

# BENEFITS



## CITY OF RIALTO ELECTED OFFICIALS BENEFIT PROFILE

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## **ARTICLE I. ADMINISTRATION**

### **Section 1.01 Introduction**

- A. Government Code § 36516(d) and § 53201 authorizes the City Council to determine retirement, health, and welfare benefits for its legislative body members, officers, and employees, which include the members of the City Council, the City Clerk, and City Treasurer, 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 benefit 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. The selected benefits included in the Profile for the Elected Officials are approved by City Council in the form of a Resolution, which benefits shall be consistent with those provided to the City Manager; however, may not include all benefits provided to the City Manager via his/her contract.
- 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. Health and Dental Insurance - Active Status**

Elected Officials shall be provided with a Cafeteria Plan, which will be administered by the City pursuant to Section 125 of the Internal Revenue Code. The Cafeteria Plan is designed to give employees the flexibility to choose various medical and dental insurance benefits provided through City plans. The City's contribution to the Cafeteria Plan will be one hundred percent (100%) of the health and dental insurance premiums for the Elected Official and eligible dependents, consistent with the health insurance benefits provided to the City Manager, while in active status.

#### **B. Health Insurance Upon Retirement**

If the Elected Official retires from City employment, the City shall pay the Elected Official's and dependent(s) health benefits the same as for active employees, consistent with the retiree health benefits provided to the City Manager. The Elected Official must meet the definition of "annuitant" as defined by CalPERS including minimum age and years of service requirements per the City's contracts with CalPERS. The City shall not reimburse Medicare premiums for the

Elected Official while active, or as a retiree. Dental and Vision Insurance premiums are not paid for by the City upon retirement.

**C. Opt-Out of Medical Insurance Benefits**

Elected Officials may opt to receive an in-lieu payment of up to one thousand one hundred dollars (\$1,100) per month of the City's contribution if they do not purchase any of the benefits provided by the City. An Elected Official must provide the City with written notice/waiver of paid health insurance premiums for which the Elected Official is eligible 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 \$1,100 per month. Any cash in lieu will be deposited into the Elected Official's deferred compensation plan (up to the legal limit).

**Section 2.02 Eye Care**

The City shall pay up to three hundred dollars (\$300) per fiscal year for an eye examination, and/or prescription eyeglasses or contact lenses for the Elected Official only. This benefit will be on a reimbursement basis. The Elected Official shall have the option of applying the \$300 per fiscal year towards payment of the premium for a vision policy.

**Section 2.03 Short/Long Term Disability Insurance**

The City will pay one hundred percent (100%) of the premium for short and long-term disability insurance for Elected Officials consistent with the short and long-term disability insurance coverage provided to the City Manager.

**Section 2.04 Life Insurance**

**A. Life Insurance – Active Status**

The City will pay one hundred percent (100%) of the premiums for the Elected Official's and dependent(s)' Term Life insurance coverage contracted by the City. Individual policies shall be provided as follows:

Elected Official	\$300,000
Spouse/Registered Domestic Partner*	\$25,000
Children / Dependents	\$5,000

\*so long as required by California law.

The Elected Official shall control the designation of any and all beneficiaries.

**B. Life Insurance Upon Retirement**

If the Elected Official retires from City employment, the City shall pay the Elected Official's and dependent(s) life insurance plan(s) coverage for the retired Elected Official and dependent(s). The Elected Official must meet the definition of "annuitant" as defined by CalPERS including minimum age and years of service requirements per the City's contracts with CalPERS in order to be eligible to maintain the City-paid life insurance coverage.

#### **Section 2.05 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. The plan is established and administered in accordance with Section 125 of the Internal Revenue Service (IRS) Code, with annual maximums as determined by the IRS.

#### **Section 2.06 Deferred Compensation**

The City will contribute nine hundred sixty dollars (\$960) per month towards the Elected Official's deferred compensation plan, which is a 401A, Money Purchase Pension Plan and Trust.

Additionally, 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. For 2021, the normal contribution limit for deferrals to a 457 deferred compensation plan is \$19,500. Elected Officials age 50 or older may contribute up to an additional \$6,500 for a total of \$26,000.

#### **Section 2.07 Employee Assistance Program**

Elected Officials and dependents 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 2.08 Vehicle Allowance**

The City shall provide Elected Officials with the option of the use of a shared City vehicle for City business use. The City shall provide insurance, maintenance, and fuel for such vehicle consistent with the vehicle provided for use by the City Manager. Elected Officials shall also be provided use of a toll road transponder as needed for City business.

#### **Section 2.09 Cellular Phone**

The City shall provide the Elected Official a City-issued cellular phone for City business use.

#### **Section 2.10 Income Protection Insurance**

The City shall pay for income protection insurance coverage, consistent with the coverage provided to the Rialto Executive Employees, as stated in the Rialto Executive Employees Benefits Profile.

#### **Section 2.11 Rialto Fitness Center**

Elected Officials, while active and upon retirement, and their spouses, shall be allowed free use of the Rialto Fitness Center during normal operating hours so long as the City has managerial control of the facility. Elected Officials, while active and upon retirement, and their spouses,

shall adhere to the same regulations regarding reservations and the use and care of the facilities as the general public.

### **ARTICLE III. CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS)**

#### **Section 3.01 Retirement Plan**

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. If an Elected Official does not elect to participate in the CalPERS plan, the Elected Official may elect to receive commensurate employer paid contributions to a deferred compensation account.

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 by 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 at least 50% of the total normal cost or the current contribution rate of similarly situated employees.

For "classic members," the defined benefit formula is 2.7% @55.

#### **Section 3.02 Level 4 Survivor Benefit**

The Level 4 (1959) Survivor Benefit Program provides a monthly allowance to eligible survivors of covered CalPERS members who die before retirement.

The Elected Official shall pay his/her share of the monthly cost for the Level 4 Survivor Benefit for miscellaneous employees.

#### **Section 3.03 Cal-PERS Cost-of-Living Adjustment (COLA)**

The City contracts with CalPERS to provide a two percent (2%) Cost-of-Living (COLA) for miscellaneous member retirees.