

NEW PENSION ADMINISTRATION SYSTEM LAUNCH

After four years of dedicated development, CCCERA has launched its new pension administration system, an important milestone designed to enhance service for both members and participating employers. This modernized system will introduce secure online portals that make managing and accessing pension information simpler and more efficient.

Testing with our employers was successful, and our internal system is now up and running. The project represents a major effort by CCCERA's team and its participating employers, who have balanced this system's development alongside daily operations. Their commitment has ensured steady progress toward a smooth and successful rollout.

As the employer portal is finalized, employers will receive email updates with important details and next steps, including registration. While a few final adjustments are still being completed, the focus remains on delivering a seamless transition for everyone involved.

CCCERA appreciates the continued patience and support of employers and members during this exciting time. Further updates will be shared soon as the new portals are ready for access.

2026 COMPENSATION LIMITS: REPORTING GUIDELINES

Each year, federal and state laws establish limits on the amount of compensation that can be used to calculate retirement contributions and benefits for CCCERA members. These limits differ for legacy and PEPRA members and are updated annually. Employers play a key role in monitoring these limits and ensuring accurate payroll reporting once they are reached.

2026 Compensation Limits

Legacy Members

Legacy members who began participation in CCCERA on or after January 1, 1996, are subject to the federal Internal Revenue Code (IRC) Section 401(a)(17) compensation limit. For the 2026 calendar year, this limit is **\$360,000**.

Legacy members who joined CCCERA before January 1, 1996, are not subject to this federal limit.

PEPRA Members

Under Government Code section 7522.10, the 2026 compensation limits for PEPRA members are:

- **\$159,733** for members covered by Social Security
- **\$191,679** for members not covered by Social Security

Employers should notify all legacy and PEPRA members who are subject to these compensation limit requirements.

Reporting and Contribution Guidelines

Compensation limits do not restrict the salary an employer may pay; they only limit the amount of compensation that can be considered under CCCERA's defined benefit plan. Employers must continue to report all compensation as earned, even after an employee reaches the annual limit, but contributions should stop once the limit is met.

The following types of compensation must be reported to CCCERA:

- **Compensation earnable** for legacy members
- **Pensionable compensation** for PEPRA members

Contributions should not be made on compensation that exceeds the applicable limit for the calendar year. All contributions must be reported as earned, not when paid.

Monitoring and Adjustments

Employers are responsible for tracking when an employee reaches or exceeds the compensation limit. Once the limit is reached:

- Continue reporting compensation as earned.
- Do not report employer or employee contributions for the remainder of the calendar year.

Monitoring and contribution reporting are based on the employee's earnings, not the pay date. Each reporting period runs from January through December.

If contributions are mistakenly over-reported, employers must submit the necessary adjustments and refund the overpaid amounts to the employee.

Measurement Period Update

Some employers may have previously used a different measurement period to monitor compensation limits. Effective immediately, all employers must use the January to December calendar year as the measurement period. CCCERA staff will contact employers directly if any issues arise with contributions reported for the final months of 2025.

By following these guidelines, employers help ensure accurate reporting and compliance with federal and state regulations governing CCCERA retirement benefits.

If you have questions, please contact our Employer Support Team at employers@cccera.gov.

CCCERA BOARD ELECTION: NOMINATION PERIOD NOW OPEN

The Contra Costa County Employees' Retirement Association (CCCERA) will hold a board election to fill one general, one safety, and one alternate safety seat on the Board of Retirement. The nomination period for these positions will open on March 9 and close on April 3.

Eligible candidates interested in serving on the Board must submit all required nomination paperwork by the posted deadline. This is an important opportunity for members to take an active role in shaping the policies and decisions that guide CCCERA's retirement system.

The Board of Retirement plays a vital role in overseeing the administration of retirement benefits, ensuring the financial stability of the fund, and representing the interests of CCCERA members and beneficiaries.

For details about eligibility, nomination procedures, and election timelines, visit the Contra Costa County Elections Department at 555 Escobar Street in Martinez, or call (925) 335-7900.

SB 853: UPDATES TO CERL REPORTING REQUIREMENTS FOR RETIRED MEMBERS

Senate Bill 853, approved by the Governor on October 1, 2025, makes several technical updates to the County Employees Retirement Law of 1937 (CERL). While most changes clarify existing provisions, one key update directly affects employer reporting responsibilities related to retired members who return to work without reinstatement.

Key Changes Affecting Employers

1. Reporting Retired Members

Employers are currently required to report when a retired member is hired in any capacity without reinstatement. Under SB 853, the law now specifies that:

- Employers must report this information **in a format determined by the retirement system.**
- The report must be submitted **within 30 days of the effective date of hire.**
- Failure to report within this timeframe may result in a **\$200 per retired member per month fee** until the information is properly reported.

2. Reporting Pay Rate and Hours Worked

Previously, employers had 30 days after the end of a pay period to report the pay rate and hours worked by a retired member. SB 853 replaces this fixed 30-day deadline with a more flexible requirement:

- Employers must now report this information **at periods determined by the retirement system.**
- The same **\$200 per retired member per month fee** applies if reporting is not completed as required.

Other Technical Updates

SB 853 also clarifies how “final compensation” is determined for members subject to PEPR who experience an absence. The bill specifies that compensation for any absence is based on the pensionable compensation of the position held **at the beginning of the absence**, rather than immediately prior to it.

Impact on Employers

The most significant impact for employers is the change in reporting requirements and timelines for retired members working without reinstatement. Employers should ensure internal processes align with CCCERA’s reporting formats and schedules to avoid potential penalties.

Effective Date

SB 853 took effect upon approval by the Governor on **October 1, 2025.**

Questions?

Let us our team know if you have questions, and we will be happy to lead you through process. Email us at employers@cccera.gov.

REMINDERS

Forms

Latest versions available at cccera.gov/forms.

Participating Employers Handbook

The CCCERA Participating Employers Handbook, available at cccera.gov/employers, can assist you in enrolling employees in retirement, death, survivor and disability benefits.

Sign Up for Our Newsletters

Sign up for our email list at cccera.gov/emailupdates.

Employer Workshops

Employer Workshops include a review on how to report forms and submission requirements, including I-29 and I-30 employer payroll reporting. Workshops also include training on how to complete member forms and resources for employers to provide at a member's retirement. Please email employers@cccera.gov if your organization is interested in attending.

Find us on Social Media!

Follow us on Facebook, YouTube, and LinkedIn! Our handle is @CCCERA1945.

NOTICE

The materials in this newsletter are intended to provide a general reference or resource only and are not to be construed as providing financial, legal, tax, or any other professional service or advice. CCCERA is governed by the County Employees Retirement Law of 1937 (CERL or 1937 Act) and PEPRA; the CCCERA retirement system is administered in accordance with these laws. If there is any conflict between statements made herein and provisions of the applicable retirement law, the law will prevail.

CALENDAR DATES

UPCOMING CCCERA CLOSURES

May 25
Memorial Day

June 19
Juneteenth

July 3
Independence Day

PRE-RETIREMENT WORKSHOPS

Workshops fill up fast. Please advise members to call or email CCCERA for availability and to sign up. This is a great first step for members who are five years from retirement.

July 14, 9 a.m. – 11 a.m.
August 11, 2 p.m. – 4 p.m.
September 15, 9 a.m. – 11 a.m.

BOARD MEETINGS

March 18
April 1
April 15
May 6
May 20

CONTACT US

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Monday – Friday, 8 a.m. – 5 p.m.*
(Closed noon to 12:30 p.m.)

*Closes at noon on the third Friday of each month.