



- **Board of Directors**
Executive Committee
Subcommittee on Organization and Personnel

November 16, 1999 Board Meeting

8-7

Subject

Resolution Providing for Changes in District Contributions to Medical Plans Maintained by Public Employee's Retirement System (PERS) for the 2000 plan year.

Description

The current Memorandums 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 PERS under provisions of the Public Employees' Medical and Hospital Care Act. Metropolitan's unrepresented employees were provided matching contribution changes. The regulations of the PERS Board of Administration require equal coverage and contributions for eligible annuitants.

Commencing January 1, 2000, the changes will provide a maximum monthly contribution of \$267 with respect to an employee or annuitant enrolled for self only; a maximum monthly contribution of \$533 for an employee or annuitant enrolled for self and one family member; and a maximum monthly contribution of \$693 for an employee or annuitant enrolled for self and two or more family members. These rates are based on changes in the PERS medical rates that will be in effect from January 1, 2000 through December 31, 2000.

Not changing Metropolitan's contribution to the cost of medical insurance would be in violation of the current Memorandums of Understanding. Administrative Code Section 6522, which addresses medical contributions for unrepresented managers, will require an amendment to reflect this change.

Policy

The current Memorandums 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 and Administrative Code Section 6522.

Board Options/Fiscal Impacts

Option #1

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

Fiscal Impact: Approximately \$771,200 per year

Staff Recommendation

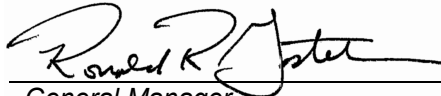
Option #1

It is recommended that in accordance with negotiated labor agreements with Metropolitan's four bargaining units that were approved previously by the Board:

- Adopt the attached **resolution** increasing Metropolitan's contributions to the medical plans maintained by the Public Employees' Retirement System (PERS) for employees and annuitants in classifications represented by these units, said changes to be effective January 1, 2000 through December 31, 2000.



Roy L. Wolfe 10/28/99
Acting Manager, Corporate Resources *Date*



Ronald R. Jester 11/2/99
General Manager *Date*

Attachment 1 – Resolution

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 than the 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, 2000 to December 31, 2000, 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	\$267	\$533	\$693
02	Employees Association	\$267	\$533	\$693
03	Supervisors' Association	\$267	\$533	\$693
04	Management and Professional Employees Association	\$267	\$533	\$693
05	Association of Confidential Employees	\$267	\$533	\$693

Adopted at a meeting of the Board of Directors of the Metropolitan Water District of Southern California at Los Angeles on the 16th day of November 1999.

Signed _____
Phillip Pace, Chairman

Signed _____
Dawn Chin, Executive Secretary