



March 28, 2023

TO: Stanislaus County, Board of Supervisors
Chance Condit, Chairman
1010 10th Street, Suite 6500
Modesto, CA 95354

Stanislaus Council of Governments
Javier Lopez, Chairman
1111 I Street, Suite 308
Modesto, CA 95354

Stanislaus County Superior Court
Hugh K. Swift, Court Executive Officer
800 11th Street
Modesto, CA 95354

City of Ceres
Javier Lopez, Mayor
2720 Second Street
Ceres, CA 95307

East Side Mosquito Abatement District
Kandy Schmidt, Chairman
2000 Santa Fe Avenue
Modesto, CA 95357

Hills Ferry Cemetery District
Scott Schaa, District Manager
PO Box 657
Newman, CA 95360

Keyes Community Services District
Cody Knee, President
PO Box 699
Keyes, CA 95328

Salida Sanitary District
Gary Horton, President
PO Box 445
Salida, CA 95368

Stanislaus Regional Transit Authority
Terry Withrow, Chairman
1001 9th Street
Modesto, CA 95354

RE: Fiscal Year 2023/2024 Retirement Contribution Rates and Funded Status as of June 30, 2022

On February 28, 2023, the Board of Retirement of the Stanislaus County Employees' Retirement Association (StanCERA) accepted the June 30, 2022 Actuarial Valuation. Attached are the employer rates for Fiscal Year 2023/2024. The complete Actuarial Valuation Report can be found on StanCERA's website at www.stancera.org.

The June 30, 2022 funded status for StanCERA is 77.0 percent, a decrease from the prior year's ratio of 77.8 percent. This decrease is largely due to increase in the actuarial liability which was larger than expected. Some contributing factors include, but not limited to, larger Cost of Living Adjustments for active members, increases in the projected COLA banks for members exceeding expected inflation and higher pay increases for active members. These increases exceeded the increases realized in the actuarial value of assets which resulted in an overall decrease of the Plan's funded status.

The actuarially determined net employer contribution rate increased from 31.59 percent of payroll to 32.91 percent of payroll. The specific contribution rates per employer, plan, and tier are presented on pages 37 and 38; with the exception of StanRTA. Employee contribution rates are presented on pages 90-96.

The Board of Retirement is pleased to submit the 2022 valuation report to the employer agencies of StanCERA. Please don't hesitate to contact Brittany Smith-Atkins or Tom Stadelmaier if you have any questions.

Respectfully,

Mandip Dhillon
Chair, Board of Retirement

Attachment

cc: Tom Stadelmaier, Executive Director
Brittany Smith-Atkins, Fiscal Services Manager

**STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
ACTUARIAL VALUATION REPORT AS OF JUNE 30, 2022**

SECTION V – CONTRIBUTIONS

Tables V-7 and V-8 contain the calculations of the employer contribution rates for each group and tier.

Table V-7 Development of the General Member Contribution Rate as of June 30, 2022 for FYE 2024						
	Tier 2	Tier 3	Tier 4	Tier 5	PEPRA	TOTAL
<u>County and Former County</u>						
A. Total Normal Cost Rate	18.79%	3.00%	19.46%	19.63%	16.91%	18.07%
B. Member Contribution Rate	<u>8.20%</u>	<u>0.00%</u>	<u>4.43%</u>	<u>9.01%</u>	<u>8.45%</u>	<u>8.63%</u>
C. Employer Normal Cost Rate (A-B)	10.59%	3.00%	15.03%	10.62%	8.46%	9.44%
D. UAL Amortization Rate	18.39%	18.39%	18.39%	18.39%	18.39%	18.39%
E. Administrative Expense Rate	<u>0.86%</u>	<u>0.64%</u>	<u>1.00%</u>	<u>0.86%</u>	<u>0.80%</u>	<u>0.83%</u>
F. Net June 30, 2022 Contribution Rate (C+D+E)	29.84%	22.03%	34.42%	29.87%	27.65%	28.66%
<u>Ceres and Other Districts</u>						
A. Total Normal Cost Rate	16.80%			23.32%	18.29%	20.40%
B. Member Contribution Rate	<u>8.11%</u>			<u>9.27%</u>	<u>9.14%</u>	<u>9.17%</u>
C. Employer Normal Cost Rate (A-B)	8.69%			14.05%	9.15%	11.23%
D. UAL Amortization Rate	15.46%			15.46%	15.46%	15.46%
E. Administrative Expense Rate	<u>0.72%</u>			<u>0.88%</u>	<u>0.73%</u>	<u>0.79%</u>
F. Net June 30, 2022 Contribution Rate (C+D+E)	24.87%			30.39%	25.34%	27.48%

Administrative expenses allocated based on projected Employer Normal Cost and UAL Amortization contributions. See Table V-9.

**STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
ACTUARIAL VALUATION REPORT AS OF JUNE 30, 2022**

SECTION V – CONTRIBUTIONS

Table V-8 Development of the Safety Member Contribution Rate as of June 30, 2022 for FYE 2024				
	Tier 2	Tier 5	PEPRA	TOTAL
<u>County and Former County</u>				
A. Total Normal Cost Rate	28.21%	34.66%	26.30%	29.66%
B. Member Contribution Rate	<u>12.94%</u>	<u>14.26%</u>	<u>13.15%</u>	<u>13.57%</u>
C. Employer Normal Cost Rate (A-B)	15.27%	20.40%	13.15%	16.09%
D. UAL Amortization Rate	28.97%	28.97%	28.97%	28.97%
E. Administrative Expense Rate	<u>1.32%</u>	<u>1.47%</u>	<u>1.25%</u>	<u>1.34%</u>
F. Net June 30, 2022 Contribution Rate (C+D+E)	45.56%	50.84%	43.37%	46.40%
<u>Ceres and Other Districts</u>				
A. Total Normal Cost Rate		35.98%	29.54%	33.83%
B. Member Contribution Rate		<u>14.28%</u>	<u>14.77%</u>	<u>14.44%</u>
C. Employer Normal Cost Rate (A-B)		21.70%	14.77%	19.39%
D. UAL Amortization Rate		50.56%	50.56%	50.56%
E. Administrative Expense Rate		<u>2.15%</u>	<u>1.95%</u>	<u>2.08%</u>
F. Net June 30, 2022 Contribution Rate (C+D+E)		74.41%	67.28%	72.03%

Administrative expenses allocated based on projected Employer Normal Cost and UAL Amortization contributions. See Table V-10.

Tables V-9 and V-10 show the allocation of the administrative expense for each group and tier. The administrative expense is allocated to each group and tier based on its share of the projected employer contributions prior to inclusion of the administrative expense.