



Legislation Text

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Report to Mayor and City Council

Tuesday, December 05, 2023

Consent

SUBJECT:

CONSIDER RESOLUTION NOS. 23-171 AND 23-197 INCREASING THE EMPLOYEE AND RETIREE BENEFITS ALLOWANCES (CITY COUNCIL)

I. SUMMARY

To continue to offer City of Carson employees and retirees superior and premium benefits, the City is seeking to increase the Full-time employee and retiree benefit monthly allowance to the Region 3 Kaiser family plan rate as specified and agreed upon in the Memorandum of Understanding's (MOUs). This plan traditionally has the highest enrollment of City employees.

II. RECOMMENDATION

1. APPROVE Resolution No. 23-171, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, FIXING THE EMPLOYER CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT AT AN EQUAL AMOUNT FOR EMPLOYEES."
2. APPROVE Resolution No. 23-197, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, FIXING THE EMPLOYER CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT AT AN EQUAL AMOUNT FOR ANNUITANTS."

III. ALTERNATIVES

Take any action other City Council deems appropriate.

IV. BACKGROUND

The City of Carson provides an excellent benefits package for its full-time employees and retirees. For full-time employees, this includes dental, medical, vision, supplemental life insurance, deferred compensation, and many others. City of Carson retirees also have great benefits which includes medical and other benefits. Part-time employees are also afforded certain benefits as well.

The City is very fortunate to be able to offer a monthly benefit allowance to full-time employees to offset the cost to their premiums. The same allowance is offered to the City's retirees. An allowance is also available for Part-time employees.

On July 19, 2022, City Council approved an increase to the allowance, to the Region 3 Kaiser Family Plan rate as agreed to in the Memorandums of Understanding going forward.

The employer contribution for each employee or annuitant shall be maintained at the Region 3 Kaiser Family Plan rate for full-time employees and retired annuitants.

The Region 3 Kaiser Family Plan rate for 2024 is increasing from \$1,968.34 to \$2,257.27.

Also, the minimum allowance that the City offers to our PERS benefited part-time employees with eight years of service is \$471 per month for 2024. There are currently five part-time employees enrolled in this benefit.

In addition, the minimum allowance for PERS benefited part-time employees (with less than eight years of service) is \$157 per month for 2024. There are currently no employees enrolled in this benefit.

Approval of this resolution is necessary for California Public Employee Retirement System (CalPERS) reporting.

V. FISCAL IMPACT

The medical allowance increase of \$471 per month as of January 1, 2024 for full-time employees is \$559,104.

Any budget amendments will be addressed at Mid-Year, which will be the second meeting in February of 2024.

Medical premiums are often predictable, but they can also be unpredictable as well. The typical increase between said years is between 6% to 10%.

VI. EXHIBITS

1. Resolution No. 23-171

2. Resolution No. 23-197

1.

Prepared by: Tracey Curry, Human Resources Manager