



ADMINISTRATIVE SERVICES DEPARTMENT

CITY HALL

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CITY COUNCIL STAFF REPORT

Meeting: October 2, 2018

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 and City Manager), 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 January 1, 2019 for employee with self-coverage (\$808.45/month), employee plus one dependent (\$1,374.37/month), and employee plus 2 or more dependents (\$1,786.68/month). The same benefit has been extended to the Unrepresented, Appointed, and Elected Official groups. 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 total medical contribution by approximately \$89,000. Approximately \$55,000 for active employees and \$34,000 for retired annuitants. No budget adjustment is requested, as costs associated with this increase were included as part of the Fiscal Year 2018-19 Final Budget for both active and retired employees.

Prepared by: Maria Jimenez, Human Resources Manager

Reviewed by: Kristina Alfaro, Director of Administrative Services

Approved for Submission by: Amy Chan, Interim City Manager

Attachments: A – Draft Resolution