



City of Covina

**BENEFITS RULES
FOR
CITY COUNCIL MEMBERS**

Effective January 1, 2023

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Benefits Rules- City Council Members

Effective January 1, 2023

SECTION 1. PREAMBLE

This document establishes the salary and benefits, authorized for the City Council of the City of Covina with respect to the classifications listed below.

- Mayor and City Council Members

SECTION 2. COMPENSATION

Members of the City Council will receive \$400 per month for attendance at City Council meetings pursuant to Ordinance No. 88-1667.

SECTION 3. BENEFITS

3.1 Section 125 Flexible Benefit Plan

As of January 1, 2023, the Mayor and Councilmembers will no longer be eligible for medical, dental, vision, and supplemental life insurance benefits under the City's Section 125 flexible benefit plan. See Section 4.3- 401(a) Deferred Contribution Plan below for more details.

3.2 Vehicle Stipend

The Mayor and Councilmembers shall receive a vehicle stipend of \$400 per month for the use of their personal automobile and related expenses to conduct Council business.

3.3 Technology Reimbursement

The Mayor and City Councilmembers shall receive reimbursement for the use of a cellular smart phone device and technology services in accordance with City Administrative Policy.

SECTION 4. RETIREMENT

4.1 California Public Employees' Retirement System (CalPERS)

A. Miscellaneous Employees

1. *Classic Members*

Retirement benefits for miscellaneous employees are provided as specified under the City's contract with CalPERS and include the following benefits:

- a. 2.5% at 55 benefit formula
- b. One-half pay continuance (GC Sections 21624, 21626, 21628)

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- c. 1959 Survivors Benefit, Level VI
- d. One (1) year final compensation (single highest year) per GC Section 20042
- e. Purchase of military service as credit for retirement purposes, in accordance with GC Section 21024.
- f. Credit for unused and unpaid Sick Leave per GC Section 20965.
- g. \$600 Retired Employee Death Benefit per GC Section 21622.

All "classic" miscellaneous employees contribute eleven percent (11%) (eight percent (8%) member contribution and three percent (3%) cost-sharing per contract amendment) toward retirement. The deduction will be made on a pre-tax basis.

2. *Public Employees' Pension Reform Act (PEPRA) Members*

Pursuant to PEPRA:

- a. 2% at 62 benefit formula.
- b. Final compensation is equal to the new member's highest average PERS compensation for thirty-six (36) consecutive months of employment.
- c. PEPRA members are required to pay a portion of the cost for the 2% at 62 retirement formula. This mandatory member contribution is not a fixed amount, rather it is determined in accordance with the formula established by PEPRA. The mandatory contribution will be equal to at least fifty percent (50%) of the total normal cost rate attributable to the 2% at 62 benefit formula, as determined by CalPERS. The mandatory contribution for PEPRA members is subject to adjustment. In addition, new members contribute 3% cost-sharing (per contract amendment) toward retirement.

4.2 APPLE 457(b) 3121 Plan

Those covered under these Rules may choose to opt out of CalPERS and be enrolled in the City's 457(b) 3121 Plan- Accumulation Program for Part-Time and Limited-Service Employees (APPLE) Plan.

1. Total contribution is seven and one-half percent (7.5%); Employees and the City each contribute three and three-quarters percent (3.75%). The deduction is made on a pre-tax basis and benefits are provided in accordance with IRS rules.
2. Participation in the Plan is mandatory if opting out of CalPERS.

Benefits Rules- City Council Members

Effective January 1, 2023

4.3 401(a) Deferred Contribution Plan

1. As of January 1, 2023, in lieu of participation in the City's Section 125 flexible benefit plan, the Mayor and Councilmembers shall receive the equivalent monthly amount as an Employer Contribution to their City of Covina 401(a) Deferred Contribution Plan account.
2. The 401(a) Plan contribution amount shall be equivalent to the monthly allowance amount provided to executive management employees for the Section 125 flexible benefit plan as set forth in the current City of Covina's Executive Compensation Rules, Section 12.1.A. Flexible Benefit Contributions.

RESOLUTION CC 2022-132

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA,
CALIFORNIA, APPROVING AMENDED AND RESTATED BENEFITS
RULES FOR CITY COUNCIL MEMBERS**

WHEREAS, the City of Covina (“City”) is a municipal corporation duly organized and existing pursuant to the Constitution and laws of the State of California; and

WHEREAS, the City of Covina maintains benefits rules for City Councilmembers (the “Benefits Rules for City Council Members”); and

WHEREAS, the City Council of Covina appointed the City Manager, and any City staff he/she may designate to assist him/her in that role, as the administrator of the 457(b) and 401(a) defined contribution plans for the benefit of the City’s eligible employees, with responsibility for the administration, assets and investments of the Plans.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINA,
CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

SECTION 1. The City Council does hereby approve and adopt the amended and restated Benefits Rules for City Council Members (Rules) attached hereto as Exhibit “A” to this Resolution. The Rules, effective January 1, 2023, shall be the compensation rules governing certain compensation and benefits for all employees covered by the Benefits Rules for City Council Members.

SECTION 2. The City Council does hereby repeal all prior resolutions or portions thereof, in conflict with this resolution.

SECTION 3. The City Clerk shall certify to the passage and adoption of this resolution and the same shall thereupon take effect and is in force.

APPROVED and PASSED this 6th day of December, 2022.

City of Covina, California

BY: 

PATRICIA (CORTEZ), Mayor

ATTEST:



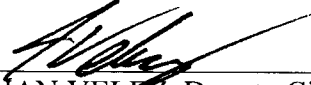
FABIAN VELEZ, Deputy City Clerk

CERTIFICATION

I, Fabian Velez, Deputy City Clerk of the City of Covina, do hereby certify that Resolution CC 2022-132 was duly adopted by the City Council of the City of Covina at a regular meeting held on the 6th day of December, 2022, by the following vote:

AYES: COUNCIL MEMBERS: DELGADO, KING, LINARES, ALLEN, CORTEZ
NOES: COUNCIL MEMBERS: NONE
ABSTAIN: COUNCIL MEMBERS: NONE
ABSENT: COUNCIL MEMBERS: NONE

Dated: December 7th, 2022



FABIAN VELEZ, Deputy City Clerk