

Summer 2007

Employer Spectrum

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Employer Reporting Takes a New (Electronic) Path

CCCERA's pension administration system project implements a new era in employer reporting, moving legacy data processes into the electronic mainstream.

Routing data effectively and accurately between diverse agencies linked together for public service is an important challenge. The new system replaces manual procedures where entry errors and delays might occur. Employers will report electronically via a standardized template. The electronic files will flow through County DOIT, where the data will be formatted correctly to interface with CCCERA's new Tier system.

The advantages of the new system benefit all members of CCCERA, employers, employees and retirees. Each time information is "touched" manually, there is the risk of error. The new system streamlines data transmission by reducing redundancies, and "scrubbing" (cleaning up) information prior to reaching CCCERA, thereby minimizing inaccuracies.

However, data cleansing is an on-going, labor intensive project, requiring research and service audits on all members. Approximately 25% is completed; the remainder will keep us busy in the foreseeable future.

Of particular interest to employees planning retirement is data transmission speed. Information residing at CCCERA that is used to estimate final retirement benefits and process retirement applications will be substantially more current than the files used in the past.

Nationally, there is movement toward e-government, as well. Reducing reliance on archival paper files is occurring at many levels in the public sector. Going forward, the new system will use and back up data in electronic format, making research much less cumbersome for staff.

The inauguration of the employer reporting system is estimated to be late 2007. As CCCERA moves closer to going live with this module, each employer will be contacted with specific details as applied to individual agencies.

Retirement Board Meetings of Special Interest to Employers

August 8, 2007:

Actuarial Valuation and Review for the Year Ended 12/31/07. Presentation by The Segal Company. The Actuarial Valuation establishes the funding requirements for the fiscal year beginning **July 1, 2008**, and analyzes the preceding year's experience. The valuation is performed to determine contribution rates, in combination with current assets, that are required to provide prescribed benefits. See more valuation information on page 2.

September 5, 2007:

Disability Process Presentation. This educational seminar examines the disability process from initiation to completion, including eligibility under the 1937 Act, the role of Board trustees, and staff procedures. Featured speakers are Rebecca Byrnes, Deputy County Counsel; Ashley Dunning, CCCERA Board Counsel; and Kathy Somsen, CCCERA Benefits Manager.

Actuarial Valuation and Review: What's In It for Employers?

Actuarial studies and reports are vital to the financial health of successful retirement systems. Not only do these in-depth studies “take the temperature” of the system as a whole, the 1937 Act requires unbiased examination from skilled independent consultants to protect all system members.

The Actuarial Valuation determines recommended contribution rates for both employers and employees, based on a detailed analysis of several factors:

- The benefit provisions of CCCERA, as administered by the Board.
- The demographic characteristics of covered active members, vested terminated members, retired members and beneficiaries.
- The plan assets at year end.
- Economic assumptions regarding future salary increases and investment earnings.
- Other actuarial assumptions, such as estimated employee terminations, retirements, etc.

The review describes any significant statistical issues that occurred during the year, which impacted the report's recommendations. The valuation also features many important demographic tables, i.e., average monthly benefits paid to retirees and beneficiaries delineated by tier and years since retirement, perspective on the development of the UAAL (important to all employers), a summary of plan provisions and benefit formulas. Employer contribution rates are shown by cost components and subvention (if applicable) for both county and special districts, and by tier.

The complete Actuarial Valuation and Review will be available in .pdf format on CCCERA's web site, after The Segal Company's formal presentation to the Board of Retirement.



CCCERA office hours are
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