

**ROSS VALLEY FIRE DEPARTMENT  
STAFF REPORT**

For the meeting of: September 11, 2013

To: Board of Directors

From:  Roger Meagor, Fire Chief

Subject: A Resolution of the Ross Valley Fire Department Fixing the Employers  
Contribution under the Public Employee's Medical and Hospital Care Act  
(PEMHCA)

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**RECOMMENDATION:**

That the Board adopts Resolution 13-08, a resolution of the Ross Valley Fire Department fixing the employers contribution under the Public Employee's Medical and Hospital Care Act (PEMHCA)

**DISCUSSION:**

The Ross Valley Fire Department provides medical benefit coverage to its employees through the California Public Employees Retirement System (CalPERS) under the Public Employees' Medical and Hospital Care Act (PEMCHA). Under PEMCHA, CalPERS provides access to medical benefit coverage for the Department's active and retired employees. PEMCHA requires the Department to adopt and submit to CalPERS a resolution clarifying the "fixed" or minimum contribution the Department's must make toward active and retired employees premiums. A minimum fixed contribution is prescribed by Government Code Section 22892(b).

In April, the Department and its employee units agreed to a second tier retiree medical benefit for new employees. The current PEMCHA resolution does not afford the Department appropriate flexibility to administer this tiered system in conformance with CalPERS rules.

It is important to distinguish the PEMCHA minimum contribution from the total employer contribution agreed to by the Department and employees in the Memorandum of Understanding (MOU) for each employee unit. Adoption of the attached resolution does not change the contractual agreement between the Department and its employees to provide retiree medical coverage in the manner and to the levels described in the MOUs. In the first calendar month after CalPERS receives the approved resolution, CalPERS will consider Ross Valley Fire to be making two contributions for each employee and retiree: the minimum fixed contribution prescribed by Government Code Section 22892(b) and the additional contribution identified within the MOUs.

**FISCAL IMPACT:**

None

Attachment: Resolution 13-08

AGENDA ITEM # 6

Date 9/11/13

**ROSS VALLEY FIRE DEPARTMENT**

**RESOLUTION 13-08**

**RESOLUTION OF THE ROSS VALLEY FIRE DEPARTMENT FIXING  
THE EMPLOYER'S CONTRIBUTION UNDER THE  
PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT**

- WHEREAS, (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) of the Act, and
- WHEREAS, (2) Government Code Section 22892(c) provides that a contracting agency may fix the amount of the employer's contribution for employees and the employer's contribution for annuitants at different amounts, provided that the monthly contribution for annuitants is annually increased to equal an amount not less than the number of years the contracting agency has been subject to this subdivision multiplied by 5 percent of the current monthly contribution for employees, until such time as the amounts are equal; and
- WHEREAS, (3) Ross Valley Fire Department hereinafter referred to as Public Agency is local agency contracting under the Act; now, therefore be it
- RESOLVED, (a) That the employer's contribution for each employee shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members in a health benefits plan or plans up to a maximum of \$115.00 per month with respect to employee enrolled for self alone, \$115.00 per month for an employee enrolled for self and one family member, and \$115.00 per month for an employee enrolled for self and two or more family members per month, plus administrative fees and Contingency Reserve Fund Assessments; and be it further
- RESOLVED, (b) That the employer's contribution for each annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of his/her family members in a health benefits plan up to a maximum of \$115.00 per month with respect to employee enrolled for self alone, \$115.00 per month for an employee enrolled for self and one family member, and \$115.00 per month for an employee enrolled for self and two or more family members, plus administrative fees and Contingency Reserve Fund Assessments; and be it further
- RESOLVED, (c) That Ross Valley Fire Department has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above.

I do hereby certify that the foregoing resolution was duly passed and adopted at a meeting of the Ross Valley Fire Department Board of Directors held on the 11<sup>th</sup> day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

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Jeff Kroot, Board President

ATTEST:

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JoAnne Lewis, Administrative Assistant