




RETIREMENT BOARD POLICY AND REFERENCE MANUAL

SUBJECT: TEMPORARY EMPLOYMENT OF CITY RETIREES	Section: 2-48 Date Adopted/Revised: 04/8/2020
SYSTEM(S): JOINT	Approved:  Retirement Administrator

PURPOSE

The City of Fresno Retirement Boards are responsible for administering the City of Fresno Retirement Systems, whereas, the City of Fresno is the plan sponsor of the City of Fresno Retirement Systems. The maintenance of the tax-qualified status of the Retirement Systems under the Internal Revenue Code is a key objective for the City of Fresno Retirement Boards and the City of Fresno, the plan sponsor.

POLICY

It is the policy of the City of Fresno Retirement Boards to adhere to IRC rules and regulations, Charter section 1000(a)(2), Fresno Municipal Code Sections 3-345(b)(3) and 3-557(b)(3) and the City’s Annual Salary Resolution concerning temporary employment of a city retiree to protect the tax-qualified status of the Systems.

TEMPORARY EMPLOYMENT

To reemploy in a temporary capacity and continue receiving benefits, a CFRS retiree must incur a bona fide separation from employment. A bona fide separation from employment occurs only if (1) the retiree while employed did not come to an agreement, including an oral agreement, with the City to return to employment and (2) at least 90 days pass between separation and return. Temporary hours worked may not exceed 2,080 hours in two consecutive fiscal years, nor may a retiree be reappointed continuously or in a repeated fashion so as to constitute a permanent appointment.

DUTIES AND RESPONSIBILITIES

Retirement Staff

Shall notify the City in writing upon becoming aware that the person being hired is a retiree.

Shall take immediate steps to rectify the situation when it becomes aware that a retiree has been rehired in violation of these rules.

Shall meet and confer with the City at their earliest convenience whenever a question arises under this Joint Board Policy as to the rehiring of a retiree.

Shall notify the City whenever it becomes aware that these tax rules have been modified, amplified or terminated.

Shall annually inform the City of Charter section 1000(a)(2) and Fresno Municipal Code sections 3- 345(b)(3) and 3-557(b)(3) to ensure that retirees are rehired as temporary employees in accordance with these provisions.

Shall annually inform the City to notify the Retirement Administrator in writing upon the rehire of any retiree.

Shall annually inform the City to take immediate steps to rectify the situation when it becomes aware that a retiree has been rehired in violation of these rules.

Shall annually inform the City to notify periodically and not less than annually senior City management of the existence of these tax rules, the need to comply with them, and the possibility of adverse disciplinary action in the event the rules are violated, whether through negligence or willfulness.

Shall annually inform the City to include the IRS rules in its annual salary resolution.