

RESOLUTION NO. 2009-38

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS
APPROVING THE ESTABLISHMENT OF A RETIREE HEALTH SAVINGS PLAN TO
ALLOW LOS ALTOS PEACE OFFICERS ASSOCIATION EMPLOYEES TO ACCUMULATE
ASSETS DURING EMPLOYMENT TO PAY FOR HEALTH-RELATED EXPENSES IN
RETIREMENT**

WHEREAS, the City of Los Altos has employees represented by the Los Altos Peace Officers Association rendering valuable services; and

WHEREAS, the establishment of a retiree health savings plan for such employees serves the interests of the City of Los Altos by enabling it to provide reasonable security regarding such employees' health needs after separation from City service, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the City of Los Altos has avoided the implementation of retiree health programs that become a financial burden upon City resources; and

WHEREAS, the City of Los Altos has determined that the establishment of the retiree health savings plan (the "Plan") serves the above objectives without additional personnel costs;

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Los Altos hereby finds and authorizes the following:

1. Adopt the plan in the form of the International City Management Association (ICMA) Retirement Corporation's VantageCare Retirement Health Savings program.
2. The assets of the Plan shall be held in trust, with the City of Los Altos serving as trustee for the exclusive benefit of Plan participants and their survivors, and the assets of the Plan shall not be diverted to any other purpose prior to the satisfaction of all liabilities of the Plan.
3. The City Manager is authorized to execute the Declaration of Trust of the City of Los Altos Integral Part Trust in the form of the model trust made available by the ICMA Retirement Corporation on behalf of the City.
4. The Human Resources Manager for the City of Los Altos shall be the coordinator and contact for the Plan and shall receive necessary reports, notices, etc.

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 22nd day of September, 2009 by the following vote:

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| AYES: | CARPENTER, CASAS, BECKER, SATTERLEE |
| NOES: | NONE |
| ABSENT: | PACKARD |
| ABSTAIN: | NONE |


Megan Satterlee, MAYOR

Attest:


Susan Kitchens, CITY CLERK 09-28-09