

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-

Introduced by Council Member _____

RESOLUTION APPROVING AN AMENDED SIDE LETTER AGREEMENT WITH THE UNREPRESENTED EXECUTIVES, MANAGEMENT, CITY MANAGER, HUMAN RESOURCES AND CITY ATTORNEY EMPLOYEES TO REVISE CURRENT CONTRIBUTIONS TO THE VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION (VEBA) PLAN

WHEREAS, The City of Hayward will make available to The Unrepresented Executives, Management, City Manager, Human Resources, and City Attorney Employees, and its members (collectively, "Unrepresented Employees") a Voluntary Employee Beneficiary Association ("VEBA") Plan; and

WHEREAS, VEBA is an entity established as a tax exempt Trust under Section 501(c)(9) of the Internal Revenue Service (IRS) Code; and

WHEREAS, The City has contracted with California Government Voluntary Employees' Benefit Association (CALGOVEBA) since 2006 to provide a healthcare funding vehicle where employees make tax-free contributions to a trust for accumulating funds for reimbursement of health care costs in accordance with Section 501(c)(9) of the IRS Code; and

WHEREAS, The majority of Unrepresented Employees currently participating in the VEBA Plan have opted to change contributions to the Plan; and

WHEREAS, The amended side letter agreement provides that participating members of the Unrepresented Employees group who opt in to the VEBA Plan shall contribute between sixty-five dollars (\$65) and one-hundred and forty (\$140) dollars, depending on years of service, per pay period to the Plan; and

WHEREAS, The amended side letter agreement further provides that members of the Unrepresented Employees group who opt in to participate in the VEBA Plan shall also contribute 50% of the eligible sick leave payout and 25% of the cash value of accumulated vacation and compensatory leave payouts after deducting three-hundred (300) hours of leave payout that can be paid in cash or contributed to the employee's deferred compensation account (subject to IRS limitations); and

WHEREAS, VEBA participants of the Unrepresented Employees group opted for the terms of the amended VEBA agreement via a survey on February 18, 2018.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the agreement to participate in the VEBA Plan between it and the Unrepresented Employees group effective December 10, 2018.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018.

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward