

CITY OF CUPERTINO SUMMARY OF BENEFITS

January 1, 2016

(Revised 10/1/2016)

HEALTH INSURANCE

(HMO'S)

Appointed, Unrepresented, CEA, and Operating Engineers Units:

City health contribution effective 10/1/2016 towards health plan of choice:

Employee Only \$ 733.39 Month

Employee + 1 \$1,246.59 Month

Employee + 2 \$1,620.57 Month

HMO HEALTH PLANS – 2016/2017 % Increase	Plan Code	CalPERS 2016 RATES	CalPERS 2017 RATES
Anthem Select HMO – 8.54%			
Emp. Only	4541	\$721.79	\$783.46
Emp. & 1 Dep.	4542	\$1,443.58	\$1,566.92
Emp. & 2 or more Dep.	4543	\$1,876.65	\$2,037.00
Anthem Traditional HMO – 15.74%			
Emp. Only	4501	\$855.42	\$990.05
Emp. & 1 Dep.	4502	\$1,710.84	\$1,980.10
Emp. & 2 or more Dep.	4503	\$2,224.09	\$2,574.13
Blue Shield Access+ HMO – .85%			
Emp. Only	1021	\$1,016.18	\$1,024.85
Emp. & 1 Dep.	1022	\$2,032.36	\$2,049.70
Emp. & 2 or more Dep.	1023	\$2,642.07	\$2,664.61
Blue Shield NetValue HMO – NOT OFFERED IN 2017!			
Emp. Only	1241	\$1,033.86	
Emp. & 1 Dep.	1242	\$2,067.72	
Emp. & 2 or more Dep.	1243	\$2,688.04	
HealthNet SmartCare HMO – (-9.30%)			
Emp. Only	3751	\$808.44	\$733.29
Emp. & 1 Dep.	3752	\$1,616.88	\$1,466.58
Emp. & 2 or more Dep.	3753	\$2,101.94	\$1,906.55
Kaiser North HMO - (1.75%)			
Emp. Only	1041	\$746.47	\$733.39
Emp. & 1 Dep.	1042	\$1,492.94	\$1,466.78
Emp. & 2 or more Dep.	1043	\$1,940.82	\$1,906.81
UnitedHealthcare HMO – 11.18%			
Emp. Only	4261	\$850.67	\$1,062.26
Emp. & 1 Dep.	4262	\$1,701.34	\$2,124.52
Emp. & 2 or more Dep.	4263	\$2,211.74	\$2,761.88

HEALTH INSURANCE - Continued
(PPO'S)

Appointed, Unrepresented, CEA, and Operating Engineers Units:

City health contribution effective 10/1/2016 towards health plan of choice:

Employee Only \$ 733.39 Month
 Employee + 1 \$1,246.59 Month
 Employee + 2 \$1,620.57 Month

PPO HEALTH PLANS – 2016/2017 % Increase	Plan Code	CalPERS 2016 RATES	CalPERS 2017 RATES
PERS Choice PPO – 4.00%			
Emp. Only	1061	\$798.36	\$830.30
Emp. & 1 Dep.	1062	\$1,596.72	\$1,660.60
Emp. & 2 or more Dep.	1063	\$2,075.74	\$2,158.78
PERS Select PPO – .85%			
Emp. Only	1261	\$730.07	\$736.27
Emp. & 1 Dep.	1262	\$1,460.14	\$1,472.54
Emp. & 2 or more Dep.	1263	\$1,898.18	\$1,914.30
PERSCare PPO – 4.85%			
Emp. Only	1221	\$889.27	\$932.39
Emp. & 1 Dep.	1222	\$1,778.54	\$1,864.78
Emp. & 2 or more Dep.	1223	\$2,312.10	\$2,424.21

DENTAL INSURANCE

Appointed, Unrepresented, CEA, and Operating Engineers Units:

Group Plan: **Delta Dental Plan of California**
Group Number: 1539-0006

Coverage: Dental Program covers several categories of benefits. Delta will provide payment for a maximum of **\$2,500** for each person covered each calendar year.

Basic Benefit: DPO (Delta Preferred Option) 100% or 75/25% - Oral Surgery
Diagnostic and Preventative Benefits - 75/25%
Cleanings: Four per calendar year.
Prosthodontic Benefits - 75/25%
Orthodontic Benefits - 60/40% (**\$2,500** Life Time Maximum)
See Delta Benefit Summary for more details in coverage.

City's Cost: City Contribution **\$133.10 per month** for each employee including dependents

Premium: **\$133.10 per month**

Employee Cost: **\$0.00 per month**

Employees who retire from the City of Cupertino are eligible for retiree COBRA dental benefits provided the premium is paid in full. No City contribution.

LIFE INSURANCE

Appointed, Unrepresented, CEA, and Operating Engineers Units:

Group Plan: **Hartford Life Insurance Company**
Policy No. 698457

Coverage: Two-and-one-half-times annual salary rounded to the next highest \$50,000.
Maximum Coverage \$250,000

OE3 Unit Only: Five-times annual salary rounded to the next highest \$50,000.
Maximum Coverage \$250,000

Eligibility: All regular employees who work at least 20 hours per week.

Additional Life Insurance purchased by the employee is available. See H.R. for enrollment and benefit information.

City's Cost: City Contribution - Two-and-one-half (Unrepresented & CEA) and five-times (OE3) annual salary rounded to next highest \$50,000. Maximum - \$250,000.
(Life = .21 per thousand, AD&D = .03 per thousand)

Premium: **\$52.50 Life and \$7.50 AD&D per month maximum.**

Employee Cost: **None**

VISION INSURANCE

Appointed, Unrepresented, CEA, and Operating Engineers Units:

Group Plan: **Vision Service Plan (VSP)**
#12 074461 0001 (Plan B)

Coverage: Vision Program provides for regular eye examinations and benefits toward vision care expenses including glasses or contact lenses.

Standard Eye Examination and Glasses:

Eye Examination: Every 12 months*
(\$20 co-pay)

Prescription Glasses: Every 12 months*
(\$20 co-pay)

Frame: Every 24 months*
(\$130 allowance for frame of choice)

Contact Lens Care: Every 12 months*
(\$130 allowance for contacts)

*From last date of service.

Copayments: \$20/\$20 - The first co-payment applies to the eye examination and the second co-payment applies to materials. Services obtained through non-member providers are subject to the same co-payments and limitations as services through VSP participating doctors.

Laser Vision Correction: Average 15% off the regular price or 5% off the promotional price. Discounts, only available from contracted facilities.

City's Cost: City Contribution is **\$14.94 per month** for each employee including dependents

Premium: **\$16.16 per month**

Employee Cost: **\$1.22 per month / \$.56 per pay period**

Employees who retire from the City of Cupertino are eligible for retiree COBRA vision benefits provided the premium is paid in full. No City contribution.

Safety Glasses - OE3 Employees Only: ProTec Safety Rx Plan (Copay: \$10.00)

City's Cost: City Contribution **\$19.15 per month** for each employee including dependents

Premium: **\$19.15 per month**

Employee Cost: **None**

SHORT TERM DISABILITY

Appointed, Unrepresented, and CEA Units:

Group Plan: **CIGNA - Short Term Disability Insurance**

Coverage: 66-2/3% of weekly covered earnings to a maximum of \$1,615 per week.
Employee must be disabled for 7 days from accident and 7 days from sickness.

Benefit Duration: Continue to receive benefit until the end of the 12 week benefit period of accident or sickness, or until you no longer qualify or benefits, whichever occurs first.

City's Cost: City Contribution - Premium .475 monthly rate per \$100 of monthly covered payroll.

Premium: **\$30.69 per employee per month maximum**

Employee Cost: **None**

Note: Operating Engineers Unit: Short Term Disability through EDD – State of California

LONG TERM DISABILITY

Appointed, Unrepresented, CEA, and Operating Engineers Units:

Group Plan: **CIGNA - Long Term Disability Insurance**

Coverage: 66-2/3% of Pre-disability Earnings of base salary up to \$7,000 per month.
Elimination Period is the first 60 days of each disability.

Term: To age 65 (two years LTD maximum) 69+ (one year LTD maximum).

City's Cost: City Contribution - Premium .55 of each \$100 of insured earnings to a maximum of \$7,000 per month.

Premium: **\$63.00 per month maximum**

Employee Cost: **None**

CALPERS RETIREMENT

Appointed, Unrepresented, CEA, and Operating Engineers Units:

The City of Cupertino pays the employee/employer share contribution of base salary to the **Public Employees' Retirement System (CalPERS)** as follows:

SUMMARY OF PLAN DIFFERENCES

	2.7 @55	2.0 @60	2.0 @62
APPLIES TO	Current employees hired before 12/29/12 (Includes City Council)	Employees hired after 12/29/12 without a six month break in CalPERS or a reciprocity system (Includes City Council)	New Employees to Cupertino and CalPERS (or have not worked for 6 months or more in CalPERS) (Includes City Council)
SALARY	Same	Same	Same
PERSABLE SALARY	Capped at: \$255,000	Capped at: \$255,000	Capped at: \$136,440 No uniform allowance
RETIREMENT	Employee Contribution paid by City = .75%	Employee Contribution paid by City = .0%	Employee Contribution paid by City = 0%
	Employee Contribution paid by Employee = 7.25%	Employee Contribution paid by Employee = 7%	Employee Contribution paid by Employee = 6.25%
Total	8%	7%	6.25%
Employer Contribution Rate (2016/2017)	25.653%	25.653%	25.653%
50% Normal Cost (12.5%)	N/A until 2018	N/A until 2018	6.25%
PAID ON	Highest Year	Highest 3 year average	Highest 3 year average

To be eligible for service retirement, the employee must be at least age 50 and be vested with five years of CalPERS service credit.

The City of Cupertino contracts for the following PERS options:

- a. 2.7% at age 55 for employees hired prior to 12/29/12, highest twelve consecutive months.
- b. 2% at age 60 for employees hired after 12/29/12 with three-year final compensation.
- c. Service credit for unused sick leave for employees hired prior to 10/17/12.
- d. Military service buy-back option
- e. 1959 Survivor Benefit – 4th Level
- f. Peace Corps buy back option

CALPERS RETIREE MEDICAL INSURANCE

Appointed, Unrepresented, CEA, and Operating Engineers Units:

Employees are eligible for lifetime medical benefits at the time of retirement with the following criteria:

Those employees hired **before** August 1, 2004, and have five or more full-time years of service with the City of Cupertino, are eligible for the lifetime medical benefit. Employees receive a City paid medical insurance premium contribution equal to the amount provided to active employees in the same bargaining unit. No cash back is provided if the cost of insurance is less than the City's maximum premium contribution.

Unrepresented, CEA, and Operating Engineers Units:

Employees hired **after** August 1, 2004, and have ten or more full-time years of CalPERS service, including five years with the City of Cupertino, are eligible for the lifetime "Health Benefit Vesting Requirement -100/90 Formula." The City contribution is set forth by the State as follows:

CalPERS service (including 5 years with Cupertino)

10 years	50%**	15 years	75%**
11 years	55%**	16 years	80%**
12 years	60%**	17 years	85%**
13 years	65%**	18 years	90%**
14 years	70%**	19 years	95%**
		20 years	100%**

**** 2016 Calendar Year - State's contribution level as follows:**

One-Party	\$ 705.00
Two-Party	\$1,343.00
Family	\$1,727.00

HEALTH REIMBURSEMENT ACCOUNT (HRA)

Appointed, Unrepresented, CEA, and OE3 Units:

Effective 10/1/2016, the City eliminated HRA contributions of \$163.00 per employee per month. Employees, however, will be able to keep their existing banks and the City will continue to pay the administrative fee for maintaining those banks. Health Reimbursement Account (HRA) is to be used towards health related expenses as determined by the IRS. If the employee separates from the City of Cupertino, the employee may use banks until their account is depleted.

1959 SURVIVOR BENEFIT

Appointed, Unrepresented, CEA, and Operating Engineers Units:

The 1959 Survivor Benefit provides a monthly allowance to eligible survivors of members who were covered for this benefit program and died before retirement. This benefit coverage is available by contract amendment for those members who are not covered by federal Social Security with their employers. Covered members are required to pay a \$2 monthly fee that is deducted from their salary.

Monthly Benefit Payments:

Benefit Level	One Survivor	Two Survivors	Three or More Survivors
Level 4	\$950	\$1,900	\$2,280

City's Cost: City Contribution is \$5.00 per month per employee
Employee Cost: \$2.00 per month / \$.93 per pay period

EMPLOYEE ASSISTANCE PROGRAM

Appointed, Unrepresented, CEA, and Operating Engineers Units:

Group Plan: Managed Health Network, Inc.

Plan No: 1010

City's Cost: Premium is **\$4.07 per month** for each employee including their dependents.

Employee Cost: **None**

The Employee Assistance Program (EAP) is available to all employees. The EAP is designed to provide professional counseling services for employees and family members. The City has selected Managed Health Network, Inc. (MHN) to administer the EAP Program.

Employees and eligible family members (immediate family) are entitled and encouraged to use the EAP for confidential pre-paid counseling services for health, behavioral and personal problems. Employees and family members will be entitled to five visits each per year per incident at no cost to the employee.

WELLNESS PROGRAM

Appointed, Unrepresented, CEA, and Operating Engineers Units:

Benefited full-time employees are eligible to participate in the City's Wellness Program. Employees may earn up to **four (4) hours of Wellness Leave per calendar year**.

RECREATION BUCKS

Appointed, Unrepresented, CEA, and Operating Engineers Units:

Benefited full-time employees receive **\$400** Rec Bucks each year. Part-time benefited employees receive a pro-rated amount. Rec Bucks can be used for Cupertino Parks & Recreation programs and facility rentals. Rec Bucks can be used for two years before expiring. Rec Bucks can only be used by the employee and his or her dependent family members. If Rec Bucks are used for a gift certificate or used for golf course passes, the two-year expiration will be applied. **Rec Bucks cannot be sold or transferred to another employee.**

SPORTS CENTER MEMBERSHIP

Appointed, Unrepresented, CEA, and Operating Engineers Units:

Benefited employees receive Sports Center Membership (\$430) **each calendar year**.

Retirees:

CalPERS retired City of Cupertino employees and City Council Members are eligible to receive Sports Center Membership **each calendar year**. *Spouses not included.*

EDUCATIONAL REIMBURSEMENT

Appointed, Unrepresented, CEA, and Operating Engineers Units:

Tuition reimbursement is available to benefited employees. Classes must be taken from an accredited college, university or continuing education program. All classes and course work must be job related. An employee who receives a "C" grade or better for each course taken will be eligible for up to 100% reimbursement of the cost of tuition and books up to a maximum of **\$1,200 per calendar year**.

DEFERRED COMPENSATION

Appointed, Unrepresented, CEA, and Operating Engineers Units:

457 Plans: Nationwide Deferred Compensation
ICMA Retirement Corporation
PERS 457 Program

Each employee may elect to become a participant of the plan and defer payment of compensation. The maximum amount that may be deferred during the **2016 calendar year is \$18,000**. **If age 50 or older the employee may defer \$24,000 a year.** "Catch-up" provision amount is **\$36,000**.

UNIFORM ALLOWANCE

Operating Engineers Unit:

On an annual basis (July 1st), the City pays **\$400.00** to employees for the purchase of safety equipment.

VACATION ACCRUAL

Appointed, Unrepresented, CEA, and Operating Engineers Units:

<u>Service Time</u>	<u>Annual Accruals (8 hours schedule)</u>	or	<u>Maximum Hours Allowed</u>
0 - 3 Years	80 Hours		160 hours
4 - 9 Years	120 Hours		240 hours
10 - 14 Years	160 Hours		272 hours
15 - 19 Years	176 Hours		320 hours
20 + Years	192 Hours		352 hours

Regular employees working less than full time, but at least 20 hours per week, shall earn a pro-rated amount of **vacation** based upon the number of hours actually worked in a pay period.

The maximum accumulation is two times the employee's annual accrual.

VACATION SELL BACK

Appointed, Unrepresented, CEA, and Operating Engineers Units:

Employees may convert, **twice per calendar year**, up to a maximum of **80 hours** of unused vacation time for payment. The employee must have a **minimum balance of 120 hours** at the time of conversion.

COMPENSATORY PAYMENT

Unrepresented (non-exempt), CEA, and Operating Engineers Units:

Eligible employees may convert any/or all accumulated compensatory time to cash **twice** each calendar year. Compensatory time may be earned up to a maximum of 80 hours per calendar year. An employee may carry over up to 80 hours into the next calendar year, but this carryover balance will be automatically paid out at the end of the calendar year if not used. Any compensatory time earned exceeding 80 hours will be paid in cash at the rate of time and one-half.

SICK LEAVE ACCRUAL

(Employees Hired Prior to 10/17/12)

Appointed, Unrepresented, CEA, and Operating Engineers Units:

All full-time employees hired prior to October 17, 2012 (other than those holding temporary status), shall earn eight (8) hours per month sick leave time, **without limit on accumulation.**

SICK LEAVE ACCRUAL

(Employees Hired on or after 10/17/12)

Appointed, Unrepresented, CEA, and Operating Engineers Units:

All full-time employees hired after October 17, 2012 (other than those holding temporary status), shall earn eight (8) hours per month sick leave time, will **accrue no more than 240 hours of sick leave time.**

INCENTIVE LEAVE *(Employees Hired Prior to 10/17/12)*

Appointed, Unrepresented, CEA, and Operating Engineers Units:

Non vested leave time (sick leave) is paid to employees, upon termination in good standing, if an employee has a minimum of 320 hours of accumulated leave. Incentive leave payment is paid at the employee's final base hourly rate at the time of termination for **Unrepresented, CEA** and **OE3** units. Incentive leave is paid in accordance to the following schedule: Retirement – up to 85% of accumulated hours. Resignation – up to 70% of accumulated hours.

FLOATING HOLIDAY

Appointed, Unrepresented, CEA, and Operating Engineers Units:

Employees accrue .77 hours of floating holiday per pay period (20 hours per year). Regular employees working less than full time, but at least 20 hours per week, shall earn a pro-rated amount of floating holiday based upon the number of hours actually worked in a pay period. Maximum accumulation is 40 hours.

HOLIDAYS OBSERVED – 8 Hours Paid

Appointed, Unrepresented, CEA, and Operating Engineers Units:

1. New Year's Day
2. Martin Luther King Day
3. President's Day
4. Memorial Day
5. Independence Day
6. Labor Day
7. Veteran's Day
8. Thanksgiving Day
9. Day Following Thanksgiving
10. Christmas Eve
11. Christmas Day
12. New Year's Eve

ADMINISTRATIVE LEAVE

Unrepresented FLSA Exempt:

Administrative Leave: Policy No. 13 - Entitled to receive **40** hours of Administrative Leave and accrue 1.54 hours per pay period. Employees may accumulate Administrative Leave hours up to two-times annual accrual. Maximum accumulation is **80** hours.

Employees may convert administrative leave hours to pay **one time** each calendar year.

AUTOMOBILE ALLOWANCE

Unrepresented Unit:

Policy No. 4 – The following classifications receive a monthly Auto Allowance as follows:

Classification:	Allowance
City Manager	\$350.00
City Attorney	\$350.00
Assistant City Manager	\$300.00
Director of Administrative Services	\$300.00
Director of Community Development	\$300.00
Director of Recreation and Community Services	\$300.00
Director of Public Works	\$300.00
Chief Technology Officer/Dir of Info Services	\$300.00
City Clerk	\$250.00
Public Affairs Director	\$250.00
Senior Civil Engineer	\$250.00
Recreation Supervisor	\$200.00
Senior Recreation Supervisor	\$200.00

EXECUTIVE BENEFITS and LEAVES City Manager, City Attorney, and Department Heads

Administrative Leave: Policy No. 13 - Entitled to receive **80** hours of administrative leave annually and accrue **3.08** hours per pay period. Employees may accumulate Administrative Leave hours up to two-times annual accrual. Maximum accumulation is **160** hours.

Employees may convert administrative leave hours to pay **one time** each calendar year.

Vacation Accumulation: Policy No.15 – Vacation hours earned under vacation accumulation schedule. Credit shall be provided for previous public sector service time on a year-for-year basis as to annual vacation accumulation. Credit shall only be given for completed years of service.

Housing Assistance Program: Policy No.16 - Favorable terms and conditions for housing within the City of Cupertino (See Resolution No. 15-092).

Revised 11/22/2016