

RESOLUTION NUMBER R- 307431

DATE OF FINAL PASSAGE ~~\_\_\_\_\_~~ **MAY 16 2012**

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING AGREEMENTS WITH THE CITY'S SIX RECOGNIZED EMPLOYEE ORGANIZATIONS TO MODIFY CERTAIN EMPLOYEE CONTRIBUTIONS RELATED TO THE POST EMPLOYMENT HEALTH BENEFIT, AND IMPOSING THE MODIFICATIONS ON UNREPRESENTED EMPLOYEES.

WHEREAS, on October 18, 2011, the San Diego City Council (Council) adopted San Diego Ordinance O-20105, which created the Post-Employment Health Benefits Plan for Eligible Employees Who Retire After March 31, 2012, thereby modifying retiree health benefits for eligible employees retiring after March 31, 2012; and

WHEREAS, on February 7, 2012, by San Diego Ordinances O-20130, O-20131, O-20132, O-20133, O-20134, and O-20135, the Council approved memoranda of understanding between the City and each of its recognized employee organizations to apply the Post-Employment Health Benefits Plan to represented employees; and

WHEREAS, by adoption of O-20105, the Council imposed on the unrepresented employees the terms of the Post-Employment Health Benefits Plan for Eligible Employees Who Retire After March 31, 2012; and

WHEREAS, employees who elect Option A or B under the Post-Employment Health Benefits Plan are required to make mandatory employee contributions; and

WHEREAS, the original desire was to have these employee contributions made pre-tax, subject to applicable tax laws; and

WHEREAS, the memoranda of understanding provided that the employee contributions would be pre-tax, subject to applicable tax laws; and

WHEREAS, after Council approved the memoranda of understanding, the City was advised by its outside tax counsel that employee contributions would have to be made post-tax; and

WHEREAS, this advice required further negotiations between the City and its affected employee organizations under the Meyers-Milias-Brown Act (MMBA); and

WHEREAS, on May 1, 2012, the City's labor negotiators met and conferred with the City's six recognized employee organizations and reached tentative agreements with all six organizations to modify the employee contributions to comply with federal tax laws; and

WHEREAS, the tentative agreements require amendment of the retiree health memoranda of understanding by ordinance following a noticed public hearing under San Diego Charter (Charter) section 99; and

WHEREAS, the Council desires to approve the terms agreed upon with the City's recognized employee organizations, which require that the employee contributions begin with the pay period ending May 25, 2012, before the final memoranda of understanding are effective pursuant to Charter section 99; and

WHEREAS, the Council desires to impose the modifications of the employee contributions for Options A and B on the unrepresented employees; and

WHEREAS, pursuant to the Council's authority under sections 5 and 14 of O-20061, adopted May 26, 2011, the Council desires to authorize the deduction of the modified Option A and B employee contributions beginning with the pay period ending May 25, 2012, and continuing through the temporary transition period until the necessary ordinances become effective; NOW THEREFORE,


BE IT RESOLVED that the Council, pursuant to its authority under the MMBA and City Council Policy 300-06, approves the agreements with the employee organizations to modify the Option A and B employee contributions; and

BE IT FURTHER RESOLVED that the Council directs that the following amounts be deducted biweekly from the paychecks of the represented and unrepresented employees who elected Option A or B, beginning with the pay period ending May 25, 2012, and continuing through the temporary transition period until the necessary ordinances are effective:

	Biweekly Post-Tax Contribution Amount
Safety – Option A	\$33.75
Safety – Option B	\$17.04
General – Option A	\$32.11
General – Option B	\$16.05

BE IT FURTHER RESOLVED that the Council directs the City Attorney to prepare all ordinances necessary to carry out this action.

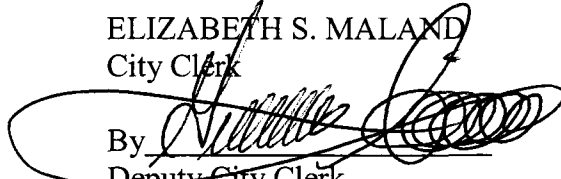
APPROVED: JAN I. GOLDSMITH, City Attorney

By   
\_\_\_\_\_  
Roxanne Story Parks  
Deputy City Attorney

RSP:ccm  
05/04/2012  
Or.Dept:Human Resources  
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I hereby certify that the following Resolution was passed by the Council of the City of San Diego at its meeting of MAY 08 2012.

ELIZABETH S. MALAND  
City Clerk

By   
Deputy City Clerk

Approved: 5-16-12  
(date)

  
JERRY SANDERS, Mayor

Vetoed: \_\_\_\_\_  
(date)

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JERRY SANDERS, Mayor