THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: StanCERA **BOARD AGENDA #** *B-20

Urgent ☐ **Routine** ☒ **AGENDA DATE** April 29, 2014

CEO Concurs with Recommendation YES ☒ **NO** ☐ **4/5 Vote Required YES** ☐ **NO** ☒
(Information Attached)

RS 4/25/14

SUBJECT:

Approval to Adopt Retirement Contribution Rates for Budget Year 2014-2015

STAFF RECOMMENDATIONS:

1. Adopt the retirement contribution rates based on the June 30, 2013 actuarial valuation for fiscal year 2014-2015 as recommended by the Board of Retirement.

2. Direct the Auditor-Controller to change the employer and Tier 6 employee retirement contribution rates for the fiscal year 2014-2015 in accordance with the actuarial valuation of June 30, 2013, (copies available from the Clerk of The Board of Supervisors) on the payroll check date of August 6, 2014.

FISCAL IMPACT:

The overall fiscal impact of the retirement contribution rates to Stanislaus County is estimated to be $46.5million. The employer contribution of $46.5 million is based on information received in the March 25, 2014 Actuarial Review and Analysis as of June 30, 2013.

BOARD ACTION AS FOLLOWS:

No. 2014-194

On motion of Supervisor Chiesa, **Seconded by Supervisor** Monteith
and approved by the following vote,
Ayes: Supervisors: O'Brien, Chiesa, Withrow, Monteith, and Chairman De Martini
Noes: Supervisors: None
Excused or Absent: Supervisors: None
Abstaining: Supervisor: None
1) X **Approved as recommended**
2) ___ **Denied**
3) ___ **Approved as amended**
4) ___ **Other:**
MOTION:

Christine Ferraro

ATTEST: **CHRISTINE FERRARO TALLMAN, Clerk** **File No.**

DISCUSSION:

On March 25, 2014, the 2013 Actuarial Valuation Report for the Stanislaus County Employees' Retirement Association (StanCERA) was presented and approved by the StanCERA Board of Retirement. The actuarial valuation sets the funded status for the System as of June 30, 2013 and employer and employee contribution rates for fiscal year 2014-2015 for the County, the City of Ceres and several other small districts.

StanCERA's funded status increased over the last year from 76.9% to 79.4%, due mainly to a change in funding methodology required by the Government Accounting Standard's Board (GASB). While StanCERA enjoyed a 14.5% investment return for fiscal year 2012-2013, these gains were used mainly to offset the 0.7% return experienced in fiscal year 2011-2012. Over these past 2 years, StanCERA's compound return was 7.43%, which is just slightly below its current assumed rate of 7.75%. Over the intermediate and long term, StanCERA's has experienced 3, 5, 10 and 18 year compound returns of 12.4%, 6.6%, 7.5% and 8.1%, respectively.

Overall, rates are trending upwards by about 2.3% due to the following:

- **Asset experience** – while the portfolio performed well in 2012-2013, the gains were slightly offset by the loss experienced in 2011-2012. This caused rates to increase by 0.3%
- **Demographic experience** – Increased rates of retirement and disabilities and lower than expected mortality caused rates to increase by approximately 0.6%
- **GASB Changes** – Changes in funding methodology due to GASB requirements increased rates by 2.1%
- **Conversion of Employer Paid Member Contribution** - Conversion of Employer Paid Member Contribution to salary for seven County bargaining units increased rates by around 0.3%.
- **Phase in of GASB Changes** – The StanCERA Board of Retirement decided to phase in the 2.1% increase over 2 years, this phase in decreased rates by approximately 1%. Because of this, overall rates will be slightly higher in years 2017 and beyond

Future Rates

Future employer rates can be expected to increase within the next 3 years due mainly to expected improvements in mortality. The Society of Actuaries has recommended using mortality tables that incorporate improvement in life expectancy over time. For instance, a 50 year old today might be expected to live another 30 years, while a 50 year old in 20 years might be expected to live another 35 years due to future improvements in technology and medicine. This change in mortality is expected to increase rates between 3% and 5%.

Also, last July, the StanCERA Board approved a long-term change to its funding policy. This change would entail a move into assets that are less risky and more suited towards funding and securing its future benefit payments. While this transition most likely will take place over an extended period of time, it is possible the change would cause a slow decrease in the discount rate over time, increasing employer rates.

The following tables lay out the 2014-2015 Budget Year employer contribution rates. Rate information for Fiscal Year 2013-2014 is shown for comparison. These new rates go into effect for the first full payroll period after June 30, 2014.

Fiscal Year 2013-2014 Employer Contribution Rates for County and Former County Members

Rate Component	General						Safety			
	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6	Tier 2	Tier 4	Tier 5	Tier 6
Normal Cost	N/A	6.52%	2.20%	4.64%	5.09%	7.71%	12.44%	1.20%	8.86%	13.09%
Unfunded Liability	N/A	12.43%	12.43%	12.43%	12.43%	12.43%	20.57%	20.57%	20.57%	20.57%
Admin Expense	N/A	0.94%	0.72%	0.84%	0.87%	0.98%	1.63%	1.08%	1.46%	0.98%
Employer Cost	N/A	19.89%	15.35%	17.91%	18.39%	21.12%	34.64%	22.85%	30.89%	34.64%

Budget Year 2014-2015 Employer Contribution Rates for County and Former County Members

Rate Component	General						Safety			
	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6	Tier 2	Tier 4	Tier 5	Tier 6
Normal Cost	13.56%	7.45%	3.08%	14.43%	9.69%	7.63%	14.07%	29.47%	18.89%	12.82%
Unfunded Liability	10.93%	10.93%	10.93%	10.93%	10.93%	10.93%	15.71%	15.71%	15.71%	15.71%
Admin Expense	1.00%	0.75%	0.57%	1.04%	0.84%	0.76%	1.22%	1.84%	1.41%	1.17%
Phase-in %	(0.83%)	(0.83%)	(0.83%)	(0.83%)	(0.83%)	(0.83%)	(2.06%)	(2.06%)	(2.06%)	(2.06%)
Employer Cost	24.66%	18.30%	13.75%	25.57%	20.63%	18.49%	28.94%	44.96%	33.95%	27.64%

Budget Year 2014-2015 Employee Contribution Rates

On September 12, 2012 the Governor of California signed into law the Public Employee Pension Reform Act (PEPRA). For all tiers other than the PEPRA Tier 6, employee contribution rates will not change for fiscal year 2014-2015. For the new PEPRA Tier 6, Government Code Section 7522.30 requires new employees to pay 50% of the total normal cost. Each year, the actuary recalculates and adjusts the total normal cost for the plan and in general, that cost does not change by much. Consequently, employee contribution rates for the PEPRA tier most likely will change slightly each year. Tier 6 employee contribution rates for 2014-2015 are displayed in the table below with 2013-2014 rates shown for comparison:

PEPRA Tier 6 Employee Contribution Rates

Classification	2013-2014	2014-2015
General	7.50%	7.63%
Safety	13.00%	12.82%

POLICY ISSUES:

Effective July 1, 1948, the Stanislaus County Board of Supervisors began offering retirement benefits to County employees pursuant to the County Employees Retirement Law of 1937 (Government Code Section 31450 et seq). Retirement benefits are funded on an actuarially sound basis according to the 1937 Act.

Specifically, Pursuant to Government Code Section 31454:

"The Board of Supervisors shall.... adjust the rate of interest, the rates of contributions of members, and county and district appropriations in accordance with the recommendation of the Board [of Retirement], but shall not fix them in such amounts as to reduce the individual benefits provided in this chapter [CERL]."

Government Code Section 31584 further states that:

"The Board of Supervisors shall make the appropriations and if it fails or neglects to make appropriations, the County Auditor shall transfer from any money available in any fund in the County Treasury the sums specified by this chapter [CERL], and this transfer shall have the same force and effect as it would have had if the required appropriations had been made by the Board of Supervisors."

STAFFING IMPACT:

While the production and implementation of annual retirement contribution rates does not require additional staff, StanCERA acknowledges that increases or decreases in required contribution rates may have some impact on participating agencies' ability to provide staffing service levels.

CONTACT INFORMATION:

Rick Santos, Executive Director, (209) 525-6393

Stanislaus County Employees' Retirement Association

Actuarial Valuation as of June 30, 2013

Produced by Cheiron

March 25, 2014

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LETTER OF TRANSMITTAL

March 25, 2014

Board of Retirement
Stanislaus County Employees' Retirement Association
832 12th Street, Suite 600
Modesto, CA 95353

Dear Members of the Board:

At your request, we have conducted an actuarial valuation of the Stanislaus County Employees' Retirement Association (StanCERA, the Fund, the Plan) as of June 30, 2013. This report contains information on the Plan's assets and liabilities. This report also discloses employer contribution levels and required disclosures under the Governmental Accounting Standards Board Statement Nos. 25 and 27. Your attention is called to the Foreword in which we refer to the general approach employed in the preparation of this report.

The purpose of this report is to present the results of the annual actuarial valuation of StanCERA. This report is for the use of StanCERA and its auditors in preparing financial reports in accordance with applicable law and accounting requirements. Any other user of this report is not an intended user and is considered a third party.

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

To the best of our knowledge, this report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

Sincerely,
Cheiron

Robert T. McCrory, FSA, FCA, EA, MAAA	Graham A. Schmidt, ASA, MAAA
Principal Consulting Actuary	Consulting Actuary

FOREWORD

Cheiron has performed the actuarial valuation of the Stanislaus County Employees' Retirement Association as of June 30, 2013. The valuation is organized as follows:

- In Section I, the **Executive Summary,** we describe the purpose of an actuarial valuation, summarize the key results found in this valuation and disclose important trends;

- The **Main Body** of the report presents details on the Plan's

    - Section II - Assets
    - Section III - Liabilities
    - Section IV- Contributions
    - Section V- Required Accounting Disclosures (GASB)

- In the **Appendices** we conclude our report with detailed information describing Plan membership (Appendix A), actuarial assumptions and methods employed in the valuation (Appendix B), a summary of pertinent Plan provisions (Appendix C), a glossary of key actuarial terms (Appendix D), and tables containing member contribution rates (Appendix E).

The results of this report rely on future Plan experience conforming to the underlying assumptions. To the extent that actual Plan experience deviates from the underlying assumptions, the results would vary accordingly.

In preparing our report, we relied without audit, on information supplied by the StanCERA staff. This information includes, but is not limited to, 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.

SECTION I
EXECUTIVE SUMMARY

The primary purpose of the actuarial valuation and this report is to measure, describe, and identify the following as of the valuation date:

- The funded status of the Plan,
- Past and expected trends in the funding progress of the Plan,
- Employer and employee contribution rates for Plan Year 2014-2015; and
- Information required by the Governmental Accounting Standards Board (GASB).

In the balance of this Executive Summary we present (A) the basis upon which this year's valuation was completed, (B) the key findings of this valuation including a summary of all key results, (C) an examination of the historical trends, and (D) the projected outlook for the Plan.

A. Valuation Basis

This valuation determines the employer contributions required for the employers' fiscal years beginning July 1, 2014. The employers include the County of Stanislaus and related employers, the City of Ceres and other participating Special Districts.

The Plan's funding policy is to collect contributions from the employers and employees equal to the sum of:

- The Normal Cost under the Entry Age Normal Cost Method,
- Amortization of the Unfunded Actuarial Liability (UAL), and
- The Fund's expected administrative expenses.

The UAL payment is determined as the amount needed to fund the outstanding UAL as of June 30, 2013 over a period of 23 years as a level percentage of pay.

This valuation was prepared based on the Plan provisions shown in Appendix C. There have been changes in Plan provisions since the prior valuation, notably the inclusion of the new benefit provisions required for new members hired on or after January 1, 2013 as a result of enactment of the California Public Employees' Pension Reform Act of 2013 (PEPRA).

Actuarial experience studies are performed every three years. This valuation was performed on the basis of the economic and demographic assumptions and methods that were determined in the Actuarial Experience Study performed by EFI/Cheiron as of June 30, 2012 and adopted by the Board on January 22, 2013. A summary of the assumptions and methods used in the current valuation is shown in Appendix B.

Due to the merger of EFI and Cheiron, the June 30, 2013 actuarial valuation was prepared using Cheiron's valuation system. We replicated the results using the legacy EFI valuation software prior to performing the June 30, 2013 actuarial valuation. The liability and contribution rate results both matched within 2.5% between the valuation systems.

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B. Key Findings of this Valuation

The key results of the June 30, 2013 actuarial valuation are as follows:

- The actuarially determined employer contribution rate increased from 20.73% of payroll to 22.94% of payroll for the current valuation, reflecting a 2-year phase-in of the impact of changes to the Actuarial Cost Method. Without the phase-in, the employer contribution rate would have increased to 24.00% of payroll for the current valuation.

- The Plan's funded ratio, the ratio of Actuarial Assets over Actuarial Liability, decreased slightly from 76.9% last year to 76.7% as of June 30, 2013 before any changes in actuarial methods or assumptions.

- The Plan's funded ratio increased from 76.7% to 79.4% following method and assumption changes. The change in the Actuarial Cost Method accounted for most of this 2.7% increase.

- The Unfunded Actuarial Liability (UAL) is the excess of the Plan's Actuarial Liability over the Actuarial Value of Assets. The Plan experienced a decrease in the UAL from $436.9 million to $395.1 million as of June 30, 2013. This decrease in UAL was primarily due to the change in Actuarial Cost Method.

- During the year ended June 30, 2013, the return on Plan assets was 13.9% on a market value basis net of investment (but not administrative) expenses, as compared to the 7.75% assumption. The Actuarial Value of Assets recognizes 20% of the difference between the expected and actual return on the market value of assets (MVA). This method of smoothing the asset gains and losses returned 7.0% on the smoothed value of assets, an actuarial asset loss of $10.2 million. The loss in the Actuarial Value of Assets reflected the continued recognition of investment losses from 2011-12.

- During the 2012-13 Plan Year, the actuarial liabilities of the Plan increased slightly more than expected due to salary changes and new entrants. These and other unexpected changes resulted in a small liability loss of $8.5 million.

- There were changes in the Actuarial Cost Methods which reduced the Actuarial Liability, offset by changes in the valuation software and minor assumption changes which increased the Actuarial Liability. The net impact of the method, assumption and software changes was a reduction in the Actuarial Liability of $63.4 million.

- Overall participant membership increased compared to last year. There were 329 new hires and rehires during 2012-2013 and the total active population increased from 3,894 to 3,924. Total projected payroll increased from $215,057,468 to $222,897,794.

- The Actuarial Experience Study as of June 30, 2012 recommended changes to the Actuarial Cost Method – from the Aggregate Entry-Age-to-Decrement method to the Individual Entry-

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EXECUTIVE SUMMARY

Age-to-Final-Decrement method. The Retirement Board adopted these changes for the June 30, 2013 valuation. The County requested, and the Retirement Board agreed to implement, a two year phase-in of the impact of these changes on the employer contribution rates. The schedule of required employer contributions with and without the phase-in is shown in Table I-1 below.

Table I-I
Development of Phased Employer Contributions

Plan Year	Full Contribution	Phased Contribution
2014-15	24.0%	22.9%
2015-16	24.0%	24.0%
2016-17	23.7%	23.7%
2017-18	23.3%	23.4%

The net impact of the phase-in is to reduce the employer contribution rate by just over 1.0% from what it would have been without phase-in for 2014-15. This is followed by contributions higher than they would have been without phase-in by approximately 0.0%-0.1% of pay in the years 2016-17 and later. This phase-in of rate increases is consistent with practices described by the California Actuarial Advisory Panel (CAAP), as well as other actuarial organizations.

On the next page we present Tables I-2 and I-3 which summarize the key results of the valuation with respect to assets and liabilities, contributions and membership. The results are presented and compared for both the current and prior Plan year.

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Table I-2
Stanislaus County Employees' Retirement Association
Summary of Key Valuation Results
(in millions)

Valuation Date	**June 30, 2012**	**June 30, 2013**
Fiscal Year End	**2014**	**2015**
Actuarial Liability	$ 1,888.7	$ 1,919.2
Actuarial Value of Assets*	$ 1,451.8	$ 1,524.1
Unfunded Actuarial Liability (actuarial value)	$ 436.9	$ 395.2
Funding Ratio (actuarial value)	76.9%	79.4%
Net Employer Contribution Rate**	20.73%	24.00%

** Net of non-valuation reserves*

*** Prior to phase in of the actuarial cost method change*

Table I-3
Membership Total

Item	**June 30, 2012**	**June 30, 2013**	**% Change**
Actives	3,894	3,924	0.8%
Current Inactives	902	925	2.5%
Retired Members	3,142	3,249	3.4%
Total Members	7,938	8,098	2.0%
Ratio of Retired Members to Active Members	80.7%	82.8%	
Active Member Payroll (FYE 2013/2014)	$ 215,057,468	$ 222,897,794	3.6%
Average Pay per Active	$ 55,228	$ 56,804	2.9%

We note in Table I-3 that the ratio of retirement members to active members continues to increase, indicating the ongoing maturation of the Plan.

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Assets and Liabilities

Table I-4 presents a comparison between the June 30, 2012 and June 30, 2013 StanCERA assets, liabilities, Unfunded Actuarial Liability, and funding ratios, both on a market and smoothed basis.

Table I-4 indicates that the Actuarial Liability increased by 1.6% and the Actuarial Value of Assets increased by 5.0%, resulting in an increase in the funding ratio from 76.9% as of June 30, 2012 to 79.4% as of June 30, 2013. StanCERA employs a commonly used actuarial smoothing method on the market value that dampens market volatility, so the Actuarial Value of Assets increased by less than the market value, because of the impact of deferred investment losses from 2011-12 and deferred investment gains from the current year. The funding ratio measured on a market value of assets basis was also 79.4% as of June 30, 2013.

Section II provides additional information explaining the development of the Actuarial Value of Assets.

Table I-4
Assets & Liabilities
(in millions)

Item	June 30, 2012	June 30, 2013	% Change
Actuarial Liability			
Actives*	$ 827.8	$ 776.2	-6.2%
Current Inactives	73.4	77.2	5.2%
Retired Members	987.5	1,065.8	7.9%
Total Actuarial Liability	$ 1,888.7	$ 1,919.2	1.6%
Market Value of Assets (MVA)	$ 1,386.2	$ 1,523.0	9.9%
Actuarial Value of Assets (AVA)	$ 1,451.8	$ 1,524.1	5.0%
Unfunded Actuarial Liability - MVA	$ 502.5	$ 396.2	-21.2%
Unfunded Actuarial Liability - AVA	$ 436.9	$ 395.1	-9.6%
Funding Ratio - MVA	73.4%	79.4%	6.0%
Funding Ratio - AVA	76.9%	79.4%	2.5%

** Decline in active Actuarial Liability primarily due to change in Actuarial Cost Method.*

Changes in UAL

The Unfunded Actuarial Liability (UAL) for StanCERA decreased by $41.8 million, from $436.9 million to $395.1 million. Table I-5 below presents the specific components of the change in the UAL.

As noted above, the return on the actuarial assets used to compute the UAL and the employer contribution rate was 7.0% during the 2012-13 Plan year. Investment returns lower than the assumed rate of 7.75% increased the UAL by $10.2 million. There were also small liability losses that increased the UAL by $8.5 million, partly due to salary losses and new entrants. Assumption changes increased the UAL by $10.3 million, while the changes in the Actuarial Cost Method and actuarial software combined to reduce the UAL by $73.7 million.

The expected change in the UAL due to the yearly amortization of the UAL balance - an increase of $2.9 million, as a result of negative amortization for the current year - combined with the above UAL changes to produce an overall reduction of $41.8 million in the UAL last year.

Table I-5
Increase in Unfunded Actuarial Liability

	Experience		**in millions**
1.	Unfunded actuarial liability, 6/30/2012	$	436.9
2.	Expected change in unfunded actuarial liability	$	2.9
3.	Unfunded increase due to investment loss		10.2
4.	Unfunded increase due to liability loss		8.5
5.	Unfunded decrease due to change in actuarial cost method		(73.7)
6.	Unfunded increase due to assumption changes		10.3
7.	Total change in unfunded actuarial liability	$	(41.8)
8.	Unfunded actuarial liability, 6/30/2013	$	395.1

Changes in Employer Contributions

Thus far the experience of the 2012-13 Plan year has been presented in terms of the UAL and funded ratio. Table I-6 on the next page summarizes the impact of actuarial experience and changes in assumptions on the employer contribution rate.

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Table I-6
Employer Contribution Reconciliation

Item	Total	Normal Cost	Amortization	Admin Expense
FYE 2014 Net Employer Contribution Rate	20.73%	5.88%	13.87%	0.98%
Change Due to Asset Loss	0.33%	0.00%	0.33%	0.00%
Change Due to Demographic Losses	0.61%	0.00%	0.60%	0.01%
Change Due to Methods / Assumptions				
Actuarial Cost Method (Individual EAN-to-Final)	2.13%	5.70%	-3.57%	0.00%
Valuation Software	-0.10%	-0.48%	0.43%	-0.05%
Economic Assumptions (Wage Growth and Crediting)	0.30%	0.17%	0.13%	0.00%
FYE 2015 Net Employer Contribution Rate - Full	**24.00%**	**11.27%**	**11.79%**	**0.94%**
Impact of Phase-in	*-1.07%*	*-2.85%*	*1.79%*	*0.00%*
FYE 2015 Net Employer Contribution Rate - Phased	***22.94%***	***8.42%***	***13.58%***	***0.94%***

A review of the changes in the employer contribution rate from the prior valuation reveals that Plan experience during the year – including demographic and salary changes, as well as asset experience – resulted in a net increase in the employer contribution rate of 0.94% of pay before changes in the actuarial methods and assumptions are taken into account:

- Asset experience produced an investment gain on a market basis, but deferred losses produced an investment loss in the actuarial (smoothed) value of Plan assets which increased the contribution rate by 0.33% of pay.

  The assets of the Plan returned 13.9% (net of investment expenses) on a market basis, higher than the assumed rate of 7.75%. Under the actuarial asset smoothing policy, 20% of this gain is recognized in the current year. The actuarial and market value of assets are now very close, with a net $1.1 million in deferred losses as of June 30, 2013.

- Demographic experience increased cost by 0.61% of pay.

  The demographic experience of the Plan – rates of retirement, death, disability, and termination, as well as salary and COLA changes – caused an increase in cost. Salary experience, new entrants and lower than expected mortality rates contributed to this increase, offset by lower than expected Cost of Living Adjustments (COLAs) for current retirees.

Changes to the Plan's Actuarial Cost Method, economic assumptions and the actuarial software used to compute the Plan's liabilities resulted in an increase in the contribution rate of 2.33% of pay.

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- The Experience Study (and the outside Actuarial Audit performed by Segal in 2013) recommended a change in the Actuarial Cost Method: from the Aggregate Entry Age-to-Decrement Method to the Individual Entry Age-to-Final-Decrement. This change will bring the Plan's funding calculations in line with those that must be used for disclosure purposes for the new Government Account Standards Board pension accounting standards (GASB 67/68). The change in Cost Method reduced the Actuarial Liability and amortization payment, but increased the Normal Cost, for a net increase of 2.13% in the contribution rate.

- As a result of merger between Cheiron and EFI Actuaries, the valuation software was changed to use Cheiron's system: Proval, which is recognized as an industry standard. As part of the change in actuarial software, a minor modification was made to allocate Normal Costs over each member's years of benefit service, rather than vesting service. This change is required under the new GASB standards.

  The software was also updated to apply the terminal pay load to all service retirements, rather than just those with at least 20 years of service, as recommended by Segal as part of the actuarial audit. The net impact of the change in valuation software was to reduce the contribution rate by 0.1% of pay.

- Economic assumptions were changed.

  The interest crediting rate for employee contributions was increased from 0% to 0.25% for the 2013 valuation. Additionally, the base salary increase assumption for County Safety Members was increased for 2014 to 13.40% (previously 3.50%), dropping back down to 3.50% for 2015 and thereafter. This assumption change is a one-time event in recognition of negotiations which resulted in substantial salary increases in exchange for the employer no longer picking up the members' employee contributions. These economic assumption changes increased Plan contributions by 0.30% of pay.

<u>Plan Risk</u>

Table I-7 below shows the ratio of assets to active member payroll for StanCERA.

Table I-7
Asset to Payroll Ratio as of June 30, 2013

Active Member Payroll	222,897,794
Assets (Market Value)	1,523,019,807
Ratio of Assets to Payroll	6.83
Ratio with 100% Funding	8.61

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One of the most important measures of a plan's risk is the ratio of plan assets to payroll. The table above shows StanCERA's assets as a percentage of active member payroll. This ratio indicates the sensitivity of the Plan to the returns earned on Plan assets. We note in the table that Plan assets currently are nearly 7 times covered payroll for the Plan; as funding improves and the Plan reaches 100% funding, the ratio of asset to payroll will increase to nearly 9 times payroll, perhaps higher depending on the Plan's future demographic makeup.

To appreciate the impact of the ratio of assets to payroll on plan cost, consider the situation for a new plan with almost no assets. Even if the assets suffer a bad year of investment returns, the impact on the plan cost is nil, because the assets are so small.

On the other hand, consider the situation for StanCERA. Suppose StanCERA's assets lose 10% of their value in a year. Since they were assumed to earn 7.75%, there is an actuarial loss of 17.75% of Plan assets. Based on the current ratio of asset to payroll (683%), that means the loss in assets is about 120% of active payroll (683% of the 17.75% loss). There is only one source of funding to make up for this loss: the employers. Consequently, barring future offsetting investment gains, the employer has to make up the asset loss in future contributions. In this example of a one year loss of 10%, this shortfall will eventually require an additional annual amortization payment in the vicinity of 8.14% of payroll if amortized over 23 years.

As the Plan matures and becomes better funded, the ratio of asset to payroll will increase. When assets are 861% of pay, the 10% loss discussed above will translate to a loss of over 151% of payroll, which when amortized over 23 years will increase the employer contribution by 10.24% of member pay. Therefore, the Plan is likely to become significantly more sensitive to market variation in the future than it is today.

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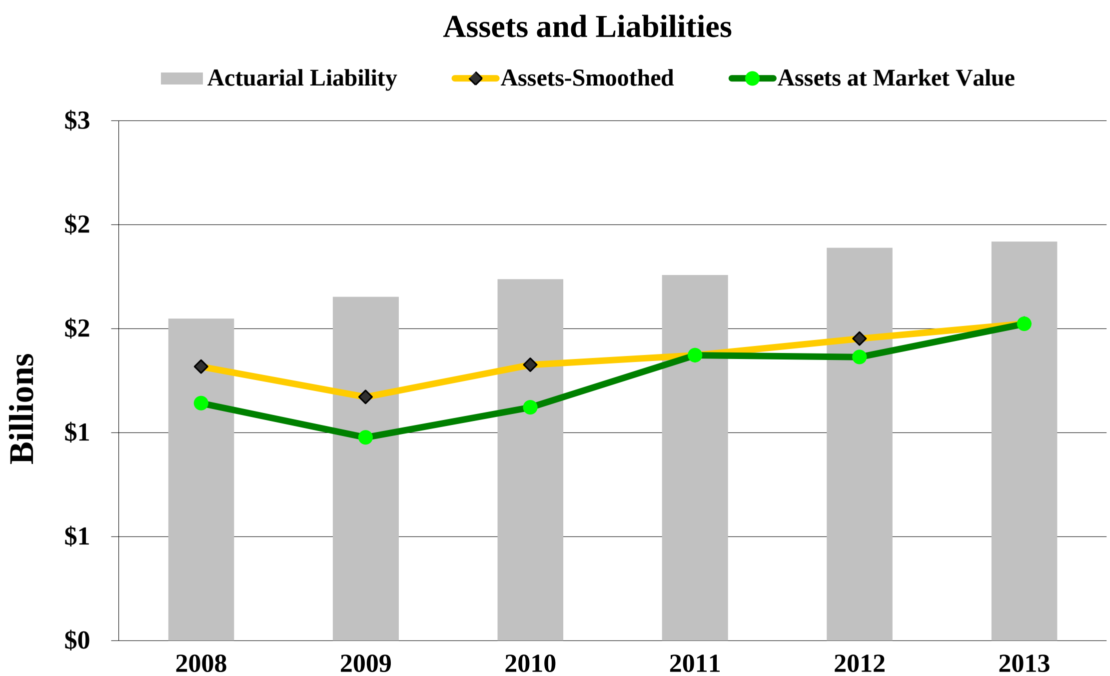
C. Historical Trends

Despite the fact that for most retirement plans the greatest attention is given to the current valuation results and in particular the size of the current Unfunded Actuarial Liability and the employer contribution, it is important to remember that each valuation is merely a snapshot in the long-term progress of a pension fund. It is more important to judge a current year's valuation result relative to historical trends, as well as trends expected into the future.

Assets and Liabilities

The chart on the next page compares the Market Value of Assets (MVA) and Actuarial Value of Assets (AVA) to the Actuarial Liabilities. The percentage shown in the table below the graph is the ratio of the Actuarial Value of Assets to the Actuarial Liability (the funded ratio). The funded ratio has declined from 85.0% in 2007 to 79.4% as of June 30, 2013, primarily as a result of the asset losses in 2008-2009.

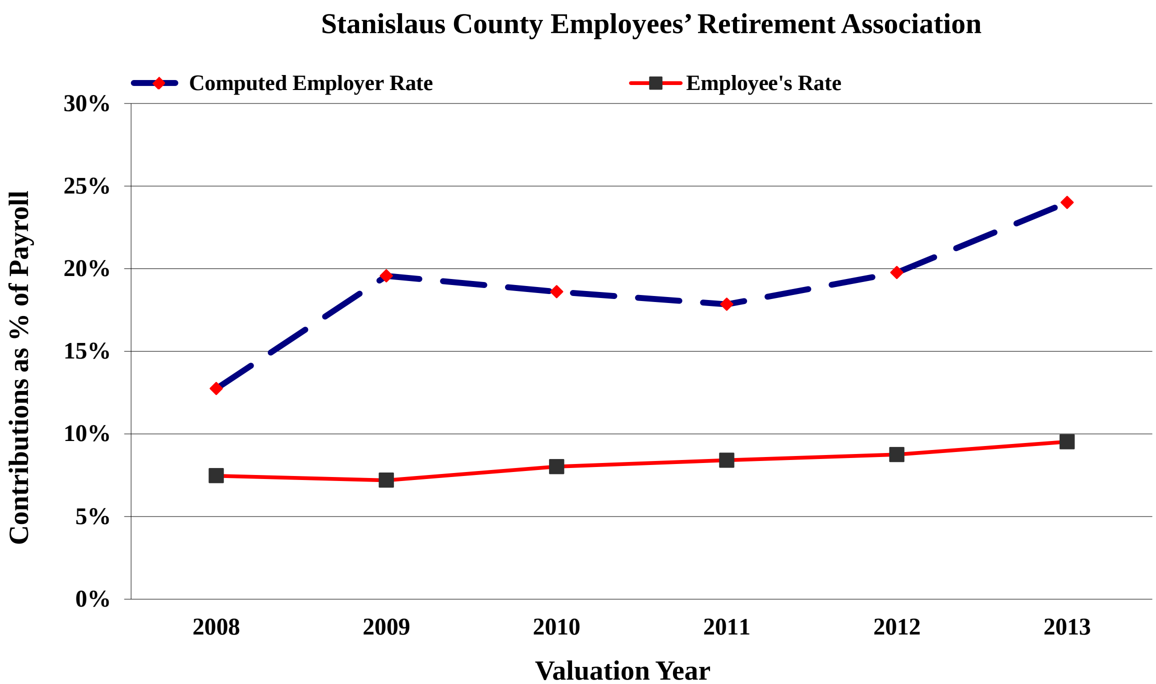


Valuation Year	2008	2009	2010	2011	2012	2013
Funded Ratio	85.0%	70.9%	76.3%	78.1%	76.9%	79.4%
UAL (Billions)	$ 0.23	$ 0.48	$ 0.41	$ 0.39	$ 0.44	$ 0.40

SECTION I
EXECUTIVE SUMMARY

Contribution Trends

In the chart below, we present the historical trends for the StanCERA contribution rates. The employer contribution rates have risen since 2008 as result of the investment losses from 2008-2009, compounded by demographic losses and changes to the actuarial assumptions and methods. The impact of these changes was offset to some extent by an extension to the amortization period and additional infusions from the non-valuation reserves. The average employee contribution rates have also increased as the Plan's economic and demographic assumptions have changed.

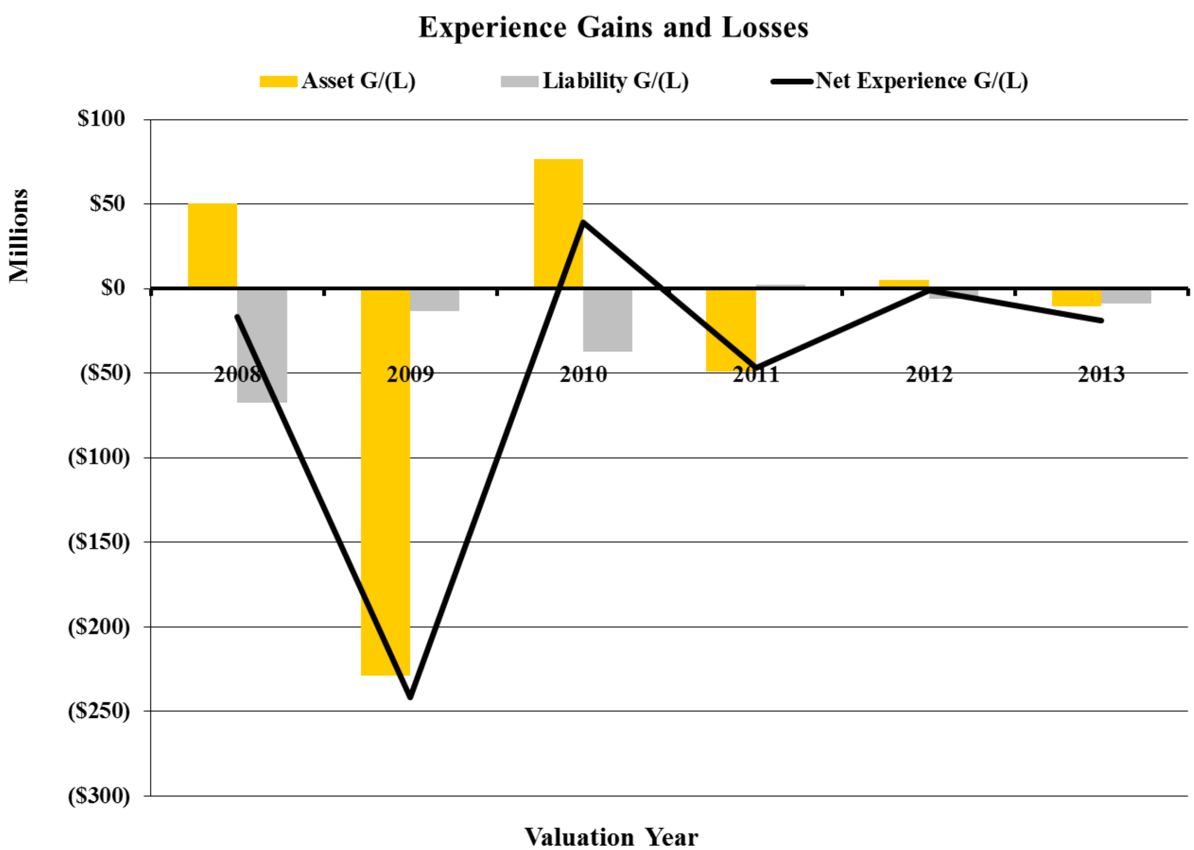


SECTION I
EXECUTIVE SUMMARY

Gains and Losses

The following chart for StanCERA presents the pattern of annual gains and losses, broken into the investment and liability components. The investment gains and losses represent the changes on a smoothed basis (i.e. based on the Actuarial Value of Assets). The chart does not include any changes in StanCERA's assets and liabilities attributable to changes to actuarial methods, procedures or assumptions or Plan benefit changes.

The investment loss in 2008-2009 was by far the most significant gain or loss during the last six years. Even though the Plan was using actuarial smoothing of the assets, there was a significant loss reflected in the June 30, 2009 valuation, because the amount of smoothing was limited by the 80/120% corridor around the market value of assets (the return on the smoothed value of assets for 2008-2009 was -9.6%). The Plan also experienced substantial liability losses in 2008 and 2010.



SECTION I
EXECUTIVE SUMMARY

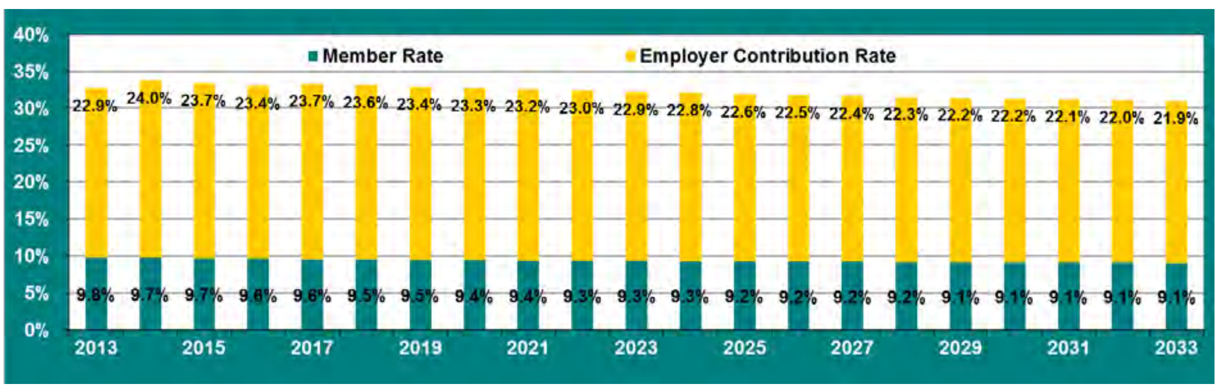
D. Future Expected Financial Trends

The analysis of projected financial trends is an important component of this valuation. In this Section, we present our assessment of the implications of the June 30, 2013 valuation results in terms of benefit security (assets over liabilities). All the projections in this section are based on the current investment return assumption of 7.75%. We have assumed future total payroll increases of 3.50% per year.

The following graph shows the expected employer contribution rate based on achieving the 7.75% assumption **each year** for the next 20 years. This scenario is highly unlikely: even if the Plan does achieve an **average** return of 7.75% over this time period, the returns in each given year will certainly vary. The graph also includes the 2-year phase-in of the impact of the Actuarial Cost Method change.

The contribution rate graph shows that employer contribution rates are expected to stay relatively stable over the next 20 years, as the current unfunded liability amortization period extends past the end of the projection period (23 years).

Projection Of Contributions, 7.75% Return Each Year



The total contribution rate (employer plus employee) is approximately 33% of member payroll for the June 30, 2013 valuation; it is expected to decrease gradually to 31% if all actuarial assumptions are met over the next 23 years. After 23 years, the employer contribution rate is expected to drop due to the end of the current unfunded liability amortization period, to a level around 9% of pay, representing the expected total Normal Cost plus administrative expenses.

SECTION I
EXECUTIVE SUMMARY

Asset and Liability Projections:

The following graph shows the projection of assets and liabilities assuming that assets will earn the 7.75% assumption each year during the projection period.

Projection Of Assets And Liabilities, 7.75% Return Each Year
($ millions)

The graph above shows that the projected funded status increases over the next 20 years to gradually approach 100%, as can be expected based on the amortization policy, assuming the actuarial assumptions are achieved.

However, as above, it is the **actual** return on Plan assets that will determine the future funding status and contribution rate to the Fund. The Actuarial Value of Assets and market value of assets are within 0.1% of each other as of June 30, 2013, so it is difficult to see the orange line that represents the Actuarial Value of Assets.

SECTION II
ASSETS

Pension Plan assets play a key role in the financial operation of the Plan and in the decisions the Board may make with respect to future deployment of those assets. The level of assets, the allocation of assets among asset classes, and the methodology used to measure assets will likely impact benefit levels, employer contributions, and the ultimate security of participants' benefits.

In this section, we present detailed information on Plan assets including:

- **Disclosure** of Plan assets as of June 30, 2012 and June 30, 2013;
- Statement of the **changes** in market values during the year;
- Development of the **Actuarial Value of Assets**;
- An assessment of historical **investment performance versus inflation**; and
- An allocation of the unfunded liability between the **valuation subgroups**.

SECTION II
ASSETS

Disclosure

There are two types of asset values disclosed in the valuation, the market value of assets and the Actuarial Value of Assets. The market value represents "snap-shot" or "cash-out" values which provide the principal basis for measuring financial performance from one year to the next. Market values, however, can fluctuate widely with corresponding swings in the marketplace. As a result, market values are usually not as suitable for long-range planning as are the Actuarial Value of Assets which reflect smoothing of annual investment returns.

Table II-1 on the next page discloses and compares each asset class as of June 30, 2012 and June 30, 2013.

SECTION II
ASSETS

Table II-1
Statement of Assets at Market Value

Assets		**Fiscal Year ending June 30, 2012**		**Fiscal Year ending June 30, 2013**
Cash and Cash Equivalents	$	39,960,025	$	44,461,336
Total Cash and Cash Equivalents	$	39,960,025	$	44,461,336
Receivables:				
Interest and Dividends	$	6,288,878		6,090,300
Contributions		1,814,176		2,380,496
Securities Transactions		40,078,393		24,536,517
Total Receivables	$	48,181,447		33,007,313
Fixed Assets				
Capitalized Software	$	599,528	$	473,903
Real Estate Occupied		1,764,829		1,745,853
Real Estate Leased		1,176,787		1,164,133
Other		219,695		433,193
Total Fixed Assets	$	3,760,839	$	3,817,082
Investments at Market Value:				
Fixed Income	$	515,494,956	$	505,014,355
Equities		830,965,033		986,464,083
Collateral on Loaned Securities		112,214,531		113,001,370
Other		0		29,098,868
Total Investments	$	1,458,674,520	$	1,633,578,676
Liabilities				
Accounts Payable	$	(8,241,988)	$	(9,708,506)
Security Transactions Payable		(39,036,066)		(43,986,634)
Collateral Held for Loaned Securities		(116,551,048)		(115,636,154)
Other		(572,483)		(720,118)
Total Liabilities	$	(164,401,585)	$	(170,051,412)
Market Value of Assets	**$**	**1,386,175,246**	**$**	**1,544,812,995**

Changes in Market Value

The components of asset change are:

- Contributions (employers and employee)
- Benefit payments
- Expenses (investment and administrative)
- Investment income (realized and unrealized)

Table II-2 on the next page shows the components of change in the market value of assets during the fiscal years ending June 30, 2012 and June 30, 2013.

SECTION II
ASSETS

Table II-2
Changes in Market Values

Additions		**Fiscal Year ending June 30, 2012**		**Fiscal Year ending June 30, 2013**
Contributions				
Employers' Contribution	$	27,314,032	$	39,077,480
Members' Contributions		20,525,295		20,285,888
Total Contributions	**$**	**47,839,327**	$	**59,363,368**
Net Investment Income				
Net Appreciation/(Depreciation) in				
Fair Value of Investments	$	(29,202,695)	$	159,601,338
Interest and Dividends		37,434,050		38,144,730
Commission Recapture		37,189		28,794
Other Investment Income		571		114,770
Total Investment Income	**$**	**8,269,115**	**$**	**197,889,632**
Investment Expense		(4,937,605)		(8,845,829)
Net Investment Income	**$**	**3,331,510**	**$**	**189,043,803**
Securities Lending Activities				
Securities Lending Income	$	713,368	$	546,343
Depreciation in Securities Lending Collateral		(106,208)		561,097
Expenses from Securities Lending Activities		(213,916)		(162,956)
Net Securities Lending Income		**393,244**		**944,484**
Total Net Investment Income	$	**3,724,754**	$	**189,988,287**
Total Additions	**$**	**51,564,081**	**$**	**249,351,655**
Deductions				
Benefits	$	80,157,222	$	87,102,798
Other Benefits (Ventura)		0		0
Refunds		1,832,811		1,545,763
Administrative Costs		2,144,748		2,065,345
Other Administrative Costs (Ventura)		0		0
Total Deductions	$	**84,134,781**	$	**90,713,906**
Net Increase/(Decrease)	**$**	**(32,570,700)**	**$**	**158,637,749**
Net Assets Beginning of Year	**$**	**1,418,745,946**	**$**	**1,386,175,246**
Net Assets End of Year	**$**	**1,386,175,246**	**$**	**1,544,812,995**
Approximate Return		**0.27%**		**13.86%**

**SECTION II
ASSETS**

Actuarial Value of Assets (AVA)

The Actuarial Value of Assets represents a "smoothed" value developed by the actuary to reduce the volatile results which could develop due to short-term fluctuations in the market value of assets. For this Plan, the Actuarial Value of Assets is calculated on a modified market-related value. The market value of assets is adjusted to recognize, over a five year period, investment earnings which are greater than (or less than) the assumed investment return. However, in no event will the Actuarial Value of Assets be less than 80% or more than 120% of market value on the valuation date.

The Valuation Assets are the portion of the Actuarial Assets dedicated to funding the basic pension benefits. The Valuation Assets exclude the value of any non-valuation reserves, such as reserves established for lump sum death benefits (which are not included in the valuation liabilities) and legal contingencies. The Valuation Assets also exclude the value of any non-valuation contingency reserves which have been established according to the Board's funding policy.

The following table shows the development of the Actuarial Asset and Valuation Assets values. Note, the Actuarial Value of Assets was reset to equal the market value as of June 30, 2011. This was done by eliminating the prior gain/loss bases (i.e. by setting the expected returns equal to the actual returns).

SECTION II
ASSETS

Table II-3
Development of Actuarial Value of Assets for 6/30/2013

	Item		**Total**
1.	Market Value as of 6/30/2012	$	1,386,175,246
2.	Non-Investment Cash Flow for 2012-2013		(29,285,193)
3.	Expected Return in 2012-2013		106,314,954
4.	Expected Market Value as of 6/30/2013: (1 + 2 + 3)	$	1,463,205,007
5.	Actual Return in 2012-2013		187,922,942
6.	Actual Return Above Expected in 2012-2013: (5 - 3)		81,607,988
7.	Market Value as of 6/30/2013	$	1,544,812,995
8.	Deferred Recognition of Returns Above Expected		
	a. 2012-2013 (80% of $81,607,988)		65,286,390
	b. 2011-2012 (60% of -$110,579,921)		(66,347,953)
	c. 2010-2011 (40% of $0)		0
	d. 2009-2010 (20% of $0)		0
	e. Total	$	(1,061,562)
9.	Preliminary Actuarial Value of Assets: (7 - 8e)	$	1,545,874,557
10.	Corridor Limit		
	a. 80% of Net Market Value		1,108,940,197
	b. 120% of Net Market Value		1,663,410,295
11.	Actuarial Value after Corridor as of 6/30/2013	**$**	**1,545,874,557**
12.	Rate of Return on Actuarial Value of Assets		7.03%
13.	Ratio of Actuarial Value to Market Value: (11 ÷ 7)		**100.1%**
14.	Special (Non Valuation) Reserves:		
	a. $5,000 Death Benefits	$	5,855,000
	b. Health Insurance Reserves		117
	c. Special COL Reserve		0
	d. Legal Contingency Reserve		2,500,240
	e. Tier 3 Disability Reserve		6,187
	f. Contingency Reserve		13,431,644
	g. Total Special Reserves (Market Value)	$	21,793,188
15.	Adjusted Total Special Reserves (100.1% of Market, Except Contingency)	$	21,798,934
16.	**Pension Reserves at Actuarial Value (Valuation Assets): (11 - 14)**	**$**	**1,524,075,624**

SECTION II
ASSETS

Historical Investment Performance

The following table shows the historical annual asset returns on a market value, Actuarial Value, and valuation asset basis, as well in the increase in the Consumer Price Index (CPI) since 1996. Note that the returns prior to 2013 are expressed net of investment and administrative expenses; the returns for 2013 (and future years) will be expressed net of investment expenses only.

Table II-4
Net Return on Assets vs. Increase in Consumer Price Index

Year Ended June 30	Net Return at Market Value	Net Return at Actuarial Value	Net Return at Valuation Assets	Increase in Consumer Price Index*
1996				2.8%
1997	20.4%			2.3%
1998	13.4%			1.7%
1999	10.6%			2.0%
2000	6.3%			3.7%
2001	7.0%			3.2%
2002	-4.5%			1.1%
2003	5.2%		4.9%	2.1%
2004	6.1%		6.3%	3.3%
2005	8.2%		5.5%	2.5%
2006	9.9%		10.8%	4.3%
2007	16.0%	10.8%	0.6%	2.7%
2008	-8.5%	8.0%	16.7%	5.0%
2009	-17.2%	-9.6%	-9.4%	-1.4%
2010	15.6%	13.0%	14.7%	1.1%
2011	22.1%	3.5%	4.2%	3.6%
2012	0.1%	6.4%	6.5%	1.7%
2013	13.9%	7.0%	7.2%	1.8%
15-Year Compound Average	**5.6%**	**N/A**	**N/A**	**N/A**
10-Year Compound Average	**6.0%**	**N/A**	**6.1%**	**2.4%**
5-Year Compound Average	**5.9%**	**3.8%**	**4.3%**	**1.3%**

* Based on All Urban Consumers - U.S. City Average, June indices.

SECTION II
ASSETS

Allocation of Unfunded Actuarial Liability by Valuation Subgroup

The following table shows the allocation of the Unfunded Actuarial Liability between the two valuation subgroups (County Members and City of Ceres / Special District Members). The Valuation Assets are reduced by the liability associated with the inactive members and the refundable contribution balances for active members, and the remaining assets are allocated to each subgroup based on their share of the active liability. These UAL balances are used to calculate each subgroup's amortization payment.

Table II-5
Allocation of 6/30/2013 Unfunded Liability
(in thousands)

		County	CERES	Total
1.	Valuation Assets			$ 1,524,076
2.	Accumulated Employee Contributions	180,145	11,823	191,968
3.	Inactive Actuarial Liability			$ 1,142,993
4.	**Net Assets for Distribution [1 - 2 - 3]**			**$ 189,114**
5.	Active Actuarial Liability	726,240	49,994	776,234
6.	Allocation of Remaining Assets	93.56%	6.44%	100.00%
7.	Remaining Assets	176,934	12,180	189,114
8.	Total Assets for Actives [2 + 7]	357,080	24,003	381,083
9.	Active Funded Ratio [8 ÷ 5]	49.17%	48.01%	49.09%
10.	Unfunded Actuarial Liability [5 - 8]	$ 369,160	$ 25,991	$ 395,151

SECTION III
LIABILITIES

In this section, we present detailed information on Plan liabilities including:

- **Disclosure** of Plan liabilities at June 30, 2012 and June 30, 2013;
- Statement of **changes** in these liabilities during the year.

Disclosure

Several types of liabilities are calculated and presented in this report. Each type is distinguished by the people ultimately using the figures and the purpose for which they are using them.

- **Present Value of Future Benefits:** Used for measuring all future Plan obligations, represents the amount of money needed today to fully pay off all benefits of the Plan both earned as of the valuation date and those to be earned in the future by current Plan participants, under the current Plan provisions.

- **Actuarial Liability:** Used for funding calculations and GASB disclosures, this liability is calculated taking the Present Value of Future Benefits and subtracting the present value of future Member Contributions and future Employer Normal Costs under an acceptable actuarial funding method. The method used for this Plan is called the **Entry Age Normal** (EAN) funding method.

- **Unfunded Actuarial Liability:** The excess of the Actuarial Liability over the Valuation Assets.

Table III-1 on the following page discloses each of these liabilities for the current and prior valuations. With respect to each disclosure, a subtraction of the appropriate value of Plan assets yields, for each respective type, a **net surplus** or an **Unfunded Actuarial Liability**.

SECTION III
LIABILITIES

Table III-1
Present Value of Future Benefits and Actuarial Liability
(in thousands)

Item	General	Safety	June 30, 2013 Total	June 30, 2012 Total
Present Value of Future Benefits				
Actives	$ 822,920	$ 306,760	$ 1,129,680	$ 1,084,875
Terminated Vested	57,978	19,223	77,201	73,399
Retirees	700,173	201,892	902,065	819,752
Disabled	41,491	59,319	100,810	98,472
Beneficiaries	40,445	22,473	62,918	69,322
Total StanCERA	**$ 1,663,007**	**$ 609,666**	**$ 2,272,673**	**$ 2,145,821**
Actuarial Liability				
Total Present Value of Benefits	$ 1,663,007	$ 609,666	$ 2,272,673	$ 2,145,821
Present Value of Future Normal Costs				
Employer Portion	130,879	70,701	201,581	103,195
Employee Portion	106,924	44,942	151,866	153,913
Actuarial Liability	$ 1,425,203	$ 494,024	$ 1,919,227	$ 1,888,713
Valuation Assets	$ 1,136,966	$ 387,110	$ 1,524,076	$ 1,451,764
Funded Ratio	79.8%	78.4%	79.4%	76.9%
Unfunded Actuarial Liability/(Surplus)	$ 288,238	$ 106,913	$ 395,151	$ 436,949

SECTION III
LIABILITIES

The following table shows the Actuarial Liabilities for each of the valuation subgroups (General and Safety), split by members' status.

Table III-2
Liabilities by Group as of June 30, 2013
(in thousands)

Actuarial Liability	General	Safety	Total
Actuarial Liability			
Actives	$ 585,117	$ 191,117	$ 776,233
Terminated Vested	57,978	19,223	77,201
Retirees	700,173	201,892	902,065
Disabled	41,491	59,319	100,810
Beneficiaries	40,445	22,473	62,918
Total	**$ 1,425,204**	**$ 494,024**	**$ 1,919,227**

SECTION III
LIABILITIES

Changes in Liabilities

Each of the Liabilities disclosed in the prior tables are expected to change at each valuation. The components of that change, depending upon which liability is analyzed, can include:

- New hires since the last valuation
- Benefits accrued since the last valuation
- Plan amendments increasing benefits
- Passage of time which adds interest to the prior liability
- Benefits paid to retirees since the last valuation
- Participants retiring, terminating, or dying at rates different than expected
- A change in actuarial or investment assumptions
- A change in the actuarial funding method

Unfunded liabilities will change because of all of the above, and also due to changes in Plan assets resulting from:

- Employer contributions different than expected
- Investment earnings different than expected
- A change in the method used to measure Plan assets

Table III-3
Development of 2013 Experience Gain/(Loss)
(in millions)

	Item		Cost
1.	Unfunded Actuarial Liability at June 30, 2012	$	436.9
2.	Middle of year actuarial liability payment		(29.8)
3.	Interest to end of year on 1 and 2		32.7
4.	Expected Unfunded Actuarial Liability at June 30, 2013 (1+2+3)	$	439.8
5.	Actual Unfunded Liability at June 30, 2013		395.1
6.	Difference: (4 - 5)	$	44.7
7.	Portion of difference due to:		
	a. Investment experience	$	(10.2)
	b. Salary increases		(2.3)
	d. Assumption changes		(10.3)
	e. Change in Software		(38.2)
	f. Change in Actuarial Cost Method		111.9
	g. New entrant loss		(4.2)
	h. Other experience		(2.0)
	j. Total		44.7

SECTION IV
CONTRIBUTIONS

In the process of evaluating the financial condition of any pension plan, the actuary analyzes the assets and liabilities to determine what level of contributions is needed to properly maintain the funding status of the Plan. Typically, the actuarial process will use a funding technique that will result in a pattern of contributions that are both stable and predictable.

For this Plan, the actuarial funding method used to determine the Normal Cost and the Unfunded Actuarial Liability is the **Entry Age Normal (EAN)** cost method. There are three components to the total contribution: the **Normal Cost rate** (employee and employer), the **Unfunded Actuarial Liability rate** (UAL rate), and the **administrative expense** contribution.

The Normal Cost rate is determined in the following steps. First, an individual Normal Cost rate is determined by taking the value, as of entry age into the Plan, of each member's projected future benefits. This value is then divided by the value, also at entry age, of the member's expected future salary producing a Normal Cost rate that should remain relatively constant over a member's career (Entry-Age-to-Final-Decrement). In prior years, the Normal Cost rate was determined separately for each benefit, and at each possible age (Entry-Age-to-Decrement).

Beginning with the current valuation, the total Normal Cost is computed by adding the expected dollar amount of each active member's Normal Cost for the current year – known as the Individual Entry Age Method. In prior years, the total Normal Cost was computed in aggregate by dividing the future Normal Costs for all members by the present value of future salaries for all members, a method sometimes referred to as the Aggregate Entry Age Method.

The total Normal Cost is adjusted with interest to the middle of the year, to reflect the fact that the Normal Cost contributions are paid throughout the year as member payroll payments are made. Finally, the total Normal Cost rate is reduced by the member contribution rate to produce the employer Normal Cost rate. For the current valuation, the member contribution rate for each subgroup is determined by adding the expected contributions for each member and dividing by the projected pay for each subgroup. In prior years the member contribution rate was determined by dividing the present value of future member contributions by the present value of future salaries.

The Unfunded Actuarial Liability (UAL) is the difference between the EAN Actuarial Liability and the Actuarial Value of Assets. The UAL payment is determined as the amount needed to fund the UAL over a closed 23 year period as a level percentage of payroll.

Beginning with the June 30, 2012 actuarial valuation, the Board adopted a policy of adding an amount equal to the expected annual administrative expense to the employer's required contribution. Prior to the June 30, 2012 actuarial valuation, the administrative expenses were included as an offset to the assumed earnings rate, and were shared between the employees and employers. For the June 30, 2013 valuation, this amount is estimated to be $2.1 million.

For the current valuation, the Board adopted a two-year phase-in of the impact of the Actuarial Cost Method change on the employer contribution rate.

SECTION IV
CONTRIBUTIONS

The table below presents the calculation of the contribution rates for the Plan for this valuation and compares the total contribution rate with the prior year rate. The tables on the following pages contain more details on the calculation of the UAL amortization payments, as well as details on the calculation of the contribution rates for each group and tier.

Table IV-1
Development of the Net Employer Contribution Rate as of June 30, 2013 for FYE 2015

	June 30, 2013					June 30, 2012
	General		Safety		COMPOSITE	COMPOSITE
	County	Ceres	County	Ceres		
1. Total Normal Cost Rate	18.26%	18.90%	31.21%	30.72%	**20.79%**	**14.62%**
2. Member Contribution Rate	8.72%	8.46%	12.90%	12.80%	**9.52%**	**8.74%**
3. Employer Normal Cost Rate (1-2)	9.54%	10.44%	18.31%	17.92%	**11.27%**	**5.88%**
4. UAL Amortization	10.93%	10.28%	15.71%	14.29%	**11.79%**	**13.87%**
5. Administrative Expense Rate	0.84%	0.85%	1.39%	1.32%	**0.94%**	**0.98%**
6. Net Employer Contribution Rate (3+4+5)	21.31%	21.57%	35.41%	33.53%	**24.00%**	**20.73%**
7. Phase-In of Actuarial Cost Method Change	-0.83%	-0.83%	-2.06%	-2.06%	**-1.07%**	
8. Final Employer Contribution Rate (6+7)	20.48%	20.74%	33.35%	31.47%	**22.93%**	**20.73%**

SECTION IV
CONTRIBUTIONS

Table IV-2 contains the details of the calculations of the UAL rates for the Plan.

Table IV-2

Development of UAL Amortization Rates

	General		Safety		TOTAL
	County	**Ceres**	**County**	**Ceres**	
Salary Scale:					
2013	3.50%	3.50%	13.40%	3.50%	N/A
2014+	3.50%	3.50%	3.50%	3.50%	N/A
Amortization Factor	14.7447	14.7447	16.0629	14.7447	N/A
Payroll	$ 172,156,329	$ 7,204,939	$ 36,384,672	$ 7,151,854	$ 222,897,794
Unfunded Actuarial Liability (actuarial value)	$ 277,320,158	$ 10,917,401	$ 91,840,037	$ 15,073,423	$ 74,747,157
UAL Amortization	$ 18,808,097	$ 740,428	$ 5,717,512	$ 1,022,293	$ 26,288,329
UAL Amortization Rate	10.93%	10.28%	15.71%	14.29%	11.79%

SECTION IV
CONTRIBUTIONS

Tables IV-3 and IV-4 contain the calculations of the employer contribution rates for each group and tier, and reflects the 2-year phase-in of the Actuarial Cost Method change.

Table IV-3
Development of the General Member Contribution Rate as of June 30, 2013 for FYE 2015

	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	PEPRA	TOTAL
County							
A. Total Normal Cost Rate	20.88%	14.94%	3.08%	15.52%	18.81%	15.26%	**18.26%**
B. Member Contribution Rate	7.32%	7.49%	0.00%	1.09%	9.12%	7.63%	**8.72%**
C. Employer Normal Cost Rate (A-B)	13.56%	7.45%	3.08%	14.43%	9.69%	7.63%	**9.54%**
D. UAL Amortization Rate	10.93%	10.93%	10.93%	10.93%	10.93%	10.93%	**10.93%**
E. Administrative Expense Rate	1.00%	0.75%	0.57%	1.04%	0.84%	0.76%	**0.84%**
F. Net June 30, 2013 Contribution Rate (C+D+E)	**25.49%**	**19.13%**	**14.58%**	**26.40%**	**21.46%**	**19.32%**	**21.31%**
G. Impact of Phase-In of Actuarial Cost Method Change	-0.83%	-0.83%	-0.83%	-0.83%	-0.83%	-0.83%	**-0.83%**
H. Phase-In June 30, 2013 Contribution Rate (F+G)	**24.66%**	**18.30%**	**13.75%**	**25.57%**	**20.63%**	**18.49%**	**20.48%**
Ceres and Other Districts							
A. Total Normal Cost Rate		15.47%		12.15%	19.33%	15.41%	**18.90%**
B. Member Contribution Rate		7.69%		0.00%	8.76%	7.70%	**8.46%**
C. Employer Normal Cost Rate (A-B)		7.78%		12.15%	10.57%	7.71%	**10.44%**
D. UAL Amortization Rate		10.28%		10.28%	10.28%	10.28%	**10.28%**
E. Administrative Expense Rate		0.74%		0.92%	0.85%	0.73%	**0.85%**
F. Net June 30, 2013 Contribution Rate (C+D+E)		**18.80%**		**23.35%**	**21.70%**	**18.72%**	**21.57%**
G. Impact of Phase-In of Actuarial Cost Method Change		-0.83%		-0.83%	-0.83%	-0.83%	**-0.83%**
H. Phase-In June 30, 2013 Contribution Rate (F+G)		**17.97%**		**22.52%**	**20.87%**	**17.89%**	**20.74%**

SECTION IV
CONTRIBUTIONS

Table IV-4
Development of the Safety Member Contribution Rate as of June 30, 2013 for FYE 2015

	Tier 2	Tier 4	Tier 5	PEPRA	TOTAL
County					
A. Total Normal Cost Rate	26.25%	34.61%	31.89%	25.64%	**31.21%**
B. Member Contribution Rate	12.18%	5.14%	13.00%	12.82%	**12.90%**
C. Employer Normal Cost Rate (A-B)	14.07%	29.47%	18.89%	12.82%	**18.31%**
D. UAL Amortization Rate	15.71%	15.71%	15.71%	15.71%	**15.71%**
E. Administrative Expense Rate	1.22%	1.84%	1.41%	1.17%	**1.39%**
F. Net June 30, 2013 Contribution Rate (C+D+E)	**31.00%**	**47.02%**	**36.01%**	**29.70%**	**35.41%**
G. Impact of Phase-In of Actuarial Cost Method Change	-2.06%	-2.06%	-2.06%	-2.06%	-2.06%
H. Phase-In June 30, 2013 Contribution Rate (F+G)	**28.94%**	**44.96%**	**33.95%**	**27.64%**	**33.35%**
Ceres and Other Districts					
A. Total Normal Cost Rate		28.07%	30.77%	25.64%	**30.72%**
B. Member Contribution Rate		0.00%	13.04%	12.82%	**12.80%**
C. Employer Normal Cost Rate (A-B)		28.07%	17.73%	12.82%	**17.92%**
D. UAL Amortization Rate		14.29%	14.29%	14.29%	**14.29%**
E. Administrative Expense Rate		1.73%	1.31%	1.17%	**1.32%**
F. Net June 30, 2013 Contribution Rate (C+D+E)		**44.09%**	**33.33%**	**28.28%**	**33.53%**
G. Impact of Phase-In of Actuarial Cost Method Change		-2.06%	-2.06%	-2.06%	-2.06%
H. Phase-In June 30, 2013 Contribution Rate (F+G)		**42.03%**	**31.27%**	**26.22%**	**31.47%**

SECTION V
ACCOUNTING STATEMENT INFORMATION

Statement No. 25 of the Governmental Accounting Standards Board (GASB 25) establishes standards for disclosure of pension information by public employee retirement systems (PERS) and governmental employers in notes to financial statements and supplementary information.

The GASB adopted Statement Nos. 67 and 68 which replace GASB Statement Nos. 25 and 27. GASB 67 is effective for periods beginning after June 15, 2013 (first effective June 30, 2014 for the Plan) and GASB 68 is effective for fiscal years beginning after June 15, 2014 (first effective for the fiscal year July 1, 2014 to June 30, 2015 for the Employers). The following is a brief summary of some of these changes:

- The liabilities would need to be based on the Entry Age Normal Cost method (which is the method the Plan is currently using), and the discount rate assumption might need to be reduced if projected contributions plus assets are not able to cover projected pension benefits (not expected to be an issue for StanCERA).
- The market value of assets would be compared to the liabilities, instead of the smoothed Actuarial Value of Assets, to determine the unfunded liability.
- A portion of unfunded liabilities would be reported directly on each of the employer's balance sheet.
- The Annual Required Contribution (ARC) would be replaced with Pension Expense which equals: Normal Cost + Interest Cost - Expected Asset Earnings + Amortization of changes in total pension liability + smoothing of asset returns over a five-year period.
- Amortization periods of changes in total pension liability would vary depending upon the basis for the gain or loss. These periods would be immediate for plan changes and expected working lifetime of both active and inactive members for other total pension liability changes.

In accordance with GASB 25, we have prepared the following disclosures:

Schedule of Funding Progress

The schedule of funding progress compares the assets used for funding purposes to the comparable liabilities to determine how well the Plan is funded and how this status has changed over the past several years.

The GASB 25 Actuarial Accrued Liability is the same as the Actuarial Liability calculated for funding purposes. The GASB 25 liability is compared to the Actuarial Value of Assets to determine the funding ratio.

Schedule of Employer Contributions

The schedule of employer contributions shows whether the employer has made contributions that are consistent with an actuarial method of funding the benefits to be provided consistent with the parameters established by GASB 25.

SECTION V
ACCOUNTING STATEMENT INFORMATION

Solvency Test

The solvency test shows the portion of actuarial liabilities for active member contributions, inactive members, and the employer financed portion of the active members that are covered by the Actuarial Value of Assets.

The Actuarial Accrued Liability under GASB 25 is determined assuming that the Plan is ongoing and participants continue to terminate employment, retire, etc., in accordance with the actuarial assumptions. Liabilities are discounted at the assumed valuation interest rate of 7.75%.

Table V-1
GASB No. 25
(in thousands)

Item	June 30, 2012	June 30, 2013	% Change
GASB No. 25 Basis			
1. Actuarial Liabilities			
a. Members Currently Receiving Payments	$ 987,546	$ 1,065,792	7.9%
b. Vested Terminated and Inactive Members	73,399	77,201	5.2%
c. Active Members	827,768	776,234	-6.2%
d. Total Actuarial Liability	$ 1,888,713	$ 1,919,227	1.6%
2. Valuation Assets	$ 1,451,764	$ 1,524,076	5.0%
3. Unfunded Actuarial Liability	$ 436,950	$ 395,151	-9.6%
4. Ratio of Actuarial Value of Assets to Actuarial Liability (2)/(1)(d)	76.87%	79.41%	3.3%

SECTION V
ACCOUNTING STATEMENT INFORMATION

Table V-2
Schedule of Funding Progress
(dollars in thousands)

Actuarial Valuation Date	Valuation Assets [1]	Actuarial Liability (AL)	Unfunded AL	Funded Ratio	Covered Payroll	Unfunded AL as a % of Covered Payroll
June 30, 2000	$ 679,421	$ 666,114	$ (13,307)	102.0%	$ 157,010	-8.5%
June 30, 2001	784,114	781,495	(2,619)	100.3%	174,595	-1.5%
June 30, 2002	878,821	870,768	(8,053)	100.9%	196,471	-4.1%
June 30, 2003	937,797	958,095	20,298	97.9%	197,664	10.3%
June 30, 2004	993,180	1,035,345	42,165	95.9%	199,963	21.1%
June 30, 2005	1,049,691	1,116,310	66,619	94.0%	211,681	31.5%
June 30, 2006	1,154,048	1,194,904	40,856	96.6%	219,768	18.6%
6/30/2006 (Rev)	1,154,048	1,329,375 [2]	175,327	86.8%	212,011	82.7%
June 30, 2008	1,317,167 [3]	1,548,824	231,657	85.0%	242,009	95.7%
June 30, 2009	1,171,767	1,653,716	481,949	70.9%	248,316	194.1%
June 30, 2010	1,325,801	1,737,824	412,023	76.3%	231,538	178.0%
June 30, 2011	1,372,046	1,757,717	385,671	78.1%	221,541	174.1%
June 30, 2012	1,451,764	1,888,713	436,950	76.9%	215,057	203.2%
June 30, 2013	1,524,076	1,919,227	395,151	79.4%	222,898	177.3%

[1] Excludes value of non-valuation reserves.

[2] The Accrued Liability as of June 30, 2006 was recomputed to reflect the change in Actuary and in the retirement, termination and refund assumptions.

[3] Includes $50 million transferred from Non-Valuation to Valuation Reserves as of 6/30/2008.

SECTION V
ACCOUNTING STATEMENT INFORMATION

Table V-3
Schedule of Employer Contributions
(Dollars in Thousands)

Year Ended June, 30	Annual Required Contribution	Actual Contribution	Percentage Contributed
2000	$ 5,899	$ 5,899	100.0%
2001	7,509	7,509	100.0%
2002	11,341	11,341	100.0%
2003	16,208	16,208	100.0%
2004	17,114	17,114	100.0%
2005	19,793	19,793	100.0%
2006	22,549	22,549	100.0%
2007	32,563	32,563	100.0%
2008	22,555	22,555	100.0%
2009	23,411	23,411	100.0%
2010	31,814	31,814 [1]	100.0%
2011	47,657	47,657 [2]	100.0%
2012	41,614	41,614 [3]	100.0%
2013	39,077	39,077	100.0%

[1] The Actual Contribution was comprised of a $21,814,194 payment by the employers, plus an additional $10,000,000 in assets transferred from the non-valuation to valuation reserves.

[2] The Actual Contribution was comprised of a $26,256,729 payment by the employers, plus an additional $21,400,000 in assets transferred from the non-valuation to valuation reserves.

3 The Actual Contribution was comprised of a $27,314,032 payment by the employers, plus an additional $14,300,000 in assets transferred from the non-valuation to valuation reserves.

SECTION V
ACCOUNTING STATEMENT INFORMATION

Table V-4
GFOA SOLVENCY TEST
(dollars in thousands)

Valuation Date June 30,	(1) Active Member Contributions	(2) Retirees And Beneficiaries	(3) Active And Terminated Members	Actuarial Accrued Liabilities	Valuation Assets	Portion of Actuarial Liabilities Covered by Reported Assets (1)	(2)	(3)
2003	$ 176,622	$ 455,784	$ 325,689	$ 958,095	$ 928,022	100%	100%	91%
2004	166,806	518,922	349,617	1,035,345	993,180	100%	100%	88%
2005	205,556	551,810	358,994	1,116,310	1,049,691	100%	100%	81%
2006 [1]	219,907	619,109	355,888	1,194,904	1,154,048	100%	100%	89%
2008 [2]	272,657	739,838	536,329	1,548,824	1,317,167	100%	100%	57%
2009	298,342	781,082	574,292	1,653,716	1,171,767	100%	100%	16%
2010	323,940	829,323	584,561	1,737,824	1,325,801	100%	100%	30%
2011	337,201	897,384	523,133	1,757,718	1,372,046	100%	100%	26%
2012	351,569	987,546	549,598	1,888,713	1,451,764	100%	100%	20%
2013 [3]	191,968	1,065,792	661,466	1,919,227	1,524,076	100%	100%	40%

[1] Results recalculated, reflecting Level 1 assumption changes (new retirement, termination and withdrawal decrements) & new EFI EAN methodology.

[2] Reflects transfer as of June 30, 2008 of $50 million from Non-Valuation to Valuation Reserves.

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

APPENDIX A
MEMBERSHIP INFORMATION

The data for this valuation was provided by the StanCERA as of June 30, 2013. Cheiron did not audit any of the data; however, it was reviewed to ensure that it complies with generally accepted actuarial standards.

	General Members		Safety Members		Total	
	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013
Active Participants						
Number	3,233	3,230	661	694	3,894	3,924
Average Age	46.36	46.44	39.14	38.84	45.14	45.09
Average Service	11.76	11.75	11.01	10.66	11.63	11.56
Average Pay (does not reflect impact of furloughs)	$ 55,447	$ 54,625	$ 63,022	$ 61,370	$ 56,733	$ 55,818
Service Retired						
Number	2,148	2,236	295	317	2,443	2,553
Average Age	69.01	69.19	64.05	64.15	68.41	68.56
Average Annual Total Benefit	$ 25,759	$ 26,721	$ 48,952	$ 48,989	$ 28,559	$ 29,486
Beneficiaries						
Number	311	312	84	85	395	397
Average Age	73.20	73.38	64.81	66.41	71.42	71.88
Average Annual Total Benefit	$ 15,069	$ 15,529	$ 25,373	$ 25,838	$ 17,261	$ 17,736
Duty Disabled						
Number	108	107	112	113	220	220
Average Age	65.06	65.57	56.51	57.14	60.70	61.24
Average Annual Total Benefit	$ 22,137	$ 22,723	$ 34,076	$ 35,097	$ 28,215	$ 29,079
Ordinary Disabled						
Number	78	73	6	6	84	79
Average Age	64.51	64.56	56.15	57.15	63.92	64.00
Average Annual Total Benefit	$ 14,092	$ 15,651	$ 19,043	$ 19,424	$ 14,446	$ 15,938
Total In Pay						
Number	2,645	2,728	497	521	3,142	3,249
Average Age	69.21	69.40	62.39	62.92	68.13	68.36
Average Annual Total Benefit	$ 24,010	$ 24,988	$ 41,253	$ 41,859	$ 26,737	$ 27,693
Terminated Vested						
Number	554	556	99	103	653	659
Average Age	49.82	49.80	43.66	43.91	48.89	48.88
Average Service	7.59	7.64	6.34	6.67	7.40	7.49
Transfers						
Number	180	193	69	73	249	266
Average Age	45.68	45.45	37.46	37.33	43.40	43.22
Average Service	5.41	5.61	6.20	5.94	5.63	5.70
Total Inactives						
Number	734	749	168	176	902	925
Average Age	48.81	48.68	41.11	41.18	47.37	47.25
Average Service	7.06	7.12	6.29	6.36	6.91	6.98

APPENDIX A
MEMBERSHIP INFORMATION

Data pertaining to active and inactive Members and their beneficiaries as of the valuation date was supplied by the Plan Administrator on electronic media. As is usual in studies of this type, Member data was neither verified nor audited.

Plan Year Ending	Added During Year	Allowance Added	Removed During Year	Allowance Removed	At End of Year	Annual Allowance	% Increase in Retiree Allowance	Average Annual Allowance
2008	369	$ 9,084,777	(148)	$ (1,731,738)	2,666	$ 63,296,000	19.18%	$ 23,742
2009	156	$ 2,168,425	(71)	$ (647,870)	2,751	$ 66,720,003	5.41%	$ 24,253
2010	159	$ 3,349,900	(80)	$ (751,427)	2,830	$ 71,464,735	7.11%	$ 25,334
2011	263	$ 4,724,416	(78)	$ (1,194,042)	3,015	$ 74,826,404	4.70%	$ 25,732
2012	226	$ 3,565,634	(99)	$ (978,729)	3,142	$ 80,157,222	7.12%	$ 26,737
2013	198	$ 6,036,138	(91)	$ (1,144,584)	3,249	$ 89,975,736	12.25%	$ 27,694

APPENDIX A
MEMBERSHIP INFORMATION

Active and Vested Participant Data as of July 1, 2013

	County						Ceres and Other Districts						Total County, Ceres and Other Districts	
	General Members		Safety Members		Total		General Members		Safety Members		Total			
	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013
Active Participants														
Number	3,113	3,114	578	606	3,691	3,720	120	116	83	88	203	204	3,894	3,924
Average Age	46.39	46.47	39.36	39.06	45.29	45.26	45.66	45.64	37.66	37.34	42.39	42.06	45.14	45.09
Average Service	11.76	11.75	11.08	10.70	11.66	11.58	11.69	11.94	10.53	10.41	11.22	11.28	11.63	11.56
Average Pay*	$ 55,233	$ 54,384	$ 59,879	$ 58,724	$ 55,961	$ 55,091	$ 61,014	$ 61,077	$ 84,909	$ 79,587	$ 70,784	$ 69,062	$ 56,734	$ 55,818
Terminated Vested														
Number	536	537	87	91	623	628	18	19	12	12	30	31	653	659
Average Age	49.86	49.92	43.74	44.10	49.01	49.08	48.61	46.39	43.06	42.42	46.39	44.85	48.89	48.88
Average Service	7.60	7.70	6.32	6.78	7.42	7.57	7.35	6.07	6.50	5.80	7.01	5.97	7.40	7.49
Transfers														
Number	167	177	61	65	228	242	13	16	8	8	21	24	249	266
Average Age	45.77	45.39	37.04	36.81	43.44	43.09	44.48	46.10	40.60	41.60	43.00	44.60	43.40	43.22
Average Service	5.45	5.50	6.17	5.88	5.64	5.60	4.94	6.86	6.43	6.43	5.51	6.72	5.63	5.70
Total Inactives														
Number	703	714	148	156	851	870	31	35	20	20	51	55	902	925
Average Age	48.89	48.80	40.98	41.06	47.52	47.41	46.88	46.26	42.07	42.09	44.99	44.74	47.37	47.25
Average Service	7.09	7.15	6.26	6.41	6.94	7.02	6.34	6.43	6.47	6.05	6.39	6.29	6.91	6.98

APPENDIX A
MEMBERSHIP INFORMATION

County Members

	General Members												Safety Members					
	Tier 1		Tier 2		Tier 3		Tier 4		Tier 5		PEPRA		Tiers 1 & 4		Tiers 2 & 5		PEPRA	
	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013
Active Participants																		
Number	0	1	246	294	19	17	75	63	2,773	2,596	N/A	143	2	2	576	563	N/A	41
Average Age	0.00	54.25	35.60	36.07	50.99	51.27	58.63	59.45	46.99	47.79		37.48	56.37	57.37	39.30	39.71		29.15
Average Service	0.00	12.86	0.81	1.61	15.15	15.84	31.89	32.68	12.17	12.99		0.28	23.61	24.57	11.04	11.41		0.22
Average Pay*	$ 0	$ 35,161	$ 40,558	$ 42,170	$ 46,242	$ 46,667	$ 65,919	$ 69,948	$ 56,307	$ 56,439		$ 36,395	$ 70,618	$ 72,745	$ 59,841	$ 59,977		$ 40,833
Terminated Vested																		
Number	41	32	186	176	29	30	2	1	278	298	N/A	0	2	1	85	90	N/A	0
Average Age	60.17	60.93	51.74	52.39	52.40	53.32	62.00	63.65	46.74	46.89			58.00	64.76	43.41	43.87		
Average Service	10.63	9.93	4.68	4.58	10.50	10.60	5.31	5.55	8.82	9.01			6.50	6.08	6.32	6.79		
Transfers																		
Number	10	9	20	20	8	9	3	2	126	137	N/A	0	0	0	61	65	N/A	0
Average Age	58.93	59.67	52.77	48.76	45.88	47.81	54.86	56.11	43.40	43.65			0.00	0.00	37.04	36.81		
Average Service	5.71	5.52	3.70	3.28	11.70	10.95	19.56	14.33	4.97	5.33			0.00	0.00	6.17	5.88		
Total Inactives																		
Number	51	41	206	196	37	39	5	3	404	435	N/A	0	2	1	146	155	N/A	0
Average Age	59.93	60.66	51.84	52.02	50.99	52.05	57.72	58.62	45.69	45.87			58.00	64.76	40.75	40.91		
Average Service	9.66	8.96	4.59	4.45	10.76	10.68	13.86	11.41	7.62	7.85			6.50	6.08	6.26	6.41		

* All payroll figures shown are annual

CERES and Other District Members

	General Members												Safety Members					
	Tier 1		Tier 2		Tier 3		Tier 4		Tier 5		PEPRA		Tiers 1 & 4		Tiers 2 & 5		PEPRA	
	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013	7/1/2012	7/1/2013
Active Participants																		
Number	1	0	5	5	0	0	3	3	111	101	N/A	7	1	1	82	87	N/A	0
Average Age	74.28	0.00	45.12	46.12	0.00	0.00	57.45	58.45	45.11	45.83		36.99	55.59	56.59	37.44	37.12		0.00
Average Service	38.85	0.00	9.35	9.15	0.00	0.00	36.98	37.98	10.86	12.12		0.17	32.20	33.20	10.26	10.15		0.00
Average Pay*	$ 55,190	$ 0	$ 39,238	$ 41,390	$ 0	$ 0	$ 65,399	$ 65,346	$ 61,929	$ 63,763		$ 34,559	$ 141,292	$ 139,458	$ 84,221	$ 78,898		$ 0
Terminated Vested																		
Number	1	1	10	9	0	0	0	0	7	9	N/A	0	0	0	12	12	N/A	0
Average Age	58.13	59.13	49.54	51.00	0.00	0.00	0.00	0.00	45.93	40.36			0.00	0.00	43.06	42.42		
Average Service	5.32	5.32	5.29	5.46	0.00	0.00	0.00	0.00	10.59	6.76			0.00	0.00	6.50	5.80		
Transfers																		
Number	0	0	2	3	0	0	0	0	11	13	N/A	0	0	0	8	8	N/A	0
Average Age	0.00	0.00	49.30	48.98	0.00	0.00	0.00	0.00	43.60	45.43			0.00	0.00	40.60	41.60		
Average Service	0.00	0.00	3.12	3.32	0.00	0.00	0.00	0.00	5.27	7.68			0.00	0.00	6.43	6.43		
Inactives																		
Number	1	1	12	12	0	0	0	0	18	22	N/A	0	0	0	20	20	N/A	0
Average Age	58.13	59.13	49.50	50.50	0.00	0.00	0.00	0.00	44.51	43.36			0.00	0.00	42.07	42.09		
Average Service	5.32	5.32	4.93	4.93	0.00	0.00	0.00	0.00	7.34	7.31			0.00	0.00	6.47	6.05		

* All payroll figures shown are annual

APPENDIX A
MEMBERSHIP INFORMATION

Valuation Date	Plan Type	Number	Annual Payroll	Average Annual Salary	Increase in Average Pay
June 30, 2003	General	3,626	$163,505,000	$45,092	6.76%
	Safety	637	$34,159,000	$53,625	3.98%
	Total	4,263	$197,664,000	$46,367	5.23%
June 30, 2004	General	3,618	$164,462,000	$45,457	0.81%
	Safety	630	$35,501,000	$56,351	5.08%
	Total	4,248	$199,963,000	$47,072	1.52%
June 30, 2005	General	3,651	$173,399,000	$47,494	4.48%
	Safety	687	$38,282,000	$55,723	-1.11%
	Total	4,338	$211,681,000	$48,797	3.66%
June 30, 2006	General	3,702	$179,767,000	$48,559	2.24%
	Safety	689	$40,001,000	$58,057	4.19%
	Total	4,391	$219,768,000	$50,050	2.57%
June 30, 2008	General	3,719	$230,942,000	$62,098	27.88%
	Safety	731	$44,638,000	$61,064	5.18%
	Total	4,450	$275,580,000	$61,928	23.73%
June 30, 2009	General	3,627	$201,144,000	$55,457	-10.69%
	Safety	739	$47,172,000	$63,832	4.53%
	Total	4,366	$248,316,000	$56,875	-8.16%
June 30, 2010	General	3,464	$202,200,198	$58,372	5.26%
	Safety	685	$46,630,275	$68,073	6.64%
	Total	4,149	$248,830,473	$59,974	5.45%
June 30, 2011	General	3,232	$184,906,498	$57,211	-1.99%
	Safety	637	$41,800,298	$65,621	-3.60%
	Total	3,869	$226,706,796	$58,596	-2.30%
June 30, 2012	General	3,233	$179,260,736	$55,447	-3.08%
	Safety	661	$41,657,273	$63,022	-3.96%
	Total	3,894	$220,918,009	$56,733	-3.18%
June 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%

*Actuarial valuation was not performed for fiscal year ending June 30, 2007

APPENDIX A
MEMBERSHIP INFORMATION

StanCERA Membership – Retired Members as of June 30, 2013

Age	County				Ceres and Other Districts				Total	
	General Members		Safety Members		General Members		Safety Members			
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit
35-39	0	$ 0	0	$ 0	0	$ 0	0	$ 0	0	$ 0
40-44	0	$ 0	1	$ 44,514	0	$ 0	0	$ 0	1	$ 44,514
45-49	0	$ 0	5	$ 50,505	0	$ 0	1	$ 5,233	6	$ 42,960
50-54	77	$ 19,153	38	$ 40,728	1	$ 7,369	4	$ 77,537	120	$ 27,833
55-59	232	$ 29,602	60	$ 49,373	7	$ 23,847	1	$ 150,691	300	$ 33,826
60-64	470	$ 32,044	68	$ 49,144	12	$ 25,649	3	$ 72,104	553	$ 34,225
65-69	542	$ 29,458	59	$ 55,322	13	$ 29,101	0	$ 0	614	$ 31,936
70-74	351	$ 24,291	40	$ 47,093	7	$ 26,318	0	$ 0	398	$ 26,619
75-79	197	$ 21,111	21	$ 52,407	6	$ 38,085	0	$ 0	224	$ 24,500
80-84	159	$ 21,308	7	$ 29,413	0	$ 0	0	$ 0	166	$ 21,649
85-89	105	$ 19,387	8	$ 28,414	0	$ 0	0	$ 0	113	$ 20,026
90-94	46	$ 18,458	1	$ 16,792	0	$ 0	0	$ 0	47	$ 18,423
95+	11	$ 13,493	0	$ 0	0	$ 0	0	$ 0	11	$ 13,493
All Ages	2,190	$ 26,701	308	$ 48,205	46	$ 27,677	9	$ 75,820	2,553	$ 29,486

APPENDIX A
MEMBERSHIP INFORMATION

StanCERA Membership – Service-Connected Disabled Members as of June 30, 2013

	County				Ceres and Other Districts				Total	
	General Members		Safety Members		General Members		Safety Members			
Age	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit
25-29	0	$ 0	0	$ 0	0	$ 0	0	$ 0	0	$ 0
30-34	0	$ 0	0	$ 0	0	$ 0	0	$ 0	0	$ 0
35-39	1	$ 13,868	2	$ 33,127	0	$ 0	0	$ 0	3	$ 26,707
40-44	2	$ 20,865	13	$ 34,373	0	$ 0	1	$ 27,461	16	$ 32,253
45-49	1	$ 27,497	13	$ 33,728	0	$ 0	0	$ 0	14	$ 33,283
50-54	4	$ 25,886	15	$ 28,009	1	$ 27,157	0	$ 0	20	$ 27,541
55-59	17	$ 21,353	23	$ 35,123	1	$ 21,274	0	$ 0	41	$ 29,076
60-64	24	$ 21,806	20	$ 40,914	1	$ 25,701	3	$ 36,418	48	$ 30,762
65-69	22	$ 22,922	13	$ 33,534	3	$ 19,441	1	$ 73,534	39	$ 27,489
70-74	15	$ 24,296	4	$ 34,129	0	$ 0	0	$ 0	19	$ 26,366
75-79	6	$ 23,676	3	$ 34,165	0	$ 0	0	$ 0	9	$ 27,173
80-84	8	$ 24,883	2	$ 41,472	0	$ 0	0	$ 0	10	$ 28,201
85-89	1	$ 16,068	0	$ 0	0	$ 0	0	$ 0	1	$ 16,068
90-94	0	$ 0	0	$ 0	0	$ 0	0	$ 0	0	$ 0
95+	0	$ 0	0	$ 0	0	$ 0	0	$ 0	0	$ 0
All Ages	101	$ 22,761	108	$ 34,775	6	$ 22,076	5	$ 42,050	220	$ 29,079

APPENDIX A
MEMBERSHIP INFORMATION

StanCERA Membership – Nonservice-Connected Disabled Members as of June 30, 2013

	County				Ceres and Other Districts				Total	
	General Members		Safety Members		General Members		Safety Members			
Age	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit
35-39	0	$ 0	0	$ 0	0	$ 0	0	$ 0	0	$ 0
40-44	1	$ 87,807	1	$ 20,566	0	$ 0	0	$ 0	2	$ 54,187
45-49	6	$ 15,114	0	$ 0	0	$ 0	0	$ 0	6	$ 15,114
50-54	7	$ 17,061	1	$ 23,461	0	$ 0	0	$ 0	8	$ 17,861
55-59	8	$ 16,171	2	$ 20,404	0	0	0	0	10	$ 17,018
60-64	16	$ 13,550	1	$ 13,134	0	0	0	0	17	$ 13,526
65-69	18	$ 17,435	1	$ 18,574	0	0	0	0	19	$ 17,495
70-74	8	$ 12,163	0	$ 0	0	0	0	0	8	$ 12,163
75-79	4	$ 9,959	0	$ 0	0	0	0	0	4	$ 9,959
80-84	3	$ 11,856	0	$ 0	0	0	0	0	3	$ 11,856
85-89	1	$ 6,386	0	$ 0	0	0	0	0	1	$ 6,386
90-94	1	$ 5,508	0	$ 0	0	$ 0	0	$ 0	1	$ 5,508
95+	0	$ 0	0	$ 0	0	$ 0	0	$ 0	0	$ 0
All Ages	73	$ 15,651	6	$ 19,424	0	$ 0	0	$ 0	79	$ 15,938

APPENDIX A
MEMBERSHIP INFORMATION

StanCERA Membership – Beneficiaries as of June 30, 2013

Age	County				Ceres and Other Districts				Total	
	General Members		Safety Members		General Members		Safety Members			
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit
0-24	0	$ 0	2	$ 16,434	0	$ 0	0	$ 0	2	$ 16,434
25-29	1	$ 33,784	0	$ 0	0	$ 0	0	$ 0	1	$ 33,784
30-34	1	$ 6,899	0	$ 0	0	$ 0	0	$ 0	1	$ 6,899
35-39	2	$ 7,059	0	$ 0	0	$ 0	0	$ 0	2	$ 7,059
40-44	6	$ 12,963	3	$ 25,375	0	$ 0	0	$ 0	9	$ 17,100
45-49	7	$ 9,034	2	$ 47,302	0	$ 0	0	$ 0	9	$ 17,538
50-54	10	$ 11,884	8	$ 20,088	0	$ 0	1	$ 32,382	19	$ 16,417
55-59	18	$ 9,587	8	$ 17,829	0	$ 0	0	$ 0	26	$ 12,123
60-64	34	$ 18,826	13	$ 20,365	1	$ 10,332	0	$ 0	48	$ 19,066
65-69	46	$ 14,343	12	$ 37,080	0	$ 0	0	$ 0	58	$ 19,047
70-74	35	$ 17,693	12	$ 28,659	0	$ 0	0	$ 0	47	$ 20,493
75-79	40	$ 20,355	9	$ 27,927	0	$ 0	0	$ 0	49	$ 21,746
80-84	41	$ 17,742	10	$ 28,263	0	$ 0	0	$ 0	51	$ 19,805
85-89	44	$ 13,866	2	$ 6,619	0	$ 0	0	$ 0	46	$ 13,551
90-94	17	$ 10,788	2	$ 17,390	0	$ 0	0	$ 0	19	$ 11,483
95+	9	$ 10,340	1	$ 21,296	0	$ 0	0	$ 0	10	$ 11,436
All Ages	311	$ 15,545	84	$ 25,760	1	$ 10,332	1	$ 32,382	397	$ 17,736

APPENDIX A
MEMBERSHIP INFORMATION

StanCERA Membership – Benefit Form Elections as of June 30, 2013

	County		Ceres and Other Districts		Total
	General	Safety	General	Safety	
Service Retired					
Option #0 (Unmodified 60% to Spouse)	1,830	272	37	7	2,146
Option #1 (Cash Refund)	161	7	2	0	170
Option #2 (100% Continuance)	173	28	7	2	210
Option #3 (50% Continuance)	26	1	0	0	27
Total Service Retired	2,190	308	46	9	2,553
Ordinary Disability					
Option #0 (Unmodified 60% to Spouse)	68	4	0	0	72
Option #1 (Cash Refund)	2	2	0	0	4
Option #2 (100% Continuance)	3	0	0	0	3
Option #3 (50% Continuance)	0	0	0	0	0
Total Ordinary Disability	73	6	0	0	79
Duty Disability					
Option #0 (Unmodified 100% to Spouse)	90	98	5	4	197
Option #1 (Cash Refund)	1	0	1	0	2
Option #2 (100% Continuance)	6	9	0	1	16
Option #3 (50% Continuance)	4	1	0	0	5
Total Duty Disability	101	108	6	5	220
Total					

APPENDIX A
MEMBERSHIP INFORMATION

Age & Service Distribution of Active Members by Count and Average Compensation as of June 30, 2013
General Members (County)

Count

	Years of Service												
Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over	Total Count
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	12	8	1	0	1	3	0	0	0	0	0	0	25
25-29	58	62	7	3	6	53	0	0	0	0	0	0	189
30-34	54	48	5	2	21	154	42	0	0	0	0	0	326
35-39	34	34	4	0	11	176	133	17	0	0	0	0	409
40-44	19	18	10	0	7	138	139	75	17	0	0	0	423
45-49	19	12	3	3	15	126	111	109	52	23	1	0	474
50-54	18	14	2	1	9	96	129	95	81	32	12	0	489
55-59	10	9	2	4	8	92	112	73	67	40	25	13	455
60-64	4	4	2	1	3	44	75	48	49	14	9	10	263
65-69	0	0	0	0	0	11	22	9	4	3	3	1	53
70 & Over	0	0	0	0	0	1	5	1	0	0	0	1	8
Total Count	228	209	36	14	81	894	768	427	270	112	50	25	3,114

Compensation

	Years of Service												
Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over	Avg. Comp.
Under 20	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
20-24	$36,909	$31,167	$31,583	$0	$37,832	$47,700	$0	$0	$0	$0	$0	$0	$36,190
25-29	$41,551	38,376	44,549	43,056	36,864	44,420	0	0	0	0	0	0	41,300
30-34	$35,945	40,077	41,220	48,918	49,336	48,111	48,950	0	0	0	0	0	44,999
35-39	$32,823	46,213	53,332	0	46,892	50,981	53,594	49,373	0	0	0	0	49,771
40-44	$43,133	39,857	41,508	0	48,593	52,398	57,158	60,599	63,165	0	0	0	54,579
45-49	$38,025	40,735	43,736	74,575	52,924	54,727	59,349	62,391	61,316	66,638	70,717	0	57,882
50-54	$44,628	52,449	58,937	38,643	58,997	53,230	58,060	58,599	64,776	69,163	65,821	0	58,572
55-59	$39,982	50,861	68,425	46,639	49,183	53,064	55,918	61,372	64,718	72,554	65,597	63,908	59,139
60-64	$53,356	30,655	101,719	120,569	46,984	49,356	56,890	62,900	53,014	73,953	58,546	58,672	57,055
65-69	$0	0	0	0	0	66,807	67,139	66,293	103,463	68,184	58,437	143,660	70,678
70 & Over	$0	0	0	0	0	248,592	84,540	45,145	0	0	0	75,518	98,995
Average	$38,897	$41,361	$49,092	$56,893	$49,510	$51,625	$56,818	$60,639	$62,432	$70,428	$64,055	$65,468	$54,384

APPENDIX A
MEMBERSHIP INFORMATION

Age & Service Distribution of Active Members by Count and Average Compensation as of June 30, 2013
General Members (Ceres and Other Districts)

Count

	Years of Service												
Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over	Total Count
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	1	1	0	0	0	0	0	0	0	0	0	0	2
25-29	3	3	0	0	0	1	0	0	0	0	0	0	7
30-34	3	0	2	1	0	6	3	0	0	0	0	0	15
35-39	1	2	0	0	1	3	7	2	0	0	0	0	16
40-44	0	1	0	0	1	7	2	1	0	0	0	0	12
45-49	1	0	0	1	0	6	7	1	1	3	0	0	20
50-54	0	0	2	0	1	2	6	2	2	1	1	0	17
55-59	1	0	0	0	0	4	5	2	2	3	0	1	18
60-64	0	0	0	0	0	4	1	1	0	0	0	0	6
65-69	0	0	0	0	0	1	0	0	0	0	0	1	2
70 & Over	0	0	0	1	0	0	0	0	0	0	0	0	1
Total Count	10	7	4	3	3	34	31	9	5	7	1	2	116

Compensation

	Years of Service												
Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over	Avg. Comp.
Under 20	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
20-24	$33,444	$51,686	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$42,565
25-29	$45,483	45,442	0	0	0	63,853	0	0	0	0	0	0	48,090
30-34	$34,572	0	44,336	45,136	0	61,045	58,494	0	0	0	0	0	51,952
35-39	$37,415	40,956	0	0	49,783	49,713	67,375	61,641	0	0	0	0	57,072
40-44	$0	117,708	0	0	108,599	51,337	49,824	78,351	0	0	0	0	63,639
45-49	$34,708	0	0	76,524	0	60,069	68,901	65,050	63,518	69,257	0	0	64,514
50-54	$0	0	54,106	0	40,618	79,316	63,663	59,875	70,540	61,983	71,689	0	63,761
55-59	$32,628	0	0	0	0	55,858	76,800	82,544	57,889	60,611	0	65,843	64,922
60-64	$0	0	0	0	0	76,171	77,556	49,484	0	0	0	0	71,954
65-69	$0	0	0	0	0	52,980	0	0	0	0	0	58,505	55,743
70 & Over	$0	0	0	121,073	0	0	0	0	0	0	0	0	121,073
Average	$37,836	$55,376	$49,221	$80,911	$66,333	$59,964	$66,858	$66,779	$64,075	$64,512	$71,689	$62,174	$61,077

APPENDIX A
MEMBERSHIP INFORMATION

Age & Service Distribution of Active Members by Count and Average Compensation as of June 30, 2013
Safety Members (County)

Count

	Years of Service												
Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over	Total Count
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	20	4	0	0	0	0	0	0	0	0	0	0	24
25-29	21	18	0	3	9	19	0	0	0	0	0	0	70
30-34	12	8	2	3	6	78	21	0	0	0	0	0	130
35-39	4	1	1	3	0	42	54	15	0	0	0	0	120
40-44	1	2	0	0	2	18	27	47	6	0	0	0	103
45-49	0	1	0	0	0	8	19	21	31	6	0	0	86
50-54	5	0	0	0	0	6	12	11	7	3	0	0	44
55-59	1	0	0	0	0	3	4	4	3	2	1	0	18
60-64	1	0	0	1	0	3	2	2	0	0	0	0	9
65-69	0	0	0	0	0	0	1	0	0	0	0	0	1
70 & Over	0	0	0	0	0	0	0	0	1	0	0	0	1
Total Count	65	34	3	10	17	177	140	100	48	11	1	0	606

Compensation

	Years of Service												
Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over	Avg. Comp.
Under 20	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
20-24	$43,078	$42,615	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$43,001
25-29	$38,497	43,565	0	52,060	50,743	56,308	0	0	0	0	0	0	46,791
30-34	$43,497	44,433	48,409	51,688	52,610	56,516	59,015	0	0	0	0	0	54,558
35-39	$31,818	41,060	48,286	51,810	0	57,263	60,395	63,378	0	0	0	0	58,242
40-44	$31,557	51,644	0	0	48,928	57,289	60,360	70,991	62,869	0	0	0	64,150
45-49	$0	54,559	0	0	0	59,748	58,618	65,203	69,287	90,278	0	0	66,338
50-54	$51,148	0	0	0	0	54,211	69,042	73,867	65,429	67,926	0	0	65,541
55-59	$31,569	0	0	0	0	82,539	58,705	66,520	57,721	69,756	76,300	0	64,948
60-64	$59,989	0	0	55,380	0	116,780	58,370	64,601	0	0	0	0	79,072
65-69	$0	0	0	0	0	0	59,108	0	0	0	0	0	59,108
70 & Over	$0	0	0	0	0	0	0	0	61,811	0	0	0	61,811
Average	$41,509	$44,382	$48,368	$52,206	$51,189	$58,280	$60,595	$68,643	$67,043	$80,451	$76,300	$0	$58,724

APPENDIX A
MEMBERSHIP INFORMATION

Age & Service Distribution of Active Members by Count and Average Compensation as of June 30, 2013
General Members (Ceres and Other Districts)

Count

	Years of Service												
Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over	Total Count
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	0	3	0	0	0	0	0	0	0	0	0	0	3
25-29	1	5	0	1	2	7	1	0	0	0	0	0	17
30-34	0	0	3	0	3	8	2	0	0	0	0	0	16
35-39	0	0	0	0	0	8	8	2	0	0	0	0	18
40-44	0	1	0	1	0	5	10	3	2	0	0	0	22
45-49	0	0	0	0	0	0	0	4	1	0	0	0	5
50-54	0	0	0	0	0	0	0	1	1	1	0	0	3
55-59	0	0	0	0	0	1	1	0	0	1	1	0	4
60-64	0	0	0	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0	0	0	0
70 & Over	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Count	1	9	3	2	5	29	22	10	4	2	1	0	88

Compensation

	Years of Service												
Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over	Avg. Comp.
Under 20	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
20-24	$0	$48,951	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$48,951
25-29	$66,529	45,326	0	72,444	69,881	67,617	75,958	0	0	0	0	0	62,038
30-34	$0	0	68,373	0	65,454	80,552	75,794	0	0	0	0	0	74,843
35-39	$0	0	0	0	0	75,950	84,685	105,892	0	0	0	0	83,159
40-44	$0	62,139	0	58,807	0	74,139	84,655	101,658	92,741	0	0	0	83,121
45-49	$0	0	0	0	0	0	0	95,834	94,644	0	0	0	95,596
50-54	$0	0	0	0	0	0	0	82,992	112,207	94,247	0	0	96,482
55-59	$0	0	0	0	0	95,169	151,484	0	0	125,584	139,458	0	127,924
60-64	$0	0	0	0	0	0	0	0	0	0	0	0	0
65-69	$0	0	0	0	0	0	0	0	0	0	0	0	0
70 & Over	$0	0	0	0	0	0	0	0	0	0	0	0	0
Average	$66,529	$48,403	$68,373	$65,625	$67,225	$75,559	$86,503	$98,309	$98,083	$109,916	$139,458	$0	$79,587

APPENDIX A
MEMBERSHIP INFORMATION

Reconciliation of Plan Membership Since Prior Valuation
All Members

	Actives	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
July 1, 2012	**3,894**	**249**	**219**	**653**	**84**	**220**	**2,443**	**395**	**8,157**
New Entrants	320	0	0	0	0	0	0	0	320
Rehires	9	0	(5)	(4)	0	0	0	0	0
Duty Disabilities	(3)	0	0	0	0	3	0	0	0
Ordinary Disabilities	(1)	0	0	0	1	0	0	0	0
Retirements	(121)	(9)	0	(40)	0	0	170	0	0
Retirements from General with Safety Service	0	0	0	0	0	0	1	0	1
Vested Terminations	(64)	0	0	64	0	0	0	0	0
Died, With Beneficiaries' Benefit Payable	0	0	0	0	(1)	(1)	(15)	17	0
Died, Without Beneficiary, and Other Terminations	(34)	0	29	0	(5)	(3)	(30)	0	(43)
Transfers	(10)	25	(5)	(10)	0	0	0	0	0
Beneficiary Deaths	0	0	0	0	0	0	0	(20)	(20)
Domestic Relations Orders	0	0	0	0	0	0	0	4	4
Withdrawals Paid	(66)	(1)	(37)	(11)	0	0	0	0	(115)
Member Reclassifications	0	2	(4)	7	0	1	(16)	1	(9)
July 1, 2013	**3,924**	**266**	**197**	**659**	**79**	**220**	**2,553**	**397**	**8,295**

APPENDIX A
MEMBERSHIP INFORMATION

Reconciliation of Plan Membership Since Prior Valuation
General Members (County)

	Actives	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
July 1, 2012	**3,113**	**167**	**189**	**536**	**78**	**102**	**2,107**	**310**	**6,602**
New Entrants	237	0	0	0	0	0	0	0	237
Rehires	9	0	(5)	(4)	0	0	0	0	0
Duty Disabilities	0	0	0	0	0	0	0	0	0
Ordinary Disabilities	(1)	0	0	0	1	0	0	0	0
Retirements	(101)	(7)	0	(33)	0	0	141	0	0
Retirements from General with Safety Service	0	0	0	0	0	0	1	0	1
Vested Terminations	(50)	0	0	50	0	0	0	0	0
Died, With Beneficiaries' Benefit Payable	0	0	0	0	(1)	0	(13)	14	0
Died, Without Beneficiary, and Other Terminations	(31)	0	26	0	(5)	(2)	(30)	0	(42)
Transfers	(8)	16	(3)	(6)	0	0	0	0	(1)
Beneficiary Deaths	0	0	0	0	0	0	0	(18)	(18)
Domestic Relations Orders	0	0	0	0	0	0	0	4	4
Withdrawals Paid	(54)	(1)	(35)	(9)	0	0	0	0	(99)
Member Reclassifications	0	2	(3)	3	0	1	(16)	1	(12)
July 1, 2013	**3,114**	**177**	**169**	**537**	**73**	**101**	**2,190**	**311**	**6,672**

APPENDIX A
MEMBERSHIP INFORMATION

Reconciliation of Plan Membership Since Prior Valuation
Safety Members (County)

	Actives	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
July 1, 2012	**578**	**61**	**22**	**87**	**6**	**106**	**289**	**84**	**1,233**
New Entrants	66	0	0	0	0	0	0	0	66
Rehires	0	0	0	0	0	0	0	0	0
Duty Disabilities	(3)	0	0	0	0	3	0	0	0
Ordinary Disabilities	0	0	0	0	0	0	0	0	0
Retirements	(15)	(2)	0	(4)	0	0	21	0	0
Retirements from General with Safety Service	0	0	0	0	0	0	0	0	0
Vested Terminations	(8)	0	0	8	0	0	0	0	0
Died, With Beneficiaries' Benefit Payable	0	0	0	0	0	0	(2)	2	0
Died, Without Beneficiary, and Other Terminations	(3)	0	3	0	0	(1)	0	0	(1)
Transfers	(2)	6	(2)	(1)	0	0	0	0	1
Beneficiary Deaths	0	0	0	0	0	0	0	(2)	(2)
Domestic Relations Orders	0	0	0	0	0	0	0	0	0
Withdrawals Paid	(7)	0	(2)	(2)	0	0	0	0	(11)
Member Reclassifications	0	0	0	3	0	0	0	0	3
July 1, 2013	**606**	**65**	**21**	**91**	**6**	**108**	**308**	**84**	**1,289**

APPENDIX A
MEMBERSHIP INFORMATION

Reconciliation of Plan Membership Since Prior Valuation
General Members (Ceres and Other Districts)

	Actives	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
July 1, 2012	**120**	**13**	**6**	**18**	**0**	**6**	**41**	**1**	**205**
New Entrants	10	0	0	0	0	0	0	0	10
Rehires	0	0	0	0	0	0	0	0	0
Duty Disabilities	0	0	0	0	0	0	0	0	0
Ordinary Disabilities	0	0	0	0	0	0	0	0	0
Retirements	(3)	0	0	(2)	0	0	5	0	0
Retirements from General with Safety Service	0	0	0	0	0	0	0	0	0
Vested Terminations	(6)	0	0	6	0	0	0	0	0
Died, With Beneficiaries' Benefit Payable	0	0	0	0	0	0	0	0	0
Died, Without Beneficiary, and Other Terminations	0	0	0	0	0	0	0	0	0
Transfers	0	3	0	(3)	0	0	0	0	0
Beneficiary Deaths	0	0	0	0	0	0	0	0	0
Domestic Relations Orders	0	0	0	0	0	0	0	0	0
Withdrawals Paid	(5)	0	0	0	0	0	0	0	(5)
Member Reclassifications	0	0	0	0	0	0	0	0	0
July 1, 2013	**116**	**16**	**6**	**19**	**0**	**6**	**46**	**1**	**210**

APPENDIX A
MEMBERSHIP INFORMATION

Reconciliation of Plan Membership Since Prior Valuation
Safety Members (Ceres and Other Districts)

	Actives	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
July 1, 2012	**83**	**8**	**2**	**12**	**0**	**6**	**6**	**0**	**117**
New Entrants	7	0	0	0	0	0	0	0	7
Rehires	0	0	0	0	0	0	0	0	0
Duty Disabilities	0	0	0	0	0	0	0	0	0
Ordinary Disabilities	0	0	0	0	0	0	0	0	0
Retirements	(2)	0	0	(1)	0	0	3	0	0
Retirements from General with Safety Service	0	0	0	0	0	0	0	0	0
Vested Terminations	0	0	0	0	0	0	0	0	0
Died, With Beneficiaries' Benefit Payable	0	0	0	0	0	(1)	0	1	0
Died, Without Beneficiary, and Other Terminations	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Beneficiary Deaths	0	0	0	0	0	0	0	0	0
Domestic Relations Orders	0	0	0	0	0	0	0	0	0
Withdrawals Paid	0	0	0	0	0	0	0	0	0
Member Reclassifications	0	0	(1)	1	0	0	0	0	0
July 1, 2013	**88**	**8**	**1**	**12**	**0**	**5**	**9**	**1**	**124**

APPENDIX B
STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

The assumptions and methods used in the actuarial valuation as of July 1, 2013 are:

Actuarial Methods

1. **Actuarial Cost Method**

   Annual contributions to the Stanislaus County Employees' Retirement Association (the Plan) are computed under the Entry Age Normal Actuarial Cost Method, computed to the final decrement.

   Under this Cost Method, the Normal Cost is calculated as the amount necessary to fund Members' benefits as a level percentage of total payroll over their projected working lives. At each valuation date, the Actuarial Accrued Liability is equal to the difference between the liability for the Members' total projected benefit and the present value of future Normal Cost contributions.

   The excess of the Actuarial Accrued Liability over Plan assets is the Unfunded Actuarial Accrued Liability, and the liability for each valuation group is amortized as a level percentage of payroll over a closed period (23 years as of the current valuation).

   Amounts may be added to or subtracted from the Unfunded Actuarial Accrued Liability due to Plan amendments or changes in actuarial assumptions.

   The total Plan cost is the sum of the Normal Cost (computed on an Individual basis), the amortization of the Unfunded Actuarial Accrued Liability, and the expected Administrative Expenses.

2. **Actuarial Value of Plan Assets**

   The Actuarial Value of Plan assets is modified market-related value. The market 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 Assets is limited to no less than 80% and no more than 120% of the market value. As of June 30, 2011, the Actuarial Value was reset to equal market value.

   The detailed calculations of the Actuarial Value of Plan assets are shown in Section II.

APPENDIX B
STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

Actuarial Assumptions

1. **Rate of Return**

   The annual rate of return on all Plan assets is assumed to be 7.75%, net of investment expenses.

2. **Cost of Living**

   The cost of living as measured by the Consumer Price Index (CPI) will increase at the rate of 3.25% per year.

3. **Administrative Expenses**

   An allowance of $2,100,000 for Plan administrative expenses has been included in the annual cost calculated.

4. **Interest Credited to Employee Accounts**

   The employee accounts are credited with 0.25% interest annually.

5. **Increases in Pay**

   Base salary increase: Safety Members employed at a County location
   13.40% for 2013, 3.50% thereafter

   All other Members
   3.50% for 2013 and thereafter

   Assumed pay increases for active Members consist of increases due to base salary adjustments (as noted above), plus service-based increases due to longevity and promotion, as shown below.

Longevity & Promotion Increases		
Service	**General**	**Safety**
0	4.00%	8.00%
1	4.00%	7.00%
2	4.00%	6.00%
3	4.00%	5.00%
4	4.00%	4.00%
5-9	2.00%	2.00%
10-19	1.00%	1.00%
20-29	0.50%	1.00%
30+	0.50%	0.50%

APPENDIX B
STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

6. **PEPRA Compensation Limit**

   The assumption used for increasing the compensation limit that applies to PEPRA members is 3.25%

7. **Post Retirement COLA**

   100% of CPI up to 3% annually with banking, 2.7% annual increases assumed.

8. **Social Security Wage Base**

   General Plan 3 members have their benefits offset by an assumed Social Security Benefit. For projecting the Social Security Benefit, the annual Social Security Wage Base increase is assumed to be 3.5% per year.

9. **Internal Revenue Code Section 415 Limit**

   The Internal Revenue Code Section 415 maximum benefit limitations are not reflected in the valuation for funding purposes. Any limitation is reflected in a member's benefit after retirement.

10. **Internal Revenue Code Section 401(a)(17)**

    The Internal Revenue Code Section 401(a)(17) maximum compensation limitation is not reflected in the valuation for funding purposes. Any limitation is reflected in a member's benefit after retirement.

11. **Family Composition**

    Percentage married for all active members who retire, become disabled or die during active service is shown in the following table. Women are assumed to be three years younger than men.

Percentage Married	
Gender	**Percentage**
Males	90%
Females	50%

12. **Accumulated Vacation Time Load**

    Active members' service retirement and related benefits are loaded by 2.5% for Safety Members and 3.5% for General Members for conversion of vacation time.

13. **Rates of Separation**

    Rates of termination apply to all active Members who terminate their employment.

APPENDIX B
STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

Separate rates of termination are assumed among Safety and General Members.

Termination Rates			
Years of	General		Safety
Service	Male	Female	All
0	24.0%	14.0%	15.0%
1	14.0%	9.4%	15.0%
2	11.7%	7.9%	10.5%
3	9.4%	7.9%	10.0%
4	7.1%	7.1%	6.0%
5	5.0%	5.0%	3.7%
10	3.5%	3.5%	3.4%
15	2.9%	2.9%	1.9%
20	1.5%	1.5%	0.0%
25	1.3%	1.3%	0.0%
30+	0.0%	0.0%	0.0%

Termination rates do not apply once a member is eligible for retirement.

14. Withdrawal

Rates of withdrawal apply to active Members who terminate their employment and withdraw their member contributions, forfeiting entitlement to future Plan benefits. Separate rates of withdrawal are assumed among Safety and General Members, and are based on service. The rates do not overlap with the service retirement rates.

50% of all General Member terminations with less than ten years of service are assumed to take a refund of contributions, as well as 20% of those with ten or more years of service.

35% of all Safety Member terminations with less than ten years of service are assumed to take a refund of contributions, and 10% of those with ten or more years are assumed to take a refund.

15. Vested Termination and Reciprocal Transfers

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. Alternatively, those who terminate their employment with less than five years of service can leave their member contributions with the Plan and transfer to a reciprocal employer, therefore retaining entitlement to future Plan benefits.

APPENDIX B
STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

Vested terminated Tier 3 General Members are assumed to begin receiving benefits at age 65 while all other General Members are assumed to begin at age 58; terminated Safety Members are assumed to begin receiving benefits at age 53. 25% of vested terminated General Members are assumed to be reciprocal; 50% of vested terminated Safety Members are assumed to be reciprocal.

Reciprocal members are assumed to receive 4% annual pay increases from the date of transfer to the assumed retirement date.

16. Rates of Service-Connected Disability

Separate rates of duty disability are assumed among Safety and General Members; rates for both sexes for Safety Members are combined. Below are sample rates:

Rates of Service-Connected Disability

	General		Safety
Age	Male	Female	All
20	0.0043%	0.0002%	0.0759%
25	0.0102%	0.0004%	0.1932%
30	0.0211%	0.0008%	0.3457%
35	0.0284%	0.0024%	0.5309%
40	0.0401%	0.0056%	0.7426%
45	0.0613%	0.0101%	1.1297%
50	0.0897%	0.0162%	1.5092%
55	0.1227%	0.0249%	1.7230%
60	0.1637%	0.0349%	0.0000%
65	0.0000%	0.0000%	0.0000%

17. Rates of Nonservice-Connected Disability

Separate rates of ordinary disability are assumed among Safety and General Members; rates for both sexes for Safety Members are combined. The rates shown are applied after five Years of Service. Below are sample rates:

APPENDIX B
STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

Rates of Non Service-Connected Disability			
	General		Safety
Age	Male	Female	All
20	0.0130%	0.0025%	0.0173%
25	0.0307%	0.0050%	0.0409%
30	0.0316%	0.0100%	0.0421%
35	0.0426%	0.0281%	0.0568%
40	0.0602%	0.0446%	0.0802%
45	0.0920%	0.0808%	0.1227%
50	0.1345%	0.1295%	0.1793%
55	0.1840%	0.1990%	0.2453%
60	0.2456%	0.2764%	0.0000%
65	0.0000%	0.0000%	0.0000%

18. Rates of Mortality for Healthy Lives

Rates of mortality for active Members are specified by the Retired Pensioners (RP) 2000 tables published by the Society of Actuaries (projected from 2000 to 2020 using Scale AA). Duty related mortality rates are only applicable for Safety Active Members. Sample rates are as follows:

Mortality Rates			
	Ordinary Death - General and Safety		Duty Death
Age	Male	Female	Safety All
20	0.0235%	0.0138%	0.0150%
25	0.0308%	0.0156%	0.0189%
30	0.0402%	0.0216%	0.0254%
35	0.0699%	0.0381%	0.0357%
40	0.0919%	0.0522%	0.0564%
45	0.1161%	0.0814%	0.0885%
50	0.1487%	0.1189%	0.0703%
55	0.2469%	0.2314%	0.1055%
60	0.4887%	0.4573%	0.0000%
65	0.9607%	0.8780%	0.0000%
70	1.6413%	1.5145%	0.0000%

APPENDIX B
STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

19. Rates of Mortality for Disabled Retirees

Rates of mortality for disabled Members are specified by the Retired Pensioners (RP) 2000 tables published by the Society of Actuaries (projected from 2000 to 2020 using Scale AA) set forward 7 years. Sample rates are as follows:

Disabled Mortality Rates		
Age	**Male**	**Female**
45	0.178%	0.152%
50	0.333%	0.315%
55	0.647%	0.602%
60	1.237%	1.100%
65	2.016%	1.832%
70	3.611%	2.963%
75	6.854%	4.892%
80	12.062%	8.892%
85	20.397%	14.843%
90	28.808%	21.098%

20. Retired Member and Beneficiary Mortality

Rates of mortality for retired Members and their beneficiaries are specified by the Retired Pensioners (RP) 2000 tables published by the Society of Actuaries (projected from 2000 to 2020 using Scale AA). Sample rates are shown below.

Retired Mortality Rates		
Age	**Male**	**Female**
45	0.116%	0.081%
50	0.149%	0.119%
55	0.247%	0.231%
60	0.489%	0.457%
65	0.961%	0.868%
70	1.641%	1.514%
75	2.854%	2.393%
80	5.265%	3.987%
85	9.624%	6.866%
90	16.928%	12.400%

APPENDIX B
STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

21. Mortality Improvement

No mortality improvement is explicitly assumed; however we build a margin in our mortality assumption between the actual and expected number of deaths in order to assume some future mortality improvements. The experience study report for the period covering July 1, 2009 to June 30, 2012 contains a full description of these margins.

22. Rates of Retirement

Retirement is assumed to occur among eligible members in accordance with the table below:

Rates of Retirement		
Age	**General**	**Safety**
40-44	0.00%	5.00%
45-49	0.00%	5.00%
50	5.00%	15.00%
51	4.00%	15.00%
52	4.00%	15.00%
53	5.00%	15.00%
54	6.00%	15.00%
55	10.00%	15.00%
56	10.00%	15.00%
57	10.00%	20.00%
58	12.00%	30.00%
59	15.00%	30.00%
60	18.00%	100.00%
61	18.00%	100.00%
62	30.00%	100.00%
63	25.00%	100.00%
64	25.00%	100.00%
65	40.00%	100.00%
66	30.00%	100.00%
67	30.00%	100.00%
68	30.00%	100.00%
69	30.00%	100.00%
70	100.00%	100.00%

APPENDIX B
STATEMENT OF CURRENT ACTUARIAL ASSUMPTIONS AND METHODS

23. Changes in Actuarial Assumptions

Interest Credited to Employee Accounts:

Last year's valuation assumed employee accounts were credited with 0.00% interest annually.

Increases in Pay

Base salary increase: 3.50% for all members (no special increase for County Safety for 2014).

APPENDIX C
PLAN PROVISIONS

All actuarial calculations are based on our understanding of the statutes governing the StanCERA as contained in the County Employees Retirement Law (CERL) of 1937, with provisions adopted by the County Board of Supervisors, a district Board of Directors, or the StanCERA Board, effective through June 30, 2013. The benefit and contribution provisions of this law are summarized briefly below, (along with corresponding references to the State Code). This summary does not attempt to cover all the detailed provisions of the law.

A. Definitions

Compensation: Compensation means the cash remuneration for services paid by the employer. It includes base pay and certain differential, incentive, and special pay allowances defined by the Board of Retirement. Overtime is excluded, with the exception of overtime paid under the Fair Labor Standards Act that is regular and recurring.

For Tier 6 (PEPRA) members, only pensionable compensation up to the Social Security Taxable Wage Base ($113,700 for 2013) will count for computing Plan benefits and employee contributions and employer contributions for those participating in Social Security. For those not participating in Social Security, the compensation cap is 120% of the Taxable Wage Base ($136,440 for 2013). In addition, it is possible that some sources of compensation, such as any payments deemed to be terminal or special pays, may be excluded from the benefit and contribution computations for PEPRA members.

Credited Service: In general, Credited Service is earned for the period during which Member Contributions are paid. Since Tier 3 Members participate in a non-contributory Plan, their Credited Service is calculated based on their date of Membership only.

Temporary service for which the Member was not credited, or service for which the Member withdrew his or her Member Contributions, may be purchased by paying or repaying the Member Contributions with interest. The categories of services that credit may be purchased for are listed below:

- **Prior Part-time Service**: If a Member worked for an employer within the Association on a part-time or 'extra help' basis before his membership in the Retirement Association, the Member may buyback this service.
- **Intermittent Part-time Service**

APPENDIX C
PLAN PROVISIONS

- **Prior full time Service:** Member may buyback full time service that may have been cashed out upon termination.
- **Leave of Absence (Including absence with State Disability or Worker's Compensation):**): No unpaid leave of absence can be bought back except for absence due to medical reasons of up to one year.
- **Public Service:** Only Tier 1 and 4 Members may buy back this service.
- **Military Time:** Only Tier 1 and 4 Members may buy back this service.
- **Enhance Prior Tier Service:** Applies to certain active and deferred Members with Tier 1, 2 or 3 service.
- **Military "call up"**
- **AB 2766:** Only Safety Employees can buy back this service.

A percentage of credited sick leave may be credited according to the Member's applicable bargaining unit.

Final Compensation: For Members belonging to Tier 2, Tier 3 and Tier 6, Final Compensation means the highest Compensation earned during any thirty six consecutive months of the Member's employment. For all others, it is the highest Compensation earned during any twelve months of employment.

General Member: Any Member who is not a Safety Member is a General Member.

Safety Member: Any sworn Member engaged in law enforcement, probation, or fire suppression is a Safety Member.

B. Membership

Eligibility: All full-time, permanent employees of Stanislaus County, City of Ceres, Stanislaus County Superior Court, Salida Sanitary District, East Side Mosquito Abatement, Keyes Community Services, Hills Ferry Cemetery and StanCOG hired on or after October 1, 1988 become Members on their date of appointment. All others hired before October 1, 1988 became Members on the first day of the calendar month following their date of appointment.

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Detailed membership eligibility according to Tier and membership date is shown in Table 1 on the following page.

C. Service Retirement

Eligibility: Tier 3 General Members are eligible to retire at age 55 if they have earned ten years of Credited Service. Tier 6 (PEPRA) General Members are eligible to retire at age 52 if they have earned five years of Credited Service. All other General Members are eligible to retire at age 50 if they have earned five years of Credited Service and have been an Association member for at least ten years. Alternatively, General non-PEPRA Members are eligible to retire at any age after having earned 30 years of Credited Service, or upon reaching age 70 with no service requirement.

Safety Members are eligible to retire at age 50 if they have earned five years of Credited Service and have been an Association member for at least ten years. Alternatively, Safety Members are eligible to retire at any age after having earned 20 years of Credited Service, or upon reaching age 70 with no service requirement. The 20-year Credited Service retirement eligibility is not applicable to Tier 6 (PEPRA) Safety Members.

Benefit Amount: The Service Retirement Benefit payable to the Member is equal to the Member's Final Compensation multiplied by credited service, the benefit factor from Table 1 and the age factor from Table 2 corresponding to the Member's code section. The appropriate code sections for each group are listed in Table 1.

For Tier 3 Members with Credited Service up to thirty five years, the percentage of Final Compensation may not exceed 70% and for those with more than thirty five years, it may not exceed 80%. For all other non-PEPRA Members, the percentage of Final Compensation may not exceed 100%. For those members integrated with Social Security (other than Tiers 3 and 6), Retirement Benefits based on the first $350 of monthly Final Average Compensation are reduced by one-third.

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Table 1: Member Group Descriptions

Group	Open or Closed	FAP	Max Cola	Code Section	Description	Top Retirement Factor Age	Benefit Factor
General Tier I	Closed	1	3	31676.12	2% at 57	62	2.00%
General Tier II	Open	3	3	31676.1	2% at 62	65	1.67%
General Tier III	Closed	3	0	31499.14	Non-Contributory	65	First 35 Years: 2.0% of FAS less 1/35th of Social Security benefit at age 65. Next 10 Years: 1% of FAS
General Tier IV	Closed	1	3	31676.14	2% at 55	65	1.67%
General Tier V	Closed	1	3	31676.14	2% at 55	65	1.67%
General Tier VI	Open	3	3	7522.20	PEPRA	67	1.00%
Safety Tier II	Open	3	3	31664	2% at 50	50	2.00%
Safety Tier IV	Closed	1	3	31664.1	3% at 50	50	3.00%
Safety Tier V	Closed	1	3	31664.1	3% at 50	50	3.00%
Safety Tier VI	Open	3	3	7522.25 (2)	PEPRA	57	1.00%

Table 2: Age Factors

Age	Safety 2% at Age 50 *CERL §: 31664*	Safety 3% at Age 50 *CERL §: 31664.1*	Safety PEPRA *GC§: 7522.25 Opt2*	General 2% at Age 62 *CERL §: 31676.1*	General 2% at Age 57 *CERL § : 31676.12*	General 2% at Age 55 *CERL § : 31676.14*	General 2% at Age 65 *CERL §: 31499.14*	General PEPRA *GC§: 7522.20*
41	0.6258	0.6258	N/A	N/A	N/A	N/A	N/A	N/A
42	0.6625	0.6625	N/A	N/A	N/A	N/A	N/A	N/A
43	0.7004	0.7004	N/A	N/A	N/A	N/A	N/A	N/A
44	0.7397	0.7397	N/A	N/A	N/A	N/A	N/A	N/A
45	0.7805	0.7805	N/A	N/A	N/A	N/A	N/A	N/A
46	0.8226	0.8226	N/A	N/A	N/A	N/A	N/A	N/A
47	0.8678	0.8678	N/A	N/A	N/A	N/A	N/A	N/A
48	0.9085	0.9085	N/A	N/A	N/A	N/A	N/A	N/A
49	0.9522	0.9522	N/A	N/A	N/A	N/A	N/A	N/A
50	1.0000	1.0000	2.0000	0.7091	0.6681	0.8850	N/A	N/A
51	1.0516	1.0000	2.1000	0.7457	0.7056	0.9399	N/A	N/A
52	1.1078	1.0000	2.2000	0.7816	0.7454	1.0000	N/A	1.0000
53	1.1692	1.0000	2.3000	0.8181	0.7882	1.0447	N/A	1.1000
54	1.2366	1.0000	2.4000	0.8556	0.8346	1.1048	N/A	1.2000
55	1.3099	1.0000	2.5000	0.8954	0.8850	1.1686	0.3900	1.3000
56	1.3099	1.0000	2.6000	0.9382	0.9399	1.2365	0.4300	1.4000
57	1.3099	1.0000	2.7000	0.9846	1.0000	1.3093	0.4700	1.5000
58	1.3099	1.0000	2.7000	1.0350	1.0447	1.3608	0.5100	1.6000
59	1.3099	1.0000	2.7000	1.0899	1.1048	1.4123	0.5600	1.7000
60	1.3099	1.0000	2.7000	1.1500	1.1686	1.4638	0.6100	1.8000
61	1.3099	1.0000	2.7000	1.1947	1.2365	1.5153	0.6700	1.9000
62	1.3099	1.0000	2.7000	1.2548	1.3093	1.5668	0.7400	2.0000
63	1.3099	1.0000	2.7000	1.3186	1.3093	1.5668	0.8200	2.1000
64	1.3099	1.0000	2.7000	1.3865	1.3093	1.5668	0.9000	2.2000
65	1.3099	1.0000	2.7000	1.4593	1.3093	1.5668	1.0000	2.3000
66	1.3099	1.0000	2.7000	1.4593	1.3093	1.5668	1.0000	2.4000
67	1.3099	1.0000	2.7000	1.4593	1.3093	1.5668	1.0000	2.5000

Form of Benefit: The Service Retirement Benefit will be paid monthly beginning at retirement and for the life of the Member. If the member selects the unmodified benefit form, in the event of the Member's death 60% of the

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benefit will continue for the life of the Member's spouse or to the age of majority of dependent minor children if there is no spouse. For Tier 3 Members, the benefit payable to beneficiary is limited to 50%. In the event there is no surviving spouse or minor children, any unpaid remainder of the Member's accumulated contributions will be paid to the Member's designated beneficiary.

Actuarially equivalent optional benefit forms are also available.

Annually on April 1, benefits for all retired members other than those in Tier 3 are adjusted to reflect changes in the CPI for the San Francisco Bay Area since the prior year. Benefits may be increased or decreased, but the cumulative changes shall never reduce the benefit below the original monthly allowance. Annual increases may not exceed the COLA figures shown in Table 1, but CPI increases above this figure are "banked" and used for future increases when the CPI increases by less than the figures shown.

In addition, ad hoc cost of living adjustments have been granted in the past and may be granted in the future.

A lump sum benefit of $5,000 will be payable upon the death of a retired member. No death benefit is payable for Tier 3 retired members.

D. Service-Connected Disability:

Eligibility: All non-Tier 3 Members are eligible for Service-Connected Disability Retirement benefits at any age if they are permanently disabled as a result of injuries or illness sustained in the line of duty. Tier 3 Members are not eligible to receive disability benefits.

Benefit Amount: The Service-Connected Disability Retirement Benefit payable to Members is equal to the greater of 50% of their Final Compensation or – if the Member is eligible at disability for a Service Retirement Benefit – the Service Retirement Benefit accrued on the date of disability.

Form of Benefit: The Service-Connected Disability Retirement Benefit will be paid monthly beginning at the effective date of disability retirement and for the life of the Member; in the event of the Member's death, 100% of the benefit will continue for the life of the Member's spouse or to the age of majority of dependent minor children if there is no spouse. In the event there is no surviving spouse or minor children, any unpaid remainder of the Member's accumulated contributions will be paid to the Member's designated beneficiary.

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Actuarially equivalent optional benefit forms and COLA adjustments (as described for the Service Retirement benefit) are also available. A lump sum benefit of $5,000 will be payable upon the death of the member.

E. Nonservice-Connected Disability

Eligibility: Tier 3 Members are not eligible to receive disability benefits. All other Members are eligible for Nonservice-Connected Disability Retirement benefits if they are permanently disabled at any age after earning five years of Credited Service.

Benefit Amount: The Nonservice-Connected Disability Retirement Benefit payable to Tier 1 General Members is equal to the greatest of:

- 1.8% of Final Compensation at disability multiplied by years of Credited Service at disability;
- 1.8% of Final Compensation at disability multiplied by years of Credited Service projected to age 62, but not to exceed one-third of Final Compensation; or
- If the Member is eligible at disability for a Service Retirement Benefit, the Service Retirement Benefit accrued on the date of disability.

The Nonservice-Connected Disability Retirement Benefit payable to Tiers 2, 4 5, and 6 General Members is equal to the greatest of:

- 1.5% of Final Compensation at disability multiplied by years of Credited Service at disability;
- 1.5% of Final Compensation at disability multiplied by years of Credited Service projected to age 65, but not to exceed one-third of Final Compensation; or
- If the Member is eligible at disability for a Service Retirement Benefit, the Service Retirement Benefit accrued on the date of disability.

The Nonservice-Connected Disability Retirement Benefit payable to Safety Members is equal to the greatest of:

- 1.8% of Final Compensation at disability multiplied by years of Credited Service at disability;
- 1.8% of Final Compensation at disability multiplied by years of Credited Service projected to age 55, but not to exceed one-third of Final Compensation; or
- If the Member is eligible at disability for a Service Retirement Benefit, the Service Retirement Benefit accrued on the date of disability.

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Form of Benefit: The Nonservice-Connected Disability Retirement Benefit will be paid monthly beginning at the effective date of disability retirement, and for the life of the Member; in the event of the Member's death, 60% of the benefit will continue for the life of the Member's spouse or to the age of majority of dependent minor children if there is no spouse. In the event there is no surviving spouse or minor children, any unpaid remainder of the Member's accumulated contributions will be paid to the Member's designated beneficiary.

Actuarially equivalent optional benefit forms and COLA adjustments (as described for the Service Retirement benefit) are also available. A lump sum benefit of $5,000 will be payable upon the death of the member.

F. Death Benefit

Eligibility: A Tier 3 Member's survivors are not eligible to receive death benefits. All other Members' survivors are eligible to receive different Death benefits dependent on the Member's cause of death and retirement eligibility.

Benefit Amount: In the event the Member's death resulted from injury or illness sustained in connection with the Member's duties, the Death Benefit payable to a surviving spouse, domestic partner or eligible dependent children will be the greater of 50% of the Member's Final Compensation at the time of death or the Service Retirement Benefit.

In the event the Member's death did not result from injury or illness sustained in connection with the Member's duties and at the time of death, the Member was eligible for Service Retirement or Non-Service Connected Disability (i.e. the employee was employed at least five years), the Death Benefit payable to the spouse, partner or children will be 60% of the survivor benefit based on benefit due on Member's date of death.

In all other cases, the designated beneficiary (not necessarily a spouse/partner/child) will receive a refund of the Member's contributions with interest plus one month of Final Compensation for each year of service to a maximum of six years.

Form of Benefit: Annuity death benefits will be paid monthly beginning at the Member's death and for the life of the surviving spouse/partner or to the age of majority of dependent minor children if there is no spouse/partner. Lump sum benefits will be paid as described above.

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COLA adjustments (as described for the annuity benefits) are also available.

G. Withdrawal Benefits

Eligibility: Tier 3 Members are not eligible to receive withdrawal benefits. All other Members are eligible for a Withdrawal Benefit upon termination of employment, if not eligible to receive or electing to waive a monthly benefit.

Benefit Amount: The Withdrawal Benefit is a refund of the Member's accumulated Contributions with interest. Upon receipt of the Withdrawal Benefit the Member forfeits all Credited Service.

Form of Benefit: The Withdrawal Benefit is paid in a lump sum upon election by the Member.

H. Deferred Vested Benefit

Eligibility: A Member is eligible for a Deferred Vested Benefit upon termination of employment after earning five years of Credited Service, including reciprocity service from another system. For Tier 3 Members, the vesting requirement is ten years of Credited Service.

The Member must leave his or her Member Contributions with interest on deposit with the Plan. This requirement does not apply to Tier 3 Members since they participate in a non-contributory Plan.

Benefit Amount: The Deferred Vested Benefit is computed in the same manner as the Service Retirement Benefit, but it is based on Credited Service and Final Compensation on the date of termination.

Form of Benefit: The Deferred Vested Benefit will be paid monthly beginning at retirement and for the life of the Member; in the event of the Member's death, 60% of the benefit will continue for the life of the Member's spouse or to the age of majority of dependent minor children if there is no spouse. For Tier 3 Members, the benefit payable to beneficiary is limited to 50%. In the event there is no surviving spouse or minor children, any unpaid remainder of the Member's accumulated contributions will be paid to the Member's designated beneficiary.

Actuarially equivalent optional benefit forms and COLA adjustments (as described for the Service Retirement benefit) are also available. A lump

APPENDIX C
PLAN PROVISIONS

sum benefit of $5,000 will be payable upon the death of the member. No death benefit is payable for Tier 3 retired members.

I. Reciprocal Benefit

Eligibility: A Member is eligible for a Reciprocal Benefit upon termination of employment after earning five years of Credited Service and entry, within a specified period of time, into another retirement system recognized as a reciprocal system by the Plan. For Tier 3 Members, the vesting requirement is ten years of Credited Service.

The Member must leave his or her Member Contributions with interest on deposit with the Plan. This requirement does not apply to Tier 3 Members since they participate in a non-contributory Plan.

Benefit Amount: The Reciprocal Benefit is computed in the same manner as the Service Retirement Benefit, but it is based on Credited Service on the date of termination and Final Compensation on the date of retirement; Final Compensation is based on the highest of the Compensation earned under this Plan or the reciprocal plan.

Form of Benefit: The Reciprocal Benefit will be paid monthly beginning at retirement and for the life of the Member; in the event of the Member's death, 60% of the benefit will continue for the life of the Member's spouse or to the age of majority of dependent minor children if there is no spouse. For Tier 3 Members, the benefit payable to beneficiary is limited to 50%. In the event there is no surviving spouse or minor children, any unpaid remainder of the Member's accumulated contributions will be paid to the Member's designated beneficiary.

Actuarially equivalent optional benefit forms and COLA adjustments (as described for the Service Retirement benefit) are also available.

A lump sum benefit of $5,000 will be payable upon the death of the member. No death benefit is payable for Tier 3 retired members.

J. Optional Benefit Forms

Prior to retirement, a member may elect to convert his retirement allowance into a benefit of equivalent actuarial value in accordance with one of the optional forms described below.

1. A reduced retirement allowance payable during his life with the provision that on his death the excess, if any, of his accumulated

deductions at the time of retirement over the annuity payments made to him will be paid to his designated beneficiary or estate; or

2. A reduced retirement allowance payable during his life with the provision that after his death the reduced allowance will be continued for life to the beneficiary designated by him at the time of his retirement; or
3. A reduced retirement allowance payable during his life with the provision that after his death an allowance of one-half of his reduced allowance will be continued for life to the beneficiary designated by him at the time of his retirement.

In addition, a member participating in Social Security may elect to receive an increased monthly allowance before age 62 (earliest possible receipt of Social Security benefits) and then take a reduced monthly allowance at age 62 and after. This option will not affect any monthly payments payable to a beneficiary. This option is not available to those receiving a disability benefit.

K. Member Contributions

Other than Tiers 3 and 6, all Members contribute a percentage of Compensation to the Plan through payroll deduction. The percentage contributed depends on the Member's nearest age upon joining the Plan. Members do not contribute after earning 30 years of Credited Service.

Tier 6 (PEPRA) Members must contribute half of the Normal Cost of the Plan. Contributions for these members will be based on the Normal Cost associated with their benefits; General and Safety members will pay different rates. Members will continue to contribute after earnings 30 years of service.

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City of Ceres members in Tiers 1 and 4 pay the Tier 2 and 5 rates ("Full" rates), rather than the rates for their respective Tiers ("Half" rates).

Interest is credited semiannually to each Member's accumulated contributions. The crediting rate is set by the Board; the current annual rate is 0.00%.

The employee contribution rates are shown in the Appendix E.

L. Changes in Plan Provisions

There have been no changes in Plan provisions for the non-PEPRA tiers since the prior review. The PEPRA (Tier 6) tiers were included for the first time in the current valuation.

APPENDIX D
GLOSSARY

1. Actuarial Assumptions

Assumptions as to the occurrence of future events affecting pension costs such as mortality, withdrawal, disability, retirement, changes in compensation, and rates of investment return.

2. Actuarial Cost Method

A procedure for determining the Actuarial Present Value of pension plan benefits and expenses and for developing an allocation of such value to each year of service, usually in the form of a Normal Cost and an Actuarial Liability.

3. Actuarial Gain (Loss)

The difference between actual experience and that expected based upon a set of Actuarial Assumptions during the period between two Actuarial Valuation dates, as determined in accordance with a particular Actuarial Cost Method.

4. Actuarial Liability

The portion of the Actuarial Present Value of Projected Benefits which will not be paid by future Normal Costs. It represents the value of the past Normal Costs with interest to the valuation date.

5. Actuarial Present Value (Present Value)

The value as of a given date of a future amount or series of payments. The Actuarial Present Value discounts the payments to the given date at the assumed investment return and includes the probability of the payment being made.

6. Actuarial Valuation

The determination, as of a specified date, of the Normal Cost, Actuarial Liability, Actuarial Value of Assets, and related Actuarial Present Values for a pension plan.

7. Actuarial Value of Assets

The value of cash, investments and other property belonging to a pension plan as used by the actuary for the purpose of an Actuarial Valuation. The purpose of an Actuarial Value of Assets is to smooth out fluctuations in market values.

APPENDIX D
GLOSSARY

8. Actuarially Equivalent

Of equal Actuarial Present Value, determined as of a given date, with each value based on the same set of actuarial assumptions.

9. Amortization Payment

The portion of the pension plan contribution which is designed to pay interest and principal on the Unfunded Actuarial Liability in order to pay for that liability in a given number of years.

10. Entry Age Normal Actuarial Cost Method

A method under which the Actuarial Present Value of the Projected Benefits of each individual included in an Actuarial Valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit ages.

11. Funded Ratio

The ratio of the Actuarial Value of Assets to the Actuarial Liability.

12. Normal Cost

That portion of the Actuarial Present Value of pension plan benefits and expenses which is allocated to a valuation year by the Actuarial Cost Method.

13. Projected Benefits

Those pension plan benefit amounts which are expected to be paid in the future under a particular set of Actuarial Assumptions, taking into account such items as increases in future compensation and service credits.

14. Unfunded Actuarial Liability

The excess of the Actuarial Liability over the Actuarial Value of Assets.

APPENDIX E
MEMBER CONTRIBUTION RATES

Employee contribution rates vary by member Group and Tier. City of Ceres members in Tiers 1 and 4 pay the Tier 2 and 5 rates ("Full" rates), rather than the rates for their respective Tiers ("Half" rates).

The rates were changed following an experience study covering the period 2009-2012. The current employee contribution rates are shown in the following tables.

Current rates were determined by EFI based on an interest rate of 7.75% per annum, an average salary increase of 3.50% per year, and the Retired Pensioners (RP) 2000 tables published by the Society of Actuaries (projected from 2000 to 2020 using Scale AA) with no age adjustment. The rates are blended using a male/female weighting of 25% male / 75% female for General members, and 80% male / 20% female for Safety members. Basic and COLA rates were determined based on an assumption that members would cease making contributions after 30 years of service.

Employee contribution rates for Tier 6 (PEPRA) members are determined based on half the Normal Cost for the PEPRA members (computed separately for General and Safety members, and for County and Ceres / Other District members). Due to the passage of SB13, contribution rates for PEPRA members are not rounded, and are recomputed each year.

APPENDIX E
MEMBER CONTRIBUTION RATES

General Tier 1				
Entry Age	**Basic First $350**	**Basic Over $350**	**COL First $350**	**COL Over $350**
16	2.08%	3.12%	1.14%	1.71%
17	2.08%	3.12%	1.14%	1.71%
18	2.08%	3.12%	1.14%	1.71%
19	2.08%	3.12%	1.14%	1.71%
20	2.08%	3.12%	1.14%	1.71%
21	2.10%	3.15%	1.16%	1.74%
22	2.12%	3.18%	1.18%	1.77%
23	2.14%	3.21%	1.20%	1.80%
24	2.16%	3.24%	1.22%	1.83%
25	2.17%	3.26%	1.24%	1.86%
26	2.19%	3.28%	1.26%	1.89%
27	2.20%	3.30%	1.28%	1.92%
28	2.21%	3.31%	1.30%	1.95%
29	2.22%	3.32%	1.32%	1.99%
30	2.22%	3.33%	1.35%	2.02%
31	2.27%	3.41%	1.37%	2.05%
32	2.32%	3.48%	1.39%	2.09%
33	2.37%	3.56%	1.42%	2.13%
34	2.43%	3.64%	1.45%	2.17%
35	2.48%	3.73%	1.48%	2.21%
36	2.54%	3.81%	1.50%	2.25%
37	2.60%	3.90%	1.53%	2.30%
38	2.66%	3.99%	1.56%	2.34%
39	2.72%	4.08%	1.59%	2.39%
40	2.77%	4.16%	1.62%	2.43%
41	2.73%	4.09%	1.64%	2.46%
42	2.78%	4.17%	1.67%	2.50%
43	2.83%	4.25%	1.69%	2.53%
44	2.89%	4.33%	1.71%	2.56%
45	2.94%	4.42%	1.73%	2.59%
46	3.00%	4.51%	1.75%	2.62%
47	3.07%	4.60%	1.76%	2.64%
48	3.13%	4.70%	1.77%	2.66%
49	3.20%	4.80%	1.78%	2.67%
50	3.24%	4.86%	1.78%	2.68%
51	3.29%	4.93%	1.77%	2.66%
52	3.33%	5.00%	1.75%	2.63%
53	3.39%	5.08%	1.69%	2.54%
54	3.44%	5.17%	1.65%	2.47%
55	3.45%	5.17%	1.61%	2.41%
56	3.45%	5.17%	1.53%	2.30%
57	3.45%	5.17%	1.48%	2.23%
58	3.45%	5.18%	1.44%	2.16%
59+	3.45%	5.18%	1.41%	2.11%

APPENDIX E
MEMBER CONTRIBUTION RATES

General Tier 2				
Entry Age	Basic First $350	Basic Over $350	COL First $350	COL Over $350
16	3.26%	4.89%	0.93%	1.40%
17	3.26%	4.89%	0.93%	1.40%
18	3.26%	4.89%	0.93%	1.40%
19	3.26%	4.89%	0.93%	1.40%
20	3.26%	4.89%	0.93%	1.40%
21	3.29%	4.94%	0.94%	1.42%
22	3.32%	4.99%	0.96%	1.44%
23	3.35%	5.03%	0.97%	1.46%
24	3.38%	5.07%	0.99%	1.48%
25	3.40%	5.11%	1.00%	1.50%
26	3.43%	5.14%	1.01%	1.52%
27	3.44%	5.17%	1.03%	1.54%
28	3.46%	5.19%	1.05%	1.57%
29	3.47%	5.21%	1.06%	1.59%
30	3.48%	5.22%	1.08%	1.62%
31	3.56%	5.34%	1.10%	1.65%
32	3.64%	5.46%	1.12%	1.68%
33	3.72%	5.58%	1.14%	1.71%
34	3.81%	5.71%	1.16%	1.74%
35	3.89%	5.84%	1.18%	1.78%
36	3.98%	5.97%	1.21%	1.81%
37	4.07%	6.11%	1.23%	1.85%
38	4.16%	6.24%	1.26%	1.88%
39	4.24%	6.37%	1.28%	1.92%
40	4.32%	6.48%	1.30%	1.96%
41	4.35%	6.53%	1.32%	1.99%
42	4.44%	6.65%	1.34%	2.02%
43	4.52%	6.78%	1.36%	2.05%
44	4.61%	6.91%	1.38%	2.07%
45	4.70%	7.05%	1.40%	2.09%
46	4.79%	7.19%	1.41%	2.12%
47	4.89%	7.34%	1.43%	2.14%
48	4.98%	7.47%	1.44%	2.16%
49	5.06%	7.58%	1.45%	2.18%
50	5.12%	7.68%	1.46%	2.19%
51	5.19%	7.79%	1.46%	2.19%
52	5.27%	7.90%	1.46%	2.19%
53	5.32%	7.98%	1.45%	2.17%
54	5.34%	8.01%	1.43%	2.14%
55	5.35%	8.02%	1.40%	2.10%
56	5.35%	8.02%	1.34%	2.00%
57	5.35%	8.03%	1.30%	1.94%
58	5.55%	8.32%	1.26%	1.89%
59+	5.76%	8.63%	1.23%	1.85%

APPENDIX E
MEMBER CONTRIBUTION RATES

General Tier 4				
Entry Age	Basic First $350	Basic Over $350	COL First $350	COL Over $350
16	1.93%	2.90%	1.21%	1.81%
17	1.93%	2.90%	1.21%	1.81%
18	1.93%	2.90%	1.21%	1.81%
19	1.93%	2.90%	1.21%	1.81%
20	1.93%	2.90%	1.21%	1.81%
21	1.94%	2.91%	1.23%	1.84%
22	1.95%	2.93%	1.25%	1.88%
23	1.96%	2.94%	1.27%	1.91%
24	1.97%	2.95%	1.29%	1.94%
25	1.97%	2.96%	1.32%	1.97%
26	2.02%	3.03%	1.34%	2.00%
27	2.06%	3.10%	1.36%	2.04%
28	2.11%	3.17%	1.38%	2.07%
29	2.16%	3.24%	1.40%	2.10%
30	2.21%	3.31%	1.42%	2.14%
31	2.26%	3.39%	1.45%	2.17%
32	2.31%	3.47%	1.47%	2.21%
33	2.36%	3.55%	1.50%	2.25%
34	2.42%	3.63%	1.53%	2.29%
35	2.46%	3.70%	1.56%	2.33%
36	2.43%	3.64%	1.58%	2.38%
37	2.47%	3.71%	1.61%	2.42%
38	2.52%	3.78%	1.64%	2.46%
39	2.57%	3.85%	1.67%	2.51%
40	2.62%	3.93%	1.70%	2.55%
41	2.67%	4.00%	1.72%	2.58%
42	2.72%	4.09%	1.74%	2.62%
43	2.78%	4.17%	1.76%	2.65%
44	2.84%	4.27%	1.78%	2.67%
45	2.88%	4.32%	1.80%	2.70%
46	2.92%	4.38%	1.81%	2.71%
47	2.96%	4.44%	1.81%	2.72%
48	3.01%	4.51%	1.82%	2.73%
49	3.06%	4.59%	1.82%	2.73%
50	3.06%	4.59%	1.81%	2.72%
51	3.06%	4.60%	1.79%	2.69%
52	3.07%	4.60%	1.77%	2.65%
53	3.07%	4.60%	1.70%	2.56%
54+	3.07%	4.60%	1.66%	2.49%

APPENDIX E
MEMBER CONTRIBUTION RATES

General Tier 5				
Entry Age	Basic First $350	Basic Over $350	COL First $350	COL Over $350
16	3.86%	5.79%	1.21%	1.81%
17	3.86%	5.79%	1.21%	1.81%
18	3.86%	5.79%	1.21%	1.81%
19	3.86%	5.79%	1.21%	1.81%
20	3.86%	5.79%	1.21%	1.81%
21	3.89%	5.83%	1.23%	1.84%
22	3.91%	5.86%	1.25%	1.88%
23	3.92%	5.89%	1.27%	1.91%
24	3.94%	5.91%	1.29%	1.94%
25	3.95%	5.92%	1.32%	1.97%
26	4.04%	6.06%	1.34%	2.00%
27	4.13%	6.19%	1.36%	2.04%
28	4.22%	6.33%	1.38%	2.07%
29	4.32%	6.48%	1.40%	2.10%
30	4.42%	6.62%	1.42%	2.14%
31	4.52%	6.77%	1.45%	2.17%
32	4.62%	6.93%	1.47%	2.21%
33	4.73%	7.09%	1.50%	2.25%
34	4.84%	7.26%	1.53%	2.29%
35	4.93%	7.39%	1.56%	2.33%
36	4.85%	7.28%	1.58%	2.38%
37	4.94%	7.41%	1.61%	2.42%
38	5.04%	7.55%	1.64%	2.46%
39	5.13%	7.70%	1.67%	2.51%
40	5.23%	7.85%	1.70%	2.55%
41	5.34%	8.01%	1.72%	2.58%
42	5.45%	8.17%	1.74%	2.62%
43	5.56%	8.35%	1.76%	2.65%
44	5.69%	8.53%	1.78%	2.67%
45	5.76%	8.64%	1.80%	2.70%
46	5.84%	8.76%	1.81%	2.71%
47	5.93%	8.89%	1.81%	2.72%
48	6.02%	9.03%	1.82%	2.73%
49	6.12%	9.18%	1.82%	2.73%
50	6.13%	9.19%	1.81%	2.72%
51	6.13%	9.19%	1.79%	2.69%
52	6.13%	9.20%	1.77%	2.65%
53	6.14%	9.20%	1.70%	2.56%
54+	6.14%	9.21%	1.66%	2.49%

APPENDIX E
MEMBER CONTRIBUTION RATES

Safety Tier 2				
Entry Age	Basic First $350	Basic Over $350	COL First $350	COL Over $350
20	4.83%	7.24%	2.05%	3.08%
21	4.92%	7.38%	2.11%	3.17%
22	5.01%	7.51%	2.16%	3.23%
23	5.10%	7.65%	2.20%	3.30%
24	5.20%	7.79%	2.24%	3.35%
25	5.29%	7.94%	2.28%	3.41%
26	5.39%	8.09%	2.32%	3.47%
27	5.49%	8.24%	2.36%	3.53%
28	5.60%	8.39%	2.40%	3.60%
29	5.70%	8.55%	2.44%	3.66%
30	5.81%	8.71%	2.48%	3.72%
31	5.87%	8.81%	2.53%	3.80%
32	5.99%	8.98%	2.58%	3.87%
33	6.10%	9.15%	2.63%	3.95%
34	6.22%	9.34%	2.69%	4.03%
35	6.35%	9.53%	2.74%	4.11%
36	6.48%	9.72%	2.80%	4.20%
37	6.62%	9.93%	2.85%	4.28%
38	6.75%	10.12%	2.91%	4.37%
39	6.86%	10.29%	2.97%	4.45%
40	6.96%	10.45%	3.03%	4.55%
41	7.07%	10.61%	3.08%	4.62%
42	7.20%	10.79%	3.12%	4.69%
43	7.29%	10.93%	3.16%	4.74%
44	7.33%	11.00%	3.19%	4.78%
45	7.32%	10.97%	3.20%	4.80%
46	7.26%	10.88%	3.21%	4.82%
47	7.15%	10.73%	3.23%	4.85%
48	7.41%	11.11%	3.24%	4.86%
49+	7.68%	11.52%	3.23%	4.84%

APPENDIX E
MEMBER CONTRIBUTION RATES

Safety Tier 4

Entry Age	Basic First $350	Basic Over $350	COL First $350	COL Over $350
20	2.56%	3.85%	2.68%	4.02%
21	2.61%	3.92%	2.76%	4.14%
22	2.66%	3.99%	2.81%	4.21%
23	2.71%	4.06%	2.86%	4.28%
24	2.76%	4.14%	2.90%	4.35%
25	2.81%	4.22%	2.94%	4.41%
26	2.86%	4.29%	2.98%	4.47%
27	2.92%	4.37%	3.01%	4.52%
28	2.97%	4.46%	3.05%	4.57%
29	3.03%	4.54%	3.08%	4.62%
30	3.08%	4.63%	3.11%	4.66%
31	3.07%	4.60%	3.16%	4.73%
32	3.13%	4.69%	3.21%	4.81%
33	3.19%	4.78%	3.26%	4.90%
34	3.25%	4.88%	3.32%	4.98%
35	3.32%	4.98%	3.38%	5.07%
36	3.39%	5.08%	3.45%	5.17%
37	3.46%	5.19%	3.51%	5.27%
38	3.54%	5.30%	3.57%	5.36%
39	3.62%	5.43%	3.64%	5.46%
40	3.67%	5.51%	3.71%	5.57%
41	3.73%	5.60%	3.70%	5.56%
42	3.79%	5.69%	3.70%	5.56%
43	3.87%	5.80%	3.71%	5.56%
44	3.95%	5.93%	3.71%	5.57%
45	3.98%	5.97%	3.71%	5.57%
46	3.98%	5.97%	3.72%	5.59%
47	3.96%	5.94%	3.74%	5.61%
48	3.91%	5.86%	3.75%	5.62%
49+	3.84%	5.76%	3.74%	5.60%

APPENDIX E
MEMBER CONTRIBUTION RATES

Safety Tier 5				
Entry Age	Basic First $350	Basic Over $350	COL First $350	COL Over $350
20	5.13%	7.69%	2.68%	4.02%
21	5.22%	7.83%	2.76%	4.14%
22	5.32%	7.98%	2.81%	4.21%
23	5.42%	8.13%	2.86%	4.28%
24	5.52%	8.28%	2.90%	4.35%
25	5.62%	8.43%	2.94%	4.41%
26	5.73%	8.59%	2.98%	4.47%
27	5.83%	8.75%	3.01%	4.52%
28	5.94%	8.91%	3.05%	4.57%
29	6.05%	9.08%	3.08%	4.62%
30	6.17%	9.25%	3.11%	4.66%
31	6.13%	9.20%	3.16%	4.73%
32	6.25%	9.38%	3.21%	4.81%
33	6.38%	9.56%	3.26%	4.90%
34	6.50%	9.75%	3.32%	4.98%
35	6.63%	9.95%	3.38%	5.07%
36	6.77%	10.16%	3.45%	5.17%
37	6.92%	10.38%	3.51%	5.27%
38	7.07%	10.61%	3.57%	5.36%
39	7.24%	10.86%	3.64%	5.46%
40	7.35%	11.02%	3.71%	5.57%
41	7.46%	11.19%	3.70%	5.56%
42	7.59%	11.38%	3.70%	5.56%
43	7.73%	11.60%	3.71%	5.56%
44	7.90%	11.85%	3.71%	5.57%
45	7.96%	11.93%	3.71%	5.57%
46	7.96%	11.94%	3.72%	5.59%
47	7.91%	11.87%	3.74%	5.61%
48	7.82%	11.73%	3.75%	5.62%
49+	7.68%	11.52%	3.74%	5.60%

APPENDIX E
MEMBER CONTRIBUTION RATES

PEPRA Rates			
	General (County)	**General (Ceres)**	**Safety**
	7.63%	7.70%	12.82%

Assumptions:

Interest: 7.75%

Salary: 2013 Valuation Scale (Service based, includes wage inflation at 3.50%)

Mortality: Because the PEPRA contributions rates are based on 50% of the actual Normal Cost, the mortality rates are the same as those used in the Actuarial Valuation (RP2000 table projected from 2000 to 2020 using Scale AA)

Note: There were no Ceres/District PEPRA Safety members as of June 30, 2013, so County data was used to set all Safety PEPRA rates