

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
CHULA VISTA ADOPTING THE FIRST AMENDMENT TO  
THE MEMORANDUM OF UNDERSTANDING BETWEEN THE  
CITY AND MID MANAGERS PROFESSIONAL ASSOCIATION  
COVERING THE PERIOD OF DECEMBER 18, 2018 TO JUNE  
30, 2020 REGARDING ADDITION OF A POST-EMPLOYMENT  
HEALTH PLAN (PEHP)

WHEREAS, in response to requests from staff to address the cost of health care post retirement, the Human Resources Department is proposing to enter into a Post Employment Health Plan ("PEHP") with Nationwide for Middle Manager/Professional bargaining group represented employees at no cost to the City and amending the labor agreement as appropriate; and

WHEREAS, PEHP is a tax-exempt Voluntary Employee's Beneficiary Association ("VEBA") Trust, which provides employee benefits pursuant to IRC Code section 501(c)(9); and

WHEREAS, a PEHP creates a defined contribution health reimbursement program that allows for money to be set aside to pay for future medical insurance premiums; and

WHEREAS, a PEHP may be funded with Employer contributions, mandatory Eligible Employee contributions or combination of both on behalf of the eligible employees in a manner permitted under the Plan, but with regard to the proposed PEHP it will be funded with mandatory eligible employee contributions, specifically any unused vacation balances due to the employee at the time of retirement will be rolled over into the PEHP.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista, that it hereby does adopt the First Amendment to MOU Between the City and MMPR Covering the Period of December 18, 2018 to June 30, 2020 Regarding Addition of a Post-Employment Health Plan (PEHP), a copy of which is on file in the City Clerk's Office.

Presented by

Approved as to form by

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Courtney Chase  
Director of Human Resources/Risk Management

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Glen R. Googins  
City Attorney