

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CHULA VISTA ADOPTING A POST-EMPLOYMENT HEALTH
PLAN FOR ELIGIBLE PUBLIC EMPLOYEES

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 expenses; 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 a Post-Employment Health Plan (PEHP) for eligible public employees.

Presented by

Approved as to form by

Courtney Chase
Director of Human Resources/Risk Management

Glen R. Googins
City Attorney