

RESOLUTION NUMBER R- 310492

DATE OF FINAL PASSAGE JUN 01 2016

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO, PURSUANT TO SECTION 20 OF THE FISCAL YEAR 2017 SALARY ORDINANCE, ADOPTING THE FLEXIBLE BENEFITS CREDITS FOR FISCAL YEAR 2017 FOR ELIGIBLE EMPLOYEES, SUBJECT TO SPECIFIED CONDITIONS.

WHEREAS, the Salary Ordinance for Fiscal Year 2017 (Salary Ordinance) was adopted by the Council of the City of San Diego (Council) on April 26, 2016; and

WHEREAS, section 20 of the Salary Ordinance provides that the Council may establish additional benefit programs, upon the Mayor's recommendation; and

WHEREAS, the Council initially established the City of San Diego Flexible Benefits Plan (Plan), effective October 1, 1984, with the terms of the Plan negotiated year-to-year with represented employees, pursuant to the Meyers-Milias-Brown Act (MMBA); and

WHEREAS, the Plan is intended to provide eligible employees a choice between certain taxable and nontaxable benefits offered under it; and

WHEREAS, the Plan is established as a cafeteria plan under section 125 of the Internal Revenue Code, and must be interpreted consistently with that section and related guidance issued by the Internal Revenue Service; and

WHEREAS, the Council intends to adopt the amended and restated Plan for Fiscal Year 2017, effective as of July 1, 2016; and

WHEREAS, the Council also intends to adopt the Plan allotments or credits for eligible employees to fund health insurance and other benefits; and

WHEREAS, under the MMBA, the City must meet and confer with its recognized employee organizations over the annual Plan allotments that the City provides its represented employees; and

WHEREAS, the Council has approved agreements with the San Diego Municipal Employees Association, by San Diego Resolution R-310148 (December 16, 2015), and the San Diego Police Officers Association, by San Diego Resolution R-309613 (April 22, 2015), which include the negotiated Plan allotments for Fiscal Year 2017; and

WHEREAS, the Council has approved an agreement with the San Diego City Firefighters, International Association of Firefighters, Local 145, by San Diego Resolution R-309631 (May 5, 2015), for Fiscal Year 2016 allotments, which remain in effect for subsequent fiscal years unless modified through further negotiations; and

WHEREAS, the Council has not yet approved final agreements with the City's other three recognized employee organizations for Plan allotments for Fiscal Year 2017, but the City's bargaining team has finalized tentative agreements to be submitted to the Council for final determination at a future date; and

WHEREAS, Charter section 70.2 requires the City to obtain from the actuary for the City's Retirement System a study that analyzes the fiscal impacts of a tentative agreement, including disclosure of "the impact on the City's Defined Benefit Pension Plan of any increases in proposed compensation or benefits" and "whether the proposed action increases the average or mean Base Compensation, for any job classification"; and

WHEREAS, "Base Compensation," as used in Charter section 70.2, is defined in Charter section 70.1, as "the total amount of annual compensation received by an individual City officer or employee for years of service after the implementation of [section 70.1, which was July 20,

2012,] that is used by the Retirement System for the purpose of calculating an individual's benefits under a Defined Benefit Pension Plan"; and

WHEREAS, the City's Defined Benefit Pension Plan excludes from the calculation of retirement benefits "the Flexible Benefits Plan dollar value available to an employee each fiscal year," as stated in San Diego Municipal Code section 24.0103; and

WHEREAS, therefore, any negotiated increases to Plan allotments should not have any impact on Base Compensation, as defined by Charter sections 70.1 and 70.2; and

WHEREAS, however, the Council recognizes its duty to comply with necessary procedural requirements set forth in the Charter, before approving the negotiated agreements; and

WHEREAS, the tentative agreements with the California Teamsters, Local 911 (Local 911); Deputy City Attorneys Association (DCAA); and Local 127, American Federation of State, County, and Municipal Employees, AFL-CIO (Local 127) have been submitted to the actuary for the City's Retirement System for preparation of the required actuarial report; and

WHEREAS, the Plan takes effect July 1, 2016, and employees must have an opportunity to review their health care options prior to the effective date of the Plan; and

WHEREAS, the Council wishes to approve the Plan allotments for all eligible City employees, including those employees represented by one of the City's recognized employee organizations, but intends to make its approval for employees represented by Local 911, DCAA, and Local 127, contingent upon and subject to the Council's final determination and approval of the City's agreements with those recognized employee organizations at a future date; and

WHEREAS, if the Council does not approve the negotiated agreement between the City and Local 911, DCAA, or Local 127, the Council requests that the Plan allotments for that recognized employee organization be returned to the Council for reconsideration; and

WHEREAS, the Council also wishes to approve the allotments for the City's unrepresented employees who are eligible for benefits under the City's Plan; NOW THEREFORE,

BE IT RESOLVED that, pursuant to section 20 of the Fiscal Year 2017 Salary Ordinance, the Council adopts the Plan allotments or credits, set forth in Attachment B to this Resolution, for eligible employees in the San Diego Municipal Employees Association, the San Diego Police Officers Association, and the San Diego City Firefighters, International Association of Firefighters, Local 145, and for eligible unrepresented employees for Fiscal Year 2017.

BE IT FURTHER RESOLVED that the Council adopts the Plan allotments or credits, set forth in Attachment B to this Resolution, for eligible employees represented by Local 911, contingent upon and subject to Council's final determination and approval of the City's agreement with Local 911 at a future date.

BE IT FURTHER RESOLVED that the Council adopts the Plan allotments or credits, set forth in Attachment B to this Resolution, for eligible employees represented by DCAA, contingent upon and subject to Council's final determination and approval of the City's agreement with DCAA at a future date.

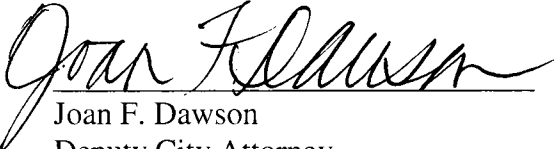
BE IT FURTHER RESOLVED that the Council adopts the Plan allotments or credits, set forth in Attachment B to this Resolution, for eligible employees represented by Local 127,

contingent upon and subject to Council's final determination and approval of the City's agreement with Local 127 at a future date.

BE IT FURTHER RESOLVED that if the Council does not approve the negotiated agreement between the City and Local 911, DCAA, or Local 127, then the Council requests that the Plan allotments for employees represented by that employee organization be returned to the Council for reconsideration.

BE IT FURTHER RESOLVED that the funds appropriated for the Plan credits are as set forth in the Annual Appropriation Ordinance.

APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Joan F. Dawson
Deputy City Attorney

JFD:ccm
May 10, 2016
Or.Dept: Human Resources
Doc. No.: 1278905

I certify that this Resolution was passed by the Council of the City of San Diego, at this meeting of MAY 24 2016.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 5/31/16
(date)


KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

**ATTACHMENT B
FY 2017 CITY FBP CREDITS**

EMPLOYEE GROUP REPRESENTATION	ANNUAL	MONTHLY**	BIWEEKLY**
MEA	\$10,055	\$837.92	\$386.73
Teamsters 911	\$11,811	\$984.25	\$454.27
Local 127			
Waive	\$8,306	\$692.17	\$319.46
Employee only	\$9,306	\$775.50	\$357.92
Employee & Spouse/Domestic Partner	\$10,516	\$876.33	\$404.46
Employee & Children	\$9,856	\$821.33	\$379.08
Employee & Spouse/Domestic Partner & Children	\$11,556	\$963.00	\$444.46
Local 145*			
Waive	\$1,750	\$145.83	\$67.31
Employee only	\$8,180	\$681.67	\$314.62
Employee & Spouse/Domestic Partner	\$14,453	\$1,204.42	\$555.88
Employee & Children	\$11,803	\$983.58	\$453.96
Employee & Spouse/Domestic Partner & Children	\$16,447	\$1,370.58	\$632.58
POA - Less than 8 Years of Service*			
Waive	\$7,605	\$633.75	\$292.50
Employee only	\$9,942	\$828.50	\$382.38
Employee & Spouse/Domestic Partner	\$12,385	\$1,032.08	\$476.35
Employee & Children	\$11,919	\$993.25	\$458.42
Employee & Spouse/Domestic Partner & Children	\$16,700	\$1,391.67	\$642.31
POA - 8 or More Years of Service*			
Waive	\$12,505	\$1,042.08	\$480.96
Employee only	\$14,842	\$1,236.83	\$570.85
Employee & Spouse/Domestic Partner	\$17,285	\$1,440.42	\$664.81
Employee & Children	\$16,819	\$1,401.58	\$646.88
Employee & Spouse/Domestic Partner & Children	\$21,600	\$1,800.00	\$830.77
POA Lieuts. and Captains - Less Than 8 YOS*			
Waive	\$10,605	\$883.75	\$407.88
Employee only	\$12,942	\$1,078.50	\$497.77
Employee & Spouse/Domestic Partner	\$15,385	\$1,282.08	\$591.73
Employee & Children	\$14,919	\$1,243.25	\$573.81
Employee & Spouse/Domestic Partner/Children	\$19,700	\$1,641.67	\$757.69
POA Lieutenants and Captains - 8 or More YOS*			
Waive	\$15,505	\$1,292.08	\$596.35
Employee only	\$17,842	\$1,486.83	\$686.23
Employee & Spouse/Domestic Partner	\$20,285	\$1,690.42	\$780.19
Employee & Children	\$19,819	\$1,651.58	\$762.27
Employee & Spouse/Domestic Partner/Children	\$24,600	\$2,050.00	\$946.15
DCAA *			
Waive	\$7,792	\$649.33	\$299.69
Employee only	\$11,493	\$957.75	\$442.04
Employee & Spouse/Domestic Partner	\$15,004	\$1,250.33	\$577.08
Employee & Children	\$13,918	\$1,159.83	\$535.31

**ATTACHMENT B
FY 2017 CITY FBP CREDITS**

EMPLOYEE GROUP REPRESENTATION	ANNUAL	MONTHLY**	BIWEEKLY**
Employee & Spouse/Domestic Partner & Children	\$15,371	\$1,280.92	\$591.19
Police/Safety Unrep./Unclassified - 8 plus YOS*			
Waive	\$15,505	\$1,292.08	\$596.35
Employee only	\$17,842	\$1,486.83	\$686.23
Employee & Spouse/Domestic Partner	\$20,285	\$1,690.42	\$780.19
Employee & Children	\$19,819	\$1,651.58	\$762.27
Employee & Spouse/Domestic Partner/Children	\$24,600	\$2,050.00	\$946.15
Unrepresented/Unclassified Salaried *			
Waive	\$8,327	\$693.92	\$320.27
Employee only	\$11,528	\$960.67	\$443.38
Employee & Spouse/Domestic Partner	\$14,526	\$1,210.50	\$558.69
Employee & Children	\$13,953	\$1,162.75	\$536.65
Employee & Spouse/Domestic Partner & Children	\$16,121	\$1,343.42	\$620.04
Unrepresented/Unclassified Hourly *			
Waive	\$4,644	\$387.00	\$178.62
Employee only	\$7,845	\$653.75	\$301.73
Employee & Spouse/Domestic Partner	\$10,843	\$903.58	\$417.04
Employee & Children	\$10,270	\$855.83	\$395.00
Employee & Spouse/Domestic Partner & Children	\$12,438	\$1,036.50	\$478.38

*Fulltime Allotment - Prorated if 3/4 or 1/2 time

**Variances due to rounding

Passed by the Council of The City of San Diego on MAY 24 2016, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Date of final passage JUN 01 2016

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

(Seal)

By *Mary Fernandez*, Deputy

Office of the City Clerk, San Diego, California
Resolution Number R- 310492