

Court Pension Contribution

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Updated on: June 3, 2024

Background:

In May 2018 the County of Yolo adopted a pension funding policy in order to (1) bolster the ability for the County to pay annual actuarial determined contributions and (2) to accumulate resources in order to obtain long term savings from paying down the unfunded actuarial liability earlier.

Since July 1, 2018 the County charged an additional rate of payroll and begun to set aside the funds in a Section 115 Trust. The County has signed a Memorandum of Understanding with the Yolo Superior Courts to achieve the secondary objective above of paying down the unfunded actuarial liability. This memo serves to put forth options in order to approximate what a pay down could look like while preserve reserves intended by the Pension policy.

Calculation:

Balance in Pension 115 Trust as of April 30, 2024: \$ 8,307,215
Estimate of Additional Trust Contributions for 2023-24: \$ 7,363,214
Estimated Ending Value of Pension Trust as of June 30, 2023: \$ 15,670,729

Pension Policy Target Balance as of June 30, 2024: \$ 8,134,000

Funds Available for Current Year Contribution⁽¹⁾: \$ 7,536,729

Assumptions:

We assume for purposes of the analysis that the County and the Court would make proportional contributions to the Miscellaneous Plan. We further assume that to maintain equity in the County, the County would make a proportional share to the Safety plan based on the UAL.

Miscellaneous Plan⁽²⁾: Court share = 6.7278%, County = 93.2722%

Miscellaneous UAL = \$313,063,157 (76.67%), Safety UAL = \$95,273,594 (23.33%)

Options:

Option	Description	Miscellaneous Contribution		Safety Contribution	County Total Contribution
		Courts	County		
A	County contributes maximum amount and Court matches proportionally	\$507,056	\$5,389,502	\$1,640,171	\$7,536,729
B	Court provides Budgeted Amount of \$147,923	\$112,923	\$1,286,835	\$391,619	\$1,791,377

Note (1): Based on estimate as of June 3, 2024.

Note: (2) Calendar Year 2022 data was used for the 2023-24 budget and UAL shares between County and Court. Calendar Year 2023 data will be used for the 2024-25 budget.