



Yolo County Housing

Lisa A. Baker, Executive Director

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BOARD OF COMMISSIONERS

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DATE: January 13, 2011
TO: YCH Board of Commissioners
FROM: Lisa A. Baker, Executive Director
PREPARED BY: Janis Holt, Resource Administrator
SUBJECT: **REVIEW AND APPROVE REVISED PEMCHA RESOLUTION TO INCREASE EMPLOYER PAID CONTRIBUTIONS TO HEALTH BENEFITS**

RECOMMENDED ACTIONS:

1. That the Board of Commissioners review, approve and adopt the revised Resolution to increase Employer Contributions under PEMCHA; and
2. Authorize the Executive Director to notify CalPERS.

BACKGROUND / DISCUSSION

In 2007, YCH instituted a cafeteria benefit plan for active employees. Under the cafeteria benefit plan, employees receive a monthly amount to put towards the cost of medical, dental and vision insurance as follows:

- a. Employee only: \$590.00
- b. Employee plus one dependent: \$1,000.00
- c. Employee plus family: \$1,305.00

On October 14, 2010, the Board approved the Collective Bargaining Agreements (CBA's) for the General Unit and Management Unit which included the following provision:

Stop loss. If during the term of this agreement, the cost of the least expensive medical insurance for a family offered shall exceed the cafeteria plan amount set forth herein by more than \$10.00 per month, the Agency shall increase the cafeteria amount by an amount not to exceed \$100.00 per month to meet the increased cost of the cafeteria plan and limit the employees share of any increase to \$10.00 per month unless and until the amount paid by the Agency to meet such increased cost shall reach \$100.00 per month per employee.

Effective January 1, 2011, the least expensive medical insurance cost increased the cafeteria amount in each category of coverage as follows:

- a. Employee only: \$590.00
- b. Employee plus one dependent: \$1,100.00
- c. Employee plus family: \$1,405.00

Because a change occurred in the calculation of the employer's contributions, Yolo County Housing is required to submit a revised resolution to CalPERS. YCH staff contacted the CalPERS Contracts and Resolutions Department for guidance on the appropriate template to change the specified amounts of the employer contributions and advised YCH of the appropriate resolution language.

YCH needs to notify CalPERS of the change to the employer contributions in accordance with our health benefits contract to assure that the accurate amounts are applied to our account.

FISCAL IMPACT

The increase in employer contributions was already budgeted. There will be no further fiscal impact at this time.

CONCLUSION

Staff recommends that the Board approve the revised Resolution for Employer Contributions under the Public Employees' Medical and Hospital Care Act (PEMCHA) to assure accurate employer contributions are applied to medical benefits.

Attachment: Resolution

**YOLO COUNTY HOUSING
RESOLUTION NO. _____**

**Resolution Revising Employer's Contribution Under the Public Employees'
Medical and Hospital Care Act (PEMCHA)**

WHEREAS, Government Code Section 22892(a) provides that a local agency contracting under the Public Employees' Medical and Hospital Care Act (PEMCHA) 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, Government Code 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, **Yolo County Housing** hereinafter referred to as Public Agency is the local agency contracting under the Act.

NOW, THEREFORE, BE IT RESOLVED:

- I. 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 his/her family members in a health benefits plan up to a maximum of:

CODE	BARGAINING UNIT	CONTRIBUTION PER MONTH		
		1-Party	2-Party	Family
001	GENERAL	\$590	\$1,100	\$1,405
002	MANAGEMENT	\$590	\$1,100	\$1,405

Plus administrative fees and contingency Fund Assessments; and

- II. That **Yolo County Housing** has fully complied with any and all applicable provisions of Government code Section 7507 in electing the benefits set forth above.

PASSED AND ADOPTED, by the Board of Commissioners of the Housing Authority of the County of Yolo, State of California, this 13th day of January, 2011 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Chair
Board of Commissioners of the
Housing Authority of the County of Yolo

Approved as to Form:

Sonia Cortés, Agency Counsel

Attest:

Julie Dachtler, Clerk
Board of Commissioners of the
Housing Authority of the County of Yolo

By _____
Deputy