

TO: Thomas Frutchey, City Manager
FROM: Meg Williamson, Assistant City Manager
SUBJECT: Elected Officials – Modification to Defined Health Benefit
DATE: May 3, 2016

NEEDS: For the City Council to authorize a modification to the monthly defined medical contribution for Elected Officials.

FACTS:

1. The Mayor, City Councilmembers, City Treasurer and Elected City Clerk (“Elected Officials”) receive a monthly stipend and benefits that are set by resolution. Group health benefits received include: medical, dental, and vision coverage.
2. When City employee groups converted to the lower cost CalPERS Health Plan in January 2015, the medical coverage and benefit for Elected Officials also changed. The Elected Officials’ defined monthly contribution (aka “insurance allowance”) from the City was set at the same level as the Service Employee International Union (SEIU) employee group.
3. The SEIU group’s monthly defined medical contribution is being modified as part of an MOU being adopted in another item on this agenda.
4. The Elected Officials’ monthly defined medical contribution is recommended to keep parity with the SEIU’s monthly defined contribution.

ANALYSIS &

CONCLUSION: The City Council dedicates a significant amount of time to serve the community in matters of City policy and general governance. The elected City Treasurer and City Clerk likewise spend significant time in serving the public interest. In recognition of that time and service, these Elected Officials receive a modest compensation package that consists of a monthly pay stipend, enrollment in the City’s group medical, dental and vision insurance plans, and a monthly allowance to be used towards medical insurance premiums. The Elected Officials’ defined medical contribution was benchmarked to SEIU in 2015 and is suggested to be modified at this time to keep parity.

POLICY

REFERENCE: City Council Policies and Procedures; Resolution 14-101 establishing a defined health benefit amount for Elected Officials.

FISCAL

IMPACT: The annual cost of increasing the monthly defined medical contribution for Elected Officials is \$5820. That cost is based on the current status of coverage utilized by Elected Officials, which could change up or down in the future.

- OPTIONS:**
- a) Adopt Resolution 16-XXX modifying the monthly defined medical contribution for Elected Officials.
 - b) Amend or modify the above option.
 - c) Take no action.

Attachments:

1. Resolution 16-XXX modifying the defined medical contribution for Elected Officials

RESOLUTION NO. 16 -XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF EL PASO DE ROBLES MODIFYING THE DEFINED HEALTH
BENEFIT FOR ELECTED OFFICIALS

WHEREAS, the Mayor, City Councilmembers, City Treasurer and elected City Clerk receive a monthly stipend and benefits that are set by resolution, and those benefits received include: medical, dental and vision coverage; and

WHEREAS, when City employee groups converted to the lower cost CalPERS Health Plan in January 2015, the medical coverage and benefit for Elected Officials also changed; and

WHEREAS, the defined monthly contribution for Elected Officials was set at the same level as the Service Employee International Union (SEIU) employee group; and

WHEREAS, the SEIU group's monthly defined medical contribution is being modified; and

WHEREAS, the City Council dedicates a significant amount of time to serve the community in matters of City policy and general governance, as does the Treasurer and elected City Clerk.

NOW, THEREFORE, LET IT BE RESOLVED by the City Council of the City of El Paso de Robles that the defined medical contribution for Elected Officials shall be modified as shown in the attached Exhibit A.

PASSED AND ADOPTED by the City Council of the City of El Paso de Robles this 3rd day of May 2016 by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Mayor Steven W. Martin

ATTEST:

Kristen L Buxkemper, Deputy City Clerk

EXHIBIT A

MEDICAL CONTRIBUTION
FOR CITY OF PASO ROBLES
ELECTED OFFICIALS

Effective January 1, 2016.

An Elected Official will have the choice of available plans offered by CalPERS. The City will pay up to the following total monthly amounts for selected plans.

Elected Official only	\$638
Elected Official +1	\$1,227
Elected Official +2	\$1,600

An Elected Official providing evidence of other medical insurance coverage and opting out of CalPERS medical coverage will receive a cash payment of \$300 per month.