

Agenda Report

DATE: August 18, 2003

FROM: City Manager

RE: Adoption of Resolutions Providing for the Separation of the International Union of Operating Engineers, Local 501, from the Pasadena Police Officers Association; and Separating the American Federation of State, County, and Municipal Employees, Local 858, from the International Brotherhood of Electrical Workers, Local 18, as it Relates to Coverage under the Public Employees Medical and Hospital Care Act

RECOMMENDATION

It is recommended that the City Council adopt the attached two Resolutions, which will provide that the International Union of Operating Engineers, Local 501 (IUOE), will be separated from the Pasadena Police Officers Association (PPOA); and the American Federation of State, County, and Municipal Employees, Local 858 (AFSCME), will be separated from the International Brotherhood of Electrical Workers, Local 18 (IBEW); in order to allow each union to be considered a single group as relates to the provisions of the Public Employees Medical and Hospital Care Act.

BACKGROUND

In 1988, the City of Pasadena adopted several Resolutions electing to be subject to the Public Employees Medical and Hospital Care Act, allowing City employees to be covered by the medical benefits provided by the California Public Employees Retirement System ("PERS medical"). Presumably based on the timing of negotiations that year, several unions were grouped together for the purposes of adopting the required Resolutions. Specifically, Resolution No. 5980 was adopted to provide PERS medical coverage to both PPOA and IUOE as one group, and Resolution No. 6022 was adopted to provide coverage for both IBEW and AFSCME as one group. Under PERS medical regulations, a group may leave PERS medical only as a group, regardless of the classifications or unions involved.

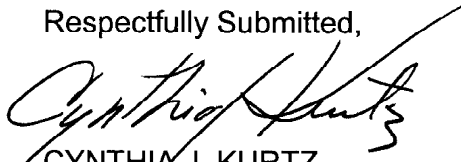
As a result of recent labor-management discussions, both AFSCME and IUOE have agreed that leaving PERS medical is appropriate at this time. To effect this action, however, AFSCME and IUOE must be separated from IBEW and PPOA, which have elected to remain with PERS medical at this time. Under PERS regulations, such

separation must be accomplished by Resolution. The attached Resolutions create AFSCME and IUOE as separate groups under the PERS medical provisions, which will then allow both groups to leave PERS medical for the upcoming 2004 plan year. This action must be taken prior to the action to leave PERS medical. The separation of these groups has no impact on medical benefits or City contribution levels established for the current plan year, and is purely administrative in nature. Similarly, this action has no impact on medical benefits or contributions for PPOA and IBEW.

FISCAL IMPACT

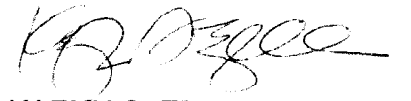
This action to separate groups within PERS medical has no fiscal impact. City contributions are established by Memorandum of Understanding with each of the Unions within PERS regulations, and are not impacted or modified by this action.

Respectfully Submitted,



CYNTHIA J. KURTZ
City Manager

Prepared by:



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