

## STAFF REPORT

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**Date:** November 8, 2017

**To:** Mayor and City Council

**Thru:** Sabra Newby, City Manager

**Subject:** H.2. Staff Report (For Possible Action): Resolution No. \_\_\_\_\_ Resolution adopting the Vantagecare Retiree Health Savings Program for Members of the Reno Police Protective Association, administered by the ICMA Retirement Corporation.

**From:** Mande Bowler, Labor Relations Program Manager

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**Summary:** The City of Reno is planning to adopt a Vantage Care Retiree Health Savings (RHS) Program through ICMA-RC for Reno Police Protective Association (RPPA) members.

**Discussion:** Retired members of the RPPA will have the ability to utilize the RHS for qualified medical expenses, including Medicare Part A, Part B, and Part D premiums. The City of Reno will fund this RHS according to the provisions of the RPPA Collective Bargaining Agreement (CBA), Article 22 revision, as negotiated by the City and the RPPA and memorialized by a tentative agreement signed October 19, 2017. The resulting amendment to Article 22 is another agenda item before Council at today's meeting.

The pertinent contractual language is as follows:

*All retired members, at eligible Medicare age and older, will be provided with access to a Retiree Health Account (RHA) by the City of Reno. The RHA will be administered per the City of Reno's Retiree Health Account Plan Document through ICMA-RC's Vantage Care Program and the Federal regulations set forth by the IRS.*

The proposed resolution adopting the RHS Program comes at the request of the administrator named in the collective bargaining agreement, ICMA-RC, in order for this program to be set up, funded, and implemented.

Staff is requesting that Council approve the Resolution.

**Financial Implications:** Cost is approximately \$20,000 for the period of January 1, 2018

through December 31, 2018. The premium is estimated to be offset with savings in claims payments. The funding is available in the Self-Funded Medical Funds.

**Legal Implications:** Legal review completed for compliance with City procedures and Nevada Law.

**Recommendation:** Staff recommends Council adopt Resolution No. \_\_\_\_\_.

**Proposed Motion:** I move to adopt Resolution No. \_\_\_\_\_.

**Attachments:**

- 6-29-17 Executed RHA Adoption Booklet (PDF)

**RESOLUTION NO.**

**RESOLUTION ADOPTING THE VANTAGECARE  
RETIREE HEALTH SAVINGS PROGRAM FOR  
MEMBERS OF THE RENO POLICE PROTECTIVE  
ASSOCIATION, ADMINISTERED BY THE ICMA  
RETIREMENT CORPORATION.**

**WHEREAS**, the establishment of a retiree health savings program (the “RHS Program”) for the members of the Reno Police Protective Association serves the interests of the City by enabling it to provide reasonable security regarding employees’ health needs during retirement, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

**WHEREAS**, the City of Reno has determined that the establishment of the RHS Program serves these objectives; and

**WHEREAS**, on November 8, 2017, the Reno City Council approved an amendment to the collective bargaining agreement between the City and the Reno Police Protective Association for the period of July 1, 2016 through June 30, 2019, which included the establishment of the RHS Program;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Reno as follows:

**Section 1.** The City of Reno hereby adopts the ICMA Retirement Corporation’s VantageCare Retirement Health Savings Program through the City of Reno’s integral part trust (“Trust”) and the City of Reno’s welfare benefits plan (the “Plan”).

**Section 2.** The assets of the Plan shall be held in trust, with Jill Olsen, Interim Finance Director of the City of Reno, or her successor(s) in such position, 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. The City of Reno has executed the Declaration of Trust of the City of Reno Integral Part Trust in the form of the sample trust made available by the ICMA Retirement Corporation.

**Section 3.** The Human Resources Director of the City of Reno shall be the coordinator and contact for the Program and shall receive necessary reports, notices, etc.

Upon motion by Councilmember \_\_\_\_\_, and seconded by Councilmember

\_\_\_\_\_, the foregoing Resolution was passed and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by the following vote of the Council:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_ ABSENT: \_\_\_\_\_

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
HILLARY SCHIEVE  
MAYOR

ATTEST:

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ASHLEY D. TURNEY  
CITY CLERK