

# **CARMICHAEL WATER DISTRICT POLICY MANUAL**

## **POLICY 4070: Retirement**

**4070.10** The goal of Carmichael Water District (District) is to provide a strategy and tools for employees that encourages retirement planning and saving. The strategy embraces three elements: District retirement plan, Social Security, and individual savings.

### **4070.20 District Retirement Plan**

#### **4070.20.1 California Public Employee's Retirement System (CalPERS)**

Employees shall be enrolled in the District's employee retirement plan based on the CalPERS contract eligibility requirements for enrollment. Employees are responsible for coordination of their CalPERS retirement benefits within the CalPERS contract requirements.

**4070.20.1.1** The CalPERS employer rate is variable and is set once a year from CalPERS actuarial.

**4070.20.1.2** The CalPERS employee contribution rate is a percentage of base pay determined by CalPERS actuarial.

**4070.20.1.3** The normal costs are variable and determined by CalPERS actuarial.

#### **4070.20.2 Contributions**

The District is responsible for paying CalPERS employer contributions.

**4070.20.2.1** As defined by CalPERS, an employee, who joined CalPERS prior to January 1, 2013 and has not had a break in service of more than six month, is a "classic" CalPERS member. An employee who is joining CalPERS for the first time with no prior membership after the implementation of California Public Employees' Pension Reform Act (PEPRA) on January 1, 2013, or a CalPERS member who has had a break in service of more than 6 month, is a "PEPRA" member.

**4070.20.2.2** The District is responsible for paying one hundred percent (100%) of classic CalPERS members' employer contribution and employees are responsible for paying one hundred percent (100%) of the employee contribution.

**4070.20.2.3** For PEPRA members, the District shall not pay any of the required employee contribution and the employee shall pay fifty percent (50%) of the normal costs.

**4070.20.4** Upon notification from CalPERS of the District's employer contribution rate for the coming fiscal year, staff will advise the Board of Directors.

### **4070.30 Social Security**

The District participates in Social Security.

### **4070.40 Individual Savings – Deferred Compensation Plan**

The District offers a voluntary 457 deferred compensation plan. Employees may elect to have pre-tax contributions to the 457 deferred compensation plan withheld from their wages.

**4070.40.1** Employees are responsible for ensuring their contributions do not exceed IRS annual maximum limits.