



Merced County Employees' Retirement Association

Board of Retirement Bylaws December 2025

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Name

The name of this association is the Merced County Employees' Retirement Association ("MercedCERA" or "Association").

Purpose of Association

This Association is established pursuant and subject to the County Employees Retirement Law of 1937 ("CERL"), found at California Government Code section 31450 et seq., and the provisions of the Public Employees' Pension Reform Act (PEPRA). This Association is governed by the CERL and PEPRA as supplemented by these bylaws. These bylaws are intended to implement the CERL and PEPRA, not to conflict with the CERL nor PEPRA, and shall be interpreted accordingly. If any portion of these bylaws conflict with the CERL or PEPRA, the CERL and PEPRA shall prevail.

Definitions

Words, terms, and phrases used in these bylaws that are defined in the CERL shall have the meaning ascribed in the CERL, unless specified otherwise in these bylaws.

Delegation to the Plan Administrator

The management of the Association shall be vested in the Board of Retirement ("Board"). The day-to-day operations of the Association are delegated to the Plan Administrator or designee. In addition to the normal duties required to administer the Association on a day-to-day basis, the Plan Administrator is authorized to perform the following duties which would otherwise be reserved for the Board:

- Under Government Code section 31535, issue subpoenas and subpoenas duces tecum.
- Under Government Section Code 31629, release unclaimed funds provided the claimant has adequately established their identity and makes application for funds.
- Under Government Section Code 31724, determine that the effective date of a member's disability retirement is a date earlier than the date the application was filed if the delay in filing was due to administrative oversight or inability to ascertain permanency of incapacity and where credible documentation exists to support such findings.
- Correct administrative error in the calculation of retirement benefits, with the issue of retroactive correction, reserved to the Board's discretion to be exercised in accordance with applicable law.
- Exercise the authority granted under the Board's "Policy for the Delegation of Procurement Authority to the Plan Administrator" and "Investment Delegation of Authority Policy".

Fiscal Year

MercedCERA's fiscal year shall be July 1 to June 30.

Communication and Requests to the Board

Unless brought personally to the Board at its regular meeting, all communication and requests to the Board, whether addressed to the Chair or to any individual member, shall be in writing. The Board may respond to such communication if placed on the agenda for a Board Meeting. Communication to the Board should be sent to Attention: MercedCERA Board of Retirement, 690 W. 19th Street, Merced, California 95340.

Officers

At the first regular meeting in July of each year, or as soon as practicable thereafter, the Board shall elect from its members a Chair, Vice Chair and Secretary, for a term of one (1) year or until the successor is duly elected. Should any officer fail for any reason to complete the term, the Board shall elect a successor for the balance of the unexpired term at its next regular meeting, or when practicable. Officers may be removed by a two-thirds vote of the entire Board.

Election and Appointment of Board Members

Pursuant to Government Code section 31520.1, and section 31520.5, the Board shall be composed of nine (9) members, one alternate safety member and one alternate retired member.

The Board of Retirement seats are as follows;

Seat 1 – County Treasurer

Seat 2 – Elected by general membership (active employees)

Seat 3 – Elected by general membership (active employees)

Seat 4 – Appointed by the Board of Supervisors

Seat 5 – Appointed by the Board of Supervisors (currently a Board of Supervisor)

Seat 6 – Appointed by the Board of Supervisors

Seat 7 – Elected by safety membership (active employees)

Seat 8 – Elected by retired membership

Seat 9 – Appointed by the Board of Supervisors

Alternate Safety Seat (Seat 7a) – Elected by safety membership (shall be a different county safety personnel classification than Seat 7 Trustee)

Alternate Retiree Seat (Seat 8a) – Elected by retired membership

The Board shall determine the procedure to be used for the election of the second, third, seventh, eighth, the alternate safety member, and the alternate retired member:

- a) The election may be conducted by the Merced County Registrar of Voters who may establish the filing dates for candidates, the method of election, all election rules, the election date, and who shall conduct the election and certify the results, or
- b) The election may be conducted by Association staff. The Plan Administrator will establish a procedure which will be brought to the Board for approval.

The candidate who receives the highest number of votes of the ballots cast for the seat shall be declared the winner unless the CERL requires otherwise. The newly elected Board member, once sworn in, may assume the seat for which the candidate ran at the first Board meeting following the expiration of the term of the incumbent, or if the seat is vacant, may assume the seat at the first meeting following the election.

The Merced County Registrar of Voters or the MercedCERA Board of Retirement may appoint a candidate to a seat in lieu of an election if only one candidate submits a declaration of candidacy for the seat.

Approval of these bylaws by the Board of Supervisors shall be deemed its approval of the election method for Board seats.

Pursuant to Government Code section 31521, the fourth, fifth, sixth, eighth, ninth and alternate retired members of the Board shall receive compensation at the rate of one hundred dollars (\$100) per meeting, limited to no more than five meetings per month. Board meetings include education and training, regularly scheduled monthly Board meetings, officer meetings, ad hoc committee and subcommittee meetings. A Board member must be an appointed member of an ad hoc committee or subcommittee to attend and receive compensation for attendance at an ad hoc committee or subcommittee meeting. Mileage and travel costs will not be reimbursed for attendance to Board related meetings. The fifth seat (Seat 5), as an active member on the Board of Supervisor, receives a salary from the County and therefore all meeting stipends from the Association are waived to attend meetings.

Alternate trustees may not hold office on the Board but shall have the same access and rights as other Board members. Including, but not limited to, access to information, consultants, travel, conferences and training. The alternate retired member shall receive compensation for attending meetings regardless of eligibility to vote at the meetings.

Plan Administrator

Under Government Code section 31522.2 the Plan Administrator is appointed by the Board of Retirement and is not subject to County civil service or merit system rules. The person appointed is a county employee and the position shall be included in the salary ordinance or salary resolutions adopted by the Board of Supervisors. The Plan Administrator shall be directed by, shall serve at the pleasure of and may be dismissed by the will of, the appointing Board. The Board shall deliver performance appraisals for and set the salary of the Plan Administrator.

Chief Investment Officer

Under Government Code section 31522.3 the Chief Investment Officer is appointed by the Board of Retirement and is not subject to County civil service or merit system rules. The person appointed is a county employee and shall be included in the salary ordinance or salary resolution adopted by the Board of Supervisors. The Chief Investment Officer shall serve at the pleasure of and may be dismissed at the will of the appointing Board. The Board shall deliver performance appraisals for and set the salary range of the Chief Investment Officer.

Assistant Plan Administrator - Investments

Under Government Code section 31522.3 the Assistant Plan Administrator - Investments is appointed by the Board of Retirement and is not subject to County civil service or merit system rules. The person appointed is a county employee and shall be included in the salary ordinance or salary resolution adopted by the Board of Supervisors. The Assistant Plan Administrator - Investments shall serve at the pleasure of and may be dismissed at the will of the appointing Board. The Board shall deliver performance appraisals for and set the salary range of the Assistant Plan Administrator - Investments.

Assistant Plan Administrator – Benefits and Administration

Under Government Code section 31522.3 the Assistant Plan Administrator – Benefits and Administration is appointed by the Board of Retirement and is not subject to County civil

service or merit system rules. The person appointed is a county employee and shall be included in the salary ordinance or salary resolution adopted by the Board of Supervisors. The Assistant Plan Administrator – Benefits and Administration shall serve at the pleasure of and may be dismissed at the will of the appointing Board. The Board shall deliver performance appraisals for and set the salary range of the Assistant Plan Administrator – Benefits and Administration.

Regular Meetings

Regular Board Meetings shall be held on the Fourth Thursday of each month at 8:30AM except for meetings in November and December. Meetings in November and December will be scheduled to avoid any conflicts with holidays (usually the first or second Thursday of the month). Meetings will be held at the MercedCERA office, located at 690 W. 19th Street, Merced, CA 95340, unless the place or dates of the meeting are changed by order of the Board and timely noticed. Meetings may be adjourned by a Board member or the Plan Administrator if a quorum is not present to conduct the meeting. The Plan Administrator may cancel a meeting if it is confirmed in advance that a quorum will not be present, or there is no need for the meeting due to lack of business to conduct.

Special Meetings

Special meetings of the Board may be called in accordance with the Brown Act.

Attendance

Attendance at Board meetings is expected by every Board member. Board member attendance is critical for the Association to conduct its business. Without a quorum (five members) no business may be conducted. With less than all members attending, every member's perspective is not included in all decisions. Every meeting is an opportunity, not only to conduct the Association's business, but to learn more about the Association's business and how to improve the Association.

Board Education Hours

A Board member may earn one hour of education credit monthly by attending the MercedCERA Board Meetings, which allows a Board member to fulfill the requirement of obtaining 24 hours of education for every two-year period served on the Board. Thirty minutes of education will be granted each month with the Association's subscription(s) of investment and economic periodicals such as the Wall Street Journal and Pension & Investments Online. Board members will be offered the subscription(s) with the expectation that Trustees stay informed on current events impacting MercedCERA's investments. Board members are also expected to attend a minimum of one MercedCERA supported education event each year (see Appendix A for pre-approved events).

Training

In addition to statutorily required education requirements, the Board recognizes the importance of training for all trustees to enable them to perform the duties of their position. All Board members are encouraged to attend training courses held annually that are sponsored by organizations such as, but not limited to, SACRS, CALAPRS, or other educational organizations. Training that involves travel (in state or out of state) will be scheduled by Association staff. The training budget for the Association is set by the Board of Retirement during the yearly budget process. Training classes may also include, but are not limited to,

investment education trips and investor (education) days held by MercedCERA managers and General Partners. Items listed in Appendix A do not have to be requested in a public meeting and approved by the Board of Retirement. Any education or training trip not listed in Appendix A, must be added to the agenda and approved by the Board of Retirement prior to Board member attendance.

Board Meeting Governance

Rosenberg's Rules of Order, except as otherwise provided herein, may guide the Board in its proceedings. Further, the Ralph M. Brown Act shall govern the Board in its proceedings.

Quorum

Five (5) members of the Board constitute a quorum, except for Disability Hearings where four (4) members constitute a quorum. A decision made by the Board shall be effective with the vote of a majority of all members present.

In the event a majority of the Board is at a purely social or ceremonial occasion, the Board members in attendance shall not discuss among themselves business that is within the subject matter jurisdiction of the Board.

Minutes

The Chair shall cause to be recorded in the minutes, the date, time and place of each meeting of the Board, the names of members present, all official acts of the Board, the motions and seconds, the votes given by Board members, except where the action is unanimous, and when requested, a member's dissent or approval with reasons, and shall cause the minutes to be written up and presented for approval at the next regular meeting. The minutes shall be submitted by the Plan Administrator and approved and signed by the Chair and Secretary, and shall form part of the permanent records of the Board.

Disability Retirement Hearings

Disability retirement hearings shall be scheduled and conducted as provided by the Board's Disability Retirement Handbook.

Confidentiality

No Board member or staff shall publicly disclose any information received and discussed in a closed session, unless the information is authorized to be disclosed by law or by action of the Board. Disclosure by a Board member or staff, either directly or indirectly, of any confidential information obtained in closed session shall be subject to, among other available remedies, disciplinary action or referral to a grand jury.

Meeting Agendas

Items may be set on meeting agendas as follows:

- By the Plan Administrator with approval from the Chair and or Vice Chair.
- A Trustee, during a Board meeting when the regular agenda item of "Trustee Information" is addressed, may direct the Plan Administrator to place an item on a future agenda.
- Outside a Board meeting, a member of the public, consultant, or member of the Board may forward items to the Plan Administrator for possible inclusion on an agenda.
- Members of the public may appear at any open session of a Board meeting and during

the “Public Comment” portion of the meeting request that an item be placed on a future agenda and that item may be included on the Agenda.

Committees

The Officers of the Board will operate as the Crisis Response Committee, which will be the Chair, Vice Chair and Secretary. For all other committees, Board Members may be appointed by the Chair to committees of the Board as needed. All committees may be ad hoc in nature.

Travel

Board members and staff shall follow the County’s travel policy for travel except for the following; Board and staff of MercedCERA shall receive reimbursement for actual, reasonable, and necessary travel expenses. Reasonable expenses may include airfare (must be refundable airfare as MercedCERA will not hold, pay for or reimburse for vouchers or coupons of canceled flights), train fare, mileage (IRS approved or Merced County approved rates), ferry, toll, parking, shuttle, taxi service (including tip), ride services such as Uber or Lyft (including tips), hotel lodging, meals including tips, necessary business calls or use of business centers for Association business, tips for portage and other expenses which are incurred for MercedCERA travel. The traveler should present receipts for all items which are easily obtainable (such as lodging and meals) but may also claim amounts for such expenses as bridge toll, taxi service, or tips for portage for which receipts are not generally given. MercedCERA will not pay or reimburse for any costs of alcohol or any costs incurred by spouses, family members, or friends accompanying the staff, Trustee, or potential candidate unless explicitly approved by the Board of Retirement. If receipts are not presented, then MercedCERA will pay the County’s per diem costs.

Board Members and staff may have to travel on Board business which may not be defined under the procedures of the Merced County Travel Policy. If certain aspects of the travel do not fall within the County’s policy (followed for ease), the Plan Administrator may approve the travel cost or may place an agenda item for the Board’s consideration of that travel cost.

If eligible Board Members travel as a result of subcommittee business, the Trustee may be eligible for the MercedCERA meeting stipend as prescribed in the CERL in addition to travel reimbursement.

The Board may also bring potential candidates to meet the Board during the recruitment process for positions of the Plan Administrator, Assistant Plan Administrators or Chief Investment Officer. Reimbursement of actual expenses of those candidates will be subject to the approval of the Plan Administrator, or in the absence of a Plan Administrator, the Board.

Membership

Membership in the Association shall be as defined by the CERL and by the California Public Employees’ Pension Reform Act of 2013 (PEPRA).

Mandatory Membership

Any employee of the County of Merced, Merced County Superior Court, or of any special district included in the Association, who is eligible for membership, shall be a member on the first day of employment (as adopted by Board Resolution 98-02 in 1998). Newly hired employees who have attained the age of 60 and elected officials have the option of waiving

membership. Waiver of membership is irrevocable. Per Government Code section 31552, in all cases where there is such a waiver, upon the employee attaining age 70, employee will be employed “from year to year at the discretion of the county”. Employees hired prior to 1998 became members on the first day of the next payroll period following appointment to a full-time permanent position. For members with incoming reciprocity, the Association may delay the effective start date of a member up to 12 weeks after the date of employment or may terminate credited service with the Association no earlier than 12 weeks prior to the member’s termination from employment for the purpose of establishing reciprocity with another public retirement system as described in the CERL.

Exempt

The following classifications shall be exempt from membership in this Association:

- a) Extra Help
- b) Seasonal Employee
- c) Intermittent Employee
- d) Temporary Part Time Employee
- e) Contractor Temporary Employee
- f) Student Intern/Assistant

Association’s Normal Retirement Age and Employment Regulations

The Board has adopted a policy defining normal retirement age as 50 for safety members and as age 60 for general members. The resolutions also require that a bona fide separation from service must occur before any retired member, who is younger than normal retirement age, can be employed as a retiree by an Association’s employer. These regulations do not apply to safety members 50 years or older or a retiring general member, 60 years or older.

Evidence of Birth

Members are required to submit a copy of their birth certificate to the Plan Administrator before the Association issues a benefit payment. If a birth certificate is not available because such a record does not exist, then a member may submit one of the following: infant baptismal certificate, hospital birth record, current valid passport or valid passport card. If those records are not available, then the member may submit any two (different) of the following: a notarized affidavit by an older member of the family, a certificate of military service, a marriage certificate if age is shown on the certificate, a naturalization certificate issued by the United States government, a child’s birth certificate if the age of the member is shown on the certificate, or a current California Real ID. A member’s failure to comply with this requirement shall give the Board the discretion to determine the rate of contribution.

In the event of a discrepancy of age, the latest birth date shall prevail. The evidence of birth shall be submitted to the Plan Administrator. If the evidence does not meet the criteria above or is not acceptable to the Plan Administrator, a request may be submitted to the Board to determine which evidence of birth shall be accepted. Any member contribution shortfall that may arise from the difference in age, shall be paid by the member to the Association, prior to retirement.

Evidence of Beneficiary

At the time of applying for a retirement benefit, the member shall provide evidence of marriage or Domestic Partner Registration if the designated beneficiary is a spouse or

domestic partner. Evidence of birth, as described above, shall be submitted for beneficiaries.

Election of Benefits

Prior to the first warrant being issued to a member for a retirement allowance, such member shall be furnished with a statement indicating the amount of his or her retirement allowance, calculated in accordance with the unmodified and various optional modes of settlement. Such statement shall provide for the signature of the member, indicating the choice as to type of allowance selected and, when signed by the Plan Administrator or any other authorized retirement staff, shall constitute the annuity certificate provided for in Government Section Code 31760.

After the initial retirement payment is processed for payment (estimated 10 business days prior to actual receipt of payment by member) no changes shall be made to the option selected by the member. No changes shall be made to the beneficiary named by the member unless Option 1 (return of employee contributions) was selected.

Reciprocal members who are granted a disability retirement may be subject to an offset of their retirement allowance, in accordance with Government Code section 31838.5.

Member Contributions

Member contribution rates for Tiers 1, 2 and 3 shall be based on compensation earnable and member age at entry into the Association and shall be deducted only for the pay periods during which service for compensation is rendered. Contributions for Tier 4 members shall be a flat rate based on plan type, safety or general.

Refund of Contributions

- a) A member terminating membership and employment from the Association employer may receive a refund of contributions, including interest last credited, if any. The date of termination is the date the employee last received compensation on payroll. A request for a refund shall be made in writing and the Plan Administrator may make payment in whole, or in part withheld, for a period not to exceed six months after date of separation.
- b) A deferred member may receive a refund of contributions if not classified as an outgoing reciprocal member; an outgoing reciprocal member may receive a refund upon receipt of confirmation in writing from the reciprocal system that the member has terminated employment.
- c) At the Board meetings preceding June 30th and December 31st of each year, the Board will declare the rate of interest which shall be credited to the members' and employers' accounts prospectively in accordance with the Board's Interest Crediting Policy as provided in the CERL.

Redeposits

After a refund of contributions, if, prior to filing an application for retirement, a member fails to redeposit, or communicate in writing to the Association, an intent to redeposit, the member forfeits credit for past service and the rate of contribution is then based on the member's age at the time of reentry into the Association.

An eligible member who wishes to redeposit the amount previously withdrawn plus interest may do so upon application to the Association. Under Government Code section 31831.3, the

redeposit of contributions for service credit from a previous employment within a different benefit tier allows the member reentry into that former tier. If no request is made regarding a specific duration for repayment or if redeposit is not made in cash, the redeposit shall be made by means of increased contributions plus interest (see Board's Policy on Interest Crediting) until such redeposit has been completed, provided that this period shall not extend beyond five years after the date of reentrance into the Association. If a member terminates employment during a service purchase or redeposit, the remainder of payments must be made in a lump sum or service and contributions made toward the purchase or redeposit will be refunded.

Acceptance of Plan to Plan Transfers and Rollovers

For County of Merced, Merced County Superior Court and District 457(b) Plans, to the extent authorized by both federal and state law and the Merced County Board of Supervisors or the District Board of Directors, the Association shall accept plan to plan fund transfers and accept direct rollover funds from eligible 457(b) plans of the County of Merced and Districts to satisfy all or part of the payment of contributions for the limited purposes of redepositing withdrawn contributions and purchasing extra help or permanent time in a non-covered position, time as an elective officer with break in service, military service, and sick leave without pay. The amount transferred or rolled over shall not exceed the amount required for the applicable purpose. Further, all transfers must be timely made in the form and manner established by the Plan Administrator. No transfer or rollover shall be accepted if, or to the extent, that it does not comply with federal and state tax laws.

True Up of Plan to Plan Transfers and Direct Rollovers

Effective on adoption of these bylaws, the Association will apply applicable interest on plan to plan transfers and direct rollovers based upon the date in which the funds were effectively received by the Association and the agreed upon date of transfer or rollover in the member's purchase agreement. If the member does not pay the amount owed for the applicable purpose by the date required on the redeposit agreement, the Plan Administrator shall, as soon as reasonably possible, inform the member of the additional amount owed to complete the redeposit agreement. The member will have 30 days to pay the additional amount owed by personal check or cashier's check. If the deposit for the additional amount is not received by the Association within 30 working days after the date that the Plan Administrator notifies the member of the additional amount owed, then all of the transferred or rolled over funds will be returned to the qualified 457(b) or 457 plan and the purchase will be voided and treated as never having occurred. However, personal check or cashier's check shall be accepted if, or to the extent, that it does not comply with federal tax law. If the member pays more than the amount owed for the applicable purpose by the date required by the redeposit or purchase agreement, the Association will return the excess amount immediately and directly to the transferring 457 plan.

Correction of Errors or Omissions

Pursuant to Government Code section 31539, and for the purpose of payments into or out of the retirement fund for adjustments of errors or omissions:

- a) No action may be commenced by or against the Board or the Association more than ten (10) years after all obligations to or on behalf of the member, former member, beneficiary, or annuity beneficiary have been discharged.
- b) If the Association makes an error that results in incorrect payment to a member,

- former member, beneficiary, or annuity beneficiary, the Association's right to commence recovery shall expire ten (10) years from the date the incorrect payment was made or the error was discovered, whichever is later.
- c) If an incorrect payment is made due to lack of information or inaccurate information regarding the eligibility of a member, former member, beneficiary, or annuity beneficiary to receive benefits, the period of limitation shall commence with the discovery of the incorrect payment.
 - d) Notwithstanding any other provision of this section, if an incorrect payment has been made on the basis of fraud or intentional misrepresentation by a member, beneficiary, annuity beneficiary, or other party in relation to or on behalf of a member, beneficiary, or annuity beneficiary, then the Board may commence an action up to 10 years from the date of the payment or upon discovery of the facts, fraud, or intentional misrepresentation, whichever is later.
 - e) For overpayments less than \$1,000, the Plan Administrator shall make a request for payment, but if no payment is made, the Plan Administrator may write off the account.
 - f) If the member is receiving an ongoing benefit and the Association, or employer error caused an overpayment in a benefit, then the Association may collect from the member's ongoing benefit, until the overpayment is discharged.
 - g) If the member is not receiving an ongoing benefit and has received an overpayment in a lump sum benefit of up to \$25,000, then the Plan Administrator shall have authority pursuant to these bylaws to take action to recover the overpayment. If the member is not receiving an ongoing benefit and has received an overpayment in a lump sum benefit of more than \$25,000, then the Plan Administrator will pursue collection efforts after consultation with the Board.

Corrections to Employee Contributions

- a) The amount of any underpayment of employee contributions must be made to the Association prior to retirement through the employer's payroll system unless the Plan Administrator determines that the underpayment is de minimis and cost of collection would exceed the benefit of recovery. If the underpayment of employee contributions is discovered at or after termination of service, the amount of the underpayment will be deducted from the member's monthly benefit payment.
- b) In accordance with Title 26 of the U.S. Code, overpayment of employee contributions made on a pretax basis will be returned to the employee by the Association on separation from service with all employers that contribute to the Association or after the employee reaches normal retirement age. Prior to that time, the employer may correct the overpayment through its payroll system and the Association will credit the employer with the amount of the correction.
- c) In the collecting, withdrawing, redepositing, and returning of employee contributions, whether for mandatory or permissive employee contributions, the Association will act as an agent for the member's employer in arranging for the collection of employee contributions (and redeposits) that are made through the employer's payroll system.

IRS Minimum Distribution Requirements

IRS Regulation 401(a)(9) requires MercedCERA to reduce a beneficiary's monthly benefit if the beneficiary is a non-spouse beneficiary who is ten (10) or more years younger than the member.

Appeals and Review of Benefit Calculations

Requests for the review or change of pension benefits for which any member feels have been made in error by the Association shall be addressed in writing to the Plan Administrator within 90 days of the member's first monthly benefit payment. The Plan Administrator will review and provide a written response to the member on the calculations in question. The Plan Administrator has the authority to verify the calculations by the Association's actuary.

If the member disputes the Plan Administrator's review and outcome of the calculations, the member may request the Board to review the matter. The Board will review the matter at a regularly scheduled Board meeting in open session. The member may attend the Board meeting, and the Board, may invite the member to briefly address the issue, prior to its decision on the matter.

A decision by the Board is final. The Board will direct its Counsel to prepare a written decision to the member.

Judicial review of final Board of Retirement decisions shall be subject to Code of Civil Procedure section 1094.6, as provided by these bylaws. Following final decision on disputed matters, the Plan Administrator shall send to the member written notice as follows: "Pursuant to the Retirement Board's bylaws, action to seek judicial review of this decision is governed by the provisions of Section 1094.6 of the Code of Civil Procedure of the State of California. You are advised that any such petition must be filed no later than the ninetieth (90th) day following the date a decision becomes final."

Current Service

Credit shall be given for each hour of service rendered for compensation after July 1, 1950, for which a contribution is made by the employee to the Association unless the member qualifies for a thirty (30) year exemption.

When computing service, such service shall be calculated by hours. No member shall be credited with more than 2,080 hours of service in any one year, unless there is a 27th pay period making the total hours 2,160 hours in any one year.

A member may purchase and receive retirement service credit for any Association employer service that is rendered prior to becoming a member for which contributions were not made. Under certain conditions, military and medical leave without pay may also be purchased.

A member may pay for service credit purchases by a lump sum rollover of eligible funds or through payroll deductions. A purchase made through payroll deductions which is not completed in full requires Board approval to receive partial retirement service credit.

Compensation Earnable

The Board will determine whether compensation qualifies as "Compensation Earnable" at

such time that additional items of compensation are made known to the Board. Additionally, in the event an Association employer alters the manner in which compensation is paid, the Board will consider whether the altered benefit continues to meet the definition of “Compensation Earnable” or “Pensionable Compensation”.

Pursuant to the CERL and PEPRA, the “Compensation Earnable” or “Pensionable Compensation” of a member shall include only those items indicated by their title and pay code for which a retirement contribution is calculated and as listed in the pay code schedule maintained by the Auditor and as periodically amended, entitled, “Merced County Human Resources Department, Personnel Table, Attendance Special Pay” and as approved by Resolution of the Board.

For the purpose of calculating a final average compensation, it will be calculated based on 26 consecutive biweekly pay periods for Tier 1 members and 78 consecutive biweekly periods for Tier 2, 3 and 4 members.

Additional Contributions

No additional contributions in excess of those provided in the CERL or PEPRA can be made by any member of the Association.

Amendments of Bylaws

The Board may amend these bylaws at any regular Board meeting by an affirmative vote of at least five (5) Board members, and amendments shall become effective immediately following approval by the Merced County Board of Supervisors. Bylaws should be reviewed minimally every three years for amendments and or changes.

Repeals

All former bylaws, regulations and resolutions of policy inconsistent with these regulations are hereby repealed.

The foregoing bylaws were adopted by the Merced County Employees’ Retirement Association Board upon motion.

Approved by Board of Supervisors February 28, 2006

Approved by Board of Supervisors October 16, 2007

Approved by Board of Supervisors May 12, 2009

Approved by Board of Supervisors, September 28, 2010

Approved by Board of Supervisors, February 25, 2014

Approved by Board of Supervisors, November 8, 2016

Approved by Board of Supervisors, January 9, 2018

Approved by Board of Supervisors, December 6, 2022

Approved by Board of Supervisors, December 9, 2025

Appendix A

Pre-approved travel for all Trustees and Staff:

- Committee meetings and/or Plan Administrator or Chief Investment Officer meetings of the organizations named below of which the Board and/or staff member has been appointed
- State Association of County Retirement Systems (SACRS) regular meetings
- National Conference on Public Employee Retirement Systems (NCPERS) annual conference, annual safety conference and annual legislative workshop
- CALAPRS sponsored meetings
- National Association of State Retirement Administrators (NASRA) conferences
- SACRS sponsored meetings
- Global Financial Markets Institute programs
- CSAC California State Association of Counties
- Institute of Fiduciary Education conferences
- International Institute for Research annual Public Funds conference
- Pension and Investments conferences
- Pacific Pension Institute conferences
- Institutional Investor forums
- Council of Institutional Investors conferences
- Opal Financial Group conferences
- CRCEA California Retired County Employees' Association
- The Pension Bridge conferences
- Conferences sponsored by the Board of Retirement's retained consultants, investment managers, and pension software vendor
- Public Pension Financial Forum (P2F2) annual conference
- Government Finance Officers Association (GFOA) conference and training
- Institutional Limited Partners Association (ILPA) conference
- Chartered Financial Analyst (CFA) training
- Chartered Alternative Investment Analyst (CAIA) conference and Prism training
- Education hosted by other 1937 Act Pension Systems, CalPERS or CalSTRS
- GIOA Conferences
- ValueEdge Advisors LLC Public Funds Forum