

MANAGEMENT EMPLOYEES BENEFITS SUMMARY



January 1, 2010

The following is a summary of the benefits available to management employees of the City of Clovis. For more information on any of the benefits listed below, contact the Personnel/Risk Management Division at (559) 324-2725.

1. PAID VACATION

Vacation is provided to allow employees paid time away from work to rest, recreate and return to work with renewed vigor and a fresh perspective. Increases in vacation accrual rates provide reinforcement for and recognition of length of service. Paid vacation time will accrue as follows per pay period/work days per year/maximum accrual.

| Years of Service | 40 hour week Employees | 56 hour week Employees |
|--|-------------------------------|-----------------------------------|
| 0 to 7 th anniversary | 5 hrs./15 days/280 hrs. Max. | 7 hrs./15 days/392 hrs. Max. |
| 8 th to 14 th anniversary | 6 hrs./18 days/328 hrs. Max. | 8.4 hrs./18 days/459.2 hrs. Max. |
| 15 th to 19 th anniversary | 6.7hrs./20 days/360 hrs. Max. | 9.3 hrs./20 days/504 hrs. Max. |
| 20 th anniversary plus | 8 hrs./24 days/424 hrs. Max. | 11.2 hrs./24 days/593.6 hrs. Max. |

2. PAID SICK LEAVE and SICK LEAVE INCENTIVE

In order to ensure that employees have the opportunity to tend to their health issues and provide incentive for judicious use of sick leave benefit, the City provides sick leave and a sick leave incentive program.

Employees who retire from the City with a normal retirement are eligible for a cash payment equal to 25% of their sick leave balance on their date of retirement. With respect to public safety managers, the unused sick leave hours available for cash out will be based on those hours that remain following any applicable credit received for the PERS benefit known as “Credit for Unused Sick Leave”.

The sick leave incentive compensates employees up to 50% of a calendar year’s unused accrual based on usage after an accumulation of 20 days. The incentive is paid automatically on December 1st of each year and is prorated if an employee leaves City employment prior to this date.

One-half (½) the annual accrual of sick leave per calendar year may be used to attend to an illness of a child, parent, or spouse. (Labor Code 233(a)).

| Sick Leave Incentive - 40 Hour Week Employees | | |
|---|------------------------------------|---------------------|
| Hours Used During Preceding 12 Month Period | Number of Cash-out Hours Available | Percent of Cash-Out |
| -0- | 96 | 50% |
| .1 to 8 | 88 | 45% |
| 8 to 16 | 80 | 40% |
| 16 to 24 | 72 | 35% |
| 24 to 32 | 64 | 30% |
| 32 to 40 | 56 | 25% |

| Sick Leave Incentive 56 Hour Week Employees | | |
|---|------------------------------------|---------------------|
| Hours Used During Preceding 12 Month Period | Number of Cash-out Hours Available | Percent of Cash-Out |
| -0- | 134.4 | 50% |
| .1 to 11.2 | 123.2 | 45% |
| 11.2 to 22.4 | 112 | 40% |
| 22.4 to 33.6 | 100.8 | 35% |
| 33.6 to 44.8 | 89.6 | 30% |
| 44.8 to 56 | 78.4 | 25% |

3. PAID HOLIDAYS

The City recognizes ten (10) paid holidays and one (1) paid floating holiday to be used at the mutual agreement of the employee and their supervisor. A 4-hour floating holiday for all managers is available to be used on either the workday before Christmas Day or the workday before New Year’s Day, subject to the needs of the City.

On July 1st of each year, Police Captains and Lieutenants shall be provided with 100 hours of holiday time in lieu of paid leave time off for holidays observed by the City. Up to 100 hours may be cashed out each year at the employee’s option. 56/40 hour week Battalion Chiefs are provided with 200/142.86 hours of holiday time and are allowed to cash out up to 200/142.86 hours each year. If an employee leaves employment with the City prior to June 30, an amount equal to the pro-rata holiday time that has been cashed out will be deducted from the final paycheck.

Managers in the Transit and Recreation Divisions are provided with 84 hours of holiday time in addition to the paid floating holiday for use during the fiscal year period. These hours must be used as paid time off and can not be cashed out and are not subject to carry over from year to year.

4. MANAGEMENT LEAVE

In recognition of the effort and contributions required of Management employees beyond the “normal” workday, the City provides additional leave time. Management employees receive fifty-six (56) hours of management leave per fiscal year (posted July 16th). By request, up to forty (40) hours of unused management leave may be carried over until December 31st. Management leave cannot accumulate to an amount greater than 96 hours.

Fifty-six (56) hour per week Fire Management employees will receive seventy eight and four tenths (78.4) hours of management leave. For these employees Management Leave cannot accumulate to an amount greater than 134.4 hours.

5. MANAGEMENT INCENTIVE PAY

In recognition of the effort and contributions required of Management employees beyond the “normal” workday, the City also provides Management Incentive Pay equal to one (1) hour (1.4 hours for 56 hour week Managers) of pay each pay period that a Manager is in paid status.

6. FAMILY ILLNESS & BEREAVEMENT LEAVE

The City provides paid leave of up to 24 hours per calendar year to provide required personal care for family members. The City also provides 40 hours of paid bereavement leave per calendar year for employees who experience the death of a family member to allow the employee to attend to various matters related to the passing of the family member.

7. MILITARY LEAVE

The City supports employees who serve in the military. Military Leave requests shall be administered in accordance with the provisions of applicable federal and state law. Employees may be on unpaid leave for any period of active duty over (30) calendar days in one fiscal year pursuant to state law.

8. MEDICAL, DENTAL, PHARMACY, OPTICAL, and GROUP LIFE INSURANCE

In order to provide employees with an opportunity to maintain the health and wellness of themselves and their dependents, the City provides health insurance that includes medical, prescription, dental, and vision coverage. In addition, the City provides life insurance coverage.

The medical plan choices offered by the City include a \$10 co-pay HMO with Blue Shield as well as a \$10 co-pay HMO with Kaiser. The City also offers a Blue Shield 90/70 PPO and a Blue Shield 80/60 PPO and a High Deductible Health Plan (HDHP). Employees may also elect dental, vision and life coverage only at a reduced rate or waive health benefits entirely. Employees who waive *all health coverage* (medical, dental, prescription, and vision coverage) are eligible for a cash payment each month equal to the employee only premium for medical only coverage from the lowest cost plan. City paid life insurance coverage is \$175,000 for the employee and \$10,000 for dependents.

9. RETIREE HEALTH INSURANCE

Employees with a minimum of five years of service as a regular full time employee immediately preceding separation and who retire in accordance with PERS age and service requirements are allowed to continue in a City sponsored Medical and Prescription plan at their expense. Retired employees can participate in the plan as long as they pay the required premium *whether or not* they are enrolled in Medicare.

Retired employees are eligible to enroll in Medicare provided they are age 65 or older, under age 65 with certain disabilities or any age with End-Stage Renal Disease, without exception. The cost to participate in Medicare varies dependent upon the number of credits you have earned either through your employment or the employment of a spouse or ex-spouse. Retirees are not required to participate in Medicare in order to have access to the retiree health plan. Employees considering retirement should contact the Social Security Administration to determine when they are eligible to enroll in Medicare and what it will cost to enroll.

Retiring Managers who do not meet the eligibility guidelines for the Retiree Health Insurance program or Medicare will be eligible to continue the City Health Insurance at their own expense by exercising their COBRA rights.

10. SUPPLEMENTAL LIFE INSURANCE

Employees have the option to purchase additional life insurance over and above the life insurance coverage provided by the City.

Supplemental Group Life Insurance (in addition to the amount provided in item 8) is available at the employee's expense by payroll deduction. There is a 30 day guaranteed purchase provision from date of hire. After 30 days from the date of hire, the insurance company has discretion, through the underwriting process, over policy issuance and amount of issuance. The guaranteed issue amounts are: \$100,000 for the employee, \$25,000 for the spouse and \$2,000 for children. The maximum insurance amount is \$500,000 for employees, \$250,000 for spouses and \$12,000 for children.

11. BUSINESS TRAVEL INSURANCE

A \$500,000 death benefit for Management employees who are killed while traveling on City business is provided by the City. Benefits are also paid for bodily dismemberment.

12. SHORT TERM/LONG TERM DISABILITY INSURANCE

In order to provide income replacement due to a non-work related event, the City provides Short and Long Term Disability Insurance. Short Term Disability Insurance provides a benefit equal to 66.67% of base salary up to \$7,000 per month for up to 24 weeks after 14 days of disability. This benefit is paid for by each employee through payroll deduction.

If an employee continues to be disabled the Long Term Policy begins after 24 weeks. Long Term Disability provides a benefit equal to 66.67% of base salary up to \$7,000 per month for up to two years after 180 days of disability. If an employee is permanently disabled from all occupations, a lifetime monthly benefit (to age 65) is paid to the employee. This benefit is paid for by each employee through payroll deduction.

13. EMPLOYEE ASSISTANCE PROGRAM

The Insight program is provided to help full-time City employees and household members obtain guidance to help resolve personal problems that may be interfering with work or home life and to promote wellness. Each employee or household member is entitled to three (3) free visits every six (6) months. Insight can be reached 24 hours a day at (559) 226-7437.

14. RETIREMENT

The City has contracted with the California Public Employees Retirement System (PERS) for employee retirement benefits. The benefits provided are based on the benefit formula, age at retirement, the twelve highest paid consecutive months and length of service in the system. The contract provisions also include a 2% cost of living adjustment, the Level 4 1959 Survivor Benefit, and sick leave service credit conversion for safety Managers.

Employees are classified as Miscellaneous or Safety for retirement purposes. Based on this classification, one the following formulas will apply.

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|---------------|--|
| <u>Misc.</u> | 2.7% at 55 formula with 8% Employee paid on a pre-tax basis. |
| <u>Safety</u> | 3% at 50 formula with 9% Employee paid on a pre-tax basis. |

15. PRE-RETIREMENT DEATH BENEFITS

The retirement contract with PERS includes a pre-retirement death benefit. If you are **not eligible to retire** (age 50 and 5 years of service) your beneficiary will receive the Basic Death Benefit which is a refund of your contributions plus interest and up to six months' pay. In addition your beneficiary will receive the 1959 Survivor Benefit which provides a monthly allowance of up to \$2,280 for three or more eligible survivors. If you **are eligible to retire**, your beneficiary can elect to receive the same benefit as noted above or the 1957 Survivor Benefit which provides a monthly allowance equal to one half of what your highest service retirement allowance would have been had you retired on the date of your death. In lieu of this benefit an eligible survivor may receive the Pre-Retirement Option 2 Death Benefit. It provides a monthly benefit to the eligible survivor equal to the amount the employee would have received had the employee elected Optional Settlement 2 and retired on the date of death.

When the death of a safety employee who is **not eligible to retire** is determined to be **job related** the beneficiaries may receive the Special Death Benefit which provides a monthly allowance equal to one half of final compensation. If the cause of death is some external violence or physical force while on the job, and there are eligible children in addition to a spouse or registered domestic partner, the allowance may be increased to 75 percent. The beneficiary may elect to receive the Basic Death Benefit and the 1959 Survivor Benefit in place of the Special Death Benefit.

When the death of a safety employee who is **eligible to retire** is determined to be **job related** the beneficiaries may receive the Special Death Benefit which provides a monthly allowance equal to one half of final compensation. If the cause of death is some

external violence or physical force while on the job, and there are eligible children in addition to a spouse or registered domestic partner, the allowance may be increased to 100 percent. The beneficiary may elect to receive the Basic Death Benefit and the 1959 Survivor Benefit in place of the Special Death Benefit.

16. DEFERRED COMPENSATION AND VANTAGE CARE PLANS

An IRC Section 457 deferred compensation plan is available to all Management employees as a supplemental retirement plan, with the City matching the employee's contribution on a dollar for dollar basis up to 3% of the employee's base pay. **For FY 2009-2010, the City's matching contribution has been suspended for certain groups of Managers.**

Eligible employees are enrolled in the tax free Vantage Care Plan and contribute to the Plan through a fixed payroll deduction, redirection of the deferred compensation plan match and/or deposits of eligible leave cash-outs.

17. VEHICLE ALLOWANCE

Designated management positions receive a \$455 per month vehicle allowance in lieu of an assigned City vehicle for business and personal use pursuant to IRS regulations. Miles driven in excess of 50 miles round trip will be paid at the current IRS set mileage rate.

18. CELLULAR TELEPHONE PROGRAM

Designated management employees will receive a \$50 per month cellular phone allowance for business and personal use pursuant to IRS regulations.

19. COMPUTER LOAN PROGRAM

The computer loan program is intended to encourage computer ownership in order to improve computer skills and organizational efficiency. The City will loan up to \$3,000 for a period of 24 months, interest free, for Management employees to purchase a computer, software, and related devices for professional development and personal use.

20. PROFESSIONAL DEVELOPMENT

The City encourages its employees to further their education. With prior authorization and upon completion of coursework with a grade 'C' or better, the City will reimburse for: books, tuition, course required supplies, and other applicable fees up to the amount for comparable classes at CSUF.

The maximum reimbursement rate for accelerated, condensed or other non-traditional courses from accredited institutions shall be equal to the per unit cost of the CSUF undergraduate fee for seven (7) or more units. For graduate courses, the rate will be the CSUF graduate fee for seven or more units. The reimbursement rate for each course will be based on the fees in effect on the date the course(s) begin.

21. SOCIAL SECURITY/MEDICARE

The City of Clovis does not participate in Social Security, except as required for Medicare for employees hired after April 30, 1986.

22. STAND-BY COMPENSATION

Stand-by compensation shall be provided for managers in the Information Services Division who participate in the regularly scheduled rotation of 24-hour/7-day coverage for computer services. Compensation for the 24/7 period shall be equivalent to 20% of the weekly base salary. Actual callbacks shall be paid at the straight time rate with a minimum of two (2) hours per call back.

23. PUBLIC SAFETY FITNESS INCENTIVE

In the interest of public safety, the City encourages its public safety managers to maintain a state of health, wellness, and fitness. To that end, employees in police and fire management classifications who participate in physical fitness testing and attain the necessary benchmarks will receive the same incentive provided to represented employees in the respective departments.

23. PUBLIC SAFETY MANAGERS EXTRA SHIFT COVERAGE

The Communications Supervisor, Supervisor of Animal Services, Police Captains, Battalion Chiefs, and Public Safety Management Analysts who are required to back fill for a subordinate will be provided with additional compensation provided the extra shift requires working hours beyond those regularly scheduled for the work week. The additional compensation will be at the straight time rate of pay for the duration of the extra shift coverage assignment. If the assignment includes a 56 hour week assignment, the public safety manager will be paid at the 56 hour rate of pay.

24. UNIFORMS

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| Fire | \$1000.00 per fiscal year, paid annually. |
| Police | \$1000.00 per fiscal year, paid quarterly. |
| Utilities | Purchased by City. |