

James R. Wilbanks, Ph.D.
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: March 16, 2016
To: Board of Retirement
From: James Wilbanks, Retirement Administrator
Subject: Administrator Report

Request of Member David Pelser for Board Review Regarding the Application of Reciprocity:

The County Employees' Retirement Law (the "CERL") requires that boards establish a procedure for determining whether certain pay items are pensionable. This type of issue could arise where staff determines that an item of compensation is not pensionable and the member disagrees. The procedure would generally provide an opportunity for a member (and his/her counsel, if any) to appear before the Board and present their case and explain why they think the item should be included, and staff would explain its position. If the Board agrees with the member, the item would be included in final compensation. If the Board confirms the staff decision, then the member would need to file an action in court.

The CERL does not require boards to "hear" any other issues regarding the determination and/or amount of benefits. Staff has been working on an issue regarding reciprocity raised by a former county employee, David Pelser. The purpose of this memo is to notify you of the issue that will be on March Agenda, which will be for the Board to discuss and decide whether it wants to "hear" the substance of Mr. Pelser's issue at the April meeting.

While there will not be a discussion of the substance of the issue in March, I am providing you with the following brief information, so that you have a general understanding of the underlying reciprocity issue. Mr. Pelser worked for Contra Costa county from 1977 to 1984, Mendocino County from 1984 to 1987, CalPERS from 1987 to 1991, and then again at CalPERS from 2012 to 2015, when he retired. He is asking that MCERA calculate his retirement benefit using his CalPERS salary from 2015. Staff believes that it should be using his 1991 CalPERS salary.

Pension Administration System Monthly Report:

The implementation of the Pension Administration System continues. We have successfully completed two retirement benefit payments with no major issues. Please see the enclosed report from Rob Ellison with Linea Solutions for more details.

625 Kings Court Maintenance Update:

We are working with the County Executive Office, General Services Agency, Facilities and Fleet Division. Building maintenance staff are handling many of the minor items identified in the inspection report from last year. Additionally, General Services is preparing cost estimates for the larger work components for us to consider and prioritize. I expect to have more information for discussion at the Board meeting next month.

Administrative and Operations Update:

I have no updates to report as of this writing.



MENDOCINO COUNTY EMPLOYEES' RETIREMENT SYSTEM
Project: PENSION ADMINISTRATION SYSTEM



Report Type:	Monthly Status Report
Status Date:	3/1/2016
Project Managers:	Rob Ellison – Linea, Jack Blonski – LRS Pension Gold
MCERA Team Members:	Katy Richardson, Judy Zeller, Stan Conwell, Sylvia McGee
Report Period:	February 2016

1. Current Period Activities

Activity	Comments
Design	1. Design for all phases of the project and change orders is complete. The ten correspondence documents and five reports as requested by MCERA have been submitted for design review.
Data Conversion	2. The final data conversion and updates was completed on 1/4/2016 to coincide with the go-live event. Any additional data conversion issues discovered at this point forward will be resolved either through data scripts or through the online interface of the application.
Development	3. Development for all phase of the project is complete with the exception of the ten correspondence documents and the five reports as mentioned in #1 above.
User Acceptance Testing	4. User Acceptance Testing was completed on 10/29/2015.
Production Parallel Processing	5. Production Parallel began Monday 11/4/2015 and was completed on 12/31/2015.
Go-Live Full Production Mode	6. Go-Live, or the conclusion of the parallel processing time period, when PensionGold becomes the system of record, was completed on 1/4/2016. PensionGold is live and is the system of record for membership information at MCERA. All membership and pension activities occurred in PensionGold including the following: 7. MCERA is now processing all employer contribution reports, member benefit payrolls and all other pension system functionality in PensionGold. 8. MCERA will process the 1099R's for 2015 in MUNIS as MUNIS was the system of record for 2015. Beginning in January 2017, 1099R's for 2016 will run out of PensionGold.
New Trouble Tickets	9. All trouble tickets that were critical for go-live were resolved prior to the go-live time period. Moving forward, all trouble tickets will be handled via the same process as part of the warranty period and production support.
Open Change Requests	10. Four change requests were approved and completed as part of the implementation of the project and as noted on previous status reports.
New Change Requests	11. A new change request for \$900 was created and approved for PensionGold to modify the benefit calculation of the unmodified 60% benefit with a qualified beneficiary at death. Members who retire on or after 9/17/2014 electing this option will be paid with the COLA at 60%, those prior to this date, 100%.

2. Scheduled Activities

Activity	Comments	Start Date	Due Date	Status	Percent Complete
Requirements	12. Delivery by MCERA to LRS of items identified in requirements sessions	12/10/2013	1/10/2014 1/24/2014	Complete	100%
Data Conversion	13. Data Conversion is complete as of 1/4/2016.	12/2/2013	1/4/2016	Complete	100%
Deliverable 1	14. Design, development, system release testing, UAT training, and UAT complete.	12/19/2013	9/30/2014	Complete	100%
Deliverable 2	15. Design, development, system release testing, UAT training, and UAT complete.	6/23/2014	6/30/2015	Complete	100%



MENDOCINO COUNTY EMPLOYEES' RETIREMENT SYSTEM
Project: PENSION ADMINISTRATION SYSTEM



Activity	Comments	Start Date	Due Date	Status	Percent Complete
Deliverable 3	16. Design, development, system release testing, UAT training, and UAT complete (except as noted in #1 above).	4/15/2015	10/31/2015	In process as noted in #1 above	95%
Parallel Processing	17. Pension Gold run in parallel with existing systems and processes	11/2/2015	12/31/2015	Complete	100%
Production Go-Live	18. Milestone date for system go-live and beginning of parallel processing.	N/A	1/4/2016	Complete	100%
Project Completion	19. All documentation delivered 20. Training completed 21. Old system discontinued 22. Warranty period completed 23. System acceptance sign off	N/A	3/31/2016	In process	N/A

3. Budget Overview

Description	Approved Budget	Paid To Date
Pension Admin System Implementation		
LRS (Hosting, software, vendor implementation services, includes change orders)	\$1,403,310.00	\$0.00
LRS additional support	\$0.00	\$0.00
County IT	N/A	*\$45,428.25
Linea	\$490,500.00	**\$396,392.51
Total for all Phases	\$1,893,810.00	\$441,820.76
Projected Total for all Phases		\$1,892,910.00

*through 1/31/2016

**through 2/29/2016