



Merced County Employees' Retirement Association

**AGENDA  
RETIREMENT BOARD MEETING**

Thursday, June 22, 2023, 8:30 A.M.

Location: Merced County Administration Building  
2222 M Street, Merced, CA  
Los Banos and Livingston Conference Rooms, Basement  
Zoom Conference Information:

<https://us06web.zoom.us/j/93030195748?pwd=NGhFeGltSVhaSTIsK2JGWE83TVFydz09>

Dial In Number: 669-900-6833, MEETING ID: 930 3019 5748, PASSCODE: 095484

(For use only if Zoom Connection Malfunctions)

Telephone Number: 1-310-372-7549, Conference Code: 975839

**1. Call to Order- 8:30 A.M.**

The Retirement Board may discuss and take action on the following:

**2. Roll Call**

**3. Teleconference Request**

Trustee Teleconference Request (Govt. Code §54953(f)(2)(A)(i)).

**4. Public Comment**

Members of the public may comment on any item under the Board's jurisdiction including items on the Board's agenda. Matters presented under this item will not be discussed or acted upon by the Board at this time. Persons addressing the Board will be limited to a maximum of five (5) minutes in total. Please state your name for the record.

**5. Consent Calendar**

Consent matters are expected to be routine and may be acted upon, without discussion, as one unit. If an item is taken off the Consent Calendar for discussion, it will be heard as the last item(s) of the Open Session as appropriate:

a. Retirements: Pursuant to Govt. Code § 31663.25 or § 31672.

Name	Effective Date
Ronald Spuur	05/26/2023
Melvin Mckinney	05/29/2023
Anthony Ryland	06/03/2023
Nicole Pollack	06/07/2023

b. Approve the interest crediting rate of 3.06012% compounded semi-annually for June 30<sup>th</sup> for the active and deferred reserves and 6.75% interest crediting rate for retired and employer reserves – Staff.

**7. Open Session**

a. Discussion and possible action to confirm the appointment of Gaurav Patankar as MercedCERA's Chief Investment Officer effective July 17, 2023 at an annual salary of \$250,000, a one-time non-pensionable signing bonus in the amount of \$10,000, with benefits matching the benefits and allowances afforded to County of Merced Unrepresented Management A level employees - Staff.

**6. Information Sharing & Agenda Item Requests**

**7. Adjournment**



Merced County Employees' Retirement Association

The Agenda and supporting documentation, including any material that was submitted to the Merced County Employees' Retirement Association Board after the distribution of the Agenda, are available online at [www.mercedcera.com](http://www.mercedcera.com).

All supporting documentation for Agenda items, including any material that was submitted to the retirement board after the distribution of the Agenda, is also available for public inspection Monday through Friday from 8:00 a.m. to 5:00 p.m. at the administrative office for the Merced County Employees' Retirement Association located at 3199 M Street, Merced, California 95348.

Persons who require accommodation for a disability in order to review an agenda, or to participate in a meeting of the Merced County Employees' Retirement Association per the American Disabilities Act (ADA), may obtain assistance by requesting such accommodation in writing addressed to Merced County Employees' Association, 3199 M Street, Merced, CA 95348 or telephonically by calling (209) 726-2724. Any such request for accommodation should be made at least 48 hours prior to the scheduled meeting for which assistance is requested.

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Spanish and Hmong interpreters are available.

Interpretes de espanol y hmong estan disponibles.  
Peb muaj tug paab txhais lug Mev hab Hmoob.



Merced County Employees' Retirement Association

DATE: June 22, 2023
TO: MercedCERA Board of Retirement
FROM: Mark Harman, Fiscal Manager
SUBJECT: Interest Crediting Rates for June 2023

ITEM NUMBER: Consent Item b

ITEM TYPE: Action

STAFF RECOMMENDATION:

- 1. Adopt the proposed interest credit rates of a 3.06012% annual rate, compounded semiannually, to be credited to the active reserves balances and a 6.75% annual rate, compounded semiannually, to retiree and employer reserves balances.

DISCUSSION: Pursuant to the Interest Crediting Policy adopted by the MercedCERA Retirement Board on September 14, 2017, and in accordance with Section 31591 of the County Employees' Retirement Law of 1937, the Retirement Board shall determine a rate of interest to be credited on June 30th to all contributions in the retirement fund which have been on deposit for six months immediately prior to that date.

Active Member Reserves shall be credited first. The policy provides a range of 0% to 6.75% (the actuarial rate of return adopted September 2021). The policy provides guidance for establishing the amount to be credited by using the Bank of America Merrill Lynch Six Month Treasury Bill index. For the rolling twelve-month period ended May 31, 2023, the index return was 3.06012%, as reported to MercedCERA by Meketa. This rate will be compounded semiannually for the purpose of interest crediting.

Employer and Retiree Reserves shall be credited semiannually at the actuarial discount rate if there are sufficient funds. MercedCERA will only credit interest to the extent that there is a current fiscal year net investment revenue or any balance in the Interest Fluctuation Reserve.

The estimated net investment income through June 30, 2023, is as follows:

Table with 2 columns: Description and Amount. Rows include: Balance in Interest Fluctuation Reserve as of July 01, 2022 (\$133,988,380), Total Estimated Investment Gain as of June 30, 2023\* (53,358,642), Total Estimated Expenses as of June 30, 2023\* (3,084,038), Total Interest Credited December 31, 2022 (21,733,511), Total Estimated Available for Interest Crediting (162,529,473), Proposed Interest Crediting to all reserves on June 30, 2023 (22,941,966), Estimated Balance in Interest Fluctuation Reserve as of June 30, 2023 (\$139,587,507).

\*Investment gains and expenses are based on a blend of actuals and best estimates and may vary greatly between now and the final accounting for transactions occurring during the months of May and June.