



Merced County Employees' Retirement Association

**AGENDA
RETIREMENT BOARD MEETING**

Thursday, August 28, 2025, 8:30 A.M.

Location: Merced County Employees' Retirement Association
690 W 19th Street, Merced, CA
2nd Floor, Board Room

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. Approval of Minutes – July 24, 2025.

5. 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.

6. 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.

<u>Name</u>	<u>Years of Service</u>	<u>Department</u>	<u>Effective Date</u>
Belan, Kathleen	10	BHRS	7/30/2025
Cecil, Kimberly	28	HSA	8/01/2025
Collett, Cheri	7	Public Health	8/12/2025
Cox, Kathy	31	Superior Court	8/23/2025
Hernandez, Michele	30	HSA	7/26/2025
Joseph, Mark	8	HSA	8/09/2025
Lowrance, Diana	4	Planning & Community Development	8/01/2025
Maldonado, Sara	14	HSA	7/19/2025
Romero, Ruben	5	Administrative Services	8/01/2025
Tung, Stefan	5	Public Health	8/08/2025
Wright, Loren	4	HSA	8/16/2025



Merced County Employees' Retirement Association

- b. Monthly Budget Report submitted.
- c. Meketa Monthly Performance Report submitted.
- d. SACRS Legislative Update – August 2025.
- e. Rebalance transactions (for informational purposes only – transactions already completed):

Redemptions		Contributions	
Mellon Large Cap Index	\$6,000,000	Wellington Core Bond	\$22,500,000
Champlain Small Cap	\$9,000,000	Vanguard Total Bond Market	\$9,000,000
Acadian ex US Small Cap	\$4,000,000	Brandywine US Fixed Income	\$6,000,000
Artisan Developing World	\$12,000,000	Payden & Rygel Low Duration	\$7,000,000
Vanguard ST Treasury Index	\$7,179,571	Cash	\$179,571
PIMCO Income	\$6,500,000		
Total	\$44,679,571	Total	\$44,679,571

7. Closed Session

As provided in the Ralph M. Brown Act, Government Code sections 54950 et seq., the Board may meet in closed session with members of its staff, county employees and its attorneys. These sessions are not open to the public and may not be attended by members of the public. The matters the Board will meet on in closed session are identified below. Any public reports of action taken in the closed session will be made in accordance with Government Code sections 54957.1:

- a. Public Employee Annual Review (Govt. Code § 54957).
Title: Assistant Plan Administrator – Investments

8. Report Out of Closed Session

9. Open Session

- a. Discussion on market summary and investment performance update – Staff
- b. Discussion and possible action to approve the ad hoc subcommittee and staff's recommendations for MercedCERA's 2025-2026 strategic objectives – Staff
- c. Discussion on election outcomes for MercedCERA Board of Retirement Seat 2 (General) and Seat 7 (Safety) – Staff
- d. Discussion and possible action to approve the pensionable pay codes 462 – Training Diff (TRAINDIFF) and 463 – Cust Dep Spec Assign (CDSADIFF) for Merced County – Staff
- e. Discussion on CPAS merging with GovOS and Intellectual Technology, Inc. to create a new company named Neumo – Staff
- f. Discussion and possible action to approve Trustee Harris attend ValueEdge Advisors LLC 2025 Public Funds Forum – Staff

10. Information Sharing & Agenda Item Requests

11. 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.

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 690 W 19th Street, Merced, California 95340.

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, 690 W 19th Street, Merced, CA 95340 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.

Persons who require accommodation for any audio, visual or other disability or Spanish or Hmong interpretation 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. Please address your written request to Merced County Employees' Association, 690 W 19th Street, Merced, CA 95340 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.

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

**MINUTES
RETIREMENT BOARD MEETING**

Thursday, July 24, 2025, 8:30 A.M.

Location: Merced County Employees' Retirement Association
690 W 19th Street, Merced, CA
2nd Floor, Board Room

Zoom Conference Information:

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

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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

Board Members Present: Aaron Rosenberg, Corrina Brown, Scott Silveira, Janey Cabral, Alfonse Peterson, Michael Harris, Scott Johnston, Moses Nelson and Bayani Manilay. **Absent:** Karen Adams and Ryan Paskin. **Counsel:** Tom Ebersole. **Staff:** Martha Sanchez Barboa, Pete Madrid, Monica Gallegos, Alex Lovato, Maria Luisa Rodriguez, Khue Xiong, and Brenda Mojica.

3. Teleconference Request

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

None

4. Approval of Minutes – June 26, 2025, and July 8, 2025.

Board voted unanimously to approve the June 26, 2025, and July 8, 2025, meeting minutes.

1st- Silveira/2nd- Cabral, passes 7/0

5. 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.

None

6. 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.

<u>Name</u>	<u>Years of Service</u>	<u>Department</u>	<u>Effective Date</u>
Adams, Dean	10	Sheriff	6/28/2025
Fournier, Regine	3	Public Health	7/01/2025
Mejia, Dolores Non-Service-Connected Disability	8	BHRS	2/21/2023
Mendoza, Maribel	16	Child Support	7/12/2025



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Olson, Tiffany	20	Superior Courts	7/01/2025
Stanely, Maria	25	Public Health	7/11/2025
Wilson, Anthony Non-Service- Connected Disability	6	District Attorney	6/03/2024

- b. Monthly Budget Report submitted.
- c. Meketa Monthly Performance Report submitted.
- d. SACRS Legislative Update.
- e. UBS Trumbull Property Fund redemption status update.
- f. Adoption of non-pensionable pay code 328-Child Welfare Deputy Recruitment Differential (CWSDEP5%) for Merced County.

Board voted unanimously to approve the consent agenda as presented.

1st- Manilay/2nd- Brown, passes 7/0

7. Closed Session

As provided in the Ralph M. Brown Act, Government Code sections 54950 et seq., the Board may meet in closed session with members of its staff, county employees and its attorneys. These sessions are not open to the public and may not be attended by members of the public. The matters the Board will meet on in closed session are identified below. Any public reports of action taken in the closed session will be made in accordance with Government Code sections 54957.1:

- a. Discussion and possible action regarding investments (Govt. Code § 54956.81) in recommended funds by Cliffwater LLC.

8. Report Out of Closed Session

- a. **Board voted unanimously to approve a commitment of up to \$8 million to Blue Owl Real Estate Fund VII, L.P., a private real estate partnership focused on acquiring single-tenant industrial, data center, and retail properties occupied by tenants with triple net leases, subject to satisfactory legal negotiations.**

1st- Manilay/2nd- Peterson, passes 7/0

9. Open Session

- a. Discussion on market summary and investment performance update – Staff.
No action.
- b. Discussion and possible action to approve the ad hoc subcommittee's recommendations and approve the revised MercedCERA Policy for the Delegation of Procurement Authority to the Plan Administrator and Resolution 2025-04 – Staff.
Board voted unanimously to approve the ad hoc subcommittee's recommendations and approve the revised MercedCERA Policy for the Delegation of Procurement Authority to the Plan Administrator and Resolution 2025-04 with additional language of "The Plan Administrator or Assistant Plan Administrators, if the Plan Administrator is unavailable, have approval authority to execute contracts for a maximum of \$100,000 without prior Board approval".
1st-Silveira/2nd- Manilay, passes 7/0
- c. Discussion and possible action to approve the new MercedCERA Direct Deposit Benefit Payment Policy – Staff.
Board voted unanimously to approve the new MercedCERA Direct Deposit Benefit Payment Policy and requested staff use several means to inform members of the new policy requirements.



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- 1st- Silveira/2nd- Cabral, passes 7/0**
- d. Chair to appoint up to three trustees to the audit ad hoc subcommittee to work with staff on the annual audit with UHY – Chair.
Chair appointed Trustees Cabral and Manilay to the audit ad hoc subcommittee to work with staff on the annual audit with UHY.
- e. Chair to appoint up to three trustees to the Bylaws ad hoc subcommittee to work with staff on the update to MercedCERA Bylaws – Chair.
Chair appointed Trustees Rosenberg, Brown, and Harris to the Bylaws ad hoc subcommittee to work with staff on the update to MercedCERA Bylaws.
- f. Discussion and possible action for the Chair to call for nominations for the seats of Chair, Vice Chair and Secretary for the MercedCERA Board of Retirement effective August 1, 2025 – Chair.
Board voted unanimously to approve the appointment of Trustee Brown as Chair.
1st- Rosenberg/2nd- Silveira, passes 7/0
Board voted unanimously to approve the appointment of Trustee Manilay as Vice-Chair.
1st- Silveira/2nd- Rosenberg, passes 7/0
Board voted unanimously to approve the appointment of Trustee Peterson as Secretary.
1st- Silveira/ 2nd- Rosenberg, passes 7/0

10. Information Sharing & Agenda Item Requests

-Plan Administrator, Martha Sanchez Barboa:

- Introduced MercedCERA's new Benefits and Administration Manager, Maria Luisa Rodriguez.**
- Informed the Board MercedCERA now has independent Wi-Fi internet outside of the Merced County network and thanked Trustee Harris and Silveira for their assistance.**
- Advised the Board MercedCERA's 75th Anniversary celebration event will be held on October 23rd, after the MercedCERA Board Meeting.**
- Notified the Board, the August 6th Board Education Meeting was canceled due to trustee scheduling conflicts and will be rescheduled to the Fall.**

11. Adjournment at 9:35 A.M.

Trustee Name/Position	Signature	Date
Corrina Brown/Chair		
Al Peterson/Secretary		

Merced County Employees' Retirement Association
Administrative Expenditures Report (Preliminary)
For the Month Ended July 31, 2025

Administrative Budget	Adopted	Current Budget	Expended 2025-07	Expended YTD	Bal Remaining	% Exp YTD
10110 · Salaries & Wages	1,975,000.00	1,975,000.00	54,546.37	54,546.37	1,920,453.63	2.76%
7/18/2025 Office Payroll PP15			79,530.88			
7/18/2025 2025 PP15 Retirement Investment Staff Reclass (see Account #21800)			(9,977.57)			
7/18/2025 2025 PP15 Retirement Investment Staff Reclass (see Account #21800)			(15,006.94)			
Total 10110 · Salaries & Wages			54,546.37			
20600 · Communications	16,000.00	16,000.00	-	-	16,000.00	0.00%
Total 20600 · Communications			-			
21000 · Insurance - Other	118,000.00	118,000.00	95,554.00	95,554.00	22,446.00	80.98%
7/3/2025 Alliant FY 2025-2026 Fiduciary Insurance			83,706.00			
7/9/2025 PRISM FY 2025-2026 Insurance			11,848.00			
Total 21000 · Insurance - Other			95,554.00			
21301 · Maintenance Structure Improvement & Grounds	100,000.00	100,000.00	3,422.00	3,422.00	96,578.00	3.42%
7/3/2025 Hoffman 2025-07 Fire System			60.00			
7/3/2025 Hoffman 2025-07 Alarm System			285.00			
7/3/2025 Hoffman 2025-07 CCTV Cameras			260.00			
7/17/2025 Crites, Robert 2025-07 Pest Control			40.00			
7/17/2025 Geil Enterprises 2025-07 Janitorial Svcs			1,772.00			
7/24/2025 Hoffman 2025-08 CCTV Cameras			260.00			
7/24/2025 Hoffman 2025-08 Alarm System			285.00			
7/24/2025 Hoffman 2025-08 Fire System			60.00			
7/24/2025 Yard Masters 2025-07 Landscaping			400.00			
Total 21301 · Maintenance Structure Improvement			3,422.00			
21500 · Membership	7,000.00	7,000.00	4,750.00	4,750.00	2,250.00	67.86%
7/1/2025 CALAPRS 2025-07 Thru 2025-12 Membership			750.00			
7/3/2025 SACRS FY 2025-2026 Membership			4,000.00			
Total 21500 · Membership			4,750.00			
21700 · Office Expense - General	20,000.00	20,000.00	303.92	303.92	19,696.08	1.52%
7/1/2025 Dipietro & Associates 2025-07 Thru 2025-06 AED Program Solution			42.71			
7/9/2025 First Choice 7/03/25 Water Svcs			32.31			
7/24/2025 First Choice 7/18/25 Water Svcs			88.23			
7/30/2025 Allied West Printing 7/22/25 Printing Svcs			140.67			
Total 21700 · Office Expense - General			303.92			
21710 · Office Expense - Postage	54,000.00	54,000.00	-	-	54,000.00	0.00%
Total 21710 · Office Expense - Postage			-			
21805 · Audits	72,000.00	72,000.00	-	-	72,000.00	0.00%
Total 21805 · Audits			-			
21808 · Board Membership	15,000.00	15,000.00	-	-	15,000.00	0.00%
Total 21808 · Board Membership			-			
21900 · Publications & Legal Notices	5,000.00	5,000.00	4,551.95	4,551.95	448.05	91.04%
7/1/2025 Merced Sun Star 2025-2026 Subscription			1,044.98			
7/17/2025 Dow Jones FY 2025-2026 Subscription			3,506.97			
Total 21900 · Publications & Legal Notices			4,551.95			

Merced County Employees' Retirement Association
Administrative Expenditures Report (Preliminary)
For the Month Ended July 31, 2025

22300 · Spec Dept Exp - Other	10,000.00	10,000.00	-	-	10,000.00	0.00%
Total 22300 · Spec Dept Exp - Other			-			
22310 · Election Expense	30,000.00	30,000.00	-	-	30,000.00	0.00%
Total 22310 · Election Expense			-			
22327 · Spec Dept Exp - Cost Allocation Plan	35,000.00	35,000.00	2,877.45	2,877.45	32,122.55	8.22%
7/21/2025 2025-07 CAP Charges			2,877.45			
Total 22327 · Spec Dept Exp - Cost Allocation			2,877.45			
22500 · Transportation & Travel	200.00	200.00	-	-	200.00	0.00%
Total 22500 · Transportation & Travel			-			
22505 · Trans & Travel - Staff & Board Development	45,000.00	45,000.00	4,166.67	4,166.67	40,833.33	9.26%
7/1/2025 CALAPRS 2025-07 Registration			1,166.67			
7/1/2025 SACRS 2025-07 Registration			3,000.00			
Total 22505 · Trans & Travel - Staff Development & Board Development			4,166.67			
22515 · Trans & Travel - In State (Staff & Board)	45,000.00	45,000.00	649.69	649.69	44,350.31	1.44%
7/29/2025 CALAPRS 7/20/25-7/23/25 Travel			649.69			
Total 22515 · Trans & Travel - In State (Staff & Board)			649.69			
22516 · Trans & Travel - Out of State (Staff & Board)	10,000.00	10,000.00	-	-	10,000.00	0.00%
Total 22516 · Trans & Travel - Out of State (Staff & Board)			-			
22600 · Utilities	68,000.00	68,000.00	2,065.81	2,065.81	65,934.19	3.04%
7/9/2025 City of Merced 2025-07 Utilities			535.77			
7/17/2025 MID 2025-07 Utilities			1,530.04			
Total 22600 · Utilities			2,065.81			
Administrative Depreciation Expense	364,400.00	364,400.00	30,262.33	30,262.33	334,137.67	8.30%
Total Administrative Budget	2,989,600.00	2,989,600.00	172,887.86	203,150.19	2,786,449.81	6.80%

Merced County Employees' Retirement Association
Non-Administrative Expenditures Report (Preliminary)
For the Month Ended July 31, 2025

Non-Administrative Expenses		Original Projection	Current Projection	Expended 2025-07	Expended YTD	Bal Remaining	% Exp YTD
21800 · Investment Expenses		8,998,000.00	8,998,000.00	563,509.35	563,509.35	8,434,490.65	6.26%
7/31/2025	Investment Management Fees			421,062.84			
7/31/2025	Investment Partnership Expenses			117,199.98			
7/18/2025	2025 PP15 Retirement Investment Staff Reclass (from Account #10110)			9,977.57			
7/18/2025	2025 PP15 Staff Salary Allocated to Investments (from Account #10110)			15,006.94			
7/29/2025	7/7/25 Trustee Education Expense			262.02			
Total 21800 · Investment Expenses				563,509.35			
21802 · Actuarial Services		220,000.00	220,000.00	-	-	220,000.00	0.00%
Total 21802 · Actuarial Services				-			
21812 · Data Processing		135,000.00	135,000.00	515.21	515.21	134,484.79	0.38%
7/15/2025	AT&T 2025-07 Wifi Svcs.			68.75			
7/21/2025	2025-07 IS CAP Charges			446.46			
Total 21812 · Data Processing				515.21			
21834 · Legal Services		442,000.00	442,000.00	3,678.42	3,678.42	438,321.58	0.83%
7/21/2025	2025-07 County Counsel CAP Charges			3,678.42			
Total 21834 · Legal Services				3,678.42			
21840 · Custodial Banking Services		260,000.00	260,000.00	-	-	260,000.00	0.00%
Total 21840 · Custodial Banking Services				-			
22350 · Software & Technology		504,000.00	504,000.00	129,660.04	129,660.04	374,339.96	25.73%
7/1/2025	CPAS 2025-07 Thru 2025-12 Annual Support			81,000.00			
7/1/2025	CPAS 2025-07 Thru 2025-12 Annual Maintenance			14,536.87			
7/1/2025	CPAS 2025-07 Thru 2025-11 Enterprise Tools			10,000.00			
7/1/2025	Zoom 2025-07 Thru 2025-12 Subscription			859.65			
7/7/2025	ABL Technologies FY 2025-2026 Mverify Svcs			7,500.00			
7/9/2025	CPAS 2025-07 Hosting			9,763.52			
7/15/2025	Sytech FY 2025-2026 Hosting Svcs			6,000.00			
Total 22350 · Software and Technology				129,660.04			
Non-Administrative Depreciation Expense		-	-	-	-	-	-
Total Non-Administrative Items		10,559,000.00	10,559,000.00	697,363.02	697,363.02	9,861,636.98	6.60%



Merced County Employees' Retirement Association

August 28, 2025

July Flash Report



- 1. Executive Summary as of July 31, 2025**
- 2. Performance Update as of July 31, 2025**
- 3. Disclaimer, Glossary, and Notes**

Executive Summary as of July 31, 2025

Portfolio Preliminary Performance Highlights

- July saw mixed returns across equities, as US equity market and Emerging Markets climbed higher while International Developed equities declined. US Equities (Russell 3000) led equity markets, returning 2.2%, while Developed International equities (MSCI EAFE) returned -1.4% over the month. Bonds saw muted negative returns over the month with the broad Bloomberg US Aggregate Index returning -0.3%.
- For July, Merced CERA reported a monthly return (w/o Alternatives) of 0.5 % net of fees. US Equities returned 1.8%, trailing the Russell 3000 Index. International Equities return of -0.7% trailed the MSCI AC World ex USA IMI Index which returned -0.2%, while outpacing the secondary blended asset class benchmark which returned -1.1%. The Emerging Markets sleeve returned -0.4%, trailing the MSCI EM index return of 1.9%. US Fixed Income returned -0.2%, matching the benchmark return of -0.3%. Opportunistic Credit posted 0.7% for the month, trailing the blended benchmark by 0.2%.

Manager Highlights

Manager Highlights (Year to Date)

- **BNY Mellon Newton Dynamic US Equity**, the portfolio's active large cap manager, returned 8.4% through July, versus the S&P 500 Index return of 8.6%. Meketa last met with the manager in January 2025 to review portfolio strategy, performance and outlook. Manager is expected to perform well under normal market conditions (fundamentals drive investment returns) and bull markets.
- **Champlain Small Cap**, the portfolio's active small cap manager, returned -1.7%, trailing the Russell 2000 Index return of -0.1%. Meketa last met with manager in October 2024, though a comprehensive review of strategy was completed in September 2024.
- **First Eagle** returned 19.1% versus the MSCI EAFE Index return of 17.8%, while trailing the MSCI AC World ex US Value Index return of 20.7%. Meketa last met with the manager in March 2025 to review firm ownership changes set to take effect later this year. Fund exhibits high turnover relative to peers and uses gold as a hedge. The fund performs well in down cycles, as the strategy focuses on capital preservation in lieu of some upside potential.
- **GQG** returned 12.6% year to date, trailing the MSCI AC World ex US return of 17.6%. Meketa last reviewed the manager in November 2024 regarding their exposure to the Adani Group and last met with the manager regarding the strategy in September 2024.
- **Acadian** returned 18.4% versus the MSCI ACWI ex US Small Cap Index return of 17.9%. Meketa last met with the manager to discuss the strategy in July 2024.
- **Driehaus** returned 23.0%, outpacing the MSCI ACWI ex US Small Cap Growth Index return of 17.1%. Meketa last met with the manager to discuss the strategy in November 2024.

Manager Highlights (Year to Date)

- **Artisan Developing World** returned 14.8% vs MSCI EM index return of 17.5%. Meketa last met with the manager in November 2024 to discuss their strategy. The fund is a high conviction, concentrated strategy that is benchmark agnostic and has large deviations regionally, with meaningful weights in US equities. Note that tracking error for this strategy is expected to be high (5-10% annually) and has recently exceeded this, which has been driven by exposure to non-benchmark names, particularly in the US. Meketa continues to evaluate the performance of this strategy in the EM space, and believes it is best utilized with a complementary strategy.
- **RWC** returned 20.1% vs MSCI EM index return of 17.5% year to date. Meketa's research team last met with the manager in October 2024 to discuss the strategy. Tracking error for the strategy has always been expected to be high (6-10% annually) and has fallen within that range. Since Q4, RWC has rallied meaningfully, and as of July, was outperforming its benchmark by 260 bps points year to date. The strategy maintains a large overweight to China which was a significant driver of underperformance in 2024. When proposed in 2019, Meketa recommended this strategy be used in conjunction with Artisan, to build a complementary Emerging Market portfolio, designed to outperform more frequently than either manager alone. The overall strategy has done exactly that, producing very strong results.

Manager Highlights (Year to Date)**US Fixed Income**

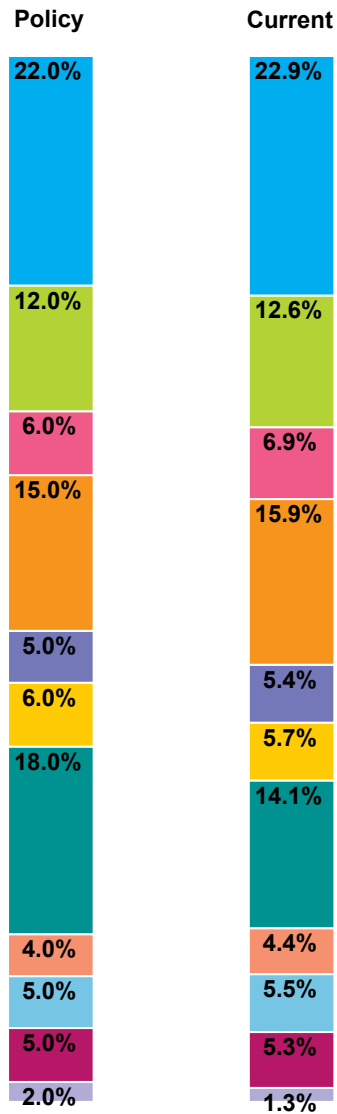
- Brandywine returned 3.4% over the period, trailing the Bloomberg US Aggregate Index return of 3.7%. Meketa last met with the manager in November 2024 to discuss the strategy.
- Wellington Core Bond returned 3.7%, mirroring the Bloomberg US Aggregate Index. Meketa last met with the manager in September 2024 to discuss the strategy.
- Payden & Rygel Low Duration returned 3.1%, trailing the Bloomberg US Treasury 1-3 Year Index return of 2.8%. Meketa last met with the manager in October 2024 to discuss the strategy. The strategy remained roughly duration neutral through 2024 and continues to maintain this position (neutral to modestly longer relative to benchmark).

Opportunistic Credit

- PIMCO Income Fund returned 5.7%, outpacing the Bloomberg US Aggregate Index return of 3.7%. Meketa last conducted an on-site meeting in April 2025 to discuss the strategy performance, outlook and organizational structure.
- GoldenTree Multi-Sector returned 4.1%, trailing the blended benchmark (50% Bloomberg US High Yield/50% S&P UBS Leveraged Loans) return of 4.4%. Meketa last met with the manager regarding this strategy in August 2025. The strategy is benchmark agnostic and tends to have lower duration positioning.

Performance Update as of July 31, 2025

Total Fund | As of July 31, 2025



Allocation vs. Targets and Policy						
	Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
US Equity	309,183,133	22.9	22.0	0.9	16.0 - 27.0	Yes
Developed International Equity	170,011,454	12.6	12.0	0.6	7.0 - 17.0	Yes
Emerging Markets Equity	93,813,701	6.9	6.0	0.9	3.0 - 9.0	Yes
Private Equity	215,158,299	15.9	15.0	0.9	5.0 - 20.0	Yes
Direct Lending	72,834,802	5.4	5.0	0.4	0.0 - 10.0	Yes
Real Estate	77,040,560	5.7	6.0	-0.3	4.0 - 8.0	Yes
US Fixed Income	190,659,509	14.1	18.0	-3.9	13.0 - 23.0	Yes
Opportunistic Credit	59,569,719	4.4	4.0	0.4	2.0 - 6.0	Yes
Hedge Funds	74,373,096	5.5	5.0	0.5	2.5 - 7.5	Yes
Real Assets	72,061,534	5.3	5.0	0.3	3.0 - 7.0	Yes
Cash	17,566,276	1.3	2.0	-0.7	0.0 - 4.0	Yes
Total	1,352,272,084	100.0	100.0	0.0		

Trailing Net Performance | As of July 31, 2025

Asset Class Performance Summary										
	Market Value (\$)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	1,352,272,084	100.0	0.3	6.9	10.5	9.1	8.8	8.0	8.2	Jan-95
<i>Policy Index</i>			<i>0.8</i>	<i>7.2</i>	<i>11.1</i>	<i>10.0</i>	<i>9.8</i>	<i>8.3</i>	<i>6.6</i>	
Total Fund w/o Alternatives	823,237,516	60.9	0.5	9.2	12.6	11.8	8.5	8.4	--	Jan-08
<i>Policy Index w/o AI</i>			<i>0.7</i>	<i>9.4</i>	<i>11.1</i>	<i>10.5</i>	<i>8.1</i>	<i>7.5</i>	<i>--</i>	
Public Equity	573,008,288	42.4	0.7	11.5	15.9	14.9	11.5	--	10.8	Apr-18
<i>MSCI AC World IMI Index (Net)</i>			<i>1.3</i>	<i>11.3</i>	<i>15.1</i>	<i>14.7</i>	<i>12.5</i>	<i>9.8</i>	<i>10.1</i>	
US Equity	309,183,133	22.9	1.8	7.4	15.0	15.6	14.2	12.8	10.7	Jan-95
<i>Russell 3000</i>			<i>2.2</i>	<i>8.1</i>	<i>15.7</i>	<i>16.4</i>	<i>15.2</i>	<i>12.8</i>	<i>10.8</i>	
International Equity	263,825,155	19.5	-0.7	16.8	16.9	13.9	8.3	7.9	6.3	Jan-99
<i>Primary Blended International Equity Benchmark</i>			<i>-0.2</i>	<i>17.8</i>	<i>15.1</i>	<i>12.8</i>	<i>8.7</i>	<i>6.4</i>	<i>5.7</i>	
<i>Secondary Blended International Equity Benchmark</i>			<i>-1.1</i>	<i>16.8</i>	<i>14.1</i>	<i>12.5</i>	<i>8.5</i>	<i>6.3</i>	<i>5.0</i>	
Emerging Markets Equity	93,813,701	6.9	-0.4	16.2	26.9	15.5	5.5	9.7	6.7	May-12
<i>MSCI EM</i>			<i>1.9</i>	<i>17.5</i>	<i>17.2</i>	<i>10.5</i>	<i>5.4</i>	<i>5.9</i>	<i>4.2</i>	
US Fixed Income	190,659,509	14.1	-0.2	3.6	3.6	1.4	-1.2	1.7	4.4	Jan-95
<i>US Fixed Income Custom Benchmark</i>			<i>-0.3</i>	<i>3.6</i>	<i>3.5</i>	<i>1.8</i>	<i>-0.8</i>	<i>1.8</i>	<i>4.5</i>	
Opportunistic Credit	59,569,719	4.4	0.7	4.9	8.5	8.6	6.8	--	6.0	May-19
<i>Custom Blended Opportunistic Credit Benchmark</i>			<i>0.5</i>	<i>4.4</i>	<i>6.0</i>	<i>5.2</i>	<i>2.6</i>	<i>--</i>	<i>3.4</i>	

Data Prior to March 2018 provided by prior consultant.

The Secondary Blended International Equity Benchmark consists of 80% MSCI EAFE and 20% MSCI ACWI ex US Small Cap Index as of July 2025.

Trailing Net Performance | As of July 31, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Real Estate	77,040,560	5.7	0.0	2.5	5.6	0.4	4.0	4.6	6.3	Dec-10
<i>Custom Blended Real Estate Benchmark</i>			<i>0.0</i>	<i>2.2</i>	<i>2.0</i>	<i>-6.8</i>	<i>1.8</i>	<i>4.4</i>	<i>7.1</i>	
<i>CPI +5% (Seasonally Adjusted)</i>			<i>0.6</i>	<i>4.4</i>	<i>7.9</i>	<i>8.1</i>	<i>9.7</i>	<i>8.2</i>	<i>7.8</i>	
Private Real Estate	77,040,560	5.7	0.0	2.5	4.5	0.2	4.0	4.6	6.3	Dec-10
<i>Custom Blended Real Estate Benchmark</i>			<i>0.0</i>	<i>2.2</i>	<i>2.0</i>	<i>-4.3</i>	<i>2.9</i>	<i>5.0</i>	<i>7.5</i>	
Private Equity	215,158,299	15.9	0.0	3.1	6.8	5.5	18.1	12.5	10.1	Jul-05
<i>Custom Private Equity Benchmark</i>			<i>0.9</i>	<i>0.1</i>	<i>15.1</i>	<i>13.8</i>	<i>19.7</i>	<i>15.2</i>	<i>--</i>	
Direct Lending	72,834,802	5.4	0.0	3.6	9.7	9.3	10.2	--	10.0	Jul-20
<i>S&P LSTA Leveraged Loan +2%</i>			<i>1.0</i>	<i>4.9</i>	<i>9.6</i>	<i>11.4</i>	<i>9.4</i>	<i>7.3</i>	<i>9.6</i>	
Hedge Fund	74,373,096	5.5	0.5	4.5	6.6	7.1	7.7	5.1	5.2	Jul-14
<i>Custom Blended Hedge Fund Benchmark</i>			<i>1.0</i>	<i>3.8</i>	<i>7.5</i>	<i>6.5</i>	<i>5.9</i>	<i>4.2</i>	<i>--</i>	
Real Assets	72,061,534	5.3	0.0	6.6	14.8	12.3	14.2	10.3	10.1	Dec-10
<i>Custom Blended Real Assets Benchmark</i>			<i>0.4</i>	<i>13.7</i>	<i>11.2</i>	<i>8.1</i>	<i>10.3</i>	<i>8.0</i>	<i>--</i>	
<i>CPI +5% (Seasonally Adjusted)</i>			<i>0.6</i>	<i>4.4</i>	<i>7.9</i>	<i>8.1</i>	<i>9.7</i>	<i>8.2</i>	<i>7.8</i>	
Private Infrastructure	42,849,032	3.2	0.0	5.0	13.0	12.0	12.1	11.5	10.4	Jan-15
<i>S&P Global Infrastructure</i>			<i>0.2</i>	<i>15.7</i>	<i>22.5</i>	<i>11.1</i>	<i>12.5</i>	<i>7.6</i>	<i>7.0</i>	
Private Natural Resources	29,212,502	2.2	0.0	9.1	17.6	17.7	21.8	--	15.9	Oct-15
<i>S&P Global Natural Resources Sector Index (TR)</i>			<i>0.7</i>	<i>11.6</i>	<i>0.6</i>	<i>4.8</i>	<i>12.1</i>	<i>7.5</i>	<i>9.7</i>	
Cash	17,566,276	1.3	0.4	2.6	4.5	3.6	2.2	--	--	Dec-10

Real Assets includes State Street Real Assets NL Fund.

Trailing Net Performance | As of July 31, 2025

Trailing Period Performance										
	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	1,352,272,084	100.0	0.3	6.9	10.5	9.1	8.8	8.0	8.2	Jan-95
<i>Policy Index</i>			<i>0.8</i>	<i>7.2</i>	<i>11.1</i>	<i>10.0</i>	<i>9.8</i>	<i>8.3</i>	<i>6.6</i>	
Total Fund w/o Alternatives	823,237,516	60.9	0.5	9.2	12.6	11.8	8.5	8.4	--	Jan-08
<i>Policy Index w/o AI</i>			<i>0.7</i>	<i>9.4</i>	<i>11.1</i>	<i>10.5</i>	<i>8.1</i>	<i>7.5</i>	<i>--</i>	
Public Equity	573,008,288	42.4	0.7	11.5	15.9	14.9	11.5	--	10.8	Apr-18
<i>MSCI AC World IMI Index (Net)</i>			<i>1.3</i>	<i>11.3</i>	<i>15.1</i>	<i>14.7</i>	<i>12.5</i>	<i>--</i>	<i>10.1</i>	
US Equity	309,183,133	22.9	1.8	7.4	15.0	15.6	14.2	12.8	10.7	Jan-95
<i>Russell 3000</i>			<i>2.2</i>	<i>8.1</i>	<i>15.7</i>	<i>16.4</i>	<i>15.2</i>	<i>12.8</i>	<i>10.8</i>	
BNY Mellon Newton Dynamic US Equity	62,147,639	4.6	2.1	8.4	14.6	15.2	14.1	14.2	15.9	Jan-13
<i>S&P 500 Index</i>			<i>2.2</i>	<i>8.6</i>	<i>16.3</i>	<i>17.1</i>	<i>15.9</i>	<i>13.7</i>	<i>14.7</i>	
BNY Mellon Large Cap	217,567,352	16.1	2.2	8.5	16.5	16.9	15.5	--	14.6	Apr-16
<i>Russell 1000 Index</i>			<i>2.2</i>	<i>8.5</i>	<i>16.5</i>	<i>16.9</i>	<i>15.5</i>	<i>--</i>	<i>14.6</i>	
Champlain Small Cap	29,468,142	2.2	-1.3	-1.7	5.8	8.4	--	--	7.8	Nov-20
<i>Russell 2000 Index</i>			<i>1.7</i>	<i>-0.1</i>	<i>-0.6</i>	<i>7.0</i>	<i>--</i>	<i>--</i>	<i>9.4</i>	

Historical returns for the US Equity Composite prior to January 2012 are gross only.

Trailing Net Performance | As of July 31, 2025

	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
International Equity	263,825,155	19.5	-0.7	16.8	16.9	13.9	8.3	7.9	6.3	Jan-99
Primary Blended International Equity Benchmark			-0.2	17.8	15.1	12.8	8.7	6.4	5.7	
Secondary Blended International Equity Benchmark			-1.1	16.8	14.1	12.5	8.5	6.3	5.0	
Acadian ACWI ex U.S. Small Cap Equity	23,057,124	1.7	0.4	18.4	18.3	13.9	13.3	--	11.6	May-19
MSCI AC World ex USA Small Cap (Net)			0.2	17.9	14.2	11.4	9.7	--	7.6	
Driehaus International Small Cap Growth	21,811,908	1.6	-0.6	23.0	16.1	12.4	9.3	--	10.1	May-19
MSCI AC World ex USA Small Growth Index (Net)			0.0	17.1	14.2	9.8	6.9	--	7.0	
GQG International Equity	58,098,121	4.3	-2.1	12.6	3.4	13.4	9.3	--	9.6	Dec-19
MSCI AC World ex USA (Net)			-0.3	17.6	14.7	12.6	9.1	--	7.4	
First Eagle International Value Fund	67,044,301	5.0	-0.4	19.1	16.8	12.0	8.8	--	6.9	Dec-19
MSCI EAFE (Net)			-1.4	17.8	12.8	13.6	10.3	--	7.8	
MSCI AC World ex USA Value (Net)			0.7	20.7	18.0	15.4	12.8	--	8.3	
Emerging Markets Equity	93,813,701	6.9	-0.4	16.2	26.9	15.5	5.5	9.7	6.7	May-12
MSCI EM			1.9	17.5	17.2	10.5	5.4	5.9	4.2	
Artisan Developing World TR	67,559,710	5.0	-1.5	14.8	32.0	19.9	6.0	--	11.4	Dec-19
MSCI Emerging Markets (Net)			1.9	17.5	17.2	10.5	5.4	--	5.8	
RWC	26,253,990	1.9	2.6	20.1	15.5	6.2	4.5	--	3.6	Dec-19
MSCI Emerging Markets (Net)			1.9	17.5	17.2	10.5	5.4	--	5.8	

Historical returns for the International Equity Composite prior to December 2010 are gross only.

International Equity Primary/Secondary benchmarks share the same benchmark history through June 30, 2025, as noted in the Benchmark History section. From July 1, 2025 onwards, the Primary Blended International Equity Benchmark consists of the MSCI AC World ex USA IMI, whereas the Secondary Blended International Equity Benchmark consists of 80% MSCI EAFE / 20% MSCI AC World ex USA Small Cap

Trailing Net Performance | As of July 31, 2025

	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
US Fixed Income	190,659,509	14.1	-0.2	3.6	3.6	1.4	-1.2	1.7	4.4	Jan-95
<i>US Fixed Income Custom Benchmark</i>			<i>-0.3</i>	<i>3.6</i>	<i>3.5</i>	<i>1.8</i>	<i>-0.8</i>	<i>1.8</i>	<i>4.5</i>	
Vanguard Total Bond Market Index Fund	31,985,566	2.4	-0.3	3.8	3.4	1.7	-1.1	--	1.2	May-19
<i>Blmbg. U.S. Aggregate Index</i>			<i>-0.3</i>	<i>3.7</i>	<i>3.4</i>	<i>1.6</i>	<i>-1.1</i>	<i>--</i>	<i>1.2</i>	
Payden & Rygel Low Duration Fund	10,324,685	0.8	0.1	3.1	5.1	--	--	--	5.5	Nov-22
<i>Blmbg. U.S. Treasury: 1-3 Year</i>			<i>-0.1</i>	<i>2.8</i>	<i>4.4</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>4.4</i>	
Brandywine US Fixed Income	65,600,618	4.9	-0.4	3.4	3.5	--	--	--	2.7	Nov-22
<i>Blmbg. U.S. Aggregate Index</i>			<i>-0.3</i>	<i>3.7</i>	<i>3.4</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>5.0</i>	
Wellington Core Bond	82,748,640	6.1	-0.2	3.7	3.5	--	--	--	4.8	Nov-22
<i>Blmbg. U.S. Aggregate Index</i>			<i>-0.3</i>	<i>3.7</i>	<i>3.4</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>5.0</i>	
Opportunistic Credit	59,569,719	4.4	0.7	4.9	8.5	8.6	6.8	--	6.0	May-19
<i>Custom Blended Opportunistic Credit Benchmark</i>			<i>0.5</i>	<i>4.4</i>	<i>6.0</i>	<i>5.2</i>	<i>2.6</i>	<i>--</i>	<i>3.4</i>	
PIMCO Income Fund	5,681,030	0.4	0.1	5.7	7.0	6.2	4.1	--	3.9	May-19
<i>Blmbg. U.S. Aggregate Index</i>			<i>-0.3</i>	<i>3.7</i>	<i>3.4</i>	<i>1.6</i>	<i>-1.1</i>	<i>--</i>	<i>1.2</i>	
GoldenTree Multi-Sector Credit	29,761,118	2.2	0.5	4.1	8.1	9.5	7.1	--	6.3	Jun-19
<i>50% BBg US High Yield TR/50% S&P UBS Leveraged Loans</i>			<i>0.6</i>	<i>4.4</i>	<i>8.1</i>	<i>8.6</i>	<i>6.2</i>	<i>--</i>	<i>5.5</i>	
OWS Credit Opportunity Fund LP	24,127,571	1.8	1.2	5.4	9.7	--	--	--	9.8	Oct-23
<i>50% BBg US High Yield TR/50% S&P UBS Leveraged Loans</i>			<i>0.6</i>	<i>4.4</i>	<i>8.1</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>10.0</i>	

Historical returns for the US Fixed Income Composite prior to December 2010 are gross only.

Throughout the report, the fair market values of GoldenTree Multi-Sector Credit and OWS Credit Opportunity Fund are based on estimated performance as of 07/31/2025, due to investor statement availability.

Trailing Net Performance | As of July 31, 2025

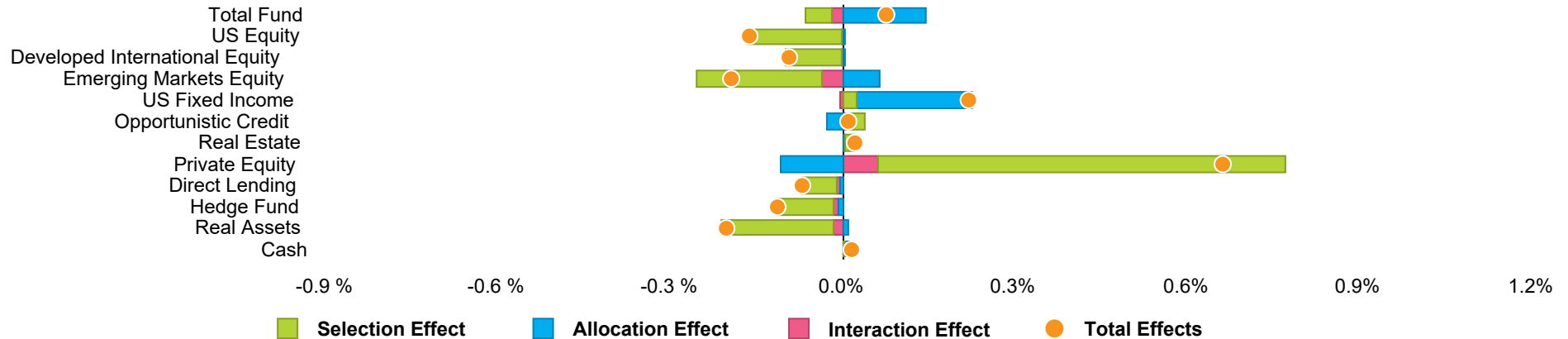
	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Real Estate	77,040,560	5.7	0.0	2.5	4.5	0.2	4.0	4.6	6.3	Dec-10
<i>Custom Blended Real Estate Benchmark</i>			<i>0.0</i>	<i>2.2</i>	<i>2.0</i>	<i>-4.3</i>	<i>2.9</i>	<i>5.0</i>	<i>7.5</i>	
Private Equity	215,158,299	15.9	0.0	3.1	6.8	5.5	18.1	12.5	10.1	Jul-05
<i>Custom Private Equity Benchmark</i>			<i>0.9</i>	<i>0.1</i>	<i>15.1</i>	<i>13.8</i>	<i>19.7</i>	<i>15.2</i>	<i>--</i>	
Direct Lending	72,834,802	5.4	0.0	3.6	9.7	9.3	10.2	--	10.0	Jul-20
<i>S&P LSTA Leveraged Loan +2%</i>			<i>1.0</i>	<i>4.9</i>	<i>9.6</i>	<i>11.4</i>	<i>9.4</i>	<i>--</i>	<i>9.6</i>	
Hedge Fund	74,373,096	5.5	0.5	4.5	6.6	7.1	7.7	5.1	5.2	Jul-14
<i>Custom Blended Hedge Fund Benchmark</i>			<i>1.0</i>	<i>3.8</i>	<i>7.5</i>	<i>6.5</i>	<i>5.9</i>	<i>4.2</i>	<i>--</i>	
Private Infrastructure	42,849,032	3.2	0.0	5.0	13.0	12.0	12.1	11.5	10.4	Jan-15
<i>S&P Global Infrastructure</i>			<i>0.2</i>	<i>15.7</i>	<i>22.5</i>	<i>11.1</i>	<i>12.5</i>	<i>7.6</i>	<i>7.0</i>	
Private Natural Resources	29,212,502	2.2	0.0	9.1	17.6	17.7	21.8	--	15.9	Oct-15
<i>S&P Global Natural Resources Sector Index (TR)</i>			<i>0.7</i>	<i>11.6</i>	<i>0.6</i>	<i>4.8</i>	<i>12.1</i>	<i>--</i>	<i>9.7</i>	
Cash	17,566,276	1.3	0.4	2.6	4.5	3.6	2.2	--	--	Dec-10
Cash	16,757,462	1.2	0.4	2.6	4.6	3.9	2.4	1.8	-0.6	Dec-10
Treasury Cash	808,814	0.1	0.0	12.0	12.0	3.9	2.3	--	1.5	Sep-17

All private markets performance and market values reflect a 03/31/25 capital account balance (as of 06/30/2025) unless otherwise noted.

Private Real Estate results prior to 1/1/2019 were included in the Real Assets composite. All results for the Private Real Estate composite that include the period prior to 1/1/2019 will reflect only the latest lineup of managers that Meketa received information for, therefore it may not reflect the entire Private Real Estate composite at that given time.

Total Fund Attribution | As of July 31, 2025

Attribution Effects 3 Months Ending July 31, 2025

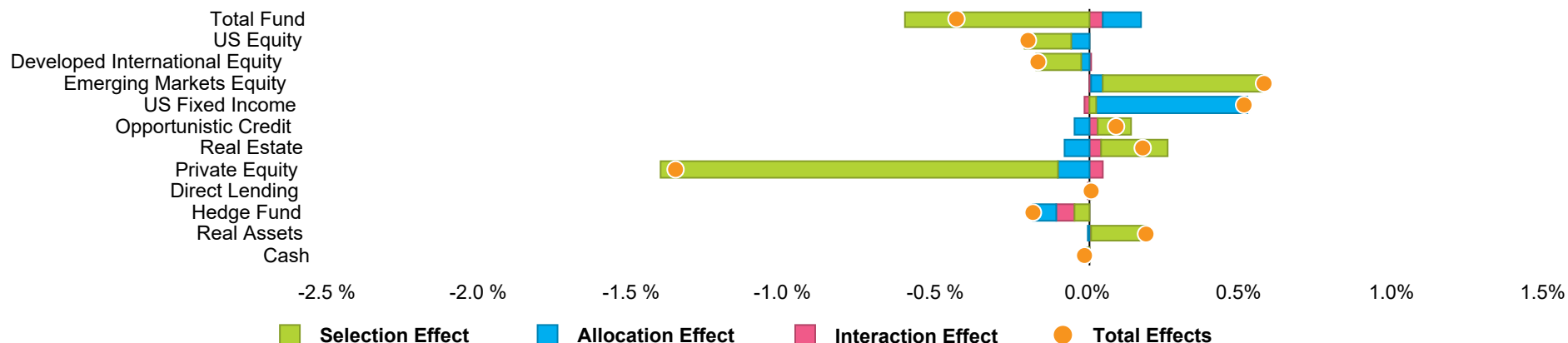


Attribution Summary 3 Months Ending July 31, 2025

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction (%)	Total Effect (%)
US Equity	13.4	14.2	-0.8	-0.2	0.0	0.0	-0.2
Developed International Equity	5.9	6.7	-0.8	-0.1	0.0	0.0	-0.1
Emerging Markets Equity	8.9	12.7	-3.8	-0.2	0.1	0.0	-0.2
US Fixed Income	0.6	0.5	0.1	0.0	0.2	0.0	0.2
Opportunistic Credit	2.8	2.1	0.7	0.0	0.0	0.0	0.0
Real Estate	1.3	1.1	0.3	0.0	0.0	0.0	0.0
Private Equity	0.9	-3.7	4.6	0.7	-0.1	0.1	0.7
Direct Lending	2.6	3.8	-1.2	-0.1	0.0	0.0	-0.1
Hedge Fund	2.1	4.0	-1.9	-0.1	0.0	0.0	-0.1
Real Assets	3.1	7.0	-3.9	-0.2	0.0	0.0	-0.2
Cash	1.3	1.1	0.2	0.0	0.0	0.0	0.0
Total Fund	5.1	5.0	0.1	0.0	0.1	0.0	0.1

Total Fund Attribution | As of July 31, 2025

Attribution Effects 1 Year Ending July 31, 2025



Attribution Summary 1 Year Ending July 31, 2025

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction (%)	Total Effect (%)
US Equity	15.0	15.7	-0.7	-0.1	-0.1	0.0	-0.2
Developed International Equity	12.0	13.1	-1.1	-0.1	0.0	0.0	-0.2
Emerging Markets Equity	26.9	17.2	9.7	0.5	0.0	0.0	0.6
US Fixed Income	3.6	3.5	0.1	0.0	0.5	0.0	0.5
Opportunistic Credit	8.5	5.8	2.7	0.1	-0.1	0.0	0.1
Real Estate	5.6	2.0	3.5	0.2	-0.1	0.0	0.2
Private Equity	6.8	15.1	-8.3	-1.3	-0.1	0.0	-1.4
Direct Lending	9.7	9.6	0.1	0.0	0.0	0.0	0.0
Hedge Fund	6.6	7.5	-0.9	0.0	-0.1	-0.1	-0.2
Real Assets	14.8	11.2	3.6	0.2	0.0	0.0	0.2
Cash	4.5	4.7	-0.2	0.0	0.0	0.0	0.0
Total Fund	10.5	11.0	-0.4	-0.6	0.1	0.0	-0.4

Benchmark History		
From Date	To Date	Benchmark
Total Fund		
07/01/2025	Present	22.0% Russell 3000, 12.0% Primary Blended International Equity Benchmark, 6.0% MSCI EM, 18.0% US Fixed Income Custom Benchmark, 5.0% Custom Blended Hedge Fund Benchmark, 15.0% Custom Private Equity Benchmark, 5.0% S&P LSTA Leveraged Loan +2%, 5.0% Custom Blended Real Assets Benchmark, 6.0% Custom Blended Real Estate Benchmark, 4.0% Custom Blended Opportunistic Credit Benchmark, 2.0% Blmbg. U.S. Treasury Bills: 1-3 Months
07/01/2024	07/01/2025	22.0% Russell 3000, 12.0% Custom Blended Developed International Equity BM, 6.0% MSCI EM, 18.0% US Fixed Income Custom Benchmark, 5.0% Custom Blended Hedge Fund Benchmark, 15.0% Custom Private Equity Benchmark, 5.0% S&P LSTA Leveraged Loan +2%, 5.0% Custom Blended Real Assets Benchmark, 6.0% Custom Blended Real Estate Benchmark, 4.0% 50% Barclays US Aggregate / 25% Barclays US High Yield / 25% S&P UBS Lev Loans, 2.0% Blmbg. U.S. Treasury Bills: 1-3 Months
01/01/2022	07/01/2024	22.0% Russell 3000, 11.0% Custom Blended Developed International Equity BM, 8.0% MSCI EM, 11.0% US Fixed Income Custom Benchmark, 10.0% Custom Blended Hedge Fund Benchmark, 15.0% Custom Private Equity Benchmark, 5.0% S&P LSTA Leveraged Loan +2%, 5.0% Custom Blended Real Assets Benchmark, 8.0% Custom Blended Real Estate Benchmark, 5.0% 50% Barclays US Aggregate / 25% Barclays US High Yield / 25% S&P UBS Lev Loans
01/01/2020	01/01/2022	21.0% Russell 3000, 10.0% Custom Blended Developed International Equity BM, 8.0% MSCI EM, 18.0% BBgBarc US Aggregate TR, 10.0% Custom Blended Hedge Fund Benchmark, 15.0% Custom Private Equity Benchmark, 5.0% Custom Blended Real Assets Benchmark, 8.0% Custom Blended Real Estate Benchmark, 5.0% 50% Barclays US Aggregate / 25% Barclays US High Yield / 25% S&P UBS Lev Loans
07/01/2019	01/01/2020	21.0% US Equity Custom, 18.0% Secondary Blended International Equity Benchmark, 18.0% US Fixed Custom, 10.0% Custom Blended Hedge Fund Benchmark, 15.0% Thomson Reuters Cambridge Private Equity Index, 5.0% Real Asset Custom, 8.0% NCREIF ODCE (Net), 5.0% 50% Barclays US Aggregate / 25% Barclays US High Yield / 25% S&P UBS Lev Loans
01/01/2019	07/01/2019	21.0% US Equity Custom, 23.0% US Fixed Custom, 18.0% Secondary Blended International Equity Benchmark, 10.0% Custom Blended Hedge Fund Benchmark, 15.0% Thomson Reuters Cambridge Private Equity Index, 5.0% Real Asset Custom, 8.0% NCREIF ODCE (Net)
01/01/2017	01/01/2019	27.0% US Equity Custom, 22.0% US Fixed Custom, 23.0% Secondary Blended International Equity Benchmark, 5.0% Custom Blended Hedge Fund Benchmark, 9.0% Thomson Reuters Cambridge Private Equity Index, 14.0% Real Asset Custom
07/01/2014	01/01/2017	22.7% Russell 1000 Index, 5.7% Russell 2000 Index, 23.6% Secondary Blended International Equity Benchmark, 28.5% US Fixed Custom, 4.5% Custom Blended Hedge Fund Benchmark, 8.0% NCREIF ODCE (Net), 7.0% Thomson Reuters Cambridge Private Equity Index
US Equity		
01/01/2020	Present	100.0% Russell 3000 Index
12/01/1994	01/01/2020	100.0% Russell 3000

From Date	To Date	Benchmark
International Equity		
07/01/2025	Present	100.0% MSCI AC World ex USA IMI (Net)
01/01/2019	07/01/2025	56.0% MSCI EAFE Index, 44.0% MSCI Emerging Markets Index
01/01/2017	01/01/2019	69.6% MSCI EAFE Index, 30.4% MSCI Emerging Markets Index
01/01/1988	01/01/2017	100.0% MSCI AC World ex USA index
US Fixed Income		
07/01/2025	Present	100.0% Blmbg. U.S. Aggregate Index
12/01/1994	07/01/2025	10.0% Blmbg. U.S. Treasury: 1-3 Year, 90.0% BBgBarc US Aggregate TR
Hedge Fund		
07/01/2017	Present	100.0% HFRI Fund of Funds Composite Index
01/01/2015	07/01/2017	50.0% HFRI Fund of Funds Composite Index, 50.0% HFRI RV: Multi-Strategy Index
Real Assets		
01/01/2022	Present	50.0% S&P Global Infrastructure, 50.0% S&P Global Natural Resources Sector Index (TR)
01/01/2020	01/01/2022	50.0% Cambridge Energy Upstream & Royalties & Private Energy (1 Quarter Lagged), 50.0% Cambridge Infrastructure (1 Quarter Lagged)
03/01/1999	01/01/2020	100.0% Real Asset Custom
Private Real Estate		
01/01/2020	Present	100.0% NCREIF ODCE 1Q Lagged
03/01/1999	01/01/2020	100.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net)
Private Equity		
01/01/2022	Present	100.0% 70% Russell 3000/ 30% MSCI AC World ex USA + 300bps (1 Quarter Lagged)
01/01/2020	01/01/2022	100.0% Cambridge Global Private Equity & VC (1 Quarter Lagged)
12/31/1994	01/01/2020	100.0% Thomson Reuters Cambridge Private Equity Index
Opportunistic Credit		
07/01/2025	Present	20.0% Blmbg. U.S. Aggregate Index, 40.0% Blmbg. U.S. Corp: High Yield Index, 40.0% S&P UBS Leveraged Loan Index
05/01/2019	07/01/2025	100.0% 50% Barclays US Aggregate / 25% Barclays US High Yield / 25% S&P UBS Lev Loans

Annual Investment Expense Analysis				
	Fee Schedule	Market Value (\$)	Estimated Annual Fee (%)	Estimated Expense (\$)
Total Fund		1,352,272,084		
Total Fund w/o Alternatives		823,237,516		
Public Equity		573,008,288		
US Equity		309,183,133		
BNY Mellon Newton Dynamic US Equity	0.30 % of Assets	62,147,639	0.30	186,443
BNY Mellon Large Cap	0.04 % of First \$100 M 0.02 % Thereafter	217,567,352	0.03	63,513
Champlain Small Cap	1.00 % of Assets	29,468,142	1.00	294,681
International Equity		263,825,155		
Acadian ACWI ex U.S. Small Cap Equity	0.85 % of First \$50 M 0.75 % Thereafter	23,057,124	0.85	195,986
Driehaus International Small Cap Growth	0.90 % of Assets	21,811,908	0.90	196,307
GQG International Equity	0.50 % of Assets	58,098,121	0.50	290,491
First Eagle International Value Fund	0.79 % of Assets	67,044,301	0.79	529,650
Emerging Markets Equity		93,813,701		
Artisan Developing World TR	1.05 % of Assets	67,559,710	1.05	709,377
RWC	0.87 % of Assets	26,253,990	0.87	228,410
MCERA US FIXED+OPP CREDIT		250,229,228		
US Fixed Income		190,659,509		
Vanguard Total Bond Market Index Fund	0.03 % of Assets	31,985,566	0.03	7,996
Payden & Rygel Low Duration Fund	0.43 % of Assets	10,324,685	0.43	58,851
Brandywine US Fixed Income	0.29 % of First \$50 M 0.22 % of Next \$50 M 0.18 % of Next \$400 M 0.12 % Thereafter	65,600,618	0.27	179,321
Wellington Core Bond	0.12 % of Assets	82,748,640	0.12	99,298
Opportunistic Credit		59,569,719		
PIMCO Income Fund	0.51 % of Assets	5,681,030	0.51	30,678
GoldenTree Multi-Sector Credit	0.70 % of Assets	29,761,118	0.70	208,328
OWS Credit Opportunity Fund LP		24,127,571	-	-

Fee Schedule | As of July 31, 2025

Fee Schedule		Market Value (\$)	Estimated Annual Fee (%)	Estimated Expense (\$)
Hedge Fund		74,373,096		
Silver Point Capital	Performance Based 1.50 % and 20.00 %	14,815,606	1.50	222,234
Marshall Wace Eureka	Performance Based 2.00 % and 20.00 %	5,476,851	2.00	109,537
Marshall Wace Global Opportunities	Performance Based 2.00 % and 20.00 %	6,019,054	2.00	120,381
Taconic Opportunity Fund	Performance Based 1.40 % and 20.00 %	1,927,836	1.40	26,990
Silver Point Capital	Performance Based 1.50 % and 20.00 %	14,815,606	1.50	222,234
Graham Absolute Return	Performance Based 1.75 % and 20.00 %	5,304,988	1.75	92,837
Laurion Capital	Performance Based 2.00 % and 20.00 %	7,907,354	2.00	158,147
Wellington Global Equity Long/Short Fund	Performance Based 1.00 % and 20.00 %	10,305,656	1.00	103,057
Cash		17,566,276		
Cash		16,757,462	-	-
Treasury Cash		808,814	-	-

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security).

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Jensen's Alpha: A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk. Portfolio Return- [Risk Free Rate+Beta*(market return-Risk Free Rate)].

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about its future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Tracking Error: A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a “basis book.” For example, a 5% bond pays \$5 a year interest on each \$100 par value. To figure its current yield, divide \$5 by \$95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay \$100 for the bond that can be bought now for \$95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\% \text{ (discount)}}{5 \text{ (yrs. to maturity)}} = 1\% \text{ pro rata, plus } 5.26\% \text{ (current yield)} = 6.26\% \text{ (yield to maturity)}$$

Yield to Worst: The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

NCREIF Property Index (NPI): Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE): Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

Sources: Investment Terminology, International Foundation of Employee Benefit Plans, 1999.
The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.



TO: State Association of County Retirement Systems
FROM: Cara Martinson, Public House Consulting
Laurie Johnson, LJ Consulting & Advocacy
DATE: August 1, 2025
RE: **Legislative Update – August 2025**

The Legislature adjourned for its summer recess on July 18, following the final policy committee deadline. To remain active, all bills had to pass out of their respective policy committees and move either to the floor or, for fiscal bills, to the Appropriations Committees. The houses will be on summer break until August 18. Upon their return, the Legislature will be in a full sprint to move all remaining bills through the respective Appropriations Committees and then to the floor for debate and review.

The Legislature will adjourn for the year on September 12.

SACRS is tracking the following bills:

- **ACA 2 (Jackson)** - seeks to reinstate retirement for State Legislators. ACA 2 would establish a retirement system specifically for legislators elected or serving from November 1, 2010 onward. To qualify, legislators would be required to serve at least 10 years. If their service is less than 10 years, legislators could transfer their accumulated service credits to another public pension or retirement system they are a part of. Status: This bill did not receive a hearing and is now a 2-year bill.
- **AB 259 (Rubio)** - was amended to extend the 2026 sunset on existing laws governing teleconferencing procedures for public meetings to 2030. This bill is sponsored the CA Special District's Association (CSDA). Status: This bill is now a 2-year bill.
- **AB 288 (McKinnor)** - expands the jurisdiction of the Public Employment Relations Board (PERB) by authorizing certain workers to petition the PERB to protect and enforce their rights. Status: This bill will be heard in the Senate Appropriations Committee on 8/18.
- **AB 339 (Ortega)** - would require the governing body of a public agency to give a recognized employee organization no less than 120 days' written notice before issuing a request for proposals, request for quotes, or renewing or



- extending an existing contract to perform services that are within the scope of work of the job classifications represented by the recognized employee organization. Status: This bill has been referred to the Senate Appropriations Committee.
- **AB 340 (Ahrens)** - would prohibit a public agency employer from questioning any employee or employee representative regarding communications made in confidence between an employee and an employee representative in connection with representation relating to any matter within the scope of the recognized employee organization's representation. Status: This bill has been referred to the Senate Appropriations Committee.
 - **AB 409 (Arambula)** - would extend the 2026 sunset on existing laws governing teleconferencing procedures for California Community College student body associations and student-run community college organizations to 2030. Status: This bill is now a 2-year bill.
 - **AB 467 (Fong)** – would extend the sunset date from 2026 to 2030 (as opposed to 2031) for teleconferencing procedures for neighborhood councils, defined as an advisory body with the purpose to promote more citizen participation in government and make government more responsive to local needs that is established pursuant to the charter of a city with a population of more than 3,000,000 people that is subject to the Brown Act. Status: This bill is now a 2-year bill.
 - **AB 569 (Stefani)** - was amended to maintain the proposed authorization to negotiate contributions to supplemental Defined Benefit plans but also maintain consistency with the existing PEPPRA prohibitions and limitations. Status: This bill was held on the Appropriations Suspense File and is now a 2-year bill.
 - **AB 814 (Schiavo)**– This bill excludes from gross income, under the Personal Income Tax (PIT) Law, peace officer retirement pay and amounts received by the beneficiary of an annuity plan set up for the surviving spouse or dependent of a person that lost their life in services as a peace officer. Status: This bill was held on the Assembly Appropriations Suspense File.
 - **AB 1054 (Gipson)** – This bill would establish the Deferred Retirement Option Program as a voluntary program within PERS for employees of State Bargaining Units 5 (Highway Patrol) and 8 (Firefighters). The bill would require



- these state bargaining units to bargain with the Department of Human Resources to implement the program. The bill would also require the program to result in a cost savings or be cost neutral. The bill would further require the department to work with the board of PERS to develop the program. Status: This bill was not taken up in the Assembly PERS Committee and is a 2-year bill.
- **AB 1323 (Chen)** – would increase the compensation rate for certain members of the Orange County Board of Retirement to not more than \$320 per meeting. Status: This bill did not receive a policy committee hearing and is now a 2-year bill.
 - **AB 1383 (McKinnor)** - This bill would establish new retirement formulas, for employees first hired on or after January 1, 2026, as 2.5% at age 55, 2.7% at age 55, or 3% at age 55. For new members hired on or after January 1, 2013, who are safety members, the bill would require employers to adjust the formulas for service performed on or after January 1, 2026, to offer one of the 3 formulas for safety members that is closest to the formula the employer provided pursuant to existing law. The bill would authorize a public employer and a recognized employee organization to negotiate a prospective increase to the retirement benefit formulas for members and new members, consistent with the formulas permitted under the act. This bill would authorize an employer and its employees to agree in a memorandum of understanding to be subject to a higher safety plan or a lower safety plan, subject to certain requirements, including that the memorandum of understanding is collectively bargained in accordance with applicable laws. Status: This bill was held on the Assembly Suspense File and is now a 2-year bill.
 - **AB 1439 (Garcia)** - would prohibit the board of a public pension or retirement system from making any additional or new investments of public employee pension or retirement funds in development projects in California or providing financing for those projects with public employee pension or retirement funds unless those projects include labor standards protections. Status: This bill did not receive a policy committee hearing and is now a 2-year bill.
 - **SB 239 (Arreguín)** - allows flexibility for remote meetings of local advisory bodies (“subsidiary bodies” in the language of the bill). Specifically, this bill would allow the subsidiary body of a local agency to teleconference their meetings without having to make all locations publicly available and would



- require the subsidiary body to post the agenda at each physical meeting location. The bill also sunsets these provisions in 2030. Status: The bill was moved in the inactive file. The sponsors of this bill are now working with Senator Durazo on SB 707 as the consensus measure.
- **SB 301 (Grayson)** - would beginning on or after January 1, 2026, prohibit a city or district that contracts with a retirement system under the CERL from amending their contract with the system in a manner that provides for the exclusion of some, but not all, employees. This bill is on the Assembly Third Reading File.
 - **SB 443 (Rubio)** - This bill authorizes, on or after January 1, 2026, the Pajaro Regional Flood Management Agency (PRFMA) to offer an employee the pre-Public Employee Pension Reform Act of 2013 (PEPRA) defined benefit (DB) retirement plan or formula if the employee was already subject to that retirement plan or formula as an employee of the member agency (a “pre-PEPRA” employee). Similarly, the bill authorizes a non-founding member agency of a JPA formed on or after January 1, 2013, to offer a pre-PEPRA DB retirement plan or formula to an employee within 180 days of the agency becoming a member of the JPA.
Status: This bill is on the Assembly Third Reading File.
 - **SB 470 (Laird)** – would delete the 2026 sunset on existing laws governing teleconferencing procedures for state agencies relative to the Bagley-Keene Open Meeting Act and extend the sunset provision to 2030. Status: This bill has been referred to the Assembly Appropriations Committee.
 - **SB 707 (Durazo)** - would add additional teleconferencing meeting requirements for certain local governments until 2030 to allow members of the public to attend a public meeting via a two-way teleconferencing option. The bill would also require additional alternative language noticing requirements, among other requirements. The sponsors of SB 239 (Arreguin) are now working with Senator Durazo and have amended the bill to narrow the public participation requirements to cities, counties and special districts with certain population thresholds. The bill’s two-way conferencing and translation requirements appear to no longer apply to the County Boards of Retirement. Additional amendments were taken in the Assembly related to remote comments specifically, language around uniformity across all legislative bodies and clearly define permissible teleconference. Additionally, language was



taken to clarify public disruption authority and tightening language access provisions. Status: The bill will has been referred to the Assembly Appropriations Committee.

- **SB 853 (Committee Omnibus Bill)** - includes clarifying changes to the CERL:
 - Clarifies that for members subject to PEPRA, the retirement association shall compute absences using the member's pensionable compensation at the beginning of the member's absence.
 - Clarifies that where a member's service through reclassification, has been converted from general to safety member service, service converted after PEPRA's effective date is subject to PEPRA's prohibition of retroactive benefits. Thus, clarifies that conversion shall apply only to service after the operative date of the reclassification and not to all prior service.
 - Clarifies how CERL employers should report retired annuitants to their retirement association.
 - STATUS: This bill is on the Assembly Third Reading File.

Contact:

If you have any questions, please feel free to contact Cara Martinson at cara@publichouseconsulting.net, or Laurie Johnson at lauriejconsult@gmail.com.



Merced County Employees' Retirement Association

DATE: August 28, 2025

TO: MercedCERA Board of Retirement

FROM: Pete Madrid, Assistant Plan Administrator - Investments

SUBJECT: Staff Market Summary and Investment Performance Update

ITEM NUMBER: Open Session Item a

ITEM TYPE: Information Only

DISCUSSION:

Capital Markets & Economic Summary

The July US jobs report came in lower than expected with 73,000 jobs added during the month. In addition to the tepid July figure, May and June job numbers were revised down by a combined 258,000, reflecting a weaker job market than previously thought. The labor market also saw concentration in hiring with 94% of all new jobs in July coming from healthcare and social assistance. Since one of the two Federal Reserve mandates is full employment, the Fed has been closely monitoring the labor market for signs of weakening. Investor expectations for a September rate-cut increased sharply following the July jobs report.

Consumer inflation rose 0.2% in July (2.7% on an annualized basis), slightly lower than economists expected. Core CPI, which excludes food and energy, increased by an annualized 3.1% for the month. Inflation is still not at the Fed's 2% target, but inflation caused by tariffs has not materialized to the extent many expected. However, the Producer Price Index, a measure of wholesale price growth, increased 0.9% in July, more than the 0.2% expected, hinting at potential future inflation for consumers.

US equity continued to rise in July as the Russell 3000 Index, representing the broad US market, gained 2.2%. The index is up more than 8% year-to-date and more than 15% over the trailing one-year period. Large cap growth beat value by more than 3% during the month showing that the market is still focused on high-growth companies of the future. Technology continued to lead along with utilities returning 3.8% and 4.9%, respectively for the month.



Merced County Employees' Retirement Association

Broad international equity (i.e., developed and emerging) gave up some of its prior gains in July as the MSCI All Country World Ex US Index returned -0.3% for the month. Developed international markets struggled during July with the MSCI EAFE Index falling 1.4%. However, emerging markets equity rose 1.9% as a number of trade deals were announced with the US.

Treasury yields rose by 0.2% at the shorter end of the curve and by 0.1% for longer maturities as the Bloomberg US Aggregate Bond Index returned -0.2% during the month. Credit spreads continue to tighten near historic lows, a turnaround from the jump in spreads the market experienced following the April tariff announcement. The Fed will meet again in September to determine whether to cut the federal funds rate, currently targeting 4.25% to 4.5%. In deciding whether to cut rates, Fed members will weigh recent news of softening in the labor market against signs that inflation is not completely behind us.

July Portfolio Performance Summary

The Total Fund returned 0.3% in July, 0.5% behind the Policy Index. Excluding alternatives, the Total Fund returned 0.5% in July versus 0.7% for the Policy Index. The portfolio has returned 6.9% since the start of 2025 and more than 10% over the trailing one-year period. Total fund relative performance for the month was negatively impacted by US and international equity, and hedge funds while opportunistic contributed positively to relative performance. US fixed income tracked its benchmark.

US equity trailed the Russell 3000 Index, 1.8% compared with 2.2%. Underperformance was mainly driven by Champlain, which returned -1.3% during the month compared with 1.7% for the Russell 2000 Index. The portfolio is positioned more defensively and will struggle during cyclical and growth rallies. Despite the strategy's challenges in July, Champlain is still outperforming by more than 6% over the trailing one-year period. Newton Dynamic slightly trailed its S&P 500 Index in July by 0.1% but is generally in line with the benchmark for 2025.

International equity trailed in July, -0.7% versus -0.2% for the MSCI All Country World Ex US Investible Market Index. Positive relative performance by Arcadian and First Eagle was offset by underperformance from Driehaus and GQG. Despite a challenging month for international equity, the asset class has gained more than 16% since the start of the year, nearly double the return of the US market.

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Merced County Employees' Retirement Association

Within emerging markets equity, Artisan underperformed in July, -1.5% versus 1.9% for the MSCI Emerging Markets Index, while Redwheel outperformed by 0.7%. Highlighting the complementary nature of these two emerging markets strategies, Redwheel is outperforming the index by 2.6% year-to-date while Artisan is underperforming by 2.7% over the same period. This follows a year in which Artisan posted strong relative returns and Redwheel materially trailed the benchmark. The emerging markets equity portfolio is up 16.2% in 2025.

US fixed income fell 0.2% during the month, in line with the Bloomberg US Aggregate Bond Index as yields rose across maturities. Payden & Rygel Low Duration outperformed its benchmark by 0.2% while Wellington and Brandywine (active core fixed income) generally tracked their benchmark. Opportunistic credit continues to provide strong absolute and relative returns. The composite returned 0.7% in July versus 0.5% for the custom index and is up nearly 5% since the start of the year.

Redwheel Capital (On watch)

Redwheel outperformed its benchmark in July, 2.6% versus 1.9%. The strategy has outperformed by more than 2.5% since the start of the year but is still trailing the index over longer periods. July relative performance was supported by an underweight to India as the stock market fell 5% amid growing trade tensions with the US. Security selection in Korea also contributed to the outperformance, while an underweight to Taiwan hurt relative performance as its market gained 5.4% during the month.

The strategy benefitted from specific holdings in financials and technology. Tencent, a Chinese multimedia company, gained 9.3% on news that Nvidia would resume selling AI chips in the country. Chinese content platform, Kuaishou Technology, rose more than 21% during the month. These strong returns were partially offset by security selection in Latin America, specifically Brazil, Argentina, and Mexico. The strategy was also hurt by holdings in copper mining company First Quantum Minerals. The company's stock price fell 5% during the month as the 50% tariff on US copper imports took effect.

Trailing Performance (As of July 31, 2025)

	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
RWC	26,253,990	1.9	2.6	20.1	2.6	15.5	6.2	4.5	—	3.6	Dec-19
<i>MSCI Emerging Markets (Net)</i>			<i>1.9</i>	<i>17.5</i>	<i>1.9</i>	<i>17.2</i>	<i>10.5</i>	<i>5.4</i>	<i>5.8</i>	<i>5.8</i>	

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Merced County Employees' Retirement Association

DATE: August 28, 2025

TO: MercedCERA Board of Retirement

FROM: Martha Sanchez Barboa, Plan Administrator

SUBJECT: 2025-2026 Strategic Objectives

ITEM NUMBER: Open Session Item b

ITEM TYPE: Action

STAFF RECOMMENDATION:

1. Approve staff request to increase MercedCERA's 2025-2026 Administrative Budget for Staff and Trustee Training by \$25,000.
2. Approve staff request to increase MercedCERA's 2025-2026 Non-Administrative Projection Software & Technology by \$55,000.
3. Authorize the Plan Administrator to begin procuring the 2025-2026 strategic communication and technology objectives.
4. Authorize the Plan Administrator to begin working with Merced County Human Resources to fill an additional Staff Services Analyst I/II position.
5. Approve the future staffing plan, which will be brought to the Board of Retirement for review prior to the appropriate budget year of each staffing request.

DISCUSSION:

In March of 2021, MercedCERA's previous Plan Administrator Kristie Santos provided the MercedCERA Board a detailed analysis of the current state of MercedCERA and also presented a future plan for the organization, which included a five-year staffing request.

Ms. Santos' analysis consisted of a thorough review of MercedCERA in the following areas:

- Institutional Knowledge Base – lack of deep understanding of pension administration and investments
- Staff Demographics – lack of succession planning
- Organizational Workload – inability to manage the expected future portfolio and membership growth
- Investments and Complexity of Portfolio – need of organization to take greater control and have a better understanding of our investment portfolio
- Customer Self-Service Enhancements – lack of online resources to minimize staff manual processes
- Pension Software System – need to gain further system functionality without the ongoing dedicated staffing resources to vet, clean and correct data

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- Website Redesign – enhance website with customer self-service tools
- New Headquarter Design and Build – need for a larger headquarter location designed to meet projected growth

In addition, at the March 23, 2023, MercedCERA Retirement Board Meeting, Ms. Santos provided the Board an update regarding the outcomes of approved objectives from March of 2021 and made additional recommendations for ongoing strategic objectives. The illustration below provides a status update regarding the recommended and approved Board actions taken since 2021.

Topics	Issues	Goals
Institutional Knowledge Base	Organization lacks a deep institutional knowledge base on pension administration and investments.	<ul style="list-style-type: none"> ✓ Redirect substantial portion of responsibilities related to investments to MercedCERA staff hired over Investments. Status – Completed – Investment Deputy hired ✓ Offer and encourage more technical development opportunities for staff. Status – Ongoing, approval of staff to attend trainings, to study and take CFA exams. ✓ Create leadership opportunities for staff to grow and develop as strategic leaders, in turn creating a career path for future leaders of MercedCERA. Status – Ongoing – Benefits & Administration Deputy hired but recommend additional positions.
Staff Demographics	Organization lacks classifications and pay scales that commensurate with staff duties, knowledge and skills.	<ul style="list-style-type: none"> ✓ Enhanced training for current and new employees. Status – Ongoing. Approval of training and attendance to conferences for all employees. ✓ Create a team structure so current analysts can receive vital experience in supervising 'junior staff' and foster knowledge transfer in the Benefits area. Status – Ongoing. Staff identifying standard operating procedures to transfer knowledge. ✓ Utilize technology at greater levels for work efficiency both in the office and remotely, if needed. Status – Ongoing. Staff have the technical equipment to work remotely but additional software is needed to improve internal processing. ✓ Train and foster a deep understanding of pension management and the CPAS system. Status – Ongoing. Great strides have been made to gain a foundational understanding of pension administration software.

		<ul style="list-style-type: none"> ✓ Enhanced training for current and new employees. <p>Status – Ongoing. Training plans are being finalized.</p>
Organizational Workload	Along with adding more positions, process improvement and technology must be added to keep up with workload and member demands.	<ul style="list-style-type: none"> ✓ Integrate online customer service enhancements within the pension software via MercedCERA's new website. <p>Status – Recommend we hold off pending pension administration system review.</p> <ul style="list-style-type: none"> ✓ Develop online capabilities that allow members to view personal data. <p>Status – Recommend we hold off pending pension administration system review.</p> <ul style="list-style-type: none"> ✓ Develop online capabilities that allow members to complete and submit applications or data change requests online. <p>Status – Ongoing. Document submission link implemented, but recommend we hold off pending pension administration system review.</p> <ul style="list-style-type: none"> ✓ Develop processes and software that allow benefit estimates to be done without human intervention. <p>Status – Software requests made in this agenda item, but recommend we hold off pending pension administration system review.</p> <ul style="list-style-type: none"> ✓ Use potential new benefit staff to handle increased processing and assist with individual counseling load. <p>Status – Completed.</p> <ul style="list-style-type: none"> ✓ Increase use of group counseling sessions and look to digital solutions to foster group and frequent retirement counseling. <p>Status – Semi Completed. Retirement seminars resumed but require broadening topics.</p> <ul style="list-style-type: none"> ✓ Use of web-based training videos and educational material on MercedCERA's new website. <p>Status – Ongoing. Slides and FAQ's have been posted to the website but need video training.</p> <ul style="list-style-type: none"> ✓ Development and purchase of an electronic document management system. <p>Status – Completed. Benefit documents were digitized to online system.</p> <ul style="list-style-type: none"> ✓ Dedicate one (1) Benefits Analyst to CPAS maintenance and clean up.

		<p>Status – Ongoing. Benefit analysts participate in CPAS maintenance clean up, but MercedCERA needs a specialized analyst position that can integrate CPAS member data and financial accounting to complete complex data analysis.</p>
Investment Portfolio and Complexity	MercedCERA's portfolio is very complex and knowledge must be built within the institution of such matters.	<p>✓ Add – Bloomberg Terminal to assist with due diligence, analysis and manager information.</p> <p>Status – Terminated service due to lack of applicability.</p> <p>✓ Add - Work with CIO to create a plan (governance, staffing and software).</p> <p>Status – Ongoing. Investment Deputy creating plan of action for applicable investment software needs. Expect recommendations for 2026-2027.</p>
Customer Service Enhancements	Tools in place using new website for customer service.	<p>✓ Use web-based training videos as a member educational tool.</p> <p>Status – Ongoing. Slides and FAQ's have been posted to the website but need video training.</p> <p>✓ Integrate web-based customer service functionality within the pension software.</p> <p>Status – Recommend we hold off pending pension administration system review.</p> <p>✓ Provide updated and better online materials for members regarding required documentation and 'what to expect' upon retirement, death of a member or dissolution of marriage.</p> <p>Status – Ongoing. Disability regulations were added to the website. Additional actions are recommended in this agenda to incorporate further online resources.</p>
Pension System Software	<p>Data Clean Up</p> <p>Customer Service Enhancements</p>	<p>✓ Create a plan that begins with documenting current processes and procedures.</p> <p>Status – Office Assistant duties have been fully documented, and a training manual has been created. Benefits Support and Staff Analysts continue to document processes.</p> <p>✓ Dedicate a staff person to work on data clean up and process improvements within the pension software system.</p> <p>Status – Ongoing. Great strides have been completed by the Benefits team but will continue after onboarding new Benefits Manager.</p> <p>✓ Implement upgraded system software (CPAS) or discuss and analyze a new pension system program once underlying data is cleaned.</p> <p>Status – Recommend holding off pending pension administration system review.</p>

Website Redesign	Design and build new website. Enhance to include customer service enhancements.	✓ Integrate electronic interface capabilities into MercedCERA's pension system for self-service capabilities. Status – Ongoing. Incorporated document secure file submissions via our website and additional items are being presented in this agenda. Recommend holding off pending pension administration system review. ✓ Develop meaningful content for the website. Status – Ongoing. Great strides have been made with the implementation of Pop-Up Notifications, secure file document uploads but additional recommendations will be made to further enhance customer self-service abilities.
New Headquarter Design and Build	Designed new building. Estimated cost updates. Go out for bid. Construction.	✓ Design completed ✓ Updated costs brought to the Board ✓ Go out for bids - completed ✓ Begin construction - completed Status – Completed. The headquarters building is fully operational.

2024 Recommendations from Plan Administrator

On November 14, 2024, Ms. Santos provided the Board with an updated strategic outlook consisting of recommended actions for the Board's consideration (Attachment A). Ms. Santos had announced her upcoming retirement in April of 2025 and wanted to provide the Board with her assessment of MercedCERA's future needs and the essential objectives the new Plan Administrator should be responsible for implementing. She focused on three different areas of the organization: communication, technology and further succession planning.

A few months later, the Board of Retirement hired a new Plan Administrator who soon after requested the Board Chair create an ad hoc subcommittee to work with staff in identifying new strategic objectives for Fiscal Year 2025-2026. Staff and the ad hoc subcommittee discussed Ms. Santos' recommendations on several occasions and finalized the strategic objectives. Included with this agenda item is MercedCERA's 2025-2026 Strategic Objectives (Attachment B). The following summarizes each of the three goals in detail and includes recommended new actions from the Board.

Goal #1: Enhance Communication

MercedCERA does not have formal communication goals, neither internal nor external. We do a great job in meeting with and educating our members as they move through the retirement application process. However, to improve the goal of retirement readiness, pension related education needs to begin soon after the member is employed and should continue as they move through their employment tenure. With that, there is a lack of staff skills development centered around the effective sharing of information, including internal communication amongst MercedCERA staff. No formalized training focused on areas such as how to have difficult conversations or group presentation skills have been previously provided to staff.

Objectives:

- Host regular seminars (e.g. investing, divorce)
- Foster and strengthen relationships with stakeholders
- Offer in-person meetings (e.g., community property, reciprocity, service purchases)
- Revitalize MercedCERA Newsletter
- Website content management

Recommended Training & Development Actions:

- Media training for staff and trustees
- Large group presentations
- Difficult conversations
- Identify learning styles and establish effective communication skills
- Build leadership and teamwork skills

Staff engaged with three different vendors providing this type of communication and professional development training and identified the need for an additional \$25,000 allocation to MercedCERA's 2025-2026 Administrative Budget for staff and trustee training and education. This budget increase does not cause MercedCERA to exceed the administrative cap.

Goal #2: Investment in Technology

As previously noted in 2021 and 2023, pension administration continues to increase in complexity and MercedCERA continues to underinvest in technological tools. This lack of technological know-how creates a dependency on manual staff processing, increasing processing times and risk of errors. This interdependence on manual processing includes the completion of Board agendas. The entire MercedCERA executive management team is now involved in finalizing Board agenda items. The process now includes two assistant administrators creating Board meeting content. Additionally, we intentionally broadened the group discussing and formalizing agendas and individual meeting items with the goal of expanding institutional knowledge thereby reducing key-person risk. This has considerably increased the time involved in reviewing and posting agendas. Staff met with software firms who specialize in customizing an agency's board agenda management needs. The initial cost to configure the software and maintain it for the first year totals \$37,000. The ongoing annual fee is \$11,000 (maintenance, support and security updates.)

Currently, staff complete over 400 retirement estimate calculations each year and field dozens of tax inquiries for retirees. Having the ability to provide that self-service for our members, as nearly all other state public pension systems do, allows MercedCERA to focus on essential member service needs like creating video content or online resource materials. MercedCERA also lacks the ability to receive anonymous member feedback, vital to any business providing customer service. Many pension systems have incorporated a member survey link via their website. This would allow us to obtain immediate member input soon after accessing our services that does not involve significant staff management nor cause the member an inconvenience of writing a separate email or sending a written letter.

Staff reached out to our current website management firm, Digital Deployment, and confirmed the cost to include a member survey, tax and retirement estimate calculators is \$18,000.

Regarding our pension administration system, the Board had previously approved the review of a pension system upgrade of CPAS, our current pension administration software, or a review for a new pension system. However, staff recommended and continue to recommend that this action be held off for at least another year. Staff and the Board have focused instead on internal operations and staffing infrastructure. Staff understand the review of a pension system is vital and are committed to doing so but also understand implementation of a new pension system is a multi-year endeavor and see the immediate need for the aforementioned technological tools. We must leverage technology now to increase efficiency and minimize costs.

Objectives:

- Significantly reduce manual processing (tax and retirement estimate calculations)
- Obtain anonymous member feedback (surveys)
- Significantly reduce staff dependency to complete Board agenda management

Recommended Actions:

- Enhance website with the addition of a retirement estimate calculator, tax estimator, and a member survey link
- Implement new Board agenda management software

Staff are recommending an additional \$55,000 allocation to MercedCERA's 2025-2026 Non-Administrative Projection for software enhancements. Technology costs do not count towards MercedCERA's administrative cap.

Goal #3: Succession Planning

MercedCERA's assets have grown significantly in the last eight (8) years and are expected to continue to grow. Although MercedCERA has a very talented team, we are a small organization with a high risk of key staff turnover. Therefore, preparing for employee departures, planned and unplanned, and attracting and retaining talent, continues to be a focus for 2025-2026.

Objectives:

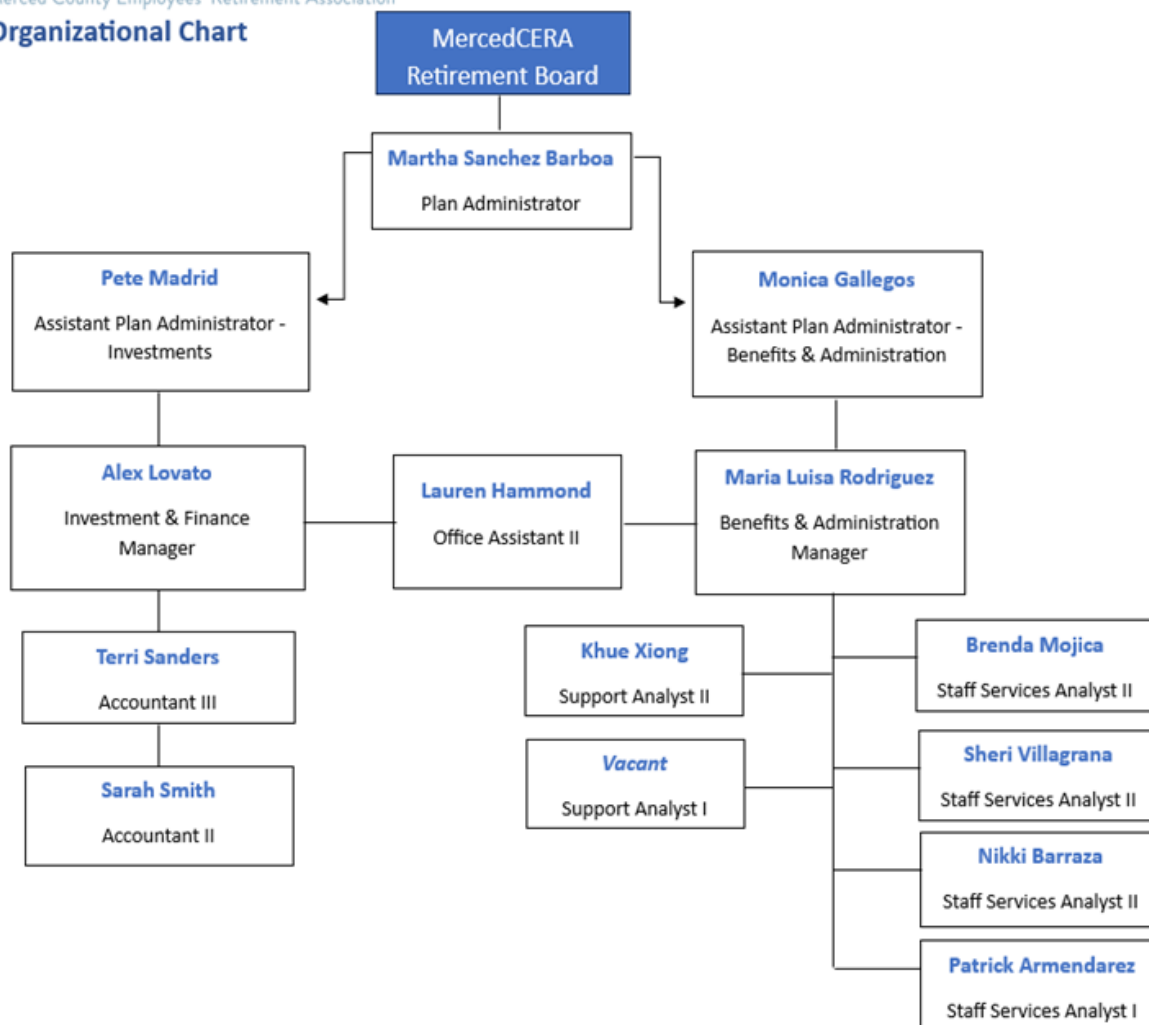
- Streamline Investments & Finance Manager responsibilities
- Board oversight of all executive management positions
- Enhance member data and financial analytics
- Consolidate operations, communications and facility responsibilities
- Confirm Staff Services Analysts I/II classification

The following is MercedCERA's current organizational chart.



Merced County Employees' Retirement Association

Organizational Chart



Since 2021, MercedCERA has been laser focused on creating the staffing infrastructure necessary to manage a \$1.3 billion system, consisting of a very complex investment portfolio with over 110 fund managers, and almost 7,000 members. MercedCERA created two Assistant Plan Administrator positions focused on investments and benefits administration. We also added an additional accountant to complete highly specialized investment accounting, and two retirement analysts focused on pension law and retirement processing. Lastly, two support retirement analyst positions were added that provide staff travel coordination, Board management and retirement related support. The addition of all these positions has been fundamental action necessary for providing effective and efficient member services, managing assets prudently and for the administration of pension benefits. However, the need for continued succession planning is required so that MercedCERA allocates its human resources across functional areas in similar ways to other state public pension systems of the like.

Recommendations:

- Add another Staff Services Analyst I/II position
- Move Benefits & Administration and Investments & Finance Manager positions

under the Board

- Engage with Merced County to discuss Staff Services Analyst I/II Classification Study and possible classification for Operations & Communications related position

TRANSITION ALL MANAGEMENT STAFF UNDER THE BOARD

Included in Ms. Santos' November 2024 succession plan recommendations was the recommendation to transition all of MercedCERA's management staff under the Board's oversight. Currently, the Board oversees the positions of Plan Administrator and both Assistant Plan Administrators. The remaining management positions consist of the Benefits & Administration Manager, Investments & Finance Manager and Staff Services Analysts. All of these positions are Merced County positions under "C" management level classifications.

Staff Services Analysts

Although the Staff Services Analyst classification is considered a management level position for Merced County, the ad hoc subcommittee did not recommend that they transition under the Board's oversight. The duties performed by these four (4) retirement staff are instrumental and foundational to MercedCERA. Staff Services Analysts directly report to the Benefits Manager and that reporting structure has been effective. However, staff and the ad hoc subcommittee do recommend that the Board approve the Plan Administrator meet with Merced County Human Resources to discuss the possibility of changing these classifications to "Retirement Analysts", allowing for classifications to reflect actual retirement duties in order to recruit more appropriate candidates. We would also request the classification reflect salaries relevant of the pension industry.

Benefits and Finance Managers

Currently, the executive positions of Investments & Finance Manager and Benefits & Administration Manager are Merced County positions under the "Fiscal Manager" classification and are not under the oversight of the Retirement Board. This significantly affects the ability of MercedCERA to recruit for appropriate candidates and to remain marketable with industry salary requirements. Both of these positions are responsible for the oversight of highly specialized duties centered around accounting, actuarial, investment, financial, and regulatory compliance in an increasingly complex pension industry. Transitioning both manager positions under the Retirement Board would allow for the Board to hire and determine compensation and benefits for all Executive Team employees (Plan Administrator, Assistant Plan Administrators and Managers).

Transitioning both manager positions under the Retirement Board requires California state legislature approval. Staff would need to engage with a state representative to sponsor the bill, which would take up to a year and a half to implement. Staff, with recommendation from the ad hoc subcommittee, request the Board approve the Plan Administrator discuss the transition of both manager positions away from Merced County and if the County is amicable to that, authorize the Plan Administrator work directly with our local state representative to sponsor the bill. Upon legislature approval, it is anticipated for both positions to remain at the salary level set at that time. However, if salary changes are needed, staff will bring the item for Board review.

CREATE AND RECRUIT TWO NEW POSITIONS

Member Services Analyst (Staff Services Analyst I/II)

There is significant member related data, such as members relevant to active payroll and retirees relevant to pension payout data that is being analyzed by the Investments & Finance Manager. These duties are not financial responsibilities that normally lie with a Finance Manager. The skills necessary to complete the analytics required have been held by our current and previous Finance Managers, but it has added a significant burden to their workload that should be performed by a specific individual. The ad hoc subcommittee agreed with staff that these duties be transitioned to a Staff Services Analyst position who is able to bridge the data needs between member specific identifiers (i.e., retiree deaths, active reciprocal members, deferred member specific reserves) and the fiscal impact tied to the retirement system. In addition, this position would be responsible to take the lead role in finalizing our CPAS pension system data cleanup and also be a lead on MercedCERA's review of a possible new pension system. They would be moving the actual work forward to completion without having to concurrently coordinate member's retirements, process monthly invoice payments, manage other employees, process death payments, etc, as is the case currently. The responsibility of this work would be shared with both Benefits and Fiscal teams, but this individual would directly report to the Investments & Finance Manager.

Operations/Communications Position

Currently, building facility needs are being managed by the Plan Administrator, with assistance from the Investments & Finance Manager. These responsibilities include, but are not limited to; coordinating building maintenance needs with Merced County's Department of Public Works, contacting vendors for repairs, ensuring elevator and fire systems complete required testing, coordinate janitorial services, manage building security and other building needs.

In addition, MercedCERA currently has an inability to strategically plan and implement the necessary communication strategies needed to effectively engage with our members, employers and stakeholders. One of the primary objectives of this position would be centered around effectively increasing awareness and understanding of MercedCERA services.

The ad hoc subcommittee recognized that the essential work functions related to building operations and system communications are vital to the future success of MercedCERA and also recommend a new position be created. The Operations/Communications position would report to both Assistant Plan Administrators and would be assisted by a Support Services Analyst. Staff are unaware of what current Merced County job classification is appropriate. Therefore, staff request the Board approve the Plan Administrator engage with Merced County to determine available relevant classifications.

The succession planning recommendations have been summarized below with recommended estimated timelines and pay scales.

Priority # and Working Title	Estimated Classification	Estimated Classification Salary Range	Estimated "Fully Loaded" Salary	Estimated Start Date	Estimated Budget Fiscal Year Impact	Classification Recruitment Work will begin immediately
1 - Member Financial Analyst	Staff Services Analyst II	\$73,757-\$89,710	\$173,066	February 2026	2025/2026	Yes. Begin position creation and recruitment activities.
1 - Benefits & Administration Manager and Investments & Finance Manager	Benefits & Administration Manager and Investments & Finance Manager	\$95,097-\$115,627	\$206,860	March 2027	2026/2027	Yes. Discuss with County HR transition of county positions and then request state representative assistance.
2 - Operations & Communications Specialist	Unknown	Unknown	Unknown	July 2026	2026/2027	No. Begin discussion with County to investigate possible classification.
2 - Benefits Analyst (4 current positions)	Staff Services Analyst I/II	\$73,757-\$89,710	\$173,066	July 2026	2026/2027	Yes. Discuss with County HR the possibility of a classification study/retirement specific classification.

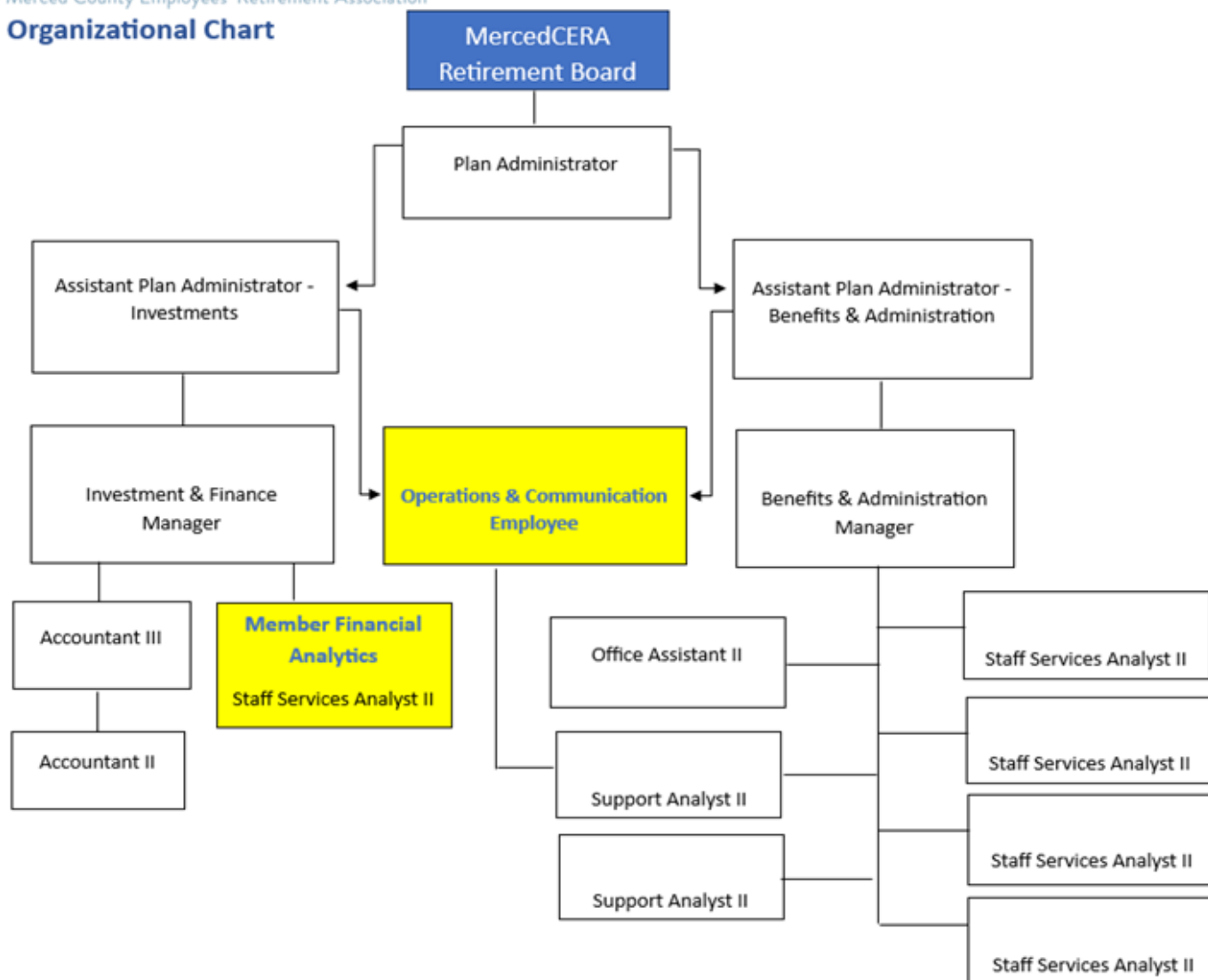
Proposed New Organizational Chart

The following illustrates the recommended MercedCERA organizational chart, which includes the additional Staff Services Analyst I/II reporting directly to the Investments & Finance Manager and a new Operations & Communications position reporting to both Assistant Plan Administrators. Again, this later position would require further investigation with Merced County regarding an appropriate job classification.



Merced County Employees' Retirement Association

Organizational Chart



Staff Recommendations:

Staff recommend the Board:

1. Approve staff request to increase MercedCERA's 2025-2026 Administrative Budget for Staff and Trustee Training by \$25,000.
2. Approve staff request to increase MercedCERA's 2025-2026 Non-Administrative Projection Software & Technology by \$55,000.
3. Authorize the Plan Administrator to begin procuring the 2025-2026 strategic communication and technology objectives.
4. Authorize the Plan Administrator to begin working with Merced County Human Resources to fill an additional Staff Services Analyst I/II position.
5. Approve the future staffing plan, which will be brought to the Board of Retirement for review prior to the appropriate budget year of each staffing request.

Attachment A

MercedCERA Today & Tomorrow

KRISTIE SANTOS, PLAN ADMINISTRATOR



Agenda

- ▶ Things to Remember
- ▶ Communication
- ▶ Succession Planning
- ▶ Technology
- ▶ Summary of possible objectives



Things to Remember

- ▶ The issues and objectives in this presentation are meant to spur a conversation and assist the Board with finding a Plan Administrator,
- ▶ MercedCERA is a small organization that is at high risk for key staff turnover,
- ▶ MercedCERA's assets will continue to grow over time,
- ▶ Pension Administration is complex and will continue to become more complex,
- ▶ MercedCERA has an amazing human resource base,
- ▶ MercedCERA has a very complex portfolio.

Communication

- ▶ Organization has no formal communication goals
- ▶ Staff are good communicators; lets make them great!
- ▶ Current written communication is lacking important details



Possible Communication Objectives

- ▶ Conduct more retirement fairs,
- ▶ Foster good relationships with Social Security and Nationwide,
- ▶ Develop communication goals with Board's buy in,
- ▶ Encourage more in person meetings with constituent groups,
- ▶ MercedCERA should consider a social media presence,
- ▶ Invest in media training for all staff levels,
- ▶ Invest in presentation training for all staff.

Succession Planning

- ▶ MercedCERA is full of young and well rounded staff,
- ▶ Staff are ambitious,
- ▶ Dedicated to the organization,
- ▶ Understand the complexity of our work,
- ▶ Like to stay well informed,
- ▶ Several would like to promote to more strategic roles,
- ▶ Staff should be encouraged to attend training and stay at MercedCERA,
- ▶ Succession Planning can be improved – more formal plan and identify staff with ambition to move up.

Possible Succession Planning Objectives

- ▶ Consider moving all management staff under the board for retention purposes – similar to SBCERA and OCERS,
- ▶ Work with County to create MercedCERA specific classes that promote upward mobility,
- ▶ Consider more targeted and specialized training such as media training, presentation skills training and leadership,
- ▶ Consider involving the Board when identifying staff that would like to promote and move up.



Technology Improvements

- ▶ MercedCERA should take advantage of technology or else be faced with adding more staff,
- ▶ MercedCERA is underinvested in technology,
- ▶ Ability to provide efficient services is hindered,
- ▶ Need for continuous modernization,
- ▶ Pension system is antiquated and not understood,
- ▶ Manual processes live in creating the ACFR, managing the investment funds and management of board agendas and content,

Technology Considerations

- ▶ Demographic shift of our members,
- ▶ Member self service should be first and foremost,
- ▶ Ability to scale up at reasonable costs,
- ▶ Other technologies can trim and cut staff time,
- ▶ Opportunities to improve processes and monitor performance indicators,
- ▶ Improve reporting with new pension system,
- ▶ Improve data residing in pension system (data cleansing by professionals).



Possible Technology Objectives

- ▶ New Pension System;
 - ▶ Improved reporting,
 - ▶ Member self service portal,
 - ▶ Online estimator,
 - ▶ Improve ability for members to be accountable of their data,
 - ▶ Improve metrics and management tools for staff,
 - ▶ Improve data quality.
- ▶ Consider investment software to assist Assistant Plan Administrator with monitoring all funds,
- ▶ Consider ACFR software to avoid human error and make report compilation more streamlined,
- ▶ Possible agenda and content management system.

Summary of Possible Objectives

► **Communication**

- *Conduct more retirement fairs*
- *Foster good relationship with Social Security and Nationwide*
- *Develop communication goals with Board's buy in*
- *Encourage more in person meetings with constituent groups*
- *MercedCERA should consider a social media presence*
- *Invest in media training for all staff levels*

► **Succession Planning**

- *Consider moving management staff under the board for retention purposes*
- *Work with County to create MercedCERA specific classes that promote upward mobility*
- *Consider more targeted and specialized training such as media training, presentation skills training and leadership*
- *Consider involving the Board when identifying staff that would like to promote and move up*

Summary of Possible Objectives

► Technology

- *New Pension System*
- *Consider investment software to assist Assistant Plan Administrator with monitoring all funds*
- *Consider ACFR software to avoid human error and make report compilation more streamlined*
- *Consider agenda management system.*

Any Comments or Questions?



2025-2026

STRATEGIC OBJECTIVES

Merced County Employees' Retirement Association

690 W. 19th Street
Merced CA, 95340



WE ARE



Mission Statement

To provide benefits to its members, to manage assets prudently in accordance with plan provisions, and to provide competent and efficient services to our members.

It is with this mission in mind that MercedCERA embarks in the 2025-2026 strategic planning objectives.

These objectives are focused on meeting three fundamental goals:

1. Enhance Communication
2. Invest in Technology
3. Succession Plan — Talent Acquisition and Retention

GOAL 1: ENHANCE COMMUNICATION

Objectives:

- ♦ Host regular seminars (e.g., investing, divorce)
- ♦ Foster and strengthen relationships with stakeholders
- ♦ Offer in-person meetings (e.g., community property, reciprocity, service purchases)
- ♦ Continue MercedCERA Newsletter
- ♦ Website management

Recommended Training & Development Actions:

- ♦ Professional media communication
- ♦ Large group presentation
- ♦ Learning styles and effective communication
- ♦ Leadership and teamwork

Fiscal Impact:

\$25,000 budget allocation increase to staff development.

GOAL 2: INVESTMENT IN TECHNOLOGY

Objectives:

- ♦ Significantly decrease manual processing
- ♦ Increase member self-service capabilities

Recommended Actions:

- ♦ Website enhancements: tax and retirement calculators, member survey
- ♦ Board agenda management software

Fiscal Impact:

\$55,000 budget allocation increase to software and technology.



GOAL 3: SUCCESSION PLAN

Objectives:

- ♦ Streamline Fiscal Manager responsibilities
- ♦ Board oversight of all executive management positions
- ♦ Enhance member data and financial analytics
- ♦ Consolidate operations, communications and facility responsibilities
- ♦ Confirm Staff Services Analyst I/II classification

Recommendations:

- ♦ Add another Staff Services Analyst I/II position
- ♦ Move Fiscal and Benefits Manager positions under the Board
- ♦ Engage with Merced County to discuss Staff Services Analyst I/II Classification Study and possible classification for Operations & Communications related position

Fiscal Impact:

\$173,066 budget allocation increase to salaries in 2025/2026. Based on Merced County HR discussion, future staffing recommendations may be brought back to the Board for review.



Merced County Employees' Retirement Association



Merced County Employees' Retirement Association

DATE: August 28, 2025

TO: MercedCERA Board of Retirement

FROM: Martha Sanchez Barboa, Plan Administrator

SUBJECT: Update Regarding MercedCERA Board of Retirement Elections for Seat 2 and Seat 7

ITEM NUMBER: Open Session Item c

ITEM TYPE: Information Only

DISCUSSION:

On April 7, 2025, the Board approved staff to coordinate MercedCERA Board of Retirement elections for the 2nd General Member seat and the 7th Safety Member seat with the Merced County Registrar of Voters. The Registrar of Voter's office distributed the Notice of Elections and completed the Candidate Filing Period. At the close of the filing period each seat received one qualified candidate, Corrina Brown for the 2nd General Member seat and Aaron Rosenberg for the 7th Safety Member seat. As such, both Corrina and Aaron, who currently serve in their respective seats until December 31, 2025, will be appointed in lieu of an election. The seat terms for both seats are January 1, 2026, to December 31, 2028.



Merced County Employees' Retirement Association

DATE: August 20, 2025

TO: MercedCERA Board of Retirement

FROM: Martha Sanchez Barboa, Plan Administrator

SUBJECT: Adoption of Pensionable Pay Codes for Merced County

ITEM NUMBER: Open Session Item d

ITEM TYPE: Action

STAFF RECOMMENDATION:

1. Adoption of pay codes 462 – Training Diff (TRAINDIF) and 463 – Cust Dep Spec Assign (CDSADIFF) as pensionable pay codes for Merced County.

DISCUSSION:

Merced County is requesting the adoption of pay codes 462 – Training Diff (TRAINDIF) and pay code 463 – Cust Dep Spec Assign (CDSADIFF). Pay code 462 – TRAINDIF is a 5% differential paid to employees in the Security Systems Operator classification assigned to the Sheriff's Office for actual hours worked and only when assigned to train employees and to complete daily observation reports during an assigned shift.

Pay code 463- CDSADIFF is a 5% differential paid to employees in the regular classifications of Custodial Deputy Sheriff I/II. These employees would receive the differential pay when assigned as a member of a transportation unit if they possess and maintain a Class B driver's license or while serving as the classification officer. Employees already receiving another differential provided for this section are not eligible for this differential.

Both pay codes are pensionable for legacy members (employed prior to January 1, 2013) and PEPRA members (employed on or after January 1, 2013).

Staff Recommendation:

Staff are recommending the Board adopt pay codes 462 – Training Diff (TRAINDIF) and 463 – Cust Dep Spec Assign (CDSADIFF) as pensionable pay codes for Merced County.

MercedCERA Pay Codes

Updated: August 28, 2025

1

Pay Codes [S]	Description	Legacy (Tiers 1 - 3)	PEPRA (Tier 4)
		Included (Pensionable)	
001	Scheduled Regular Hours	N	N
002/RG	Reg Hrs Worked	Y	Y
020/VAC/1AV	Vacation	Y	Y
021/SLE/1AS	Sick Leave Employee	Y	Y
022/SLF	Sick Leave Family	Y	Y
023/HOL	Holiday Schedule	Y	Y
024/PH	Holiday Personal	Y	Y
025/CTO/1AC	Comp Time off Regular	Y	Y
026	Furlough Bank	Y	Y
027/MTO/1AM	Management Leave	Y	Y
028/ADM	Administrative Leave	Y	Y
029/JUR	Jury Duty	Y	Y
030/BER	Bereavement Leave	Y	Y
031	Furlough Day	Y	Y
032/MIL	Military Leave	Y	Y
033	Sheriff Administrative Leave	Y	Y
034/CAO	CAO Administrative Leave	Y	Y
035	Education Leave	Y	Y
036	Unit Holiday CTO	Y	Y
037	Witness Duty	Y	Y
038	MCMC Orientation	Y	Y
039	MCMC Training Time	Y	Y
040	Paid Non-Worked Mgt Hours	N	N
041/CLD	Catastrophic Leave Donated	N	N
042/CLU	Catastrophic Leave Used	Y	Y
043	Management Leave - Ineligible	N	N
044	Involuntary Furlough (Court)	Y	Y
045	Holiday Comp Time Off	Y	Y
046/AIP	Attendance Incentive Program (Court)	Y	Y
059	Election Day Leave	Y	Y
060	LV-Emergency Paid Sick-Employee	Y	Y
061	LV-Emergency Paid Sick-Child/Dependant	Y	Y
062	LV-Emergency Family and Medical	Y	Y
063	CEO Admin-Lv DSWCTO	Y	Y
064	CPSL (COVID Sup Pd Sick Lv)	Y	Y
099	B/R Retirement	Y	Y
101/WC	Workers Comp	Y	Y
102/SDI	State Disability Insurance	N	N
103/FCL	Family Care Leave	N	N
104/LAM	Approved LOA Medical	N	N
105/LAP	Approved LOA Personal	N	N
106/LAU	Unauthorized LOA	N	N
107/SUS	Suspension	N	N
108/MLD	Management LTD	N	N
109/MSD	Management STD	N	N
110/MLA	Approved Military LOA	N	N
111	LOA Military - Seniority	N	N
112/MSL	Voluntary Furlough (Court)	N	N
199/WCN	Workers Comp - No Cont Deducted	N	N
201/CTE	Time & One Half Rate O/T CTE	N	N
202/OT	Time & One Half Rate O/T PMT	N	N
203/CBC	Callback CTE	N	N
204/CBO	Callback Payment	N	N
205/HCE	Holiday CTE	N	N
206/SOC	Straight Time OT CTE	N	N
207/SOT	Straight Time OT PMT	N	N
208	Sheriff Outside Police Protect	N	N
209	Sheriff Qtr Shift Change CTE	N	N
210	Sheriff Qtr Shift Change PMT	N	N
211	Sheriff Mandatory Training CTE	N	N
212	Sheriff Mandatory Training PMT	N	N
213	Traffic Night Court O/T	N	N
214	MCMC OR Double Time CTE	N	N
215	MCMC OR Double Time PMT	N	N
216	MCMC Registry Pay	N	N
217/CPO	CTE Payoff After 7 Pay Periods	N[4]	N
218	Special Dist Time & One Half	N	N
219	Special Dist Straight Time OT	N	N
220/PPT	Prior Pay Period Overtime	N	N
221	Budget Reduction Hours CTE	N	N
222	MCMC O/C Callback CTE	N	N
223	MCMC O/C Callback PMT	N	N
224	Physician O/T	N	N
225	MCMC Unit 6	N	N
226	Sheriff K-9 Time 1/2 of PMT	N	N
227	Social Worker Phone/Doc PMT	N	N
228	Call Back Payment-Rounds	N	N
229	Special Day Remembrance CTE	N	N
230	Call Back Court CTE	N	N
231	Call Back Court Payment	N	N
235	Double Time OT Pay (Spring Fair)	N	N
301	On Call Standard Rate	N[4]	N
302	On Call Subpoena	N[4]	N
303	On Call MCMC RN Surg/OR/Rec	N	N
304	On Call MCMC RN Other Areas	N	N
305	On Call MCMC Non RN Lic/Cert	N	N
306	On Call Physician Weekdays	N[4]	N
307	On Call Physician Weekends	N[4]	N
308	On Call Home Health RN	N	N
309/BIL	Bilingual Pay	Y	Y
310	Evening Shift Differential	Y	Y
311	Night Shift Differential	Y	Y
312	Appraisers Differential	Y	Y
313	Auditors Differential	Y	Y
314	MCMC ICU/TCU/CCU Differential	Y	N
315	MCMC Charge Nurse Differential	Y	N
316	MCMC Relief Cook Differential	Y	N

317	MCMC Medical Records Dir Diff	Y	N
318	Mental Health BRITE Differential	Y	Y
319	Mental Health Supervisor Differential	Y	Y
320	Mental Health Mentor Differential	Y	Y
321	Group Counselor Lead Differential	Y	Y
322	DPW Licensed Engineer Differential	Y	Y
323	DPW Spraying Differential	Y	Y
324	DPW S/W Lead Worker Differential	Y	Y
325	Tool Replacement Allowance	Y	N
327	HSA Fair Hearing Duty Differential	Y	Y
328	HSA Child Welfare Deputy Recruitment Differential 5%	N	N
329	HSA Underfill SW III Differential	Y	Y
330	HSA Los Banos Supervisor Differential	Y	Y
331	HSA Social Worker Mentor Differential	Y	Y
332	Risk Management Director Differential	Y	Y
333	Uniform Allowance	Y	N
334	Medical Transcriptionist Differential	Y	Y
335	Sheriff Investigator Pay	Y	Y
336	S.W.A.T. Pay	Y	Y
337	Sheriff Deputy Field Training Officer Pay	Y	Y
338	Sheriff Sergeant FTO Pay	Y	Y
339	Sheriff Jail Training Officer Pay	Y	Y
340	Intermediate POST Certificate	Y	Y
341	Advanced POST Certificate	Y	Y
342/TPR	Temporary Promotion	Y	N
343	Confidential Pay	Y	Y
344	Dept. Head Expense Allowance	Y	N
345	Dept. Head Car Allowance	Y	N
346/NHR	No Extra Help Work Hours	N	N
347	Intermediate POST Certificate	Y	Y
348	Transferred to B/U	N	N
349	One-Way Vehicle Commute	N	N
350/VPO	Vacation Payoff	N	N
351/SSR	S/L Payoff Service Retirement	N[1]	N
352/SDR	S/L Payoff Disable Ret/Death	N[1]	N
353	MCMC Physician Unit of Service	Y	Y
354/SBS	Sick Leave Sell-back (25 th Pay Period)	Y	N
355	New Hire Error	N	N
356	Budget Unit Transfer Error	N	N
357/NOP	New Hire Hours Not On Payroll	N	N
358/TNP	Terminate Hours Not On Payroll	N	N
359/CPT	CTE Termination Pay	N[4]	N
360	Car Allowance Adjustment	Y	N
361	Expense Allowance Adjustment	Y	N
362	Uniform Allowance Adjustment	Y	N
363	Tool Allowance Adjustment	Y	N
364	Special District Pay	N	N
365	HSA CWS Recruitment and Retention Diff	Y	Y
366	HSA CWS Recruitment and Retention Diff (2)	Y	Y
367/RSI	Retroactive Merit Increase	Y	Y
368	Retroactive Temporary Promotion	Y	N
369	Retroactive Permanent Promotion	Y	Y
370	Retroactive Demotion	Y	Y
371	Retroactive Suspension	Y	Y
372	Retroactive Reclassification	Y	Y
373	Retroactive Overpay Adjustment	Y	Y
374	Retroactive Underpay Adjustment	Y	Y
375	Recruitment and Retention	Y	N
376	Extra Help Phy Therapy Differential 10%	N	N
377	Residents Pay Other Departments	Y	Y
378	MH Temporary Duty Differential	Y	N
379	DPW Tree Trimming Differential	Y	Y
380	Health Dept. Jail Differential	Y	Y
381	Acting Treasurer Differential	Y	Y
382	Court Room Differential	Y	Y
383	Asst CAO Metal Health Int HR	Y	Y
384	Health Dept. Jail Incentive	Y	Y
385	Advanced POST Certificate	Y	Y
386	Correctional Sergeant FTO Differential	Y	Y
387	Special Enforcement Reaction Team	Y	Y
388	W&M Insp Computer Differential	Y	Y
389	Special Duty Prosecution Pay	Y	Y
390	Retro Pay with Retirement	Y	Y
391	Retro Pay Without Retirement	N	N
392	DPW Bldg Inspector/Plan Check Differential	Y	Y
393/AVS	Vacation Sell-back (Mgmt 25 th Pay Period)	Y[3]	N
394	LCSW, MFT or MFCC Differential	Y	Y
395	Court Interpreter Coordinator Differential	Y	Y
396	Coroner Differential	Y	Y
397	Castle Differential	Y	Y
398	Litter Control Worker Differential	Y	Y
399	Extra Help M/H LCSW or MFCC Lic Diff	N	N
400	Temp Promotion Unrep Management	Y	N
401	Sheriff 8 Hr Evening Shift Differential	Y	Y
402	Customer Care Unit Differential	Y	Y
403	HSA C-IV Project Differential	Y	Y
404	Loyalty Bonus	Y	N
405	Successor Pay 5%	Y	Y
406	HSA Satellite Facility Differential	Y	Y
407	CPA Differential	Y	Y
408	On Call Physician Holiday Pay	N[4]	N
409	MH Fellowship Differential	Y	Y
410	Public Defender Three Strikes Differential	Y	Y
411	Dept Head Comm Allowance	Y	N
412	Cty Counsel Family Violence Prevention Pay	Y	Y
413/JCA	Judicial Cell Phone Allowance	Y	N
414	Full Day Differential	N	N
415	Correctional Sergeant Bonus	N	N
416	Juvenile Institutions Officer Prep Time	Y	Y
417	Dispatch Trainer Differential	Y	Y
419	Corrections Certificate Pay	Y	Y
420	Attorney Specialization	Y	Y

421	Officer in Charge Differential	Y	Y
422/JAD	Judicial Assistant Conf Diff	Y	Y
423/LSP	Court Lump Sum Payout	N	N
424	Fire Dept Driver/Operator Diff	N/A	N/A
425	Court One-Time Bonus	N	N
426/RTC	CRR Certification	Y	Y
427/RTN	Non CRR Certification	Y	Y
428	Court Exp/Comm Allowance	Y	N
429	DPW Lead Worker Differential	Y	Y
430	Meal Reimbursement	N	N
431/CRT	Courtroom Training Differential	Y	Y
432	On Call 24 Hours Period	N	N
433	Call Back Staff Psych	N	N
434	Educational Reimbursement	N	N
435	On Call 24 Hr Pr Dr Ilano	N	N
436	Call Back Dr. Ilano	N	N
437	Court Testimony	N	N
438	Psych Therapy and Admin of Meds	Y	Y
439	Court Child Custody Coordinator	Y	Y
440/CCA	Court CEO Cell Phone Allowance	Y	N
441/11H/12H/13H	Court 4 Hour Interpreter Shift	N	N
442/11F/12F/13F	Court 8 Hour Interpreter Shift	N	N
443	Temp Transitional Pay Differential	Y	N
444/PHP	Courts - Personal Holiday Payout	N	N
445/VSI	Voluntary Separation Incentive	N	N
450/VPN	Vacation Payoff In Excess Of Eligible Amount	N	N
453 PPLMPPEN	Prior Pay Period Lump-Sum Payout-Pensionable	Y	Y
454 PPLMPNON	Prior Pay Period Lump-Sum Payout- Non-Pensionable	N	N
455	Extra Help Paid Call Firefighters Strike Team-Diff	N	N
457 ONCALLEH	On Call Enhanced Pay	N	N
458	HSA Social Worker Mentor Pay	N	N
459	Homicide DA Differential	Y	Y
462	TRAINDIFF - Training Differential - Sheriff	Y	Y
463	CDSADIFF - Training Differential - Sheriff	Y	Y
501	Board of Supervisors Chair Differential	Y	N
502 PANPAY1	Pandemic Pay 1	N	N
503 PANPAY2	Pandemic Pay 2	N	N
504 SUPPOCRT	Supervisor P.O.S.T. Differential	Y	Y
505 DAINVCRT	D.A. Investigator Certificate Pay	Y	Y
506 HIREINCT	Hiring Incentive-Hard to Recruit	N	N
507 REFFINCT	Referral Incentive-For Hard to Recruit	N	N
508 ADVPO7.5%	Advanced POST Certificate 7.5%	Y	Y
509 ADVPO10%	Advanced POST Certificate 10%	Y	Y
901/EHR	Extra-Help Regular Hours	N	N
902/EHO	Extra-Help Overtime Hours	N	N
903/EHS	Extra-Help Special Pays	N	N
921/EXS	County Extra Help Sick Leave Employee	N	N
BRN	Bereavement Leave Unpaid	N	N
CAP	Cross-Assignment Pay	N	N
CRF	Court Reporter - Full Day	Y	Y
CRH	Court Reporter - Half Day	Y	Y
DCS	Courts - FSA Dependent Care Spending	N	N
ECA	Court Cell Phone Allowance	Y	N
1FA (EFL)	FF FMLA (Emergency Expanded FMLA)	Y	Y
EHT	Court Extra Help Temporary Assignment	N	N
EPA	Emergency Pay Administrative Leave	Y	Y
ERC	Emergency Half Comp Time	N	N
ERO	Emergency Half Time OT	N	N
1FE (ESF)	FF PSL EE (Emergency Paid Sick Leave Full Pay)	Y	Y
1FF (ESP)	FF PSL FAM (Emergency Sick Leave Partial Pay)	Y	Y
EXS	Court Extra Help Sick Leave Employee	N	N
HCS	Courts - FSA Health Care Spending	N	N
HIL	Court Holiday Payout for Interpreter	N	N
HIN	Hiring Incentive	N	N
LPF	Interpreter Language Pair - Full Day	Y	N
LPH	Interpreter Language Pair - Half Day	Y	N
LSP	Lump Sum Payout	N	N
MTP	Management Time Payout	N	N
OBL	OT Bilingual	N	N
ORC	OT RT Cert	N	N
ORN	OT RT Non Cert	N	N
OTP	Overtime Temp. Promotion - Superior Courts	N	N
RIN	Referral Incentive	N	N
RTI	RETN INCNTV- Retention Incentive	N	N
SPS/1XQ	Supplemental Paid Sick Leave	Y	Y
TAP	Courts - Temporary Assignment Pay	Y	Y
TST	Tech STPNP	N	N
VRF	Interpreter Virtual Remote - Full Day	Y	N
VRH	Interpreter Virtual Remote- Half Day	Y	N
No Code ¶ 8(K)(1-3) of Salary Reso.)	Bar Association Dues	N	N
No Code ¶ 8(L) of Salary Reso.)	Corrections Certificate - REFER TO 419	Y	Y

[1] This item may be includable to the limited extent that such pay was earned and payable during the member final compensation period, but was not taken during that period.

[2] The differentials provided for in Pay Codes 365 and 366 apply to the same duties, but vary according to the date the employee began receiving it, with those started before January 10, 1994 receiving 1.5 ranges and others receiving 1.0 range.

[3] The pensionable portion of the vacation sell back for any member may not exceed the limit that applies to any group or class or most comparable class if only one member of a class.

[4] **Supreme Court ruling 7/30/2020 excludes codes as pensionable.** Prior to ruling, exclusion of these paycodes was stayed until July 12, 2014. Effective July 12, 2014 items were not compensation earnable. January 8, 2018 court decision made some of these compensation earnable for Tier 1 through 3 members (specifically vacation payout earnings), except for those reciprocal members (Tier 2R and 3R) starting with MCERA system on February 8, 2018, or after.

[5] Numeric Wage codes represent pay codes for County, Cemetery, & Solid Waste. Alpha Wage Codes represent pay codes for Courts. Numeric Wage codes representing pay codes for County and Cemetery are four digit codes, all preceded with a number "3". However, CPAS pension administration system allows three digit codes.



Merced County Employees' Retirement Association

DATE: August 28, 2025

TO: MercedCERA Board of Retirement

FROM: Martha Sanchez Barboa, Plan Administrator

SUBJECT: CPAS Merger with GovOS and Intellectual Technology, Inc. to form Neumo

ITEM NUMBER: Open Session Item e

ITEM TYPE: Information Only

DISCUSSION:

On August 13th MercedCERA received notification from Avenu Insights & Analytics, the parent company of our CPAS pension administration system, informing us of their merger with GovOS and Intellectual Technology, Inc. (ITI) to create a new company named Neumo. The CEO of Avenue Insights & Analytics will now lead Neumo as their CEO. The previous CEO of GovOS will serve as Division President and the previous CEO of ITI will serve as the Chief Innovation Officer. Per CEO, Paul Colangelo, government systems always strive to improve their services and Neumo will accelerate the modernization many systems look for by providing industry leading cloud applications.

Our primary CPAS direct contacts will remain in place with little possible changes anticipated. Our existing contract will remain in effect and will follow the current renewal timeline. As the companies integrate their systems, new features and a wider range of services are anticipated. Per their Vice President of Pension Delivery, the new company will continue to invest in pension system technologies and maintain their focus on government business. The full integration of each company will continue throughout the rest of this year.

CPAS facilitates quarterly User Group meetings where pension systems across the country come together to discuss CPAS system topics. MercedCERA management staff will continue to attend the group meetings and stay abreast of the company's transition actions.



Merced County Employees' Retirement Association

DATE: August 28, 2025

TO: MercedCERA Board of Retirement

FROM: Martha Sanchez Barboa, Plan Administrator

SUBJECT: Trustee Conference Attendance Request

ITEM NUMBER: Open Session Item f

ITEM TYPE: Action

DISCUSSION:

As a component of continuous learning for the MercedCERA Board, Trustee Michael Harris would like to attend the ValueEdge Advisors LLC 2025 Public Funds Forum September 2-4, 2025, in Montage Deer Valley, Park City, Utah. This specific Forum is not listed as an approved conference in the MercedCERA Bylaws, thus requiring Board approval. The request was brought to the Board on May 22, 2025, but the Board did not make a motion. Trustee Harris is requesting the Board review his request.

Per Value Edge Global Events website, "For more than 10 years, ValueEdge Advisors LLC has developed exclusive educational events for investors and fund fiduciaries where global thought leaders and governance experts share knowledge and tools to help repair the financial markets, reshape corporate reform, and create and protect long-term value." Attached is the online forum [agenda](#).

Estimated costs associated with forum attendance include:

- Forum Registration - \$1,075
- Hotel - 2 nights: \$445/night (excluding fees and taxes)
- Air Transportation - \$826
- Taxi, Meals (outside of forum meals), Incidentals, Mileage - \$450

Total estimated costs not including hotel fees and taxes: \$3,241

ValueEdge Advisors LLC

2025 Public Funds Forum

The Big Reset: The Fiduciary's Survival Guide

Sessions Agenda

Tuesday, September 2, 2025

6:00 pm – 6:15 pm:

Welcome and Opening Remarks

Speaker: Richard A. Bennett



Richard A. Bennett

President & Chief Executive Officer

ValueEdge Advisors LLC

[Click here for complete biography](#)

6:15 pm – 7:15 pm:

Session 1: Moving from Strength to Strength in Work, Life, and Happiness



Arthur C. Brooks

Harvard Professor

Leadership and Happiness

[Click here for complete biography](#)

Wednesday, September 3, 2025

8:00 am – 9:00 am:

Session 2: Geopolitics and Trade Wars: Risks and Opportunities

Leading commentators share ideas on emerging international tensions, the tariff debate, what to expect, and how to navigate long-term investing in an uncertain new world order.



Kevin McCarthy

55th Speaker of the House

[Click here for complete biography](#)



Jennifer Granholm

U.S. Secretary of Energy,
Former Governor of Michigan (2003–2011)

[Click here for complete biography](#)



Richard A. Bennett

President & Chief Executive Officer

ValueEdge Advisors LLC

[Click here for complete biography](#)

9:00 am – 10:00 am:

Session 3: The New Sheriff: Shareowner Rights in the Trump Era

Shareowner rights are being recast with the change of the Administration in Washington. How are changes in ERISA and the SEC affecting the institutional investor? What's new and what's coming in the regulatory environment? What tools can pension funds use to protect their portfolios?

10:00 am – 10:15 am:

Networking Break

10:15 am – 11:15 am:

Session 4: Thematic Investing

Pension fiduciaries must continue to provide guaranteed income in an investing world characterized by a revolving series of threats, disruptions, and uncertainties. What strategies are leading investment officers employing for asset allocation? What are the top investment themes being used for long-term sustainability?

11:15 am – 12:00 pm:

Session 5: Global Investors: Is This the Era of the Corporate Insider?

For a half-century, global investors have relied on the strong governance of U.S. companies and laws protecting investors in U.S. markets. But recent U.S. policy and regulatory shifts are tipping the balance of corporate power sharply in favor of insiders and away from institutional investors. A recognized expert will discuss these dramatic shifts in the U.S. regulatory environment, implications for global institutional investors focused on governance and long-term value, and tools for restoring balance.



Richard A. Bennett

President & Chief Executive Officer
ValueEdge Advisors LLC

[Click here for complete biography](#)

12:00 pm – 1:00 pm:

Lunch

1:00 pm – 2:00 pm:

Session 6: A Socratic Conversation on Artificial Intelligence (AI)



Michael Sandel

Harvard University

Political Philosopher

[Click here for complete biography](#)

2:00 pm – 3:00 pm:

Session 7: Challenges to the American Independent Justice System: Hype or Real Cause for Concern?

A panel of former judges and prosecutors survey the ongoing controversies roiling the U.S. Justice Department and the U.S. court system. This panel of U.S. DOJ and judicial veterans discuss their perspectives on the role of independence in the U.S. justice system and the keys to trust and confidence in our justice system.



Darren J. Robbins

Partner

Robbins Geller Rudman & Dowd LLP

[Click here for complete biography](#)

3:00 pm – 4:00 pm:

Session 8: In-Depth Breakout Sessions

1: General Counsel Roundtable – The evolving role of the pension plan’s legal office.

2: The Art of the Chair – Seasoned pension chairs share insights on effective governance.

Thursday, September 4, 2025

8:00 am – 9:00 am:

Session 9: Transitions in Power: Succession Planning for Pension Funds

Veteran pension leaders share insights and practical tips for preparing your pension fund for leadership succession, including scoping, recruiting, and onboarding for the chief executive.

9:00 am – 9:45 am:

Session 10: Politics and Pensions: Keeping Fiduciary Focus in a Politicized Era

Public pension systems are subject to various threads of accountability that are in tension. Public funds are governed by fiduciaries charged by law with duties of loyalty to their beneficiaries and a duty of prudence in maximizing the assets entrusted to them – duties that require a long-term perspective and often short-term pain. On the other hand, they are accountable to their members, the public, and oversight from elected officials and policymakers. Recently, public funds have faced a range of policy and political challenges ranging from restrictions on ESG considerations, to suggestions to divest from Israeli investments, to legal limits on DEI considerations, to efforts to compel pension systems to “nearshore” more investments, to scrutiny on private equity investments. Our panel of experienced fund leaders will discuss how experienced fiduciaries can balance public accountability with fiduciary duties to maximize returns for their members, and how to build trust with stakeholders when facing challenging issues in a low-trust environment.

9:45 am – 10:00 am:

Networking Break

10:00 am – 11:00 am:

Session 11: Treasurers’ Roundtable: Trends in Governance and Investing

In a world of disruption, a panel of State Treasurers discuss emerging issues in the capital markets, asset allocation strategies, and other hot topics in public finance.

11:00 am – 12:00 pm:

Session 12: Lessons of Leadership

With his contagious enthusiasm and indomitable athletic talent, Rob Gronkowski has transcended NFL superstardom to become a fixture of the modern pop culture lexicon. One of the best tight ends the game has ever seen, Gronk's success on the field has not been without challenges. With wit and wisdom, he shares his stories of perseverance through injuries and hard-fought recoveries, his four Super Bowl victories, and how best to overcome challenges and succeed.



Rob Gronkowski

Four-Time Super Bowl Champion

[Click here for complete biography](#)

12:00 pm – 12:10 pm:

Closing Remarks

12:30 pm – 5:30 pm:

***Networking Activities:** Trap Shooting, Whitewater Rafting, Guided Hiking, and Chocolate Academy

*Activities are at an additional cost.