

RESPONSE TO GRAND JURY REPORT FORM

Report Title: The Disability Retirement Process: Perception and Reality

Report Date: May 11, 2007

Response by: KIM TURNER Title: CEO

Entity: ~~Marin County Courts~~ SUPERIOR COURT

FINDINGS

- I (we) agree with the findings numbered: \_\_\_\_\_
- I (we) disagree wholly or partially with the findings numbered: F7, F8  
(Attach a statement specifying any portions of the findings that are disputed; include an explanation of the reasons therefor.)

RECOMMENDATIONS

- Recommendations numbered \_\_\_\_\_ have been implemented.  
(Attach a summary describing the implemented actions.)
- Recommendations numbered \_\_\_\_\_ have not yet been implemented, but will be implemented in the future.  
(Attach a timeframe for the implementation.)
- Recommendations numbered RS, R10 require further analysis.  
(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.)
- Recommendations numbered \_\_\_\_\_ will not be implemented because they are not warranted or are not reasonable.  
(Attach an explanation.)

Date: 6/2/07 Signed: [Signature]

Number of pages attached 2

Superior Court of California  
County of Marin



KIM TURNER  
Court Executive Officer

CHERI BRANNON  
Assistant Court Executive Officer

June 20, 2007

Ms. Karin Hern, Foreperson  
Marin County Grand Jury  
3501 Civic Center Drive, Room 303  
San Rafael, CA 94903

**RE: The Disability Retirement Process: Perception and Reality**

Dear Ms. Hern:

Thank you for the opportunity to comment on the Grand Jury report on the Marin County Employees' Retirement Association's (MCERA) disability retirement process. As a participating employer, the Court is very interested in ensuring that the application process is well designed, transparent to the applicant and defensible to the taxpayers.

The Grand Jury has asked the Court to comment on whether it supports the concept of working with MCERA to derive an estimate of the overall cost differences between disability and regular retirement benefits. Further, the Grand Jury has asked the Court to offer input on whether it would assist MCERA in tracking the administrative price tag of each disability applicant, to quantify the costs of medical evaluations and legal fees and the administrative resources burden that protracted disability application processes entail.

I would like to preface these remarks by noting that the Court, as a participating employer, has initiated no disability retirement applications in the past five years, according to the Appendix C found in the Grand Jury report. Accordingly, any comments or opinions offered are not based on any institutional experience with the disability retirement process, as the Court has had no experience in recent memory. Nonetheless, below are responses to findings 7 and 8, as well as recommendations 5 and 6.

Regarding finding 7 and corresponding recommendation 5, many variables are considered in the determination of regular retirement benefits, including the prospective retiree's retirement tier (or tiers if the retiree exited and reentered the retirement system), age at entry into the retirement system, number of years of service, whether

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benefits are pre or post-tax, whether accrued sick leave hours are eligible for conversion to service credit and at what percentage, and a host of other less critical factors that comprise the final benefit calculation. The closer the applicant is to retirement age when he or she receives a service-connected disability benefit has a great impact on the whether the cost difference is minor or significant. Given the complexity of the calculation and the unique and individual nature of the circumstances of every disability applicant, it does not appear worthwhile to undertake an exercise to compare the benefit levels of regular retirees with disability retirees, as suggested in the Grand Jury report, as none of these calculations would be formulaic.

Pertaining to finding 8 and corresponding recommendation 6, MCERA would likely benefit from tracking the administrative costs of disability applicants, but it is unclear as to how the Court, as a participating employer, could assist MCERA in conducting this kind of analysis. Once the disability application is filed, MCERA becomes responsible for gathering relevant information and retaining legal and medical experts. Participating employers do not have an obvious role in this process. Accordingly, while the recommendation is a good one, the implementation should be performed by MCERA.

Thank you and the Grand Jury for your thoughtful and comprehensive reports on several aspects of the Marin County Employees' Retirement Association over the course of the year. They have been illuminating and thought-provoking.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Kim Turner", with a long horizontal flourish extending to the right.

Kim Turner  
Court Executive Officer

Cc: Lynn Duryee, Presiding Judge