



# BENEFITS SUMMARY

## CITY EMPLOYEES ASSOCIATION (CEA)

Term: January 1, 2019 through December 31, 2021

*This summary is for informational purposes only and is not binding. For a complete explanation of all benefits and compensation, benefit eligibility, and restrictions, refer to the current Memorandum of Understanding (MOU) and the Employee Policy Manual.*

### COMPENSATION

**Salary Adjustments:** 2% - March 16, 2019; 2% - December 21, 2019; and 2% - December 19, 2020.

**FLSA Overtime<sup>1</sup>:** Non-exempt employees earn overtime for actual work hours in excess of 40 in their defined FLSA workweek.

**Contract Overtime<sup>1</sup>:** Non-exempt employees are eligible for contract overtime. Holiday Pay (or Holiday to Flex Leave) is included in the 40-hour calculation for contract overtime. No other paid leaves count towards the 40-hour calculation.

**Overtime Rate:** Both FLSA and Contract Overtime are paid at time and one half (1.5) and are calculated using the regular rate of pay, except Contract Overtime calculations do not include any funds associated with the Cafeteria Plan allowance (cash back, opt-out cash).

**Compensatory Time Off:** Non-exempt members may receive Compensatory Time Off in lieu of cash for each overtime hour at the rate of one and one half (1.5) hours.

**Bilingual Pay:** \$150 per month upon approval of the Department Director. Testing is required.

**Certificate Pay:** Employees may be eligible for certificate pay for job-related certifications. For a complete listing of eligible certificates refer to the current MOU.

**Night Shift Differential:** Members assigned a work schedule which extends or begins after 6 PM shall receive \$1 per hour for every hour worked past 6 PM. E.g. Normal work schedule is Monday through Friday, 2:00 PM – 10:30 PM, employee would be eligible for 4 hours (if lunch break was taken after 6 PM) of Night Shift Differential pay for all five days. This pay is not offered when working overtime beyond a normal work schedule.

**Call-Back Duty Pay:** A unit member called back to their work station after the normal work shift has ended will receive pay for actual hours worked, with a two-hour minimum payment.

**Standby Pay:** Eligible members on a standby assignment shall receive one hour of overtime for each eight hours of such duty. E.g. An employee on standby assignment for 16 hours shall receive two hours of overtime.

**Incentive Shift for Library Staff:** Members who hold positions in Library Services and work a regular five-hour shift on Sunday receive three hours of Incentive Shift pay in addition to the five regular hours worked.

**One-Time Payment:** All unit members actively employed at the time of City Council adoption of this MOU shall receive a one-time payment of \$2,700.

<sup>1</sup> Overtime is calculated in tenths of an hour.

**LEAVES**

**Flex Leave<sup>2</sup>:** Unit members shall accrue Flex Leave based on years of continued service at the following rates:

Years of Service	Biweekly Hours	Annual Hours	Accrued Hour Limit
1 but less than 5	6.00	156.00	468.00
5 but less than 9	6.61	171.86	515.58
9 but less than 12	7.23	187.98	563.94
12 but less than 16	8.15	211.90	635.70
16 but less than 20	8.77	228.02	684.06
20 but less than 25	9.38	243.88	731.64
25 and over	10.00	260.00	780.00

**Holidays:** There are 11 holidays observed per year, which include: New Year’s Day, Martin Luther King Jr. Day, President’s Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving, Friday following Thanksgiving, Christmas Eve (½ day), Christmas, and New Year’s Eve (½ day).

In addition to the holidays observed, unit members receive eight (8) hours for a “floating holiday” credited to their Flex Leave bank during the pay period which includes July 1.

**Bereavement Leave:** 40 hours of paid leave for the necessary absence due to the death or terminal illness of an immediate family member. See MOU for list of qualifying family members.

<sup>2</sup>The City complies with the IRS Title 26 CFR § 1.451-2 Constructive Receipt of Income with regard to Flex Leave pay out.

**BENEFITS**

**Cafeteria Plan:** Members participating in the City’s medical plans receive a monthly cafeteria allowance of \$1,725 (plus the CalPERS medical premium contribution) to cover the costs of health premiums. If the cafeteria allowance exceeds the premium amounts, employees will receive the difference in taxable cash. Employees hired on or after March 16, 2019 are ineligible to receive the difference in taxable cash.

**Opt-out:** Eligible employees receive \$1,000 per month as taxable cash back. Employees hired on or after March 16, 2019 receive \$500 per month as taxable cash back.

**Life Insurance:** City paid policy up to \$50,000 in coverage based on annual salary.

**Disability Insurance:** Employees pay one percent (1%) of base salary as a post-tax deduction for this benefit.

	<u>Short-Term Disability (STD)</u>	<u>Long-Term Disability (LTD)</u>
Benefit Amount	66.67% of covered wages	66.67% of covered wages
Maximum Benefit	\$1,846 a week	\$15,000 monthly
Waiting Period	30 calendar days	180 calendar days

**Employee Assistance Program (EAP):** The EAP provides confidential counseling, education and referral on work and life issues at no cost to the employee; subject to provider guidelines.

**Tuition Reimbursement:** Maximum tuition reimbursement is \$2,000 per fiscal year.

**Retirement Benefits:** The City contracts with the California Public Employees Retirement System (CalPERS) to provide retirement benefits and has implemented first, second and third tiers. CalPERS makes the final decision as to which tiered benefit an employee will receive.

Member Contributions: 13%

**Tier I (Legacy 2.5%@55):** Members contribute 10.42% of the total net employee rate, which is 8 % employee rate and 2.42% employee rate modifier, and 2.58% towards the employer rate.

**Tier II (Classic 2%@60):** Members contribute 7% of the total employee rate and 6% towards the employer rate.

**Tier III (PEPRA 2%@62):** The minimum required member contribution for Tier III employees is subject to change based on the annual PERS valuation. The employee rate may increase or decrease as provided by CalPERS; the City adjusts the employee rate and adjusts the employer rate contribution so that the total member contribution aligns with Tiers I and II members.

**LIUNA:** Employees participate in a LIUNA Plan (Laborer’s International Union of North America), which is a supplemental defined benefit retirement plan. Benefit payouts are based on age at retirement and years of service. Employees pick up the entire cost for this benefit. The current contribution is 2.92%.

**RETIREE MEDICAL PLANS**

**Retiree Health Benefits Program:** The City participates in a Retiree Health Savings (RHS) defined contribution plan with contributions paid by both the City<sup>3</sup> and the employee. Employees hired prior to January 1, 2006, and whose age and years of services totaled 50 or more, were enrolled in either the fully-converted plan or hybrid plan. Employees hired on or after January 1, 2006 participate in the fully-converted plan. Please refer to the CEA MOU for full details.

<u>FULLY-CONVERTED PLAN</u>	<u>HYBRID PLAN</u>
<p><b>I. Employee payments to City to support program prior to retirement:</b></p> <p style="padding-left: 20px;">None</p>	<p><b>I. Employee payments to City to support program prior to retirement:</b></p> <p style="padding-left: 20px;">\$100 per month until retirement</p>
<p><b>II. Contributions to employees’ accounts during employment:</b></p> <ol style="list-style-type: none"> <li>1. Part A: 1% salary contribution (employee).</li> <li>2. Part B <sup>3</sup>: \$2.50 per month for each year of service plus age (City).</li> <li>3. Part C: Cash from leave conversion at retirement (see MOU for amount).</li> <li>4. Lump payment upon retirement of \$100 for every month paid into the previous defined benefit plan, prior to January 1, 2006, up to 180 months (City).</li> </ol>	<p><b>II. Contributions to employees’ accounts during employment:</b></p> <ol style="list-style-type: none"> <li>1. Part A: 1% salary contribution (employee).</li> <li>2. Part B: No City contribution.</li> <li>3. Part C: Cash from leave conversion at retirement (see MOU for amount).</li> <li>4. Lump payment upon retirement of \$75 for every month paid into the previous defined benefit plan, prior to January 1, 2006, up to 180 months (City).</li> </ol>
<p><b>III. City contributions to employees’ RHS account after retirement:</b></p> <p style="padding-left: 20px;">None.</p>	<p><b>III. City contributions to employees’ RHS account after retirement:</b></p> <p style="padding-left: 20px;">\$400 per month.</p>

<sup>3</sup> Employees vest in the program after 5 years of continued, full-time service. Once an employee vests, the City deposits the amount accumulated during the five-year waiting period and begins the monthly contributions.