



CITY OF NEWPORT BEACH BENEFITS SUMMARY

Newport Beach City Employees Association (CEA) Effective July 1, 2015 through December 31, 2018

This is a general outline of employee compensation and fringe benefits. For a complete explanation of benefits, benefit eligibility and restrictions, please refer to the current Memorandum of Understanding (MOU) and the Employee Policy Manual.

COMPENSATION

Salary Adjustments:

January 1, 2016 – 2.65%
January 1, 2017 – 2.65%
January 1, 2018 – 2.65%

Comp Time Accrual: Maximum accrual is 80 hours. Comp Time shall be calculated at the rate of one and one half (1.5) hours for each hour worked in excess of the basic 40 hour work week.

Night Shift Differential: \$1 per hour for hours worked after 5:00 PM (excluding overtime)

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.

Bilingual Pay: Eligible employees may earn \$150 per month upon approval of the Department Director. Testing is required.

LEAVES

Flex Leave: Unit members shall accrue Flex leave at the following rates:

<u>Years of Continuous Service</u>	<u>Hours Per Pay Period</u>	<u>Annual Hours</u>	<u>Maximum Balance (hours)</u>
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: Twelve (12) holidays per year which include: Independence Day, Labor Day, Veteran's Day, Thanksgiving, Friday following Thanksgiving, half-day Christmas Eve, Christmas, half-day New Year's Eve, New Years' Day, Martin Luther King Day, President's Day, Memorial Day, and a Floating Holiday (1) credited on July 1st. Holidays will be paid based on the employee's regular work day schedule. Employees will receive eight (8) hours of holiday pay annually for the Floating Holiday.

Bereavement Leave: Forty (40) hours of paid leave for the necessary absence of an employee for the death or terminal illness of an immediate family member.

Leave Sellback: Employees have the option of selling back Flex leave hours twice per year (must keep 160 hours on the books).

BENEFITS

Cafeteria Plan: Effective January 1, 2016 the City contributes \$1,625 per month, plus the CalPERS medical contribution, for medical, dental and vision benefits. Effective January 1, 2017, the cafeteria amount will increase to \$1,725 per month. Employees with proof of other group medical coverage may opt-out of the City plan and receive the maximum cafeteria allowance of \$1,000 as taxable cash back.

Disability Insurance: City disability coverage requires a 30 calendar day waiting period. Employees contribute 1% of base salary toward disability insurance. The benefit is 66.67% of gross salary up to maximum of \$10,000 per month.

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

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.

Retirement Benefit:

TIER 1 (for employees hired on or before November 23, 2012 and in the 2.5%@55 PERS formula): Effective January 1, 2016, employees shall contribute a total of 12.7% toward PERS, broken down as follow: 8% of the required member contribution and 2.42% and 2.28% of cost sharing under Government Code 20156(a) and 20516(f) respectively; effective January 1, 2017, the cost sharing under 20516(f) shall increase to 2.58%, for a total employee contribution of 13.0%.

TIER 2 (for employees hired in the 2%@60 PERS formula): Effective January 1, 2016, employees in Tier 2 shall contribute a total of 12.7% toward PERS, broken down as follow: 7% of the required member contribution and 5.7% of cost sharing under 20516(f); effective January 1, 2017, the cost sharing under Government Code 20516(f) shall increase to 6.0%, for a total employee contribution of 13.0%.

TIER 3 (for employees hired under the PEPRA 2%@62 PERS formula): The minimum required member contribution for Tier 3 employees is subject to change based on annual PERS valuation. For FY15-16 the rate is 6.25%. Effective January 1, 2016, in addition to the required member contribution, Tier 3 employees shall make an additional contribution under Government Code 20516(f), such that the total employee contribution equals 12.7%. Effective January 1, 2017, in addition to the required member contribution, Tier 3 employees shall make an additional contribution under 20516(f), such that the total contribution equals 13.0%.

The City has the following contract provisions: single highest year (Tier 1) and highest consecutive 36 months (Tiers 2 and 3), 4th Level 1959 Survivor Benefit, Sick Leave Credit, Military Service Credit, \$500 Lump Sum Death Benefit, 2% COLA, and Pre-retirement Optional Settlement 2 Death Benefit. Please contact Human Resources or refer to the CalPERS website, www.calpers.ca.gov, for an explanation of these options.

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 an age at retirement and years-of-service formula. Employees contribute 1.5% of salary.

Retiree Medical Plans

Retiree Health Benefits Program: The City participates in a retiree medical program for employees through a Retiree Health Savings plan (RHS), with contributions paid by both the City and the employee. Employees hired prior to January 1, 2006 whose age and years of services total 50 or more, select from either the fully-converted plan or hybrid plan. Employees employed after January 1, 2006 participate in the fully-converted plan only.

<u>FULLY-CONVERTED PLAN</u>	<u>HYBRID PLAN</u>
<p>I. Payments by Employee to City to support program prior to retirement:</p> <p>None</p> <p>II. Contributions to Employee RHS Account During Employment:</p> <ol style="list-style-type: none"> 1. 1% Salary Contribution (Employee contribution). 2. \$2.50 per month for each year of service plus age (City contribution; must be vested with 5 yrs City service). 3. \$100 per month for every month paid into “old” system prior to January 1, 2006 (15 year maximum); (City contribution at time of retirement—must retire from City). <p>III. City Contributions to Employee RHS Account After Retirement:</p> <p>None.</p>	<p>I. Payment by Employee to City to support program prior to retirement:</p> <p>\$100 per month until retirement</p> <p>II. Contributions to Employee RHS Account During Employment</p> <ol style="list-style-type: none"> 1. 1% Salary Contribution (Employee contribution). 2. No City Contribution. 3. \$75 per month for every month paid into “old” system prior to January 1, 2006 (15 year maximum); (City contribution at time of retirement—must retire from City). <p>III. City Contributions to Employee RHS Account After Retirement:</p> <p>\$400 per month.</p>

Tuition Reimbursement: Reimbursement up to \$2,000 per fiscal year for job related, off-duty courses that are in furtherance of a degree or certificate.

MISCELLANEOUS

Direct Deposit: All newly hired employees shall participate in this program.