



## Legislation Text

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File #: 20-494, Version: 1

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*Report Prepared by: Venus Rodriguez, Finance Officer*

**SUBJECT:** Adoption of a Resolution for an Exemption to CalPERS 180-Day Wait Period to Hire a Temporary Payroll Supervisor to Fill a Critical Need in the Finance Department Pursuant to Government Code Sections 7522.56 and 21224

### REPORT IN BRIEF

Considers the adoption of a resolution approving the hiring of Joni Vierra as an extra-help retired annuitant to perform the duties of a Payroll Supervisor under Government Code sections 7522.56 and 21224, effective September 14, 2020.

### RECOMMENDATION

**City Council** - Adopt a motion adopting **Resolution 2020-58**, a Resolution of the City Council of the City of Merced, approving an exception to the CALPERS 180-day wait period pursuant to Government Code sections 7522.56 and 21224.

### ALTERNATIVES

1. Approve as recommended; or
2. Deny; or
3. Take no action.

### AUTHORITY

Section 200 of the City of Merced Charter.  
California Government Code sections 7522.56 and 21224.

### CITY COUNCIL PRIORITIES

As provided for in the 2020-2021 Adopted Budget.

### DISCUSSION

California Government Code section 7522.56, subdivision (f)(1) provides that a CalPERS retiree is not eligible to work for a CalPERS employer for a period of 180 days following the date of their retirement unless an exception applies. One such exception allows the 180-day waiting period to be waived if the retired employee is needed to fill a critically necessary position and the employee has the specialized skills and knowledge for the position. Under this circumstance, the retired employee can be hired before the expiration of the 180-day waiting period if the governing body of the CalPERS agency certifies through the adoption of a resolution that the appointment is necessary to fill a critical need. Additional requirements for the post-retirement employment include:

- The retired employee can only work for a limited duration and must be hired into a retired annuitant or part-time temporary/extra-help position (not a permanent part-time position);
- The retired employee can only work 960 hours in a fiscal year (July 1 to June 30);
- The retired employee can only be paid an hourly compensation without benefits or any additional or special compensation;
- The compensation paid to the retired employee must be an hourly rate that is not greater than nor less than the hourly rate on the salary schedule for the equivalent position; and,
- The appointment of the employee must be made by the governing body at a public meeting and the appointment cannot be placed on a consent calendar.

Payroll resides in the Finance Department. There is currently one full-time Payroll Supervisor and one full time Payroll Technician dedicated to payroll functions. The most recent Payroll Technician retired from the City in August 2020. The Payroll Supervisor unexpectedly gave her two-week notice and will be retiring effective September 13, 2020. Recruitments have been started for both positions. At this time, the City has a critical need for an experienced Payroll Supervisor in order to be a resource to other Finance staff and for training purposes when the positions are filled. Both positions leaving so close together leaves the City at a disadvantage. Payroll for a government entity that includes Public Safety and CalPERS is highly complex.

As the positions are filled there will be a need to provide training in the areas of bi-weekly payroll, quarterly and calendar year tax reporting, W-2's, CalPERS oversight and reporting, OPEB, FLSA, fiscal year-end financial statement transactions and reporting, labor negotiation/bargaining group requests, payroll budgeting, and multi-year payroll forecasts. Furthermore, not only will this position be advising on payroll in general but how to complete the transactions needed in our current financial system which is not very user-friendly and has required several modifications in the past. The Deputy Finance Officer will be dedicating time to training with the Payroll Supervisor for two weeks. Unfortunately, two weeks is insufficient time to learn all tasks managed by the payroll area. In order to maintain continuity in a very critical area staff, recommends the continued employment of the current Payroll Supervisor as a resource.

Joni Vierra has worked in the payroll area for the City of Merced for 21 years. She has invaluable knowledge of the City's payroll procedures and practices, and she also possesses the necessary skills to perform the required duties.

The attached resolution authorizes the City Council to make the required findings to allow Ms. Vierra to be hired as a Payroll Supervisor effective September 14, 2020, which is before the expiration of her 180-day post-retirement wait period. As set forth in further detail in the attached resolution, Ms. Vierra will be paid on an hourly basis within the same hourly range as other employees performing the same duties. Moreover, her hours will not exceed 960 hours in a fiscal year and no other benefits will be paid or provided.

Approval of the attached Resolution is therefore requested to waive the 180-day waiting period to allow the City to hire Ms. Vierra on September 14, 2020.

## **IMPACT ON CITY RESOURCES**

Funds are available in the 2020-2021 Finance Budget to cover this temporary cost; no additional funding is needed.

## **ATTACHMENTS**

1. Resolution 2020-58
2. Salary Range
3. Personnel Action Form