



COUNCIL REPORT

DATE: September 9, 2025

CATEGORY: Consent

DEPT.: Human Resources

TITLE: **Employer Health Contribution for Safety Employees and Retired Annuitants Under the Public Employees' Medical and Hospital Care Act**

RECOMMENDATION

1. Adopt a Resolution of the City Council of the City of Mountain View Fixing the Employer Contribution at an Equal Amount for Employees and Annuitants Under the Public Employees' Medical and Hospital Care Act with Respect to a Recognized Employee Organization (Group 001 Safety—Fire), to be read in title only, further reading waived (Attachment 1 to the Council report).
2. Adopt a Resolution of the City Council of the City of Mountain View Fixing the Employer Contribution at an Equal Amount for Employees and Annuitants Under the Public Employees' Medical and Hospital Care Act with Respect to a Recognized Employee Organization (Group 002 Safety—Police), to be read in title only, further reading waived (Attachment 2 to the Council report).

BACKGROUND

In March 2014, the Mountain View Professional Firefighters (MVFF), Local 1965; and Mountain View Police Officers Association (POA) migrated to the California Public Employees' Retirement System (CalPERS) health benefit program administered under the Public Employees' Medical Hospital Care Act (PEMHCA). Accordingly, the City contracts with CalPERS to provide health insurance benefits to sworn active employees and sworn retirees. Benefit levels and cost-sharing based on the premiums, including calculation of City contributions, were agreed upon by both bargaining groups. The agreed-upon terms were based on the analysis of a study conducted jointly between the MVFF and the City by a labor management committee, which hired an actuarial consultant to advise the City.

In October 2015, the City adopted new resolutions to clarify the employer contribution as required by CalPERS to ensure CalPERS honored the City's contribution to rates as intended and outlined in Memorandums of Understanding (MOU) with both groups. In September 2019, September 2020, August 2021, August 2022, September 2023, and September 2024, the City Council adopted new resolutions at the direction of CalPERS, which incorporated the

requirement for specific contribution amounts in the resolution and complied with the requirement to adopt new resolutions on an annual basis to honor the contribution structure agreed upon with labor groups. This annual process is required by CalPERS.

ANALYSIS

In July 2025, the CalPERS Board approved new rates for 2026 health insurance plans, and City contributions have been calculated anew according to labor agreements. The deadline to file new resolutions with CalPERS is November 30, 2025. However, CalPERS encourages adoption sooner to align with their open enrollment period of September 15, 2025 through October 10, 2025. The resolutions are included in this report as Attachments 1 and 2, and include the specific contribution amounts, based on 2026 premium rates and the contribution structure in the MOUs.

The City has engaged with the leadership of MVFF, POA, and unrepresented sworn management regarding the need to adopt a PEMHCA resolution for 2026 employer contributions and has shared the updated employer contributions in the attached resolutions with all parties. The attached resolutions are updated to outline City contributions to comply with CalPERS requirements, maintain the intent of the current employer contribution structure as outlined in MOUs, and support adoption of new resolutions as soon as possible to ensure employees and eligible annuitants have the open enrollment information needed to make informed medical insurance decisions during the CalPERS open enrollment period.

FISCAL IMPACT

The increase in the City's premium contributions has been incorporated into the Fiscal Year 2025-26 Adopted Budget.

LEVINE ACT

California Government Code Section 84308 (also known as the Levine Act) prohibits city officials from participating in any proceeding involving a "license, permit, or other entitlement for use" if the official has received a campaign contribution exceeding \$500 from a party, participant, or agent of a party or participant within the last 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more

information see the Fair Political Practices Commission website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html

Please see below for information about whether the recommended action for this agenda item is subject to or exempt from the Levine Act.

EXEMPT FROM THE LEVINE ACT

☒ General policy and legislative actions

ALTERNATIVES

1. Direct staff to provide additional information.
2. Provide other direction.

PUBLIC NOTICING

Agenda posting and copies to the Mountain View Professional Firefighters, Local 1965 and the Police Officers Association.

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- Attachments:
1. Resolution—Fixing Employer Contribution for Employees and Retired Annuitants with Respect to Safety—Fire
 2. Resolution—Fixing Employer Contribution for Employees and Retired Annuitants with Respect to Safety—Police