



Stanislaus County Employees' Retirement Association

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March 9, 2018

BOARD OF SUPERVISORS ✓

2018 MAR 19 P 12:00

TO: Stanislaus County, Board of Supervisors
Jim DeMartini, Chairman
1010 10th Street, Suite 6700
Modesto, CA 95354

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

City of Ceres
Chris Vierra, Mayor
2720 Second Street
Ceres, CA 95307

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

Stanislaus Council of Governments
Bill Zoslocki, Chairman
1111 I Street, Suite 308
Modesto, CA 95354

Keyes Community Services District
Davie Landers, Director
PO Box 699
Keyes, CA 95328

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

Hills Ferry Cemetery District
Ken Moeller, District Manager
PO Box 657
Newman, CA 95360

RE: Fiscal Year 2018-2019 Retirement Contribution Rates and Funded Status as of June 30, 2017

On February 27, 2018, the Board of Retirement of the Stanislaus County Employees' Retirement Association (StanCERA) accepted the June 30, 2017 Actuarial Valuation. Attached are the employer rates for Fiscal Year 2018/2019. The complete Actuarial Valuation Report can be found on StanCERA's website at www.stancera.org.

The June 30, 2017 funded status using the market value of assets for the StanCERA is 74.5 percent. This compares with 69.1 percent for the previous fiscal year. The actuarially determined net employer contribution rate increased from 29.01 percent of payroll to 31.65 percent of payroll which reflects the final year of the three-year phase in of assumption changes. The specific contribution rates per employer, plan, and tier are presented on pages 30 and 31. Employee contribution rates are presented on pages 80-87.

The Board of Retirement is pleased to submit the 2017 valuation report to the employer agencies of StanCERA. Please don't hesitate to contact Natalie Elliott or Rick Santos if you have any questions.

Respectfully,

Mike Lynch
Chair, Board of Retirement

Attachment

cc: Rick Santos, Executive Director
Natalie Elliott, Interim Fiscal Services Manager

STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
ACTUARIAL VALUATION REPORT AS OF JUNE 30, 2017

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 third year of the three-year phase-in of the assumption change.

Table IV-3 Development of the General Member Contribution Rate as of June 30, 2017 for FYE 2019							
	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	PEPRA	TOTAL
County and Former County							
A. Total Normal Cost Rate	21.63%	17.67%	2.89%	17.04%	20.46%	16.09%	18.88%
B. Member Contribution Rate	<u>8.44%</u>	<u>8.00%</u>	<u>0.00%</u>	<u>1.39%</u>	<u>9.38%</u>	<u>8.04%</u>	<u>8.80%</u>
C. Employer Normal Cost Rate (A-B)	13.19%	9.67%	2.89%	15.65%	11.08%	8.05%	10.08%
D. UAL Amortization Rate	17.41%	17.41%	17.41%	17.41%	17.41%	17.41%	17.41%
E. Administrative Expense Rate	<u>0.94%</u>	<u>0.83%</u>	<u>0.62%</u>	<u>1.02%</u>	<u>0.88%</u>	<u>0.78%</u>	<u>0.85%</u>
F. Net June 30, 2017 Contribution Rate (C+D+E)	31.54%	27.91%	20.92%	34.08%	29.37%	26.24%	28.34%
Ceres and Other Districts							
A. Total Normal Cost Rate		16.29%		0.00%	22.34%	16.94%	20.84%
B. Member Contribution Rate		<u>7.80%</u>		<u>0.00%</u>	<u>8.77%</u>	<u>8.47%</u>	<u>8.66%</u>
C. Employer Normal Cost Rate (A-B)		8.49%		0.00%	13.57%	8.47%	12.18%
D. UAL Amortization Rate		19.82%		19.82%	19.82%	19.82%	19.82%
E. Administrative Expense Rate		<u>0.87%</u>		<u>0.61%</u>	<u>1.03%</u>	<u>0.87%</u>	<u>0.98%</u>
F. Net June 30, 2017 Contribution Rate (C+D+E)		29.18%		20.43%	34.42%	29.16%	32.98%

Administrative expenses allocated based on projected Employer Normal Cost and UAL Amortization contributions. See Table IV-5.

STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
ACTUARIAL VALUATION REPORT AS OF JUNE 30, 2017

SECTION IV – CONTRIBUTIONS

Table IV-4 Development of the Safety Member Contribution Rate as of June 30, 2017 for FYE 2019					
	Tier 2	Tier 4	Tier 5	PEPRA	TOTAL
<u>County and Former County</u>					
A. Total Normal Cost Rate	30.11%	0.00%	33.36%	26.09%	30.84%
B. Member Contribution Rate	<u>12.68%</u>	<u>0.00%</u>	<u>13.43%</u>	<u>13.04%</u>	<u>13.26%</u>
C. Employer Normal Cost Rate (A-B)	17.43%	0.00%	19.93%	13.05%	17.58%
D. UAL Amortization Rate	24.15%	24.15%	24.15%	24.15%	24.15%
E. Administrative Expense Rate	<u>1.28%</u>	<u>0.74%</u>	<u>1.36%</u>	<u>1.14%</u>	<u>1.28%</u>
F. Net June 30, 2017 Contribution Rate (C+D+E)	42.86%	24.89%	45.44%	38.34%	43.01%
<u>Ceres and Other Districts</u>					
A. Total Normal Cost Rate			32.89%	30.82%	32.54%
B. Member Contribution Rate			<u>12.88%</u>	<u>15.41%</u>	<u>13.31%</u>
C. Employer Normal Cost Rate (A-B)			20.01%	15.41%	19.23%
D. UAL Amortization Rate			25.24%	25.24%	25.24%
E. Administrative Expense Rate			<u>1.39%</u>	<u>1.25%</u>	<u>1.37%</u>
F. Net June 30, 2017 Contribution Rate (C+D+E)			46.64%	41.90%	45.84%

Administrative expenses allocated based on projected Employer Normal Cost and UAL Amortization contributions. See Table IV-6.

