SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

AGENDA

BOARD OF RETIREMENT MEETING
SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD MEETING
FRIDAY, AUGUST 14, 2026
AT 9:00 AM
SJCERA Board Room, 220 East Channel Street, Stockton, California

The public may also attend the Board meeting live via Zoom by (1) clicking here https://us02web.zoom.us/j/82763878177 and following the prompts to enter your name and email, or (2) calling (669) 219-2599 or (669) 900-9128 and entering Meeting ID 82763878177#

Persons who require disability-related accommodation should contact SJCERA at (209) 468 -2166 or gregf@sjcera.org at least forty-eight (48) hours prior to the scheduled meeting time.

1. **ROLL CALL**
2. **PLEDGE OF ALLEGIANCE**
3. **MEETING MINUTES**

3.1 Minutes of Board Meeting of July 10, 2026

3.2 Board to consider and take possible action

4. **PUBLIC COMMENT**

4.1 The public is welcome to address the Board during this time on matters within the Board's jurisdiction, following the steps listed below. Speakers are limited to three minutes, and are expected to be civil and courteous. Public comment on items listed on the agenda may be heard at this time, or when the item is called, at the discretion of the Chair.

If joining via Zoom, Public Comment can be made in the following ways:

PC or Mac: select "Participants" in the toolbar at the bottom of your screen, then select the option to raise or lower your hand.

Mobile Device: select the “More” option in the toolbar at the bottom of your screen, then select the option to raise or lower your hand.
Tablet: select the icon labeled “Participants,” typically located at the top right of your screen, then select the hand icon next to your device in the Participants column.

If dialing in from a phone for audio only, dial *9 to “raise your hand.”

If attending in person, members of the public are encouraged to complete a Public Comment form, which can be found near the entry to the Board Room.

Except as otherwise permitted by the Ralph M. Brown Act (California Government Code Sections 54950 et seq.), no deliberation, discussion or action may be taken by the Board on items not listed on the agenda. Members of the Board may, but are not required to: (1) briefly respond to statements made or questions posed by persons addressing the Board;(2) ask a brief question for clarification; or (3) refer the matter to staff for further information.

5. MANAGER PRESENTATION - OCEAN AVENUE

5.1 Presentation by Jeff Ennis, President and CEO of Ocean Avenue Capital

6. MANAGER PRESENTATION - SIXTH STREET

6.1 Presentation by John Fiscella, Managing Director, and Anis Kader, Principal, Sixth Street

7. CLOSED SESSION

7.1 Purchase or Sale of Pension Fund Investment
California Government Code Section 54956.81

7.2 Purchase or Sale of Pension Fund Investment
California Government Code Section 54956.81

7.3 Purchase or Sale of Pension Fund Investment
California Government Code Section 54956.81

7.4 Purchase or Sale of Pension Fund Investment
California Government Code Section 54956.81

7.5 Conference with Legal Counsel — Anticipated Litigation

Significant Exposure to Litigation — 1 Case
California Government Code Section 54956.9(d)(2)

7.6 Employee Disability Retirement Application (1)
California Government Code Section 54957(b)

1 Juan M Mendez
Background Investigator
Sheriff-AS-Background-Training

8. CONSENT

8.1 Service Retirements

8.2 Trustee and Executive Staff Travel

1 Conference and Event Schedules

a 13th Annual Northern California Institutional Forum Agenda

b CALAPRS Administrators' Institute 2026 Agenda

c Nossaman's 2026 Pensions, Benefits & Investments Fiduciaries' Forum Agenda

d CALAPRS General Assembly Save the Date

e CORPATH Summit Agenda

2 Summary of Pending Trustee and Executive Staff Travel

3 Summary of Completed Trustee and Executive Staff Travel

8.3 Legislative Summary Report/SACRS Legislative Update

8.4 Calendar

8.5 Board of Retirement Committee Assignments August 2026 - July 2027

8.6 Manager Performance Flash Report - June 2026

8.7 Board to consider and take possible action on consent items

9. INVESTMENT CONSULTANT REPORTS

9.1 Presentation by David Sancewich of Meketa Investment Group

1 Monthly Economic and Markets Update - June 2026

2 Investment Fee Transparency Report

3 Roundtable Agenda Review

4 Formalize Cryptocurrency Policy

9.2 Board to receive and file reports

10. ACTUARIAL VALUATION AND 2027 CONTRIBUTION RATES

10.1 Annual Actuarial Valuation Report as of December 31, 2025 prepared by Cheiron

10.2 Proposed Resolution 2026-08-01 titled "Actuarial Valuation Report and 2027 Retirement Contribution Rates"

10.3 Board to accept the actuarial report, approve the 2027 retirement contribution rates and adopt Resolution 2026-08-01

11. STAFF REPORTS

11.1 CEO Report

11.2 Board to receive and file report

12. REPORT OUT OF PREVIOUS CLOSED SESSION

12.1 On June 12, 2026, the Board voted 6-0 in regard to Resolution 2026-08-02 titled "Hines Rialto Credit Partners Fund" and to authorize the CEO to sign the necessary documents to invest $75 million in the fund.

13. COMMENTS

13.1 Comments from the Board of Retirement

14. SUMMARY OF BOARD DIRECTION

15. ADJOURNMENT

MINUTES

BOARD OF RETIREMENT MEETING
SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD MEETING
FRIDAY, JULY 10, 2026
AT 9:03 AM
SJCERA Board Room, 220 East Channel Street, Stockton, California

1. **ROLL CALL**
   MEMBERS PRESENT: Phonxay Keokham, Jesse Escotto, Sam Kaisch, Steve Baxter, Emily Hammond, JC Weydert, Steve Moore, Steve Dougherty, and Michael Restuccia presiding
   MEMBERS ABSENT: Michael Duffy, Sonny Dhaliwal
   STAFF PRESENT: Chief Executive Officer Renee Ostrander, Assistant Chief Executive Officer Brian McKelvey, Chief Counsel Aaron Zaheen, Investment Officer Trent Kaeslin, Management Analyst III Greg Frank, Administrative Secretary Elaina Petersen, Executive Secretary Jamie Dadasovich
   OTHERS PRESENT: David Sancewich, Kay Ceserani, Michael Pellatz of Meketa Investment Group

2. **PLEDGE OF ALLEGIANCE**
   Led by Joanne Whelen

3. **MEETING MINUTES**

   3.1 Minutes for the Board Meeting of June 12, 2026

   3.2 Minutes for the Administrative Committee meeting of June 12, 2026

   3.3 The Board voted unanimously (7-0) to approve the Minutes of the Board Meeting of June 12, 2026, and the Minutes for the Administrative Committee Meeting of June 12, 2026. (Motion: Kaisch; Second: Escotto)

4. **PUBLIC COMMENT**

   4.1 Pastor Reed Olson led a prayer for the Board, for Jason Whelen and his family.

5. **TRIBUTE TO JASON WHELEN**

5.1 CEO Ostrander offered comment on the lasting imprint Jason had made during his tenure on the Board of Retirement. Video presentation was shown in honor of Jason; photos and video clips of him with his family and friends.

5.2 Trustee Restuccia presented Jason's wife, Megan, with a Board Resolution.

5.3 Comments from the Board:
Trustee Keokham- "Thank you to the Pastor for beautiful prayer. Strong dedication to the community."
Trustee Baxter- "Jason was my best friend and colleague. Honored to now be part of this Board."
Trustee Hammond- "Amazed by the family's faith and spirit during this difficult time."
Trustee Escotto- "Honored to serve in his wake."
Trustee Kaisch- "Jason was a great man that believed in family and in God. He is much missed."
Trustee Dougherty- "God bless this family."
Trustee Weydert- "May we remember how lucky we were to have known Jason."
Trustee Moore- "Jason had a zest for what he did."

6. MANAGER PRESENTATION - PEPPERTREE

6.1 Presentation by Ryan Lepene, Co-Managing Partner, TPG Peppertree, and Victoria Choi, Principal, TPG Client and Capital Formation

7. MANAGER PRESENTATION - BESSEMER XIII

7.1 Presentation by Anita Umarji, Partner, Head of Investor Relations and Kent Bennett, Partner, Bessemer Venture Partners

8. CLOSED SESSION

The Chair convened Closed Session at 10:52 a.m. and reconvened Open Session at 11:25 a.m.

8.1 Purchase or Sale of Pension Fund Investment
California Government Code Section 54956.81

8.2 Purchase or Sale of Pension Fund Investment
California Government Code Section 54956.81

Chief Legal Counsel Aaron Zaheen stated there was nothing to report out of Closed Session.

9. CONSENT

9.1 Service Retirements

9.2 Trustee and Executive Staff Travel

1 Conference and Event Schedules

2 Summary of Pending Trustee and Executive Staff Travel

3 Summary of Completed Trustee and Executive Staff Travel

a Summary of Pacific Northwest Institutional Forum Event Renee Ostrander

b Summary of NCPERS Advanced Fiduciary Institute Event Renee Ostrander

9.3 Legislative Summary Report/SACRS Legislative Update

9.4 Calendar

9.5 Mid-Year Administrative Budget Update

9.6 Board Policies and Charters Requiring Amendments

1 Administrative Appeals Policy - Clean

2 Declining Employer Payroll Policy – Clean

3 Required Minimum Distributions Policy - Clean

4 Staff Transportation and Travel Policy - Clean

5 Cash Management and Liquidity Policy - Mark-up

6 Cash Management and Liquidity Policy - Clean

7 CEO Performance Review Policy - Mark-up

8 CEO Performance Review Policy - Clean

9 Conflict of Interest Policy - Mark-up

10 Conflict of Interest Policy - Clean

11 Disability Retirement and Active Member Death Policy and Procedures - Mark-up

12 Disability Retirement and Active Member Death Policy and Procedures - Clean

13 Return to Work and Bona Fide Separation from Service Policy - Mark-up

14 Return to Work and Bona Fide Separation from Service Policy - Clean

15 Trustee and Executive Staff Travel Policy - Mark-up

16 Trustee and Executive Staff Travel Policy - Clean

9.7 Manager Performance Flash Report - May 2026

9.8 The Board pulled items 9.6.2 and 9.6.12 and voted unanimously (7-0) to approve the Consent Agenda with the revisions suggested by the Board. (Motion: Kaisch; Second: Keokham)

9.9 The Board reviewed and provided edits to items 9.6.2 and voted unanimously (7-0) to adopt the policies with revisions. (Motion: Weydert; Second: Keokham)

9.10 The Board reviewed and provided edits to items 9.6.12 and voted unanimously (7-0) to adopt the policies with revisions. (Motion: Keokham; Second: Weydert)

10. INVESTMENT CONSULTANT REPORTS

10.1 Presentation by David Sancewich of Meketa Investment Group

1 Monthly Economic and Markets Update - May 2026

2 Roundtable Agenda Review

10.2 The Board received and filed reports.

11. REQUEST FOR INFORMATION SYSTEMS ANALYST IV POSITION

11.1 The Board voted unanimously (7-0) to grant the request for Information Systems Analyst IV position. (Motion: Kaisch; Second: Baxter)

12. SECURITIES LITIGATION MONITORING RFP RECOMMENDATION

12.1 The Board voted unanimously (7-0) to accept the Securities Litigation Monitoring RFP recommendation. (Motion: Weydert; Second: Kaisch)

13. STAFF REPORTS

13.1 Quarterly Operations Reports

1 Account Receivable Second Quarter 2026

2 Disability Quarterly Report

3 Quarterly Operations Metrics

4 Pension Administration Update

In addition to her written report CEO Ostrander the following: 1) Welcomed the new trustees to our board, filling all 11 seats for the first time. 2) Announced the Executive Secretary is onboarded, and the Retirement Financial Officer position will be finalized soon. 3) Shared appreciation again for visit to England to meet with Heywood and attend the conference. She also conducted due diligence. The trip exceeded expectations; implementation in 12 months. 4) Announced her outcome of the NCPERS Advanced Fiduciary Exam after completing the education; passed the exam and will receive my certificate shortly. 5) Investment Consultant RFP released earlier this week; Trent, Aaron, and Greg are leading the process.

13.3 Board received and filed reports.

14. COMMENTS

14.1 Trustee Restuccia thanked the new Board Members for stepping up and offered appreciation for coming aboard.

14.2 Trustee Kaisch welcomed new Board Members and is excited to see their input.

14.3 Trustee Weydert thanked CEO Ostrander for the tribute to Jason and additional thanks to his family for attending. He also suggested the UC Berkeley training to the new Board Members as "one of the best".

15. ELECTION OF OFFICERS

15.1 The Board voted unanimously (7-0) to re-elect Michael Restuccia as Chairperson, Sam Kaisch as Vice Chairperson, and Phonxay Keokham as Secretary. (Motion: Kaisch; Second: Weydert)

16. SUMMARY OF BOARD DIRECTION

17. ADJOURNMENT

There was no other business, and the meeting was adjourned at 12:20 p.m.

Respectfully Submitted:

____

Michael Restuccia, Chair

ATTEST:

____

Phonxay Keokham, Secretary

OCEAN AVENUE | CAPITAL PARTNERS

San Joaquin County Employees' Retirement Association

August 2026

SAN JOAQUIN C▲E▲R▲A

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References to EBITDA, growth, sales, margin, profit, revenues, debt amounts, or any similar terms or derivatives thereof, are investment characteristics or metrics that may or may not correlate to investment performance. These figures are not indications or guarantees of investment performance of the Fund or any investment and should not be relied on as such. Additionally, these figures are generally presented on a gross basis due to the lack of a mechanism to reflect precisely the effects of management fees, fund expenses, taxes, carried interest or other amounts borne by investors. Historical portfolio company revenue and EBITDA figures presented in these materials are generally reflected on a pro forma or "adjusted" basis for material add-on acquisitions and divestitures, and other significant transactions, if applicable. Additionally, amounts contained in these materials are generally unaudited and may be flash or preliminary amounts reported by company management. Portfolio company EBITDA and revenue reported to OACP may be adjusted for purposes of determining the estimated fair value of such portfolio company in accordance with OACP's valuation policy.

Benchmarks are for illustrative purposes only and are not necessarily indicative of OACP funds returns. The private equity benchmark statistics provided herein ("Benchmarks") reflect the investment performance of collections of private equity funds collected and reported by Pitchbook. Pitchbook returns data as of 3.31.26 for fund vintages 2011-2022 for funds less than 500m for small cap (254 funds), between 500m to 999m for mid cap (139 funds), between 1b to 4.99b for large cap (297 funds), and over 5b for mega cap (101 funds). Investors generally cannot invest directly in the Benchmarks, each of which is presented for reference purposes only. The statistical data regarding the Benchmarks has been obtained from sources believed to be reliable but has not been independently verified. The Fund likely will not pursue strategies followed by some or all of the funds included in the Benchmarks, nor will OACP, nor the Fund or any OACP fund, invest in the funds or other securities comprising the Benchmarks. In addition, the funds comprising the Benchmarks invested across a variety of industries in which the Fund will not necessarily invest. In addition, an investment in the Fund, as well as any OACP fund, is subject to expenses, management fees and carried interest charged or payable by the applicable fund, which are not necessarily the same as reflected in the Benchmarks. For the foregoing and other reasons, the returns achieved by the OACP funds and/or underlying managers and the returns of the Benchmarks should not be considered directly comparable. OACP's selection of the Benchmarks and return metrics for comparison is inherently subjective. There can be no assurance that any OACP fund or underlying manager would compare similarly to other benchmarks and/or performance metrics. Past performance is not indicative of future results.

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Overview

Seeking Attractive Returns Without Taking Commensurate Levels of Risk

1. Senior Team with Long-Tenured Investing Experience

2. Focus on Least Efficient Private Equity Market Segment

3. Pioneer with Independent Sponsors Creates Captive Partner Network

4. Positive Convexity, Relative Value Investment Strategy

5. Differentiated Sourcing Model Enhances Deal Selectivity

6. Established Track Record Across Multiple Funds with $1.9b in AUM

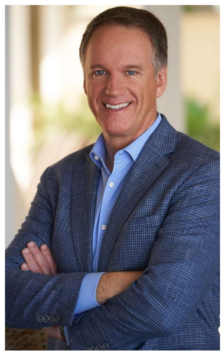
OACP Team Members

Experienced, Independently-Owned Working Partnership

Investment Committee

Jeff Ennis
Partner

Jacques Youssefmir
Partner



Pete Notz
Partner

Investment Team

Daniel Smith
Principal

Toby D'Ambola
Principal

Ryan Silverman
Vice President

Offer Accepted
Vice President

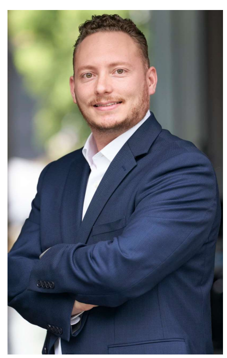
Alec Zwaneveld
Senior BD Associate

Ben Mores
Senior Analyst

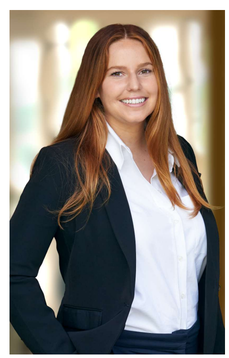
Trevor Marvin
Senior Analyst

Shoki Bundy
Senior BD Analyst

Operations Team



Matt Kahn, CPA
Ops. Vice President



Katy Paynter
Senior Ops. Associate

Audrey Ostberg
Ops. Associate

Outsourced Services

Fund Administrators

alterDomus SS&C

Compliance Services

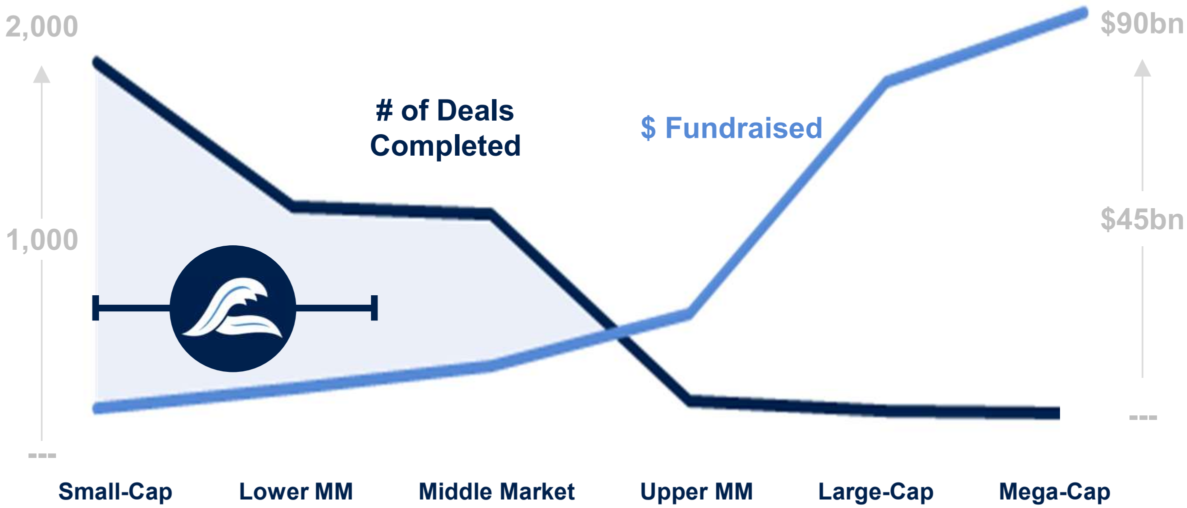
IQEQ

Target Market Segmentation

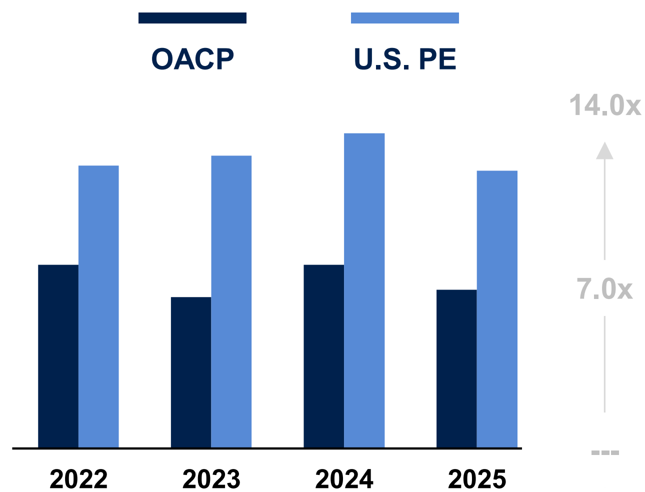
Investment Strategy is Focused on Less Efficient Markets

Opportunity in the Lower-Middle Market

Defined by the highest opportunity set coupled with the lowest capital allocation[1]

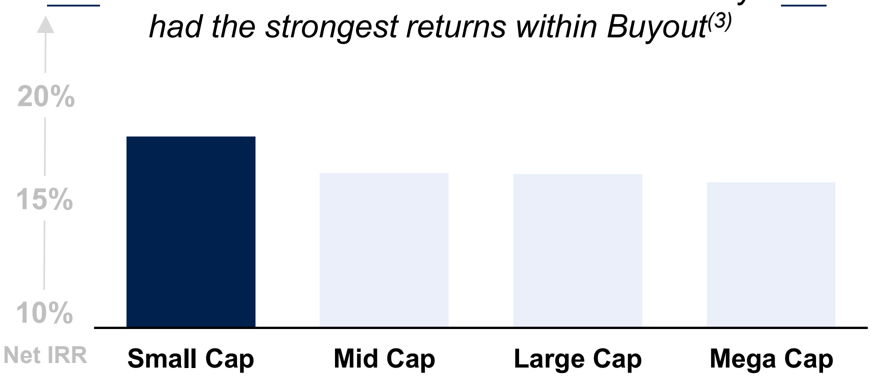


Supply-demand imbalance results in lower avg. EBITDA multiples[2]

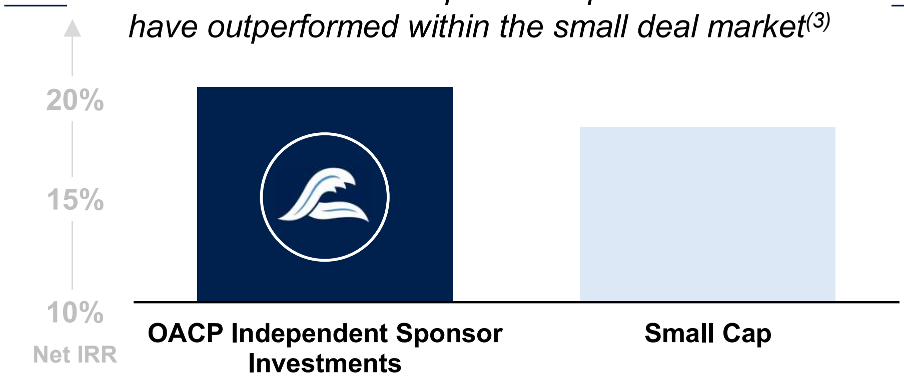


Historical Performance

Lower-middle market funds have historically had the strongest returns within Buyout[3]



We believe OACP's independent sponsor investments have outperformed within the small deal market[3]



Sources: (1) PitchBook 2025 Annual US PE Breakdown; (2) PitchBook, *"2025 Annual US PE Breakdown"* See pg. 12 for OACP valuation multiple methodology. U.S. PE reflects median EV/EBITDA multiples for U.S. buyout M&A transactions.; (3) PitchBook returns data as of 3.31.26 for fund vintages 2011-2022. Small Cap defined as funds less than $500mm. OACP performance as of 3.31.26 for investment vintages 2011-2022. Note: No investor has experienced the indicated returns. All performance is net of carried interest and fees. Past performance is not necessarily indicative of future results. Returns include unrealized values. Actual results may vary materially and adversely. Please see slides 14-17 for OACP's full track record and the Legal Notice and the Glossary for further information regarding performance calculations and defined terms. Please see the Legal Notice for information related to the use of benchmarks. There can be no assurance historical trends will continue.

Independent Sponsor Market Overview

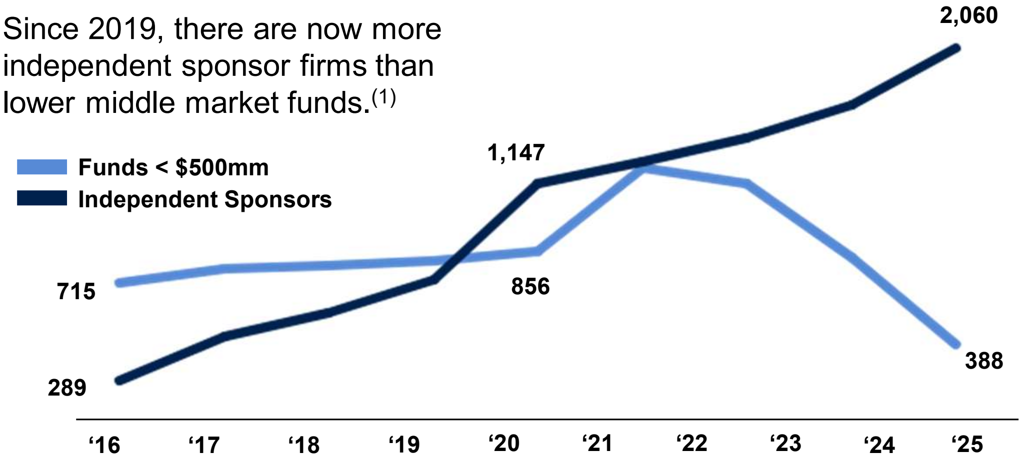
A Once Emerging Trend Has Come to Dominate the Lower Middle-Market

What is an independent sponsor?

A private equity professional who invests directly into companies and raises capital on a deal-by-deal basis

Why does it matter?

Since 2019, there are now more independent sponsor firms than lower middle market funds.(1)



Independent Sponsor Formation

Investment Committee

Investment Professional

X Y Z | CAPITAL

Reporting to the IC, senior-level professionals sponsor deals on behalf of their firm – sourcing, conducting diligence, and executing the value creation plan

Professional spins out and starts a new firm.

Investment Committee

Independent Sponsor

OCEAN AVENUE CAPITAL PARTNERS

Professionals bring their prior experience and network of relationships. OACP's co-underwriting and post-close value creation model mirrors the experience of their prior fund.

Key Metrics(2):

- **2,000+** independent sponsor firms in OACP's network
- Partnered with **>90** sponsors over a **15-year** period
- **$1.3+ billion** invested across **144** investments
- **>90** full & partial exits, generating 2.9x gross TVPI / 30.6% gross IRR

Sources: (1) Estimates based on PitchBook data and OACP internal data as of 12.31.2025. (2) Key metrics as of 3.31.2026. Note: Past performance is not necessarily indicative of future results. Investors may lose capital. The cumulative and combined return data presented above does not necessarily represent performance achieved by any investor, and reflects investments that were made across multiple OACP funds during different economic cycles and on different terms. Such stated performance reflects neither a specific OACP fund nor a group of investments managed as a single portfolio. Returns include unrealized values. Gross returns do not reflect the deduction of fees, expenses, and carried interest borne by investors, which will reduce returns and could be substantial. The actual return realized by any investor in such OACP fund may differ materially from those reflected or contemplated in the data presented here. Please see end of presentation for OACP's full track record, including net fund-level returns and the Glossary for further information regarding performance calculations and defined terms.

Independent Sponsor Market Trends

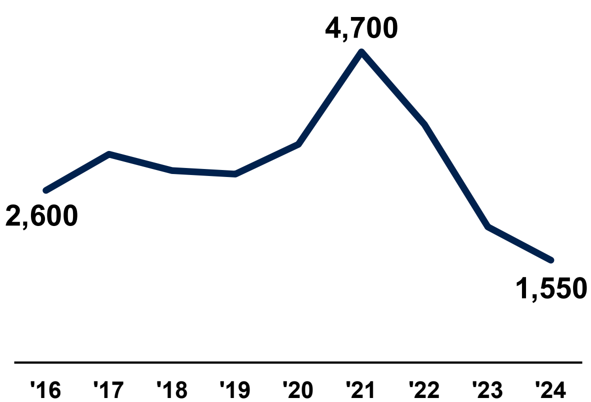
Significant Market Opportunity Underpinned by Secular Trends

By the Numbers

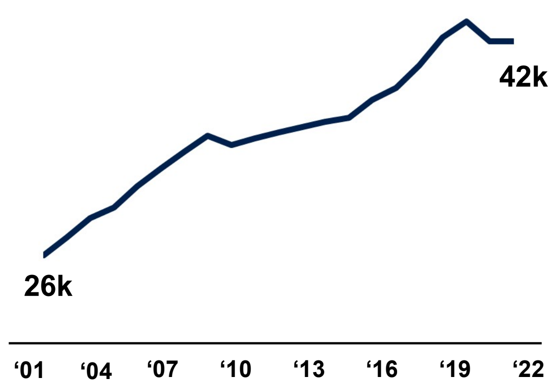
$18 billion[(1)] Equity Available for Deals OACP Reviewed in 2025	**41.8%**[(1)] Est. 10-Yr CAGR	**58.5%**[(2)] Independent Sponsors as a Portion of LMM Firms	**60.2%**[(2)] Independent Sponsor Deals as a Portion of LMM

Structural Trends Supporting Long-Term Growth

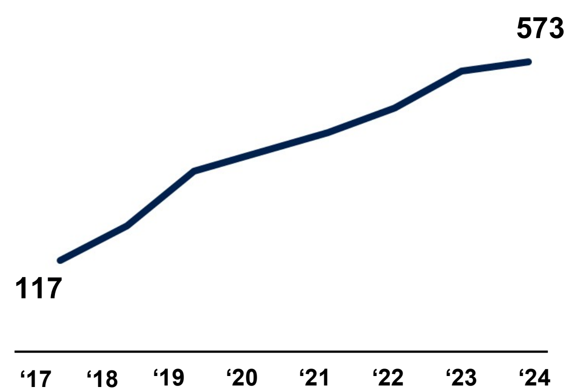
PE fund consolidation, including venture and hedge funds, driven by maturation of the private equity market[(3)]



Growth in number of PE professionals, as evidenced by the number of finance graduates[(4)]



Stable base of capital providers, demonstrated by growth in attendance at the industry's largest conference[(5)]



Sources: (1) Estimates based on total outside equity need for deals OACP reviewed between 2015-2024; (2) Estimates based on PitchBook data as of 12.31.2025. LMM Firms defined as fund sizes less than $500mm. LMM deals defined as buyouts less than $250mm TEV; (3) McKinsey & Co., "Global Private Markets Report 2025: Private equity emerging from the fog". Global private fund count; (4) National Center for Education Statistics; (5) McGuireWoods conference participants (capital providers only) Note: There can be no assurance historical trends will continue.

Differentiated Sourcing Model

Partner Network Enhances Deal Funnel Efficiency

	CIMs Reviewed	Indications of Interest	Letters of Intent	Deals Completed
Typical PE Fund Model	~1,000 *100% of Sourced*	50 *5% of Sourced*	10 *1% of Sourced*	2-3 *0.25% of Sourced*
OACP Model	OACP Model Creates Scale & Enhances Deal Selectivity		600+ *x60 Typical Fund*	5 - 10 *x5 Typical Fund*

OACP Typically Reviews Deals at or near the LOI Stage

Attractive Attributes of the OACP Sourcing Model

Pre-Vetted Transactions at Initial OACP Review → Two-Tier Screening Process → Data-Driven Assessment Processes → Portfolio Breadth Unlocks Differentiated Perspectives

Source: OACP internal data as of 12.31.2025; OACP has over 2,000 sponsor partners in network. Note: "Typical Fund" information is based on OACP's opinions, beliefs and experience regarding the private equity fund industry. OACP did not conduct a formal market survey, and the indicated information is not representative of all private equity funds. A third-party analysis may reach different conclusions. For illustrative purposes only. There can be no assurance historical trends will continue.

Value-Orientation and Focus on Industry Tailwinds with Experienced Independent Sponsor Partners

Relative Value Pricing

Transaction data, coupled with processes for benchmarking comparable companies, create an information advantage in discovering undervalued assets

Industry Dynamics

OACP looks for large addressable markets experiencing secular tailwinds where large-cap PE has yet to consolidate meaningfully

Sponsor Partner

Sponsor base comprised of senior professionals with well-established performance and niche industry focus leads to off-market deal flow and enhanced value creation

Supported by Data-Enabled Investing Foundation

Advanced-Stage Transaction Data
Market pricing, KPIs, and industry dynamics

Focus on Business Fundamentals
Strong margins, recurring and diversified revenue base

Note: The investment strategy included herein is provided in order to help prospective investors understand the Firm's goals, objectives and process for evaluating investment opportunities. There are no assurances that this strategy will be executed, or if executed, that it will lead to investor returns.

We Believe Early Mover Advantage Positions OACP at the Center of the Independent Sponsor Universe

Strategic Sourcing Relationships

Established relationships with leading middle market lenders, attorney, accountant, board member, placement agent relationships

Significant Brand Value

+15 years working with independent sponsors

Positioning Creates a Central Funnel for Independent Sponsor with High Barriers to Entry

Deal-Centric Investment Process

Investment directive is centered around deal selectivity with sponsors proactively seeking OACP as the partner of choice to create value

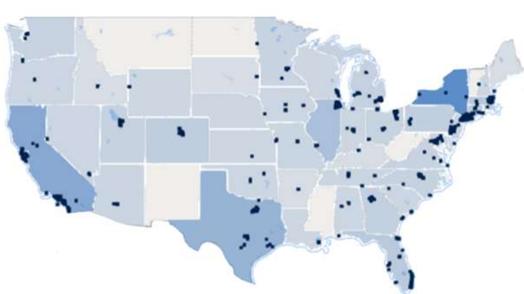
Network Effect

Active investor in the space with an expansive network of stakeholders and advocates on behalf of OACP

By the Numbers

Expansive Coverage

The sponsor network stretches from coast-to-coast across 45 different states

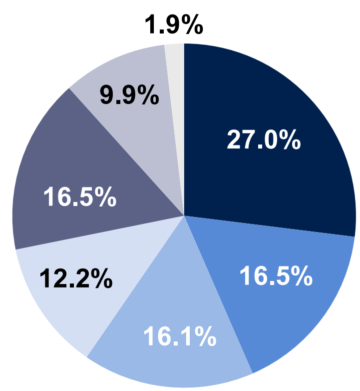


30

States Represented by Portfolio Companies

73%

of Sponsors have an Industry-Focus



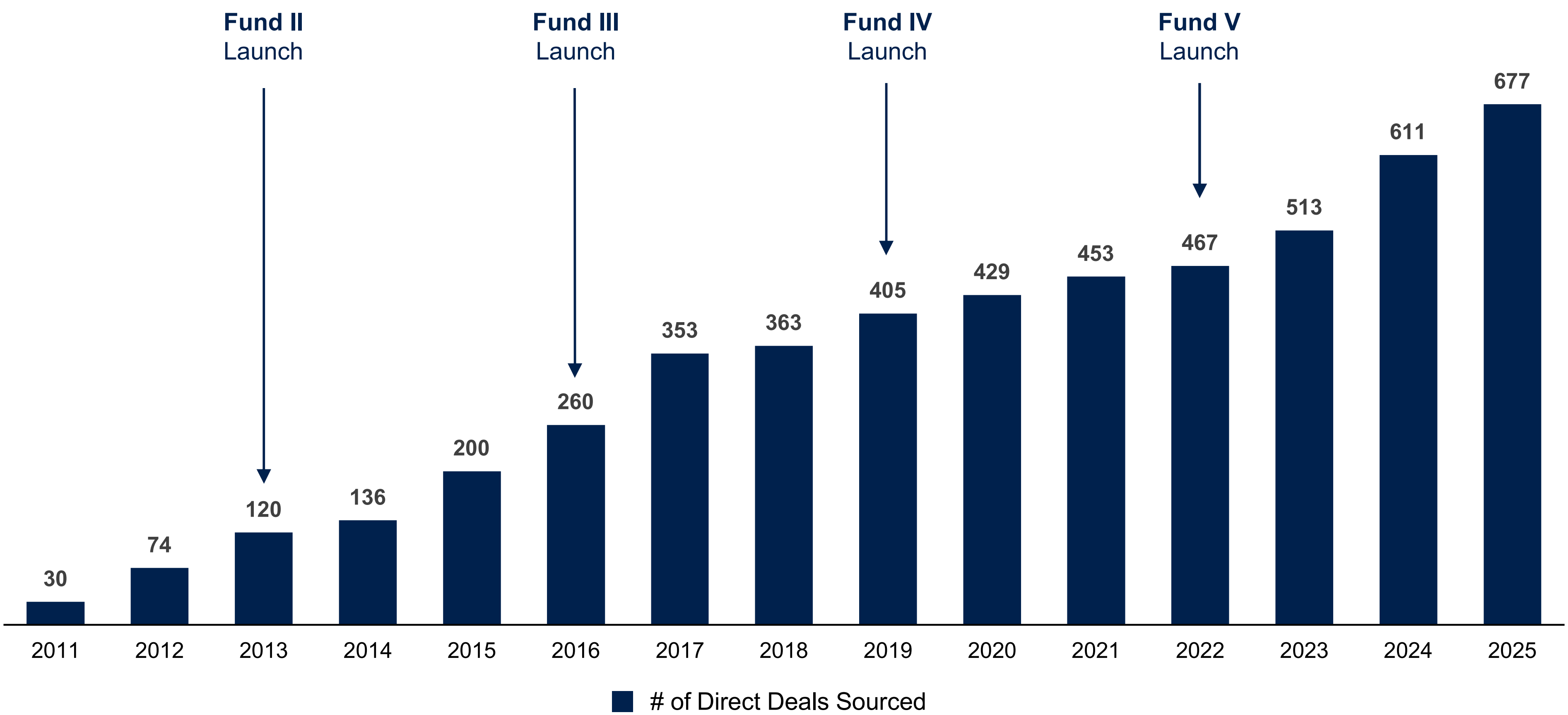
Deep Sponsor Experience

Many sponsors are industry experts with deep relationships and domain expertise

Source: OACP internal data as of 12.31.2025.

Deal Flow & Selectivity

Advanced-Stage Deal Flow and Selectivity have Improved Significantly



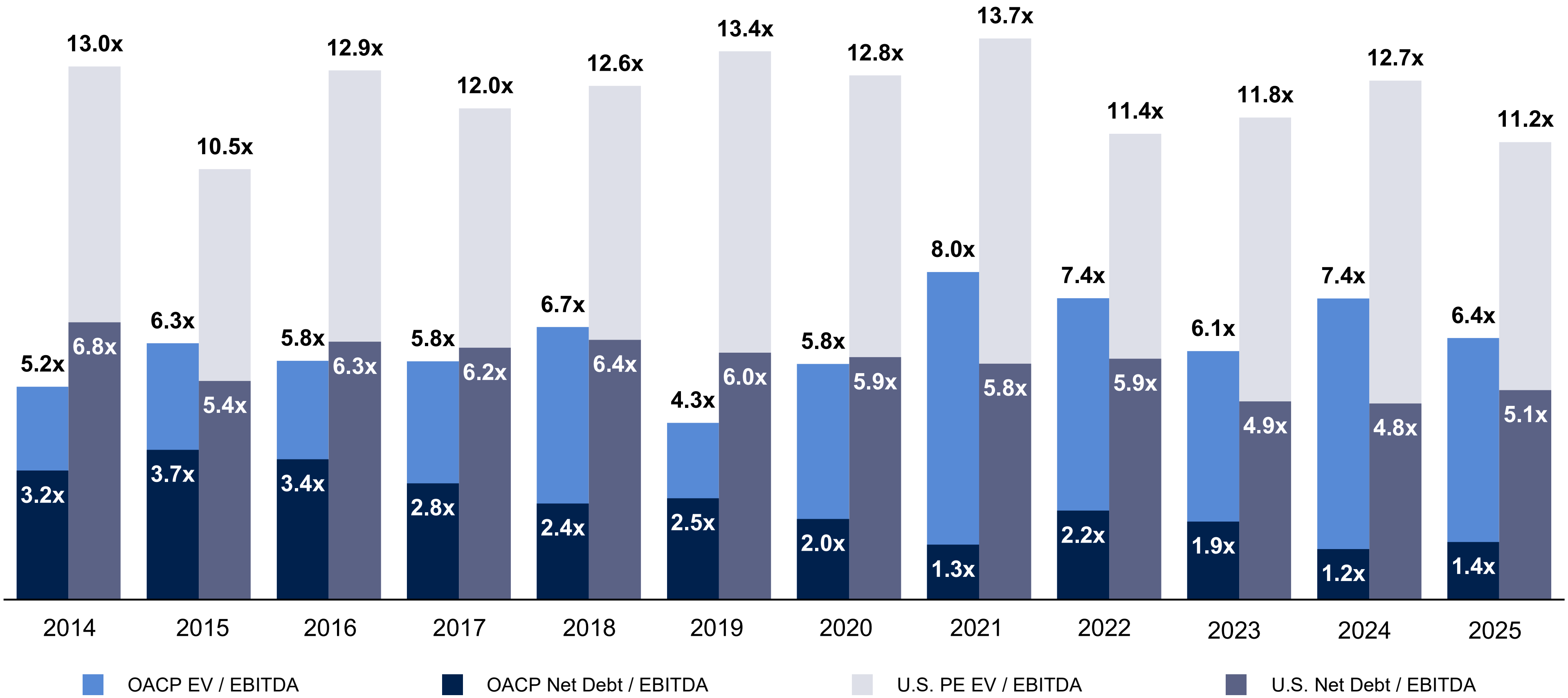
% of Direct Investments Closed from Total Sourced Opportunities

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
16.7%	*14.9%*	*10.0%*	*10.3%*	*4.5%*	*3.5%*	*3.4%*	*3.0%*	*3.5%*	*2.1%*	*2.0%*	*1.7%*	*1.6%*	*0.8%*	*0.9%*

Source: OACP internal data as of 12.31.2025. Selectivity calculated by dividing closed deals sourced in each time period by the total number of deals sourced that period. There can be no assurance historical trends will continue.

Median OACP Purchase Multiples

Enhanced Selectivity Leads to Lower Purchase Multiples



*5.8x**

Median OACP Entry EV / EBITDA Purchase Multiple

*Includes deals closed through 12.31.25. Analysis excludes investments made by OACP that lacked meaningful EBITDA (i.e., turnaround/distressed situations, and companies purchased on revenue multiples). For this analysis, thirteen direct investments made by OACP were excluded for the multiple shown. Such transactions should not be considered directly comparable to OACP's portfolio companies based on several factors, including transaction size, industry and because certain companies are publicly traded. Such comparison has not been verified by any third party, which may reach different conclusions. There can be no assurance historical trends will continue.

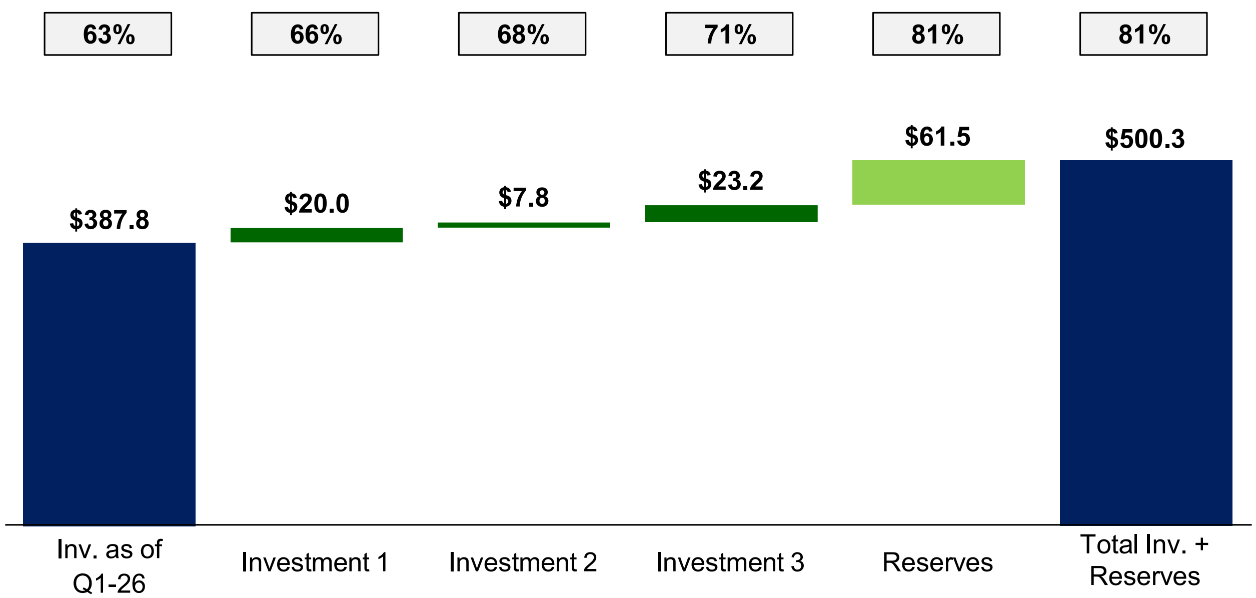
Source: PitchBook, *"2025 Annual US PE Breakdown"*, OACP internal data as of 12.31.25.

OACP Funds Summary

Fund *($ in 000's)*	Fund Vintage	Commit.	Contrib.	Distrib.	Fair Value	Total Value	DPI	Gross TVPI	Net TVPI	Gross IRR	Net IRR
As of March 31, 2026											
OAF V	2022	$614,680	$393,000	$15,777	$545,148	$560,925	0.0x	1.6x	1.4x	27.4%	25.2%
OAF IV	2019	$356,165	$343,000	$287,617	$343,335	$630,951	0.8x	2.0x	1.8x	25.9%	21.1%
OAF III	2016	$231,803	$214,505	$328,713	$153,013	$481,726	1.5x	2.4x	2.2x	23.9%	20.0%
OAF II	2013	$206,750	$185,580	$370,922	$44,910	$415,832	2.0x	2.3x	2.2x	18.6%	16.1%

Fund V Deployment Bridge

$ in mm, cumulative % of total committed capital



Recent Fund V Investments

Investment 1

Closed April '26

Designs and manufactures precision optical and photonics equipment used to characterize, validate, and calibrate light

Investment 2

Closed May '26

Provider of anesthesia locum tenens and advance practice staffing services

Investment 3

Closed May '26

Portfolio of four lower middle market consumer growth brands

Note: (1) Please refer to Glossary for explanation of performance terms. Past performance is not necessarily indicative of future results. There can be no assurance that any unrealized values will be realized at the valuations included herein. Actual results may vary materially and adversely. Investors may lose investment capital. (2) Unlevered IRR: OAF II, III, IV, & V have borrowed utilizing a capital call credit facility to finance investments and pay fees and expenses prior to issuing a capital call to limited partners. The related delay of capital calls generally has the effect of increasing the Net IRR, which is based on limited partner cashflows, reflected herein. (3) Net returns reflect the actual management fees and carried interest paid by investors in the Prior Funds, which include management fees that were lower than those expected to be charged to Fund VI for Funds II and III, and carried interest that was lower than that expected to be charged to Fund VI for Funds II, III, and IV. In addition, the Prior Funds include certain investors that paid reduced or no management fees and carried interest, resulting in materially higher net returns than if OACP applied the full management fees and carried interest of Fund VI to the gross returns of the Prior Funds on a model basis.

SJCERA Status Update

Fund *($ in 000's)*	Fund Vintage	Commit.	Contrib.	Distrib.	Fair Value	Total Value	DPI	Gross TVPI	Net TVPI	Gross IRR	Net IRR
As of March 31, 2026											
OAF V	2022	$30,000	$19,650	$789	$27,257	$28,046	0.0x	1.6x	1.4x	27.4%	24.6%
OAF IV	2019	$50,000	$49,000	$41,088	$49,048	$90,136	0.8x	2.0x	1.8x	25.9%	21.1%
OAF III	2016	$50,000	$46,500	$71,258	$33,481	$104,739	1.5x	2.4x	2.3x	23.9%	19.8%
OAF II	2013	$40,000	$36,000	$71,954	$8,626	$80,580	2.0x	2.3x	2.2x	18.6%	15.9%
Total		**$170,000**	**$151,150**	**$185,089**	**$118,412**	**$303,501**	**1.2x**	**2.1x**	**2.0x**	**22.2%**	**18.2%**

2026 Updates

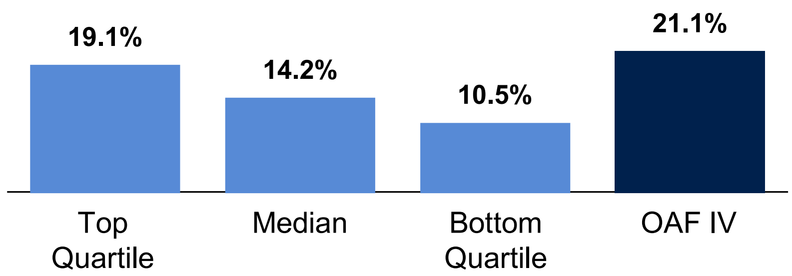
($ in 000's)	ITD as of 3.31.26	Cash Flows to Date	ITD to Date	DPI to Date
Fund V				
Distributions	$789	-	$789	0.03x
Contributions	$19,650	$3,000	$22,650	
Fund IV				
Distributions	$41,088	$8,787	$49,876	1.02x
Contributions	$49,000	-	$49,000	
Fund III				
Distributions	$71,258	$1,038	$72,296	1.55x
Contributions	$46,500	-	$46,500	
Fund II				
Distributions	$71,954	-	$71,954	2.00x
Contributions	$36,000	-	$36,000	

Updates since Q1 2026

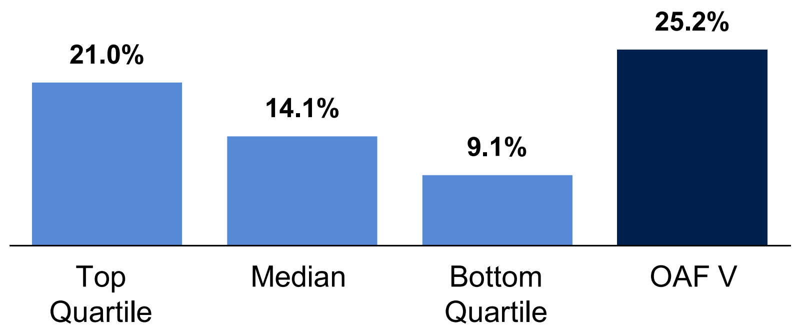
- **Fund V**
  - $31mm invested capital across 2 new platforms, excluding a separate investment, which was funded on March 30th and closed on April 1st
  - $0.1mm invested in follow-on investments
- **Fund IV**
  - $65mm in gross proceeds received from 3 realizations and 1 earn-out
- **Fund III**
  - $7mm in gross proceeds received from 2 dividend recaps and various escrow distributions
  - $1.5mm invested in follow-on investments

Performance Benchmarking – Fund IV & V

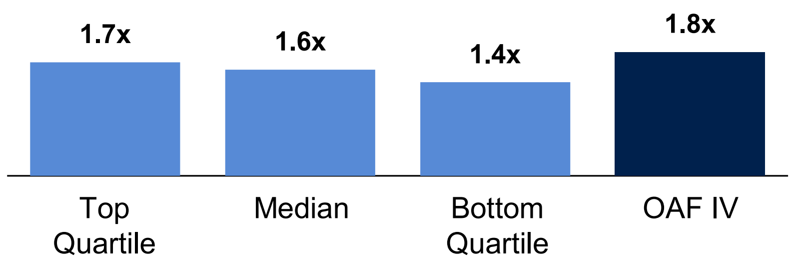
Fund IV Net IRR Benchmark
(2019 Vintage)



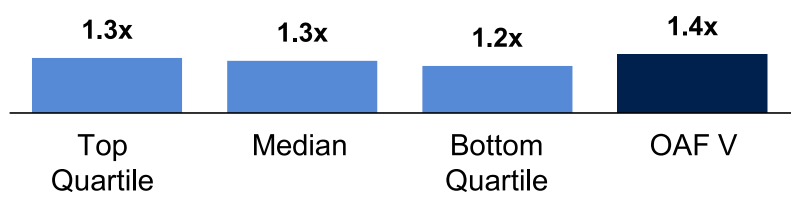
Fund V Net IRR Benchmark
(2022 Vintage)



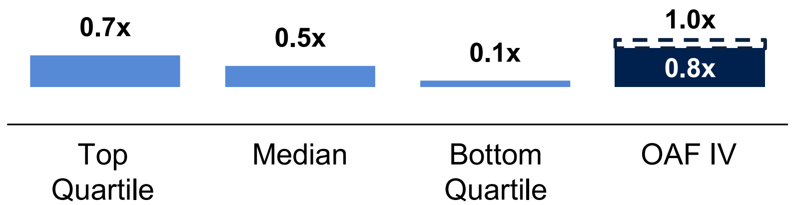
Fund IV Net TVPI Benchmark
(2019 Vintage)



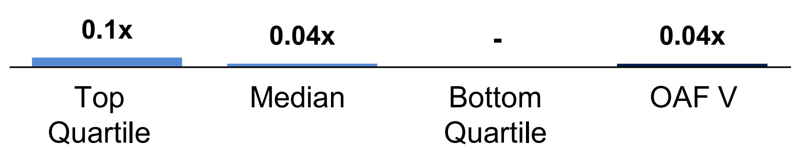
Fund V Net TVPI Benchmark
(2022 Vintage)



Fund IV Net DPI Benchmark
(2019 Vintage)



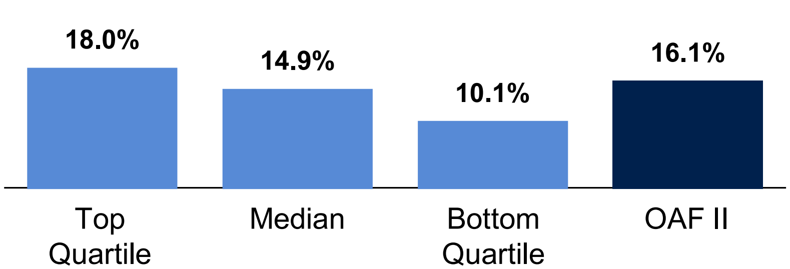
Fund V Net DPI Benchmark
(2022 Vintage)



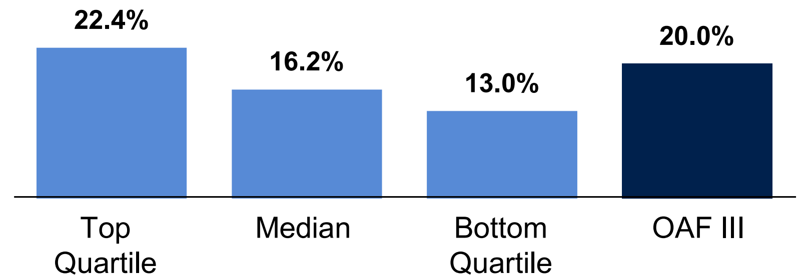
Source: PitchBook Private Equity Benchmark and Ocean Avenue Fund performance as of 3.31.26 for Fund IV and Fund V. OAF V DPI declined (0.01x) to ~0.03x following a capital call due 7.27.26

Performance Benchmarking – Fund II & III

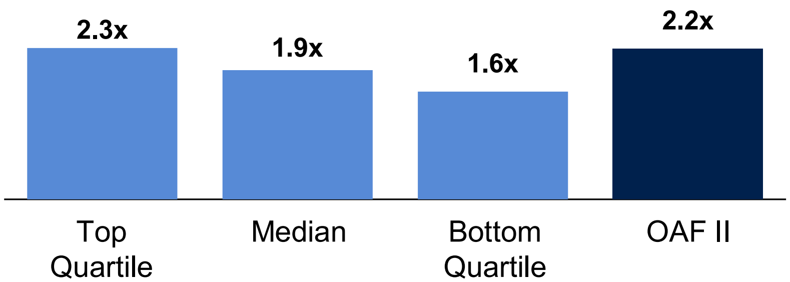
Fund II Net IRR Benchmark
(2013 Vintage)



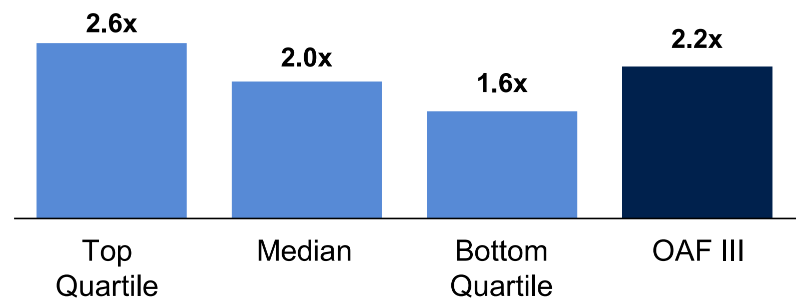
Fund III Net IRR Benchmark
(2016 Vintage)



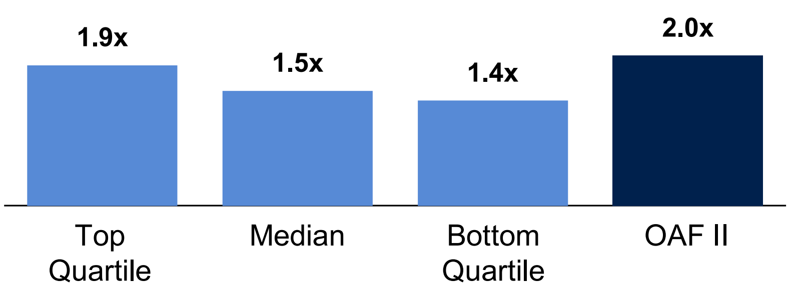
Fund II Net TVPI Benchmark
(2013 Vintage)



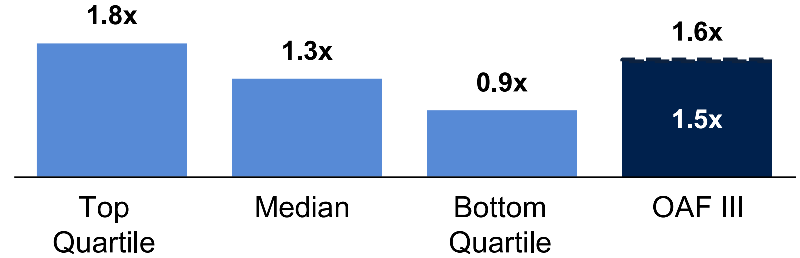
Fund III Net TVPI Benchmark
(2016 Vintage)



Fund II Net DPI Benchmark
(2013 Vintage)



Fund III Net DPI Benchmark
(2016 Vintage)



Source: PitchBook Private Equity Benchmark and Ocean Avenue Fund performance as of 3.31.26 for Fund II and Fund III

OACP Funds Summary – Including Single Investor Funds

Fund *($ in 000's)*	Fund Vintage	Commit.	Contrib.	Distrib.	Fair Value	Total Value	DPI	Gross TVPI	Net TVPI	Gross IRR	Net IRR
As of March 31, 2026											
OAF V	2022	$614,680	$393,000	$15,777	$545,148	$560,925	0.0x	1.6x	1.4x	27.4%	25.2%
OAF IV	2019	$356,165	$343,000	$287,617	$343,335	$630,951	0.8x	2.0x	1.8x	25.9%	21.1%
OAF IV-SA	2018	$84,600	$97,482	$114,652	$72,887	$187,538	1.2x	2.1x	1.9x	22.7%	18.3%
OAF III	2016	$231,803	$214,505	$328,713	$153,013	$481,726	1.5x	2.4x	2.2x	23.9%	20.0%
OAF III-SA	2015	$40,200	$38,800	$73,427	$35,337	$108,765	1.9x	2.7x	2.8x	25.9%	21.3%
OAF III-P	2015	$100,500	$93,500	$182,793	$88,271	$271,065	2.0x	2.7x	2.9x	26.2%	22.2%
OAF II	2013	$206,750	$185,580	$370,922	$44,910	$415,832	2.0x	2.3x	2.2x	18.6%	16.1%
OAF II-C	2012	$40,200	$39,705	$71,629	$8,324	$79,953	1.8x	2.1x	2.0x	20.3%	15.8%
OAF II-B	2012	$100,500	$98,838	$165,929	$16,820	$182,749	1.7x	2.0x	1.8x	16.1%	13.2%
OAF II-A	2011	$40,200	$39,898	$74,598	$1,594	$76,192	1.9x	2.1x	1.9x	22.6%	17.8%
OASSF	2011	$100,500	$97,571	$211,717	$2,234	$213,951	2.2x	2.3x	2.2x	26.7%	22.8%

Note: (1) Please refer to Glossary for explanation of performance terms. Past performance is not necessarily indicative of future results. There can be no assurance that any unrealized values will be realized at the valuations included herein. Actual results may vary materially and adversely. Investors may lose investment capital. (2) Unlevered IRR: OAF II, III, IV, & V have borrowed utilizing a capital call credit facility to finance investments and pay fees and expenses prior to issuing a capital call to limited partners. The related delay of capital calls generally has the effect of increasing the Net IRR, which is based on limited partner cashflows, reflected herein. (3) Net returns reflect the actual management fees and carried interest paid by investors in the Prior Funds, which include management fees that were lower than those expected to be charged to Fund VI for Funds II and III, and carried interest that was lower than that expected to be charged to Fund VI for Funds II, III, and IV. In addition, the Prior Funds include certain investors that paid reduced or no management fees and carried interest, resulting in materially higher net returns than if OACP applied the full management fees and carried interest of Fund VI to the gross returns of the Prior Funds on a model basis.

Summary Term Sheet

Offering: Ocean Avenue Fund VI, L.P. (the "Fund") will invest directly in small and lower-middle market businesses in partnership with independent sponsors. The Fund is targeting $750mm in limited partner ("LP") commitments.

GP Commitment: The General Partner (the "GP", and together with the LPs, the "Partners") and its members and affiliates will commit at least 1% to the Fund on the same terms and conditions as the LPs, provided that the GP commitment shall not be charged a management fee or carry.

Investment Period: Five years from the date the first investment in the Fund is approved by the GP.

Term: 10 years, with up to four one year extensions to provide for the orderly liquidation of the Fund.

Management Fee: 1.25% per year on committed capital. After year seven, fee reduced to 90% of the management fee charged in the prior year.

Carried Interest: In general, proceeds from any investment will be preliminarily apportioned among the Partners pro rata based on their respective funded commitments applicable to such investment. The amount so apportioned to the GP will be distributed to it and the amount so apportioned to an LP will be distributed as follows: (a) first, 100% of such LP until the cumulative amount distributed to such LP in respect of investments equals the aggregate of the following: (i) such LP's funded commitment attributable to realized investments and unrealized investments to the extent they are permanently written down as of that time; (ii) such LP's funded commitment attributable to all organizational expenses, management fees and other expenses for which contributions have been made to date, in each case allocated to realized investments and unrealized investments to the extent they are permanently written down as of that time; (b) second, such LP shall receive a preferred return on amounts included in clauses (i) and (ii) above at the rate of 8% per annum compounded annually (the "Preferred Return"); (c) third, 100% to the GP as a "catch-up" until such time as the GP has received, as carried interest, 15% of the sum of the distributed Preferred Return and distributions made pursuant to clause (c); and (d) thereafter, 85% to such LP and 15% to the GP as carried interest.

Clawback: To the extent that the GP receives excess distributions, then the GP will be required to pay back 100% of such excess, less taxes thereon. An interim clawback obligation will be calculated on the seventh anniversary of the final closing date, with a final clawback obligation upon final distribution of the Fund's assets. The members of the GP will guarantee the clawback obligations.

Key Man: If fewer than two of the Fund's founding partners cease to remain active in the Fund, then the Fund's investment period shall automatically be suspended. The investors shall have a 180 day period in which to reinstate (by majority in interest vote) the investment period. If the investment period is not reinstated after such 180 day period, then for purposes of calculating the management fee payable thereafter, the fee shall be based on commitments made to underlying investments.

No Fault Divorce: The investors (by 75% vote of investor interests) may remove the GP at any time for any reason (a "No Fault Election"). To the extent that a No Fault Election occurs, the GP shall be entitled to one year's worth of management fees from the date of such No Fault Election. During such transition period, the GP shall work in good faith with the investors to seek a new manager and General Partner for the Fund.

Reporting: Annual audited and quarterly unaudited financial statements and investment reports will be provided to investor. Audit conducted by KPMG LLP. Custody and reporting services will be provided to the Fund by Alter Domus LLC.

Glossary

- “DPI” or Distributed / Paid-in means distributions received by investors relative to contributed capital. DPI is reflected on a net basis and reflects the deduction of management fees, partnership expenses and carried interest borne by investors. DPI reflects actual contributions / distributions at the fund level.
- “Gross IRR” refers to the aggregate, annual, compound, internal rate of return on investments, calculated before the payment of applicable management fees, partnership expenses, carried interest and taxes. Gross IRR is calculated based on actual cash flows between the fund and portfolio companies, assuming all assets of the fund are liquidated at their carrying value.
- “Gross TVPI” or Gross Total Value / Paid-in means distributions received by investors and the unrealized value relative to contributed capital. TVPI is reflected on a gross basis and does not reflect the deduction of management fees, partnership expenses, carried interest and other expenses borne by investors, provided that for individual deals and funds, TVPI reflects the deduction of fees and / or carried interest by the manager of the underlying deal / fund, but does not reflect OACP’s fees and carry.
- “Invested Capital” means the amount of capital invested, including follow-on investments, by the fund in the applicable transaction or transactions. The amount of invested capital used includes amounts distributed to and recalled from investors under the relevant fund’s recycling provisions.
- “Net IRR” refers to the aggregate, annual, compound, internal rate of return on investments, calculated after payment of applicable management fees, partnership expenses and carried interest. Net IRRs are calculated based on actual cash flows between limited partners and the Fund, assuming all assets of the fund are liquidated at their unrealized carrying value. An individual limited partner’s Net IRR may vary based on the timing of capital contributions and distributions. Net IRR reflects use of the fund subscription line of credit, such that net IRR is based on the investor capital call due date rather than the prior date on which the subscription line was drawn for investment; this generally has the result of increasing IRR calculations (in some cases, materially). This calculation differs with respect to timing from the calculation of Gross IRR, which is measured from the date the fund made the investment with borrowed funds. Note that LPs in Fund II and Fund III were subject to different management fee rates based on their commitment size. The net performance results for these funds reflect the blended management fees paid by all limited partners, and as a result, individual limited partner returns will vary.
- “Net TVPI” or Net Total Value / Paid-in means distributions received by investors and the unrealized value relative to contributed capital. Net TVPI for each OACP fund reflects the deduction of fees and / or carried interest by the manager of the underlying deal / fund, as well as OACP’s fees and carry. Note that LPs in Fund II and Fund III were subject to different management fee rates based on their commitment size. The net performance results for these funds reflect the blended management fees paid by all limited partners, and as a result, individual limited partner returns will vary.
- The main driver of the net TVPI being higher than (or similar to) the gross TVPI in Fund III-P and III-SA is due to recycling both at the fund level and at certain underlying funds in the portfolio. Investing more than the drawn down amount and keeping cash reserves on hand have been funded by retaining a portion of underlying distributions in the portfolio.

Glossary (Cont’d)

- “Unrealized Value” or “Fair Value”: For all OACP Funds I, II, II-A, II-B, II-C, III-P, III-SA, and III, fair market value of investments in other Funds represents the audited carrying value of investments at 12/31/2025 as reported by the sponsors with whom OACP has made such investments, plus or minus cash flows during 2026 Q1. For OACP Funds IV, IV-SA, and V, fair market value represents the unaudited carrying value of investments at 3/31/2026 as reported by the sponsors with whom OACP has made such investments. The unrealized value or fair value of OACP Fund and other Fund investments is an estimate of the price that would be received upon the sale of an investment in an orderly transaction between two parties at the measurement date under current market conditions. OACP and Other Fund sponsors generally value their underlying portfolio company investments using a variety of factors, including the most recently available financial information, comparable valuations, and indications of interest from third parties to acquire certain of the companies. The actual realized returns of unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale. OACP believes that such unrealized values are reasonable and appropriate, however, there can be no assurance that proceeds will actually be realized on these investments, or that, if and when realized, the proceeds will be equal to the values used. Accordingly, the actual realized returns on investments that are partially realized or unrealized may differ materially from the values indicated herein. Unrealized fund investments have been valued using current fair market value based upon a variety of factors, including valuations provided by the underlying fund sponsors as determined in accordance with the terms and conditions of the relevant fund’s governing documents. For the purposes of the net returns presented herein, unrealized investments are treated as if liquidated at their unrealized value, and as though the applicable carried interest was paid at such date, unless otherwise noted.
- Ocean Avenue Funds:
  - “OACP Fund I,” “Fund I,” and “OASSF” refer to Ocean Avenue Special Situations Fund, L.P.
  - “OAF II” and “Fund II” refer to Ocean Avenue Fund II, L.P.
  - “OAF II-A” refers to Ocean Avenue Fund II-A, L.P.
  - “OAF II-B” refers to Ocean Avenue Fund II-B, L.P.
  - “OAF II-C” refers to Ocean Avenue Fund II-C, L.P.
  - “OAF III-P” refers to Ocean Avenue Fund III-P, L.P.
  - “OAF III-SA” refers to Ocean Avenue Fund III-SA, L.P.
  - “OAF III” and “Fund III” refer to Ocean Avenue Fund III, L.P.
  - “OAF IV-SA” and “Fund IV-SA” refer to Ocean Avenue Fund IV-SA, L.P.
  - “OAF IV” and “Fund IV” refer to Ocean Avenue Fund IV, L.P.
  - “OAF V” and “Fund V” refer to Ocean Avenue Fund V, L.P.

SIXTH STREET TAO FUND OVERVIEW

Prepared at the specific request of and for the exclusive use by SJCERA

August 2026

20260729-5794879

AGENDA

SIXTH STREET OVERVIEW

2009 Founded	**$135B+** AUM[1]	**1** Team Culture
16 Sector Franchises	**8** Investment Platforms	**15-25** Migrating Investment Themes at any Given Time
~750 Employees[2]	**13** Offices	**42** Partners

1. Assets under management ("AUM") is presented as of 3/31/2026, unless otherwise noted. AUM includes the net asset value, plus outstanding leverage and asset-based financing undrawn amounts, in respect of private investment funds, certain co-investment vehicles and accounts for which Sixth Street provides investment management or advisory services, as well as capital that such funds, vehicles and accounts have the right to call from investors pursuant to the terms of their capital commitments, and additional fundraising commitments and fund, vehicle and account liquidations through 3/31/2026. In the case of Sixth Street-managed business development companies, AUM reflects their total assets (i.e., gross of any fund-level liabilities) plus asset-based financing undrawn amounts, as well as capital that such companies have the right to call from investors pursuant to the terms of their capital commitments. With respect to Sixth Street-managed collateralized loan obligations, AUM reflects the face amount of debt and equity outstanding. AUM includes capital to be managed in connection with the strategic partnership discussed in the Sixth Street press release that can be accessed at sixthstreet.com. Calculation of AUM differs from the calculation of regulatory assets under management in Form ADV filings and may differ from the AUM calculation methodologies used by other investment managers.
2. As of June 2026.

SIXTH STREET IS A GLOBAL MULTI-STRATEGY ASSET MANAGER

SIXTH STREET FUND ARCHITECTURE

SIXTH STREET™

TAO: Sixth Street Highly Flexible, Thematically Focused, Cross-Platform Investing Vehicle

Real Estate	Opportunities	Growth	Sports & Live Entertainment	Direct Lending	Asset Based Finance	Public Markets
Platform Equity	Control Orientation	Convex Growth	Commercial Rights Monetization	Europe Lending	Residential/ Commercial Mortgages	Performing Credit
Asset Equity	Asset Opportunities	Hybrid Solutions	Structured Capital Solutions	US Middle Market Lending (NYSE: TSLX)	Consumer/ Commercial Finance	Opportunistic Credit
Opportunistic Credit	Corporate Dislocation	Growth Yield	Service Providers and Platforms	US Large Cap Lending	Diversified Specialty Finance	Structured Credit

1. Assets under management ("AUM") is presented as of 3/31/2026, unless otherwise noted. AUM includes the net asset value, plus outstanding leverage and asset-based financing undrawn amounts, in respect of private investment funds, certain co-investment vehicles and accounts for which Sixth Street provides investment management or advisory services, as well as capital that such funds, vehicles and accounts have the right to call from investors pursuant to the terms of their capital commitments, and additional fundraising commitments and fund, vehicle and account liquidations through 3/31/2026. In the case of Sixth Street-managed business development companies, AUM reflects their total assets (i.e., gross of any fund-level liabilities) plus asset-based financing undrawn amounts, as well as capital that such companies have the right to call from investors pursuant to the terms of their capital commitments. With respect to Sixth Street-managed collateralized loan obligations, AUM reflects the face amount of debt and equity outstanding. AUM includes capital to be managed in connection with the strategic partnership discussed in the Sixth Street press release that can be accessed at sixthstreet.com. Calculation of AUM differs from the calculation of regulatory assets under management in Form ADV filings and may differ from the AUM calculation methodologies used by other investment managers.

$135B+[1] ACROSS 8 SIXTH STREET FUND FAMILIES

SIXTH STREET INVESTING ARCHITECTURE

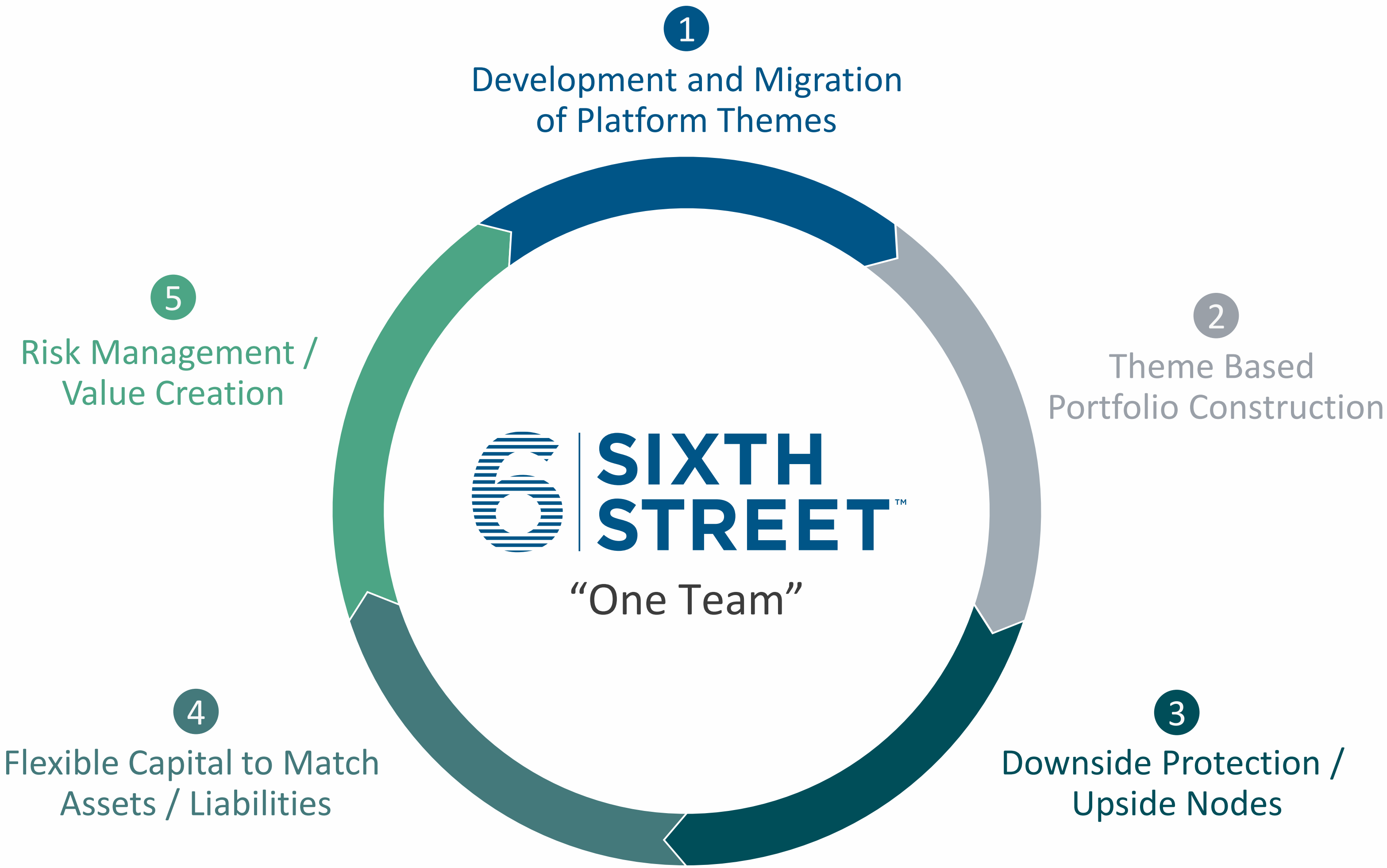
SIXTH STREET

- Single Name Traded Credit
- Financial & Other
- US & European Direct Lending
- Energy
- Healthcare & Life Sciences
- Opportunistic
- Insurance
- Real Estate
- Sports, Media & Entertainment
- Growth
- Software & Business Services
- Structured Credit
- Asset Based Finance
- Consumer & Internet
- Digital Strategies
- Infrastructure & Renewables

Note: As of June 2026

16 HIGHLY FLEXIBLE, THEMATICALLY FOCUSED, CROSS-PLATFORM INVESTING VERTICALS

KEY ELEMENTS OF SIXTH STREET INVESTMENT PHILOSOPHY



Note: As of June 2026

5 KEY ELEMENTS OF SIXTH STREET INVESTMENT PHILOSOPHY

AGENDA

TAO OVERVIEW

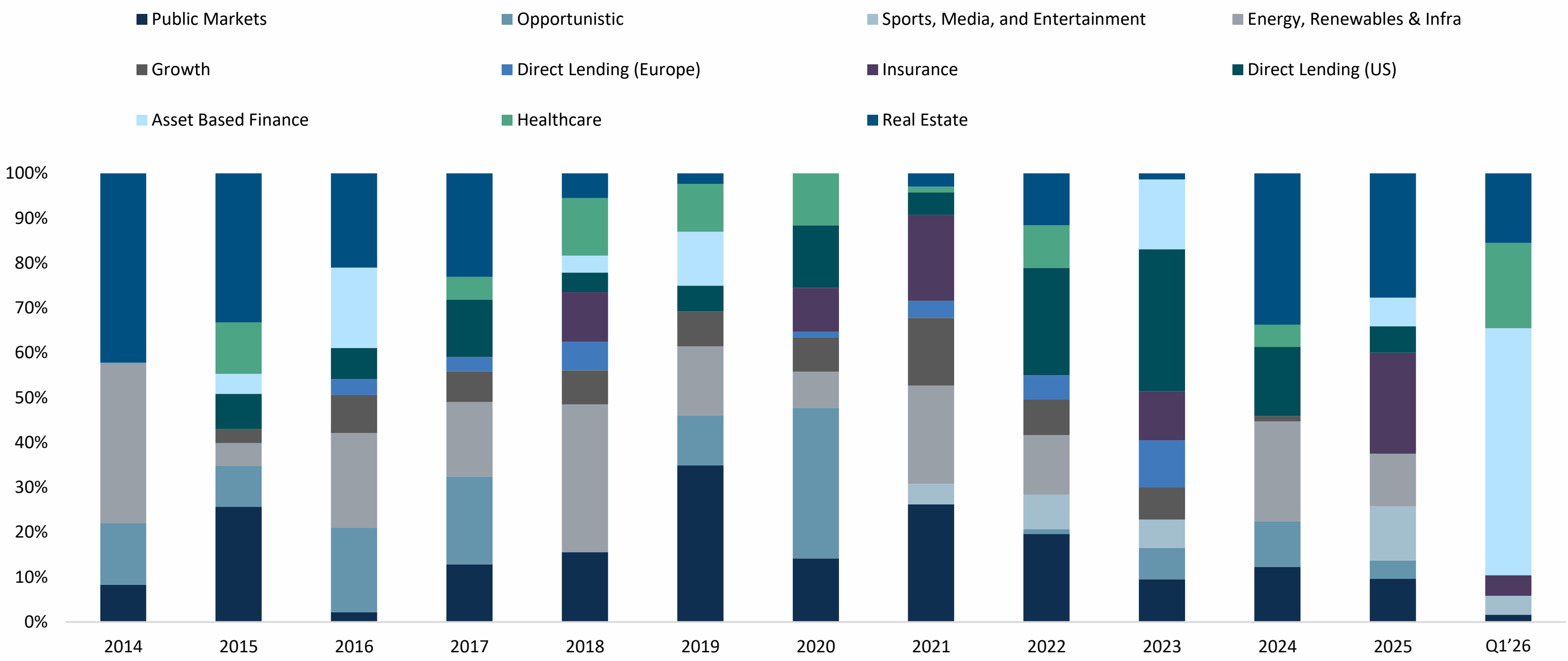
- **$41.3 bn[1] across 487[2] deals in TAO Global since 2014**, spanning the Sixth Street risk / return spectrum
- Diversified portfolio focused on downside protection, low correlation and cash yield. **Consistent leadership for over two decades**, applying thematic and relative value investment lens
- Provides LPs optionality via an **attractive opt-out structure**

1. Total equity invested to TAO Global as of 3/31/26. 2. TAO Global number of investments as of 3/31/26.
Note: Investments selected to represent a variety of asset types and transaction structures within this strategy across multiple Sixth Street vehicles. This list is not comprehensive. Examples are shown for illustrative purposes only and is not intended to be, and must not be, taken as the basis for an investment decision. It should not be assumed that any investment not shown would perform similarly to the example(s) shown. There is no guarantee or assurance that Sixth Street will participate in or have similar opportunities as presented in the future. Reflects a subset of the principal investment theses at the time of underwriting, which are based on, among other things, Sixth Street's subjective view at the time.

TAO IS SIXTH STREET'S CROSS-PLATFORM VEHICLE

HUNTING GROUND MIGRATION

EQUITY INVESTED BY HUNTING GROUND
% of Total Across TAO Global



Note: Hunting Grounds constitute key strategies within Sixth Street funds and are subject to change. Based on total equity invested in TAO Global as of 3/31/26.

TAO GRAVITATES TO THE BEST RISK REWARD ACROSS SIXTH STREET THEMES

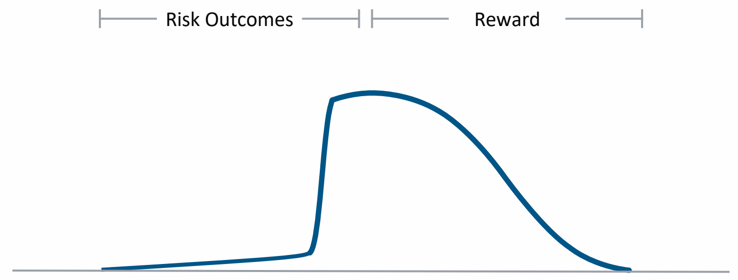
DRIVERS OF FIRMWIDE INVESTING PLATFORM

SOURCING[1]

~21,590 **opportunities sourced across the Sixth Street platform**

~2% **of opportunities went into TAO**

RISK RETURN



CROSS-PLATFORM

~68% **of investments completed on the Sixth Street platform are part of TAO[2] with**

100% **of Sixth Street's 296 investment professionals contribute to TAO[3]**

CULTURE

~95% **of senior investment professionals receive carry in TAO[4]**

Note: For illustrative purposes only; As of June 2026

1. Based on period from 2020 – YTD 2026. 2. Calculated based on total equity invested and committed since the inception of TAO Global (2014) to date as of 3/31/26. 3. Includes all investment professionals at Sixth Street Partners as of 3/31/26. 4. Senior professionals represents professionals who are managing directors and above

TAO IS SIXTH STREET'S FIRMWIDE INVESTING PLATFORM

PORTFOLIO TENETS

01 **Diversification and Rotation of Themes**

02 **Bespoke Structure and Assets**

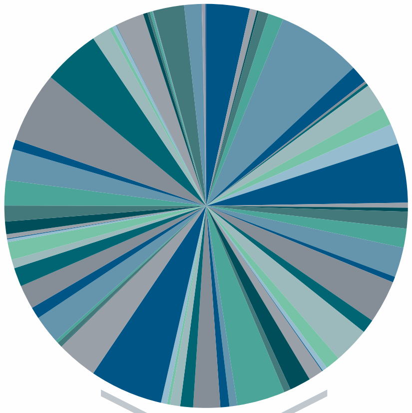
03 **Downside Protection / Loss Avoidance**

04 **Steady, Cash-Driven, Less Correlated Returns**

Note: As of June 2026. There can be no assurance that the Fund will achieve its objectives, pursue any particular theme or avoid substantial losses. Past performance is not indicative of future results.

DIVERSIFICATION AND ROTATION OF THEMES

TAO PORTFOLIO BY THEME[1]



REPRESENTATIVE THEMES

Travel & Logistics Stress	Enterprise Software Lending	Education Lending	Consumer Finance
Long-dated Insurance	Royalties & Royalty Lending	Enterprise Software Growth	Down Round Solution
Consumer & Retail Stress	Energy Dislocation	Payments Growth	Banks & Specialty Finance
Insurance Settlements	Wind Tax Equity	Software Lending	Energy Modified DrillCo
Biotech Valuations	Opportunistic	Environmental Dislocation	Retail ABL
Sports Dislocation	Structured Credit Dislocation	Energy Transition	Distressed Spanish Real Estate
Energy Asset	Specialty Insurance	Euro Opportunistic CRE	US Residential
US CRE/CRE Tweener	Vertical Software Lending	Energy RBL	US Renewables
Healthcare Technology	Software Stress	Insurance Subrogation	Data Center Disruption
UK Residential	Italian Long-lease CRE	Distressed Traditional Infrastructure	E-Commerce Dislocation
COVID Impacted	Yielding Niche Agriculture	Treasury Management Growth	Energy Secondary
Cybersecurity Growth	Data Center Growth	Portfolio Divestitures	B2B Payments
Wealth Management / RIAs	US Opportunistic CRE	High Quality Compounder	Mortgage Liquidation

PORTFOLIO CHARACTERISTICS

Rotating list of 15-25 themes of most attractive risk units vs. return units at that point in time

Typical position size ~0.5-2.0%

Flexible duration profile across 1-6+ year assets with average duration of ~3.8 years[2]

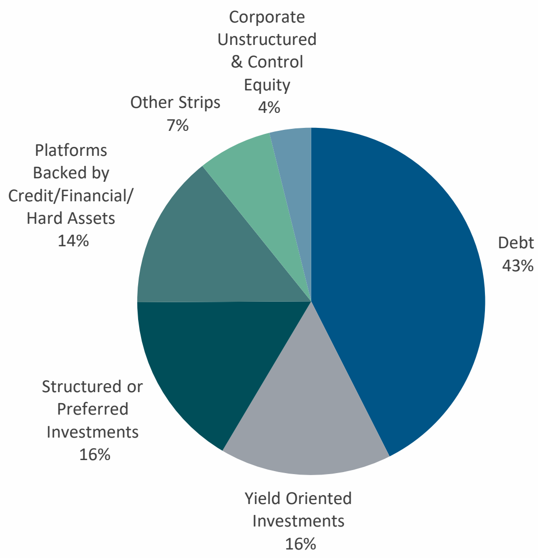
Focus on developed markets (primarily US & Europe)

1. Based on total equity invested for TAO Global as of 3/31/26. Reflects a subset of the principal investment theses at the time of underwriting, which are based on, among other things, Sixth Street's subjective view at the time. Actual results cannot be assured. 2. Average duration is a weighted average based on total equity invested. For exited positions, average duration takes the time from initial purchase date to final sale date. For positions that are still in the portfolio, average duration takes the time from initial purchase date to 3/31/26. Note: Diversification does not ensure a profit or losses.

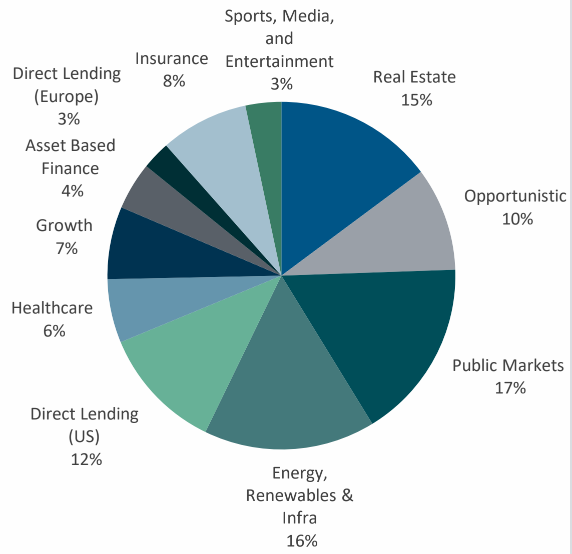
HIGHLY DIVERSIFIED PORTFOLIO CAN ALLOW FOR THE BEST RELATIVE RISK / REWARD THROUGH THE CYCLE

TAO GLOBAL PORTFOLIO

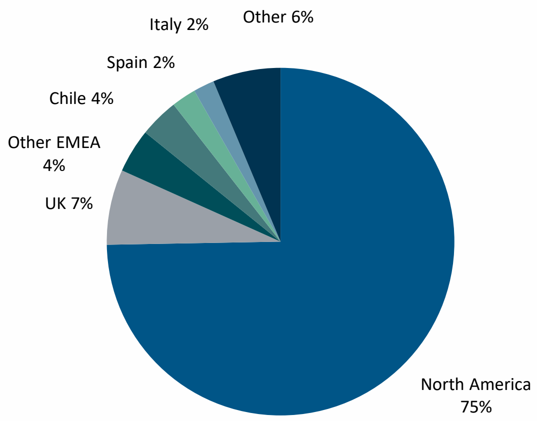
INVESTMENT TYPE BREAKDOWN[1]



HUNTING GROUND BREAKDOWN[2]



GEOGRAPHIC MIX[3]



1. Sixth Street's investment type classifications constitute key investment types within the TAO Global portfolio as of 3/31/26 and are subject to change. Investment type classifications are determined at Sixth Street's discretion and reflect our subjective view of the transaction at the time of initial or existing investment. The Debt classification includes direct lending, other debt/claims investments and investments with <10% equity based on current equity invested. The Structured or Preferred Investments classification includes convertible, non-convertible and structured investments generally consisting of contractual returns or coupons. The Yield Oriented Investment classification includes investments in assets and portfolios with predicable cash flows, including infrastructure, real estate, oil and gas, mineral rights, life settlements, and agriculture assets, among others. The Platforms Backed by Credit/Financial/Hard Assets classification includes investments in platforms or operational businesses backed by real estate, oil & gas, and unstructured life settlements, among others. The Other Strips classification includes investments with a combination of multiple securities with common equity interest >10% based on current equity invested. The Corporate Unstructured & Control Equity classification includes public and private common equity investments.
2. Hunting Grounds constitute key strategies within Sixth Street funds, and are subject to change. Hunting Grounds are based on the Sixth Street Platforms. Given specific investments may, and often do, fall under multiple Sixth Street Platforms, for the purpose of this analysis each investment has been assigned to one primary Hunting Ground based on the following criteria.
3. The geographic location(s) of investments for purposes of this presentation are determined at the General Partner's discretion based on a variety of factors including, but not limited to, (a) the location(s) in which the borrower/issuer is domiciled, headquartered, conducts significant operations and/or derives significant revenues, and/or (b) the location(s) of key assets of the borrower/issuer (including assets providing security in respect of the relevant investment).Regarding Sixth Street cross-over transactions (i.e., those investment consummated by two or more Sixth Street funds), the geographic designation(s) of particular investments may vary across discrete funds (e.g., if an investment has as strong nexus to both the UK and the US, it may be designated as a US investment by a fund that focuses on the US, whereas a fund that focuses on Europe may designate it as a European investment). With regard to the pie chart above, European countries were selected as the sole geographic designations for certain investments that had nexuses to Europe and one or more other regions
Note: Based on total equity invested for TAO Global since inception as of 3/31/26. Percentages in pie charts may not add up to 100% due to rounding

SIXTH STREET THEMES

BROAD THEMATICS

PRIVATE EQUITY STRUCTURED SOLUTIONS

DIRECT LENDING

DATA INFRASTRUCTURE CAPEX CYCLE

DISLOCATED RATE SENSITIVE ASSETS

IN-SECTOR PRIORITY THEMES

HEALTHCARE

BETWEEN-THE-BOX GROWTH CAPITAL

INSURANCE

RISK-ADJUSTED RETURNS GENERATION

SPORTS

INSTITUTIONALIZATION, SCALE, COMPLEXITY

CONSUMER

COMPOUNDING UNIT ECONOMICS

Note: As of June 2026. Investments selected to represent a variety of asset types and transaction structures within this strategy across multiple Sixth Street vehicles. This list is not comprehensive. Examples are shown for illustrative purposes only and is not intended to be, and must not be, taken as the basis for an investment decision. There is no guarantee or assurance that Sixth Street will participate in or have similar opportunities as presented in the future. Reflects a subset of the principal investment theses at the time of underwriting, which are based on, among other things, Sixth Street's subjective view at the time.

SIXTH STREET MIGRATES TO BEST RISK REWARD ACROSS A BROAD PORTFOLIO OF THEMES

AGENDA

DISCLAIMER

Introduction

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Note on Forward Looking Statements

All statements in this Presentation (and any oral statements made regarding the subjects of this presentation) other than historical facts are forward-looking statements, which rely on a number of estimates, targets and assumptions concerning future events. Such statements are also subject to a number of uncertainties and factors outside Sixth Street's control and which may or may not prove to be correct. Such factors include, but are not limited to, uncertainty regarding and changes in global economic or market conditions, including those affecting the industries of Sixth Street portfolio companies, and changes in U.S. or foreign government policies, laws, regulations and practices. Opinions expressed are current opinions of Sixth Street as of the date of this Presentation. Should Sixth Street's estimates, targets and assumptions or these other uncertainties and factors materialize in ways that Sixth Street did not expect, actual results could differ materially from the forward-looking statements in this Presentation, including the possibility that investors may lose all, or a material portion, of the amounts invested. You are cautioned that any forward-looking statements are not guarantees of future performance or results and the actual performance of Sixth Street-sponsored investment vehicles may differ materially from those expressed or implied by such forward-looking statements. While Sixth Street believes the assumptions underlying these forward-looking statements are reasonable under current circumstances, investors should bear in mind that such assumptions are inherently uncertain and subjective and that past, hypothetical, pro forma, targeted, or projected performance is not necessarily indicative of future results. Investors are cautioned not to place undue reliance on such forward-looking statements and should rely on their own assessment of an investment.

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No representation or warranty, express or implied, is made as to the accuracy or completeness of the information contained herein, and nothing shall be relied upon as a promise or representation as to the future performance of any investment. Certain information contained herein may not have been audited, and thus is subject to change. Information throughout the Presentation derived from sources other than Sixth Street have not been independently verified. Unless otherwise noted, the information contained herein has been compiled as of the date that appears on the cover page of this Presentation, and there is no obligation to update the information. The delivery of this Presentation will under no circumstances create any implication that the information herein has been updated or corrected as of any time subsequent to the date of publication or, as the case may be, the date as of which such information is stated.

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This Presentation is provided for informational purposes only, and does not constitute an offer to sell or a solicitation of an offer to buy any securities and may not be used or relied upon in evaluating the merits of investing in a Sixth Street fund. Offers and sales are made only pursuant to a confidential private placement memorandum, the limited partnership agreement, subscription agreement and other definitive documentation of respective Sixth Street-sponsored investment vehicles (collectively the "Sixth Street Documentation") and in accordance with applicable securities laws. The information set forth herein does not purport to be complete and is qualified in its entirety by reference to the Sixth Street Documentation. This Presentation is not a part of or supplemental to such Sixth Street Documentation. This Presentation is superseded in its entirety by the Sixth Street Documentation.

The Sixth Street Documentation will be made available and must be reviewed prior to subscribing for an interest in a Sixth Street fund. The Sixth Street Documentation contains important additional information about the investment objectives, terms and conditions of an investment in a Sixth Street fund and risk and conflicts of interest disclosures that are important to any investment decision regarding Sixth Street. You should read the Sixth Street Documentation (including the risk and conflicts of interest disclosures) in its entirety before making an investment in a Sixth Street fund.

An investment in a private investment partnership is speculative and involves significant risks, including that there will be no public or private market for the interests in the partnership and such interests will not be transferable without the consent of the general partner. Investors should carefully review the information provided regarding such risk factors in the Sixth Street Documentation (including the private placement memorandum). Investors should understand these risks and have the financial ability and willingness to accept them for an extended period of time before making an investment.

[Continued on Next Page]

DISCLAIMER (CONT.)

Subset of Investments

Please note this Presentations contains various examples, case studies, or subsets of investments. As the investments shown are intended to be examples, case studies, or subsets demonstrating a particular theme or process, they inherently do not represent all investments that could be categorized or described on a particular page and in the aggregate represent only a small percentage of existing and historical investments led by Sixth Street. Investments in other companies may have materially different results. Information about all of the investments in the relevant Sixth Street fund(s) is available upon request.

Performance-Related Disclaimers

The market analysis, estimates and similar information, including all statements of opinion and/or belief of Sixth Street, contained herein are subject to inherent uncertainties and qualifications and are based on a number of assumptions. There is no assurance that any investments discussed herein will remain in the applicable Sixth Street fund at the time you receive this information. It should not be assumed that any investment not shown would perform similarly to the investments shown. It should not be assumed that recommendations made in the future will be profitable, will equal the performance of the investments in this Presentation, or will not incur losses. Future investments may be under materially different economic conditions, including interest rates, market trends and general business conditions, affecting different investments; may be made using different investment strategies; and may be sourced, executed, and/or managed by different personnel, and these differences may have a significant negative effect on the results portrayed. Each of these material market or economic conditions may or may not be repeated. Further investments may be made under different economic conditions, using different strategies, and may have materially different results. Please see the notes to historical performance summaries, either in the Appendix or available upon request, for important information and detail relating to the performance history presented in this Presentation.

Sixth Street generally presents performance-related data and returns at the investment and Sixth Street fund level, which is likely not indicative of an individual Limited Partner's results. Limited Partners should refer to their capital account statements for individual results. Gross performance metrics refer to an aggregate, annual, compound, gross internal rate of return and are calculated on a gross basis and do not reflect the effect of management fees, fund expenses, carried interest allocations or any taxes, whereas model fee net performance metrics are calculated taking into account those amounts (including certain taxes). In addition, the performance-related data and returns presented at the Sixth Street fund level may or may not (as indicated herein) reflect the use of a fund-level subscription facility or other borrowing. All other factors being equal, calculation of net returns that takes into account the effect of the use of fund-level borrowings (and the impact thereof) are expected to be higher than if such calculation did not take into account such effect and impact. The actual realized returns on a Sixth Street fund's unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of realization, any related transaction costs and the timing and manner of disposition, all of which may differ from the assumptions on which the valuations used in the prior performance data contained herein are based. Accordingly, the actual realized return of these unrealized investments may differ materially from the returns indicated thereon. Where gross performance figures and model fee net performance figures are noted in this document please refer to the notes to historical performance summaries either in the Appendix or available upon request. Past performance is not indicative of future results, which may vary. Differences between past performance and actual results may be material and adverse.

Any target, projected, pro forma, or estimated returns and any other hypothetical performance information set forth herein are for illustrative and informational purposes only and have been presented based on various assumptions made by Sixth Street in relation to the investment strategy being pursued by Sixth Street, any of which may prove to be incorrect. Any hypothetical performance results set forth herein have many inherent limitations, some of which are described below. No representation is being made that any Sixth Street-sponsored investment vehicle will or is likely to achieve profits or losses similar to those shown. There are likely to be differences between hypothetical performance results and the actual results subsequently achieved by any Sixth Street-sponsored investment vehicle. One of the limitations of hypothetical performance results is that they are generally prepared with the benefit of hindsight. Additional information regarding the hypothetical performance results set forth herein and the assumptions used is available upon request.

Financial indices and benchmarks are shown for illustrative purposes only. Unless otherwise noted, financial indices and benchmarks are unmanaged, do not reflect management or performance fees, assume reinvestment of income, and have limitations when used for such purposes because they may have volatility, credit or other material characteristics that are different from a Sixth Street fund. Indices should not be relied upon as a fully accurate measure of comparison. Benchmarks are used solely for purposes of comparison and the comparison does not mean that there will be a correlation between the returns described herein and the benchmarks. There are limitations in using financial indices for comparison purposes because, among other reasons, such indices may have different volatility, diversification, credit, and other material characteristics (such as number or type of instrument or security).

Information throughout the Presentation derived from sources other than Sixth Street have not been independently verified.

Future investments may be made under materially different economic conditions, including interest rates, market trends and general business conditions, affecting different investments and using different investment strategies and these differences may have a significant effect on the results portrayed. Each of these material market or economic conditions may or may not be repeated. Further investments may be made under different economic conditions, using different strategies, and may have materially different results.

Valuation marks are as of 3/31/2026, unless otherwise noted.

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8.1 Service Retirement Consent

01 MARISOL F ARELLANO

Eligibility Worker II
HSA - Eligibility Staff

Member Type: General
Years of Service: 18y 07m 08d
Retirement Date: 5/11/2026

02 AILEEN C ARLEGUI

Staff Nurse V
Hosp Med-Surg 2D

Member Type: General
Years of Service: 18y 07m 29d
Retirement Date: 5/31/2026

03 TROY M BOTTS

Maintenance Superintendent
Public Works-Road Main-Admin

Member Type: General
Years of Service: 34y 09m 09d
Retirement Date: 5/8/2026

04 DONNA M ESCOTTO

Accountant III
Treasurer-Tax Collector

Member Type: General
Years of Service: 27y 07m 05d
Retirement Date: 5/16/2026

05 CELESTE K FOSGATE

Office Supervisor
HSA - Admin Support

Member Type: General
Years of Service: 35y 08m 28d
Retirement Date: 5/30/2026

06 JON K HEINZ

Senior Office Assistant
HSA - Clerical Support

Member Type: General
Years of Service: 12y 09m 09d
Retirement Date: 6/2/2026

07 CHRISTOPHER M HOLDEN

Social Worker V
HSA -Services Staff

Member Type: General
Years of Service: 24y 02m 15d
Retirement Date: 5/28/2026

San Joaquin County Employees Retirement Association

August 2026

08	**KRISTINE M MAXWELL** Member Type: General Years of Service: 38y 07m 07d Retirement Date: 5/31/2026	Deputy Director of HSA HSA - Admin Support
09	**MARIA A RAMIREZ** Member Type: General Years of Service: 17y 11m 25d Retirement Date: 5/20/2026	Staff Nurse IV - Inpatient Hosp Labor-Del-Rcvry-Post Part
10	**ESPERANZA SCURINI** Member Type: General Years of Service: 20y 02m 09d Retirement Date: 5/30/2026	Legal Process Clerk III Court- Court Oper-Family Law
11	**PIR A SHAH** Member Type: General Years of Service: 34y 09m 16d Retirement Date: 5/30/2026	Mental Health Court Liaison Mental HealthPHF-Inpatient Fac
12	**GAYE E SOLARI** Member Type: General Years of Service: 03y 08m 26d Retirement Date: 5/31/2026	Deferred Member N/A
13	**HADI TABATABAEE** Member Type: General Years of Service: 25y 04m 07d Retirement Date: 5/18/2026	Engineer II Public Works-Engnr-Design
14	**RAQUEL C TRUJILLO** Member Type: General Years of Service: 11y 10m 11d Retirement Date: 5/22/2026	Senior Office Assistant Probation - Adult
15	**CHONG S VANG** Member Type: General Years of Service: 07y 01m 14d Retirement Date: 5/30/2026	Behavioral Health Outreach Worker Mental Health-Adult Outpatient

16 LISA VEGA

Legal Process Clerk III
Civil/Civil Records - Stockton

Member Type: General
Years of Service: 14y 08m 29d
Retirement Date: 5/30/2026

CONFERENCES AND EVENTS SCHEDULE

2026 EVENT DATES BEGIN	END	EVENT TITLE	EVENT SPONSOR	LOCATION	REG. FEE	WEBLINK FOR MORE INFO	EST. BOARD EDUCATION HOURS
Aug 17	Aug 19	Public Pension Funding Forum	NCPERS	Chicago, IL	$1710	ncpers.org/events	N/A
Aug 24	Aug 27	Principles of Pension Governance for Trustees	CALAPRS	Santa Barbara, CA	$3000	calaprs.org	18*
Sep 9	Sep 10	ALTSSF 2026	Markets Group	San Francisco, CA	$2500	marketsgroup.com	5.33
Sept 10	Sept 10	Attorney's Roundtable	CALAPRS	Virtual	$50	calaprs.org	4
Sep 15	Sep 17	Fiduciary Investors Symposium	top1000funds	Palo Alto, CA	$1900	top1000funds.com	12*
Sep 23	Sep 25	Administrator's Institute	CALAPRS	Carmel, CA	$3295	calaprs.org	N/A
Oct 2	Oct 2	Trustee Roundtable	CALAPRS	Virtual	$50	calaprs.org	4
Oct 13	Oct 14	10th Annual Real Estate West Forum	Markets Group	Half Moon Bay, CA	$3000	marketsgroup.org	TBD
Oct 15	Oct 16	Nossaman's '26 Pensions, Benefits & Investments Fiduciaries Forum	Nossaman LLP	San Francisco, CA	$599	communications.nossaman.com	TBD
Oct 21	Oct 22	Berkeley Partners AGM	Berkeley Partners	Dallas, TX	$0	berkeleypartners.com/annual-investor-meeting-2026/	N/A
Oct 24	Oct 25	Accredited Fiduciary (NAF) Program	NCPERS	Nashville, TN	$930	ncpers.org	8
Oct 24	Oct 25	Fiduciary in Focus (Advanced Trustee Studies)	NCPERS	Nashville, TN	$930	ncpers.org	11
Oct 25	Oct 28	Public Safety Conference	NCPERS	Nashville, TN	$800	ncpers.org	14
Nov 5	Nov 5	Grandview Partners/Annual Meeting	Grandview Partners	Virtual	$0	grandviewpartners.com	N/A
Nov 10	Nov 13	SACRS Fall Conference	SACRS	Rancho Mirage, CA	$1500	sacrs.org	11*
Nov 17	Nov 19	Global Client Conference	Invesco	San Diego, CA	TBD	invesco.com	15*
Dec 8	Dec 9	13th Annual Northern California Institutional Forum	Markets Group	Berkeley, CA	$340	marketsgroup.com	12*
Dec 14	Dec 16	CORPaTH Summit	CORPaTH	Las Vegas, NV	$340	corpath.org	15*

** Estimates based on prior agendas*

2027 EVENT DATES BEGIN		EVENT TITLE	EVENT SPONSOR	LOCATION	REG. FEE	WEBLINK FOR MORE INFO	EST. BOARD EDUCATION HOURS
Jan 25	Jan 27	IREI: Visions, Insights & Perspectives (VIP) Americas	IREI	Carlsbad, CA	$5295	irei.com/events/2026-visions-insights-perspectives-vip-infrastructure/	TBD
Mar 8	Mar 10	CALAPRS General Assembly	CALAPRS	Coronado, CA	TBD	members.calaprs.org/event	N/A

MarketsGroup

13th Annual Northern California Institutional Forum

An Annual Event for the Regional Institutional Investor Community - Tuesday, December 8th & Wednesday, December 9th, 2026
Claremont Resort & Club, A Fairmont Hotel, 41 Tunnel Rd, Berkeley, CA 94705
Designed For:
Pensions, Endowments, Foundations, Hospital Plans, Insurance Companies & Investment Consultants
The forum provides insight into selected areas of interest within the California regional institutional investment community.

Series Speakers Include:

Fiona Ma, *State Treasurer*, **California State Treasurer's Office**

Marcie Frost, *Chief Executive Officer*, **California Public Employees' Retirement System (CalPERS)**

Stephen Gilmore, Chief Investment Officer, **California Public Employees' Retirement System (CalPERS)**

Scott Chan, *Chief Investment Officer*, **California State Teachers' Retirement System (CalSTRS)**

Allison Romano, *Chief Investment Officer*, **San Francisco Employees' Retirement System (SFERS)**

Karyn Williams, *Regional Chief Investment Offic*er, Zurich North America, **Zurich**

Alistair Thistlethwaite, Managing Director, Investments, **Berkeley Endowment Management Company**

Nick Abel, *Investment Director, Sustainable Investments & Stewardship Strategies*, **California Public Employees' Retirement System (CalPERS)**

Travis Antoniono, *Investment Director, Sustainable Investments*, **California Public Employees' Retirement System (CalPERS)**

Michael Nicks*, Deputy Chief Investment Officer,* **Pepperdine University Endowment**

Anna Langs, *Managing Director, Asset Allocation, Risk Management, Innovative Solutions*, **San Francisco Employees' Retirement System (SFERS)**

Saeed Daroogheha, Investment Manager*, Total Fund Portfolio Management, Head of Portfolio Strategies,* **California Public Employees' Retirement System (CalPERS)**

David Murphy, *Director of Global Equity*, **California State Teachers' Retirement System (CalSTRS)**

Anton Orlich, *Deputy Chief Investment Officer - Private Markets*, **California Public Employees' Retirement System (CalPERS)**

Jesús Argüelles, *Managing Director of Investments*, **The James Irvine Foundation**

Chad Yaskiw, *Portfolio Manager, Public Markets*, **University of Alberta**

Denver Travis*, Investment Officer, Total Fund Management,* **California State Teachers' Retirement System (CalSTRS)**

Donald Kendig, *Retirement Plan Administrator/Chief Investment Officer*, **Fresno County Employees' Retirement Association (FCERA)**

Shifat Hasan, *Director of Investment Performance and Compliance*, **California State Teachers' Retirement System (CalSTRS)**

Brian Miller, *Senior Investment Officer*, **Sacramento County Employees' Retirement System (SCERS)**

Ralph Goldsticker, *Chief Investment Officer*, **Alan Biller and Associates**

William Beck, *Managing Director*, **Wilshire**

Ken Chilton*, Institutional Investment Consultant,* **RVK**

Ali Kazemi, *Managing Director, Head of Investment Risk Management, Investment Consulting,* **Wilshire**

Sarah Grist, *Partner, Senior Portfolio Analyst*, **Albourne Partners**

Ricky Pamensky, *Executive Vice President, Head of Fixed Income*, **Meketa**

Poorvi Parekh, Managing Director, **Canterbury Consulting**

Stephanie Sorg, *Managing Principal, Investment Consultant*, **Meketa**

Title Sponsor
MacKenzie Investments

Platinum Sponsors
Fiera Capital

Gold Sponsors
Coller Capital | Duff & Phelps| J O Hambro | LGT Capital Partners | Nomura Asset Management | Nuveen

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Day 1 – Tuesday, December 8th, 2026

9:00 Registration & Welcome Coffee

10:00 (LP ONLY) – Private Roundtable Discussions – Session One – Hosted by select partners
This session is aimed at providing allocators and consultants with the ability to join a genuine knowledge exchange and discussion in a deep-drive, small group informal setting. Each session will be split into two 30-minute segments, after which attendees will switch to a different roundtable to explore another topic. Each roundtable will have a host and will cover specific topics.
Hosted by
Duff & Phelps
Nuveen

11:00 Morning Networking Break

11:20 (LP ONLY) – Private Roundtable Discussions – Session Two – Hosted by select partners
This session is aimed at providing allocators and consultants with the ability to join a genuine knowledge exchange and discussion in a deep-drive, small group informal setting. Each session will be split into two 30-minute segments, after which attendees will switch to a different roundtable to explore another topic. Each roundtable will have a host and will cover specific topics.
Hosted by
Duff & Phelps
Nuveen

12:20 Welcome Networking Lunch

1:20 Host's Opening Remarks
Host: **Lisa Herbert**, *Senior Program Manager & Investor Relations*, **Markets Group**
Chair: **Chris Adey**, *Head of U.S. Distribution,* **MacKenzie Investments**

1:30 Panel Discussion: Differentiated High Yield
As always, an investor's due diligence will become key to choosing the right opportunities in the high yield market for true alpha. Amid resilient but slowing economic growth, high yield bonds can offer favorable risk/reward for investors seeking attractive yields with less volatility than asset classes with similar long-term return profiles. This year, they have outperformed more rate-sensitive asset classes and fundamentals have shown continued improvement as capital spending and net leverage stabilizes and strengthens. Considerations of the bifurcated U.S. economy and changing European growth story aid investors in their considerations. This conversation will explore some of the correlations investors should explore in their due diligence processes, including the health of issuer fundamentals, limited near-term maturities, technical support strength, whether their high yield managers can truly balance superior credit selection versus default expectations, refinancing and M&A activity, and macroeconomic trends to generate alpha for investors.
Speaker, *Managing Director,* **Nomura Asset Management**

2:00 Panel Discussion: Securities Litigation: Assessing Risk, Recovery, and Fiduciary Considerations
This panel will examine key trends in securities litigation and their implications for institutional investors. Panelists will discuss current developments, case selection, recovery potential, and fiduciary considerations, offering practical insights into how pensions, endowments, foundations, hospital plans, insurance companies, and investment consultants can evaluate litigation exposure and opportunity within institutional portfolios.

3:00 Networking Break

3:30 Panel Discussion: Equities: Valuations and the Evolving Case for Value Investing
This panel will explore current equity market valuations and the role of value investing in institutional portfolios amid changing economic and market conditions. Panelists will discuss valuation dispersion, sector opportunities, portfolio construction considerations, and how long-term investors are assessing risk, return, and style positioning in today's equity markets.
Panelist:
Speaker, *Managing Director,* **J O Hambro**

4:00 Fireside Chat & Industry Leadership Award Presentation
Stephen Gilmore came to California Employees' Retirement System (CalPERS) from one of the highest performing sovereign wealth funds in the world and applied a new idea that has taken the industry by storm: the Total Portfolio Approach, or TPA. Upon its adoption at CalPERS, funds across the world are now debating whether to apply it to their own in order to break out of silos and create a more holistic, opportunistic approach to their portfolios. This is a rare opportunity to hear keen insights from Gilmore and learn what he's thinking of next.
Interviewer:
Christine Giordano, *Editor-in-Chief*, **Markets Group**
Honoree:
Stephen Gilmore, *Chief Investment Officer*, **California Employees' Retirement System (CalPERS)**

4:40 Closing Remarks
Host: **Lisa Herbert**, *Senior Program Manager & Investor Relations*, **Markets Group**

4:45 Cocktail Reception

6:00 Welcome Dinner (Invitation Only) – *hosted by* **MacKenzie Investments**

Day 2 – Wednesday, December 9th, 2026

8:00 Registration, Networking & Welcome Coffee

8:30 Breakfast Workshop:

9:00 Welcome Remarks
Host: **Lisa Herbert**, *Senior Program Manager & Investor Relations*, **Markets Group**
Chair: **Chris Adey**, *Head of U.S. Distribution,* **MacKenzie Investments**
Keynote: **Speaker***, Deputy Treasurer,* **State of California**

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9:15 Opening Panel Discussion: Global Macro Outlook – Strategies for an Evolving Market
The global investment environment is being reshaped by shifting monetary and trade policies, moderating inflation, and increasing dispersion in growth across regions and industries. Investors face the dual challenge of identifying opportunities in a slower but more stable cycle while preparing for elevated geopolitical risks and trade disruptions driven by global realignment. This panel will provide perspectives on the key macroeconomic forces shaping capital markets and investment themes, as well as the implications for portfolio construction and asset allocation.
Panelists:
Saeed Daroogheha, Investment Manager, *Total Fund Portfolio Management, Head of Portfolio Strategies,* **California Public Employees' Retirement System (CalPERS)**

Denver Travis, *Investment Officer, Total Fund Management,* **California State Teachers' Retirement System (CalSTRS)**

9:45 Keynote Presentation: The New Face of Active Quant
Active quantitative approaches to public equity investing continue to evolve and encroach on methods formerly reserved for qualitative analysis. Factor-based methodologies have been augmented with increased computational power that enables machine-learning, natural language processing, and the analysis of non-traditional data sets to provide unique insights and a competitive edge. The addition of human override, style neutrality, long-term growth signals, and innovative linkages may provide a path towards more consistent alpha across a wider array of market environments.
Presenter:
Denis Suvorov, *Portfolio Manager,* **Mackenzie Investments**

10:15 Panel Discussion: Emerging Markets: Opportunities, Risks & the Next Growth Frontier
The dynamic landscape of emerging markets presents both opportunities and challenges for today's allocators. With global economic tides constantly shifting, a disciplined allocation strategy is essential. The panel will provide perspective on:
• Identifying promising sectors within emerging economies
• Assessing regulatory environments and geopolitical risks
• Understanding key market dynamics and trends shaping the outlook
Panelist:
Speaker, *Managing Director,* **Fiera Capital**

10:45 Panel Discussion: Fixed Income: Strategies for a Shifting Market
As markets reassess the path of policy rates and liquidity shifts across the system, fixed income investors are entering a more complex regime defined by volatility in yields, tighter differentiation in credit, and changing market structure. This session will address:
• Investor strategies around the rate movements in 2026
• The pace and duration of Federal Reserve balance sheet reduction
• Liquidity conditions in the bond market and their impact on portfolios
Moderator:
Ken Chilton, *Institutional Investment Consultant,* **RVK**

11:15 Morning Networking Break

11:45 Panel Discussion: Equity Strategies in Transition: Positioning Portfolios for What's Next

Equities remain heavily influenced by earnings, expectations, sector rotations and shifting macro conditions. With growth uncertainty and valuations in flux, allocators must balance risk and opportunity. This panel will explore:
• Do cap-weighted indices drive investors to buy high and sell low?
• Value vs. Growth: will macro conditions continue to set the tone?
• Large cap vs. Small: which holds up better under pressure?
• Should economic fundamentals outweigh starting valuations?

12:15 Panel Discussion: Private Credit at a Crossroads and Where the Value Remains
As spreads tighten across private credit and increased competition, investors are reassessing where true risk-adjusted return still exists. This panel will explore how investors are navigating compressed yields, weaker covenants and shifted credit quality across direct lending, asset-backed strategies, structured solutions, and private credit secondaries. The conversation will frame these dynamics within today's macro backdrop and why manager selection and strategy differentiation are increasingly critical.
Panelist:
Karyn Williams, Regional Chief Investment Officer, Zurich North America, **Zurich**

12:45 Panel Discussion: Investments in Private Markets – How to Best Utilize Them
As investors search for additional sources of revenue and methods for portfolio diversification in the volatile and changing environment, alternatives stand out as an area of opportunities. The panel brings together leading alternatives investors and allocators to share the role private equity, private debt, venture capital and commodities play in their portfolios and what they look for in managers to meet their objectives in these asset classes. Panelists will address risks and opportunities across capital structures, expected returns across the alternatives' spectrum and the operational requirements for managing the unique complexities in alternatives and private markets.

1:15 Networking Luncheon & Breakout Discussions – *hosted by* **MacKenzie Investments**
In the format of roundtables, small discussion groups are formed by topic. This is your opportunity to interact with some of our speakers and guests of the day, ask questions, and make connections.

2:15 Panel Discussion: Active vs. Passive: Finding the Edge
Passive strategies provide cost-efficient diversification, while active managers may capture alpha in a more dynamic environment. This session will explore:
• The role of index funds and ETFs in today's portfolios
• When active management can add value amid shifting conditions
• How to balance both approaches for optimal performance
Panelist:
Michael Nicks*, Deputy Chief Investment Officer,* **Pepperdine University Endowment**

2:45 Panel Discussion: The Future of Sustainable Investing—What Will the Path to Growth Look Like?
What is the outlook for sustainable investing (including infrastructure and energy) as it evolves amidst ongoing debates around climate, labor, and other key issues? With no unified national development plan, what are innovative ways forward? And ultimately, how can this lead to a more positive and tangible impact on both the environment and society. This panel will aim to answer such key questions as:

• How are we thinking of the large intersection of Energy within the framework of the convergence of the energy transition and technology, and bringing back manufacturing to different locations?
• How do you navigate initiatives within the current environment?
• With the U.S. power grid being controlled by separate states, how can we get it to match supply and demand?
• How do we add enough energy and streamline the system to connect it all together?

Panelists:
Nick Abel, *Investment Director, Sustainable Investments & Stewardship Strategies*, **California Public Employees' Retirement System (CalPERS)**

Travis Antoniono, Investment Director, Sustainable Investments, **California Public Employees' Retirement System (CalPERS)**

3:15 Afternoon Networking Break

3:35 Panel Discussion: Building a Strong Strategy for Infrastructure Investments
In this session we focus on the world of tangible investments, where infrastructure plays a crucial role in building long-term investment returns. Our esteemed panelists will offer insights into the potential for long-term growth and stable returns in these sectors. The session will cover the best ways to allocate and important things to keep in mind while investing as well as addressing the themes below:

- How do macroeconomic factors impact infrastructure and the potential returns?
- How are investors utilizing technology and innovation in the realm of infrastructure and other real assets?
- What investment avenues are available and how can investors safeguard their portfolios from the uncertainty ahead?

4:05 Panel Discussion: Chief Investment Officer Roundtable
In this rare discussion amongst leading decision makers, learn where these allocators are leaning in, what's been working, and their views on topical and future investment issues that will be changing the markets. This is an open discussion that might range from AI to private equity to Total Portfolio Approaches and governance. Hear what future trends are on their radar and how they are strategizing their investments around them.

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4:35 Fireside Chat and Lifetime Achievement Award
<u>*Host:*</u>
Christine Giordano, *Editor-in-Chief*, **Markets Group**
<u>*Honoree and Interviewee:*</u>
Howard Hodel, *Former Deputy Chief Investment Officer & Chief Risk Officer*, **Employees' Retirement System of the State of Hawaii (HIERS)**
Elizabeth Burton, *Former Chief Investment Officer,* **Employees' Retirement System of the State of Hawaii (HIERS)** / *Chief Strategist,* **Fortress Investment Group**

Howard Hodel has dedicated his career to advancing institutional investment excellence, risk management, and fiduciary stewardship across both the public and private sectors. Over several decades, he has earned a reputation as a thoughtful investment leader, serving in senior roles at Bank of America, Bank of Hawaii, and the Employees' Retirement System of the State of Hawaii. As Deputy Chief Investment Officer and Chief Risk Officer for Hawaii ERS, he oversaw a multi-billion-dollar diversifying strategies portfolio and played a pivotal role in strengthening the pension system's investment framework, risk oversight, and long-term portfolio resilience. Recognized for his steady leadership and deep institutional knowledge, Howard was twice called upon to serve as Acting Chief Investment Officer of the $22+ billion retirement system during critical leadership transitions, ensuring continuity of strategy and execution. Throughout his career, he has combined investment expertise, disciplined risk management, and a commitment to public service, helping safeguard the retirement security of thousands of beneficiaries while mentoring investment professionals and contributing to the advancement of institutional investing in Hawaii and beyond.

5:05 Closing Remarks
<u>*Host:*</u> **Lisa Herbert**, *Senior Program Manager & Investor Relations*, **Markets Group**

5:10 Networking Cocktail Reception

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ADMINISTRATORS' INSTITUTE 2026

LOCATION: The Quail, 8205 Valley Greens Dr, Carmel, CA 93923

DATE: Wed.-Fri., September 23-25, 2026

MEETING AGENDA

Planning Committee: Katie Girardi, SLOCPT; Kim Malm, CalPERS, Jeff Wickman, MCERA

TUESDAY, SEPT. 22

3:00 PM	Hotel check in (Optional)

WEDNESDAY, SEPT. 23

12:30 PM	Welcome Lunch
1:30 PM	**Mentorship Moment: What Does "Success" Look Like?** *Facilitated by: Katie Girardi, Executive Director, San Luis Obispo County Pension Trust* An engaging roundtable session where experienced and newer administrators are paired in small groups for guided discussions, sharing insights, strategies, and real-world, personal experiences and lessons learned in leadership.
3:30 PM	Hotel check in
5:30 PM	**Networking Reception** (attendees only) On your own for dinner.

THURSDAY, SEPT. 24

8:30 AM	Buffet Breakfast
9:00 AM	**Performance Management: A Leadership Playbook for Fixing Organizational Accountability** *Presenter: Katie Hagen, CEO, CPS HR Consulting* Managing teams in a public pension environment comes with unique challenges — especially when inheriting existing staff, navigating performance concerns, balancing organizational culture, and addressing personnel issues within complex governance structures. This practical session will explore effective strategies for dealing with performance and

personnel challenges while navigating the realities of public agency leadership.

10:30 AM	Break
10:45 AM	**Succession Planning: A Leadership Conversation About Continuity, Risk, and Readiness** *Presenter: Katie Hagen, CEO, CPS HR Consulting* We all know that succession planning is essential to maintaining organizational success and public trust. This executive-level session will provide takeaways and toolkits to help administrators and executive directors have an informed conversation with their boards and leadership teams. Attendees will leave with a clear framework for beginning or refining a succession planning conversation in a way that is realistic, scalable, and aligned with their organization's mission.
12:00 PM	Lunch
1:30 PM	**Rapid Roundtable: Innovations & Worries** *Moderator: Dave Nelsen, CALAPRS President / CEO, Alameda County Employees' Retirement Association* In this fast-paced session, each attendee will have up to 4 minutes to share one recent **innovation** they're proud of and one **worry** currently on their mind. It's a chance to exchange insights, spark ideas, and build camaraderie through honest, solution-focused conversation.
3:00 PM	**Deep Dive Roundtable** *Moderator: Dave Nelsen* This follow-up roundtable session provides space to explore key themes, select topics, and questions raised during the *Rapid Roundtable* and other educational sessions. Suggestions for discussion topics may also be sent to the moderator in advance of the event.
3:30 PM	Break
3:45 PM	**Legislative Updates** *Presenter: Eric Stern, CEO, Sacramento County Employees' Retirement System* A report on legislative updates impacting California public pension systems and an opportunity to ask questions or discuss as needed.
4:30 PM	**Recharge & Connect: Choose your own Wellness activity** Take this time to re-energize and reconnect—both with yourself and your peers. Whether you prefer solo time to reset or an activity shared with fellow attendees, this is your opportunity to blend wellness with networking in a way that suits you best.

Hotel Amenities: The hotel offers complimentary access and equipment for a variety of individual and group-friendly activities, including a fitness center, pickleball and tennis courts, a putting green and driving range, an e-bike riding experience, a swimming pool, and scenic walking and hiking trails.

5:30 PM **Networking Reception** (Guests welcome)

6:30 PM **Dinner** (Guests welcome)

FRIDAY, SEPT. 25

7:30 AM – 9:00 AM Buffet Breakfast

9:00 AM **CALAPRS Board Meeting** (CALAPRS Board Members Only)

9:15 AM **What Would You Do? Interactive Leadership Scenarios**
Facilitated by: Katie Girardi
Public pension leaders regularly face workplace situations that do not have simple answers. This fun & interactive exercise will challenge participants to think through realistic leadership and management scenarios commonly encountered in pension systems — from low employee morale and difficult personnel dynamics to disagreements. Attendees will break into small discussion groups, discuss the provided scenarios, and collaborate on how they would respond in each situation. Designed to encourage peer learning and practical problem-solving, this session will provide an engaging forum to share perspectives, strategies, and lessons learned from colleagues across the industry.

10:30 AM **CALAPRS Annual Members Business Meeting** (All Attendees)

11:00 AM **Adjourn** (Boxed Lunches To-Go)

2026 Pensions, Benefits & Investments Fiduciaries' Forum

Nossaman's 2026 Pensions, Benefits & Investments Fiduciaries' Forum

10.15.2026 - 10.16.2026San Francisco, CA

Attendance for this annual event is by invitation only.

Nossaman's 2026 Pensions, Benefits & Investments Fiduciaries' Forum is designed to provide institutional plan trustees, executive staff, investment officers and in-house counsel with invaluable knowledge and connections in the ever-evolving landscape of pension systems.

This year's event will include a reception and dinner featuring a keynote speaker at Waterbar on Thursday, October 15th beginning at 5:30 p.m. and a full day of educational content at the Hyatt Regency San Francisco on Friday, October 16th, concluding at 4:30 p.m.

While the full agenda is still being finalized, we are excited to share two of the featured topics. These discussions, moderated by Pensions, Benefits & Investments Group Co-Chair Ashley Dunning, will include an impressive group of panelists who will bring valuable perspectives and insights to the conversation.

- **Chief Executive Officer discussion of opportunities and challenges in public retirement system administration and governance: a three-state perspective**
  Featuring: Luis Lugo, Chief Executive Officer, Los Angeles County Employees Retirement Association; Linda Webb, Executive Director, Fort Worth Employees' Retirement Fund; Michael Hampton, Executive Director, Public Employees' Retirement System of Idaho

- **A deep dive into the California Supreme Court's anticipated decision in *LACERA v. County of Los Angeles* on the scope and framework for fiduciary governance by public retirement systems, including the role of retirement boards in the classification and compensation of retirement system staff**
  Featuring: Steven Rice, Chief Counsel, Los Angeles County Employees Retirement Association; Allison Callaghan, Partner & Co-Chair of Employment Group, Nossaman LLP; Alex Westerfield, Partner, Pensions, Benefits & Investments Group, Nossaman LLP

Registration Fee: $599
**Event fees are implemented to cover public sector gifting restrictions and maintain fairness and transparency within the public sector.*

If you have any questions, please contact Laura Clumpus at lclumpus@nossaman.com.

Join Today (https://www.calaprs.org/join-today/)

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(/)

Menu

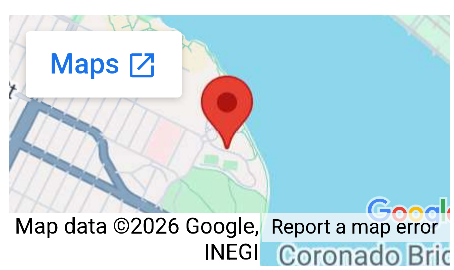
Back to Search (https://members.calaprs.org/events)

General Assembly 2027

Monday, March 8, 2027 2:00 PM - Wednesday, March 10, 2027 11:30 AM (PST ((GMT-08:00) Pacific Time))

Description

Coronado Island Marriott Resort & Spa
2000 2nd St.
Coronado, CA 92118 United States



Event Contact
CALAPRS
(415) 764-4860 (tel:4157644860)

The CALAPRS General Assembly is an educational conference for retirement system trustees, senior staff, and annual sponsors of CALAPRS. The program includes educational sessions on relevant and timely topics, as well as networking opportunities for participants. The program agenda is developed by a planning committee commissioned by the CALAPRS Board of Directors.

Planned topics may include:

- Governance Pitfalls
- Trustee Round Table
- Private Markets Panel
- Cybersecurity & Fraud
- Emerging Markets
- Updates in Social Security
- Legislative Updates

Check back for program updates!

Send Email (mailto:info@calaprs.org)

Monday, March 8, 2027 2:00 PM - Wednesday, March 10, 2027 11:30 AM (PST ((GMT-08:00) Pacific Time))

Categories
General Assembly

Powered By GrowthZone (https://www.growthzone.com)

(/)

Get In Touch

415-764-4860 or 1-800-RETIRE-0

Tentative Schedule
Tuesday, December 15

Roman Ballrooms • Caesars Palace Conference Center

Dress Code: Business Casual

11:45 A.M.
To 12:45 P.M.

Registration

Pick up badges at the registration desk.

1:00 P.M.
To 3:00 P.M.

Summit

(End time approximate)

Trustees Panel

The trustee panel brings together representatives from public and Taft-Hartley pension funds and will include perspectives from both labor and management. Panelists will discuss current issues and challenges facing their funds and will be asked to comment on efforts to invest in ways which create and protect good Union jobs while providing an appropriate rate of return.

Consultants Panel

Consultants will discuss how defined benefit plans are navigating the shifting economic and policy landscape of the Trump era. Topics include interest rate dynamics, market volatility, regulatory signals and the long-term solvency challenges facing pension sponsors. Also discussed will be the intersection of pension investment strategies with the role of responsible investment, job creation, worker rights and considering how capital deployment aligns with the long-term interests of plan participants.

4:00 P.M.
To 5:00 P.M.

Networking Reception

Reception includes light hors d'oeuvres and cocktails.

Network with colleagues before the Crystal Globe Awards.

5:00 P.M.
To 6:45 P.M.

Crystal Globe Awards

(End time approximate)

Honoring Pension Defenders who fight for retirement security.

Presentations will conclude early enough to maximize all fabulous Las Vegas has to offer!

SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
SUMMARY OF PENDING TRUSTEE AND EXECUTIVE STAFF TRAVEL

2026 Event Dates	Sponsor / Event Description	Location	Traveler(s)	Estimated Cost	BOR Approval Date
Aug 17-Aug 20	NCPERS: Public Pension Forum	Chicago, IL	B. McKelvey	$1,710	N/A
Aug 24 - Aug 27	CALAPRS Principles of Pension Governance for Trustees	Santa Barbara, CA	S. Baxter, J. Escotto-(waiting list)	$3,000	N/A
Sept 9-10, 2026	ALTSSF - Markets Group	San Francisco, CA	JC Weydert, T. Kaeslin	$7,060	5/8/2026
Sept 10	CALAPRS - Attorney's Roundtable	virtual	A. Zaheen	$50	N/A
Sept 23-25	CALAPRS - Administrator's Institute	Carmel, CA	R. Ostrander	$3,200	N/A
Oct 15- Oct 16	Nossaman's 2026 Pensions, Benefits & Investments Fiduciaries Forum	San Francisco, CA	A. Zaheen	$1,191	Pending
Oct 21 - Oct 22	Berkeley Partners AGM	Dallas, TX	R. Ostrander	$500	Pending
Oct 24 - Oct 26	NCPERS: Fiduciary in Focus	Nashville, TN	R. Ostrander	$1,800	N/A
Nov 5, 2026	Grandview Partners/Annual Meeting	Virtual	T. Kaeslin	$0	Pending
Nov 10-13	SACRS - Fall Conference	Rancho Mirage, CA	J. Escotto, S. Baxter, R. Ostrander, T. Kaeslin, B. McKelvey, E. Hammond, JC Weydert, S. Moore, M. Restuccia, S. Kaisch	$1,560	N/A
Dec 14 - Dec 16	CORPaTH Summit	Las Vegas, NV	R. Ostrander	$3,100	Pending

2027 Event Dates	Sponsor / Event Description	Location	Traveler(s)	Estimated Cost	BOR Approval Date
Jan 25-27	Visions, Insights & Perspectives (VIP) Americas	Carlsbad, CA	M.Restuccia, T.Kaeslin	$7,600	Pending
Mar 8-10	CALAPRS General Assembly	Coronado, CA	S. Baxter	TBD	N/A

SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
SUMMARY OF COMPLETED TRUSTEE AND EXECUTIVE STAFF TRAVEL

Event Dates 2026	Sponsor / Event Description	Location	Traveler(s)	Estimated Cost	Actual Cost	Event Report Filed
Jan 26-28, 2026	IREI VIP Americas	Carlsbad, CA	M. Restuccia, T. Kaeslin, JC Weydert	$6,300	$5,149	2/13/2026 2/13/2026 Pending
Feb 5, 2026	CALAPRS - Attorney's Roundtable	Virtual	A. Zaheen	$50	$50	N/A
Feb 6, 2026	CALAPRS - Administrators Roundtable	Virtual	R. Ostrander	$50	$50	N/A
Mar 2-4, 2026	Communication & Member Services Summit	San Diego, CA	B. McKelvey	$2,140	$2,079	4/10/2026
Mar 8-11, 2026	CALAPRS - General Assembly	Carlsbad, CA	R. Ostrander, T. Kaeslin, JC Weydert	$6,000	$4,801	N/A
Mar 9, 2026	CALAPRS - General Assembly - Investment Roundtable	Carlsbad, CA	T. Kaeslin	$50	$50	N/A
Mar 23-25, 2026	ALTSLA - Markets Group	Los Angeles, CA	S. Kaisch	$4,400	$2,246	5/8/2026
Apr 17, 2026	Ad Hoc Roundtable	Virtual	R. Ostrander	$50	$50	N/A
Apr 30, 2026	10th Annual Pacific Northwest Institutional Forum	Seattle, WA	R. Ostrander	$2,600	$1,093.37	7/10/2026
May 12 - 15, 2026	Spring Conference - SACRS	Olympic Valley, CA	S. Moore, R. McCray, JC Weydert, R. Ostrander, A. Zaheen	$11,600	TBD	N/A
May 12-14, 2026	AEW General Meeting - LPAC Seat	Boston, MA	B. McKelvey	$500	$0	N/A
May 15-17, 2026	NAF Program - NCPERS	Las Vegas, NV	R. Ostrander	$2,490	$2,445.09	7/10/2026
May 21, 2026	CALAPRS Attorney RT	virtual	A. Zaheen	$50	$50	N/A
Jun 2-3, 2026	Blackrock Annual Meeting	New York, NY	T. Kaeslin	$2,260	$2,091.96	N/A
Jun 5, 2026	Administrators Roundtable - CALAPRS	Virtual	R. Ostrander	$50	$50	N/A
Jun 16-17, 2026	Chief Officers Summit	Newport Beach, CA	R. Ostrander	$2,860	$1,877	N/A
Jun 16-19, 2026	Legal Education Conference - NAPPA	Grand Rapids, MI	A. Zaheen	$3,100	TBD	Pending
Jun 20-Jul 3, 2026	Heywood CLASS Conference and various due diligence investment manager meetings	London, UK	B. McKelvey, R. Ostrander	$24,700	$13,188	Pending

Board Member Travel (not including SACRS & CALAPRS)		Dates	Amount used of $4500:	Balance of $4500
RESTUCCIA	IREI	1/27-29	$974.11	$3,525.89
DHALIWAL				
DUFFY				
KAISCH	ALTSLA	3/22-25	$2,245.93	$2,254.07
KEOKHAM				
MCCRAY				
NICHOLAS				
WEYDERT	IREI	1/27-29	$2,013.24	$2,486.76
MOORE				

*Pending Final Expense

TO: State Association of County Retirement Systems
FROM: Cara Martinson, Capitol Advocacy
Laurie Johnson, LJ Consulting & Advocacy
DATE: August 4, 2026

RE: Legislative Update – August

The Legislature has entered the final stretch of the 2026 legislative session. Policy committee hearings have concluded, shifting the focus to bills that advanced to the Appropriations Committees, negotiations over amendments needed to secure votes, and the final rounds of discussions among the Assembly, Senate, Governor's Office, and key stakeholders. As the Legislature approaches its constitutional adjournment deadline on August 31st, bills will move to the respective Senate and Assembly floors for debate and final consideration.

Several issues continue to dominate the Capitol agenda. Housing production and land use reform remain top priorities, particularly proposals aimed at streamlining development, reducing permitting barriers, and expanding infrastructure financing. Climate resilience, water reliability, wildfire preparedness, and energy affordability continue to drive significant legislative activity, while public finance issues, including local revenue authority, infrastructure investment, and implementation of voter-approved bond measures, remain central concerns for local governments. Lawmakers are also advancing proposals related to government operations, including Brown Act modernization, artificial intelligence governance, and regulatory changes affecting state and local agencies.

Legislative activity will intensify considerably over the coming weeks. Hundreds of bills will be considered on the Assembly and Senate Floors, many of which will be amended late in the process to resolve policy disagreements, fiscal concerns, or stakeholder issues.

California's November General Election is shaping up to be one of the most consequential and expensive in recent history. In addition to statewide contests for Governor, Lieutenant Governor, Attorney General, Controller, Treasurer, Insurance Commissioner, Superintendent of Public Instruction, all 80 Assembly seats, and 20 Senate seats, voters are expected to consider approximately 14 statewide ballot measures. The election is anticipated to generate record levels of campaign spending as business organizations, labor groups, and stakeholder groups compete to influence public opinion on several high-profile initiatives.

The statewide ballot is expected to feature several significant policy debates. Among the measures likely to receive the greatest attention are proposals related to housing affordability, including an affordable housing bond and a second-mortgage homebuyer assistance program; election administration, including voter identification requirements and changes to initiative voting thresholds; taxation, including a closely watched proposal to tax ultra-high-net-worth individuals alongside other tax-related measures; healthcare financing; and campaign finance reform. Collectively, these initiatives present competing approaches to California's fiscal priorities and regulatory framework and are expected to drive robust statewide campaigns through Election Day.

The following is an update on bills that SACRS is actively following:

II. Legislative Update:

- **AB 1054 (Gipson)** - This bill would establish the Deferred Retirement Option Program (DROP) as a voluntary program within PERS for employees of State Bargaining Units 5 (Highway Patrol) and 8 (Firefighters). The bill states that the DROP becomes effective and applicable only after: 1) the applicable Bargaining Unit has entered into a MOU with the employer to implement the program; 2) The program has been certified via an actuarial analysis that it is cost neutral by the CalPERS Board of Administration; and 2) CalPERS has adopted regulations to implement and administer the program.
    - Status: This bill is in the Senate Appropriations Committee
    - Position: No Position/Watch

- **AB 1383 (McKinnor)** – The bill was heard in the Assembly PERS Committee and advanced out of the Appropriations Committee in January after taking several amendments. The bill includes the following provisions:
    - Adjust, on and after January 1, 2027, the pensionable compensation limit to the Social Security compensation limit. The prior version of the bill would have increased the pensionable compensation limit to the higher IRC 415(b) threshold.
    - Lower the retirement age on a prospective basis from age 57 to 55 for three existing safety DB retirement formulas, and
    - Authorize a public employer to create a fourth PEPRA safety DB retirement formula of three percent (3%) at age 55, to be applied prospectively.
    - Amendments this year removed a provision that would have permitted collective bargaining over the 50-50 normal cost sharing requirement.

- Status: This bill is in the Senate Appropriations Committee
- Position: Neutral

- **AB 1439 (Garcia**) - The bill would have required labor protection standards on pension system investments in development projections. The bill was amended coming out of the Assembly to now require CalPERS and CalSTRS to contract with the University of California Labor Centers to conduct an independent study to determine the impacts on public employee retirement funds of prohibiting the boards from investing in California development projects that do not provide labor standards protections for workers. The bill no longer applies to the CERL systems and removes SACRS' opposition.
  - Status: The bill is in the Senate Appropriations Committee
  - Position: No position/watch

- **AB 1601 (Rogers)** – This bill would permit the county Board of Supervisors for Sonoma County to authorize a cost-of-living adjustment to the retirement allowances, optional death allowances, or annual death allowances payable by the retirement system.
  - Status: This bill is awaiting action on the Senate floor
  - Position: Neutral

- **AB 1619 (Valencia)** –This bill allows county Boards of Supervisors to authorize an increase in the Board of Retirement trustee per diem from $100 to $320. The bill would then require action by the Board of Retirement to establish the increased compensation rate. This bill was amended to apply the same increase in compensation to CalPERS and CalSTRs Board Members.
  - Status: This bill is awaiting action on the Senate floor
  - Position: Neutral

- **AB 1660 (Schiavo)** – This bill was amended to now permit as opposed to require a court to award sanctions of no less than $1,000 per violation if a financial institution, private agency, retirement fund administrator, insurance company, or other person fails to comply with existing requirements to provide information or surrender property of a decedent, minor, or conservatee to a public administrator or public guardian that is authorized to take possession and control of such property.
  - Status: This bill is awaiting action on the Senate floor
  - Position: No position/watch

- **AB 1844 (Pacheco)** – This bill modifies the Judges' Retirement System II, to give judges more flexibility in designating beneficiaries for their retirement benefits. This bill would authorize a judge who elects one of the optional retirement payment plans in lieu of receiving the maximum retirement allowance to designate a beneficiary other than their spouse to receive the payment or allowance after the judge's death, subject to the community property rights of the judge's spouse. Additionally, the bill extends existing survivor benefits to non-spouse beneficiaries, removing the stipulation that the judge must have served a minimum of 20 years if they die in office.
    - Status: This bill is in the Senate Appropriations Committee
    - Position: No position/watch

- **AB 2519 (McKinnor)** – The bill expands who must be included in the State Teachers' Retirement System (STRS) membership. Under current law STRS administers a defined-benefit retirement program funded by employer and employee contributions and applies to positions that generally require a valid credential or license; charter school positions were excluded. This bill adds permitholders and comparable positions at charter schools that receive state apportionment and perform specified directing, coordinating, supervising, or administrative functions to the definition of "position subject to membership." It also removes a board-triggered timing requirement and makes the new definition operative on July 1, 2027.
    - Status: This bill is in the Senate Appropriations Committee
    - Position: No position/watch

- **AB 2780 (Assembly Committee on Public Employment and Retirement) –** Public Retirement Systems: Omnibus Bill - This bill includes the SACRS-sponsored legislative package in the Legislature's annual omnibus bill for technical changes to laws affecting CalSTRS, CalPERS, and the CERL systems. The proposed changes in the CERL include the following:
    - Clarifying that deferred members cannot run for or vote in active member Miscellaneous and Safety trustee elections.
    - Establishing a 10-year statute of limitations for recovery of overpayments due to fraudulent reports of overpaid death benefits.
    - Formalizing the practice of the majority of CERL systems that only the last system pays a lump-sum burial allowance for reciprocal members.
    - Defining "concurrent retirement" to allow reciprocal members to retire on different dates with 30 days of each retirement date, as long as there is not overlapping service.
        - Status: This bill is awaiting action on the Senate floor

- Position: Support

- **SB 1187 (Durazo)** – This bill was amended to remove language access requirements for the purposes of Act that were established by SB 707 from last year. Specifically, the bill would repeal several public participation and language access requirements established by SB 707, including requirements related to translation of meeting materials, interpretation services, multilingual website content, public outreach to underrepresented communities, and opportunities for the public to provide additional agenda translations. It would reduce the administrative obligations placed on eligible legislative bodies related to multilingual access and public engagement.
  - Status: This bill is awaiting action on the Assembly floor
  - No position/watch

- **SB 1207 (Laird)** – This bill authorizes CalPERS members to buy back not more than three years of service credit for their prior service in the California Conservation Corps (CCC). The bill also makes changes to CCC's statutes to clarify the scope of authorized projects and to specifically permit CCC to contract with corps established by California Native American tribes
  - Status: This bill is in the Assembly Appropriations Committee
  - No position/watch

- **SB 1407 (Archuletta) –** This bill doubles the amount of retirement and annuity payments that a qualifying military retiree or surviving spouse may exclude from gross income under the Personal Income Tax (PIT) Law from $20,000 to $40,000.
  - Status: This bill is in the Assembly Appropriations Committee
  - Position: No position/watch

<u>Contact:</u>

If you have any questions, contact Cara Martinson at cmartinson@capitoladvocacy.com, or Laurie Johnson at lauriejconsult@gmail.com.

August 14, 2026

TO: Board of Retirement

FROM: Aaron Zaheen
Chief Legal Counsel

SUBJECT: LACERA v. County of Los Angeles et al.

LACERA Decision – Potential Impact on SJCERA

On August 3, 2026, the California Supreme Court issued its decision in *Los Angeles County Employees Retirement Association v. County of Los Angeles*, addressing the respective authority of CERL retirement boards and counties over retirement system staffing, classifications, and compensation.

The Court held that a CERL retirement board's constitutional plenary authority over administration of the retirement system does not give the Board unilateral authority to establish classifications and compensation for retirement system employees who remain county employees. Rather, while the retirement board determines the personnel it believes are necessary to properly administer the retirement system, the County retains authority over the classification and compensation of those employees.

For SJCERA, the decision confirms that the Board's authority to determine SJCERA's operational and staffing needs does not necessarily extend to unilateral control over employee classifications or compensation. To the extent SJCERA seeks new positions, reclassifications, or compensation adjustments for County-employed SJCERA staff, those matters will continue to require County participation and approval under the existing statutory structure.

The decision is also important, however, because it recognizes limits on County authority. The County cannot simply disregard the retirement Board's assessment of the resources necessary to administer the retirement system. The Court emphasized that CERL contemplates a collaborative process, and County decisions remain subject to challenge if the County fails to meaningfully consider the retirement system's operational needs or otherwise abuses its discretion.

Accordingly, SJCERA should continue to clearly document the operational, fiduciary, and administrative basis for future staffing and classification requests made to the County. The decision may make that record particularly important if disagreements arise concerning the personnel resources necessary for SJCERA to fulfill its constitutional and statutory responsibilities.

From a legislative perspective, the Court also confirmed that the Legislature may grant CERL systems greater personnel independence. Staff will therefore monitor any legislative response pursued by SACRS or other CERL systems that could provide retirement boards with greater authority over their own staffing, classifications, or compensation.

2026 - SJCERA BOARD OF RETIREMENT MEETING CALENDAR

MONTH	DATE	Periodic Items / Other Events	MONTH	DATE	Periodic Items / Other Events
JAN	**9**	**Board Meeting** Earnings Code Ratification Fourth Quarter Operations Reports* Trustee Education Compliance Report Action Plan Results	**JUL**	**10** 13-16	**Board Meeting** Mid-Year Administrative Budget Report Second Quarter Operations Reports* Election of Board Officers Annual Policy Review SACRS UC Berkeley
FEB	**13** **13**	**Board Meeting** Notice of CPI/Set Retiree COLA Declining ER Payroll Report Assumptions & CMAs **CEO Performance Review Committee**	**AUG**	**14**	**Board Meeting** Annual Valuation Report & Adoption of Plan Contribution Rates Board Committee Assignments Investment Fee Transparency Report
MAR	**13** **13** 8-11	**Board Meeting** Fourth Quarter Inv Reports **Audit Committee Meeting** CALAPRS General Assembly	**SEP**	**11**	**Board Meeting** Second Quarter Inv Reports Actuary audit
APR	**10**	**Board Meeting** First Quarter Operations Reports*	**OCT**	**14** **15**	**Board Meeting** Adoption of Board Calendar for next year Third Quarter Operations Reports* 2027 Action Plan **Special Meeting - Investment Roundtable**
MAY	**8** **8** **8** 12-15	**Board Meeting following Audit Committee Meeting** **Audit Committee Meeting *8:30 a.m.** **Special Board Meeting** SACRS Spring Conf	**NOV**	**6** **TBD** 10-13	**Board Meeting** Investment Consultant and Actuary Consultant Evals **Administrative Committee Meeting** SACRS Fall Conference
JUN	**12** **12** 11	**Board Meeting** First Quarter Inv Reports Auditor's Annual Report / ACFR Mid Year Action Plan Results Asset Class Review **Administrative Committee Meeting** RPESJC Picnic	**DEC**	**11** 10	**Board Meeting** Third Quarter Inv Reports Annual Administrative Budget RPESJC Holiday Lunch

Unless otherwise noted on the agenda, Board Meetings convene at 9:00 a.m.

* Disability App Status Report and Pending Retiree Accounts Receivable Report

Notes: May meeting may move to the first Friday due to the SACRS Spring Conference.
October meeting is on Wednesday prior to the Investment Roundtable.
November meeting may move to the first Friday due to the SACRS Fall Conference.
One meeting per month on all subjects; special Manager Due Diligence Meetings as needed.

08/14/2026

SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT

STANDING COMMITTEES

ADMINISTRATIVE COMMITTEE

Sam Kaisch – Chair
Jesse Escotto
Michael Restuccia
Steve Baxter

AUDIT COMMITTEE

Michael Duffy – Chair
Phonxay Keokham
Steve Dougherty
Michael Restuccia

CEO PERFORMANCE REVIEW COMMITTEE

Phonxay Keokham – Chair
JC Weydert
Emily Hammond
Sam Kaisch

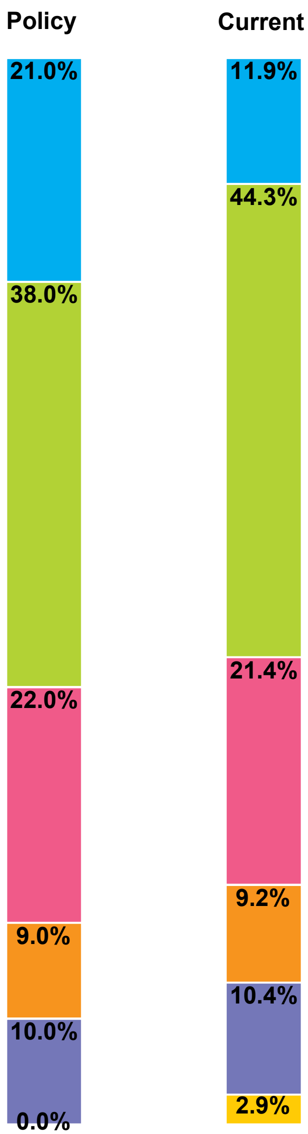
MEKETA

San Joaquin County Employees' Retirement Association (SJCERA)

August 14, 2026

June Executive Summary

Total Fund | As of June 30, 2026



Allocation vs. Targets and Policy

	Balance ($)	Current (%)	Policy (%)	Difference (%)
Broad Growth	**4,302,928,597**	**77.5**	**81.0**	**-3.5**
Aggressive Growth	658,087,051	11.9	21.0	-9.1
Traditional Growth	2,457,925,395	44.3	38.0	6.3
Stabilized Growth	1,186,916,151	21.4	22.0	-0.6
Diversifying Strategies	**1,086,981,154**	**19.6**	**19.0**	**0.6**
Principal Protection	511,989,687	9.2	9.0	0.2
Crisis Risk Offset	574,991,468	10.4	10.0	0.4
Cash	**160,270,459**	**2.9**	**0.0**	**2.9**
Cash	160,270,459	2.9	0.0	2.9
Total	**5,550,180,211**	**100.0**	**100.0**	**0.0**

Summary of Cash Flows

	Quarter	1 Year
SJCERA Total Plan		
Beginning Market Value	5,231,294,232	4,894,906,060
Net Cash Flow	24,322,417	49,231,750
Net Investment Change	294,563,562	606,042,401
Ending Market Value	5,550,180,211	5,550,180,211

Asset Class Performance Net-of-Fees | As of June 30, 2026

	Market Value ($)	% of Portfolio	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Since Inception	Inception Date
SJCERA Total Plan	**5,550,180,211**	**100.0**	**5.6**	**12.3**	**9.9**	**6.3**	**7.7**	**Apr-90**
SJCERA Policy Benchmark			*5.8*	*13.9*	*11.8*	*7.3*	*7.8*	
SJCERA Total Plan ex Legacy Managers	5,492,555,339	99.0	5.7	12.5	10.5	6.5	8.0	Jun-19
Broad Growth	**4,302,928,597**	**77.5**	**5.9**	**13.5**	**11.7**	**7.5**	**8.5**	**Feb-95**
Aggressive Growth Lag	**658,087,051**	**11.9**	**-0.6**	**3.6**	**5.7**	**10.0**	**-1.0**	**Nov-05**
Aggressive Growth Blend			*2.1*	*13.4*	*8.6*	*8.1*	*9.1*	
Traditional Growth	**2,457,925,395**	**44.3**	**10.3**	**22.0**	**19.0**	**10.8**	**9.8**	**Jan-95**
MSCI ACWI IMI Net			*11.8*	*24.2*	*19.5*	*10.6*	*8.8*	
Stabilized Growth	**1,186,916,151**	**21.4**	**1.3**	**3.9**	**3.3**	**2.0**	**3.6**	**Mar-05**
SJCERA Stabilized Growth Benchmark			*1.7*	*4.9*	*6.1*	*5.4*	*6.1*	
Diversifying Strategies	**1,086,981,154**	**19.6**	**4.9**	**9.2**	**4.3**	**2.8**	**5.9**	**Nov-90**
Principal Protection	**511,989,687**	**9.2**	**1.0**	**4.6**	**5.0**	**1.4**	**5.7**	**Feb-87**
Blmbg. U.S. Aggregate Index			*0.6*	*3.8*	*4.2*	*0.1*	*5.2*	
Crisis Risk Offset Asset Class	**574,991,468**	**10.4**	**8.8**	**13.6**	**3.7**	**3.8**	**5.9**	**Feb-05**
CRO Benchmark			*3.9*	*7.9*	*3.5*	*2.2*	*4.6*	
Cash and Misc Asset Class	**129,269,724**	**2.3**	**1.9**	**3.6**	**3.2**	**2.6**	**2.4**	**Nov-94**
90 Day U.S. Treasury Bill			*1.7*	*3.8*	*4.6*	*3.5*	*2.5*	

1 Market values may not add up due to rounding.
2 All market values and returns are preliminary.
3 Benchmark compositions listed in the Appendix.
4 Excludes current active legacy managers that are in the process of winding down fund assets.

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

Economic and Market Update

June 2026 Report

Commentary

Global equities posted strong returns in the second quarter of 2026, led by emerging markets and US small-cap stocks. Continued enthusiasm around artificial intelligence and a ceasefire in the Middle East helped support risk assets, while bonds benefited from the decline in energy lowering inflation concerns.

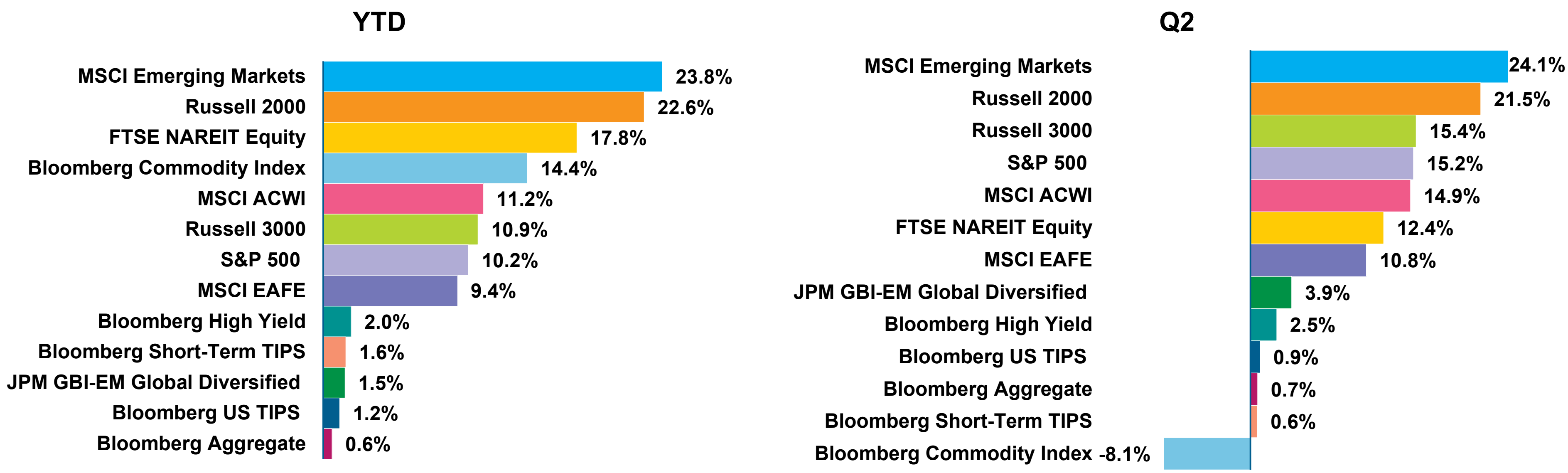
→ US equities (Russell 3000) rose 15.4% in the second quarter, recovering first-quarter losses and lifting the year-to-date gain to 10.9%. Growth stocks led the rebound after lagging in the first quarter, with the Russell 1000 Growth Index advancing 16.7% versus 13.9% for the Russell 1000 Value Index. Small cap stocks and strong performance from technology and AI-related companies helped drive the recovery.

→ Emerging markets (MSCI Emerging Markets +24.1%) led global equity markets in the second quarter, significantly outperforming developed markets (MSCI EAFE +10.8%). Strong performance in several Asian markets driven by technology-related industries, particularly South Korea and Taiwan, helped drive returns, while China lagged amid continued economic challenges.

→ Fixed income generated modest positive returns during the second quarter, with credit-sensitive sectors outperforming the broader bond market. The Bloomberg Universal Index gained 0.9%, while emerging market debt (+3.9%) and high yield bonds (+2.5%) benefited from supportive credit conditions and continued investor demand for risk assets.

→ Looking ahead, investors will be focused on whether inflation continues to moderate, if the Federal Reserve signals a shift in policy, how the AI-related technology tracks, and whether corporate earnings can support current equity valuations following the strong second-quarter rally.

Index Returns[1]



→ In the second quarter of 2026, equities led performance across asset classes, with emerging markets and small-cap US stocks posting the strongest returns. Resilient earnings, tailwinds from the AI-related infrastructure buildout, and relief from the sharp decline in oil prices were the primary catalysts for the broad advance.

→ Commodities were the notable laggard during the quarter, declining 8.1% as oil prices reversed sharply on easing Middle East tensions, after leading all asset classes in the prior quarter.

→ The broad bond market generated modest positive returns given the decline in inflation concerns driven by falling energy prices. Emerging market debt and high yield bonds produced the strongest fixed income results given the improvement in risk sentiment.

[1] Source: Bloomberg. Data is as of June 30, 2026.

Domestic Equity Returns[1]

Domestic Equity	June (%)	Q2 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	-1.0	15.2	10.2	22.3	20.6	13.4	15.5
Russell 3000	-0.3	15.4	10.9	22.8	20.3	12.3	15.1
Russell 1000	-0.5	15.1	10.3	22.0	20.4	12.7	15.3
Russell 1000 Growth	-2.7	16.7	5.3	17.7	22.6	13.7	18.6
Russell 1000 Value	2.3	13.9	16.3	27.1	17.8	11.2	11.5
Russell MidCap	3.1	13.8	15.3	21.6	16.5	8.5	12.0
Russell MidCap Growth	2.7	14.5	7.3	6.2	15.6	6.0	13.0
Russell MidCap Value	3.0	13.4	17.6	26.6	16.5	9.5	10.6
Russell 2000	3.7	21.5	22.6	40.8	18.6	7.0	11.6
Russell 2000 Growth	3.6	25.7	22.2	38.7	18.4	5.6	12.0
Russell 2000 Value	4.0	17.2	23.0	43.0	18.7	8.2	10.9

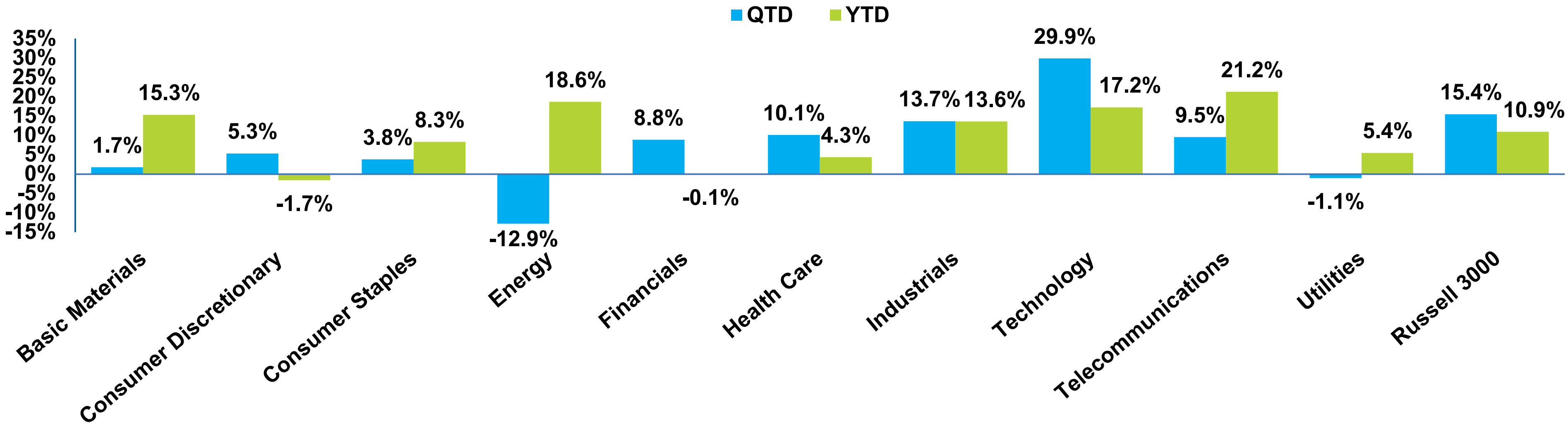
US Equities: The Russell 3000 index rose 15.4% in the second quarter of 2026, bringing the year-to-date return to 10.9%.

→ Growth stocks regained leadership in the second quarter, with the Russell 1000 Growth Index advancing 16.7% compared to 13.9% for the Russell 1000 Value Index. Small-cap equities posted the strongest returns given the resilient US economy, a lower likelihood of rate increases, and strong earnings. The Russell 2000 Index gained 21.5%, outperforming large-cap stocks (Russell 1000: +15.1%).

→ The "Magnificent Seven" contributed meaningfully to the quarter's gains given their substantial index weight, rebounding from first-quarter declines as demand for AI infrastructure and computing capacity supported mega-cap technology shares. Investor confidence in the durability of AI-related revenue growth underpinned the group's leadership through the quarter.

[1] Source: Bloomberg. Data is as of June 30, 2026.

Russell 3000 Sector Returns[1]



Sector performance reversed sharply in the second quarter, with technology leading the market and energy the weakest-performing sector. The Russell 3000 rose 15.4% as eight of the ten sectors generated positive returns.

→ Technology led all sectors, rising 29.9% as strength in cloud and AI-related earnings reinforced confidence in the capital-spending cycle. Industrials (+13.7%) and health care (+10.1%) also posted solid gains.

→ Energy was the weakest sector, falling 12.9% as oil prices retreated sharply on easing Middle East tensions, reversing a portion of its strong first-quarter gains. Utilities (-1.1%) were the only other sector to decline.

→ The remaining sectors advanced, led by telecommunications (+9.5%) and financials (+8.8%). On a year-to-date basis, telecommunications (+21.2%) and energy (+18.6%) remain the top performers despite energy's second-quarter reversal.

[1] Source: Bloomberg. Data is as of June 30, 2026.

Foreign Equity Returns[1]

Foreign Equity	June (%)	Q2 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI Ex US	-0.6	14.5	13.7	27.7	18.8	8.8	9.9
MSCI EAFE	0.1	10.8	9.4	20.2	16.4	9.0	9.7
MSCI EAFE (Local Currency)	2.4	11.5	11.7	24.9	15.8	11.3	10.6
MSCI EAFE Small Cap	-3.7	9.0	7.6	17.4	15.7	5.3	8.6
MSCI Emerging Markets	-1.4	24.1	23.8	43.5	23.0	7.2	10.1
MSCI Emerging Markets (Local Currency)	-0.1	24.1	26.8	50.2	25.1	10.1	11.8
MSCI EM ex China	0.0	34.5	38.8	63.1	28.3	13.2	12.4
MSCI China	-7.1	-6.6	-15.0	-4.9	7.7	-6.6	4.3

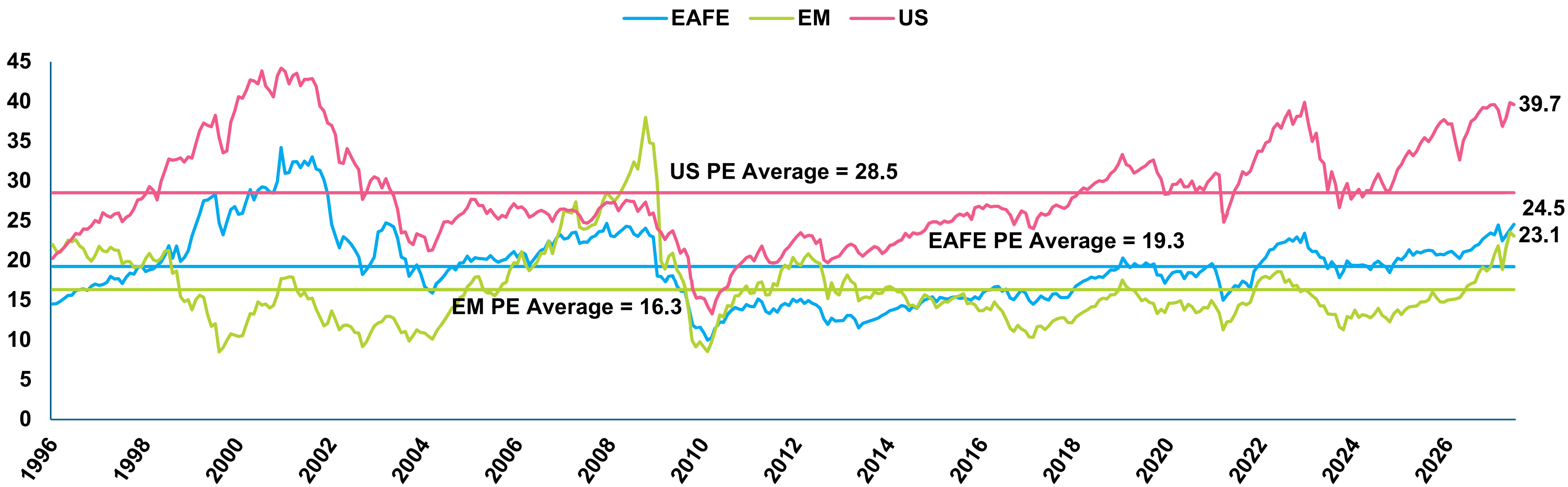
Developed international equities (MSCI EAFE) returned 10.8% in the second quarter of 2026 and emerging markets equities (MSCI Emerging Markets) rose 24.1%, though performance varied significantly by region.

→ Developed market equities rose over the quarter, supported by resilient corporate earnings, strength in semiconductor-related names, and a reduction of Middle East tensions. Europe and Japan both advanced, with Japan aided by firm AI-related hardware demand, though a stronger US dollar trimmed returns for dollar-based investors, with the local-currency EAFE index returning 11.5% compared to 10.8% in USD terms.

→ Emerging markets substantially outperformed developed peers, led by South Korea and Taiwan on robust technology demand. The MSCI Emerging Markets ex-China index returned an impressive 34.5% for the quarter, while China (-6.6%) lagged sharply over the quarter amid continued economic weakness and challenges in the property sector.

[1] Source: Bloomberg. Data is as of June 30, 2026.

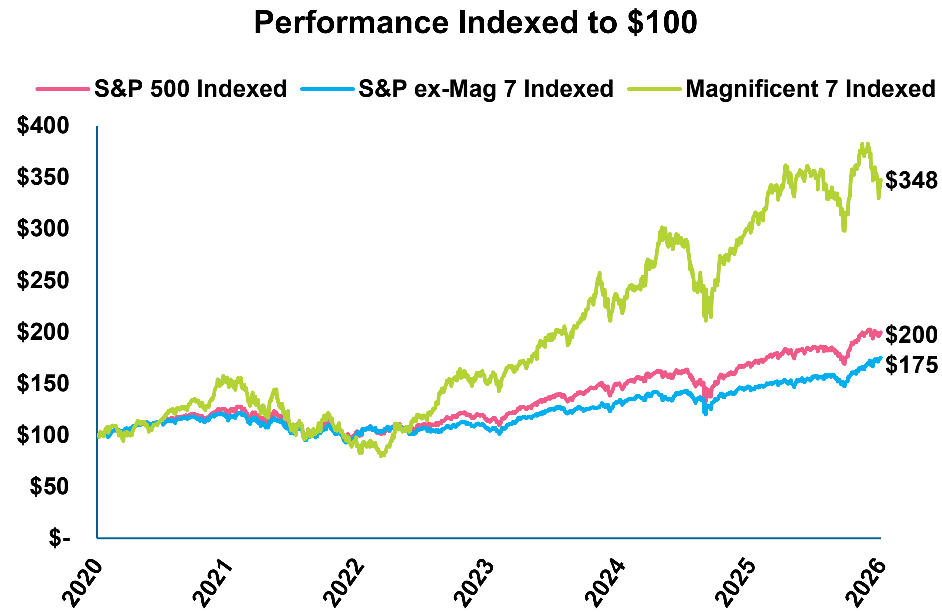
Equity Cyclically Adjusted P/E Ratios[1]

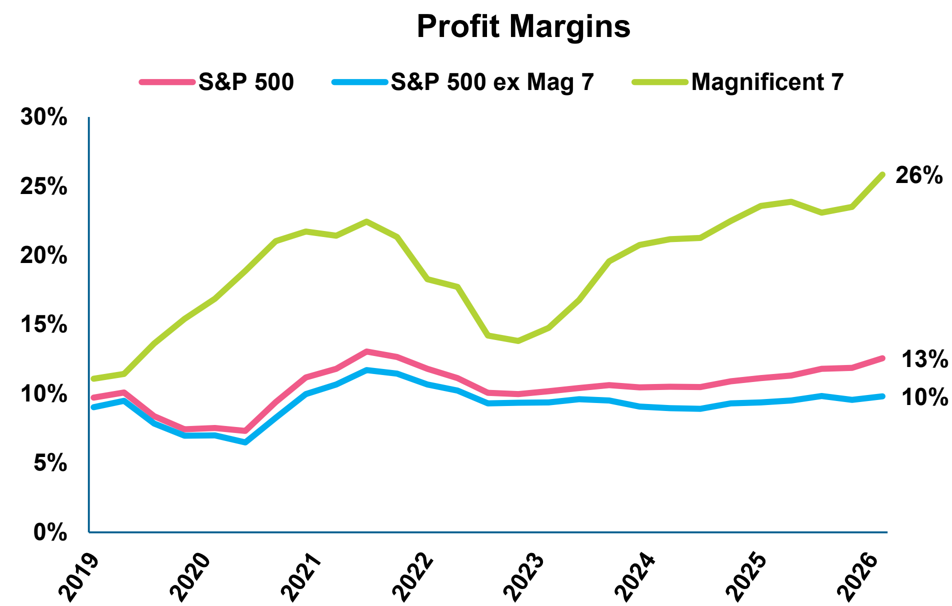


- Cyclically adjusted US equity valuations rose over the second quarter as strong market performance lifted the US CAPE to 39.7, well above its long-run average of 28.5.
- Non-US developed market valuations (EAFE) also rose, reaching 24.5 versus a long-run average of 19.3. Despite trading above historical norms, EAFE valuations remain considerably less expensive than those in the US.
- Emerging market valuations increased to 23.1, moving further above their long-run average of 16.3. The continued multiple expansion reflects elevated investor confidence in AI-related hardware and semiconductor demand across developing markets.

[1] US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E Source: Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of June 2026. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end, respectively.

Performance and Profit Margins: S&P 500 and "Magnificent 7"[1]





→ The "Magnificent Seven" rebounded from first-quarter weakness and contributed meaningfully to the strong performance of US equities given their large weight in the index. Despite periodic concerns around valuations, capital spending, and the return on investment, the group remains a dominant driver of index returns.

→ The group's profitability continues to differentiate it from the broader market. Average profit margins for the "Magnificent Seven" reached 26%, compared to 13% for the S&P 500, and 10% for the S&P 500 excluding the "Magnificent Seven".

[1] Source: Bloomberg. Data is as of June 30, 2026.

Fixed Income Returns[1]

Fixed Income	June (%)	Q2 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	0.3	0.9	0.8	4.2	4.7	0.4	1.9	4.9	5.8
Bloomberg Aggregate	0.2	0.7	0.6	3.8	4.2	0.1	1.5	4.7	6.0
Bloomberg US TIPS	-0.5	0.9	1.2	3.4	4.0	1.0	2.6	4.4	6.5
Bloomberg Short-term TIPS	-0.4	0.6	1.6	3.6	5.1	3.3	3.1	4.2	2.4
Bloomberg US Long Treasury	1.0	0.9	0.4	2.9	-0.5	-5.6	-1.3	4.9	14.3
Bloomberg High Yield	0.3	2.5	2.0	5.9	8.8	4.2	5.8	7.2	3.2
JPM GBI-EM Global Diversified (USD)	0.2	3.9	1.5	7.9	7.3	2.1	2.7	--	--

Fixed Income: The Bloomberg Universal index returned 0.9% in the second quarter of 2026, bringing the year-to-date return to 0.8%.

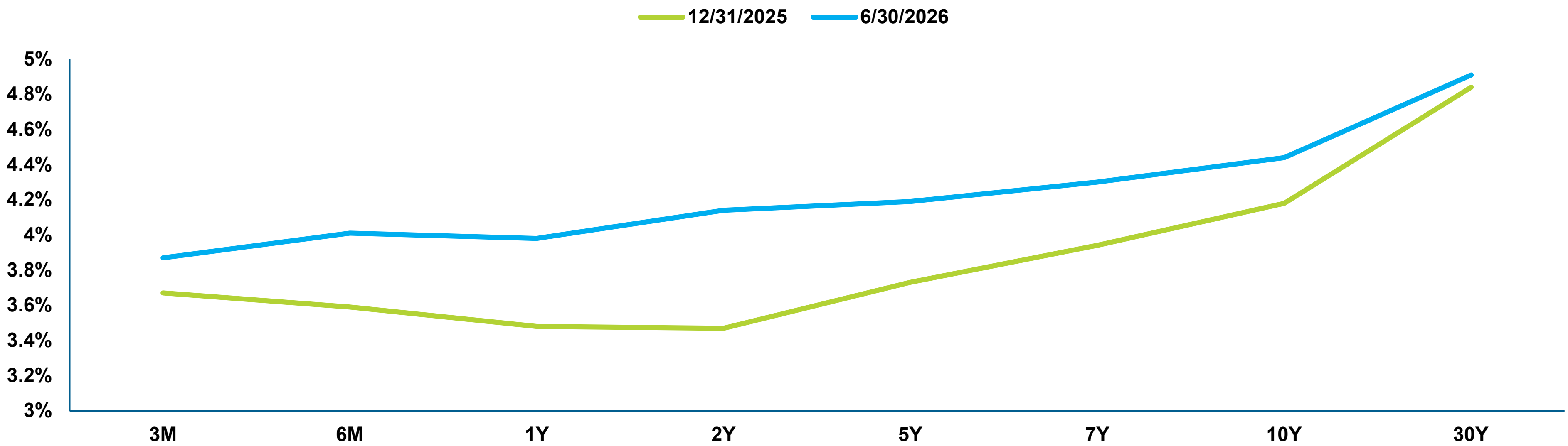
→ Fixed income posted modest gains over the second quarter as inflation concerns eased and credit conditions remained supportive. The Federal Reserve held rates steady at its June meeting, with markets continuing to price a potential rate hike as inflation remains elevated despite recent declines in energy prices.

→ Credit-oriented sectors led fixed income performance, with emerging market debt (+3.9%) and high yield bonds (+2.5%) posting the strongest returns. Longer-term Treasuries managed modest gains, with the Bloomberg US Long Treasury index up 0.9% as I yields at the long-end of the curve held roughly steady.

→ TIPS also posted modest positive returns (Bloomberg US TIPS +0.9%; Bloomberg Short-term TIPS +0.6%), reflecting inflation that remained above long-term central bank targets despite some easing in inflation concerns during the quarter.

[1] Source: Bloomberg. Data is as of June 30, 2026. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration, respectively. JPM GBI-EM data is from J.P. Morgan. Current yield and duration data is not available.

US Yield Curve[1]

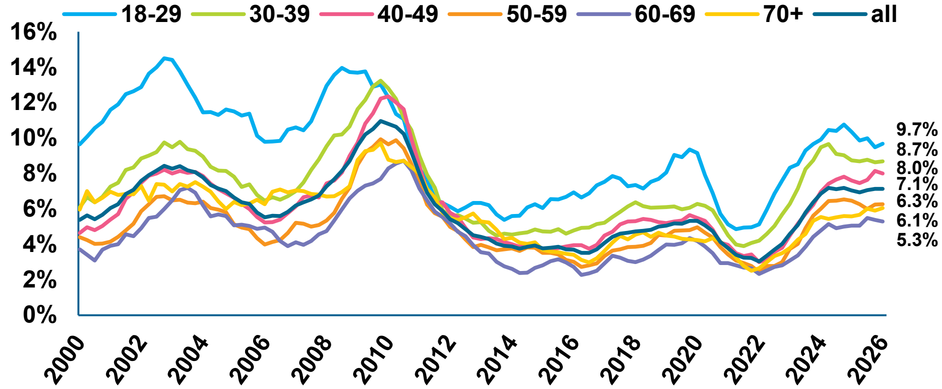


- Treasury yields continued to increase in the second quarter across most of the curve as the Middle East conflict and resulting energy shock lifted inflation concerns and reduced expectations of interest rate cuts from the Federal Reserve. Yields did retreat modestly from their May highs though as oil prices fell and tensions eased into quarter-end.
- The policy-sensitive 2-year nominal Treasury yield rose from 3.80% at the end of the first quarter to 4.18%, reflecting growing expectations of a potential interest rate increase by the Fed. The 10-year nominal Treasury yield increased from 4.32% to 4.47%, while the 30-year nominal Treasury yield rose from 4.91% to 4.96%.
- As the front end of the curve rose more than longer-dated yields, the spread between the two-year and ten-year Treasury narrowed from 53 basis points to 30 basis points over the quarter.

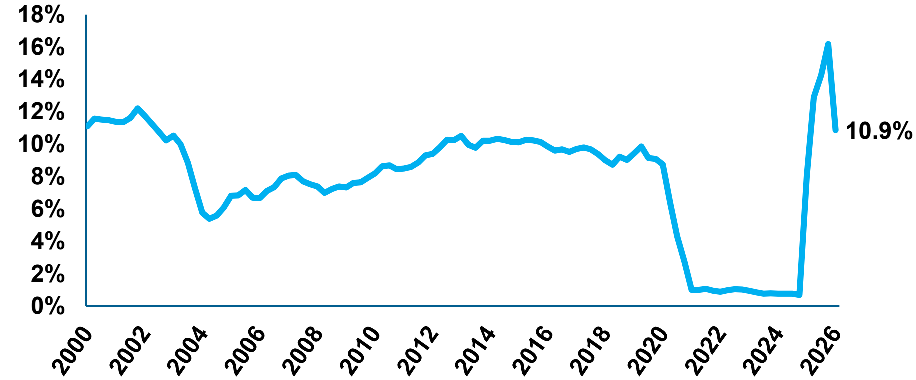
[1] Source: Bloomberg. Data is as of June 30, 2026.

Stress is Building Among Some US Consumers[1]

Transition into Serious Delinquency for Credit Cards by Age



Transition Into Serious Delinquency (90+ Days) for Student Loans[2]

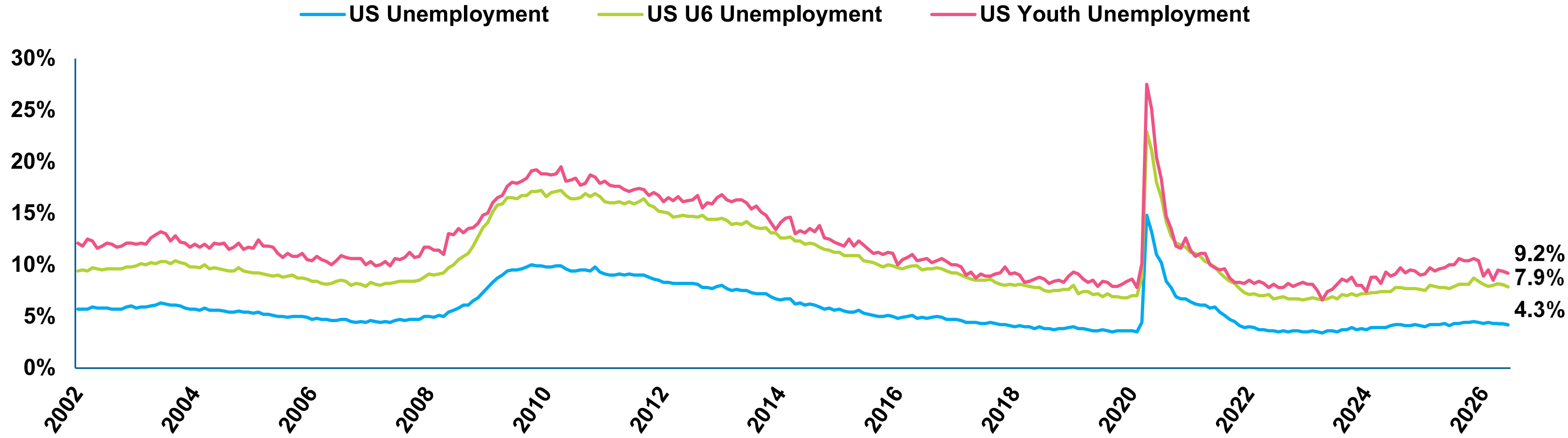


- US consumer trends remain increasingly K-shaped: higher-income households show resilience, while younger, rate-sensitive borrowers face mounting pressure from elevated borrowing cost and inflation that, while moderating, remains above the Federal Reserve's target.
- Delinquencies remain elevated relative to pandemic lows, particularly among younger cohorts. While overall delinquency rates remain below levels seen during prior economic downturns, differences in household financial health have continued to widen.
- Student loan repayment also remains a pressure point for some households. The serious delinquency rate decline from 16.2% to 10.9% does not represent an improvement but a fading of the initial post pandemic one-time spike caused by a backlog of old unpaid loans all hitting credit reports at once.

[1] Source: New York Federal Reserve, Quarterly Household Debt and Credit Report. See also FRED. Data is as of March 31, 2026.

[2] Source: New York Federal Reserve, Quarterly Household Debt and Credit Report. Percent of student loan holders transitioning in serious default (90-days or more) based on four quarter moving average. Delays in reporting may cause fluctuations. Data is as of March 31, 2026.

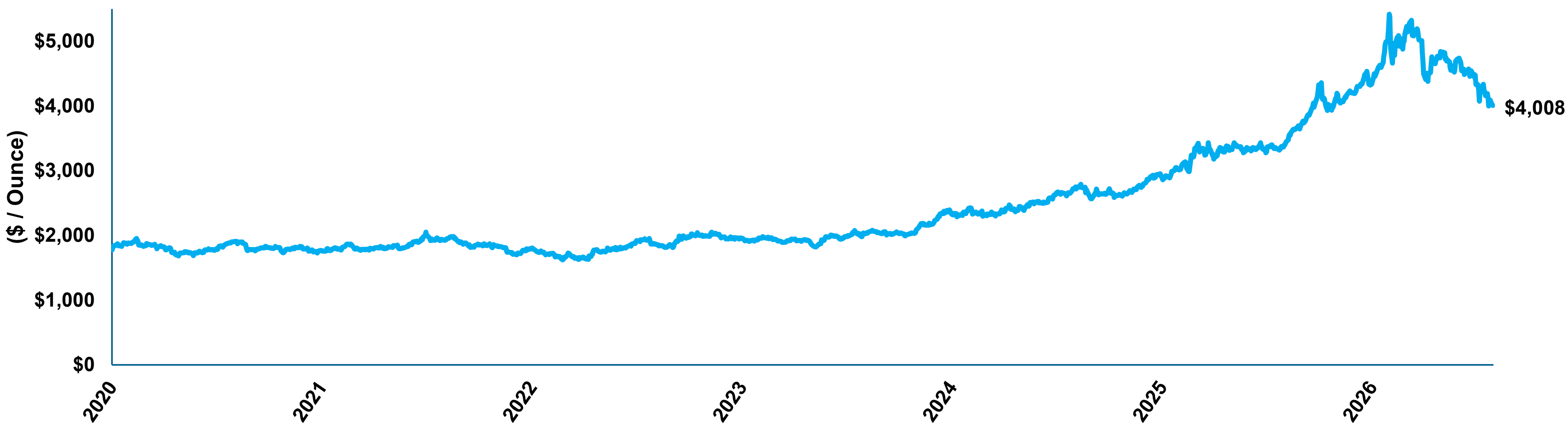
US Unemployment[1]



- The unemployment rate remains in a relatively narrow band suggesting a labor market that continues to stabilize rather than weaken materially. During the quarter 334,000 jobs were added with more than half the gains coming from the health care sector.
- Broader labor market indicators were relatively stable during the quarter, with the U-6 underemployment rate edging down from 8.0% to 7.9%. In contrast, youth unemployment increased from 8.5% to 9.2%. Average hourly earnings growth (3.5% YoY) has slowly declined and is now around the pace of headline inflation given the recent increase.
- Beneath a broadly stable headline, labor force participation (61.5) has drifted toward multi-year lows and hiring has slowed across sectors, pointing to some underlying softening even as the aggregate labor market holds firm.

[1] Source: FRED and BLS. Data is as of June 30, 2026. U-3: Total unemployed, as a percent of the civilian labor force (official unemployment rate), U-6: Total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers.

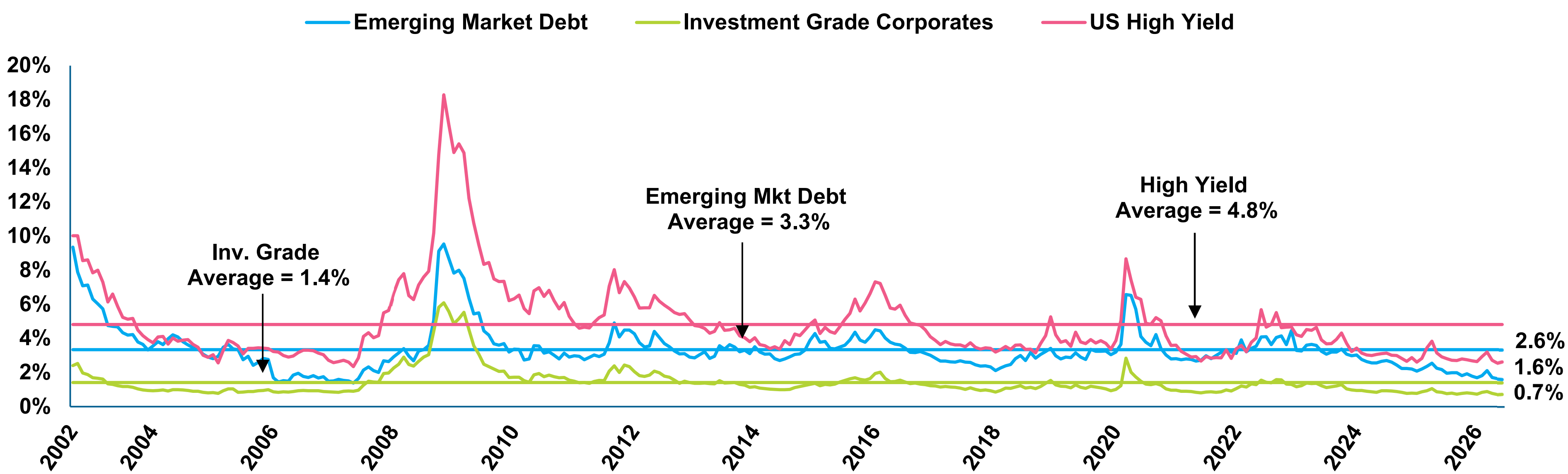
Gold[1]



- Gold declined over the second quarter, falling roughly 14% from $4,668 per ounce at the end of March to $4,008/oz and extending its retreat from record highs of over $5,400/oz earlier this year. Expectations for interest rates to remain higher for longer, a firmer US dollar, and easing geopolitical tensions reduced the appeal of the non-yielding metal.
- Despite the recent pullback, structural support remains intact though, driven by persistent inflation concerns, large fiscal deficits, and ongoing central bank reserve diversification. A return to Federal Reserve rate-cut expectations or renewed geopolitical uncertainty could support prices going forward.

[1] Source: Bloomberg. Data is as of June 30, 2026. Gold Spot Price is quoted as US Dollars per Troy Ounce.

Credit Spreads vs. US Treasury Bonds[1]

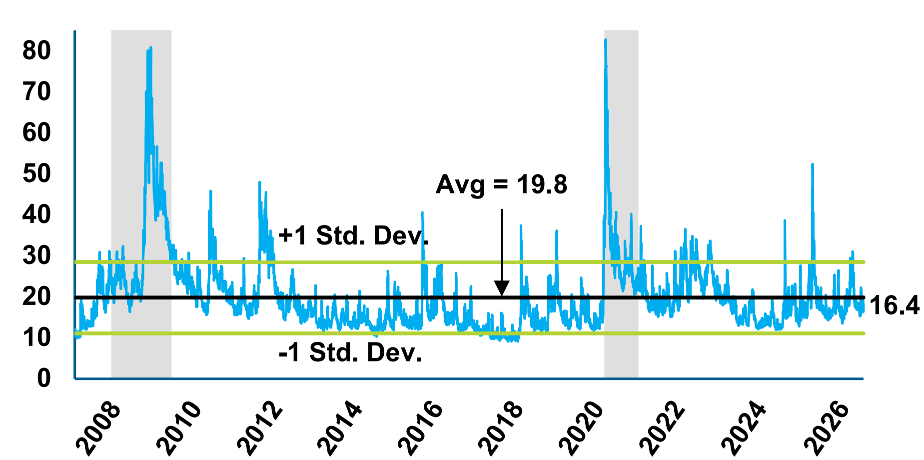


- Credit spreads tightened during the second quarter, reflecting resilient investor sentiment and supportive credit conditions despite ongoing uncertainty around inflation and monetary policy.
- Investment grade spreads fell from 0.9% to 0.7% during the quarter, well inside the 1.4% long-run average, supported by persistent demand for high-quality credit.
- High yield spreads tightened to 2.6% (from 3.2% at the end of March), versus a 4.8% long-run average, while emerging market debt spreads tightened to 1.6% (from 2.1%), versus a 3.3% long-run average.
- All yield spreads remain well below their respective long-run averages, but many investors continue to be attracted to their higher relative yields compared to Treasuries.

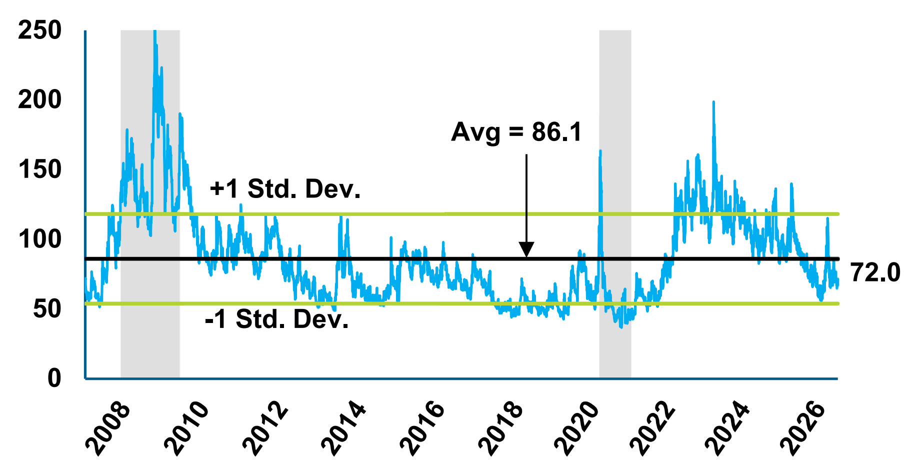
[1] Source: Bloomberg. Data is as of June 30, 2026. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

Equity and Fixed Income Volatility[1]

VIX Index



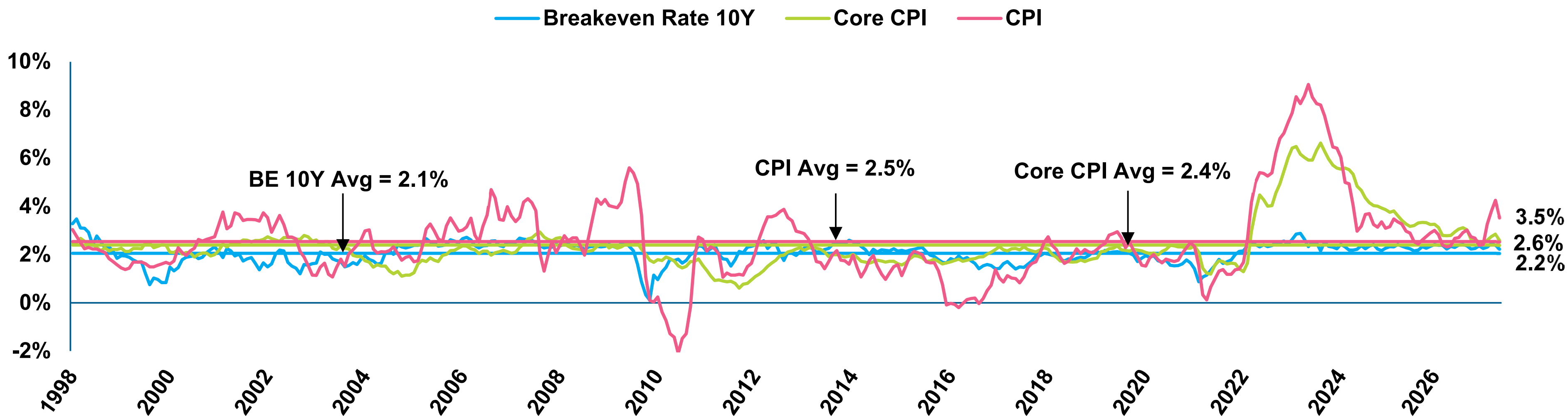
MOVE Index



- → Volatility declined meaningfully during the second quarter, with both equity and bond market measures dropping well below their long-run averages as strong equity performance, stable monetary policy, and moderating inflation concerns supported a calmer market environment.
- → Equity volatility (VIX) fell from 25.2 at the end of March to 16.4, moving below its long-run average of 19.8, as resilient earnings and easing geopolitical tensions supported risk sentiment.
- → Bond volatility (MOVE) declined from 96.0 at the end of March to 72.0, also dropping below its long-run average of 86.1 as interest rate expectations stabilized and markets increasingly aligned around a Fed-on-hold outlook.

[1] Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of June 30, 2026. The average line indicated is the average of the VIX and MOVE values between January 2007 and June 2026.

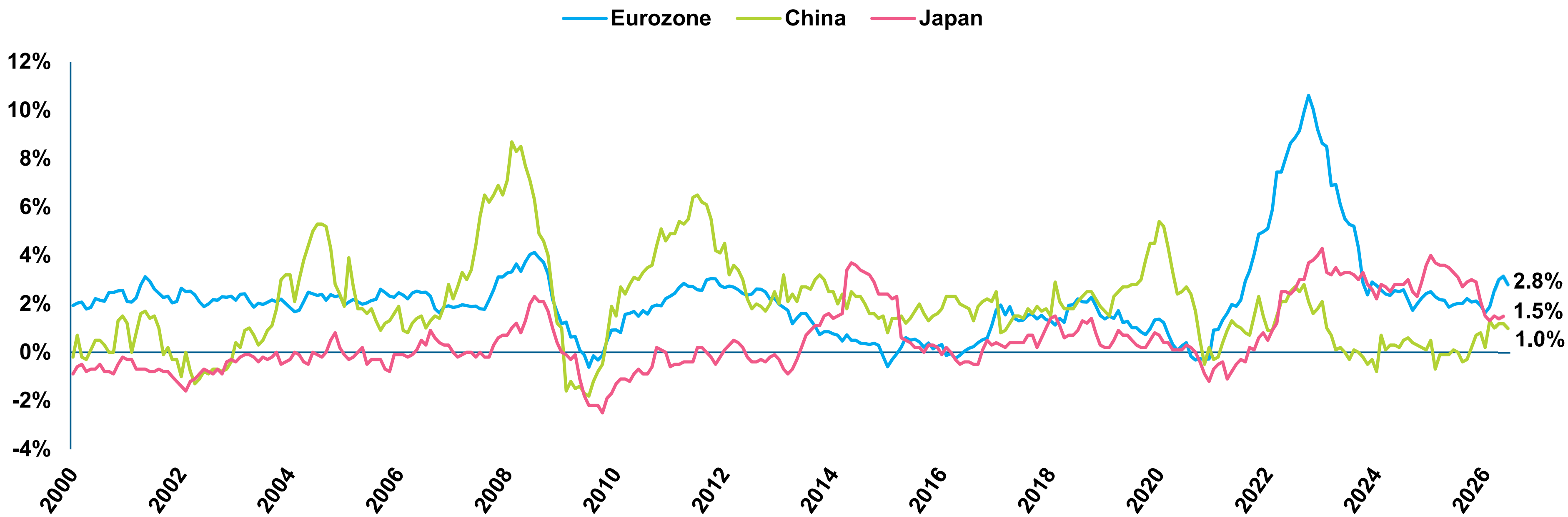
US Inflation[1]



- In June, headline inflation fell from 4.2% to 3.5% YoY, below expectations for a 3.8% reading with an also below expectations monthly reading (-0.4% versus -0.1%). Energy declines on easy tensions in the Middle East was the main driver, falling 5.7% in June after three months of strong increases. Food prices increased 0.5% in April, 0.2% in May, and 0.2% in June with a YoY change through June of 3.0%.
- Core inflation fell from 2.9% YoY to 2.6% (also below expectations), with the monthly pace cooling further from 0.2% to 0.0%, suggesting underlying price pressures continue to moderate. Notably the monthly shelter rate declined over the quarter from 0.6% in April, to 0.3% in May, and 0.1% in June.
- Long-term inflation expectations largely tracked moves of energy over the quarter, with 10-year breakevens finishing June at 2.2% compared to the 2.5% peak in May that corresponded to oil prices peaking.

[1] Source: FRED. Data is as of June 30, 2026.

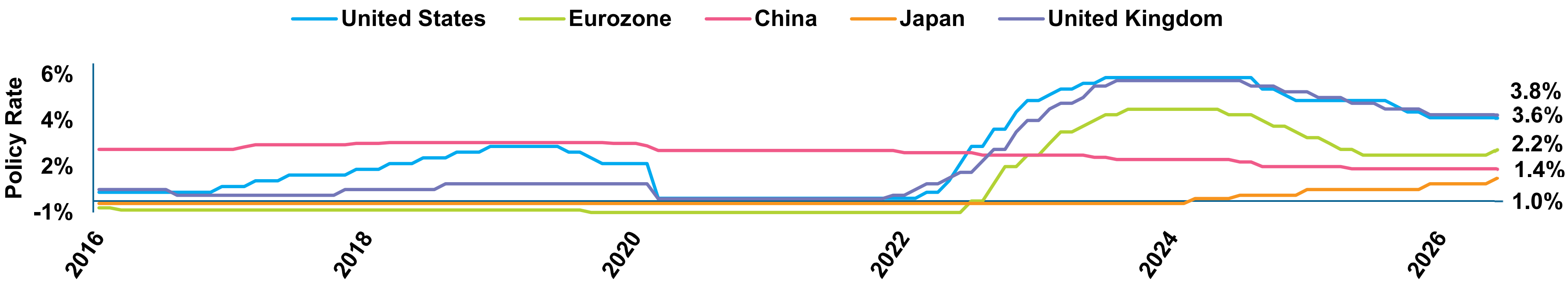
Global Inflation (CPI Trailing Twelve Months)[1]



- Over the quarter Eurozone inflation rose in April (3.0%) and May (3.2%) YoY before declining in June (2.8%) on easing energy prices. Despite the recent decline inflation remains above the ECB's 2% target.
- Japan's inflation was 1.5% at the end of May, up slightly from the 1.4% level in April, but still below the BOJ's 2.0% target. The slight increase was driven by the expiration of government subsidies for electricity and gas.
- China's inflation fell to 1.0% in June from 1.2% in both April and May, mainly because the government cut retail gasoline and diesel prices as the Strait of Hormuz reopened and energy costs fell. Continued food deflation and still-soft core inflation reflecting weak domestic demand also contributed to the lower rate.

[1] Source: Bloomberg. Data is as of June 2026 except for Japan which is as of May 2026.

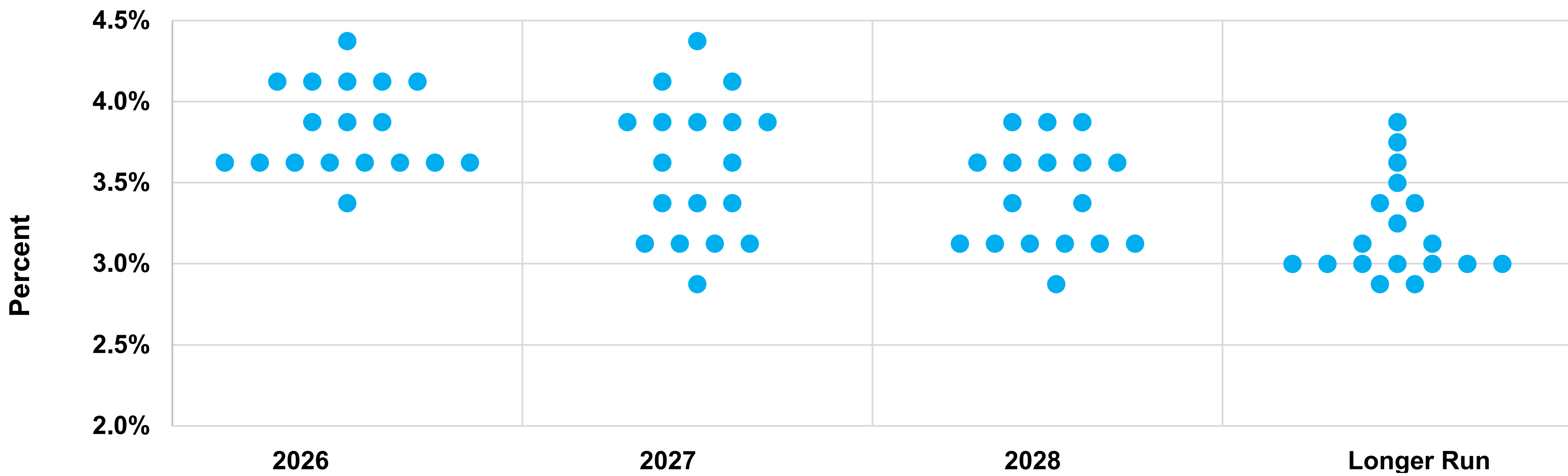
Global Policy Rates[1]



- Global monetary policy stayed tight through the second quarter, as inflation moderated but generally remained above central bank targets. Energy prices led most major central banks to continue signaling the potential for rate increases later this year and next.
- The Federal Reserve held rates steady at 3.5%–3.75% during the second quarter as inflation remained above target and the labor market continues to stabilize. Despite the decline in oil prices markets continue to price a modest probability of a rate hike into 2027.
- The European Central Bank (ECB) raised its policy rate by 0.25% to 2.25% during the quarter given higher energy prices while the Bank of England (BOE) held rates steady. Both the ECB and BOE are expected to tighten further this year, given the impact of higher oil prices on inflation in their regions. Both economies are net importers of oil, exposing them to supply disruption through the Strait of Hormuz.
- The Bank of Japan also increased interest rates over the quarter by 0.25% with markets expecting potentially one additional hike this year.
- China is expected to remain accommodative, with the 7-day reverse repo rate held at a record-low 1.40% since May 2025 and subdued inflation and weak domestic growth pointing to further easing ahead.

[1] Source: Bloomberg. Data is as of June 30, 2026. United States rate is the mid-point of the Federal Funds Target Rate range. Eurozone rate is the ECB Deposit Facility Announcement Rate. Japan rate is the Bank of Japan Unsecured Overnight Call Rate Expected. China rate is the PBOC 7-day Reverse Repo Rate. UK rate is the UK Bank of England Official Bank Rate.

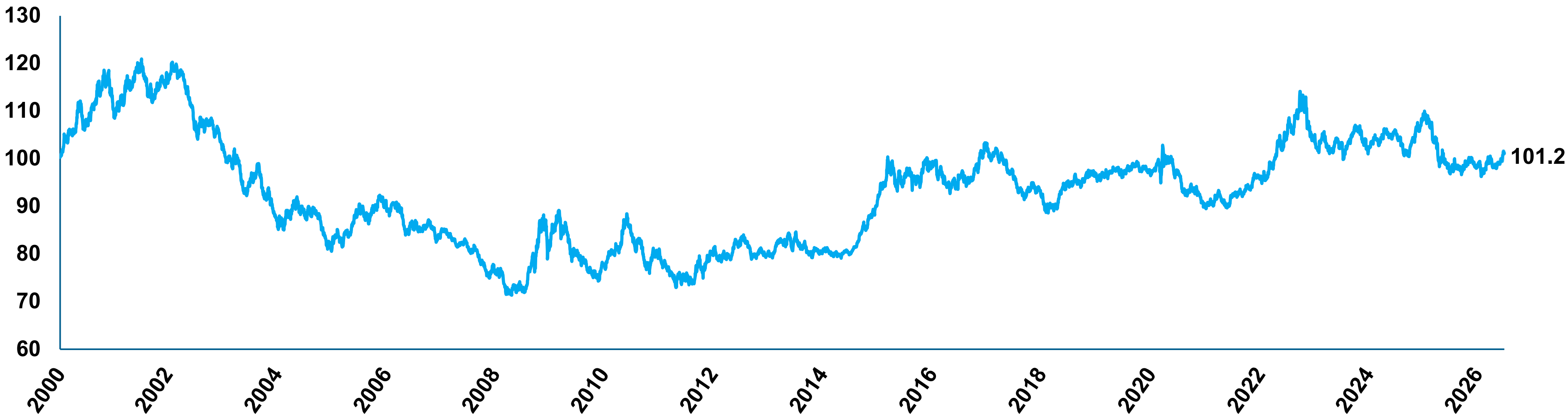
Federal Reserve Dot Plot[1]



- The Federal Reserve's dot plot reflects expectations for interest rates by each member across various periods. Within the Fed, the dot plot reveals notable disagreement, with some members projecting rate increases, others holding steady, and a minority still anticipating cuts before year-end.
- The median June FOMC projection clusters around 3.75% (near the current range) for 2026, with dots dispersed across a wide range from 3.4% to 4.4%. It is worth noting that markets are expecting rates to be higher than the Fed's forecast by year-end. The wide range of forecasts suggests limited consensus regarding whether future policy adjustments will involve additional tightening or eventual easing.
- The median policy rate gradually declines over the projection horizon, implying only modest easing over time. However, the persistent dispersion of forecasts suggests policymakers remain divided on both pace and timing of future rate changes.

[1] Source: June 18, 2026, FOMC Summary of Economic Projections.

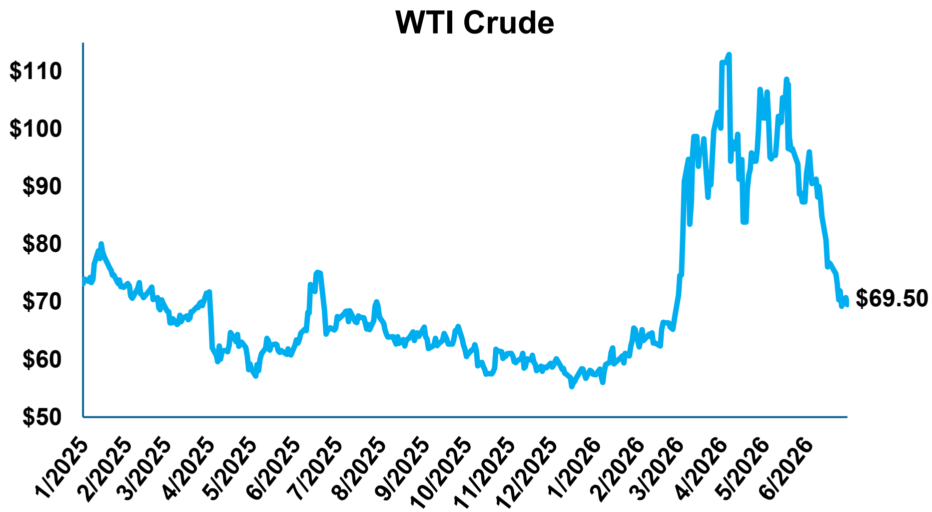
US Dollar vs. Broad Currencies[1]

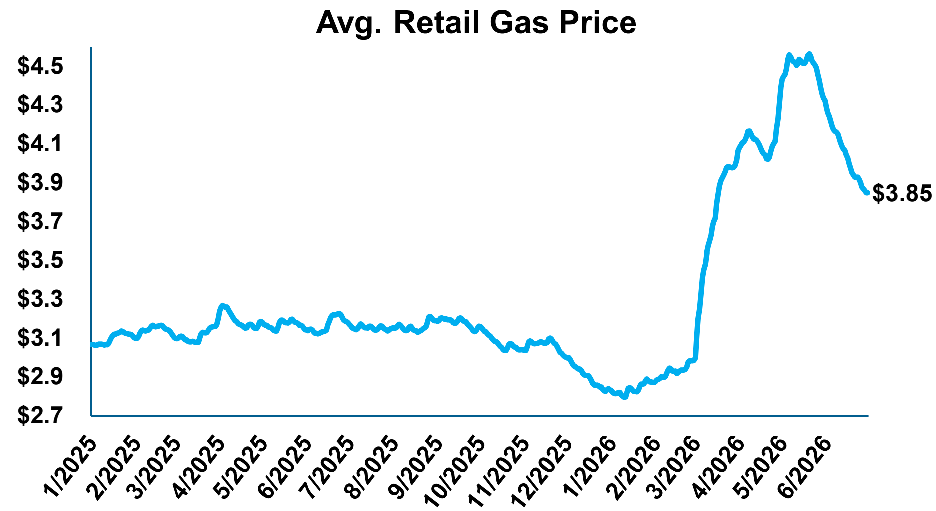


- The US dollar firmed over the second quarter, with the DXY rising from 100.0 at the end of March to 101.2 by quarter-end.
- The gain reflected a higher for longer interest rate backdrop as inflation remained above target and markets reduced expectations for near-term Federal Reserve rate cuts. A stronger dollar modestly reduced returns on unhedged international holdings for US-based investors.
- The dollar remains sensitive to changes in monetary policy expectations, inflation trends, and geopolitical developments. Additionally, policy divergence across regions continues to play a central role in currency markets.

[1] Source: Bloomberg. Data is as of June 30, 2026.

Gas and Oil[1]



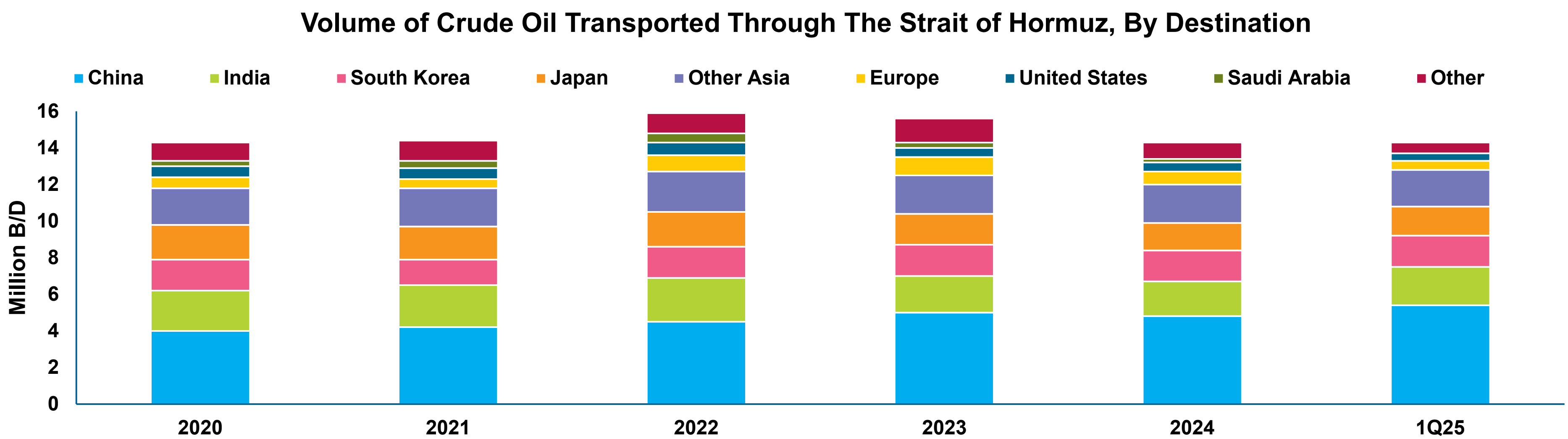


→ Oil prices fell sharply during the second quarter, with WTI crude dropping roughly 32% to finish June at $69.50/barrel. Easing tensions around the Strait of Hormuz and growing optimism over de-escalation in the Middle East relieved supply-disruption fears driving the decline in prices. The pullback reversed most of the run-up that had pushed US crude over $110/barrel earlier in the spring.

→ US retail gasoline prices fell to $3.85/gallon by the end of June, falling back below $4/gallon as the decline in crude filtered through to the pump. While conditions improved during the quarter, energy costs continue to weigh most heavily on lower-income households, where fuel represents a larger share of spending.

[1] Source: Bloomberg. Data is as of June 30, 2026.

Volume of Crude Oil[1]



- The impact of the conflict has remained uneven across regions, shaped by oil dependence and trade flows. The Strait of Hormuz remains a critical chokepoint, and any disruption constrains supply from key exporters such as Saudi Arabia, Iraq, and the UAE while limiting global distribution.
- China remains heavily reliant on Iranian oil (~90% of its imports), while Japan, South Korea, and India depend on broader Gulf supply, amplifying their vulnerability to disruptions.
- Strong US production continues to provide a partial buffer, limiting WTI's upside relative to global benchmarks. The sharp second-quarter decline in prices suggests markets grew more confident that supply would remain adequate as tensions eased, though a recent re-escalation has led to volatility returning.
- The duration and trajectory of the conflict remain the key macro variables, shaping the outlook for both inflation and growth.

[1] Source: Apollo Academy. Data is as of March 31, 2025.

Key Trends

- Global growth expectations remain subdued amid the conflict in the Middle East. The IMF’s April 2026 World Economic Outlook cut projected global growth to 3.1% (from 3.3%), and downside risks continue to dominate, with the renewed escalation capable of pushing growth materially lower.
- The dominant macro tension has shifted. The sharp reversal in oil prices late in the second quarter and the below expectations jobs report has effectively taken a July rate hike off the table for the Fed, but it reflects a one-off energy round-trip rather than resolved underlying inflation. With the ceasefire already fraying and the committee split on the balance of risks, the question has moved from whether the energy spike would force the Fed's hand to whether June's disinflation holds into September, when a hike remains a coin flip. The leadership question, by contrast, is largely settled. Chair Warsh has anchored the Fed to an explicit price-stability mandate, with reduced forward guidance and a reaction function that leaves little tolerance for a renewed inflation impulse.
- US consumers show increasing strain at the lower end, and although gasoline has fallen back below $4/gallon, a rising share of younger and rate-sensitive borrowers is falling behind on debt. The unemployment rate has remained in a narrow band this year, but soft participation and widening dispersion in household financial health point to underlying weakness beneath a still-firm headline labor market.
- US equity performance has been strong, with the rally led by technology and the largest mega-cap constituents and extended by robust emerging market gains in Asia. While leadership has broadened on a year-to-date basis, the second-quarter advance again leaned heavily on technology, while energy and other commodity-sensitive sectors gave back ground as oil prices fell. Into the third quarter, that same concentration is the principal risk with scrutiny turning from AI enthusiasm to the gap between soaring capex and still-thin monetization.

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

MEKETA

San Joaquin County Employees' Retirement Association (SJCERA)

August 14, 2026

California Code 7514.7
Disclosure – Calendar year 2025

Introduction

- California Assembly Bill 2833 was introduced in 2016 and became effective January 1, 2017 as California Government Code 7514.7 (the "Code").
- The Code is intended to require California public pension plans ("California Plans") to obtain and publicly disclose annually certain additional fee and expense data and information.
- The law applies to any private fund that is an alternative investment vehicle whose contract with a California Plan was entered into on or after January 1, 2017, or for any existing contract as of December 31, 2016 for which an additional capital commitment is made on or after January 1, 2017.
- For all other existing contracts, California Plans are required to use reasonable efforts to acquire the information necessary to make the required annual disclosures.

Code Disclosure Requirements

1. The fees and expenses that the California Plan pays directly to the alternative investment vehicle, the fund manager, or related parties.
2. The California Plan's pro rata share of fees and expenses not included in paragraph (1) that are paid from the alternative investment vehicle to the fund manager or related parties. The California Plan may independently calculate this information based on information contractually required to be provided by the alternative investment vehicle to the public investment fund. If the California Plan independently calculates this information, then the alternative investment vehicle shall not be required to provide the information identified in this paragraph.
3. The California Plan's pro rata share of carried interest distributed to the fund manager or related parties.
4. The California Plan's pro rata share of aggregate fees and expenses paid by all of the portfolio companies held within the alternative investment vehicle to the fund manager or related parties.
5. Any additional information described in subdivision (b) of Section 6254.26 of the Code.

   (b) Every California Plan shall disclose the information provided pursuant to subdivision (a) at least once annually in a report presented at a meeting open to the public. The California Plan's report required pursuant to this subdivision shall also include the gross and net rate of return of each alternative investment vehicle, since inception, in which the California Plan participates.

   The California Plan may report the gross and net rate of return and information required by subdivision (a) based on its own calculations or based on calculations provided by the alternative investment vehicle.

Code Section 6254.26 Requirements:

1. The name, address, and vintage year of each alternative investment vehicle.
2. The dollar amount of the commitment made to each alternative investment vehicle by the California Plan since inception.
3. The dollar amount of cash contributions made by the California Plan to each alternative investment vehicle since inception.
4. The dollar amount, on a fiscal year-end basis, of cash distributions received by the California Plan from each alternative investment vehicle.
5. The dollar amount, on a fiscal year-end basis, of cash distributions received by the California Plan plus remaining value of partnership assets attributable to the California Plan's investment in each alternative investment vehicle.
6. The net internal rate of return of each alternative investment vehicle since inception.
7. The investment multiple of each alternative investment vehicle since inception.
8. The dollar amount of the total management fees and costs paid on an annual fiscal year-end basis, by the California Plan to each alternative investment vehicle.
9. The dollar amount of cash profit received by California Plans from each alternative investment vehicle on a fiscal year-end basis.

Alternative Investments –
Private Equity, Private Credit, and Private Real Estate

California Code 7514.7 Disclosure – Calendar year 2025

Code 7514.7 Disclosure Requirement: 2025 Calendar Year Data										
Partnerships - Firm Name	Commitment ($)	Ending Market Value, Net ($)	(Mgmt. Fee) ($)	(Partnership Expenses) ($)	(Offsets Paid) or +Received ($)	(Other Expenses) or +Income Received ($)	(Carried Interest Paid) or +Received ($)	(Fees & Exps. Paid to Affiliates) ($)	(Fees Paid to Underlying Funds Co's) ($)	(Total Fees Paid) or +Capital Returned ($)
AEW	50,000,000	53,810,479	(347,464)	(117,813)	-	2,434,649	-	-	-	1,969,372
AG Core Plus IV	20,000,000	4,795,758	(117,718)	(20,303)	-	(489,088)	-	-	-	(627,109)
Ares Pathfinder II	62,500,000	37,635,940	(372,378)	(120,186)	-	4,216	-	-	-	(488,348)
Berkeley Partners V	40,000,000	30,882,063	(406,929)	-	-	491,086	-	-	-	84,157
Berkeley Partners VI	40,000,000	19,853,576	(795,686)	(17,285)	59,658	(145,504)	-	-	-	(898,817)
Bessemer Forge	20,000,000	22,057,637	(400,000)	(27,511)	-	-	-	-	-	(427,511)
Bessemer Fund XII	30,000,000	16,256,694	(675,000)	(8,018)	-	-	-	-	-	(683,018)
BlackRock – Direct Lending	100,000,000	81,149,350	(904,642)	(443,725)	-	892,668	-	-	-	(455,699)
BlackRock – Global Energy & Power Infrastructure III	50,000,000	36,951,173	(574,279)	(51,944)	13,454	-	-	-	-	(612,769)
BlackRock - Global Infrastructure	50,000,000	41,226,800	(334,526)	(346,717)	-	36,396	-	-	-	(644,847)
Blue Owl Digital Infrastructure	50,000,000	34,523,462	(500,000)	(46,804)	-	-	-	-	-	(546,804)
Capitol Meridian Partners	25,000,000	16,842,246	(500,000)	(299,199)	250,555	-	-	-	-	(548,644)
Crestline Fund II	45,000,000	2,303,196	(1,798)	(90,068)	-	-	-	-	-	(91,866)
Davidson Kemp. V[1]	50,000,000	-	-	-	-	-	-	-	-	-
Greenfield VII	19,122,340	686,343	(8,742)	(19,187)	-	-	(84,675)	-	-	(112,604)
Grandview I	30,000,000	9,160,077	(328,581)	(83,051)	-	-	-	-	-	(411,632)
HPS EU Value II	50,000,000	14,294,220	(427,760)	(124,812)	-	-	(1,056,491)	-	-	(1,609,603)
Invesco US Income Fund	100,000,000	102,742,180	(896,217)	-	-	-	-	-	-	(896,217)
Lightspeed Ventures Select V[1]	40,000,000	-	-	-	-	-	-	-	-	-
Long Arc	25,000,000	35,767,663	(500,000)	(135,970)	79,837	-	-	-	-	(556,133)
Mesa West IV	75,000,000	35,239,386	(607,263)	(133,958)	--	-	-	-	-	(741,221)
Oaktree Middle Market Direct lending	50,000,000	20,038,763	(394,553)	(382,838)	-	-	-	-	-	(777,391)
Oaktree Special Situations	40,000,000	17,948,012	(405,300)	(185,512)	-	26,018	(170,948)	-	-	(735,742)
Ocean Avenue II	40,000,000	14,990,759	0	(70,480)	-	(2,959)	(204,442)	(135,857)	(213,895)	(627,633)
Ocean Avenue III	50,000,000	36,415,246	(284,942)	(89,234)	-	-	(620,861)	(45,593)	(3,216,916)	(4,257,546)
Ocean Avenue IV	50,000,000	52,056,412	(625,000)	(57,361)	-	370,174	-	-	-	(312,187)
Ocean Avenue V	30,000,000	23,238,263	(375,000)	(24,349)	-	(93)	-	-	-	(399,442)

[1] Manager did not respond.

Code 7514.7 Disclosure Requirement: 2025 Calendar Year Data										
Partnerships - Firm Name	Commitment ($)	Ending Market Value, Net ($)	(Mgmt. Fee) ($)	(Partnership Expenses) ($)	(Offsets Paid) or +Received ($)	(Other Expenses) or +Income Received ($)	(Carried Interest Paid) or +Received ($)	(Fees & Exps. Paid to Affiliates) ($)	(Fees Paid to Underlying Funds Co's) ($)	(Total Fees Paid) or +Capital Returned ($)
Principal	25,000,000	39,808,892	(369,587)	(19,576)	-	2,334,393	-	-	-	1,945,230
Ridgemont Equity Partners	50,000,000	43,222,582	(1,000,000)	-	355,732	(235,448)	-	-	-	(879,716)
Silver Point	62,000,000	29,508,093	(265,177)	(39,556)	35,015	-	-	-	-	(269,718)
Silver Rock (2023 Vintage)	62,500,000	54,159,987	(970,345)	(93,388)	-	390,872	(162,283)	-	-	(835,144)
Silver Rock (2025 Vintage)	63,000,000	10,529,697	(23,441)	(90,231)	-	36,315	-	-	-	(77,357)
SROA	50,000,000	34,187,272	(736,527)	(87,702)	-	-	-	-	-	(824,229)
Stellex II	50,000,000	61,938,808	(759,248)	(152,228)	27,046	(291)	-	-	-	(884,721)
Stockbridge III	45,000,000	2,034,979	(67,385)	(50,943)	-	26,873	-	--	-	(91,455)
White Oak – Summit Peer	50,000,000	16,206,961	(184,966)	(169,966)	-	55,932	-	-	-	(299,000)
White Oak - Yield	50,000,000	44,206,835	(381,604)	(231,453)	1,216	607,609	-	-	-	(4,232)

California Code 7514.7 Disclosure – Calendar year 2025

Code Section 6254.26 Disclosure Requirement: Since Inception Date								
Partnerships – Firm Name	Address (City, State)	Vintage	Commitment ($)	Contributions ($)	Distributions ($)	Ending Market Value ($)	Since Inception IRR (%)[1]	Net Equity Multiple – TVPI[1]
AEW	Boston, MA	2023	50,000,000	53,891,180	4,320,962	53,810,479	4.3	1.1
AG Core Plus IV	New York, NY	2014	20,000,000	18,995,510	15,850,000	4,795,758	1.8	1.1
Ares Pathfinder II	Los Angeles, CA	2024	62,500,000	33,986,631	1,432,992	37,635,940	15.6	1.1
Berkeley Partners V	San Francisco, CA	2020	40,000,000	34,277,216	14,201,688	30,882,063	9	1.3
Berkeley Partners VI	San Francisco, CA	2023	40,000,000	20,826,758	1,301,989	19,853,576	1.1[2]	1.0
Bessemer Forge	San Francisco, CA	2023	20,000,000	18,042,645	0	22,057,637	21.2	1.2
Bessemer Fund XII	San Francisco, CA	2024	30,000,000	16,256,694	0	16,256,694	24.9	1.0
BlackRock – Direct Lending	New York, NY	2020	100,000,000	102,388,401	42,816,453	81,149,350	7.2	1.2
BlackRock – Global Power and Energy III	New York, NY	2019	50,000,000	53,766,483	41,745,287	36,951,173	13.5	1.5
BlackRock - Global Infrastructure	New York, NY	2023	50,000,000	36,395,748	1,765,635	41,226,800	13.3	1.2
Blue Owl Digital Infrastructure	New York, NY	2024	50,000,000	30,418,374	0	34,523,462	10.3[2]	1.1
Capitol Meridian Partners	Washington, DC	2024	25,000,000	15,540,439	55,978	16,842,246	5.8	1.1
Crestline Fund II	Dallas, TX	2013	45,000,000	32,440,403	33,252,518	2,303,196	1.6	1.1
Davidson Kemp. V[3]	New York, NY	2017	50,000,000	-	-	-	-	-
Greenfield VII	Westport, CT	2013	19,122,340	18,275,000	31,230,901	686,343	13.7	1.7
Grandview I	Westport, CT	2017	30,000,000	28,323,562	33,358,632	9,160,077	17.2	1.5
HPS EU Value II	New York, NY	2020	50,000,000	51,679,729	46,579,435	14,294,220	14.3	1.2
Invesco US Income Fund	Atlanta, GA	2025	100,000,000	102,314,892	4,142,326	102,742,180	-	1.0
Lightspeed Ventures Select V[3]	San Francisco, CA	2022	40,000,000	-	-	-	-	-
Long Arc	New York, NY	2023	25,000,000	24,269,928	8,174	35,767,663	9.3	1.5
Mesa West IV	Los Angeles, CA	2016	75,000,000	70,000,000	35,237,797	35,239,386	0.2	1.0
Oaktree Middle Market Direct lending	New York, NY	2018	50,000,000	42,625,000	39,107,518	20,038,763	9.9	1.4
Oaktree Special Situations	New York, NY	2023	40,000,000	24,844,593	13,454,351	17,948,012	15.9	1.3
Ocean Avenue II	Los Angeles, CA	2013	40,000,000	36,000,000	66,830,084	14,990,759	15.9	2.4
Ocean Avenue III	Los Angeles, CA	2016	50,000,000	46,500,000	69,519,139	36,415,246	20.4	2.3
Ocean Avenue IV	Los Angeles, CA	2019	50,000,000	49,000,000	37,395,927	52,056,412	22.6	1.8
Ocean Avenue V	Los Angeles, CA	2022	30,000,000	16,650,000	788,835	23,238,263	25.7	1.4

[1] Data provided by Meketa Investment Group's private market performance reporting.
[2] IRR calculation came directly from the manager
[3] Manager did not respond.

Code Section 6254.26 Disclosure Requirement: Since Inception Date								
Partnerships – Firm Name	**Address (City, State)**	**Vintage**	**Commitment ($)**	**Contributions ($)**	**Distributions ($)**	**Ending Market Value ($)**	**Since Inception IRR (%)[1]**	**Net Equity Multiple – TVPI[1]**
Principal	Des Moines, IA	2015	25,000,000	25,000,000	0	39,808,892	4.7	1.6
Ridgemont Equity Partners	Charlotte, NC	2023	50,000,000	37,091,968	0	43,222,582	8.9	1.2
Silver Point	Greenwich, CT	2023	62,000,000	28,623,841	12,700,000	29,508,093	13.8	1.2
Silver Rock (2023 Vintage)	New York, NY	2023	62,500,000	56,602,980	15,889,554	54,159,987	13.8	1.2
Silver Rock (2025 Vintage)	New York, NY	2025	63,000,000	10,325,092	0	10,529,697	-	1.0
SROA	West Palm Beach, FL	2023	50,000,000	40,600,000	1,600,000	34,187,272	2.3[2]	0.9
Stellex II	New York, NY	2021	50,000,000	50,276,543	10,825,617	61,938,808	14.5	1.4
Stockbridge III	San Francisco, CA	2017	45,000,000	41,393,662	55,292,994	2,034,979	11.4	1.4
White Oak – Summit Peer	San Francisco, CA	2016	50,000,000	67,589,518	61,640,856	16,206,961	3.3	1.2
White Oak – Yield Spectrum	San Francisco, CA	2019	50,000,000	62,808,772	23,809,179	44,206,835	2.8	1.1

1 Data provided by Meketa's Real Estate group or Meketa internal reporting service.
2 IRR calculation came directly from manager.

THIS REPORT (THE “REPORT”) HAS BEEN PREPARED FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE “RECIPIENT”).

SIGNIFICANT EVENTS MAY OCCUR (OR HAVE OCCURRED) AFTER THE DATE OF THIS REPORT, AND IT IS NOT OUR FUNCTION OR RESPONSIBILITY TO UPDATE THIS REPORT. THE INFORMATION CONTAINED HEREIN, INCLUDING ANY OPINIONS OR RECOMMENDATIONS, REPRESENTS OUR GOOD FAITH VIEWS AS OF THE DATE OF THIS REPORT AND IS SUBJECT TO CHANGE AT ANY TIME. ALL INVESTMENTS INVOLVE RISK, AND THERE CAN BE NO GUARANTEE THAT THE STRATEGIES, TACTICS, AND METHODS DISCUSSED HERE WILL BE SUCCESSFUL.

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2026 Annual SJCERA Investment Roundtable

October 15, 2026

7:15 a. m. – 4:00 p.m.

Wine & Roses
2505 Turner Road
Lodi, CA 95242
(209)334-6988

AGENDA

Thursday, October 15, 2026			Duration (Minutes)
I.	7:15 a.m.	Roundtable Registration & Continental Breakfast	:45
II.	8:00 a.m.	Roll Call Pledge of Allegiance Welcome and Introduction of Participants	:15
III.	8:15 a.m.	Overview of SJCERA – Asset Allocation, return/risk, goals, and objectives. (David Sancewich - Meketa)	:30
IV.	8:45 a.m.	Keynote Speaker – The state of the world in 2026 and beyond. (TBD)	1h:00
V.	9:45 a.m.	Break	:30
VI.	10:15 a.m.	Private Markets Investing (Private Equity, Private Credit, Infrastructure) – What's next and where are the markets today? Will Private market increase distributions and M&A activity? (TBD)	1h:00

VII.	11:15 a.m.	Real Estate –What lies ahead in Real Estate and where are the opportunities? Has Office bottomed? ? What are some emerging market constraints in Real Estate? (TBD)	:45
VIII.	12:00 p.m.	Lunch	1h:15
IX.	1:15 p.m.	Manager Debate: In a classic debate format; watch teams of managers debate various topics. (TBD)	:45
X.	2:00 p.m.	Inflation, Stagflation, and AI – When will inflation moderate and what are the implications? The global economy has been faced with historically high inflation alongside slowing economic growth. What is the risk of Stagflation? What does a more normalized economic market look like from here? What investment trends make sense over the next three to five years given this backdrop? (TBD)	1h:00
XI.	3:00 p.m.	Break	:15
XII.	3:15 p.m.	Open Discussion and Re-Cap (David Sancewich - Meketa) Comments from the Board Comments from the Public	:45
XIII.	4:00 p.m.	Adjournment	

MEKETA
INVESTMENT GROUP

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503.226.1050Mek
eta.com

MEMORANDUM

TO: SJCERA Board of Retirement
FROM: Meketa Investment Group
DATE: August 14, 2026
RE: Crypto Investments and SJCERA Policy

SJCERA and Meketa have recently become aware that one of its investment managers is considering adding cryptocurrency-related exposure to a strategy in which SJCERA participates. Although that manager may offer a separate share class without cryptocurrency exposure, the issue is broader than a single manager or investment.

Cryptocurrency exposure may arise through futures, derivatives, commingled funds, separate accounts, or other investment vehicles. Given the volatility, valuation, custody, regulatory, cybersecurity, and market-structure concerns associated with these investments, Meketa does not presently believe cryptocurrency exposure is appropriate for SJCERA's portfolio.

Absent clear Board direction, similar issues may arise with other current or prospective managers. Addressing the matter on a portfolio-wide basis will provide consistent guidance and allow Meketa to evaluate manager proposals and mandate changes against a clearly stated position.

A formal amendment to SJCERA's Investment Policy Statement is expected to be presented to the Board in November. In the interim, Meketa recommends that the Board direct that SJCERA not approve or knowingly accept any new direct or indirect cryptocurrency exposure.

This interim direction would allow Meketa to communicate the Board's position to current and prospective managers and to identify proposed cryptocurrency exposure before it is introduced into a strategy in which SJCERA participates. Any formal definitions, exceptions, or implementation provisions can be addressed as part of the November policy amendment.

Recommended Action:

Direct that, pending consideration of a formal Investment Policy Statement amendment in November, SJCERA will not approve or knowingly accept any new direct or indirect exposure to cryptocurrency or cryptocurrency-related instruments.

Board of Retirement Meeting
San Joaquin County Employees' Retirement Association

Agenda Item 10.0

August 14, 2026

SUBJECT: Actuarial Report and 2027 Retirement Contribution Rates

SUBMITTED FOR: __ CONSENT _X_ ACTION ___ INFORMATION

RECOMMENDATION

Staff recommends the Board of Retirement:

1. Accept and file the Annual Actuarial Valuation Report as of December 31, 2025, as prepared by Cheiron, and approve the employer and member contribution rates for calendar year 2027 presented therein.
2. Approve Resolution 2026-08-01, titled "2027 Retirement Contribution Rates," which implements these recommendations.

PURPOSE

The primary purpose of the actuarial valuation is to measure, describe, and identify the following:

- SJCERA's financial condition
- Past and future expected trends in SJCERA's financial progress
- Assessment and disclosure of key risks
- Employer and employee contribution rates for the Plan Year 2027

DISCUSSION

The December 31, 2025 valuation is calculated using the assumptions identified in Appendix B, including a 6.75% discount rate.

Financial Condition

The funded ratio based on the Market Value of Assets (MVA) increased from 76.5% last year to 83.2% this year. The funded ratio based on the Actuarial Value of Assets (AVA) increased from 77.9% to 81.0%.

The Unfunded Actuarial Liability (UAL) is the excess of actuarial liability over the AVA. The UAL decreased $134,929,943 (10.0%) from $1,344,293,937 last year to $1,209,363,994 this year.

Cash Flows

SJCERA's net cash flow (contributions less benefit payments and administrative expenses) has been positive for the last eight years due to the increase in the contribution rates and the additional contributions being made by the County, Superior Court, and Mosquito and Vector Control.

Assets and Liabilities

The AVA (smoothed) funded ratio has increased from 64.6% in 2016 to 81.0% in 2025. Within the report, there are two noteworthy projections. The projected funded status on a market-value basis increases over the next 20 years to 116%, assuming the actuarial assumption rate is achieved. If the 5% additional employer contributions continue, we expect to be fully funded by December 31, 2030.

Employer and Employee Contribution Rates

The employer contribution composite rate will decrease by 1.38% of payroll in 2027. The main driver is the assumption changes.

2027 Contribution Rates are shown in the table below.

CONTRIBUTION TYPE		2027				2026			
		Contribution Rates as a Percentage of Active Member Payroll							
		TIER 1			TIER 2	TIER 1			TIER 2
		Members Pay Basic Rate Only	Members Pay Basic w/ COLA Cost Share	Members Pay Basic w /COLA Cost Share Plus[1]		Members Pay Basic Rate Only	Members Pay Basic w/COLA Cost Share	Members Pay Basic w/COLA Cost Share Plus[1]	
Employer	General	45.02%	42.43%	41.85%	36.77%	46.07%	43.48%	42.90%	37.81%
	Safety	96.30%	91.24%	89.53%	79.22%	99.23%	94.13%	92.40%	82.02%
	Composite	**56.22%**	**53.09%**	**52.26%**	**42.18%**	**57.23%**	**54.12%**	**53.30%**	**43.27%**
Member[2]	General	3.15%-5.49%	5.04%-9.13%	5.49%-9.90%	9.49%	3.15%-5.49%	5.04%-9.13%	5.49%-9.90%	9.54%
	Safety	4.74%-6.98%	9.34%-13.13%	10.91%-15.43%	15.22%	4.74%-6.98%	9.34%-13.13%	10.91%-15.43%	15.16%

1. *"Plus" refers to additional contributions members have agreed to pay (up to 14% of the Basic General Member Contribution Rate, and 33% of the Basic Safety Member Contribution Rate).*
2. *Tier 1 member contribution rates vary by entry age; Table presents the range.*

Upon the Board's adoption of proposed Resolution 2026-08-01, staff will transmit the Retirement Contribution Rates for 2027 to each participating employer at least 45 days before the effective date of the new rates for formal adoption by their respective Boards.

ATTACHMENTS
Actuarial Valuation Report as of December 31, 2025
Resolution 2026-08-01, titled "*2027 Retirement Contribution Rates"*

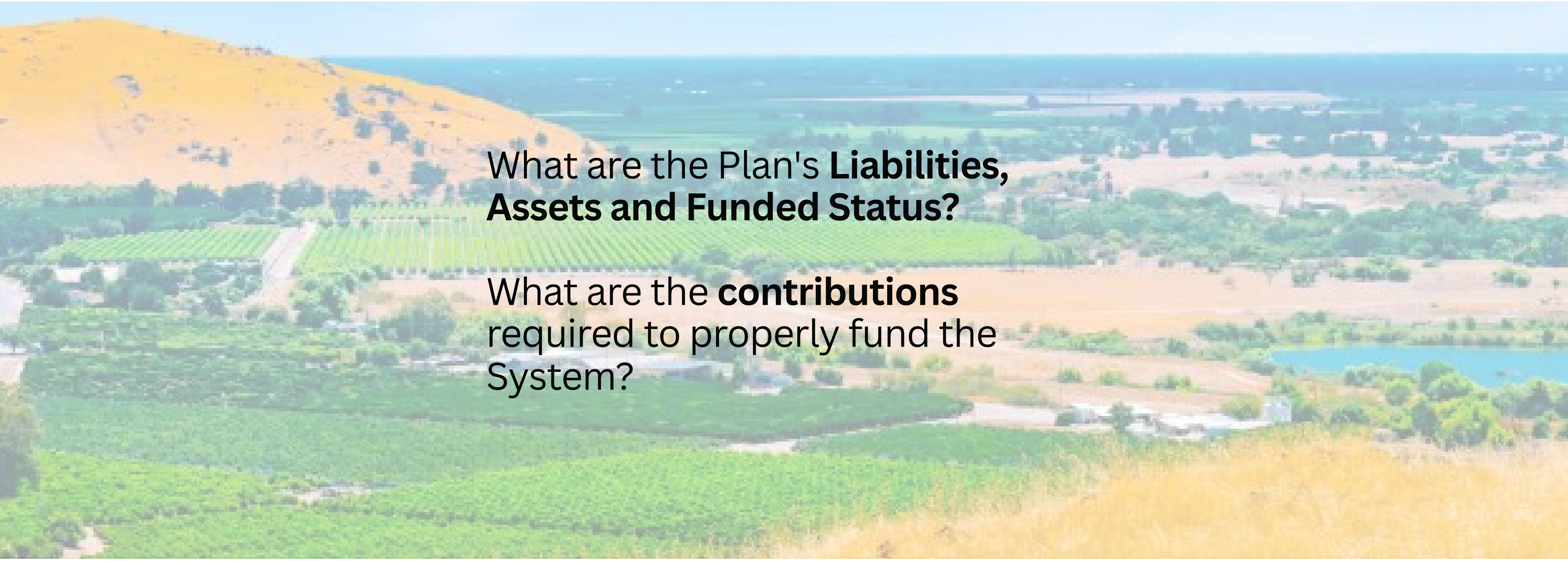
RENEE OSTRANDER
Chief Executive Officer

GREG FRANK
Management Analyst III

San Joaquin County Employees' Retirement Association (SJCERA)

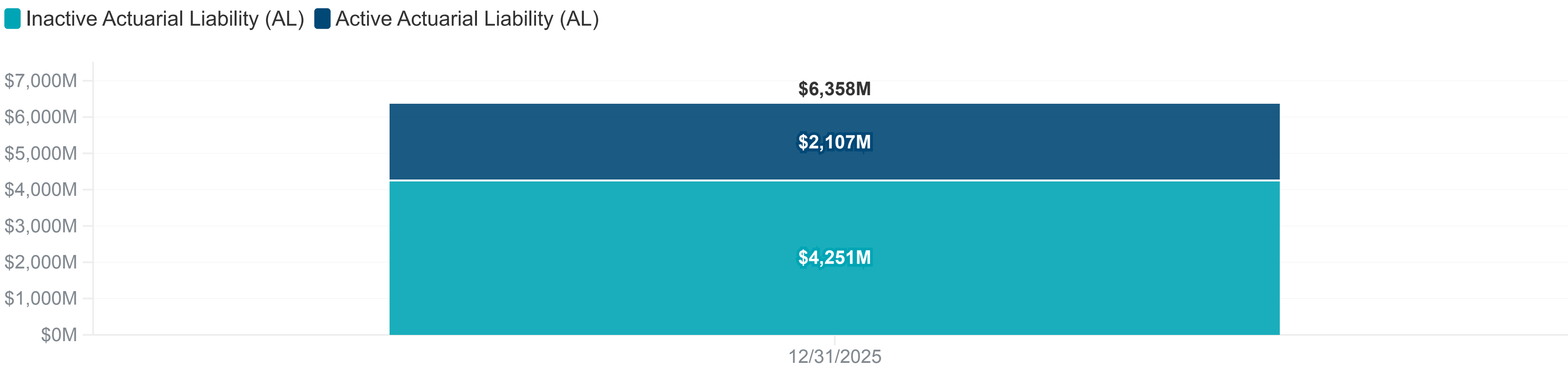
Summary of the Preliminary Actuarial Valuation as of December 31, 2025

We start by reviewing the current condition of the Plan as of the measurement date (12/31/2025), based on the same actuarial assumptions as were used in the prior valuation. We are not recommending any changes to the assumptions for this valuation; the next Experience Study will cover the period from 1/1/2025 - 12/31/2027.



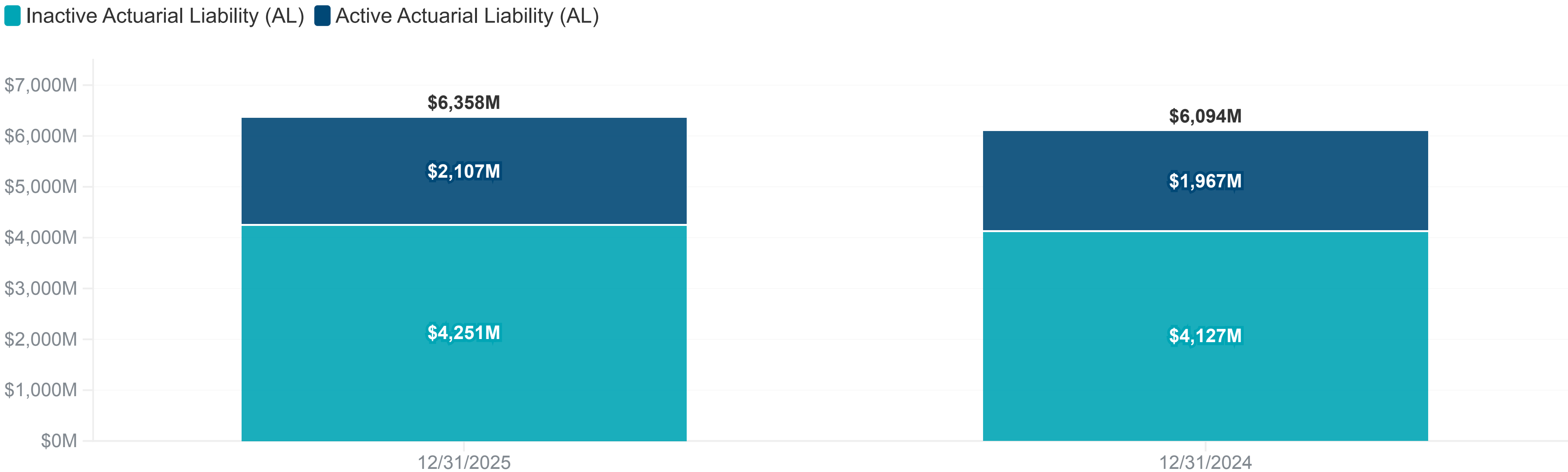
We first review the value of the benefits already earned, known as the **Actuarial Liability**, or the current funding target for the assets. The Actuarial Liability is shown divided between the Active Liability (for members still working) and the Inactive Liability (for members in pay status or eligible for a deferred benefit).

All | 12/31/2025 | 12/31/2024

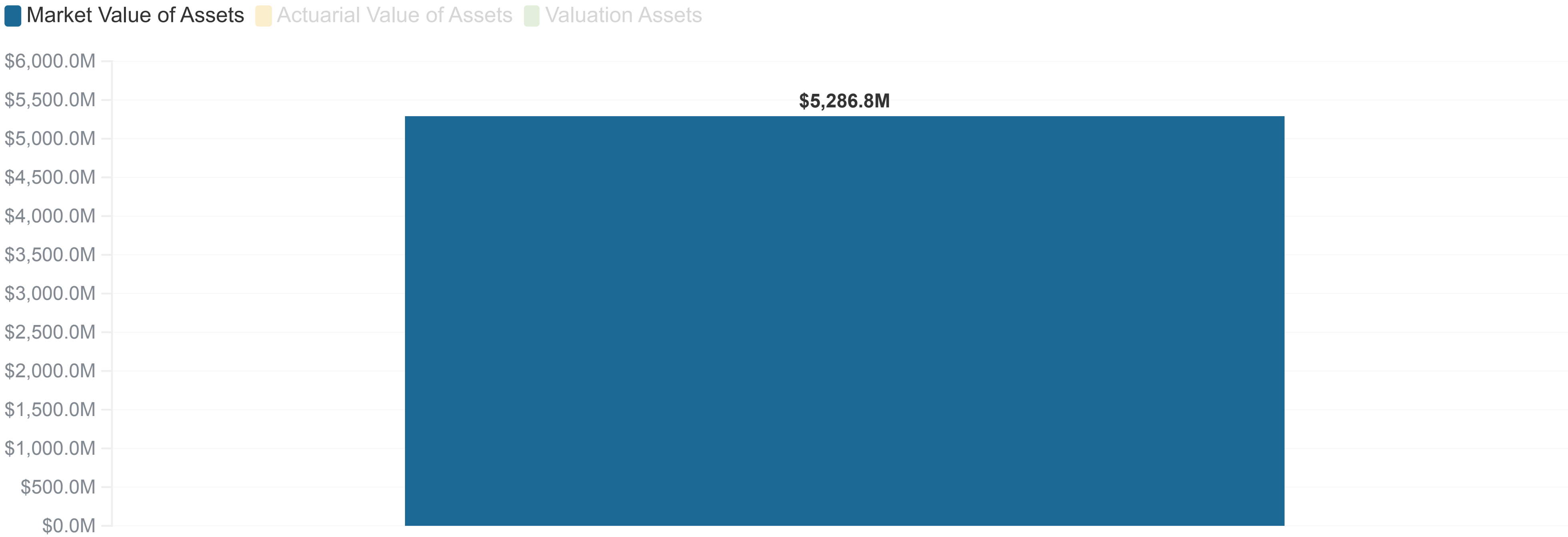


The Actuarial Liability has increased by about $264M since the prior year, or 4.3%.

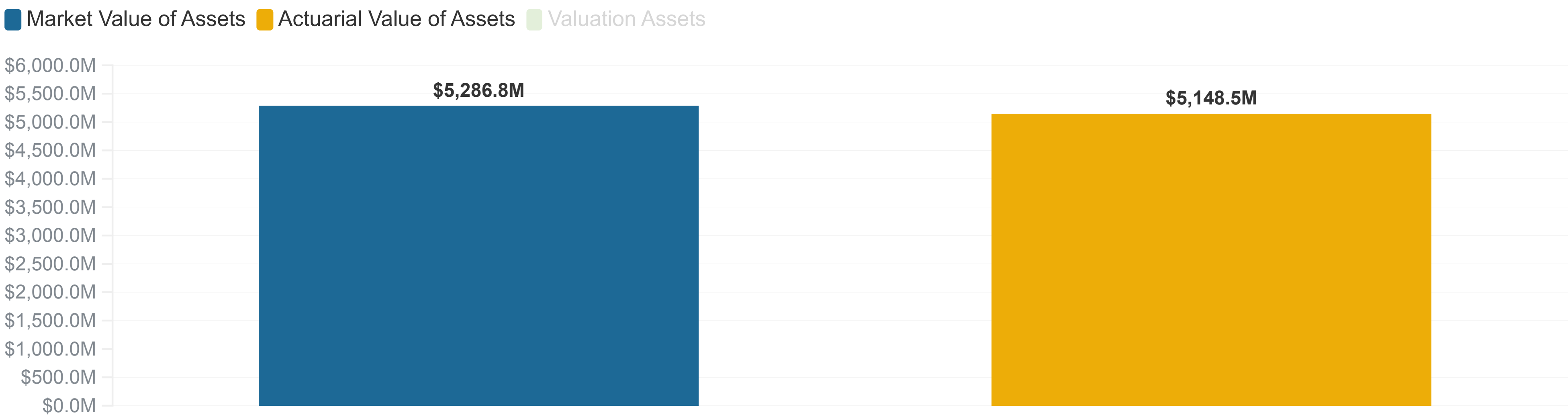
All | 12/31/2025 | 12/31/2024



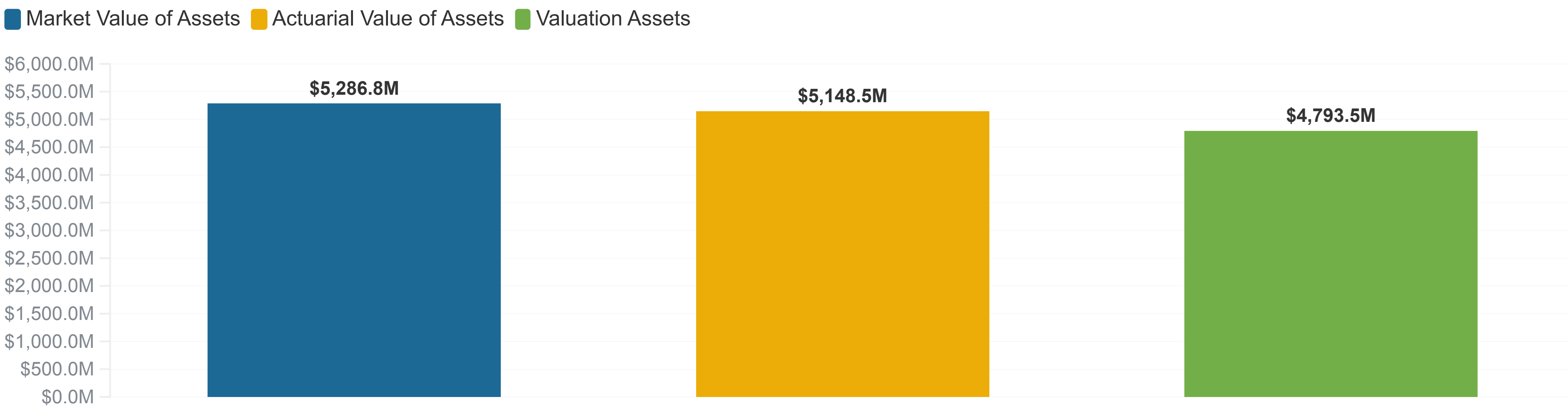
Turning to the Plan's assets, the **Market Value of Assets (MVA)** is the **Fair Value** as of the **Measurement Date,** December 31, 2025.



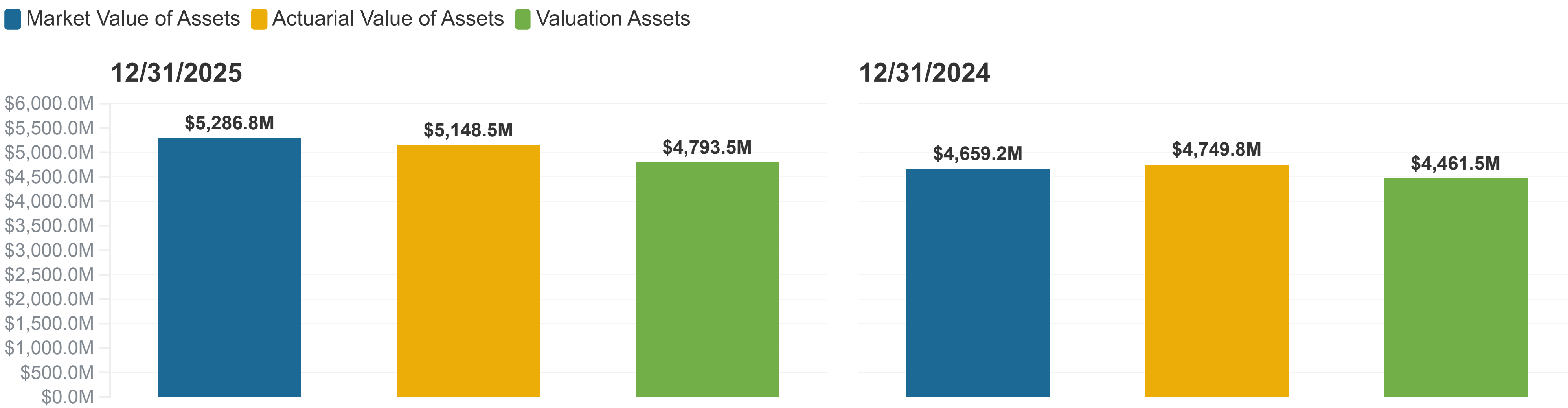
The Market Value can fluctuate from year to year because of significant changes in the investment markets. We also calculate a smoothed value, the **Actuarial Value of Assets (AVA)**, to reduce volatility in the contributions and understand trends in funded status. There are currently about $138 million dollars in net prior gains yet to be recognized in the smoothed asset value, so the AVA is currently less than the MVA by this amount.



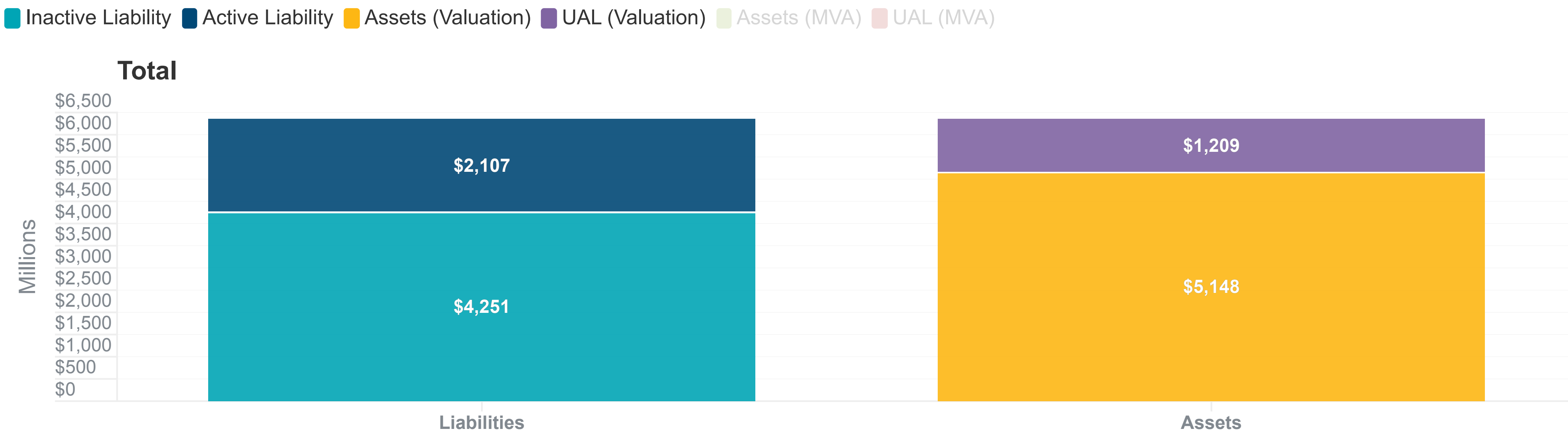
Finally we calculate the **Valuation Assets**, based on the Actuarial Value, but **excluding the amount in the Special or Non-Valuation Reserves**. For SJCERA, the main non-valuation reserves are the **Contingency Reserve** (which has been drawn close to $0) and the **Additional Employer Contribution Reserves** ($355M, on behalf of the County, Courts, and Mosquito District). The Valuation Assets are used to calculate the employer contribution rate.



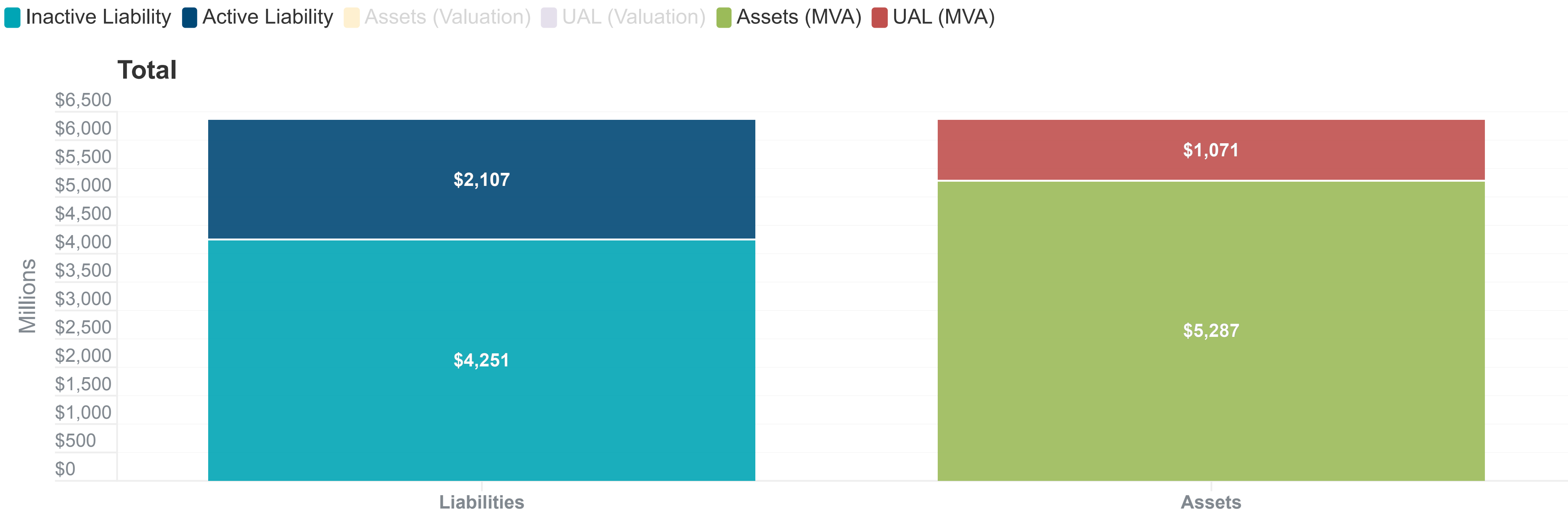
The asset values have all increased since the prior year, with the market value of assets growing by almost 13.5%, reflecting an 11.8% investment return, plus a 1.6% increase from contribution cash flows exceeding benefit payments and expenses by about $7M. The actuarial and valuation assets have increased somewhat less: by about 8.4% and 7.4%, respectively, because of the impact of smoothing, with returns of 6.8% and 6.5%, respectively.



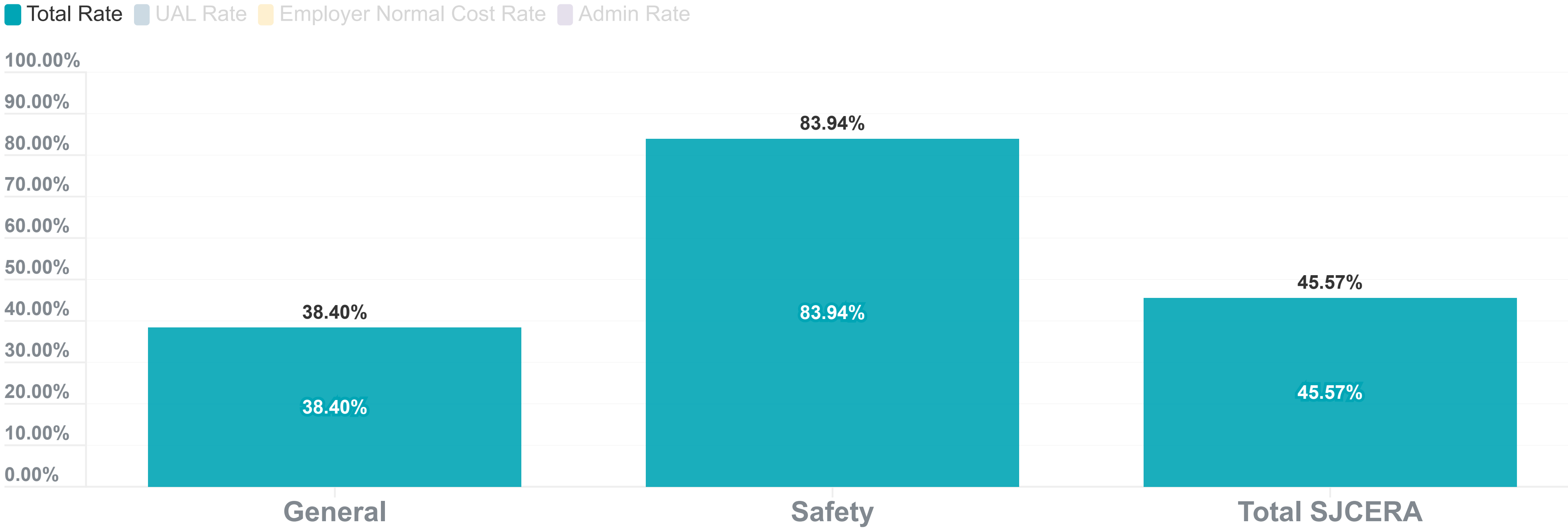
Next, we review the **Funded Status** of the Plan. The **Unfunded Actuarial Liability (UAL)** is calculated by subtracting the **Valuation Assets** (plus the supplemental employer reserves) from the **Actuarial Liability**. The **Funded Ratio** is calculated by dividing the assets by the liabilities: **81.0% as of December 31, 2025**, up from 77.9% the prior year.



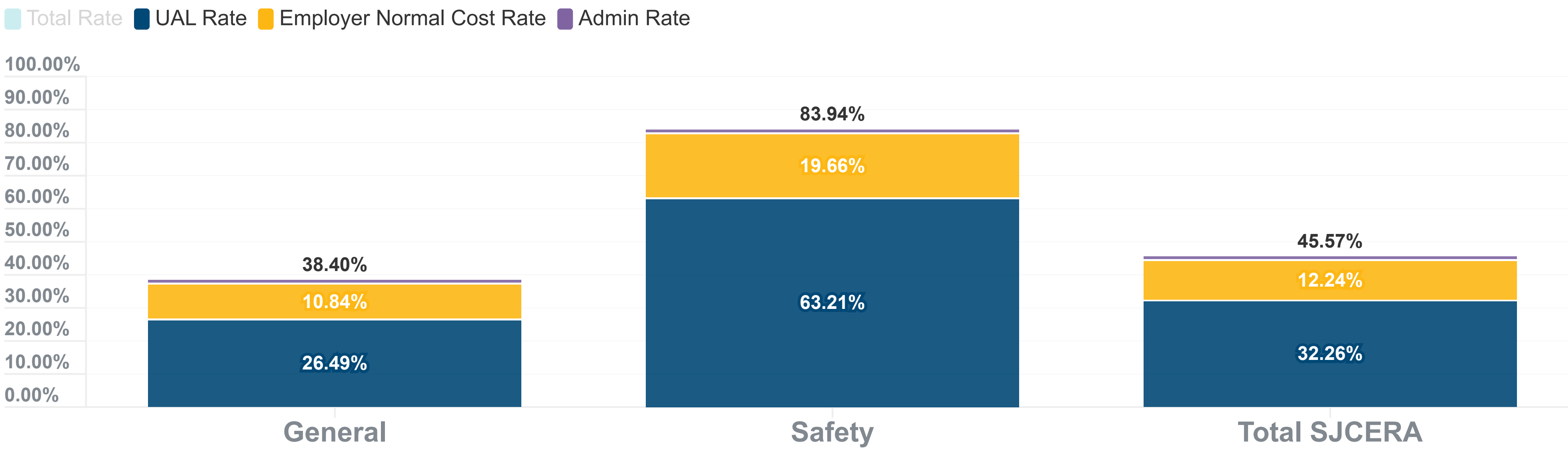
We also show these results on a **Market Value** basis, which is used in the Plan's financial reporting (GASB). The funded ratio was **83.2% as of December 31, 2025** on this basis (up from 76.5% the prior year).



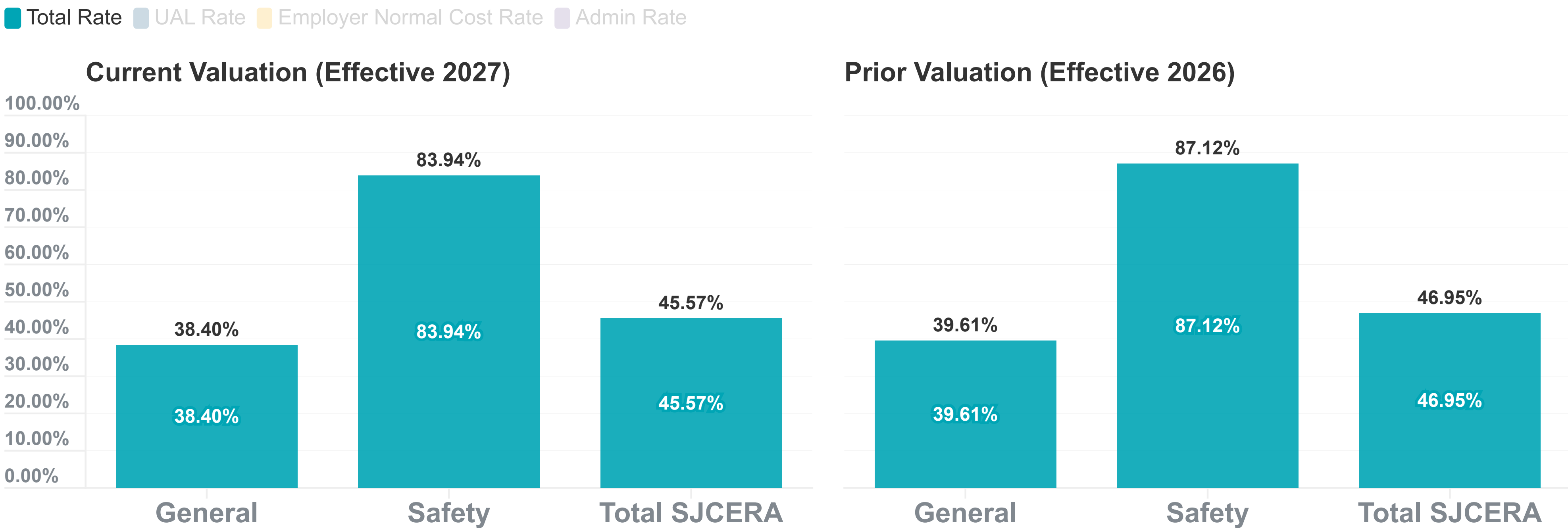
Next, we review the **Actuarially Determined Contributions (ADC)** for the Plan, shown as a *percentage of projected pay,* for each employee class and for the Plan as a whole.



The contributions are made up of the **Unfunded Actuarial Liability Amortization** payment, or the amount needed to pay off the unfunded liability over the period of time designated in the Plan's funding policy, plus the **Normal Cost**, or the cost assigned to this year's active benefits earned, net of member contributions, plus a small payment to cover the employers' share of the **Administrative Expenses.**

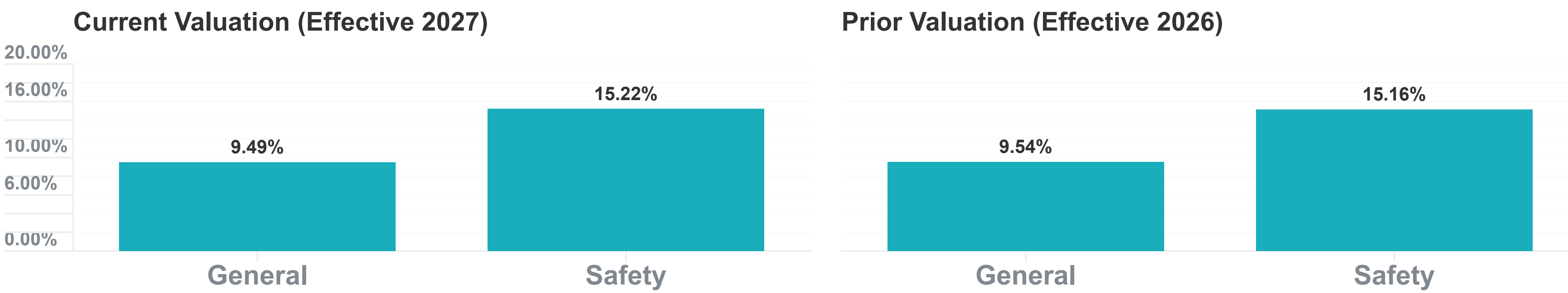


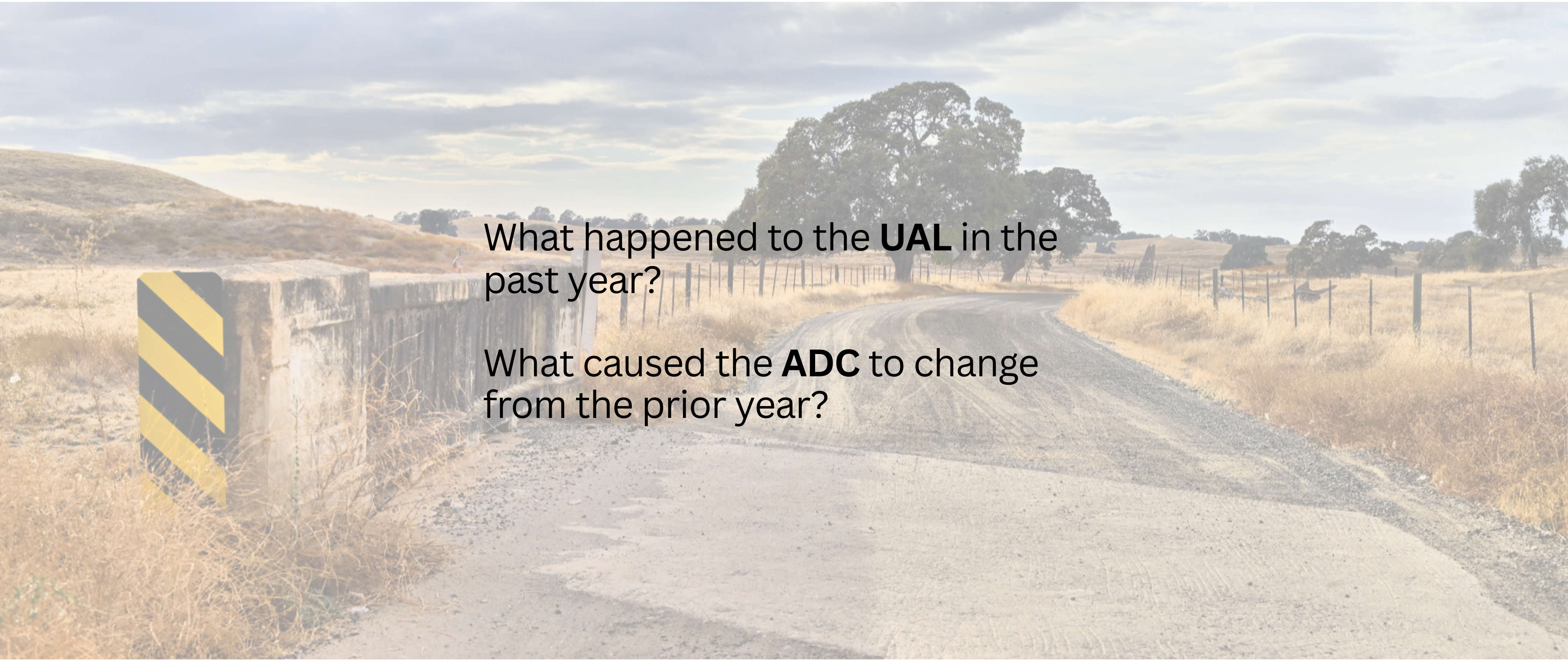
The contribution rates have decreased since last year: by about 1.2% for General, 3.2% for Safety, and 1.4% in total.



The report also includes the member contribution rates. The rates for the Legacy members are based on each member's Age at Entry and don't change unless there is a change in the actuarial assumptions; thus the Tier 1 member rates are unchanged from last year's report. The PEPRA members are required under law to contribute 50% of the Normal Cost for their benefits; these rates are recalculated each year, though the rates changed only slightly this year (a 0.05% of pay decline for General Tier 2/2B, a 0.06% of pay increase for Safety).

PEPRA (Tier 2/2B) Member Contribution Rates





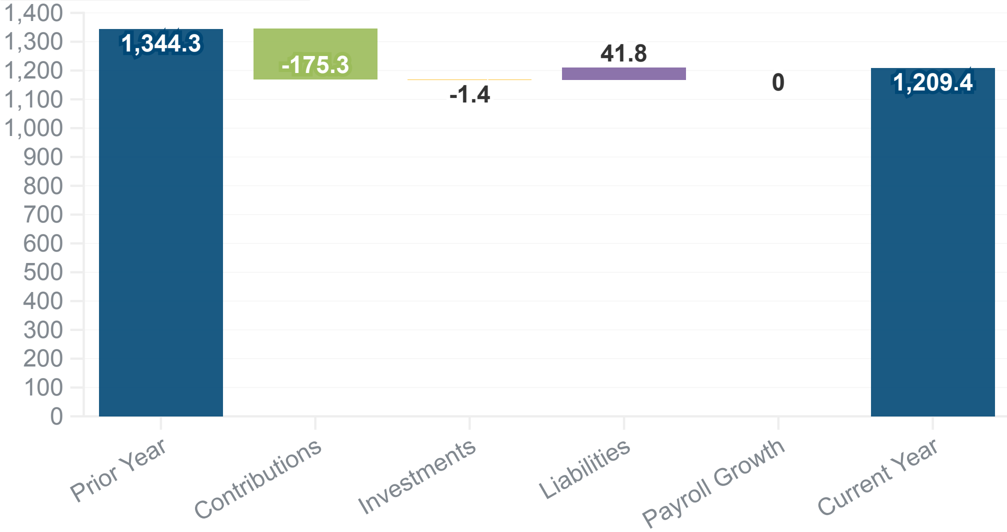
What happened to the **UAL** in the past year?

What caused the **ADC** to change from the prior year?

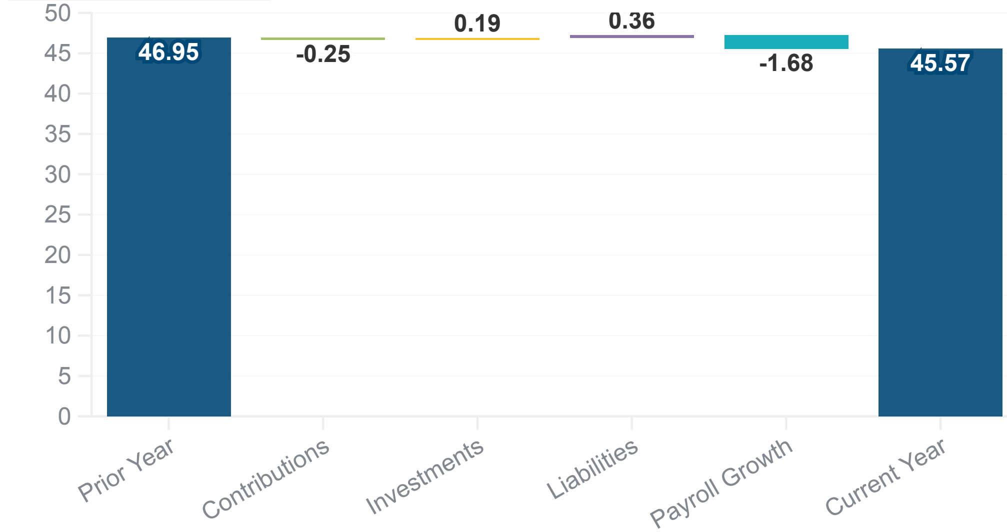
We review the change in UAL and ADC over the past year. As of the prior valuation, the UAL was $1.34 billion and the ADC was 46.95% of pay.

UAL and ADC Change by Source

UAL ($ in Millions)

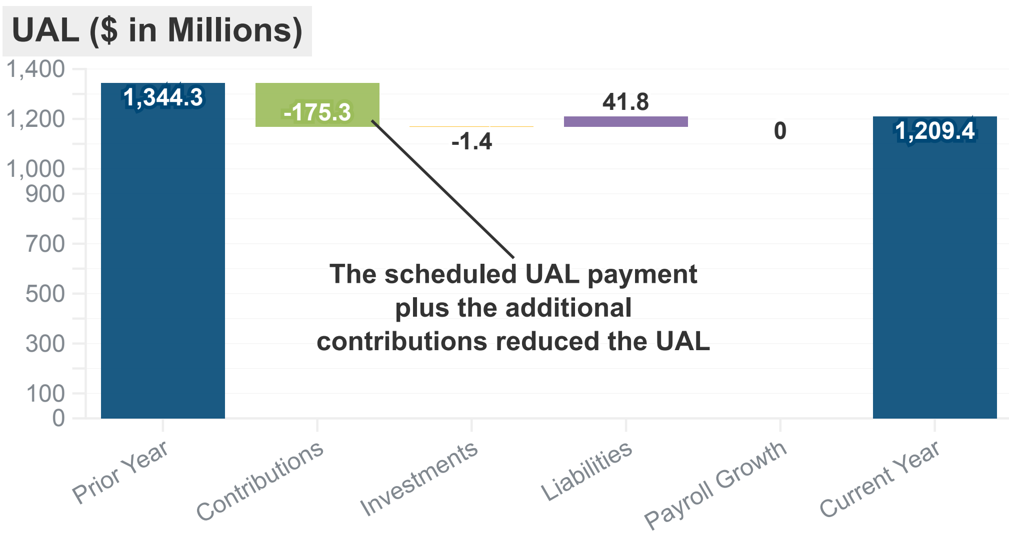


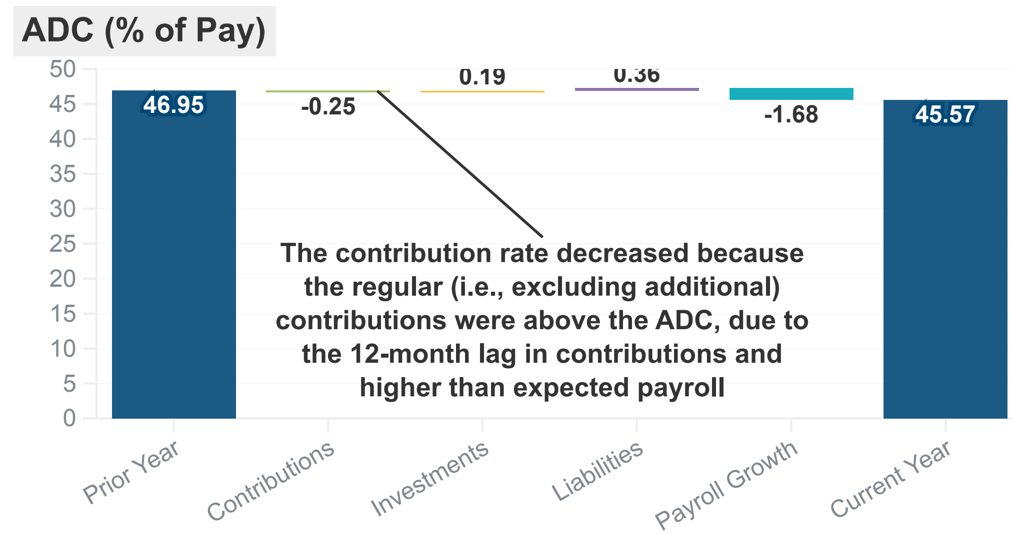
ADC (% of Pay)



Contributions (including the additional contributions made by the County, Courts, and Mosquito District) exceeded the Normal Cost plus interest on the UAL, reducing the UAL. The regular contributions were higher than the prior year's actuarially determined contributions, reducing the current year rate.

UAL and ADC Change by Source

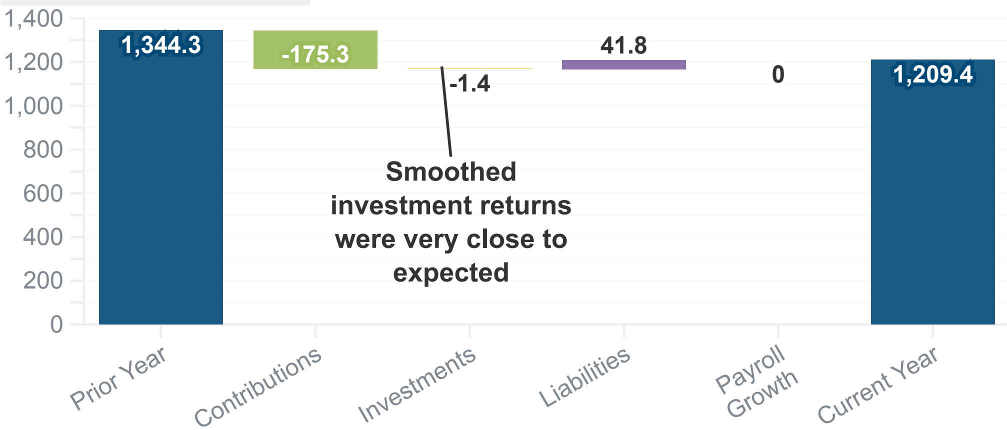




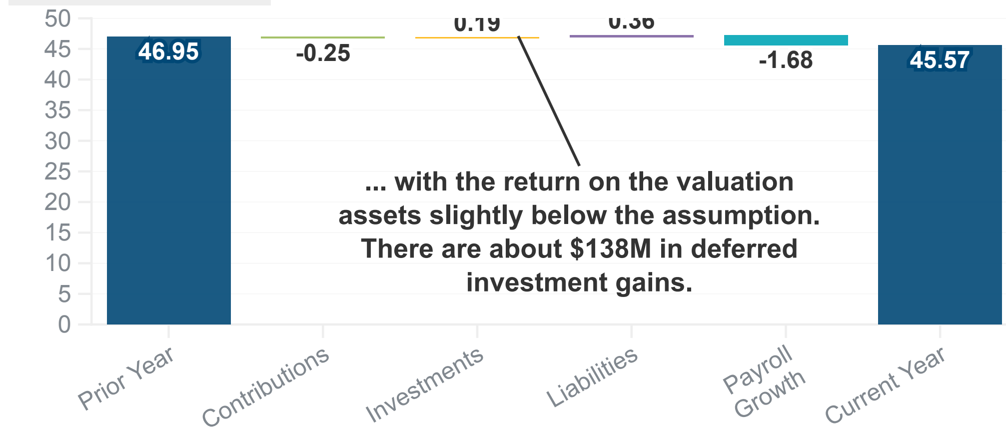
Investments earned more than the 6.75% expected return on a market basis (an 11.78% return), and almost exactly the assumed rate on a smoothed/AVA basis (6.78%), reducing the UAL slightly. However, the ***valuation asset*** return (excluding the additional employer contributions) was only 6.45%, increasing the ADC.

UAL and ADC Change by Source

UAL ($ in Millions)

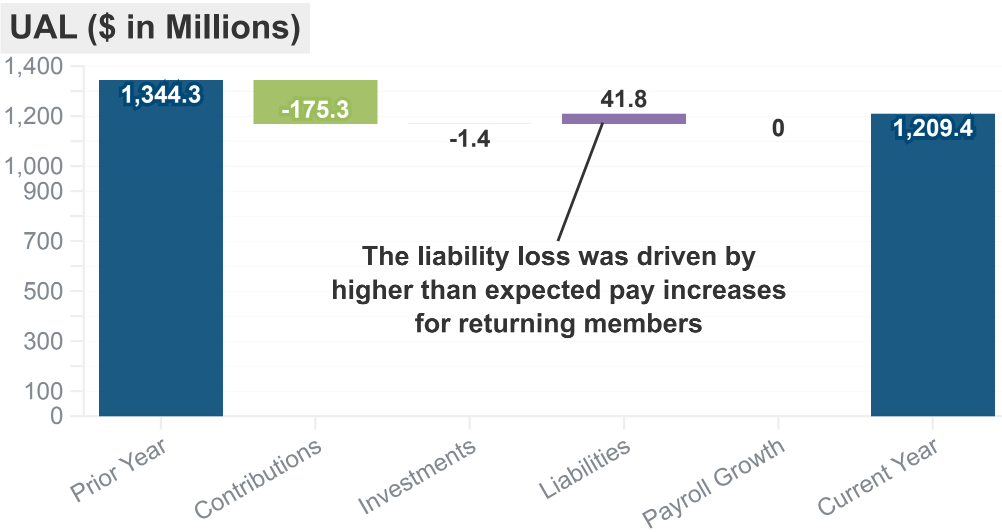


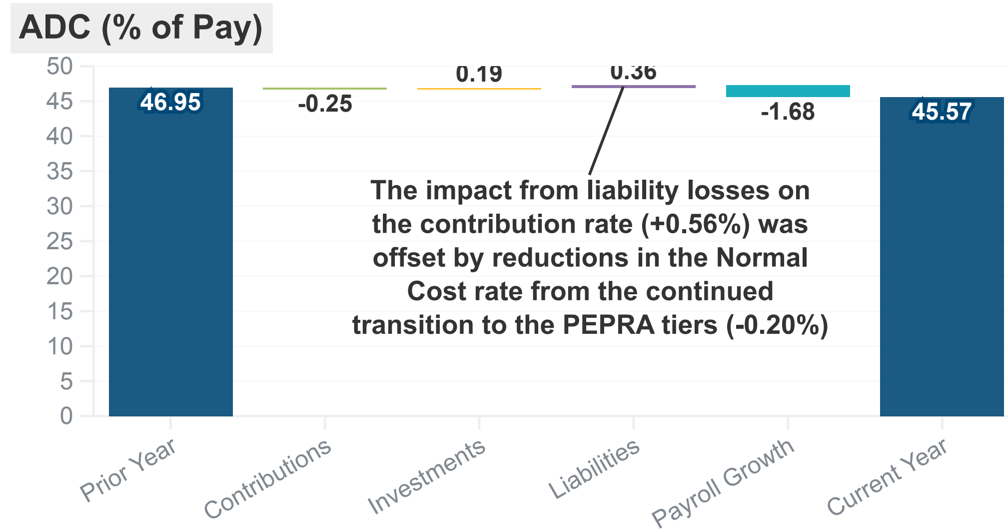
ADC (% of Pay)



Liabilities were higher than expected, increasing the UAL and the amortization payment. The impact on the ADC was slightly offset by the continued decline in the Normal Cost rate caused by the transition to PEPRA members.

UAL and ADC Change by Source





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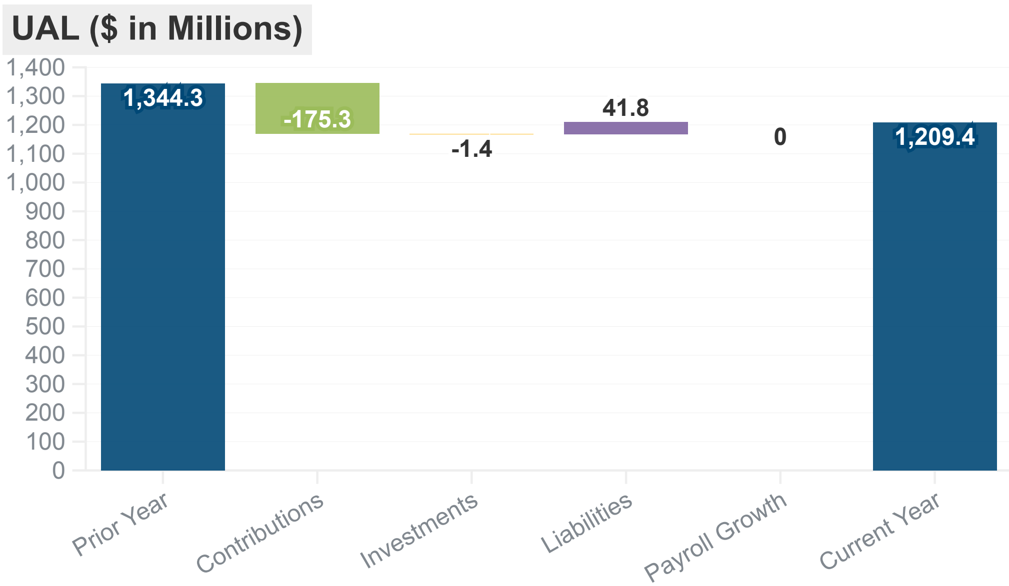
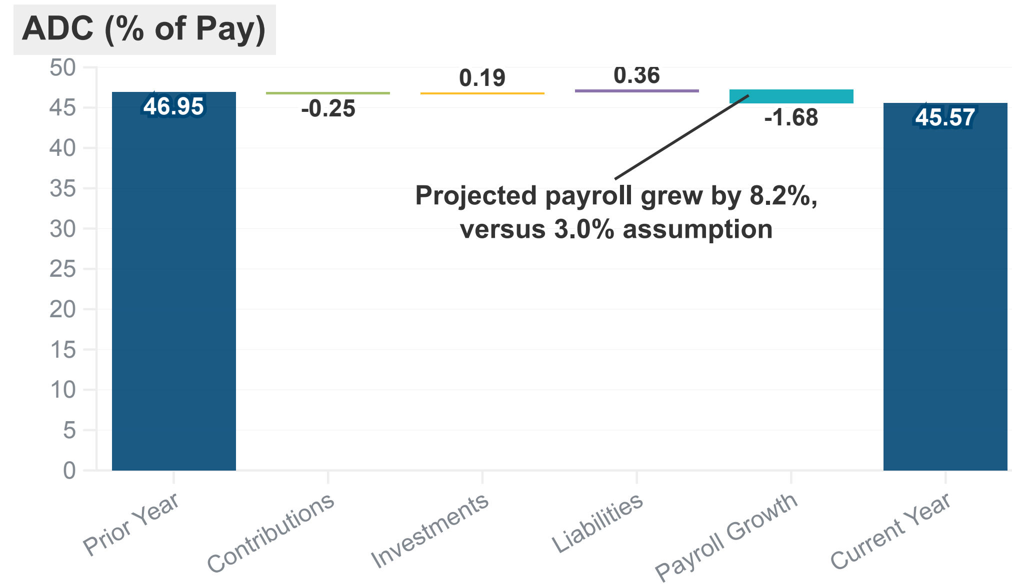
The payroll grew faster than expected and this reduced the ADC since the UAL payment is spread over a smaller base. Payroll growth does not impact the UAL.

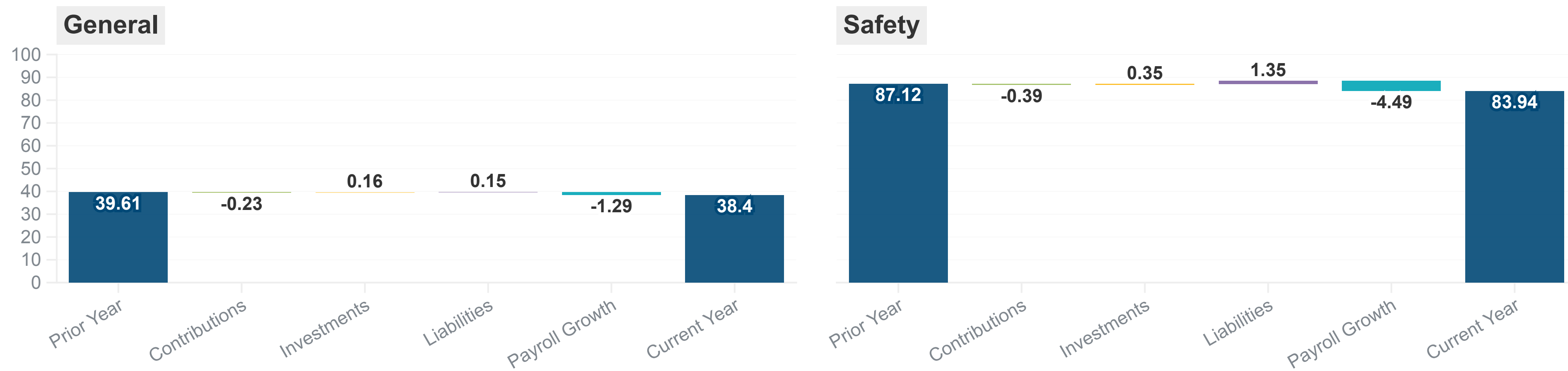
UAL and ADC Change by Source



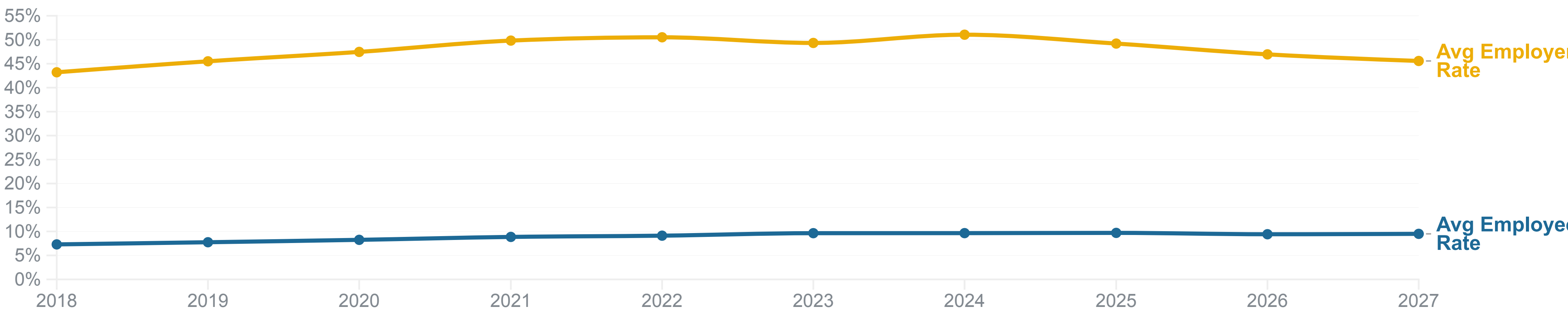


Similar factors affected the General and Safety ADC rates, though the Safety group will typically exhibit more contribution rate volatility, because of their higher ratio of assets and liabilities to payroll. This year, the Safety payroll grew by 10.2% (vs. 7.8% for General), driving the significant reduction in rates due to payroll growth

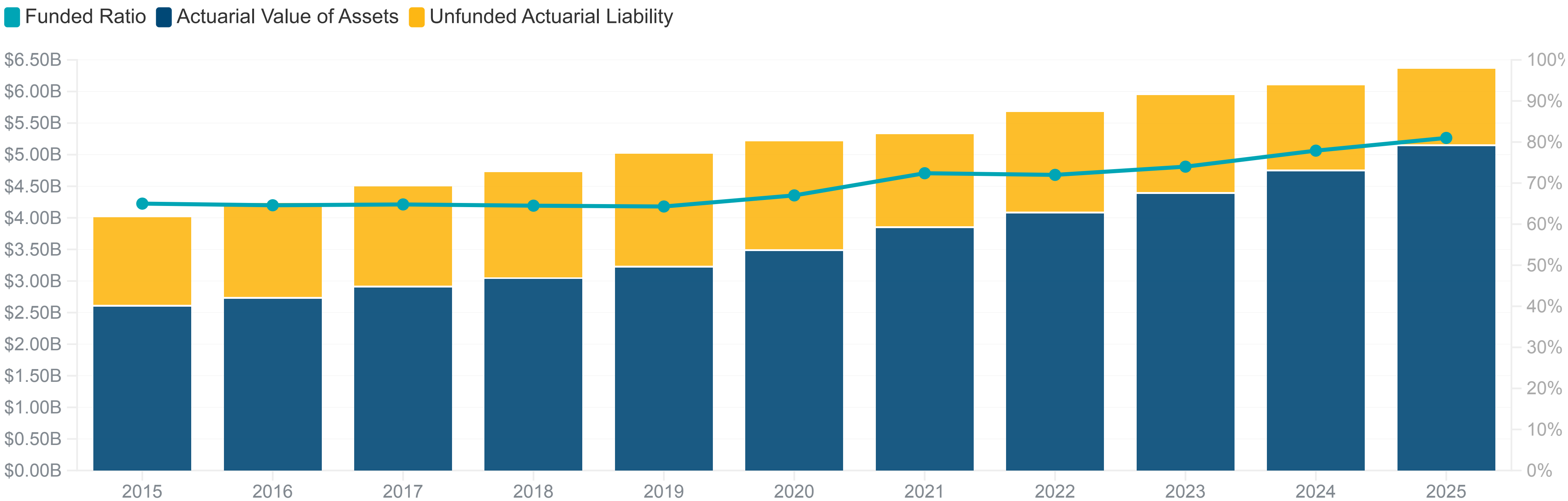
ADC % of Pay Change by Source



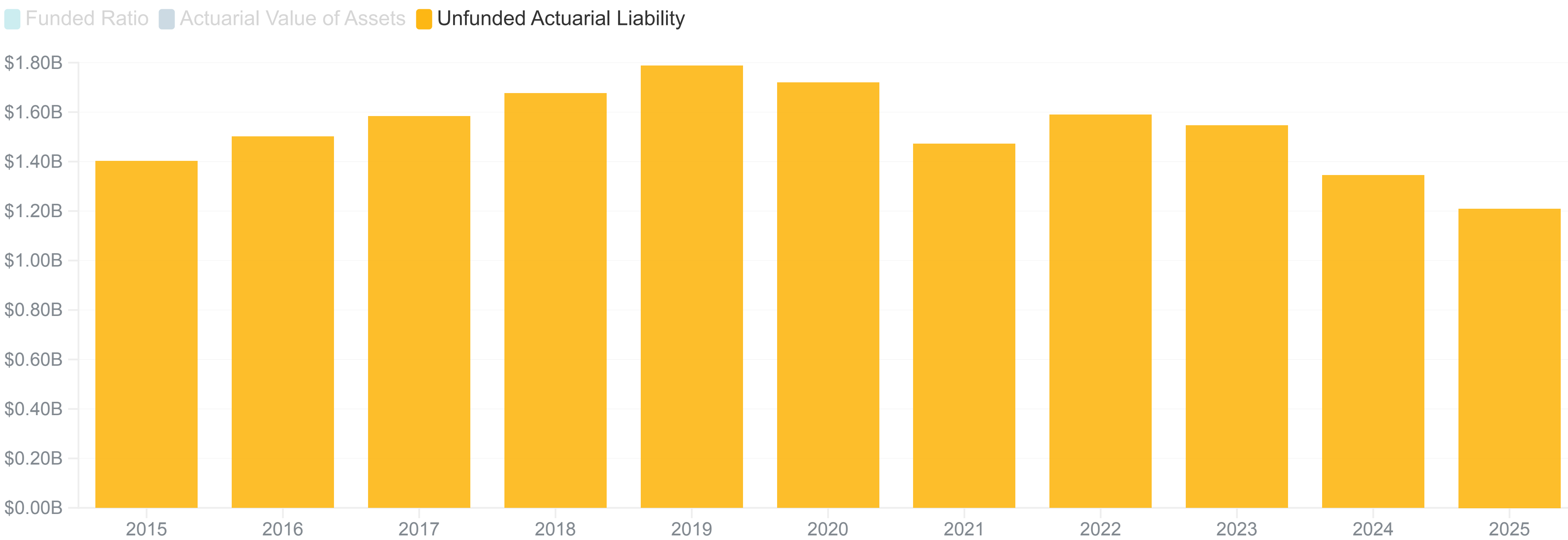
Employer rates increased during the first half of the past decade, as investment returns lagged expectations and more conservative assumptions were adopted. The last three years, they have declined due to favorable asset returns and payroll has grown faster than expected, reducing the UAL rate. The average employee rates also gradually increased during the first half of the decade, both from the assumption changes and as the active population shifted towards the PEPRA tiers and Legacy members increased their contributions under various cost sharing agreements. The average employee rate has remained relatively stable for the 2nd half of the decade.



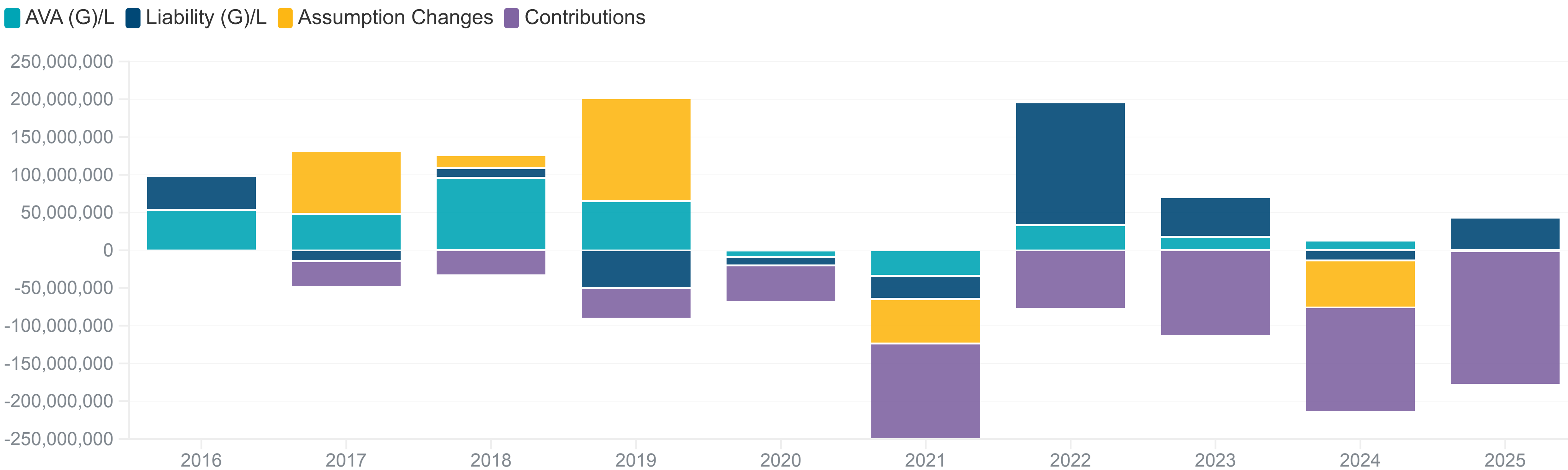
Next, we review the history of the unfunded liability over the past decade. The line shows the funded ratio based on the smoothed assets, with the scale shown along the right-hand axis.



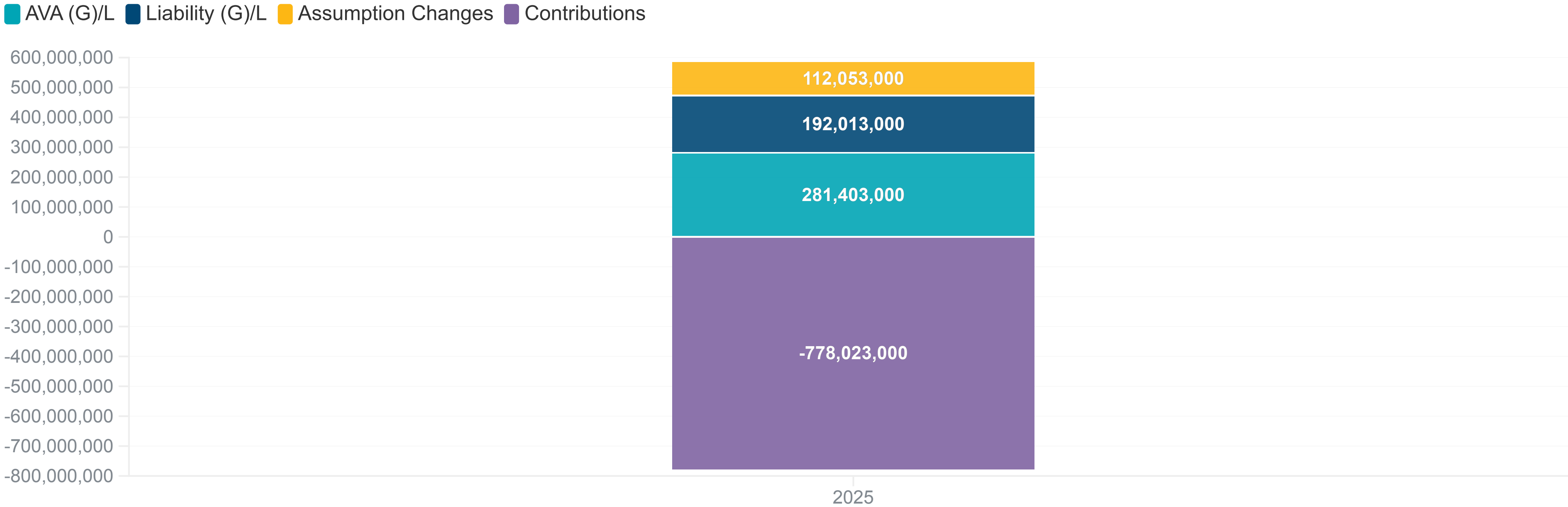
Overall, the UAL decreased by $193M over this period.



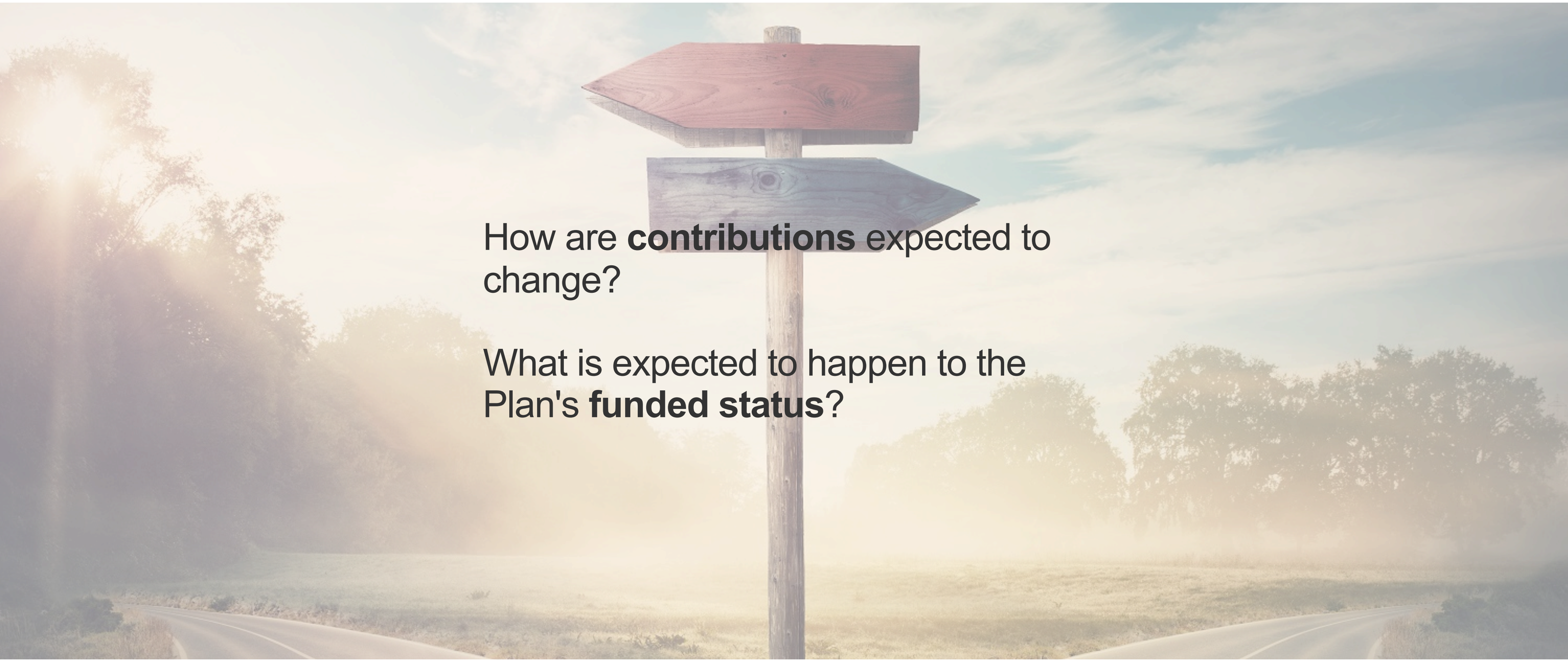
This chart breaks down the change in UAL for each year. In recent years, contributions have significantly decreased the UAL as the overalamortization period shortened and some employers have made additional contributions.



This chart combines the UAL changes by source over all 10 years. The contributions have more than offset the impact of liability and asset losses and assumption changes.



We next turn our gaze forward.



If all assumptions are met, the aggregate SJCERA employer contribution rate is expected to increas slightly next year as the 2022 investment losses are fully recognized, then decline gradually over the following five years due to PEPRA, the recognition of deferred investment gains, and the expiration of some smaller amortization bases. The employer rate is then expected to drop significantly after 2033, when the large initial 2013 UAL layer is expected to be paid off. There is another sizable drop after 2039, when the "Extraordinary Loss" from 2008 - which was amortized over 30 years - is paid off.

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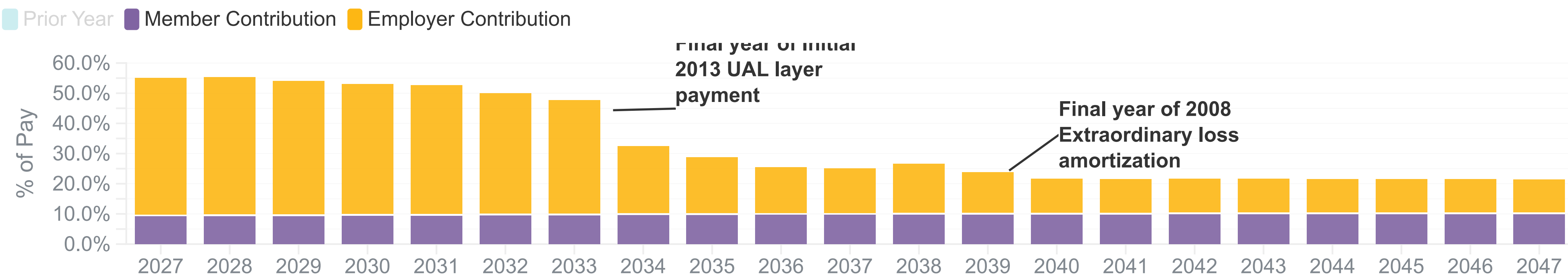
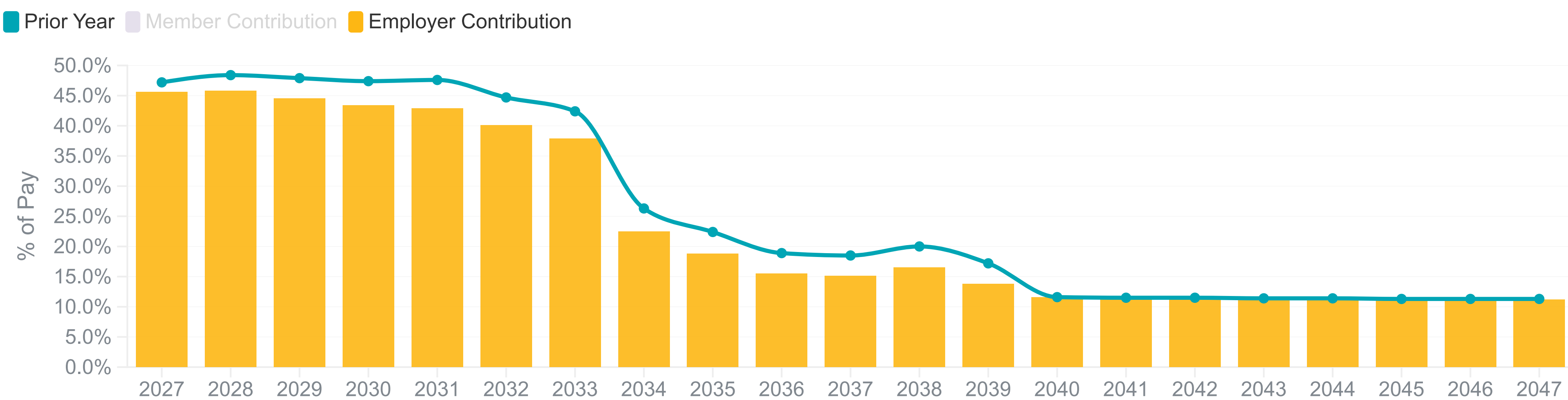
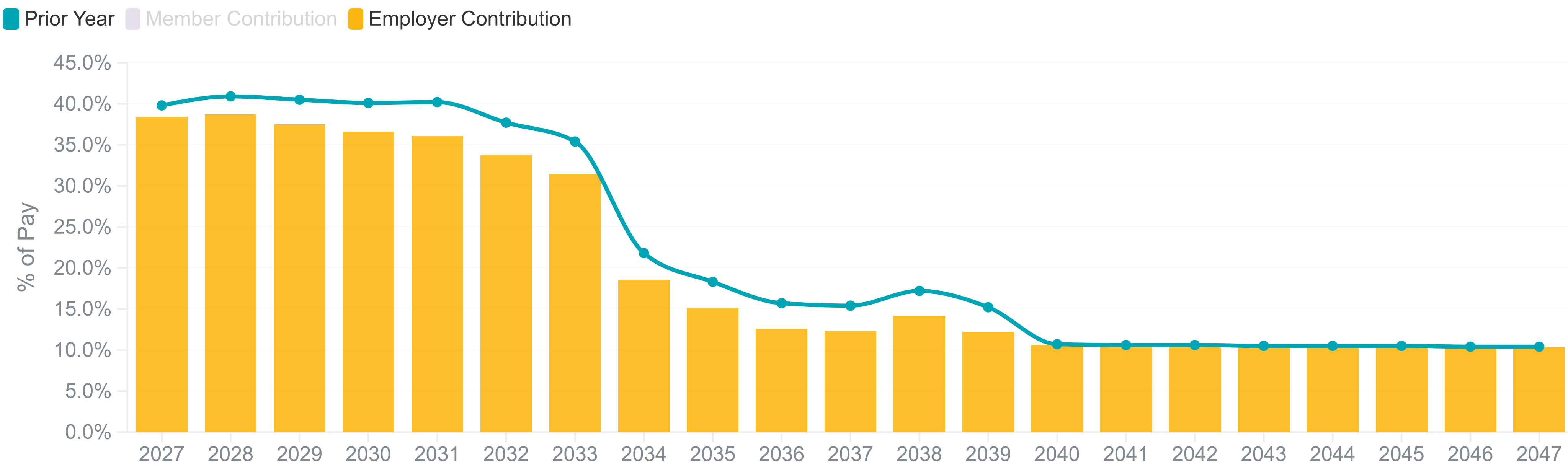


The teal line shows the projected employer contribution rates from last year's valuation, which are higher than the current projections, because of the positive investment return in this year and the growth in payroll.

SJCERA



General


Prior Year
Member Contribution
Employer Contribution
45.0%
40.0%
35.0%
30.0%
25.0%
20.0%
15.0%
10.0%
5.0%
0.0%
% of Pay
2027
2028
2029
2030
2031
2032
2033
2034
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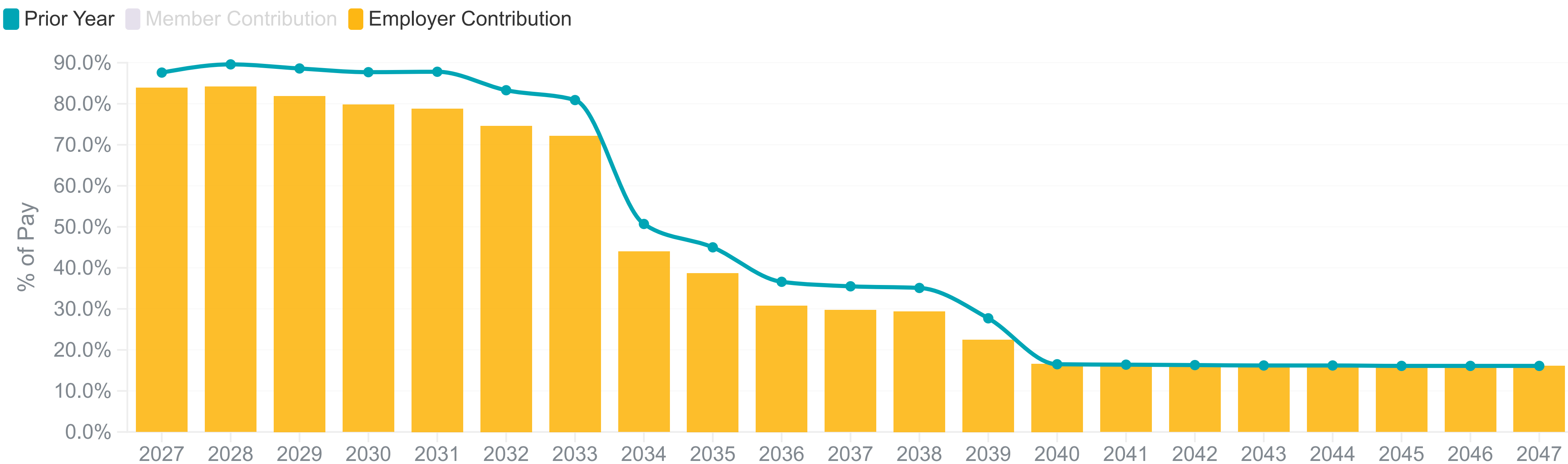
Safety


Prior Year
Member Contribution
Employer Contribution
% of Pay
90.0%
80.0%
70.0%
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
2027
2028
2029
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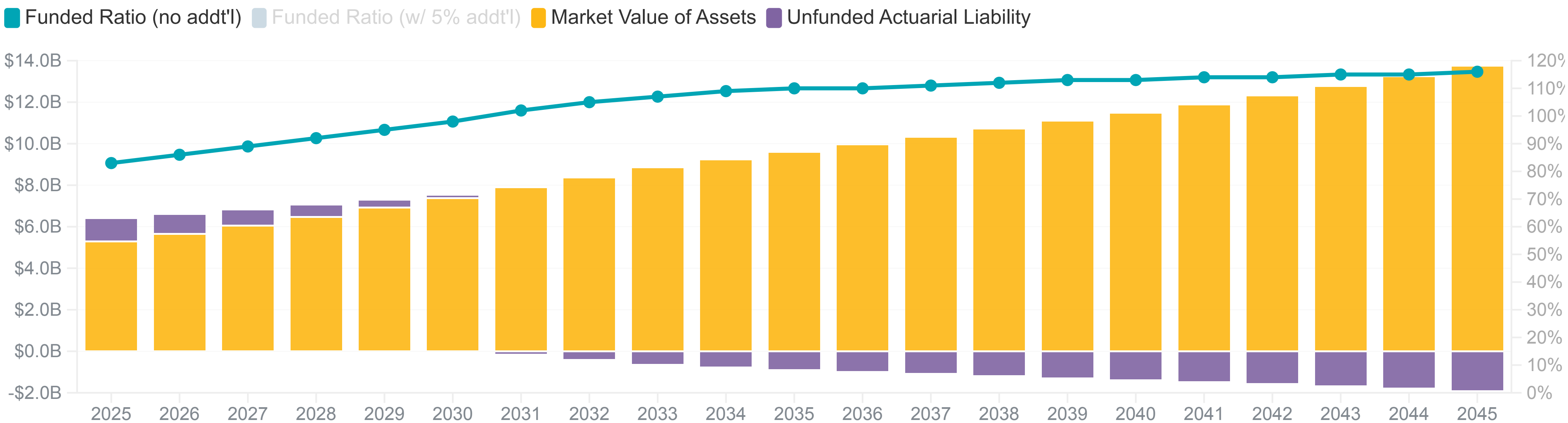
The funded status projection shows that the funded ratio (right axis) is expected to continue improving until the Plan reaches full funding in 2031. These projections include the value of the current additional contribution reserves made by the County and other employers, but do not assume any future contributions above the ADC.

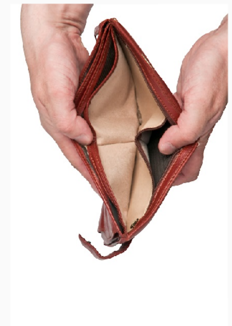


Investment Risk

The potential for returns to be different than expected.

Assumption Risk

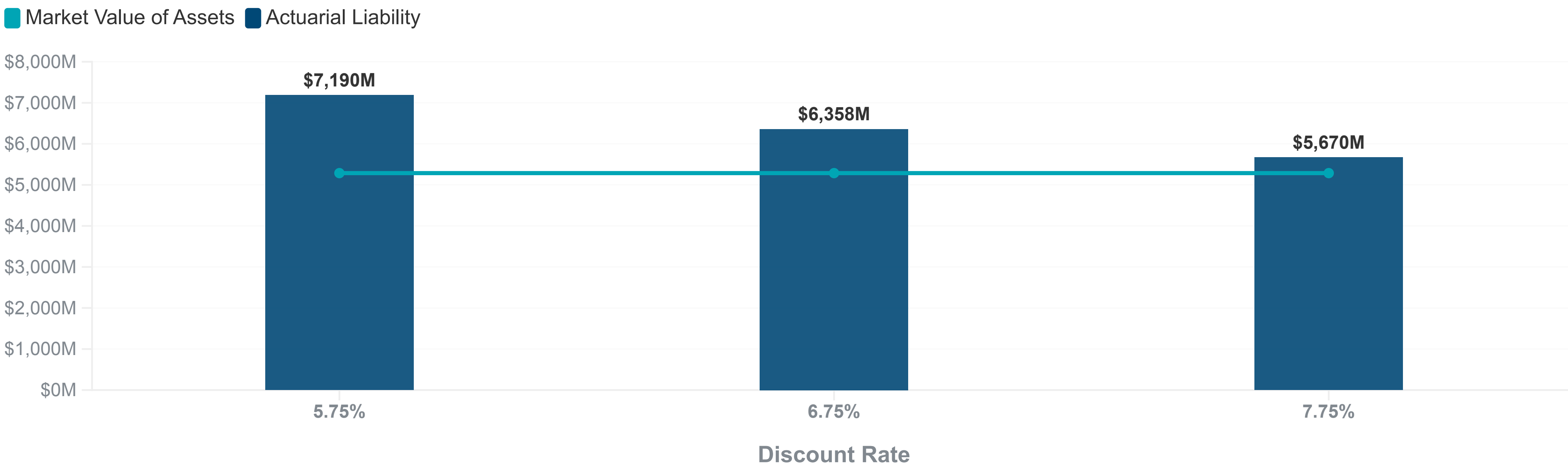
The potential for the environment to change such that future valuation assumptions are different than the current assumptions.



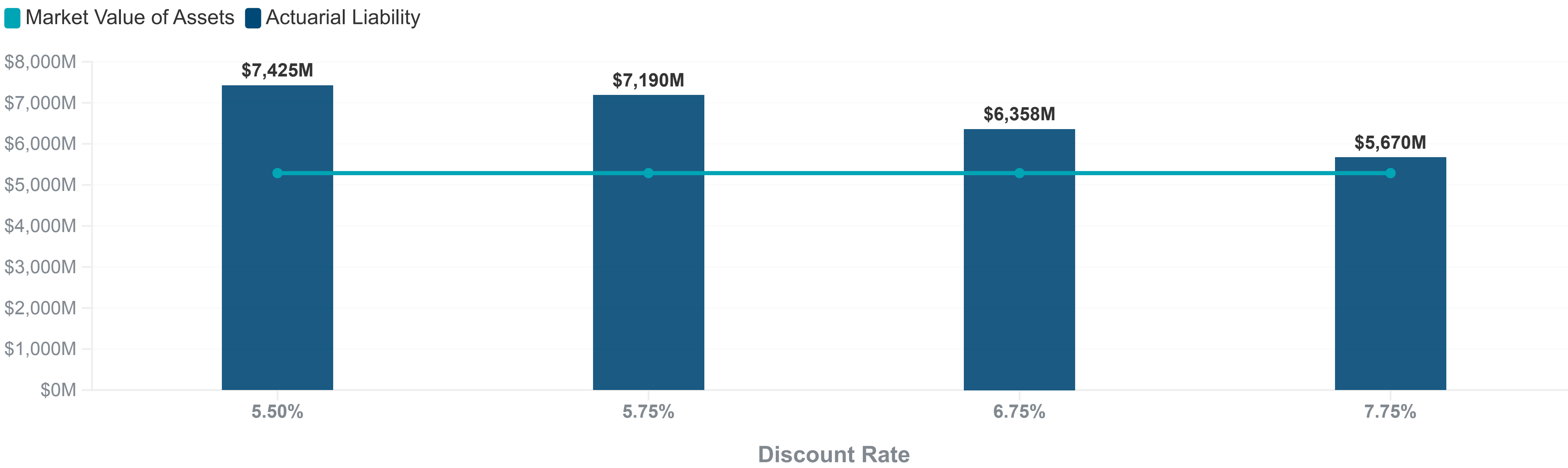
Contribution Risk

The potential for future contributions to deviate from expected future contributions, including for reasons such as default of the sponsor.

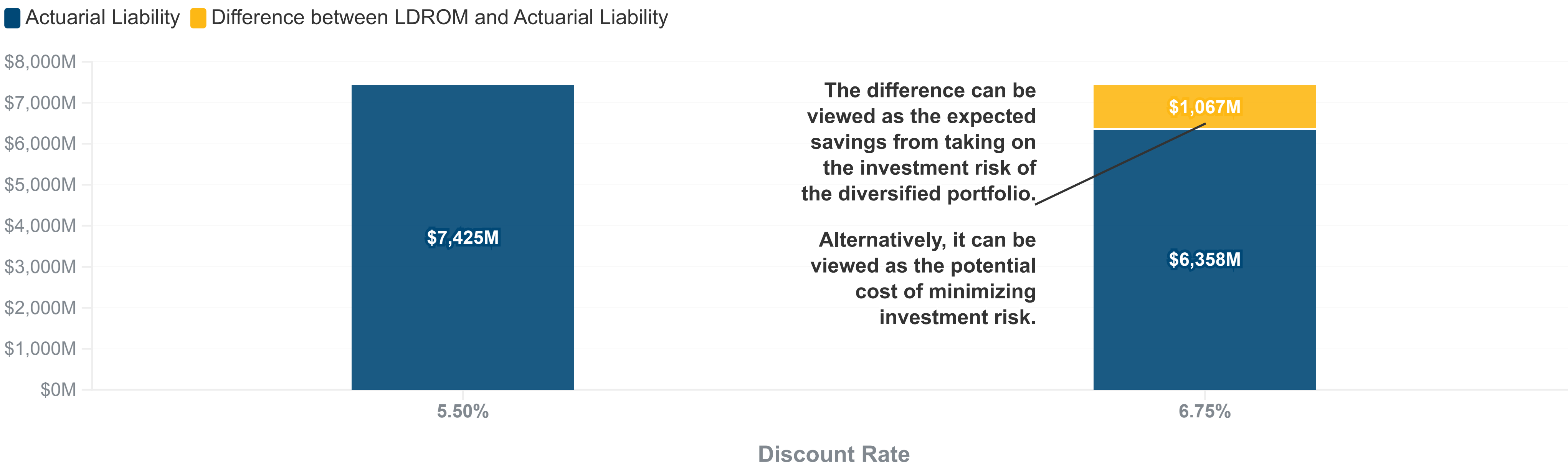
As can be seen from the review of changes in the UAL over the past decade, investment returns and assumption changes can have a major impact on the Plan. The chart shows how the actuarial liability would change based on a +/-1% change in the discount rate.



We now add the **Low-Default-Risk Obligation Measure (LDROM)** to the comparison. The LDROM is the actuarial liability using a discount rate derived from low-default-risk fixed income securities that approximately match the benefit payments of the plan.



A portfolio composed of such securities represents the low-risk portfolio for a pension plan. However, this portfolio would have a lower expected return (**5.61%** as of December 31, 2025, rounded to **5.50%)** than the current diversified portfolio (**6.75%**).



The LDROM is based on a discount rate equal to the December 31, 2025 FTSE Pension Liability Index of 5.61%, rounded to the nearest quarter percent (5.50%), and all other assumptions and methods as used to calculate the actuarial liability.

SJCERA Consulting Team

Click card for bio or to contact

Certification

The purpose of this presentation is to present a summary of the results of the SJCERA actuarial valuation as of December 31, 2025. A full description of the methods, assumptions, and data used in the valuation can be found in the Actuarial Valuation Report as of December 31, 2025.

In preparing our presentation, we relied on information (some oral and some written) supplied by SJCERA. This information includes, but is not limited to, the Plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

Future projections may differ significantly from the projections presented in this presentation due to such factors as the following: plan experience different from that anticipated by the assumptions; changes in assumptions; and changes in plan provisions or applicable law.

Cheiron utilizes ProVal actuarial valuation software leased from Winklevoss Technologies (WinTech) to calculate liabilities and project benefit payments. We have relied on WinTech as the developer of ProVal. We have a basic understanding of ProVal and have used ProVal in accordance with its original intended purpose. We have not identified any material inconsistencies in assumptions or output of ProVal that would affect this valuation.

Projections in this presentation were developed using R-scan, a proprietary tool used to illustrate the impact of changes in assumptions, methods, plan provisions, or actual experience (particularly investment experience) on the future financial status of the Plan. We relied on Cheiron colleagues for the development of the model. R-scan uses standard roll-forward techniques that implicitly assume a stable active population. Because R-scan does not automatically capture how changes in one variable affect all other variables, some scenarios may not be consistent.

To the best of our knowledge, this presentation and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this presentation. This presentation does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

This presentation was prepared for the SJCERA Retirement Board for the purposes described herein. Other users of this presentation are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

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Classic Values, Innovative Advice

San Joaquin County Employees' Retirement Association

Actuarial Valuation Report as of December 31, 2025

Produced by Cheiron
August 2026

www.cheiron.us 1.877.CHEIRON (243.4766)

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August 5, 2026

Retirement Board of San Joaquin
County Employees' Retirement Association
220 East Channel Street
Stockton, CA 95202

Dear Members of the Board:

At your request, we have conducted an actuarial valuation of the San Joaquin County Employees' Retirement Association (SJCERA, the System, the Fund, the Plan) as of December 31, 2025. This report contains information on the System's assets and liabilities and discloses employer and employee contribution levels. It also contains schedules for inclusion in the Actuarial Section of the Annual Financial Report. Your attention is called to the Executive Summary in which we refer to the general approach employed in the preparation of this report.

The purpose of this report is to present the results of the annual actuarial valuation of SJCERA. This report is for the use of the Retirement Board of SJCERA and its auditors in preparing financial reports in accordance with applicable law and accounting requirements.

Cheiron's report was prepared solely for the Retirement Board of SJCERA for the purposes described herein, except that the plan auditor may rely on this report solely for the purpose of completing an audit related to the matters herein. Other users of this report are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

This report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

Sincerely,
Cheiron

Graham Schmidt
Graham A. Schmidt, FSA, EA, MAAA, FCA
Principal Consulting Actuary

Anne Harper
Anne D. Harper, FSA, EA, MAAA
Principal Consulting Actuary

SECTION I – EXECUTIVE SUMMARY

Cheiron has performed the actuarial valuation of the San Joaquin County Employees' Retirement Association as of December 31, 2025. The valuation is organized as follows:

- In Section I, the **Executive Summary,** we describe the purpose of an actuarial valuation, summarize the key results found in this valuation and disclose important trends.

- The **Main Body** of the report presents details on the System's
    - Section II – Disclosures Related to Risk
    - Section III – Assets
    - Section IV – Liabilities
    - Section V – Contributions
    - Section VI – Additional Annual Financial Report Schedules

- In the **Appendices,** we conclude our report with detailed information describing plan membership (Appendix A), actuarial assumptions and methods employed in the valuation (Appendix B), a summary of pertinent plan provisions (Appendix C), a 401(h) repayment schedule (Appendix D), a glossary of key actuarial terms (Appendix E), a summary of General and Safety Employer contribution rates (Appendix F), and tables containing member contribution rates (Appendix G).

Future results may differ significantly from the current results presented in this report due to such factors as the following: plan experience differing from that anticipated by the assumptions; changes in assumptions; and, changes in plan provisions or applicable law.

Cheiron utilizes ProVal actuarial valuation software leased from Winklevoss Technologies (WinTech) to calculate liabilities and project benefit payments. We have relied on WinTech as the developer of ProVal. We have a basic understanding of ProVal and have used ProVal in accordance with its original intended purpose. We have not identified any material inconsistencies in assumptions or output of ProVal that would affect this valuation.

Deterministic and stochastic projections in this valuation report were developed using R-scan, a proprietary tool used to illustrate the impact of changes in assumptions, methods, plan provisions, or actual experience (particularly investment experience) on the future financial status of the Plan. R-scan uses standard roll-forward techniques that implicitly assume a stable active population. Because R-scan does not automatically capture how changes in one variable affect all other variables, some scenarios may not be consistent.

In preparing our report, we relied on information (some oral and some written) supplied by the SJCERA staff. This information includes, but is not limited to, plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

SECTION I – EXECUTIVE SUMMARY

The primary purpose of the actuarial valuation and this report is to measure, describe, and identify the following as of the valuation date:

- The financial condition of the System,
- Past and expected trends in the financial progress of the System,
- Employer and employee contribution rates for Plan Year 2027, and
- An assessment and disclosure of key risks.

The information required under GASB standards Nos. 67 and 68 is included in a separate report, with the report for the Plan's Fiscal Year Ending December 31, 2025 provided to SJCERA in April 2026.

In the balance of this Executive Summary, we present (A) the basis upon which this year's valuation was completed, (B) the key findings of this valuation including a summary of key financial results, (C) an examination of the historical trends, and (D) the projected financial outlook for the System.

A. Valuation Basis

This valuation determines the employer contributions for the Plan Year 2027. The System's funding policy is to contribute an amount equal to the sum of:

- The normal cost under the Entry Age Normal Cost Method,
- Amortization of the Unfunded Actuarial Liability (UAL), and
- A portion of the Fund's expected administrative expenses.

The UAL that existed as of 2014 is being amortized over a closed period as a level percentage of payroll, with seven years remaining as of the current valuation, with the exception of a fixed amount associated with the extraordinary investment loss from 2008, which is amortized as a separate layer with 13 years remaining as of the current valuation. All new unexpected changes in the UAL emerging after 2014 are amortized over 15-year periods, with new amortization layers added each year. The single equivalent amortization period for the aggregate stream of UAL payments is eight years for General and nine years for Safety. Tables V-4 and V-5 show a detailed summary of each amortization layer for General and Safety, respectively.

This valuation was prepared based on the plan provisions shown in Appendix C.

B. Key Findings of this Valuation

The key results of the December 31, 2025 actuarial valuation are as follows:

- The actuarially determined employer contribution rate decreased from 46.95% to 45.57%.

- The System's funded ratio, the ratio of assets over the Actuarial Liability, increased from 77.9% last year to 81.0% as of December 31, 2025 on an Actuarial Value of Assets (AVA) basis. It increased from 76.5% to 83.2% on a Market Value of Assets (MVA) basis.

- The Unfunded Actuarial Liability (UAL) is the excess of the System's Actuarial Liability over the Actuarial Value of Assets. The System experienced a decrease in the UAL from $ 1,344.3 million to $ 1,209.4 million as of December 31, 2025.

- During the year ending December 31, 2025, the return on Plan assets was 11.78% on a market value basis, as compared to the 6.75% assumption. This resulted in a market value gain on investments of $236.5 million. The Actuarial Value of Assets recognizes 20% of the difference between the expected Actuarial Value of Assets and the Market Value of Assets each year over a five-year period. This method of smoothing the asset gains and losses returned 6.45% on the smoothed value of valuation assets (the assets used to in the calculation of the contribution rates), an actuarial asset loss of $13.6 million for the year.

- The Actuarial Value of Assets is currently 97% of the market value. Since actuarial assets are below market assets, there are unrecognized investment gains (approximately $138 million) that will be reflected in the smoothed value in future years.

- The System experienced a loss on the Actuarial Liability of $41.8 million primarily due to higher than expected pay increases for returning active members.

- During 2025, the Mosquito and Vector Control District (MVCD), the Superior Court of California, and the County of San Joaquin made additional voluntary contributions (above the actuarially determined amount) of $31.1 million. The total market value of the additional contributions, including prior year amounts and accumulated with interest at the Plan's actual rate of return, was $354.9 million as of December 31, 2025. These assets are included in the calculation of the UAL and funded ratio, but under the funding policy requested by the contributors and approved by the Board, these assets are excluded in the calculation of the employer contribution rates.

SECTION I – EXECUTIVE SUMMARY

Table I-1 below summarizes all the key results of the valuation with respect to membership, assets and liabilities, and contributions. The results are presented and compared for both the current and prior plan year.

Table I-1
Summary of Principal Plan Results

	December 31, 2024	December 31, 2025	% Change
Participant Counts			
Active Participants	6,913	7,215	4.37%
Participants Receiving a Benefit	6,931	7,022	1.31%
Terminated Vested Participants	1,265	1,280	1.19%
Terminated Non-Vested Participants	1,866	2,116	13.40%
Total	**16,975**	**17,633**	**3.88%**
Calendar Year Projected Pay	$624,181,464	$675,321,002	8.19%
Assets and Liabilities			
Actuarial Liability (AL)	$6,094,004,166	$6,357,757,776	4.33%
Actuarial Value of Assets (AVA)[1]	4,749,710,229	5,148,393,782	8.39%
Unfunded Actuarial Liability (UAL)	$1,344,293,937	$1,209,363,994	-10.04%
Funded Ratio (AVA)	77.9%	81.0%	3.1%
Market Value of Assets (MVA)[1]	$4,659,126,604	$5,286,742,083	13.47%
Funded Ratio (MVA)	76.5%	83.2%	6.7%
Inactive Funded Ratio	67.7%	66.9%	-0.8%
Contributions as a Percentage of Payroll			
Normal Cost Rate	12.44%	12.24%	-0.20%
Unfunded Actuarial Liability Rate[2]	33.38%	32.26%	-1.12%
Administrative Expense	1.13%	1.07%	-0.06%
Total Contribution Rate	46.95%	45.57%	-1.38%

[1] Includes additional County, MVCD, and Superior Court Contribution Reserves but excludes the Contingency Reserve.

[2] Based on Actuarial Value of Assets that does not include additional County, MVCD, and Superior Court Contribution Reserves.

The Inactive Funded Ratio shown in Table I-1 represents the percentage of the Actuarial Liability attributable to members who are not active employees. A funded ratio of 66.9% or more, for example, would result in a level of assets anticipated to be sufficient to fund the liabilities of the System's inactive members for their expected lifetimes: those currently retired, disabled, terminated with vested benefits, and their beneficiaries.

SECTION I – EXECUTIVE SUMMARY

Changes in Employer Contributions

Table I-2 below summarizes the impact of actuarial experience on Employer contributions, for the Plan as a whole, and for the General and Safety classes. Note that all of the dollar amounts shown in the table below *except* the last row only include the expected normal cost contributions on behalf of the members in the Plan as of the valuation date; this is sometimes referred to as the "Closed Group" population.

In the last row of Table I-2 we have added an estimate of the contributions expected on behalf of all members expected to participate during the year, including new hires who are assumed to replace those who leave active service during the year, which we refer to as the "Open Group" population

Table I-2
Summary of Changes in Employer Contributions from Prior Review

	General Employer Contribution	General Employer Contribution Rate (% Payroll)	Safety Employer Contribution	Safety Employer Contribution Rate (% Payroll)	Total Employer Contribution	Employer Contribution Rate (% Payroll)
As of December 31, 2024	**$ 205,699,775**	**39.61%**	**$ 82,932,495**	**87.12%**	**$ 288,632,270**	**46.95%**
Change in Employer Contributions Due to:						
Expected Change	6,170,993	0.00%	2,487,975	0.00%	8,658,968	0.00%
Asset Experience	847,084	0.16%	345,463	0.35%	1,192,547	0.19%
Contribution (Gain)/Loss	(1,231,913)	(0.23%)	(390,954)	(0.39%)	(1,622,867)	(0.25%)
Demographic Experience	225,968	0.04%	193,729	0.19%	419,697	0.09%
Salary Experience	4,069,770	0.28%	2,769,498	1.51%	6,839,268	0.47%
Payroll Amortization	0	(1.29%)	0	(4.49%)	0	(1.68%)
PEPRA Transition	(909,093)	(0.17%)	(353,156)	(0.35%)	(1,262,249)	(0.20%)
As of December 31, 2025 (Closed Group)	**$ 214,872,584**	**38.40%**	**$ 87,985,050**	**83.94%**	**$ 302,857,634**	**45.57%**
As of December 31, 2025 (Open Group)	**$ 218,611,851**		**$ 88,992,605**		**$ 307,604,456**	

SECTION I – EXECUTIVE SUMMARY

An analysis of the contribution rate changes from the prior valuation reveals the following:

- Contributions were expected to increase as a dollar amount.

  Prior to accounting for any unexpected changes in the assets and liabilities this year, contributions in dollar terms had been expected to increase as a result of payroll growth, both because the normal cost grows with payroll and because the UAL is amortized as a level percentage of payroll.

- Asset experience produced an investment gain on a market basis and a loss on a smoothed basis.

  The assets of the Plan returned 11.78% on a market basis, higher than the assumed rate of 6.75%, resulting in a gain for 2025. Under the actuarial asset smoothing policy, 20% of this gain is recognized in the current year, in addition to 20% of the gains and losses from each of the prior four years. The overall return on the smoothed valuation assets was 6.45%; lower than the assumed return of 6.75%, so the overall contribution rate increased by 0.19% of payroll. The contribution rate increased more for Safety members (by 0.35% of payroll) than for General members (0.16% of payroll) because of the asset loss; this is caused by the Safety members having a higher ratio of assets to payroll than the General members.

- Contributions greater than the actuarial cost (excluding additional contributions made by the employers) decreased the overall employer contribution rate by 0.25% of pay, due to the 12-month delay in implementation of the contribution rates and higher than expected payroll.

- The demographic experience of the Plan – including rates of retirement, death, disability, and termination, as well as unexpected changes in benefits – increased the overall employer rate by 0.09% of pay.

  The demographic losses were small in aggregate. Growth in the average Bay Area CPI-U during 2024 was 3.0% when rounded to the nearest 0.5% as specified under the Plan's COLA provisions, higher than the 2.5% inflation assumption. This increased the COLA granted as of April 1, 2025, leading to larger than expected current and future COLAs for General and Safety members receiving benefits. The net impacts of these and other demographic changes were increases of 0.04% to the employer contribution rate for General members, and of 0.19% of payroll for Safety members.

- Overall pay increases for returning members were above expectations.

  Salaries for continuing active members increased more than expected due to negotiated pay increases for several bargaining groups, increasing the liabilities associated with benefits already earned (the Actuarial Liability) and the value of benefits expected to be

SECTION I – EXECUTIVE SUMMARY

earned this year (the normal cost). Average projected pay for continuing General members increased by more than 6% and more than 7% for Safety members. This led to an increase in the employer contribution rate of 0.28% of payroll for General members, 1.51% of payroll for Safety members, and 0.47% of overall payroll, as well as an increase in the expected dollar contribution of almost $7 million.

- The unfunded liability is being amortized over a higher-than-expected payroll base for General and Safety members.

  The payroll used to amortize the unfunded liability for General and Safety members was higher than expected due to larger than expected payroll growth, driven by the increases in pay described above as well as additional projected payroll from new members entering the Plan. Total General projected payroll increased from $528.0 million in the previous valuation to $569.3 million for this valuation, an increase of 7.8%, compared to an assumed growth rate of 3%. Total Safety payroll increased from $96.2 million to $106.0 million, or 10.2%. This growth in payroll resulted in decreases in the contribution rate of 1.29% and 4.49% of pay for General and Safety members, respectively.

  The aggregate impact from the change in total projected payroll was a decrease in the contribution rate of 1.68% of pay. Note that the change in the payroll base used to amortize the unfunded liability does not change the dollar amount of the contribution – only the contribution rate calculated as a percentage of payroll.

- New members generally enter the Plan as PEPRA members, with 1,165 newly hired or rehired members entering the Plan to replace departing members during 2025.

  New PEPRA (Tiers 2 and 2B) hires have a smaller Plan normal cost as a percentage of payroll when compared to the legacy (Tier 1) members. Due to the shift in both populations towards more PEPRA members, the employer contribution rate decreased by 0.17% of payroll for General members, 0.35% of payroll for Safety members, and the overall employer contribution rate dropped by 0.20% of payroll.

SECTION I – EXECUTIVE SUMMARY

Changes in Funded Ratio

Table I-3 below presents a similar summary of factors affecting the funded ratios from last year to this year, on an actuarial and market basis, with many of the same factors applying. Table I-3 also includes the impact from the additional contributions made by the County and other employers, which are not reflected in the contribution reconciliation, since those assets are not reflected when determining the employer contribution rates.

Table I-3
Summary of Changes in Funded Ratio from Prior Review

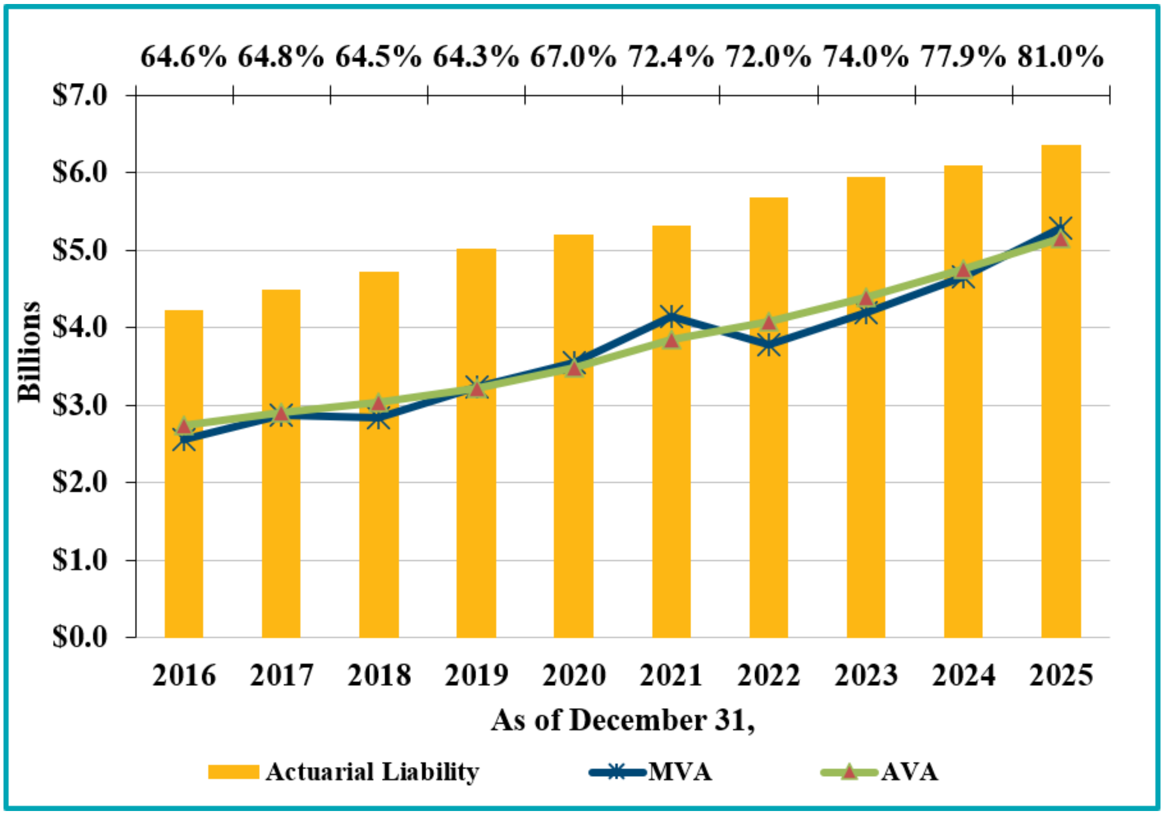
	Actuarial Value of Assets	Market Value of Assets
December 31, 2024	**77.9%**	**76.5%**
Change in Funded Ratio Due to:		
Expected Change	2.8%	2.7%
Additional Contributions	0.8%	0.8%
Asset Experience	0.0%	3.7%
Demographic Experience	(0.1%)	(0.1%)
Salary Experience	(0.4%)	(0.4%)
Funded Ratio as of December 31, 2025	**81.0%**	**83.2%**

C. Historical Trends

Despite the fact that for most retirement plans the greatest attention is given to the current valuation results and in particular, the size of the current Unfunded Actuarial Liability and the employer contribution, it is important to remember that each valuation is merely a snapshot in the long-term progress of a pension fund. It is more important to judge a current year's valuation result relative to historical trends, as well as trends expected into the future.

Assets and Liabilities

The chart on this page compares the Market Value of Assets (MVA) and Actuarial Value of Assets (AVA) to the Actuarial Liabilities. The percentage shown at the top of each bar is the ratio of the Actuarial Value of Assets to the Actuarial Liability (the funded ratio).

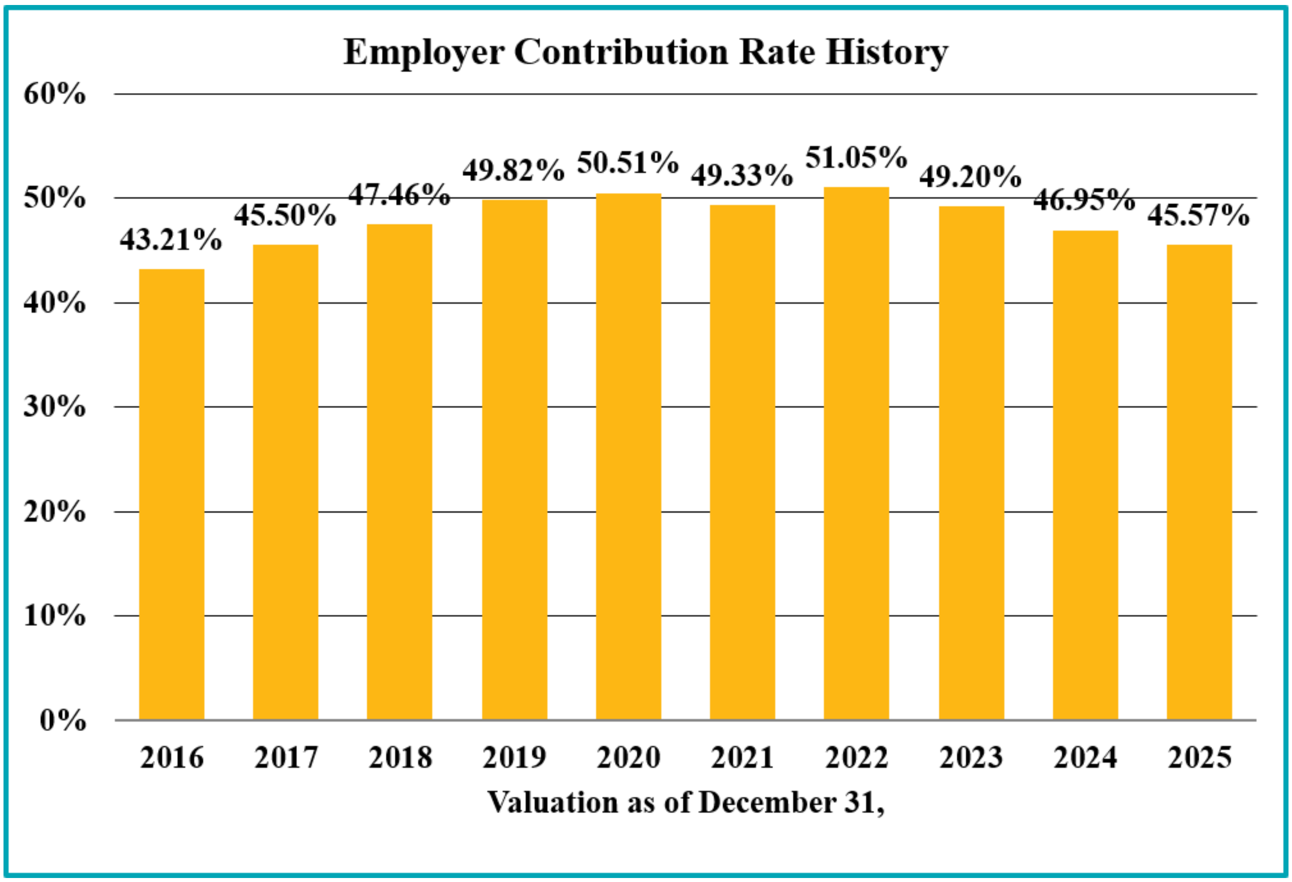


The funded ratio has increased from 64.6% as of December 31, 2016 to 81.0% as of December 31, 2025. During the first four years of the past decade, the funded ratio remained relatively flat, as investment returns lagged expectations and more conservative assumptions were adopted. There has been significant improvement in the funded ratio during the past six years, primarily due to regular and additional contributions and assumption changes that have reduced liabilities, partially offset by liability losses from pay and COLA increases driven by inflation.

SECTION I – EXECUTIVE SUMMARY

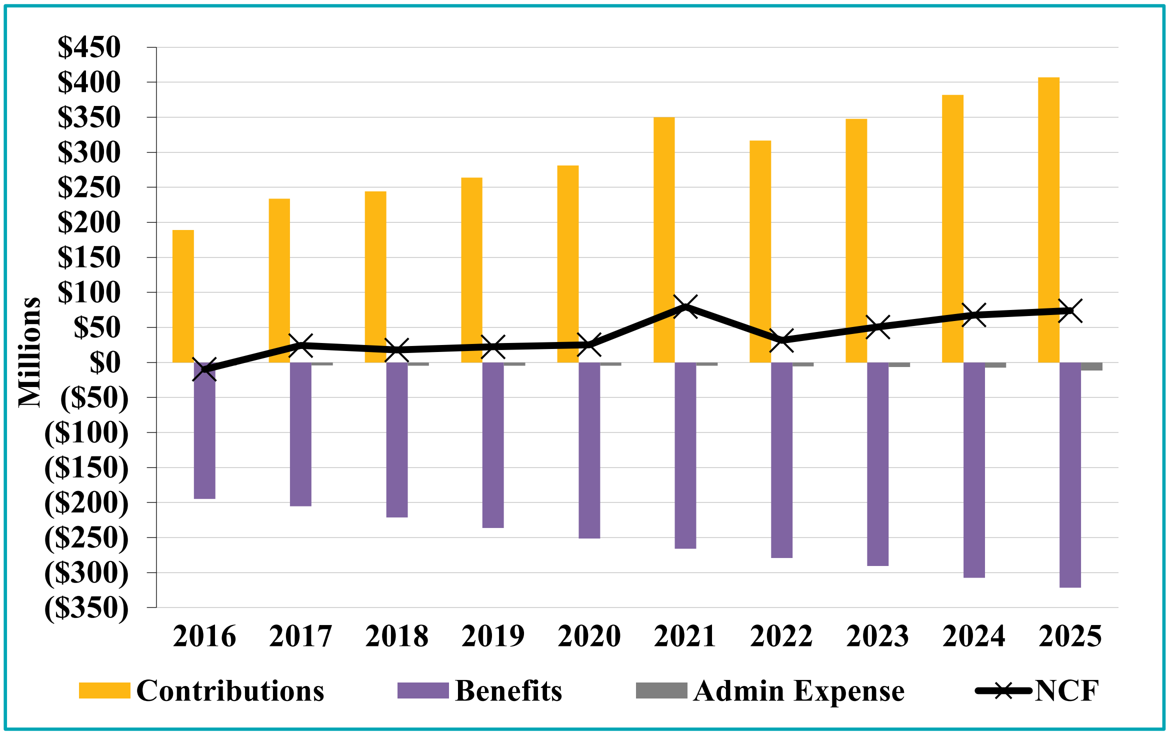
Employer Contribution Rates

The chart on this page shows the employer contribution rate for each of the last 10 valuation cycles. The same factors that contributed to the decline and subsequent lack of progress in funded status for the first half of the period – i.e., lower returns and assumptions that are more conservative – also resulted in increases in contribution rates. Rates also increased due to growth in payroll lagging behind the assumed growth through December 31, 2020, which spread the UAL dollar payment over a smaller payroll base. However, these trends have recently reversed, with higher-than-expected payroll growth, favorable investment returns, and assumption changes leading to a decrease in the contribution rates in recent years.



Cash Flows

The chart below shows the Plan's net cash flow (NCF), or contributions less benefit payments and administrative expenses. This is an important measure, as it reflects the ability to have funds available to meet benefit payments without having to make difficult investment decisions, especially during volatile markets.



The NCF – shown as the black line in the chart – was slightly negative in the first year shown in this period but has been positive the past nine years due to the increase in the contribution rates and the additional contributions being made by the County and other employers.

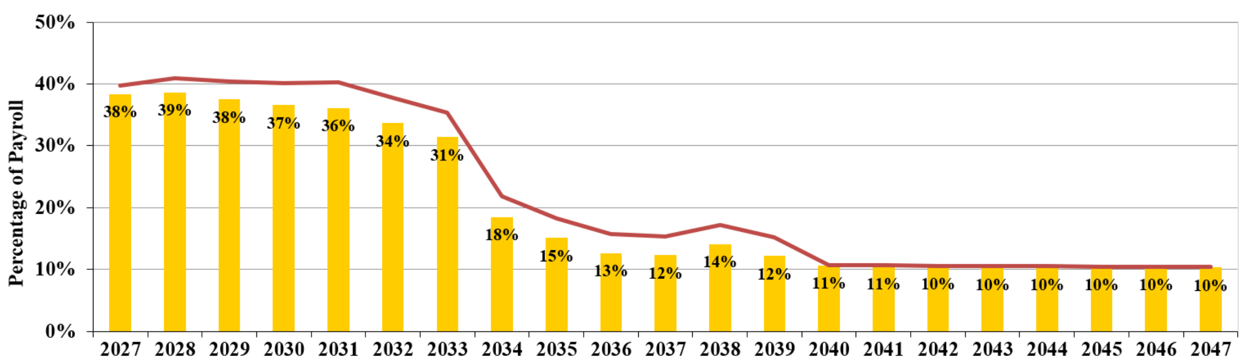
The implications of a plan with negative net cash flow are that the impact of market fluctuations can be more severe: as assets are being depleted to pay benefits in down markets, there is less principal available to be reinvested during favorable return periods. If there were a shift to future negative net cash flow, it could magnify the losses during a market decline, hindering the Plan in its ability to absorb market fluctuations.

D. Future Expected Financial Trends

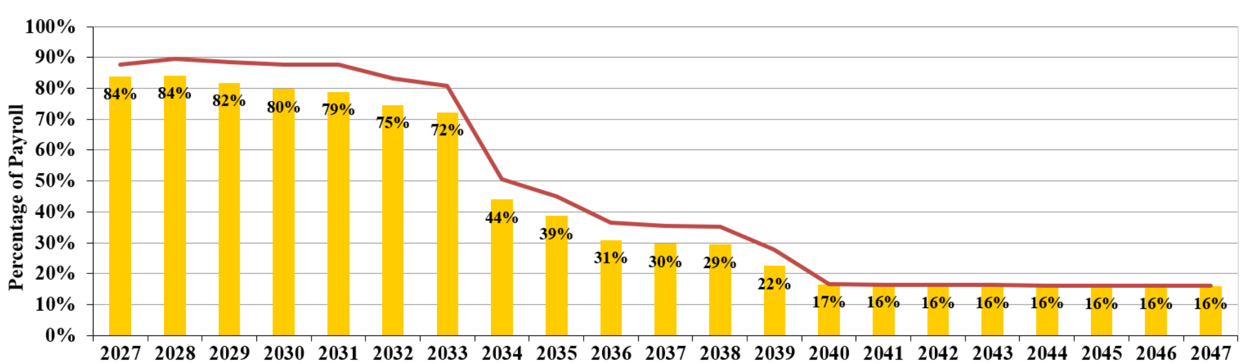
The analysis of projected financial trends is perhaps the most important component of this valuation. In this section, we present our assessment of the implications of the December 31, 2025 valuation results in terms of cost and benefit security (assets over liabilities). All the projections in this section are based on the investment return assumption of 6.75%. We have assumed a level active workforce population and future payroll growth of 3.00% per year.

The following graphs show the expected employer contribution rates by calendar year for General and Safety members, and for the Plan in aggregate, based on actually achieving the 6.75% assumption each year for the next 20 years, and if the employers contribute at the actuarially determined rates. We note that the first year shown is 2027, which is when the contribution rates determined in this report will be effective. The red lines in each graph below represent the projection of employer contributions from our previous valuation as of December 31, 2024. They are included to illustrate the difference from year to year.

Projection of General Employer Contributions, 6.75% return each year

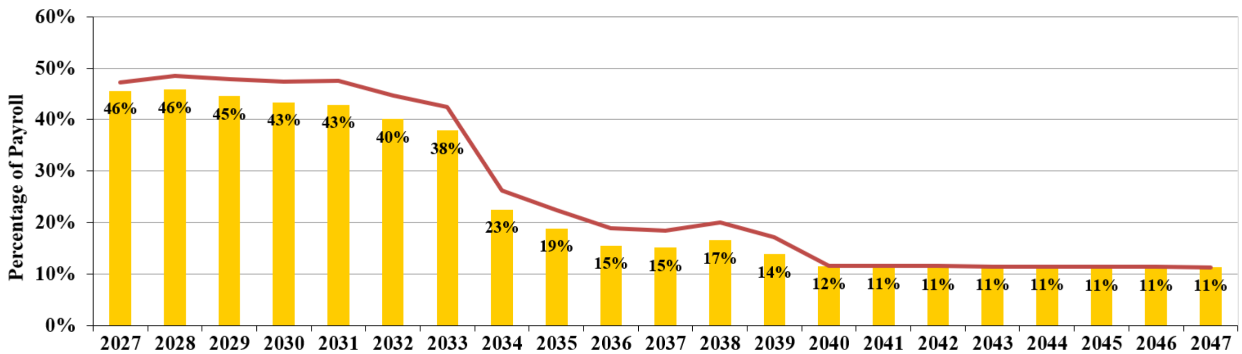


Projection of Safety Employer Contributions, 6.75% return each year



SECTION I – EXECUTIVE SUMMARY

Projection of Total Employer Contributions, 6.75% return each year



The projections show that General, Safety, and Total contribution rates are expected to remain relatively flat next year, then slowly decrease for the next five years, as the remaining asset loss from 2022 is recognized, followed by subsequent asset gains continuing to be recognized in the smoothed Actuarial Value of Assets. The contributions are then expected to begin dropping as layers of the UAL are paid off, with the biggest drop expected in 2034 when the largest layer (the 12/31/2013 UAL layer) is expected to be paid off.

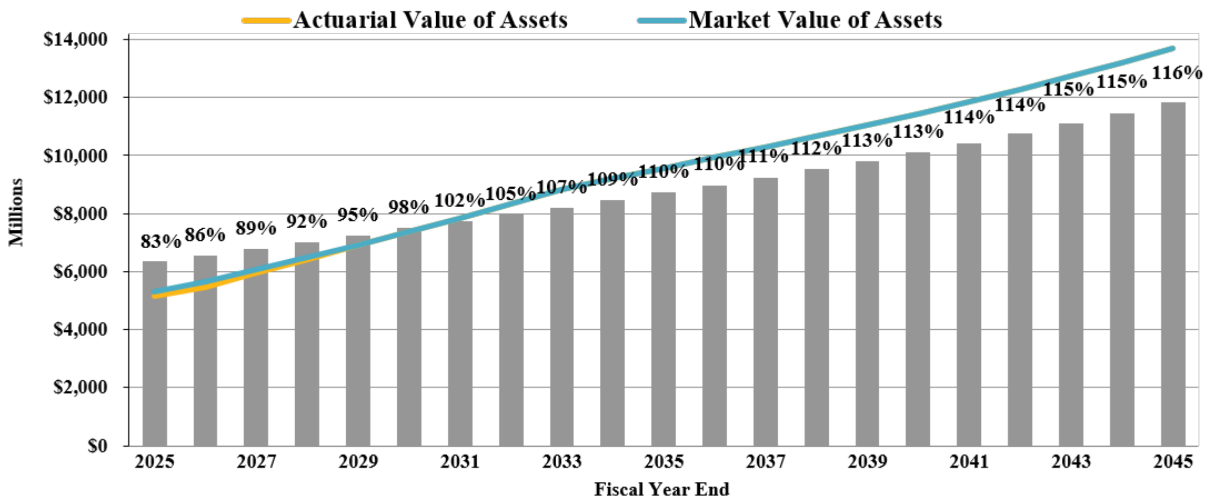
Note that the contribution projections do not forecast any actuarial gains or losses, other than the current net deferred losses reflected in the Actuarial Value of Assets. The graphs also do not include the impact of the additional contributions currently being made by the County, the Mosquito and Vector Control District, and the Superior Court; those additional contributions would eventually be expected to be available to reduce the contributions for those employers in future years.

SECTION I – EXECUTIVE SUMMARY

Asset and Liability Projections:

The graph below shows the projection of SJCERA's assets and liabilities assuming that assets will earn the 6.75% assumption each year during the projection period and the employers contribute at the actuarially determined rates.

Projection of Assets and Liabilities, 6.75% return each year



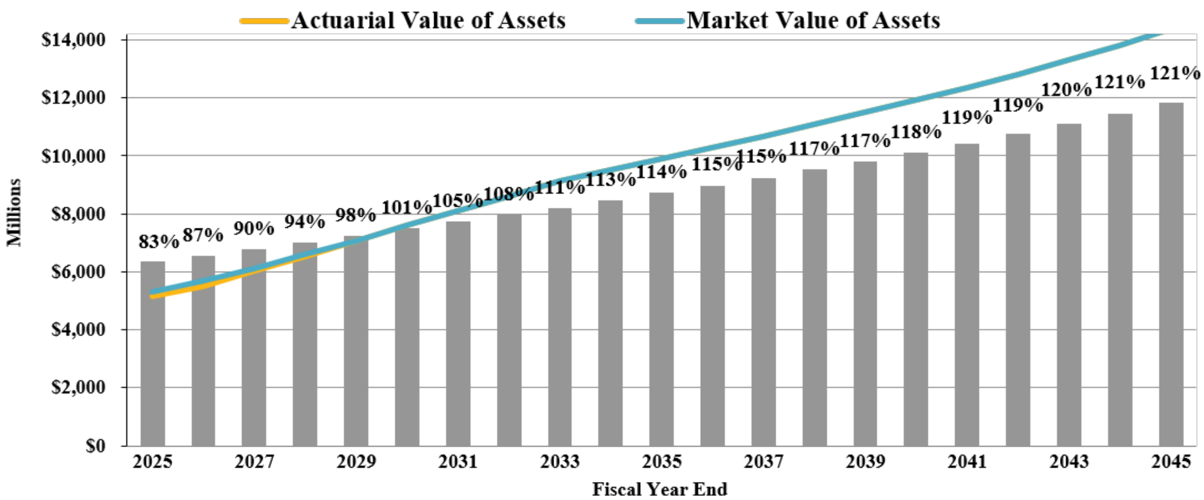
The graph shows that the projected funded status on a market-value basis increases over the next 20 years to 116%, assuming the actuarial rate of return assumption is achieved. However, as noted above, it is the actual return on System assets that will determine the future funding status and contribution rates to the Fund.

We note that the funded ratio is expected to gradually climb above 100%; this is because under the PEPRA legislation, the employer contribution is not allowed to fall below the level of the normal cost unless the Plan reaches at least 120% funded (and other conditions are met).

The assets in the graph above include the additional contributions that the County (2017-2025), the Mosquito and Vector Control District (2018-2025), and Superior Court (2019-2025) have made to the fund through the valuation date. No further additional contributions are assumed in this projection. However, the additional contribution reserves are assumed to continue to grow at the 6.75% expected rate of return and are not used in the calculation of the actuarially determined contribution rates, which also increases the projected funded status above 100%.

The graph on the next page shows the same information as the previous graph and assumes that additional contributions equal to 5% of SJCERA payroll will continue to be made until the System's funded ratio reaches 100%; these additional contributions are for illustrative purposes only. Although the Mosquito and Vector Control District and the Superior Courts have been making additional contributions at different rates, and other employers are not currently making additional contributions, we note that the County has been making additional contributions of approximately 5% per year and makes up the vast majority of overall payroll. No change in the contribution rate is assumed due to the additional contributions; these assets continue to be excluded from the actuarial cost calculation, as noted earlier.

Projection of Assets and Liabilities, 6.75% return each year, Ongoing Additional 5% Contributions



As can be seen in the projection above, with the additional expected 5% of pay contributions, the Plan would be expected to return to full funding as of December 31, 2030, one year earlier than expected in the projections without the additional future contributions.

SECTION II – DISCLOSURES RELATED TO RISK

Actuarial valuations are based on a set of assumptions about future economic and demographic experience. These assumptions represent a reasonable estimate of future experience, but actual future experience will undoubtedly be different and may vary significantly. This section of the report is intended to identify the primary risks to the Plan, provide some background information about those risks, and provide an assessment of those risks.

Identification of Risks

A fundamental risk to a pension plan is that the contributions needed to pay the benefits become unaffordable. While we believe it is unlikely that the Plan by itself would become unaffordable, the contributions needed to support the Plan may differ significantly from expectations. While there are a number of factors that could lead to contribution amounts deviating from expectations, we believe the primary risks are:

- Investment risk,
- Assumption change risk, and
- Contribution and payroll risk.

Other risks that we have not identified may also turn out to be important.

Investment Risk is the potential for investment returns to be different than expected. Lower investment returns than anticipated will increase the unfunded actuarial liability necessitating higher contributions in the future unless there are other gains that offset these investment losses. The potential volatility of future investment returns is determined by the Plan's asset allocation and the affordability of the investment risk is determined by the amount of assets invested relative to the size of the plan sponsors or other contribution base.

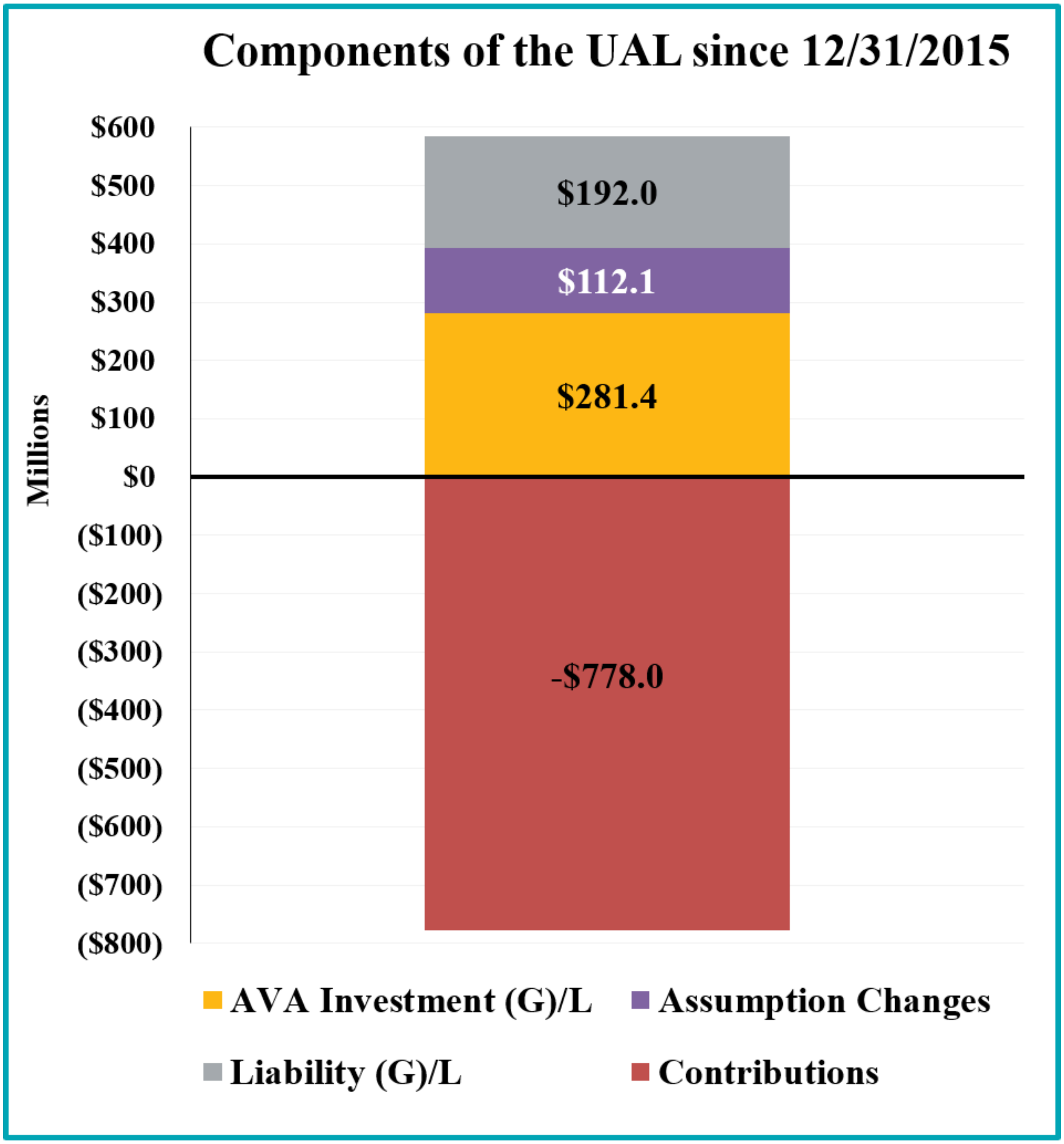
Assumption change risk is the potential for the environment to change such that future valuation assumptions are different than the current assumptions. For example, declines in interest rates over the last three decades (which have recently reversed) resulted in higher investment returns for fixed income investments, but lower expected future returns necessitating either a change in investment policy, a reduction in discount rate, or some combination of the two. Assumption change risk is an extension of the other risks identified, but rather than capturing the risk as it is experienced, it captures the cost of recognizing a change in environment when the current assumption is no longer reasonable.

Contribution risk is the potential for actual future contributions to deviate from expected future contributions. There are different sources of contribution risk such as the sponsor choosing to not make contributions in accordance with the funding policy or if the contribution requirement becomes such a financial strain on the sponsor as a result of material changes in the contribution base (e.g., covered employees, covered payroll) that affect the amount of contributions the Plan can collect.

SECTION II – DISCLOSURES RELATED TO RISK

The chart below shows the components contributing to the Unfunded Actuarial Liability (UAL) from December 31, 2015 through December 31, 2025. Over the last 10 years, the UAL has decreased by approximately $192.6 million. The investment losses (gold bar) of $281.4 million on the Actuarial Value of Assets (AVA), assumption changes (purple bar) resulting in a total UAL increase of $112.1 million, and net liability losses (gray bar) of $192.0 million have all contributed to the UAL growth. Contributions in excess of the "tread water" level (red bar) have reduced the UAL by $778.0 million since December 31, 2015.

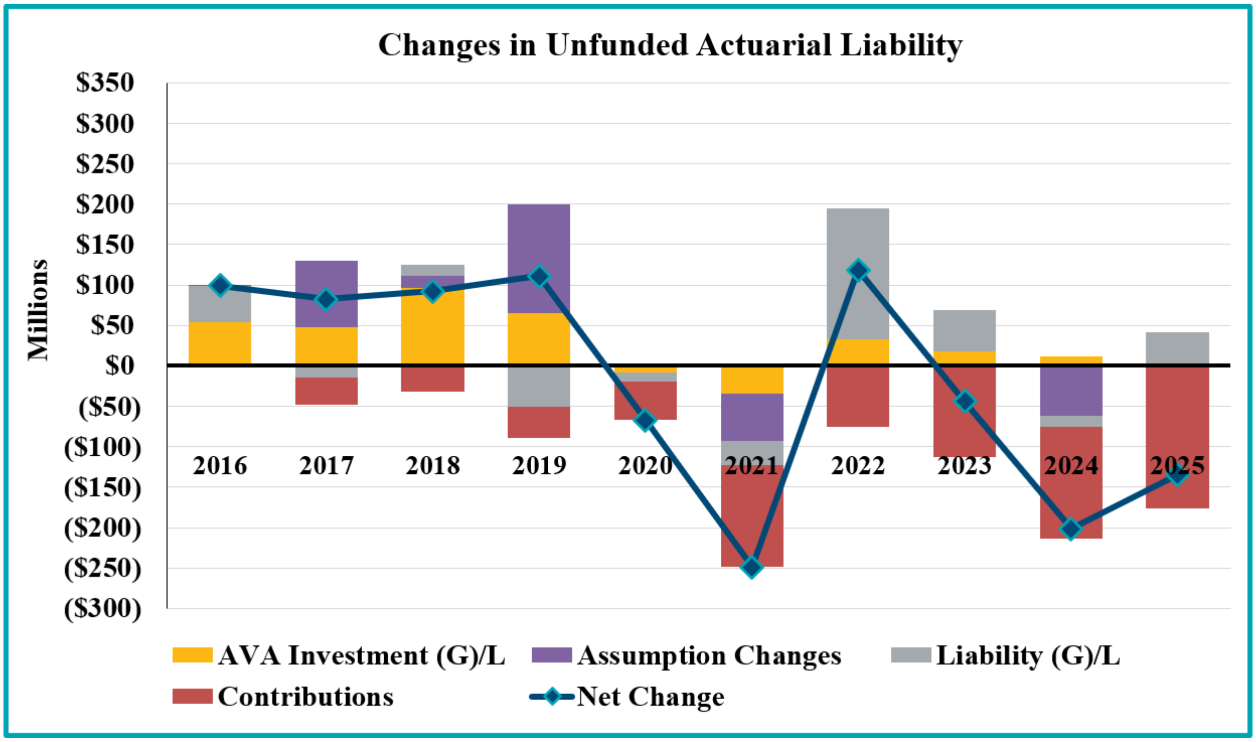
Chart II-1



SECTION II – DISCLOSURES RELATED TO RISK

Chart II-2 below details the annual sources of the UAL change (colored bars) for the plan years ending December 31. The net UAL change for each year is represented by the blue diamonds.

Chart II-2



On a market value basis, the average annual geometric return over the 10-year period is 7.1%. This has resulted in investment losses on the AVA most years, increasing the UAL, except for the 2020 and 2021 calendar years.

Over the same time period, the assumed rate of return decreased from 7.40% to 6.75%. It is important to note that these changes simply reflect a downward revision to the estimate of future investment earnings and ultimately costs will be determined by actual investment earnings. Future expectations of investment returns will likely change which may necessitate further changes in the discount rate.

The impact of all assumption changes is represented by the purple bars. The December 31, 2017 and 2019 valuations included reductions in the expected return from 7.40% to 7.25%, and 7.00%, respectively. The December 31, 2021 valuation decreased the discount rate assumption to 6.75% while also incorporating new demographic assumptions that lowered the UAL. The assumption changes effective with the December 31, 2018 and 2024 valuations included additional changes in the demographic and economic assumptions but did not include changes in the expected rate of return.

SECTION II – DISCLOSURES RELATED TO RISK

The large liability loss in 2022 and smaller liability losses in 2023 and 2025 were caused by higher-than-expected COLAs and negotiated pay increases for many bargaining units.

Each year, the UAL is expected to increase for benefits earned in the current year (the normal cost), administrative expenses, and interest on the UAL. This expected increase is referred to as the tread water level. If contributions are greater than the tread water level, the UAL is expected to decrease. Conversely, if contributions are less than the tread water level, the UAL is expected to increase. The amortization policy (as well as the contribution-timing lag) can impact whether or not the contributions exceed the tread water level. For example, the Board changed the amortization policy in 2009 to amortize 50% of the extraordinary asset loss over a 30-year period and the remaining UAL over a 20-year period. Initially, the relatively long amortization period resulted in contributions being below the tread water level.

However, the single equivalent amortization period for the last several years has been much lower (down to eight and nine years for General and Safety, respectively, in this valuation), with the UAL payment going towards principal as well as interest on the UAL. In addition, the County and at least two other employers have made discretionary contributions above the actuarially determined contribution rate. The County's additional contributions are generally equal to around 5% of their pensionable payroll (with a much larger additional contribution in 2021), including $29.5 million this year. These contributions went directly toward paying down the principal on the UAL as seen below in Table II-1, which numerically summarizes the changes in the UAL for each year by source over the last 10 years.

Table II-1

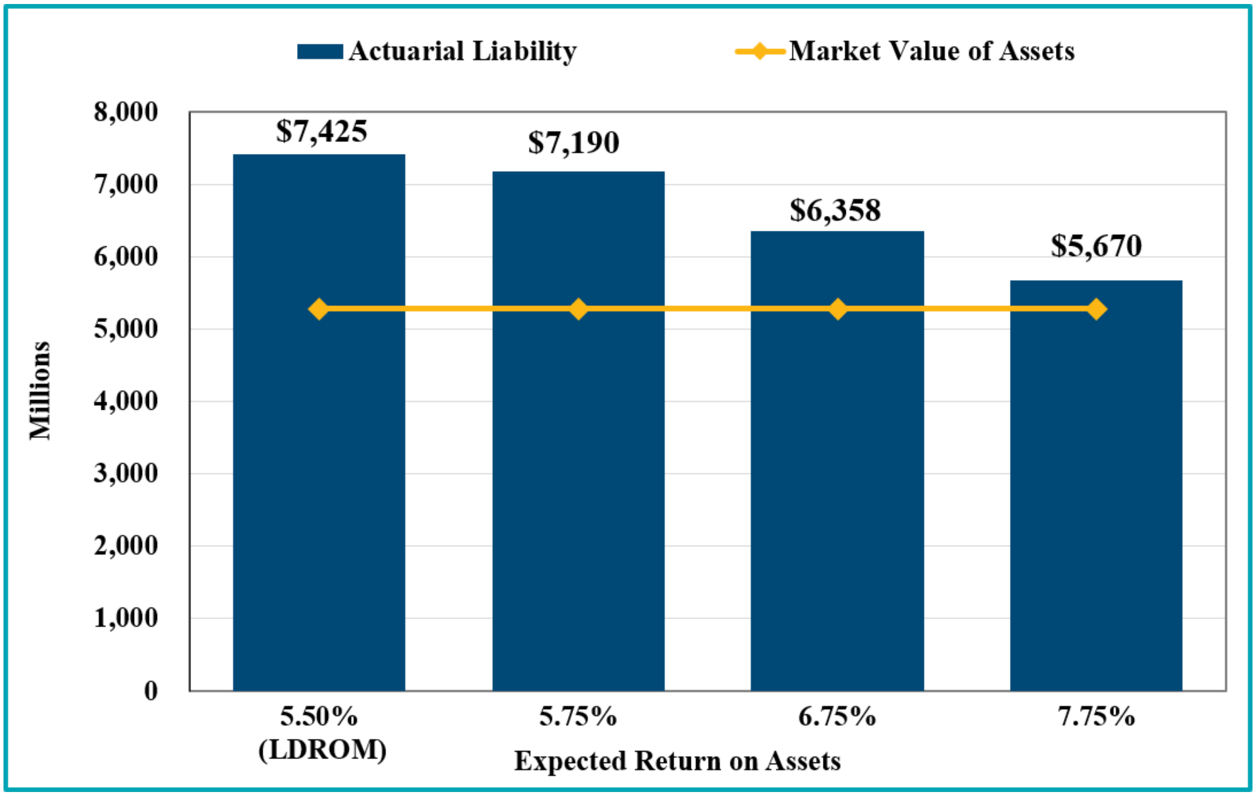
Unfunded Actuarial Liability (UAL) Change by Source					
December 31,	Investment Experience	Liability Experience	Assumption Changes	Contributions	Total UAL Change
2016	$53,461,000	$45,033,000	$0	$831,000	$99,325,000
2017	48,426,000	(14,693,000)	81,855,000	(33,016,000)	82,572,000
2018	95,800,000	12,745,000	16,017,000	(31,986,000)	92,576,000
2019	65,252,000	(49,917,000)	135,011,000	(39,203,000)	111,143,000
2020	(8,800,000)	(11,061,000)	0	(47,428,000)	(67,289,000)
2021	(33,977,000)	(30,569,000)	(58,741,000)	(125,436,000)	(248,723,000)
2022	33,276,000	161,208,000	0	(76,032,000)	118,452,000
2023	17,883,000	50,936,000	0	(112,753,000)	(43,934,000)
2024	11,496,000	(13,442,000)	(62,089,000)	(137,711,000)	(201,746,000)
2025	(1,414,000)	41,773,000	0	(175,289,000)	(134,930,000)
Total	**$281,403,000**	**$192,013,000**	**$112,053,000**	**($778,023,000)**	**($192,554,000)**

Assessing Costs and Risks

Sensitivity to Investment Returns

The chart below compares the Market Value of Assets (line) to the Actuarial Liabilities (bars) discounted at the current expected rate of return (6.75%) and at discount rates 100 basis points above and below the expected rate of return. We have included an additional measurement, the Low Default Risk Obligation Measure (LDROM), which is the Actuarial Liability calculated using a discount rate derived from low-default-risk fixed income securities that approximately match the benefit payments of the plan.

Chart II-3



If investments return 6.75% annually, the Plan will need approximately $6.4 billion in assets today to pay benefits associated with service earned to date, compared to current assets of $5.3 billion. If investment returns are only 5.75%, the Plan would need approximately $7.2 billion in assets today, and if investment returns are 7.75%, the Plan would need approximately $5.7 billion in assets today.

SJCERA invests in a diversified portfolio to achieve the best possible returns at an acceptable level of risk. SJCERA's average return over the last 15 years on a market value basis is 6.4%. Please refer to Table III-5 for the asset returns by year since 2003.

SECTION II – DISCLOSURES RELATED TO RISK

The lowest risk portfolio for a pension plan would be composed entirely of low-default-risk fixed income securities whose cash flows match the benefit cash flows of the plan. However, such a portfolio would have a lower expected rate of return (5.50% as of December 31, 2025) than the diversified portfolio (6.75%). The Low-Default-Risk Obligation Measure (LDROM) represents what the Actuarial Liability would be if SJCERA's assets were invested in such a portfolio. As of December 31, 2025, the LDROM is $7.4 billion[1] compared to the Actuarial Liability of $6.4 billion for SJCERA in total (General and Safety employers). The $1.1 billion difference can be viewed as the expected savings from taking on the investment risk of the diversified portfolio. Alternatively, it can be viewed as the potential cost of minimizing the investment risk.

If SJCERA were to invest in the LDROM portfolio and not a diversified portfolio, the funded status would be lower and expected contribution requirements would increase. The security of SJCERA's pension benefits relies on the current assets, future investment earnings, and the ability and willingness of employers to make future contributions. Investing in an LDROM portfolio would likely generate more predictable future investment earnings and future contributions. However, if SJCERA were to invest in the LDROM portfolio, it would not change current assets, but it could potentially reduce future investment earnings and thereby increase the level of reliance on future employer contributions.

[1] Based on a discount rate equal to the December 31, 2025, FTSE Pension Liability Index of 5.61%, rounded to the nearest quarter percent (5.50%), and all other assumptions and methods as used to calculate the Actuarial Liability.

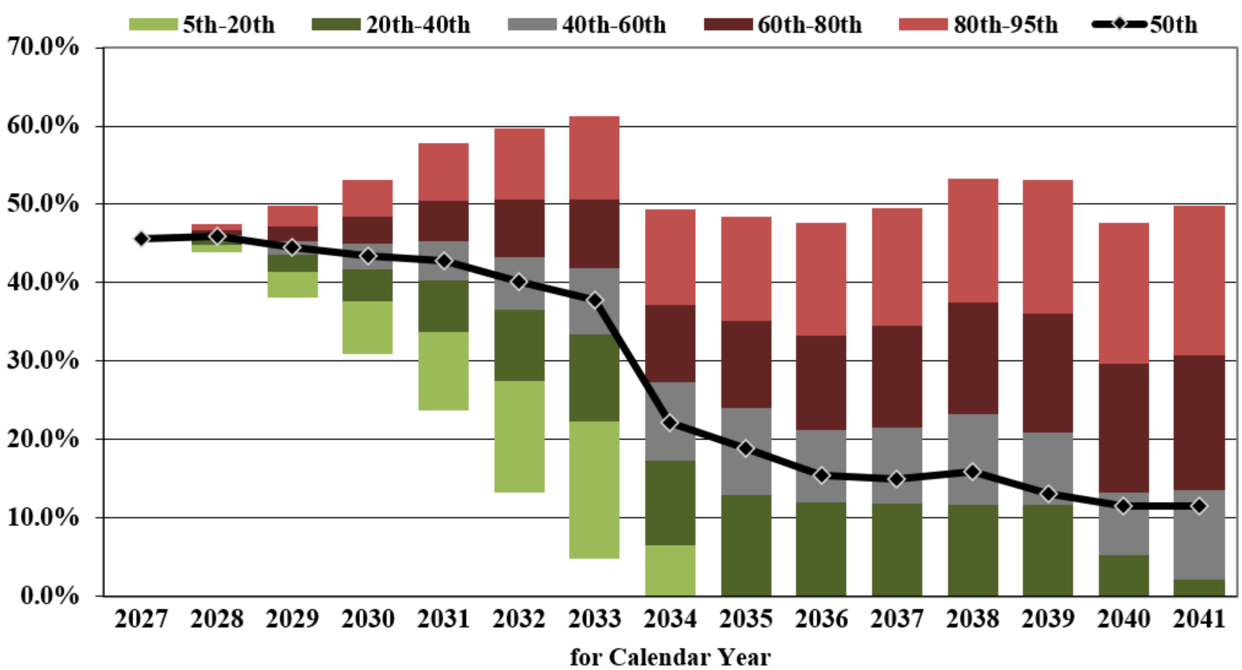
SECTION II – DISCLOSURES RELATED TO RISK

Sensitivity to Investment Returns - Stochastic Projections

Stochastic projections serve to show the range of probable outcomes of various measurements. The graphs below and on the following page show the projected range of the employer contribution rate and of the funded ratio on an Actuarial Value of Assets basis.

The range in both scenarios is driven by the volatility of investment returns (assumed to be based on a 12.4% standard deviation of annual returns, as indicated in Meketa's capital market expectations presented at the February 13, 2026 Board Meeting). The stochastic projections of investment returns are based on an assumption that each future year's investment return is independent from all other years and is identically distributed according to a lognormal distribution. This assumption may result in an unrealistically wide range of compound investment returns over longer periods.

Chart II-4: Stochastic Projection of Employer Contributions as a Percentage of Payroll

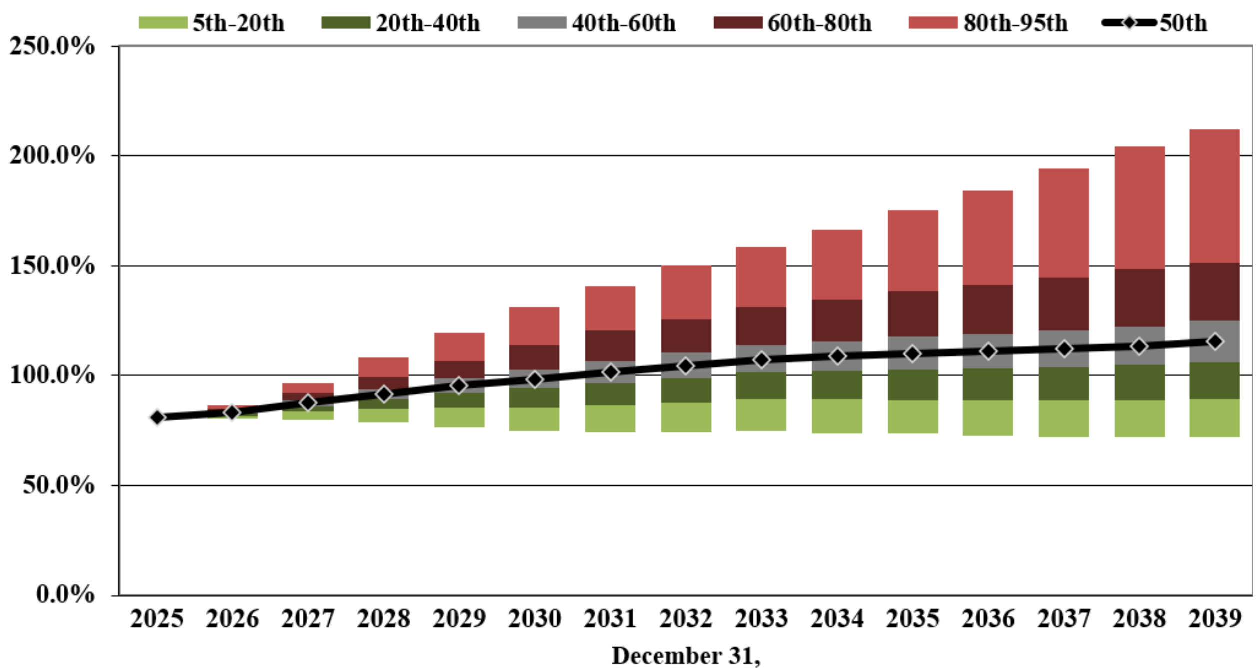


The stochastic projection of employer contributions as a percentage of payroll shows the probable range of future contribution rates. The median contribution rate (black line), which is based on the midpoint of the simulations using an average return of 6.75%, aligns closely with the projections discussed in subsection D. (page 12) of the Executive Summary of this report. In the most pessimistic scenario shown, the 95th percentile, the projected employer contribution rate reaches 61% of pay in 2033. Conversely, the most optimistic scenario shown, the 5th percentile, the projected employer contribution rate declines to 0% in 2034.

SECTION II – DISCLOSURES RELATED TO RISK

We note that these projections allow the employers' contribution to drop below their share of the normal cost only if the Plan becomes overfunded by more than 20% (i.e., a funded ratio above 120%), as required by the PEPRA legislation. The projections above do not include the impact of the additional contribution reserves or any future contributions above the actuarially determined contributions.

Chart II-5: Stochastic Projection of Funded Ratio on an Actuarial Value of Assets Basis



The graph above shows the projection of the funded ratio based on the Actuarial Value of Assets. The projections do not assume future additional contributions from the County or other employers, but they do include the value of the additional contribution reserves accumulated through the current valuation. While the median funded ratio (black line) is projected to be approximately 115% at the end of the 15-year period shown here, there is a wide range of potential outcomes. Good investment returns have the likelihood of bringing the funded ratio well over 100%. Due to the current funding policy of the Plan, even in scenarios with unfavorable investment returns, the Plan is projected to remain over 60% funded on an Actuarial Value of Assets basis in all but the most unfavorable of scenarios, as long as the actuarially determined contributions continue to be made.

SECTION II – DISCLOSURES RELATED TO RISK

Contribution Risk

The Safety contribution rate is very large at almost 84% of payroll and as a result, future salary increases and the hiring of new members are potentially at risk. When member payroll growth stagnates or even declines, the dollar level of contributions made to the Plan also stagnates or declines since contributions are based on payroll levels.

There is also a risk of the contribution rate increasing even higher when payroll decreases since the Plan's funding policy amortizes the UAL as a level percentage of payroll. This means that the UAL payments increase at the assumed payroll growth rate of 3.00%, so that the payment is expected to remain constant as a percentage of payroll. If payroll growth is less than the expected 3.00% or there is a decline in payroll, the UAL payments are spread over a smaller payroll base and the contribution rate as a percentage of payroll increases, making the Plan less affordable for the Safety and potentially other plan sponsors.

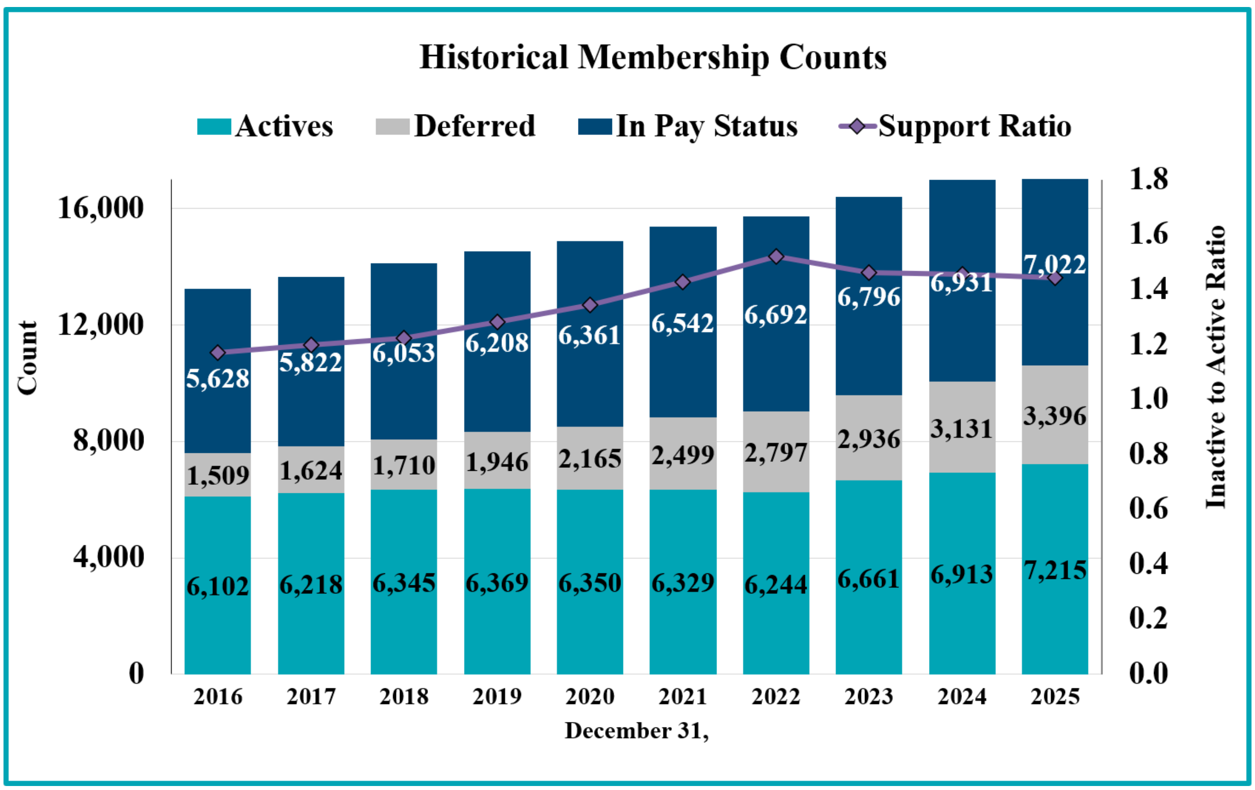
Plan Maturity Measures

The future financial condition of a mature pension plan is more sensitive to each of the risks identified above than a less mature plan. Before assessing each of these risks, it is important to understand the maturity of the Plan and how the maturity has changed over time.

Plan maturity can be measured in a variety of ways, but they all get at one basic dynamic – the larger the plan is compared to the contribution or revenue base that supports it; the more sensitive the plan will be to risk. The measures below have been selected as the most important in understanding the primary risks identified for the Plan.

Inactives per Active (Support Ratio)

One simple measure of plan maturity is the ratio of the number of inactive members (those receiving benefits or those entitled to a deferred benefit) to the number of active members. The Support Ratio is expected to increase gradually as a plan matures. During calendar years 2017 through 2022, the active population increased at a slower pace than the inactive population – and actually declined in the last three years of that period - resulting in an increase in the Support Ratio. Growth in the active population during the most recent three years slightly reduced the support ratio.

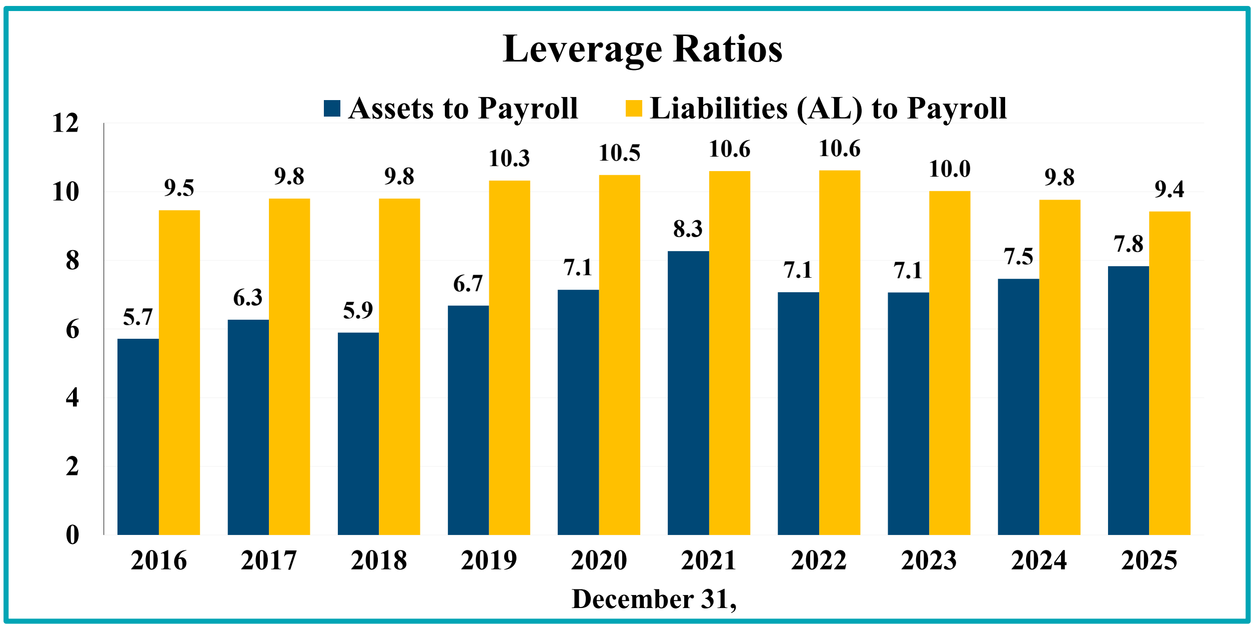


SECTION II – DISCLOSURES RELATED TO RISK

Leverage Ratios

Leverage or volatility ratios measure the size of the plan compared to its revenue base more directly. The asset leverage ratio is simply the market value of assets to active member payroll and indicates the sensitivity of the Plan to investment returns. The liability leverage ratio is the plan's Actuarial Liability to active member payroll and indicates the sensitivity of the Plan to assumption changes or demographic experience.

The chart below shows the historical leverage ratios of the Plan. The asset to payroll leverage ratio has increased from 5.7 to 7.8 during the ten-year period ending December 31, 2025. Between 2019 and 2021, the ratio increased from 6.7 to 8.3 times member payroll, due to the favorable asset returns and additional contributions. The ratio decreased during 2022 due to lower asset returns and higher payroll and increased the last two years due to favorable investment returns offset by payroll growth. The liability to payroll ratio has remained relatively stable, as the continued maturation of the Plan and liability increases from reductions in the discount rate have been offset by growth in payroll.

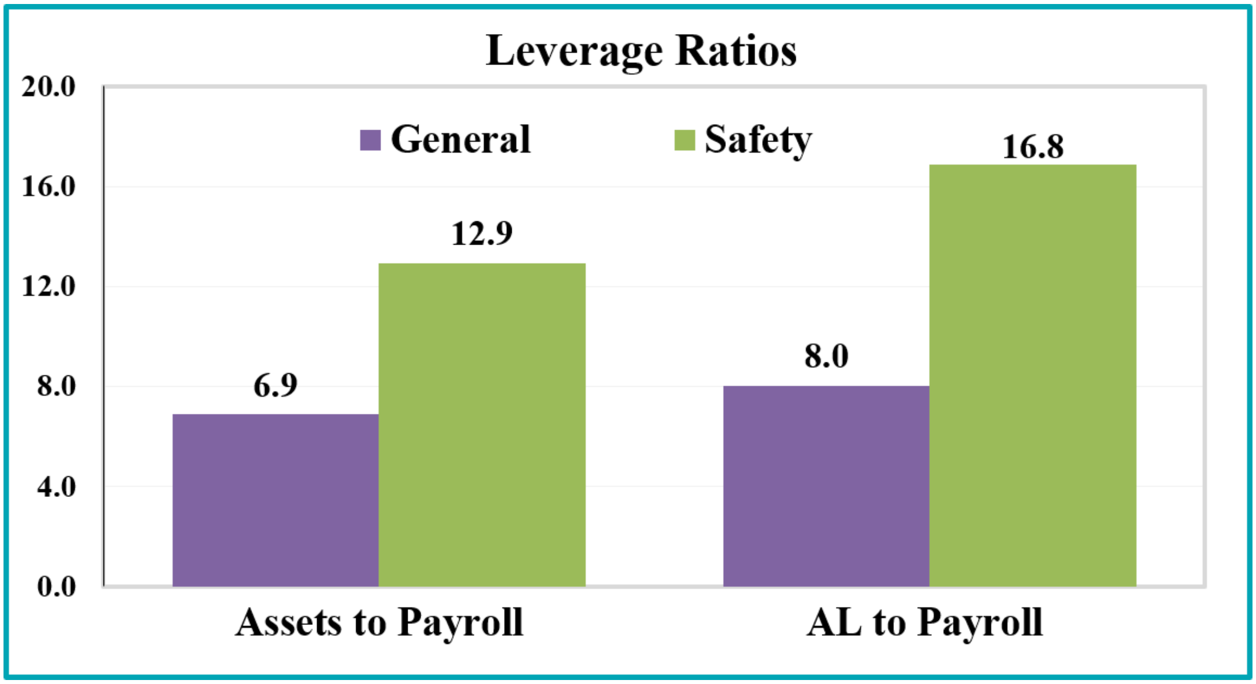


To appreciate the impact of the ratio of assets to payroll on plan cost, consider the situation for a new plan with almost no assets. Even if the assets suffer a bad year of investment returns, the impact on the plan cost is negligible, because the asset level is so small.

As the Plan becomes better funded, the asset leverage ratio will increase, and if it were 100% funded, the asset leverage ratio would be around 10 times payroll, or the liability leverage ratio.

SECTION II – DISCLOSURES RELATED TO RISK

We note that the ratio of both assets and liabilities to payroll, and therefore the sensitivity to investment returns and assumption changes, is higher for the Safety members compared to the General members, because of the higher benefit amounts and the earlier average retirement ages for Safety.



The General asset leverage ratio of 6.9 means that if the Plan's assets lose 10% of their value, which is a 16.75% actuarial loss compared to the expected return of 6.75%, the loss would be equivalent to 116% of payroll (16.75% times 6.9). Based on the current amortization policy and economic assumptions, the General contribution rate would ultimately increase by just over 10% of payroll, after deferred asset losses are fully recognized. The same investment loss for the Safety group with an asset ratio of 12.9 would be equivalent to 216% of payroll, or an approximate contribution rate increase of almost 19%. Therefore, the contribution rates for the Safety members will generally be much more volatile than those of the General members.

More Detailed Assessment

While a more detailed assessment is always valuable to enhance the understanding of the risks identified above, we believe the scenarios illustrated above cover the primary risks facing the Plan at this time. We would be happy to provide the Board with a more in-depth analysis at their request.

SECTION III – ASSETS

Pension Plan assets play a key role in the financial operation of the System and in the decisions the Board may make with respect to future deployment of those assets. The level of assets, the allocation of assets among asset classes, and the methodology used to measure assets will likely impact benefit levels, employer contributions, and the ultimate security of participants' benefits.

In this section, we present detailed information on System assets including:

- **Disclosure** of System assets as of December 31, 2024 and December 31, 2025,
- Statement of the **changes** in market values during the year,
- Development of the **Actuarial Value of Assets**,
- An assessment of **investment performance**, and
- Determination of **reserve balances** as of December 31, 2025.

Disclosure

There are two types of asset values disclosed in the valuation, the Market Value of Assets, and the Actuarial Value of Assets. The market value represents the fair value of assets that provide the principal basis for measuring financial performance from one year to the next. Market values, however, can fluctuate widely with corresponding swings in the marketplace. As a result, market values are usually not as suitable for long-range planning as are the Actuarial Value of Assets, which reflect smoothing of annual investment returns.

Table III-1 on the next page discloses and compares the market values as of December 31, 2024 and December 31, 2025.

SECTION III – ASSETS

Table III-1
Statement of Assets at Market Value
December 31,

Assets:		**2024**		**2025**
Cash and Cash Equivalents	$	157,429,655	$	214,865,588
Cash Collateral-Securities Lending		72,278,331		52,693,699
Total Cash and Cash Equivalents		229,707,986		267,559,287
Receivables:				
Investment Income Receivables		7,699,376		8,743,672
Contributions Receivable		18,318,330		20,598,091
Securities Sold, Not Received - Domestic		36,395,360		53,980
Other Investment Income Receivable		0		0
Miscellaneous Receivables		32,348		33,576
Total Receivables		62,445,414		29,429,319
Investments, at Market Value:				
Aggressive Growth		528,270,353		574,558,824
Traditional Growth		1,838,129,987		2,229,033,012
Risk Parity		225,359,431		78,426,912
Credit		694,795,403		783,209,389
Crisis Risk Offset (CRO)		472,276,466		506,068,820
Principal Protection		424,807,281		501,542,664
Core Real Assets		279,381,910		374,279,814
Total Investments		4,463,020,831		5,047,119,435
Other Assets:				
Prepaid Expenses		146,523		174,291
Equipment and Fixtures, Net		4,967,867		2,285,820
Other Assets		5,114,390		2,460,111
Total Assets		4,760,288,621		5,346,568,152
Liabilities:				
Securities Lending-Cash Collateral		27,386,459		52,693,699
Securities Purchased, Not Paid		72,278,331		5,385,823
Accrued Expenses and Other Payables		1,099,858		1,450,409
Security Lending Interest and Other Expense		307,815		196,472
Total Liabilities		101,072,463		59,726,403
Market Value of Assets	**$**	**4,659,216,158**	**$**	**5,286,841,749**

SECTION III – ASSETS

Changes in Market Value

The components of asset change are:

- Contributions (employer and employee)
- Benefit payments
- Expenses (investment and administrative)
- Investment income (realized and unrealized)

Table III-2 below shows the components of change in the Market Value of Assets during 2024 and 2025.

Table III-2
Changes in Market Values

Additions	**2024**	**2025**
Contributions		
Employer's Contribution	323,248,229	342,718,865
Members' Contributions	58,873,823	64,443,069
Total Contributions	382,122,052	407,161,934
Net Investment Income		
Net Appreciation/(Depreciation) in		
Fair Value of Investments	332,090,971	496,936,152
Interest	34,538,311	43,795,050
Dividends	23,401,133	20,869,708
Real Estate Income, net	9,287,037	17,261,011
Investment Expenses	(26,029,411)	(25,843,196)
Miscellaneous Investment Income	0	0
Net Investment Income,		
Before Securities Lending Income	373,288,041	553,018,725
Securities Lending Income		
Earnings	3,911,381	3,533,858
Rebates	(3,486,248)	(3,083,266)
Fees	(106,224)	(112,586)
Net Securities Lending Income	318,909	338,006
Net Investment Income	373,606,950	553,356,731
Miscellaneous Income	2,054,687	78,466
Total Additions	757,783,689	960,597,131

SECTION III – ASSETS

Table III-2
Changes in Market Values (Continued)

Deductions	**2024**	**2025**
Benefit payments	301,364,059	314,917,556
Death Benefits	747,067	622,917
Refunds of Members' Contributions	5,139,038	6,028,795
Total Benefit Payments	307,250,164	321,569,268
Administrative & Other Expenses		
General Administrative Expenses	6,868,989	11,348,021
Actuary Fees	150,719	201,399
Fund Legal Fees	226,279	166,666
Total Administrative & Other Expenses	7,245,987	11,716,086
Transfer Between Plans	(230,456)	(313,814)
Total Deductions	314,265,695	332,971,540
Net increase (Decrease)	443,517,994	627,625,591
Net Assets Held in Trust for Pension Benefits:		
Beginning of Year	4,215,698,164	4,659,216,158
End of Year	4,659,216,158	5,286,841,749
Approximate Return	8.84%	11.78%

Actuarial Value of Assets (AVA)

The Actuarial Value of Assets represents a "smoothed" value developed by the actuary to reduce contribution volatility, which could develop due to short-term fluctuations in the Market Value of Assets. For this System, the Actuarial Value of Assets is calculated by recognizing the deviation of actual investment returns compared to the expected return over a five-year period.

The dollar amount of the expected return on the Market Value of Assets is determined using the actual contributions, administrative expense, and benefit payments during the year. Any difference between this amount and the actual investment earnings is considered a gain or loss. However, in no event will the Actuarial Value of Assets be less than 80% or more than 120% of market value on the valuation date. The following table shows the development of the actuarial asset value.

Table III-3
Development of Actuarial Value of Assets
as of December 31, 2025

Year	(a) Contributions	(b) Benefits	(c) Administrative Expense	(d) Healthcare Fund Transfer	(e) Expected Return	(f) Actual Return	(g) = (f) – (e) Additional Earnings	(h) Not Recognized	(i) = (g) x (h) Unrecognized Earnings
2022	316,485,355	279,363,795	5,621,704	224,628	284,479,114	(412,759,726)	(697,238,840)	20%	(139,447,768)
2023	347,686,452	290,537,671	6,649,765	(219,676)	259,359,996	347,666,062	88,306,066	40%	35,322,426
2024	382,122,052	307,250,164	7,245,987	230,456	286,820,288	375,661,637	88,841,349	60%	53,304,809
2025	407,161,934	321,569,268	11,716,086	313,814	316,970,895	553,435,197	236,464,302	80%	189,171,442

1. Total Unrecognized Dollars	138,350,909
2. Market Value of Assets as of December 31, 2025	5,286,841,749
3. Preliminary Actuarial Value of Assets as of December 31, 2025: [(2) - (1)]	5,148,490,840
4. Corridor Limits	
a. 80% of Net Market Value	4,229,473,399
b. 120% of Net Market Value	6,344,210,099
5. Actuarial Value of Assets after Corridor	5,148,490,840
6. Ratio of Actuarial Value to Market Value [(5) ÷ (2)]	97.38%
7. Market Stabilization Designation [(2) – (5)]	138,350,909
8. Special (Non Valuation) Reserves:	
Class Action Settlement – Post 4/1/1982	96,962
Contingency	96
Total Special Reserves	97,058
9. Actuarial Value of Assets for the Funding Ratio: [(5) - (8)]	**$5,148,393,782**
10. Additional Contribution Reserves	$354,898,569
11. Actuarial Value of Assets Used for Calculating the Employer Contribution Rates: [(9) - (10)]	**$4,793,495,213**

Investment Performance

The following table calculates the investment related gain/loss for the Plan year on both a market value and an actuarial value basis. The market value gain/loss is a useful measure for comparing the actual asset performance to the previous valuation assumption.

The employer contributions include the additional contributions of $31,148,171 made by the County, the MVCD, and the Superior Court in the gain/loss development for the Market Value of Assets but are excluded in the analysis for the valuation assets.

Table III-4
Asset Gain/(Loss)

	Market Value	Valuation Assets
December 31, 2024 value	**$ 4,659,216,158**	**$ 4,461,502,633**
Employer Contributions	342,718,865	311,570,694
Employee Contributions	64,443,069	64,443,069
Healthcare Transfer	313,814	313,814
Benefit Payments	(321,569,268)	(321,569,268)
Administrative Expenses	(11,716,086)	(11,716,086)
Expected Investment Earnings (6.75%)	316,970,895	302,591,147
Expected Value December 31, 2025	$ 5,050,377,447	$ 4,807,136,003
Investment Gain / (Loss)	236,464,302	(13,640,790)
December 31, 2025 value	**$ 5,286,841,749**	**$ 4,793,495,213**
Return	11.78%	6.45%

Note that the return on market value shown above is not the dollar-weighted return on assets required for the purposes of GASB Statements 67 and 68.

SECTION III – ASSETS

The following table shows the historical annual asset returns on a market value and actuarial value basis, as well as the increase in the Consumer Price Index (CPI) since 2003.

Table III-5
Historical Asset Returns

Year Ended December 31	Return on Market Value	Return on Actuarial Value	Increase in CPI[1]
2003	25.5%	6.8%	1.9%
2004	11.8%	6.6%	3.3%
2005	6.9%	7.2%	3.4%
2006	12.7%	9.6%	2.5%
2007	6.9%	11.2%	4.1%
2008	(30.1%)	(14.3%)	(0.5%)
2009	11.4%	7.4%	2.5%
2010	12.4%	6.4%	1.5%
2011	1.3%	(1.8%)	3.0%
2012	11.7%	(0.2%)	1.7%
2013	9.2%	8.5%	1.5%
2014	4.7%	7.5%	0.8%
2015	(1.9%)	5.6%	0.7%
2016	6.3%	5.3%	2.1%
2017	11.7%	5.6%	2.1%
2018	(2.0%)	3.9%	1.9%
2019	13.3%	5.1%	2.3%
2020	8.5%	7.3%	1.4%
2021	16.0%	8.0%	7.0%
2022	(9.8%)	5.8%	6.5%
2023	9.0%	6.2%	3.4%
2024	8.8%	6.4%	2.9%
2025	11.8%	6.4%	2.7%
Compounded 15- Year Average	6.4%	5.3%	2.6%
Compounded 10- Year Average	7.1%	6.0%	3.2%
Compounded 5- Year Average	6.8%	6.6%	4.5%

[1] Based on All Urban Consumers - U.S. City Average, December Indices.

Reserve Balances

The following table shows historical balances of the Post-1982 Settlement Reserve.

Table III-6
Post-1982 Settlement Reserve

Valuation Date December 31	Number Eligible	Benefits Payable	Reserve	Estimated Years of Payments
2007	1,896	3,683,939	25,872,222	13
2008	1,856	3,602,904	22,015,055	10
2009	1,800	3,484,762	20,090,654	9
2010	1,738	3,370,636	18,108,660	6
2011	1,679	3,243,068	14,556,866	5
2012	1,709	3,244,009	11,063,855	4
2013	1,662	3,197,416	8,765,004	3
2014	1,617	3,046,233	6,338,007	2
2015	1,560	2,939,133	3,644,507	1
2016	1,501	2,821,575	915,393	<1
2017	1,441	2,705,007	485,100	<1
2018	1,376	2,594,058	62,951	<1
2019	1,313	2,479,710	65,877	<1
2020	1,255	2,372,539	70,425	<1
2021	1,196	2,260,212	75,271	<1
2022	1,134	2,145,376	80,451	<1
2023	1,064	2,008,367	85,793	<1
2024	1,008	1,890,745	91,201	<1
2025	937	1,749,477	96,962	<1

As of December 31, 2025, the total projected liability associated with paying the Post-82 Settlement allowances for the remaining lifetime of the eligible members and beneficiaries is approximately $10.9 million. Payments from the Post-82 Settlement reserve have been suspended, with the last benefits payable in August of 2018.

SECTION IV – LIABILITIES

In this section, we present detailed information on System liabilities including:

- **Disclosure** of System liabilities on December 31, 2024 and December 31, 2025
- Statement of **changes** in these liabilities during the year

Disclosure

Several types of liabilities are calculated and presented in this report. We note that the liabilities described below are not appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations, in the case of a plan termination or other similar action.

- **Present Value of Future Benefits:** Used for measuring all future System obligations, represents the amount of money needed today to fully fund all benefits of the System both earned as of the valuation date and those to be earned in the future by current plan participants, under the current System provisions.
- **Actuarial Liability:** Used for funding calculations, this liability is calculated taking the present value of future benefits and subtracting the present value of future member contributions and future employer normal costs under an acceptable actuarial funding method. The method used for this System is called the **Entry Age Normal** (EAN) funding method.
- **Unfunded Actuarial Liability:** The excess of the Actuarial Liability over the Actuarial Value of Assets.

Table IV-1 discloses each of these liabilities for the current and prior valuations and shows the allocation of the valuation assets between SJCERA's valuation subgroups, General and Safety. With respect to each disclosure, a subtraction of the appropriate value of Plan assets yields, for each respective type, a **net surplus,** or an **Unfunded Actuarial Liability**.

SECTION IV – LIABILITIES

Table IV-1
Allocation of Assets by Subgroup and Liabilities/Net (Surplus)/Unfunded

	December 31, 2024 Total	December 31, 2025 Total	(a) General	(b) Safety	(c) Unallocated
1. Member Reserves	$ 591,584,472	$ 659,159,746	$ 526,360,990	$ 132,798,756	$ 0
2. Employer Advance Reserves w/o Add'l Contribs	2,929,747,279	3,350,551,646	2,382,808,466	967,743,180	0
3. Retired Member Reserves	940,170,882	783,702,098	599,212,946	179,778,548	4,710,604
4. Total Valuation Reserves (1 + 2 + 3)	$ 4,461,502,633	$ 4,793,413,490	$ 3,508,382,402	$ 1,280,320,484	$ 4,710,604
5. Additional Contribs to Employer Advance Reserves	288,207,596	354,898,569	300,494,394	54,404,175	0
6. Total Unrecognized Dollars, less Stabilization Reserve	0	81,723	0	0	81,723
7. Total Reserves (4 + 5 + 6)	$ 4,749,710,229	$ 5,148,393,782	$ 3,808,876,796	$ 1,334,724,659	$ 4,792,327
8. Proportion Reserves of Line 4, by Plan			73.26%	26.74%	
9. Valuation Assets for Funding Ratio (7 + [8 * 7c])	$ 4,749,710,229	$ 5,148,393,782	$ 3,812,387,834	$ 1,336,005,948	
10. Valuation Assets for Developing Contribution Rate (4 + [8 * 7c])	$ 4,461,502,633	$ 4,793,495,213	$ 3,511,893,440	$ 1,281,601,773	
Present Value of Future Benefits					
Actives	$ 3,087,772,178	$ 3,303,615,175	$ 2,462,447,163	$ 841,168,012	
Terminated Vested	244,207,693	245,984,463	210,324,097	35,660,366	
Retirees	3,300,635,102	3,415,437,989	2,493,953,039	921,484,950	
Disabled	336,672,701	335,884,762	133,011,431	202,873,331	
Beneficiaries	245,420,112	253,594,661	166,806,331	86,788,330	
11. **Present Value of Future Benefits (PVB)**	**$ 7,214,707,786**	**$ 7,554,517,050**	**$ 5,466,542,061**	**$ 2,087,974,989**	
12. Present Value of Future Normal Costs (PVFNC)	1,120,703,620	1,196,759,274	895,188,395	301,570,879	
13. **Actuarial Liability (11 - 12)**	**$ 6,094,004,166**	**$ 6,357,757,776**	**$ 4,571,353,666**	**$ 1,786,404,110**	
14. **Funded Ratio (9 / 13)**	**77.9%**	**81.0%**	**83.4%**	**74.8%**	
15. **Net (Surplus)/Unfunded (13 - 10)**	**$ 1,632,501,533**	**$ 1,564,262,563**	**$ 1,059,460,226**	**$ 504,802,337**	

Changes in Liabilities

Each of the liabilities disclosed in the prior table are expected to change at each valuation. The components of that change, depending upon which liability is analyzed, can include:

- New hires since the last valuation
- Benefits accrued since the last valuation
- Plan amendments
- Passage of time which adds interest to the prior liability
- Benefits paid to retirees since the last valuation
- Participants retiring, terminating, or dying at rates different than expected
- A change in actuarial or investment assumptions
- A change in the actuarial funding method

Unfunded liabilities will change because of all of the above, and due to changes in System assets resulting from:

- Employer contributions different than expected
- Investment earnings different than expected
- A change in the method used to measure plan assets

Table IV-2
Changes in Actuarial Liability

Actuarial Liability at December 31, 2024	$	6,094,004,166
Actuarial Liability at December 31, 2025	$	6,357,757,776
Liability Increase (Decrease)		263,753,610
Change due to:		
Accrual of Benefits	$	133,845,929
Actual Benefit Payments		(321,569,268)
Interest		409,704,130
Assumption Changes		0
Actuarial Liability (Gain) / Loss		41,772,819

SECTION IV – LIABILITIES

Table IV-3
Development of Actuarial (Gain) / Loss

	General	Safety	Total Without Add'l Employer Reserves	Total With Add'l Employer Reserves
1. Unfunded Actuarial Liability at Start of Year (not less than zero)	$ 1,115,099,007	$ 517,402,526	$ 1,632,501,533	$ 1,344,293,937
2. Middle of year unfunded actuarial liability payment	(144,840,661)	(63,525,306)	(208,365,967)	(208,365,967)
3. Interest to end of year on 1. and 2.	70,460,630	32,815,699	103,276,329	83,822,317
4. Change in Actuarial Liability due to assumption change	0	0	0	0
5. Expected UAL at the end of year (1+2+3+4)	1,040,718,976	486,692,919	1,527,411,895	1,219,750,286
6. Actual Unfunded Liability at end of year	1,059,460,226	504,802,337	1,564,262,563	1,209,363,994
7. Net (Gain)/Loss: (6 - 5)	18,741,250	18,109,418	36,850,668	(10,386,292)
8. Actuarial Liability (Gain) / Loss	$ 23,143,063	$ 18,629,756	$ 41,772,819	$ 41,772,819
9. Actuarial Asset (Gain) / Loss	$ 9,689,256	$ 3,951,534	$ 13,640,790	$ (1,413,913)
10. Contribution (Gain) / Loss	$ (14,091,069)	$ (4,471,872)	$ (18,562,941)	$ (50,745,198) [1]

1 Contribution gain with additional employer reserves is equal to the contribution gain, -$18,562,399, less the additional County, MVCD, and Superior Court contributions made during 2025, $31,148,171, with interest.

SECTION V – CONTRIBUTIONS

In the process of evaluating the financial condition of any pension plan, the actuary analyzes the assets and liabilities to determine what level (if any) of contributions is needed to properly maintain the funding status of the System. The actuarial process utilizes funding techniques with a goal of producing a pattern of contributions that are both stable and predictable.

For this System, the actuarial funding method used to determine the normal cost and the Unfunded Actuarial Liability is the **Entry Age Normal (EAN)** cost method. There are three primary components to the total contribution: the **normal cost rate** (employee and employer), the **Unfunded Actuarial Liability rate** (UAL rate), and the **administrative expense** contribution.

The normal cost rate is determined in the following steps. First, an individual normal cost rate is determined by taking the value, as of entry age into the System, of each member's projected future benefits. This value is then divided by the value, also at entry age, of the member's expected future salary producing a normal cost rate that should remain relatively constant over a member's career. The total normal cost is adjusted with interest to the middle of the year, to reflect the fact that the normal cost contributions are paid throughout the year as member payroll payments are made. Finally, the total normal cost rate is reduced by the member contribution rate to produce the employer normal cost rate.

The member contribution rates used in this valuation reflect the broad cost sharing arrangements in place as of the valuation date that apply to the 2026 Plan Year (i.e., whether the bargaining unit is making the full COLA cost-sharing member contribution and/or the additional 14%/33% Basic member rate). However, the valuation does not include additional fixed rate contributions payable by some bargaining units. Those additional contributions are applied outside of the valuation, and reductions to the employer rates to reflect those additional contributions are provided directly to the individual bargaining groups.

The Unfunded Actuarial Liability is the difference between the EAN Actuarial Liability and the Actuarial Value of Assets. At the July 24, 2015 board meeting, the SJCERA Board of Retirement chose to make a change to their funding policy, opting to amortize any unexpected changes in the UAL over a period of 15 years as a level percentage of payroll, with new amortization layers each year. The result was a set of three amortization bases as of December 31, 2014: the 2008 loss being amortized over 24 years, the remaining UAL as of December 31, 2013 being amortized over 18 years, and new additions to the UAL on and after December 31, 2014 amortized over 15 years. The single equivalent amortization period for all streams of UAL payments is eight years for General and nine years for Safety as of December 31, 2025. The amortization period for each Unfunded Actuarial Liability layer will decrease each year.

The total administrative expenses are assumed to be $8,712,500 in 2026, increasing with the CPI assumption each valuation. The administrative expenses are split between employees and employers based on their share of the overall contributions.

SECTION V – CONTRIBUTIONS

The tables on the following pages present the employer contributions for the System for this valuation.

Table V-1
Development of Employer Contribution Amount

		December 31, 2025	
			% of pay
1. Normal Cost at Middle of Year		$77,807,339	12.24%
2. Amortization of Unfunded Liability			
a. Actuarial Liability	$	6,357,757,776	
b. Actuarial Value of Assets[1]		4,793,495,213	
c. Unfunded Liability (a) – (b)	$	1,564,262,563	
d. Amortization of Unfunded Liability	$	217,838,619	32.26%
3. Administrative Expenses *(Employer allocation only)*	$	7,211,676	1.07%
4. Actuarially Determined Contribution[2] (1) + (2d) + (3)	$	302,857,634	45.57%

[1] Assets exclude additional County, MVCD, and Superior Court Contribution Reserves.

[2] Closed Group normal cost amount; see discussion on page 5

Table V-2
Employer Contribution Rate

		December 31, 2024		December 31, 2025
Contributions as a Percentage of Payroll[1]				
Gross Entry Age Normal Cost Rate		21.62%		21.50%
Employee Contribution Rate		9.18%		9.26%
Employer Entry Age Normal Cost Rate		12.44%		12.24%
Employer Normal Cost Rate		12.44%		12.24%
Administrative Expense		1.13%		1.07%
Amortization Payment		33.38%		32.26%
Employer Contribution Rate		46.95%		45.57%
Actuarially Determined Contribution (Employer)[2]	$	288,632,270	$	302,857,634

[1] Normal cost and employee contribution rates do not include administrative expenses.

[2] Closed Group

SECTION V – CONTRIBUTIONS

Table V-3
Employer Contribution Rate

	General Tier 1 December 31, 2025	General Tier 2 December 31, 2025	Safety Tier 1 December 31, 2025	Safety Tier 2 December 31, 2025
Contributions as a Percentage of Payroll[1]				
Gross Entry Age Normal Cost Rate	21.38%	18.42%	37.00%	29.89%
Employee Contribution Rate	6.78%	9.21%	11.51%	14.95%
Employer Entry Age Normal Cost Rate	14.60%	9.21%	25.49%	14.94%
Employer Normal Cost Rate	14.60%	9.21%	25.49%	14.94%
Administrative Expense	1.07%	1.07%	1.07%	1.07%
Amortization Payment	26.49%	26.49%	63.21%	63.21%
Employer Contribution Rate	42.16%	36.77%	89.77%	79.22%
Actuarially Determined Contribution (Employer)[2]	$ 71,313,352	$ 143,559,232	$ 42,623,067	$ 45,361,982

[1] Normal cost and employee contribution rates do not include administrative expenses.

[2] Closed Group normal cost amount; see discussion on page 5

SECTION V – CONTRIBUTIONS

Table V-4
Development of General Amortization Payment
For Fiscal Year 2026

Type of Base	Date Established	Initial Amount	Initial Amortization Years	12/31/2025 Outstanding Balance	Remaining Amortization Years	Amortization Amount
Charges/(Credits)						
1. 2008 Extraordinary Actuarial Loss	12/31/2008	$ 298,074,372	30	$ 298,052,080	13	$ 29,096,183
2. Remaining 12/31/2013 UAL	12/31/2013	584,940,566	19	383,087,495	7	62,786,413
3. 2014 (Gain)/Loss	12/31/2014	(11,658,862)	15	(5,279,708)	4	(1,437,748)
4. 2015 (Gain)/Loss	12/31/2015	34,636,894	15	18,624,660	5	4,128,653
5. 12/31/2015 Assumption Changes	12/31/2015	75,853,467	15	40,787,287	5	9,041,591
6. 2016 (Gain)/Loss	12/31/2016	94,894,097	15	58,227,518	6	10,944,048
7. 2017 (Gain)/Loss	12/31/2017	23,943,774	15	16,302,175	7	2,671,857
8. 12/31/2017 Assumption Changes	12/31/2017	59,045,648	15	40,201,371	7	6,588,834
9. 2018 (Gain)/Loss	12/31/2018	95,504,066	15	70,726,876	8	10,317,604
10. 12/31/2018 Assumption Changes	12/31/2018	17,462,987	15	12,932,461	8	1,886,581
11. 2019 (Gain)/Loss	12/31/2019	8,429,406	15	6,684,738	9	881,655
12. 12/31/2019 Assumption Changes	12/31/2019	96,315,094	15	83,458,024	9	11,007,343
13. 2020 (Gain)/Loss	12/31/2020	(242,042)	15	(203,399)	10	(24,555)
14. 2021 (Gain)/Loss	12/31/2021	(33,479,076)	15	(29,518,024)	11	(3,294,265)
15. 12/31/2021 Assumption Changes	12/31/2021	(75,251,608)	15	(66,348,266)	11	(7,404,586)
16. 2022 (Gain)/Loss	12/31/2022	119,296,199	15	109,561,295	12	11,396,576
17. 2023 (Gain)/Loss	12/31/2023	54,711,061	15	51,980,667	13	5,074,412
18. 2024 (Gain)/Loss	12/31/2024	(3,653,046)	15	(3,569,656)	14	(328,949)
19. 12/31/2024 Assumption Changes	12/31/2024	(46,039,587)	15	(44,988,618)	14	(4,145,766)
20. 2025 (Gain)/Loss	12/31/2025	18,741,251	15	18,741,251	15	1,638,456
				$ 1,059,460,227	8 [1]	$ 150,824,337

[1] The single equivalent amortization period - i.e. the length of time required to amortize the overall UAL as a level percentage of payroll based on the total current amortization payment is approximately 8 years.

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SECTION V – CONTRIBUTIONS

Table V-5
Development of Safety Amortization Payment
For Fiscal Year 2026

Type of Base	Date Established	Initial Amount	Initial Amortization Years	12/31/2025 Outstanding Balance	Remaining Amortization Years	Amortization Amount
Charges/(Credits)						
1. 2008 Extraordinary Actuarial Loss	12/31/2008	$ 126,189,527	30	$ 120,027,419	13	$ 11,717,213
2. Remaining 12/31/2013 UAL	12/31/2013	235,559,190	19	154,271,707	7	25,284,477
3. 2014 (Gain)/Loss	12/31/2014	(4,780,021)	15	(2,164,630)	4	(589,463)
4. 2015 (Gain)/Loss	12/31/2015	17,788,933	15	9,565,316	5	2,120,407
5. 12/31/2015 Assumption Changes	12/31/2015	16,001,780	15	8,604,343	5	1,907,382
6. 2016 (Gain)/Loss	12/31/2016	14,516,825	15	8,907,601	6	1,674,212
7. 2017 (Gain)/Loss	12/31/2017	13,716,051	15	9,338,606	7	1,530,558
8. 12/31/2017 Assumption Changes	12/31/2017	22,809,013	15	15,529,570	7	2,545,231
9. 2018 (Gain)/Loss	12/31/2018	26,232,387	15	19,426,763	8	2,833,967
10. 12/31/2018 Assumption Changes	12/31/2018	(1,446,461)	15	(1,071,198)	8	(156,266)
11. 2019 (Gain)/Loss	12/31/2019	30,198,055	15	23,947,843	9	3,158,499
12. 12/31/2019 Assumption Changes	12/31/2019	38,696,213	15	33,530,669	9	4,422,386
13. 2020 (Gain)/Loss	12/31/2020	1,500,664	15	1,261,073	10	152,238
14. 2021 (Gain)/Loss	12/31/2021	(16,417,200)	15	(14,474,810)	11	(1,615,415)
15. 12/31/2021 Assumption Changes	12/31/2021	16,510,425	15	14,557,006	11	1,624,588
16. 2022 (Gain)/Loss	12/31/2022	74,502,950	15	68,423,301	12	7,117,398
17. 2023 (Gain)/Loss	12/31/2023	26,158,834	15	24,853,358	13	2,426,213
18. 2024 (Gain)/Loss	12/31/2024	8,025,339	15	7,842,140	14	722,665
19. 12/31/2024 Assumption Changes	12/31/2024	(16,049,530)	15	(15,683,159)	14	(1,445,226)
20. 2025 (Gain)/Loss	12/31/2025	18,109,418	15	18,109,418	15	1,583,218
				$ 504,802,337	9 [1]	$ 67,014,282

[1] The single equivalent amortization period - i.e. the length of time required to amortize the overall UAL as a level percentage of payroll based on the total current amortization payment is approximately 9 years.

SECTION VI – ADDITIONAL ANNUAL FINANCIAL REPORT SCHEDULES

This section of the report provides a schedule for the Actuarial Section of the annual financial report for SJCERA that is not provided in the GASB 67 and 68 reports.

We have prepared the following schedule:

Schedule of Funded Liabilities by Type

The schedule of funded liabilities by type (formerly known as the solvency test) shows the portion of Actuarial Liabilities for active member contributions, inactive members, and the employer financed portion of the active members that are covered by the Actuarial Value of Assets.

The Actuarial Liability is determined assuming that the System is ongoing, and participants continue to terminate employment, retire, etc., in accordance with the actuarial assumptions. Liabilities as of December 31, 2016 were discounted at the assumed rate of 7.40% whereas liabilities as of December 31, 2017 and 2018 were discounted at the assumed rate of 7.25%. The liabilities as of December 31, 2019 and 2020 were discounted at the assumed rate of 7.00%. The liabilities as of December 31, 2021, 2022, 2023, 2024, and 2025 are discounted at the assumed rate of 6.75%.

Table VI-1
Schedule of Funded Liabilities by Type

	Aggregate Actuarial Liabilities for				Portion of Actuarial Liabilities Covered by Reported Assets		
Valuation Date December 31,	Active Member Contributions (1)	Retirees & Beneficiaries (2)	Active Members[1] (3)	Actuarial Value of Assets	(1)	(2)	(3)
2025	$ 661,945,179	$ 4,004,917,412	$ 1,690,895,185	$ 5,148,393,782	100%	100%	28%
2024	598,847,774	3,882,727,915	1,612,428,477	4,749,710,229	100%	100%	17%
2023	547,449,365	3,758,382,100	1,634,671,764	4,394,462,603	100%	100%	5%
2022	494,246,935	3,647,845,013	1,532,570,754	4,084,688,496	100%	98%	0%
2021	457,136,377	3,436,812,018	1,429,840,419	3,852,266,458	100%	99%	0%
2020	426,570,416	3,328,307,086	1,452,791,799	3,487,424,521	100%	92%	0%
2019	396,549,386	3,162,982,551	1,454,100,529	3,226,099,142	100%	89%	0%
2018	368,549,547	2,899,425,320	1,437,296,083	3,044,897,691	100%	92%	0%
2017	344,503,811	2,706,791,152	1,445,680,634	2,913,161,286	100%	95%	0%
2016	318,020,652	2,513,640,349	1,403,432,945	2,733,851,661	100%	96%	0%

[1] Includes terminated vested members.

APPENDIX A – MEMBERSHIP INFORMATION

The data for this valuation was provided by the San Joaquin County staff as of December 31, 2025.

Summary of Participant Data as of December 31, 2025	General	Safety	Total
Tier 1 Active Participants			
Number	1,585	331	1,916
Average Age	53.78	47.48	52.69
Average Benefit Service	20.95	19.40	20.68
Average Vesting Service	21.62	20.66	21.46
Average Pay	$109,231	$146,270	$115,630
Tier 2 Active Participants			
Number	2,336	339	2,675
Average Age	45.35	37.07	44.30
Average Benefit Service	7.59	7.80	7.62
Average Vesting Service	7.66	7.97	7.70
Average Pay	$90,566	$115,671	$93,748
Tier 2B Active Participants			
Number	2,407	217	2,624
Average Age	38.95	31.73	38.35
Average Benefit Service	1.79	1.77	1.79
Average Vesting Service	1.98	1.93	1.97
Average Pay	$76,696	$84,753	$77,363
Active PEPRA Participants			
Number	4,743	556	5,299
Average Age	42.10	34.99	41.35
Average Benefit Service	4.65	5.45	4.73
Average Vesting Service	4.78	5.61	4.87
Average Pay	$83,527	$103,604	$85,634
All Active Participants			
Number	6,328	887	7,215
Average Age	45.03	39.65	44.36
Average Benefit Service	8.73	10.66	8.97
Average Vesting Service	9.00	11.23	9.27
Average Pay	$89,966	$119,526	$93,600

APPENDIX A – MEMBERSHIP INFORMATION

Summary of Participant Data as of December 31, 2025	General	Safety	Total
Service Retired			
Number	4,609	796	5,405
Average Age	72.30	66.93	71.51
Average Annual Base Benefit	$32,111	$56,169	$35,654
Average Annual Total Benefit	$43,845	$78,773	$48,989
Beneficiaries			
Number	777	231	1008
Average Age	74.92	73.62	74.62
Average Annual Base Benefit	$14,153	$23,381	$16,268
Average Annual Total Benefit	$24,426	$44,428	$29,010
Duty Disabled			
Number	249	212	461
Average Age	67.65	64.92	66.40
Average Annual Base Benefit	$19,597	$40,773	$29,335
Average Annual Total Benefit	$30,340	$64,445	$46,024
Non-Duty Disabled			
Number	135	13	148
Average Age	68.24	65.23	67.97
Average Annual Base Benefit	$13,144	$24,574	$14,148
Average Annual Total Benefit	$21,189	$39,028	$22,756
Total Receiving Benefits			
Number	5,770	1,252	7,022
Average Age	72.35	67.81	71.54
Average Annual Base Benefit	$28,709	$47,184	$32,003
Average Annual Total Benefit	$40,117	$69,597	$45,373

APPENDIX A – MEMBERSHIP INFORMATION

Summary of Participant Data as of December 31, 2025	General	Safety	Total
Deferred Vested			
Number	859	68	927
Average Age	48.22	42.96	47.84
Average Service	8.82	9.27	8.85
Transfers and DROs			
Number	277	76	353
Average Age	51.46	48.50	50.82
Average Service	5.04	4.02	4.82
Funds on Account			
Number	2,017	99	2,116
Average Age	42.91	36.75	42.62
Average Service	1.25	1.60	1.27
Total Inactive			
Number	3,153	243	3,396
Average Age	45.11	42.16	44.90
Average Service	3.65	4.50	3.71

APPENDIX A – MEMBERSHIP INFORMATION

Changes in Plan Membership: General

	Actives	Transfers/ DROS	Non-Vested Terminations	Vested Terminations	Non-Duty Disabled	Duty Disabled	Retired	Beneficiaries	Total
December 31, 2024	**6,079**	**302**	**1,772**	**807**	**139**	**257**	**4,541**	**765**	**14,662**
New Entrants	1,020	0	0	0	0	0	0	0	1,020
Rehires	46	0	(26)	(14)	0	0	(2)	0	4
Duty Disabilities	(1)	0	0	0	0	1	0	0	0
Non-Duty Disabilities	0	0	0	0	0	0	0	0	0
Retirements	(148)	(19)	(4)	(29)	0	0	200	0	0
Vested Terminations	(105)	0	0	106	0	0	0	0	1
Retirements from Safety with General Service	0	0	0	4	0	0	5	0	9
Died, With Beneficiaries' Benefit Payable	0	0	0	0	(1)	(3)	(39)	48	5
Died, Without Beneficiary, and Other Terminations	(367)	0	359	(1)	(3)	(8)	(94)	0	(114)
Transfers	(18)	0	0	0	0	0	0	0	(18)
Redeposits – AB 2766	0	0	(2)	1	0	0	0	0	(1)
Withdrawals Paid	(178)	(6)	(82)	(16)	0	0	0	(1)	(283)
Beneficiary Deaths	0	0	0	0	0	0	0	(36)	(36)
Domestic Relations Orders	0	2	0	0	0	0	0	1	3
Data Corrections	0	(2)	0	1	0	2	(2)	0	(1)
December 31, 2025	**6,328**	**277**	**2,017**	**859**	**135**	**249**	**4,609**	**777**	**15,251**

APPENDIX A – MEMBERSHIP INFORMATION

Changes in Plan Membership: Safety

	Actives	Transfers/ DROS	Non-Vested Terminations	Vested Terminations	Non-Duty Disabled	Duty Disabled	Retired	Beneficiaries	Total
December 31, 2024	**834**	**83**	**94**	**73**	**14**	**214**	**773**	**228**	**2,313**
New Entrants	81	0	0	0	0	0	0	0	81
Rehires	1	0	(2)	(1)	0	0	(1)	0	(3)
Duty Disabilities	0	0	0	0	0	0	0	0	0
Non-Duty Disabilities	0	0	0	0	0	0	0	0	0
Retirements	(22)	(6)	(2)	(8)	0	0	38	0	0
Vested Terminations	(4)	(1)	0	5	0	0	0	0	0
Retirements from General with Safety Service	0	0	0	0	0	0	0	0	0
Died, With Beneficiaries' Benefit Payable	0	0	0	0	0	(1)	(3)	4	0
Died, Without Beneficiary, and Other Terminations	(14)	0	14	0	(1)	(2)	(10)	0	(13)
Transfers	17	0	0	0	0	0	0	0	17
Redeposits – AB 2766	0	0	0	0	0	0	0	0	0
Withdrawals Paid	(6)	0	(5)	(1)	0	0	0	0	(12)
Beneficiary Deaths	0	0	0	0	0	0	0	(3)	(3)
Domestic Relations Orders	0	0	0	0	0	0	0	2	2
Data Corrections	0	0	0	0	0	1	(1)	0	0
December 31, 2025	**887**	**76**	**99**	**68**	**13**	**212**	**796**	**231**	**2,382**

APPENDIX A – MEMBERSHIP INFORMATION

Changes in Plan Membership: All Groups

	Actives	Transfers/ DROS	Non-Vested Terminations	Vested Terminations	Non-Duty Disabled	Duty Disabled	Retired	Beneficiaries	Total
December 31, 2024	**6,913**	**385**	**1,866**	**880**	**153**	**471**	**5,314**	**993**	**16,975**
New Entrants	1,101	0	0	0	0	0	0	0	1,101
Rehires	47	0	(28)	(15)	0	0	(3)	0	1
Duty Disabilities	(1)	0	0	0	0	1	0	0	0
Non-Duty Disabilities	0	0	0	0	0	0	0	0	0
Retirements	(170)	(25)	(6)	(37)	0	0	238	0	0
Vested Terminations	(109)	(1)	0	111	0	0	0	0	1
Retirements with Safety and General Service	0	0	0	4	0	0	5	0	9
Died, With Beneficiaries' Benefit Payable	0	0	0	0	(1)	(4)	(42)	52	5
Died, Without Beneficiary, and Other Terminations	(381)	0	373	(1)	(4)	(10)	(104)	0	(127)
Transfers	(1)	0	0	0	0	0	0	0	(1)
Redeposits – AB 2766	0	0	(2)	1	0	0	0	0	(1)
Withdrawals Paid	(184)	(6)	(87)	(17)	0	0	0	(1)	(295)
Beneficiary Deaths	0	0	0	0	0	0	0	(39)	(39)
Domestic Relations Orders	0	2	0	0	0	0	0	3	5
Data Corrections	0	(2)	0	1	0	3	(3)	0	(1)
December 31, 2025	**7,215**	**353**	**2,116**	**927**	**148**	**461**	**5,405**	**1,008**	**17,633**

APPENDIX A – MEMBERSHIP INFORMATION

Active Member Data by Plan

Valuation at Year End	Plan Type	Member Count	Annual Payroll	Average Annual Salary	Average Salary Increase
2011	General	4,441	$298,308,687	$67,172	1.20%
	Safety	813	$64,041,814	$78,772	0.87%
	Total	**5,254**	**$362,350,501**	**$68,967**	**1.19%**
2012	General	4,492	$301,505,122	$67,120	-0.08%
	Safety	803	$64,386,900	$80,183	1.79%
	Total	**5,295**	**$365,892,023**	**$69,101**	**0.19%**
2013	General	4,748	$316,885,044	$66,741	-0.57%
	Safety	805	$65,640,055	$81,540	1.69%
	Total	**5,553**	**$382,525,098**	**$68,886**	**-0.31%**
2014	General	4,879	$322,836,680	$66,169	-0.86%
	Safety	827	$68,491,483	$82,819	1.57%
	Total	**5,706**	**$391,328,162**	**$68,582**	**-0.44%**
2015	General	5,131	$340,731,847	$66,407	0.36%
	Safety	793	$66,456,278	$83,804	1.19%
	Total	**5,924**	**$407,188,125**	**$68,735**	**0.22%**
2016	General	5,291	$373,202,798	$70,535	6.22%
	Safety	811	$67,593,920	$83,346	-0.55%
	Total	**6,102**	**$440,796,718**	**$72,238**	**5.10%**
2017	General	5,370	$381,151,442	$70,978	0.63%
	Safety	848	$70,776,611	$83,463	0.14%
	Total	**6,218**	**$451,928,053**	**$72,681**	**0.61%**
2018	General	5,485	$401,820,940	$73,258	3.86%
	Safety	860	$72,680,957	$84,513	1.40%
	Total	**6,345**	**$474,501,897**	**$74,784**	**3.52%**
2019	General	5,526	$404,710,743	$73,238	-0.03%
	Safety	843	$73,747,564	$87,482	3.51%
	Total	**6,369**	**$478,458,307**	**$75,123**	**0.45%**
2020	General	5,518	$414,244,475	$75,071	2.50%
	Safety	832	$75,245,783	$90,440	3.38%
	Total	**6,350**	**$489,490,258**	**$77,085**	**2.61%**
2021	General	5,492	$424,197,359	$77,239	2.89%
	Safety	837	$77,959,639	$93,142	2.99%
	Total	**6,329**	**$502,156,998**	**$79,342**	**2.93%**
2022	General	5,420	$447,145,524	$82,499	6.81%
	Safety	824	$87,240,416	$105,874	13.67%
	Total	**6,244**	**$534,385,940**	**$85,584**	**7.87%**
2023	General	5,827	$499,266,336	$85,682	3.86%
	Safety	834	$93,499,432	$112,110	5.89%
	Total	**6,661**	**$592,765,768**	**$88,991**	**3.98%**
2024	General	6,079	$527,967,270	$86,851	1.36%
	Safety	834	$96,214,193	$115,365	2.90%
	Total	**6,913**	**$624,181,463**	**$90,291**	**1.46%**
2025	General	6,328	$569,301,696	$89,966	3.59%
	Safety	887	$106,019,306	$119,526	3.61%
	Total	**7,215**	**$675,321,002**	**$93,600**	**3.66%**

Payroll figures represent active members' annualized pay rates on January 1 of the following year.

APPENDIX A – MEMBERSHIP INFORMATION

Schedule of Retirees and Beneficiaries Valuation Data

Valuation at Year End	Plan Type	Member Retirements	Beneficiary Continuance	Members and Beneficiaries Removed	Total Retirees on Payroll	Annual Retirement Payroll	Average Annual Allowance	Average Allowance Increase
2011	General	240	42	108	3,871	92,938,361	24,009	3.30%
	Safety	32	4	14	814	38,098,866	46,805	1.97%
	Total	**272**	**46**	**122**	**4,685**	**131,037,227**	**27,970**	**2.68%**
2012	General	278	27	135	4,041	102,025,575	25,248	5.16%
	Safety	52	12	20	856	42,008,598	49,075	4.85%
	Total	**330**	**39**	**155**	**4,897**	**144,034,172**	**29,413**	**5.16%**
2013	General	213	52	134	4,172	109,869,721	26,335	4.31%
	Safety	22	11	20	869	43,548,028	50,113	2.11%
	Total	**235**	**63**	**154**	**5,041**	**153,411,632**	**30,433**	**3.47%**
2014	General	247	51	112	4,358	120,722,240	27,701	5.19%
	Safety	29	14	21	891	45,889,472	51,503	2.77%
	Total	**276**	**65**	**133**	**5,249**	**166,611,711**	**31,742**	**4.30%**
2015	General	227	45	136	4,494	129,928,957	28,912	4.37%
	Safety	54	15	19	941	50,813,875	54,000	4.85%
	Total	**281**	**60**	**155**	**5,435**	**180,742,832**	**33,255**	**4.77%**
2016	General	251	40	128	4,657	139,511,334	29,957	3.62%
	Safety	40	12	22	971	54,508,607	56,137	3.96%
	Total	**291**	**52**	**150**	**5,628**	**194,019,941**	**34,474**	**3.66%**
2017	General	249	49	149	4,806	149,183,295	31,041	3.62%
	Safety	46	12	13	1016	57,837,517	56,927	1.41%
	Total	**295**	**61**	**162**	**5,822**	**207,020,812**	**35,558**	**3.15%**
2018	General	290	47	133	5,010	161,602,326	32,256	3.91%
	Safety	39	8	20	1043	61,364,472	58,835	3.35%
	Total	**329**	**55**	**153**	**6,053**	**222,966,797**	**36,836**	**3.59%**
2019	General	237	57	179	5,125	171,791,597	33,520	3.92%
	Safety	49	13	22	1083	65,822,764	60,778	3.30%
	Total	**286**	**70**	**201**	**6,208**	**237,614,311**	**38,276**	**3.91%**
2020	General	237	47	159	5,250	182,786,202	34,816	3.87%
	Safety	37	10	19	1111	69,214,609	62,299	2.50%
	Total	**274**	**57**	**178**	**6,361**	**252,000,811**	**39,617**	**3.50%**
2021	General	246	58	159	5,395	192,121,249	35,611	2.28%
	Safety	48	24	36	1,147	71,998,606	62,771	0.76%
	Total	**294**	**82**	**195**	**6,542**	**264,119,855**	**40,373**	**1.91%**
2022	General	236	48	156	5,523	202,648,699	36,692	3.04%
	Safety	35	3	16	1,169	75,687,232	64,745	3.14%
	Total	**271**	**51**	**172**	**6,692**	**278,335,931**	**41,592**	**3.02%**
2023	General	208	64	190	5,605	211,339,432	37,706	2.76%
	Safety	36	9	23	1,191	78,820,186	66,180	2.22%
	Total	**244**	**73**	**213**	**6,796**	**290,159,618**	**42,696**	**2.65%**
2024	General	210	61	174	5,702	221,469,298	38,841	3.01%
	Safety	57	12	31	1,229	83,816,651	68,199	3.05%
	Total	**267**	**73**	**205**	**6,931**	**305,285,948**	**44,046**	**3.16%**
2025	General	206	49	187	5,770	231,474,988	40,117	3.29%
	Safety	38	6	21	1,252	87,135,741	69,597	2.05%
	Total	**244**	**55**	**208**	**7,022**	**318,610,729**	**45,373**	**3.01%**

Payroll figures represent year end monthly retirement benefits annualized and exclude Post-Employment Healthcare benefits.

APPENDIX A – MEMBERSHIP INFORMATION

Fiscal Year	Beginning of Year	Added During Year	Allowances Added (in 000s)[1]	Removed During Year	Allowances Removed	End of Year	Annual Retirement Payroll (in 000s)	Average Allowance Percentage Increase	Average Annual Allowance
2011	4,489	318	11,544	122	2,793	4,685	131,037	2.67%	27,969
2012	4,685	361	16,400	149	3,403	4,897	144,034	5.16%	29,413
2013	4,897	297	12,908	153	3,530	5,041	153,412	3.47%	30,433
2014	5,041	340	16,230	132	3,030	5,249	166,612	4.30%	31,742
2015	5,249	341	17,776	155	3,651	5,435	180,737	4.77%	33,255
2016	5,435	343	17,151	150	3,868	5,628	194,020	3.66%	34,474
2017	5,628	355	17,288	161	4,287	5,822	207,021	3.15%	35,558
2018	5,822	382	19,839	151	3,893	6,053	222,967	3.59%	36,836
2019	6,053	355	20,574	200	5,927	6,208	237,614	3.91%	38,276
2020	6,208	333	19,967	180	5,580	6,361	252,001	3.50%	39,617
2021	6,361	376	19,519	195	7,400	6,542	264,120	1.91%	40,373
2022	6,542	322	19,736	172	5,520	6,692	278,336	3.02%	41,592
2023	6,692	317	19,055	213	7,231	6,796	290,160	2.65%	42,696
2024	6,796	339	22,094	204	6,967	6,931	305,286	3.16%	44,046
2025	6,931	297	20,637	206	7,312	7,022	318,611	3.01%	45,373

[1] Includes COLA amounts not included in previous year's Annual Allowance totals.

APPENDIX A – MEMBERSHIP INFORMATION

Schedule of Average Monthly Benefit Payments

	Number of Years of Service Credit						
Retirement Effective Date	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30 & Over**
1/1/2016 to 12/31/2016							
Retirees							
General Members							
Average Benefits	$310	$1,100	$1,823	$2,487	$3,779	$3,911	$5,931
Average Final Compensation	$6,616	$5,885	$6,368	$5,950	$6,805	$5,756	$7,132
Count	21	24	54	48	24	31	42
Safety Members							
Average Benefits	$3,817	$1,759	$2,546	$6,290	$5,510	$9,513	$12,671
Average Final Compensation	$7,634	$5,985	$6,353	$11,452	$8,566	$11,959	$13,175
Count	1	6	6	3	7	12	4
Survivors/DROs							
General Members							
Average Benefits	$313	$858	$1,065	$1,596	$3,214	$1,720	$2,769
Average Final Compensation	$5,726	$4,674	$4,527	$4,648	$6,051	$3,809	$3,313
Count	5	7	11	6	2	5	1
Safety Members							
Average Benefits	$495	$2,235	$1,253	$1,661	$4,086	$5,943	$4,712
Average Final Compensation	$7,339	$9,642	$3,842	$2,755	$5,646	$8,003	$4,803
Count	2	4	1	1	1	1	2
1/1/2017 to 12/31/2017							
Retirees							
General Members							
Average Benefits	$377	$1,188	$2,070	$2,390	$3,665	$4,847	$6,187
Average Final Compensation	$9,793	$6,524	$6,533	$5,839	$6,699	$7,055	$7,391
Count	23	35	42	48	20	34	33
Safety Members							
Average Benefits	$787	$1,223	$2,212	$3,441	$5,973	$7,370	$9,169
Average Final Compensation	$9,858	$5,688	$5,842	$6,681	$9,020	$9,264	$9,050
Count	5	4	6	9	6	8	1
Survivors/DROs							
General Members							
Average Benefits	$701	$992	$1,442	$1,078	$1,941	$1,746	$4,828
Average Final Compensation	$5,325	$4,183	$4,550	$3,587	$5,038	$2,502	$5,368
Count	11	10	8	7	3	4	4
Safety Members							
Average Benefits	$667	$2,413	$1,292	$0	$0	$3,363	$5,834
Average Final Compensation	$5,605	$6,310	$3,454	$0	$0	$4,597	$3,354
Count	2	3	2	0	0	1	3

APPENDIX A – MEMBERSHIP INFORMATION

Schedule of Average Monthly Benefit Payments

	Number of Years of Service Credit						
Retirement Effective Date	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30 & Over**
1/1/2018 to 12/31/2018							
Retirees							
General Members							
Average Benefits	$596	$1,166	$1,759	$2,671	$3,522	$5,202	$6,036
Average Final Compensation	$9,601	$6,704	$5,920	$6,603	$6,555	$7,633	$6,975
Count	21	45	47	55	25	33	39
Safety Members							
Average Benefits	$2,721	$2,622	$2,166	$3,313	$3,997	$7,453	$10,935
Average Final Compensation	$5,485	$8,987	$6,168	$6,135	$6,442	$9,615	$11,725
Count	1	3	5	5	8	7	4
Survivors/DROs							
General Members							
Average Benefits	$224	$659	$1,201	$1,204	$2,150	$2,590	$2,759
Average Final Compensation	$4,220	$3,482	$5,324	$4,292	$3,513	$3,538	$4,382
Count	3	5	10	10	1	5	9
Safety Members							
Average Benefits	$0	$1,724	$3,203	$0	$1,201	$0	$6,213
Average Final Compensation	$0	$6,376	$4,065	$0	$3,140	$0	$4,768
Count	0	3	1	0	1	0	3
1/1/2019 to 12/31/2019							
Retirees							
General Members							
Average Benefits	$345	$1,131	$1,780	$3,030	$3,669	$4,796	$7,232
Average Final Compensation	$8,121	$7,276	$6,189	$6,988	$7,070	$7,062	$8,554
Count	20	35	40	36	29	30	37
Safety Members							
Average Benefits	$596	$2,060	$3,057	$3,965	$4,173	$9,630	$17,094
Average Final Compensation	$9,587	$6,917	$6,658	$7,484	$7,087	$11,287	$17,300
Count	6	5	5	6	11	10	5
Survivors/DROs							
General Members							
Average Benefits	$235	$927	$994	$1,599	$2,453	$2,930	$4,532
Average Final Compensation	$6,898	$5,691	$3,777	$5,652	$4,288	$4,213	$5,778
Count	6	8	12	7	8	6	10
Safety Members							
Average Benefits	$712	$1,280	$1,831	$0	$3,258	$4,435	$6,246
Average Final Compensation	$7,533	$7,809	$5,374	$0	$4,504	$4,987	$6,460
Count	2	2	3	0	3	2	1

APPENDIX A – MEMBERSHIP INFORMATION

Schedule of Average Monthly Benefit Payments

	Number of Years of Service Credit						
Retirement Effective Date	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30 & Over**
1/1/2020 to 12/31/2020							
Retirees							
General Members							
Average Benefits	$344	$1,373	$1,926	$3,086	$3,108	$4,527	$6,734
Average Final Compensation	$7,961	$9,038	$6,637	$6,948	$5,859	$6,790	$8,250
Count	21	32	36	35	33	26	50
Safety Members							
Average Benefits	$430	$1,750	$2,749	$3,265	$4,763	$7,209	$13,386
Average Final Compensation	$9,072	$6,259	$6,672	$6,689	$7,515	$9,083	$13,811
Count	3	2	4	4	12	11	3
Survivors/DROs							
General Members							
Average Benefits	$505	$735	$990	$1,096	$1,547	$1,904	$3,690
Average Final Compensation	$5,989	$6,865	$3,653	$3,254	$3,428	$3,781	$4,974
Count	4	4	8	5	5	6	8
Safety Members							
Average Benefits	$1,246	$0	$1,622	$4,494	$0	$5,142	$6,753
Average Final Compensation	$6,483	$0	$2,296	$9,747	$0	$5,684	$7,710
Count	2	0	2	2	0	1	2
1/1/2021 to 12/31/2021							
Retirees							
General Members							
Average Benefits	$215	$1,150	$2,109	$2,548	$3,599	$4,735	$5,977
Average Final Compensation	$8,113	$6,452	$7,236	$6,571	$6,677	$7,645	$7,427
Count	21	30	37	38	43	28	45
Safety Members							
Average Benefits	$857	$2,288	$2,916	$3,799	$5,049	$6,749	$7,937
Average Final Compensation	$9,706	$11,850	$7,852	$6,954	$7,814	$9,398	$8,663
Count	5	6	2	9	20	4	1
Survivors/DROs							
General Members							
Average Benefits	$995	$505	$1,203	$1,561	$1,902	$3,872	$2,573
Average Final Compensation	$3,852	$3,789	$5,463	$4,495	$3,647	$6,175	$4,831
Count	7	8	6	9	6	9	6
Safety Members							
Average Benefits	$1,312	$1,366	$2,295	$3,103	$0	$5,702	$6,523
Average Final Compensation	$9,117	$5,396	$4,830	$4,585	$0	$7,451	$6,523
Count	3	1	3	3	0	3	8

APPENDIX A – MEMBERSHIP INFORMATION

Schedule of Average Monthly Benefit Payments

	Number of Years of Service Credit						
Retirement Effective Date	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30 & Over**
1/1/2022 to 12/31/2022							
Retirees							
General Members							
Average Benefits	$516	$1,091	$1,657	$2,604	$3,439	$4,984	$6,980
Average Final Compensation	$9,320	$6,761	$5,780	$7,167	$6,615	$7,384	$8,606
Count	20	53	22	28	44	28	36
Safety Members							
Average Benefits	$1,497	$2,207	$2,639	$4,947	$5,063	$6,651	$12,981
Average Final Compensation	$7,765	$6,699	$7,528	$9,283	$8,414	$8,760	$13,277
Count	3	3	6	5	9	4	3
Survivors/DROs							
General Members							
Average Benefits	$675	$890	$931	$1,311	$3,104	$1,389	$3,323
Average Final Compensation	$0	$4,735	$3,621	$3,319	$7,709	$2,896	$4,286
Count	1	12	5	6	6	2	6
Safety Members							
Average Benefits	$2,642	$2,099	$0	$408	$2,356	$0	$0
Average Final Compensation	$2,560	$8,335	$0	$700	$3,823	$0	$0
Count	1	1	0	1	1	0	0
1/1/2023 to 12/31/2023							
Retirees							
General Members							
Average Benefits	$557	$1,055	$1,975	$3,216	$3,987	$5,161	$5,849
Average Final Compensation	$9,419	$7,275	$6,945	$7,426	$7,176	$8,011	$7,270
Count	26	44	22	28	35	22	24
Safety Members							
Average Benefits	$481	$1,635	$2,346	$5,283	$6,204	$7,701	$0
Average Final Compensation	$7,084	$9,162	$7,177	$9,260	$9,175	$9,898	$0
Count	2	4	4	8	10	3	0
Survivors/DROs							
General Members							
Average Benefits	$940	$1,757	$1,280	$1,414	$1,393	$2,630	$4,157
Average Final Compensation	$5,952	$7,098	$3,455	$4,585	$3,647	$5,066	$5,609
Count	4	6	6	12	8	12	7
Safety Members							
Average Benefits	$0	$3,695	$0	$0	$4,707	$6,776	$5,577
Average Final Compensation	$0	$12,787	$0	$0	$4,341	$7,552	$5,871
Count	0	1	0	0	1	2	1

APPENDIX A – MEMBERSHIP INFORMATION

Schedule of Average Monthly Benefit Payments

	Number of Years of Service Credit						
Retirement Effective Date	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30 & Over**
1/1/2024 to 12/31/2024							
Retirees							
General Members							
Average Benefits	$362	$1,534	$2,247	$3,457	$3,953	$4,647	$6,443
Average Final Compensation	$9,224	$8,468	$7,571	$8,758	$7,011	$7,255	$7,643
Count	26	30	36	26	37	23	22
Safety Members							
Average Benefits	$778	$1,833	$4,273	$5,969	$7,115	$8,432	$9,211
Average Final Compensation	$8,132	$9,040	$10,662	$11,143	$10,655	$10,046	$9,005
Count	4	7	5	7	23	6	3
Survivors/DROs							
General Members							
Average Benefits	$924	$1,309	$1,042	$1,458	$3,902	$1,864	$3,393
Average Final Compensation	$4,203	$5,825	$4,418	$4,008	$5,569	$3,708	$4,469
Count	7	12	9	8	11	5	7
Safety Members							
Average Benefits	$2,992	$0	$3,657	$2,900	$4,562	$4,605	$6,085
Average Final Compensation	$7,357	$0	$3,521	$3,521	$0	$6,134	$5,275
Count	2	0	1	2	1	2	3
1/1/2025 to 12/31/2025							
Retirees							
General Members							
Average Benefits	$442	$1,484	$2,289	$3,568	$4,547	$4,429	$7,715
Average Final Compensation	$9,800	$9,033	$7,917	$10,065	$8,379	$7,027	$8,678
Count	23	30	30	37	33	30	21
Safety Members							
Average Benefits	$777	$1,895	$3,426	$4,778	$5,335	$9,031	$0
Average Final Compensation	$10,169	$8,537	$8,487	$8,664	$8,522	$11,313	$0
Count	5	5	6	5	5	11	0
Survivors/DROs							
General Members							
Average Benefits	$498	$852	$1,747	$2,791	$2,679	$2,981	$4,391
Average Final Compensation	$4,949	$4,141	$5,097	$6,681	$4,403	$4,967	$5,080
Count	7	8	9	6	4	4	9
Safety Members							
Average Benefits	$0	$2,141	$0	$0	$3,003	$5,169	$5,710
Average Final Compensation	$0	$3,316	$0	$0	$3,694	$4,360	$6,014
Count	0	3	0	0	1	1	1

APPENDIX A – MEMBERSHIP INFORMATION

Distribution of General Active Members
By Age And Service As of December 31, 2025

	Service										
Age	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	Total
Under 25	52	75	0	0	0	0	0	0	0	0	127
25 to 29	75	372	28	1	0	0	0	0	0	0	476
30 to 34	78	460	171	8	0	0	0	0	0	0	717
35 to 39	75	409	262	116	6	0	0	0	0	0	868
40 to 44	64	312	235	166	76	29	0	0	0	0	882
45 to 49	38	253	216	183	104	120	28	0	0	0	942
50 to 54	24	167	176	136	111	132	92	10	0	0	848
55 to 59	21	157	124	107	75	103	81	33	18	1	720
60 to 64	18	79	101	77	54	72	51	28	22	3	505
65 to 69	3	27	44	29	23	18	19	10	6	2	181
70 & up	1	14	8	9	4	6	10	1	2	7	62
Total	449	2,325	1,365	832	453	480	281	82	48	13	6,328

Average Age = 45.03 Average Service = 8.73

Payroll Distribution of General Active Participants
By Age And Service As of December 31, 2025

	Service										
Age	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	Total
Under 25	60,517	59,300	0	0	0	0	0	0	0	0	59,798
25 to 29	73,082	73,475	80,039	95,265	0	0	0	0	0	0	73,845
30 to 34	71,554	79,431	94,156	78,573	0	0	0	0	0	0	82,077
35 to 39	76,470	79,641	92,158	99,273	88,202	0	0	0	0	0	85,828
40 to 44	64,699	79,327	94,789	99,820	103,432	97,911	0	0	0	0	88,930
45 to 49	75,746	82,541	99,145	96,983	109,803	106,135	94,441	0	0	0	95,249
50 to 54	86,709	79,558	97,195	94,637	115,887	107,858	105,364	129,820	0	0	98,392
55 to 59	75,051	88,708	89,916	93,713	111,381	106,542	114,970	100,228	95,193	74,621	97,800
60 to 64	67,346	80,003	90,842	100,881	101,954	90,224	95,880	104,036	94,435	91,340	92,340
65 to 69	51,472	109,185	94,576	84,774	115,835	93,137	95,724	95,062	108,194	131,782	98,039
70 & up	107,383	81,578	102,815	126,433	198,403	88,632	102,084	65,429	123,656	135,847	109,997
Total	71,480	79,204	94,207	97,139	110,353	103,107	104,555	104,083	97,657	120,241	89,966

Average Salary = $89,966

APPENDIX A – MEMBERSHIP INFORMATION

Distribution of Safety Active Members
By Age And Service As of December 31, 2025

	Service										
Age	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	Total
Under 25	4	31	2	0	0	0	0	0	0	0	37
25 to 29	15	69	34	0	0	0	0	0	0	0	118
30 to 34	2	55	76	10	1	0	0	0	0	0	144
35 to 39	1	30	62	46	9	0	0	0	0	0	148
40 to 44	1	11	33	34	66	19	0	0	0	0	164
45 to 49	0	5	13	10	26	45	11	0	0	0	110
50 to 54	7	12	4	7	19	28	21	6	0	0	104
55 to 59	0	5	8	1	4	13	11	0	1	0	43
60 to 64	1	3	3	5	2	0	0	0	1	0	15
65 to 69	0	0	0	1	0	2	0	0	0	0	3
70 & up	0	0	0	0	1	0	0	0	0	0	1
Total	31	221	235	114	128	107	43	6	2	0	887

Average Age = 39.65 Average Service = 10.66

Payroll Distribution of Safety Active Participants
By Age And Service As of December 31, 2025

	Service										
Age	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	Total
Under 25	64,138	79,610	98,961	0	0	0	0	0	0	0	78,984
25 to 29	62,899	81,564	110,517	0	0	0	0	0	0	0	87,534
30 to 34	103,751	85,618	112,136	122,336	147,944	0	0	0	0	0	102,848
35 to 39	113,131	89,889	112,295	129,437	169,076	0	0	0	0	0	116,539
40 to 44	60,083	101,143	118,982	124,990	146,074	141,083	0	0	0	0	132,135
45 to 49	0	107,176	123,889	127,696	147,022	135,883	211,986	0	0	0	142,660
50 to 54	113,446	134,297	158,266	126,922	134,927	151,985	148,213	147,263	0	0	141,754
55 to 59	0	136,401	137,165	93,732	122,241	138,846	153,628	0	116,716	0	138,922
60 to 64	117,985	169,081	135,109	155,356	106,238	0	0	0	67,126	0	139,129
65 to 69	0	0	0	136,686	0	122,905	0	0	0	0	127,499
70 & up	0	0	0	0	161,721	0	0	0	0	0	161,721
Total	80,415	90,275	115,374	128,068	144,999	141,138	165,912	147,263	91,921	0	119,526

Average Salary = $119,526

APPENDIX A – MEMBERSHIP INFORMATION

Service Retired Benefits

Current Age	General		Safety		Total	
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit
0-24	0	$0	0	$0	0	$0
25-29	0	$0	0	$0	0	$0
30-34	0	$0	0	$0	0	$0
35-39	0	$0	0	$0	0	$0
40-44	0	$0	1	$40,662	1	$40,662
45-49	0	$0	16	$55,464	16	$55,464
50-54	83	$21,877	78	$59,833	161	$40,265
55-59	238	$26,711	108	$72,950	346	$41,144
60-64	538	$40,528	137	$81,473	675	$48,839
65-69	917	$43,582	142	$83,308	1,059	$48,909
70-74	1,010	$49,116	110	$93,423	1,120	$53,468
75-79	939	$48,522	116	$90,529	1,055	$53,141
80-84	487	$45,162	57	$66,112	544	$47,357
85-89	246	$39,610	24	$49,773	270	$40,513
90-94	116	$34,852	5	$45,479	121	$35,291
95+	35	$33,953	2	$134,880	37	$39,409
All Ages	4,609	$43,845	796	$78,773	5,405	$48,989

Non-Duty Disabled Benefits

Current Age	General		Safety		Total	
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit
0-24	0	$0	0	$0	0	$0
25-29	0	$0	0	$0	0	$0
30-34	0	$0	0	$0	0	$0
35-39	1	$806	1	$32,619	2	$16,712
40-44	2	$17,870	1	$23,496	3	$19,746
45-49	7	$13,555	0	$0	7	$13,555
50-54	10	$24,020	2	$29,270	12	$24,895
55-59	6	$23,259	1	$22,590	7	$23,164
60-64	20	$23,015	0	$0	20	$23,015
65-69	26	$23,134	2	$56,859	28	$25,543
70-74	18	$23,042	2	$28,388	20	$23,576
75-79	24	$19,516	1	$40,633	25	$20,361
80-84	15	$17,565	2	$66,678	17	$23,343
85-89	4	$22,164	1	$25,631	5	$22,857
90-94	2	$26,133	0	$0	2	$26,133
95+	0	$0	0	$0	0	$0
All Ages	135	$21,189	13	$39,028	148	$22,756

APPENDIX A – MEMBERSHIP INFORMATION

Duty Disabled Benefits

Current Age	General		Safety		Total	
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit
0-24	0	$0	0	$0	0	$0
25-29	0	$0	0	$0	0	$0
30-34	0	$0	0	$0	0	$0
35-39	2	$304	3	$42,641	5	$25,706
40-44	4	$182	7	$45,563	11	$29,061
45-49	7	$24,110	8	$49,694	15	$37,755
50-54	14	$11,313	19	$43,003	33	$29,559
55-59	29	$26,019	23	$58,345	52	$40,317
60-64	28	$29,078	47	$61,049	75	$49,113
65-69	43	$33,968	31	$78,584	74	$52,658
70-74	52	$33,019	29	$69,880	81	$46,216
75-79	48	$36,462	28	$77,044	76	$51,413
80-84	15	$33,617	11	$69,025	26	$48,597
85-89	4	$33,566	6	$68,434	10	$54,487
90-94	3	$30,378	0	$0	3	$30,378
95+	0	$0	0	$0	0	$0
All Ages	249	$30,340	212	$64,445	461	$46,024

Surviving Beneficiary Benefits (all benefit types)

Current Age	General		Safety		Total	
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit
0-24	1	$13,217	2	$17,915	3	$16,349
25-29	4	$27,459	0	$0	4	$27,459
30-34	5	$15,749	0	$0	5	$15,749
35-39	4	$26,045	0	$0	4	$26,045
40-44	3	$12,138	0	$0	3	$12,138
45-49	4	$23,362	0	$0	4	$23,362
50-54	10	$14,570	7	$45,450	17	$27,285
55-59	28	$15,847	15	$47,540	43	$26,903
60-64	56	$19,529	27	$27,388	83	$22,086
65-69	91	$22,498	33	$40,620	124	$27,321
70-74	133	$21,415	31	$50,442	164	$26,902
75-79	168	$27,507	40	$50,790	208	$31,985
80-84	130	$27,618	35	$45,689	165	$31,451
85-89	75	$25,793	25	$52,410	100	$32,448
90-94	52	$25,810	10	$32,082	62	$26,821
95+	13	$36,670	6	$48,393	19	$40,372
All Ages	777	$24,426	231	$44,428	1,008	$29,010

APPENDIX A – MEMBERSHIP INFORMATION

Assumed Probabilities of Separation from Active Membership

Age	Non-Duty Death	Ordinary Disability	Service Retirement[1]	Duty Death	Duty Disability
General Members – Male					
20	0.0004	0.000	0.000	0.000	0.000
25	0.0003	0.000	0.000	0.000	0.000
30	0.0004	0.000	0.000	0.000	0.000
35	0.0006	0.000	0.000	0.000	0.000
40	0.0008	0.000	0.000	0.000	0.001
45	0.0009	0.001	0.000	0.000	0.002
50	0.0013	0.001	0.030	0.000	0.003
55	0.0020	0.001	0.040	0.000	0.003
60	0.0029	0.001	0.090	0.000	0.002
65	0.0040	0.001	0.250	0.000	0.002
General Members – Female					
20	0.0001	0.000	0.000	0.000	0.000
25	0.0001	0.000	0.000	0.000	0.000
30	0.0002	0.000	0.000	0.000	0.000
35	0.0003	0.000	0.000	0.000	0.000
40	0.0004	0.000	0.000	0.000	0.000
45	0.0005	0.001	0.000	0.000	0.001
50	0.0008	0.001	0.035	0.000	0.001
55	0.0012	0.001	0.035	0.000	0.001
60	0.0018	0.001	0.125	0.000	0.001
65	0.0025	0.001	0.400	0.000	0.001

[1] Lower rates assumed for members with less than 10 years of service, and higher rates assumed for members with at least 30 years of service.

The probabilities for each cause of separation represent the likelihood that a given member will separate at a particular age for the indicated reason. As an example, if the probability of separation of a male general member at age 20 is 0.036, that indicates that 3.6% of active general members are expected to separate from service during the year. Rates of Duty and Non-Duty Death do not include mortality improvements.

APPENDIX A – MEMBERSHIP INFORMATION

Assumed Probabilities of Separation from Active Membership

Age	Non-Duty Death	Ordinary Disability	Service Retirement[1]	Duty Death	Duty Disability
Safety Members – Male					
20	0.0004	0.000	0.075	0.0000	0.000
25	0.0003	0.000	0.075	0.0000	0.001
30	0.0004	0.000	0.075	0.0000	0.002
35	0.0005	0.000	0.075	0.0001	0.003
40	0.0005	0.000	0.075	0.0001	0.003
45	0.0007	0.000	0.075	0.0001	0.005
50	0.0009	0.000	0.200	0.0001	0.007
55	0.0014	0.001	0.200	0.0002	0.010
Safety Members – Female					
20	0.0001	0.000	0.075	0.0000	0.000
25	0.0002	0.000	0.075	0.0000	0.001
30	0.0003	0.000	0.075	0.0000	0.002
35	0.0003	0.000	0.075	0.0000	0.003
40	0.0004	0.000	0.075	0.0000	0.003
45	0.0005	0.000	0.075	0.0001	0.005
50	0.0007	0.000	0.200	0.0001	0.007
55	0.0011	0.001	0.200	0.0001	0.010

[1] Lower rates assumed for members with less than 20 years of service.

APPENDIX A – MEMBERSHIP INFORMATION

Salary Increase, Termination and Withdrawal Assumptions

Years of Service	Salary Increase: General	Salary Increase: Safety	Withdrawal: General	Withdrawal: Safety	Termination: General[1]	Termination: Safety[2]
0	0.1124	0.1330	0.099	0.068	0.121	0.083
1	0.1021	0.1330	0.068	0.032	0.083	0.039
2	0.0712	0.0815	0.052	0.026	0.063	0.032
3	0.0712	0.0815	0.041	0.026	0.050	0.032
4	0.0506	0.0815	0.036	0.026	0.044	0.032
5	0.0506	0.0532	0.016	0.012	0.064	0.046
6	0.0506	0.0429	0.016	0.006	0.064	0.024
7	0.0506	0.0429	0.011	0.006	0.044	0.024
8	0.0429	0.0429	0.011	0.006	0.044	0.024
9	0.0429	0.0429	0.011	0.005	0.044	0.020
10	0.0403	0.0429	0.009	0.001	0.036	0.024
11	0.0403	0.0429	0.008	0.001	0.032	0.019
12	0.0403	0.0429	0.008	0.001	0.032	0.019
13	0.0403	0.0429	0.006	0.001	0.024	0.019
14	0.0403	0.0429	0.006	0.001	0.024	0.012
15	0.0352	0.0429	0.003	0.001	0.027	0.012
16	0.0352	0.0429	0.003	0.001	0.027	0.012
17	0.0352	0.0429	0.003	0.001	0.027	0.012
18	0.0352	0.0429	0.003	0.001	0.027	0.012
19	0.0352	0.0429	0.003	0.001	0.027	0.012
20	0.0352	0.0429	0.001	0.000	0.014	0.000
21	0.0352	0.0429	0.001	0.000	0.014	0.000
22	0.0352	0.0429	0.001	0.000	0.014	0.000
23	0.0352	0.0429	0.001	0.000	0.014	0.000
24	0.0352	0.0429	0.001	0.000	0.014	0.000
25	0.0352	0.0429	0.001	0.000	0.010	0.000
26	0.0352	0.0429	0.001	0.000	0.010	0.000
27	0.0352	0.0429	0.001	0.000	0.010	0.000
28	0.0352	0.0429	0.001	0.000	0.010	0.000
29	0.0352	0.0429	0.001	0.000	0.010	0.000
30+	0.0352	0.0429	0.000	0.000	0.000	0.000

[1] 75% of vested terminated General Members with less than five years of service, 25% of those with five to 14 years of service, and 40% of those with 15 or more years of service, are assumed to be reciprocal.

[2] 67% of vested terminated Safety Members with less than five years of service, and 50% of those with five or more years of service, are assumed to be reciprocal.

APPENDIX B – STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

The assumptions and methods used in the actuarial valuation as of December 31, 2025 are:

Actuarial Methods

1. **Contribution Allocation Procedure**

   The contribution allocation procedure primarily consists of an actuarial cost method, an asset smoothing method, and an amortization method as described below. This contribution allocation procedure, combined with reasonable assumptions, produces a Reasonable Actuarially Determined Contribution as defined in Actuarial Standard of Practice No. 4. The contribution allocation procedure was selected to balance benefit security, intergenerational equity, and the stability of actuarially determined contributions. The selection also considered the demographics of plan members, the funding goals and objectives of the Board, and the need to accumulate assets to make benefit payments when due.

2. **Actuarial Cost Method**

   The actuarial valuation is prepared using the Entry Age Actuarial Cost Method (CERL 31453.5). Under the principles of this method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated as a level percentage of the individual's projected compensation between entry age and assumed exit (until maximum retirement age). For members who transferred from outside of SJCERA, entry age (for the actuarial cost calculation only) is based on entry into the system. The normal cost for the Plan is based on the sum of the individual normal costs for each member (Individual Entry Age Method).

   The UAL (or Surplus Funding) is amortized as a percentage of the projected salaries of present and future members of SJCERA. Effective with the December 31, 2014 valuation, the UAL as of December 31, 2013 is amortized over a closed 19-year period (seven years remaining as of December 31, 2025), except for the additional UAL attributable to the extraordinary loss from 2008, which is being amortized over a separate closed period (13 years as of December 31, 2025).

   Any subsequent unexpected change in the Unfunded Actuarial Liability after December 31, 2013 is amortized over 15 years. The UAL payment for the 2020 assumption change was phased in over a three-year period.

3. **Valuation of Assets**

   The assets are valued using a five-year smoothed method based on the difference between the expected market value and the actual market value of the assets as of the valuation date. The expected market value is the prior year's market value increased with the net increase in the cash flow of funds, all increased with interest during the past fiscal year at the expected investment return rate assumption.

APPENDIX B – STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

An asset corridor limit is applied such that the smoothed Market Value of Assets stays within 20% of the Market Value of Assets.

The additional employer contribution reserve and special non-valuation reserves are excluded from the valuation assets for the December 31, 2025 valuation. For employers making additional contributions, it is at their discretion when these reserves will be incorporated into the valuation assets used to determine contributions.

4. **Changes Since the Previous Valuation**

   None.

Actuarial Assumptions

The recommended assumptions were reviewed with the Board and approved at their August 8, 2025 meeting. The demographic assumptions are based on an experience study covering the period from January 1, 2022 through December 31, 2024.

1. **Rate of Return**

   Assets are assumed to earn 6.75% net of investment expenses.

2. **Administrative Expenses**

   Administrative expenses are assumed to be $8,712,500 for the next year, to be split between employees and employers based on their share of the overall contributions. Expenses are expected to grow with the cost of living (by 2.50% per year).

3. **Cost of Living**

   The cost of living as measured by the Consumer Price Index (CPI) will increase at the rate of 2.50% per year. This assumption is also used to project increases in the PEPRA wage cap.

4. **Post Retirement COLA**

   For those with the 3% COLA benefit (i.e., 100% of CPI up to 3% annually with banking), 2.50% annual increases are assumed for members with no COLA bank. Increases are assumed to occur on April 1.

   For members in pay status with an existing bank, the COLA will be the maximum COLA of 3.0% until the bank is depleted and 2.50% thereafter. The bank is assumed to decrease at a rate of 50 basis points per year.

APPENDIX B – STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

5. Increases in Pay

Assumed pay increases for active Members consist of increases due to base salary adjustments plus service-based increase due to longevity and promotion, as shown below:

Pay Increases											
	Years of Service										
	0	1	2	3	4	5	6	7	8-9	10-14	15+
Base Increase	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Longevity & Promotion											
General	8.00%	7.00%	4.00%	4.00%	2.00%	2.00%	2.00%	2.00%	1.25%	1.00%	0.50%
Safety	10.00%	10.00%	5.00%	5.00%	5.00%	2.25%	1.25%	1.25%	1.25%	1.25%	1.25%
Total (Compound)											
General	11.24%	10.21%	7.12%	7.12%	5.06%	5.06%	5.06%	5.06%	4.29%	4.03%	3.52%
Safety	13.30%	13.30%	8.15%	8.15%	8.15%	5.32%	4.29%	4.29%	4.29%	4.29%	4.29%

6. Family Composition

Percentage married for all active members who retire, become disabled, or die during active service is shown in the following table. Male members are assumed to be three years older than their spouses, and female members are assumed to be two years younger than their spouses. It is assumed that 90% of participants with eligible beneficiaries who do not have a service-related disability elect the 60% Joint and Survivor allowance.

Percentage Married	
Gender	Percentage
Males	75%
Females	55%

7. Rates of Termination

Sample rates of termination are shown in the following table on the next page. Termination rates do not apply once a member is eligible for retirement.

APPENDIX B – STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

Rates of Termination*		
Years of Service	General	Safety
0	22.00%	15.00%
1	15.00%	7.00%
2	11.50%	5.75%
3	9.00%	5.75%
4	8.00%	5.75%
5	8.00%	5.75%
6	8.00%	3.00%
7	5.50%	3.00%
8	5.50%	3.00%
9	5.50%	2.50%
10	4.50%	2.50%
11-12	4.00%	2.00%
13	3.00%	2.00%
14-19	3.00%	1.25%
20-29	1.50%	0.00%
30+	0.00%	0.00%

* Termination rates do not apply once a member is eligible for retirement.

8. Withdrawal

Rates of withdrawal apply to active Members who terminate their employment and withdraw their member contributions, forfeiting entitlement to future Plan benefits.

45% of all General Member terminations with less than five years of service, 20% of those with five to 14 years of service, and 10% of those with 15 to 19 years of service, 5% of those with 20 or more years of service are assumed to take a refund of contributions.

45% of all Safety Member terminations with less than five years of service, 20% of those with five to nine years of service, and 5% of those with 10 or more years of service, are assumed to take a refund of contributions.

9. Vested Termination and Reciprocal Transfers

Rates of vested termination apply to active Members who terminate their employment and leave their member contributions on deposit with the Plan.

APPENDIX B – STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

55% of all General Member terminations with less than five years of service, 80% of those with five to 14 years of service, 90% of those with 15 to 19 years of service, and 95% of those with 20 or more years of service are assumed to leave their contributions on deposit.

55% of all Safety Member terminations with less than five years of service, 80% of those with five to nine years of service, and 95% of those with 10 or more years of service, are assumed to leave their contributions on deposit.

Vested terminated General Members are assumed to begin receiving benefits at age 58; vested terminated Safety Members are assumed to begin receiving benefits at age 50, unless they have outgoing reciprocity, in which case they are assumed to begin receiving benefits at age 53.

75% of vested terminated General Members with less than five years of service, 25% of those with five to 14 years of service, and 40% of those with 15 or more years of service, are assumed to be reciprocal.

67% of vested terminated Safety Members with less than five years of service, and 50% of those with five or more years of service, are assumed to be reciprocal.

Final average pay for General Members who terminate with reciprocity is assumed to increase by 3.52% per year until their assumed retirement date. Final average pay for Safety Members who terminate with reciprocity is assumed to increase by 4.29% per year until their assumed retirement date.

APPENDIX B – STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

10. Rates of Service-Connected Disability

Sample service-connected disability rates of active participants are provided in the table below.

Rates of Svc Disability				
Age	General Male	General Female	Safety Male	Safety Female
22	0.023%	0.008%	0.047%	0.047%
27	0.023%	0.008%	0.108%	0.108%
32	0.024%	0.014%	0.209%	0.209%
37	0.067%	0.024%	0.296%	0.296%
42	0.170%	0.050%	0.401%	0.401%
47	0.286%	0.089%	0.592%	0.592%
52	0.329%	0.097%	0.825%	0.825%
57	0.240%	0.060%	1.060%	1.060%
62	0.240%	0.067%	1.331%	1.331%

11. Rates of Nonservice-Connected Disability

Sample nonservice-connected disability rates of active participants are provided in the table below.

Rates of Non-Svc Disability				
Age	General Male	General Female	Safety Male	Safety Female
22	0.006%	0.008%	0.002%	0.002%
27	0.006%	0.008%	0.006%	0.006%
32	0.006%	0.014%	0.011%	0.011%
37	0.017%	0.024%	0.016%	0.016%
42	0.043%	0.050%	0.021%	0.021%
47	0.071%	0.089%	0.031%	0.031%
52	0.082%	0.097%	0.043%	0.043%
57	0.060%	0.060%	0.056%	0.056%
62	0.060%	0.067%	0.070%	0.070%

APPENDIX B – STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

12. Rates of Mortality for Healthy Lives

Mortality rates for General active members are based on the sex distinct 2021 CalPERS Pre-Retirement Non-Industrial Mortality Table, with generational mortality improvements projected from 2017 using 80% of Projection Scale MP-2020.

Mortality rates for Safety active members are based on the sum of the rates from the 2021 CalPERS Industrial and Non-Industrial Mortality tables, with generational mortality improvements projected from 2017 using 80% of Projection Scale MP-2020. 10% of Safety member active deaths are assumed to occur in the line of duty.

Mortality rates for healthy General annuitants are based on the sex distinct 2021 CalPERS Healthy Annuitant Mortality Table, with generational mortality improvements projected from 2017 using 80% of Projection Scale MP-2020, and a partial credibility adjustment of 1.05 for males and females.

Mortality rates for Safety annuitants are based on the sex distinct 2021 CalPERS Healthy Annuitant Mortality Table, with generational mortality improvements projected from 2017 using 80% of Projection Scale MP-2020, and a partial credibility adjustment of 1.05 for males and females.

13. Rates of Mortality for Disabled Retirees

Mortality rates for General disabled annuitants are based on status. Rates for General disabled annuitants with a service-related disability are based on the sex distinct 2021 CalPERS Industrially Disabled Annuitant Mortality Table, with generational mortality improvements projected from 2017 using 80% of Projection Scale MP-2020. Rates for General disabled annuitants with a non-service-related disability are based on the sex distinct 2021 CalPERS Non-Industrially Disabled Annuitant Mortality Table, with generational mortality improvements projected from 2017 using 80% of Projection Scale MP-2020.

Mortality rates for Safety disabled annuitants are based on the sex distinct 2021 CalPERS Industrially Disabled Mortality Table, with generational mortality improvements projected from 2017 using Projection 80% of Scale MP-2020.

14. Mortality Improvement

The mortality assumptions employ a fully generational mortality improvement projection from the base year of the CalPERS mortality tables (2017) using 80% of Scale MP-2020.

APPENDIX B – STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

15. Adjustment for Service Purchases

SJCERA provides Cheiron with the amount of service that active employees are eligible to purchase. We include this service when calculating the employees' benefit eligibility. Half of eligible service purchases, which have not been purchased by the members, are included in the employees' Credited Service, as employees will pay approximately half of the normal cost for these benefits when purchasing this service.

16. Terminal Pay Loads

No adjustments are made to expected Final Compensation or Credited Service to account for increases in pay or Sick Leave Bank service at retirement, respectively.

17. Assumptions for Employee Contribution Rates

Mortality rates are the base mortality tables described above, with projected improvements using 80% of Scale MP-2020 from 2017 to 2045 for General Members and to 2046 for Safety Members. The projection periods are based on the duration of active liabilities for the respective groups, and the period during which the associated contribution rates will be in use. The employee contribution rates are also blended using a male/female weighting of 29%/71% for General Members and 75%/25% for Safety members.

APPENDIX B – STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

18. Rates of Retirement

Rates of retirement are based on age, service and tier according to the following tables.

Tier 1 Rates of Retirement								
	General Male Years of Service			General Female Years of Service			Safety Years of Service	
Age	5-9	10-29	30+	5-9	10-29	30+	5-19	20+
45	0.00%	0.00%	5.00%	0.00%	0.00%	4.50%	0.00%	7.50%
46	0.00%	0.00%	5.00%	0.00%	0.00%	4.50%	0.00%	7.50%
47	0.00%	0.00%	5.00%	0.00%	0.00%	4.50%	0.00%	7.50%
48	0.00%	0.00%	5.00%	0.00%	0.00%	4.50%	0.00%	7.50%
49	0.00%	0.00%	5.00%	0.00%	0.00%	4.50%	0.00%	7.50%
50	1.00%	3.00%	5.00%	1.00%	3.50%	4.50%	10.00%	20.00%
51	1.00%	3.00%	5.00%	1.00%	3.50%	4.50%	5.00%	20.00%
52	1.00%	3.00%	5.00%	1.00%	3.50%	4.50%	5.00%	20.00%
53	1.00%	3.00%	5.00%	1.00%	3.50%	4.50%	7.50%	20.00%
54	1.00%	3.00%	10.00%	5.75%	3.50%	4.50%	15.00%	20.00%
55	2.50%	4.00%	10.00%	2.50%	3.50%	15.00%	15.00%	20.00%
56	2.50%	4.00%	10.00%	1.50%	7.00%	15.00%	15.00%	20.00%
57	2.50%	4.00%	10.00%	1.50%	7.00%	15.00%	15.00%	20.00%
58	2.50%	4.00%	10.00%	1.50%	7.00%	15.00%	15.00%	20.00%
59	2.50%	9.00%	20.00%	2.00%	7.00%	15.00%	10.00%	50.00%
60	5.00%	9.00%	20.00%	6.25%	12.50%	30.00%	10.00%	35.00%
61	5.00%	15.00%	25.00%	6.25%	12.50%	30.00%	10.00%	35.00%
62	5.00%	20.00%	40.00%	18.50%	20.00%	40.00%	20.00%	35.00%
63	5.00%	20.00%	40.00%	5.00%	20.00%	40.00%	25.00%	35.00%
64	5.00%	25.00%	40.00%	9.00%	25.00%	40.00%	25.00%	50.00%
65	15.00%	25.00%	40.00%	12.50%	40.00%	40.00%	100.00%	100.00%
66	15.00%	35.00%	50.00%	25.00%	40.00%	40.00%	100.00%	100.00%
67	15.00%	30.00%	40.00%	25.00%	30.00%	40.00%	100.00%	100.00%
68	15.00%	30.00%	30.00%	25.00%	30.00%	40.00%	100.00%	100.00%
69	15.00%	30.00%	30.00%	25.00%	30.00%	30.00%	100.00%	100.00%
70	50.00%	50.00%	50.00%	50.00%	30.00%	30.00%	100.00%	100.00%
71	50.00%	50.00%	50.00%	50.00%	30.00%	30.00%	100.00%	100.00%
72	50.00%	50.00%	50.00%	50.00%	30.00%	30.00%	100.00%	100.00%
73	50.00%	50.00%	50.00%	50.00%	30.00%	30.00%	100.00%	100.00%
74	50.00%	50.00%	50.00%	50.00%	30.00%	30.00%	100.00%	100.00%
75	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

APPENDIX B – STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

Tier 2 Rates of Retirement								
	General Male Years of Service			General Female Years of Service			Safety Years of Service	
Age	5-9	10-29	30+	5-9	10-29	30+	5-19	20+
45	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
46	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
47	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
48	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
49	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
50	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	7.50%	17.50%
51	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.00%	17.50%
52	2.00%	3.00%	5.00%	1.00%	1.00%	4.50%	5.00%	17.50%
53	2.00%	3.00%	5.00%	1.00%	1.00%	4.50%	5.00%	17.50%
54	2.00%	3.00%	10.00%	1.00%	1.00%	4.50%	5.00%	17.50%
55	2.50%	4.00%	10.00%	2.50%	2.50%	15.00%	5.00%	17.50%
56	2.50%	4.00%	10.00%	2.50%	2.50%	15.00%	15.00%	17.50%
57	2.50%	4.00%	10.00%	1.50%	2.50%	15.00%	15.00%	20.00%
58	2.50%	4.00%	10.00%	1.50%	2.50%	15.00%	15.00%	20.00%
59	2.50%	9.00%	20.00%	5.00%	6.00%	15.00%	10.00%	30.00%
60	5.00%	9.00%	20.00%	15.00%	12.50%	30.00%	10.00%	30.00%
61	5.00%	15.00%	25.00%	8.50%	9.50%	30.00%	10.00%	30.00%
62	5.00%	20.00%	40.00%	8.50%	12.50%	40.00%	20.00%	30.00%
63	5.00%	20.00%	40.00%	8.50%	12.50%	40.00%	20.00%	30.00%
64	5.00%	25.00%	40.00%	12.00%	12.50%	40.00%	20.00%	50.00%
65	25.00%	25.00%	40.00%	20.00%	15.00%	40.00%	100.00%	100.00%
66	25.00%	35.00%	50.00%	20.00%	25.00%	40.00%	100.00%	100.00%
67	25.00%	30.00%	40.00%	30.00%	25.00%	40.00%	100.00%	100.00%
68	25.00%	30.00%	30.00%	20.00%	20.00%	40.00%	100.00%	100.00%
69	25.00%	30.00%	30.00%	20.00%	30.00%	30.00%	100.00%	100.00%
70	30.00%	50.00%	50.00%	30.00%	30.00%	30.00%	100.00%	100.00%
71	30.00%	50.00%	50.00%	30.00%	30.00%	30.00%	100.00%	100.00%
72	30.00%	50.00%	50.00%	30.00%	30.00%	30.00%	100.00%	100.00%
73	30.00%	50.00%	50.00%	30.00%	30.00%	30.00%	100.00%	100.00%
74	30.00%	50.00%	50.00%	30.00%	30.00%	30.00%	100.00%	100.00%
75	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

APPENDIX B – STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

19. Changes in Assumptions

None.

APPENDIX C – SUMMARY OF PLAN PROVISIONS

A. Definitions

Compensation: Compensation means the cash remuneration for services paid by the employer. It includes base pay and certain differential, incentive, and special pay allowances defined by the Board of Retirement. Overtime is excluded, with the exception of overtime paid under the Fair Labor Standards Act that is regular and recurring.

For members joining the Plan on and after January 1, 2013 (Tier 2 Members), only pensionable compensation up to the PEPRA compensation limit ($159,733 for 2026) will count for computing Plan benefits and employee contributions and employer contributions for those participating in Social Security. For those not participating in Social Security, the compensation cap is 120% of the PEPRA compensation limit ($191,679 for 2026).

Members hired after January 1, 2022 are members of Tier 2B. For this tier, pensionable compensation is limited to base pay only. All other benefit provisions for this tier, including the PEPRA pensionable compensation caps, are the same as those for Tier 2.

Credited Service: In general, Credited Service is earned for the period during which Member Contributions are paid.

Temporary service for which the Member was not credited, or service for which the Member withdrew his or her Member Contributions, may be purchased by paying or repaying the Member Contributions with interest. Credit for up to 12 months of a medical leave of absence and all military leaves of absence may also be purchased.

Public Service (see below) is part of Credited Service for the computation of benefits only, not for eligibility for benefits or for vesting.

Final Compensation: For Tier 1 Members, Final Compensation means the highest average Compensation earned during any 12 consecutive months of the Member's employment.

For Tier 2 and 2B Members, highest average Compensation will be based on the highest 36 consecutive months, rather than 12 months.

General Member: Any Member who is not a Safety Member is a General Member.

Public Service: The Member may elect to purchase Public Service for time spent while employed in another recognized public agency. The public agency must have a reciprocal agreement with the Plan or be one of several specified municipalities, counties, special districts, or State or Federal agencies.

APPENDIX C – SUMMARY OF PLAN PROVISIONS

Public Service cannot be purchased if it is used for eligibility for another pension.

The cost to purchase Public Service is twice the Member Contributions and interest applicable for the period of time purchased. Public Service is used to compute benefits but does not count toward eligibility for benefits or vesting.

Safety Member: Any sworn Member engaged in law enforcement, probation, or fire suppression is a Safety Member.

B. Membership

Eligibility: All full-time, permanent employees of San Joaquin County and other participating special districts become Members on their date of appointment. Membership is mandatory; only elected officials and members who are age 60 or older at the time of employment in a position requiring membership in SJCERA may choose not to participate.

A Tier 2 Member is any Member joining the Plan for the first time on or after January 1, 2013 (with members hired after January 1, 2022 being members of Tier 2B). Employees who transfer from and are eligible for reciprocity with another public employer will not be Tier 2/2B Members if their service in the reciprocal system was under a previous tier. Employees who were Members of SJCERA prior to January 1, 2013 and experienced a break in service of more than six months and then were reemployed by a *different* SJCERA-participating employer on or after January 1, 2013 will be considered Tier 2/2B Members for all subsequent service.

Member Contributions: Each Member contributes a percentage of Compensation to the Plan through payroll deduction. For Tier 1 members, the percentage contributed depends on the Member's age upon joining the Plan. Representative rates are shown in Table 1 on the next page.

Tier 1 members covered by Social Security have their contributions reduced by one-third on the first $161.54 of biweekly Compensation. General Members who joined the Plan prior to March 7, 1973 and who have earned 30 years of Credited Service do not contribute; Safety Members do not contribute after earning 30 years of Credited Service.

APPENDIX C – SUMMARY OF PLAN PROVISIONS

Table 1: Tier 1 Member Contribution Rates (Basic Rates)

	General Member Rate		Safety Member Rate	
Entry Age	1st $350/month	Over $350	1st $350/month	Over $350
20	2.10%	3.15%	3.16%	4.74%
25	2.31%	3.46%	3.39%	5.08%
30	2.54%	3.81%	3.63%	5.45%
35	2.79%	4.19%	3.91%	5.86%
40	3.08%	4.62%	4.25%	6.38%
45	3.36%	5.04%	4.63%	6.94%
50	3.63%	5.44%	4.39%	6.58%

Rates include the employee share of the administrative expenses.

Some Tier 1 members also contribute half of the normal cost associated with the post-retirement COLA benefits, also based on entry age. Many bargaining groups have also agreed to have their Tier 1 members pay additional basic rate contributions (14% of the current basic rates for General members, 33% for Safety). The complete rate tables for all groups are in the Appendix G.

Tier 2/2B Members contribute half of the normal cost of the Plan. Contributions for these Members are based on the normal cost associated with their benefits; General and Safety members pay different rates.

Tier 2/2B Members pay a single contribution rate, not a rate based on entry age. All Tier 2/2B Members continue contributing after earning 30 years of service. These rates are updated annually, to reflect changes in the Tier 2/2B demographics, as well as any changes in assumptions (such as the discount rate change).

Table 2: Tier 2 Member Contribution Rates

General Member Rate	Safety Member Rate
9.49%	15.22%

Rates include the employee share of the administrative expenses.

Interest is credited semiannually to each Member's accumulated contributions, based on the previous year's expected rate of return on assets. The crediting rate for 2026 is 3.3199%, for an effective annual rate of 6.75%.

APPENDIX C – SUMMARY OF PLAN PROVISIONS

C. Service Retirement

Eligibility: Tier 1 General Members are eligible to retire at age 50 if they have earned five years of Credited Service and have passed the tenth anniversary of their membership in the Plan. Alternatively, General Members are eligible to retire at any age after having earned 30 years of Credited Service, or upon reaching age 70 with no service requirement.

Tier 1 Safety Members are eligible to retire at age 50 if they have earned five years of Credited Service and have passed the tenth anniversary of their membership in the Plan. Alternatively, Safety Members are eligible to retire at any age after having earned 20 years of Credited Service.

Tier 2/2B General Members are eligible to retire upon attaining age 52 and completing five or more years of service. Tier 2/2B Safety Members are eligible to retire upon attaining age 50 and completing five or more years of service. Tier 2/2B Members are eligible to retire, regardless of service, after attaining age 70.

Benefit Amount: The Service Retirement Benefit payable to Tier 1 General Members is equal to the percentage in Table 3 on the next page multiplied by the Member's Final Compensation. The Service Retirement Benefit payable to Tier 1 Safety Members is equal to the percentage in the upcoming Table 4 multiplied by the Member's Final Compensation. The percentage of Final Compensation may not exceed 100%.

For those Tier 1 members integrated with Social Security, Retirement Benefits based on the first $350 of monthly Final Average Compensation are reduced by one-third.

APPENDIX C – SUMMARY OF PLAN PROVISIONS

Table 3: Tier 1 General Members (CERL Section 31676.14)

Service	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65
5					7.38	7.83	8.33	8.71	9.21	9.74	10.30	10.91	11.34	11.77	12.20	12.63	13.06	13.06	13.06	13.06
6					8.85	9.40	10.00	10.45	11.05	11.69	12.37	13.09	13.61	14.12	14.64	15.15	15.67	15.67	15.67	15.67
7					10.33	10.97	11.67	12.19	12.89	13.63	14.43	15.28	15.88	16.48	17.08	17.68	18.28	18.28	18.28	18.28
8					11.80	12.53	13.33	13.93	14.73	15.58	16.49	17.46	18.14	18.83	19.52	20.20	20.89	20.89	20.89	20.89
9					13.28	14.10	15.00	15.67	16.57	17.53	18.55	19.64	20.41	21.18	21.96	22.73	23.50	23.50	23.50	23.50
10					14.75	15.67	16.67	17.41	18.41	19.48	20.61	21.82	22.68	23.54	24.40	25.26	26.11	26.11	26.11	26.11
11					16.23	17.23	18.33	19.15	20.25	21.42	22.67	24.00	24.95	25.89	26.84	27.78	28.72	28.72	28.72	28.72
12					17.70	18.80	20.00	20.89	22.10	23.37	24.73	26.19	27.22	28.25	29.28	30.31	31.34	31.34	31.34	31.34
13					19.18	20.36	21.67	22.64	23.94	25.32	26.79	28.37	29.48	30.60	31.72	32.83	33.95	33.95	33.95	33.95
14					20.65	21.93	23.33	24.38	25.78	27.27	28.85	30.55	31.75	32.95	34.16	35.36	36.56	36.56	36.56	36.56
15					22.13	23.50	25.00	26.12	27.62	29.22	30.91	32.73	34.02	35.31	36.60	37.88	39.17	39.17	39.17	39.17
16					23.60	25.06	26.67	27.86	29.46	31.16	32.97	34.92	36.29	37.66	39.04	40.41	41.78	41.78	41.78	41.78
17					25.08	26.63	28.33	29.60	31.30	33.11	35.03	37.10	38.56	40.01	41.47	42.93	44.39	44.39	44.39	44.39
18					26.55	28.20	30.00	31.34	33.14	35.06	37.09	39.28	40.82	42.37	43.91	45.46	47.00	47.00	47.00	47.00
19					28.03	29.76	31.67	33.08	34.98	37.01	39.16	41.46	43.09	44.72	46.35	47.98	49.61	49.61	49.61	49.61
20					29.50	31.33	33.33	34.82	36.83	38.95	41.22	43.64	45.36	47.08	48.79	50.51	52.23	52.23	52.23	52.23
21					30.98	32.90	35.00	36.57	38.67	40.90	43.28	45.83	47.63	49.43	51.23	53.04	54.84	54.84	54.84	54.84
22					32.45	34.46	36.67	38.31	40.51	42.85	45.34	48.01	49.90	51.78	53.67	55.56	57.45	57.45	57.45	57.45
23					33.93	36.03	38.33	40.05	42.35	44.80	47.40	50.19	52.16	54.14	56.11	58.09	60.06	60.06	60.06	60.06
24					35.40	37.60	40.00	41.79	44.19	46.74	49.46	52.37	54.43	56.49	58.55	60.61	62.67	62.67	62.67	62.67
25					36.88	39.16	41.67	43.53	46.03	48.69	51.52	54.56	56.70	58.85	60.99	63.14	65.28	65.28	65.28	65.28
26					38.35	40.73	43.33	45.27	47.87	50.64	53.58	56.74	58.97	61.20	63.43	65.66	67.89	67.89	67.89	67.89
27					39.83	42.30	45.00	47.01	49.72	52.59	55.64	58.92	61.24	63.55	65.87	68.19	70.51	70.51	70.51	70.51
28					41.30	43.86	46.67	48.75	51.56	54.54	57.70	61.10	63.50	65.91	68.31	70.71	73.12	73.12	73.12	73.12
29					42.78	45.43	48.33	50.49	53.40	56.48	59.76	63.28	65.77	68.26	70.75	73.24	75.73	75.73	75.73	75.73
30	35.28	37.27	39.41	41.73	44.25	47.00	50.00	52.24	55.24	58.43	61.82	65.47	68.04	70.61	73.19	75.77	78.34	78.34	78.34	78.34
31		38.51	40.72	43.12	45.73	48.56	51.67	53.98	57.08	60.38	63.88	67.65	70.31	72.97	75.63	78.29	80.95	80.95	80.95	80.95
32			42.04	44.51	47.20	50.13	53.33	55.72	58.92	62.33	65.95	69.83	72.58	75.32	78.07	80.82	83.56	83.56	83.56	83.56
33				45.90	48.68	51.69	55.00	57.46	60.76	64.27	68.01	72.01	74.84	77.68	80.51	83.34	86.17	86.17	86.17	86.17
34					50.15	53.26	56.67	59.20	62.60	66.22	70.07	74.19	77.11	80.03	82.95	85.87	88.78	88.78	88.78	88.78
35						54.83	58.33	60.94	64.45	68.17	72.13	76.38	79.38	82.38	85.39	88.39	91.40	91.40	91.40	91.40
36							60.00	62.68	66.29	70.12	74.19	78.56	81.65	84.74	87.83	90.92	94.01	94.01	94.01	94.01
37								64.42	68.13	72.06	76.25	80.74	83.92	87.09	90.27	93.44	96.62	96.62	96.62	96.62
38									69.97	74.01	78.31	82.92	86.18	89.44	92.71	95.97	99.23	99.23	99.23	99.23
39										75.96	80.37	85.11	88.45	91.80	95.15	98.49	100	100	100	100
40											82.43	87.29	90.72	94.15	97.59	100				
41												89.47	92.99	96.51	100					
42													95.26	98.86						
43														100						

APPENDIX C – SUMMARY OF PLAN PROVISIONS

Table 4: Tier 1 Safety Members (CERL Section 31664.1)

Service	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55
5										15.00	15.00	15.00	15.00	15.00	15.00
6										18.00	18.00	18.00	18.00	18.00	18.00
7										21.00	21.00	21.00	21.00	21.00	21.00
8										24.00	24.00	24.00	24.00	24.00	24.00
9										27.00	27.00	27.00	27.00	27.00	27.00
10										30.00	30.00	30.00	30.00	30.00	30.00
11										33.00	33.00	33.00	33.00	33.00	33.00
12										36.00	36.00	36.00	36.00	36.00	36.00
13										39.00	39.00	39.00	39.00	39.00	39.00
14										42.00	42.00	42.00	42.00	42.00	42.00
15										45.00	45.00	45.00	45.00	45.00	45.00
16										48.00	48.00	48.00	48.00	48.00	48.00
17										51.00	51.00	51.00	51.00	51.00	51.00
18										54.00	54.00	54.00	54.00	54.00	54.00
19										57.00	57.00	57.00	57.00	57.00	57.00
20	37.55	39.75	42.02	44.38	46.83	49.36	52.07	54.51	57.13	60.00	60.00	60.00	60.00	60.00	60.00
21		41.74	44.13	46.6	49.17	51.82	54.67	57.24	59.99	63.00	63.00	63.00	63.00	63.00	63.00
22			46.23	48.82	51.51	54.29	57.27	59.96	62.85	66.00	66.00	66.00	66.00	66.00	66.00
23				51.04	53.85	56.76	59.88	62.69	65.7	69.00	69.00	69.00	69.00	69.00	69.00
24					56.2	59.23	62.48	65.41	68.56	72.00	72.00	72.00	72.00	72.00	72.00
25						61.7	65.09	68.14	71.42	75.00	75.00	75.00	75.00	75.00	75.00
26							67.69	70.86	74.27	78.00	78.00	78.00	78.00	78.00	78.00
27								73.59	77.13	81.00	81.00	81.00	81.00	81.00	81.00
28									79.98	84.00	84.00	84.00	84.00	84.00	84.00
29										87.00	87.00	87.00	87.00	87.00	87.00
30										90.00	90.00	90.00	90.00	90.00	90.00
31										93.00	93.00	93.00	93.00	93.00	93.00
32										96.00	96.00	96.00	96.00	96.00	96.00
33										99.00	99.00	99.00	99.00	99.00	99.00
34										100.00	100.00	100.00	100.00	100.00	100.00
35											100.00	100.00	100.00	100.00	100.00
36												100.00	100.00	100.00	100.00
37													100.00	100.00	100.00
38														100.00	100.00
39															100.00

Tier 2/2B (PEPRA)

For Tier 2/2B General Members, the benefit multiplier is 1% at age 52, increasing by 0.1% for each year of age to 2.5% at 67. For Tier 2/2B Safety Members, the benefit multiplier is 2% at age 50, increasing by 0.1% for each year of age to 2.7% at age 57. In between exact ages, the multiplier increases by 0.025% for each quarter year increase in age.

APPENDIX C – SUMMARY OF PLAN PROVISIONS

Form of Benefit: The Service Retirement Benefit will be paid monthly beginning at retirement and for the life of the Member. If the member selects the unmodified benefit form, in the event of the Member's death, 60% of the benefit will continue for the life of the Member's spouse, or to the age of majority of dependent minor children if there is no spouse. In the event there is no surviving spouse or minor children, any unpaid remainder of the Member's accumulated contributions will be paid to the Member's designated beneficiary.

Actuarially equivalent optional benefit forms are also available.

Annually on April 1, benefits are adjusted to reflect changes in the CPI for the San Francisco Bay Area. Annual adjustments may not exceed 3%, but changes in CPI in excess of 3% are "banked" and used for future adjustments when changes in CPI are less than 3%.

In addition, ad hoc cost-of-living adjustments have been granted in the past and may be granted in the future.

A lump sum benefit of $5,000 will be payable upon the death of a retired member.

D. Service-Connected Disability

Eligibility: Members are eligible for Service-Connected Disability Retirement benefits at any age if they are permanently disabled as a result of injuries or illness sustained in the line of duty.

Benefit Amount: The Service-Connected Disability Retirement Benefit payable to Members is equal to the greater of 50% of their Final Compensation or – if the Member is eligible at disability for a Service Retirement Benefit – the Service Retirement Benefit accrued on the date of disability.

Members who return to work at a different position with lower pay may receive a Supplemental Disability Allowance that, when added to their new pay, may bring the Member's total income up to the current pay for his or her position at the time of disability. The Supplemental Disability Allowance may not exceed the Service-Connected Disability Retirement benefit.

Form of Benefit: The Service-Connected Disability Retirement Benefit will be paid monthly beginning at the effective date of disability retirement and for the life of the Member; in the event of the Member's death, 100% of the benefit will continue for the life of the Member's spouse, or to the age of majority of dependent minor children if there is no spouse. In the event there is no surviving spouse or minor children, any unpaid remainder of

APPENDIX C – SUMMARY OF PLAN PROVISIONS

the Member's accumulated contributions will be paid to the Member's designated beneficiary.

Actuarially equivalent optional benefit forms are also available.

Annually on April 1, benefits are adjusted to reflect changes in the CPI for the San Francisco Bay Area. Annual adjustments may not exceed 3%, but changes in CPI in excess of 3% are "banked" and used for future adjustments when changes in CPI are less than 3%.

In addition, ad hoc cost-of-living adjustments have been granted in the past and may be granted in the future.

A lump sum benefit of $5,000 will be payable upon the death of a retired member.

E. Nonservice-Connected Disability

Eligibility: Members are eligible for Nonservice-Connected Disability Retirement benefits if they are permanently disabled at any age after earning five years of Credited Service or after becoming eligible for a deferred vested benefit.

Benefit Amount: The Nonservice-Connected Disability Retirement Benefit payable to General Members is equal to the greatest of:

- 1.5% of Final Compensation at disability multiplied by years of Credited Service at disability;
- 1.5% of Final Compensation at disability multiplied by years of Credited Service projected to age 65, but not to exceed one-third of Final Compensation; or
- If the Member is eligible at disability for a Service Retirement Benefit, the Service Retirement Benefit accrued on the date of disability.

The Nonservice-Connected Disability Retirement Benefit payable to Safety Members is equal to the greatest of:

- 1.8% of Final Compensation at disability multiplied by years of Credited Service at disability;
- 1.8% of Final Compensation at disability multiplied by years of Credited Service projected to age 55, but not to exceed one-third of Final Compensation; or
- If the Member is eligible at disability for a Service Retirement Benefit, the Service Retirement Benefit accrued on the date of disability.

APPENDIX C – SUMMARY OF PLAN PROVISIONS

Members who return to work at a different position with lower pay may receive a Supplemental Disability Allowance that, when added to their new pay, may bring the Member's total income up to the current pay for his or her position at the time of disability. The Supplemental Disability Allowance may not exceed the Nonservice-Connected Disability Retirement benefit.

Form of Benefit: The Nonservice-Connected Disability Retirement Benefit will be paid monthly beginning at the effective date of disability retirement, and for the life of the Member; in the event of the Member's death, 60% of the benefit will continue for the life of the Member's spouse or to the age of majority of dependent minor children if there is no spouse. In the event there is no surviving spouse or minor children, any unpaid remainder of the Member's accumulated contributions will be paid to the Member's designated beneficiary.

Actuarially equivalent optional benefit forms are also available.

Annually on April 1, benefits are adjusted to reflect changes in the CPI for the San Francisco Bay Area. Annual adjustments may not exceed 3%, but changes in CPI in excess of 3% are "banked" and used for future adjustments when changes in CPI are less than 3%.

In addition, ad hoc cost-of-living adjustments have been granted in the past and may be granted in the future.

A lump sum benefit of $5,000 will be payable upon the death of a retired member.

F. Service-Connected Death

Eligibility: A Member's survivors are eligible to receive Service-Connected Death benefits if the Member's death resulted from injury or illness sustained in connection with the Member's duties.

Benefit Amount: The Service-Connected Death benefit payable to a surviving spouse or minor children will be 50% of the Member's Final Compensation.

In the event the Member's death was caused by external violence or physical force, an additional benefit of 25% of the above basic benefit will be paid for the first minor child, 15% for the second, and 10% for the third.

Furthermore, for Safety Members only, there will be an additional lump sum benefit of 12 months of pay at the time of death.

Form of Benefit: The Service-Connected Death Benefit will be paid monthly beginning at the Member's death and for the life of the surviving spouse or to the age of majority of dependent minor children if there is no spouse.

APPENDIX C – SUMMARY OF PLAN PROVISIONS

Annually on April 1, benefits are adjusted to reflect changes in the CPI for the San Francisco Bay Area. Annual adjustments may not exceed 3%, but changes in CPI in excess of 3% are "banked" and used for future adjustments when changes in CPI are less than 3%.

In addition, ad hoc cost-of-living adjustments have been granted in the past and may be granted in the future.

G. Nonservice-Connected Death

Eligibility: A Member's survivors are eligible to receive Nonservice-Connected Death benefits if the Member's death arose from causes unrelated to the Member's duties.

Benefit Amount: In the event the Member had earned fewer than five years of Credited Service and has no or insufficient reciprocity service from another system, the Nonservice-Connected Death benefit will be a refund of the Member's accumulated contributions with interest plus a payment of one month of Final Compensation for each year of Credited Service, not to exceed six months.

In the event the Member had earned five or more years of Credited Service, the Nonservice-Connected Death benefit payable to a surviving spouse or minor children will be 60% of the amount the Member would have received as a Nonservice-Connected Disability Retirement Benefit on the date of death.

Form of Benefit: For Members who had earned fewer than five years of Credited Service at death, the benefit will be paid as a lump sum.

For Members with five or more years of Credited Service, the Nonservice-Connected Death Benefit will be paid monthly beginning at the Member's death and for the life of the surviving spouse or to the age of majority of dependent minor children if there is no spouse.

Annually on April 1, benefits are adjusted to reflect changes in the CPI for the San Francisco Bay Area. Annual adjustments may not exceed 3%, but changes in CPI in excess of 3% are "banked" and used for future adjustments when changes in CPI are less than 3%.

In addition, ad hoc cost-of-living adjustments have been granted in the past and may be granted in the future.

APPENDIX C – SUMMARY OF PLAN PROVISIONS

H. Withdrawal Benefit

Eligibility: A Member is eligible for a Withdrawal Benefit upon termination of employment.

Benefit Amount: The Withdrawal Benefit is a refund of the Member's accumulated contributions with interest. Upon receipt of the Withdrawal Benefit, the Member forfeits all Credited Service.

Form of Benefit: The Withdrawal Benefit is paid in a lump sum upon election by the Member.

I. Deferred Vested Benefit

Eligibility: A Member is eligible for a Deferred Vested Benefit upon termination of employment after earning five years of Credited Service, including reciprocity service from another system. The Member must leave his or her Member Contributions with interest on deposit with the Plan.

Benefit Amount: The Deferred Vested Benefit is computed in the same manner as the Service Retirement Benefit, but it is based on Credited Service and Final Compensation on the date of termination.

For Tier 1 Members, Tables 2 and 3 are extended for service under 10 years using benefit multipliers of one-sixtieth per year of Credited Service at age 52 (General) or 3% per year of Credited Service at age 50 (Safety), with adjustments for earlier or later retirement under Sections 31676.14 and 31664.1, respectively, of the County Employees Retirement Law of 1937.

Form of Benefit: The Deferred Vested Benefit will be paid monthly beginning at retirement and for the life of the Member; in the event of the Member's death, 60% of the benefit will continue for the life of the Member's spouse or to the age of majority of dependent minor children if there is no spouse. In the event there is no surviving spouse or minor children, any unpaid remainder of the Member's accumulated contributions will be paid to the Member's designated beneficiary.

Actuarially equivalent optional benefit forms are also available.

Annually on April 1, benefits are adjusted to reflect changes in the CPI for the San Francisco Bay Area. Annual adjustments may not exceed 3%, but changes in CPI in excess of 3% are "banked" and used for future adjustments when changes in CPI are less than 3%.

In addition, ad hoc cost-of-living adjustments have been granted in the past and may be granted in the future.

APPENDIX C – SUMMARY OF PLAN PROVISIONS

A lump sum benefit of $5,000 will be payable upon the death of a retired member.

J. Reciprocal Benefit

Eligibility: A Member is eligible for a Reciprocal Benefit upon termination of employment and entry, within a specified period of time, into another retirement system recognized as a reciprocal system by the Plan. In addition, the Member must leave his or her Member Contributions with interest on deposit with the Plan.

Benefit Amount: The Reciprocal Benefit is computed in the same manner as the Service Retirement Benefit, but it is based on Credited Service on the date of termination and Final Compensation on the date of retirement; Final Compensation is based on the highest of the Compensation earned under this Plan or the reciprocal plan.

Form of Benefit: The Reciprocal Benefit will be paid monthly beginning at retirement and for the life of the Member; in the event of the Member's death, 60% of the benefit will continue for the life of the Member's spouse or to the age of majority of dependent minor children if there is no spouse. In the event there is no surviving spouse or minor children, any unpaid remainder of the Member's accumulated contributions will be paid to the Member's designated beneficiary.

Actuarially equivalent optional benefit forms are also available.

Annually on April 1, benefits are adjusted to reflect changes in the CPI for the San Francisco Bay Area. Annual adjustments may not exceed 3%, but changes in CPI in excess of 3% are "banked" and used for future adjustments when changes in CPI are less than 3%.

A lump sum benefit may be payable upon the death of a retired Member by the last system under which the Member's service was covered.

K. Changes in Plan Provisions

No changes since the prior valuation.

APPENDIX D – 401(H) REPAYMENT SCHEDULE

As of January 1, 2014, a separate amortization layer was established for the repayment of funds originally transferred to a retiree health reserve. This schedule was prepared in compliance with an approved Voluntary Correction Program that SJCERA submitted to the IRS. The original balance of the amortization layer ($48.0 million) is being amortized using the same methodology and assumptions as the UAL – as a level percentage of payroll over a 19-year period – after an initial payment of $19.8 million.

Date	Outstanding Balance	Years Remaining	End of Year Payment
1/1/2014	$48,000,000	19	$2,238,831
12/31/2014	$28,076,169	18	$2,311,593
12/31/2015	$27,870,288	17	$2,385,143
12/31/2016	$27,547,546	16	$2,460,275
12/31/2017	$27,125,789	15	$2,512,141
12/31/2018	$26,580,267	14	$2,591,274
12/31/2019	$25,916,063	13	$2,653,902
12/31/2020	$25,076,285	12	$2,733,519
12/31/2021	$24,098,107	11	$2,778,677
12/31/2022	$22,946,052	10	$2,862,037
12/31/2023	$21,632,873	9	$2,947,899
12/31/2024	$20,145,193	8	$3,036,335
12/31/2025	$18,468,658	7	$3,127,426
12/31/2026	$16,587,867	6	$3,221,248
12/31/2027	$14,486,300	5	$3,317,886
12/31/2028	$12,146,239	4	$3,417,422
12/31/2029	$9,548,688	3	$3,519,945
12/31/2030	$6,673,279	2	$3,625,543
12/31/2031	$3,498,182	1	$3,734,310
12/31/2032	$0	0	$0

APPENDIX E – GLOSSARY

1. **Actuarial Assumptions**

   Assumptions as to the occurrence of future events affecting pension costs such as mortality, withdrawal, disability, retirement, changes in compensation, and rates of investment return.

2. **Actuarial Cost Method**

   A procedure for determining the actuarial present value of pension plan benefits and expenses and for developing an allocation of such value to each year of service, usually in the form of a normal cost and an Actuarial Liability.

3. **Actuarial Gain (Loss)**

   The difference between actual experience and that expected is based upon a set of actuarial assumptions during the period between two actuarial valuation dates, as determined in accordance with a particular actuarial cost method.

4. **Actuarial Liability**

   The portion of the actuarial present value of projected benefits that will not be paid by future normal costs. It represents the value of the past normal costs with interest to the valuation date.

5. **Actuarial Present Value (Present Value)**

   The value as of a given date of a future amount or series of payments. The actuarial present value discounts the payments to the given date at the assumed investment return and includes the probability of the payment being made.

6. **Actuarial Valuation**

   The determination, as of a specified date, of the normal cost, Actuarial Liability, Actuarial Value of Assets, and related actuarial present values for a pension plan.

7. **Actuarial Value of Assets**

   The value of cash, investments, and other property belonging to a pension plan as used by the actuary for the purpose of an actuarial valuation. The purpose of an Actuarial Value of Assets is to smooth out fluctuations in market values.

8. **Actuarially Equivalent**

   Of equal actuarial present value, determined as of a given date, with each value based on the same set of actuarial assumptions.

APPENDIX E – GLOSSARY

9. Amortization Payment

The portion of the pension plan contribution that is designed to pay interest and principal on the Unfunded Actuarial Liability in order to pay for that liability in a given number of years.

10. Entry Age Normal Actuarial Cost Method

A method under which the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit ages.

11. Funded Ratio

The ratio of the Actuarial Value of Assets to the Actuarial Liabilities. The funded ratio shown in this report is not appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations, in the case of a plan termination or other similar action. However, it is an appropriate measure for assessing the need for or the amount of future contributions.

12. Inactive Funded Ratio

The ratio of the Inactive Actuarial Liabilities to the total Actuarial Liabilities. The inactive funded ratio is a measure that shows the minimum funded status needed to pay benefits for all inactive members.

13. Normal Cost

That portion of the actuarial present value of pension plan benefits and expenses, which is allocated to a valuation year by the actuarial cost method.

14. Projected Benefits

Those pension plan benefit amounts which are expected to be paid in the future under a particular set of actuarial assumptions, taking into account such items as increases in future compensation and service credits.

15. Unfunded Actuarial Liability

The excess of the Actuarial Liability over the Actuarial Value of Assets.

APPENDIX F – GENERAL AND SAFETY EMPLOYER CONTRIBUTION RATES

Tier 1: Contribution Rates for General and Safety (no COLA Cost-Sharing)

Separate rates for General and Safety members are shown below. These rates are applicable for employment groups that have not implemented equal sharing of the contributions required for post-retirement Cost-Of-Living Adjustments (COLA) in accordance with Government Code Section 31873.

As of December 31, 2024 for Calendar Year 2026	General	Safety	Total	As of December 31, 2025 for Calendar Year 2027	General	Safety	Total
Employer Normal Cost				**Employer Normal Cost**			
Basic	12.58%	22.09%	14.58%	Basic	12.53%	22.04%	14.61%
COL	5.22%	10.28%	6.28%	COL	5.21%	10.26%	6.31%
Total	17.80%	32.37%	20.86%	Total	17.74%	32.30%	20.92%
UAL Amortization Cost				**UAL Amortization Cost**			
Basic	18.61%	40.61%	23.23%	Basic	17.92%	38.79%	22.48%
COL	9.66%	26.25%	13.14%	COL	9.36%	25.21%	12.82%
Total	28.27%	66.86%	36.37%	Total	27.28%	64.00%	35.30%
Total Cost				**Total Cost**			
Basic	31.19%	62.70%	37.81%	Basic	30.45%	60.83%	37.09%
COL	14.88%	36.53%	19.42%	COL	14.57%	35.47%	19.13%
Total	46.07%	99.23%	57.23%	Total	45.02%	96.30%	56.22%

Rates include the employer share of the administrative expenses.

APPENDIX F – GENERAL AND SAFETY EMPLOYER CONTRIBUTION RATES

Tier 1: Contribution Rates for General and Safety (Employer Cost with additional 14% / 33% normal rates by members without COLA Cost-sharing)

Separate rates for General and Safety members contributing an additional 14% / 33% of normal rates are shown below.

As of December 31, 2024 for Calendar Year 2026				As of December 31, 2025 for Calendar Year 2027			
	General	Safety	Total		General	Safety	Total
Employer Normal Cost				**Employer Normal Cost**			
Basic	12.00%	20.36%	13.76%	Basic	11.95%	20.33%	13.78%
COL	5.22%	10.28%	6.28%	COL	5.21%	10.26%	6.31%
Total	17.22%	30.64%	20.04%	Total	17.16%	30.59%	20.09%
UAL Amortization Cost				**UAL Amortization Cost**			
Basic	18.61%	40.61%	23.23%	Basic	17.92%	38.79%	22.48%
COL	9.66%	26.25%	13.14%	COL	9.36%	25.21%	12.82%
Total	28.27%	66.86%	36.37%	Total	27.28%	64.00%	35.30%
Total Cost				**Total Cost**			
Basic	30.61%	60.97%	36.99%	Basic	29.87%	59.12%	36.26%
COL	14.88%	36.53%	19.42%	COL	14.57%	35.47%	19.13%
Total	45.49%	97.50%	56.41%	Total	44.44%	94.59%	55.39%

Rates include the employer share of the administrative expenses.

APPENDIX F – GENERAL AND SAFETY EMPLOYER CONTRIBUTION RATES

Tier 1: Contribution Rates for General and Safety (with COLA Cost-sharing)

Separate rates for General and Safety members contributing normal rates plus COLA Cost-sharing are shown below.

As of December 31, 2024 for Calendar Year 2026	General	Safety	Total	As of December 31, 2025 for Calendar Year 2027	General	Safety	Total
Employer Normal Cost				**Employer Normal Cost**			
Basic	12.58%	22.09%	14.58%	Basic	12.53%	22.04%	14.61%
COL	2.63%	5.18%	3.17%	COL	2.62%	5.20%	3.18%
Total	15.21%	27.27%	17.75%	Total	15.15%	27.24%	17.79%
UAL Amortization Cost				**UAL Amortization Cost**			
Basic	18.61%	40.61%	23.23%	Basic	17.92%	38.79%	22.48%
COL	9.66%	26.25%	13.14%	COL	9.36%	25.21%	12.82%
Total	28.27%	66.86%	36.37%	Total	27.28%	64.00%	35.30%
Total Cost				**Total Cost**			
Basic	31.19%	62.70%	37.81%	Basic	30.45%	60.83%	37.09%
COL	12.29%	31.43%	16.31%	COL	11.98%	30.41%	16.00%
Total	43.48%	94.13%	54.12%	Total	42.43%	91.24%	53.09%

Rates include the employer share of the administrative expenses.

APPENDIX F – GENERAL AND SAFETY EMPLOYER CONTRIBUTION RATES

Tier 1: Contribution Rates for General and Safety (Employer Cost with additional 14% / 33% normal rates by members and COLA Cost-sharing)

Separate rates for General and Safety members contributing an additional 14% / 33% of normal rates and COLA Cost-sharing are shown below.

As of December 31, 2024 for Calendar Year 2026	General	Safety	Total	As of December 31, 2025 for Calendar Year 2027	General	Safety	Total
Employer Normal Cost				**Employer Normal Cost**			
Basic	12.00%	20.36%	13.76%	Basic	11.95%	20.33%	13.78%
COL	2.63%	5.18%	3.17%	COL	2.62%	5.20%	3.18%
Total	14.63%	25.54%	16.93%	Total	14.57%	25.53%	16.96%
UAL Amortization Cost				**UAL Amortization Cost**			
Basic	18.61%	40.61%	23.23%	Basic	17.92%	38.79%	22.48%
COL	9.66%	26.25%	13.14%	COL	9.36%	25.21%	12.82%
Total	28.27%	66.86%	36.37%	Total	27.28%	64.00%	35.30%
Total Cost				**Total Cost**			
Basic	30.61%	60.97%	36.99%	Basic	29.87%	59.12%	36.26%
COL	12.29%	31.43%	16.31%	COL	11.98%	30.41%	16.00%
Total	42.90%	92.40%	53.30%	Total	41.85%	89.53%	52.26%

Rates include the employer share of the administrative expenses.

APPENDIX F – GENERAL AND SAFETY EMPLOYER CONTRIBUTION RATES

Tier 2/2B: Contribution Rates for General and Safety (PEPRA Members)

Separate rates for General and Safety members are shown below. These rates are applicable for employment groups that are subject to Government Code Section 7522.30.

As of December 31, 2024 for Calendar Year 2026				As of December 31, 2025 for Calendar Year 2027			
	General	Safety	Total		General	Safety	Total
Employer Normal Cost				**Employer Normal Cost**			
Basic	7.36%	11.13%	7.83%	Basic	7.32%	11.19%	7.82%
COL	2.18%	4.03%	2.42%	COL	2.17%	4.03%	2.42%
Total	9.54%	15.16%	10.25%	Total	9.49%	15.22%	10.24%
UAL Amortization Cost				**UAL Amortization Cost**			
Basic	18.61%	40.61%	21.32%	Basic	17.92%	38.79%	20.57%
COL	9.66%	26.25%	11.70%	COL	9.36%	25.21%	11.37%
Total	28.27%	66.86%	33.02%	Total	27.28%	64.00%	31.94%
Total Cost				**Total Cost**			
Basic	25.97%	51.74%	29.15%	Basic	25.24%	49.98%	28.39%
COL	11.84%	30.28%	14.12%	COL	11.53%	29.24%	13.79%
Total	37.81%	82.02%	43.27%	Total	36.77%	79.22%	42.18%

Rates include the employer share of the administrative expenses.

APPENDIX F – GENERAL AND SAFETY EMPLOYER CONTRIBUTION RATES

Total Normal Cost Rates for General and Safety

As of December 31, 2024 for Calendar Year 2026	General	Safety	Total	As of December 31, 2025 for Calendar Year 2027	General	Safety	Total
Total Normal Cost				**Total Normal Cost**			
Tier 1	21.90%	37.70%	25.22%	Tier 1	21.83%	37.58%	25.27%
Tier 2	19.08%	30.32%	20.50%	Tier 2	18.98%	30.44%	20.48%

The Total Normal Costs shown include the employee and employer share of the assumed administrative expenses.

APPENDIX G – MEMBER CONTRIBUTION RATES

Member contribution rates vary by member Group and Tier. The Tier 1 basic rates are determined based on Government Code Section 31621.3 for General members and Section 31639.5 for Safety members. The COLA rates for Tier 1 members are determined based on 50% of the normal cost associated with the expected COLA benefits, determined for each individual entry age.

The current Tier 1 rates were determined based on an interest rate of 6.75% per annum, an average salary increase of 3.00% per year (plus service-based increases for merit/longevity), and the 2021 CalPERS mortality tables (with a 1.05 adjustment to the male and female rates for healthy annuitants), projected from their base year of 2017 to 2045 for Miscellaneous members and 2046 for Safety members using 80% of Projection Scale MP-2020.

The rates are blended based on a male/female weighting of 29% male/71% female for General members, and 75% male/25% female for Safety members. Tier 1 Basic and COLA rates were determined based on an assumption that members would cease making contributions after 30 years of service.

A load is added to the Tier 1 employee contributions to cover their share of the expected administrative expenses. For the current valuation, the load is 2.6% of each member's total unadjusted contribution rate.

Employee contribution rates for PEPRA (Tier 2 and Tier 2B) members are determined based on half the normal cost for the PEPRA members (computed separately for General and Safety members), including the share of the administrative expenses allocated to the normal cost. Contribution rates for PEPRA members are not rounded and are recomputed each year. These rates for the calendar year 2027 are 9.49% for General and 15.22% for Safety.

Some Safety groups are paying additional employee contributions as a result of bargaining agreements.

APPENDIX G – MEMBER CONTRIBUTION RATES

General Member Contribution Rates
Basic Half Rate (Government Code Section 31621.3)

	Basic Rate		COLA Cost-Sharing Rate[1]	
Entry Age	1st $350/month	Over $350	1st $350/month	Over $350
16	2.10%	3.15%	1.26%	1.89%
17	2.10%	3.15%	1.26%	1.89%
18	2.10%	3.15%	1.26%	1.89%
19	2.10%	3.15%	1.26%	1.89%
20	2.10%	3.15%	1.26%	1.89%
21	2.14%	3.21%	1.29%	1.94%
22	2.18%	3.27%	1.33%	2.00%
23	2.22%	3.33%	1.37%	2.06%
24	2.27%	3.40%	1.41%	2.11%
25	2.31%	3.46%	1.45%	2.17%
26	2.35%	3.53%	1.48%	2.22%
27	2.40%	3.60%	1.51%	2.27%
28	2.44%	3.66%	1.55%	2.32%
29	2.49%	3.73%	1.57%	2.36%
30	2.54%	3.81%	1.61%	2.42%
31	2.59%	3.88%	1.65%	2.47%
32	2.63%	3.95%	1.67%	2.51%
33	2.69%	4.03%	1.71%	2.56%
34	2.74%	4.11%	1.74%	2.61%
35	2.79%	4.19%	1.77%	2.66%
36	2.85%	4.28%	1.82%	2.73%
37	2.91%	4.36%	1.87%	2.80%
38	2.97%	4.45%	1.92%	2.88%
39	3.03%	4.55%	1.97%	2.96%
40	3.08%	4.62%	2.03%	3.05%
41	3.13%	4.70%	2.09%	3.14%
42	3.19%	4.78%	2.15%	3.22%
43	3.25%	4.87%	2.20%	3.30%
44	3.31%	4.96%	2.26%	3.39%
45	3.36%	5.04%	2.32%	3.48%
46	3.42%	5.13%	2.38%	3.57%
47	3.46%	5.19%	2.40%	3.60%
48	3.51%	5.26%	2.41%	3.62%
49	3.56%	5.34%	2.43%	3.64%
50	3.63%	5.44%	2.43%	3.65%
51	3.63%	5.45%	2.43%	3.65%
52	3.66%	5.49%	2.43%	3.64%
53	3.61%	5.41%	2.42%	3.63%
54+	3.53%	5.30%	2.39%	3.59%

[1] Some members and employers share equally the contributions required for post-retirement cost-of-living adjustments (COLA) in accordance with Government Code Section 31873. For other members, the employers pay all of the contributions required for post-retirement COLA.

Rates include the employee share of the administrative expenses.

APPENDIX G – MEMBER CONTRIBUTION RATES

General Member Contribution Rates

Basic Half Rate (Government Code Section 31621.3) + 14%, not greater than 1/2 Normal Cost

	Basic Rate		COLA Cost-Sharing Rate[1]	
Entry Age	1st $350/month	Over $350	1st $350/month	Over $350
16	2.39%	3.59%	1.27%	1.90%
17	2.39%	3.59%	1.27%	1.90%
18	2.39%	3.59%	1.27%	1.90%
19	2.39%	3.59%	1.27%	1.90%
20	2.39%	3.59%	1.27%	1.90%
21	2.44%	3.66%	1.29%	1.94%
22	2.49%	3.73%	1.33%	2.00%
23	2.53%	3.80%	1.37%	2.06%
24	2.59%	3.88%	1.41%	2.11%
25	2.63%	3.94%	1.45%	2.17%
26	2.68%	4.02%	1.48%	2.22%
27	2.73%	4.10%	1.51%	2.27%
28	2.78%	4.17%	1.55%	2.32%
29	2.83%	4.25%	1.58%	2.37%
30	2.89%	4.34%	1.61%	2.42%
31	2.95%	4.42%	1.65%	2.47%
32	3.00%	4.50%	1.68%	2.52%
33	3.06%	4.59%	1.71%	2.56%
34	3.13%	4.69%	1.74%	2.61%
35	3.19%	4.78%	1.78%	2.67%
36	3.25%	4.88%	1.82%	2.73%
37	3.31%	4.97%	1.87%	2.81%
38	3.38%	5.07%	1.92%	2.88%
39	3.46%	5.19%	1.98%	2.97%
40	3.51%	5.27%	2.03%	3.05%
41	3.57%	5.36%	2.09%	3.14%
42	3.63%	5.45%	2.15%	3.23%
43	3.70%	5.55%	2.20%	3.30%
44	3.77%	5.65%	2.27%	3.40%
45	3.83%	5.75%	2.33%	3.49%
46	3.90%	5.85%	2.38%	3.57%
47	3.95%	5.92%	2.40%	3.60%
48	4.00%	6.00%	2.42%	3.63%
49	4.06%	6.09%	2.43%	3.65%
50	4.13%	6.20%	2.43%	3.65%
51	4.14%	6.21%	2.43%	3.65%
52	4.17%	6.26%	2.43%	3.64%
53	4.11%	6.17%	2.42%	3.63%
54+	4.03%	6.04%	2.39%	3.59%

[1] Some members and employers share equally the contributions required for post-retirement cost-of-living adjustments (COLA) in accordance with Government Code Section 31873. For other members, the employers pay all of the contributions required for post-retirement COLA.

Rates include the employee share of the administrative expenses.

APPENDIX G – MEMBER CONTRIBUTION RATES

Safety Member Contribution Rates
Basic Half Rate (Government Code Section 31639.5)

	Basic Rate		COLA Cost-Sharing Rate[1]	
Entry Age	**1st $350/month**	**Over $350**	**1st $350/month**	**Over $350**
16	3.16%	4.74%	3.07%	4.60%
17	3.16%	4.74%	3.07%	4.60%
18	3.16%	4.74%	3.07%	4.60%
19	3.16%	4.74%	3.07%	4.60%
20	3.16%	4.74%	3.07%	4.60%
21	3.21%	4.81%	3.19%	4.79%
22	3.25%	4.87%	3.25%	4.88%
23	3.29%	4.94%	3.31%	4.96%
24	3.34%	5.01%	3.36%	5.04%
25	3.39%	5.08%	3.41%	5.11%
26	3.43%	5.15%	3.45%	5.18%
27	3.48%	5.22%	3.50%	5.25%
28	3.53%	5.29%	3.53%	5.30%
29	3.58%	5.37%	3.56%	5.34%
30	3.63%	5.45%	3.59%	5.38%
31	3.68%	5.52%	3.60%	5.40%
32	3.73%	5.60%	3.59%	5.39%
33	3.79%	5.69%	3.59%	5.39%
34	3.85%	5.77%	3.61%	5.41%
35	3.91%	5.86%	3.65%	5.47%
36	3.97%	5.95%	3.69%	5.54%
37	4.03%	6.05%	3.74%	5.61%
38	4.10%	6.15%	3.79%	5.69%
39	4.17%	6.26%	3.85%	5.77%
40	4.25%	6.38%	3.85%	5.77%
41	4.33%	6.50%	3.88%	5.82%
42	4.43%	6.65%	3.92%	5.88%
43	4.54%	6.81%	3.97%	5.95%
44	4.63%	6.95%	4.02%	6.03%
45	4.63%	6.94%	4.07%	6.10%
46	4.63%	6.94%	4.07%	6.11%
47	4.65%	6.98%	4.10%	6.15%
48	4.52%	6.78%	4.12%	6.18%
49+	4.39%	6.58%	4.12%	6.18%

[1] Some members and employers share equally the contributions required for post-retirement cost-of-living adjustments (COLA) in accordance with Government Code Section 31873. For other members, the employers pay all of the contributions required for post-retirement COLA.

Rates include the employee share of the administrative expenses.

APPENDIX G – MEMBER CONTRIBUTION RATES

Safety Member Contribution Rates

Basic Half Rate (Government Code Section 31639.5) + 33% , not greater than 1/2 Normal Cost

	Basic Rate		COLA Cost-Sharing Rate[1]	
Entry Age	1st $350/month	Over $350	1st $350/month	Over $350
16	4.20%	6.30%	3.07%	4.61%
17	4.20%	6.30%	3.07%	4.61%
18	4.20%	6.30%	3.07%	4.61%
19	4.20%	6.30%	3.07%	4.61%
20	4.20%	6.30%	3.07%	4.61%
21	4.27%	6.40%	3.19%	4.79%
22	4.32%	6.48%	3.25%	4.88%
23	4.38%	6.57%	3.31%	4.96%
24	4.44%	6.66%	3.37%	5.05%
25	4.51%	6.76%	3.41%	5.12%
26	4.57%	6.85%	3.46%	5.19%
27	4.63%	6.94%	3.50%	5.25%
28	4.69%	7.04%	3.53%	5.30%
29	4.76%	7.14%	3.56%	5.34%
30	4.83%	7.25%	3.59%	5.39%
31	4.89%	7.34%	3.60%	5.40%
32	4.97%	7.45%	3.59%	5.39%
33	5.05%	7.57%	3.60%	5.40%
34	5.11%	7.67%	3.61%	5.41%
35	5.19%	7.79%	3.65%	5.47%
36	5.27%	7.91%	3.69%	5.54%
37	5.37%	8.05%	3.74%	5.61%
38	5.45%	8.18%	3.79%	5.69%
39	5.55%	8.33%	3.85%	5.77%
40	5.66%	8.49%	3.85%	5.77%
41	5.77%	8.65%	3.88%	5.82%
42	5.89%	8.84%	3.93%	5.89%
43	6.04%	9.06%	3.97%	5.95%
44	6.16%	9.24%	4.02%	6.03%
45	6.15%	9.23%	4.07%	6.10%
46	6.15%	9.23%	4.08%	6.12%
47	6.19%	9.28%	4.10%	6.15%
48	6.01%	9.02%	4.13%	6.19%
49+	5.83%	8.75%	4.12%	6.18%

[1] Some members and employers share equally the contributions required for post-retirement cost-of-living adjustments (COLA) in accordance with Government Code Section 31873. For other members, the employers pay all of the contributions required for post-retirement COLA.

Rates include the employee share of the administrative expenses.

RESOLUTION TITLE: **2027 Retirement Contribution Rates**

RESOLUTION NO. **2026-08-01**

WHEREAS, in compliance with Government Code Section 31453, the Board of Retirement requested its consulting actuary, Cheiron, to conduct an actuarial valuation as of December 31, 2025; and

WHEREAS, the assumed rate of return remained unchanged at 6.75 percent; and

WHEREAS, the actuary has determined the recommended employer and member contribution rates for calendar year 2027 for Tiers 1 and 2.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Retirement approves the recommended retirement contribution rates for 2027 expressed as a percentage of active member payroll to be effective the first payday after January 1, 2027 as shown in the following attachments, which are hereby incorporated into and made a part of this Resolution:

Attachment 1 SJCERA Retirement Contribution Rates 2027
Attachment 2 Table 1A – General Member Contribution Rates, Basic Half Rate (Tier 1)
Attachment 3 Table 1B – General Member Contribution Rates, Basic Half Rate Plus 14 Percent (Tier 1)
Attachment 4 Table 2A – Safety Member Contribution Rates, Basic Half Rate (Tier 1)
Attachment 5 Table 2B – Safety Member Contribution Rates, Basic Half Rate Plus 33 Percent (Tier 1)

PASSED AND APPROVED by the Board of Retirement of the San Joaquin County Employees' Retirement Association on the 14th day of August 2026.

AYES:

NOES:

ABSTAIN:

ABSENT:

____
MICHAEL RESTUCCIA, Chair

Attest:

____
PHONXAY KEOKHAM, Secretary

SJCERA - RETIREMENT CONTRIBUTION RATES - 2027

As determined by annual actuarial valuation as of December 31, 2025

Expressed as a Percentage of Active Member Payroll

	TIER 1			TIER 1 w/COLA Cost Sharing			TIER 1 w/COLA Cost Sharing Plus			TIER 2		
EMPLOYER CONTRIBUTIONS:	GENERAL	SAFETY	COMPOSITE TOTAL	GENERAL	SAFETY	COMPOSITE TOTAL	GENERAL	SAFETY	COMPOSITE TOTAL	GENERAL	SAFETY	COMPOSITE TOTAL
Normal Cost												
Basic	12.53%	22.04%	14.61%	12.53%	22.04%	14.61%	11.95%	20.33%	13.78%	7.32%	11.19%	7.82%
Post-retirement COLA	5.21%	10.26%	6.31%	2.62%	5.20%	3.18%	2.62%	5.20%	3.18%	2.17%	4.03%	2.42%
Total	17.74%	32.30%	20.92%	15.15%	27.24%	17.79%	14.57%	25.53%	16.96%	9.49%	15.22%	10.24%
UAL Amortization Cost												
Basic	17.92%	38.79%	22.48%	17.92%	38.79%	22.48%	17.92%	38.79%	22.48%	17.92%	38.79%	20.57%
Post-retirement COLA	9.36%	25.21%	12.82%	9.36%	25.21%	12.82%	9.36%	25.21%	12.82%	9.36%	25.21%	11.37%
Total	27.28%	64.00%	35.30%	27.28%	64.00%	35.30%	27.28%	64.00%	35.30%	27.28%	64.00%	31.94%
Total Plan Cost												
Basic	30.45%	60.83%	37.09%	30.45%	60.83%	37.09%	29.87%	59.12%	36.26%	25.24%	49.98%	28.39%
Post-Retirement COLA	14.57%	35.47%	19.13%	11.98%	30.41%	16.00%	11.98%	30.41%	16.00%	11.53%	29.24%	13.79%
Total	**45.02%**	**96.30%**	**56.22%**	**42.43%**	**91.24%**	**53.09%**	**41.85%**	**89.53%**	**52.26%**	**36.77%**	**79.22%**	**42.18%**
Total Plan Normal Cost	21.83%	37.58%	25.27%	21.83%	37.58%	25.27%	21.83%	37.58%	25.27%	18.98%	30.44%	20.48%
MEMBER CONTRIBUTIONS:	Table 1A "Basic Rate" from 12/31/25 Valuation Report	Table 2A "Basic Rate" from 12/31/25 Valuation Report		Table 1A "Basic Rate" + "COLA Cost Share Rate" from 12/31/25 Valuation Report	Table 2A "Basic Rate" + "COLA Cost Share Rate" from 12/31/25 Valuation Report		Table 1B "114% of Basic Rate" + "COLA Cost Share Rate" from 12/31/25 Valuation Report	Table 2B "133% of Basic Rate" + "COLA Cost Share Rate" from 12/31/25 Valuation Report		**9.49%**	**15.22%**	

APPENDIX G – MEMBER CONTRIBUTION RATES

Table 1A

General Member Contribution Rates
Basic Half Rate (Government Code Section 31621.3)

	Basic Rate		COLA Cost-Sharing Rate[1]	
Entry Age	**1st $350/month**	**Over $350**	**1st $350/month**	**Over $350**
16	2.10%	3.15%	1.26%	1.89%
17	2.10%	3.15%	1.26%	1.89%
18	2.10%	3.15%	1.26%	1.89%
19	2.10%	3.15%	1.26%	1.89%
20	2.10%	3.15%	1.26%	1.89%
21	2.14%	3.21%	1.29%	1.94%
22	2.18%	3.27%	1.33%	2.00%
23	2.22%	3.33%	1.37%	2.06%
24	2.27%	3.40%	1.41%	2.11%
25	2.31%	3.46%	1.45%	2.17%
26	2.35%	3.53%	1.48%	2.22%
27	2.40%	3.60%	1.51%	2.27%
28	2.44%	3.66%	1.55%	2.32%
29	2.49%	3.73%	1.57%	2.36%
30	2.54%	3.81%	1.61%	2.42%
31	2.59%	3.88%	1.65%	2.47%
32	2.63%	3.95%	1.67%	2.51%
33	2.69%	4.03%	1.71%	2.56%
34	2.74%	4.11%	1.74%	2.61%
35	2.79%	4.19%	1.77%	2.66%
36	2.85%	4.28%	1.82%	2.73%
37	2.91%	4.36%	1.87%	2.80%
38	2.97%	4.45%	1.92%	2.88%
39	3.03%	4.55%	1.97%	2.96%
40	3.08%	4.62%	2.03%	3.05%
41	3.13%	4.70%	2.09%	3.14%
42	3.19%	4.78%	2.15%	3.22%
43	3.25%	4.87%	2.20%	3.30%
44	3.31%	4.96%	2.26%	3.39%
45	3.36%	5.04%	2.32%	3.48%
46	3.42%	5.13%	2.38%	3.57%
47	3.46%	5.19%	2.40%	3.60%
48	3.51%	5.26%	2.41%	3.62%
49	3.56%	5.34%	2.43%	3.64%
50	3.63%	5.44%	2.43%	3.65%
51	3.63%	5.45%	2.43%	3.65%
52	3.66%	5.49%	2.43%	3.64%
53	3.61%	5.41%	2.42%	3.63%
54+	3.53%	5.30%	2.39%	3.59%

[1] Some members and employers share equally the contributions required for post-retirement cost-of-living adjustments (COLA) in accordance with Government Code Section 31873. For other members, the employers pay all of the contributions required for post-retirement COLA.

Rates include the employee share of the administrative expenses.

APPENDIX G – MEMBER CONTRIBUTION RATES

Table 1B

General Member Contribution Rates

Basic Half Rate (Government Code Section 31621.3) + 14%, not greater than 1/2 Normal Cost

	Basic Rate		COLA Cost-Sharing Rate[1]	
Entry Age	**1st $350/month**	**Over $350**	**1st $350/month**	**Over $350**
16	2.39%	3.59%	1.27%	1.90%
17	2.39%	3.59%	1.27%	1.90%
18	2.39%	3.59%	1.27%	1.90%
19	2.39%	3.59%	1.27%	1.90%
20	2.39%	3.59%	1.27%	1.90%
21	2.44%	3.66%	1.29%	1.94%
22	2.49%	3.73%	1.33%	2.00%
23	2.53%	3.80%	1.37%	2.06%
24	2.59%	3.88%	1.41%	2.11%
25	2.63%	3.94%	1.45%	2.17%
26	2.68%	4.02%	1.48%	2.22%
27	2.73%	4.10%	1.51%	2.27%
28	2.78%	4.17%	1.55%	2.32%
29	2.83%	4.25%	1.58%	2.37%
30	2.89%	4.34%	1.61%	2.42%
31	2.95%	4.42%	1.65%	2.47%
32	3.00%	4.50%	1.68%	2.52%
33	3.06%	4.59%	1.71%	2.56%
34	3.13%	4.69%	1.74%	2.61%
35	3.19%	4.78%	1.78%	2.67%
36	3.25%	4.88%	1.82%	2.73%
37	3.31%	4.97%	1.87%	2.81%
38	3.38%	5.07%	1.92%	2.88%
39	3.46%	5.19%	1.98%	2.97%
40	3.51%	5.27%	2.03%	3.05%
41	3.57%	5.36%	2.09%	3.14%
42	3.63%	5.45%	2.15%	3.23%
43	3.70%	5.55%	2.20%	3.30%
44	3.77%	5.65%	2.27%	3.40%
45	3.83%	5.75%	2.33%	3.49%
46	3.90%	5.85%	2.38%	3.57%
47	3.95%	5.92%	2.40%	3.60%
48	4.00%	6.00%	2.42%	3.63%
49	4.06%	6.09%	2.43%	3.65%
50	4.13%	6.20%	2.43%	3.65%
51	4.14%	6.21%	2.43%	3.65%
52	4.17%	6.26%	2.43%	3.64%
53	4.11%	6.17%	2.42%	3.63%
54+	4.03%	6.04%	2.39%	3.59%

[1] Some members and employers share equally the contributions required for post-retirement cost-of-living adjustments (COLA) in accordance with Government Code Section 31873. For other members, the employers pay all of the contributions required for post-retirement COLA.

Rates include the employee share of the administrative expenses.

APPENDIX G – MEMBER CONTRIBUTION RATES

Table 2A

Safety Member Contribution Rates
Basic Half Rate (Government Code Section 31639.5)

	Basic Rate		COLA Cost-Sharing Rate[1]	
Entry Age	1st $350/month	Over $350	1st $350/month	Over $350
16	3.16%	4.74%	3.07%	4.60%
17	3.16%	4.74%	3.07%	4.60%
18	3.16%	4.74%	3.07%	4.60%
19	3.16%	4.74%	3.07%	4.60%
20	3.16%	4.74%	3.07%	4.60%
21	3.21%	4.81%	3.19%	4.79%
22	3.25%	4.87%	3.25%	4.88%
23	3.29%	4.94%	3.31%	4.96%
24	3.34%	5.01%	3.36%	5.04%
25	3.39%	5.08%	3.41%	5.11%
26	3.43%	5.15%	3.45%	5.18%
27	3.48%	5.22%	3.50%	5.25%
28	3.53%	5.29%	3.53%	5.30%
29	3.58%	5.37%	3.56%	5.34%
30	3.63%	5.45%	3.59%	5.38%
31	3.68%	5.52%	3.60%	5.40%
32	3.73%	5.60%	3.59%	5.39%
33	3.79%	5.69%	3.59%	5.39%
34	3.85%	5.77%	3.61%	5.41%
35	3.91%	5.86%	3.65%	5.47%
36	3.97%	5.95%	3.69%	5.54%
37	4.03%	6.05%	3.74%	5.61%
38	4.10%	6.15%	3.79%	5.69%
39	4.17%	6.26%	3.85%	5.77%
40	4.25%	6.38%	3.85%	5.77%
41	4.33%	6.50%	3.88%	5.82%
42	4.43%	6.65%	3.92%	5.88%
43	4.54%	6.81%	3.97%	5.95%
44	4.63%	6.95%	4.02%	6.03%
45	4.63%	6.94%	4.07%	6.10%
46	4.63%	6.94%	4.07%	6.11%
47	4.65%	6.98%	4.10%	6.15%
48	4.52%	6.78%	4.12%	6.18%
49+	4.39%	6.58%	4.12%	6.18%

[1] Some members and employers share equally the contributions required for post-retirement cost-of-living adjustments (COLA) in accordance with Government Code Section 31873. For other members, the employers pay all of the contributions required for post-retirement COLA.

Rates include the employee share of the administrative expenses.

APPENDIX G – MEMBER CONTRIBUTION RATES

Table 2B

Safety Member Contribution Rates

Basic Half Rate (Government Code Section 31639.5) + 33% , not greater than 1/2 Normal Cost

	Basic Rate		COLA Cost-Sharing Rate[1]	
Entry Age	**1st $350/month**	**Over $350**	**1st $350/month**	**Over $350**
16	4.20%	6.30%	3.07%	4.61%
17	4.20%	6.30%	3.07%	4.61%
18	4.20%	6.30%	3.07%	4.61%
19	4.20%	6.30%	3.07%	4.61%
20	4.20%	6.30%	3.07%	4.61%
21	4.27%	6.40%	3.19%	4.79%
22	4.32%	6.48%	3.25%	4.88%
23	4.38%	6.57%	3.31%	4.96%
24	4.44%	6.66%	3.37%	5.05%
25	4.51%	6.76%	3.41%	5.12%
26	4.57%	6.85%	3.46%	5.19%
27	4.63%	6.94%	3.50%	5.25%
28	4.69%	7.04%	3.53%	5.30%
29	4.76%	7.14%	3.56%	5.34%
30	4.83%	7.25%	3.59%	5.39%
31	4.89%	7.34%	3.60%	5.40%
32	4.97%	7.45%	3.59%	5.39%
33	5.05%	7.57%	3.60%	5.40%
34	5.11%	7.67%	3.61%	5.41%
35	5.19%	7.79%	3.65%	5.47%
36	5.27%	7.91%	3.69%	5.54%
37	5.37%	8.05%	3.74%	5.61%
38	5.45%	8.18%	3.79%	5.69%
39	5.55%	8.33%	3.85%	5.77%
40	5.66%	8.49%	3.85%	5.77%
41	5.77%	8.65%	3.88%	5.82%
42	5.89%	8.84%	3.93%	5.89%
43	6.04%	9.06%	3.97%	5.95%
44	6.16%	9.24%	4.02%	6.03%
45	6.15%	9.23%	4.07%	6.10%
46	6.15%	9.23%	4.08%	6.12%
47	6.19%	9.28%	4.10%	6.15%
48	6.01%	9.02%	4.13%	6.19%
49+	5.83%	8.75%	4.12%	6.18%

[1] Some members and employers share equally the contributions required for post-retirement cost-of-living adjustments (COLA) in accordance with Government Code Section 31873. For other members, the employers pay all of the contributions required for post-retirement COLA.

Rates include the employee share of the administrative expenses.

SAN JOAQUIN COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION

TO: Board of Retirement

FROM: Renee Ostrander
Chief Executive Officer

SUBJECT: Chief Executive Officer Report

STRENGTHEN THE LONG-TERM FINANCIAL HEALTH OF THE RETIREMENT PLAN

Evaluate the Appropriateness of Actuarial Assumptions
Conduct Actuarial Audit.
The actuarial audit remains on target. Cheiron's staff continue to upload actuarial data files into Segal's portal, and the audit presentation remains on track for the Board's September meeting.

Operating Model 2025
Assess and modify SJCERA statement of Funding Policy as needed.
As part of SJCERA's commitment to re-evaluate the statement on full funding, Graham will be initiating some relevant topics of discussion during his annual valuation presentation. Those thoughts will be put into the policy, scheduled to come forward in November.

Optimize the Investment Manager Lineup
Analyze and develop strategy to reduce investment fees.
XTP has begun reviewing fees and related expenses for the identified funds. The investment managers have been responsive and helpful throughout the process, and staff are expected to provide additional updates in December 2026.

Search for new Private asset class managers.
The Investment team met with five underperforming fund managers to review performance, strategy, organizational updates, and expected capital distributions. Two of the funds are expected to wind down in 2027, which will help inform future recommendations to optimize portfolio performance.

Define Emerging Governance Issues
Identify and implement fund governance changes on an as needed basis.
SJCERA has signed the three firms' securities monitoring agreements and are in the process of implementing active monitoring for all our trades via Northern Trust with each of them. Each firm will be reviewing five years of trade history from SJCERA for potential causes of action against securities fraud litigation.

Maintain a strong baseline of legal compliance with documents, guides, training, and continuance of the established review process.
The team has updated the Model A Domestic Relations Order and has made substantial updates to the SJCERA DRO Handbook. The updates clarified statute requirements and enhanced compliance. In conducting due diligence, a review of SJCERA member forms and fact sheets will continue.

Conduct and present ongoing manager due diligence reviews via status reports, Board presentations, and on-site visits.
The Investment Team met with seventeen investment managers, including nine existing managers and eight prospective managers, to monitor existing investments and evaluate new opportunities. Meketa is reviewing two prospective managers for potential portfolio fit.

MODERNIZE THE OPERATIONS INFRASTRUCTURE

New Pension Administration System (PAS)
Achieve defined milestones in new Pension Administration System.
Heywood is scheduled to deliver Release 1.0 of its 'Altair' system on August 17, 2026. This first major release will provide staff with access to foundational member data as well as core calculations, benefit estimates, retirement processing, member statements, and several member-service workflows.

Data for this first release was provided to Heywood on July 24, 2026, allowing Heywood time to load and test member data in advance of the scheduled software release. Significant efforts in data cleanup by the Benefits and IT teams will help testers in identifying issues with functionality vs. data quality. The significant efforts by our vendors AP and MBS have aided in this accomplishment.

Heywood staff will be on-site during the release week to train the project team, provide hands-on guidance, and help staff begin the comprehensive testing that will continue over the next several months. Release 1.0 represents SJCERA's second contractual payment milestone and a significant step toward implementation. The project remains on schedule for the new pension administration system to go live in June 2027.

Assess current member expectations.
The Communications Team has created a survey to determine benchmarks for communication efforts in the last 12 months. The survey has been distributed to retirees and will soon be distributed to active members.

In addition, the Executive and Communications teams met with a potential vendor that specializes in member studies, research, and AI utilizations. In the coming weeks, the team is expecting potential options as part of our path forward to address initiatives.

Employer Experience
Develop Employer Ambassador program for Payroll Users Group.
The Employer Ambassador Program officially launched on July 30, 2026. The pilot program started off with a small group of fifteen individuals spanning across multiple employers. Each attendee got a chance to dive deeper into an understanding of SJCERA, ask questions, and participate in quizzes to test their knowledge. By participating in the program, each attendee has become certified as an ambassador. Moving forward, there will be different communication touchpoints with this group of people including regular check-ins and ever evolving toolkits.

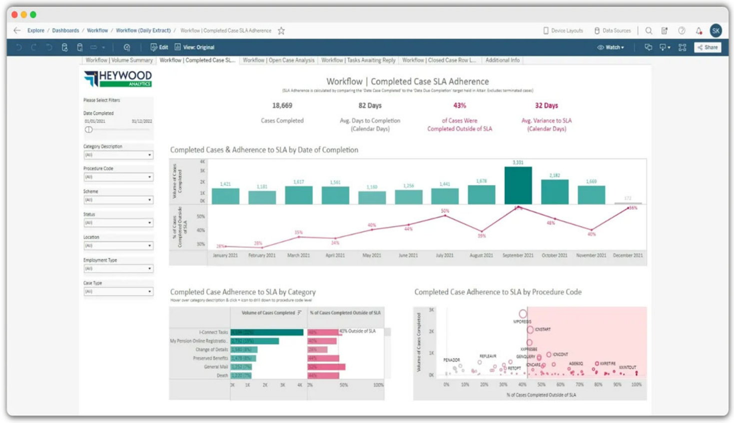
ALIGN RESOURCES AND ORGANIZATIONAL CAPABILITIES

Board of Retirement Practices
Define board educational needs and implement corresponding educational opportunities and materials.
The administrative team is finalizing the release of past board education pieces so the newest trustees can take advantage of recent educational opportunities to come up to speed at a faster pace. In SJCERA's commitment to providing trustees with educational opportunities, one trustee will be attending the CALAPERS trustee training scheduled for the end of August.

<u>Organization Metrics</u>

Implement new data analytics tools and methodologies.

As part of SJCERA's annual Organization Metrics goal to implement new data analytics tools and methodologies, an early release of Heywood's 'Insight' data analytics and reporting tool will be included in Release 1.0 of the new pension administration system mid-August. 'Insight' will allow staff to analyze converted member data within the destination system, providing an important means of confirming that data has been transferred, translated, and structured accurately for use in Heywood.



In July's CEO report, SJCERA described the creation and use of a data analytics tool to evaluate member data that is used to track data migration quality from the CORE-37 system into the 'MBS Foundry' and the value of using the tool in analyzing the data extracted and staged. Used in conjunction with 'Insight', these tools allow staff to compare data before, during, and after conversion and verify that all information moves through the conversion and translation process completely and accurately. Early access to 'Insight' will also give the project team valuable time to learn its reporting and analytical capabilities, develop effective review practices, and become proficient with the tool before the new pension administration system goes live in June 2027.

MANAGING EMERGING NEEDS

Develop 2027-2031 Strategic Plan.

After much discussion and consideration, the Executive and Communications team is finalizing a draft strategic plan for the board of retirement to view in September. Prior to the September Board meeting, the draft will be distributed for feedback from staff members and employers. In addition, the teams have drafted a few options for the mission and vision statements and shared with the strategic plan committee for review.

Complete RFP for Investment Consulting Services.

The Administrative team issued the General Investment Consulting Services RFP on July 7, 2026, and are now in the required quiet period. Five letters of intent have been submitted, including one from the incumbent consultant. Proposals are due September 7, 2026, and contract is expected to take place by October 31, 2026, with an effective date of January 1, 2027.

MAINTAIN BUSINESS OPERATIONS

Investment Roundtable

The 2026 Annual Investment Roundtable is making noticeable progress. The team has finalized venue layout, menu selections, and toured the facility to ensure that this year will be as elegant and memorable as before. Invitations have been sent to the Board of Trustees as well as Investment Partners and the response thus far has been receptive. Schedules are in place to ensure all final deadlines are met.

<u>Employee of the Month</u>
The team would like to recognize Brian McKelvey as Employee of the Month! Brian has done an amazing job helping to steer the ship on the Heywood project. Data is ALWAYS the potential point of failure for software projects, and ours could have followed that same pattern, but Brian recognized the issues and stepped in to help create positive communication channels between Heywood, MBS, AP, and SJCERA. He focused everyone on the team on the solutions. Team members from every group reached out to express how much they've appreciated Brian taking the reins on the data meetings and how much he has improved the current path forward. Congratulations Brian!

<u>Provide Excellent Customer Service</u>
A few quotes from our members:

[Vickie Monegas] “Empathic, listened and extremely knowledgeable about my inquiries.”

[Andrea Bonilla] “Very helpful and informative.”

CONCLUSION
While the first half of this year has been a busy one, we expect the speed of activities to significantly increase over the next twelve to eighteen months. We have several items coming to fruition during that time. The biggest activity is the implementation of a new pension administration system. Not only will it change how work is processed internally, but it also changes the interaction between us and our members and employer partners. We also will be finalizing the launch of a new automated investment accounting system, a new .gov website, and multiple AI initiatives to help with quality assurance and succession planning, just to mention the biggest highlights. A significant amount of change management is happening for each of these initiatives to help with ease of transition for those impacted. While all our team is excited and supportive of what is coming, we are cognizant of the change readiness that is required to achieve success with each of these items and will continue to monitor each closely and adjust as needed.

As part of our annual mid-year planning, we were happy to have Meketa join us for an in-office workday. Several people from Meketa’s office and the SJCERA team came together to collaborate and build on the successes we’ve already achieved this year. The time was well spent confirming remaining activities for 2026, building plans for 2027, potential policy changes that will be proposed in the next few months, upcoming education (including orientation) and presentation activities, and workload balancing for all.

And lastly, we provided feedback to NCPERS on potential topics for their upcoming trustee training in the fall. They have reached out to us since then, sharing how they liked our concept in the proposal and wanted to pursue further. I am now working with them to curate a full day of non-investment education on common benefits topics each fiduciary should know as part of their governing role. While each public pension system across the nation may have a different benefit structure, there are several common elements at the base governance structure that are part of the fundamental building blocks. As part of my passion for education, I am excited to be a part of providing growth and development across the nation for the important work our systems do.