Richard A. White, Jr.
Retirement Administrator

Telephone: (707) 463-4328
(707) 467-6473
Fax: (707) 467-6472

MENDOCINO COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
625-B KINGS COURT
UKIAH, CALIFORNIA 95482-5027

Date: May 8, 2013
To: Board of Retirement
From: Richard White, Retirement Administrator
Subject: Proposed Fiscal Year 2013-2014 Budget

Summary

The MCERA Budget Adoption Policy provides that the Fiscal Year budget be presented for review and recommendation by the Audit and Budget Committee during April and for adoption by the Board during the month of May.

The Audit and Budget Committee met on April 30, 2013 and the Fiscal Year budget presented for adoption by the Board is the Committee's recommended budget

Staff Recommendation

Adopt the Fiscal Year 2013-2014 Budget.

Background

As provided for in *Government Code Section 31580.2*, the Board of Retirement shall annually adopt a budget covering the entire expense of administration of the retirement system which expense shall be charged against the earnings of the retirement fund The expense incurred in any year may not exceed the greater of either of the following:

(1) Twenty-one hundredths of 1 percent of the accrued actuarial liability of the retirement system.
(2) Two million dollars ($2,000,000), as adjusted annually by the amount of the annual cost-of-living adjustment computed in accordance with Article 16.5 (commencing with Section 31870).

The MCERA Budget Adoption Policy has adopted section (1). The Board of Retirement may adopt section (2) upon a separate vote of the Board.

Government Code Section 31580.2 further states that expenditures for computer software, computer hardware, and computer technology consulting services in support of these computer products shall not be considered a cost of administration of the retirement system for purposes of this section.

Government Code Section 31596.1 states that the expenses of investing its money shall be borne solely by the system. The following types of expenses shall not be considered a cost of administration of the retirement system, but shall be considered as a reduction in earnings from those investments or a charge against the assets of the retirement system as determined by the board.

a) The costs, as approved by the board, of actuarial valuations and services rendered pursuant to Section 31453.
b) The compensation of any bank or trust company performing custodial services.
c) When an investment is made in deeds of trust and mortgages, the fees stipulated in any agreement entered into with a bank or mortgage service company to service such deeds of trust and mortgages.
d) Any fees stipulated in an agreement entered into with investment counsel for consulting or management services in connection with the administration of the board's investment program, including the system's participation in any form of investment pools managed by a third party of parties.
e) The compensation to an attorney for services rendered pursuant to Section 31607 or legal representation rendered pursuant to Section 31529.1.

Discussion

For your reference, the following attachments are provided:

1. Proposed fiscal year 2013-2014 budget
2. Power point budget presentation
3. Actual expenses for Fiscal Year 2012-2013 (through March 31, 2013)
4. SACRS system staffing level comparison
5. Proposed organizational chart, staffing plan and personnel cost
6. Class specification for Accountant position
7. Class specification for Administrative Assistant position
8. Board of Retirement education and conference planning sheet
9. Staff education and training planning sheet

This section is a discussion of the components and the projected amounts for the fiscal year budget.

1. <u>STAFFING</u>

It is proposed to add one full-time equivalent position and to re-classify one existing full-time position to the MCERA administrative staff that includes a full-time Accountant position and an Administrative Assistant position

The reason for the request to include one full-time added position to the current staffing level of the Association that is comprised of four full-time positions with an Administrator and three retirement specialists is important to consider.

The services provided to the members and beneficiaries, the responsibilities to administer the Association and the support provided to the Board of Retirement include a workload greater than the current level of staffing can adequately support.

The public pension fund operation is more complex, the environment is more challenging and the expectations placed upon the Board of Retirement and the Association staff is higher than ever before.

Adding new responsibilities, meeting the strategic plan goals and objectives or changing workflow processes to best practices will be difficult to achieve with the current level of staffing.

The staff is at their fully maximized working capacity now which makes it difficult to meet the MCERA mission and objectives. There is little room for additional work processes, customer service time is restricted and training is difficult to make appropriate time for as the workload piles up when the staff member is away from the office.

Succession planning is extremely limited with such a small staff as are the opportunities for employee growth inside the Association are limited – both developmentally and financially. Job responsibilities are split between the staff members reducing effectiveness; subjects work to error and omissions; makes training more difficult and makes accountability harder to address.

The Association is subject to stakeholder, public and Board criticism about its operations, its communications and its past. The Association takes on more risk without added resources in people, processes and tools. Staying where we are is the best case scenario.

The ability to implement change, increase accountability, improve transparency, responsiveness to stakeholders, members, beneficiaries, plan sponsors and oversight groups is limited to the resources in place. The status quo increases the risk of not achieving the desired outcomes set by the Board of Retirement.

There is a baseline staffing level needed to cover the core requirements for a retirement system which exists regardless of the size of the system. Although the scale of MCERA is the smallest of other comparable California pension systems, our responsibilities to provide pension benefits are no smaller than those of the largest public pension systems.

The staffing of other similarly sized SACRS systems shows that they have administrative staff, accounting staff, benefits staff and operations staff in order to meet their mission. MCERA does not have accounting or operations staff. The chart in **attachment 4** shows that the smallest of the other SACRS systems have a staffing level nearly twice the size of MCERA.

Positions:

The proposed structure and personnel expense is shown on the Organizational Chart in **attachment number 5**.

The accountant position would perform a number of financial and investment related duties for the Association including updating financial reports including the balance sheet, income statement, and changes in market value of assets, and reconciling all balance sheet accounts and annual financial activities including assisting in the external audit, actuarial valuation, State Controllers Report, CAFR, federal survey of retirement systems and SACRS comparative survey of 1937 Act systems. The position will support the annual actuarial valuation preparation and the annual financial audit report. (Please refer to class specifications in **Attachment 6** for further information)

At the April meeting, the Board directed that the Accountant position be included in this fiscal year budget and that it be staffed as a 32-hour position, including benefits. It should be noted that this budget was prepared to include the cost of a full-time 40-hour position which was done as a conservative approach. The difference in the cost of the position between the 40-hour and 32-hour approach equals $12,735 from the amount included in this proposed budget.

The administrative assistant position would perform a variety of highly complex administrative functions and would provide support to the administrator and Board of Retirement, as well as the other MCERA staff. The inclusion of this position is intended to align the current job duties performed by a retirement specialist that are likely now being done outside the scope of that class specification. The administrative assistant position assumes many of the duties that were previously performed by the Retirement Coordinator position and that were not transferred into another class specification but being performed by a Retirement Specialist II.

A retirement specialist position II would be eliminated from the organization. The net cost of the re-classification to the Administrative Assistant position and the elimination of the Retirement Specialist II position is an annual increase of $1,319.10. (Please refer to class specifications in **Attachment 7** for further information)

2. ADMINISTRATIVE EXPENSES
    a. Communications
        i. This category includes the contract with Mendocino Access TV, periodicals and other expenses related to communication with plan sponsors, members and beneficiaries, and stakeholders.
    b. General Insurance
        i. This category is the annual charge by the County of Mendocino for risk management general liability insurance which is based upon the number of employees in the Association which covers them for work done in the course and scope of their employment.
    c. Memberships
        i. This category is for memberships that the Association holds in pension or governmental organizations which provide a benefit to the operation to MCERA.
            1. California Association Public Retirement Systems (CALAPRS)
            2. Government Finance Officers Association (GFOA)
            3. State Association of County Retirement Systems (SACRS)
    d. Office Expenses
        i. This category includes expenses associated with the operation of the MCERA business office. Includes office and business supplies, mailing and delivery services, copier and duplication services, telephone and cell phone service.
    e. Legal Services
        i. Includes the services of our retained tax counsel, legal counsel and fiduciary counsel. Legal services pertaining to disability applications are included in the disability category.
    f. Contracts
        i. Include contract service providers not covered in another category for service provided in the business operation.

g. Travel In-County
    i. This category includes expenses associated with mileage reimbursement for employees when they use their personal vehicle for Association business.
h. Board Education and Conferences
    i. This category includes the out-of-county travel costs, tuition and miscellaneous costs associated with Board member attendance at approved training and education events.
    ii. Please refer to the **attachment 8** for specific information on the category.
i. Staff Training and Education
    i. This category includes the travel, tuition and miscellaneous costs associated with Staff member attendance at training and education events.
    ii. Please refer to the **attachment 9** for specific information on the category.
j. Auditing
    i. This category includes the professional services contract for the MCERA external auditor who provides the audited financial statements, CAFR review and miscellaneous consulting work associated with the financial operations.
k. Insurance
    i. This category is for the Board's fiduciary insurance policy.

3. DISABILITY
    a. Due Diligence
        i. This category includes legal services for the disability applications that are handled by the Association post action by the Board of Retirement.
    b. Hearings
        i. This category includes the administrative hearing officers, court reporters and associated legal services during post-Board of Retirement action.
    c. Medical Reviews
        i. This category includes the fees for services provided by Association medical providers, medical reviewers and our medical advisor in the processing of disability applications.

4. 625 Kings Court
    a. Building expenses
        i. This category was previously included in the budget although the expenses associated with this category are incorporated into the lease payments made by the Association tenants that include the State of California and MCERA administrative office. The income and expenses associated with the ownership of the building by the trust fund is included in the monthly cash flow financial report in the investment income section under 'rental income, net of expenses'.
    b. Imputed rent
        i. This category is for the imputed rent expense for the MCERA administrative office and is calculated using the same metrics as the actual lease rate charged to the other tenant in the Kings Court building.

5. Technology
    a. This category includes the technology consulting services contract and expenses related to computer hardware and software.

6. Investment Expenses
    a. This category includes fees directly paid to our investment managers, investment consulting services and actuarial consulting services contract which includes the triennial experience study, the annual actuarial valuation and other actuarial services.

Raw
Attachments

Mendocino County Employees Retirement Association
Fiscal Year 2013/2014
Proposed Budget to the Board of Retirement (May 8, 2013)

	FY 2011/12 BUDGET	FY 2012/13 BUDGET	FY 2013/14 BUDGET	PERCENTAGE	NOTES
Personnel					
Gross Regular Salaries	$ 283,877	$ 254,617	$ 309,816	122%	(1)
Extra Help	2,000	15,000	-	0%	
Retirement	51,201	59,032	78,866	134%	
Social Security	15,737	13,599	16,890	124%	
Social Security B	3,957	3,448	4,270	124%	
Retirement Cola	22,838	27,957	30,075	108%	
Health Insurance	48,689	51,030	54,638	107%	(2)
Unemployment Insurance	2,951	3,215	3,215	100%	(3)
Workers Comp	1,498	1,711	1,711	100%	(3)
Total 1920	$ 432,748	$ 429,609	$ 499,481	116%	
Administrative				**PERCENTAGE**	
Communications	2,450	2,450	2,600	106%	
General Insurance	1,328	1,328	1,400	105%	
Membership	6,000	6,000	5,000	83%	
Office Expense	11,550	13,000	12,000	92%	
Legal Expense	50,000	100,000	100,000	100%	
Contracts	9,750	100,250	38,200	38%	
Travel In-County	300	300	600	200%	
Board Education and Conferences	20,000	22,500	35,000	156%	
Staff Education and Training	-	5,000	15,000	300%	
Audit	20,000	30,000	30,000	100%	
Fiduciary Insurance	35,000	35,000	37,605	107%	
Subtotal	$ 156,378	$ 315,828	$ 277,405	88%	
Total	$ 589,126	$ 745,437	$ 776,886	104%	
Disability				**PERCENTAGE**	
Disability Due Diligence	50,000	50,000	25,000	50%	
Disability Hearings	20,000	20,000	20,000	100%	
Medical Reviews	15,000	35,000	45,000	129%	
Subtotal	$ 85,000	$ 105,000	$ 90,000	86%	
625-B Kings Court				**PERCENTAGE**	
Building Expenses	17,500	25,000	-	0%	(4)
Imputed Rent	51,200	51,200	51,531	101%	
Subtotal	68,700	76,200	51,531	68%	
Total Admin. Budget	**$ 742,826**	**$ 926,637**	**$ 918,417**	99%	
CERL Administrative Cap	**$ 2,000,000**	**$ 2,000,000**	**$ 2,000,000**		(5)
Balance left over	**$ 1,257,174**	**$ 1,073,363**	**$ 1,081,583**		
MCERA Policy Cap	**$ 992,553**	**$ 1,026,930**	**$ 1,077,134**		(6)
Balance	**$ 249,727**	**$ 100,293**	**$ 158,717**		
Basis Points Test	0.16	0.19	0.18		
AAL	$ 472,644,283	$ 489,014,364	$ 512,921,000		(7)
Date	**6/30/2011**	**6/30/2012**	**6/30/2013**		
Technology				**PERCENTAGE**	
Automation	210,118	300,090	120,000	40%	(8)
Subtotal	$ 210,118	$ 300,090	$ 120,000	40%	
Investment				**PERCENTAGE**	
Alliance Berstein Fees	35,000	$ 39,000	$ 45,000	115%	
Mondrian Fees	-	105,000	$ 120,000		
Bond Manager Fees	135,000	-	-		
Investment Consultants	140,000	145,600	145,600	100%	
Actuary Services	90,000	70,000	70,000	100%	
Subtotal	$ 400,000	$ 359,600	$ 380,600	106%	
Total	**$ 1,352,944**	**$ 1,586,327**	**$ 1,419,017**	89%	

NOTES:

1. Staffing level includes 6 Full-Time Equivalent Positions.
2. Administrator opted out of health insurance
3. Single charge per Fiscal Year
4. Building expenses included in 'imputed rent' paid by MCERA to Trust Fund
5. Government Code Section 31580.2 cap on administrative expences
6. MCERA policy limits administrative expenses at .21% of Actuarial Accrued Liability, without separate Board action
7. Actuarial Accrued Liability for June 30, 2013 estimated by Segal Company
8. Linea Solutions technology consulting contract

MCERA BUDGET
FISCAL YEAR 2013-2014

The Retirement Administrator will present to the Board of Retirement a proposed budget for the next fiscal year that supports the initiatives set out in the Strategic Plan.

The Budget will be presented for review and recommendation by the Audit and Budget Committee during April and for adoption by the Board during the month of May.

Source: MCERA Budget Adoption Policy.

MAY 8, 2013

BUDGET AUTHORITY

Government Code Section 31580.2, the Board of Retirement shall annually adopt a budget covering the entire expense of administration of the retirement system which expense shall be charged against the earnings of the retirement fund

The expense incurred in any year may not exceed the greater of either of the following:

(1) Twenty-one hundredths of 1 percent of the accrued actuarial liability of the retirement system.

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The MCERA Budget Adoption Policy has adopted section (1). The Board of Retirement may adopt section (2) upon a separate vote of the Board.

BUDGET AUTHORITY

Government Code Section 31580.2(b) further states that expenditures for computer software, computer hardware, and computer technology consulting services in support of these computer products shall not be considered a cost of administration of the retirement system for purposes of this section.

BUDGET AUTHORITY

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The following types of expenses shall not be considered a cost of administration of the retirement system, but shall be considered as a reduction in earnings from those investments or a charge against the assets of the retirement system as determined by the board.

The costs, as approved by the board, of actuarial valuations and services rendered pursuant to Section 31453.

The compensation of any bank or trust company performing custodial services.

When an investment is made in deeds of trust and mortgages, the fees stipulated in any agreement entered into with a bank or mortgage service company to service such deeds of trust and mortgages.

Any fees stipulated in an agreement entered into with investment counsel for consulting or management services in connection with the administration of the board's investment program, including the system's participation in any form of investment pools managed by a third party of parties.

The compensation to an attorney for services rendered pursuant to Section 31607 or legal Representation rendered pursuant to Section 31529.1.

BUDGET SUMMARY

Total Budget Request for Fiscal Year 2014	$ 1,419,017
Less: Computer Software, Hardware, Technology Consulting and Support Services	120,000
Less: Expenses of Investing Moneys	380,600
Fiscal Year 2014 Amount Subject to 21 Basis Points Limitation	$ 918,417
Projected Accrued Actuarial Liability as of June 30, 2013	$ 512,921,000
21 Basis Points of Projected Accrued Actuarial Liability	1,077,134
Budgeted Amount Expressed as Basis Points of Projected Accrued Actuarial Liability	0.18

STRATEGIC PLAN

- The proposed fiscal year 2013-2014 budget supports initiatives set out in the Strategic Plan:
  - Assess technological needs for all key functions of the organization and revisit the previously prepared IT roadmap;
  - Complete the IRS Voluntary Correction Program;
  - Re-evaluate the organizational structure, the assignment of responsibilities, and job descriptions;
  - Pursue staff development, cross-training, and succession planning;
  - Decide the most cost-effective way of handling accounting functions;

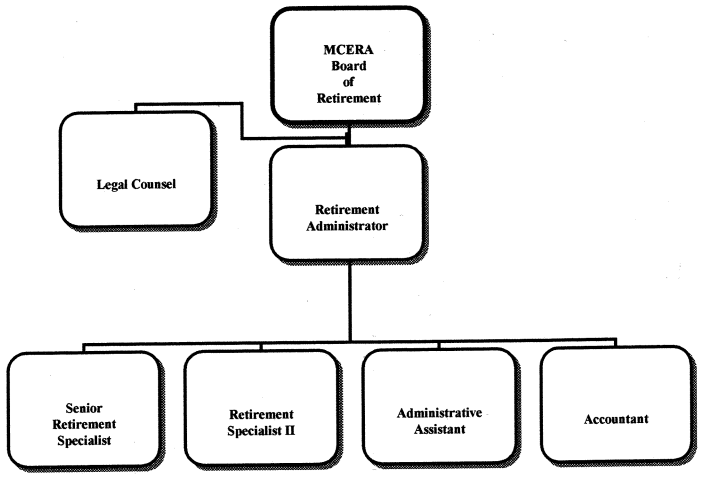
BUDGET COMPARISON

	FY 2012 Budget	FY 2013 Budget	FY 2014 Budget
PERSONNEL	432,748	429,609	499,481
ADMINISTRATIVE	156,378	315,828	277,405
DISABILITY	85,000	105,000	90,000
625 KINGS COURT	68,700	76,200	51,531
TECHNOLOGY	210,118	300,090	120,000
INVESTMENT	400,000	369,600	380,600
TOTAL MCERA BUDGET	1,352,944	1,586,327	1,419,017

BUDGET DETAIL

- The proposed budget will organize expenditures into the following categories, per policy:
- Personnel;
- Administrative;
- Disability;
- 625 Kings Court;
- Technology;
- Investments;
- Other functions.

PERSONNEL EXPENDITURE



ORGANIZATIONAL CHART

PERSONNEL EXPENDITURE

Proposed Staffing Plan			
	Salary	**Benefits**	**Total**
Retirement Administrator	$ 128,827	$ 54,475	$ 183,302
Sr. Retirement Specialist	49,418	32,513	81,931
Retirement Specialist II	38,986	35,315	74,301
Administrative Assistant	45,712	38,343	84,056
Accountant	46,874	24,092	70,966
(Insurance)	0	4,926	4,926
Totals	**$ 309,817**	**$ 189,664**	**$ 499,481**

5 Full-time equivalent positions.

Accountant position filled 32 hours with benefits will reduce personnel budget by $12,735.

Administrative Assistant position is reclassified from Retirement Specialist II with an increase in total annual compensation of $ 1,319.10.

ADMINISTRATIVE EXPENSES

Printing	0
Mendocino Access TV	2400
Periodicals	195
Other	5
TOTAL	2600

COMMUNICATIONS

ADMINISTRATIVE EXPENSES

General Liability	1,400
TOTAL	1,400

GENERAL INSURANCE

ADMINISTRATIVE EXPENSES

CALAPRS	500
GFOA	355
SACRS	4,000
Other	145
TOTAL	5,000

MEMBERSHIPS

ADMINISTRATIVE EXPENSES

AT&T	1,800
Toshiba Copier	3,600
Verizon	240
All Other	6,360
TOTAL	12,000

OFFICE EXPENSES

ADMINISTRATIVE EXPENSES

Tax Counsel	30,000
Fiduciary Counsel	0
Legal Counsel	70,000
TOTAL	100,000

LEGAL SERVICES

ADMINISTRATIVE EXPENSES

Small World Solutions	700
Fechter Accounting	37,500
TOTAL	38,200

CONTRACTS

ADMINISTRATIVE EXPENSES

Mileage Reimbursement	600
TOTAL	600

TRAVEL IN-COUNTY

ADMINISTRATIVE EXPENSES

SACRS Conference	18,000
Stipends	7,500
SACRS Pension Investment Program	3,500
Callan Institute	3,000
Principles of Pension Management	3,000
TOTAL	35,000

BOARD EDUCATION AND CONFERENCES

ADMINISTRATIVE EXPENSES

SACRS Conference	5,400
Callan Institute	750
CALAPRS Roundtable	5,000
CALAPRS Intermediate Course	1,300
Other	2,550
TOTAL	15,000

STAFF EDUCATION AND TRAINING

ADMINISTRATIVE EXPENSES

Gallina, LLP	
Audit Contract	20,000
CAFR Review	5,000
Other Services	5,000
Total	30,000

AUDITING

ADMINISTRATIVE EXPENSES

Fiduciary Liability Insurance	
TOTAL	37,605

FIDUCIARY INSURANCE

DISABILITY EXPENSES

Legal Services	25,000
Hearings	20,000
Medical Reviews	45,000
TOTAL	90,000

DISABILITY APPLICATION PROCESSING

625-B KINGS COURT

Imputed Rent	51,531
TOTAL	51,531

BUILDING EXPENSES

TECHNOLOGY

Technology Consulting	120,000
TOTAL	120,000

IT EXPENSES

INVESTMENT EXPENSES

Manager Fees, paid directly to firm	165,000
Consultant Services	145,600
Actuarial Services	70,000
TOTAL	380,600

INVESTMENT EXPENSES

CONCLUSION

- Budget complies with MCERA Budget Adoption Policy.
- Budget is under the CERL statutory administrative cap limit.
- Includes one new full-time equivalent position.
- Budget is consistent with other similarly sized public pension systems.
- Budget implements best practices and strategic plan objectives.

Actual Expense Worksheet
March 31, 2013
Preliminary Report

FY 2012/13	BUDGET APPROVED	BUDGET REVISED	ACTUAL	AVAILABLE/UNSPENT	PERCENTAGE	NOTES
Personnel						
Gross Regular Salaries	$ 319,616	$ 254,617	$ 184,265	$ 70,352	72%	(1)
Extra Help	15,000	15,000	-	15,000	0%	
Retirement	75,162	59,032	42,625	16,407	72%	
Social Security	17,629	13,599	10,757	2,842	79%	
Social Security B	4,390	3,448	2,516	932	73%	
Retirement Cola	27,957	27,957	20,175	7,782	72%	
Health Insurance	51,030	51,030	29,304	21,726	57%	(2)
Unemployment Insurance	3,215	3,215	3,215	-	100%	(3)
Workers Comp	1,711	1,711	1,388	323	81%	(3)
Total 1920	$ 515,710	$ 429,609	$ 294,244	$ 135,364	68%	
Administrative	**APPROVED**	**REVISED**	**ACTUAL**	**AVAILABLE/UNSPENT**	**PERCENTAGE**	
Communications	2,450	2,450	1,640	810	67%	
General Insurance	1,328	1,328	879	449	66%	
Membership	6,000	6,000	5,050	950	84%	
Office Expense	13,000	13,000	6,795	6,205	52%	
Legal Expense	60,000	100,000	95,913	4,087	96%	(4)
Contracts	22,250	97,250	48,590	48,661	50%	(5)
Travel In-County	300	300	486	(186)	162%	
Travel Out of County	-	-	-	-		
Board Education	22,500	22,500	17,439	5,061	78%	
Staff Meetings/Ed	5,000	15,000	10,291	4,709	69%	(9)
Audit	30,000	34,950	27,763	7,188	79%	(11)
Fiduciary Insurance	35,000	35,000	37,605	(2,605)	107%	(6)
Subtotal	$ 197,828	$ 327,778	$ 252,450	$ 75,328	77%	
Total	$ 713,538	$ 757,387	$ 546,694	$ 210,693	72%	
Disability	**APPROVED**	**REVISED**	**ACTUAL**	**AVAILABLE/UNSPENT**	**PERCENTAGE**	
Disability Due Diligence	50,000	50,000	9,265	40,735	19%	
Disability Hearings	20,000	20,000	-	20,000	0%	
Medical Reviews	15,000	35,000	19,199	15,801	55%	(7)
Subtotal	85,000	105,000	28,464	76,536	27%	
625 Kings Court	**APPROVED**	**REVISED**	**ACTUAL**	**AVAILABLE/UNSPENT**	**PERCENTAGE**	
Building Expenses	25,000	25,000	22,058	2,942	88%	
Imputed Rent	51,200	51,200	38,400	12,800	75%	
Subtotal	76,200	76,200	60,458	15,742	79%	
Total Admin. Budget	**$ 874,738**	**$ 938,587**	**$ 635,616**	**$ 302,971**	68%	
Administrative Cap	**$ 1,026,930**	**$ 1,026,930**	**$ 1,026,930**	**$ 1,026,930**		**(A)**
Balance	**$ 152,192**	**$ 88,343**	**$ 391,314**	**$ 723,959**		
Technology	**APPROVED**	**REVISED**	**ACTUAL**	**AVAILABLE/UNSPENT**	**PERCENTAGE**	
Automation	300,090	300,090	19,367	$ 280,723	6%	(10)
Subtotal	$ 300,090	$ 300,090	$ 19,367	**$ 280,723**	6%	
Investment	**APPROVED**	**REVISED**	**ACTUAL**	**AVAILABLE/UNSPENT**	**PERCENTAGE**	
Alliance Berstein Fees	$ 39,000	$ 39,000	$ 22,578	$ 16,422	58%	
Investment Consultants	140,000	145,600	71,400	74,200	49%	(8)
Mondrian Fees	105,000	105,000	-	105,000	0%	
Cornerstone Fees	110,000	110,000	-	110,000	0%	
Actuary Services	70,000	70,000	62,368	7,632	89%	
Subtotal	$ 464,000	$ 469,600	$ 156,346	$ 313,254	33%	
Total	**$ 1,638,828**	**$ 1,708,277**	**$ 811,329**	$ 896,947	47%	

NOTES:

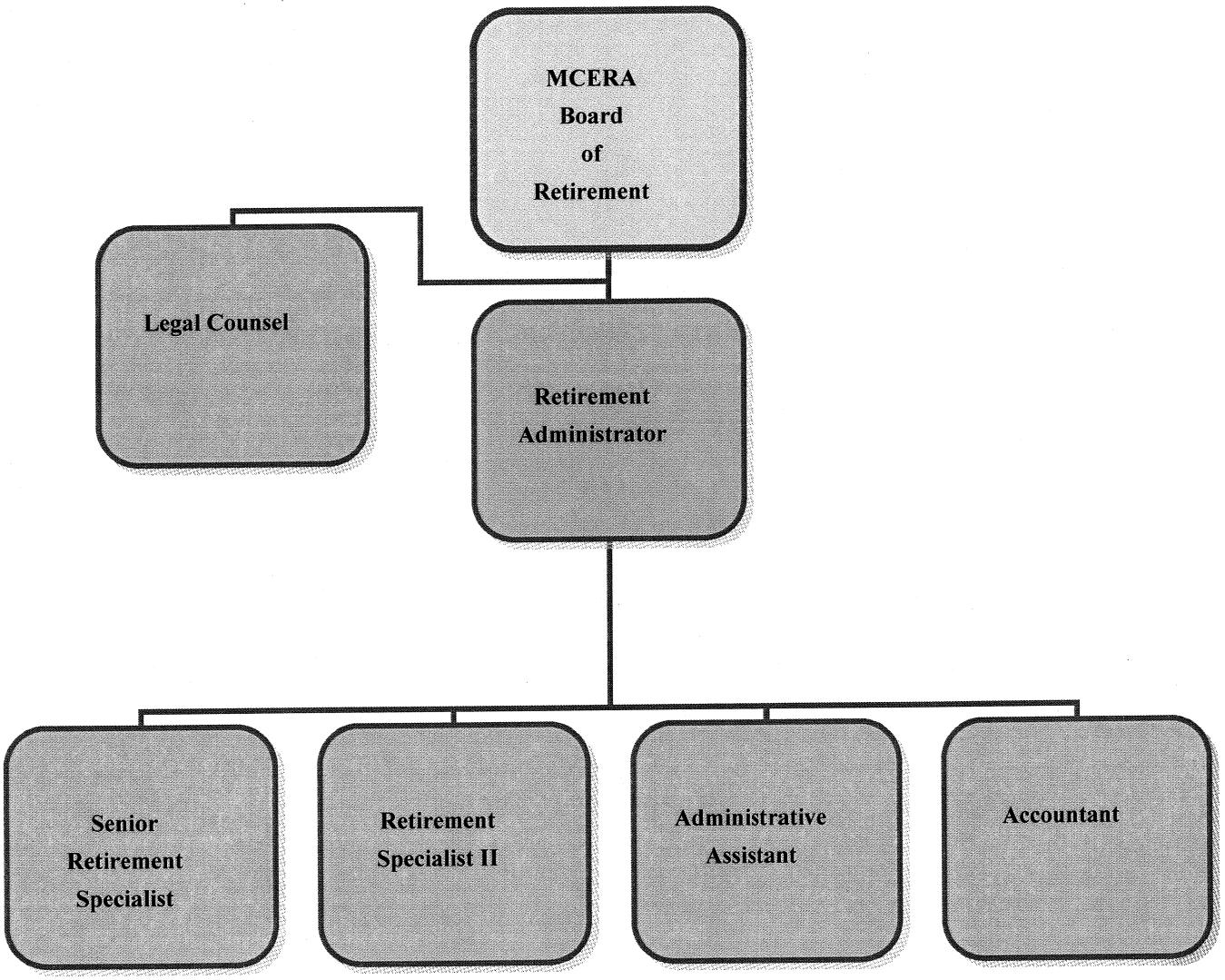
A.	Set to .21% of Actuarial Accrued Liability ($489,014,364) as of 6/30/2012
1.	FTE accountant position removed
2.	Retirement Administrator Opted Out
3.	Single charge for Fiscal Year
4.	Revised includes Hanson Bridgett Contract Addition ($40,000); Excluded $26633 charged to Buck settlement
5.	Revised includes Fechter Contract Addition ($75,000); Jim Andersen; Assessor ($3,000);HEK travel expense;
6.	Premium increase
7.	Revised includes Medical Advisor contract ($20,000)
8.	Revised includes new Callan Associates contract
9.	Revised includs $10,000 addition approved by BOR on 2/20/2013
10.	Includes IT consultant contract ($63,096.00) and imaging project budget
11.	Includes Annual Contract ($20,000); Additional services ($10,000); CAFR Review ($4950).

MCERA
Fiscal Year 2013-2014
Proposed Budget
Staffing Level Comparison

Staffing Comparison Fiscal Year 2013-2014	MENDOCINO	MERCED	IMPERIAL	TULARE	STANISLAUS	MARIN	SONOMA	SANTA BARBARA
TOTAL ASSET SIZE	$ 343,136,515	$ 516,069,729	$ 578,167,766	$ 1,090,649,681	$ 1,550,576,831	$ 1,627,007,542	$2,071,106,962	$ 2,307,806,267
ACTIVE MEMBERS	1069	1427	1921	4291	3868	2546	3637	4072
RETIREE MEMBERS	1217	1998	977	2424	3123	2545	4208	3507
ADMINISTRATIVE BUDGET	$ 698,463	$ 1,189,030	$ 887,446	$ 1,720,190	$ 2,144,748	$ 3,013,917	$ 3,177,276	$ 3,438,000
STAFF SIZE	4	7	7	10	12	19	15	20
ADMINISTRATOR/CEO	1	1	1	1	1	1	1	1
ASSISTANT ADMIN/CEO	0	0	1	1	0	1	1	1
LEGAL COUNSEL	0	0	0	0	1	0	0	0
CHIEF INVESTMENT OFFICER	0	0	0	0	0	0	0	0
ACCOUNTANT	0	1	1	1	1	1	2	1
ACCOUNTING STAFF	0	0	0	0	0	1	0	2
BENEFITS STAFF	3	2	4	4	4	6	4	7
DISABILITY STAFF	0	0	0	0	0	1	1	3
FINANCIAL STAFF	0	1	0	1	0	1	1	0
INVESTMENT STAFF	0	0	0	0	0	0	2	1
OPERATIONS STAFF	0	2	0	2	5	7	3	4
CAFR DATE	6/30/2012	6/30/2012	6/30/2012	6/30/2012	6/30/2012	6/30/2012	12/31/2012	6/30/2012

4.

MCERA Organization Chart
Proposed Fiscal Year 2013-2014



Proposed Staffing Plan			
	Salary	**Benefits**	**Total**
Retirement Administrator	$ 128,827	$ 54,475	$ 183,302
Sr. Retirement Specialist	49,418	32,513	81,931
Retirement Specialist II	38,986	35,315	74,301
Administrative Assistant	45,712	38,343	84,055
Accountant	46,874	24,092	70,966
(Insurance)	0	4,926	4,926
Totals	**$ 309,817**	**$ 189,664**	**$ 499,481**

MENDOCINO COUNTY GOVERNMENT
CLASS SPECIFICATION

CLASS TITLE: ACCOUNTANT
DEPARTMENT: AUDITOR/CONTROLLER
REPORTS TO: AUDITOR/CONTROLLER
CIVIL SERVICE: YES

CLASS CODE: 0019/0046 CONF
FLSA STATUS: E
DATE: 10/99 Rev. 2/07 Rev. 8/07
BARGAINING UNIT: SEIU or CONFIDENTIAL

JOB SUMMARY:
Under direction, performs professional level accounting work in the preparation and analysis of accounting records, reports, fiscal and statistical statements regarding financial status, expenses and operating procedures. Performs technical and administrative tasks in the processing and maintenance of budgets, expenditures, grants, payroll contracts and other financial and related data.

DISTINGUISHING CHARACTERISTICS:
Accountant is the professional journey level in accounting series. Accountant is distinguished from the Account Specialist series in that it is responsible for performing professional level accounting duties requiring a greater depth of technical knowledge and responsibility. Accountant is distinguished from Auditor by the latter's professional level auditing work including: analyzing a variety of financial operations, performing complex accounting and/or auditing functions and issuing reports of findings; and preparing financial statements.

SUPERVISION EXERCISED:
Accountants may exercise technical direction over technical/paraprofessional staff but do not provide direct supervision.

EXAMPLES OF DUTIES: *Duties may include but are not limited to the following:*
- Performs accounting and fiscal operations unique to Auditor/Controller. Performs audits, reconciliations and appraisals of the accounting and financial systems, accounts, funds and related activities to ensure accuracy and that adequate internal control, sufficient security, and auditability are present.
- Reviews accounting, auditing and/or regulatory reports to ensure financial compliance and integrity, to analyze findings, provide budget forecasting information and to interpret conclusions.
- Maintains and analyzes a variety of grants, funds and contracts; trains department representatives in entering related data.
- Performs tasks associated with revenue projection, appropriation/revenue accounting and data reporting for transportation funds.
- Performs calculations to determine tax liability, outstanding checks, depreciation, etc.
- Compiles information/data for County Budget Book.
- Tracks asset forfeitures.
- Performs audits related to special assignments including checking accuracy of entries and examining routine documents.
- Researches and compiles data to comply with financial reporting compliance and integrity of the organization's systems and records; files appropriate reports with local, state and federal agencies.
- Reconciles and balances office cash to internal and bank records.
- Prepares memorandums, letters and reports in final form from rough drafts and notes.
- Maintains computerized and manual general ledgers for County funds; reviews and makes necessary modifications as appropriate.
- Provides back-up support for other accounting staff.
- May train other staff.
- Performs other related duties as assigned.

MATERIAL AND EQUIPMENT USED:

Calculator	General Office Equipment	Computer	FAX Machine
Copy Machine	Telecommunications System		

MINIMUM QUALIFICATIONS REQUIRED:

Education and Experience:
Bachelor's degree from an accredited four-year college or university in Accounting or a related field; and six years of progressively responsible experience performing professional level accounting work that included reconciling and balancing accounts, preparing a variety of financial and accounting statements and reports, and tracking a variety of financial information, preferably in a public agency; or, an equivalent combination of training and education.

Substitution: Related experience may be substituted for up to two years of the education at a rate of two years of experience to one year of education.

Licenses and Certifications:
None

KNOWLEDGE, SKILLS, AND ABILITIES:

Knowledge of:
- Generally accepted accounting principles as applied to governmental accounting.
- General and cost accounting.
- Financial, fund and project accounting.
- Financial report and statement preparation.
- Auditing principles.
- Budgeting principles and terminology.
- Computer applications and hardware related to the performance of the essential functions of the job.
- Record keeping, report preparation, filing methods and records management techniques.
- Laws and regulations relating to the financial administration of public agencies.
- Methods and techniques of research, statistical analysis and report presentation.

Skill in:
- Using tact, discretion, initiative and independent judgment within established guidelines.
- Organizing work, setting priorities, meeting critical deadlines, and following up on assignments with minimum direction.
- Researching, compiling, and summarizing a variety of informational and statistical data and materials.
- Communicating clearly and effectively, orally and in writing.
- Using spreadsheet and word processing software.
- Preparing clear and concise reports, correspondence and other written materials.

Mental and Physical Ability to:
- Analyze and evaluate accounting problems and use independent judgment regarding technical accounting problems.
- Read, analyze and interpret professional periodicals and journals, technical procedures and government regulations.
- Establish and maintain effective working relationships with others.
- Apply concepts such as fractions, percentages, ratios and proportions to practical situations.
- While performing the essential functions of this job the employee is regularly required to sit, use hands to finger, handle, or feel, and speak and hear.
- Lift and carry, push and/or pull, or move items weighing up to 20 pounds.

Working Conditions:
- Work is performed in a normal office environment with little exposure to outdoor temperatures or dirt and dust.
- The incumbent's working conditions are typically moderately quiet.

This class specification should not be interpreted as all-inclusive. It is intended to identify the essential functions and requirements of this job. Incumbents may be requested to perform job-related responsibilities and tasks other than those stated in this specification. Any essential function or requirement of this class will be evaluated as necessary should an incumbent/applicant be unable to perform the function or requirement due to a disability as defined by the Americans with Disabilities Act (ADA). Reasonable accommodation for the specific disability will be made for the incumbent/applicant when possible.

Prepared by Slavin Management Consultants for Mendocino County Government, 1999.
Revised by CPS Human Resources Services, 2006

MENDOCINO COUNTY GOVERNMENT
CLASS SPECIFICATION

CLASS TITLE:	**ADMINISTRATIVE ASSISTANT**	**CLASS CODE:0063/0064 CONF**
DEPARTMENT:	**VARIOUS**	**FLSA STATUS: N**
REPORTS TO:	**VARIOUS**	**DATE: 10/99 REV. 2/07**
CIVIL SERVICE:	**YES**	**BARGAINING UNIT: SEIU or CONFIDENTIAL**

JOB SUMMARY:
Under general direction performs a variety of highly complex administrative functions in support of a department director, division director of a large department, or an executive level position. Duties may include: developing various, complex reports by researching and gathering information/statistics; attending meetings and taking minutes; maintaining personnel files and other confidential information and processing related paperwork; tracking budget expenditures and assisting in the preparation of the budget; and preparing payroll.

DISTINGUISHING CHARACTERISTICS:
Administrative Assistant is distinguished from Staff Assistant series by the responsibility of the Administrative Assistant to provide complex administrative support for a division or department director, or executive level position, whereas the latter provides general support for a unit, division or department. Administrative Assistant is distinguished from Office Services Supervisor by the responsibility of the Office Services Supervisor to serve as a first line supervisor and its oversight of business, fiscal and support operations of a department including budget development and monitoring as well as responsibility for developing and implementing policies and procedures related to the administrative support functions of the assigned department.

SUPERVISION EXERCISED:
Administrative Assistant may exercise technical lead over clerical staff, but does not provide direct supervision.

EXAMPLES OF DUTIES: *(Not all incumbents perform all the examples listed, nor do the examples cover all the duties that may be performed.)*

- Oversees the daily office procedures and workflow of the division/department; performs clerical and fiscal operations unique to division/department; relieves officials of routine administrative details such as checking operating reports for accuracy and conformance to policies and standards; assists in resolving administrative issues; answers various inquiries, arranges appointments; processes routine and non-routine matters independently; prepares complex, routine and non-routine reports (including annual reports) as requested utilizing a variety of software; receives, sorts, and summarizes material for the preparation of reports; relays and interprets administrative decisions, policies, procedures and instructions. May deal with sensitive and confidential matters at the direction of senior level staff and/or the department director.
- Formats and types letters, memos, charts, labels, forms, reports, contracts, legal documents, or other materials containing complex terminology on a word processor or typewriter and proofs correspondence and related documents of staff; composes correspondence (often of a confidential nature) and maintains files associate with the same in accordance with standard policies.
- Oversees division/department financial operations; receives, reviews and processes all financial records and transactions ensuring accuracy and adherence to policy. Prepares and processes claims, purchase orders and/or vouchers by entering pertinent information into the computer and distributing and/or filing supporting documents. Takes in, accounts for and issues receipts for money and makes daily or weekly bank deposits. Maintains fixed asset inventory and approves related transactions.
- Assists in the development of division/department budget by researching and justifying requests, advising on choices, making recommendations, typing, calculating, and coordinating completion; maintains budget records throughout the year; balances and reconciles budget and prepares financial reports; attends budget meeting/hearings.
- Processes and maintains all confidential personnel records and payroll information for the division/department which includes generating personnel transactions, setting up interviews, maintaining filing system, etc.
- Answers telephones utilizing a multi-line system, takes messages, screens calls, provides information to callers, receives citizen complaints, and directs calls and messages to appropriate person; interviews, screens, greets visitors and directs them to the appropriate area or individual; may answer various inquiries personally; disseminates a variety of information and/or reports to various agencies, divisions, or departments via telephone, mail, email or fax. Photocopies reports, charts, memos, and other documents for requesting parties. Opens, stamps, sorts, and distributes incoming mail.
- Assists with the development, communication, and monitoring of polices, procedures, and standards for the division or

department; recommends improvements when necessary. Interprets various codes and mandates.

- Researches information needed for grant development and manages related filing system and billing.
- Interacts with a variety of high-level individuals, both internally and within the community to provide information, disseminate departmental information.
- Confers with upper management to keep them informed on key issues and progress toward objectives and to gain their support and approval; makes recommendations to assist management in making needed improvements; reports administrative and/or operational problems to supervisor.
- Maintains and upgrades professional knowledge, skills, and development by attending seminars and training programs and reading trade and professional journals and publications.
- Creates Requests for Quotations and Requests for Proposals, schedules bid openings and records bid results.
- Prepares various contracts, assuring that documents are forwarded to staff for approval and execution. Maintains contracts which includes monitoring flow of documents, consulting with and advising staff of essential elements of contracts, conferring with financial staff, and managing related filing systems.
- Coordinates and schedules appointments, meetings, or reservations at the request of staff; prepares the location, photocopies materials and prepares agendas; takes, transcribes and/or distributes statements, minutes and notes from a variety of sources.
- Takes policy, service and information requests relating to governmental activities and refers to proper divisions for processing and providing information; updates and maintains service and information requests.
- Performs specialized research and statistical work manually or on computer on assigned subjects for staff and management.
- May serve as backup for other positions within the department.
- May train other staff.
- Performs other related duties as assigned.

MATERIAL AND EQUIPMENT USED:

Personal Computer and/or Terminal	Typewriter	General Office Equipment
Paging System	Two-way Radio	Recording Equipment

MINIMUM QUALIFICATIONS REQUIRED:

Education and Experience:
High school diploma or GED equivalent and four years of progressively responsible experience performing administrative and office duties such as tracking budgets, developing complex reports, typing, filing, and transcribing information. Supplemental course work in accounting, office management or related field is preferred; or an equivalent combination of training and education.

Licenses and Certifications:
None

KNOWLEDGE, SKILLS, AND ABILITIES:
Knowledge of:

- Correct English usage, including spelling, grammar, punctuation, and vocabulary.
- Internal departmental policies and procedures.
- Applicable, federal, state and local ordinances, codes, laws, mandates, etc.
- Office administrative and secretarial practices and procedures, such as business letter writing and the operation of standard office equipment, including a word processor and personal or on-line computer.
- External governmental bodies and agencies related to area of assignment.
- Standard business arithmetic, including percentages and decimals.
- Basic budgetary principles and practices.
- Record keeping, report preparation, filing methods and records management techniques.
- General office procedures, policies and practices, as well as knowledge of computer application, hardware, and other

general office equipment related to the performance of the essential functions of the job.

Skill in:

- Preparing clear and concise reports, correspondence and other written materials.
- Using tact, discretion, initiative and independent judgment within established guidelines.
- Analyzing and resolving office administrative situations and problems.
- Researching, compiling, and summarizing a variety of informational and statistical data and materials.
- Organizing work, setting priorities, meeting critical deadlines, and following up on assignments with a minimum of direction.
- Applying logical thinking to solve problems or accomplish tasks.
- Understanding, interpreting and communicating complicated policies, procedures and protocols.
- Typing from rough draft or printed text, or entering other data using a keyboard at a speed sufficient to perform the duties of the job.
- Transcribing information from dictating equipment.
- Communicating orally with internal staff, citizens, and other departmental staff in order to give and receive information in a courteous manner.
- Operating and performing routine maintenance of general office machines and other standard office equipment.

Mental and Physical Ability to:

- Read and interpret documents such as operation and maintenance instructions, procedure manuals, and so forth.
- Understand and carry out written and oral instructions, giving close attention to detail and accuracy.
- Rapidly and accurately take and transcribe oral or tape dictation using speedwriting, shorthand, or dictating equipment (at the discretion of the supervisor).
- Establish and maintain effective working relationships with others.
- Draft and type correspondence.
- Add, subtract, multiply and divide whole numbers, common fractions and decimals.
- Deal with problems involving several concrete variables in standardized situations.
- While performing the essential functions of this job, the incumbent is regularly required to sit, use hands to finger, handle, or feel objects, to reach with hands and arms, and speak and hear.
- Lift and carry, push and/or pull, or move items weighing up to 20 pounds.

Working Conditions:

- Work is performed in a normal office environment with little exposure to outdoor temperatures or dirt and dust.
- The incumbent's working conditions are typically moderately quiet, but may be loud at times and at some locations.

This class specification should not be interpreted as all-inclusive. It is intended to identify the essential functions and requirements of this job. Incumbents may be requested to perform job-related responsibilities and tasks other than those stated in this specification. Any essential function or requirement of this class will be evaluated as necessary should an incumbent/applicant be unable to perform the function or requirement due to a disability as defined by the Americans with Disabilities Act (ADA). Reasonable accommodation for the specific disability will be made for the incumbent/applicant when possible.

ISCAL YEAR 2013/2014 OARD EDUCATION AND CONFERENCES	DESCRIPTION	Transportation	Hotels	Meals	Registration	Misc	Tota
OARD OF RETIREMENT							
andy Goodman	SACRS Conference	$ 400.00	$ 1,000.00	$ 200.00	$ 120.00	$ 80.00	$ 1,800.00
							$ -
im Knudsen	SACRS Conference	$ 400.00	$ 1,000.00	$ 200.00	$ 120.00	$ 80.00	$ 1,800.00
	Meeting Stipend					$ 1,500.00	$ 1,500.00
Bob Mirata	SACRS Conference	$ 400.00	$ 1,000.00	$ 200.00	$ 120.00	$ 80.00	$ 1,800.00
	Meeting Stipend					$ 1,500.00	$ 1,500.00
John Sakowicz	SACRS Conference	$ 400.00	$ 1,000.00	$ 200.00	$ 120.00	$ 80.00	$ 1,800.00
	Meeting Stipend					$ 1,500.00	$ 1,500.00
Shari Schapmire	SACRS Conference	$ 400.00	$ 1,000.00	$ 200.00	$ 120.00	$ 80.00	$ 1,800.00
Richard Shoemaker	SACRS Conference	$ 400.00	$ 1,000.00	$ 200.00	$ 120.00	$ 80.00	$ 1,800.00
	Meeting Stipend					$ 1,500.00	$ 1,500.00
John McCowen	SACRS Conference	$ 400.00	$ 1,000.00	$ 200.00	$ 120.00	$ 80.00	$ 1,800.00
Ted Stephens	SACRS Conference	$ 400.00	$ 1,000.00	$ 200.00	$ 120.00	$ 80.00	$ 1,800.00
	Meeting Stipend					$ 1,500.00	$ 1,500.00
Craig Walker	SACRS Conference	$ 400.00	$ 1,000.00	$ 200.00	$ 120.00	$ 80.00	$ 1,800.00
Lloyd Weer	SACRS Conference	$ 400.00	$ 1,000.00	$ 200.00	$ 120.00	$ 80.00	$ 1,800.00
Board Member (1)	SACRS Public Pension Investment Program						$ 3,500.00
Board Member (4)	Callan Institute						$ 3,000.00
Board Member (1)	CALAPRS Principles of Pension Management						$ 3,000.00
							$ 35,000.00

FISCAL YEAR 2013/2014 EDUCATION AND TRAINING		Transportation	Hotels	Meals	Registration	Misc	Total	Individual Totals
STAFF								
Richard White	SACRS Conference	$ 400.00	$ 1,000.00	$ 200.00	$ 120.00	$ 80.00	$ 1,800.00	$ 4,350.00
	SACRS Conference	$ 400.00	$ 1,000.00	$ 200.00	$ 120.00	$ 80.00	$ 1,800.00	
	Callan Institute						$ 750.00	
Jeff Berk	CALAPRS Roundtable	$ 160.00	$ 175.00	$ 75.00	$ 75.00	$ 15.00	$ 500.00	$ 500.00
Katy Richardson	CALAPRS Roundtable	$ 160.00	$ 175.00	$ 75.00	$ 75.00	$ 15.00	$ 500.00	$ 3,300.00
	CALAPRS Roundtable	$ 425.00	$ 350.00	$ 75.00	$ 75.00	$ 75.00	$ 1,000.00	
	SACRS Conference	$ 400.00	$ 1,000.00	$ 200.00	$ 120.00	$ 80.00	$ 1,800.00	
Judy Zeller	CALAPRS Roundtable	$ 160.00	$ 175.00	$ 75.00	$ 75.00	$ 15.00	$ 500.00	$ 3,000.00
	CALAPRS Roundtable	$ 425.00	$ 350.00	$ 75.00	$ 75.00	$ 75.00	$ 1,000.00	
							$ 1,500.00	
Christine O'Ferrell	CALAPRS Roundtable	$ 160.00	$ 175.00	$ 75.00	$ 75.00	$ 15.00	$ 500.00	$ 2,800.00
	CALAPRS Roundtable	$ 425.00	$ 350.00	$ 75.00	$ 75.00	$ 75.00	$ 1,000.00	
	CALAPRS Intermediate	$ 500.00	$ 350.00	$ 150.00	$ 200.00	$ 100.00	$ 1,300.00	
	Unallocated						$ 1,050.00	$ 1,050.00
						TOTAL	$ 15,000.00	$ 15,000.00