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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

APPROVED
By the Board of Directors of
The Metropolitan Water District
of Southern California
at its meeting held

43219


OCT 13 1998

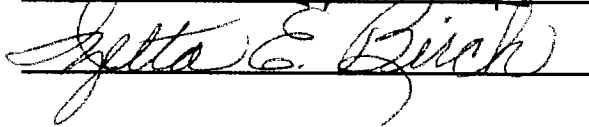
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David Cain
EXECUTIVE SECRETARY

September 21, 1998

To: Board of Directors (Organization and Personnel Committee--Action)

From: *ga* General Manager 

Submitted by: Izetta E. Birch
Director of Human Resources 

Subject: Resolution Providing for Changes in Contributions to Medical Plans Maintained by California Public Employees' Retirement System

RECOMMENDATION(S)

In accordance with negotiated labor agreements with Metropolitan's four bargaining units and for unrepresented managers, it is recommended that the Board:

1. Adopt the attached resolution increasing Metropolitan's contributions to the medical plans maintained by the California Public Employees' Retirement System (CalPERS) for employees and annuitants in classifications represented by these units, said changes to be effective January through December 1999; and
2. Amend Section 6522 of the Administrative Code to read as shown in Attachment "B" to provide the new contributions for unrepresented managers.

EXECUTIVE SUMMARY

Effective January 1, 1999, monthly premium rates for CalPERS health plans will change. As reflected in the current Memoranda of Understanding between Metropolitan and its four bargaining units, Metropolitan's contribution toward these rates will increase. This action will establish the new Metropolitan employer contribution with CalPERS.

DETAILED REPORT

The Memoranda of Understanding executed between Metropolitan and the Management and Professional Employees Association, Supervisors' Association, Association of Confidential Employees, and the Employees Association/AFSCME Local 1902 provide changes in Metropolitan's contribution to the cost of medical insurance which is provided to employees by CalPERS under provisions of the Public Employees' Medical and Hospital Care Act. Metropolitan's unrepresented employees were provided matching contribution changes. The regulations of the CalPERS Board of Administration require equal coverage and contributions for eligible annuitants.

Commencing January 1, 1999, the changes will provide a maximum monthly contribution of \$246 with respect to an employee or annuitant enrolled for self alone; a maximum monthly contribution of \$492 for an employee or annuitant enrolled for self and one family member; and a maximum monthly contribution of \$639 for an applicable employee or annuitant enrolled for self and two or more family members. These changes represent an increase of \$2, \$4, and \$4, respectively, for employees represented by the above-referenced bargaining units and unrepresented managers. These rates are based on changes in the CalPERS medical rates which will be in effect from January 1, 1999 through December 31, 1999. The annual cost to provide this increase is approximately \$497,000.

Administrative Code Section 6522, which addresses medical contributions for unrepresented managers, will require an amendment to reflect this change. The changes are shown in Attachment "A" by strikeover and underscoring.

DLW:jlw

Attachments

Human Resources
September 21, 1998

ATTACHMENT A

6522. Medical Insurance.

Metropolitan's monthly contribution for employees in classifications listed in Section 6500 and related annuitants to the medical plans maintained by the California Public Employees' Retirement System under the provisions of the Public Employees' Medical and Hospital Care Act shall be as follows:

For plans in effect on ~~August 1, 1995~~ January 1, 1999:

Employee or Annuitant Only	\$231	\$246
Employee or Annuitant Plus One Dependent	\$461	\$492
Employee or Annuitant Plus Two or More Dependents	\$600	\$639

Human Resources
September 21, 1998

ATTACHMENT B

6522. Medical Insurance.

Metropolitan's monthly contribution for employees in classifications listed in Section 6500 and related annuitants to the medical plans maintained by the California Public Employees' Retirement System under the provisions of the Public Employees' Medical and Hospital Care Act shall be as follows:

For plans in effect on January 1, 1999:

Employee or Annuitant Only	\$246
Employee or Annuitant Plus One Dependent	\$492
Employee or Annuitant Plus Two or More Dependents	\$639

RESOLUTION 8601

RESOLUTION FIXING THE EMPLOYER'S CONTRIBUTION
UNDER THE PUBLIC EMPLOYEES'
MEDICAL AND HOSPITAL CARE ACT

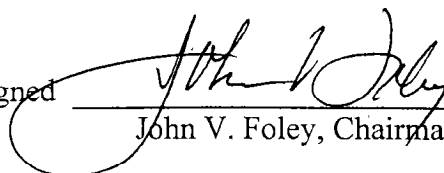
WHEREAS (1) Government Code Section 22825.6 provides that a local agency contracting under the Public Employees' Medical and Hospital Care Act shall fix the amount of the employer's contribution at an amount not less amount required under Section 22825 of Act, and

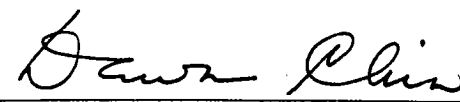
WHEREAS (2) The Metropolitan Water District of Southern California is a local agency contracting under the Act;

NOW THEREFORE, BE IT RESOLVED that from January 1, 1999 to December 31, 1999, the employer's contribution for each employee and annuitant shall be the amount necessary, when added to the employee's or annuitant's contribution, to pay the full cost of the employee's or annuitant's eligible family members, in a health benefits plan or plans up to a maximum of:

<u>Code</u>	<u>Bargaining Unit</u>	<u>Contribution Per Month</u>		
		<u>One Party</u>	<u>Two Party</u>	<u>Three Party</u>
01	Unrepresented	\$246	\$492	\$639
02	Employees Association	\$246	\$492	\$639
03	Supervisors' Association	\$246	\$492	\$639
04	Management and Professional Employees Association	\$246	\$492	\$639
05	Association of Confidential Employees	\$246	\$492	\$639

Adopted at a meeting of the Board of Directors of the Metropolitan Water District of Southern California at Los Angeles this 13th day of October 1998.

Signed 
John V. Foley, Chairman

Signed 
Dawn Chin, Executive Secretary