

MEMO

TO: Board of Directors

FROM: District Manager

DATE: October 13, 2008

SUBJECT: PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT
(PEMHCA) MINIMUM CONTRIBUTION

RECOMMENDATION:

It is recommended that the Board of Directors review this memo and approve the attached resolution.

BACKGROUND:

The District provides group medical insurance to employees and retired annuitants under the Public Employees' Medical and Hospital Care Act (PEMHCA). PEMHCA regulations require the District to establish a "Minimum Employee Contribution". By previous action your Board established a minimum contribution of \$100.00/month. Further, PEMHCA regulations require that the District's medical insurance contributions for active employees and retired annuitants be made on an equal basis. The minimum contracting agency contribution is adjusted annually by the PEMHCA Board of Directors to reflect any change in the medical care component of the Consumer Price Index. As a result of negotiations with the District's two bargaining units, (Classified Unit and Management, Supervisory and Confidential Unit) your Board has established a minimum contribution of \$150.00/month for the period 2008-2011. The attached resolution fixes the Districts' Contribution at \$150.00/month.

It is recommended that the Board of Directors review and approve the attached resolution.

James Mueller
District Manager

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**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. (08-09)**

**SUBJECT: FIXING THE EMPLOYER'S CONTRIBUTION UNDER THE
PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT**

WHEREAS, 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 22982(b)(1) of the Act; and

WHEREAS, San Lorenzo Valley Water District is a local agency contracting under the Act;

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District the employer's contribution for each employee or annuitant shall be the amount necessary to pay the cost of his/her enrollment, including the enrollment of his/her family members, in a health benefit plan, up to a maximum of \$150.00 per month, plus administrative fees and Contingency Reserve Fund Assessments.

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PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 16th day of October 2008, by the following vote of the members thereof:

AYES:
NOES:
ABSTAIN:
ABSENT:

District Secretary
San Lorenzo Valley Water District