



Dear Members,

Greetings. MCERA members have placed their trust in our board to oversee administration of the retirement system for many decades, and we take this responsibility with utmost seriousness. In the last several years our board and the Retirement Administrator have instituted a series of proactive changes including: 1) the identification of a comprehensive software system to better manage our member records and to produce retiree payroll in-house starting in 2010; 2) initiation of an complete review of internal operations which led to a reorganization of functional assignments; 3) the addition of staff to handle the increased workload generated by the County's new accounting software system; and 4) relocation of operations to our new building at One McInnis Parkway, with the goal of providing the opportunity for more efficient, effective and personal attention to our members and member agencies.

While change and growth are essential, they rarely happen smoothly. Recently the board has become aware of dissatisfaction from some members regarding delays they have experienced in obtaining important information about their pensions and other benefits. The MCERA board of trustees apologizes for any inconvenience and stress that these delays may have caused any of its members, and ask your continued patience. We are making significant progress in overcoming the impact that the County's software problems has had on MCERA operations, and which has hindered staff in preparing retiree calculations, estimates, and member benefit statements in a timely manner. We have seen significant improvements in response time in recent months, and will continue to monitor management's progress in this area.

Without getting bogged down in detail, you should be aware that a couple of important milestones have been reached: 1) Member benefit statements were mailed to all but a few members for the period ending June 30, 2008, and we expect that 6/30/09 statements will be mailed out on schedule this year, 2) the FY07-08 valuation report should be ready for review in August, with the FY08-09 valuation report following before the end of the calendar year. 3) MCERA's transition to a new software database system continues to move forward to replace our older DOS system with a powerful and highly flexible benefits management system in mid-2010. Once the new system is operational, staff will have the ability to automate administration of the retiree medical plan; process retiree payroll internally; process member address changes, beneficiary information, direct deposit, tax withholding, etc. more quickly; and provide members with the ability to produce their own benefit estimates on an ad hoc basis. Ultimately this information will flow to the members with greater speed and accuracy.

Again, thank you for your patience and understanding.

Sincerely,

Jim Phillips  
Chair, MCERA Board of Trustees