

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

EXECUTIVE COMMITTEE

(COMMISSIONERS MARION ASHLEY, BOB BUSTER, ROGER BERG, TERRY HENDERSON, ROBIN LOWE, JEFF MILLER, JEFF STONE, JOHN TAVAGLIONE, MICHAEL WILSON, ROY WILSON)

9:30 A.M.

Wednesday, November 8, 2006

County of Riverside Administrative Center
Conference Room A
4080 Lemon Street, 3rd Floor, Riverside

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if you need special assistance to participate in an Executive Committee meeting, please contact the Clerk of the Board at (951) 787-7141. Notification of at least 48 hours prior to meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility at the meeting.

- 1. CALL TO ORDER**
- 2. PUBLIC COMMENTS**
- 3. APPROVAL OF MINUTES – October 11, 2006**
- 4. ADDITIONS/REVISIONS** *(The Committee may add an item to the Agenda after making a finding that there is a need to take immediate action on the item and that the item came to the attention of the Committee subsequent to the posting of the agenda. An action adding an item to the agenda requires 2/3 vote of the Committee. If there are less than 2/3 of the Committee members present, adding an item to the agenda requires a unanimous vote. Added items will be placed for discussion at the end of the agenda.)*
- 5. CLOSED SESSION**

CONFERENCE WITH LEGAL COUNSEL: ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of Government Code Section 54956.9

No. of cases: 1

6. REVISION TO VESTING REQUIREMENTS UNDER PREVIOUS RESOLUTIONS FOR HEALTH BENEFIT COVERAGE AND ADOPTION OF RESOLUTION NO. 06-021, "RESOLUTION ELECTING TO RESCIND THE HEALTH BENEFIT VESTING REQUIREMENT FOR FUTURE RETIREES UNDER PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT" AND ADOPTION OF RESOLUTION NO. 06-023, "RESOLUTION ELECTING TO ESTABLISH THE HEALTH BENEFIT VESTING REQUIREMENT FOR FUTURE RETIREES UNDER PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT"

Overview

This item is for the Committee to adopt Resolution No. 06-021, "*Resolution Rescinding the Health Benefit Vesting Requirement for Future Retirees Under Public Employee's Medical and Hospital Care Act*" under previous Resolution Numbers 00-013 and 03-004 and adopt Resolution No. 06-023, "*Resolution Electing to Establish the Health Benefit Vesting Requirement for Future Retirees Under Public Employee's Medical and Hospital Care Act*".

7. MAXIMUM ACCUMULATED VACATION HOURS

Overview

This item is for the Commission to:

- 1) Approve the revision to the Personnel Policies and Procedures Manual to amend Section 5.4, "Vacation"; and
- 2) Adopt Resolution No. 06-022, "*Resolution of the Riverside County Transportation Commission Amending Its Personnel Policies and Procedures Manual for Maximum Accumulated Vacation Hours*".

8. ADJOURNMENT

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

EXECUTIVE COMMITTEE

October 11, 2006

Minutes

1. CALL TO ORDER

Chair Marion Ashley called the meeting to order at 9:32 a.m., on Wednesday, October 11, 2006, at the Riverside County Transportation Commission's Conference Room A, 4080 Lemon Street, Third Floor, Riverside, California 92501.

Commissioners Present

Marion Ashley
Roger Berg
Bob Buster
Terry Henderson
Jeff Miller
Jeff Stone
John Tavaglione
Michael Wilson
Roy Wilson

Commissioners Absent

Robin Lowe

2. PUBLIC COMMENTS

There were no public comments.

3. APPROVAL OF MINUTES

M/S/C (Tavaglione/Henderson) to approve the minutes of June 14 and July 12, 2006 as submitted.

4. ADDITIONS/REVISIONS

There were no additions or revisions to the agenda.

5. PROPOSED COURTESY CONFLICT OF INTEREST REVIEW PROGRAM

Eric Haley, Executive Director, presented the proposed Courtesy Conflict of Interest Review program in response Commissioner Stone's request at the July 12th Commission meeting. He also presented the Conflict of Interest form utilized by the San Bernardino Associated Governments (SANBAG) to assist its members in meeting requirements for documenting conflict of interests as related to agenda items.

Commissioner Bob Buster expressed his belief that the proposed program would cause an entanglement for the Commission and supported adopting the form utilized by SANBAG.

Commissioner Roy Wilson expressed support for continuing to utilize the Disclosure of Campaign Contributions to Commissioners form currently used by staff in requests for proposals.

Eric Haley recommended utilizing both forms to cover all of the proper voluntary submittals.

M/S/C (Henderson/Miller) to adopt the Conflict of Interest form utilized by SANBAG as an addition to the current process.

6. REVISION TO LEGISLATIVE BODY REIMBURSEMENT POLICY

Theresa Trevino, Chief Financial Officer, presented the revision to the Commission's Legislative Body Reimbursement Policy.

M/S/C (Henderson/Buster) to:

- 1) Approve the revision to the Riverside County Transportation Commission Legislative Body Reimbursement Policy; and**
- 2) Adopt Resolution No. 06-019, *"Resolution of the Riverside County Transportation Commission Regarding the Revision to the Riverside County Transportation Commission Legislative Body Reimbursement Policy"*.**

7. ADJOURNMENT

There being no other items to be considered, the Executive Committee meeting adjourned at 9:45 a.m.

Respectfully submitted,

A handwritten signature in black ink that reads "Jennifer Harmon". The signature is written in a cursive style with a large, looped initial "J".

Jennifer Harmon
Clerk of the Board

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

DATE:	November 8, 2006
TO:	Executive Committee
FROM:	Anne Mayer, Deputy Executive Director
THROUGH:	Eric Haley, Executive Director
SUBJECT:	Revision to Vesting Requirements Under Previous Resolutions for Health Benefit Coverage and Adoption of Resolution No. 06-021, <i>"Resolution Electing to Rescind the Health Benefit Vesting Requirement for Future Retirees Under Public Employees' Medical and Hospital Care Act"</i> and Adoption of Resolution No. 06-023, <i>"Resolution Electing to Establish the Health Benefit Vesting Requirement for Future Retirees Under Public Employees' Medical and Hospital Care Act"</i>

STAFF RECOMMENDATION:

This item is for the Committee to adopt Resolution No. 06-021, *"Resolution Rescinding the Health Benefit Vesting Requirement for Future Retirees Under Public Employee's Medical and Hospital Care Act"* under previous Resolution Numbers 00-013 and 03-004 and adopt Resolution No. 06-023, *"Resolution Electing to Establish the Health Benefit Vesting Requirement for Future Retirees Under Public Employee's Medical and Hospital Care Act"*.

Attachments:

- 1) Resolution No. 06-021
- 2) Resolution No. 06-023
- 3) Public Agency Vesting for Health Benefits GC 22893 Key Rules
- 4) Public Agency Vesting for Health Benefits Letter

RESOLUTION NO. 06-021

**RESOLUTION OF THE RIVERSIDE COUNTY TRANSPORTATION COMMISSION
ELECTING TO RESCIND ITS
HEALTH BENEFIT VESTING REQUIREMENT FOR FUTURE RETIREES UNDER THE
PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT**

WHEREAS, (1) Government Code 22893 provides that a local agency contracting under the Public Employees' Medical and Hospital Care Act may amend its resolution to provide a post retirement vesting requirement to employees who retire for service, and

WHEREAS, (2) the Commission is a local agency contracting under the Act, and

WHEREAS, (3) the Commission certifies, unrepresented employees are not represented by a bargaining unit and there is no applicable memorandum of understanding, and

RESOLVED, (1) That employees hired on or after July 12, 2000 will not be subject to vesting as specified by Resolution Nos. 00-013 and 03-004.

Adopted at a regular meeting of the Riverside County
Transportation Commission's Executive Committee this 8th day of
November 2006.

Signed: _____

Marion Ashley, Chair
Riverside County Transportation Commission

Attest: _____

Jennifer Harmon
Clerk of the Board

RESOLUTION NO. 06-023

**RESOLUTION OF THE RIVERSIDE COUNTY TRANSPORTATION COMMISSION
ELECTING TO ESTABLISH
A HEALTH BENEFIT VESTING REQUIREMENT FOR FUTURE RETIREES UNDER
PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT**

WHEREAS, (1) Government Code 22893 provides that a local agency contracting under the Public Employees' Medical and Hospital Care Act may amend its resolution to provide a post retirement vesting requirement to employees who retire for service, and

WHEREAS, (2) the Commission is a local agency contracting under the Act, and

WHEREAS, (3) the Commission certifies, unrepresented employees are not represented by a bargaining unit and there is no applicable memorandum of understanding, and

WHEREAS, (4) The credited service for purposes of determining the percentage of employer contributions shall mean service as defined in Section 20069, except that not less than five years of that service shall be performed entirely with the Commission; and

WHEREAS, (5) The contribution for active employees cannot be less than what is defined in Section 22892(b); now, therefore be it

RESOLVED, (1) That the employer's contribution for each **retired** employee first hired on or after the effective date of this resolution 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 100 percent of the weighted average of the health benefits plan premiums for employees or annuitants enrolled for self alone plus 90 percent of the weighted average of the additional premiums required for enrollment of family members in the four health benefits plans that have the largest number of enrollments during the fiscal year to which the formula applied plus Administrative fees and Contingency Reserve Fund; and be it further

RESOLVED, (2) That the percentage of employer contribution payable for post retirement health benefits for each retired employee shall be based on the employee's completed years of credited service based upon Government Code Section 22893; plus administrative fees and Contingency Reserve Fund assessments; and be it further

RESOLVED, (3) That coverage under the Act be effective on January 1, 2007.

Adopted at a regular meeting of the Riverside County Transportation Commission's Executive Committee this 8th day of November 2006.

Signed: _____

Marion Ashley, Chair
Riverside County Transportation Commission

Attest: _____

Jennifer Harmon
Clerk of the Board



PUBLIC AGENCY VESTING FOR HEALTH BENEFITS G.C. 22893 KEY RULES

I. Vesting for Health Benefits

- Regulated by Government Code 22893
- Applies to employees hired on or after the effective date of the resolution electing vesting method

II. Vesting Schedule

- A minimum of ten years of state service credit is required to receive 50% of the employer contribution
 - Credited State Service is compensated CalPERS service time earned (defined in G.C. 20069)
 - Purchased “Additional Retirement Service Credit (ARSC)” does not qualify as it is not earned service.
- Five of those ten years of service must be performed at your agency
- Each additional service credit year after ten years increases the employer contribution percentage by 5% until 20 years at which time the retiring employee is eligible for 100% of the employer contribution

III. Employer Contribution for Active Employees

- Is subject to the Collective Bargaining Agreement or Memorandum of Understanding (MOU).
- Must be at least the minimum contribution defined in GC 22892(b)(1). The minimum contribution for 2006 is \$64.60. This contribution will be increased each year according to G.C. 22892 (b)(1).

IV. Employees Hired Prior to Vesting

- Once each year the employer may allow any employee hired before the employer elected G.C. 22893 the opportunity to individually elect to be subject to the provisions of G.C. 22893.

V. Employer Contribution for Retirees

- Minimum must equal the State annuitant’s contribution, annually calculated by the 100/90 formula
- Maximum can be up to 100% total premium
- **Retired Employee and Survivor:** Percentage of employer contribution based on years of service credit for annuitants

VI. Exceptions

- Exceptions to the vesting requirements who are eligible for the **full employer contribution**
 - An employee who retires on disability retirement
 - An employee who performs 20 years of service credit solely with your agency

ATTACHMENT 4

Office of Employer & Member Health Services

P.O. Box 942714

Sacramento, CA 94229-2714

Telecommunications Device for the Deaf - (916) 795-3240

Toll Free: (888) CalPERS (225-7377)

FAX (916) 795-1313

Agency Code: 1155

Michele Cisneros
Riverside County Transportation Commission

Dear Ms. Cisneros:

Thank you for your inquiry about public agency vesting (Government Code, Section 22893, Vesting for Contracting Agency Employees). Adopting the vesting resolution enables your agency to reduce its retiree health benefit expenses. Here are some of the key rules as found in the aforementioned government code:

- Applies to employees HIRED on or after the date the resolution is approved by CalPERS
- **Vesting Schedule**
 - A minimum of 10 years of state service credit, as defined in GCS 20069, is required to receive 50% of the employer contribution
 - Five of those 10 years of service must be performed at your agency
 - Each additional service credit year after 10 years, increases the employer contribution by 5%. At 20 years the retiring employee is eligible for 100% of the employer contribution
- **Employer contribution for retirees**
 - Minimum must equal the State's retired contribution, annually calculated by the 100/90 formula, as set forth in GCS 22871
 - Maximum can be up to 100% of the total premium
 - **Retired Employee and Survivor:** Percentage of employer contribution based on years of service credit for annuitants
- **Employer Contribution for active employees**
 - Represented employees are subject to the Collective Bargaining Agreement or Memorandum of Understanding (MOU)
 - Employer must certify that non-represented employees do not have an applicable Memorandum of Understanding (MOU)
 - Must be at least the minimum contribution as defined in GCS 22892. The minimum contribution for 2006 is \$64.60. This contribution will be increased each year according to GCS 22892.
- **Exceptions** to the vesting requirements, and eligible for the full employer contribution are
 - An employee who retires on disability retirement
 - An employee who performs 20 years of service credit solely with your agency, even if they do not retire within 120 days of separation from your agency

- **Employees hired prior to vesting**
 - Once each year the employer may allow any employee hired before the employer elected GCS 22893, the opportunity to individually elect to be subject to the provisions of GCS 22893.

The following examples may help with your understanding of these key rules:

Agency ABC presently has a resolution for Public Employee Medical and Hospital Care Act (PEMHCA) whereby the employer contribution is 100% total premium. This agency adopts a vesting resolution, effective July 1, 2006, with the employer contribution to be equal to the State's contribution. The State's contribution for 2006 is \$394 (1-party), \$738 (2-party), \$933 (family).

Employee A was hired on June 15, 1980 (before the vesting resolution was adopted) and retired August 15, 2006, with over 20 years of service. Employee A will receive 100% total premium for as long as Agency ABC does not change its employer contribution or terminate its contract under PEMHCA.

Employee B was hired on August 1, 2006, after the vesting resolution was adopted, and retires from Agency ABC on August 1, 2016. Because Employee B completed 10 years of credited state service, and if Employee B meets the eligibility requirements, Employee B will be eligible for 50% of the employer contribution designated in the vesting resolution, for as long as Agency ABC has an active contract for PEMHCA.

Employee C was hired on September 1, 2006, and retires from Agency ABC on October 15, 2026. If Employee C completed 20 years of service at Agency ABC, Employee C will be eligible for 100% of the employer contribution upon retirement, for as long as Agency ABC has an active contract for PEMHCA, even if Employee C goes to work elsewhere before he retires. An employee hired on or after a vesting resolution is adopted, and provides 20 years of service at that agency, is eligible for 100% of the employer contribution upon retirement, regardless of the number of days after separation from employment.

Should you have any additional questions or would like to request a vesting resolution template for your agency, please contact me at 916-795-3587.

Sincerely,

Terri McIntyre
Contracts Analyst – Public Agency & Schools
Office of Employer & Member Health Services

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

DATE:	November 8, 2006
TO:	Executive Committee
FROM:	Michele Cisneros, Accounting and Human Resources Manager
THROUGH:	Anne Mayer, Deputy Executive Director
SUBJECT:	Maximum Accumulated Vacation Hours

STAFF RECOMMENDATION:

This item is for the Committee to:

- 1) Approve the revision to the Personnel Policies and Procedures Manual to amend Section 5.4, "Vacation"; and
- 2) Adopt Resolution No. 06-022, *"Resolution of the Riverside County Transportation Commission Amending Its Personnel Policies and Procedures Manual for Maximum Accumulated Vacation Hours"*.

BACKGROUND INFORMATION:

In December 1998, the Commission established maximum accrued vacation balances of no more than twice the employee's annual accrual. Accrual of vacation hours cease once the employee's accumulated vacation hours equal the employee's maximum accumulation limit. This policy was adopted to encourage employees to enjoy time away from work to help balance their lives. It was not intended to penalize employees who do not have the ability to take vacation time as a result of Commission needs that require their presence.

Staff believes that the Commission would benefit by amending this policy by allowing the Executive Director the latitude to approve vacation accruals in excess of the maximum accrued balance when there is a Commission staffing need that prevents an employee from using vacation hours. Approval of continued vacation accrual in excess of the maximum limit will be contingent upon the employee providing a plan demonstrating the future use of vacation hours after the Commission's needs have been met.

Attachments:

- 1) Personnel Policies and Procedures Manual "Vacation – Section 5.4"
- 2) Resolution No. 06-022

RESOLUTION NO. 06-022

**RESOLUTION OF THE
RIVERSIDE COUNTY TRANSPORTATION COMMISSION
AMENDING ITS PERSONNEL POLICIES AND PROCEDURES MANUAL
FOR MAXIMUM ACCRUED VACATION**

WHEREAS, the Commission has previously adopted personnel policies and procedures establishing the terms and conditions of employment the Commission; and

WHEREAS, the Commission wishes to update its personnel policies and procedures;

NOW, THEREFORE, be it resolved by the Riverside County Transportation Commission as follows;

Section 1. The previously adopted personnel policies and procedures manual of the Commission are hereby amended for the revision of Section 5.4, Vacation, set forth in Attachment "A", attached hereto and incorporated herein.

APPROVED AND ADOPTED this 8th day of November, 2006.

Marion Ashley, Chair
Riverside County Transportation Commission

ATTEST:

Jennifer Harmon, Clerk of the Board
Riverside County Transportation Commission

ATTACHMENT A

Section 5.4 Vacation

Regular and probationary employees of RCTC shall be entitled to accrue annual vacation based on the length of continuous service with RCTC. Employees in part-time positions shall accrue, on a pro-rata basis, vacation leave for completed pay periods. Such vacation shall be available for use on the first day following the pay period in which it is accrued.

Each regular and probationary full-time employee will accrue, based on actual hours worked, on a pay period basis, the pay period equivalent of the applicable annual number of hours of vacation, in accordance with the employee's record of continuous years of service, unless it is negotiated by the employee at the time of hire:

Continuous years of service	Bi-weekly accrual	Annual accrual	Maximum accrued balance
Hire date to completion of 3 rd year	3.08 hours	80 hours	160 hours
Beginning of 4 th year to completion of 9 th year	4.62 hours	120 hours	240 hours
Beginning of 10 th year and forward	6.16 hours	160 hours	320 hours

No full-time employee shall accumulate more vacation than twice the employee's annual accrual (for example, a full-time employee who accrues 120 hours per year cannot accumulate more than 240 hours of vacation). Accrual of vacation will cease once the employee's accumulated vacation hours equal the employee's maximum accumulation limit. Accrual of vacation will not recommence until an employee has used some vacation and the accumulated vacation has once again fallen below the maximum accumulation limit. Regular, part-time employees will accrue vacation on a pro-rated basis.

The Executive Director may approve continued vacation accrual in excess of the maximum accrued balance in the event that RCTC requires the presence of employees who are in danger of reaching the maximum accumulation limit. The approval will be contingent upon the employee providing a plan demonstrating the use of vacation hours after the needs of RCTC have been met.

Temporary employees of RCTC shall not be eligible for vacation benefits.

Vacation may be taken in multiples of one quarter hour with the approval of the employee's immediate supervisor. Supervisors will only approve vacation for such time as will not impair the work schedule and efficiency of the department. Should employee vacation requests conflict with staffing requirements, the final determination for vacation approvals will be at the discretion of the First Line Supervisor in cooperation with the Department Head.