

City of Lathrop

City Councilmember Health Benefits

MARCH 25, 2024

ITEM #2.6





Overview

Currently, City Councilmembers have the option of purchasing health benefits through the City at their own cost.

California Government Code Section 36516(4)(d) allows cities to pay health and welfare costs for Councilmembers, provided that the same benefits are available and paid by the City for its non-safety employees.

- The City currently pays up to a maximum of \$30,300 for its two non-safety Contract/ Appointed Employees for calendar year 2024 (\$2,525 per month) for health benefits.
- Any amount over the City maximum is paid directly by the employee.

Tonight's agenda item gives Council the option of authorizing a resolution providing City paid health benefits to Councilmembers. Including the authority to seek a Dental and Vision Plan for the Council



Background

In 2001, Council authorized Resolution 01-1127 that provided City Councilmember's the option to pay for City health benefits on a voluntary basis with the entire cost to be paid by the individual Councilmember.

Many cities in our area pay benefits for their Councils.

- Councilmembers in Ceres, Lodi, Manteca, Tracy and Ripon have the option of City paid health benefits.
- California Government Code Section 36516(4)(d) allows the City to offer City paid benefits to Councilmembers with the approval of a Resolution by the Council.



Contribution Costs and Plan Rates

	Medical Kaiser HMO	City Dental Plan*	City Vision Plan*
Family	\$2,655.67	\$209.39	\$26.15
Employee +1	\$2,042.82	\$143.20	\$16.70
Employee	\$1,021.41	\$62.71	\$7.97

The most commonly used medical plan (Kaiser HMO) was used in example. Other HMO and PPO plans are available at higher and lower costs.

Resolution 01-1127 authorized participation in the City’s health benefits program by individual Council members on an entirely voluntary basis.

*Current underwritten City Dental and Vision Plan’s do not include elected officials. Staff will research options available for Dental and Vision plans.



Council Action

- Approve Resolution Authorizing City Paid Health Benefits to City Councilmembers and the following General Fund Budget Amendment:
 - Fiscal Year 23/24 – Option A or B
 - A. At rate for Non-Contract EE \$29,865 (at \$1,991/ month)
 - B. At rate for Contract EE up to \$37,875 (at \$2,525/ month)
 - Fiscal Year 24/25 – Option A or B
 - A. At rate for Non-Contract EE \$122,730 (at \$1,991/ month)
 - B. At rate for Contract EE up to \$155,670 (at \$2,525/ month)