

*filed 2-7-01  
(1)*

	Single	Two-Party	Family	Per Month Total	Per Year Total
<b>Current Enrollment</b>					
Active Employees	68	114	220	402	
Retirees	40	45	3	88	
<b>Total</b>	<b>108</b>	<b>159</b>	<b>223</b>	<b>490</b>	
Part Time	6	8	12	26	

**Carrier**

**Health Net HMO Plan FAA (402 Active Employees)**

Current	166.23	357.39	490.38		
<b>Total Cost</b>	<b>11,303.64</b>	<b>40,742.46</b>	<b>107,883.60</b>	<b>159,929.70</b>	<b>1,919,156.40</b>
PERS	197.26	394.52	512.88		

**Pacific Care Standard 5 (402 Active Employees)**

2001 Rates	190.38	401.71	574.95		
<b>Total Cost</b>	<b>12,945.84</b>	<b>45,794.94</b>	<b>126,489.00</b>	<b>185,229.78</b>	<b>2,222,757.36</b>
PERS	188.17	376.34	489.24		

**CALPERS (402 Active Employees plus 26 Part Time Employees)**

Eligible Members less Retired	74	122	232	428	
1 <b>Lifeguard Rates</b>	\$ 214.65	\$ 429.29	\$ 558.08		
<b>Total Cost</b>	<b>15,884.10</b>	<b>52,373.38</b>	<b>129,474.56</b>	<b>197,732.04</b>	<b>2,372,784.48</b>
With 88 Retirees	40.00	45.00	3.00	88.00	1,056.00
<b>Total Cost with Retirees</b>	<b>\$ 15,924.10</b>	<b>\$ 52,418.38</b>	<b>\$ 129,477.56</b>	<b>\$ 197,820.04</b>	<b>\$ 2,373,840.48</b>

*2/7/01  
Meeting*

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<b>Current Enrollment</b>						
Active Employees		68	114	220	402	
Retirees		40	45	3	88	
	Total	108	159	223	490	
Part Time		6	8	12	26	
<b>Carrier</b>						
2	<b>Kaiser Permanente Rates</b>	\$ 202.21	\$ 404.42	\$ 525.75		
	Total Cost	14,963.54	49,339.24	121,974.00	186,276.78	2,235,321.36
	With 88 Retirees	40.00	45.00	3.00	88.00	1,056.00
	<b>Total Cost with Retirees</b>	<b>\$ 15,003.54</b>	<b>\$ 49,384.24</b>	<b>\$ 121,977.00</b>	<b>\$ 186,364.78</b>	<b>\$ 2,236,377.36</b>
3	<b>Blue Shield HMO Rates</b>	\$ 201.17	\$ 402.34	\$ 523.04		
	Total Cost	\$ 14,886.58	\$ 49,085.48	\$ 121,345.28	185,317.34	2,223,808.08
	With 88 Retirees	40.00	45.00	3.00	88.00	1,056.00
	<b>Total Cost with Retirees</b>	<b>\$ 14,926.58</b>	<b>\$ 49,130.48</b>	<b>\$ 121,348.28</b>	<b>\$ 185,405.34</b>	<b>\$ 2,224,864.08</b>
4	<b>Aetna US Healthcare Rates</b>	\$ 194.00	\$ 388.00	\$ 504.40		
	Total Cost	14,356.00	47,336.00	117,020.80	178,712.80	2,144,553.60
	With 88 Retirees	40.00	45.00	3.00	88.00	1,056.00
	<b>Total Cost with Retirees</b>	<b>\$ 14,396.00</b>	<b>\$ 47,381.00</b>	<b>\$ 117,023.80</b>	<b>\$ 178,800.80</b>	<b>\$ 2,145,609.60</b>

City of Lodi

(3)

	Single	Two-Party	Family	Per Month Total	Per Year Total
<b>Current Enrollment</b>					
Active Employees	68	114	220	402	
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Total	108	159	223	490	
Part Time	6	8	12	26	+ 1000 per yr.

Carriers San Joaquin County

HMO's

Pacific Care City of Lodi	190.38	401.71	574.95
Health Net City of Lodi projected 15%	191.16	411.00	563.94
Lifeguard	214.65	429.29	558.08
Kaiser Permanente	202.21	404.42	525.75
Blue Shield Access HMO	201.17	402.34	523.04
Health Net	197.26	394.52	517.84
✓ Aetna US Healthcare	194.00	388.00	504.40
✓ PacifiCare of California	188.17	376.34	489.24
✓ CIGNA	185.30	370.60	481.78
✓ Maxicare	177.05	354.10	460.33

City of Lodi

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(4)

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Carriers San Joaquin County

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CALPERS versus City Plan

See MOU language

- 1 CALPERS will give the City long term cost control
- 2 Will cost the City less with the provision to cover all HMO's and future increases
- 3 Will promote goodwill in negotiations over a cafeteria plan
- 4 Provides a benefit to retirees and their dependents not provided today
  - Ability to choose a lower cost plan
  - Survivor benefit
- 5 Promotes Lodi Doctors and Hospital

Employees believe they are saving the City at least \$45k per year with Lifeguard and \$186k per year with Aetna.

thousand dollars (\$1,000) of the employee's basic monthly earnings, in the event of disability. This program commences 60 days from the date of disability.

#### ARTICLE XXIV - MEDICAL INSURANCE

- 24.1 The City agrees to make available medical benefits equivalent to the Health Net Plan and the parties shall meet and confer on a replacement plan offering such an equivalent level of benefits. Included in this is a pharmaceutical plan. The employee will be responsible for a \$10.00 co-payment for each prescription.
- 24.2 The City agrees to pay all costs of premiums for employees and dependents for the term of this agreement.
- 24.3 Employees shall be eligible for medical insurance the first day of the month following the date the employee becomes a full-time regular employee of the City of Lodi.
- 24.4 If an employee has no dependents or chooses not to cover dependents with medical insurance the City will contribute \$25.00 per pay period to the employees deferred compensation account. If an employee elects not to be covered by medical insurance the City will provide an additional \$46.15 per pay period for a total of \$71.15 per pay period to the employees deferred compensation account.
- 24.5 If both the employee and the employee's spouse work for the City and are eligible for medical insurance, only one medical plan will be provided and Section 24.4 shall apply to the employee who is not the primary provider. Employees and family members required to pay a co-payment due to loss of dual coverage, will have co-payments reimbursed by the City of Lodi on a quarterly basis.
- 24.6 The City shall pay 100% of the premiums for health and dental benefits for the unmarried surviving spouse and any minor children of any members of this unit who is killed or dies during the performance of official duties. This benefit terminates if the surviving spouse remarries, the children reach the age of 18, or other medical insurance becomes available.
- 24.7 Should a significant number of current Primary Care Physicians and/or Specialists in Lodi IPA that are utilized by members of the General Services Unit fail to continue to offer their services through the Foundation Health Plan, Article XXIV, Section 1 shall immediately be reopened by both the City and SJPEA to insure that the needs of the General Services membership are met by this medical plan or a new medical plan is found and offered to the membership.

- 24.8 During the term of this MOU, the City and SJPEA will meet and confer over whether to adopt a cafeteria plan, and if so, then over its terms. It is the City's intent to examine on a city-wide basis possible adoption of a cafeteria plan. Meeting over this issue may be conducted between the City and a coalition of City bargaining units, including SJPEA. In absence of mutual agreement, the current terms of this MOU will remain in effect.

#### ARTICLE XXV - PERS

- 25.1 The City agrees to provide the following PERS retirement program and to pay the employer's cost:
- (a) PERS "2% at 60" full formula retirement benefits plus the following additional options:
  - (b) The increased ordinary disability benefits which provide under PERS a 30% benefit after five years of service increasing to a maximum 50% benefit. (Section 21298)
  - (c) Third level of 1959 Survivor Benefit which provides for survivors of a member who dies prior to retirement. This benefit is in addition to the Basic Death Benefit before retirement. (Section 21382.4)
  - (d) Post-retirement Survivor Allowance which provides a surviving spouse with an allowance upon the event of death after retirement. (Section 21263 and Section 21263.1 and 21263.3)
  - (e) Credit for unused sick leave which provides additional service credit for unused accumulated sick leave at time of retirement. (Section 20862.8)
- 25.2 On January 3, 1983, in lieu of any other salary adjustments which otherwise may have been agreed upon in this Unit, the City agreed to pay into each employee's PERS account 7% of the employee's base salary.
- 25.3 The City agrees to discuss amending the retirement benefit to 2% @ 55 provided that the City can negotiate it for all affected units and the employees will pay the cost. The City reserves the right to make the final determination whether to implement this benefit.

**ARTICLE XVIII - LIFE INSURANCE**

- 18.1 A life insurance program providing \$10,000 term life insurance for the employee. Said amount of insurance to reduce to \$6,500 after the 70th birthday but before the 75th birthday. The amount of life insurance after the 75th birthday is reduced to \$5,000. In addition, a spouse will be covered for \$1,500. Dependent children between the ages of six months through the 22nd birthday will be covered for \$1,500 insurance. Children between the age of birth and six months shall be provided with \$150 life insurance.
- 18.2 The City agrees to pay the employee's premiums for the above mentioned life insurance program.

**ARTICLE XIX - LONG TERM DISABILITY**

- 19.1 A long-term disability program which, coordinated with other disability benefits will provide a benefit equal to the sum of:
- 19.2 Sixty six and two thirds percent (66-2/3%) of the first \$3,000 of the member's basic monthly earnings; and
- 19.3 Fifty percent of the first \$2,000 of the member's basic monthly earnings in excess of \$3,000, in the event of disability.
- 19.4 This program to commence 120 days from the date of disability. The City agrees to pay the employee's medical, dental, and vision insurance premiums during this 120-day period.
- 19.5 The City agrees to pay the employee's premiums for the above mentioned long-term disability program.

**ARTICLE XX - MEDICAL INSURANCE**

- 20.1 The City agrees to make available medical benefits equivalent to the Foundation Health Plan known as Summit V and the parties shall meet and confer on a replacement plan offering such an equivalent level of benefits.
- 20.2 The City will pay all increases in premiums for employees and their dependents for the term of this agreement.
- 20.3 Those employees who do not provide coverage for dependents will receive an additional \$25.00 per pay period contribution from the City to the Deferred Compensation Plan. Those employees who do not elect any coverage will receive an additional \$71.15 per pay period into their Deferred Compensation Plan.

- 20.4 Employees shall be eligible for medical insurance the first day of the month next following the date the employee becomes a full-time regular employee of the City.
- 20.5 Only one family member may carry employee and dependent coverage of City sponsored medical insurance. The City will reimburse the employee for co-insurance payments on a quarterly basis.
- 20.6 During term of MOU, the City and IBEW will meet and confer over whether to adopt a cafeteria plan, and if so, then over its terms. It is the City's intent to examine on a city-wide basis possible adoption of a cafeteria plan. Meeting over this issue may be conducted between the City and a coalition of City bargaining units, including the IBEW. In absence of mutual agreement, the current terms of this MOU will remain in effect.

### ARTICLE XXI - P.E.R.S.

- 21.1 The City will provide the PERS retirement program commonly known as the "2% at 60 program". Said program shall include the following additional benefits:
- Improved Non-Industrial Disability Allowance(Section 21427). Benefits which provide under PERS a 30% benefit after five years of service, increasing to a maximum 50% benefit.
  - Third Level 1959 Survivor benefits (Section 21573)
  - Post Retirement Survivor Allowance (Section 21624)
  - Credit for Unused Sick Leave(Section 20965)
- 21.2 The City will pay all of the employer's contribution.
- 21.3 The City will pay into the employee's PERS account 7% of base salary.
- 21.4 During the term of this contract, the City and IBEW will meet and confer regarding amendment to the PERS contract to provide 2% @55. Any agreement is contingent upon reaching agreement with all other miscellaneous employees' bargaining units. The cost of the amendment would be borne by the employee and determined by a PERS actuarial valuation. This valuation number would be subtracted from a negotiated salary increase.

RESOLUTION NO. 2001-31

A RESOLUTION OF THE LODI CITY COUNCIL ELECTING TO BE  
SUBJECT TO SECTION 22821.1 OF THE PUBLIC EMPLOYEES'  
MEDICAL AND HOSPITAL CARE ACT

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WHEREAS, Government Code Section 22850 and/or 22850.3 provides the benefits of the Public Employees' Medical and Hospital Care Act to employees of local agencies contracting with the Public Employees' Retirement System; and

WHEREAS, the City of Lodi, hereinafter referred to as Contracting Agency, is a local agency contracting with the Public Employees' Retirement System under the Act; and

WHEREAS, Government Code Section 22821.1 provides certain additional benefits to employees of local agencies contracting under the Act upon proper application; and

WHEREAS, the Contracting Agency desires to obtain for its employees and annuitants the benefit of Section 22821.1 and to accept the liabilities and obligations of a contracting agency under the Section.

NOW, THEREFORE, BE IT RESOLVED, that the Contracting Agency elect, and it does hereby elect, to be subject to the provisions of Section 22821.1 of the Government Code.

Dated: February 7 , 2001

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I hereby certify that Resolution No. 2001-31 was passed and adopted by the Lodi City Council in an adjourned special meeting held February 7, 2001 by the following vote:

- AYES: COUNCIL MEMBERS – Hitchcock, Howard, Land and Pennino
- NOES: COUNCIL MEMBERS – None
- ABSENT: COUNCIL MEMBERS – Mayor Nakanishi
- ABSTAIN: COUNCIL MEMBERS – None

  
SUSAN J. BLACKSTON  
City Clerk

RESOLUTION NO. 2001-32

A RESOLUTION OF THE LODI CITY COUNCIL ELECTING TO BE  
SUBJECT TO PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL  
CARE ACT FIXING THE EMPLOYER'S CONTRIBUTION FOR  
EMPLOYEES AND THE EMPLOYER'S CONTRIBUTION FOR  
ANNUITANTS AT DIFFERENT AMOUNTS

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WHEREAS, (1) Government Code Section 22850 provides the benefits of the Public Employees' Medical and Hospital Care Act to employees of local agencies contracting with the Public Employees' Retirement System on proper application by a local agency; and

WHEREAS, (2) Government Code Section 22857 provides that a contracting agency may fix the amount of the employer's contribution for employees and the employer's contribution for annuitants at different amounts provided that the monthly contribution for annuitants shall be annually increased by an amount not less than 5 percent of the monthly contribution for employees, until such time as the amounts are equal; and

WHEREAS, (3) the City of Lodi, hereinafter referred to as Public Agency, is a local agency contracting with the Public Employees' Retirement System; and

WHEREAS, (4) the Public Agency desires to obtain for its employees and annuitants the benefit of the Act and to accept the liabilities and obligations of an employer under the Act and Regulations.

NOW, THEREFORE, BE IT RESOLVED, (a) that the Public Agency elect, and it does hereby elect, to be subject to the provisions of the Act; and

BE IT FURTHER RESOLVED (b) that the employer's contribution for each employee shall be the amount necessary to pay the full cost of his enrollment, including the enrollment of his family members in a health benefits plan up to a maximum of the highest HMO offered in California by CalPERS in 2001; and

BE IT FURTHER RESOLVED (c) that the employer's contribution for each annuitant shall be the amount necessary to pay the cost of his enrollment, including the enrollment of his family members, in a health benefits plan up to a maximum of \$1.00 per month; and

BE IT FURTHER RESOLVED (d) that the employer's contribution for each annuitant shall be increased annually by 5 percent of the monthly contribution for employees, until such time as the contributions are equal; and

That the contributions for employees and annuitants shall be in addition to those amounts contributed by the Public Agency for administrative fees and to the Contingency Reserve Fund; and

BE IT FURTHER RESOLVED (e) that the executive body appoint and direct, and does hereby appoint and direct, H. Dixon Flynn, City Manager of the City of Lodi, to file with the Board of Administration of the Public Employees' Retirement System a verified copy of this Resolution, and to perform on behalf of said Public Agency all functions required of it under the Act and Regulations of the Board of Administration; and

BE IT FURTHER RESOLVED (f) that coverage under the Act be effective on March 1, 2001.

Dated: February 7, 2001

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I hereby certify that Resolution No. 2001-32 was passed and adopted by the Lodi City Council in a regular meeting held February 7, 2001 by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Howard, Land and Pennino

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Mayor Nakanishi

ABSTAIN: COUNCIL MEMBERS – None



SUSAN J. BLACKSTON  
City Clerk