

52



CITY OF SACRAMENTO

DEPARTMENT OF FINANCE

915 I STREET
ROOM 112

SACRAMENTO, CALIFORNIA 95814
TELEPHONE (916) 449-5736

July 12, 1984

FA:842219:Retirees(12)

JACK R. CRIST
DIRECTOR OF FINANCE

ROBERT C. LELAND
ASSISTANT DIRECTOR

City Council
Sacramento, California

Honorable Members in Session:

Subject: Adjustments to Current Retiree Benefit Program

FILED
By the City Council
Office of the City Clerk

SUMMARY

JUL 17 1984

The attached report responds to Councilperson Katanis's request that staff investigate available benefit adjustment options for current City retirees. This material is for Council information only; no action is recommended at this time.

BACKGROUND

On June 6, 1984, City voters had an opportunity to consider whether or not current City retirees should be given a cost of living increase over and above the formula currently outlined in the City Charter. The proposed charter amendment was defeated by the electorate. At that time, staff was directed to identify what alternatives the Council had for augmenting the existing retiree benefit program.

The City of Sacramento began to expand its retiree benefit program beginning in fiscal year 1977-78. A one-time health plan enrollment option was made available for all retired employees who were not participating in any healthcare program. In addition, a formula was adopted establishing 75% of the Blue Cross/Travelers Plan "B" premium as the contribution which would be given to all retirees. As part of the 1979-80 Final Budget, the City's contribution was increased to 100% of the Blue Cross/Travelers Plan "B" premium. For the most part the City contribution towards health care costs have either matched or exceeded actual premium costs over the last eight years:

TABLE 1
RETIREE COSTS VERSUS CITY CONTRIBUTIONS 1977-1985

Year	Basic Monthly Program Costs	Monthly City Contribution	Monthly Difference	% City Contribution
1977-78	\$ 28.60	\$ 21.45	(\$ 7.15)	75%
1978-79	31.58	23.69	(7.89)	75%
1979-80	28.98	28.98	0.00	100%
1980-81	28.98	28.98	0.00	100%
1981-82	33.72	33.72	0.00	100%
1982-83	43.54	43.54	0.00	100%
1983-84	42.98	48.98	6.00	114%
1984-85	48.94	48.98	.04	100%

ANALYSIS

The City Attorney has indicated that the City Council has no discretion with respect to increasing retiree cost-of-living benefits. The City Charter outlines the specific cost-of-living formula which is to be used in Section 379 as "...to the nearest one-tenth of one percent, the percentage of annual increase or decrease, if any, in the cost of living during the whole of the preceeding calendar year by reference to the current U.S. Department of Labor, Bureau of Labor Statistics Consumer Price Index for the San Francisco-Oakland area,... providing that such increase or decrease shall not exceed three percent of any allowance in any year, regardless of the percentage of change in cost of living,..." In addition, before the City Council can even vote to submit a change in its retirement contribution rates, the City Charter requires that an actuarial report be completed, outlining the effect of the proposed change on the system, its members, and the City.

The City of Sacramento has gradually increased its contribution toward retiree health benefit costs as shown on Table 1. Effective January 1, 1984, the City switched from the Blue Cross/Traveler's program to a more comprehensive Traveler's Plan, which provided the same benefits at a lower cost. Although the new monthly premiums were six dollars less than the City's contribution, staff recommended that the contribution be frozen at the same level. This suggestion was made because more than half of all City retirees pay additional out-of-pocket costs for health care coverage above the "Employee Only" level; the retention of the original contribution level prevented retirees from receiving a net decrease in their monthly pension checks. The City Council decided to freeze the City's share of health retirement contributions at the rate of \$48.98 until the costs of the proposed Travelers Plan II, "Employee Only" premium equaled, or exceeded that level. At such a time, the Travelers Plan II, "Employee Only" premium rate was to become the benchmark for city retiree contributions.

The new Travelers Plan II "Employee Only" rate, which became effective on July 1, 1984 is \$48.94 monthly. This rate more closely approximates the City's current monthly contribution for retiree health plans (\$48.98). Should the Council wish to grant any other retiree health care benefits, staff would recommend that such programs be analyzed to determine their total cost impact as stand-alone retiree packages. Since retiree health needs are often different from the majority of City employees' requirements, and retirees tend to more frequently utilize various healthcare services, incorporation of a retiree health program with other plans may increase the total City and employee required contributions for coverage on existing employees. The Employee Services Division of the Personnel Department would need to thoroughly evaluate the costs and benefits of such a change.

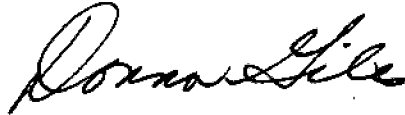
FINANCIAL

There is no related financial impact from this report.

RECOMMENDATION

This report is for Council information only. No action is recommended at this time.

Respectfully submitted,




DONNA GILES
Director of Personnel



JACK R. CRIST
Director of Finance

RECOMMENDATION APPROVED:



WALTER J. SLUPE
City Manager

All Districts
July 17, 1984

AMENDED

530

ORDINANCE NO. 84-074

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

ORDINANCE REZONING CERTAIN PROPERTY IN ALKALI FLAT ESTABLISHED BY COMPREHENSIVE ZONING ORDINANCE, NO. 2550, FOURTH SERIES, AS AMENDED AND DESCRIBED IN SECTION 1 (M84-010)

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

The attached exhibits describe by map (Exhibit A) and by Assessor's parcel number (Exhibit B) Alkali Flat properties and their existing zoning immediately prior to this ordinance as established by Ordinance No. 2550, Fourth Series, as amended. Exhibits A and B further designate the zones in which the properties are placed pursuant to this ordinance. The zones to which the properties are rezoned pursuant to this ordinance are shown on Exhibits A and B as "proposed zoning (zoning pursuant to this ordinance)".

SECTION 2.

The City Clerk of the City of Sacramento is hereby directed to amend the maps which are a part of said Ordinance No. 2550, Fourth Series, to conform to the provisions of this ordinance.

SECTION 3.

Rezoning of the property described in the attached Exhibits A and B by the adoption of this ordinance shall be deemed to be in compliance with the procedures for the rezoning of property described in Ordinance No. 2550, Fourth Series, as said premises have been affected by recent court decisions.

PASSED FOR PUBLICATION:

ENACTED:

EFFECTIVE:

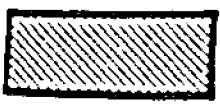
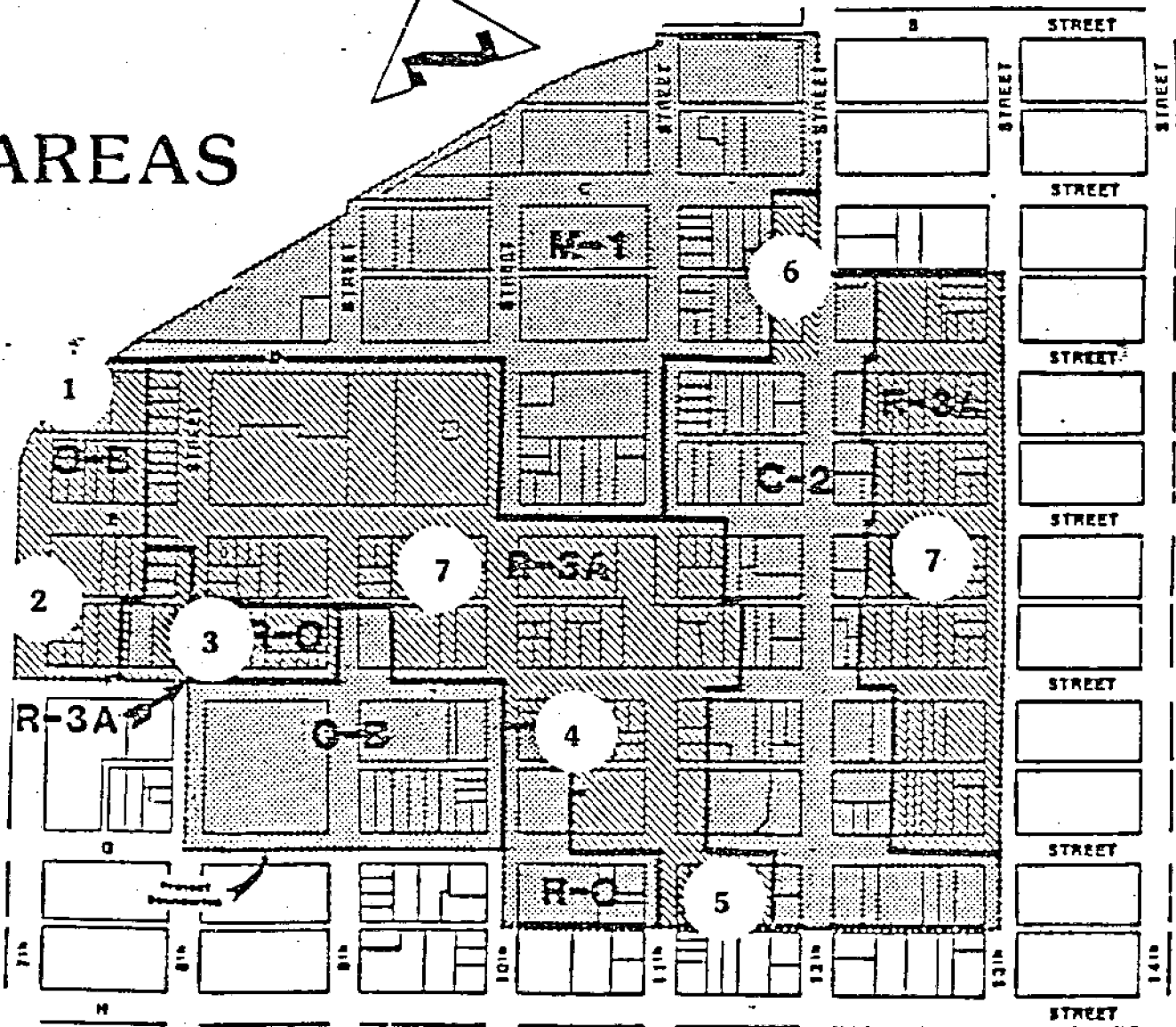
MAYOR

ATTEST:

CITY CLERK

MAP OF LAND USE/ZONING RECOMMENDATIONS

AREAS



INDICATES PARCELS TO BE REZONED.



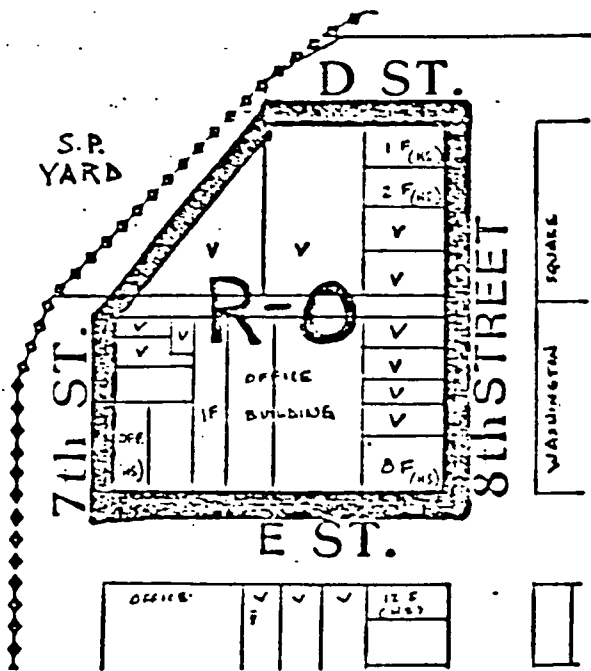
INDICATES NO CHANGE IN ZONING.

ALKALI FLAT
ZONING MAP

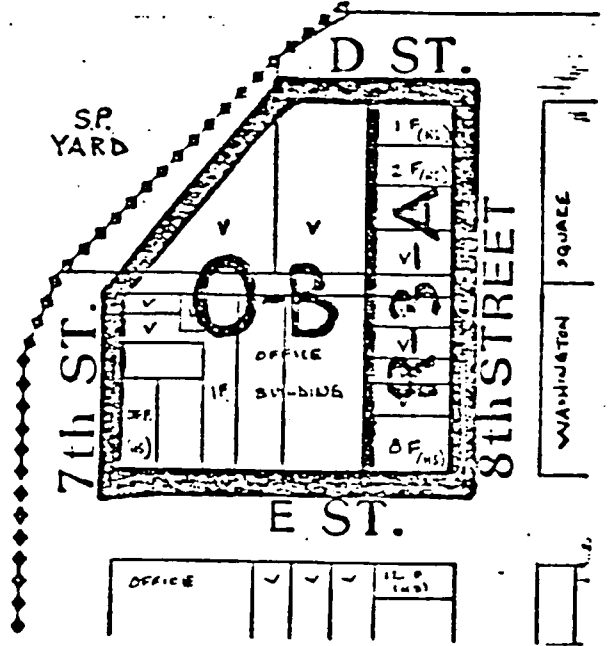
PROPOSED ZONING

AREA 1

EXISTING ZONING



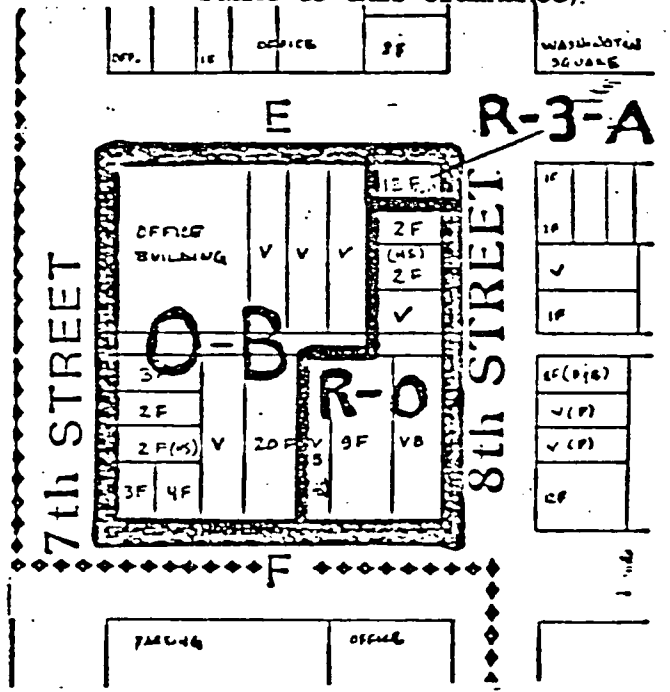
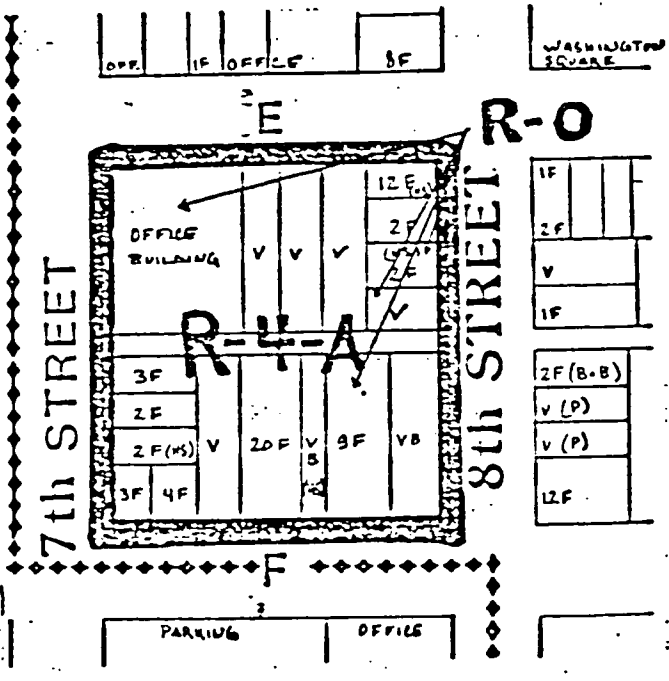
PROPOSED ZONING (Zoning pursuant to this ordinance)



AREA 2

EXISTING ZONING

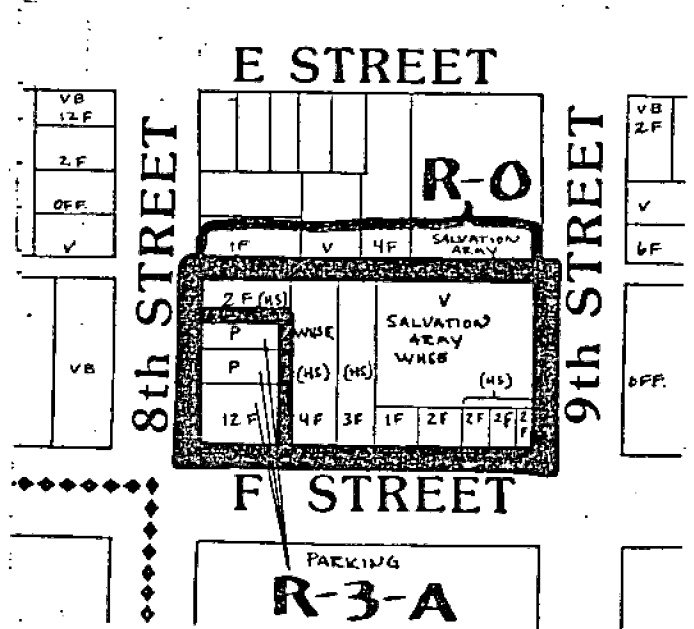
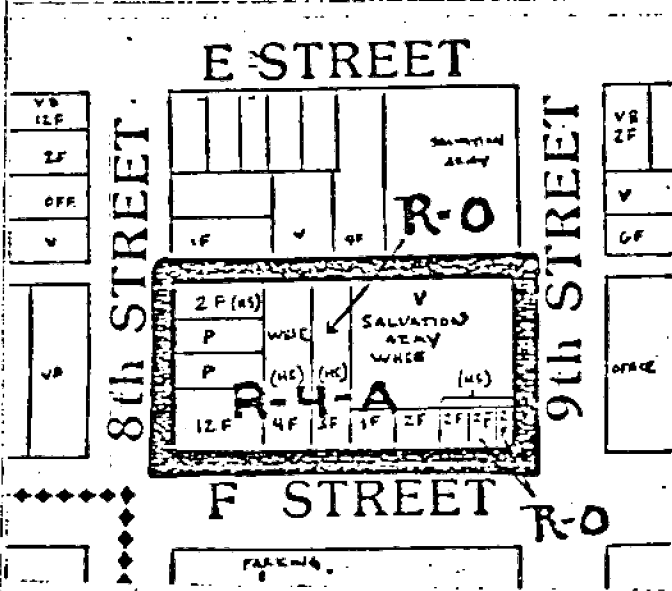
PROPOSED ZONING (Zoning pursuant to this ordinance).



AREA 3

EXISTING ZONING

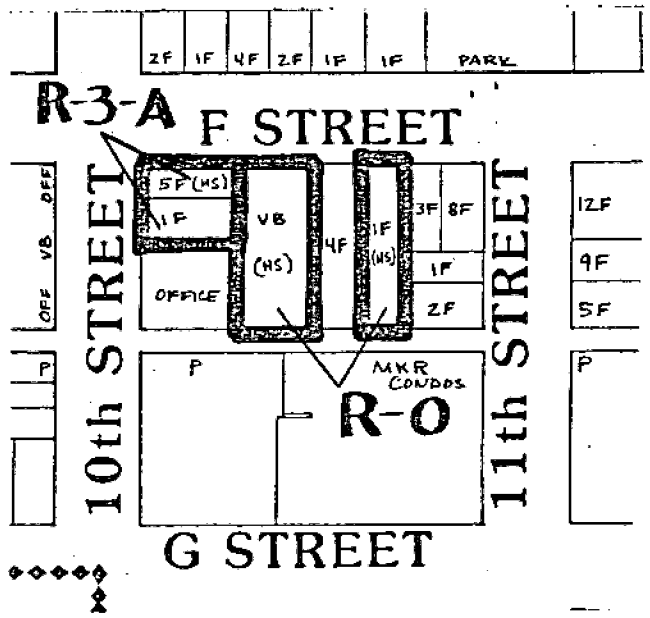
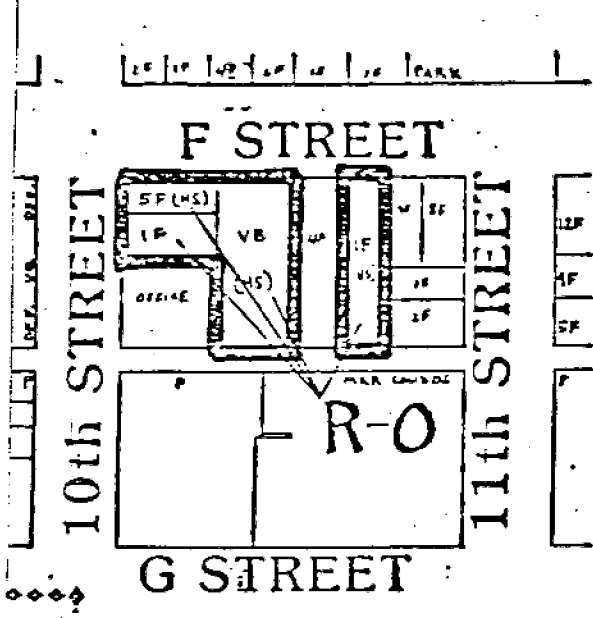
PROPOSED ZONING (Zoning pursuant to this ordinance)



AREA 4

EXISTING ZONING

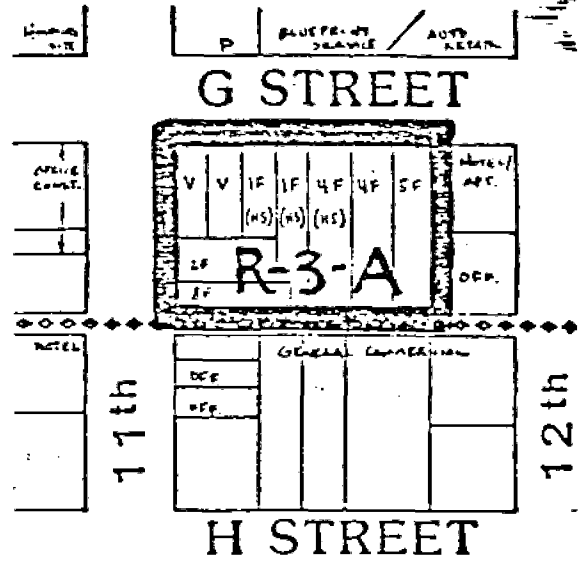
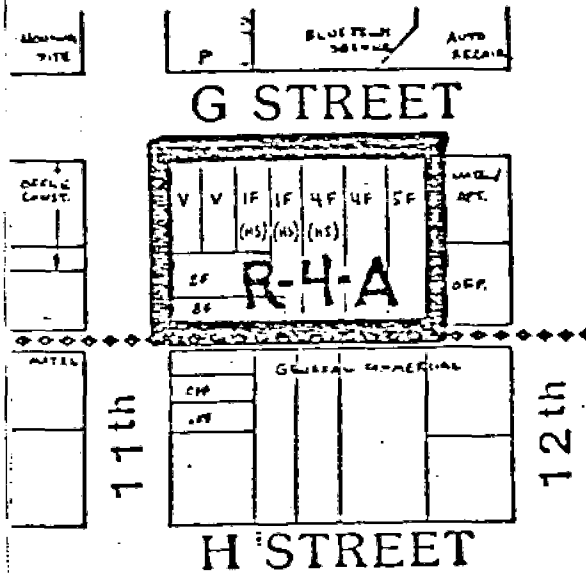
PROPOSED ZONING (Zoning pursuant to this ordinance)



AREA 5

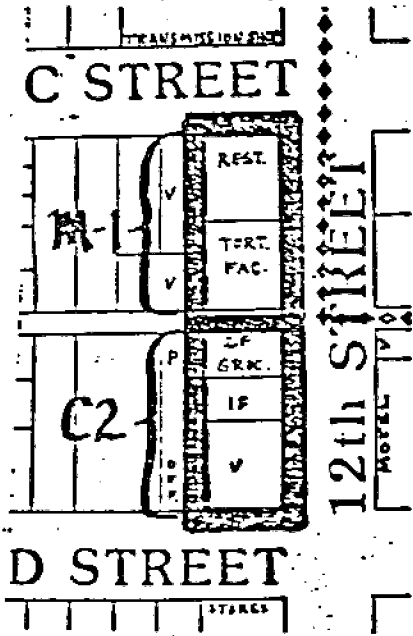
EXISTING ZONING

PROPOSED ZONING (Zoning pursuant to this ordinance)

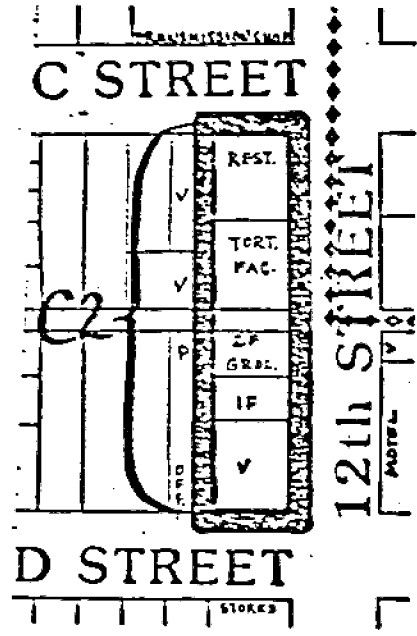


AREA 6

EXISTING ZONING



PROPOSED ZONING



AREA 6

(NO CHANGES PROPOSED)

AREA 7

EXISTING ZONING

PROPOSED ZONING (Zoning pursuant to this ordinance)

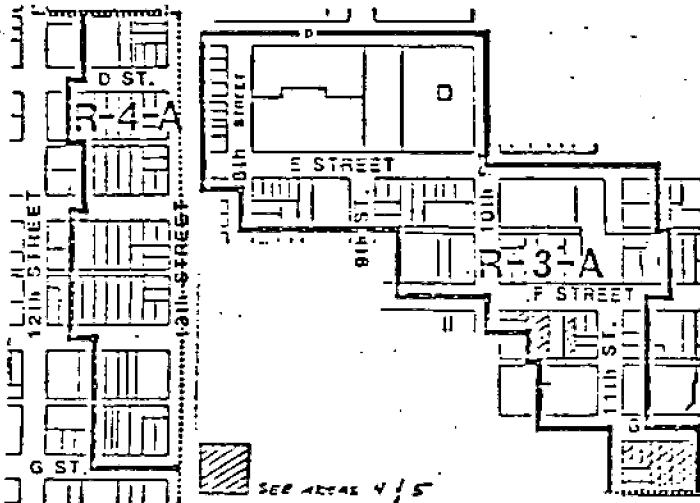
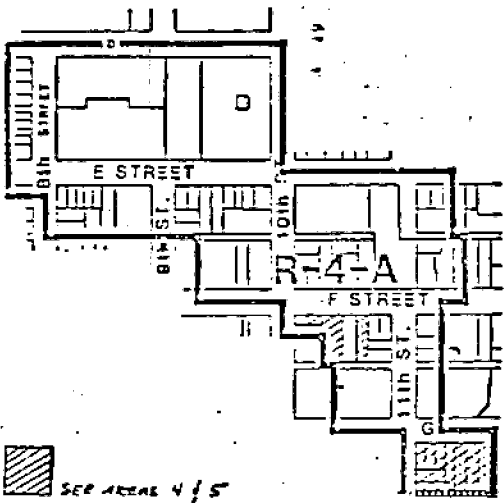


EXHIBIT B

<u>AREA</u>	<u>APN</u>	<u>PROPOSED ZONING</u>
1	002-101-1,11-19 002-101-2-10	O-B R-3-A
2	002-102-7 002-102-8,11-13,22 002-102-3-6,14-21	R-3-A R-O O-B
3	002-104-20,21,23,24 002-104-11,14-18,22,25	R-3-A R-O
4	002-153-4,6 002-153-2,3	R-O R-3-A
5	002-156-2-6,8-10,23	R-3-A
6	002-075-11,14-16,24	No Change
7	002-103-14,16; 002-104-1-10; 002-111-28,30,32; 002-112-1-7, 10-17,25,26,28; 002-116-1-5,16, 20-23,32-42,47-52; 002-121-02, 03,06-20,28; 002-122-03,06-22, 26-29; 002-082-05-08,10,19-21; 002-161-03-06,09-16,21; 002-155-02,03,22,25; 002-153-1, 5,7-10,23,24	R-3-A



CITY OF SACRAMENTO

OFFICE OF THE CITY CLERK

915 I STREET
CITY HALL ROOM 203

SACRAMENTO, CALIFORNIA 95814
TELEPHONE (916) 449-5428

LORRAINE MAGANA
CITY CLERK


August 16, 1984

Sacramento County Recorder
901 G Street, Room 144
Sacramento, CA 95814

Gentlemen:

Transmitted herewith is a certified copy of Ordinance No. 84-073 adopted by the City Council of the City of Sacramento on July 17, 1984, and effective on August 16, 1984. Said Ordinance approves and adopts an Amendment to the Redevelopment Plan for the Alkali Flat Redevelopment Project and provides in Section 8 thereof that, upon receipt hereof, the Agency is vested with the responsibility for carrying out said amendment.

Sincerely,


Lorraine Magana
City Clerk

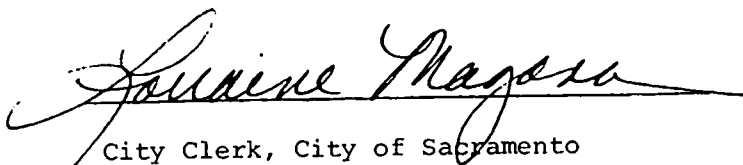
cc: Sacramento Housing and Redevelopment Agency

NOTICE IS HEREBY GIVEN that the City Council of the City of Sacramento adopted Ordinance No. 84-073 on July 17, 1984, approving and adopting an Amendment to the Redevelopment Plan for the Alkali Flat Redevelopment Project.

Proceedings for the redevelopment of the Project Area, pursuant to the Amendment, have been instituted under the California Community Redevelopment Law.

Filed for recordation with the County Recorder of Sacramento County by order of the City Council of the City of Sacramento, California.

Dated: August 16, 1984


City Clerk, City of Sacramento

cc: Sacramento Housing and Redevelopment Agency

(Model Transmittal letter for Ordinance)

Redevelopment Agency of the
City of Sacramento
630 I Street
Sacramento, CA 95814

RECEIVED
CITY CLERKS OFFICE
CITY OF SACRAMENTO
JUL 31 1 24 PM '84

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Dated: _____, 1984.

Lucille Nagano
City Clerk, City of Sacramento

Enclosure