	3.1%	4.1%
Benchmark: ICE BofA ML High Yield Master II	8.2%	2.9%	4.0%	5.1%
Private Equity	2.8%	0.4%	12.1%	11.1%
Private Credit	11.9%	10.5%	9.1%	9.0%
Total Real Estate	−9.4%	−8.5%	−3.0%	2.7%
Benchmark: Real Estate Benchmark	−10.5%	−8.8%	−1.9%	2.6%
Benchmark: NCREIF—ODCE Index	−1.4%	−2.3%	2.9%	5.9%
Benchmark: NCREIF Property Index	0.4%	−0.8%	3.1%	5.7%
Risk Parity	10.3%	−3.3%	1.6%	-
Diversifying	−0.4%	−1.4%	−0.8%	0.2%
Benchmark: Custom Diversifying Benchmark	4.3%	1.8%	2.4%	3.1%
Total Cash	5.6%	4.5%	3.0%	2.2%
Benchmark: 90 Day U.S. Treasury Bill	5.3%	3.9%	2.5%	1.8%
Total Fund	8.3%	1.8%	5.6%	6.2%
Benchmark: Policy Index	7.8%	2.7%	6.7%	7.0%
Total Fund excl. Overlay & Cash	8.3%	2.0%	5.8%	6.3%
Benchmark: Policy Index	7.8%	2.7%	6.7%	7.0%

* Using time-weighted rate of return based on the market rate of return.

Investment Managers

(As of December 31, 2024)

Liquidity

Dimensional Fund Advisors
Insight Investment
Sit Investments

Risk Diversifying

AFL-CIO Housing Investment Trust
BH-DG Systematic
Sit Investments

Cash Overlay

Parametric Portfolio Associates
The Northern Trust Company

Securities Lending Program

The Northern Trust Company

Growth

Domestic Equity

BlackRock Institutional Trust
Ceredex Value Advisors
Emerald Advisors
Robeco Boston Partners

Global & International Equity

Artisan Global Opportunities
First Eagle Investment Management
Pimco/RAE
Pyrford International
TT Emerging Markets
William Blair & Company

High Yield Fixed Income

Voya Investment Management

Private Equity

Adams Street Partners
Aether Investment Partners
AE Industrial Partners
Altaris Health Partners
Altor Equity Partners
Arbor Investments
Ares Energy Investors Funds
Blackfin Capital Partners
Castik Capital
Commonfund
DBL Investors (Bay Area Equity)
Equilibrium Capital (Wastewater)
EQT Partners
Genstar Capital
GTCR
Hellman & Friedman Capital Partners
Leonard Green & Partners
Oaktree Capital
Ocean Avenue Capital Partners
Paladin Capital Management
Pathway Capital Management
Siguler Guff
Siris Capital Group
Symphony Technology Group
Stone Point Capital (Trident)
TPG Healthcare Partners
TA Associates

Private Credit

Angelo Gordon Energy
Torchlight Investors
StepStone Group

Real Estate

Angelo Gordon
Blackstone
Cross Lake Partners
DLJ Real Estate Capital Partners LP
EQT Partners
Invesco Real Estate
Jadian Capital
KSL Capital Partners
LaSalle Investment Management
Long Wharf Real Estate Partners
Oaktree Capital
PCCP, LLC
Siguler Guff
Stockbridge

Real Estate Investment Trust (REIT)

Adelante Capital Management
Invesco

Risk Parity

AQR GRP EL Fund
PanAgora Asset Management

Investment Summary

For the Year Ended December 31, 2024
(Dollars in Thousands)

	Pension Plan		OPEB Trust	
Type of Investment	Fair Value	Percent of Total Fair Value	Fair Value	Percent of Total Fair Value
Short-Term				
Cash Equivalents	$878,658	7.4%	$103	1.9%
Total Short-Term Investments	878,658	7.4%	103	1.9%
Long-Term Investments by Fair Value Level				
Equities				
Domestic Equity	2,182,861	18.5%	-	-
Global & International Equity	2,502,402	21.2%	-	-
Real Estate – REIT	227,875	1.9%	-	-
High Yield	37	-	-	-
Risk Diversifying	252,034	2.1%	-	-
Mutual Funds – Equity	-	-	3,356	61.0%
Total Equity Securities	5,165,209	43.7%	3,356	61.0%
Fixed Income				
Liquidity Program	1,647,268	14.0%	-	-
High Yield	159,289	1.3%	-	-
Risk Diversifying	698,004	5.9%	-	-
Mutual Funds – Fixed Income	-	-	2,046	37.1%
Total Fixed Income Securities	2,504,561	21.2%	2,046	37.1%
Real Assets				
Global & International Equity	74,239	0.6%	-	-
Public Market Commingled Funds	26	-	-	-
Total Real Assets	74,265	0.6%	-	-
Real Estate				
Value Added, Opportunistic & Distressed Funds	597,602	5.1%	-	-
Total Real Estate	597,602	5.1%	-	-
Alternatives				
Risk Parity	8,895	0.1%		
Cash Overlay	9,449	0.1%		
Private Equity & Private Credit Funds	2,575,229	21.8%	-	-
Total Alternatives	2,593,573	22.0%	-	-
Total Long-Term Investments at Fair Value	10,935,210	92.6%	5,402	98.1%
Total Short and Long-Term Investments	**$11,813,868**	**100.0%**	**$5,505**	**100.0%**

Investments and Management Fees

For the Year Ended December 31, 2024
(Dollars in Thousands)

	Pension Plan		OPEB Trust	
	Assets Managed	Fees	Assets Managed	Fees
Investment Activity				
Equities Managers				
Domestic Equity	$2,182,861	$4,710	$ -	$ -
Global & International Equity	2,502,402	9,238	-	-
Real Estate – REIT	227,875	573	-	-
High Yield	37	-	-	-
Risk Parity	-	476	-	-
Risk Diversifying	252,034	1,496	-	-
Mutual Funds – Equity	-	-	3,356	20
Total Equities Managers	**5,165,209**	**16,493**	**3,356**	**20**
Fixed Income Managers				
Liquidity Program	1,647,268	1,757	-	-
Held in Equity Portfolios	159,289	-	-	-
High Yield	698,004	671	-	-
Risk Diversifying	-	2,065	-	-
Mutual Funds – Fixed Income	-	-	2,046	12
Total Fixed Income Managers	**2,504,561**	**4,493**	**2,046**	**12**
Real Asset Managers				
Global & International Equity	74,239	600	-	-
Risk Diversifying	26	-	-	-
Total Real Asset Managers	**74,265**	**600**	**-**	**-**
Real Estate Managers				
Value Added, Opportunistic & Distressed Funds	597,602	12,720	-	-
Total Real Estate Managers	**597,602**	**12,720**	**-**	**-**
Alternative Investment Managers				
Risk Parity	8,895	440	-	-
Cash Overlay	9,449	-	-	-
Private Equity & Private Credit Funds	2,575,229	20,941	-	-
Total Alternative Investment Managers	**2,593,573**	**21,381**	**-**	**-**
Total Fees from Investment Activity	**10,935,210**	**55,687**	**5,402**	**32**
Custodian Cash and Cash Equivalents	878,658	554	103	-
Securities Lending Activity				
Securities Lending Fees	-	245	-	-
Total Fees from Securities Lending Activity	N/A	245	N/A	-
Total Investments and Management Fees	**$11,813,868**	**$56,486**	**$5,505**	**$32**

Schedule of Brokerage Commissions

For the Year Ended December 31, 2024
(Dollars and Shares in Thousands)

	Commissions	Shares/Par Value Traded	Commission Per Share
Top 20 Brokerage Firms			
CLEAR STREET LLC	$169	9,076	$0.019
CAPITAL INSTITUTIONAL SERV NEW YORK	106	5,425	0.020
J.P. MORGAN SECURITIES LLC	82	108,756	0.001
RBC CAPITAL MARKETS, LLC	67	156,415	0.000
PIPER JAFFRAY & CO.	54	16,110	0.003
BNY CONVERGEX EXECUTION SOLUTIONS	52	1,705	0.030
JEFFERIES LLC.	43	22,536	0.002
MORGAN STANLEY AND CO., LLC	42	561,933	0.000
NATIONAL FINANCIAL SERVICES LLC	32	1,194	0.027
MISCHLER FINANCIAL GROUP, INC.	30	1,470	0.020
ISI GROUP INC.	29	1,279	0.023
GOLDMAN, SACHS AND CO.	27	166,131	0.000
LOOP CAPITAL MARKETS LLC	24	12,792	0.002
BANK OF AMERICA CORPORATION	23	14,941	0.002
CITIGROUP GLOBAL MARKETS INC	21	146,470	0.000
STIFEL NICOLAUS & CO. INCORPORATED	18	15,179	0.001
COWEN AND COMPANY LLC	18	599	0.030
BERNSTEIN INSTITUTIONAL	17	958	0.018
ROBERT W. BAIRD CO. INCORPORATED	12	191,681	0.000
UBS AG STAMFORD BRANCH	11	6,094	0.002
Top 20 Firms by Commission Dollars	877	1,440,744	0.200
All Other Brokerage Firms	196	14,156,100	0.000
Total Brokerage Commissions	**$1,073**	**15,596,844**	**$0.000**

Schedule of Top Ten Equity Securities

As of December 31, 2024

(Dollars and Shares in Thousands)

CUSIP	Shares	Security Name	Fair Value
C527995MI2	13,427	CF RUSSELL 1000 INDEX NON-LENDABLE FUND	$1,293,694
C282999S44	15,440	CF ARTISAN GLOBAL OPPORTUNITIES TRUST FD	651,115
C96999CX25	26,489	CF INTERNATIONAL STOCK FUND LLC	431,793
C785998915	14,427	CF WILLIAM BLAIR INTERNATIONAL GROWTH COLLECTIVE FUND	421,050
C2D9999SE4	2,072	CF TT EMERGING MARKETS OPPORTUNITIES FUND II LIMITED CLASS B SHARES	255,691
S2661568	168	ORACLE CORP COM	27,988
S2190385	92	JPMORGAN CHASE & CO COM	22,078
SB2PKRQ3	167	PHILIP MORRIS INTL COM STK NPV	20,058
SB7TL820	29	META PLATFORMS INC COM USD0.000006 CL 'A'	17,058
SBVLZX12	18	EQUINIX INC COM PAR $0.001	16,984
		TOTAL LARGEST EQUITY HOLDINGS	**$3,157,509**

Note—For more information regarding CCCERA complete list of portfolio holdings, please refer to www.cccera.gov/investment-performance

Schedule of Top Ten Fixed Income Securities

As of December 31, 2024

(Dollars in Thousands)

CUSIP	Security Name	Cost	Fair Value
C9934FC991	STEPSTONE CC OPPORTUNITIES FUND, LLC—SERIES B	$233,450	$412,383
C060993201	CF AFL CIO HOUSING INVESTMENT TRUST	299,877	269,385
C9934FB993	STEPSTONE CC OPPORTUNITIES FUND, LLC—SERIES A	231,686	236,845
C999599GH0	FUT MAR 25	225,698	224,731
C9934FD999	STEPSTONE CC OPPORTUNITIES FUND, LLC—SERIES C	90,350	196,070
SBMWPXV8	UNITED STATES OF AMER TREAS NOTES FLTG RT 10-31-2025	22,994	23,008
SBF53YJ5	UNITED STATES OF AMER TREAS NOTES 2.25% 08-15-2027	21,159	21,147
C380881FP2	PVTPL GOLDEN CREDIT CARD TRUST SER 22-4A CL A 4.31% DUE 09-15-2027 BEO	14,653	14,974
SBLDC9N5	NEXTERA ENERGY CAPITAL HOLDINGS IN 4.45% 06-20-2025	14,758	14,547
SBK592B6	INTERNATIONAL BUSINESS MACHS CORP 3.3% 05-15-2026 REG	13,290	13,749
	TOTAL LARGEST FIXED INCOME HOLDINGS		**$1,426,839**

Note—For more information regarding CCCERA complete list of portfolio holdings, please refer to www.cccera.gov/investment-performance

ACTUARIAL 83

Actuary Certification Letter

Segal

180 Howard Street
Suite 1100
San Francisco, CA 94105-6147
T 415.263.8200
F 415.376.1167
segalco.com

May 12, 2025

Board of Retirement
Contra Costa County Employees' Retirement Association
1200 Concord Avenue, Suite 300
Concord, CA 94520

**Re: Contra Costa County Employees' Retirement Association (CCCERA)
December 31, 2023 actuarial valuation for funding purposes**

Dear Members of the Board:

Segal prepared the December 31, 2023 annual actuarial valuation of the CCCERA. We certify that the valuation was performed in accordance with generally accepted actuarial principles and practices and CCCERA's funding policy that was last reviewed with the Board in 2023. In particular, it is our understanding that the assumptions and methods used for funding purposes meet the parameters set by Actuarial Standards of Practice (ASOPs).

As part of the December 31, 2023 actuarial valuation, Segal conducted an examination of all participant data for reasonableness. However, the scope of this examination does not qualify as an audit. Summaries of the employee data used in performing the actuarial valuations over the past several years are provided in our valuation report. We did not audit the Association's financial statements, however, the Association's auditor attested to the Association's financial statements. For actuarial valuation purposes, retirement plan assets are valued at Actuarial Value. Under this method, the assets used to determine employer contribution rates take into account fair value by recognizing the semi-annual differences between the total return at fair value and the expected investment return over a five-year period.

One of the general goals of an actuarial valuation is to establish contribution rates, which, over time, will remain level as a percentage of payroll for each generation of active members. Actuarial funding is based on the Entry Age Cost Method. Under this method, the employer contribution rate provides for current cost (normal cost) plus a level percentage of payroll to amortize any unfunded actuarial accrued liability (UAAL).

The UAAL as of December 31, 2014 is amortized over separate amortization layers based on the valuations during which each separate layer was previously established. Any new UAAL as a result of actuarial gains or losses or due to changes in actuarial assumptions or methods identified in the annual valuation as of December 31 will be amortized over a declining (or

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Members of the Board
Contra Costa County Employees' Retirement Association
May 12, 2025
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closed) period of 18 years.* Effective with the December 31, 2013 valuation, any change in UAAL that arises due to plan amendments is amortized over its own declining (or closed) 10-year period (with the exception of a change due to retirement incentives, which is funded in full upon adoption of the incentive). The progress being made towards meeting the funding objective through December 31, 2023 is illustrated in the Schedule of Funding Progress.

Certain information found in the Notes to Basic Financial Statements and the Required Supplementary Information (RSI) included in the Financial Section was prepared by the Association based on the results of the Governmental Accounting Standards Board (GASB) Statement No. 67 actuarial valuation as of December 31, 2024 prepared by Segal. For the Financial Section of the Annual Comprehensive Financial Report ("Annual Report" or ACFR), Segal provided the Schedule of Changes in Net Pension Liability of Participating Employers and Schedule of Employer Contributions as shown in the RSI. A listing of the other supporting schedules prepared by the Association based on additional information provided by Segal and the results of the actuarial valuation as of December 31, 2023 for funding purposes is listed below.

- Schedule of Funding Progress
- Schedule of Employer Contributions
- Latest Actuarial Valuation Methods and Assumptions
- Summary of Valuation Results
- Summary of Significant Results
- Schedule of Active Member Valuation Data
- Retirants and Beneficiaries Added to and Removed from Retiree Payroll
- Schedule of Funded Liabilities by Type
- Actuarial Analysis of Financial Experience
- Summary of Statistical Data
- Schedule of Benefits Expenses by Type
- Schedule of Retired Members by Type of Benefit
- Schedule of Average Benefit Payment Amounts
- Participating Employers and Active Members

The valuation assumptions included in the Actuarial Section were adopted by the Retirement Board based on the December 31, 2020 Experience Study (for both the economic and non-economic assumptions). It is our opinion that the assumptions used in the December 31, 2023 valuation produce results, which in the aggregate, reflect the future experience of the retirement

* Starting with the December 31, 2023 valuation, the Board approved an adjustment to the remaining amortization periods for certain amortization layers in order to minimize the contribution rate tail volatility associated with the UAAL layers established as of December 31, 2012 through December 31, 2018. This is done by setting the remaining amortization period for those UAAL layers to six years in the 2023 valuation.

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Segal

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Contra Costa County Employees' Retirement Association
May 12, 2025
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plan. Actuarial valuations are performed on an annual basis. An experience analysis is performed every three years. We are preparing the December 31, 2023 Experience Study (for both the economic and non-economic assumptions) for use in the upcoming December 31, 2024 valuation.

In the December 31, 2023 valuation, the ratio of the valuation value of assets to actuarial accrued liabilities (funded percentage) decreased slightly from 91.2% to 91.0% while the funded percentage on a fair value of assets basis increased from 84.3% to 86.8%. The average employer contribution rate has decreased from 30.01% of payroll to 28.55% of payroll, while the average member contribution rate has decreased from 12.18% of payroll to 12.13% of payroll.

Under the asset smoothing method, the total unrecognized net investment losses are $532 million as of December 31, 2023. These net investment losses will be recognized in the determination of the actuarial value of assets for funding purposes in the next few years. The net deferred losses of $532 million represent about 4.9% of the fair value of assets as of December 31, 2023. Unless offset by future investment gains or other favorable experience, the recognition of the $532 million market losses is expected to have an impact on the Association's future funded percentage and contribution rate requirements. This potential impact may be illustrated as follows:

- If the net deferred losses were recognized immediately in the valuation value of assets, the funded percentage would decrease from 91.0% to 86.8%.
- If the net deferred losses were recognized immediately in the valuation value of assets, the average employer rate would increase from 28.55% to about 32.07% of payroll.

The undersigned are Members of the American Academy of Actuaries and meet the qualification requirements to render the actuarial opinion contained herein.

Sincerely,

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

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

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

BTS/jl

Disclaimer

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Segal

Schedule of Funding Progress

Funded Ratio is a measurement of the funded status of the plan. The Funded Ratio is calculated by dividing the Valuation Value of Assets by the Actuarial Accrued Liability. In the following table, CCCERA's Funded Ratio indicates assets are approximately 9% less than liabilities. The most significant reasons for the increase in the funded ratio have been the market appreciation of investments and contributions by the employer and plan members.

Schedule of Funding Progress

For Years 2014 through 2023

Actuarial Valuation Date	Valuation Value of Assets[1] (a)	Actuarial Accrued Liability (AAL)[2] (b)	Unfunded AAL (UAAL) (b)−(a)	Funded Ratio (a) / (b)	Projected Covered Payroll (c)	UAAL as a Percentage of Projected Covered Payroll [(b)−(a)] / (c)
12/31/2014	$6,557,496	$8,027,438	$1,469,942	81.7%	$697,832	210.6%
12/31/2015	7,136,801	8,448,624	1,311,823	84.5%	746,353	175.8%
12/31/2016	7,606,997	8,794,434	1,187,437	86.5%	784,412	151.4%
12/31/2017	8,179,891	9,239,247	1,059,356	88.5%	860,625	123.1%
12/31/2018	8,650,178	9,682,144	1,031,966	89.3%	896,391	115.1%
12/31/2019	9,128,669	10,075,722	947,053	90.6%	937,531	101.0%
12/31/2020	9,662,283	10,521,628	859,345	91.8%	990,042	86.8%
12/31/2021	10,434,412	11,288,973	854,561	92.4%	1,015,755	84.1%
12/31/2022	10,861,822	11,912,229	1,050,407	91.2%	1,073,887	97.8%
12/31/2023	11,323,477	12,438,710	1,115,233	91.0%	1,155,130	96.5%

1 Excludes assets for non-valuation reserves.

2 Excludes liabilities for non-valuation reserves.

Latest Actuarial Valuation Methods and Assumptions

The entry age actuarial cost method was used in conjunction with the following actuarial assumptions. The actuarial assumptions used in the valuations are intended to estimate the future experience of the members of CCCERA and of CCCERA itself in areas that affect the projected benefit flow and anticipated investment earnings.

The actuarial assumptions used to determine the liabilities for the December 31, 2023, funding valuation are based on the results of the actuarial experience study for the period January 1, 2018, through December 31, 2020. The study was prepared using updated economic and demographic assumptions, and mortality rates adopted by the Board of Retirement in April 2022. An actuarial valuation is performed annually.

The actuarial assumptions and methods listed below were recommended by the plan's independent actuary, Segal Consulting, and were approved by the Board.

Latest Actuarial Valuation Methods and Assumptions of Plan Assets and Liabilities

Valuation Date	December 31, 2023
Actuarial Funding Policy	
Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method	Level Percent of payroll for total unfunded liability (3.00% payroll growth assumed)
Actuarial Value of Assets	Fair value of assets less unrecognized returns in each of the last nine semi-annual accounting periods. Unrecognized returns are equal to the difference between the actual market return and the expected return on the fair value, and are recognized semi-annually over a five-year period.
Valuation Value of Assets	The Actuarial Value of Assets reduced by the value of the non-valuation reserves and designations.
Amortization Policy	The UAAL (i.e., the difference between the AAL and the Valuation Value of Assets) as of December 31, 2014, will continue to be amortized over separate amortization layers based on the valuations during which each separate layer was previously established. • Any new UAAL as a result of actuarial gains or losses identified in the annual valuation as of December 31 will be amortized over a period of 18 years. • Any new UAAL as a result of change in actuarial assumptions or methods will be amortized over a period of 18 years.
Economic Assumptions	
Investment Rate of Return	6.75%, net of pension plan investment expenses
Inflation Rate	Increases of 2.50% per year.
Administrative Expenses	1.17% of payroll allocated to both the employer and the member based on normal cost (before expenses) for the employer and member.
Real Across-the-Board Salary Increases	0.50%
Payroll Growth	Inflation of 2.50% per year plus "across-the-board" real salary increases of 0.50% per year, used to amortize the Unfunded Actuarial Accrued Liability as a level percentage of payroll.
Salary Increases	The average total assumed salary increase for active members in the December 31, 2023, actuarial valuation is 4.8%.
Other Assumptions	Same as those used in the December 31, 2023, funding actuarial valuation.

Demographic Assumptions—Changed Actuarial Assumptions

Post Retirement Mortality Rates		
Healthy	General Members	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021.
	Safety Members	Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased by 5% for males and decreased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
Disabled	General Members	Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) increased by 5% for males and unadjusted for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
	Safety Members	Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) increased by 5% for males and unadjusted for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
Beneficiary		
Beneficiaries not currently in Pay Status		Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two dimensional mortality improvement scale MP-2021.
Beneficiaries in Pay Status		Pub-2010 Contingent Survivor Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased by 5% for males and females, projected generationally with the two-dimensional mortality improvement scale MP-2021.

The Pub-2010 mortality tables and adjustments as shown above reasonably reflect the mortality experience as of the measurement date. These mortality tables were adjusted to future years using the generational projection to reflect future mortality improvement between the measurement date and those years.

Mortality Rates for Member Contributions[1]	
General Members	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected 30 years with the two-dimensional mortality improvement scale MP-2021, weighted 30% male and 70% female.
Safety Members	Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased by 5% for males and decreased by 5% for females, projected 30 years with the two-dimensional mortality improvement scale MP-2021, weighted 85% male and 15% female.

1 These mortality rates are used for calculating the member basic contribution rates for General Tier 1, Tier 2 and Tier 3, as well as Safety Tier A and Tier C.

Pre-Retirement Mortality Rates	
General Members	Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021.
Safety Members	Pub-2010 Safety Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021.
Disability Rates	65% of General Tier 1 and Tier 4 disabilities are assumed to be service connected disabilities. The other 35% are assumed to be non-service connected disabilities. 25% of General Tier 3 and Tier 5 disabilities are assumed to be service connected disabilities. The other 75% are assumed to be non-service connected disabilities. 100% of Safety disabilities are assumed to be service connected disabilities.
Withdrawal Rates	The member is assumed to receive the greater of the member's contribution balance or a deferred retirement benefit. No termination is assumed after a member is first assumed to retire.
Service Retirement Rates	Based upon the Experience Analysis as of 12/31/20
Salary Scales	The average total assumed salary increase for active members of 4.6% per year reflecting approximately 2.50% for inflation, 0.50% for additional real "across-the-board" salary increases and approximately 1.60% for merit and longevity.
Value of Assets for Contribution Rate Purposes	Actuarial Value as described in Actuarial Valuation Basis of Valuation Report.

Service Retirement Rates (%)

	General						Safety			
	Tier 1 (Enhanced)		Tier 3 (Enhanced)		Tier 1 (Non-Enhanced)	Tiers 4 and 5 (PEPRA)	Tier A (Enhanced)		Tier C (Enhanced)	Tier A (Non-Enhanced) Tiers D and E (PEPRA)
Age	Less than 30 Years of Service	Over 30 Years of Service	Less than 30 Years of Service	Over 30 Years of Service			Less than 30 Years of Service	Over 30 Years of Service		
45	-	-	-	-	-	-	7.00	7.00	2.00	-
50	4.00	10.00	4.00	10.00	3.00	-	22.00	30.00	20.00	5.00
55	15.00	24.00	8.00	15.00	10.00	4.00	16.00	30.00	18.00	15.00
60	20.00	20.00	12.00	15.00	25.00	8.00	20.00	35.00	25.00	20.00
65	35.00	35.00	30.00	32.00	40.00	25.00	100.00	100.00	100.00	100.00
70	40.00	40.00	35.00	35.00	40.00	35.00				
75+	100.00	100.00	100.00	100.00	100.00	100.00				

Termination Rates (%) Before Retirement—Mortality

	Rate (%)			
	General[1]		Safety[1]	
Age	Male	Female	Male	Female
20	0.04	0.01	0.04	0.02
25	0.02	0.01	0.03	0.02
30	0.03	0.01	0.04	0.02
35	0.04	0.02	0.04	0.03
40	0.06	0.03	0.05	0.04
45	0.09	0.05	0.07	0.06
50	0.13	0.08	0.10	0.08
55	0.19	0.11	0.15	0.11
60	0.28	0.17	0.23	0.14
65	0.41	0.27	0.35	0.20
70	0.61	0.44	0.66	0.39

All pre-retirement deaths are assumed to be non-service connected.

1 Generational projections beyond the base year (2010) are not reflected in the above mortality rates.

Termination Rates (%) Before Retirement—Disability

Age	General Tier 1 and Tier 4[2]	General Tier 3 and Tier 5[3]	Safety[4]
20	0.01	0.01	0.06
25	0.02	0.02	0.16
30	0.04	0.03	0.32
35	0.08	0.05	0.46
40	0.22	0.07	0.56
45	0.36	0.09	0.96
50	0.52	0.12	2.88
55	0.60	0.16	4.00
60	0.60	0.18	4.30
65	0.60	0.18	4.50
70	0.60	0.18	4.50

2 65% of General Tier 1 and Tier 4 disabilities are assumed to be service-connected disabilities. The other 35% are assumed to be ordinary disabilities.

3 25% of General Tier 3 and Tier 5 disabilities are assumed to be service-connected disabilities. The other 75% are assumed to be ordinary disabilities.

4 100% of Safety disabilities are assumed to be service-connected disabilities.

Termination Rates (%) Before Retirement—Termination[5]

Years of Service	General	Safety
Less than 1	14.00	11.00
1–2	9.50	9.00
2–3	9.00	7.00
3–4	6.25	5.00
4–5	6.25	4.00
5–6	5.00	3.50
6–7	4.50	3.00
7–8	4.00	2.50
8–9	3.75	2.50
9–10	3.75	2.00
10–11	3.50	2.00
11–12	3.25	2.00
12–13	2.75	2.00
13–14	2.50	1.80
14–15	2.50	1.60
15–16	2.25	1.50
16–17	2.25	1.40
17–18	2.00	1.30
18–19	2.00	1.20
19–20	1.50	1.00
20+	1.50	0.50

5 The member is assumed to receive the greater of the member's contribution balance or a deferred retirement benefit. No termination is assumed after a member is first assumed to retire.

Summary of Valuation Results

As of December 31, 2023
(Dollars in Thousands)

	Total Rate	Estimated Annual Amount
Average Employer Contribution Rates[1]		
General		
Cost Group #1—County and Small Districts (Tiers 1 and 4)	24.00%	$5,575
Cost Group #2—County and Small Districts (Tiers 3 and 5)	21.41%	180,406
Cost Group #3—Central Contra Costa Sanitary District	17.80%	7,504
Cost Group #4—Housing Authority of County of Contra Costa	27.50%	1,888
Cost Group #5—Contra Costa County Fire Protection District	39.81%	3,668
Cost Group #6—Small Districts (Non-Enhanced Tiers 1 and 4)	15.13%	203
Safety		
Cost Group #7—County (Tiers A and D)	59.75%	27,563
Cost Group #8—Contra Costa County Fire Protection District	60.55%	42,800
Cost Group #9—County (Tiers C and E)	49.46%	37,202
Cost Group #10—Moraga-Orinda Fire Protection District	91.22%	8,292
Cost Group #11—San Ramon Valley Fire Protection District	48.58%	12,440
Cost Group #12—Rodeo-Hercules Fire Protection District	76.09%	2,247
All Employers Combined	**28.55%**	**$329,788**
Average Member Contribution Rates[1]		
General		
Cost Group #1—County and Small Districts (Tiers 1 and 4)	11.62%	$2,699
Cost Group #2—County and Small Districts (Tiers 3 and 5)	10.68%	89,996
Cost Group #3—Central Contra Costa Sanitary District	11.55%	4,868
Cost Group #4—Housing Authority of County of Contra Costa	11.71%	804
Cost Group #5—Contra Costa County Fire Protection District	11.85%	1,092
Cost Group #6—Small Districts (Non-Enhanced Tiers 1 and 4)	13.23%	178
Safety		
Cost Group #7—County (Tiers A and D)	18.66%	8,608
Cost Group #8—Contra Costa County Fire Protection District	17.60%	12,441
Cost Group #9—County (Tiers C and E)	17.06%	12,832
Cost Group #10—Moraga-Orinda Fire Protection District	18.19%	1,653
Cost Group #11—San Ramon Valley Fire Protection District	17.46%	4,471
Cost Group #12—Rodeo-Hercules Fire Protection District	16.54%	488
All Categories Combined	**12.13%**	**$140,130**

Key Actuarial Assumptions	**2023**
Annual Interest Rate	6.75%
Annual Inflation Rate	2.50%
Across-the-Board Real Salary Increase	0.50%
Average Total Assumed Salary Increase for Active Members	4.60%

1 Based on projected payroll as of each valuation date shown. These rates do not include any employer subvention of member contributions or any member subvention of employer contributions. The rates shown are averages based on all members regardless of their membership date.

Summary of Significant Results

As of December 31, 2023

Association Membership	
Active Members	
Number of Members	10,349
Average Age	46.1
Average Service	9.9
Projected Total Payroll (Compensation)	$1,155,129,563
Average Projected Compensation	$111,618
Retired Members and Beneficiaries	
Number of Members	
Service Retirement	8,407
Disability Retirement	872
Beneficiaries	1,526
Average Age of Retired Members	71.3
Actual Retired Payroll	$590,899,532
Average Monthly Benefit	$4,606
Vested Terminated Members	
Number of Terminated Vested Members[1]	4,109
Average Age	46.5
Summary of Financial Data	
Fair Value of Assets	$10,808,858,259
Return on Fair Value of Assets	8.69%
Actuarial Value of Assets	$11,340,825,456
Return on Actuarial Value of Assets	5.31%
Valuation Value of Assets	$11,323,476,654
Return on Valuation Value of Assets (VVA)	5.31%
Funded Status	
Actuarial Accrued Liability (AAL)	$12,438,710,062
Unfunded Actuarial Accrued Liability (UAAL) on VVA basis	$1,115,233,408
Funded Ratio	
GASB Statement No. 25	91.0%

1 Includes 1,987 inactive non-vested members with member contributions on deposit as of December 31, 2023.

Schedule of Active Member Valuation Data

Valuation Date	Plan Type	Number	Projected Compensation	Average Projected Compensation	% Increase/(Decrease) in Average Compensation
12/31/2014	General	7,774	$561,430,096	$72,219	2.66%
	Safety	1,385	$136,401,741	98,485	2.17%
	Total	**9,159**	**$697,831,837**	**76,191**	**2.32%**
12/31/2015	General	8,213	$602,047,448	73,304	1.50%
	Safety	1,429	$144,305,217	100,983	2.54%
	Total	**9,642**	**$746,352,665**	**77,406**	**1.60%**
12/31/2016	General	8,378	$634,246,734	75,704	3.27%
	Safety	1,470	$150,165,527	102,153	1.16%
	Total	**9,848**	**$784,412,261**	**79,652**	**2.90%**
12/31/2017	General	8,565	$697,418,709	81,427	7.56%
	Safety	1,473	$163,205,904	110,798	8.46%
	Total	**10,038**	**$860,624,613**	**85,737**	**7.64%**
12/31/2018	General	8,562	$724,903,207	84,665	3.98%
	Safety	1,459	$171,487,561	117,538	6.08%
	Total	**10,021**	**$896,390,768**	**89,451**	**4.33%**
12/31/2019	General	8,599	$756,790,042	88,009	3.95%
	Safety	1,476	$180,741,222	122,453	4.18%
	Total	**10,075**	**$937,531,264**	**93,055**	**4.03%**
12/31/2020	General	8,612	$799,204,378	92,801	5.45%
	Safety	1,487	$190,837,321	128,337	4.80%
	Total	**10,099**	**$990,041,699**	**98,034**	**5.35%**
12/31/2021	General	8,536	$817,910,429	95,819	3.25%
	Safety	1,469	$197,844,958	134,680	4.94%
	Total	**10,005**	**$1,015,755,387**	**101,525**	**3.56%**
12/31/2022	General	8,590	$862,152,619	100,367	4.75%
	Safety	1,492	$211,734,166	141,913	5.37%
	Total	**10,082**	**$1,073,886,785**	**106,515**	**4.92%**
12/31/2023	General	8,795	$925,436,316	105,223	4.84%
	Safety	1,554	$229,693,247	147,808	4.15%
	Total	**10,349**	**$1,155,129,563**	**111,618**	**4.79%**

Schedule of Funded Liabilities by Type

For Years Ended December 31, 2014, through 2023
(Dollars in Thousands)

Valuation Date	Aggregate Accrued Liabilities For 1 Active Member Contributions*	2 Retirants and Beneficiaries	3 Active Members Employer Portion	Valuation Value of Assets (VVA)	Portion of Accrued Liabilities Covered by Valuation Value of Assets 1	2	3
12/31/2014	$899,220	$5,328,622	$1,799,596	$6,557,496	100%	100%	18%
12/31/2015	1,011,434	5,525,212	1,911,978	7,136,801	100%	100%	31%
12/31/2016	1,116,824	5,670,811	2,006,799	7,606,998	100%	100%	41%
12/31/2017	1,216,116	5,873,018	2,150,113	8,179,891	100%	100%	51%
12/31/2018	1,301,626	6,186,519	2,193,999	8,650,178	100%	100%	53%
12/31/2019	1,372,772	6,459,417	2,243,533	9,128,669	100%	100%	58%
12/31/2020	1,476,735	6,719,971	2,324,922	9,662,283	100%	100%	63%
12/31/2021	1,552,812	7,301,323	2,434,838	10,434,412	100%	100%	65%
12/31/2022	1,614,921	7,745,002	2,552,306	10,861,822	100%	100%	59%
12/31/2023	1,703,479	8,100,537	2,634,694	11,323,477	100%	100%	58%

* Beginning 12/31/2013, Active Member Contributions are set equal to the reserve account maintained for member contributions.

Retirants and Beneficiaries Added to and Removed from Retiree Payroll

For Years Ended December 31, 2014, through 2023

Year	At Beginning of Year	Added During Year	Allowances Added	Removed During Year	Allowances Removed	At End of Year	Retiree Payroll*	% Increase in Retiree Payroll	Average Annual Allowance	% Increase in Annual Allowance
2014	8,625	494	$25,732,590	(248)	$(8,515,665)	8,871	$387,026,328	4.66%	43,628	1.75%
2015	8,871	391	19,997,703	(194)	(7,180,211)	9,068	399,843,820	3.31%	44,094	1.07%
2016	9,068	418	25,627,155	(386)	(13,691,575)	9,100	411,779,400	2.99%	45,250	2.62%
2017	9,100	396	26,242,182	(229)	(8,447,387)	9,267	429,574,195	4.32%	46,355	2.44%
2018	9,267	551	31,870,441	(271)	(10,072,991)	9,547	451,371,645	5.07%	47,279	1.99%
2019	9,547	487	36,835,136	(297)	(10,795,943)	9,737	477,410,838	5.77%	49,031	3.71%
2020	9,737	548	33,345,624	(267)	(11,455,388)	10,018	499,301,074	4.59%	49,840	1.65%
2021	10,018	562	43,585,233	(302)	(12,682,866)	10,278	530,203,441	6.19%	51,586	3.50%
2022	10,278	583	45,303,030	(300)	(13,703,562)	10,561	561,802,909	5.96%	53,196	3.12%
2023	10,561	553	43,557,105	(309)	(14,460,482)	10,805	590,899,532	5.18%	54,688	2.80%

* Beginning 12/31/2015, Retiree Payroll excludes death benefits.

Actuarial Analysis of Financial Experience

Changes in the Unfunded Actuarial Accrued Liability (UAAL) During the Years Ended December 31, 2014, through 2023
(Dollars in Thousands)

				Actuarial (Gain) or Loss Due to All Changes				
	Expected UAAL	Change in Plan Provisions	Change in Assumptions/ Methods	Investment Return	Salary Increases (Decreases)	Other*	Total Changes	UAAL
2014	$1,773,291	$ -	$(52)	$(244,463)	$(42,976)	$(15,858)	$(303,297)	$1,469,942
2015	1,409,789	-	115,137	(100,727)	(9,036)	(103,340)	(213,103)	1,311,823
2016	1,234,411	-	-	(2,853)	11,445	(55,566)	(46,974)	1,187,437
2017	1,099,936	-	-	(76,209)	59,574	(23,945)	(40,580)	1,059,356
2018	960,617	-	(89,872)	55,253	20,984	84,984	161,221	1,031,966
2019	918,865	-	(19,522)	65,571	38,641	(56,501)	47,711	947,054
2020	820,981	-	-	34,593	60,050	(56,279)	38,364	859,345
2021	717,852	-	234,858	(119,692)	25,657	(4,114)	(98,149)	854,561
2022	700,431	-	-	155,590	99,918	94,468	349,976	1,050,407
2023	960,376	-	-	155,422	66,212	(66,777)	154,857	1,115,233

* Other experience includes employer and employee contributions, COLA increases, mortality, disability, withdrawal, retirement, and leave cash out other than expected. For 2023, also includes gains from additional UAAL contributions from In Home Support Services and San Ramon Valley Fire Protection District.

Summary of Plan Provisions

This exhibit summarizes the major provisions of the Plan included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

Plan Year	January 1 through December 31
Membership Eligibility	
General Tier 1	General members hired before July 1, 1980, and electing not to transfer to Tier 2 Plan. Certain General members with membership dates before January 1, 2013, hired by specific employers who did not adopt Tier 2 are placed in Tier 1.
General Tier 2	Most General members hired on or after August 1, 1980, and all General members hired before July 1, 1980, electing to transfer to the Tier 2 Plan. Effective October 1, 2002, for the County, Tier 2 was eliminated and all County employees (excluding CNA employees) in Tier 2 were placed in Tier 3. Effective January 1, 2005, all CNA employees in Tier 2 were placed in Tier 3.
General Tier 3	General members with membership dates before January 1, 2013, who are not placed in Tier 1 are placed in Tier 3.
General PEPRA Tier 4	General members with membership dates on or after January 1, 2013, hired by specific employers who did not adopt Tier 2 are placed in Tier 4.
General PEPRA Tier 5	General members with membership dates on or after January 1, 2013, who are not placed in Tier 4 are placed in Tier 5.
Safety Tier A and Tier C	Safety members with membership dates before January 1, 2013. County Sheriff's Department Safety members hired on or after January 1, 2007, but before January 1, 2013, are placed in Safety Tier C Enhanced.
Safety PEPRA Tier D and Tier E	Safety members with membership dates on or after January 1, 2013. Safety members from certain bargaining units are placed in Safety Tier E.
Final Compensation for Benefit Determination	
General Tier 1 and Tier 3 (nondisability), Safety Tier A	Highest consecutive 12 months of compensation earnable. (§31462.1) (FAS1)
General Tier 2 and Tier 3 (disability), Safety Tier C	Highest consecutive 36 months of compensation earnable. (§31462) (FAS3)
General Tier 4 and Tier 5, Safety Tier D and Tier E	Highest consecutive 36 months of pensionable compensation. (§7522.10(c), §7522.32 and §7522.34) (FAS3)
Compensation Limit	
General Tier 1, Tier 2 and Tier 3, Safety Tier A and Tier C	For members with membership dates on or after January 1, 1996, Compensation Earnable is limited to Internal Revenue Code Section 401(a)(17). The limit is $330,000 for calendar year 2023. The limit is indexed for inflation on an annual basis.
General Tier 4 and Tier 5, Safety Tier D and Tier E	Pensionable Compensation is limited to $146,042 for 2023 ($175,250, if not enrolled in Social Security). The limit is indexed for inflation on an annual basis.
Social Security Primary Insurance Amount	
General Tier 2	Estimated Social Security award at age 62 assuming level future earnings. (PIA) Service:
All Tiers	Years of service (Yrs) are generally based on a member's employment during a period of time for which deductions are made from their compensation. Includes accumulated sick leave as of the date of retirement. (§31641.01)
General Tier 2	Maximum of 30 years (Yrs30).
Service Retirement Eligibility	
General Tier 1, Tier 2, and Tier 3	Age 50 with ten years of service, or age 70 regardless of service, or after 30 years of service regardless of age. (§31672)
General Tier 4 and Tier 5	Age 52 with five years of service or age 70 regardless of service. (§7522.20(a) and §31672.3)
Safety Tier A and Tier C	Age 50 with ten years of service, or age 70 regardless of service, or after 20 years of service regardless of age. (§31663.25)
Safety Tier D and Tier E	Age 50 with five years of service or age 70 regardless of service. (§7522.25(a)) and §31672.3)

Benefit Formula

The offsets shown in all benefit formulas only apply to members integrated with Social Security.

	Retirement Age	Benefit Formula
General Tier 1 and Tier 3 (Non-Enhanced) (§31676.11)	50	1.24% × (FAS1 − $1,400) × Yrs
	55	1.67% × (FAS1 − $1,400) × Yrs
	60	2.18% × (FAS1 − $1,400) × Yrs
	62	2.35% × (FAS1 − $1,400) × Yrs
	65 & Over	2.61% × (FAS1 − $1,400) × Yrs
General Tier 1 and Tier 3 (Enhanced) (§31676.16)	50	1.43% × (FAS1 − $1,400) × Yrs
	55	2.00% × (FAS1 − $1,400) × Yrs
	60	2.26% × (FAS1 − $1,400) × Yrs
	62	2.37% × (FAS1 − $1,400) × Yrs
	65 & Over	2.42% × (FAS1 − $1,400) × Yrs
	For members previously covered under the non-enhanced §31676.11 formula, they are entitled to at least the benefits they could have received under §31676.11.	
General Tier 2 (§31752)	50	0.83% × FAS3 × Yrs − 0.57% × Yrs30 × PIA
	55	1.13% × FAS3 × Yrs − 0.87% × Yrs30 × PIA
	60	1.43% × FAS3 × Yrs − 1.37% × Yrs30 × PIA
	62	1.55% × FAS3 × Yrs − 1.67% × Yrs30 × PIA
	65 & Over	1.73% × FAS3 × Yrs − 1.67% × Yrs30 × PIA
General Tier 4 and Tier 5 (§7522.20(a))	52	1.00% × FAS3 × Yrs
	55	1.30% × FAS3 × Yrs
	60	1.80% × FAS3 × Yrs
	62	2.00% × FAS3 × Yrs
	65	2.30% × FAS3 × Yrs
	67 & Over	2.50% × FAS3 × Yrs
Safety Tier A (Non-Enhanced) (§31664)	50	2.00% × FAS1 × Yrs
	55 & Over	2.62% × FAS1 × Yrs
Safety Tier A (Enhanced) (§31664.1)	50 & Over	3.00% × FAS1 × Yrs
Safety Tier C (Enhanced) (§31664.1)	50 & Over	3.00% × FAS3 × Yrs
Safety Tier D and Tier E (§7522.25(d))	50	2.00% × FAS3 × Yrs
	55	2.50% × FAS3 × Yrs
	57 & Over	2.70% × FAS3 × Yrs

Maximum Benefit

General Tier 1 and Tier 3, Safety Tier 1 and Tier C	100% of Final Compensation. (§31676.11, §31676.16, §31664, §31664.1)
General Tier 2, Tier 4 and Tier 5, Safety Tier D and Tier E	None.

Non-Service Connected Disability		
General Tier 1 and Tier 4	Eligibility	Five years of service. (§31720)
	Benefit Formula	1.5% per year of service. If the benefit does not exceed one-third of Final Compensation, the service is projected to age 65, but the total projected benefit cannot be more than one-third of Final Compensation. (§31727)
General Tier 2, Tier 3 and Tier 5	Eligibility	Ten years of service. (§31720.1)
	Benefit Formula	40% of Final Compensation plus 10% of Final Compensation used in the benefit determination for each minor child (maximum of three). (§31727.01)
	Offset	Disability benefits are offset by other plans of the employer except Workers Compensation and Social Security.
Safety	Eligibility	Five years of service (§31720).
	Benefit Formula	1.8% per year of service. If the benefit does not exceed one-third of Final Compensation, the service is projected to age 55, but the total projected benefit cannot be more than one-third of Final Compensation. (§31727.2)
Service Connected Disability		
General Tier 1 and Tier 4, Safety		No age or service requirements. (§31720)
	Benefit Formula	50% of the Final Compensation. (§31727.4)
General Tier 2, Tier 3, and Tier 5	Eligibility	No age or service requirements. (§31720)
	Benefit Formula	40% of Final Compensation plus 10% of Final Compensation for each minor child (maximum of three). (§31727.01)
	Offset	Disability benefits are offset by other plans of the Employer except Workers Compensation and Social Security.
Pre-Retirement Death		
General Tier 1, Tier 3, Tier 4, and Tier 5, Safety	Eligibility—A	None.
	Benefit—A	Refund of employee contributions with interest, plus one month's compensation for each year of service, to a maximum of six month's compensation (§31781).
	Eligibility—B	Five years of service (Ten years for General Tier 3 and Tier 5).
	Benefit—B	Option 2 (100% continuation) of Service Retirement or Non-Service Connected Disability benefit payable to designated beneficiary.
	Death in line of duty	50% of Final Compensation payable to spouse. (§31787)
General Tier 2	Eligibility—A	None.
	Benefit—A	Refund of employee contributions with interest, plus $2,000 lump sum benefit offset by any Social Security payment. (§31781.01);
	Eligibility—B	Ten years of service.
	Benefit—B	Option 2 (100% continuation) of Service Retirement or Non-Service Connected Disability benefit payable to designated beneficiary.
	Death in line of duty	60% of Service or Disability Retirement Benefit (minimum benefit is 24% of Final Compensation) plus, for each minor child, 10% of the allowance otherwise paid to the member. Minimum family benefit is 60% of the member's allowance. Maximum family benefit is 100% of member's allowance.

Death After Retirement		
General Tier 1, Tier 3, Tier 4, and Tier 5, Safety	Service Retirement or Non-Service Connected Disability Retirement	Unless another option was selected at retirement, 60% of member's unmodified allowance continues to eligible spouse. An eligible spouse is a surviving spouse who was married to the member at least one year prior to the member's retirement or at least two years prior to the date of death and has attained age 55 on or prior to the date of death. (§31760.2) An additional lump sum benefit of $5,000 is payable to the member's beneficiary. (§31789.5)
	Service Connected Disability	Unless another option was selected at retirement, 100% of member's allowance continued to eligible spouse. (§31786) An additional lump sum benefit of $5,000 is payable to the member's beneficiary. (§31789.5)
General Tier 2	Service Retirement or Non-Service Connected Disability Retirement	Unless another option was selected at retirement, 60% of member's unmodified allowance continues to eligible spouse plus 20% of allowance to each minor child. (§31789.11) Maximum benefit is 100% of allowance. An additional lump sum benefit of $5,000 (§31789.5) plus $2,000 less any Social Security lump sum payment (§31789.01) are payable to the member's beneficiary.
Withdrawal Benefits		
Less than Five Years of Service		Refund of accumulated employee contributions with interest, or earned benefit at age 70. (§31628)
Five or More Years of Service		If contributions left on deposit, entitled to earned benefits commencing at any time after eligible to retire. (§31700)
Post-Retirement Cost-of-Living Benefits		
General Tier 1, Tier 3 (nondisability), Tier 4, and Tier 5, Safety Tier A and Tier D		Future changes based on Consumer Price Index to a maximum of 3% per year, excess "banked."
General Tier 2, Tier 3 (disability) and Tier 5 (disability)		Future changes based on Consumer Price Index to a maximum of 4% per year, excess "banked."
General Tier 4 and Tier 5 (under certain MOUs), Safety Tier C and Tier E		Future changes based on Consumer Price Index to a maximum of 2% per year, excess "banked."

Member Contributions

Please refer to CCCERA website at: www.cccera.gov/contribution-rates for specific rates.

Tiers	Type	Contribution
General Tier 1 and Tier 3 (Non-Enhanced)	Basic	Entry-age based rates that provide for one-half of the §31676.11 benefit payable at age 55.
	Cost-of-Living	Entry-age based rates that provide for one-half of future Cost-of-Living costs.
General Tier 1 and Tier 3 (Enhanced)	Basic	Entry-age based rates that provide for an annuity at age 60 equal to 1/120 of FAS1.
	Cost-of-Living	Entry-age based rates that provide for one-half of future Cost-of-Living costs.
General Tier 4 and Tier 5		50% of the total Normal Cost rate.
Safety Tier A (Non-Enhanced)	Basic	Entry-age based rates that provide for one-half of the §31664 benefit payable at age 50.
	Cost-of-Living	Entry-age based rates that provide for one-half of future Cost-of-Living costs.
Safety Tier A (Enhanced)	Basic	Entry-age based rates that provide for an annuity at age 50 equal to 1/100 of FAS1.
	Cost-of-Living	Entry-age based rates that provide for one-half of future Cost-of-Living costs.
Safety Tier C (Enhanced)	Basic	Entry-age based rates that provide for an annuity at age 50 equal to 1/100 of FAS3.
	Cost-of-Living	Entry-age based rates that provide for one-half of future Cost-of-Living costs.
Safety Tier D and Tier E		50% of the total Normal Cost rate.
Other Information	Transfers from Tier 1 to Tier 2 were made on an individual voluntary irrevocable basis. Credit is given under Tier 2 for future service only. The Cost-of-Living maximum is 4% only for the credit under Tier 2. Transferred Tier 2 members keep the five-year requirement for nonservice-connected disability. Those who were members on or before March 7, 1973, and Safety members with membership dates on or before January 1, 2013, will be exempt from paying member contributions after 30 years of service.	

OPEB Certification Letter

Milliman

2175 N. California Blvd., Suite 810
Walnut Creek, CA 94596
USA

Tel +1 888 881 4015
Fax +1 888 884 0329

milliman.com

March 24, 2025

Contra Costa County Employees' Retirement Association
1200 Concord Avenue, Suite 300
Concord, CA 94520

Actuarial Valuation of Other Post Employment Benefits for Staff Employees and Retirees as of January 1, 2024 and GASB 74/75 Disclosures as of December 31, 2024

At the request of the Contra Costa County Employees' Retirement Association ("CCCERA"), we have prepared an actuarial valuation of Other Post Employment Benefits as of January 1, 2024 for CCCERA's staff employees and retirees, and GASB 74 and 75 disclosures for the fiscal year ending December 31, 2024. Our findings are set forth in this actuary's report.

Purpose of the Valuation

- to provide the Actuarially Determined Contribution for the fiscal year ending December 31, 2024;
- to assess the funded position of the plan; and
- to provide the necessary schedules and other information for financial reporting requirements under GASB Statement No. 74 and GASB Statement No. 75 as of December 31, 2024

Actuarial computations presented in this report are for the purposes of determining the recommended funding amounts for CCCERA. Actuarial computations presented in this report under GASB Statements No. 74 and 75 are for purposes of assisting CCCERA in fulfilling their financial accounting requirements. The computations prepared for these two purposes may differ as disclosed in our report. The calculations in the enclosed report have been made on a basis consistent with our understanding of CCCERA's funding policy. The calculations in this report have been made on a basis consistent with our understanding of the plan provisions briefly described in Appendix A of this report, and of GASB Statements No. 74 and 75. Determinations for purposes other than meeting these requirements may be significantly different from the results contained in this report. Accordingly, additional determinations may be needed for other purposes.

Actuarial Assumptions

Actuarial assumptions, including discount rates, mortality tables, and others identified in this report, and actuarial cost methods are adopted by CCCERA. CCCERA is responsible for selecting the plan's funding policy, actuarial valuation methods, asset valuation methods, and assumptions. The policies, methods, and assumptions used in this valuation are those that have been so adopted and are described in this report. CCCERA is solely responsible for communicating to Milliman any changes required thereto. All costs, liabilities, rates of interest, and other factors for CCCERA have been determined on the basis of actuarial assumptions and methods which, in our professional opinion, are individually reasonable, and which, in combination, offer a reasonable estimate of anticipated future experience affecting the CCCERA and are expected to have no significant bias.

Contra Costa County Employees' Retirement Association
March 24, 2025
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Variability of Results

This valuation report is only an estimate of the Plan's financial condition as of a single date. It can neither predict the Plan's future condition nor guarantee future financial soundness. Actuarial valuations do not affect the ultimate cost of Plan benefits, only the timing of CCCERA's contributions. While the valuation is based on an array of individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. No one set of assumptions is uniquely correct. Determining results using alternative assumptions is outside the scope of our engagement.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements. CCCERA has the final decision regarding the appropriateness of the assumptions and actuarial cost methods.

Reliance

In preparing this report, we relied, without audit, on information supplied by CCCERA's staff. This information includes, but is not limited to, benefit provisions, member census data, and financial information. We found this information to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is inaccurate or incomplete our results may be different, and our calculations may need to be revised.

Limited Distribution

Milliman's work is prepared solely for the use and benefit of CCCERA. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third-party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third-party signing a Release, subject to the following exceptions:

a) CCCERA may provide a copy of Milliman's work, in its entirety, to CCCERA's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit CCCERA.

b) CCCERA may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

No third-party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

Contra Costa County Employees' Retirement Association
March 24, 2025
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Models

The valuation results were developed using models employing standard actuarial techniques. The intent of the models was to estimate retiree claim costs and trend used in this analysis. We have reviewed the models, including their inputs, calculations, and outputs, for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice (ASOPs). The models, including all input, calculations, and output may not be appropriate for any other purpose.

Qualifications and Certification

The consultants who worked on this assignment are actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

The signing actuary is independent of the plan sponsor. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, I hereby certify that, to the best of my knowledge and belief, the report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the *Actuarial Standards Board and the Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States*, published by the American Academy of Actuaries. The undersigned is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Conclusion
We respectfully submit this report, and we look forward to discussing it with you.

Sincerely,

Reid Earnhardt, ASA, EA, MAAA
Consulting Actuary

OPEB Schedule of Funding Progress

Funded Ratio is a measurement of the funded status of the OPEB liabilities. The Funded Ratio is calculated by dividing the Fiduciary Net Position plan assets of the OPEB Trust by the Total OPEB Liability. In the table below, CCCERA's OPEB Trust indicates plan assets are approximately 14% less than the Total OPEB Liability.

The reason for the decrease in the funded ratio is plan experience losses such as actual health premiums costs increasing more than projected, combined with more retirees electing benefit coverage at retirement than what was assumed.

OPEB Schedule of Funding Progress

For Years 2018 through 2024*
(Dollars in Thousands)

Actuarial Valuation Date	Fiduciary Net Position (a)	Total OPEB Liability (TOL) (b)	Net OPEB Liability (NOL) (Asset) (b−a)	Funded Ratio (a) / (b)	Projected Employer-Covered Payroll (c)	NOL (Asset) as a Percentage of Employer-Covered Payroll [(b)−(a)] / (c)
12/31/2018	$2,542	$4,710	$2,168	54.0%	$4,997	43.4%
12/31/2019	3,630	5,139	1,509	70.6%	5,385	28.0%
12/31/2020	4,666	5,092	426	91.6%	5,910	7.2%
12/31/2021	5,265	5,535	270	95.1%	6,329	4.3%
12/31/2022	4,580	4,506	(74)	101.6%	6,155	(1.2%)
12/31/2023	5,079	4,700	(379)	108.1%	7,239	(5.2%)
12/31/2024	5,406	6,272	866	86.2%	8,325	10.4%

* 10-year OPEB Schedule of Funding Progress only available since inception date 2018.

OPEB Key Methods and Assumptions

Key Methods and Assumptions Used in Biennial Actuarial Valuation of Total OPEB Liability

Valuation Date	January 1, 2024
Measurement Date	December 31, 2024
Valuation Type	Full
Actuarial Cost Method	Entry Age Normal Cost
Amortization Method	Level Dollar Basis
Amortization Period	Ten years (Four years remaining as of December 31, 2024)
Asset Valuation Method	Fair value of assets
Investment Rate of Return	6.50%
Inflation Rate	2.30%
Assumed Salary Increases	3.53% to 14.34% varying by years of service
Other Assumptions	Consistent with those used in the December 31, 2023, Actuarial Valuation for CCCERA Pension Plan

Demographic Assumptions

Below is a summary of the assumed rates for mortality, retirement, disability, and withdrawal, which are consistent with the assumptions used in the December 31, 2024, actuarial valuation for the CCCERA Pension Plan.

Pre/Post Retirement Mortality

Healthy	Pub-2010 General Healthy Retiree Head Count Weighted Mortality Tables for males and females, projected generationally with the two-dimensional MP-2021 projection scale.
Disabled	Pub-2010 General Disabled Retiree Head Counted Weighted Mortality Tables for males and females, projected generationally with the two-dimensional MP-2021 projection scale.
Beneficiaries	Pub-2010 Contingent Survivor Head Count Weighted Mortality Tables for males and females, projected generationally with the two-dimensional MP-2021 projection scale.
Withdrawal	Sample probabilities of terminating employment from CCCERA are shown below for selected years of CCCERA service.

Years of Service	General
Less than 1	14.00%
1	9.50%
2	9.00%
3	6.25%
4	6.25%
5	5.00%
10	3.50%
15	2.25%
20 or more	1.50%

Summary of OPEB Benefits

Eligibility

Eligible for the Premium Subsidy

- Unrepresented CCCERA staff employees who are hired prior to January 1, 2009, with completion of five years of CCCERA service and retire with a CCCERA pension benefit.
- AFSCME CCCERA staff employees who are hired prior to January 1, 2010, with completion of five years of CCCERA service and retire with a CCCERA pension benefit.

PEMHCA Minimum Contribution

- Unrepresented CCCERA staff employees who are hired on or after January 1, 2009, with completion of five years of CCCERA service and retire with a CCCERA pension benefit.
- AFSCME CCCERA staff employees who are hired on or after January 1, 2010, with completion of five years of CCCERA service and retire with a CCCERA pension benefit.

Health Benefits (Retirement Date on or after January 1, 2015)

Eligible CCCERA staff retirees and their dependents may elect coverage under the health plans sponsored by CalPERS. For retirees who meet the eligibility requirements to receive the premium subsidy, CCCERA will pay 90% of the monthly premium for medical and dental. Eligible surviving spouse will receive the same premium subsidy as the retiree.

For employees who meet the eligibility to receive the PEMHCA minimum contribution, the benefit is $157 per month for 2024, and $158 for 2025, subject to an annual increase based on the medical Consumer Price Index thereafter.


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Summary of Statistical Data

The objective of the Statistical Section is to provide users with additional detailed information in order to promote a more comprehensive understanding of CCCERA's financial statements, note disclosures, and supplemental information. In addition, the multi-year trend information for the financial and operating segments of CCCERA provided in this section is intended to facilitate understanding of how the financial activities and positions have changed over time. The information is presented in two major categories: Financial Trends Information and Operating Information.

Financial Trends Information is intended to assist readers in understanding how CCCERA's financial activities and positions have changed over time. The *Changes in Fiduciary Net Position for Years 2015–2024* presents additions by source, deductions by type, and the total change in fiduciary net position for each year. The *Schedule of Benefit Expenses by Type* for the last ten years presents benefit deductions by type of benefit, such as by Service Retirement and Disability Retirement, as well as by General and Safety benefits.

Operating Information is intended to provide contextual information about CCCERA's operations and membership to assist readers in using financial statement information to comprehend and evaluate CCCERA's fiscal condition. This section includes the *Schedule of Retired Members by Type of Benefit*, which presents information as of the current fiscal year-end. The *Schedule of Average Benefit Payment Amounts* for the last ten years shows the average monthly benefit, and number of retirees

Changes in Fiduciary Net Position

For Years Ended December 31, 2015, through 2024
(Dollars in Thousands)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Additions										
Employer Contributions	$383,818	$373,148	$352,384	$410,760	$336,357	$327,983	$325,117	$314,836	$307,909	$323,720
Plan Member Contributions	146,315	132,104	122,304	117,017	113,494	108,488	103,542	96,467	88,788	85,361
Net Investment Income (Loss)	936,858	882,547	(1,272,930)	1,416,366	890,943	1,176,419	(187,339)	995,678	501,733	82,429
Securities Lending Income	981	1,169	1,054	732	1,069	1,120	1,582	878	1,630	1,165
Total Additions	1,467,972	1,388,968	(797,188)	1,944,875	1,341,863	1,614,010	242,902	1,407,859	900,060	492,675
Deductions										
Benefits Paid	620,871	594,474	563,881	533,229	501,210	478,688	453,162	430,777	412,291	401,802
Contribution Prepayment Discount	10,788	15,466	10,032	9,755	9,618	9,368	9,274	9,140	9,489	9,983
Administrative Expense	13,996	12,840	11,538	11,237	10,750	10,200	9,337	9,146	8,486	8,115
Refunds of Contributions	9,472	10,063	13,738	5,884	5,925	7,617	8,093	5,518	7,154	4,434
Other Expenses	1,277	936	3,720	1,242	1,135	1,110	3,631	1,217	702	669
Total Deductions	656,404	633,779	602,909	561,347	528,638	506,983	483,497	455,798	438,122	425,003
Change in Fiduciary Net Position	**$811,568**	**$755,189**	**$(1,400,097)**	**$1,383,528**	**$813,225**	**$1,107,027**	**$(240,595)**	**$952,061**	**$461,938**	**$67,672**

and beneficiaries, organized by five-year increments. *Participating Employers and Active Members for Years 2015–2024* presents the employers and number of their corresponding covered employees.

The Statistical Section includes brief information on Other Post-Employment Benefits Plan (OPEB) which is a single-employer defined benefit plan for CCCERA employees separate from CCCERA Pension Plan.

Schedule of Benefit Expenses by Type

For Years Ended December 31, 2015, through 2024
(Dollars in Thousands)

		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Service Retirement Payroll	General	$329,613	$314,219	$298,142	$278,566	$260,375	$247,225	$234,128	$223,019	$213,394	$205,761
	Safety	164,876	157,754	150,267	143,393	134,736	128,711	121,563	115,069	110,178	107,643
	Total	**494,489**	**471,973**	**448,409**	**421,959**	**395,111**	**375,936**	**355,691**	**338,088**	**323,572**	**313,404**
Disability Retirement Payroll	General	12,800	12,797	12,415	12,545	12,550	12,514	12,286	12,315	12,432	12,531
	Safety	50,644	47,837	46,460	44,325	42,529	41,869	39,726	37,111	35,664	35,168
	Total	**63,444**	**60,634**	**58,875**	**56,870**	**55,079**	**54,383**	**52,012**	**49,426**	**48,096**	**47,699**
Beneficiary Payroll	General	32,098	30,943	29,484	28,652	27,139	25,798	24,849	23,971	22,877	22,938
	Safety	29,707	28,338	26,062	24,636	22,905	21,643	19,960	18,552	17,528	16,718
	Total	**61,805**	**59,281**	**55,546**	**53,288**	**50,044**	**47,441**	**44,809**	**42,523**	**40,405**	**39,656**
Total Benefit Expense	General	374,511	357,960	340,041	319,763	300,064	285,537	271,263	259,305	248,703	241,230
	Safety	245,227	233,929	222,789	212,354	200,170	192,223	181,249	170,732	163,370	159,529
	Total	**$619,738**	**$591,889**	**$562,830**	**$532,117**	**$500,234**	**$477,760**	**$452,512**	**$430,037**	**$412,073**	**$400,759**

Schedule of Years of Retired Members by Type of Benefit

Summary of Monthly Allowances Being Paid as of December 31, 2024

	General Members				Safety Members			
Amount of Monthly Benefit	Number of Retirees & Beneficiaries	Service	Disability	Beneficiary	Number of Retirees & Beneficiaries	Service	Disability	Beneficiary
$0 to $999	1,278	1,009	2	267	100	66	5	29
$1,000 to $1,999	1,679	1,375	21	283	150	87	1	62
$2,000 to $2,999	1,489	1,178	123	188	143	71	14	58
$3,000 to $3,999	1,081	913	62	106	162	73	39	50
$4,000 to $4,999	772	654	58	60	257	73	106	78
$5,000 to $5,999	555	494	23	38	285	102	116	67
$6,000 to $6,999	385	334	13	38	228	119	67	42
$7,000 to $7,999	294	266	6	22	173	104	33	36
$8,000 to $8,999	212	199	-	13	137	103	19	15
$9,000 to $9,999	188	175	1	12	137	99	27	11
$10,000 & Over	445	429	-	16	817	637	135	45
Totals	**8,378**	**7,026**	**309**	**1,043**	**2,589**	**1,534**	**562**	**493**

Schedule of Average Benefit Payment Amounts

General and Safety Combined

Estimates Based on Years of Credited Service

Retirement Effective Date	Years of Credited Service 0–5	5–10	10–15	15–20	20–25	25–30	30+	Totals
1/1/2024 – 12/31/2024								
Average Monthly Benefit	$735	$1,684	$3,034	$4,151	$6,313	$7,997	$8,500	$4,648
Average Final Compensation	$10,066	$8,689	$10,286	$10,369	$11,780	$12,484	$11,214	$10,672
Number of Retired members	22	72	68	62	81	52	34	391
1/1/2023 – 12/31/2023								
Average Monthly Benefit	$864	$1,367	$2,793	$3,908	$5,901	$7,621	$9,794	$4,539
Average Final Compensation	$11,202	$7,715	$9,451	$9,837	$10,293	$12,614	$13,393	$10,290
Number of Retired members	38	81	64	62	106	37	55	443
1/1/2022 – 12/31/2022								
Average Monthly Benefit	$732	$1,511	$2,433	$4,054	$5,347	$6,746	$8,096	$3,973
Average Final Compensation	$8,973	$8,266	$9,287	$9,137	$10,135	$11,071	$10,919	$9,516
Number of Retired members	31	120	74	74	106	40	60	505
1/1/2021 – 12/31/2021								
Average Monthly Benefit	$526	$1,472	$2,415	$4,020	$5,321	$7,090	$7,790	$4,276
Average Final Compensation	$8,407	$8,025	$7,928	$9,747	$9,928	$11,255	$10,854	$9,476
Number of Retired members	27	63	81	92	89	59	55	466
1/1/2020 – 12/31/2020								
Average Monthly Benefit	$1,042	$1,646	$2,319	$3,302	$5,231	$6,397	$6,728	$3,803
Average Final Compensation	$8,010	$8,661	$8,170	$8,273	$9,675	$9,871	$9,615	$8,884
Number of Retired members	30	73	77	86	74	55	51	446
1/1/2019 – 12/31/2019								
Average Monthly Benefit	$1,180	$1,528	$2,060	$3,848	$4,728	$6,469	$7,273	$3,859
Average Final Compensation	$10,816	$8,003	$6,958	$8,633	$8,991	$9,554	$10,725	$8,712
Number of Retired members	21	47	76	103	67	47	36	397
1/1/2018 – 12/31/2018								
Average Monthly Benefit	$664	$1,309	$2,247	$3,360	$4,991	$6,367	$5,524	$3,384
Average Final Compensation	$8,021	$7,448	$7,452	$7,829	$9,144	$9,653	$7,984	$8,165
Number of Retired members	41	64	87	101	65	60	29	447
1/1/2017 – 12/31/2017								
Average Monthly Benefit	$929	$1,290	$1,982	$2,943	$3,697	$5,907	$5,253	$3,196
Average Final Compensation	$9,131	$6,537	$6,669	$7,566	$7,477	$9,326	$8,101	$7,605
Number of Retired members	12	52	59	72	32	48	34	309
1/1/2016 – 12/31/2016								
Average Monthly Benefit	$988	$1,445	$1,887	$2,611	$3,569	$4,158	$4,590	$2,719
Average Final Compensation	$8,064	$7,085	$6,616	$6,783	$7,368	$7,953	$7,674	$7,208
Number of Retired members	19	48	59	67	51	47	21	312
1/1/2015 – 12/31/2015								
Average Monthly Benefit	$1,344	$1,151	$1,990	$2,478	$3,351	$4,409	$3,619	$2,257
Average Final Compensation	$8,753	$6,379	$6,536	$6,418	$7,670	$8,065	$7,706	$6,867
Number of Retired members	13	55	83	53	34	17	7	262

Schedule of Average Benefit Payment Amounts

Estimates Based on Annualized Benefit Amounts at December 31 of Each Year

	Years of Retirement								
	0–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40+
General Tier 1									
2024 Average Monthly Benefit	$4,774	$3,752	$5,412	$5,898	$5,652	$4,535	$3,666	$2,999	$2,313
Number Retirees & Beneficiaries	195	219	403	477	555	393	284	167	145
2023 Average Monthly Benefit	$4,601	$3,564	$5,654	$5,620	$5,352	$4,130	$3,587	$2,821	$2,320
Number Retirees & Beneficiaries	212	219	474	491	545	389	275	177	144
2022 Average Monthly Benefit	$4,159	$3,412	$5,738	$5,501	$4,956	$3,930	$3,366	$2,629	$2,389
Number Retirees & Beneficiaries	214	228	506	530	529	366	278	200	144
2021 Average Monthly Benefit	$3,869	$3,520	$5,801	$5,297	$4,613	$3,519	$3,233	$2,520	$2,393
Number Retirees & Beneficiaries	197	253	520	598	516	372	264	197	142
2020 Average Monthly Benefit	$3,449	$4,727	$5,353	$5,099	$4,072	$3,430	$3,007	$2,277	$2,161
Number Retirees & Beneficiaries	228	388	488	613	478	369	259	205	127
2019 Average Monthly Benefit	$2,999	$5,070	$5,028	$4,844	$3,863	$3,291	$2,598	$2,218	$2,284
Number Retirees & Beneficiaries	212	479	507	587	469	374	276	191	111
2018 Average Monthly Benefit	$3,151	$5,041	$4,999	$4,441	$3,580	$3,099	$2,432	$2,142	$2,306
Number Retirees & Beneficiaries	219	511	544	576	467	388	304	184	100
2017 Average Monthly Benefit	$2,978	$5,246	$4,753	$4,236	$3,127	$2,917	$2,198	$2,333	$2,066
Number Retirees & Beneficiaries	227	538	616	563	447	414	301	182	90
2016 Average Monthly Benefit	$3,364	$5,011	$4,649	$3,853	$3,116	$2,694	$2,188	$2,117	$2,011
Number Retirees & Beneficiaries	282	534	622	586	478	377	303	187	81
2015 Average Monthly Benefit	$4,178	$4,674	$4,452	$3,570	$3,025	$2,519	$2,006	$2,081	$1,627
Number Retirees & Beneficiaries	387	503	650	550	489	395	341	194	78
General Tier 2									
2024 Average Monthly Benefit	$577	$710	$475	$995	$998	$1,470	$1,193	$1,835	$741
Number Retirees & Beneficiaries	35	46	38	66	101	140	67	8	3
2023 Average Monthly Benefit	$680	$585	$522	$945	$1,069	$1,422	$1,216	$1,663	$718
Number Retirees & Beneficiaries	38	44	41	74	112	145	54	7	3
2022 Average Monthly Benefit	$614	$560	$701	$852	$1,233	$1,230	$1,431	$1,207	$474
Number Retirees & Beneficiaries	35	43	46	76	142	139	42	4	1
2021 Average Monthly Benefit	$626	$477	$849	$1,001	$1,199	$1,167	$1,328	$855	-
Number Retirees & Beneficiaries	35	40	55	86	169	122	30	6	-
2020 Average Monthly Benefit	$632	$354	$894	$1,077	$1,266	$1,042	$1,395	$705	-
Number Retirees & Beneficiaries	44	36	67	117	167	94	14	5	-
2019 Average Monthly Benefit	$528	$439	$822	$1,046	$1,248	$1,071	$1,307	$851	-
Number Retirees & Beneficiaries	43	42	68	131	180	71	12	4	-
2018 Average Monthly Benefit	$486	$492	$762	$1,169	$1,093	$1,230	$942	$506	
Number Retirees & Beneficiaries	47	45	76	150	174	63	9	2	
2017 Average Monthly Benefit	$456	$715	$734	$1,118	$1,098	$1,137	$947	$405	
Number Retirees & Beneficiaries	38	55	80	174	154	54	8	1	
2016 Average Monthly Benefit	$303	$698	$905	$1,115	$945	$1,356	$1,030		
Number Retirees & Beneficiaries	34	66	94	197	129	42	8		
2015 Average Monthly Benefit	$366	$731	$940	$1,091	$929	$1,643	$681		
Number Retirees & Beneficiaries	37	72	122	193	120	25	6		

(continues)

Schedule of Average Benefit Payment Amounts *(continued)*

Estimates Based on Annualized Benefit Amounts at December 31 of Each Year

	Years of Retirement								
	0–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40+
General Tier 3									
2024 Average Monthly Benefit	$4,101	$3,271	$3,544	$3,637	$2,621	$2,237	$ -	$1,879	$ -
Number Retirees & Beneficiaries	1,236	1,175	1,285	741	352	38	0	1	-
2023 Average Monthly Benefit	$3,834	$3,055	$3,629	$3,291	$2,344	$2,340	$1,820	-	$ -
Number Retirees & Beneficiaries	1,230	1,167	1,255	712	267	17	1	-	-
2022 Average Monthly Benefit	$3,593	$2,843	$3,629	$3,041	$1,993	$1,694	$1,761	-	$ -
Number Retirees & Beneficiaries	1,268	1,101	1,218	655	189	2	1	-	-
2021 Average Monthly Benefit	$3,351	$2,885	$3,462	$2,902	$1,728	$1,629	$1,703	$ -	$ -
Number Retirees & Beneficiaries	1,197	1,142	1,094	588	143	2	1	-	-
2020 Average Monthly Benefit	$2,972	$3,131	$3,240	$2,399	$1,687	$2,336	$1,660	$ -	$3,518
Number Retirees & Beneficiaries	1,232	1,349	803	444	69	1	1	-	1
2019 Average Monthly Benefit	$2,699	$3,169	$3,045	$2,073	$1,791	$1,940	$ -	$ -	$145
Number Retirees & Beneficiaries	1,140	1,345	786	333	36	2	-	-	1
2018 Average Monthly Benefit	$2,566	$3,172	$2,730	$1,740	$1,491	$1,558			
Number Retirees & Beneficiaries	1,148	1,285	731	259	2	1			
2017 Average Monthly Benefit	$2,388	$3,182	$2,529	$1,581	$1,447	$1,513			
Number Retirees & Beneficiaries	1,043	1,261	683	175	2	1			
2016 Average Monthly Benefit	$2,549	$3,043	$2,307	$1,494	$1,398	$1,466			
Number Retirees & Beneficiaries	1,150	1,105	568	140	2	1			
2015 Average Monthly Benefit	$2,721	$2,742	$2,053	$1,464	$1,986	$1,423			
Number Retirees & Beneficiaries	1,368	858	476	77	1	1			
General Tier 4 (PEPRA)									
2024 Average Monthly Benefit	$1,194								
Number Retirees & Beneficiaries	10								
2023 Average Monthly Benefit	$1,388								
Number Retirees & Beneficiaries	8								
2022 Average Monthly Benefit	$1,387								
Number Retirees & Beneficiaries	5								
2021 Average Monthly Benefit	$1,403								
Number Retirees & Beneficiaries	4								

NOTE: 2021 was the first year for which there were retirees in General Tier 4 (PEPRA).

(continues)

Schedule of Average Benefit Payment Amounts *(continued)*

Estimates Based on Annualized Benefit Amounts at December 31 of Each Year

	Years of Retirement								
	0–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40+
General Tier 5 (PEPRA)									
2024 Average Monthly Benefit	$1,037	$723							
Number Retirees & Beneficiaries	172	26							
2023 Average Monthly Benefit	$985	$454							
Number Retirees & Beneficiaries	144	15							
2022 Average Monthly Benefit	$900	$398							
Number Retirees & Beneficiaries	111	5							
2021 Average Monthly Benefit	$748								
Number Retirees & Beneficiaries	67								
2020 Average Monthly Benefit	$719								
Number Retirees & Beneficiaries	39								
2019 Average Monthly Benefit	$586								
Number Retirees & Beneficiaries	20								
2018 Average Monthly Benefit	$383								
Number Retirees & Beneficiaries	11								

NOTE: 2018 was the first year for which there were retirees in General Tier 5 (PEPRA).

(continues)

Schedule of Average Benefit Payment Amounts *(continued)*

Estimates Based on Annualized Benefit Amounts at December 31 of Each Year

	Years of Retirement								
	0–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40+
Safety Tier A and C									
2024 Average Monthly Benefit	$7,536	$6,947	$8,554	$9,994	$9,112	$7,592	$6,638	$5,328	$4,771
Number Retirees & Beneficiaries	354	389	440	410	375	253	156	82	95
2023 Average Monthly Benefit	$7,023	$6,827	$8,810	$9,420	$8,600	$7,255	$6,595	$4,783	$4,668
Number Retirees & Beneficiaries	368	351	490	390	359	236	151	86	90
2022 Average Monthly Benefit	$6,679	$6,743	$8,807	$8,909	$8,417	$6,344	$6,424	$4,932	$4,530
Number Retirees & Beneficiaries	379	325	488	412	361	186	137	90	86
2021 Average Monthly Benefit	$6,600	$6,395	$8,784	$9,093	$7,248	$6,090	$5,873	$4,501	$4,627
Number Retirees & Beneficiaries	391	335	458	494	276	193	108	93	80
2020 Average Monthly Benefit	$6,162	$7,568	$8,546	$8,348	$6,874	$5,769	$5,227	$4,241	$4,682
Number Retirees & Beneficiaries	401	435	402	422	274	192	102	75	73
2019 Average Monthly Benefit	$5,963	$7,756	$8,326	$7,749	$6,497	$5,860	$4,656	$4,514	$4,484
Number Retirees & Beneficiaries	348	487	416	383	254	185	105	70	66
2018 Average Monthly Benefit	$5,949	$7,651	$7,991	$7,493	$5,863	$5,594	$4,476	$4,629	$4,206
Number Retirees & Beneficiaries	328	502	414	383	215	169	110	72	57
2017 Average Monthly Benefit	$5,640	$7,737	$7,899	$6,943	$5,574	$5,144	$4,182	$4,553	$4,023
Number Retirees & Beneficiaries	292	495	461	347	199	139	110	70	47
2016 Average Monthly Benefit	$6,069	$7,582	$7,890	$6,126	$5,409	$4,857	$4,176	$4,459	$3,833
Number Retirees & Beneficiaries	341	459	470	298	208	123	108	64	43
2015 Average Monthly Benefit	$6,590	$7,444	$7,262	$5,984	$5,033	$4,775	$3,983	$4,336	$3,676
Number Retirees & Beneficiaries	440	412	438	288	213	122	94	69	49
Safety Tier D and E (PEPRA)									
2024 Average Monthly Benefit	$3,149	$2,342							
Number Retirees & Beneficiaries	31	4							
2023 Average Monthly Benefit	$2,866	$2,251							
Number Retirees & Beneficiaries	22	2							
2022 Average Monthly Benefit	$2,434	$2,431							
Number Retirees & Beneficiaries	18	1							
2021 Average Monthly Benefit	$1,828	$2,360							
Number Retirees & Beneficiaries	9	1							
2020 Average Monthly Benefit	$2,099								
Number Retirees & Beneficiaries	4								
2019 Average Monthly Benefit	$1,679								
Number Retirees & Beneficiaries	3								
2018 Average Monthly Benefit	$2,160								
Number Retirees & Beneficiaries	1								

NOTE: 2018 was the first year for which there were retirees in Safety Tiers D and E (PEPRA).

Participating Employers and Active Members for Years 2015–2024

	2024[1]	% of Totals	2023	2022	2021	2020	2019	2018	2017	2016	2015
County of Contra Costa											
General Members	8,350	76.42%	7,855	7,667	7,627	7,672	7,657	7,608	7,643	7,436	7,306
Safety Members	927	8.49%	895	880	906	911	910	937	947	951	936
Total County of Contra Costa	9,277	84.91%	8,750	8,547	8,533	8,583	8,567	8,545	8,590	8,387	8,242
Participating Agencies											
Bethel Island Municipal Improvement District	4	0.04%	5	5	5	5	4	4	4	1	1
Byron-Brentwood-Knightsen Union Cemetery District	4	0.04%	4	5	5	4	3	4	4	4	5
Central Contra Costa Sanitary District	289	2.65%	279	281	277	272	283	278	279	282	272
Contra Costa County Employees' Retirement Association	72	0.66%	66	59	61	59	58	56	51	47	48
Contra Costa County Fire Protection District	549	5.03%	534	481	391	396	380	348	326	337	304
Contra Costa Mosquito and Vector Control District	30	0.27%	32	31	33	35	34	36	35	33	33
First 5—Contra Costa Children & Families Commission	24	0.22%	24	28	29	30	28	30	29	28	26
Housing Authority of the County of Contra Costa	90	0.82%	78	80	82	84	81	82	82	87	84
In-Home Supportive Services Authority (IHSS)	15	0.14%	14	14	14	15	16	15	15	15	13
Local Agency Formation Commission (LAFCO)	2	0.02%	2	1	1	1	1	2	2	2	2
Moraga-Orinda Fire Protection District	71	0.65%	65	65	67	71	65	61	64	63	62
Rodeo-Hercules Fire Protection District	21	0.19%	22	20	21	21	19	21	19	18	24
Rodeo Sanitary District	8	0.07%	8	6	6	7	6	7	7	7	8
San Ramon Valley Fire Protection District	170	1.56%	169	173	163	169	170	164	172	164	152
Superior Court of California, County of Contra Costa	299	2.74%	297	286	276	303	318	331	323	330	331
East Contra Costa Fire Protection District[2]	-	0.00%	-	-	41	44	42	37	36	43	35
Total Participating Agencies	1,648	15.09%	1,599	1,535	1,472	1,516	1,508	1,476	1,448	1,461	1,400
Total Active Membership	**10,925**	**100.00%**	**10,349**	**10,082**	**10,005**	**10,099**	**10,075**	**10,021**	**10,038**	**9,848**	**9,642**

1 2024 total active membership is preliminary and will be finalized upon completion of 2024 Actuarial Valuation report anticipated in August 2025.

2 East Contra Costa Fire Protection District was annexed by Contra Costa County Fire Protection District in June 2022.

CCCERA OPEB Trust Plan

Changes in Fiduciary Net Position and Participant Data

For Years Ended December 31, 2018, through 2024[1]
(Dollars in Thousands)

	2024	2023	2022	2021	2020	2019	2018
Additions							
Employer Contribution	$168	$158	$268	$268	$536	$828	$2,542
Net Investment Income (Loss)	420	549	(797)	414	566	313	-
Total Additions	**588**	**707**	**(529)**	**682**	**1,102**	**1,141**	**2,542**
Deductions							
Benefits Paid	261	208	156	83	66	53	-
Total Deductions	**261**	**208**	**156**	**83**	**66**	**53**	**-**
Change in Fiduciary Net Position	**$327**	**$499**	**$(685)**	**$599**	**$1,036**	**$1,088**	**$2,542**

1 Due to OPEB Plan inception date, information not available for ten years.

Participant Data at Biennial Valuation Dates							
Active Employees	66	-	60	-	57	-	52
Average Age at Valuation Date	46.59	-	48.59	-	48.41	-	47.00
Average Years of Service	7.77	-	10.92	-	10.55	-	9.98
Current Retirees	16	-	7	-	5	-	4
Average Age at Retirement	61.91	-	63.43	-	62.80	-	61.88

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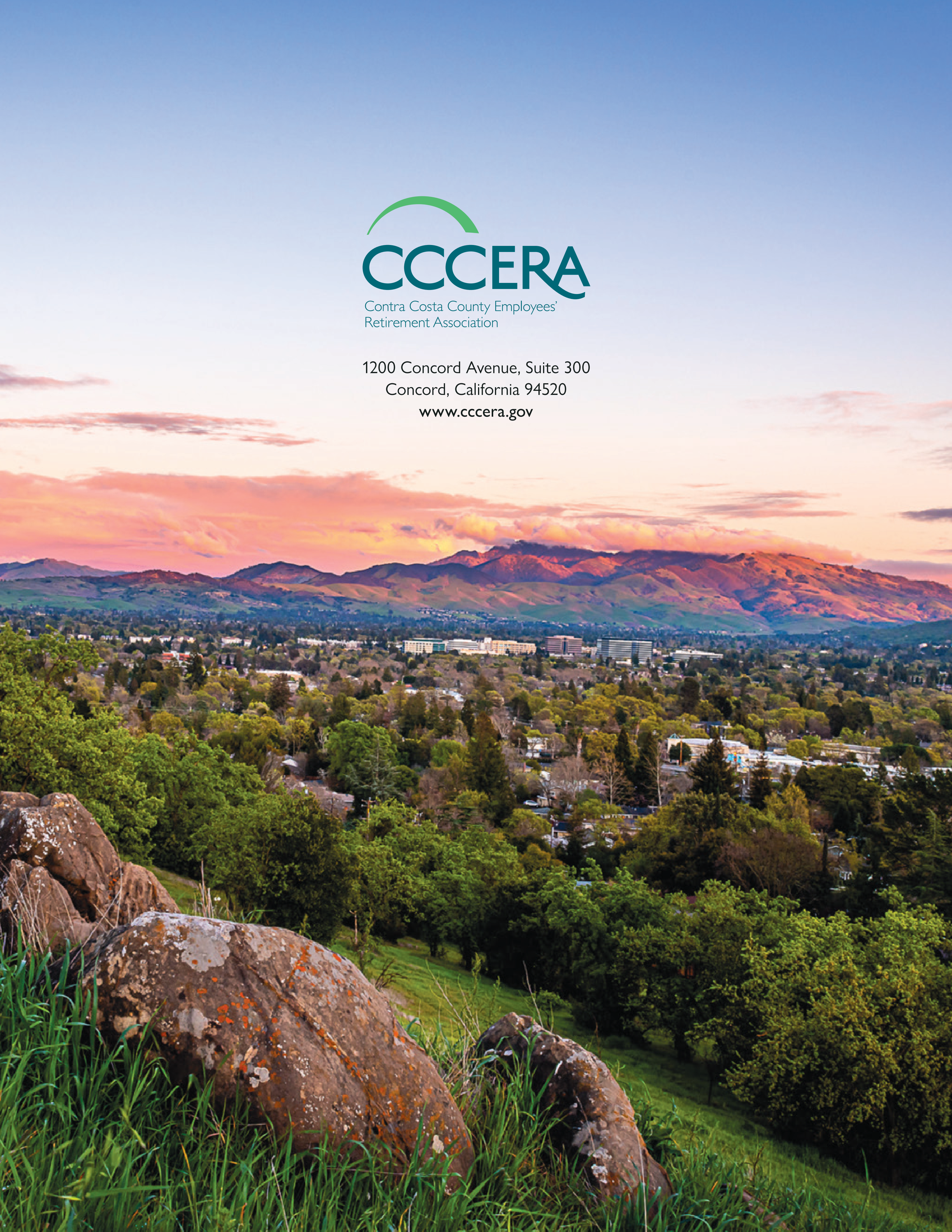

CCCERA

Contra Costa County Employees' Retirement Association

1200 Concord Avenue, Suite 300
Concord, California 94520
www.cccera.gov

Meeting Date
06/25/2025
Agenda Item
#5

CCCERA
Contra Costa County Employees' Retirement Association

MEMORANDUM

Date: June 25, 2025

To: CCCERA Board of Retirement

From: Timothy Price, Chief Investment Officer

Subject: 2025 Annual Investment Funding Plan

Overview
As detailed in the outline of the Investment Policy Statement dated May 26, 2021, the Annual Funding Plan ("AFP") is the process of keeping the liquidity program funded with the Board's targeted number of months of benefit payments. The liquidity program acts as a drawdown vehicle to fund benefit payments, and during the course of the year will have between 24 and 36 months' worth of benefit payments invested in low-risk assets. The AFP outlines the expected sources of additional monies to replenish the liquidity program on an annual basis. The Annual Funding Plan also serves as an opportunity to rebalance the portfolio.

During the Annual Funding Plan process, CCCERA Investment Staff reviews sources of capital to fund an additional year of benefit payments. The liquidity program is sized in months of benefits stored and is targeted to hold a maximum 36 months of benefit payments. The current balance of the liquidity program is $1.5bn (approximately 26 months of benefit payments), and an additional $638 mm is needed to fund the program through July 2028.

Background
The Annual Funding Plan provides a road map of where we are most likely to source the next "Year 3" tranche of benefit payments. CCCERA has two sources of funds available for this rebalancing: the annual employer pre-payments, and redemptions of existing investments. The Annual Funding Plan is presented to the Board as a guiding document and subject to revision as market dynamics may change and impact the prudence of the trades outlined. The Annual Funding Plan also provides an opportunity for Investment Staff to communicate a strategy for rebalancing the portfolio around the cash flows needed to fund the liquidity program.

Investment staff believes the best source for funds for the 2025 Liquidity sub-portfolio refresh are the employer pre-payments (estimated at $345 mm) and partial redemptions from cash ($293 mm). We will also rebalance within the Growth and Diversifying sub-portfolios in conjunction with these cash flows.

Size of Required Top-Up

Each year, we use the most current actuarial projections to determine the necessary size of the next "Year 3" of benefit payments. For this AFP cycle, we are funding projected benefit payments for the period August 2027 – July 2028. The projected benefit payments are noted below. The present value of each cash flow has been calculated by discounting back each cash flow at the blended Liquidity sub-portfolio projected yield of 5.7%.

Period	*Projected Benefit Payment (Future Value)*	*Projected Benefit Payment (Present Value)*
8/23/2027	61,250,000	54,339,254
9/23/2027	61,250,000	54,089,624
10/22/2027	61,250,000	53,841,141
11/23/2027	61,250,000	53,593,799
12/23/2027	61,250,000	53,347,594
1/21/2028	61,250,000	53,102,519
2/23/2028	61,250,000	52,858,571
3/23/2028	61,500,000	52,830,501
4/21/2028	61,500,000	52,587,803
5/23/2028	62,000,000	52,771,798
6/23/2028	62,000,000	52,529,369
7/21/2028	62,000,000	52,288,053
Total	**737,750,000**	**638,180,025**

Anticipated Cash Flows

The employer pre-payments expected in July 2025 are projected at approximately $345 mm. Staff is proposing the following transactions to top up the Liquidity sub-portfolio:

Employer Pre-payments	$345 mm
Rebalancing from cash	$293 mm
Total	$638 mm

These trades will be completed over the next six weeks. The Board will be notified after all trades are executed and transfers completed.