

MCERA PENSION NOTES

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The next MCERA Brown Bag Lunch is August 17, 2016 12:00 noon at the MCERA Office 3199 M Street, Merced
Be sure to RSVP.

INTEREST CREDITING

Merced County Employees Retirement Association (MCERA) active member accounts earned 1.0% interest credited at the end of June 2016. The interest earned on MCERA accounts is tied to the performance of the MCERA investment fund, which was valued at \$666.3 million at the end of May 2016. Interest is credited to member contributions twice each year, on June 30th and December 31st.

Contribution amount information is especially important to members who terminate and wish to withdraw their contributions. A member withdrawing contributions after terminating will have pension benefits forfeited by doing so. If you retire and receive a lifetime retirement benefit, your benefit will not be based on your account balance. Your benefit will be based on years of service, age at retirement, and final average compensation.

Your account balance is equal to your contributions plus the interest credited. In spite of market returns or what happens to the economy, your account balance will not decrease. The amount of interest credited to a member's account is determined by the Board of Retirement pursuant to the MCERA Interest Crediting Policy.

HAPPY 66TH BIRTHDAY MCERA

July 2016 marks the 66th year since MCERA held their very first board meeting. The meeting was held on July 11, 1950 and had 5 Board of Retirement trustees.

In July 1946, the Merced County Board of Supervisors voted to adopt an ordinance giving county voters the opportunity to accept or reject the County Employees Retirement Law as the framework for retirement benefits for county employees. The measure was passed by the voters. MCERA began functioning on July 1950.

Sixty-six years ago there were approximately 547 employees participating in MCERA. Today, there are 4,257 members participating in MCERA (2,022 employees and 2,235 retirees).

INVESTMENTS

Historically, emerging market performance has been closely linked with the U.S. Dollar and commodities. With a weakening dollar and rebounding commodity prices, emerging markets enjoyed a significant rally in Q1 2016. Elevated volatility in world markets have resulted from concerns about global economic growth and the on-going weakness of commodity prices, emerging market currencies and the widening of credit spreads.

UPDATING INFORMATION

Life is continually changing for many MCERA members. We change addresses, change phone numbers, change marital status, experience deaths in our family, change names, and so on. For active members still employed, it's important to keep your employer updated for any such changes to insure your records are updated. Active members may contact MCERA for beneficiary changes but other changes need to be made via your department. Retired members should advise MCERA directly of changes to ensure MCERA records are kept updated and are as accurate as possible.

REMCO

Retired Employees of Merced County Association Incorporated (REMCOAI or otherwise referred to as REMCO) is an organization comprised of MCERA retirees. REMCO's primary purpose is to keep retirees informed of issues directly affecting their retirement and to provide a 'collective voice' in protecting and improving retiree benefits.

If you are interested in joining REMCO, or in visiting sometime just to see what it's like, you are welcome to attend a REMCO meeting. Meetings are held on the second Tuesday of March, June, September and December at 11:30am at the Merced Elks Lodge, located at 1910 M Street in Merced.

Retirement Board

- Darlene Ingersoll,
Chair
- Michael Rhodes,
Vice Chair
- Alfonse Peterson,
Secretary
- Karen Adams
- Deidre Kelsey
- Ronald Kinchloe
- David Ness
- Jim Pacheco
- Ryan Paskin
- Scott Johnston

RETURNING TO WORK

Many retired members remain active and some are even returning to the workplace after retiring. There are two ways for MCERA members with a service retirement to return to work for an MCERA covered employer.

Temporary re-employment: For service retirees temporarily re-employed with an MCERA employer such as Merced County or any other participating plan sponsor, there is no effect on their MCERA retirement benefit payment. Temporary employment allows them to work in an hourly position requiring special skills or knowledge for up to 960 hours (equal to 120 eight-hour days) per fiscal year (July 1 through June 30). MCERA retirees can also receive compensation as a juror, voter registration election officer, judge, Board of Retirement member, independent contractor or elected official without affecting their retirement benefit.

Retirees must wait 180 calendar days

following the last day of employment as a regular employee before they may return to work. Certain special circumstances apply to the 180 day waiting period; for example the employer can certify that the employment is necessary to fill a critically needed position, or the retiree is a Safety member. Temporary employment will not reinstate a retiree as an active member so that retired member's MCERA benefit will not be suspended and they will continue to receive a retirement allowance. Members who retire prior to reaching normal retirement age must also comply with MCERA's Normal Retirement Age Policy of a 60 day break in service.

Regular re-employment: When a service retiree returns to work in a regular position with an MCERA plan sponsor as an active member, they must immediately notify MCERA. Their retirement allowance will also be suspended while they work in that position. Upon separation from the second period of employment, a retirement benefit will be paid to the employee based on the years of service and benefit formula that was accrued.

MCERA Board Meetings

- July 14
- July 28
- August 11
- August 25
- September 8
- September 22

Meetings are held on the second and fourth Thursday of every month, with some exceptions.

Meetings begin at 8:15 am