

RESOLUTION NO. 2009-266

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
REVISING THE RETIREE HEALTHCARE BENEFIT**

WHEREAS, the City Council directed the City Manager to establish a robust retiree healthcare benefit per Resolution No. 2007-191; and

WHEREAS, the economy has affected both the plan's investment potential and sustainability leading the City Council to direct a review of this and other benefits; and

WHEREAS, the City Council has stated its desire to provide compensation and benefits for the unrepresented employees similar to those provided to represented employees; and

WHEREAS, the Elk Grove Police Officer's Association Memorandum of Understanding restricts the Health Retirement Account Defined Benefit (HRA DB) Plan to a reduced group of employees; and

WHEREAS, the Elk Grove Police Officer's Association Memorandum of Understanding establishes a Health Retirement Account Defined Contribution (HRA DC) benefit for employees not eligible for the HRA DB Plan; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Elk Grove hereby revises the Retiree Healthcare Plan as follows:

- 1) Eligibility for the Defined Benefit Plan shall be limited to employees within six years of California Public Employees' Retirement System (CalPERS) retirement eligibility and employed at July 1, 2009 and Elected Officials. Vested employees may participate if they retire within sixty (60) days of separation; and
- 2) Spouse coverage shall be extended to all qualified dependents until deceased; and
- 3) Amount of payment into Health Retirement Account will be \$800 per month for elected officials and employees who have fully vested. Full vesting is defined as ten or more years of service. Partial vesting for this benefit occurs at five years of service, earning eligibility for 50% of the benefit (\$400/month). Each additional full year of service earns another 10% until full vesting is achieved (a partial year of service will not be prorated); and
- 4) Add a Defined Contribution benefit for employees not eligible for the Defined Benefit Plan with contribution amounts to be determined by the City Manager.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 9th day of December 2009.



PATRICK HUME, MAYOR of the
CITY OF ELK GROVE

ATTEST:



SUSAN J. BLACKSTON, CITY CLERK

APPROVED AS TO FORM:



SUSAN COCHRAN, CITY ATTORNEY

**CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2009-266**

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) ss
CITY OF ELK GROVE)

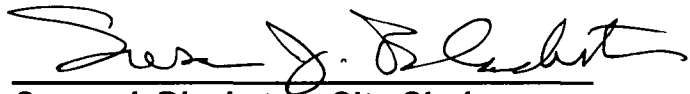
I, Susan J. Blackston, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on December 9, 2009 by the following vote:

AYES : **COUNCILMEMBERS:** *Hume, Scherman, Cooper, Davis, Detrick*

NOES: **COUNCILMEMBERS:** *None*

ABSTAIN : **COUNCILMEMBERS:** *None*

ABSENT: **COUNCILMEMBERS:** *None*



**Susan J. Blackston, City Clerk
City of Elk Grove, California**