

REPORT TO CITY COUNCIL

DATE: SEPTEMBER 10, 2008

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER

BY: NATHAN HAMBURGER, ASSISTANT CITY MANAGER
CELESTE BIRD, ADMINISTRATIVE ANALYST

SUBJECT: APPROVAL OF RESOLUTION NO. 08-1499 AND RESOLUTION NO. 08-1500 FIXING THE EMPLOYER'S CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT.

In May of this year, the City Council approved Resolution Nos. 08-1478 and 08-1479 fixing the employer's contribution for both a local agency and a special district, under the Public Employees' Medical and Hospital Care Act, at an amount not less than the amount required under Government Code Section 22892(b)(1) of the Act, which at the time was \$97.00. Effective January 1, 2009, the required amount under Government Code Section 22892(b)(1) will increase to \$101.00, and will increase annually thereafter.

These resolutions provided a means for the City to look at a variety of options to address the financial liabilities derived from the GASB 43 and 45 reports by establishing a framework for more flexibility in the City's benefit plan. These options would not have been available under the previous benefit plan structure.

The purpose of this report is to submit for Council approval Resolution No. 08-1499 and Resolution No. 08-1500 that will not only reflect the new PEMHCA minimum contribution amount effective January 1, 2009, but will contain wording that will reflect all future increases to the amount required under Government Code Section 22892(b)(1), thereby eliminating the need to resubmit numerous resolutions annually. Since this increase was budgeted for in the FY 2008-2009 budget, there will be no additional financial costs to the City.

RECOMMENDATION

It is respectfully recommended the City Council approve Resolution No. 08-1499 and Resolution No. 08-1500, effective January 1, 2009 fixing the employer's contribution under the Public Employees' Medical and Health Care Act to the statutory minimum amount required under Government Code Section 22892(b)(1).

Attachments: Resolution No. 08-1499
Resolution No. 08-1500

RESOLUTION NO. 08-1499

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AGOURA HILLS, CALIFORNIA, FIXING THE EMPLOYER'S CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT FOR A SPECIAL DISTRICT

THE CITY COUNCIL OF THE CITY OF AGOURA HILLS HEREBY FINDS, RESOLVES, AND ORDERS AS FOLLOWS:

SECTION 1. Government Code Section 22892(a) provides that a contracting agency or Special District (Councilmembers) under the Public Employees' Medical and Hospital Care Act shall fix the amount of the employer's contribution at an amount not less than the amount required under Section 22892(b) of the Act, and

SECTION 2. The City of Agoura Hills is a special district contracting under the Act;

SECTION 3. The employer's contribution for each employee or annuitant shall be the amount necessary to pay the cost of his/her enrollment, including the enrollment of his/her family members, in a health benefit plan, at an amount not less than the current minimum amount required under Section 22892(b)(1) per month, plus administrative fees and Contingency Reserve Fund assessments. This amount will be automatically adjusted by CalPERS each time the amount required under Section 22892(b)(1) changes.

PASSED, APPROVED, AND ADOPTED on this 10th day of September, 2008 by the following vote to wit:

AYES: ()
NOES: ()
ABSTAIN ()
ABSENT ()

John M. Edelston, Mayor

ATTEST:

Kimberly M. Rodrigues, City Clerk

RESOLUTION NO. 08-1500

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AGOURA HILLS, CALIFORNIA, FIXING THE EMPLOYER'S CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT FOR A LOCAL AGENCY

THE CITY COUNCIL OF THE CITY OF AGOURA HILLS HEREBY FINDS, RESOLVES, AND ORDERS AS FOLLOWS:

SECTION 1. Government Code Section 22892(a) provides that a local agency contracting under the Public Employees' Medical and Hospital Care Act shall fix the amount of the employer's contribution at an amount not less than the amount required under Section 22892(b)(1) of the Act, and

SECTION 2. The City of Agoura Hills is a local agency contracting under the Act;

SECTION 3. The employer's contribution for each employee or annuitant shall be the amount necessary to pay the cost of his/her enrollment, including the enrollment of his/her family members, in a health benefit plan, at an amount not less than the current minimum amount required under Section 22892(b)(1) per month, plus administrative fees and Contingency Reserve Fund assessments. This amount will be automatically adjusted by CalPERS each time the amount required under Section 22892(b)(1) changes.

PASSED, APPROVED, AND ADOPTED on the 10th day of September, 2008 by the following vote to wit:

AYES: ()
NOES: ()
ABSTAIN: ()
ABSENT: ()

John M. Edelston, Mayor

ATTEST

Kimberly M. Rodrigues, City Clerk