

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

July 27, 2006

TO: BOARD OF DIRECTORS
THRU: Larry Rubio, Chief Executive Officer
FROM: Laura Murillo, Director of Human Resources
SUBJECT: Resolution Fixing the Employers Contribution Under the Public Employees' Medical and Hospital Care Act for Hourly and Administration Employees

Summary: On June 22, 2006, the Board of Directors approved the Memorandum of Understanding between the Amalgamated Transit Union (ATU), Local 1277 and the Riverside Transit Agency (RTA). As a result, the Board approved a CalPERS Resolution allowing RTA to increase the agreed upon employer contribution toward dependent health and welfare benefits from \$300 to \$320. This increase was made effective June 1, 2006. The Resolution also included language that would allow the Agency to pay the full cost of the employee's health insurance premium with a limit that is tied to the highest HMO offered by CalPERS Medical; at this time it is Blue Shield. This would be effective on January 1, 2007.

CalPERS requires that the above changes be on two separate Resolutions as they are effective on two separate dates. Therefore, attached please find a revised Resolution which includes only the employer contribution toward dependent health and welfare benefits increase. At this time there is no need to approve a resolution that includes the changes that take effect in January 1, 2007. This will be brought back to the Board as we approach this date. This CalPERS Resolution requirement will no longer apply once the Agency obtains medical insurance outside of CalPERS.

Fiscal Impact:

None.

Committee Recommendation:

This item was discussed at the Board Budget and Administration Committee meeting of July 12th. The Committee members unanimously approved and recommended this item to the full Board of Directors for their consideration.

Recommendation:

Adopt and authorize the Chairman of the Board of Directors to approve the attached Resolution No. 2006-09 Fixing the Employers Contribution Under the Public Employees' Medical and Hospital Care Act.

RESOLUTION 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) Riverside Transit Agency is a local agency contracting under the Act; now, therefore be it

RESOLVED, (a) That the employer's contribution effective June 1, 2006, for Amalgamated Transit Union, Local 1277 employees and annuitant and for Administrative employees 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	Amalgamated Transit Union, Local 1277	100% employee or annuitant and \$320 for the enrollment of family members.
02	Administrative Employees	100% employee or annuitant and \$320 for the enrollment of family members.
04	ATU Local 1277 and Administrative – Hourly	\$64.60 employee or annuitant and for the enrollment of family members.

Plus administrative fees and Contingency Fund assessments.

Adopted at a regular/special meeting of the Riverside Transit Agency Board of Directors at Riverside, CA, this 27th day of July 2006.

Signed: _____
Jeff Fox, Chairman
RTA Board of Directors

Attest: _____
Maricela Hernandez
Clerk of the Board

Approved as to form: _____
Kennard R. Smart, Jr.
Agency General Counsel

INSTRUCTIONS

This resolution form is the approved form designated by the Public Employees' Retirement System. It should be used by a Public Agency which is contracting for coverage under the Public Employees' Medical and Hospital Care Act when the agency desires to change the employers' contribution towards the cost of their employees' and annuitant's enrollment to an amount equal to or greater than that prescribed by Section 22892(b) as authorized by Section 22892(a) of the Government Code.

Because resolutions serve as our legal contract we require either the original resolution, certified copy with original signatures or a copy of the resolution with the agency's raised seal.

The employer's contribution specified (if RESOLVED) will be **effective on the first day of the second month** following the month in which the resolution is filed (date stamped as received) in the office of the Board of Administration, Public Employees' Retirement System, 400 Q Street, P. O. Box 942714, Sacramento, CA 94229-2714.

WHEREAS (2) should be completed with the agency's name.

RESOLVED (a) should be completed to specify the bargaining units and amount of the employer's (agency's) contribution toward the cost of its employees' or annuitants' enrollments.

The certification shown following the resolution is to be completed by those individuals authorized to sign for the Public Agency in legal actions and is to include the name of the executive body; i.e. Board of Directors, Board of Trustees, etc., the location and the date of signing.

Note: THE CONTRIBUTION AMOUNT SPECIFIED IN THIS RESOLUTION APPLIES TO ACTIVE AND RETIRED EMPLOYEES.