

Chapter 5

Employee Benefits

INSURANCE

Medical Insurance

As an employee of the City of Glendale, you are entitled to enroll in one of the City's health insurance plans. The cost to you will depend on the number of dependents that you want enrolled in the plan and the type of coverage you choose. In most cases the City pays a major portion of the monthly premiums. Detailed descriptions of these plans are contained in pamphlets provided by the insurance companies and a medical comparison chart. You may obtain both the pamphlets and the medical comparison chart from the Personnel Division.

Mental Health and Substance Abuse Insurance

A City-paid comprehensive inpatient/outpatient mental health and substance abuse benefit is offered to all salaried employees who have medical coverage through the City. (For Kaiser Permanente members, mental health insurance coverage is provided by Kaiser Permanente.)

Dental Insurance

Dental insurance is provided by the City for employees and their dependents. As with the medical insurance, the cost to you will depend on the plan you select and the number of dependents enrolled on the plan. For more information on the specifics of the City's dental plans, please contact the Personnel Division.

Vision Service Plan

For all Executive, Management, and Mid-Management employees, the City provides a paid vision/optical plan that covers eye examinations, lenses, and frames. The employee is required to pay a small deductible for services. GCEA members may elect to participate in a vision/optical insurance plan. For more information, please refer to the GCEA Memorandum of Understanding.

Life Insurance

For all Executive, Management, and Mid-Management employees, a City-paid term life insurance policy is provided. The benefit equals the annual income of the insured, rounded to the nearest one thousand dollars (\$1,000), up to a maximum of one hundred thousand dollars (\$100,000).

Changes of Insurance

Each year, the month of November is designated an "open enrollment period." Only during this month may you change your insurance plan and/or add dependents. Exceptions include the addition of a spouse or other dependents within 30 days of marriage, or the addition of a newborn within 30 days of birth. Contact the Personnel Division for further information.

RETIREMENT

Public Employees' Retirement System (PERS)

The City of Glendale provides a comprehensive retirement program through the Public Employees' Retirement System (PERS). As a full-time employee of the City, or an hourly employee who has completed 1,000 hours in a fiscal year, you are automatically a member of PERS and do NOT participate in Social Security (subject to possible legislative changes). To become fully vested in PERS you must be a member at least five years. The earliest you may retire to acquire the full benefits of PERS is age 50. A detailed description of your retirement benefits is contained in the PERS pamphlet, available from the Personnel Division. Some of the provisions of the PERS Retirement System are:

Retirement Formula - General Employees

The retirement formula for general employees is "2% at 55." This means that if you retire at age 55, you will receive 2% of your average monthly salary during your highest paying year, multiplied by the number of years you have been a member of PERS. The percentage is lower if you retire before 55 and larger if you retire after 55.

Retirement Formula - Safety Employees

The retirement formula for sworn police and fire employees is "2% at 50." This means that if you retire at age 50, you will receive 2% of your average monthly salary during your highest paying year, multiplied by the number of years you have been a member of PERS. The percentage increases with each year over 50.

Retirement Options

Several options are available which reduce your retirement compensation but guarantee varying amounts to be paid to your beneficiaries in the event of your death. You will be asked to choose an option just prior to your retirement.

PERS Contributions

General employees contribute 7% of their salaries to PERS, while sworn fire and police employees contribute 9%. This amount is included in the employee's salary prior to the deduction by PERS. In addition, the City contributes an amount to fund the various PERS plans to ensure that employees have a solid financial base for their retirement.

Conversion of Unused Sick Leave at Retirement

Upon retirement, accumulated, unused sick leave in excess of a predetermined amount may be converted to any of the following (or a combination of any of the following): 1) contributions toward health insurance premiums; 2) cash (at 50% of the actuarial value of the benefit the employee would be entitled to receive toward health insurance premiums); or 3) additional PERS Service Credit. The conversions listed above take place according to specific formulas. Please refer to the Retiree Benefits Summary/Guide for information regarding these formulas, or call the Personnel Division for assistance.

Retirees Do Not Have the Option of Switching Insurance Plans At the Time of Retirement

An important point to remember is that, at the time of your retirement, if you choose to continue your

medical insurance, you will be required to remain covered under the same plan you were enrolled in prior to your retirement. You may change that plan or add dependents during the next open enrollment period. However, if it is important to you to be enrolled in a specific plan at the time of your retirement, you will need to plan ahead; otherwise, you will need to wait until the next open enrollment period.

Survivor Continuance

This benefit, provided entirely by the City, ensures a continued income to your dependents if you should die after you have retired (For death benefits should death occur prior to retirement, see "PERS Death Benefit" and "1959 Survivor Benefit," on the following page.) It is equal to one-half of your retirement compensation. If you choose a PERS option that also gives a monthly income to your dependents, Survivor Continuance increases the monthly benefit to your dependents.

Planning Your Retirement – More Information

There are many issues to consider in planning your retirement, and you can never start planning too early. Detailed information regarding this important topic, including formulas applicable to using your accumulated sick leave, is contained in the City's Retirement Guide. You may also consult the appropriate PERS pamphlet for additional benefit information, such as the amount you will receive upon retirement based on your age and number of years of service in the PERS system. These informative documents are available in the Personnel Division.

The City also offers classes in retirement planning on a periodic basis through Glendale University. Such programs may include discussion of financial planning, deferred compensation, PERS, Social Security, health related topics, and other issues. Even employees who are not considering retirement can benefit from some of the financial planning information given at this seminar. Consult your City-Wide Employee Training and Development Program Catalog for details.

For questions regarding retirement or to obtain any of the above listed documents, contact the Personnel Division at 548-2110.

PERS "DEATH BENEFIT" AND "1959 SURVIVOR BENEFIT"

Both of these benefits provide for payment to your dependents in case you die before you retire. The level of benefits depends upon your eligibility to retire at the time of your death, as follows:

NOT ELIGIBLE TO RETIRE (UNDER AGE 50, OR AGE 50 OR OVER WITH LESS THAN FIVE YEARS OF CALPERS CREDITED SERVICE): 1) Basic Death Benefit: Your beneficiary will receive, in lump sum payment, the following: (a) a refund of member's contributions, plus interest, and (b) up to six months' pay (one month's salary rate for each year of current service to a maximum of six months). 2) 1959 Survivor Benefit: This is paid along with the Death Benefit. It consists of a monthly allowance that is paid to the eligible surviving spouse and children. A spouse is eligible, until remarriage, if they (a) have care of eligible children, or (b) are age 60 or older. (Children are eligible if under age 22 and unmarried.)

ELIGIBLE TO RETIRE (AGE 50 OR OVER WITH A MINIMUM OF FIVE YEARS OF CALPERS CREDITED SERVICE): Your beneficiary(ies) will receive the Basic Death Benefit and 1959 Survivor Benefit described

above, plus the 1957 Survivor Benefit, which provides a monthly allowance equal to half of what your highest service retirement allowance would have been had you retired on the date of death. Those eligible to receive this allowance are: (a) your spouse (if married to you at least one year before your death), until death or remarriage; or (b) your natural or adopted unmarried children under age 18 (if you have no eligible spouse).

Safety Employees – Special Death Benefits

A sworn police or fire employee's dependents are entitled to Special Death Benefits if the employee's death is job-related. This is a monthly allowance of 50% or 75% of the employee's monthly salary, depending on the circumstances of the death.

OTHER BENEFITS

Deferred Compensation Plan

All salaried City employees may participate in a deferred compensation plan. Deferred compensation plans allow employees the option of investing money deducted from their paychecks into long-term, tax-deferred savings accounts. The current plans offer many options to allow greater flexibility in interest rates and payment schedules. If you are interested in opening a deferred compensation account, please contact the Administrative Services Division.

Employee Ridesharing Program

The City of Glendale actively encourages the utilization of alternative means of transportation in arriving to and from work each day to reduce traffic congestion and air pollution. Monetary incentives are provided for employees who rideshare, vanpool, walk, cycle, ride the Metrolink train, or use other means of getting to and from work, other than driving alone. The City's efforts are aimed towards meeting the Southern California Air Quality Management District's mandated trip reduction regulations governing all large public and private organizations. The City's trip reduction plan also encourages telecommuting for some employee groups. Information can be obtained from the Rideshare Coordinator in your division or by calling the Public Works Traffic and Transportation Section at Extension 3960.

Parking

Parking is provided at all work locations. Parking permits, which can be obtained from the City Clerk's Office, are required of City employees who wish to park on City lots. At most work sites, preferred parking spaces are set aside for employees who rideshare or are disabled. Preferred parking permits can be obtained from the Employee Commuter Coordinator in the Public Works Traffic and Transportation Section.

Alternative Work Schedules

Glendale City employees are fortunate to have several alternate work schedules. Most employees outside of the Police and Fire Divisions work a 9/80 work schedule, whereby employees work nine-hour days and have alternating Fridays off. Other employees work 5/40, 4/10, 3/12 and 24-hour schedules, depending on their job assignment. Originally designed to help the City meet rideshare goals, these alternate work schedules have proven to be very beneficial to employees.

Tuition Reimbursement

The City will partially reimburse you for any college or graduate-level university courses you take that are directly related to your job. Prior to enrolling in the class, you must complete the Tuition Reimbursement Request form (C-14) and obtain the approval of your division head. Once you have completed the class with a passing grade, you may then submit the form, any receipts and your grade report to the Administrative Services Division for reimbursement. For further information on the Tuition Reimbursement Program, please contact the Administrative Services Division.

Employee Computer Loans

To encourage employees to become more proficient with computers, the City offers no-interest loans through the Credit Union, for the purpose of purchasing City-approved computer equipment and software. The loan may not exceed \$4,000, and will only be granted to salaried employees who have successfully completed six months of their probationary period, or hourly employees who have completed five years of continuous service. Interested employees should contact the Information Services Division for further information and an Employee Computer Loan Application form (C-565).

Credit Union

Glendale City Employees Federal Credit Union provides savings and loan services to City employees. The Credit Union has paid consistently high interest on savings accounts, and also offers a full range of consumer loans, including first and second trust deeds on real estate. As a special benefit, the Credit Union offers low interest loans to employees who have worked for the City at least six months, and who qualify under standard creditworthiness guidelines. Payroll deductions are available through the City, and make saving easy and loan paying convenient.

If an employee becomes a Credit Union member and later terminates employment or retires from the City, his or her Credit Union accounts will not be affected. Once a member, always a member. Members in good standing may always use the services offered by the Credit Union. Employees may become members immediately upon hire, and may apply for loans after six months of employment. For hours of operation or other questions, please consult the internal telephone directory or contact the Credit Union at Extension 3976.

Personnel Division/Employee Health Services Benefits

The Personnel Division's Employee Health Services Section coordinates a variety of services and programs designed to meet the health and wellness needs of City employees. Employee Health Services coordinates the Employee Assistance Program, Mental Health Program, and Wellness Program, which are available to most City employees.

The Employee Assistance Program, known as the EAP, offers certain counseling and support services to all employees and their family members suffering from a variety of problems, including substance abuse, relationship issues, depression, stress, and many others.

The Mental Health Program is provided to all employees who have health insurance through the City that does not include these benefits. It provides some free and lower cost sessions for a variety of mental health problems such as depression and stress.

The Wellness Program offers a variety of services relating to employee health and fitness, including health screenings, educational seminars and exercise classes.

All of these programs are confidential, and most are available to all City employees, with some available to their families as well. If you are interested in any of these programs, please contact Employee Health Services at 548-6488.

Long-Term Care Insurance

A voluntary employee-pay-all, long-term care insurance plan is available through PERS. Premiums may be payroll-deducted. Contact the Personnel Division for more details.

Flexible Benefit Plan

The Flexible Benefit Plan allows you to pay for the following eligible expenses with your pretax dollars under Section 125 of the Internal Revenue Code:

DEPENDENT CARE EXPENSES – Employees may reduce their taxable income with eligible dependent care expenses up to a predetermined maximum annual amount.

UNREIMBURSED MEDICAL, DENTAL, AND VISION EXPENSES – Employees may also reduce their taxable income with medical, dental, and vision expenses not covered by the employee's group health plan.

The Flexible Benefit Plan runs on a calendar year basis. Employees may enroll once a year during a specified period, for the following calendar year. The contributions are taken in equal amounts from your regular paycheck and placed in the Flexible Benefit account. Eligible expenses are then reimbursed from this account upon submittal of evidence of payment (i.e., receipts, invoices, etc.). Any amounts in the account that are not used to reimburse dependent care or unreimbursed medical, dental, or vision expenses by the end of the calendar year will be forfeited. Although receipts may still be submitted for reimbursement for a limited time after the calendar year has ended, the receipts must be dated and the services/items must have been received prior to the end of the applicable calendar year.

For more information on the specifics of this Plan, please contact the Administrative Services Division.

Medicare Tax

The City matches the Medicare Tax payroll deductions on all employees hired after March 31, 1986. After 40 quarters of Medicare Tax payment, employees are eligible to receive free "Part A" Medicare benefits.