RESOLUTION NO. 00 - 39

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS ELECTING TO BE SUBJECT TO PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT ONLY WITH RESPECT TO MEMBERS OF A SPECIFIC EMPLOYEE ORGANIZATION FIXING THE EMPLOYER'S CONTRIBUTION FOR EMPLOYEES AND THE EMPLOYER'S CONTRIBUTION FOR ANNUITANTS AT DIFFERENT AMOUNTS

WHEREAS, Government Code Section 22850.3 provides that a contracting agency may elect upon proper application to participate under the Public Employees' Medical and Hospital Care Act with respect to a recognized employee organization only; and

WHEREAS, Government Code Section 22754 (g) defines any Special District as a contracting agency; and

WHEREAS, Government Code Section 22857 provides that a contracting agency may fix the amount of the employer's contribution for employees and the employer's contribution for retired employees and survivors at different amounts provided that the monthly contribution for retired employees and survivors shall be annually increased by an amount not less than five percent (5%) of the monthly contribution for employees, until such time as the amounts are equal; and

WHEREAS, A Special District is hereby defined as a non-profit, self-governed public agency within the State of California, and comprised solely of public employees performing a governmental rather than proprietary function; and

WHEREAS, the City of Los Altos, hereinafter referred to as Special District is an entity meeting the above definition; and

WHEREAS, the Special District desires to obtain for members of the Los Altos City Council, who are active and retired employees of the agency, the benefit of the Act and to accept the liabilities and obligations of the employer under the Act and Regulations; and

WHEREAS, Government Code Section 53208.5 (b) prohibits any member of a legislative body whose service first commences on and after January 1, 1995, from receiving health and welfare benefits greater than the most generous schedule of benefits being received by any category of nonsafety employees; and

WHEREAS, Government Code Section 53201 (c) (2) prohibits a local agency that did not provide benefits to former elective members of a legislative body before January 1, 1994, from providing benefits after January 1, 1994, unless the members participate on a self-pay basis; and

WHEREAS, Government Code Section 53201 (c) (1) provides that a legislative body that provided benefits to former elected members shall not provide benefits to any person first elected to a term of office that begins on or after January 1, 1995, unless the member participate on a self-pay basis or was fully vested prior to January 1, 1995;

NOW, THEREFORE BE IT RESOLVED:

- 1. That the Special District elect, and it does hereby elect, to be subject to the provisions of the Act;
- 2. That the Employer's contribution for each employee shall be the amount necessary to pay the full cost of his enrollment, including the enrollment of his family members in a health benefits plan up to a maximum of \$16.00 per month;
- 3. That the Employer's contribution for each retired employee or survivor shall be the amount necessary to pay the cost of his enrollment, including the enrollment of his family members, in a health benefits plan up to a maximum of \$1.00 per month;
- 4. That the employer's contribution for each retired employee or survivor shall be increased annually by five percent (5%) of the monthly contribution for employees, until such time as the contributions are equal;
 - And that the contributions for active and retired employees and survivors shall be in addition to those amounts contributed by the Special District for administrative fees and to the Contingency Reserve Fund;
- 5. That the executive body appoint and direct, and does hereby appoint and direct, the City Manager or his/her designee to file with the Board of Administration of the public Employees' Retirement System a verified copy of this Resolution, and to perform on behalf of said Special District all functions required of it under the Act and Regulations of the Board of Administration;
- 6. That coverage under the Act be effective on March 1, 2001.

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution passed and adopted by the City Council of the City of Los Altos at a regular meeting thereof held on the 12TH day of December, 2000, by the following roll call vote:

AYES: Mayor Lear, Councilmembers Becker, Casto, La Poll, and Moss

NOES: None

ABSENT: None

King Lear, Mayor

Carol Scharz, City Clerk