



CITY OF HAYWARD

Hayward City Hall
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Cover Memo

File #: CONS 15-305, **Version:** 1

DATE: November 17, 2015

TO: Mayor and City Council

FROM: Director of Human Resources

SUBJECT

Resolution Establishing the City Contribution for Active and Retiree Medical Premiums Set by the California Public Employee Retirement System (CalPERS) for Calendar Year 2016 pursuant to California Government Code Section 22892 of the Public Employees Medical and Hospital Care Act

RECOMMENDATION

That the City Council approves the attached resolution authorizing the implementation of the mandatory minimum employer contributions to active and retiree medical premiums for calendar year 2016.

BACKGROUND

The City contracts with CalPERS to provide competitive health benefits to its active and retired employees. California Government Code Section 22892 of the Public Employees Medical and Hospital Care Act (PEMHCA) establishes the minimum employer health contribution. As of January 1, 2009, the employer contribution is adjusted annually by the CalPERS Board to reflect any change in the Medical Care Component of the Consumer Price Index, rounded to the nearest dollar. The table below shows the minimum employer contribution required by CalPERS for the last six years, and the 2016 rate:

Calendar Year	Employer Contribution
2010	\$105.00
2011	\$108.00
2012	\$112.00
2013	\$115.00
2014	\$119.00
2015	\$122.00
2016	\$125.00

DISCUSSION

This action is necessary to meet the requirement that the governing body adopt a resolution agreeing to the minimum contribution amount established by CalPERS. The City currently contributes to medical premiums in accordance with the terms of the existing agreements between each of the bargaining units, based on the health plan and family status the employee elects and for which they are eligible. For both retirees and active employees, the total amount the City contributes towards medical benefit premiums meets (and in some cases, exceeds) the statutory minimum contribution required by CalPERS.

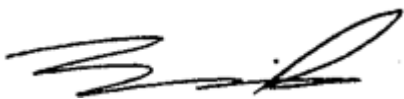
FISCAL IMPACT

This action is for administrative purposes only. There is no fiscal impact associated with this report because the City's current contribution toward employee medical premiums as provided for in applicable Memoranda of Understanding has already been established and this action does not provide an increase to the current total City contribution towards medical premiums.

Prepared by: Samantha Halverson, Human Resources Analyst I

Recommended by: Nina S. Collins, Director of Human Resources

Approved by:



Fran David, City Manager

Attachments:

Attachment I: Resolution Establishing 2016 Minimum Contribution