



ADMINISTRATIVE SERVICES DEPARTMENT

CITY HALL

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CITY COUNCIL STAFF REPORT

Meeting: October 18, 2016

Subject

Adopt a resolution increasing the employer's contribution for medical and hospitalization insurance consistent with the Meyers-Geddes State Employees Medical and Hospital Care Act for the Unrepresented (Management and Confidential), Cupertino Employees' Association (Employees Association), Operating Engineers, Local Union No. 3 (Operating Engineers), Appointed (City Attorney), Elected Official groups and retired annuitants.

Recommended Action

Adopt the Draft Resolution increasing the employer's contribution for medical and hospitalization insurance for employees under the Unrepresented, Cupertino Employees' Association, Operating Engineers, Local union No. 3, Appointed, Elected Officials, and retired annuitant groups.

Description

On October 4, 2016, City Council approved a three year memorandum of understanding (MOU) that extends through June 30, 2019 for Cupertino Employees' Association and the Operating Engineers, Local Union No. 3. The MOU's include an increase in the City's health contribution for employee medical insurance effective October 1, 2016 for employee with self-coverage (\$733.39/month), employee plus one dependent (\$1,246.59/month), and employee plus 2 or more dependents (\$1,620.57/month). This item assumes that the same benefit will be extended to the Unrepresented, Appointed, and Elected Official groups for the October 18, 2016 City Council meeting. Adoption of the attached resolution fulfills reporting requirements associated with the Meyers-Geddes Act.

Sustainability Impact

No sustainability impact.

Fiscal Impact

This will increase the City's retiree annuitant medical contribution by \$39,130. No budget adjustments are requested because the cost was factored in when calculating total costs of MOU's that were approved by City Council on October 4, 2016.

Prepared by: Maria Jimenez, HR Analyst II/Benefits

Reviewed by: Kristina Alfaro, Director of Administrative Services

Approved for Submission by: David Brandt, City Manager

Attachments: A – Draft Resolution