



City of Arts & Innovation

City of Riverside, California
Human Resources Policy and Procedure Manual

Approved:

Mind Stroed
Human Resources Director

Belench Lusham
City Manager

Number: V-13 Effective Date: 11/12

SUBJECT: RETIREMENT (CalPERS)

PURPOSE:

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

POLICY:

The City has three CalPERS contracts; Local Miscellaneous, Local Police and Local Fire. All Sworn Police personnel are covered under the Local Police contract and all Sworn Fire personnel are covered under the Local Fire contract. All other benefitted City employees are covered under the Local Miscellaneous contract.

1. **Enrollment**

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

- 1) The individual is a benefitted employee.
- 2) The individual is a temporary employee, but a CalPERS member through another CalPERS eligible employer.
- 3) 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:

- 1) Temporary employees who do not qualify under the above circumstances.
- 2) CalPERS annuitants working less than 960 hours per fiscal year (these employees are subject to other provisions of the law pertaining to post-retirement employment). This group of employees cannot be hired into a

regular position until authorized by CalPERS. The retiree must contact CalPERS for approval prior to reinstatement from retirement.

C. Enrollment is optional for elected officials.

2. **Service Credit Purchase**

CalPERS offers a variety of service credit purchase types; employees must contact CalPERS directly for additional information. Eligibility and costs for purchasing service credit from CalPERS are determined by CalPERS. For time worked under another CalPERS covered-employer, it may be necessary to contact the previous agency for eligibility and cost for purchasing service credit from that agency.

3. **Member Contributions**

There are two portions of the CalPERS member contributions: the employee's portion and the City's (employer's) portion. The City will pay 100% of the employer portion and may pay the employee portion for benefited employees and elected officials, depending on the date of hire or swearing in; refer to the CalPERS contracts for this specific benefit. Temporary employees must pay the employee portion of CalPERS, which is deducted automatically from their paycheck.

4. **Beneficiary Designation**

CalPERS has a defined statutory beneficiary list that is automatically applied to all members; please contact CalPERS directly regarding statutory beneficiaries. However, members may choose to designate any person, corporation, estate, or trust an outside of the defined statutory list as a beneficiary. Per CalPERS rules, designating anyone other than a spouse or registered domestic partner does not prevent them from receiving their community property share. Beneficiary forms must be sent directly to CalPERS.

5. **Changes**

- A. The City makes all necessary changes in deductions and contributions.
- B. The City will notify CalPERS regarding address and name changes for active members. Employees must provide updated address or name information to the Human Resources Department.

6. **Annual Member Statements**

CalPERS annual statements are available online. The statements cover the period July 1 through June 30. Questions regarding annual statements should be directed to CalPERS.

7. **Service Retirement**

- A. An employee with at least five (5) years of CalPERS service and at least age 50 may request a service retirement from CalPERS. Some exceptions may apply to the five (5) years of CalPERS-credited service; contact CalPERS for additional information. Service retirement applications are available from the CalPERS website. The employee should submit the original form to CalPERS and a copy to the Human Resources Department. An employee who does not meet the retirement eligibility criteria as defined by CalPERS cannot designate the reason for separation from the City as "retirement".
- B. It is recommended that employees contemplating retirement schedule an appointment with CalPERS at least 90 days prior to the anticipated retirement date. This is to ensure that all of the necessary paperwork has been completed in a timely manner. CalPERS generally takes 60-90 days to process retirement applications.

8. **Disability/Industrial Disability Retirements**

An employee who has become disabled, can no longer perform the duties of their job, and has a minimum of five (5) years of CalPERS service credit may request a disability retirement from CalPERS. Employees covered under the *Local Miscellaneous* contract who feel they may qualify for a disability retirement must file a Disability Retirement Application with CalPERS. The City may also submit a Disability Retirement Application on behalf of the employee. 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.

An employee who has become disabled from a job-related injury or illness and can no longer perform the duties of their job may be eligible for an Industrial Disability Retirement. Employees covered under the *Local Police or Fire* contract who feel that they may qualify for an Industrial Disability Retirement must file an Industrial Disability Retirement application with the Workers' Compensation Division. The City makes all determinations in these cases and decides if the disability is industrial or non-industrial. The City will retain the services of an Administrative Law Judge who will hear 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 Human Resources Personnel Policy and Procedure Manual, Number VI-3.

9. **Notification of Employee Separations**

The Human Resources Department notifies CalPERS when an employee separates from the City, regardless of the separation reason. CalPERS then contacts the employee directly to provide relevant benefit information depending on retirement eligibility or non-eligibility. This correspondence is between the employee and CalPERS. The City may be asked by CalPERS or the employee for clarifying information, and the City will respond accordingly.

9. **Post-Retirement Employment**

With the passage of Assembly Bill 1028, post-retirement employment for annuitants joining a PERS agency is only allowable in limited circumstances without reinstatement from retirement. Retired annuitants who return to employment with the City of Riverside will be required to complete a Retiree Return to Work Form and be subject to all provisions of the retirement law.

10. **Other**

Forms and informational booklets on a variety of CalPERS topics are available through the Human Resources Department's website or the CalPERS website.

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