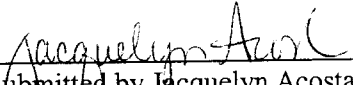


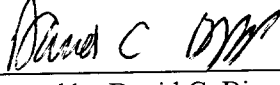


City of Carson Report to Mayor and City Council

November 15, 2011
New Business Consent

SUBJECT: CONSIDERATION OF RESOLUTION NO. 11-122 FIXING THE EMPLOYER'S CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT


Submitted by Jacquelyn Acosta
Administrative Services General Manager


Approved by David C. Biggs
City Manager

I. SUMMARY

This resolution (Exhibit No. 1) being presented to the City Council for adoption is required by the California Public Employees' Retirement System (CalPERS) in order to amend the city's monthly health insurance allowance for city employees and annuitants covered by bargaining units or unrepresented groups.

II. RECOMMENDATION

WAIVE further reading and ADOPT Resolution No. 11-122, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, FIXING THE EMPLOYER'S CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT (PEMHCA)."

III. ALTERNATIVES

None. This item has been negotiated as part of the current multi-year agreements with the various bargaining units.

IV. BACKGROUND

The city's current Memoranda of Understanding (MOU) with the following represented bargaining units - the Association of Management Employees (AME), the Association of Confidential Employees (ACE), the Supervisors Association, and the Professional Association, state that effective January 1, 2012, the city shall pay the medical premium increase of the highest full-family HMO rate up to one thousand four hundred dollars (\$1,400.00) monthly allowance. The highest HMO premium in the Los Angeles service area is Blue Shield HMO.

Therefore, to comply with the current MOUs of the above-named bargaining units, the city will be providing a monthly health insurance allowance of \$1,333.00 per full-time employee (with a cafeteria limit of \$155.00 per month for employee-only coverage and \$144.00 per month for employee plus one dependent). The \$1,333.00 monthly health insurance allowance will also be provided to annuitants within the AME, ACE, Supervisors and Professionals bargaining units.

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Per the July 1, 2010 through June 30, 2013, American Federation of State, County, and Municipal Employees (AFSCME) Union’s Memorandum of Understanding, the city and the union reopened discussions regarding the monthly medical insurance allowance. At this time, no agreement has been reached. Consequently, the monthly health insurance allowance provided to AFSCME full-time employees and annuitants will remain at \$1,110.00 (with a cafeteria limit of \$155.00 per month for employee-only coverage and \$144.00 per month for employee plus one dependent). The monthly health insurance allowance of \$1,110.00 will also remain as the amount provided to the Mayor and City Council, the City Clerk and City Treasurer, the Unclassified Management Employees, and the annuitants within these unrepresented groups.

In addition, the minimum amount to be contributed by the city for each eligible part-time employee that meets the CalPERS membership requirements and elects to participate in the medical coverage has increased from \$108.00 to \$112.00 per month.

CalPERS law requires that the employer’s contribution specified in the resolution shall be effective on the first day of the second month following the month in which the Council resolution is filed with the CalPERS’ Board of Administration. Thus, the new employer contribution for the health insurance allowance for all affected employees will become effective January 1, 2012.

V. FISCAL IMPACT

None. The funding for the estimated monthly health insurance allowance increase was included in the adopted FY 2011/12 budget.

VI. EXHIBITS

- 1. Resolution No. 11-122. (pg. 4)

Document10

Prepared by: Duane Munson, Human Resources Officer

TO:Rev091911

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Development Services
Economic Development	Public Services

Action taken by City Council	
Date _____	Action _____
_____	_____

RESOLUTION NO. 11-122

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, FIXING THE EMPLOYER'S CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT (PEMHCA)

WHEREAS, Government Code Section 22892(a) provides that a local agency contracting under the Public Employees' Medical and Hospital Care Act (PEMHCA) 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

WHEREAS, the City of Carson, California, is a local agency contracting under the Act.

NOW, THEREFORE, the City Council of the city of Carson does hereby resolve, find, determine and order as follows:

Section 1. That the employer's contribution for each employee or annuitant 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 up to a maximum of:

<u>Code</u>	<u>Bargaining Unit</u>	<u>Contribution per Month</u>
01	Supervisors Association	\$1,333.00
02	Association of Management Employees	\$1,333.00
06	Association of Confidential Employees	\$1,333.00
08	Professional Association	\$1,333.00
09	Unclassified-AFSCME-Represented	\$ 112.00
10	Unclassified-Non-Represented	\$ 112.00

Plus administrative fees and Contingency Fund assessments.

Section 2. That the city of Carson has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above.

PASSED, APPROVED and ADOPTED this ____ day of November, 2011.

Mayor Jim Dear

ATTEST:

City Clerk Helen S. Kawagoe, MMC

APPROVED AS TO FORM:

City Attorney William Wynder

