



Item No. 10 Town of Atherton

CITY COUNCIL STAFF REPORT – CONSENT AGENDA

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: GEORGE RODERICKS, CITY MANAGER

DATE: JULY 16, 2014

**SUBJECT: ADOPTION OF AN AMENDMENT TO RESOLUTION NO. 14-06
CORRECTING THE DISABILITY RETIREMENT PROVISIONS FOR
THE ATHERTON POLICE OFFICERS' ASSOCIATION**

RECOMMENDATION

Adopt Resolution No. 14-XX, amending Resolution No. 14-06 correcting the disability retirement provisions for the Atherton Police Officers' Association (APOA).

BACKGROUND

When Resolution No. 14-06 was adopted in April 2014 it was adopted to address the rates by which the Town provided healthcare into retirement for members of the APOA. The Town and APOA agreed to adjust the rates from the prevailing Blue Shield HMO to Kaiser and to adopt a scaled percentage based on years of service. The scaled percentage applied to service retirements only, not disability retirements, which remained at 90% of the selected benchmark premium (Kaiser). The maximum contribution for the Town for any type of retirement is 90% of the Kaiser premium. The Resolution defines this as the "Town contribution."

However, when staff wrote the Resolution, we incorrectly noted disability retirements as "90% of the Town Contribution" thus improperly reducing the allowance for a disability retirement to effectively 81% of the Kaiser premium. The section should more correctly read 100% of the Town contribution. This correction remains consistent with the intent of the negotiations and tracks with the maximum contribution for the Town such that if the Town reduces its contribution in the future, the rate of contribution toward a disability retirement reduces accordingly.

This is a corrective action only and does not change the fiscal impact or intent of the prior resolution or APOA negotiations.

ATTACHMENTS

Resolution 14-XX

RESOLUTION NO. 14-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF
ATHERTON AMENDING RESOLUTION 14-06 TO CORRECT THE DISABILITY
RETIREMENT PROVISIONS BETWEEN THE TOWN AND THE
ATHERTON POLICE OFFICERS ASSOCIATION**

WHEREAS, the City Manager, representing the Town, has met and conferred with the Atherton Police Officers Association; and

WHEREAS, the Atherton Police Officers Association and the Town reached an agreement for modification to Section E of the Memorandum of Understanding addressing retiree healthcare; and

WHEREAS, with the adoption of Resolution 14-06 the Town incorrectly stated the provisions pertaining to disability retirements.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the Town of Atherton hereby adopts the below amendment to the Memorandum of Understanding to correct the error and the City Manager is authorized and directed to sign said memorandum on behalf of the Town.

1. Article V, Salary and Benefits, Section 5, Insurance Coverage, Subsection E, Paragraph (iii) is hereby amended to read as follows:

“Employees retiring on disability from the employment of the Town while in a job classification covered by this MOU and said disability arising from employment with the Town, shall receive ~~90~~100% of the Town contribution, including the PEHMCA minimum contribution so long as such retired employee maintains CalPERS health insurance and for such period of time as the individual is totally disabled from employment as determined by the City Manager with recourse to the grievance procedure.”

PASSED AND ADOPTED at a meeting of the City Council of the Town of Atherton held on the ___ day of July, 2014 by the following vote:

AYES: Council Members:
NOES: Council Members:
ABSENT: Council Members:

Cary Wiest, MAYOR
Town of Atherton

Resolution No. 14-XX

July 16, 2014

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ATTEST:

Theresa N. DellaSanta, City Clerk

APPROVED AS TO FORM:

William B. Conners, City Attorney