Terminated Agency Risk Pool
June 30, 2025 Valuation

Finance & Administration Committee
September 15, 2026

Overview

- Actuarial valuation date June 30, 2025
- 120 plans in the TAP
    - 1 new agency
- Funded Ratio is 259.6%

Changes Since June 30, 2024 Valuation

- Addition of 1 agency
  - North Delta Water Agency
- Additional accrued liability of $0.7 million

Changes Continued

- Assumption changes
  - Discount rate 4.83% (4.34% on June 30, 2024, valuation)
  - Inflation rate 2.32% (2.13% on June 30, 2024, valuation)
- 2025 CalPERS Experience Study
  - The Board adopted new actuarial assumptions in November 2025
  - The assumptions applicable to the Terminated Agency Pool are incorporated in this June 30, 2025, valuation

Current and Prior Year Results

Funded Status	June 30, 2024 ($ in millions)	June 30, 2025 ($ in millions)
Fair Value of Assets	$366.6	$386.4
Accrued Liability	$159.0	$148.9
Unfunded Accrued Liability	($207.6)	($237.5)
Funded Ratio	230.5%	259.6%

TAP Assets

$Millions	June 30, 2024 Allocation		June 30, 2025 Allocation	
Immunized Segment	54.3%	$198.9	51.5%	$198.9
Non-immunized Segment	45.7%	$167.7	48.5%	$187.5
Total	100.0%	$366.6	100.0%	$386.4

Rate of return FY 2024-25: 7.6%

Sensitivity - Mortality

Sensitivity of the Funded Status to a Change in Mortality Rates

June 30, 2025	10% Lower Mortality Assumptions	Current Assumptions	10% Higher Mortality Assumptions
Funded Ratio	252.3%	259.6%	266.6%
Accrued Liability Impact	$4.3 million		($3.9) million

Sensitivity - Inflation

Sensitivity of the Funded Status to a Change in Inflation Rates

June 30, 2025	1% Lower Price Inflation	Current Assumptions	1% Higher Price Inflation
Funded Ratio	279.7%	259.6%	246.4%
Accrued Liability Impact	($10.7) million		$7.8 million