



November 20, 2023

Board of Retirement
Ventura County Employees' Retirement Association
1190 South Victoria Avenue, Suite 200
Ventura, CA 93003

SUBJECT: ALAMEDA IMPLEMENTATION STATUS REPORT DATED NOVEMBER 20, 2023

Dear Board Members:

Background

Staff are working to implement the July 30, 2020, California Supreme Decision, *Alameda County Deputy Sheriffs' Association v. Alameda County Employees' Retirement Association* (2020) 9 Cal.5th 1032, 1070 ("*Alameda*"), based on the latest direction received from the Board of Retirement on April 17, 2023.

Summary & Highlights

The VPAC team includes several VCERA staff, plus coordination with the following partners:

- County of Ventura – providing calculations for excluded & situational pay codes, as well as partial assistance w/flex credits
- MBS – providing tool development & flex credit calculations
- Simpler Systems – providing reporting tool

Four fixed-term positions (one office assistant, two benefit specialists, and one business analyst) have been budgeted to help increase staffing resources for the Alameda implementation project. Job bulletins for all four of these positions have been posted within the last couple of weeks. As the application deadlines approach, the next steps will be review of the applications for minimum qualifications and then scoring of applicants, usually via an oral examination panel. Top applicants will be interviewed by the hiring managers and then selections will be made.

The County is working on some perquisite tasks that are needed for the setup of the existing adjustment process in VCHRP, which will be used to generate the changes to pensionable earnings and contributions based on flex credit amounts provided by VCERA. After these items

are successfully tested, the County team will have enough information to develop the remaining proposed timeline for the flex credit calculations.

VCERA has contracted with MBS to provide the additional calculations needed outside of the V3 pension administration system for flex credits and interest. The technical setup for MBS and coordination of tasks with Vitech has taken longer than anticipated, and as a result we have adjusted the commencement of the MBS task list by another month. MBS is currently testing connecting to the database and confirming the rights and access within the database and the schema to confirm if all is setup as needed or if we need to work with Vitech further.

Once the corrected data is loaded into V3, VCERA staff will perform several steps to update individual member accounts (retiree benefits and contribution refund processing). In order to speed up some of that processing, VCERA has engaged the system vendor Vitech to make some system enhancements that are currently under development and in testing. There are currently 6 items in the queue for Vitech; one is in testing, one is expected to be delivered for testing this week, one is in development, two are not started (but less critical), and the final one is a 6-part item of which 2 parts are in testing and 3 parts are in development.

Staff received feedback from tax counsel regarding some of the key remaining implementation plan details. With that information, staff can proceed with the manual calculations for VRSD members.

Staff conducted a project kick off meeting with Simpler Systems which included a review of the project charter, datasets, and a system demo. Next steps include meeting with the vendor to provide overviews of the V3 system, database, and key datasets.

Staff met with members from the Ventura County Professional Peace Officers Association (VCPPOA) and Ventura County Deputy Sheriffs Association (VCDSA) to answer questions about the implementation of the Alameda Decision and other pension topics.

Estimate of Impacted Members

As a reminder, here are the overall estimated counts of members impacted by each of the various exclusions:

PEPRA Exclusions:

- Excluded Pay Codes 500+ retired, 1500+ active/deferred
- Situational Pay Codes 500+ retired, 2400+ active/deferred
- Leave Straddling 1200+ retired members to review and/or correct

Alameda Exclusions:

- Flex Credits 850+ retired, 6500+ active/deferred
- Leave Donations 450+ retired members to review and/or correct

For comparison, as part of normal operations, VCERA processes about 100 benefit estimates and 30 new retirements each month.

Estimated Project Timeline

As mentioned above, the MBS tasks have been adjusted by an additional month. Also, discussions are still underway regarding the timeline for the County tasks. The overall project timeline will be reviewed as the project progresses to determine any additional impacts. The end date for the project has not yet been adjusted, as there are still too many moving parts to project that adjustment accurately.

Year	Months	Task	Assigned	Status
<i>Phase 1: Calculate pensionable earnings & member contributions</i>				
2023	May – June	Planning	VCERA	Completed
2023	May – June	Stop Contributions	County	Completed
2023	July – Dec	Correction Files Format/Workflow	County	In Progress
2023	July – Dec +	System Enhancements	Vitech	In Progress
2023	July – Dec	Data Cleanup & Prep Tasks	VCERA/County	In Progress
2023	Sep – Dec +	Recruit & Train Staff	VCERA	In Progress
2023-24	Sep – June +	Queries/Reporting	Simpler Systems	In Progress
2023-24	Nov – July +	Tools Dev/Flex Credit Calcs	MBS/Consultants	In Progress
2023-24	Nov – Mar	VRSD Corrections (manual)	VCERA	
2024	Jan – Mar +	Send Correction Files	County	
2024	Jan – Mar	Test & Verify System Enhancements	VCERA IT & Ops	
2024	Apr – Sep	Review/Test Tools & Corrections	VCERA IT & Ops	
<i>Phase 2: Calculate retirement benefits & process refunds w/interest</i>				
2024	Sep – Dec	Perform Calcs/Pay Refunds & Rollovers	VCERA	
2025	Jan – Sep +			

+ indicates a task that may continue further to completion

Items in bold have been updated since the prior status report.

DISCLAIMER: This timeline is an estimate based on initial review of the project scope. Actual timeline may fluctuate due to factors including resources, vendor timelines, processing complexity, and unanticipated priorities. Updates to this estimated timeline will be published as more information becomes available.

RECOMMENDATION: RECEIVE & FILE ALAMEDA IMPLEMENTATION STATUS REPORT DATED NOVEMBER 20, 2023

VCERA staff will be pleased to respond to any questions you may have on this matter at the November 20, 2023, Business & Disability Meeting.

Sincerely,



Amy Herron
Chief Operations Officer