



CITY OF CANYON LAKE

City Hall

31516 Railroad Canyon Road
Canyon Lake, CA 92587

Website: www.canyonlakeca.gov

*Mayor Jeremy Smith
Mayor Pro Tem Larry Greene
Council Member Kasey Castillo
Council Member Jennifer Dain
Council Member Dale Welty*

*City Manager Chris Mann
City Attorney Steven Graham
City Clerk Ana V. Sauseda, CMC*

AGENDA

**Special Meeting of the Canyon Lake City Council
Wednesday, January 26, 2022**

Open Session 4:00 P.M. – City Hall Council Chamber

OPEN SESSION - 4:00 P.M.

OPEN SESSION CALLED TO ORDER

FLAG SALUTE

ROLL CALL

APPROVAL OF CITY COUNCIL AGENDA

BUSINESS ITEMS

- (1) Resolution – Adoption of Resolution No. 2022-06, Electing for the City to be Subject to the Public Employees' Medical and Hospital Care Act in Order for Fire Department Employees to Participate in the CalPERS Health Program

ANNOUNCEMENTS

The next regular meeting will be **Wednesday, February 9, 2022, at 5:00 for Closed Session & 6:30 p.m. for Open Session**

ADJOURNMENT

VISION STATEMENT

The vision of the City of Canyon Lake is to be a City that provides a quality of life that makes Canyon Lake the premier place to live in Southern California.

ATTENTION RESIDENTS:

Supporting documents, including staff reports, are available for review at City Hall in the City Clerk’s Office or on the City’s website at www.canyonlakeca.gov once the agenda has been publicly posted. Any written materials relating to an item on this agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk’s Office during normal business hours. In addition, such writings or documents will be made available for public review at the respective public meeting. It is the intention of the City of Canyon Lake to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or participant at this meeting, you will need special assistance beyond what is normally provided, the City of Canyon Lake will attempt to accommodate you in every reasonable manner. Please contact Ana V. Sauseda, City Clerk, at least 48 hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

January 26, 2022 Special City Council Meeting

STATE OF CALIFORNIA }
COUNTY OF RIVERSIDE } SS. AFFIDAVIT OF POSTING
CITY OF CANYON LAKE }

I, Ana V. Sauseda, CMC, City Clerk of the City of Canyon Lake, California, do hereby declare that the foregoing agenda was posted on January 25, 2022, at least twenty-four (24) hours prior to the meeting per Government Code 54954.2, and as required by Resolution 2019-42 of the Canyon Lake City Council.

Ana V. Sauseda, CMC
City Clerk



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Chris Mann, City Manager *CM*

DATE: January 26, 2022

SUBJECT: Adoption of Resolution No. 2022-06, Electing for the City to be Subject to the Public Employees' Medical and Hospital Care Act in Order for Fire Department Employees to Participate in the CalPERS Health Program

Recommendation

That the City Council adopt Resolution No. 2022-06, electing for the City to be subject to the Public Employees' Medical and Hospital Care Act in order for Fire Department employees to participate in the CalPERS Health Program.

Background

The Public Employees' Medical & Hospital Care Act (PEMHCA) governs the CalPERS Health Program, which enables public employers to provide a quality health benefits program to employees while reducing financial risk. The program covers state employees by law. Local public agencies can contract to have CalPERS provide these benefits to their employees, regardless of whether the agency contracts for the CalPERS Retirement Program.

While the City contracts with CalPERS for the CalPERS Retirement Program for regular City employees, that contract contains an exclusion for public safety personnel. Therefore, Canyon Lake Fire Department employees do not participate in the CalPERS Retirement Program. Instead, Fire Department employees participate in the Public Agency Retirement Services (PARS) retirement program. However, Fire Department employees are still eligible to participate in the CalPERS Health Program, along with regular City employees.

As the CalPERS Health Program is governed by PEMHCA, PEMHCA contains all of the rules and regulations to which a contracting agency must adhere. CalPERS defines PEMHCA as the actual "health contract," and the attached resolution as the method by which an agency elects to become subject to PEMHCA in order to participate in the CalPERS Health Program.

In October of 2021, as part of the process of starting the Canyon Lake Fire Department, the Finance Department had verified the steps that would need to be taken in order to enroll Fire Department employees in the CalPERS Health Program. However, CalPERS staff

failed to identify their requirement for the City Council to pass the attached resolution. As a result, when attempting to enroll the new Fire Department employees earlier this month, the CalPERS computer system rejected the enrollments. After several troubleshooting sessions between the City Accountant and CalPERS, CalPERS staff identified that the required resolution was missing.

Should the City Council approve Resolution 2022-06, the signed resolution will be delivered to CalPERS in time for health benefits for Fire Department employees to go into effect on March 1, 2022.

Fiscal Impact

None. The costs of providing health benefits through the CalPERS Health Program have already been approved in the FY2021-2022 budget.

Attachments

1. Resolution No. 2022-06

ATTACHMENT 1

RESOLUTION NO. 2022-06
ELECTING TO BE SUBJECT TO THE PUBLIC EMPLOYEES’ MEDICAL AND HOSPITAL CARE ACT
AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS
WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION
(NonPERS Firefighters)

- 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) City of Canyon Lake 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 the 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) City of Canyon Lake desires to obtain for its employees and annuitants who are members of **NonPERS Firefighters** the benefit of the Act and to accept the liabilities and obligations of an employer under the Act; now, therefore, be it
- RESOLVED, (a) City of Canyon Lake elects to be subject to the provisions of the Act; and be it further
- RESOLVED, (b) That the employer contribution for each employee 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 the PEMHCA Minimum per month, plus administrative fees and Contingency Reserve Fund assessments; and be it further
- RESOLVED, (c) City of Canyon Lake 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, (d) That the participation of the employees and annuitants of City of Canyon Lake 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 City of Canyon Lake 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; and be it further

RESOLVED, (e) That the executive body appoint and direct, and it does hereby appoint and direct, the City Manager to file with the Board a verified copy of this resolution, and to perform on behalf of City of Canyon Lake all functions required of it under the Act; and be it further

RESOLVED, (f) That coverage under the Act be effective on March 1, 2022.

Adopted at a special meeting of the City Council at Canyon Lake, California, this 26 day of January, 2022.

Signed: _____
Jeremy Smith, Mayor

Attest: _____
Ana V. Sauseda, City Clerk