

New Employee Guide to Retirement Benefits

The Mendocino County Employees Retirement Association (MCERA) was established on January 1, 1948 to provide a defined-benefit retirement plan to public employees in Mendocino County. MCERA serves the active and retired employees of 3 plan sponsors: Mendocino County, the Superior Court of Mendocino County and the Russian River Cemetery District.

MCERA is governed by a 10 member Board of Retirement and administered by a professional staff with the assistance of experts in investments, accounting, actuarial science and various aspects of applicable law. We are an independent agency, separate from the Plan Sponsors, and we work for our clients – the active and retired employees of the plan sponsors.

Retirement Plan Overview

MCERA is a Defined Benefit (DB) pension plan which means that:

- Your retirement benefit is specified by a formula
- Your retirement benefit does not depend on investment return

All members of MCERA contribute to the retirement system. Contributions are tax deferred and are shown as a deduction from the employee's pay. Contribution deductions are a percentage of the gross biweekly salary and are based on both the date of entry into the retirement system and the type of membership: General, Safety, or Probation. Membership is compulsory for every new employee under age 60 at employment.

Retirement Benefit Formula

Final Average Salary (FAS) is based on the **highest** 78 consecutive pay periods (3 years).

- Benefit is capped at 100% of FAS
- Benefit is a Lifetime annuity

Years of Service is the number of pay periods in which contributions are received (1 year of service equals 26 pay periods).

- Prior service time may be purchased
- Unused sick leave is converted to service credit when retiring immediately after separating from service

Multiplier is decided by membership type (General, Safety, or Safety Probation), tier, and age at retirement.

- The multiplier is determined by law

$$\begin{array}{r} \text{FINAL AVERAGE} \\ \text{SALARY (FAS)} \\ \times \\ \text{YEARS OF SERVICE} \\ \times \\ \text{MULTIPLIER} \\ = \\ \text{BENEFIT} \end{array}$$

Vesting

Vesting a retirement benefit means you have earned a property right to that benefit. MCERA members become vested after 5 years of service. Once vested, a member is entitled to a guaranteed retirement benefit and will be eligible to retire once they have met the other requirements outlined in the next section.

Retirement Eligibility

Eligibility for retirement has different requirements depending on membership type, General, Safety or Probation, and date of hire.

Date of Membership	General Members	Safety & Probation Members
On or after January 1, 2013 (PEPRA*)	<ul style="list-style-type: none">• Minimum 5 years of service (5 year vesting)• Minimum Age 52	<ul style="list-style-type: none">• Minimum 5 years of service (5 year vesting)• Minimum Age 50
Prior to January 1, 2013 (Non PEPRA)	<ul style="list-style-type: none">• Minimum 5 years of service (5 year vesting)• At least 10 years since membership date• Minimum Age 50• 30 years of service, regardless of age	<ul style="list-style-type: none">• Minimum 5 years of service (5 year vesting)• At least 10 years since membership date• Minimum Age 50• 20 years of service, regardless of age

Reciprocity

If you have service credit in another California public pension plan you may be eligible to establish reciprocity. Benefits include combining years of service towards vesting and eligibility, and sharing of highest final average salary.

- Is not automatic and requires filing of an application
- Break in service may not exceed 180 days and service must not overlap
- May change your vesting schedule, retirement eligibility and benefit formula
- Must retire from all reciprocal systems on the same date

Service Purchase

You may be eligible to purchase prior service with a MCERA plan sponsor.

- Withdrawn contributions
- Extra-Help service
- Part-Time service

* PEPRA-California Public Employees' Pension Reform Act of 2013

MemberDirect

MCERA offers active members online access to their retirement account information. For additional information, visit <https://www.mendocinocounty.org/retirement/memberdirect>.

Contact Us

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