Approved:

City of Riverside, California
Human Resources Policy and Procedure Manual

Human Resources Director

City Manager

Number: V-13 *Effective Date:* 07/06

SUBJECT: **RETIREMENT (CalPERS)**

PURPOSE:

To define the City of Riverside's Retirement plan for benefited employees.

POLICY:

The City currently has two CalPERS contracts. Sworn Police and Sworn Fire personnel are covered under the *Local Safety 3% at 50* contract. All other benefited City employees are covered under the *Local Miscellaneous 2.7% at 55* contract.

1. **Enrollment**

   a. Enrollment is mandatory and automatic, if any of the following conditions apply to the employee:

      i. The individual is a benefited employee.

      ii. The individual is a temporary employee, but a CalPERS member through another CalPERS eligible employer.

      iii. The individual is a temporary employee who reaches 1,000 hours in a fiscal year, including overtime, or if the expectation at appointment is that the employee will reach 1,000 hours in the fiscal year. It is the Department's responsibility to track hours worked and to submit a Personnel Action Form to Human Resources to enroll the employee in CalPERS.

   b. Enrollment is not mandatory under the following circumstances:

      i. Temporary employees who do not qualify under the above circumstances.

      ii. Working retirees are limited to 960 hours per fiscal year. A CalPERS retiree cannot be hired into a regular position until authorized by CalPERS. Both the Retiree and the City must contact CalPERS for approval.

   c. Enrollment is optional for elected officials.

2. Service Credit Redeposit

Participants may opt to purchase service credit for any of the following conditions:

a. If previously employed by a CalPERS covered agency and the account was withdrawn.

b. Employment in a position that was not covered by CalPERS, such as temporary employment.

c. Up to four (4) years of military time may be credited.

d. Time spent on an unpaid leave of absence.

Eligibility and costs for purchasing service credit from CalPERS are determined by CalPERS. For time worked under another plan, it may be necessary to contact the previous agency for eligibility and cost for purchasing service credit from that agency.

3. Premiums

There are two portions of the CalPERS rate: the employees' portions and the City's portion. The City pays both portions for benefited employees and elected officials, if applicable. Temporary employees must pay the employee portion of CalPERS, which is deducted automatically from their paychecks.

4. Changes

a. The City makes all necessary changes in deductions and contributions.

b. The employee must notify CalPERS regarding address changes. Forms are available in Human Resources.

c. CalPERS beneficiaries are automatic (i.e., Spouse, Child, Parent, etc.) and there is no need for employees to select beneficiaries, unless they choose to have a beneficiary that is different from that on the statutory CalPERS list.

5. Annual Statements

CalPERS annual statements are sent out by CalPERS, usually in October. The statements cover the period July 1 through June 30. Questions regarding statements should be directed to CalPERS.

6. Retirement Separations

a. An employee with at least 5 years of CalPERS service and at least age 50 may receive a retirement from CalPERS. Retirement applications are available in the Human Resources Department or through CalPERS. The employee should submit the original form to CalPERS and a copy to the Human Resources Department.

b. It is recommended that employees contemplating retirement schedule a "Retirement Processing" appointment with the Human Resources Department at least one year prior to the anticipated retirement date. This is to ensure that all of the necessary paperwork has been completed in a timely manner. The CalPERS retirement forms generally take 60-90 days to be processed.

7. Disability/Industrial Disability Retirements

a. Employees covered under the *Local Safety* contract who feel that they may qualify for a disability retirement must file an Industrial Disability Retirement Application with the Workers' Compensation Division of the Human Resources Department. The City makes all determinations in these cases. The City has established a Public Safety Retirement Board which hears testimony concerning appealed cases if a dispute exists regarding the City's decision. Additional information on Industrial Disability Retirement Procedures is available in the City of Riverside Administrative Manual, Number VII-4.

b. Employees covered under the *Local Miscellaneous* contract who feel they may qualify for a disability retirement must file a Disability Retirement Application with CalPERS. CalPERS makes all determinations in these cases. If a Disability Retirement application is denied, the decision may be appealed through the CalPERS Administrative Hearing Process.

8. Non-Retirement Separations

The Human Resources Department notifies CalPERS when an employee who is not eligible for retirement leaves the City; CalPERS then contacts the employee directly. The Human Resources Department does not have the payout election forms. All correspondence is between the employee and CalPERS.

9. Other

Forms and informational booklets on a variety of CalPERS issues are available in the Human Resources Department or through CalPERS.

PROCEDURE:

Responsibility	Action
Human Resources	1. Enrolls eligible employees in CalPERS.
Department	2. Maintains records on number of hours worked by temporary employees and submits a Personnel Action Form to enroll as required.
Retiring Employee	3. Contacts Human Resources to set up a Retirement Processing appointment at least one year prior to an anticipated retirement date

		to ensure that all necessary paperwork is completed in a timely manner.
Human Resources	4.	Completes necessary paperwork to notify CalPERS of non-retirement separations.
Employee	5.	Completes all paperwork received from CalPERS.
	6.	Notifies CalPERS of address changes using appropriate CalPERS form.
Payroll	7.	Processes reporting to CalPERS for compensation and salary history requests.
	8.	Completes enrollment process per Personnel Action Forms.
	9.	Updates payroll system when rates change.

Disclaimer: This policy is for internal processes only. Should a discrepancy exist between this document and CalPERS regulations, the CalPERS regulations will prevail.