



City Attorney

 FILED
 OFFICE OF THE CITY CLERK
 OAKLAND
OAKLAND CITY COUNCIL

85 4 3 4

2015 MAR 31 PM 12:46

RESOLUTION No. _____ C.M.S.

Introduced by Councilmember _____

A RESOLUTION TO AUTHORIZING THE CITY ADMINISTRATOR OR DESIGNEE ESTABLISH AND IMPLEMENT A HEALTH REIMBURSEMENT ARRANGEMENT (HRA) WITH ICMA-RC THROUGH EXECUTION OF A PLAN IN SUBSTANTIALLY THE FORM OF THE VANTAGECARE RETIREMENT HEALTH SAVINGS (RHS) PLAN; AND, AUTHORIZING THE CITY ADMINISTRATOR OR DESIGNEE TO APPROVE ANY NECESSARY ADDITIONS, CHANGES AND MODIFICATIONS TO SUCH PLAN AND TO EXECUTE ALL RELATED DOCUMENTS AND AGREEMENTS REQUIRED TO IMPLEMENT THE HRA

WHEREAS, on July 1, 2014, the City Council approved a Memorandum of Understanding (MOU) with the International Association of Firefighters (IAFF) Local 55 for the period of July 1, 2014 through October 31, 2017 (the Agreement); and

WHEREAS, the labor agreement required the City of Oakland negotiate and implement a Health Reimbursement Arrangement (HRA) Medical Plan with the IAFF Local 55; and

WHEREAS, labor negotiations between the City of Oakland and IAFF Local 55 were reopened in the summer of 2014 to complete negotiations regarding establishment of an HRA; and

WHEREAS, an HRA Medical Plan is an Internal Revenue Service (IRS) approved employer health benefit plan that allows an employer to reimburse employees for approved medical expenses; and

WHEREAS, on December 17, 2014, the City Council adopted Resolution No. 85321 authorizing the City Administer to execute a contract with ICMA-RC to serve as Plan Administrator of the City's HRA medical plan pursuant to the MOU with IAFF Local 55; and

WHEREAS, ICMA-RC administers VantageCare RHS as an HRA plan that complies with the IRS HRA guidelines in that contributions qualify as employer contributions, assets are available only for health expenses, unused assets carry forward to subsequent years and the plan reimburses only the employee and qualified spouse or dependents; and

WHEREAS, the City has determined that the establishment of an HRA through execution of a plan in substantially in the form of the VantageCare RHS attached as Exhibit A to the staff report (the "Plan") serves the objectives of the July 1, 2014 MOU with IAFF Local 55; now, therefore, be it

RESOLVED, that the City Council authorizes the City Administrator or designee to establish and implement an HRA Plan in substantially the form of the ICMA Retirement Corporation's (ICMA-RC's) VantageCare Retirement Health Savings (RHS) program with such other additions, changes or modifications as the City Administrator or designee, upon consultation with the City Attorney, may require or approve; and be it

FURTHER RESOLVED, the City Administrator or his designee of the City is hereby authorized and directed to do any and all things they may deem necessary or advisable in order to consummate the establishment of the HRA herein authorized, and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including execution of the Declaration of Trust of the City of Oakland Integral Part Trust and all other required related documents and agreements, with approval as to form and legality by the City Attorney; and be it

FURTHER RESOLVED, that the assets of the Plan shall be held in trust, with the Wilmington Trust serving as trustee for the exclusive benefit of Plan participants and their survivors, and the assets of the Plan shall not be diverted to any other purpose prior to the satisfaction of all liabilities of the Plan; and be it

FURTHER RESOLVED, that the Director of Human Resources Management shall be the coordinator and contact for the Plan and shall receive necessary reports, notices, etc., and be it

FURTHER RESOLVED, that this Resolution shall take effect immediately upon its passage.

IN COUNCIL, OAKLAND, CALIFORNIA, March 3, 2015

PASSED BY THE FOLLOWING VOTE:

BROOKS, CAMPBELL-WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID,
AND COUNCIL PRESIDENT GIBSON MCELHANEY

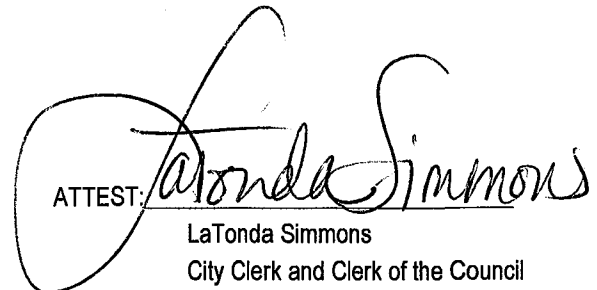
AYES- 8

NOES- 0

ABSENT- 0

ABSTENTION- 0

ATTEST:


LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California