

RESOLUTION NO. 23-15
ELECTING TO BE SUBJECT TO THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT
AT UNEQUAL AMOUNTS FOR EMPLOYEES AND ANNUITANTS
WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION

- WHEREAS, (1) A contracting agency meeting the eligibility requirements set forth in Government Code Section 22920, may obtain health benefit plan(s), as defined under Government Code Section 22777, by submitting a resolution to the Board of Administration of the California Public Employees' Retirement System (the "Board"), and upon approval of such resolution by the Board, become subject to the Public Employees' Medical and Hospital Care Act (the "Act"); and
- WHEREAS, (2) Running Springs Water District is a contracting agency eligible to be subject to the Act under Government Code Section 22920; and
- WHEREAS, (3) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and
- WHEREAS, (4) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; and
- WHEREAS, (5) Government Code Section 22892(c) provides that, notwithstanding Section 22892(b), a contracting agency may establish a lesser monthly employer contribution for annuitants than for employees, provided that the monthly employer 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 employer contribution for employees, until such time as the amounts are equal; and
- WHEREAS, (6) Running Springs Water District desires to obtain for its employees and annuitants who are members of **Full Time Safety** the benefit of the Act and to accept the liabilities and obligations of an employer under the Act; now, therefore, be it
- RESOLVED, (a) Running Springs Water District elects to be subject to the provisions of the Act; and be it further
- RESOLVED, (b) That the employer contribution for each employee 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 or plans up to a maximum of the PEMHCA Minimum per month, and be it further
- RESOLVED, (c) That the employer contribution for each 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 or plans up to a maximum of \$1.00 per month, and be it further
- RESOLVED, (d) That the employer contribution for each annuitant shall be increased annually by


5 percent of the monthly contribution for employees, multiplied by the number of years the contracting agency has been subject to the Act, until such time as the contributions are equal;

And that the contributions for employees and annuitants shall be in addition to those amounts contributed by the Public Agency for administrative fees and to the Contingency Reserve Fund; and be it further

- RESOLVED, (e) Running Springs Water District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further
- RESOLVED, (f) That the participation of the employees and annuitants of Running Springs Water District shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Running Springs Water District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer.
- RESOLVED, (g) That the Board of Directors of the Running Springs Water District appoint and direct, and it does hereby appoint and direct, Joan C. Eaton to file with the Board a verified copy of this resolution, and to perform on behalf of Running Springs Water District all functions required of it under the Act; and be it further
- RESOLVED, (h) That coverage under the Act be effective on October 1, 2015.

Adopted at a regular meeting of the Board of Directors of the Running Springs Water District at 31242 Hilltop Blvd. Running Springs, CA 92382, this 19th day of August, 2015.

Signed: 
Kenneth Ayers, President of the Board of Directors

Attest: 
Joan C. Eaton, Secretary to the Board of Directors

