

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM
3.16
(ID # 9101)

MEETING DATE:

Tuesday, April 2, 2019

FROM : HUMAN RESOURCES:

SUBJECT: HUMAN RESOURCES: Introduction of an Ordinance approving CalPERS Amendment to the Contract between the County of Riverside and the California Public Employees' Retirement System (CalPERS) to provide for the exclusion of the Pharmacy Resident classification. All Districts. [Total Cost - \$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Adopt Resolution No. 2019-051 (Attachment A) Resolution of Intention to Approve an Amendment to Contract Between the Board of Administration of the California Public Employees' Retirement System (CalPERS) and the County of Riverside Board of Supervisors; and
2. Certify the Certification of Governing Body's Action (Attachment C); and certify the Certification of Compliance with Government Code Section 7507 (Attachment D); and
3. Introduce, read title and waiver further reading of, and adopt on successive weeks Ordinance No. 951 authorizing the CalPERS Amendment to Contract (Attachment E); and
4. Authorize the Chairperson to sign three (3) copies of the document; and retain one (1) copy of the signed document and return two (2) copies of the signed document to Human Resources for distribution.

ACTION: Policy

Brenda Diederichs

Brenda Diederichs, Assistant CEO / Human Resources Director

3/14/2019

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended and that the above Ordinance is approved as introduced with a waiver of reading.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: April 2, 2019
xc: HR, COB

Kecia Harper
Clerk of the Board

By: *[Signature]*
Deputy
3.16

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: None			Budget Adjustment: No	
			For Fiscal Year: 18/19	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The County of Riverside is requesting to exclude the Pharmacy Resident classification from participating in the CalPERS retirement plan. The Pharmacy Resident is a learning position, and as such, the Residents may only work or be assigned to Riverside University Health Systems Medical Center (RUHS) for advancement of education knowledge for a limited duration. RUHS contracts with Residents on an annual basis to allow Resident candidates to fulfill their required on-the-job training.

The Pharmacy Resident classification was cloned from the Resident Physician classification effective 02/18/16. As a result, the Pharmacy Resident classification was assigned the same attributes and benefits as the Resident Physician. The most notable attribute is the exclusion of CalPERS participation.

Based on this history and the Pharmacy Resident classification being cloned from the Resident Physician classification, it was the initial intent to exclude the Pharmacy Resident classification from CalPERS participation, as well. However, to formally exclude a classification from CalPERS participation, the County is required to submit a Determination for Exclusion Request to CalPERS' Membership Analysis and Design Unit. The request for exclusion was not submitted at the time the Pharmacy Resident classification was created. To rectify the matter, Human Resources submitted the request for exclusion to CalPERS for review.

CalPERS reviewed the job duty statements for the Pharmacy Resident classification and approved the exclusion of the requested position. The position of Pharmacy Resident constitutes a valid group that meets the criteria of Government Code Section 20502 of the California Public Employees' Retirement Law (PERL) for exclusion.

Currently, the Pharmacy Residents contribute to CalPERS for retirement purposes. With approval of this amendment, the Pharmacy Residents will start contributing to the County of Riverside Part-Time and Temporary Employees' Retirement Plan. If excluded, the Pharmacy Residents, will only be eligible to participate in the Part-Time and Temporary Employees' Retirement Plan.

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

In summary, the classification of Pharmacy Resident is not considered career or permanent positions with the County, therefore, it is our recommendation to exclude the Pharmacy Resident classification from participation under the County of Riverside CalPERS contract.

Impact on Residents and Businesses

There is no direct impact to residents or private businesses in the County of Riverside.

Additional Fiscal Information

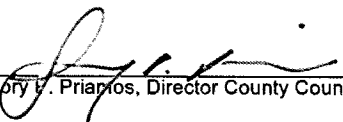
There is no additional cost to the County resulting from this contract amendment.

Contract History and Price Reasonableness

This is a contract amendment to formally exclude the Pharmacy Residents classification from CalPERS participation, resulting in the Pharmacy Resident classification to mirror the Resident Physician classification for retirement benefits.

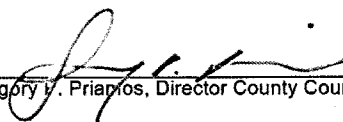
ATTACHMENTS:

- A. Resolution 2019-051 - Resolution of Intention to Approve an Amendment to Contract Between the Board of Administration California Public Employees' Retirement System and the Board of Supervisors County of Riverside
- B. Exhibit - Amendment to Contract between the Board of Administration California Public Employees' Retirement System and the Board of Supervisors County of Riverside
- C. Certification of Governing Body's Action
- D. Certification of Compliance with Government Code Section 7507
- E. Ordinance No. 951



Gregory V. Priarios, Director County Counsel

3/27/2019



Gregory V. Priarios, Director County Counsel

3/27/2019

1 Board of Supervisors

County of Riverside

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RESOLUTION 2019-051
RESOLUTION OF INTENTION
TO APPROVE AN AMENDMENT TO CONTRACT
BETWEEN THE
BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM
AND THE
BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE

FORM APPROVED COUNTY COUNSEL
BY DAVID M. MCCARTHY DATE 27 MAR 2019

12 **WHEREAS**, the Public Employees' Retirement Law permits the participation of public agencies
13 and their employees in the Public Employees' Retirement System by the execution of a contract, and sets
14 forth the procedure by which said public agencies may elect to subject themselves and their employees to
15 amendments to said Law; and

16 **WHEREAS**, one of the steps in the procedures to amend this contract is the adoption by the
17 governing body of the public agency of a resolution giving notice of its intention to approve an amendment
18 to said contract, which resolution shall contain a summary of the change proposed in said contract; and

19 **WHEREAS**, the following is a statement of the proposed changes:

20 To provide for the exclusion of Pharmacy Resident prospectively from the effective date of this amendment
21 to contract.

22 **NOW, THEREFORE, BE IT RESOLVED** that the governing body of the above agency does
23 hereby give notice of intention to approve an amendment to the contract between said public agency and
24 the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being
25 attached hereto, as an "Exhibit" and by this reference made a part hereof.

26 ROLL CALL:

27 Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
28 Nays: None
Absent: None

04.02.19 3.16

The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on the date therein set forth.

By KEGIA R. HARPER Clerk of said Board
[Signature] Deputy



EXHIBIT

California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
Board of Supervisors
County of Riverside

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective April 1, 1945, and witnessed December 26, 1944, and as amended effective February 1, 1948, September 1, 1949, January 1, 1952, February 1, 1954, January 1, 1960, February 1, 1960, July 1, 1961, January 2, 1963, December 1, 1964, October 3, 1968, February 5, 1970, March 28, 1974, June 6, 1974, October 10, 1974, March 10, 1977, April 7, 1977, July 14, 1977, October 1, 1977, February 1, 1980, July 23, 1981, September 17, 1981, November 26, 1982, February 17, 1983, September 1, 1984, November 21, 1985, March 13, 1986, June 6, 1986, January 15, 1987, August 25, 1988, December 25, 1992, June 30, 1995, December 1, 1995, December 19, 1996, December 24, 1998, April 6, 2000, September 1, 2000, June 28, 2001, January 11, 2002, July 11, 2002, June 17, 2005, July 6, 2007, May 20, 2008, July 10, 2009 and August 23, 2012 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

Pursuant to Government Code sections 20460.1, 20469.1, subdivision (b), and 71624, this contract is hereby amended to add the Trial Court of Riverside County, hereinafter referred to as Trial Court, as a contracting party. Trial Court shall participate in the Public Employees' Retirement System from and after the implementation date of the Trial Court Employment Protection and Governance Act pursuant to the terms and conditions of this contract, making its employees members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for in this contract and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

PLEASE DO NOT SIGN "EXHIBIT ONLY"

A. Paragraphs 1 through 16 are hereby stricken from said contract as executed effective August 23, 2012, and hereby replaced by the following paragraphs numbered 1 through 18 inclusive:

- 1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 60 for classic local miscellaneous members, age 62 for new local miscellaneous members, age 50 for classic local safety members and age 57 for new local safety members.**
- 2. Public Agency shall participate in the Public Employees' Retirement System from and after April 1, 1945 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.**
- 3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorney fees that may arise as a result of any of the following:**
 - (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.**
 - (b) Any dispute, disagreement, claim, or proceeding (including without limitation arbitration, administrative hearing, or litigation) between Public Agency and its employees (or their representatives) which relates to Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than such employees' existing retirement benefits, provisions or formulas.**
 - (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.**

PLEASE DO NOT SIGN "EXHIBIT ONLY"

4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
 - a. Local Fire Fighters (herein referred to as local safety members);
 - b. County Peace Officers (included as local safety members);
 - c. Employees other than local safety members (herein referred to as local miscellaneous members).

5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:
 - a. **CROSSING GUARDS HIRED ON OR AFTER JULY 23, 1981;**
 - b. **SERVICE AIDE I, II, AND III HIRED ON OR AFTER JULY 23, 1981;**
 - c. **REGISTERED NURSE I AND III – PAID ON A PER DIEM BASIS;**
 - d. **LICENSED VOCATIONAL NURSE II – PAID ON A PER DIEM BASIS, HIRED ON OR AFTER JULY 23, 1981;**
 - e. **PSYCHIATRIST I AND II – PAID ON A PER DIEM BASIS, HIRED ON OR AFTER NOVEMBER 26, 1982;**
 - f. **PHYSICIAN – PAID ON A PER DIEM BASIS, HIRED ON OR AFTER NOVEMBER 26, 1982;**
 - g. **DENTIST – PAID ON A PER DIEM BASIS, HIRED ON OR AFTER NOVEMBER 26, 1982;**
 - h. **PROGRAM ASSISTANTS HIRED ON OR AFTER SEPTEMBER 1, 1984;**
 - i. **RESIDENT PHYSICIANS AND SURGEONS HIRED ON OR AFTER NOVEMBER 21, 1985;**
 - j. **REGISTERED NURSE II – PAID ON A PER DIEM BASIS, HIRED ON OR AFTER MARCH 13, 1986;**
 - k. **ALL MEDICAL OR DENTAL PERSONNEL, PAID ON A PER DIEM BASIS HIRED ON OR AFTER JUNE 6, 1986.**
 - l. **PHYSICIAN ASSISTANT FELLOWSHIP HIRED ON OR AFTER JULY 6, 2007;**

PLEASE DO NOT SIGN "EXHIBIT ONLY"

- m. SERVICE AIDE I, SERVICE AIDE II, PROGRAM ASSISTANT AND SUPERVISING PROGRAM ASSISTANT IN THE OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT PROGRAM HIRED ON OR AFTER MAY 20, 2008; AND**
- n. PHARMACY RESIDENT PROSPECTIVELY FROM THE EFFECTIVE DATE OF THIS AMENDMENT TO CONTRACT.**
- 6. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member in employment before and not on or after July 11, 2002 shall be determined in accordance with Section 21354 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2% at age 55 Modified and Full).
- 7. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member in employment on or after July 11, 2002 and not entering membership for the first time in the miscellaneous classification after August 23, 2012 shall be determined in accordance with Section 21354.3 of said Retirement Law subject to the reduction provided therein for Federal Social Security (3% at age 60 Full and Modified).
- 8. The percentage of final compensation to be provided for each year of credited current service as a classic local miscellaneous member entering membership for the first time in the miscellaneous classification after August 23, 2012 shall be determined in accordance with Section 21353 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2% at age 60 Modified).
- 9. The percentage of final compensation to be provided for each year of credited prior and current service as a new local miscellaneous member shall be determined in accordance with Section 7522.20 of said Retirement Law (2% at age 62 Supplemental to Federal Social Security).
- 10. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local safety member entering membership in the safety classification on or prior to August 23, 2012 shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full).
- 11. The percentage of final compensation to be provided for each year of credited current service as a classic local safety member entering membership for the first time in the safety classification after August 23, 2012 shall be determined in accordance with Section 21362 of said Retirement Law (2% at age 50 Full).

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12. The percentage of final compensation to be provided for each year of credited prior and current service as a new local safety member shall be determined in accordance with Section 7522.25(d) of said Retirement Law (2.7% at age 57 Full).
13. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 20436 ("County Peace Officer" shall include employees of a sheriff's office who were employed to perform identification or communication duties on August 4, 1972 and who elected to be local safety members).
 - b. Section 20437 ("County Peace Officer" shall include constables, deputy constables, marshals and deputy marshals as described in Government Code Section 20437).
 - c. Section 21222.1 (One-Time 5% Increase - 1970). Legislation repealed said Section effective January 1, 1980.
 - d. Section 21222.2 (One-Time 5% Increase - 1971). Legislation repealed said Section effective January 1, 1980.
 - e. Sections 21624 and 21626 (Post-Retirement Survivor Allowance).
 - f. Section 20042 (One-Year Final Compensation) for classic local miscellaneous members and classic county peace officers entering membership in the miscellaneous classification and county peace officer classification on or prior to August 23, 2012.
 - g. Section 21325 (One-Time 3% to 15% Increase for or on behalf of those county peace officers and local miscellaneous Members Who Retired or Died Prior to January 1, 1974). Legislation repealed said Section effective January 1, 2002.
 - h. Section 21326 (One-Time 1% to 7% Increase For Local Miscellaneous Members Who Retired or Died Prior to July 1, 1974). Legislation repealed said Section effective January 1, 2002.
 - i. Section 20439 ("County Peace Officer" shall include county jail, detention or correctional facility employees as described in Government Code Section 20439).
 - j. Section 20438 ("County Peace Officer" shall include probation officers, deputy and assistant probation officers, juvenile hall employees, and persons employed as peace officers pursuant to Section 830.5 of the Penal Code as described in Government Code Section 20438).

PLEASE DO NOT SIGN "EXHIBIT ONLY"

- k. Section 20440 ("County Peace Officer" shall include bailiffs as described in Government Code Section 20440).
- l. Section 21548 (Pre-Retirement Option 2W Death Benefit) for local safety members only.
- m. Section 21024 (Military Service Credit as Public Service).
- n. Section 20692 (Employer Paid Member Contributions Converted to Payrate During the Final Compensation Period) for classic local miscellaneous members and classic county peace officers entering membership in the miscellaneous and county peace officer classifications on or prior to August 23, 2012 date in the following groups:
 - Law Enforcement Management Unit.
- o. Section 20903 (Two Years Additional Service Credit).
- p. Section 21023.5 (Public Service Credit for Peace Corps, AmeriCorps VISTA, or AmeriCorps Service).
- q. Section 21574.5 (Indexed Level of 1959 Survivor Benefits).
- r. Section 20475 (Different Level of Benefits). Section 21353 (2% @ 60 Modified formula) and Section 20037 (Three-Year Final Compensation) are applicable to classic local miscellaneous members entering membership for the first time with this agency in the miscellaneous classification after August 23, 2012 without Section 20692 (Employer Paid Member Contributions converted to Payrate During the Final Compensation Period) for classic local miscellaneous members in the Law Enforcement Management Unit.

Section 20475 (Different Level of Benefits). Section 21362 (2% @ 50 Full formula) and Section 20037 (Three-Year Final Compensation) are applicable to classic county peace officers entering membership for the first time with this agency in the county peace officer classification after August 23, 2012 without Section 20692 (Employer Paid Member Contributions converted to Payrate During the Final Compensation Period) for classic county peace officers in the Law Enforcement Management Unit.

Section 20475 (Different Level of Benefits). Section 21362 (2% @ 50 Full formula) is applicable to classic local fire members entering membership for the first time with this agency in the classic fire classification after August 23, 2012

PLEASE DO NOT SIGN "EXHIBIT ONLY"

14. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on April 7, 1977. Accumulated contributions of Public Agency shall be fixed and determined as provided in Government Code Section 20834, and accumulated contributions thereafter shall be held by the Board as provided in Government Code Section 20834.
15. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.
16. Public Agency shall also contribute to said Retirement System as follows:
 - a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574.5 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members and local safety members.
 - b. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
 - c. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
17. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.

18. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of _____, _____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE

BY _____
ARNITA PAIGE, CHIEF
PENSION CONTRACTS AND PREFUNDING
PROGRAMS DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Financial Office | Pension Contract Management

Services & Prefunding Programs

P.O. Box 942703 Sacramento, CA 94229-2703

888 CalPERS (or 888-225-7377)

TTY: (877) 249-7442 | Fax: (916) 795-4673

www.calpers.ca.gov

CERTIFICATION OF GOVERNING BODY'S ACTION

I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the

Board of Supervisors of the

(governing body)

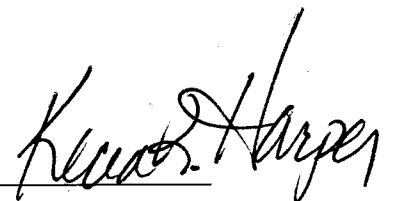
County of Riverside

(public agency)

on April 02, 2019.

(date)

Kecia R. Harper



Clerk of the Board

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Financial Office | Pension Contract Management

Services & Prefunding Programs

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**CERTIFICATION OF COMPLIANCE WITH
GOVERNMENT CODE SECTION 7507**

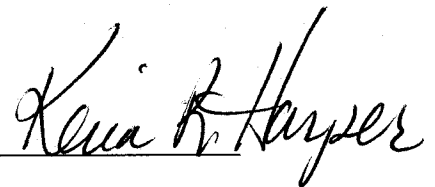
I hereby certify that in accordance with Section 7507 of the Government Code the future annual costs as determined by the California Public Employees' Retirement System for the increase or change in retirement Benefit(s) have been made public at a public meeting of the Board of Supervisors of the County of Riverside on April 02, 2019 (governing body)

(public agency) (date)

Which is at least two weeks prior to the adoption of the Resolution / Ordinance.

Adoption of the retirement benefit increase or change will not be placed on the consent calendar.

Kecia R. Harper



Clerk of the Board

Date

04/02/2019

ORDINANCE NO. 951

AN ORDINANCE OF THE COUNTY OF RIVERSIDE AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF THE COUNTY OF RIVERSIDE AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

The Board of Supervisors of the County of Riverside ordains as follows:

Section 1. That an amendment to the contract between the Board of Supervisors of the County of Riverside and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked Exhibit, and by such reference made a part hereof as though herein set out in full.

Section 2. The Chairman of the Board of Supervisors is hereby authorized, empowered, and directed to execute said amendment for and on behalf of said County.

Section 3. This Ordinance shall take effect 30 days after the date of its adoption.

BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA


ATTEST:
KECIA R. HARPER
CLERK OF THE BOARD

By: _____
Chairman, Board of Supervisors

By: _____
Deputy

(SEAL)

APPROVED AS TO FORM:
March 27, 2019

By: 
David M. McCarthy
Deputy County Counsel