



Request for City Council Committee Action from the Department of City Attorney, Finance & Property Services, Human Resources

Date: September 11, 2014

To: The Honorable Council Vice President Elizabeth Glidden
Chair, Committee of the Whole

Referral to: City Council

Subject: Amendment to Title 16, Chapter 420 of the Minneapolis Code of Ordinances

Recommendation: Approval of amendment to Title 16, Chapter 420 of the Minneapolis Code of Ordinance relating to Planning and Development: Public Housing Authority

Previous Directives:

- May 9, 2014 City Council resolution to implement single employer, employee benefit plans effective January 1, 2015.
- May 23, 2014 motion by CM Glidden authorizing proper City officers to execute a cooperative service agreement with Minneapolis Public Housing (MPHA) allowing MPHA to secure benefit consulting services with the City's benefits consulting firm, Ahmann & Martin Company, for an estimated amount not-to-exceed \$75,000.

Department Information

Prepared by: Sandra Christensen, Deputy City Finance Officer
Susan Trammell, Assistant City Attorney
Joyce Traver, Manager Benefits Administration

Approved by: Kevin Carpenter, City Finance Officer
Patience Ferguson, Chief Human Resource Officer
Susan Segal, City Attorney
Spencer Cronk, City Coordinator

Presenters in Committee: Sandra Christensen, Joyce Traver

Financial Impact

- No financial impact

Supporting Information

Title 16, Chapter 420 of the Minneapolis Code of Ordinance relates to the City's continued relationship between the MPHA and the City when MPHA became a separate entity. It outlines a number of potential shared support activities.

The proposed amendment eliminates references to non-existent relationships and support activities. It also defines the authority of MPHA following its transition to separate benefit

plans and payroll administration and outlines the remaining relationship with the City for housing unit rehabilitation.

The changes coincide with MPHA's transition to single employer benefit plans and payroll administration, recognizes the current relationship with the City, and clarifies the extent of the City's continuing obligations to MPHA.

In May, the City approved transitioning to single employer benefit plans and evaluating the possibility of moving towards a self-insured medical plan. The City's decision to move to single employer plans was necessary to be in legal compliance with applicable state and federal benefit requirements. As a result, certain entities (including MPHA) are required to move to their own benefit plans.

These actions ensure that the City benefit plans are legally compliant with:

- Minnesota law related to self-insurance pools for medical, dental and flexible spending accounts.
- The Affordable Care Act's employer responsibility provisions and regulations regarding notifications and reporting requirements.
- The Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and the Health Information Technology for Education and Clinical Health Act ("HITECH"), and any corresponding regulations.

With support from the City, MPHA is on schedule to transition to its own single employer benefits plans effective January 1, 2015.

The recommended amendment to Title 16 of Chapter 420 aligns the ordinance with the new relationship with MPHA.