

**AUBURN AREA RECREATION AND PARK DISTRICT MEETING OF THE
PROGRAM, PERSONNEL, POLICY, FEE & LEGAL REVIEW COMMITTEE AGENDA**
WEDNESDAY, OCTOBER 23, 2019, 1:00 PM
CANYON VIEW COMMUNITY CENTER
471 MAIDU DRIVE, AUBURN, CA 95603

Materials related to an item on this Agenda submitted to the District after distribution of the agenda packet are available for public inspection in the District's Office at 471 Maidu Drive, Auburn, CA 95603. In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the District Clerk at (530) 537-2187. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.

1.0 CALL TO ORDER

Holbrook _____ Ainsleigh _____

2.0 ANNOUNCEMENTS, AGENDA REVIEW, CHANGES AND APPROVAL

3.0 PUBLIC COMMENT – This is the time wherein any person may comment on any item not on the agenda within the subject matter jurisdiction of the Committee Chairperson, please state your name and address for the record (optional). There is a time limitation of three minutes.

4.0 BUSINESS

4.1 Approval of Minutes from the August 21, 2019 Program, Personnel, Policy, Fee & Legal Review Committee Meeting

Recommendation: Review and approve minutes.

4.2 New Memo of Understanding Between ARD and the City of Auburn

Shall the Auburn Area Recreation and Park District (ARD) agree to an updated Memorandum of Understanding (MOU) with the City of Auburn?

4.3 CalPERS Change in ARD's Medical Benefit Contributions

Shall the Auburn Area Recreation and Park District (ARD) recommend approving changes to the Personnel Policy for an increase in District contributions for the CalPERS medical insurance for non-union employee benefits?

Discussion Items:

None.

**5.0 ITEMS TO BE CONSIDERED AT FUTURE PROGRAM,
PERSONNEL, POLICY & FEE COMMITTEE MEETINGS**

None.

5.1 PENDING ITEMS REQUIRING MORE DETAILED RESEARCH

None.

ADJOURNMENT

AUBURN AREA RECREATION AND PARK DISTRICT
This agenda is hereby certified to have been posted as follows:

10-18-19
Date

9:35AM
Time

P. Larson
Secretary to the Board

**Auburn Area Recreation and Park District
Minutes
of the Program, Personnel, Policy, Fee & Legal Review Committee Meeting
Wednesday, August 21, 2019 at 1:00 PM
Canyon View Community Center
471 Maidu Drive
Auburn, CA 95603**

1.0 CALL TO ORDER

The meeting of the Program, Personnel, Policy, Fee & Legal Review Committee was called to order at 1:12 p.m.

ROLL CALL

Directors Holbrook and Ainsleigh were present.

2.0 ANNOUNCEMENTS, AGENDA REVIEW, CHANGES AND APPROVAL

The agenda was approved by the Committee.

3.0 PUBLIC COMMENT- This is the time wherein any person may comment on Any item not on the agenda within the subject matter jurisdiction of the Committee. After you are recognized by the Committee Chairperson, please state your name and address for the record (optional). There is a time limit of three minutes.

None.

4.0 BUSINESS

4.1 Approval of Minutes from the July 17, 2019 Program, Personnel, Policy, Fee & Legal Review Committee Meeting

The minutes from the July 17, 2019 Program, Personnel, Policy, Fee & Legal Review Committee meeting were reviewed and approved by the Committee.

4.2 Board Director Compensation and Reimbursement for Expenses - Modifications

The Committee reviewed the information provided on this item; no action was taken on this item.

4.3 Approval of Legal Bills from July, 2019

The Committee reviewed and approved the legal bills from July, 2019.

Discussion Item:

1. New MOU Between ARD and the City of Auburn – the Committee reviewed and discussed the draft of the new MOU between ARD and the City of Auburn. Director Holbrook does not want automatic committees for projects. Director Ainsleigh is not opposed to automatic committees for projects. The MOU with more revisions made to it will be reviewed again at the September, 2019 Policy meeting.
2. Drug and alcohol policy review – the Drug and Alcohol Policy was reviewed and discussed by the Committee and forwarded to the August 2019 Board meeting for review and discussion.

5.0 ITEMS TO BE CONSIDERED AT FUTURE PROGRAM, PERSONNEL, POLICY, FEE & LEGAL REVIEW COMMITTEE MEETINGS

None.

5.1 PENDING ITEMS REQUIRING MORE DETAILED RESEARCH

None.

ADJOURNED

As there was no further business, the meeting was adjourned at 1:46 p.m.

Board Secretary

Date

Item 4.2 Cover sheet – New MOU between ARD and the City of Auburn

Auburn Area Recreation and Park District Policy Committee August, 2019; Board of Directors Meeting September 26, 2019; Policy Committee October 23, 2019

The Issue

Shall the Auburn Area Recreation and Park District (ARD) agree to an updated Memorandum of Understanding (MOU) with the City of Auburn?

Background

ARD and the City of Auburn entered into an MOU in 2001. This MOU provided direction for the distribution of Park Impact Mitigation Fees collected by the City. As part of the MOU, ARD agreed to take on certain maintenance tasks at four of the pocket parks owned by the City. A copy of the existing MOU is attached.

The Auburn City Council has asked City staff to develop a new MOU with ARD. The proposed amended MOU has several updates, and adds sections related to the City's enforcement of ARD Ordinances.

Highlights of the new MOU include:

- Sect. 2(b) clarifies that the Impact Fees need to be used within a 2 mile radius of the City, and that a minimum of 75% of the fees are used within City limits (the previous number was 50%).
- Sect. 2(e) creates a Project Review Committee to provide an opportunity for the City to review all projects that will rely on Impact Fees.
- Sect. 2(f) further clarifies which responsibilities belong to which agency. The previous MOU was somewhat vague.
- Sect. 3 is the new section that deals with City enforcement of ARD rules, regulations and ordinances. Please take note of subsections (c) and (d)

The ARD Board reviewed this item at the September Policy meeting. After discussion, the item was sent back to the Policy Committee (for policy implications) and the Finance Committee (for financial implications) specific to Section 3.

- **ARD Ordinance #1**: ARD Ordinance #1 states (in part) the following:

SECTION 1. Authority and purpose. California Public Resources Code section 5786.1 empowers the District's Board to adopt and enforce ordinances necessary for the administration, government and protection of all property, improvements and facilities under its management or belonging to the District. The purpose of this ordinance is to establish a body of law denoting prohibited and required conduct on District property and provide for the enforcement and punishment for violations.

SECTION 7. Violations; penalties. Violation of a District ordinance is a misdemeanor unless the park ranger, Auburn City Police, Placer County Sheriff or duly authorized law

enforcement officer issuing the citation specifies on the citation that the violation is an infraction.

SECTION 8. Enforcement. The Board of Directors of the District may, by resolution, designate that class of District employees as park rangers, who shall be empowered to exercise such arrest and citation authority in accordance with state law for infraction and misdemeanor violations of District or county ordinances, or state law, committed within a District park or facility. The District Administrator shall cause to be administered a special enforcement training program designated to instruct each employee who will exercise such arrest and citation authority regarding the provisions of the statutes and ordinances to be enforced, the evidentiary prerequisites to proper procedures for making arrest, or otherwise prudently exercising such arrest and citation authority and the legal and practical ramifications and limitations attendant thereto.

The District Administrator shall have the primary responsibility for the enforcement of this ordinance and other ordinances of the District unless otherwise specifically stated therein. Each District park ranger, Auburn City Police, Placer County Sheriff or duly authorized law enforcement officer is hereby granted permission to enter upon both public and restricted areas of all park and park facilities within their respective jurisdictions to maintain public order or to prevent, remedy, or take other appropriate action with respect to violations of the provisions of this ordinance or of other applicable laws or regulations.

- **CAPRI coverage:** staff spoke with Matt Duarte, Executive Director with CAPRI.

From Matt Duarte
Hi Kahl,

Thanks for calling back and for clarifying the District's question as to coverage. To confirm, the District is entering into an agreement in which the District will provide certain maintenance services to the City in exchange for the ability to collect and spend Park Impact Mitigation Fees. Part of the consideration of that agreement also includes the City's police enforcing ARD ordinances provided ARD reimburses the city for certain administrative expenses associated with any enforcement officer proceedings. The question, then, is whether those administrative expenses incurred pursuant to contract with the City are covered under the CAPRI Memorandum of Coverage ("MOC"). Unfortunately, as I expected, these costs are outside the scope of coverage. CAPRI incorporates by reference the CSAC excess policy with a few certain exceptions. The scope of coverage is one of the provisions that is specifically incorporated and it provides for payment of damages imposed by law or liability assumed by contract under the following circumstances:

- Coverage A. Bodily injury and property damage to which this Memorandum applies, caused by an occurrence;*
- Coverage B. Personal injury to which this Memorandum applies, caused by an offense;*
- Coverage C. Public officials errors and omissions liability or*
- Coverage D. Employment practices liability to which this Memorandum applies, caused by a wrongful act.*

Further exclusions are provided in the MOC, but it should be noted that for the situation described above there is no coverage. I think another way to think of this issue is that enforcement of the administrative code is no different than work that District staff provides to the District. It is for the benefit of the District and, as a result, are paid by the District. No insurance is applicable. Outsourcing enforcement duties to another entity, as the District intends to do by way of the MOU, does not alter the character of the work or impact their coverage under the policy.

Reply From Kahl Muscott

Thanks Matt. So, to confirm in different words:

An officer involved shooting, excessive force issue, civil rights violation, etc. would be covered as would any claim.

The costs for the administrative parts of a person fighting a "dog off leash" violation, things like City of Auburn attorney time, officer in court time, would not be covered as it is (more or less) the cost of doing of business.

Is my summation correct?

Reply From Matt Duarte

Correct. If the District were named as a Defendant in a claim like the one described below, CAPRI's MOC would apply and the District would be covered.

- **MOU with the Placer County Sheriff Office (PCSO):** The existing MOU with the PCSO does not have any language regarding compensation or reimbursement for possible costs.

Recommendation for the Policy Committee

Review and recommend approval of the amendments to the MOU between the City of Auburn and ARD. Forward to the Board with a positive recommendation.

Fiscal Impact

If a citation was appealed, the costs would range from \$1,500 – \$2,000. If that ruling was appealed, the costs could be more than \$10,000. It should be noted that ARD would not be able to rescind a citation once the appeal process has started.

In the past year, the following citations were written in ARD Parks:

- 1 – Alcoholic beverage
- 4 – Breaking general rules (after hours parks use, etc.)
- 1 – Parking violation
- 3 – Camping in the park

(It was noted that most, if not all of the above citations were for homeless individuals)

Citations are rarely appealed (the District Administrator is aware of none in his 13+ years).

Attachments

- Proposed new MOU between the City of Auburn and ARD
- Existing MOU between the City and ARD

Amended by City Attorney September 18, 2019

**MEMORANDUM OF UNDERSTANDING BETWEEN THE
CITY OF AUBURN AND THE AUBURN AREA
RECREATION AND PARK DISTRICT REGARDING USE
OF PARK IMPACT MITIGATION FEES AND
ENFORCEMENT OF APPLICABLE LAWS, ORDINANCES,
RULES, AND REGULATIONS IN PARKS**

This MEMORANDUM OF UNDERSTANDING (“MOU”) is entered into effective _____ of 2019 (the “Effective Date”) by and between the City of Auburn, a California municipal corporation and general law city (hereinafter “City”) and the Auburn Area Recreation and Park District, a California special district organized and operating under California Public Resources Code section 5780 et seq. (hereinafter “ARD”) (collectively, the “Parties”) with respect to the following Recitals:

RECITALS

WHEREAS, the City and ARD desire to enter into this MOU: (1) regarding the use of Park Impact Mitigation Fees, (2) to ensure the rehabilitation and maintenance of all parks within the City’s sphere of influence in a suitable and timely manner, and (3) to authorize the City’s peace officers and other authorized staff to enforce laws, ordinances, rules, and regulations in parks owned and operated by ARD and lying within the incorporated areas of the City; and

WHEREAS, California Public Resources Code section 5786.17 makes a violation of any ARD rule, regulation, or ordinance unlawful and authorizes citations for violations of state law, city or county ordinances, or district rules, regulations, or ordinances, when the violation occurs in a recreational facility, as defined; and

WHEREAS, Public Resources Code section 5786.11 authorizes ARD to enter into a cooperative agreement with the City to do all things necessary or convenient in carrying out the purposes and intent of Public Resources Code section 5780 et seq. including, but not limited to, an agreement regarding use of Park Impact Mitigation Fees, rehabilitation and maintenance of parks, and enforcement of laws, ordinances, rules and regulations.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises hereinafter provided, the City and ARD hereby agree as follows:

1. The Recitals above are true and correct and hereby fully incorporate herein.
2. **Use of Park Impact Mitigation Fees and Rehabilitation and Maintenance of Parks.**
 - a. Starting September 30 of each year, at the end of each quarter, the City shall convey to ARD Park Impact Mitigation Fees collected by the City.

- b. The City and ARD agree that Park Impact Mitigation Fees collected by the City will be spent and used within a two mile radius of the City, with a minimum of seventy-five percent (75%) of said fees being spent within the City limits.
- c. ARD agrees that it shall provide to the City, by August 31 of each year, the following reports:
 - i. A report which details the expenditure of Park Impact Mitigation Fees forwarded to ARD in the preceding fiscal year. The report shall detail projects and costs expended for each project; and
 - ii. A report which details the proposed expenditures of Park Impact Mitigation Fees to be conveyed to ARD in the current fiscal year. The report shall detail the projects and costs to be expended for each project.
- d. ARD shall be responsible for ensuring the spending and use of Park Impact Mitigation Fees under this MOU complies with the requirements of applicable state law and the Auburn Municipal Code, as those laws and the code may change from time to time.
- e. The City and ARD will establish a Project Review Committee to provide the Parties an opportunity to review all ARD projects wholly or partially City funded through City Mitigation Fees. The Committee will consist of one ARD Board Member, the ARD Executive Director, one City Council Member and the Auburn City Manager. ARD shall submit three copies of preliminary plans to the City Manager once any project, wholly or partially funded by City Mitigation Fees, reaches the preliminary plan phase. The Project Review Committee shall not have regularly scheduled meetings. However, any member of the Project Review Committee may request the Committee meet to discuss the impacts of the project that has reached the preliminary plan phase. Upon such request, the Project Review Committee shall convene within 30 days.
- f. The City and ARD agree individually to assume rehabilitation and maintenance responsibility for the following specific tasks for those city parks listed in Paragraph (g), below. The City and ARD also agree to work together, as necessary, to perform these tasks by sharing equipment and labor when appropriate or if tasks not specified arise during the term of this agreement. Such performance shall be agreed to in writing beforehand by the City Manager and District Manager of the City and ARD, respectively. Vandalism shall be repaired by agency responsible for the items/tasks vandalized.

ARD Responsibilities

- i. Garbage collection and clean up within the parks on a daily basis.

- ii. Landscape maintenance. This shall include mowing (2 times per month during the months of April thru November, leaf blowing (1 time per week during the months of October thru January, trimming (1 time per month) and weed eating in Auburn Ravine 2 times during the months of April thru July (with additional weed eating as needed) and brush removal. Also includes graffiti inspection/removal (1 time per week).
- iii. Electrical infrastructure, including lighting fixture maintenance.
- iv. Water fountain repair and maintenance.
- v. Minor repairs to bridges, decks and walkway structures.
- vi. Maintenance of the creek to prevent dams created by park users or fallen timber.

City of Auburn Responsibilities

- i. Fencing.
 - ii. Major repairs or replacements of bridges, decks and walkway structures.
 - iii. Irrigation and backflow devices.
 - iv. Large tree maintenance/removal.
- g. The obligations in Paragraph 2(f) of this MOU only apply to the following City parks:
- i. Bicentennial Park.
 - ii. Chana Park.
 - iii. Herschel Young Park.
 - iv. Auburn Ravine Trail.
- h. The following pocket parks are specifically excluded from the obligations on Paragraph 2(f) of this MOU, and shall be the sole responsibility of the City:
- i. Clock Tower Park.
 - ii. Tennis Way Park.
 - iii. Livingston Building Park.
 - iv. Court View Park.
 - v. East Placer Park.
 - vi. Maple Street Park.
 - vii. Magnolia Street Park.
 - viii. Conheim Train Station.
 - ix. The Lewis Street Park
 - x. School Park Preserve
- i. ARD agrees to provide the services in Paragraph 2(f) in accordance with the attached ARD facilities maintenance policy, when applicable.
- j. City and ARD staff members shall meet quarterly to review each Party's obligations under this Agreement.

3. City Enforcement of Applicable Laws.

- a. ARD hereby authorizes and consents to the City enforcing ARD rules, regulations and ordinances and other applicable laws, including, but not limited to, the Auburn Municipal Code, when necessary and appropriate within properties owned, operated, or controlled by the ARD lying within incorporated areas of the City.
- b. The City has sole discretion to make enforcement decisions and determine the level of service provided under this section of the MOU. In the event of a conflict between laws, codes, rules, and/or regulations, the City may in its sole discretion choose which to enforce. The City alone shall control and determine the performance of personnel providing the services under this section of this MOU, including, but not limited to, the standards of personnel performance and discipline.
- c. The City will not charge ARD for services rendered under this section of this MOU; provided, however, that ARD will reimburse the City for any legal and/or hearing officer services necessary to implement this section of this MOU, including, but not limited to, costs the City's Police Department incurs in administrative enforcement under chapter 10.80 et seq. of the Auburn Municipal Code, from the initial investigation, administrative hearing, and up to and including appearances in court(s).
- d. The City reserves the right to reopen this agreement at any time to discuss cost sharing of emergency services, should the City see a rise in demand and said services.

4. Indemnification, Term, and Termination

- a. ARD shall indemnify, defend, and hold the City, its officers, employees, and agents harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damage arising out of the performance of this section of the MOU, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees or claims for injury or damages are caused by or result from the negligent, intentional, or wrongful acts or omissions of ARD, its officers, agents, or employees.
- b. The City shall indemnify, defend, and hold ARD, its officers, employees, and agents harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damage arising out of the performance of this section of the MOU, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees or claims for injury or damages are caused by or result from the negligent, intentional, or wrongful acts or omissions of City, its officers, agents, or employees.

- c. The term of this MOU shall be five years. This MOU may be terminated by either party for any reason and at any time by giving the other party 120 days written notice. This MOU may be amended at any time with concurrence of the Parties.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed on the date listed below.

City of Auburn

Auburn Recreation District

Robert Richardson
City Manager

Kahl Muscott
District Administrator

Date

Date

Attest:

Amy Lind
City Clerk

Date

**MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF AUBURN AND AUBURN RECREATION DISTRICT
PARK IMPACT MITIGATION FEES AND
PARK REHABILITATION AND MAINTENANCE**

WHEREAS, the City of Auburn (herein "City"), and the Auburn Recreation District (herein "ARD"), are desirous of establishing an agreed joint policy for the handling and use of Park Impact Mitigation fees; and

WHEREAS, the City and ARD are desirous of ensuring that the rehabilitation and maintenance of all parks within the limits of the City are performed in a suitable and timely manner; and

WHEREAS, the City and ARD have conferred on these matters and are now desirous of entering into this memorandum of understanding (MOU). The City and ARD hereby agree that:

1. Starting September 30 of each year, at the end of each quarter, the City shall convey to ARD Park Impact Mitigation Fees collected by the City.
2. City and ARD agree that City Park Impact Mitigation Fees will be spent within the City Sphere of Influence, with a minimum of fifty percent (50%) of said fees being spent within the city limits.
3. ARD agrees that it shall provide to the City, by August 31 of each year, the following reports:
 - a) A report which details the expenditure of Park Impact Mitigation Fees forwarded to ARD in the preceding fiscal year. The report shall detail the projects and costs expended for each project; and
 - b) A report which details the proposed expenditures of Park Impact Mitigation Fees to be conveyed to ARD in the current fiscal year. The report shall detail the projects and costs to be expended for each project.
4. City and ARD agree individually to assume rehabilitation and maintenance responsibility for the following specific tasks for those city parks listed in Paragraph 5, below. The City and ARD also agree to work together in performing these tasks by sharing of equipment and labor when appropriate:
 - Auburn Recreation District**
 - a. Garbage collection and clean up within the park.
 - b. Electrical and water infrastructure.
 - c. Large tree maintenance.
 - d. Minor repairs to bridges, decks and walkway structures.
 - City of Auburn**
 - a. Landscape maintenance.
 - b. Fencing.
 - c. Major repairs or replacement of bridges, decks and walkway structures.

Existing

5. The following City parks, only, are covered by this MOU, said parks being shown on Exhibit "A" of this Agreement:

- a. Bicentennial Park.
- b. Chana Park.
- c. Herschel Young Park.
- d. Auburn Ravine Trail

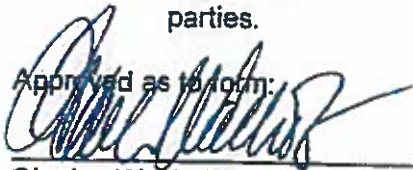
6. Specifically excluded from this MOU are the following pocket parks within the City, which shall be the sole responsibility of the City:

- a. Clock Tower Park.
- b. Tennis Way Park.
- c. Livingston Building Park.
- d. Court View Park.
- e. East Placer Park.
- f. Maple Street Park.
- g. Magnolia Street Park.
- h. Train Depot Park.

7. The levels of maintenance provided by ARD in Paragraph 4 is agreed to be in keeping with present ARD facilities maintenance policy.

8. The term of this MOU shall be one year, with an automatic renewal at the end of each year unless terminated or amended. This MOU may be terminated by either party for any reason at any time by either party giving the other party 120 days written notice. This MOU may be amended at any time with concurrence of the parties.

Approved as to form:



Charles Wachob, City Attorney

Dated: 9-21-01

City of Auburn
By: 

Alice Dowdin Singh, Mayor

Dated: 8-23-01

Auburn Recreation District
By: 

Scott Holbrook, Chair

Existing

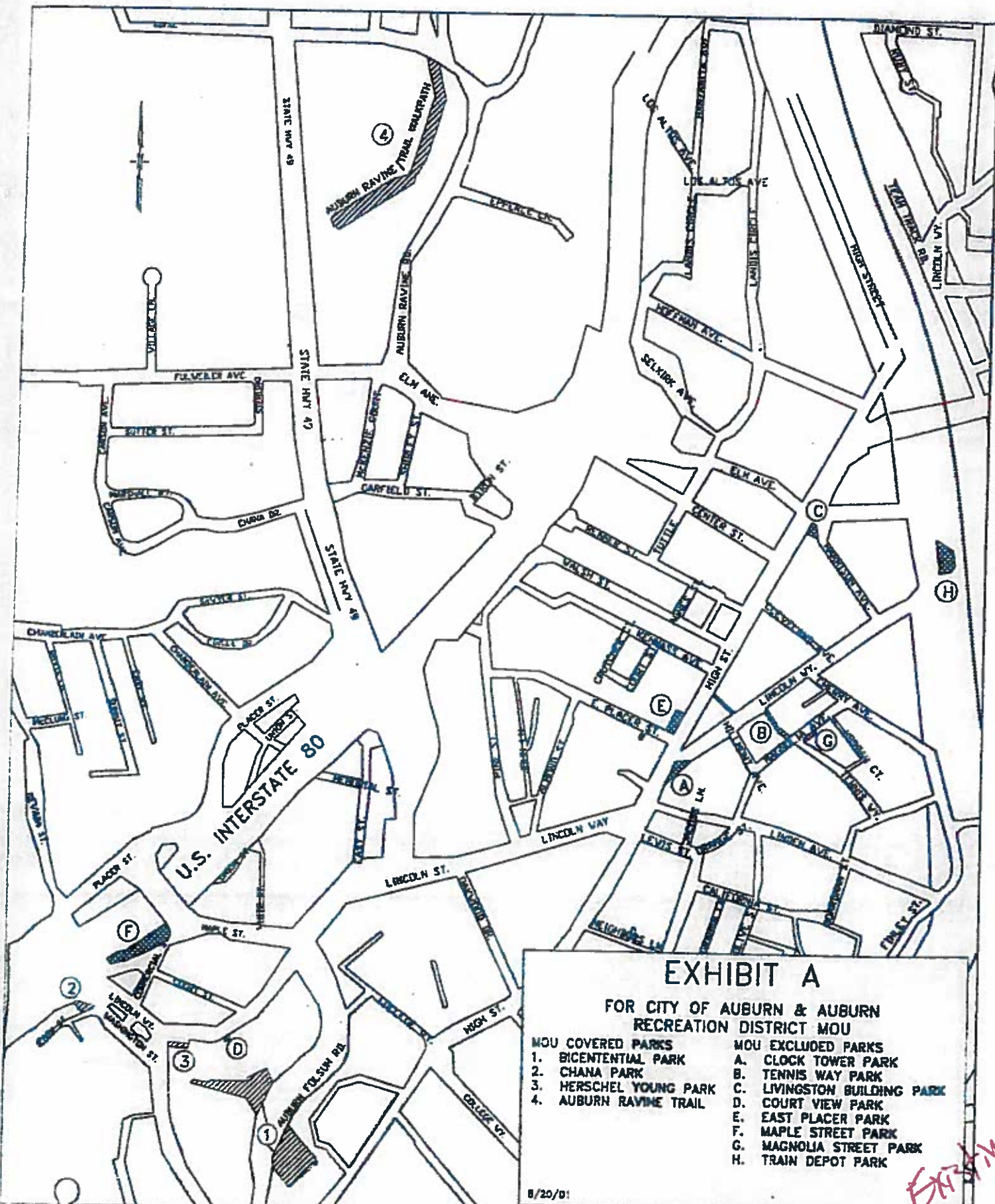


EXHIBIT A

FOR CITY OF AUBURN & AUBURN RECREATION DISTRICT MOU

- | MOU COVERED PARKS | MOU EXCLUDED PARKS |
|------------------------|-----------------------------|
| 1. BICENTENNIAL PARK | A. CLOCK TOWER PARK |
| 2. CHANA PARK | B. TENNIS WAY PARK |
| 3. HERSCHEL YOUNG PARK | C. LIVINGSTON BUILDING PARK |
| 4. AUBURN RAVINE TRAIL | D. COURT VIEW PARK |
| | E. EAST PLACER PARK |
| | F. MAPLE STREET PARK |
| | G. MAGNOLIA STREET PARK |
| | H. TRAIN DEPOT PARK |

8/20/01

EXHIBIT A

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RESOLUTION NO. 01- 106
RESOLUTION APPROVING MEMORANDUM OF UNDERSTANDING
WITH AUBURN RECREATION DISTRICT

THE CITY COUNCIL OF THE CITY OF AUBURN DOES HEREBY RESOLVE:

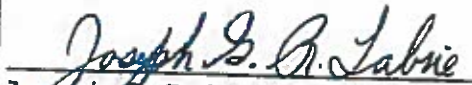
That the City Council of the City of Auburn does hereby authorize and approve the Memorandum of Understanding between the Auburn Recreation District and the City regarding Park Impact Mitigation Fees and park rehabilitation and maintenance with the City of Auburn. A true and correct copy of the Memorandum of Understanding is attached hereto as Exhibit "A" and incorporated herein by this reference.

The City Manager of the City of Auburn is authorized and directed to execute this Memorandum of Understanding on behalf of the City of Auburn.

DATED: August 27, 2001

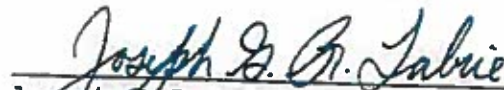

ALICE DOWDIN SINGH, Mayor

ATTEST:


Joseph G. R. Labrie, City Clerk

I, Joseph G. R. Labrie, City Clerk of the City of Auburn, hereby certify that the foregoing resolution was duly passed at a regular meeting of the City Council of the City of Auburn held on the 27th day of August 2001 by the following vote on roll call:

Ayes: Hale, Maki, Sands, Dowdin Singh, Taylor
Noes: None
Absent: None


Joseph G. R. Labrie, City Clerk



Item 4.3 Cover Sheet for CalPERS Change in Auburn Area Recreation and Park District's Medical Benefit contributions

Auburn Area Recreation and Park District Program, Personnel, Policy, Fee & Legal Review Committee Meeting, October 2019.

The Issue: Shall the Auburn Area Recreation and Park District (ARD) recommend approving changes to Personnel Policy for an increase in District contributions for the CalPERS medical insurance for non-union employee benefits?

Background: The Board of Directors approved an additional medical benefits program through CalPERS in **August, 2015**. At that time the Union declined enrollment, so this became a benefit to only non-union employees. At that time the premiums and the District's maximum contributions were as follows:

<u>Premiums</u>	
Single employee:	\$695
Employee with dependent:	\$1390
Family:	\$1807

<u>District's maximum contribution</u>	
Single employee:	\$550
Employee with dependent:	\$1100
Family:	\$1450

Beginning **January 2020**, five years later, the new premiums through CalPERS (for the Kaiser Plan) will be as follows (10.5% increase from 2015):

Single employee:	\$768
Employee with dependent:	\$1537
Family:	\$1998

Because of the premium increases that have occurred since 2015, staff recommends a District contribution change, of 10%. This proposal would result in the following:

<u>Proposed District maximum contribution:</u>	
Single employee:	\$605
Employee with dependent:	\$1210
Family:	\$1595

Staff budgeted for a 10% increase to the Districts Benefits in the Board Approved budget March, 2019. If approved, the employee's portion for medical benefits will increase by 12.4% - 12.9% and the District's portion will increase by 10%.

Recommendation: Staff recommends changing the District's contribution by an additional 10%

Fiscal Impact: The fiscal impact for 2019/2020 is \$2,289 based on the employees that we have enrolled for January 2020, which is within the budgeted benefit expense assumption. The fiscal impact for future years is approximately \$9,156 per year, which is also within in future year calculations based on normal inflation.

Attachments: Medical Policy regarding CalPERS Health Insurance.

Medical Health Insurance Benefits

CalPERS Medical plan available to Non-represented employees

As per CalPERS policy, employees have a choice of seven medical providers:

1. Anthem Blue Cross
2. Kaiser
3. Blue Shield
4. United Healthcare
5. Pers
6. PORAC Region 1
7. Western Health Advantage

The Administrative Services Manager has detailed information regarding each of these plans, including sub classifications that some of these plans offer.

For Non-represented employees, the District shall contribute the following maximum premium amounts toward any plan chosen by an employee:

~~\$550 for a single employee~~

~~\$1100 for an employee and dependent~~

~~\$1450 for a family plan~~

\$605 for a single employee

\$1210 for an employee and dependent

\$1595 for a family:

An employee may opt out of District provided coverage for themselves, for themselves and/or a dependent, or for themselves and/or their family. However, the Affordable Care Act mandates that all employees have health insurance coverage. Consequently, any employee that opts out of a District provided health insurance plan must find coverage independently from the Auburn Recreation District. The District will reimburse an employee's medical insurance premium up to the stated amounts above, provided that an invoice from a medical insurer is provided monthly to the accounting department. The District cannot pay the premium directly to the insurance provider.

Alternatively, an employee may choose to be covered by the District's CalPERS insurance coverage and not provide coverage to their dependents through CalPERS. In such a case, the District will pay the premium for the employee's coverage and reimburse the employee for the premium for dependents coverage up to the maximum

amounts listed above, inclusive of the CalPERS employee premium. The employee must provide an invoice from the medical insurer monthly to the accounting department for reimbursement. The District cannot pay the premium directly to the insurance provider.

Additionally, the District will continue to pay for dental and life insurance as before for eligible employees.

Eligible part time, non-represented employees working 30 or more hours per week will continue to be able to obtain medical coverage on the same basis as before, but through the new CalPERS plan. Coverage is for employee only and no dental or life insurance is provided by the District.

For Non-represented employees hired after March 31, 2014, the District will provide Medical Insurance Coverage as listed above except that such coverage is for the employee only. Should an eligible full-time employee wish to include dependent or family coverage, he or she may purchase said coverage through the Districts medical insurance policy via payroll deduction or directly via check.