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Staff Report

Date: September 13, 2016

To: City Council

From: Valerie J. Barone, City Manager

Prepared by: Elia Bamberger, Director of Human Resources
Elia.Bamberger@cityofconcord.org
(925) 671-3310

Subject: **Considering adoption of Resolution Nos. 16-71, 16-72, 16-73, 16-74, 16-75 and 16-76 fixing the employer's base minimum contribution towards health care insurance costs under the Public Employees' Medical and Hospital Care Act (PEMHCA) for members of the International Brotherhood of Teamsters Local Union 856 (ATC and F&O units), the Concord Police Association, the Concord Police Managers' Representation Unit, the Office and Professional Employees International Union (OPEIU) Local 29, and Unrepresented Employees for 2017.**

Report in Brief

Under Government Code Section 22922, a contracting California Public Employees' Retirement System (CalPERS) agency may elect to participate in PERS Health Plans, called the Public Employees' Medical and Hospital Care Act (PEMHCA). The City currently provides medical insurance through the CalPERS health system as a result of contract negotiations which occurred in 1998. The City's contribution to active employees medical premiums is determined through negotiations with the employees' exclusive representation (if applicable), Cal Gov't Code section 22892.

In 2016, during the course of negotiations with the Teamsters, OPEIU Local 29, the Concord Police Association and Concord Police Managers' Representation Unit, the parties agreed to significant cost containment measures relating to the Retirement Medical insurance program, which require the need to adopt new PEMHCA resolutions for 2017 to implement the reforms.

City Council Agenda Report

Considering adopting Resolution Nos. 16-71, 16-72, 16-73, 16-74 16-75 and 16-76 fixing the employer's contribution under the Public Employees' Medical and Hospital Care Act (PEMHCA)
September 13, 2016

Recommended Action

Adopt Resolutions Nos. 16-71, 16-72, 16-73, 16-74 16-75 and 16-76 as required by the California Public Employees' Retirement System (CalPERS) fixing the City contribution to the CalPERS health program under the Public Employees' Medical and Hospital Care Act (PEMHCA) for all represented and unrepresented employee groups (Teamsters, OPEIU Local 29, CPA, PMA, and Unrepresented, respectively).

Background

In accordance with the terms and conditions for successor Memoranda of Understanding adopted by Council on June 28, 2016 for the International Brotherhood of Teamsters Local Union 856 (Teamsters), and July 12, 2016 for the Office and Professional Employees International Union (OPEIU) Local 29, and lastly on August 2, 2016 for the Concord Police Association (CPA) and the Concord Police Managers' Representation Unit (PMA), the City Council authorized reforms to the retiree medical program and to the active employee health insurance program. These reforms also include all Unrepresented Employees and retirees, per Council adoption of Resolutions Nos. 16-4735.4 (Confidential Employees), 16-4735.5 (Managerial Employees), 16-4735.6 (Executive Employees) on June 28, 2016, 16-57 (Current Eligible City Retirees) on August 2, 2016, and 16-67 (Current Eligible Unrepresented Employees Upon Retirement) on August 2, 2016.

Through this negotiated process, the City created three groups each of which receives a different level of City-paid health insurance contribution. The groups are as follows: (1) Active employees; (2) Existing retirees eligible or currently receiving health insurance in retirement AND existing employees that are eligible for health insurance upon retirement; and (3) New employees hired on or after June 28, 2016 (Teamsters and Unrepresented), July 12, 2016 (Local 29), and August 2, 2016 (CPA and PMA), who are eligible for health insurance upon retirement.

Analysis

The California Public Employees' Retirement System (CalPERS) requires that agencies participating in health coverage through the Public Employees' Medical and Hospital Care Act (PEMHCA) adopt resolutions fixing the employer-paid base rate insurance contribution for health benefits. Additionally, CalPERS requires agencies to treat active employees and retirees the same with regards to the employer-paid base PEMHCA insurance payment. Beginning on January 1, 2017, and in accordance with the recently negotiated MOUs, the City will no longer provide the same City-paid health insurance payment to eligible active employees and retirees. As a result of negotiations, beginning in 2017, each of the following groups will receive a different city-paid health insurance contribution: (1) Active employees; (2) Existing retirees eligible or currently receiving health insurance in retirement AND existing employees that are eligible for health

City Council Agenda Report

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September 13, 2016

insurance upon retirement; and (3) New employees hired on or after June 28, 2016 (Teamsters and Unrepresented), July 12, 2016 (Local 29), and August 2, 2016 (CPA and PMA), who are eligible for health insurance upon retirement.

Consequently, the City must take the following steps to meet its negotiated insurance coverage commitments in a manner that continues to comply with CalPERS regulations. Specifically, the City must set the 2017 City-paid base PEMHCA insurance payment at the PEMHCA minimum, currently \$128 a month, and concurrently must establish an enhanced Flexible Spending Account (FSA) plan for active employees and a new Health Reimbursement Arrangement (HSA) plan for retirees.

These three actions, in combination, allow the City to both comply with CalPERS regulations and meet its health insurance premium contribution obligations to employees and retirees. The changes to the FSA plan and the new HSA plan will be presented as a separate item for Council consideration at the September 13th Council meeting.

Financial Impact

The negotiated reform of the retiree medical benefit for existing and retired employees reduces the City's unfunded OPEB liability by \$15.9 million and saves \$2.2 million a year on the annual actuarial recommended contribution (ARC).

Public Contact

The City Council Agenda was posted and a copy was forwarded to the bargaining group representatives.

Attachments

1. Resolution No. 16-71 – Teamsters – ATC Unit
2. Resolution No. 16-72 – Teamsters – F&O Unit
3. Resolution No. 16-73 – OPEIU Local 29
4. Resolution No. 16-74 – Concord Police Association
5. Resolution No. 16-75 – Concord Police Managers' Representation Unit
6. Resolution No. 16-76 – Unrepresented Employees

**BEFORE THE CITY COUNCIL OF THE CITY OF CONCORD
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA**

**A Resolution Fixing the Employer’s Contribution
at an Equal Amount for Employees and Annuitants
Under the Public Employees’ Medical and Hospital
Care Act With Respect to a Recognized Employee
Organization (Administrative, Technical, & Clerical
Representation Unit)**

Resolution No. 16-71

WHEREAS, City of Concord is a contracting agency under Government Code Section 22920 and subject to the Public Employees’ Medical and Hospital Care Act (the “Act”) for participation by members of Administrative, Technical & Clerical (ATC) Representation Unit (003) and

WHEREAS, Government Code Section 22892 (a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, Government Code Section 22892 (b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892 (b) of the Act; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CONCORD DOES RESOLVE AS FOLLOWS:

Section 1. (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan or plans up to a maximum of:

Party Rate	Party Rate Description Basic and Medicare Supplement Combination	Employer Contribution Rates
Rate 1	Basic Employee/Retiree only	\$ 128.00
Rate 2	Basic Employee/Retiree +1 Basic Dependent	\$ 128.00
Rate 3	Basic Employee/Retiree +2 Basic Dependents	\$ 128.00

1	Rate 4	Medicare Retiree only	\$	128.00
2	Rate 5	Medicare Retiree +1 Medicare Dependent	\$	128.00
3	Rate 6	Medicare Retiree +2 Medicare Dependents	\$	128.00
4	Rate 7	Medicare Retiree +1 Basic Dependent	\$	128.00
5	Rate 8	Medicare Retiree +2 Basic Dependents	\$	128.00
6	Rate 9	Medicare Retiree +1 Medicare Dependent +1 Basic Dependent	\$	128.00
7	Rate 10	Basic Retiree +1 Medicare Dependent	\$	128.00
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17 per month, plus administrative fees and Contingency Reserve Fund Assessments; and be it further

18 (b) City of Concord has fully complied with any and all applicable provisions of Government
19 Code Section 7507 in electing the benefits set forth above; and be it further

20 (c) That the participation of the employees and annuitants of City of Concord shall be subject
21 to determination of its status as an “agency or instrumentality of the state or political subdivision of a
22 State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of
23 the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is
24 determined that City of Concord would not qualify as an agency or instrumentality of the state of
25 political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves
the right to terminate the health coverage of all participants of the employer.

26 (d) That the executive body appoint and direct, and it does hereby appoint and direct, Director
27 of Human Resources to file with the Board a verified copy of this resolution, and to perform on behalf
28 of City of Concord all functions required of it under the Act.

Section 2. This resolution shall become effective immediately upon its passage and adoption but the employers' contribution specified will be effective on January 1, 2017.

PASSED AND ADOPTED by the City Council of the City of Concord on September 13, 2016, by the following vote:

AYES: Councilmembers –

NOES: Councilmembers –

ABSTAIN: Councilmembers –

ABSENT: Councilmembers –

I HEREBY CERTIFY that the foregoing Resolution No. 16-71 was duly and regularly adopted at a regular joint meeting of the City Council of the City of Concord on September 13, 2016.

Joelle Fockler, MMC
City Clerk

APPROVED AS TO FORM:

Susanne Meyer Brown
City Attorney

**BEFORE THE CITY COUNCIL OF THE CITY OF CONCORD
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA**

**A Resolution Fixing the Employer’s Contribution
at an Equal Amount for Employees and Annuitants
Under the Public Employees’ Medical and Hospital
Care Act With Respect to a Recognized Employee
Organization (Field & Operations Representation Unit)**

Resolution No. 16-72

WHEREAS, City of Concord is a contracting agency under Government Code Section 22920 and subject to the Public Employees’ Medical and Hospital Care Act (the “Act”) for participation by members of Field & Operations (F&O) Representation Unit (004) and

WHEREAS, Government Code Section 22892 (a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, Government Code Section 22892 (b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892 (b) of the Act; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CONCORD DOES RESOLVE AS FOLLOWS:

Section 1. (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan or plans up to a maximum of:

Party Rate	Party Rate Description Basic and Medicare Supplement Combination	Employer Contribution Rates
Rate 1	Basic Employee/Retiree only	\$ 128.00
Rate 2	Basic Employee/Retiree +1 Basic Dependent	\$ 128.00
Rate 3	Basic Employee/Retiree +2 Basic Dependents	\$ 128.00

1	Rate 4	Medicare Retiree only	\$	128.00
2	Rate 5	Medicare Retiree +1 Medicare Dependent	\$	128.00
3	Rate 6	Medicare Retiree +2 Medicare Dependents	\$	128.00
4	Rate 7	Medicare Retiree +1 Basic Dependent	\$	128.00
5	Rate 8	Medicare Retiree +2 Basic Dependents	\$	128.00
6	Rate 9	Medicare Retiree +1 Medicare Dependent +1 Basic Dependent	\$	128.00
7	Rate 10	Basic Retiree +1 Medicare Dependent	\$	128.00
8	Rate 11	Basic Retiree +2 Medicare Dependents	\$	128.00
9	Rate 12	Basic Retiree +1 Basic Dependent +1 Medicare Dependent	\$	128.00
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17 per month, plus administrative fees and Contingency Reserve Fund Assessments; and be it further

18 (b) City of Concord has fully complied with any and all applicable provisions of Government
19 Code Section 7507 in electing the benefits set forth above; and be it further

20 (c) That the participation of the employees and annuitants of City of Concord shall be subject
21 to determination of its status as an “agency or instrumentality of the state or political subdivision of a
22 State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of
23 the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is
24 determined that City of Concord would not qualify as an agency or instrumentality of the state of
25 political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves
the right to terminate the health coverage of all participants of the employer.

26 (d) That the executive body appoint and direct, and it does hereby appoint and direct, Director
27 of Human Resources to file with the Board a verified copy of this resolution, and to perform on behalf
28 of City of Concord all functions required of it under the Act.

Section 2. This resolution shall become effective immediately upon its passage and adoption but the employers' contribution specified will be effective on January 1, 2017.

PASSED AND ADOPTED by the City Council of the City of Concord on September 13, 2016, by the following vote:

AYES: Councilmembers –

NOES: Councilmembers –

ABSTAIN: Councilmembers –

ABSENT: Councilmembers –

I HEREBY CERTIFY that the foregoing Resolution No. 16-72 was duly and regularly adopted at a regular joint meeting of the City Council of the City of Concord on September 13, 2016.

Joelle Fockler, MMC
City Clerk

APPROVED AS TO FORM:

Susanne Meyer Brown
City Attorney

**BEFORE THE CITY COUNCIL OF THE CITY OF CONCORD
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA**

**A Resolution Fixing the Employer’s Contribution
at an Equal Amount for Employees and Annuitants
Under the Public Employees’ Medical and Hospital
Care Act With Respect to a Recognized Employee
Organization (Professional Representation Unit)**

Resolution No. 16-73

WHEREAS, City of Concord is a contracting agency under Government Code Section 22920 and subject to the Public Employees’ Medical and Hospital Care Act (the “Act”) for participation by members of Professional Representation Unit (005) and

WHEREAS, Government Code Section 22892 (a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, Government Code Section 22892 (b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892 (b) of the Act; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CONCORD DOES RESOLVE AS FOLLOWS:

Section 1. (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan or plans up to a maximum of:

Party Rate	Party Rate Description Basic and Medicare Supplement Combination	Employer Contribution Rates
Rate 1	Basic Employee/Retiree only	\$ 128.00
Rate 2	Basic Employee/Retiree +1 Basic Dependent	\$ 128.00
Rate 3	Basic Employee/Retiree +2 Basic Dependents	\$ 128.00

1	Rate 4	Medicare Retiree only	\$	128.00
2	Rate 5	Medicare Retiree +1 Medicare Dependent	\$	128.00
3	Rate 6	Medicare Retiree +2 Medicare Dependents	\$	128.00
4	Rate 7	Medicare Retiree +1 Basic Dependent	\$	128.00
5	Rate 8	Medicare Retiree +2 Basic Dependents	\$	128.00
6	Rate 9	Medicare Retiree +1 Medicare Dependent +1 Basic Dependent	\$	128.00
7	Rate 10	Basic Retiree +1 Medicare Dependent	\$	128.00
8	Rate 11	Basic Retiree +2 Medicare Dependents	\$	128.00
9	Rate 12	Basic Retiree +1 Basic Dependent +1 Medicare Dependent	\$	128.00

17 per month, plus administrative fees and Contingency Reserve Fund Assessments; and be it further

18 (b) City of Concord has fully complied with any and all applicable provisions of Government
19 Code Section 7507 in electing the benefits set forth above; and be it further

20 (c) That the participation of the employees and annuitants of City of Concord shall be subject
21 to determination of its status as an “agency or instrumentality of the state or political subdivision of a
22 State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of
23 the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is
24 determined that City of Concord would not qualify as an agency or instrumentality of the state of
25 political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves
the right to terminate the health coverage of all participants of the employer.

26 (d) That the executive body appoint and direct, and it does hereby appoint and direct, Director
27 of Human Resources to file with the Board a verified copy of this resolution, and to perform on behalf
28 of City of Concord all functions required of it under the Act.

Section 2. This resolution shall become effective immediately upon its passage and adoption but the employers' contribution specified will be effective on January 1, 2017.

PASSED AND ADOPTED by the City Council of the City of Concord on September 13, 2016, by the following vote:

AYES: Councilmembers –

NOES: Councilmembers –

ABSTAIN: Councilmembers –

ABSENT: Councilmembers –

I HEREBY CERTIFY that the foregoing Resolution No. 16-73 was duly and regularly adopted at a regular joint meeting of the City Council of the City of Concord on September 13, 2016.

Joelle Fockler, MMC
City Clerk

APPROVED AS TO FORM:

Susanne Meyer Brown
City Attorney

**BEFORE THE CITY COUNCIL OF THE CITY OF CONCORD
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA**

**A Resolution Fixing the Employer’s Contribution
at an Equal Amount for Employees and Annuitants
Under the Public Employees’ Medical and Hospital
Care Act With Respect to a Recognized Employee
Organization (Peace Officer Representation Unit)**

Resolution No. 16-74

WHEREAS, City of Concord is a contracting agency under Government Code Section 22920 and subject to the Public Employees’ Medical and Hospital Care Act (the “Act”) for participation by members of Peace Officer Representation Unit (002) and

WHEREAS, Government Code Section 22892 (a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, Government Code Section 22892 (b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892 (b) of the Act; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CONCORD DOES RESOLVE AS FOLLOWS:

Section 1. (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan or plans up to a maximum of:

Party Rate	Party Rate Description Basic and Medicare Supplement Combination	Employer Contribution Rates
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17 per month, plus administrative fees and Contingency Reserve Fund Assessments; and be it further

18 (b) City of Concord has fully complied with any and all applicable provisions of Government
19 Code Section 7507 in electing the benefits set forth above; and be it further

20 (c) That the participation of the employees and annuitants of City of Concord shall be subject
21 to determination of its status as an “agency or instrumentality of the state or political subdivision of a
22 State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of
23 the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is
24 determined that City of Concord would not qualify as an agency or instrumentality of the state of
25 political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves
the right to terminate the health coverage of all participants of the employer.

26 (d) That the executive body appoint and direct, and it does hereby appoint and direct, Director
27 of Human Resources to file with the Board a verified copy of this resolution, and to perform on behalf
28 of City of Concord all functions required of it under the Act.

Section 2. This resolution shall become effective immediately upon its passage and adoption but the employers' contribution specified will be effective on January 1, 2017.

PASSED AND ADOPTED by the City Council of the City of Concord on September 13, 2016, by the following vote:

AYES: Councilmembers –

NOES: Councilmembers –

ABSTAIN: Councilmembers –

ABSENT: Councilmembers –

I HEREBY CERTIFY that the foregoing Resolution No. 16-74 was duly and regularly adopted at a regular joint meeting of the City Council of the City of Concord on September 13, 2016.

Joelle Fockler
City Clerk, MMC

APPROVED AS TO FORM:

Susanne Meyer Brown
City Attorney

**BEFORE THE CITY COUNCIL OF THE CITY OF CONCORD
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA**

**A Resolution Fixing the Employer’s Contribution
at an Equal Amount for Employees and Annuitants
Under the Public Employees’ Medical and Hospital
Care Act With Respect to a Recognized Employee
Organization (Police Managerial Representation Unit)**

Resolution No. 16-75

WHEREAS, City of Concord is a contracting agency under Government Code Section 22920 and subject to the Public Employees’ Medical and Hospital Care Act (the “Act”) for participation by members of Police Managerial Representation Unit (001) and

WHEREAS, Government Code Section 22892 (a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, Government Code Section 22892 (b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892 (b) of the Act; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CONCORD DOES RESOLVE AS FOLLOWS:

Section 1. (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan or plans up to a maximum of:

Party Rate	Party Rate Description Basic and Medicare Supplement Combination	Employer Contribution Rates
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17 per month, plus administrative fees and Contingency Reserve Fund Assessments; and be it further

18 (b) City of Concord has fully complied with any and all applicable provisions of Government
19 Code Section 7507 in electing the benefits set forth above; and be it further

20 (c) That the participation of the employees and annuitants of City of Concord shall be subject
21 to determination of its status as an “agency or instrumentality of the state or political subdivision of a
22 State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of
23 the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is
24 determined that City of Concord would not qualify as an agency or instrumentality of the state of
25 political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves
the right to terminate the health coverage of all participants of the employer.

26 (d) That the executive body appoint and direct, and it does hereby appoint and direct, Director
27 of Human Resources to file with the Board a verified copy of this resolution, and to perform on behalf
28 of City of Concord all functions required of it under the Act.

Section 2. This resolution shall become effective immediately upon its passage and adoption but the employers' contribution specified will be effective on January 1, 2017.

PASSED AND ADOPTED by the City Council of the City of Concord on September 13, 2016, by the following vote:

AYES: Councilmembers –

NOES: Councilmembers –

ABSTAIN: Councilmembers –

ABSENT: Councilmembers –

I HEREBY CERTIFY that the foregoing Resolution No. 16-75 was duly and regularly adopted at a regular joint meeting of the City Council of the City of Concord on September 13, 2016.

Joelle Fockler, MMC
City Clerk

APPROVED AS TO FORM:

Susanne Meyer Brown
City Attorney

**BEFORE THE CITY COUNCIL OF THE CITY OF CONCORD
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA**

**A Resolution Fixing the Employer’s Contribution
at an Equal Amount for Employees and Annuitants
Under the Public Employees’ Medical and Hospital
Care Act With Respect to a Recognized Employee
Organization (Unrepresented Employees and Elected
Officials, to include Council-appointed Employees,
Executive Management, Mid-Management and
Confidential Employees Unit)**

Resolution No. 16-76

WHEREAS, City of Concord is a contracting agency under Government Code Section 22920 and subject to the Public Employees’ Medical and Hospital Care Act (the “Act”) for participation by members of Unrepresented Employees and Elected Officials, to include Council-appointed Employees, Executive Management, Mid-Management and Confidential Employees Unit (006) and

WHEREAS, Government Code Section 22892 (a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, Government Code Section 22892 (b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892 (b) of the Act; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CONCORD DOES RESOLVE AS FOLLOWS:

Section 1. (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan or plans up to a maximum of:

Party Rate	Party Rate Description Basic and Medicare Supplement Combination	Employer Contribution Rates
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9	Rate 8	Medicare Retiree +2 Basic Dependents	\$	128.00
10	Rate 9	Medicare Retiree +1 Medicare Dependent +1 Basic Dependent	\$	128.00
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19 per month, plus administrative fees and Contingency Reserve Fund Assessments; and be it further

20 (b) City of Concord has fully complied with any and all applicable provisions of Government
21 Code Section 7507 in electing the benefits set forth above; and be it further

22 (c) That the participation of the employees and annuitants of City of Concord shall be subject
23 to determination of its status as an “agency or instrumentality of the state or political subdivision of a
24 State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of
25 the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is
26 determined that City of Concord would not qualify as an agency or instrumentality of the state of
27 political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves
28 the right to terminate the health coverage of all participants of the employer.

(d) That the executive body appoint and direct, and it does hereby appoint and direct, Director of Human Resources to file with the Board a verified copy of this resolution, and to perform on behalf of City of Concord all functions required of it under the Act.

Section 2. This resolution shall become effective immediately upon its passage and adoption but the employers' contribution specified will be effective on January 1, 2017.

PASSED AND ADOPTED by the City Council of the City of Concord on September 13, 2016, by the following vote:

AYES: Councilmembers –

NOES: Councilmembers –

ABSTAIN: Councilmembers –

ABSENT: Councilmembers –

I HEREBY CERTIFY that the foregoing Resolution No. 16-76 was duly and regularly adopted at a regular joint meeting of the City Council of the City of Concord on September 13, 2016.

Joelle Fockler, MMC
City Clerk

APPROVED AS TO FORM:

Susanne Meyer Brown
City Attorney