



CITY COUNCIL STAFF REPORT



July 26, 2022

ITEM TITLE

Employee Appointment: Authorize Temporary Appointment of a CalPERS Retiree Pursuant to Government Code Sections 7522.56 and 21224

Report Number: 22-0207

Location: No specific geographic location

Department: Human Resources

Environmental Notice: The activity is not a “Project” as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

Recommended Action

Adopt a resolution authorizing the City to temporarily appoint a CalPERS retiree, Hugo Cardenas, to work in a limited duration capacity as a Retired Annuitant – Homeless Solutions Coordinator.

SUMMARY

Staff is requesting that City Council adopt a resolution authorizing the City to temporarily appoint CalPERS retiree Hugo Cardenas (CalPERS ID: 8068877684) pursuant to Government Code § 7522.56 & 21224. Adoption of the resolution will allow Mr. Cardenas to work in a limited duration capacity as a Retired Annuitant – Homeless Solutions Coordinator.

ENVIRONMENTAL REVIEW

The activity is not a “Project” as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

DISCUSSION

The California Public Employees' Retirement System (CalPERS) recognizes that retirees can play an important role in maintaining city operations, particularly in short-term or emergency situations; however, they also specify limitations on a retiree's service when returning to work for a CalPERS agency. Government Code § 7522.56 & 21224 provides specific guidance on employing a CalPERS retiree without interruption to retirement benefits or reinstatement from retirement. Key terms of hiring a retired annuitant under the Government Code and by which the City will be following are:

- **The retiree must wait 180 days after his or her retirement date before he or she can return to work for a CalPERS employer, the employer certifies the nature of the employment and that the appointment is necessary to fill a critically needed position before 180 days have passed and the appointment has been approved by the governing body of the employer in a public meeting.** The appointment of Mr. Cardenas is necessary to fill the critically needed position of Retired Annuitant – Homeless Solutions Coordinator for the City of Chula Vista by August 1, 2022 because the Retired Annuitant - Homeless Solutions Coordinator will assist in the planning, organizing, and directing the work of contracted outreach workers trained to perform outreach, mentoring, social and intervention services to a pre-selected caseload of applicants and/or recipients to the homeless individuals and families on the streets or in Chula Vista-funded bridge sheltering options. This position will also work with the contracted operator for the new homeless bridge shelter to provide a safe and efficient shelter operation that is expected to open on August 31, 2022.
- **The appointment of a retired annuitant must be for a limited duration.** It is recommended that Mr. Cardenas serve in the temporary capacity of Retired Annuitant – Homeless Solutions Coordinator through no later than June 30, 2024. The City will be conducting a recruitment for a permanent replacement for this position.
- **A maximum of 960 hours can be worked within a fiscal year (July 1 to June 30) and CalPERS does not provide any exception to this limit. Nonpaid or volunteer hours can't be used in order to exceed 960 hours in a fiscal year.** Mr. Cardenas is expected to work for no more than 960 hours within fiscal year. The City will be required to enroll Mr. Cardenas as a retired annuitant in the myCalPERS system and report hours worked to CalPERS.
- **The appointing power must deem that the appointment requires specialized skills or is during an emergency to prevent stoppage of public business.** As a Peace Officer with the City of Chula Vista and specifically in his assignment to the City's Homeless Outreach Team, Mr. Cardenas gained special skills and knowledge directly related to the Retired Annuitant - Homeless Solutions Coordinator position.
- **The retired annuitant's salary cannot be less than the minimum or exceed the maximum for the vacant position as listed on the employer's publicly available pay schedule for the position.** Mr. Cardenas will be temporarily appointed as a Retired Annuitant – Homeless Solutions Coordinator (Step E). His hourly pay rate upon temporary hire will be \$45.91 which is in accordance with the Fiscal Year 2022-2023 Compensation Schedule last approved by the City Council at their meeting of July 12, 2022. (*Attachment A*)
- **The retired annuitant cannot be paid any other compensation or benefits in addition to the hourly pay rate.** Sections 2 and 3 of Mr. Cardenas' appointment document (*Attachment 2*) specifies that his temporary appointment is not eligible to receive any compensation or benefits other than his hourly pay rate.

- **The retiree will not accrue service credit or any additional retirement rights or benefits.** While the City is required to report hours worked by Mr. Cardenas, those hours will not be counted as additional retirement service credits and reported only for the purposes of tracking the fiscal year hours limit.

The Payroll Change Order Form (*Attachment B*) identifies the terms of Mr. Cardenas' temporary appointment. The terms of this temporary appointment were reviewed by CalPERS and found permissible under the Government Code. Staff would like to request that City Council adopt a Resolution authorizing the temporary appointment effective August 1, 2022.

DECISION-MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council members do not create a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

The current fiscal year impact is approximately \$45,000 which will be absorbed by the Development Services Department's Housing Authority Fund to be reimbursed by the Emergency Solutions Grant Admin Fund. In accordance with CalPERS requirements, Mr. Cardenas will not be eligible for any compensation or benefits in addition to his hourly pay rate while working for the City as a retired annuitant.

ONGOING FISCAL IMPACT

For Fiscal Year 2023-2024, the fiscal year impact is approximately \$45,000 which will be absorbed by the Development Services Department's Housing Authority Fund to be reimbursed by the Emergency Solutions Grant Admin Fund.

ATTACHMENTS

1. FY2022-2023 Compensation Schedule for Retired Annuitant – Homeless Solutions Coordinator
2. Exhibit 1 to the Resolution: Appointment Document (Payroll Change Order Form) for H. Cardenas - Temporary Limited-Term Employment

Staff Contact: Courtney Chase, Director of Human Resources/Risk Management