



City Council Staff Report

Subject: Various Personnel Items

Date: August 26, 2025

Submitted By: Tameka Usher, Administrative Services Director

Department: Administrative Services - Human Resources

Recommendation:

- A. Adopt a Resolution of the City Council of the City of Rocklin Fixing the Employer Contribution Under the Public Employees' Medical and Hospital Care Act at an Equal Amount for Employees and Annuitants.
- B. Adopt a Resolution of the City Council of the City of Rocklin to Approve Amendments to the Rules, Regulations, Benefits, and Policies Related to Employee Relations Between the Management, Confidential, and Unrepresented Employees and the City and Repeal Resolution No. 2024-272.
- C. Adopt a Resolution of the City Council of the City of Rocklin Authorizing the City Manager to Overfill Allocated Positions within the Fire and Police Departments

Background:

CalPERS- Public Employees' Medical and Hospital Care Act

The City participates in the CalPERS medical program, which is governed under Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (PEMHCA). Among other requirements, PEMHCA mandates equal contribution for active employees and retirees.

Staff has conducted extensive research on ways to improve medical benefits for active employees and to reduce financial exposure associated with retiree medical costs. The City is in the process of negotiating a second tier for retiree medical contributions for all employee groups. The new second tier would only apply to new hires as of a specific date to be determined and would not affect current employees or retirees. Staff therefore recommends that the City transition the health contribution from the current \$1,200 per month contribution to the PEMHCA minimum contribution. Transitioning to the PEMHCA minimum, currently \$158 per month and moving to \$162 per month in the 2026 benefit year, will give the City the flexibility to increase the medical contribution (up to 100% of the Kaiser Employee + one premium) into a cafeteria plan for active employees without affecting the contribution to retirees.

Government Code Section 22892(a) requires that the City Council approve any change to the employer contribution amount through a resolution. Currently, only two groups, Management and Confidential, and Fire, will be transitioning to the PEMHCA minimum. Fire approved the change as part of the 2025-2028 Memorandum Of Understanding, approved by the City Council on August 12, 2025.

Management and Confidential, and Other Unrepresented Employees Resolution

The Rules, Regulations, Benefits, and Policies Relating to Employee Relations between the City of Rocklin and the Rocklin Management, Confidential, and Unrepresented Employees was last revised on December 10, 2024 by Resolution No. 2024-272. At this time, staff recommends revisions to the resolution.

The following changes have a fiscal impact:

- As part of the transition to the PEMHCA minimum, effective January 1, 2026, the City will contribute 100% of the 2026 Kaiser Employee +1 medical premium. Estimated maximum cost is \$567,500 over the next two fiscal years, assuming that all employees select an equivalent cost medical plan.
- Effective September 6, 2025, increasing the health opt-out incentive to \$350 for employees only and \$325 for employees + one and family. Employees are only eligible if they do not select a City medical plan and show proof of other equivalent medical coverage. Estimated cost is: \$16,200 over the next two fiscal years.
- Effective September 6, 2025, adding a Paramedic pay incentive of \$650 per month and an Emergency Medical Technician pay incentive of \$100 per month. Estimated cost is \$28,420 over the next two fiscal years.

Other recommended revisions, expected to have little or no direct cost impact, include but are not limited to:

- Updated the Confidential and Management positions lists.
- Revised Management Leave to allow up to one-half (1/2) of any unused management leave based on the employees accrual rate to be cashed out at the end of each calendar year.
- Removed references to Salary Schedules A and B, as the City now maintains a single salary schedule for Management and Confidential.
- Minor, non-substantive “housekeeping” language changes.

Overfill Authorization

As the City's public safety departments face staffing challenges related to retirements, extended industrial medical leaves, and lengthy recruitment timeframes, additional operational flexibility is needed to ensure uninterrupted delivery of critical services. To address this need, staff recommends the City Council adopt a resolution providing the City Manager with the authority to temporarily overfill position allocations within the Police and Fire Departments, subject to defined conditions and safeguards.

Fiscal Impact:

The total estimated fiscal impact of the staff recommendation is \$612,120 over the next two fiscal years. Sufficient funds are available in the Fiscal Years 2025/26 and 2026/27 Operating Budgets.

ATTACHMENTS:

1. Resolution A
2. Resolution B
3. Resolution B Exhibit A - Management and Confidential, other Unrepresented Employees Resolution
4. Management, Confidential, and other Unrepresented Employees Resolution - Redline
5. Resolution C