

● **Board of Directors**
Subcommittee on Organization and Personnel

November 14, 2000 Board Meeting

8-3

Subject

Adopt resolution providing for changes in Metropolitan's contributions to medical plans maintained by Public Employees' Retirement System for the calendar year 2001.

Description

The current memoranda of understanding 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 contributions to the cost of medical insurance which is provided to employees by PERS under provisions of the Public Employees' Medical and Hospital Care Act. Under the Metropolitan Water District Administrative Code, Metropolitan's unrepresented employees will be provided matching contributions for medical insurance. Additionally, the regulations of the PERS Board of Administration require equal coverage and contributions for eligible annuitants.

Commencing January 1, 2001, the changes will provide a maximum monthly contribution of \$309 with respect to an employee or annuitant enrolled for self only; a maximum monthly contribution of \$618 for an employee or annuitant enrolled for self and one family member; and a maximum monthly contribution of \$803 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, 2001 through December 31, 2001.

The Metropolitan Water District Administrative Code Section 6522, which addresses medical contributions for unrepresented managers, will require an amendment to reflect this change.

Policy

The current memoranda of understanding between Metropolitan and the Management and Professional Employees Association, Supervisors' Association, Association of Confidential Employees, and the Employees Association/AFSCME Local 1902 and the Metropolitan Water District Administrative Code Section 6522.

Staff Recommendation


In accordance with the negotiated labor agreements with Metropolitan's four bargaining units, adopt the attached resolution ([Attachment 1](#)) increasing Metropolitan's contributions to the medical plans maintained by PERS for employees and annuitants in classifications represented by these units, said changes to be effective January 1, 2001 through December 31, 2001.

Fiscal Impact: Approximately \$1.09 million. This increase in costs will be added to our current fiscal year budget; adequate funds are available to cover these additional costs.



Roy L. Wolfe
Manager, Corporate Resources

10/23/2000
Date



Ronald R. Jester
General Manager

10/24/2000
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 the 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, 2001 to December 31, 2001, 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	\$309	\$618	\$803
02	Employees Association	\$309	\$618	\$803
03	Supervisors' Association	\$309	\$618	\$803
04	Management and Professional Employees Association	\$309	\$618	\$803
05	Association of Confidential Employees	\$309	\$618	\$803

Adopted at a meeting of the Board of Directors of the Metropolitan Water District of Southern California at Los Angeles on the 14th day of November 2000.

Signed _____
Phillip J. Pace, Chairman

Signed _____
Dawn Chin, Executive Secretary