



The Retirement View

VOLUME 6, ISSUE 3

WINTER 2012

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Cost of Living (COL) Information:

The Board of Retirement (Board) of the Fresno County Employees' Retirement Association (FCERA) approved a 2.0% cost of living (COL) increase for all retirees and beneficiaries at its regular meeting on February 6, 2013.

This action was taken in accordance with provisions of Government Code §31870.1 of the retirement law that requires the Board to determine the percentage change in the COL each year. For 2012, the increase in the Average Consumer Price Index for All Urban Consumers (CPI-U) for the Western Region as calculated by our actuary, The Segal Company, was 2.15%, which is rounded to 2.0%. As a result, members with retirement dates on or after April 2, 1986 will receive a 2.0% COL increase effective April 1, 2013. While those members with a retirement date prior to April 2, 1986 will receive a 3.0% COL increase as a result of using the accumulated COL carry-over to increase the COL to the maximum allowed by statute.

COLA Bank Accumulation

Based on the Consumer Price Index for All Urban Consumers (CPI-U) for the Western Region (Base Period: 1982-84=100)

Retirement During 12-Month Period Ended April 1	Accumulated COLA Bank April 1, 2012	Accumulated COLA Bank April 1, 2013	Retirement During 12-Month Period Ended April 1	Accumulated COLA Bank April 1, 2012	Accumulated COLA Bank April 1, 2013
1973 or earlier	64.5%	63.5%	1981	28.0%	27.0%
1974	64.0%	63.0%	1982	16.0%	16.0%
1975	61.0%	60.0%	1983	6.0%	5.0%
1976	54.0%	53.0%	1984	3.5%	2.5%
1977	47.0%	46.0%	1985	3.5%	2.5%
1978	44.5%	43.5%	1986	1.0%	0.0%
1979	40.0%	39.0%	1987 or later	0.0%	0.0%
1980	33.5%	32.5%			



Working After Retirement — New Rules Effective January 1, 2013:

If you are planning to work for a FCERA participating employer after retirement, then the rules of California Government Code section 7522.56 apply to you. These rules apply **only** if you work after your FCERA retirement for one of the following employers: County of Fresno; Fresno Madera Area Agency on Aging; Clovis Veterans Memorial District; Fresno Mosquito and Vector Control; Fresno County Superior Court.

Rules

You may **not** return to work as a regular full-time employee and also receive a retirement allowance at the same time. You **may** return to work in an extra-help, contractual or temporary services position because you have skills needed to perform work of a limited duration or during an emergency to prevent stoppage of public business subject to the following limitations:

- If you are a “general” member, you must have at least a 180-day break between your date of retirement and your date of hire in an extra help, contractual, or temporary services position. There is a limited exception to this rule in cases where there is a critical need for your services. Please inquire with your employer to determine whether your anticipated employment falls under that exception.
- If you are a “safety” member who received a retirement incentive, then you must have at least a 180-day break between your date of retirement and your date of hire in an extra help, contractual, or temporary services position. Otherwise the 180-day rule does not apply to “safety” members.
- You will not acquire any service credit or retirement rights while you are working in an extra-help, contractual or temporary services position.
- You may not work more than 960 hours in a calendar year with any FCERA plan sponsor or any combination of multiple FCERA plan sponsors.
- The rate of pay for your employment shall not be less than the minimum, nor exceed the maximum, paid by the employer to other employees performing comparable duties.
- You may not have received any unemployment insurance compensation arising out of prior employment in an extra-help contractual or temporary employment with a public employer during the 12-month period prior to your re-employment. You must certify to your employer that you have not received such unemployment insurance compensation.

Banking News and Updates:

You may recall that FCERA issued a Request for Proposal for Custodial and Benefit Payment Services last summer. After carefully reviewing the responses and performing on-site visits with the two finalists, Northern Trust and State Street, we are pleased to announce that the Board of Retirement awarded the banking contract to Northern Trust. The Custody business will be transitioned effective April 1, 2013; followed closely with Benefit Payment processing effective July 1, 2013. For those currently receiving a benefit from FCERA, you will not need to do anything. Your information will be forwarded to Northern Trust during the conversion process. Northern Trust has experience working with other 1937 Act counties, like ours, and we look forward to a successful future with them.





Pension Reform Law Takes Effect January 1, 2013:

On September 12, 2012, Governor Brown signed the California Public Employees' Pension Reform Act of 2013 (PEPRA) into law. PEPRA takes effect January 1, 2013. As you may know, FCERA is currently governed by the County Employees Retirement Law of 1937 (CERL). As of January 1st, we will also be governed by PEPRA.

The 60-page law, which can be found in the California Government Code, is complex, broad-reaching and because it was written in haste, difficult to interpret and apply. Basically, PEPRA affects **new** FCERA members on or after January 1, 2013 through provisions affecting benefit formulas, the definition of what comprises pensionable earnings, limits on pensionable earnings, and other matters. Members will pay 50 percent of the normal cost of benefits. Anti-spiking provisions were also added.

Although most PEPRA provisions affect new FCERA members, a few sections do apply to current members - New Rules for Retirees Returning to Temporary County Work, and Pension Forfeiture for Felons.

Information will be posted on FCERA's website as it becomes available.

How Medical Leaves-of-Absence Affect Your Retirement:

There may be a time during your career where you may need to take a medical leave of absence from work. If this leave of absence is unpaid, then you will not earn retirement service credit. You may be able to buy back the service credit for that unpaid period of time. The cost to purchase this type of service is equal to the contributions that would have been made to the retirement fund for the length of time being purchased, based on the contribution rate at the time, and the interest that would have accrued on those contributions.

The purchase is limited to one year per medical leave and you must have returned to work after the leave to qualify. Contact FCERA if you believe that you may have qualifying time to purchase.

Calendar



Next Regular Board Meeting:

February 20, 2013

March 6, 2013

March 20, 2013

April 3, 2013

April 17, 2013

Location:

FCERA Boardroom

1111 H Street

Fresno, California 93721

Time: 8:30 A.M.

Pension Payroll Payment Schedule

Thursday, February 28 2013

Friday, March 29 2013

Tuesday, April 30 2013

Live Audio Broadcast

FCERA broadcasts most Board meetings live via streaming audio. Visit www.fcera.org for more information.

Board of Retirement

- Dr. Rod Coburn, III, Chair
- Alan Cade, Jr., Vice Chair
- Marion Austin
- Laura P. Basua
- Judith G. Case
- Vicki Crow
- Eulalio Gomez
- Steven J. Jolly
- John P. Souza
- Regina Wheeler, Retiree Alternate



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Intranet: <http://www2.co.fresno.ca.us/9200/default.htm>

Email: FCERAwebmail@co.fresno.ca.us

Meet FCERA Staff: Bryan Anderson - Accountant



Bryan began working for Fresno County Employees' Retirement Association (FCERA) in October 2012 as an Accountant. He came to FCERA from the Auditor-Controller/Treasurer-Tax Collector after moving back to Fresno from Colorado, where he worked for a large agriculture company as a Tax Accountant. Bryan really enjoys working with the staff members at FCERA and looks forward to learning more while growing professionally with the department.

Bryan likes to spend time with his wife, family, and friends. He also enjoys watching football with his dad on Sundays, which has now become a family tradition. Bryan likes to go to the movies, play golf, make road trips to the beach in the summer, and going to the Big Fresno Fair every year just to have cinnamon rolls!

