CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
40 Muir Road, 1st Floor • Martinez, CA 94553
e-mail: LouAnn.Texeira@lafco.cccounty.us
(925) 313-7133

Lou Ann Texeira
Executive Officer

NOTICE AND AGENDA FOR REGULAR MEETING

Wednesday, December 9, 2020, 1:30 PM
*** BY TELECONFERENCE ONLY ***

Consistent with the California Governor's Executive Order N-29-20 this meeting will be held by Zoom and teleconference. No physical location will be available for this meeting.

PUBLIC ACCESS AND PUBLIC COMMENT INSTRUCTIONS

To join the meeting click: https://cccounty-us.zoom.us/j/89419133752

Or call in at the number below. As a courtesy to the other participants, please mute your device when you are not speaking.
USA 214 765 0478 US Toll
USA 888 278 0254 US Toll-free
Conference code: 525510

LAFCO meetings are audio recorded and posted online at http://contracostalafco.org/meetings-and-public-hearings/. Audio recordings are available the day following the LAFCO meeting. LAFCO meeting materials and staff reports are available online at http://contracostalafco.org/meetings-and-public-hearings/.

PUBLIC COMMENT: The Commission will consider all verbal and written comments received. Comments may be emailed to LouAnn.Texeira@lafco.cccounty.us or by U.S. mail to Contra Costa LAFCO at 40 Muir Road 1st Floor, Martinez, CA 94553. Please indicate the agenda item number, if any. If you want your comments read into the record, please indicate so in the subject line. For public hearings, the Chair will announce the opening and closing of the public hearing. The Chair will call for verbal public comments.

NOTICE TO THE PUBLIC

Disclosable public records for a regular meeting agenda distributed to a majority of the members of the Commission less than 72 hours prior to that meeting will be made available on http://contracostalafco.org/meetings

Campaign Contribution Disclosure
If you are an applicant or an agent of an applicant on a matter to be heard by the Commission, and if you have made campaign contributions totaling $250 or more to any Commissioner in the past 12 months, Government Code Section 84308 requires that you disclose the fact, either orally or in writing, for the official record of the proceedings.

Notice of Intent to Waive Protest Proceedings
In the case of a change of organization consisting of an annexation or detachment, or a reorganization consisting solely of annexations or detachments, or both, or the formation of a county service area, it is the intent of the Commission to waive subsequent protest and election proceedings provided that appropriate mailed notice has been given to landowners and registered voters within the affected territory pursuant to Gov. Code sections 56157 and 56663, and no written opposition from affected landowner or voters to the proposal is received before the conclusion of the commission proceedings on the proposal.

American Disabilities Act Compliance
LAFCO will provide reasonable accommodations for persons with disabilities planning to join the meeting. Please contact the LAFCO office at least 48 hours before the meeting at 925-313-7133.

DECEMBER 9, 2020 CONTRA COSTA LAFCO AGENDA

1. Call to Order
2. Roll Call
3. Adoption of Agenda
4. ***Recognition of Outgoing Commissioner***
5. Approval of Minutes for the October 14, 2020 regular LAFCO meeting
6. Public Comment Period (please observe a three-minute time limit):

   Members of the public are invited to address the Commission regarding any item that is not scheduled for discussion as part of this Agenda. No action will be taken by the Commission at this meeting as a result of items presented at this time.

SPHERE OF INFLUENCE (SOI) AMENDMENTS/CHANGES OF ORGANIZATIONS

7. ***LAFCO 10-09*** – ***Town of Discovery Bay Community Services District (TDBCSD) Sphere of Influence (SOI) Amendment – Newport Pointe*** - consider approving a proposed amendment to the TDBCSD's SOI to include 21.64± acres (APNs 011-220-013 and -014) located east of Bixler Road and west of Newport Avenue in unincorporated Discovery Bay, and consider related actions under the California Environmental Quality Act (CEQA) ***Public Hearing***

BUSINESS ITEMS

8. ***FY 2018-19 Financial Audit*** – receive and file audit report
9. ***Update to LAFCO Employee Salary Plan*** – approve updates to LAFCO salary plan
10. ***Contra Costa County Employees' Retirement Association (CCCERA) Contribution Rate Packet for FY 2021-22, CCCERA Five-Year Projection of Employer Contribution Rate as of December 31, 2019, and CCCERA Reconciliations of Employer Contribution Rate and Unfunded Actuarial Accrued Liability by Cost Group & Allocation of Unfunded Actuarial Accrued Liability by Employers Based on the December 31, 2019 Actuarial Valuation*** – information only – no action required

CORRESPONDENCE

11. Correspondence from Contra Costa County Employees' Retirement Association (CCCERA)

INFORMATIONAL ITEMS

12. Commissioner Comments and Announcements
13. Staff Announcements (CALAFCO Updates, Pending Projects, Newspaper Articles)

ADJOURNMENT

Next regular LAFCO meeting January 13, 2021 at 1:30 pm.

LAFCO STAFF REPORTS AVAILABLE AT http://www.contracostalafco.org/meeting_archive.htm

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
DRAFT MEETING MINUTES
October 14, 2020

December 9, 2020
Agenda Item 5

1. Welcome and Call to Order; Roll Call (Agenda Items 1&2)

Chair Andersen called the regular meeting of October 14, 2020 to order at 1:33 PM. The following Commissioners and staff were present:

Regular Commissioners	Alternate Commissioners	Staff
Candace Andersen, Chair	Diane Burgis	Lou Ann Texeira, Executive Officer
Igor Skaredoff, Vice Chair	Stan Caldwell (*absent*)	Sharon Anderson, Commission Counsel
Don Blubaugh	Chuck Lewis	Sherrie Weis, LAFCO Clerk
Tom Butt	Sean Wright	
Federal Glover		
Mike McGill		
Rob Schroder		

Announcement: Pursuant to Governor Newsom's Executive Order and local county health orders issued to address the COVID 19 pandemic, the Commission meeting is being held via Zoom videoconference. The public may listen to the meeting telephonically and comment by calling in to the teleconference meeting per the instructions on page 1 of the agenda. As required by the Brown Act, all votes taken this afternoon will be done by a roll call vote of the attending Commissioners participating via teleconference.

3. Adoption of Agenda

Upon motion by Commissioner McGill and second by Commissioner Skaredoff, the Commission unanimously, by a 7-0 vote, adopted the agenda:

VOTE:

AYES: Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

4. Approval of Minutes

Upon motion by Commissioner Blubaugh and second by Commissioner McGill, the August 12, 2020 meeting minutes were unanimously, by a 7-0 vote, approved.

VOTE:

AYES: Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

5. Public Comments

Chair Andersen invited members of the audience to provide public comment. There were no speakers.

SPHERE OF INFLUENCE (SOI) AMENDMENTS/CHANGES OF ORGANIZATIONS

6. ***LAFCO 20-04 – Meineke Annexation to East Bay Municipal Utility District (EBMUD)*** - consider approving a proposed annexation submitted by the landowner of 63.4± acres (3 parcels) located in unincorporated Diablo and related actions under California Environmental Quality Act (CEQA) ***Public Hearing***

Chair Anderson open and closed the public hearing, there were no public speakers.

Upon motion by Commissioner McGill and second by Commissioner Butt, the Commission, by a 6-1 vote, approved Option 1 approve the Meineke Annexation to East Bay Municipal Utility District (EBMUD) as proposed.

VOTE:

AYES: Andersen, Butt, Glover, McGill, Schroder, Skaredoff
NOES: Blubaugh
ABSENT: NONE
ABSTAIN: NONE

7. ***LAFCO No. 14-05 – Central Contra Costa Sanitary District (CCCSD) DA 186 - Magee Preserve Boundary Reorganization*** – consider approving proposed annexations submitted by CCCSD to CCCSD and EBMUD and related actions under CEQA. The area comprises 410± acres (9 parcels) located on the south side of Diablo and Blackhawk Roads in the Town of Danville ***Public Hearing***

Chair Anderson open and closed the public hearing, there were no public speakers. There was discussion among Commissioners and the landowner regarding potential for wildfires in the open space area surrounding the project.

Upon motion by Commissioner Blubaugh and second by Commissioner Skaredoff, the Commission, by a 6-1 vote, approved Option 1 approve the reorganization as proposed including annexations to CCCSD and EBMUD.

VOTE:

AYES: Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff
NOES: Butt
ABSENT: NONE
ABSTAIN: NONE

8. ***LAFCO 20-05 – Dougherty Valley Reorganization No. 18 – Annexation to City of San Ramon and Detachment from County Service Area P-6*** – consider approving a proposed boundary reorganization submitted by the City of San Ramon and related actions under CEQA. The area comprises 901.65± acres (numerous parcels) located in Gale Ranch Phase 4 ***Public Hearing***

Chair Anderson open and closed the public hearing, there were no public speakers.
Upon motion by Commissioner Blubaugh, second by Commissioner McGill, the Commission unanimously, by a 7-0 vote, approved Option 1 approve the reorganization as proposed including

annexation to the City of San Ramon and detachment from CSAs P-6. The area comprises 901.65± acres (numerous parcels) located in Gale Ranch Phase 4.

VOTE:
AYES: Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

BUSINESS ITEMS

9. ***Withdrawal of Application to Dissolve Knightsen Town Community Services District*** – receive update.

Upon motion by Commissioner McGill, second by Commissioner Schroder, the Commission unanimously, by a 7-0 vote, approved to receive report.

VOTE:
AYES: Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

10. ***Request to Transfer Jurisdiction from San Joaquin LAFCO to Contra Costa LAFCO -*** (Lawrence Property) consider assuming jurisdiction and authorizing staff to send a request to San Joaquin LAFCO to transfer jurisdiction in order to consider a proposal to annex territory to the Byron Bethany Irrigation District (BBID).

Upon motion by Commissioner Glover and second by Commissioner Schroder, the Commission unanimously, by a 7-0 vote, authorized staff to send a request to San Joaquin LAFCO to transfer jurisdiction in order to consider a proposal to annex territory to the BBID.

VOTE:
AYES: Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

11. ***Update – Chang Property Reorganization – Annexations to the City of San Ramon, CCCSD and EBMUD and Detachment from CSA P-6*** – receive update from property owner.

Commissioners provided questions and comments regarding the status of the open space easement, reasons for the delay, and role of the GHAD. City of San Ramon Planner Yee confirmed the City's approval of the project and provided an update on the ongoing discussions among the landowner, City of San Ramon, and East Bay Regional Parks District regarding the open space easement noting that permits must be issued by the Department of Fish and Conservation of Wildlife and Regional Water Quality Control Board. Mr. Eliahu of Engeo representing the landowners (Changs) stated that he provided an update to LAFCO and requested an extension to July 9, 2021.

An amended motion was made approving the time extension to July 9, 2021 conditioned on the City of San Ramon's ongoing approvals. Upon a motion by Commissioner Mc Gill and second by Commissioner Blubaugh, the Commission unanimously, by a 7-0 vote, approved to grant time extension to July 9, 2021.

	VOTE:
AYES:	Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

12. ***Municipal Service Review (MSR)/Sphere of Influence (SOI) Updates* -** the Commission was asked to award a contract to Planwest Partners, Inc. to prepare a second round MSR/SOI updates covering cemetery services.

Executive Officer Texeira stated in January of 2020 the Commission approved an on-call list of prequalified MSR and Special Studies consultants. Planwest Partners is on this prequalified list and is qualified to prepare the MSR.

Upon motion of Commissioner McGill and second by Commissioner Blubaugh, the Commission unanimously, by a 7-0 vote, awarded a contract to Planwest Partners to prepare the second-round cemetery services MSR/SOI updates, with a project budget not to exceed $30,000.

	VOTE:
AYES:	Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

13. ***FY 2020-21 First Quarter Budget Report*** – receive FY 2020-21 first quarter budget report.

Upon motion of Commissioner Skaredoff and second by Commissioner Schroder, the Commission unanimously approved, by a 7-0 vote, to receive the FY 2020-21 first quarter budget report.

	VOTE:
AYES:	Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

14. ***2021 LAFCO Meeting Schedule* –** consider approving the 2021 LAFCO meeting schedule.

Upon motion by Commissioner Glover and second by Commissioner Butt, the commission, unanimously, by a 7-0 vote, adopt the 2021 LAFCO meeting schedule.

VOTE:

DRAFT

AYES: Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

15. ***Legislative Update*** **–** Informational update

CORRESPONDENCE

16. ***Correspondence from Contra Costa County Employee's Retirement Association (CCCERA)***

INFORMATIONAL ITEMS

17. ***Commissioner Comments and Announcements***

Commissioner McGill provided updates on CALAFCO activities noting that he attended CALAFCO U – Adaptive Leadership and the Ad Hoc Dues Committee meetings in September and October. Commissioner McGill will continue to Chair this committee. He also attended the CALAFCO Board Election Meeting (Virtual) and voted on behalf of Contra Costa LAFCO for Coastal Region board members. Commissioner McGill was reelected to the CALAFCO Board.

Commissioner Skaredoff complimented staff for subtle improvements to the agenda packet that make it more user friendly.

18. ***Staff Announcements***

- CALAFCO Quarterly Report – June 2020
- Pending Projects
- Newspaper Articles

The meeting adjourned at 2:48 pm.

Final Minutes Approved by the Commission November 18, 2020

VOTE:
AYES: Andersen, Blubaugh, Butt, Glover, McGill, Schroder, Skaredoff
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

ADJOURNMENT

The next regular LAFCO meeting is November 18, at 1:30 pm.

By___________________________________

Executive Officer

DRAFT

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

December 9, 2020 (Agenda)

December 9, 2020
Agenda Item 7

LAFCO 10-09 — Sphere of Influence (SOI) Amendment – Town of Discovery Bay Community Services District (TDBCSD) – Newport Pointe

APPLICANT — Brenna Daugherty - Landowner

ACREAGE & LOCATION — The applicant proposes to expand the TDBCSD by 21.64± acres, which includes two parcels (APNs 011-220-013 and -014). The subject area is bounded by Bixler Road, Newport Drive, and Newport Cove, and is within the Contra Costa County Urban Limit Line (ULL) - see attached map (Exhibit A). The applicant has also submitted a corresponding proposal to annex these properties to the TDBCSD.

PURPOSE — The purpose of the proposal is to allow for the extension of municipal services, including wastewater and water services, to facilitate development of 67 single-family homes. The development project also includes dedicated open space/habitat conservation areas.

DISCUSSION — The Cortese-Knox-Hertzberg Act (CKH Act) empowers LAFCO with responsibility for developing and determining the SOI of each local agency within the County, and for enacting policies designed to promote the logical and orderly development of areas within the SOI.

An SOI is defined as *a plan for the probable physical boundary and service area of a local agency, as determined by LAFCO*. The intent of an SOI is to identify the most appropriate area for an agency's extension of services in the foreseeable future (e.g., 10-20 year horizon).

Pursuant to Government Code section 56425, when amending an SOI for a local agency, LAFCO is required to consider and prepare a written statement of determinations with respect to the following:

1. ***The present and planned uses in the area, including agricultural and open space lands* –** The project site is currently vacant. The County General Plan designations for the site include Open Space, Parks & Recreation, Single Family Residential – Medium, and Single Family Residential – High. The County zoning designation for the subject parcels is Planned Unit (P-1). The project site was previously zoned for agricultural uses. In 2013, the County approved General Plan and zoning designations for the project site. The subject area is located within the voter approved Urban Limit Line.

2. ***The present and probable need for public facilities and services in the area* –** Development of the subject area will require public facilities and municipal services, including water and wastewater services, to enable development of the property. The County, in its environmental assessment, reviewed the provision of municipal services to the area, including water and wastewater services to be provided by TDBCSD.

3. ***The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide*** – The TDBCSD provides municipal services including wastewater and water services and currently serves an estimated population of approximately 15,000 residents. Regarding **wastewater,** the District's wastewater collection system consists of 50 miles of sewer mains, 15 lift stations, and two wastewater treatment plants; both plants are operational with one plant as a back-up. Maximum flow of both plants combined is 2.35 million gallons per day (mgd). Current demand is 1.4 mgd. The primary disposal method is secondary treatment, UV disinfection and discharge into Old River.

   The sewer connections are gravity flow to a single pump station. The new development will include a new pump station to flow into the existing system, thus increasing the system to 16 pump stations.

Based on the proposed development of 67 single-family residential units the estimated demand for sewer service is approximately 230 gallons of wastewater per day (gpd) per house totaling 15,410 gpd. TDBCSD has infrastructure in the area and serves surrounding properties.

Regarding **water service**, TDBCSD provides potable water services within is service area. Water infrastructure includes two water treatment plants (WTPs) that feed into one distribution system, four water storage tanks, booster pumps, and 46 miles of mainland pipe. Storage capacity at the Willow Lake WTP is 1.5 MG and storage capacity at the Newport WTP is 1.0 MG. The primary source of water is through six groundwater supply wells, with mobile generators for backup power as needed. Discovery Bay groundwater is in the newly designated East Contra Costa Sub-basin (formerly called the Tracy Sub-basin).

Based on the proposed development of 67 single-family residential units, the estimated demand for service is approximately 1,196 gpd per house totaling 80,132 gpd. This water demand was accounted for in TDBCSD's 2015 Urban Water Management Plan (UWMP). The District anticipates completion of its 2020 UWMP by June 2021.

The project will include a water system of networks consisting of water mains, service laterals, and fire hydrants that will be constructed to the District's standards and sized to meet the domestic and fire safety demands of the Newport Pointe development project.

TDBCSD staff indicates they have the capacity to provide wastewater and water services to the project. Costs associated with wastewater and water infrastructure, including capital improvements, operation, and ongoing maintenance will be funded by the developer, homeowner's association, and TDBCSD.

4. ***The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency*** – The 21.64± acre subject area is located in the Discovery Bay West area of unincorporated Contra Costa County. Access to the project area is from the east side of Newport Drive. The project site is bordered on the north by high density residential development, open field, and RV storage; to the east by medium residential development; to the south by an open field; and to the west by agricultural parcels with single family homes. The development plan includes 67 single-family homes and open space areas. The subject area will benefit from services provided by TDBCSD.

5. ***Nature, location, extent, functions & classes of services to be provided*** **–** TDBCSD encompasses nine square miles in eastern unincorporated Contra Costa County. TDBCSD provides water; wastewater collection, treatment, and disposal; levee maintenance; parks and recreation, lighting, and landscaping, and maintenance services in the unincorporated community of Discovery Bay.

Environmental Impact of the Proposal – In 2013, Contra Costa County, as Lead Agency, prepared and approved an Initial Study/Mitigated Negative Declaration (IS/MND) in conjunction with the Newport Pointe project. The environmental factors potentially affected by this project include Air Quality, Aesthetics, Biological Resources, Cultural Resources, Geology/Soils, Greenhouse Gas Emissions, Noise, and Utilities/ Services Systems. The County's MND notes that although the project could have a significant effect on the environment, there will be no significant effects because revisions in the project have been made by or agreed to by the project proponent.

ALTERNATIVES FOR COMMISSION ACTION

After consideration of this report and any testimony or additional materials that are submitted, the Commission should consider taking one of the following actions:

Option 1 Adopt the attached resolution (Attachment 1) approving the proposed expansion to the SOI of TDBCSD adding 21.64± acres to the SOIs as depicted on the attached map (Exhibit A).

A. Find that, as a Responsible Agency under the California Environmental Quality Act (CEQA), LAFCO has reviewed and considered information contained in Contra Costa County's Initial Study/Mitigated Negative Declaration in conjunction with the *Newport Pointe Residential Development Project*, and finds that there are no direct or indirect environmental effects that would result from LAFCO's approval of the SOI amendment; and therefore, no additional mitigation measures are required beyond those already included in the CEQA documents prepared by Contra Costa County.

B. Adopt this report and amend the SOI of TDBCSD as described herein and shown on the attached map subject to the following:

1. The applicant has delivered an executed indemnification agreement providing for the landowner to indemnify LAFCO against any expenses arising from any legal actions challenging the SOI amendment.

Option 2 Adopt this report and DENY the proposal.

Option 3 If the Commission needs more information, CONTINUE this matter to a future meeting.

RECOMMENDATION **Option 1 – approve the SOI amendment as proposed.**

____

LOU ANN TEXEIRA, EXECUTIVE OFFICER
CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

Exhibits
A. Map – Proposed TDBCSD SOI Amendment

Attachments
1. Draft LAFCO Resolution – TDBCSD SOI Amendment

c: Brenna Daugherty, Landowner Representative, Newport Pointe, LLC
Mike Serpa, Concentric Development Group
Michael Davies, General Manager, TDBCSD

Attachment 1

SPHERE OF INFLUENCE RESOLUTION NO. 10-09

RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND EXPANDING THE SPHERE OF INFLUENCE OF TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT (NEWPORT POINTE)

WHEREAS, a proposal to expand the sphere of influence (SOI) of the Town of Discovery Bay Community Services District (TDBCSD) was filed with the Contra Costa Local Agency Formation Commission (LAFCO) pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code §56425); and

WHEREAS, at the time and in the manner required by law the Executive Officer gave notice of the Commission's consideration of the proposal; and

WHEREAS, the Commission heard, discussed, and considered all oral and written testimony related to the proposal including, but not limited to, the Executive Officer's report and recommendation, the environmental document or determination, SOIs and applicable General and Specific Plans and all testimony, correspondence and exhibits received during the public hearing, all of which are included herein by reference.

NOW, THEREFORE, the Contra Costa LAFCO DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

1. The matter before the Commission is the proposed expansion of TDBCSD's SOI to include 21.64± acres, including Assessor Parcel Numbers 011-220-013 and -014, located at the cross streets of Bixler Road and Newport Drive in unincorporated Discovery Bay.

2. As a Responsible Agency under the California Environmental Quality Act (CEQA), the Commission considered information contained in Contra Costa County's Mitigated Negative Declaration/Initial Study for the Newport Pointe Residential Project approved on February 26, 2013.

3. The SOI of TDBCSD is hereby expanded to include the area as shown on the attached map (Exhibit A).

4. In conjunction with the SOI expansion, the Commission has considered the criteria set forth in Government Code §56425 and determines as follows:

   The present and planned uses in the area, including agricultural and open space lands – The project site is currently vacant. The County General Plan designations for the site include Open Space, Parks & Recreation, Single Family Residential – Medium, and Single Family Residential – High. The County zoning designation for the subject parcels is Planned Unit (P-1). The project site was previously zoned for agricultural uses. In 2013, the County approved General Plan and zoning designations for the project site. The subject area is located within the voter approved Urban Limit Line.

   The present and probable need for public facilities and services in the area – Development of the subject area will require public facilities and municipal services, including water and wastewater services, to enable development of the property. The County, in its environmental review, reviewed the provision of municipal services to the area, including water and wastewater services to be provided by TDBCSD.

   The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide – The TDBCSD provides municipal services including wastewater and water services, and currently serves an estimated population of approximately 15,000. Based on the proposed development of 67 single-family residential units and the estimated demand for municipal services, including wastewater and water services, TDBCSD indicates it has the capacity to provide services to the project.

The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency – The 21.64± acre subject area is located in the Discovery Bay West area of unincorporated Contra Costa County. The project site is bordered on the north by high density residential development, open field, and RV storage; to the east by medium residential development; to the south by an open field; and to the west by agricultural parcels with single family homes. The development plan includes 67 single-family homes and open space areas. The subject area will benefit from services provided by TDBCSD.

Nature, location, extent, functions & classes of services to be provided – TDBCSD encompasses nine square miles in eastern unincorporated Contra Costa County. TDBCSD provides water; wastewater collection, treatment, and disposal; levee maintenance; parks and recreation, lighting, and landscaping, maintenance services in the unincorporated community of Discovery Bay.

* *

PASSED AND ADOPTED THIS 9th day of December 2020, by the following vote:

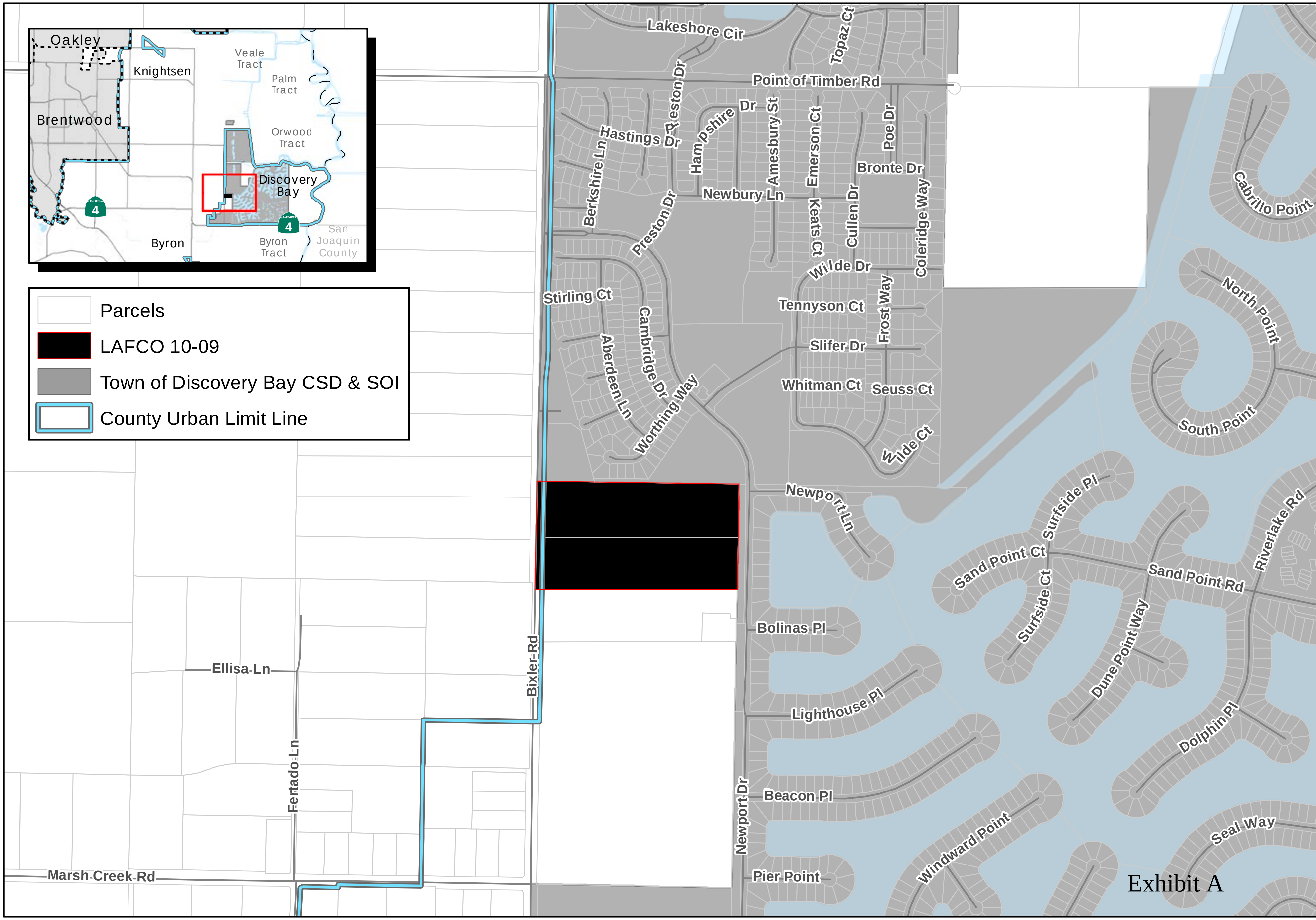
AYES:
NOES:
ABSTENTIONS:
ABSENT:

____
CANDACE ANDERSEN, CHAIR, CONTRA COSTA LAFCO

I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated above.

Dated: December 9, 2020 ____
Lou Ann Texeira, Executive Officer

LAFCO 10-09 Town of Discovery Bay Community Services District (TODB CSD) Sphere of Influence Amendment (Newport Pointe)



Map created 07/01/2020
by Contra Costa County Department of
Conservation and Development, GIS Group
30 Muir Road, Martinez, CA 94553
37:59:41.791N 122:07:03.756W

Feet
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40 Muir Road, 1st Floor • Martinez, CA 94553
e-mail: LouAnn.Texeira@lafco.cccounty.us
(925) 313-7133

December 9, 2020
Agenda Item 8

December 9, 2020 (Agenda)

Contra Costa Local Agency Formation Commission
40 Muir Road, 1st Floor
Martinez, CA 94553

Financial Audit for Fiscal Year 2018-19

Dear Members of the Commission:

Each year, LAFCO conducts an audit of the LAFCO finances. The independent auditing firm of R.J. Ricciardi, Inc. prepared the LAFCO financial audit for FY 2018-19 (see attachments). Per the Commission's request, the auditing firm periodically rotates staff auditors assigned to the LAFCO audit, and a different auditor prepares the LAFCO audit each year.

The audit was conducted in accordance with the generally accepted auditing standards as specified in the report. The FY 2018-19 audit is attached and includes additional information in accordance with GASB 75.

The auditors found LAFCO's financial statements present fairly, in all material respects, the respective position of the governmental activities and major fund of Contra Costa LAFCO as of June 30, 2019. Further, that the economic condition of Contra Costa LAFCO, as it appears on the Statement of Net Position, reflects financial stability and the potential for organizational growth.

We extend special thanks to the County Auditor-Controller's Office staff, including Linda Montenegro, Michelle Johnston, Analiza Pinlac, Carrie Zhang; and CCCERA staff Henry Gudino for their assistance with the FY 2018-19 annual audit.

Recommendation - It is recommended that the Commission receive and file the audit report for the fiscal year ending June 30, 2019.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

<u>Attachments</u>
1 - FY 2018-19 Financial Audit – Management Report
2 - FY 2018-19 Financial Audit – Audit Report

R. J. RICCIARDI, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Attachment 1

November 17, 2020

Ms. Lou Ann Texeira
Contra Costa Local Agency Formation Commission
40 Muir Road, 1st Floor
Martinez, CA 94553

Dear Lou Ann:

Enclosed please find 1 bound copy of the Basic Financial Statements for Contra Costa Local Agency Formation Commission for the fiscal year ended June 30, 2019. Also enclosed is 1 copy of the Board of Directors & Management Report.

Should you have any questions or concerns, please do not hesitate to contact us. We appreciate the opportunity to provide our services to you.

Very truly yours,

R. J. Ricciardi, Inc.

R. J. Ricciardi, Inc.
Certified Public Accountants

RJR:rl
Enclosures

__x___No copies of the report have been forwarded to any other funding sources.

______Copies of the report have been forwarded to other funding sources (copy of transmittals enclosed or electronically provided).

1101 FIFTH AVENUE, SUITE 360 SAN RAFAEL, CA 94901 TEL (415) 457-1215 FAX (415) 457-6735 www.rjrcpa.com

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

COMMISSIONERS & MANAGEMENT REPORT

FOR THE YEAR ENDED
JUNE 30, 2019

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R. J. RICCIARDI, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Commissioners
Contra Costa Local Agency Formation Commission
Martinez, California

In planning and performing our audit of the basic financial statements of Contra Costa Local Agency Formation Commission for the fiscal year ended June 30, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements but not for the purpose of expressing an opinion on the effectiveness of its internal control. Accordingly, we do not express an opinion on the effectiveness of Contra Costa Local Agency Formation Commission's internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affect the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses, as defined above. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management and the Commissioners and should not be used by anyone other than these specified parties.

We thank Contra Costa Local Agency Formation Commission's staff for its cooperation during our audit.

R.J. Ricciardi, Inc.

R.J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
November 12, 2020

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Commissioners
Contra Costa Local Agency Formation Commission
Martinez, California

We have audited the basic financial statements of Contra Costa Local Agency Formation Commission (the Commission) for the year ended June 30, 2019. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated March 2, 2020, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

As part of our audit, we considered the internal control of the Commission. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we advised management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Commission are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the Commission during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We evaluated the key factors and assumptions used to develop the accounting estimates in determining that it is reasonable in relation to the financial statements taken as a whole. There were no sensitive estimates affecting the basic financial statements that came to our attention.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such adjustments. Five of the six audit adjustments that were detected as a result of audit procedures, either individually or in the aggregate, were material to the financial statements taken as a whole.

Disagreements with Management

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

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Management Representations
We have requested certain representations from management that are included in the management representation letter dated November 12, 2020.

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

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

Other Matters
We applied certain limited procedures to the Management's Discussion and Analysis and the Budgetary Comparison Schedule for the General Fund, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

This report is intended solely for the information and use of management and Commissioners of the Contra Costa Local Agency Formation Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

Current Year Observations

There were no current year observations.

Prior Year Observations

There were no prior year observations.

Attachment 2

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

MARTINEZ, CALIFORNIA

BASIC FINANCIAL STATEMENTS

JUNE 30, 2019

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT

Commissioners
Contra Costa Local Agency Formation Commission
Martinez, California

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities and the major fund of Contra Costa Local Agency Formation Commission (CCLAFCO), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Contra Costa Local Agency Formation Commission's basic financial statements as listed in the table of contents.

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

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions
In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Contra Costa Local Agency Formation Commission as of June 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 3-6), budgetary comparison information (page 23) and other Required Supplementary Information (pages 24-27) related tables be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

R. J. Ricciardi, Inc.

R. J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
November 12, 2020

This section of Contra Costa Local Agency Formation Commission's (CCLAFCO's) basic financial statements presents management's overview and analysis of the financial activities of the agency for the fiscal year ended June 30, 2019. We encourage the reader to consider the information presented here in conjunction with the basic financial statements as a whole.

Introduction to the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to CCLAFCO's audited financial statements, which are composed of the basic financial statements. This annual report is prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for States and Local Governments*. The Single Governmental Program for Special Purpose Governments reporting model is used, which best represents the activities of CCLAFCO.

The required financial statements include the Statement of Net Position and Governmental Funds Balance Sheet; and the Statement of Activities and Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances.

These statements are supported by notes to the basic financial statements. All sections must be considered together to obtain a complete understanding of the financial picture of CCLAFCO.

The Basic Financial Statements

The Basic Financial Statements comprise the Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of CCLAFCO's financial activities and financial position.

The Government-wide Financial Statements provide a longer-term view of CCLAFCO's activities as a whole, and comprise the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of CCLAFCO as a whole, including all of its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all of CCLAFCO's revenues and all of its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of CCLAFCO's programs. The Statement of Activities explains in detail the change in Net Position for the year.

All of CCLAFCO's activities are grouped into Government Activities, as explained below.

The Fund Financial Statements report CCLAFCO's operations in more detail than the Government-wide statements and focus primarily on the short-term activities of CCLAFCO's Major Funds. The Fund Financial Statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt and other long-term amounts.

Major Funds account for the major financial activities of CCLAFCO and are presented individually. Major Funds are explained below.

The Government-wide Financial Statements

Government-wide Financial Statements are prepared on the accrual basis, which means they measure the flow of all economic resources of CCLAFCO as a whole.

The Statement of Net Position and the Statement of Activities present information about the following: *Governmental Activities* – CCLAFCO's basic services are considered to be governmental activities. These services are supported by specific general revenues from local agencies.

Fund Financial Statements

The Fund Financial Statements provide detailed information about each of CCLAFCO's most significant funds, called Major Funds. The concept of Major Funds, and the determination of which are Major Funds, was established by GASB Statement No. 34 and replaces the concept of combining like funds and presenting them in total. Instead, each Major Fund is presented individually, with all Non-major Funds summarized and presented only in a single column. Major Funds present the major activities of CCLAFCO for the year, and may change from year-to-year as a result of changes in the pattern of CCLAFCO's activities.

In CCLAFCO's case, there is only one Major Governmental Fund.

Governmental Fund Financial Statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are not presented in the Governmental Fund Financial Statements.

Comparisons of Budget and Actual financial information are presented for the General Fund.

Analyses of Major Funds

Governmental Funds

General Fund actual revenues increased this fiscal year compared to the prior year by $27,572 due to an increase in the CCLAFCO budget and a corresponding increase in agency contributions. Actual revenues were greater than budgeted amounts by $15,893.

General Fund actual expenditures were $742,721, an increase of $32,384. Expenditures were $103,694 less than budgeted.

Governmental Activities

Table 1
Governmental Net Position

	2019 Governmental Activities	2018 Governmental Activities
Current assets	$ 621,337	$ 530,241
Total assets	621,337	530,241
Deferred outflows of resources (Note 7B)	283,918	142,080
Current liabilities	47,177	50,668
Noncurrent liabilities	667,178	562,135
Total liabilities	714,355	612,803
Deferred inflows of resources (Note 7B)	27,776	76,651
Net position:		
Unrestricted	163,124	(17,133)
Total net position	$ 163,124	$ (17,133)

CCLAFCO's governmental net position amounted to $163,124 as of June 30, 2019, an increase of $180,257 from 2018. This increase is the Change in Net Position reflected in the Statement of Activities shown in Table 2. CCLAFCO's net position as of June 30, 2019 comprised the following:

- Cash and investments comprised $595,357 of cash on deposit with the Contra Costa County Treasury.
- Accounts receivable totaling $5,329.
- Prepaid items totaling $20,651.
- Accounts payable totaling $34,178.
- Due to other government agencies totaling $12,999.
- Net pension liability of $304,195 (Note 7B) and retiree health liability of $362,983 (Note 8C).
- Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions. CCLAFCO had $163,124 of unrestricted net position as of June 30, 2019.

The Statement of Activities presents program revenues and expenses and general revenues in detail. All of these are elements in the Changes in Governmental Net Position summarized below.

Table 2
Changes in Governmental Net Position

	2019 Governmental Activities	2018 Governmental Activities
Expenses		
Salaries and benefits	$ 400,640	$ 652,620
Services and supplies	256,411	237,081
Total expenses	657,051	889,701
Revenues		
Program revenues:		
Charges for services	40,908	54,526
Total program revenues	40,908	54,526
General revenues:		
Intergovernmental	796,400	755,210
Total general revenues	796,400	755,210
Total revenues	837,308	809,736
Change in net position	$ 180,257	$ (79,965)

As Table 2 above shows, $40,908, or 4.89% of CCLAFCO's fiscal year 2019 governmental revenue, came from program revenues and $796,400, or 95.11%, came from general revenues (i.e. contributions from local agencies). Furthermore, CCLAFCO had budgeted $175,000 of its fund balance reserves to cover the budgeted excess expenditures over revenues.

Program revenues were composed of Boundary Proposal and related fees of $40,908.

General revenues are not allocable to programs. General revenues are used to pay for the net cost of governmental programs. Application fees do not fully cover their costs.

Salaries and benefits costs include adjustments for other post-employment benefits as discussed in Note 8.

Capital Assets

CCLAFCO has no capital assets.

Debt Administration

CCLAFCO does not utilize long-term debt to fund operations or growth.

Economic Outlook and Major Initiatives

Financial planning is based on specific assumptions from recent trends, State of California economic forecasts and historical growth patterns in the various agencies served by CCLAFCO.

The economic condition of CCLAFCO as it appears on the Statement of Net Position reflects financial stability and the potential for organizational growth. CCLAFCO will continue to maintain a watchful eye over expenditures and remain committed to sound fiscal management practices to deliver the highest quality service to the community.

Contacting CCLAFCO's Financial Management

The basic financial statements are intended to provide citizens, taxpayers, and creditors with a general overview of CCLAFCO's finances. Questions about this report should be directed to Contra Costa Local Agency Formation Commission, 651 Pine Street 6th Floor, Martinez, California 94553.

Contra Costa Local Agency Formation Commission

STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET

June 30, 2019

	General	Adjustments (Note 9)	Statement of Net Position
ASSETS			
Cash and investments	$ 595,357	$ -	$ 595,357
Prepaid items	20,651	-	20,651
Accounts receivable	5,329	-	5,329
Total assets	$ 621,337	-	621,337
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources-pension (Notes 2F, 7 & 8)		241,103	241,103
Deferred outflows of resources-OPEB		42,815	42,815
Total deferred outflows		283,918	283,918
LIABILITIES			
Accounts payable	$ 34,178	$ -	34,178
Due to other governments	12,999	-	12,999
Long-term liabilities:			
Other post-employment benefits liability (Note 8)		362,983	362,983
Net pension liability (Note 7)	-	304,195	304,195
Total liabilities	47,177	667,178	714,355
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources-pension (Notes 2F, 7 & 8)		26,229	26,229
Deferred inflows of resources-OPEB		1,547	1,547
Total deferred inflows		27,776	27,776
FUND BALANCES/NET POSITION			
Fund balances:			
Unassigned fund balance	574,160	(574,160)	-
Total fund balances	574,160	(574,160)	-
Total liabilities and fund balances	$ 621,337		
Net position:			
Unrestricted		163,124	163,124
Total net position		$ 163,124	$ 163,124

The accompanying notes are an integral part of these financial statements.

Contra Costa Local Agency Formation Commission

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Period Ended June 30, 2019

	General	Adjustments (Note 10)	Statement of Activities
Expenditures/expenses:			
Salaries and benefits	$ 486,310	$ (85,670)	$ 400,640
Services and supplies	256,411	-	256,411
Total expenditures/expenses	742,721	(85,670)	657,051
Program revenues:			
Charges for services	40,908	-	40,908
Total program revenues	40,908	-	40,908
Net program expenses			(616,143)
General revenues:			
Intergovernmental	796,400	-	796,400
Total general revenues	796,400	-	796,400
Excess of revenues over (under) expenditures	94,587	(94,587)	-
Change in net position	-	180,257	180,257
Fund balance/Net position, beginning of period	479,573	(317,342)	(17,133)
Fund balance/Net position, end of period	$ 574,160	$ (231,672)	$ 163,124

The accompanying notes are an integral part of these financial statements.

NOTE 1 - REPORTING ENTITY

A. Organization of CCLAFCO

Contra Costa Local Agency Formation Commission (CCLAFCO) was formed in 1963. CCLAFCO is responsible for coordinating logical and timely changes in local government boundaries, conducting special studies that review ways to reorganize, simplify, and streamline governmental structure, and preparing a sphere of influence for each city and special district within its county. CCLAFCO's efforts are directed toward seeing that services are provided efficiently and economically while agricultural and open-space lands are protected. CCLAFCO also conducts service reviews to evaluate the provision of municipal services within its county.

B. Principles that Determine the Scope of Reporting Entity

CCLAFCO consists of seven voting members and exercises the powers allowed by state statutes. This follows section 56325 of the Government Code. The basic financial statements of CCLAFCO consist only of the funds of CCLAFCO. CCLAFCO has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by, or dependent on, CCLAFCO.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

CCLAFCO's basic financial statements are prepared in conformity with U.S. generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

CCLAFCO has chosen to present its basic financial statements using the reporting model for special purpose governments engaged in a single government program.

This model allows the fund financial statements and the government-wide statements to be combined using a columnar format that reconciles individual line items of fund financial data to government-wide data in a separate column on the face of the financial statements rather than at the bottom of the statements or in an accompanying schedule.

Government-wide Financial Statements
CCLAFCO's financial statements reflect only its own activities; it has no component units. The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through intergovernmental revenues and charges for services.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of CCLAFCO's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods and services offered by the program. Revenues that are not classified as program revenues, including all intergovernmental revenues, are presented as general revenues.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Basis of Presentation (concluded)

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. General Fund operations are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures (or expenses) as appropriate. CCLAFCO's resources are accounted for based on the purposes for which they are to be spent and the means by which spending activities are controlled. An emphasis is placed on major funds within the governmental categories. A fund is considered major if it is the primary operating fund of CCLAFCO or meets the following criteria: Total assets, liabilities, revenues or expenditures (or expenses) of the individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type. The General Fund is always a major fund.

Governmental Funds

General Fund: This is the operating fund of CCLAFCO. The major revenue source for this fund is intergovernmental revenues. Expenditures are made for intergovernmental revenues projects and administration.

B. Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *full accrual basis* of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Governmental funds are reported using the *current financial resources measurement focus* and the *modified accrual* basis of accounting. Under this method, revenues are recognized when "measurable and available." CCLAFCO considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Those revenues susceptible to accrual are intergovernmental, certain charges for services and interest revenue. Charges for services are not susceptible to accrual because they are not measurable until received in cash.

CCLAFCO may fund programs with a combination of charges for services and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. CCLAFCO's policy is to first apply restricted resources to such programs, followed by general revenues if necessary.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

C. CCLAFCO Budget

Pursuant to Section 56381, et seq of the Government Code, CCLAFCO adopts a preliminary budget by May 1 and a final budget by June 15 of each year. Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. Budget/actual comparisons in this report use this budgetary basis. These budgeted amounts are as originally adopted or as amended by CCLAFCO. Individual amendments were not material in relation to the original appropriations that were amended.

D. Property, Plant and Equipment

CCLAFCO currently has no fixed assets.

E. Compensated Absences

Compensated absences comprise unpaid vacation. Vacation and sick time are accrued as earned.

F. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position or balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until that time.

In addition to liabilities, the statement of net position or balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

NOTE 3 - CASH AND INVESTMENTS

CCLAFCO's cash is maintained with the Contra Costa County Treasury in a non-interest-bearing account. CCLAFCO's cash on deposit with the Contra Costa County Treasury at June 30, 2019 was $595,357.

Credit Risk, Carrying Amount and Market Value of Investments
CCLAFCO maintains specific cash deposits with Contra Costa County. Contra Costa County is restricted by state code in the types of investments it can make. Furthermore, the Contra Costa County Treasurer has a written investment policy, approved by the Board of Supervisors, which is more restrictive than state code as to terms of maturity and type of investment. Also, Contra Costa County has an investment committee, which performs regulatory oversight for its pool as required by California Government Code Section 27130. In addition, CCLAFCO has its own investment policy as well.

Contra Costa County's investment policy authorizes Contra Costa County to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, certificates of deposit, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase agreements, and the State Treasurer's investment pool. At June 30, 2019, CCLAFCO's cash with the Contra Costa County Treasurer was maintained in a non-interest-bearing account.

NOTE 3 - CASH AND INVESTMENTS (concluded)

Fair Value Measurements - CCLAFCO categorizes its fair value measurements within the hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs, and Level 3 inputs are other significant unobservable inputs. CCLAFCO's investments in the Local Agency Investment Fund and County Treasurers Pool are valued using Level 1 inputs as are the certificates of deposit, local government bonds and money market funds.

NOTE 4 - USE OF ESTIMATES

The basic financial statements have been prepared in conformity with U.S. generally accepted accounting principles and, as such, include amounts based on informed estimates and judgments of management with consideration given to materiality. Actual results could differ from those amounts.

NOTE 5 - CONTINGENCIES

CCLAFCO is involved in various claims and litigation arising in the ordinary course of business. CCLAFCO management, based upon the opinion of legal counsel, is of the opinion that the ultimate resolution of such matters should not have a materially adverse effect on CCLAFCO's financial position or results of operations.

NOTE 6 - FUND EQUITY

The accompanying basic financial statements reflect certain changes that have been made with respect to the reporting of the components of Fund Balances for governmental funds. In previous years, fund balances for governmental funds were reported in accordance with previous standards that included components for reserved fund balance, unreserved fund balance, designated fund balance, and undesignated fund balance. Due to the implementation of GASB Statement No. 54, the components of the fund balances of governmental funds now reflect the component classifications described below. In the fund financial statements, governmental fund balances are reported in the following classifications:

Nonspendable fund balance includes amounts that are not in a spendable form, such as prepaid items or supplies inventories, or that are legally or contractually required to remain intact, such as principal endowments.

Restricted fund balance includes amounts that are subject to externally enforceable legal restrictions imposed by outside parties (i.e., creditors, grantors, contributors) or that are imposed by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts whose use is constrained by specific limitations that the government imposes upon itself, as determined by a formal action of the highest level of decision-making authority. The Commissioners serve as CCLAFCO's highest level of decision-making authority and have the authority to establish, modify or rescind a fund balance commitment via minutes action.

Assigned fund balance includes amounts intended to be used by CCLAFCO for specific purposes, subject to change, as established either directly by the Commissioners or by management officials to whom assignment authority has been delegated by the Commissioners.

Unassigned fund balance is the residual classification that includes spendable amounts in the General Fund that are available for any purpose.

NOTE 6 - FUND EQUITY (concluded)

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) fund balances are available, CCLAFCO specifies that restricted revenues will be applied first. When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, CCLAFCO's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

Net Position

Net Position is the excess of all CCLAFCO's assets over all its liabilities, regardless of fund. Net Position is divided into three captions under GASB Statement No. 34. These captions apply only to Net Position, which is determined only at the government-wide level, and are described below:

Invested in capital assets, net of related debt describes the portion of Net Position that is represented by the current net book value of CCLAFCO's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Position that is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions that CCLAFCO cannot unilaterally alter.

Unrestricted describes the portion of Net Position that is not restricted to use.

All of CCLAFCO's Net Position is unrestricted.

NOTE 7 - PENSION PLAN

A. General Information about the Pension Plan

Plan Description - CCLAFCO participates in the Contra Costa County Employees' Retirement Association (CCCERA), a cost-sharing multiple employer defined benefit pension plan. CCCERA is governed by the Board of Retirement (Board) under the County Employee's Retirement Law of 1937, as amended on July 1, 1945. It provides benefits upon retirement, death or disability of members, and covers substantially all of the employees of the County of Contra Costa and eighteen other member agencies.

Benefits Provide - Benefits are based on years of credited service, equal to one year of full-time employment. Members may elect service retirement at age of 50 with 10 years of service credit, age 70 regardless of service, or with thirty years of service, regardless of age.

Benefits are administered by the Board under the provision of the 1937 Act. Annual cost-of-living adjustments (COLA) to retirement benefits may be granted by the Board as provided by State statutes. Services retirements are based on age, length of service and final average salary. Employees may withdraw contributions, plus interest credited, or leave them on deposit for a deferred retirement when they terminate or transfer to a reciprocal retirement system.

NOTE 7 - PENSION PLAN (continued)

A. General Information about the Pension Plan (concluded)

The Plan provisions and benefits in effect at June 30, 2019, are summarized as follows:

	Miscellaneous Plans	
	Prior to	On or after
Hire date	January 1, 2013	January 1, 2013
Benefit formula	2% @ 55	2.5% @ 67
Benefit vesting schedule	10 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	52
Monthly benefits, as a % of eligible compensations	0% - 100%	0% - 100%
Required employee contribution rates	6.85% - 8.87%	7.75%
Required employer contribution rates	33.53%-34.39%	28.28%

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CCCERA. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. CCLAFCO is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2019, the contributions recognized as part of pension expense for the Plan were as follows:

	Miscellaneous Plans
Employer Contributions	$ 127,068

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2019, CCLAFCO reported net pension liabilities for its proportionate share of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous Plan	$ 304,195
Total Net Pension Liability	$ 304,195

CCLAFCO's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of December 31, 2018, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018 using standard update procedures.

NOTE 7 - PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

CCLAFCO's proportion of the net pension liability was based on a projection of CCLAFCO's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. CCLAFCO's proportionate share of the net pension liability for the Plan as of June 30, 2018 was (0.022%) and 2019 (0.021%) which resulted in a decrease of (0.001%).

For the year ended June 30, 2019, CCLAFCO recognized pension expense of $62,224. At June 30, 2019, CCLAFCO reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 127,068	$ -
Differences between actual and expected experience	8,789	6,613
Changes in assumptions	1,783	15,495
Net difference between projected and actual earnings on pension plan investments	91,145	-
Change in proportion and differences between employer contributions and proportionate share of contributions	12,318	4,121
Total	$ 241,103	$ 26,229

The $127,068 reported as deferred outflows of resources related to contributions, subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

The difference between projected and actual investment earnings on pension plan investments is amortized over 5 years on a straight-line basis. One-fifth was recognized in pension expense during the measurement period, and the remaining difference between projected and actual investment earnings on pension plan investments at December 31, 2018, is to be amortized over the remaining periods.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2020	$ 30,183
2021	10,192
2022	12,152
2023	35,279

Actuarial Assumptions - The total pension liabilities in the December 31, 2017 actuarial valuations were determined using the following actuarial assumptions:

NOTE 7 - PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

	Miscellaneous
Valuation Date	December 31, 2017
Measurement Date	December 31, 2018
Actuarial Cost Method	Entry-Age Actuarial Cost Method
Amortization Method	Level percent of payroll for total unfunded liability
Actuarial Assumptions:	
Discount Rate	7.00%
Inflation Rate	2.75%
Payroll Growth	3.75%
Projected Salary Increase	3.75%-15.25%

A complete copy of the Actuarial Valuation Summary is available in separately issued financial statements of the plan which can be obtained from CCCERA located at 1355 Willow Way, Suite 221, Concord, CA 94520.

Discount Rate - The discount rate used to measure the total pension liability was 7.00% for the Plan. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employee and employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of December 31, 2018.

The long-term expected rate of return on pension plan investments was determined in 2013 using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

NOTE 7 - PENSION PLAN (concluded)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (concluded)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap U.S. Equity	5.00%	5.44%
Developed International Equity	13.00%	6.54%
Emerging Markets Equity	11.00%	8.73%
Short-Term Govt/Credit	23.00%	0.84%
U.S. Treasury	3.00%	1.05%
Private Equity	8.00%	9.27%
Risk Diversifying Strategies	7.00%	3.35%
Global Infrastructure	3.00%	7.90%
Private Credit	12.00%	5.80%
REIT	1.00%	6.80%
Value Add Real Estate	5.00%	8.80%
Opportunistic Real Estate	4.00%	12.00%
Risk Parity	5.00%	5.80%
Total	100.00%	

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents CCLAFCO's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what CCLAFCO's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous
1% Decrease	6.00%
Net Pension Liability	$557,481
Current Discount Rate	7.00%
Net Pension Liability	$304,195
1% Increase	8.00%
Net Pension Liability	$96,689

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued CCCERA financial reports.

NOTE 8 - OTHER POST-EMPLOYMENT BENEFIT (OPEB)

A. Plan Description

CCLAFCO administers a single-employer defined benefit healthcare plan. CCLAFCO currently provides retiree health benefits to retirees and their dependents through Contra Costa County. All retired employees are eligible to receive health and dental benefits for life, with costs shared by CCLAFCO and the retirees.

NOTE 8 - OTHER POST-EMPLOYMENT BENEFIT (OPEB) (continued)

A. Plan Description (concluded)

At July 1, 2017, plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	3
Active plan members	2

B. Funding Policy

CCLAFCO currently pays a portion of retiree healthcare benefits on a pay-as-you-go basis.

C. Net OPEB Liability

CCLAFCO's Net OPEB Liability was measured as of June 30, 2018 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of July 1, 2017. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

D. Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.00%
Investment rate of return	4.00%, net of OPEB plan investment expense
Medical cost trend rate	5.00% for 2018; and later years

E. Discount Rate

The discount rate reflects:

(a) The long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan's fiduciary net position (if any) is projected to be enough to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return.
(b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher – to the extent that the conditions in (a) are not met.

The discount rate used to measure CCLAFCO's Total OPEB liability is based on these requirements and the following information:

Reporting date	Measurement date	Long-term expected return of plan investments (if any)	Municipal bond 20-year high grade rate index	Discount rate
June 30, 2018	June 30, 2017	4.00%	3.13%	4.00%
June 30, 2019	June 30, 2018	4.00%	3.62%	4.00%

NOTE 8 - OTHER POST-EMPLOYMENT BENEFIT (OPEB) (continued)

E. Discount Rate (concluded)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.00%) or 1-percentage-point higher (5.00%) than the current discount rate:

	1.00% Decrease (3.00%)	Discount rate (4.00%)	1.00% Increase (5.00%)
Net OPEB liability (asset)	$ 422,486	$ 362,983	$ 313,346

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.00% decreasing to 4.00%) or 1-percentage-point higher (7.00% decreasing to 6.00%) than the current healthcare cost trend rates:

	1.00% Decrease (5.00% decreasing to 4.00%)	Trend Rate (6.00% decreasing to 5.00%)	1.00% Increase (7.00% decreasing to 6.00%)
Net OPEB liability (asset)	$ 307,128	$ 362,983	$ 429,295

F. Components of the Net OPEB Liability

Total OPEB liability	$ 543,894
Plan fiduciary net position	180,911
Net OPEB liability (assets)	$ 362,983
Measurement date	June 30, 2018
Reporting date	June 30, 2019

G. Schedule of Changes in Net OPEB Liability

	2019
Total OPEB liability	
Service costs	$ 30,249
Interest	20,142
Benefit payment	(19,910)
Net change in total OPEB liability	30,481
Total OPEB liability - beginning (a)	513,413
Total OPEB liability - ending (b)	543,894
Plan fiduciary net position	
Contributions - employer	59,910
Net investment income	8,488
Benefit payments	(19,910)
Trustee fees	(123)
Net change in plan fiduciary net position	48,365
Plan fiduciary net position - beginning (c)	132,546
Plan fiduciary net position - ending (d)	180,911
Net OPEB liability - beginning (c) - (a)	380,867
Net OPEB liability - ending (d) - (b)	$ 362,983

NOTE 8 - OTHER POST-EMPLOYMENT BENEFIT (OPEB) (concluded)

H. Investments

Rate of Return - For the year ended on the measurement date, the annual money-weighted rate of return on investments, net of investment expense, was 5.20%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts invested.

I. Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the reporting year ended June 30, 2019, CCLAFCO's deferred outflows of resources and deferred inflows of resources to OPEB from the following sources are:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ -
Changes in assumptions or other inputs	-	-
Difference between projected and actual return investment	2,815	1,547
Total	$ 2,815	$ 1,547

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

Year ended June 30:	Deferred Outflows of Resources	Deferred Inflows of Resources
2020	$ 939	$ (387)
2021	939	(387)
2022	937	(387)
2023	-	(386)
2024	-	-

Additional information relating to the CCLAFCO's Retiree Health Plan and required OPEB disclosures can be obtained from the CCLAFCO's Executive Director at Contra Costa County LAFCO, 40 Muir Road, Martinez, California 94553.

NOTE 9 - RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET WITH THE STATEMENT OF NET POSITION

Reconciling adjustments are as follows:

Fund balances - total government funds	$ 574,160
Deferred inflows related to pension	(26,229)
Deferred outflows related to pension	241,103
Deferred inflows related to OPEB	(1,547)
Deferred outflows related to OPEB	42,815
OPEB liability	(362,983)
Net pension liability	(304,195)
Net position of governmental activities	$ 163,124

NOTE 10 - RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES WITH THE STATEMENT OF ACTIVITIES

Reconciling adjustments are as follows:

Net change in fund balance – total governmental funds	$	94,587
The amounts below included in the statement of activities do not provide (require) the use of current financial resources and, therefore, are not reported as revenues or expenditures in governmental funds (net change):		
Other post-employment benefits liability		55,398
Net pension liability transactions: Governmental funds record pension expense as it is paid. However, in the statement of activities those costs are reversed as deferred outflows/(inflows) and an increase/(decrease) in net pension liability.		30,272
Change in net position of governmental activities	$	180,257

NOTE 11 - SUBSEQUENT EVENT - CORONAVIRUS PANDEMIC

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) began to spread among various countries, including the United States. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S., including California, have declared a state of emergency and issued shelter-in-place orders in response to the outbreak. Since all LAFCO staff are considered "essential", the immediate impact to the LAFCO's operations includes new restrictions on employees' work location and planning heightened sanitation awareness requirements on office staff. It is anticipated that the impacts from this pandemic will continue for some time. As of the report date, the financial impact of the coronavirus outbreak cannot be measured.

Contra Costa Local Agency Formation Commission
AUDITORS' INFORMATION
June 30, 2019

Audit Firm:	R.J. Ricciardi, Inc.
Lead Auditor's Name:	Michael O'Connor, CPA
Audit Firm's Address:	1101 Fifth Avenue, Suite 360 San Rafael, CA 94901
Telephone number:	(415) 457-1215
Date of Independent Auditors' Report:	November 12, 2020

REQUIRED SUPPLEMENTARY INFORMATION

Contra Costa Local Agency Formation Commission

REQUIRED SUPPLEMENTARY INFORMATION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Budget and Actual

General Fund (Unaudited)

For the Period Ended June 30, 2019

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget
Revenues:				
Intergovernmental	$ 796,415	$ 796,415	$ 796,400	$ (15)
Charges for services	25,000	25,000	40,908	15,908
Total revenues	821,415	821,415	837,308	15,893
Expenditures:				
Salaries and benefits	454,786	454,786	486,310	(31,524)
Services and supplies	391,629	391,629	256,411	135,218
Total expenditures	846,415	846,415	742,721	103,694
Excess of revenues over (under) expenditures	(25,000)	(25,000)	94,587	$ 119,587
Fund balance, beginning of period			479,573	
Fund balance, end of period			$ 574,160	
Contingency reserve	(80,000)	(80,000)		
OPEB trust	(40,000)	(40,000)		
CCCERA pre-fund	(30,000)	(30,000)		
Fund balance reserves	175,000	175,000		
Total	$ -	$ -		

The accompanying notes are an integral part of these basic financial statements.

Contra Costa Local Agency Formation Commission

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)

Last 5 Years*

Measurement Date	2018	2017	2016	2015	2014
Proportion of net pension liability	0.021%	0.022%	0.026%	0.027%	0.030%
Proportionate share of the net pension liability	$ 304,195	$ 181,268	$ 359,329	$ 400,173	$ 364,601
Covered-employee payroll	$ 227,470	$ 218,320	$ 211,319	$ 208,810	$ 202,859
Proportionate Share of the net pension liability as a percentage of covered employee payroll	133.73%	83.03%	170.04%	191.64%	179.73%
Plan fiduciary net position as a percentage of the total pension liability	85.09%	91.18%	84.16%	77.84%	79.57%

Notes to Schedule:

1) Covered employee payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of retirement benefits are included.

* Fiscal year 2015 was the first year of implementation, therefore only the first five years were available.

Contra Costa Local Agency Formation Commission

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CONTRIBUTIONS - PENSION

Last 5 Years*

Fiscal Year End	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 127,068	$ 124,683	$ 93,060	$ 103,349	$ 97,935
Contributions in relation to the actuarially determined contributions	(127,068)	(124,683)	(93,060)	(103,349)	(97,935)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 227,470	$ 218,320	$ 211,319	$ 208,810	$ 202,859
Contributions as a percentage of covered-employee payroll	55.86%	57.11%	44.04%	48.28%	48.28%

Notes to Schedule:

1) Covered employee payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of retirement benefits are included.

* Fiscal year 2015 was the first year of implementation, therefore only the first five years were available.

Contra Costa Local Agency Formation Commission

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CONTRIBUTIONS - OPEB

For the Year Ended June 30, 2019

	2019	2018
Actuarially determined contribution	$ 45,385	$ 43,396
Contributions in relation to the actuarially determined contribution	45,385	44,033
Contribution deficiency (excess)	$ -	$ (637)
Covered payroll	$ 227,470	$ 218,320
Contributions as a percentage of covered payroll	19.95%	20.17%

Notes to Schedule:

The schedules present information to illustrate changes in Contra Costa LAFCO's contributions over a ten year period when the information is available.

GASB 75 requires this information for plans funding with OPEB trusts to be reported in the employer's Required Supplemental Information for 10 years or as many years as are available upon implementation. The plan was not funded with an OPEB trust prior to June 30, 2018. The District adopted GASB 75 for the fiscal year ending June 30, 2018.

Contra Costa Local Agency Formation Commission

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGE IN THE NET OPEB LIABILITY AND RELATED RATIOS

For the Period Ended June 30, 2019

Total OPEB Liability	2019	2018
Service cost	$ 30,249	$ 29,368
Interest	20,142	19,004
Benefit payments, included refunds of employee contributions	(19,910)	(19,910)
Implicit rate subsidy fulfilled	-	-
Net change in total OPEB liability	30,481	28,462
Total OPEB liability - beginning of year	513,413	484,951
Total OPEB liability - end of year	$ 543,894	$ 513,413
Plan Fiduciary Net Position		
Net investment income	$ 8,488	$ 594
Contributions		
Employer - explicit subsidy	58,609	19,910
Employer - implicit subsidy	1,301	
Benefit payments, included refunds of employee contributions	(19,910)	(19,910)
Trustee fees	(123)	(9)
Administrative expense	-	-
Net change in plan fiduciary net position	48,365	585
Plan fiduciary net position - beginning of year	132,546	131,961
Plan fiduciary net position - end of year	180,911	132,546
District's net OPEB liability - end of year	$ 362,983	$ 380,867
Plan fiduciary net position as a percentage of the total OPEB liability	49.84%	34.80%
Covered-employee payroll	$ 227,470	$ 218,320
Net OPEB liability as a percentage of covered-employee payroll	159.57%	174.45%

Notes to Schedule:

The schedules present information to illustrate changes in Contra Costa Local Agency Formation Commission's changes in the net OPEB liability over a ten year period when the information is available. CCLAFCO adopted GASB 75 for the fiscal year ending June 30, 2019.

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
40 Muir Road, 1st Floor • Martinez, CA 94553
e-mail: LouAnn.Texeira@lafco.cccounty.us
(925) 313-7133

Lou Ann Texeira
Executive Officer

December 9, 2020 (Agenda)

December 9, 2020
Agenda Item 9

Contra Costa Local Agency Formation Commission
40 Muir Road, First Floor
Martinez, CA 94553

LAFCO Salary Plan Update

Dear Members of the Commission:

LAFCO is an independent entity created by the State Legislature. Pursuant to the Government Code (§56000 et seq.), LAFCO hires (or contracts) for its own staff and provides employee benefits, including health, dental, retirement, and other benefits for its employees. Contra Costa LAFCO purchases most of its employee benefits from Contra Costa County and its retirement benefits from the Contra Costa County Employees' Retirement Association (CCCERA).

In 2007, LAFCO adopted its own personnel system including an employee benefit plan, job descriptions, and employee salary ranges. Since then, the Employee Benefit Plan has been updated several times in accordance with County benefit changes, most of which were administrative. The LAFCO Salary Plan has been updated twice since 2007.

Contra Costa LAFCO currently employs one full time employee – an Executive Officer ("EO") and one half-time employee - Executive Assistant/LAFCO Clerk ("Clerk"). In conjunction with the FY 2020-21 Final Budget the Commission delayed hiring a full-time Analyst as a cost-saving measure in response to COVID, and to lessen the financial burden on LAFCO's funding agencies (i.e., County, cities, independent special districts).

In an effort to keep Contra Costa LAFCO salaries current and competitive, LAFCO staff recently conducted a salary survey of the Bay Area and Urban LAFCOs for the LAFCO EO and Clerk classifications. Given that LAFCO recently established the salary range for the Analyst I/II position in 2019, no salary survey was conducted for this position, and no changes to the salary ranges are recommended for this position.

Based on the average salaries, it is recommended that the Commission update the LAFCO Salary Plan in accordance with the recent survey (Attachment 1). The proposed adjustments to the salary ranges do not automatically result in adjustments to employee salaries. LAFCO employee salary adjustments are based solely on performance. LAFCO employees do not receive annual cost-of-living adjustments. The Commission typically conducts an annual performance review for the EO and approves salary adjustments based on performance. The EO conducts the performance review for the Clerk and Analyst positions.

The employee benefits and salary ranges are provided at the discretion of the Commission and can be modified as deemed appropriate. The benefit package and salary ranges should be reviewed periodically to keep pace with market conditions.

RECOMMENDATIONS

It is recommended that the Commission approve LAFCO Resolution 2020-01 updating the salary ranges for the Executive Officer and Executive Assistant/Clerk positions and retaining the current salary range for the Analyst I/II position.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachments

1. 2020 Bay Area and Urban LAFCO Salary Survey
2. Draft Resolution 2020-01 and Updated LAFCO Salary Plan

LAFCO Salary Survey - Bay Area/Urban LAFCOs (Nov 2020)
Monthly Salary Ranges

	Exec Officer		Exec Asst/Clerk		Number of Staff (Excluding Legal)
	(Low)	(High)	(Low)	(High)	
Alameda	$7,608	$11,659	$5,425	$6,663	**3**
Los Angeles (1)		$16,208	$2,500	$4,583	**7**
Marin (A)		$12,500		$4,670	**3**
Napa	$9,766	$11,873	$3,618	$4,203	**3**
Orange (2)		$15,404	$5,102	$6,371	**5**
Riverside	$12,083	$15,417	$3,980	$5,323	**5**
Sacramento	$11,285	$12,951		$5,025	**2**
San Bernardino	$14,555	$19,854		$6,094	**5**
San Diego	$11,194	$19,854	$4,223	$6,770	**7**
San Francisco (B)		$16,158			**2**
San Mateo	$11,350	$14,189	$5,212	$6,513	**2.5**
Santa Clara	$10,563	$12,838	$5,512	$6,661	**4**
Solano (C)		$12,417	$5,353	$6,555	**3**
Sonoma	$10,225	$12,429	$4,713	$5,729	**4**
Ventura	$11,478	$16,398	$5,839	$8,343	**3**
Average	**$11,011**	**$14,676**	**$4,680**	**$5,964**	4
Contra Costa	$10,133	$14,082	$4,702	$5,865	**1.5**

Exec Officer Notes:
(1) 2019 salary
(2) Salary effective 1/1/20

Exec Asst/Clerk Notes:
(A) Clerk/Jr. Analyst
(B) No Comp for Clerk
(C) Analyst I serves as Clerk

RESOLUTION NO. 2020-01 Attachment 2

RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
UPDATING THE SALARY PLAN FOR LAFCO EMPLOYEES

WHEREAS, the Contra Costa Local Agency Formation Commission (LAFCO) is an independent regulatory agency created by the State Legislature; and

WHEREAS, pursuant to Government Code §56384, LAFCO shall appoint an Executive Officer and may appoint other staff as needed; and

WHEREAS, LAFCO currently employs an Executive Officer to carry out the functions of the Commission, and an Executive Assistant/ LAFCO Clerk to provide administrative support; and

WHEREAS, the Analyst position, created in 2019, is currently unfilled due to COVID-19; and

WHEREAS, in 2007, the Commission adopted a salary plan which included salary ranges for the LAFCO employee positions; and

WHEREAS, the salary ranges were last adjusted in 2019 with the addition of the Analyst position; and

WHEREAS, the salary ranges should be reviewed and adjusted periodically to keep pace with market conditions.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that:

1. The Contra Costa LAFCO hereby updates the LAFCO salary ranges for the Executive Officer, Analyst and Executive Assistant/ LAFCO Clerk positions as shown in Exhibit A. These salary ranges reflect a recent survey of comparable Bay Area and Urban LAFCOs and current market conditions.
2. Contra Costa LAFCO employees receive no Cost-of-Living Adjustments (COLAs) and may receive an annual salary increase based solely on performance.

* *

PASSED AND ADOPTED THIS 9th day of December 2020, by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

____

CANDACE ANDERSEN, CHAIR, CONTRA COSTA LAFCO

I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated above.

Dated: December 9, 2020 ____________________________________

Lou Ann Texeira, Executive Officer

EXHIBIT A

2020 CONTRA COSTA LAFCO EMPLOYEE SALARY RANGES

JOB TITLE	BEGINNING MONTHLY	MAXIMUM MONTHLY
*CLERK/EXECUTIVE ASSISTANT	$4,702	$5,964
**ANALYST I/II	I - $ 5,877	I - $ 7,795
	II - $ 6,202	II - $ 8,219
EXECUTIVE OFFICER	$11,011	$14,676

*Currently staffed at half-time

**Currently unfilled

Segal

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

Via Email

December 9, 2020
Agenda Item 10

November 25, 2020

Gail Strohl
Chief Executive Officer
Contra Costa County Employees' Retirement Association
1200 Concord Avenue, Suite 300
Concord, CA 94520

Re: Contra Costa County Employees' Retirement Association (CCCERA)
Five-Year Projection of Employer Contribution Rate as of December 31, 2019

Dear Gail:

As requested, we have updated our five-year projection of estimated employer contribution rate changes for CCCERA. This projection is derived from the December 31, 2019 Actuarial Valuation results. Key assumptions and methods are detailed below. **It is important to understand that these results are entirely dependent on those assumptions. Actual results as determined in future actuarial valuations will differ from these results. In particular, actual investment returns and actual salary levels different than assumed can have a significant impact on future contribution rates.**

Results

The estimated contribution rate changes shown on the next page apply to the recommended average employer contribution rate. For purposes of this projection, the rate changes that are included reflect the asset gains and losses that are funded as a level percentage of the Association’s total active payroll base. The projected rate changes in the December 31, 2022 Actuarial Valuation also reflect the December 31, 2007 Unfunded Actuarial Accrued Liability (UAAL) restart charge and Pension Obligation Bonds (POB) credit amortization layers dropping off as they become fully amortized.

The changes in contribution rate are due to:

1. Recognition of deferred investment gains and losses under the actuarial asset smoothing methodology;
2. Gains due to investment income earned on the excess of the Market Value of Assets (MVA) over the Actuarial Value of Assets (AVA) (and losses when the opposite occurs);
3. Contribution gains and losses which occur from delaying the implementation of new rates until 18 months after the actuarial valuation date; and

4. The December 31, 2007 UAAL restart charge and POB credit amortization layers dropping off as they become fully amortized as noted above.

The following table provides the year-to-year rate changes from each of the above components and the cumulative rate change over the five-year projection period. To obtain the estimated average employer contribution rate at each successive valuation date, these cumulative rate changes should be added to the rates developed from the December 31, 2019 Actuarial Valuation. These rate changes become effective 18 months following the actuarial valuation date shown in the table.

The rate changes shown below represent the average rate, expressed as a percent of payroll, for the aggregate plan.

	Valuation Date (12/31)				
Rate Change Component	**2020**	**2021**	**2022**	**2023**	**2024**
1. Deferred (Gains)/Losses	(0.12%)	(0.37%)	0.12%	(0.44%)	(0.03%)
2. (Gain)/Loss of Investment Income on Difference Between MVA and AVA	(0.06%)	(0.05%)	(0.03%)	(0.03%)	0.00%
3. 18-Month Rate Delay	(0.02%)	(0.02%)	(0.04%)	(0.64%)	(0.39%)
4. Drop Off of the December 31, 2007 UAAL Restart Charge/POB Credit Layers	0.00%	0.00%	(8.09%)	0.00%	0.00%
Incremental Rate Change	**(0.20%)**	**(0.44%)**	**(8.04%)**	**(1.11%)**	**(0.42%)**
Cumulative Rate Change	**(0.20%)**	**(0.64%)**	**(8.68%)**	**(9.79%)**	**(10.21%)**

The average employer contribution rate as of the December 31, 2019 Actuarial Valuation is 35.66% percent of payroll and based on the cumulative rate changes above is projected to progress as follows:

	Valuation Date (12/31)				
	2020	**2021**	**2022**	**2023**	**2024**
Average Employer Contribution Rate	35.46%	35.02%	26.98%	25.87%	25.45%

The rate change for an individual cost group or employer will vary depending on the size of that group's assets and liabilities relative to its payroll. The ratio of the group's assets to payroll is sometimes referred to as the asset volatility ratio (AVR). A higher AVR results in more volatile contributions and can result from the following factors:

- More generous benefits
- More retirees
- Older workforce
- Shorter careers
- Issuance of POBs or additional contributions made by employers

The attached exhibit shows the AVR for CCCERA's cost groups along with the "relative AVR" which is the AVR for that specific cost group divided by the average AVR for the aggregate plan. Using these ratios we have estimated the rate change due to generally investment related gains and losses over the five valuation dates for each individual cost group by multiplying the rate changes shown above for the aggregate plan by the relative AVR for each cost group. These estimated rate changes for each cost group are shown in the attached exhibit.

Note that because we have estimated the allocation of the rate changes across the cost groups, the actual rate changes by group may differ from those shown in the exhibit, even if the plan-wide average rate changes are close to those shown above.

In addition, the projected rate changes for the December 31, 2022 Actuarial Valuation reflect the December 31, 2007 UAAL restart charge and POB credit amortization layers dropping off as they become fully amortized. That impact has been explicitly calculated and reflected for each cost group as it varies significantly by cost group depending on the UAAL and POB layers established for each cost group. The impact of POB credit layers dropping off varies significantly by employer depending on whether the employer issued POBs or made additional contributions towards their UAAL. Therefore, we also show results separated out for employers that are in a cost group that has an employer with a POB credit.

For most employers without a POB credit, there is a significant reduction in the employer rate that is projected to occur in the December 31, 2022 Actuarial Valuation due to that UAAL restart layer becoming fully amortized. For other employers that have a POB credit, the reduction in the employer rate is not as significant since their current contribution rates have already been reduced to reflect that they paid off a portion of that UAAL layer through the issuance of the POBs or additional UAAL payments. For some other employers, such as the Contra Costa Fire Protection District and the Moraga-Orinda Fire Protection District, since they already paid off that UAAL restart amortization layer via POBs and additional UAAL payments, they will not see a reduction in their employer contribution rate at that time.

The projected rate changes that are due to the 18-month rate delay for each cost group have also been determined based on the different incremental rate changes from the prior valuations. This is because those changes can vary significantly based on the rate changes for each cost group, especially for the December 31, 2023 and December 31, 2024 Actuarial Valuations.

Key Assumptions and Methods

The projection is based upon the following assumptions and methods:

- December 31, 2019 non-economic assumptions remain unchanged.
- December 31, 2019 retirement benefit formulas remain unchanged.
- December 31, 2019 1937 Act statutes remain unchanged.
- UAAL amortization method remains unchanged.
- December 31, 2019 economic assumptions remain unchanged, including the 7.00% investment earnings assumption.

- We have assumed that returns of 7.00% are actually earned each year on a market value basis starting in 2020.
- Active payroll grows at 3.25% per annum.
- Deferred investment gains and losses are recognized per the asset smoothing schedule prepared by the Association as of December 31, 2019. They are funded as a level percentage of the Association's total active payroll base.
- The AVR used for these projections is based on the December 31, 2019 Actuarial Valuation and is assumed to stay constant during the projection period.
- All other actuarial assumptions used in the December 31, 2019 Actuarial Valuation are realized.
- No changes are made to actuarial methodologies, such as adjusting for the contribution rate delay in advance and the continuation of the current pooling arrangement among different employers within a cost group.
- The projections do not reflect any changes in the employer contribution rates that could result due to future changes in the demographics of CCCERA's active members or decreases in the employer contribution rates that might result from new hires going into the PEPRA tiers.
- On July 30, 2020, the California Supreme Court issued a decision in the case of Alameda County Deputy Sheriffs' Association et al. v. Alameda County Employees' Retirement Association and Board of Retirement of ACERA. That decision may affect the benefits paid by CCCERA to its members. However, the case has been remanded and is pending with the trial court.
- It is important to note that these projections are based on plan assets as of December 31, 2019. Due to the COVID-19 pandemic, market conditions have changed significantly since the valuation date. The Plan's funded status does not reflect short-term fluctuations of the market, but rather is based on the market values on the last day of the Plan Year.

Finally, we emphasize that projections, by their nature, are not a guarantee of future results. The modeling projections are intended to serve as illustrations of future financial outcomes that are based on the information available to us at the time the modeling is undertaken and completed, and the agreed-upon assumptions and methodologies described herein. Emerging results may differ significantly if the actual experience proves to be different from these assumptions or if alternative methodologies are used. Actual experience may differ due to such variables as demographic experience, the economy, stock market performance and the regulatory environment.

Unless otherwise noted, all of the above calculations are based on the December 31, 2019 Actuarial Valuation results including the participant data and actuarial assumptions on which that valuation was based. That valuation and these projections were completed under the supervision of Andy Yeung, ASA, MAAA, FCA, Enrolled Actuary.

The undersigned are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Please let us know if you have any questions.

Sincerely,

Paul Angelo, FSA, MAAA, FCA, EA
Senior Vice President & Actuary

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

EK/hy
Enclosure

Contra Costa County Employees' Retirement Association
Estimated Employer Rate Change by Cost Group (CG) Based on December 31, 2019 Valuation

	CG#1 & 2 Combined Enhanced General	CG#1 & 2 County and Courts with POB	CG#1 & 2 Moraga-Orinda FD with POB	CG#1 & 2 First Five with Prepayment	CG#1 & 2 Other District without POB
Market Value of Assets (MVA)*	$5,201,962,153				
Projected Payroll for 2020	$705,756,649				
Asset Volatility Ratio (AVR) = MVA/Payroll	7.37				
Relative Volatility Ratio = CG AVR / Total Plan AVR	0.75				
Estimated Incremental Rate Change as of 12/31/2020	-0.16%	-0.16%	-0.16%	-0.16%	-0.16%
Estimated Incremental Rate Change as of 12/31/2021	-0.34%	-0.34%	-0.34%	-0.34%	-0.34%
Estimated Incremental Rate Change as of 12/31/2022**	-6.32%	-6.13%	-0.56%	-6.92%	-15.14%
Estimated Incremental Rate Change as of 12/31/2023	-0.86%	-0.86%	-0.86%	-0.86%	-0.86%
Estimated Incremental Rate Change as of 12/31/2024	-0.33%	-0.33%	-0.33%	-0.33%	-0.33%
Cumulative Rate Change as of 12/31/2020	-0.16%	-0.16%	-0.16%	-0.16%	-0.16%
Cumulative Rate Change as of 12/31/2021	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Cumulative Rate Change as of 12/31/2022**	-6.82%	-6.63%	-1.06%	-7.42%	-15.64%
Cumulative Rate Change as of 12/31/2023	-7.68%	-7.49%	-1.92%	-8.28%	-16.50%
Cumulative Rate Change as of 12/31/2024	-8.01%	-7.82%	-2.25%	-8.61%	-16.83%

	CG#3 Enhanced CCC Sanitary District	CG#4 Enhanced Housing Authority	CG#5 Enhanced CCCFPD	CG#6 Non-Enhanced District
Market Value of Assets (MVA)*	$364,800,250	$60,159,714	$53,434,110	$7,772,260
Projected Payroll for 2020	$37,881,590	$5,851,340	$6,357,887	$942,576
Asset Volatility Ratio (AVR) = MVA/Payroll	9.63	10.28	8.40	8.25
Relative Volatility Ratio = CG AVR / Total Plan AVR	0.98	1.05	0.86	0.84
Estimated Incremental Rate Change as of 12/31/2020	-0.13%	-0.06%	0.05%	0.00%
Estimated Incremental Rate Change as of 12/31/2021	-0.41%	-0.41%	-0.31%	0.00%
Estimated Incremental Rate Change as of 12/31/2022**	-12.98%	-18.06%	2.22%	0.00%
Estimated Incremental Rate Change as of 12/31/2023	-1.48%	-1.91%	-0.24%	0.00%
Estimated Incremental Rate Change as of 12/31/2024	-0.60%	-0.79%	-0.03%	0.00%
Cumulative Rate Change as of 12/31/2020	-0.13%	-0.06%	0.05%	0.00%
Cumulative Rate Change as of 12/31/2021	-0.54%	-0.47%	-0.26%	0.00%
Cumulative Rate Change as of 12/31/2022**	-13.52%	-18.53%	1.96%	0.00%
Cumulative Rate Change as of 12/31/2023	-15.00%	-20.44%	1.72%	0.00%
Cumulative Rate Change as of 12/31/2024	-15.60%	-21.23%	1.69%	0.00%

* Excludes Post Retirement Death Benefit reserve and terminated employers' assets from bookkeeping accounts.
** Includes the impact of the December 31, 2007 UAAL charge and POB credit layers dropping off due to being fully amortized.

These rates do not include any employer subvention of member contributions or any member subvention of employer contributions.

Contra Costa County Employees' Retirement Association
Estimated Employer Rate Change by Cost Group (CG) Based on December 31, 2019 Valuation

	CG#7 & 9 Combined Enhanced County	CG#8 Enhanced CCCFPD	CG#10 Enhanced Moraga-Orinda FD	CG#11 Enhanced San Ramon Valley FD
Market Value of Assets (MVA)*	$1,904,461,853	$915,191,677	$174,010,168	$420,163,390
Projected Payroll for 2020	$102,915,034	$40,809,742	$8,261,794	$22,575,038
Asset Volatility Ratio (AVR) = MVA/Payroll	18.51	22.43	21.06	18.61
Relative Volatility Ratio = CG AVR / Total Plan AVR	1.89	2.29	2.15	1.90
Estimated Incremental Rate Change as of 12/31/2020	-0.27%	-0.29%	-0.39%	-0.22%
Estimated Incremental Rate Change as of 12/31/2021	-0.79%	-0.92%	-0.94%	-0.79%
Estimated Incremental Rate Change as of 12/31/2022**	-16.84%	3.15%	4.39%	-35.42%
Estimated Incremental Rate Change as of 12/31/2023	-2.22%	-0.87%	-0.71%	-3.67%
Estimated Incremental Rate Change as of 12/31/2024	-0.85%	-0.17%	-0.11%	-1.53%
Cumulative Rate Change as of 12/31/2020	-0.27%	-0.29%	-0.39%	-0.22%
Cumulative Rate Change as of 12/31/2021	-1.06%	-1.21%	-1.33%	-1.01%
Cumulative Rate Change as of 12/31/2022**	-17.90%	1.94%	3.06%	-36.43%
Cumulative Rate Change as of 12/31/2023	-20.12%	1.07%	2.35%	-40.10%
Cumulative Rate Change as of 12/31/2024	-20.97%	0.90%	2.24%	-41.63%

	CG#12 Non-Enhanced Rodeo-Hercules FPD	CG#13 Enhanced East CCCFPD	Total Plan
Market Value of Assets (MVA)*	$38,003,108	$45,571,463	$9,185,530,147
Projected Payroll for 2020	$2,272,509	$3,907,103	$937,531,262
Asset Volatility Ratio (AVR) = MVA/Payroll	16.72	11.66	9.80
Relative Volatility Ratio = CG AVR / Total Plan AVR	1.71	1.19	1.00
Estimated Incremental Rate Change as of 12/31/2020	0.60%	-6.41%	-0.20%
Estimated Incremental Rate Change as of 12/31/2021	-0.40%	-2.58%	-0.44%
Estimated Incremental Rate Change as of 12/31/2022**	-23.64%	-20.08%	-8.04%
Estimated Incremental Rate Change as of 12/31/2023	-2.65%	-2.21%	-1.11%
Estimated Incremental Rate Change as of 12/31/2024	-1.08%	-0.90%	-0.42%
Cumulative Rate Change as of 12/31/2020	0.60%	-6.41%	-0.20%
Cumulative Rate Change as of 12/31/2021	0.20%	-8.99%	-0.64%
Cumulative Rate Change as of 12/31/2022**	-23.44%	-29.07%	-8.68%
Cumulative Rate Change as of 12/31/2023	-26.09%	-31.28%	-9.79%
Cumulative Rate Change as of 12/31/2024	-27.17%	-32.18%	-10.21%

* Excludes Post Retirement Death Benefit reserve and terminated employers' assets from bookkeeping accounts.
** Includes the impact of the December 31, 2007 UAAL charge and POB credit layers dropping off due to being fully amortized.

These rates do not include any employer subvention of member contributions or any member subvention of employer contributions.

CONTRA COSTA COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION

CONTRIBUTION RATE PACKET FOR
JULY 1, 2021 through JUNE 30, 2022

1200 Concord Avenue Suite 300 Concord CA 94520 925.521.3960
FAX: 925.521.3969 *www.cccera.org*

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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Contra Costa County Employees' Retirement Association

MEMORANDUM

Date: October 14, 2020

To: Interested Parties and Participating Employers

From: Gail Strohl, Chief Executive Officer

Subject: Contribution Rates Effective July 1, 2021

At its October 14, 2020 meeting, the Retirement Board reviewed the actuary's valuation report for the year ending December 31, 2019 and adopted the recommended employer and employee contribution rates, which will become effective on July 1, 2021. A copy of the December 31, 2019 Actuarial Valuation can be found on CCCERA's website at www.cccera.org under the Actuarial Valuations link.

Enclosed are the employer and employee contribution rates to be used effective July 1, 2021 through June 30, 2022.

Please note the following:

- ✓ **The rates are effective July 1, 2021 through June 30, 2022 and have not yet been adopted by the County Board of Supervisors.**
- ✓ **The rates are BEFORE ANY EMPLOYER SUBVENTION of the employee contribution.** The rates quoted here are the employer required rates without taking into consideration any employer subvention of employee contributions. A convenient methodology for adding subvention is included for your use on page 21. Note that subvention is not always permitted for PEPRA members.
- ✓ **The rates are BEFORE ANY INCREASE IN EMPLOYEE RATE to pay a portion of the employer contribution.**
  If an employee's rate needs to be increased to pay a portion of the employer contribution, both employee and employer rates would need to be adjusted accordingly. A convenient methodology for adding subvention is included for your use on page 21.

1200 Concord Avenue Suite 300 Concord CA 94520 925.521.3960
FAX: 925.521.3969 *www.cccera.org*

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA

Adopted this Order on ____________________________________, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

- -

SUBJECT: Approving Contribution Rates to be charged by the Contra Costa County Employees' Retirement Association. Resolution No.______

Pursuant to Government Code Section 31454 and on recommendation of the Board of the Contra Costa County Employees' Retirement Association, BE IT RESOLVED that the following contribution rates are approved to be effective for the period July 1, 2021 through June 30, 2022.

I. Employer Contribution Rates for Basic and Cost-of-Living Components and Non-refundability Discount Factors

A. For General Members (Sec. 31676.11, Sec. 31676.16 and Sec. 7522.20(a))
See attached Exhibit A

B. For Safety Members (Sec. 31664, Sec. 31664.1 and Sec. 7522.25(d))
See attached Exhibit B

II. Employee Contribution Rates for Basic and Cost-of-Living Components

See attached Exhibits C through P

The Pension Obligation Bonds (POB) issued by the County in March 1994 and April 2003, affected contribution rates for certain County employers. The following non-County employers who participate in the Retirement Association are referred to as "Districts".

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

All other departments/employers are referred to as "County" including the Superior Court of California, Contra Costa County.

Contra Costa County Fire Protection District and Moraga-Orinda Fire Protection District issued Pension Obligation Bonds in 2005 which affected contribution rates for these two employers. Subsequently, Contra Costa County Fire Protection District has made additional payments to CCCERA for its UAAL in 2006 and 2007.

First 5 - Children & Families Commission made a UAAL prepayment in 2013 which affected contribution rates for that employer.

Central Contra Costa Sanitary District made a UAAL prepayment in 2013, 2014 and 2015 which affected contribution rates for that employer.

Local Agency Formation Commission made a UAAL prepayment in 2017 and 2019 which affected contribution rates for that employer.

San Ramon Valley Fire Protection District made a UAAL prepayment in 2017, 2018 and 2019 which affected contribution rates for the Safety members of that employer.

Effective with the December 31, 2019 valuation, Safety members of the East Contra Costa Fire Protection District are depooled from the Contra Cost County Fire Protection District's Safety cost group (Cost Group 8). Safety members of the East Contra Costa Fire Protection District are under their own cost group (Cost Group 13).

Exhibit A - 1

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

EMPLOYER CONTRIBUTION RATES EFFECTIVE FOR JULY 1, 2021 THROUGH JUNE 30, 2022 for General Tiers 1 and 3 Legacy Members

GENERAL TIERS - ENHANCED

	Cost Group #1					Cost Group #3	Cost Group #4	Cost Group #5
Tier 1 BASIC Enhanced	County	Moraga-Orinda Fire District	First 5	LAFCO	Districts without POB	Central Contra Costa Sanitary District	Contra Costa Housing Authority	Contra Costa County Fire Protection District
First $350 monthly & in Social Security	16.41%	N/A	16.32%	18.55%	19.72%	N/A	20.73%	N/A
Excess of $350 monthly & in Social Security	24.62%	N/A	24.48%	27.83%	29.59%	N/A	31.09%	N/A
All Eligible $ if NOT in Social Security	24.62%	20.11%	N/A	N/A	29.59%	36.05%	N/A	24.44%
Tier 1 COL Enhanced								
First $350 monthly	3.67%	N/A	3.74%	5.91%	6.36%	N/A	9.90%	N/A
Excess of $350 monthly	5.51%	N/A	5.62%	8.87%	9.53%	N/A	14.85%	N/A
All Eligible $ if NOT in Social Security	5.51%	4.10%	N/A	N/A	9.53%	15.41%	N/A	11.98%
Non-Refundability Factor	***0.9682***	***0.9682***	***0.9682***	***0.9682***	***0.9682***	***0.9609***	***0.9609***	***0.9752***

	Cost Group #2	
Tier 3 BASIC Enhanced	County	Districts without POB
First $350 monthly	15.60%	18.98%
Excess of $350 monthly	23.40%	28.47%
All Eligible $ if NOT in Social Security	N/A	28.47%
Tier 3 COL Enhanced		
First $350 monthly	3.48%	6.18%
Excess of $350 monthly	5.21%	9.27%
All Eligible $ if NOT in Social Security	N/A	9.27%
Non-Refundability Factor	***0.9561***	***0.9561***

GENERAL TIER NON-ENHANCED

	Cost Group #6
Tier 1 BASIC NON-Enhanced	Districts without POB
First $350 monthly	9.06%
Excess of $350 monthly	13.58%
All Eligible $ if NOT in Social Security	N/A
Tier 1 COL NON-Enhanced	
First $350 monthly	2.69%
Excess of $350 monthly	4.04%
All Eligible $ if NOT in Social Security	N/A
Non-Refundability Factor	***0.9496***

Cost Group	Employer Name	Tier
Cost Group #1	County General	Tier 1 Enhanced (2% @ 55)
	LAFCO	
	CC Mosquito & Vector Control District	
	Bethel Island Municipal Improvement District	
	First 5 - Children and Families Commission	
	Contra Costa County Employees' Retirement Association	
	Superior Court	
	East Contra Costa Fire Protection District	
	Moraga-Orinda Fire Protection District	
	Rodeo-Hercules Fire Protection District	
	San Ramon Valley Fire Protection District	
Cost Group #2	County General	Tier 3 Enhanced (2% @ 55)
	In-Home Supportive Services Authority	
	CC Mosquito & Vector Control District	
	Superior Court	
Cost Group #3	Central Contra Costa Sanitary District	Tier 1 Enhanced (2% @ 55)
Cost Group #4	Contra Costa Housing Authority	Tier 1 Enhanced (2% @ 55)
Cost Group #5	Contra Costa County Fire Protection District	Tier 1 Enhanced (2% @ 55)
Cost Group #6	Rodeo Sanitary District	Tier 1 Non-enhanced (1.67% @ 55)
	Byron Brentwood Cemetery District	

Basic rates shown include an administrative expense load of 0.65% of payroll. This load has been incorporated and adjusted as appropriate into the first $350 and excess of $350 monthly rates shown.

Exhibit A - 2

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

EMPLOYER CONTRIBUTION RATES EFFECTIVE FOR JULY 1, 2021 THROUGH JUNE 30, 2022 for General Tiers 4 and 5 PEPRA Members with 2% Maximum COLA

GENERAL PEPRA TIERS	Cost Group #1					Cost Group #3	Cost Group #4	Cost Group #5
		Moraga-Orinda			Districts	Central Contra Costa	Contra Costa	Contra Costa County
Tier 4 BASIC	County	Fire District	First 5	LAFCO	without POB	Sanitary District	Housing Authority	Fire Protection District
All Eligible $	19.98%	N/A	N/A	N/A	N/A	N/A	N/A	20.53%
Tier 4 COL								
All Eligible $	3.81%	N/A	N/A	N/A	N/A	N/A	N/A	10.45%
Non-Refundability Factor	***0.9587***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***0.9541***

	Cost Group #2	
		Districts
Tier 5 BASIC	County	without POB
All Eligible $	19.35%	24.35%
Tier 5 COL		
All Eligible $	3.64%	7.65%
Non-Refundability Factor	***0.9582***	***0.9582***

Cost Group	Employer Name	Tier
Cost Group #1	County General	Tier 4 (2.5% @ 67)
	LAFCO	
	CC Mosquito & Vector Control District	
	Bethel Island Municipal Improvement District	
	First 5 - Children and Families Commission	
	Contra Costa County Employees' Retirement Association	
	Superior Court	
	East Contra Costa Fire Protection District	
	Moraga-Orinda Fire Protection District	
	Rodeo-Hercules Fire Protection District	
	San Ramon Valley Fire Protection District	
Cost Group #2	County General	Tier 5 (2.5% @ 67)
	In-Home Supportive Services Authority	
	CC Mosquito & Vector Control District	
	Superior Court	
Cost Group #3	Central Contra Costa Sanitary District	Tier 4 (2.5% @ 67)
Cost Group #4	Contra Costa Housing Authority	Tier 4 (2.5% @ 67)
Cost Group #5	Contra Costa County Fire Protection District	Tier 4 (2.5% @ 67)
Cost Group #6	Rodeo Sanitary District	Tier 4 (2.5% @ 67)
	Byron Brentwood Cemetery District	

Some tiers are not applicable to the employers as shown above in the rate table.

Basic rates shown include an administrative expense load of 0.65% of payroll.

Exhibit A - 3

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

EMPLOYER CONTRIBUTION RATES EFFECTIVE FOR JULY 1, 2021 THROUGH JUNE 30, 2022 for General Tiers 4 and 5 PEPRA Members with 3% Maximum COLA

GENERAL PEPRA TIERS	Cost Group #1 County	Cost Group #1 Moraga-Orinda Fire District	Cost Group #1 First 5	Cost Group #1 LAFCO	Cost Group #1 Districts without POB	Cost Group #3 Central Contra Costa Sanitary District	Cost Group #4 Contra Costa Housing Authority	Cost Group #5 Contra Costa County Fire Protection District	Cost Group #6 Districts without POB
Tier 4 BASIC									
All Eligible $	20.02%	15.79%	19.87%	23.25%	25.02%	31.24%	25.64%	21.66%	9.39%
Tier 4 COL									
All Eligible $	4.78%	3.44%	4.89%	8.13%	8.79%	14.50%	13.77%	11.95%	3.15%
Non-Refundability Factor	***0.9609***	***0.9609***	***0.9609***	***0.9609***	***0.9609***	***0.9667***	***0.9662***	***0.9581***	***0.9651***

	Cost Group #2 County	Cost Group #2 Districts without POB
Tier 5 BASIC		
All Eligible $	19.52%	24.52%
Tier 5 COL		
All Eligible $	4.55%	8.56%
Non-Refundability Factor	***0.9607***	***0.9607***

Cost Group	Employer Name	Tier
Cost Group #1	County General	Tier 4 (2.5% @ 67)
	LAFCO	
	CC Mosquito & Vector Control District	
	Bethel Island Municipal Improvement District	
	First 5 - Children and Families Commission	
	Contra Costa County Employees' Retirement Association	
	Superior Court	
	East Contra Costa Fire Protection District	
	Moraga-Orinda Fire Protection District	
	Rodeo-Hercules Fire Protection District	
	San Ramon Valley Fire Protection District	
Cost Group #2	County General	Tier 5 (2.5% @ 67)
	In-Home Supportive Services Authority	
	CC Mosquito & Vector Control District	
	Superior Court	
Cost Group #3	Central Contra Costa Sanitary District	Tier 4 (2.5% @ 67)
Cost Group #4	Contra Costa Housing Authority	Tier 4 (2.5% @ 67)
Cost Group #5	Contra Costa County Fire Protection District	Tier 4 (2.5% @ 67)
Cost Group #6	Rodeo Sanitary District	Tier 4 (2.5% @ 67)
	Byron Brentwood Cemetery District	

Basic rates shown include an administrative expense load of 0.65% of payroll.

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

EMPLOYER CONTRIBUTION RATES EFFECTIVE FOR JULY 1, 2021 THROUGH JUNE 30, 2022 for Safety Tiers A and C Legacy Members

SAFETY TIERS ENHANCED	Cost Group #7 County	Cost Group #8 Contra Costa County Fire Protection District	Cost Group #10 Moraga-Orinda Fire Protection District	Cost Group #11 San Ramon Valley Fire Protection District	Cost Group #13 East Contra Costa Fire Protection District
Safety A BASIC Enhanced					
All eligible $	44.36%	34.21%	34.83%	52.06%	48.58%
Safety A COL Enhanced					
All eligible $	27.46%	36.25%	38.14%	27.91%	21.35%
Non-Refundability Factor	***0.9621***	***0.9674***	***0.9654***	***0.9682***	***0.9561***

	Cost Group #9 County
Safety C BASIC Enhanced	
All eligible $	42.65%
Safety C COL Enhanced	
All eligible $	24.78%
Non-Refundability Factor	***0.9628***

SAFETY TIER NON-ENHANCED	Cost Group #12 Rodeo-Hercules Fire Protection District
Safety A BASIC NON-Enhanced	
All eligible $	18.73%
Monthly Contribution Towards UAAL	$62,273
Safety A COL NON-Enhanced	
All eligible $	5.21%
Monthly Contribution Towards UAAL	$47,830
Non-Refundability Factor	***0.9651***

Cost Group	Employer Name	Tier
Cost Group # 7	County Safety	Tier A Enhanced (3% @ 50)
Cost Group # 8	Contra Costa County Fire Protection District	Tier A Enhanced (3% @ 50)
Cost Group # 9	County Safety	Tier C Enhanced (3% @ 50)
Cost Group # 10	Moraga-Orinda Fire Protection District	Tier A Enhanced (3% @ 50)
Cost Group # 11	San Ramon Valley Fire Protection District	Tier A Enhanced (3% @ 50)
Cost Group # 12	Rodeo Hercules Fire Protection District	Tier A Non-enhanced (2% @ 50)
Cost Group # 13	East Contra Costa Fire Protection District	Tier A Enhanced (3% @ 50)

Basic rates shown include an administrative expense load of 0.65% of payroll.

Exhibit B - 2

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

EMPLOYER CONTRIBUTION RATES EFFECTIVE FOR JULY 1, 2021 THROUGH JUNE 30, 2022 for Safety Tiers D and E PEPRA Members

SAFETY PEPRA TIERS	Cost Group #7 County	Cost Group #8 Contra Costa County Fire Protection District	Cost Group #10 Moraga-Orinda Fire Protection District	Cost Group #11 San Ramon Valley Fire Protection District	Cost Group #12 Rodeo-Hercules Fire Protection District	Cost Group #13 East Contra Costa Fire Protection District
Safety D BASIC (3% Maximum COLA)						
All eligible $	36.32%	23.92%	26.06%	40.58%	11.50%	37.54%
Monthly Contribution Towards UAAL	N/A	N/A	N/A	N/A	$17,140	N/A
Safety D COL (3% Maximum COLA)						
All eligible $	26.15%	34.25%	36.38%	25.47%	4.76%	19.27%
Monthly Contribution Towards UAAL	N/A	N/A	N/A	N/A	$13,165	N/A
Non-Refundability Factor	***0.9711***	***0.9755***	***0.9721***	***0.9747***	***0.9771***	***0.9763***

	Cost Group #8 Contra Costa County Fire Protection District	Cost Group #9 County
Safety E BASIC (2% Maximum COLA)		
All eligible $	23.96%	35.06%
Safety E COL (2% Maximum COLA)		
All eligible $	32.56%	23.95%
Non-Refundability Factor	***0.9706***	***0.9698***

Cost Group	Employer Name	Tier
Cost Group # 7	County Safety	Tier D (2.7% @ 57)
Cost Group # 8	Contra Costa County Fire Protection District	Tier D (2.7% @ 57)
	Contra Costa County Fire Protection District	Tier E (2.7% @ 57)
Cost Group # 9	County Safety	Tier E (2.7% @ 57)
Cost Group # 10	Moraga-Orinda Fire Protection District	Tier D (2.7% @ 57)
Cost Group # 11	San Ramon Valley Fire Protection District	Tier D (2.7% @ 57)
Cost Group # 12	Rodeo Hercules Fire Protection District	Tier D (2.7% @ 57)
Cost Group # 13	East Contra Costa Fire Protection District	Tier D (2.7% @ 57)

Basic rates shown include an administrative expense load of 0.65% of payroll.

Exhibit C

GENERAL Cost Group #1 Non-PEPRA Member Contribution Rates

Membership Date before January 1, 2013

Effective 7/1/21 - 6/30/22

Expressed as a Percentage of Monthly Payroll*

Entry Age	Basic not in Social Security	Basic in Social Security*	COLA	Total not in Social Security	Total in Social Security*
15	5.32%	5.33%	2.70%	8.02%	8.03%
16	5.41%	5.42%	2.75%	8.16%	8.17%
17	5.51%	5.52%	2.81%	8.32%	8.33%
18	5.61%	5.62%	2.86%	8.47%	8.48%
19	5.71%	5.72%	2.92%	8.63%	8.64%
20	5.81%	5.82%	2.97%	8.78%	8.79%
21	5.91%	5.92%	3.03%	8.94%	8.95%
22	6.01%	6.02%	3.09%	9.10%	9.11%
23	6.12%	6.13%	3.15%	9.27%	9.28%
24	6.23%	6.24%	3.21%	9.44%	9.45%
25	6.34%	6.35%	3.27%	9.61%	9.62%
26	6.45%	6.46%	3.33%	9.78%	9.79%
27	6.57%	6.58%	3.40%	9.97%	9.98%
28	6.68%	6.69%	3.46%	10.14%	10.15%
29	6.80%	6.81%	3.53%	10.33%	10.34%
30	6.92%	6.93%	3.59%	10.51%	10.52%
31	7.05%	7.06%	3.67%	10.72%	10.73%
32	7.17%	7.18%	3.73%	10.90%	10.91%
33	7.30%	7.31%	3.81%	11.11%	11.12%
34	7.44%	7.45%	3.89%	11.33%	11.34%
35	7.57%	7.58%	3.96%	11.53%	11.54%
36	7.71%	7.72%	4.04%	11.75%	11.76%
37	7.85%	7.86%	4.11%	11.96%	11.97%
38	7.99%	8.00%	4.19%	12.18%	12.19%
39	8.14%	8.15%	4.28%	12.42%	12.43%
40	8.29%	8.30%	4.36%	12.65%	12.66%
41	8.45%	8.46%	4.45%	12.90%	12.91%
42	8.60%	8.61%	4.53%	13.13%	13.14%
43	8.75%	8.76%	4.62%	13.37%	13.38%
44	8.90%	8.91%	4.70%	13.60%	13.61%
45	9.06%	9.07%	4.79%	13.85%	13.86%
46	9.22%	9.23%	4.88%	14.10%	14.11%
47	9.38%	9.39%	4.97%	14.35%	14.36%
48	9.53%	9.54%	5.05%	14.58%	14.59%
49	9.68%	9.69%	5.14%	14.82%	14.83%
50	9.84%	9.85%	5.23%	15.07%	15.08%
51	10.00%	10.01%	5.32%	15.32%	15.33%
52	10.16%	10.17%	5.41%	15.57%	15.58%
53	10.32%	10.33%	5.49%	15.81%	15.82%
54	10.48%	10.49%	5.58%	16.06%	16.07%
55	10.63%	10.64%	5.67%	16.30%	16.31%
56	10.70%	10.71%	5.71%	16.41%	16.42%
57	10.67%	10.68%	5.69%	16.36%	16.37%
58	10.64%	10.65%	5.67%	16.31%	16.32%
59	10.33%	10.34%	5.50%	15.83%	15.84%
60 and over	10.33%	10.34%	5.50%	15.83%	15.84%

Adminstrative Expense: 0.49% of payroll added to Basic rates.

COLA Loading: 55.90% applied to Basic rates prior to adjustment for administrative expenses.

***NOTE:** For members in Social Security, the rate should only be applied to monthly compensation in excess of $116.67.
The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit D

GENERAL Cost Group #2 Non-PEPRA Member Contribution Rates

Membership Date before January 1, 2013

Effective 7/1/21 - 6/30/22

Expressed as a Percentage of Monthly Payroll*

Entry Age	Basic not in Social Security	Basic in Social Security*	COLA	Total not in Social Security	Total in Social Security*
15	5.31%	5.32%	2.35%	7.66%	7.67%
16	5.40%	5.41%	2.40%	7.80%	7.81%
17	5.50%	5.51%	2.44%	7.94%	7.95%
18	5.59%	5.60%	2.49%	8.08%	8.09%
19	5.69%	5.70%	2.54%	8.23%	8.24%
20	5.79%	5.80%	2.59%	8.38%	8.39%
21	5.90%	5.91%	2.64%	8.54%	8.55%
22	6.00%	6.01%	2.69%	8.69%	8.70%
23	6.11%	6.12%	2.74%	8.85%	8.86%
24	6.22%	6.23%	2.80%	9.02%	9.03%
25	6.33%	6.34%	2.85%	9.18%	9.19%
26	6.44%	6.45%	2.90%	9.34%	9.35%
27	6.55%	6.56%	2.96%	9.51%	9.52%
28	6.67%	6.68%	3.02%	9.69%	9.70%
29	6.79%	6.80%	3.07%	9.86%	9.87%
30	6.91%	6.92%	3.13%	10.04%	10.05%
31	7.03%	7.04%	3.19%	10.22%	10.23%
32	7.16%	7.17%	3.25%	10.41%	10.42%
33	7.29%	7.30%	3.32%	10.61%	10.62%
34	7.42%	7.43%	3.38%	10.80%	10.81%
35	7.55%	7.56%	3.45%	11.00%	11.01%
36	7.69%	7.70%	3.51%	11.20%	11.21%
37	7.83%	7.84%	3.58%	11.41%	11.42%
38	7.98%	7.99%	3.66%	11.64%	11.65%
39	8.13%	8.14%	3.73%	11.86%	11.87%
40	8.27%	8.28%	3.80%	12.07%	12.08%
41	8.42%	8.43%	3.87%	12.29%	12.30%
42	8.58%	8.59%	3.95%	12.53%	12.54%
43	8.73%	8.74%	4.02%	12.75%	12.76%
44	8.88%	8.89%	4.09%	12.97%	12.98%
45	9.04%	9.05%	4.17%	13.21%	13.22%
46	9.20%	9.21%	4.25%	13.45%	13.46%
47	9.36%	9.37%	4.33%	13.69%	13.70%
48	9.50%	9.51%	4.40%	13.90%	13.91%
49	9.67%	9.68%	4.48%	14.15%	14.16%
50	9.82%	9.83%	4.55%	14.37%	14.38%
51	9.98%	9.99%	4.63%	14.61%	14.62%
52	10.14%	10.15%	4.71%	14.85%	14.86%
53	10.33%	10.34%	4.80%	15.13%	15.14%
54	10.45%	10.46%	4.86%	15.31%	15.32%
55	10.59%	10.60%	4.93%	15.52%	15.53%
56	10.70%	10.71%	4.98%	15.68%	15.69%
57	10.68%	10.69%	4.97%	15.65%	15.66%
58	10.66%	10.67%	4.96%	15.62%	15.63%
59	10.05%	10.06%	4.67%	14.72%	14.73%
60 and over	10.05%	10.06%	4.67%	14.72%	14.73%

Adminstrative Expense: 0.49% of payroll added to Basic rates.

COLA Loading: 48.80% applied to Basic rates prior to adjustment for administrative expenses.

***NOTE:** For members in Social Security, the rate should only be applied to monthly compensation in excess of $116.67.
The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit E

GENERAL Cost Group #3 Non-PEPRA Member Contribution Rates

Membership Date before January 1, 2013

Effective 7/1/21 - 6/30/22

Expressed as a Percentage of Monthly Payroll*

Entry Age	Basic	COLA	Total
15	5.50%	2.72%	8.22%
16	5.59%	2.77%	8.36%
17	5.69%	2.83%	8.52%
18	5.79%	2.88%	8.67%
19	5.90%	2.94%	8.84%
20	6.00%	2.99%	8.99%
21	6.11%	3.05%	9.16%
22	6.22%	3.11%	9.33%
23	6.33%	3.17%	9.50%
24	6.44%	3.23%	9.67%
25	6.55%	3.29%	9.84%
26	6.67%	3.36%	10.03%
27	6.79%	3.42%	10.21%
28	6.91%	3.49%	10.40%
29	7.03%	3.55%	10.58%
30	7.16%	3.62%	10.78%
31	7.29%	3.69%	10.98%
32	7.42%	3.77%	11.19%
33	7.55%	3.84%	11.39%
34	7.68%	3.91%	11.59%
35	7.82%	3.98%	11.80%
36	7.97%	4.06%	12.03%
37	8.11%	4.14%	12.25%
38	8.26%	4.22%	12.48%
39	8.42%	4.31%	12.73%
40	8.57%	4.39%	12.96%
41	8.73%	4.48%	13.21%
42	8.88%	4.56%	13.44%
43	9.04%	4.65%	13.69%
44	9.20%	4.73%	13.93%
45	9.37%	4.82%	14.19%
46	9.52%	4.91%	14.43%
47	9.68%	4.99%	14.67%
48	9.84%	5.08%	14.92%
49	10.00%	5.17%	15.17%
50	10.16%	5.25%	15.41%
51	10.32%	5.34%	15.66%
52	10.49%	5.43%	15.92%
53	10.65%	5.52%	16.17%
54	10.79%	5.60%	16.39%
55	10.89%	5.65%	16.54%
56	11.00%	5.71%	16.71%
57	10.96%	5.69%	16.65%
58	10.72%	5.56%	16.28%
59	10.28%	5.32%	15.60%
60 and over	10.28%	5.32%	15.60%

Adminstrative Expense: 0.49% of payroll added to Basic rates.

COLA Loading: 54.33% applied to Basic rates prior to adjustment for administrative expenses.

*__NOTE:__ The rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit F

GENERAL Cost Group #4 Non-PEPRA Member Contribution Rates

Membership Date before January 1, 2013

Effective 7/1/21 - 6/30/22

Expressed as a Percentage of Monthly Payroll*

Entry Age	Basic not in Social Security	Basic in Social Security*	COLA	Total not in Social Security	Total in Social Security*
15	5.29%	5.30%	2.61%	7.90%	7.91%
16	5.39%	5.40%	2.66%	8.05%	8.06%
17	5.48%	5.49%	2.71%	8.19%	8.20%
18	5.58%	5.59%	2.77%	8.35%	8.36%
19	5.68%	5.69%	2.82%	8.50%	8.51%
20	5.78%	5.79%	2.87%	8.65%	8.66%
21	5.88%	5.89%	2.93%	8.81%	8.82%
22	5.99%	6.00%	2.99%	8.98%	8.99%
23	6.09%	6.10%	3.04%	9.13%	9.14%
24	6.20%	6.21%	3.10%	9.30%	9.31%
25	6.31%	6.32%	3.16%	9.47%	9.48%
26	6.42%	6.43%	3.22%	9.64%	9.65%
27	6.54%	6.55%	3.29%	9.83%	9.84%
28	6.65%	6.66%	3.35%	10.00%	10.01%
29	6.77%	6.78%	3.41%	10.18%	10.19%
30	6.89%	6.90%	3.48%	10.37%	10.38%
31	7.02%	7.03%	3.55%	10.57%	10.58%
32	7.14%	7.15%	3.61%	10.75%	10.76%
33	7.27%	7.28%	3.68%	10.95%	10.96%
34	7.40%	7.41%	3.75%	11.15%	11.16%
35	7.54%	7.55%	3.83%	11.37%	11.38%
36	7.67%	7.68%	3.90%	11.57%	11.58%
37	7.81%	7.82%	3.98%	11.79%	11.80%
38	7.96%	7.97%	4.06%	12.02%	12.03%
39	8.11%	8.12%	4.14%	12.25%	12.26%
40	8.26%	8.27%	4.22%	12.48%	12.49%
41	8.41%	8.42%	4.30%	12.71%	12.72%
42	8.56%	8.57%	4.38%	12.94%	12.95%
43	8.71%	8.72%	4.47%	13.18%	13.19%
44	8.86%	8.87%	4.55%	13.41%	13.42%
45	9.03%	9.04%	4.64%	13.67%	13.68%
46	9.18%	9.19%	4.72%	13.90%	13.91%
47	9.33%	9.34%	4.80%	14.13%	14.14%
48	9.48%	9.49%	4.88%	14.36%	14.37%
49	9.65%	9.66%	4.98%	14.63%	14.64%
50	9.79%	9.80%	5.05%	14.84%	14.85%
51	9.96%	9.97%	5.15%	15.11%	15.12%
52	10.12%	10.13%	5.23%	15.35%	15.36%
53	10.30%	10.31%	5.33%	15.63%	15.64%
54	10.45%	10.46%	5.41%	15.86%	15.87%
55	10.59%	10.60%	5.49%	16.08%	16.09%
56	10.65%	10.66%	5.52%	16.17%	16.18%
57	10.69%	10.70%	5.54%	16.23%	16.24%
58	10.53%	10.54%	5.45%	15.98%	15.99%
59	10.07%	10.08%	5.20%	15.27%	15.28%
60 and over	10.07%	10.08%	5.20%	15.27%	15.28%

Adminstrative Expense: 0.49% of payroll added to Basic rates.

COLA Loading: 54.33% applied to Basic rates prior to adjustment for administrative expenses.

*NOTE: For members in Social Security, the rate should only be applied to monthly compensation in excess of $116.67.
The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit G

GENERAL Cost Group #5 Non-PEPRA Member Contribution Rates

Membership Date before January 1, 2013

Effective 7/1/21 - 6/30/22

Expressed as a Percentage of Monthly Payroll*

Entry Age	Basic	COLA	Total
15	5.33%	2.79%	8.12%
16	5.42%	2.84%	8.26%
17	5.52%	2.90%	8.42%
18	5.62%	2.96%	8.58%
19	5.72%	3.01%	8.73%
20	5.82%	3.07%	8.89%
21	5.92%	3.13%	9.05%
22	6.03%	3.19%	9.22%
23	6.13%	3.25%	9.38%
24	6.24%	3.31%	9.55%
25	6.35%	3.38%	9.73%
26	6.47%	3.45%	9.92%
27	6.58%	3.51%	10.09%
28	6.70%	3.58%	10.28%
29	6.82%	3.65%	10.47%
30	6.94%	3.72%	10.66%
31	7.06%	3.79%	10.85%
32	7.19%	3.86%	11.05%
33	7.32%	3.94%	11.26%
34	7.45%	4.01%	11.46%
35	7.59%	4.09%	11.68%
36	7.72%	4.17%	11.89%
37	7.87%	4.25%	12.12%
38	8.01%	4.33%	12.34%
39	8.16%	4.42%	12.58%
40	8.31%	4.51%	12.82%
41	8.47%	4.60%	13.07%
42	8.62%	4.68%	13.30%
43	8.77%	4.77%	13.54%
44	8.92%	4.86%	13.78%
45	9.08%	4.95%	14.03%
46	9.24%	5.04%	14.28%
47	9.40%	5.13%	14.53%
48	9.55%	5.22%	14.77%
49	9.71%	5.31%	15.02%
50	9.87%	5.40%	15.27%
51	10.03%	5.50%	15.53%
52	10.18%	5.58%	15.76%
53	10.35%	5.68%	16.03%
54	10.51%	5.77%	16.28%
55	10.62%	5.84%	16.46%
56	10.69%	5.88%	16.57%
57	10.75%	5.91%	16.66%
58	10.63%	5.84%	16.47%
59	10.31%	5.66%	15.97%
60 and over	10.31%	5.66%	15.97%

Adminstrative Expense: 0.49% of payroll added to Basic rates.

COLA Loading: 57.62% applied to Basic rates prior to adjustment for administrative expenses.

***NOTE:** The rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit H

GENERAL Cost Group #6 Non-PEPRA Member Contribution Rates

Membership Date before January 1, 2013

Effective 7/1/21 - 6/30/22

Expressed as a Percentage of Monthly Payroll*

Entry Age	Basic not in Social Security	Basic in Social Security*	COLA	Total not in Social Security	Total in Social Security*
15	6.05%	6.06%	2.46%	8.51%	8.52%
16	6.16%	6.17%	2.51%	8.67%	8.68%
17	6.26%	6.27%	2.55%	8.81%	8.82%
18	6.38%	6.39%	2.61%	8.99%	9.00%
19	6.49%	6.50%	2.66%	9.15%	9.16%
20	6.61%	6.62%	2.71%	9.32%	9.33%
21	6.72%	6.73%	2.76%	9.48%	9.49%
22	6.84%	6.85%	2.81%	9.65%	9.66%
23	6.96%	6.97%	2.86%	9.82%	9.83%
24	7.09%	7.10%	2.92%	10.01%	10.02%
25	7.22%	7.23%	2.98%	10.20%	10.21%
26	7.35%	7.36%	3.04%	10.39%	10.40%
27	7.48%	7.49%	3.09%	10.57%	10.58%
28	7.61%	7.62%	3.15%	10.76%	10.77%
29	7.75%	7.76%	3.21%	10.96%	10.97%
30	7.89%	7.90%	3.27%	11.16%	11.17%
31	8.03%	8.04%	3.34%	11.37%	11.38%
32	8.19%	8.20%	3.41%	11.60%	11.61%
33	8.33%	8.34%	3.47%	11.80%	11.81%
34	8.49%	8.50%	3.54%	12.03%	12.04%
35	8.65%	8.66%	3.61%	12.26%	12.27%
36	8.81%	8.82%	3.68%	12.49%	12.50%
37	8.97%	8.98%	3.75%	12.72%	12.73%
38	9.13%	9.14%	3.82%	12.95%	12.96%
39	9.29%	9.30%	3.89%	13.18%	13.19%
40	9.46%	9.47%	3.97%	13.43%	13.44%
41	9.62%	9.63%	4.04%	13.66%	13.67%
42	9.78%	9.79%	4.11%	13.89%	13.90%
43	9.95%	9.96%	4.19%	14.14%	14.15%
44	10.11%	10.12%	4.26%	14.37%	14.38%
45	10.27%	10.28%	4.33%	14.60%	14.61%
46	10.45%	10.46%	4.41%	14.86%	14.87%
47	10.61%	10.62%	4.48%	15.09%	15.10%
48	10.80%	10.81%	4.56%	15.36%	15.37%
49	10.95%	10.96%	4.63%	15.58%	15.59%
50	11.09%	11.10%	4.69%	15.78%	15.79%
51	11.20%	11.21%	4.74%	15.94%	15.95%
52	11.15%	11.16%	4.72%	15.87%	15.88%
53	11.07%	11.08%	4.68%	15.75%	15.76%
54	10.61%	10.62%	4.48%	15.09%	15.10%
55	10.61%	10.62%	4.48%	15.09%	15.10%
56	10.61%	10.62%	4.48%	15.09%	15.10%
57	10.61%	10.62%	4.48%	15.09%	15.10%
58	10.61%	10.62%	4.48%	15.09%	15.10%
59	10.61%	10.62%	4.48%	15.09%	15.10%
60 and over	10.61%	10.62%	4.48%	15.09%	15.10%

Adminstrative Expense: 0.49% of payroll added to Basic rates.
COLA Loading: 44.25% applied to Basic rates prior to adjustment for administrative expenses.

*__NOTE:__ For members in Social Security, the rate should only be applied to monthly compensation in excess of $116.67.
The rate should be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit I

SAFETY Cost Group #7 Non-PEPRA Member Contribution Rates

Membership Date before January 1, 2013

Effective 7/1/21 - 6/30/22

Expressed as a Percentage of Monthly Payroll*

Entry Age	Basic	COLA	Total
15	9.48%	6.31%	15.79%
16	9.48%	6.31%	15.79%
17	9.48%	6.31%	15.79%
18	9.48%	6.31%	15.79%
19	9.48%	6.31%	15.79%
20	9.48%	6.31%	15.79%
21	9.48%	6.31%	15.79%
22	9.62%	6.40%	16.02%
23	9.76%	6.50%	16.26%
24	9.91%	6.61%	16.52%
25	10.06%	6.71%	16.77%
26	10.21%	6.82%	17.03%
27	10.37%	6.93%	17.30%
28	10.52%	7.04%	17.56%
29	10.68%	7.15%	17.83%
30	10.85%	7.27%	18.12%
31	11.02%	7.39%	18.41%
32	11.19%	7.51%	18.70%
33	11.37%	7.63%	19.00%
34	11.55%	7.76%	19.31%
35	11.74%	7.89%	19.63%
36	11.93%	8.03%	19.96%
37	12.12%	8.16%	20.28%
38	12.31%	8.29%	20.60%
39	12.52%	8.44%	20.96%
40	12.74%	8.59%	21.33%
41	12.95%	8.74%	21.69%
42	13.18%	8.90%	22.08%
43	13.41%	9.06%	22.47%
44	13.67%	9.25%	22.92%
45	13.89%	9.40%	23.29%
46	13.91%	9.41%	23.32%
47	13.94%	9.44%	23.38%
48	13.75%	9.30%	23.05%
49 and over	13.23%	8.94%	22.17%

Adminstrative Expense: 0.49% of payroll added to Basic rates.
COLA Loading: 70.15% applied to Basic rates prior to adjustment for administrative expenses.

*__NOTE:__ The rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit J

SAFETY Cost Group #8 Non-PEPRA Member Contribution Rates

Membership Date before January 1, 2013

Effective 7/1/21 - 6/30/22

Expressed as a Percentage of Monthly Payroll*

Entry Age	Basic	COLA	Total
15	9.46%	6.59%	16.05%
16	9.46%	6.59%	16.05%
17	9.46%	6.59%	16.05%
18	9.46%	6.59%	16.05%
19	9.46%	6.59%	16.05%
20	9.46%	6.59%	16.05%
21	9.46%	6.59%	16.05%
22	9.60%	6.69%	16.29%
23	9.74%	6.80%	16.54%
24	9.89%	6.91%	16.80%
25	10.04%	7.02%	17.06%
26	10.19%	7.13%	17.32%
27	10.34%	7.24%	17.58%
28	10.50%	7.36%	17.86%
29	10.66%	7.47%	18.13%
30	10.82%	7.59%	18.41%
31	10.99%	7.72%	18.71%
32	11.17%	7.85%	19.02%
33	11.34%	7.97%	19.31%
34	11.53%	8.11%	19.64%
35	11.72%	8.25%	19.97%
36	11.90%	8.39%	20.29%
37	12.10%	8.53%	20.63%
38	12.29%	8.67%	20.96%
39	12.49%	8.82%	21.31%
40	12.71%	8.98%	21.69%
41	12.93%	9.14%	22.07%
42	13.16%	9.31%	22.47%
43	13.39%	9.48%	22.87%
44	13.64%	9.66%	23.30%
45	13.85%	9.82%	23.67%
46	13.92%	9.87%	23.79%
47	13.86%	9.83%	23.69%
48	13.77%	9.76%	23.53%
49 and over	13.26%	9.38%	22.64%

Adminstrative Expense: 0.49% of payroll added to Basic rates.

COLA Loading: 73.49% applied to Basic rates prior to adjustment for administrative expenses.

***NOTE:** The rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit K

SAFETY Cost Group #9 Non-PEPRA Member Contribution Rates

Membership Date before January 1, 2013

Effective 7/1/21 - 6/30/22

Expressed as a Percentage of Monthly Payroll*

Entry Age	Basic	COLA	Total
15	9.06%	3.90%	12.96%
16	9.06%	3.90%	12.96%
17	9.06%	3.90%	12.96%
18	9.06%	3.90%	12.96%
19	9.06%	3.90%	12.96%
20	9.06%	3.90%	12.96%
21	9.06%	3.90%	12.96%
22	9.19%	3.96%	13.15%
23	9.33%	4.02%	13.35%
24	9.47%	4.09%	13.56%
25	9.61%	4.15%	13.76%
26	9.75%	4.21%	13.96%
27	9.90%	4.28%	14.18%
28	10.05%	4.35%	14.40%
29	10.20%	4.42%	14.62%
30	10.36%	4.49%	14.85%
31	10.52%	4.56%	15.08%
32	10.69%	4.64%	15.33%
33	10.86%	4.72%	15.58%
34	11.03%	4.80%	15.83%
35	11.20%	4.87%	16.07%
36	11.38%	4.95%	16.33%
37	11.56%	5.04%	16.60%
38	11.73%	5.11%	16.84%
39	11.93%	5.21%	17.14%
40	12.12%	5.29%	17.41%
41	12.31%	5.38%	17.69%
42	12.51%	5.47%	17.98%
43	12.68%	5.55%	18.23%
44	12.78%	5.59%	18.37%
45	12.79%	5.60%	18.39%
46	12.67%	5.54%	18.21%
47	12.41%	5.42%	17.83%
48	12.74%	5.57%	18.31%
49 and over	13.32%	5.84%	19.16%

Adminstrative Expense: 0.49% of payroll added to Basic rates.
COLA Loading: 45.50% applied to Basic rates prior to adjustment for administrative expenses.

***NOTE:** The rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit L

SAFETY Cost Group #10 Non-PEPRA Member Contribution Rates

Membership Date before January 1, 2013

Effective 7/1/21 - 6/30/22

Expressed as a Percentage of Monthly Payroll*

Entry Age	Basic	COLA	Total
15	9.46%	6.33%	15.79%
16	9.46%	6.33%	15.79%
17	9.46%	6.33%	15.79%
18	9.46%	6.33%	15.79%
19	9.46%	6.33%	15.79%
20	9.46%	6.33%	15.79%
21	9.46%	6.33%	15.79%
22	9.60%	6.43%	16.03%
23	9.74%	6.52%	16.26%
24	9.89%	6.63%	16.52%
25	10.04%	6.74%	16.78%
26	10.19%	6.84%	17.03%
27	10.34%	6.95%	17.29%
28	10.50%	7.06%	17.56%
29	10.66%	7.17%	17.83%
30	10.82%	7.29%	18.11%
31	10.99%	7.41%	18.40%
32	11.17%	7.53%	18.70%
33	11.34%	7.65%	18.99%
34	11.53%	7.79%	19.32%
35	11.72%	7.92%	19.64%
36	11.90%	8.05%	19.95%
37	12.10%	8.19%	20.29%
38	12.29%	8.32%	20.61%
39	12.49%	8.46%	20.95%
40	12.71%	8.62%	21.33%
41	12.93%	8.77%	21.70%
42	13.16%	8.94%	22.10%
43	13.39%	9.10%	22.49%
44	13.64%	9.27%	22.91%
45	13.85%	9.42%	23.27%
46	13.92%	9.47%	23.39%
47	13.86%	9.43%	23.29%
48	13.77%	9.37%	23.14%
49 and over	13.26%	9.01%	22.27%

Adminstrative Expense: 0.49% of payroll added to Basic rates.
COLA Loading: 70.53% applied to Basic rates prior to adjustment for administrative expenses.

***NOTE:** The rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit M

SAFETY Cost Group #11 Non-PEPRA Member Contribution Rates

Membership Date before January 1, 2013

Effective 7/1/21 - 6/30/22

Expressed as a Percentage of Monthly Payroll*

Entry Age	Basic	COLA	Total
15	9.63%	6.78%	16.41%
16	9.63%	6.78%	16.41%
17	9.63%	6.78%	16.41%
18	9.63%	6.78%	16.41%
19	9.63%	6.78%	16.41%
20	9.63%	6.78%	16.41%
21	9.63%	6.78%	16.41%
22	9.78%	6.89%	16.67%
23	9.92%	6.99%	16.91%
24	10.07%	7.10%	17.17%
25	10.22%	7.21%	17.43%
26	10.38%	7.33%	17.71%
27	10.53%	7.44%	17.97%
28	10.69%	7.56%	18.25%
29	10.85%	7.68%	18.53%
30	11.02%	7.81%	18.83%
31	11.19%	7.93%	19.12%
32	11.37%	8.07%	19.44%
33	11.55%	8.20%	19.75%
34	11.74%	8.34%	20.08%
35	11.92%	8.47%	20.39%
36	12.11%	8.62%	20.73%
37	12.31%	8.76%	21.07%
38	12.51%	8.91%	21.42%
39	12.71%	9.06%	21.77%
40	12.92%	9.22%	22.14%
41	13.14%	9.38%	22.52%
42	13.37%	9.55%	22.92%
43	13.61%	9.73%	23.34%
44	13.84%	9.90%	23.74%
45	14.07%	10.07%	24.14%
46	14.10%	10.09%	24.19%
47	14.04%	10.05%	24.09%
48	13.78%	9.85%	23.63%
49 and over	13.01%	9.28%	22.29%

Adminstrative Expense: 0.49% of payroll added to Basic rates.

COLA Loading: 74.14% applied to Basic rates prior to adjustment for administrative expenses.

***NOTE:** The rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit N

SAFETY Cost Group #12 Non-PEPRA Member Contribution Rates

Membership Date before January 1, 2013

Effective 7/1/21 - 6/30/22

Expressed as a Percentage of Monthly Payroll*

Entry Age	Basic	COLA	Total
15	9.59%	6.98%	16.57%
16	9.59%	6.98%	16.57%
17	9.59%	6.98%	16.57%
18	9.59%	6.98%	16.57%
19	9.59%	6.98%	16.57%
20	9.59%	6.98%	16.57%
21	9.59%	6.98%	16.57%
22	9.73%	7.09%	16.82%
23	9.88%	7.21%	17.09%
24	10.02%	7.31%	17.33%
25	10.18%	7.44%	17.62%
26	10.33%	7.55%	17.88%
27	10.48%	7.67%	18.15%
28	10.64%	7.79%	18.43%
29	10.80%	7.91%	18.71%
30	10.97%	8.04%	19.01%
31	11.14%	8.17%	19.31%
32	11.32%	8.31%	19.63%
33	11.49%	8.44%	19.93%
34	11.68%	8.59%	20.27%
35	11.88%	8.74%	20.62%
36	12.06%	8.88%	20.94%
37	12.25%	9.03%	21.28%
38	12.45%	9.18%	21.63%
39	12.66%	9.34%	22.00%
40	12.88%	9.51%	22.39%
41	13.09%	9.67%	22.76%
42	13.33%	9.85%	23.18%
43	13.56%	10.03%	23.59%
44	13.78%	10.20%	23.98%
45	13.99%	10.36%	24.35%
46	14.05%	10.41%	24.46%
47	13.97%	10.35%	24.32%
48	13.81%	10.22%	24.03%
49 and over	13.07%	9.66%	22.73%

Adminstrative Expense: 0.49% of payroll added to Basic rates.

COLA Loading: 76.75% applied to Basic rates prior to adjustment for administrative expenses.

***NOTE:** The rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit O

SAFETY Cost Group #13 Non-PEPRA Member Contribution Rates

Membership Date before January 1, 2013

Effective 7/1/21 - 6/30/22

Expressed as a Percentage of Monthly Payroll*

Entry Age	Basic	COLA	Total
15	9.46%	6.85%	16.31%
16	9.46%	6.85%	16.31%
17	9.46%	6.85%	16.31%
18	9.46%	6.85%	16.31%
19	9.46%	6.85%	16.31%
20	9.46%	6.85%	16.31%
21	9.46%	6.85%	16.31%
22	9.60%	6.96%	16.56%
23	9.74%	7.07%	16.81%
24	9.89%	7.18%	17.07%
25	10.04%	7.30%	17.34%
26	10.19%	7.41%	17.60%
27	10.34%	7.53%	17.87%
28	10.50%	7.65%	18.15%
29	10.66%	7.77%	18.43%
30	10.82%	7.89%	18.71%
31	10.99%	8.02%	19.01%
32	11.17%	8.16%	19.33%
33	11.34%	8.29%	19.63%
34	11.53%	8.44%	19.97%
35	11.72%	8.58%	20.30%
36	11.90%	8.72%	20.62%
37	12.10%	8.87%	20.97%
38	12.29%	9.02%	21.31%
39	12.49%	9.17%	21.66%
40	12.71%	9.34%	22.05%
41	12.93%	9.51%	22.44%
42	13.16%	9.68%	22.84%
43	13.39%	9.86%	23.25%
44	13.64%	10.05%	23.69%
45	13.85%	10.21%	24.06%
46	13.92%	10.26%	24.18%
47	13.86%	10.22%	24.08%
48	13.77%	10.15%	23.92%
49 and over	13.26%	9.76%	23.02%

Adminstrative Expense: 0.49% of payroll added to Basic rates.

COLA Loading: 76.42% applied to Basic rates prior to adjustment for administrative expenses.

***NOTE:** The rate should be applied to all compensation up to the annual IRC 401(a)(17) compensation limit.

Exhibit P

PEPRA Tiers Member Contribution Rates

Membership Date on or after January 1, 2013

Effective 7/1/21 - 6/30/22

Expressed as a Percentage of Monthly Payroll*

General Tiers	Basic	COLA	Total
Cost Group #1 – PEPRA Tier 4 (2% COLA)	8.87%	2.02%	10.89%
Cost Group #1 – PEPRA Tier 4 (3% COLA)	8.91%	2.99%	11.90%
Cost Group #2 - PEPRA Tier 5 (2% COLA)	8.24%	1.85%	10.09%
Cost Group #2 - PEPRA Tier 5 (3%/4% COLA)	8.41%	2.76%	11.17%
Cost Group #3 - PEPRA Tier 4 (3% COLA)	8.37%	2.87%	11.24%
Cost Group #4 - PEPRA Tier 4 (3% COLA)	8.60%	2.92%	11.52%
Cost Group #5 - PEPRA Tier 4 (2% COLA)	10.28%	2.29%	12.57%
Cost Group #5 - PEPRA Tier 4 (3% COLA)	11.41%	3.79%	15.20%
Cost Group #6 - PEPRA Tier 4 (3% COLA)	9.23%	3.15%	12.38%

Safety Tiers	Basic	COLA	Total
Cost Group #7 - PEPRA Tier D	14.50%	5.79%	20.29%
Cost Group #8 - PEPRA Tier D	12.33%	5.08%	17.41%
Cost Group #8 - PEPRA Tier E	12.37%	3.39%	15.76%
Cost Group #9 - PEPRA Tier E	13.24%	3.59%	16.83%
Cost Group #10 - PEPRA Tier D	12.44%	5.13%	17.57%
Cost Group #11 - PEPRA Tier D	11.42%	4.70%	16.12%
Cost Group #12 - PEPRA Tier D	11.50%	4.76%	16.26%
Cost Group #13 - PEPRA Tier D	12.25%	5.06%	17.31%

The Basic rates shown above also include an administrative expense load of 0.49% of payroll.

*NOTE: The rate should be applied to all compensation (whether or not in Social Security) up to the applicable annual Gov. Code 7522.10(d) compensation limit.

SUBVENTION

All rates are shown as a percent of payroll.

Employee contribution rates vary depending upon their tier and age at entry. To compute the exact subvention percent for each employee, do the following:

Employee rate – Decrease the employee's rate by the subvention percent (i.e. 25%, 50%, etc.).

Employer rate – Increase the employer's rate by a **percent** of the employee's decrease using the applicable refundability factor (found on Exhibits A and B):

EXAMPLE FOR COST GROUP #3 LEGACY MEMBERS:

If the subvention percent is 25%, and
the employee's rate is 6.00%,

Employee rates should be decreased by 1.50% (25% × 6.00%)
The employer rate should be increased by 1.44% (1.50% × 0.9609)

Please note that for PEPRA members, subvention is generally not permitted. The standard under Gov. Code §7522.30(a) is that employees pay at least 50 percent of normal costs and that employers not pay any of the required employee contribution, but there are some exceptions. Gov. Code §7522.30(f) allows the terms (regarding the employee's required contribution) of a contract, including a memorandum of understanding, that is in effect on January 1, 2013, to continue through the length of a contract. This means that it is possible that an employer will subvent a portion of a PEPRA member's required contribution until the expiration date of the current contract, so long as it has been determined that the contract has been impaired.

CAUTION – these rates are for employer **subvention** of up to one-half the member contribution under Gov. Code §31581.1, NOT employer **pick-up** of employee contribution rates. When an employer subvents, the contribution subvented is not placed in the member's account and is therefore not available to the member as a refund. For this reason, the employer pays the contribution at a discount (i.e. "Refundability Factor").

Employer **pick-ups** of employee contributions are those made under Gov. Code §31581.2 and Internal Revenue Code §414 (h)(2) for the sole purpose of deferring income tax. These contributions are added to the member's account, are available to the member as a refund and are considered by CCCERA as part of the member's compensation for retirement purposes.

EMPLOYEE PAYMENT OF EMPLOYER COST

There are several reasons why the attached contribution rates may need to be adjusted to increase the employee portion including the following:

Gov. Code §31631 allows for members to pay all or part of the employer contributions.

Gov. Code §31639.95 allows for Safety members to pay a portion of the employer cost for the "3% at 50" enhanced benefit.

Gov. Code §7522.30(c) requires that an employee's contribution rate be at least equal to that of similarly situated employees.

Gov. Code §7522.30(e) allows the employee contributions to be more than one-half of the normal cost rate if the increase has been agreed to through the collective bargaining process.

If you need to increase the employee contribution rate for any reason, you will need to adjust both employee and employer rates as follows:

Employee rate – Increase the employee's rate by the desired percent of payroll.

Employer rate – Decrease the employer's rate by a **percent** of the cost-sharing percent of payroll using the applicable refundability factor:

EXAMPLE FOR COST GROUP #11 LEGACY MEMBERS:

If the required increase in the employee rate is 8.00%,

Employee rates should be increased by 8.00%.
The employer rate should be decreased by 7.75% (8.00% × 0.9682)

PREPAYMENT DISCOUNT FACTOR FOR 2021-22

Employer Contribution Prepayment Program & Discount Factor for 2021-22 is **0.9696**

If you are currently participating in the prepayment program and wish to continue, you do not need to do anything other than prepay the July 1, 2021 through June 30, 2022 contributions on or before July 31, 2021. If you wish to start participating, please contact the Accounting Department at CCCERA by March 31, 2021.

The discount factor is calculated assuming the prepayment will be received on July 31 in accordance with Gov. Code §31582(b) in lieu of 12 equal payments due at the end of each month in accordance with Gov. Code §31582(a). The discount factor for the fiscal year July 1, 2021 through June 30, 2022 will be **0.9696** based on the interest assumption of 7.00% per annum. It is calculated by discounting each of the 12 equal payments back to the date that the prepayment is made and is the sum of the discount factors shown in the table below divided by 12. Each of the discount factors below is based on how many months early the payment is made.

Payment Number	Number of Months Payment is Made Early	Discount Factor
1	0	1.0000
2	1	0.9944
3	2	0.9888
4	3	0.9832
5	4	0.9777
6	5	0.9722
7	6	0.9667
8	7	0.9613
9	8	0.9559
10	9	0.9505
11	10	0.9452
12	11	0.9399
Sum of Discount Factors Divided by 12:		0.9696

Segal

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Via Email

November 25, 2020

Gail Strohl
Chief Executive Officer
Contra Costa County Employees' Retirement Association
1200 Concord Avenue, Suite 300
Concord, CA 94520

Re: Contra Costa County Employees' Retirement Association (CCCERA) Reconciliations of Employer Contribution Rate and Unfunded Actuarial Accrued Liability by Cost Group & Allocation of Unfunded Actuarial Accrued Liability by Employers Based on the December 31, 2019 Actuarial Valuation

Dear Gail:

As requested, we are providing the following information regarding the December 31, 2019 valuation.

Exhibit A – A reconciliation of employer contribution rate changes separately for each of CCCERA's cost groups.

Exhibit B – A reconciliation of the Unfunded Actuarial Accrued Liability (UAAL) separately for each of CCCERA's cost groups.

Exhibit C – Allocation of the UAAL for each participating employer.

Reconciliation of Employer Contribution Rate Changes for Each Cost Group

Exhibit A details the changes in the recommended employer contribution rates for each cost group from the December 31, 2018 valuation to the December 31, 2019 valuation.

Observations

- The average employer rate decreased slightly from 35.73% of payroll as of December 31, 2018 to 35.66% of payroll as of December 31, 2019. As discussed in our December 31, 2019 actuarial valuation report, this decrease is primarily due to the effect of changes in member demographics on Normal Cost and other gains, partially offset by an investment return on actuarial value (i.e. after asset smoothing) less than the 7.00% assumed rate.
- The investment loss was allocated to each cost group in proportion to the assets for each cost group.

- There are other various changes shown in Exhibit A including the 18-month delay in implementation of the contribution rates calculated in the December 31, 2018 valuation, higher than expected individual salary increases, amortizing the prior year's UAAL over a greater than expected projected total payroll, etc.
- Prior to December 31, 2019, Safety members from East Contra Costa Fire Protection District were pooled with Contra Costa County Fire Protection District in Cost Group 8. Effective with the December 31, 2019 valuation, the Board took action upon a request made by East Contra Costa Fire Protection District to depool Safety members of the East Contra Costa Fire Protection District from Safety members of the Contra Cost County Fire Protection District. The depooled assets for the two employers were allocated based on their respective actuarial accrued liability as of December 31, 2018. Safety members of the East Contra Costa Fire Protection District are under their own cost group (Cost Group 13).
- In the December 31, 2019 valuation, there was a refinement made to the Entry Age actuarial cost method calculation as recommended in the December 31, 2018 actuarial audit. This refinement does not change the present value of future benefits but it does increase the normal cost slightly, with an offsetting decrease in the actuarial accrued liability. These changes result in a net increase in the average employer and member contribution rates of 0.14% and 0.04% of pay, respectively.

Reconciliation of UAAL for Each Cost Group

Exhibit B presents the changes in the UAAL by cost group from the December 31, 2018 valuation to the December 31, 2019 valuation. Note that we have combined the results for Cost Group #1 with #2 and Cost Group #7 with #9 as the UAAL for these cost groups is still pooled.

Exhibit B shows that the decrease in UAAL is mainly due to contributions paying down a portion of the UAAL, offset to some degree by an investment return on actuarial value (i.e. after asset smoothing) less than the 7.00% assumed rate. The investment loss was again generally allocated amongst the cost groups in proportion to the valuation value of assets for each cost group. All other elements of the changes in UAAL were determined based on the data specific to each separate cost group.

Allocation of UAAL by Employer

Exhibit C provides an allocation of the UAAL as of December 31, 2019 by employer.

Since the depooling action taken by the Board effective December 31, 2009, employers that are now in their own cost group have their UAAL determined separately in the valuation. For employers that do not have their own cost group, there is no UAAL maintained on an employer-by-employer basis in the valuation. In those cases, we develop contributions to fund the UAAL strictly according to projected payroll for each employer. We then use those UAAL contributions to develop a UAAL for each participating employer.

Note that the UAAL we calculate for each employer is not necessarily the liability that would be allocated to that employer in the event of a plan termination or withdrawal by that employer. It is also not the Net Pension Liability (NPL) allocated to each employer for financial reporting purposes as shown in the Governmental Accounting Standards (GAS) Statement No. 68 report.

Based on the above method, we have prepared the breakdown of the UAAL for each participating employer as shown in the enclosed Exhibit C. We also show the projected payroll for each participating employer that was used in the determination of the UAAL.

Summary of Cost Groups and Employers

The following table provides a brief summary of the employers included within each cost group, as referenced in Exhibit A and Exhibit B.

Cost Group	Employers
Cost Group #1	General County and Small Districts
Cost Group #2	General County and Small Districts
Cost Group #3	Central Contra Costa Sanitary District
Cost Group #4	Contra Costa Housing Authority
Cost Group #5	Contra Costa County Fire Protection District - General
Cost Group #6	Small Districts Non-Enhanced
Cost Group #7	Safety County (Tiers A and D)
Cost Group #8	Contra Costa County Fire Protection District - Safety
Cost Group #9	Safety County (Tiers C and E)
Cost Group #10	Moraga-Orinda Fire District
Cost Group #11	San Ramon Valley Fire District
Cost Group #12	Rodeo-Hercules Fire Protection District Non-Enhanced
Cost Group #13	East Contra Costa Fire Protection District

All results shown in this letter are based on the December 31, 2019 actuarial valuation including the participant data and actuarial assumptions on which that valuation was based. That valuation and these calculations were completed under the supervision of Andy Yeung, ASA, MAAA, FCA, Enrolled Actuary.

The undersigned is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

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

Sincerely,

Andy Yeung

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

EK/hy
Enclosures

Segal

Reconciliation of Recommended Employer Contribution from December 31, 2018 to December 31, 2019 Valuation

	Cost Group #1	Cost Group #2	Cost Group #3	Cost Group #4	Cost Group #5	Cost Group #6[1]	Cost Group #7
Recommended Employer Contribution Rate in December 31, 2018 Valuation	**31.11%**	**26.42%**	**49.86%**	**42.22%**	**32.80%**	**15.60%**	**70.32%**
1. Effect of investment return less than expected (after smoothing)	0.40%	0.40%	0.52%	0.56%	0.46%	0.00%	1.01%
2. Effect of actual contributions less/(more) than expected[2]	0.00%	0.00%	(0.10%)	0.20%	0.04%	0.00%	(0.23%)
3. Effect of additional UAAL contributions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
4. Effect of individual salary increases higher/(lower) than expected	0.20%	0.20%	0.52%	1.11%	0.28%	0.00%	0.70%
5. Effect of amortizing prior year's UAAL over a smaller/(larger) than expected projected total payroll	(0.11%)	(0.11%)	(1.18%)	0.30%	(1.23%)	0.00%	0.05%
6. Effect of COLA increases for retirees and beneficiaries lower than expected	(0.05%)	(0.05%)	(0.08%)	(0.07%)	(0.07%)	0.00%	(0.15%)
7. Effect of changes in member demographics on Normal Cost	(0.15%)	(0.24%)	(0.25%)	(0.78%)	(0.40%)	0.32%	(0.19%)
8. Effect of change in administrative expense load	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%
9. Effect of other experience (gains)/losses[3, 4]	(0.30%)	(0.47%)	0.43%	(1.08%)	1.51%	0.00%	(0.56%)
10. Effect of change in method	1.49%	0.02%	0.42%	0.63%	0.72%	0.00%	0.25%
Total Change	**1.50%**	**(0.23%)**	**0.30%**	**0.89%**	**1.33%**	**0.34%**	**0.90%**
Recommended Employer Contribution Rate in December 31, 2019 Valuation	**32.61%**	**26.19%**	**50.16%**	**43.11%**	**34.13%**	**15.94%**	**71.22%**

Note: These rates do not include any employer subvention of member contributions, or member subvention of employer contributions. This Exhibit also excludes withdrawn employers.

[1] This cost group has no Unfunded Actuarial Accrued Liability (UAAL).

[2] Due to delay in implementation of contribution rates calculated in the December 31, 2018 valuation.

[3] Other differences in actual versus expected experience including (but not limited to) mortality, retirement, disability, termination and leave cashout experience.

[4] The effect of other experience gains for Cost Group #4 of 1.08% includes a mortality gain of 0.92%.
The effect of other experience losses for Cost Group #5 of 1.51% includes a mortality loss of 0.99%.

Reconciliation of Recommended Employer Contribution from December 31, 2018 to December 31, 2019 Valuation

	Cost Group #8	Cost Group #9	Cost Group #10	Cost Group #11	Cost Group #12	Cost Group #13	Total Average Recommended Rate
Recommended Employer Contribution Rate in December 31, 2018 Valuation	**65.26%**	**61.10%**	**70.81%**	**75.79%**	**85.28%**	**111.83%**	**35.73%**
1. Effect of investment return less than expected (after smoothing)	1.22%	1.01%	1.15%	1.01%	0.91%	0.63%	0.54%
2. Effect of actual contributions less/(more) than expected[1]	(0.63%)	(0.23%)	(0.16%)	0.09%	0.08%	(1.11%)	(0.06%)
3. Effect of additional UAAL contributions	0.00%	0.00%	0.00%	(0.43%)	0.00%	0.00%	(0.01%)
4. Effect of individual salary increases higher/(lower) than expected	0.60%	0.70%	1.08%	0.62%	(1.20%)	1.58%	0.32%
5. Effect of amortizing prior year's UAAL over a smaller/(larger) than expected projected total payroll	(2.82%)	0.05%	(3.33%)	(0.58%)	6.72%	(4.91%)	(0.26%)
6. Effect of COLA increases for retirees and beneficiaries lower than expected[2]	(0.66%)	(0.15%)	(0.15%)	(0.18%)	(0.15%)	(0.06%)	(0.09%)
7. Effect of changes in member demographics on Normal Cost	(1.96%)	(0.26%)	(0.41%)	(0.64%)	0.14%	(0.38%)	(0.33%)
8. Effect of change in administrative expense load	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%
9. Effect of other experience (gains)/losses[3, 4]	5.59%	(0.56%)	1.26%	0.28%	0.83%	(39.49%)	(0.34%)
10. Effect of change in method	0.44%	0.00%	0.35%	0.64%	0.32%	(0.07%)	0.14%
Total Change	**1.80%**	**0.58%**	**(0.19%)**	**0.83%**	**7.67%**	**(43.79%)**	**(0.07%)**
Recommended Employer Contribution Rate in December 31, 2019 Valuation	**67.06%**	**61.68%**	**70.62%**	**76.62%**	**92.95%**	**68.04%**	**35.66%**

Note: These rates do not include any employer subvention of member contributions, or member subvention of employer contributions. This Exhibit also excludes withdrawn employers.

1 Due to delay in implementation of contribution rates calculated in the December 31, 2018 valuation.

2 The effect of COLA increases lower than expected for Cost Group #8 of 0.66% includes the impact of other various changes to the benefit amounts.

3 Other differences in actual versus expected experience including (but not limited to) mortality, retirement, disability, termination and leave cashout experience.

4 The effect of other experience losses for Cost Group #8 of 5.59% is primarily a result of the depooling as mentioned earlier in this letter.
The effect of other experience losses for Cost Group #10 of 1.26% includes a disability loss of 1.74%.
The effect of other experience losses for Cost Group #12 of 0.83% includes a mortality loss of 0.37%.
The effect of other experience gains for Cost Group #13 of 39.49% is primarily a result of the depooling as mentioned earlier in this letter.

Reconciliation of Unfunded Actuarial Accrued Liability from December 31, 2018 to December 31, 2019 Valuation

	Cost Groups #1 & #2	Cost Group #3	Cost Group #4	Cost Group #5	Cost Group #6	Cost Groups #7 & #9	Cost Group #8
1. Unfunded actuarial accrued liability at beginning of year[1]	**$476,534,868**	**$73,982,842**	**$7,540,395**	**$10,224,049**	**$(498,374)**	**$236,746,543**	**$120,271,168**
2. Total Normal Cost at middle of year[2]	157,621,002	9,058,129	1,488,299	1,429,504	262,268	41,547,841	16,009,523
3. Expected administrative expenses	7,447,469	389,869	63,037	63,218	10,342	1,097,771	405,775
4. Expected employer and member contributions	(252,536,721)	(21,673,423)	(3,080,883)	(2,535,692)	(271,005)	(83,627,630)	(30,438,324)
5. Interest (whole year on (1) plus half year on (2) + (3) + (4))	29,637,676	4,735,836	470,078	673,563	(36,491)	15,016,333	6,570,804
6. Expected unfunded actuarial accrued liability at end of year	$418,704,294	$66,493,253	$6,480,926	$9,854,642	$(533,260)	$210,780,858	$112,818,946
7. Actuarial (gain)/loss due to all changes:							
a. Investment return less than expected	$36,911,584	$2,588,515	$426,876	$379,153	$55,150	$13,513,498	$6,493,929
b. Actual contributions less/(more) than expected	(407,409)	(479,185)	151,379	31,552	(75,720)	(3,046,595)	(3,374,215)
c. Gain from additional UAAL contributions	(31,680)	0	0	0	0	0	0
d. Individual salary increases higher/(lower) than expected	18,844,907	2,591,693	843,246	236,118	33,568	9,445,400	3,208,196
e. COLA increases for retirees and beneficiaries lower than expected[3]	(4,345,489)	(389,799)	(53,382)	(58,638)	(4,764)	(2,007,158)	(3,512,270)
f. Other experience (gain)/loss[4, 5]	(42,127,787)	2,054,494	(823,652)	1,244,867	(455,667)	(7,591,958)	9,088,683
g. Method change	(9,437,845)	(2,095,302)	(103,353)	(866,741)	0	(1,626,137)	(2,989,978)
h. Total changes	$(593,719)	$4,270,416	$441,114	$966,311	$(447,433)	$8,687,050	$8,914,345
8. Unfunded actuarial accrued liability at end of year	**$418,110,575**	**$70,763,669**	**$6,922,040**	**$10,820,953**	**$(980,693)**	**$219,467,908**	**$121,733,291**

Note: Results may not add due to rounding.

[1] The UAAL at beginning of year for Cost Group # 8 reflects depooling as of beginning of year. The UAAL allocated to Contra Costa County Fire Protection District Safety members before depooling is $113,128,971.

[2] Excludes administrative expense load.

[3] Also includes impact of other changes to the benefit amounts.

[4] Other differences in actual versus expected experience including (but not limited to) mortality, retirement, disability, termination and leave cashout experience.

[5] The effect of other experience gains for Cost Groups #1 & 2 of $42,127,787 includes a retirement gain of $42,365,000.
The effect of other experience losses for Cost Group #5 of $1,244,867 includes a mortality loss of $819,000.

Reconciliation of Unfunded Actuarial Accrued Liability from December 31, 2018 to December 31, 2019 Valuation

	Cost Group #10	Cost Group #11	Cost Group #12	Cost Group #13	Withdrawn Employers	Total
1. Unfunded actuarial accrued liability at beginning of year[1]	**$28,941,275**	**$50,715,454**	**$10,069,997**	**$8,700,371**	**$8,736,936**	**$1,031,965,524**
2. Total Normal Cost at middle of year[2]	3,111,943	9,170,174	817,884	0	0	240,516,567
3. Expected administrative expenses	81,571	237,723	26,742	36,782	0	9,860,300
4. Expected employer and member contributions	(6,533,697)	(20,051,373)	(2,398,638)	(4,316,294)	(1,180,054)	(428,643,735)
5. Interest (whole year on (1) plus half year on (2) + (3) + (4))	1,901,043	3,157,495	649,755	3,298,141	(907,500)	65,166,733
6. Expected unfunded actuarial accrued liability at end of year	$27,502,135	$43,229,473	$9,165,740	$7,719,000	$6,649,382	$918,865,389
7. Actuarial (gain)/loss due to all changes:						
a. Investment return less than expected	$1,234,725	$2,981,355	$269,659	$323,362	$393,621	$65,571,424
b. Actual contributions less/(more) than expected	(175,163)	260,656	25,149	(567,361)	(492)	(7,657,405)
c. Gain from additional UAAL contributions	0	(1,267,559)	0	0	0	(1,299,239)
d. Individual salary increases higher/(lower) than expected	1,167,459	1,818,810	(354,865)	806,193	0	38,640,728
e. COLA increases for retirees and beneficiaries lower than expected[3]	(164,670)	(539,294)	(45,172)	(31,413)	(358,911)	(11,510,960)
f. Other experience (gain)/loss[4]	1,349,048	843,868	251,697	(1,176,848)	1,309,326	(36,033,928)
g. Method changes	(471,164)	(1,623,299)	(241,485)	(67,201)	0	(19,522,505)
h. Total changes	$2,940,235	$2,474,537	$(95,017)	$(713,268)	$1,343,544	$28,188,115
8. Unfunded actuarial accrued liability at end of year	**$30,442,370**	**$45,704,010**	**$9,070,723**	**$7,005,732**	**$7,992,926**	**$947,053,504**

Note: Results may not add due to rounding.

[1] The UAAL at beginning of year for Cost Group # 13 reflects depooling as of beginning of year. The UAAL allocated to East Contra Costa Fire Protection District Safety members before depooling is $15,842,568.

[2] Excludes administrative expense load.

[3] Also includes impact of other changes to the benefit amounts.

[4] Other differences in actual versus expected experience including (but not limited to) mortality, retirement, disability, termination and leave cashout experience.

Contra Costa County Employees' Retirement Association UAAL Breakdown
December 31, 2019 Valuation

Employer	Unfunded Actuarial Accrued Liability (UAAL)	Projected Payroll
County	$607,938,000	$764,447,597
Superior Court	15,160,000	25,816,324
Districts:		
• Bethel Island Municipal Improvement District	$234,000	$279,517
• Byron, Brentwood, Knightsen Union Cemetery District	(176,000)	168,696
• Central Contra Costa Sanitary District	70,764,000	37,881,590
• First Five - Contra Costa Children & Families Commission	1,530,000	2,577,090
• Contra Costa County Employees' Retirement Association	4,812,000	5,736,401
• Contra Costa County Fire Protection District	132,554,000	47,167,629
• Contra Costa Housing Authority	6,922,000	5,851,340
• Contra Costa Mosquito and Vector Control District	2,919,000	3,480,292
• East Contra Costa Fire Protection District	7,209,000	4,149,275
• In-Home Supportive Services Authority	874,000	1,041,569
• Local Agency Formation Commission	82,000	171,732
• Moraga-Orinda Fire Protection District	30,726,000	8,918,107
• Rodeo Sanitary District	(805,000)	773,881
• Rodeo-Hercules Fire Protection District	9,137,000	2,351,081
• San Ramon Valley Fire Protection District	49,180,000	26,719,142
• Withdrawn Employers	7,993,000	0
Grand Total	**$947,054,000**	**$937,531,262**

Note: Results may not add due to rounding.

Contra Costa County Employees' Retirement Association

December 9, 2020
Agenda Item 11

AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING
October 14, 2020, 9:00 a.m.

The Board of Retirement meeting will be accessible telephonically at +1 (872) 240-3412, access code 623-592-485 due to the Contra Costa County and State of California Coronavirus (COVID-19) Shelter In Place Orders, and as permitted by Executive Order N-29-20 issued on March 17, 2020.

Persons who wish to make public comment may submit their comment to publiccomment@cccera.org on the day of the meeting, either before or during the meeting. Public comments are limited to any item of interest to the public that is within the subject matter jurisdiction of the Board of Retirement. (Gov't Code Section 54954.3(a).) All comments submitted will be included in the record of the meeting. The comments will be read into the record at the meeting, subject to a three-minute time limit per comment.

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

1. Pledge of Allegiance.

2. Roll Call.

3. Accept comments from the public.

4. Approve minutes from the September 9, 2020 meeting.

5. Routine items for October 14, 2020.

   a. Approve certifications of membership.
   b. Approve service and disability allowances.
   c. Accept disability applications and authorize subpoenas as required.
   d. Approve death benefits.
   e. Accept asset allocation report.
   f. Accept liquidity report.

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

6. Presentation from Segal Consulting regarding the December 31, 2019 Valuation Report.

7. Consider and take possible action to adopt the December 31, 2019 Valuation Report and contribution rates for the period July 1, 2021—June 30, 2022.

8. Consider and take possible action to amend the Actuarial Funding Policy.

9. Consider and take possible action regarding non-service connected disability retirement allowance of deceased member Sherrina Cole.

10. Consider authorizing the attendance of Board:
    a. SACRS Fall Conference, November 10-13, 2020, Virtual.

11. Miscellaneous
    a. Staff Report
    b. Outside Professionals' Report
    c. Trustees' comments

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

Contra Costa County Employees' Retirement Association

AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING
October 28, 2020, 9:00 a.m.

The Board of Retirement meeting will be accessible telephonically at +1 (224) 501-3412, access code 194-140-493 due to the Contra Costa County and State of California Coronavirus (COVID-19) Shelter In Place Orders, and as permitted by Executive Order N-29-20 issued on March 17, 2020.

Persons who wish to make public comment may submit their comment to publiccomment@cccera.org on the day of the meeting, either before or during the meeting. Public comments are limited to any item of interest to the public that is within the subject matter jurisdiction of the Board of Retirement. (Gov't Code Section 54954.3(a).) All comments submitted will be included in the record of the meeting. The comments will be read into the record at the meeting, subject to a three-minute time limit per comment.

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

1. Pledge of Allegiance.

2. Roll Call.

3. Accept comments from the public.

4. Approve minutes from the September 23, 2020 meeting.

5. Presentation of the CCCERA Asset Liability Study from Verus Investments.

6. Consider and take possible action to accept the GASB 68 report from Segal Consulting.

7. Consider and take possible action to authorize the CEO to execute an agreement with the Housing Authority of Contra Costa County for contribution and reporting deadlines.

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

8. Miscellaneous
   a. Staff Report
   b. Outside Professionals' Report
   c. Trustees' comments

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

AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING
November 4, 2020, 9:00 a.m.

The Board of Retirement meeting will be accessible telephonically at +1 (224) 501-3412, access code 782-240-429 due to the Contra Costa County and State of California Coronavirus (COVID-19) Shelter In Place Orders, and as permitted by Executive Order N-29-20 issued on March 17, 2020.

Persons who wish to make public comment may submit their comment to publiccomment@cccera.org on the day of the meeting, either before or during the meeting. Public comments are limited to any item of interest to the public that is within the subject matter jurisdiction of the Board of Retirement. (Gov't Code Section 54954.3(a).) All comments submitted will be included in the record of the meeting. The comments will be read into the record at the meeting, subject to a three-minute time limit per comment.

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

1. Pledge of Allegiance.

2. Roll Call.

3. Accept comments from the public.

4. Approve minutes from the October 14, 2020 meeting.

5. Routine items for November 4, 2020.

    a. Approve certifications of membership.
    b. Approve service and disability allowances.
    c. Accept disability applications and authorize subpoenas as required.
    d. Approve death benefits.
    e. Accept travel report.
    f. Accept asset allocation report.
    g. Accept liquidity report.

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

CLOSED SESSION

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

Member	Type Sought	Recommendation
a. David Cushman	Service Connected	Service Connected

OPEN SESSION

7. Update on pension administration system project.

8. Consider and take possible action to adopt the CCCERA Strategic Plan for 2021-2023.

9. Consider and take possible action to cause an election to be held to fill the upcoming anticipated vacancy in the alternate seventh safety member seat.

10. Consider and take possible action to authorize the CEO to execute an agreement with Central Contra Costa Sanitary District for contribution and reporting deadlines.

11. Consider and take possible action to authorize the CCCERA delegate to vote on the proposed SACRS bylaws changes.

12. Consider and take possible action on Board meeting schedule for 2021.

13. Consider authorizing the attendance of Board:
    a. 2020 Global Client Conference, Invesco Real Estate, November 9-13, 2020, Virtual.

14. Miscellaneous
    a. Staff Report
    b. Outside Professionals' Report
    c. Trustees' comments

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

Contra Costa County Employees' Retirement Association

AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING
November 18, 2020, 9:00 a.m.

The Board of Retirement meeting will be accessible telephonically at +1 (872) 240-3412, access code 604-252-085 due to the Contra Costa County and State of California Coronavirus (COVID-19) Shelter In Place Orders, and as permitted by Executive Order N-29-20 issued on March 17, 2020.

Persons who wish to make public comment may submit their comment to publiccomment@cccera.org on the day of the meeting, either before or during the meeting. Public comments are limited to any item of interest to the public that is within the subject matter jurisdiction of the Board of Retirement. (Gov't Code Section 54954.3(a).) All comments submitted will be included in the record of the meeting. The comments will be read into the record at the meeting, subject to a three-minute time limit per comment.

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

1. Pledge of Allegiance.

2. Roll Call.

3. Accept comments from the public.

4. Approve minutes from the October 28, 2020 meeting.

5. Review of total portfolio performance for period ending September 30, 2020.
    a. Presentation from Verus
    b. Presentation from staff

6. Private Equity Review
    a. Presentation from staff
    b. Presentation from StepStone

7. Presentation of alternative investment fees and expense report.

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

8. Update on Private Equity Commitment.

9. Consider and take possible action to adopt the 2021 CCCERA budget.

10. Consider and take possible action to authorize issuance of a Request for Proposal for Other Post-Employment Benefits (OPEB) Trust Actuarial Services.

11. Consider and take possible action to authorize the CEO to execute an agreement with San Ramon Valley Fire Protection District for contribution and reporting deadlines.

12. Consider authorizing the attendance of Board:
    a. Public Employee Benefits Institute, IFEBP, December 8-10, 2020, Virtual. (Note: Conflict with Meeting)
    b. Roundtable for Public Pension Funds, Institutional Investor, February 18, 2021, Virtual.

13. Miscellaneous
    a. Staff Report
    b. Outside Professionals' Report
    c. Trustees' comments

POINT MOLATE

Environmental groups sue over development

Richmond is considering approval for mixed-use project at the former base

By Annie Sciacca
asciacca@bayareanewsgroup.com

RICHMOND » A coalition of environmental groups, including the Sierra Club, is suing the city of Richmond over its approval of a controversial mixed-use project that would build about 1,450 homes and more than 400,000 square feet of commercial space on the Point Molate peninsula, the site of a former military base.

The plaintiffs, which also include groups such as the Golden Gate Audubon Society, California Native Plant Society, Ocean Awareness Project and a collection of people opposed to the project called the Point Molate Alliance, say the city's environmental impact report failed to properly address the project's impacts on the environment, sufficiently evaluate alternatives to the development or respond to comments from the public.

The lawsuit, filed Friday in Contra Costa County Superior Court, goes on to say that the project as proposed by Winehaven Legacy LLC and approved by the City Council is inconsistent with the city's general plan, thereby rendering it "invalid."

"The project's Environmental Impact Report was completely inadequate, ignoring significant impacts to rare ecosystems and failing to respond to serious concerns raised by many members of the Richmond community and responsible agencies," Norman La Force, an attorney representing the petitioners in this case and a member of the Sierra Club San Francisco Bay Chapter Executive Committee, said in a written statement.

Mayor Tom Butt said he was not surprised by the filing of a lawsuit and is confident city staff and contractors tasked with developing the environmental report and analyzing the project were "highly competent."

"I believe we did everything right," he said. "All of these issues have been examined, argued, picked over, fought about for 20 years."

The proposal approved last month by a majority of the council calls for reserving about 70% of the Point Molate site — 193 acres — for public parks and open space. Along with housing and commercial space, the plan includes building a fire and police station and rehabilitating existing historical buildings into a "live-work" village.

The plaintiffs argue that residents and opponents of the project were not given sufficient time or in some cases, advanced notice, to comment at various meetings and hearings. They

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Lawsuit

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contend the city also did not properly consider the impacts of climate change and the threat of wildfire to the area.

Butt said the council and city officials discussed the threat of wildfires and were assured by experts that the risk would not be as high as project opponents say.

A letter from East Bay Regional Parks District Manager Robert Doyle submitted to the city in September has echoed concerns by the environmental groups. In it, Doyle rejects previous requests that the park district potentially manage the hillside open space at Point Molate, citing the risk posed by having homes in the area.

"It is our opinion that the design of Suncal's development areas between the Shoreline and the slope of Ridgeline poses an extreme fire danger which cannot be mitigated by having a fire station nearby," Doyle writes.

It's one of many concerns brought by residents and activists who say the project's environmental report disregards impacts that could be significant, such as the loss of eelgrass beds from any ferry service or water taxi and pollution from construction runoff. Two rare ecosystems at Point Molate— coastal prairie and northern coastal bluff scrub — could be significantly damaged, some environmentalists say.

They have also raised concern about future development over sites sacred to indigenous people. Courtney Cummings, a Richmond spokesperson for the Confederated Villages of Lisjan (commonly known as the Ohlone people) on Point Molate issues, said it is "heartbreaking" to desecrate the remains of people buried at the site centuries ago.

"To have their burial sites be turned into a housing project or a parking lot or sewage treatment facility shows the ultimate disrespect to indigenous Americans, the First People of this land," Cummings said.

The plaintiffs and their allies had suggested an alternative: building some commercial space, including a hotel, to promote jobs at Point Molate while keeping most of property open as accessible land and moving housing to downtown.

They have also criticized the project as too high-end — the agreement commits the developers to only 67 units of affordable housing. While city law would require additional affordable housing based on the actual number of units and affordability levels, the developer can meet that obligation by paying in lieu fees instead of actually building affordable units.

Butt countered that the city needs more housing of all kinds — both market rate and affordable, and that city leaders have "been actively recruiting developers in the downtown."

Of the future of the site and the lawsuit, he said, "we'll just have to see how it plays out."

Contact Annie Sciacca at 925-943-8073.

Alamo: Measure W aims to increase local parks funding without raising taxes

Ballot question asks voters to raise county's financial allocation to $1.75M

by Ryan J. Degan / Danville San Ramon

Uploaded: Tue, Oct 13, 2020, 2:23 pm

Amid a slew of state propositions and the county sales tax measure, voters in the unincorporated community of Alamo have their own ballot question with Measure W, which seeks to increase the financial appropriations limit for Alamo Parks and Recreation with no tax increase implications.

Placed on the ballot by the Contra Costa County Board of Supervisors, Measure W seeks to raise the county's financial allocation to Alamo parks services to $1.75 million for 2019-20 and adjusted thereafter based on Alamo's changes in the cost-of-living and population -- all without raising taxes for residents in Alamo or other parts of Contra Costa County.

A simple majority is required for Measure W to pass.

"A 'Yes' vote on Measure W allows tax money already collected by the County on your property tax bill to be spent in your Alamo community," proponent Anne Struthers wrote in the ballot argument in favor of Measure W -- written on behalf of the Alamo Municipal Advisory Council.

"Vote to preserve property values by keeping our property tax dollars in Alamo to maintain and expand our parks and recreational programs while not raising your taxes," Struthers added.

Struthers explained that the need for Measure W is based on California state law that allows Alamo voters to increase their share of county property tax revenues funds for park services every four years.

Property taxes paid by Alamo residents over the past 35 years have been used to build and maintain a number of public lands and recreational facilities in the region, according to Struthers, such as Livorna Park, Alamo School Field and Batting Cages, Rancho Romero Field and Hap Magee Ranch Park.

Struthers added that through the Alamo Municipal Advisory Council, Alamo Parks and Recreation is building a new trailside park in Alamo, Hemme Station Park, which she said "will enhance the Alamo park system and improve our lifestyles in Alamo."

"Alamo MAC was responsive to residents' requests for recreational activities by establishing a partnership with the YMCA to offer exercise classes, programming for youth sports, and trips for seniors. Without an increase in the appropriations limit, which will not increase your taxes, parks and recreation would suffer in our community," Struthers said.

No argument opposed to Measure W was filed with Contra Costa County's Elections Division.

The ballot question reads, "Shall the appropriations limit under California Article XIII-B for County Service Area R-7 (Alamo Parks and Recreation) be increased to $1,750,000 and adjusted for changes in the cost-of-living and population, with the increase effective for the Fiscal Years 2019/2020 through 2023/2024 (inclusive) to provide for the expenditure of funds that will be available to the Service Area during the stated fiscal years?"

East Contra Costa Fire Protection District Mulls Major Merger

By John Ramos October 17, 2020 at 7:02 pm

OAKLEY (KPIX) — During the Great Recession of 2009, East Contra Costa County Fire Protection District began closing fire stations, from nine down to only three. Now the district's board is considering voting themselves out of existence to change that.

From the time a call goes out, firefighters get ready to roll in about a minute and a half. The rest of the response time is spent driving to an incident.

"Throughout the majority of our territory, we should be within four minutes of response to any point in the area and we're pushing anywhere from eight to 10 minutes at this point," said East Contra Costa Fire's public information officer Steve Aubert.

That's a problem for people living in the remote Summer Lake development east of Oakley. They actually have a new fire station nearby provided by the developer but East Contra Costa Fire has never had enough money to keep it staffed.

"We have a very large retirement community out here," said Summer Lake resident Juliana Petrosh. "Like I say, if someone has a heart attack or a medical emergency, ten minutes can be forever."

East Contra Costa Fire only has three stations to serve 250 square miles with more than a quarter million residents. Now, the fire district board has begun looking into the possibility of dissolving itself to consolidate their existing resources into the county's larger Con Fire district. here are more questions than answers about what that proposal might do.

"What does that mean?" Aubert said. "If we do consolidate, with the money that we already currently have, does that mean we can open up additional stations? Does that mean we can actually put more firefighters on the street any given day of the week?"

That's what an independent evaluator will be assessing. It's hard to get new taxes passed in the generally-conservative area. At present, Contra Costa County stands to benefit from two tax measures on the ballot: Proposition 15 and Measure X. But, because East Contra Costa Fire is a special district, it will not get any more money even if either of those passes. The district is considering whether, if it joins the county, they can finally benefit from tax measures approved by voters countywide.

"Does that mean that we have some sustainable, recurring funds that we can count on to increase those levels of services?" Auber wondered. "That's everything that we're trying to evaluate right now as well."

Consolidation is a two-way street and the county would have to approve it. No one is sure if Con Fire would be willing to take over firefighting responsibility for that much territory when many residents don't seem willing to pay extra to support it.

Posted in Local News

Oakley spars with fire district over claim city hasn't provided adequate funding

by Sam Richards, Bay City News Foundation October 19, 2020
The East Contra Costa Fire Protection District has struggled financially while voters have rejected multiple attempts by the district to obtain more funding. The district's board says the city of Oakley has not done its part to collect fire impact fees from developers. (Photo courtesy of East Contra Costa Fire Protection District/Facebook)

The city of Oakley and its county-run fire district are embroiled in a disagreement over whether the city collects enough developer impact fees to help pay for the needed level of fire protection, the fire district board's president contends.

On Oct. 8, Brian Oftedal, president of the East Contra Costa Fire Protection District board, sent Oakley a 10-page letter critical of the city's approval of new housing developments as the district is struggling to provide service to the existing homes and commercial properties. Oftedal said the city has violated terms of a 2018 contract by allowing developers to build new houses and pay fees insufficient to properly pay for fire protection.

Specifically, the fire district criticized what it called Oakley's "longstanding practice" of discounting or waiving developer fees that help pay for fire protection, and what district leaders view as Oakley's reluctance to require new development to be part of community facilities districts that collect taxes to help fund fire protection.

"Developers have been paying outdated low fees. We are clearly not being given the much-needed attention we require."

Brian Oftedal, East Contra Costa Fire Protection District board president

In his letter, Oftedal also contends that Oakley has disregarded several commitments made as part of a funding agreement between the city and the fire district about building the district's Station 55, which also involve the city's waiving of fire impact fees. He asks that the city ensure that future development contributes sufficient funding to provide "fire protection service consistent with national standards." A key step, he said Thursday, would be for Oakley to require fee increases at established intervals to keep pace with inflation.

"Developers have been paying outdated low fees," Oftedal said. "We are clearly not being given the much-needed attention we require."

Oakley's mayor responds

In a statement of his own, Oakley Mayor Kevin Romick said the city has not been reluctant to form community facility districts to ensure revenue sources for fire protection. He also said that Amazon, which will soon move into the new Contra Costa Logistics Center in Oakley is paying the "full" fire impact fees to help fund fire services, as will other occupants when they move in. The city, Romick said, can't charge higher impact fees than were originally agreed to.

Romick, who served on that fire district board himself years ago when board members were appointed by the fire district's cities, said he understands the dire "financial predicament" it is in. Over the past 25 years, the district has gone from almost entirely rural to increasingly urban. Developer fees have not kept up, and East Contra Costa voters have turned down three tax proposals in recent years that would have subsidized fire district operations. These failures include a 2012 parcel tax proposal, a proposed benefit assessment district in 2015, and a utility user tax in 2016. Partly as a result of that, three of the district's six stations sit idle and unstaffed.

This past week, the fire district's board directed its chief, Brian Helmick, to ask leaders from Oakley, Brentwood and Contra Costa County to consider declaring public safety emergencies, paving the way for the fire district to apply for federal and state relief funds. Fire districts cannot unilaterally declare such emergencies.

Developer threatens legal action

Oakley City Attorney Derek Cole said the fire district and the city have been talking for about six weeks about an update of the city's impact fees. He acknowledges that at least one developer, Discovery Builders, has threatened legal action. City officials will continue to evaluate the fire district's recommendations for impact fees, as well as Discovery Builders' concerns about raising them.

While Discovery Builders has concerns about higher developer fees, the Building Industry Association of the Bay Area weighed in on the matter in a July letter to a number of East Contra Costa elected leaders and other officials.

"While our industry remains deeply concerned about the overall negative impacts of high fees on housing production rates and home affordability, our members recognize the vital role that adequate fire protection plays in our communities," the letter said. "We want very much to be a part of the solution and we remain committed to supporting the (East County fire district's) diligent efforts in this arena."

Cole said staff needs more time to assess the fire district's proposed impact fees, which have not been increased in two decades, and Discovery Builders' concerns about them. He also said he expects the city and the fire district to reach agreements on fee-related points in the next several weeks.

"We have some real differences of opinion, but we know we have to have financially viable fire service, and the (Oakley) City Council agrees wholeheartedly," Cole said.

Oftedal isn't so optimistic about a resolution to this impasse anytime soon. "There's so much to go over," said Oftedal, adding that the discussions will indeed continue.

Assemblyman, vice mayor call for East Contra Costa Fire, ConFire merger

Assemblyman Jim Frazier, Vice Mayor Joel Bryant say they will work toward consolidation

By Judith Prieve | jprieve@bayareanewsgroup.com | Bay Area News Group

PUBLISHED: October 17, 2020 at 10:01 a.m. | UPDATED: October 19, 2020 at 8:13 a.m.

Assemblymember Jim Frazier, D-Fairfield, announced his support for consolidating the East County Fire Protection District with Contra Costa County Fire Protection District to provide improved fire and emergency services to far East County.

"How to sufficiently upgrade fire service in Brentwood, Oakley, Discovery Bay and far East County has been a critical issue for a decade or more and it's our residents who continue to suffer," Frazier said.

Brentwood Vice Mayor Joel Bryant also made clear his support in a campaign advertisement on Friday and later said he would only support the idea if it could be accomplished without tax hikes.

"This is an opportunity to provide the people of Brentwood and far East County with the fire service we need and deserve," said Bryant, who is running for mayor this November. "The two districts already provide mutual aid to each other, mainly with fire stations and personnel in Brentwood, Oakley, Discovery Bay and Antioch."

The announcements came days after the financially challenged East County Fire Protection District said it was in a state of emergency, though it can't officially declare that because only cities, counties, state and the federal government can do that. Instead, it asked for local governments to declare a public safety emergency to help the district seek potential grants and resources it cannot do alone.

Frazier, who is up for election in November, said that "drastic times call for drastic measures," adding that East County residents deserve a fire service that only consolidation will bring.

"Between the increasingly dangerous, life-threatening fire seasons, and the need for faster 911 emergency services, fire service in East County is at emergency proportions," Frazier said.

He also noted that this week the Trump Administration abruptly rejected — but later approved — California's request for federal disaster relief funds to help residents affected by the Creek and other recent fires.

"East County Fire has done its due diligence to forward every option possible to increase its service to Brentwood, Oakley and far East County, but without success. It's time now to consolidate for the safety of our residents," Frazier added.

ConFire is conducting a feasibility study regarding the possibility of consolidating both departments, which already provide mutual aid to each other. The proposed merger would include at least two additional staffed fire houses, and the salaries and benefits of ECCFPD firefighters would be made equal to that of ConFire personnel.

The assemblyman said he will contact elected officials and fire representatives in East County to begin the discussion about the merits of consolidation, which has already been on their radar.

In 2017, Frazier authored bills that aimed to reallocate property tax revenue from the East Bay Regional Park District to the East Contra Costa Fire Protection District, as a way to improve fire safety and emergency medical response. The bills faced a lot of opposition from the parks district and later that year he withdrew them.

The East Contra Costa Fire Protection District was formed in 2002 by combining the Bethel Island Fire District, The East Diablo Fire District, and the Oakley Fire District. In 2009, there were calls to consolidate East Contra Costa Fire with ConFire but the recession put a halt on it as the eastern area would have had to find ways to raise more money for the merger as its firefighters were paid less.

Frazier represents residents in Brentwood, Oakley, Discovery Bay, Bethel Island, Knightsen and Byron, all served by the East Contra Costa Fire Protection District.

Fire board says Oakley is shortchanging it for services

In a letter to the council, the board accuses city of waiving or discounting fire fees

By Judith Prieve | jprieve@bayareanewsgroup.com | Bay Area News Group
PUBLISHED: October 13, 2020 at 2:07 p.m. | UPDATED: October 15, 2020 at 4:13 p.m.

In a letter to the Oakley City Council, the East Contra Costa Fire Protection District board accuses the city of detrimental development practices that hurt its ability to provide effective fire service.

Fire Board President Brian Oftedal says in the 10-page letter emailed late last week to council members that the city breached a 2018 contract by continuing developer incentive programs and allowing new projects without requiring developers to pay for the cost of increased demands they'll place on already strained fire and medical emergency services.

"It's putting us further in a hole and making our problem worse and we need to stop this," East Contra Costa Fire Chief Brian Helmick said. "We really need to leverage and do all we can on all new development (to help pay for fire services).

"You can't continue to negotiate on our backs," he added.

Speaking on behalf of the board, Oftedal said Oakley has for years failed to collect impact fees from both residential and commercial developments or under-collected them, as he says is the case with the new Contra Costa Logistics Center light industrial park where an Amazon fulfillment center is set to soon open.

"It's in effect, asking the rest of the district to subsidize that effort by Oakley," board Vice President Stephen Smith added. "We're going to build a huge complex over here but we're not going to collect the (needed) impact fee for the station that's needed to serve it."

Mayor Kevin Romick did not answer this news organization's questions regarding the issue but said he would respond later this week after the council meets. On Monday he posted a video response on the city's Facebook page, saying that developer of Amazon and the second building under construction at the Contra Costa Logistics Center paid full fire impact fees that will go toward future fire district needs.

"The district wants the city to charge a higher impact fee for future buildings, but this project was in the works and approved well before the district proposed a higher impact fee in March of this year," he said. "The city cannot legally or morally go back and arbitrarily change the impact fee after this project was approved."

But Oftedal contends in his letter that the city stymied the district's repeated attempts in 2019 to be involved in negotiating a development agreement and fire fees with the 2-million-square-foot Contra Costa Logistics Center.

"We clearly need to communicate and collaborate better as a whole," Oftedal said. "We need to have a seat at the table. The city need not make assumptions about what our costs are."

The agreement froze the fees at the current rate, which hadn't been increased in two decades, including for three yet-undeveloped buildings on the site, even though the city knew the district was in the process of proposing new rates and said the old fees were inadequate, he said.

Oftedal said the agreement, the details of which became known to the district only weeks ago, shortchanged the district by hundreds of thousand dollars yet it included a $850,000 one-time "community benefit contribution" that the city can use how it sees fit.

"Essentially, the Logistics Center developer's agreement waived impact fees that would have gone to the district, and granted the city unrestricted funds for its own use," Oftedal said.

Since taking the helm in 2017, the fire chief has been trying to fix the district's longstanding funding issues, including impact fees. He said the letter was intended to alert the City Council of the fire services' history with the city, its current challenges and the needed remedies after the district tried for months to work things out with city staff and the mayor.

"It's disappointing that it has escalated to this point," Helmick said.

The city, which sets developer impact fees for fire protection, has been discounting and waiving them for years and is reluctant to require new development to join community facilities districts to support fire protection operations, the letter said.

Romick, however, said in his video response that's not the case, noting 16 developments have signed on to be included in such districts.

"It appears that with this letter the city of Oakley is being held to a higher standard than one that applies to the county, the city of Brentwood and to the district itself," he said.

Oftedal meanwhile said Oakley's practice of developer incentives that waive fire impact fees has hurt the district financially and limited its ability to meet national standards.

According to a 2016 district staff study, fire service response times should be 7 minutes and 30 seconds for at least 90% of its calls. The district, which serves 249 square miles with three stations — half of what's needed — responded to 90% of its calls within 12 minutes, 56 seconds in 2019.

Oftedal pointed out that the city only began charging fire impact fees in 2018 as required by its agreement to build Station 55 on Cypress Avenue.

"If the city had applied the escalator as required by law, the city's impact fees would be approximately 60% higher today," Oftedal said.

And, for seven years before the 2018 agreement, the city collected no impact fees at all from commercial development, he noted.

"In other words, nonresidential development in the city over the past decade has not contributed anything to the district's increased capital costs for providing service to that development," Oftedal wrote in the letter.

The board also accused the city of disregarding its commitments in the funding agreement regarding the building of the still-unopened Station 55. In August 2018 the district advanced the city $1.9 million to build the station because it said it hadn't yet collected enough fees to pay for it.

Oakley hasn't made any payments on the $1.9 million advance the district gave it to build Station 55, Helmick said.

Romick, however, said the $1.9 million was not a "loan" but a "contribution" to the station that the city would own.

The fire chief said the district will continue to work with Oakley, Brentwood and county officials to take on a more regional approach to solving fire service funding issues, including new fees and district-wide community facilities districts.

In August, the Brentwood City Council approved the fire district's recommended fee increases — the city's first updates since 2009.

"They (Brentwood) worked with us to clean up past issues," Helmick said.

The Oakley City Council meanwhile was originally set to discuss the district's new fees on Sept 8 but will reschedule it because staff needed more time to review them, according to City Attorney Derek Cole.

Helmick said he is hopeful that the new fees will be adopted soon.

East Bay fire district seeks emergency declaration

Officials with agency say move would let it pursue additional funding, resources

By Judith Prieve | jprieve@bayareanewsgroup.com | Bay Area News Group
PUBLISHED: October 15, 2020 at 1:22 p.m. | UPDATED: October 17, 2020 at 4:21 p.m.

Wildfires, droughts and now a pandemic have all combined to push the East Contra Costa Fire Protection District further into a state of emergency, agency officials say.

But without the authority to declare itself in such a crisis — only cities, counties, state and federal agencies can do that — the district's cries for help have largely gone unanswered, fire officials add. In an effort to change that, the fire district's board has directed its chief to work with Oakley, Brentwood and Contra Costa County to declare public safety emergencies, which would let the district apply for state and federal money that it cannot secure alone.

"Our situation has not improved," fire district Board of Directors President Brian Oftedal said about staffing, stations, equipment and response times. "We have been in the eye of the storm for years. This is one of those attempts to weather the storm by reaching out. With the assistance of local counterparts, this could get us on the radar of other governmental agencies to see what opportunities are available."

Without such help, Oftedal added, the fire district will only be able to provide "a subpar level of service."

The district has been forced to close several stations in the past few years and is down to three, half as many as fire officials say are needed to serve the district's 249 square miles and 128,000 residents. Another new station in Oakley sits idle without the money to staff it. In the past few months, the district has been working to revise the impact fees cities charge developers to help pay for fire services.

Those fees haven't been updated for years, and the district is in the process of creating a community facilities district to also help pay for operating expenses. Resources meanwhile continue to be strained as the wildfire seasons get longer and hotter and the district gets calls to help fight major blazes such as the recent SCU Lightning Complex Fire at Round Valley, Chief Brian Helmick said in his report.

"This is our opportunity to look outside the box," Oftedal said. "We need to utilize our partners to declare an emergency because at some point we are not going to be able to keep the pace. This is a way to ensure that we can get on different desks — even on the governor's desk."

Referring to the state-of-emergency declarations the fire district is seeking, "This is that cry for help — to try to be creative and turn over every rock and get to every desk that we haven't gotten to yet," he added.

Fire district board Director Joe Young agreed with the president's assessment of their agency's financial state.

"Hopefully, we will be able to come up out of the tunnel in some two- to five-year time frame," he said.

Danville Town Council issues formal opposition to Tassajara Parks housing development project

Project would construct 125 homes east of Danville

by Ryan J. Degan / Danville San Ramon

Uploaded: Wed, Oct 21, 2020, 3:55 pm

The Danville Town Council has officially taken a stance in opposition of the 125 single-family home Tassajara Parks housing development project, which is set to be reviewed by the Contra Costa County Planning Commission and Board of Supervisors.

Council members approved the resolution by a 4-1 vote, with members citing the significant policy and environmental issues the town claims the project presents. Councilman Robert Storer was the lone dissenting vote, asking the council to table the discussion.

"This has been a six-year process. It has been one where we have initially been at the table and subsequently we haven't been and that's not through any fault of ours," Town Manager Joe Calabrigo said During the special meeting Tuesday. "The project is ready to move forward to the county planning commission and is being brought to you this evening because staff believes that it's better for the town to take a position before the county does."

"The town for the last few years has raised valid policy and environmental concerns related to the project mainly because town residents stand to be those most directly impacted by the downstream impacts," he added.

Located in unincorporated Contra Costa County just east of Danville, the Tassajara Parks project is composed of two, noncontiguous, areas of land, divided as the “Northern Site” and the “Southern Site.”

The northern site proposes a 54-acre development footprint (of the total property's 771 acres) that includes 125 single-family homes, public streets, related grading, a neighborhood park, drainage facilities, staging area and other improvements.

The Project would require a change to the Contra Costa County Urban Limit Line (ULL) to include the 30-acre residential development area in the Northern Site, a move Danville council members vehemently opposed.

"It doesn't give me trust in the people who made that vote for me. I looked at that first and I said if you can make these exceptions (to the ULL), people are going to stop trusting into the system on why we do the things we do," councilwoman Lisa Blackwell said.

Calabrigo further argued that making an exception to the voter-approved ULL would need voter approval.

Town officials also took issue with concerns over the lack of available water that could service the project and new housing development, with the East Bay Municipal Utility District saying there is currently no viable source of water currently exists to serve the proposed project.

The final decision on the project will be made by county officials; however, town staff hope that coming out in direct opposition to the project will help give the town a seat at the table and potentially influence the decision by the Contra Costa County Planning Commission and Board of Supervisors.

"Us saying 'no' isn't going to stop the county from doing what they are going to do, but we need to weigh in if we want to have the ability to push it any further," said city attorney Rob Ewing.

In casting the lone dissenting vote, councilman Storer stated that he was not in favor of the project, going so far as to say that it served "no benefit to Danville," but believed that the decision should have been tabled until a future date.

"We could just sit back to see this thing unfold," he said. "If we say no right now, we're not at the table anymore and at some point we may want to be…" he said. "Instead of just saying 'opposed,' why don't we just say neutral or reschedule it? Let's just kick this can down the road a little bit to try and understand from other jurisdictions where we are at with this."

The project was scheduled to be reviewed by the Contra Costa County Planning Commission during its regular meeting on Sept. 30. However, that meeting was canceled and will be rescheduled for consideration sometime in November.

LOCAL NEWS

Two struggling Contra Costa fire districts exploring merger with larger agency

by Sam Richards, Bay City News Foundation
October 25, 2020

The Contra Costa County Fire Protection District is studying the possibility of merging with the Rodeo-Hercules Fire Protection District and/or with the financially troubled East Contra Costa Fire Protection District.

The latter move, officials say, could improve firefighting services for Brentwood, Oakley and surrounding rural areas where firefighting forces have been stretched dangerously thin.

Con Fire spokesman Steve Hill said work began this month on a Fire District Annexation Feasibility Study, being done on behalf of the three fire districts by Sacramento-based firm AP

Triton Consulting.

The study, Hill said, will be done in two phases: the first will involve an economic feasibility analysis of the East Contra Costa district. The second will then take on the actual annexation feasibility for each of the districts.

"To be clear, Con Fire is not interested in a consolidation or consolidations that would result in its subsidizing of other agencies. ... Successful consolidations will be ones that result in gains for the residents of both districts."

Steve Hill, Contra Costa County Fire Protection District

The three agencies are sharing the cost of the studies, Hill said, with the first phase expected to be completed by mid-November.

If the study's phase-one findings warrant, the second phase will be conducted for ECCFPD, Rodeo-Hercules or both. Phase two would examine whether a merger could bring about economic benefits.

"While our districts already work very closely together on mutual aid assignments across our individual borders, we all maintain completely separate operations, training and administrative functions," Hill said. "We believe this situation creates many potential areas of benefit for each of the districts involved, not the least of which is considerable economies of scale by bringing completely separate operational entities under one overhead structure."

That work, if pursued, would likely take an additional six months, Hill said.

Another attempt at finding a solution

The ECCFPD board last month approved spending $30,000 on this study. Brian Oftedal, the fire district's board president, said similar thoughts have come up periodically over the years, and that this study is another attempt at finding a solution. Also, many of the people at both Con Fire and the East Contra Costa district have turned over, Oftedal said, and that could perhaps present a new dynamic.

"We were always viewed as too much of a liability" to be a consolidation partner, Oftedal said. "Now there are suggestions that this could be doable."

There have been multiple discussions among fire service leaders about the potential benefits of merging these three agencies over the years, Hill said. Also, multiple Contra Costa County Local Agency Formation Commission reviews have identified certain efficiencies and economies of scale that could be achieved through a larger, more regional, fire service organization.

The East Contra Costa district's financial woes have been a long time in the making. Voters in the district have rejected several parcel tax assessments in the past dozen years.

The district also says that rapid development in Brentwood and Oakley hasn't been accompanied by proportionate development impact fees that help fund firefighting operations; the fire district and the city of Oakley are now in discussions about improving that situation for the district.

The Rodeo-Hercules district has also had financial difficulties. District voters in 2016 approved a $215 annual parcel tax, which may have saved the district from bankruptcy.

"To be clear, Con Fire is not interested in a consolidation or consolidations that would result in its subsidizing of other agencies; that would be counterproductive and not our intent," Con Fire's Hill said. "Successful consolidations will be ones that result in gains for the residents of both districts."

Dissimilar histories

While the Contra Costa County Fire Protection District is part of the county government structure, the East Contra Costa and Rodeo-Hercules districts are not. ECCFPD is an independent district, created in 2002 by the merger of three local fire districts. It serves Brentwood and Oakley, and unincorporated areas in East County that include Discovery Bay, Bethel Island, Knightsen, Byron, Marsh Creek and Morgan Territory.

The Rodeo Fire District was established in 1937, and the City of Hercules was annexed into the district in 1978.

The possibility of a fire district consolidation has been a popular topic with East County political candidates, most of whom favor the study.

A consolidation "is an opportunity to provide the people of Brentwood and far East County with the fire service we need and deserve," said Joel Bryant, the vice mayor of Brentwood, a current candidate for mayor and a onetime president of the ECCFPD board of directors. "The two districts already provide mutual aid to each other, mainly with fire stations and personnel in Brentwood, Oakley, Discovery Bay and Antioch."

One thing he and others stress is that there be no new taxes tied to any merger proposal.

The ECCFPD's Steve Aubert said the initial phase of the study should be illuminating, especially regarding finances.

"We're trying to turn over every rock before going back to the community with any potential ask," Aubert said.

Board of Supervisors to discuss East County fire fees

Ordinance proposes fees on new construction

Uploaded: Mon, Nov 2, 2020, 5:07 pm

Updated firefighting facilities fees that would help the cash-strapped East Contra Costa Fire Protection District could be approved Tuesday by the county's Board of Supervisors.

On Tuesday's agenda is an ordinance that would establish fees for construction of new homes and commercial structures that would help fund fire district operations.

The proposed fees would range from $1,292.13 per new single-family house; $916.99 per dwelling unit in new apartment or condominium buildings; $1,167.08 per 1,000 gross square feet of office space, and $875.31 per 1,000 gross square feet of commercial space.

Effective July 1, 2021, and every year on that date, the amount of each of the fees in the proposed ordinance would rise (or fall) according to the regional Consumer Price Index, a cost-of-living adjustment.

Independent fire protection districts in California such as ECCFPD lack the independent authority to impose development impact fees on their own, thus the county Board of Supervisors would have to approve them.

The fire district has had significant funding problems in recent years, as stable funding sources have not kept up with population growth and the increasing urbanization of East County. The fire district now has enough ongoing funding to keep open three fully staffed fire stations that provide service to a district of 249 square miles covering the cities of Brentwood and Oakley, and portions of unincorporated Contra Costa County including Discovery Bay, Bethel Island, Knightsen, Byron, Marsh Creek and Morgan Territory.

The district has three other stations sitting empty and unstaffed. District officials are working with city and county officials to improve their longstanding funding issues.

Tuesday's Board of Supervisors meeting begins at 9:30 a.m.; it can be viewed by going here.

— Bay City News Service

As fire district scrapes for funds, Oakley OKs two new housing developments | Local News Matters

The East Contra Costa Fire Protection District's new Station 55 in eastern Oakley was completed in August 2019, but remains unused due to a lack of funds to staff it. The district has been locked in a battle with Oakley and other cities to increase fees on new development to pay for fire services. (Photo by Chris Campos/Bay City News Foundation)

The Oakley City Council has approved an expansion of two major housing developments proposed on the city's East Cypress Road corridor that may eventually add more than 5,700 new residential units to the city.

The council's approval Nov. 10 came amid a continuing struggle over the financing of the East Contra Costa Fire Protection District, which this year warned local officials that a lack of funding would lead firefighters to limit its response to some residential fires during wildfire season.

Fire Chief Brian Helmick has been pushing hard to increase support for a district that includes three fire stations to cover nearly 129,000 residents across 249 square miles in eastern Contra Costa County.

At any time, the district deploys only nine firefighters on regular duty to protect Brentwood, Oakley, Discovery Bay, Bethel Island, Byron, Knightsen, Marsh Creek, Morgan Territory and surrounding rural communities. Three fire stations remain empty for a lack of funding to staff them.

The district has recently reached agreements for added financial support from Brentwood and the Contra Costa County Board of Supervisors. The fees, created to fund special Community Facilities Districts or CFDs, are attached to the cost of new housing purchases and property tax bills in order to fund local firefighting districts or other public services.

The CFD fees for the fire district were set decades ago when most of the area was rural and mostly agricultural. The rush of growth in housing construction has created a massive increase in calls but little increase in operational funding through CFDs.

An aerial image shows the 2,546-acre parcel the Oakley City Council recently approved for residential development between Bethel Island and the Summer Lake subdivision. The project will add up to 5,759 housing units in eastern Oakley. (Google image)

The Nov. 3 passage of the county's Measure X is expected to add financial support for the fire district.

The fire district has been circulating a proposal for a new schedule of fees to the county and cities in its coverage area. Despite approval from the county and Brentwood, Oakley has yet to sign on to the increase while continuing its march of housing approvals.

At the end of October, the Brentwood City Council approved allocating $1.5 million more annually to the fire district. The approval passed with the condition that Oakley and the county sign on to the new joint funding arrangement. The added funds would support hiring of a fourth crew of nine firefighters at one of its three empty stations.

Last week's Oakley City Council vote will allow added housing units to the Bethel Island Property and Lesher Property projects that will total 5,759 units across 2,546 acres adjacent to the Summer Lakes development and Bethel Island.

> "The burden of funding the staffing of the new stations is mostly falling on the new residents of Oakley."
>
> *Mayor Kevin Romick*

Helmick said Tuesday before the most recent council approval that "Oakley has been challenging" in trying to reach added financial support through a new fee structure, calling it "surprisingly difficult."

Oakley Mayor Kevin Romick again Tuesday during the council meeting expressed his reluctance to approve the new CFD structure with the fire district.

"Now we're being asked to pay for a Brentwood station," Romick said. "The burden of funding the staffing of the new stations is mostly falling on the new residents of Oakley."

Helmick did say Tuesday that he was encouraged by "recent progress in talks with city staff in Oakley" and he hopes for a resolution sometime soon.

Oakley City Manager Bryan Montgomery pointed out Wednesday that last week's house approvals are "yet another example" of the city's support of the fire district.

"When the Specific Plan for those areas was approved in 2006, the City Council required that the developments join a CFD for Fire. That approval last night confirmed over 3,000 homes in Oakley that will pay into a Fire CFD," he added in an email.

The Contra Costa County Fire Protection District has also initiated talks with its East County neighbor about the possibility of consolidation of the two districts. East County has been relying on mutual aid agreements with the county to cover their emergency staffing coverage.

San Ramon council to consider expanding Crow Canyon Specific Plan boundary area

Plus: Review agricultural preservation agreement for 125-home Tassajara Parks project

by Ryan J. Degan / Danville San Ramon

Uploaded: Mon, Nov 23, 2020, 1:48 pm

In its continued efforts to revitalize the business community in northwest San Ramon, the San Ramon City Council is set to review plans for updating and expanding the Crow Canyon Specific Plan boundary area during its regular meeting on Tuesday.

Adopted in 2006 to guide the evolution of the 128-acre office and service commercial area, city officials will consider approving targeted updates to the Crow Canyon Specific Plan (CCSP) that will be used to keep the area competitive and economically vibrant.

"The project consists of targeted updates to the CCSP intended to encourage investment and new development within the plan area through a coordinated program of public improvements and a clear pattern of land uses that provides property owners with a level of certainty regarding the future form and character of development," senior planner Cindy Yee said in a staff report.

"As full buildout of the plan area will take place incrementally over a period of many years, a vision is needed to guide future development and redevelopment in order to avoid piecemeal decisions and foreclosed opportunities," Yee added.

Updates to the plan are based on input from community members as well as city officials according to Yee, and will be used to make the plan adapt to changing conditions throughout the region, such as the concentration of retail in the City Center Bishop Ranch complex.

Some key aspects of the plan that have been supported by council members in past meeting include the creation of a walkable core area at San Ramon Square, the development of new pedestrian and bicycle improvements at the Village Center, the creation of a new Production, Distribution, and Repair (PDR) designation for businesses and the expansion of the planning area boundary to include Ryan Industrial Court.

The San Ramon City Council's regular meeting is set to be held virtually at 7 p.m. on Tuesday. Interested residents can view the meeting on the city's YouTube page or on its Zoom account using webinar ID 953 9024 2006.

Residents can submit public comments via email to CityClerk@sanramon.ca.gov. Comments must be sent prior to 6 p.m. on Tuesday and include "Public Comment 11/24/2020" in the subject line.

In other business

* Council members are also set to review a series of development agreements regarding the CityWalk Master Plan, that will be used to make sure that the 4,500 housing unit development project is in line with city ordinances.

* Next, city officials will consider authorizing Mayor Bill Clarkson to execute an agricultural preservation agreement for the Tassajara Parks residential project, which is currently under review by the Contra Costa County Planning Commission.

Located in unincorporated Contra Costa County just east of Danville, the Tassajara Parks project includes a 54-acre development footprint (of the total property's 771 acres) that includes 125 single-family homes, public streets, related grading, a neighborhood park, drainage facilities, staging area and other improvements.

City staff say the agricultural preservation agreement (APA) would preserve and protect up to 17,667 acres subject to the current county agricultural general plan and zoning standard.

"The APA would preserve certain land in the county for agriculture and open space, wetlands, or parks," community development director Debbie Chamberlain said in a staff report to the council. "The parties to the APA would be pledging to the others not to support extension of urban infrastructure or services. The city would make commitments not to annex and the County would make commitments not to change General Plan or Zoning designations to categories not compatible with agriculture."