

Date: December 14, 2022

To: All StanCERA Plan Sponsors

From: Brittany Smith-Atkins, Fiscal Services Manager

Re: Government Code Section 7522.10(d)(1)  
Income and Contribution Limits for Tier 6 Members

This memo is to inform you of an important provision of the PEPRA Compensation limit for 2023 which impacts Stanislaus County Employees' Retirement Association (StanCERA) Tier 6 members.

The maximum pensionable compensation allowed for Tier 6 plan members is adjusted annually. The adjustment is calculated by the California Actuarial Advisory Panel each year and reported to StanCERA as soon as it becomes available.

The calculation begins with the 2022 calendar year maximum of \$134,974 for those included in the federal Social Security system and \$161,969 for those not included in the federal Social Security system. That number is then adjusted, based on the annual changes to the Consumer Price Index for All Urban Consumers (CPI-U) by dividing the CPI-U from the September 2022 by the September 2021 CPI-U rounded to the nearest thousandth.

- $296.808 / 274.310 = 1.082$

Applying the annual adjustment to the 2022 limits yields the following limits for calendar year 2023:

- $\$134,974 \times 1.082 = \$146,042$  (included in the federal Social Security system)
- $\$161,969 \times 1.082 = \$175,250$  (not included in the federal Social Security system)

Please make all necessary adjustments to your payroll systems to discontinue member contributions on pensionable compensation in excess of the 2023 compensation limits effective January 1, 2023.

Sincerely,



Brittany Smith-Atkins

Cc: Rick Santos  
Deanne Corbiser