

RESOLUTION NO. 2021-47

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROSEMEAD, CALIFORNIA, ESTABLISHING SALARY AND BENEFITS FOR THE CITY COUNCIL OF THE CITY OF ROSEMEAD

WHEREAS, City Council Members are critical to the efficient and effective operations of the City, due to the policy-making nature and responsibilities of the position; and

NOW THEREFORE, BE IT RESOLVED that effective October 26, 2021, the salary and benefits for the City Council Members will be as follows:

SECTION 1: COMPENSATION

Members of the City Council will receive \$1,118.63 per month pursuant to Ordinance No. 841.

SECTION 2: HEALTH INSURANCE PROVIDER

The City contracts with California Public Employees' Retirement System (CalPERS) to serve as the health insurance provider for the City.

SECTION 3: CAFETERIA-STYLE HEALTH, WELFARE, & SAVINGS BENEFIT

The City will provide each full-time City Council Member with \$1,700 per month for use towards enrolling in any of the City offered health, dental, and vision plans. Effective November 1, 2021, the City will provide an additional \$100 per month for excess health care premiums with no cash-out value.

1. Unused Contributions. For Council Members elected/appointed on or prior to November 30, 2021, any unused remainder of the \$1,700 monthly cafeteria-style benefit will be put into a 457 deferred compensation plan up to the maximum amount allowed by law. Council Members elected/appointed after November 30, 2021, will not be compensated for any unused portion of the cafeteria-style benefit.
2. Excess Premiums. Employees shall be required to pay any cost of the health, dental, and vision premiums for their selected plans that exceeds the amount of the City's monthly contribution.
3. Opt-Out. Council Members elected/appointed on or prior to November 30, 2021, may also choose to waive coverage and receive the entire benefit as deferred compensation (457 Plan-up the maximum contribution allowed by law) but must first show proof of group health insurance coverage through an individual, a spouse or family member's coverage through their employer and complete the Voluntary Decline of Health Care Offered Under City of Rosemead Group Plan form. Council Member elected/appointed after November 30, 2021 choosing to opt-out of medical coverage offered by the City, under the same conditions, will receive \$500 per month deposited into the 457 deferred compensation plan.

SECTION 4: CHANGES TO HEALTHCARE LAWS

The parties recognize that certain changes to State or Federal laws, programs, taxes or regulation including, but not limited to, the Affordable Care Act, may impact future medical plan offerings.

SECTION 5: RETIREMENT HEALTH PLAN

For Members of the City Council elected/appointed on or before July 1, 2007, who have 20 years or more of service with the City of Rosemead, and who retire from the City, an allocation of up to \$1,000/month will be given to pay for health care benefits for the duration of their retirement. If the health insurance program selected by the Member costs more than \$1,000/month, the City will only cover the first \$1,000/month of the cost of the selected program.

For members elected/appointed on or before July 1, 2007, who have 12-19 years of service with the City of Rosemead, and who retire from the City, an allocation of up to \$500/month will be given to pay for health care benefits; for the duration of their retirement. If the health insurance program selected by the Member costs more than \$500/month, the City will only cover the first \$500/month of the cost of the selected program.

The above retirement health contributions will only be in effect for Members elected/appointed as of July 1, 2007. When a retired Council Member reaches 65 years of age, or becomes eligible for Medicare, said Members will transition to Medicare coverage and the City will continue to contribute towards the cost of health care coverage to the maximum amounts provided above during the duration of the Members' retirement. Furthermore, it is expressly noted that the retirement health contribution can be used towards health coverage for the retired Council Member, their spouse, and/or any eligible dependent.

Members hired after July 1, 2007, will receive retiree health benefits in accordance with public employees' retirement laws and CalPERS.

SECTION 6: RETIREMENT PROGRAM (CALPERS)

Members will be enrolled in the City's retirement program through CalPERS. On July 1, 2007, the City began providing the 2.7%@55 benefit formula with one-year final compensation option with no cap.

On July 1, 2010, the City implemented a 2-tier system with changes for new hires only. Council Members, hired on or after July 1, 2010, are subject to the 2%@55 formula with one-year final compensation option. All existing Council Members hired prior to July 1, 2010 will remain at the 2.7@55 formula.

Under the Public Employees' Pension Reform Act of 2013 (PEPRA), effective January 1, 2013, all "new members" are subject to the 2.0% @ age 62 benefit formula which also requires a three-year final compensation (the highest average annual pensionable compensation earned by a member during a period of at least 36 months) with an early retirement age of 52.

A "New Member" is defined as:

1. A new hire that is brought into CalPERS membership for the first time on or after January 1, 2013, and who has no prior membership in any other California public

retirement system.

2. A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who is not eligible for reciprocity with another California public retirement system.
3. A member who established CalPERS membership prior to January 1, 2013, and who is hired by a different CalPERS employer after January 1, 2013, after a break in service of greater than six months.

Effective January 1, 2013, PEPPRA prohibited employers from paying any portion of a "new member's member contribution rate. All new members must pay 50% of total normal cost as employee contribution rate.

CalPERS refers to all members that do not fit within the definition of a new member as "classic members". All "classic members" are required to contribute their full share, up to 8%, of the employee contribution of the CalPERS rate. Additionally, all existing CalPERS members as of December 31, 2012, will retain the existing benefit levels for future service with the same employer.

SECTION 7: ENHANCED RETIREMENT PROGRAM PUBLIC AGENCY RETIREMENT SERVICES (PARS)

The City offers an enhanced retirement package through Public Agency Retirement Services (PARS) for all members hired prior to July 1, 2010. Such members who retire from Rosemead after working 12 years for the City will have their pension formula enhanced to 3%@55, with the provision that the maximum pension allowance that members can accrue through PARS is 90% of their final pay. The PARS retirement pension is limited to 90% of their final pay. Members must be at least 55 years of age to qualify for PARS.

Council Members elected/appointed on or after July 1, 2010 are not eligible for the Enhanced Retirement Program through PARS.

SECTION 8: DEFERRED COMPENSATION PROGRAM (401A & 457)

401A: Members of the City Council receive \$500 per month to be deferred through the 401A Plan which allows members to make contributions through a supplemental retirement savings program. This benefit was eliminated for all Council Member elected/appointed on or after July 1, 2010.

457: For Council Members elected/appointed after Any remaining balance of the monthly health benefit allowance will be put into a 457 deferred compensation plan, up the maximum allowed by law, as specified in Section 3.

SECTION 9: LIFE INSURANCE

Members of the City Council receive an accidental death and dismemberment and life insurance policy of \$100,000.

SECTION 10: TUITION REIMBURSEMENT

Members may attend and be reimbursed for part or all of the costs of educational and other

training courses (up to \$5,000 per fiscal year) which provide a benefit to the City provided there are budgeted funds for such approval by the City Council. The educational/training courses must be job-related leading towards a college or university degree or certificate and Members must remain with the City for three (3) years after the successful completion of class/course or must refund the amount received to the City on a pro-rated basis.

If a Member leaves office (voluntarily or involuntarily) with the City, prior to the three (3) years after the completion of class/course, the Member must repay the City the amount received based upon the following pro-rated basis:

Pro-Rated Schedule of Repayment	
Years of Service After Completion	Repayment Amount Due to the City
Less than one (1) year	Full Amount Received
Less than two (2) years	2/3 of Amount Received
Less than three (3) years	1/3 of Amount Received

Members may be reimbursed for registration, cost of books, tuition, lab fees and parking for classes or instruction, provided such classes or instruction are related to the Member's assigned duties with the City.

Reimbursement will be made only after a Member has satisfactorily completed the class or workshop with the grade of "C" or better or a "B" or better for graduate level courses and that proof of completion has been submitted and reviewed by the City Manager.

All study time shall be considered completely voluntary and there is no mileage reimbursement provided for travel to and from educational classes. Required forms must be completed and necessary documentation (receipts and grades) must be provided in order to receive reimbursement.

SECTION 11: WELLNESS PROGRAM

The City shall reimburse City Council Members up to three-hundred dollars (\$300) per fiscal year for qualifying expenses of the City's Wellness Program.

SECTION 12: COMPUTER PURCHASE PROGRAM

The City provides a computer purchase program for members of the City Council as outlined in the Administrative Policy No. 30-09 approved by the City Manager. Loans are due and payable in full upon termination or separation of service.

SECTION 13: EMPLOYEE ASSISTANCE PROGRAM

The City provides access to the Employee Assistance Program (EAP).

SECTION 14: DIRECT DEPOSIT

Members of the City Council are provided with an option to authorize the automatic deposit of each paycheck into an individual's checking, savings or credit union account. Payroll checks will not be issued in advance.

SECTION 15: UNEMPLOYMENT INSURANCE BENEFITS

Members of the City Council are not eligible for unemployment insurance benefits.


SECTION 16: The City Clerk shall certify to the adoption of this resolution and hereafter the same shall be in full force and effect.

PASSED, APPROVED, AND ADOPTED this 26th day of October, 2021.



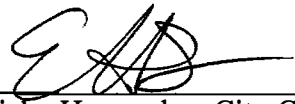
Polly Low, Mayor

APPROVED AS TO FORM:



Rachel Richman, City Attorney

ATTEST:



Ericka Hernandez, City Clerk

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF ROSEMEAD

I, Ericka Hernandez, City Clerk of the City Council of the City of Rosemead, California, do hereby certify that the foregoing City Council Resolution No. 2021-47 was duly adopted by the City Council of the City of Rosemead, California, at a regular meeting thereof held on the 26th day of October, 2021, by the following vote, to wit:

AYES: ARMENTA, CLARK, DANG, LOW

NOES: NONE

ABSENT: LY

ABSTAIN: NONE



Ericka Hernandez, City Clerk