

RESOLUTION NO. 07-31

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF LOS ALTOS
ADOPTING BENEFIT ADJUSTMENTS FOR CITY PERSONNEL

NOW, THEREFORE, BE IT HEREBY RESOLVED that:

The City Council hereby adopts the attached exhibit of benefits (Attachment A) as the official schedule and/or adjustments of benefits for the unrepresented employees;

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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 meeting thereof on the 23rd day of October 2007, by the following roll call vote: -

AYES: PACKARD, CARPENTER, CASAS, BECKER, COLE
NOES: NONE
ABSENT: NONE


Robert C. Cole, MAYOR

Attest:


Susan Kitchens, CITY CLERK

Attachment A
Benefit Adjustments
Unrepresented Employees

The following adjustments will be made to current benefits schedules:

1. Medical Benefits

1.1.1 HEALTH INSURANCE:

The City will provide the PERS Health Program with the following provisions:

- a. The city will continue the unequal employer contribution method and will make the minimum medical contribution allowed under State and PERS law for active employees and retirees.
- b. The retiree contribution will increase annually consistent with CalPERS and statutory requirements for each CalPERS contract year until such time as the employer contribution for retirees equals the employer contribution paid for active employees.
- c. The current required employee contribution will remain at the minimum contribution so long as allowed by State law or PERS, unless the provision stipulating the contribution is changed, in which case the City retains the option to discontinue the program.
- d. The City's contribution for an active employee will be limited to \$1,060 for calendar year 2008 and \$1,139 for calendar year 2009.
- e. The City will be responsible for paying the PERS health care administrative fees and the cafeteria plan administrative fees.
- f. The City will continue the practice of paying the January premium in December at the increased rate.

The City will continue to have the right to select or change medical plans or providers, and also to modify the medical plans so long as the level of benefits shall remain substantially the same.

1.1.2 DENTAL FUND BENEFITS:

The existing dental and orthodontic program shall remain in full force and effect. The City shall convene a dental committee during the first six months of the fiscal year to evaluate and review the benefit levels that are paid out under this program and make recommendations for modifications as needed, including scope of coverage, rules regarding usage of the plan, documentation of the plan and consideration of an increase in the employee and dependent cap.

The City will maintain the maximum employee dental reimbursement at \$1,000, and a dependent cap of \$600 per dependent. The Committee will review the program to make recommendations to City Council regarding the benefit levels.

Employees should refer to the dental plan documents for a complete description of benefits, coverage and limitations.

1.1.3 RETIREE HEALTH BENEFITS:

The City will form an employee committee to develop alternatives for funding a retiree health benefits plan. The Plan is intended to be cost neutral to the City. The Plan could include, but is not limited to, the use of the current perfect attendance program as a resource for such funding. The City proposes that the labor management committee will arrange for potential vendors to present their plans to the committee to develop the team's understanding of the available plans. All parties commit to trying to affirmatively conclude discussion by mid February 2008.

2. Vacation Accrual

The accrual rate for employees with more twenty or more years of employment with the City will receive an increased accrual rate for vacation at the beginning of their 20 year of service, retroactive to July 1, 2007.

At the beginning of the 20 th year	180 hours (22.5 days)
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