

(R-86-464)

RESOLUTION NUMBER R- **264171**

ADOPTED ON **SEP 30 1985**

WHEREAS, at the Rules Committee meeting of August 12, 1985, the City Manager was directed to provide information on the cost impact of the pending federal budget compromise which would require (1) all City employees to be covered by Medicare, and (2) all City employees hired after December 31, 1985, to be covered by Social Security; and

WHEREAS, one feature of the compromise would require all City employees to participate in Medicare and the total cost to the City would be approximately \$3,250,000 annually; and

WHEREAS, if the Medicare legislation only applied to employees hired after December 31, 1985, the additional cost to the City in Fiscal Year 1986 would be approximately \$75,000 and would eventually increase to \$3.25 million in current year dollars when all employees are covered; and

WHEREAS, the second part of the compromise would require all City employees hired after December 31, 1985, to participate in Social Security; and

WHEREAS, the City contribution rate to Social Security would be 7.15% of payroll which is less than the 7.5% contribution to Supplemental Pension Savings Plan and, although the return to Social Security would save the City approximately \$500,000 annually, this savings only applies to general City employees; and

WHEREAS, the cost of adding Social Security for Safety Members would be approximately \$60,000 in Fiscal Year 1986 and the long term cost when all Safety employees were covered would be \$6.5 million in current dollars; and

WHEREAS, it has been recommended by the City Manager to register opposition to said compromise budget bill (see City Manager Report No. 85-445, dated September 5, 1985); and

WHEREAS, in addition to the fiscal impact, there are strong philosophical reasons for opposing the Medicare/Social Security legislation since this tax increase for City employees will not be applied to reduce the federal government's general fund deficit; and

WHEREAS, this legislation also represents another unnecessary interference by the federal government in the internal affairs of local governments and, furthermore, the Social Security System was recently subject to a comprehensive review by a Presidential task force which did not see a need to extend this legislation to state and local government employees; and

WHEREAS, the Rules Committee considered said City Manager Report No. 85-445 and the recommendations contained therein; and

WHEREAS, the Rules Committee approved and adopted, by a 3-0 vote, said recommendation to oppose the compromise budget bill provisions and now forwards the matter to the full Council for appropriate action thereon; NOW, THEREFORE,

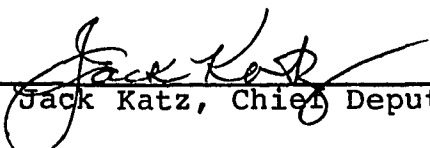
BE IT RESOLVED, by the Council of The City of San Diego, that the recommendations set forth in City Manager Report No. 85-445, dated September 5, 1985, as approved and adopted by the Rules

Committee on September 9, 1985, to oppose legislation mandating participation in Social Security and Medicare by local government employees be and the same is hereby approved and adopted.

BE IT FURTHER RESOLVED, that the Director of Intergovernmental Relations is hereby directed to take and implement action consistent with the decision of the Council.

APPROVED: JOHN W. WITT, City Attorney

By


Jack Katz, Chief Deputy

JK:smm
9/20/85
Or.Dept:Rules
R-86-464
Form=r.none

5401

SEP 30 1985

Passed and adopted by the Council of The City of San Diego on _____,
by the following vote:

Councilmen	Yeas	Nays	Not Present	Ineligible
Bill Mitchell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bill Cleator	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gloria McColl	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
William Jones	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Struiksma	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mike Gotch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
District 7 - vacant	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Uvaldo Martinez	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mayor Roger Hedgecock	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

ROGER HEDGECOCK

Mayor of The City of San Diego, California.

(Seal)

CHARLES G. ABDELNOUR

City Clerk of The City of San Diego, California.

By Manuel G. Fontenot, Deputy.

Office of the City Clerk, San Diego, California

Resolution
Number

R-264171

Adopted

SEP 30 1985

RECEIVED
CITY CLERK'S OFFICE
1985 SEP 24 AM 11: 06
SAN DIEGO, CALIF.

02100