



# CITY OF ELECTED OFFICIALS BENEFITS PROFILE

Look inside for Benefit Updates



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# TABLE OF CONTENTS

ARTICLE I.	ADMINISTRATION	3
SECTION 1.01	INTRODUCTION	3
SECTION 1.02	ELECTED OFFICIALS	3
ARTICLE II.	BENEFITS	3
SECTION 2.01	MEDICAL INSURANCE	3
SECTION 2.02	DENTAL INSURANCE	4
SECTUIB 2.03	VISION INSURANCE	4
SECTION 2.04	LONG TERM DISABILITY INSURANCE	4
SECTION 2.05	LIFE AND ACCIDENTAL DEATH & DISMEMBERMENT	4
SECTION 2.06	LONG TERM CARE INSURANCE	4
SECTION 2.07	FLEXIBLE SPENDING PLAN	
SECTION 2.08	DEFERRED COMPENSATION	5
SECTION 2.09	EMPLOYEE ASSISTANCE PROGRAM	5
SECTION 2.10	VEHICLE ALLOWANCE	5
ARTICLE III.	CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SERVICE (CALPERS).	6

#### ARTICLE I. ADMINISTRATION

#### Section 1.01 Introduction

- A. Government Code Section 36516(d) authorizes the City Council to determine retirement, health, and welfare benefits for members of the City Council, provided the same benefits are available to and paid by the City for its employees.
- B. The Elected Officials Benefits Profile (Profile) is a summary of benefits practices adopted by the City Council. The provisions of this document apply to all Elected Officials, to the extent the provisions are not in conflict with governing statutes.
- C. The Profile sets forth the policies and procedures to be followed in implementing and administering the City's Elected Officials Benefits Program.

# Section 1.02 Elected Officials

The following Elected Officials are covered by this Profile:

- Mayor
- City Council Members (including Mayor Pro Tem)
- City Treasurer
- City Clerk

#### ARTICLE II. BENEFITS

### Section 2.01 Medical Insurance

A. Cafeteria Plan Allotment and Plan Options:

The City will maintain an IRS Code Section 125 qualifying Cafeteria Plan to allow employees and Elected Officials to pay for certain group health insurance benefits offered by the City on a pre-tax basis.

Elected Officials will receive the same Cafeteria Plan Allotment as Executive Management Team members.

Elected Officials must enroll in a City offered medical insurance plan unless they satisfy conditions of the eligible opt out arrangement below.

After enrolling in a City offered medical insurance plan and any other optional group insurance offered by the City, Elected Officials may receive any unused portion of the City's Cafeteria Plan Allotment as deferred compensation into their 401(a) plan (up to the legal limits).

If the cost of the selected medical insurance plan and any other optional group insurance plans exceed the City's Cafeteria Plan Allotment, the balance will be paid by payroll deductions from the salary of the respective Elected Official.

B. Elected Officials declining medical insurance coverage through City sponsored plans must file proof of alternative medical insurance coverage with the Human Resources/Risk Management Department. Elected Officials declining coverage must provide waiver verification documentation annually (during open enrollment) or within 30 days after the start of the plan year.

Upon satisfying the aforementioned waiver requirements, Elected Officials may opt to receive cash in lieu of enrolling in a City offered medical insurance plan, up to a maximum of \$600 per month. Any cash in lieu will be deposited into their deferred compensation 401(a) plan (up to the legal limits).

#### Section 2.02 Dental Insurance

The City shall provide Dental coverage for Elected Officials and their eligible dependents under the City's Dental Plan. This benefit shall not be subject to deduction from the Cafeteria Plan Allotment, nor shall it have any cash-out value.

#### Section 2.03 Vision Insurance

The City shall provide Vision coverage for Elected Officials and their eligible dependents under the City's Vision Plan. This benefit shall not be subject to deduction from the Cafeteria Plan Allotment, nor shall it have any cash-out value.

# Section 2.04 Long Term Disability Insurance

The City shall pay the employee only premium for the City's Disability Insurance Program. Benefit level will be at 60% of eligible earnings, up to a maximum monthly benefit of \$2,100, when an employee is disabled and unable to work for a period in excess of 90 days. This benefit shall not be subject to deduction from the Cafeteria Plan Allotment, nor shall it have any cash-out value.

### Section 2.05 Life and Accidental Death & Dismemberment Insurance

Elected Officials may participate in the City's group term life insurance and accidental death and dismemberment (AD&D) insurance plan. For Elected Officials, the City will pay the premiums for life insurance policies of \$25,000 for basic life and \$25,000 for accidental death and dismemberment. This benefit shall not be subject to deduction from the Cafeteria Plan Allotment, nor shall it have any cash-out value.

Additional coverage, as well as supplemental life insurance, if available/offered through the City, may be purchased through Cafeteria Plan Allotment deductions or payroll deductions. Coverage in excess of \$50,000 must be paid with post-tax monies.

# Section 2.06 Long Term Care Insurance

Elected Officials may participate in the CalPERS Long Term Care Plan. The City will pay the required premium as long as the Elected Official is in office. Continuation of the plan following the expiration of the Elected Official's term or other separation from the City,

including payment of required premiums and any other related costs, will become the sole responsibility the plan participant (former Elected Official).

# Section 2.07 Flexible Spending Plan

Elected Officials shall be eligible to participate in the City's Flexible Spending Account Plan (FSA Plan) to make pre-tax deductions for qualifying medical, dental, vision, and dependent care expenses (up to the legal limits). The plan is established and administered in accordance with Section 125 of the Internal Revenue Service Code.

# Section 2.08 Deferred Compensation

Elected Officials are eligible to participate in and make voluntary contributions to the City's 457(b) deferred compensation plan, subject to Plan provisions and limitations.

# Section 2.09 Employee Assistance Program

Elected Officials are eligible to participate in the City's Employee Assistance Program. Confidentiality regarding a member's use of this program will be maintained in full compliance with state and federal regulations.

#### Section 2.10 Vehicle Allowance

A. The City shall provide a vehicle allowance for Elected Officials as follows:

Office:	Monthly Allowance:
Mayor	\$400.00
Mayor Pro Tempore	\$400.00
City Council Member	\$400.00
City Treasurer	\$400.00
City Clerk	\$400.00

- B. Elected Officials receiving a vehicle allowance or assigned a City vehicle must provide the following to the Human Resources/Risk Management Department (upon taking office, and as may be requested periodically thereafter):
  - 1. Proof of valid insurance with acceptable levels as set by the City; and
  - 2. Proof of valid, class C California driver's license.
- C. Elected Officials receiving a vehicle allowance must participate in the City's DMV Pull Notice Program.
- D. Effective September 1, 2020 through December 31, 2020, the vehicle allowance shall be suspended and no Elected Official shall receive a vehicle allowance during this period.

# ARTICLE III. California Public Employees' Retirement System (CalPERS)

Elected Officials are eligible for membership in CalPERS under the City's Miscellaneous Employee Group contract with CalPERS. CalPERS membership is optional for Elected Officials per Government Code Section 20322.

CalPERS members are categorized as either "New Members" or "Classic Members."

"New Members" are defined by CalPERS as any of the following:

- A new hire brought into CalPERS membership for the first time on or after January 1, 2013, with no prior membership in any California public retirement system;
- A new hire brought into CalPERS membership for the first time on or after January 1, 2013, not eligible for reciprocity with another California public retirement system;
- A member who first established CalPERS membership prior to January 1, 2013, hired 0by a different CalPERS employer after a break in service exceeding six months.

"Classic Members" are defined by CalPERS as all members that do not fit within the definition of a new member.

For new members, the defined benefit formula is 2%@62. New members' initial contribution rates are required to be the greater of 50% of the total normal cost, as determined annually by CalPERS, or the current contribution rate of similarly situated employees.

For classic members, the defined benefit formula is 2%@55. Classic members shall pay the same employee share of contributions as those paid by the City's Executive Management Team members. The City will pay any remaining amount of the member contribution, in addition to the full employer contribution as required by CalPERS.