

SUMMARY OF EMPLOYEE BENEFITS

Association of Bay Area Governments
2009

Medical, Dental & Vision Options (Limited Cafeteria Plan)

Who is eligible?

Employees:

All employees working a minimum of 20 hours per week are eligible for coverage.

Dependents:

Eligible dependents are your lawful spouse and you or your spouse's dependent children under age 23 who have never been married. This includes legally adopted, foster, and stepchildren.

When Coverage Starts:

First day of the month following date of employment.

Medical Coverage Options:

Through the PERS Health Benefit System, employees have a wide range of medical plan options:

HMO: Blue Shield HMO, Western Health Advantage, or Kaiser

PPO: PersChoice or PersCare

Refer to the PERS "Basic Health Plans" booklet for more information regarding your health care options.

Dental Coverage ABAG Dental Plan

- ◆ Preventative & Basic Services:
 - 80% - 1st year in plan
 - 90% - 2nd year in plan
 - 100% - 3rd year in plan
- ◆ \$25 lifetime deductible
- ◆ \$1,400 maximum per individual per year
- ◆ 50% coverage for major services
- ◆ 50% coverage for orthodontic \$2,000 (lifetime maximum)

Note: You must visit the dentist at least once per year to maintain the above benefit level.

Vision Coverage Vision Service Plan (VSP)

- ◆ \$20 deductible for all exams
- ◆ No limit on regular lenses (no coverage for cosmetic items such as tints)
- ◆ \$120 limit on contact lenses
- ◆ Approximate \$120 limit on frames

How the Limited Cafeteria Plan Works:

As an ABAG employee, working 20 hours or more per week, you receive a monthly **Benefit Budget** dollar amount from which you pay for selected coverage. Your Benefit Budget is equal to the sum of the following:

- ◆ **Medical:** 120% of the Kaiser Plan cost for a single employee, or employee plus one dependent, or employee with family as applicable, **plus...**
- ◆ **Dental:** 100% of the ABAG Dental Plan cost for a single employee, or employee plus one dependent, or employee with family as applicable, **plus...**
- ◆ **Vision:** 100% of the VSP Plan cost for a single employee, or employee plus one dependent, or employee with family, as applicable.

Note: Part-time employees, working at least 20 hours per week, receive a reduced (prorated) Benefit Budget dollar amount, but not less than the lowest rate in each benefit category for a single employee.

Retirement Plans

Employees participate in the Public Employees Retirement System (**PERS**). Employees working at least 20 hours per week also have the opportunity to participate in the Agency's 457 Deferred Compensation Plan.

PERS Retirement Plan

The PERS Retirement Plan is a defined benefit plan. Under PERS, the value of your retirement benefit is based on three factors:

- ◆ age at retirement
- ◆ years of service
- ◆ average salary for final three years of service

Example, retire at age 60 with 20 years of service, average salary of \$50,000:

@ age 60	2.5%	
years of service	x 20 years	.50
3 yrs. salary average	\$50,000	
Social Security Adj.	- \$ 1,600	

x \$48,400

Yearly Benefit:

\$ 24,200

Important: The vesting period for PERS benefits is five years. Employees leaving ABAG before vesting are not eligible for PERS benefits. For a more complete description of the PERS Retirement Plan, please refer to the PERS's Member Benefits booklet.

457 Deferred Compensation Plan

The 457 Deferred Compensation Plan offers the opportunity to save for retirement while reducing your current taxable income. For 2008, you can contribute up to \$15,500 (\$20,500 if over age 50). You are immediately 100% vested in all 457 money. **Participation in the 457 Deferred Compensation Plan is optional.**

As a participant in ABAG's 457 Deferred Compensation Plan, you have the opportunity to select and combine a variety of investment options: equity, bond, and money management funds.

Life & Disability Insurance, Miscellaneous Benefits

Life Insurance

ABAG provides term life insurance for all employees working at least 20 hours per week. The benefit amount equals two times your annual salary.

Long Term Disability (LTD)

ABAG's employer paid LTD Insurance covers all employees working at least 20 hours per week. The monthly benefit amount is limited to 2/3 of salary, with a maximum of \$4,000/mo. for non-management employees and \$6,000/mo. for management employees. There is a sixty-day waiting period for LTD benefits.

Short Term Disability (SDI)

ABAG participates in the State Disability Insurance program. The State of California requires that employees contribute 0.8% of their salaries to the program. ABAG subsidizes 100% of the employee contribution. There is a seven-day waiting period for SDI benefits (taxable benefit).

Public Transit Vouchers

ABAG uses vouchers to reimburse employees for 100% of their monthly public transit cost for commuting to and from work, to a maximum of \$120/month. (Reimbursements in excess of \$110/month are subject to income tax.)

Unemployment Insurance

Employees are covered under the State Unemployment Insurance Program.

Workers' Compensation

Employees are covered for work related injuries.

Health Care Reimbursement Account (optional)

Participants reduce their taxes by paying for un-reimbursed medical expenses with pre-tax dollars. (Limitations apply.)

Dependent Care Reimbursement Account

Employees with young children, or with other qualifying dependents, have the option of participating in ABAG's Dependent Care Reimbursement Plan. Under this plan your monthly salary is reduced by the amount of your actual dependent care expenses. Then, shortly after the end of each month, you are reimbursed for your dependent care expenses. The potential benefits of this arrangement are tax savings and a net increase in take-home pay.

Domestic Partner Benefit

Provides a medical benefit reimbursement to unmarried employees who meet the requirements of ABAG's Administrative Policy #32 (see policy for details).

Employee Computer Purchase Program

Employees may borrow up to \$3,000 interest free for the purchase of computer equipment and software compatible with PC and Apple computer systems.

Retiree Medical

Employees over age 50 and vested in the PERS retirement system are eligible for up to a maximum benefit equal to the Kaiser basic two party rate.

Vacation

Non-Management Employees:

- ◆ Two weeks for first 3 yrs. of service (accrued @ 6.66 hrs. /mo.)
- ◆ Three weeks after 3 yrs. of service (accrued @ 10.00 hrs. /mo.)
- ◆ Three weeks plus two days after 6 yrs. of service (accrued @ 11.33 hrs. /mo.)
- ◆ Four weeks after 10 yrs. of service (accrued @ 13.33 hrs. /mo.)

Management Employees:

- ◆ Three weeks for first 7 yrs. of service (accrued @ 10.00 hrs. /mo.)
- ◆ Four weeks after 7 yrs. of service (accrued @ 13.33 hrs. /mo.)

Part-time employees earn vacation on a prorated basis.

Sick Leave

Employees earn sick leave at the rate of eight hrs. /mo. Sick leave is prorated for part-time employees.

Holidays

Employees receive 14 paid holidays:

New Year's Day	Columbus Day
Martin Luther King's Birthday	Veteran's Day
Presidents' Day	Thanksgiving (2)
Memorial Day	Christmas
Fourth of July	Three Floating Holidays
Labor Day	

*Holiday pay is prorated for part-time employees

*Floating holidays are prorated based on hire date