




RETIREMENT BOARD POLICY AND REFERENCE MANUAL

SUBJECT: RECIPROCITY WITH OTHER CALIFORNIA RETIREMENT SYSTEMS	Section: 2-23 Date Adopted/Revised: 12/10/2008
SYSTEM(S): JOINT	Approved:  <small>Retirement Administrator</small>

PURPOSE

The purpose of this policy statement is to provide staff with guidance regarding certain situations in connection with establishing reciprocity for employees coming from or going to other reciprocal systems.

POLICY

It is the policy of the Boards that overlapping service between the City of Fresno Retirement Systems and a reciprocal agency will not disqualify a member from eligibility for reciprocity as long as the member did not physically work for both agencies at the same time.

■ PROCEDURE

The retirement counselor will contact the reciprocal system to confirm the member did not physically work at the reciprocal system during the overlapping period. The counselor will then determine the necessary adjustment to the employee's date of membership in the Fresno Retirement System to establish reciprocity. The member will be required to sign a Statement of Understanding outlining the details of the required adjustment. The final step in the process will be to notify the reciprocal agency of the adjustment and request that reciprocity be established.

POLICY

It is the Policy of the Boards to report the final average salary to any reciprocal system based on the highest 36 months of compensation prior to being considered retired by the reciprocal System.

■ PROCEDURE

If a member with reciprocity is participating in the City of Fresno Deferred Retirement Option Program (DROP) at the time of retirement, the Fresno Retirement Office will report his/her final average salary to any reciprocal system based upon the highest 36 months of compensation prior to being considered retired by the reciprocal system, as opposed to the FAS used to calculate the employees entrance into the DROP program. The retirement counselor will obtain the actual pensionable compensation received by the DROP participant during the applicable period for calculating final average salary

(final 36 months, highest 36 months etc.) as if the employee had never entered DROP. The counselor will calculate final average salary based on this information and will report that number to the reciprocal agency to be used in comparing final average salaries.

POLICY

It is the policy of the Boards that if a member leaves the City of Fresno, is employed by a reciprocal agency for less than the Fresno required period for calculation of final average salary, the period of service with the reciprocal system will be included with the required number of months of the member's City of Fresno period of highest compensation to develop the required period for a City of Fresno calculation of FAS.

■ **PROCEDURE**

In calculating the City of Fresno retirement benefit (for any group except Fire and Police Tier I members who chose the Career Rank Average), the counselor will obtain the number of months of employment and amount earned from the reciprocal system and will add the period of highest consecutive months from City of Fresno service necessary to make the time period required for the Fresno formula, averaging the two components to obtain the final average salary to be used in the Fresno formula.

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1. Adopted 02/09/2005
 2. Annual Review, administrative changes, revised 12/10/2008