



# MARIPOSA COUNTY

Auditor • (209) 966-7606



## RESOLUTION - ACTION REQUESTED 2019-413

MEETING: July 16, 2019  
TO: The Board of Supervisors  
FROM: Luis Mercado,  
RE: Promissory Note with Superior Court of California, County of Mariposa

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### RECOMMENDATION AND JUSTIFICATION:

Approve an Agreement/Promissory Note with the Superior Court of California, County of Mariposa to Make Payments to the County of Mariposa for the FY 19/20 CalPERS Unfunded Liability Payment for the County of Mariposa Miscellaneous Retirement Plan, and authorize the Board of Supervisors Chair to sign the agreement.

The County of Mariposa will be making a lump sum payment to CalPERS in the amount of \$2,785,133 for the FY 19/20 amortized portion of the unfunded liability for the County of Mariposa Miscellaneous retirement plan. A portion of this payment, estimated by the Auditor based on projected payroll in the amount of \$79,786.62 is attributable to the Superior Court of California, County of Mariposa (Court). The Court has requested to make payments on a monthly basis rather than a lump sum payment at the beginning of the year. In order to accommodate this request, the Auditor has created a promissory note creating a monthly payment schedule for the Court's portion of the unfunded liability payment. The annual interest rate used in the payment schedule is 2.45%, which is an estimate by the Treasurer/Tax Collector of the interest rate that will be earned on County investments for FY 19/20.

### BACKGROUND AND HISTORY OF BOARD ACTIONS:

In previous fiscal years, the unfunded liability portion of CalPERS retirement contributions was built into the employer contribution percentage paid on monthly payroll reported to CalPERS. FY 19/20 is the third year that the unfunded liability payment for the Miscellaneous plan will be paid as a dollar amount as opposed to a percentage.

A similar payment agreement was approved by the Board for FY 17/18 with Resolution Number 2017-529 on August 8, 2017 and for FY 18/19 with Resolution Number 2018-381 on August 7, 2018.

### ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Without this agreement in place, there would be no payment plan by which the Court could reimburse the County of Mariposa for its share of the FY 19/20 unfunded liability payment for the County of Mariposa Miscellaneous retirement plan.

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**FINANCIAL IMPACT:**

**No cost associated with this Board Item.**

**ATTACHMENTS:**

**19-20 Court UAL Promissory Note signed (PDF)**

**RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]**

**MOVER:** Marshall Long, District III Supervisor

**SECONDER:** Merlin Jones, District II Supervisor

**AYES:** Smallcombe, Jones, Long, Cann, Menetrey