ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEARS ENDED
JUNE 30, 2023 AND 2022

STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
(STANCERA)

(PENSION TRUST FUND OF THE COUNTY OF STANISLAUS, CALIFORNIA)

This page intentionally left blank

Stanislaus County Employees' Retirement Association

(Pension Trust Fund of the County of Stanislaus, California)

Annual Comprehensive Financial Report

For the Fiscal Years Ended
June 30, 2023 and 2022

Issued By

Thomas Stadelmaier
Executive Director

Produced by
StanCERA
Staff

Table of Contents

Introductory Section

Financial Section

Table of Contents *(continued)*

Investment Section

Actuarial Section

Statistical Section

This page intentionally left blank

INTRODUCTION SECTION

This page intentionally left blank

LETTER OF TRANSMITTAL

November 20, 2023

Stanislaus County Employees' Retirement Association
Modesto, CA 95354

Dear Board Trustees and Members:

Please find enclosed the Annual Comprehensive Financial Report (ACFR) of the Stanislaus County Employees' Retirement Association (StanCERA or the Plan) for the fiscal years ended June 30, 2023 and 2022. As of June 30, 2023, it is StanCERA's 75th year of operations.

The ACFR is a detailed financial report established by the Government Finance Officers Association of the United States and Canada (GFOA) for publicly disclosing the viability of a defined benefit public retirement system. The ACFR is intended to provide users with extensive, reliable information for making management decisions, determining compliance with legal provisions, and demonstrating the responsible management and stewardship of StanCERA. StanCERA management is responsible for both the accuracy of the data and the completeness and fairness of the presentation of financial information within this ACFR, including all disclosures.

StanCERA is a multiple employer public employees' retirement system established by Stanislaus County on July 1, 1948. StanCERA is operated and administered by the Board of Retirement (the Board) to provide retirement, disability, death, and survivor benefits for its members under the California State Government Code, Section 31450 et seq. known as the County Employees Retirement Law of 1937 (CERL) and the Public Employees' Pension Reform Act (PEPRA).

StanCERA and Its Services

Stanislaus County established StanCERA to provide retirement allowances and other benefits to general and safety members employed by Stanislaus County. Currently, Stanislaus County and nine participating agencies are members of StanCERA. The participating agencies are:

City of Ceres
Stanislaus Council of Governments
Stanislaus County Superior Court
East Side Mosquito Abatement District
Hills Ferry Cemetery District
Keyes Community Services District
Salida Sanitary District
Stanislaus Regional Transit Authority
Stanislaus Regional Water Authority *(As of June 30, 2023, plan sponsor has not reported wages, contributions, or service hours.)*

StanCERA and Its Services (continued)

StanCERA is governed by the County Employees Retirement Law of 1937 (CERL), and the Public Employees' Pension Reform Act (PEPRA). In addition, these legislations are complimented by the bylaws, regulations, policies, and procedures adopted by the Board of Retirement. The Stanislaus County Board of Supervisors may also adopt resolutions, as permitted by the CERL, which may affect benefits to Stanislaus County members.

The Board of Retirement is responsible for the management of StanCERA. It is comprised of nine members and two alternate members, one of whom is a safety alternate and the other a retiree alternate. The safety alternate seat is not currently filled. The Stanislaus County Board of Supervisors appoints four members; the safety members elect one member and the alternate safety member; two members are elected by the general members, while the retired members elect the retiree and alternate retiree members. In addition, the Stanislaus County Treasurer serves as an ex-officio member. Except for the Stanislaus County Treasurer, members serve three-year terms with no term limits.

Financial Information

The accompanying financial statements are prepared using the accrual basis of accounting. Contributions from employers and members are recognized when received or when due pursuant to legal requirements. Benefits are recognized when due and payable in accordance with the terms of the Plan. Expenses are recorded when corresponding liabilities are incurred, regardless of when payment is due or made. Investments are recorded at the fair value of the asset.

An overview of StanCERA's fiscal operations for the years ended June 30, 2023 and 2022, is presented in the Management's Discussion and Analysis (MD&A) located in the financial section of the ACFR. This transmittal letter, together with the MD&A, provides an expanded view of the activities of StanCERA.

Brown Armstrong Accountancy Corporation, StanCERA's independent auditor, has audited the accompanying financial statements. Management believes an adequate system of internal controls is in place and the accompanying statements, schedules, and tables are fairly presented and free from material misstatement. The concept of reasonable assurance recognizes that first, the cost of a control should not exceed the benefits likely to be derived and that second, the valuation of the cost and benefits requires estimates and judgments by management.

Internal controls over financial reporting cannot provide absolute assurance of achieving financial reporting objectives because of its inherent limitations. Internal controls over financial reporting are processes that involve human diligence and compliance and are subject to lapses in judgment and breakdowns resulting from human failures. Internal controls over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements may not be prevented or detected, timely, by internal controls over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design safeguards into the process to reduce, but not eliminate, this risk.

Net Pension Liability and Actuarial Funding

StanCERA's funding objective is to meet long-term benefit obligations by maintaining a well-funded Plan status and obtaining optimum investment returns with a reasonable risk profile. Pursuant to the CERL, StanCERA engages an independent actuary to perform an actuarial valuation of the Plan annually. Economic assumptions are normally reviewed every three years. Additionally, a triennial experience study is conducted every three years, at which time non-economic assumptions are also updated.

Cheiron, Inc. conducted the most recent valuation and triennial experience study; current assumptions went into effect on July 1, 2022. The experience study was completed as of June 30, 2021 and incorporated into the valuation for the period ending June 30, 2022 setting the contribution rates for the fiscal year beginning July 1, 2023. The Plan's Fiduciary Net Position, as a Percentage of the Total Pension Liability, is 76.0%.

Investments

The Board of Retirement has exclusive control of all StanCERA investments and is responsible for establishing investment objectives, strategies, and policies. The California Constitution and Government Code Sections 31594 and 31595 authorize the Board of Retirement to invest in any investment deemed prudent in the Board's informed opinion.

The Board has adopted an Investment Policy, which provides a framework for managing StanCERA's investments. This policy establishes StanCERA's investment objectives and defines the duties of the Board of Retirement, investment managers, and custodial bank. The asset allocation is an integral part of the Investment Policy. It is designed to provide an optimum mix of asset classes with return expectations to ensure the growth of assets to meet future liabilities, minimize employer contributions, and defray reasonable administrative costs. StanCERA engages an Investment Consultant to analyze the Investment Policy and strategy and to conduct periodic asset allocation and asset/liability studies on behalf of StanCERA. For the fiscal years ended June 30, 2023 and 2022, the Plan's investments provided a 6.8% and -6.4% rate of return, respectively. A summary of the asset allocation can be found in the Investment Section of this report.

Awards

StanCERA is the recipient of several awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to StanCERA for its ACFR for the fiscal year ended June 30, 2021. At the time of this report, StanCERA is awaiting the completed review of its ACFR for the fiscal year ended June 30, 2022. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparing state and local government financial reports. StanCERA has achieved this prestigious award for eighteen consecutive years.

To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR, the contents of which meet or exceed program standards. In addition, the ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year only. Our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA for evaluation.

StanCERA also received the Public Pension Coordinating Council's Public Pension Standards 2022 Award in recognition of meeting professional standards for plan design and administration as outlined in the Public Pension Standards.

Awards (continued)

The Public Pension Coordinating Council (PPCC) is a coalition of the following associations that represent public pension funds that cover the vast majority of public employees in the U.S.:

- National Association of State Retirement Administrators (NASRA)
- National Council on Teacher Retirement (NCTR)
- National Conference on Public Employee Retirement Systems (NCPERS)

The Public Pension Standards are intended to reflect minimum expectations for public retirement systems management and administration and serve as a benchmark by which all defined benefit public plans should be measured.

Service Efforts and Accomplishments

In 2023, StanCERA completed initial roll-out of the member portal website. The member portal is a tool available to provide instant access to personalized information regarding benefits available from StanCERA. This includes information for active members, retired members and other Plan beneficiaries. StanCERA is currently engaged in ongoing efforts to educate the membership about the use of the portal and promote the efficient and ready access to valuable information that it provides.

Also in 2023, the Board of Retirement adopted a new strategic plan, StanCERA CARES. The plan focuses on supporting the following key objectives: Customer engagement, Administrative excellence, Reporting and transparency, Efficiency and innovation and Sustainability. More information is available at stancera.org.

Acknowledgment

The compilation of this report reflects the combined efforts of many people on StanCERA's staff. It is intended to provide reliable information as the basis for making management decisions, as a means for determining compliance with legal provisions, and as a means of determining responsible stewardship of the funds of StanCERA. Both the accuracy of the data presented and the completeness and fairness of the presentation of the ACFR are the responsibility of the management of StanCERA.

I congratulate the Board, staff, and service providers of StanCERA for their commitment and diligent work to ensure the continued successful operation of StanCERA.

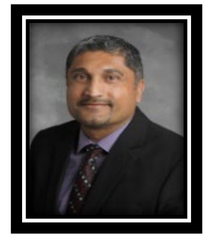
Sincerely,

Thomas Stadelmaier

Thomas Stadelmaier
Executive Director

BOARD OF RETIREMENT
JUNE 30, 2023

Seat # 1 ***Donna Riley***
Ex-Officio, Treasurer/Tax Collector



Seat # 2 ***Mandip Dhillon***
Chair, Elected by Active General Membership

Seat # 3 ***Delilah Vasquez***
Trustee, Elected by Active General Membership

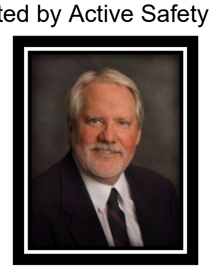
Seat # 4 ***Darin Gharat***
Vice-Chair, Appointed by the Board of Supervisors

Seat # 5 ***Mike Lynch***
Trustee, Appointed by the Board of Supervisors

Seat # 6 ***Terry Withrow***
Trustee, Appointed by the Board of Supervisors

Seat # 7 ***Joshua Clayton***
Trustee, Elected by Active Safety Membership

Seat # 7a **Vacant**
Alternate Trustee, Elected by Active Safety Membership



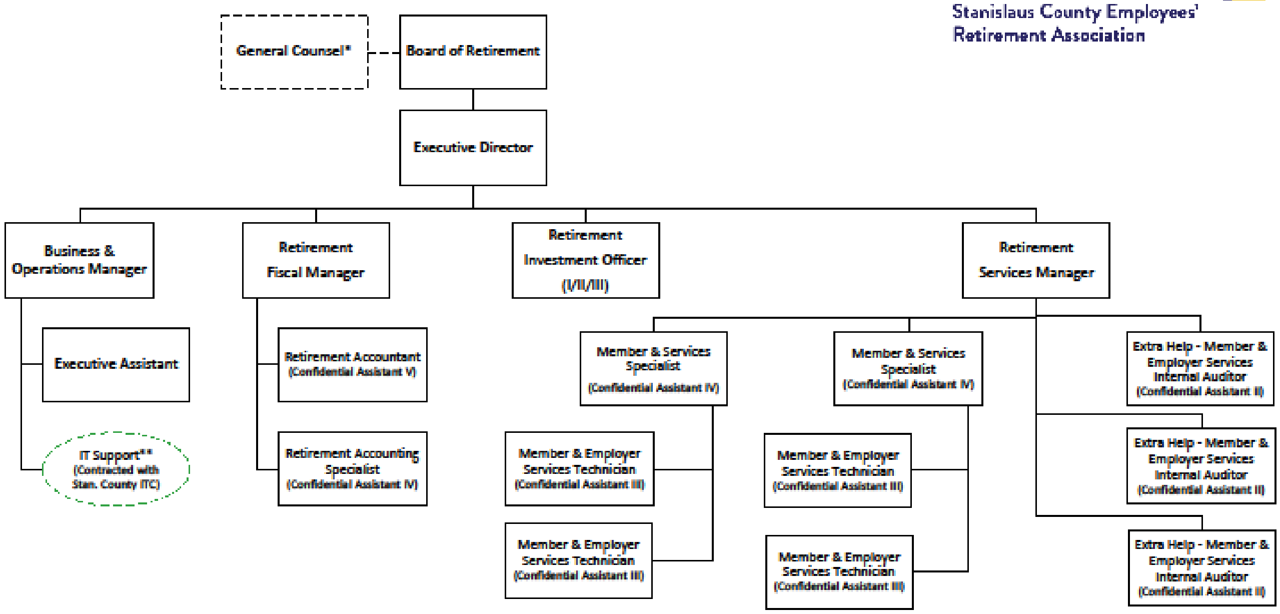
Seat # 8 **Michael O'Neal**
Trustee, Elected by Retired Membership

Seat # 8a ***Rhonda Biesemeier***
Alternate Trustee, Elected by Retired Membership

Seat # 9 ***Jeff Grover***
Trustee, Appointed by the Board of Supervisors

StanCERA ORGANIZATIONAL CHART

Effective 2023



* General Counsel: Position is allocated in administrative budget; position remains vacant.

** IT Support: Position is allocated in administrative budget; position remains vacant. StanCERA contracts with Stanislaus County ITC for onsite support.

Revised: July 12, 2023

PROFESSIONAL CONSULTANTS
JUNE 30, 2023

<u>Consulting Services</u>

Actuary
Cheiron, Inc.

Auditors
Brown Armstrong Accountancy Corporation

Investment Custodian
Northern Trust

Investment Consultant
NEPC
Verus, Inc.

Legal Counsel
Damrell Nelson Schrimp Pallios
& Silva (General Legal Counsel)
Hanson Bridgett LLP
Law Office of Ted M Cabral
Nossaman LLP
Reed Smith LLP

Technical & Data Services
Tegrit
SBT, County of Stanislaus

<u>Investment Management Services*</u>

Fixed Income
Insight
Northern Trust Intermediate Bond
Northern Trust Long Term Bond

Large Cap Value Equity
BlackRock R1000 Value
Dodge & Cox

Large Cap Growth Equity
BlackRock R1000 Growth
Northern Trust Russell 1000

Small Cap Value Equity
Attucks Asset Management

International Equity
Fidelity Asset Management (Growth)
LSV Asset Management (Value)

Real Estate Securities
Black Rock US Real Estate Index

<u>Investment Management Services*</u>

Private Credit
Abry VI
Black Rock High Yield
Callodine Loan Fund II
Medley Opportunity
Monroe Fund IV
Owl Rock First Lien
Raven Capital Management, LLC
Special Situations Fund V
White Oak Global Advisors, LLC

Private Equity
Audax Fund VII
Blue Wolf V
Clayton, Dubilier & Rice XI
Eclipse Fund V
Genstar Capital Partners X
Great Hill VIII
Gryphon Partners VI
Insight Partners XI
Northern Trust Russell 3000
Sole Source Partners II
Vista Foundation IV Fund

Private Real Estate
American Realty Advisors
Greenfield Acquisition Partners
Grandview Partners
Morgan Stanley Prime Property
PGIM Real Estate U.S. Debt
TA Realty Value Fund XIII

Infrastructure
JP Morgan IIF
North Haven Partners II LP
NTAM Infrastructure
Palistar Infrastructure II

Risk Parity
AQR
PanAgora

Liquid Absolute Return
Graham Proprietary Matrix
Invesco

*Refer to the Investment Section for the Schedule of Investment Management Fees (Page 57-58) and Schedule of Investment Broker Commissions (Page 59).

Public Pension Coordinating Council

Public Pension Standards Award For Funding and Administration 2022

Presented to

Stanislaus County Employees' Retirement Association

In recognition of meeting professional standards for
plan funding and administration as
set forth in the Public Pension Standards.

Presented by the Public Pension Coordinating Council, a confederation of

National Association of State Retirement Administrators (NASRA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)

Alan H. Winkle
Program Administrator

FINANCIAL SECTION

This page intentionally left blank

INDEPENDENT AUDITOR'S REPORT

To the Board of Retirement and Internal Governance Committee of
Stanislaus County Employees' Retirement Association
Modesto, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying Statements of Fiduciary Net Position of the Stanislaus County Employees' Retirement Association (StanCERA), a pension trust fund of the County of Stanislaus, as of June 30, 2023 and 2022, the related Statements of Changes in Fiduciary Net Position for the fiscal years then ended, and the related notes to the financial statements, which collectively comprise StanCERA's basic financial statements as listed in the table of contents.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the fiduciary net position of StanCERA as of June 30, 2023 and 2022, and the changes in fiduciary net position for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of StanCERA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about StanCERA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Management is also responsible for maintaining a current plan instrument, including all StanCERA plan amendments; administering StanCERA; and determining that StanCERA's transactions that are presented and disclosed in the financial statements are in conformity with StanCERA's plan provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 StanCERA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about StanCERA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) and required supplementary information (RSI), as listed in the table of contents, 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 (GASB), who 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 MD&A and RSI in accordance with GAAS, 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.

Other Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise StanCERA's basic financial statements. The accompanying other supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplemental information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory, investment, actuarial, and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2023, on our consideration of StanCERA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of StanCERA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering StanCERA's internal control over financial reporting and compliance.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Stockton, California
November 20, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of the Stanislaus County Employees' Retirement Association's (StanCERA or the Plan) financial performance provides an overview of the financial activities and funding conditions for the fiscal years ended June 30, 2023 and 2022. Please review the information presented here in conjunction with the Letter of Transmittal and additional information provided.

Financial Highlights

- Fiduciary Net Position increased by $135.4 million (or 5.4%) during the fiscal year 2023 due to the fiscal year's activities.
- Contributions (employer and member), in total, increased by $7.4 million (or 5.6%) during the fiscal year 2023.
- Net investment income (including Net Appreciation in Fair Value of Investments) increased by $340.5 million (or 200.1%) during the fiscal year 2023.
- Benefit payments increased by $10.4 million (or 6.6%) during the fiscal year 2023.

Plan Highlights

- Effective March 9, 2002, benefit plans for Tiers 2 and 3 were closed to new hires; Tiers 4 and 5 were adopted to provide retirement formulas commonly known as 2% at age 55 for active general members and 3% at age 50 for active safety members. One participating agency did not implement the new benefit plans. Additionally, members in Tier 3 were allowed to transfer into a contributory plan.
- Beginning January 1, 2011, Tier 5 was closed. Tier 2 was re-opened for all new hires for Stanislaus County with the reduced benefit formulas of 2% at age 61 for most general members and 2% at age 50 for general safety members.
- On January 1, 2013, Tier 2 was closed, and Tier 6 was adopted for all new hires providing the retirement formula of 2% at age 62 for general members and 2.7% at age 57 for safety members.
- Stanislaus Regional Transit Authority selected StanCERA as its public employees' retirement system effective July 1, 2021.
- Beginning August 1, 2021, the City of Ceres Fire Department exited the City of Ceres. This resulted in an employer rate increase for the City of Ceres, which StanCERA's actuary vetted.
- Stanislaus Regional Water Authority selected StanCERA as its public employees' retirement system, effective July 1, 2022.
- In April of 2023 and 2022, a 3.0% annual cost-of-living increase was given to all retired, disabled, and beneficiary members receiving a recurring allowance except those retirees who received pensions for service as a Tier 3 non-contributory member.

Using the Annual Report

The financial statements reflect the activities of the Stanislaus County Employees' Retirement Association. They are composed of the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. These statements are presented on an accrual basis of accounting and reflect all trust activities as incurred.

Overview of the Basic Financial Statements

This Management's Discussion and Analysis is intended to serve as an introduction to StanCERA's basic financial statements, which are comprised of the following three components:

1. Statement of Fiduciary Net Position
2. Statement of Changes in Fiduciary Net Position
3. Notes to the Basic Financial Statements

StanCERA's basic financial statements and the note disclosures to the basic financial statements comply with accounting principles generally accepted for governments (GAAP) within the United States as established by the Governmental Accounting Standards Board.

Financial Analysis

Statement of Fiduciary Net Position

The Statement of Fiduciary Net Position shows the assets available for future payments to retirees and liabilities as of the fiscal year-end. The following condensed comparative summary of the Fiduciary Net Position demonstrates that the pension trust primarily focuses on cash and investments and the restricted net position. This statement is also a good indicator of the financial strength of StanCERA.

Fiduciary Net Position, as of June 30, 2023, 2022, and 2021	**2023**	**2022**	**2021**	**$ Change 2023-2022**	**$ Change 2022-2021**
Current Assets	$80,916,029	$ 78,319,008	$ 194,395,097	$ 2,597,021	$ (116,076,089)
Investments	2,670,590,498	2,536,053,321	2,708,970,681	134,537,177	(172,917,360)
Capital Assets, Net	10,196,479	9,861,431	9,022,200	335,048	839,231
Total Assets	2,761,703,006	2,624,233,760	2,912,387,978	137,469,246	(288,154,218)
Total Liabilities	99,860,461	97,808,416	181,790,108	2,052,045	(83,981,692)
Total Fiduciary Net Position Restricted for Pension Benefits	**$ 2,661,842,545**	**$2,526,425,344**	**$ 2,730,597,870**	**$ 135,417,201**	**$ (204,172,526)**

Financial Analysis (continued)

Statement of Changes in Fiduciary Net Position

The Statement of Changes in Fiduciary Net Position provides an account of the fiscal years' additions to and deductions from Fiduciary Net Position.

Additions To Fiduciary Net Position For The Fiscal Years Ended June 30, 2023, 2022, and 2021	**2023**	**2022**	**2021**	**$ Change 2023-2022**	**$ Change 2022-2021**
Employer Contributions	$ 105,089,934	$ 100,768,249	$ 93,307,629	$ 4,321,685	$ 7,460,620
Plan Member Contributions	33,052,850	29,998,079	29,553,123	3,054,771	444,956
Net Investment Income/(Loss)	173,418,657	(169,153,892)	556,195,649	342,572,549	(725,349,541)
Total Additions	**$ 311,561,441**	**$ (38,387,564)**	**$ 679,056,401**	**$ 349,949,005**	**$ (717,443,965)**

Deductions From Fiduciary Net Position For The Fiscal Years Ended June 30, 2023, 2022, and 2021					
Benefit Payments	$ 168,768,709	$ 158,258,447	$ 149,015,287	$ 10,510,262	$ 9,243,160
Member Refunds - Termination	2,612,987	3,104,675	1,610,897	(491,688)	1,493,778
Member Refunds/Payouts - Death	400,606	946,076	304,717	(545,470)	641,359
Administrative Expenses	4,361,938	3,475,764	3,393,869	886,174	81,895
Total Deductions	**$ 176,144,240**	**$ 165,784,962**	**$ 154,324,770**	**$ 10,359,278**	**$ 11,460,192**
Change in Fiduciary Net Position Restricted for Pension Benefits	**$ 135,417,201**	**$ (204,172,526)**	**$ 524,731,631**	**$ 339,589,727**	**$ (728,904,157)**
Fiduciary Net Position Restricted for Pension Benefits					
Beginning of Year	2,526,425,344	2,730,597,870	2,205,866,239	(204,172,526)	524,731,631
End of Year	**$ 2,661,842,545**	**$ 2,526,425,344**	**$ 2,730,597,870**	**$ 135,417,201**	**$ (204,172,526)**

Additions to Fiduciary Net Position

A review of the Statement of Fiduciary Net Position shows that June 30, 2023, closed with assets exceeding liabilities by $2.6 billion, with the Fiduciary Net Position restricted for StanCERA's ongoing obligations to Plan participants and their beneficiaries. The fiscal year ended June 30, 2022, closed with assets exceeding liabilities by $2.5 billion. The $135.4 million increase and $204.2 million decrease, respectively, in the Fiduciary Net Position is a direct result of the changes in the financial market and investment performance. StanCERA remains in good financial condition.

Financial Analysis (continued)

Additions to Fiduciary Net Position (continued)

The primary sources to finance the benefits StanCERA provides are accumulated through return on investments and the collection of member and employer contributions. The total for these income sources for the fiscal year ended June 30, 2023 resulted in an increase of $349.9 million, whereas the fiscal year ended June 30, 2022 resulted in a decrease of $717.4 million. The increase is primarily a result of activity in the broad market, as discussed in the Investment Analysis below. Employer and member contributions increased by $7.4 million (or 5.6%) from the contributions made in the fiscal year that ended June 30, 2023 due to salary increases for active members.

Deductions from Fiduciary Net Position

The primary uses of StanCERA's assets are the payment of benefits to retirees and their beneficiaries, refunds of contributions to terminated employees, and the costs of administering the Plan. These expenses for the fiscal year that ended June 30, 2023 were $176.1 million, an increase of $10.4 million from the prior year. This increase is due to the increased number of retirees, an increase in the average benefit payment received, and the acquisition of a new pension system. For the fiscal year ended June 30, 2022, the expenses were $165.8 million, an increase of $11.5 million from the prior year due to the increase in the number of retirees and the average amount they are paid. For the fiscal year ended June 30, 2023, administrative expenses increased by $0.9 million (or 25.5%) from the prior year. This increase is a result of realized depreciation of completed capital projects in addition to increased insurance costs, technological improvements, and legal expenses. As a result, total administrative expenses represented 0.1103% of the accrued actuarial liability (funding basis) for the fiscal year ended June 30, 2023 and 0.1025% for the fiscal year ended June 30, 2022.

Overall Financial Condition

Investment Analysis

StanCERA's investment activity is a function of the underlying marketplace for the period measured and the Investment Policy's asset allocation. For the fiscal year ended June 30, 2023, StanCERA's investments were reported by the three functional portfolios per the Investment Policy, that was restated and approved by the Board of Retirement on May 28, 2019.

The Plan's domestic equity returns for the fiscal year ended June 30, 2023, underperformed its benchmark by 30 basis points, and international equity outperformed its benchmark by 210 basis points. Domestic equity returns for the fiscal year ended June 30, 2022, outperformed its benchmark by 40 basis points, and international equity outperformed its benchmark by 140 basis points.

For the fiscal year ended June 30, 2023, StanCERA's total portfolio underperformed its policy benchmark by 280 basis points with an overall return of 6.8%. For the fiscal year ended June 30, 2022, StanCERA's total portfolio outperformed its policy benchmark by 40 basis points with an overall return of -6.4%. As a result, management believes the Plan remains in a strong financial position to meet its obligations to Plan participants and beneficiaries.

Overall Financial Condition (continued)

Net Pension Liability

The primary concern of most pension plan participants is the amount of resources available to pay benefits. Historically, pension plans have been under-funded when the employer fails to make actuarially determined contributions. All StanCERA employers have traditionally contributed the actuarially determined contribution as determined by the Plan's actuary.

An indicator of funding status is the ratio of the Fiduciary Net Position to the Total Pension Liability (TPL). An increase in the percentage over time usually indicates a plan is becoming financially stronger; however, a decrease will not necessarily indicate a plan is in financial decline. Changes in actuarial assumptions can significantly impact the Net Pension Liability (NPL). In addition, performance in the stock and bond markets can have a material impact on the fair value of assets and Fiduciary Net Position.

As of June 30, 2022, the NPL rolled forward to StanCERA's fiscal year ended June 30, 2023, which was $839.9 million using the entry age normal cost method. The Board of Retirement approves the assumptions used by the actuary to perform their calculation. As of the most recent actuarial valuation dated June 30, 2022, rolled forward to June 30, 2023, StanCERA's Fiduciary Net Position was 76.0% of the TPL. The next actuarial valuation is scheduled for June 30, 2023, to be rolled forward to the fiscal year ended June 30, 2024.

StanCERA's Fiduciary Responsibilities

StanCERA's Board of Retirement and management staff are fiduciaries of the pension trust fund. Under the California Constitution, the Fiduciary Net Position can only be used for the exclusive benefit of Plan participants and their beneficiaries.

Requests for Information

This financial report is designed to provide the Board of Retirement, Plan participants, taxpayers, investment professionals, and creditors with a general overview of StanCERA's financial condition and to demonstrate StanCERA's accountability for the funds under its stewardship.

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Thomas Stadelmaier
Executive Director
Stanislaus County Employees' Retirement Association
832 12th Street, Suite 600
Modesto, CA 95354

STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENT OF FIDUCIARY NET POSITION
As of June 30, 2023 and 2022

	June 30, 2023	June 30, 2022
ASSETS		
Cash and Cash Equivalents (Note 2):	**$67,646,035**	**$ 68,001,805**
Receivables:		
Interest and Dividends	6,477,394	5,126,501
Securities Transactions	1,175,170	414,900
Contributions (Note 3)	5,595,454	4,757,769
Total Receivables	**13,248,018**	**10,299,170**
Prepaid Items:	**21,976**	**18,033**
Capital Assets, Net (Note 2):	**10,196,479**	**9,861,431**
Investments at Fair Value (Note 4):		
U.S. Government and Agency Obligations	158,283,334	155,551,144
Corporate Bonds	134,708,680	84,726,107
Emerging Market / Non-U.S. Bonds	40,123,269	28,521,437
Domestic Stocks	216,766,378	206,196,280
Domestic Equity Index Fund	347,923,975	291,928,074
International Equity	493,578,649	429,420,275
Real Estate Securities	5,417,195	40,677,468
Private Credit	219,258,183	209,333,195
Private Real Estate	318,689,267	331,827,763
Private Equity	146,030,891	144,301,733
Infrastructure	196,683,219	205,768,782
Risk Parity	309,953,087	326,684,962
Securities Lending Collateral	83,174,371	81,116,101
Total Investments	**2,670,590,498**	**2,536,053,321**
Total Assets	**2,761,703,006**	**2,624,233,760**
LIABILITIES		
Current Liabilities:		
Accounts Payable	15,253,090	15,309,238
Securities Transactions	1,038,000	988,077
Securities Lending Obligation (Note 4)	83,174,371	81,116,101
Total Current Liabilities	**99,465,461**	**97,413,416**
Long-Term Liabilities:		
Grant Deed Extension Fee	**395,000**	**395,000**
Total Liabilities	**99,860,461**	**97,808,416**
Fiduciary Net Position Restricted For Pension Benefits (Note 8)	**$ 2,661,842,545**	**$ 2,526,425,344**

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

STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Fiscal Years Ended June 30, 2023 and 2022

	June 30, 2023	June 30, 2022
ADDITIONS		
Contributions (Note 5):		
Employer	$ 105,089,934	$ 100,768,249
Plan Members	33,052,850	29,998,079
Total Contributions	**138,142,784**	**130,766,328**
Investment Income:		
Net Appreciation/(Depreciation) in Fair Value of Investments	134,076,331	(191,378,355)
Interest and Dividends	55,969,574	49,088,179
Total Investment Gain/(Loss)	190,045,905	(142,290,176)
Net Income from Commission Recapture	14,491	32,929
Less: Investment Expense (Note 4)	(19,763,497)	(27,898,500)
Net Investment Income/(Loss)	**170,296,899**	**(170,155,747)**
Other Investment Income:		
Net Litigation Recovery Income	17,177	22,315
Rental Income	105,862	105,862
Other Investment Income	2,618,816	571,747
Net Other Investment Income/(Loss)	**2,741,855**	**699,924**
Securities Lending Activities (Note 4):		
Securities Lending Income	540,693	432,050
Less: Securities Lending Expense	(160,790)	(130,119)
Net Securities Lending Income	**379,903**	**301,931**
Total Investment Income/(Loss)	**173,418,657**	**(169,153,892)**
Total Additions	**311,561,441**	**(38,387,564)**
DEDUCTIONS		
Benefit Payments and Subsidies	168,768,709	158,258,447
Member Refunds - Termination	2,612,987	3,104,675
Member Refunds - Death	400,606	946,076
Administrative Expenses (Note 2)	4,361,938	3,475,764
Total Deductions	**176,144,240**	**165,784,962**
Net Change in Fiduciary Net Position	135,417,201	(204,172,526)
Fiduciary Net Position Restricted for Pension Benefits (Note 8)		
Beginning of Year	2,526,425,344	2,730,597,870
End of Year	**$ 2,661,842,545**	**$ 2,526,425,344**

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

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023 and 2022

NOTE 1 - DESCRIPTION OF PLAN

Description of System and Applicable Provisions of the Law

The Stanislaus County Employees' Retirement Association (StanCERA or the Plan) is an integrated public employee retirement system established under and subject to the legislative authority of the State of California as enacted and amended in the County Employees Retirement Law of 1937 (Chapter 677 Statutes of 1937) (CERL) and the Public Employees' Pension Reform Act. It is a cost-sharing multiple-employer pension plan. StanCERA was established by the County of Stanislaus Board of Supervisors on July 1, 1948, and was integrated with Social Security on January 1, 1956.

Membership

StanCERA consists of employees from the County of Stanislaus, East Side Mosquito Abatement District, Hills Ferry Cemetery District, Keyes Community Services District, City of Ceres, Salida Sanitary District, Stanislaus County Superior Court, Stanislaus Regional Transit Authority, and Stanislaus Council of Governments. Each person entering employment full-time or permanent part-time (50% or more of the regular hours) becomes a member on the first day of employment. The structure of the Membership with StanCERA is as follows:

	June 30, 2023			June 30, 2022		
	General	Safety	Total	General	Safety	Total
Active Members:						
Vested & Non-Vested	3,691	783	4,474	3,571	757	4,328
Total Active	**3,691**	**783**	**4,474**	**3,571**	**757**	**4,328**
Inactive Members:						
Deferred Members	741	175	916	732	176	908
Unclaimed Contributions	945	145	1,090	884	141	1,025
Total Inactive	**1,686**	**320**	**2,006**	**1,616**	**317**	**1,933**
Retired Members:						
Service Retirements	3,387	589	3,976	3,302	564	3,866
Disability Retirements	206	175	381	206	174	380
Survivor Payments	44	10	54	44	11	55
Total Retired	**3,637**	**774**	**4,411**	**3,552**	**749**	**4,301**
Total	**9,014**	**1,877**	**10,891**	**8,739**	**1,823**	**10,562**

Active

StanCERA has Tiers 1, 2, 3, 4, 5, and 6 for General Members and Tiers 2, 4, 5, and 6 for Safety Members. All tiers are closed, except for Tier 6 for General and Safety Members. Members of the Plan receive a 100% vested interest in the Plan after 5 years of service, except Tier 3, which requires 10 years of service.

NOTE 1 – DESCRIPTION OF PLAN (continued)

Benefits

StanCERA provides for retirement, disability, death, beneficiary, cost-of-living, and ad-hoc retirement benefits.

Service Retirement Benefit

Members of Tiers 1, 2, 4, and 5 with 10 years of service, who have attained the age of 50, are eligible to retire. Tier 3 members are eligible to retire with 10 years of service at age 55. Tier 6 members are eligible to retire with 5 years of service at age 50 for Safety members and age 52 for General members. Members of Tiers 1, 2, 4, and 5 with 30 years of service (20 years for Safety) are eligible to retire regardless of age. The benefit is a percentage of the monthly final average salary (FAS) per year of service, depending on age at retirement, and is illustrated below for representative ages. Government Code Section 31462 of the CERL defines the FAS as a member's average monthly compensation earned during any consecutive 12 months (applicable to members of Tiers 1, 4, and 5). Government Code Sections 31462.1 and 7522.32 use the member's average monthly compensation earned during any 36 consecutive months (applicable to members of Tiers 2, 3, and 6). For members integrated with Social Security, the benefit is reduced by 1/3 of the percentage shown below times the first $350 of the monthly FAS per year of service credit after January 1, 1956. Tier 6 is not integrated with Social Security.

Percentage of FAS:

	General						Safety		
Age	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6	Tiers 1&2	Tiers 4&5	Tier 6
50	1.34	1.18	N/A	1.48	1.48	N/A	2.00	3.00	2.00
55	1.77	1.49	0.68*	1.95	1.95	1.30	2.62	3.00	2.50
60	2.34	1.92	1.14*	2.44	2.44	1.80	2.62	3.00	2.70
65	2.62	2.43	2.00*	2.62	2.62	2.30	N/A	N/A	2.70

* 1% of FAS for each year of service over 35 reduced by 1/35 of Social Security Benefits at age 65 not to exceed 35 years

Retiring members may choose from four (4) different beneficiary retirement allowances. Most retirees elect to receive an unmodified allowance, which includes a continuation of 60% of the allowance to the retirees' surviving spouse or registered domestic partner.

Death Benefit-Before Retirement

Employed Less Than 5 Years

In addition to the return of contributions, a death benefit is payable to the member's beneficiary or estate equal to 1 month of salary for each completed year of service under the retirement system, based on the final year's average salary, not to exceed 6 months of salary (except Tier 3 members).

NOTE 1 – DESCRIPTION OF PLAN (continued)

Death Benefit-Before Retirement (continued)

Employed for More than 5 Years

If a member dies while eligible for service retirement or non-service connected disability, the spouse or registered domestic partner receives 60% of the allowance that the member would have received for retirement benefits on the day of their death (except Tier 3 members).

If a member dies in the performance of duty, the spouse or registered domestic partner receives a monthly benefit of 50% of the member's FAS (except Tier 3 members).

Death Benefit-After Retirement

If a member dies after retirement, a burial allowance of $5,000 is paid to the beneficiary or estate (except Tier 3 members).

Suppose the retirement benefit is for service connected disability. In that case, 100% of the member's allowance as it was at death is continued to the surviving spouse or registered domestic partner for Tiers 1, 2, 4, 5, and 6. However, tier 3 Members have no allowance continued to the surviving spouse or registered domestic partner.

If the retirement benefit is for other than service connected disability, 60% of the member's allowance is continued to the surviving spouse or registered domestic partner for Tiers 1, 2, 4, 5, and 6, and 60% of the member's allowance is continued to the surviving spouse or registered domestic partner if the unmodified option is chosen at the time of retirement.

Disability Benefit

Regardless of age, members with 5 years of service are eligible for non-service connected disability (except Tier 3 members). The benefit may be up to 1/3 of FAS. If the disability is service connected, the member may retire regardless of the length of service, and the benefit is 50% of FAS (except Tier 3 members).

Cost-of-Living Benefit

The current Cost-of-Living maximum increase for retirees is 3% per year (except Tier 3). The increases are based on the change in the Bureau of Labor Statistics Consumer Price Index (CPI) in the San Francisco Bay area from January 1 to December 31, effective the following April 1.

Ad-Hoc Benefits

Ad-hoc benefits are non-vested benefits determined by the Board of Retirement (Board) and are subject to funding availability.

NOTE 1 – DESCRIPTION OF PLAN (continued)

Ad-Hoc Benefits (continued)

No ad-hoc benefits are currently being paid (effective since January 1, 2010). Changes in the excess earnings policy, approved by the Board on May 25, 2012, placed additional restrictions on the Board's ability to grant these benefits. The greatest restriction currently is that the Plan must be 100% funded on a market basis before funding any ad-hoc benefit.

Contribution Rates

The CERL establishes the basic obligations for employer and member contributions to the retirement system. The actual employer and member contribution rates in effect each year are based on recommendations made by an independent actuary and adopted by the Board.

StanCERA's policy for contributions states actuarially determined rates, expressed as a percentage of annual covered payroll, are required to finance the costs of benefits earned by Plan members during the year, with an additional amount to finance any unfunded liability. The level percentage of payroll employer contribution rates are determined using the entry age actuarial cost method. For funding purposes, StanCERA also uses the level entry age normal cost method with the Unfunded Actuarial Accrued Liability (UAAL) to amortize the unfunded liability. StanCERA's actuarially determined composite employer contribution rates for the fiscal years ended June 30, 2023 and June 30, 2022 were 31.59% and 33.20%, respectively, of annual payroll. Employee contribution rates are based on the age of entry for Tiers 1, 2, 4, and 5 and range between 3.28% and 17.75% for the fiscal years ended June 30, 2023 and June 30, 2022. Tier 6 employer rates are based on 50% of the total normal cost. Tier 6 employee contribution rates are not based on the age of entry and are a flat rate ranging between 8.44% and 14.72% for fiscal years ended June 30, 2023 and June 30, 2022.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

StanCERA is governed by the Board and is considered an independent legal entity. StanCERA is a component unit of Stanislaus County (the County). It is being reported as a Pension Trust Fund in the County's Financial Report in accordance with Governmental Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations Are Component Units – an Amendment of GASB Statement No. 14*.

Basis of Accounting

StanCERA follows GASB accounting principles and reporting guidelines. The financial statements are prepared on a full accrual basis of accounting, which recognizes income when earned and expenses when incurred. Contributions from employers and members are recognized when received or when due pursuant to legal requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

Cash equivalents include deposits in a treasury account at The Northern Trust Company (Northern Trust), the Plan's Custodian bank (Northern Trust), residual deposit in the County Treasurer's commingled cash pool and other investment managers. Cash equivalents are highly liquid investments with three months or less maturity when purchased. Short-term investments with the custodian bank include foreign currencies, cash held in short-term investment funds, other short-term, and highly liquid investments. Short-term investments considered cash equivalents are recorded at cost, which approximates fair value. Pooled cash is reported at amortized cost, which approximates fair value. Income on pooled cash is allocated on StanCERA's average daily balance in relation to total pooled assets.

Investments

The Board has exclusive control of StanCERA investments. Statutes authorize the Board to invest, or to delegate the authority to invest, in any investment allowed by statute and considered prudent in the informed opinion of the Board.

Investments are stated at fair value in accordance with GASB Statement No. 67, *Financial Reporting for Pension Plans – an Amendment of GASB Statement No. 25*. Values for stocks, publicly traded bonds, issues of the U.S. Government and its agencies, and real estate securities are valued according to sale prices of recognized exchanges as of the fiscal year-end, with international securities reflecting currency exchange rates in effect on June 30, 2023 and 2022. Both domestic and international investments are denominated in U.S. currency. Private Credit Partnerships, Private Real Estate, and Infrastructure investments are valued using their respective Net Asset Value (NAV) and are audited annually. The most significant input into the NAV of such an entity is the fair value of its investment holdings. The partnerships value these holdings quarterly, and the assumptions are based on the nature of the investment and the underlying business. The valuation techniques vary based on investment type and involve a certain degree of expert judgment.

Securities Transactions and Related Investment Income

Securities transactions are accounted for on a trade date basis. Interest income is recognized when earned, and dividend income is recognized on the ex-dividend date. Stock dividends or stock splits are recorded as memo items and do not affect the total value of the securities.

Capital Assets

Capital assets, consisting of software development, the purchase of a condominium interest in one floor of an office building, and office equipment, are presented at historical cost. StanCERA occupies 60% of the 6th floor of the office building, and 40% has been developed as office space currently leased out. The total cost of the capital assets as of June 30, 2023 and June 30, 2022 were $13,088,627 and $12,182,316, respectively. Accumulated depreciation increased from $2,320,885 to $2,892,146 during the fiscal year 2023. A portion of the total capital assets was not depreciated due to the assets needing to be in use or the project completed before year-end. Depreciation expense for the fiscal years ending June 30, 2023 and June 30, 2022 totaled $571,263 and $143,340, respectively. Depreciation is calculated using the straight-line method with an estimated life of 10

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets (continued)

years for the software development, an estimated life of 99 years for the office space, an estimated life of 10 years for the leasehold improvements, and an estimated life of 5 years for office equipment.

	Net Balance at June 30, 2022	Reclassifications & Additions	Reclassifications & Deletions	Less Depreciation	Net Balance at June 30, 2023
Capital Assets, not being depreciated					
Tenant Improvements	$ 390,438	$ -	$ -	$ -	$ 390,438
Workiva	-	20,900	-	-	20,900
Total Capital Assets, not being depreciated	**$ 390,438**	**$ 20,900**	**$ -**	**$ -**	**$ 411,338**
Capital Assets, being depreciated					
Real Estate Occupied	$ 1,573,614	$ -	$ -	$ 18,976	$ 1,554,638
Real Estate Leased	1,049,794	-	-	12,653	1,037,141
Leasehold Improvements	21,673	-	-	6,587	15,086
2022 Office Remodel	325,887	279,034	-	21,546	583,375
6th Floor Window Tinting	-	7,750	-	449	7,301
Pension Administration System	5,813,952	568,491	-	400,676	5,981,767
Formax Machine FD6104	4,942	-	-	1,504	3,438
Formax Machine FD6306	-	30,136	-	6,028	24,108
VAV Box	10,423	-	-	707	9,716
Imaging System	347,066	-	-	57,844	289,222
Microfiche Scanner	92	-	-	92	-
Board Room Expansion	66,911	-	-	3,917	62,994
Board Room Expansion TI	176,496	-	-	24,917	151,579
Rebranding Cost	35,533	-	-	4,442	31,091
Audio Video System	44,610	-	-	10,925	33,685
Total Capital Assets, being depreciated	**$ 9,470,993**	**$ 885,411**	**$ -**	**$ 571,263**	**$ 9,785,141**
TOTAL	**$ 9,861,431**	**$ 906,311**	**$ -**	**$ 571,263**	**$ 10,196,479**

	Net Balance at June 30, 2021	Reclassifications & Additions	Reclassifications & Deletions	Less Depreciation	Net Balance at June 30, 2022
Capital Assets, not being depreciated					
Tenant Improvements	$ 390,438	$ -	$ -	$ -	$ 390,438
Pension Administration System	5,158,352	655,600	-	-	5,813,952
2022 Office Remodel	-	325,887	-	-	325,887
6th Floor Lobby Upgrade	9,516	-	9,516	-	-
Total Capital Assets, not being depreciated	**5,558,306**	**981,487**	**9,516**	**-**	**6,530,277**
Capital Assets, being depreciated					
Real Estate Occupied	1,592,591	-	-	18,977	1,573,614
Real Estate Leased	1,062,447	-	-	12,653	1,049,794
Leasehold Improvements	28,259	-	-	6,586	21,673
Formax Machine FD6104	6,446	-	-	1,504	4,942
Video Conferencing Equipment	287	-	-	287	-
VAV Box	-	10,600	-	177	10,423
Imaging System	404,910	-	-	57,844	347,066
Microfiche Scanner	1,203	-	-	1,111	92
Board Room Expansion	70,828	-	-	3,917	66,911
Board Room Expansion TI	201,413	-	-	24,917	176,496
Rebranding Cost	39,975	-	-	4,442	35,533
Audio Video System	55,535	-	-	10,925	44,610
Total Capital Assets, being depreciated	3,463,894	10,600	-	143,340	3,331,154
TOTAL	**$ 9,022,200**	**$ 992,087**	**$ 9,516**	**$ 143,340**	**$ 9,861,431**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Administrative Expenses

StanCERA's administrative expense is funded by the investment income and is limited to 0.21% of StanCERA's Actuarial Accrued Liability (AAL) pursuant to Government Code Section 31580.2. The law exempts the limitation for the cost of computer consultation, hardware, and software. Total administrative expenses for the fiscal years ending June 30, 2023 and June 30, 2022 were $4,361,938 and $3,475,764, respectively, of which $883,545 and $407,791 respectively, were not subject to the administrative expense limitation. Administrative expenses subject to the limitation amounted to 0.1103% of AAL for the fiscal year ended June 30, 2023 and 0.1013% for the fiscal year ended June 30, 2022.

Income Taxes

StanCERA qualifies as a pension trust under Section 401(a) of the Internal Revenue Code. No provision for income taxes has been made in the accompanying financial statements as the Plan is exempt from Federal and State income taxes under the provisions of the Internal Revenue Code Section 501 and the California Revenue and Taxation Code Section 23701, respectively.

Management's Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, contingent assets and liabilities, revenue, and expenses as of the date of the financial statements. Accordingly, actual results could differ from those estimates.

New Accounting Pronouncements

In June 2017, GASB issued Statement No. 87, *Leases*, which establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. This statement improves accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows or outflows of resources based on the payment provisions of the contract. The requirements of this statement were initially effective for StanCERA's financial statements for the fiscal year ending June 30, 2022. In review of current agreements and consultation with the independent auditor, Brown Armstrong Accountancy Corporation, StanCERA has concluded that this statement did not significantly impact StanCERA. Management will continue to evaluate lease agreements for future periods.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on accounting and financial reporting for subscription-based information technology arrangements (SBITAs). The guidance requires the recognition of a right-to-use subscription asset and a corresponding subscription liability for contracts that convey control of the right-to-use another party's information technology software alone, or in conjunction with, tangible capital assets for a specified period in an exchange or exchange-like transaction. The requirements of this statement are like those of Statement No. 87, *Leases*. The provisions of this statement are effective with fiscal years beginning after June 15, 2022. StanCERA assessed current arrangements, and in consultation with the independent auditor Brown Armstrong Accountancy

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New Accounting Pronouncements (continued)

Corporation, has concluded that this statement did not significantly impact StanCERA at this time. Management will continue to evaluate future arrangements to ensure adherence.

Reclassification

Certain fiscal year 2022 amounts have been reclassed to conform with the fiscal year 2023 presentation.

NOTE 3 – CONTRIBUTIONS RECEIVABLE

Contributions receivables represent withdrawals from employees' salaries and liabilities due by employers for retirement contributions for June that were received in July. Contributions receivable as of June 30, 2023 and June 30, 2022 were $5,595,454 and $4,757,769, respectively.

NOTE 4 – CASH AND INVESTMENTS

The California State Constitution and the CERL give the Board the exclusive authority to invest the assets of StanCERA. The Board may, at its discretion, invest or delegate the authority to invest such assets through the purchase, holding, or sale of any form or type of investment, financial instrument, or financial transaction when deemed prudent. StanCERA invests the assets according to a written Investment Policy established by the Board and currently employs external investment managers to manage the assets subject to the guidelines in the policy.

Deposits in Northern Trust

During the fiscal year ending June 30, 2022, StanCERA initiated the transition of its cash account from the Stanislaus County Treasury to The Northern Trust Company. The funds held in this account are the resources needed for daily operational purposes. StanCERA is responsible for the control and safekeeping of funds; cash in Northern Trust is managed according to StanCERA's policy and is subject to regulatory oversight by external auditors. StanCERA's cash invested with Northern Trust for operational use totals $13,880,485 and $15,248,869 on June 30, 2023 and 2022, respectively.

Deposits in Stanislaus County Treasury

Prior to the treasury transition, StanCERA utilized Stanislaus County's Treasurer for daily operational purposes. These funds were pooled with other County funds by the County Treasurer for short-term investment purposes. The County was responsible for controlling and safekeeping all title instruments. Pooled fund investments in the County Investment Pool are managed according to the Investment Policy established by the County and are subject to regulatory oversight by the County's Treasury Oversight Committee. Participation in the County Investment Pool is not mandatory. The fair value of StanCERA's shares in the pooled funds is the same as the value of the County Investment Pool. StanCERA's cash invested with the County Treasurer is reported at amortized cost, which approximates fair value totaling $0 and $297,631 June 30, 2023 and 2022, respectively. This decrease is directly correlated with the transition to The Northern Trust Company for StanCERA's treasury needs.

NOTE 4 – CASH AND INVESTMENTS (continued)

Investments

Investment Policy – StanCERA's policy regarding the allocation of invested assets is established and may be amended by the Board. The investments of the Plan are trust funds. They are held for the exclusive purpose of providing benefits to the participants in the Plan and their beneficiaries and defraying reasonable expenses of administering the Plan. Therefore, the investments shall be diversified to minimize the risk of loss and maximize the rate of return.

StanCERA's Investment Program employs three functional sub-portfolios to construct the comprehensive asset allocation: the Liquidity Sub-portfolio, the Growth Sub-portfolio, and the Diversifying Sub-portfolio. The Liquidity Sub-portfolio will ensure adequate assets are available to pay benefits over an extended timeframe. The Growth Sub-portfolio will grow the invested assets over the long-term to pay future benefits. Finally, the Diversifying Sub-portfolio is to offset the investment risk of the Growth Sub-portfolio. The allocations to the Liquidity, Growth and Diversifying Sub-portfolios will vary over time and will be reviewed annually. The adopted asset allocation for the three Sub-portfolios is:

Asset Class	June 30, 2023 Target Allocation	June 30, 2022 Target Allocation
Domestic Equities	20.00%	20.00%
International Equities	20.00%	20.00%
Fixed Income	16.00%	13.00%
Real Estate Securities	6.50%	6.50%
Alternatives:		
Private Credit	8.00%	8.00%
Private Equity	5.00%	5.00%
Private Real Estate	6.00%	6.00%
Infrastructure	7.50%	7.50%
Risk Parity	10.00%	13.00%
Cash	1.00%	1.00%
	100.00%	100.00%

Rate of Return – For the fiscal years ended June 30, 2023 and June 30, 2022, the annual money-weighted rate of return on StanCERA's investments was 6.8% and -6.4%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Fair Value Measurement

Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. StanCERA follows GASB Statement No. 72 (GASB 72), *Fair Value Measurement and Application*, which addresses accounting and financial reporting issues related to fair value measurement.

NOTE 4 – CASH AND INVESTMENTS (continued)

Fair Value Measurement (continued)

StanCERA classifies the fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value measurements are classified according to the following hierarchy:

- Level 1 – Unadjusted quoted prices for identical investments in active markets.
- Level 2 – Quoted prices for similar investments in active markets; quoted prices for identical or similar investments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable.
- Level 3 – Investments with valuations derived from valuation techniques in which significant inputs or value drivers are unobservable.

Inputs used to measure fair value might fall in different levels of the fair value hierarchy. StanCERA defaults to the lowest level input that is significant to the fair value measurement in its entirety. In determining the appropriate levels, a detailed analysis was performed of the assets and liabilities that are subject to GASB 72.

The following tables present fair value measurements as of June 30, 2023 and June 30, 2022:

Investments Measured at Fair Value

Investments by Fair Value Level	06/30/23	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fixed Income Securities				
Corporate and Other Credit	$ 134,708,680	$ -	$ 134,708,680	$ -
Emerging Market Non-U.S. Bonds	40,123,269	-	40,123,269	-
U.S. Government Agency	142,051,575	-	142,051,575	-
U.S. Treasury	16,231,759	-	16,231,759	-
Total Fixed Income Securities	**333,115,283**	**-**	**333,115,283**	**-**
Equity Securities				
Non-U.S. Equity	427,492,128	427,492,128	-	-
U.S. Equity	216,766,378	216,766,378	-	-
Commingled Equity Funds	347,923,975	-	347,923,975	-
Emerging Market Equity	66,086,521	-	66,086,521	-
Commingled Real Estate Funds	5,417,195	-	5,417,195	-
Total Equity Securities	**1,063,686,197**	**644,258,506**	**419,427,691**	**-**
Collateral from Securities Lending	83,174,371	-	83,174,371	-
Total Investments by Fair Value Level	**$ 1,479,975,851**	**$ 644,258,506**	**$ 835,717,345**	**$ -**
Investments Measured at the Net Asset Value (NAV)				
Private Credit	219,258,183			
Private Equity	146,030,891			
Private Real Estate	318,689,267			
Infrastructure	196,683,219			
Risk Parity	309,953,087			
Total Investments Measured at the NAV	**1,190,614,647**			
Total Investments	**$ 2,670,590,498**			

NOTE 4 – CASH AND INVESTMENTS (continued)

Fair Value Measurement (continued)

Investments Measured at Fair Value

Investments by Fair Value Level	06/30/22	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fixed Income Securities				
Corporate and Other Credit	$ 84,726,107	$ -	$ 84,726,107	$ -
Emerging Market Non-U.S. Bonds	28,521,437	-	28,521,437	-
U.S. Government Agency	146,106,832	-	146,106,832	-
U.S. Treasury	9,444,312	-	9,444,312	-
Total Fixed Income Securities	**268,798,688**	**-**	**268,798,688**	**-**
Equity Securities				
Non-U.S. Equity	367,113,432	367,113,432	-	-
U.S. Equity	206,196,280	206,196,280	-	-
Commingled Equity Funds	291,928,074	-	291,928,074	-
Emerging Market Equity	62,306,843	-	62,306,843	-
Commingled Real Estate Funds	40,677,468	-	40,677,468	-
Total Equity Securities	**968,222,097**	**573,309,712**	**394,912,385**	**-**
Collateral from Securities Lending	81,116,101	-	81,116,101	-
Total Investments by Fair Value Level	**$ 1,318,136,886**	**$ 573,309,712**	**$ 744,827,174**	**$ -**
Investments Measured at the Net Asset Value (NAV)				
Private Credit	$ 209,333,195			
Private Equity	144,301,733			
Private Real Estate	331,827,763			
Infrastructure	205,768,782			
Risk Parity	326,684,962			
Total Investments Measured at the NAV	**1,217,916,435**			
Total Investments	**$ 2,536,053,321**			

Fixed Income Securities

Asset-Backed Securities, Mortgage-Backed Securities, and Non-U.S. Bonds are valued using the discounted cash flow income and matrix market models. Two proprietary discounted cash flow models are used: non-volatile tranche and volatile tranche. Prepayment speeds are derived from market participant quotes along with terms and conditions of the tranche, and both are entered into the model to determine the evaluated price. Matrices are developed based on trade and quote activity of bonds with similar features, including the issuer, vintage, and purpose of the underlying loan, prepayment speeds, and credit ratings to identify trades and quotes for similar securities. Corporate and Municipal Bonds are valued using the matrix market model. Model inputs are derived from the market, brokers, dealers, mutual funds, and vendor client base. Model inputs include, but are not limited

NOTE 4 – CASH AND INVESTMENTS (continued)

Fair Value Measurement (continued)

to, spread benchmark curves, prepayment speeds, inputs to build curves/spreads, comparable trades, bid price or spread, discount rates, quotes, trade reports, and financial reports. U.S. Government Agencies and U.S. Treasury Bills are valued using the consensus and matrix evaluation models. These model inputs come from market sources and integrate relative credit information, observed market movements, and sector news.

When available, prices are updated regularly by obtaining dealer quotes and other market information, including live trading levels.

Equity Securities

Equity securities are valued using the NASDAQ Official Closing Price, which determines the market specific closing price for NASDAQ listed issues. For equity securities listed on exchanges, the last trade price is used. The last trade price is the price at which a specific security was last traded on the primary exchange. If the NASDAQ Official Closing Price or the last trade price is unavailable, a bid, ask/offer quote, is obtained from a third-party vendor.

Commingled funds are valued using the NAV, which is the fair value of all securities owned by the fund, minus its total liabilities, divided by the number of shares issued. Funds valued using the NAV are usually not reported within the fair value hierarchy. However, StanCERA's commingled funds are supported by audited financial statements, which provide observable market data. Commingled funds are legally or contractually required to redeem at the NAV and therefore are classified as Level 2.

Investments Measured at the NAV

Investments measured at fair value using the net NAV value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

The following tables present fair value measurements as of June 30, 2023 and June 30, 2022:

Investments Measured at NAV	6/30/2023 Fair Value	Unfunded Commitment	Redemption Frequency If Currently Eligible	Redemption Notice Period
Private Credit	$ 219,258,183	$ 28,803,381	Not Eligible	Not Applicable
Private Equity	146,030,891	63,512,684	Not Eligible	Not Applicable
Private Real Estate	318,689,267	12,890,614	Quarterly, Not Eligible	5-90 Days, Not Applicable
Infrastructure	196,683,219	13,270,618	Not Eligible	Not Applicable
Risk Parity	309,953,087	-	Monthly	5-15 Days
Total Investments Measured at NAV	**$ 1,190,614,647**	**$ 118,477,297**		

NOTE 4 – CASH AND INVESTMENTS (continued)

Investments Measured at the NAV (continued)

Investments Measured at NAV	6/30/2022 Fair Value	Unfunded Commitment	Redemption Frequency If Currently Eligible	Redemption Notice Period
Private Credit	$ 209,333,195	$ 33,581,154	Not Eligible	Not Applicable
Private Equity	144,301,733	96,125,279	Not Eligible	Not Applicable
Private Real Estate	331,827,763	22,644,987	Quarterly, Not Eligible	5-90 Days, Not Applicable
Infrastructure	205,768,782	19,033,462	Not Eligible	Not Applicable
Risk Parity	326,684,962	27,000,000	Monthly	5-15 Days
Total Investments Measured at NAV	**$ 1,217,916,435**	**$ 198,384,882**		

Private Credit Funds consist of investments in twelve limited partnerships. The types of partnership strategies included in these funds are venture capital, growth equity, buyouts, special situations, mezzanine, and distressed debt. These funds are not eligible for redemption. Distributions are received as the underlying funds are liquidated, which can occur over the span of three to seven years. Total commitments for these funds are $255.0 million, of which $28.8 million is unfunded.

Private Equity Funds consist of investments in multiple partnerships. The types of partnership strategies included in these funds are growth equity and buyouts. These funds are not eligible for redemption. Distributions are received as the underlying funds are liquidated, which can occur over the span of ten years. Total commitments for these funds are $170.0 million, of which $63.5 million is unfunded.

Private Real Estate Funds consist of investments in seven limited partnerships. These funds are mainly invested in U.S. commercial real estate. Shares of three of these funds can be redeemed at the request of the shareholders after a lockout period of up to two years. Distributions from each of these funds will be received as the underlying investments are liquidated. Three of these funds are open-ended and the distributions are reinvested. Liquidation of the underlying investments for one fund can occur over time up to eight years. Total commitments for these funds are $309.0 million, of which $12.9 million is unfunded.

Infrastructure Funds consist of four limited partnerships. These funds are focused on opportunities in the energy, utilities and transportation sectors, and target investments in infrastructure assets globally within the Organization for Economic Cooperation and Development countries. The funds are not eligible for redemption. Distributions from this fund will be received as the underlying investments are liquidated, which can occur over the span of twelve years. Total commitments for this fund are $100.0 million, of which $13.2 million is unfunded.

Risk Parity Funds are mutual funds that invest in multiple asset classes represented by equity, fixed income, and commodities strategies in order to generate attractive risk-adjusted returns over time. These are open-ended funds and shares can be redeemed at the end of any given month at the request of the shareholder. Distributions for this fund are reinvested into the fund. Total commitments for this fund are $412.0 million, in which it is fully funded.

NOTE 4 – CASH AND INVESTMENTS (continued)

Securities Lending Program

The Board permits StanCERA to participate in a securities lending program. StanCERA lends bonds and equities to various brokers for collateral that will be returned for the same securities plus a fee in the future. Transactions are collateralized at 102% of fair value for domestic securities and 105% of fair value for international securities. Collateral received may include cash, letters of credit, or securities. Because the loans were terminable-at-will, their duration did not match the duration of the investments made with cash collateral. Either StanCERA or the borrower can terminate all securities loaned on demand. There are no restrictions on the amount of securities that may be lent.

StanCERA's custodial bank administers its securities lending program. The cash collateral is reported on the financial statements as an asset and as a liability of StanCERA while the non-cash collateral is reported neither as an asset nor a liability in accordance with GASB Statement No. 28. StanCERA cannot pledge or sell collateral securities delivered absent a borrower default. The contract with the securities lending agent requires them to indemnify StanCERA if the borrower fails to return the securities (or if the collateral is insufficient to replace the securities lent) or if the borrower fails to pay StanCERA for income distributions while the securities are on loan.

Investments made with cash collateral are classified by risk category. The average maturity of the loans is one week, and they are rated at least "A1" or "P1" by two nationally recognized statistical rating organizations or, if unrated, are determined by the bank to be of comparable quality. As of June 30, 2023, the fair value of securities on loan was $81.6 million, with collateral received of $83.2 million and non-cash collateral of $25.2 million. As of June 30, 2022, the fair value of securities on loan was $78.6 million, with collateral received of $81.1 million and non-cash collateral of $15.7 million.

As of June 30, 2023, and 2022, StanCERA had no credit risk exposure to borrowers because the amount StanCERA owes the borrower exceeds the amount the borrower owes StanCERA. StanCERA's pro-rata share of net income derived from the securities lending transactions during fiscal years 2023 and 2022 were $379,903 and $301,931 respectively. These are separate investments made on StanCERA's behalf and not StanCERA's share of pooled investments. On June 30, 2023 and 2022, StanCERA had the following securities out on loan:

	June 30, 2023		June 30, 2022	
	Fair Value of Securities on Loan	Collateral Received	Fair Value of Securities on Loan	Collateral Received
U.S. Equities	$ 33,791,288	$ 34,567,423	$ 36,766,292	$ 38,105,458
U.S. Corporate Fixed	37,513,361	38,243,715	28,059,801	28,607,150
U.S. Government Fixed	2,828,922	2,890,731	6,630,241	6,769,295
Non-U.S. Equities	7,417,740	7,472,502	7,137,684	7,634,198
Total Securities	81,551,311	83,174,371	78,594,018	81,116,101
Total Non-Cash Collateral	24,428,889	25,213,201	14,132,084	15,732,923
Total	**$ 105,980,200**	**$ 108,387,572**	**$ 92,726,102**	**$ 96,849,024**

NOTE 4 – CASH AND INVESTMENTS (continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Duration is a measure of the price sensitivity of a fixed income portfolio to changes in market interest rates. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

Highly sensitive investments are certain debt investments whose terms may cause their fair value to be highly sensitive to market interest rate changes. Terms include such variables as embedded options, coupon multipliers, benchmark indices, and reset dates. StanCERA's fixed income investments have embedded prepayment options that will typically cause prepayments by the obliges of the underlying investments when interest rates fall. Prepayments eliminate the stream of future interest payments and diminish the fair value of the fixed income investment.

The following table shows the effective duration of StanCERA's fixed income investments by investment type.

	June 30, 2023		June 30, 2022	
Fixed Income Securities	Fair Value	Effective Duration (in years)	Fair Value	Effective Duration (in years)
Corporate and Other Credit	$ 134,708,680	2.7	$ 84,726,107	2.5
Emerging Market / Non-U.S. Bonds	40,123,269	1.8	28,521,437	2.2
Government Bonds	16,231,759	3.0	9,444,312	2.0
Government Agencies	142,051,575	0.0	146,106,832	0.0
Total Fixed Income Securities	**$ 333,115,283**		**$ 268,798,688**	

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. In cases where credit ratings differ among rating agencies, the manager shall use the lowest of the ratings provided. StanCERA's custodial bank provided ratings for Moody's Investor Service (Moody's) and Standard & Poor's (S&P). Should a fixed income security rating fall below investment grade, the manager may continue to hold the security if they believe the security will be upgraded in the future, there is a low risk of default, and buyers will continue to be available throughout the anticipated holding period. The manager is responsible for notifying the Board whenever an issue falls below investment grade. Investment grade quality is defined as a Standard & Poor's rating of BBB or higher. The notification should include the manager's assessment of the issue's credit rating and its ongoing role in the portfolio. The Stanislaus County Investment Pool and the short-term investment funds held with the fiscal agent are unrated.

NOTE 4 – CASH AND INVESTMENTS (continued)

Credit Risk (continued)

The following table shows the quality of StanCERA's investments in fixed income securities.

	June 30, 2023		**June 30, 2022**	
S&P/Moody's Credit Rating	Percentage of Total Fixed Income	StanCERA's Fixed Income Securities	Percentage of Total Fixed Income	StanCERA's Fixed Income Securities
Aaa / AAA	1.90%	$ 6,324,891	2.54%	$ 6,835,889
Aa1 / AA+	0.50%	1,671,248	0.65%	1,736,036
Aa2 / AA	0.00%	-	0.57%	1,541,953
Aa3 / AA-	2.56%	8,514,765	2.19%	5,896,214
A1 / A+	2.77%	9,224,453	3.28%	8,808,869
A2 / A	7.34%	24,461,667	3.56%	9,556,738
A3 / A-	9.66%	32,165,859	3.63%	9,745,178
Baa1 / BBB+	17.46%	58,158,298	10.80%	29,040,457
Baa2 / BBB	4.19%	13,941,950	8.73%	23,479,293
Baa3 / BBB-	0.56%	1,878,563	2.57%	6,911,280
Ba1 / BB+	0.00%	-	0.00%	-
Ba2 / BB	0.00%	-	0.00%	-
N/R	53.04%	176,698,715	57.97%	155,802,468
N/A	0.02%	74,874	3.51%	9,444,313
Total	**100.00%**	**$ 333,115,283**	**100.00%**	**$ 268,798,688**

N/R represents securities that are not rated.
N/A represents securities that are not applicable to the rating disclosure requirements.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss due to a large concentration of investments in any one issuer. Investments issued or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investment pools, and other pooled investments are exempt from the disclosure requirements. As of June 30, 2023 and 2022, for separately managed investment accounts, StanCERA did not have investments in any one issuer representing 5% or more of the total portfolio.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. StanCERA does not have a formal policy for custodial credit risk for deposits. Under the California Government Code, a financial institution is required to secure deposits in excess of $250,000 made by state or local government units by pledging securities held in the form of an undivided collateral pool. The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure governmental deposits by pledging first deed mortgage notes having a value of 150% of the secure public deposits. Such collateral is held by the pledging financial institution's trust department or agent in StanCERA's name. At fiscal

NOTE 4 – CASH AND INVESTMENTS (continued)

Custodial Credit Risk (continued)

year-end, StanCERA had no custodial credit risk exposure to any depository financial institution. All deposits are placed with a custodial bank.

Custodial credit risk for investments is the risk that, in the event of the failure of the counter-party (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in possession of another party. StanCERA does not have a formal policy for custodial credit risk for investments. Investment securities are exposed to custodial credit risk if the securities are uninsured, not registered in the governmental entity's name, and held by the counter-party. StanCERA's investment securities are not exposed to custodial credit risk because all securities held by StanCERA's custodial bank are in StanCERA's name.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates may adversely affect the fair value of an investment. StanCERA's external investment managers may invest in international securities and must follow StanCERA's Investment Guidelines pertaining to these types of investments.

American Depositary Receipts (ADR) are included in U.S. Dollars. ADR represents underlying securities of non-U.S. companies traded on the U.S. stock exchanges. Although the transactions are denominated in U.S. Dollars and not subject to foreign currency risk, these securities are reflected as part of the non-U.S. equities within International Equity Investments reported in the Statement of Fiduciary Net Position.

StanCERA's exposure to foreign currency risk in U.S. dollars is as follows:

Currency	June 30, 2023 Fair Value (in U.S. $)	June 30, 2022 Fair Value (in U.S. $)
Australian Dollar	$ 14,528,571	$ 17,559,620
Brazilian Real	1,462,287	2,771,857
British Pound	41,599,726	39,165,740
Canadian Dollar	38,240,727	34,248,698
Chilean Peso	-	1,090,695
Danish Krone	5,056,590	2,736,452
Euro Dollars	117,733,323	98,430,575
Hong Kong Dollar	32,340,477	29,631,647
Hungarian Forint	1,329,644	1,063,629
Indonesian Rupiah	1,401,366	2,462,753
Japanese Yen	77,635,089	64,279,445
Malaysian Renggit	448,942	536,246
Mexican Peso	2,687,220	852,609
New Israeli Shekel	1,165,916	534,435
New Taiwan Dollar	16,100,756	11,849,960
New Zealand Dollar	-	193,155
Norwegian Krone	4,378,466	3,847,668
Singapore Dollar	5,787,434	4,217,408
South African Rand	1,706,843	1,122,988
South Korean Won	12,456,784	10,169,332
Swedish Krona	10,059,788	10,145,394
Swiss Franc	26,563,356	25,625,871
Thailand Baht	626,523	476,747
Turkish Lira	3,117,097	2,210,298
U.S. Dollar	77,151,724	64,197,053
TOTAL	**$ 493,578,649**	**$ 429,420,275**

NOTE 4 – CASH AND INVESTMENTS (continued)

Commitments to Private Credit

On June 30, 2023 and June 30, 2022, StanCERA's total capital commitments to private credit partnerships were $255,000,000 and $214,500,000, respectively. Of this amount, $28,803,381 and $33,581,154, respectively, remained unfunded and is not recorded on StanCERA's Statement of Fiduciary Net Position.

Commitments to Private Equity

On June 30, 2023 and June 30, 2022, StanCERA's total capital commitments to private equity partnerships were $170,000,000 and $145,000,000, respectively. Of this amount, $63,512,684 and $96,125,279, respectively, remained unfunded and is not recorded in StanCERA's Statement of Fiduciary Net Position.

Commitments to Private Real Estate

On June 30, 2023 and June 30, 2022, StanCERA's total capital commitments to private real estate partnerships were $309,000,000 and $263,000,000, respectively. Of this amount, $12,890,614 and $22,644,987, respectively, was unfunded and is not recorded in StanCERA's Statement of Fiduciary Net Position.

Commitments to Infrastructure

On June 30, 2023 and June 30, 2022, StanCERA's total capital commitments to infrastructure were $100,000,000 for both periods. Of this amount, $13,270,618 and $19,033,462, respectively, was unfunded and is not recorded in StanCERA's Statement of Fiduciary Net Position.

Commitments to Risk Parity

On June 30, 2023 and June 30, 2022, StanCERA's total commitments to risk parity were $412,000,000 and $362,000,000, respectively. Of this amount, this asset was fully funded for the period ending June 30, 2023; $27,000,000 remained unfunded as of June 30, 2022. The unfunded amount for 2022 is not recorded in StanCERA's Statement of Fiduciary Net Position.

Investment Expense

Investment expense includes fees paid for investment consulting services, fund evaluation services, and securities custodian services. Fees paid are charged against StanCERA's investment earnings pursuant to Government Code Sections 31596.1 and 31592.5.

NOTE 4 – CASH AND INVESTMENTS (continued)

Investment Expense (continued)

Investment Expense

	June 30, 2023	June 30, 2022
Investment Managers	$ 11,494,264	$ 21,484,664
Investment Consultants	531,473	501,233
Custodial Fees	415,345	242,263
Investment Attorney	133,532	130,981
Other Investment Costs	7,075,593	5,376,766
Total Other Investment Expenses	**19,650,207**	**27,735,907**
Actuarial Fees	113,290	162,593
Total Investment Expenses	**$ 19,763,497**	**$ 27,898,500**

NOTE 5 – CONTRIBUTIONS

Contribution Rates

The CERL establishes the retirement plan's basic obligations for employer and member contributions. The actual employer and member contribution rates in effect each year are based on recommendations made by an independent actuary and adopted by the Board.

StanCERA's policy for employer contributions states that actuarially determined rates expressed as a percentage of annual covered payroll are required to accumulate sufficient assets to pay benefits when due. The level percentage of payroll employer contribution rates are determined using the entry age actuarial cost method. StanCERA also uses the level entry age normal cost method with a UAAL to amortize any unfunded liability.

Member basic rates are based on a formula reflecting the age at entry into the Plan. For Tier 5 Safety, the rates are such as to provide an average monthly annuity at age 50 equal to 1/100 of the FAS. Tier 1 General Members pay rates that will provide an average annuity at age 60 of 1/100 of the FAS. Tier 4 General Members pay rates that will provide an average annuity at age 55 of 1/120 of the FAS. County (and former County agency) Safety and General Members in Tiers 1 and 4 pay one-half of the aforementioned rates. General Members in Tier 2 pay rates to provide an average annuity of 1/120 of FAS at age 60. General Members in Tier 3 pay no member contributions. General Members in Tier 5 pay rates to provide an average annuity at age 55 of 1/120 of FAS. General and Safety Tier 6 Members pay approximately half of the actuarial determined normal cost rate for the benefit.

Member cost-of-living contributions, expressed as a percentage of their basic rates, are designed to pay for one-half of the cost-of-living liabilities for future service. For members integrated with Social Security, the above contributions are reduced by 1/3 of that portion of such contribution payable with respect to the first $350 of monthly salary. Member contributions are refundable upon termination from the retirement system.

NOTE 5 – CONTRIBUTIONS (continued)

Contribution Rates (continued)

Contributions as a percentage of covered payroll for the fiscal year ended June 30, 2023, are shown in the following table:

Employer	Employer Contributions	Member Contributions	Employer Contributions as a % of Covered Payroll
Stanislaus County	$ 93,676,819	$ 29,704,338	27.9333%
City of Ceres	5,655,899	1,380,379	1.6865%
Stanislaus Superior Court	4,645,258	1,510,275	1.3852%
Stanislaus Council of Governments	394,065	150,838	0.1175%
East Side Mosquito Abatement District	210,523	75,815	0.0628%
Salida Sanitary District	195,693	63,239	0.0584%
Keyes Community Services District	98,609	33,119	0.0294%
Hills Ferry Cemetery District	60,210	17,830	0.0180%
Stanislaus Regional Transit Authority	152,858	117,017	0.0456%
	$ 105,089,934	**$ 33,052,850**	**31.3366%**
Covered Payroll	**$ 335,358,803**		

Contributions as a percentage of covered payroll for the fiscal year ended June 30, 2022, are shown in the following table:

Employer	Employer Contributions	Member Contributions	Employer Contributions as a % of Covered Payroll
Stanislaus County	$ 89,628,043	$ 26,858,915	29.5243%
City of Ceres	5,226,127	1,258,218	1.7215%
Stanislaus Superior Court	4,739,952	1,457,233	1.5614%
Stanislaus Council of Governments	429,752	150,373	0.1416%
East Side Mosquito Abatement District	230,606	72,010	0.0760%
Salida Sanitary District	214,400	60,195	0.0706%
Keyes Community Services District	111,902	32,358	0.0369%
Hills Ferry Cemetery District	72,587	20,026	0.0239%
Stanislaus Regional Transit Authority	114,880	88,751	0.0378%
	$ 100,768,249	**$ 29,998,079**	**33.1940%**
Covered Payroll	**$ 303,573,549**		

NOTE 6 – RESERVES

As required by the CERL, or the Board's policies, the following reserves from Fiduciary Net Position Restricted for Pension Benefits must be established and used to account for the members' (employees and retirees) contributions.

Active Members' Reserve

This reserve represents the cumulative contributions made by active members (employees) after deducting refunds to the members, plus the investment earnings credited to the reserve at the assumed rate of return determined by the actuary. For the fiscal years ended June 30, 2023 and 2022, the actuarially assumed rate of return was 6.75% for both years. Based on Retirement Board policy, when the Plan is below 100% funded on a market basis, the percentage allocated to Active Members' Reserve is capped at the actuarially assumed rate of return and will determine the semi-annual percent of interest to be posted to individual member account balances in the subsequent fiscal year.

Employer Reserves

These reserves represent the cumulative contributions made by the Plan sponsors (employers). Interest earnings are credited to these reserves based on StanCERA's excess earnings policy.

Upon the retirement of an active member, an actuarially determined amount of the member's vested interest is transferred from the Employer Advance Reserve to the Retired Members' Pension Reserve.

Retired Members' Pension Reserve

These reserves are established to account for the unpaid retirees' pension benefits. Upon the retirement of an employee, member contributions plus the interest earnings credited to the member's account are transferred from the Active Members' Reserve account to the Retired Members' Annuity and Cost-of-Living Reserve accounts. StanCERA retiree benefits are paid from these reserves computed in accordance with the CERL. Interest earnings are credited to this reserve based on StanCERA's excess earnings policy.

Retiree Burial Allowance Reserve

The burial allowance reserve is a benefit the Board offers, which pays the named beneficiary of a deceased retiree a lump sum death benefit. This benefit is available for all retirees whose last work in a 1937 Act Retirement System, or California Public Employees Retirement System (CalPERS), was with StanCERA. Interest earnings are credited to this reserve based on StanCERA's excess earnings policy.

Contingency Reserve

This optional reserve represents earnings in excess of the total interest credited to contributions of the employer and employee. It is funded at a minimum of 1% of total valuation reserves prior to excess earnings distribution (Government Code Section 31592). It is used as a reserve against deficiencies in interest earnings in other years, losses on investments, and other contingencies. The Board set this reserve to 1% in May 2012, and it is reviewed and adjusted annually.

NOTE 6 – RESERVES (continued)

Undistributed Earnings/(Losses)

This "designation" account was established on June 30, 2003. It was used to minimize the impact of actuarial smoothing of assets and contains an accumulation of earnings or losses, which have not been distributed to any other reserve. This reserve has undistributed losses of $31,002,463 and $199,455,051 as of June 30, 2023 and June 30, 2022, respectively.

Other Reserves

These reserves are for Retirees' Special Cost-of-Living, Tier 3 Disability, and Legal Contingencies. Reserve Account Balances are as follows:

Reserve Account Balances:

	June 30, 2023	June 30, 2022
Active Members' Reserve	$ 694,917,277	$ 663,494,768
Employer Advance Reserve	466,128,613	361,038,679
Employer Transfer from Non-Valuation Reserve	221,295,870	221,295,870
Retired Members' Pension Reserve	1,280,596,774	1,449,324,129
Undistributed Earnings/(Losses)	(31,002,463)	(199,455,051)
Retiree Burial Allowance Reserve Contingency	3,643,184	4,058,183
Reserve	25,007,665	25,190,780
Other Reserves		
Legal Contingency Reserve	1,253,788	1,476,426
Tier 3 Disability Reserve	1,837	1,560
Total Reserves	**$ 2,661,842,545**	**$ 2,526,425,344**

NOTE 7 – LITIGATION

StanCERA is a defendant in various lawsuits and claims arising in the ordinary course of its operations. StanCERA's management and legal counsel estimate the outcome of such litigation will not have a material effect on StanCERA's financial statements.

NOTE 8 – NET PENSION LIABILITY OF PARTICIPATING EMPLOYERS

Actuarial Assumptions

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2021. As of the reporting date, measurements are based on the fair value of assets as of June 30, 2022, and the Total Pension Liability as of the valuation date, June 30, 2022, using update procedures to roll forward to StanCERA's fiscal year-end of June 30, 2023. There were no significant events between the valuation date and the measurement date, so the roll forward procedures only included the addition of service cost offset by actual benefit payments.

NOTE 8 – NET PENSION LIABILITY OF PARTICIPATING EMPLOYERS (continued)

Actuarial Assumptions (continued)

The components of the Net Pension Liability of StanCERA on June 30, 2023 and June 30, 2022 were as follows:

	June 30, 2023	June 30, 2022
Total Pension Liability	$ 3,501,702,089	$ 3,264,477,126
Plan Fiduciary Net Position [1]	$ (2,661,833,729)	$ (2,526,425,344)
Net Pension Liability	$ 839,868,360	$ 738,051,782
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.0%	77.4%

[1] *Amounts do not agree to Financial Statements due to year-end adjustments increasing StanCERA's reported Fiduciary Net Position by $8,816.*

The Total Pension Liability was determined based on the June 30, 2022 and June 30, 2021 actuarial valuations rolled forward to June 30, 2023 and June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

ACTUARIAL VALUATION ASSUMPTIONS

Measurement Date	June 30, 2023	June 30, 2022
Investment Rate of Return	6.75%, net of investment expenses	6.75%, net of investment expenses
Projected Salary Increases	2.75%, per year plus merit component based on employee classification and years of service	2.75%, per year plus merit component based on employee classification and years of service
Attributed to Inflation	2.50%	2.50%
Cost-of-Living Adjustments	100% of Consumer Price Index (CPI) up to 3.0% annually with banking, 2.4% annual increases assumed	100% of Consumer Price Index (CPI) up to 3.0% annually with banking, 2.4% annual increases assumed

Post-retirement mortality rates for active Members are specified by the California Public Employees Retirement System (CalPERS) Pre-Retirement Non-Industrial Mortality table adjusted by 102.2% for males and 110.2% for females with generational mortality improvements projected from 2017 using Scale MP-2020. Duty related mortality rates are only applicable for Safety Active Members and are based on the 2021 CalPERS Pre-Retirement Industrial Death table, adjusted by 102.6% for males and 100.9% for females. These mortality base tables are all projected generationally from 2017 using 80% of SOA Scale MP-2020.

NOTE 8 – NET PENSION LIABILITY OF PARTICIPATING EMPLOYERS (continued)

Actuarial Assumptions (continued)

Rates of mortality for retired Members and their beneficiaries are specified by the CalPERS Healthy Annuitant table adjusted by 107.6% for males and 115.3% for females with generational mortality improvements projected from 2017 using Scale MP-2020.

The long-term defined benefit pension plan return expectations were determined using a building-block approach. An inflation forecast is the baseline, and various real return premiums (e.g., bonds, equities, etc.) are added to create nominal return expectations for each asset class. These expectations are combined to produce the long-term expected rate of return by weighting the expected nominal rates of return by the target asset allocation percentages and including an expected return from rebalancing uncorrelated asset classes. Best estimates of geometric real rates of return for each major asset class included in the target asset allocation as of June 30, 2023 and June 30, 2022 are summarized in the following table:

	2023	2022
Asset Class	Long-Term Expected Real Rate of Return	Long-Term Expected Real Rate of Return
Domestic Equities		
U.S. Large Cap	2.10%	4.50%
U.S. Small Cap	3.20%	5.10%
International Equities		
Int'l Development	2.50%	4.60%
Emerging Market Equity	6.70%	7.10%
U.S. Fixed Income		
U.S. Treasury	1.70%	1.00%
Short-term Gov/Credit	3.20%	3.00%
Real Estate		
Core	2.80%	2.80%
Value-add	4.20%	4.30%
Risk Parity	3.00%	3.70%
Absolute Return	3.10%	3.10%
Private Equity	6.60%	7.90%
Private Credit	6.10%	6.30%
Infrastructure	3.80%	5.50%
Cash	1.50%	0.50%

Discount Rate

The discount rate used to measure the total pension liability for the fiscal years ended June 30, 2023 and June 30, 2022 was 6.75% for both years. The projection of cash flows used to determine the discount rate assumed contributions from Plan members will be made at the current contribution rate and that contributions from the employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of 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.

NOTE 8 – NET PENSION LIABILITY OF PARTICIPATING EMPLOYERS (continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of StanCERA calculated using the discount rate of 6.75% for both years, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate for fiscal years ending June 30, 2023 and 2022:

Sensitivity of Net Pension Liability to Changes in Discount Rate

		1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
June 30, 2023	Net Pension Liability	$ 1,312,886,086	$ 839,868,360	$ 451,338,810
	Fiduciary Net Position as a Percentage of Total Pension Liability	67.0%	76.0%	85.5%
		1% Decrease 5.75%	Discount Rate 6.75%	1% Increase 7.75%
June 30, 2022	Net Pension Liability	$ 1,179,281,738	$ 738,051,782	$ 375,638,381
	Fiduciary Net Position as a Percentage of Total Pension Liability	68.2%	77.4%	87.1%

NOTE 9 – SUBSEQUENT EVENTS

StanCERA has evaluated events through November 20, 2023, which is the date the financial statements were issued, and no additional events were noted.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in Net Pension Liability and Related Ratios

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Total Pension Liability										
Service cost	$ 69,215,815	$ 64,358,603	$ 63,478,900	$ 63,771,013	$ 59,957,490	$ 58,007,036	$ 57,465,280	$ 55,351,509	$ 48,242,363	$ 46,209,346
Interest (includes interest on service cost)	216,947,110	209,931,610	208,474,350	198,170,462	198,460,567	190,493,637	179,875,553	171,938,615	154,850,353	147,384,248
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	122,844,341	42,127,626	7,977,049	30,766,201	15,206,475	(12,172,006)	28,801,984	(6,424,597)	2,148,638	-
Changes of assumptions [3]	-	(47,905,050)	8,082,679	-	(46,047,924)	-	-	269,752,272	-	-
Benefit payments, including refunds of member contributions	(171,782,303)	(162,309,198)	(150,930,902)	(139,985,594)	(131,774,689)	(123,172,116)	(116,843,858)	(108,165,810)	(101,858,156)	(94,782,471)
Net change in total pension liability	237,224,963	106,203,591	137,082,076	152,722,082	95,801,919	113,156,551	149,298,959	382,451,989	103,383,198	98,811,123
Total pension liability - beginning	3,264,477,126	3,158,273,535	3,021,191,459	2,868,469,377	2,772,667,458	2,659,510,907	2,510,211,948	2,127,759,959	2,024,376,761	1,925,565,638
Total pension liability - ending	$ 3,501,702,089	$ 3,264,477,126	$ 3,158,273,535	$ 3,021,191,459	$ 2,868,469,377	$ 2,772,667,458	$ 2,659,510,907	$ 2,510,211,948	$ 2,127,759,959	$ 2,024,376,761
Fiduciary Net Position										
Contributions - employer	$ 105,089,934	$ 100,768,249	$ 93,307,629	$ 92,684,609	$ 88,589,381	$ 76,966,471	$ 63,024,560	$ 58,196,310	$ 53,849,031	$ 46,763,996
Contributions - member [1][4]	33,052,812	29,998,079	29,553,123	29,645,645	27,742,863	26,746,289	25,463,745	23,916,508	22,960,235	21,867,911
Total investment income (loss) [4]	173,409,516	(169,153,892)	556,195,650	18,496,772	99,280,525	154,988,199	252,309,705	(31,322,276)	68,722,781	274,896,108
Benefit payments, including refunds of member contributions	(171,782,303)	(162,309,198)	(150,930,902)	(139,985,594)	(131,774,691)	(123,172,116)	(116,843,858)	(108,165,810)	(101,858,156)	(94,782,471)
Administrative expense [4]	(4,361,574)	(3,475,764)	(3,393,869)	(3,216,625)	(2,557,391)	(2,791,409)	(2,644,554)	(2,315,223)	(2,378,966)	(2,249,260)
Net change in fiduciary net position	135,408,385	(204,172,526)	524,731,631	(2,375,193)	81,280,687	132,737,434	221,309,598	(59,690,491)	41,294,925	246,496,284
Fiduciary net position - beginning	2,526,425,344	2,730,597,870	2,205,866,239	2,208,241,432	2,126,960,745	1,994,223,311	1,772,913,713	1,832,604,204	1,791,309,279	1,544,812,995
Fiduciary net position - ending [4]	$ 2,661,833,729	$ 2,526,425,344	$ 2,730,597,870	$ 2,205,866,239	$ 2,208,241,432	$ 2,126,960,745	$ 1,994,223,311	$ 1,772,913,713	$ 1,832,604,204	$ 1,791,309,279
Net pension liability - ending	$ 839,868,360	$ 738,051,782	$ 427,675,665	$ 815,325,220	$ 660,227,945	$ 645,706,713	$ 665,287,596	$ 737,298,235	$ 295,155,755	$ 233,067,482
Fiduciary net position as a percentage of the total pension liability	76.0%	77.4%	86.5%	73.0%	77.0%	76.7%	75.0%	70.6%	86.1%	88.5%
Covered payroll [2]	$ 335,849,727	$ 303,573,549	$ 298,044,207	$ 300,352,383	$ 281,979,654	$ 268,009,042	$ 255,646,515	$ 245,751,576	$ 237,263,160	$ 221,863,110
Net pension liability as a percentage of covered payroll	250.1%	243.1%	143.5%	271.5%	234.1%	240.9%	260.2%	300.0%	124.4%	105.1%

Note: Trend Information: Schedule will ultimately show information for ten years. Additional years will be displayed as they become available.

(1) In accordance with GASB Statement No. 82, employer-paid member contributions are classified as Member Contributions.

(2) In accordance with GASB Statement No. 82, Covered Payroll is the payroll on which contributions are based.

(3) In 2016, amounts reported as changes of assumptions resulted primarily from changes to the assumed earnings rate from 7.75% to 7.25% and from adjustments to assumed life expectancies as a result of adopting mortality tables with generational improvements. In 2019, amounts reported as changes of assumptions resulted primarily from changes to the assumed earnings rate from 7.25% to 7.00% and from adjustments to mortality rates, disability rates, and retirement rates. In 2021, amounts reported as changes of assumptions resulted primarily from changes to the assumed earnings rate from 7.00% to 6.75% and from adjustments to mortality rates, disability rates, and retirement rates. In 2022, amounts reported are due to changes in economic assumptions.

(4) Amounts reported for fiscal year ending June 30, 2023, do not agree to Financial Statements due to year-end adjustments increasing StanCERA's reported Fiduciary Net Position by $8,816. The following line items are understated: Member contributions by $38, net investment income by $9,141, and administrative expenses by $363.

Schedule of Employer Contributions

Last 10 Fiscal Years for Fiscal Years Ending June 30
(Dollar amounts in thousands)

	2023	2022	2021	2020	2019
Actuarially Determined Contributions	$ 105,090	$ 100,768	$ 93,308	$ 92,685	$ 88,589
Contributions in Relation to the Actuarially Determined Contributions	105,090	100,768	93,308	92,685	88,589
Contribution Deficiency/(Excess)	$ -	$ -	$ -	$ -	$ -
Covered Payroll (1)	$ 335,850	$ 303,574	$ 298,044	$ 300,352	$ 281,980
Contributions as a Percentage of Covered Payroll	31.29%	33.19%	31.31%	30.86%	31.42%

	2018	2017	2016	2015	2014
Actuarially Determined Contributions	$ 76,966	$ 63,025	$ 58,196	$ 53,849	$ 46,764
Contributions in Relation to the Actuarially Determined Contributions	76,966	63,025	58,196	53,849	46,764
Contribution Deficiency/(Excess)	$ -	$ -	$ -	$ -	$ -
Covered Payroll (1)	$ 268,009	$ 255,647	$ 245,752	$ 237,263	$ 221,863
Contributions as a Percentage of Covered Payroll	28.72%	24.65%	23.68%	22.70%	21.08%

(1) In accordance with GASB Statement No. 82, Covered Payroll is the payroll on which contributions are based.

Schedule of Investment Returns

Last 10 Fiscal Years for Fiscal Years Ending June 30

	2023	2022	2021	2020	2019
Annual money-weighted rate of return, net of investment expense	6.78%	-6.40%	25.20%	1.30%	5.10%

	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	8.10%	14.40%	-1.70%	4.20%	18.20%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Changes of benefit terms

There were no changes of benefit terms for the fiscal year ended June 30, 2023.

Changes of assumptions

There were no changes in economic assumptions for the fiscal year ended June 30, 2023.

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

The actuarially determined contribution amounts in the schedule of employer contributions are calculated using the actuarial valuation as of June 30, 2021, two years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule:

ACTUARIAL VALUATION METHODS AND ASSUMPTIONS

Valuation Date	6/30/2021
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay
Remaining Amortization Period	Closed period - 15 Years
Asset Valuation Method	Actuarial value: Excess earnings smoothed over five (5) years, 80% / 120% corridor around market
Actuarial Assumptions	
Investment Rate of Return	6.75%, net of investment expenses
Projected Salary Increases	2.75%, plus service-based rates
Attributed to Inflation	2.50%
Cost-of-Living Adjustments	100% of CPI to 3.0% annually with banking, 2.6% annual increases assumed
Mortality	Rates of ordinary death for active Members are specified by the 2021 CalPERS Pre-Retirement Non-Industrial Mortality table, adjusted by 102.2% for males and 110.2% for females, with generational mortality improvements projected from 2017 using Scale MP-2020. Duty related mortality rates are only applicable for Safety Active Members and are based on the CalPERS Pre-Retirement Individual Death table without adjustment or projection. Rates of mortality for healthy retired Members and their beneficiaries are specified by the 2021 CalPERS Healthy Annuitant table, adjusted by 107.6% for males and 115.3% for females, with generational mortality improvements projected from 2017 using Scale MP-2020. Separate mortality assumptions are used for disabled retirees.

A complete description of the methods and assumptions used to determine contribution rates for the year ending June 30, 2023 can be found in the June 30, 2021 actuarial valuation report located on StanCERA's website, www.stancera.org.

OTHER SUPPLEMENTAL INFORMATION
SCHEDULE OF ADMINISTRATIVE EXPENSES
For the Fiscal Years Ended June 30, 2023 and 2022

	2023	2022
Personnel Services:		
Salaries and Employee Benefits	$ 2,219,819	$ 1,991,845
Total Personnel Services	2,219,819	1,991,845
Professional Services:		
Computer and Software Services and Support	364,978	317,773
Outside Legal Counsel	432,364	506,614
Disability Hearing Officer/Medical Exams and Reviews	10,100	6,000
External Audit Fees	50,800	44,924
Other Professional Services	27,838	10,320
Total Professional Services	886,080	885,631
Office Expenses:		
Office Supplies	30,020	23,343
Stanislaus County Support Services	247,891	167,443
Contract Services	40,212	37,660
Minor Equipment and Computer Supplies	38,288	590
Communications	63,386	38,669
Publications	1,676	3,015
Total Office Expenses	421,473	270,720
Miscellaneous:		
Fiduciary and Staff - Education/Travel	69,005	34,945
Memberships	14,659	11,810
Fiduciary and Staff - Meetings/Other Travel	6,300	6,900
Insurance	173,339	130,572
Depreciation	571,263	143,341
Total Miscellaneous	834,566	327,568
TOTAL ADMINISTRATIVE EXPENSES	**$ 4,361,938**	**$ 3,475,764**

OTHER SUPPLEMENTAL INFORMATION (continued)
SCHEDULE OF INVESTMENT MANAGEMENT FEES AND OTHER INVESTMENT EXPENSES
For the Fiscal Years Ended June 30, 2023 and 2022

	2023	2022
Investment Management Fees:		
Domestic Equity	$ 767,460	$ 1,199,647
International Equity	905,352	1,885,731
Fixed Income	214,771	198,418
Private Credit	1,902,192	2,874,362
Private Equity	1,350,919	1,731,188
Private Real Estate	1,269,237	7,121,002
Infrastructure	1,887,926	1,226,325
Real Estate Securities	8,067	91,860
Risk Parity	3,188,340	5,156,131
Total Investment Management Fees	11,494,264	21,484,664
Investment Consulting Fees	531,473	501,233
Investment Custodian Fees	415,345	242,263
Investment Legal Fees	133,532	130,981
Other Investment Related Expenses	7,075,593	5,376,766
Total Other Investment Expenses	8,155,943	6,251,243
Actuarial Fees	113,290	162,593
TOTAL INVESTMENT EXPENSES	**$ 19,763,497**	**$ 27,898,500**

SCHEDULE OF PAYMENTS TO CONSULTANTS
For the Fiscal Years Ended June 30, 2023 and 2022

	2023	2022
Investment Professional Service Fees:		
Investment Consultants	$ 531,473	$ 501,233
Custodial Fees	415,345	242,263
Investment Attorney	133,532	130,981
Actuarial Fees	113,290	162,593
Total Investment Professional Service Fees	**$ 1,193,640**	**$ 1,037,070**

Administrative Professional Services Fees:		
Computer and Software Services and Support	$ 364,978	$ 317,773
Outside Legal Counsel	432,364	506,614
Disability Hearing Officer/Medical Exams and Reviews	10,100	6,000
External Audit Fees	50,800	44,924
Other Professional Services	27,838	10,320
Total Administrative Professional Services Fees	**$ 886,080**	**$ 885,631**

INVESTMENT SECTION

This page intentionally left blank

Daniel Hennessy, CFA, CAIA
Senior Consultant

September 30, 2023

Board of Retirement
Stanislaus County Employees' Retirement System
832 12th Street, Suite 600
Modesto, CA 95354

Dear Board Members:

The overall objective of the Stanislaus County Employees' Retirement System (StanCERA) is to ensure continued access to retirement, disability and survivor benefits for current and future StanCERA participants. To ensure a solid foundation for the future of the Fund, StanCERA carefully plans and implements an investment program designed to produce superior long-term investment returns, while prudently managing the risk in the portfolio. Investment policy and asset allocation are reviewed and revised by the Board of Retirement, at least annually, to reflect the Fund's actuarial assumptions, accrued liabilities, and economic and investment outlook. The following is a report on the performance of the Fund for the year ended June 30, 2023 with background on the underlying capital market environment.

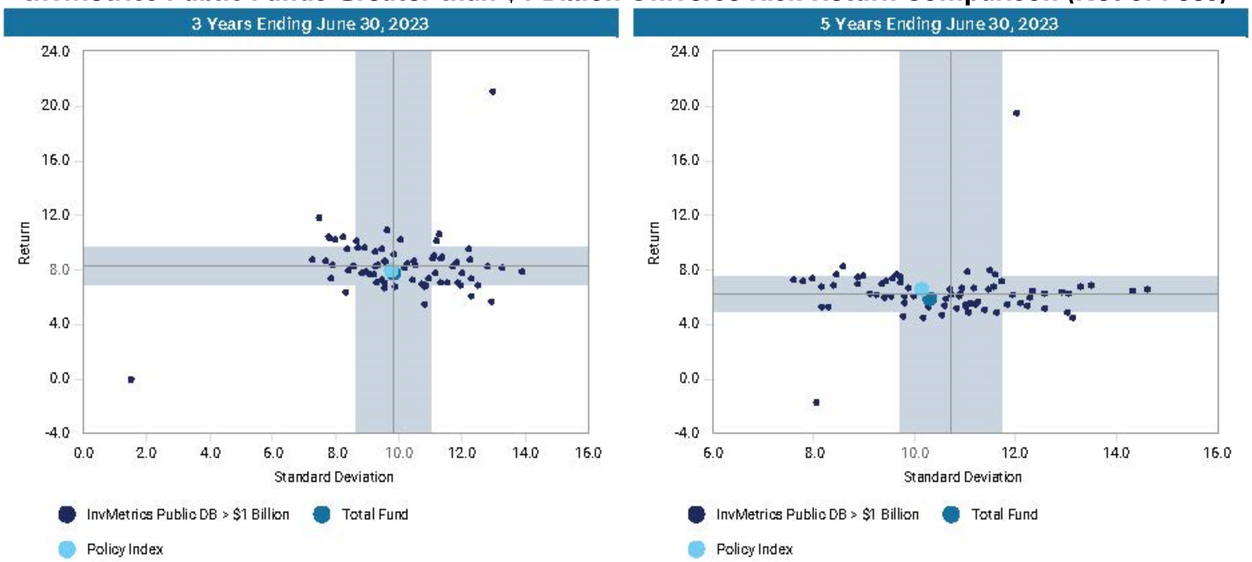
Market Review for the Year Ended June 30, 2023

Fiscal Year ('FY') 2023 was one characterized by strong returns in risky assets like stocks while interest sensitive fixed income, inflation-sensitive assets, commodities and real estate declined in value. The U.S. economy showed its resilience in the face of rapidly rising interest rates and posted moderate GDP growth and showed signed of a healthy labor market. The fiscal year ended with inflation levels increasing 3% on a year-over-year basis, which is a notable deceleration from last year's 9.1% increase though still above the Federal Reserve's target inflation rate of 2.0%. In its efforts to combat inflation, over the past fiscal year, the Federal Reserve raised the Fed Funds rate eight times, from a range of 1.50% - 1.75% ending FY 2022 to 5.00% - 5.25% ending FY 2023. Similar actions were taken by other central banks globally. With the resilient U.S. economy and decelerating inflation as the backdrop, U.S. stocks posted strong returns of 16.1% as measured by the S&P 500 Index. International stocks also had a strong year, with a return of 18.8% as measured by the MSCI EAFE Index. Emerging markets stocks underperformed both U.S. and international-developed markets posting an anemic 1.8% return as measured by the MSCI Emerging Markets Index. Typically considered a safe-haven asset, U.S. high quality fixed income returns posted a second consecutive negative yearly return as the pace of interest rate hikes eroded value in the Bloomberg U.S. Aggregate Bond Index which posted a decline of -0.9%.

The StanCERA Investment Portfolio

The StanCERA total investment portfolio return, net of fees was 6.8% for the year ended June 30, 2023 and underperformed its benchmark return by 2.7%. The median fund in the InvMetrics peer group universe of large Public Funds returned 7.6% in the same period. The Fund's five-year return net-of-fees for the period ended June 30, 2023 underperformed its policy benchmark by 0.7% and returned 5.9% while ranking in the 66th percentile in its peer group. That is, in the past five years, StanCERA returns are lower than 66% of its peer group. Over the past 10 years, the Fund's return of 7.1% outperformed its actuarial rate of return and ranked in the 48th percentile in its peer group. Assessing StanCERA risk profile, the 3-year and 5-year standard deviation ranked in the 47th and 41st percentile in its peer group (less volatile than average), resulting in risk-adjusted returns (as measured by the Sharpe Ratio) that rank in the 53rd percentile over 5-years.

InvMetrics Public Funds Greater than $1 Billion Universe Risk-Return Comparison (Net of Fees)



As strong capital market returns were realized across risky assets like stocks in the past fiscal year, as expected, StanCERA returns trailed plans with a greater allocation to stocks. NEPC continues to be supportive in StanCERA's chosen asset allocation which reduces the Fund's volatility risk to more consistently meet its actuarial targets. Lower public equity exposure and broader diversification can help protect portfolios from significant declines. StanCERA is also steadily increasing its exposure to private market strategies which have often produced superior risk-adjusted returns over the last decade.

NEPC, LLC serves as StanCERA's independent investment consultant and provides StanCERA with asset allocation guidance, quarterly economic and investment market updates and performance reviews, together with investment manager monitoring and selection advice. Rates of return are represented using a time-weighted rate of return methodology based upon reported market values as of June 30, 2023. At that time a portion of StanCERA's assets were invested in private equity and private credit strategies, which reflected 3/31/2023 valuations.

Sincerely,

Daniel Hennessy, Senior Consultant

ASSET ALLOCATION
JUNE 30, 2023

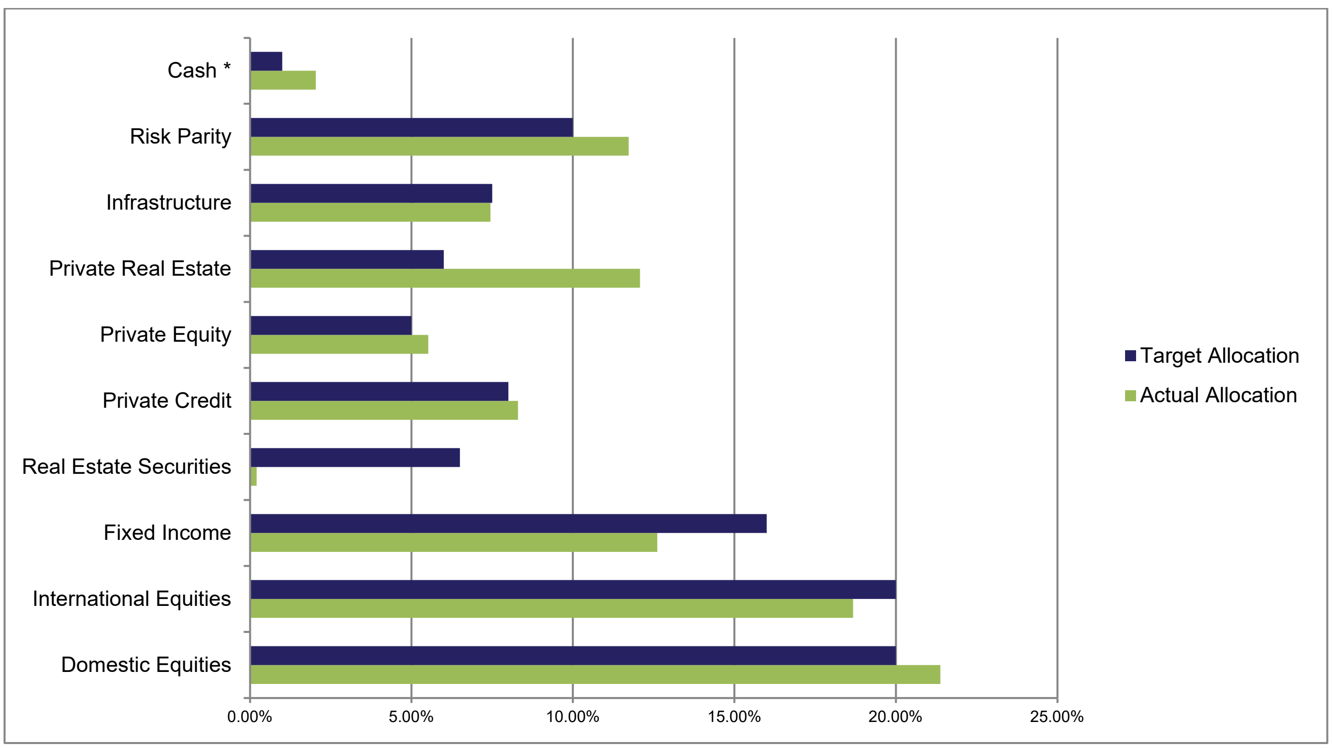
Asset Class		Fair Value	Actual Allocation	Target Allocation
Domestic Equities	$	564,690,354	21.38%	20.00%
International Equities		493,578,649	18.68%	20.00%
Fixed Income		333,115,284	12.61%	16.00%
Real Estate Securities		5,417,195	0.21%	6.50%
Private Credit		219,258,183	8.30%	8.00%
Private Equity		146,030,890	5.52%	5.00%
Private Real Estate		318,689,267	12.08%	6.00%
Infrastructure		196,683,219	7.45%	7.50%
Risk Parity		309,953,086	11.73%	10.00%
Cash *		53,817,882	2.04%	1.00%
TOTAL PORTFOLIO**	**$**	**2,641,234,009**	**100.00%**	**100.00%**

* Excludes Pooled Cash in County Treasury of -$58,881.

* Excludes Cash in Northern Trust $13,887,033.

** Excludes Securities Lending Cash Collateral.

StanCERA's Asset Allocation



SCHEDULE OF INVESTMENT RETURNS
As of June 30, 2023

Investment Managers	One Year	Three Year	Five Year	Ten Year
DOMESTIC EQUITY				
U.S. Equities	18.7%	15.8%	10.7%	11.7%
Russell 3000 Index	*19.0%*	*13.9%*	*11.4%*	*12.3%*
U.S. Large Equity	19.0%	14.9%	12.1%	12.7%
Russell 1000 Index	*19.4%*	*14.1%*	*11.9%*	*12.6%*
eV US Large Cap Equity Net Rank	*36.00*	*28.00*	*26.00*	*28.00*
U.S. Small Equity	17.4%	20.3%	6.1%	8.3%
Russell 2000 Index	*12.3%*	*10.8%*	*4.2%*	*8.3%*
eV US Small Cap Value Equity Net Rank	*18.00*	*25.00*	*36.00*	*46.00*
Dodge & Cox	12.4%	17.9%	9.6%	11.1%
Russell 1000 Value Index	*11.5%*	*14.3%*	*8.1%*	*9.2%*
eV US Large Cap Value Equity Net Rank	*42.00*	*16.00*	*31.00*	*18.00*
BlackRock R1000 Value	11.5%	14.3%	8.2%	9.3%
Russell 1000 Value Index	*11.5%*	*14.3%*	*8.1%*	*9.2%*
eV US Large Cap Value Equity Net Rank	*51.00*	*58.00*	*61.00*	*60.00*
BlackRock R1000 Growth	27.1%	13.7%	15.1%	15.7%
Russell 1000 Growth Index	27.1%	13.7%	15.1%	15.7%
eV US Large Cap Growth Equity Net Rank	*26.00*	*17.00*	*9.00*	*10.00*
Attucks Small Cap	17.4%	20.3%	6.1%	9.0%
Russell 2000 Value Index	*6.0%*	*15.4%*	*3.5%*	*7.3%*
eV US Small Cap Value Equity Net Rank	*18.00*	*25.00*	*36.00*	*30.00*
FIXED INCOME				
Northern Trust Intermediate Gov't Bond	-1.1%	-2.9%	0.8%	N/A
BBgBarc US Govt Int TR	*-1.0%*	*-2.8%*	0.8%	N/A
Northern Trust Long Term Gov't Bond	-6.9%	-11.2%	-0.4%	N/A
BBgBarc US Govt Long TR	*-6.8%*	*-12.0%*	-0.9%	N/A
INTERNATIONAL EQUITY				
LSV Asset Management	15.8%	11.5%	4.1%	5.5%
MSCI ACWI ex US Index	*12.2%*	*10.4%*	*2.7%*	*3.7%*
Fidelity Asset Management	13.7%	7.8%	4.4%	5.3%
MSCI ACWI ex US Index	*13.3%*	*4.0%*	*4.1%*	*5.6%*
REAL ESTATE SECURITIES				
BlackRock US Real Estate Index	-90.0%	9.0%	3.2%	5.7%
DJ US Select RESI TR USD	*-80.0%*	*9.1%*	*3.3%*	5.7%
PRIVATE CREDIT *				
Abry Senior Equity, VI, L.P.	4.8%	N/A	N/A	N/A
S&P/LSTA Leveraged Loan Index + 2%	*12.9%*	*8.4%*	*6.2%*	*6.1%*
Black Rock High Yield	8.5%	N/A	N/A	N/A
Bloomberg US High Yield TR	*9.1%*	*3.1%*	*3.4%*	*4.4%*
Medley Opportunity Fund II	63.0%	9.9%	-0.9%	1.1%
S&P/LSTA Leveraged Loan Index + 2%	*12.9%*	*8.4%*	*6.2%*	*6.1%*
Monroe Private Credit IV	*29.3%*	*N/A*	*N/A*	*N/A*
S&P/LSTA Leveraged Loan Index + 2%	*12.9%*	*8.4%*	*6.2%*	*6.1%*
Owl Rock First Lien	9.2%	13.9%	N/A	N/A
S&P/LSTA Leveraged Loan Index + 2%	*12.9%*	*8.4%*	*6.2%*	*6.1%*
Raven Opportunity Fund III	4.7%	7.0%	8.0%	N/A
S&P/LSTA Leveraged Loan Index + 2%	*12.9%*	*8.4%*	*6.2%*	*6.1%*
Strategic Values Special Solutions Fund V, L.P.	3.7%	N/A	N/A	N/A
S&P/LSTA Leveraged Loan Index + 2%	*12.9%*	*8.4%*	*6.2%*	*6.1%*
White Oak Global Advisors	-3.9%	6.4%	3.3%	N/A
S&P/LSTA Leveraged Loan Index + 2%	*12.9%*	*8.4%*	*6.2%*	*6.1%*

SCHEDULE OF INVESTMENT RETURNS (continued)
As of June 30, 2023

Investment Managers	One Year	Three Year	Five Year	Ten Year
PRIVATE EQUITY *				
Blue Wolf Capital Fund V-A, L.P.	N/A	N/A	N/A	N/A
Russell 3000 + 3%	22.5%	17.3%	14.7%	15.7%
Clayton, Dublier, & Rice	-1.1%	N/A	N/A	N/A
Russell 3000 + 3%	22.5%	17.3%	14.7%	15.7%
Genstar Capital Partners X	-7.7%	N/A	N/A	N/A
Russell 3000 + 3%	22.5%	17.3%	14.7%	15.7%
Great Hill EP VIII	N/A	N/A	N/A	N/A
Russell 3000 + 3%	22.5%	17.3%	14.7%	15.7%
Gryphon Partners VI LP	-19.6%	N/A	N/A	N/A
Russell 3000 + 3%	22.5%	17.3%	14.7%	15.7%
Insight Partners XI	-24.8%	22.6%	N/A	N/A
Russell 3000 + 3%	22.5%	17.3%	14.7%	15.7%
Northern Trust Russell 3000	19.0%	13.9%	N/A	N/A
Russell 3000	*19.0%*	*13.9%*	*11.4%*	*12.3%*
Sole Source Capital Partners II	23.1%	N/A	N/A	N/A
Russell 3000 + 3%	22.5%	17.3%	14.7%	15.7%
Vista Foundation Fund IV	-3.4%	-41.4%	N/A	N/A
Russell 3000 + 3%	*22.5%*	*17.3%*	*14.7%*	*15.7%*
PRIVATE REAL ESTATE *				
Prime Property Fund	-7.1%	8.5%	6.8%	N/A
NCREIF ODCE	*-10.0%*	*8.0%*	*6.5%*	N/A
PGIM Real Estate U.S. Debt Fund	6.9%	5.5%	N/A	N/A
BBgBarc US CMBS Investment Grade	*-1.9%*	*-2.7%*	N/A	N/A
American Strategic Value Realty	-6.5%	7.4%	7.1%	N/A
NCREIF Property Index	*-6.6%*	*6.8%*	*5.9%*	N/A
Greenfield Acquisition Partners VII	1.9%	5.8%	8.0%	N/A
NCREIF ODCE +1%	*-9.1%*	*9.1%*	*7.6%*	N/A
PRIVATE REAL ESTATE * (Continued)				
Grandview Partners I	-10.1%	17.2%	19.3%	N/A
NCREIF ODCE +1%	*-9.1%*	*9.1%*	7.6%	N/A
Grandview Partners II	1.3%	N/A	N/A	N/A
NCREIF ODCE +1%	-9.1%	N/A	N/A	N/A
INFRASTRUCTURE *				
JP Morgan IIF Hedged LP	10.6%	N/A	N/A	N/A
CPI + 5%	8.1%	N/A	N/A	N/A
Palistar Infrastructure II	5.8%	N/A	N/A	N/A
CPI + 5%	8.1%	N/A	N/A	N/A
North Haven Partners II	10.5%	7.7%	8.8%	9.6%
CPI + 5%	*8.1%*	*11.1%*	*9.1%*	*8.6%*
Northern Trust Infrastructure Fund	1.8%	N/A	N/A	N/A
CPI + 5%	*2.3%*	N/A	N/A	N/A
RISK PARITY				
AQR Global Risk Premium - EL	-1.8%	1.6%	2.6%	N/A
60% MSCI ACWI	*9.2%*	*4.5%*	4.6%	N/A
PanAgora Risk Parity Multi Asset	-9.8%	-2.5%	1.0%	N/A
60% MSCI ACWI	*9.2%*	*4.5%*	4.6%	N/A
Graham Global Investment Fund I SPC LTD	3.0%	N/A	N/A	N/A
HFRI Macro Index	-0.4%	N/A	N/A	N/A
Invesco Global	12.1%	N/A	N/A	N/A
30 Day T-Bill + 4%	7.9%	N/A	N/A	N/A
TOTAL FUND	6.7%	7.7%	5.9%	7.1%
Policy Index	*9.5%*	*8.0%*	*6.6%*	*7.3%*

Note: % taken from NEPC Quarterly Report presented to Board of Retirement on 7/25/2023.
Using time-weighted rate of return based on the market rate of return.
Does not include Securities Lending Collateral.

* Investment Rate of Return (IRR) since inception is reported. One, three, five, and ten year returns are not available for these investments.

SCHEDULE OF INVESTMENTS BY ASSET CLASS AND MANAGER
As of June 30, 2023

Investment Managers	Asset Class	Assets Under Management	% of Fund
DOMESTIC EQUITY			
BlackRock R1000 Growth	Large Cap Growth	$ 233,031,122	8.82%
BlackRock R1000 Value	Large Cap Value	114,892,853	4.35%
Capital Prospects	Small Cap Value	104,032,254	3.94%
Dodge & Cox	Large Cap Value	112,734,124	4.27%
FIXED INCOME			
Insight	Core Bond	192,057,755	7.27%
NT Intermediate Bond	Core Bond	100,096,995	3.79%
NT Long Term Bond	Core Bond	40,960,534	1.55%
INTERNATIONAL EQUITY			
LSV Asset Management	Equity Value	261,334,793	9.89%
Fidelity Asset Management	Equity Growth	232,243,856	8.79%
REAL ESTATE SECURITIES			
BlackRock US Real Estate	Real Estate Index	5,417,195	0.21%
PRIVATE CREDIT			
Abry VI	Private Credit	7,312,932	0.28%
BlackRock High Yield	Private Credit	84,261,019	3.19%
Callodine Loan Fund II LP	Private Credit	12,783,984	0.48%
Medley Opportunity Fund II	Private Credit	1,515,319	0.06%
Monroe Fund IV	Private Credit	17,268,820	0.65%
Owl Rock First Lien	Private Credit	9,831,950	0.37%
Raven Opportunity Fund I (Closed)	Private Credit	(2)	0.00%
Raven Opportunity Fund III	Private Credit	54,043,609	2.05%
Strategic Values Special Solutions Fund V, L.P.	Private Credit	5,802,621	0.22%
White Oak Global Advisors	Private Credit	26,437,931	1.00%
PRIVATE REAL ESTATE			
American Realty Advisors	Private Real Estate	84,650,893	3.20%
Grandview I-A	Private Real Estate	18,712,031	0.71%
Grandview II	Private Real Estate	16,974,770	0.64%
Greenfield Acquisition Partners VII LP	Private Real Estate	1,111,515	0.04%
PGIM	Private Real Estate	97,498,324	3.69%
Prime Property Fund	Private Real Estate	100,243,156	3.80%
TA Realty Value Fund XIII	Private Real Estate	(501,422)	0.00%
PRIVATE EQUITY			
Audax Private Equity VII-A	Private Equity	14,956	0.00%
Blue Wolf V	Private Equity	3,097,505	0.12%
Clayton, Dubilier & Rice XI	Private Equity	15,030,408	0.57%
Genstar Capital Partners X	Private Equity	9,879,881	0.37%
Great Hill EP VIII	Private Equity	3,274,371	0.12%
Gryphon Partners VI	Private Equity	17,193,714	0.65%
Insight Partners XI	Private Equity	21,477,576	0.81%
Northern Trust Russell 3000	Private Equity	47,295,943	1.79%
Sole Source Partners II	Private Equity	14,022,002	0.53%
Vista Foundation IV Fund	Private Equity	14,744,534	0.56%

SCHEDULE OF INVESTMENTS BY ASSET CLASS AND MANAGER (continued)
As of June 30, 2023

Investment Managers	Asset Class	Management	% of Fund
INFRASTRUCTURE			
IFM Global Infrastructure Fund	Infrastructure	54,830,313	2.08%
JP Morgan IIF	Infrastructure	33,096,868	1.25%
NTAM Infrastructure	Infrastructure	80,758,810	3.06%
North Haven Partners II LP	Infrastructure	13,627,486	0.52%
Palistar Infrastructure II	Infrastructure	14,369,742	0.54%
RISK PARITY			
AQR	Risk Parity	120,416,057	4.56%
Graham Fund I	Risk Parity	55,847,648	2.11%
Invesco	Risk Parity	28,460,703	1.08%
PanAgora	Risk Parity	105,228,679	3.98%
Total Assets Under Management		2,587,416,127	
Cash and Short-Term Investments	90 Day T-Bill	53,817,882	2.04%
Total Fund		**$ 2,641,234,009**	**100.00%**

Note: Does not include Securities Lending Collateral.
Does not include cash in Treasury Pool.

LARGEST BOND HOLDINGS (BY FAIR VALUE)
JUNE 30, 2023

Shares	Bond	Fair Value
4,500,000	DISNEY WALT CO 2.2% DUE 01-13-2028 REG	$ 4,066,651
4,600,000	UNITED STATES TREAS NTS DTD 06/30/2021 1.25% 06-30-2028	4,004,156
4,250,000	WASTE MGMT INC DEL 3.15% DUE 11-15-2027	3,979,646
3,700,000	IBM CORP 4.15% DUE 07-27-2027 BEO	3,597,816
3,300,000	BAKER HUGHES A GE CO LLC/BAKER HUGHES 3.337% 12-15-2027	3,057,269
3,200,000	ENTERGY LA LLC 3.25% DUE 04-01-2028	2,943,044
3,300,000	NVIDIA CORP 1.55% 06-15-2028	2,879,994
2,900,000	CATERPILLAR FINL 3.6% DUE 08-12-2027	2,791,591
2,845,000	CAMPBELL SOUP CO 3.95% DUE 03-15-2025	2,764,698
2,800,000	ABBOTT LABS 3.75% DUE 11-30-2026	2,729,859
3,000,000	PVTPL MASSMUTUAL GLOBAL FUNDIN 1.2% 07-16-2026	2,651,833
2,693,000	COLUMBIA PIPELN 4.5% DUE 06-01-2025	2,627,863
2,700,000	SYNCHRONY CARD 3.86% DUE 07-15-2028	2,618,347
2,400,000	TCI COMMUNICATIONS 7.125% DUE 02-15-2028	2,616,256
2,800,000	VERIZON 2.625% DUE 08-15-2026	2,602,708
3,000,000	WEC ENERGY GROUP 1.375% DUE 10-15-2027	2,562,046
2,600,000	BA CR CARD TR FIXED .34% DUE 05-15-2026	2,539,499
2,552,000	BARCLAYS PLC 4.375% DUE 01-12-2026	2,451,407
2,600,000	PVTPL SCHLUMBERGER HLDGS CORP 3.9% DUE 05-17-2028 BEO	2,449,766
2,503,000	CIGNA CORP NEW 4.5% DUE 02-25-2026 BEO	2,448,534

LARGEST STOCK HOLDINGS (BY FAIR VALUE)
JUNE 30, 2023

Shares	Stock	Fair Value
66,800	NOVARTIS AG CHF0.49 (REGD)	$ 6,719,946
74,200	OCCIDENTAL PETROLEUM CORP	4,362,960
35,995	NESTLE SA CHF0.10(REGD)	4,329,137
99,000	WELLS FARGO & CO NEW COM STK	4,225,320
3,515,000	NIPPON TELEGRAPH & TELEPHONE CORP NPV	4,146,452
38,700	SANOFI EUR2	4,146,171
117,500	KON AHOLD DELHAIZE EUR0.01	4,007,298
69,600	TOTALENERGIES SE	3,990,311
133,700	SHELL PLC ORD EUR0.07	3,981,770
12,876	ROCHE HLDGS AG GENUSSCHEINE NPV	3,936,272
5,384	ASML HOLDING NV EUR0.09	3,894,425
72,200	SANOFI SPONSORED ADR	3,891,580
64,500	SCHWAB CHARLES CORP COM NEW	3,655,860
361,220	AIA GROUP LTD NPV	3,646,033
28,700	FISERV INC COM	3,620,505
29,800	ALPHABET INC CAP STK USD0.001 CL C	3,604,906
72,100	DEUTSCHE POST AG NPV(REGD)	3,518,511
23,248	SAP SE	3,173,997
3,354	LVMH MOET HENNESSY LOUIS VUITTON SE EUR0.30	3,157,902
9,000	MICROSOFT CORP COM	3,064,860

SCHEDULE OF INVESTMENT MANAGEMENT FEES
For the Fiscal Years Ended June 30, 2023 and 2022

		2023	2022
Domestic Equities			
BlackRock		$ 13,848	$ 119,674
Capital Prospects		570,886	800,381
Dodge & Cox		173,047	258,477
NT Russell 1000		9,679	21,115
	Total Domestic Equities	**767,460**	**1,199,647**
International Equities			
LSV Asset Management		443,061	639,169
Fidelity Asset Management		462,291	1,246,562
	Total International Equities	**905,352**	**1,885,731**
Fixed Income			
Insight		170,757	129,116
NT Intermediate Bond		31,138	49,079
NT Long Term Bond		12,876	20,223
	Total Fixed Income	**214,771**	**198,418**
Real Estate Securities			
BlackRock US Real Estate Index		8,067	91,860
	Total Real Estate Securities	**8,067**	**91,860**
Private Credit			
Abry VI		188,068	145,384
BlackRock High Yield		118,295	113,554
Callodine Loan Fund II		95,462	-
Medley Opportunity Fund II		7,753	1,271,969
Monroe Fund IV		280,876	-
Raven Opportunity Fund III		409,735	717,012
Owl Rock First		170,801	148,917
Strategic Values Special Solutions Fund V, L.P.		280,361	126,924
White Oak Global Advisors		350,842	350,602
	Total Private Credit	**1,902,193**	**2,874,362**
Private Real Estate			
American Realty Advisors		(552,076)	3,176,063
Greenfield Acquisition Partners VII		127,487	404,899
Grandview I-A		(621,624)	1,783,643
Grandview II		300,001	271,233
Prime Property Fund		1,079,833	975,311
PGIM		762,712	509,853
PGIM		172,903	-
	Total Private Real Estate	**1,269,236**	**7,121,002**
Private Equity			
Audax Fund VII		141,927	-
Blue Wolf V		200,107	177,368
Clayton, Dubilier & Rice XI		105,665	93,812
Genstar X		(3,983)	44,302
Great Hill VIII		92,355	24,259
Gryphon Partners VI		(59,943)	150,229
Insight Partners XI		240,475	158,755
Sole Source Partners II		234,316	682,463
Vista Foundation IV		400,000	400,000
	Total Private Equity	**1,350,919**	**1,731,188**

SCHEDULE OF INVESTMENT MANAGEMENT FEES (continued)
For the Fiscal Years Ended June 30, 2023 and 2022

		2023	2022
Infrastructure			
IFM		904,849	-
JP Morgan IIF		366,290	67,696
Palistar Infrastructure II		368,923	802,136
NTAM Infrastructure		4,274	2,224
North Haven Partners, LP		243,590	354,269
	Total Infrastructure	**1,887,926**	**1,226,325**
Risk Parity			
AQR		456,461	579,578
Graham Fund I		2,151,288	3,940,148
Invesco		205,771	106,012
PanAgora		374,820	530,393
	Total Risk Parity	**3,188,340**	**5,156,131**
	Total Investment Management Fees	**11,494,264**	**21,484,664**
Other Investment Fees and Expenses			
Consultant Fees		531,473	501,233
Custodial Fees		415,345	242,263
Investment Attorney		133,532	130,981
Other Investment Costs		7,075,593	5,376,766
Actuarial Fees		113,290	162,593
	Total Other Investment Fees and Expenses	**8,269,233**	**6,413,836**
Total Investment Fees and Expenses		**$19,763,497**	**$27,898,500**

Schedule of Investment Broker Commissions

StanCERA participates in a commission recapture program administered by Cowen. The strategic objective of the Commission Recapture Program is to recapture a portion of trade commissions paid to brokers. The primary goal is to ensure that investment managers provide the best effort to optimize the use of StanCERA's assets for the benefit of the members and beneficiaries by recapturing commissions paid on a specific percentage of trades sent to correspondent brokers on a timely basis. For the fiscal years ending June 30, 2023 and 2022, Commission Recapture Income was $14,491 and $32,929, respectively.

Below are the commissions paid by StanCERA for the fiscal years ending June 30:

		2023		
		# Shares	Commissions	Per Share
Domestic Equities				
Capital Prospects		308,340	7,689	0.025
	Total Domestic Equities	**308,340**	**7,689**	**0.025**
International Equities				
Fidelity Asset Management		3,800,521	59,363	0.016
	Total International Equities	**3,800,521**	**59,363**	**0.016**
	Total Investment Broker Commissions	**4,108,861**	**$ 67,052**	**$ 0.016**

		2022		
		# Shares	Commissions	Per Share
Domestic Equities				
Capital Prospects		521,490	14,722	0.028
	Total Domestic Equities	**521,490**	**14,722**	**0.028**
International Equities				
Fidelity Asset Management		5,782,904	86,848	0.015
	Total International Equities	**5,782,904**	**86,848**	**0.015**
	Total Investment Broker Commissions	**6,304,394**	**$ 101,570**	**$ 0.016**

This page intentionally left blank

ACTUARIAL SECTION

This page intentionally left blank

Via Electronic Mail

October 26, 2023

Actuarial Certification

This is the Actuary's Certification Letter for the Actuarial Section of the Annual Comprehensive Financial Report for the StanCERA Retirement Plan (the Plan) as of June 30, 2023. This letter includes references to two documents produced by Cheiron for the Plan: the Actuarial Valuation Report as of June 30, 2022 (transmitted February 17, 2023) and the GASB 67/68 Report as of June 30, 2023 (transmitted October 5, 2023).

Actuarial Valuation Report as of June 30, 2022

The purpose of the annual Actuarial Valuation Report as of June 30, 2022 is to determine the actuarial funding status of StanCERA on that date and to calculate recommended contribution rates for the participating employers and Plan members for the Fiscal Year 2023-2024. The prior review was conducted as of June 30, 2021 and included recommended contribution rates for the Fiscal Year 2022-2023.

Actuarial funding is based on the Entry Age Normal Cost Method. Under this method, the employer contribution rate provides for current cost (normal cost) plus a level percentage of payroll to amortize the Unfunded Actuarial Accrued Liability (UAAL) plus expected administrative expenses. The initial UAAL as of June 30, 2021 is amortized over a closed 15-year period (14 years remaining as of June 30, 2022). Any subsequent unexpected changes in the UAAL after June 30, 2021 from actuarial gains or losses or assumption changes are amortized over fixed closed periods of 20 years as a level percentage of payroll, with new amortization layers established each year. Any subsequent changes in the UAAL after June 30, 2021 due to plan amendments or other plan provision changes are amortized over a shorter period, based on the lesser of 15 years or the average future working lifetime for changes affecting active members, or the lesser of 10 years or the average remaining life expectancy for changes affecting inactive members.

The funding objective of the Plan is to accumulate sufficient assets over each Member's working life to provide for Plan benefits after termination of employment or retirement. For actuarial valuation purposes, Plan assets are valued at actuarial value. Under this method, the assets used to determine employer contribution rates take into account market value by spreading all investment gains and losses (returns above or below expected returns) over a period of five years. The actuarial value is limited to no less than 80% and no more than 120% of market value.

The Board of Retirement is responsible for establishing and maintaining the funding policy of the Plan, subject to the laws of the State of California enacted under the County Employees Retirement Law of 1937 and subsequent legislation.

We prepared the following schedules, which we understand will be included in the Actuarial Section of the Annual Comprehensive Financial Report, based on the June 30, 2022 actuarial valuation. All historical information prior to the June 30, 2008 actuarial valuation shown in these schedules is based on information reported by the prior actuary, Buck Consultants.

- Summary of Current Actuarial Assumptions and Methods
- Membership Information (Active, Deferred, and Retired)
- Schedule of Retirees and Beneficiaries Added to and Removed from Rolls
- Analysis of Financial Experience: Change in Unfunded Actuarial Liability
- Schedule of Funded Liabilities by Type
- Schedule of Funding Progress
- Summary of Plan Provisions

We reviewed the actuarial assumptions shown in the schedules and found them to be reasonably appropriate for use under the Plan. The assumptions used in this report reflect the results of an Experience Study performed by Cheiron covering the period from July 1, 2018 through June 30, 2021 and approved by the Board. The assumptions used in the most recent valuation are intended to produce results that, in the aggregate, reasonably approximate the anticipated future experience of the Plan. The next experience analysis is expected to cover the years through 2024.

We certify that the valuation was performed in accordance with generally accepted actuarial principles and practices. In particular, the assumptions and methods used for funding purposes meet the requirements of the Actuarial Standards of Practice (ASOPs), in particular ASOPs No. 4, 27, 35, and 44.

GASB 67/68 Report as of June 30, 2023

The purpose of GASB 67/68 Report as of June 30, 2023 is to provide accounting and financial reporting information under GASB 67 for StanCERA and under GASB 68 for Stanislaus County and the other participating employers. This report is not appropriate for other purposes, including the measurement of funding requirements for StanCERA.

For financial reporting purposes, the Total Pension Liability is based on the June 30, 2022 actuarial valuation updated to the measurement date of June 30, 2023. There were no significant events of which we were aware between the valuation date and the measurement date so the update procedures only included the addition of service cost and interest cost offset by actual benefit payments.

Please refer to our GASB 67/68 report as of June 30, 2023 for additional information related to the financial reporting of the System. We prepared the following schedules for inclusion in the Financial Section of the Annual Comprehensive Financial Report based on the June 30, 2023 GASB 67/68 report:

- Change in Net Pension Liability
- Sensitivity of Net Pension Liability to Changes in Discount Rate
- Schedule of Changes in Net Pension Liability and Related Ratios
- Schedule of Employer Contributions
- Notes to the Schedule of Employer Contributions

We certify that the report was performed in accordance with generally accepted actuarial principles and practices. In particular, the assumptions and methods used for disclosure purposes have been prepared in accordance with our understanding of generally accepted accounting principles as promulgated by the GASB.

Disclaimers

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

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

Future actuarial measurements may differ significantly from the current measurements due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; and, changes in plan provisions or applicable law.

These reports are for the use of StanCERA and its auditor in preparing financial reports in accordance with applicable law and accounting requirements. Any other user of these reports is not an intended user and is considered a third party.

Cheiron's reports were prepared solely for StanCERA for the purposes described herein, except that the Plan's auditor may rely on these reports solely for the purpose of completing an audit related to the matters herein. They are not intended to benefit any third party, and Cheiron assumes no duty or liability to any such party.

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

Respectfully Submitted,

Graham A. Schmidt, ASA, EA, FCA, MAAA
Consulting Actuary
703-893-1456, x1137
gschmidt@cheiron.us

Jonathan B. Chipko, FSA, EA, MAAA
Consulting Actuary
703-893-1456, x1154
jchipko@cheiron.us

SUMMARY OF ASSUMPTIONS AND FUNDING METHODS

The following assumptions, along with the post-retirement and pre-retirement demographic experiences, are based on StanCERA's actuarial experience study from July 1, 2018 through June 30, 2021, approved by the StanCERA Board of Retirement on December 14, 2021. The actuarial valuation for the fiscal year ending June 30, 2022 was approved by the StanCERA Board of Retirement on February 28, 2023, which incorporated the following assumptions. The purpose of the annual actuarial valuation report as of June 30, 2022 is to determine the actuarial funding status of StanCERA on that date and to calculate recommended contribution rates for the participating employers and StanCERA members for the fiscal year ended June 30, 2024. The prior actuarial valuation conducted as of June 30, 2021 included recommended contribution rates for the fiscal year ended June 30, 2023 which was approved by the StanCERA Board of Retirement on February 22, 2022.

Plan Description

A summary of Plan provisions can be found in Note 1 of the Notes to Basic Financial Statements.

Actuarial Methods

Actuarial Cost Method

Annual contributions are computed under the Entry Age Normal Actuarial Cost Method, computed to the final decrement. A schedule of actuarially determined contributions compared to actual contributions can be found in the Required Supplementary Information Section following the Notes to the Basic Financial Statements.

The excess of the Actuarial Accrued Liability over Plan assets is the Unfunded Actuarial Accrued Liability. The liability for each valuation group is amortized as a level percentage of payroll over a closed period (15 years as of the current valuation).

Actuarial Value of Plan Assets

The Actuarial Value of Plan Assets is a modified market-related value. The fair value of assets is adjusted to recognize, over a five-year period, differences between actual investment earnings and the assumed investment return. The Actuarial Value of Plan Assets is limited to no less the 80% and no more than 120% of the fair value. As of June 30, 2011, the Actuarial Value was reset to equal fair value.

ACTUARIAL VALUATION METHODS AND ASSUMPTIONS

Valuation Date	June 30, 2022	June 30, 2021
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percent of Pay	Level Percent of Pay
Remaining Amortization Period	14 Years	15 Years
Asset Valuation Method	Modified Market-Related Value smoothed over a five year period	Modified Market-Related Value smoothed over a five year period

Actuarial Assumptions

1. Rate of Return – The annual rate of return is assumed to be 6.75% net of investment expenses.
2. Cost of Living Adjustment (COLA) – The COLA is assumed to be 2.50% per year as measured by the Consumer Price Index.
3. Administrative Expenses – An allowance of $3,177,500 has been included in the annual cost calculation.
4. Interest Credited to Employee Accounts – 0.25% annually.
5. Increases in Pay – Base salary increase is assumed at 2.75%. Assumed pay increases for active Members consist of increases due to salary adjustments (as noted above), plus service-based increases due to longevity and promotion, as shown below.

Longevity & Promotion Increases		
Service	Safety	General
0	5.00%	5.00%
1	5.00%	5.00%
2	5.00%	5.00%
3	5.00%	4.50%
4	5.00%	4.50%
5	3.50%	2.00%
6	2.50%	1.75%
7	1.50%	1.50%
8	1.25%	1.50%
9	1.00%	1.25%
10	0.75%	1.00%
11+	0.50%	1.00%

6. Public Employees' Pension Reform Act (PEPRA) Compensation Limit – Assumption used for increasing the compensation limit that applies to PEPRA members is 2.50%.
7. Post Retirement COLA – 100% of Consumer Price Index up to 3% annually with banking, 2.4% annual increases assumed.
8. Social Security Wage Base – For projecting the Social Security Benefit, the annual Social Security Wage Base increase is assumed to be 2.75% per year. General Tier 3 members have their benefits offset by an assumed Social Security Benefit.
9. Internal Revenue Code Section 415 Limit – Has been applied to the benefits for members currently in pay status, as the limited benefits have been provided by StanCERA for valuation purposes.
10. Internal Revenue Code Section 401(a)(17) – Not reflected in the valuation for funding purposes.
11. Family Composition – Spouses of male members are assumed to be two years younger than the member. Spouses of female members are assumed to be two years older than the member.

FAMILY COMPOSITION

Percent Married	
Gender	Percentage
Males	80%
Females	60%

Actuarial Assumptions (continued)

12. Accumulated Vacation Time Load – Active members' service retirement and related benefits are loaded by 3.00% for Safety Members and 3.00% for General Members.

13. Rates of Separation – Separate termination rates are assumed among Safety and General Members. Termination rates do not apply once a member is eligible for retirement.

Termination (all types)		
	Safety	General
Service	All	All
0	18.0%	16.0%
1	14.0%	8.0%
2	9.0%	7.0%
3	8.0%	6.0%
4	7.0%	6.0%
5	7.0%	6.0%
10	5.0%	5.0%
15	3.0%	2.0%
20	3.0%	0.0%
25	3.0%	0.0%
30+	0.0%	0.0%

14. Withdrawal – Rates of withdrawal apply to active Members who terminate their employment and withdraw their member contributions. 45% of all General Member terminations with less than ten years of service and 15% of those with ten or more years of service are assumed to take a refund of contributions. 35% of all Safety Member terminations with less than ten years of service and 10% of those with ten or more years of service are assumed to take a refund of contributions.

15. Vested Termination – Rates of vested termination apply to active Members who terminate their employment after five years of service and leave their member contributions on deposit with the Plan. Tier 3 General Members are assumed to begin receiving benefits at age 65, and all other General Members at age 58. Safety Members are assumed to begin receiving benefits at age 51. 60% of vested terminated General members are assumed to be reciprocal with less than 10 years of service, and 40% of those with 10 years or more. 75% of vested Safety members are assumed to be reciprocal with less than 10 years of service, and 70% with 10 years or more. Reciprocal members are assumed to receive annual pay increases of 3.25% for General members and 3.75% for Safety members.

Actuarial Assumptions (continued)

16. Service Connected Disability – Separate rates are assumed among Safety and General Members. Rates for both sexes for Safety Members are combined.

Service Connected Disability			
	Safety	General	
Age	All	Female	Male
20	0.0020%	0.0002%	0.0043%
25	0.0760%	0.0004%	0.0102%
30	0.1700%	0.0008%	0.0211%
35	0.2640%	0.0024%	0.0284%
40	0.3600%	0.0056%	0.0401%
45	0.4570%	0.0101%	0.0613%
50	0.5570%	0.0162%	0.0897%
55	0.6580%	0.0249%	0.1227%
60	0.7620%	0.0349%	0.1637%
65	0.8690%	0.0000%	0.0000%

17. Non-Service Connected Disability - Separate rates are assumed among Safety and General Members. Rates for both sexes for Safety Members are combined. Rates shown are applied after five years of service.

Non-Service Connected Disability			
	Safety	General	
Age	All	Female	Male
20	0.0100%	0.0100%	0.0170%
25	0.0100%	0.0100%	0.0170%
30	0.0200%	0.0240%	0.0190%
35	0.0300%	0.0710%	0.0390%
40	0.0400%	0.1350%	0.1020%
45	0.0500%	0.1880%	0.1510%
50	0.0800%	0.1990%	0.1580%
55	0.1300%	0.1490%	0.1580%
60	0.2000%	0.1050%	0.1530%
65	0.2000%	0.0880%	0.1280%
70	-	0.0840%	0.1020%
75+	-	0.0880%	0.1020%

Actuarial Assumptions (continued)

18. Rates for Mortality for Healthy Lives – Rates of ordinary death for active General members are specified by the 2021 California Public Employees Retirement System (CalPERS) Preretirement Non-Industrial Mortality table, adjusted by 102.2% for males and 110.2% for females. Rates of ordinary death for active Safety members are specified by the 2021 CalPERS Preretirement Non-Industrial Mortality table, adjusted by 102.6% for males and 100.9% for females. Duty related mortality rates are only applicable for Safety Active Members and are based on the 2021 CalPERS Preretirement Industrial Death table, adjusted by 102.6% for males and 100.9% for females. These mortality base tables are all projected generationally from 2017 using 80% of SOA Scale MP-2020.

Mortality Rates						
	Ordinary Death - General		Ordinary Death - Safety		Duty Death - Safety	
Age	Female	Male	Female	Male	Female	Male
20	0.0154%	0.0399%	0.0141%	0.0390%	0.0020%	0.0041%
25	0.0143%	0.0337%	0.0182%	0.0349%	0.0020%	0.0041%
30	0.0209%	0.0450%	0.0252%	0.0431%	0.0030%	0.0051%
35	0.0320%	0.0593%	0.0343%	0.0492%	0.0040%	0.0051%
40	0.0430%	0.0767%	0.0424%	0.0564%	0.0050%	0.0062%
45	0.0595%	0.0950%	0.0535%	0.0677%	0.0061%	0.0072%
50	0.0893%	0.1369%	0.0737%	0.0944%	0.0081%	0.0103%
55	0.1355%	0.2024%	0.1070%	0.1416%	0.0121%	0.0154%
60	0.1973%	0.2933%	0.1524%	0.2267%	0.0172%	0.0257%
65	0.2755%	0.4119%	0.1957%	0.3550%	0.0222%	0.0390%
70	0.4452%	0.6071%	0.3612%	0.6218%	0.0404%	0.0687%

19. Disabled Member Mortality –

Non-Service Connected Disability Members are specified by the 2021 CalPERS Non-Industrial Disabled Annuitant Mortality table, with no adjustment for males or females, with generational mortality improvements projected from 2017 using 80% of SOA Scale MP-2020.

Service Connected Disability Members are adjusted by 105% for females and no adjustment for males using the same table and scale.

Disabled Mortality Rates				
	Non-Service Connected		Service Connected	
Age	Female	Male	Female	Male
45	1.019%	1.120%	0.238%	0.314%
50	1.439%	1.727%	0.326%	0.437%
55	1.734%	2.217%	0.577%	0.623%
60	1.962%	2.681%	0.911%	0.935%
65	2.276%	3.332%	1.250%	1.393%
70	2.910%	4.056%	1.951%	2.189%
75	4.160%	5.465%	3.291%	3.498%
80	6.112%	8.044%	5.442%	5.932%
85	9.385%	11.695%	8.447%	10.244%
90	14.396%	16.770%	13.056%	16.739%

Actuarial Assumptions (continued)

20. Retired Member and Beneficiary Mortality - Specified by the CalPERS Healthy Annuitant Mortality table, adjusted by 107.6% for males and 115.3% for females, with generational mortality improvements projected from 2017 using 80% of SOA Scale MP-2020.

Retired Mortality Rates		
Age	Female	Male
45	0.063%	0.101%
50	0.229%	0.291%
55	0.375%	0.421%
60	0.525%	0.618%
65	0.705%	0.922%
70	1.149%	1.442%
75	2.056%	2.582%
80	3.923%	4.713%
85	7.110%	8.902%
90	12.782%	15.644%

21. Mortality Improvement – The mortality assumptions employ a fully generational mortality improvement projection from the base year 2017 using 80% of SOA Scale MP-2020.

22. Service Retirement – Assumed to occur among eligible members in accordance with the following table for non-PEPRA Tiers 1 through 5.

Service Retirement - General			
	Years of Service		
Age	0-9	10-29	30+
40-44	0.00%	0.00%	0.00%
45-49	0.00%	0.00%	10.00%
50-54	0.00%	4.00%	10.00%
55	0.00%	7.00%	10.00%
56	0.00%	7.00%	15.00%
57	0.00%	7.00%	15.00%
58	0.00%	7.00%	15.00%
59	0.00%	12.50%	15.00%
60	0.00%	12.50%	22.50%
61	0.00%	12.50%	30.00%
62	0.00%	20.00%	30.00%
63	0.00%	20.00%	30.00%
64	0.00%	20.00%	30.00%
65	0.00%	40.00%	30.00%
66	0.00%	40.00%	30.00%
67	0.00%	40.00%	30.00%
68	0.00%	25.00%	30.00%
69	0.00%	25.00%	30.00%
70	25.00%	25.00%	30.00%
71	25.00%	25.00%	30.00%
72	25.00%	25.00%	30.00%
73	25.00%	25.00%	30.00%
74	25.00%	25.00%	30.00%
75+	100.00%	100.00%	100.00%

Service Retirement - Safety				
	Years of Service			
Age	0-9	10-14	15-19	20+
40-48	0.00%	0.00%	0.00%	5.00%
49	0.00%	0.00%	0.00%	20.00%
50	0.00%	5.00%	25.00%	40.00%
51	0.00%	5.00%	5.00%	25.00%
52	0.00%	5.00%	5.00%	25.00%
53	0.00%	5.00%	5.00%	25.00%
54	0.00%	5.00%	5.00%	25.00%
55	0.00%	5.00%	5.00%	40.00%
56	0.00%	5.00%	5.00%	40.00%
57	0.00%	5.00%	5.00%	40.00%
58	0.00%	5.00%	5.00%	40.00%
59	0.00%	5.00%	5.00%	40.00%
60	0.00%	25.00%	25.00%	100.00%
61	0.00%	25.00%	25.00%	100.00%
62	0.00%	25.00%	25.00%	100.00%
63	0.00%	25.00%	25.00%	100.00%
64	0.00%	25.00%	25.00%	100.00%
65	0.00%	100.00%	100.00%	100.00%
66	0.00%	100.00%	100.00%	100.00%
67	0.00%	100.00%	100.00%	100.00%
68	0.00%	100.00%	100.00%	100.00%
69	0.00%	100.00%	100.00%	100.00%
70+	100.00%	100.00%	100.00%	100.00%

Actuarial Assumptions (continued)

23. PEPRA – Retirement for members in PEPRA, Tier 6, is assumed to occur among eligible members in accordance with the sample rates below, from the full tables 2021 CalPERS Public Agency Miscellaneous 2% @ 62 table for General and the CalPERS Public Agency Safety Police 2.7% @ 57 table for Safety:

Service Retirement - General (PEPRA)				
	Years of Service			
Age	5	10	25	35
50-51	0.00%	0.00%	0.00%	0.00%
52	0.50%	0.80%	1.90%	3.80%
53	0.70%	1.10%	2.10%	4.80%
54	0.70%	1.10%	2.30%	5.40%
55	1.00%	1.90%	6.10%	15.20%
56	1.40%	2.60%	7.50%	16.70%
57	1.80%	2.90%	7.40%	14.30%
58	2.30%	3.50%	7.30%	13.50%
59	2.50%	3.80%	9.20%	17.50%
60	3.10%	5.10%	11.10%	18.30%
61	3.80%	5.80%	12.10%	23.20%
62	4.40%	7.40%	16.40%	27.10%
63	7.70%	10.50%	19.20%	26.60%
64	7.20%	10.10%	18.70%	27.60%
65	10.80%	14.10%	23.90%	34.80%
66	13.20%	17.20%	29.20%	42.60%
67	13.20%	17.20%	29.20%	40.50%
68	12.00%	15.60%	26.50%	38.70%
69	12.00%	15.60%	26.50%	36.80%
70	12.00%	15.60%	26.50%	38.70%
71	12.00%	15.60%	26.50%	38.70%
72	12.00%	15.60%	26.50%	38.70%
73	12.00%	15.60%	26.50%	38.70%
74	12.00%	15.60%	26.50%	38.70%
75+	100.00%	100.00%	100.00%	100.00%

Service Retirement - Safety (PEPRA)				
	Years of Service			
Age	5	10	25	35
50	5.00%	5.00%	5.00%	11.00%
51	4.00%	4.00%	5.75%	13.92%
52	3.80%	3.80%	5.80%	13.21%
53	3.80%	3.80%	7.74%	28.98%
54	3.80%	3.80%	9.31%	33.25%
55	6.84%	6.84%	13.40%	38.76%
56	6.27%	6.27%	12.28%	34.49%
57	6.00%	6.00%	11.75%	32.00%
58	8.00%	8.00%	13.75%	35.00%
59	8.00%	8.00%	14.00%	40.00%
60	15.00%	15.00%	15.00%	35.00%
61	14.40%	14.40%	14.40%	26.40%
62	15.00%	15.00%	15.00%	33.00%
63	15.00%	15.00%	15.00%	40.00%
64	15.00%	15.00%	15.00%	52.50%
65+	100.00%	100.00%	100.00%	100.00%

24. Changes in Actuarial Assumptions – Details of all assumption changes can be found in the Actuarial Experience Study Report on StanCERA's website at http://www.stancera.org for the period covering July 1, 2018 through June 30, 2021. The proposed assumptions were summarized and reviewed with the Board at the December 14, 2021 Board meeting, at which the Board provided direction to proceed with the valuation based on those assumptions.

Participant data on active and inactive Members and their beneficiaries as of the valuation date were supplied by the Plan staff at the direction of the Executive Director on electronic media. Member data was neither verified nor audited.

SCHEDULE OF ACTIVE MEMBER VALUATION DATA
FOR FISCAL YEARS ENDED JUNE 30

Valuation Date	Plan Type	Number	Annual Salary	Average Annual Salary	% Increase (Decrease) in Average Salary	Number of Employers
6/30/2013	General	3,230	$ 176,437,755	$ 54,625	-1.48%	
	Safety	694	42,590,563	61,370	-2.62%	
	Total	3,924	$ 219,028,318	$ 55,818	-1.61%	8
6/30/2014	General	3,303	$ 179,606,090	$ 54,377	-0.45%	
	Safety	689	43,422,198	63,022	2.69%	
	Total	3,992	$ 223,028,288	$ 55,869	0.09%	8
6/30/2015	General	3,421	$ 188,550,804	$ 55,116	1.36%	
	Safety	723	49,166,923	68,004	7.91%	
	Total	4,144	$ 237,717,727	$ 57,364	2.68%	8
6/30/2016	General	3,521	$ 198,457,059	$ 56,364	2.26%	
	Safety	727	52,020,521	71,555	5.22%	
	Total	4,248	$ 250,477,580	$ 58,964	2.79%	8
6/30/2017	General	3,552	$ 201,758,423	$ 56,801	0.78%	
	Safety	757	54,385,261	71,843	0.40%	
	Total	4,309	$ 256,143,684	$ 59,444	0.81%	8
6/30/2018	General	3,658	$ 211,919,963	$ 57,933	1.99%	
	Safety	794	58,835,257	74,100	3.14%	
	Total	4,452	$ 270,755,220	$ 60,817	2.31%	8
6/30/2019	General	3,690	$ 220,393,008	$ 59,727	3.10%	
	Safety	814	63,615,295	78,151	5.47%	
	Total	4,504	$ 284,008,303	$ 63,057	3.68%	8
6/30/2020	General	3,652	$ 221,652,587	$ 60,693	1.62%	
	Safety	806	63,673,695	79,000	1.09%	
	Total	4,458	$ 285,326,282	$ 64,003	1.50%	8
6/30/2021	General	3,555	$ 228,145,063	$ 64,176	5.74%	
	Safety	766	63,505,375	82,905	4.94%	
	Total	4,321	$ 291,650,438	$ 67,496	5.46%	8
6/30/2022	General	3,566	$ 237,279,320	$ 66,539	3.68%	
	Safety	757	66,315,366	87,603	5.67%	
	Total	4,323	$ 303,594,687	$ 70,228	4.05%	9

Note: The annual salary presented here is annualized historical salary. The covered payroll shown in the Notes to the Basic Financial Statements is actual pensionable salaries. Salary shown in the Schedule of Funding Progress is based on projected salary from the actuarial valuation.

Note: The employers participating in the Plan include Stanislaus County, Stanislaus County Superior Court, City of Ceres and six small districts.

SCHEDULE OF FUNDING PROGRESS
FOR FISCAL YEARS ENDED JUNE 30

Actuarial Valuation Date	Valuation Assets [1]	Actuarial Accrued Liability (AAL)	Unfunded AAL	Funded Ratio	Covered Payroll	Unfunded AAL as a % of Covered Payroll
2013	$ 1,524,076,000	$ 1,919,227,000	$ 395,151,000	79.4%	$ 219,028,318	180.4%
2014	$ 1,644,077,000	$ 2,026,371,000	$ 382,294,000	81.1%	$ 223,028,288	171.4%
2015	$ 1,763,629,000	$ 2,391,522,000	$ 627,893,000	73.7%	$ 237,717,727	264.1%
2016	$ 1,845,764,000	$ 2,537,067,000	$ 691,303,000	72.8%	$ 250,477,580	276.0%
2017	$ 1,968,231,000	$ 2,648,162,000	$ 679,931,000	74.3%	$ 256,143,684	265.4%
2018	$ 2,100,278,000	$ 2,749,068,000	$ 648,790,000	76.4%	$ 270,755,220	239.6%
2019	$ 2,199,956,000	$ 2,897,223,000	$ 697,267,000	75.9%	$ 284,008,303	245.5%
2020	$ 2,290,287,000	$ 3,028,647,000	$ 738,360,000	75.6%	$ 285,326,282	258.8%
2021	$ 2,483,712,000	$ 3,153,032,000	$ 669,320,000	78.8%	$ 291,650,438	229.5%
2022	$ 2,603,763,000	$ 3,379,554,000	$ 775,791,000	77.0%	$ 303,594,687	255.5%

[1] Excludes value of Non-Valuation Reserves.

RETIREES AND BENEFICIARIES ADDED TO
AND REMOVED FROM RETIREE PAYROLL
FOR FISCAL YEARS ENDED JUNE 30

Actuarial Valuation Date	At Beginning of Year	Added During Year	Allowances Added	Removed During Year	Allowances Removed	At End of Year	Retiree Payroll	% Increase in Retiree Payroll	Average Annual Allowance
2013	3,142	198	$ 6,036,138	91	$ 1,144,584	3,249	$ 89,975,736	12.25%	$ 27,694
2014	3,249	222	$ 6,703,273	86	$ 1,725,066	3,385	$ 96,405,454	7.15%	$ 28,480
2015	3,385	237	$ 7,778,716	83	$ 2,043,313	3,539	$ 104,052,097	7.93%	$ 29,402
2016	3,539	211	$ 7,066,750	99	$ 2,160,689	3,651	$ 111,260,240	6.93%	$ 30,474
2017	3,651	202	$ 6,749,973	107	$ 2,471,229	3,746	$ 117,901,627	5.97%	$ 31,474
2018	3,746	233	$ 7,555,825	123	$ 3,109,178	3,856	$ 124,995,337	6.02%	$ 32,416
2019	3,856	242	$ 8,421,538	97	$ 2,580,158	4,001	$ 133,601,799	6.89%	$ 33,392
2020	4,001	283	$ 11,277,136	107	$ 3,164,436	4,177	$ 144,745,530	8.34%	$ 34,653
2021	4,177	273	$ 9,937,557	134	$ 3,802,836	4,316	$ 153,764,029	6.23%	$ 35,627
2022	4,316	279	$ 9,936,459	119	$ 3,132,862	4,476	$ 164,415,041	6.93%	$ 36,733

SCHEDULE OF FUNDED LIABILITIES BY TYPE
SOLVENCY TEST
FOR FISCAL YEARS ENDED JUNE 30

Valuation Date		Actuarial Accrued Liabilities (AAL) for: 1 Active Member Contributions	2 Retirees & Beneficiaries	3 Active Members Employer Portion	Actuarial Accrued Liabilities	Reported Assets	Portion of Accrued Liabilities Covered by Reported Assets 1	2	3
2013	1	$ 191,968,000	$ 1,065,792,000	$ 661,466,000	$ 1,919,227,000	$ 1,524,076,000	100%	100%	40%
2014		$ 193,301,000	$ 1,144,734,000	$ 688,335,000	$ 2,026,371,000	$ 1,644,077,000	100%	100%	44%
2015		$ 196,074,000	$ 1,337,781,000	$ 857,667,000	$ 2,391,522,000	$ 1,763,629,000	100%	100%	27%
2016		$ 200,960,000	$ 1,427,166,000	$ 908,941,000	$ 2,537,067,000	$ 1,845,764,000	100%	100%	24%
2017		$ 206,386,000	$ 1,510,151,000	$ 931,625,000	$ 2,648,162,000	$ 1,968,231,000	100%	100%	27%
2018		$ 213,223,000	$ 1,590,078,000	$ 945,767,000	$ 2,749,068,000	$ 2,100,278,000	100%	100%	31%
2019		$ 219,369,000	$ 1,695,484,000	$ 982,369,000	$ 2,897,223,000	$ 2,199,956,000	100%	100%	29%
2020		$ 222,390,000	$ 1,833,388,000	$ 972,868,000	$ 3,028,647,000	$ 2,290,287,000	100%	100%	24%
2021		$ 224,594,000	$ 1,903,558,000	$ 1,024,880,000	$ 3,153,032,000	$ 2,483,712,000	100%	100%	35%
2022		$ 224,213,000	$ 2,058,086,000	$ 1,097,255,000	$ 3,379,554,000	$ 2,603,763,000	100%	100%	29%

[1] Reflects change to include only refundable contribution balance.

ACTUARIAL ANALYSIS OF FINANCIAL EXPERIENCE
FOR FISCAL YEARS ENDED JUNE 30

Plan Year Ending		Actuarial (Gains)/Losses: Asset Sources	Liability Sources	Total	Changes in Plan Provisions	Changes in Assumption/ Methods
2013		$ 10,200,000	$ 8,500,000	$ 18,700,000	$ -	$ (63,400,000)
2014		$ (22,600,000)	$ 6,100,000	$ (16,500,000)	$ -	$ 400,000
2015		$ (20,600,000)	$ (5,600,000)	$ (26,200,000)	$ -	$ 269,800,000
2016		$ 16,300,000	$ 28,900,000	$ 45,200,000	$ -	$ -
2017		$ (20,800,000)	$ (8,900,000)	$ (29,700,000)	$ -	$ -
2018	1	$ (12,400,000)	$ 16,800,000	$ 4,400,000	$ -	$ (37,800,000)
2019		$ 28,700,000	$ 30,800,000	$ 59,500,000	$ -	$ -
2020		$ 42,100,000	$ 7,400,000	$ 49,500,000	$ -	$ -
2021		$ (65,700,000)	$ 33,000,000	$ (32,700,000)	$ -	$ (30,100,000)
2022		$ 11,400,000	$ 115,100,000	$ 126,500,000	$ -	$ -

[1] Changes due to Actuarial Audit included as Liability Loss of $700,000.

A 10 year schedule of actuarially determined contributions compared to actual contributions can be found in the Required Supplementary Information to the Financial Statements on page 45.

STATISTICAL SECTION

STATISTICAL INFORMATION

This section provides a multi-year trend of financial and demographic information to facilitate a more comprehensive understanding of this year's financial statements, note disclosures, and supplementary information covering StanCERA's Plan. The financial and operating information provides additional perspective, context, and detail for StanCERA's Fiduciary Net Position, revenues and expenses by source, number of retirees by benefit type, payments made to retirees by benefit type, membership history, and the participating employers. The financial and operating trend information is located below and on the following pages.

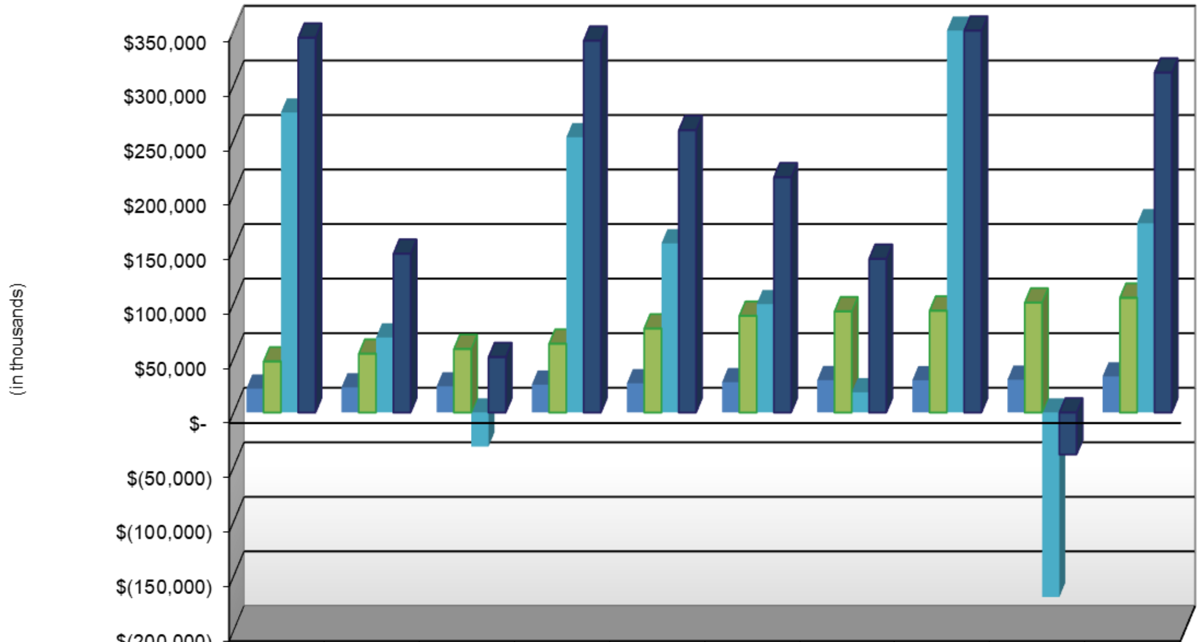
CHANGES IN FIDUCIARY NET POSITION

Last Ten Fiscal Years Ending June 30

Additions To Fiduciary Net Position	2023	2022	2021	2020	2019
Employer Contributions	$ 105,089,934	$100,768,249	$ 93,307,629	$ 92,684,609	$ 88,589,381
Plan Member Contributions	33,052,850	29,998,079	29,553,123	29,645,645	27,742,863
Net Investment Income (Loss)	173,418,657	(169,153,892)	556,195,649	18,496,773	99,280,525
Total Additions	$ 311,561,441	$ (38,387,564)	$ 679,056,401	$ 140,827,027	$ 215,612,769
Deductions From Fiduciary Net Position					
Pension Benefits	$ 168,768,709	$ 158,258,447	$ 149,015,287	$ 138,223,922	$ 129,100,668
Refunds	3,013,593	4,050,751	1,915,614	1,761,673	2,674,023
Administrative Expense	4,361,938	3,475,764	3,393,869	3,216,625	2,557,391
Total Deductions	$ 176,144,240	$ 165,784,962	$ 154,324,770	$ 143,202,220	$ 134,332,082
Change in Fiduciary Net Position Restricted for Pension Benefits	$ 135,417,201	$ (204,172,526)	$ 524,731,631	$ (2,375,193)	$ 81,280,687
Fiduciary Net Position Restricted for Pension Benefits					
Beginning of Year	2,526,425,344	2,730,597,870	2,205,866,239	2,208,241,432	2,126,960,745
End of Year	$ 2,661,842,545	$ 2,526,425,344	$ 2,730,597,870	$ 2,205,866,239	$ 2,208,241,432

Additions To Fiduciary Net Position	2018	2017	2016	2015	2014
Employer Contributions	$ 76,966,471	$ 63,024,559	$ 58,196,310	$ 53,849,031	$ 46,763,996
Plan Member Contributions	26,746,289	25,463,745	23,916,508	22,960,235	21,867,911
Net Investment Income (Loss)	154,988,199	252,309,706	(31,322,276)	68,722,781	274,896,108
Total Additions	$ 258,700,959	$ 340,798,010	$ 50,790,542	$ 145,532,047	$ 343,528,015
Deductions From Fiduciary Net Position					
Pension Benefits	$ 121,138,269	$ 114,290,758	$ 106,928,097	$ 99,811,849	$ 93,076,127
Refunds	2,033,847	2,553,100	1,237,713	2,046,307	1,706,344
Administrative Expense	2,791,409	2,644,554	2,315,223	2,378,966	2,249,260
Total Deductions	$ 125,963,525	$ 119,488,412	$ 110,481,033	$ 104,237,122	$ 97,031,731
Change in Fiduciary Net Position Restricted for Pension Benefits	$ 132,737,434	$ 221,309,598	$ (59,690,491)	$ 41,294,925	$ 246,496,284
Fiduciary Net Position Restricted for Pension Benefits					
Beginning of Year	1,994,223,311	1,772,913,713	1,832,604,204	1,791,309,279	1,544,812,995
End of Year	$ 2,126,960,745	$ 1,994,223,311	$ 1,772,913,713	$ 1,832,604,204	$ 1,791,309,279

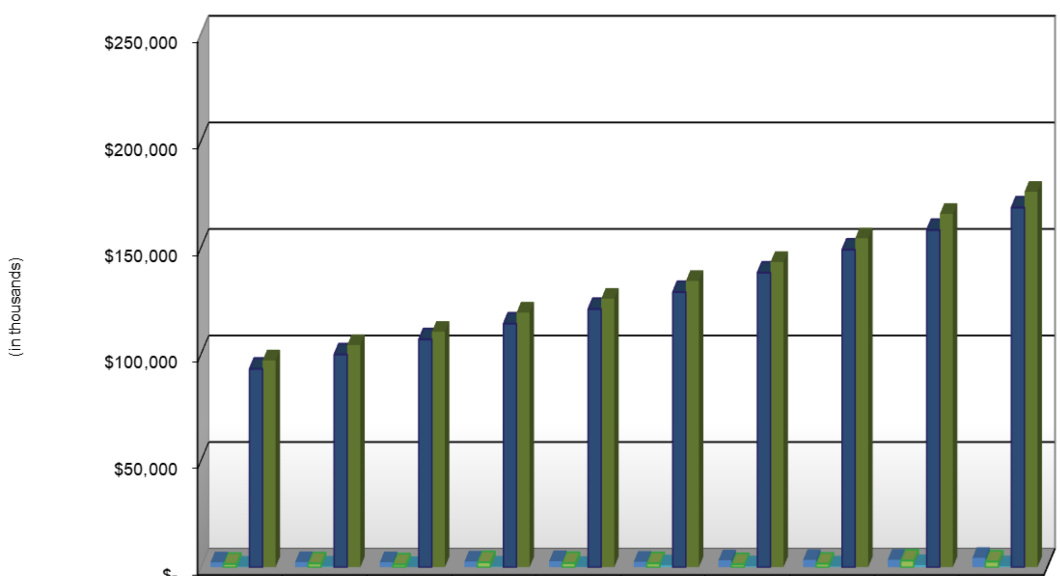
Additions by Source
(for fiscal years ending June 30)



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Plan Member Contrib.	$21,868	$22,960	$23,917	$25,464	$26,747	$27,743	$29,645	$29,553	$29,998	$33,053
Employer Contrib.	$46,764	$53,849	$58,196	$63,024	$76,966	$88,589	$92,685	$93,308	$100,768	$105,090
Investments	$274,896	$68,723	$(31,322)	$252,310	$154,988	$99,281	$18,497	$556,195	$(169,154)	$173,419
Total	$343,528	$145,532	$50,791	$340,798	$258,701	$215,613	$140,827	$679,056	$(38,388)	$311,562

Data Source: ACFR Financial Section, Statement of Changes in Fiduciary Net Position

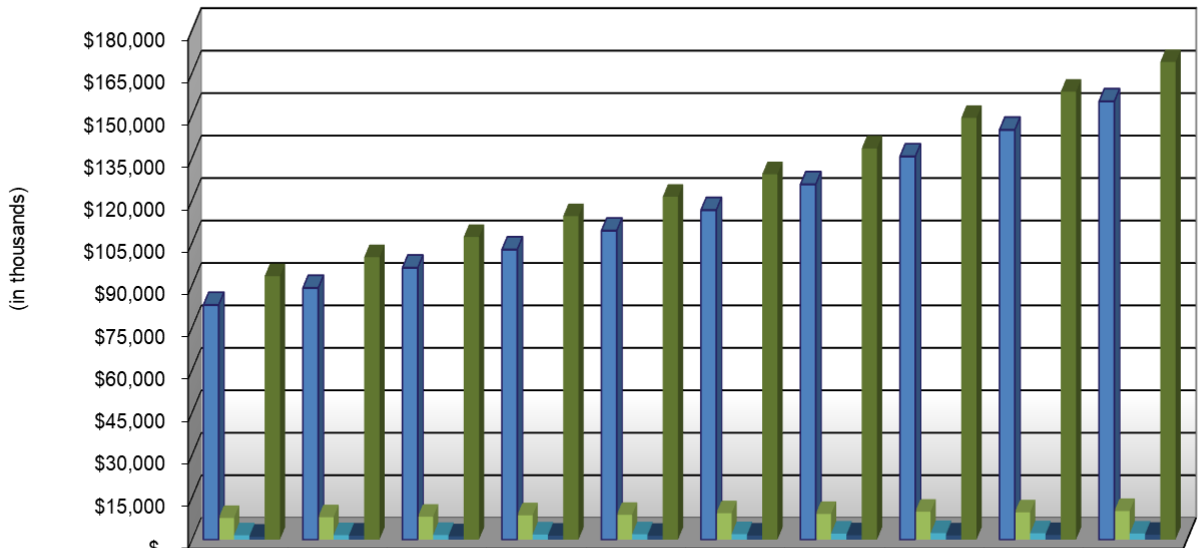
Deductions by Source
(for fiscal years ending June 30)



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Administrative	$2,249	$2,379	$2,315	$2,644	$2,792	$2,557	$3,216	$3,394	$3,476	$4,362
Refunds - Separation	$1,516	$1,759	$1,219	$2,298	$1,906	$1,826	$1,352	$1,611	$3,105	$2,613
Refunds - Death	$191	$287	$19	$255	$128	$848	$410	$305	$946	$401
Benefits	$93,076	$99,812	$106,928	$114,291	$121,138	$129,101	$138,224	$149,015	$158,258	$168,769
Total	$97,032	$104,237	$110,481	$119,488	$125,964	$134,332	$143,202	$154,325	$165,785	$176,145

Data Source: ACFR Financial Section, Statement of Changes in Fiduciary Net Position

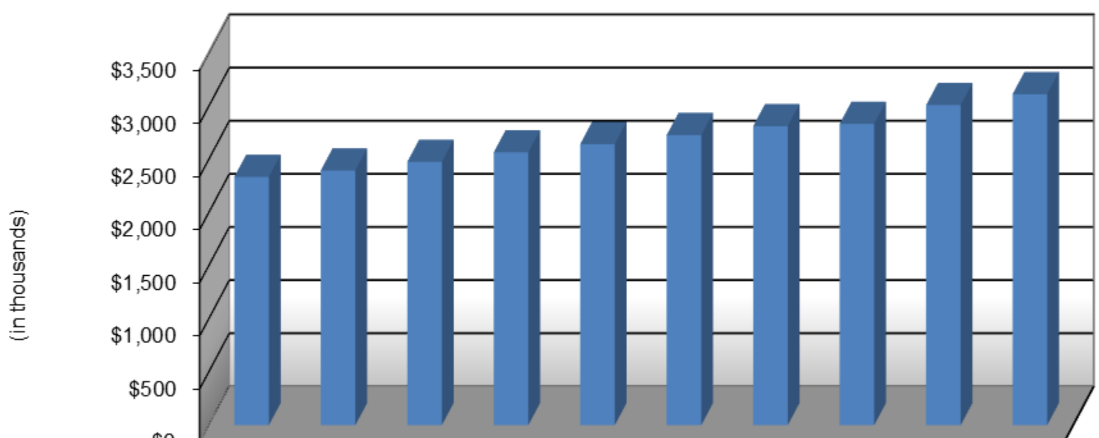
Benefit Expenses by Type
(for fiscal years ending June 30)



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Service	$82,899	$88,905	$96,058	$102,484	$109,159	$116,406	$125,521	$135,370	$144,780	$154,840
Serv. Conn. Dis.	$7,636	$7,911	$8,072	$8,591	$8,752	$9,328	$9,061	$9,858	$9,638	$10,092
Non-Serv. Dis.	$1,526	$1,577	$1,631	$1,819	$1,869	$1,934	$2,123	$2,298	$2,221	$2,144
Surv. Death Ben.	$1,015	$1,419	$1,167	$1,397	$1,358	$1,433	$1,519	$1,489	$1,619	$1,693
Total	$93,076	$99,812	$106,928	$114,291	$121,138	$129,101	$138,224	$149,015	$158,258	$168,769

Data Source: StanCERA Pension Administration System

Average Monthly Retirement Benefits
(for fiscal years ending June 30)



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Monthly Allowance	$2,337	$2,398	$2,478	$2,568	$2,646	$2,731	$2,814	$2,836	$3,013	$3,116

Data Source: StanCERA Pension Administration System

RETIRED MEMBERS BY BENEFIT TYPE
as of June 30, 2023

Amount Monthly Benefit	Total # Retirees	Service Retirement	Service Connected Disability	Non-Service Disability	Survivors
General Members					
$0-500	324	314	2	5	3
501-1,000	425	390	0	20	15
1,001-1,500	492	439	7	31	15
1,501-2,000	440	383	23	31	3
2,001-2,500	374	336	26	9	3
2,501-3,000	296	270	21	4	1
3,001-3,500	243	224	15	3	1
3,501-4,000	195	191	4	0	0
4,001-4,500	176	174	0	0	2
4,501-5,000	119	117	2	0	0
over 5,000	552	549	1	1	1
Totals	3,636	3,387	101	104	44
Safety Members					
$0-500	33	16	16	1	0
501-1,000	28	22	3	1	2
1,001-1,500	31	30	0	1	0
1,501-2,000	37	34	1	2	0
2,001-2,500	41	34	2	4	1
2,501-3,000	38	29	8	1	0
3,001-3,500	79	38	40	0	1
3,501-4,000	88	34	50	1	3
4,001-4,500	59	41	17	0	1
4,501-5,000	53	42	10	0	1
over 5,000	286	269	16	0	1
Totals	773	589	163	11	10
TOTALS	**4,409**	**3,976**	**264**	**115**	**54**

Data Source: StanCERA Pension Administration System

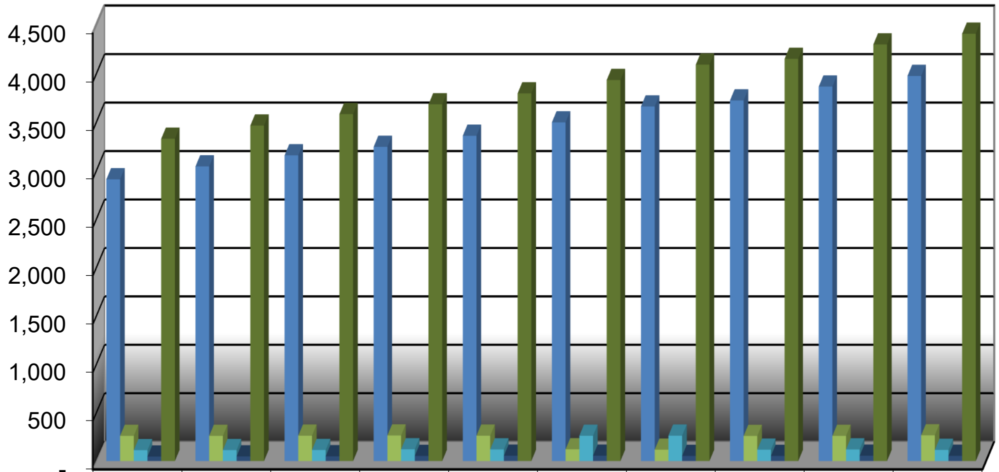
AVERAGE BENEFIT PAYMENTS

As of Fiscal Year-End June 30

	Beneficiaries & DRO's	0-5	5-10	10-15	15-20	20-25	25-30	30+
		Service Years Credited						
Fiscal Year Ending June 30, 2014								
Average Monthly Benefit	$1,467	$651	$1,124	$1,354	$2,082	$2,836	$4,088	$5,427
Avg Final Average Salary	$2,745	$5,272	$4,205	$3,927	$4,235	$4,596	$5,089	$5,948
Number of Active Retirees	389	206	394	680	524	488	353	349
Fiscal Year Ending June 30, 2015								
Average Monthly Benefit	$1,508	$638	$1,143	$1,403	$2,164	$2,938	$4,217	$5,566
Avg Final Average Salary	$2,846	$5,627	$4,328	$4,055	$4,379	$4,675	$5,175	$6,047
Number of Active Retirees	399	222	407	699	551	511	375	360
Fiscal Year Ending June 30, 2016								
Average Monthly Benefit	$1,548	$652	$1,186	$1,462	$2,231	$3,034	$4,342	$5,669
Avg Final Average Salary	$2,901	$5,766	$4,535	$4,187	$4,513	$4,779	$5,297	$6,061
Number of Active Retirees	412	230	420	699	573	525	398	380
Fiscal Year Ending June 30, 2017								
Average Monthly Benefit	$1,620	$791	$1,203	$1,520	$2,338	$3,172	$4,482	$5,790
Avg Final Average Salary	$3,006	$5,453	$4,588	$4,293	$4,666	$4,946	$5,413	$6,076
Number of Active Retirees	378	274	438	716	593	547	413	384
Fiscal Year Ending June 30, 2018								
Average Monthly Benefit	$1,768	$801	$1,208	$1,551	$2,406	$3,289	$4,600	$5,912
Avg Final Average Salary	$3,617	$5,738	$4,679	$4,379	$4,776	$5,123	$5,512	$6,102
Number of Active Retirees	333	281	461	732	614	548	430	397
Fiscal Year Ending June 30, 2019								
Average Monthly Benefit	$1,851	$891	$1,222	$1,616	$2,503	$3,493	$4,713	$6,057
Avg Final Average Salary	$3,674	$6,014	$4,734	$4,487	$4,907	$5,361	$5,574	$6,203
Number of Active Retirees	351	298	470	753	642	572	440	408
Fiscal Year Ending June 30, 2020								
Average Monthly Benefit	$1,796	$1,288	$1,374	$2,970	$3,319	$5,264	$11,881	$6,857
Avg Final Average Salary	$3,422	$6,235	$4,843	$4,592	$5,039	$5,495	$5,775	$6,290
Number of Active Retirees	445	308	486	771	665	604	464	425
Fiscal Year Ending June 30, 2021								
Average Monthly Benefit	$1,979	$1,040	$1,272	$1,791	$2,710	$3,839	$5,161	$6,547
Avg Final Average Salary	$4,109	$5,958	$4,898	$4,751	$5,156	$5,636	$5,885	$6,447
Number of Active Retirees	501	284	488	770	669	617	462	435
Fiscal Year Ending June 30, 2022								
Average Monthly Benefit	$2,021	$1,076	$1,292	$1,843	$2,799	$3,984	$5,310	$6,772
Avg Final Average Salary	$3,789	$5,937	$5,077	$4,822	$5,253	$5,816	$6,018	$6,570
Number of Active Retirees	533	302	514	772	687	647	476	453
Fiscal Year Ending June 30, 2023								
Average Monthly Benefit	$2,057	$774	$1,310	$1,905	$2,885	$4,146	$5,544	$6,956
Avg Final Average Salary	$3,507	$7,192	$5,281	$4,956	$5,401	$6,042	$6,204	$6,678
Number of Active Retirees	550	284	528	780	712	677	492	477

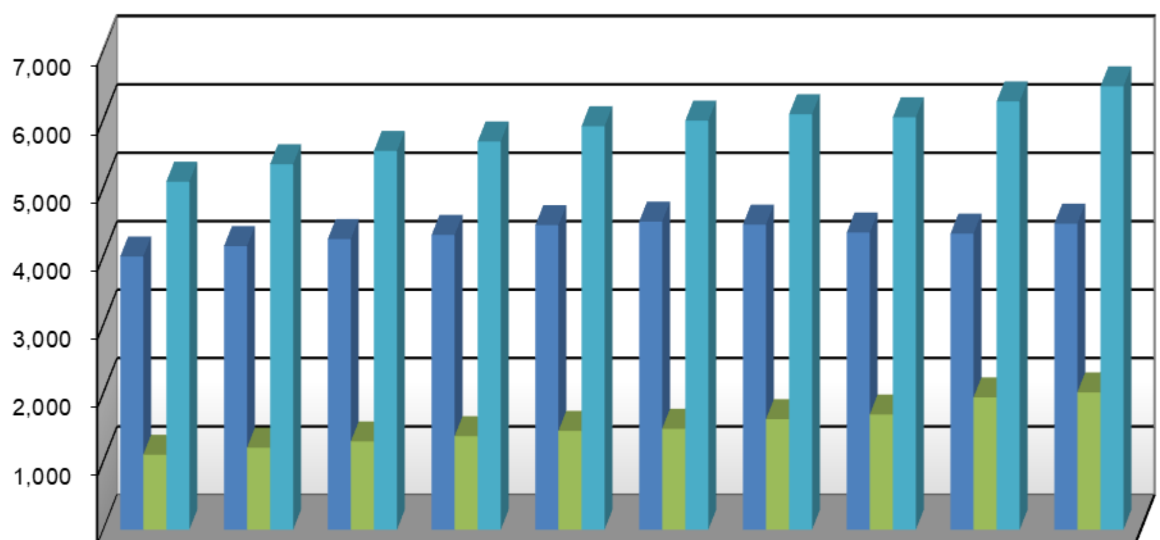
Data Source: StanCERA Pension Administration System

Membership History (Retired)
(for fiscal years ending June 30)



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Service	2,910	3,043	3,157	3,245	3,359	3,497	3,661	3,723	3,866	3,976
Serv. Conn. Dis.	260	260	262	264	262	121	117	259	260	266
Non-Serv. Dis.	112	113	114	121	120	261	262	117	120	115
Surv. Death Ben.	46	48	49	53	55	55	53	53	55	54
Total	3,328	3,464	3,582	3,683	3,796	3,934	4,093	4,152	4,301	4,411

Membership History (Active & Deferred)
(for fiscal years ending June 30)



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Active Members	3,993	4,145	4,249	4,309	4,452	4,504	4,459	4,345	4,328	4,474
Inactive Members	1,095	1,198	1,289	1,367	1,445	1,476	1,615	1,684	1,933	2,006
Total	5,088	5,343	5,538	5,676	5,897	5,980	6,074	6,029	6,261	6,480

Data Source: StanCERA Pension Administration System

PARTICIPATING EMPLOYERS AND ACTIVE MEMBERS
WITH PERCENTAGE OF TOTAL SYSTEM
for fiscal years ending June 30

	2023		2022		2021		2020		2019	
Stanislaus County:										
General Members	3,295	73.6%	3,181	73.5%	3,181	73.2%	3,273	73.4%	3,305	73.4%
Safety Members	736	16.5%	706	16.3%	717	16.5%	726	16.3%	734	16.3%
Total	4,031		3,887		3,898		3,999		4,039	
Participating Agencies:										
Stanislaus County Superior Court	233	5.2%	230	5.3%	225	5.2%	234	5.2%	239	5.3%
City of Ceres	160	3.6%	161	3.7%	182	4.2%	186	4.2%	185	4.1%
East Side Mosquito Abatement District	9	0.2%	9	0.2%	9	0.2%	9	0.2%	10	0.2%
Hills Ferry Cemetery District	3	0.1%	3	0.1%	3	0.1%	3	0.1%	3	0.1%
Keyes Community Services District	6	0.1%	7	0.2%	7	0.2%	7	0.2%	7	0.2%
Stanislaus Regional Transit Authority	13	0.3%	11	0.3%	-	0.0%	-	0.0%	-	0.0%
Salida Sanitary District	7	0.2%	7	0.2%	7	0.2%	7	0.2%	7	0.2%
Stanislaus Council of Governments	12	0.3%	13	0.3%	14	0.3%	14	0.3%	14	0.3%
Total	443		441		447		460		465	
Total Active Membership	**4,474**		**4,328**		**4,345**		**4,459**		**4,504**	

	2018		2017		2016		2015		2014	
Stanislaus County:										
General Members	3,307	74.3%	3,202	74.3%	3,156	74.3%	3,062	73.9%	2,963	74.2%
Safety Members	721	16.2%	676	15.7%	645	15.2%	643	15.5%	602	15.1%
Total	4,028		**3,878**		**3,801**		**3,705**		**3,565**	
Participating Agencies:										
Stanislaus County Superior Court	219	4.9%	217	5.0%	228	5.4%	224	5.4%	212	5.3%
City of Ceres	171	3.8%	180	4.2%	184	4.3%	181	4.4%	181	4.5%
East Side Mosquito Abatement District	9	0.2%	9	0.2%	10	0.2%	8	0.2%	9	0.2%
Hills Ferry Cemetery District	3	0.1%	3	0.1%	3	0.1%	3	0.1%	3	0.1%
Keyes Community Services District	6	0.1%	6	0.1%	6	0.2%	6	0.1%	6	0.1%
Stanislaus Council of Governments	6	0.1%	7	0.2%	7	0.2%	7	0.2%	7	0.2%
	10	0.2%	9	0.2%	10	0.2%	11	0.3%	10	0.3%
Total	424		431		448		440		428	
Total Active Membership	**4,452**		**4,309**		**4,249**		**4,145**		**3,993**	

Data Source: StanCERA Pension Administration System