

EMPLOYER NEWS



Employer Newsletter

Improving Employer Communication

CCCERA will now publish a semi-annual employer newsletter to keep employers up to date with information. This newsletter is intended for anyone in human resources, administration, benefits and payroll. We hope this newsletter will help support our employer community.

Participating Employers Handbook

The CCCERA Participating Employers Handbook was created to assist participating employers in correctly enrolling employees in retirement, death, survivor and disability benefits.

To obtain a copy of this newsletter, the Participating Employer Handbook, and more, visit cccera.org/employer.

2019 Compensation Limits

Internal Revenue Code & California Government Code

Federal and state laws place annual limits on the compensation that can be used to determine contributions and benefits for CCCERA plan members.

Legacy Members (Tiers 1, 3, A or C)

- The Internal Revenue Code provides for dollar limitations on benefits and contributions under qualified retirement plans which are adjusted annually for cost-of-living increases.
- Members who commenced participation in CCCERA on or after January 1, 1996 are *subject* to the annual federal Internal Revenue Code Section 401(a)(17) compensation limit as shown:
 - For CERL benefit formulas (Tiers 1, 3, A, & C), the 2019 calendar year compensation limit was *increased* to \$280,000;
- Members who commenced participation in CCCERA prior to January 1, 1996 are *not subject* to the Internal Revenue Code annual compensation limit.

PEPRA Members (Tiers 4, 5, D or E)

- For new employees who commenced participation in CCCERA on or after January 1, 2013 under PEPRA benefit formulas (Tiers 4,5, D & E), the compensation

which exceeds that annual pensionable compensation limit under California Government Code Section 7522.10(c) and (d) is *not included* in determining benefits or contributions.

- The 2019 calendar year PEPRA compensation limits are as follows:
 - For employees *enrolled* in Social Security – increased to \$124,180;
 - For employees *not enrolled* in Social Security – increased to \$149,016.

Administrative Procedures

It is the obligation of each agency payroll department to ensure compliance with the compensation limit for affected CCCERA members. The participating employer's payroll department is responsible to stop *both* member and employer contributions to CCCERA when the compensation limit is met. The participating employer should resume the required contributions with the first payroll check dated in the next calendar year.

If the membership date is not known for a member who exceeds the compensation limit, CCCERA will provide the agency with the membership date upon request. It is the responsibility of each employer to request the membership date from CCCERA.

Questions? Email employers@cccera.org.

I-29 and I-30 Report Submissions

Maintaining and Transmitting Accurate Member Data

Participating employers are required to report employer and employee contribution data to CCCERA. Refer to the Current Transmittal File Layout Specifications in Section 7 of the Participating Employer Handbook for information regarding the transmittance of this file, available at cccera.org/employers.

What is submitted on the I-29 File?

- Name changes
- Address changes
- Position changes
- Bargaining unit changes
- New hires
- Terminations
- Leaves of absences (LOA). If a member is on a LOA and contributions were not taken, regular monthly earnings with no retirement contributions for LOA member must be reported on a I-30 File.

What is submitted on the I-30 File?

- Earnings code
- Monthly hours
- Member and employer contribution amounts (basic and COLA contributions)
- Accruals

Employers should report all earnings/pay codes separately on the I-30 File. Please note, the I-30 headers *must* have the correct reporting dates (first day to the last day of the month). Corrections to data previously submitted on a I-30 File should be reported on an adjustment file.

What goes in Retiree Deduction Files?

The employer should provide a health deduction file which lists the retiree, the benefit deduction type and the amount of the monthly deduction.

Due Dates for Contributions and Reports

Each employer must provide reports and contributions to CCCERA in a manner and frequency as determined by the CCCERA Board of Retirement sufficient for CCCERA to credit contributions and service to each member's

EMPLOYER WORKSHOPS

Would your organization like an on-site visit from CCCERA staff to review report and form submission requirements? Email us at employers@cccera.org.

record. Unless otherwise specified, reports will be due no later than the 10th of each month for the previous month's payroll and will be accompanied by member and employer contributions. Generally, the retiree health file is due no later than the 20th of each month. If the 10th or 20th of the month falls on a weekend or holiday, the due date will be the last working day before the 10th or 20th.

Reports that are unreadable or incorrect will not be accepted and will be returned to the employer. Reports and contributions received after the due date will be considered late and subject to a late reporting penalty equal to the prime rate in effect on the due date computed on a daily, non-compounding basis and applied to the contributions due.

Please direct all inquiries regarding secure site access and file transmission issues to employers@cccera.org.

Felony Forfeiture Reminder

Reporting Requirements for Public Employers

Effective January 1, 2013, PEPRA established pension forfeiture, without exception, for all public employees convicted of a felony for job related conduct, in pursuit of office, or in connection with obtaining salary, retirement, or other benefits. PEPRA requires public agencies that employ or employed a public employee who was convicted of such a felony to notify CCCERA of the conviction within 90 days of the conviction. For details on how to report this, please refer to the reporting template in the Participating Employers Handbook.

Notice

The materials in this newsletter are intended to provide a general reference or resource only and are not to be construed as providing financial, legal, tax, or any other professional service or advice. CCCERA is governed by the County Employees Retirement Law of 1937 (CERL or 1937 Act) and the California Public Employees' Pension Reform Act of 2013 (PEPRA); the CCCERA retirement system is administered in accordance with these laws. If there is any conflict between statements made herein and provisions of the applicable retirement law, the law will prevail.

2019 CALENDAR DATES

UPCOMING CCCERA CLOSURES

January 21 Martin Luther King Jr. Day	May 27 Memorial Day
February 18 President's Day	July 4 Independence Day

PRE-RETIREMENT WORKSHOPS

Workshops fill up fast. Please advise members to call CCCERA for availability and to sign up.

February 21 , 9 a.m. to 11 a.m.
March 21 , 3 p.m. to 5 p.m.
June 27 , 9 a.m. to 11 a.m.
July 25 , 3 p.m. to 5 p.m.
August 22 , 9 a.m. to 11 a.m.

INFORMATIONAL SESSIONS

Would you like CCCERA Staff to present a retirement overview session to your employees? Email employers@cccera.org.

UPCOMING BOARD MEETINGS

January 23	March 27	May 22
February 13	April 10	June 12
February 27	April 24	June 26
March 13	May 1	

NEWSLETTER SUGGESTIONS?

Please email employers@cccera.org.

CONTACT US

Contra Costa County
Employees' Retirement Association
1355 Willow Way, Suite 221, Concord, CA 94520

Monday – Friday
8 a.m. – 5 p.m.; Closed noon to 12:30 p.m.

Phone: (925) 521-3960; Fax: (925) 521-3969