

Mendocino County Employees Retirement Association
Fiscal Year 2016
Budget Proposal Overview

The attached schedules detail the proposed budget for the Mendocino County Employees Retirement Association (MCERA) for fiscal year 2016 (FY-16). The first schedule compares the FY-16 budget proposal to the FY-15 adopted budget for MCERA. The second schedule compares the FY-16 budget proposal to the actual expenditures of MCERA in the prior four quarters (P4Q), April 1, 2014 through March 31, 2015.

The second comparison is intended to compare the proposed budget against an actual expenditure level for a full-year period. The alternative approach to this would have been to project expenditures for the fourth quarter of FY-15 and compare the FY-16 budget proposal to the FY-15 projected expenditures. This comparison was not offered as it was determined a projection, while better than no information, would be less certain than a comparison to actual, known expenditures.

The final schedule shows the FY-16 proposed budget and the adopted budget for the prior three years, FY-13, FY-14 and FY-15. This schedule provides historical perspective in viewing the budget proposal. Since there are three reference points on this schedule, there are no differences presented.

This memo will discuss some of the differences and program proposals included in the FY-16 budget proposal to provide context and information beyond the numbers in the proposal.

Personnel

The information in the personnel section of the budget is provided to MCERA by the Auditor-Controller based on current staffing levels. There are no changes in staffing levels in the current proposal. The most significant difference between the FY-16 proposed budget and the P4Q expenditures is the full time Retirement Administrator, offset by the elimination of the extra help for the prior Interim Retirement Administrator. The changes in retirement, Social Security and other expenses were all provided by the Auditor-Controller.

Administrative

The office expense in the FY-16 proposed budget is increased over the FY-15 budget, but not appreciably changed from the P4Q actual expenditures. The FY-15 Budgeted amount was not increased over the FY-14 Budget as needed to reflect the increase in Office Expense resulting from the County starting to bill MCERA for Information Services (IS) services. Included in the FY-16 Budget Proposal is \$7,200 for County IS services.

There is an increase in the Legal Expense in the FY-16 Proposed Budget. This is driven by the increased costs expected as a result of Cycle E filing for a new determination letter from the Internal Revenue Service. This accounts for the entire change in the FY-16 Proposed Budget vs. the FY-15 Budget. Our tax counsel estimates the fees associated with Cycle E filing will be \$15,000.

There is an increase in the Audit expense to account for the additional fees our auditor charges for reviewing the draft Comprehensive Annual Financial Report and to allow for a slight increase in the fee in accordance with the contract for services.

There is a reduction in the Contracts expense as we reduce the time and effort of the CPA that provided accounting services to MCERA in the past. As the Finance/Investment Officer gains experience, the reliance upon the CPA, and needed level of effort, will continue to diminish.

The Community Access category was previously called Communications, but was renamed in an effort to clarify. This is the expense for Mendocino Access TV to record the MCERA Board meetings. There is a Communications sub-category within Office Expense related to communications with Clients regarding plan related items which caused confusion since we had a Communications category and a communications line item in the Office Expense category.

There is a reduction in the Travel In-County category back to historical levels.

The Staff Education and Training category is increased in the FY-16 proposed budget in relation to all reference points. The original budget proposal for this category was \$22,220. The Audit & Budget Committee reduced that amount to \$16,000 as shown in the included proposal. The Committee did specify that this figure could be revisited at the mid-year budget review if necessary.

Board Expense

This is a new Program categorization intended to show the expenses directly related to the Trustees and the Board of Retirement. There are no proposed changes in budgeted amount for Fiduciary Insurance and Board Meeting Stipends.

The FY-16 proposed budget does include an increase in the Board Education and Training category relative to P4Q and the FY-15 Budget. The Audit & Budget Committee voted to reduce the proposed Board Education & Training Budget from the proposed amount of \$38,650 to \$22,000 with the possibility of adjusting this figure if needed at the mid-year budget review. The Audit & Budget Committee specifically eliminated the \$10,000 included in the Trustee Education and Training category for a Strategic Planning Board Off-Site meeting as part of the reduction in the budget proposal.

Disability

The categories with the Disability Program have been relabeled in an effort to make the definition of each category clearer. Additionally, the order of the categories has been changed so that reading down the column also corresponds with the timeline along which a disability case proceeds.

A significant reduction is proposed in the Administrative Review category. As previously discussed with Trustees, we are proposing to engage a company to handle the administrative processing of our disability cases. The company proposes a flat-fee per case of \$935 and a one-time setup fee of \$3,750 to develop scripts and workflows as well as other upfront costs.

We project 12 disability cases for next year in order to allow for any unusual flows we may experience. This is 50% higher than the average number of cases over the past several years. Further, we estimate that one-half of the twelve projected cases will require an Independent Medical Evaluation (IME) at an average cost of \$1,500 each. This cost estimate is based on historical average and verified with information from the firm proposed to handle the administrative processing of disability cases.

The remaining categories are budgeted at levels similar to prior years.

625-B Kings Court

The imputed rent for the office space occupied by MCERA in the building MCERA owns is proposed to increase in FY-16 over what is currently being calculated. The increase in imputed rent for MCERA is tied to the increase in rent for the other tenant in the building, the Department of Rehabilitative Services. The budget for this item was increased last year, but the increase was not reflected in the monthly imputed rent amount which explains the decrease in the FY-16 proposed budget relative to the FY-15 budget.

Technology

As we move toward the implementation of the Pension Administration System (PAS), with the PensionGold system, a number of changes to the project will be forthcoming. The first change involves LRS – PAS project, LRS is Levi, Ray and Shoup the firm that owns the PensionGold product. When PAS is implemented we begin paying for the system. The payments to LRS are a ten year fee at \$130,058 annually, with an approximately \$1,500 increase in the fee each year.

The second piece of PAS is the project management services provided by Linea Solutions. We are budgeting the remaining amount of the Linea contract for next fiscal year. The likelihood of using the full Linea contract will be impacted by several factors including some related to the next project.

The other major initiative in the Technology Program is the electronic document management system (EDMS). The total estimated cost for this project is \$115,000. Additional detail related to the EDMS project is included in the attached proposal from PensionGold. The on-going costs associated with the EDMS project will be approximately \$15,000 annually.

Investment

The only significant change in the Investment Program is the addition of custodial banking services. This budget proposal recommends MCERA issue a RFP for, and hire, a provider of custodial banking services. In addition to the risk mitigation a custodial bank provides as has been discussed previously, there are opportunities to reduce some of our investment management fees by switching from institutional mutual funds to separately managed accounts (SMA). These investment management fee reductions would serve to offset some of the cost of hiring a custodial bank.

One investment management provider has indicated that switching from the institutional mutual fund to a SMA would result in at least a 15 basis point reduction in their fee. While such a fee reduction

would not be possible with every current investment manager in the MCERA lineup, the possibilities for fee reductions do exist. We are working with Callan to gather some information and detail around possible fee savings and hope to have some information available at the Board meeting.

If approved, hiring a custodial bank and switching from institutional mutual funds to SMA would require budget revision since we would be paying directly for investment management services. This highlights another possible benefit of hiring a custodial bank and moving into SMA, doing so would increase the transparency of investment management fees paid by MCERA and allow the public and our clients to have more, as well as more accurate, information about our expenditures.

Capital Improvement Plan

The Capital Improvement Plan is a new Program for MCERA in our budget. This relates to the maintenance and improvements to the building at 625 Kings Court. A property inspection was done by a certified building inspector and we have received the report. There are a host of items identified in the report that will need to be addressed in the coming year. The inspection report is attached for your review.

We are exploring the options available to MCERA for how to proceed with the project to maintain and improve the value of this real asset. In the coming weeks and months, we will develop a plan to address this area in the most effective manner. Until the plan is developed, we have included a \$100,000 figure for the Capital Improvement Plan Program in FY-16. Once we develop more information regarding the costs of the Capital Improvement Plan, a budget revision may be necessary.

For reference, one industry source indicates that normal maintenance on a similarly situated office building can be expected to cost around \$1 per square foot per year. With approximately 7,500 square feet, we would expect approximately \$7,500 per year in regular maintenance expenses. This excludes replacement of any major mechanical systems or the roof.

Since MCERA has owned the building for approximately eight years and done no maintenance, the expected maintenance cost to address forgone maintenance over those years would be \$60,000. This figure, of course, ignores compounding, increasing costs over time and the fact that deferred maintenance is generally more costly due to escalation of problems.

Mendocino County Employees Retirement Association
Fiscal Year 2015/2016
Proposed Budget vs Prior Year Adopted Budget

	FY 2014/2015		FY 2015/2016		Difference	
	Adopted Budget		Proposed Budget		\$	%
Personnel (BU 1920)						
Gross Regular Salaries	\$ 324,550		\$ 326,589		\$ 2,039	0.63%
Extra Help	-		-		-	0.00%
Retirement	80,935		92,941		12,006	14.83%
Social Security	19,825		18,662		(1,163)	-5.87%
Medicare	4,640		4,365		(275)	-5.94%
Retirement Cola	28,075		35,983		7,908	28.17%
Health Insurance	87,580		77,533		(10,047)	-11.47%
Unemployment Insurance	3,215		2,219		(996)	-30.98%
Workers Comp	2,270		1,627		(643)	-28.33%
Subtotal	\$ 551,090		\$ 559,918		\$ 8,828	1.60%
Administrative						
Office Expense	\$ 12,500		\$ 23,000		\$ 10,500	84.00%
Legal Expense	100,000		115,000		15,000	15.00%
Audit	35,250		45,250		10,000	28.37%
Contracts	20,000		10,700		(9,300)	-46.50%
Staff Education and Training	11,000		16,000		5,000	45.45%
Community Access	3,000		2,500		(500)	-16.67%
General Insurance	1,500		1,400		(100)	-6.67%
Membership	5,000		5,000		-	0.00%
Travel In-County	1,100		500		(600)	-54.55%
Subtotal	\$ 189,350		\$ 219,350		\$ 30,000	15.84%
Board Expense						
Fiduciary Insurance	\$ 42,000		\$ 42,000		\$ -	0.00%
Board Meeting Stipends	8,000		8,000		-	0.00%
Board Education and Training	20,000		22,000		2,000	10.00%
Subtotal	\$ 70,000		\$ 72,000		\$ 2,000	2.86%
Total Personnel, Administrative & Board Expense						
	\$ 810,440		\$ 851,268		\$ 40,828	5.04%
Disability						
Administrative Review	\$ 35,000		\$ 23,970		\$ (11,030)	-31.51%
Hearing Preparation	35,000		35,000		-	0.00%
Hearings	20,000		20,000		-	0.00%
Subtotal	\$ 90,000		\$ 78,970		\$ (11,030)	-12.26%
625-B Kings Court						
Imputed Rent	\$ 53,077		\$ 52,272		\$ (805)	-1.52%
Subtotal	\$ 53,077		\$ 52,272		\$ (805)	-1.52%
Total Administrative Expense	\$ 953,517		\$ 982,510		\$ 28,993	3.04%

Mendocino County Employees Retirement Association
Fiscal Year 2015/2016
Proposed Budget vs Prior Year Adopted Budget

	FY 2014/2015		FY 2015/2016		Difference	
	Adopted Budget		Proposed Budget		\$	%
Technology						
Automation						
LRS - PAS Project	\$ 130,058		\$ 130,058		\$ -	0.00%
Linea Solutions Consultant	235,070		201,000		(34,070)	-14.49%
PAS Project Related Expenses	37,720		8,000		(29,720)	-78.79%
EDMS Project	-		115,000		115,000	100.00%
Subtotal	\$ 402,848		\$ 454,058		\$ 51,210	12.71%
Investment						
Alliance Bernstein Fees	\$ 72,000		\$ 75,000		\$ 3,000	4.17%
Mondrian Fees	174,000		180,000		6,000	3.45%
Investment Consultant-Callan	151,060		182,000		30,940	20.48%
Actuary Services-Segal	127,000		85,000		(42,000)	-33.07%
Custodial Bank	-		100,000		100,000	100.00%
Other Investment Expense	-		1,000		1,000	100.00%
Subtotal	\$ 524,060		\$ 623,000		\$ 98,940	18.88%
Capital Improvement Plan	\$ -		\$ 100,000		\$ 100,000	100.00%
Total MCERA	\$ 1,880,425		\$ 2,159,568		\$ 279,143	14.84%
Total Administrative Expenses (Total ex Technology & Investment)	\$ 953,517		\$ 982,510		\$ 28,993	3.04%
CERL Administrative Cap (Over)/Under Cap	\$ 2,000,000		\$ 2,000,000			
	\$ 1,046,483		\$ 1,017,490			
MCERA Policy Cap Balance	\$ 1,077,134		\$ 1,227,301			
	\$ 123,617		\$ 244,791			
Project Increases						
IRS Filing			\$ 15,000			
Disability Outsourcing			(11,030)			
Board Retreat			-		Eliminated by Audit & Budget Cmte	
Subtotal Administrative Project Increases			\$ 3,970			
EDMS			115,000			
Custodial Bank			100,000			
625 Kings Court Capital Imprpovement			100,000			
Subtotal Capital and Investment Project Increases			\$ 315,000			
Total Project Increases			\$ 318,970			

Mendocino County Employees Retirement Association
Fiscal Year 2015/2016
Proposed Budget vs Trailing 4 Quarters Actual Expense

	Actual Expense		FY 2015/2016		Difference		
	Trailing 4 Qtrs 4/01/14 - 3/31/15		Proposed Budget		\$	%	
Personnel (BU 1920)							
Gross Regular Salaries	\$	211,432	\$	326,589	\$	115,157	54.47%
Extra Help		50,799		-		(50,799)	-100.00%
Overtime		3,161		-		(3,161)	-100.00%
Retirement		50,790		92,941		42,150	82.99%
Social Security		11,968		18,662		6,694	55.94%
Medicare		3,553		4,365		812	22.85%
Retirement Cola		19,511		35,983		16,471	84.42%
Health Insurance		56,735		77,533		20,798	36.66%
Unemployment Insurance		-		2,219		2,219	100.00%
Workers Comp		1,321		1,627		306	23.16%
Subtotal	\$	409,270	\$	559,918	\$	150,648	36.81%
Administrative							
Office Expense	\$	23,305	\$	23,000	\$	(305)	-1.31%
Legal Expense		99,048		115,000		15,952	16.11%
Audit		37,877		45,250		7,373	19.47%
Recruitment		44,356		-		(44,356)	-100.00%
Contracts		34,015		10,700		(23,315)	-68.54%
Staff Education and Training		4,464		16,000		11,536	258.42%
Community Access		1,449		2,500		1,051	72.53%
General Insurance		-		1,400		1,400	100.00%
Membership		4,161		5,000		839	20.16%
Travel In-County		423		500		77	18.20%
Subtotal	\$	249,098	\$	219,350	\$	(29,748)	-11.94%
Board Expense							
Fiduciary Insurance	\$	39,375	\$	42,000	\$	2,625	6.67%
Board Meeting Stipends		8,000		8,000		-	0.00%
Board Education and Training		11,811		22,000		10,189	86.27%
Subtotal	\$	59,186	\$	72,000	\$	12,814	21.65%
Total Personnel, Administrative & Board Expense							
	\$	717,554	\$	851,268	\$	133,714	18.63%
Disability							
Administrative Review	\$	52,118	\$	23,970	\$	(28,148)	-54.01%
Hearing Preperation		10,424		35,000		24,576	235.76%
Hearings		25,441		20,000		(5,441)	-21.39%
Subtotal	\$	87,983	\$	78,970	\$	(9,013)	-10.24%
625-B Kings Court							
Imputed Rent	\$	51,756	\$	52,272	\$	516	1.00%
Subtotal	\$	51,756	\$	52,272	\$	516	1.00%
Total Administrative Expense	\$	857,293	\$	982,510	\$	125,217	14.61%

Mendocino County Employees Retirement Association
Fiscal Year 2015/2016
Proposed Budget vs Trailing 4 Quarters Actual Expense

	Actual Expense		FY 2015/2016		Difference		
	Trailing 4 Qtrs 4/01/14 - 3/31/15		Proposed Budget		\$	%	
Technology							
Automation							
LRS - PAS Project	\$	-	\$	130,058	\$	130,058	100.00%
Linea Solutions Consultant		203,507		201,000		(2,507)	-1.23%
PAS Project Related Expenses		24,371		8,000		(16,371)	-67.17%
EDMS Project				115,000		115,000	
Subtotal	\$	227,878	\$	454,058	\$	226,180	99.25%
Investment							
Alliance Bernstein Fees	\$	65,275	\$	75,000	\$	9,725	14.90%
Mondrian Fees		162,854		180,000		17,146	10.53%
Investment Consultant-Callan		145,600		182,000		36,400	25.00%
Actuary Services-Segal		140,993		85,000		(55,993)	-39.71%
Custodial Bank		-		100,000		100,000	100.00%
Other Investment Expense		(2,188)		1,000		3,188	-145.70%
Subtotal	\$	512,534	\$	623,000	\$	110,466	21.55%
Capital Improvement Plan	\$	-	\$	100,000	\$	100,000	100.00%
Total MCERA	\$	1,597,705	\$	2,159,568	\$	561,863	35.17%
Total Administrative Expenses (Total ex Technology & Investment)	\$	857,293	\$	982,510	\$	125,217	14.61%
CERL Administrative Cap (Over)/Under Cap	\$	2,000,000	\$	2,000,000			
	\$	1,142,707	\$	1,017,490			
MCERA Policy Cap Balance	\$	1,077,134	\$	1,227,301			
	\$	219,841	\$	244,791			
Project Increases							
IRS Filing			\$	15,000			
Disability Outsourcing				(11,030)			
Board Retreat				-			Eliminated by Audit & Budget Cmte
Subtotal Administrative Project Increases			\$	3,970			
EDMS			\$	115,000			
Custodial Bank				100,000			
625 Kings Court Capital Improvement				100,000			
Subtotal Capital and Investment Project Increases			\$	315,000			
Total Project Increases			\$	318,970			

Mendocino County Employees Retirement Association
Fiscal Year 2015/2016
Proposed Budget vs Prior 3 Year's Adoped Budgets

	FY 2015/2016	FY 2014/2015	FY 2013/14	FY 2012/13
	Proposed	Adopted	Adopted	Adopted
	Budget	Budget	Budget	Budget
Personnel (BU 1920)				
Gross Regular Salaries	\$ 326,589	\$ 324,550	\$ 309,816	\$ 254,617
Extra Help	-	-	-	15,000
Retirement	92,941	80,935	78,866	59,032
Social Security	18,662	19,825	16,890	13,599
Medicare	4,365	4,640	4,270	3,448
Retirement Cola	35,983	28,075	30,075	27,957
Health Insurance	77,533	87,580	54,638	51,030
Unemployment Insurance	2,219	3,215	3,215	3,215
Workers Comp	1,627	2,270	1,711	1,711
Subtotal	\$ 559,918	\$ 551,090	\$ 499,481	\$ 429,609
Administrative				
Office Expense	\$ 23,000	\$ 12,500	\$ 12,000	\$ 13,000
Legal Expense	115,000	100,000	100,000	100,000
Audit	45,250	35,250	30,000	30,000
Contracts	10,700	20,000	38,200	100,250
Staff Education and Training	16,000	11,000	15,000	5,000
Community Access	2,500	3,000	2,600	2,450
General Insurance	1,400	1,500	1,400	1,328
Membership	5,000	5,000	5,000	6,000
Travel In-County	500	1,100	600	300
Subtotal	\$ 219,350	\$ 189,350	\$ 204,800	\$ 258,328
Board Expense				
Fiduciary Insurance	\$ 42,000	\$ 42,000	\$ 37,605	\$ 35,000
Board Meeting Stipends	8,000	8,000	7,500	-
Board Education and Training	22,000	20,000	35,000	22,500
Subtotal	\$ 72,000	\$ 70,000	\$ 80,105	\$ 57,500
Total Personnel, Adminstrative & Board Expense	\$ 851,268	\$ 810,440	\$ 784,386	\$ 745,437
Disability				
Administrative Review	\$ 23,970	\$ 35,000	\$ 45,000	\$ 35,000
Hearing Preperation	35,000	35,000	25,000	50,000
Hearings	20,000	20,000	20,000	20,000
Subtotal	\$ 78,970	\$ 90,000	\$ 90,000	\$ 105,000
625-B Kings Court				
Building Expenses	\$ -	\$ -	\$ -	\$ 25,000
Imputed Rent	52,272	53,077	51,531	51,200
Subtotal	\$ 52,272	\$ 53,077	\$ 51,531	\$ 76,200
Total Administrative Expense	\$ 982,510	\$ 953,517	\$ 925,917	\$ 926,637

Mendocino County Employees Retirement Association
Fiscal Year 2015/2016
Proposed Budget vs Prior 3 Year's Adoped Budgets

	FY 2015/2016	FY 2014/2015	FY 2013/14	FY 2012/13
	Proposed	Adopted	Adopted	Adopted
	Budget	Budget	Budget	Budget
Technology				
Automation				
LRS - PAS Project	\$ 130,058	\$ 130,058	\$ -	\$ -
Linea Solutions Consultant	201,000	235,070	120,000	300,090
PAS Project Related Expenses	8,000	37,720	-	-
EDMS Project	115,000	-	-	-
Subtotal	\$ 454,058	\$ 402,848	\$ 120,000	\$ 300,090
Investment				
Alliance Bernstein Fees	\$ 75,000	72,000	45000	39000
Mondrian Fees	180,000	174,000	120000	105000
Investment Consultant-Callan	182,000	151,060	145600	145600
Actuary Services-Segal	85,000	127,000	70000	70000
Custodial Bank	100,000	-	-	-
Other Investment Expense	1,000	-	-	-
Subtotal	\$ 623,000	\$ 524,060	\$ 380,600	\$ 359,600
Capital Improvement Plan	\$ 100,000	\$ -	\$ -	\$ -
Total MCERA	\$ 2,159,568	\$ 1,880,425	\$ 1,426,517	\$ 1,586,327
Total Administrative Expenses (Total ex Technology & Investment)	\$ 982,510	\$ 953,517	\$ 925,917	\$ 926,637
CERL Administrative Cap	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
(Over)/Under Cap	\$ 1,017,490	\$ 1,046,483	\$ 1,074,083	\$ 1,073,363
MCERA Policy Cap	\$ 1,227,301	\$ 1,077,134	\$ 1,026,930	\$ 992,553
Balance	\$ 244,791	\$ 123,617	\$ 101,013	\$ 65,916
Basis Points Test	0.21%	0.21%	0.21%	0.21%
AAL	\$ 584,428,884	\$512,921,000	\$489,014,364	\$472,644,283
Date	6/30/2014	6/30/2013	6/30/2012	6/30/2011

Mendocino County Employees' Retirement Association

Proposal for Electronic Document Management System

April 24, 2015



Levi, Ray & Shoup, Inc.
2401 West Monroe Street
Springfield, Illinois 62704

John Katalinich
Phone: (217) 862-9755
Email: John.Katalinich@LRS.com



Table of Contents

A. Introduction	3
B. Scope of Work	4
C. MCERA Requirements.....	6
D. Costs.....	7

A. INTRODUCTION

PensionGold Retirement Solutions (PGRS) appreciates the opportunity to provide this Proposal for the installation of an Electronic Document Management System (EDMS) at The Mendocino County Employees' Retirement Association (MCERA). We value MCERA as a PensionGold® Version 3 customer and look forward to the opportunity to provide additional products and services.

PGRS is recommending the implementation of an integrated EDMS utilizing PensionGold Version 3, LRS' PageCenterX (PCX) document management solution, and Kofax's scanning software. The proposed solution will integrate MCERA's PensionGold Version 3 software with PCX and Kofax. The integrated solution will provide the capability to scan and capture documents in a PDF file format, index the documents, store the documents and associated index data, retrieve the documents via PensionGold or PCX searches, and perform other standard processes provided as part of the PCX standard functionality. The recommended solution consists of the following components:

- Electronic Document Management Software – This component is comprised of PensionGold's Electronic Document Management module (EDMDirect) for PensionGold Version 3, PCX web-based document management software, and the Kofax scanner interface.
- Professional Services – This component includes the services necessary to implement the solution and includes installation and configuration in a PGRS-hosted environment, project management, requirements definition and review, system design and configuration, training, and documentation as outlined in this Proposal.
- Hardware and Software – This component includes a recommendation for the purchase of the necessary hardware and software to support the EDMS.
- Ongoing Maintenance and Support – The first year maintenance and support, which begins at the time of software purchase, is included in the costs of this Proposal.
- Back-file Conversion – PGRS is proposing the back-file conversion services be provided by SoftFile Document Imaging Solutions. The attached proposal from SoftFile provides details on their company, services, and pricing.

This solution provides MCERA with a PCX production system hosted at LRS and a scan/index workstation configured at your office in Ukiah.

Over 100 customers across the U.S. use the PCX product including insurance; health care; manufacturing companies; and local, state, and federal governmental entities. We currently have four PensionGold Version 3 customers using PCX in a production environment and three additional installations in progress. We are confident that our integrated EDMS and the implementation services provided herein will meet MCERA's needs.

B. SCOPE OF WORK

PGRS will provide the following software and services as part of the scope of work provided with this Proposal.

Electronic Document Management Software

Installation of a ten-user EDMS that includes the following software components:

- PageCenterX (PCX) ten-user license
- PensionGold EDMDirect module
- Kofax scanning and indexing software for a single scan/index workstation which includes:
 - 1 Kofax Capture Enterprise – Image Volume (600K)
 - 2 Kofax Capture Concurrent User Standard (Server utilizes a license)
 - 1 Kofax Enhanced Barcode Module

Professional Services

PGRS technology consultants have experience with system installation and configuration, requirements definition, system design and integration, user training, and document analysis. Our document management technology consultant assigned to this project has earned the Certified Document Imaging Architect (CDIA) certification which is an industry standard certification for document management professionals.

The following is an overview of the services that will be performed in order to provide MCERA with the recommended solution:

- Installation and configuration of:
 - PageCenterX software in a production environment hosted at LRS' Springfield offices
 - Incorporation of the PensionGold EDMDirect module in the PensionGold Version 3 production hosted environment for integration with the PCX production environment
 - Installation and configuration of one scan/index workstation at MCERA's offices
- Project management of the overall implementation project to ensure successful completion of implementation tasks.
- Requirements definition and review consisting of eight hours (1 day) of training such that MCERA's staff can complete document analysis. With this training, PGRS will provide a set of standard document types and indices utilized in other PensionGold EDMS installations. It will be MCERA's responsibility to pull their existing files and microfiche as necessary, identify all existing document types, and categorize their existing documents into business functional groups applicable to the PensionGold integrated solution. The scope of this project will address only PensionGold member files. Other types of files can be

incorporated into the solution. However, the scope of this project is to address only PensionGold member files.

- System design and configuration consisting of documented configuration of PCX and Kofax software.
- Training will be provided at MCERA for the EDMS including:
 - 8 hours of training for scan/index operators
- Documentation to be provided with this project includes:
 - PCX system documentation
 - Kofax manufacturer's documentation
 - System configuration/design

The back-file conversion is estimated to take 4 – 6 weeks to complete and we anticipate the entire project will take about 6 – 8 weeks.

Hardware and Software

PGRS staff will work with your technical resource to install the required hardware and software for the scan/index workstation, purchased by MCERA per recommended configuration. This is typically done using a WebEx session and the customer is only required to unbox the scanner, plug in the scanner when requested, and add paper to be scanned as needed. The remainder of the setup will be performed by PGRS. The scanner recommended with this proposal is a Kodak i2400 Scanner which has a 50 sheet feeder, provides capacity for 30 pages per minute at 200 dpi, and is rated for up to 4,000 pages per day.

Additionally, MCERA will need to provide a scan/index workstation meeting the following specifications:

- Windows 7 – 32 bit operating system
- 2 GB of memory
- 160 GB hard drive
- Dual Monitors
- USB 2
- Access to the local area network and internet

Ongoing Maintenance and Support

PGRS will be the first point of contact for any issues related to the day-to-day use of the EDMS. LRS provides ongoing maintenance and support for PCX and PensionGold EDMDirect. While PGRS is a reseller of Kofax products, Kofax provides maintenance of the scan and index software. PGRS recommends that MCERA work with a third party for the purchase of the Kodak scanner and scan station PC as well as the requisite maintenance contract.

Back-File Conversion

PGRS is recommending back-file conversion services be provided by SoftFile based on their attached proposal. PGRS worked with SoftFile on a successful EDM project for Sonoma County Employees' Retirement Association, and we believe their services will yield a similar result for MCERA. This Proposal reflects pricing for SoftFile to be a subcontractor to PGRS and fees for those services are reflected in the cost section. In the event MCERA would prefer to work directly with SoftFile, the corresponding project management fees would be removed.

Assumptions

The following assumptions have been made in providing the costs in this Proposal.

- One application will be created to store member documents. No separate application is required for secured access documents.
- Only member documents would be stored. No repository for board meeting minutes, invoices, etc. would be configured at this time.
- We have included hours for automatically indexing and storing in PCX up to 10 correspondences generated from the PensionGold software.
- We assume that MCERA will initiate this project after the completion of the PensionGold Version 3 implementation project.
- Other assumptions related to back-file conversion are noted in the SoftFile proposal.

C. MCERA REQUIREMENTS

In order to successfully implement the proposed solution, MCERA will need to provide the following:

- Purchase and installation of the recommended hardware and software
- Access to the required resources including:
 - Technical staff for on-site installation of Kofax scan/index workstation
 - Business staff for document analysis
 - Staff for on-site training
- Internet access available on the scan station to allow a WebEx connection for remote access and support
- Facilities for on-site training
- Sufficient resource time to conduct document analysis and acceptance testing of the delivered solution and converted documents
- Other requirements as noted in the SoftFile proposal

D. COSTS

The estimated costs for the initial project as well as ongoing fees are provided below. Detailed information on the back-file conversion services are provided in the attached SoftFile proposal which will remain valid until July 31, 2015. Costs for LRS/PGRS products and services are firm and will also remain valid until July 31, 2015. Costs related to other third-party products and services are estimated and subject to change without notice. All costs are subject to state and federal sales or use taxes that may be applicable.

FIRST YEAR FIXED COSTS	COST
PageCenterX Software Perpetual 10 User License Fee (one-time)	\$30,000.00
PensionGold EDMDirect Subscription License Annual Fee	\$1,145.00
1 Kodak i2400 Scanner	\$1,000.00
Scan/index Workstation	\$1,200.00
Kofax Scan and Index Software	\$22,200.00
Back-file conversion services (provided by SoftFile)	\$29,381.10
PGRS back-file conversion project management fee (optional)	\$3,000.00
PGRS Professional Services	\$24,420.00
Total First Year Fixed Costs	\$112,346.10

Subsequent year costs are provided below.

SUBSEQUENT YEAR COSTS	COST
PageCenterX Software Maintenance and Support Fee	\$5,400
PensionGold EDMDirect Subscription License Annual Fee	\$1,145
Kofax Annual Software Assurance	\$3,700
Annual Hosting Services (100GB)	\$3,600
Total Subsequent Year Costs	\$13,845



Imaging Solution for MCERA Back-file Revision 1

4/14/2015

Prepared for:

Max Dillahunty
Levi, Ray & Shoup
217.793.3800 ext. 1707
Max.Dillahunty@irs.com

Prepared by:

Rich Jenness
209 Commerce Circle
Sacramento, Ca. 95815
916-927-4211

The ideas and prices presented herein are the property of SoftFile and are not to be copied or distributed without written permission.

209 Commerce Circle Sacramento, CA 95815-4400 916-927-4211 Fax 916-927-2410

W W W . S O F T F I L E . C O M

COMPANY BACKGROUND

Since our inception in 1988, SoftFile has become one of the leading document management companies in the Western United States. Specializing in document and data conversion services, SoftFile offers a wide array of products and services to match any need in business today. Our production facility in Sacramento annually converts millions of documents, maps and microfilm to digital images for viewing on networks, intranets and the web. Our experienced staff will ensure that your image or data requirements will be thoughtfully designed, expertly implemented and professionally supported, no matter what the need or environment.

SoftFile provides methods to automate the filing and indexing of paper that dramatically decrease the need to search through file cabinets for a document. We develop digital applications to replace the process of finding, photocopying and faxing requests for records and information. SoftFile's solutions can eliminate the paper chase and enhance productivity by making information more readily available.

The benefits for implementing our services are improved document workflow processes, simultaneous user access to important documents, reduced storage requirements, and digital backup copies of mission-critical records. We also provide scanners, storage devices, imaging systems, scanning software, workflow software, document retrieval software and custom software solutions. Please visit our website www.softfile.com to learn more about services and products.

CONFIDENTIAL RECORDS

At SoftFile, we realize that your documents are highly confidential, and we take precautions to safeguard your documents and the information that they contain. During the past 25 years, we've gained a tremendous amount of experience in handling confidential documents. Here's a list of some of the different types of confidential records that we have scanned for our clients:

- Judicial: Case files, Traffic Citations
- Human Resources: Personnel files, Benefit Files
- Legal: Client files
- Medical: Patient records
- Law Enforcement: Arrest records, Traffic Citations, Traffic Accident Reports
- Financial: Investment files
- Banking: Signature cards
- Bio-tech: Research lab notebooks
- Education: Student records, Transcripts
- Accounting: Payroll records, AP checks

SOFTFILE COURIER

As part of the document imaging process, SoftFile will dispatch a courier to the client's facility to pick up the files for image conversion and data entry. During the pickup and delivery process, SoftFile will attempt to minimize disruption to client's employees. We will provide advance communication so that all files will be prepared for pickup and placed in an area that will provide our courier with fast and easy access. To ensure the confidentiality of our client's records SoftFile employs our own couriers and does not outsource this service. All couriers employed by SoftFile are required to carry a picture ID during business hours. Business and vehicle insurance certificates are available upon request.

FACILITY SECURITY

More than 95% of the projects scanned by SoftFile are scanned at our facility in Sacramento.

All document imaging conversion services for this project will be performed at our central production and storage facility which is located at 209 Commerce Circle in Sacramento, California. Our production center is a tilt-up slab building that includes both fire and burglar alarms monitored by a local security firm. Magnetic locks on all exterior doors are wired, the interior space is wired with motion sensors, and both are monitored by a silent alarm system monitored by a local security firm. Code sprinklers are installed throughout the facility with a centralized control box for manual override. There is a Daily Sign-in Sheet for access to the facility. Any and all visitors must sign in and out of the facility and are under SoftFile escort at all times.

Limiting access to unauthorized personnel during business hours:

- Rollups are to be closed and locked while not in use. Open, unattended rollups are not allowed
- Front door is to be monitored by receptionist (or administrative staff) at all times
- Employee door can only be opened using employee smart card
- Courier room door to outside can only be opened using key code
- Door from Courier room to production area is to be securely locked
- Any and all visitors must sign in and out of the facility and are under SoftFile escort at all times

Limiting access to unauthorized personnel after business hours:

- Rollups are to be securely locked at all times
- Front door is to be securely locked
- Employee door must be dead-bolted
- Outside security cameras must be tested monthly
- Door from Courier room to production area is to be securely locked
- Courier room door to outside can only be opened using key code
- All window coverings are to be closed
- Alarm will be active at all times
- Alarm codes will be customized per user, and will be provided only to a few administrators
- Access keys and will be provided only to a few administrators

DOCUMENT PREPARATION

Prior to beginning the preparation process, our team meets with a client representative to obtain specific instructions on document handling; including document order and organization, how to handle exceptions and anomalies, and final disposition of the documents after the imaging process is completed.

During the initial step in the document imaging process, our staff removes any and all staples, paperclips and bindings from the source documents to ensure that the document itself is scanner ready. This task is truly a vital piece of the process as our staff works carefully to maintain the file integrity throughout the preparation process. Additional responsibilities of the document preparation staff include verifying file order, inserting barcode separator sheets (if required) and returning the documents to their original condition after imaging (if required). Once this process has been completed the documents/files are then routed to our image capture department.

SCANNING

During the scanning process, the primary concern of our scanning technicians is to maintain the integrity of our clients' documents. This includes capturing a high-quality image and keeping the pages of the document in exact order. SoftFile will typically scan all documents as a TIFF group IV image at 200 dpi resolution (unless otherwise requested by the client). For image capture SoftFile utilizes Bell & Howell document scanners which are rated as the highest quality image capture device in the industry today. The Bell & Howell scanners offer a robust document throughput as well as an "intelligent monitoring feature" that checks for image quality problems, document mis-feeds, and paper jams. Upon completion of the scanning process our operators perform a brief QC of their work prior to releasing the data over to our Data Entry/OCR department for indexing.

DATA CAPTURE

For the purpose of this project SoftFile will be utilizing a dual key from image process with an accuracy rate of 99.95%. For consistent accuracy SoftFile will use a combination of personnel, software and procedures to insure that the captured data exceeds accuracy requirements. Our accuracy begins with our software. We have designed our Key From Image (KFI) software from the ground up, allowing us to customize field order, data validation, use of look up tables and data formatting. As part of our data entry process we assign a QC technician for every five data entry employees. This individual performs a variety of checks which include running pre-designed queries against a SQL database, as well as visually verifying keyed data and live monitoring of work. Once this stage of the process has been completed the data will be submitted to the project manager who will assemble all of the data and rerun the quality assurance queries against the database in its entirety. Prior to beginning the project SoftFile's data entry manager will spend time working with the client so that he will have a thorough understanding of all the details as they relate to the key data entry portion of the services.

QUALITY CONTROL

The Quality Control Stage is the next step in our imaging process. The primary function of the QC technician is to inspect the images and folders processed. This operator will check images and indexes for accuracy, completeness and legibility. The technician will also ensure that any client-provided data has been properly merged with the manually-keyed data.

The QC Supervisor has the authority to coach personnel and implement corrective action for any errors found during the QC inspection. The QC Supervisor oversees all document-handling aspects of the process and is the direct supervisor for the scanning and preparation personnel.

OUTPUT FORMAT

SoftFile has vast experience in providing images and indexing information for viewing on many different types of document management software packages.

For this project, we will deliver the images in an image format and the related metadata in a delimited text format so that the data and images can easily be imported into the client's document management system.

CUSTOMER SERVICE

SoftFile prides itself on providing high-quality imaging services and outstanding customer service. Our Customer Service Manager, Leah GoForth, will help oversee this project in order to ensure that it is completed on-time and on-budget. You can contact Leah for assistance with any of the following:

- Request for documents that are being processed at SoftFile's production facility

- Minor changes in scope of work
- Any changes to pickup/delivery schedule
- Any other day-to-day issues

Leah's contact information is:

Leah GoForth
916-927-4211 x223
lgoforth@softfile.com

Of course, your account manager will remain actively involved in your project. Please contact your account manager for any of the following:

- Major changes in scope of work
- Overall direction of the project

All SoftFile personnel involved in this project will strive to ensure that your needs are met promptly and the project is completed to your satisfaction.

STATEMENT OF WORK

SoftFile will perform the following services:

- Send our courier to MCERA's facility in Ukiah, CA
- Place all the files in boxes (**optional**)
- Provide secure transport to the SoftFile production facility in Sacramento, CA
- Inventory and label each box
- Prepare all documents for scanning
- Scan all pages
- Return all pages to boxes
- Perform quality checks on random images
- Provide data entry for each member file to capture the SSN field
- Perform a data query using the client-provided data file to auto-populate the following fields:
 - Last name
 - First name
- Identify and index each document type and name (**Active and Inactive Member files**)
- Identify and index five key document types (**Retired Member files & Misc files**)
- Perform data quality checks
- Format the index data for import into the client's Content Management System
- Deliver all images and index data on a portable hard drive

ASSUMPTIONS

SoftFile has assumed the following in preparing this quote:

Active/Inactive Member Files

12	linear feet
2200	pages per ft
26400	pages
29040	images
1320	files
13200	doc types

Retired Member Files

66	linear feet
2200	pages per ft
145200	pages
159720	images
3630	files
18150	doc types

Misc Files

6	linear feet
2200	pages per ft
13200	pages
14520	images
1320	files
6600	doc types

Active Member Cards

18	linear feet
2200	cards per ft
39600	cards

- Assume an average of 40 pages per Retired Member File
- Assume an average of 20 pages per Active/Inactive Member File
- Assume an average of 10 pages per Misc File
- Assume an average of 2 pages per document
- Assume that 10% of the pages are two-sided resulting in 10% more images than pages
- Assume all documents are 8.5" x 14" or less
- All documents will be scanned in black and white
- Assume client will provide a data file consisting of SSN and member name
- Assume client will provide a data file doc type and the related doc names
- All documents to be scanned in an 'as received' mode with regard to viewing orientation
- Output images to PDF image format (image only – no OCR)
- Assume all cards are 8.5" x 5.5"
- Assume that 0% of the cards are two-sided
- Assume an average of 1 card per retiree

PRICING SCHEDULE – ACTIVE / INACTIVE MEMBER FILES

Service	Est. Qty.	Price	Unit	Extension
Document Scanning: 8.5" x 14" or less 200 dpi TIFF image	29,040	\$.06	Per image	\$1,742.40
Document Preparation: Staple removal, unfolding & smoothing, Taping, post-it removal <i>Plus document identification</i>	40	\$ 18.00	Per hour	\$720.00
Indexing by File: SSN only Other fields auto-populated via query	1,320	\$.09	Per record	\$118.80
Indexing by document name and type	13,200	\$.08	Per record	\$1,056.00
Estimated Total				\$3,637.20

PRICING SCHEDULE – RETIRED MEMBER FILES

Service	Est. Qty.	Price	Unit	Extension
Document Scanning: 8.5" x 14" or less 200 dpi TIFF image	159,720	\$.06	Per image	\$9,583.20
Document Preparation: Staple removal, unfolding & smoothing, Taping, post-it removal <i>Plus document identification</i>	330	\$ 18.00	Per hour	\$5,940.00
Indexing by File: SSN only Other fields auto-populated via query	3,630	\$.09	Per record	\$326.70
Indexing by Key document name	18,150	\$.04	Per record	\$726.00
Estimated Total				\$16,575.90

PRICING SCHEDULE – MISC FILES

Service	Est. Qty.	Price	Unit	Extension
Document Scanning: 8.5" x 14" or less 200 dpi TIFF image	14,520	\$.06	Per image	\$871.20
Document Preparation: Staple removal, unfolding & smoothing, Taping, post-it removal <i>Plus document identification</i>	35	\$ 18.00	Per hour	\$630.00
Indexing by File: SSN only Other fields auto-populated via query	1,320	\$.09	Per record	\$118.80
Indexing by Key document name	6,600	\$.04	Per record	\$264.00
Estimated Total				\$1,884.00

PRICING SCHEDULE – ACTIVE MEMBER CARDS

Service	Est. Qty.	Price	Unit	Extension
Document Scanning: 8.5" x 5.5" 200 dpi TIFF image	39,600	\$.06	Per image	\$2,376.00
Document Preparation: Staple removal, unfolding & smoothing, Taping, post-it removal	18	\$ 18.00	Per hour	\$324.00
Indexing by Card: SSN only Other fields auto-populated via query	39,600	\$.09	Per record	\$3,564.00
Estimated Total				\$6,264.00

EXTRAS / OPTIONS

Service	Est. Qty.	Price	Unit	Extension
Onsite Boxing of Documents by SoftFile	10	\$ 22.00	Per hour	\$220.00
Additional Indexing (as requested)	TBD	\$.01	Per character	TBD
Indexing by Document Type	TBD	\$.04	Per doc	TBD
Portable Hard drive (for transferring data & images)	1	\$ 0.00	Rental	\$0.00
Freight – Pickup / Delivery	3	\$ 340.00	Per trip	\$1,020.00

NOTE: Applicable taxes apply to prices listed above. The above quantities are estimates; client will be billed on actual quantities. Prices listed above are valid up to 60 days after date of proposal.

Inspection Report

provided by:



Tri-County Certified Inspections, Inc.

Inspector: Lance Woods

Property Address:

625 Kings Court
Ukiah, CA
95482



Report Information

Client Information

Client Name's James Eubanks
Client Email Address J@CO.Mendocino.ca

Property Information

Approximate Year Built Not Available
Approximate Square Footage 7,500
Direction Building Faces North

Inspection Information

Inspection Date 4/06/15
Inspection Start Time 9:30am
Inspection Fee \$1,200.00

Tri-County Certified Inspections, Inc.

REPORT SUMMARY PAGE		
Section	Condition#	Comment

AS = Appears Serviceable **NR** = Needs Repair **RI** = Recommended Improvement
S = Safety **RSI** = Recommended Safety Improvement **M** = Monitor **NI** = Not Inspected
N = None

1 Grounds

Grading

Grading Slope

Minor

1) Grading Conditions

RI

Recommended clearing of soil away from the Siding at the west side.

Vegetation

2) Vegetation Conditions

NR

Tree roots at grade have lifted the entrance landing, at the southeast corner.



Driveways - Sidewalks - Walkways

Driveway Materials

Concrete / Asphalt

3) Concrete Conditions

RI

Recommended filling/sealing of intermittent cracks, in the concrete entry.

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4) Asphalt Conditions

RI

Recommended filling/sealing of cracks in the east side parking lot asphalt. Recommended filling of pot holes and filling/sealing of cracks in the west side parking lot.



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Sidewalk Materials

Concrete

5) Sidewalk Conditions

AS

6) Railing Conditions

NR

Railings are not secure, at the northeast steps and west sidewalk.



Fences - Retaining Walls

Fence Material's

Wood

7) Fence Conditions

NR

Fence is damaged and leaning against tree, at the east property line.



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2 Exterior

Front - Back Entrance

NE Entrance Type

Covered Landing

8) NE Entrance Conditions

AS



East Entrance Types

Eave Covered Sidewalk and Landing

9) Side Entrance Conditions

AS



SW Entrance Type

Eave Covered Landing

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10) SW Entrance Conditions

NR

Concrete pad is lifted and is above the door threshold.



West Entrance Type

Eave Covered Walkway

11) West Entrance Conditions

AS

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NW Entrance Type

Eave Covered Landing

12) NW Entrance Conditions

AS



Exterior Walls

Exterior Wall Covering

T1-11 Siding

13) Exterior Wall Conditions

NR

Wood deterioration of T1-11 Siding at the lower southeast, east and southwest sides. Siding is weathered and checked/splitting at intermittent locations around the building.

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Trim Types

Wood

14) Trim Conditions

NR

Minor wood deterioration at southeast corner trim. Recommended securing caulking and painting of corner and west side door and window trim.

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N = None



15) Eave - Soffit - Fascia Conditions

AS

Exterior Windows - Doors

Window Material

Aluminum

Window Type

Sliding

16) Window Conditions

AS

17) Door Conditions

AS

Exterior Plumbing - Water Faucet(s)

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N = None

18) Faucet Conditions

AS

19) Plumbing Conditions

AS

Electrical Conditions

20) Outlet Conditions

NI

Outlet is locked at the west side.



21) Lighting Conditions

AS

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3 Roofing

Roof Covering

22) Access Conditions

AS

Mendo Employment Storage Closet, ladder access.



Method of Inspection

Walked on Roof

Roof Style

Hip / Flat

Roof Covering Material

Fiberglass Composition Shingle / Rolled Composition Sheeting

Number of Layers

One

23) Composition Shingle Conditions

NR

Intermittent tabs are broken off or cracked. Intermittent ridge shingles are scarred. It is recommended that a Licensed Contractor be contacted for further evaluation and repairs.



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N = None



24) Rolled Composition Conditions

RI

Recommended sealing of seams at north parapet wall. Sheets are wrinkled at the north parapet wall.

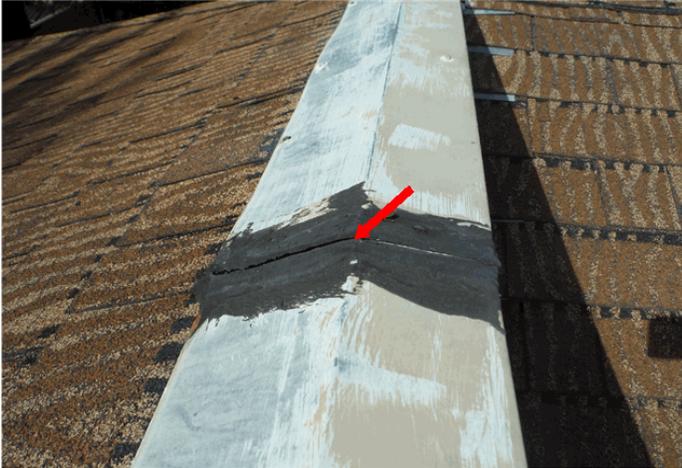


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25) Flashing Conditions

NR

Mastic is cracked at parapet wall flashing seams.



26) Flue - Vent Conditions

AS

27) Plumbing Vent Conditions

NR

Recommended re sealing of plumbing vent pipes to roof jacks.



28) External Gutter Conditions

NR

Gutters are rusted and leak at the east and north side. Recommended cleaning out of the gutters.

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29) Internal Drain Conditions

RI

Recommended removal of debris from drain covers.

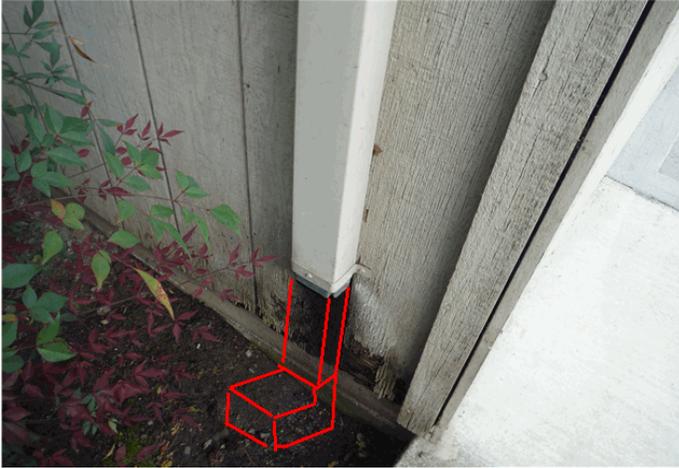


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30) Downspout Conditions

NR

Downspout extension and elbow not installed at the southeast. Downspout bracket not secure at the west side. Internal downspout terminates at the lower east wall, and water is wicking backwards and deteriorating the Siding.



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4 Electrical

Service Drop - Weatherhead

Electrical Service Type Underground

Number of Conductors Three

31) Electrical Service Conditions **AS**

Main Electrical Panel

Electrical Panel Locations South side of building

Main Disconnect Location Main Panels

Panel Amperage Rating (2) 100 Amps (1) 200 amps

Circuit Protection Type Breakers

Conductor Material Types Copper

32) Breaker Conditions **AS**

33) Grounding Conditions **AS**

34) Wiring Conditions **AS**

35) Breaker Identification Conditions **AS**

36) Electrical Panel Conditions **AS**

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N = None



Sub Panels

Location of Sub Panels North central Office / South Storage Closet and Hallway

Sub Panel Amperage Ratings No Main Breakers

Circuit Protection Type Breakers

Conductor Material Types Copper

37) Breaker Conditions

AS

38) Grounding Conditions

AS

39) Wiring Conditions

AS

40) Breaker Identification Conditions

AS

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N = None



41) Sub Panel Conditions

AS



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S = Safety **RSI** = Recommended Safety Improvement **M** = Monitor **NI** = Not
Inspected **N** = None



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N = None

5 Plumbing

Water Main Line

Main Shutoff Location North Sidewalk

42) Main Line - Valve Conditions

AS



Water Supply Lines

Supply Line Material Copper

43) Supply Line Conditions

AS

Drain - Waste Lines

Drain Line Material ABS Plastic

44) Drain Line Conditions

AS

45) Sewer Cleanout

NI Northeast sidewalk

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N = None

Water Heater Capacity 2.5 gallon / 30 Gallon

47) Plumbing Conditions

AS

48) Electrical Conditions

RSI

Storage closet, recommended installation of one GFCI protected outlet at this location. It is recommended that a Licensed Electrical Contractor be contacted for further evaluation and repairs.

49) Earth Quake Strap Conditions

RSI

Not installed.



50) Pressure Relief Valve Conditions

RSI

PRV pipes not installed and recommended to be plumbed to within 6" of the floor.



51) Operating Conditions

AS

AS = Appears Serviceable **NR** = Needs Repair **RI** = Recommended Improvement
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N = None



Fire Suppression Plumbing

Location North side of building

52) Plumbing Conditions

NI Not inspected

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Inspected **N** = None



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6 Heating - Air

Heating

Location of Unit's Roof
Heating Type's Package Unit Furnaces
Energy Sources Natural Gas

53) Unit Conditions **AS**



54) Ventilation Conditions **AS**

55) Fuel Line Conditions **AS**

56) Electrical Conditions **AS**

Distribution Type Ducting

57) Distribution Conditions **AS** Installed above T Bar Ceiling.

58) Condensate Drain Conditions **AS**

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N = None

59) Operating Conditions

AS

60) Thermostat Conditions

AS



Air Conditioning - Cooling

Type of Cooling System Package Unit A/C

AC Unit Power 240 Volts

61) AC Unit Conditions

AS

62) Refrigerant Line Conditions

AS

63) Electrical Conditions

AS

64) Operating Conditions

AS

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N = None

7 Mendo Employment Retirement Offices

Interior Conditions

Locations

Offices 1 thru 4

65) Wall Conditions

AS

66) Ceiling Conditions

AS

67) Floor Conditions

AS

68) Heat Source Conditions

AS

69) Lighting Conditions

AS

70) Outlet Conditions

AS

71) Window Conditions

AS

72) Door Conditions

AS

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N = None

8 Mendo Emp. Central Office

Interior Conditions

73) Wall Conditions

AS

74) Ceiling Conditions

AS

75) Floor Conditions

AS

76) Heating Conditions

AS

77) Lighting Conditions

AS

78) Outlet Conditions

AS

79) Window Conditions

AS

Failed seal at the east side.

80) Door Conditions

AS

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N = None

9 Mendo Employment Lobby

Interior Conditions

81) Wall Conditions

AS

82) Ceiling Conditions

AS

83) Floor Conditions

AS

84) Heating Conditions

AS

85) Lighting Conditions

AS

86) Outlet Conditions

S

Ground prong in east side outlet. No power at outlets. It is recommended that a Licensed Electrical Contractor be contacted for further evaluation and repairs.

87) Window Conditions

AS

Failed seal at the east side.

88) Door Conditions

AS

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N = None

10 Conference Room

Interior Conditions

89) Wall Conditions

AS

90) Ceiling Conditions

AS

91) Floor Conditions

AS

92) Heating Conditions

AS

93) Lighting Conditions

AS

94) Outlet Conditions

AS

95) Window Conditions

AS

Failed seal at the east side.

96) Door Conditions

AS

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S = Safety **RSI** = Recommended Safety Improvement **M** = Monitor **NI** = Not Inspected
N = None

11 Utility Room

Interior Conditions

97) Wall Conditions

AS

Thin crack at west wall.



98) Ceiling Conditions

AS

99) Floor Conditions

AS

100) Heat Source Conditions

AS

101) Lighting Conditions

AS

102) Outlet Conditions

AS

103) Window Conditions

AS

Failed window seal.

104) Door Conditions

AS

AS = Appears Serviceable **NR** = Needs Repair **RI** = Recommended Improvement
S = Safety **RSI** = Recommended Safety Improvement **M** = Monitor **NI** = Not Inspected
N = None

12 Break Room

Walls - Ceilings - Floors

- 105) Wall Conditions AS

- 106) Ceiling Conditions AS

- 107) Floor Conditions AS

- 108) Heat Source Conditions AS

Windows - Doors

- 109) Window Conditions AS Failed window seal at the west side.

- 110) Door Conditions AS

Electrical Conditions

- 111) Electrical Conditions AS

- 112) Lighting Conditions AS

Kitchen Sink - Counter tops - Cabinets

- 113) Counter Conditions AS

- 114) Cabinet Conditions AS

- 115) Sink Faucet Conditions AS

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N = None

116) Sink Plumbing Conditions

AS

Appliances

117) Refrigerator Conditions

AS

118) Microwave Conditions

AS Portable

AS = Appears Serviceable **NR = Needs Repair** **RI = Recommended Improvement**
S = Safety **RSI = Recommended Safety Improvement** **M = Monitor** **NI = Not Inspected**
N = None

13 Women's Bathroom

Walls - Ceilings - Floors

- 119) Wall Conditions AS

- 120) Ceiling Conditions AS Aged water stain at ceiling tile.

- 121) Floor Conditions AS

- 122) Heat Source Conditions AS

Windows - Doors

- 123) Window Conditions N No window

- 124) Door Conditions AS

Electrical Conditions

- 125) Electrical Conditions AS

- 126) Lighting Conditions AS

- 127) Vent Fan Conditions AS

Bathroom Vanity

- 128) Counter - Cabinet Conditions AS

- 129) Knob - Faucet Conditions AS

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N = None

130) Sink - Drain Conditions

AS

131) Plumbing Conditions

AS

Toilet's

132) Toilet Conditions

AS

AS = Appears Serviceable **NR** = Needs Repair **RI** = Recommended Improvement
S = Safety **RSI** = Recommended Safety Improvement **M** = Monitor **NI** = Not Inspected
N = None

14 Men's Bathroom

Walls - Ceilings - Floors

- 133) Wall Conditions AS

- 134) Ceiling Conditions AS

- 135) Floor Conditions AS

- 136) Heat Source Conditions AS

Windows - Doors

- 137) Window Conditions N No window

- 138) Door Conditions AS

Electrical Conditions

- 139) Electrical Conditions AS

- 140) Lighting Conditions AS

- 141) Vent Fan Conditions AS

Bathroom Vanity

- 142) Counter - Cabinet Conditions AS Wall mount sink

- 143) Knob - Faucet Conditions AS

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S = Safety **RSI = Recommended Safety Improvement** **M = Monitor** **NI = Not Inspected**
N = None

144) Sink - Drain Conditions

AS

145) Plumbing Conditions

AS

Toilet - Urinal Conditions

146) Toilet Conditions

AS

147) Urinal Conditions

AS

AS = Appears Serviceable **NR** = Needs Repair **RI** = Recommended Improvement
S = Safety **RSI** = Recommended Safety Improvement **M** = Monitor **NI** = Not Inspected
N = None

16 Dept. Rehab. Lobby

Interior Conditions

156) Wall Conditions

AS

157) Ceiling Conditions

AS

158) Floor Conditions

AS

159) Heating Conditions

AS

160) Lighting Conditions

AS

161) Outlet Conditions

AS

162) Window Conditions

AS

163) Door Conditions

AS

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N = None

17 Dept. Rehab. Central Office

Interior Conditions

- 164) Wall Conditions
- 165) Ceiling Conditions
- 166) Floor Conditions
- 167) Heating Conditions
- 168) Lighting Conditions
- 169) Outlet Conditions
- 170) Window Conditions
- 171) Door Conditions
- 172) Drinking Fountain Limited water pressure.



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N = None

18 Dept. Rehab. Conference Rooms

Interior Conditions

- 173) Wall Conditions AS

- 174) Ceiling Conditions AS

- 175) Floor Conditions RI Room #112, carpet lifted in areas.

- 176) Heating Conditions AS

- 177) Lighting Conditions AS

- 178) Outlet Conditions S Room #104, outlet face plate missing at west side.

- 179) Window Conditions AS

- 180) Door Conditions AS

AS = Appears Serviceable **NR** = Needs Repair **RI** = Recommended Improvement
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N = None

19 Dept. Rehab. Break Room

Walls - Ceilings - Floors

- 181) Wall Conditions AS

- 182) Ceiling Conditions AS

- 183) Floor Conditions AS

- 184) Heat Source Conditions AS

Windows - Doors

- 185) Window Conditions AS

- 186) Door Conditions AS

Electrical Conditions

- 187) Electrical Conditions RSI Recommended installation of one GFCI protected outlet. It is recommended that a Licensed Electrical Contractor be contacted for further evaluation and repairs.



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N = None

188) Lighting Conditions

AS

Kitchen Sink - Counter tops - Cabinets

189) Counter Conditions

AS

190) Cabinet Conditions

AS

191) Sink Faucet Conditions

NR

Faucet neck is not secure. Excessive amount of mineral deposits.



192) Sink Plumbing Conditions

AS

Appliances

193) Refrigerator Conditions

AS

194) Microwave Conditions

AS

Portable

AS = Appears Serviceable **NR = Needs Repair** **RI = Recommended Improvement**
S = Safety **RSI = Recommended Safety Improvement** **M = Monitor** **NI = Not Inspected**
N = None

20 Dept. Rehab. Women's Bathroom

Walls - Ceilings - Floors

- 195) Wall Conditions AS

- 196) Ceiling Conditions AS

- 197) Floor Conditions AS

- 198) Heat Source Conditions AS

Windows - Doors

- 199) Window Conditions N No window

- 200) Door Conditions AS

Electrical Conditions

- 201) Electrical Conditions AS

- 202) Lighting Conditions AS

- 203) Vent Fan Conditions NR Does not operate.

Bathroom Vanity

- 204) Counter - Cabinet Conditions AS

- 205) Knob - Faucet Conditions NR Cold water handle/knob is difficult to turn. Excessive amount of mineral deposits.

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N = None

206) Sink - Drain Conditions

AS

207) Plumbing Conditions

AS

Toilet's

208) Toilet Conditions

AS

AS = Appears Serviceable **NR** = Needs Repair **RI** = Recommended Improvement
S = Safety **RSI** = Recommended Safety Improvement **M** = Monitor **NI** = Not Inspected
N = None

21 Dept. Rehab. Men's Bathroom

Walls - Ceilings - Floors

209) Wall Conditions

AS

210) Ceiling Conditions

AS

211) Floor Conditions

AS

Floor appears to slope away from the drain, and toward the corner behind the toilet.



212) Heat Source Conditions

AS

Windows - Doors

213) Window Conditions

N

No window

214) Door Conditions

AS

Electrical Conditions

215) Electrical Conditions

AS

AS = Appears Serviceable **NR** = Needs Repair **RI** = Recommended Improvement
S = Safety **RSI** = Recommended Safety Improvement **M** = Monitor **NI** = Not Inspected
N = None

216) Lighting Conditions

AS

217) Vent Fan Conditions

AS

Bathroom Vanity

218) Counter - Cabinet Conditions

AS

Wall mount sink

219) Knob - Faucet Conditions

NR

Hot water handle/knob is seized. Excessive amount of mineral deposits.



220) Sink - Drain Conditions

RI

Drain stopper not installed.



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Inspected **N** = None

221) Plumbing Conditions

AS

Toilet - Urinal Conditions

222) Toilet Conditions

AS

223) Urinal Conditions

AS

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Inspected **N** = None

22 Foundation - Crawl Space

Foundation

Foundation Type Slab on grade

Foundation Material Poured Concrete

224) Foundation Conditions

AS

225) Soil - Crawl Space
Conditions

AS