

RESOLUTION NO. 2018-94

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, REVISING THE SCHEDULE OF BENEFITS FOR CITY COUNCIL MEMBERS AND REPLACING RESOLUTION NO. 2016-28.

WHEREAS, on April 5, 2016, the West Covina City Council adopted Resolution 2016-28, which replaced all previous resolutions related to City Council Member benefits and identified the schedule of benefits for current City Council Members;

NOW, THEREFORE, the City Council of the City of West Covina does resolve as follows:


SECTION 1. This resolution hereby replaces Resolution No. 2016-28 and ratifies the schedule of benefits for Council Members in accordance with Section 2 of this Resolution.

SECTION 2. Effective upon certification of results of the November 6, 2018 Election, the schedule of benefits for Council Members active on or after the effective date specified herein shall be provided as outlined in the attached Exhibit "A".

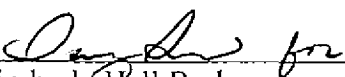
SECTION 3. Any future changes to City Council Members compensation and benefits must be enacted as authorized by law, approved by a majority vote of the City Council, and shall take effect upon the seating of new Council Members after the date of the action taken.

SECTION 4. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions and it shall become effective immediately upon its approval.

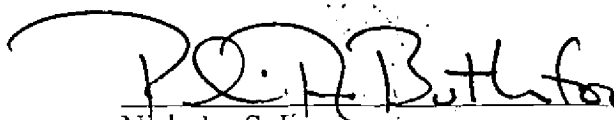
PASSED, APPROVED and ADOPTED on this 3rd day of July 2018.


Lloyd Johnson
Mayor

APPROVED AS TO FORM:


Kimberly Hall Barlow
City Attorney

ATTEST:


Nickolas S. Lewis
City Clerk



AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

DATE: July 3, 2018

TO: Mayor and City Council

FROM: Chris Freeland
City Manager

SUBJECT: REVISE CITY COUNCIL SUMMARY OF BENEFITS

RECOMMENDATION:

It is recommended that the City Council approve the revised schedule of benefits for City Council Members active on or after certification of results from the November 6, 2018 Election, by adopting the following resolution:

RESOLUTION NO. 2018-94 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, REVISING THE SCHEDULE OF BENEFITS FOR CITY COUNCIL MEMBERS AND REPLACING RESOLUTION NO. 2016-28.

DISCUSSION:

In April 2016, the City Council revised the benefits provided to Council Members, eliminating City funding for health insurance, deferred compensation, dental insurance, vision insurance, retiree life insurance, military buy-back option, retiree medical, tuition reimbursement, and fourth level survivor benefits from its schedule of benefits. Council Members have the option to purchase health insurance, dental insurance, and vision insurance, at their own expense. The City Council also approved a decrease in auto allowance from \$300 to \$150 per month as a result of this discussion. The revised schedule of benefits was to go into effect after the next City Council Election, which was to be held on November 7, 2017¹ and apply to all City Council Members active on or after the effective date. The revised City Council Summary of Benefits is attached (Attachment No. 1).

At the June 11, 2018 Preliminary Budget Meeting, the City Council approved the elimination of an auto allowance for City Council Members. The updated City Council Summary of Benefits is attached (Attachment No. 2).

¹ In November 2016, the City Council extended the terms of office for currently seated Council Members by changing Municipal Elections to coincide with State Elections. Thus, changes in benefits will apply to all City Council Members active after the certification of the November 6, 2018 City Council Election.

The attached resolution (Attachment No. 3), outlines the elimination of the auto allowance benefit from City Council Members Schedule of Benefits, effective after the certification of the November 6, 2018 City Council Election.

OPTIONS:

The City Council has the following options:

1. Approve staff's recommendation; or
2. Provide alternative direction.

FISCAL IMPACT:

The elimination of City Council auto allowance benefit will generate a General Fund savings of \$9,000 per Fiscal Year. With the effective date anticipated to be in December 2018, the City will realize a savings of approximately \$4,500 in Fiscal Year 2018-19.

Prepared by:



Chris Freeland
City Manager

ATTACHMENTS:

- Attachment No. 1 – Summary of City Council Benefits (Approved April 2016)
- Attachment No. 2 – Updated Summary of City Council Benefits
- Attachment No. 3 – Proposed City Council Resolution 2018-94



CITY COUNCIL SUMMARY OF BENEFITS

Effective November 7, 2017¹

- 1. Auto Allowance:** The City shall contribute for each City Councilmember one-hundred and fifty dollars (\$150.00) per month auto allowance.
- 2. Medical, Dental, & Vision Insurance Option:** Active City Council Members may purchase Medical, Dental, and/or Vision insurance from a City provided plan. The cost of insurance shall be covered entirely by the Councilmember and the City shall not make any contribution to the premiums and other associated costs for said insurance plans.
- 3. Retiree Dental:** City Council Members that retire directly from City employment shall be allowed to participate in the City's employee dental insurance program based on employee monthly premium rates. The City shall not contribute to the monthly premium.
- 4. Term Life Policy:** The City shall provide all City Council Members a term life insurance policy in the amount of \$100,000 while serving on the City Council, with an additional Accidental Death & Dismemberment (AD&D) policy of \$100,000 if injured in the line of duty.
- 5. Section 125 Plan:** The City has established a program consistent with Section 125 of the IRS Code, which enables Council Members to voluntarily use pre-tax earnings for medical, dental, and dependent care expenses. It is understood that participation in the plan is voluntary and the City will not be obligated to contribute to pay any City Councilmember costs for those who participate in the plan.

For City Council Members Elected After January 1, 2013

- 1. Retirement:** City Council Members elected after January 1, 2013, shall participate in the 2.0% at age 62 PERS retirement benefit plan, with their final compensation based upon the average of their highest annual compensation earned over a three (3) year period. New Council Members will be required to pay the appropriate share of their pension costs and other provisions, as required by the Public Employees' Pension Reform Act of 2013. Such contributions shall be made on a pre-tax basis. Council Members are vested after five (5) years of full-time service credit.

¹ Approved April 2016



CITY COUNCIL SUMMARY OF BENEFITS

Effective December 2018¹

- 1. Medical, Dental, & Vision Insurance Option:** Active City Council Members may purchase Medical, Dental, and/or Vision insurance from a City provided plan. The cost of insurance shall be covered entirely by the Councilmember and the City shall not make any contribution to the premiums and other associated costs for said insurance plans.
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¹ Approved July 2018. Effective Date is after Certification of 2018 City Council Elections



CITY COUNCIL SUMMARY OF BENEFITS

Effective December 2018

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-Approved July 2018

-Effective Date is after Certification of 2018 City Council Elections