



MEMORANDUM OF UNDERSTANDING

BETWEEN

THE CITY OF MONROVIA

AND

ELECTED & APPOINTED OFFICIALS

JULY 1, 2022 – JUNE 30, 2027

**ELECTED & APPOINTED EMPLOYEES
FISCAL YEAR 2022-27**

APPENDIX D

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APPENDIX D

The following elected and appointed positions in the City of Monrovia shall be compensated as provided for below.

SECTION I. SALARIES & COMPENSATION – ELECTED OFFICIALS

- A. The Mayor and City Council Members, the City Clerk, and City Treasurer shall receive the following salary for their duties and responsibilities as elected officials for the City of Monrovia.

<u>CLASSIFICATION</u>	<u>COMPENSATION RATE</u>
Mayor & City Council Members	\$400 / Month
City Clerk	\$400 / Month
City Treasurer	\$363 / Month

SECTION II. HEALTH AND WELFARE BENEFITS – ELECTED OFFICIALS

- A. **Cafeteria Style Medical Benefit Plan:** The City shall provide the Mayor & City Council Members, the City Clerk, and the City Treasurer an amount up to the maximum monthly medical contribution provided for non-safety employees, which can be used towards enrolling in any of the medical, dental, and vision insurance plans offered by the City of Monrovia.
- B. **Deferred Compensation:** In accordance with an opinion issued by the California Attorney General, should the Mayor / City Council Member opt not to participate in the City's medical insurance program, the City will provide an amount, from zero dollars up to the equivalent value of the applicable maximum monthly contribution provided to non-safety employees for medical insurance coverage, into the City's deferred compensation program on behalf of the Mayor / City Council Member.
- C. **Retirement:**
1. The City is a participating agency in the California Public Employees' Retirement System (PERS) and provides retirement benefits under PERS to the City's eligible employees. For qualifying elected / appointed officials, the City provides the "2.7% at Age 55 Retirement Formula," which is set forth at the California Government Code section 21354.5. Generally, under the laws governing PERS, two types of contributions are required to fund the City's PERS benefits: member contributions and employer contributions.
 2. The City shall pay the entire member contribution required by PERS for all employees in positions designated as Elected / Appointed. These City payments are known as "employer paid member contributions," or EPMCs. All EPMCs for officials covered under this agreement will be reported by the City to PERS as PERS Compensation in accordance with section 20636(c)(4) of the California Government Code, as amended. Accordingly, the EPMCs will be included in each such official's PERS Compensation for purposes of determining the employee's retirement benefits under PERS.

3. All individuals in positions designated as Elected / Appointed officials shall, in accordance with section 20156(f) of the California Government Code, contribute a percentage of their PERS Compensation for the City's cost of optional benefits under PERS. For qualifying elected / appointed officials, designated as miscellaneous employees for PERS purposes, the contribution percentage will be 9.946%. Contributions under this paragraph will offset the City's required employer contributions under PERS, and will not be treated by PERS as "member contributions" for any purpose. In addition, the contributions will be deducted from each such employee's City pay, and no employee may elect to receive cash in lieu of the contribution. The City will take formal action characterizing these contributions as pre-tax "pick up" contributions in accordance with section 414(h) of the Internal Revenue Code.
4. The City shall continue to provide qualified and eligible officials covered under this agreement with that certain retirement option program commonly referred to as "Retirement Credit in Unused Sick Leave" which is based on the conversion formula as set forth in the California Public Employees' Retirement System (PERS), Section 20862.8 of the California Government Code.
5. The City shall provide qualified and eligible officials covered under this agreement with that certain retirement option program commonly referred to as "Fourth Level of 1959 Survivor Benefits" pursuant to Section 21382.5 in conjunction with Section 21373 "Continuation of Death Benefits After Remarriage of Survivor."
6. The City shall continue to provide qualified and eligible officials covered under this agreement with that certain retirement option program commonly referred to as "Post Retirement/Survivor's Benefit Option" which is based on the schedule of benefits as provided in the California Public Employees' Retirement System (PERS), Sections 21263 and 21263.1 of the California Government Code.
7. The City shall provide qualified and eligible officials covered under this agreement with that certain retirement option program commonly referred to as "Single Highest Year" which is based on the schedule of benefits as set forth in the California Public Employees' Retirement System (PERS), Section 20024.2 of the California Government Code.
8. All new Elected / Appointed officials defined as "new members" under the Public Employees' Pension Reform Act of 2013 ("Act") shall be subject to the 2% @ 62 retirement benefit formula, and shall comply with all provisions of the Act.